

No. Satin/NCD/20-21/60 cr/001
Addressed to: Japan ASEAN Women Empowerment Fund

INFORMATION MEMORANDUM

SATIN CREDITCARE NETWORK LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: October 16, 1990

Registered Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex,
New Delhi – 110033

Telephone No.: +91-11 4754 5000;

Website: www.satincreditcare.com

Information Memorandum for issue of Debentures on a private placement basis

Dated: October 22, 2020

Issue of 600 (Six Hundred) Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 60,00,00,000/- (Rupees Sixty Crores only) on a private placement basis (the “Issue”).

Background

This Information Memorandum is related to the Debentures to be issued by Satin Creditcare Network Limited (the “**Issuer**” or “**Company**”) on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on August 05, 2020 and the Board of Directors of the Issuer on May 15, 2020 and June 15, 2020 read together with the resolution passed by the Working Committee of the Board of Directors on October 14, 2020 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s shareholders dated August 05, 2020 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to borrow and raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 5000,00,00,000/- (Rupees Five Thousand Crores only). The present issue of Debentures in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by CARE Ratings Limited (“**Rating Agency**”) The Rating Agency has vide its letter and rating rationale dated September 28, 2020 assigned a rating of “CARE A-” (pronounced as “CARE A Minus”) with ‘stable’ outlook in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to **Annexure II** of this Information Memorandum for the letter and rating rationale dated September 28, 2020 from the Rating Agency assigning the credit rating abovementioned.

Issue Schedule

Issue Opening on: October 22, 2020

Issue Closing on: October 22, 2020

Deemed Date of Allotment: October 23, 2020

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market of BSE Limited / Bombay Stock Exchange (“BSE”).

Debenture Trustee	Registrar and Transfer Agent
 Catalyst Trusteeship Limited Address: Windsor, 06 th Floor Office No. 604, C.S.T Road, Kalina, Santacruz (East) Mumbai - 400098 Tel: 022-49220555 Fax: +91 (022) 49220505 Email: Suhani.merchant@ctltrustee.com Contact Person: Ms. Suhani Merchant	 KFin Technologies Private Limited Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad-500 032. Contact Person: Mr S P Venugopal Tel: (040) 6716 2222 Fax: 040-23420814 Email: venu.sp@kfintech.com ; cinwar.ris@kfintech.com Website: www.kfintech.com

TABLE OF CONTENTS

SECTION 1:	DEFINITIONS AND ABBREVIATIONS	4
SECTION 2:	NOTICE TO INVESTORS AND DISCLAIMERS	8
SECTION 3:	RISK FACTORS	11
SECTION 4:	FINANCIAL STATEMENTS	17
SECTION 5:	REGULATORY DISCLOSURES	18
SECTION 6:	DISCLOSURES PERTAINING TO WILFUL DEFAULT	70
SECTION 7:	TRANSACTION DOCUMENTS AND KEY TERMS	71
SECTION 8:	OTHER INFORMATION AND APPLICATION PROCESS	88
SECTION 9:	DECLARATION	98
ANNEXURE I:	TERM SHEET	99
ANNEXURE II:	RATING LETTER FROM THE RATING AGENCY	100
ANNEXURE III:	CONSENT LETTER FROM THE DEBENTURE TRUSTEE	115
ANNEXURE IV:	APPLICATION FORM	117
ANNEXURE V:	LAST AUDITED FINANCIAL STATEMENTS	120
ANNEXURE VI:	ILLUSTRATION OF BOND CASH FLOWS	156
ANNEXURE VII:	CERTIFIED COPY OF SHAREHOLDERS RESOLUTIONS	157
ANNEXURE VIII:	BOARD RESOLUTIONS AND WORKING COMMITTEE RESOLUTION	161

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Application Form	The form used by the recipient of this Information Memorandum, to apply for subscription to the Debentures, which is in the form annexed to this Information Memorandum and marked as Annexure IV .
Board / Board of Directors	The Board of Directors of the Issuer.
Business Day	Any day of the week (excluding Saturdays, Sundays, and any day which is a public holiday) on which banks are normally open for business in Mumbai, India, and New York, United States of America and “ Business Days ” shall be construed accordingly.
CDSL	Central Depository Services (India) Limited.
Client Loan	Shall mean each loan made by the Company as a lender.
Company/Issuer	Satin Creditcare Network Limited
Crore	Ten Million
Debentures/NCDs	600 (Six Hundred) Secured, Rated, Listed, Redeemable, Non-convertible Debentures bearing a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating to Rs. 60,00,00,000/- (Rupee Sixty Crores only).
Debenture Holders / Investors	The holders of the Debentures issued by the Issuer, which shall include the registered transferees of the Debentures from time to time.
Debenture Trustee	Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement executed / to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed	Shall mean the trust deed executed / to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer
Deed of Hypothecation	The unattested deed of hypothecation to be executed by and between the Issuer and the Debenture Trustee, pursuant to which hypothecation over the Hypothecated Property shall be created by the Issuer in favour of the Debenture Trustee (acting for and on behalf of the Debenture Holders).
Deemed Date of Allotment	October 23, 2020
Demat	Dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.

Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.
Due Date	Any date on which the holders of the Debentures are entitled to any payments whether on maturity or otherwise prior to the scheduled Redemption Date or upon acceleration.
EBP Guidelines	The guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI Circular dated January 5, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/05) read with the SEBI Circular dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122) and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
Electronic Book Provider / EBP	shall have the meaning assigned to such term under the EBP Guidelines.
EBP Platform	has the meaning given to it under the EBP Guidelines.
EFT	Electronic Fund Transfer
Eligible Investors	Shall have the meaning specified in 8.14 below.
Final Settlement Date	Shall mean the date on which the Payments (as defined in the Debenture Trust Deed) have been irrevocably discharged in full and/or the Debentures have been redeemed by the Company in full in accordance with the terms of the Transaction Documents
Financial Indebtedness	Shall mean any indebtedness for or in respect of: <ul style="list-style-type: none"> (a) monies borrowed; (b) any amount availed of by acceptance of any credit facility; (c) any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables sold in the ordinary course of business or to the extent that they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (i) the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; (j) any put option, guarantees, keep fit letter(s), letter of comfort, etc. by whatever name called, which gives or may give rise to any financial obligation(s);

	<p>(k) any preference shares (excluding any compulsorily convertible preference shares); or</p> <p>(l) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above;</p>
Financial Year/ FY	Twelve months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year
ICCL	Indian Clearing Corporation Limited.
IND AS	shall mean the Indian generally accepted accounting principles issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with any pronouncements issued under applicable law thereon from time to time and applied on a consistent basis by the Company.
Governmental Authority	The President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by applicable law and any court, tribunal or other judicial or quasi-judicial body and shall include, without limitation, a stock exchange and any regulatory body.
Hypothecated Property	All the right, title, interest, benefit, claims and demands of the Issuer, in, to, or in respect of the receivables arising out of rupee loan facilities advanced / to be advanced by the Issuer to any person and charged under the terms of this Issue.
Increased Costs	It shall include any fees or costs incurred by the Debenture Holder(s) to enable subscription to this Issue, including but not limited to, all such costs arising out of the termination or liquidation of any swaps or hedging arrangement entered into by the Debenture Holder(s) to enable subscription to this Issue.
Issue	Private Placement of the Debentures.
Issue Closing Date	October 22, 2020
Issue Opening Date	October 22, 2020
MFI	Micro Finance Institution
Majority Debenture Holders	Debenture Holders whose participation or share in the principal amount(s) outstanding with respect to the Debentures aggregate to 100% (One Hundred Percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Maturity Date	April 23, 2024, or such other date on which the final payment of the principal amount of the Debentures becomes due and payable as therein or herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
Material Adverse Effect	The effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer; (ii) the ability of the Issuer to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Net Income	For any particular period and with respect to the Issuer, all revenue (including donations and grants) less all expenses (including taxes, if any for such period).
N.A.	Not Applicable
NBFC	Non-banking financial company

NBFC-MFI	Non-Banking Financial Company –Micro Finance Institution
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
Private Placement Offer cum Application Letter	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Rating Agency	CARE Ratings Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its registered office at 4th Floor, Godrej Coliseum, Somaiya, Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
RBI	Reserve Bank of India.
RBI NBFC-MFI Master Directions, 2016	Shall mean the Reserve Bank of India Master Directions dated September 1, 2016 bearing reference no. DNBR.PD.008/03.10.119/2016-17 on 'Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.
Register of Debenture Holders	The register maintained by the Company containing the name of Debenture holders entitled to receive Coupon/ Redemption Amount in respect of the Debentures on the Record Date, which shall be maintained at the Registered Office of the Company.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Kfin Technologies Private Limited
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
Security	The security for the Debentures as specified in Section 5.23 hereto.
Security Cover	The aggregate value of all the Hypothecated Property which is to be maintained by the Company, on and from the Deemed Date of Allotment till the Maturity Date, at an amount no less than 1 (One) times the aggregate of the outstanding principal amount and the Coupon amount outstanding of the Debentures.
TDS	Tax Deducted at Source.
The Companies Act/ the Act	The Companies Act, 1956 as amended from time to time and to the extent repealed and replaced, by the Companies Act, 2013 shall mean the Companies Act, 2013 and the relevant rules issued thereunder.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in SECTION 7:.
WDM	Wholesale Debt Market segment of the BSE
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time .

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum to be filed or submitted to the SEBI for its review and/or approval. This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer cum Application Letter are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum, the Private Placement Offer cum Application Letter and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer cum Application Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum and/or the Private Placement Offer cum Application Letter being issued have been

sent. Any application by a person to whom the Information Memorandum and/or the Private Placement Offer cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum and/or the Private Placement Offer cum Application Letter shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum and/or the Private Placement Offer cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum and/or the Private Placement Offer cum Application Letter decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and/or the Private Placement Offer cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum and/or the Private Placement Offer cum Application Letter to reflect subsequent events after the date of Information Memorandum and/or the Private Placement Offer cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum and/or the Private Placement Offer cum Application Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum and/or the Private Placement Offer cum Application Letter comes are required to inform themselves of, and to observe, any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled “Eligible Investors” of this Information Memorandum, who shall be/have been identified upfront by the Issuer. This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at New Delhi, India. This Information Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Information Memorandum and/or the Private Placement Offer cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential Investors should also read the detailed information set out elsewhere in this Information Memorandum and/or the Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

3.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBENTURES.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

3.6 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

3.7 SECURITY MAY BE INSUFFICIENT TO REDEEM THE DEBENTURES

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such secured property, (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

3.8 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.9 LEGALITY OF PURCHASE

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

3.10 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- (a) ***Majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

A majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high-risk category. There is uncertainty on the client's ability to fulfil its loan obligations as MFI clients typically do not have bank accounts or proper income proof verification so it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact our results of operations.

The Issuer has various procedures and process controls in place to mitigate the risk. All group lending loans are provided under the Grameen Model and based on the joint liability of the group.

As at June 30, 2020, the gross NPA was Rs.173.54 Crore on a gross portfolio of Rs. 7,180.55 Crores (including managed / securitized portfolio of Rs.2,527.99 Crores).

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of the impaired loans in its total loan portfolio. The amount of the Issuer's reported non-performing loans

may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control, such as over-extended member credit that we are unaware of. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.

The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations. The Issuer's members largely belong to low-income segment and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer's monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

(b) ***Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.***

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the microfinance, banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract, retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(c) ***Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud.***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated

systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

(d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

On November 8, 2016, the Central Government exercising its powers under section 26(2) of the Reserve Bank of India Act, 1934, issued a notification wherein the erstwhile valid bank notes in denominations of Rs. 500 and Rs. 1000 have, since then, ceased to be legal tender. Pursuant to the same, RBI, vide Circular dated November 21, 2016 (RBI Circular No. DBR.No.BP.BC.37/21.04.048/2016-17), has provided an additional period of 60 (Sixty) days to the underlying borrowers to repay their existing dues thereby deferring the classification of an existing stressed standard account as non-performing asset, if the payments in such accounts are due between 1 November and December 31, 2016. Even though the circular clarifies that this is a short-term deferment of classification as substandard due to delay in payment of dues arising during the period specified above and that it does not result in restructuring of the loans, the move to demonetize higher value currency is likely to cause delay in repayments, causing an increase in overdues for NBFC- MFIs for the time being.

(e) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

(f) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful

assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

- (g) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (circular dated August 3, 2012 and NBFC-MFI Directions) the Issuer is required to maintain its status as a NBFC-MFI in order to be eligible for categorization as priority sector advance for bank loans. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC-MFI. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC-MFI that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the NBFC-MFI Directions and the RBI NBFC-MFI Master Directions, 2016 and fails to maintain the status of NBFC-MFI, it will not be eligible for priority sector loans from the Indian banking sector and may also attract penal provisions under the RBI Act, 1934 for non-compliance.

- (h) ***The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk.***

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and we have experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services. Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

- (i) ***Loans due within two years account for almost all of the Issuer's interest income, and a significant reduction in short term loans may result in a corresponding decrease in its interest income.***

All of the loans the Issuer issues are due within approximately two years of disbursement. The relatively short-term nature of the Issuer's loans means that the Issuer's long-term interest income stream is less certain than if a portion of its loans were for a longer term. In addition, the Issuer's customers may not obtain new loans from the Issuer upon maturity of their existing loans, particularly if competition increases. The potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.

The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset has increased from one year to two year which has provided stability to the portfolio and interest income and has also smoothened operating expense.

- (j) ***Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operation.***

The Issuer is subject to the RBI minimum capital to risk weighted assets ratio regulations. Pursuant to Section 45–IC of the RBI Act, 1934 every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20.0% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% in relation to aggregate risk- weighted assets and risk adjusted assigned loans.

The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended 31st March 2020 are set out in **Annexure V** hereto.

SECTION 5: REGULATORY DISCLOSURES

The Information Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the BSE:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on August 05, 2020 authorising the Company to borrow, upon such terms as the Board may think fit by issuance of non-convertible debentures for any amount not exceeding INR 5000,00,00,000/- (Rupees Five Thousand Crore), together with certified true copies of the resolutions dated July 6, 2019 of the Company under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 passed at its Annual General Meeting;
- (e) Copy of the resolution passed by the Board of Directors of the Company on May 15, 2020 and June 15, 2020 read together with the resolution passed by the Working Committee of the Board of Directors on October 14, 2020, authorizing the issuance of the Debentures and the list of authorized signatories;
- (f) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed, within 5 (five) working days of execution of the same.
- (g) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained; and
- (h) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (e) An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009/ Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual results. Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.

5.3 Name and Address of Registered Office of the Issuer

Name of the Issuer:	Satin Creditcare Network Limited
Registered Office of Issuer:	5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi - 110033.
Corporate Office of Issuer:	Floor 1 & 3, Plot No.97, Sector-44, Gurugram-122003, Haryana
Compliance Officer of Issuer:	Mr. Adhish Swaroop
CFO of Issuer:	Mr Krishan Gopal
Registration Number:	B-14.01394
Corporate Identification Number:	L65991DL1990PLC041796
Phone No.:	+91 – 124 – 4715400
Fax No.:	-
Contact Person:	Mr. Adhish Swaroop
Email:	secretarial@satincreditcare.com
Website of Issuer:	www.satincreditcare.com
Auditors of the Issuer:	M/s Walker Chandiok & Co. LLP L-41, Connaught Circus, New Delhi- 110001
Trustee to the Issue:	Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited), GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411 038
Registrar to the Issuer:	Kfin Technologies Private Limited, Selenium, Tower B, Plot No- 31 & 32, Financial District Nanakramguda, Serilingampally Hyderabad Rangareddi TG 500032
Credit Rating Agency:	CARE Ratings Limited, 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

5.4 A brief summary of business / activities of the Issuer and its line of business:

(a) Overview

The Issuer was incorporated in October 1990 (original name of the company was Satin Leasing & Finance Private Limited) as an NBFC. It started operations with the objective of providing 'doorstep' credit and savings services to shopkeepers and petty traders in the market places of Delhi. It converted into a public company in 1994 and had its IPO (Initial Public Offering) in June 1996 with shares listed on Delhi, Jaipur and Ludhiana stock exchanges. Currently all said stock exchanges are derecognized by SEBI. However, company got listing approval of Calcutta Stock Exchange (CSE). SCNL has successfully listed its shares on the National Stock Exchange (NSE) in August 2015 and the Bombay Stock Exchange (BSE) in October 2015.

Headquartered in New Delhi, the Issuer is now a leading microfinance institution that is poised to meet the demands of India's low-income individuals. In May 2008, the Issuer launched a group lending microfinance vertical based on the Grameen Model. The Issuer provides prompt, convenient and affordable credit to low income individuals in its areas of operation. The urban small business lending operation serves individuals in the informal sector involved in microenterprises or small and medium-sized businesses regardless of gender. However, the group lending operation focuses solely on women through a joint liability loan product that allows them to start new businesses or grow existing businesses. Satin operates in 23 states, i.e., Uttar Pradesh, Bihar, Punjab, Assam, West Bengal, Madhya Pradesh, Rajasthan, Orissa, Tamil Nadu, Haryana, Delhi & NCR, Jharkhand, Uttarakhand, Chhattisgarh, Gujarat, Tripura, Maharashtra, Karnataka, Pondicherry, Meghalaya, Jammu & Kashmir, Himachal Pradesh and Sikkim.

Besides the promoters and public shareholders, the Issuer's other key shareholders comprise of ShoreCap II Limited, Danish Microfinance Partners K/S, M V Mauritius Limited, Norwegian Microfinance Initiative and SBI FMO Emerging Asia Financial Sector Fund Pte Ltd. The institutional investors of the Issuer have a proven commitment to, and track record in providing growth capital for building companies engaged in the development sector. CARE has assigned the MFI grading of the Issuer at "MFI 1+" as of 2nd November 2018. The grading is valid till 2nd November 2019 and shows the Issuer's improved ability to manage its microfinance operations. Additionally, CARE has re-affirmed the long term bank facilities rating of the Issuer to A- on 2nd July 2019. The Issuer's founder Mr. H P Singh had the idea of financing portable generator sets to shopkeepers on credit while working as the internal auditor of the Sriram Honda Company in 1988. He soon realized that daily instalments were more convenient than monthly instalments for small shopkeepers and accordingly made daily instalments the basis of his business model when he started the Company. The Company presently provides weekly, fortnightly and monthly repayment option to its borrowers/clients. The Company commenced operations in East Delhi, which was widely considered one of the most difficult territories in Delhi for providing financial services. The Company soon expanded its area of operations to cover the entire city of Delhi. The Company expanded into rural areas through "Grameen Model" from May 2008 and at present majority of the operations is through joint liability lending in rural / semi urban area.

Mr. Singh is a law graduate and a fellow of The Institute of Chartered Accountants of India. He has over two decades of microfinance experience and has pioneered the unique concept of daily collection of repayments of loans. He has experience in the field of auditing, accounts, project financing, advisory services and company law matters. Mr. Singh is actively involved in the Issuer's day-to-day operations and has been a vital source of inspiration since the company's inception in 1990. Under Mr. Singh's leadership, Satin has grown into one of the leading microfinance institutions in North India and continues to expand its operations. He has participated in HBS Accion Program on Strategic Leadership for Microfinance.

Subsidiaries:

Taraashna Financial Services Limited:

Taraashna is a company incorporated under the provisions of the Companies Act, 1956. Taraashna started its journey in June 2012 (incorporated on 22nd May 2012), it became the subsidiary company of Satin Creditcare Network Ltd. w.e.f. 01st September 2016 and further become wholly owned subsidiary w.e.f. July 27, 2018. Taraashna is an intermediary for promoting financial inclusion in the country. Taraashna facilitates access to finance by providing credit and saving facilities to the unbanked clients in India.

Satin Housing Finance Limited:

In April 2017, the Company has incorporated a wholly owned subsidiary in the name of M/s Satin Housing Finance Limited ("SHFL") with Authorised Capital of Rs. 80,00,00,000/- (Rupees Eighty Crores only) and paid up Equity share Capital of Rs. 80,00,00,000/- (Rupees Eighty Crores only) with the objective of balancing the risks of your Company by diversification into secured lending and also by diversification of its portfolio from purely rural towards rural / semi urban and urban markets. The Company's foray into the housing finance segment will enable the Company to have a diversified customer base and is in line with the Company's strategy to diversify into other financial products. The Company's entry into this new business segment and focus on affordable housing will provide another growth engine that will contribute towards the growth of the enterprise as a whole.

Satin Finserv Limited:

Satin Finserv Limited is 100% wholly owned subsidiary of Satin Creditcare Network Limited, incorporated in August, 2018 and got licence from RBI having registration no. N. 14. 03461 to commence business as Non-Banking Financial Company in January 2019. Currently its Authorised Share Capital is Rs. 103 crore and its paid up share capital is 102.50 crore. Satin Finserv Limited offer business loans to individuals, micro small and medium enterprises (SME) and other corporate setups.

Industry Overview

Indian microfinance now has 70 million borrower accounts, by-far the largest in any country across the world. Over the last year Indian microfinance institutions that are organised as NBFC-MFIs and operating in remote rural areas of India have emerged as effective financial intermediaries offering an alternative to the inaccessible formal financial institutions. Most of them who received funding and growth capital from banks, have demonstrated commendable scale, sustainability and impact.

Many NBFC-MFIs have received a good quantum of capital in FY 2014 in the form of both debt and equity. Almost all NBFC-MFIs (less than INR 1000 crores of assets under management) have been consistent in their growth, maintaining excellent portfolio quality in FY 2015.

As a result of a crisis in the MFI industry on October 2010 in the southern state of Andhra Pradesh, the RBI set up a committee to study issues and concerns in the MFI sector, which provided the Malegam Committee Report. The Malegam Committee Report has made various operational and financial recommendations on the microfinance sector that may have negative implications on the operating and financial performance of MFIs including the Issuer. Some of the recommendations made include:

- i. Increase in regulatory restrictions on a NBFC-MFI (minimum net worth, establishing client protection codes, increase in information technology systems and corporate governance, maintenance of solvency and penalty on MFI for non-compliance);
- ii. State level legislations to be enacted for regulation of MFIs; Maximum indebtedness of an individual borrower;
- iii. Maximum annual income of a household qualifying for a loan from an NBFC-MFI;
- iv. Maximum number of loans to an individual borrower;
- v. Restrictions on the end usage of the loan for income generating purposes; and
- vi. Maximum interest rate and maximum margin over cost of funds, maximum processing fees.

Most of the recommendations made under the Malegam Committee Report in January 2011 have been accepted by RBI and the RBI has issued circular dated July 20, 2012 to banks stating that bank loans to micro finance sector will be eligible for categorization as priority sector advance if they meet the eligibility criteria's set out in the said circular and has created a new category of NBFCs called the Non-Banking Financial Company-Micro Finance Institution (the NBFC-MFIs). The directions issued by the RBI on August 3, 2012 have been incorporated and now form part of the NBFC-MFI Directions. The NBFC-MFI Directions have been further modified on April 08, 2015

All non-deposit taking NBFCs (other than a company licensed under Section 25 of the Indian Company Act, 1956) that has not less than 85% of its net assets in the nature of —qualifying assets and has a minimum net owned funds of Rs. 5 Crores other than the ones registered in north eastern region of the country for which net owned fund requirement stands at Rs. 2 Crores. The existing NBFCs to be classified as NBFC-MFIs will be required to comply with the NBFC-MFI Direction w.e.f. April 01, 2012. Existing NBFCs with asset size of more than Rs. 100 Crores are required to maintain a minimum CRAR of 15% from Dec 2, 2011 onwards. Some of the key requirements of the NBFC-MFI Directions and subsequent modifications which the Issuer is required to comply with which will affect the business operations of the Issuer, which are:

- i. All registered NBFCs intending to convert to NBFC-MFI must seek registration with immediate effect and in any case not later than October 31, 2012, subject to the condition that they shall maintain Net Owned Funds (NOF) at Rs.3 Crores by March 31, 2013 and at Rs.5 Crores by March 31, 2014, failing which they must ensure that lending to the Microfinance sector i.e. individuals, SHGs or JLGs which qualify for loans from MFIs, will be restricted to 10 per cent of the total assets.
- ii. NBFC-MFIs are required to maintain not less than 85 per cent of their net assets as Qualifying Assets. In view of the problems being faced by NBFCs in complying with these criteria on account of their existing portfolio, it has been decided that only the assets originated on or after January 1, 2012 will have to comply with the Qualifying Assets criteria. As a special dispensation, the existing assets as on January 1, 2012 will be reckoned towards meeting both the Qualifying Assets criteria as well as the Total Net Assets criteria.
- iii. Rate of interest on individual loans may exceed 26%, the maximum variance permitted for individual loans between the minimum and maximum interest rate cannot exceed 4 per cent.
- iv. Maintain margin cap of 10% for NBFC- MFIs with assets more than INR 100 Crores and 12% for NBFC-MFIs with assets less than INR 100 Crores
- v. NBFC-MFIs are also required to ensure that the aggregate amount of loans given for income generation is not less than 50 per cent of the total loans extended.
- vi. NBFIs MFIs will have to ensure compliance with, among others, conditions relating to annual household income levels Rs. 100,000/- for rural and Rs. 160,000/- for urban and semi urban households, total indebtedness not to exceed Rs. 100,000/- membership of SHG/JLG, borrowing sources as well as percentage of qualifying assets and percentage of income generating assets
- vii. Maintain fair practices in lending as stated in the NBFC-MFI Directions;
- viii. Ensure that it has a code of conduct and systems are in place for supervision of field staff such that non- coercive methods for recovery are used;
- ix. Ensure corporate governance norms are adopted and there is improvement in efficiency, information technologies etc.; and submit statutory auditors certificate with reference to the

position of the company as at end of the financial year ended March 31, every year which should also indicate that the company fulfils all conditions stipulated to be classified as NBFC-MFI.

(b) **Corporate Structure**

(i) **Vision and Mission:**

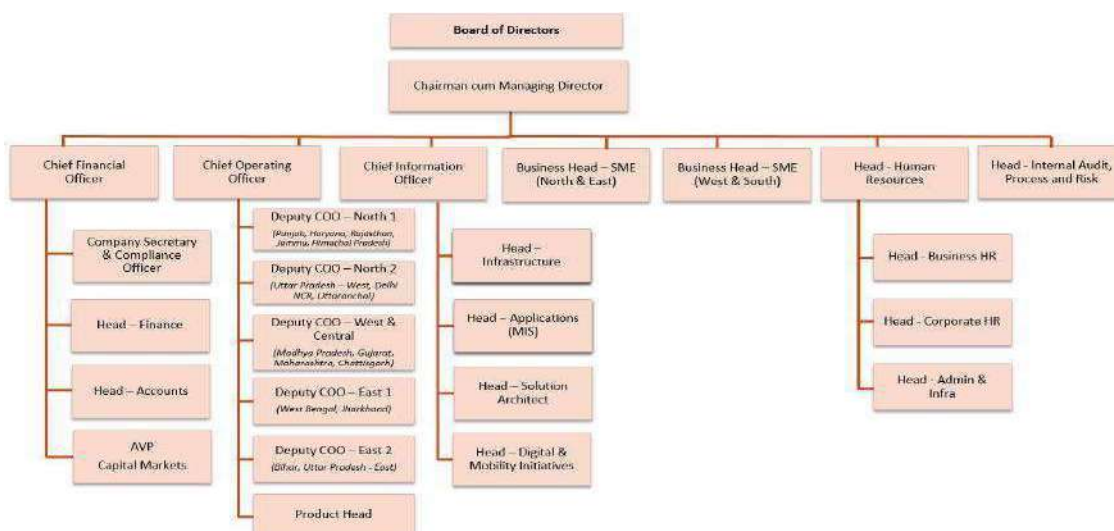
The Issuer's mission is: "Providing monetary access to financially excluded families to improve their economic and social capacity"

Vision: "Satin would like to provide easy doorstep service to its low-income customers who lack access to funds from other financial institutions at affordable rates within the least possible time. Satin would like to expand its operations throughout North India and the rest of the country in the long term".

(ii) **Current Corporate Status:**

The Issuer was incorporated as a private limited company and is currently registered as a NBFC-MFI with the RBI. The Issuer derives the following benefits of being registered as an NBFC-MFI:

- **Access to Funds:** Commercial lenders have greater comfort lending to a regulated NBFC with transparent ownership. As an Issuer, Satin can raise equity and offer commercial returns.
- **Diverse Funding Sources:** An NBFC can access commercial investors and international capital markets, diversifying away from donors or members as equity funders.
- **Commercialisation:** Classifying Satin as an NBFC increases its commercial credibility and integrates it and its clients into the formal financial sector which ultimately increases its outreach potential.
- **Mainstream Resources:** As a for-profit commercial NBFC, Satin will be more likely to attract mainstream capital resources which Societies or Trusts would find difficult to attract.
- **Regulatory Coverage:** As Satin grows in size, operating as an NBFC within the regulatory framework mitigates risks from political and regulatory intervention.
- **Stakeholder Involvement:** As an NBFC, Satin can bring a variety of stakeholders to the table, including clients, management, employees and investors.



(iii) **Brief Profile of the Board of Directors:**

S. No.	Name of the Directors	Designation	Profile
1	Mr. H P Singh	Chairman cum Managing Director	Mr. H P Singh is a law graduate and a fellow of The Institute of Chartered Accountants of India since 1984. He has over three decades of microfinance experience and pioneered the unique concept of daily collection of repayments of loans. Besides an expert in lending (especially microfinance) he has experience in the field of auditing, accounts, project financing, advisory services and company law matters. His financial engineering experience of almost three decades has helped the Company in operational strategy and efficiency. He is actively involved in SCNL's day-to-day operations and has been a vital source of inspiration since the Company's inception in 1990. Under his leadership, SCNL has grown into one of the leading microfinance institutions in North India and continues to expand its operations. He has participated in HBS Accion Program on Strategic Leadership for Microfinance in 2009 and leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011
2	Mr. Satvinder Singh	Promoter Director	Mr. Satvinder Singh serves as the Director of the Company. Mr. Singh has extensive consumer marketing and finance experience and has developed new methods of credit appraisal and marketing for SCNL. Mr. Singh is a management graduate and has been associated with the Satin since its inception in 1990 and acted as Managing Director of SCNL from September 1995 to February 2011
3	Mr. Rakesh Sachdeva	Independent Director	Mr. Rakesh Sachdeva joined SCNL's Board in April 1999. He previously served as Executive Director at SCNL and is now actively involved in evaluating the company's macro issues. Mr. Sachdeva is a Fellow of the Institute of Chartered Accountants of India and previously worked at Apollo Tyres Ltd. and was Vice President of Corporate Finance at U.K. Paints Group, controlling M/S Berger Paints (India) Ltd., Rajdoot Paints Ltd. and Malibu Estate Pvt. Ltd.
4	Mr. Sundeep Kumar Mehta	Independent Director	Mr. Sundeep Kumar Mehta joined the Board in 2013. He is a Science graduate from University of Rajasthan and also holds a Post graduate diploma in Business Administration from Annamalai University. Apart from these, he holds various other certificates, degrees and diplomas in the field of Cyber Law, History, Labour Laws, Auto Engg and Human resources. He has over 32 years of experience. Prior to joining SCNL, he has served RKJ group, Escorts Ltd, Panacea Biotech Ltd, Bata India Ltd, and also Eicher Good Earth Ltd at various high capacities.

5	Ms. Sangeeta Khorana	Independent Director	Ms. Sangeeta Khorana joined the board in August 2013. She is a former Indian Civil Services officer. She has a doctorate in International Economics from University of St. Gallen in Switzerland, and summa cum laude Masters' degrees from University of Berne, Switzerland and Allahabad, India. She has over 16 years of experience and has worked with the Indian government before moving to academic and consulting in Europe. She has published extensively in internationally ranked journals and has authored books and book chapters. Her expertise on international business is world recognised and she has been invited by the European Parliament and British media to provide expert comments on India related issues.
6	Mr. Colin Goh	Independent Director	Mr. Colin Goh was trained in Economics & Finance from Curtin University of Technology with a scholarship and an MBA in International Management from University of Technology, Sydney. Mr. Goh is currently the CEO of a newly incorporated not-for-profit organization, The Rice Company Limited. He is currently also the Strategic Business Advisor to M/S Project Innovations Pte Ltd, a company offering place management & Consultancy Services for under-performing properties in Singapore and around Asia. Mr. Goh stepped down after 10 years of service as CEO of "The Old Parliament House Limited" on March 26 th 2014, a not for profit organization incorporated by the National Arts Council Singapore to promote the practices of Building Creative Communities; Connecting Arts and Business Resources and Sustaining Arts Spaces. A strong advocate for sustainable social entrepreneurship, he designed a financial model for the company and managed to make it one of the few or only not for profit arts & culture organization in Singapore to accumulate a net surplus of over SGD\$1 million in its first full year of operation in 2004. Advocating that all organizations must develop a level of social awareness as a tenet to its business, he was instrumental in the setting up of The Business Times Budding Artists Fund in May 2005 to provide financial support for economically distanced children so that no child in Singapore will be denied an opportunity to be trained in the arts. Furthering this, he managed to convince likeminded individuals from Malaysia, Indonesia, The Philippines, India, China and Japan, to adopt the Budding Artists Fund and together pledged to support the setting up of The Budding Artists Fund, Asia (an extension of the Business Times Budding Artists Fund). He has been invited to speak on various occasions including the Guangzhou Provincial Government for a UNESCO award world heritage site in Kaiping; at the World Creative cities Conference in Yokohama, Japan in November 2009
7	Mr. Sanjay K. Bhatia	Independent Director	Mr. Sanjay K. Bhatia, a Chartered Accountant and Commerce graduate from Delhi University has

			work experience of more than 30 years, with various leading corporates. Mr. Bhatia has well rounded experience of Sales Management, Strategy formation in both start-up and BAU environment. Currently he is Head – Sales at Antara Senior Living Limited, responsible for development of upcoming community for progressive seniors, formulation of long term strategy and tactical execution and general management. He has provided consultancy on Income Tax, Corporate Tax and corporate law matters to various leading organizations. He was associated as Vice President and Head– Strategic Initiatives (Revenue) at Max Life Insurance Limited, Max New York Life, Vikas Motors Limited, Dinker Portfolio Private Limited, New Delhi, DMA of Citibank N.A. and GE Countrywide.
8	Mr. Anil Kumar Kalra	Independent Director	Mr. Anil Kumar Kalra, a qualified professional having 32 years of experience in Banking and 5 years as CEO/ SVP in leading NBFC offering financial services in London and India and served in the area of Banking, Financial Services, Investment Banking and Infrastructure Financing. He worked as senior vice president in the leading NBFC engaged in providing financial services including Asset financing, Debt Syndication, Corporate Advisory, Merchant Banking etc. to Corporates besides support to sister companies in the Group focussed on Infrastructure Projects financing. He was the chief executive officer in Financial Services Company, London, UK. He was associated with various well known Banks/Financial Institutions in India and London including Public Sector Banks. He has done 'Master in Business Administration' with specialisation in Finance from Faculty of Management Studies (FMS), Delhi University and B.Com (H) from Shree Ram College of Commerce, Delhi University.
9	Mr. Christian B. Ramm	-	Mr. Christian B. Ramm is Investment Director at Nordic Microfinance Initiative (NMI), a public-private partnership investing in microfinance institutions (MFIs) in Asia and Africa. He has previously experience as Finance Manager at the family office Ferd Social Entrepreneurs and Canal Digital Norway (Telenor Group) and Finance Manager and Country Director for Norwegian People's Aid in Angola. In addition, he has been Managing Director at Schibsted Publishing (Sweden) and held several management positions at the Schibsted Media Group in Norway. He has also worked as a journalist for Finansavisen, a major financial newspaper in Norway. Mr. Ramm holds a master's degree in Finance from Norwegian School of Economics (NHH) and University Mannheim, Germany and has completed studies in psychology at the University of Bergen, Norway.

(iv) **Brief Profile of the Senior Management**

S. No.	Name	Designation	Profile
1	Mr. Jugal Kataria	Group Controller	Mr. Jugal Kataria is a graduate from Shree Ram College of Commerce and is a Cost Accountant, Chartered Accountant and Company Secretary with approx. 27 years of relevant experience. He has participated in an 'Internal Auditors Training Course' for ISO 9000 and 'Harvard Business School Action Program on Strategic Leadership for Microfinance'. He attended leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011. Mr. Kataria worked with Apollo Tyres Limited and Berger Paints (India) Limited before joining SCNL in 2000.
2	Mr. Krishan Gopal	Chief Financial Officer	Mr. Krishan Gopal, Chief Financial Officer, has over 14 years of experience across Strategic Planning, Budgeting, Accounting, Auditing, Investor Relations and Fund Raising. He is a member of the Institute of Chartered Accountants of India. He has rich and extensive experience of fund raising through Capital Markets, Banks, Deposits, domestic & foreign investors and is well versed with regulatory compliance framework & Asset liability management. He has worked with Price Waterhouse, Deloitte and his last assignment was with PNB Housing Finance Limited.
3	Mr. Sanjay Mahajan	Chief Information Officer	Sanjay holds Master's degree in Math from Punjab University and has done his Post Graduate in Computer Science & applications from Punjab University. He has a versatile experience of over 24 years in Information Technology across the Globe. He has been instrumental in deploying cost effective IT strategies, leading & deploying new / re-structuring business solutions. Sanjay has joined Satin in January 2016. Before Joining Satin, he worked as Global IT director with Bata India Limited. He has earlier served as IT Director (India & Sub Continent) for YUM Restaurants India Pvt. Ltd. Sanjay also worked with Procter & Gamble for India & Singapore, Gillette India Ltd., Eicher Tractors Ltd. and Punjab Tractors Ltd.
4	Mr. Subir Roy Chowdhury	Chief Human Resource Officer	Subir is PGDHRM from IISWBM – Kolkata and B.Com (Hons) from Kolkata University. He has a versatile experience of 21 years in HR functions. Subir has joined Satin in April 2016 as Chief Human Resource Officer. Before joining SCNL, he worked with Magma Fincorp Ltd as Head – Business & Corporate HR where he has initiated the competence framework, Talent Management, Succession Planning, PMS & Total Rewards. He has earlier worked with ICICI Securities Ltd, ICICI Prudential Life Insurance Company Ltd, Magma Leasing Ltd, Wacker Metroark Chemicals Ltd. and Kotak Securities.

5	Mr. Adhish Swaroop	Company Secretary & Compliance Officer	Mr. Adhish Swaroop, Company Secretary & Compliance Officer, is a B. Com (Honor's), LLB and is a Member of the Institute of Company Secretaries of India. He has vast exposure in complying with the requirements of Company Laws, SEBI and RBI related matters. Mr. Swaroop has overall experience of 18 years in the field of Secretarial Compliances, Corporate Advisory, Corporate Governance, ESOPs and Mergers & Acquisitions. He has worked as Company Secretary and Compliance Officer of APL Apollo Tubes Limited, Vogue Commercial Company Ltd. and DB (International) Stock Brokers Limited. In the initial phase of career he was involved in the self-practice for 6 years and carried out the assignment in respect of secretarial, accounts and taxation.
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(v) **Business Segments:**

PRODUCT DETAILS:

Product	Income Generating Loan (IGL)
Loan Term	<=INR 15,000/- loan for 12 months and above > INR 15,000/- loan for minimum of 24 months
Finance Amounts	<= INR 35,000/- in the first cycle (Maximum Indebtedness / borrower in 1st cycle) <= INR 50,000/- in the subsequent cycles (Maximum Indebtedness / borrower in 2nd cycle and above)
Interest Rate (reducing balance)	< = 26%
Repayment Policy	Weekly / Fortnightly / Monthly as per borrower's choice
Loan Processing Fees	1% of the finance amount plus applicable tax

(vi) **Lending Methodology**

Origination process:

The Issuer has a robust origination processes. Origination quality is ensured by allowing the clients to self-select the other members of the group based on pre-defined eligibility criteria and clearly explaining the product features and rules and regulations through a comprehensive 5 day Compulsory Group Training ('CGT') process. Details of the concept of joint liability and group guarantee are explained to them in detail in these meetings. The details of the product, loan terms and conditions are also explained to the clients. This is followed by pre-group recognition test ('Pre- GRT') and the group recognition test ('GRT') to ensure that all clients have understood the Issuer's rules and regulations and to confirm client identity. Branch managers ('BMs') conduct Pre-GRT to ensure that all the information in the KYC documents are correct and that all members have understood the Issuer's rules and regulations. BMs must visit each client's house during Pre-GRT. Process of Pre-GRT conducted by the BM will be the same as the process of GRT conducted by the team manager ('TM') – thereby forming a maker-checker process. What is also checked is whether the clients are aware about occupation of other members in their group and also what their monthly income is around 25% of the groups are rejected during GRT. The main reason for rejection of group is lack of understanding of the joint liability concept by members in that group. Compulsory GRT is done for 2nd cycle of loan in which credit history and attendance in center meets are the parameters based on which it is decided whether a 2nd cycle of loan would be given or not. KYC documents collected are either PAN Card or Ration Card or Voters Card. Family details,

earnings of family members, dependents on the client, information about alternate sources of income are recorded in the loan application form. All customers of the Issuer should have an alternate source of income.

Loan Utilization Check:

100% Client Loan utilization check is done by the credit officer. During the 1st cycle, only 3 members of a group are disbursed the Client Loan. Once their Client Loan utilization check is done and found to be satisfactory, only then is the money disbursed to the other 2 group members.

Cash Management:

For cash management, the divisional office has the details of the cash to be collected and loans to be disbursed by every branch. At the end of the day, the divisional office knows the exact cash which has been collected and disbursed. Thus, the cash management is very effective in which the divisional office knows at the end of day the amount of cash movement which has happened. It has been mandated by the management that the branches maintain zero cash balance in the branches. The Issuer has availed of insurance for cash in transit and for cash in safe.

Delinquency Management:

The organization has a clearly defined policy for handling defaults and loan officers have been given instructions on how to deal with an instance of overdue payments. The emphasis is on group pressure and enforcement of joint liability which are achieved by visits from BM and area manager (AM) in case of a default. The follow-up process is covered in detail during the training program at the head office and also during the on-field training.

Technology & MIS:

The Issuer's MIS system for group lending vertical was built by Force Ten Technologies based in Kolkata and customized for the Issuer's technology needs. The software is based on SQL technology in the backend and Visual Basic (VB) in the front end. Force Ten Technologies is well attuned to the Issuer's requirements through providing maintenance and module changes on a regular basis. In this regard, the system is highly capable of handling the Issuer's accounting, reporting, and monitoring demands. There are two primary modules, one for Branch operations and a second module of territory/region/head office consolidation. Front-end data entry takes place in regional offices while the majority of report generation occurs in the region and head office.

The Issuer's accounting system is embedded within the MIS. The software has the capacity to track every client, group, centre, branch, territory, region, zone and the Company in its entirety. The MIS is used to generating many reports including the "Daily Progress Report" on various areas of operation including PAR, portfolio outstanding, disbursement, collections, etc. While the system meets current needs, we remain cognizant of other MIS platforms in the event that an upgrade is necessary for future growth and expansion.

In the individual lending operations, the Issuer has a centralized system of operations, accounts and MIS using Fox Pro software which has been developed by an in-house team of programmers. All loan proposals are sent from branches to the head office along with the BM's recommendations. All collection receipts are also sent to head office and then capture into MIS by the IT department.

Internal Audit:

The Company has a two-pronged strategy for internal audit of its systems and processes. For the individual lending vertical, the audit is outsourced to an independent firm of chartered accountants who conduct site visits at random. They provide regular reports to the chairman. Reports are discussed with

the branch managers and operational state heads to minimize inconsistencies and ensure correction of operational problems. This also cares checking of ALL compliance with regards to RBI guidelines, SEBI / stock exchanges guidelines, income tax, service tax, PF, ESI and other statutory compliance etc. For the group lending vertical, the Company has a full-fledged “in-house” Internal Audit & Risk Management department. The broad responsibility of Internal Audit and Risk Management department is to provide

1. Check and ensure that the standard operating process as followed in true spirit.
2. Check the effectiveness of monitoring and internal control mechanism.
3. Check quality of client intake and customer service.
4. Gather information from clients through feedback while visiting to client’s place, and centers.
5. Check transactions at branches and region office and ensure accuracy.

Structure – A team of audit department is posted across the 12 operating region. Typically, each member of audit team is responsible for conduct of audit of 8 to 9 branches. Branches are categorized as Small (less than 3000 accounts), Medium (3000 to 6000 accounts), Large (more than 6000 accounts)

Audit Types- Depending upon the size of branch the audit process varies between 5 to 7days (5 days for small branches and medium branches and 7 days for large branches).

Frequency - Each branch is expected to undergo a surprise internal audit in every second month. Each region office gets audited in every quarter. The region office audit is handled by a team of auditors operating in the same region.

Reports – Reports are shared with the top management while a copy of the report is being shared with operation team for further compliances.

Compliance – Compliance to the gaps identified by the audit department are objectively defined. Hence the responsible officer from the operation department submits his compliance report within stipulated time and after necessary rectification.

ii. Company Credit Rating

The rating is based on the experience of the promoter and management team, diversified resource base, improvement in income and profitability and good asset quality.

(c) **Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis:**

(In Crores)

Particulars	31-Mar-20	31-Mar-19	31-Mar-18
Net worth	1,45,277	1,15,142	89,190
Total Debt	5,40,908	5,23,506	5,15,090
- Non current maturities of long term Borrowings	2,76,388	2,73,750	2,86,593
- short term borrowings	19,004	17,846	14,859
- Current maturities of long term Borrowings	2,45,515	2,31,910	2,13,637
Other long term liabilities	3,007	2,115	1,790
Net Fixed Assets	9,033	6,171	5,545
Non-Current Assets	1,753	630	882
Deferred Tax Assets	-	571	8,871
Cash and Cash equivalents	2,00,739	1,96,212	1,15,498
Current Assets	5,585	4,017	3,241
Current liabilities (including provision)	26,231	28,792	19,504
Trade Receivables under Loan Contracts	613	652	19

Off balance sheet assets	2,59,933	2,12,305	899
Assets under management	7,21,990	6,46,683	5,08,480
Interest income	1,07,844	1,17,950	95,731
Interest Expense	57,368	63,903	53,170
Provisioning & write Offs	18,883	5,206	4,446
PAT	15,627	19,494	8,215
Gross NPA (%)	2.93%	2.89%	4.44%
Net NPA (%)	0.66%	1.29%	0.26%
Tier I Capital Adequacy Ratio (%)	22.10%	19.94%	14.56%
Tier II Capital Adequacy Ratio (%)	8.39%	8.55%	6.62%

(d) **Gross Debt: Equity Ratio of the Company (As on June 30, 2020):**

(Rs. Crores)

Before the issue of debt securities	5,326.08
After the issue of debt securities	5,376.08

Calculations

As on June 30, 2020, debt-to-equity ratio is calculated as follows:

Debt	5,376.08
Equity	1,470.22
Debt/Equity	3.62

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows: (Rs. Crores)

Debt	5,551.08
Equity	1,470.22
Debt/Equity	3.78

(e) **Project cost and means of financing, in case of funding new projects:**

NIL

5.5 Brief history of Issuer since its incorporation giving details of its following activities:

(a) **Details of Share Capital as on last quarter end, i.e., 30.06.2020:**

Share Capital	Rs.
Authorised	
Equity Share Capital	95,00,00,000
Preference Share Capital	75,00,00,000
TOTAL	1,70,00,00,000
Issued, Subscribed and Fully Paid- up	
Issued Equity Share Capital	52,08,46,940
52084694 Equity Shares of Rs. 10/- each	
Subscribed Equity Share Capital 52084694 Equity Shares of Rs. 10/- each	52,08,46,940
Paid up Equity Share Capital	51,71,26,940
BREAK-UP OF PAID UP SHARE CAPITAL	
52038194 Equity Shares of Rs. 10/- each	520381940

Less: Amount recoverable from Satin Employees Welfare Trust	34,89,500
Add: Forfeited Shares (Amount originally paid on 46500 equity shares)	2,34,500
Preference Shares	
2,50,00,000 (12.10 % Preference Shares of Rs. 10/- each)	25,00,00,000
TOTAL	25,00,00,000

(b) **Changes in its capital structure as on last quarter end i.e., 30.06.2020 for the last five years:**

Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
05/01/2011 (EGM)	Authorised Capital increased from 17,50,00,000 to 20,00,00,000	2,00,00,000 Equity Shares of Rs. 10 each.
12/03/2013 (EGM)	Authorised Capital increased from 20,00,00,000 to 25,00,00,000	2,50,00,000 Equity Shares of Rs. 10 each.
05/02/2014 (EGM)	Authorised Capital increased from 25,00,00,000 to 130,00,00,000	3,00,000 Equity Shares of Rs.10 each and 10,00,00,000 Preference Shares of Rs.10 each.
13/03/2015 (EGM)	Re-Classification of Authorized Share Capital	4,00,000 Equity Shares of Rs. 10 each and 9,00,00,000 Preference Shares of Rs. 10 each.
30/07/2016 (AGM)	Re-Classification of Authorized Share Capital	5,50,000 Equity Shares of Rs. 10 each and 7,50,00,000 Preference Shares of Rs. 10 each.
07/04/2017 (EGM)	Re-Classification of Authorized Share Capital	6,50,000 Equity Shares of Rs. 10 each and 7,50,00,000 Preference Shares of Rs. 10 each
17/06/2020 (through Postal Ballot)	Re-Classification of Authorized Share Capital	9,50,000 Equity Shares of Rs. 10 each and 7,50,00,000 Preference Shares of Rs. 10 each

(c) **Equity Share Capital History of the Company as on last quarter end i.e. 30.06.2020:**

S . No .	Parti ments	Dat e of Allo tme nt	No . of Eq uit y Sh are s all ott ed	Form of Consi derat ion (cash, other than cash etc.)	Pric e per shar e/Iss ue Pric e (in Rs.)	F ac e V al ue (i n R s,)	Pre miu m	Total Consi derat ion	Nat ure of Allo tme nt	Cu mul ative No. of equi ty shar es	Cu mul ative equi ty shar e capi tal (Rs)	Cu mul ative equi ty shar e pre miu m (Rs)	Re ma rks
1	Allot ted to Diffe rent perso ns belon ging to prom oters and Non Prom oters Grou p	03/0 6/20 15	32 30 00 0	Cash	130	10	120	41990 0000	Pref renti al allot men t	2908 1361	2908 1361 0	1466 5542 29	NA
2	Allot ted to differ ent perso ns belon ging to prom oters grou p pursu ant to conv ersio n of equiv alent num ber of Warr ants	10/0 2/20 16	14 70 00 0	Cash	130	10	120	19110 0000	Con vers ion of warr ants into equi ty shar es	3055 1361	3055 1361 0	1642 9542 29	NA

3	Allotted to SBI FMO belonging to non-promoters group pursuant to conversion of equivalent number of Warrants	21/03/16	140000	Cash	130	10	120	18200000	Equity shares	31951361	319513610	1810954229	NA
4	Share Swap with the shareholders Tara ashna Services Limited	30/8/2016	1087456	Share Swap	457.82	10	447.82	497859106	-	33038817	330388170	2297938775	NA
5	Allotment to qualified institutional buyers	03/10/2016	4529970	Cash	551.88	10	541.88	2499999844	-	37568787	375687870	4752638919	NA

6	Allotment to Asian Development Bank	21/04/2017	1543187	Cash	416.67	10	406.67	642999727	-	39111974	391119740	5380206776	NA
7	Allotted to Trishashna Holdings & Investments Private Limited belonging to promoter group pursuant to conversion of equivalent number of warrants.	30/06/2017	658690	Cash	455.45	10	445.45	300000361	-	39770664	397706640	5673620236	NA
8	Allotment to qualified institutional buyers	11/10/2017	4918032	Cash	305	10	295	1499999760	-	44688696	446886960	7124439676	NA

9	Allotment to Non-Promoters Group	28/12/2017	2985073	Cash	325	10	325	999999455	-	47673769	476737690	8094588401	NA
10	Allotment to Capital First Limited	30/05/2018	1230098	Conversion	274.53	10	284.53	349999784	EQUITY SHARES	48903867	489038670	8432287205	NA
11	Allotment to Indus Ind Bank Limited & Trishashna Holdings & Investments Private Limited	27/06/2019	3134327	Conversion of OCC RPS & FCW	325.00	10	335	1049999545	Conversion of OCC RPS & FCW Win to equity shares	52038194	520381940	9450943480	NA

(d) **Preference Share Capital History of the Company as on last quarter end i.e. 30.06.2020:**

	Particular of Allotments	Date of Allotment	No. of Preference Shares allotted	Price per Share (Rs.)	Face Value (Rs.)	Premium (Rs.)	Total Consideration (Rs.)	Form of Consideration (Cash, other than cash, etc)	Remarks
1.	Allotted to persons	28/02/2014	60,00,000	10	10	0	6,00,00,000	Cash	Redeemed

	belongi ng to non- promot ers group categor y*								
2.	Allotted to persons belongi ng to non- promot ers group categor y	10/0 6/20 16	2,50,00, 0 00	10	10	0	25,00,00,0 0 0	Cash	
3.	Allotted to persons belongi ng to non- promot ers group categor y	10/0 8/20 17	12,30,0 9 8	284. 53	10	274.5 3	34,99,99,7 8 3.94	Cash	Conver ted in to Equity on May 30, 2018
4	Allotted to person belongi ng to non- promot ers	29/1 2/20 17	13,43,2 8 3	335	10	335	44999980 5	cash	Conver ted into Equity on June 27, 2019

(e) **Details of any Acquisition or Amalgamation in the last 1 (one) year:**

There has been no acquisition or amalgamation in the last 1 (one) year.

(f) **Details of any Reorganization or Reconstruction in the last 1 (one) year:**

There has been no Reorganization or Reconstruction in the last 1 (one) year.

5.6 Details of the shareholding of the Company as on the latest quarter end, i.e., 30.06.2020

(a) **Shareholding pattern of the Company as on last quarter end, i.e. 30.06.2020**

S. No.	Name of the Shareholder / Particulars	Total Number of equity shares	Total percentage (%) of Shareholding	No of shares in demat form
1	Anureet Hp Singh	484,356	0.93	484,356
2	Harbans Singh	406,402	0.78	406,402
3	Satvinder Singh	257,011	0.49	257,011
4	Neeti Singh	137,711	0.26	137,711
5	Trishashna Holdings & Investments Private Limited	14323264	27.52	14323264
6	Wisteria Holdings & Investments Private Limited	100,000	0.19	100,000
7	Nordic Microfinance Initiative Fund Iii Ks	3,369,318	6.47	3,369,318
8	Sbi Emerging Asia Financial Sector Fund Pte Ltd	3,313,609	6.37	3,313,609
9	Kora Investments I Llc	2,388,059	4.59	2,388,059
10	Asian Development Bank	1,543,187	2.97	1,543,187
11	Idfc First Bank Limited	8,29,676	1.59	8,29,676
12	IndusInd Bank Limited	1,343,283	2.58	1,343,283
13	Morgan Stanley Asia (Singapore) Pte - Odi	10,03,601	1.93	10,03,601
14	Massachusetts Institute Of Technology	16,06,726	3.09	16,06,726
15	Satin Employees Welfare Trust	3,48,950	0.67	3,48,950
16	Dsp Equity & Bond Fund	4626691	8.89	4626691
17	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small Cap Fund	2101896	4.04	2101896
18	Uti - Hybrid Equity Fund	600359	1.15	600359
19	Other Public	13,254,095	25.47	13,254,095
	Total	52,038,194	100.00	51873948

(b) Preference Shareholding pattern of the Company as on last quarter end, i.e. 30.06.2020: NIL

Sr. No.	Name of the Shareholder	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form*
	.				-
	Total				-

**In-process with Depository*

(c) List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. 30.06.2020:

Sr. No.	Name of the Shareholder / Particulars	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Trishashna Holdings & Investments Private Limited	14323264	27.52	14323264
2	Dsp Equity & Bond Fund	4626691	8.89	47,85,520
3	Nordic Microfinance Initiative Fund Iii Ks	33,69,318	6.47	3,369,318
4	Sbi Fmo Emerging Asia Financial Sector Fund Pte Ltd	3,313,609	6.37	3,313,609
5	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small Cap Fund	2101896	4.04	2101896
6	Kora Investments I Llc	23,88,059	4.59	23,88,059
7	Uti - Hybrid Equity Fund	600359	1.15	600359
8	Massachusetts Institute Of Technology	16,06,726	3.09	16,06,726
9	Asian Development Bank	15,43,187	2.97	15,43,187
10	Indusind Bank Limited Treasury Dept	13,43,283	2.58	1343283

5.7 Following details regarding the directors of the Company*:

(a) Details of the current directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

S. No.	Name of the Directors	Designation	Date of Birth	Address	DIN	PAN	Director of the company since	Director in other company
1	Mr. Harvinder Singh	Managing Director	24.12.1960	14 A, Tower, The Hibiscus Baani Square Sector	00333754	AATPS	16.10.1990	1. Anushka Estates

								Private Limited
								2. Satin Creditcar e Foundati on
								3.Parinit a Investme nts Limited.
								4.Parishe k Finance Private Limited.
								5.Riwaaz Investme nts Private Limited.
								6. Satin (India) Limited.
								7. Niryas Food Products
								8. UV Associat es
								9. Satin Finserv Limited
								10. Satin Media Solution Limited
								11. Taco Consulta nts Private Limited

								12. Global Social (India) Foundati on.
								13.Tomo row's Knowled ge Pte. Limited.
								14.Tomo row's Knowled ge Pte. Limited
								15. Tomorro ws One Capital Pte. Limited
								16. Prestellar Ventures Fund I Pte. Ltd
								17. Satin Housing Finance Limited
								18. Trishashn a Holdings & Investmen ts Private Limited
								19. Taraashna Financial Services Limited.

2	Mr. Satvinder Singh	Director	13.03.1966	Buidling 1, Apartment 5B, The Hibiscus Sector 50, South City II, Gurgoan- 122018	003325 21	ANVP S8312 B	16.10.19	1.Taco Consult ants Private Limited. 2. Satin Neo Dimensi ons Private Limited 3. Wisteri a Holding and Investm ent Private Limited
3	Mr. Rakesh Sachdeva	Director	23.03.1958	4111 ATS One Hamlet Sector- 104 Gautam Buddh Nagar, Noida- 201304	003337	ACRP S 8188A	30.04.199 9	1.Taraash na Financial Services Limited
4	Mr. Sundeep Kumar Mehta	Director,	23.03.1961	1629, Sector-29 Noida - 201303	008405 44	AAJP M6046 R	13.02.201 3	1. Activa Certific ation Private Limited 2. Satin Finserv Limited 3. Satin Housin g Finance Limited
5	Ms. Sangeeta Khorana	Director	01.11.1936	59 Pottle Walk, Wimborne BH21FD	006674 1	AAOP K3235	09.08.201 3	-

6	Mr. Gob Colin	Director	01.07.1967	173 Ceylon Road Singapore 429739SG	- 069631 78	NA	26.10.201 7	1. The Rice Co. Ltd 2. Global cultural Alliance Ltd 3. Millet Holdings Pte Ltd 4. Millet World Pte. Ltd 5. Scape Ltd Singapore Arts School Ltd
7	Mr. Sanjay Kumar Bhatia	Director	23.09.1964	1414 Dr. Mukherjee Nagar Delhi - 110009	070330 27	AAHP B8915 E	06.12.201 4	1. Anantara Care Homes Limited 2. Taraashna Financial Services Limited
8	Mr. Anil Kumar Kalra	Director	22.05.1955	C-2 Flat No. 117B, Lawrence Road, Keshav Puram, Onkar Nagar, Sarawati Vihar, North West Delhi- 110035	073617 39	AEFP K464B	08.12.20	1. Satin Finserv Limited 2. Satin Housing Finance Limited

9	Mr. Christian B. Ramm	Director	18.08.1975	Nobles Gate 20A 0268 Oslo NA No	080966 55	NA	30.05.202 0	1. SUB-K Impact Solution Limited (India) 2. AB Bank Rwanda.
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**Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: None*

(b) **Details of change in directors since last three years:**

Name & Designation	DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Richard Benjamin Butler	06574786	19/01/2018 (resignation)	29/05/2013	Nil
Mr. Ramesh G Dharmaji	01186341	08/11/2017 (resignation)	30/07/2016	Nil
Mr. Sanjaya Gupta	02939128	21/08/2017 (appointment)	N.A.	Nil
Mr. Daniel Simpson Jacobs	07858118	08/01/2018 (appointment)	N.A.	Nil
Mr. Sanjaya Gupta	02939128	16/10/2018 (resignation)	21/08/2017	Nil
Mr. Suramya Gupta	06816354	07/01/2019 (resignation)	12/08/2015	Nil
Mr. Davis Fredwrick Golding	00440024	12/04/2019 (resignation)	10/08/2016	Nil
Mr. Rajeev Kakar	01888608	06/06/2019 (appointment)	N.A.	Nil
Mr. Daniel Simpson Jacobs	07858118	04/03/2020(Resignation)	8/01/2018	Nil
Mr. Rajeev Kakar	01888608	30/04/2020(Resignation)	06/06/2019	Nil
Mr. Arthur Sletteberg	07123647	30/05/2020(Resignation)	25/05/2015	Nil
Mr. Christian Bernhard Ramm	08096655	30/05/2020(Appointment)	N.A.	Nil

5.8 Following details regarding the auditors of the Company:

(a) Details of the auditor of the Company:

Name	Address	Auditor Since	Remarks
M/s Walker Chandiok & Co. LLP	L-41, Connaught Circus, New Delhi-110001	July 08, 2017	None

(b) Details of change in auditors since last three years:

NIL

5.9 Details of borrowings of the Company, as on latest quarter end 30.06.2020:

(a) Details of Secured Loan Facilities (as on June 30, 2020):

Lenders Name/Banks Name	Type of Facility	Sanctioned Amount	Disbursed Amount	Principal Amount Outstanding	Tenor	Security	Cash Collateral	Repayment Schedule/ Date
ABU DHABHI COMMERCIAL BANK	TERM LOAN	250.00	250.00	134.25	27 Months	110%	NIL	Monthly
ANDHRA BANK	TERM LOAN	500.00	500.00	125.00	30 Months	100%	5%	Quarterly
ANDHRA BANK	TERM LOAN	100.00	100.00	1,000.00	36 Months	110%	10%	Quarterly
AXIS BANK LIMITED	TERM LOAN	500.00	500.00	71.43	24 Months	105%	5%	Quarterly
AXIS BANK LIMITED	TERM LOAN	1,200.00	980.00	420.00	24 Months	105%	5%	Quarterly
AXIS BANK LIMITED	TERM LOAN	-	220.00	125.71	24 Months	105%	5%	Quarterly
AXIS BANK LIMITED	TERM LOAN	500.00	300.00	187.50	24 Months	105%	5%	Quarterly
AXIS BANK LIMITED	TERM LOAN	-	200.00	175.00	27 Months	105%	5%	Quarterly
BAJAJ FINANCE LIMITED	TERM LOAN	500.00	300.00	112.50	24 Months	110%	0%	Monthly
BAJAJ FINANCE LIMITED	TERM LOAN	-	200.00	78.26	24 Months	110%	0%	Monthly
BANDHAN BANK	TERM LOAN	-	1,000.00	250.00	31 Months	105%	3%	Quarterly

BANDHAN BANK	TERM LOAN	-	850.00	212.50	31 Months	105%	3%	Quarterly
BANDHAN BANK	TERM LOAN	3,000.00	1,000.00	857.14	24 Months	105%	3%	Quarterly
BANDHAN BANK	TERM LOAN	-	1,000.00	1,000.00	24 Months	105%	3%	Quarterly
BANK OF AMERICA	TERM LOAN	500.00	500.00	500.00	48 Months	105%	0%	Bullet
BANK OF BAHRAIN & KUWAIT BSC	TERM LOAN	350.00	50.00	12.50	24 Months	105%	NIL	Monthly
BANK OF BAHRAIN & KUWAIT BSC	TERM LOAN	-	300.00	75.00	24 Months	105%	NIL	Monthly
BANK OF BAHRAIN & KUWAIT BSC	TERM LOAN	150.00	150.00	125.00	24 Months	105%	NIL	Monthly
BANK OF BARODA	TERM LOAN	930.00	930.00	930.00	33 Months	110%	10%	Quarterly
BANK OF BARODA	TERM LOAN	2,000.00	2,000.00	2,000.00	33 Months	110%	10%	Quarterly
BANK OF INDIA	TERM LOAN	250.00	250.00	62.53	42 Months	100%	5%	Quarterly
BNP PARIBAS	TERM LOAN	750.00	750.00	375.00	24 Months	100%	5%	Quarterly
BNP PARIBAS	TERM LOAN	93.75	93.75	93.75	3 Months	100%	NIL	Bullet
CTBC BANK CO LTD	TERM LOAN	-	250.00	250.00	181 Days	110%	NIL	Bullet
DBS BANK TL-1	TERM LOAN	1,000.00	1,000.00	954.55	24 Months	105%	5%	Monthly
DEVELOPMENT CREDIT BANK	TERM LOAN	200.00	200.00	19.95	26 Months	100%	8%	Monthly
DEVELOPMENT CREDIT BANK	TERM LOAN	250.00	250.00	125.00	26 Months	100%	5%	Monthly
DOHA BANK LIMITED	TERM LOAN	180.00	180.00	135.00	42 Months	133%	NIL	Quarterly
DOHA BANK LIMITED	TERM LOAN	300.00	300.00	300.00	42 Months	110%	NIL	Quarterly
FED BANK FINANCIAL SERVICES LIMITED	TERM LOAN	200.00	100.00	25.00	24 Months	110%	0%	Quarterly
HERO FINCORP	TERM	300.00	287.9	47.16	30 Months	110%	0%	Monthly

LTD.	LOAN		8					
HERO FINCORP LTD.	TERM LOAN	-	12.02	2.54	30 Months	110%	0%	Monthly
HEWLETT PACKARD FINANCIAL SERVICES	TERM LOAN (AF)	14.61	14.61	3.17	48 Months	NIL	NIL	Quarterly
HEWLETT PACKARD FINANCIAL SERVICES	TERM LOAN (AF)	14.99	14.99	3.26	48 Months	100%	NIL	Quarterly
HEWLETT PACKARD FINANCIAL SERVICES	TERM LOAN (AF)	4.78	4.78	1.04	48 Months	100%	NIL	Quarterly
HEWLETT PACKARD FINANCIAL SERVICES	TERM LOAN (AF)	19.35	19.35	6.65	48 Months	100%	NIL	Quarterly
HINDUJA LEYLAND FINANCE LIMITED	TERM LOAN	100.00	100.00	6.56	36 Months	110%	NIL	Monthly
ICICI BANK LIMITED	TERM LOAN	250.00	250.00	113.64	24 Months	100%	3%	Monthly
ICICI BANK LIMITED	TERM LOAN	250.00	250.00	136.36	24 Months	100%	2%	Monthly
KARNATAKA BANK	TERM LOAN	150.00	150.00	150.00	34 Months	100%	10%	Quarterly
KOTAK MAHINDRA BANK	TERM LOAN	750.00	400.00	16.67	24 Months	105%	5%	Monthly
KOTAK MAHINDRA BANK	TERM LOAN	-	200.00	75.00	24 Months	105%	5%	Monthly
KOTAK MAHINDRA BANK	TERM LOAN	-	150.00	75.00	24 Months	105%	5%	Monthly
KOTAK MAHINDRA BANK	TERM LOAN	750.00	400.00	200.00	24 Months	105%	5%	Monthly
KOTAK MAHINDRA BANK	TERM LOAN	-	80.00	43.33	24 Months	105%	5%	Monthly
KOTAK MAHINDRA BANK	TERM LOAN	-	90.00	56.25	24 Months	105%	5%	Monthly
KOTAK MAHINDRA	TERM LOAN	-	100.00	75.00	24 Months	105%	5%	Monthly

BANK								
KOTAK MAHINDRA BANK	TERM LOAN	-	80.00	66.67	24 Months	105%	5%	Monthly
MAANAVEEYA DEVELOPMENT & FINANCE PRIVATE LIMITED	TERM LOAN	350.00	350.00	175.00	36 Months	105%	0%	Quarterly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	150.00	75.00	9.38	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	75.00	9.38	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	150.00	75.00	9.38	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	75.00	9.38	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	100.00	100.00	25.00	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	100.00	100.00	25.00	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	100.00	100.00	25.00	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly

LIMITED								
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	50.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	70.00	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	35.00	17.50	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	75.00	37.50	23.44	24 Months	100%	5%	Monthly

MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	75.00	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	75.00	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	75.00	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	75.00	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	37.50	23.44	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	15.62	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	15.62	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly

LIMITED								
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	50.00	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	-	25.00	18.75	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly

MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	35.00	35.00	30.63	24 Months	100%	5%	Monthly
MAS FINANCIAL SERVICES LIMITED	TERM LOAN	15.00	15.00	13.13	24 Months	100%	5%	Monthly
MICRO UNITS DEVELOPMENT & REFINANCE AGENCY LIMITED	TERM LOAN	1,000.00	500.00	399.50	36 Months	100%	5%	Monthly
MICRO UNITS DEVELOPMENT & REFINANCE AGENCY LIMITED	TERM LOAN	-	500.00	399.50	36 Months	100%	5%	Monthly
NABARD	TERM LOAN	1,450.00	1,450.00	116.00	60 Months	112%	NIL	Half Yearly
NABARD	TERM LOAN	500.00	500.00	40.00	60 Months	112%	NIL	Half Yearly
NABARD	TERM	3,000.00	500.00	50.00	60 Months	112%	NIL	Half

	LOAN		0					Yearly
NABARD	TERM LOAN	-	2,500.00	250.00	60 Months	112%	NIL	Half Yearly
NABARD	TERM LOAN	2,500.00	2,500.00	625.00	60 Months	112%	NIL	Half Yearly
NABARD	TERM LOAN	5,000.00	5,000.00	2,000.00	60 Months	111%	NIL	Half Yearly
NABARD	TERM LOAN	2,000.00	2,000.00	1,100.00	60 Months	111%	NIL	Half Yearly
NABARD	TERM LOAN	500.00	500.00	350.00	60 Months	111.20%	NIL	Half Yearly
NABARD	TERM LOAN	2,500.00	2,500.00	1,750.00	60 Months	111.20%	NIL	Half Yearly
NABARD	TERM LOAN	2,500.00	2,500.00	2,500.00	36 Months	112%	NIL	Half Yearly
NABARD	TERM LOAN	1,500.00	1,500.00	1,500.00	22 Months	112%	10%	Half Yearly
NABARD FINANCIAL SERVICES LIMITED	TERM LOAN	100.00	100.00	46.15	26 Months	105%	NIL	Monthly
NABKISAN FINANCE LIMITED	TERM LOAN	150.00	150.00	12.45	36 Months	110%	NIL	Monthly
NABKISAN FINANCE LIMITED	TERM LOAN	62.00	62.00	46.50	48 Months	110%	NIL	Quarterly
ORIENTAL BANK OF COMMERCE	TERM LOAN	500.00	500.00	500.00	42 Months	110%	10%	Quarterly
QATAR NATIONAL BANK	TERM LOAN	-	200.00	200.00	3 Months	105%	0%	Bullet
RBL BANK LIMITED	TERM LOAN	600.00	600.00	75.00	27 Months	110%	5%	Quarterly
RBL BANK LIMITED	TERM LOAN	1,150.00	1,150.00	143.75	24 Months	105%	5%	Quarterly
SBM BANK (MAURITIUS) LIMITED	TERM LOAN	170.00	170.00	145.71	24 Months	100%	5%	Quarterly
SHRIRAM CITY UNION FINANCE	TERM LOAN	200.00	200.00	44.32	36 Months	110%	Nil	Monthly
SMALL INDUSTRIES DEVELOPMENT BANK OF	TERM	2,000.00	2,000.00	1,333.33	36 Months	100%	5%	Monthly

INDIA	LOAN		00					
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	TERM LOAN	1,500.00	1,500.00	1,500.00	36 Months	100%	5%	Monthly
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	TERM LOAN	1,250.00	1,250.00	1,250.00	11 Months	110%	NIL	Monthly
STANDARD CHARTERED BANK	TERM LOAN	-	500.00	500.00	14 Months	100%	5%	Quarterly
STANDARD CHARTERED BANK	TERM LOAN	530.00	420.00	420.00	13 Months	100%	5%	Quarterly
STANDARD CHARTERED BANK	TERM LOAN	-	110.00	110.00	13 Months	100%	5%	Quarterly
STANDARD CHARTERED BANK	TERM LOAN	30,000.00	1,000.00	750.00	12 Months	100%	5%	Quarterly
STANDARD CHARTERED BANK	TERM LOAN	-	250.00	250.00	12 Months	100%	5%	Bullet

(b) **Details of Unsecured Loan Facilities (as on 30.06.2020):**

Lenders Name/Banks Name	Type of Facility	Sanctioned Amount	Disbursed Amount	Principal Amount Outstanding	Tenor	Security	Cash Collateral	Repayment Schedule/Date
ASN-Novib Mikrokreditfonds	NCD_Unsecured	26.28	26.28	26.28	48 MONTHS	NIL	NIL	Bullet Payment
DEVELOPING WORLD MARKET	NCD_Unsecured	25.00	25.00	25.00	48 months and 27 days	NIL	NIL	Bullet Payment
IDFC FIRST BANK	SUB DEBT	30.00	30.00	30.00	84 MONTHS	NIL	NIL	Bullet Payment
IDFC FIRST BANK	SUB DEBT	25.00	25.00	25.00	84 MONTHS	NIL	NIL	Bullet Payment
IDFC FIRST BANK	SUB DEBT	200.00	200.00	200.00	84 MONTHS	NIL	NIL	Bullet Payment
AAV S.A.R.L (MASALA)	SUB DEBT(NCD	50.05	50.05	50.05	85 MONTH	NA	NIL	99.99% Payment

INVESTMENT NCD - Sub Debt))				S			
Caspian Impact Investments Private Limited	SUB DEBT(NCD)	10.00	10.00	10.00	75 MONTHS	N. A	NIL	Bullet Payment
IDFC FIRST BANK	SUB DEBT(NCD)	25.00	25.00	25.00	72 MONTHS	N. A	NIL	Bullet Payment
IFMR CAPITAL FINANCE LIMITED	SUB DEBT(NCD)	35.00	35.00	35.00	74 MONTHS	N. A	NIL	Bullet Payment
IFMR FIMPACT	SUB DEBT(NCD)	25.00	25.00	25.00	75 MONTHS	N. A	NIL	Bullet Payment
IFMR Fim pact Investment Fund	SUB DEBT(NCD)	13.00	13.00	13.00	69 MONTHS	N. A	0 %	Bullet Payment
IFU	SUB DEBT(NCD)	30.00	30.00	30.00	63 MONTHS	N. A	Nil	HALF YEARLY
Indostar Capital Finance Limited(Sub-Debt)	SUB DEBT(NCD)	40.00	40.00	40.00	84 MONTHS	N. A	NIL	Bullet Payment
SAMENA INDIA CREDIT(SINGAPORE) PVT. LTD	SUB DEBT(NCD)	15.00	15.00	15.00	66 MONTHS	N. A	0 %	Bullet Payment
TOTAL		549.33	549.33	549.33				

(c) **Details of Non-Convertible Debentures: (as on 30.06.2020)**

Debenture Series	Tenor / Period of Maturity	Coupon (ROI)	Amount	Amount Outstanding	Date of allotment	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
Aditya Birla Finance Limited	36 MONTHS	10.11%	300	117	29-Aug-18	25-Aug-21	CARE A-Stable	Secured	100%
ASN-Novib Mikrokreditfonds	48 MONTHS	12.00%	263	263	16-Sep-19	15-Sep-21	CARE A-Stable	Unsecured	NIL
BlueOrchard Microfinance Fund	60 MONTHS	12.75%	650	650	03-Oct-17	03-Oct-22	CARE A-Stable	Secured	100%
BlueOrchard Microfinance Fund	60 MONTHS	12.35%	970	970	31-Jul-18	31-Jul-23	CARE A-Stable	Secured	100%
BlueOrchard Microfinance Fund	48 Months	12.11%	1,200	1,200	27-Sep-19	27-Sep-23	CARE A-Stable	Secured	100%
DEVELOPING WORLD MARKET	48 months and 28 days	13.35%	250	250	03-Nov-16	30-Nov-20	CARE A-Stable	Secured	100%
DEVELOPING WORLD MARKET	48 months and 27 days	13.35%	250	250	04-Nov-16	30-Nov-20	CARE A-Stable	Unsecured	NIL
FMO	5 YEARS	11.10%	2,130	2,130	14-Dec-18	14-Dec-23	CARE A-Stable	Secured	100%
IFMR CAPITAL FINANCE LIMITED	36 MONTHS	11.95%	600	200	08-Feb-18	08-Feb-21	CARE A-Stable	Secured	100%
IFMR Fim pact Investment Fund	68 MONTHS	14.50%	20	20	08-May-15	18-Dec-20	CARE A-Stable	Secured	110%
ResponsAbility (NCD)	36 MONTHS	12.75%	500	500	15-Jul-17	15-Jul-20	CARE A-Stable	Secured	110%
RESPONSIBILITY (NCD 28)	36 MONTHS	11.70%	680	680	15-Jun-19	15-Jun-22	CARE A-Stable	Secured	100%
SYMBIOTICS (NCD)	36 MONTHS	11.99%	450	450	07-Dec-17	07-Dec-20	CARE A-Stable	Secured	100%
SYMBIOTICS (NCD)	36 MONTHS	11.99%	330	330	08-Dec-17	08-Dec-20	CARE A-Stable	Secured	100%
SYMBIOTICS (NCD)	15 MONTHS	10.35%	250	250	27-Feb-19	08-May-20	CARE A-Stable	Secured	100%

WATERCREDITINVESTMENTFUND	36 MONTHS	11.00%	387	387	25-Oct-18	26-Oct-21	CARE A- Stable	Secured	100%
GRAND TOTAL			9,230	8,646					

(d) **List of Top 10 Debenture Holder(s) (as on 30.06.2020)**

(Rupees in Crores)

S. No	Name of Debenture Holder	Amount (Rs. in Mn)
1	BLUEORCHARD MICROFINANCE FUND	2820
2	FMO	2130
3	SYMBIOTICS (NCD)	780
4	RESPONSIBILITY (NCD 28)	680
5	DEVELOPING WORLD MARKET	500
6	RESPONSABILITY (NCD)	500
7	WATER CREDIT INVESTMENT FUND	387
8	ASN-NOVIB MIKROKREDITFONDS	262.8
9	UNION BANK OF INDIA	250
10	IFMR CAPITAL FINANCE LIMITED	200
	Total	8509.8

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided

(e) **The amount of corporate guarantee issued by the Issuer along with the name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued. (if any):**

NIL

(f) **Details of Commercial Paper:**

NIL

(g) **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on 30.06.2020:**

Part y Na me (in case of Faci lity) / Inst rum ent Na me	Ty pe of Fa cili ty / Ins tru ment	A m t Sa nc ti on ed / Is su ed	P r in ci pal Am t ou tst an di ng	Re pay ment Dat e / Sch edu le	Cr edi t Ra tin g	Sec ure d / Uns ecu red	Secu rity	Dat e of issu e/al lot ment	No. of Prefere nce Shares	Face Value	Issue Price	Consi derati on in Cash/o ther than Cash	Cum ulati ve Issue d Prefe renc e Shar e capit al
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As per the BE NP OS Provided by RTA	Preferenc e Sha res	250,000	250,000	-	CARE BB B (RPS)	NA	NA	June 10, 2016	25,000,000	10	10	Cash	250,000,000
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- (h) **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 5 years:**

NIL

- (i) **Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:**

NIL

5.10 Details of Promoters of the Company:

- (a) **Details of Promoter Holding in Company as on latest quarter end, i.e. 30.06.2020:**

S. No	Name of the shareholders	Total No of Equity shares	No. of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1.	Anureet Hp Singh	484356	484356	0.93	0	0.00
2.	Harbans Singh	406402	406402	0.78	0	0.00
3.	Satvinder Singh	257011	257011	0.49	0	0.00
4.	Neeti Singh	137711	137711	0.26	0	0.00
5.	Trishashna Holdings & Investments Private Limited	14323264	14323264	27.52	3068790	21.43
6.	Wisteria Holdings & Investments Private Limited	100000	100000	0.19	0	0.00

5.11 Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

Note: Financial Information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/TMD/BOND/1/2009/11/05, dated May 11, 2009.

Profit and Loss Statement (in INR Mn)	For the period ended	For the period ended	For the period ended
Standalone Financials	31.03.2020	31.03.2019	31.03.2018
Finance Operations - Interest Income	10,784.44	11,148.00	9,052.00
Other Finance Income (Treasury & Other Income)	863.79	1,248.00	715.00
Net gain on derecognition of financial instruments under amortized cost category	2,360.81	1,335.00	-
Total Revenue from operations	14,009.04	13,731.00	9,767.00
II. Expenses			
Finance cost	5,736.81	6,390.00	5,317.00
Impairment on financial instruments	1,888.29	521.00	444.63
Employee benefit expenses	2,966.68	2,648.00	1,891.53
Depreciation and amortisation expense	151.98	113.00	140.60
Other expenses	1,133.61	1,002.00	707.52
Total	11,877.37	10,674.00	8,501.27

LIABILITIES & EQUITY INR MN	Mar-20	Mar-19	Mar-18
EQUITY			
Equity share capital	517.13	485.31	472.69
Other equity	14,010.57	11,028.86	8,446.26
Total	14,527.70	11,514.17	8,918.95
LIABILITIES			
Derivative financial instruments	-	-	11.76
Trade payables	41.63	12.96	3.74
Other payables	141.38	106.99	64.42
Borrowings (other than debt securities)	54,090.80	52,350.57	51,508.98
Other financial liabilities	2,440.09	2,759.33	1,847.25
Total	56,713.91	55,229.85	53,436.15
Deferred/Current tax liabilities (net)	114.20	117.86	91.44
Provisions	108.64	135.44	101.64
Other non-financial liabilities	77.85	76.06	77.39
Total	300.69	329.36	270.47

TOTAL LIABILITIES AND EQUITY	71,542.29	67,073.38	62,625.57
ASSETS			
Financial Assets			
Cash and cash equivalents incl. Lien/un-Lien FD's & Liquid Investments	20,073.94	19,621.29	11,549.86
Derivative financial instruments	67.36	18.70	-
Trade receivables	61.31	65.16	1.87
Loans	47,093.91	44,600.86	48,452.19
Investments	2,676.02	1,576.02	767.79
Other financial assets	175.88	199.69	324.06

Total	70,148.42	66,081.72	61,095.77
Current tax assets (net)	315.30	-	-
Deferred tax assets (net)	-	311.59	887.08
Net Fixed Assets	903.31	617.08	554.48
Other non-financial assets	175.26	62.99	88.24
Total	1,393.87	991.66	1,529.80
TOTAL ASSETS	71,542.29	67,073.38	62,625.57

5.12 Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any.

[Note: Financial information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no. SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009]

(Rs. In Cr.)

Profit and Loss Statement (in INR Mn)	For the period ended	For the period ended	For the period ended
Consolidate Financials	31.03.2020	31.03.2019	31.03.2018
Finance Operations - Interest Income	11,214.89	12,037.23	9,569.90
Other Finance Income (Treasury & Other Income)	1,173.89	1,108.58	742.53
Net gain on derecognition of financial instruments under amortized cost category	2,645.54	1,334.55	-
Total Revenue from operations	15,034.32	14,480.37	10,312.42
II. Expenses			
Finance cost	5,860.90	6,424.87	5,340.57
Impairment on financial instruments	1,918.07	524.21	444.71
Employee benefit expenses	3,513.46	3,054.78	2,204.82
Depreciation and amortisation expense	175.37	125.11	147.43
Other expenses	1,450.26	1,193.29	1,016.28
Total	12,918.05	11,322.27	9,153.81
Corporate Social Responsibility Expense	2.80	8.58	11.43
Profit before tax	2,116.27	3,158.09	1,158.61
Tax expense:	(566.54)	-1,143.13	-410.57
Profit after tax	1,549.73	2,014.96	748.04
ASSETS			
Financial Assets			
Cash and cash equivalents incl. Lien/un-Lien FD's & Liquid Investments	21,268.93	20,227.09	12,055.69
Derivative financial instruments	67.36	18.7	-
Trade receivables	123.30	123.76	117.72
Loans	49,411.12	45,486.25	48,472.79
Investments	-	-	0.33
Other financial assets	252.19	200.4	328.79
Total	71,122.90	66,056.20	60,975.32

Current tax assets (net)	377.86	83.43	78.7
Deferred tax assets (net)	-	340.99	926.06
Net Fixed Assets	1,280.87	632.66	574.95
Other non-financial assets	214.55	414.16	435.25
Total	1,873.28	1,471.25	2,014.96
TOTAL ASSETS	72,996.18	67,527.44	62,990.28
LIABILITIES AND EQUITY			
LIABILITIES			
Derivative financial instruments	-	-	11.76
Trade payables	96.60	18.81	168.1
Other payables	152.64	115.48	82.83
Borrowings (other than debt securities)	55,415.13	52,706.04	51,608.85
Other financial liabilities	2,553.23	2,826.62	1,951.84
Total	58,217.60	55,666.96	53,823.37
Deferred/Current tax liabilities (net)	72.79	117.86	91.44
Provisions	128.57	151.55	113.16
Other non-financial liabilities	90.32	96.62	93.84
Total	291.68	366.02	298.43
EQUITY			
Equity share capital	517.13	485.31	472.69
Other equity	13,969.77	11,009.16	8,395.78
Total	14,486.89	11,494.46	8,868.47
TOTAL LIABILITIES AND EQUITY	72,996.18	67,527.44	62,990.28

Note: For Detailed Financials along with latest Limited review report, please refer to the Annexure V also, as attached herein below.

5.13 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby declares that there has been no material event, development or change at the time of issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

5.14 Names of the Debentures Trustees and Consents thereof.

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure III** of this Information Memorandum.

5.15 Rating Rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).

The Rating Agency has assigned a rating of “CARE A- (pronounced as “CARE A Minus”) with ‘stable’ outlook to the Debentures. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. The rating letters from the Rating Agency is provided in **Annexure II** of this Information Memorandum.

5.16 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not Applicable.

5.17 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

5.18 Other details:

(a) Debenture Redemption Reserve (“DRR”) Creation:

As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Debentures.

(b) Issue / instrument specific regulations:

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and the applicable RBI guidelines.

(c) Application process:

The application process for the Issue is as provided in Section 8.10 of this Information Memorandum.

5.19 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this Information Memorandum, which are or may be deemed material, have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Board Resolution dated May 15, 2020 and June 15, 2020 read together with the resolution passed by the Working Committee of the Board of Directors on October 14, 2020 authorizing the issue of Debentures offered under the terms of this Disclosure Document. Copy attached as Annexure no. VII.
3	Shareholders Resolutions, each dated July 6, 2019, of the Company under Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013, read with the shareholders resolution dated August 05, 2020 passed of the Company under Section 42 of the Companies Act, 2013, authorizing the borrowing by the Company and the issuance of non-convertible debentures and the creation of security up to Rs. 5000 Crore. Copy attached as Annexure no. VIII.
4	Copies of Annual Reports of the Company for the last three financial years.
5	Credit rating letter and rating rationale from the Rating Agency dated September 28, 2020.
6	Letter from Catalyst Trusteeship Limited dated October 13, 2020 giving its consent to act as Debenture Trustee.
7	Letter for Register and Transfer Agent.
8	Certified true copy of the certificate of incorporation of the Company.
9	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.
10	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.

5.20 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 60,00,00,000/- (Rupees Sixty Crores only) by issue of Secured Rated Listed Redeemable Non-Convertible Debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.23 of this Information Memorandum.

5.21 Issue Size

The aggregate issue size for the Debentures is of Rs. 60,00,00,000/- (Rupees Sixty Crores only).

5.22 Utilization of the Issue Proceeds

The proceeds shall be used for growing the Company's loan portfolio subject to such restrictions as the parties may have agreed upon and shall not be utilized for the purposes mentioned below.

The Issuer undertakes that the proceeds of this Issue shall be utilized for the deployment of funds on its own balance sheet and not to facilitate resource requests of its group entities/parent company /associates.

The Issue shall not be utilised towards acquisition financing: viz buyback of shares/securities, purchase of shares of other companies and/or promoter contribution towards the equity capital of a company or as a bridge loan.

The Company undertakes that proceeds of this Issue shall not be utilized for the following purposes as specified in the RBI Master Circular No. DBOD.BP.BC.No.6/21.04.172/2015-16 dated July 1, 2015:

- 1) Bills discounted / rediscounted by NBFCs, except for rediscounting of bills discounted by NBFCs arising out of: commercial vehicles (including light commercial vehicles) and two wheeler and three wheeler vehicles, subject to the following conditions: The bills should have been drawn by the manufacturer on dealers only; The bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and; Before rediscounting the bills, the bona fides and track record of NBFCs which have discounted the bills would be verified.
- 2) Investments of NBFCs both of current and long-term nature, in any company / entity by way of shares, debentures, etc. However, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade.
- 3) Unsecured loans / inter-corporate deposits by NBFCs to / in any company.
- 4) All types of loans and advances by NBFCs to their subsidiaries, group companies / entities.
- 5) Finance to NBFCs for further lending to individuals for subscribing to Initial Public Offerings (IPO) and for purchase of shares from secondary market.

5.23 Issue Details

Security Name	11.50%SCNL2024
Issuer	Satin Creditcare Network Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Secured Rated Listed Redeemable Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	As provided in Clause 8.14 below.
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	<p>The Debentures are to be listed on the WDM of the BSE within a maximum period of 7 (Seven) calendar days from the Deemed Date of Allotment.</p> <p>In the event of the Issuer's failure to do so, to the extent that any Debenture Holders are Foreign Institutional Investors or sub-accounts of Foreign Institutional Investors, or Foreign Portfolio Investors or Qualified Foreign Investors, the Issuer shall immediately redeem any and all Debentures which are held by such Foreign Institutional Investor(s) or such sub-account(s) of Foreign Institutional Investor(s) or Foreign Portfolio Investors or Qualified Foreign Investors.</p> <p>In case of delay in listing of the debt securities beyond 20 (Twenty) calendar days from the Deemed Date of Allotment, the Issuer will pay penal interest of at least 1% (One Percent) p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment till the listing of such Debentures</p>
Rating of the Instrument	"CARE A-" (pronounced as "CARE A Minus") with 'stable' outlook
Issue Size	Rs. 60,00,00,000/- (Rupees Sixty Crores only)
Option to retain oversubscription	N.A.
Objects of the Issue	To raise senior secured debt to the extent up to Rs. 60,00,00,000/- (Rupees Sixty Crores only)

Details of the utilization of the Proceeds	The issue proceeds will be to meet funding requirements of the Issuer for growing its microfinance portfolio and to further advance the Issuer's commitment to providing loans to women and women owned businesses.
Coupon Rate	11.50% (Eleven Decimal Point Five Zero Percent) per annum payable semi-annually until the Maturity Date (net of withholding taxes) and subject to the obligation of the Issuer as provided for in Section 8.25 of this Information Memorandum. The Coupon Rate, as on the date of the Debenture Trust Deed, gross of withholding taxes, shall amount to 12.1642% (Twelve Decimal Point One Six Four Two Percent).
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Semi-Annually
Coupon Payment Dates	Semi-annually on October 23 and April 23 of every calendar year until Maturity Date (subject to adjustments for Business Day Convention).
Coupon Type	Fixed Coupon
Exercise Date/Coupon Reset Date	N.A.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Day Count Basis	Actual / Actual
Interest on Application Money	11.50% (Eleven Decimal Point Five Zero Percent) per annum, net of withholding taxes.
Default Interest Rate	In the event of a payment default of the amounts due under this Issue or any other Event of Default (whether by way of acceleration, at maturity or otherwise), the Issuer shall pay an additional 2% (Two Percent) per annum over and above the applicable Coupon Rate on the outstanding principal amount of the Debentures, calculated from the date of the occurrence of the default until such default is cured or the Debentures are redeemed pursuant to such default, as applicable.
Prepayment Penalty	No earlier than 12 (Twelve) months from the Deemed Date of Allotment. The Issuer shall pay the Increased Costs and a prepayment penalty of 2% (Two Percent) on the principal amount repaid. The Prepayment shall be subject to the consent of the Majority Debenture Holders which consent shall not be unreasonably withheld provided that the Issuer has given the Debenture Trustee and the Debenture Holders at least 15 (Fifteen) calendar days written notice prior to the date of such prepayment.
Delay Penalty	In the case of a delay in the execution of Debenture Trust Deed and/ or the Deed of Hypothecation, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.
Tenor	42 (Forty Two) months from the Deemed Date of Allotment.

Principal Payment Date(s)	(a) April 24, 2023 being 30 (Thirty) months from the Deemed Date of Allotment; (b) October 24, 2023 being 36 (Thirty Six) months from the Deemed Date of Allotment; and (c) April 23, 2024 being 42 (Forty Two) months from the Deemed Date of Allotment (subject to adjustments for Business Day Convention).
Redemption Date / Maturity Date	April 23, 2024 being 42 (Forty Two) months from the Deemed Date of Allotment (subject to adjustments for Business Day Convention) or, such other date on which the final payment of the principal amount of the Debentures becomes due and payable as therein or herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture on the Principal Payment Date(s) plus accrued Coupon in the manner set out in Annexure VI (<i>Illustration of Bond Cash Flows</i>) hereto. Further, the aforesaid amount would be payable with the Default Interest (if any), and other such costs, charges and expenses if any, payable on the Due Date(s) under the Transaction Documents.
Redemption Premium/ Discount	Not Applicable
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	N.A.
Put Option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Option Time	N.A.
Call Option Time	N.A.
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture
Minimum Application size and in multiples of Debt Security thereafter	The minimum application size for the Issue shall be 10 Debentures and in multiples of 1 Debenture thereafter.
Issue Timing	Issue Opening Date: October 22, 2020 Issue Closing Date: October 22, 2020 Pay-in Date: October 23, 2020 Deemed Date of Allotment: October 23, 2020 All documentation including, but not limited to, the Information Memorandum, Board Resolution, Rating Letter, Appointment of Debenture Trustee to be completed 1 (One) calendar days prior to Issue Opening Date unless otherwise specified.
Issuance mode of the Instrument	Demat only
Trading mode of	Demat only

the Instrument																									
Settlement mode of the Instrument	<p>The pay-in of subscription monies for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below:</p> <table border="1"> <tr> <td>Name of Bank</td><td>HDFC BANK</td></tr> <tr> <td>IFSC Code</td><td>HDFC0000060</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING CORPORATION LIMITED</td></tr> </table> <table border="1"> <tr> <td>Name of Bank</td><td>ICICI Bank Ltd.</td></tr> <tr> <td>IFSC Code</td><td>ICIC0000106</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING CORPORATION LTD</td></tr> </table> <table border="1"> <tr> <td>Name of Bank</td><td>YES BANK</td></tr> <tr> <td>IFSC Code</td><td>YESB0CMSNOC</td></tr> <tr> <td>Account number</td><td>ICCLEB</td></tr> <tr> <td>Name of beneficiary</td><td>INDIAN CLEARING CORPORATION LTD</td></tr> </table> <p>Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the Debenture Holder.</p>	Name of Bank	HDFC BANK	IFSC Code	HDFC0000060	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED	Name of Bank	ICICI Bank Ltd.	IFSC Code	ICIC0000106	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING CORPORATION LTD	Name of Bank	YES BANK	IFSC Code	YESB0CMSNOC	Account number	ICCLEB	Name of beneficiary	INDIAN CLEARING CORPORATION LTD
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Account number	ICCLEB																								
Name of beneficiary	INDIAN CLEARING CORPORATION LTD																								
Depositories	NSDL/CDSL																								
Business Day Convention	If the Coupon Payment Date or the Principal Payment Date falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment. If the Maturity Date / Redemption Date (including the last Coupon Payment Date and the last Principal Payment Date) or the due date in respect of liquidated damages and all other monies payable under the Debenture Trust Deed falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.																								
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 (Fifteen) calendar days prior to any Due Date.																								
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in in Clause 7.3 below and under the Transaction Documents.																								
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of	<p>The Issue shall be secured by a charge created by the Issuer in favor of the Debenture Trustee (for the benefit of the Debenture Holders) being an exclusive first ranking charge by way of hypothecation comprising of the moveable assets of the Issuer as follows:</p> <p>(a) On and from the date of execution of the Deed of Hypothecation, the Issuer shall create a charge over the Hypothecated Property in terms thereof. The Security Cover to be maintained by the Issuer shall be equal to 1 (One) times the aggregate principal amount outstanding and the Coupon amount outstanding of the Debentures (“Security Cover”). It is clarified that the Security Cover</p>																								

charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document / Information Memorandum.	<p>shall be sufficient to cover the principal and coupon amounts outstanding under the Debentures at all times. The Issuer undertakes:</p> <ul style="list-style-type: none"> (i) to maintain the value of Security Cover at all times till the obligations under the Issue are discharged; (ii) to create the charge over the Hypothecated Property by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") on or before the Deemed Date of Allotment and filing the relevant form immediately and no later than 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation; (iii) On and from the Deemed Date of Allotment, till the Maturity Date, to provide a list, on a monthly basis, of specific loan receivables / identified book debt to the Debenture Trustee and Debenture Holders over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("Monthly Hypothecated Asset Report"). (iv) Any substitution, addition and/or replacement of the Hypothecated Property shall be made under the terms of the Deed of Hypothecation. (v) The Issuer hereby undertakes that the Hypothecated Property over which charge has been created by the Debenture Trustee is free from any encumbrances.
Transaction Documents	Shall be as set out in Clause 7.1 below.
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> 1. The Issuer shall deliver to the Debenture Holders, a certified true copy of the Issuer's constitutional documents and certificate of incorporation, as amended up-to-date; 2. The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the Board of Directors of the Issuer authorizing the issue of Debentures as also execution of the necessary documents in that behalf; 3. The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the shareholders of the Issuer under section 42 of the Companies Act, 2013; 4. The Issuer shall deliver to the Debenture Holders, a certified true copy of the resolution of the shareholders of the Issuer under section 180(1)(a) and section 180(1)(c) of the Companies Act, 2013; 5. The Issuer shall obtain the in-principle approval for listing the Debentures on the WDM segment of BSE; 6. Execution by the Issuer of the Trustee Agreement, the Debenture Trust Deed and the Deed of Hypothecation, in a form and manner satisfactory to the Debenture Trustee shall have taken place; 7. A near final version of the legal opinion on the capacity of the Company to enter into the Transaction Documents and the enforceability of the Transaction Documents to be provided to the Debenture Holders, and 8. Such other undertaking as may be required from the Company.
Conditions Subsequent to Disbursement	<ol style="list-style-type: none"> 1. Within 30 (Thirty) days from circulation of the Information Memorandum, the Issuer shall maintain the record with respect to the issuance of the Debentures in Form PAS-5 specified pursuant to sub-rule (3) of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 along with the requisite fee with the Registrar of Companies;

	<ol style="list-style-type: none"> 2. On or prior to the utilisation of the subscription monies by the Issuer in respect of the Debentures and in any case, within 15 (Fifteen) days from the Deemed Date of Allotment, the Issuer shall file a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, along with the requisite fee with the Registrar of Companies; 3. Within 7 (Seven) calendar days from the Deemed Date of Allotment, the Issuer shall complete listing of the Debentures on the WDM segment of the Bombay Stock Exchange (BSE) and list the Debentures on the BSE; 4. Within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation, the Issuer shall file Form CHG-9 with the applicable Registrar of Companies for the perfection of Security; 5. Within 15 (Fifteen) calendar days from the date of execution of the Deed of Hypothecation, the Issuer shall share the evidence with the Debenture Holder(s) in respect of the registration of Security over the Hypothecated Property with the CERSAI; and 6. Within 45 (Forty five) calendar days from the Deemed Date of Allotment, the Issuer shall provide an executed legal opinion on the capacity of the Company to enter into the Transaction Documents and the enforceability of the Transaction Documents to be provided to the Debenture Holders.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As mentioned in Clause 7.4 below.
Creation of recovery expense fund	<ol style="list-style-type: none"> a. Details and purpose of the recovery expense fund <p>The Issuer shall as may be required under the applicable SEBI regulations, create a recovery expense fund from time to time.</p>
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	As set out in detail under Clause 7.3 below.
Provisions related to Cross Default Clause	<p>If the Issuer, in regard to any Financial Indebtedness:</p> <ol style="list-style-type: none"> (a) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or (b) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (c) due to any default or an event of default, any Financial Indebtedness of the Issuer shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.

Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Risk factors pertaining to the issue	As mentioned in Section 3 above.
Covenants	As mentioned in Clause 7.3 below
Representation and warranties	As mentioned in Clause 7.2 below
Illustration of Bond Cash-flows	Kindly refer to Annexure VI of this Information Memorandum
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

Note:

1. The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.
2. The penal interest rates mentioned above as payable by the Issuer are independent of each other.
3. While the debt securities are secured to the tune of 100% (One Hundred Percent) of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% (One Hundred Percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Creation of Security: The Issuer shall give an undertaking in the Information Memorandum that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor

The Issuer hereby undertakes that the assets on which the first ranking exclusive charge is created by the Company in favour of the Debenture Trustee to secure the obligations of the Company in relation to the Debentures under the terms of the Deed of Hypothecation, being the Hypothecated Property, are free from any encumbrances.

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

- (A) **Name of the bank declaring the entity as a Wilful Defaulter:** NIL
- (B) **The year in which the entity is declared as a Wilful Defaulter:** NIL
- (C) **Outstanding amount when the entity is declared as a Wilful Defaulter:** NIL
- (D) **Name of the entity declared as a Wilful Defaulter:** NIL
- (E) **Steps taken, if any, for the removal from the list of wilful defaulters:** NIL
- (F) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions:** NIL

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue (“**Transaction Documents**”):

- (a) Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee (“**Debenture Trustee Agreement**”);
- (b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer (“**Debenture Trust Deed**”);
- (c) Deed of Hypothecation whereby the Issuer will create an exclusive first charge by way of hypothecation over the Hypothecated Property in favour of the Debenture Trustee to secure its obligations in respect of the Debentures (“**Deed of Hypothecation**”); and
- (d) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

The Issuer hereby makes the following representations and warranties and the same shall also be set out in the Transaction Documents.

- (a) **STATUS:**
 - (i) It is a company, duly incorporated, registered and validly existing under the Applicable Law of India.
 - (ii) As on date, the Company is registered with the Reserve Bank of India as a non-banking financial company.
 - (iii) It has the power to own its assets and carry on its business in substantially the same manner as it is being conducted.

- (b) **BINDING OBLIGATIONS:**

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

- (c) **NON-CONFLICT WITH OTHER OBLIGATIONS:**

The entry into, and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with:

- (i) any Applicable Law including but not limited to laws and regulations regarding anti-money laundering or terrorism financing and similar financial sanctions; or
- (ii) its constitutional documents; or
- (iii) any agreement or instrument binding upon it or any of its assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Company.

(d) POWER AND AUTHORITY:

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) VALIDITY AND ADMISSIBILITY IN EVIDENCE:

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- (ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (iii) for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(f) NO DEFAULT:

No Event of Default or potential Event of Default has currently occurred and is continuing as of the date hereof or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. To the best of the Company's knowledge, no other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its assets or which might have a Material Adverse Effect as on the date hereof.

(g) PARI PASSU RANKING:

Its payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other unsecured creditors, except for obligations mandatorily preferred by law applying to companies generally.

(h) NO PROCEEDINGS PENDING:

There are no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency, which if adversely determined may have a Material Adverse Effect, which have (to the best of its knowledge and belief) been started against it except as disclosed by the Company in its annual reports, financial statements, the Information Memorandum, the Private Placement Offer cum Application Letter(s) and as provided in **Schedule V** (*Pending Cases against the Company*) of the Debenture Trust Deed.

(i) NO MISLEADING INFORMATION:

All information provided by the Company to the Debenture Holder(s) for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) on which it is stated.

(j) COMPLIANCE:

It is in compliance in all respects with all Applicable Law for the performance of its obligations with respect to this Issue, including but not limited to environmental, social and taxation related laws, for them to carry on their business.

(k) ASSETS:

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN: L65991DL1990PLC041796 on the website <http://www.mca.gov.in/mcafoportal/showIndexOfCharges.do> under the heading Index of Charges), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) FINANCIAL STATEMENTS:

- (i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND AS consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its financial statements most recently supplied to the Debenture Trustee as of March 31, 2020 give a true and fair view and represent its financial condition and operations during the relevant financial year save to the extent expressly disclosed in such financial statements.

(m) SOLVENCY:

- (i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it will not be deemed by a court to be unable to pay its debts within the meaning of Applicable Law, nor in any such case, will it become so in consequence of entering into the Debenture Trust Deed.
- (ii) The value of the Assets of the Company is more than its respective Liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- (iii) As on the date hereof, the Company has not taken any corporate action nor has taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(n) NATURE OF REPRESENTATIONS AND WARRANTIES

The Company hereby expressly represents and warrants that each of the representations and warranties set out hereinabove is true and accurate as on the date of the Debenture Trust Deed and shall continue to be true and accurate on each day until the Maturity Date, and nothing contained in the said representations and warranties is / will be misleading or designed to create an inaccurate, incomplete or false picture.

7.3 COVENANTS OF THE ISSUER

7.3.1. AFFIRMATIVE COVENANTS: -

The Company undertakes and agrees that until the Final Settlement Date of the Debentures, it shall:

(i) **UTILISATION OF PROCEEDS OF DEBENTURES**

Utilize the monies received upon subscription to the Debentures solely towards the purpose as mentioned in Clause 2.1 (*Amount of Debentures and Covenant to Pay*) of the Debenture Trust Deed and procure and furnish to the Debenture Trustee, a certificate from the Company's statutory auditors (as may be required under Applicable Law) in respect of the utilisation of funds raised through the Issue at the end of the financial year.

(ii) **LISTING**

Take all steps necessary to obtain the in-principle approval from the BSE for listing the Debentures and to take all steps necessary to get the Debentures listed within 7 (Seven) calendar days from the Deemed Date of Allotment.

In the event that the Debentures are not listed within 7 (Seven) calendar days from the Deemed Date of Allotment for any reason whatsoever, then to the extent that any Debenture Holder(s) are foreign institutional investors or sub-accounts of foreign institutional investors or qualified foreign investors, or foreign portfolio investors, the Company undertakes to immediately redeem and/or buyback any and all Debentures within 2 (two) Business Days of the expiry of the listing period.

In accordance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, in case of a delay by the Company in listing the Debentures beyond 20 (Twenty) calendar days from the Deemed Date of Allotment the Company shall make payment to the Debenture Holder(s) of penal interest calculated on the face value of the Debentures at the rate of at least 1% (One Percent) p.a. over the Coupon Rate from the expiry of 30 (Thirty) calendar days from the Deemed Date of Allotment until the listing of the Debentures.

(iii) **COSTS AND EXPENSES**

Pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holder(s)' interests, including travelling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures and shall not include any foreign travel costs.

(iv) **PAY STAMP DUTY**

Pay all such stamp duty (including any additional stamp duty), other duties, taxes, cesses, charges and penalties, if and when the Company may be required to pay according to the laws for the time being in force in the state where the Transaction Documents are executed, and in relation to the Debentures and in the event of the Company failing to pay such stamp duty, other duties, taxes, cesses and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(v) **MAKE THE RELEVANT FILINGS WITH THE REGISTRAR OF COMPANIES/SEBI**

Pursuant to the provisions of the Act and the relevant rules thereunder, the Company undertakes to make the necessary filings of the documents mandated therein with the Registrar of Companies and/or SEBI within the timelines stipulated thereunder.

(vi) **FURNISH INFORMATION TO DEBENTURE TRUSTEE**

The Company shall furnish quarterly report (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline below) to the Debenture Trustee (as may be required in accordance with SEBI guidelines) containing the following particulars –

- (a) Periodical status/performance reports from the Company within 7 (Seven) calendar days of the relevant board meeting or within 45 (Forty Five) calendar days of the respective quarter, whichever is earlier.
 - (b) Updated list of the names and addresses of the Debenture Holders.
 - (c) Details of the Coupon due, but unpaid and reasons thereof.
 - (d) The number and nature of grievances received from the Debenture Holders and (a) resolved by the Company (b) unresolved by the Company and the reasons for the same.
 - (e) A statement that the Hypothecated Property is sufficient to discharge the claims of the Debenture Holders as and when they become due.
 - (f) On a half-yearly basis, a certificate from the statutory auditor of the Company certifying the value of the book debts/ receivables under the Hypothecated Property including compliance with the covenants of the Information Memorandum in the manner as may be specified by SEBI from time to time and certifying maintenance of the Security Cover as per the terms of the Information Memorandum and/or the Debenture Trust Deed along with the half-yearly financial results of the Company.
- (vii) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.
- (viii) Inform the Debenture Trustee of any major change in the composition of its Board of Directors, which may amount to change in 'Control' as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and/or any significant change in the composition of its Board of Directors.
- (ix) The Company shall furnish to the Debenture Trustee, a certificate from the Company's statutory auditors in respect of the utilization of funds raised under the Issue at the end of each financial year.
- (x) Notify the Debenture Trustee in writing, of any proposed change in the nature or conduct or scope of the business or operations of the Company, prior to the date on which such action is proposed to be given effect.
- (xi) Inform the Debenture Trustee promptly about all orders, directions, notices of court/tribunal affecting or likely to affect the Security and/or the Hypothecated Property.
- (xii) Inform the Debenture Trustee promptly of any amalgamation, merger or reconstruction scheme proposed by the Company.
- (xiii) The Company shall submit to the Debenture Trustee, such information as may be required by the Debenture Trustee from time to time.
- (xiv) **TRANSFER OF UNCLAIMED REDEMPTION AMOUNTS**

The Company shall comply with the provisions of the Act relating to transfer of unclaimed / unpaid amounts of Coupon on Debentures and redemption of Debentures to the Investor Education and Protection Fund (IEPF), if applicable to it.

(xv) **FURTHER ASSURANCES**

The Company shall:

- (a) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (b) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it lawfully to enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed;
- (c) ensure that the Debentures are rated by the Rating Agency and continue to be rated by the Rating Agency during the tenure of the Debentures;
- (d) comply with all Applicable Law (including but not limited to environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (i) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as may be in force from time to time during the currency of the Debentures; and (ii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the Debentures including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

(xvi) **SECURITY**

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (a) The Debentures shall be secured by way of a first ranking exclusive charge on the Hypothecated Property;
- (b) All the movable assets that have been charged in favour of the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this Security, shall be kept in proper condition and adequately insured and shall be dealt with only under the directions of the Debenture Trustee and the Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this Security and shall not sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Hypothecated Property and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof;
- (c) To maintain at all times, during the period of the Issue, the Security Cover. The value of the Hypothecated Property for this purpose (both for initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Company;

- (d) The Company shall create the Security over the Hypothecated Property by executing a duly stamped Deed of Hypothecation on or prior to the Deemed Date of Allotment.
- (e) The Company shall register and perfect the Security over the Hypothecated Property as contemplated above by filing Form No. CHG-9 with the Registrar of Companies in relation thereto within 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation;
- (f) The Company shall on a monthly basis, commencing from the Deemed Date of Allotment till the Maturity Date provide a list of specific loan receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover ("**Monthly Hypothecated Property Report**");
- (g) From the date of the creation of the Security and until the Maturity Date, the Company shall, on the Security Cover being diminished, within 30 (thirty) days of the same, add fresh loan assets to the Hypothecated Property (under the Deed of Hypothecation) such that the Security Cover is maintained in the manner as described in sub-clause (c) above;
- (h) The Company shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the movable assets of the charge from time to time/ Security and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and make, furnish and execute all necessary documents to give effect to this Security;
- (i) The Company shall cooperate with the Debenture Trustee to enable it to make necessary filings in connection with the creation of Security over the Hypothecated Property with the CERSAI, within 15 (Fifteen) calendar days from the date of execution of the Deed of Hypothecation;
- (j) The Security shall be a continuing security as described in the Deed of Hypothecation;
- (k) Nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders.
- (l) The Company shall while submitting half yearly/annual financial results to the BSE, disclose the following line items along with the financial results accompanied by a certificate from the Debenture Trustee confirming that it has taken note of the said content and the same shall be communicated to the Debenture Holder(s) on a half yearly basis:
 - A. credit rating and change in credit rating (if any);
 - B. debt- equity ratio accompanied with a certificate of a practising chartered accountant confirming the said debt-equity ratio;
 - C. previous due date for the payment of Coupon/principal and whether the same has been paid or not;

- D. next due date for the payment of Coupon/principal along with the amount of interest/redemption amount payable;
 - E. debenture redemption reserve;
 - F. net worth;
 - G. net profit after tax; and
 - H. earnings per share.
- (xvii) Within 15 (Fifteen) Business Days of receipt of a request from the Debenture Trustee, the Company shall authenticate any information relating to the Debentures, to be submitted by the Debenture Trustee with the Information Utility.
- (xviii) The Security created by the Company in favour of the Debenture Trustee under the terms of the Deed of Hypothecation shall be enforceable upon the occurrence of an Event of Default.
- (xix) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable to it as if they are actually and physically incorporated herein in the Debenture Trust Deed.
- (xx) **NOTICE OF WINDING UP OR OTHER LEGAL PROCESS**
- Promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act, or any other notice under any other act relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company and affecting or likely to affect the charged assets and the title to the properties of the Company or if a receiver is appointed in respect of any of its properties or businesses or undertakings.
- (xxi) **LOSS OR DAMAGE BY UNCOVERED RISKS**
- Promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties.
- (xxii) **ANTI-MONEY LAUNDERING AND EXCLUSION LIST**
- (a) Not permit any of the Issue proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.
 - (b) Not permit any of the Issue proceeds to be used to fund any activity on the Exclusion List.

(xxiii) **PRESERVE CORPORATE STATUS**

Diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business.

- (xxiv) Inform and provide the Debenture Trustee with applicable documents in respect of any and all information required to be provided to the Debenture Holders under the listing agreement entered/ to be entered into between the Company and the stock exchange on which the Debentures are proposed to be listed.

7.3.2. REPORTING COVENANTS

The Company hereby covenants with the Debenture Trustee that the Company shall, provide or cause to be provided to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee and to the Debenture Holder(s), each of the following items:

- (i) As soon as available and in any event within 20 (Twenty) calendar days after the end of each financial quarter, the quarterly reporting (*in a format which shall be provided by the Debenture Holders from time to time*) such information relevant to the Issue in form and substance satisfactory to the Debenture Trustee.
- (ii) As soon as available and in any event within 20 (Twenty) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting (*in a format which shall be provided by the Debenture Holders from time to time*) such information relevant to the Issue in form and substance satisfactory to the Debenture Trustee.
- (iii) As soon as available and in any event within 45 (Forty Five) calendar days after the end of each financial year of the Company, the annual reporting (*in a format which shall be provided by the Debenture Holders from time to time*) required by the Debenture Holder(s) being such information relevant to the Issue which shall be in form and substance satisfactory to the Debenture Trustee.
- (iv) As soon as available and in any event within 30 (Thirty) calendar days after any change in the shareholding structure of the Company, an updated report reflecting the changes with respect to all of the Company's beneficial owners, as appropriate.
- (v) As soon as available, and in any event within 120 (One Hundred and Twenty) calendar days after the end of each fiscal year of the Company:
 - (a) certified copies of its audited standalone and consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with generally accepted accounting principles in its jurisdiction including its balance sheet, income statement, statement of cash flow; All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flows of the Company as of the date thereof;
 - (b) a certificate of the chief financial officer of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;
 - (c) a complete list comprising all material financial liabilities of the Company, whether absolute or contingent; and

- (d) such additional information or documents as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request.
- (vi) As soon as practicable, and in any event within 5 (Five) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect.
- (vii) As soon as practicable, and in any event within 5 (Five) Business Days after the Company knew or received or should have known thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect.
- (viii) As soon as practicable, and in any event within 1 (One) Business Day, upon the Company having knowledge of any winding up proceeding including filing of any application under the IBC or initiation of any insolvency resolution process against the Company under the IBC.
- (ix) As soon as practicable, and in any event within 5 (Five) Business Days after the Company obtains actual knowledge thereof, notice of the occurrence of a potential Event of Default and any event which constitutes an Event of Default specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.
- (x) As soon as practicable, and in any event within 5 (Five) Business Days after such prepayment, notice of any prepayment of any Financial Indebtedness of the Company.
- (xi) On or prior to the 20th (Twentieth) day of each quarter a report certifying the calculation of financial covenant ratios set forth in Clause 7.3.4 (*Financial Covenants*) below, for the prior month.
- (xii) As soon as available and in any event within 30 (Thirty) calendar days after the end of each calendar month, a report certifying the calculation of the ratios set forth in Clause 7.3.4 (*Financial Covenants*) below, for the prior month.
- (xiii) The Company hereby irrevocably agrees and acknowledges that the Debenture Trustee shall have the sole discretion to determine whether an event, as contemplated in Clause 7.4 (*Events of Default*) below, constitutes an Event of Default, under the Debenture Trust Deed and such decision shall be final and binding upon the Company.
- (xiv) As soon as available, and in any event within 30 (Thirty) calendar days after the end of each fiscal quarter of the Company certified copies of its unaudited standalone and consolidated (if any) financial statements for its most recently completed fiscal quarter, prepared in accordance with generally accepted accounting principles in its jurisdiction including its balance sheet, income statement, statement of cash flow. All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flows of the Company as of the date thereof.
- (xv) As soon as available and in any event within 20 (Twenty) calendar days after the end of each financial quarter, the Company shall submit the quarterly reporting of accounts prepared in accordance with generally accepted accounting principles in its jurisdiction including the balance sheet, income statement and statement of cash flow of the Company.
- (xvi) The Company agrees that it shall forward to the Debenture Trustee and to the Debenture Holder(s) promptly, whether a request for the same has been made or not:

- (a) a copy of the Statutory Auditors' and Directors' Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
 - (b) a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders / holders of debt securities;
 - (c) a copy of all the notices, call letters, circulars, proceedings, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media;
- (xvii) The Company will permit the Debenture Trustee and/or the Debenture Holder(s) to examine the relevant books and records of the Company upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request.
- (xviii) The Company shall provide or cause to be provided to the Debenture Trustee and/or the Debenture Holder(s), in form and substance reasonably satisfactory to the Debenture Trustee and/or the Debenture Holder(s) respectively, such additional documents or information as the Debenture Trustee and/or the Debenture Holder(s) may reasonably request from time to time in relation to the Issue.

7.3.3. NEGATIVE COVENANTS

Without the prior written permission of the Debenture Trustee, the Company shall not take any action in relation to the items set out in this Clause. The Debenture Trustee shall give its prior written approval/dissent within 15 (Fifteen) Business Days after having received a request to give its approval provided such request is accompanied by the relevant information substantiating the request for the Debenture Holders to make a conscious decision. The Debenture Trustee shall take the consent of the Majority Debenture Holders prior to any such approval/dissent.

(i) **CHANGE OF BUSINESS**

Change the general nature and conduct of its business from that which is permitted under the 'Non-Banking Financial Company' directions issued by the RBI.

(ii) **CONSTITUTIONAL DOCUMENTS**

Change its articles of incorporation or organizational documents in any material way which would prejudicially affect the interests of the Debenture Holder(s).

(iii) **MERGER, CONSOLIDATION, ETC.**

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(iv) **CHANGE OF CONTROL**

Issue any additional shares or equity interests and/or shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in the owners or holders of such existing shares and equity interests having less than 80% (Eighty Percent) of the total voting power and economic interests in the Company.

If the written consent of the Debenture Trustee / the Majority Debenture Holders, is withheld for the proposed change of control, the Company, upon the instructions of the Debenture Trustee shall redeem the Debentures forthwith within 45 (Forty Five) calendar days of receiving such written instructions from the Debenture Trustee, and the Company shall pay a penalty of 2% (Two Percent) on the Outstanding Principal Amount to the Debenture Holder(s). Provided that any action arising out of such change of control, will be taken in accordance with the RBI regulations.

(v) **DISPOSAL OF ASSETS**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material assets of the Company, other than in ordinary course of business including any securitization / portfolio sale of assets undertaken by the Company in its ordinary course of business.

(vi) **DIVIDEND, DISTRIBUTION ETC.**

Declare or pay any dividend, make a cash distribution or pay any other consideration to its shareholders (other than dividends or cash distributions payable in shares of the Company) during any financial year unless: (i) the Company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures; (ii) the proposed payment or distribution is made from positive retained earnings of the Company (excluding any amount resulting from the revaluation of any of the Company's assets) earned from the previous financial year for which such dividend or distributions were declared; (iii) so long as no Event of Default or potential Event of Default exists or is continuing; and (iv) after giving effect to any such action, the Company is in compliance with the financial covenants set out in Clause 7.3.4 (*Financial Covenants*) hereinbelow.

7.3.4. FINANCIAL COVENANTS

- (i) On and from the Deemed Date of Allotment and until the Final Settlement Date, the Company shall at all times therein maintain a ratio of the sum of (x) Portfolio at Risk over 30 (Thirty) days plus (y) Restructured Loans plus Net Charge-Offs during the last 12 (Twelve) months divided by (z) the Outstanding Gross Loan Portfolio of not greater than 10% (Ten Percent).
- (ii) The Company shall at all times until the Final Settlement Date, maintain a ratio of the sum of (x) Portfolio at Risk over 90 (Ninety) days plus (y) Restructured Loans minus (z) Loan Loss Reserves, divided by (aa) Tier I Capital of not greater than 10% (Ten Percent).
- (iii) The Company shall at all times until the Final Settlement Date, maintain a Capital Adequacy Ratio calculated as per the applicable RBI regulations of at least 16% (Sixteen Percent);
- (iv) The Company shall at all times until the Final Settlement Date, maintain the ratio of Return on Assets net of donations of greater than 0% (Zero Percent) over a period comprising the preceding 12 (Twelve) months;
- (v) The Company shall at all times until the Final Settlement Date, maintain the ratio of (x) aggregate amount of exposures of the Company owed to its subsidiaries, affiliates and other related parties of the Company divided by (y) Total Capital of not greater than 15% (Fifteen Percent); and
- (vi) The Company shall at all times until the Final Settlement Date, maintain the sum of the absolute value of the ratio of each single currency, (not being the Indian Rupee) of the Foreign-Currency Assets minus Foreign-Currency Liabilities divided by Equity of not greater than 50% (Fifty Percent).

This ratio shall be calculated separately for each separate Foreign Currency held by the Company and then aggregated in the manner provided as under:

-Absolute Value of (Foreign Currency Asset 1 – Foreign Currency Liability 1 + off balance sheet hedges in Foreign Currency 1) plus
-Absolute Value of (Foreign Currency Asset 2 – Foreign Currency Liability 2 + off balance sheet hedges in Foreign Currency 2) plus
-Absolute Value of (Foreign Currency Asset 3 – Foreign Currency Liability 3 + off balance sheet hedges in Foreign Currency) etc. for each Foreign Currency divided by Equity.

“Capital Adequacy Ratio” means the ratio as defined by Reserve Bank of India from time to time as applicable for non-banking financial companies;

“Client Loan” means each loan made by the Company as a lender and “Client Loans” shall refer to the aggregate of such loans;

“Charge-Offs” for a period means the cumulative total amount of defaulted Client Loans that have been deleted from the Company’s balance sheet and expensed / written-off against the Loan Loss Reserve;

“Foreign Currency” means a currency other than Indian Rupees;

“Foreign-Currency Asset” means any asset of the Company consisting of a loan, deposit, claim or other asset that by its terms is payable in Foreign Currency;

“Foreign-Currency Liability” means any liability of the Company consisting of a loan, deposit, claim or other liability that by its terms is payable in Foreign Currency; provided that a loan payable in Foreign Currency that is indexed to the domestic currency of the Company or that is hedged against exchange rate fluctuations with the domestic currency of the Company shall not be considered a Foreign-Currency Liability. A loan payable in Foreign Currency that is hedged through back-to-back arrangements will be considered a Foreign-Currency Liability;

“Net Charge-Offs” shall mean total Charge-Offs net of recoveries of previously charged-off loans, over the preceding 12 (Twelve) months from the Deemed Date of Allotment;

“Net Income” shall mean, for any particular period and with respect to the Company, all revenue (including donations and grants) less all expenses (including taxes, if any for such period);

“Outstanding Gross Loan Portfolio” means the outstanding principal balance of all of the Company’s outstanding Client Loans including current, delinquent and restructured Client Loans, but not including Charge-Offs. It does not include interest receivables and accrued interest;

“Loan Loss Reserves” means the portion of the Company’s portfolio of Client Loans that has been expensed (provisioned for) in anticipation of losses due to default;

“Portfolio at Risk” shall mean the outstanding principal amount of all Client Loans that have one or more instalments of principal, interest, penalty interest, fees or any other expected payments past due more than a specified number of days;

Restructured Loans” means the total amount of Client Loans for which the initial repayment schedule has been modified in favour of the Company’s client, either through modifications of the prior loan contract or through a new loan contract;

“Return on Assets” for any period means the Company’s Net Income divided by its average Assets over that same period;

“Tier I Capital” shall have the meaning assigned to such term in the applicable RBI regulations;

“Total Assets” means, for any date of determination, the total Assets of the Company on such date;

“Total Capital” means the total amount of capital computed for an institution in accordance with the local application of the Basel Capital Accord;

“Total Liabilities” means, for any date of determination, the total Liabilities of the Company on such date;

7.4 EVENTS OF DEFAULT

If one or more of the events specified below occurs (hereinafter each an **“Event of Default”**), the Debenture Trustee may, in their discretion, and shall, upon being directed by the Majority Debenture Holders by a Special Resolution (as defined in the Debenture Trust Deed), by a notice in writing to the Company take all such action, expressly or impliedly permitted under the Transaction Documents or in law.

(i) PAYMENT DEFAULT

The Company does not pay on the due date any amount payable pursuant to the Debenture Trust Deed (whether at scheduled maturity, by acceleration or otherwise) at the place at which and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 7 (Seven) calendar days of its due date.

(ii) BREACH OF TERMS OF THE DEBENTURE TRUST DEED AND/OR THE TRANSACTION DOCUMENTS

Except for the event contained in Clause 7.4(i) (*Payment Default*) above, the Company defaults in the performance of any of its representations, obligations and covenants provided in terms of the Debenture Trust Deed and/or Transaction Documents and such default has continued for a period of 30 (Thirty) calendar days from the earlier of (i) the date when the Company obtained actual knowledge thereof or (ii) the Debenture Trustee has notified the Company of such failure.

(iii) SECURITY

- (a) When the Company creates or attempts to create any charge on the Hypothecated Property or any part thereof or attempts to sell, transfer, lease or otherwise dispose of in any manner whatsoever any assets constituting the Secured Property without the prior approval of the Debenture Trustee / Debenture Holders or the Security Cover is not maintained by the Company;
- (b) In the opinion of the Debenture Trustee acting on the instructions of the Majority Debenture Holders, the Security offered for the Debentures is in jeopardy.

(iv) CESSATION OF BUSINESS

The Company ceases to carry on its business or any substantial part thereof or gives notice of its intention to do so.

(v) **WINDING-UP**

An order has been made by a judicial authority or a special / effective resolution is passed by the members of the Company for winding up of the Company.

(vi) **INSOLVENCY / INABILITY TO PAY DEBTS**

The Company admits in writing its inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness or any corporate action, legal proceedings or other procedure or step or action is taken by any person (whether a financial creditor or an operational creditor or otherwise) or authority including a Governmental Authority (including but not limited to, the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution), in relation to an insolvency resolution process under the provisions of IBC or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

(vii) **APPLICABLE LAW**

The Company defaults or is in non-compliance with any Applicable Law, to which the Company is subject to.

(viii) **DEFAULT IN LISTING**

The Company fails to list the Debentures on the Wholesale Debt Market (WDM) segment of the BSE within 7 (Seven) calendar days from the Deemed Date of Allotment.

(ix) **MISREPRESENTATION**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holder(s) by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(x) **MATERIAL ADVERSE CHANGE**

There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 30 (Thirty) calendar days.

(xi) **CROSS DEFAULT**

If the Company, in regards to any Financial Indebtedness (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created or (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (C) due to any default or an event of default, any Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, (whether or not such right shall have been waived) prior to the stated maturity thereof.

(xii) **LIQUIDATION OR DISSOLUTION OF THE COMPANY / APPOINTMENT OF RECEIVER OR LIQUIDATOR**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- (b) a composition, compromise, assignment or arrangement with any creditor of the Company;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company;
- (d) enforcement of any security over any assets of the Company or any analogous procedure or step is taken in any jurisdiction; or
- (e) any other event occurs or proceeding is instituted that under any Applicable Law would have an effect analogous to any of the events listed in clauses (a), (b), (c) and (d) above.

(xiii) **CREDITORS' PROCESS**

Any expropriation, attachment, sequestration, distress or execution affects any Assets of the Company having an aggregate value of 5% (Five Percent) of the Total Assets of the Company and is not discharged within 30 (Thirty) calendar days or as given in the said order.

(xiv) **JUDGMENT DEFAULTS**

One or more judgments or decrees shall be entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (Five Percent) of the Total Assets of the Company and such judgments or decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed pending appeal for any period of 30 (Thirty) calendar days.

(xv) **TRANSACTION DOCUMENTS**

The Debenture Trust Deed or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Company.

(xvi) **UNLAWFULNESS**

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(xvii) **REPUDIATION**

The Company repudiates any of the Transaction Documents or evidences an intention to repudiate any of the Transaction Documents.

(xviii) **SECURITY COVER**

- (a) The value of the Hypothecated Property is insufficient to maintain the Security Cover and the Company fails to maintain the Security Cover within the stipulated timelines in the Deed of Hypothecation; or
- (b) Any of the Transaction Documents failing to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests failing to have the priority contemplated under the Transaction Documents, or the security interests becoming unlawful, invalid or unenforceable.

(xix) **DELISTING OF DEBENTURES**

The listing of the Debentures ceases or is suspended at any point of time prior to the Maturity Date, except if the Debentures are delisted in accordance with the consent of the Majority Debenture Holders.

(xx) **EXPROPRIATION, NATIONALIZATION ETC.**

Any Governmental Authority condemns, nationalizes, seizes, expropriates or otherwise assumes custody or control of all or any substantial part of the business, operations, property or other assets (including assets forming part of the Security) of the Company or of its share capital, or takes any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on all or a substantial part of its business or operations.

7.5 CONSEQUENCES OF EVENTS OF DEFAULT

On and at any time after the occurrence of an Event of Default, unless such Event of Default at the request of the Company is expressly waived by the Debenture Trustee acting on the instructions of the Majority Debenture Holders, (a) upon the expiry of the cure period provided to the Company, or (b) if the cure period provided is mutually extended by the Parties hereto upon the expiry of such extended period or (c) where it is not practical to provide a cure period, then forthwith, or (d) where no cure period has been provided and the Parties mutually agree to provide for a cure period, upon the expiry of such mutually agreed to cure period, the Debenture Trustee shall if so directed by the Majority Debenture Holder(s):

- (i) declare that all or part of the Secured Obligations be immediately due and payable, whereupon they shall become immediately due and payable;
- (ii) accelerate the redemption of the Debentures;
- (iii) enforce the charge over the Hypothecated Property in accordance with the terms of the Deed of Hypothecation; and
- (iv) exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.

**Please note that the Capitalised terms used in this section, but not defined herein, shall have the meaning as assigned to such term in the Debenture Trust Deed.*

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture

Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Information Memorandum which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

For the avoidance of doubt, the following matters require the consent of Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders as set out below:

- (a) Creating of any additional security; and
- (b) Amendment to the terms and conditions of the Debentures or the Transaction Documents.

8.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holders through registered post, recognized overnight courier service, hand delivery or by facsimile transmission addressed to such Debenture Holder at its/his registered address or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery or email or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number as may be notified by the Issuer from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 3 (three) Business Days after posting; (b) 1 (One) Business Day after delivery by recognized overnight courier service, if sent for next Business Day delivery; (c) in the case of facsimile at the time when dispatched with a report confirming

proper transmission or (d) in the case of personal delivery, at the time of delivery or (e) or in case of e-mail at the time of the sending thereof (provided no delivery failure notification is received by the sender within 24 hours of sending such email).

8.9 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants. All payments in respect of the Debentures shall be made by the Issuer into the bank account so specified by the applicant.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the EBP Platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as investor on the said platform (as a one time exercise) and also complete the mandatory "know your customer verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out herein below:

Details of size of the Issue including green shoe option, if any	600 (Six Hundred) secured, rated, listed, redeemable, non-convertible debentures each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) aggregating to a face value of Rs. 60,00,00,000/- (Rupees Sixty Crore) Green shoe option: N.A.
Bid opening and closing date	Bid opening date: October 22, 2020; and Bid closing date: October 22, 2020
Minimum Bid lot	Minimum application shall not be less than of Rs. 1 Crore (Rupees One crore) (i.e. 10 (Ten) Debentures), and in multiples of INR 10,00,000 (i.e. 1 (one) Debenture) thereafter.
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	Uniform Yield
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement cycle	T+1 where T refers to the date of bid opening date / issue opening date Settlement of the Issue will be on October 23, 2020.

Process flow of settlement:

Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Information Memorandum along with the Private Placement Offer Letter have been issued by the Issuer and who have submitted/shall submit the application form (“**Successful Bidders**”), shall make pay-in of subscription monies in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below, on the Deemed Date of Allotment:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer’s bank account, the details of which are as set out below:

Beneficiary Name:	Satin Creditcare Network Limited Application Account
Bank Account No.	042305001641
IFSC CODE:	ICIC0000423
Bank Name	ICICI Bank Limited
SWIFT Code	-
Branch Address:	Plot no 6, Bulaki Cold Storage Pvt Ltd, New Sabji Mandi, Azadpur, Delhi 110033
Account type	Current Account

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Guidelines.

8.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). Subject to the EBP Guidelines, the Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Guidelines.

8.11 Fictitious Applications

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, allotment shall be made on a “yield-time” priority basis in accordance with the EBP Guidelines. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The pay-in of subscription monies in respect of the Debentures by the Successful Bidder shall be made in accordance with the procedure set out in Section 8.9 above.

8.14 Eligible Investors

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“**Eligible Investors**”):

- (a) Mutual Funds
- (b) NBFCs
- (c) Provident Funds and Pension Funds
- (d) Corporates
- (e) Banks
- (f) Foreign Institutional Investors (FIIs)
- (g) Qualified Foreign Investors (QFIs)
- (h) Foreign Portfolio Investors (FPIs)
- (i) Insurance Companies
- (j) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them. Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the Electronic Platform called the “EBP Platform” under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons Out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Company and to whom allocation is to be made by the Company pursuant to selection

under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as “identified persons” for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Company shall make private placement of the Debentures and only such “identified persons” shall receive a direct communication from the Company with offer to subscribe to the Debentures and only such “identified persons” shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Company on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Company, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Company required to check or confirm the same.

Hosting of the Information Memorandum on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated under the SEBI Debt Listing Regulations read with the EBP Guidelines. Eligible Investors should check their eligibility before making any investment.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.15 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form”.
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form” in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is

therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.16 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

8.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.18 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate
- (b) Resolution authorizing investment and containing operating instructions
- (c) Specimen signature of authorized signatories

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

- (a) Memorandum and Articles of Association or other constitutional documents
- (b) Resolution authorising investment
- (c) Certified true copy of the Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card
- (g) Application Form (including EFT/RTGS details)

8.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

8.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.23 Mode of Payment

All payments must be made in accordance with the EBP Guidelines and the instructions as set out in the Application Form.

8.24 Effect of Holidays

If the Coupon Payment Date or the Principal Payment Date falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment. If the Maturity Date / Redemption Date (including the last Coupon Payment Date and the last Principal Payment Date) or the due date in respect of liquidated damages and all other monies payable under the Debenture Trust Deed falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.

8.25 Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agent of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.

If any payments under this Issue is subject to any tax deduction other than such amounts as are required as per current regulations existing as on the date of the Debenture Trust Deed, including if the Company shall be required legally to make any payment for Tax from the sums payable under the Debenture Trust Deed, (“**Tax Deduction**”), the Company shall make such Tax Deduction, as may be necessary and shall simultaneously pay to the Debenture Holders such additional amounts as may be necessary in order that the

net amounts received by the Debenture Holders after the Tax Deduction shall equal the respective amounts which would have been receivable by the Debenture Holders in the absence of such Tax Deduction.

8.26 Letters of Allotment

The letter of allotment, indicating allotment of the Debentures, will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment. The aforesaid letter of allotment shall be replaced with the actual credit of Debentures, in dematerialised form, within a maximum of 7 (Seven) Business Days from the Deemed Date of Allotment or such period as is permissible under Applicable Law.

8.27 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is October 23, 2020 by which date the Investors would be intimated of allotment.

8.28 Record Date

The Record Date will be 15 (Fifteen) calendar days prior to any Due Date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.30 Interest on Application Money

Interest shall be payable on the application monies received at the Coupon Rate of 11.50% (Eleven Decimal Point Five Zero Percent) per annum net of withholding taxes. Such interest shall be payable from the date of realisation of application monies in relation to the Debentures by the Issuer until the Deemed Date of Allotment and the same shall be paid to the relevant Investors within 7 (Seven) Business Days from the Deemed Date of Allotment.

8.31 PAN Number

Every applicant should mention its Permanent Account Number (“**PAN**”) allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.32 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

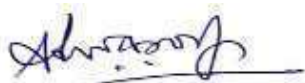
On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 9: DECLARATION

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Information Memorandum is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in the Information Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For **Satin Creditcare Network Limited**



Authorised Signatory



Name: Adhish Swaroop
Title: Company Secretary
Date: October 22, 2020

ANNEXURE I: TERM SHEET

As provided in Clause 5.23 above.

ANNEXURE II: RATING LETTER AND RATING RATIONALE FROM THE RATING AGENCY



No. CARE/DRO/RL/2020-21/2347

Shri H. P. Singh
Chairman & Managing Director
Satin Creditcare Network Limited
97, SEC 44, NEAR HUDA CITY CENTER,
Gurgaon
Haryana 122002

September 28, 2020

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed Non-convertible Debenture (NCD) issue aggregating to Rs.500 crore of your Company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Non-Convertible Debentures	500.00	CARE A-; Stable (Single A Minus; Outlook: Stable)	Assigned
	Total Instruments	500.00 (Rs. Five Hundred Crore Only)		

- Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is September 28, 2020).
- In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.
CARE Ratings Ltd.

CORPORATE OFFICE: 4th Floor, Godrej Colliseum, Somaya
Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai -
400 022.
Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457
Email: care@careratings.com • www.careratings.com

13th Floor, E-1 Block, Videocon Tower
Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

CIN-L67190MH1993PLC071691

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure 2. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by September 29, 2020, we will proceed on the basis that you have no any comments to offer.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.


CARE Ratings Ltd.


13th Floor, E-1 Block, Videocon Tower, Jhandewalan Extension, New Delhi - 110 055.
Tel: +91-11-4533 3200 • Fax: +91-11-4533 3238

11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
12. CARE ratings are not recommendations to buy, sell or hold any securities.
13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,


Vidushi Gupta
Analyst
vidushi.gupta@careratings.com


Shubha Bhanu
Senior Manager
shubha.bhanu@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Ltd.

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Annexure
Press Release
Satin Creditcare Network Limited

Ratings

Instruments	Amount (Rs. Crore)	Rating ¹	Rating Action
Non-Convertible Debentures (Proposed)	300 (Rupees Five hundred crore only)	CARE A-; Stable (Single A Minus; Outlook: Stable)	Assigned

Details of instruments in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the non-convertible debenture issue of Satin Creditcare Network Limited (SCNL) draws comfort from the long-standing experience of the promoter, demonstrated ability to raise capital, company's stated intent to maintain adequate capitalization levels well above the regulatory requirement, diversified resource base and comfortable liquidity position. The rating also takes into consideration the established track record of operations and risk management systems in place which allow real time monitoring of operations. The ratings also factor in the profitable operations in FY20, restoration of asset quality post demonetization to a large extent and reducing geographical concentration risk with expansion into new territories/regions.

The rating is however constrained by relatively weak asset quality with GNPA / Stage 3 assets to AUM of 2.40% as on June-20 and reduction in ECL provisioning against the same from 62% as on Mar-18 to 29% as on June-20, increase in delinquencies in Q2FY20 following floods / excessive rainfall in few states, impact on repayments of MFIs including SCNL in few districts of Assam since Sept-19 following protests by the local unions, increase in first cycle loans in the overall loan book following expansion into new territories as against the traditional Hindi speaking belt where SCNL has long standing experience of operations. Also, concentration in Uttar Pradesh (single largest state and region most impacted post demonetization) was 25.05% as on June-20. The rating of SCNL also continues to account for the inherent risk involved in the microfinance industry including unsecured lending; cash based operations and socio-political intervention risk. Additionally, CARE takes note unprecedented situation of COVID-19 outbreak that has led to elevated risk aversion in general and particularly with respect to microfinance sector owing to uncertainty arising from unsecured lending to customers with weaker credit profiles.

The ability of the company to improve its asset quality and limit the credit losses while maintaining comfortable capital structure and gearing levels, grow its portfolio while continuing to diversify its presence and maintaining consistent profitability are key rating sensitivities.

Rating Sensitivities

Positive factors - Factors that could lead to positive rating action/upgrade:

- Growth in loan book with geographical diversification of operations
- Improvement in profitability indicators with Adj. ROTA being 2.3% on sustained basis
- Maintain adequate capitalization levels well above the regulatory requirement of 15% while maintaining net adjusted gearing at less than 4 times on a sustained basis

Negative factors - Factors that could lead to negative rating action/downgrade:

- Deterioration in asset quality leading to substantial increase in credit losses thereby impacting the profitability and capitalization levels
- Increase in adjusted net gearing levels beyond 5 times
- Decline in cash surplus and liquidity buffers beyond a threshold which could impact the risk absorption ability

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Detailed description of the key rating drivers

Key Rating Strengths

Long track record of the company, strong investor base and experienced promoter and management

Based out of Delhi, SCNL is the leading microfinance institution (NBFC-MFI) that has been carrying out individual lending activities since 1990. The company entered into microfinance lending in 2008 and has gained reasonable experience in the group lending business emerging as the 2nd largest NBFC-MFI in the country in terms of Assets under Management (AUM). As on June 30, 2020, SCNL's standalone AUM stood at Rs 7181 crore, up 11% Y-o-Y while the consolidated AUM (including that of its subsidiaries) stood at Rs 8,119 crore, up 14% Y-o-Y.

SCNL has an eleven-member Board of Directors comprising of two promoter directors, three directors nominated by investors and six independent directors. The operations of the company are headed by the promoter, Mr H P Singh, the Chairman and Managing Director of the company who is supported by a management team having rich experience in the financial services and microfinance sector. As on September 01, 2020, the promoter shareholding stood at 37.89%, up from 30.19% as on June 30, 2020. This increase in promoter shareholding has been after the rights issue of Rs. 120 crore completed in August 2020. Additionally, SCNL has a diversified investor base consisting of banks, mutual funds and Foreign Portfolio Investors/Financial Institutions viz. Asian Development Bank, Korea Investments, NMI Fund, SBI FMO Emerging Asia Financial Sector Fund Pte Ltd, Morgan Stanley Mauritius Company Ltd, Morgan Stanley (Investments) Mauritius Ltd, Industind Bank and IDFC First Bank.

Demonstrated ability to raise equity capital and comfortable regulatory capital levels

There has been improvement in capital structure of SCNL with the company having raised capital in seven rounds of equity infusion from marquee investors. The company raised Rs 250 crore from QIP in October 2016 and Rs 130 crore from large domestic mutual funds in October 2017. This along with positive internal accruals led to networth base of SCNL increasing by 30% Y-o-Y from Rs 1,118 crore as on Mar-19 to Rs 1,449 crore as on March-20. The capitalization profile of SCNL is comfortable with CAR and Tier-I CAR of 31.09% and 23.67% as on June-20 as against 28.49% and 19.94% respectively as on Mar-19. On August 12, 2020, SCNL launched its maiden rights issue of Rs 120 crore for eligible equity shareholders of the company in the ratio 48:125. The issue size was up to Rs. 120 Crores at Rs. 60 per fully paid-up Equity Share of face value of Rs. 10/- each including a premium of Rs. 50/- per Equity Share to be paid in multiple calls. This will further augment company's capital base and provide more headroom to support loan growth.

Also, with company reducing its on-book debt (down Rs.560 crore) owing to significant assignment of loans and buildup of BC book during the year (36% of the AUM as on Dec-19 as against 30% as on March-19), the adjusted overall gearing (i.e. ratio of debt including securitized portfolio and preference share capital and credit enhancement for its subsidiaries to net worth reduced by DTA, intangible assets, investments in subsidiaries and 7.5% FLDG on the BC portfolio) has reduced from 6.95x as on Sept-18 to 4.67x as on March 31, 2020. The net adjusted gearing (adjusted for the cash and bank balance and liquid investments and accounting for assigned book as debt similar to BC portfolio) stands at 3.41x as on March-20 as against 4.10x as on Mar-19. Management has stated its intent to maintain capitalization levels well above the regulatory requirement. Going forward, the ability of SCNL to maintain healthy capital adequacy to provide headroom for growth while maintain its gearing levels would be one of the key monitorables.

Diversified resource base supporting liquidity

SCNL has a diversified resource base with association with over 80 lenders as on June 30, 2020. SCNL has demonstrated its ability to raise funding from diverse sources viz. Banks, Domestic Financial Institutions, NBFCs, Overseas and Domestic Funds etc. As on June 30, 2020, SCNL had total borrowings of Rs.7269.5 crore. The major source of funding for SCNL has been term loan from banks/FIs/NBFCs (~51% of the borrowings as on June-20). SCNL has also raised substantial borrowings in the form of NCDs and Sub-debt (largely from overseas funds and NBFCs) accounting for nearly ~19% of the overall borrowings along with a share of external commercial borrowings (ECBs) at 3% of the overall borrowings as on June-20. SCNL has also accessed assignment/securitization route to raise funds. The company has also received moratorium on principal repayments from about 63% of its lenders and expects to receive funding support from NABARD, SIDBI and from various lenders under TLTRO 2.0 funds of RBI relief package.

Profitable operations of SCNL during FY20

End FY 2020, SCNL reported net profit of Rs. 136 crore on total income of Rs. 1401 crore as against net profit of Rs 195 crore on total income of Rs. 1373 crore previous year. While the total income increased by a marginal 2% Y-o-Y, the bottom line was impacted by margin contraction and elevated provisioning costs. End fiscal 2020, the CARE adjusted net interest margin (NIM on average total assets) of company stood at 8.43% as against 9.4% a year ago due to reduction in gross yields. For Q1FY21, SCNL reported total income of Rs.289 crore, down 13% Y-o-Y. The company's opex costs have remained steady during the year however the management has stated that it has undertaken several cost reduction mechanisms such as branch/office rationalization to further bring down costs. The overall profitability was also impacted by sharp rise in CARE adjusted credit costs (loan loss provisions and write offs as a percentage of average total assets) that stood at 2.8% as against 0.92% a year ago. The company provided an additional Rs. 83 crore on account of covid impact thereby taking the total provisioning expenses to about Rs. 200 crore as against Rs 55 crore a year ago. Adj. ROTA of SCNL was 1.70% during FY20 (as against 2.64% during FY19).

Management information and IT systems in place

SCNL has established an efficient monitoring structure for overseeing its operations at various levels, including area level, regional level and state level. It has put in place risk management systems, viz. defined credit appraisal, collection and monitoring systems including profile of the clients and outer limit of loan size. Specialized software and user-level restrictions are in place to ensure a speedy access to the information with data security. The company has also implemented systems wherein the field staff operate through TABs connected to the internet. SCNL has put in place systems for real time monitoring of on-field data such as collections, meeting details, geo tagging of field agents etc. thereby allowing monitoring of the operations by the management across various levels of hierarchy on real time basis. It has also resulted in reduction in operational expenses by bringing down the disbursement TATs. SCNL has already moved to cashless disbursements (100% branches being cashless enabled as on Mar-20 with over 93% incremental disbursements and 37% collections (up from 27% in Dec-19) being cashless. During the times of covid, the company has also launched a customer service application to connect with their clients and allow them to pay through digital platforms.

Incrementally, SCNL in FY19, has improved its credit risk management and data quality maintenance systems by shifting to Centralized Credit Management System (Loan Application, KYC and Bank Account verification and Loan Sanctions), thus putting in an additional level of independent check as against a branch / field driven system earlier. SCNL has also implemented a credit scoring model for individual borrowers and groups and psychometric analysis tool which are being testing to improve the client identification process. SCNL is also testing pilots for cashless collections going forward.

Geographically diversified operations

SCNL has spread its operations and grown its portfolio in new states and currently has a presence in 23 States / UTs and 378 districts across the country with a borrower base of 29.57 Lakh active borrowers (Individual & JLG) and standalone AUM of Rs.7,181 crore as on June 30, 2020. In the last quarter of FY20, the company has also set its footprints in a new state, i.e. Sikkim. SCNL has been traditionally a North Indian Player with presence mostly in the Hindi speaking states where it has long standing experience of operating. However, post demonetization, i.e. during FY18 and FY19 the company has expanded its footprint and grown in Eastern, North Eastern and Southern States viz. Assam, Orissa, West Bengal, Meghalaya, Tripura, Tamil Nadu, Pondicherry and Karnataka which together constituted 21.98% of the portfolio of SCNL as on March 31, 2020 as against just 13.61% at the end of Mar-18 and 1% as on Mar-17. Consequently, the regional concentration risk of SCNL has reduced as reflected by reduction in the top 3 states portfolio from 73% as on March 31, 2018 (Top 3 states being UP, Bihar, Punjab, Assam and West Bengal) to 63.67% as on March 31, 2020 (viz. Uttar Pradesh, Bihar, Punjab, MP and West Bengal) albeit increased from 39.42% as on Mar-19. Uttar Pradesh remains the largest state constituting 25.5% of gross loans, followed by Bihar constituting another 16.5%. The Top State (Uttar Pradesh) concentration and top state concentration as a % of Net Worth stood at 25.05% and 124% respectively as on June 30, 2020.

Key Rating Weaknesses

Increase in delinquencies following to floods in few states and unrest in Assam; albeit sufficient cushion available to absorb the risk

SCNL reported Stage 3 assets (PAR 90) and Net PAR 90 of 2.93% (FY: 2.89%) and 2.02% (FY: 1.77%) respectively as on March-20. Gross NPA stood at 2.42% on June 30, 2020. On account of covid 19 outbreak, the company has made provisioning of 130% for on-book portfolio, which brings Net NPA down to -0.8%. Although, SCNL has been able to largely restore its asset quality following demonetization, its NPA levels of SCNL still remain higher than industry. This is due to predominant presence of SCNL in Uttar Pradesh, which was the area most impacted post demonetization and disbursements undertaken in the affected pockets to bring back the borrowers into the system, a lower provision cover of 31% being maintained against the PAR 90 as on March-20.

The asset quality of SCNL was however impacted to some extent in Q2FY20 following flooding in few states viz. MP, Assam, Bihar and Orissa as also reflected by increase in PAR 1 from 3.88% as on June-19 to 5.02% as on March-20. Also, the delinquencies have increased in Assam (which contributed to 5.3% of AUM of SCNL as on March-20), following unrest in certain North Eastern districts of Assam. The company has taken various measures along with SROs viz. MFRI and Sadhan to address the concern on the ground level and are encouraging the borrowers to repay.

Additionally, CARE takes note unprecedented situation of COVID-19 outbreak that has led to elevated risk aversion in general and particularly with respect to microfinance sector owing to uncertainty arising from unsecured lending to customers with weaker credit profiles. Setin has provided moratorium to about a third of its borrowers for the period starting from March 23, 2020 (initiation of lockdown period). Subsequently the company has also availed moratorium from 63% of its lenders for the principal payments while it continues to serve interest payment during the said period. While the company's liquidity profile remains adequate in the near term, the challenges with respect to lower than expected scheduled inflows coupled with scheduled liability related outflows, if prevailed over longer term due to prolonged challenging conditions, could lead to moderation in liquidity profile of the company.

Going forward, however, the ability of the company to improve its asset quality and limit the net credit losses would be crucial for the credit profile of SCNL.

Majority of portfolio in UP and increase in first cycle loan borrowers

Expansion and growth in loan book in the newer territories, has meant reduction in geographical concentration, however this has also resulted in increase in first time borrowers for SCNL in new territories wherein it has limited experience of operations. Even with expansion into newer territories, the first cycle loans have declined from 51.5% as on March-19 to 42.8% on June-20. Also, SCNL's exposure in the state of Uttar Pradesh (U.P.; single largest state exposure and area most impacted post demonetization) continues to be high at 23.05% on June 30, 2020.

Inherent industry risks

The microfinance sector continues to be impacted by the inherent risk involved viz. socio-political intervention risk and risks emanating from unsecured lending and marginal profile of borrowers who are vulnerable to economic downturns besides operational risks related to cash based transaction.

Liquidity: Strong

The company has a favorable liquidity position given shorter tenure of loans and advances (upto 2 years) as against long tenure of borrowings (2-7 years) and a large equity base as also reflected by a well matched AUM profile as on June 30, 2020. As on June 30, 2020, company's expected inflows in up to next one year bucket (including bank balance and liquid investments) were 1.6 times of its expected outflows. SCNL also has an established practice of maintaining adequate buffer in the form of free cash and bank balance/ liquid investments at all times to cushion its liquidity profile. As on September 21, 2020, SCNL was maintaining free cash and bank balance and liquid investments of about Rs 1,356 crore.

SCNL has also accessed assignment route to raise funds (Rs.2056 crore constituting 28% of its AUM as on March-20). The liquidity position of SCNL is also supported by availability of on-tap funding for disbursements upon commencement of Business Correspondent (BC) operations for Indusind Bank since Apr-18. The partnership with Indusind Bank for undertaking BC activity (which can go upto 40% of the incremental disbursements per management) is expected to augment the resources profile and liquidity of the company. BC portfolio for Indusind stood at Rs.519 crore as on June-20, constituting

7.2% of the overall AUM as on June-20. Additionally, SCNL also had sanctioned un-availed funding lines of Rs.1036 crore as on September 21, 2020.

Covid-19 Impact

In line with RBI's notification, SCNL has granted moratorium on the payment of interest and/or principal on loans falling due between 1st March 2020 and 31st May 2020 that was extended to further 31 August, 2020. For all accounts where the moratorium has been availed by the borrowers, the moratorium period has been excluded from the number of days past-due for asset classification. As of 30th June 2020, 11% of SCNL's borrowers had opted for complete moratorium. For July and August, collection efficiency stood at 85% of the monthly demand.

Analytical approach: Standalone

Applicable Criteria

[Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Rating Methodology for Non-Banking Financial Companies](#)

[Financial Sector Ratios](#)

About the Company

SCNL is a leading microfinance company based out of Delhi. The company is registered with Reserve Bank of India (RBI) as a non-deposit accepting, systemically important non-banking financial company (NBFC) and had been granted NBFC-MFI status on November 6, 2013, by RBI. SCNL is also listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

Incorporated in 1990, the company was initially engaged in providing loans to individuals including shopkeepers etc. in the urban areas. In 2008, the company started group lending business with joint liability group (JLG) model which constituted 96% of the portfolio of SCNL as on June 30, 2020 with MSME loans constituting the balance 4% of AUM as on June-20.

MSME Loans include unsecured loans of ticket size of Rs.1-10 Lacs for a period of 1-10 years and corporate loans to other MFIs of Rs.3-10 crore. The operations of SCNL are spread across 23 states/ UTs i.e. Uttar Pradesh, Madhya Pradesh, Bihar, Punjab, Delhi/ NCR, Uttarakhand, Rajasthan, Haryana, Chandigarh, Jammu & Kashmir, Maharashtra, Chhattisgarh, Jharkhand, Himachal Pradesh, West Bengal, Gujarat, Orissa, Assam, Karnataka, Meghalaya, Tripura, Sikkim and Pondicherry. As on June-20, SCNL was operating in 378 districts managed through 1117 branches with 29.57 Lakh active borrowers (individual & JLG) with total assets under management (AUM) being Rs.7,181 crores (including BC book for IndusInd of Rs.519 crore and assigned portfolio of Rs.2,009 crore).

SCNL also has three subsidiaries viz. Tarashna Financial Services Limited (TSL), Satin Housing Finance Limited (SHFL) and Satin Finserv Ltd. TSL acts as a business correspondent for 4 Banks/FIs. The company has spread its presence in 8 states (Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Chhattisgarh, Bihar, Punjab and UP) with 213 branches and AUM of Rs.704 crore as on March-20. SHFL is a HFC registered with NHB which undertakes extension of home loans and Loan Against property. Currently, SHFL sources its business in Delhi/NCR, Uttar Pradesh and Rajasthan region. It commenced lending operations in February 2018 and has built a loan portfolio of Rs.139 crores as on March-20. Satin Finserv Limited is the newest subsidiary of the group formed to foray into the MSME segment which commenced operations in March 2019. The AUM of SFL as on March 31, 2020 was Rs.111 crore.

Brief Financials (Rs. crore) – Standalone	FY19	FY20
	(12M, A)	(12M, A)
	INDAS	INDAS
Total Operating Income	1373	1401
PAT	195	156
Interest coverage (times)	1.57	1.37
Assets under Management	6374	7220
Total Assets	6674	7150

Brief Financials (Rs. crore) – Standalone	FY19	FY20
	(12M, A)	(12M, A)
	INDAS	INDAS
Net NPA Ratio / Net PAR 90 Ratio (%)	1.77	2.02
Adj. Return on Total Assets (ROTA)*	2.64	1.70

Note: A: Audited

* Ratios have been computed based on average of annual opening and closing balances

** Adj. ratios computed based on incl. of securitized/assigned/BC portfolio

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Current Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures (Proposed)	-	-	-	-	500	CARE A-; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Type	Current Ratings		Rating history			
			Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	2800.00	CARE A-; Stable	1) CARE A-; Stable (07-Jul-20)	1) CARE A-; Stable (05-Jul-19)	1) CARE A-; Stable (26-Jun-18) 2) CARE BBB+; Stable (13-Apr-18)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+; Negative (13-Jul-17) 3) CARE BBB+; Negative (24-Apr-17)
2.	Debentures-Non Convertible Debentures	LT	-	-	-	1) Withdrawn (04-Apr-19)	1) CARE A-; Stable (26-Jun-18)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+; Negative (13-Jul-17) 3) CARE BBB+; Negative (24-Apr-17)
3.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1) Withdrawn (24-Apr-17)
4.	Debentures-Non Convertible Debentures	LT	-	-	-	1) Withdrawn (24-Mar-20) 2) CARE A-; Stable (05-Jul-19)	1) CARE A-; Stable (26-Jun-18)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+;

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
								Negative (13-Jul-17) B/CARE BBB+; Negative (24-Apr-17)
5.	Debentures-Non Convertible Debentures	LT	50.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18)	1)CARE BBB+; Stable (20-Dec-17) 2)CARE BBB+; Negative (13-Jul-17) B/CARE BBB+; Negative (24-Apr-17)
6.	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (05-Mar-20) 2)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18)	1)CARE BBB; Stable (20-Dec-17) 2)CARE BBB; Negative (13-Jul-17) B/CARE BBB; Negative (24-Apr-17)
7.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jul-19)	1)CARE A-; Stable (26-Jun-18)	1)CARE BBB+; Stable (20-Dec-17) 2)CARE BBB+; Negative (13-Jul-17) B/CARE BBB+; Negative (24-Apr-17)
8.	Debentures-Non Convertible Debentures	LT	26.28	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18)	1)CARE BBB+; Stable (20-Dec-17) 2)CARE BBB+; Negative (13-Jul-17) B/CARE BBB+; Negative (24-Apr-17)
9.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (04-Apr-19)	1)CARE A-; Stable (26-Jun-18)	1)CARE BBB+; Stable (20-Dec-17) 2)CARE BBB+; Negative (13-Jul-17) B/CARE BBB+;

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
							Negative (24-Apr-17)
10.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (04-Apr-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Negative (13-Jul-17) 3)CARE BBB+; Negative (24-Apr-17)
11.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Negative (13-Jul-17) 3)CARE BBB+; Negative (24-Apr-17)
12.	Debentures-Non Convertible Debentures	LT	68.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Negative (13-Jul-17) 3)CARE BBB+; Negative (24-Apr-17)
13.	Preference Shares-Non Convertible Redeemable Preference Share	LT	25.00	CARE BBB+ (RPS); Stable	1)CARE BBB+ (RPS); Stable (07-Jul-20)	1)CARE BBB+ (RPS); Stable (05-Jul-19)	1)CARE BBB+ (RPS); Stable (26-Jun-18) 2)CARE BBB (RPS); Negative (13-Jul-17) 3)CARE BBB (RPS); Negative (24-Apr-17)
14.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Negative (13-Jul-17) 3)CARE BBB+; Negative (24-Apr-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
15.	Commercial Paper-Commercial Paper (Standalone)	ST	200.00	CARE A1	1) CARE A1 (07-Jul-20)	1) CARE A1 (05-Jul-19)	1) CARE A1 (13-Mar-19) 2) CARE A2+ (26-Jun-18) 3) CARE A2 (13-Apr-18) 4) CARE A2 (26-May-17) 5) CARE A2 (24-Apr-17)
16.	Debentures-Non Convertible Debentures	LT	-	-	-	1) Withdrawn (05-Mar-20) 2) CARE A-; Stable (05-Jul-19)	1) CARE A-; Stable (26-Jun-18) 2) CARE BBB+; Negative (21-Sep-17) 3) CARE BBB+; Negative (13-Jul-17) 4) CARE BBB+; Negative (24-Apr-17)
17.	Debentures-Non Convertible Debentures	LT	-	-	1) Withdrawn (14-Aug-20) 2) CARE A-; Stable (07-Jul-20)	1) CARE A-; Stable (05-Jul-19) 2) CARE A-; Stable (26-Jun-18)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+; Negative (13-Jul-17) 3) CARE BBB+; Negative (24-Apr-17)
18.	Debentures-Non Convertible Debentures	LT	-	-	-	1) Withdrawn (05-Mar-20) 2) CARE A-; Stable (05-Jul-19)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+; Negative (21-Sep-17)
19.	Debentures-Non Convertible Debentures	LT	65.00	CARE A-; Stable	1) CARE A-; Stable (07-Jul-20)	1) CARE A-; Stable (05-Jul-19)	1) CARE BBB+; Stable (20-Dec-17) 2) CARE BBB+; Negative (28-Sep-17)
20.	Debentures-Non Convertible Debentures	LT	-	-	-	1) Withdrawn (05-Mar-20) 2) CARE A-; Stable (26-Jun-18)	1) CARE A-; Stable (20-Dec-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
						(05-Jul-19)	
21.	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Stable (20-Dec-17)
22.	Debentures-Non Convertible Debentures	LT	60.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Stable (06-Feb-18)
23.	Debentures-Non Convertible Debentures	LT	334.20	CARE A-; Stable	1)CARE A-; Stable (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (17-Sep-19) 2)CARE A-; Stable (05-Jul-19)	1)CARE A-; Stable (26-Jun-18) 2)CARE BBB+; Stable (13-Apr-18)
24.	Debentures-Non Convertible Debentures	LT	38.70	CARE A-; Stable	1)CARE A-; Stable (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (17-Sep-19) 2)CARE A-; Stable (05-Jul-19)	-
25.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jul-19)	-
26.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jul-19)	-
27.	Debentures-Non Convertible Debentures	LT	120.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (17-Sep-19)	-
28.	Debt-Subordinate Debt	LT	30.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (29-Nov-19)	-
29.	Debentures-Non Convertible Debentures	LT	50.05	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (24-Mar-20)	-
30.	Debentures-Non Convertible Debentures	LT	200.00	CARE A-; Stable	1)CARE A-; Stable (07-Jul-20) 2)CARE A-; Stable (25-Jun-20)	-	-
31.	Debentures-Non Convertible Debentures	LT	300.00	CARE A-; Stable	1)CARE A-; Stable (14-Aug-20)	-	-
32.	Debentures-Non Convertible Debentures	LT	500.00	CARE A-; Stable	-	-	-

Annexure 3: Complexity level of various instruments rated for this company

Sr. No.	Name of the instrument	Complexity Level
1.	Debentures-Non Convertible Debentures	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST
Relieve in yourself... Trust us!



2610/CL/MUM/20-21/DEB/441

13th October, 2020

To,
Satin Creditcare Network Limited (Issuer)
5th Floor, Kundan Bhawan Azadpur
Commercial Complex, Azadpur Delhi DL 110033

Dear Sir,

Consent to act as Trustee for Secured, Listed, Non-Convertible Debentures aggregating upto Rs. 60 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) to act as Debenture Trustee for the, Secured, Listed, Non-Convertible Debentures aggregating upto Rs. 60 Crores to be issued. In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

Acceptance fees : Rs.1,60,000/- plus applicable taxes (One Time Non-Refundable payable on appointment as trustee).

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

We accept the above terms.

For Catalyst Trusteeship Limited

For Satin Creditcare Network Limited



Authorized Signatory



Authorized Signatory

NOTE: As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.



[illegible]

ANNEXURE IV: APPLICATION FORM

SATIN CREDITARE NETWORK LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: 16th October, 1990

Registered Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex,

Azadpur, Delhi- 110033

Telephone No.: +91-11 4754 5000

Website: www.satincreditcare.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.								
---	--	--	--	--	--	--	--	--

Issue of 600 (Six Hundred) Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 60,00,00,000/- (Rupees Sixty Crores only) on a private placement basis (the “Issue”).

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____ In words: _____-only
Amount Rs. /-In words Rupees : Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No.	Drawn on
-----	----------

Funds transferred to Satin Creditcare Network Limited.

Dated _____

Total Amount Enclosed

(In Figures) Rs. /- (In words) Only

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

[illegible]**APPLICANT'S ADDRESS**[illegible]

APPLICANT'S PAN/GIR NO. IT CIRCLE/WARD/DISTRICT

WE ARE () COMPANY () OTHERS () SPECIFY

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Information Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account : (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

	FOR OFFICE USE ONLY
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures. We undertake that upon sale or transfer to subsequent investor or transferee ("**Transferee**"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any

intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

Applicant's
Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

<i>(To be filled in by Applicant)</i> SERIAL NO.	1	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---

Received from _____

Address _____	
Cheque/Draft/UTR # _____ Drawn on _____ for	
Rs. _____ on account of application of _____ Debenture	

ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

Profit and Loss Statement (in INR Mn)	For the period ended	For the period ended	For the period ended
Consolidate Financials	31.03.2020	31.03.2019	31.03.2018
Finance Operations - Interest Income	11,214.89	12,037.23	9,569.90
Other Finance Income (Treasury & Other Income)	1,173.89	1,108.58	742.53
Net gain on derecognition of financial instruments under amortized cost category	2,645.54	1,334.55	-
Total Revenue from operations	15,034.32	14,480.37	10,312.42
II. Expenses			
Finance cost	5,860.90	6,424.87	5,340.57
Impairment on financial instruments	1,918.07	524.21	444.71
Employee benefit expenses	3,513.46	3,054.78	2,204.82
Depreciation and amortisation expense	175.37	125.11	147.43
Other expenses	1,450.26	1,193.29	1,016.28
Total	12,918.05	11,322.27	9,153.81
Corporate Social Responsibility Expense	2.80	8.58	11.43
Profit before tax	2,116.27	3,158.09	1,158.61
Tax expense:	(566.54)	-1,143.13	-410.57
Profit after tax	1,549.73	2,014.96	748.04
ASSETS			
Financial Assets			
Cash and cash equivalents incl. Lien/un-Lien FD's & Liquid Investments	21,268.93	20,227.09	12,055.69
Derivative financial instruments	67.36	18.7	-
Trade receivables	123.30	123.76	117.72
Loans	49,411.12	45,486.25	48,472.79
Investments	-	-	0.33
Other financial assets	252.19	200.4	328.79
Total	71,122.90	66,056.20	60,975.32
Current tax assets (net)	377.86	83.43	78.7
Deferred tax assets (net)	-	340.99	926.06
Net Fixed Assets	1,280.87	632.66	574.95
Other non-financial assets	214.55	414.16	435.25
Total	1,873.28	1,471.25	2,014.96
TOTAL ASSETS	72,996.18	67,527.44	62,990.28

LIABILITIES AND EQUITY			
LIABILITIES			
Derivative financial instruments	-	-	11.76
Trade payables	96.60	18.81	168.1
Other payables	152.64	115.48	82.83
Borrowings (other than debt securities)	55,415.13	52,706.04	51,608.85
Other financial liabilities	2,553.23	2,826.62	1,951.84
Total	58,217.60	55,666.96	53,823.37
Deferred/Current tax liabilities (net)	72.79	117.86	91.44
Provisions	128.57	151.55	113.16
Other non-financial liabilities	90.32	96.62	93.84
Total	291.68	366.02	298.43
EQUITY			
Equity share capital	517.13	485.31	472.69
Other equity	13,969.77	11,009.16	8,395.78
Total	14,486.89	11,494.46	8,868.47
TOTAL LIABILITIES AND EQUITY	72,996.18	67,527.44	62,990.28

Satin Creditcare Network Limited
Standalone Balance Sheet as at March 31, 2018
(All amount in ₹ unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Equity and liabilities			
(I) Shareholders' funds			
(a) Share capital	3	748,424,000	621,429,370
(b) Reserves and surplus	4	10,032,191,768	6,000,761,857
(c) Money received against share warrants	5	119,999,935	-
Total (I)		10,950,615,703	6,622,191,227
(II) Non-current liabilities			
(a) Long-term borrowings	6	21,571,105,950	20,201,267,181
(b) Long-term provisions	7	277,577,821	263,286,169
Total (II)		21,848,683,771	20,464,463,350
(III) Current liabilities			
(a) Short-term borrowings	8	1,411,360,943	1,675,574,853
(b) Trade payables	9		-
- Payable to micro and small enterprises		2,100,416	-
- Total outstanding dues to others creditors other than micro enterprises and small enterprises		1,636,526	4,080,640
(c) Other current liabilities	10	22,992,830,849	18,284,883,346
(d) Short-term provisions	11	866,158,301	437,335,222
Total (III)		25,274,087,035	20,401,874,061
Total equity and liabilities (I+II+III)		58,073,386,509	47,488,528,638
Assets			
(I) Non-current assets			
(a) Fixed assets			
(i) Tangible - Property, plant and equipment	12	359,752,584	342,994,615
(ii) Intangible assets	13	32,419,082	34,559,727
(iii) Capital work-in-progress	14	160,930,985	97,769,790
(iv) Intangible assets under development	15	1,375,000	24,056,409
(b) Non-current investments	16	768,010,022	498,410,077
(c) Deferred tax assets (net)	17	379,034,745	226,850,275
(d) Long-term loans and advances	18	16,245,227,968	8,317,467,888
(e) Other non-current assets	19	1,331,129,210	1,547,611,519
Total (I)		19,277,879,596	11,089,720,270
(II) Current assets			
(a) Current investments	20	2,201,255,175	204,521,112
(b) Trade receivables	21	1,870,589	65,925
(c) Cash and bank balances	22	7,869,078,433	11,079,344,115
(d) Short-term loans and advances	23	28,077,654,624	24,455,631,437
(e) Other current assets	24	645,648,092	659,245,779
Total (II)		38,795,506,913	36,398,808,368
Total assets (I+II)		58,073,386,509	47,488,528,638

Summary of significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

Walker Chandok & Co LLP
For Walker Chandok & Co LLP
Chartered Accountants

Chaitanya
Per Lalit Kumar
Partner



Place: *Noide*
Date: *30 May, 2018*

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
H P Singh
(Chairman cum Managing Director)
DIN: 00333754
Choudhary Runveer Krishnan
Choudhary Runveer Krishnan
(Company Secretary and Compliance Officer)
FCS 7437

Satinder Singh
Satinder Singh
(Director)
DIN: 00332521

Jugal Kataria
Jugal Kataria
(Chief Financial Officer)

Place: *Delli*
Date: *May 30, 2018*

Satin Creditcare Network Limited
 Standalone Statement of Profit and Loss for the year ended March 31, 2018
 (All amount in ₹ unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
(I) Revenue			
Revenue from operations	25	9,766,376,286	7,766,665,358
Total revenue (I)		9,766,376,286	7,766,665,358
(II) Expenses			
Employee benefits expense	26	1,891,355,163	1,568,092,313
Finance costs	27	4,832,731,768	4,351,330,595
Depreciation and amortisation expense	12 and 13	140,600,362	56,283,139
Other expenses	28	2,865,714,689	1,418,945,862
Total expenses (II)		9,730,401,982	7,394,651,909
Profit before tax		35,974,304	372,013,449
Tax expense:			
Current tax		147,895,010	266,390,690
Deferred tax charge/ (credit)		(152,184,470)	(139,369,291)
Total tax expenses		(4,289,460)	127,021,399
Profit for the year		40,263,764	244,992,050
Earning per share (Face value ₹ 10 each)	39		
Basic		0.26	7.13
Diluted		0.25	7.05

Summary of significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

Walker Chandniok & Co LLP
 For Walker Chandniok & Co LLP
 Chartered Accountants

For and on behalf of the Board of Directors
 Satin Creditcare Network Limited

Lalit Kumar
 Per Lalit Kumar
 Partner

H P Singh
 H P Singh
 (Chairman cum Managing Director)
 DIN: 00333754

Satvinder Singh
 Satvinder Singh
 (Director)
 DIN: 00332521

Choudhary Runveer Krishnan
 Choudhary Runveer Krishnan
 (Company Secretary and Compliance Officer)
 FCS: 7437

Jugal Kataria
 Jugal Kataria
 (Chief Financial Officer)

Place: *Noide*
 Date: *30 May, 2018*



Place: *Delhi*
 Date: *May 30, 2018*

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flow from operating activities		
Profit before tax	35,974,304	572,013,449
Adjustment for:		
Depreciation and amortisation expenses	140,600,362	56,283,134
Provision for non-performing assets/ standard assets and contingent provision against standard assets	354,349,316	380,437,685
Portfolio loans and other write offs	1,798,201,427	124,622,995
Loss on sale of property, plant and equipment	2,869	2,356,544
Unrealised exchange loss	27,266,991	-
Employee compensation expense	18,907,983	5,203,662
Operating profit before working capital changes	2,375,303,252	940,917,474
(Increase) in loans and advances	(13,364,801,602)	(11,253,100,502)
(Increase)/ decrease in trade receivables	(1,804,664)	4,856,967
Purchase of current investment (net)	(1,996,734,063)	(204,521,112)
(Increase)/ decrease in fixed deposits (including interest accrued)	(128,484,702)	2,221,388,777
Decrease/ (increase) in other assets	28,877,077	(465,210,857)
Increase/ (decrease) in provisions	25,489,109	(64,190,771)
Decrease in trade payables	(343,698)	(38,380,696)
Increase/ (decrease) in other liabilities	356,091,687	(405,301,832)
Cash used for operations	(12,708,407,604)	(9,263,542,552)
Income tax paid (net of refunds)	(51,889,409)	(266,390,690)
Net cash used in operating activities	(12,760,297,013)	(9,529,933,242)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(195,980,398)	(345,119,765)
Sale of property, plant and equipment	280,057	-
Investments in equity instruments of subsidiaries	(269,599,945)	(497,859,486)
Net cash used in investing activities	(465,300,286)	(842,979,251)
C. Cash flow from financing activities		
Proceeds from issue of share capital and share warrants (including premium)	4,394,117,272	3,263,950,393
Share/debenture issue expenses	(109,321,164)	(132,015,058)
Proceeds from long-term borrowings	24,297,438,414	27,162,444,999
Repayment of long-term borrowings	(18,602,950,820)	(16,320,545,920)
(Repayments)/ proceeds from short-term borrowings (net)	(264,213,910)	228,473,873
Dividend paid on preference shares and including dividend distribution tax	(29,425,296)	-
Net cash generated from financing activities	9,685,643,996	14,202,308,237
Net increase in cash and cash equivalents (A+B+C)	(3,539,953,303)	3,829,395,744
Cash and cash equivalents as at April 01, 2017	6,513,018,777	2,683,623,033
Cash and cash equivalents as at March 31, 2018	2,973,065,474	6,513,018,777
Cash and cash equivalents comprises off		
Cash on hand	279,527,154	162,504,191
Balance with banks in current accounts	2,110,181,117	3,389,557,383
Deposit with original maturity less than three months	583,357,203	2,960,957,203
	2,973,065,474	6,513,018,777

Summary of significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.
As per our report of even date attached.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants

Per Lalit Kumar
Partner

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum Managing Director)
DIN: 00333754

Choudhary Runveer Krishnan
(Company Secretary & Compliance Officer)
FCS: 7437

Satvinder Singh
(Director)
DIN: 00332521

Jugal Kataria
(Chief Financial Officer)

Place: *Noida*
Date: *30 May, 2018*



Place: *Delhi*
Date: *May 30, 2018*

Satin Creditcare Network Limited
Consolidated Balance Sheet as at March 31, 2018
(All amount in ₹ unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Equity and liabilities			
(I) Shareholders' funds			
(a) Share capital	3	748,424,000	621,429,370
(b) Reserves and surplus	4	9,988,775,843	6,004,505,052
(c) Money received against share warrants	5	149,999,935	-
Total (I)		10,887,199,778	6,625,934,422
(II) Minority interest		21,317,856	22,801,654
(III) Non-current liabilities			
(a) Long-term borrowings	6	21,616,707,710	20,233,296,843
(b) Long-term provisions	7	287,749,637	272,861,320
Total (III)		21,904,457,347	20,506,158,163
(IV) Current liabilities			
(a) Short-term borrowings	8	1,412,247,679	1,699,233,121
(b) Trade payables	9		
- Payable to micro and small enterprises		2,100,416	-
- Total outstanding dues to others creditors other than micro enterprises and small enterprises		261,317,146	145,498,507
(c) Other current liabilities	10	23,083,058,108	18,337,542,780
(d) Short-term provisions	11	867,465,365	439,729,981
Total (IV)		25,626,188,714	20,622,004,389
Total equity and liabilities (I+II+III+IV)		58,439,163,695	47,776,898,628
Assets			
(I) Non-current assets			
(a) Fixed assets			
(i) Tangible - Property, plant and equipment	12	379,780,653	354,562,515
(ii) Intangible assets	13	32,868,565	35,779,426
(iii) Capital work-in-progress	14	160,930,985	97,769,790
(iv) Intangible assets under development	15	1,375,000	24,056,409
(b) Goodwill on consolidation		339,442,527	337,065,918
(c) Non-current investments	16	550,591	550,591
(d) Deferred tax assets (net)	17	415,571,098	230,616,802
(e) Long-term loans and advances	18	16,267,388,641	8,319,383,172
(f) Other non-current assets	19	1,496,248,562	1,631,737,486
Total (I)		19,094,156,622	11,031,522,109
(II) Current assets			
(a) Current investments	20	2,201,255,175	204,521,112
(b) Trade receivables	21	117,716,300	59,945,219
(c) Cash and bank balances	22	8,208,629,085	11,297,630,195
(d) Short-term loans and advances	23	28,168,245,923	24,516,093,773
(e) Other current assets	24	649,160,590	667,186,220
Total (II)		39,345,007,073	36,745,376,519
Total assets (I+II)		58,439,163,695	47,776,898,628

Summary of significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date attached.

Walker Chandniok & Co. LLP
For Walker Chandniok & Co. LLP
Chartered Accountants

Per Lalit Kumar
Partner



For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum. Managing Director)
DIN: 00333754

Choudhary Runveer Krishnan
(Company Secretary and Compliance Officer)
FUS: 7437

Satvinder Singh
(Director)
DIN: 00332521

Jugal Kataria
(Chief Financial Officer)

Place: Noida
Date: 30 May, 2018

Place: Delhi
Date: 30 May, 2018

Satin Creditcare Network Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(All amount in ₹ unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
(I) Revenue			
Revenue from operations	25	10,309,002,267	8,010,485,016
Other income	26	5,221,565	4,183,327
Total revenue (I)		10,314,223,832	8,014,668,343
(II) Expenses			
Employee benefits expense	27	2,205,305,216	1,718,592,823
Finance costs	28	4,847,245,191	4,357,512,199
Depreciation and amortisation expense	12 and 13	147,427,599	60,518,946
Other expenses	29	3,186,007,082	1,499,924,197
Total expenses		10,385,985,088	7,636,548,165
(Loss)/ profit before tax		(71,761,256)	378,120,178
Tax expenses:			
Current tax		147,895,010	270,338,740
Taxes for earlier years		(388,497)	(202,680)
Deferred tax charge/ (credit)		(184,954,295)	(141,269,862)
Total tax expenses		(37,447,782)	128,866,198
(Loss)/ profit after tax		(34,313,474)	249,253,980
Less: share of minority interest		(7,418,118)	518,735
Net (loss)/ profit for the year		(26,895,356)	248,735,245
Earning per share (Face value ₹ 10 each)	40		
Basic		(1.51)	7.24
Diluted		(1.51)	7.15

Summary of significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

Walker Chandniok & Co LLP
 For Walker Chandniok & Co LLP
 Chartered Accountants

Per Lalit Kumar
 Partner

For and on behalf of the Board of Directors
 Satin Creditcare Network Limited

H P Singh
 (Chairman cum Managing Director)
 DIN: 00333754

Satvinder Singh
 (Director)
 DIN: 00332521

Choudhary Runveer Krishnan
 (Company Secretary and Compliance Officer)
 FCS: 7437

Jugal Kataria
 (Chief Financial Officer)

Place: *Noida*
 Date: *30 May, 2018*



Place: *Delhi*
 Date: *30 May, 2018*

Satin Creditcare Network Limited
Consolidated Cash Flow Statement for the year ended March 31, 2018
(All amount in ₹ unless otherwise stated)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flow from operating activities		
(Loss)/ profit before tax	(717,61,256)	3781,20,178
Adjustment for :		
Depreciation and amortisation expenses	1474,27,599	605,18,946
Provision for non-performing assets/ standard assets and contingent provision against standard assets	3544,33,722	3804,37,685
Portfolio loans and other write offs	17982,01,427	1318,80,929
Loss on sale of property, plant and equipment	12,95,081	23,56,544
Unrealised exchange loss	272,66,991	-
Employee compensation expense	196,04,428	52,03,662
Operating profit before working capital changes	22764,67,992	9585,17,944
(Increase) in loans and advances	(133853,95,481)	(93680,96,920)
(Increase) in trade receivables	(577,71,081)	(550,22,327)
Purchase of current investment (net)	(19967,34,063)	(2045,21,112)
(Increase) in fixed deposits (including interest accrued)	(1938,82,903)	(5154,40,244)
Decrease in other assets	273,41,612	161,31,525
Increase in provisions	228,83,670	717,88,708
Increase in trade payables	1179,19,055	735,21,109
Increase/ (decrease) in other liabilities	3710,96,583	(3548,89,498)
Cash used for operations	(128180,74,616)	(93780,10,815)
Income tax paid (net of refunds)	(777,23,645)	(2864,41,355)
Net cash used in operating activities	(128957,98,261)	(96644,52,170)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(2118,89,799)	(3621,47,122)
Sale of property, plant and equipment	3,80,057	3,950
Net cash used in investing activities	(2115,09,742)	(3621,43,172)
C. Cash flow from financing activities		
Proceeds from issue of share capital and share warrants (including premium)	43934,20,827	29337,67,227
Share/debenture issue expenses	(1093,21,164)	(1320,15,058)
Proceeds from long-term borrowings	243653,17,664	272801,79,709
Repayment of long-term borrowings	(186347,55,044)	(163588,81,223)
(Repayment)/ proceeds from short-term borrowings (net)	(2869,85,442)	2521,32,091
Dividend paid on preference shares and including dividend distribution tax	(294,25,796)	-
Net cash generated from financing activities	96982,51,045	139751,82,746
Net increase in cash and cash equivalents (A+B+C)	(34090,56,958)	39485,87,404
Cash and cash equivalents as at April 01, 2017	66322,10,437	26836,23,033
Cash and cash equivalents as at March 31, 2018	32231,53,479	66322,10,437
Cash and cash equivalents comprises of		
Cash on hand	2974,16,336	1817,81,305
Balance with banks in current accounts	22482,79,940	34894,71,929
Deposit with original maturity less than three months	6774,57,203	29609,57,203
	32231,53,479	66322,10,437

Summary of significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date attached.

Walker Chandlok & Co LLP
For Walker Chandlok & Co LLP
Chartered Accountants

Lalit Kumar
Per Lalit Kumar
Partner

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
H P Singh
(Chairman cum Managing Director)
DIN: 00333754

Choudhary Runveer Krishnan
Choudhary Runveer Krishnan
(Company Secretary & Compliance Officer)
FCS: 7437

Place: *Delhi*
Date: *30 May, 2018*

Satinder Singh
Satinder Singh
(Director)
DIN: 00332521

Jugal Kataria
Jugal Kataria
(Chief Financial Officer)

Place: *Noide*
Date: *30 May, 2018*



SATIN CREDITCARE NETWORK LIMITED
Standalone Balance Sheet as at March 31, 2019
(All amounts in Lakhs, unless otherwise stated)

ASSETS

Financial assets

Cash and cash equivalents	4	100,387.51	44,581.98	65,300.75
Bank balances other than cash and cash equivalents	5	69,396.52	63,738.23	62,290.94
Derivative financial instruments	6	186.99	-	-
Trade receivables	7	651.56	18.71	88.35
Loans	8	446,008.58	484,521.95	318,356.90
Investments	9	42,189.09	14,856.31	7,027.82
Other financial assets	10	1,996.89	3,240.63	2,074.09
		660,817.14	610,957.81	455,138.85

Non-financial assets

Current tax assets (net)	11	-	-	45.69
Deferred tax assets (net)	12	3,115.88	8,870.78	11,973.08
Property, plant and equipment	13	4,301.77	3,597.52	3,429.94
Capital work-in-progress	13	1,614.29	1,609.31	977.70
Intangible assets under development	14	19.60	13.75	240.56
Other intangible assets	15	235.11	324.18	345.59
Other non-financial assets	16	630.07	882.31	717.29
		9,916.72	15,297.85	17,729.85
		670,733.86	626,255.66	472,868.70

TOTAL ASSETS

LIABILITIES AND EQUITY

LIABILITIES

Financial liabilities

Derivative financial instruments	17	-	117.58	-
Payables				
Trade payables	18			
(i) total outstanding dues of micro enterprises and small enterprises		6.01	21.00	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		123.57	16.37	40.81
Other payables	19			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,069.94	644.19	537.66
Debt securities	20	97,586.85	91,929.66	58,808.91
Borrowings (other than debt securities)	21	371,999.21	386,241.19	322,329.00
Subordinated liabilities	22	53,919.68	36,918.92	29,304.77
Other financial liabilities	23	27,593.31	18,472.55	15,309.22
		552,298.57	534,361.46	426,330.37

Non-financial liabilities

Current tax liabilities (net)	24	1,178.58	914.36	-
Provisions	25	1,354.44	1,016.44	920.38
Other non-financial liabilities	26	760.58	773.86	528.62
		3,293.60	2,704.66	1,449.00

EQUITY

Equity share capital	27	4,853.07	4,726.91	3,714.30
Other equity	28	110,288.62	84,462.63	41,375.03
		115,141.69	89,189.54	45,089.33
		670,733.86	626,255.66	472,868.70

Statement of significant accounting policies and other explanatory notes.
This balance sheet referred to in our report of even date.

For **Walker Chandok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N50/0013

Chait Kumar
Partner
Membership Number: 095256



For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Choudhary Runveer Krishnan
(Company Secretary and Compliance Officer)
FCS: 7437

Jugal Kataria
(Chief Financial Officer)

Place : Noida
Date : May 8, 2019

Place : New Delhi
Date : May 8, 2019

SATIN CREDITCARE NETWORK LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I. Income			
Revenue from operations			
Interest income	29	117,950.47	95,731.20
Fees and commission income	30	2,793.85	226.41
Net gain on fair value changes	31	2,986.72	1,592.23
Net gain on derecognition of financial instruments under amortised cost category	32	13,345.54	-
Other operating income	33	199.12	118.03
Total revenue from operations		137,275.70	97,667.87
Other income	34	28.62	6.71
Total income		137,304.32	97,674.58
II. Expenses			
Finance costs	35	63,903.26	53,169.97
Impairment on financial instruments	36	5,206.70	4,446.27
Employee benefits expenses	37	26,481.64	18,915.32
Depreciation and amortisation	38	1,131.89	1,406.00
Other expenses	39	10,019.13	7,075.18
Total expenses		106,742.62	85,012.74
Profit before tax		30,561.70	12,661.84
Tax expense:	40		
Current tax		6,662.45	1,478.95
Deferred tax charge		4,404.97	2,968.14
Total		11,067.42	4,447.09
Profit for the year		19,494.28	8,214.75
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurements of the defined benefit plans		(57.09)	1.76
Equity instruments through other comprehensive income		(3.32)	(0.19)
Income tax relating to above items		19.95	(0.61)
Items that will be reclassified to profit and loss			
Changes in fair value of loan assets		3,920.21	-
Income tax relating to above item		(1,369.88)	-
Other comprehensive income		2,509.87	0.96
Total comprehensive income for the year		22,004.15	8,215.71
Earnings per equity share	41		
Basic (₹)		40.37	19.48
Diluted (₹)		40.09	19.10

Statement of significant accounting policies and other explanatory notes.
This statement of profit and loss referred to in our report of even date.

For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500013

Adit Kumar
Partner
Membership Number: 095256



For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Choudhary Runveer Krishnan
(Company Secretary and Compliance Officer, (Chief Financial Officer)
FCS- 7437

Jugal Kataria
(Chief Financial Officer)

Place : Noida
Date : May 8, 2019

Place : New Delhi
Date : May 8, 2019

SATIN CREDITCARE NETWORK LIMITED
Standalone cash flow statement for the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A Cash flow from operating activities		
Profit before tax	30,561.70	12,661.84
Adjustments for:		
Depreciation and amortisation	1,131.89	1,406.00
Net (gain)/loss on derecognition of property, plant and equipment	(2.77)	0.03
Gain on sale of mutual funds	(2,688.93)	(1,701.26)
Unrealised (gain)/loss on fair value changes of derivatives and investments	(306.34)	109.03
Property, plant and equipment written off	48.64	-
Impairment on financial instruments	5,206.70	4,446.27
Gain on sale of loan portfolio through assignment	(13,345.54)	-
First loss default guarantee expenses	321.42	1.92
Share based payment to employees	317.86	189.08
Effective interest rate adjustment for financial instruments	1,251.05	248.26
Unrealised exchange fluctuation loss (net)	230.38	130.95
Operating profit before working capital changes	22,726.06	17,492.12
Movement in working capital		
(Increase)/decrease in trade receivables	(632.85)	69.64
Decrease/(increase) in loans	50,588.11	(170,488.84)
Increase in deposits	(5,658.29)	(1,447.29)
Decrease/(increase) in other financial assets	1,335.53	(1,282.06)
Decrease/(increase) in other non-financial assets	233.84	(212.03)
Increase in trade and other payables	517.96	103.09
Increase in other financial liabilities	8,799.34	3,161.41
Increase in provisions	280.91	97.82
(Decrease)/increase in other non-financial liabilities	(13.27)	245.23
Cash flows from/(used in) operating activities post working capital changes	78,177.34	(152,260.91)
Income tax paid (net)	(6,398.23)	(518.91)
Net cash flows from/ (used in) operating activities (A)	71,779.11	(152,779.82)
B Cash flows from investing activities		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(1,796.77)	(1,912.79)
Proceeds from sale of property, plant and equipment and intangible assets	11.40	2.80
Investment made in subsidiaries	(8,085.65)	(2,696.00)
Purchase of other investments (net)	(16,559.75)	(3,422.87)
Net cash used in investing activities (B)	(26,430.77)	(8,028.86)
C Cash flows from financing activities*		
Proceeds from issue of share capital and share warrants (including premium)	22.65	35,683.20
Proceeds from debt securities	40,370.00	42,300.00
Repayment of debt securities	(34,702.86)	(9,074.48)
Proceeds from borrowings other than debt securities	325,358.64	351,404.44
Repayment of borrowings other than debt securities	(344,401.21)	(288,930.93)
Proceeds from subordinated liabilities	20,000.00	8,000.00
Repayment of subordinated liabilities	(369.81)	(369.74)
Net cash flows from financing activities (C)	6,277.41	139,012.49
Net increase/(decrease) in cash and cash equivalents (A+B+C)	51,625.75	(21,796.19)
Cash and cash equivalents at the beginning of the year#	42,846.78	64,642.97
Cash and cash equivalents at the end of the year	94,472.53	42,846.78

*Refer note 22 for reconciliation of liabilities arising from financing activities.

#Refer note 5 for restricted cash and cash equivalents and other bank balances.



SATIN CREDITCARE NETWORK LIMITED

Standalone cash flow statement for the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

Notes:

Cash and cash equivalents (as per note 4 to the financial statements)
Less: Overdraft facility against term deposits (as per note 21 to the financial statements)

100,387.51	44,581.98
(5,914.98)	(1,735.20)
94,472.53	42,846.78

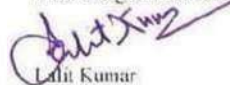
Statement of significant accounting policies and other explanatory notes.

This statement of cash flow referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013



Lalit Kumar

Partner

M. No. 095256

For and on behalf of the Board of Directors

Satin Creditcare Network Limited



H P Singh

(Chairman cum Managing Director)

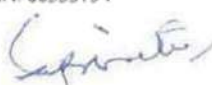
DIN: 00333754



Satvinder Singh

(Director)


DIN: 00332521



Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

DIN: 07033027



Choudhary Runveer Krishanan

(Company Secretary and Compliance Officer)

FCS: 7437



Jugal Kataria

(Chief Financial Officer)

Place : Noida

Date : May 8, 2019

Place : New Delhi

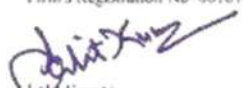
Date : May 8, 2019

SATIN CREDITCARE NETWORK LIMITED
Consolidated Balance Sheet as at March 31, 2019
(All amounts in lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
Financial assets				
Cash and cash equivalents	4	102,496.82	47,087.53	66,492.68
Bank balances other than cash and cash equivalents	5	73,345.19	66,290.91	64,166.70
Derivative financial instruments	6	186.99	-	-
Trade receivables	7	1,237.63	1,177.17	678.20
Loans	8	454,862.48	484,727.92	318,356.90
Investments	9	26,428.85	7,181.72	2,049.23
Other financial assets	10	2,003.99	3,287.87	2,123.53
		660,561.95	609,753.15	453,867.24
Non-financial assets				
Current tax assets (net)	11	834.28	786.98	570.45
Deferred tax assets (net)	12	3,409.94	9,260.63	12,029.41
Property, plant and equipment	13	4,456.26	3,797.80	3,545.62
Capital work-in-progress	13	1,614.29	1,609.31	977.70
Intangible assets under development	14	19.60	13.75	240.56
Goodwill		3,370.66	3,370.66	3,370.66
Other intangible assets	15	236.46	328.67	357.79
Other non-financial assets	16	770.98	981.81	789.75
		14,712.47	20,149.61	21,881.94
TOTAL ASSETS		675,274.42	629,902.76	475,749.18
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	17	-	117.58	-
Payables				
Trade payables	18	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises		6.01	21.00	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		182.10	1,659.96	1,244.61
Other payables	19	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,154.83	828.27	603.24
Debt securities	20	97,586.85	91,929.66	58,808.91
Borrowings (other than debt securities)	21	375,553.88	387,239.88	323,199.58
Subordinated liabilities	22	53,919.68	36,918.92	29,304.77
Other financial liabilities	23	28,266.20	19,518.43	15,677.76
		556,669.55	538,233.70	428,838.87
Non-financial liabilities				
Current tax liabilities (net)	24	1,178.58	914.36	-
Provisions	25	1,515.48	1,131.60	1,019.34
Other non-financial liabilities	26	966.17	938.38	581.85
		3,660.23	2,984.34	1,601.19
EQUITY				
Equity share capital	27	4,853.07	4,726.91	3,714.30
Other equity	28	110,091.57	83,749.65	41,372.33
Equity attributable to equity holders of the holding company		114,944.64	88,476.56	45,086.63
Non-controlling interest		-	208.16	222.49
Total equity		114,944.64	88,684.72	45,309.12
TOTAL LIABILITIES AND EQUITY		675,274.42	629,902.76	475,749.18

Statement of significant accounting policies and other explanatory notes
This balance sheet referred to in our report of even date.

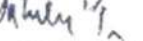
For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500013


Lalit Kumar
Partner
Membership Number: 055256



For and on behalf of the Board of Directors
Satn Creditcare Network Limited


H P Singh
(Chairman cum Managing Director)
DIN: 00333754


Satvinder Singh
(Director)
DIN: 00332521


Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027


Choudhary Runveer Krishnan
(Company Secretary and Compliance Officer)
U.S. 7437


Jugal Kataria
(Chief Financial Officer)

Place : Noida
Date: May 8, 2019

Place : New Delhi
Date: May 8, 2019

SATIN CREDITCARE NETWORK LIMITED
Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I. Income			
Revenue from operations			
Interest income	29	118,606.93	95,950.47
Fees and commission income	30	9,090.27	5,406.46
Net gain on fair value changes	31	3,049.79	1,592.23
Net gain on derecognition of financial instruments under amortised cost category	32	13,345.54	-
Other operating income	33	168.47	120.97
Total revenue from operations		144,261.00	103,070.13
Other income	34	542.66	54.10
Total income		144,803.66	103,124.23
II. Expenses			
Finance costs	35	64,248.74	53,405.70
Impairment on financial instruments	36	5,242.11	4,447.11
Employee benefits expenses	37	30,547.81	22,048.19
Depreciation and amortisation	38	1,251.12	1,474.27
Other expenses	39	11,932.94	10,162.84
Total expenses		113,222.72	91,538.11
Profit before tax		31,580.94	11,586.12
Tax expense:	40		
Current tax		6,933.12	1,475.07
Deferred tax charge		4,498.18	2,630.62
Total		11,431.30	4,105.69
Profit for the year		20,149.64	7,480.43
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurements of the defined benefit plans		(48.18)	15.46
Equity instruments through other comprehensive income		(3.32)	(0.19)
Income tax relating to above items		17.36	(4.60)
Items that will be reclassified to profit and loss			
Changes in fair value of loan assets		3,920.21	-
Income tax relating to above item		(1,369.88)	-
Other comprehensive income		2,516.19	10.67
Total comprehensive income for the year		22,665.83	7,491.10

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SATIN CREDITCARE NETWORK LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in lakhs, unless otherwise stated)

Net profit after tax attributable to:

Owners of the holding company	20,119.45	7,541.22
Non-controlling interests	30.19	(60.79)

Other comprehensive income attributable to:

Owners of the holding company	2,516.19	9.81
Non-controlling interests	-	0.86

Total comprehensive income attributable to:

Owners of the holding company	22,635.64	7,551.03
Non-controlling interests	30.19	(59.93)

Earnings per equity share

41

Basic (₹)	41.67	17.88
Diluted (₹)	41.37	17.53

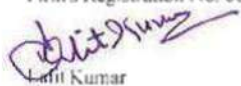
Statement of significant accounting policies and other explanatory notes.

This statement of profit and loss referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013



Rajit Kumar

Partner

Membership Number: 095256



For and on behalf of the Board of Directors

Satin Creditcare Network Limited



H P Singh

(Chairman cum Managing Director)

DIN: 00333754



Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

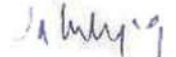
DIN: 07033027



Choudhary Runveer Krishnan

(Company Secretary and Compliance Officer) (Chief Financial Officer)

FCS: 7437



Satvinder Singh

(Director)

DIN: 00332521



Jugal Kataria

Place : Noida

Date: May 8, 2019

Place : New Delhi

Date: May 8, 2019

SATIN CREDITCARE NETWORK LIMITED

Consolidated cash flow statement for the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	31,580.94	11,586.42
Adjustments for:		
Depreciation and amortisation	(1.98)	12.95
Net (gain)/loss on derecognition of property, plant and equipment	(2,752.00)	(1,701.26)
Gain on sale of liquid funds	(306.34)	109.03
Unrealised (gain)/loss on fair value changes of derivatives and investments	48.64	-
Property, plant and equipment written off	5,242.11	-
Impairment on financial instruments	(13,345.54)	-
Gain on sale of loan portfolio through assignment	894.90	3,447.74
First loss default guarantee expenses	425.34	196.04
Share based payment to employees	1,258.73	243.32
Effective interest rate adjustment for financial instruments	230.38	130.95
Unrealised exchange fluctuation loss (net)	24,526.30	
Operating profit before working capital changes		18,599.27
Movement in working capital		
Increase in trade receivables	(60.46)	(498.97)
Decrease/(increase) in loans	41,904.78	(170,695.65)
Increase in deposits	(7,054.25)	(2,124.24)
Decrease/(increase) in other financial assets	1,268.19	(1,286.82)
Decrease/(increase) in other non-financial assets	192.43	(239.07)
(Decrease)/increase in trade and other payables	(1,166.29)	661.38
Increase in other financial liabilities	7,841.73	1,739.93
Increase in provisions	335.70	127.72
Increase in other non-financial liabilities	27.79	356.51
Cash flows from/(used in) operating activities post working capital changes	67,815.92	(151,752.74)
Income tax paid (net)	61,099.71	(1,739.21)
Net cash flows from/(used in) operating activities (A)		
B Cash flows from investing activities		
Payments for property, plant and equipment and capital work-in-progress and intangible assets	(1,869.01)	(2,077.44)
Proceeds from sale of property, plant and equipment and intangible assets	12.55	9.37
Payment for acquisition of subsidiary, net of cash acquired	(331.63)	-
Purchase of other investments (net)	(16,496.68)	(3,422.87)
Net cash used in investing activities (B)	(18,684.77)	(5,490.94)
C Cash flows from financing activities*		
Proceeds from issue of share capital and share warrants (including premium)	11.51	35,683.20
Proceeds from debt securities	40,370.00	42,300.00
Repayment of debt securities	(34,702.86)	(9,074.48)
Proceeds from borrowings other than debt securities	329,267.50	352,092.11
Repayment of borrowings other than debt securities	(345,753.07)	(289,257.84)
Proceeds from subordinated liabilities	20,000.00	8,000.00
Repayment of subordinated liabilities	(369.81)	(369.74)
Net cash flows from financing activities (C)	8,823.27	139,373.25
Net increase/(decrease) in cash and cash equivalents (A+B+C)	51,238.21	(20,254.86)
Cash and cash equivalents at the beginning of the year†	45,343.46	65,598.32
Cash and cash equivalents at the end of the year	96,581.67	45,343.46

*Refer note 22 for reconciliation of liabilities arising from financing activities.

†Refer note 5 for restricted cash and cash equivalents and other bank balances.

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SATIN CREDITCARE NETWORK LIMITED

Consolidated cash flow statement for the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

Notes:

Cash and cash equivalents (as per note 4 to the financial statements)

Less: Overdraft facility against term deposits (as per note 21 to the financial statements)

102,496.82	47,087.53
(5,915.15)	(1,744.07)
96,581.67	45,343.46

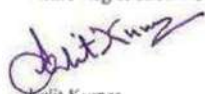
Statement of significant accounting policies and other explanatory notes.

This statement of cash flow referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013



Rajit Kumar

Partner

Membership Number: 095256



For and on behalf of the Board of Directors

Satin Creditcare Network Limited



H P Singh

(Chairman cum Managing Director)

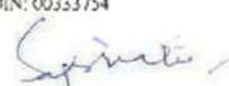
DIN: 00333754



Satvinder Singh

(Director)

DIN: 00332521



Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

DIN: 07033027



Choudhary Runveer Krishnan

(Company Secretary and Compliance Officer)

FCS: 7437



Jugal Kataria

(Chief Financial Officer)

Place : Noida

Date: May 8, 2019

Place : New Delhi

Date: May 8, 2019

SATIN CREDITCARE NETWORK LIMITED
Standalone Balance Sheet as at March 31, 2020
(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Financial assets			
Cash and cash equivalents	4	110,732.02	100,387.51
Bank balances other than cash and cash equivalents	5	65,424.35	69,396.52
Derivative financial instruments	6	673.63	186.99
Trade receivables	7	613.14	651.56
Loans	8	470,959.30	445,008.58
Investments	9	51,313.45	42,180.09
Other financial assets	10	1,758.77	1,990.50
		701,484.26	660,819.84
Non-financial assets			
Current tax assets (net)	11	3,152.99	1,366.12
Deferred tax assets (net)	12	-	571.18
Property, plant and equipment	13	5,241.24	4,301.77
Capital work-in-progress	13	3,413.64	1,614.29
Intangible assets under development	14	-	19.60
Other intangible assets	15	378.17	235.31
Other non-financial assets	16	1,752.61	627.37
		13,938.65	8,735.44
TOTAL ASSETS		715,422.91	669,555.28
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	115.32	6.01
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	360.99	153.57
Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		193.77	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,220.05	1,069.94
Debt securities	19	86,386.14	97,586.85
Borrowings (other than debt securities)	20	480,213.72	371,999.21
Sub-ordinated liabilities	21	54,308.13	53,919.68
Other financial liabilities	22	24,400.91	27,593.11
		267,339.85	552,298.57
Non-financial liabilities			
Deferred tax liabilities (net)	12	1,142.04	-
Provisions	23	1,086.40	1,354.44
Other non-financial liabilities	24	778.45	790.58
		3,006.89	2,115.02
EQUITY			
Equity share capital	25	5,171.27	4,853.07
Other equity	26	140,165.69	110,288.62
		145,276.96	115,141.69
TOTAL LIABILITIES AND EQUITY		715,422.91	669,555.28

Statement of significant accounting policies and other explanatory notes
This Balance Sheet referred to in our report of even date.

For Walker Chandniok & Co LLP
Chartered Accountants
Firm's Registration No. 101076N&S00013

Chit Kumar
Partner
Membership Number: 095256
Place: Noida
Date: June 15, 2020



For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum Managing Director)
DIN: 00335754
Place: Gurugram
Date: June 15, 2020

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07051027
Place: Noida
Date: June 15, 2020

Aditya Swarup
(Company Secretary & Compliance Officer)
ACS: 16034
Place: Delhi
Date: June 15, 2020

Salvinder Singh
(Director)
DIN: 00332531
Place: Gurugram
Date: June 15, 2020

Krishan Gopal
(Chief Financial Officer)
Place: Gurugram
Date: June 15, 2020

SATIN CREDITCARE NETWORK LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2020
(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Income			
Revenue from operations			
Interest income	27	107,844.38	117,650.47
Dividend income	28	2.21	-
Fee and commission income	29	7,878.65	2,793.85
Net gain on fair value changes	30	1,237.44	2,986.72
Net gain on derecognition of financial instruments	31	23,608.14	13,345.54
Other operating income	32	186.29	159.12
Total revenue from operations		139,957.11	137,275.70
Other income	33	133.30	28.67
Total income		140,090.41	137,304.37
II. Expenses			
Finance costs	34	57,758.06	62,963.26
Impairment on financial instruments	35	18,882.89	5,216.70
Employee benefits expense	36	29,666.79	26,481.64
Depreciation and amortisation	37	1,519.84	1,131.89
Other expenses	38	11,339.07	10,019.13
Total expenses		118,773.65	106,742.62
Profit before tax		21,316.76	30,561.75
Tax expense:	39		
Current tax		5,474.97	4,117.75
Deferred tax charge		215.08	9,949.67
Total		5,690.05	14,067.42
Profit for the year		15,626.71	16,494.33
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		67.80	(57.89)
Equity instruments through other comprehensive income		-	(3.32)
Income tax relating to above items		(22.10)	(9.95)
	A	65.70	(40.46)
Items that will be reclassified to profit or loss			
Changes in fair value of loan assets		5,371.41	3,920.21
Income tax relating to above items		(1,452.55)	(1,269.88)
Cash flow hedge reserve		93.37	-
Income tax relating to above items		(23.58)	-
	B	4,388.73	2,550.33
Other comprehensive income	A+B	4,454.43	2,509.87
Total comprehensive income for the period		20,081.14	22,004.15
Earnings per equity share (face value of ₹ 10 per equity share)	40		
Basic (₹)		30.99	40.37
Diluted (₹)		30.52	40.09

Statement of significant accounting policies and other explanatory notes.
This Statement of Profit and Loss referred to is one report of even date.

For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/S58013

Chaitanya
Chaitanya Kumar
Partner
Membership Number: 095256
Place: Noida
Date: June 15, 2020



For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
H P Singh
(Chairman cum Managing Director)
DIN: 00333754
Place: Gurugram
Date: June 15, 2020

Sanjay Kumar Bhatia
Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027
Place: Noida
Date: June 15, 2020

Aditi Saxena
Aditi Saxena
(Company Secretary & Compliance Officer)
ACS: 16034
Place: Delhi
Date: June 15, 2020

Satinder Singh
Satinder Singh
(Director)
DIN: 0032521
Place: Gurugram
Date: June 15, 2020

Krishan Gopal
Krishan Gopal
(Chief Financial Officer)
Place: Gurugram
Date: June 15, 2020

SATIN CREDITCARE NETWORK LIMITED
Standalone cash flow statement for the year ended March 31, 2020
(All amounts in ₹ Lakhs, unless otherwise stated)

A Cash flow from operating activities

Profit before tax	
Adjustments for:	
Depreciation and amortisation	
Depreciation of right-of-use assets	
Net (gain)/loss on derecognition of property, plant and equipment	
Gain on sale of mutual funds	
Unrealised (gain)/loss on fair value changes of derivatives and investments	
Property, plant and equipment written off	
Impairment on financial instruments	
Dividend income	
Gain on sale of loan portfolio through assignment	
First loss default guarantee expenses	
Share based payment to employees	
Effective interest rate adjustment for financial instruments	
Interest expense for leasing arrangements	
Net gain on termination of leases	
Corporate guarantee premium income	
Unrealised exchange fluctuation loss (ort)	

Operating profit before working capital changes

Movement in working capital

Decreases/(increase) in trade receivables	
(Increase)/decrease in loans	
Decreases/(increase) in deposits	
(Increase)/decrease in other financial assets	
(Increase)/decrease in other non-financial assets	
Increase in trade and other payables	
(Decrease)/increase in other financial liabilities	
(Decrease)/increase in provisions	
Increase/(decrease) in other non-financial liabilities	

Cash flows from operating activities post working capital changes

Income taxes paid (net)	
Net cash (used) inflows from operating activities (A)	

B Cash flows from investing activities

Purchase of property, plant and equipment, capital work-in-progress and intangible assets	
Proceeds from sale of property, plant and equipment and intangible assets	
Investment made in subsidiaries	
Proceeds from purchase of other investments (net)	
Net cash used in investing activities (B)	

C Cash flows from financing activities (refer to note i below)

Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	
Proceeds from debt securities	
Repayment of debt securities	
Proceeds from borrowings other than debt securities	
Repayment of borrowings other than debt securities	
Lease payments	
Proceeds from subordinated liabilities	
Repayment of subordinated liabilities	
Net cash flows from financing activities (C)	

Net increase in cash and cash equivalents (A+B+C)

Cash and cash equivalents at the beginning of the year (refer to note ii below)

Cash and cash equivalents at the end of the year

For the year ended March 31, 2020	For the year ended March 31, 2019
21,316.76	30,561.70
1,033.71	1,331.89
487.37	-
(2.90)	(2.77)
(1,368.20)	(2,688.93)
130.76	(206.24)
-	48.64
18,882.89	5,506.70
(2.21)	-
(23,608.14)	(13,345.54)
1,278.78	321.42
147.97	317.86
2,087.29	1,251.85
161.98	-
(45.32)	-
(0.38)	-
188.49	230.38
20,687.61	21,726.86
38.42	(632.85)
(13,987.33)	50,588.11
3,962.37	(5,658.29)
(157.49)	1,325.53
(1,048.32)	233.84
630.64	517.96
(4,470.80)	8,799.34
(180.34)	280.91
83.76	(13.27)
5,558.62	78,177.34
(7,261.85)	(6,398.23)
(1,703.23)	71,779.11
(3,134.69)	(1,796.77)
15.50	11.40
(11,000.00)	(8,085.65)
3,234.99	(16,559.75)
(10,884.20)	(26,430.77)
4,547.76	22.95
21,413.38	40,170.00
(32,852.45)	(34,702.86)
298,029.30	325,358.64
(280,954.11)	(344,901.21)
(553.20)	-
7,893.53	20,000.00
(2,469.70)	(369.81)
15,053.75	6,277.41
2,466.32	51,625.75
94,472.53	42,846.78
96,938.85	94,472.53

i) Refer to note 21 for reconciliation of liabilities arising from financing activities.
ii) Refer to note 5 for restricted cash and cash equivalent.




SATIN CREDITCARE NETWORK LIMITED
Standardised cash flow statement for the year ended March 31, 2020
(All amounts in ₹ Lakhs, unless otherwise stated)

Notes:
Cash and cash equivalents (as per note 4 to the financial statements)
Less: Overdraft facility against term deposits (as per note 20 to the financial statements)

For the year ended March 31, 2020	For the year ended March 31, 2019
110,732.02	100,387.51
(13,793.17)	(5,914.98)
<u>96,938.85</u>	<u>94,472.53</u>

Statement of significant accounting policies and other explanatory notes:
This Statement of Cash Flow referred to in our report of even date.

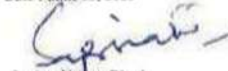
For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No. 001076NIN500011

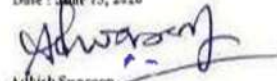

Lalli Kumar
Partner
Membership Number: 093256
Place : Noida
Date : June 15, 2020



For and on behalf of the Board of Directors
Satin Creditcare Network Limited


H P Singh
(Chairman cum Managing Director)
DIN: 00333744
Place : Gurugram
Date : June 15, 2020


Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027
Place : Noida
Date : June 15, 2020


Adhish Swaroop
(Company Secretary & Compliance Officer)
ACS: 16034
Place : Delhi
Date : June 15, 2020


Satvinder Singh
(Director)
DIN: 00332521
Place : Gurugram
Date : June 15, 2020


Krishan Gopal
(Chief Financial Officer)
Place : Gurugram
Date : June 15, 2020

SATIN CREDITCARE NETWORK LIMITED
Consolidated Balance Sheet as at March 31, 2020
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Financial Assets			
Cash and cash equivalents	4	1,17,698.47	1,02,496.82
Other bank balances	5	70,417.64	73,345.19
Derivative financial instruments	6	673.63	186.99
Trade receivables	7	1,232.97	1,237.63
Loans	8	4,94,111.17	4,54,862.48
Investments	9	24,573.21	25,428.85
Other financial assets	10	2,521.89	2,006.69
		<u>7,11,228.98</u>	<u>6,60,564.65</u>
Non-financial Assets			
Current tax assets (net)	11	3,778.61	2,200.40
Deferred tax assets (net)	12	-	865.24
Property, plant and equipment	13	5,618.82	4,456.26
Capital work-in-progress	13	3,413.64	1,614.29
Intangible assets under development	14	-	19.60
Goodwill		3,370.66	3,370.66
Other intangible assets	15	405.61	236.45
Other non-financial assets	16	2,145.45	768.78
		<u>18,732.79</u>	<u>13,531.19</u>
TOTAL ASSETS		<u>7,29,961.77</u>	<u>6,74,095.84</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		117.56	6.01
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		848.47	182.10
Other payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		193.77	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,332.60	1,154.83
Debt securities	19	86,186.14	97,586.85
Borrowings (other than debt securities)	20	4,11,462.61	3,75,553.88
Subordinated liabilities	21	56,202.54	53,919.68
Other financial liabilities	22	25,532.33	28,266.20
		<u>5,82,176.02</u>	<u>5,56,669.55</u>
Non-financial Liabilities			
Deferred tax liabilities (net)	12	727.90	-
Provisions	23	1,255.71	1,515.48
Other non-financial liabilities	24	503.23	966.17
		<u>2,916.84</u>	<u>2,481.65</u>
EQUITY			
Equity share capital	25	5,171.27	4,853.07
Other equity	26	1,39,597.64	1,10,091.57
		<u>1,44,868.91</u>	<u>1,14,944.64</u>
TOTAL LIABILITIES AND EQUITY		<u>7,29,961.77</u>	<u>6,74,095.84</u>

Statement of significant accounting policies and other explanatory notes.
This consolidated Balance Sheet referred to in our report of even date.

For Walker Chandok & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500011
Chaitanya Kumar
Partner
Membership Number: 095256
Place : Noida
Date : June 15, 2020

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
(Chairman cum Managing Director)
DIN: 00325754
Place : Gurugram
Date : June 15, 2020

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07031027
Place : Noida
Date : June 15, 2020

Adish Swaroop
(Company Secretary & Compliance Officer)
ACS: 16034
Place : Delhi
Date : June 15, 2020

Salvinder Singh
(Director)
DIN: 00352521
Place : Gurugram
Date : June 15, 2020

Krishan Gopal
(Chief Financial Officer)
Place : Gurugram
Date : June 15, 2020



SATIN CREDITCARE NETWORK LIMITED
Consolidated Statement of Profit and Loss for the year ended March 31, 2020
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Income			
Revenue from operations			
Interest income	27	1,11,000.52	1,18,606.59
Dividend income	28	2.21	-
Fees and commission income	29	13,778.42	9,090.27
Net gain on fair value changes	30	1,437.83	3,049.79
Net gain on derecognition of financial instruments under amortised cost category	31	23,608.14	13,345.54
Other operating income	32	124.42	168.77
Total Revenue from operations		1,49,951.54	1,44,260.96
Other income	33	391.65	253.37
Total Income		1,50,343.19	1,44,514.33
II. Expenses			
Finance costs	34	58,609.00	64,248.74
Impairment on financial instruments	35	19,180.66	5,242.11
Employee benefit expenses	36	35,134.58	30,547.81
Depreciation and amortisation expense	37	1,753.72	1,251.12
Other expenses	38	14,502.59	11,643.61
Total		1,29,180.55	1,12,933.39
Profit before tax		21,162.64	31,580.94
Tax expense:	39		
Current tax		5,575.17	4,388.42
Deferred tax		90.21	7,042.88
Total tax expenses		5,665.38	11,431.30
Profit after tax		15,497.26	20,149.64
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurements of the defined benefit plans		126.65	(48.18)
Equity instruments through other comprehensive income		-	(3.32)
Income tax relating to above items		(32.91)	17.36
	A	93.74	(34.14)
Items that will be reclassified to profit and loss			
Changes in fair value of loan assets		5,771.41	3,920.21
Income tax relating to above item		(1,452.55)	(1,369.88)
Cash flow hedge reserve		93.37	-
Income tax relating to above item		(23.50)	-
	B	4,388.73	2,550.33
Other comprehensive income	A+B	4,482.47	2,516.19
Total comprehensive income		19,979.73	22,665.83


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SATIN CREDITCARE NETWORK LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Net profit/(loss) after tax attributable to		
Owners of the holding company	15,497.26	20,119.45
Non-controlling interests	-	30.19
Other comprehensive income attributable to		
Owners of the holding company	4,482.47	2,516.19
Non-controlling interests	-	-
Total comprehensive income attributable to		
Owners of the holding company	19,979.73	22,635.64
Non-controlling interests	-	30.19
Earnings per equity share (face value of ₹ 10 per equity share)	40	
Basic (₹)	30.43	41.67
Diluted (₹)	30.27	41.37

Statement of significant accounting policies and other explanatory notes.

This consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandlok & Co LLP

Chartered Accountants

Firm's Registration Number: 1476/N/20180013

[Signature]

Chaitanya

Partner

Membership Number: 095256

Place : Noida

Date : June 15, 2020

For and on behalf of the Board of Directors

Satin Creditcare Network Limited

[Signature]

H P Singh

(Chairman cum Managing Director)

DIN: 00346754

Place : Gurugram

Date : June 15, 2020

[Signature]

Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

DIN: 07033027

Place : Noida

Date : June 15, 2020

[Signature]

Adhish Swarup

(Company Secretary & Compliance Officer)

ACS: 16034

Place : Delhi

Date : June 15, 2020

[Signature]

Satvinder Singh

(Director)

DIN: 00332521

Place : Gurugram

Date : June 15, 2020

[Signature]

Krishan Gopal

(Chief Financial Officer)

Place : Gurugram

Date : June 15, 2020



This space has been intentionally left blank.

SATIN CREDITCARE NETWORK LIMITED

Consolidated cash flow statement for the year ended March 31, 2020

(All amounts in ₹ lakhs, unless otherwise stated)

A Cash flow from operating activities

Profit before tax

For the year ended
March 31, 2020For the year ended
March 31, 2019

21,152.54

31,580.94

Adjustments for:

Depreciation and amortisation

1,147.51

1,251.12

Depreciation of right-of-use assets

606.21

-

Net (gain)/loss on derecognition of property, plant and equipment

(2.83)

(1.98)

Gain on sale of liquid funds

(1,568.59)

(2,752.00)

Unrealised (gain)/loss on fair value changes of derivatives and investments

130.76

(306.34)

Property, plant and equipment written off

-

48.64

Impairment on financial instruments

19,180.66

5,242.11

Dividend income

(2.21)

-

Gain on sale of loan portfolio through assignment

(23,608.14)

(13,145.54)

First loss default guarantee expenses

3,089.11

894.90

Share based payment to employees

196.20

425.34

Effective interest rate adjustment for financial instruments

2,104.43

1,258.73

Interest expense for leasing arrangements

188.19

-

Net gain on termination of leases

(42.44)

-

Unrealised exchange fluctuation loss (net)

188.49

230.38

Operating profit before working capital changes

22,769.99

21,526.30

Movement in working capital

Decrease/(increase) in trade receivables

4.66

(60.46)

(Increase)/decrease in loans

(28,570.57)

41,904.78

Decrease/(increase) in deposits

2,927.55

(7,054.25)

(Increase)/decrease in other financial assets

(994.43)

1,268.19

(Increase)/decrease in other non-financial assets

(6,733.93)

192.43

Increase/(decrease) in trade and other payables

1,149.46

(1,166.29)

(Decrease)/increase in other financial liabilities

(5,822.98)

7,841.73

(Decrease)/increase in provisions

(103.12)

335.70

Increase in other non-financial liabilities

2.95

27.79

Cash (used in)/flows from operating activities post working capital changes

(15,370.42)

67,815.92

Income taxes paid (net)

(7,159.41)

(6,716.21)

Net cash (used in)/flows from operating activities (A)

(22,529.83)

61,099.71

B Cash flows from investing activities

Payments for property, plant and equipment and capital work-in-progress and intangible assets

2,116.53

(1,869.01)

Proceeds from sale of property, plant and equipment and intangible assets

16.47

12.55

Payment for acquisition of subsidiary, net of cash acquired

-

(331.63)

Proceeds from purchase of other investments (net)

3,435.38

(16,496.68)

Net cash flows/(used in) investing activities (B)

5,568.38

(18,684.77)

C Cash flows from financing activities (refer to note i below)

Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)

4,437.67

11.51

Proceeds from debt securities

21,413.18

40,370.00

Repayment of debt securities

(32,852.65)

(34,702.86)

Proceeds from borrowings other than debt securities

3,12,518.42

3,29,267.50

Repayment of borrowings other than debt securities

(2,87,956.35)

(3,45,753.07)

Lease payments

(693.40)

-

Proceeds from subordinated liabilities

9,887.77

20,000.00

Repayment of subordinated liabilities

(2,469.76)

(369.81)

Net cash flows from financing activities (C)

24,285.08

8,623.17

Net increase in cash and cash equivalents (A+B+C)

7,323.63

51,238.21

Cash and cash equivalents at the beginning of the year (refer to note ii below)

96,581.67

45,343.46

Cash and cash equivalents at the end of the year

1,03,905.30

96,581.67

i) Refer to note 21 for reconciliation of liabilities arising from financing activities.

ii) Refer to note 5 for restricted cash and cash equivalent.



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SATIN CREDITCARE NETWORK LIMITED

Consolidated cash flow statement for the year ended March 31, 2020

(All amounts in ₹ lakhs, unless otherwise stated)

Notes:

Cash and cash equivalents (as per note 4 to the financial statements)

Less: Overdraft facility against term deposits (as per note 20 to the financial statements)

1,17,698.47

1,02,496.82

(11,793.17)

(5,915.15)

1,03,905.30

96,581.67

Statement of significant accounting policies and other explanatory notes

This Statement of Cash Flow referred to in our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No. 001076N/N500013



Rajni Kumar

Partner

Membership Number: 095256

Place : Noida

Date : June 15, 2020

For and on behalf of the Board of Directors

Satin Creditcare Network Limited



H P Singh

(Chairman cum Managing Director)

DIN: 00332754

Place : Gurugram

Date : June 15, 2020


Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

DIN: 07033027

Place : Noida

Date : June 15, 2020


Ashish Swarup

(Company Secretary & Compliance Officer)

ACS: 16034

Place : Delhi

Date : June 15, 2020


Satvinder Singh

(Director)

DIN: 00332521

Place : Gurugram

Date : June 15, 2020


Krishan Gopal

(Chief Financial Officer)

Place : Gurugram

Date : June 15, 2020





SATIN CREDITCARE NETWORK LTD.

Reaching out!

September 2, 2020

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

Sub: Outcome of the Board Meeting held on September 2, 2020

Dear Sir/Madam,

In terms of Regulation 33 read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), we wish to inform you that the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2020 were approved by the Board of Directors of the Company at its meeting held today at 11.30 a.m. and concluded at 2:25 p.m.

Pursuant to the applicable provisions of the Listing Regulations, we enclose the following:

1. The Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2020;
2. Limited Review Reports on the Unaudited Financial Results (Standalone and Consolidated) for the said quarter; and
3. Copies of the Press Release and Investor Presentation.

We request you to take the same on records.

Thanking You,

Yours Sincerely,
For Satin Creditcare Network Limited

(Adish Swarnop)
Company Secretary & Compliance Officer



Enc as above

Corporate Office :
1st, 3rd Floor, Plot No 97,
Sector-44, Gurugram - 122003
Haryana, India

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

CIN : U65991DL1990PLC041796
Landline No : 124 - 4715400
E-Mail ID : info@satincreditcare.com
Website : www.satincreditcare.com

Walker Chandio & Co LLP

16th floor, Tower II,
One International Center,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

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F +91 22 6626 2601

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Satin Creditcare Network Limited

- 1) We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Satin Creditcare Network Limited ('the Company') for the quarter ended 30 June 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
- 2) The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
- 3) We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- 4) Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



Walker Chandiok & Co LLP

Satin Creditcare Network Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- 5) We draw attention to Note 4 to the accompanying Statement, which describes the significant uncertainty due to outbreak of the COVID-19 pandemic. The impact of the pandemic on the operations of the Company and its financial position as at 30 June 2020 including the measurement of expected credit losses on the loan assets are significantly dependent on uncertain future economic conditions. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013



Manish Gujral

Partner

Membership No:105117

UDIN:20105117AAAAFD4883

Place: Mumbai

Date: 02 September 2020



SATIN CREDITCARE NETWORK LTD.

Reaching out!

SATIN CREDITCARE NETWORK LIMITED

CIN : L65991DL1990PLC041796

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

Statement of unaudited standalone financial results for the quarter ended June 30, 2020

S. No	Particulars	Quarter ended			
		June 30, 2020	March 31, 2020	June 30, 2019	Year ended March 31, 2020
		(Unaudited)	(Unaudited) Refer note 3	(Unaudited)	(Audited)
	Revenue from operations				
	Interest income	27,299.61	27,149.85	27,149.55	107,844.38
	Dividend income	-	-	2.21	2.21
	Fees and commission income	341.48	1,786.62	1,750.24	7,078.65
	Net (loss)/gain on fair value changes	(145.10)	(2.34)	436.11	1,237.44
	Net gain on derecognition of financial instruments	1,367.38	8,500.42	3,891.46	23,608.14
	Other operating income	68.33	64.24	44.63	186.29
1	Total revenue from operations	28,931.70	37,498.79	33,274.20	139,957.11
2	Other income	20.60	52.24	18.45	133.30
3	Total income (1+2)	28,952.30	37,551.03	33,292.65	140,090.41
	Expenses				
	Finance costs	15,550.95	13,522.53	15,166.42	57,686.12
	Impairment of financial instruments	3,199.74	11,179.32	1,459.68	18,882.89
	Employee benefits expenses	6,665.71	7,544.92	7,295.33	29,666.79
	Depreciation and amortisation expenses	336.50	451.41	347.80	1,519.84
	Other expenses	1,463.72	3,159.07	2,526.41	11,018.01
4	Total expenses	27,216.62	35,857.25	26,795.64	118,773.65
5	Profit before tax (3-4)	1,735.68	1,693.78	6,497.01	21,316.76
	Tax expense:				
	Current tax	614.17	(13.65)	2,418.99	5,474.97
	Deferred tax (credit)/charge	(163.72)	479.18	(60.29)	215.08
6	Total tax expense	450.45	445.53	2,358.70	5,690.05
7	Net profit after tax (5-6)	1,285.23	1,248.25	4,138.31	15,626.71
	Other comprehensive income				
	Items that will not be reclassified to profit and loss	(3.56)	175.70	15.00	87.80
	Income tax relating to items that will not be reclassified to profit and loss	0.90	(44.22)	(5.24)	(22.10)
	Items that will be reclassified to profit and loss	725.07	4,244.36	1,279.08	5,864.78
	Income tax relating to items that will be reclassified to profit and loss	(182.49)	(1,068.22)	(446.96)	(1,476.05)
8	Total other comprehensive income	539.92	3,307.62	841.88	4,454.43
9	Total comprehensive income (7+8)	1,825.15	4,555.87	4,980.19	20,081.14
10	Paid-up equity share capital (face value of ₹ 10 per equity share)				5,171.27
11	Other equity as per balance sheet of previous accounting year				140,105.69
12	Earning per share (EPS) (face value of ₹ 10 per equity share)				
	- Basic (amount in ₹)	2.49	2.41	8.51	30.69
	- Diluted (amount in ₹)	2.49	2.41	8.27	30.52
	(EPS for the quarter ended June 30, 2020, March 31, 2020 and June 30, 2019 are not annualised)				



Corporate Office :
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Haryana, India

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CIN : L65991DL1990PLC041796
Landline No : 124 - 4715400
E-Mail ID : info@satincreditcare.com
Website : www.satincreditcare.com



SATIN CREDITCARE NETWORK LTD.

Reaching out!

SATIN CREDITCARE NETWORK LIMITED

CIN : L65991DL1990PLC041796

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

Statement of unaudited standalone financial results for the quarter ended June 30, 2020

Notes to the unaudited standalone financial results:

- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Satin Creditcare Network Limited ("the Company") at their meetings held on September 1, 2020 and September 2, 2020 respectively and are subjected to limited review by the statutory auditors. These results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The financial results have been prepared in accordance with applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and as specified under section 133 of the Company Act 2013.
- Figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures for the financial year ended March 31, 2020 and unaudited published year to date figures upto December 31, 2019.
- COVID-19, a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The Company's business is expected to be impacted by lower lending opportunities and decline in collection efficiencies. The impact of COVID-19 on the Company's result remain uncertain and dependent on extent of spread of COVID-19, steps taken by the Government and central bank to mitigate the economic impact, steps taken by the Company and the time it takes for economic activities to resume at normal levels as a result of which, actual results may differ. The Company's capital and liquidity position remains strong and would continue to be the focus area for the Company.
In accordance with the Reserve Bank of India ("the RBI") guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the Company has offered to grant moratorium up-to six months on payment of all installments and/ or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all the eligible borrowers as per the Company's policy. For all such loans where moratorium is granted, the Company has kept ageing of such loans and their asset classification as per RBI guidelines during the moratorium period.
The Company has recognized provisions as at June 30, 2020 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of these financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- As explained in note 4 above, the Company has assessed the impact of COVID-19 on its liquidity and ability to repay its obligations as and when they are due. With the relaxation of lockdown rules and resumption of commercial activities in majority of geographies in which the Company has operations, the Company has disbursed fresh loans during the quarter ended as at June 30, 2020 and the management is confident that further disbursement and collections will pick up in coming months as compared to current quarter. Further the Company considers its liquidity position which includes cash and cash equivalents of ₹ 1,65,239.94 lakhs as at June 30, 2020 and the expected inflows from various sources of borrowings including various stimulus packages announced by the Government of India, and fresh sanctions from existing and new lenders. The Management of the Company believes that Company will be able to pay its obligations as and when these become due in the foreseeable future.
- On June 22, 2020, the Board of Directors of the Company considered the fund raising option by way of issuance of securities by way of rights issue (the proposed issue) for an amount upto ₹ 12,000 Lakhs and constituted and authorised Rights Issue Committee (RIC) to decide terms and conditions pertaining to the proposed issue. On July 23, 2020, the RIC approved the issuance of partly paid-up equity shares of face value of ₹ 10 each.
On July 30, 2020, the RIC approved the issuance of 1,99,82,667 partly paid-up equity shares of face value of ₹ 10 each for amount aggregating to ₹ 11,989.60 lakhs at an issue price of ₹ 60 per fully paid-up equity share of face value of ₹ 10 each including a premium of ₹ 50 per equity share, in the ratio of 48 partly-paid rights equity shares for every 125 existing fully paid shares held by eligible equity shareholders as on the record date i.e., August 5, 2020.
Thereafter, on August 4, 2020, the RIC approved the Letter of Offer with following terms:

Issue opening date:	Wednesday, August 12, 2020
Issue closing date:	Wednesday, August 26, 2020
Last date for on market renunciation:	Friday, August 21, 2020

- The Company has allotted 250 (Two hundred and fifty) Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on June 30, 2020 at a coupon rate of 11.25% per annum.
- The Chief Operating Decision Maker ("CODM") reviews the operations at the Company level. The operations of the Company fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Company operates in a single geographical segment, i.e. domestic.
- Previous year/periods figures have been regrouped/rearranged to make them comparable to current year/period figures.

Place: Gurugram
Date: September 2, 2020



For and on behalf of the Board of Directors of
Satin Creditcare Network Limited



(H P Singh)
Chairman cum Managing Director
DIN No. 00333754

Corporate Office :
1st, 3rd Floor, Plot No 97,
Sector-44, Gurugram - 122003
Haryana, India

Registered Office :
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Azadpur, New Delhi-110033, India

CIN : L65991DL1990PLC041796
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E-Mail ID : info@satincreditcare.com
Website : www.satincreditcare.com

Walker Chandio & Co LLP

16th floor, Tower II,
One International Center,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

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F +91 22 6626 2601

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Satin Creditcare Network Limited

- 1) We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Satin Creditcare Network Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 June 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
- 2) This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
- 3) We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



Walker Chandiok & Co LLP

Satin Creditcare Network Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- 4) Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 5) We draw attention to Note 4 to the accompanying Statement, which describes the significant uncertainty due to outbreak of the COVID-19 pandemic. The impact of the pandemic on the operations of the Group and its financial position as at 30 June 2020 including the measurement of expected credit losses on the loan assets are significantly dependent on uncertain future economic conditions. Our conclusion is not modified in respect of this matter.
- 6) We did not review the interim financial statements of three subsidiaries included in the Statement, whose financial information reflect total revenues of ₹ 2,205.96 lakhs, total net loss after tax of ₹ 8.74 lakhs and total comprehensive income of ₹ (3.76) lakhs for the quarter ended on 30 June 2020, as considered in the Statement. These interim financial statements have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013



Manish Gujral
Partner
Membership No:105117

UDIN:20105117AAAAFE9681

Place: Mumbai
Date: 02 September 2020

Walker Chandio & Co LLP

Satin Creditcare Network Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

- a) Taraashna Financial Services Limited (formerly known as Taraashna Services Limited)
- b) Satin Housing Finance Limited
- c) Satin Finserv Limited



This space has been intentionally left blank.



SATIN CREDITCARE NETWORK LTD.

Reaching out!

SATIN CREDITCARE NETWORK LIMITED

CIN : L65991DL1990PLC041796

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

Statement of unaudited consolidated financial results for the quarter ended June 30, 2020

S. No	Particulars	(₹ in Lakhs except EPS)			
		Quarter ended		Year ended	
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) Refer note 3	(Unaudited)	(Audited)
	Revenue from operations				
	Interest income	28,458.11	28,256.61	27,614.86	111,000.52
	Dividend income	-	-	2.21	2.21
	Fees and commission income	1,207.58	3,948.46	3,248.67	13,778.42
	Net (loss)/gain on fair value changes	(118.89)	40.39	478.42	1,437.83
	Net gain on derecognition of financial instruments	1,367.38	8,500.42	3,891.46	23,608.14
	Other operating income	52.74	49.12	28.23	124.42
1	Total revenue from operations	30,966.92	40,795.00	35,263.85	149,951.54
2	Other income	88.35	131.24	51.65	391.65
3	Total income (1+2)	31,055.27	40,926.24	35,315.50	150,343.19
	Expenses				
	Finance costs	16,016.78	13,919.03	15,367.69	58,929.39
	Impairment of financial instruments	3,257.30	11,361.74	1,476.39	19,180.66
	Employee benefit expenses	7,923.06	9,000.68	8,612.38	35,134.58
	Depreciation and amortisation expenses	386.16	517.80	396.48	1,753.72
	Other expenses	1,756.57	4,321.70	3,030.73	14,182.20
4	Total expenses	29,339.87	39,120.95	28,883.67	129,180.55
5	Profit before tax (3-4)	1,715.40	1,805.29	6,431.83	21,162.64
	Tax expense:				
	Current tax	682.21	76.59	2,455.34	5,575.17
	Deferred tax (credit)/charge	(243.29)	420.60	(109.26)	90.21
6	Total tax expense	438.92	497.19	2,346.08	5,665.38
7	Net profit after tax (5-6)	1,276.48	1,308.10	4,085.75	15,497.26
	Other comprehensive income				
	Items that will not be reclassified to profit and loss	3.10	208.04	17.12	126.65
	Income tax relating to items that will not be reclassified to profit and loss	(0.78)	(53.28)	(5.87)	(32.91)
	Items that will be reclassified to profit and loss	725.07	4,244.36	1,279.08	5,864.78
	Income tax relating to items that will be reclassified to profit and loss	(182.49)	(1,068.22)	(446.96)	(1,476.05)
8	Total other comprehensive income	544.90	3,330.90	843.41	4,482.47
9	Total comprehensive income (7+8)	1,821.38	4,639.00	4,929.16	19,979.73
10	Net profit after tax attributable to:				
	Owners of the holding company	1,276.48	1,308.10	4,085.75	15,497.26
	Non-controlling interests	-	-	-	-
11	Other comprehensive income attributable to:				
	Owners of the holding company	544.90	3,330.90	843.41	4,482.47
	Non-controlling interests	-	-	-	-
12	Total comprehensive income attributable to:				
	Owners of the holding company	1,821.38	4,639.00	4,929.16	19,979.73
	Non-controlling interests	-	-	-	-
13	Paid-up equity share capital (face value of ₹ 10 per equity share)	-	-	-	5,171.27
14	Other equity as per balance sheet of previous accounting year	-	-	-	139,697.64
15	Earning per share (EPS) (face value of ₹ 10 per equity share)				
	- Basic (amount in ₹)	2.47	2.53	8.40	30.43
	- Diluted (amount in ₹)	2.47	2.53	8.17	30.27
	(EPS for the quarter ended June 30, 2020, March 31, 2020 and June 30, 2019 are not annualised)				



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SATIN CREDITCARE NETWORK LTD.

Reaching out!

SATIN CREDITCARE NETWORK LIMITED

CIN : L65991DL1990PLC041796

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

Statement of unaudited consolidated financial results for the quarter ended June 30, 2020

Notes to the unaudited consolidated financial results:

- The above unaudited financial results for the quarter ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of Satin Creditcare Network Limited ("the Holding Company") at their meetings held on September 1, 2020 and September 2, 2020 respectively and are subjected to limited review by the statutory auditors. These results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)
- The consolidated financial results have been prepared in accordance with the 'Indian Accounting Standard - Consolidated Financial Statements' prescribed under Section 133 of the Companies Act, 2013 and comprise the financial results of the Holding Company and its wholly owned subsidiaries
- Figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures for the financial year ended March 31, 2020 and unaudited published year to date figures upto December 31, 2019.
- COVID-19, a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The Group's business is expected to be impacted by lower lending opportunities and decline in collection efficiencies. The impact of COVID-19 on the Group's result remain uncertain and dependent on extent of spread of COVID-19, steps taken by the Government and central bank to mitigate the economic impact, steps taken by the Group and the time it takes for economic activities to resume at normal levels as a result of which, actual results may differ. The Group's capital and liquidity position remains strong and would continue to be the focus area for the Group.
In accordance with the Reserve Bank of India ("the RBI") guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the Group has offered to grant moratorium up-to six months on payment of all installments and/ or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all the eligible borrowers as per the Group's policy. For all such loans where moratorium is granted, the Group has kept ageing of such loans and their asset classification as per RBI guidelines during the moratorium period.
The Group has recognized provisions as at June 30, 2020 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Group believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of these financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Group will continue to monitor any material changes to future economic conditions.
- As explained in note 4 above, the Group has assessed the impact of COVID-19 on its liquidity and ability to repay its obligations as and when they are due. With the relaxation of lockdown rules and resumption of commercial activities in majority of geographies in which the Group has operations, the Group has disbursed fresh loans during the quarter ended as at June 30, 2020 and the management is confident that further disbursement and collections will pick up in coming months as compared to current quarter. Further the Group considers its liquidity position which includes cash and cash equivalents of ₹ 1,72,490.09 Lakhs as at June 30, 2020 and the expected inflows from various sources of borrowings including various stimulus packages announced by the Government of India, and fresh sanctions from existing and new lenders. The Management of the Group believes that Group will be able to pay its obligations as and when these become due in the foreseeable future.
- The Holding Company has allotted 250 (Two hundred and fifty) Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on June 30, 2020 at a coupon rate of 11.25% per annum.
- On June 22, 2020, the Board of Directors of the Holding Company considered the fund raising option by way of issuance of securities by way of rights issue (the proposed issue) for an amount upto ₹ 12,000 Lakhs and constituted and authorised Rights Issue Committee (RIC) to decide terms and conditions pertaining to the proposed issue. On July 23, 2020, the RIC approved the issuance of partly paid-up equity shares of face value of ₹ 10 each.
On July 30, 2020, the RIC approved the issuance of 1,99,82,667 partly paid-up equity shares of face value of ₹ 10 each for amount aggregating to ₹ 11,989.60 lakhs at an issue price of ₹ 60 per fully paid-up equity share of face value of ₹ 10 each including a premium of ₹ 50 per equity share, in the ratio of 48 partly-paid rights equity shares for every 125 existing fully paid shares held by eligible equity shareholders as on the record date i.e., August 5, 2020.
Thereafter, on August 4, 2020 the RIC approved the Letter of Offer with following terms:

Issue opening date:	Wednesday, August 12, 2020
Issue closing date:	Wednesday, August 26, 2020
Last date for on market renunciation:	Friday, August 21, 2020

- The Chief Operating Decision Maker ("CODM") reviews the operations at the Group level. The operations of the Holding Company and its subsidiaries fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Group operates in a single geographical segment, i.e. domestic.
- Previous year/periods figures have been regrouped/rearranged to make them comparable to current year/period figures.

Place: Gurugram
Date: September 2, 2020



For and on behalf of the Board of Directors of
Satin Creditcare Network Limited



(H P Singh)
Chairman cum Managing Director
DIN No. 00333754

Corporate Office :
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ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

	Illustration of Bond Cash Flows
Company	Satin Creditcare Network Limited
Face Value (per security)	Rs. 10,00,000/- (Rupees Ten Lakhs only)
Issue Date / Date of Allotment	Issue Opening Date: October 22, 2020 Deemed Date of Allotment: October 23, 2020
Redemption Date / Maturity Date	Redemption Date / Maturity Date: April 23, 2024
Coupon Rate	11.50% (Eleven Decimal Point Five Zero Percent) p.a. net of withholding tax.
Frequency of the Coupon Payment with specified dates	Coupon payable Semi-annually. First Coupon on April 23, 2021 and subsequently on October 23 and April 23 of every calendar year until Maturity Date (subject to Business Day Convention).
Day Count Convention	Actual/Actual

Cash Flows	Coupon Accrual Date	Coupon Payment Date	No. of days in Coupon Period	Coupon Amount (in Rupees)	Principal Payment Dates	Principal Amount (in Rupees)
Issue amount						
1st Coupon	April 23, 2021	April 23, 2021	182	3,43,69,324		
2nd Coupon*	October 23, 2021	October 25, 2021	183	3,45,94,521		
3rd Coupon*	April 23, 2022	April 25, 2022	182	3,44,05,479		
4th Coupon*	October 23, 2022	October 25, 2022	183	3,45,94,521		
5th Coupon*	April 23, 2023	April 24, 2023	182	3,44,05,479	April 24, 2023	15,00,00,000
6th Coupon*	October 23, 2023	October 24, 2023	183	2,59,45,890	October 24, 2023	15,00,00,000
7th Coupon*	April 23, 2024	April 23, 2024	183	1,72,68,078	April 23, 2024	30,00,00,000
<u>Principal</u>						
<u>Total</u>						60,00,00,000
* After adjusting for Non-Business Days.						

ANNEXURE VII

Certified copy of Shareholders resolution



SATIN CREDITCARE NETWORK LTD.

Reaching out!

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE THIRTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE SATIN CREDITCARE NETWORK LIMITED HELD ON WEDNESDAY AUGUST 5, 2020 AT 10:30 A.M THROUGH VIDEO CONFERENCING

TO ISSUE NON-CONVERTIBLE DEBENTURES (NCDs), IN ONE OR MORE SERIES / TRANCHES ON PRIVATE PLACEMENT BASIS

"RESOLVED THAT in supersession of the earlier Special Resolution passed at the 29th Annual General Meeting held on July 6, 2019 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force), the Securities Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Reserve Bank of India ("RBI") Master Directions on Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any statutory / regulatory authority, as may be applicable and the memorandum and articles of association of the Company and subject to the consents, approvals, permissions and sanctions of the concerned statutory and regulatory authorities, if and to the extent necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall include any committee constituted / may be constituted by the Board to exercise its powers including the powers conferred under this resolution) to issue/offer/invoke for subscription and allotment of secured / unsecured / subordinated / senior, rated / unrated, listed / unlisted, perpetual or non-perpetual, redeemable (including marked linked debentures), Non-Convertible Debentures ("NCDs") by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the NCDs, aggregating upto INR 5,000 Crore (Rupees Five Thousand Crore only) on such terms and conditions and at such times whether at par/premium/ discount, as may be decided by the Board to such person or persons including one or more company(ies), bodies corporate, foreign portfolio investor(s), overseas fund(s), statutory corporation(s), commercial bank(s), domestic and multilateral lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), alternative investment funds, pension/provident funds, family office(s), and individual(s), as the case may be or such other person/persons/investors as the Board may so decide/approve in its absolute discretion, for a period of one year or for such other period as permissible under applicable laws, from the date of approval of this resolution by the members.

RESOLVED FURTHER THAT the Board be and is hereby Authorized to determine the terms of issue of NCDs including but not limited to determining size, issue price, timing, tenure, interest rate of NCDs, listing of NCDs, if required, creation of security, utilization of the issue proceeds, appointment of debenture trustee(s), Registrar and Transfer Agent, Legal Counsel and other agency(ies) and to do all necessary acts and things and to execute all deeds, documents, instruments, papers and writings as may be required and to settle all questions, difficulties or doubts that may arise in this regard in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any committee of the Board, Director(s) and / or officer(s) of the Company."

Certified True Copy

For Satin Creditcare Network Limited


Company Secretary & Compliance officer

Place : Delhi

Date : August 5, 2020



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Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("**Prospectus and Allotment Rules**") deals with private placement of securities by a company. Rule 14(1) of the Prospectus and Allotment Rules prescribes that in case of an offer or invitation to subscribe to securities, the Company shall obtain previous approval of its shareholders/members ("**Members**") by means of a special resolution. Rule 14(1) of the Prospectus and Allotment Rules further prescribes that in case of offer or invitation for Non-Convertible Debentures ("**NCDs**"), where the proposed amount to be raised through such offer or invitation exceeds the limit as specified in Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such NCDs issued during a period of one year from the date of passing of the aforementioned special resolution.

In order to augment resources for on-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes, and for any other purposes, the Company may invite subscription for secured / unsecured / subordinated / senior, rated / unrated, listed / unlisted, perpetual or non-perpetual, redeemable (including market linked debentures) NCDs, in one or more series / tranches on private placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the Board on the basis of various factors including the interest rate / effective yield determined, based on market conditions prevailing at the time of the issue(s).

Pursuant to Rule 14(1) of the Prospectus and Allotment Rules, the following disclosures are being made by the Company to the Members:

PARTICULARS OF THE OFFER INCLUDING DATE OF PASSING BOARD RESOLUTION	<p>Rule 14(1) of the Prospectus and Allotment Rules, prescribes that where the proposed amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed under Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs during such year.</p> <p>In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs (whether secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, perpetual or non-perpetual, redeemable (including market linked debentures) NCDs) shall be decided from time to time, within the period of one year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant Board resolution shall be mentioned/disclosed in the private placement offer cum application letter for each offer/issue of NCDs.</p>
KINDS OF SECURITIES OFFERED AND THE PRICE AT WHICH THE SECURITY IS BEING OFFERED	<p>Non-convertible debt instruments / NCDs.</p> <p>The non-convertible debt instruments / NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.</p>



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BASIS OR JUSTIFICATION FOR THE PRICE (INCLUDING PREMIUM, IF ANY) AT WHICH THE OFFER OR INVITATION IS BEING MADE	Not applicable, as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments/NCDs which will be issued either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).
NAME AND ADDRESS OF VALUER WHO PERFORMED VALUATION	Not applicable as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments / NCDs.
AMOUNT WHICH THE COMPANY INTENDS TO RAISE BY WAY OF SECURITIES	The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of one year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued within the period of 1 (one) year from the date of passing of the aforementioned shareholders resolution shall not exceed in the aggregate, the limit specified in the resolution under Section 42 of the Companies Act, 2013 i.e. upto INR. 5,000 crore.
MATERIAL TERMS OF RAISING OF SECURITIES, PROPOSED TIME SCHEDULE, PURPOSES OR OBJECTS OF OFFER, CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF OBJECTS; PRINCIPLE TERMS OF ASSETS CHARGED AS SECURITIES.	The material / specific terms of each offer/issue of NCDs and the other information being sought herein shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in the respective transaction documents executed in respect of each offer/issue.

Accordingly, consent of the Members is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to issue such NCDs during the year on private placement basis up to INR. 5,000 Crore (Indian Rupees Five Thousand Crore only) as stipulated above, in one or more series / tranches on private placement basis.

None of the Directors or Key Managerial Personnel of the Company or the relatives are concerned or interested, financially or otherwise, in this resolution.

Certified to be true copy

For Satin Creditcare Network Limited


Adhish Swaroop
(Company Secretary & Compliance Officer)

M. No.: A16034

Address: A-27, Guru Nanak Pura,
Laxmi Nagar, Delhi - 110092, India



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CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED IN THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE SATIN CREDITCARE NETWORK LIMITED HELD ON SATURDAY, JULY 06, 2019 AT 10:30 A.M. AT "LITTLE THEATRE GROUP AUDITORIUM, 1, COPERNICUS MARG, NEW DELHI-110001"

1. CREATION OF CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS U/S 180(1) (a) OF THE COMPANIES ACT, 2013

"RESOLVED THAT consent of the members of the Company be and is hereby accorded pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 read with Article 67 of the Articles of Association of the Company and the rules made thereunder, to the Board of Directors of the Company to pledge, mortgage and/or charge on all or any part of the Moveable or Immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any Movable or Immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 15,000 Crore (Rupees Fifteen Thousand Crore Only) at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

2. TO INCREASE THE BORROWING POWER OF BOARD OF DIRECTORS UNDER SECTION 180(1) (c) OF THE COMPANIES ACT, 2013.

"RESOLVED THAT consent of the members be and is hereby accorded pursuant to section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder read with Article 67 of the Articles of Association of the Company, to the Board of Directors of the company to raise or borrow from time to time such sum or sums as they may deem appropriate for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from company's bankers in the ordinary course of business) will exceed the paid-up capital of the company, free reserves and securities premium of the company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed Rs. 15,000 Crore (Rupees Fifteen Thousand Crore Only) at any time.

RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

Certified True Copy
For Satin Creditcare Network Limited

Adhish Swaroop
(Company Secretary & Compliance officer)



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ANNEXURE VIII

BOARD RESOLUTIONS AND WORKING COMMITTEE RESOLUTION



SATIN CREDITCARE NETWORK LTD.

Reaching out!

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN SECOND MEETING OF BOARD OF DIRECTORS OF SATIN CREDITCARE NETWORK LIMITED FOR THE FINANCIAL YEAR 2020-21 HELD ON MONDAY, JUNE 15, 2020 THROUGH VIDEO CONFERENCING

APPROVAL FOR ISSUANCE OF NON-CONVERTIBLE DEBENTURES

"RESOLVED THAT in supersession of earlier resolution passed in this regard and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Rule 14(2) and other applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force), the Securities Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Reserve Bank of India ('RBI') Master Directions on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any statutory/ regulatory authority, as may be applicable and the Memorandum and Articles of Association of the Company and subject to the consents, approvals, permissions and sanctions of the concerned statutory and regulatory authorities, if and to the extent necessary, the consent of Board of Directors of the Company be and is hereby accorded to issue/ offer/ invite for subscription and allotment of secured/ unsecured/ subordinated/ senior, rated/ unrated, listed/unlisted, perpetual or non-perpetual, redeemable (including marked linked debentures), Non-Convertible Debentures ("NCDs") by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the NCDs, aggregating upto INR 5,000 Crore (Rupees Five Thousand Crore only) on such terms and conditions and at such times whether at par/ premium/ discount, as may be decided by the Board to such person or persons including one or more company(ies), bodies corporate, foreign portfolio investor(s), overseas fund(s), statutory corporation(s), commercial bank(s), domestic and multilateral lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), alternative investment funds, pension/ provident funds, family office(s), and individual(s), as the case may be or such other person/ persons/ investors as the Board may so decide/ approve in its absolute discretion, for a period of one year or for such other period as permissible under applicable laws, from the date of approval of the Members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Working Committee of the Company be and are hereby authorised to determine the terms of issue of NCDs including but not limited to determining size, issue price, timing, tenure, interest rate of NCDs, listing of NCDs, if required, creation of security, utilization of the issue proceeds, appointment of debenture trustee(s), Registrar and Transfer Agent, Legal Counsel and other agency(ies) and to do all necessary acts and things and to execute all deeds, documents, instruments, papers and writings as may be required and to settle all questions, difficulties or doubts that may arise in this regard in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee of the Board, Director(s) and/ or officer(s) of the Company."

Certified to be true copy
For Satin Creditcare Network Limited


Adrish Swaroop
(Company Secretary & Compliance Officer)



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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE FIRST MEETING OF THE BOARD OF DIRECTORS OF SATIN CREDITCARE NETWORK LIMITED FOR THE FINANCIAL YEAR 2020-21 HELD ON FRIDAY, MAY 15, 2020 THROUGH VIDEO CONFERENCING

CONSIDERATION, DISCUSSION AND APPROVAL OF THE REVISION IN THE COMPOSITION, SCOPE AND FUNCTIONS OF WORKING COMMITTEE OF THE COMPANY

"RESOLVED THAT in suppression of all earlier resolution(s) passed in this regard, the consent of the Board of Directors of the Company be and is hereby accorded to revise the composition of 'Working Committee', with the following Directors/officials:

Sl. No.	Category/Designation of Directors/ Officials of the Company who is eligible to become member	Current Name of Members	Designation
1.	Chairman cum Managing Director	Mr. H P Singh	Chairman
2.	Promoter, Non-Executive Director	Mr. Sarviander Singh	Member
3.	Group Controller	Mr. Jugal Katana	Member
4.	Chief Financial Officer	Mr. Krishan Gopal	Member
5.	Head - Accounts	Mr. Amit Kumar Gupta	Member
6.	Head - Finance	Mrs. Urvashe Tyagi	Member
7.	Company Secretary & Compliance Officer	Mr. Adilash Swaroop	Secretary to the Committee

RESOLVED FURTHER THAT the Working Committee shall meet as often as required and the quorum for the meeting shall be any three members or such other number as determined by Chairman of the Working Committee.

RESOLVED FURTHER THAT pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and RBI Guidelines (to the extent of its applicability) and applicable provisions of the Companies Act, 2013 and in suppression of earlier resolution(s) passed in this regard, 'scope and function' of Working Committee of the Company as placed hereunder before the Board be and is hereby considered, discussed and approved:

Scope and Function of Working Committee:

- Accepting Loan from various Banks/Financial Institutions/entity both domestic and foreign;
- Transaction related to securitization/ assignment and External Commercial Borrowings/ issuance of Non-Convertible Debentures and through any other way as stipulated and permissible under laws;
- Raising of funds through issuance of Commercial Papers upto face value of INR 1,000 Crore (within overall borrowing limit as approved by members of the Company from time to time in terms of Section 180(1)(c) of the Companies Act, 2013;
- To invest the funds of the Company to the extent permissible under applicable laws;

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SATIN CREDITCARE NETWORK LTD.

Reaching out!

- v. To open/apply for placing fixed deposit with any Bank/financial institutions/Non-Banking Financial Companies, to the extent permissible under applicable laws;
- vi. To grant loans or give guarantee or provide security in respect of loans to the extent permissible under applicable laws;
- vii. To open demat/trading account with any depository participant(s) and to do all necessary needful in this regard;
- viii. Pledge, Mortgage and/or Charge in all or any part of the movable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever;
- ix. Allotment of Securities to the extent permissible under the Companies Act, 2013 and other applicable laws;
- x. Affixation of common seal in terms of Articles of Association of the Company, wherever required to facilitate transactions;
- xi. Opening of Current Accounts at different places in India;
- xii. Any changes in authorised signatories who operate such accounts;
- xiii. Apply for Net Banking and consequent changes in their authority to operate;
- xiv. Any closure of existing Current Account of the Company;
- xv. Any other matter relating to the operations of various bank accounts and other general purposes of the Company;
- xvi. To invest funds of the Company by way purchase of portfolio from other NBFC-MFI in compliance with applicable laws and Board approved policy in this regard;
- xvii. To undertake hedges (including and not limited to Interest Rate Swaps, Currency Swaps, Options (Vanilla & Cost Reduction, Forward Contracts) in relation to External Commercial Borrowings or other Foreign Currency Borrowings;
- xviii. Adoption/ implementation of Company's policies, business/ operations/ administrative/ compliance requirement to run the business smoothly on the day to day basis; and
- xix. Any other general purpose related to grant authorization to perform day to day affairs of the Company.

RESOLVED FURTHER THAT the Working Committee of the Company be and is hereby authorised to borrow for growing needs of business with various Banks/Financial Institutions/entities both domestic and international with any one lender in one or more tranches from time to time without any limit and upto the limit as granted to the Board by members of the Company from time to time pursuant to Section 180(1)(c) of the Companies Act, 2013 as amended from time to time.

RESOLVED FURTHER THAT the Working Committee of the Company be and is hereby further authorized to pledge, mortgage and/or charge in all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks/Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings upto the limit as granted to the Board by members of the Company from time to time pursuant to Section 180(1)(a) of the Companies Act, 2013.

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RESOLVED FURTHER THAT subject to applicable laws, the Working Committee be and is hereby further authorized to give power to any Director, official/employee or any other person to execute the necessary documents in this regard on behalf of the Company.

RESOLVED FURTHER THAT copy of the foregoing resolution certified to be true under the hands of any Director or Company Secretary & Compliance Officer of the Company for the time being in office be submitted to all those who may need the same for the purpose of their reference, record and acting in accordance therewith."

Certified to be true copy
For and on behalf of
Satin Creditcare Network Limited

Adhish Swaroop
(Company Secretary & Compliance Officer)



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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE WORKING COMMITTEE OF THE BOARD OF DIRECTORS ("COMMITTEE") OF SATIN CREDITCARE NETWORK LIMITED ("COMPANY") HELD ON WEDNESDAY, OCTOBER 14, 2020 AT 3RD FLOOR, PLOT NO. 97, SECTOR-44, GURUGRAM, HARYANA - 122003

ISSUANCE OF NON-CONVERTIBLE DEBENTURES

"RESOLVED THAT pursuant to the meetings of the Board of Directors ("**Board**") of the Company dated May 15, 2020 and June 15, 2020 and Sections 42, 71 and 179(3)(c) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and rules & regulations made thereunder ("**Act**"), if any (including any statutory modification or re-enactment thereof for the time being in force), the applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended and also subject to approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authorities, the guidelines issued by the Securities and Exchange Board of India with respect to electronic book mechanism under the terms of the SEBI Circular dated January 5, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/05) read with the SEBI Circular dated August 16, 2018 (bearing reference number SEBI/HO/DDHS/CIR/P/2018/122) and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time ("**SEBI EBM Guidelines**") and pursuant to the relevant provisions of the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchanges being the Bombay Stock Exchange/ the National Stock Exchange (the "**Stock Exchanges**") where the securities of the Company may be listed, and pursuant to the resolutions passed by the shareholders of the Company in its 29th Annual General Meeting & 30th Annual General Meeting of the Company duly held on July 06, 2019 and August 05, 2020, respectively, the Committee hereby approves the issuance of and hereby approves the terms and conditions in respect of the issuance of, and the Company be and is hereby authorised to:

- (a) issue upto 600 (Six Hundred) rated, listed, senior, secured, redeemable, taxable, non-convertible debentures, of a face value of INR 10,00,000/- (Indian Rupees Ten Lakh) each, aggregating upto an aggregate face value of INR 60,00,00,000/- (Indian Rupees Sixty Crore) ("**Debentures**"), for cash, at par, in dematerialised form on a private placement basis, at an interest rate of 11.50% (Eleven Decimal Five Zero percent) per annum or such other interest rate as may be agreed, payable semi-annually or at such other interest period as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of up to 42 (Forty Two) months from the deemed date of allotment or such other period as may be agreed, on a private placement basis to JAPAN ASEAN Women Empowerment Fund (being the identified person for the purposes of Section 42 of the Act) (the "**Investors**") for meeting/fulfilling the funding requirements of the Company for on-lending to its underlying borrowers/clients, and for such other purposes as may be agreed under the Transaction Documents (as defined below); and
- (b) secure the amounts to be raised pursuant to the issue of Debentures together with all interest and other charges thereon to be secured (up to such limits and security cover, and within such timelines as may be agreed) by one or more of the following (i) hypothecation of certain identified loans/book debts (and/or other assets) of the Company with a cover of 100% (One Hundred Percent) of the aggregate principal and coupon outstanding with exclusivity on such security interest, and/or (ii) such other security as may be required in terms of the issuance of the Debentures (collectively referred to as the "**Security**").

RESOLVED FURTHER THAT pursuant to Section 42(2) of the Companies Act, 2013, the Committee hereby identifies JAPAN ASEAN Women Empowerment Fund ("**Identified Person**"), as an identified person to whom the Company can make private placement of the Debentures.

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RESOLVED FURTHER THAT Mr. Harvinder Pal Singh, Chairman cum Managing Director, Mr. Adhish Swaroop, Company Secretary & Compliance Officer, Mrs. Urvashi Tyagi, Head – Finance, Mr. Manish Kumar Mittal, AVP - Finance, Mr. Sumit Kumar Chhabra, Sr. Manager, Mr. Deepak Sharma, Sr. Manager - Finance and Ms. Surbhi Dhingra, Assistant Manager – Finance of the Company (collectively, the "**Authorised Persons**") be and are hereby severally authorised to do all such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned government and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;
- (b) deciding, negotiating and finalizing the terms in respect of the issue, offer and allotment of the Debentures, including the price, coupon, face value, tenor, issue opening date, issue closing date and all other related matters;
- (c) executing the term sheet in relation to the Debentures;
- (d) seeking the listing of any of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;
- (e) issuing the Debentures through the electronic book mechanism process pursuant to the SEBI EBM Guidelines, and taking all such action and steps as may be required for the purposes of complying with relevant guidelines, including making all relevant disclosures to the electronic book provider;
- (f) approving the debt disclosure document/information memorandum and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (g) finalising the terms and conditions of the appointment of an arranger (if so required), a debenture trustee, a registrar and share transfer agent, a credit rating agency (if so required), legal counsel, a depository and such other intermediaries as may be required including their successors and their agents;
- (h) finalising the terms of the the issue, offer and allotment of the Debentures;
- (i) entering into arrangements with the depository in connection with the issue of Debentures in dematerialised form;
- (j) creating and perfecting the Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;
- (k) finalising the date of allocation and the deemed date of allotment of the Debentures;
- (l) negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and deal with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), the jurisdictional registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and such other authorities as may be required;
- (m) to execute all documents, file forms with the jurisdictional registrar of companies, the Ministry of Corporate Affairs, Central Registry of Securitisation Asset Reconstruction and Security Interest, any Stock Exchange

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- (if so required) or any depository;
- (n) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
 - (o) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and / or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
 - (i) debt disclosure document/information memorandum and the private placement offer cum application letter for the issue, offer and allotment of the Debentures (the "**Disclosure Document**");
 - (ii) debenture certificate for the Debentures;
 - (iii) debenture trust deed, debenture trustee agreement, deed of hypothecation and any other documents required in respect of the creation of security interest over the Company's movable properties, or providing of any contractual comfort, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (collectively, the "**Transaction Documents**");
 - (iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
 - (v) any other document designated as a Transaction Document by the debenture trustee;
 - (p) do all acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Disclosure Document and the Transaction Documents;
 - (q) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to (a) to (q) above, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue, offer and allotment of the Debentures; and
 - (r) to do all such acts, deeds and things as the Authorised Persons may deem necessary or desirable in connection with the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to delegate the powers as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures.

RESOLVED FURTHER THAT any of the Authorised Persons of the Company be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and other relevant governmental authorities.

RESOLVED FURTHER THAT any of the Authorised Persons of the Company be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and acts as may be required to give effect to the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons of the Company be and are hereby severally authorised to open bank account(s) with such bank(s) in India as may be required in connection with the issue, offer and allotment of the Debentures and that the Authorised Persons be and are hereby severally authorised to sign and execute the

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application form and other documents required for opening the said account(s), to operate such account(s), and to give such instructions including closure thereof as may be required and deemed appropriate by them, and that such bank(s) be and is/are hereby authorised to honour all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid Authorised Persons on behalf of the Company.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to pay all stamp duty and related charges required to be paid for the issue, offer and allotment of the Debentures, including through any intermediaries such as the Stock Exchanges, clearing corporations or any depositories that may be authorised in this regard, in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Persons of the Company be and are hereby severally authorised to appoint Catalyst Trusteeship Limited, or any other qualified Agency as a debenture trustee ("**Debenture Trustee**") for the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the approval of the Committee be and is hereby given to the Company to appoint CARE Ratings Limited, being a credit rating agency registered with the SEBI, for obtaining the rating(s) in respect of the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT any of the Authorised Persons of the Company, be and are hereby severally authorised to appoint KFin Technologies Private Limited as the registrar and share transfer agent for the issue of the Debentures;

RESOLVED FURTHER THAT the Authorised Persons of the Company be and are hereby severally authorized to negotiate, finalise and execute or ratify on behalf of the Company, the Transaction Documents, the Disclosure Documents and to do all such acts, deeds and things as may be necessary or expedient to implement the aforementioned resolutions and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the Debentures.

RESOLVED FURTHER THAT the Authorised Persons of the Company be and are hereby severally authorised to get Company and the Debentures admitted to the National Securities Depository Limited and/or Central Depository Services (India) Limited and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and any other agreements, undertakings or other writings required for the issue, offer and allotment of the Debentures in dematerialised form and to negotiate, finalise and execute any documents in such respect and/or to ratify the same.

RESOLVED FURTHER THAT the Authorised Persons of the Company be and are hereby severally authorized to negotiate, finalise and execute or ratify amendments to such executed documents and other documents as and when they become necessary and to sign letters of undertaking, declarations, agreements and other papers which may be required.

RESOLVED FURTHER THAT any of the Authorised Persons of the Company be and are hereby severally authorized to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue, offer and allotment of the Debentures including without limitation the opening of bank accounts, opening of demat accounts, appointment of legal counsel, the registrar to the issue, the rating agency and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT all or any the above contracts, agreements, deeds, letters of intent, signed, executed or to be executed, appointment of various agencies/intermediaries such as, Debenture Trustee, registrar and share transfer agent, National Securities Depository Limited and/or Central Depository Services (India) Limited, CARE Ratings Limited and any other actions here to before undertaken and performed in connection with the issue, offer and allotment of the Debentures on behalf of the Company by the Authorised Persons be and are hereby confirmed, ratified

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and approved.

RESOLVED FURTHER THAT the common seal of the Company be affixed to the stamped engrossments of such documents as may be required to be executed under the common seal of the Company in the presence of any director(s) of the Company and/or any Authorised Person and/or the Company Secretary of the Company who shall sign/ countersign the same in token thereof in accordance with the articles of association of the Company.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolutions certified to be a true copy by any of the Director or Company Secretary & Compliance Officer of the Company, may be furnished to such parties concerned with respect to the issue, offer and allotment of Debentures or whenever required."

Certified to be True Copy
For **Satin Creditcare Network Limited**

Adhish Swaroop
(Company Secretary & Compliance Officer)
M. No.: A16034



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