



25th / Annual Report

2014-2015



SATIN CREDITCARE NETWORK LIMITED

Reaching out!



"Some people dream of success... while others wake up and work hard at it!"

25 years ago, on a pleasant October morning I signed the papers that made it official: I had founded a company. A company that in many ways was an extension of my passion for helping and providing loans to the under-served. Many people predicted that I was too idealistic and too optimistic that I would get back the money that was loaned out to the clients. Fortunately, these people were proved wrong.

Looking back 25 years later, the facts have been far better than the dreams when we evaluate the chronicle of success attained by SCNL and the position of distinction it has developed for itself in the field of Financial Inclusion. To complete 25 eventful years and keep up the pace of winning accolades as one of the best and trustworthy Microfinance institution in India and striving hard to live up to the people's expectations is a staggering task, something which SCNL has accomplished with panache.

It is nostalgic to recollect the journey over the last 25 years when the seeds of success was sown and SCNL started its business on 16th October 1990 as an NBFC with the simple concept of providing individual loans to urban shopkeepers for tiny businesses to meet their productive requirements in starting new business or for growing an existing business, and expanded its spectrum across the financial sector. SCNL has achieved tremendous growth and has built eminent goodwill in the community. We have always tried to provide the best product and its services to our customers.

It's a tremendous honour and a privilege for me to be a part of an organization that really feels like home and brings back so many fond memories. I have the good fortune to be surrounded by some bright, instinctive thinkers who create the most customer friendly and driven products. We never take shortcuts. We attend to every detail. We take risks knowing that risk will sometimes result in failure. But without the possibility of failure, there is no possibility of success.

On this occasion, I would like to take the opportunity to thank our 4 prominent pillars of success. Firstly, I would like to thank our customers who are our extended families and made it an easy sail for us with their determination, trust, loyalty, honesty and sincerity to financially empower themselves and repay the loan taken. Secondly, our workforce including both the people who are a part of SCNL family and the people who were a part of our SCNL family. You embraced high aspirations, dreams



and your hard work would have all come to zilch if it were not for a set of extraordinary people with equally high aspirations, courage, dreams and perhaps even nobler objective than I had when SCNL was founded. Lastly, our esteemed lenders and board of directors who believed in us and our belief. They proved that Businesses are built on relationship. And relationships are built on trust. Thank you for trusting us and being with us in this wonderful successful journey of 25 years.

Our journey of the last 25 years has been a rewarding experience which is made possible due to the trust bestowed on us by all of you. Without people's support and trust we would not have been able to propel to the distinguished position we have come to occupy in the MFI sector today.

Thank you all for your contribution in accomplishing these achievements but we still have many milestones to achieve. I wish you all success and seek your continued support.



H P Singh
(Chairman cum Managing Director)





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SCNL's Logo, Vision & Mission

Vision

To be a one stop solution for the financially excluded households at the bottom of the pyramid for all their financial requirements.

To be a financial service power-house with a range of financial products designed and suited for the financially excluded community.

Mission

SCNL has a mission to provide financial assistance to a large number of households which are excluded from the ambit of mainstream financial service providers so as to enhance their livelihood and promote a productive environment.

Logo

Our logo represents 'our vibrancy' through our ever expanding endeavours in 'Reaching out' to a large number of financially excluded households and to reach out to the under-served hinterlands of India. SCNL's motto is to empower, be compassionate, humane, kind and promote our borrowers. The adherence to this philosophy is followed at all levels.



SCNL's Geographical Reach



- ☞ Bihar
- ☞ Chandigarh
- ☞ Delhi
- ☞ Haryana
- ☞ Jammu
- ☞ Madhya Pradesh
- ☞ Maharashtra
- ☞ Punjab
- ☞ Rajasthan
- ☞ Uttar Pradesh
- ☞ Uttarakhand

Message From The Board Of Directors



Mr. H P Singh (Chairman cum MD) - With a turnover in thousands in FY 1990-91, today I am happy to say that we have reached at a turnover of over 2100 cr (INR) in FY 2014-2015 and growing. I am extremely happy and very proud of the growth we have achieved in all these years. Building a customer centric organization which boasts of not only strong ethics, morals and honesty through hard work but also selfless customer friendly services has been a task that has been well accomplished by SCNL. I thank everyone who has been a part of this spectacular journey and ensure that SCNL will continue to financially empower the community we operate in and build a better empowered society for all.



Mr. Satvinder Singh (Director) - I have been with SCNL from the day it was born and have seen this organization grow over the years. The pace at which it is growing is much faster than years gone by. Worth mentioning is the ease with which the team that is at the helm of affairs is handling that pace. Good to see them touching issues till the last mile and finding solutions. That's what has added to the success of the organization. Thanks for a great year and looking forward for a better one next year.



Mr. Richard B. Butler (Investor Director - Nominee of MV Mauritius) - The SCNL team can truly be proud of their accomplishments on the company's 25th Anniversary. Thanks to all of you and your tireless efforts that SCNL has grown to be one of the top financial institutions serving India's rural and urban poor. Despite the many challenges facing microfinance today, SCNL now has more than 1 million customers and is well positioned to continue growing its presence throughout North and Central India and beyond. Over the past 35 years I have worked with many financial institutions throughout the world and can attest that the commitment and hard work of SCNL's employees is second to none. These have not been easy times for financial institutions, and yet, thanks to your vision and the dedication of all of you, SCNL has persevered and is poised for even more success in the future.



Ms. Deepa A Hingorani (Investor Director - Nominee of Danish Microfinance) - SCNL has been very consistent with its performance and has delivered positive results year after year with an impressive growth in both its income and profitability, while providing more value to its clients. Behind this strong performance has been the professional commitment of the management and employees throughout the organization. It is this commitment and strong sense of ownership amongst the employees, which has put SCNL in a leading position within the industry in a fairly short span of time and well poised for an even brighter future.



Mr. Davis Golding (Investor Director - Nominee of ShoreCap II Ltd.) - ShoreCap II Limited invested in SCNL in December 2010, amidst the immediate fall-out of the MFI Crisis which caused severe systemic reverberations throughout the country's MFI sector. The professionalism, work ethic and unique flexibility of the company's ownership, management and all staff, particularly those out in the field, to adapt to a new operating environment brought on by the Crisis is something that I have never seen in all my years of investing in financial institutions. Now in my fifth year as a Shareholder Representative and Director of SCNL, I am continuously impressed with the dedication and commitment that I see amongst all staff of the organization and at all levels of the company's personnel. SCNL is a real life example that *"a company is only as good as its people"* and the people of SCNL are a unique group of individuals all working together in concert, for the greater good of the company, its customers, each other and the shareholders.



Mr. Ole Peder Sandsbraaten (Investor Director - Nominee of M/s NMI Fund III KS) - During the last 12 months NMI is impressed by the operations in SCNL including the social activities the company initiates alongside financial product offerings to the rural and urban poor. Reaching out to other regions verifies that the company's values and mission makes a significant contribution in the Indian microfinance market. I am sure that SCNL through its employees will continue to be a significant player offering financial products and social activities for improved livelihood for the most needed in the next 25 years as well.



Mr. Rakesh Sachdeva (Independent Director) - On this landmark journey of being associated with SCNL for almost 16 years now, my heart brims with joy and praise to see the wonderful progress and empowerment of the women through the efforts of this Institution. I wish to congratulate everyone at SCNL for their tireless efforts, dedication and wonderful services rendered. May SCNL continue to inspire and empower women and their families.



Mr. S S Chawla (Independent Director) - With your commitment and sincerity you have time to time proved your worth and have gained the much deserved recognition and fame. With your services, the community has gained a lot. You have always kept customers satisfaction as your priority. It has always been a pleasure being associated with you from last 7 years. Congratulations and I hope the same for the future also.



Mr. Sundeep Kumar Mehta (Independent Director) - My heartiest congratulations to SCNL for completing 25 glorious years of success. You have always been on the top of the list for serving the community with your transparent, unselfish and selfless services. Companies like SCNL with a brilliant team of dedicated team members filled with friendly vibes and vibrant work environment can certainly aim for high results. Being a part of such a pool of talent has been a real honour and valuable. I wish SCNL all the success for many more years to come.



Ms. Sangeeta Khorana (Independent Director) - My warmest congratulations on a wonderful achievement of completing 25 vibrant, productive and fruitful years. I feel SCNL is a great company with a wonderful group of people and we all know that great people make great companies. SCNL continues to touch the lives of millions of women in a positive manner with the objective of ultimate empowerment. I look forward to many successful years ahead.



Mr. Colin Goh (Independent Director) - I have just recently joined the Board of SCNL and I have been most impressed with the level of commitment and professionalism displayed the management. So, congratulations SCNL for completing 25 years of success in business, tremendous growth and eminent goodwill in the community. You have always tried to provide the best product and its services to your customers which has been your strength and is much appreciable. I wish you all the best and look forward for many more accomplished years ahead



Mr. Sanjay Bhatia (Independent Director) - Congratulations to SCNL on completion of 25 years of wonderful accomplishments. You have reached an important milestone with finesse and during these 25 years, you have lived your vision every single day by making a positive difference to the lives of millions (or lacs or thousands) of families you touched. Your contribution in taking financial services and solutions to the doorsteps of people who hitherto were financially excluded is laudable. You have contributed a great deal to the community by offering quality service and lending credibility to your customers. It has been a genuine pleasure to be associated with SCNL. Best wishes for the future.





SCNL Client Success Stories

Some of our Success Stories



Meena: Aged 32 years lives happily in Shanti Kunj, Berasiya with her family. She got associated with SCNL about 4 years back to get financially independent and facilitate her daughter with better education and future. With her first loan of Rs.12,000, Meena bought a sewing machine. Her hard work and timely payment of instalments made her eligible for her second loan cycle of Rs.15,000 with which she opened a small salon for her husband. With the third loan cycle of Rs.35,000, she expanded the salon. Today, Meena's family feels extremely proud of their achievements as earlier they had to work for other people for a living while now they are not only independent and financially secure with an income of approximately Rs.700 to Rs.800 per day but also have two helpers at their salon.



Kuldeep Kaur: Aged 33 years lives in Virak Khera village, Malet, Ludhiana Region with her husband and 2 children who were studying in government school due to financial crisis at her place. Kuldeep was constantly worried about her children's future and one day decided to start her own business of tailoring. Kuldeep got in touch with SCNL and her first loan of Rs. 15,000 was sanctioned with which she purchased a sewing machine and started tailoring. Soon Kuldeep started teaching tailoring to other women in her neighbourhood who belonged to the same social strata. With her next loan of Rs.30,000, she expanded her business. Today, Kuldeep feels financially secure and contributes equally at home. Her children now study in a private english medium school. She says "SCNL helped me in building my life and I want to return back to the society what I have learnt from SCNL. This is the reason I help women in my own small way by imparting them tailoring skills".



Rambhateri: Aged 36 years is a resident of Premपुरi, Khekra of Hapur region where she lives with her husband who is in a private job and 4 children. The monetary restrictions of a salaried class made Rambhateri to start her own business of selling cosmetics in a small shop. In order to grow her business, she had approached SCNL for a loan 4 years back. Her first loan of Rs.15,000 got sanctioned which she invested in her business. Thereafter, she applied for her next loan cycles and is currently in her fourth loan cycle of Rs.40,000. Today, Rambhateri is earning good profit in her business. Her husband helps her in the shop as it has expanded. All her children are going to good private schools and are proud of their mother.



Sarita: Aged 40 years is a resident of Dewas, Ujjain Region and lives with her husband and 2 children. Sarita is associated with SCNL from last 5 years, when she was facing financial crunch as all the expenses were dependent upon a small gift shop whose income was too low. With her first loan of Rs.15,000, she increased the stock in her shop. With the second and third loan cycle she expanded her business. After closing all the above loans Sarita took Rs.40,000 in fourth loan cycle to further expand her business. Today, she has a daily earning of approximately Rs.1,800 and is able to give not only better education to her children but also save for future.



Shainki: Aged 21 years is a resident of Nagla Khapad village in Meerut where she lives with her 4 children, her in-laws and her husband who are labourers. Survival for a family of 8 members was difficult with a mere family income of Rs.150 - Rs.180 per day. The financial instability made Shainki approach SCNL in January'14 and her first loan of Rs.15,000 was sanctioned from which she started a cosmetic shop. With her second loan, she increased the stock in her shop that in turn helped her to increase her income. Shainki now earns about Rs.700 - Rs.800 per day and her family is very supportive of her venture. They are also thankful to SCNL as now her family feels financially independent and secure.



Kamaljeet Kaur: Aged 30 years lives in Navyug Colony, Rajpura, Ludhiana with her husband and a child. She got associated with SCNL about 2 years back to get financially independent and provide her child with a better education and future. Her first loan from SCNL was sanctioned from which she started a small kirana store (grocery shop) with her husband. Simultaneously, she also started doing stitching. Soon her business started to grow and she took another loan of Rs.30,000 from SCNL to add stock in her shop and expand it. Kamaljeet's determination to provide better education to her child and to improve the financial condition of her family makes her husband feel proud.



Rajiya Khan: Aged 47 years Rajiya is a resident of Lambhuwa village, Sultanpur, Allahabad region where she lives with her husband and 5 children. Rajiya got associated with SCNL about 5 years back to get financially secure. She started small bangle and cosmetic shop with her first loan of Rs.12,000. With good repayment record her loan amount increased. Currently, in her fourth cycle, Rajiya has availed loan of Rs.30,000 which she has invested in her shop and increased the stock as well. With the increased income in return, Rajiya helped her son who is a vegetable vendor now to get financial independent. Rajiya's financial and social status has also considerably improved and she owns a car now (Santro). Rajiya continues to inspire her children who see her as a role model.



Poonam Devi: Aged 35 years Poonam lives with her husband and 4 children in Bhagwanpur village, Shamastipur, Patna region. She got associated with SCNL about 3 years back when her first loan was sanctioned for Rs.12,000 from which she purchased a sewing machine and started her own business. In next cycle she got a loan of Rs.25,000 and bought two more sewing machines and expanded her work. This expanded her business further and she kept two ladies who are paid a monthly salary of Rs.1,500 under her who help her in tailoring. Poonam Devi is a happy woman today and her family thanks SCNL for not only empowering them, but also indirectly the two ladies who help them.



Radha Sahu: Radha aged 24 years, is a resident of Kewathiya, Wajirganj, Allahabad region. Since her husband Umesh was a labourer with low wages, it was difficult for a family of 4 members to meet day to day needs. Radha got to know about SCNL and approached for a loan of Rs.10,000 in 2011, with which they purchased light decoration material. Soon they started receiving good income by decorating in parties. Radha then again approached for loan thrice and got loan of Rs.30,000 in her forth loan cycle which she again invested in the same business to buy more stock. Currently, Sahu family's financial earnings have not only increased but the couple has been able to provide good education to both their children.



Lalita Devi: A 45 year old resident of Siwan (Chapra), Lalita lives with her husband and children. Lalita's husband was a labourer and his earnings were too low for survival. She came to know about SCNL through an acquaintance and was informed about the Joint Liability Group loan that was provided to women for empowerment. Lalita discussed with her husband and soon formed a group of 15 members in 2012. In the first cycle she received a loan of Rs.12,000 to which she added Rs.1,000/- from her savings and bought a cow. Since both Lalita and her centre maintained a good repayment track, they availed subsequent loans from SCNL. In the third cycle, she got loan of Rs.30,000 to which she added another Rs.15,000 from her savings and bought a buffalo. Today, she is not only supplying milk to many houses and earning a good income but her children are also going to good schools and her family is proud of her.



Kashmir Kaur: Kashmir started her beauty parlour business almost 7 years ago, is 35 years and lives in Malot (Ludhiana) with her husband and son. Lack of funds made it challenging for her to run the operations of the beauty parlour. Kashmir is one of the initial customers of SCNL and enrolled with us 4 years back. With the periodic loans from SCNL, she has expanded her parlour services and opened a cosmetic shop. She then invested in the interiors which made the shop famous in Malot town and attracted big pocket customers. With her growing business, Kashmir is able to match her husband's monthly income. The additional income has helped her to send her son to a good English medium boarding school for quality education.



Santara: Aged 39 years lives with her husband and 3 children in Chandwak, Jaunpur, Azamgarh region. Santara got associated with SCNL about 3 years back when the family was completely dependent on income generated through farming that was too low and very uncertain. Thus, from her first loan of Rs.15,000 she purchased a cow and started supplying milk within her locality and nearby houses which not only increased her family income but also gave her a fixed source of income. Presently, Santara has been granted Rs.45,000 in her third loan cycle with which she has expanded her dairy business and is supplying milk to many houses. She is very thankful to SCNL for improving her financial condition and her family who have encouraged her to pursue a career.



Seema Sharma: Aged 28 years Seema is a resident of Murarji Nagar, Nanital, Muradabad region where she lives with her husband and a child. Before taking loan from SCNL, she did stitching at home while her husband did embroidery work in other shops. "Our family income was too low and we were stressed for our child's future" she says. Seema then got associated with SCNL 2 year back and from the first loan of Rs.15,000 purchased two sewing machines and started her own boutique. With the increased income she paid off all the loan instalments on time and availed the benefit of second loan of Rs.35,000 with which she purchased ladies suits and started selling them as well while she was still doing stitching. Seema and her husband make Rs.600 - Rs.800 per day now and are able to save more towards a secure future for their family.



Deepa Rani: Aged 36 years is a resident of Chandoushi, Sambhal, Muradabad region and lives with her husband and 3 children. Prior being associated with SCNL, Deepa used to stitch and do hand embroidery at home while her husband was a mistri. The family earning was too low and surviving on such meagre income was difficult. She then came to know about SCNL in 2013 where her first loan of Rs.15,000 was disbursed, with which she purchased a sewing machine and opened her own small stitching shop where she started giving training to girls as well. In 2014 she applied for a higher loan of Rs.30,000 in her second loan cycle from which she bought an auto rickshaw for her husband. Deepa's family income has increased considerably with both stitching, teaching tailoring and her husband's auto-rickshaw. They are happy and thankful to SCNL for helping them in desperate times.



Aarti Goswami: Aged 23 years and is a resident of Rajiv Nagar, Ujjain region where Aarti lives with her husband who is a labourer and 2 children. The couple intended to start a small business of their own but due to financial crisis they were unable to do so. Few months later they came to know about SCNL and Aarti applied for loan with her group and got the first loan of Rs.15,000 in 2013 with which she started business of manufacturing disposable bowls. She was able to pay all the instalments of both her first and second loan cycle on time. With the third loan cycle SCNL disbursed her a loan of Rs.40,000, with which the couple expanded their existing business and made good profit. The increased business in turn increased their household income. This has provided them with a better standard of living and financial security to the entire family.



Vinam Devi: Aged 26 years, is a resident of Dighi Kala, Patna region where Vinam lives with her husband who is labourer, 3 children and in-laws. Since her husband was the only earning member of the family, it was extremely difficult for a family of 7 members to survive. Thus, Vinam got associated with SCNL and two years back bought a sewing machine with the loan disbursed by SCNL and opened her own small stitching center and started contributing to her family income. In her second loan cycle, she got loan of Rs.25,000 in which she added some more money from her savings and bought some more sewing machines. Today, Vinam Devi has 5 sewing machines and with the increased family income the couple is able to fulfill the needs of their family.



Bebi: Aged 45 years, Bebi is a resident of Chugunpar, Azamgarh region and belongs to a family of 7 members. She came to SCNL 3 year back and got her first loan of Rs.15,000 with which she started her poultry farm at a small scale and earned good profit. In the second and third cycle again, she got loan of Rs.25,000 and Rs.40,000 respectively, which she invested and further expanded her business. Today, the income generated through Bebi's poultry business is enough for her family expense. Seeing her growing business, Bebi's husband and son have joined her. Her son says "we are very happy and grateful to SCNL for making us all self-dependent".



Lalita Devi: 48 years old Lalita Devi now lives happily in Bhagwanpur, Shamastipur, Bihar with her family of 5 member. However, things were not so rosy 2 years back when she had a very small kirana (grocery) shop whose sale was too low due to unavailability of stock. Lalita then came to know about SCNL's JLG loan procedure and applied for her first loan in 2013 where she received Rs.12,000. She invested this amount in her shop and purchased more stock which in return increased the sale. Soon she repaid all the loan instalments on time and applied for second loan of Rs.25,000 which she again invested in her shop and expanded the business further. Presently, Lalita Devi earns good profit from her kirana shop and is supported by everyone in her family.



Jyoti Sahu: a resident of Tilapura, Berasiya and aged 29 years, Jyoti lives with her husband and 2 children. Jyoti got associated with SCNL about 4 years back to get financially independent and to share equal financial responsibility with her husband to manage expenses. With the first loan of Rs.12,000 from SCNL, Jyoti purchased a sewing machine and with her second loan of Rs.18,000 she opened a parlour. With these two ventures Jyoti's income increased and she paid off both her loan instalments on time. Now, with the third loan cycle of Rs.25,000 and from some of her savings Jyoti has managed to open a bangle and cosmetic shop. She feels very proud in helping her husband by sharing the expense. Today, Jyoti earns Rs.1500 approximately per day through her parlour, cosmetic shop as well as from the stitching work. Her husband and children are very proud of her and she is very thankful to SCNL for making her financially independent.



Kavita: Aged 29 years, Kavita is a resident of Garh, Hapur Region and lives with her husband and 4 children. Kavita and her husband were both labourer and made mats for other people. As they were both very good in making mats they wanted to start their own venture so that they could sell handmade mats in the market at a better price and increase their income but local money lenders charged flat 2% as monthly interest rate which was very high. Kavita discussed her concern with a friend and got associated with SCNL in 2012. She received her first loan of Rs.10,000 and started her independent venture of making mats and selling in the market at a better price. Subsequently, she further applied and got Rs.20,000 and Rs.30,000 in the second and third loan cycle with which she expanded her business. Today, Kavita and her family are earning a good profit margin and able to make enough mats to sell in the market. Her family is very supportive and are very happy with the product and services provided by SCNL.



Kashifa: Aged 36 years, Kashifa is a resident of Siyana, Hapur Region and lives with her husband and 2 children. Kashifa used to own a small egg shop in her locality. However, the income generated through this shop was not enough to provide adequate education to her 2 children. She then came to SCNL and her loan for Rs.20,000 got sanctioned which she invested in her shop. Today, Kashifa's shop has expanded and she is a wholesaler of eggs. Her earnings have increased and profits are good. The couple is able to provide quality education to both their children.



Suman Lata: Suman is a 38 year old resident of Amethi, Allahabad region and lives with her husband and 2 children. Suman use to make sweet boxes. However, as she could not afford to buy the requisite material she use to work for other people. The earnings were low and she could not afford the expenses that revolved around family and education of her children. She then got associated with SCNL and her first loan was sanctioned for Rs.10,000, with which she bought raw material for making sweet boxes and sold them directly in the market. She then availed another loan of Rs.15,000 in second cycle, Rs.25,000 in third cycle and presently Rs.30,000 in fourth cycle. She invested all this in her business and today she supplies boxes in most of the shops in the nearby market and earns good income from it. Seeing her hard work and success, her husband also started helping her and both her children go to school without worrying about the tuition fee.



Usha Devi: Aged 40 years, Usha lives in Baniyapur, Chapra region with her 3 children and husband who was practicing in a private homeopathic lab. Due to lack of financial support they were unable to open their own homeopathic medical store which made Usha Devi to connect with SCNL. Her first loan of Rs.15,000 was sanctioned in 2013 from which she opened a homeopathic medical store and applied for the next loan cycle in 2014 for Rs.25,000. She invested this money in the store to increase the stock. Her husband feels very proud of her as she not only helps him in the store but helped him in fulfilling his childhood dream. The increased income has not only improved their financial stability but her children are pursuing better quality education with the eldest one preparing for medical exams. The family believes that with the financial help from SCNL they will be able to fulfill all their dreams.



Sanjo: Sanjo aged 40 years, lives in Chach Basti, Bulandsher with a big family of 7 members. She got associated with SCNL about 3 years back when she used to work as a construction labourer on daily wages along with her husband who used to do the same. Sanjo and her husband wanted to get financially secure and provide education to her 5 children. With a help of a neighbour who was already a member with SCNL she got associated with the organization. Sanjo received her first loan of Rs.15,000 with which she started a small venture of making bamboo baskets. With her second and third loan cycle of Rs. 25,000 and Rs. 35,000 respectively she invested the money to expand her business. Soon Sanju was supplying these baskets in the shops in the nearby market area. Seeing her growing business and in need of more helping hands both Sanjo's elder daughter and her husband joined her. Today, Sanjo's family is happy, financially independent and secure. Her 3 daughters and son now go to school in their village area while her elder daughter who helps her is about to get married in a good house in a couple of months.

Corporate Information

BOARD OF DIRECTORS

Mr. Harvinder Pal Singh	Chairman cum Managing Director
Mr. Satvinder Singh	Director
Mr. Rakesh Sachdeva	Director
Mr. Sujan Singh Chawla	Director
Mr. Davis Frederick Golding	Director
Ms. Deepa Agar Hingorani	Director
Mr. Sundeep Kumar Mehta	Director
Mr. Richard Benjamin Butler	Director
Ms. Sangeeta Khorana	Director
Mr. Ole Peder Sandsbraaten	Director
(Resigned w.e.f 25th May, 2015)	
Mr. Goh Colin	Additional Director
(Appointed w.e.f 12th November, 2014)	
Mr. Sanjay Kumar Bhatia	Additional Director
(Appointed w.e.f 6th December, 2014)	
Mr. Arthur Sletteberg	Additional Director
(Appointed w.e.f 25th May, 2015)	

COMPANY SECRETARY & COMPLIANCE OFFICER

Choudhary Runveer Krishanan

AUDITORS

A. K. Gangaher & Co.
Chartered Accountants

BANKERS & OTHER LENDERS

Allahabad Bank
Ananya Finance for Inclusive Growth Pvt. Ltd.
Andhra Bank
Axis Bank Limited
Bank of India
Bank of Maharashtra
Bhartiya Mahila Bank
BNP Paribas
Canara Bank
Central Bank of India
Corporation Bank
Capital First Limited
Dena Bank
Development Credit Bank Limited
Dhanlaxmi Bank
Family Credit Limited
HDFC Bank Limited
Hero Fincorp Limited
The Hongkong & Shanghai Banking Corporation Limited (HSBC)
ICICI Bank Limited
IDBI Bank
IFMR Capital Finance Private Limited
Indian Bank
Indo Star Private Limited
Indusind Bank
ING Vysya Bank (Now Kotak Mahindra Bank)
Kotak Mahindra Bank
Maanaveeya Development & Finance Private Limited



MAS Financial Services Limited
Oriental Bank of Commerce
The Ratnakar Bank Limited
Reliance Capital Limited
Religare Finvest Limited
Small Industries Development Bank of India
Societe Generale
The South Indian Bank Limited
Standard Chartered Bank
State Bank of India
SBER Bank
State Bank of Mauritius
Syndicate Bank
State Bank of Patiala
Tata Capital Finance Services Limited
Union Bank of India
United Bank of India
Vijaya Bank
Yes Bank Limited

**REGISTRAR & TRANSFER
AGENT (EQUITY SHARES
&12% CUMULATIVE, RATED,
NON-PARTICIPATIVE, NON-
CONVERTIBLE, COMPULSORY
REDIMMABLE PREFERENCE SHARES)**

Link Intime India Pvt. Ltd.
44, Community Center, 2nd floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina,
New Delhi-110028

**REGISTRAR & TRANSFER
AGENT (NON CONVERTIBLE
DEBENTURES)**

Karvy Computershare Pvt. Ltd.
46, Avenue 4,
Street No. 1, Banjara Hills,
Hyderabad-500034

**DEBENTURE TRUSTEES
(NON-CONVERTIBLE DEBENTURES)**

1. IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai-400001

2. GDA Trusteeship Limited
B-22, Ansal Chambers-1, 3, Bhikaji Cama Place,
New Delhi-110066

3. Axis Trustee Services Limited
2nd Floor 'E', Axis House
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025

REGISTERED OFFICE

Satin Creditcare Network Limited
CIN: L65991DL1990PLC041796
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Azadpur, Delhi-110033, India
(With effect from 26th May, 2014)

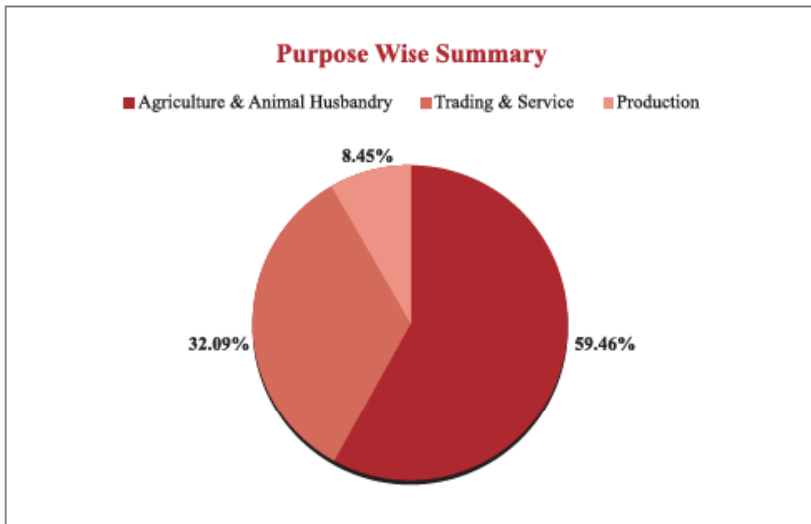
WEBSITE

www.satincreditcare.com



Products & Services

Purpose wise outstanding	No. of borrowers	Gross Loan Outstanding (Rs. in Crores)	%
Agriculture & Animal Husbandry	700,152	1,272.87	59.46
Trading & Service	387,617	686.92	32.09
Production	104,433	180.86	8.45
Total	1,192,202	2,140.65	100

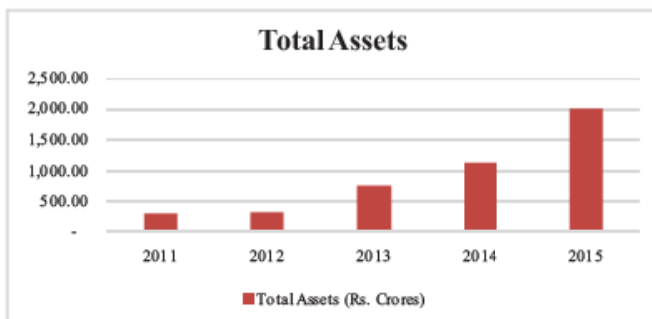
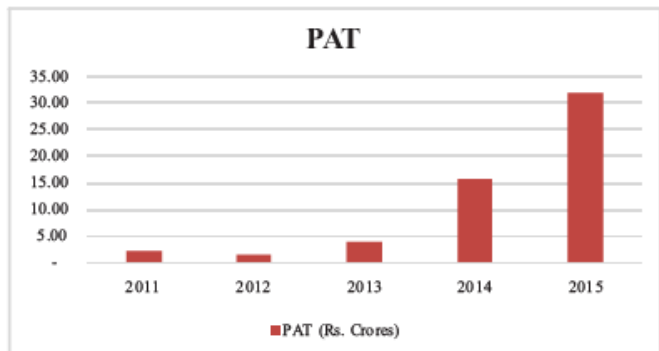
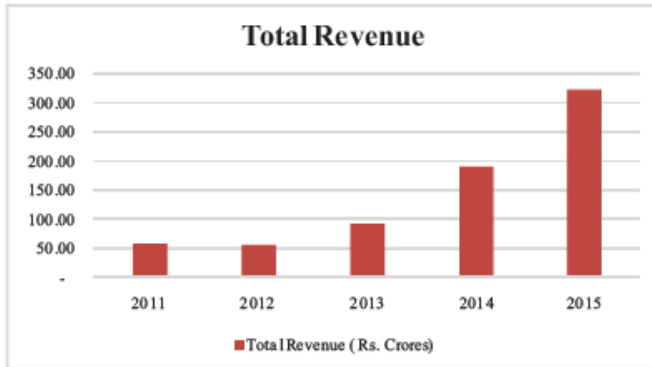


Loan Amount Product & Service

Loan Term	<=INR 15000/- loan for 12 months and above >INR 15000/- loan for minimum of 24 months
Finance Amounts	<=INR 35000/- in the first cycle (Maximum Indebtness / Borrower in 1st cycle) <=INR 50000/- in the subsequent cycle (Maximum Indebtness / Borrower in 2nd cycle and above)
Interest Rate	<=26%
Repayment Policy	Weekly/ Fortnightly/ Monthly as per borrower's choice
Loan Processing Fees	1% of the finance amount plus applicable tax

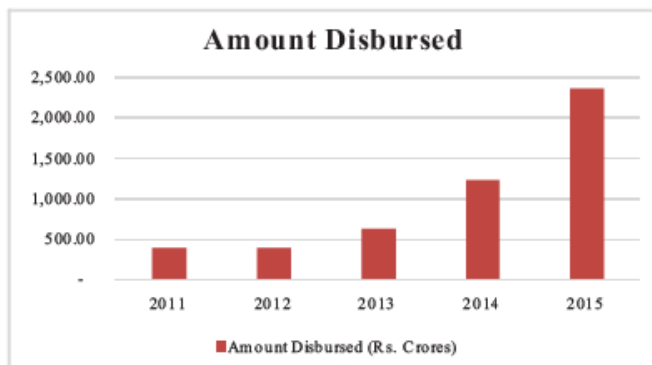
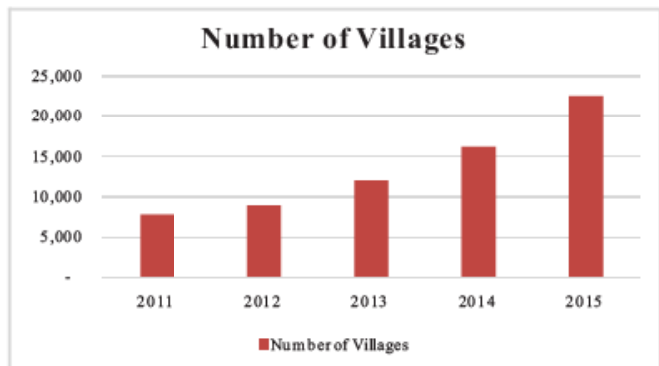
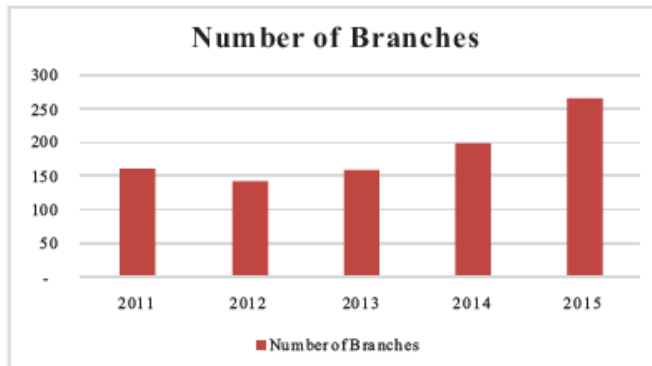
Financial Highlights

Particulars	2011	2012	2013	2014	2015
Total Revenue (Rs. in Crores)	58.62	56.23	94.33	191.65	324.16
PAT (Rs. in Crores)	2.17	1.40	3.90	15.56	31.72
Total Assets (Rs. in Crores)	294.54	316.51	745.19	1,115.77	2,010.71



Operational Highlights

Particulars	2011	2012	2013	2014	2015
Number of Branches	163	144	161	199	267
Number of Villages	7,773	8,888	11,945	16,135	22,499
Amount Disbursed (Rs. in Crores)	381.01	387.50	626.41	1,229.20	2,365.76



Notice

Notice is hereby given that the Twenty Fifth Annual General Meeting of **Satin Creditcare Network Limited** will be held on Wednesday, the 08th July, 2015 at 10 A.M. at 'Tyagi Farms', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi – 110043, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31st March, 2015 and the Reports of Directors' and Auditors' thereon.
2. To declare Final Dividend on Preference Shares (12% Cumulative, Rated, Non Participative, Non-Convertible & Compulsorily Redeemable Preference Shares) for the financial year 2014-15.
3. To appoint a Director in place of Mr. Richard Benjamin Butler (DIN: 06574786), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution

"Resolved that M/s A.K. Gangaher & Co. Chartered Accountants (ICAI Registration No. 004588N), New Delhi, be and is hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at a remuneration as may be fixed and determined by the Board of Directors of the Company in consultation with the Statutory Auditors."

SPECIAL BUSINESS

5. To appoint Mr. Goh Colin (DIN: 06963178) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved That pursuant to Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, and as per Articles of Association of the Company, Mr. Goh Colin (DIN: 06963178), appointed vide Board meeting dated 12th November, 2014 as a non-executive Director (Additional Director) of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from 12th November, 2014 or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines and he shall not be liable to retire by rotation."

6. To appoint Mr. Sanjay Kumar Bhatia (DIN: 07033027) as an Independent Director and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved That pursuant to Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, and as per Articles of Association of the Company, Mr. Sanjay Kumar Bhatia (DIN: 07033027), appointed vide circular resolution of Board of Director of the Company dated 06th December, 2014 as a non-executive Director (Additional Director) of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from 06th December, 2014, or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines and he shall not liable to retire by rotation."

7. To appoint Mr. Arthur Sletteberg (DIN:07123647) as Director and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved That pursuant to Section 152, 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Arthur Sletteberg (DIN:07123647), who was appointed vide Board meeting dated 25th May, 2015 as an additional director by the Board under Section 161 of the Companies Act, 2013 in accordance with the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his

candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

8. **To re-appoint Mr. H P Singh (DIN:00333754) as Chairman cum Managing Director of the Company with effect from 01st October, 2015 for a term of five years and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"Resolved That pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Article of Association of the Company, the consent of members be and is hereby accorded for the re-appointment of Mr. H P Singh (DIN: 00333754) as Chairman cum Managing Director of the Company with effect from 01st October, 2015 for a period of five years i.e. till 30th September, 2020 on the remuneration as set out below:

- a. Salary: Rs. 4,00,000/- per month
- b. Perquisites

CATEGORY A

1. Medical Benefits for Self & family

Reimbursement of expenses actually incurred for self and family, the total cost of which should not exceed one month's salary per year or three months' salary in a period of three years.

2. Leave Travel Concession

For self, wife & dependent children once in a year to and from any place in India subject to the condition that only actual fare & no hotel expenses etc. will be allowed. This is further subject to maximum of one month salary.

3. Club Fees

Club subscription fees for membership of maximum two clubs. This will, however, not include admission fees and life membership fees. This will be further subject to a ceiling of Rs. 5,000/- per year.

CATEGORY B

1. Provident Fund

Participation in a recognized Provident Fund as per rules of the Company and to the extent not taxable under the Income Tax Act, 1961.

2. Gratuity

Gratuity not exceeding half month's salary for each completed year of service.

3. Leave

Encashment of Leave as per rules of the Company at the end of the tenure.

The value of perquisites under Category 'B' shall not be included in the computation of the ceiling on remuneration specified in Section IV of Part II of Schedule V of the Companies Act, 2013.

CATEGORY C

1. Car with driver and telephone facilities at residence for use on Company business

Resolved Further That notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profit are inadequate, remuneration by way of salary, perquisite and other allowances or any contribution thereof shall not exceed the aggregate of annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determined by the Board of Directors.

Resolved Further That the Board of Directors of the Company be and is hereby authorized to alter or vary the scope of remuneration of Mr. H P Singh, Chairman cum Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limit specified under the Companies Act, 2013 and Rules framed thereunder.

Resolved Further That any one of the Director or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

9. **To increase the borrowing power of Board of Directors u/s 180(1)(c) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass the following resolution as an Special Resolution:**

“**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, 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 and free reserves 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. 6000,00,00,000/- (Rupees Six Thousand Crores Only) at any time.

Resolved Further That the Board of Directors of the Company be and are 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.”

10. **To increase the borrowing power of Board of Directors u/s 180(1) (a) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass the following resolution as Special Resolution:**

“**Resolved That** consent of the members be and is hereby accorded pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, to the Board of Directors of the Company 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 provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 6000,00,00,000/- (Rupees Six Thousand Crores Only) at any time.

Resolved Further That the Board of Directors of the Company be and are 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.”

11. **To increase the limit u/s 42 of the Companies Act, 2013 and Rules framed thereunder (offers or invitations for Non-Convertible Debentures) and in this regard to consider and if thought fit, to pass the following resolution as Special Resolution:**

“**Resolved That** subject to the provisions of Section 42, 71 and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, the consent of the members be and is hereby accorded to the Board of Directors of the Company to raise funds for its general corporate purposes by way of issuance of non-convertible debentures, in one or more series/tranches on such terms and conditions as may be determined by the Board of Directors provided that the aggregate amount of non-convertible debentures offered/proposed to be offered shall not exceed Rs. 600,00,00,000/- (Rupees Six Hundred Crores Only) for the period of one year from the date of this resolution.

Resolved Further That the Board of Directors of the Company be and are 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.”

**By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED**

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

Place: Delhi
Dated: 25th May, 2015



Notes:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The register of members and share transfer books of the Company shall remain closed from 02nd July, 2015 to 08th July, 2015 (both days inclusive) for annual closing and determining the entitlement of the preference shareholders to the final dividend for financial year ended on 31st March, 2015.
4. The notice is being sent to all the members of the Company, whose names appear on the register of members/ record(s) of depositories as on Saturday, the 11th June, 2015.
5. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for year ended 31st March, 2015 will also be available on the Company's website www.satincare.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: "investor@satincare.com". The Company has a dedicated e-mail address "investor@satincare.com" for shareholders to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.
6. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
7. Voting Rights: Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders.
8. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.
9. Members can inspect the register of director and key managerial personnel and their shareholding, required to be maintained under section 170 of the Companies Act, 2013 during the course of the meeting at the venue.
10. Members may please note that no gift/gifts coupons shall be distributed at the venue of the Annual General Meeting.
11. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
12. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. The details of email id can be sent to "investor@satincare.com"
13. **VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the equity listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by National Security Depository Limited (NSDL). The members may download the notice and cast their vote electronically. The website address is www.evoting.nsdl.com. The members may also cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').



Note: Please read the instructions printed below before exercising your vote.

The instructions for members for voting electronically are as under:

- I. In case of members receiving e-mail from NSDL (for members whose e-mail addresses are registered with the Company):**
- i. Open the e-mail and also open password protected PDF file viz. "SCNL e-Voting.pdf" with your Client ID or Folio No. as password to open PDF file which contain your user ID and Password for e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nSDL.com/>
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user id and password.
 - v. If you are logging in for the first time, please enter the user ID and Password as initial password noted in step (i) above. Click Login.
 - vi. The Password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum 8 digits/characters or a combination of both. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vii. Once the e-Voting home page opens, click on e-Voting: Active Voting Cycles.
 - viii. Select EVEN (E-Voting Even Number) of Satin Creditcare Network Limited which is "101767" For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: evotingrajivbhatia@gmail.com with a copy marked to evoting@nSDL.co.in.
- II. In case of Members receiving physical copy of the Notice of Annual General Meeting (for members whose email addresses are not registered with the Company/Depositories):**
- I. Initial password is provided in the enclosed Ballot Form: EVEN, user id and password.
 - II. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) as mentioned in (I) above, to cast vote.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting User Manual for Shareholders, available at the download section of www.evoting.nSDL.com.**
- IV. Other Instructions:**
- a. Members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date, i.e. Wednesday the 01st July, 2015 may avail the facility of remote e-voting or electronic voting at the meeting.
 - b. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 01st July, 2015, may obtain the login ID and password by sending a request at evoting@nSDL.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nSDL.com or contact NSDL at the following toll free no.: **1800-222-990**.
 - c. **The remote e-voting period commences on Friday the 03rd July, 2015 at 10.00 A.M. and ends on Tuesday the 07th July, 2015 at 05.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.**



- d. Members may contact Choudhary Runveer Krishanan, Company Secretary & Compliance Officer at **011-47545000** and/or at email runveer.krishanan@satincreditcare.com for any information or queries pertaining to electronic voting.
 - e. The facility for voting, either through electronic voting system or ballot or polling paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - f. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - g. Mr. Rajeev Bhatia, Practicing Chartered Accountant (Membership No.: 089018) has been nominated as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - h. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor and against, if any, to the Chairman or person authorized by him in writing who shall countersign the same.
- V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.satincreditcare.com and on the website of NSDL immediately after the declaration of result by the Chairman and communicated to the Stock Exchanges (if any), where the shares of the Company are listed.

**By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED**

**Place: Delhi
Dated: 25th May, 2015**

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



Item No. 5

In terms of Section 149, 150 and 152 and 161 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors), Rules 2014, the Independent Directors shall hold office for a period of up to 5 (five) consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 (five) years each. In terms of revised Clause 49 of the listing agreement which is applicable from 1st October, 2014, persons who have already served as Independent Directors on the Board of a company for 5 years or more can be appointed for only one term of 5 years.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Director which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

After recommendation from Nomination & Remuneration Committee, Mr. Goh Colin (DIN: 06963178), appointed vide resolution passed in Board meeting on 12th November, 2014 of the Company as non-executive Independent Director of the Company and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, holds office only upto the date of this Annual General Meeting and not liable to retire by rotation.

The nature of expertise of Mr. Goh Colin, including his, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, his shareholding (if any) in the Company, relationship between directors inter-se are provided in Corporate Governance Report forming part of the Annual Report and also at **Annexure A** of this Notice. This statement may also be regarded as a disclosure under Clause 49 of the listing agreement.

The Company has received from Mr. Goh Colin (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) declarations to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The Company has received a written notice as prescribed under Section 160 of the Companies Act, 2013 read with Rule 13 of the Companies (Appointment and Qualification of Directors) Rules, 2014 from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Goh Colin as a Director of the Company.

In the opinion of the Board, Mr. Goh Colin fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Goh Colin is appointed as an Independent Director of the Company

Copy of the draft letter for appointment of Mr. Goh Colin as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The terms and conditions will also be available on the website of the company

Except for Mr. Goh Colin, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Goh Colin as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Goh Colin as an Independent Director, for the approval by the shareholders of the Company.

Item No. 6

In terms of Section 149, 150 and 152 and 161 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors), Rules 2014, the Independent Directors shall hold office for a period of up to 5 (five) consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 (five) years each. In terms of revised Clause 49 of the listing agreement which will be applicable from 1st October, 2014, persons who have already served as Independent Directors on the Board of a company for 5 years or more can be appointed for only one term of 5 years.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Director which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

After recommendation from Nomination & Remuneration Committee, Mr. Sanjay Kumar Bhatia (DIN: 07033027) was appointed as non-executive Independent Director of the Company vide circular resolution of Board of Director of the Company dated 06th December, 2014 and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, holds office only upto the date of this Annual General Meeting and not liable to retire by rotation.

The nature of expertise of Mr. Sanjay Kumar Bhatia, including his, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, his shareholding (if any) in the Company, relationship between directors inter-se are provided in Corporate Governance Report forming part of the Annual Report and also at **Annexure A** of this Notice. This statement may also be regarded as a disclosure under Clause 49 of the listing agreement.

The Company has received from Mr. Sanjay Kumar Bhatia (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) declarations to the effect that he meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The Company has received a written notice as prescribed under Section 160 of the Companies Act, 2013 read with Rule 13 of the Companies (Appointment and Qualification of Directors) Rules, 2014 from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Sanjay Kumar Bhatia as a Director of the Company.

In the opinion of the Board, Mr. Sanjay Kumar Bhatia fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Sanjay Kumar Bhatia is appointed as an Independent Director of the Company

Copy of the draft letter for appointment of Mr. Sanjay Kumar Bhatia as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The terms and conditions will also be available on the website of the company.

Except for Mr. Sanjay Kumar Bhatia, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sanjay Kumar Bhatia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sanjay Kumar Bhatia as an Independent Director, for the approval by the shareholders of the Company.

Item No. 7

Mr. Arthur Sletteberg (DIN: 07123647) was appointed on 25th May, 2015 as additional director pursuant to section 161 of the Companies Act, 2013 in the capacity of nominee for M/s NMI Fund III KS (Investor) in place of Mr. Ole Peder Sandsbraaten, who earlier held the same position. Mr. Arthur Sletteberg will hold office as a Director only till the date of this Annual General Meeting. The Company has received a notice as prescribed under Section 160 of the Companies Act, 2013 from a member along with a deposit of Rs. 1,00,000/- signifying his intention to propose Mr. Arthur Sletteberg as a Director of the Company liable to retire by rotation. The Company has received from Mr. Arthur Sletteberg (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. Brief resume of the Mr. Arthur Sletteberg, including nature of his expertise, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, shareholding in the Company (if any), relationship between directors inter-se are provided in Corporate Governance Report forming part of the Annual Report and also at **Annexure A** of this Notice. This statement may also be regarded as a disclosure under Clause 49 of the listing agreement. The Nomination & Remuneration Committee has recommended appointment of Mr. Arthur Sletteberg to Board of Directors of the Company.

The Board of Directors recommends the passing of the resolution.

Except Mr. Arthur Sletteberg, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

Item No. 8

Mr. H P Singh was appointed as Chairman cum Managing director of the Company for a term of five years commencing from 01st October, 2010, which is about to expire on 30th September, 2015, therefore your Board of Directors, after considering his immense contribution towards the achievements and growth of the Company and his vast experience in Microfinance Industry, recommends his re-appointment for a further term of five years which will commence from 01st October, 2015 to 30th September, 2020 on the existing terms and conditions and remuneration as set out in the Item no. 8 of this notice. Brief resume of the Mr. H P Singh, including nature of his expertise, educational and professional qualifications, nature of working experience, achievements, name(s) of the companies in which he holds directorships (if any), memberships and chairmanships in various Committees, shareholding in the Company (if any), relationship between directors inter-se are provided in Corporate Governance Report forming part of the Annual Report and also at **Annexure A** of this Notice. This statement may also be regarded as a disclosure under Clause 49 of the listing

agreement. The Nomination & Remuneration Committee has recommended appointment of Mr. H P Singh as Chairman cum Managing Director from 01st October, 2015 to 30th September, 2020 to Board of Directors of the Company.

Except Mr. H P Singh and Mr. Satvinder Singh, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

Item No. 9 & 10

Being into the business of Micro Finance, the Company requires more funds from various lenders of repute to run its operations smoothly and consistently. Therefore it is required by the Company to raise the limit of indebtedness against the property from Rs. 3000,00,00,000/- (Rupees Three Thousand Crores Only) to Rs. 6000,00,00,000/- (Rupees Six Thousand Crores Only). Pursuant to section 180(1)(c) of the Companies Act, 2013 a Company will require Shareholders approval if the money borrowed together with the money already borrowed by it exceeds aggregate of paid up share capital of it and free reserve, apart from temporary loans obtain from its bankers' in the ordinary course of business. In light of it the present limit of borrowing as approved by shareholders is Rs. 3000,00,00,000/- (Rupees Three Thousand Crores Only) at any time which is required to be enhanced pursuant to the business/working capital requirements of the Company.

Further, pursuant to section 180(1)(a) of the Companies Act, 2013 at present the Company can incur upto 3000,00,00,000/- (Rupees Three Thousand Crores Only) at any time, as maximum indebtedness against the property whether movable or immovable which can be pledged, mortgage and/or charged 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.

Therefore Board in its meeting dated 25th May, 2015 has approved the enhancement in borrowing limit pursuant to section 180(1)(c) of the Company Act, 2013 from Rs. 3000,00,00,000/- (Rupees Three Thousand Crores Only) to Rs. 6000,00,00,000/- (Rupees Six Thousand Crores Only) and recommend the same for your approval.

Therefore your consent is required pursuant to section 180(1)(a) and section 180(1) (b) of the Companies Act, 2013 and Rules made thereunder.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company. Board of Directors recommends the passing of the resolution as Special Resolution.

Item No. 11

Pursuant to section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 securities can be issued on Private Placement by way of issuing Offer letter to the allottee(s).

Further, Rule 14(2) of the above said Rule states that it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitations for Non-Convertible Debentures(NCDs) during the year. Your Company has in its Extraordinary General Meeting dated 09th July, 2014 passed a special resolution to the effect that Company can raised funds for its general corporate purposes by way of issuance of non-convertible debentures(NCDs), in one or more series/tranches upto the aggregate amount which shall not exceed Rs. 300,00,00,000/- (Rupees Three Hundred Crores) for the period of one year from the date of such approval.

Therefore, in light of above said Rule the Board in its meeting dated 25th May, 2015 has approved the enhancement in the above said limit for the issuance of Non-Convertible Debentures during the year from Rs. 300,00,00,000/- (Rupees Three Hundred Crores) to Rs. 600,00,00,000/- (Rupees Six Hundred Crores) and recommend the passing of the resolution as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

**By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED**

**Place: Delhi
Dated: 25th May, 2015**

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



Name of the Director	Richard Benjamin Butler	Goh Collin	Sanjay Kumar Bhatia	Arthur Sletteberg	H P Singh
DIN	06574786	06963178	07033027	07123647	00333754
Date of Appointment	29th May, 2013	12th November, 2014	06th December, 2014	25th May, 2015	16th October, 1990
Date of Birth	08th February, 1954	01st July, 1967	23rd September, 1964	24th May, 1960	24th December, 1960
Brief Profile/Nature of Expertise	Graduate in Development Economics & Middle Eastern History from Georgetown University. Post graduate studies in Agriculture Economics at the University of Minnesota. Mr. Richard B. Butler represents MV Mauritius on the board of SCNI. He holds the responsibility for investment approval processes relating to microfinance institutions, advising on investment due diligence and also, on risk management in MV Mauritius. Prior to joining MV Mauritius he served for 30 years at various international financial service companies, including ING Capital, ING Barings Furman Selz, Chase Manhattan Bank and the US Peace Corps at various high capacities. He was also on the board of ING Capital Holding Corporation, Kaye Insurance Group and La Plata County Long Term Finance Committee.	Mr. Colin Goh (Colin) was trained in Economics & Finance from Curtin University of Technology with a scholarship and an MBA in International Management from University of Technology, Sydney. Colin 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 MS Project Innovations Pte Ltd, a company offering place management & Consultancy Services in Singapore and around Asia. Prior to this appointment, he was the General Manager of Chijmes Investment Pte Ltd for 8 years and was instrumental in winning several awards including the 1997 Prism Award for Best Public Relations and for two consecutive years, awarded the Patron of the Arts award by the National Arts Council.	Mr. Sanjay K. Bhatia is a Chartered Accountant and Commerce graduate from Delhi University. Mr. Bhatia has work experience of more than twenty eight years, with various leading companies, 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 with 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.	Mr. Arthur Sletteberg, represents NMI Fund III KS on the board of the Company. He is Managing Director of Norwegian Microfinance Initiative AS (NMI). He has overall experience of twenty seven years. Prior to joining NMI AS, Mr. Arthur Sletteberg had been associated as Executive Vice President Fed AS-Norway's largest family office. In post Mr. Sletteberg had been working on senior positions for various other eminent organisations.	Over three decades of micro finance experience and has pioneered the unique concept of lending to tiny business. He has experience in the field of auditing, accounts, project financing, advisory services and company law matters. He is Chartered Accountant and Law graduate.
Names of other companies in which the person also holds the directorship	NIL	NIL	NIL	1. NMI AS 2. Entra ASA 3. Ness Røian & Partners AS	1. Anusha Estates Private Limited 2. Satin Creditcare Foundation 3. Parmita Investments Private Limited 4. Parashak Finance Private Ltd. 5. Kewas Investments Private Limited 6. Satin (India) limited 7. Niyas Food Products Private Limited 8. UV Associates Private Limited 9. Tarasales Services Private Limited 10. Satin Media Solutions Limited 11. Teco Consultants Private Limited 12. The Social Store Pte. Limited 13. The Social Store Holding Pte. Limited 14. The Global Social Enterprise Limited
Names of companies in which the person also holds the membership of Committees of the Board	NIL	NIL	NIL	NIL	NIL
Number of Equity Shares held in the Company	NIL	NIL	NIL	NIL	4,15,123
Relationship between directors inter-se	None	None	None	None	Mr. H P Singh is brother of Mr. Satvinder Singh, Director of the Company.

Board's Report

Dear Members,

Your Directors take pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2015.

FINANCIAL SUMMARY/ HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS

(Rs. In Crores)

Particulars	Current Year	Previous year
Gross Income	324.16	191.65
Expenses	275.54	167.53
Profit before Depreciation and tax	48.62	24.13
Depreciation and amortization expenses	1.96	0.71
Profit Before Exceptional, Corporate Social Responsibility Expense, Extraordinary Items And Tax	46.66	23.41
Exceptional Items	-	-
Profit Before Extraordinary Items, Corporate Social Responsibility Expense And Tax	46.66	23.41
Corporate Social Responsibility Expense	0.21	-
Extraordinary Items	-	-
Profit Before Tax	46.45	23.41
Tax Expense	14.73	7.85
Profit after Tax	31.72	15.56
Brought forward from Previous Year	22.51	10.14
Profit available for appropriation	54.23	25.70
Transfer to Statutory Reserve Fund	6.34	3.11
Proposed Dividend-Preference Share Capital @12.34%	0.74	0.06
Dividend Distribution Tax	0.15	0.01
Surplus carried to Balance Sheet	47.00	22.51

OPERATIONS, PROSPECTS AND FUTURE PLANS

During the year under review, your Company put in a concerted effort towards increasing efficiency to increase the market reach. The Company has achieved a disbursement of Rs. 2,365.76 Crores against Rs. 1,229.20 Crores during the previous year. The net profit during the year was Rs. 31.72 Crores as against Rs. 15.56 Crores during the previous year showing a growth of 103.86%. Net worth of your Company as on March 31, 2015 was Rs. 199.48 Crores with capital adequacy of 15.67%. Return on Average Assets and Return on Average Net worth for the year were 1.50% and 18.45% respectively. During the financial year 2014- 15, your Company had undertaken several initiatives with an objective to enhance customer reach, improve operating efficiencies, reduce operating cost and build up a leadership pool at various levels. We continued to provide high-quality customer service with robust operating systems. Besides, we strengthened our risk mitigation practices to emerge as a credible player with a long-term commitment to financial inclusion. The Company has built network with suitable partners corresponding to the potential of business in which the company is operating. Employees are recruited from various sources and are provided training to improve skills considering the job requirements at different levels. This has enabled the Company to reduce cost and improve bottom line. The company has also started operation in the state of Maharashtra. Presently, it has a strong existing distribution network of 267 branches in 11 states of Bihar, Uttar Pradesh, Madhya Pradesh, Jammu & Kashmir, Uttrakhand, Maharashtra, Rajasthan, Punjab, Haryana and Delhi and a Union Territory of Chandigarh. The Company started its JLG operations from Uttar Pradesh and then extended it to Madhya Pradesh, entered Bihar in financial year 2012 and other states gradually over the years.

Your Company has submitted an application for converting into a Small Finance Bank (SFB) on 28th January, 2015 as per the 'Guidelines for Licensing of Small Finance Banks in the Private Sector' issued by the Reserve Bank of India (RBI) on 27th November, 2014.



Operational Highlights:

Particulars	As on March, 2015
Number of branches	267
Amount disbursed (Rs. in Crores)	2,365.76
Number of active loan	11,90,999
Total Assets under management including securitised and assigned portfolio (Rs. in Crores)	2,140.65

The Company already has borrowing arrangement with a large number of lenders and have started association with few more institutions to diversify its sources of borrowing.

During the year the authorized share capital of the Company was reclassified vide approval of equity shareholders through Extraordinary General Meeting held on 13th March, 2015 from Rs. 130,00,00,000/- (Rupees One Hundred and Thirty Crore) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each and 10,00,00,000 (Ten Crore) Preference Shares of Rs. 10/- (Rupees Ten only) each to Rs. 130,00,00,000/- (Rupees One Hundred and Thirty Crore) divided into 4,00,00,000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each ("Equity Shares") and 9,00,00,000 (Nine Crore) Preference Shares of Rs. 10/- (Rupees Ten only) each ("Preference Shares"). Further, the Company has obtained the approval of equity shareholders through Extraordinary General Meeting held on 13th March, 2015 for allotment of up to 32,30,000 (Thirty Two Lacs Thirty Thousand) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid-up for cash at an issue price of Rs. 130/- (Rupees One Hundred and Thirty only) including premium of Rs.120/- (Rupees One Hundred and Twenty only) to the Promoters and Non-Promoters.

Further, the Company has obtained the approval of shareholders through Extraordinary General Meeting held on 13th March, 2015 for allotment of up to 28,70,000 (Twenty Eight Lacs Seventy Thousand) fully convertible Warrants ("Equity Warrants") to the persons belonging to the Promoter as well as Non-Promoter Category, each convertible into, or exchangeable for, one Equity Share of face value of Rs.10/- (Rupees Ten only) each at a price (including the Equity Warrant subscription price and the Equity Warrant exercise price) of Rs.130/- each (Rupees One Hundred and Thirty only) each, and to issue fresh Equity Shares on the conversion of the Equity Warrants subject to terms and conditions determined by the Board. The objective of Preferential allotment of equity shares and equity warrants is to fund the growth and operations of the Company, including growing the loan book, operating expenses, marketing expenditure, working capital and for augmenting the infrastructure of the Company, provided however, that a portion of the proceeds of investment received from the concerned promoters shall be used to redeem 12% Cumulative, Rated, Non-participative, Non-convertible, Compulsorily redeemable 60,00,000 (Sixty Lacs) existing Preference shares. The due date of redemption is 27th November 2015. Pending utilization of such proceeds for the redemption of aforesaid Preference shares, the Company shall, subject to applicable law, invest the funds in high quality interest bearing liquid instruments and deposits with the banks for the applicable period until the due date of redemption of Preference shares. However the in-principle approval from Stock Exchange is pending.

Company's Prospects, Future Plans and Business Overview:

Your Company is continuously emphasizing for economy of scale benefit as well as improvement in quality of services which would give competitive advantage. The overall regulatory environment is improving. The Company is hopeful in achieving better performance during the current year. The fluctuation in the foreign currency and tough competition in the international financial market will continue to be a challenge but your Company foresees better turnover and increased demand of its quality services. There are some initial indication of interest rate cut by few bankers, which may help the Company to reduce its cost of borrowing. Please refer the Management Discussion and Analysis Report for more information on your Company's Business Overview.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Being your Company is under the category of Non-Banking Finance entity registered with Reserve Bank of India, the provision of Section 186 of the Companies Act, 2013 and relevant Rules made thereunder doesn't apply.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has proper and adequate system of internal control geared towards achieving efficiency in its operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Your Company has instituted various preventive or control measures in the loan process to mitigate the risk of extending loans to non-existent borrowers or fictitious borrowers.

The Company has continued its efforts to align its processes and controls with best practices and has put in place a process wise internal control framework across the Company. The Internal Auditors of the Company conduct audits of various departments based on an annual audit plan covering key area of operations. Internal Audit reviews and evaluates the adequacy and effectiveness of internal controls, ensuring adherence to operating guidelines and systems and recommending improvements for strengthening them. There was no material event recorded subsequent to the date of financial statements.

SUBSIDIARY AND ASSOCIATES COMPANIES

The Company doesn't have any Subsidiary, Associate Company and Joint Venture during the financial year 2014-15.

Further, since the Company has no subsidiary, the requirement of formulation of policy for determining 'material' subsidiaries" under clause 49(V) of the Equity Listing Agreement is not applicable.

DIRECTORS AND KEY MANAGEMENT PERSONNEL (KMP)

Mr. Richard Benjamin Butler (DIN: 06574786) retire by rotation and being eligible offers himself for re-appointment. Mr. Richard Benjamin Butler is representing MV Mauritius Limited on the Board of the Company and has shown interest for his re-appointment. The Nomination & Remuneration Committee and the Board of Directors have recommended his re-appointment for consideration of the shareholders.

Mr. Goh Colin (DIN: 06963178) and Mr. Sanjay Kumar Bhatia (DIN: 07033027) have been appointed as Additional Directors on 12th November, 2014 and 06th December, 2014 respectively. The tenure of their office as Director comes to an end at forthcoming Annual General Meeting of the Company. Pursuant to Section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013 and as per Articles of Association of the Company, Mr. Goh Colin (DIN: 06963178) and Mr. Sanjay Kumar Bhatia (DIN: 07033027), appointed as a non-executive Director of the Company, who have submitted a declaration that they meet the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The Nomination & Remuneration Committee and the Board of Directors have also recommended their appointment for consideration of the shareholders. They will be appointed as Independent Director of the Company to hold office for a period of five years from the date of their respective appointment as additional director or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines and not liable to retire by rotation.

Mr. Ole Peder Sandsbraaten (DIN:06829806) (represents NMI Fund III KS), has tendered his resignation from Company's Board and in his place, Mr. Arthur Sletteberg (DIN: 07123647) has been introduced as an Additional Director on 25th May, 2015. The Directors wish to place on record their appreciation for the contribution made by Mr. Ole Peder Sandsbraaten. The Nomination & Remuneration Committee and the Board of Directors have also recommended appointment of Mr. Arthur Sletteberg for consideration of the shareholders.

Brief resume of these Directors, their educational and professional qualifications, nature of their working experience, their achievements, name(s) of the companies in which they hold directorships, memberships and chairmanships in various Committees, their shareholding in the Company, relationship between directors inter-se are provided in Corporate Governance Report forming part of the Annual Report.

In order to comply with the new provisions of Companies Act, 2013, the Board Members designated following persons as "Key Managerial Personnel" of the Company with effect from 26th May, 2014 (vide resolution passed in its meeting held on 26th May, 2014).

Sl. No.	Name of KMP	Designation
1.	Shri H P Singh	Chairman cum Managing Director
2.	Shri Jugal Kataria	Chief Finance Officer
3.	Choudhary Runveer Krishanan	Company Secretary & Compliance Officer

During the year 4 (Four) Board Meetings were held. These Board Meetings were held on 26th May, 2014, 08th August, 2014, 12th November, 2014 and 09th February, 2015.

MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEE AND INDIVIDUAL DIRECTOR

The Board of directors of the Company has evaluated its own performance and the performance of its Committee(s) and individual directors on various set parameters. The manner of evaluation was conducted after consideration of parameters through set of questionnaire(s). The policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP) and senior management and other employees contains the methodologies of evaluation criteria. The Board found its own performance and performance of each director individually and of its various Committee(s) satisfactory.

STATEMENT ON DECLARATION “CERTIFICATE OF INDEPENDENCE” U/S 149(6) FROM INDEPENDENT DIRECTORS

Pursuant to Schedule IV and Section 149(6) of the Companies Act, 2013, the Board has independent directors and there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively. The independent directors have submitted a declaration that the independent directors meet with the criteria of independence as required under Section 149(6) of the Companies Act, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Directors hereby confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the directors had prepared the annual accounts on a going concern basis;
5. That the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Information on material orders passed by the regulators or courts or tribunals:

Pursuant to rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 there are no material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

RELATED PARTY TRANSACTIONS

During the financial year 2014-15, there is no materially significant related party transaction with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interest of the Company at large. The necessary disclosures regarding the related party transactions are given in the notes to accounts. The Company has formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy. The Company has also formulated a policy for determining the material related party transactions and the details of such policies for dealing with related party transactions are disseminated on the website (under reports and disclosures section) of the Company www.satfincreditcare.com

Particulars of Contracts or Arrangements with related parties referred to in Section 188(1) is given in Form AOC-2 as **Annexure – I**.

Justification for entering into related party transactions:

In order to broaden the horizon of working areas and to diversify the risk of business, the Company has discussed and approved the proposal to enter into a service agreement with Taraashna Services Private Limited (a private limited company engaged in the business of providing business correspondent services) vide resolution passed in its Board meeting held on 13th November, 2013. Except to the extent of directorship/shareholding (directly or through related party), of Mr. H P Singh, Chairman cum Managing Director and Mr. Satvinder Singh, Director of the company, no other Director or KMP are in anyway concerned or interested in aforesaid related party transaction. Further, the remuneration is paid to Mr. H P Singh, Chairman cum Managing Director and sitting fee to non-executive directors at the rate of Rs. 10,000/- for each Board meeting attended and are shown under Related party disclosures segment under “notes to the account” of Balance Sheet in terms of Accounting Standard 18 issued by The Institute of Chartered Accountants of India.

AUDITORS & THEIR REPORTS

Statutory Auditors & their Report:

M/s A.K. Gangaher & Co., Chartered Accountants, the existing auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. The retiring auditors have furnished a certificate of their eligibility for re-appointment under Section 139(1) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014.



The same was discussed in the Audit Committee meeting. Your directors recommend their re-appointment. The Company has received audit report from M/s A. K. Gangahar & Co., Chartered Accountants.

Secretarial Auditors & their Report:

In terms of Section 204 of the Companies Act, 2013 and Rules framed thereunder and on the recommendation of the Audit Committee, the Board of Directors of the Company have appointed M/s S. Behera & Co. Company Secretaries (ICSI PCS Registration No. 5980) as the Secretarial Auditor of the Company for the financial year 2015-2016. The Company has received consent from M/s S. Behera & Co. Company Secretaries, for their appointment.

The Board of Directors has appointed M/s S. Behera & Co. Company Secretaries (ICSI PCS Registration No. 5980) as the Secretarial Auditor of the Company in relation to the financial year 2014-15. The Secretarial Audit for financial year 2014-15 was conducted and the report is available on the Company's website www.satincreditcare.com. Any member interested in hard copy of the Secretarial Audit Report may inspect the same at the Registered Office of the Company or write to the Company Secretary for a copy. Secretarial audit report as provided by M/s S. Behera & Co. Company Secretaries (ICSI PCS Registration No. 5980) is also annexed to this Report as **Annexure-II**.

Qualifications in Audit Reports:

Your Directors do not observe any qualification, reservation or adverse remark or disclaimer made by the statutory auditor in his report and by the company secretary in practice in his secretarial audit report.

AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and in accordance with Equity Listing agreement and as per other applicable laws. All members of the Committee are financially literate within the meaning of the Clause 49 of the listing agreement. The Chairman of the Committee was present at the last Annual General Meeting to answer the queries of the Shareholders. The scope of the activities of the Audit Committee is as set out in clause 49 of the Equity Listing Agreements with the Stock exchanges read with Section 177 of the Companies Act, 2013 and other applicable laws. In terms of Section 177(4) providing the terms of reference for the Audit Committee, the Board has approved a comprehensive guidance note including terms of reference for the Audit Committee working. The composition of the Audit committee and the details of meetings attended by the Directors are provided in Corporate Governance Report section of this Annual Report.

DIVIDEND

The Company has accounted for in its financial statements the necessary dividend for fully paid up 12% Cumulative, Rated, Non Participative, Non-Convertible, and Compulsorily Redeemable Preference Shares. Directors of your Company have recommended a final dividend of Rs. 74,04,000/- (Rupees Seventy Four Lacs Four Thousand Only) for Fully Paid 6,00,000 Preference Shares for the financial year 2014-15, which is subject to your approval. The total dividend pay-out for the financial year will amount to Rs. 74,04,000/- (Rupees Seventy Four Lacs Four Thousand Only) (excluding dividend distribution tax). Further, in order to undertake and carry on future plans, it is necessary to conserve the resources. Further, your directors are of the opinion of retaining the profits for the year within the Company, and thus have not recommended any dividend on equity shares for the year ended 31st March, 2015.

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, all companies having net worth of Rs. 500 Crore or more, or turnover of Rs. 1,000 Crore or more or a net profit of Rs. 5 Crore or more during any financial year will be required to constitute a Corporate Social Responsibility (CSR) committee of the Board of Directors comprising three or more directors, at least one of whom will be an independent director. To meet the requirement of provisions of Sections 135 of the Companies Act 2013, and read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act 2013, the Board of Directors has constituted the Corporate Social Responsibility Committees vide resolution passed in its meeting held on 26th May, 2014. The CSR Committee vide its meeting dated 09th February, 2015 approved and recommended to the Board for its approval a policy known as CSR policy, which indicates the activities to be undertaken by the Company as specified under Schedule VII of Companies Act, 2013. Further, the Company in its Board meeting dated 09th February, 2015 approved the detailed CSR policy.

Now as per the requirement of Rule 8(1) of The Companies (Corporate Social Responsibilities) Rules, 2014 the Annual Report on CSR is annexed as **Annexure III** to this report and the same is posted on the website of the Company i.e. www.satincreditcare.com

E-VOTING

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement. The above Rule 20 of the Companies (Management and Administration) Rules, 2014 have been amended on 19th March, 2015 to introduce a new concept of e-voting i.e. E-Voting at general meeting through an electronic voting system. To comply with the requirements of new Companies Act, 2013 and to ensure good governance for its members, your Company has provided e-voting facility for its last three general meetings to enable its members to



participate in the voting electronically. The instruction(s) for e-voting for ensuing Annual General Meeting is also provided with notice to shareholders of this Annual Report.

EMPLOYEES STOCK OPTION PLAN:

As against 4,25,000 Equity Shares issued to Satin Employees Welfare Trust under Satin ESOP 2009, the Company granted 1,50,000 Options to two employees of the Company as per the terms of Satin ESOP 2009 on 12th January, 2010. These Options are vested and exercised as per terms set out under ESOP 2009. As of now, 1,50,000 shares are transferred to employees and are now free from lock-in.

Further, the Company granted 98,300 Options out of remaining 2,75,000 Equity Shares to various employees as per the terms of Satin ESOP 2009 on 02nd December, 2013 out of which 29,090 Options were vested and 25,824 were exercised on 2nd December, 2014. The exercised shares are in lock in period of one year from the date of transfer of shares from Satin Employees Welfare Trust to employees.

INFORMATION REQUIRED TO BE DISCLOSED UNDER SEBI (ESOS & ESPS) GUIDELINES, 1999

Initially, the Company had issued 4,25,000 Equity Shares of Rs. 10/- each at a Premium of Rs. 10/- per share to Satin Employees Welfare Trust under Satin ESOP 2009 on 27th November, 2009 for holding shares on behalf of the Employees and to transfer the said shares to the eligible employees upon exercise of options.

The Company has further, allotted below-mentioned equity shares:

- 1,00,000 equity shares of Rs. 10/- each at a premium of Rs. 12/- each to Satin Employees Welfare Trust under Satin ESOP 2010 scheme on 22nd June, 2010.
- 1,50,000 equity shares of Rs. 10/- each at a premium of Rs. 15/- each to Satin Employees Welfare Trust under Satin ESOP II 2010 scheme on 21st April, 2011.

Out of 98,300 options granted on 2nd December, 2013, 29,090 Options were vested and 25,824 were exercised on 2nd December, 2014.

Details of stock options as required to be disclosed pursuant to Clause 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as specified below:

Sl. No.	Particulars	Satin ESOP 2009 (Remarks)	Satin ESOP 2010 (Remarks)	Satin ESOP II 2010 (Remarks)
1.	Options Granted till date	2,48,300	Nil	Nil
2.	Pricing Formula	Rs. 20/- being the Fair Value of the shares of the Company (Computed on the basis of Audited result FY 2008-09).	Rs. 22/- being the Fair Value of the shares of the Company. (Computed on the basis of Audited result FY 2009-10)	Rs. 25/- being the Fair Value of the shares of the Company. (Computed on the basis of Audited result FY 2009-10)
3.	Options Vested	1,79,090	Not Applicable	Not Applicable
4.	Options Exercised	1,75,824	Not Applicable	Not Applicable
5.	Total no. of shares arising as a result of exercise of options	1,75,824	Not Applicable	Not Applicable
6.	Options lapsed	3,266	Not Applicable	Not Applicable
7.	Variation of terms of options	Not Applicable	Not Applicable	Not Applicable
8.	Money realized by exercise of options	Rs. 35,16,480/-	Not Applicable	Not Applicable
9.	Total no. of options in force	58,210	Not Applicable	Not Applicable

10.	Employee wise details of options granted to			
10.(i)	Senior Managerial Personnel	1. Mr. Jugal Kataria (Chief Financial Officer) – 1,00,000 2. Mr. Vivek Tiwari (Chief Operating Officer) – 50,000	Not Applicable	Not Applicable
10.(ii)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	There are no employees falling under this category.	Not Applicable	Not Applicable
10.(iii)	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversions) of the Company at the time of Grant.	There are no employees falling under this category.	Not Applicable	Not Applicable
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20.	As all the shares have been allotted to the Satin Employees Welfare Trust, the EPS for the year ending 31st March, 2015 contains the effect of the same.	Not Applicable	Not Applicable
12.	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The Company is calculating the employee compensation cost by using the Fair value of the shares. Therefore, the requirement to disclose the difference between the employee compensation cost so computed and the employee compensation cost is not applicable.	Not Applicable	Not Applicable
13.	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Not Applicable. (The Delhi Stock Exchange Ltd, The Ludhiana Stock Exchange Ltd and The Jaipur Stock Exchange Ltd have been derecognized by the Securities and Exchange Board of India w.e.f. 19th November, 2014, 30th December, 2014, and 23rd March, 2015 respectively)	Not Applicable	Not Applicable
14.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information: (i) risk-free interest rate, (ii) expected life, (iii) expected volatility, (iv) expected dividends, and (v) the price of the underlying share in market at the time of option grant.	Not Applicable	Not Applicable	Not Applicable

POLICIES

Vigil Mechanism/Whistle Blower Policy:

The Company has established a vigil mechanism policy vide incorporating and adopting a Whistle Blower Policy for directors & employees pursuant to the requirement under section 177(9) of Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board & its Powers) Rules, 2014 and Clause 49 of Equity Listing Agreement in its Board Meeting dated 09th February, 2015. The policy empowers the blower to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The detailed vigil mechanism is communicated to all the directors and employees and is also disclosed on the website of the Company www.satincare.com

Policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP) & Senior Management and Other Employees:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company, to have diversified Board, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of Section 178 of the Companies Act, 2013 and the listing agreement as amended from time to time and Rules/Regulations/Guidelines/Notifications issued by Securities and Exchange Board of India (SEBI) from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management which includes within it a policy for having a Diversified Board and Familiarization programme for Independent Director has been formulated and approved by the Board of Directors vide its meeting dated 09th February, 2015. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, diversification of the Board, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Company shall familiarize the independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The details of such familiarisation programmes is posted on the Company's website vide weblink <http://www.satincare.com/pdf/Nomination-and-Remuneration-Policy.pdf>.

Corporate Social Responsibility Policy:

Corporate Social Responsibility (hereinafter referred to as 'CSR') is a buzz word now a days for corporates. Even your Company has recognized its importance quite early therefore it has wide resolution passed in its Board Meeting dated 26th May, 2014 has constituted the Corporate Social Responsibility Committee. Further, Corporate Social Responsibility Committee in its meeting dated 09th February, 2015 has framed Corporate Social Responsibility Policy (hereinafter referred to as 'Policy') pursuant to the requirement of Section 135(1) & (3) of the Companies Act, 2013 along with The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. In the aforesaid backdrop, policy on Corporate Social Responsibility of the Company is broadly framed taking into account the welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits. It also aims to contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.

Risk Management Policy:

The Company has framed a policy under clause 49(VI) of the Listing Agreement to evaluate and monitor company risks and develop comprehensive strategy to mitigate various type of risks and take corrective actions in order to prevent adverse events. The risks involved are Financial Risks, Operational Risks and External Risks.

Related Party Transaction Policy:

Related Party Transaction Policy is adopted by the Board of Directors of the Company vide its meeting dated 09th February, 2015 pursuant to the compliances under the provisions of the Section 188 of the Companies Act, 2013 read with Rule 15 of The Companies (Meetings of Board and its Powers), Rules, 2014 and Clause 49(VII) of the Equity Listing Agreement. The objective behind framing the policy is to ensure that certain Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

All Related Party Transactions shall require approval of Audit Committee and said Committee will review and may amend this policy from time to time. The policy on Related Party Transaction is posted on website of the Company and weblink of the Company is www.satincare.com/pdf/Related-Party-Transaction-Policy.pdf.

Sexual harassment policy for women under The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013:

Your Company is committed to ensure fair environment for its executives, staff and workers. In compliance of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted Sexual Harassment Policy approved vide Board of Director's meeting held on 09th February, 2015 which ensures a free and fair enquiry process with clear timelines. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Resources and liquidity

During the year, the Company has been availing various credit facilities from various Banks, lenders and from institutions for its microfinance operation which is the main activity of the Company. The Company has raised debt funds through term loan, cash credit limit, Inter Corporate Deposit, listed/unlisted Non-Convertible Debenture and also raised funds through securitization/assignment transactions. In over 24 years of operation, Satin has developed partnerships with over 50 public sector banks, private sector banks, foreign banks and other domestic and overseas financial institutions. There have been no delays/defaults in servicing of principal and interest with respect to the said borrowings. The Company has enhanced its trust and credibility with Banks and financial institutions over time thus getting increased exposure from them. During the month of July, 2014, the Company raised subordinated debt (long-term tier-II) of Rs 21 Crores by issuing NCDs the Company has also raised money amounting to approx. Rs. 41.20 Crores and subordinated debt of approx. Rs 21.19 Crores on 23rd December, 2014 as External Commercial Borrowing. The Company has obtained the shareholders' approval at the Extraordinary General Meeting to issue equity shares and warrants convertible into equity. The Company is in the process of taking the necessary approval to close the transaction.

Credit Analysis and Research Limited (CARE) has reaffirmed the Long Term Facilities Rating of SCNL of CARE BBB+ (Triple B Plus) aggregating Rs.1,300 Crores.

In view of the overall positive environment in the Microfinance Industry in India and better regulatory clarity, the overall liquidity and funding to MFIs has further improved. The Company has been regular in repayment to all its lenders and has excellent relationship with all the financial institutions and banks.

Industry Scenario

In 2010-11, India's microfinance market was facing difficult time but today, it can be said that the microfinance sector in the India has emerged from this crisis stronger than before. The Industry has matured with stronger institutions, the credit bureaus are functional, the investors and lenders are back in business, there is greater focus of the government on financial inclusion with launch of Micro Units Development and Refinance Agency (Mudra) Bank, greater regulatory clarity, RBI considering giving new licence for Small and Payment banks etc. In view of the above, there are better days ahead for Indian Microfinance industry.

Business Review

The Company has done well during the financial year 2014-15 as compared to last year and it's peers in the industry. The Company has leadership position in the underpenetrated North India. The portfolio quality and operating cost of the Company is amongst the best in the industry. The Company has an experienced and stable management team and Board of Directors. The Company is hopeful of performing well during the current year.

Opportunities

Financial sector development provides small enterprises and households with market access leading to their inclusion in the regional and ultimately the global economy. RBI has recently increased the limit of eligible borrowers to whom NBFC-MFI can lend and further liberalized some norms which is good for the growth of the industry and for the borrowers. This has improved the support and confidence of all stakeholders for the microfinance sector. The Company is operating in Northern and Central India and the reach of other MFIs is comparatively less and hence there is a huge opportunity to be tapped and large population to be served. The Company is making all efforts to use its experience of working in the same geography for last many years.

Challenges

While the regulatory environment has improved the stakeholder's confidence still continue to be exposed to inherent risks in business model. Given that the microfinance borrowers belong to low income segment, customers are more prone to default. Moreover, with MFI operations concentrated in specific geographies, geographic concentration risks persist, these risks include natural disasters, social unrests, or political upheavals. The Reserve Bank of India has issued a series of circulars, directions and notifications to give the required regulatory clarity. Also the MFI industry has also collectively worked to bring back the stakeholders' confidence by working responsibly. The Company has a strong and experienced Board having multiple personalities having experience in different areas. The Company's senior management team has expertise in their respective field and the Company has geographical advantage, time tested systems and processes, effective internal audit and risk department, association with a large number of lenders and clean repayment track record, good credit rating in the sector which helped the Company to achieve the performance better than its competitors.

Outlook

The overall outlook for the Microfinance Industry has improved during the financial year 2014-15. The Reserve Bank of India has issued a number of circulars and provided the required regulatory clarity. A major outcome of the guidelines was the involvement of credit bureaus to record and monitor the creditworthiness of borrowers. There is greater emphasis today on credit score prior to disbursement of loans, and subsequent data sharing with credit bureaus. The credit bureau checks enable MFIs to assess the extent of

leverage of prospective customers and their repayment track record. Additionally, the Microfinance Institutions Network (MFIN) has prescribed a code of conduct that provides guidelines for MFI operations and greater uniformity in their functioning.

Risk & Concerns

The Company is exposed to financial, operational and political risks. Because an MFI's loan portfolio is its most valuable asset, the financial risks i.e. credit, market and liquidity are of greatest concern.

Financial risks begin with the possibility that a borrower may not pay the loan on time with interest (credit risk). They include the possibility that the MFI might lose a significant part of the value of its loan portfolio as a result of an economic downturn, hyperinflation, and other externally generated causes (market risk). Financial risk can also include changes in interest rates of government lending programs or the possible enforcement of laws. Market risks include lower prices for borrowers' products and services, which could directly affect their ability or willingness to repay an outstanding loan. MFIs should be particularly aware of liquidity risk the lack or shortage of funds for current and future expenses or loans. Liquidity risk can result from an overly aggressive lending strategy, low levels of on-time payment and seasonal variations of demand or unanticipated expenses.

To prepare for these risks, Company usually hold in reserve certain percent of assets in cash and in short-term assets. The Company maintain reserves and provisions in its financials for meeting expected or unexpected future contingencies. The Company follows a conservative financial approach by following prudent business and risk management practices.

Adequacy of internal controls

The Company has proper and adequate internal controls systems to ensure that all activities are monitored and controlled against any unauthorised use or disposition of assets, misappropriation of funds and to ensure that all the transactions are authorised, recorded, reported and monitored correctly. For the purpose of correctness and accuracy the process of job rotation is followed in different departments. The Company has adequate working infrastructure having computerization in all its operations including accounts and MIS.

The Company has established an Audit Committee to review and strengthen the adequacy of internal control. The internal auditors of the Company conduct audit of various departments based on an annual audit plan covering key area of operations and reviews and evaluates the adequacy and effectiveness of internal controls, ensuring adherence to operating guidelines and systems and recommending improvements for strengthening them.

Human Resource Development

The Company has young, capable, experienced and dedicated manpower and various professionals support from in house and external sources with expertise in different areas leading the growth of Company towards better operational and financial position.

The number of employees as at 31st March, 2015 stood at 1788 (Previous Year 1243).

DEPOSITS

The Reserve Bank of India in exercise of its powers under The Reserve Bank of India Act, 1934, has granted NBFC-MFI (Serial No. B-14.01394) status to the Company and the Company has no public deposit. The Board of Directors of the Company has passed a resolution that the Company will not accept public deposit during 2015-16.

RESERVE BANK OF INDIA-REGISTRATION AND DIRECTIONS

Your Company has been following all relevant guidelines issued by Reserve Bank of India from time to time. The Company has decided not to accept the public deposits with effect from 20th November, 2004. The Company had intimated the same to Reserve Bank of India. Further, your Company has Capital Adequacy Ratio of 15.67% as on 31st March, 2015. The Reserve Bank of India on 27th November, 2014 issued Guidelines for Licensing of Small Finance Banks in the Private Sector. The object of Small Finance Banks shall be to primarily undertake basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganized sector entities by provision of savings vehicles. There will not be any restriction in the area of operations of small finance banks. The small finance bank will be subject to all prudential norms and regulations of RBI as applicable to existing commercial banks including requirement of maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR). In pursuance to aforesaid guidelines the Company on 24th January, 2015 has applied with Reserve Bank of India for a License to operate as 'Small Finance Bank'.

CORPORATE GOVERNANCE

As required under Clause 49 (X) of the Listing Agreement entered into by the Company with the Stock Exchanges, a detailed report on corporate governance has been provided in a separate section which forms part of this annual report. The Company has complied with the requirements of Corporate Governance that have to be made in this regard. The requisite certificate from M/s A. K. Gangahar & Co., the statutory auditors of the company regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed to this report.



PARTICULARS OF EMPLOYEES

In terms of Section 197(12) of the Companies Act, 2013 read with Rule 5, Sub-Rule (1), (2) & (3) of Companies (Appointment & Remuneration) Rules, 2014, the necessary disclosures are annexed as **Annexure IV** with this report.

LISTING WITH STOCK EXCHANGES

Equity Shares of your Company were listed on Delhi Stock Exchange Limited, Ludhiana Stock Exchange Limited and Jaipur Stock Exchange Limited. Securities and Exchange Board of India (SEBI) has derecognised all the three exchanges during the financial year 2014-15. The Board of Directors of the Company vide its meeting held on 26th May, 2014 approved the proposal of filing of application with BSE Limited in the interest of all stakeholders of the Company and filed the application on 30th May, 2014. The application is still pending. Further, in order to protect the interests of Shareholders and allotment of further shares, the Board of Directors of the Company has on 30th March, 2015, approved the decision of applying for listing of the equity shares of the Company with the Calcutta Stock Exchange Limited. The Company has also applied for listing of equity shares of the Company with National Stock Exchange of India Limited. The Non-Convertible Debentures issued by the Company are listed on BSE Limited.

Your Company has no dues pending with the above said Stock Exchanges.

EXTRACT OF ANNUAL RETURN

In terms of requirement made under Section 92 and Section 134(3)(a) of the Companies Act, 2013 read with applicable rules of The Companies (Accounts) Rules, 2014, extract of annual return forms part of this Directors' Report and annexed as **Annexure V**.

OTHER INFORMATION

Information pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)(A)(B) of the Companies Accounts), Rules, 2014

Particulars on Conservation of Energy, Technology Absorption

Being into the business of Non-Banking Financial Business activities, provision pertaining to conservation of energy, technology absorption are not applicable.

Further Information pursuant to Rule 8(3)(C) of the above said rule is mentioned below.

FOREIGN EXCHANGE TRANSACTIONS			
Sl. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
I	Expenditure/Remittances (Outward) in Foreign Exchange		
	Travelling Expenses	29,55,554.00	29,75,430.00
	Fees and Subscription	8,95,778.00	17,07,139.00
	Professional Fee	3,10,17,352.00	-
	Interest Payment - External Commercial Borrowing	69,81,343.00	-
II	Earning/Remittances (Inward) in Foreign Exchange		
	Share Application Money/Share Capital Received	28,43,74,970.00	-
	External Commercial Borrowing Received	63,39,00,000.00	-
	Reimbursement of Expenditure	4,04,147.00	-

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the cooperation received from lenders, our valued customers and shareholders. The Board, in specific, wishes to place on record its sincere appreciation of the contribution made by all the employees towards growth of the Company.

For and on behalf of the Board of Directors

Place: Delhi
Dated: 25th May, 2015

(H P Singh)
Chairman cum Managing Director



Annexure-I**Form No. AOC-2****(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered during the year ended 31st March, 2015, which were not at arm's length basis.

Detail of material contracts or arrangements or transactions at arm's length basis

Name of the Related Party	Nature of Contract	Date of Approval by Board	Nature of Relationship	Duration of Contract	Silent Terms	Amount paid as advance, if any
Taraashna Services Private Ltd.	Service Agreement	12th November, 2013	Influence of Key Managerial Personnel & Relatives	31st March, 2017	As specified in Services agreement	Not Applicable

For and on behalf of the Board of Directors

Place: Delhi
Dated: 25th May, 2015

(H P Singh)
Chairman cum Managing Director

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Azadpur, New Delhi
PIN – 110033

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Satin Creditcare Network Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s Satin Creditcare Network Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Employees' Provident Funds & Misc. Provisions Act, 1952;
- vii. Employees' State Insurance Act, 1948 ;
- viii. Industrial Dispute Act, 1947;
- ix. Maternity Benefit Act, 1961;
- x. Minimum Wages Act, 1948;
- xi. Payment of Bonus Act, 1965;
- xii. Payment of Gratuity Act, 1972;
- xiii. Delhi Shops and Establishments Act, 1954;

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For S. Behera & Co.
Company Secretaries**

**Shesdev Behera
Company Secretary in practice
CP.no. 5980
M.No. 17536**

Date: 18.05.2015
Place: New Delhi



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

(A) A brief outline of the company's CSR policy:

The Corporate Social Responsibility of Satin Creditcare Network Ltd. (SCNL) is broadly framed taking into account the following measures:

- Welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits.
- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- Protection and safeguard of environment and maintaining ecological balance.

Areas as to be covered & strategies and scope of CSR:

The primary beneficiaries of CSR should be poor and needy section of the society living in different parts of the country. Further, SCNL aims to contribute to empowerment of women for education/health & self-employment and also towards the Craftsmen/Artisans/Sculptors and uplift the standard of living by enhancing financial/technical/additions of know-how to strengthen their skill and assist through providing the market for their products which will be secondary beneficiaries.

In compliance with Schedule VII of The Companies Act, 2013, following activities (Hereinafter, "CSR Activities") are included by SCNL in its Corporate Social Responsibility policies:

- Eradicating extreme hunger and poverty;
- Promotion of education;
- Promoting gender equality and empowering women;
- Reducing child mortality and improving maternal health;
- Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- Ensuring environmental sustainability;
- Employment enhancing vocational skills;
- Social business projects;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- Such other matters as may be prescribed by government or any other authority or by virtue of any laws (as amended from time to time).

Implementation:

The investment in CSR should be project based.

- a) Project activities identified under CSR are to be implemented by specialized agencies. Specialized agencies could be made to work singly or in tandem with other agencies.
- b) Such specialized agencies would include:
 - Community based organization whether formal or informal.
 - Elected local bodies such as Panchayats
 - Voluntary Agencies (NGOs)
 - Institutes/Academic Organizations
 - Trusts, Mission etc.
 - Self-help groups
 - Government, Semi Government and autonomous Organizations.
 - Mahila Mondals/Samitis and the like
 - Professional Consultancy Organization etc.
 - Any other organization/agency as notified by government or under any law.

CSR activities in any State may be preferably done through the reputed NGOs or Co-operative Society or other agencies of local/State/Central Government authorities or any agency as prescribed in applicable laws.

(B) Overview of the CSR projects undertaken in FY 2014-15:

Organization	Brief profile of the organizations	Project undertaken	Project Overview
<p>World Act NGO, Dhenakanal, Odisha</p>	<p>World Act is a not-for-profit making organization, registered under Societies Registration Act XXI of 1860 (Registration No. DKL4841/90 of 1999-2000). The organization has been founded with an objective to help economically marginalised people suffering from food insecurity & livelihood and to promote craft production and its marketing by enhancing the capability and efficiency of artisans involve in handicraft making. As a NGO and partner to artisan and tribal community, World Act has promoted number of women artisan from SHGs in the state with growth potential. To develop a high-quality skilled workforce/ entrepreneur relevant to current and emerging employment market needs, World Act has created a good no of days employment for them since it is started its intervention. It has not turned back and continues its mission for the same with its activity. The products of the organization, in a less span of time, the organization has expanded its market to every part of the nation to sale the products.</p>	<p>Improving Dhokra craft Artisan Livelihood opportunity at Sadaiberini village of Dhenkanal district of Odisha.</p>	<p>1. To develop infrastructure in an equitable manner to support Women dhokra handicraft artisans at Sadaiberini.</p> <p>2. To setup of Common Facility Center (CFC) with advance equipment, tools at the village level, & ensure availability required technology, product diversification, design development, and provide a marketing space for merchandise manufactured by the rural artisans in nearest vicinity possible.</p> <p>3. To increase capacity of women artisans through required training & enhance the competitiveness of the products in terms of increased market share with higher unit value realization including Reduction of Drudgery.</p>
<p>Daya Memorial Charitable Trust,</p>	<p>Daya Memorial Charitable Trust (DMCT) is an organization working with a theme of "सहायता के दो हाथ कमजोर हाथों के साथ" and determination to reach that population of India which needs the fruit of modern healthcare the most but has the least access to. In the pursuance of its mission DMCT has been doing free medical camps in far flung areas -- the place of habilitation of target population. DMCT team consists of four to five MBBS doctors with a bend of mind to serve the needy, mostly one specialist -- sometimes a gynecologists or pediatrician or a surgeon, couple of paramedics who are capable of handling lab investigations and X RAY etc and last but not the least, couple of very committed volunteers which includes trustees themselves.</p>	<p>Primary Health care on wheels and comprehensive free medical health camps in Uttarakhand, MP & Rajasthan</p>	<p>Plan 1- To install a X ray unit plus small pathological diagnostic centre at a remote location- Jharhipani Village, Uttarakhand.</p> <p>Plan 2- To start a primary care healthcare unit --on wheels - a mobile unit which can serve at various locations to the target population in different states, and as on today this sort of service is not available in India. It shall comprise of a mobile unit with facilities of a small x ray machine, pathological diagnostics etc within. The cost this bound to be around 30 to 35 lacs. The organization is in mode of searching some CSR fund to execute the project.</p>

2. The Composition of the CSR Committee.

Name of Committee Member	Designation
Mr. H P Singh	Non Independent Director (Chairman)
Mrs. Deepa A. Hingorani	Non Independent Director (Member)
Mr. Rakesh Sachdeva	Independent Director (Member)
Mrs. Sangeeta Khorana	Independent Director (Member)

3. Average net profit of the company for last three financial years: "Rs. 102,902,352.63"
 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): "Rs. 2,058,047.65"
 5. Details of CSR spent during the financial year.
 a. Total amount to be spent for the financial year; "Rs. 2,058,047.65"
 b. Amount unspent, if any; **Not Applicable**
 c. Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity Identified	Sector in which the Project Is covered	Projects or programs 1) Local area or (2) Specify the State and projects or programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or the programs Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Improving Dhokra craft Artisan Livelihood opportunity at Sadaiberini village of Dhenkanal, Odisha	Schedule VII-(x) rural development projects." (I) eradicating hunger, poverty and malnutrition (II) promoting gender equality, empowering women,	Projects or Programs include 1. To develop infrastructure in an equitable manner to support Women dhokra handicraft artisans at Sadaiberini 2. To setup of Common Facility Center (CFC) with advance equipment, tools at the village level, & ensure availability required technology, product diversification, design development, and provide a marketing space for merchandise manufactured by the rural artisans in nearest vicinity possible 3.To increase capacity of women artisans through required training & enhance the competitiveness of the products in terms of increased market share with higher unit value realization including Reduction of Drudgery The project implemented in at Sadaiberini Village of Dhenkanal District of Odisha	Rs.15,64,260/- (Rupees Fifteen Lakhs sixty four thousand two hundred sixty) : Entire fund disbursed to project implementation partner	(1) Direct on projects or programs- Rs.7,21,335/- (2) Overheads- Rs.18,184/-	Rs. 7,39,519/-	Through implementing agency World -Act NGO, Dhenkanal - Odisha

2.	Primary Health care on wheels and comprehensive free medical health camps in Utrakhand, MP & Rajasthan	Health	Free medical Health camps includes prescribed X-rays, ECG's, some blood related investigations, free health consultations, distribution of medicines.	Rs. 5,00,000/- (rupees five lacs only): Entire fund disbursed to project implementation partner	Project is being initiated at ground level.		
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6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Company has disbursed entire CSR fund of FY 2014-15 to its project implementing partners. The allotted CSR fund will be utilised by both the organization step by step.

7. Our CSR responsibilities:

We hereby affirm that the CSR policy, as approved by the Board of Directors, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

H P Singh

Chairman cum Managing Director

H P Singh

Chairman – Corporate Social Responsibility Committee

Place: Delhi

Dated: 25th May, 2015

Annexure IV

Details pertaining to section 197(12) of Companies Act, 2013 read with Rules 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Sl. No.	Name of Director(s)	Annual Remuneration (In Rs.) for Fy 2014-15	Median Annual Remuneration of Employees for the Financial Year 2014-15 (In Rs.)	Ratio of remuneration of each director to the median remuneration of the employees for Financial year
1	Mr. H P Singh	61,76,000	3,93,240	15:1
2	Mr. Satvinder Singh	40,000*	3,93,240	0.10:1
3	Mr. Sujan Singh Chawla	10,000*	3,93,240	0.02:1
4	Mr. Rakesh Sachdeva	40,000*	3,93,240	0.10:1
5	Ms. Deepa A. Hingorani	Nil	3,93,240	N.A.
6	Mr. Davis Frederick Golding	Nil	3,93,240	N.A.
7	Mr. Sundeep Kumar Mehta	40,000*	3,93,240	0.10:1
8	Mr. Richard Benjamin Butler	Nil	3,93,240	N.A.
9	Ms. Sangeeta Khorana	30,000*	3,93,240	0.07:1
10	Mr. Goh Colin	10,000*	3,93,240	0.02:1
11	Mr. Sanjay Kumar Bhatia	10,000*	3,93,240	0.02:1
12	Mr. Arthur Sletteberg	Nil	3,93,240	N.A.

*Note: Sitting fee paid during Fy 2014-15.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year.

Sl. No.	Name of Director(s) Chief Financial Officer, Company Secretary	Annual Remuneration during financial year 2013-14 (In Rs.)	Annual Remuneration during financial year 2014-15 (In Rs.)	Percentage increase in remuneration since last financial year
1	Mr. H P Singh Chairman cum Managing Director	61,76,000	61,76,000	0.00%
2	Mr. Satvinder Singh Non-Executive and Non-Independent Director	30,000	40,000	33.33%
3	Mr. Sujan Singh Chawla Non-Executive and Independent Director	Nil	10,000	N.A.
4	Mr. Rakesh Sachdeva Non-Executive and Independent Director	30,000	40,000	33.33%
5	Ms. Deepa A. Hingorani Non-Executive and Non-Independent Director	Nil	Nil	N.A.

6	Mr. Davis Frederick Golding Non-Executive and Non-Independent Director	Nil	Nil	N.A.
7	Mr. Sundeep Kumar Mehta Non-Executive and Independent Director	30,000	40,000	33.33%
8	Mr. Richard Benjamin Butler Non-Executive and Non-Independent Director	Nil	Nil	N.A.
9	Ms. Sangeeta Khorana Non-Executive and Independent Director	20,000	30,000	50%
10	Mr. Goh Colin Non-Executive and Independent Director	N.A.	10,000	N.A.
11	Mr. Sanjay Kumar Bhatia Non-Executive and Independent Director	N.A.	10,000	N.A.
12	Mr. Arthur Sletteberg Non-Executive and Non-Independent Director	N.A.	Nil	N.A.
13	Mr. Jugal Kataria, Chief Financial Officer	33,50,862	40,20,480	19.98%
14	Choudhary Runveer Krishanan, Company Secretary & Compliance Officer	7,50,000	9,00,000	20.00%

(iii) The percentage increase in the median remuneration of employees in the financial year:

Median Annual Remuneration (In Rs.) of employees for the F/Y 2013-14	Median Annual Remuneration (In Rs.) of employees for the F/Y 2014-15	Percentage increase in Median Annual remuneration (In Rs.) of employees
3,48,000	3,93,240	13%

(iv) Percentage increase in Median Annual remuneration of employees is 13%. There is no increase in managerial remuneration of any Director.

(v) Number of permanent employees on the rolls of the Company – 1,788.

(vi) The explanation on the relationship between average increase in remuneration and Company performance: Steady and continuous contribution towards achievement of laid targets with desired standards besides continuous efforts towards self-development.

(vii) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(viii) There are no trading in equity shares through stock exchanges of the Company. The net worth of the company as at the close of the current financial year ended 31st March, 2015 is approx. Rs. 55.04 crores and previous financial year ended 31st March, 2014 was approx. Rs.20.79 crores, there was a variation of Rs 34.25 crores.

- (ix) During the financial year ended on 31st March, 2015, no employees of the Company received remuneration in excess of the highest paid director.
- (x) The comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Key Managerial Personnel	Annual Remuneration during financial year 2014-15 (In Rs.)	Profit After Tax for financial year (In Rs.) 2014-15	Comparison of remuneration of KMP against the performance of Company in terms of PAT with remarks
Mr. H P Singh	61,76,000	31,71,59,272	1.95%
Mr. Jugal Kataria	40,20,480	31,71,59,272	1.27%
Choudhary Runveer Krishanan	9,00,000	31,71,59,272	0.28%

- (xi) **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:** The total remuneration of Key Managerial Personnel increased by 8% from Rs. 1.03 crore in 2013-14 to Rs. 1.11 crore in 2014-15 whereas the Profit after Tax increased by approx. 103.86% from Rs.15.56 crore in 2013-14 to Rs.31.72 crore in 2014-15.
- (xii) **Details of employees as required under Section 197(12) of Companies Act, 2013 read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:** No employees who are in receipt of remuneration for Rs. 5,00,000 per month or Rs. 60,00,000 per annum during financial year 2014-2015.
- (xiii) **The Board hereby affirm and declare that the remuneration being paid to the employee(s), director(s), key managerial personnel(s) is as per the Nomination & Remuneration policy for directors, key managerial personnel (KMP) & senior management and other employees approved by the Board.**

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	Corporate Identification Number (CIN)	L65991DL1990PLC041796
2.	Registration Date	16th October, 1990
3.	Name of the Company	Satin Creditcare Network Limited
4.	Category/Sub-category of the Company	Public Limited Company/Limited by Shares
5.	Address of the Registered office & contact details	5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi-110033 Phone: 011-47545000, Fax: 011-27672727
6.	Whether listed company	Listed Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<p>a) Equity Shares & 12% Cumulative, Rated, Non Participative, Non-Convertible, and Compulsorily Redeemable Preference Shares:</p> <p>Link Intime India Pvt. Ltd 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028 Phone: +91 11 4141 0592</p> <p>b) Non-Convertible Debentures:</p> <p>Karvy Computershare Pvt. Ltd. 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500034 Phone: +91 040 44655041</p>

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Non-Banking Financial activities/Microfinance activities	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
Not applicable					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01st April, 2014]				No. of Shares held at the end of the year [As on 31st March, 2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	16,28,258	-	16,28,258	7.02	16,28,258	-	16,28,258	6.30	0.72
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	70,26,470	-	70,26,470	30.29	70,26,470	-	70,26,470	27.18	3.11
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	86,54,728	-	86,54,728	37.32	86,54,728	-	86,54,728	33.48	3.84
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	86,54,728	-	86,54,728	37.32	86,54,728	-	86,54,728	33.48	3.84
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	27,68,188	40,100	28,08,288	12.11	28,56,788	64,503	29,21,291	11.30	0.81
ii) Overseas	97,98,922	-	97,98,922	42.25	1,24,56,632	-	1,24,56,632	48.19	5.94
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,13,702	3,68,436	5,82,138	2.51	2,56,990	3,52,133	6,09,123	2.36	0.15
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,53,100	4,61,500	8,14,600	3.51	3,09,400	3,49,100	6,58,500	2.55	0.96
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d- i) Trust	5,25,000	-	5,25,000	2.26	4,99,176	-	4,99,176	1.93	0.33
d- ii) Non Resident Indian	-	4,700	4,700	0.02	40,000	4,700	44,700	0.17	0.15
d- iii) Hindu Undivided Family	5,275	-	5,275	0.02	-	-	-	-	0.02
d- iv) Directors & their Relatives	7,211	-	7,211	0.29	7,211	-	7,211	0.03	0.26
Sub Total (B)(2)	1,36,71,398	8,74,736	1,45,46,134	62.68	1,64,26,197	7,70,436	1,71,96,633	66.52	3.84
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,36,71,398	8,74,736	1,45,46,134	62.68	1,64,26,197	7,70,436	1,71,96,633	66.52	3.84
Total (A)+(B)	2,23,26,126	8,74,736	2,32,00,862	100.00	2,50,80,925	7,70,436	2,58,51,361	100.00	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,23,18,915	8,74,736	2,31,93,651	100.00	2,50,80,925	7,70,436	2,58,51,361	100.00	-

ii) **Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Parishek Finance Private Limited	21,50,880	9.27	0	21,50,880	8.32	0	0.95
2	M/s Parinita Investments Private Limited	10,65,320	4.59	0	10,65,320	4.12	0	0.47
3	M/s Niryas Food Products Private Limited	9,83,420	4.24	0	9,83,420	3.80	0	0.44
4	M/s Satin (India) Limited	9,63,410	4.15	0	9,63,410	3.73	0	0.42
5	M/s Taco Consultants Private Limited	7,57,660	3.27	0	7,57,660	2.93	0	0.34
6	M/s UV Associates Private Limited	6,10,820	2.63	0	6,10,820	2.36	0	0.27
7	M/s Satin Media Solutions Limited	4,94,960	2.13	0	4,94,960	1.91	0	0.22
8	Mr. H P Singh	4,15,123	1.79	0	4,15,123	1.61	0	0.18
9	Mrs. Kamal Inder Kaur	3,59,891	1.55	0	3,59,891	1.39	0	0.16
10	Mr. Satvinder Singh	2,57,011	1.11	0	2,57,011	0.99	0	0.12
11	Mr. Krishan Kumar Sharma	2,15,400	0.93	0	2,15,400	0.83	0	0.1
12	Mrs. Anureet H P Singh	1,96,611	0.85	0	1,96,611	0.76	0	0.09
13	Ms. Neeti Singh	1,37,711	0.59	0	1,37,711	0.53	0	0.06
14	Mr. Harbans Singh	46,511	0.20	0	46,511	0.18	0	0.02

*Note: There is no change in the number of shares, however, there is change in percentage shareholding is due to allotment of Equity Shares to M/s NMI Fund III KS (under Non-promoter category).

iii) **Change in Promoters' Shareholding:**

There is no change in total shareholding of promoters between 01st April, 2014 and 31st March, 2015. Further, change in percentage shareholding is due to allotment of Equity Shares to M/s NMI Fund III KS (under Non-promoter category).

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors and Promoters):

Name of Shareholder	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the Year (01st April, 2014 to 31st March, 2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
M/s ShoreCap II Limited	At the beginning of the year	39,08,188	16.85	39,08,188	16.85
	Date wise Increase/Decrease in Shareholding during the year	NIL	NIL	39,08,188	16.85
	At the end of the year			39,08,188	15.12*
M/s MV Mauritius Limited	At the beginning of the year	34,95,520	15.07	34,95,520	15.07
	Date wise Increase/Decrease in Shareholding	NIL	NIL	34,95,520	15.07
	At the end of the year			34,95,520	13.52*
M/s NMI Fund III KS	At the beginning of the year	NIL	NIL	NIL	NIL
	02nd April, 2014 (Allotment of Shares)	26,57,710	10.28	26,57,710	10.28
	At the end of the year			26,57,710	10.28
M/s Danish Microfinance Partners K/S	At the beginning of the year	23,95,214	10.33	23,95,214	10.33
	Date wise Increase/Decrease in Shareholding during the year	NIL	NIL	23,95,214	10.33
	At the end of the year			23,95,214	9.27*
M/s Linkage Securities Private Limited	At the beginning of the year	6,90,000	2.97	6,90,000	2.97
	Increase in shareholding due to transfer of shares on 24th May, 2014	1,00,000	0.39#	7,90,000	3.06#
	At the end of the year			7,90,000	3.06*
M/s Bhawani Finvest Private Limited	At the beginning of the year	7,50,000	3.23	7,50,000	3.23
	Date wise Increase/Decrease in Shareholding during the year	NIL	NIL	7,50,000	3.23
	At the end of the year			7,50,000	2.90*
M/s Rajsonia Consultancy Services Private Limited	At the beginning of the year	6,90,000	2.99	6,90,000	2.99
	Increase in shareholding due to transfer of shares on 21st January, 2015	24,403	0.09#	7,14,403	2.76#
	Increase in shareholding due to transfer of shares (Transferred electronically)	1,900	0.01#	7,16,303	2.77#
	Increase in shareholding due to transfer of shares (Transferred electronically)	500	0.00#	7,16,803	2.77#
	At the end of the year			7,16,803	2.77*
M/s Satin Employees Welfare Trust	At the beginning of the year	5,25,000	2.26	5,25,000	2.26
	Date wise Increase/Decrease in Shareholding during the year	(25,824)	0.10#	4,99,176	1.93#
	At the end of the year			4,99,176	1.93#
M/s Megh Securities Private Limited	At the beginning of the year	3,30,150	1.42	3,30,150	1.42
	Decrease in Shareholding during the year	NIL	NIL	3,30,150	1.42
	At the end of the year			3,30,150	1.28*
Mr. Jugal Kataria	At the beginning of the year	1,00,000	0.43	1,00,000	0.43
	Date wise Increase/ Decrease in Shareholding during the year	NIL	NIL	1,00,000	0.43
	At the end of the year			1,00,000	0.39*

#Note: Percentage calculated on paid up capital of the Company outstanding on the date of transaction

*Note: Percentage calculated on paid up capital of the Company outstanding at the end of financial year.

v) Shareholding of Directors and Key Managerial Personnel:

Name of Directors and Key Managerial Personnel	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. H P Singh Chairman Cum Managing Director	At the beginning of the year	4,15,123	1.79	4,15,123	1.79
	Date wise Increase / Decrease in Promoters Shareholding during the year	NIL	NIL	4,15,123	1.79
	At the end of the year			4,15,123	1.61*
Mr. Satvinder Singh Director	At the beginning of the year	2,57,011	1.11	2,57,011	1.11
	Date wise Increase / Decrease in Promoters Shareholding during the year	NIL	NIL	2,57,011	1.11
	At the end of the year			2,57,011	0.99*
Mr. Rakesh Sachdeva Director	At the beginning of the year	7,211	0.03	7,211	0.03
	Date wise Increase / Decrease in Promoters Shareholding during the year	NIL	NIL	7,211	0.03
	At the end of the year			7,211	0.02*
Mr. Jugal Kataria Chief Financial Officer	At the beginning of the year	1,00,000	0.43	1,00,000	0.43
	Date wise Increase / Decrease in Promoters Shareholding during the year	NIL	NIL	1,00,000	0.43
	At the end of the year			1,00,000	0.39

Note: Except above, no other directors and/or any KMPs owns any shareholding in the Company.

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/acrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2014				
i) Principal Amount	8,98,64,36,727.00	10,00,00,000.00	0.00	9,08,64,36,727.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	3,52,76,145.59	15,25,890.41	0.00	3,68,02,036.00
Total (i+ii+iii)	9,02,17,12,872.59	10,15,25,890.41	0.00	9,12,32,38,763.00
Change in Indebtedness during the financial year				
Addition	13,93,67,62,619.91	121,18,65,000.00	0.00	15,14,86,27,619.91
* Reduction	7,53,16,21,433.91	40,27,97,200.00	0.00	7,93,44,18,633.91
Net Change	6,40,51,41,186.00	80,90,67,800.00	0.00	7,21,42,08,986.00
Indebtedness at the end of the financial year 31.03.2015				
i) Principal Amount	15,39,15,77,913.00	90,90,67,800.00	0.00	16,30,06,45,713.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	10,30,69,137.00	1,13,97,246.00	0.00	11,44,66,383.00
Total (i+ii+iii)	15,49,46,47,050.00	92,04,65,046.00	0.00	16,41,51,12,096.00

Note : Reduction includes Currency Fluctuation effect on WBC

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. H P Singh (Chairman cum Managing Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,00,000.00	48,00,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,00,000.00	8,00,000.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Provident Fund	5,76,000.00	5,76,000.00
	Total (A)	61,76,000.00	61,76,000.00
	Ceiling as per the Act	Approx. 3.49 Crores (Being 11% of Net Profit calculated as per Section 198 of the Companies Act, 2013)	

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
1	Independent Directors							
		Mr. Rakesh Sachdeva	Mr. Sujan Singh Chawla	Mr. Sundeep Kumar Mehta	Ms. Sangeeta Khorana	Mr. Goh Colin	Mr. Sanjay Kumar Bhatia	
	Sitting Fee (Board meetings)	40,000	Nil	40,000	30,000	20,000	Nil	1,30,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	40,000	Nil	40,000	30,000	20,000	Nil	1,30,000
2	Other Non-Executive Directors	Mr. Satvinder Singh						
	Fee for attending board committee meetings	40,000						40,000
	Commission	Nil						
	Others, please specify	Nil						
	Total (2)							40,000
	Total (B)=(1+2)							1,70,000
	Total Managerial Remuneration							
	Overall Ceiling as per the Act							Approx. 3.49 Crores (Being 11% of Net Profit calculated as per Section 198 of the Companies Act, 2013)

C. Remuneration to Key Managerial Personnel Other than Managing Director:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Choudhary Runveer Krishanan, Company Secretary & Compliance Officer	Jugal Kataria, Chief Financial Officer	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,85,000	40,01,280	48,86,280
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,000	19,200	34,200
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	9,00,000	40,20,480	49,20,480

VII. Penalties/Punishment/Compounding of Offences:

There were no penalties/punishment/compounding of offences for the year ending 31st March, 2015.

Corporate Governance Report

COMPANY'S PHILOSOPHY AND PRACTICE ON CORPORATE GOVERNANCE

At Satin Creditcare Network Limited (SCNL), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of business. Being a Non-Banking Microfinance listed Company, SCNL is committed to ensure corporate governance standards according to equity listing agreement and Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by Reserve Bank of India vide Notification No. DNBR. 019/CGM (CDS)-2015 dated 10th April, 2015. Good governance practices stem from the dynamic culture and positive mind set of organisation. At SCNL, management is committed to ensure accountability, transparency and fairness in all transactions. Accordingly the following information is provided for the information of stakeholders and public at large.

BOARD OF DIRECTORS

a) Composition

The composition of the Board is in conformity with clause 49 of the equity listing agreement, as amended from time to time. As on 31st March, 2015, the Board of Directors of the Company comprises of twelve directors out of which six are independent and six non-independent directors (Which includes four directors nominated by four equity investors and two directors from Promoters' side). As at 31st March, 2015, the Company has eleven non-executive directors and one executive director. Composition of the Board and category of directors are as follows:

Sl. No.	Name of Director along with designation	Category
1.	Mr. H P Singh, Chairman cum Managing Director	Promoter and Executive Director
2.	Mr. Satvinder Singh, Director	Non-Executive and Non-Independent Director
3.	Mr. Davis Frederick Golding, Director	Non-Executive and Non-Independent Director
4.	Ms. Deepa A. Hingorani, Director	Non-Executive and Non-Independent Director
5.	Mr. Richard Benjamin Butler, Director	Non-Executive and Non-Independent Director
6.	Mr. Ole Peder Sandsbraaten, Director	Non-Executive and Non-Independent Director
7.	Mr. Sujan Singh Chawla, Director	Non-Executive and Independent Director
8.	Mr. Rakesh Sachdeva, Director	Non-Executive and Independent Director
9.	Mr. Sundeep Kumar Mehta, Director	Non-Executive and Independent Director
10.	Ms. Sangeeta Khorana, Director	Non-Executive and Independent Director
11.	Mr. Goh Colin, Additional Director	Non-Executive and Independent Director
12.	Mr. Sanjay Kumar Bhatia, Additional Director	Non-Executive and Independent Director

Mr. Goh Colin (DIN:06963178) was appointed vide Board meeting dated 12th November, 2014 as a non-executive director (Additional Director) of the Company and Mr. Sanjay Kumar Bhatia (DIN: 07033027) was appointed vide circular resolution of Board of Director of the Company dated 06th December, 2014 as a non-executive director (Additional Director) of the Company. As per Section 161 of the Companies Act, 2015 their appointment is valid till the Conclusion of 25th Annual General Meeting and being eligible for the appointment as a director. Mr. Goh Colin and Mr. Sanjay Kumar Bhatia had submitted a declaration that they meet the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The Board of Directors have recommended their appointment as Independent Directors of the Company in the 25th Annual General Meeting to hold office for a period of five years. Their brief profile is enclosed in the Annexure attached to Notice calling Annual General Meeting.

The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda and notes thereon are sent to all the directors seven days in advance from the date of Board Meeting. All the information required for decision making are incorporated in the agenda. The Chairman cum Managing Director appraise the Board on the overall performance of the Company at every Board Meeting. The Board reviews performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the Company on all its decisions periodically.

As on 31st March, 2015, attendance of each director at the Board meetings, last Annual General Meeting and number of other Directorships, memberships and chairpersonships of committees in various companies, are given below:

Name of Director	No. of Board Meetings		Attendance at the last Annual General Meeting	No. of Directorships in other Companies *1	No. of Membership(s) / Chairmanship(s) of the Board Committees*2
	Held	Attended			
Mr. H P Singh	4	4	Yes	2	1
Mr. Satvinder Singh	4	4	Yes	1	2
Mr. Davis Frederick Golding,	4	3	No	Nil	1
Ms. Deepa A. Hingorani	4	4	No	1	Nil
Mr. Sujan Singh Chawla	4	1	No	Nil	Nil
Mr. Rakesh Sachdeva	4	4	Yes	Nil	2
Mr. Sundeep Kumar Mehta	4	4	No	1	3
Mr. Richard Benjamin Butler	4	3	No	Nil	Nil
Ms. Sangeeta Khorana	4	3	No	Nil	1
Mr. Ole PederSandsbraaten	4	3	No	Nil	Nil
Mr. Goh Colin*3	4	2	No	Nil	Nil
Mr. Sanjay Kumar Bhatia*4	4	0	No	Nil	1

*1 The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 25 of the Companies Act, 1956 (Companies Registered under Section 8 of the Companies Act, 2013) and Private Limited Companies.

*2 In accordance with Clause 49, Memberships / Chairmanships of only the Audit Committees, Stakeholders Committee, Nomination and Remuneration Committees in all Public Limited Companies (including Satin Creditcare Network Limited) have been considered.

*3 Mr. Goh Colin was appointed on 12th November, 2014.

*4 Mr. Sanjay Kumar Bhatia was appointed on 06th December, 2014.

b) Number of Board Meetings held and the dates of Board meetings

During the year 4 (four) board meetings were held. These board meetings were held on 26th May, 2014, 08th August, 2014, 12th November, 2014 and 09th February, 2015.

c) Disclosure of relationship between directors inter-se

Mr. H P Singh, Chairman cum Managing Director of the Company is related with Mr. Satvinder Singh. Mr. Satvinder Singh is brother of Mr. H P Singh.

d) Information on Directors Re-appointment/Appointment

A brief resume of the Directors proposed for the appointment and their appointment at the ensuing Annual General Meeting, the nature of their experience in specific functional areas and name of Companies in which they hold Directorship and Membership of committees of the Board are furnished below:

Re-appointment:

1. Mr. Richard Benjamin Butler (DIN: 06574786)

Mr. Richard Benjamin Butler, aged 61 years, represents MV Mauritius Limited on the board of SCNL and joined the Board of SCNL with effect from 29th May, 2013. Mr. Richard is Graduate in Development Economics & Middle Eastern History from Georgetown University and did post graduate studies in Agriculture Economics at the University of Minnesota. He holds the responsibility for investment approval processes relating to microfinance institutions, advising on investment due diligence and also, on risk management in MV Mauritius Limited. Prior to joining MV Mauritius Limited, he served for 30 years at various international financial service companies, including ING Capital, ING Barings Furman Selz, Chase Manhattan Bank and the US Peace Corps at various high capacities. He was also on the board of ING Capital Holding Corporation, Kaye Insurance Group and La Plata County Long Term Finance Committee.

He is not related to any of the Directors of the Company.

Appointments:

1. Mr. Goh Colin (DIN: 06963178)

Mr. Goh Colin, aged 47 years, 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 Colin is currently the CEO of a newly incorporated non-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. Prior to this appointment, he was the General Manager of Chijmes Investment Pte Ltd for 8 years and was instrumental in winning several awards including the 1997 Prism Award for Best Public Relations and for two consecutive years, awarded the Patron of the Arts award by the National Arts Council.

He is not related to any of the Directors of the Company.

2. Mr. Sanjay Kumar Bhatia (DIN: 07033027)

Mr. Sanjay Kumar Bhatia, aged 51 years, is a Chartered Accountant and Commerce graduate from Delhi University. Mr. Sanjay Kumar Bhatia has work experience of more than twenty eight years, with various leading corporates, 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 with 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 Citi bank N.A. and GE Countrywide.

He is not related to any of the Directors of the Company.

3. Mr. Arthur Sletteberg (DIN: 07123647)

Mr. Arthur Sletteberg, aged 55 years, represents NMI Fund III KS on the board of the Company. He is Managing Director of Norwegian Microfinance Initiative AS (NMI). He has overall experience of twenty seven years. Prior to joining NMI AS, Mr. Arthur was associated as Executive Vice President Ferd AS-Norway's one of the largest family office. In past Mr. Arthur had been working on senior positions for various other eminent organisations. He has got advanced degree from International Economic Policy Research, Institute for Weltwirtschaft, Germany. He has done Masters of Business Administration from Norwegian School of Economics and Business Administration, Bergen.

4. Mr. H P Singh (DIN: 00333754)

Mr. H P Singh, aged 54 years, 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 company'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.

CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to all its Board members and senior management personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code



has been put on the Company's website (www.satincare.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman cum Managing Director is published in this Report.

FAMILIARISATION PROGRAMME FOR BOARD MEMBERS

The Board members are provided with necessary documents, reports to enable them to familiarise with Company's procedures, its mission and vision, etc. Periodic presentation at Board/Committee meetings are made on business and performance of the Company. The details of such familiarisation programmes for independent directors are posted at <http://www.satincare.com/other-information/Board-Familiarisation.php>

BOARD DIVERSITY

The Nomination and Remuneration Committee has devised policy on Board Diversity and recommended to Board of Directors which was subsequently approved by Board of Directors vide its meeting held on 09th February, 2015.

Diversity in Board is needed for better growth and profitability. The prime and utmost objective of this policy is to set a diversely qualified Board for the Company to function smoothly, variedly and to work on every aspect of the business agenda(s). The Company has a huge client/customer base from various states of India and draws on employee expertise from a wide range of professional disciplines linked primarily to the management demands. It is recognised that a Board composed of appropriately qualified people with a broad range of experience relevant to the business. The said policy has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. All Board appointments are based on meritocracy and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board.

ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and applicable Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 1956/Companies Act, 2013. He is also designated as Compliance Officer.

AUDIT COMMITTEE

The audit committee assists the Board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. The audit committee comprised of the following directors for the year ended 31st March, 2015:

1. Mr. Rakesh Sachdeva - Chairman
2. Mr. Satvinder Singh - Member
3. Mr. Sundeep Kumar Mehta - Member

Mr. Rakesh Sachdeva and Mr. Sundeep Kumar Mehta are independent directors. The Chairman of Audit Committee Mr. Rakesh Sachdeva is a qualified Chartered Accountant and have expertise in the field of finance, accounting and audit areas. The composition of Audit Committee is in line with requirements of the section 177 of the Companies Act, 2013 and with amended clause 49 of the Listing agreement as applicable from 01st October, 2014.

The Statutory Auditor and Internal Auditor are the invitees to the meetings of the committee held in the financial year 2014-15. The Company Secretary acts as the secretary to the Audit Committee. The Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 05th September, 2014.

During the financial year 2014-15, audit committee meeting held four times. The meetings was held on 24th May, 2014, 07th August, 2014, 11th November, 2014 and 03rd February, 2015.

Detail of attendance of each member of the Audit Committee are as follows:

Name of Director	No. of meetings held during the year	Meetings attended
Mr. Rakesh Sachdeva, Director (Independent Director)	4	4
Mr. Satvinder Singh, Director (Non-Independent Director)	4	4
Mr. Sundeep Kumar Mehta, Director (Independent Director)	4	4



The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements, as well as in Section 177 of the Companies Act, 2013. The comprehensive Guidance note including terms of reference as approved by Board of Directors of the Company vide its meeting dated 26th May, 2014 for the Audit Committee is noted as below:

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information;
- b) Recommending to the Board the appointment and removal of external auditors, fixation of audit fee and also approval for payment of other services;
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by the management (iii) qualifications in draft audit report (iv) significant adjustments arising out of Audit (v) the going concern assumptions (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries, relatives etc. that may have potential conflict with the interest of the company at large;
- d) Reviewing with the management, external/internal auditors, adequacy of internal control systems;
- e) Reviewing the adequacy of internal audit functions, discussions with internal auditors; any significant findings and follow up thereon;
- f) Reviewing the finding of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularities or a failure of internal control systems of material nature and reporting the matter to the Board;
- g) Discussion with external Auditors before the audit commences, nature and scope of the Audit as well as post audit discussions to ascertain any area of concern;
- h) Reviewing the company's financial and risk management policies;
- i) To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors;
- j) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- k) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- l) Scrutiny of inter-corporate loans and investments;
- m) Valuation of undertakings or assets of the company, wherever it is necessary;
- n) Monitoring the end use of funds raised through public offers and related matters.

RISK MANAGEMENT COMMITTEE

Earlier, Risk Management Committee was required to be constituted pursuant to RBI Circular No. DNBS.PD/CC 94/03.10.042/2006-07 dated 08th May, 2007. Accordingly the Risk Management Committee was comprises of following members:

Name of Committee	Chairman	Members
RISK MANAGEMENT COMMITTEE	Mr. H P Singh	Mr. H P Singh
		Mr. Jugal Kataria
		Mr. Vivek Tiwari
		Mr. Shirish Chandra Panda

Further, The Securities and Exchange Board of India (SEBI) vide its Circular Ref. CIR/CFD/POLICY CELL/7/2014 Dated 15th September, 2014 inserted new clause regarding the aforesaid committee in Equity Listing Agreement.

In accordance with aforementioned, the company has constituted a Risk Management Committee with the following directors:

Name of Committee	Chairman	Members
RISK MANAGEMENT COMMITTEE	Mr. Rakesh Sachdeva	Mr. Rakesh Sachdeva (Independent)
		Mr. Sundeep Kumar Mehta (Independent)
		Mr. Satvinder Singh (Non-Independent)

Roles & Responsibilities of Risk Management Committee:

The roles and responsibilities of the Committee are:

- Recommend to the Board and then formally announce, implement and maintain a sound system of risk oversight, management and internal control which:
 - identifies, assesses, manages and monitors risk; and
 - Allows investors and other stakeholders to be informed of material changes to the Company's risk profile.
- Recommend to the Board and then formally announce clear standards of ethical behaviour required of the senior management as well as the staff.
- In discharging its responsibilities, the Committee is to develop and seek Board approval for a range of specific duties that it is to carry out. Such duties will vary depending on the Company's circumstances, the Committee's responsibilities and, in particular, the roles of the Board and other committees, such as internal audit, operations, finance etc. The specific duties of the Committee are set out as below. Board approval is to be obtained for any material changes to the Committee's duties.

Specific Deliverables:

The Committee's deliverables are based on 2 broad categories – risk management and governance.

- Consistent with its risk management responsibility, risk management deliverables are intended to detail the functions and processes which are considered necessary to ensure that the Board can be satisfied that the Company's risks are being effectively managed.
- Governance deliverables are intended to ensure that the Committee also considers ethical and broader stakeholder values in its assessment and management of risks and internal procedures.
- The Committee can consider other matters relating to risk management that it considers desirable. In addition, the Committee will examine any other matters referred to it by the Board.

Risk Management deliverables:

- Assessment of the Company's risk profile and key areas of risk in particular.
- Recommending to the Board and adopting risk assessment and rating procedures.
- Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
- Assessing and recommending to the Board acceptable levels of risk.
- Development and implementation of a risk management framework and internal control system.
- Initiating and monitoring special investigations into areas of corporate risk and break-downs in internal control.
- Ensuring that matters effecting the risk management or internal control systems of the Company, whether or not forming part of the Committee's duties, are adequately addressed. For example the Committee should be assessing whether other committees are adequately addressing the relevant areas of risk that fall within the ambit of the responsibilities of those respective committees.

Governance related deliverables:

- Reviewing and recommending to the Board, the changes w.r.t:
 - The structure and responsibilities of the Board;
 - The proper relationship between the Board and management; and
 - The responsibilities of management.
- Monitoring legal and regulatory compliance
- Reviewing and recommending to the Board, changes to the Company's Code of Conduct and other policies designed to guide the Company's senior management and other employees as to:
 - compliance with legal and other obligations to legitimate stakeholders such as shareholders and employees;
 - the ethical standards and practices necessary to maintain confidence in the Company's integrity;
 - the behaviour expected of them and the Company's corporate culture generally.

- Monitoring compliance with Company Policies and investigating allegations of breaches of those policies.
- Reviewing and recommending to the Board, policies to avoid conflicts of interest between the Company and its employees.

The Risk Management Committee met four times in the year. The meeting was held on 19th May, 2014, 31st July, 2014, 22nd October, 2014 and 03rd February, 2015 and attended by all the members.

NOMINATION AND REMUNERATION COMMITTEE

In accordance with clause 49 of the listing agreement applicable till 30th September, 2014, the company had two separate committees i.e. Nomination Committee and Remuneration Committee.

Nomination Committee:

As on 31st March, 2014, the Company has a Nomination Committee comprising of Mr. H P Singh, Mr. Rakesh Sachdeva, Mr. Davis Frederick Golding, Mr. Richard Benjamin Butler and Ms. Sangeeta Khorana. Mr. H P Singh was Chairman of the nomination committee. The Committee met two times during the year. The meeting was held on 26th May, 2014. The Nomination Committee constituted on 12th August, 2010 was dissolved by Board of Directors of the Company vide its meeting held on 12th November, 2014.

Remuneration Committee:

The Company had a Remuneration Committee comprising of Mr. Rakesh Sachdeva, Mr. Sundeep Kumar Mehta and Ms. Sangeeta Khorana. Mr. Rakesh Sachdeva was Chairman of the committee. The Committee had not met during last financial year as there was no specific agenda to discuss. The Remuneration Committee constituted on 09th June, 2005 was dissolved by Board of Directors of the Company vide its meeting held on 12th November, 2014.

Reconstitution of the aforesaid committees as Nomination & Remuneration Committee of Board of Directors:

In pursuant to Section 178 of Companies Act, 2013 and rules made thereunder and in terms of SEBI Circular Ref. CIR/CFD/POLICY CELL/7/2014 Dated 15.09.2014 amended the clause 49 of the Listing Agreement, Nomination & Remuneration Committee was reconstituted under chairmanship of Mr. Sundeep Kumar Mehta by Board of Directors of the Company vide its meeting held on 12th November, 2014. The same information is given in the table below.

As per aforesaid SEBI Circular and Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee consists of following members and the Company Secretary acts as secretary to Nomination and Remuneration Committee:

Sl. No.	Name of Members	Category	No. of meeting held during the year 2014-15	No. of meeting attended during the year 2014-15
1	Mr. Sundeep Kumar Mehta	Non-Executive and Independent Director-Chairman	1	1
2	Mr. H P Singh	Chairman cum Managing Director-Member	1	1
3	Mr. Davis Frederick Golding	Non-Executive and Non-Independent Director- Member	1	1
4	Mr. Sundeep Kumar Mehta	Non-Executive and Non-Independent Director-Member	1	1
5	Ms. Sangeeta Khorana	Non-Executive and Independent Director-Member	1	0

Role/Scope of Nomination and Remuneration Committee under new legislation (Equity Listing Agreement):

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

POLICY LAID DOWN BY THE NOMINATION & REMUNERATION COMMITTEE FOR REMUNERATION OF DIRECTORS, KMP & OTHER EMPLOYEES AND THE CRITERIA FORMULATED BY THE COMMITTEE FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR

The Nomination and Remuneration Committee has formulated the criteria for determining the appointment of Directors which is mention in the nomination and remuneration policy. The Board has approved the Nomination and Remuneration Policy in their meeting dated 09th February, 2015, which includes the criteria for the evaluation Directors (including Independent Directors) and Senior Management details of which is stated in nomination and remuneration policy. The policy has been uploaded in the website of the Company at www.satinereditcare.com, and the same is annexed to this report as Annexure-1.

REMUNERATION PAID TO DIRECTORS

The disclosure in respect of remuneration paid/ payable to whole time director of the Company for the financial year 2014-2015 is given below:

Particulars	Mr. H P Singh, CMD (Rs.)
Salary	48,00,000.00
Provident Fund	5,76,000.00
Gratuity	-
Leave Encashment	-
Approximate value of perquisites	8,00,000.00
Total	61,76,000.00
Present period of agreement	01st October, 2010 to 30th September, 2015

Non-Executive Directors (other than directors appointed by virtue of Investment agreement and nominated by Investor Companies) are paid only sitting fee at the rate of Rs. 10,000/- for each meeting of the Board as fixed by the Board in its duly held meeting on 29th May, 2013 which is within the ceiling prescribed under the Companies Act, 1956 and Companies Act, 2013, and rules framed thereunder for attending the Board Meetings.

Detail of payment towards sitting fees paid to non-executive directors during the financial year 2014-2015 is as under:

Sl. No.	Name of Non-Executive Directors (Other than Investor's nominees)	Sitting Fees		Total (Amount in Rs.)
		Board Meeting	Committee Meeting	
1	Mr. Rakesh Sachdeva	40,000	-	40,000
2	Mr. Sundeep Kumar Mehta	40,000	-	40,000
3	Mr. Satvinder Singh	40,000	-	40,000
4	Mr. Sujan Singh Chawla	10,000	-	10,000
5	Ms. Sangeeta Khorana	30,000	-	30,000
6	Mr. Goh Colin	20,000	-	20,000
7	Mr. Sanjay Kumar Bhatia	-	-	-
	Total			1,80,000

There was no pecuniary relationship or transactions of the non-executive Directors vis-à-vis the company during the Financial Year ended 31st March, 2015 other than those disclosed in the annual accounts.

DETAILS OF SHAREHOLDING OF DIRECTORS AS ON 31ST MARCH 2015

The shareholding of Executive/Non-Executive Directors of the Company is as follows:

Sl. No.	Name of Director along with designation	Category	Shareholding
1.	Mr. H P Singh, Chairman cum Managing Director	Promoter and Executive Director	4,15,123
2.	Mr. Satvinder Singh, Director	Non-Executive and Non-Independent Director	2,57,011
3.	Mr. Davis Frederick Golding, Director	Non-Executive and Non-Independent Director	Nil
4.	Ms. Deepa A. Hingorani, Director	Non-Executive and Non-Independent Director	Nil
5.	Mr. Richard Benjamin Butler, Director	Non-Executive and Non-Independent Director	Nil
6.	Mr. Ole Peder Sandsbraaten, Director	Non-Executive and Non-Independent Director	Nil
7.	Mr. Sujan Singh Chawla, Director	Non-Executive and Independent Director	Nil
8.	Mr. Rakesh Sachdeva, Director	Non-Executive and Independent Director	7,211
9.	Mr. Sundeep Kumar Mehta, Director	Non-Executive and Independent Director	Nil
10.	Ms. Sangeeta Khorana, Director	Non-Executive and Independent Director	Nil
11.	Mr. Goh Colin, Additional Director	Non-Executive and Independent Director	Nil
12.	Mr. Sanjay Kumar Bhatia, Additional Director	Non-Executive and Independent Director	Nil

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company had a Shareholder/Investor Grievances Committee constituted on 04th March, 2003 comprising of Mr. Satvinder Singh, Chairman of the committee himself.

Reconstitution of the Stakeholders Relationship Committee in place of old committee i.e. Shareholders/Investors Grievance Committee as per the requirement of section 178 of the Companies Act, 2013 and Clause 49 of listing agreement with stock exchanges:

In pursuant to section 178(5) of Company Act, 2013 and clause 49(VIII)(E) of Equity Listing Agreement which states that the Committee should be constituted under the Chairmanship of a non-executive director and such other members as may be decided by the Board of the company to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders.

In terms of aforesaid requirement the Board has constituted "Stakeholders Relationship Committee" and consist of following members:

Name of Committee	Chairman	Members
STAKEHOLDERS RELATIONSHIP COMMITTEE	Mr. Sundeep Kumar Mehta	Mr. Sundeep Kumar Mehta, Non-Executive and Independent Director
		Mr. Satvinder Singh, Non-Executive and Non-Independent Director
		Mr. Sanjay Kumar Bhatia, Non-Executive and Independent Director

The Committee shall consider and resolve the grievances like share transfers, transmissions, issue of duplicate share certificates, Rematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Share Transfer Agents. The Company Secretary of the Company is secretary to the Stakeholder Relationship Committee.

The Shareholder/Investor Grievance Committee constituted on 04th March, 2003 was dissolved by Board of Directors of the Company vide its meeting held on 09th February, 2015.

No shareholders/Investors complaints were received during the year ended 31st March, 2015. The grievances relating to Stakeholders/Investors may also be forwarded to the Company Secretary and Compliance officer of the Company at investor@satincreditcare.com

Complaints received and redressed during the year 2014-15 under SCORE

There was no complaint received from the Shareholder/Investor during the financial year ended 31st March, 2015.

The Board has designated Choudhary Runveer Krishnan as the Company Secretary & Compliance Officer. The Securities and Exchange Board of India (SEBI) vide Circular Ref: CIR/OIAE/2/2011 dated 03rd June, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Reports (ATRs) along with supporting documents electronically in SCORES.

BORROWING COMMITTEE

The Company has a Borrowing Committee under the Chairmanship of Mr. H P Singh. Other member of the Committee is Mr. Satvinder Singh. The Committee met 55 (Fifty) times in the year. These meetings were held on 24th April, 2014, 21st May, 2014, 22nd May, 2014, 04th June, 2014, 12th June, 2014, 26th June, 2014, 04th July, 2014, 15th July, 2014, 22nd July, 2014, 30th July, 2014, 31st July, 2014, 13th August, 2014, 14th August, 2014, 22nd August, 2014, 29th August, 2014, 08th September, 2014, 16th September, 2014, 17th September, 2014, 18th September, 2014, 19th September, 2014, 24th September, 2014, 26th September, 2014, 27th September, 2014, 29th September, 2014, 17th October, 2014, 31st October, 2014, 04th November, 2014, 17th November, 2014, 19th November, 2014, 21st November, 2014, 24th November, 2014, 29th November, 2014, 01st December, 2014, 02nd December, 2014, 05th December, 2014, 24th December, 2014, 10th January, 2015, 24th January, 2015, 05th February, 2015, 16th February, 2015, 18th February, 2015, 20th February, 2015, 23rd February, 2015, 24th February, 2015, 03rd March, 2015, 05th March, 2015, 11th March, 2015, 16th March, 2015, 18th March, 2015, 20th March, 2015, 24th March, 2015, 25th March, 2015, 28th March, 2015, 30th March, 2015 and 31st March, 2015 and attended by all the members.

BANKING OPERATIONS COMMITTEE

The Company has a Banking Operations Committee under the Chairmanship of Mr. H P Singh. Other member of the Committee is Mr. Satvinder Singh. The Committee met 15 (Fifteen) times in the year. These meetings were held on 11th April, 2014, 25th April, 2014, 24th May, 2014, 19th June, 2014, 14th July, 2014, 05th August, 2014, 27th August, 2014, 15th September, 2014, 11th October, 2014, 13th November, 2014, 10th December, 2014, 24th December, 2014, 15th January, 2015, 06th February, 2015 and 03rd March, 2015 and attended by all the members.

SHARE TRANSFER COMMITTEE

The Company has a Share Transfer Committee under the Chairmanship of Mr. H P Singh and other members of the Committee are Mr. Satvinder Singh and Mr. Rakesh Sachdeva. The Committee met two times in the year. The meeting was held on 10th January, 2015 and 21st January, 2015 and attended by all the members.

COMPENSATION COMMITTEE

The Company has a Compensation Committee comprising of Mr. Rakesh Sachdeva, Mr. Sundeep Kumar Mehta, and Ms. Sangeeta Khorana and Mr. Rakesh Sachdeva is Chairman of the Committee. The Compensation Committee has not met during financial year 2014-15 as there was no agenda.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with section 135 of Companies Act, 2013 and the rules made thereunder the Board has appointed a CSR Committee in its meeting held on 26th May, 2014 with the following members:



Name of Committee Member	Designation
Mr. H P Singh	Executive and Non-Independent Director (Chairman)
Ms. Deepa A. Hingorani	Non Executive and Non-Independent Director (Member)
Mr. Rakesh Sachdeva	Non Executive Independent Director (Member)
Ms. Sangeta Khorana	Non Executive Independent Director (Member)

During last financial year, the Corporate Social Responsibility met on 09th February, 2015.

The Corporate Social Responsibility (CSR) Committee and Board of Directors of the Company vide their meeting dated 09th February, 2015 has approved CSR policy, which indicates the activities to be undertaken by the Company as specified under schedule VII of Companies Act, 2013. The Company has adopted CSR as a strategic tool for sustainable growth. For Company, CSR means not only investment of funds for social activity but also integration of business processes with social processes.

In the aforesaid backdrop, policy on Corporate Social Responsibility of SCNL is broadly framed taking into account the following measures: -

- Welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits.
- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- Protection and safeguard of environment and maintaining ecological balance.

WHISTLE BLOWER POLICY

In terms of Section 177(9) of Companies Act, 2013 read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49(II)(F) of Equity Listing Agreement, the Company has an established mechanism for Directors/Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/employees who avail of the mechanism. The company affirms that no personnel has been denied access to the audit committee. The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e. www.satncreditcare.com.

DISCLOSURES

RELATED PARTY TRANSACTION

There have been no materially significant related party transactions with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding related party transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy. The policy has been uploaded in the website of the Company at www.satncreditcare.com, and the same is annexed to this report as Annexure-2.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met on 8th August, 2014 to review the performance of non-Independent Directors and the Board as a whole and to review the performance of the Chairman of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

Annual General Meetings:

The details of the Annual General Meeting held in the last three years are as follows:

Year	Location	Date	Time	Whether any Special Resolution passed
2011-2012	Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	29th Sept, 2012	10.00 A.M.	No
2012-2013	Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	30th Sept, 2013	10.00 A.M.	Yes
2013-2014	Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	05th Sept, 2014	10.00 A.M.	No

Extraordinary General Meeting during the financial year 2014-15:

Date	Location	Time	Whether any Special Resolution passed
09th Jul, 2014	Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	10.00 A.M.	Yes
13th Mar, 2015	Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	10.00 A.M.	Yes

Postal Ballot:

No Postal Ballot was conducted during the financial year 2014-15.

E-VOTING

The Company had provided e-voting facility to the members of the Company for the Extraordinary General Meeting held on 09th July, 2014 and 13th March, 2015 and for the Annual General Meeting held on 05th September, 2014.

Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of this Annual General Meeting. The instruction(s) for e-voting is provided in the Notice of the Annual General Meeting.

COMPLIANCES:

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

SHAREHOLDERS' COMMUNICATION

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. SCNL's corporate website (www.satincare.com) has required information for the shareholders.

Means of Communication

Quarterly/Half yearly results and other relevant information: The Company's quarterly results are published in 'Money Makers' and 'Dainik Mahalaxmi Bhagyodaya', and are displayed on its website (www.satincare.com). Other relevant information viz., notices, shareholder communications, policies, director's profile, annual report, etc. are displayed on its website (www.satincare.com).



News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges.

Website: The Company's website (www.satincare.com) contains a separate dedicated section 'Investor Zone' where shareholders' information is available.

GENERAL SHAREHOLDER INFORMATION

a) Ensuing Annual General Meeting:

Date and time:	08th July, 2015 at 10.00 A.M.
Venue:	"Tyagi Farms" Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikra Morh, Brijwasan Road, New Delhi – 110 043
Book Closure Date:	02nd July, 2015 to 08th July, 2015 (both days inclusive)
Financial Year:	1st April to 31st March

b) Financial Calendar 2015-2016 (tentative):

First Quarterly results	On or before 14th August, 2015
Second Quarterly results	On or before 15th November, 2015
Third Quarterly results	On or before 15th February, 2016
Fourth Quarterly results	On or before 30th May, 2016

c) Particulars of Dividend for the year ended 31st March, 2015:

For determining the entitlement of the preference shareholders to the final dividend for financial year ended on 31st March, 2015, the register of members and share transfer books of the Company shall remain closed from 02nd July, 2015 to 08th July, 2015 (both days inclusive) (On 12% Cumulative, Rated, Non Participative, Non-Convertible, and Compulsorily Redeemable Preference Shares). Details of dividend on preference shares are provided in Director's Report. Further, as the directors are of the opinion of retaining the profits for the year within the Company, hence have not recommended any dividend on equity shares for the year ended 31st March, 2015.

d) Listing of Shares:

Equity Shares Listed on Stock Exchanges :	The Equity Shares of the Company were listed on - Jaipur Stock Exchange Limited* - Delhi Stock Exchange Limited* - Ludhiana Stock Exchange Limited*
SEBI has withdrawn the recognition of Delhi Stock Exchange (DSE), Ludhiana Stock Exchange (LSE) and Jaipur Stock Exchange (JSE) vide its order dated 19th November, 2014 and 30th December, 2014 and 23rd March, 2015 respectively.	
The Company has already made an application to the BSE Ltd and National Stock Exchange of India Limited for the listing of Equity Shares. Further Company has also made application to the Calcutta Stock Exchange Limited for the listing of Equity Shares on 01st April, 2015. The Calcutta Stock Exchange Limited vide its letter dated 18th May, 2015 granted the listing permission effective from 19th May, 2015.	
Annual Listing Fees: Duly paid to all Stock Exchanges where Shares and Debentures of the Company are listed.	
Stock Code:	
(a) Trading Symbol	: 119590 at Delhi Stock Exchange Limited, Delhi : 956 at Jaipur Stock Exchange Limited, Jaipur : SLFL at Ludhiana Stock Exchange Limited, Ludhiana
The Company has applied for trading approval from Calcutta Stock Exchange and application for listing of Equity Shares with BSE Ltd and National Stock Exchange is under process.	

(b) Demat ISIN Number in NSDL & CDSL:

For Equity Shares -	INE 836B01017			
For 12% Cumulative, Rated, Non Participative, Non-Convertible and Compulsorily Redeemable Preference Shares	INE836B04011			
For Non- Convertible Debentures (NCD)	SL No.	ISIN	No. of Debentures	Amount
	1	INE836B08038	130	13,00,00,000
	2	INE836B08020	150	15,00,00,000
	3	INE836B07147	140	14,00,00,000
	4	INE836B07121	150	15,00,00,000
	5	INE836B07113	200	20,00,00,000
	6	INE836B07105	89	8,90,00,000
	7	INE836B07097	200	50,00,00,000
	8	INE836B08012	84	21,00,00,000
	9	INE836B07139	515	51,50,00,000
	10	INE836B07089	124	31,00,00,000
	11	INE836B07071	72	18,00,00,000
	12	INE836B07055	250	25,00,00,000
	13	INE836B07048	75	18,75,00,000

e) Stock Market Data:

Month	The Stock Exchange Delhi		The Stock Exchange Jaipur		The Stock Exchange Ludhiana	
	High	Low	High	Low	High	Low
APR 2014	*****NOT TRADED DURING THE YEAR****					
MAY 2014						
JUN 2014						
JUL 2014						
AUG 2014						
SEP 2014						
OCT 2014						
NOV 2014						
DEC 2014						
JAN 2015						
FEB 2015						
MAR 2015						

f) Shareholding Pattern as on 31st March, 2015:

(Category)	(%)
Promoters	33.48%
Financial Institution/Bank/Mutual fund	0.00%
NRI/OCBs	0.17%
Bodies Corporate	
Domestic	11.30%
Foreign	48.19%
Others	6.86%
Total	100.00%

- g) Dematerialization of Shares:** 97.02% of the Equity Shares have been dematerialized up to 31st March, 2015. Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f 28th April, 2001 as per notification issued by the Securities and Exchange Board of India.

h) Distribution of Shareholding as on 31st March, 2015:

Sl. No.	Shareholding of Shares			Shareholder	Percentage of Total	Total Shares	Percentage of Total
1	1	to	500	523	62.71	1,38,835	0.54
2	501	to	1000	125	14.99	1,09,180	0.42
3	1001	to	2000	46	5.52	69,814	0.27
4	2001	to	3000	24	2.88	61,866	0.24
5	3001	to	4000	16	1.92	56,666	0.22
6	4001	to	5000	17	2.04	78,600	0.30
7	5001	to	10000	20	2.39	1,53,111	0.59
8	10001	and	Above	63	7.55	2,51,83,289	97.42
Total				834	100.00	2,58,51,361	100.00

i) Disclosures under clause 49 of listing agreement:

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement entered into with the Delhi Stock Exchange Limited, Ludhiana Stock Exchange Limited and Jaipur Stock Exchange Limited as at 31st March, 2015.

j) Registrar and Share Transfer Agents:

Sl. No.	Name of Security	Registrar and Transfer Agents
1.	Equity Shares & 12% Cumulative, Rated, Non Participative, Non-Convertible, and Compulsorily Redeemable Preference Shares (Share Transfer and communication and change of address)	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028
2.	Non-Convertible Debentures	Karvy Computershare Pvt. Ltd. 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500034

All matters connected with share/Non-Convertible debenture transfer, transmission, dividend/interest payment is handled by the Registrar and Transfer agent. Transfers are processed within 15 days of lodgement.

k) Transfer of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF):

No amount of unclaimed dividend is due for transfer to Investor Education and Protection Fund.

l) Request to Investors:

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company.

- Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form, should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in prescribed form. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants. This would avoid wrong credit being obtained by unauthorized persons.

m) Reconciliation of Share Capital Audit:

A quarterly audit was conducted by a practising Chartered Accountant, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit.

n) Information to Shareholders:

A brief resume of the directors appointed/reappointed together with the nature of their experience and details of the other directorships held by them is annexed to the Notice convening the Annual General Meeting.

- o) Any query on Annual Report :** Satin Creditcare Network Ltd.
5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi -1 10033

p) Compliance Certificate by Auditor:

The Company has obtained a certificate from statutory Auditor regarding compliance of conditions of corporate governance as stipulated in clause 49 of the listing agreement executed with stock exchanges, which is annexed herewith.

q) CEO/CFO certification:

The requisite certification from the Chairman cum Managing Director and Chief Financial Officer for the Financial Year 2014-15 required to be given under Clause 49(X) of the Listing Agreement was placed before the Board of Directors of the company at its meeting held on 25th May, 2015.

DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER CLAUSE 49(II) OF THE EQUITY LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended 31st March, 2015.

Place: Delhi
Dated: 25th May, 2015

H P Singh
(Chairman cum Managing Director)

Annexures To Corporate Governance Report

Annexure-1

POLICY ON NOMINATION & REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) & SENIOR MANAGEMENT AND OTHER EMPLOYEES:

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of Section 178 of the Companies Act, 2013 and the listing agreement as amended from time to time and Rules/Regulations/Guidelines/Notifications issued by Securities and Exchange Board of India (SEBI) from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

Applicability:

The Policy shall be applicable to:

- Directors (Executive and Non-Executive);
- Key Managerial Personnel (KMP)*, which means all personnel as defined under Section 2(51) of the Companies Act, 2013 or as defined under any other applicable laws as amended from time to time;
- Senior Management*, which means personnel of the Company who are members of its core management team excluding Board of Directors. This would also include all members of management one level below the executive directors including all functional heads, for the purpose of Clause 49 of the listing agreement;
- Other Employees* of the Company.

Effective date for Implementation of the policy:

The policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 09th February, 2015. This policy shall be effective from Financial Year 2014-15.

Nomination and Remuneration Committee:

In terms of Section 178 of the Companies Act, 2013 and the listing agreement as amended from time to time, the Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee. The Committee will meet at such intervals as deems fit to carry out the objectives set out in the Policy.

Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

Objectives and Functions of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- Ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors and size of the Board and its diversity;
- Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability and ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and other employees of the company and reviewing its effectiveness;
- Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI guidelines
- Decide / approve details of fixed components and performance linked incentives (if any) along with the performance criteria;

- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their Service contract;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board;
- Considering any other matters as may be requested by the Board; and to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;
- To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To devise a policy on Board diversity;
- To develop a succession plan for the Board and to regularly review the plan;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the Remuneration of Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Director and the Board;
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To implement and monitor policies and processes regarding principles of corporate governance.

Policy for appointment and removal of Director, KMP and Senior Management:

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
3. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
4. The Company should ensure that the person so appointed as Director/Independent Director/KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
5. The Director/Independent Director/KMP/Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

Personal Specification for Directors: The Company shall ensure that selection criteria for inducting any person on Board of the Company as approved by Board in its meeting held on 09.08.2013. The following additional specification shall be required:

1. **Qualification** : Degree holder in relevant disciplines (e.g. management, accountancy, legal)

2. **Experience** : Experience of management in a diverse organisation
Experience in accounting and finance, administration, corporate and strategic planning or fund management
Demonstrable ability to work effectively with a Board of Directors
3. **Skills** : Excellent interpersonal, communication and representational skills
Demonstrable leadership skills
Extensive team building and management skills
Strong influencing and negotiating skills
Having continuous professional development to refresh knowledge and skills
4. **Abilities and Attributes** : Commitment to high standards of ethics, personal integrity and probity
Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace
5. **Political inclinations and opinions.**

Policy for Board Diversity:

PREAMBLE

Therequirement for Board Diversity Policy came under clause 49 of Listing Agreement which is enumerated as under;

Clause 49(IV) (B): The role of the committee shall, inter-alia, include the following:

- Devising a policy on Board diversity;

To build a balanced structure of Board in terms of experience, education, gender, competency and approach to ensure that neither the office (Board) should not be influenced by gender biasness nor give an impression of relativity which may influence the chair and in terms of applicable provisions of the Companies Act, 2013, if any, there should be an optimum combination of directors on the Board.

The Board Diversity Policy (the "Policy") aims to set out the approach to achieve diversity on the Board of Directors (the "Board") of the Company.

Building a Board of diverse and inclusive culture is integral to the success of Satin Creditcare Network Limited (hereinafter referred to as "Company"). Ethnicity, age, Education, Competency and gender diversity are areas of strategic focus to the composition of our Board.

NEED & OBJECTIVE OF THE POLICY

Diversity in Board is needed for better Growth, profitability and to have a say for the Company on Social Platform. The prime and utmost objective of this policy is to set a diversely qualified Board for the Company to function smoothly, variedly and to work on every aspect of the business agenda(s).

The Company has a huge client/customer base from various states of India and draws on employee expertise from a wide range of professional disciplines linked primarily to the management demands, it is recognised that a Board composed of appropriately qualified people with a broad range of experience relevant to the business and important to the effective corporate governance and sustained commercial success of the Company. The Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

SELECTION OF MEMBERS OF BOARD

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination and Remuneration Committee shall identify persons who are eligible and qualified to become Directors in accordance with the criteria as per policy of nomination & remuneration committee of the Board of Director & shall recommend the same to the Board for their consideration and shall carry out evaluation of every director's performance. The aforesaid committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and shall ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors and size of the Board and its diversity.

OBSERVANCE AND REPORTING

- A. It is sole responsibility of The Nomination and Remuneration Committee (among other things) to:
- Assess the present composition of the Board in light of the aight diverse skill factors.
 - Ensure that in terms of Sub section 1 of section 149 of Companies Act 2013, one woman director must be appointed on the Board of every Listed Company and every other public Company having paid up capital of Rs. One Hundred Crores or more or turnover of Rs. Three Hundred Crore and more.
 - To prepare a requisition required for having a proper blend of directors in terms of diverse skills i.e. in terms of gender, age, cultural, educational background, ethnicity, professional experience etc.
 - Making recommendations to the Board in relation to Board succession, including the succession of the Chairman, to maintain an appropriate mix of diversity in terms of gender, age, cultural, educational background, ethnicity, professional experience etc. on the Board; and
 - Reviewing and reporting to the Board in relation to Board Diversity.
- B. The Nomination and Remuneration Committee will report to the Board on:
- The programme undertaken by this Committee pertaining to have a proper blend of Board of Director in terms of its diverse skills and to achieve the objectives.
 - Progress in achieving the Objectives and to make recommendations to the Board on the same.
- C. The Nomination and Remuneration Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of the Policy.

Additional Criteria for Appointment of Independent Directors:

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and Companies Act, 2013.

Familiarization programme for Independent Director [FPID]:

In pursuance to consider framework to ensure that Independent Directors are inducted through suitable familiarization process covering their roles, responsibility and liability, the Satin Creditcare Network Limited (hereinafter referred to as "Company") has adopted a structural approach towards Orientation & Training Programme for Independent Director(s) to get informed about nature of industry in which the Company operates, business model of the Company etc..

Further, Clause 49(II)(B)(7) of the Equity Listing Agreement, require every listed Company to have such a familiarization/induction programme and specifies as under;

- a) The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes;
- b) The details of such familiarization programmes shall be disclosed on the Company's website and a web link thereto shall be given in the Annual Report;

The programme will be based on the following modules and will be restructured as and when necessary. Familiarization programme will be conducted upon appointment of every Independent Director, during the year.

Particulars	Modules required to be Inducted with Independent Director	Time specified for Inducting	Authority responsible for Induction
ORIENTATION PROGRAMME	Nature of Industry and overview of business (business model) as a whole in which the Company operates. I.e. the whole gamut of Industry in light of economic legislations & enactments	Half Day	C.M.D./C.F.O.
	Financial Performance, Budgeting, Planning & control processes.	Half Day	C.F.O.
	Familiarisation on Statutory compliances including their roles, rights and responsibilities in the Company as a Board Member covering Companies Act, 2013 and Equity Listing Agreement.	Half Day	CS
	Operations overview in light of different product portfolio and visit to various branch/operation offices.	One Day and more as required	C.O.O.
	Induction with and into various branches pertaining to the risk factors associated.		Head-Audit & Risk
	Overview of Human resources, MIS system (IT) and Social performance management including Corporate Social Responsibility	One Day	HODs of Functional Departments

DISCLOSURE OF FPID:

As and when familiarization programme is conducted, the same will be disclosed on the website of the Company. A web link of the disclosure shall also be given in the Annual Report of the Company.

Term/Tenure of Appointment:

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time or for such other time period which is permissible under applicable laws.

- b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Companies Act 1956/2013 and equity listing agreement.

Removal & Retirement:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for remuneration to Whole-time/Executive/Non-executive/Managing Director, KMP, Senior Management and other employees of the Company:

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

a) Fixed pay:

The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive/Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013, Rules/Guidelines/Notifications as prescribed by Securities and Exchange Board of India from time to time.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Performance evaluation/Assessment of Directors/KMPs/Senior Officials of the Company:

The performance evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement. The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- ✓ Leadership & stewardship abilities
- ✓ contributing to clearly define corporate objectives & plans
- ✓ Communication of expectations & concerns clearly with subordinates
- ✓ Obtain adequate, relevant & timely information from external sources.
- ✓ review & approval achievement of strategic and operational plans, objectives, budgets

- ✓ regular monitoring of corporate results against projections
- ✓ identify, monitor & mitigate significant corporate risks
- ✓ assess policies, structures & procedures
- ✓ direct, monitor & evaluate KMPs, senior officials
- ✓ review management's succession plan
- ✓ effective meetings
- ✓ assuring appropriate board size, composition, independence, structure
- ✓ clearly defining roles & monitoring activities of committees
- ✓ review of corporation's ethical conduct

Review and Amendment

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

RELATED PARTY TRANSACTION POLICY:

PREAMBLE

Related Party Transaction Policy is adopted by the Board of Directors of Satin Creditcare Network Limited (hereinafter referred to as "Company or SCNL") pursuant to the compliances under the provisions of the Companies Act, 2013 and Clause 49(VII) of the Equity Listing Agreement;

Clause 49(VII) of equity listing agreement prescribes that:

- A. Related party "transaction" is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

Explanation: A "transaction" shall be construed to include single transaction or a group of transactions in a contract

- B. For the purpose of Clause 49 (VII), an entity shall be considered as related to the Company if:

- (i) Such entity is a related party under Section 2(76) of the Companies Act, 2013; or
(ii) Such entity is a related party under the applicable accounting standards.

- C. The company shall formulate a policy on materiality of related party transactions and also on dealing with Related Party Transactions.

Company Act, 2013 also specifies that (pursuant to section 188 read with Rule 15 of The Companies (Meetings of Board and its Powers), Rules, 2014) subject to a resolution passed by Board at a meeting of the Board of Directors and subject to such conditions as may be prescribed, no Company shall enter into any contract or arrangement with related party.

Further, Related Party Transaction are part of Strategic matters as ascribed under Article 124A of Articles of Association of the Company which are required to be approved in terms of requirement as provided under Article 124A of Articles of Association of the Company and as per other provisions of applicable laws. SCNL recognises that certain relationships can present potential or actual conflicts of interest and may raise questions about whether transactions associated with such relationships are consistent with Company's and its Stakeholders' best interest.

The Company must specifically ensure that certain Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements to which the Company is subject.

The Audit Committee will review and may amend this policy from time to time.

DEFINITIONS

Audit Committee or Committee means Committee of Board of Directors of the Company constituted under provisions of equity listing agreement and Companies Act, 2013.

Arm's length transaction means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. (Section 188 of Companies Act, 2013)

Associate company in relation to another company, means a company in which that other company has a significant influence but which is not a subsidiary company of the company having such influence and includes a joint venture company. (Section 2(6) of Companies Act, 2013)

Explanation: For the purposes of this definition, 'Significant Influence' means control of at least 20% of the total share capital, or of business decisions under an agreement.

Board means Board of Directors of the Company.

Chief Executive Officer means an officer of a company, who has been designated, if any, as such by it.

Chief Financial Officer means a person appointed as Chief Financial Officer of the company.

Interested Director means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals, in which he or any of his relatives is a partner, director or a member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company.

Key Managerial Personnel means key managerial personnel as defined under the Companies Act, 2013 and includes;

1. Managing Director, or Chief Executive Officer or manager and in their absence, a whole-time director;
2. Company Secretary; and
3. Chief Financial Officer

Material Related Party Transaction means a transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the Company.

Policy means Related Party Transaction Policy for Satin Creditcare Network Limited.

Related Party means related party as defined in Clause 49 of the Listing Agreement which is as follows:
An entity shall be considered as related to the Company if:

- (i) Such entity is a related party under Section 2(76) of the Companies Act, 2013;
- (ii) Such entity is a related party under the applicable accounting standards.

Relative, with reference to any person, means anyone who is related to another, if –

- They are members of a Hindu Undivided Family;
- They are husband and wife; or
- One person is related to the other in such manner as may be prescribed

Rule 4 of the Definition Rules have prescribed the following persons who shall be deemed to be the relative of another, if he or she is related to another in the following manner;

Father including step-father;
Mother including step-mother;
Son including step-son;
Son's wife;
Daughter;
Daughter's husband;
Brother including step brother;
Sister including step-sister

Related Party Transaction means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

Explanation: A "transaction" with a Related Party shall be construed to include single transaction or a group of transactions in a contract.

IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

All related party shall inform one month or such other shorter period as may be allowed and considered by Audit Committee on case to case basis before entering into any related party transaction(s) to the Company. It is the duty of every Director and Key Managerial Personnel of SCNL to provide with notice in advance of every Related Party Transaction when entered involving him or her or his/her relative to Audit Committee through the Company Secretary, including any additional information about the transaction that the Audit Committee may reasonably request. Audit Committee will determine whether the transaction constitute a related party transaction or not.

PROHIBITIONS & APPROVAL RELATED TO RELATED PARTY TRANSACTIONS

All Related Party Transactions shall require prior approval of the Audit Committee. However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.



To review the transactions, the audit committee shall be provided with the necessary information to the extent relevant.

It is further provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to the limit as prescribed under equity listing agreement or any other applicable from time to time.

Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year or shall be valid for such other period as may be prescribed under any other applicable laws from time to time.

The committee shall review the details of related party transactions entered vide omnibus approval on quarterly basis.

Further, all Material Related Party Transactions shall require approval of the shareholders through special resolution and all entities falling under the definition of Related Parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

All Related Party Transactions shall be referred to the next scheduled meeting of Audit Committee for review and approval. Any member of the Audit Committee who has a potential interest in any Related Party Transaction will abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters.

Further the committee shall take into consideration the following factors for approving Related Party Transactions:

- Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company.
- Whether the Related Party Transaction would affect the independence of an independent director.
- Whether the proposed transaction includes any potential reputational risk
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction.
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought.

BOARD'S APPROVAL

If audit committee is of the view that a related party transaction should be placed mandatorily under any law, before the Board of Directors of the Company for its approval, and/or the Board suo moto decided to review or to approve any related party transaction, such transaction has to be placed before the Board accordingly for its reviewing and approval and the considerations set forth above, with such modification as may be necessary or appropriate under the circumstances.

Further, all Related Party Transaction are part of Strategic matters as ascribed under Article 124A of Articles of Association of the Company. And such Related Party Transactions are required to be approved in terms of requirement as provided under Article 124A of Articles of Association of the Company and as per other provisions of applicable laws.

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummate, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction.

In any case, where Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, Audit Committee has authority to modify or waive any procedural requirements of this Policy.

DISCLOSURE

Details of all material Related Party Transactions with related parties shall be disclosed to Stock Exchange on regular basis as prescribed under applicable laws, along with the compliance report on corporate governance.

The company shall disclose the policy on dealing with Related Party Transactions on its website and a web link thereto shall be provided in the Annual Report.

AMENDMENT

Board has the power and authority to amend and modify the Related Party Transaction Policy in light of modifications and amendments in Equity Listing Agreement and Company Act, 2013 or otherwise.



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
FOR THE YEAR ENDING 31ST MARCH'2015 UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

To,
**The Members of
Satin Creditcare Network Limited.
Delhi**

We have examined the compliance of Corporate Governance procedures by Satin Creditcare Network Limited for the year ended 31st March 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreement with the Stock Exchange have been complied with in all material respect by the Company.

As required by the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that the Registrar and Transfer agent of the company have certified as on 31st March 2015, there were no investor grievances pending for a period exceeding one month and as explained to us by the management, the Registrar and Transfer agent have reported to the Shareholders/Investors' Grievances Committee regularly on the status of such grievances.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A. K. Gangaher & Co.
Chartered Accountants

A. K. Gangaher
Proprietor
Membership No.083674
Firm ICAI Registration no.004588N

Place: Delhi
Dated: 25th May, 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
SATIN CREDIT CARE NETWORK LIMITED,

1. Report on the Financial Statements

We have audited the accompanying financial statements of Satin Creditcare Network Limited ('the Company') which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March 2015, its profit and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

B. As required by Section 143(3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- (c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow statement comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.
- (e) On the basis of written representations received from the Director as on 31st March 2015 and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March 2015, from being appointed as a director in terms of section 164(2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the financial position of the company.
 - ii. The company did not have any outstanding long term contracts including derivative contracts as at 31st March 2015 for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A. K. Gangaher & Co.
Chartered Accountants

A.K. Gangaher
Proprietor.
Membership No. 083674.
Firm ICAI Registration No. 004588N

Place : Delhi
Dated : 25th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date,

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets acquired on amalgamation of Satin Intellicomm Limited with the company with the appointed date of 1.4.2006 and the effective date as on 3.12.2007 are still in the name of the erstwhile company Satin Intellicomm Limited. The process of transfer of these assets in the name of the company is under process.
- (b) The fixed assets were physically verified during the year by the management in a phased periodic manner in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) The Company's business does not involve inventories and, accordingly the requirements of paragraph 4(ii) of the Order are not applicable to the Company and hence not commented for.
- (iii) According to the information and explanations given to us, the company has not granted any loans to company, firm or other party listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(ii)(a)(b) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and for sale of services. The activities of the company do not involve purchase of inventory and sale of goods. During the course of our audit, we have not observed any continuing failure to correct any major weakness in internal control system of the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. The company is a 'Non Banking Financial Company-Micro Finance Institutions' (NBFC- MFIs)
- (vi) The Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the services rendered by the company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, wealth tax, service tax, value added tax, customs duty, excise duty and cess were in arrears as at 31.03.2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of value added tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute. However, according to information and explanation, the following Dues of Income tax which have not been deposited as on 31st March 2015 on account of dispute is given below

Name of Statute	Nature of Dues	Amount(Rs.in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	2.47	2011	Commissioner of Income tax-(Appeals)

- (d) According to the information and explanation given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules made thereunder.

- (viii) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the company has not given guarantees for loan taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans (both secured and unsecured) availed by the company were, prima facie, applied by the company during the year for the purposes for which they were obtained, other than temporary deployment in liquid assets payable on demand, pending final utilization.
- (xii) According to the information and explanations given to us, no fraud by the company and no material fraud on the company was noticed or reported during the year, although there have been few instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentation by the borrowers, the amounts whereof are not material in the context of the size of the company and the nature of its business and which have not been provided for.

For A. K. Gangaher & Co.
Chartered Accountants

A. K. Gangaher
Proprietor
Membership No. 083674
Firm ICAI Registration no. 004588N

Place: Delhi
Dated: 25th May, 2015

Balance Sheet as at 31st March 2015

Particulars	Note No.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	313,756,350.00	286,921,010.00
(b) Reserves and Surplus	4	1,681,091,457.27	1,157,481,081.06
Sub-Total Shareholders' Funds		1,994,847,807.27	1,444,402,091.06
(2) Non-Current Liabilities			
(a) Long Term Borrowings	5	8,117,045,933.05	3,288,153,110.07
(b) Long Term Provisions	6	14,046,318.00	2,603,506.00
Sub-Total Non-Current Liabilities		8,131,092,251.05	3,290,756,616.07
(3) Current Liabilities			
(a) Short Term Borrowings	7	323,614,032.01	172,906,463.56
(b) Other Current Liabilities	8	9,500,910,491.10	6,228,451,742.80
(c) Short Term Provisions	9	156,685,057.63	80,018,879.83
Sub-Total Current Liabilities		9,981,209,580.74	6,481,377,086.19
TOTAL EQUITY & LIABILITIES		20,107,149,639.06	11,216,535,793.32
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	55,097,751.37	52,556,396.92
(ii) Intangible Assets	11	5,522,659.40	1,654,113.00
(iii) Capital Work-In-Progress	12	83,579,278.00	65,656,343.00
(b) Non-Current Investments	13	550,591.33	550,591.33
(c) Deferred Tax Assets (Net)	14	53,329,587.78	24,531,611.62
(d) Long Term Loans & Advances	15	58,446,467.26	15,868,341.83
(e) Other Non - Current Assets	16	1,101,572,836.00	720,195,695.60
Sub-Total Non-Current Assets		1,358,099,171.14	881,013,093.30
(2) Current Assets			
(a) Trade Receivables under Loan Contracts	17	14,644,772,022.26	7,848,302,282.77
(b) Cash & Cash Equivalents	18	3,486,763,662.56	2,152,227,472.02
(c) Short Term Loans and Advances	19	70,701,191.32	41,072,465.75
(d) Other Current Assets	20	546,813,591.78	293,920,479.48
Sub-Total Current Assets		18,749,050,467.92	10,335,522,700.02
TOTAL ASSETS		20,107,149,639.06	11,216,535,793.32

Note No. 1 to 26 form an integral part of the Accounts

As per our report of even date annexed
For A.K. Gangahar & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K. Gangahar
Proprietor
M. No.083674
Firm ICAI Reg. No. 004588N

H P Singh
(Chairman cum Managing Director)

Satvinder Singh
(Director)

Place: Delhi
Dated: 25th May, 2015

Jugal Kataria
(Chief Financial Officer)

Choudhary Runveer Krishan an
(Company Secretary & Compliance Officer)



Statement of Profit & Loss for the year ended 31st March 2015

Particulars	Note No.	Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
I. Income			
1. Revenue From Operations	21	3,218,952,808.41	1,905,483,750.23
2. Other Income	22	22,604,103.36	11,065,473.19
Total		3,241,556,911.77	1,916,549,223.42
II. Expenses			
1. Finance Cost	23	1,774,895,687.91	1,060,766,441.78
2. Employee Benefit Expenses	24	391,982,040.64	235,521,530.47
3. Other Expenses	25	588,495,877.63	378,986,716.78
4. Depreciation and amortization expenses	10,11&12	19,581,492.00	7,146,960.00
Total		2,774,955,098.18	1,682,421,649.03
Profit Before Exceptional, Corporate Social Responsibility Expense, Extraordinary Items And Tax		466,601,813.59	234,127,574.39
Exceptional Items		-	-
Profit Before Extraordinary Items, Corporate Social Responsibility Expense And Tax		466,601,813.59	234,127,574.39
Corporate Social Responsibility Expense		2,064,260.00	-
Extraordinary Items		-	-
Profit Before Tax		464,537,553.59	234,127,574.39
Tax Expense:			
(1) Less : Current Tax		176,000,940.00	96,322,860.00
(2) Add/(Less) : Tax Related To Earlier Years		253,370.00	(50,495.00)
(3) Add/(Less) : Deferred Tax		28,369,289.14	17,822,434.84
Profit After Tax For The Year From Continuing Operations		317,159,272.73	155,576,654.23

Earning per share (Par Value Rs. 10/- each)

Basic	12.17	6.83
Diluted	11.93	6.67

Note No. 1 to 26 form an integral part of the Accounts

As per our report of even date annexed

For A.K. Gangaher & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K. Gangaher
Proprietor
M.No.083674
Firm ICAI Reg.No. 004588N

H P Singh
(Chairman cum Managing Director)

Satvinder Singh
(Director)

Place : Delhi
Dated : 25th May, 2015

Jugal Kataria
(Chief Financial Officer)

Choudhary Runveer Krishnan
(Company Secretary & Compliance Officer)



Cash Flow Statement for the year ended 31st March 2015

Particulars	Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Finance Cost, Tax and Extra-Ordinary Items	2,239,433,241.50	1,294,894,016.17
Adjustment for		
Depreciation	19,581,492.00	7,146,960.00
Operating Profit before Working Capital Changes	2,259,014,733.50	1,302,040,976.17
(Increase)/Decrease in Long Term Loans & Advances	(42,578,125.43)	(15,240,042.83)
(Increase)/Decrease in Trade Receivables under Loan Contracts	(6,796,469,739.49)	(3,315,720,901.04)
(Increase)/Decrease in Short Term Loans and Advances	(29,628,725.57)	(35,686,147.40)
(Increase)/Decrease in Other Current Assets	(252,893,112.30)	(181,730,638.33)
Increase/(Decrease) in Long Term Provisions	11,442,812.00	(199,379.00)
Increase/(Decrease) in Short Term Provisions	76,666,177.80	67,616,335.57
Increase/(Decrease) in Other Current Liabilities	3,272,458,748.30	2,892,172,614.38
Cash Generated from Operations	(1,501,987,231.19)	713,252,817.72
Finance Cost	(1,774,895,687.91)	(1,060,766,441.78)
Tax Expense	(175,747,570.00)	(96,373,355.00)
Net Cash from Operating Activities	(3,452,630,489.10)	(443,886,979.06)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) (Net) of Fixed Assets	(44,343,014.87)	(43,990,757.27)
Sale/(Purchase) (Net) of Investments	-	6,300,000.00
Net Cash used in Investing Activities	(44,343,014.87)	(37,690,757.27)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of Share Capital (Net)	233,286,443.48	52,317,399.00
Proceeds from Short Term Borrowings (Net)	150,707,568.45	88,742,241.72
Proceeds from Long Term Borrowings (Net)	4,828,892,822.98	508,422,985.74
Net Cash used in Financing Activities	5,212,886,834.91	649,482,626.46
Net Increase in Cash & Cash Equivalents (A+B+C)	1,715,913,330.94	167,904,890.13
Cash and Cash Equivalents as on 01.04.2014	2,872,423,167.62	2,704,518,277.49
Cash and Cash Equivalents as on 31.03.2015	4,588,336,498.56	2,872,423,167.62

Contd...

Cash & Cash Equivalents comprises off

Particulars	Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
Cash and Cash Equivalents:		
Cash on Hand	112,113,150.48	82,221,729.71
Balance with banks in current accounts	1,551,973,699.11	861,981,455.83
Term deposits for remaining maturity of 3 months or less	255,833,290.60	233,935,991.00
	1,919,920,140.19	1,178,139,176.54
Other Bank Balances:		
Term deposits for remaining maturity of more than 3 months and upto 1 year	1,566,843,522.37	974,088,295.48
Other Non-Current Assets:		
Long term deposits having remaining maturity of more than 1 year	1,101,572,836.00	720,195,695.60
Total	4,588,336,498.56	2,872,423,167.62

Refer Note No. 18

Note No. 1 to 26 form an integral part of the Cash Flow Statement

As per our report of even date annexed

For **A.K. Gangaher & Co.**

Chartered Accountants

For and on behalf of Board of Directors

A.K. Gangaher

Proprietor

M. No.083674

Firm ICAI Reg. No.004588N

H P Singh
(Chairman cum Managing Director)

Satvinder Singh
(Director)

Place: Delhi

Dated: 25th May, 2015

Jugal Kataria
(Chief Financial Officer)

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

Notes to the Financial Statements

Note No.1 General Information

Satin Creditcare Network Limited ("The Company") is a public limited company and incorporated under the provision of the Companies Act, 1956. The Company is a non deposit accepting micro finance non banking financial company, registered as NBFC-MFI with The Reserve Bank of India ("RBI"). The Company is engaged in the micro-finance activities.

Note No.2 Significant Accounting Policies

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the applicable accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provision of the Companies Act, 2013 as applicable and the guidelines issued by the Reserve Bank of India. Accounting policies have been consistently applied except where a newly issued accounting standard or a guideline is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

2. USE OF ESTIMATES

The preparation of financial statements is in conformity with the Indian Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Changes in estimates are reflected in the financial statements in which changes are made and their effects disclosed in the notes to the financial statements.

3. TANGIBLE ASSETS

All Tangible assets owned by the Company are stated at historic cost less accumulated depreciation. Tangible assets acquired on account of amalgamation are stated at the acquisition value agreed in the amalgamation agreement. Capital work in progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not ready for their intended use as at the Balance sheet date.

4. INTANGIBLE ASSETS

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated depreciation and impairments. Computer software cost are capitalized and amortised as prescribed in Schedule II of Companies Act 2013.

5. DEPRECIATION

Depreciation on tangible assets is provided on the Written-down method over the useful lives of assets estimated by the Management. Depreciation for assets purchased/sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a written-down basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for the other fixed assets as follows:

Building	60 years
Plant & Machinery	5-15 years
Office Equipment	5 years
Computer Equipment	3-6 years
Furniture & Fixture	10 years
Vehicles	8-10 years

The useful lives of the assets has been based on the Part C of the Schedule II of the Companies Act, 2013. Depreciation and amortisation methods, useful lives and residual values are reviewed at each financial year end.



6. INVESTMENTS

- (i) Investments that are readily realizable and are intended to be held for not more than one year from the date, on which these investments are made, are classified as current investments. All other investments are classified as Long term investments.
- (ii) The Company values its Investments based on the accounting standard issued by the Institute of Chartered Accountants of India as under:
 - a. Investment held as long-term investments is valued at cost. Provision for diminution in value is not made unless there is a permanent fall in their net realizable value.
 - b. Current investments are valued at lower of cost or net realizable value.

7. CURRENT ASSETS

A. Trade Receivables:

Loan portfolio comprises of Trade receivables under finance contracts with the borrowers as on the Balance Sheet date.

B. Cash and Cash Equivalents:

Cash and cash equivalents for the purposes of Cash Flow Statement comprises cash on hand, demand deposits with banks and other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

8. REVENUE RECOGNITION

- (i) The Reserve Bank of India's prudential norms on income recognition and provisioning for bad and doubtful debts has been followed.
- (ii) Subject to the above, specific incomes have been accounted for as under:
 - a. Interest income on loans is recognized under the internal rate of return method on accrual basis except in case of non-performing assets where it is recognized upon realization as per RBI norms.
 - b. Interest income on deposits with bank is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
 - c. Loan processing fee is recognized as income on accrual basis.
 - d. Profit on securitization of loan portfolio through bankruptcy remote Special Purpose Vehicle (SPV) is recognized over the residual life of the securitization transaction in terms of RBI Guidelines. Profit on sale of loan assets through direct assignment, without any recourse obligation or otherwise is amortized over the residual life of the loan. Net loss, if any, arising on account of securitization and direct assignment of loan assets is recognized immediately at time of sale.
 - e. **Miscellaneous Income:** Any other Income is accounted for as and when accrued.

9. ASSET CLASSIFICATION AND PROVISIONING NORMS

The Company being a NBFC-MFI adopts the following norms based on the guidelines/instructions issued by the Reserve Bank of India:-

Asset Classification Norms:-

- (i) Standard asset means the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business;
- (ii) Non Performing asset means an asset for which, interest/principal payment has remained overdue for a period of 90 days or more.

Provisioning Norms:-

The aggregate loan provision is maintained by the Company at any point of time shall not be less than the higher of:-

- a) 1% of the outstanding loan portfolio, or
- b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.

10. BORROWING COSTS

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

Borrowing costs consist of interest and other borrowing costs that the Company incurred in connection with borrowing of the funds. Interest cost is expensed off on the accrual basis. Other Incidental Borrowing Costs namely Processing Fee, Due Diligence charges and Stamp duty charges are amortized over the period of the loan. All other borrowing costs other than mentioned above are expensed in the period they are incurred. In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

11. FOREIGN CURRENCY

Transactions in foreign currency are recorded at the rates of exchange prevalent on the date of transaction. Exchange difference, if any, arising from foreign currency transaction are dealt in the Statement of Profit & Loss at year end rates. Monetary items (Payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each Balance Sheet date.

12. SHARE /DEBENTURE ISSUE EXPENSES

All expenses pertaining to issue of share capital (both equity and preference share capital) and Debentures are adjusted /written off with Securities premium Reserve Account, if any, after the date of allotment as per the provisions of the Companies Act, 2013.

13. PROVISIONS AND CONTINGENT LIABILITIES

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value. Further the company being a NBFC-MFI also complies with the guidelines issued by the Reserve Bank of India regarding the various provisioning norms.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that the outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

14. EMPLOYEES RETIREMENT BENEFITS

Employee benefits includes provident fund, employee state insurance scheme, gratuity fund and compensated absences.

- a) **Short-term employee benefits** including Salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an un-discounted basis.
- b) **Defined Contribution Plan**

Company's contribution paid/payable during the year to Provident Fund, Pension fund and employee state insurance scheme are recognized in the statement of Profit and Loss based on amount of contribution required to be made and when services are rendered by the employees.



c) Defined Benefit Plan

Liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, are determined by actuarial valuation on Projected Unit Credit Method made at the end of each Balance Sheet date, provision for liabilities pending remittance to the fund is carried in the Balance Sheet.

d) Long term employee benefits

Liability for compensated absences is provided based on actuarial valuation carried out at the end of the financial period using projected unit Credit Method and is not funded. Past services cost is recognized immediately to the extent that the benefits are already used and otherwise is amortized on straight line base over the average period unit the benefits become vested. The retirement benefits obligation recognized in the balance sheet represents the present value of the defined benefits obligation as adjusted for unrecognized past service cost, as redeemed by the fair value of scheme assets.

Compensated absences which are not expected to occur within 12 months after the end of period in which the employee rendered the related services are recognized as a liability at the present value of the defined benefits obligation as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the statement of Profit and Loss as income or expense in the period in which they occur. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds.

15. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which the asset is identified as impaired. The Impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16. TAXATION

Tax expense for the period, comprising of current tax and deferred tax are included in the determination of the net profit or loss for the period.

- (i) Current tax expense is made based on the estimated tax liability as per the appropriate provisions of the Income Tax Act, 1961 and considering the previous final assessment orders. The provision for current tax for the year will be net off any provisions related to that year.
- (ii) Excess/short provision of income tax relating to earlier years is disclosed separately in the accounts.
- (iii) Deferred Tax Assets and Liabilities for timing differences between tax profit and book profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on balance sheet date. Deferred Tax Assets are recognized to the extent there is reasonable certainty that these assets can be realized in future. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.
- (iv) Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing the current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

17. EARNING PER SHARE

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value. Dilutive potential equity shares are deemed converted at the beginning of the period, unless issued at a later date. The number of shares and potential dilutive equity shares are adjusted for any stock splits and bonus shares issued effected prior to the approval of the financial statements by the board of directors.

18. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999) as amended from time to time. These schemes provide for grant of options to employees of the Company that vest in a graded manner and that are to be exercised within a specified period. Further, the new guidelines by Securities and Exchange Board of India (SEBI) came into force i.e. SEBI (Share Based Employee Benefit) Regulations, 2014 (new regulation) according to which certain modification were required to be made in the trust deed formulated under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999). As a result of new Regulations coming into effect, the earlier SEBI (Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999) Guidelines have been repealed. With the evolution of new SEBI Law, the existing Employee Welfare Trust need was realigned, so as to abide by the requirements of the new Regulations floated by the Market Regulator. Measurement and disclosure of ESOS is done in accordance with new regulation and guidance note on Accounting for employee share based payments issued by The Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock schemes accordingly as per the guidance note. The compensation expense is recognized over the vesting period of the options on the straight line basis.

19. LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the Lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of lease. The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

20. OPERATING CYCLE

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
3	Share Capital				
	Authorised				
	4,00,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs. 10/- each		400,000,000.00		300,000,000.00
	9,00,00,000 (Previous Year 10,00,00,000) Preference Shares of Rs. 10/- each		900,000,000.00		1,000,000,000.00
			1,300,000,000.00		1,300,000,000.00
	Issued				
	2,91,27,861 (Previous Year 2,58,97,861) Equity Shares of Rs. 10/- each		291,278,610.00		258,978,610.00
	60,00,000 (Previous Year 60,00,000) 12% Cumulative, Rated, Non-Participative, Non-Convertible & Compulsorily Redeemable Preference Shares of Rs. 10/- each		60,000,000.00		60,000,000.00
			351,278,610.00		318,978,610.00
	Subscribed				
	2,58,97,861 (Previous Year 2,32,40,151) Equity Shares of Rs. 10/- each		258,978,610.00		232,401,510.00
	60,00,000 (Previous Year 60,00,000) 12% Cumulative, Rated, Non-Participative, Non-Convertible & Compulsorily Redeemable Preference Shares of Rs. 10/- each		60,000,000.00		60,000,000.00
			318,978,610.00		292,401,510.00
A	Paid-up				
	Equity Share Capital				
	2,58,51,361 (Previous Year 2,31,93,651) Equity Shares of Rs. 10/- each		258,513,610.00		231,936,510.00
	Less:- Amount recoverable from Satin Employees Welfare Trust		(4,991,760.00)		(5,250,000.00)
	(Face value of 4,99,176 (Previous Year 5,25,000) shares allotted to the Satin Employees Welfare Trust)		253,521,850.00		226,686,510.00
	Add: Forfeited shares (Amount originally paid on 46,500 equity shares)		234,500.00		234,500.00
			60,000,000.00		60,000,000.00
B	Preference Shares Capital				
	60,00,000 (Previous Year 60,00,000) 12% Cumulative, Rated, Non-Participative, Non-Convertible & Compulsorily Redeemable Preference Shares of Rs.10/- each		60,000,000.00		60,000,000.00
			313,756,350.00		286,921,010.00
a	Reconciliation of equity shares of the face value of Rs. 10/- each	No.	Rs.	No.	Rs.
	Authorised				
	At the beginning of the accounting period	30,000,000	300,000,000.00	25,000,000	250,000,000.00
	Additions during the year	10,000,000	100,000,000.00	5,000,000	50,000,000.00
	At the end of the accounting period	40,000,000	400,000,000.00	30,000,000	300,000,000.00
	Issued				
	At the beginning of the accounting period	25,897,861	258,978,610.00	23,240,151	232,401,510.00
	Additions during the year	3,230,000	32,300,000.00	2,657,710	26,577,100.00
	At the end of the accounting period	29,127,861	291,278,610.00	25,897,861	258,978,610.00
	Subscribed				
	At the beginning of the accounting period	23,240,151	232,401,510.00	23,240,151	232,401,510.00
	Additions during the year	2,657,710	26,577,100.00	-	-
	At the end of the accounting period	25,897,861	258,978,610.00	23,240,151	232,401,510.00
	Paid up				
	At the beginning of the accounting period	23,193,651	231,936,510.00	23,193,651	231,936,510.00
	Additions during the year	2,657,710	26,577,100.00	-	-
	At the end of the accounting period	25,851,361	258,513,610.00	23,193,651	231,936,510.00
	Shares issued to Satin Employees Welfare Trust				
	At the beginning of the accounting period	525,000	5,250,000.00	525,000	5,250,000.00
	Additions during the year	-	-	-	-
	Alloted to Employees during the year	25,824	258,240.00	-	-
	At the end of the accounting period	499,176	4,991,760.00	525,000	5,250,000.00

b	Reconciliation of Preference shares of the face value of Rs. 10/- each Authorised	No.	Rs.	No.	Rs.
		At the beginning of the accounting period	100,000,000	1,000,000,000.00	-
Additions/(Reclassification/Deletions) during the year	(10,000,000)	(100,000,000.00)	100,000,000	1,000,000,000.00	
At the end of the accounting period	90,000,000	900,000,000.00	100,000,000	1,000,000,000.00	
Issued					
At the beginning of the accounting period	6,000,000	60,000,000.00	-	-	
Additions during the year	-	-	6,000,000	60,000,000.00	
At the end of the accounting period	6,000,000	60,000,000.00	6,000,000	60,000,000.00	
Subscribed					
At the beginning of the accounting period	6,000,000	60,000,000.00	-	-	
Additions during the year	-	-	6,000,000	60,000,000.00	
At the end of the accounting period	6,000,000	60,000,000.00	6,000,000	60,000,000.00	
Paid up					
At the beginning of the accounting period	6,000,000	60,000,000.00	-	-	
Additions during the year	-	-	6,000,000	60,000,000.00	
At the end of the accounting period	6,000,000	60,000,000.00	6,000,000	60,000,000.00	

The detail of shareholders holding more than 5% shares is as under:

S. No.	Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
		No. of shares	Percentage Holding	No. of shares	Percentage Holding
1	ShoreCap II Limited	39,08,188	15.12%	39,08,188	16.85%
2	MV Mauritius Limited	34,95,520	13.52%	34,95,520	15.07%
3	Danish Microfinance Partners K/S	23,95,214	9.27%	23,95,214	10.33%
4	Parishek Finance Private Limited	21,50,880	8.32%	21,50,880	9.27%
5	NMI Fund III KS	26,57,710	10.28%	-	-

1. Satin Employee Welfare Trust has transferred 1,75,824 Equity Shares to various employees of the Company. At present, Satin Employees Welfare Trust holds 2,49,176 equity shares under Satin ESOP 2009 and 1,00,000 equity shares under Satin ESOP 2010 and 1,50,000 equity shares aggregating to 4,99,176 Equity Shares as on 31st March, 2015.

a) Employee stock option schemes:

Satin ESOP 2009: 4,25,000 equity shares of Rs. 20/- each (including premium of Rs. 10/- each) were allotted to Satin Employees Welfare Trust on 27th November 2009. 1,50,000 Options were granted on 12th January 2010. First 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January 2011. Second 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January, 2012. Third 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January, 2013.

The Company has granted 98,300 Options to 29 employees on 2nd December, 2013. Out of 98,300 Equity Shares, 25,824 Equity Shares were exercised and transferred to 25 Employees.

Satin ESOP 2010: 1,00,000 equity shares of Rs. 22/- each (including premium of Rs. 12/- each) were allotted to Satin Employees Welfare Trust on 22nd June, 2010.

Satin ESOP II 2010: 1,50,000 equity shares of Rs. 25/- each (including premium of Rs. 15/- each) were allotted to Satin Employees Welfare Trust on 21st April, 2011.

- b) The Company had allotted shares to Satin Employees Welfare Trust @ Rs. 20/- each (including premium of Rs. 10/- each) on 27th November 2009. The Company had further allotted shares to Satin Employees Welfare Trust @ Rs. 22/- each (including premium of Rs. 12/- each) on 22nd June 2010. The Company had further allotted shares to Satin Employees Welfare Trust @ Rs. 25/- each (including premium of Rs. 15/- each) on 21st April 2011. These shares were allotted at a value which is over the fair market value of these share at the time of allotment and thus no expense has been recognized.
- c) The Company has provided following share based options to its employees. During the financial year ended 31st March 2015, the following schemes were in operations:

Particulars	ESOP 2009	ESOP 2010	ESOP II 2010
Date of grant	12.01.2010 & 02.12.2013	Not Granted	Not Granted
Date of Board approval	27.11.2009 & 12.11.2013	22.06.2010	21.04.2011
Date of Shareholders approval	01.06.2009	26.03.2010	15.12.2010
No. of options granted	2,48,300 out of 4,25,000	-	-
Method of settlement	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options
Vesting options	<ol style="list-style-type: none"> 1. First 50,000 options were vested on 12.01.2011 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) 2. Second 50,000 options were vested on 12.01.2012 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) 3. Third 50,000 options were vested on 12.01.2013 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) <p>Now, above shares are free from Lock-in.</p> <p>The Company has granted 98,300 options on 02nd December, 2013 and out of 98,300 options, 32,755 options were vested and 25,824 options exercised on 02nd December, 2014.</p>	NA	NA
Exercise period	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options
Vesting conditions	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options

The details of ESOP 2009 are summarized below:

Particulars	As at 31.03.2015		As at 31.03.2014	
	ESOP 2009		ESOP 2009	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	1,87,700	20	2,75,000	20
Granted during the year	-	-	98,300	-
Forfeited during the year	-	-	-	-
Exercised during the year	25,824	-	-	-
Expired during the year	-	-	11,000*	20
Outstanding at the end of the year	1,87,700	20	1,87,700	20
Exercisable at the end of the year	-	20	-	-
Weighted average remaining contractual life (in years) of the option exercisable	1.18	-	-	-
Weighted average fair value of the options exercisable	-	20	-	-

* Note: Three employees holding option 11,000 has failed to accept the grant of option, hence expired.

The details of ESOP 2010 are summarized below:

Particulars	As at 31.03.2015		As at 31.03.2014	
	ESOP 2010		ESOP 2010	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	1,00,000	22	1,00,000	22
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,00,000	22	1,00,000	22
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years) of the option exercisable	-	-	-	-
Weighted average fair value of the options exercisable	-	-	-	-

The details of ESOP II 2010 are summarized below:

Particulars	As at 31.03.2015		As at 31.03.2014	
	ESOP II 2010		ESOP II 2010	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	1,50,000	25	1,50,000	25
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,50,000	25	1,50,000	25
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years) of the option exercisable	-	-	-	-
Weighted average fair value of the options exercisable	-	-	-	-

The detail of exercise price for stock option at the end of the financial year 2014-2015 is:

Series	Range of exercise prices	No. of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price
ESOP 2009	20/- per option	1,90,966*	Not Applicable	20
ESOP 2010	22/- per option	1,00,000	Not Applicable	22
ESOP II 2010	25/- per option	1,50,000	Not Applicable	25

* Note: Four employees holding 14,266 options couldn't be exercised, hence expired.

- The Company has Rs. 1,09,33,520.00 (Previous year Rs. 1,14,50,000.00) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
- During the year the authorized share capital of the Company was reclassified vide approval of equity shareholders through Extraordinary General Meeting held on 13th March, 2015 from Rs. 130,00,00,000/- (Rupees One Hundred and Thirty Crore) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each and 10,00,00,000 (Ten Crore) Preference Shares of Rs. 10/- (Rupees Ten only) each to Rs. 130,00,00,000/- (Rupees One Hundred and Thirty Crore) divided into 4,00,00,000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each ("Equity Shares") and 9,00,00,000 (Nine Crore) Preference Shares of Rs. 10/- (Rupees Ten only) each ("Preference Shares").
- The Company has obtained the approval of equity shareholders through Extraordinary General Meeting held on 13th March, 2015 for allotment of up to 32,30,000 (Thirty Two Lacs Thirty Thousand) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid-up for cash at an issue price of Rs. 130/- (Rupees One Hundred and Thirty only) including premium of Rs. 120/- (Rupees One Hundred and Twenty only) to the Promoters and Non-Promoters and also for allotment of 28,70,000 (Twenty Eight Lacs Seventy Thousand) fully convertible Warrants ("Equity Warrants") to the persons belonging to the Promoter as well as Non-Promoter Category, each convertible into, or exchangeable for, one Equity Share of face value of Rs. 10/- (Rupees Ten only) each at a price (including the Equity Warrant subscription price and the Equity Warrant exercise price) of Rs. 130/- each (Rupees One Hundred and Thirty only) each, and to issue fresh Equity Shares on the conversion of the Equity Warrants subject to terms and conditions determined by the Board.

The objective of Preferential allotment of equity shares and equity warrants is to fund the growth and operations of the Company. A portion of the proceeds of investment received from the concerned promoters shall be used to redeem 12% Cumulative, Rated, Non-participative, Non-convertible, Compulsorily redeemable 60,00,000 (Sixty Lacs) existing Preference shares. The due date of redemption is 27th November 2015.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
4	Reserves & Surplus				
	Securities Premium Reserve				
	At the beginning of the accounting period	876,951,317.00		883,874,482.00	
	Additions during the year	257,797,870.00		-	
	Less: Share / Debenture issue expenses	49,853,198.00		6,923,165.00	
		1,084,895,989.00		876,951,317.00	
	Less: Amount recoverable from Satin Employees Welfare Trust	5,941,760.00		6,200,000.00	
	At the end of the accounting period		1,078,954,229.00		870,751,317.00
	General Reserves				
	At the beginning of the accounting period	3,726,157.00		3,726,157.00	
	Deduction on account of change in depreciation	(832,528.11)		-	
	At the end of the accounting period		2,893,628.89		3,726,157.00
	Foreign Exchange Fluctuation Reserves				
	At the beginning of the accounting period	-		-	
	Additions / (Deductions) during the year	7,992,000.00		-	
	At the end of the accounting period		7,992,000.00		-
	Statutory Reserve Fund				
	At the beginning of the accounting period	57,854,921.00		26,739,590.00	
	Additions during the year	63,431,855.00		31,115,331.00	
	At the end of the accounting period		121,286,776.00		57,854,921.00
Surplus in Statement of Profit & Loss					
At the beginning of the accounting period	225,148,686.06		101,446,798.83		
Additions during the year	317,159,272.73		155,576,654.23		
Less: Transfer to Statutory Reserve Fund	63,431,855.00		31,115,331.00		
Less: Proposed Dividend-Preference Share Capital @12.34%	7,404,000.00		649,118.00		
Less: Dividend Distribution Tax	1,507,280.41		110,318.00		
At the end of the accounting period		469,964,823.38		225,148,686.06	
		1,681,091,457.27		1,157,481,081.06	

- During the year, the Company received a sum of Rs. 25,77,97,870.00 (Previous year Rs. NIL) on account of share premium on issue of 26,57,710 (Previous year NIL) equity shares of Rs. 10/-each.
- During the year, the Company utilized a sum of Rs. 4,98,53,198.00 (Previous year Rs. 69,23,165.00) from Securities Premium Reserve towards writing off incidental expenditure pertaining to raising share capital and non-convertible debenture as per the provisions of Section 52 of the Companies Act, 2013.
- Please also refer Note No 10, 11 and 12 on account of a adjustment in General Reserves.
- The Company has Rs. 1,09,33,520.00 (Previous year Rs. 1,14,50,000.00) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
- Pursuant to the provision of section 45 (IC) of Reserve Bank of India Act, 1934, the Company has transferred Rs. 6,34,31,855.00 (Previous Year Rs. 3,11,15,331.00) towards Statutory Reserve Fund.
- During the year the Company has created a Foreign Exchange Fluctuation Reserve to record the variation in foreign exchange as regards the External Commercial Borrowing (Refer Note 5(2)).

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
5	Long term borrowings				
A	Secured Loans				
	(a) Non Convertible Debentures				
	(i) 75 (Series-2) (Previous Year: 75), 14.25% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on September 14, 2018. The date of allotment is September 14, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	-		187,500,000.00	
	(ii) 250 (Previous Year: 250), 14.60% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on December 18, 2016. The date of allotment is December 18, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	250,000,000.00		-	
	(iii) 72 (Previous Year: 72), 14.70% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on September 27, 2019. The date of allotment is September 27, 2013 (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	180,000,000.00		180,000,000.00	
	(iv) 124 (Previous Year: 124), 13.97% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on October 29, 2015. The date of allotment is October 29, 2013. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	-		232,500,000.00	
	(v) 200 (Previous Year: Nil), 14.70% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on June 15, 2020. The date of allotment is July 15, 2014. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	500,000,000.00		-	
	(vi) 89 (Previous Year: Nil), 13.00% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on July 28, 2016. The date of allotment is July 30, 2014.	14,833,363.00		-	

Contd...

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
	(Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)				
(vii)	200 (Previous Year: Nil), 12.55% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on January 28, 2017. The date of allotment is July 31, 2014.	66,666,000.00		-	
	(Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)				
(viii)	150 (Previous Year: Nil), 13.25% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on September 16, 2016. The date of allotment is September 16, 2014.	37,500,000.00		-	
	(Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)				
(ix)	515 (Previous Year: Nil), 14.37% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on November 13, 2019. The date of allotment is September 26, 2014.	515,000,000.00		-	
	(Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)				
(x)	140 (Previous Year: Nil), 13.50% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on periodical basis & the final redemption on December 02, 2016. The date of allotment is December 02, 2014.	52,500,000.00		-	
	(Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)				
			1,616,499,363.00		600,000,000.00
(b)	Term Loan				
	From Banks				
	For Working Capital	3,949,200,566.46		2,438,441,649.84	
	For Purchase of Fixed Assets	7,082,146.00		7,769,761.53	
			3,956,282,712.46		2,446,211,411.37
	From Others				
	For Working Capital	1,326,960,887.89		240,208,326.00	
	For Purchase of Fixed Assets	1,394,969.70		1,733,372.70	
			1,328,355,857.59		241,941,698.70
(c)	External Commercial Borrowings				
	For Working Capital	406,840,200.00		-	
			406,840,200.00		-

Contd...

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
B	Unsecured Loans				
	(a) Non Convertible Debentures				
	(i) 84 (Previous Year: Nil), 18.00% Unsecured, Listed, Redeemable Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on October 16, 2019. The date of allotment is July 15, 2014.	210,000,000.00		-	
	(ii) 150 (Previous Year: Nil), 16.90% Unsecured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on September 20, 2020. The date of allotment is March 20, 2015.	150,000,000.00		-	
	(iii) 130 (Previous Year: Nil), 17.75% Unsecured, Unlisted, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on December 18, 2020. The date of allotment is March 31, 2015.	130,000,000.00		-	
			490,000,000.00		
	(b) Term Loan From Others For Working Capital	100,000,000.00		-	
			100,000,000.00		
	(c) External Commercial Borrowings For Working Capital	219,067,800.00		-	
			219,067,800.00		
	Total Long Term Borrowings		8,117,045,933.05		3,288,153,110.07

- As per the terms of issue regarding the Secured Redeemable, Non Convertible Debentures, the security offered by the Company is the hypothecation of present and future receivable equivalent to the outstanding amount against each series of Non Convertible Debenture. The above mentioned Non Convertible Debentures are freely tradable and listed on the BSE Limited.
- During the year the Company has borrowed US Dollars 10 million comprising of 6.5 million US Dollars as Senior Debt and 3.5 million US Dollars as Subordinated Debt from WorldBusiness Capital Inc for period of eight years for the purpose of working capital as the External Commercial Borrowings (ECB) under the automatic route of the Reserve Bank of India. The repayment of principle and interest of the ECB is completely hedged against the foreign currency fluctuations as the Company has contracted the risk fluctuation with a commercial bank at a predetermined rate to settle the foreign exchange liability. The details of ECB as on 31st March 2015 is

Movement in Loan amount during the year	(Rs.in Lacs)
Outstanding as at 1st April 2014	-
Amount Borrowed	6,339.00
Amount Repaid	-
Exchange (Gain)/Loss	(79.92)
Outstanding as at 31st March 2015	6,259.08

At the year end the Company as per the fair accounting practice and financial prudence has created a foreign exchange fluctuation reserve to reflect the difference in value of outstanding loan at the Balance Sheet date. This foreign exchange fluctuation reserve will be finally settled at the time of full and final settlement ECB loan by the Company. The interest payment on this ECB loan is accounted for at the predetermined rate and out of which the payment is made to the borrower by the commercial bank as per contract and the total amount is charged to the profit and loss account as a part of interest cost.

- For Term loans refer Note No. 8(1).

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
6	Long-Term provisions				
	Provision for Leave Encashment		10,938,607.00		2,603,506.00
	Provision for Gratuity		3,107,711.00		
			14,046,318.00		2,603,506.00

1. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2015, are given below:

A. Provident fund

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

	Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
Employer's Contribution to Provident Fund	1,88,88,849.00	1,11,59,103.00
Employer's Contribution to Superannuation Fund	Nil	Nil
Employer's Contribution to Pension Scheme	Nil	Nil

B. Gratuity

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation:

Details of provision for gratuity:

(Amount in Rs.)

Particulars	Current Year
Defined benefit obligation	17,272,407.00
Fair value of plan assets	(14,164,696.00)
Plan Liability	3,107,711.00

Changes in the present value of the defined benefit obligation are as follows:

(Amount in Rs.)

Particulars	Current Year
Opening defined benefit obligation	14,164,696.00
Interest cost	1,064,347.00
Current service cost	5,145,368.00
Benefits paid	(1,038,448.00)
Actuarial (gains)/losses on obligation	(2,063,556.00)
Closing defined benefit obligation	17,272,407.00

Changes in the fair value of plan assets are as follows:

(Amount in Rs.)

Particulars	Current Year
Opening fair value of plan assets	10,161,680.00
Expected Return	970,722.00
Contribution by employer	4,247,735.00
Benefits paid	(1,038,448.00)
Actuarial gains/(losses)	(176,993.00)
Closing fair value of plan assets	14,164,696.00

C. Leave Encasement

The obligation for leave encasement is recognized based on the present value of obligation based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The detail of the same is as under:

	Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
Leave Encasement (Unfunded)		
a. Reconciliation of opening and closing balances of Defined Benefit Obligation		
Defined Benefit obligation at beginning of the year	26,03,506.00	28,02,885.00
Current Service Cost	61,26,392.00	-
Interest Cost	1,92,283.00	2,47,859.00
Actuarial (gain)/loss	22,93,095.00	(2,88,910.00)
Benefits paid	(2,76,669.00)	(1,58,328.00)
Defined Benefit obligation at year end	1,09,38,607.00	26,03,506.00
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Employer contribution	-	-
Benefits Paid	(2,76,669.00)	(1,58,328.00)
Fair value of plan assets at year end	-	-
Actual return on plan assets	-	-
c. Reconciliation of fair value of assets and obligations		
Fair Value of plan assets at year end	-	-
Present value of obligation at year end	1,09,38,607.00	26,03,506.00
Amount recognized in Balance Sheet	1,09,38,607.00	26,03,506.00
d. Expenses recognized during the year (Under the head "Payments to and Provisions for Employees)		
Current Service Cost	61,26,392.00	-
Interest Cost	1,92,283.00	2,47,859.00
Expected return on plan assets	-	-
Actuarial (gain)/loss	22,93,095.00	(2,88,910.00)
Net Cost	86,11,770.00	(41,051.00)
e. Actuarial assumptions		
Mortality Table (L.I.C./IAL)	IAL 2006-08 (Ultimate)	IAL 2006-08 (Ultimate)
Discount Rate (per annum)	7.80%	9.10%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The above figures pertain to Long Term Liability worked in respect of deferred leave only. Expected Short Term Liability of Rs. 13,26,057.00 (Previous Year Rs. 7,76,421.00) will be added to this figure.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
7	Short Term Borrowings				
A	Secured Loans				
	Term Loan From Banks				
	For Working Capital	186,250,000.00		-	
	From Others		186,250,000.00		
	For Working Capital	-		17,999,310.00	
B	Overdraft Facility Against Fixed Deposits				17,999,310.00
	From Banks		37,364,032.01		54,907,153.56
			223,614,032.01		72,906,463.56
C	Unsecured Loans				
	For Working Capital		100,000,000.00		100,000,000.00
	Total Short Term Borrowings		323,614,032.01		172,906,463.56

1. For Term loans refer Note No. 8(1).

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
8	Other Current Liabilities				
A	Current Maturity of Non Convertible Debentures-Secured				
	(i) 37 (Previous Year: 37), 14.10% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on April 15, 2014 with a rollover option of one year. The date of allotment is March 30, 2012. These Debentures were redeemed on April 15, 2014. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)			92,500,000.00	
	(ii) 25 (Series-1) (Previous Year: 25), 14.25% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on September 14, 2018 (if rollover). The date of allotment is September 14, 2012. These Debentures were redeemed on September 14, 2014 (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	187,500,000.00		62,500,000.00	
	(iii) 250 (Previous Year: 250), 14.60% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on December 18, 2016. The date of allotment is December 18, 2012 (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)			250,000,000.00	
	(iv) 124 (Previous Year: 124), 13.97% Secured, Listed, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on October 29, 2015. The date of allotment is October 29, 2013. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	232,500,000.00		77,500,000.00	

Contd...

	(v) 89 (Previous Year: Nil), 13.00% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on July 28, 2016. The date of allotment is July 30, 2014. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	44,500,000.00		
	(vi) 200 (Previous Year: Nil), 12.55% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on January 28, 2017. The date of allotment is July 31, 2014. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	80,000,400.00		
	(vii) 150 (Previous Year: Nil), 13.25% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on September 16, 2016. The date of allotment is September 16, 2014 (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	75,000,000.00		
	(viii) 140 (Previous Year: Nil), 13.50% Secured, Listed, Redeemable Non - Convertible Debentures of Rs. 10,00,000/- each redeemable at par on periodical basis & the final redemption on December 02, 2016. The date of allotment is December 02, 2014 (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	64,166,760.00		
			683,667,160.00	482,500,000.00
B	Current Maturity of long term borrowings-Secured from Banks			
	For Working Capital	6,094,369,375.85		4,445,589,975.71
	For Purchase of Fixed Assets	658,763.00		391,108.28
C	Current Maturity of long term borrowings-Secured from Others		6,095,028,138.85	4,445,981,083.99
	For Working Capital	1,079,444,300.11		695,776,121.67
	For Purchase of Fixed Assets	1,846,149.00		1,119,946.82
			1,081,290,449.11	696,896,068.49
D	Expenses Payable		46,545,177.50	40,765,960.18
E	Trade Payable (Trade payable includes a sum of Rs.1,21,38,92,863.00 (Previous Year Rs.32,90,41,433.24) on account of Installment collected on Securitised/Assigned portfolio).		1,305,875,760.61	361,112,118.80
F	Interest Strip Retained on Securitisation of Receivables		131,358,548.00	131,938,288.00
G	Interest accrued but not due on loans		29,731,714.00	16,991,045.69
H	Interest accrued but not due on Debentures		84,761,672.00	19,810,990.31
I	Statutory Liabilities Payable		42,651,871.03	32,456,187.34
			9,500,910,491.10	6,228,451,742.80

1. The Company has availed term loans and overdraft facility from various banks and other institutions and has issued Non-Convertible Debentures for its lending operations as per details below:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Long Term Non-Convertible Debentures-Secured	1,61,6,499,363.00	600,000,000.00
Long Term from Banks - Secured	3,94,92,00,566.46	2,43,84,41,649.84
Long Term from Others - Secured	132,69,60,887.89	24,02,08,326.00
Long Term from Others - Secured (External Commercial Borrowings)	40,68,40,200.00	-
Long Term from Others - Unsecured (External Commercial Borrowings)	21,90,67,800.00	-
Long Term Non-Convertible Debentures-Unsecured	49,00,00,000.00	
Long Term from Others - Unsecured	10,00,00,000.00	
Short Term from Banks - Secured	186,250,000.00	-
Short Term from Others - Secured	-	1,79,99,310.00
Short Term from Others - Unsecured	10,00,00,000.00	10,00,00,000.00
Current Maturity of Non-Convertible Debentures-Secured	68,36,67,160.00	48,25,00,000.00
Current Maturity of long term debts for lending from Banks - Secured	6,09,43,69,375.85	4,44,55,89,975.71
Current Maturity of long term debts for lending from Others - Secured	107,94,44,300.11	69,57,76,121.67
Overdraft Facility against Fixed Deposit from banks	3,73,64,032.01	5,49,07,153.56
Total (A)	16,28,96,63,685.32	9,07,54,22,536.78

Apart from the above following term loans have been availed for purchase of fixed assets from banks and others lenders.

(Amount in Rs.)

Particulars	Current Year	Previous Year
Long Term from Banks - Secured	7,082,146.00	7,769,761.53
Long Term from Others - Secured	1,394,969.70	1,733,372.70
Current Maturity of long term borrowings from Banks - Secured	658,763.00	391,108.28
Current Maturity of long term borrowings from Others - Secured	1,846,149.00	1,119,946.82
Total (B)	10,982,027.70	11,014,189.33
Total (A+B)	16,300,645,713.02	9,086,436,726.11

The above are repayable/redeemed on periodic instalments of principal and interest. The sanctioned tenure of the loans outstanding as at 31st March, 2015 varies from 3 months to 96 months. For the secured loans, the Company has offered security by way of hypothecation of trade receivables arising out of its business operations generated from the respective loans and cash collateral in the form of fixed deposits. Out of above, an amount of Rs. 98,652.66 Lacs (Previous Year Rs. 66,980.24 Lacs) have been guaranteed by the Directors, Mr. Satvinder Singh and / or Mr. H P Singh in their personal capacity.

1. Statutory liabilities include amount payable towards Income Tax, Service Tax, Provident Fund, Professional Tax, Employees State Insurance etc.
2. There have been no delay / default in repayment of dues including principal and interest in respect of any borrowings.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
9	Short - Term Provision				
	Provision for Leave encashment		1,326,057.00		776,421.00
	Proposed dividend on preference shares		7,404,000.00		649,118.00
	Proposed dividend distribution tax on proposed dividend on preference shares		1,507,280.41		110,318.00
	Provision for Bad & Doubtful debts and Contingent provisions against Standard Assets	146,447,720.22		78,483,022.83	
		156,685,057.63		80,018,879.83	

1. For Provision for Leave Encashment refer Note No.6.
2. As per prudential norms prescribed by the Reserve Bank of India on income recognition and provisioning for bad and doubtful debts, a provision of Rs. 14,64,47,720.22 (Previous year Rs. 7,84,83,022.83) stood at 31st March 2015 towards provision for bad and doubtful debts and contingent provision against standard assets. This includes an amount of Rs. 14,43,29,067.41 (Previous year Rs. 7,75,15,813.72) as provision for doubtful debts on standard assets as per notification no. BNR.009/CGM(CDS)-2015 dated 27th March, 2015 issued by Reserve Bank of India. As per the said notification the same has been shown as "Provision for Bad & Doubtful debts and Contingent provisions against Standard Assets" under "Short-Term Provisions".
3. The Company has followed the following provisioning norms during the current and previous year:
The aggregate loan provision is maintained by the Company at any point of time shall not be less than the higher of:-
 - a) 1% of the outstanding loan portfolio, or
 - b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.

Note No. 10

Tangible Assets

Particulars	Gross Block			Depreciation			Net Block		
	As At	Addition/	Sale /	As At	For The	As At	WDV On	WDV On	WDV On
	01.04.2014	Adj.	Adj.	31.03.2015	Year	31.03.2015	31.03.2015	31.03.2014	31.03.2014
Buildings	30,951,057.28	-	-	30,951,057.28	1,072,553.00	9,906,159.28	21,044,898.00	22,117,451.00	22,117,451.00
Plant & Equipment	23,138,876.22	7,423,813.00	32,800.00	30,529,889.22	6,902,571.00	(524,178.02)	20,918,542.84	9,011,346.38	9,707,083.00
Office Equipment	8,711,628.59	2,972,518.00	34,172.00	11,509,974.59	3,572,002.00	(613,740.21)	6,947,434.15	4,362,540.44	5,609,936.65
Vehicles	8,741,423.00	2,694,768.00	1,043,373.00	10,392,818.00	2,340,497.00	927,644.90	4,713,990.10	5,678,827.90	5,440,285.00
Furniture & Fixtures	17,055,341.60	8,198,673.38	187,368.00	25,046,646.98	3,415,756.00	122,948.00	10,646,508.33	14,400,138.65	9,681,641.27
Total	88,338,326.69	21,890,772.38	1,297,713.00	108,230,386.07	17,363,379.00	(87,325.93)	53,132,634.70	55,097,551.37	52,556,396.92
Previous Year	72,654,477.42	18,162,423.27	2,578,574.00	88,238,326.69	6,596,035.00	2,019,239.00	35,681,929.77	52,556,396.92	52,556,396.92

Note No. 11

Intangible Assets

Particulars	Gross Block			Amortization			Net Block		
	As At	Addition/	Sale /	As At	For The	As At	WDV On	WDV On	WDV On
	01.04.2014	Adj.	Adj.	31.03.2015	Year	31.03.2015	31.03.2015	31.03.2014	31.03.2014
Computer Software	3,353,593.00	6,186,590.00	-	9,540,183.00	2,218,113.00	(99,930.60)	4,017,523.60	5,522,659.40	1,654,113.00
Total	3,353,593.00	6,186,590.00	-	9,540,183.00	2,218,113.00	(99,930.60)	4,017,523.60	5,522,659.40	1,654,113.00
Previous Year	2,214,543.00	1,139,050.00	-	3,353,593.00	550,925.00	-	1,699,480.00	1,654,113.00	1,654,113.00

Note No. 12

Capital Work-in-Progress

Particulars	Gross Block			Depreciation			Net Block		
	As At	Addition/	Sale /	As At	For The	As At	WDV On	WDV On	WDV On
	01.04.2014	Adj.	Adj.	31.03.2015	Year	31.03.2015	31.03.2015	31.03.2014	31.03.2014
Capital Work in Progress	65,656,343.00	17,922,935.00	-	83,579,278.00	-	-	83,579,278.00	65,656,343.00	65,656,343.00
Total	65,656,343.00	17,922,935.00	-	83,579,278.00	-	-	83,579,278.00	65,656,343.00	65,656,343.00
Previous Year	40,407,724.00	25,248,619.00	-	65,656,343.00	-	-	65,656,343.00	65,656,343.00	65,656,343.00

- Capital Work in Progress represents fixed assets-office flat under construction. Details of Capital commitment as per Note no. 26(1).
- The useful life of Fixed Assets has been revised in accordance with the Schedule II of the Companies Act 2013. Depreciation for the year stands higher by Rs. 73,19,145.00 on account of such a change. Assets whose useful life is already exhausted as on 1st April 2014 have been fully depreciated. Depreciation on such assets amount to Rs.12,61,215.13 and the change in deferred tax assets due to the same, amount Rs.4,28,687.02. The resultant sum of Rs.8,32,528.11 has been adjusted with General Reserves.

Note No.	Particulars	Face Value	No. of Units/ Shares 31.03.2015	As at 31.03.2015 Rs.	No. of Units/ Shares 31.03.2014	As at 31.03.2014 Rs.
13	Non Current Investments-Non Trade-At Cost					
	I Unquoted - Equity Shares					
	Alpha Micro Finance Consultants Private Limited	10	50,000	500,000.00	50,000	500,000.00
	Total (A)			500,000.00		500,000.00
	II Unquoted - Others					
	Government of India, Inscribed stock -6.17%	100	500	50,591.33	500	50,591.33
	Total (B)			50,591.33		50,591.33
	Grand Total (I+II)			550,591.33		550,591.33
	Aggregate Cost of unquoted Investments			550,591.33		550,591.33
	Market value of unquoted investments			550,591.33		550,591.33

1. The above investments are held in the name of the Company and in the opinion of the management are good for recovery for the value as stated in the Balance Sheet.

(Amount in Rs.)

Note No.	Particulars	As at 31.03.2014	Effect of change in method	(Liability)/Assets/ Movements/ during the year	As at 31.03.2015
14	Deferred Tax Assets/(Liabilities)/Timing difference on account of				
	Depreciation/Change in Method as per Companies Act 2013	(2,279,535.60)	428,687.02	1,339,768.92	(511,079.66)
	Provisions created but not claimed in Income Tax	26,811,147.22		27,029,520.22	53,840,667.44
	Total Deferred Tax Assets	24,531,611.62		28,369,289.14	53,329,587.78

1. The above is pursuant to Accounting Standard -22 issued by The Institute of Chartered Accountants of India in respect of "Accounting for Taxes on Income". Accordingly necessary deferred tax liabilities and assets have been recognized.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
15	Long Term Loans & Advances Security Deposits - Unsecured Unamortised cost of borrowings		5,718,416.00 52,728,051.26 58,446,467.26		750,337.00 15,118,004.83 15,868,341.83

1. In the opinion of management, the above loans and advances are good for recovery unless otherwise stated.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
16	Other Non-Current Assets Long term deposits having remaining maturity of more than 1 year		1,101,572,836.00 1,101,572,836.00		720,195,695.60 720,195,695.60

1. For long term deposits refer Note No. 18.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
17	Unsecured, considered good-Trade Receivables under Loan Contracts Amount Receivables under Loan Contracts (Loan Portfolio)		14,644,772,022.26 14,644,772,022.26		7,848,302,282.77 7,848,302,282.77

1. In the opinion of the management the classification of various assets as per the prudential norms prescribed by the Reserve Bank of India are as under:

(Amount in Rs.)

Asset classification	Loan Contracts Outstanding	
	Current Year	Previous Year
Standard Assets	14,640,534,716.64	7,84,63,67,864.56
Substandard Assets	42,37,305.62	19,34,418.21
Doubtful Assets	-	-
Loss Assets	-	-
Total	14,64,47,72,022.26	7,84,83,02,282.77
Securitized/Assignment Portfolio	6,76,17,27,809.00	2,71,22,52,279.00
Total Assets	14,49,83,24,302.04	7,76,98,19,259.94
Provision for Bad & Doubtful debts and Contingent provisions against Standard Assets	14,64,47,720.22	7,84,83,022.83

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
18	Cash & Cash Equivalents:				
	Cash on Hand		112,113,150.48		82,221,729.71
	Balance with banks in current accounts		1,551,973,699.11		861,981,455.83
	Term deposits for remaining maturity of 3 months or less		255,833,290.60		233,935,991.00
	Other Bank Balances				
	Term deposits for remaining maturity of more than 3 months and upto 1 year		1,566,843,522.37		974,088,295.48
			3,486,763,662.56		2,152,227,472.02

1. Total term deposits with banks and others amounting to Rs. 2,92,42,49,648.97 (Previous Year Rs. 1,92,82,19,982.08) includes long term deposits amounting Rs. 1,10,15,72,836.00 (Previous Year Rs. 72,01,95,695.60) as stated in Note No. 16. The amount under lien as security against term loan and overdraft facility availed, assets assigned and securitised are as follows:-

(Amount in Rs.)

Particulars	Current Year	Previous Year
Term Loan	1,472,750,835.00	945,521,313.00
Overdraft Facility	222,709,933.60	230,976,371.60
Asset Assigned/Securitized	506,178,650.00	469,448,246.48
Total	2,20,16,39,418.60	1,645,945,931.08

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
19	Short Term Loans & Advances - Unsecured				
	Staff Advance		14,092,073.26		8,490,727.58
	Unamortised share issue expenses		1,000,000.00		7,510,298.00
	Unamortised cost of borrowings		55,609,118.06		25,071,440.17
			70,701,191.32		41,072,465.75

1. In the opinion of Management, the above loans and advances are good for recovery unless otherwise stated.

Note No.	Particulars	As at 31.03.2015		As at 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
20	Other Current Assets				
	Prepaid Expenses		7,069,988.00		6,006,310.51
	Interest accrued but not due		249,591,082.14		169,643,717.05
	Advances recoverable in cash or in kind or for value to be received		290,152,521.64		118,270,451.92
			546,813,591.78		293,920,479.48

1. In the opinion of Management, the above current assets are good for recovery unless otherwise stated.

Note No.	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
21	Revenue from operations				
	Interest Income	2,680,483,799.15		1,674,556,907.83	
	Excess Interest Spread on Securitization /Assignment	311,606,553.50		115,940,328.62	
	Other operational income	226,862,455.76	3,218,952,808.41	114,986,513.78	1,905,483,750.23

Note No.	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
22	Other Income				
	Other Income		22,604,103.36		11,065,473.19

1. The amount of Rs. 1,82,86,717.00 (Previous Year 20,08,755.00) included in other income are received from Taraashna Services Private Limited in pursuance of Service Agreement between the Company and Taraashna Services Private Limited executed on 20th December 2013 where Satin Creditcare Network Limited agrees to provide its expertise, knowledge, skill and guidance to Taraashna Services Private Limited to enable the later to undertake its business and operations in effective manner.

Note No.	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
23	Finance Cost				
	Interest paid to Banks	1,094,233,616.96		713,861,976.65	
	Interest paid to Others	218,277,235.90		142,771,655.88	
	Interest paid on Debentures	286,482,276.48		130,459,675.72	
	Finance Charges	175,902,558.57	1,774,895,687.91	73,673,133.53	1,060,766,441.78

Note No.	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
24	Employee Benefit Expenses				
	Salaries & Other Incentives	347,303,349.64		209,180,165.47	
	Contribution to Provident & Other Funds	23,462,617.00		15,602,447.00	
	Gratuity	7,617,711.00		1,000,000.00	
	Employee Welfare Expenses	13,598,363.00	391,982,040.64	9,738,918.00	235,521,530.47

1. Employee Benefit expenses include Director's Remuneration as per detail below:-

(Amount in Rs.)

Particulars	Current Year	Previous Year
Salary	48,00,000.00	48,00,000.00
Contribution to Provident Fund, etc.	13,76,000.00	13,76,000.00
Total	61,76,000.00	61,76,000.00

2. Also refer Note No. 6.

Note No.	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
25	Other Expenses				
	Annual Listing Fee	806,500.00		275,172.00	
	Conveyance & Travelling	87,669,644.00		41,492,541.00	
	Direct Operational Expenses	60,114,864.17		60,142,156.57	
	Printing & Stationary	76,549,618.00		41,760,657.00	
	Communication	20,225,705.81		12,660,070.00	
	Business Promotion	37,695,391.00		11,075,067.00	
	Legal & Professional Charges	45,939,547.00		26,370,812.00	
	Directors Sitting Fees	170,000.00		100,000.00	
	Insurance Charges	5,264,159.93		2,557,387.00	
	Office Expenses	85,323,251.00		47,517,854.00	
	Rent	23,943,245.00		15,661,966.00	
	Advertisement Expenses	540,700.00		259,849.00	
	Auditors' Remuneration	458,000.00		346,000.00	
	Subscription & Fee	5,131,200.00		2,253,852.00	
	Rates & Taxes	328,143.00		6,866,177.00	
	Repairs & Maintenance	9,885,913.00		5,311,837.00	
	Miscellaneous Expenses	31,335,620.62		13,330,757.77	
	Bad Debts Written off	29,054,025.81		31,723,675.50	
	Provision for Standard/Non Performing Assets	68,011,561.89		59,221,366.94	
	(Profit)/Loss on Sale of Fixed Assets	48,787.40		59,519.00	
			588,495,877.63		378,986,716.78

1. Auditors' remuneration includes the following:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Audit Fees	2,75,000.00	2,00,000.00
Tax Audit Fees	60,000.00	50,000.00
Certification work	1,23,000.00	96,000.00
Total	4,58,000.00	3,46,000.00

2. In the opinion of the Management, amount receivable under Loan contracts are good for recovery unless otherwise stated. An amount of Rs 9,70,65,587.70 (Previous Year – Rs. 9,09,45,042.44) has been written off / provided as bad debts during the year. In the opinion of management, the amounts written off as bad debts are not recoverable despite various steps taken by the Company.

3. For Provision for Standard/Non Performing Assets, refer Note No. 9(2).

Note No.26

1. Estimated amount of contract remaining to be executed on capital account and not provided for Rs.306.74 Lacs (Previous Year Rs.401.49 Lacs).

2. Contingent Liability: On

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Credit enhancements provided by the Company towards securitisation	5,061.79	3,425.08
Income Tax pending appeal (The Company has deposited Rs.1.50 Lacs in the current year with the income tax authorities pending disposal of appeal)	2.47	2.47
Total	5,064.26	3,427.55

3. The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. The Company operates in a single geographical segment i.e. domestic.

4. Related party disclosures in terms of Accounting Standard 18 issued by The Institute of Chartered Accountants of India and applicable regulations is as follows:

Name of Related party	Description of relationship	Nature of transaction	Volume of Transaction # (Amount in Rs.)	Outstanding amount as at 31st March, 2015 # (Amount in Rs.)	Amount written off or written back # (Amount in Rs.)
Mr. H P Singh	Key Personnel	Remuneration	61,76,000.00 (61,76,000.00)	Nil (Nil)	Nil (Nil)
		Sale of Investment	Nil (49,30,000.00)	Nil (Nil)	Nil (Nil)
Mr. Satvinder Singh	Non-Executive Director & Relative of Key Managerial Personnel	Sitting Fees	40,000.00 (30,000.00)	Nil (Nil)	Nil (Nil)
Mr. Rakesh Sachdeva	Non-Executive Director	Sitting Fees	40,000.00 (30,000.00)	Nil (Nil)	Nil (Nil)
Mr. Sundeeep Kumar Mehta	Non-Executive Director	Sitting Fees	40,000.00 (20,000.00)	Nil (Nil)	Nil (Nil)
Mrs. Sangeeta Khorana	Non-Executive Director	Sitting Fees	30,000.00 (20,000.00)	Nil (Nil)	Nil (Nil)
Mr. Goh Colin	Non-Executive Director	Sitting Fees	20,000.00 (Nil)	Nil (Nil)	Nil (Nil)
Mr. Jugal Kataria	Chief Financial Officer	Remuneration	40,20,480.00 (34,70,880.00)	Nil (Nil)	Nil (Nil)
Mr. Choudhary Runveer Krishanan	Company Secretary & Compliance Officer	Remuneration	9,00,000.00 (7,50,000.00)	Nil (Nil)	Nil (Nil)
Satin (India) Ltd.	Influence of Key Managerial Personnel & Relatives	Sale of Investment	Nil (15,60,000.00)	Nil (Nil)	Nil (Nil)
U.V. Associates Pvt. Ltd.	Influence of Key Managerial Personnel & Relatives	Sale of Investment	Nil (15,60,000.00)	Nil (Nil)	Nil (Nil)
Tyagi Associates Pvt. Ltd.	Influence of Key Managerial Personnel & Relatives	Sale of Investment	Nil (15,60,000.00)	Nil (Nil)	Nil (Nil)
Anushna Estates Pvt. Ltd.	Influence of Key Managerial Personnel & Relatives	Sale of Investment	Nil (15,60,000.00)	Nil (Nil)	Nil (Nil)
Satin Media Solutions Limited	Influence of Key Managerial Personnel & Relatives	Sale of Investment	Nil (22,50,000.00)	Nil (Nil)	Nil (Nil)
Taraashna Services Pvt. Ltd.	Influence of Key Managerial Personnel & Relatives	Received on account of Managerial Services	1,82,86,717.00 (20,08,755.00)	22,16,914.00 Dr. (9,97,394.00 Dr)	Nil (Nil)

Figures in bracket pertain to previous year.

Note: As provisions for gratuity and leave benefits are made for the Company as a whole, the amounts pertaining to the key Management Personnel are not specifically identified and hence are not included above

5. The disclosure in respect of Accounting for leases as per AS- 19 is as under:-

(Amount in Rs.)

Particulars	Current Year	Previous Year
Operating lease payments recognized during the year	239,43,245.00	1,56,61,966.00
Minimum lease obligations:		
-Not later than 1 year	278,62,400.00	1,02,91,005.00
-Later than 1 year but not later than 5 years	625,09,975.00	46,90,252.00
-Later than 5 years	126,98,040.00	-

6. Earnings Per Share

In accordance with the Accounting Standard 20 of 'Earnings Per Share' as notified by the Companies (Accounting Standards) Rules, 2015:

(i) Calculation of Earnings Per Share:

Particulars	Current Year	Previous Year
Net Profit after Tax available for appropriation (Rs.)	308,247,992.32	154,817,218.23
Weighted average number of Equity Shares for computation of Basic Earnings Per Share	25,319,080	22,668,651
Basic Earnings Per Share (Rs.)	12.17	6.83
Weighted average number of Equity Shares for computation of Diluted Earnings Per Share	25,844,080	23,193,651
Diluted Earnings Per Share (Rs.)	11.93	6.67

(ii) The reconciliation between Basic and Diluted Earnings per Share is as follows:

Particulars	Current Year	Previous Year
Basic Earnings Per Share (Rs.)	12.17	6.83
Effect of outstanding ESOS (Rs.)	(0.24)	(0.16)
Diluted Earnings Per Share (Rs.)	11.93	6.67

7. (i) Earning/Remittance (Inward) in Foreign Currency :

(Amount in Rs.)

Nature	Current Year	Previous Year
Share Application Money / Share Capital Received	28,43,74,970.00	-
External Commercial Borrowing Received	63,39,00,000.00	-
Reimbursement of Expenditure	4,04,147.00	-
Total	91,86,79,117.00	-

(ii) Expenditure /remittance (Outward) in Foreign Currency:

(Amount in Rs.)

Nature	Current Year	Previous Year
Travelling expenses	29,55,554.00	29,75,430.00
Fees & Subscription	8,95,778.00	17,07,139.00
Professional Fee	3,10,17,352.00	-
Interest Payment - External Commercial Borrowing	69,81,343.00	-
Total	4,18,50,027.00	46,82,569.00

8. The Company has not discontinued any operations hence there is no profit/loss on this account.
9. Based on the information available with the company, there is no outstanding dues to suppliers registered under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31st March, 2015 (Previous year Nil).
10. Additional disclosures as required by the Reserve Bank of India: -

(A) Disclosure as per circular no. RBI/2014-15/299 DNBR(PD) CC.No.002/03.10.001/2014-15, dated 10th November 2014 issued by RBI are as under:-

(i) Capital to Risk Assets Ratio ("CRAR"):-

Particulars	Current Year	Previous Year
CRAR (%)	15.67	15.31
CRAR - Tier I Capital (%)	9.60	14.32
CRAR - Tier II Capital (%)	6.07	0.99
Amount of subordinated debt raised as Tier-II capital (Rs.in Crores)	80.91	-
Amount raised by issue of perpetual Debt Instruments	-	-

(ii) Investment:-

(Rs.in Crores)

Particulars		Current Year	Previous Year
1)	Value of Investments		
	i) Gross Value of Investments	0.06	0.06
	a) In India	0.06	0.06
	b) Outside India	-	-
	II) Provisions for Depreciation	-	-
	a) In India	-	-
	b) Outside India	-	-
	III) Net Value of Investments	0.06	0.06
	a) In India	0.06	0.06
	b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments.	-	-
	i) Opening balance	-	-
	ii) Add: Provisions made during the year	-	-
	iii) Less: Write-off/write-back of excess provisions during the year	-	-
	iv) Closing balance	-	-

(iii) Derivatives:-

The Company has no transactions/exposure in derivatives in the current and the previous year.

(iv) (a) Disclosures relating to Securitisation :-

(Rs.in Crores)

S. No.	Particulars	Current Year	Previous Year
1	Number of SPVs sponsored by the NBFC for securitisation transactions	25	23
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	630.35	195.92
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
	a) Off Balance Sheet exposures	-	-
	* First Loss	-	-
	* Others	-	-
	b) On Balance Sheet exposures	-	-
	* First Loss	50.62	35.69
	* Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off Balance Sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	* First Loss	-	-
	* Others	-	-
	ii) Exposure to third party securitizations	-	-
	* First Loss	-	-
	* Others	-	-
	b) On Balance Sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	* First Loss	-	-
	* Others	-	-
	ii) Exposure to third party securitizations	-	-
	* First Loss	-	-
	* Others	-	-

(b) Disclosure as per RBI circular no. DBOD.No.BP.BC.60/21.04.048/2005-06 dated February 1, 2006

(Rs. in Crores)

Particulars	Current Year	Previous Year
i) Total Number of Loan Assets Securitised during the year	441,624	187,123
ii) Book Value of Loans Assets Securitised during the year	662.28	247.26
iii) Sale Consideration Received during the year	676.44	263.65
iv) Credit Enhancements Provided	36.99	25.94
v) Un-amortised Interest Spread as at year end	13.14	13.19
vi) Interest spread recognised in the statement of Profit and Loss during the year (including amortization of Unamortised Interest Spread)	24.28	13.21

(v) Detail of Assignment Transactions undertaken :-**(Rs.in Crores)**

Particulars		Current Year	Previous Year
i)	Total Number of Loan Assets Assigned during the year	1,16,895	59,326
ii)	Book Value of Loans Assets Assigned during the year	158.80	87.69
iii)	Sale Consideration Received during the year	160.17	84.92
iv)	Interest spread recognised in the statement of Profit and Loss during the year (including amortization of Unamortised Interest Spread)	6.88	(1.62)

(vi) Details of financial asset sold to Securitisation/Reconstruction Company for asset reconstruction:-

The Company has not sold financial assets to Securitisation/Reconstruction Companies for asset reconstruction in the current and previous year.

(vii) Detail of non-performing financial asset purchased/sold :-

The Company has not purchased/sold non-performing financial asset in the current and previous year.

(viii) Asset Liability Management Maturity pattern of certain items of assets and liabilities:-**(Rs. in Crores)**

Particulars	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities									
Borrowings from Banks	40.49	45.79	77.02	159.37	309.15	391.63	3.34	-	1,026.79
	(22.33)	(33.27)	(56.95)	(119.69)	(212.03)	(249.68)	(0.03)	-	(693.98)
Market Borrowings (other than Banks)	14.99	11.10	21.17	63.65	74.81	307.74	42.20	67.62	603.28
	(15.78)	(16.17)	(6.11)	(26.78)	(64.91)	(84.24)	(0.06)	(0.61)	(214.66)
Assets									
Advances	120.55	94.51	92.16	298.17	656.46	544.96	0.67	0.87	1,808.35
	(134.44)	(59.09)	(55.06)	(159.66)	(324.40)	(305.10)	-	-	(1,037.75)
Investments	-	-	-	-	-	-	-	0.06	0.06
	-	-	-	-	-	-	-	(0.06)	(0.06)

Figures in bracket pertain to previous year.

(ix) Exposures:-

(a) Exposure to Real State Sector:-Nil (Previous Year Nil)

(b) Exposure to Capital Market:-Nil (Previous Year Nil)

(x) Details of financing of parent Company product:-

This disclosure is not applicable as the Company does not have any holding/parent Company.

(xi) Registration obtained from other financial sector regulators:-

The Company is registered with following other financial sector regulators :

(a) Ministry of Corporate Affairs

(b) Ministry of Finance (Financial Intelligence Unit)

(xii) Disclosure of Penalties imposed by RBI & other regulators:-

The RBI conducted the inspection of the Company during the financial year, their findings have been suitably addressed and replied.No penalty has been imposed by RBI and other regulators.

(xiii) Related party transactions:-

Please refer Note No.26(4).

(xiv) Rating assigned by credit rating agencies and migration of ratings during the year-

The Company has received a credit rating BBB+(Triple B plus) for long term bank facilities upto Rs.1300.00 crores from Credit Analysis & Research Limited. The same was upgraded from BBB(Triple B) during the year. During the year, the Company's various instruments were rated, the details of these ratings are as under:-

S.No	Name	Issue Amount (Rs in Lacs)	Credit Rating Agency	Credit Rating at issue	Remarks
1	UTI INTERNATIONAL WEALTH CREATOR 4	5,000.00	CREDIT ANALYSIS & RESEARCH LTD	CARE BBB	UPGRADED TO CARE BBB+, LETTER DATED JULY 10, 2014
2	THE INVESTMENT FUND FOR DEVELOPING COUNTRIES	2,100.00	CREDIT ANALYSIS & RESEARCH LTD	CARE BBB	
3	HINDUJA LEYLAND FINANCE LIMITED	890.00	ICRA LIMITED	ICRA BBB+ (SO)	
4	THE RATNAKAR BANK LTD	2,000.00	ICRA LIMITED	ICRA A- (SO)	
5	MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED	1,500.00	ICRA LIMITED	ICRA A- (SO)	
6	AAV S.A.R.L	5,150.00	CREDIT ANALYSIS & RESEARCH LTD	CARE BBB+	
7	HINDUJA LEYLAND FINANCE LIMITED	1,400.00	ICRA LIMITED	ICRA BBB+ (SO)	
8	SAMENA INDIA CREDIT (SINGAPORE) PRIVATE LIMITED	1,500.00	ICRA LIMITED	ICRA BBB+	
9	IFMR FIMPACT INVESTMENT FUND	1,300.00	ICRA LIMITED	ICRA BBB+	
10	IFMR CAPITAL MOSEC ODIN 2014	4,047.41	ICRA LIMITED	BBB(SO)/B(SO)	
11	ALECTRONA IFMR CAPITAL 2014	4,269.13	ICRA LIMITED	A-(SO)/B-(SO)	
12	CHRYSOTHEMIS IFMR CAPITAL 2014	3,402.39	ICRA LIMITED	A(SO)/BBB(SO)	
13	IFMR CAPITAL MOSEC MAIA 2014	1,679.53	ICRA LIMITED	A-(SO)/B(SO)	
14	IFMR CAPITAL MOSEC RHEA 2014	1,829.52	ICRA LIMITED	A-(SO)/BBB(SO)/B(SO)	
15	IFMR CAPITAL MOSEC MUSE 2014	2,874.72	ICRA LIMITED	BBB(SO)/B-(SO)	
16	IFMR CAPITAL MOSEC ZEPHYRUS 2015	3,593.18	ICRA LIMITED	BBB(SO)/C+(SO)	
17	EUPHROSYNE IFMR CAPITAL 2015	10,019.19	ICRA LIMITED	A-(SO)/BBB(SO)/B(SO)	
18	DORIS IFMR CAPITAL 2015	3,156.18	ICRA LIMITED	A-(SO)/BB-(SO)	
19	ELEKTRA IFMR CAPITAL 2015	4,987.14	ICRA LIMITED	A-(SO)/BB-(SO)	
20	ELEOS IFMR CAPITAL 2015	3,103.76	ICRA LIMITED	A-(SO)	
21	IFMR CAPITAL MOSEC HERCULES 2015	1,819.50	ICRA LIMITED	BBB(SO)/C+(SO)	
22	IFMR CAPITAL MOSEC ARIA 2015	1,991.27	ICRA LIMITED	A-(SO)/B(SO)	
23	EURYMEDON IFMR CAPITAL 2015	9,909.43	ICRA LIMITED	A-(SO)/BBB-(SO)	
24	NEPTUNE IFMR CAPITAL 2015	2,428.50	ICRA LIMITED	A-(SO)/BBB-(SO)	
25	EUREKA MARCH 2015-I	7,117.50	ICRA LIMITED	A-(SO)/BBB-(SO)	

(xv) Remuneration of Directors:-**(Amount in Rs.)**

Particulars	Salary	Contribution to Provident Fund etc.	Sitting Fees
Mr. H P Singh	48,00,000.00 (48,00,000.00)	13,76,000.00 (13,76,000.00)	Nil (Nil)
Mr.Satvinder Singh	Nil (Nil)	Nil (Nil)	40,000.00 (30,000.00)
Mr.Rakesh Sachdeva	Nil (Nil)	Nil (Nil)	40,000.00 (30,000.00)
Mr.Sandeep Kumar Mehta	Nil (Nil)	Nil (Nil)	40,000.00 (20,000.00)
Mrs.Sangeeta Khorana	Nil (Nil)	Nil (Nil)	30,000.00 (20,000.00)
Mr.Goh Colin	Nil (Nil)	Nil (Nil)	20,000.00 (Nil)

Figures in bracket pertain to previous year.

(xvi) Additional Disclosures:-**(a) Provisions & Contingencies:-****(Rs.in Crores)**

Break up of 'Provisions and Contingencies shown under the head Expenditure in Profit & Loss Account		Current Year	Previous Year
Provision for depreciation on Investment		-	-
Provision towards NPA		0.21	0.09
Provision made towards Income Tax		17.60	9.63
Other Provision and Contingencies (With details)			
(i)	Provision for Leave Encashment	1.23	0.34
(ii)	Provision for Gratuity	0.31	-
Provision for Standard Assets		14.43	7.75

(b) Draw Down from Reserves:-

Please Refer Note No. 10, 11 & 12

(c) Concentration of Advances, Exposures and NPAs:-**(Rs.in Crores)**

Particulars		Current Year	Previous Year
Concentration of Advances			
Total Advances to twenty largest borrowers		0.10	0.55
% of Advances to twenty largest borrowers to total advances		0.01%	0.05%
Concentration of Exposures			
Total Exposure to twenty largest borrowers/Customers		0.08	0.36
% of Exposure to twenty largest borrowers /customers to total exposure		0.01%	0.03%
Concentration of NPAs			
Total Exposure to top four NPA Account		0.02	0.02

(d) Sector-wise NPAs:-

Particulars		Current Year	Previous Year
S. No.	Sector	Percentage of NPAs to Total Advances in that sector	
1	Agriculture & Allied activities	0.01%	0.00%
2	MSME	0.02%	0.00%
3	Corporate borrowers	-	-
4	Services	0.04%	0.05%
5	Unsecured Personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

(e) Movement of NPAs:-**(Rs.in Crores)**

Particulars		Current Year	Previous Year
i)	Net NPAs to Net Advances (%)	0.02	0.02
ii)	Movement of NPAs (Gross)		
a)	Opening balance	0.19	0.71
b)	Additions during the year	3.59	3.66
c)	Reductions/Write off during the year	3.36	4.17
d)	Closing balance	0.42	0.19
iii)	Movement of Net NPAs		
a)	Opening balance	0.10	0.36
b)	Additions during the year	1.80	1.83
c)	Reductions/Write off during the year	1.69	2.09
d)	Closing balance	0.21	0.10
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
a)	Opening balance	0.09	0.35
b)	Provisions made during the year	1.79	1.83
c)	Write-off / write-back of excess provisions	1.67	2.09
d)	Closing balance	0.21	0.09

(f) Customer Complaints:-

Particulars		Current Year	Previous Year
a)	Number of complaints pending at the beginning of the year	-	-
b)	Number of complaints received during the year	828	731
c)	Number of complaints redressed during the year	828	731
d)	Number of complaints pending at the end of the year	-	-

(g) Instances of fraud:-

No fraud/embezzlement are reported during the financial year 2014-15.

(B) Information on Net Interest Margin :-

Particulars	Current Year	Previous Year
Average Interest (a)	23.94%	24.72%
Average effective cost of borrowing (b)	15.01%	14.79%
Net Interest margin (a) - (b)	8.93%	9.92%

(C). Disclosure as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is as under:

(Rs.in Lacs)

Particulars			
Liabilities side:			
1	Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	23,001.67	-
	: Unsecured	4900.00	-
	(other than falling within the meaning of Public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	134,621.33	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(g) Other Loans (specify nature) -		
	Public deposits	-	-
	Other unsecured loans	-	-
	Secured loans against assets of Company	109.82	-
Assets side :		Amount outstanding	
2	Break-up of Loans and advances including bills receivables (other than those included in (4) below) :		
	(a) Secured		-
	(b) Unsecured		147,884.77
3	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(I) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		-
	(b) Operating lease		-
	(II) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(III) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
4	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(I) Shares : (a) Equity		-
	(b) Preference		-
	(II) Debentures and Bonds		-
	(III) Units of mutual funds		-
	(IV) Government Securities		-
	(V) Others (please specify)		-
	2. Unquoted :		
	(I) Shares : (a) Equity		-
	(b) Preference		-
	(II) Debentures and Bonds		-
	(III) Units of mutual funds		-
	(IV) Government Securities		-
	(V) Others (please specify)		-
	Long Term Investments :		
	1. Quoted :		
	(I) Shares : (a) Equity		-
	(b) Preference		-
	(II) Debentures and Bonds		-
	(III) Units of mutual funds		-
	(IV) Government Securities		-
	(V) Others (please specify)		-
	2. Unquoted :		
	(I) Shares : (a) Equity		5.00
	(b) Preference		-
	(II) Debentures and Bonds		-
	(III) Units of mutual funds		-
	(IV) Government Securities		0.51
	(V) Others (please specify)		-
			5.51

5 Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related Parties	-	144,983.24	144,983.24
Total	-	144,983.24	144,983.24
6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value / Breakup or fair value or NAV	Book Value (Net of Provision)	
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related Parties		5.51	5.51
Total		5.51	5.51
7 Other information			
Particulars	Amount		
(I) Gross Non-Performing Assets	42.37		
(a) Related parties	-		
(b) Other than related parties	42.37		
(II) Net Non-Performing Assets	21.18		
(a) Related parties	-		
(b) Other than related parties	21.18		
(III) Assets acquired in satisfaction of debt	-		

11. With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by Ministry of Corporate Affairs, the Company has undertaken activities as per the Corporate Social Responsibility ("CSR") Policy. During the financial year 2014-15, the Company has incurred a sum of Rs. 20,64,260.00 towards corporate social responsibilities in accordance with section 135 of the Companies Act 2013.
12. The figures of the previous year have been regrouped / reclassified wherever necessary to make them comparable with the figures of the current year.

As per our report of even date annexed
For A.K. Gangaher & Co.
Chartered Accountants

For and on behalf of Board of Directors

A.K. Gangaher
Proprietor
M. No.083674
Firm ICAI Reg. No. 004588N

H P Singh
(Chairman cum Managing Director)

Satvinder Singh
(Director)

Place: Delhi
Dated: 25th May, 2015

Jugal Kataria
(Chief Financial Officer)

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)



Women Self Help Group & Livelihood Project

"Change Comes Only To Those Who Seek It"

SCNL started working on WSHG scheme about three years back and since then a lot has been achieved. Ever since May 2012, SCNL team has done a valuable job at ground level by which we have been able to provide benefit of this program to more than 18,000 members.

In FY 2014 - 15, SCNL has focused on development of entrepreneurial skill of the WSHG members while focusing on outreach of the program. Till March 2015, SCNL has promoted 1,507 WSHGs, out of which 1,462 WSHGs are saving linked and 717 WSHGs have been credit linked. These credit linked WSHGs are sanctioned with Rs. 20.65 Crores of Cash Credit limit. Out of which an amount of Rs. 6.23 Crores have been disbursed to these WSHGs. SCNL also has successfully mobilised around Rs. 3.00 Crores as savings by these WSHGs in different Banks.

While working with this large community, SCNL is not only assisting financially excluded families to get saving & credit linked with Banks to improve their socio-economic capacity, but also strengthening them to create a sustainable development approach. To achieve our social agenda, during FY 2014-15, SCNL has conducted 36 Micro Enterprise Development Programme (MEDP), out of which 13 were under sponsorship program of NABARD. In these MEDP, more than 1,400 WSHGs member have been trained in different trades of skills i.e. paper plate making, food processing, sewing & tailoring, making soft toys, artificial jewellery and handicraft items etc. The real success that came to notice was when more than 200 micro entrepreneurs took up business activities and are now following their dreams.

Apart from these micro enterprises development programs, SCNL team members have conducted 872 WSHG awareness programs in FY 2014-15 where awareness has been created on various social issues like child education, sanitation, malnutrition, reproductive health, water conservation, plantation, say no gender discrimination, family planning etc.

At SCNL, we hope to bring the change that our society needs. The impact of these various social reforms has been found at ground level like a huge number of their children are enrolled with the schools, child marriages are opposed by SHG's, liquor shops have been displaced especially the ones that have been operating illegally, plantation activities in the villages, awareness programs on sanitation issues etc.

SCNL has always encouraged talent, promoted entrepreneurship and inculcated financial literacy with the hope that it will one day help to break the vicious circle of poverty. SCNL works as bridge between financially excluded society, individuals and banks for all kind of socio-economic assistance. Thus, while we have been working towards our Mission to reach maximum number of financially excluded communities; we have helped others to achieving their dreams. In the process, SCNL has been separately providing assistance for creation of new businesses or growth of existing ones and encouraging business expansion, greater profitability and increased employment in local communities.



Client Success Story - WSHG

Journey from a Maid to a Manufacturing Unit Owner

"I was working as a maid servant. My monthly income could not bear my monthly expenses. I was unable to find out the way to get rid from poverty. SCNL came into my life as a big hope and showed me a way to become financially empowered. Now, I am sending my children to a good school and people respect me in society" – Radha Kasher

Radha Kasher is the member of Shyam Satin SHG, Hanumana in Rewa, MP. Before getting associated with SCNL's WSHG programme, her life was full of misery. Radha's husband worked as a feriwala in nearby villages and due to inadequate source of finance; she was working as a maid i.e. servant. In September 2012, Radha joined WSHG-Shyam Satin SHG programme and started saving Rs.100 on monthly basis. Gradually, the saving corpus of SHG started with internal lending to its members, making Radha the first member to avail benefit of Rs. 5,000. With this money she rented a small shop at Rs.700 per month for her husband who was working as feriwala in nearby villages.



Thereafter in May 2013, with the efforts of SCNL and Union Bank of India-Hanumana, Rewa (MP); Rs. 1,20,000 was sanctioned to her SHG under CCL. Radha then took Rs. 10,000 from this CCL amount as a loan from her own SHG and invested it in her shop. She repaid the entire loan amount with interest on time and during second CCL by Union Bank of India, she again borrowed Rs. 15,000 from her own SHG in June 2014. Radha further invested this money in her shop to expand her current business.

Radha started earning Rs.6,000-Rs.8,000 per month on average and improvised her life economically. However, through her earnings she was yet not able to provide a better education to her children and continued working as a maid.

In January 2015, SCNL conducted a MEDP program on "Paper Plate Making Training" under sponsorship of NABARD where many WSHG members participated. Radha also actively participated in this training and learnt how to make paper plates. Post training Radha once again borrowed Rs. 17,000 from her WSHG to buy a paper plate making machine and raw materials in the same month. She started paper plate manufacturing unit at her home and stopped working as maid. In a short span of two months i.e. February '15 & March '15, Radha used more than 2 quintals of raw material to make paper plates and started generating a profit of approximately Rs. 3,000 per month. Today, Radha is happy with her financial growth and intends to provide a quality education to her children in near future.

Bonded Labourer Turned Goat Rancher

"Thanks to SCNL WSHG and Vibha Satin SHG, from no one I am someone important for people around me" - Bela Kali

Bela Kali aged 28 years is a resident of Bhaulua, Naighari in Rewa where she lives with her husband, in-laws and 3 children. Both she and her husband were day labourer in agriculture farm which gave them seasonal employment because of which her husband had to migrate to distant places to search for work.

To get rid of her poor economic condition, Bela even took land on lease to cultivate but due to drought in the area it did not reap any benefit and lost the money she took from the local moneylenders for cultivation. As a result her economic condition went from bad to worse as she could not repay the money she had taken. Bela had no other option but to work on the moneylender's farm without any wages while her husband had migrated to another place to work.



In February 2013, Bela joined SCNL's WSHG program and formed Vibha Satin SHG. Initially she found it very difficult to save Rs.100 per month due to lack of proper source of income. However, Bela was motivated from time to time and given moral support by SCNL team and her fellow SHG members to sail through this and save money. Gradually saving corpus of SHG started internal lending to its members and Bela Kali took a loan of Rs.4,000 and bought two 4 month old doe's i.e. female baby goats.

She then learnt goat rearing activity from those who were engaged in the same activity in her neighbourhood. To help Bela, SCNL also provided support to her so as to enable her to learn goat rearing business. 11 months later, the female goat that Bela bought gave birth to five baby doe's out of which she sold 3 of them for Rs.6,000 when they were 4 months old and repaid her internal lending loan of SHG.

Thereafter with the efforts of SCNL and Union Bank of India-Bhaulua Branch, Rewa (MP); Rs.60,000 was sanctioned to her SHG under CCL scheme in the month of March 2014. Bela once again took a loan of Rs.10,000 from SHG CCL account. After receiving of this amount, she immediately repaid entire loan taken from the moneylender. Today, Bela owns 13 doe's & a buck and has made goat rearing activity a full time business that helps her to earn Rs.5000 - Rs.6000 per month on an average. Bela's determination and effort has made her a self-reliant woman and improvised her economic condition.

From Being a Mere House-Wife to an Entrepreneur

"SCNL's WSHG program made impossible turn into possible in my life. SCNL not only motivated me to work hard but also materialized my dream and today I am a boutique owner. All my hard work has reaped good results and paid off well" – Pooja Dubey

Pooja Dubey is 25 year old young woman who graduated in Arts in 2011 before she got married in 2012. She was a regular housewife and her skills and knowledge gathered during her education period were unused. Her husband was an auto driver and his earnings were not enough to fulfil the needs of a big family. Pooja wanted to help her husband but due to family responsibilities of taking care of her old aged in-laws and her son restrained her to step out of the house.

In December 2012, Pooja volunteered and formed WSHG-Nirankar Satin SHG with the help of SCNL team and began saving Rs.100 per month. As a member she took the responsibility of keeping the book of her group and brought her SHG to the level where they could work collectively for any kind of activity.

In August 2013, Union Bank of India sanctioned Rs.66,000 to her SHG under CCL scheme. Furthermore, SCNL conducted MEDP training sponsored by NABARD on "Sewing & Tailoring and Making Artificial Jewellery & Soft Toys". Post this training, Pooja again took a loan of Rs.15,000 from her SHG as start-up capital to make soft toys & artificial jewellery from her own house. Her husband helped her by supplying these items to shops in nearby market areas.

Initially Pooja was able to generate a profit margin of approximately Rs.1,000 - Rs.2,000 per month. But she felt the profit margin was low as compared to the time and hard work she had to put in it. However, seeing Pooja some more members of WSHG got motivated and finally they came to her and they all made a team. She then trained some of these members and started a manufacturing unit after taking a fresh loan of Rs.20,000 from her SHG in the month of March 2014. Soon she opened a shop closer to her home from where she could sell these products with good margin.

At present, Pooja has a team of 8 people who are working in her manufacturing unit. From the profit that was generated from this manufacturing unit, she recently started a boutique that provides with facility of bridal make-up & Mehedi. Seeing Pooja's calibre and focus both SCNL and Union Bank of India use Pooja's skill from time to time in various trainings to facilitate training and motivate other women.



SCNL's Empowerment & Social Initiatives

Year 2014-2015 started with an array of activities and social initiatives organized by team SCNL to assist, educate and benefit our clients, their families and the community as a whole by providing them with the basic knowledge and needs that they are both ignorant about and deprived off. Below is the snapshot of some of the activities undertaken in 2014-2015:

World Health Day

World Health Day marks the founding of World Health Organization (WHO) and aims to draw attention to important health issues facing the world each year. With an initiative to create awareness among clients and their family members on April 7th, 2014; SCNL identified its branches and reach so as to create awareness amongst masses. To create better health hygiene SCNL imparted awareness through its slogan *Swasthya Aur Surakshit Aahar, Swasthya Rahe Pura Parivaar.*"



Campaign Name	Pamphlet Distribution On Important Messages For Better Health
Region	Chapra
Covered State	Bihar
Branches	21
Center No.	5,892
Beneficiaries	1,12,932
No. of Pamphlets Distributed	22,000
No. of Villages Benefited	1,502

World No Tobacco Day

SCNL organized an awareness camp on "World No Tobacco Day" on 31st May, 2014 in association with Rajiv Gandhi Cancer Institute and Research Centre in Loni Branch of Hapur Region. The program was initiated with focus on the purpose of creating awareness on the harmful effects of intake of tobacco, alcohol and other addictions. The main purpose of organizing the program was to sensitize our clients about the ill-effects of tobacco in human body and also aware them about the various forms of cancer along with its preventive measures.



Campaign Name	Celebration of World No Tobacco Day
Target Segment	Clients of SCNL
Date	31st May, 2014
Agenda	Preventive and Curative Health Care
Venue	Shri Ram Palace, Loni
Region	Loni, Hapur Region
In association with	Rajiv Gandhi Cancer Hospital
Participants	100

Hand Wash Drive

SCNL drives campaign of "Hand wash" each year so as to bring in behavioural change amongst its clients to protect their family members from health hygiene and health issues like diarrhoea, respiratory problems etc. This activity is conducted frequently since we strongly believe that corrective hygiene practices leads to prevention of so many diseases. Hence, as a policy of reminding the clients with the same message we ensure that clients are not only aware of best hygiene practices, but they are also replicating the same in their routine life. This campaign was carried out from 21st July, 2014 To 4th August, 2014 in Mathura region, Uttar Pradesh.



Campaign Name	Creating Awareness On Washing Hands
Region	Mathura
Covered State	Parts of Uttar Pradesh
No. of Branches	18
No. of Centres	6,030
Beneficiaries	1,05,686
No. of Pamphlets Distributed	21,000
No. of Villages Benefited	1,623



Campaign Name	World Environment Day
State	Uttar Pradesh
Region	Azamgarh, Moradabad
Branches	51
Total Number Of Centers	13,574
Beneficiaries	2,43,000
No. of Pamphlets Distributed	48,000
Theme	Encouraging Clients To Have A Kitchen Garden

Jammu & Kashmir Relief Camp

SCNL took a small step to help those who were affected from Jammu Flood Natural Disaster and supported them through food packets, blankets, medicines and transport facility so that they could reach the army camp. This relief camp was done in 12 villages and help was provided to 550 beneficiaries.



Campaign Name	Jammu & Kashmir Relief Camp
Date	13th Sep, 2014 to 16th Sep, 2014
Location	Jammu
Beneficiaries	550
No. of Staff deployed	8
No. of villages targeted	12 villages
Allotted Budget	Rs. 1.5 lakh

World Sight Day

An open eye camp was organized on World Sight Day i.e. 9th October, 2014 for the benefit of the SCNL employees, clients and their family members in Burari Branch office in partnership with All India Confederation of Blind. Eye care pamphlets were distributed prior to conduction of this camp. This initiative showed high level of case diagnosis and also those clients who had eye problem were encouraged to participate in the camp.





Campaign Name	World Sight Day
Target Segment	Clients of SCNL, Their Families and Other Participants
Date	9th Oct, 2014
Agenda	Preventive & Curative Health Care
Venue	Burari Branch, Hapur Region

International Poverty Day

On "International Poverty Day" (17th October), SCNL head office staff visited two orphanages namely St. Joseph Memorial Children Orphanage and All Hind Yuva Sangh. In this initiative, the head office staff decided to collectively participate and accumulate some basic necessities of daily routine such as food, clothes, blankets, books, stationary items, shoes and dry ration segregated into separate boxes. It was ensured that the discarded items were in usable form and that these necessities should actually reach the deprived and less fortunate ones.



Children's Day

SCNL celebrated Children's Day on 14th November, 2014 in Hapur region in two primary schools namely "Ashodha Prathamik Vidyalaya I and II". The event was divided into two sessions. Session 1 consisted of SCNL employees doing career counselling for children, motivating children to focus on their ambitions and strive hard to achieve their goals. While in session 2 poem recitation, painting, singing and dancing competition was organized. Winners were chosen by the panel of judges from SCNL and were gratified. Along with refreshments, participation gifts for all were given as a token of love.





Campaign Name	Children's Day Celebration
Date	14th Nov, 2014
Agenda	Celebrating Children's Day
Venue	2 Primary Schools of Hapur Region
Total Participants	190

Save The Girl Child Day

SCNL celebrated the Save the Girl Child Day by creating awareness amongst SCNL clients (specially the rural clients) and educating them about female foeticide, infanticide, gender redetection, discrimination and biasness in their respective states and decreasing ratio of females in comparison with male population. With both Primary and secondary research branches were identified where female infanticide and female redetection and gender discrimination were most prominent. Pamphlets were distributed at SCNL operating centres in Punjab, Haryana and Jammu on 9th December, 2014.



Campaign Name	Save The Girl Child Day
Region	Ludhiana
Covered State	Punjab, Haryana And Jammu & Kashmir
Branches	24
Center No.	3,555
Beneficiaries	49,770
No. of Pamphlets Distributed	10,000

Anti-Drug and Alcohol Abuse Campaign

SCNL undertook the Anti-Drug campaign initiative to create awareness ground amongst its clients on the ill-effects of drugs and alcohol on health and how adversely affected their area is with addition of various kinds. Pamphlets were distributed in all the operating centers in Ludhiana Region of Punjab State in the month of January, 2015.



Campaign Name	Anti-Drug And Alcohol Abuse
Region	Ludhiana
Covered State	Punjab
Branches	24
Center No.	3,555
Beneficiaries	49,770
No. of Pamphlets Distributed	12,000
No. of Villages Benefited	1,200

Eye Check-Up Camp: Burari

To ensure quality health eye care services to our clients for ascertaining good health, SCNL in partnership with All India Confederation of Blind organized eye camps on 18th May, 2014; 27th July, 2014 and 19th Oct, 2014 for the benefit of its clients in Burari branch office. Dr. Hemant Pandey an experienced eye expert from AICB conducted the eye check-ups. The camp was attended by 203 clients.



Campaign Name	Eye Check Up Camp
Target Segment	SCNL Clients With Families + Employees of The Associated Branches
Date	18th May, 2014; 27th Jul, 2014 and 19th Oct, 2014
Agenda	Preventive & Curative Health Care
Venue	Burari Branch, Hapur Region
Target Participants	203

Our Corporate Social Responsibility

The Call From Community To An Awaken Trustee

Mahatma Gandhi propounded the principle of trusteeship to ensure that in a society the wealthy people would be looking after the welfare of the people in general and work in a manner that will reduce the inequality in the society. Thankfully the recent guideline on CSR released on 1st April 2013 has ensured clarity on roles and responsibilities for all relevant stakeholders. In this context CSR is to be viewed as a way of conducting business, which enables creation and distribution of wealth for the betterment of society through the implementation and integration of ethical systems and sustainable management practices.

As a microfinance institution SCNL firmly believes in the spirit of trusteeship not only by contributing wealth to oblige statutory obligation but also working on a long term institutional framework which involves the beneficiary community, competent civil society organization for resource mobilization and channelizing the resources in apt direction. While doing so at SCNL, we keep a vigil on successful project implementation throughout the project lifecycle by conducting comprehensive monitoring and audit. We have a dedicated resource as nodal officer who oversees the CSR implementation and dedicated team members who conduct social and impact assessment audit.

Currently, SCNL has two flagship CSR projects. One under which we have chosen Sadeiberini of Dhenkanal district of Orissa which is famous for Dhokara craft and the entire community is engaged in manufacturing of Dhokara items. It is noteworthy that SCNL does not operate in Odisha and this project has been chosen with extreme care wherein philanthropic motivation is the driver of organizational motivation. Having said this senior members of the leadership team who have core competence in the related matter closely supervise the project.

About Dhokara Craft

Dhokara as a handicraft represents our culture, tradition and heritage in true sense. The community that is engaged in manufacturing of the craft use simple and indigenous tools and the products are purely handcrafted depicting strong fabric of tradition and aesthetics an artistry. The range of Dhokara handicraft at Sadaiberini is as diverse as the cultural diversity of the country. The community who are engaged in manufacturing of this handicraft has sustained their legacy across generations.



The Problem



Unfortunately the income earned by these artisans is not adequately compensating considering their effort and aesthetic value of the item they produce. The reason for the same could be attributed due to:

1. The fineness and delicacy involved: During production the handcrafted finished product comes out with breakage and manufacturing defect. This results in wage and opportunity loss for the artisan and impacts in marketability of the product.
2. Erratic electricity supply to the village: Because of which the villagers are not able to work in evening.
3. Dependence on external parties for polishing and fabrication: For which they charge the artisans exorbitant rates.
4. Illiteracy amongst the adults and lack of quality educational institutes: Are major hindrance for children education.

SCNL's Endeavour

In our endeavour to benefit the community, SCNL has partnered with local NGO World ACT to implement sustainable livelihood project for a period of two years (FY 2014-15 and 2015-16). During the 1st year of the project SCNL has supported the community by providing modern equipment and machinery which would enhance the productive output and aesthetic value of the product. SCNL has provided them with a 15 KW silent generator, vacuum cleaner, die machine, hot blower, buffeting machine, bench grinding machine, gas welding machine, polishing machine, brass cutter machine among others. In addition to this utility items like table, chairs, cupboards and mats have also been provided. SCNL also has arranged trainer who would help the community with recent

designs looking at evolving market demand and trend. The existing common facility centre (CFC) is also being revived and renovations work is being conducted. School children are provided with books and stationary and a tutor is being hired to help in providing them with quality education. The total project cost only for the 1st year of commencement is Rs.15.64 lakhs. The progress of the project implementation will be evaluated quarterly by our social performance audit department. The ownership of these items will lie on the community and they will use everything as a shared resource. World ACT NGO will help them in buying machineries, installing them in the common facility centre, arrange resource person for training etc. SCNL has also kept the local administration and government in the loop and take their valuable feedback and suggestion time to time.



About DMCT

The second project is with Daya Memorial Charitable Trust (DMCT), which is a non-profit organization registered as 'Trust' working and focusing on the theme "सहायता के दो हाथ कमजोर हाथों के साथ". DMCT intends to reach that part of the population in India that has the least access to the modern healthcare facilities and needs it the most. In the pursuance of this mission DMCT has been doing free medical camps in far flung areas i.e. the place of habilitation of target population.

SCNL's Endeavour

In our endeavour to achieve our CSR objective and provide adequate healthcare facilities to the under-served, SCNL has contributed an amount of Rs.5 lakhs to DMCT to assist, spread awareness and help the rural community to fight with various disease. To ensure that the same is achieved, DMCT has been asked to work on two plans of action.

Plan 1 is wherein DMCT has to install an X-ray unit plus small pathological diagnostic centre at a remote location of Jharhipani Village, Uttarakhand. SCNL has already taken the quotation and is in discussion with the manufacturer for the same.

Plan 2 is wherein we start a primary care healthcare unit on wheels i.e. mobile unit with facilities such as a small x-ray machine, pathological diagnostics etc. which can serve at various locations to the target population in different states. A service which would be one of its kind, as till date mobile healthcare unit is a non-existent service in India. Since it involves high cost, SCNL is simultaneously working on acquiring more CSR funds to club with the existing CSR funds.

SCNL is committed to measure the impact and desired outcome and social and well-being of the different communities through its internal audit and impact assessment.

Conclusion

The CSR projects of SCNL are an integrated livelihood and healthcare project that we at SCNL strongly believe will bring visible changes in the lives and livelihood of the beneficiaries. Like always SCNL is not only committed for this effort but also enthusiast in implementation and eager to see the results.



ATTENDANCE SLIP
(To be presented at the entrance)

Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting. Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the Meeting.

Name: Folio No./ DP & Client ID:
Address: No. of Shares Held:

I hereby record my presence at the Annual General Meeting held on 08th July, 2015 at 10.00 A.M. at 'Tyagi Farms', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi - 110043

SIGNATURE OF THE SHAREHOLDER/PROXY *

*Strike out whichever is not applicable.



Electronic voting particulars

EVEN	User ID	PASSWORD/PIN
101767		



**FORM NO. MGT-11
 PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):
 Registered Address:
 E-mail Id:
 Folio No./DP & Client ID:

I/We, being the member (s) of Equity shares of the above named company, hereby appoint

1. Name:
 2. Address:
 3. E-mail Id:.....
 4. Signature:....., or failing him.

1. Name:
 2. Address:
 3. E-mail Id:.....
 4. Signature:....., or failing him.

1. Name:
 2. Address:
 3. E-mail Id:.....
 4. Signature:....., or failing him.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on 08th July, 2015 at 10.00 A.M. at 'Tyagi Farms', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi – 110043 and at any adjournment thereof in respect of such resolutions as are indicated below:

- Resolution 1: To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31st March, 2015 and the Reports of Directors' and Auditors' thereon.
- Resolution 2: To declare Final Dividend on Preference Shares (12% Cumulative, Rated, Non Participative, and Non-Convertible & Compulsorily Redeemable Preference Shares) for the financial year 2014-15.
- Resolution 3: To appoint a Director in place of Mr. Richard Benjamin Butler (DIN: 06574786), who retires by rotation and being eligible, offers himself for re appointment.
- Resolution 4: To appoint statutory auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's Branches.
- Resolution 5: To appoint Mr. Goh Colin (DIN: 06963178) as an Independent Director of the Company to hold office for a period of five years from 12th November, 2014 or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines and not liable to retire by rotation.
- Resolution 6: To appoint Mr. Sanjay Kumar Bhatia (DIN: 07033027) as an Independent Director of the Company to hold office for a period of five years from 06th December, 2014, or till such earlier date as may be determined by any applicable statutes, rules, regulations or guidelines and not liable to retire by rotation.
- Resolution 7: To appoint Mr. Arthur Sletteberg (DIN: 07123647) as Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.
- Resolution 8: To re-appoint Mr. H P Singh (DIN: 00333754) as Chairman cum Managing Director of the Company with effect from 01st October, 2015 for a term of five years
- Resolution 9: To increase the borrowing power of Board of Directors u/s 180(1)(c) of the Companies Act, 2013.
- Resolution 10: To increase the borrowing power of Board of Directors u/s 180(1)(a) of the Companies Act, 2013.
- Resolution 11: To increase the limit u/s 42 of the Companies Act, 2013 and Rules framed thereunder (offers or invitations for Non-Convertible Debentures).

Signed this.....day of

Signature of the shareholder:

Signature of proxy holder(s):.....

Affix Re. 1 Revenue Stamp
--

Note:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) Those Members who have multiple folios with different joint holders may use copies of this attendance slip/Proxy form.



If undelivered please return to:

SATIN CREDITCARE NETWORK LIMITED

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