



# 23rd Annual Report 2012-2013



**SATIN CREDITCARE NETWORK LTD**  
*Reaching Out !!!*

## Celebrating the Story of Change



Vijay Pali - 43 Years  
Village : Bharana

First and the foremost, I would like to congratulate Satin Creditcare Network Limited (Satin) on completing 5 successful years of operation in rural lending. Being the first ever borrower of Satin in Joint Liability Group (JLG) model, I have witnessed both self growth as well as Company's growth over these 5 years. Today, I feel privileged to be associated with an organization that assists hundreds of people like me to fight back the tough time of want & hunger and live a life of self sufficiency. My story begins from a small village called Bharana where I live with my family. My husband works as a labourer and together we have 2 Daughters and 3 Sons. I still remember the dark days of my life where it was not only difficult to manage 3 meals a day but also, raising 5 children with my husband's daily wage was a daunting task. I was becoming helpless with every passing day. The feeling of not being able to give a good life to my family was haunting me. Then, on May 30, 2008 Satin emerged as a saviour, lifted my life up from the darkness & took it on the path of empowerment, confidence & self sufficiency. I took a loan of Rs. 8,000 to buy a buffalo. Thereafter, I started selling milk. This initiative of helping my family gave me a boost and approximately 1.5 years later I took another loan of Rs. 15,000 to buy a Cow. Thereafter, there is no looking back I supply milk to all the nearby dairies through dairy milkmen. Now, I have 1 Buffalo and 1 Cow. My business has grown considerably so has my loan size. The most recent loan I have taken from Satin amounts to Rs. 20,000 & I am in my third loan cycle. On an average, now, I save around Rs. 5,000 a month; my husband also supports me in my work. Recently, we got our elder daughter married. Our other children are also doing well in their lives. Two of my sons' are working in city, one of my son is studying and my younger daughter has completed her studies and she helps me in my business. Satin has helped me fight against my odds by turning the wheel of fortune in my favour. I solely wish best for Satin in all the years ahead.



## Message from CMD



HP Singh  
CMD

### Dear Stakeholders

I am delighted to connect with you through this 23rd Annual report of the Company.

The dynamism marks the onset of the successful business in the difficult scenario, especially when it comes to financing the vulnerable and the non-bankable class of the society.

Financial year 2012-2013 has been a great year in the history of Satin Creditcare Network Limited (Satin) as we commemorate the completion of 5 successful years of company's operation in Rural Lending. The note of appreciation by our first Joint Liability Group (JLG) model borrower Ms. Vijay Pali testifies the accomplishment of the company over all these years.

In financial year 2012-2013, Company has crossed many impressive milestones which have made us one of the key players' in the sector.

**Financial Focus:** Our loan portfolio has grown by 81% over the previous year. Satin has raised Rs. 70,892.00 Lacs through Term Loans, Non Convertible Debentures and Securitization Transactions. Company has also raised equity of Rs 4,100 Lacs during the year. Also, Satin has disbursed Rs. 62,640.63 Lacs over Rs. 38,750.36 Lacs amounting to 61.65 % increase when compared to the previous year. The gross income has also shown a growth rate of 67.77% over the previous year.

**Operational Focus:** Satin has remained focus on rural microfinance operations. Company has started to work in the toughest geographies of India which includes the states of Jammu and Punjab. There has been a considerable increase in the number of branches from 144 as at 31.03.2012 to 161 as at 31.03.2013. Also, there has been an increase in the number of states; Satin is now present in 10 States namely Bihar, Chandigarh, Delhi, Haryana, Jammu, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand.

**Social Focus:** Being in the social business; at Satin, we believe that our core duty is not only to pursue business growth but also keep a keen eye on society's well-being primarily our borrowers. Time to time various campaigns, trainings and financial literacy workshops were organized in financial year 2012-2013 to give a sense of empowerment and self sufficiency to the people at Bottom of the Pyramid (BOP).

On this note, I would like to thank each one of you. The support that we have received from our bankers, lenders, financial institutions, and also, our associates and employees continues to remain critical to our progress. And like always, we are grateful for your continued patronage and for being the inspiration and support for our actions.

“Our single minded pursuit is to make Satin one of the most valuable company”.

Good Luck!

**HP Singh**

**Chairman cum Managing Director**



**SATIN CREDITCARE NETWORK LTD**

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### **Mission**

“Satin Creditcare Network Limited has a mission to provide monetary access to financially excluded families to improve their economic and social capacity.”

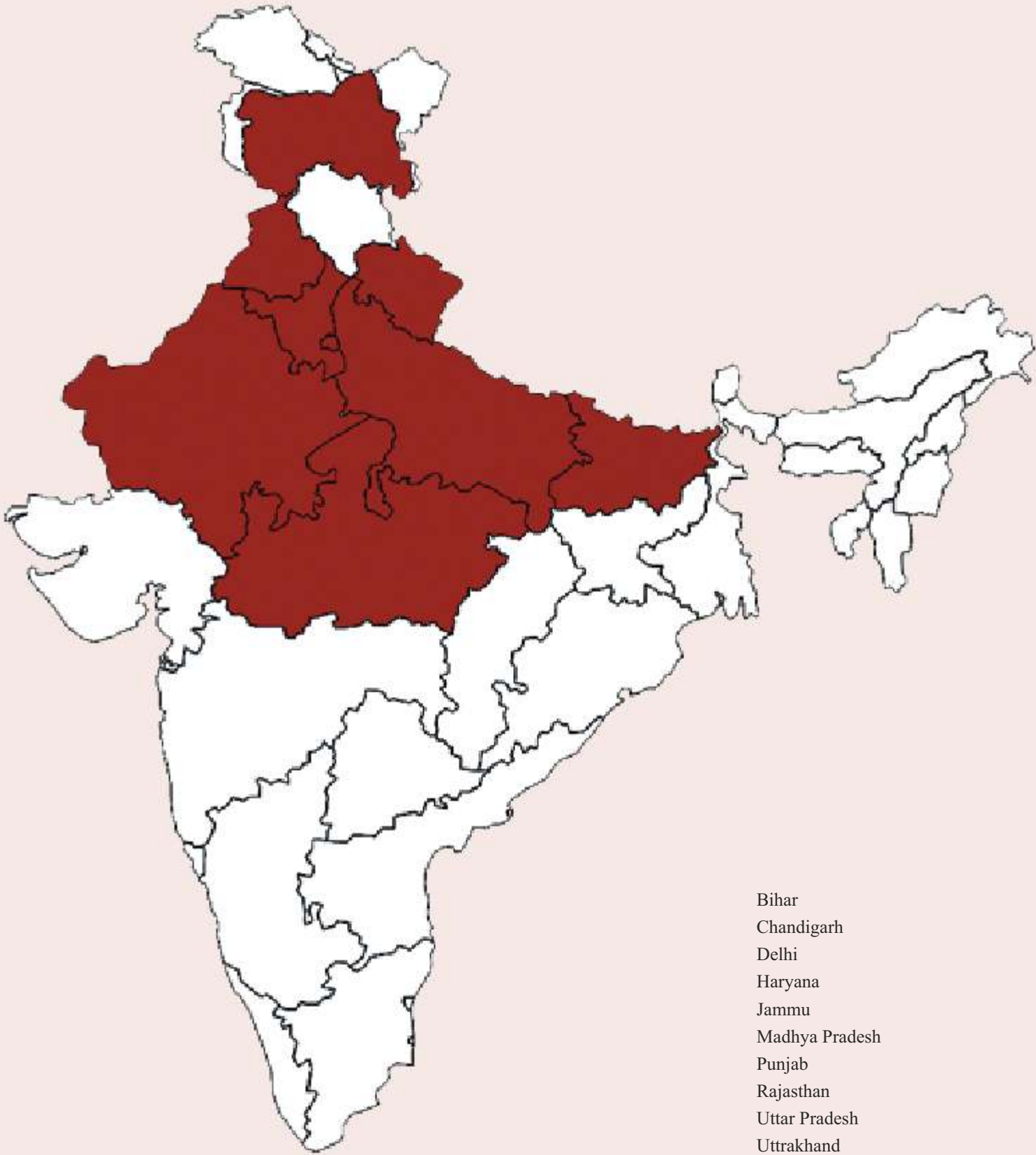
### **Vision**

The company wants to provide easy, doorstep service to India’s urban and rural poor, specifically those who lack access to funds from any other financial institution. We aim to provide loans at affordable rates that allow the poor to meet their productive requirements. Over time, we want to maintain a dynamic and flexible operation so that we may adopt the loan product to the needs of our clients. The company wants to expand its operations from Northern India to a national level in the short term and to expand operations internationally in the long term.





## Geographical Outreach



## Board of Directors



**Mr. H P Singh**

Mr. H P Singh, Chairman cum Managing Director and Promoter of Satin Creditcare Network Limited (SATIN): Mr. H P Singh is a law graduate and a fellow of The Institute of Chartered Accountants of India since 1984. He has over two 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 SATIN's day-to-day operations and has been a vital source of inspiration since the Company's inception in 1990. Under his leadership, SATIN has grown into one of the leading microfinance institutions in North India and continues to expand its operations. He has participated in HBS Accion Program on Strategic Leadership for Microfinance in 2009 and leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011.

Mr. Satvinder Singh serves as the Director of the Company. He is a management graduate and has been associated with SATIN since its inception in 1990 and acted as Managing Director of SATIN from September 1995 to February 2011. He has extensive consumer marketing and finance experience and has developed new methods of credit appraisal and marketing for SATIN.



**Mr. Satvinder Singh**



**Mr. Davis Golding**

Mr. Davis Golding, EVP and Chief Investment Officer, ShoreCap II Limited: Mr. Davis Golding represents ShoreCap II Limited on the Board of SATIN. Prior to joining ShoreCap, he was EVP and Chief Operating Officer of ShoreBank Pacific, a US-based community development bank. Mr. Golding previously worked as Director, International Mergers and Acquisitions/Corporate Development for Textron Financial Corporation. Mr. Golding also served as President and CEO of a Hong Kong based merchant banking operation involved in lending, trade finance and corporate restructurings. He has over 30 years experience in international finance, banking, and mergers and acquisitions. He holds a B.A. in Business Administration from Duke University, Durham, North Carolina, USA.

Ms. Deepa A Hingorani, Head of Regional Office (South Asia), IFU: Ms. Deepa A Hingorani represents Danish Microfinance Partners K/S on the Board of SATIN. She is Masters in Finance and Control (Delhi), Executive MBA (Scandinavian International Management Institute, Copenhagen). She heads the South Asian activities for IFU, an Investment Fund owned by the Danish Government. IFU invests together with Danish companies in projects in developing countries and is also an investor in Danish Microfinance Partners. She has been associated with IFU for past 18 years working out of Chennai, Copenhagen, Singapore and New Delhi. Prior to working with IFU, she worked in Ballarpur Industries Limited, India, a large industrial group engaged in production of paper, chemicals, glass, etc. Apart from this, she serves as member of Board of Directors for a number of organizations in India, Sri Lanka and Kenya.



**Ms. Deepa A Hingorani**



## Board of Directors



**Mr. Richard B. Butler**

Mr. Richard B. Butler represents MV Mauritius on the board of SATIN. He is a 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. 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. Rakesh Sachdeva joined SATIN's Board in April 1999. He is a Fellow Member of the Institute of Chartered Accountants of India. He previously served as Executive Director at SATIN and is now actively involved in evaluating the Company's macro issues. Prior to joining SATIN, he has worked with Apollo Tyres Ltd. and was Vice President of Corporate Finance at U.K. Paints Group, controlling M/S Berger Paints (India) Ltd., Rajdoot Paints Ltd., Malibu Estate Pvt. Ltd. and other overseas body corporates.



**Mr. Rakesh Sachdeva**



**Mr. Naresh Khanna**

Mr. Naresh Khanna joined the Board on May 1, 2008. He is a Fellow of the Institute of Chartered Accountants of India and has over 31 years of business experience in India. He also serves as a director for various companies at the Pearlpet Group.

Mr. S S Chawla has been associated with SATIN since March 2003. He is a double graduate holding both degrees in Law as well as in Arts. He served in the Lok Sabha Secretariat for 32 years most recently as Deputy Secretary before joining SATIN as Director.



**Mr. S. S. Chawla**



**Mr. Sundeep Kumar Mehta**

Mr. Sundeep Kumar Mehta joined the Board in 2013. He is a Science graduate from University of Rajasthan and also holds a Post graduate diploma in Business Administration from Annamalai University. Apart from these, he holds various other certificates, degrees and diplomas in the field of Cyber Law, History, Labour Laws, Auto Engg and Human resources. He has over 14 years of experience. Prior to joining SATIN, He has served RKJ group, Escorts Ltd, Panacea Biotech Ltd, Bata India Ltd, and also Eicher Good Earth Ltd at various high capacities respectively.



# Corporate Information

**COMPANY SECRETARY  
& COMPLIANCE OFFICER:**

Choudhary Runveer Krishanan

**AUDITORS**

A. K. Gangaher & Co.  
Chartered Accountants

**BANKERS & OTHER LENDERS**

- Andhra Bank
- Axis Bank
- Bank of Maharashtra
- BNP Paribas
- Central Bank of India
- Corporation Bank
- Dena Bank
- Development Credit Bank Limited
- Dhanlaxmi Bank
- HDFC Bank Limited
- ICICI Bank
- IDBI Bank
- IFMR Capital Finance Private Limited
- Indian Bank
- IndusInd Bank
- ING Vysya Bank
- MV Microfinance Private Limited
- Maanaveeya Development & Finance Private Limited
- Mahindra & Mahindra Financial Services Limited
- MAS Financial Services Limited
- Oriental Bank of Commerce
- Reliance Capital Limited
- Small Industries Development Bank of India
- Standard Chartered Bank
- State Bank of India
- State Bank of Mauritius
- Syndicate Bank
- The Karur Vysya Bank Limited
- The Ratnakar Bank Limited
- The South Indian Bank Limited
- United Bank of India
- Yes Bank

**REGISTERED OFFICE**

306, Lusa Tower,  
Azadpur Commercial Complex, Delhi-110033, INDIA

**CORPORATE OFFICE**

5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex, Delhi- 110033, INDIA

**REGISTRAR & TRANSFER  
AGENT(EQUITY SHARES)**

Link Intime India Pvt. Ltd.  
44, Community Center, 2nd floor, Naraina Industrial Area, Phase-II,  
Near Batra Banquet Hall, New Delhi-110028

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

Karvy Computershare Pvt. Ltd.  
Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad-500081

**WEBSITE**

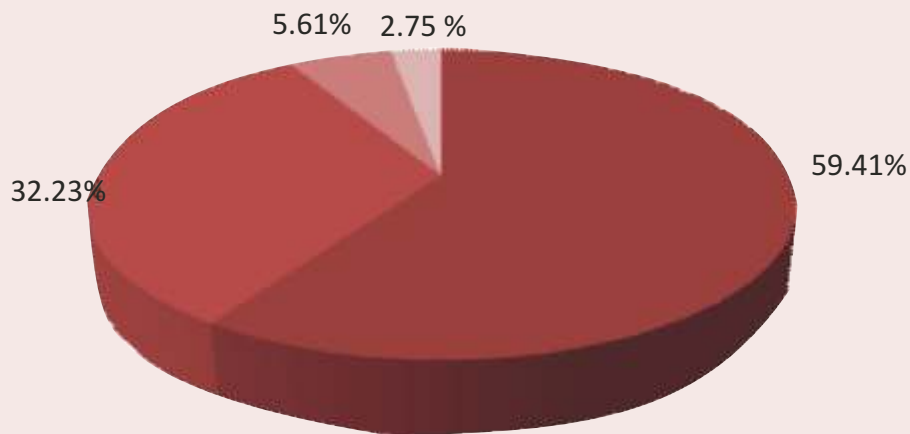
[www.satincreditcare.com](http://www.satincreditcare.com)



## Products & Services

Purpose wise Outstanding	No of Borrowers	Gross Loan Outstanding (Crores)	%
■ Agriculture & Animal Husbandry	296312	344.60	59.41
■ Trade & Service	143720	186.95	32.23
■ Production	30086	32.54	5.61
■ Others	14915	15.93	2.75
Total	485033	580.02	100

## Purpose Wise Summary



## Loan Amount Product & Services

Loan Term	≤INR 15000/ loan for 12 months & above >INR 15000/ loan for minimum of 24 months
Finance Amounts	≤INR 35000/ in first cycle (Maximum Indebtness/Borrower in the 1st cycle) ≤INR 50000/ in the subsequent cycles (Maximum Indebtness/ Borrower in the 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