



SATIN CREDITCARE NETWORK LTD.

Reaching out!

July 13, 2016

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Kind Attention: Mr. Vishnu Vyas

**Sub: Clarification with regard to the proposed preferential allotment to the shareholders
Taraashna Services Private Limited through swap of shares**

Ref: Outcome of Board meeting dated June 30, 2016

Dear Sir,

This is in reference to your mail dated July 12, 2016 whereby your goodself has asked for the submission of certain clarification with regard to the proposed preferential allotment of shares to the existing shareholders' of Taraashna Services Private Limited (TSPL) for consideration other than cash through swap of shares with an intent to make it as its Wholly Owned Subsidiary of Satin Creditcare Network Limited ('Company' or 'SCNL').

In this regard, please find attached herewith the requisite details for your reference as **Annexure I**.
You requested to kindly take the same on your records.

For Satin Creditcare Network Limited

For SATIN CREDITCARE NETWORK LIMITED

CHOUHARY RUNVEER KRISHANAN
COMPANY SECRETARY & COMPLIANCE OFFICER

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

Encl: a/a



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Particulars	Remarks									
Name of the target entity, details in brief such as size, turnover etc.	Taraashna Services Private Limited having Turnover of Rs. 32.26 Crore during the financial year ended March 31, 2016 and PAT of Rs. 0.52 crores.									
Brief background about the entity acquired in terms of products/line of business acquired,	Taraashna Services Private Limited (TSPL) is a company incorporated by Mr. H P Singh, Chairman cum Managing Director of Satin Creditcare Network Limited (SCNL) to act as Business Correspondent (BC) for various Banks/ Financial Institutions to provide banking services (initially credit, deposit and insurance) to people in the remote areas, outside the reach of banking network. The Reserve Bank of India (RBI) has been actively supporting BC model to achieve the objective of financial inclusion.									
Date of incorporation	May 22, 2012									
History of last 3 years turnover,	<table><tr><th colspan="3">Audited figures</th></tr><tr><th>March 31st 2016 (in crs.)</th><th>March 31st 2015 (in crs.)</th><th>March 31st 2014 (in crs.)</th></tr><tr><td>32.26</td><td>21.56</td><td>5.19</td></tr></table>	Audited figures			March 31 st 2016 (in crs.)	March 31 st 2015 (in crs.)	March 31 st 2014 (in crs.)	32.26	21.56	5.19
Audited figures										
March 31 st 2016 (in crs.)	March 31 st 2015 (in crs.)	March 31 st 2014 (in crs.)								
32.26	21.56	5.19								
Country in which the acquired entity has presence; and	India									
any other significant information	Not Applicable									
Cost of acquisition or the price at which the shares are acquired	The equity shares of SCNL will be allotted at an issue price of Rs 457.82 each.									
Whether the acquisition would fall within related party transaction(s); and	Yes									
Whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and	Yes, the following persons/ entities, belonging to the Promoter and Promoter group of SCNL are interested in the proposed acquisition, to the extent of their shareholding in the SCNL: • Mr. H P Singh, being the Chairman cum Managing Director and promoter of SCNL;* Ms. Anureet H P Singh, being the promoter of the SCNL; • M/s Satin (India) Limited (SIL); and • Satin Media Solutions Limited (SMSL)									



Corporate Office :

909-914 ABC, 9th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001, India

Registered Office :

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

CIN

: L65991DL1990PLC041796

Landline No : (011) 4754 5000

E-Mail ID : info@satincreditcare.com

Website : www.satincreditcare.com



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Whether the same is done at “arms length”	Mrs. Anureet HP Singh, SIL and SMSL are also the Proposed Allottees in the proposed Issue are interested in the entity being acquired. Further, Mrs Anureet HP Singh also draws Salary from TSPL. Yes the transaction will be done at an issue price calculated in accordance with provisions of Chapter VII of SEBI (ICDR) Regulations 2009.
Nature of consideration - whether cash consideration or share swap and details of the same;	Consideration other than cash i.e. swap of shares with TSPL with an intent to make it as wholly owned subsidiary of Company. On the basis of the Valuations of both the companies, the shares will be issued in the ratio of 0.1363:1 i.e. upto 12,38,157 Equity Shares of Satin Creditcare Network Limited will be issued against 90,82,732 Equity shares of Taraashna Services Private Limited (“TSPL”) to the shareholders of TSPL in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulation, 2009
Industry to which the entity being acquired belongs;	Business Correspondent (Activities auxiliary to Financial Sector)
Indicative time period for completion of the acquisition	The allotment or acquisition shall be made within 15 days from the date of receipt of shareholders’ approval or receipt of In-principle approval from all the nationwide exchanges at which the securities are listed, whichever is later.
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The object of this acquisition or allotment is to make TSPL a wholly owned subsidiary of SCNL. The rationale behind this proposed acquisition is to achieve operational efficiency.
Brief details of any governmental or regulatory approvals required for the acquisition;	Not Applicable



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