

Jana Small Finance Bank

Analyst Meet Presentation

February 2024



**Jana Small
Finance Bank**

A SCHEDULED COMMERCIAL BANK

Key Highlights – Highest ever PAT of Rs. 348 crores (9MFY24)

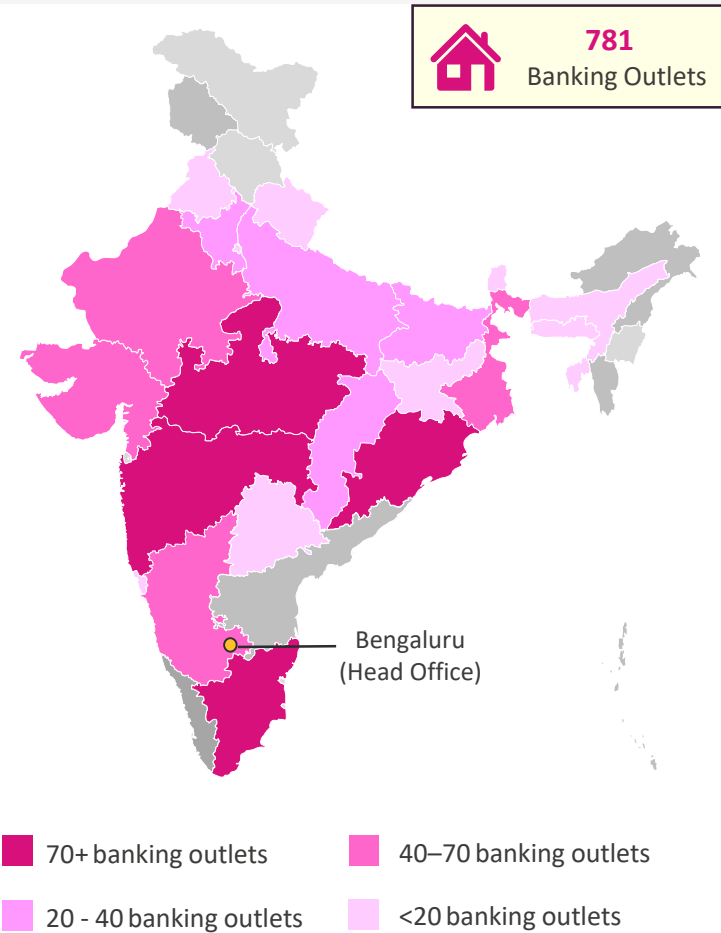
Assets	Liabilities	Asset Quality	Capital Structure	Operational Metrics	Ratios	P&L Metrics
Rs. 23,610 Crs / 28.4% Advances ¹ / Growth (YoY)	Rs. 20,785 Crs / 36.5% Deposits / Growth (YoY)	2.1% Gross NPA*	2,718 Crs Net worth	781 Banking Outlets	1.7% [1.1%] ROA	Rs. 348 Crs [175 Crs] PAT
Rs. 12,841 Crs / 22.1% Disbursements / Growth (YoY)	61.9% Retail Deposits	0.7% Net NPA*	16.3% CRAR	22/2 Presence in States/UTs	20.2% [15.8%] ROE	Rs. 851 Crs [720 Crs] PPOP
59.6% Share of Secured Advances ¹	7.6% Cost of Funds	67.9% Provision Coverage Ratio	14.9% Tier I Capital Adequacy Ratio	5.2 Mn Active Customers	7.9% [7.7%] NIM	Rs. 1,536 Crs [1,193 Crs] NII

CRAR does not consider the PAT for Q3-FY 24, if we consider the same the CRAR increases to 17.1%

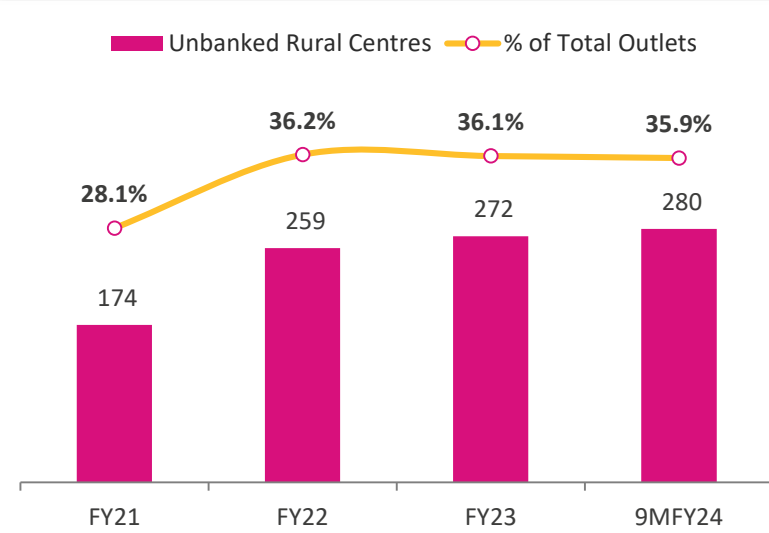
The Bank has raised Rs. 575 crores of Capital as part of the IPO which was completed in February 2024 and considering which the proforma CRAR would be 20.5%.

National franchise with strong brand recognition

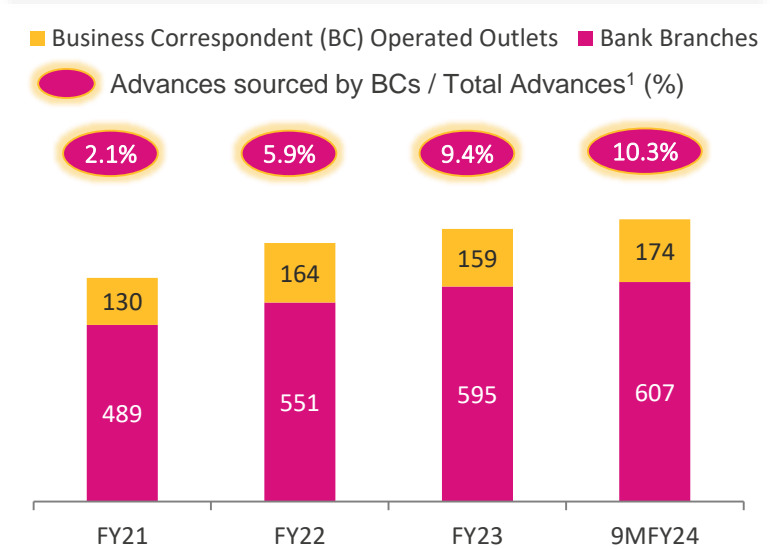
Distribution of bank branches



Presence in Unbanked Rural Centers



MFI through BCs



Key customer and delivery channel metrics

> 12 Million
Customer served since 2008

5.21 Million
Active Customers as of December 31, 2023

22 States / 2 UTs
Geographical presence

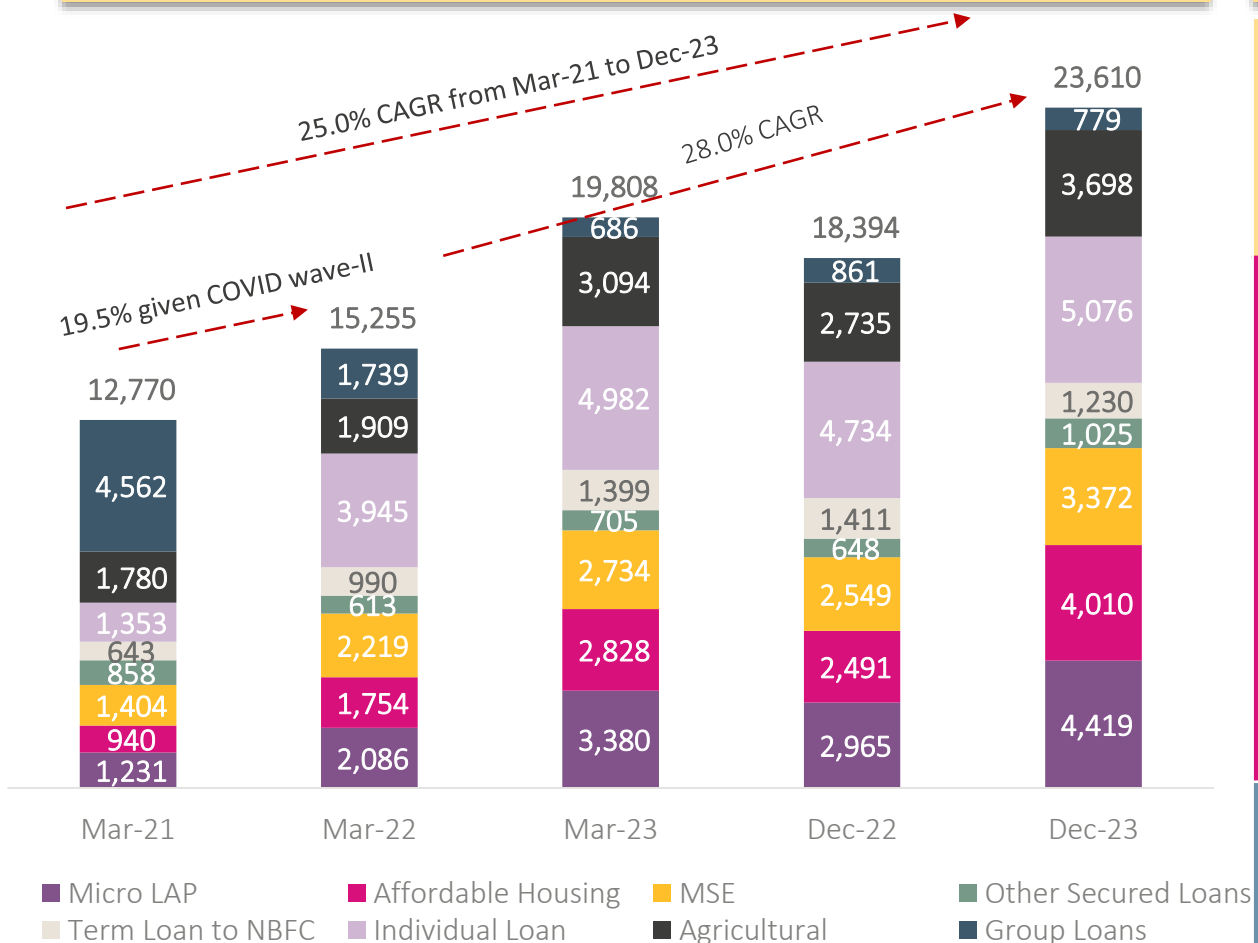
61
ATMs

14
Zonal Offices

¹Advances includes IBPC & Securitisation Book

Secured Lending has become Core Business

Asset Products



Other Secured Loans includes Gold Loans, Two Wheeler Loans and Loan Against FD

Key Metrics for Asset Products

Category of Advance (As at December 31, 2023)	Average Tenure (Months)	Average Ticket Size (Rs. Mn) ²	Advances ¹ 2.75Yr CAGR ³ (%)	GNPA ⁴ (%)	NNPA ⁴ (%)	LTV ⁵	
Secured	Micro LAP	133	0.79	59.2%	0.7%	0.6%	34.2%
	Affordable Housing	174	1.14	69.50%	0.6%	0.5%	47.8%
	MSME Loans	107	3.47	37.50%	1.90	1.5%	43.7%
	Term Loans To NBFCs	25	144.74	26.6%*	0.0%	0.0%	NA
	Two-wheeler Loans	29	0.06	271.4%	0.4%	0.3%	NA
	Gold Loans	5	0.06	(25.3%)	0.6%	0.5%	58.5%
Unsecured	Unsecured Advances	25	0.04	8.2%	3.8%	0.7%	NA

* Term Loans to NBFC has reduced by 12% from 1,399 crs in Mar-23 to 1,230 crs in Dec-23

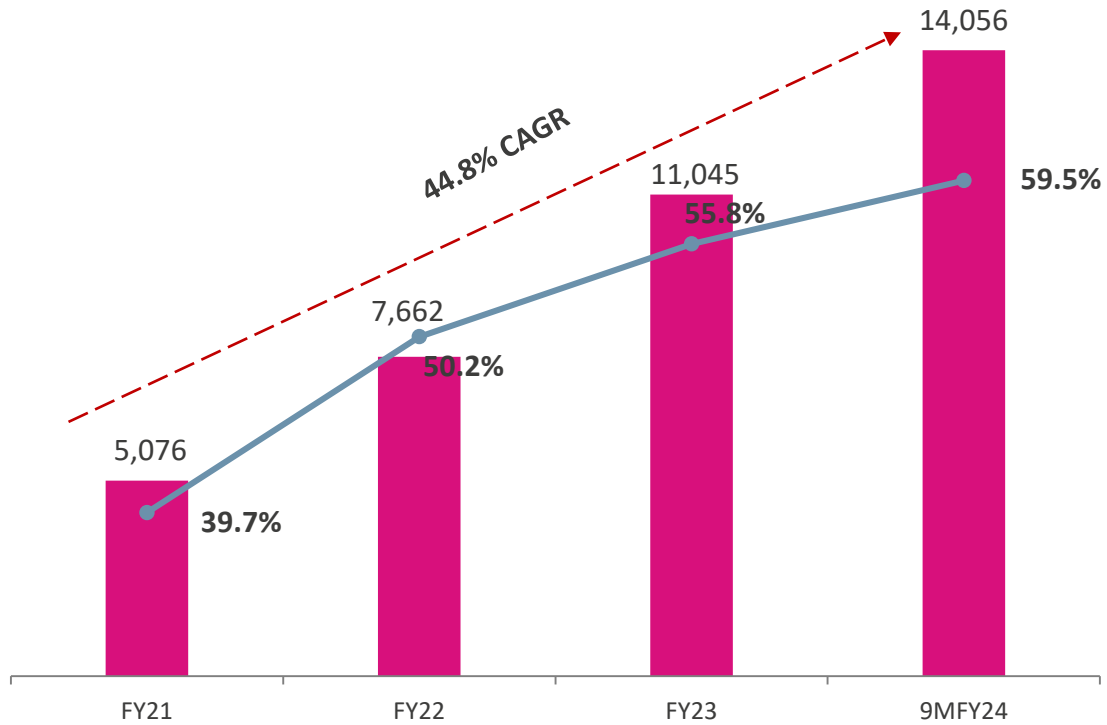
Note: ¹Advances includes IBPC & Securitisation Book | ² Average Ticket size is based on closing AUM |

³Compound Annual Growth Rate (CAGR) from FY21 to 9MFY24 | ⁴Advance for the purpose of GNPA/NNPA calculation includes Securitization book | ⁵LTV is based on POS

De-risking paying off

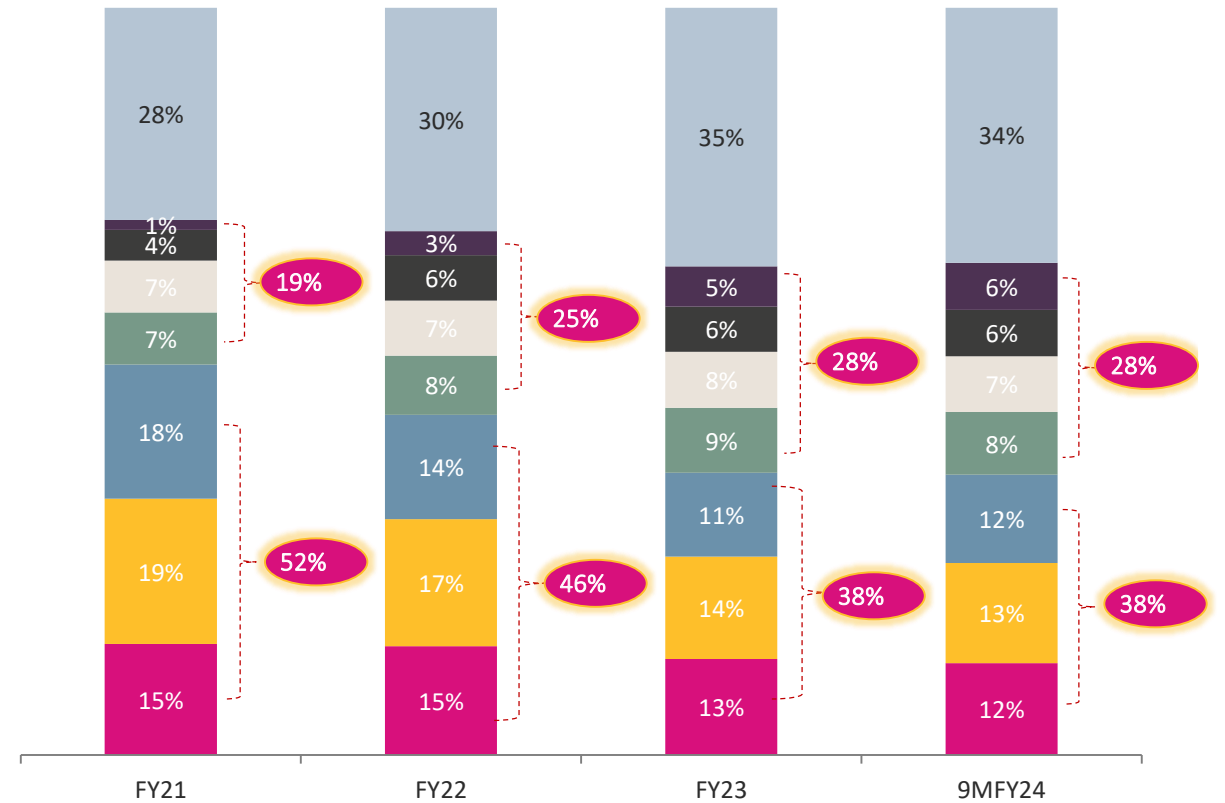
Focus on making secured the core

Secured Advances¹ (Rs. Crs)



Low geographical concentration

- Maharashtra
- Tamil Nadu
- Karnataka
- Gujarat
- Madhya Pradesh
- Rajasthan
- Uttar Pradesh
- Others



¹Advances includes IBPC & Securitisation Book

API based digital Process

Customised Score Card

Bureau

Bank Statements

Financials

GST

Personal Discussion

Portfolio Management & Early Warning

Bounce Incidence
Refreshed bureau
Internal risk score

Key Account Manager
Updated financial
information , bank
statements

The shape of future MFI – Digital and customized

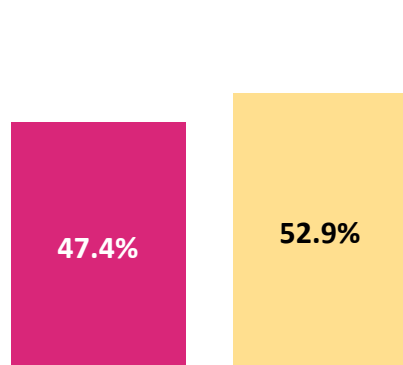
Product Wise AUM	Dec-23	Digital Payment	ATS	Growth (Mar 23 - Dec 23)	GNPA	NNPA	PCR
Individual Loan	5,073	36.5%	45,750	1.9%	3.5%	0.8%	77.3%
BC Book	2,442	17.0%	30,794	30.8%	3.0%	0.4%	86.6%
Agricultural	1,593	5.8%	29,640	3.6%	2.7%	1.0%	62.8%
Group Loans	444	15.0%	21,579	17.5%	15.3%	0.6%	96.6%
Total Unsecured	9,553	20.0%	36,241	19.2%	3.8%	0.7%	81.1%

Note – ATS is based on Advances including securitisation

Becoming Anchor bank to our customers

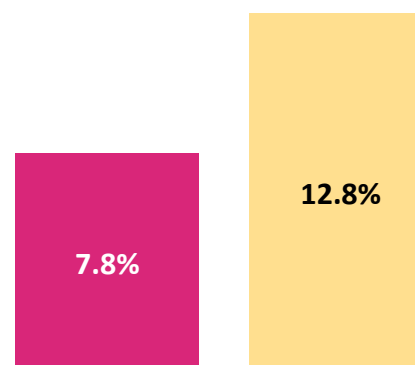
Product	L1	L2	L3	L4+
Agri	3,211	435	35	17
GL	666	69	26	18
IL	644	1,314	1,492	1,626
Overall	4,521	1,817	1,553	1,661

RFS Overall - % Portfolio Existing Customers



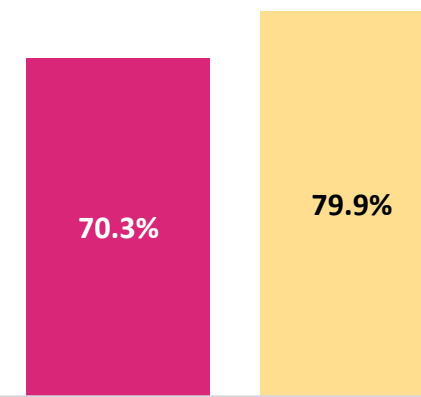
FY'23 9M FY'242

Agri Loans - % Portfolio Existing Customers



FY'23 9M FY'242

GL and IL - % Portfolio Existing Customers



FY'23 9M FY'242

Note - Data relates to MFI customers only

 Home Loan leading to Anchor Bank
with Multiple Product Offerings and Special Benefits

Pre-approved loan

- Additional Top-up line upto Rs. 5 lakhs available through the entire relationship with the bank
- For Business Expansion and Home Improvement
- Lower than market Interest Rates
- Same day disbursement with no additional documentation

Gold Loan

- Zero Processing Fees
- Quick Disbursement in 30 minutes



Two Wheeler loans

- Pre-approved Two Wheeler loans
- 100% funding to the vehicle value
- Lower Processing fee – 0.5%

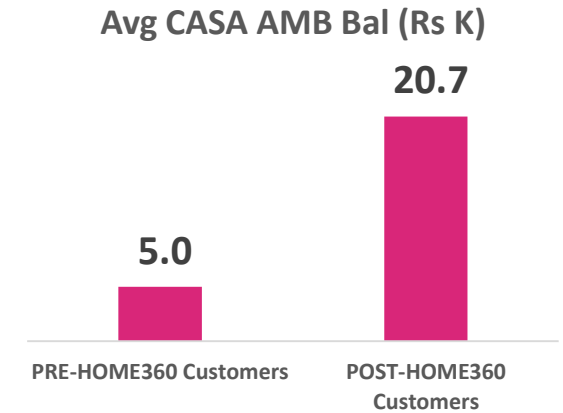
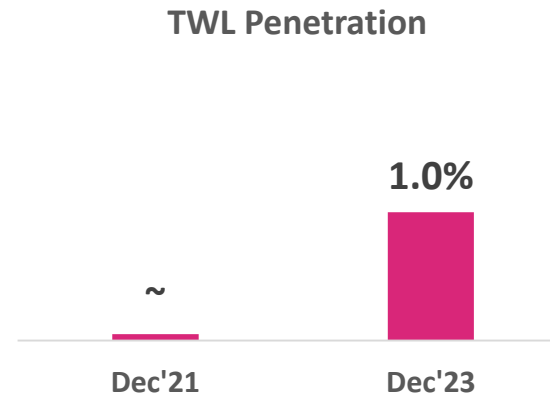
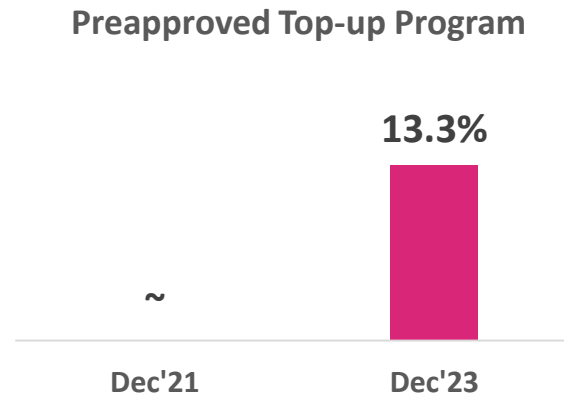
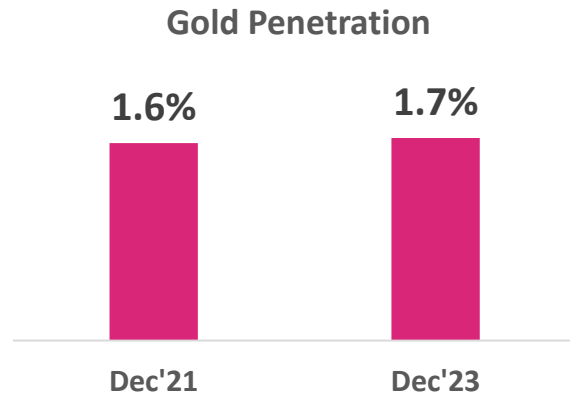
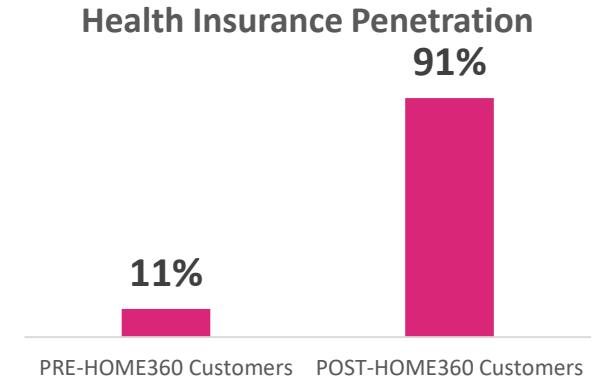
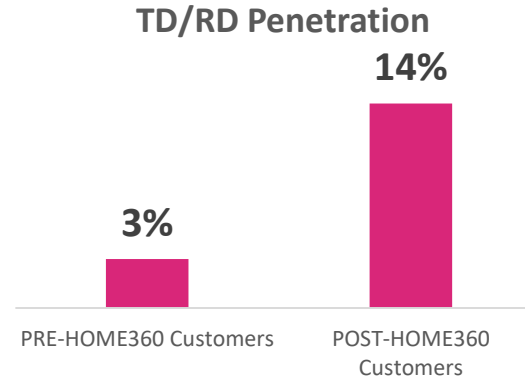
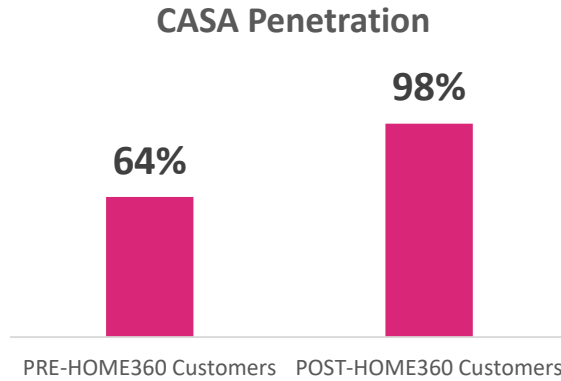
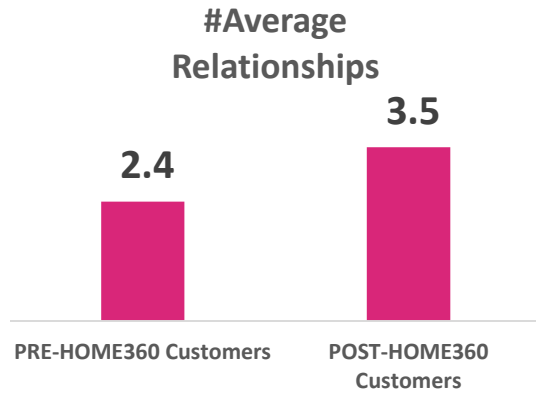
Health Insurance

- Hospi Cash cover designed to suite the segment

Linked Savings/Current Account

- Instant Current/Savings Account with no additional documents
- Attractive interest rates upto 7.5%
- Mobile Banking app with a 360 view of all the relationships
- Ease of all Transactions including all EMI, GST and other Bill Payments.

Becoming Anchor bank to our customers

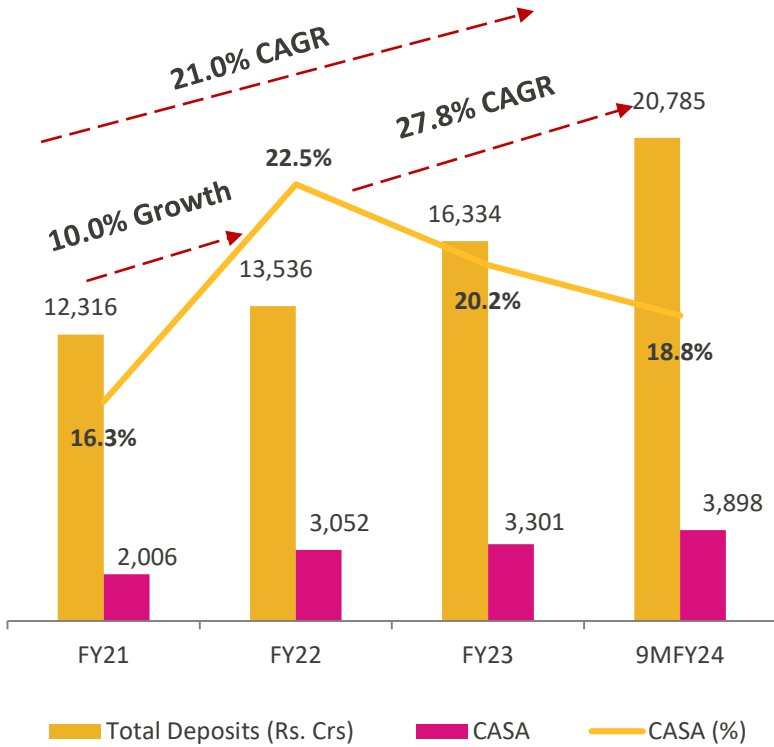


NOTE:

*PRE-HOME360 Customers refers to customers on boarded before the HOME360 initiative. Customer Data as of Dec-2023 EOM.
Data relates to Affordable Housing and Micro LAP customers only

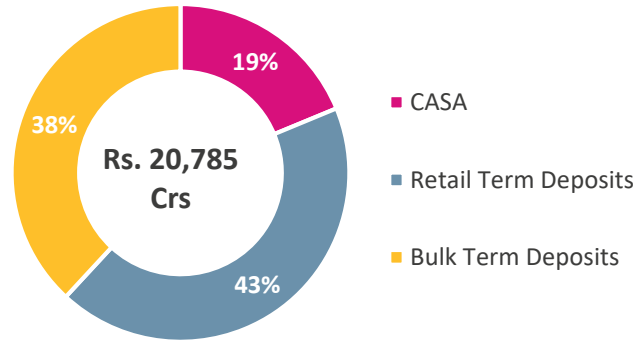
Fast growing retail deposit base with a diversified deposit franchise

Rapidly growing deposit portfolio

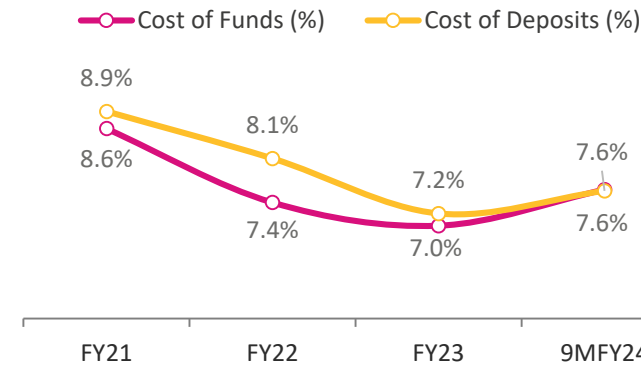


- Credit to Deposits ratio reducing from 108.7% in Mar-23 to 105.7% in Dec-23 as the Deposits have grown faster than advances

Diversified deposit base...

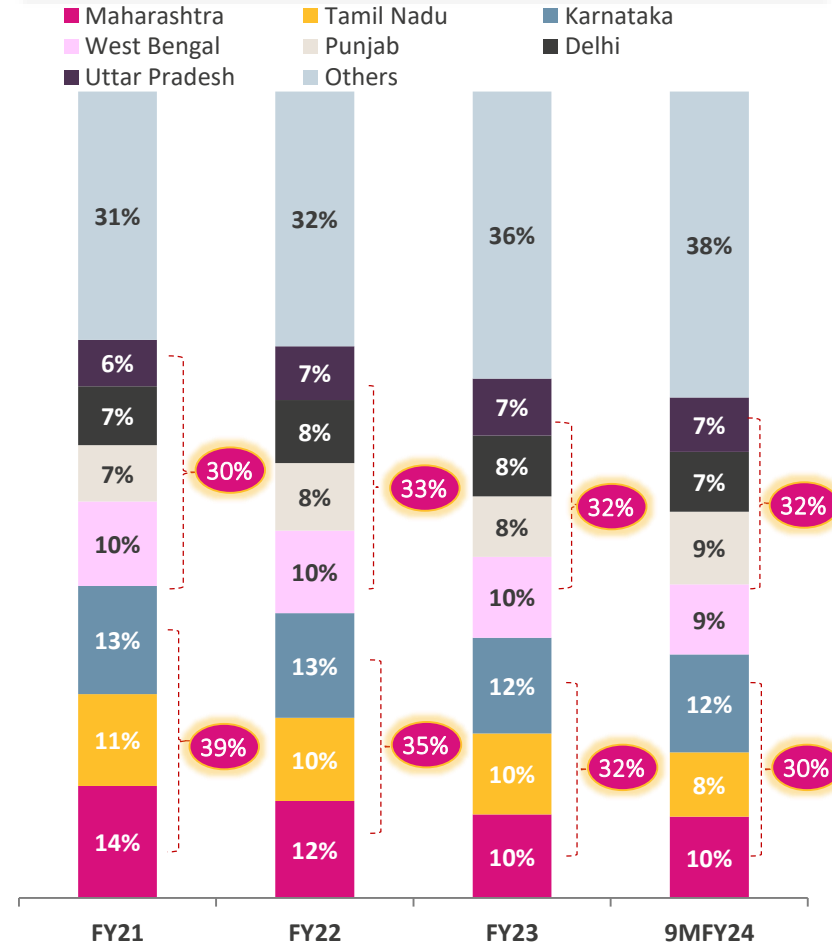


Cost of funds and deposit have stabilized



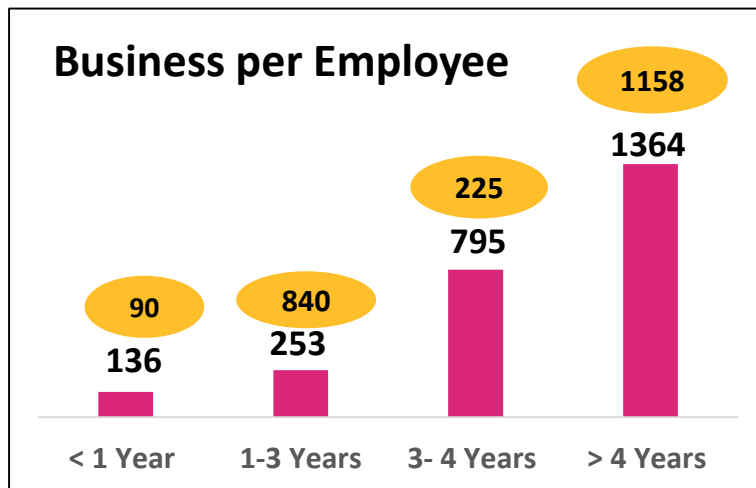
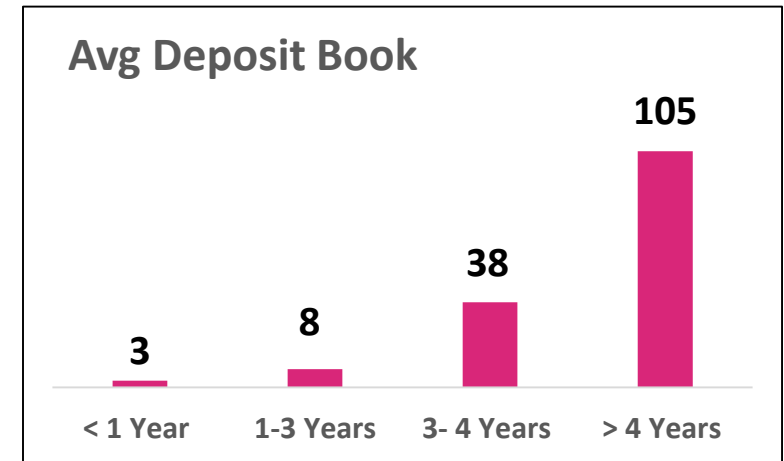
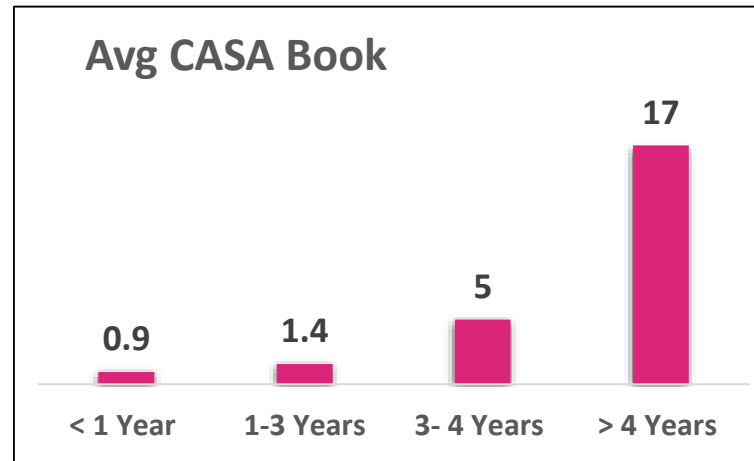
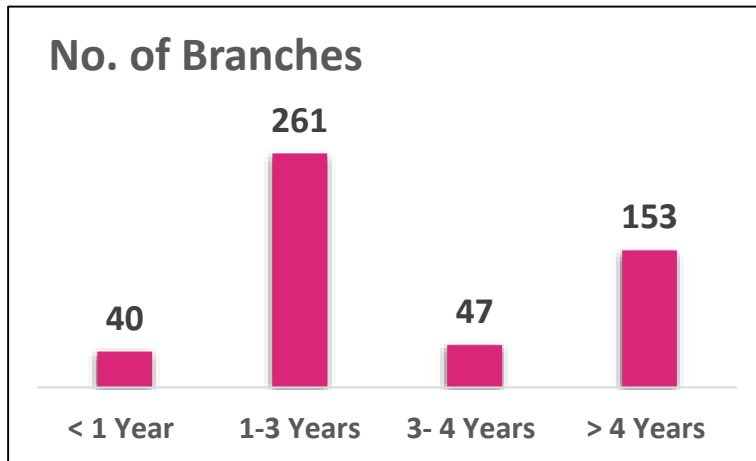
Cost of funds has remained flat from Sep-23 to Dec-23

Reducing share of top states in deposit mix



Deposits – Huge opportunities to grow

Optimize Distribution network – Mobilize Low-cost, stable retail deposits. Build momentum on CASA acquisitions



- 14 New Branches launched & 29 Branches are relocated during the FY
- An additional 215 Combo branches would be relocated in a phased manner leading to increase in Branch network engaged in Liabilities business.
- Launching Exclusive & Premier program for HNIs. Added 121 Exclusive RMs & 91 CA-RMs for relationship programs



Digital Channels

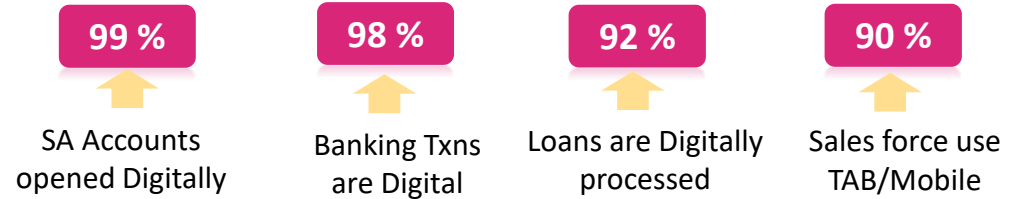
Key Highlights

4.6	Continued to be the top rated banking apps
89%	Growth in Txn Volume
50%	Growth in MB App Registration
20%	YoY Txn Volume on MB
38%	YoY Txn Value on MB

Digital Highlights

Jana Digitization

90% + Digital Uptake



Merchant QR

12,821 QR Codes Installed across merchants. 79% Active.
5.11 X CASA impact

Digital Adoption



1.68 X
YoY UPI in-app transactions value



33.5 X
YoY growth in NACH transactions

27 % Growth in cards issuance from FY20-21 till Dec'23



65% of customers base have been Carded. Incrementally 75% of customers during 9MFY2024 have been carded



Jana Small Finance Bank

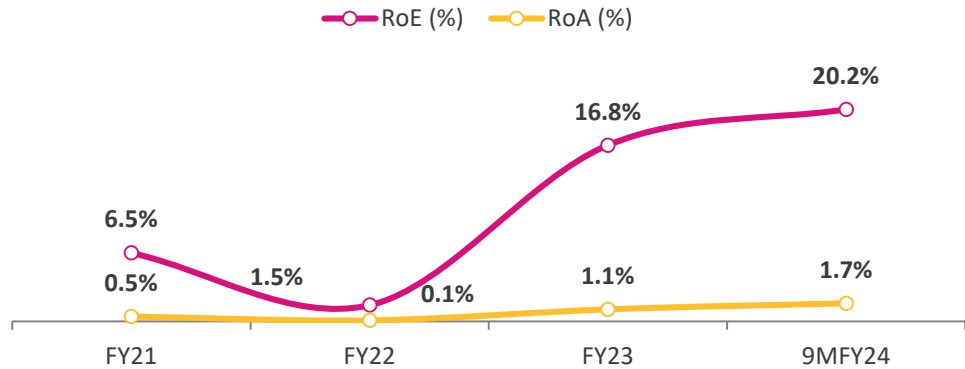
A SCHEDULED COMMERCIAL BANK



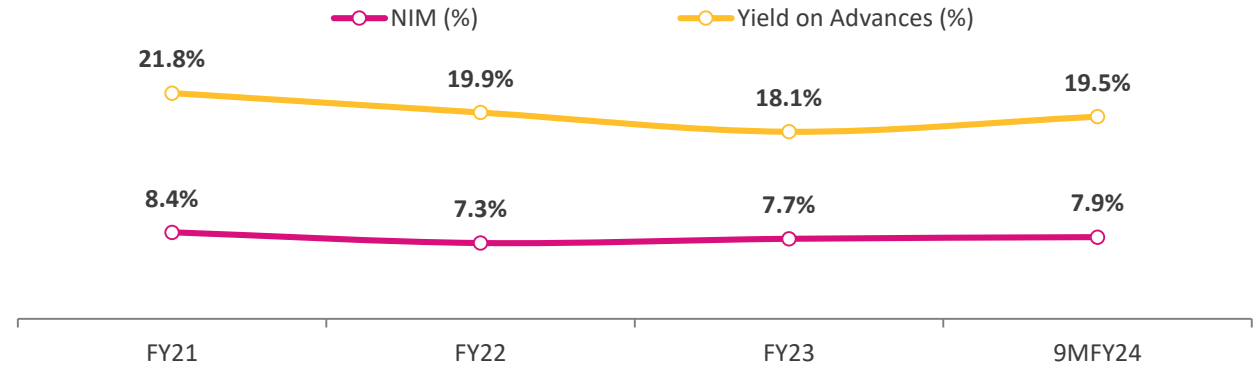
Key Financials

ROE and ROA normalizing with NIM holding against deposit cost growth

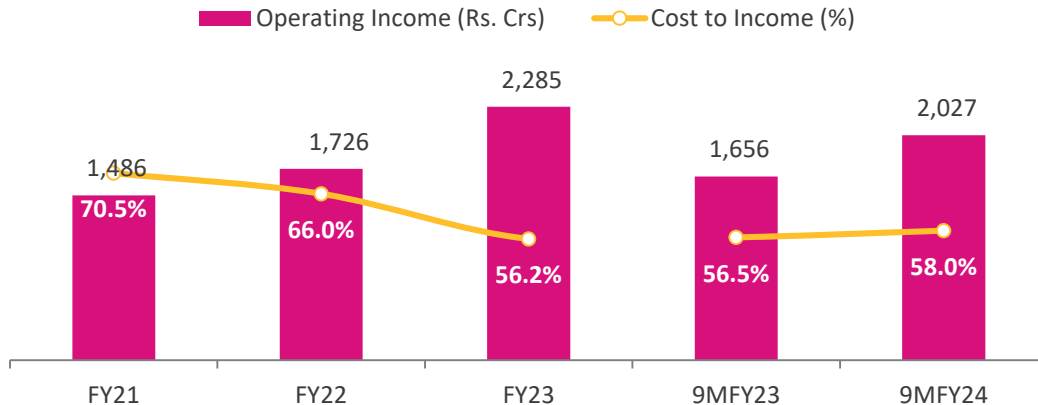
Return ratios trending upwards



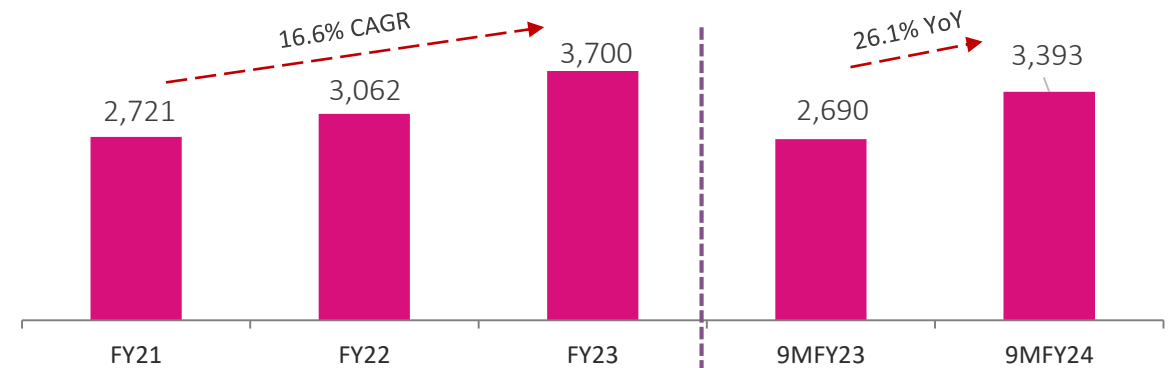
NIMs have improved in spite of Cost of Funds increase



Managing Operational efficiencies

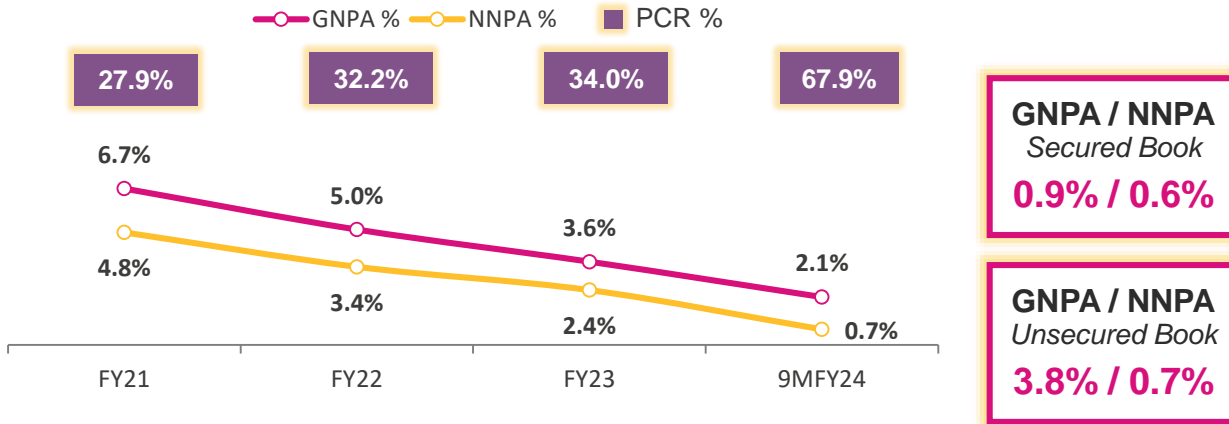


Increasing total revenues

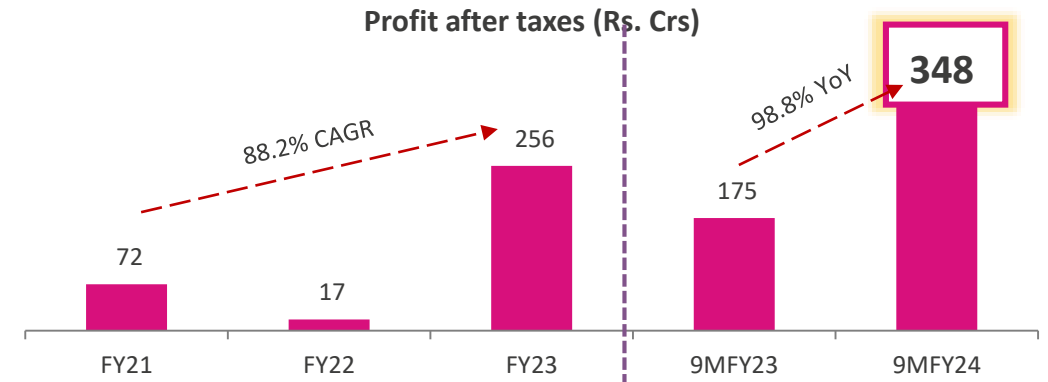


GNPA and NNPA normalized with best till date PAT

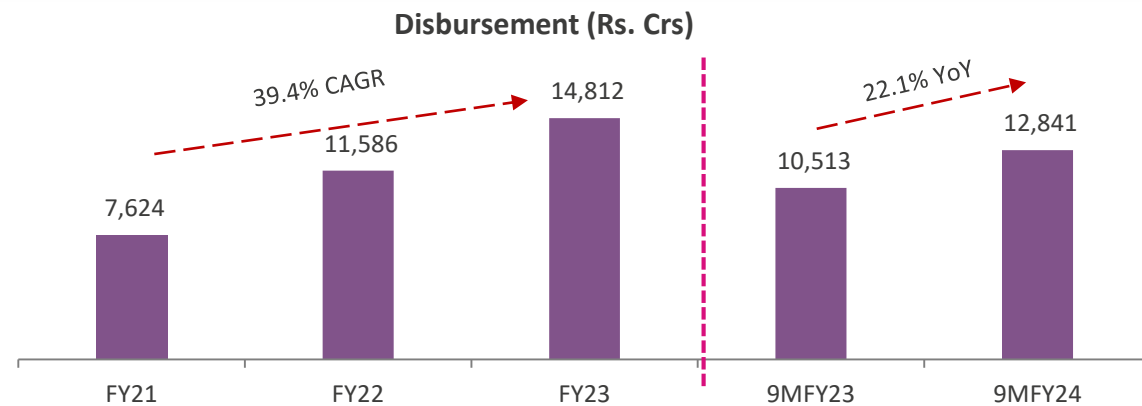
With improving asset quality and increasing PCR



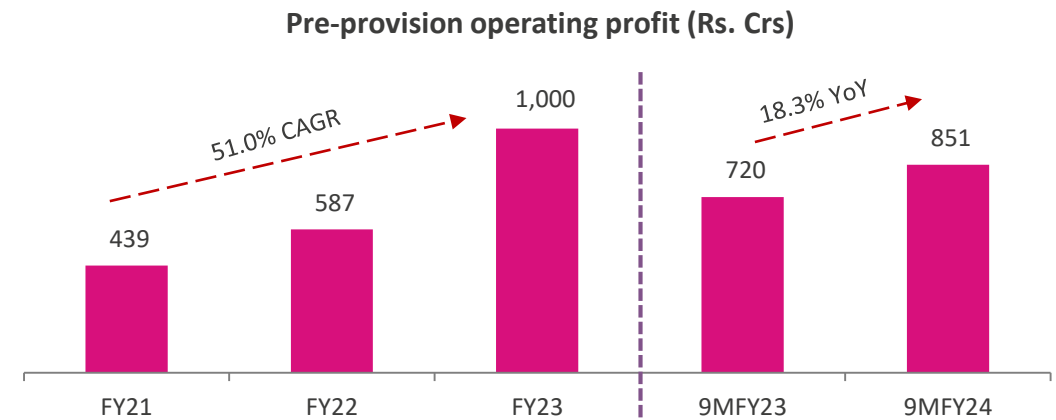
Y-o-Y PAT growth of 99%



Growing lending operations with secured as core



Increasing operating profits



*Advance for the purpose of GNPA/NNPA calculation includes Securitization and Direct Assignment book

GNPA and NNPA returning to Pre-COVID levels

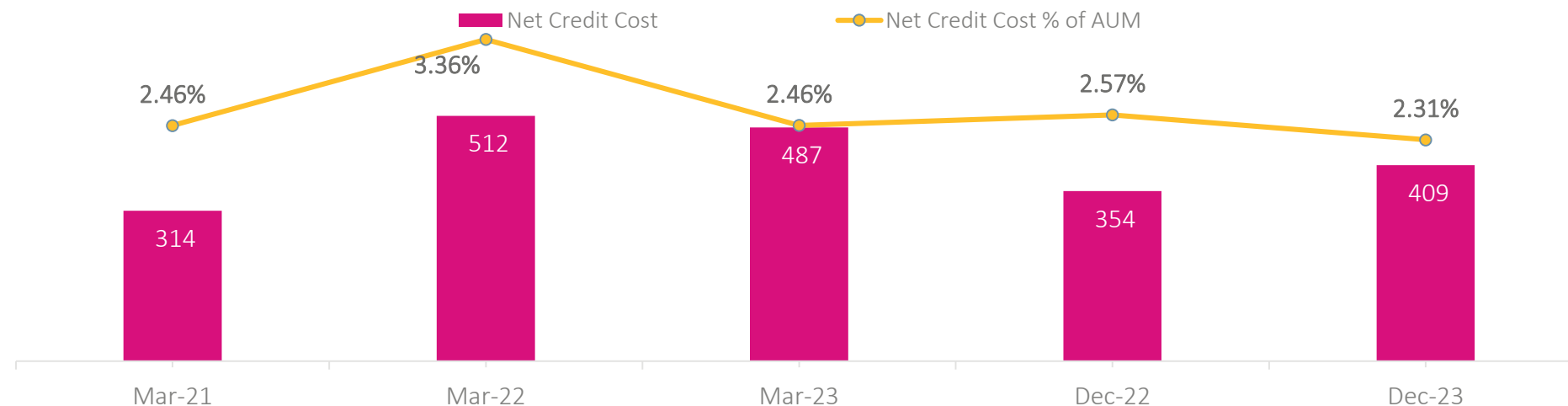
GNPA and NNPA returning to Pre-COVID levels

Particulars	Secured	Unsecured	BC	Total
Gross NPA	124	290	74	487
Net NPA	88	59	10	156
LTV	40.0%			
Gross NPA%	0.9%	4.1%	3.0%	2.1%
Net NPA%	0.6%	0.9%	0.4%	0.7%
PCR%	29.0%	79.7%	86.6%	67.9%

Restructured Portfolio @ 0.5% of AUM

INR crs	Dec-23
Group Loans	11
Agricultural and allied Loans	1
Individual and Micro Business loans	6
Total Unsecured Book	19
MSE (Micro & Small Enterprise Loans)	73
Affordable Housing	9
Micro LAP	10
Total Secured Book	92
Total Book	111

Credit cost Ratio improving



Particulars	Mar-21	Mar-22	Mar-23	Dec-22	Dec-23
Credit Cost	367	569	744	545	504
Recoveries under other income	53	57	257	190	95
Net Credit Cost	314	512	487	354	409
AUM	12,770	15,255	19,808	18,394	23,610
Net Credit Cost % of AUM	2.46%	3.36%	2.46%	2.57%	2.31%

*Net Credit cost% is annualized














Experienced and professional management and Board

Experienced board with diverse business experience in well-known financial services institutions and banks

Name & Designation	Past Experience	Name & Designation	Past Experience
 <p>Subhash Chandra Khuntia Part-Time Chairman and Independent Director</p>	<ul style="list-style-type: none"> Insurance Regulatory and Development Authority of India Various Departments in Government of India 	 <p>Ajay Kanwal Managing Director & Chief Executive Officer</p>	<ul style="list-style-type: none"> Standard Chartered Bank CitiBank
 <p>Ramalingam Ramaseshan Non-Executive Independent Director</p>	<ul style="list-style-type: none"> National Commodity and Derivative Exchange Ltd. 	 <p>Krishnan Subramania Raman Executive Director and Chief Credit and Collections Officer</p>	<ul style="list-style-type: none"> Standard Chartered Bank Mashreq Bank PSC
 <p>Chitra Talwar Non-Executive Independent Director</p>	<ul style="list-style-type: none"> Britannia Industries PepsiCo 	 <p>Ramesh Ramanathan Non-Executive Non-Independent Director</p>	<ul style="list-style-type: none"> Citibank
 <p>Kumbha Srinivas Nayak Non-Executive Independent Director</p>	<ul style="list-style-type: none"> Standard Chartered Bank Idenfo Ltd. 	 <p>Rahul Khosla Non-Executive Non-Independent Director</p>	<ul style="list-style-type: none"> Max Group Visa International Service Association
 <p>Pammi Vijaya Kumar Non-Executive Independent Director</p>	<ul style="list-style-type: none"> Reserve Bank of India 		

Experienced and professional management and Board

International best practices in risk management, compliance and governance introduced by management with an average experience of 27 years in financial services

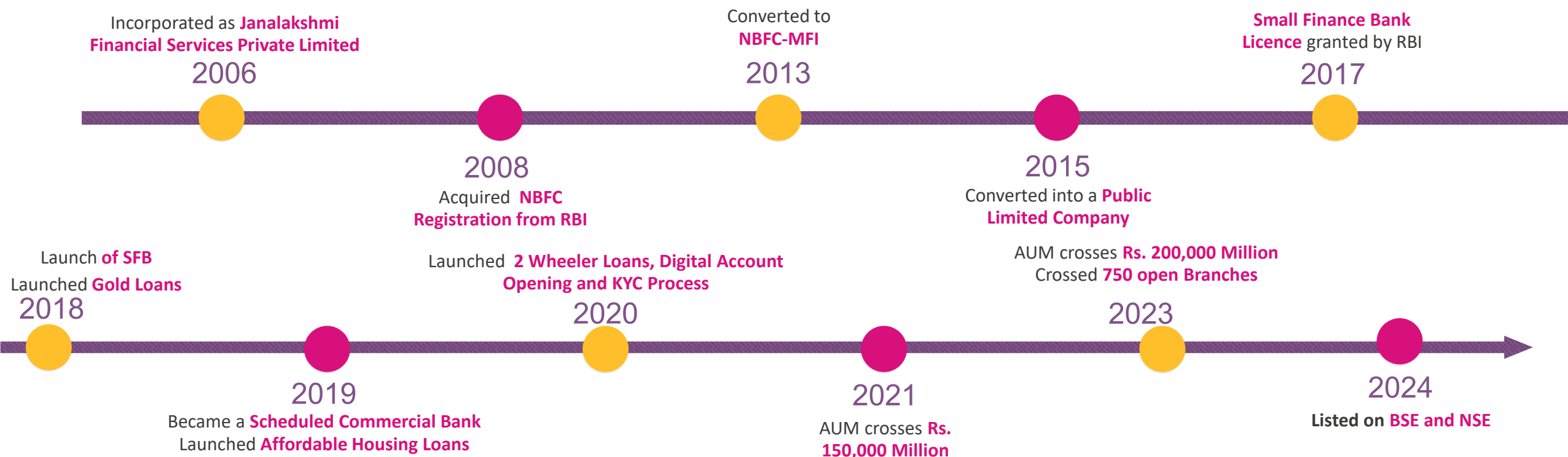
Name & Designation	Past Experience	Name & Designation	Past Experience	Name & Designation	Past Experience
 Abhilash Sandur Chief Financial Officer	<ul style="list-style-type: none"> Kotak Mahindra Bank Ltd. Bharti Axa General Insurance Co. Ltd. 	 Sudhir Madhavan Head of Retail Financial Services	<ul style="list-style-type: none"> HDFC Bank Ltd Bajaj Finance Ltd Citibank 	 Sumit Aggarwal Head – MSE, Supply Chain and Financial Institutions	<ul style="list-style-type: none"> Emirates NBD Standard Chartered Bank
 Amit Raj Bakshi Chief Human Resource Officer	<ul style="list-style-type: none"> JP Morgan & Chase Serco BPO Telenor India DBS Bank 	 Satish Ramachandran Chief Risk Officer	<ul style="list-style-type: none"> Citibank NA Standard Chartered Bank Fullerton India 	 Shrinivas Murty J President and Head – Branch Banking and Marketing	<ul style="list-style-type: none"> HDFC Bank ICICI Bank Ujjivan Small Finance Bank
 Pradeep Rebello Head – Two Wheeler Finance	<ul style="list-style-type: none"> HDFC Bank ICICI Bank Tata Capital Ltd IDFC First Bank 	 Ashish Gopal Saxena Chief Information and Digital Officer	<ul style="list-style-type: none"> U GRO Capital Ltd AU Small Finance Bank Max Life Insurance 	 Rajesh Rao Chief Operating Officer	<ul style="list-style-type: none"> Export Import Bank of India Infosys BPO Ltd. Mphasis
 Lakshmi R N Company Secretary and Compliance Officer	<ul style="list-style-type: none"> ING Vysya Bank Firstapex Software Technologies Pvt Ltd Kirloskar Multimedia 	 Chitra Menon Chief Compliance Officer	<ul style="list-style-type: none"> ICICI Bank Ltd HDFC Bank 	 Mahalingam Ramachandran Head of Internal Audit	<ul style="list-style-type: none"> HDFC Bank Ltd.
 Rincoo Ji Vachha Head - Affordable and Micro Housing Loans	<ul style="list-style-type: none"> ICICI Bank CRISIL Ltd 	 Gopal Tripathi Head of Treasury and Capital Markets	<ul style="list-style-type: none"> State Bank of India HDFC Bank Ltd. Bank of India 		

Our Journey - Bank History, Key Milestones & Achievements

Jana Small Finance Bank

A SCHEDULED COMMERCIAL BANK

4th largest Small Finance Bank in India in terms of AUM and deposit size as at September 30, 2023	Serving underbanked and underserved customers for over 16 years	Focusing on a customer centric approach to make Jana a 'one stop shop' for customers	Focus on diversifying advances by accelerating the secured loans book	Focused on MSME and Supply chain with a secured/end use mindset	Strong technology base with increasing digitization at the core	Access to low-cost diversified retail deposit base	Strong emphasis on good corporate governance
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Our Strength



Our Strategies



CSR led by employees with direct community interaction



Safe Drinking Water :
Water filter plant/ RO water in schools

Promoting Education :

- Benches
- Fans
- Computers



Promoting Health Care :

- Medical Equipment
- Wheel Chairs
- Vehicle for drug transportation
- Medicine supply to poor



**40 CSR
Projects
13 states**

Other CSR:

- Dog Ambulance
- Auto Tipper for garbage collection
- Chennai Flood relief – Food Packet



Livelihood Enhancement Projects :

- Smart Vision Glass for blind
- Blue asbestos sheets for fisherman
- Vehicle for food delivery



Poverty & malnutrition :

Akshya Patra



Excellence being recognized

**Jana Small
Finance Bank**

A SCHEDULED COMMERCIAL BANK



Best Data Quality Award
By TransUnion CIBIL



Best Fintech & DPI Adoption
By IBA (Indian Banking
Association)



**National Best Employer &
Dream company to work For**
By World HRD Congress



Jana Small Finance Bank

A SCHEDULED COMMERCIAL BANK

Thank You



**Jana Small
Finance Bank**

A SCHEDULED COMMERCIAL BANK



Annexures

Balance Sheet

Rs. Crores	March 31, 2023	December 31, 2022	December 31, 2023
CAPITAL AND LIABILITIES			
Capital	325	325	356
Reserves & surplus	1,472	1,389	2,363
Deposits	16,334	15,227	20,785
Borrowings	6,277	5,646	5,361
Other liabilities and provisions	1,236	1,015	1,289
TOTAL	25,644	23,602	30,154
ASSETS			
Cash and balances with Reserve Bank of India	1,011	927	1,285
Balances with banks and money at call and short notice	1,076	382	1,109
Investments	5,221	5,661	5,191
Advances	17,760	16,145	21,964
Fixed assets	128	133	133
Other assets	448	354	472
TOTAL	25,644	23,602	30,154

Abbreviations

Abbreviation	Expansion	Abbreviation	Expansion
CASA	Current Account and Savings Account	AUM	Assets Under Management
CRAR	Capital-to-Risk Weighted Asset Ratio	NBFC	Non-Banking Financial Company
GNPA	Gross Non-Performing Assets	MFI	Micro Finance institution
NNPA	Net Non-Performing Assets	FD	Fixed Deposits
PCR	Provisional Coverage Ratio	UPI	Unified Payments Interface
RoE	Return on Equity	API	Application Programming Interface
RoA	Return on Assets	NII	Net Interest Income
NIM	Net Interest Margin	SFB	Small Finance Bank
MSME	Micro, small and medium enterprises	AEPS	Aadhaar Enabled Payment System
KYC	Know Your Customer	LAP	Loan Against Property
NACH	National Automated Clearing House	OEM	Original Equipment Manufacturer
BC	Business Correspondents	ML	Machine Learning
LTV	Loan to Value	TASC	Trusts, associations, societies, clubs and NGOs
AML	Anti Money Laundering	ALCO	Asset liability management committee
YoY	Year-on-year	CAGR	Compounded Annual Growth Rate

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