

# Business Update: FY-20

May 2020



## Key Highlights

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<b>₹9,652<sub>cr</sub></b> <b>+130%</b>	<b>₹11,299<sub>cr</sub></b> <b>+73%</b>	<b>25%</b> FY19: 15%	<b>1.3%</b> FY19: 4.4%
DEPOSITS	AUM	SECURED LOANS	NNPA*
<b>₹1,044<sub>cr</sub></b>	FY20: ₹ <b>30</b> <sub>cr</sub> FY19: ₹(1,949 cr)	<b>₹1,440<sub>cr</sub></b> <b>+161%</b>	<b>2.8%</b> FY19 : 8.1%
NETWORTH	<b>PAT-FY20</b>	NET INCOME	GNPA*
<b>19.3%</b> Tier-1: 13.1%	<b>₹52<sub>cr</sub></b> Q-Q <b>+58%</b>	<b>271%</b>	<b>585</b> States / UTs: 22
CRAR	PAT-Q4 FY20	LCR	STOREFRONTS

## Key Highlights Q4-FY 20



- PAT for the Q4-FY 20 is Rs. 52 crs despite a difficult March month due to lockdown. PAT was up 58% compared to Rs. 33 crs in Q3-FY 20.
- Customer Deposits were up 6.6% Q-Q at Rs. 9,652 crs as of 31<sup>st</sup> Mar 2020 compared to Rs. 9,052 crs as on 31<sup>st</sup> Dec 2019.
- AUM grew 13% Q-Q to Rs. 11,299 crs as at 31<sup>st</sup> Mar 2020 compared to Rs. 9,981 crs in 31<sup>st</sup> Dec 2019.
- SMA-0 to SMA-2 book was Rs. 158 crs of which Rs. 52 crs is fully secured. Provision made for the same is in excess of RBI requirements.
- The asset book continues to diversify with 25% of the book being secured - up from 23% in Dec-19.
- Received Rs. 1,000 crs Re-finance from NABARD and Rs. 200 crs Term loan from IDFC First Bank during the quarter.

# Key Highlights – FY 20



- PAT for the FY 20 is Rs. 30 crs compared to loss of Rs. 1,949 crs in FY 19.
- Customer Deposits at Rs. 9,652 crs - up 130% YoY from Rs. 4,199 crs.
- AUM at Rs. 11,299 crs - up 73% YoY from Rs. 6,520 crs.
- GNPA at 2.8% as against 8.1% in Mar-19. NNPA at 1.3% as against 4.4% in Mar-19.
- The asset book continues to diversify with 25% of the book being secured - up from 15% from Mar-19.
- Capital adequacy at 19.3% as at 31<sup>st</sup> Mar 2020.
- Converted 97 asset centers to full fledged bank branches during the year. Total Bank branches now at 316 and asset centers at 269.

GNPA and NNPA are calculated after adding back IBPC to AUM.

## Financial Summary

# Financial Summary: Sustainable Profitability Trend

Rs. crs	Q4-FY 20	Q3-FY 20	Q2-FY 20	Q1-FY 20	FY-20	FY-19	Growth Y-o-Y %
Net Income	443	368	328	300	1,440	552	61%
Operating Expenses	342	283	264	271	1,161	1,128	3%
<b>Operating Profit</b>	<b>100</b>	<b>85</b>	64	29	<b>279</b>	<b>(576)</b>	<b>NA</b>
Provisions	49	53	57	90	249	1,373	-82%
<b>PAT</b>	<b>52</b>	<b>33</b>	7	(61)	<b>30</b>	<b>(1,949)</b>	<b>NA</b>
AUM	11,299	9,981	8,550	7,407	11,299	6,520	73%
Deposits	9,652	9,052	7,503	5,653	9,652	4,199	130%
NNPA%*	1.3%	1.5%	1.8%	3.0%	1.3%	4.4%	

\*NNPA are calculated after adding back IBPC to AUM.

# Balance Sheet : Getting healthier by Quarter

	Mar-20	Dec-19	Sep-19	Jun-19	Mar-19
Rs. Cr					
Capital & Reserves	1,044	990	620	612	673
Deposits	9,652	9,052	7,503	5,653	4,199
Borrowings	2,899	1,943	2,716	3,532	4,086
Other Liabilities	551	500	430	435	487
<b>Total Liabilities</b>	<b>14,147</b>	<b>12,485</b>	<b>11,269</b>	<b>10,231</b>	<b>9,446</b>
Net Advances*	9,954	8,672	7,587	6,688	6,217
Investments	2,650	2,564	2,586	2,375	1,468
Cash in Hand & Bank	980	653	509	560	1,169
Other & Fixed Assets	561	595	587	609	593
<b>Total Assets</b>	<b>14,147</b>	<b>12,485</b>	<b>11,269</b>	<b>10,231</b>	<b>9,446</b>
<b>CRAR%</b>	<b>19.3%</b>	<b>21.0%</b>	<b>15.5%</b>	<b>16.7%</b>	<b>18.8%</b>

\*Net of IBPCs



# Well Capitalised

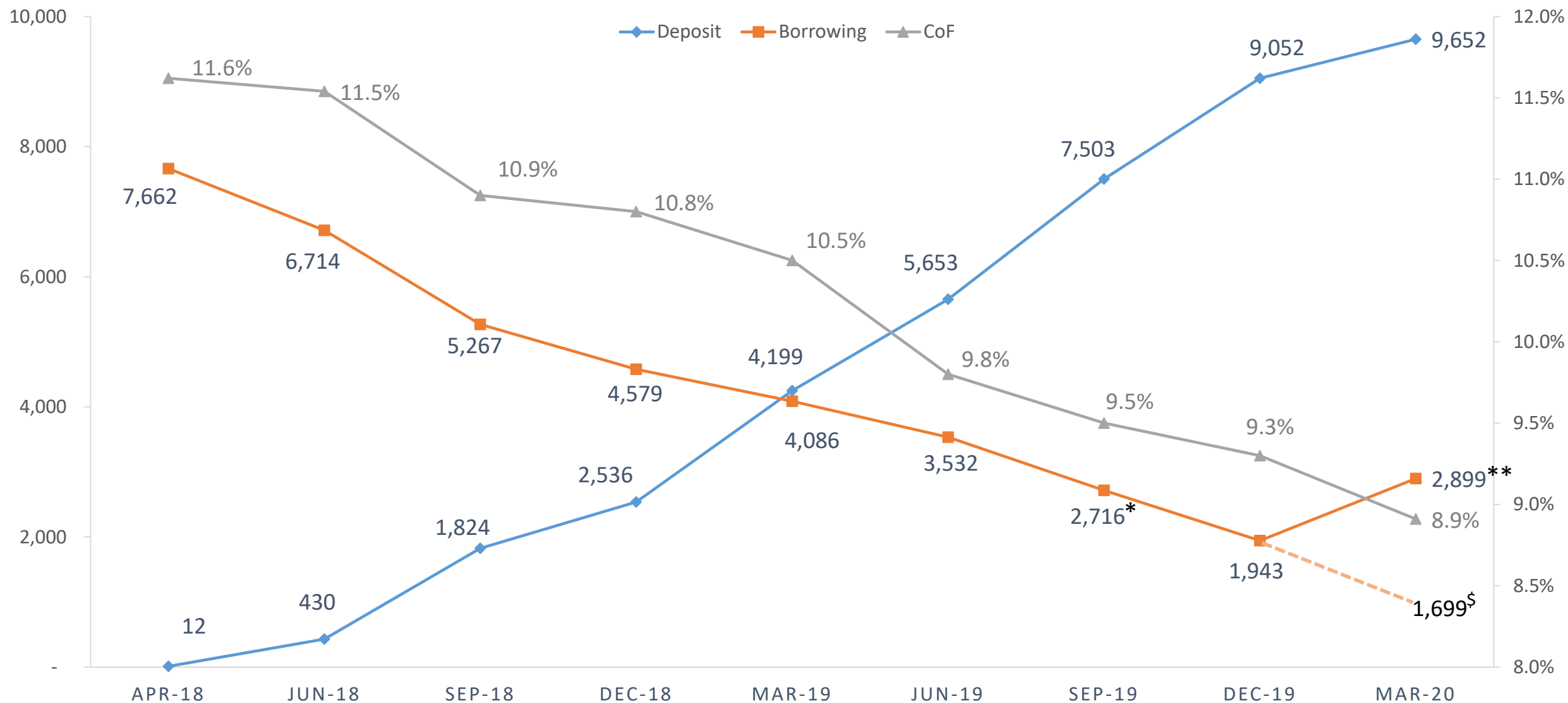
	Mar-20	Dec-19	Mar-19
Total Risk Weighted Assets	7,671	6,729	5,388
Tier I Capital	1,006	958	661
Tier II Capital	472	454	352
<b>Total Capital</b>	<b>1,478</b>	<b>1,412</b>	<b>1,013</b>
<b>CRAR</b>	<b>19.3%</b>	<b>21.0%</b>	<b>18.8%</b>
Tier I CRAR	13.1%	14.2%	12.3%
Tier II CRAR	6.2%	6.8%	6.5%

## Key Investors



## LIABILITIES

# Cost of Funds decreasing with changing liabilities mix



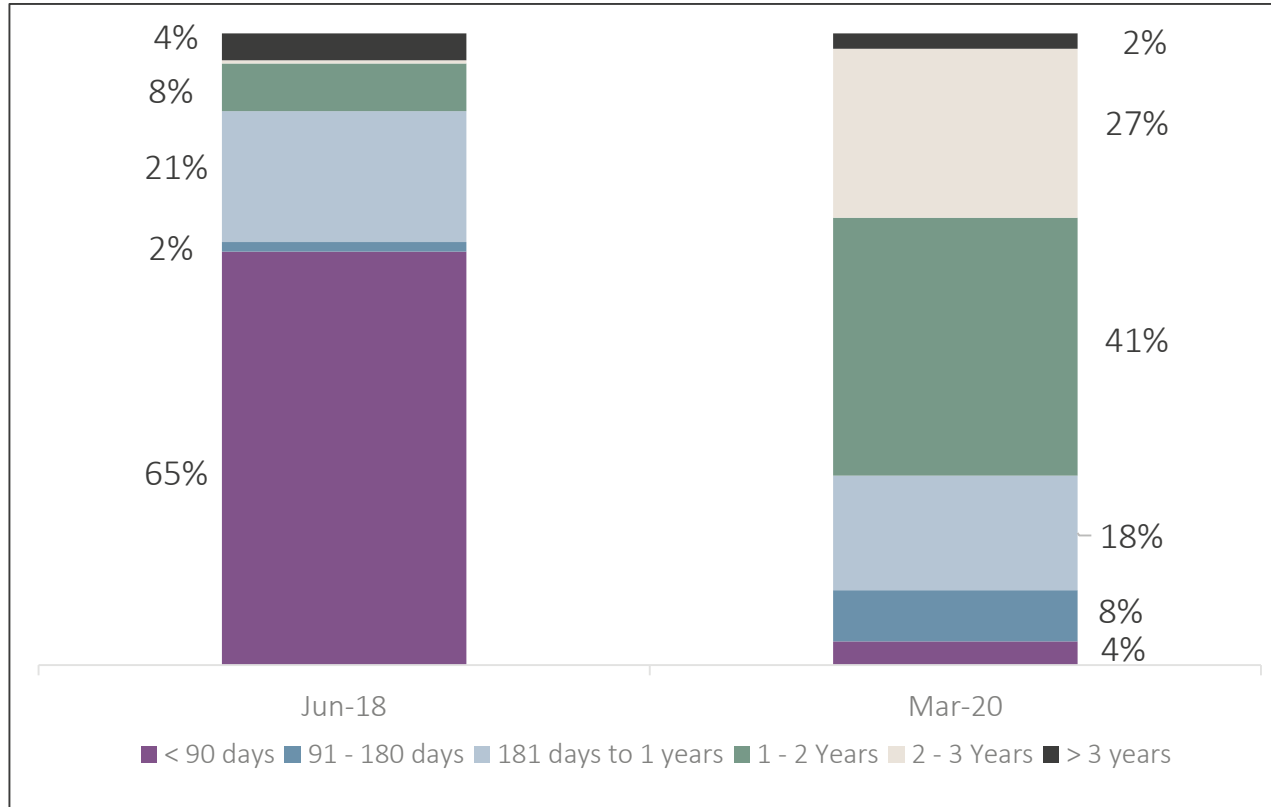
\*Includes pre-payment of ~Rs. 542 crs in FY20

\*\* New re-finance from NABARD of Rs. 1,000 crs in Q4-FY 20 and Rs. 200 crs Term Loan

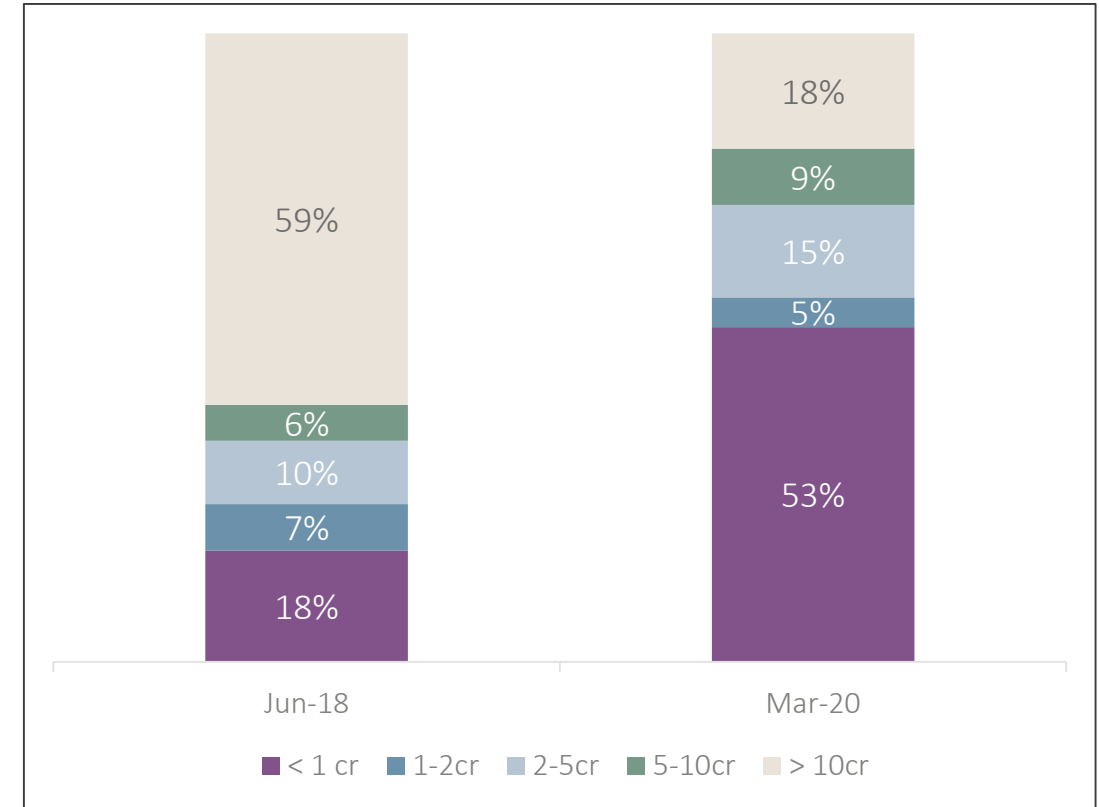
\$ Borrowings excluding new re-finance and term loan

# 96% term deposit book is > 3 months tenor and 58% < 2 crs

Based on tenor

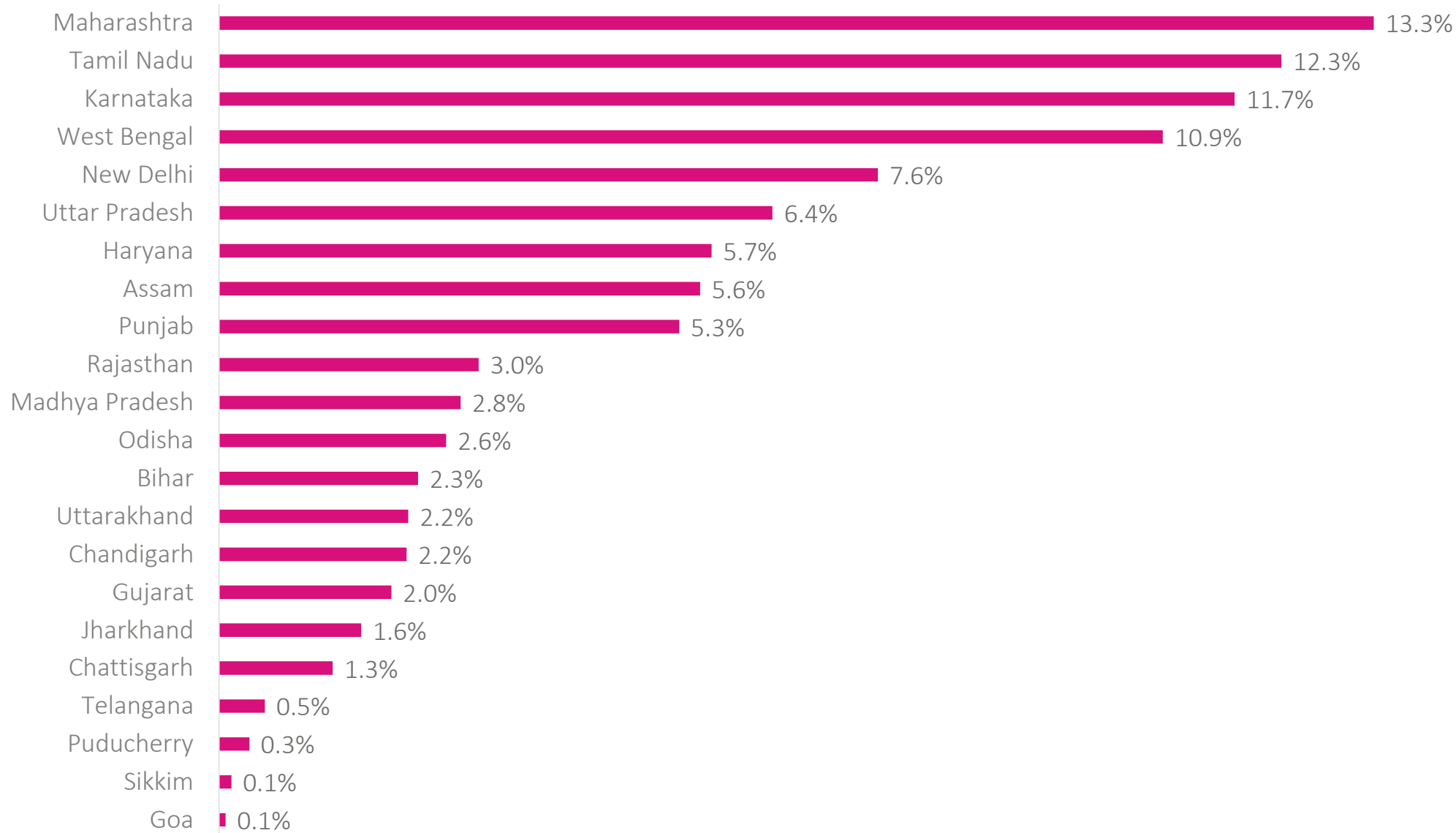


Based on ticket size



\* **Term deposits** – Rs. 8,938 crs | **CASA** – Rs. 714 crs | **Total deposits** – Rs. 9,652 crs

# Term deposit sourcing - Distributed across various states



## ADVANCES

# Product Offerings | Assets

Business Segment	Features
1 Group Loans	<ul style="list-style-type: none"><li>■ Low Income group women</li><li>■ Average ticket size ~Rs 39,000</li><li>■ Batch size 3-25</li></ul>
2 Agricultural and allied Loans	<ul style="list-style-type: none"><li>■ Landless farmers, small &amp; marginal farmers</li><li>■ Average ticket size ~Rs 50,000</li><li>■ Batch size 3-20</li></ul>
3 Individual & Micro Business Loans	<ul style="list-style-type: none"><li>■ Business Loan: Entities with a turnover up to INR 50 lakh</li><li>■ Average ticket size ~Rs. 1.7 lakh</li><li>■ Daily, Weekly &amp; Monthly Collection cycle</li><li>■ Individual loan: Customer upgrade program from group loans.</li><li>■ NACH &amp; cash collections</li><li>■ Individual Loans up to Rs. 1.25 lakh. Average ticket size ~Rs 53,000</li></ul>
4 Secured Loans to Businesses	<ul style="list-style-type: none"><li>■ Business entities with a turnover of Rs. 50 lakh -10 crore</li><li>■ Retail, Manufacturing units, Wholesalers, Traders</li><li>■ SI, NACH &amp; PDC collections</li><li>■ Average ticket size ~Rs 25 lakhs; LTV – 50%</li></ul>
5 Affordable Housing Loans	<ul style="list-style-type: none"><li>■ Individuals low income group with PMAY subsidy</li><li>■ Average ticket size ~Rs. 15.6 lakh</li><li>■ SI &amp; NACH collections: LTV – 42%</li></ul>
6 Gold Loans	<ul style="list-style-type: none"><li>■ Individuals</li><li>■ Average ticket size ~Rs 39,000</li><li>■ 75% LTV</li><li>■ Bullet &amp; EMI/NACH collections</li></ul>

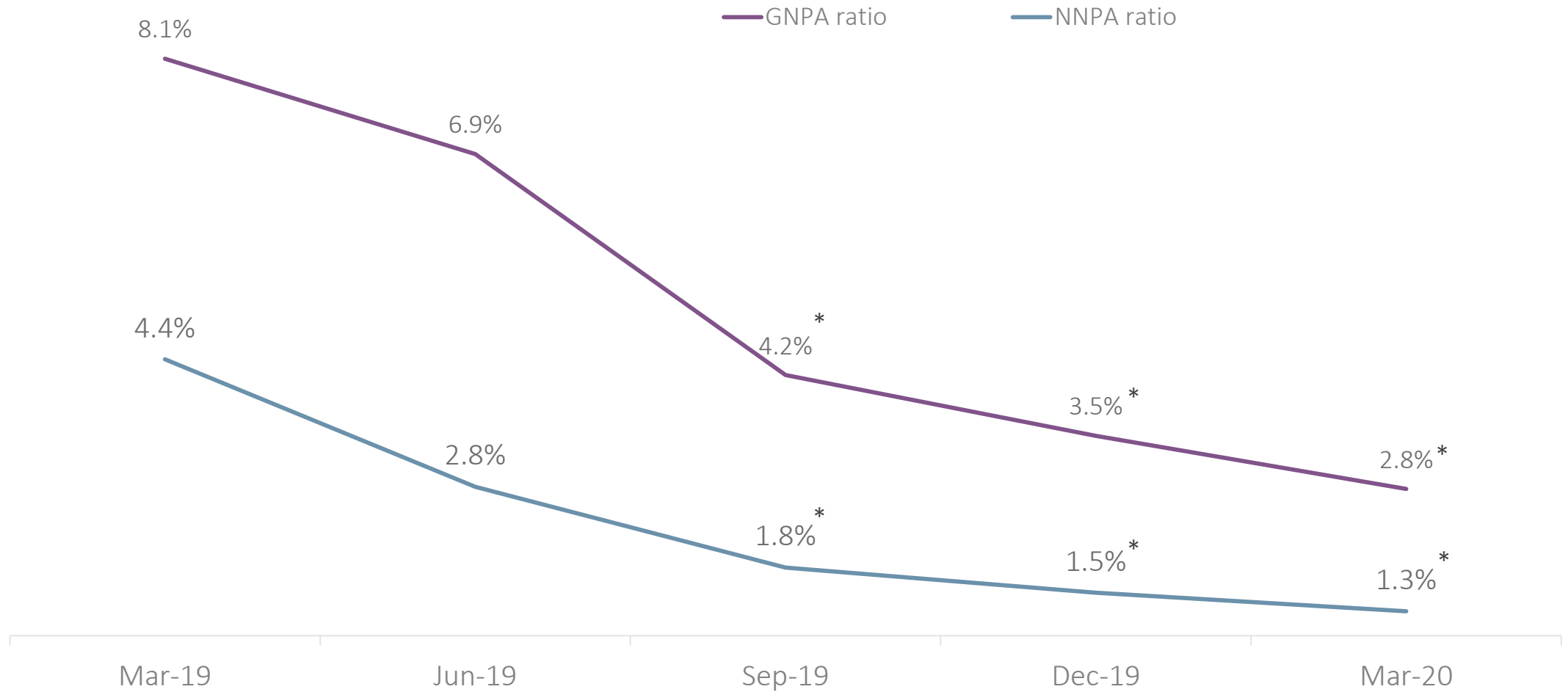
# Increasingly Diversified Loan Book

As at 31<sup>st</sup> Mar 2020

	Mar-20	Dec-19	Mar-19	Q-Q	Y-Y
<b>Total AUM (Rs. Cr)</b>	<b>11,299</b>	<b>9,981</b>	<b>6,520</b>	<b>13%</b>	<b>73%</b>
Group Loans	5,139	4,703	3,834	9%	34%
Agricultural and allied Loans	1,959	1,602	631	22%	210%
Individual & Micro Business Loans	1,345	1,390	1,054	-3%	28%
<b>Total Unsecured</b>	<b>8,444</b>	<b>7,695</b>	<b>5,519</b>	<b>10%</b>	<b>53%</b>
Secured Loans to Businesses	1,525	1,208	772	26%	98%
Affordable Housing Loans	740	561	80	32%	825%
Gold Loans	165	149	65	11%	154%
Loans against FD	295	243	81	21%	264%
Term Loans to NBFC	130	124	0	5%	NA
<b>Total Secured</b>	<b>2,855</b>	<b>2,286</b>	<b>1,001</b>	<b>25%</b>	<b>185%</b>
<b>Share of Secured%</b>	<b>25%</b>	<b>23%</b>	<b>15%</b>		

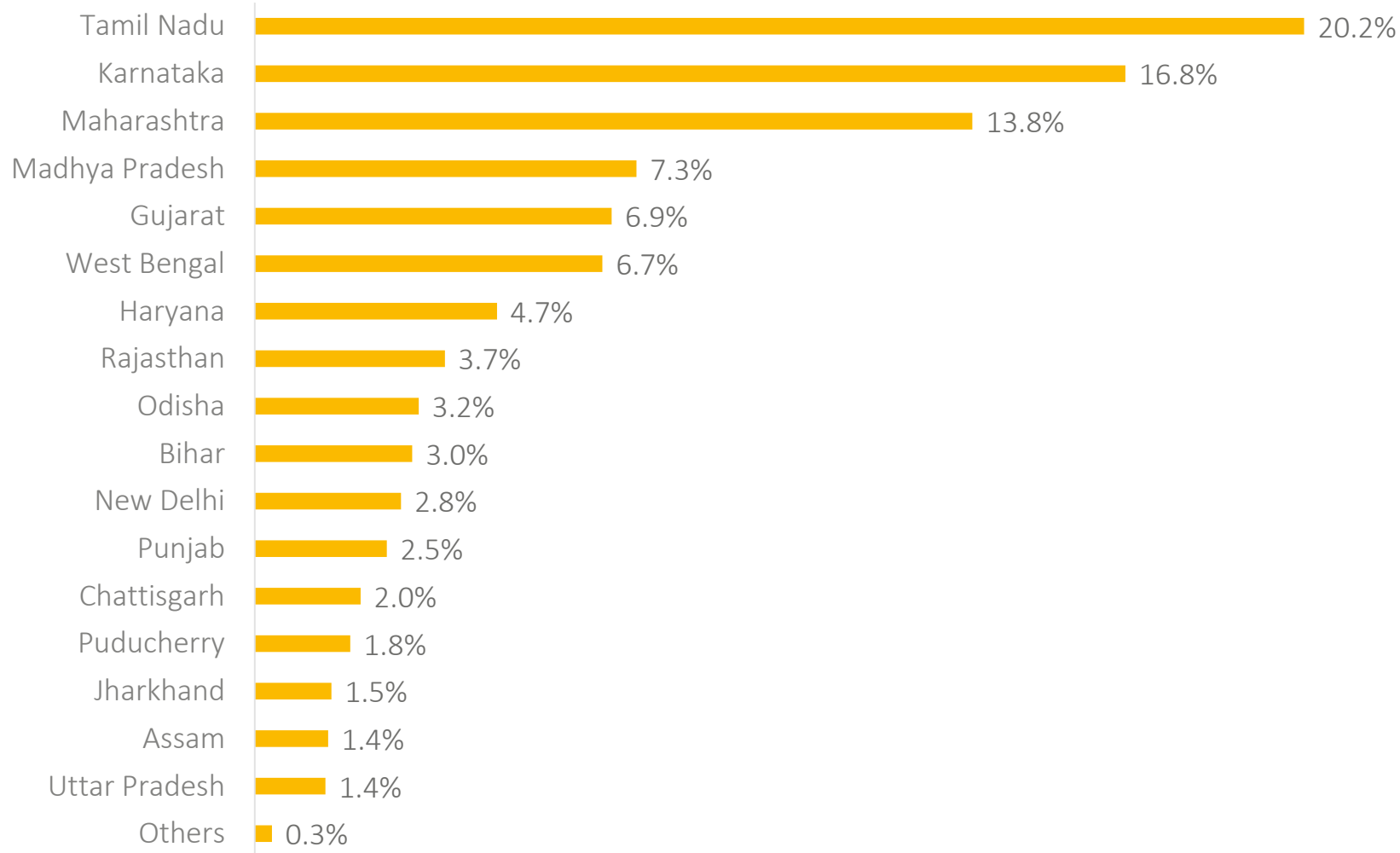


# NPA ratios have been steadily decreasing



\*GNPA & NNPA is after adding back IBPC to AUM.

# Statewise AUM – Diversified national presence



# Board of Directors



**Ramesh Ramanathan**  
**Non-Executive Chairman**

The Founder of Janalakshmi, Ramesh, has to his credit a strong international banking experience, creating innovative institutional products, working with cutting-edge technology and risk management systems.



**Ajay Kanwal**  
**MD & CEO**

Ajay Kanwal is a senior consumer and commercial banker with 27 years' experience across Asia. He has held various leadership positions throughout his banking career and has a proven track record of planning and executing strategy to deliver P&L in a multicultural and volatile emerging market environment.



**R. Ramaseshan**  
**Independent Director**

R. Ramaseshan has an extensive experience in the Government as an officer of the IAS, and in the private sector as the MD & CEO of a commodity exchange. Expertise in Accountancy, Agriculture & Rural Economy, Economics and Finance & Law



**Vijayalatha Reddy**  
**Independent Director**

Vijayalatha Reddy joined the IFS in 1975. She was India's Ambassador to Portugal in 2006 and to Thailand in 2004. Expertise in Information Technology and Human Resources



**Vikram Gandhi**  
**Independent Director**

Vikram Gandhi is on the Board of Grameen Foundation. He is a founding member of Harvard University's South Asia Initiative and founder of Asha Impact. Expertise in Accountancy and Banking & Finance



**Puneet Bhatia**  
**Non Executive and Non Independent Director**

Puneet Bhatia is the Co-Managing Partner for TPG Capital Asia and the head of TPG Capital India. He has created and led over a dozen transactions and invested close to \$2bn for TPG Capital in India.



**Chitra Talwar**  
**Independent Director**

Chitra Talwar has over three decades of corporate experience in two leading consumer products companies, Britannia and PepsiCo. She worked in India and extensively in International markets, based out of New York

# Senior Advisors



**R. Gandhi**

**Senior Advisor**

R. Gandhi, former Deputy Governor of RBI, is a financial sector policy expert and advisor. His expertise includes banking and non-banking regulation, payment systems, financial markets, FinTech and currency management.

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**Tamal Bandyopadhyay**

**Senior Advisor**

Tamal is a reputed journalist, known for his weekly column on banking and finance, Banker's Trust. He has authored various books on finance. Tamal currently writes for the Business Standard.

Thank You