

**PAISALO**  
EASY LOAN आसान लोन

**PAISALO DIGITAL LIMITED**  
**Corporate Presentation**  
**Q3 FY 2023**

*A Systemically Important Non Deposit Accepting Non Banking Finance Company*

# Safe Harbor Statement

*PAISALO Digital Limited*

*NSE : PAISALO*

*BSE : PAISALO*

*Bloomberg : PAISALO:IN*

- » This document contains certain forward - looking statements based on current expectations of Paisalo Digital Limited 's management. Actual Results may vary significantly from the forward - looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India; volatility in interest rates and in the securities markets; new regulations and government policies that might impact the business of Paisalo Digital Limited; the general state of the Indian economy; and the management's ability to implement the company's strategy. Paisalo Digital Limited does not undertake any obligation to update these forward - looking statement.
- » This document does not constitute an offer or recommendation to buy or sell any securities of Paisalo Digital Limited or any of its subsidiaries or associate companies. This document also does not constitute an offer or recommendation to buy or sell any financial products offered by Paisalo Digital Limited.

# Presentation Path

About Paisalo

Why Paisalo

Financial  
Summary

Transformation  
Update

Financial  
Performance

Board of  
Directors

# About Us

*30-year-old leading Systemically Important Non deposit Accepting Non-Banking Finance Company*

- ≈ Equity Listed on NSE, BSE and GDR Listed on LSE
- ≈ Market Capitalization of INR 34.57 Bn as at Q3 FY 2023
- ≈ Diversified Shareholding with 32% Promoter and 68% with Public, FIIs, DIIs and Mutual Funds as at Q3 FY 2023
- ≈ Gross NPA: 0.75%, Net NPA: 0.26% Q3 FY 2023
- ≈ Net Worth: INR11,493 Mn Q3 FY 2023
- ≈ CRAR - 42.66% Q3 FY 2023

- ≈ Current Ratio: 4.38 Q3 FY 2023
- ≈ Credit Rating: 'AA- (Stable Outlook)'
- ≈ 10% Dividend payment consistently for last 10years
- ≈ Clean Track record with Regulators, no pending statutory dues
- ≈ 203 branches spread across 10 states
- ≈ Highly experienced professional management
- ≈ Low Staff Attrition rate

- ≈ Best Practices for execution and serving of loans
- ≈ Safe, Cost Effective and Scalable Business Model with Risk Mitigation
- ≈ Full disclosure of information by using Algorithms for efficient elimination and selection process
- ≈ Access and usage of API from CRIF for credit history and use of Hunter Data for fraud/financial irregularities
- ≈ Affordable Loan, Maximum Convenience, Minimum Cost and Scalable
- ≈ Unique features of High Tech and High Touch for executing smart, easy and legally enforceable loans

## Customer Outreach

*PAISALO Digital Limited*

*NSE : PAISALO*

*BSE : PAISALO*

*Bloomberg : PAISALO:IN*

1,500,000+

Customers Served  
as at Q3 FY 2023

₹ 150,000+

Millions in Disbursements  
as at Q3 FY 2023



## HIGH TECH-HIGH TOUCH

- ≈ PAISALO uses trio of measures, Jan Dhaan, Aadhaar and Mobile (JAM Yojna) along with artificial intelligence and machine learning to provide – smart, easy and legally eligible loans
- ≈ Customers serviced through 203 Branches
- ≈ Team of 1400+
- ≈ Presence in 10 States
- ≈ High Tech-High Touch results in reduced non-performing assets and value creation

# Why PAISALO?

Co-Lending of Priority Sector Loan Agreement  
with State Bank of India, Bank of Baroda, UCO  
bank and Punjab National Bank

*“In the pyramid of development the bottom most layer needs to be strengthened through financial inclusion of purchasing power of the poor”*





## Problem?

- ≈ *Low Availability of Small Loans from Financial Institutions*
- ≈ *High Operational Cost of Banks, inhibits lending volumes on small loans*
- ≈ *High Borrowing Rate of NBFCs, restricts focus on small loans*

## Solution

*Bank's Low Cost of Funds,*

*And*

*PAISALO's Low Cost of Operations*

*Results in Lowest Borrowing Cost Offering to the  
Bottom of Pyramid Customer*



# How?

**1**

Bank to contribute  
80% of Loan Value  
under the Co -  
Lending Model

**2**

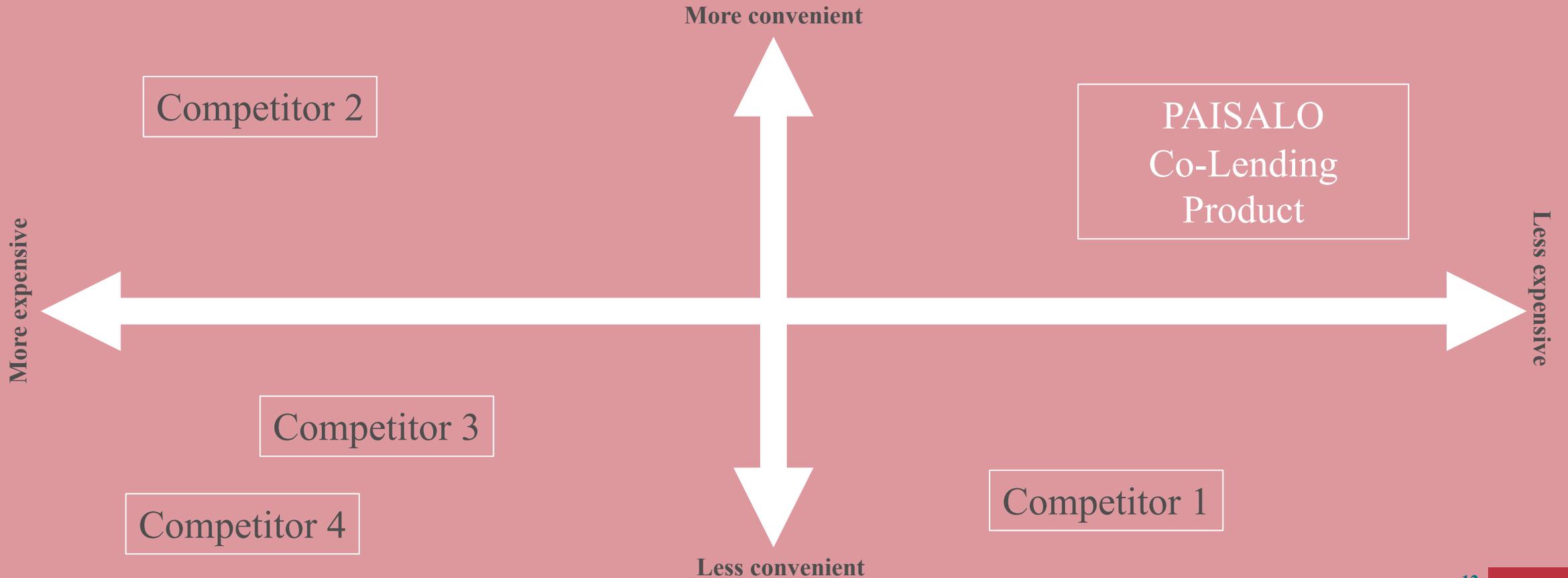
PAISALO to  
contribute 20% of  
Loan Value under  
the Co - Lending  
Model

**3**

Risk and  
Reward Sharing  
in 80:20 ratio  
under the model

- ≈ PAISALO to source and service customers
- ≈ PAISALO and Bank's Agreement is in conformity with prescribed Reserve Bank of India Regulations

# Paisalo Co-Lending : Most Efficient Offering



1.3  
*Billion*

Indian  
Population

62  
*Million*

Individual  
Income Tax  
Payee

75  
*Million*

Individual  
Credit  
History

440  
*Million*

Number of  
Income Tax  
Pan Holders

365  
*Million*

Target  
Market  
Population

## MARKET OPPORTUNITY

**₹25,000**

*Estimated Ticket Size*

**₹8,000 Bn**

*Estimated Annual Market Size*

# Transformation Update



**At Paisalo we believe that the purpose of any business transformation is that it should result in stronger growth momentum, better customer experience, additional cross sell, lower credit risk, lower ALM risk and improved liquidity**

**We are Pursuing our  
Business Transformation  
with these objective's**

**At the outset,  
All business transformations takes  
“Technology, Time, and Team”.**

**We started Phase 1 of this transformation  
project in October 2019, with beta testing  
initiated in January 2020**

**Phase 1 was focused on creating a  
“Strong, Stable and Scalable” foundation.**

As articulated in previous Quarters all Phase 1 features of the stack are live.

**Phase 2** : 3000 disbursements per day

Phase 2 is on track; focusing on augmenting current credit underwriting feature set, disciplined execution, rapid adoption in all processes of the company and continued progress on all metrics.

Next update will be provided in Q4 FY 2023

# Financial Summary

Q3 FY 2023

## Paisalo Snapshot Q3 FY 2023

₹ 30,107 mn

AUM

YoY Growth ~ 19%

₹ 3,552 mn

Revenue

YoY Growth ~ 21%

₹ 11,493 mn

Networth

YoY Growth ~ 24%

Good quarter across all financial and portfolio metrics.

# Paisalo Snapshot Q3 FY 2023

₹ 730 mn

PAT

YoY Growth ~ 13%

42.66%

CAR

0.26%

NNPA

Good quarter across all financial and portfolio metrics.

# Paisalo Snapshot

## Q3 FY 2023

- » Highest ever AUM of ₹ 30,107 Mn.
- » AUM as at Q3 FY 2023 was up 19.46% at ₹ 30,107 mn as against Q3 FY 2022 at ₹ 25,201 mn.
- » Total geographic footprint stood at to 203 branches and 2125 postal codes, in the quarter. In Q3, the company added 8 new locations.
- » The company continues to protect its margin profile, Interest Income for Q3 FY 2023 was up 21.38% at ₹3,552 mn as against ₹2,926 mn in Q3 FY 2022. The company has posted 13.85% increase in PBT and 13.40% increase in PAT YoY.
- » GNPA and NNPA stood at 0.75% and 0.26% as at Q3 FY 2023 compared to 0.76% and 0.27% as at Q2 FY 2023. The Company expects its GNPA and NNPA to stay within the Long-Term outlook of below 2%.

# Paisalo Snapshot

## Q3 FY 2023

- » Paisalo has written off bad debts totaling to INR 330 mn and has recovered old written off bad debts worth INR 100 mn in Q3 FY 2023.
- » The Tangible Networth is INR 11,493 mn versus Bank Borrowings (secured) INR 10,927 mn , i.e., 0.95 times
- » Capital Adequacy remained very strong at 42.66% at Q3 FY 2023.
- » Credit Rating of the company Reaffirmed IVR AA-/Stable Outlook (IVR Double A minus with Stable Outlook).
- » RoE at 8.39% and RoA at 3.41%.
- » Total employee head count stood at 1500
- » The Board of Directors recommended a Dividend of 10% of per fully paid equity share of Rs. 10/- each (pre-split), for FY 2022

# Paisalo Snapshot

## Q3 FY 2023

- » The company had signed Co-Lending with UCO Bank in Q2 FY 2023, the same is being rolled out at additional branches in Q3 FY 2023.
- » UCO Bank empanelled the Company as Corporate Business Correspondent (BC) for deployment and management of CSPs in 5 states. The same is expected to begin roll out in Q4.
- » State Bank of India allotted 984 codes for opening of new Customer Service Point (CSP) Outlets during FY 2022-23. The same is expected to be rolled out by Q4 end.
- » As at Q2 fresh fund infused by promoters of INR 1,840 mn through equity.
- » The Company continues to invest in teams and technology for business transformation.
- » **Good quarter across all financial and portfolio metrics.**

# Financial Performance

# FINANCIALS

₹ in Millions, \* Cumulative

<i>PARTICULARS</i>	Q3 FY 2022*	Q4 FY 2022*	Q1 FY 2023	Q2 FY 2023*	Q3 FY 2023*
AUM	₹25,201	₹26,973	₹27,174	₹29,767	₹30,107
Disbursements	₹11,303	₹16,343	₹4,752	₹10,810	₹16,239
Revenue	₹2,926	₹3,922	₹1,126	₹2,329	₹3,552
PBT	₹864	₹1,071	₹287	₹613	₹984
PAT	₹643	₹793	₹209	₹451	₹730
Net Worth	₹9,273	₹10,241	₹10,453	₹11,216	₹11,493
Total Liabilities	₹17,170	₹15,989	₹15,871	₹16,005	₹16,534
Bank Borrowings	₹8,784	₹9,588	₹9,416	₹10,606	₹10,927
Debt to Equity Ratio	2.00	1.46	1.42	1.41	1.41
Bad Debts Written Off	₹259	₹364	₹135	₹233	₹330
Bad Debts Recovered	₹103	₹120	₹57	₹98	₹100
NIM	4.53%	4.03%	5.51%	5.35%	5.91%
Gross NPA	1.87%	1.56%	0.81%	0.76%	0.75%
Net NPA	1.55%	1.26%	0.39%	0.27%	0.26%
CAR	41.57%	42.92%	43.53%	43.19%	42.66%

# FINANCIALS

<i>PARTICULARS</i>	FY 2020	FY 2021	FY 2022	Q1 FY 2023	Q2 FY 2023*	Q3 FY 2023*
AUM	₹21,119	₹23,178	₹26,973	₹27,174	₹29,767	₹30,107
Interest Income	₹3,375	₹3,115	₹3,922	₹1,126	₹2,329	₹3,552
NIM	6.47%	4.05%	4.03%	5.51%	5.35%	5.91%
PAT	₹540	₹609	₹793	₹209	₹451	₹730
Cash Accrual	₹580	₹646	₹819	₹216	₹465	₹753
Net worth	₹7,603	₹8,619	₹10,241	₹10,458	₹11,216	₹11,493
Total Debt	₹10,701	₹14,814	₹15,989	₹15,871	₹16,005	₹16,534
Debt Equity Ratio	1.82	1.72	1.46	1.42	1.41	1.41
Gross NPA	0.44%	0.72%	1.56%	0.81%	0.76%	0.75%
NET NPA	0.34%	0.57%	1.26%	0.39%	0.27%	0.26%
ROA	2.61%	2.66%	3.09%	3.23%	3.24%	3.41%
ROE	7.15%	7.07%	7.78%	7.90%	7.95%	8.39%
CAR	43.06%	44.47%	42.92%	43.53%	43.19%	42.66%
Book Value	₹179	₹202	₹230	₹234	₹246	₹252

₹ in Millions, \* Cumulative

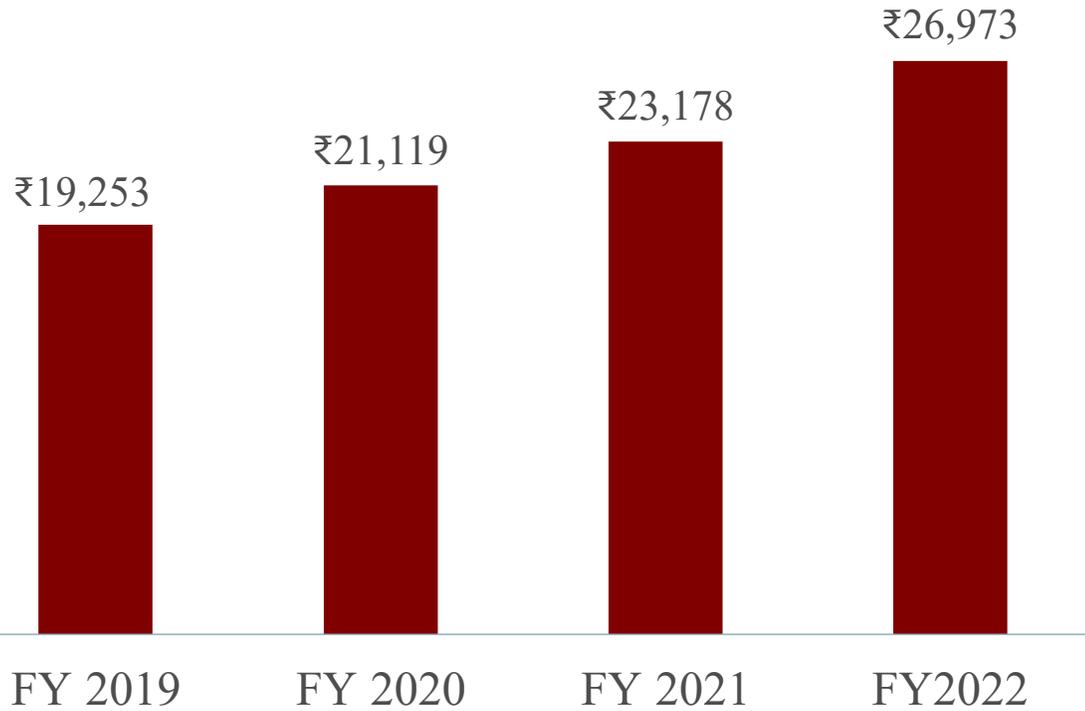
# FINANCIALS

## Critical Ratios

INR in Millions

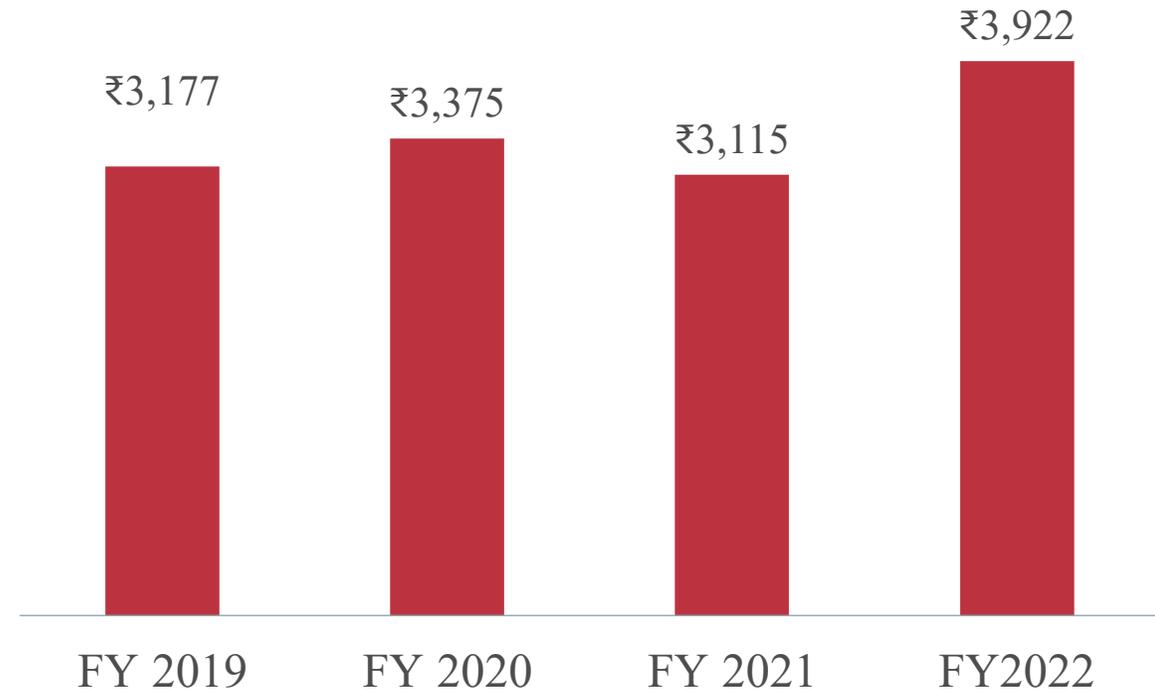
Particulars	FY 2020	FY 2021	FY 2022	Q1 FY 2023	Q2 FY 2023	Q3 FY 2023
Tangible Net Worth (TNW)	₹7,603	₹8,619	₹10,241	₹10,453	₹11,216	₹11,493
Bank Borrowings (BB)	₹7,983	₹7,412	₹9,588	₹9,416	₹10,606	₹10,927
Total Outside Liabilities (TOL)	₹13,738	₹14,814	₹15,989	₹15,871	₹16,005	₹16,533
BB / TNW (Times)	1.05	0.86	0.94	0.90	0.95	0.95
TOL / TNW (Times)	1.81	1.72	1.56	1.51	1.43	1.44

## AUM



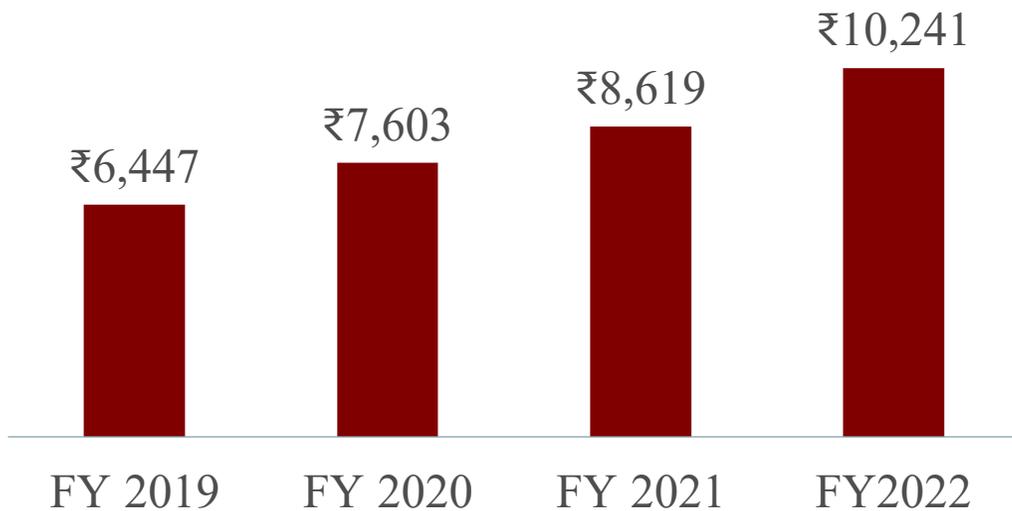
₹ in Millions

## Revenue

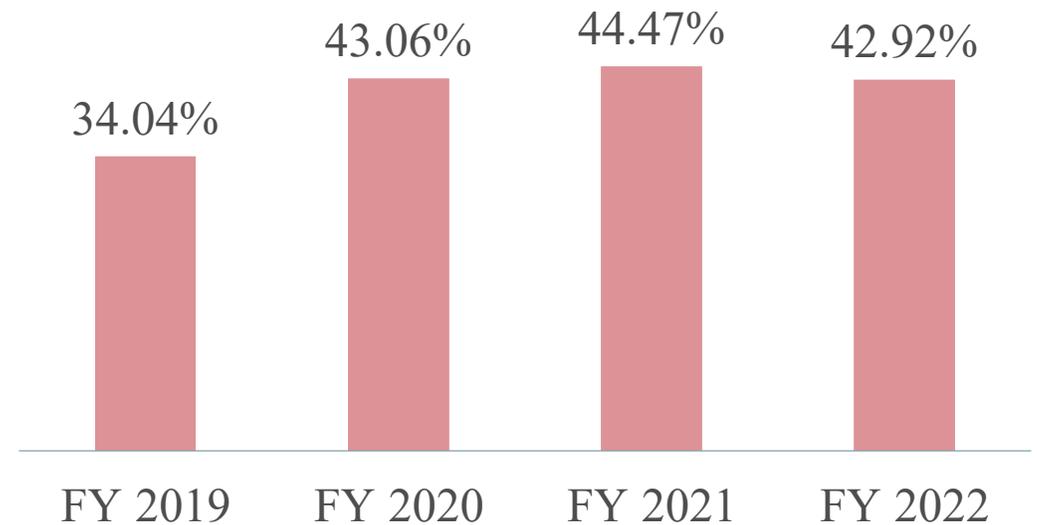


₹ in Millions

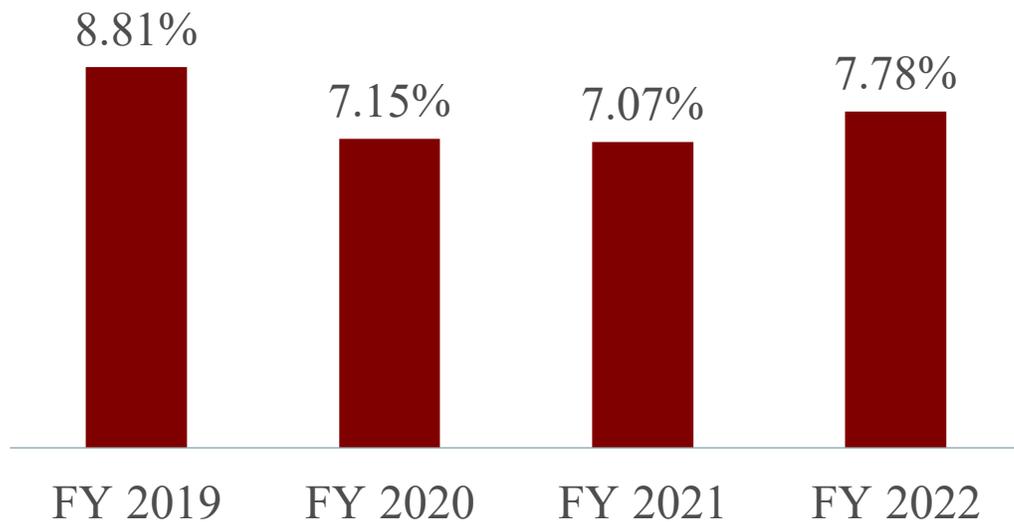
## Net Worth



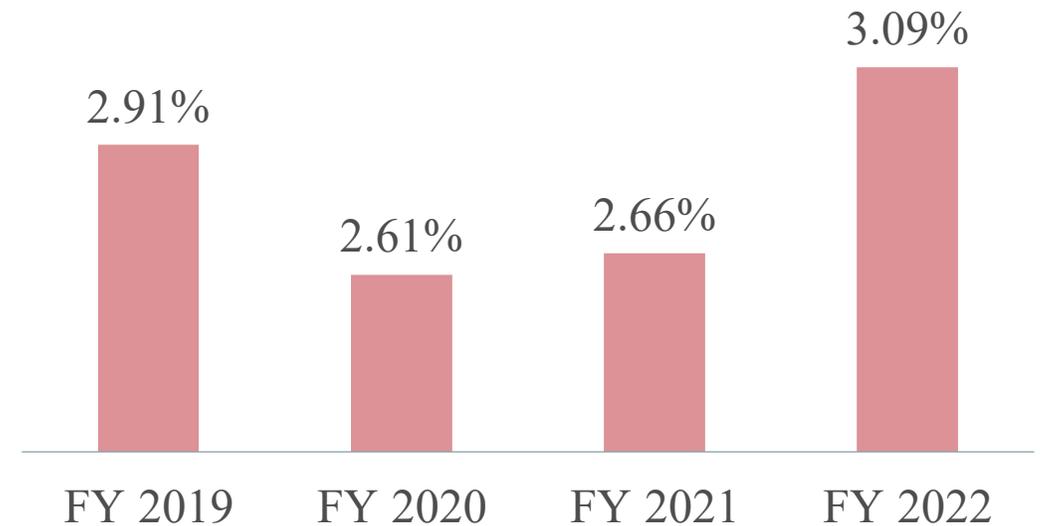
## CAR



## ROE



## ROA



# Shareholding Pattern

NSE: PAISALO

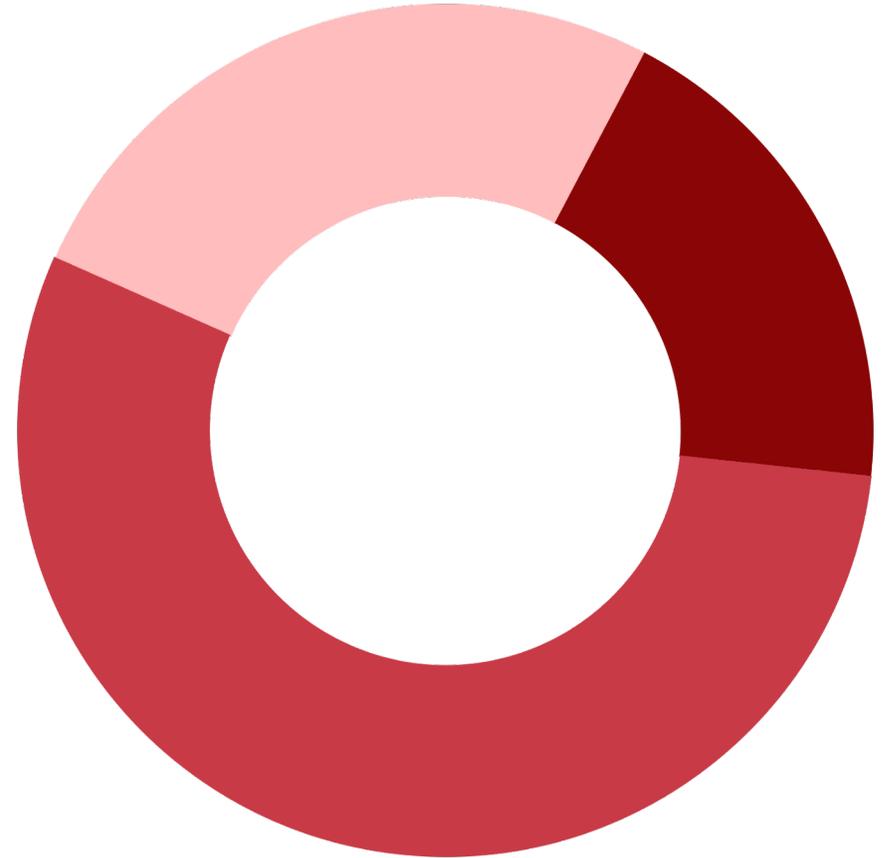
BSE: PAISALO

Bloomberg: PAISALO:IN

**32.18%**  
Promoter  
& Promoters Group

**23.34%**  
FIIs and DIIs

**44.48%**  
Public



# Credit Rating



IVR 'AA- (Stable Outlook)'



# Board of Directors



***BOARD OF  
DIRECTORS***



**Sunil Agarwal**

*Managing Director*

29 years of experience, incorporated Paisalo and took it from Private Entity to Public Listed and Traded Entity



**Harish Singh**

*Executive Director*

MBA, Chartered Accountant, 30 years of experience in the field of Financing



**Anoop Krishna**

*Whole Time Director*

Veteran Banker with over 35 years of experience with State bank of India at all levels

***BOARD OF  
DIRECTORS***



**Gauri Shankar**

*Independent Director*

30 years of experience in the field of Banking, held position of CEO and Managing Director at Punjab National Bank



**Vijay Ronjan**

*Independent Director*

35 years of experience in the field of Banking, retired as CGM Delhi of State bank of India



**Naresh Kumar  
Jain**

*Independent Director*

35 years of experience in the field of Corporate and Legal Compliances, held position of CEO of Institute of Company Secretaries of India

***BOARD OF  
DIRECTORS***



**Raman  
Aggarwal**

*Independent Director*

Co-Chairman of Finance Industry Development Council (FIDC), member of Advisory Groups to Ministry of Finance & RBI, Core Group setup by Ministry of Corporate Affairs, and Special Task Force at FICCI



**Nisha Jolly**

*Independent Director*

34 years of experience in the field of Banking, held position of Chief Manager of Punjab National Bank.

**PAISALO**  
EASY LOAN आसान लोन

**THANK  
YOU**

*Phone:*  
**+91 11 43-51-8888**

*Email:*  
**ir@paisalo.in**

*Website:*  
**www.paisalo.in**