



**Ujjivan**  
Build a Better Life

Investor Presentation Q3 FY 2016-17

December 2016

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# Agenda

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Performance Highlights



SFB Update



Company Overview



Business & Financial Overview



Borrowing Profile & Credit Ratings



# Performance Highlights – Q3 FY17

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# Performance Highlights



**₹6,588** Gross Loan Book



**0.25%** GNPA, 0.05% NNPA



**86%** Customer Retention Ratio



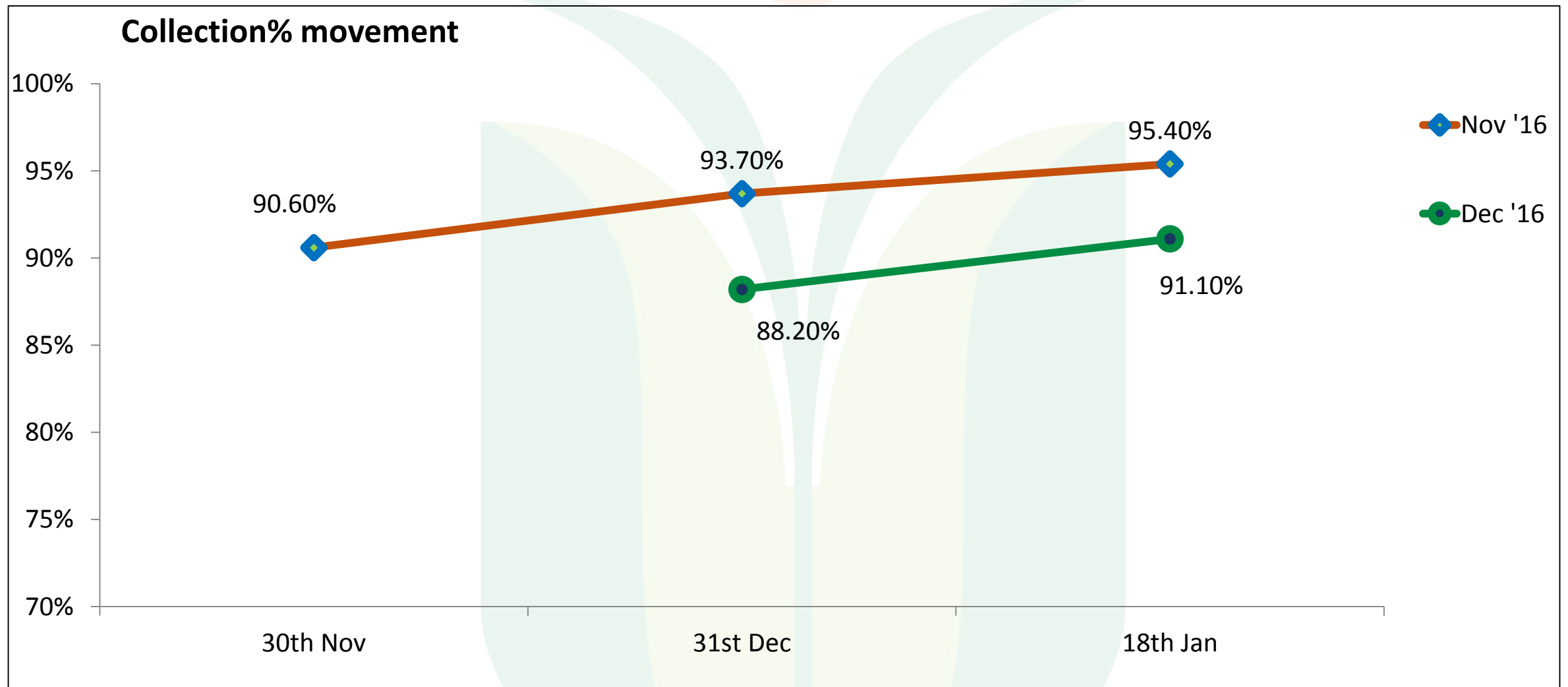
**9,593** Employee Strength



**35.83** Active Customers (in lakhs)

# Demonetization- Impact Analysis

## Collection Efficiency



# Operational & Business highlight

- 🌱 Gross Loan Book at ₹6,587.90 crore; growth of 43.55% over Q3-FY16 and 1.57% over Q2-FY17
- 🌱 Managed portfolio as on December 31, 2016 at ₹541.54 crore
- 🌱 Net Loan Book at ₹6,046.36 crore; growth of 33.18% over Q3-FY16 and 0.77% over Q2-FY17
- 🌱 Disbursement for Q3 at ₹1,662.84 crore; decrease of 0.56% over Q3-FY16 and 23.86% over Q2-FY17
- 🌱 Even during demonetization period there was a disbursement to the existing customers- November December disbursements stood ₹965 crores
- 🌱 1.02 lakh new borrowers added during the quarter; Total borrowers stands at 35.83 lakh
- 🌱 GNPA at 0.25% and NNPA at 0.05%
- 🌱 Though RBI guidelines allowed for classification of portfolio as standard assets for 90 days with respect to over dues in demonetization period of November and December; Ujjivan took a conservative stance with added provisions

# Financial & Operational Highlights

- 🌱 All the financials in this presentation is consolidated for the convenience of understanding
- 🌱 Total Income at ₹371.32 crore, an increase of 38.88 % over Q3-FY16 and 4.01 % over Q2-FY17
- 🌱 Net Profit at ₹43.94 crore; a decrease of 9.54% over Q3-FY16 and 38.43% over Q2-FY17
- 🌱 NII at ₹199.01 crore, an increase of 43.92% over Q3-FY16 and 5.84% over Q2-FY17
- 🌱 NIM at 13.22% in Q3-FY17 increased from 12.83% in Q3-FY16 and 13.02% in Q2-FY17
- 🌱 Cost to Income ratio at 49.33% from 49.01% in Q3-FY16 and 48.18% Q2-FY17
- 🌱 EPS for Q3 FY17 at ₹3.7; 9M FY17 at ₹16.2
- 🌱 For Q3 - RoAA at 2.53% and RoAE at 10.28%



# SFB Update

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# SFB Update

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- 🌱 Final SFB license obtained from RBI on 11<sup>th</sup> Nov 2016
- 🌱 Launch of Bank in 1<sup>st</sup> week of February 2017 post getting other RBI and NPCI approvals
- 🌱 Key compliance requirement across department in final stage of completion
- 🌱 Technology systems ready to support day one requirement of SFB
- 🌱 Launch of Bank with 5 branches in Bengaluru as a pilot
- 🌱 Phased roll out of branches starting from Mar-17 and spread till Sept 17
- 🌱 Key SFB related policies in place before the launch
- 🌱 All products and features have been finalized for the Day 1 launch
- 🌱 Major alternate channels – Biometric ATM, Phone banking, Internet & Mobile Banking – Ready to be launched with Bank

# Overview of Ujjivan

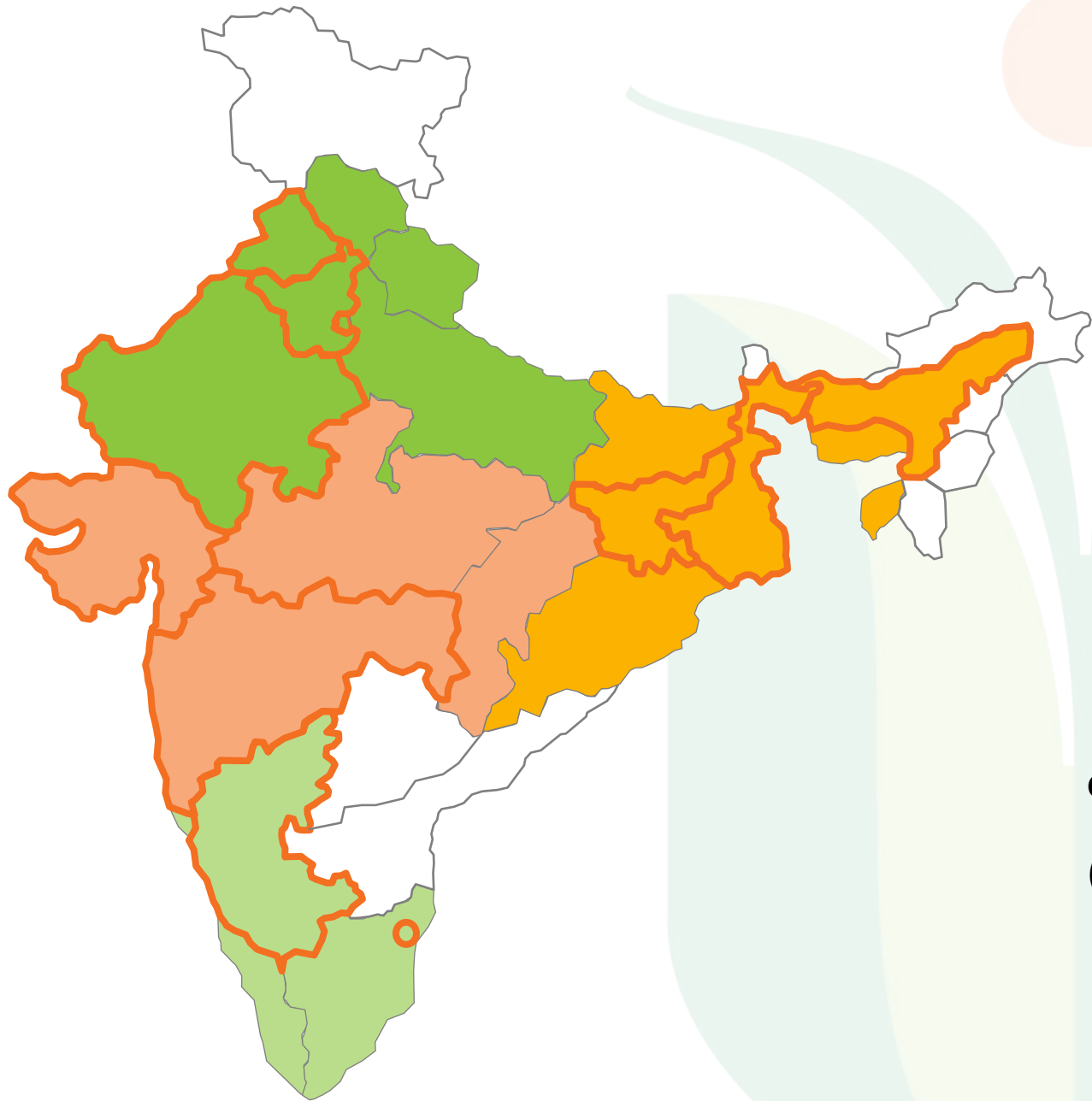
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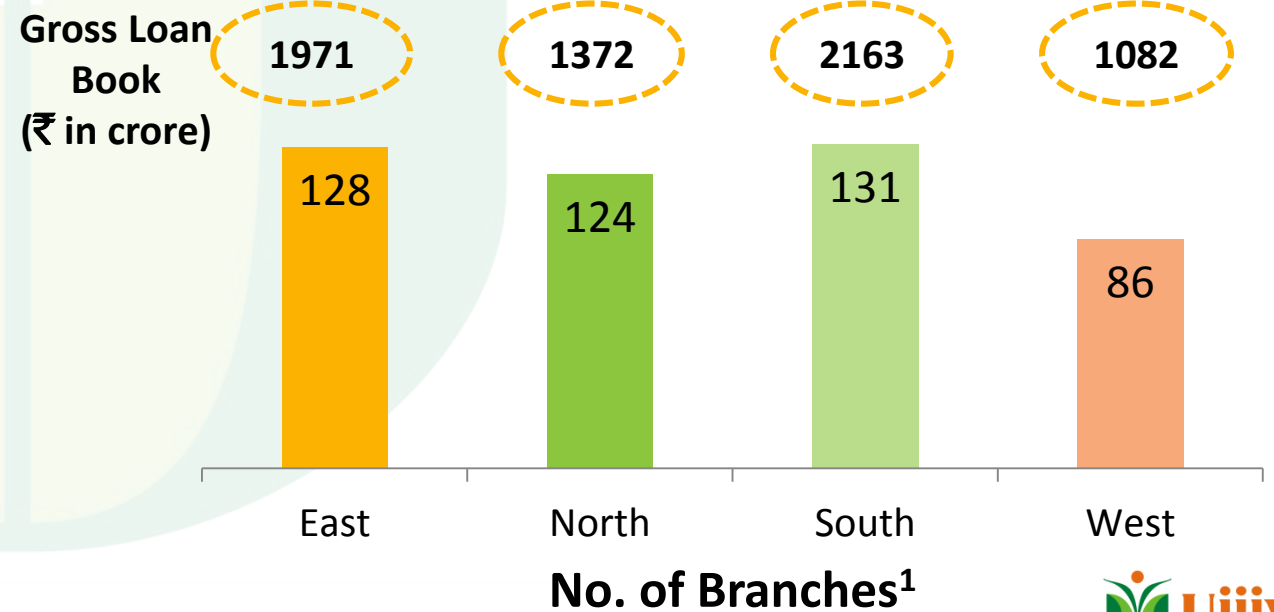


# Deep pan-India presence



- 🌱 Largest MFI in India in terms of geographical spread, with a pan-India presence through 469 branches across 24 states and union territories and 209 districts in India.
- 🌱 185 branches in 91 under-banked districts.
- 🌱 37% branches in the central, east and north east regions of India, where a majority of the under-banked districts are located.
- 🌱 Third largest NBFC-MFI in India in terms of loans disbursed as of December 31, 2016. Our Gross Loan Book aggregates over ₹ 6,588 crore<sup>1</sup>.
- 🌱 Geographically diversified portfolio - no single state contributes > 16% of Gross Loan Book<sup>1</sup>

## Well diversified presence as well as AUM base



States where the share of Ujjivan Gross Loan Book is greater than 11.15%, which is the overall market share of Ujjivan in NBFC-MFI business in India

<sup>1</sup> As of December 31, 2016

# Customized Product Offerings

## CREDIT OFFERINGS

## NON-CREDIT OFFERINGS



- Business loan
- Family loan
- Education loan
- Agriculture and Allied loan
- Emergency Loan
- Loyalty loan



- Home improvement loan
- Home loan: Self construction
- Home loan: Under construction purchase / Ready purchase
- Loan Against Property

**Others: other loans include Individual Higher Education loans**



- Individual Business Loan
- Individual Bazaar Loan
- Pragati Business loan
- Individual Loyalty Loan
- Secured business loan



- Individual Livestock Loan
- Pragati Livestock loan
- Individual Agriculture loan
- Pragati Agriculture Loan

BAJAJ | Allianz

**Birla Sun Life**  
Insurance

**HDFC**  
**Life**

*Sar utha ke jiyo!*

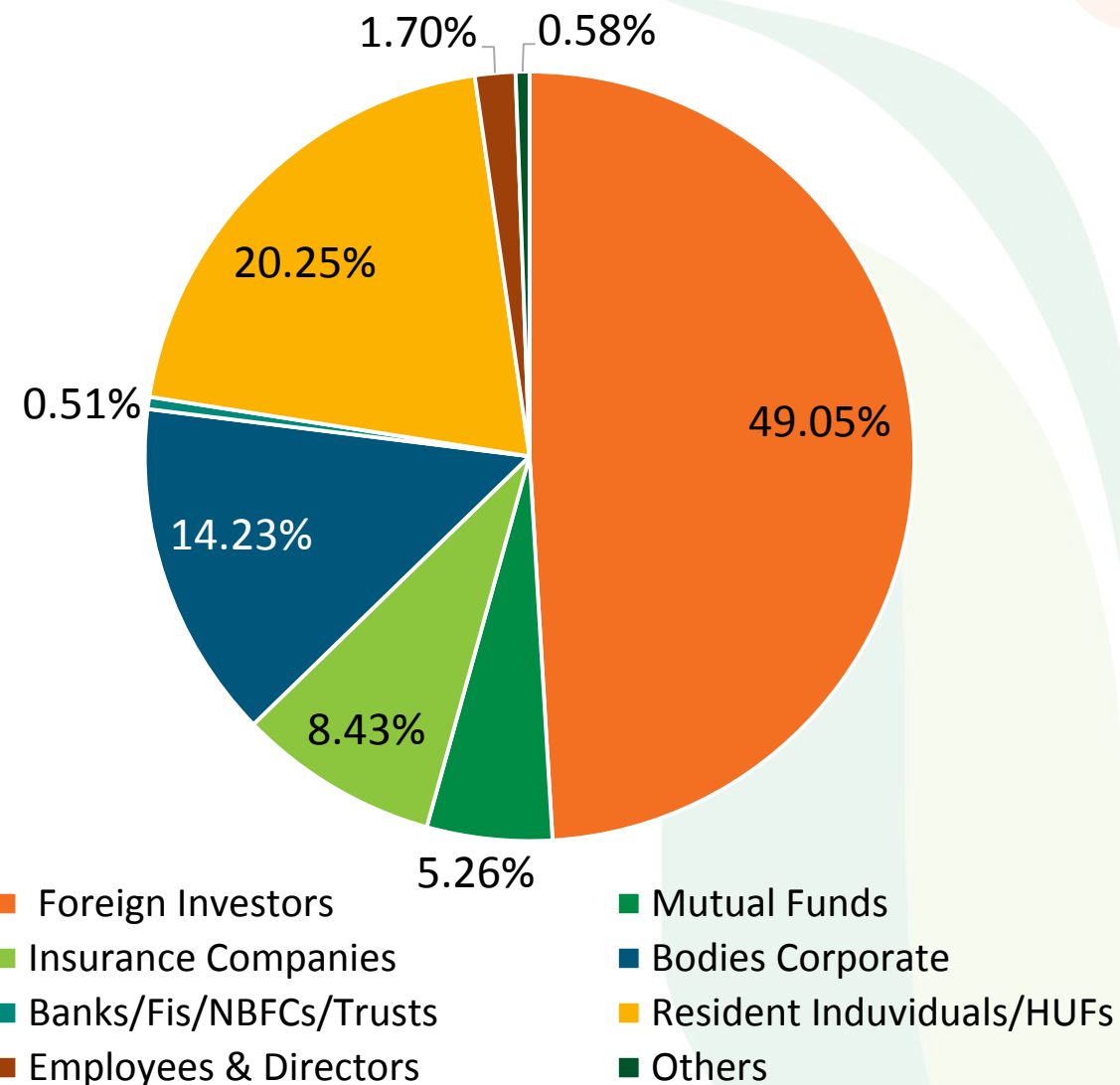
**kotak**  
Life Insurance

A JOINT VENTURE WITH OLD MUTUAL

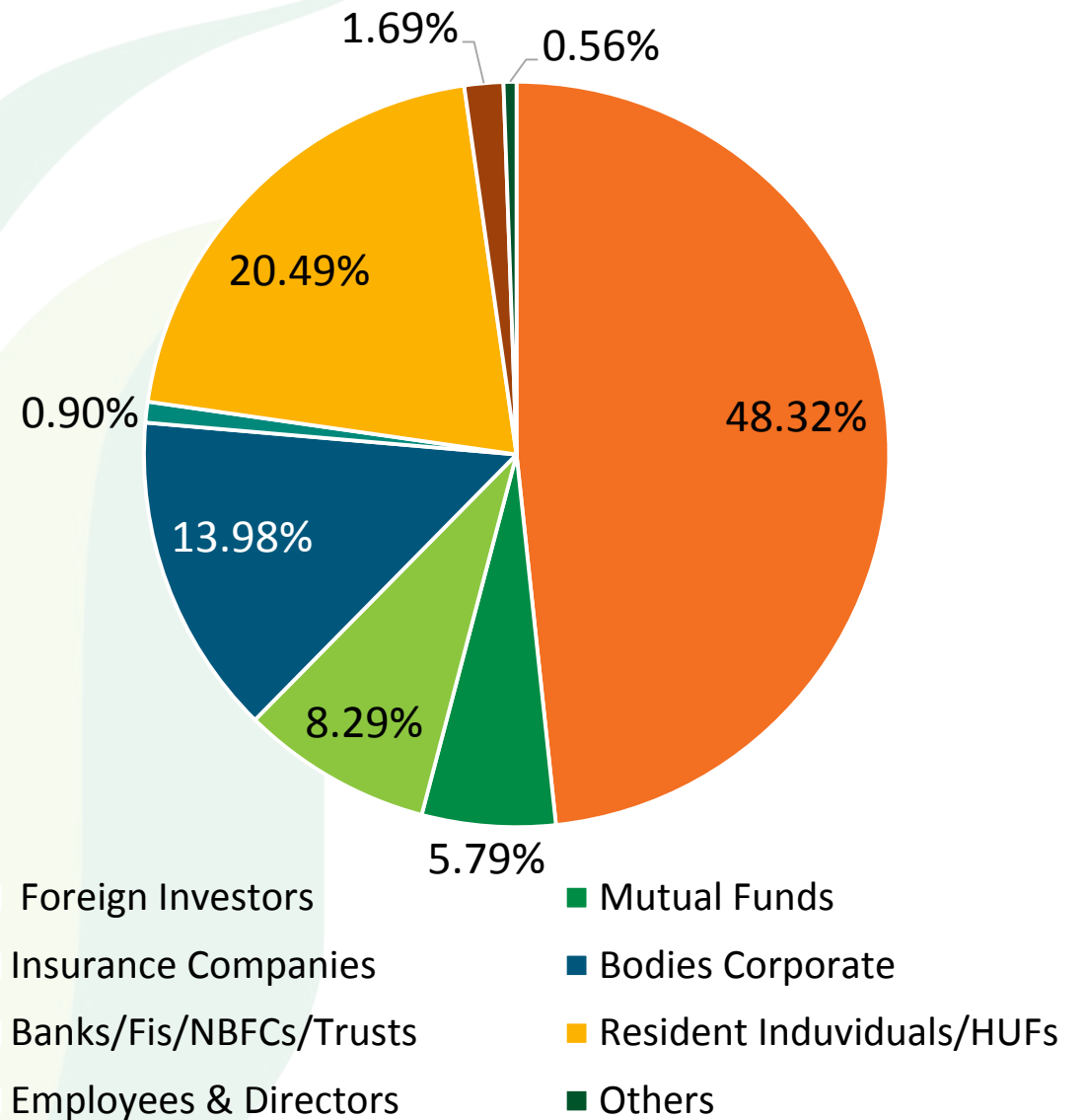
*In the event of death of our customer or their spouse, insurance amount helps the beneficiary cover the existing loan and receive the benefits of a life cover.*

# Shareholding Pattern

Shareholding Pattern as on 31<sup>st</sup> December, 2016



Shareholding Pattern as on 13<sup>th</sup> January, 2017



**Foreign Shareholdings down to 48.32% as on 13<sup>th</sup> January 2017**

# Business Overview

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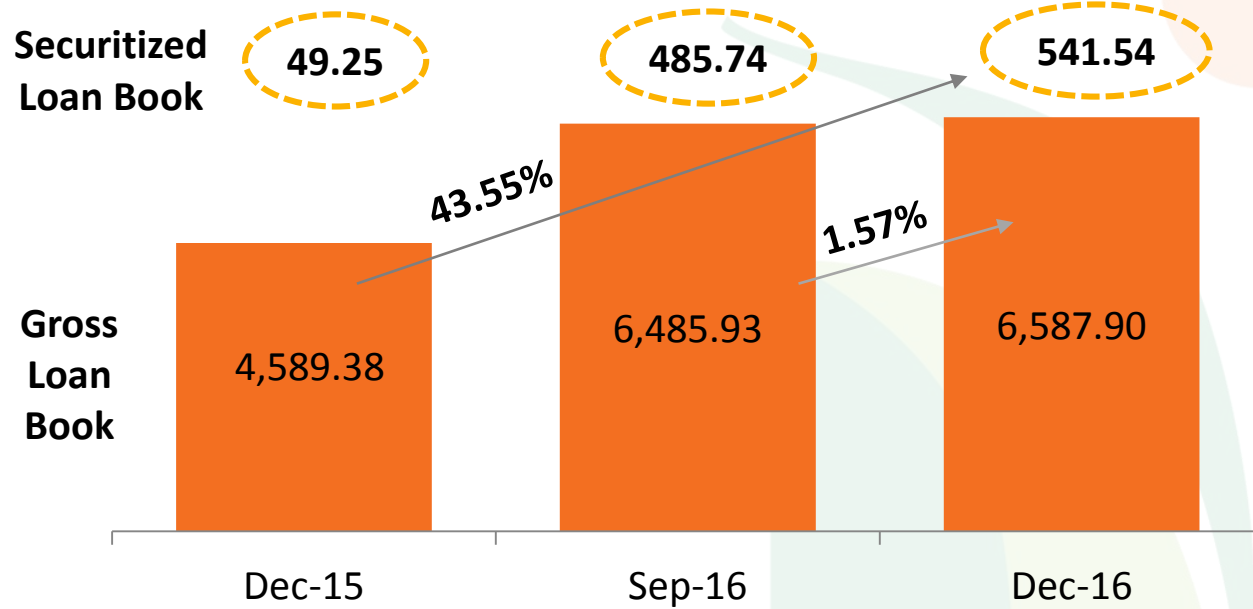


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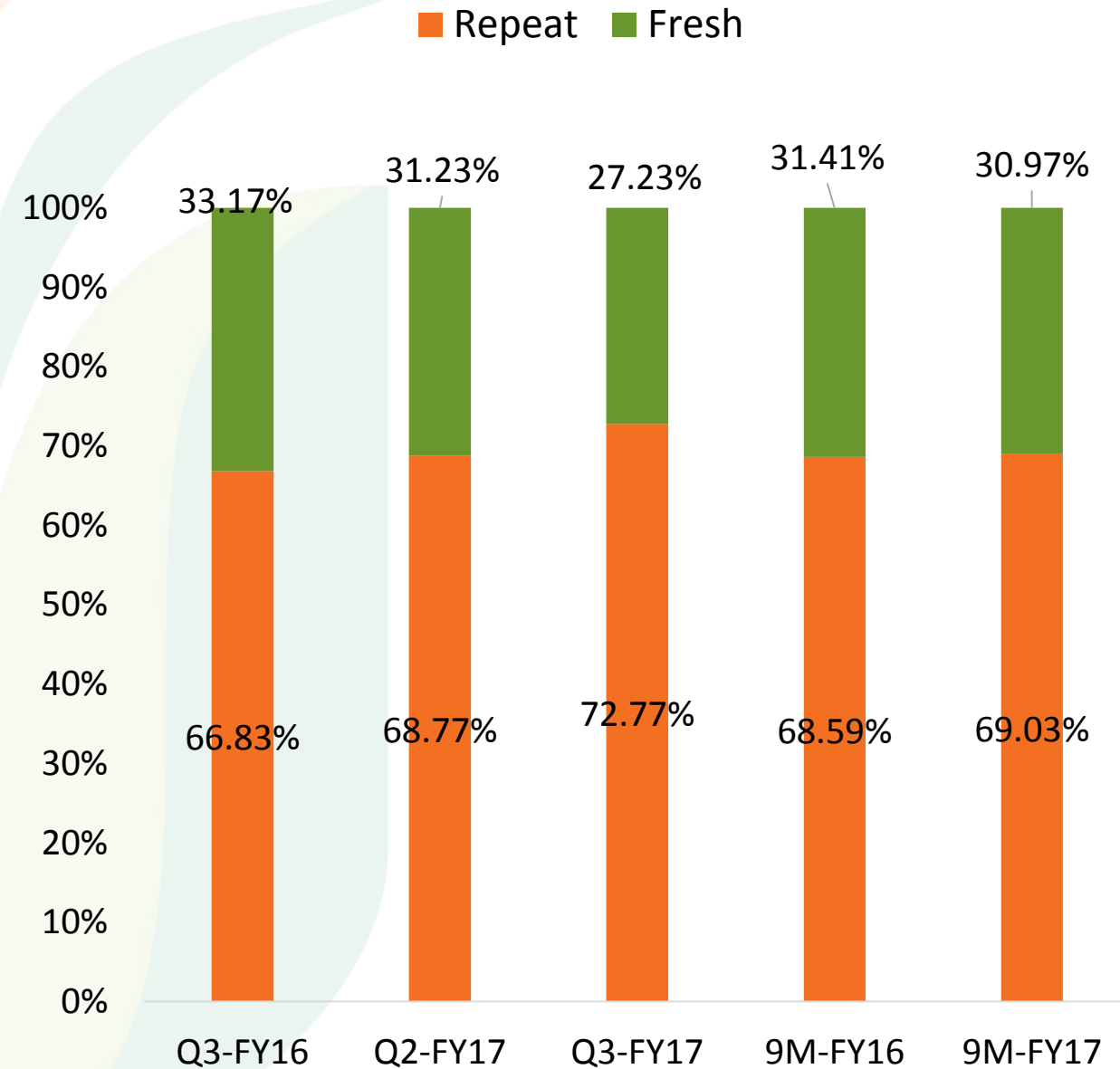


# Loan Book Overview

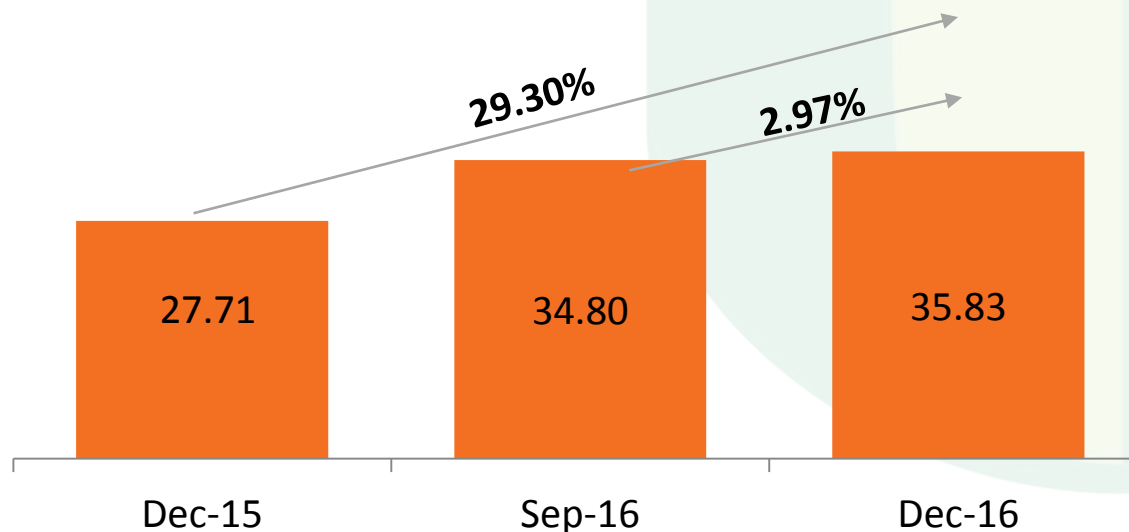
## Gross Loan Book & Securitized Loan Book (₹ in Crore)



## Type of Loan (on disbursement)

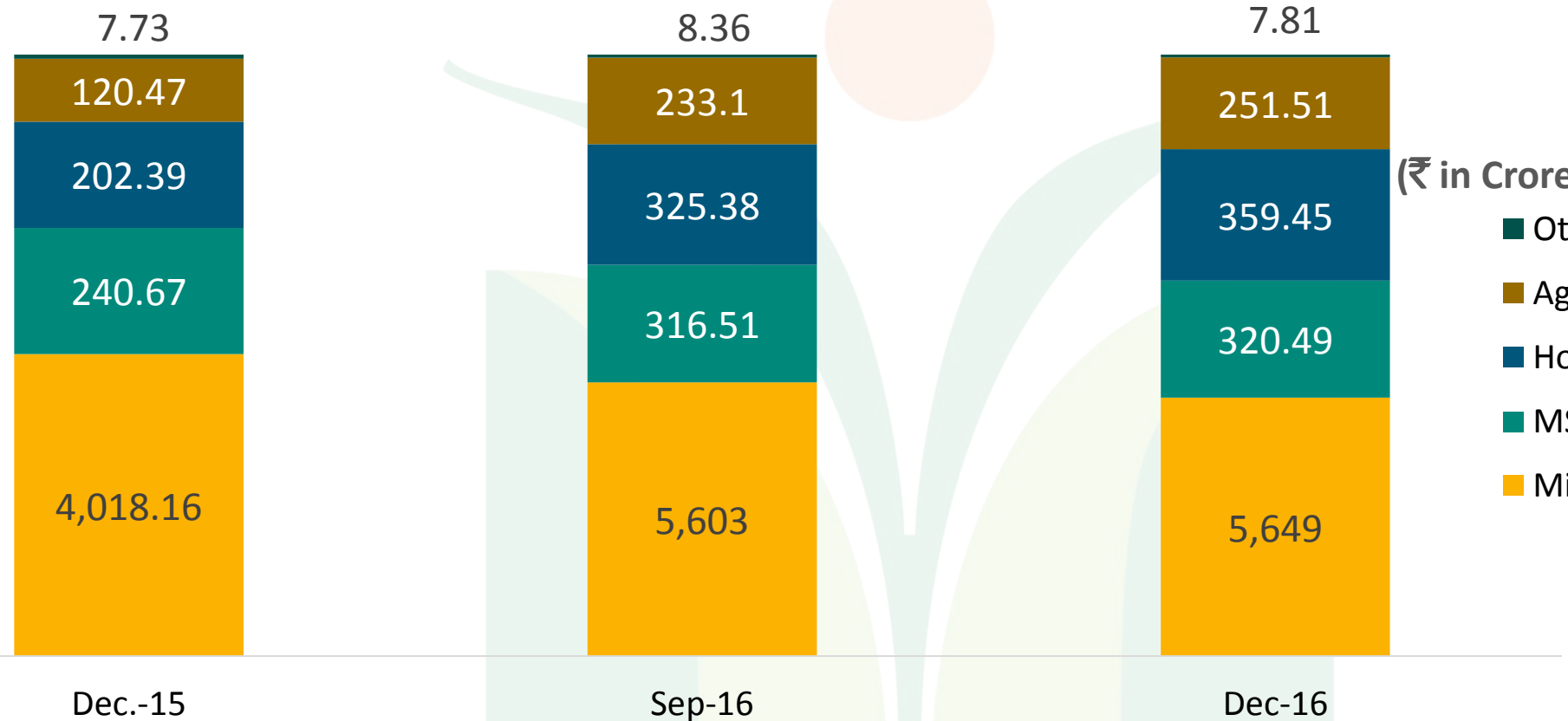


## Number of Borrowers (in Lakh)



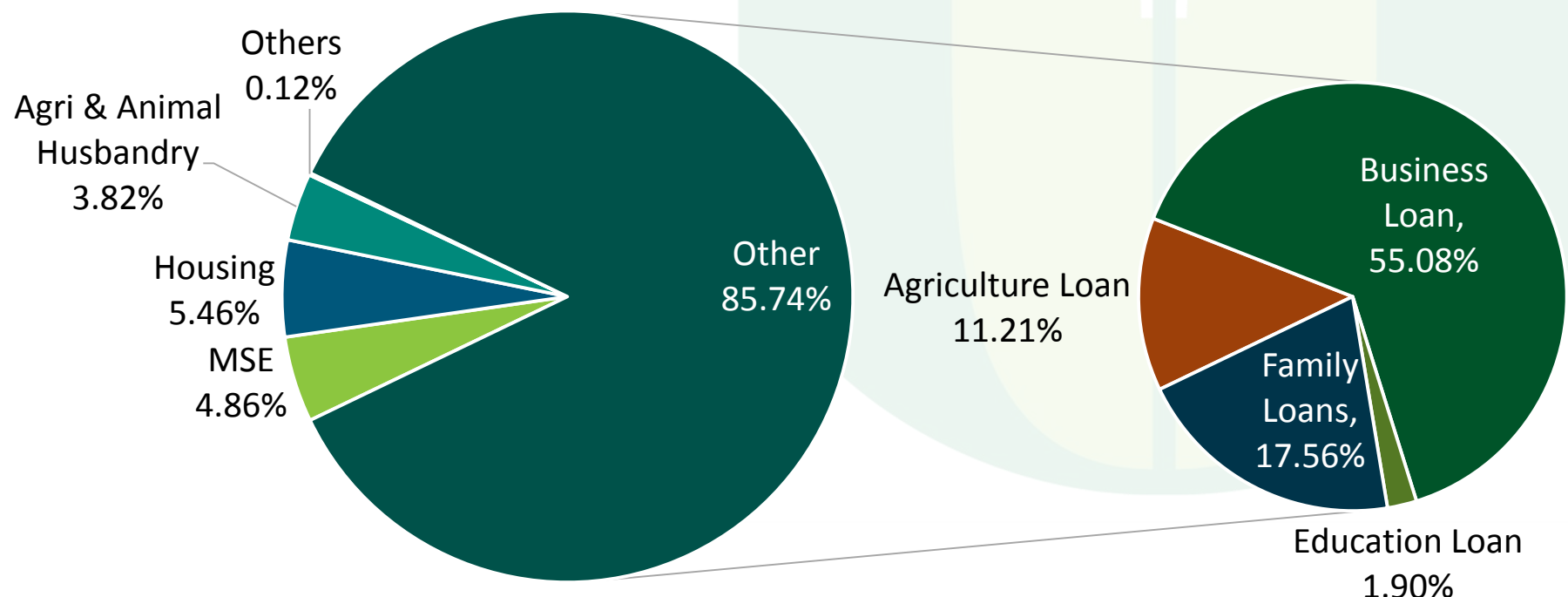


# Composition of Gross Loan Book



(₹ in Crore)

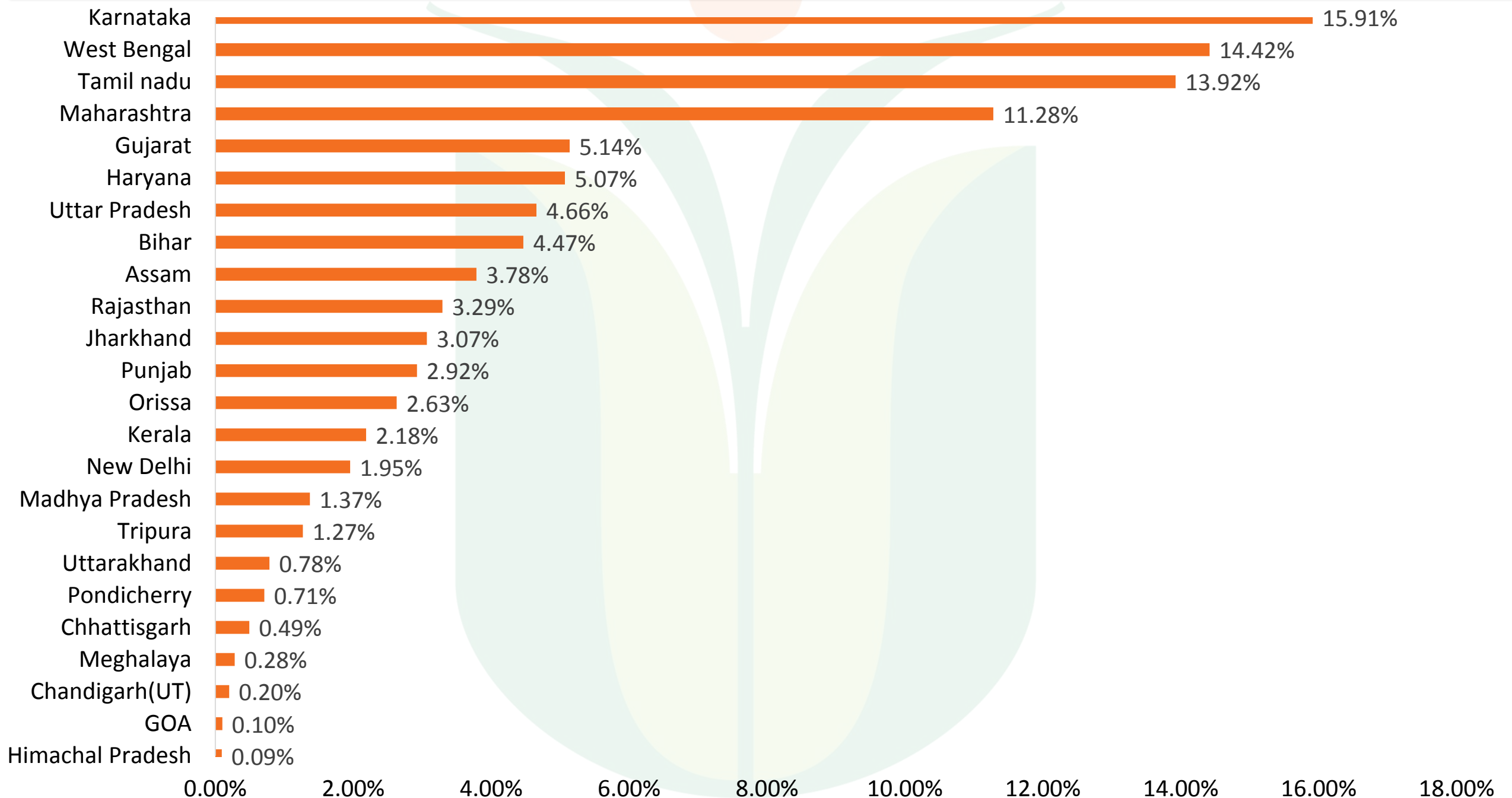
- Others
- Agri and Animal Husbandry Loan
- Housing
- MSE
- Microfinance



| Product Bifurcation                             | % Share in Gross Loan Book |
|---|----------------------------|
| Unsecured Loan (Microfinance & Individual Loan) | 98.68%                     |
| MSE Secured                                     | 0.22%                      |
| Housing Secured                                 | 1.10%                      |

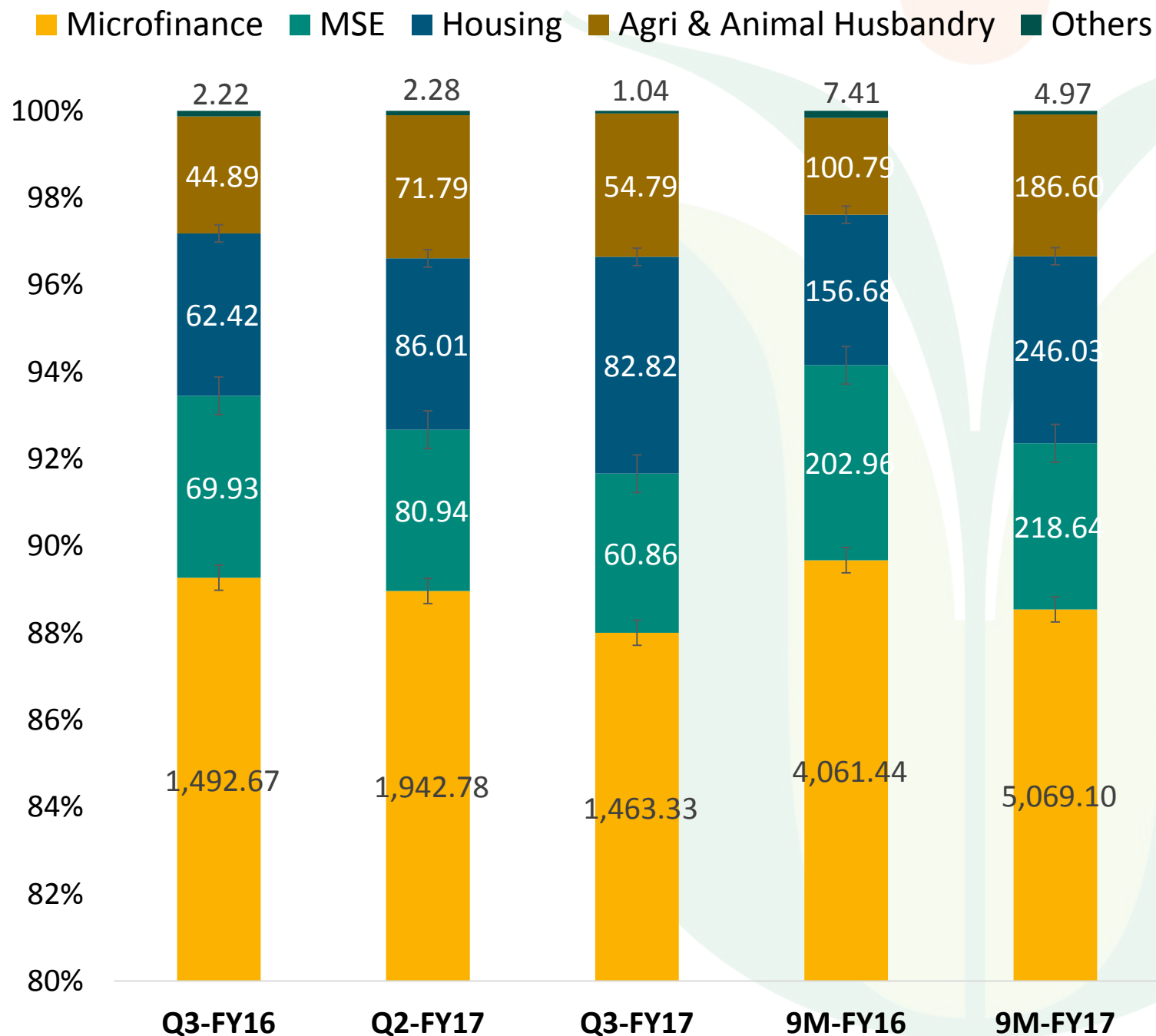
# Portfolio Spread & Branch Vintage

## Portfolio Mix- December 2016

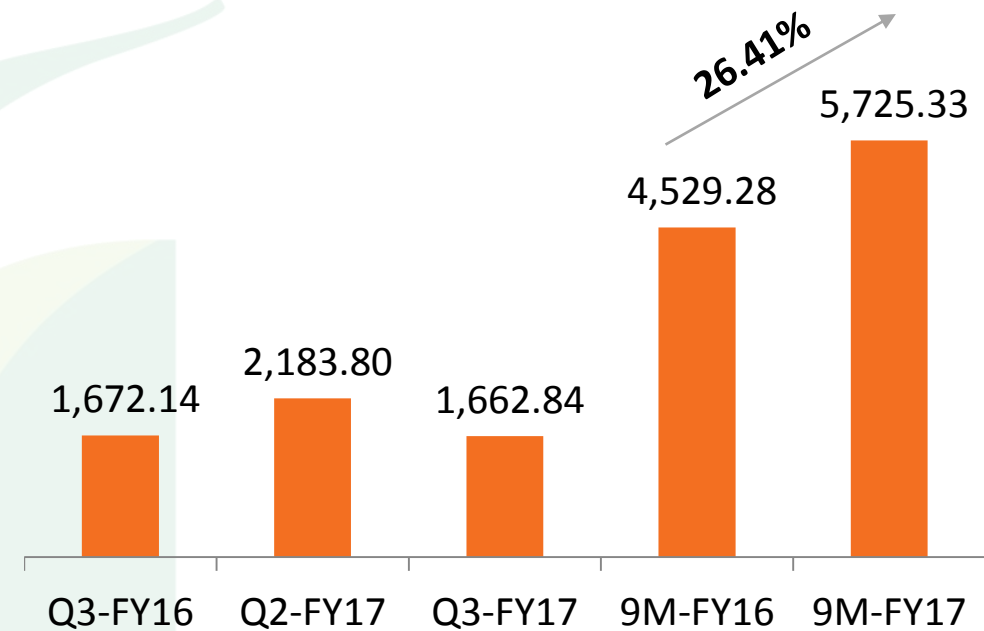


# Disbursement Spread & Average Ticket Size

## Product wise Disbursement (₹ in Crore)



## Total Disbursements (₹ in crore)

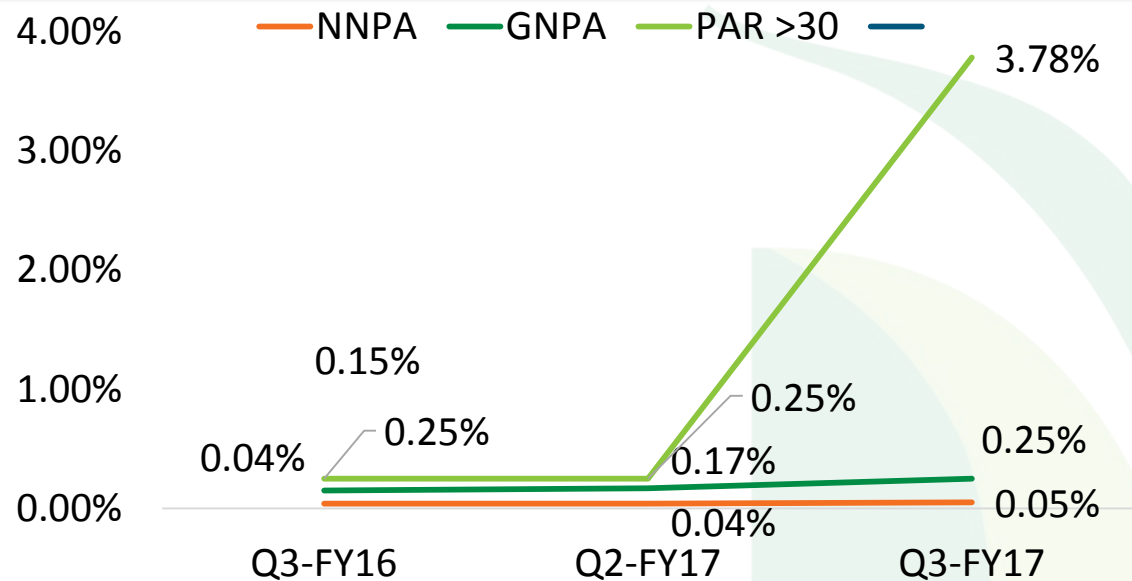


## Average Ticket Size – 9M-FY17

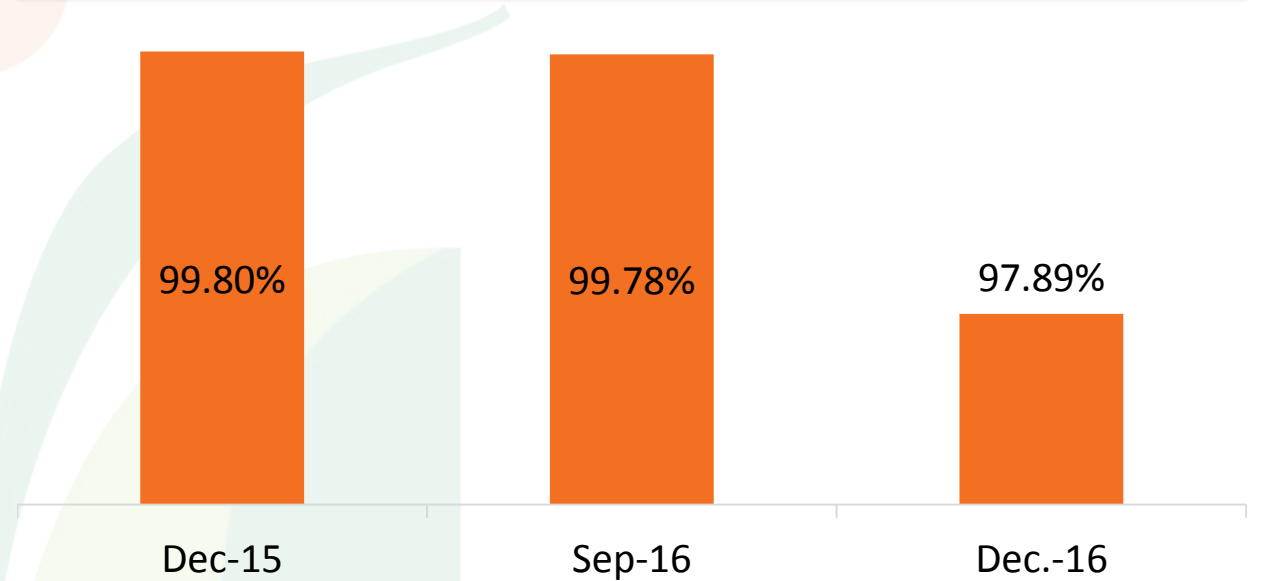
| Product                        | in ₹     |
|--------------------------------|----------|
| Microfinance                   | 23,172   |
| MSE- Unsecured                 | 69,386   |
| MSE- Secured                   | 4,02,782 |
| Housing- Unsecured             | 67,439   |
| Housing- Secured               | 3,79,837 |
| Agri and Animal Husbandry Loan | 57,832   |
| Others                         | 61,754   |

# Efficiency Parameters

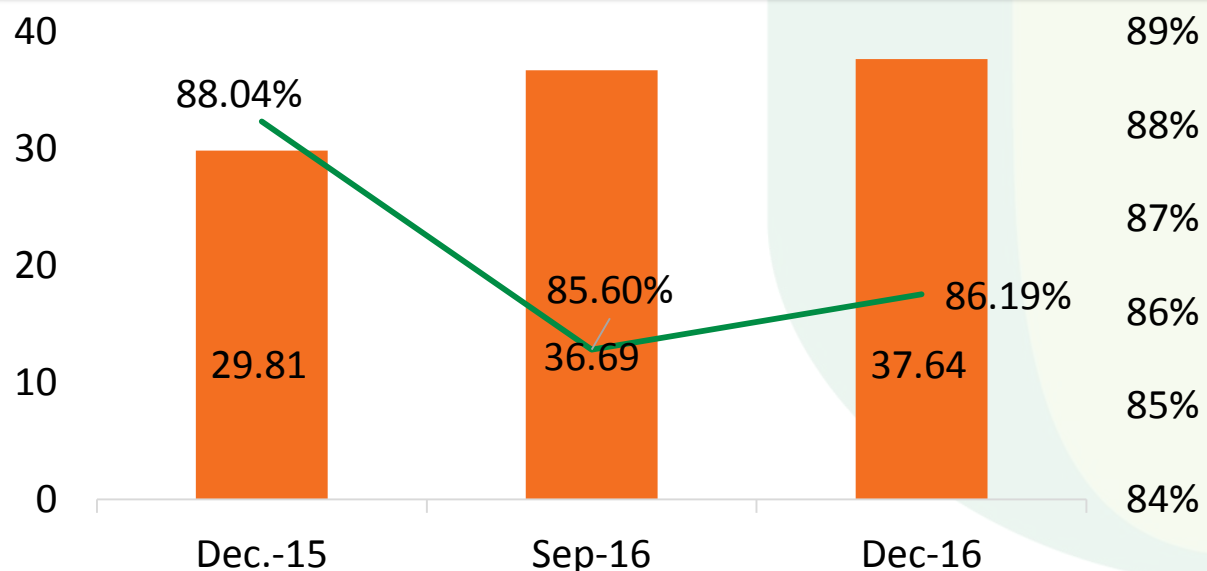
## GNPA, NNPA & PAR>30



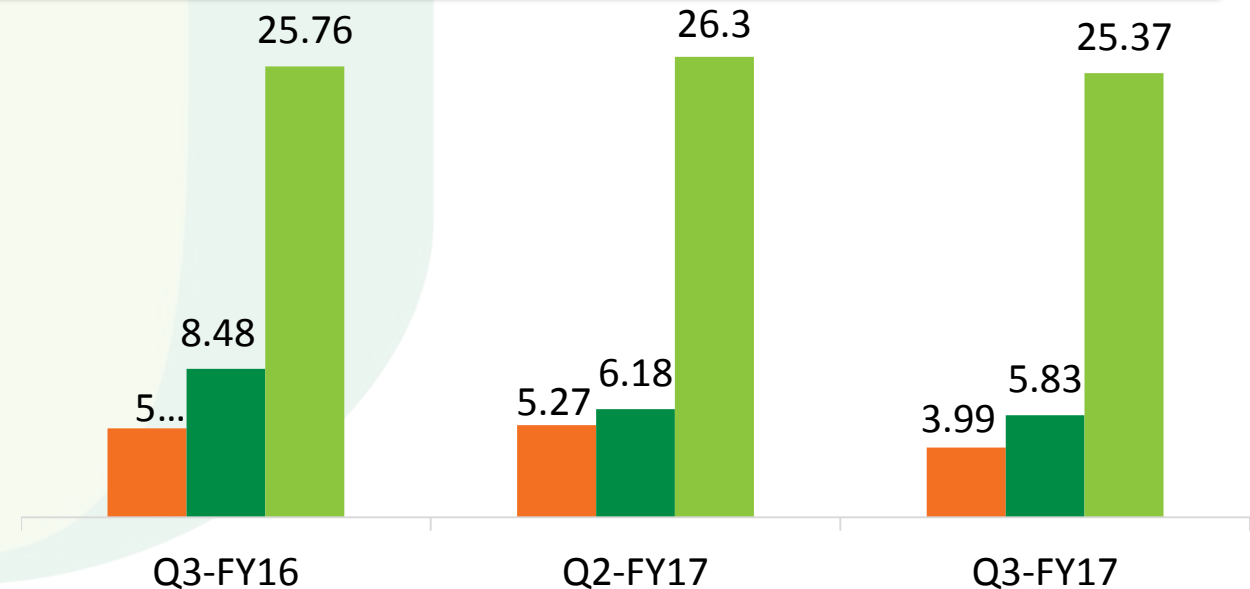
## Cumulative Repayment Rate



## Number of Customer & Customer Retention Ratio



## Turn Around Time (TAT)



Number of Customers (in Lakh) — Customer Retention Ratio (%)

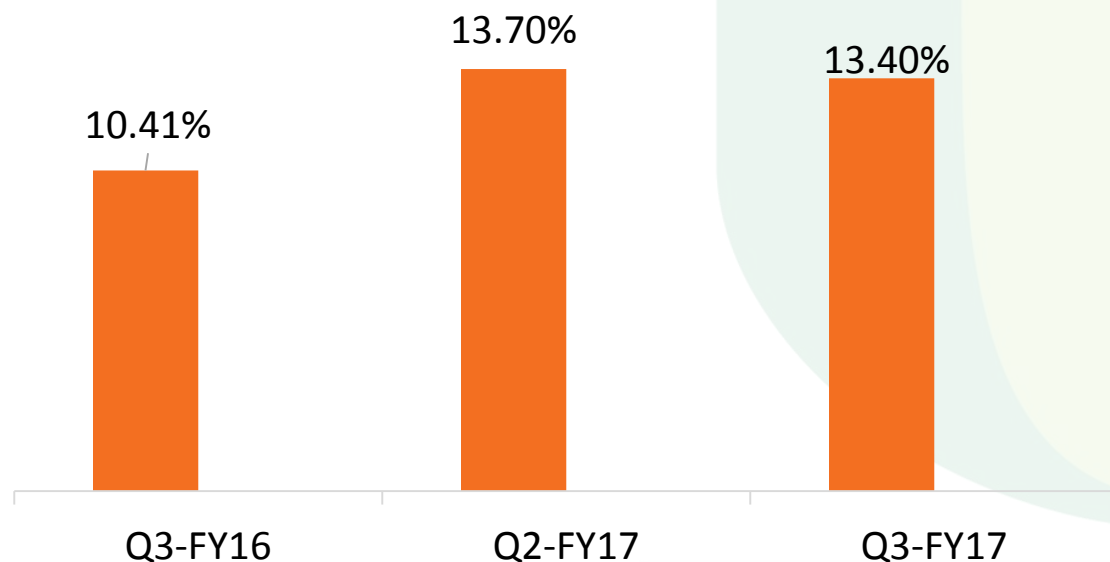
GL (Microfinance) IL- Unsecured IL- Secured

# Efficiency Parameters (Contd.)

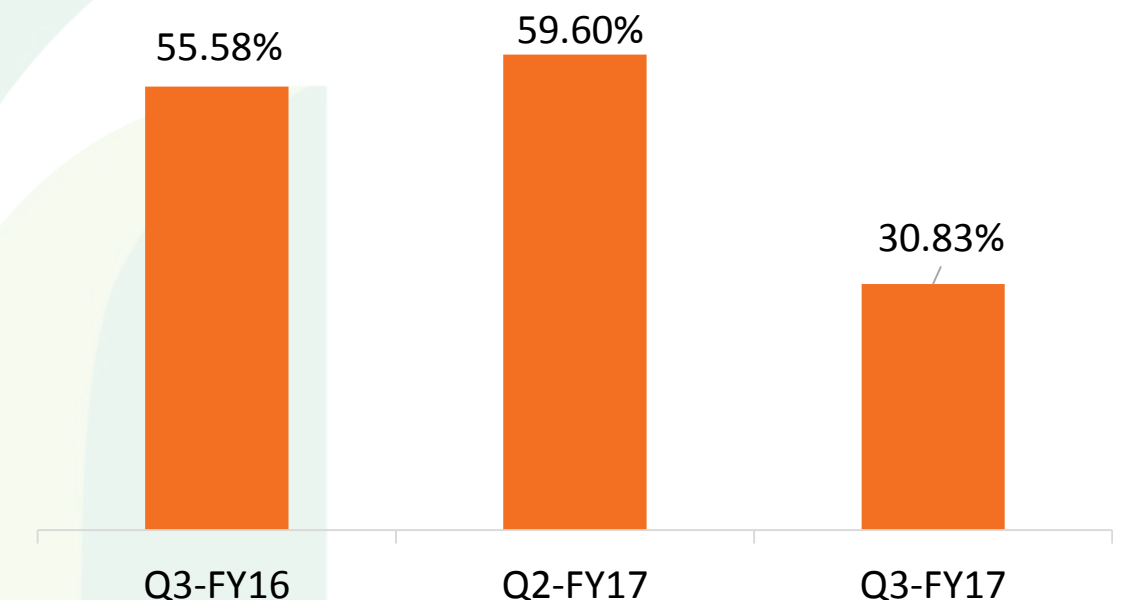
## Rejection Rate & Key Reasons

| Key Rejection Reasons                         | Dec'16 |
|---|--------|
| 2 MFI Loans                                   | 48%    |
| Overdue                                       | 11%    |
| Loan Exposure >60,000                         | 23%    |
| 2 MFI Loans + Overdue & Loan Exposure >60,000 | 2%     |
| 2MFI & Overdue                                | 3%     |
| 2 MFI Loans & Loan Exposure >60,000           | 12%    |
| Overdue & Loan Exposure >60,000               | 1%     |

## Bureau Rejection Rate (%) - Microfinance



## Cashless Disbursement (%)



**84% Customers with Aadhar Card as on 31<sup>st</sup> December, 2016**

# Financial Overview

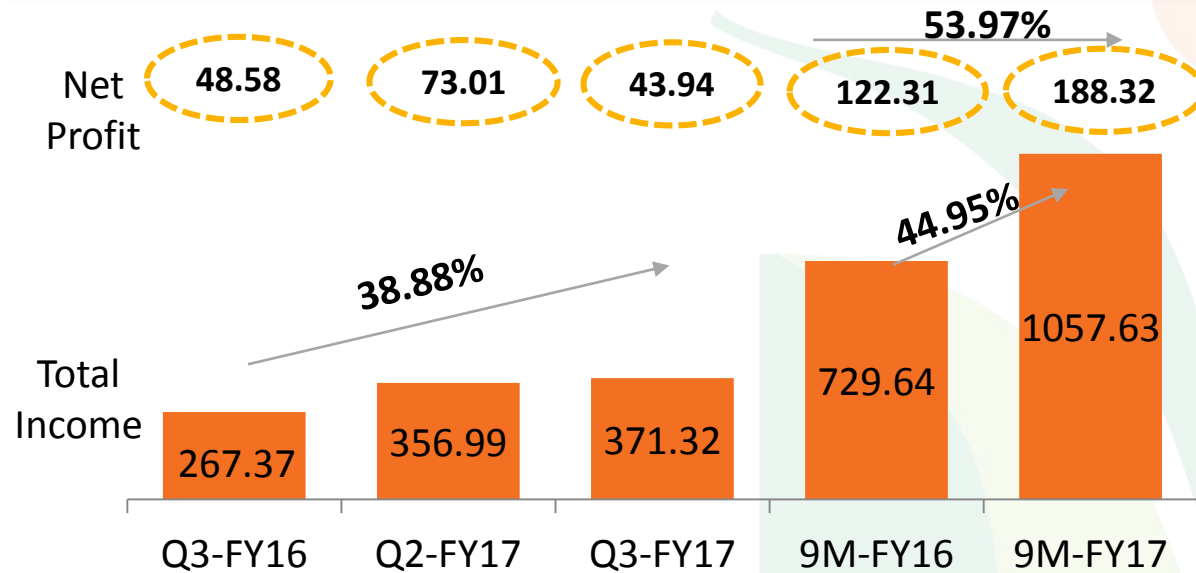


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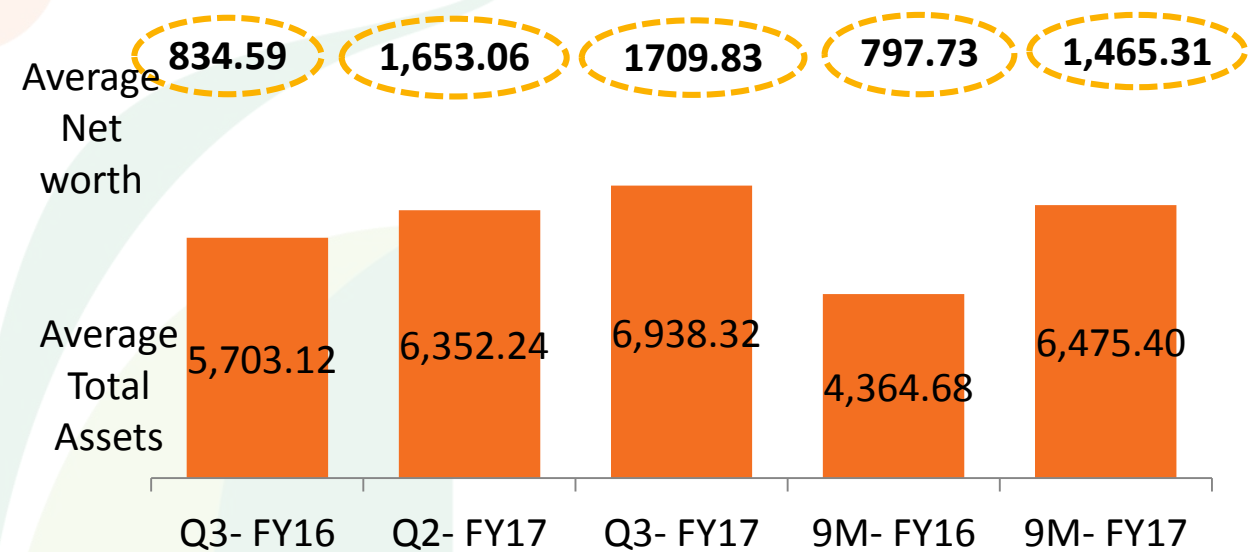


# Financial Overview

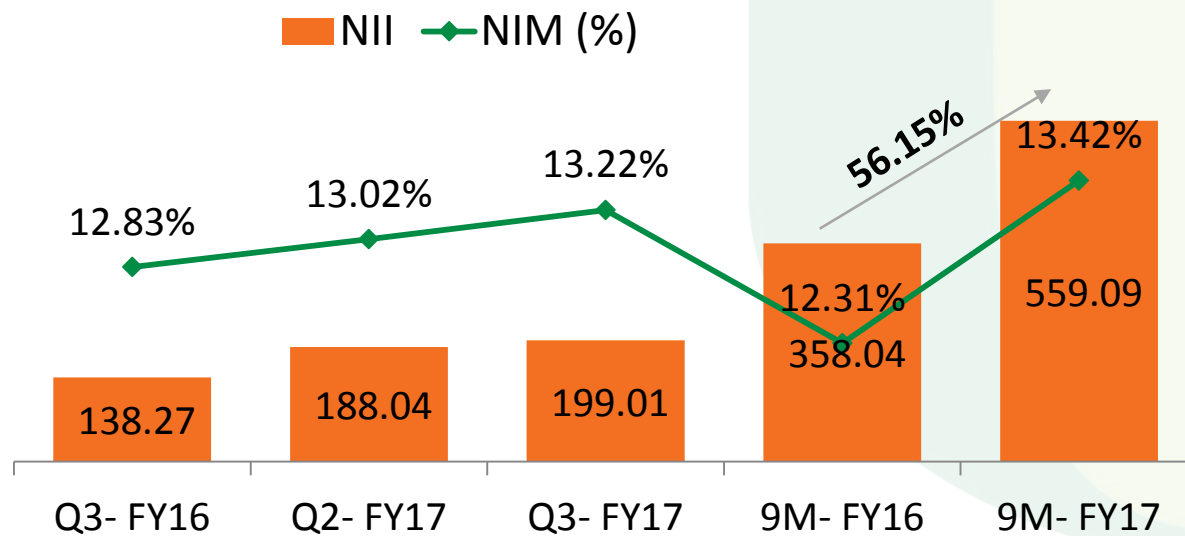
## Total Income & Net Profit (₹ in Crore)



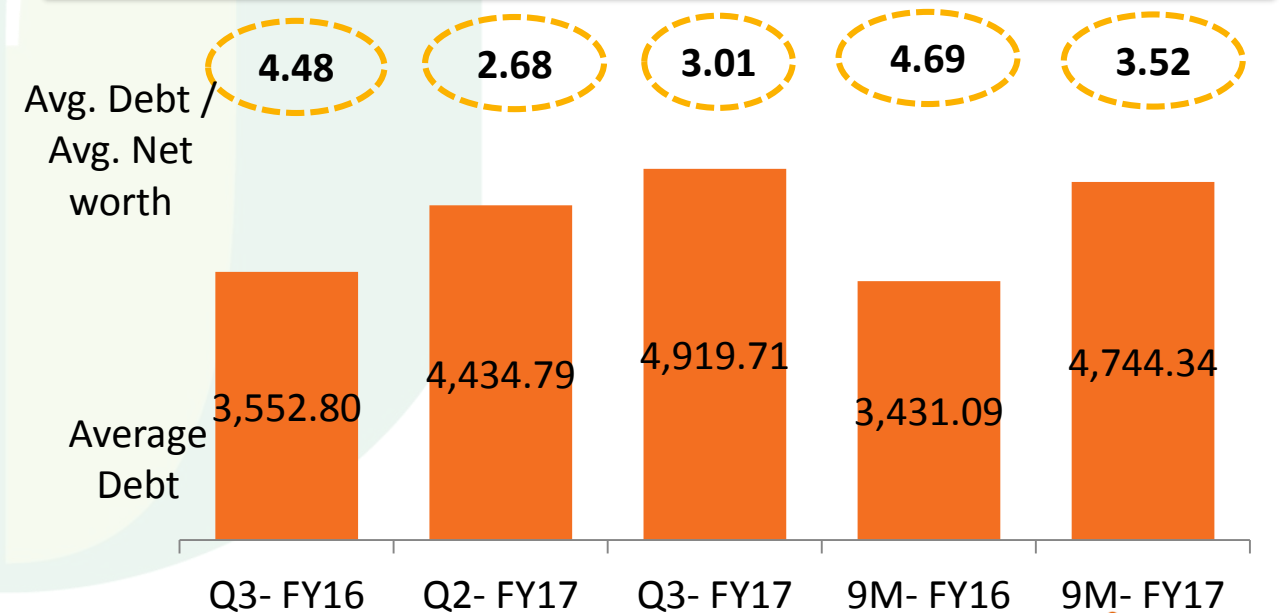
## Average Total Assets and Net worth (₹ in crore)



## NII & NIM

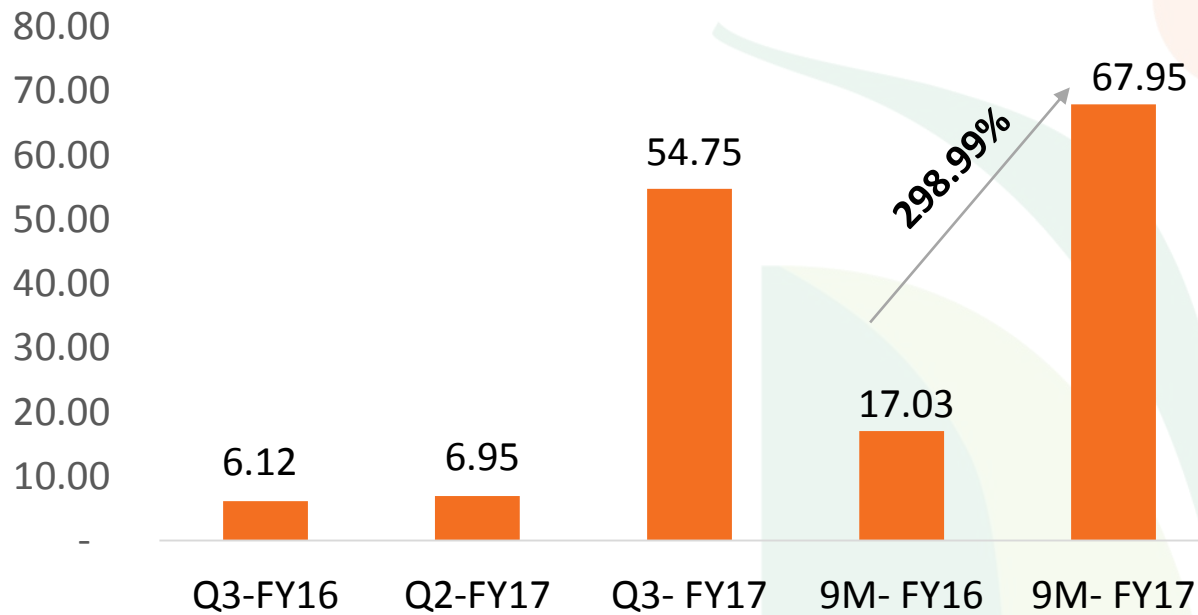


## Average Debt (₹ in crore)

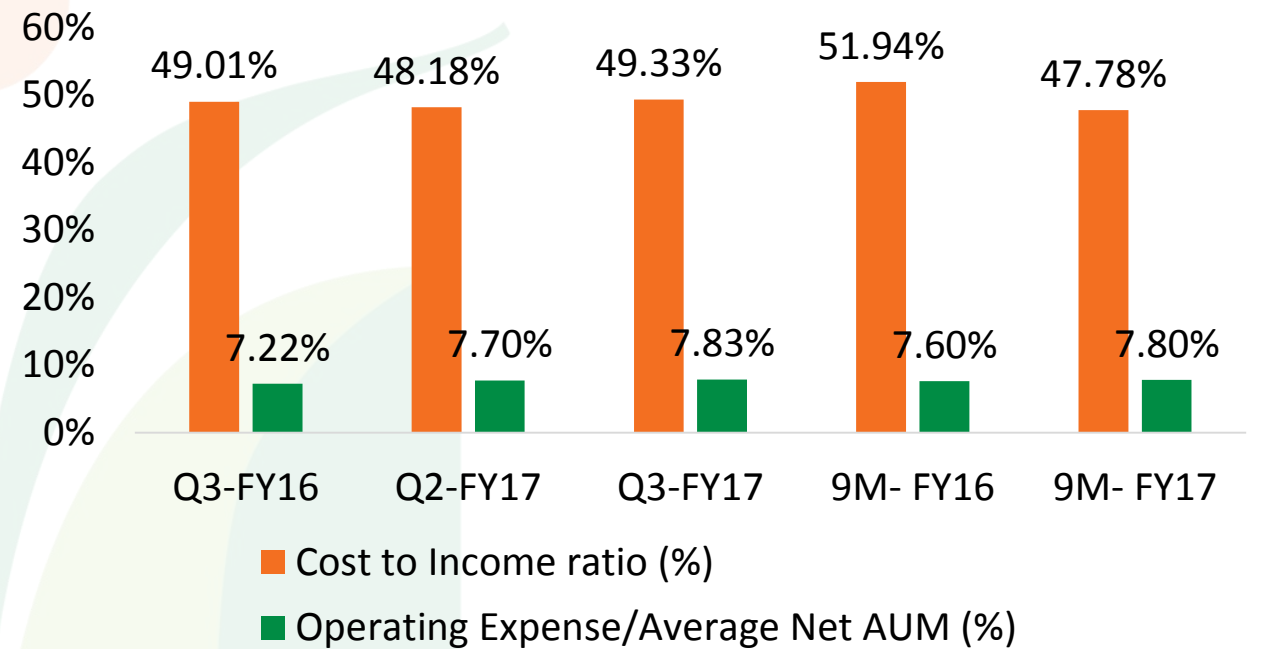


# Financial Overview (Contd.)

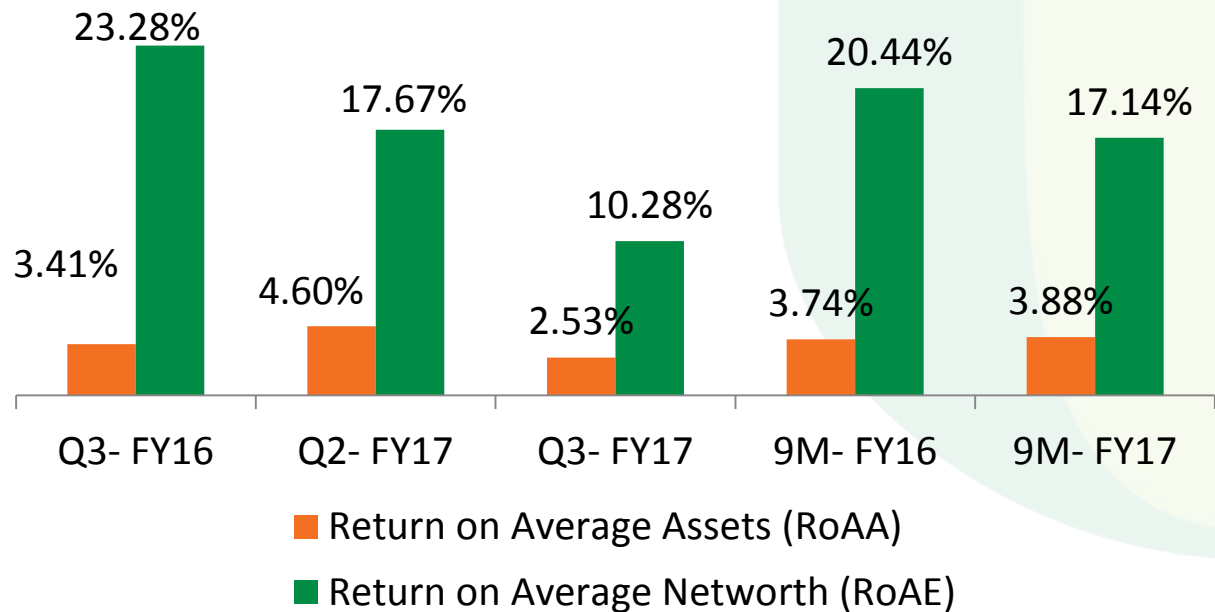
## Credit Cost (₹ in crore)



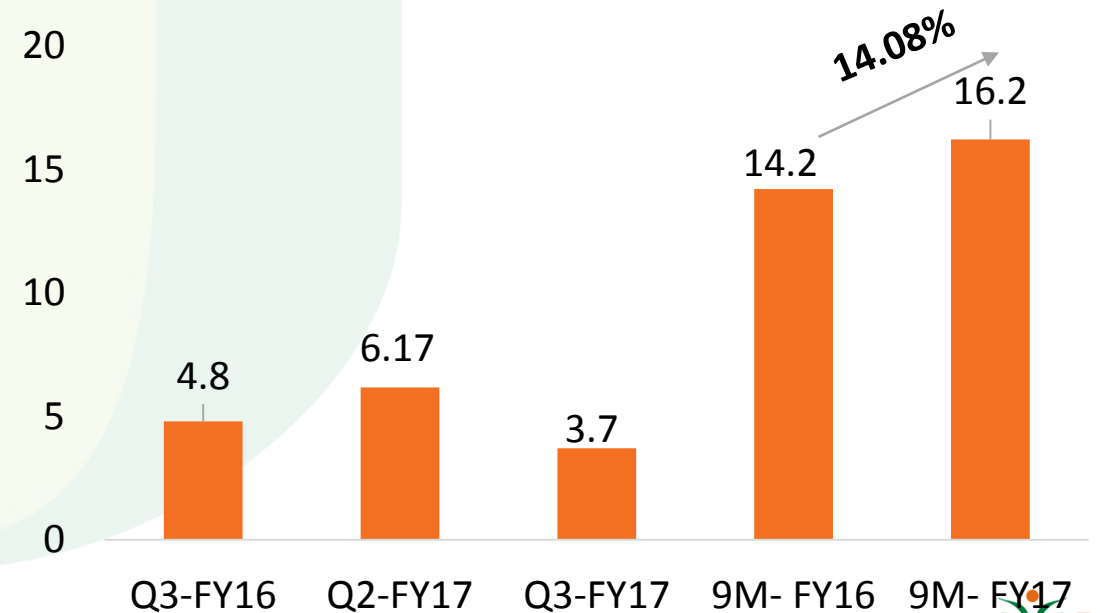
## Operating Efficiency



## RoAA & RoAE



## Earning Per Share

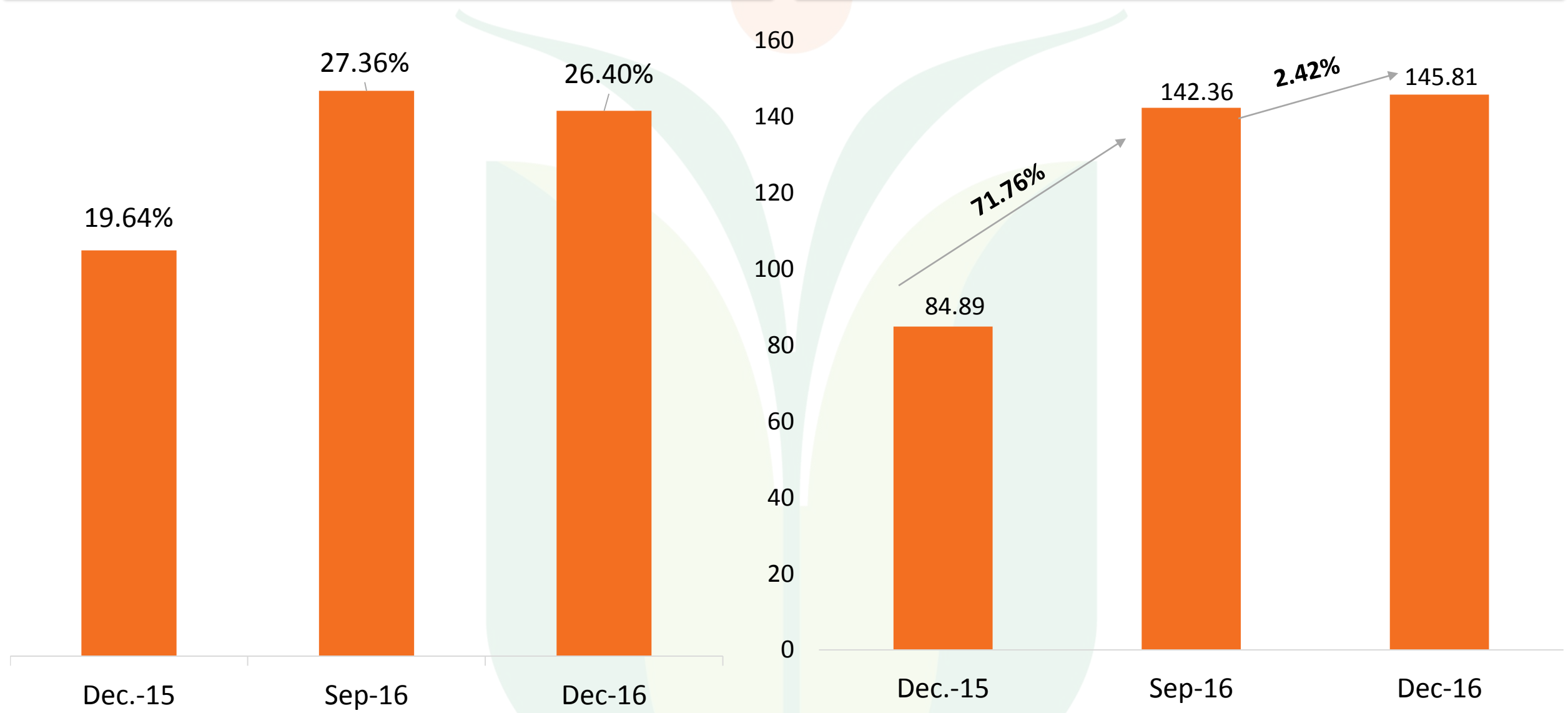




# Financial Overview (Contd.)

## Capital Adequacy Ratio (%)

## Book Value Per Share (in ₹)



# Financials – Profit & Loss Statement

₹ in Crore

| Particulars               | Q3-FY17       | Q3-FY16       | YoY Growth (%) | Q2-FY17       | QoQ Growth (%) | 9M-FY17         | 9M-FY16       | YoY Growth (%) |
|---------------------------|---------------|---------------|----------------|---------------|----------------|-----------------|---------------|----------------|
| Revenue from operations   | 362.18        | 265.08        | 36.63%         | 350.98        | 3.19%          | 1,034.84        | 713.20        | 45.10%         |
| Other income              | 9.14          | 2.29          | 299.27%        | 6.01          | 51.99%         | 22.79           | 16.44         | 38.63%         |
| <b>Total Income</b>       | <b>371.32</b> | <b>267.37</b> | <b>38.88%</b>  | <b>356.99</b> | <b>4.01%</b>   | <b>1,057.63</b> | <b>729.64</b> | <b>44.95%</b>  |
| Finance costs             | 133.19        | 109.31        | 21.84%         | 127.43        | 4.52%          | 381.03          | 305.55        | 24.70%         |
| Employee expenses         | 70.72         | 49.50         | 42.86%         | 64.48         | 9.67%          | 195.07          | 142.86        | 36.55%         |
| Other expenses            | 43.51         | 25.53         | 70.41%         | 42.97         | 1.25%          | 118.95          | 70.58         | 68.54%         |
| Depreciation              | 2.76          | 2.09          | 31.75%         | 2.52          | 9.13%          | 7.50            | 5.94          | 26.32%         |
| Provisions and write offs | 54.75         | 6.12          | 794.19%        | 6.95          | 687.68%        | 67.95           | 17.03         | 298.99%        |
| <b>Total Expenses</b>     | <b>304.92</b> | <b>192.56</b> | <b>58.35%</b>  | <b>244.36</b> | <b>24.78%</b>  | <b>770.49</b>   | <b>541.96</b> | <b>42.17%</b>  |
| <b>Profit before tax</b>  | <b>66.40</b>  | <b>74.81</b>  | <b>-11.24%</b> | <b>112.63</b> | <b>-41.05%</b> | <b>287.13</b>   | <b>187.68</b> | <b>52.99%</b>  |
| Total tax expense         | 22.45         | 26.23         | -14.40%        | 39.62         | -43.32%        | 98.81           | 65.38         | 51.14%         |
| <b>Profit after tax</b>   | <b>43.94</b>  | <b>48.58</b>  | <b>-9.54%</b>  | <b>73.01</b>  | <b>-39.82%</b> | <b>188.32</b>   | <b>122.31</b> | <b>53.97%</b>  |

# Financials – Balance Sheet

₹ in Crore

| Particulars              | As on Dec'16    | As on Sept'16   | QoQ Growth (%) | As on Dec'15    | YoY Growth (%) |
|--------------------------|-----------------|-----------------|----------------|-----------------|----------------|
| Share capital            | 118.84          | 118.49          | 0.30%          | 86.13           | 37.98%         |
| Reserves and surplus     | 1,614.02        | 1,568.30        | 2.92%          | 772.87          | 108.83%        |
| Borrowings               | 5,150.69        | 4,688.72        | 9.85%          | 3,740.40        | 37.70%         |
| Provisions               | 168.52          | 114.1           | 47.69%         | 64.78           | 160.14%        |
| Other Liabilities        | 171.42          | 163.54          | 4.82%          | 88.92           | 92.78%         |
| <b>Total</b>             | <b>7,223.49</b> | <b>6,653.15</b> | <b>8.57%</b>   | <b>4,753.10</b> | <b>51.97%</b>  |
| Cash and cash equivalent | 830.21          | 377.49          | 119.93%        | 55.90           | 1385.22%       |
| Advances                 | 6,046.36        | 6,000.20        | 0.77%          | 4,540.13        | 33.18%         |
| Investments              | 0.10            | 0.1             | 1.00%          | 0.10            | 1.00%          |
| Fixed & tangible assets  | 107.25          | 85.6            | 25.29%         | 22.05           | 386.34%        |
| Other assets             | 239.58          | 189.76          | 26.25%         | 134.91          | 77.58%         |
| <b>Total</b>             | <b>7,223.49</b> | <b>6,653.15</b> | <b>8.57%</b>   | <b>4,753.10</b> | <b>51.97%</b>  |

# Borrowing Profile & Credit Rating

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# Borrowing Mix

## Borrowing Profile (Outstanding ₹ in crore )

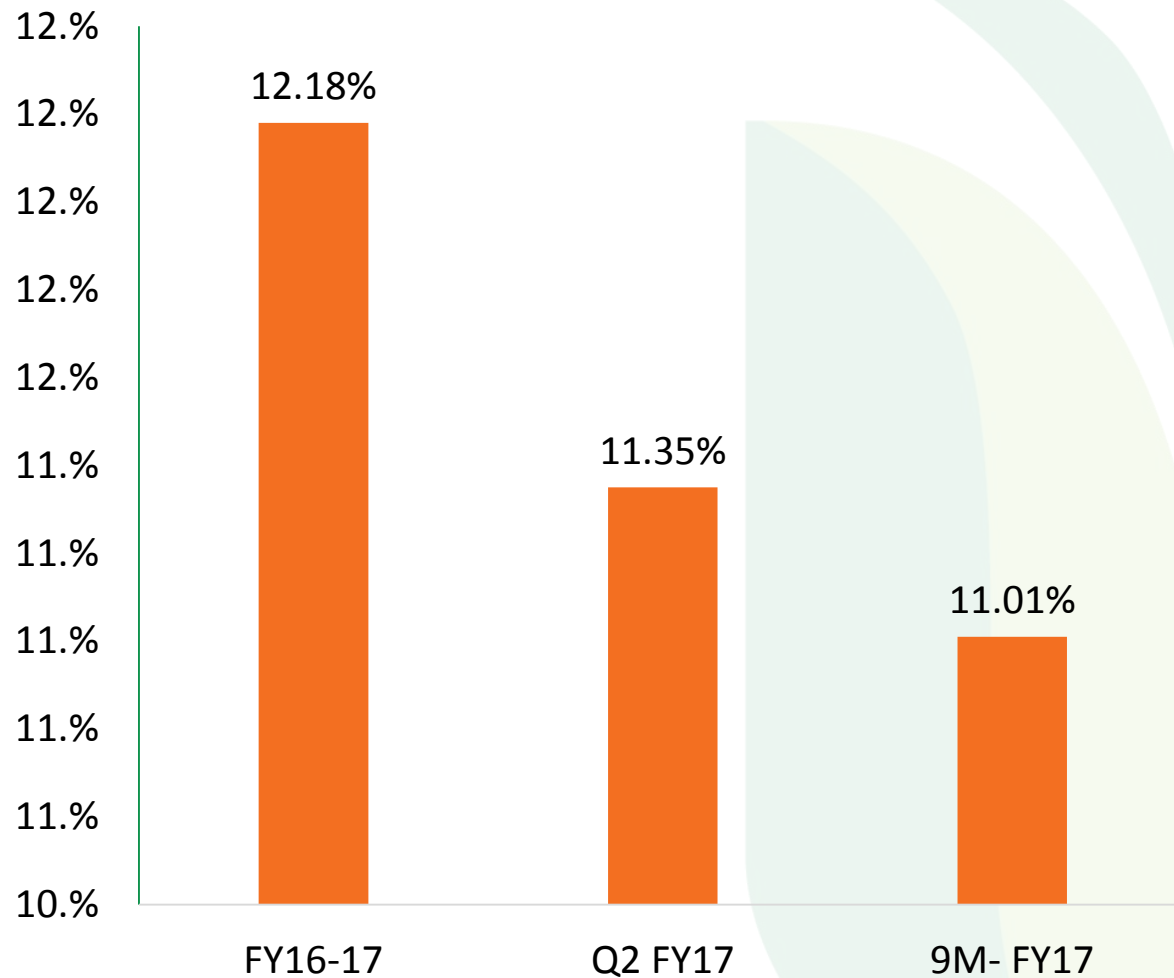
| Sr. No | Term Loans                                  | As on Dec-16    | % Mix       | As on March-16  | % Mix       |
|--------|---|-----------------|-------------|-----------------|-------------|
| 1      | Term Loans, Cash Credit & Overdraft         | 3,687.28        | 64%         | 3,516.50        | 75%         |
| 2      | Refinance Facility                          | 519.67          | 9%          | 244.00          | 5%          |
| 3      | Securitization ( <i>Off Balance Sheet</i> ) | 541.54          | 9%          | 324.21          | 7%          |
| 4      | Non Convertible Debentures                  | 843.75          | 15%         | 527.50          | 11%         |
| 5      | Sub Debt                                    | 50.00           | 1%          | 50.00           | 1%          |
| 6      | Commercial Paper                            | 100.00          | 2%          |                 |             |
|        | <b>Total Outstanding Amount</b>             | <b>5,742.23</b> | <b>100%</b> | <b>4,662.21</b> | <b>100%</b> |

## Debt Raised ( ₹ in crore )

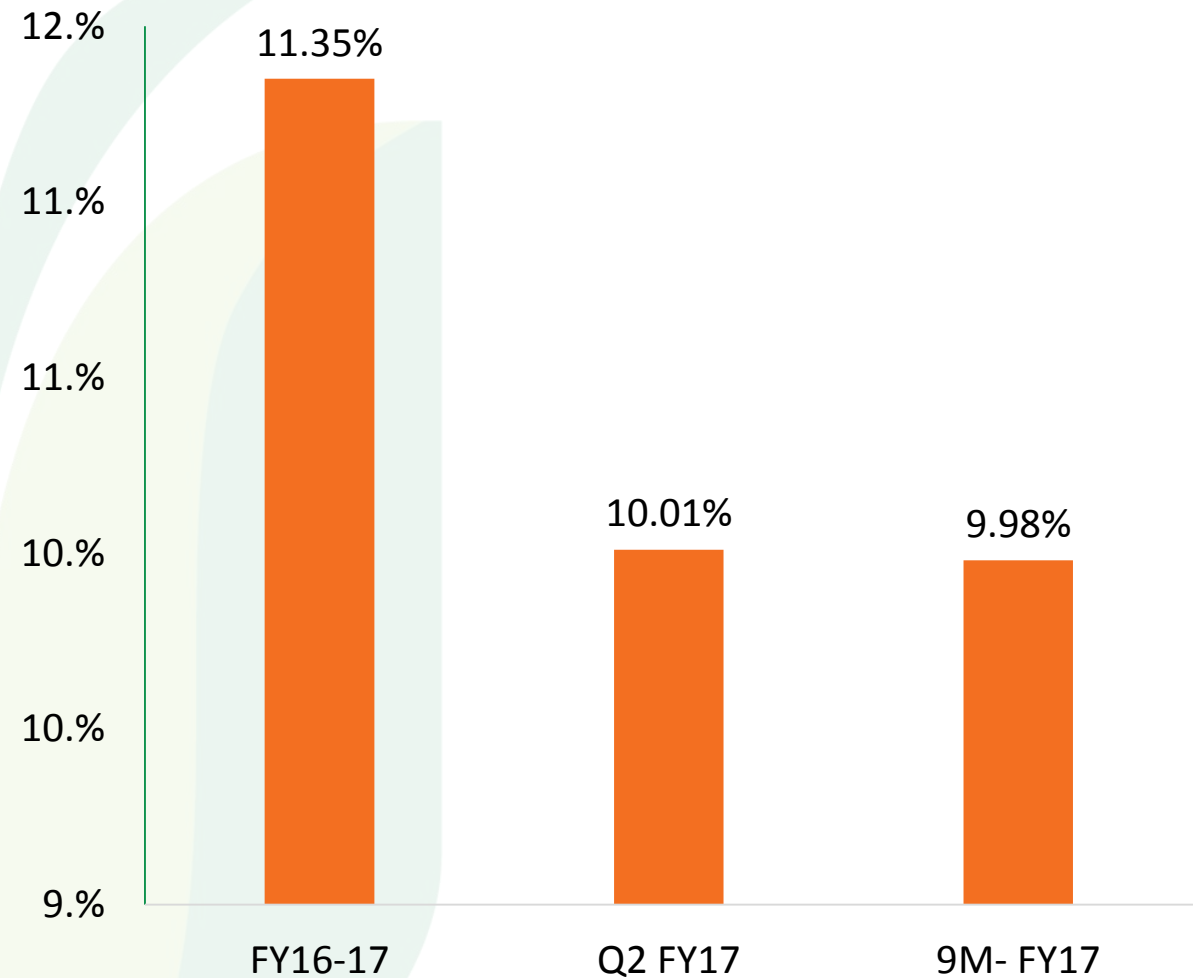
| Sr. No | Term Loans                                  | As on Dec-16    | % Mix       | As on March-16  | % Mix       |
|--------|---|-----------------|-------------|-----------------|-------------|
| 1      | Term Loans & Refinance                      | 2574.25         | 62.43%      | 2,993.00        | 79.55%      |
| 2      | Securitization ( <i>Off Balance Sheet</i> ) | 684.31          | 16.60%      | 369.56          | 9.82%       |
| 3      | Commercial Paper                            | 465.00          | 11.28%      | 100.00          | 2.66%       |
| 4      | NCD   | 400.00          | 9.70%       | 300.00          | 7.97%       |
|        | <b>Total Outstanding Amount</b>             | <b>4,123.56</b> | <b>100%</b> | <b>3,762.56</b> | <b>100%</b> |

# Cost of Debt & Credit Ratings

## Weighted Average Cost of Debt



## Marginal Cost of Debt



**Thank you!**



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