



Capital Trust

INVESTOR PRESENTATION: Q1 FY18

INDIA
SME100
Awards
Celebrating SME Achievers of 2015-16



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ABOUT THE COMPANY

BACKGROUND

- Incorporated in 1985
- Promoted by prominent bankers including former Governor RBI, Chief Justice of India
- Initial Business was advisory to foreign banks
- Listed on BSE (in 1985) and NSE (in 2016)
- Started providing Micro loans in 2008

As on 30.06.2017

AUM:
Rs. 589Crores

Clients:
1.78 Lakhs

Branches:
163

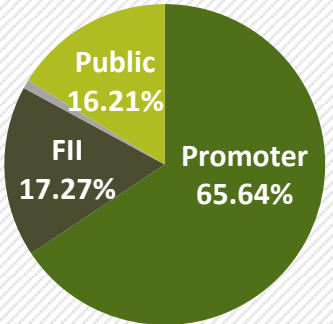
Employees:
1589

Bank Borrowings:
Rs. 390Crores

Profit / Loss:
(Rs. 11.36Crores)
**(27.85Crore extra
Provision added)**

Net Worth:
Rs. 209 Crores

Credit Rating:
BBB+





UNIQUE BUSINESS MODEL

Capital Trust Microfinance

Capital Trust Limited

Banks and large NBFCs

MFIs
(Rs. 15K – Rs. 1Lac)

MISSING MIDDLE
(Rs. 1Lac – Rs. 10Lacs)

ASSET FINANCING
(Rs 10Lacs onwards)



Rs. 1.05Lac loan
Footwear Business (Saharanpur)



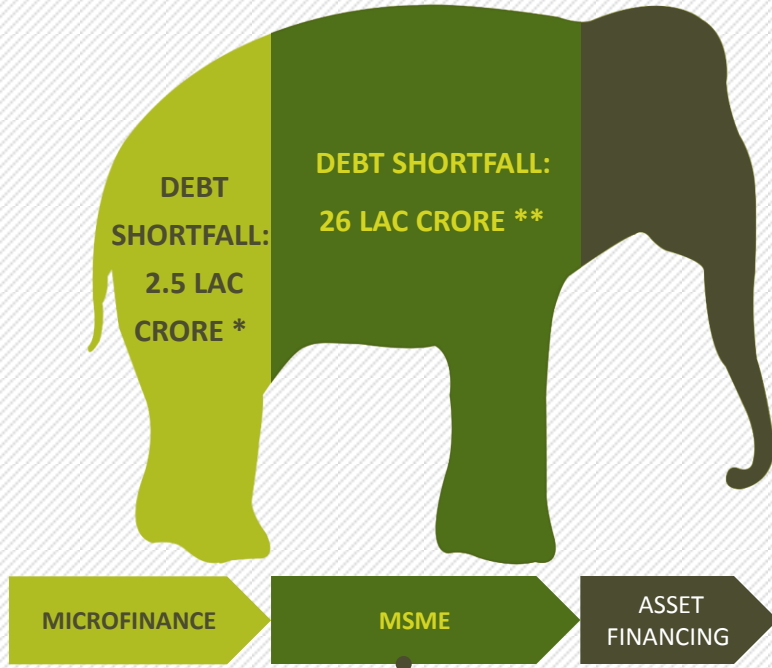
Rs. 2Lac loan
Yarn Production (Hapur)



Rs. 3Lac loan
Cloth Store (Bareilly)



Rs. 5Lac loan
Handloom Business (Hathras)



MSME SECTOR

94% of India's 2.65 Crore MSME's are **unregistered**, hence don't have access to traditional banking

8% of all Microfinance clients graduate to the next economic level each year but do not have access to traditional forms of funding (Mfin)

* Axis Securities Microfinance Report 2016
** IFC Report on Indian MSMEs (2015)



WHO

Typically family-run organizations that employ 1 - 10 people



WHY

MFIs not allowed to provide loans in this ticket size by RBI

Lack of comprehensive formal documentation of accounts, income and business transactions



WHY US

Methods and products designed to meet the customer requirement

Timely credit; feet-on-street model with transparent policies



LOAN PRODUCTS

MICROFINANCE INDUSTRY

- Loans from Rs. 15,000 – Rs. 35,000
- Tenure: 24 months
- Joint Liability
- Interest Rate: 25%

MSME INDUSTRY

Micro-Enterprise Loan

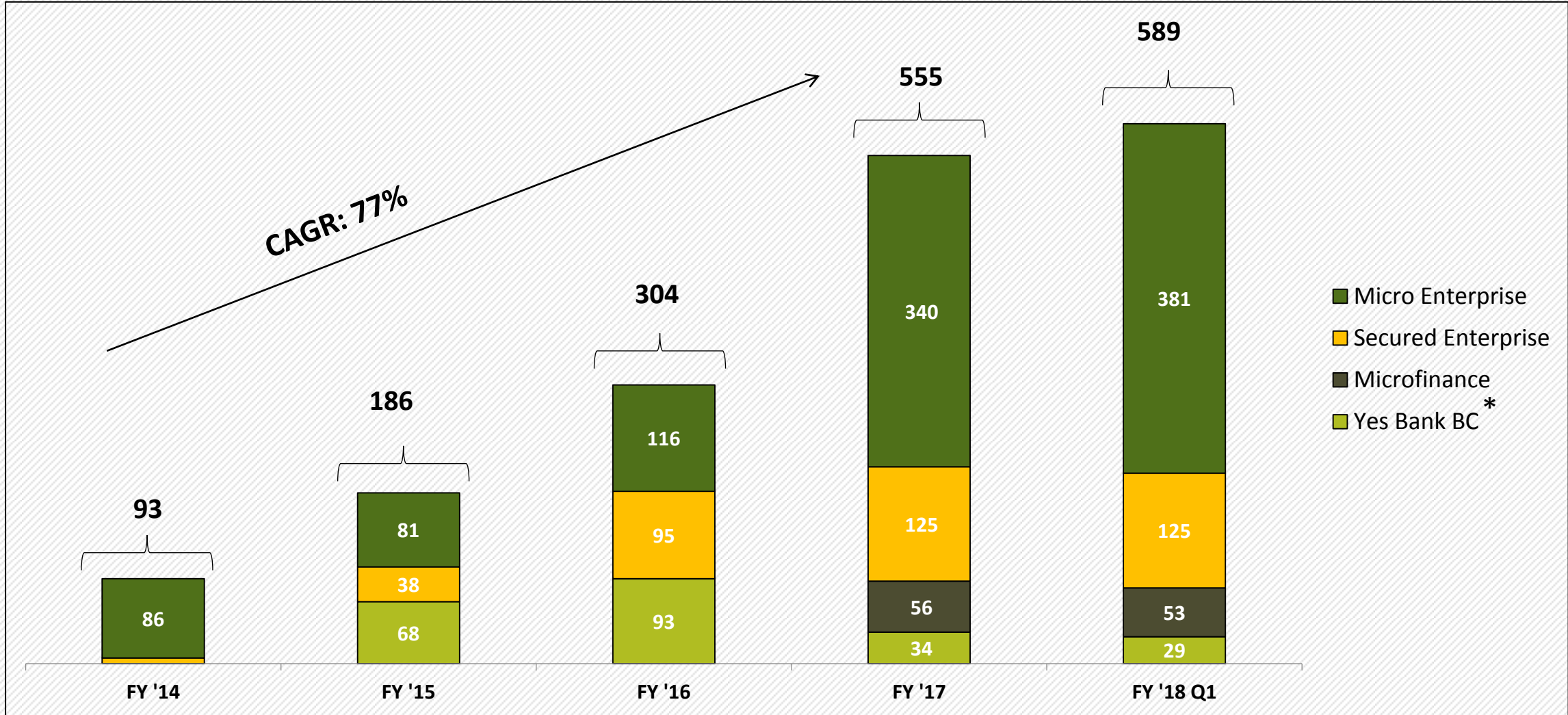
- Loans of Rs. 1,05,000
- Tenure: 36 months
- Joint Liability
- Interest Rate: 26%

Secured-Enterprise Loan

- Loans from Rs. 1,00,000 – Rs. 10,00,000
- Tenure: 36 – 48 months
- Secured by original property documents of client
- Interest Rate: 28% - 30%



PRODUCT BREAKUP



* Microfinance Loan as a Business Correspondent

VEHICLE LOAN

HOUSING LOAN

Affordable Housing

Large Commercial

Small Commercial

Two Wheeler

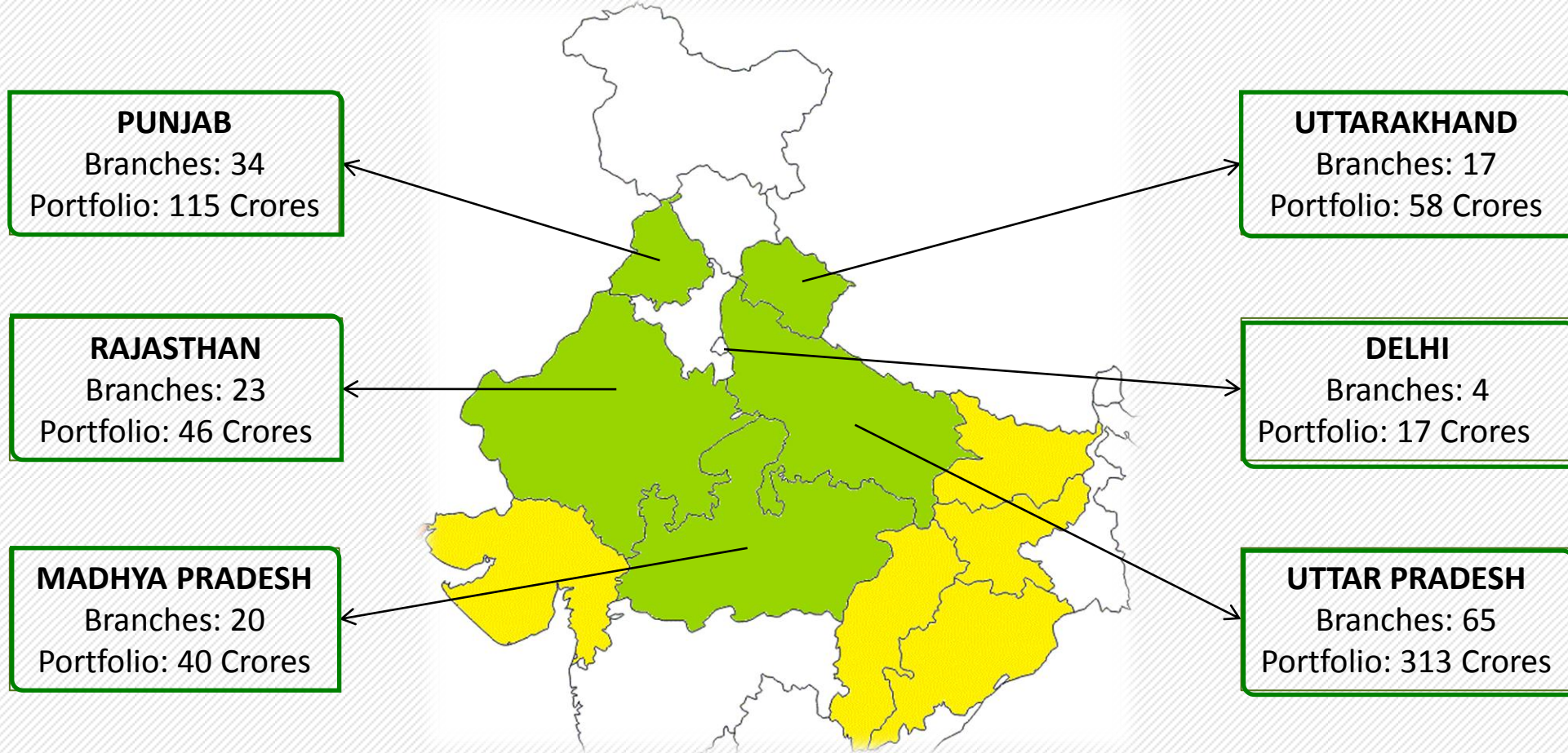




GEOGRAPHICAL PRESENCE

Branches: 163
Districts: 37
Operational States: 6

 Existing States
 Proposed States

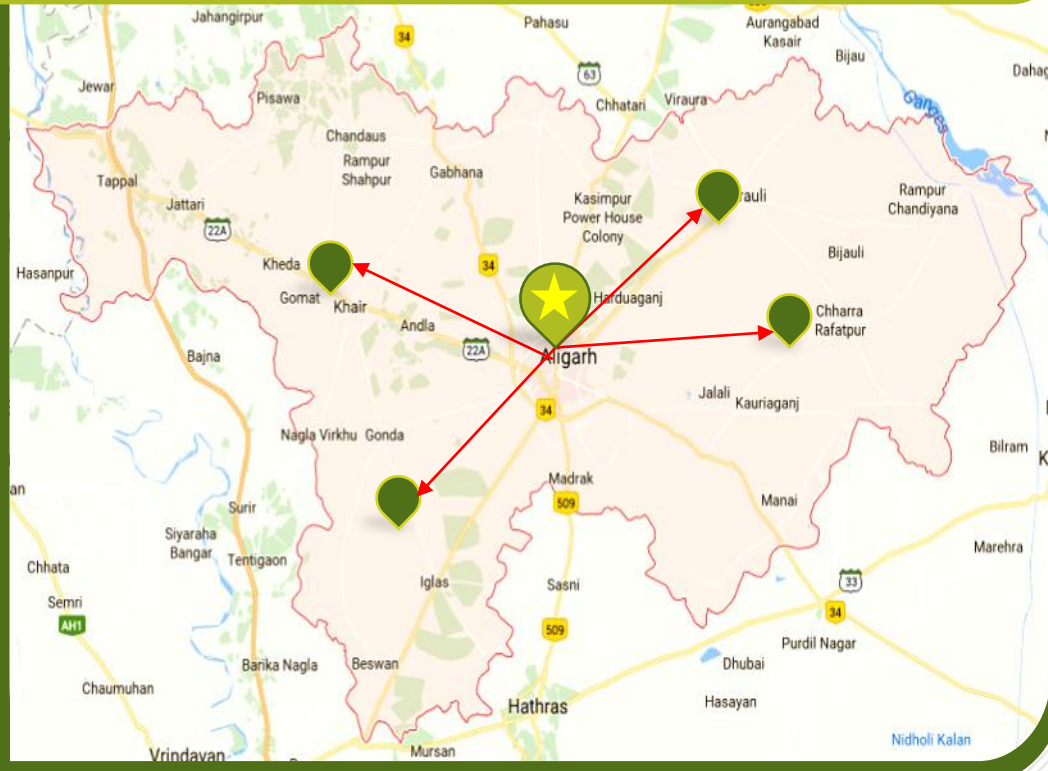


Capital Trust plans to extend its branch network and venture into **Bihar, Odisha, Jharkhand, Chhattisgarh, Gujarat** in the next quarter

BRANCH NETWORK

HUB-AND-SPOKE MODEL

ALIGARH DISTRICT



 DISTRICT LEVEL BRANCH

 BLOCK LEVEL BRANCH

DISTRICT OFFICES

Aligarh



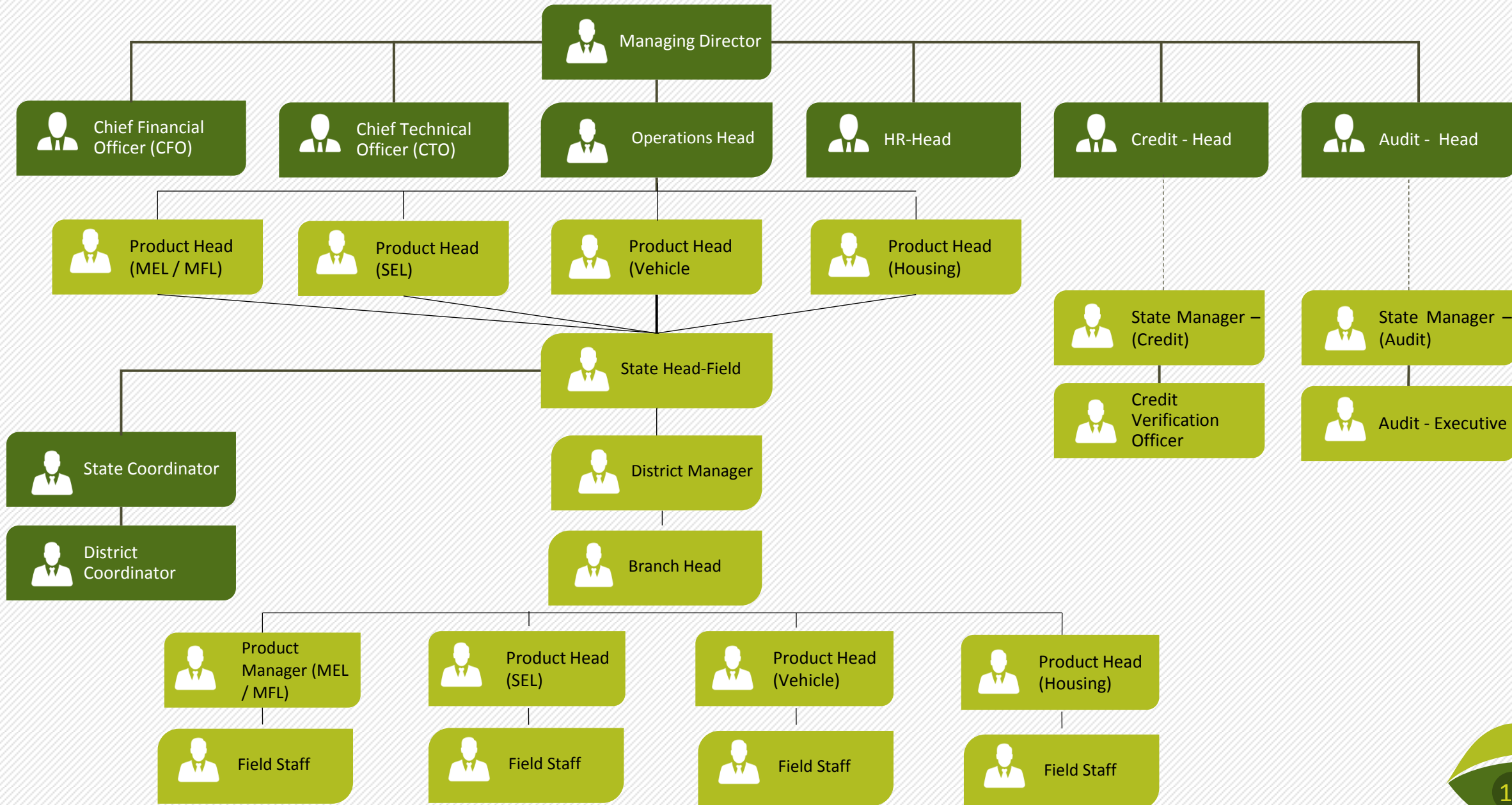
Khanpur

Bijnor



Sehore

ORGANIZATIONAL STRUCTURE





Cashless Disbursement for all products since April 2015



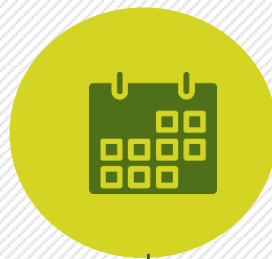
Operations on customized mobile application



Client on-boarding and in-principle approval from scanning of client's Aadhar card



Information available to staff for collections on real-time basis at remotest location in country



Paperless Audit and closing of EOD cashbook branch-wise at 6PM



One of the most technologically advanced NBFCs in this sector



STATEWISE COLLECTION EFFICIENCY

Rajasthan



Portfolio: 46 Crores

Sep '16 100% June '17 100%

Madhya Pradesh



Portfolio: 40 Crores

Sep '16 100% June '17 100%

Punjab



Portfolio: 115 Crores

Sep '16 100% June '17 100%

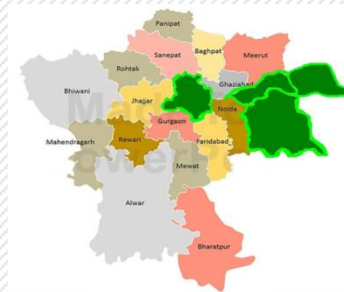
Uttar Pradesh



Portfolio: 313 Crores

Sep '16 99.5% June '17 87%

Delhi



Portfolio: 17 Crores

Sep '16 100% June '17 83%

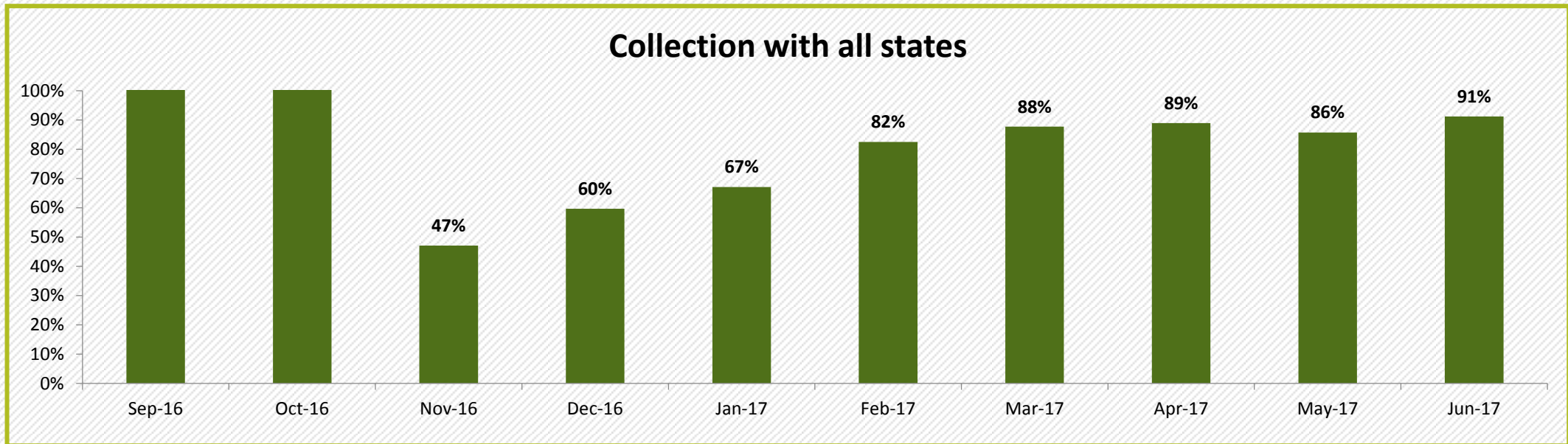
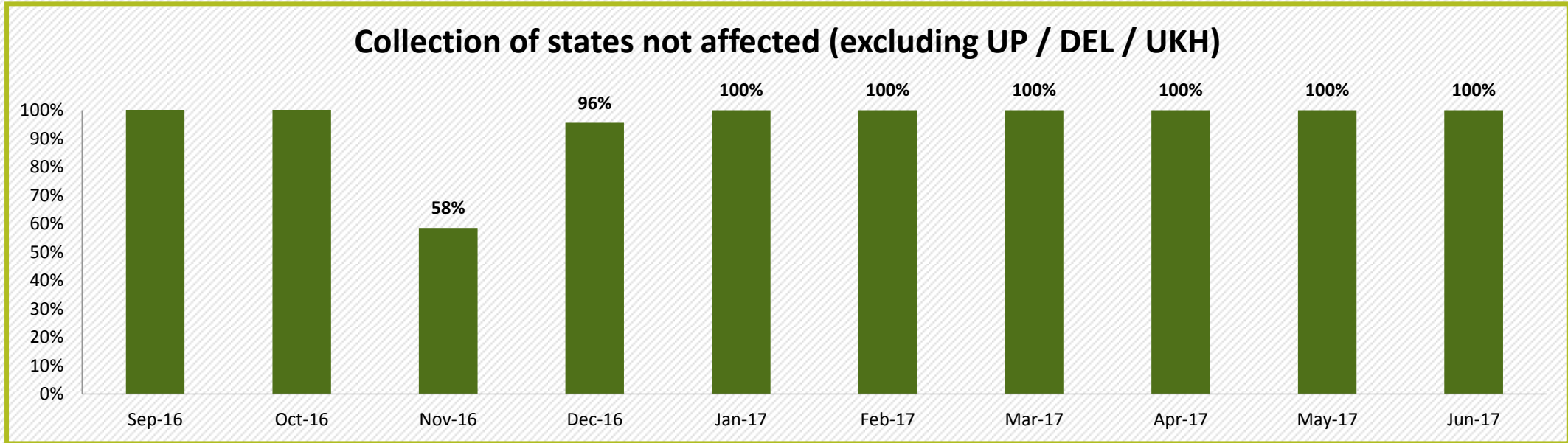
Uttarakhand

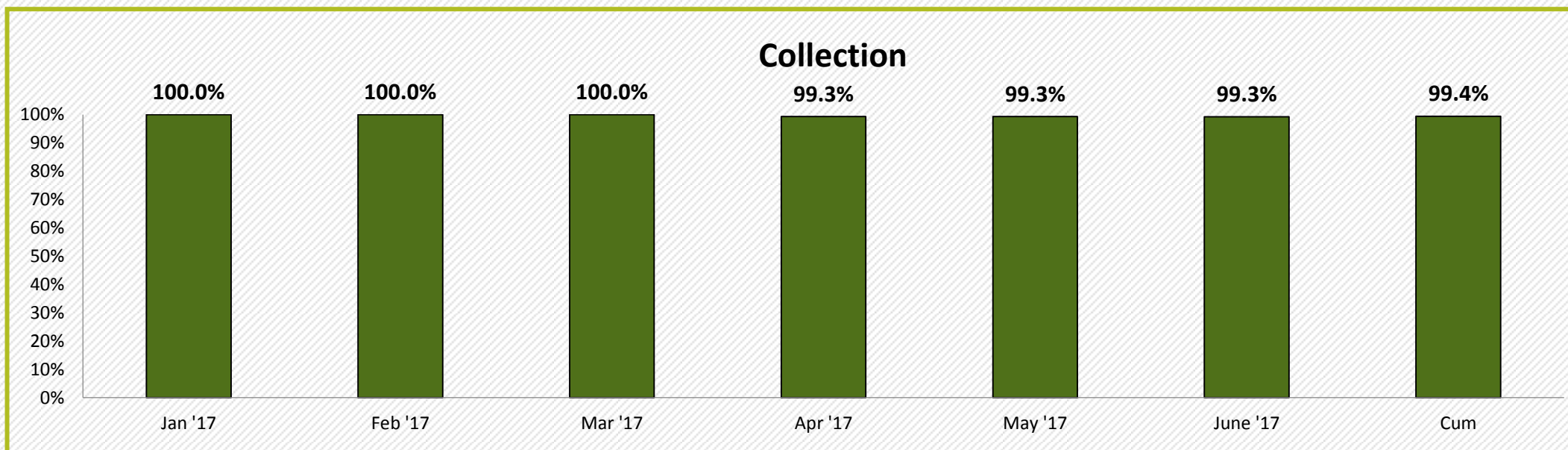
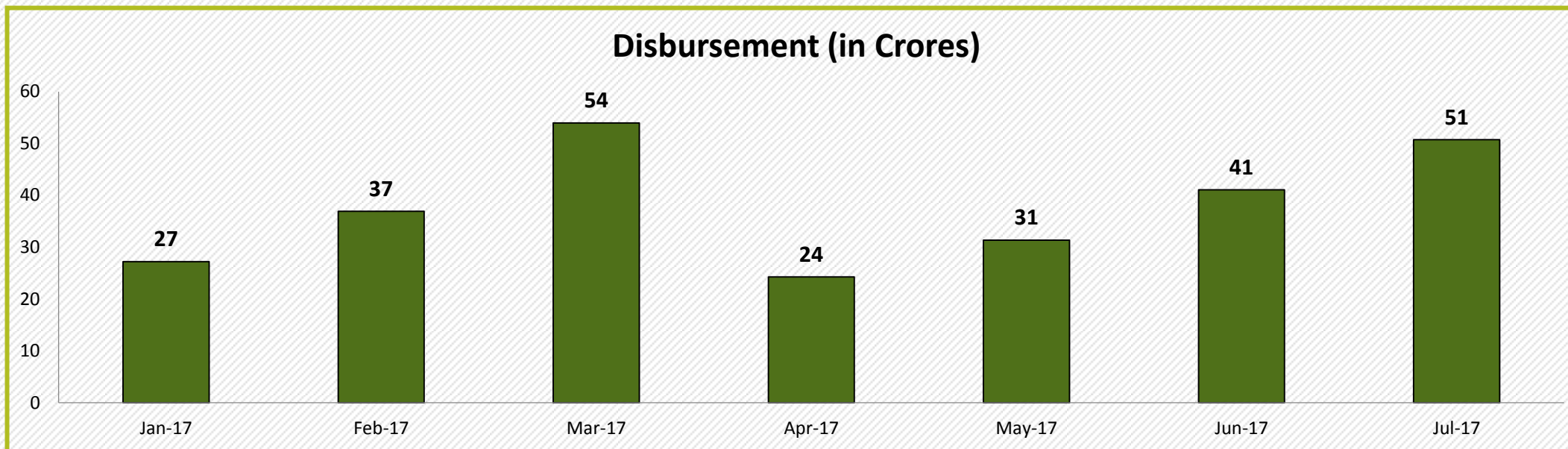


Portfolio: 58 Crores

Sep '16 99.8% June '17 79%

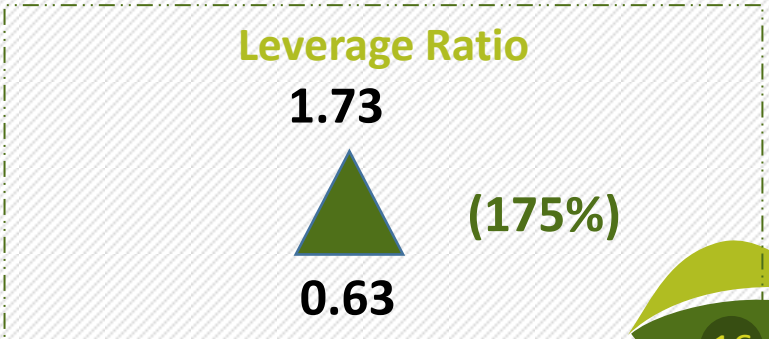
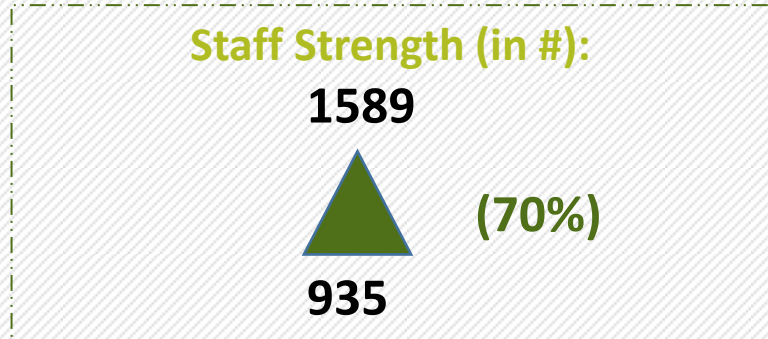
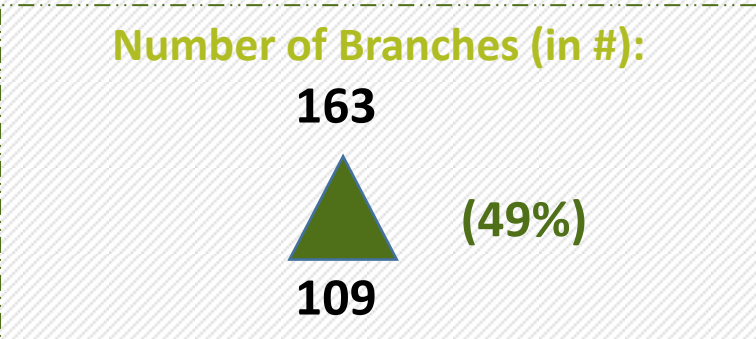
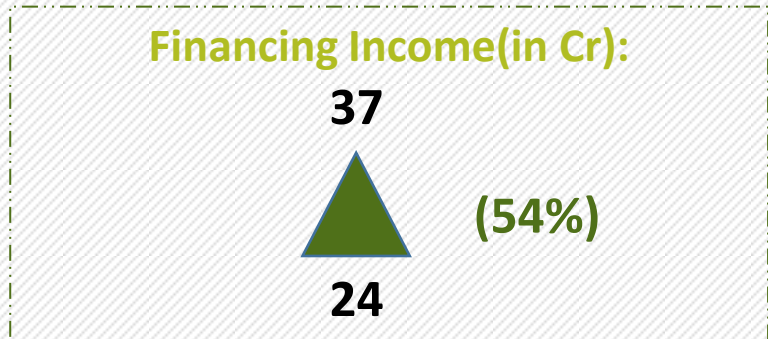
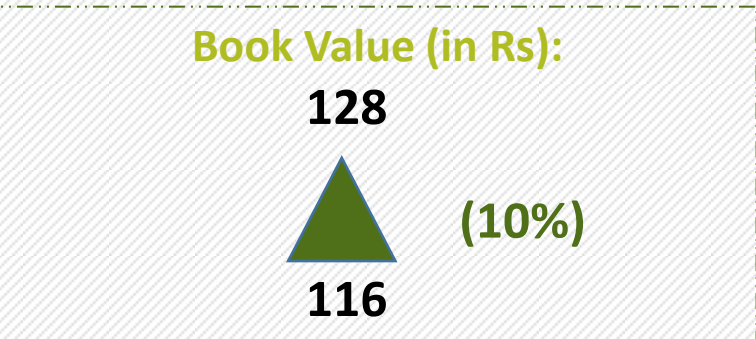
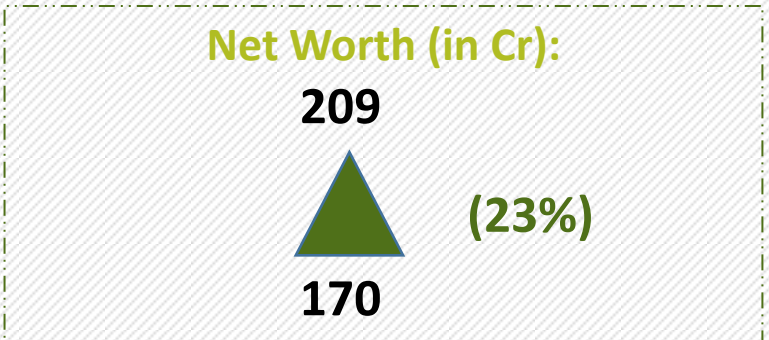
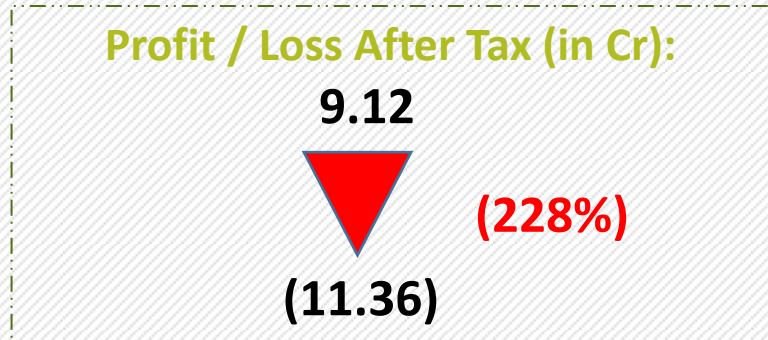
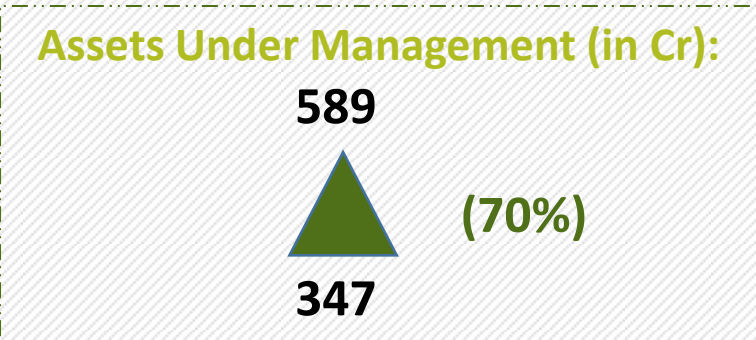
Cumulative as on June: 91.17%







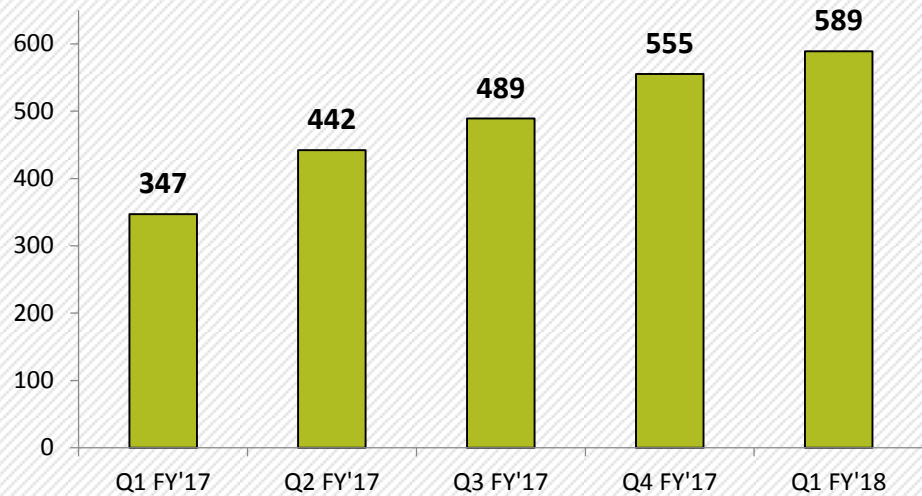
YEAR-OVER-YEAR GROWTH (Q1 FY18 vs Q1 FY17)



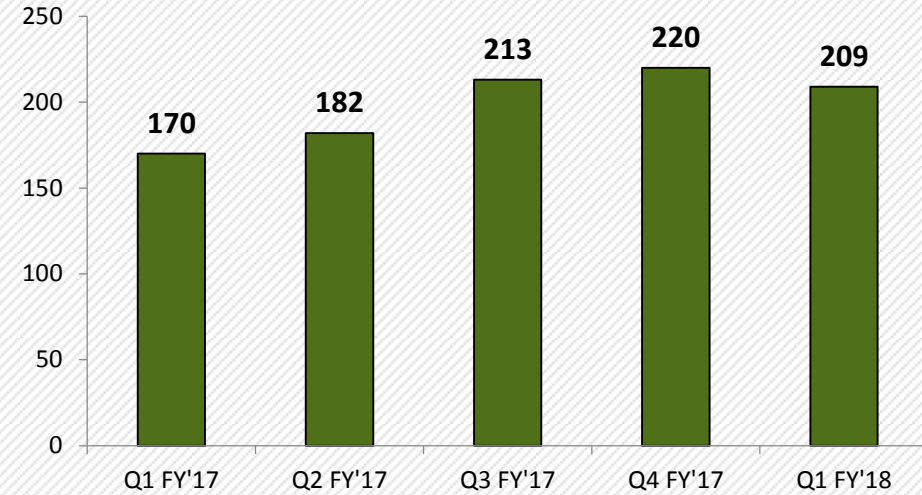


GROWTH ANALYTICS

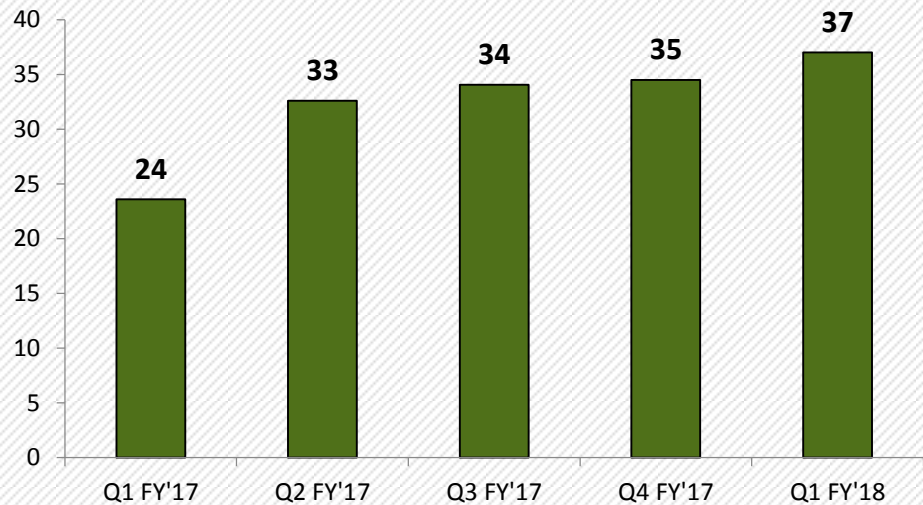
ASSETS UNDER MANAGEMENT (CR.)



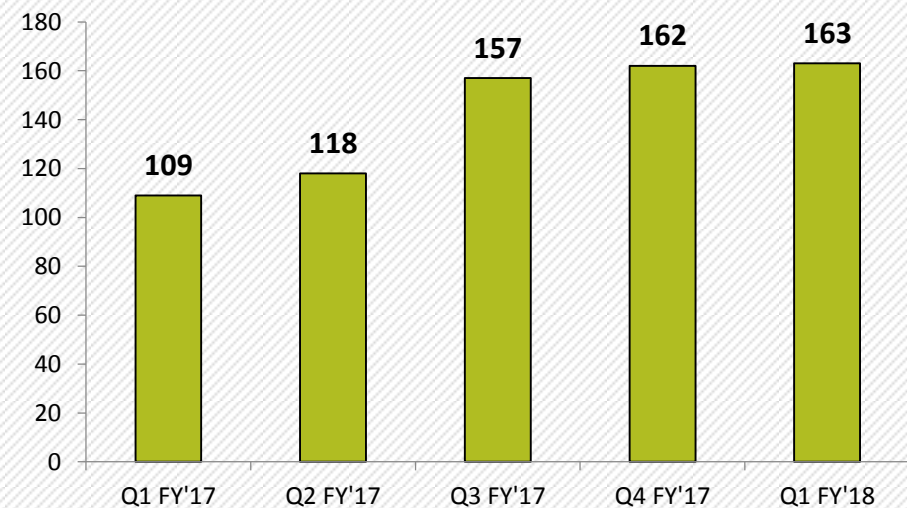
NET WORTH (CR.)



FINANCING INCOME (CR.)



BRANCHES





PROVISIONING IMPACT

Line Item (In Cr.)	RBI Mandated Provision	CTL Provision
1. Income:		
a) Revenue from operations	35.7	35.7
b) Other income	<u>1.3</u>	<u>1.3</u>
TOTAL INCOME FROM OPERATIONS	37.0	37.0
2. Expenses:		
a) Employee benefit expenses	(6.0)	(6.0)
b) Finance costs	(12.2)	(12.2)
c) Other expenses	(3.8)	(3.8)
d) Depreciation	(0.1)	(0.1)
e) Provision for NPA	<u>(4.1)</u>	<u>(31.9)</u>
TOTAL EXPENSES	(26.2)	(54.1)
3. PROFIT / (LOSS) BEFORE TAX	10.8	(17.1)
4. Tax Expense:		
a) Current Tax	(5.1)	(5.1)
b) Deferred Tax	1.2	10.8
5. NET PROFIT / (LOSS) AFTER TAX	6.8	(11.4)

} 27.85C
Extra
provision
added

Provision Coverage: 91.17%



KEY FINANCIALS AND RATIOS

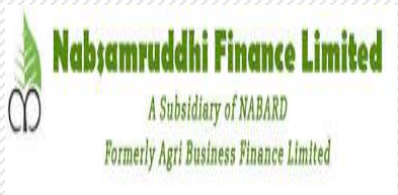
Line Item / Ratio	Q1 FY17	Q1 FY18	(YoY)	Q4 FY17	Q1 FY18	(QoQ)
Total Income	23.6	37.0	57%	34.5	37.0	7%
Total Expense (excluding tax)	10.0	54.1	441%	24.7	54.1	119%
Profit / (loss) after tax	9.1	-11.4	-225%	7.1	-11.4	-260%
Net Worth	170.0	209.0	23%	220.4	209.0	-5%
Micro-Enterprise Loan	160.8	381.2	137%	339.7	381.2	12%
Secured Enterprise Loan	109.3	125.2	15%	125.5	125.2	0%
Microfinance Loan	76.9	82.6**	7%	90.0	82.6**	-8%
Total Assets Under Management (AUM)	347.1	589.0	70%	555.2	589.0	6%
Net Interest Margin	19.1%	13.3%	-31%	17.2%	13.3%	-23%
Operating Cost to AUM Ratio	9.8%	6.8%	-30%	7.1%	6.8%	-4%
Earnings Per Share (Diluted) (Rs.)	20.16	-0.28	-101%	17.3	-0.28	-102%
Book Value Per Share (Rs.)	115.90	127.76	10%	134.7	127.8	-5%
Return on Assets	12.0%	-6.8%	-156%	6.2%	-6.8%	-210%
Return on Equity	21.4%	-21.7%	-201%	17.2%	-21.7%	-227%
Gross Non Performing Assets	1.5%	9.6%	543%	4.3%	9.6%	124%
Net Non Performing Assets	1.3%	3.4%	161%	3.7%	3.4%	-8%
Capital Adequacy Ratio	88.2%	39.1%	-56%	51.0%	39.1%	-23%

*Values Annualized

**Includes BC portfolio of 29Cr



PARTNERS



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