

PAISALO

EASY LOAN आसान लोन

Date: February 12, 2022

The Manager
Department of Corporate Relationship
BSE Limited
25th Floor P. J. Towers, Dalal Street
Mumbai -400 001

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
Mumbai -400 051

Scrip Code: 532900 (Equity)
959759, 959963, 960204 (Debt Securities)

SCRIP SYMBOL: PAISALO

Subject : Investor Presentation:

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of other applicable laws, if any, please find enclosed Investor Presentation for the quarter and nine months ended December 31, 2021.

The above is being made available on the Company's website i.e. www.paisalo.in

This is for your information and record please.

Thanking You,

Yours faithfully,

For Paisalo Digital Limited



(MANENDRA SINGH)
Company Secretary



Encl.: as above

PAISALO DIGITAL LIMITED

Registered Office: CSC, Pocket 52, Near Police Station, CR Park, New Delhi - 110 019. Phone : + 91 11 4351 8888. Email: delhi@paisalo.in

Head Office: Block 54, First Floor, Sanjay Place, Agra - 282 002. Phone : +91 562 402 8888. Email: agra@paisalo.in

Mumbai Office: 262, Solitaire Corporate Park, Andheri East, Mumbai 400 093. Phone: +91 22 4228 8888. Email: mumbai@paisalo.in

CIN: L65921DL1992PLC120483

www.paisalo.in

अर्थ: समाजस्य न्यासः

SMS Loan to 5757 5007 | Give a Missed Call to 85 85 85 5757 | Toll Free 85 85 85 4848

Investor Presentation
Q3 FY 2022

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

Presentation Path



1. Transformation Update

2. Financial Summary

3. Financial Performance

4. Paisalo Digital Limited Overview

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.**

Phase 1 : Co-Lending of Loans
(300 disbursements per day,
100% Digital underwriting)

Phase 2 : 3000 disbursements per day
(on-going)

Phase 3 : 5000 disbursements per day
(FY 2022-23)

We are currently in Phase 2 where we are –
Scaling and Stabilizing at 3,000 Disbursements per
day by Q1 FY 2023
(The next update on Phase 2 will be provided with
Q4 FY 2022 results)

Financial Summary

Q3 FY 2022

Paisalo Snapshot

Q3 FY 2022

- » At the outset, YoY numbers are not comparable due to dislocation caused by the pandemic.
- » Highest ever AUM of ₹ 25,201 Mn
- » AUM as at Q3 FY 2022 was up 7.50% at ₹ 25,201mn as against Q3 FY 2021 at ₹ 23,442mn.
- » Loan Book as at Q3 FY 2022 was up 16.78% at ₹ 24,452mn as against Q3 FY 2021 at ₹ 20,938mn.
- » Total geographic footprint stood at to 138 branches and 2125 postal codes, in the quarter. In Q3, the company added 7 new locations.

Paisalo Snapshot

Q3 FY 2022

- » The company continues to protect its margin profile, Interest Income for Q3 FY 2022 was up 15.74% at ₹ 2,926.27 mn as against ₹2,528.35mn in Q3 FY 2021. The company has posted 20% increase in PBT and 24% increase in PAT YoY.
- » GNPA and NNPA (including write-offs) stood at 1.87% and 1.55% as at Q3 FY 2022 compared to 1.95% and 1.61% as at Q2 FY 2022. The Company expects its GNPA and NNPA (including write-offs) to stay below 2% as at Q4 FY 2022.
- » In Q3, the company has complied in totality with the RBI's circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - clarification". This change did not cause any negative impact on Paisalo's NPA.
- » The company inducted a New Member to its banking consortium, namely Indian Bank and CSB Bank.
- » The company has seen strong improvement in debt management efficiencies, as Paisalo has not done any top-up loans since First Wave of COVID-19, this has helped in managing asset quality across the loan book, at the cost of growth. In the absence of a severe third wave, loan loss and provisions should normalize to Pre-Covid levels in Q4 FY2022.

Paisalo Snapshot

Q3 FY 2022

- » Paisalo has written off bad debts totaling to INR 254 mn and has recovered old written off bad debts worth INR 103mn Nine month cumulative; but only for Q3 FY2022 - INR 45mn written off bad debts and recovered old written off bad debts worth INR 36mn.
- » The Tangible Networth is INR 9,273mn versus Bank Borrowings INR 8,784mn , i.e. 0.95 times
- » Capital Adequacy remained very strong at 41.57%
- » RoE at 9.19% and RoA at 3.29%.
- » **A good quarter for the company, across the board improvement in all metrics.**

Financial Performance

FINANCIALS

₹ in Millions, * Cumulative

<i>PARTICULARS</i>	Q3 FY 2021*	Q4 FY 2021*	Q1 FY 2022	Q2 FY 2022*	Q3 FY 2022*
Loans and Advances	₹20,938	₹21,191	₹21,607	₹22,829	₹24,452
AUM	₹23,442	₹23,178	₹23,211	₹24,046	₹25,201
Disbursements	₹7,736	₹14,238	₹3,004	₹7,240	₹11,303
Revenue	₹2,528	₹3,115	₹835	₹1,746	₹2,926
PBT	₹796	₹805	₹227	₹516	₹864
PAT	₹589	₹609	₹168	₹380	₹643
Net Worth	₹8,252	₹8,619	₹8,794	₹9,011	₹9,273
Total Liabilities	₹14,849	₹14,814	₹14,881	₹15,881	₹17,170
Bank Borrowings	₹8,182	₹7,412	₹7,454	₹8,015	₹8,784
Debt to Equity Ratio	1.80	1.72	1.69	1.89	2.00
Bad Debts Written Off	₹18	₹353	₹115	₹214	₹259
Bad Debts Recovered	₹89	₹112	₹44	₹67	₹103
NIM	3.94%	4.05%	4.48%	4.68%	4.53%
Gross NPA	0.78%	0.72%	0.70%	1.95%	1.87%
Net NPA	0.62%	0.57%	0.48%	1.61%	1.55%
CAR	43.12%	44.47%	44.59%	43.33%	41.57%

FINANCIALS

<i>PARTICULARS</i>	FY 2019	FY 2020	FY 2021	Q3 FY 2022
Loans and Advances	₹16,978	₹19,389	₹21,191	₹24,452
AUM	₹19,253	₹21,119	₹23,178	₹25,201
Interest Income	₹3,167	₹3,375	₹3,115	₹2,926
NIM	6.60%	6.47%	4.05%	4.53%
PAT	₹567	₹540	₹609	₹639
Cash Accrual	₹615	₹580	₹646	₹633
Net worth	₹6,447	₹7,603	₹8,619	₹9,273
Total Debt	₹9,462	₹10,701	₹14,814	₹17,170
Debt Equity Ratio	2.01	1.82	1.72	2.00
Gross NPA	0.26%	0.44%	0.72%	1.87%
NET NPA	0.23%	0.34%	0.57%	1.55%
ROA	2.91%	2.61%	2.66%	3.29%
ROE	8.81%	7.15%	7.07%	9.19%
CAR	34.04%	43.06%	44.47%	41.57%
Book Value	₹159	₹179	₹202	₹216

₹ in Millions

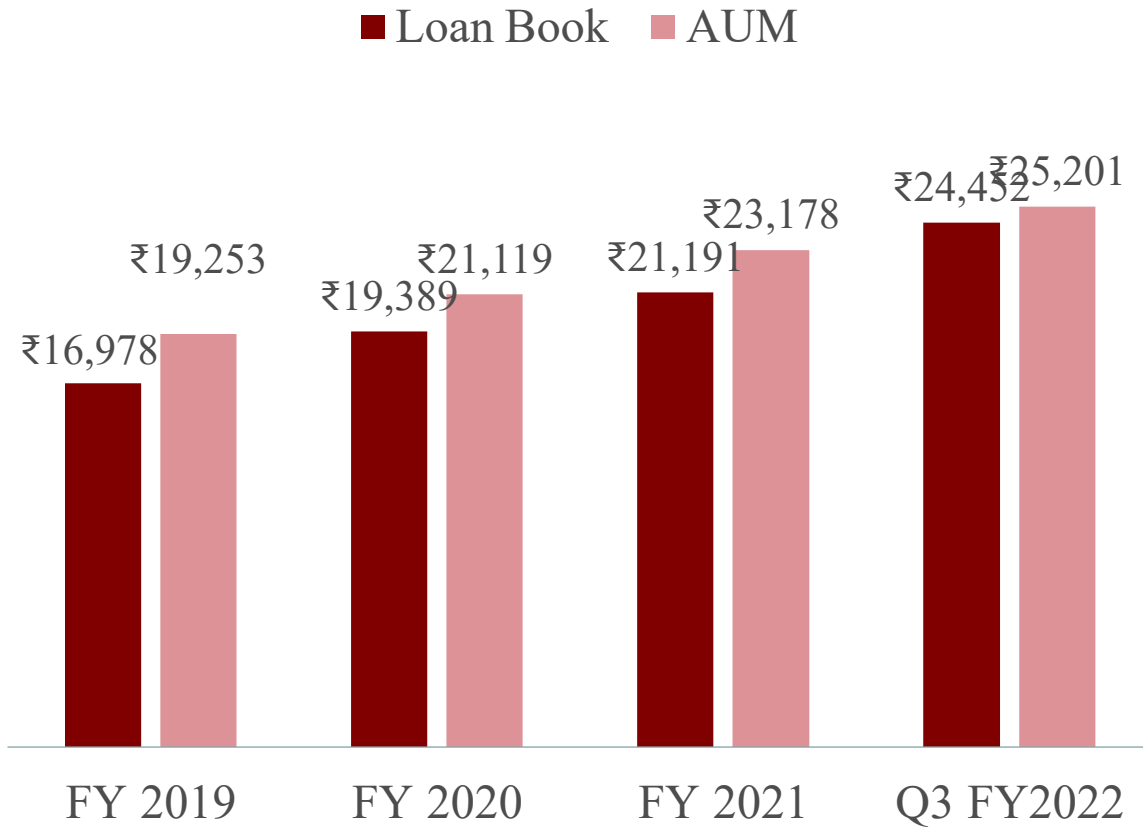
FINANCIALS

Critical Ratios

INR in Millions

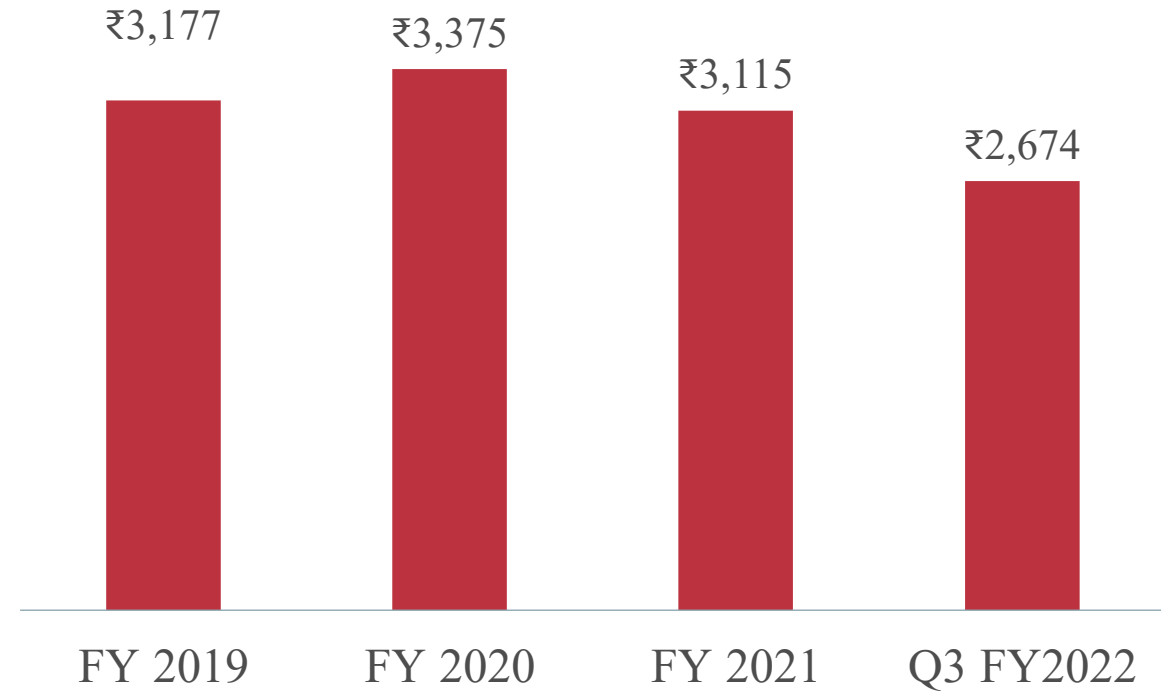
Particulars	FY 2019	FY 2020	FY 2021	Q3 FY 2022
Tangible Net Worth (TNW)	₹6,447	₹7,603	₹8,619	₹9,273
Bank Borrowings (BB)	₹7,422	₹7,983	₹7,412	₹8,784
Total Outside Liabilities (TOL)	₹12,982	₹13,738	₹14,814	₹17,170
BB / TNW (Times)	1.15	1.05	0.86	0.95
TOL / TNW (Times)	2.01	1.81	1.72	1.85

Loan Book and AUM



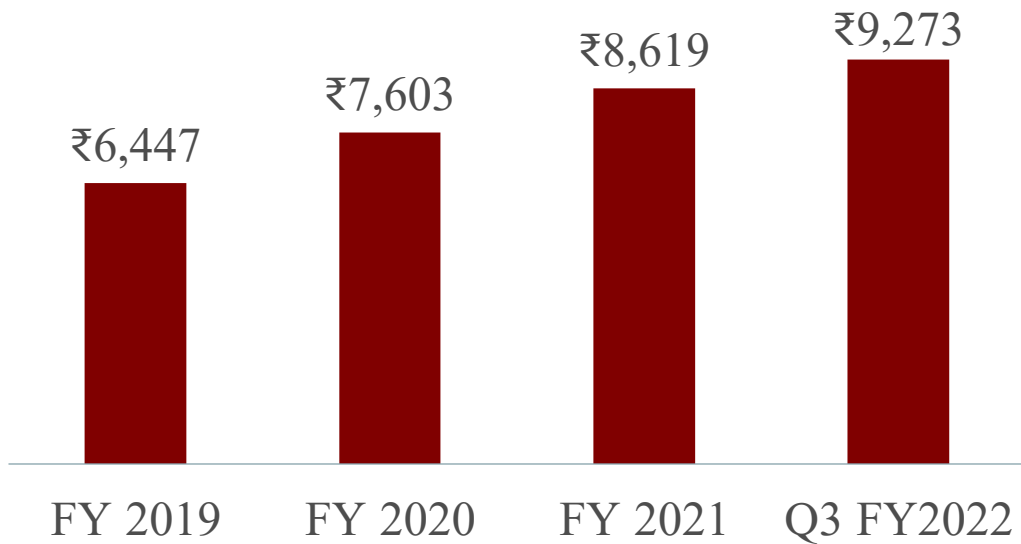
₹ in Millions

Revenue

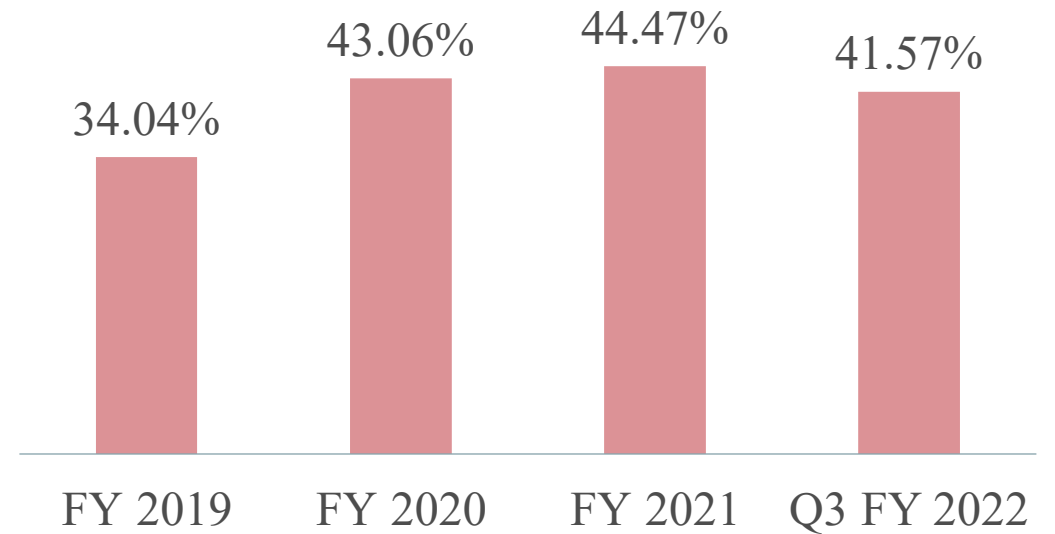


₹ in Millions

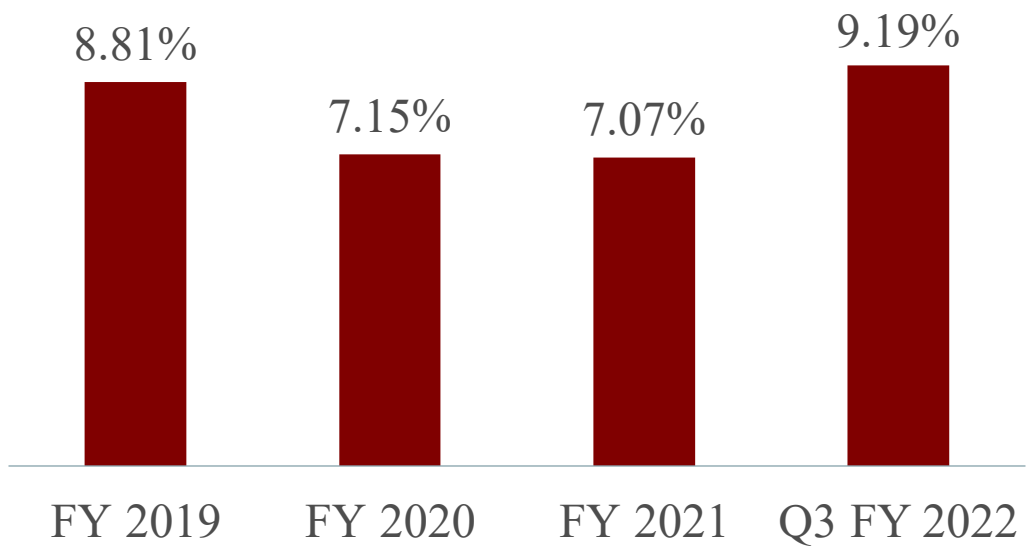
Net Worth



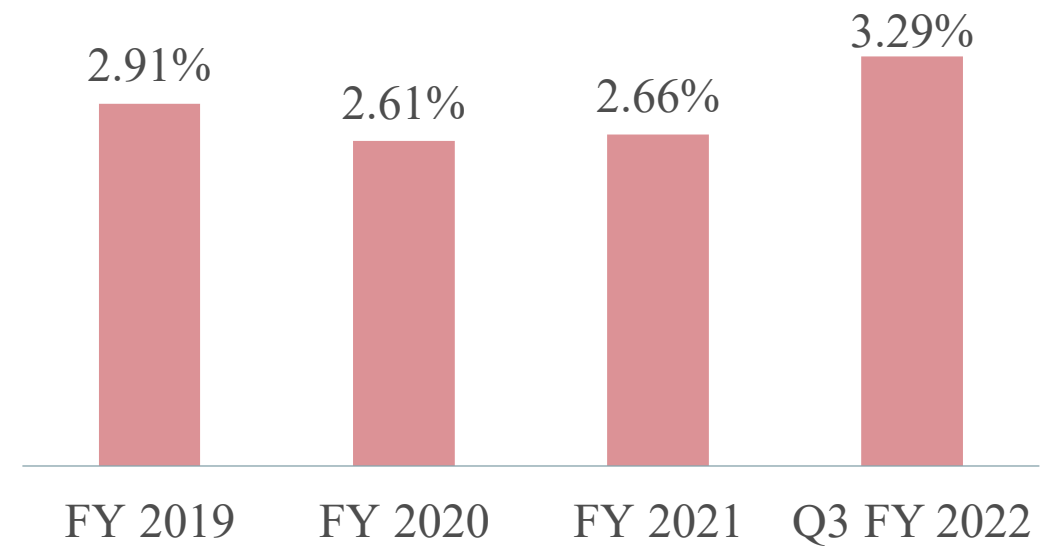
CAR



ROE



ROA



Paisalo Digital Limited

Overview

What do we Stand For

1. Disruption –

Revolutionizing and Disrupting Rural Credit

2. High Tech : High Touch –

Engage and transact without friction to deliver a sustainable business model

3. Innovation –

Focus on continuous innovation to transform customer experience and create growth opportunities

4. Business Construct –

Deliver a sustainable NNPA of <2% , RoA of 3.5-4% and RoE of 19-20% in the long term

Uniquely Positioned for Growth

1. Leader with a huge **Early Mover** advantage in “Co-Lending”
2. Offering **easiest and cheapest product** in its market segment
3. Access to almost **unlimited capital**, relative to size
4. **Negligible ‘Liquidity Risk’**
5. **Negligible ‘Credit Risk’**
6. **Negligible ‘ALM Risk’**

Key strategic differentiators

1. Leader with a huge **Early Mover** advantage in “Co-Lending”
2. A **Unique and Scalable business model**
3. **In-house Proprietary Digital Platform** uses Data, AI and ML
4. Serviced **1.5 Mn** customers
5. Paisalo has strong **Brand Recognition** in area of operations
6. Team of **1500+** in **10 states** and more than **2000 postal codes**

Executive Summary

- Engaged in the business of providing convenient and easy loans to the financially excluded at bottom of India's economic pyramid
- Lending business with an AUM of INR 25,201 Mn
- Already serviced more than 1.5 million customers
- An experienced team of 1500+ operating from 138 branches in 10 States and > 2000 pin codes (~ 10% of total pin codes in India) engaged in loan origination, servicing and recovery
- Net worth of Rs 9,273 Mn, leveraged 2 times and CAR ~41.57%
- PAT of Rs 643 Mn
- Classified and regulated by RBI as a (Non-Deposit Accepting) Systemically important NBFC
- Rated : AA- (Stable Outlook)
- Listed on NSE and BSE

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.

**THANK
YOU**

Phone:
+91 11 43-51-8888

Email:
ir@paisalo.in

Website:
www.paisalo.in