

Impact

Seeing enterprise in action

Over two decades of providing financial services, we have been able to make a real impact on our stakeholders as evident from the loyal base of investors, satisfied customers, passionate employees, gratified business partners, cordial relationships with the regulators and the positive impact on the society and the environment.

Rs. 9.8 billion paid in dividends, Rs. 12 billion paid to employees, Rs. 270 billion paid to suppliers over the past five years

At a more macro level, the importance of the role played by the financial institutions for the economic, social and environmental development of the country need not be overemphasised. As a financial services intermediary and accounting for 12.05% of the NBF sector in terms of assets, People's Leasing plays an important role in the financial system of Sri Lanka.

While larger banks have been contributing mostly to the formal sector comprising large and medium scale enterprises, our focus has been mostly on the informal sector comprising SMEs and individuals. This is all the more important given the challenges we face in serving this sector. We face difficulties when evaluating their creditworthiness due to lack of established track records of performance, lack of financial discipline, lack of collaterals to be offered etc. Due to the relatively smaller size of the facilities and constant monitoring required, cost of operations is high.

We have been able to **infuse Rs. 371 billion to entrepreneurs during the past five years** and **keep safe custody of Rs. 88 billion from depositors** as at 31 March 2019. We have **added 281,064 commercial and personal vehicles to the country's vehicle fleet** over the past five years. We have also paid Rs. 20.52 billion of interest payments to senior citizens in the Country. In the process, we have been able to make the allocation of funds efficient from those who save to those who invest. The efficacy of our financial intermediation is evident when loans & receivables account for 87.93% of our assets, deposits account for 51.22% of total liabilities and equity and NII comprises 88.89% of the total operating income.

Success of financial intermediation

- 87.93% of assets in loans
- 53.39% of funding from deposits
- 88.89% of income from NII

On the other hand, funding medium to long-term assets, leasing in particular, in a market with predominantly short-term funding sources depicts the robustness of our maturity transformation.

Besides employing 2,329 Sri Lankans in the Company and helping their dependants, our lending directly contributes to the creation of employment and value addition to the economy when the borrowers invest in productive business ventures and indirectly in the businesses which supply goods and services to the direct borrowers. People's Leasing **paid Rs. 4.38 billion in direct and indirect taxes** to the Government during the year under review (Rs. 19 billion for the past five years) which is deployed for the developmental activities of the country.

Employment

- Direct employment 2,329
- Indirect employment for thousands of Sri Lankans

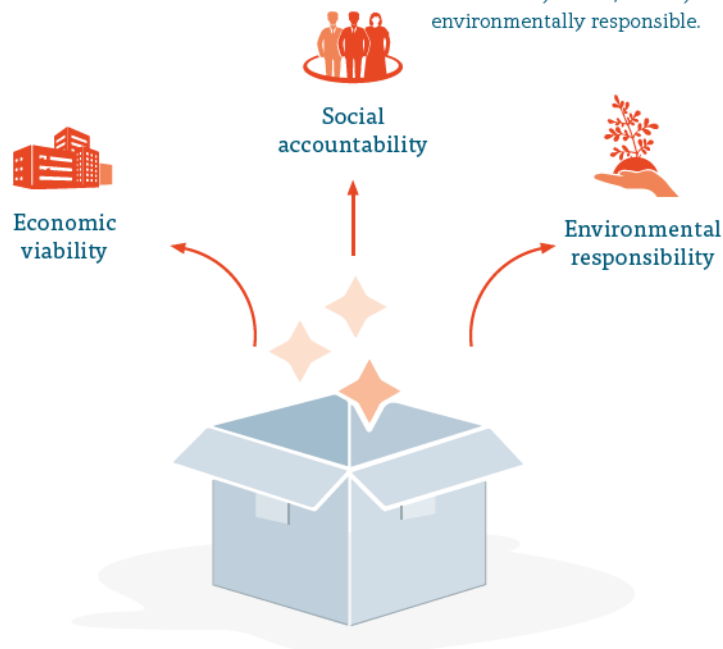
Given the spectrum of the market we serve, we can be proud of our contribution to financial inclusion – bringing unbanked and under-banked Sri Lankans to the formal financial system.

48% depositors hold less than Rs. 500,000 on average, 98.55% borrowers are SMEs and individuals

We have **invested Rs. 561 million in community development projects** over the past five years, which benefited a number of Sri Lankans in general. We have been able to secure the health of 4,160 people in the process. We have emitted 23,111 tCO₂e of carbon emissions through our business activities over the past five years, but have taken various measures to reduce this impact. One such initiative is our reforestation efforts which saw 25,742 plants being planted.

Reforestation efforts with 25,742 trees

We on our part will continue to innovate and extensively deploy information technology with a view to make our operations more efficient, improve access to finance and further financial inclusion, lower costs of financial intermediation and augment value proposition to deliver beyond expectations of our stakeholders. This we believe will further the impact we make on the economy, the society and the environment and make us a truly sustainable entity which is economically viable, socially accountable and environmentally responsible.



Investment in CSR initiatives

Rs. 122.23 million

2018 – Rs. 101.53 million

