

# Tasthanana

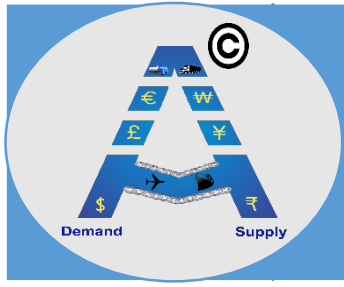


## The Future of Deposits



Tasthanana is from the house of Annona which is an innovative and disruptive product in Bank Deposits

Tasthanana comes from Sanskrit meaning, “**As Flexible As A Stalk of A Lotus**”.



# Highlights



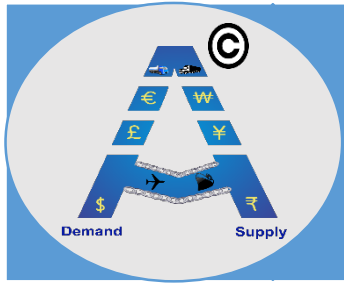
**Tasthana is the first innovation in Deposits and Core Banking and was Curated by 12 Banks**

**It has set a benchmark in Deposits as follows:**

- **It has 39 Features more than any deposit product today thus giving Many Choices to Customers**
- **Tasthana is completely Configurable**
- **With Tasthana there is NO STRESS to ALM**
- **It combines Sweep Deposits if the interest rate is the same making Reconciliation very easy**
- **It does not violate any Regulation**
- **It is the first product in Banking which helps the customer take decisions through Simulation**
- **Integration through APIs**

**Tasthana helps banks get more deposits of a bare minimum of ₹ 1,320 Crores per annum, if not more**

**Tasthana helps the customer get more value from their deposit up to 0.40% or more**



# The Beginning



**I had deposits with the banks and found that it was so rigid that I could not touch it once it was opened.**

**Argued with the banks that it got auto-renewed and I forgot the date of Maturity due to work pressures**

**An opportunity came in 2012 when I was working in a Fintech company**

**An offshore private bank wanted to add up deposits and have 1 deposit instead of many deposits**

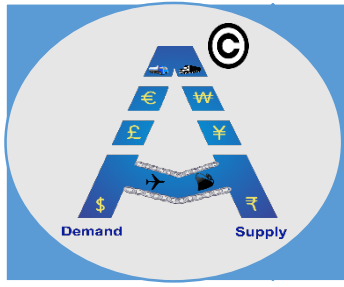
**Did the project successfully**

**Went in the market to check with Indian Banks on this concept of adding deposits.**

**No bank was aware of it and could not even conceptualise such a feature**

**What was surprising was that there was no innovation in Deposits which is such a fundamental need for banks globally**

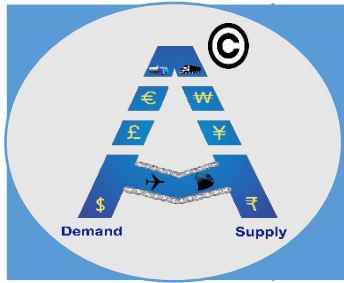
**Thus our journey commenced where we saw a huge requirement waiting to be fulfilled**



# Why Deposits



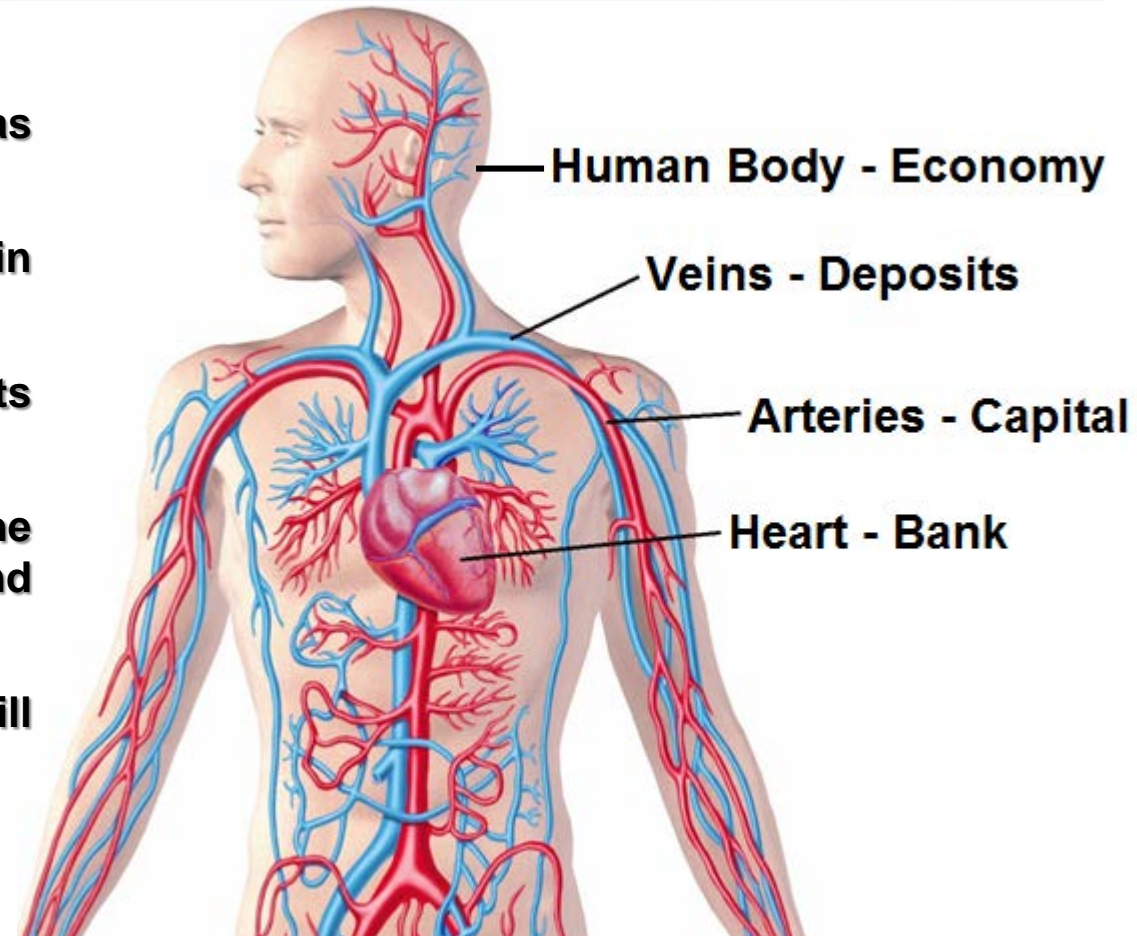
- **Banks – Cheapest Form of Borrowing.**
- **Public – Safest Form of Investment.**
- **IT (CBS Providers) – Time Tested Software ( Deposits are a part of Core Banking Solution).**
- **Annona – Innovative, Disruptive and Patented, First of its kind anywhere in the World and Setting A Benchmark in Products.**
- **Patent Application No: 201641021201, Dated: 21-06-2016 and Fast-tracked.**



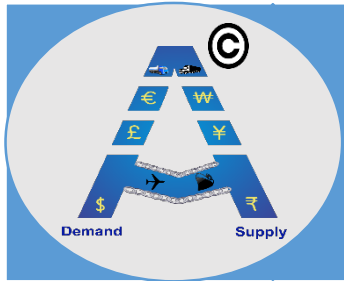
# Importance of Deposits



- The economy in a country is analogous to the human body.
- The banking system in an economy is analogous to the heart as in the human body.
- The capital it provides can be likened to blood that it pumps in the system.
- The blood that it receives is analogous to the money or Deposits being brought in the system.
- If blood is not adequately supplied to any organ or part of the body, then that part will be starved of nutrients and oxygen and will become useless.
- Similarly if finance is not provided to any economic sector, it will suffer, and that sector will eventually fail.
- Deposits are also needed to balance the books of banks.



However, the ability to provide the relevant financing is dependent on the ability of the banks to mobilize adequate amount of **DEPOSITS** in the economy and other sources of funding.

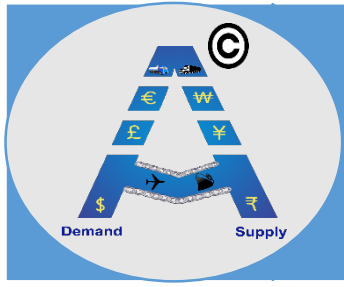


# Problem



- Deposits as we see today are not flexible and remained static and rigid since the time it was introduced to customers
- Though being the most preferred source of funds to the bank, did not see any innovation over centuries
- No incentive in having deposits apart from interest and some comfort of safety and a corpus
- Today the customer gets some fringe benefits which can be termed as mere mild modifications
- Unfortunately, the customer has no say in it
- Deposit mobilization methods are obsolete and does not interest and incentivize prospective customers
- Current methods of Auto Sweep Deposits are not only outdated but very cumbersome
- There is no help or advise to customers especially in withdrawals
- Anytime deposit in Recurring Deposit as launched by some banks was a failure
- Deposits against Gold as launched by Govt never took off
- **It seems that Deposits are stuck in a Time Warp**





# Solution



Deposits give banks the ability to build multiple lending products, however, over the centuries it has not changed and even today customers have no say in the deposit products.

We are here to change that for good.

**What has Tasthana done to make it so Exciting?**

**Tasthana helps the banks to mobilise deposits at a bare minimum of ₹ 1,320 Crores per annum which, is over and above the existing deposits**

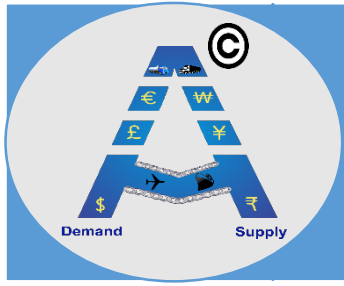
Principal, tenure and interest payable would now be customers choice With 39 Features more than Regular Deposits .

It combines Sweep Deposits if the interest rate is the same making Reconciliation very easy

Customers are further empowered as they are helped to make informed decisions, thus helping the customer make the right choice through our Simulation Tool.

It ensures that as the customer benefits from choices, the bank does not lose out nor does the ALM come under any stress whatsoever

With Top-Ups, both banks and customers now earn better than they would have earned through regular deposits



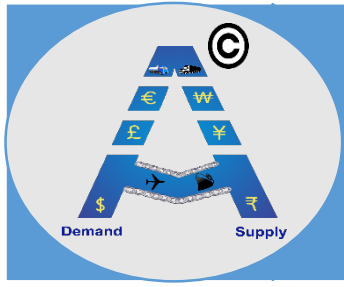
# Regulation



- **Interest Rates on Deposits are Deregulated, and Banks are free to offer their interest rates**
- **Product must be Launched by The Board of the Bank**
- **Interest given must be uniform to everyone as per the product and category given on that day**
- **Customer Education is paramount, and the customer must be aware what he/she is getting on the deposits**
- **Bank staff and their agents must know the product very well and not mislead the customer in any manner whatsoever in order to fulfill their targets**
- **There must be a Grievance Mechanism Cell to redress the customer's grievances and must be done in time bound manner with proper escalation mechanism**
- **The bank must endeavor to redress the customer's grievances as Banking Ombudsman should be the last recourse**

**To sum up Tasthana does not violate any regulations of RBI**





# Advantages



**It empowers the customer. Imagine a customer now doing all the actions which previously only a bank employee did.**

**It has set a benchmark in Deposits as follows:**

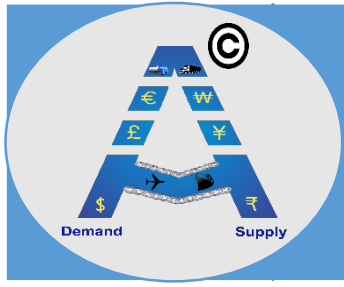
- **It has 39 Features more than any deposit product today giving Many Choices to Customers**
- **Tasthana is completely Configurable**
- **With Tasthana there is NO STRESS to ALM**
- **It combines Sweep Deposits if the interest rate is the same making Reconciliation very easy**
- **It does not violate any Regulation**
- **It is the first product in Banking which helps the customer take decisions through Simulation**
- **Integration through APIs**

**Top-ups is a Game Changer\* as it acts like a Deposit Mobilization Tool.**

**It will easily increase the bank's deposit base by a bare minimum of ₹ 110 Crores each month by month (10 Lakh Depositors topping with ₹ 1,100).**

**The customer gets a better return up to 0.40% or more depending on tenure and interest slabs.**

**\*The above figures were validated from banks' deposit base along with bankers where we took 10 Lakh Deposits and topped it by ₹ 1,100**



# Market



**Market Size: It is a global product**

**There are 2,087 banks and 89 Deposit taking NBFCs in India. Also we have Post Office Bank in India**

**The customer base at a conservative level is 50 Crores**

**The total number of Deposits as on 31<sup>st</sup> March 2019 was ₹ 117 Lakh Crores out of which SBI had ₹ 27 Lakh Crores**

**Opportunity**

**Tasthana being the only innovation in Deposits has the whole banking market and NBFCs as its potential customers**

**Growth**

**This means that Annona can grow exponentially and to reach all banks it would have to tie up with a lot of partners.**

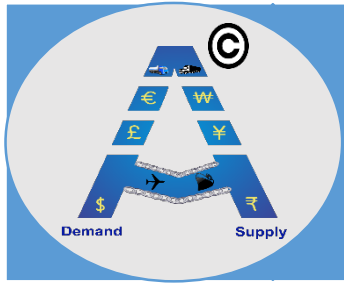
**This in turn creates growth opportunity for the partners**

**Last but not the least, our growth would require us to employ directly or indirectly through partners a lot of personnel creating jobs and helping the economy**

**Competition**

**Currently competition if any are from core banking products but it would take Considerable Time and Money to develop the Solution**

**Also competition can come from Fintech companies but till date have not come across any Fintech in Innovation in Core Banking**



# Traction



## **ICICI Bank**

They have finished the first level round on our servers. Now in discussion to onboard it in their servers for a detailed testing

## **Yes Bank**

They have started the POC and will look to start onboarding it by end of May 2020

Also working with Yes Bank to launch Micro-Deposits

## **IDFC**

Got a Go-ahead and waiting for date and time to start detailed product testing in their servers

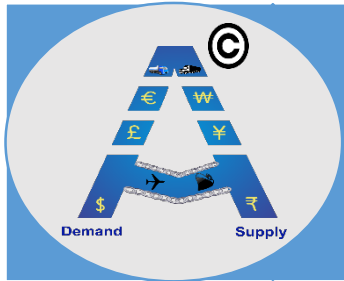
## **IDBI**

Will have to meet them to start the Testing

## **DCB, SBI, Axis & IDBI**

Will have to meet them after Lockdown to start the Testing

**We will be charging ₹ 6 Lakhs per bank for 1 month for the Testing in their servers**

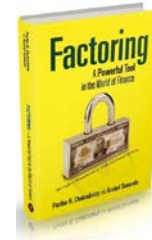


# Team & Skills



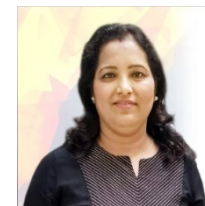
## Partho H Chakraborty

- Founder and Conceptionalized the ideas
- 7 Patent Inventor. Wrote 1 Book on Factoring.
- Handling Product Development and Marketing



## Jayeeta Chakraborty

- Co-Founder
- Handling Day-to-Day Operations, HR and Finance



## Arpita Bhattacharya

- Chief Developer – A wizard who can play with Java and .NET
- Developed Deposits along with her team

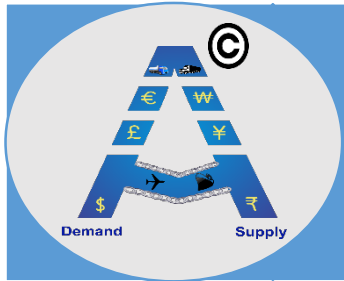


## Rest of Team

- Pooja, Nagarjuna & Mandeep – Developers, Venkat – Tester
- Kumar – UI Designer

## Advisors & Mentors

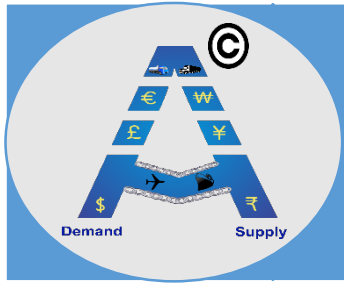
- Tarun Nallu



# Key Results to be Achieved



- **Client Count: 12 Banks which have helped to curate the product**
- **All remaining banks in India with the majority of large banks located in Mumbai**
- **We will start with India and then target South Asian Countries, China and African countries notably Nigeria and Kenya.**
- **We aim to tie-up with partners for marketing and implementation both in India and abroad**
- **India – Modus, Finonyx and TCS**
- **China – Ant Financial Services (Ali Baba Group Company)**
- **Other Countries – We are working out with whom to partner**
- **India – 12 Banks with help of Partners for 2020-2021**
- **Please note that in Africa our best tie-up would be Finastra and/or Temenos**

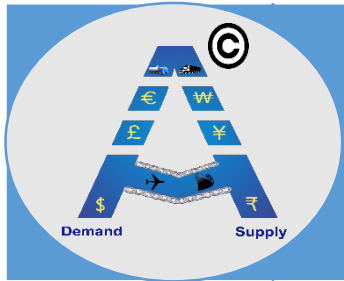


# Why Us and Why Now



- Team is well balanced and under the supervision of Arpita Bhattacharya
- Team is knowledgeable and have built the product from scratch
- Founders have worked in both banks and IT Companies and has very good knowledge on Banking Products
- The opportunity has presented as banks are trying to raise funds through deposits and innovation in Deposits which Tasthana gives helps them to get more deposits
- With Jan Dhan accounts and Post Office Bank, the reach to the masses has become easy and opportunity has increased manifold
- The failure of Gold Monetization by the Govt has given another huge option to increase deposits and revenues or banks

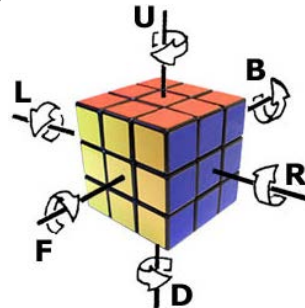


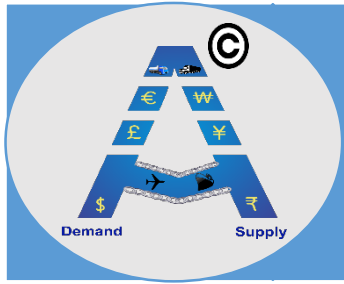


# Product Features



- It has 39 features over and above the features you see in Regular Deposits which no bank has it today.
- It is the first truly Flexible Bank Deposit like a Rubik Cube where The Principal, Tenure and Interest Calculated each month can be modified by the user and has a Consortium of Depositors.
- You can convert Recurring Deposit to Regular Deposit and vice-versa and withdraw anytime
- It computes the Interest and TDS automatically each month
- It computes Reports, Statements and will have Dashboard with Analytics
- It combines Sweep Deposits if the interest rate is the same making Reconciliation very easy
- You can do Reverse Annuity for multiple beneficiaries both Amount and Tenure Based
- You can do Deposit Payments and Withdrawal through Cards.
- OD & Loans Against Deposit where Deposit can be topped up and interest charged on Funds utilized
- Product is Blockchain enabled with Simulation
- **The Top-up Feature is a Game Changer as banks mobilize at a bare minimum ₹ 1,320 crores per annum, which is over and above their existing deposits and the customer gets up to 0.40% more.**

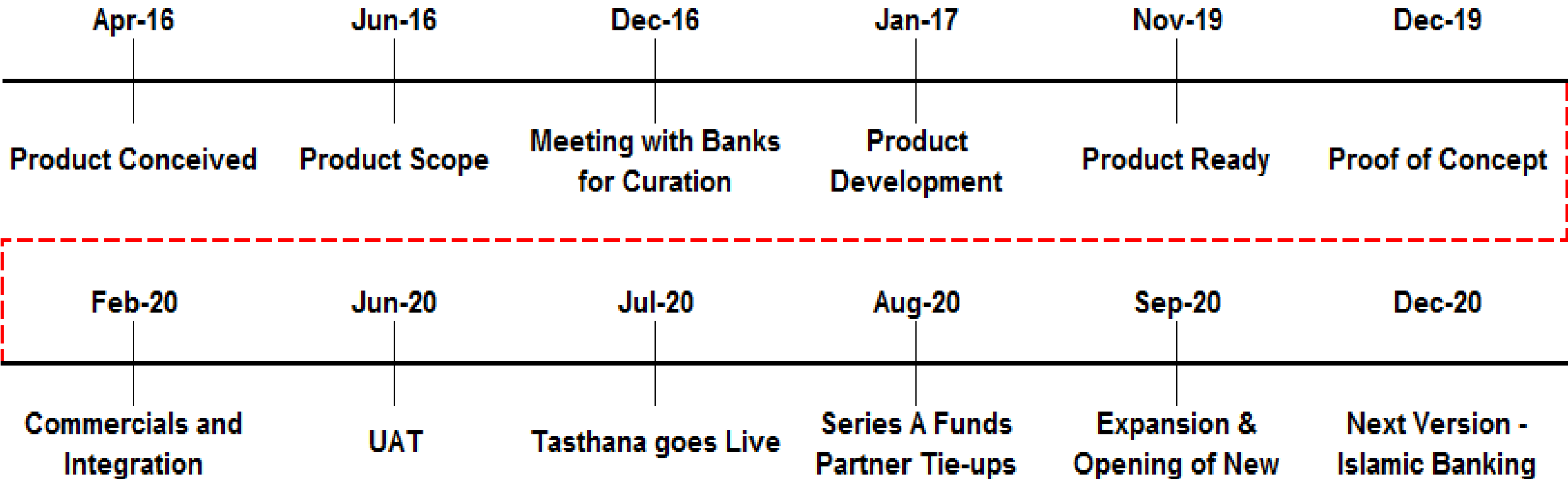




# Road Map



## Road Map





# Financials



## Current Burn Amount: ₹ 10 Lakhs per month

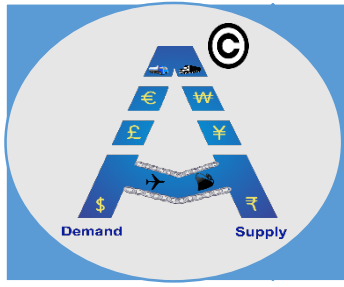
Salaries		Rent		Audit		Office Expense		Travel		Other Expenses		
Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	Annually	Monthly	RO Plant	15,000	15,000
104,82,000	8,73,500	6,44,004	53,667	2,12,400	17,700	60,000	5,000	1,20,000	10,000	Electricity	24,000	2,000
				30,000	-					Internet	1,00,000	8,333
				12,000	-					Dedicated Server	90,000	7,500
				2,54,400	21,200					Total	2,29,000	32,833
				TOTAL	9,96,200							

## Income on Transaction Basis

Year	Customers	Number of Banks	Cost of New Deposit	Total Number of Deposits Opened per Bank	Cost of Modification of Deposit	Total Number of Deposits Modified per bank	Cost of Opening Auto Sweep Deposits	Total Auto Sweep Deposits Opened per Bank	Total Deposit Earning	Integration Cost per Bank	Expenses	Total Earning
2020-2021	Banks	6	100	1,00,000	10	50,000	20	30,000	611,00,000	29,70,000	240,00,000	400,70,000
2021-2022	Banks	15	100	1,00,000	10	50,000	20	30,000	1511,00,000	29,70,000	312,00,000	1228,70,000
2022-2023	Banks	30	100	1,00,000	10	50,000	20	30,000	3011,00,000	29,70,000	405,60,000	2635,10,000

**Funds Raised So Far : ₹ 3.91 Crores**

**Funds Utilization: Salaries, Rent, Electricity & Water, Travel, Marketing, Internet, Telephones, Server Space**



# Revenues



**The revenues for Testing will be as follows:**

**POC/Testing in Bank's Servers - ₹ 4 to 6 Lakhs per month with 2 dedicated resources**

**Integration – On Actual Man-hours to be decided by the Scope of Work And Customization**

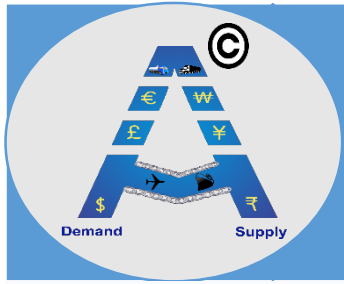
**Revenues per Deposit on Transaction basis after Product is Live:**

<b>For Deposit Creation:</b>	<b>₹ 100</b>
<b>For any Modifications including Withdrawals:</b>	<b>₹ 10</b>
<b>For Creation of Auto Sweep Deposits:</b>	<b>₹ 20</b>

**Please note:**

**There will be no License Fees Whatsoever**

**The Deposits charged will be a flat amount irrespective of the value of the deposit opened**



# Architecture

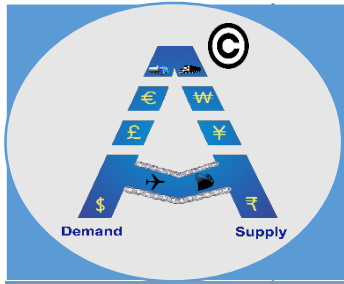


## KYC



## RISK & COMPLIANCE

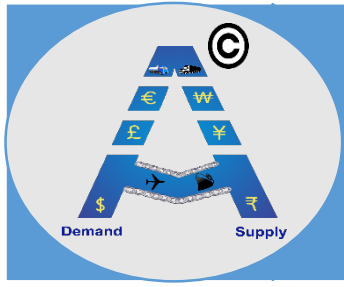




# Touch Points







# Integration



**At Bank Servers – Cloud based**

**It is a B2B Model**

**It will be accessed through**

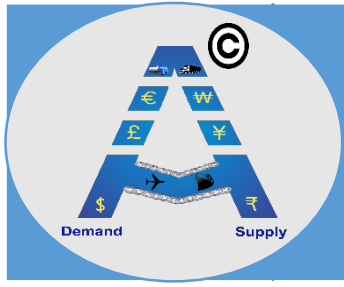
**Branches**

**Online**

**ATMs**

**The integration will be through APIs and Screen Based**

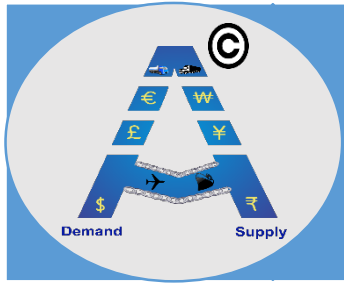
**It would take approx. 6 months to Go Live**



# Funds Required



- We need ₹ 50 Lakhs now for Mobile App and Working Capital especially Travel to banks in Mumbai.
- We need ₹ 1.5 Crores down the line for 1 year of Operation in India only.
- We have started the application for Series A Funds for US\$ 3 Million through Thinkfxmc in Singapore as we need to target China and South-East Asia aggressively.
- Our expenses will be primarily on Salaries, Rent, Travel and Employees Welfare apart from Internet, Phone and Office Expense.
- Other major expense will be on Patent which we need to file abroad

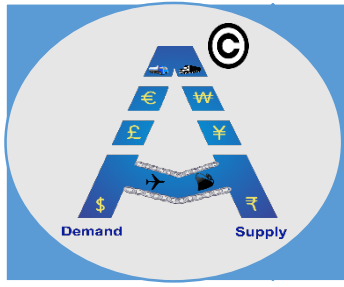


# Exit Options



- **Exit within 2 Years**
- **Equity to be purchased by the Founder**
- **Exit Options**
  - **Buy-Back of Shares at an agreed price such as 20% more than the current market price**
  - **Buy-Back of Shares at a flat price say ₹ 200 per share**
  - **IPO**
  - **Open to Acquisition if the price is good.**
  - **Please note that a company like Finastra can charge their existing customers a license fee when they implement it.**
  - **If we take 5,000 banks running on Finastra and charge US\$ 50,000 we get US\$ 250 Million. This is only license fees. Implementing and Customization Costs are separate.**

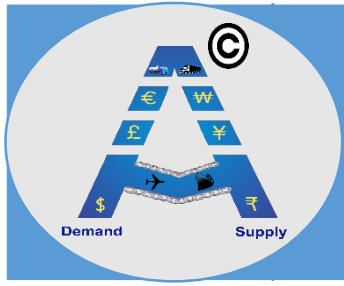
**Please note that the company Valuation today is ₹ 10 Crores based on Sales Projections**



# Summing Up



- This product is on Bank Deposits and it is global product
- It has 39 extra features than regular bank deposits
- It has set the benchmark for banking products especially deposits
- Tasthana benefits the bank immensely as it brings in new Deposits and new customers acting as Customer Acquisition Tool
- The bank customers are the kings and queens given the flexibility, features, reconciliation, etc. It betters Savings Banks Account and Deposit Account
- It is the single biggest innovation in Core Banking which has come out for the first time
- **Tasthana helps the customer get more value from their deposit up to 0.40% or more**
- Banks will get more deposits of a bare minimum of ₹ 110 Crores, if not more each month.
- We have completed POC with ICICI Bank and will start Integration.
- Tasthana does not violate any Regulations and helps the bank to garner more deposits



# Thank You



## Bank Deposits – Tasthana

<http://www.annona.in/tasthana.html>

## Website

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# Think Deposits, Think Tasthana