

# A Balanced Portfolio



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For nearly 45 years, Kanrich Finance has progressed with its goal of becoming one of the most innovative and profitable corporate entities in the country. Shiran Weerasinghe, CEO, Kanrich Finance shares his thoughts on the company's performance and their initiatives to give back to both employees and customers.

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## **What has been the company's latest performance achievements?**

From 2015 to 2016, Kanrich Finance concluded the financial year on a profitable note. The company posted a profit after tax (PAT) of 648 million rupees in 2015/2016, an improvement from 361 million rupees PAT in the previous year. Further, operating profit before tax for 2015/2016 improved to 1.259 billion rupees.

Our main priority as a company is to maintain the focus on stability and thus we pursued aggressive product diversification. While achieving the target, we ensured our expansion strategy looked beyond profit making. Accordingly, we diversified our portfolio by almost 50 per cent from micro financing in favour of low earning investments to promote diversity and achieve a balanced portfolio.

## **Kanrich Finance's Main Priority As A Company Was To Maintain Its Focus**

## **On Stability And Thus We Pursued Aggressive Product Diversification.**

Further, we have also been recognised by the Global Banking and Finance Review London, for the Fastest Growing and Emerging Company Sri Lanka 2016 award and Best Microfinance Service Provider 2016 award. This was the third consecutive year that we were presented these awards, which took into consideration our profitability and growth momentum.

## **What unique qualities can Kanrich Finance bring to the Sri Lankan market?**

We always look for opportunities, even in a challenging environment and once we find the opportunities, we explore them. Our portfolio over the last six years reflects this spirit.

The company's turnaround happened during the last five years, revealing how a giant can be created by sharpening its capacities against numerous challenges by combining the correct set of strategies with enormous people power we possess through a dedicated and highly motivated workforce. Accordingly, we have recorded unparalleled and unprecedented growth in our assets and profits and thrived well by standing alone as a stable finance company at the time when the Central Bank was planning the Consolidation of Non Banking Finance Institutions.

Micro financing was the pioneer service we introduced, to cater to the needs identified in the market. We ventured into micro financing in 2011. There had been a great demand for it in the sector at that time. As banks are less focused on this particular service, we saw a great opportunity and capitalised on it.

Subsequently, we enhanced our focus on the SME sector and introduced certain customised and innovative products towards lives of many to improve their livelihood.

## **Kanrich Finance has always been involved in CSR; what are your thoughts on this?**

Our Corporate Social Responsibility initiatives are formulated under three aims. Through our projects, we seek to respect the environment, society and develop the economy.

Focusing on the environment, we have organised several projects such as distributing plants, beach cleaning and during the Kandy Perahera season, launched a waste polythene cleaning and collecting programme.

Our CSR initiatives are also focused on giving back to the community. Hence, we are greatly committed towards the empowerment of the rural community in Sri Lanka and add value to the quality of life of our customers by providing them training on women empowerment and child protection. Therefore, people know and trust Kanrich Finance as an institution that understands them.

**Kanrich Finance is very employee focused. How do you supplement the growth of your employees?**

Our HR practices are one of our defining characteristics. We believe that how we treat our employees is crucial to maintaining our business model. Our decisions are centred around employee needs as a happy and loyal staff in turn provide our customers the best service.

We do things a little unconventionally. By looking into the welfare of employees, our goal is to ensure the staff grows with the company. We have a dedicated, committed and an enthusiastic staff who work really hard. Therefore, we organise many recreational, spiritual and sporting activities to enrich their lives. Something new is always scheduled every month.

**We Are Also Greatly Committed Towards The Empowerment Of The Rural Community In Sri Lanka. Through CSR, We Add Value To The Quality Of Life Of Our Customers.**

We were very successful and consistent in the last two years in our sports activities. The highlight this year was winning the Mercantile Cricket League and got promoted to A division in 2017. We also emerged champions in basketball, netball and Finalist at the Mercantile Volleyball tournament played in November respectively.

An enjoyable work environment, fosters team spirit and in turn increases productivity.

**Kanrich Finance celebrated its 45th anniversary. What are your thoughts on this milestone?**

Kanrich Finance has succeeded through a journey of perseverance. We like to do

things a little differently. Instead of investing in big functions, Kanrich Finance celebrated with employees and its customers. We were also involved in several major CSR projects and several religious ceremonies were held Island wide.

**What plans has Kanrich Finance made for the future? Are there any specific strategies that you hope to implement?**

Since we have achieved our diversification target and fortified our product portfolio, our plan is to now move forward to achieve a sustainable growth of 20 - 30 per cent.

We always focused on tailor-made products on customers' requirements. Consequently, recently, we introduced Pawning and Gold loans. Especially, our aim of introducing a Gold loan product is to assist the people who are incapable of outright purchasing and to make them feel more at ease, it is based on a monthly installment plan. In the near future, Kanrich Finance hopes to inflate into savings.

Simultaneously, we are focused on developing the existing Kanrich Finance branch network. We hope to invest in new technological advancements to aid our business operations and further enhance the quality of our brand.