

Investor Presentation

Q3FY24



BEYOND BANKING

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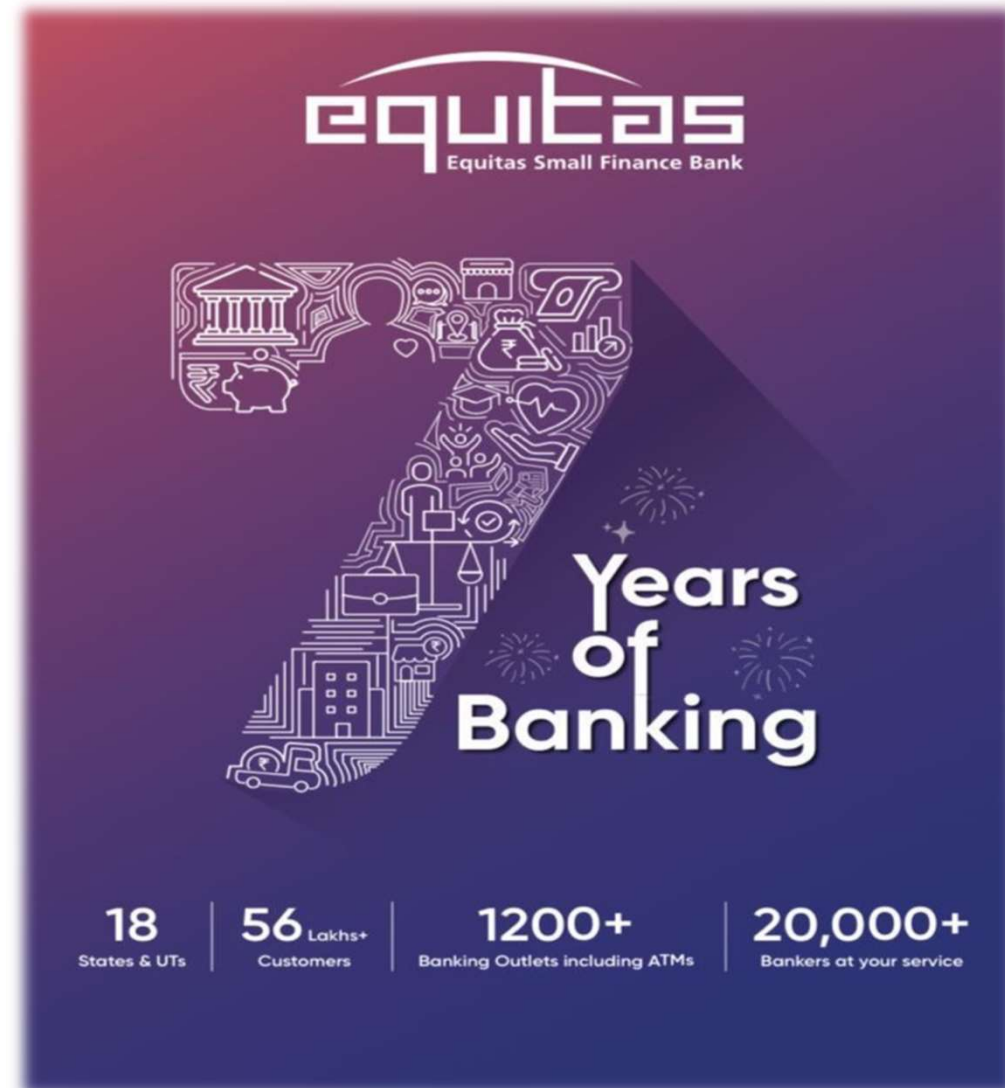
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GNPA ,NNPA & Gross Advances across the presentation refers to GNPA, NNPA & Gross Advances including IBPC sold



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Key Highlights



Snapshot

Operational



18 States and UTs



963 Banking Outlets
363 ATMs



302 Business
Correspondents



21,679 employees

Asset Offerings



Gross Advances:
Rs. ^32,776 Cr [Rs.24,915 Cr]
SBL- 37%, VF - 25%,
MFI- 18%, HF-12%
MSE – 4%, NBFC – 3%



Disbursements for Q3FY24:
Rs. 4,740 Cr [Rs. 4,797 Cr]
SBL – 30%, VF - 26%,
MFI – 29%, HF- 9% ,
MSE – 3%, NBFC – 0%



Asset Quality:
^GNPA: 2.38% [3.46%]
*GNPA: 2.29%
NNPA: 1.06% [1.73%]
PCR: 55.97% [50.84%]



Yield on Advances:
17.59% for Q3FY24 [17.01%]

Liability Profile



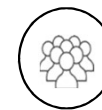
Total Deposits:
Rs. 32,385 Cr [Rs. 23,362 Cr]
CASA – 33%, TD – 67%



Third Party Products:
LI Premium-
Rs 31.30 Cr [Rs 29.20 Cr]
Mutual Fund AUM-
Rs 281 Cr [Rs 211 Cr]
Demat A/C opened -4031 Nos



**Daily Average Cost of
Funds for Q3FY24:**
7.36% [6.41%]
SA – 6.14%, TD – 8.16%



CASA Ratio:
33% [46.24%]

Financials



PAT for Q3FY24:
Rs. 202 Cr [Rs. 170 Cr]



Shareholders funds:
CRAR –20.24%
Tier I – 19.69%
Tier II – 0.55%



NIM for Q3FY24:
8.37% [9.01%]



**RoA: Q3FY24 at 1.98% [2.21%]
RoE: Q3FY24 at 14.44% [14.94%]**

Figures in [] represent Q3FY23 data | *Advance for the purpose of GNPA/NNPA calculation includes Securitization book | ^ Gross Advances includes IBPC



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Key Highlights



Key message

- Robust Gross Advances growth at 32% YoY and 5% QoQ . Net of IBPC and securitization, net advances growth at 25% YoY
- Yield on disbursement improved by 120 bps to 18.77% in Q3FY24 Vis a Vis 17.57% in Q3FY23
- Robust TD growth of 73 % YoY supported by 61% YoY growth in retail TD
- Only ~23% of Incremental deposits during the quarter funded by Bulk Term Deposits
- During Q3FY24, Bank has securitized/assigned advances worth Rs 1390 Cr



Profit & Loss

- NII grew 21% YoY and 3 % QoQ, Other income grew 46% YoY and 15% QoQ
- Opex grew 23% YoY and 2% QoQ ; PPOP grew 29% YoY. PPOP to assets stands at 3.53% for the quarter
- PAT stood at Rs. 202 Crs for Q3FY24, growth of 19% YoY and 2% QoQ
- PAT for 9MFY24 stood at Rs 591 Cr, growth of 54% as compared to 9MFY23
- Profit on Sale of Investments accounted for Rs 26.91 Crs during Q3FY24
- RoA and RoE for Q3FY24 remains resilient at 1.98% and 14.44% respectively



Highlights



Asset Quality & Provisioning

- GNPA improved by 108 bps YoY to 2.38% in Q3FY24 as compared to 3.46% in Q3FY23 ; including securitization book, GNPA would stand at 2.29%
- NNPA improved by 67 bps YoY to 1.06 % in Q3FY24 as compared to 1.73% in Q3FY23
- Gross Slippages Stands at 3.99% for Q3FY24 as compared to 5.03% in Q3FY23 as business environment normalizes



Business Update

- Used Car Advances Crossed Rs 1000 Crs during Q3FY24
- Repeat Customers for MF segments climbs to 53%
- Merchant OD introduced during Q1FY23 crosses Rs 800 Crs in Q3FY24
- ASBA services pick up momentum, 18K Customers availed ASBA services during the quarter
- Added 7 new branches during Q3FY24 across AP, Delhi, Karnataka and TN
- “Selfe Loans” – A customer mobile App for borrowers launched .The app aims to significantly improve customer experience and also enable customers to apply for new loans.



Digital platforms



Rs 865 Crs

Deposits – Digital Accounts



50,000

Loan App downloads



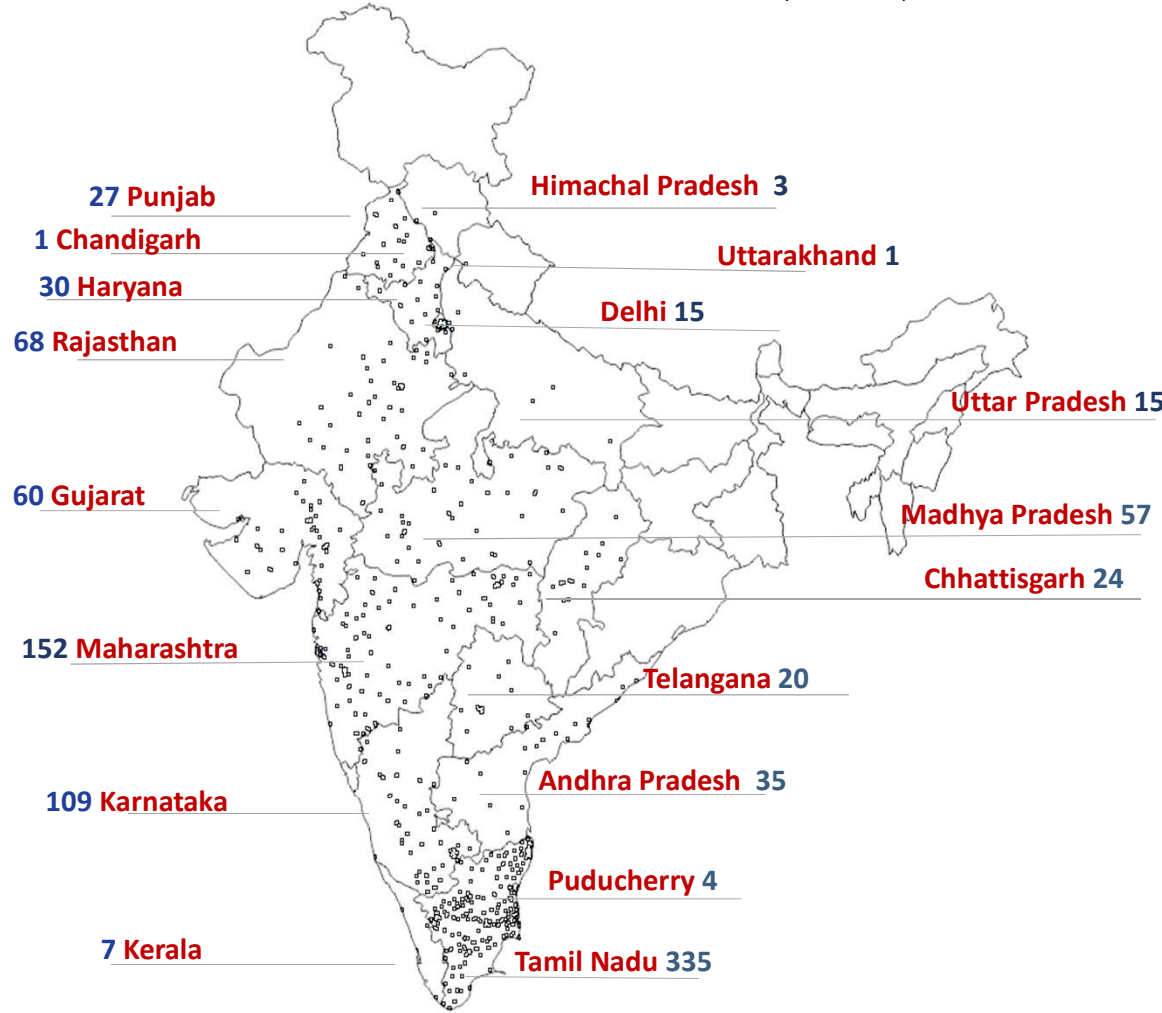
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Our Presence

States	Advances (%)	Deposits (%)
Andhra Pradesh	2%	3%
Chandigarh	-	3%
Chhattisgarh	1%	2%
Delhi	1%	8%
Gujarat	5%	6%
Haryana	2%	5%
Himachal Pradesh	0.14%	
Karnataka	12%	9%
Kerala	0.18%	1%
Madhya Pradesh	3%	4%
Maharashtra	14%	12%
Punjab	2%	7%
Rajasthan	4%	6%
Tamil Nadu & Pondicherry	50%	29%
Telangana	3%	3%
Uttar Pradesh	1%	2%
Uttarakhand	0.26%	-

Map not to scale

● Districts present in | Branch network



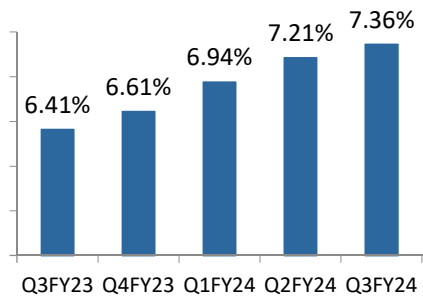
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Financial Performance – Quarterly Trends

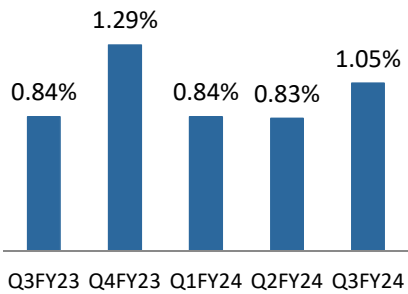


Key Ratios

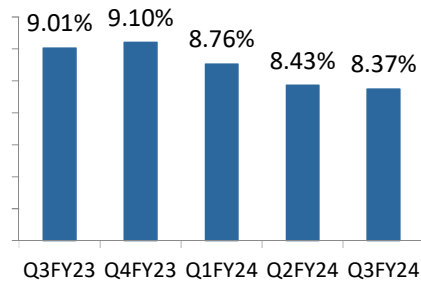
Daily Avg Cost of Funds



Credit Cost

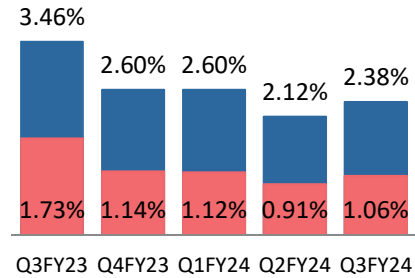


Net Interest Margin (NIM)

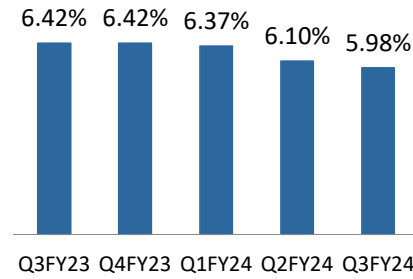


GNPA & NNPA

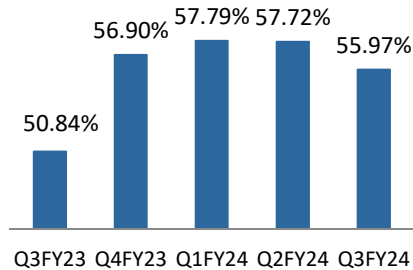
■ GNPA ■ NNPA



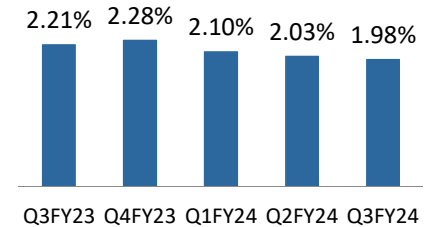
Cost to Assets



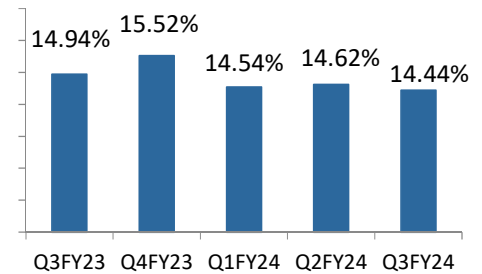
Provision Coverage Ratio



RoA

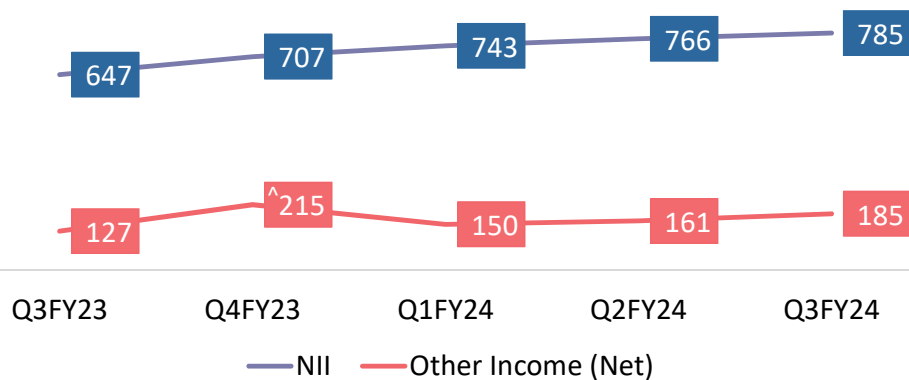


RoE

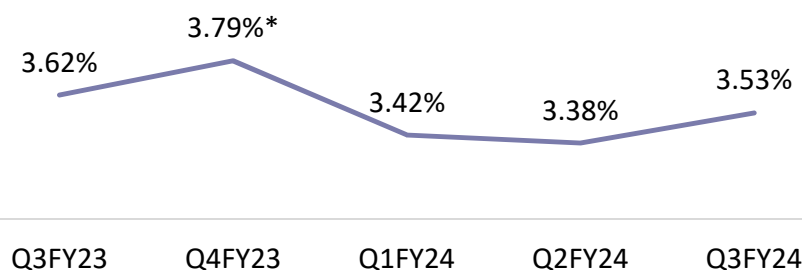


Income Evolution

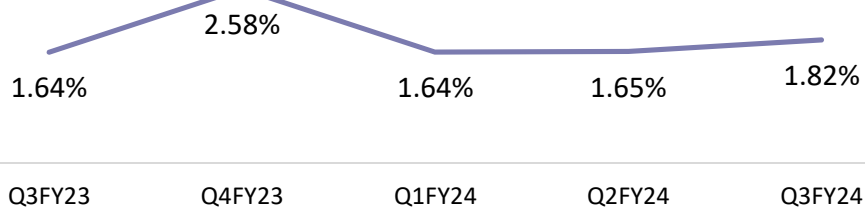
Net Income Evolution (Rs. Cr)



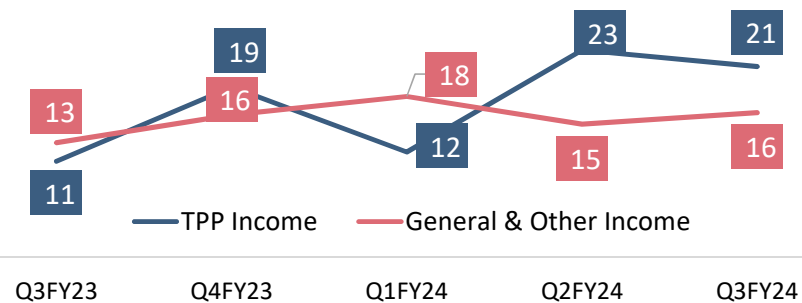
PPoP / Assets (%)



Other Income [Net] Contribution[^] (%)



Liability Fee Income (Rs .Cr)

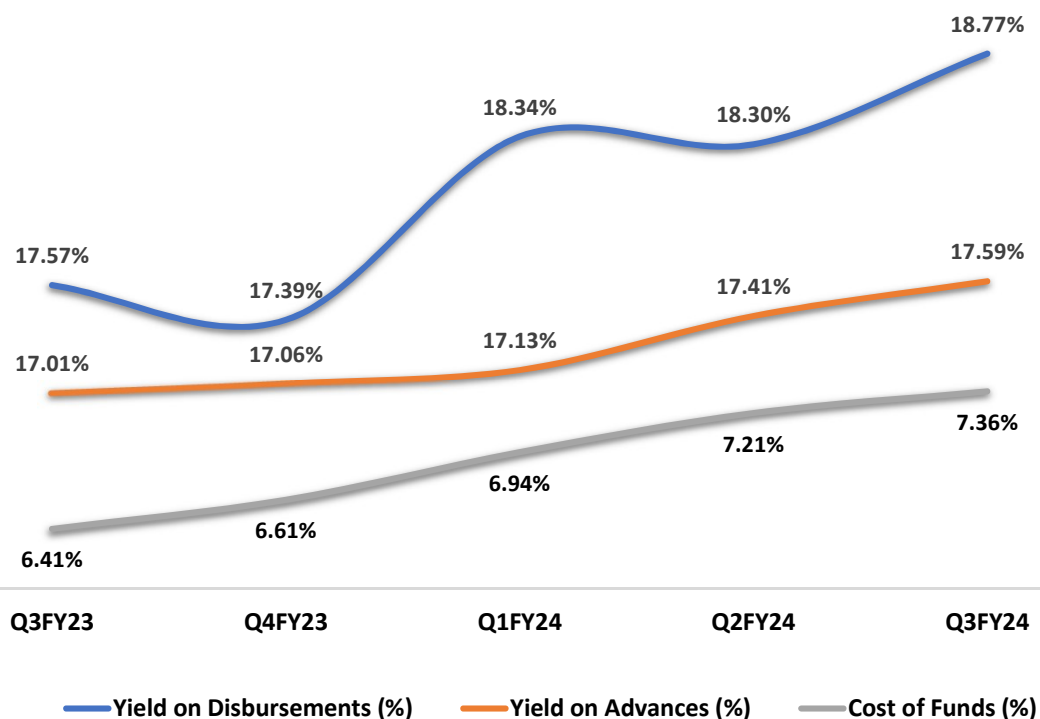


[^]Other income Excludes Rs 70 Crs Income from Sale to ARC in Q4FY23

*Core PPoP – PPoP excluding income from sale to ARC



Yield & Cost of Funds Trend



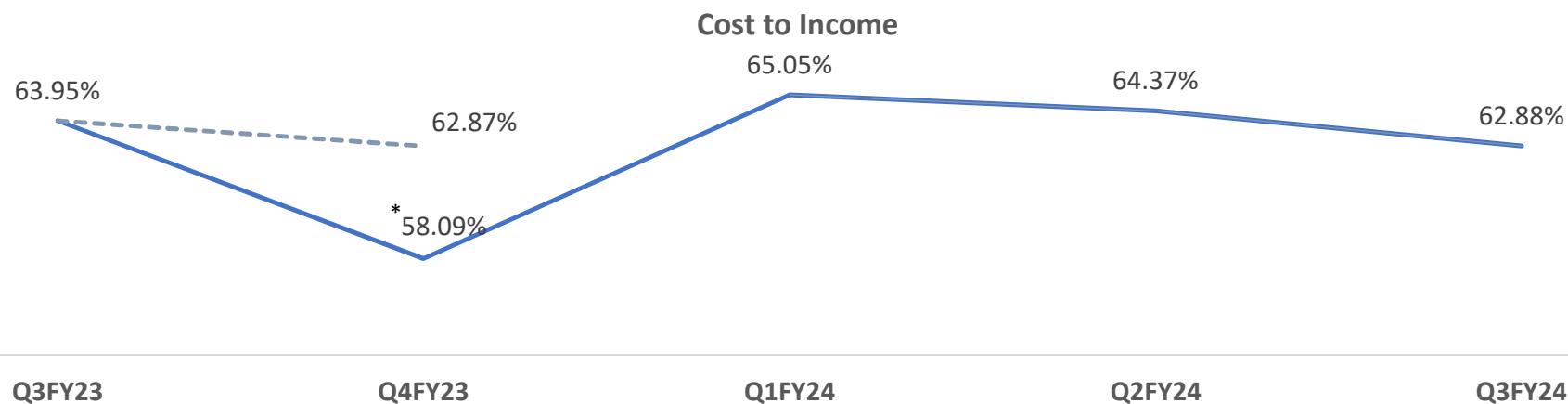
Particulars	March 2023	June 2023	Sept 2023	Dec 2023
CD Ratio	103.27	100.95	94.52	91.49
CD Ratio (after reducing refinance borrowings from advances)	91.55	90.22	86.47	84.97

- ~ 85% of the portfolio is fixed rate loans with a average tenure of 2.5 Yrs
- Impact of rising Cost of Funds mitigated by raising portfolio yields
- NIM impacted additionally due to increased balance sheet liquidity as CD ratio improves



Opex evolution

Rs. Cr	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Employee expenses	275	292	304	328	332	346
Other expenses (net of digital expenses)	187	182	207	224	232	229
Depreciation	21	21	25	29	33	35
Total Operating expenses	483	495	536	581	597	610
No. of employees	18,962	20,005	20,563	20,996	21,862	21,679



* Including the Income from ARC Sale of Rs 70 Crs



Advances



Advances evolution

Rs Cr	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	YoY %	Contribution %
Micro Finance & Micro Loans	4,600	5,225	5,626	5,878	6,056	32%	18%
Small Business Loans (SBL)	9,312	10,083	10,787	11,493	12,285	32%	37%
Housing Finance	2,463	2,873	3,206	3,582	3,884	58%	12%
Vehicle Finance	6,203	6,971	7,342	7,777	8,093	30%	25%
Used CV	3,226	3,463	3,540	3,675	3,762	17%	11%
New CV	2,404	2,793	2,960	3,118	3,234	35%	10%
Used Car	573	715	842	984	1097	91%	3%
MSE Finance	1,172	1,175	1,093	1,095	1,167	0%	4%
NBFC	872	1,184	1,178	1,042	887	2%	3%
Others [†]	293	350	369	362	404	38%	1%
Gross Advances	24,915	27,861	29,601	31,229	32,776	32%	100%

[†] Others includes loan-against-gold, unsecured business loans, overdrafts against fixed deposits ,staff loans and reverse repo of more than 14 days



Disbursements evolution

Rs Cr	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	YoY %
Micro Finance & Micro Loans	1,340	1,676	1,464	1,406	1,380	3%
Small Business Loans (SBL)	1,260	1,464	1,361	1,494	1,435	14%
Housing Finance	427	557	438	500	439	3%
Vehicle Finance	1,334	1,591	1,169	1,341	1,238	-7%
Used CV	699	743	551	668	621	-11%
New CV	477	635	408	429	392	-18%
Used Car	158	213	210	243	225	43%
MSE Finance	92	88	91	102	152	66%
NBFC	261	425	135	25	0	-100%
Others [†]	83	116	100	93	95	15%
Total Disbursements	4,797	5,917	4,757	4,961	4,740	-1%

[†] Others includes loan-against-gold

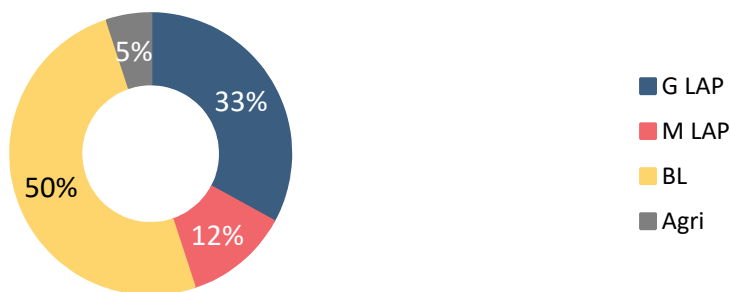


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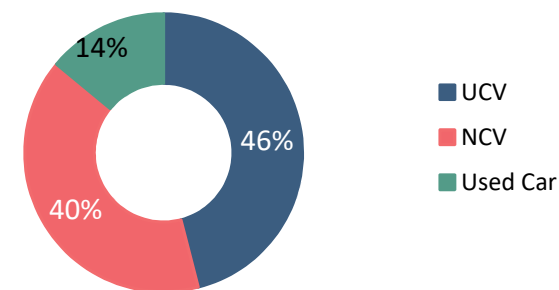
Segmental Details

Product Segment	Number of Live Loans	ATS @ Disbursement (Lacs)	ATS @ Portfolio (Lacs)	GNPA (%)	PCR (%)
Micro Finance	20,13,573	0.49	0.30	3.26%	78.77%
Small Business Loans (SBL)	2,63,709	7.07	4.66	1.76%	26.59%
Housing Finance	36,963	11.80	10.51	1.00%	30.13%
Vehicle Finance	2,09,391	5.25	3.86	2.91%	57.90%
MSE Finance	3,007	*74.73	38.82	7.73%	63.93%
NBFC	52	-	1,705.27	0.54%	100.00%

SBL Product Mix



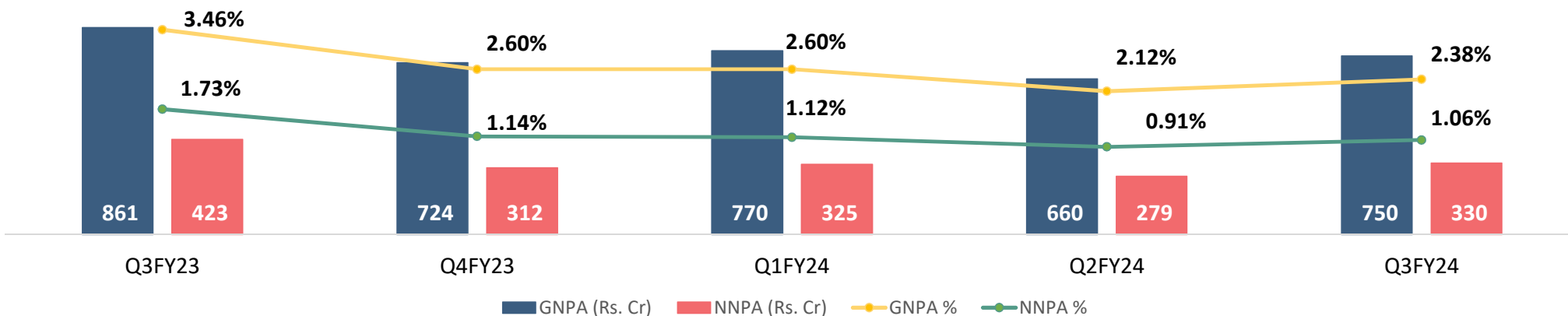
VF Product Mix



*Excludes TReDS



Asset Quality Trend

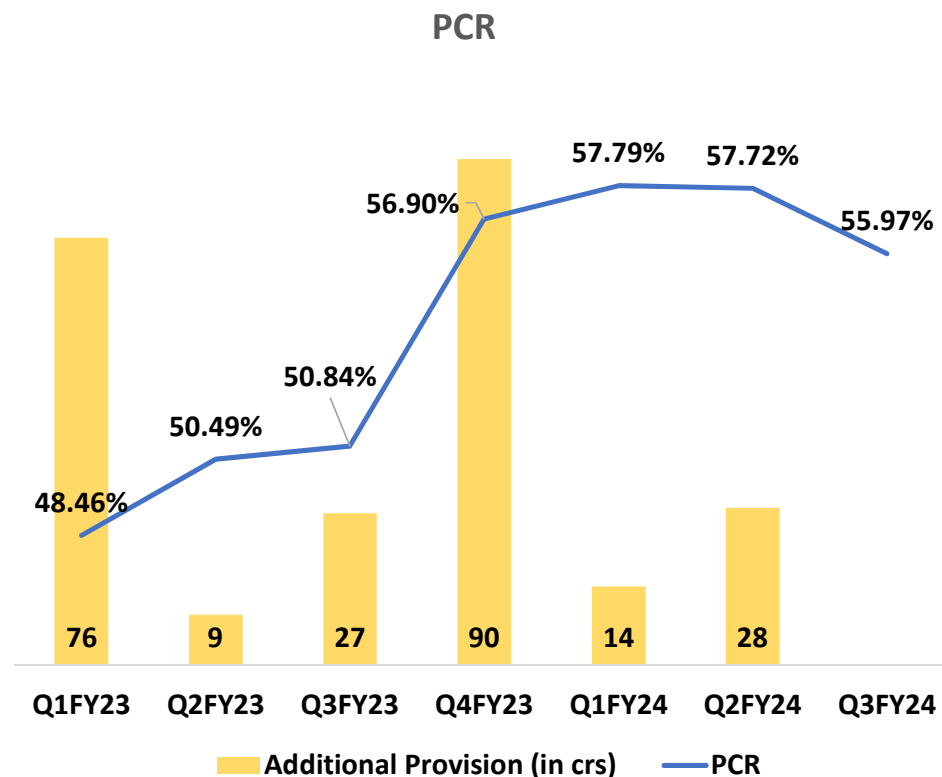


GNPA Movement (Rs. Cr)	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Opening GNPA Balance	870.26	861.36	723.96	770.18	660.50
Add: Additions during the period	286.46	190.59	213.94	256.81	312.19
Less:					
i. Upgradations	144.81	125.71	87.38	114.86	102.71
ii. Recoveries (excluding recoveries made from upgraded accounts)	69.37	84.79	49.38	167.92	69.77
iii. Technical or Prudential write-offs	27.71	9.21	3.37	8.41	17.15
Write-offs other than those under (iii) above	53.47	108.28	27.59	75.32	32.80
Closing GNPA Balance	861.36	723.96	770.18	660.50	750.26



Strengthening Provision Coverage

Asset Classification	Nature	Provisioning as per IRAC	Provisioning as per Equitas
Sub-standard	Secured	15%	24%
	Unsecured	25%	69%
Doubtful-1	Secured	25%	61%
	Unsecured	100%	100%
Doubtful-2	Secured	40%	86%
	Unsecured	100%	100%
Doubtful – 3	Secured	100%	100%
	Unsecured	100%	100%



Liabilities & Branch Banking

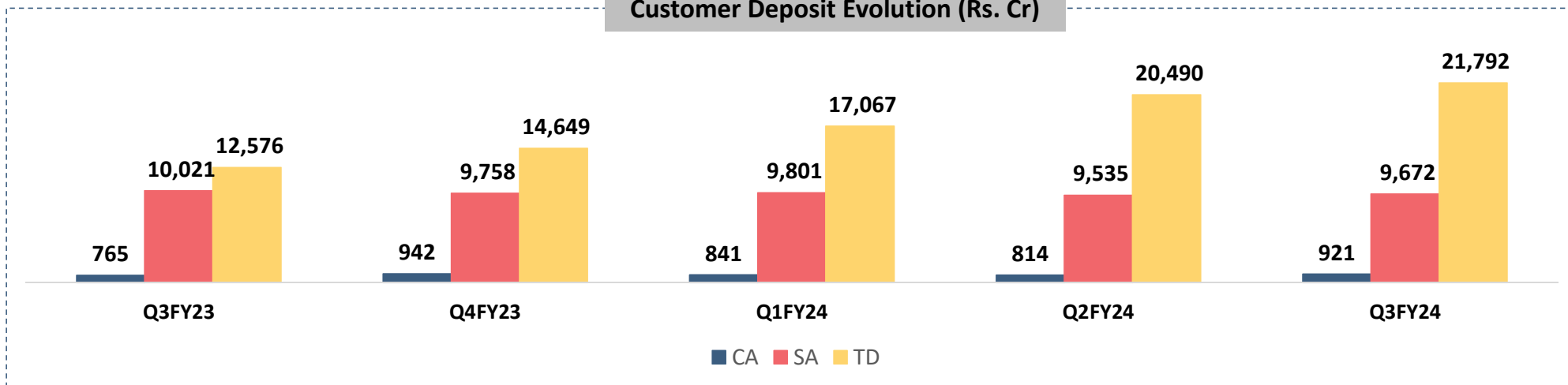


Deposits Evolution

as on 31 Dec 2023	CA [Current Account]	SA [Savings Account]	CASA [Low cost deposits]	TD [Term Deposits]	CASA+TD [Customer Deposits]
Balance (Cr)	921	9,672	10,593	[^] 21,792	32,385
as a % of total borrowings (Rs. 34,498 Cr)	3%	28%	31%	63%	94%
as a % of total deposits (Rs. 32,385 Cr)	3%	30%	33%	67%	100%

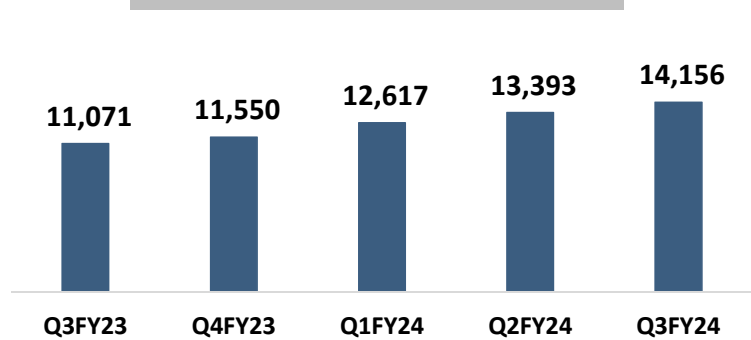
[^]Includes Certificate of Deposits of Rs 367 Crs

Customer Deposit Evolution (Rs. Cr)

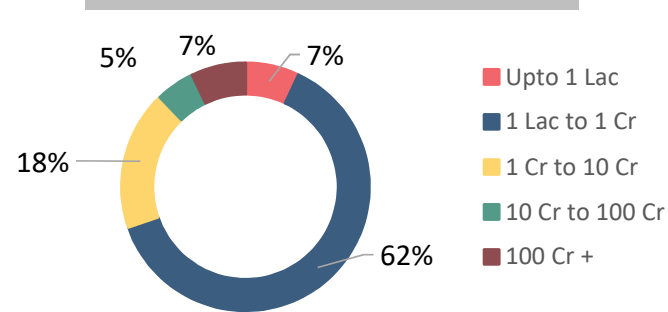


Customer Deposit Profile

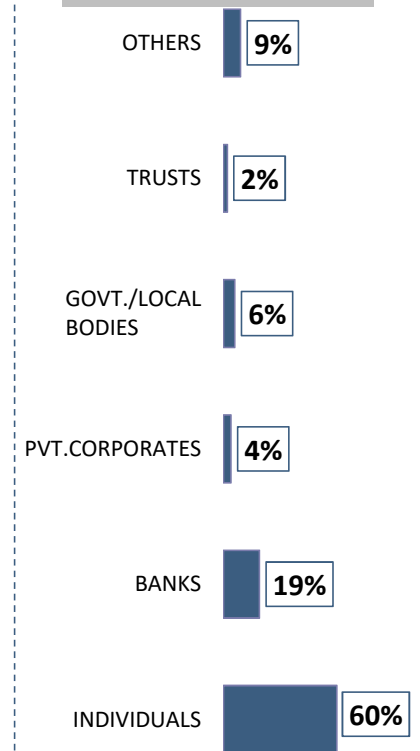
Elite Book (Rs. Cr)



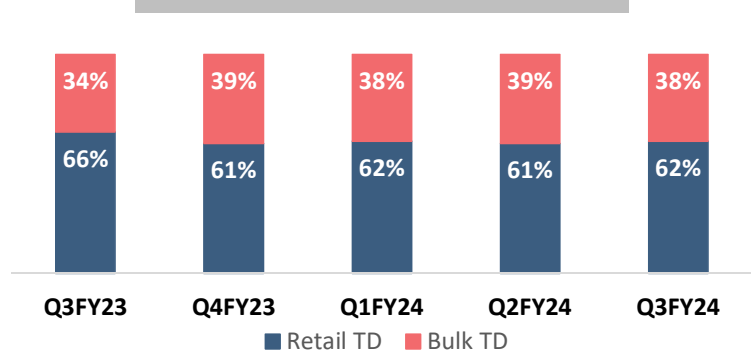
Savings Slab Wise (%)



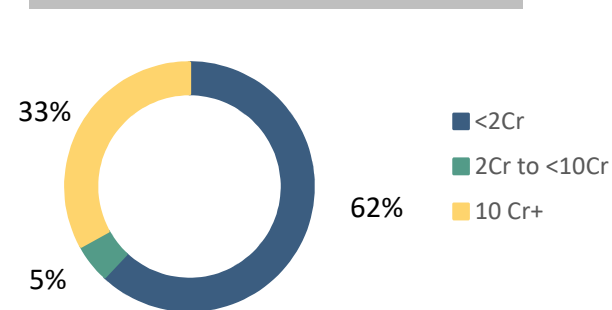
Deposit Category



Retail & Bulk ^TD Mix



Term Deposit Slab Wise (%)

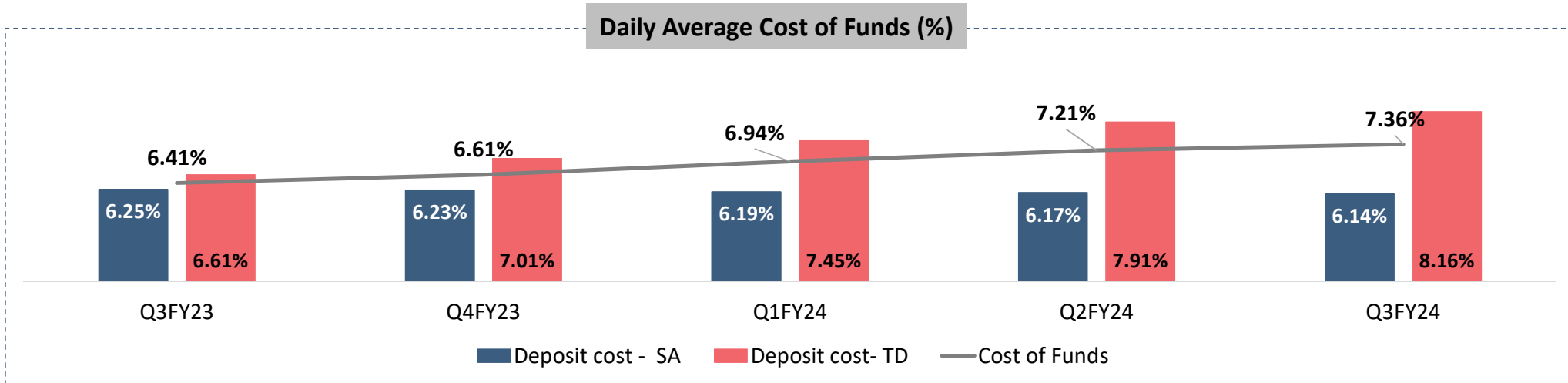
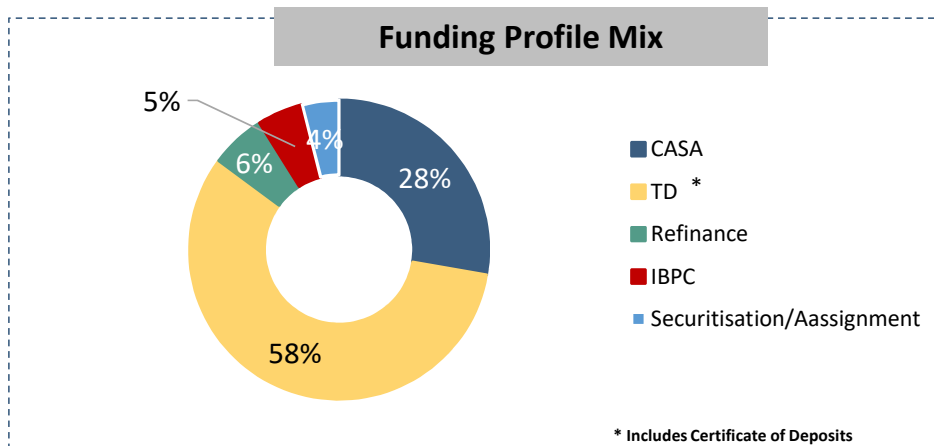


[^]TD excludes certificate of Deposits | Retail TD as defined by RBI



Funding Profile

In Rs Cr	Q3FY23	Q2FY24	Q3FY24
TD	12,576	19,706	21,425
Certificate of Deposits	-	784	367
Refinance	2,410	2,481	2,113
CASA	10,817	10,350	10,593
Securitization/Assignment	-	-	1390
IBPC	1200	2080	1830
Others (Repo & Market Repo)	330	-	-
Total	27,333	35,401	37,718



Treasury Update



The Bank's total net Investment portfolio of Rs. 8,475 Crore comprises of SLR and Non-SLR securities

Category (In Rs. Cr)	Q3FY24
SLR	7,756
Non SLR	719
Total	8,475



Borrowings & Liquidity

- The Bank's Certificate of Deposits (CD) programme has highest rating at A1+ from India Rating, CareEdge Ratings & Crisil.
- The Bank's issuer rating has been rated AA-/Stable by India Rating & CareEdge Ratings.
- Liquidity Coverage Ratio (LCR) as on 31.12.2023 is 211.63%
- Additionally, the Bank has adequate eligible advances available to raise funds through refinance or IBPC whenever required which provides strong cushion to ALM position of the Bank.



Profit on Sale of Investments for the quarter is Rs. 26.91 Crore



Financials



Balance Sheet

Particulars (in Rs Cr)	Dec-23	Dec-22	YoY %	Sept-23	QoQ%
Capital & Liabilities					
Capital	1,131	1,254	-10%	1,122	1%
Reserves & Surplus	4,584	3,386	35%	4,357	5%
Networth	5,715	4,640	23%	5,479	4%
Deposits	32,385	23,362	39%	30,839	5%
Borrowings	2,113	2,740	-23%	2,481	-15%
Other Liabilities & Provision	1,368	1,064	29%	1,330	3%
Total	41,580	31,805	31%	40,129	4%
Assets					
Cash and Balances With Reserve Bank of India	2,348	1,303	80%	1,306	80%
Balances With Banks and Money At Call and Short Notice	57	28	101%	17	234%
Investments	8,475	6,181	37%	8,551	-1%
Advances	29,210	23,277	25%	28,768	2%
Fixed Assets	565	232	143%	560	1%
Other Assets	926	784	18%	928	0%
Total	41,580	31,805	31%	40,129	4%
Gross Advances	32,776	24,915	32%	31,229	5%



Profit & Loss Account

Particulars (in Rs Cr)	Q3FY24	Q3FY23	YoY%	Q2FY24	QoQ%
Interest Income from Loans	1,274	959	33%	1,225	4%
Income on Investments	149	81	84%	126	18%
Interest on balances with RBI and other inter bank funds	6	23	-75%	8	-25%
Total Interest Income	1,429	1,063	34%	1,359	5%
Finance Cost					
Interest on deposits	573	357	61%	522	10%
Interest on RBI / inter-bank borrowings	24	11	122%	16	54%
Other interest	46	48	-4%	55	-17%
Total Finance Cost	644	416	55%	593	8%
Net Interest Income	785	647	21%	766	3%
Other Income[^]					
Asset Fee Income	118	95	24%	105	12%
Treasury & PSLC Fee Income	30	8	302%	18	70%
Liability & Distribution Income	37	24	57%	38	-2%
Total Other Income[^]	185	127	46%	161	15%

[^]Other income is net of digital expenses



Profit & Loss Account

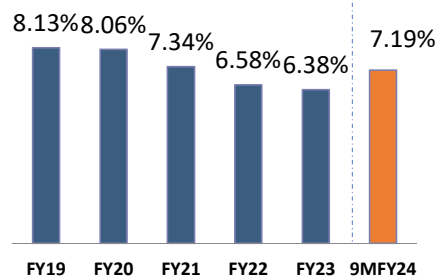
Particulars (in Rs Cr)	Q3FY24	Q3FY23	YoY%	Q2FY24	QoQ%
Net Income	971	774	25%	927	5%
Employee Cost	346	292	19%	332	4%
Opex*	264	203	30%	265	0%
Total Operating Expenditure	610	495	23%	597	2%
PBT before provision & Write-off	360	279	29%	330	9%
Credit Cost	84	50	69%	63	34%
PBT	276	229	20%	267	3%
Taxes	74	59	25%	69	7%
PAT	202	170	19%	198	2%

*Opex is exclusive of digital expenses

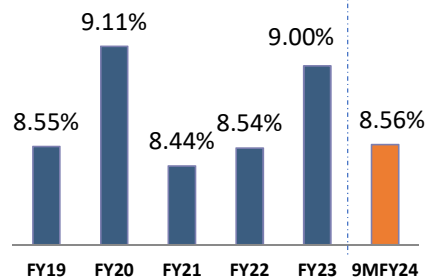


Key Ratios - Annual

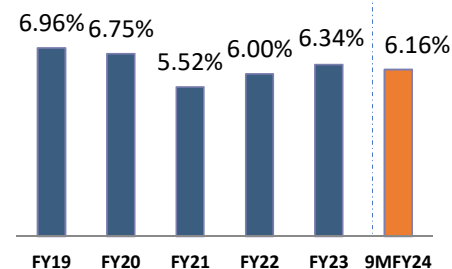
Cost of Funds



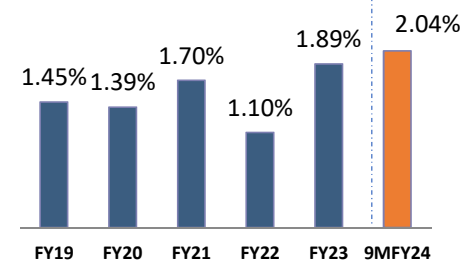
Net Interest Margin (NIM)



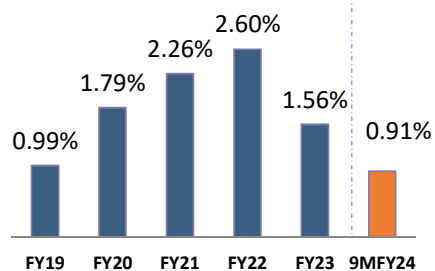
Cost to Assets



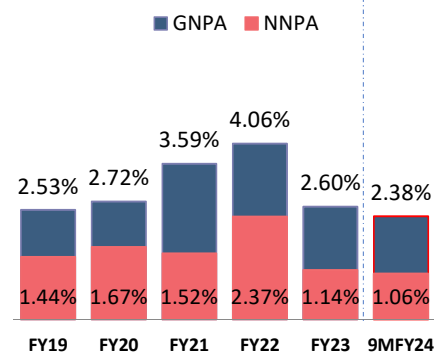
RoA



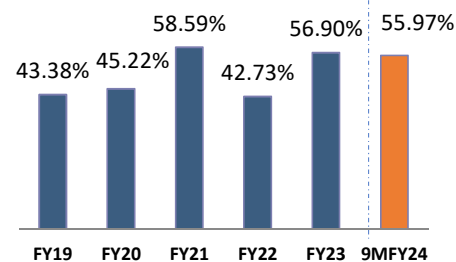
Credit Cost



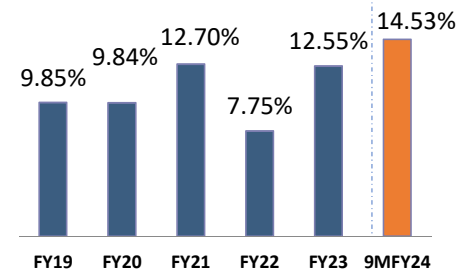
GNPA & NNPA



Provision Coverage Ratio



RoE



CSR Initiatives



CSR Initiatives



CHILDREN SCHOLARSHIP

Beneficiaries:-
Q3FY23 – 13
Cumulative - 2571

DIFFERENTLY ABLED

Financial help:
Inception Year - 2008
Q3FY24 - 1117
Cumulative - 169579

JOB PLACEMENTS

Placed Youth:
Inception Year – 2014
Q3FY24 - 4579
Cumulative - 269022

FLOOD RELEIF WORK - MICHAUNG CYCLONE

Food packs, Rice bags, Ration, Lunch and Snacks were distributed at flood affected areas in Chennai, Tirunelveli & Tuticorin, 500+ families benefitted.

SKILL TRAINING

Women Trained:
Inception Year - 2008
Q3FY24 - 9874
Cumulative - 653152



FREE CATARACT SURGERIES

Beneficiaries:-
Q3FY24 – 871
Cumulative - 36630

WOMEN EMPOWERMENT

Exhibitions Conducted:
Inception Year - 2008
Q3FY24 - 21
Cumulative - 124

TRANSGENDER INCLUSION

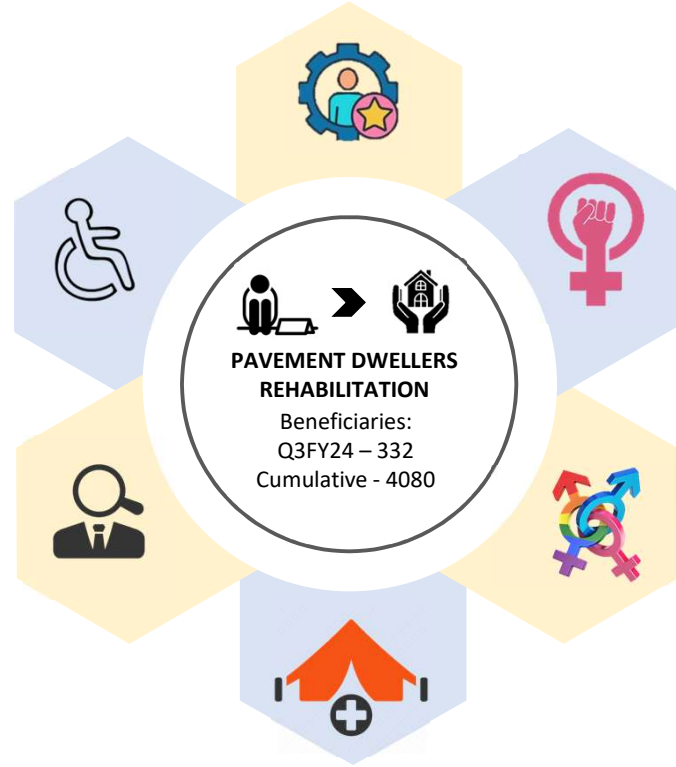
Beneficiaries:
Inception Year - 2008
Q3FY24 - 36
Cumulative - 455

PAVEMENT DWELLERS REHABILITATION

Beneficiaries:
Q3FY24 – 332
Cumulative - 4080

MEDICAL CAMPS

Camps Conducted:
Q3FY24 - 1254
Cumulative - 45085





**Beyond
Banking**

28K+ Reach



Circle of Life – Rebirth of farmer’s passion

<https://youtu.be/KrJ-1SWjZks?si=XnKjN4DtiLbsRril>

Investor Relations

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