

INVESTOR PRESENTATION

Q1-FY23 / JUNE 2022

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Key Information

Improved Profitability

*PAT of Rs 114.5 Cr - up by 88% YoY

*Operating Profit for Q1 FY23 is Rs 155 Cr & up by 9% QoQ

*RoA Q1 FY23 : 1.75% (up by 72bps YoY)

*RoE Q1 FY23 : 18.57% (up by 592bps YoY)

Cost and Revenue

* NII growth of 16% YoY

* NIM maintained above 5%: 5.17% (up by 13 bps YoY)

* CoD - 4.10% (down by 38bps)

* YoA - 10.62% (maintained at the Same level)

*Commission income increased by 63% YoY

Growth Momentum

*Net Advances grew by 17% YoY

*Gold loan grew by 26% YoY

*Deposits grew by 9% YoY

*CASA book grew by 15% YoY & CASA Ratio is at 35.12%

* Healthy CD Ratio (Gross) : 84% as on 30-06-2022

Well Capitalised & Strong Liquidity Position

*Strong capital comfort with a CRAR of 25.46% as on 30.06.2022 (up by 383 bps YoY)

*Tier I ratio of 23.97%

*Book value per share up by 26% YoY (Rs 120 to Rs 151)

*Strong liquidity -LCR of 147% & NSFR at 160%

Asset Quality

*GNPA ratio of 1.79% (down by 309bps YoY)

*Net NPA ratio of 0.60% (down by 261bps YoY)

*PCR of 90.51% (up by 2031bps)

*credit cost continues to be negative

- A century young Organisation
- 604 Branches & 495 ATMs/CRMs
- 11 Zonal Offices
- 2.1Mn+ happy customers
- Presence in 16 states & 4 UTs
- Total business of ≈ Rs 37,300 Cr
- 7 bancassurance tie ups with industry leaders.

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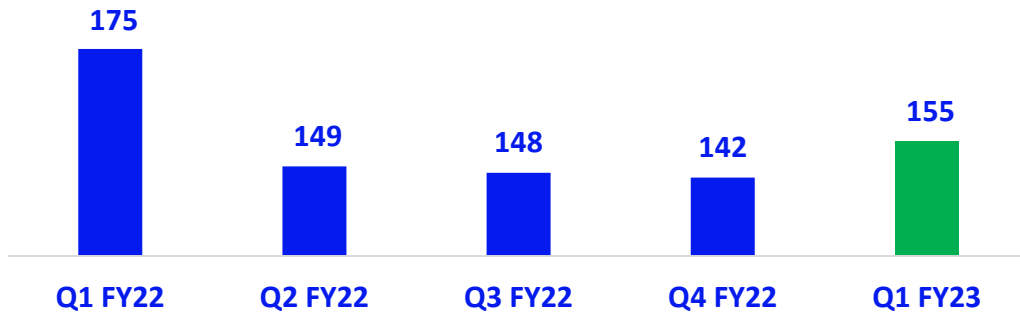
Digital Penetration

Strategy

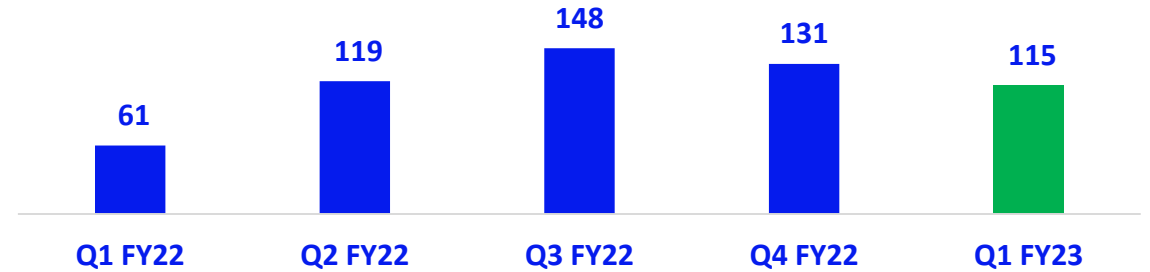
Profitability Ratios

Amt in Cr

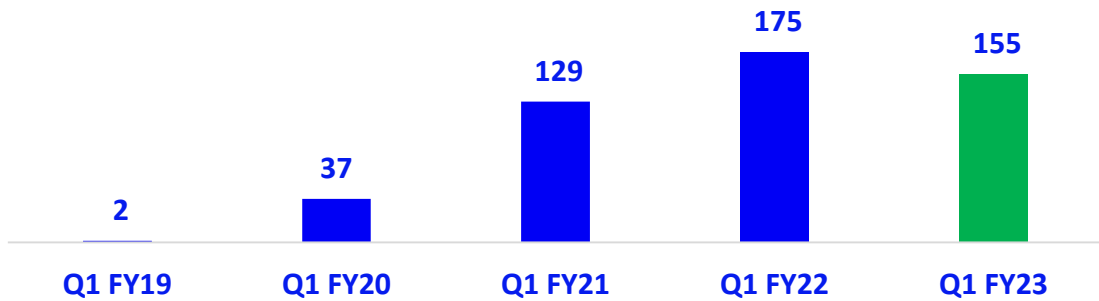
Operating Profit QoQ



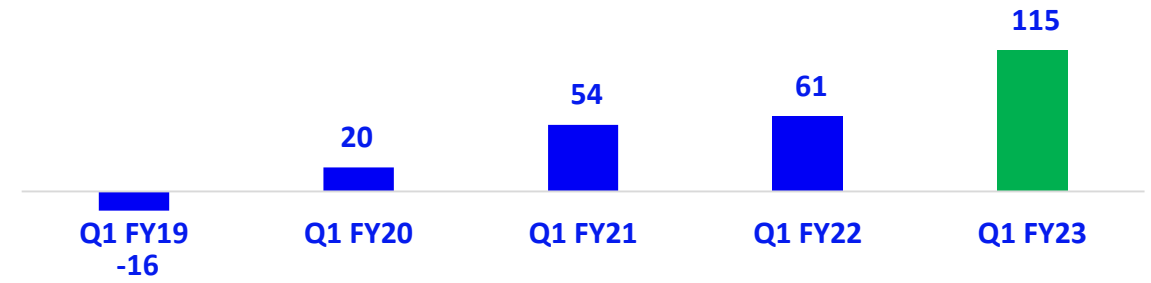
Net Profit QoQ



Operating Profit YoY



Net Profit YoY



Prudential Provisioning Policy

	Asset Classification	RBI Norms	Our Norms
NPA Provision	Sub Standard Assets	Secured	15%
		Unsecured	25%
	Doubtful Assets (Up to one year)	Secured	25%
		Unsecured	100%
	Doubtful Assets (One to three years)	Secured	40%
		Unsecured	100%
	Doubtful Assets (More than three years)	Secured/Unsecured	100%
	Loss Assets	Secured/Unsecured	100%

Prudential Provisions	Amount (in Cr)
NPA Provision	86
Additional Std asset provision	107
Total	193
Tax	49
After Tax Impact	144

Additional Std asset provision is more than Net NPA

	RBI Norms	Accounting Treatment
Other Provisions	Provisions for Standard Asset	<ul style="list-style-type: none"> • 0.25% to 1% based on the nature of advance • Provided as per RBI Norms • Additional provisioning buffer created in view of the COVID scenario

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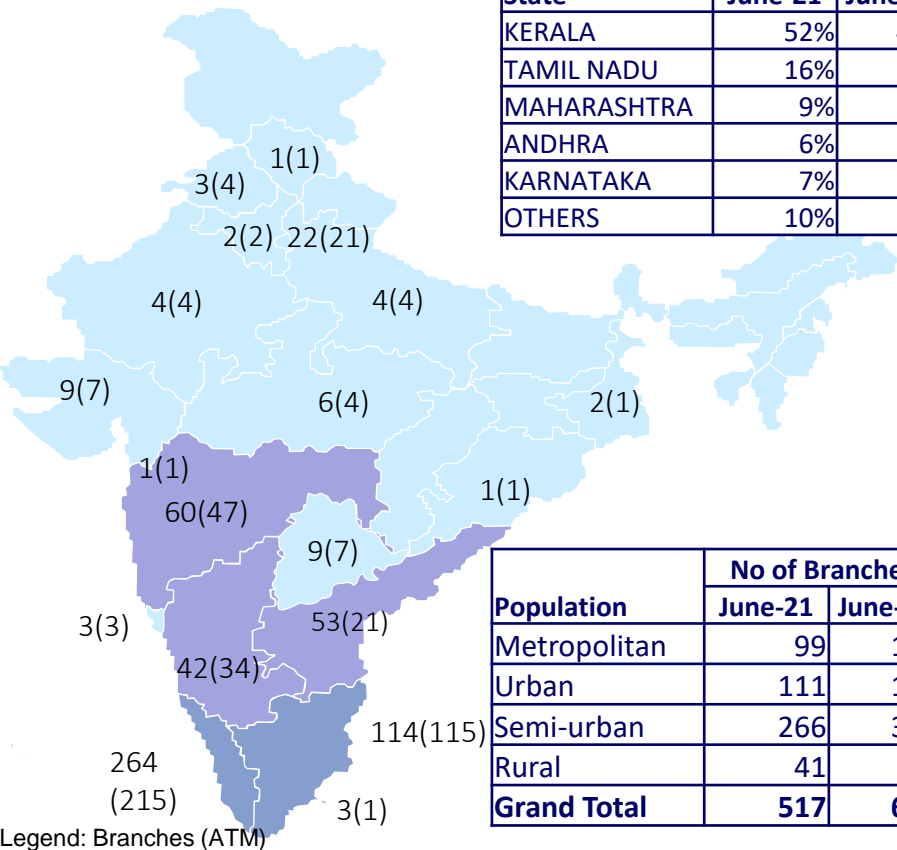
Digital Penetration

Strategy

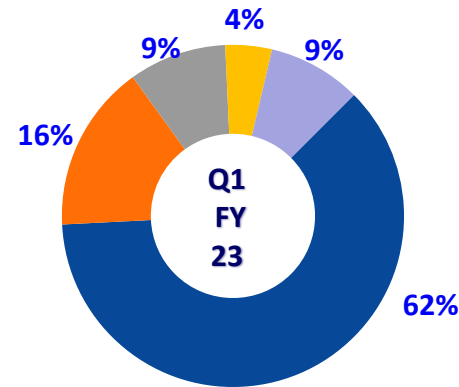
Branch Distribution

State	% distribution	
	June-21	June-22
KERALA	52%	44%
TAMIL NADU	16%	19%
MAHARASHTRA	9%	10%
ANDHRA	6%	9%
KARNATAKA	7%	7%
OTHERS	10%	11%

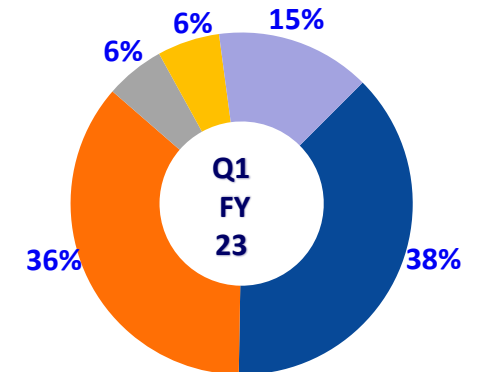
Population	No of Branches	
	June-21	June-22
Metropolitan	99	123
Urban	111	121
Semi-urban	266	310
Rural	41	50
Grand Total	517	604



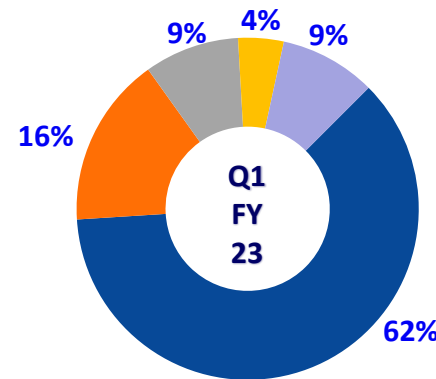
CASA



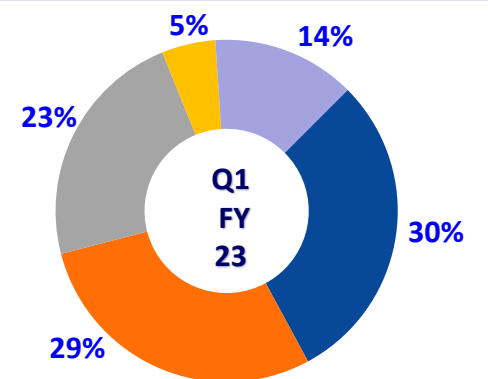
Gold Loans



Total Deposits



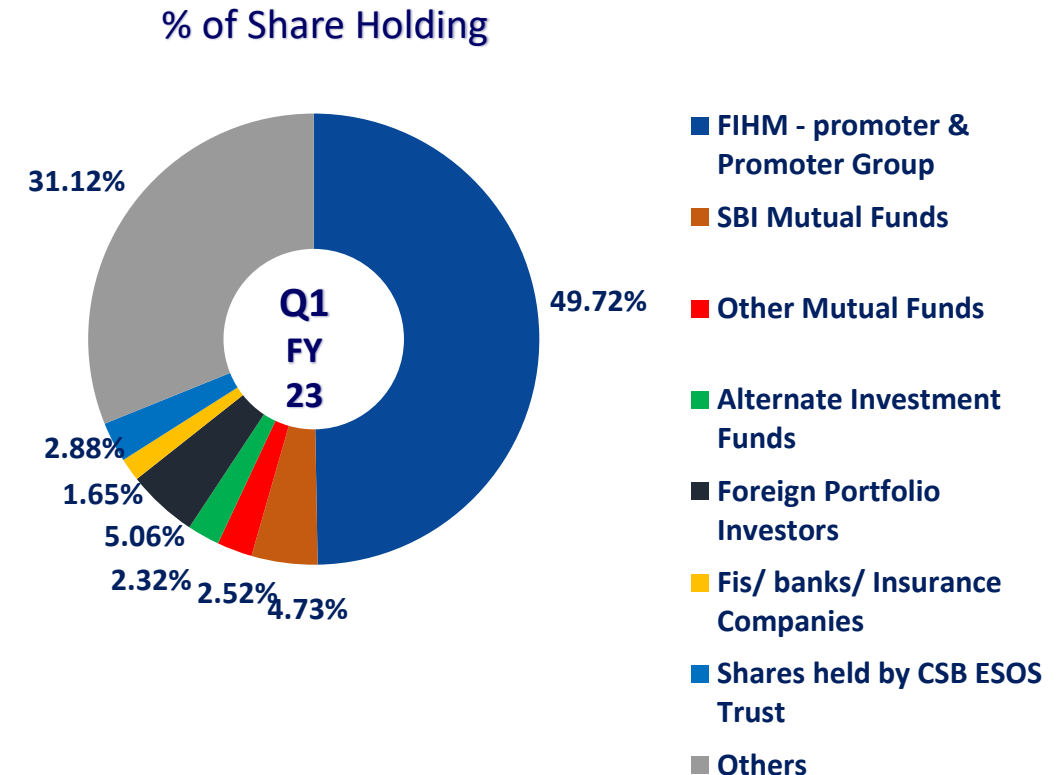
Total Advances



■ Kerala ■ Tamil Nadu ■ Maharashtra ■ Karnataka ■ Others

Share Holding Pattern

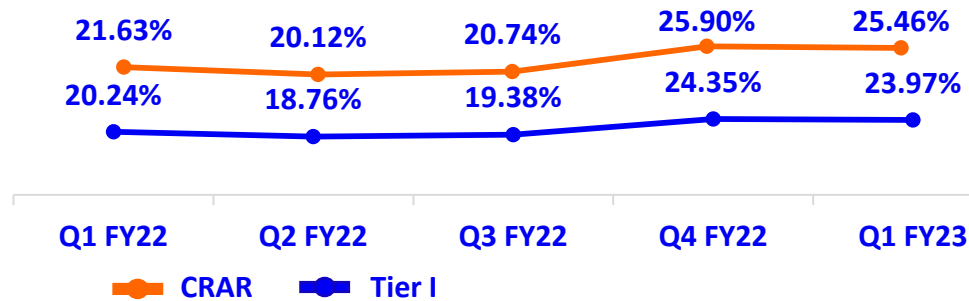
Category	No of Shareholders	No of Shares Held(in Mio)	% of Holding
FIHM - promoter & Promoter Group	1	86.26	49.72%
SBI Mutual Funds	1	8.21	4.73%
Other Mutual Funds	6	4.38	2.52%
Alternate Investment Funds	5	4.02	2.32%
Foreign Portfolio Investors	41	8.77	5.06%
Fis/ banks/ Insurance Companies	2	2.86	1.65%
Shares held by CSB ESOS Trust	1	5.00	2.88%
Others	57556	53.98	31.12%
Total	57613	173.48	100.00%



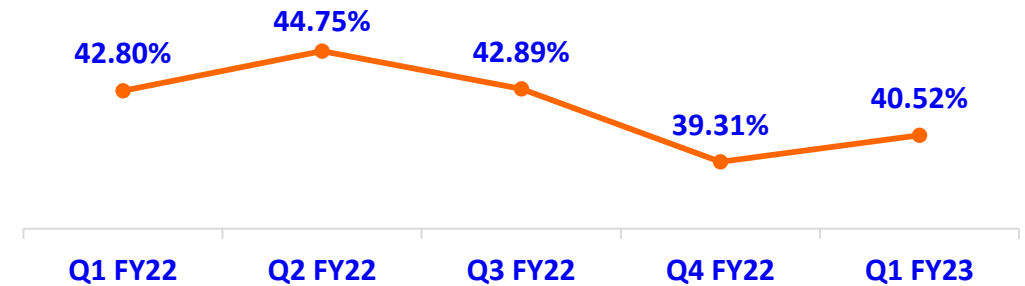
Solid CRAR & Adequate Liquidity – Our Strength

Amt in Cr

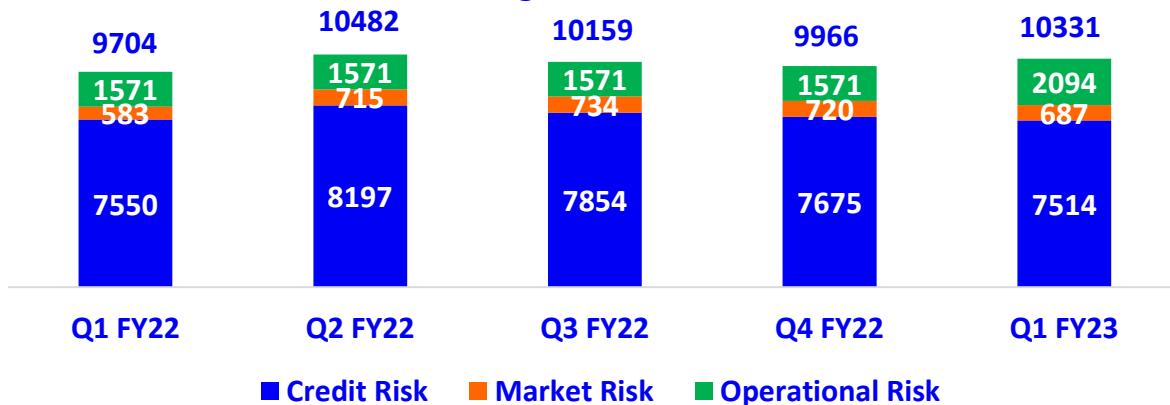
Capital Adequacy Ratio



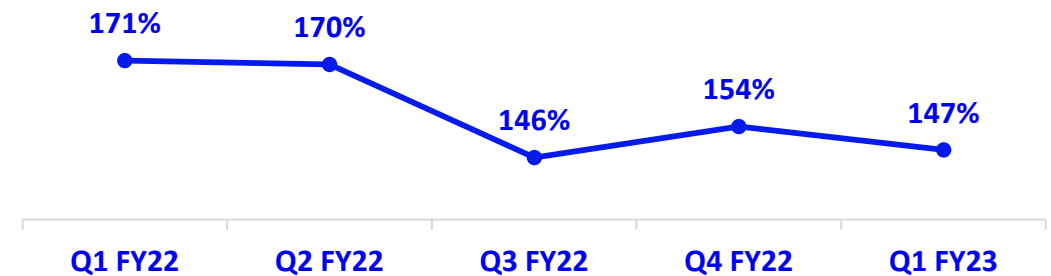
RWA to Total Assets



Risk Weighted Assets



Liquidity Coverage Ratio



Company Overview

Business Overview

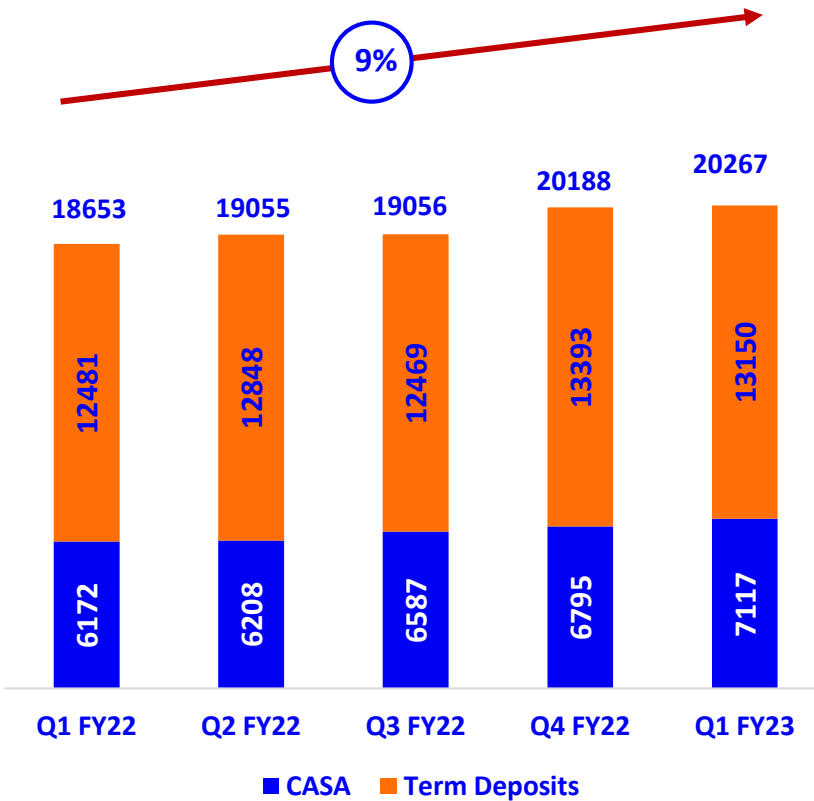
Earnings

Digital Penetration

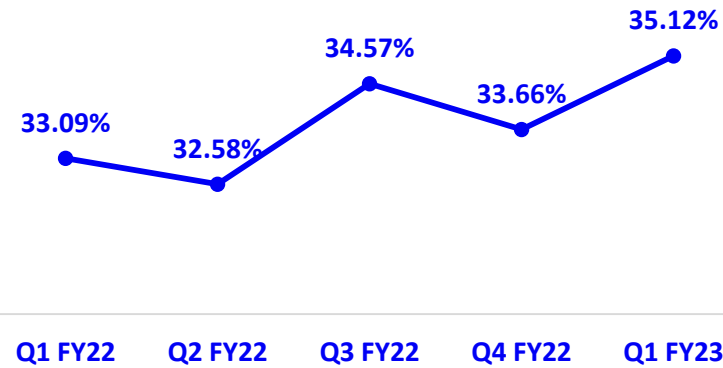
Strategy

Total Deposits

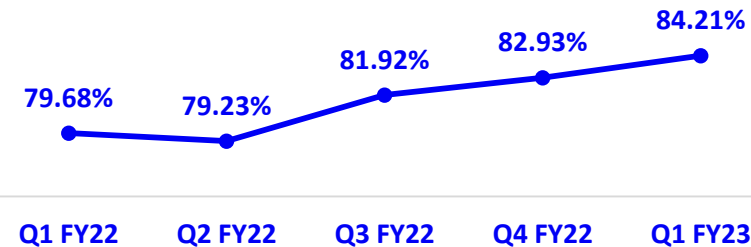
(Amt in Cr)



CASA Ratio

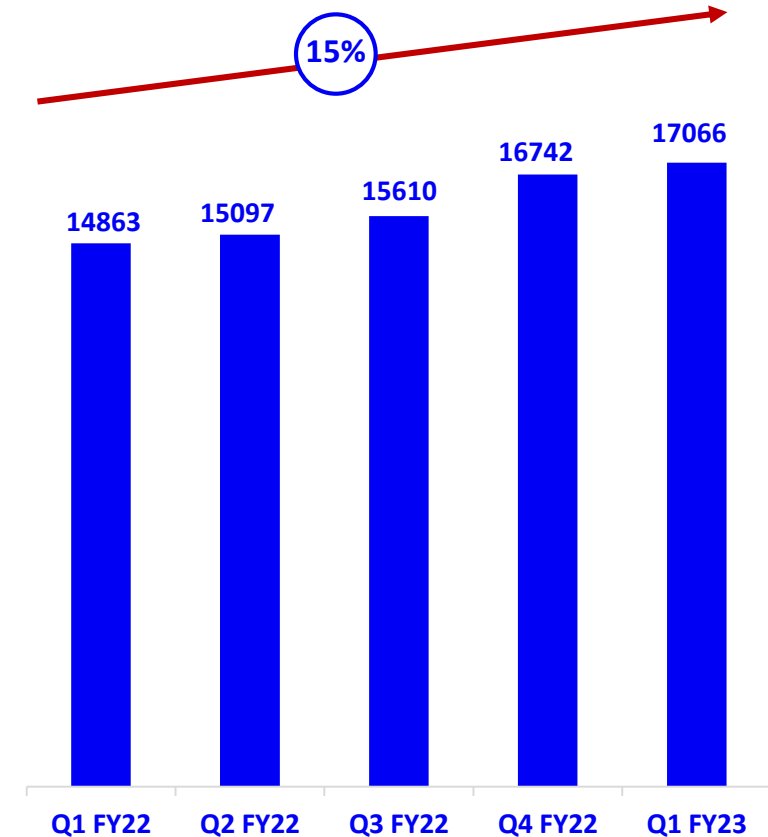


Gross CD Ratio



Total Gross Advances

(Amt in Cr)



Company Overview

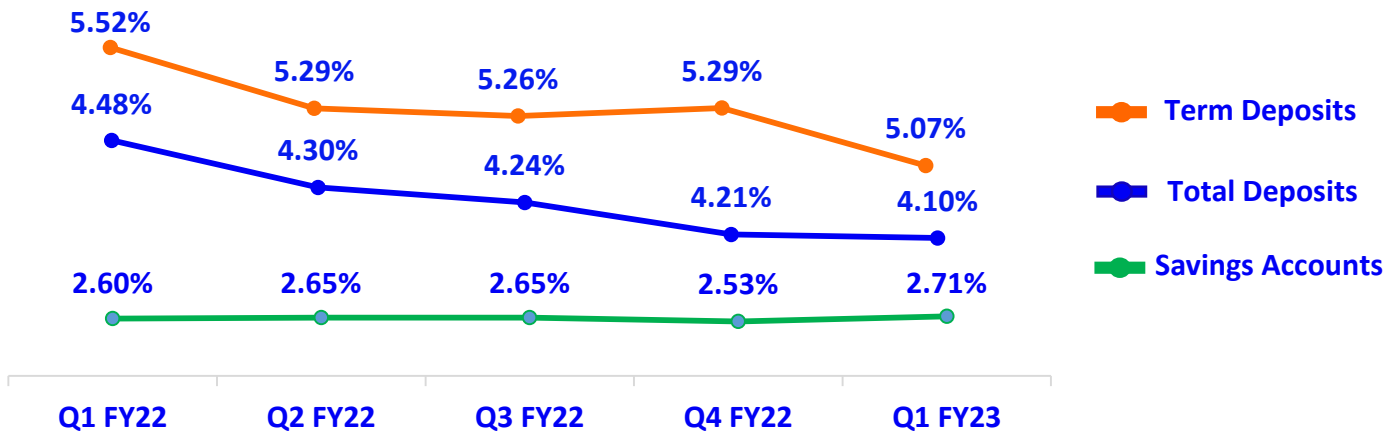
Business Overview

Earnings

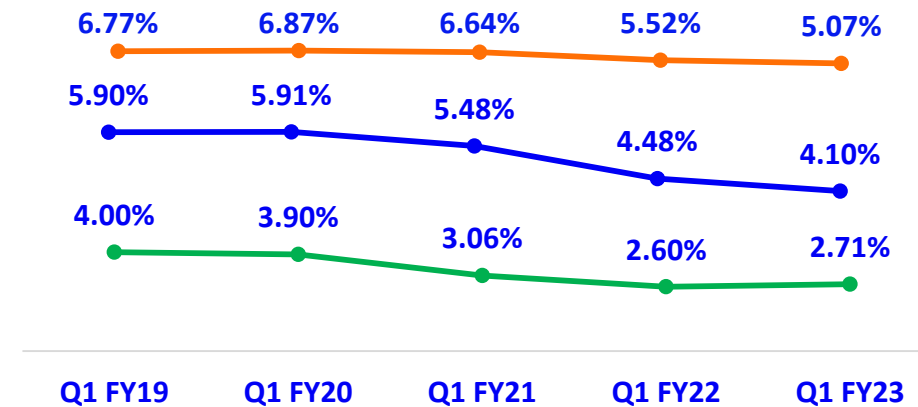
Digital Penetration

Strategy

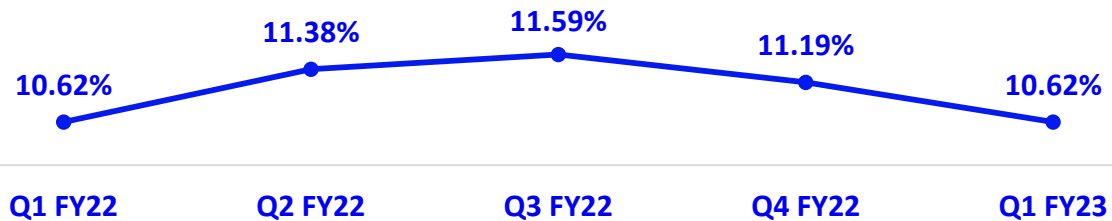
Cost of Deposits (QoQ)



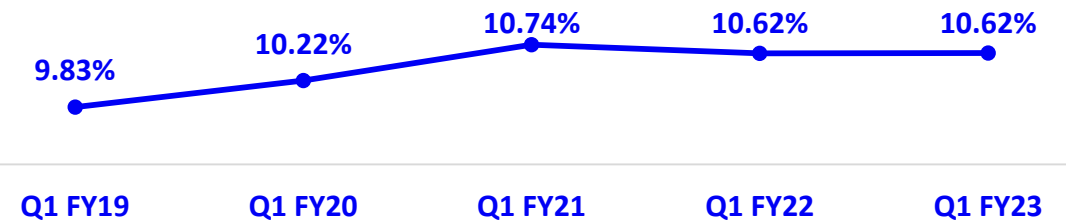
Cost of Deposits (YoY)



Yield on Advances (QoQ)



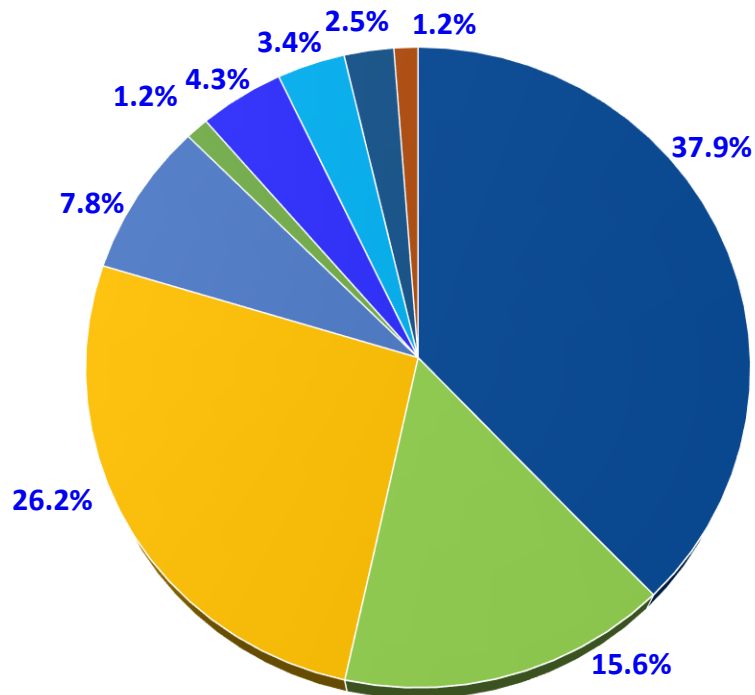
Yield on Advances (YoY)



Advance Mix

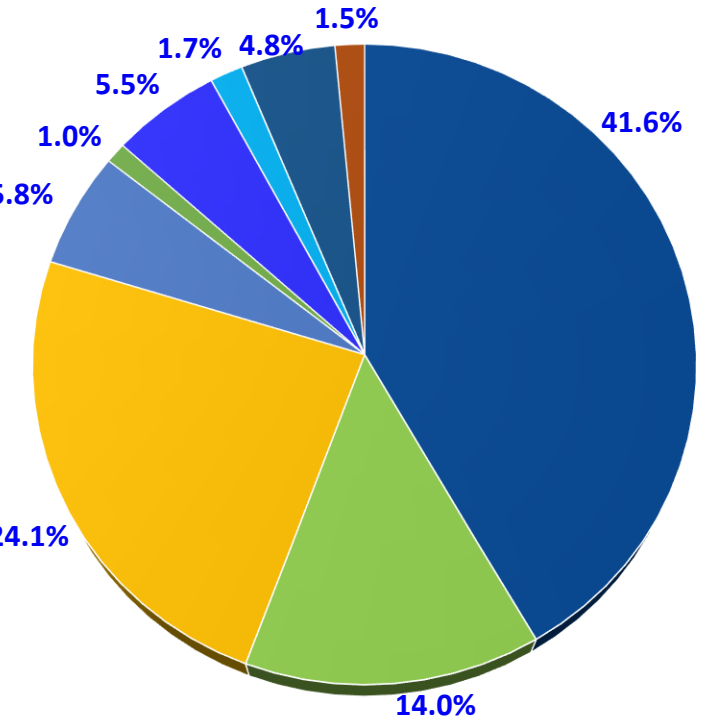
(Amt in Cr)

Q1 FY 22



Retail Loans includes 41% LAP, 20% HL, 7% EL, 3% VL & 29% others

Q1 FY 23



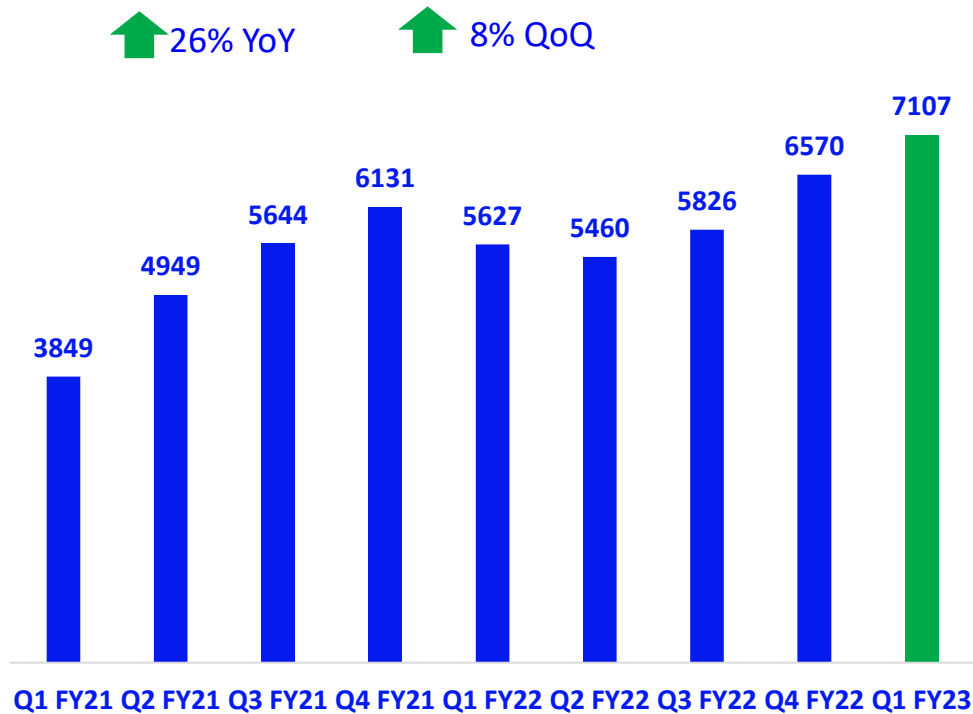
76% of Assignments loans are gold DA, Retail Loans includes 39% LAP, 19% HL, 6% EL, 3% VL & 33% others

5627	Gold Loans	7107	↑ 26.3%
2313	SME Loans	2389	↑ 3.3%
3900	Corporate Loans	4109	↑ 5.4%
1161	Retail Loans	998	↓ 14.0%
173	Two Wheeler Loans	178	↑ 2.9%
632	Assignment Loans	938	↑ 48.4%
507	LCBD & TReDS	282	↓ 44.4%
371	Agri Loans	812	↑ 118.9%
179	MFI Loans	253	↑ 41.3%

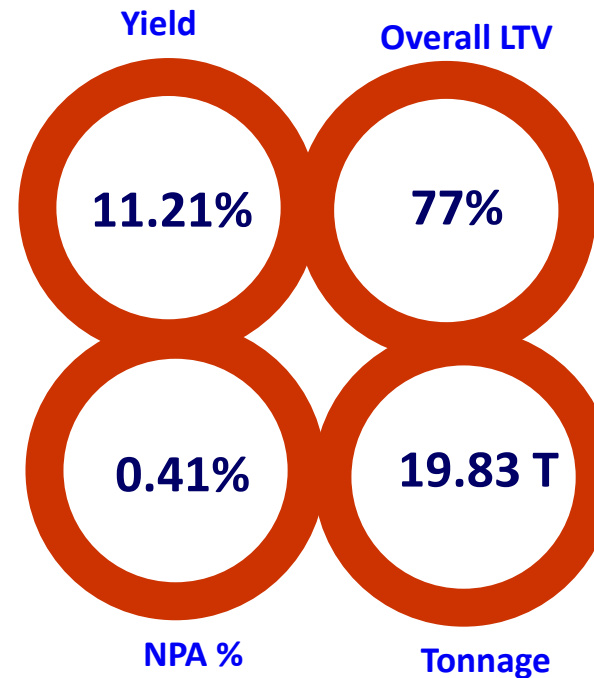
Gold Loan – Our DNA

(Amt in Cr)

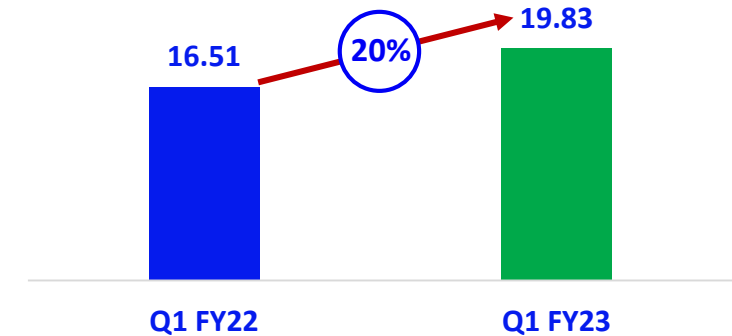
Portfolio Movements



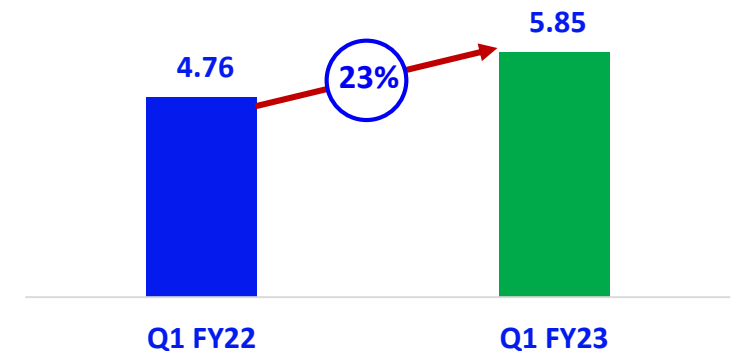
Portfolio Quality



Tonnage

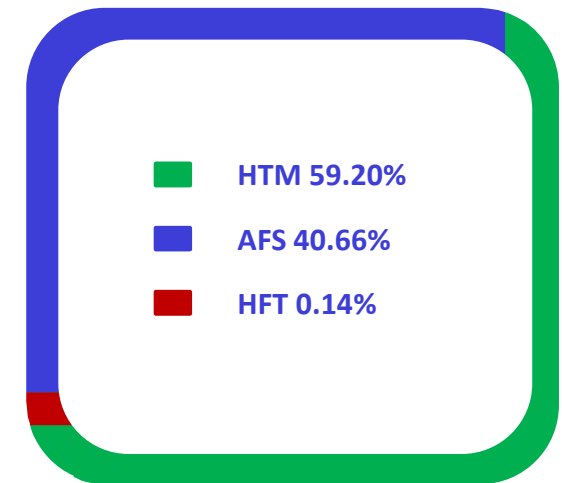
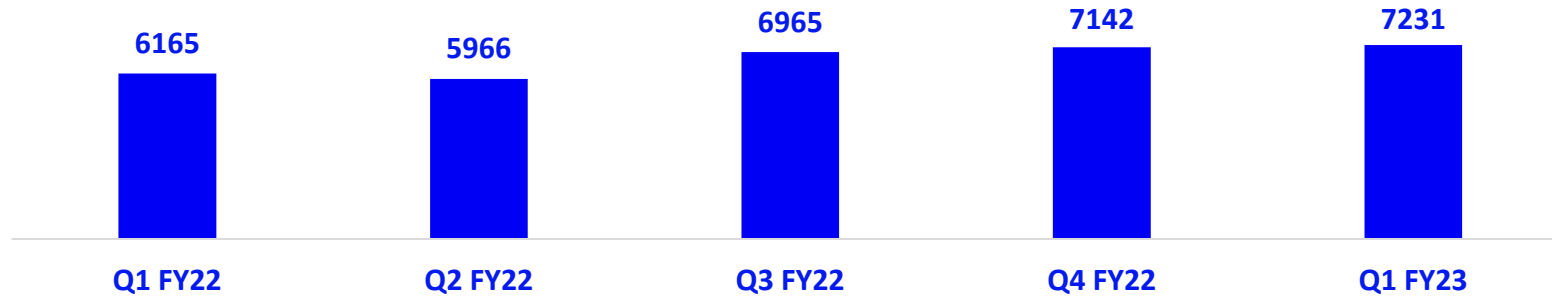


No of Accounts (in Lakhs)

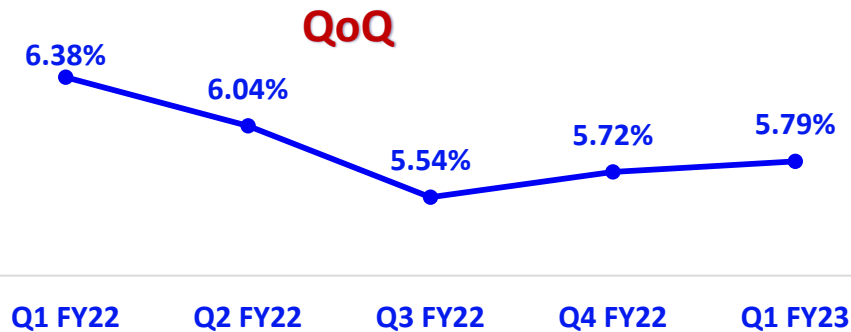


Investments

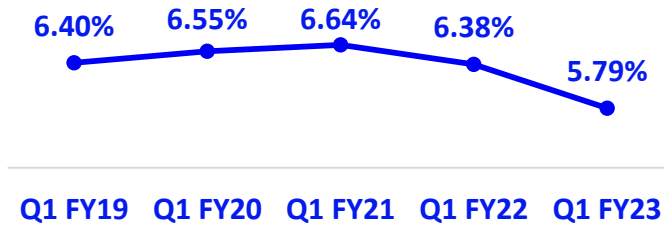
(Amt in Cr)



Yield on Investments



YoY

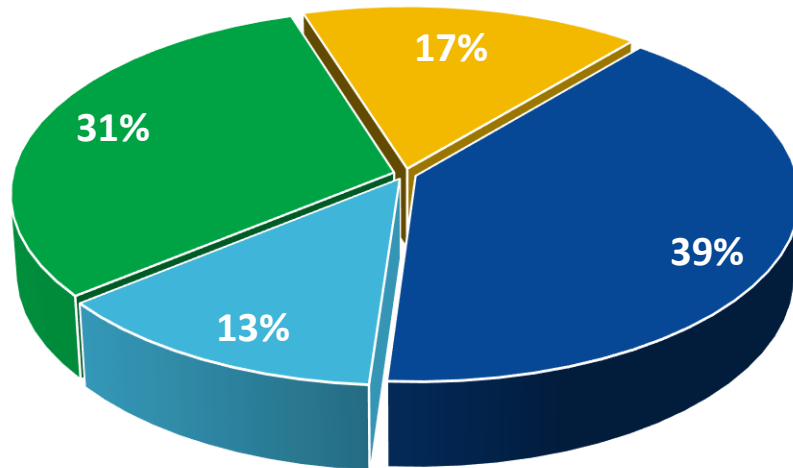


M Duration

HFT	AFS	HTM	Total
7.59	0.83	5.89	3.89

Sector Wise Exposure

Sector Wise Exposure



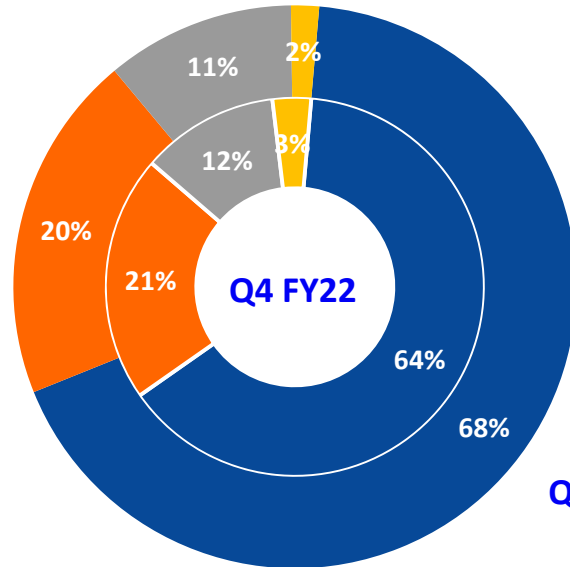
- Agriculture and Allied Activities
- Industry
- Services
- Retail & Others

Industries	% to Gross advances
Textiles	5.26%
Construction	3.89%
Infrastructure	3.60%
Food Processing	3.35%
Chemicals and Chemical Products (Dyes, Paints, etc)	0.76%
All Engineering	0.71%
Vehicles, Vehicle Parts and Transport Equipments	0.53%
Paper and Paper Products	0.25%
Gems and Jewellery	0.19%
Rubber, Plastic and their Products	0.15%
Basic Metal and Metal Products	0.14%
Wood and Wood Products	0.14%
Beverages (excluding Tea & Coffee) and Tobacco	0.13%
Cement and Cement Products	0.05%
Leather and Leather products	0.05%
Mining and Quarrying	0.04%
Other Industries	0.46%

Services	% to Gross advances
NBFCs	8.92%
HFC	3.96%
Wholesale & Retail Trade	3.59%
Tourism, Hotel and Restaurants	2.41%
Real Estate Activities	0.85%
Transport Operators	0.75%
MFIs	0.61%
Computer and Related Activities	0.41%
Other Services	10.51%

Rating wise Exposure

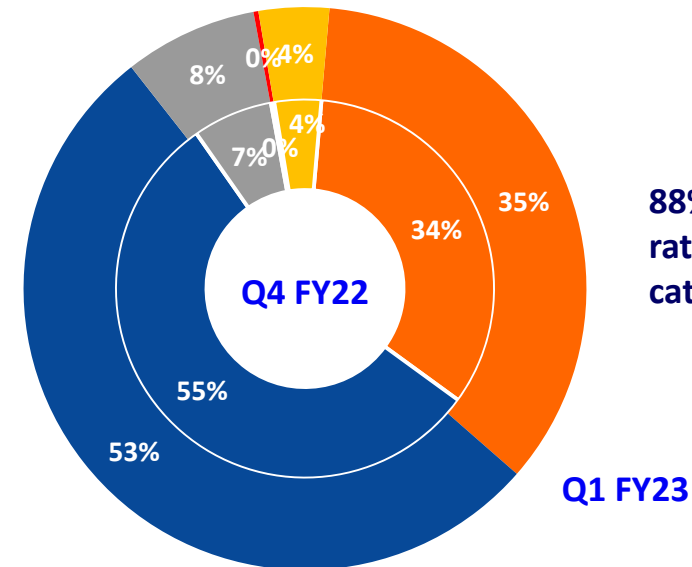
External Rating of Corporate Accounts (>Rs 25Cr)



98% of Corporate advances are externally rated of which 68% are having A & above rating.

■ A & Above ■ BBB ■ <BBB ■ Others

Internal Rating of SME accounts



88% of SME advances are rated as Low/Medium risk categories

■ Low ■ Medium ■ High ■ Very High ■ Others

Profit & Loss Account - Q1 FY 23

Amt in Cr

	Q4 FY22	Q1 FY23	QoQ	Q1 FY22	YoY
Interest Income	519.6	535.9	3%	495.3	8%
Interest Expense	215.7	225.2	4%	227.5	-1%
Net Interest Income	303.8	310.7	2%	267.8	16%
Treasury Profit	-1.2	9.9	-	21.5	-54%
Exchange Profit	2.1	2.8	33%	3.1	-10%
Processing Fees	10.3	7.7	-25%	9.1	-15%
Commission Income	22.6	17.9	-21%	11.0	63%
PSLC Income	-	-	-	12.5	-
Other Income	29.9	16.5	-45%	14.0	18%
Total Non Interest Income	63.6	54.9	-14%	71.2	-23%
Total Net Operating Income	367.4	365.5	-1%	339.0	8%
Staff Cost	143.4	122.2	-15%	97.2	26%
Other Opex	82.0	88.6	8%	67.0	32%
Total Opex	225.4	210.8	-6%	164.3	28%
Operating Profit	142.1	154.7	9%	174.7	-11%

	Q4 FY22	Q1 FY23	QoQ	Q1 FY22	YoY
Operating Profit	142.1	154.7	9%	174.7	-11%
Provision for NPA	-37.3	-1.2	-	97.3	-
Other Provisions	3.2	2.9	-9%	-4.0	-
Total Provisions	-34.1	1.7	-	93.2	-98%
Profit Before Tax	176.1	153.0	-13%	81.5	88%
Tax	45.5	38.5	-15%	20.5	88%
Profit/Loss (-) After Tax	130.6	114.4	-12%	61.0	88%

- ❖ Profit After Tax is at Rs 114.52 Cr in Q 1 FY 23 as against Rs 61.00 Cr in Q 1 FY 22 and Rs 130.67 Cr for the sequential quarter. Net profit increased by 88% YoY basis.
- ❖ Operating Profit of the bank is Rs 154.72 Cr whereas it was Rs 174.74 Cr for the same period last FY. The same is up by 9% on Q-o-Q basis (Rs 142.05 Cr in Q4 FY 22).
- ❖ Net Interest Income (NII) earned for the first quarter is Rs 310.69 Cr with a Y-o-Y increase of 16% (Rs 267.75 Cr for Q1 FY 22). QoQ there is an increase of Rs7 crore.
- ❖ Non-Interest Income for Q1 FY 23 is at Rs 54.85 Cr as against Rs 71.24 Cr for the same period last year.

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Balance Sheet – Q1 FY 23

Amt in Cr

30-06-2021

30-06-2022

YoY (%)

31-03-2022

QoQ (%)

Liabilities

Capital	173.5	173.5	0.0%	173.5	0.0%
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Reserves & Surplus	2,069.5	2,593.2	25.3%	2,477.90	4.7%
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Deposits	18,652.8	20,266.8	8.7%	20,188.30	0.4%
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Of Which CASA	6,171.7	7,121.9	15.4%	6,795.20	4.8%
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Borrowings	1,313.5	1,985.0	51.1%	2,007.20	-1.1%
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Other Liabilities & Provisions	462.4	476.2	3.0%	509.4	-6.5%
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Total	22,671.7	25,494.8	12.45%	25,356.3	0.55%
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Assets

Cash & Balance with RBI	860.2	1,112.7	29.4%	948.2	17.3%
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Balance with Banks Money at call & Short Notice	681.1	36.5	-94.6%	625.5	-94.2%
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Investments	6,054.7	7,105.4	17.4%	7,011.60	1.3%
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Advances	13,817.2	16,142.1	16.8%	15,814.70	2.1%
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Fixed Assets	271.3	286.8	5.7%	287.9	-0.4%
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Other Assets	987.1	811.3	-17.8%	668.4	21.4%
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Total	22,671.7	25,494.8	12.45%	25,356.3	0.55%
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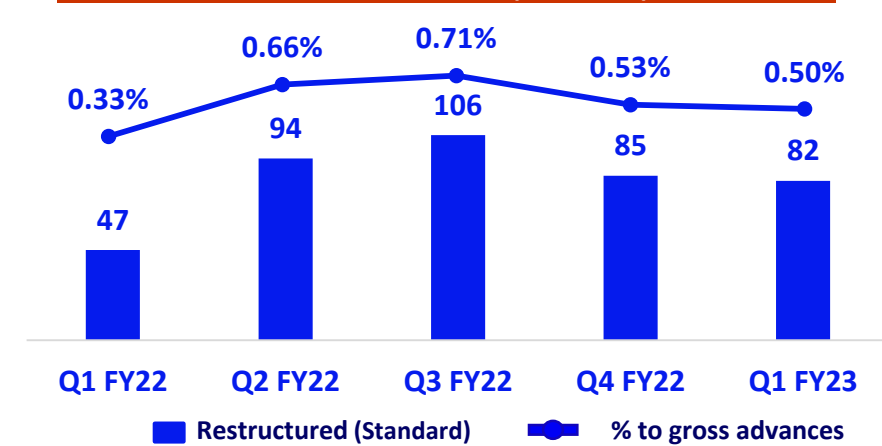
Asset Quality

Amt in Cr

Gross NPA: Movement

	QoQ movement				
	Q1 FY22 (3 months)	Q2 FY22 (3 months)	Q3 FY22 (3 months)	Q4 FY22 (3 months)	Q1 FY23 (3 months)
Opening Balance of Gross NPA	393	686	587	389	290
Additions	435	205	81	38	37
Sub-total (A)	829	892	668	427	327
Less:-					
(i) Upgradations	20	96	72	36	15
(ii) Recoveries	36	190	206	98	17
(iii) Technical/ Prudential Write-offs	86	19	-	-	-
(iv) Write-offs	-	1	1	3	2
Sub-total (B)	142	305	279	137	34
Closing balance of Gross NPA (A – B)	686	587	389	290	293

Restructured (Standard)



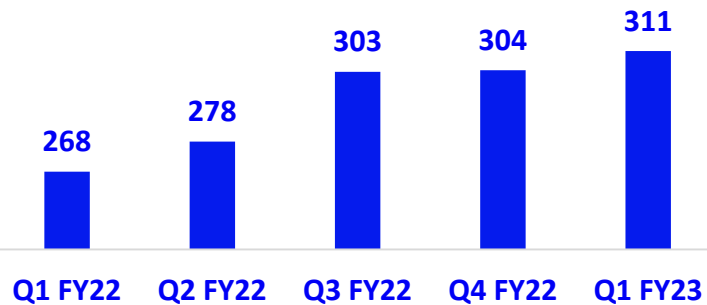
Security Receipts

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23
Book Value	181.1	177.3	170.5	161.4	154.9
Net Book Value	77.5	56.6	50.2	33.0	33.0

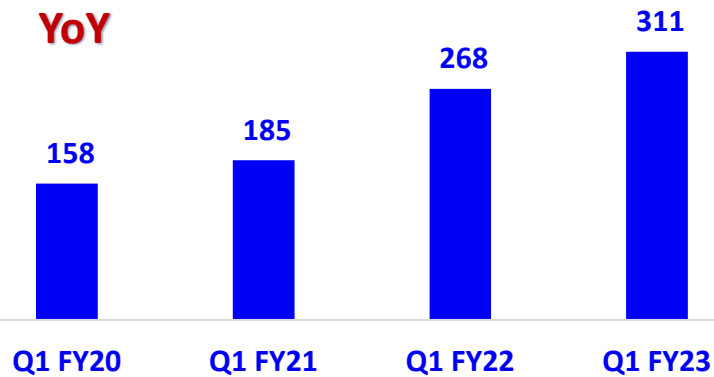
Profitability Ratios

Net Interest Income (in Cr)

QoQ

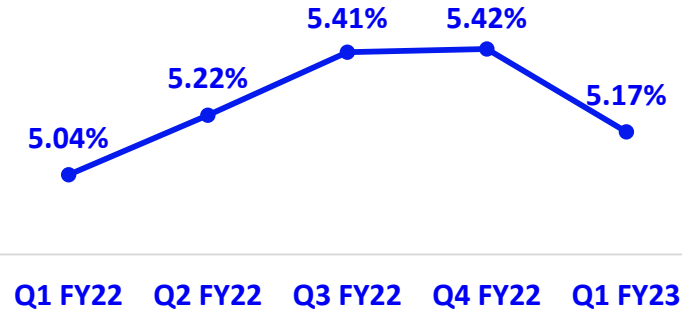


YoY

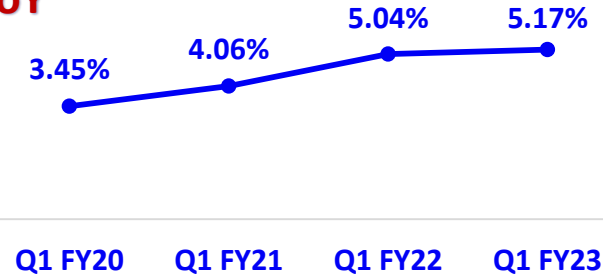


NIM

QoQ



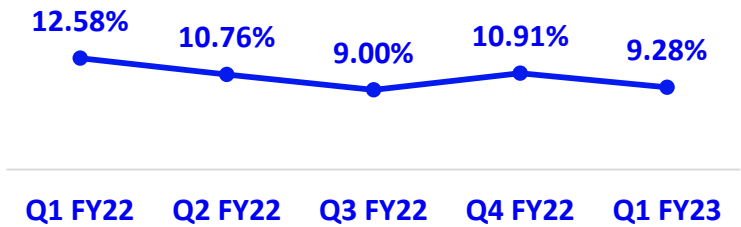
YoY



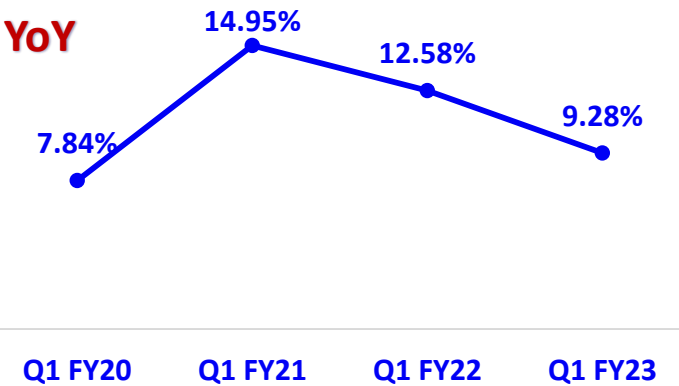
*NIM = NII/Avg interest earning assets

Non interest Income to Total Income

QoQ



YoY



Profitability Ratios

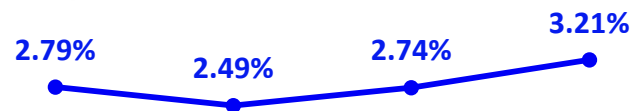
Opex to Average assets

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

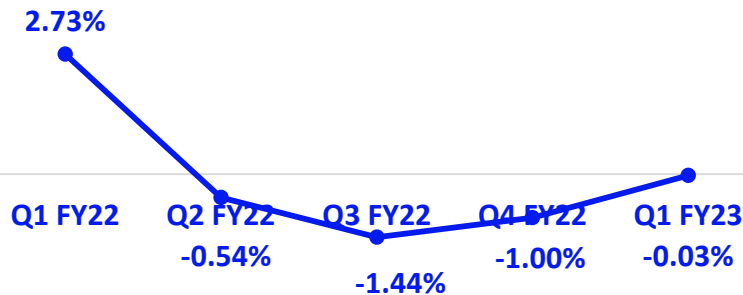
YoY



Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

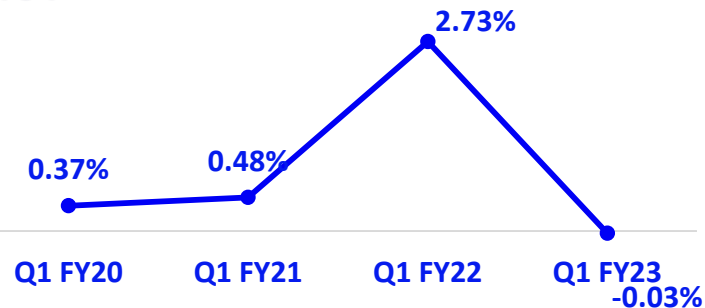
Credit Cost

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

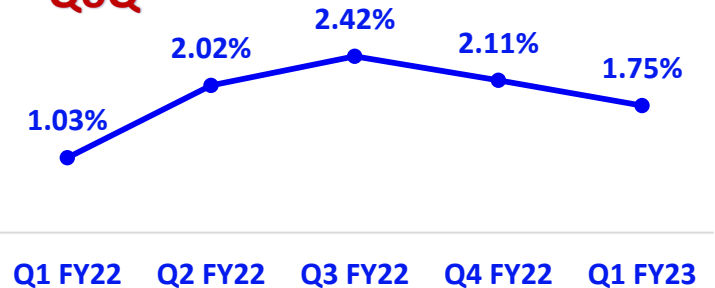
YoY



Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

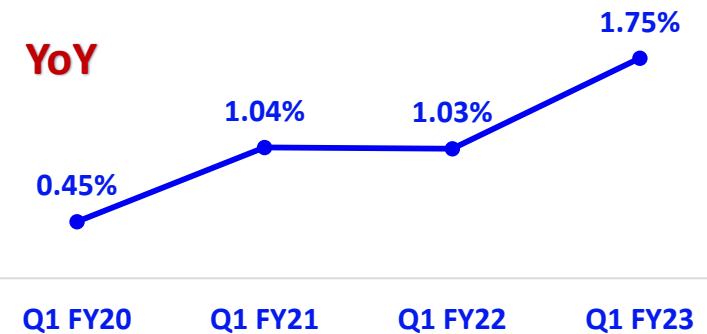
RoA

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

YoY



Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

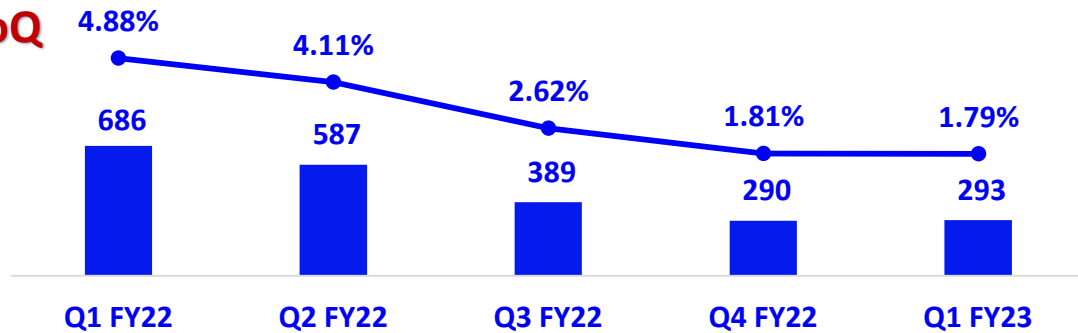
Asset Quality Ratios

Amt in Cr

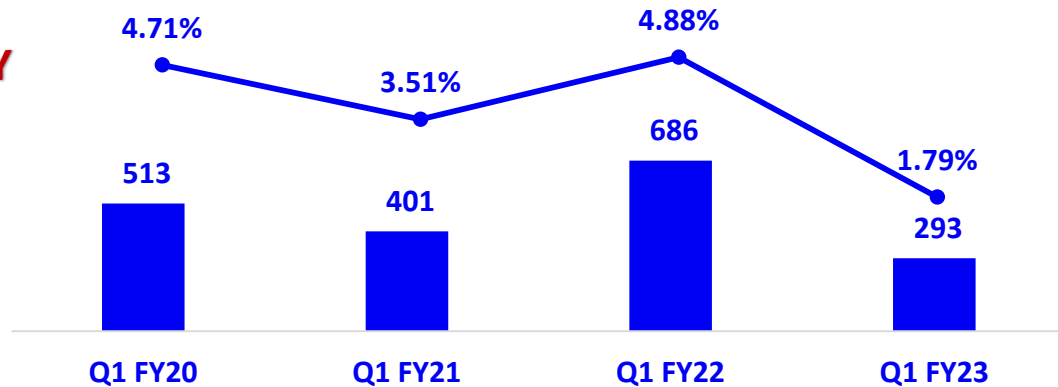
■ Gross NPA

— Gross NPA %

QoQ



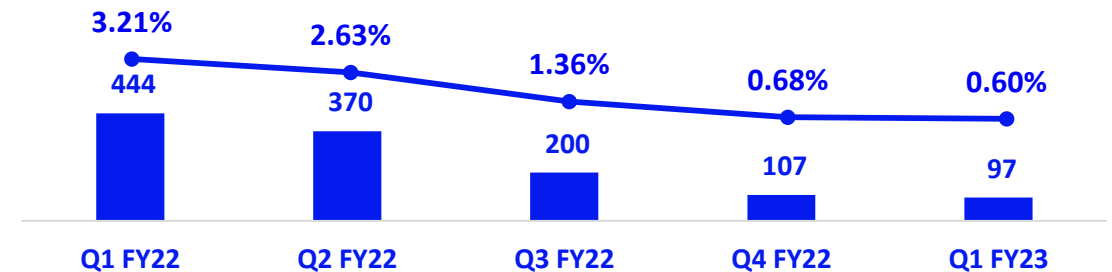
YoY



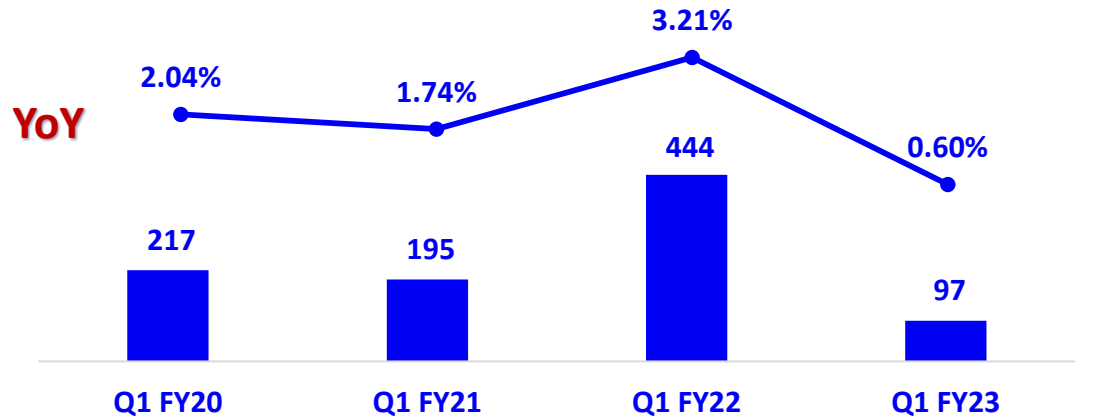
■ Net NPA

— Net NPA %

QoQ



YoY

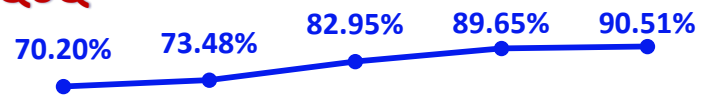


Asset Quality Ratios

Amt in Cr

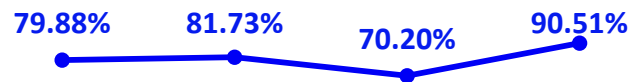
Provision Coverage Ratio

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

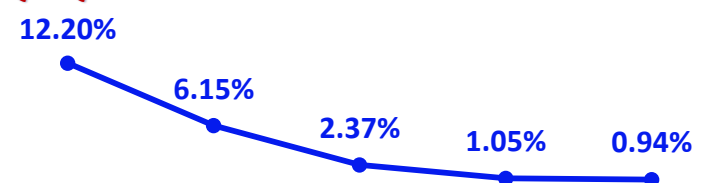
YoY



Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

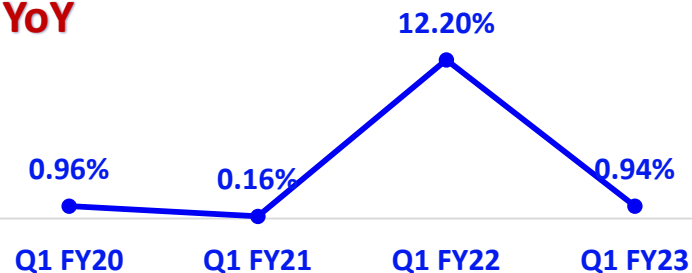
Slippage Ratio

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

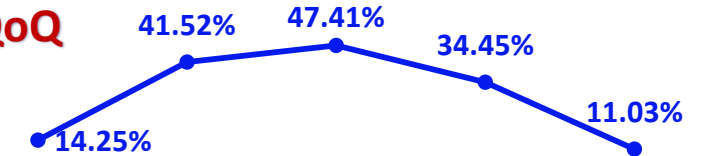
YoY



Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

Recovery Rate

QoQ



Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22 Q1 FY23

YoY



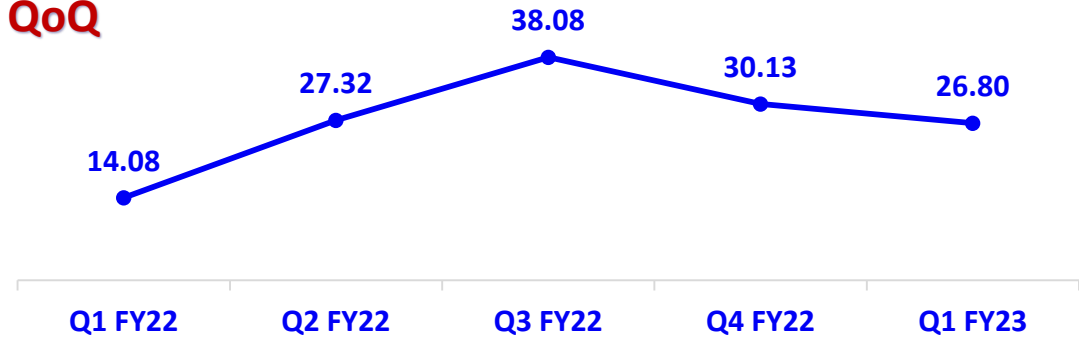
Q1 FY20 Q1 FY21 Q1 FY22 Q1 FY23

Share Holders Return & Risk Ratios

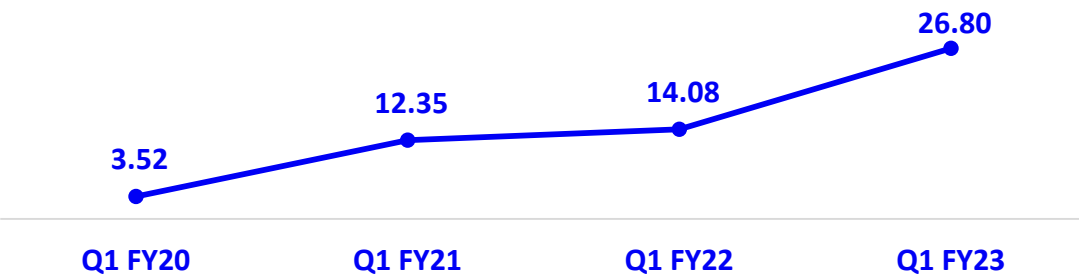
EPS

(in Rs)

QoQ

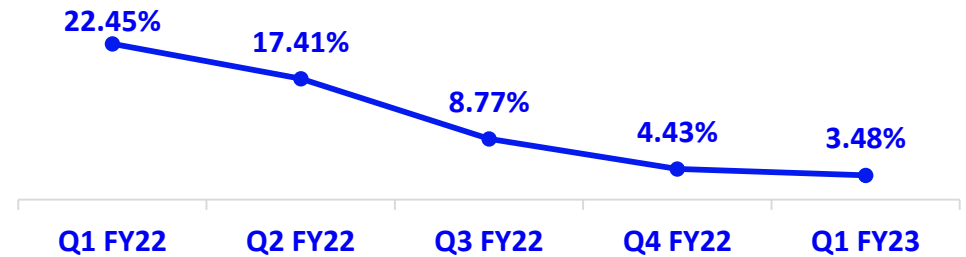


YoY

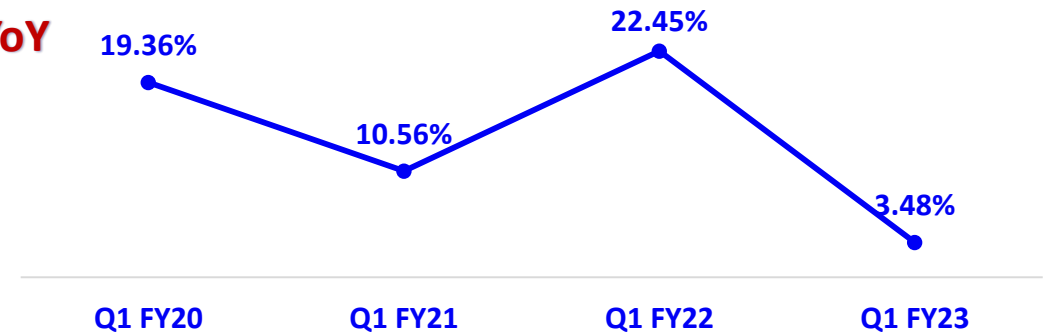


Net NPA to Networth

QoQ



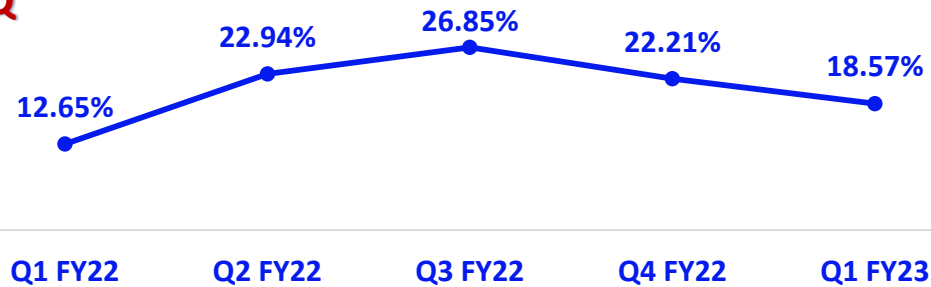
YoY



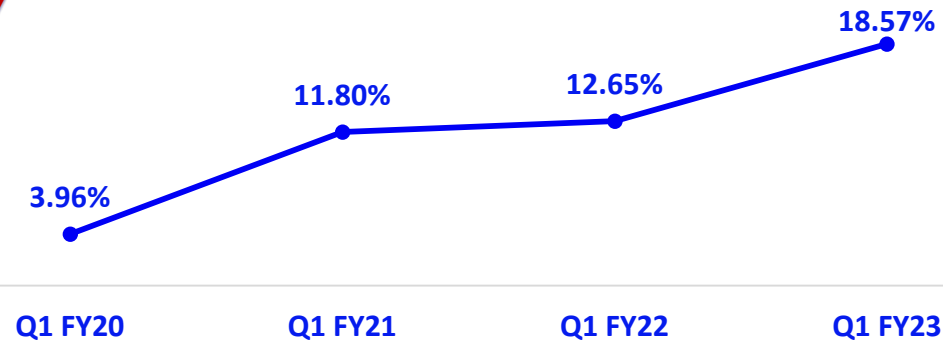
Share Holders Return & Risk Ratios

RoE

QoQ



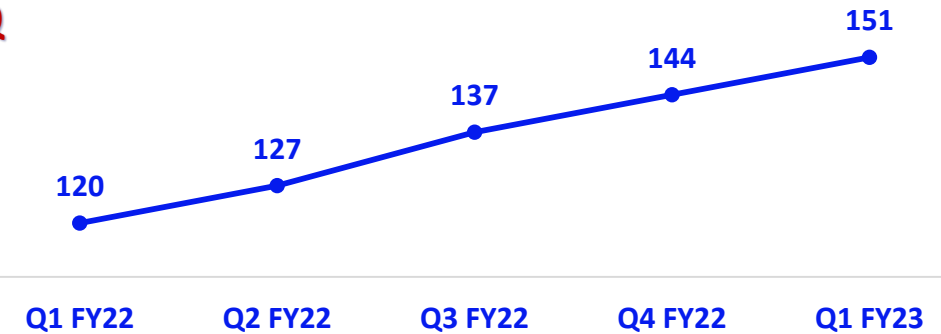
YoY



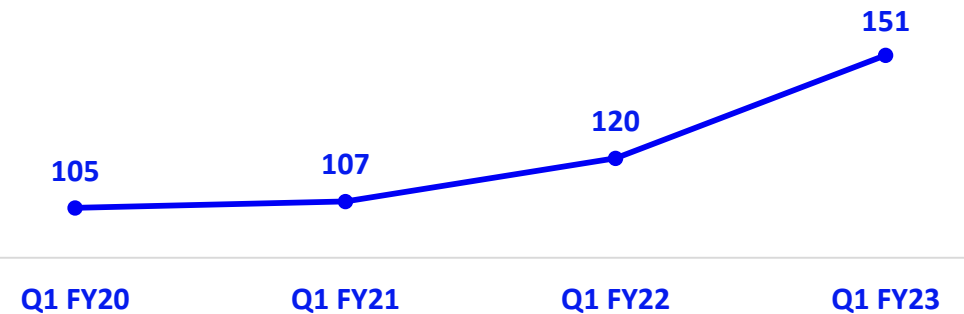
Book Value per Share

(in Rs)

QoQ



YoY



Company
Overview

Business
Overview

Earnings

Digital
Penetration

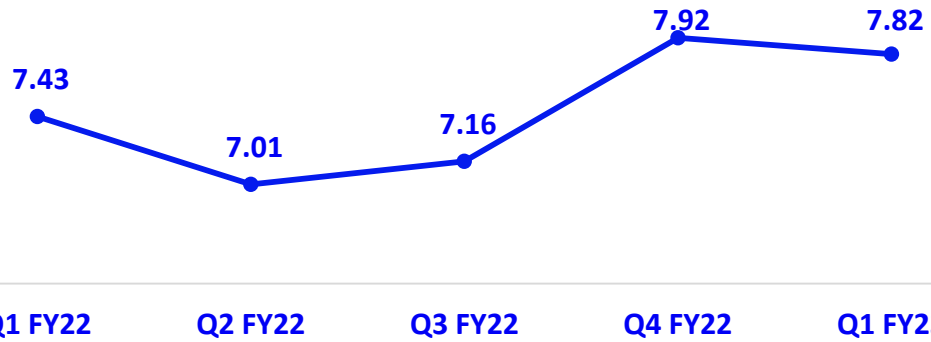
Strategy

Efficiency Ratios

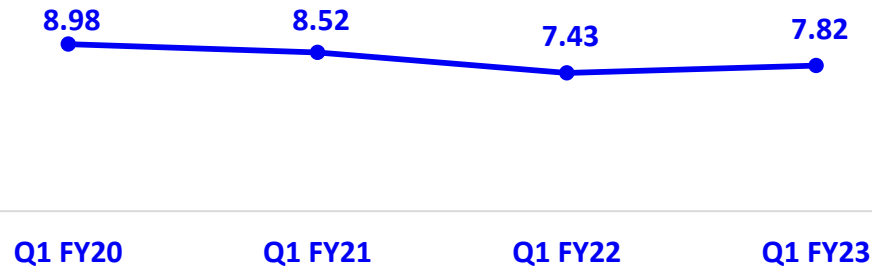
Business per Employee

(In Cr)

QoQ



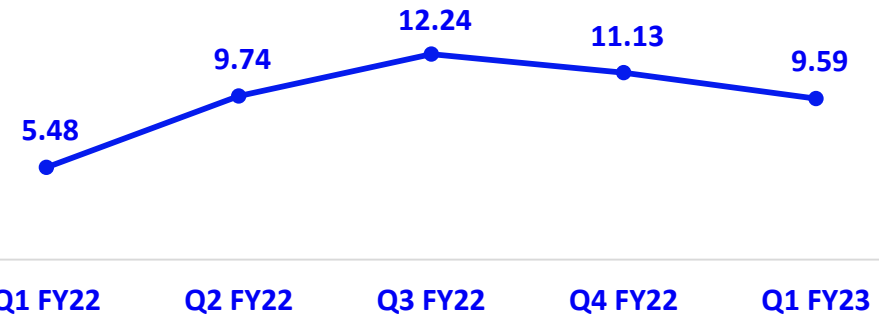
YoY



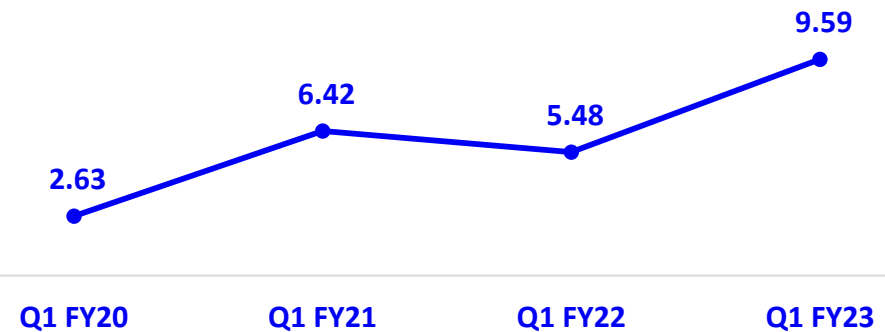
Profit per Employee

(in Lakhs)

QoQ



YoY



Company
Overview

Business
Overview

Earnings

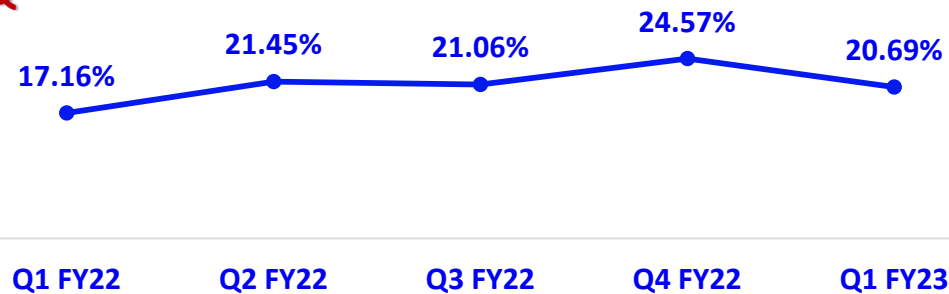
Digital
Penetration

Strategy

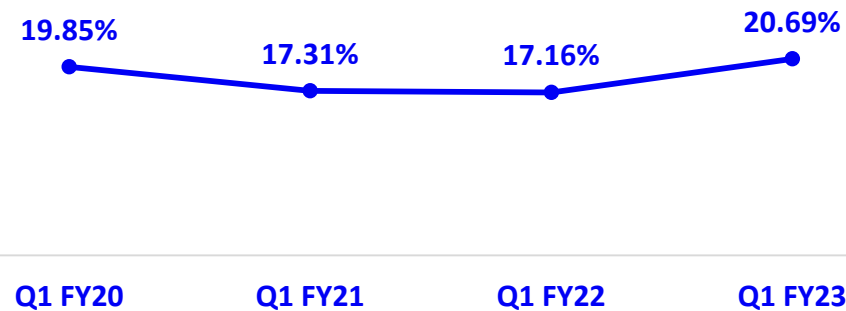
Efficiency Ratios

Staff Cost to Total Income

QoQ

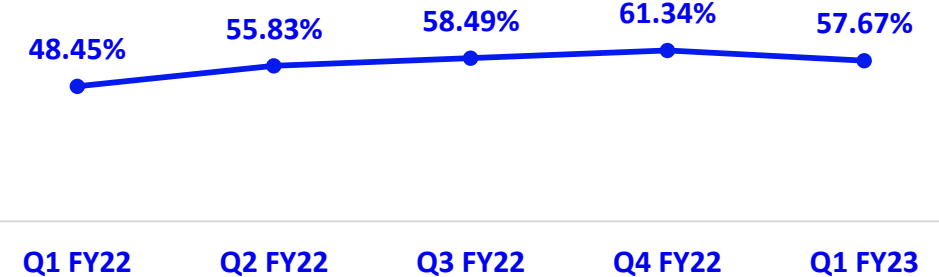


YoY

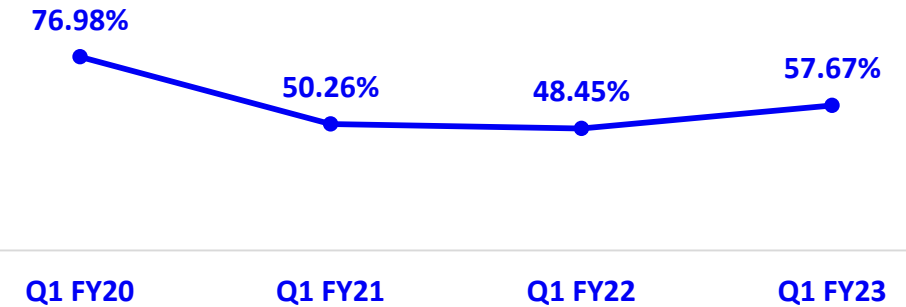


Cost to Income Ratio

QoQ



YoY



Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Digital Touch Points



1,496 Installations



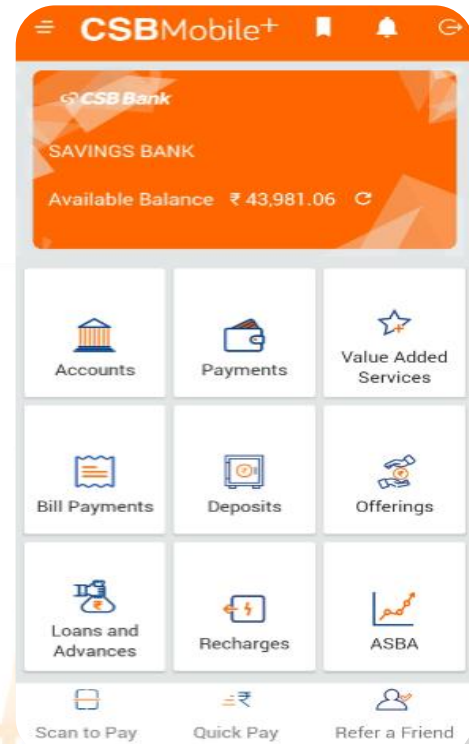
6.49 lacs + Debit Cards



3.71 lacs+ Net
Banking users



495 ATM
Network



3.55 lacs+ Mobile
Banking Users



4,646+ QR
Installations



84,742+ ePassbook
Downloads



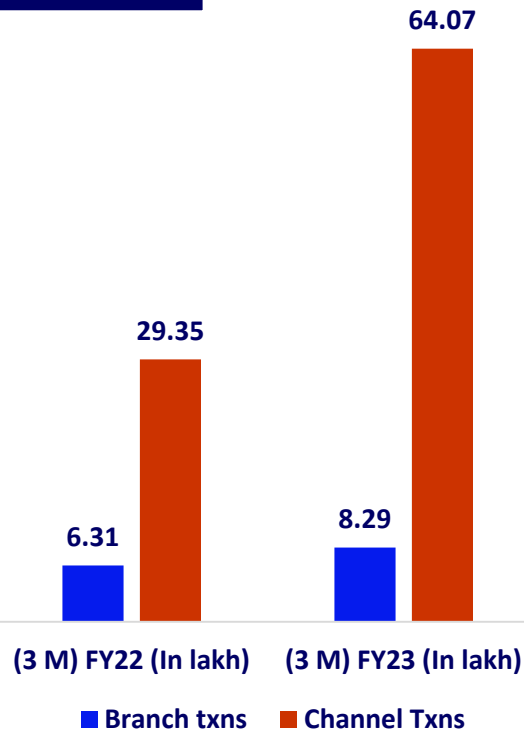
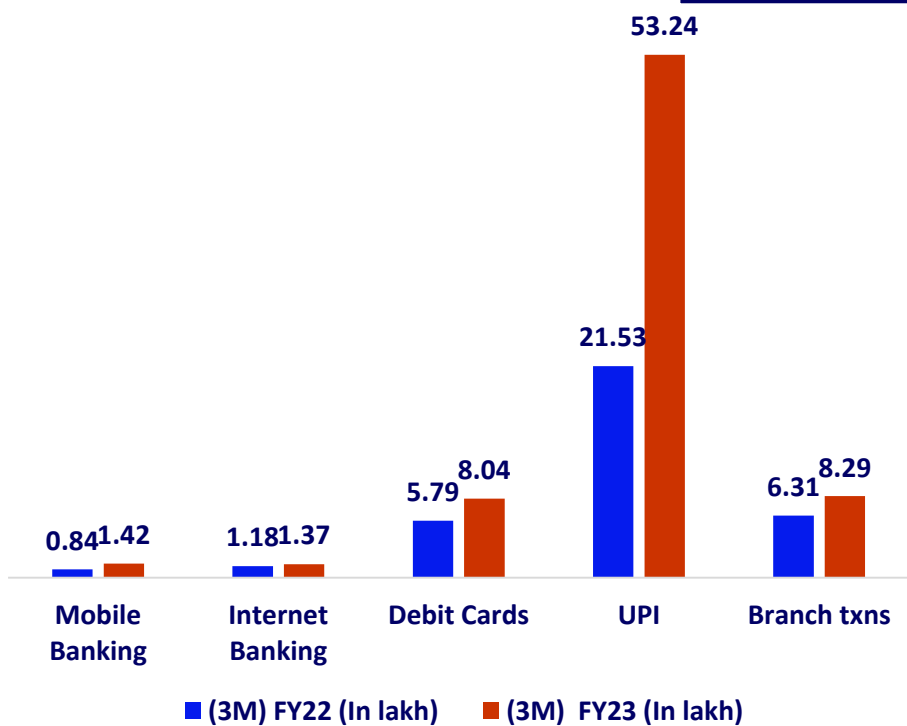
78,600+Prepaid
Cards



1.33 lac+ UPI
Downloads

Channel Transactions

Digital vs Branch



	No. of txns	
	3 M FY22 (In lakh)	3 M FY23 (In lakh)
Mobile Banking	0.84	1.42
Internet Banking	1.18	1.37
Debit Cards	5.79	8.04
UPI	21.53	53.24
Branch txns	6.31	8.29
Total Channel Transactions	29.35	64.07
% of channel txns	82.31%	88.54%

**Company
Overview**

**Business
Overview**

Earnings

**Digital
Penetration**

Strategy

SBS 2030

SUSTAIN

PROFITABLE FRANCHISE



BUILD

PLATFORMS FOR FUTURE



SCALE

EXECUTE WITH GUARDRAILS





THANK YOU!

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