

INVESTOR PRESENTATION

Q2-FY23 / SEPTEMBER 2022

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Key Information

Improved Profitability

*PAT of Rs 235.07 Cr for H1 FY 23 (up by 31% YoY) Q2 PAT at Rs 120.55 Cr

*RoA Q2 FY23 : 1.87% (up by 12 bps QoQ) RoA H1 FY 23-1.81%

*RoE H1 FY23 : 18.49%

Cost and Revenue

* NII growth of 16% YoY & 5% QoQ

* NIM above 5% on a quarterly and half yearly basis-5.60% & 5.38% respectively

*Other income ex Treasury increased by 48% QoQ

Growth Momentum

*Net Advances grew by 24% YoY

*Gold loan grew by 47% YoY

*Deposits grew by 10% YoY

*CASA book grew by 16% YoY & CASA Ratio is at 34.27%

* Healthy CD Ratio (Gross) : 87.54% as on 30-09-2022

Well Capitalised & Strong Liquidity Position

*Strong capital comfort with a CRAR of 25.14% as on 30.09.2022

*Tier I ratio of 23.63%

*Book value per share up by 24% YoY (Rs 127 to Rs 158)

*Strong liquidity -LCR of 126 % & NSFR at 159%

Asset Quality

*GNPA ratio of 1.65% (down by 246 bps YoY)

*Net NPA ratio of 0.57% (down by 206 bps YoY)

*PCR of 90.14%

*Credit cost continues to be negative

- A century young Organisation
- 608 Branches & 507 ATMs/CRMs
- 11 Zonal Offices
- 2.1Mn+ happy customers
- Presence in 16 states & 4 UTs
- Total business of ≈ Rs 39,300 Cr
- 7 bancassurance tie ups with industry leaders.

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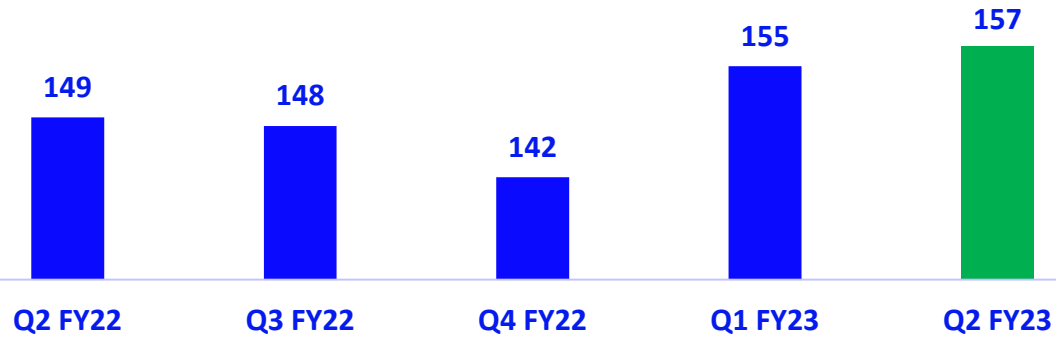
Digital Penetration

Strategy

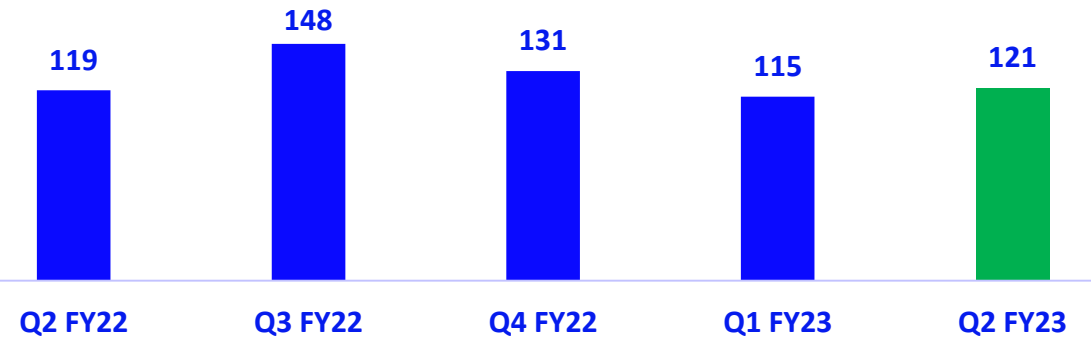
Profitability Ratios

Amt in Cr

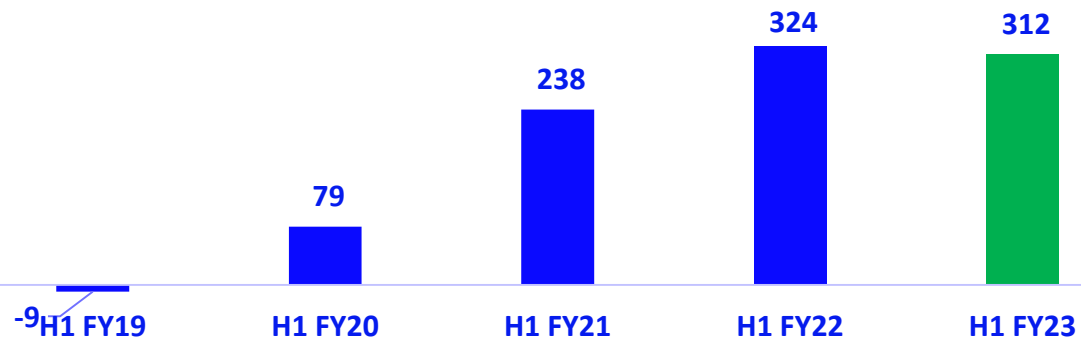
Operating Profit QoQ



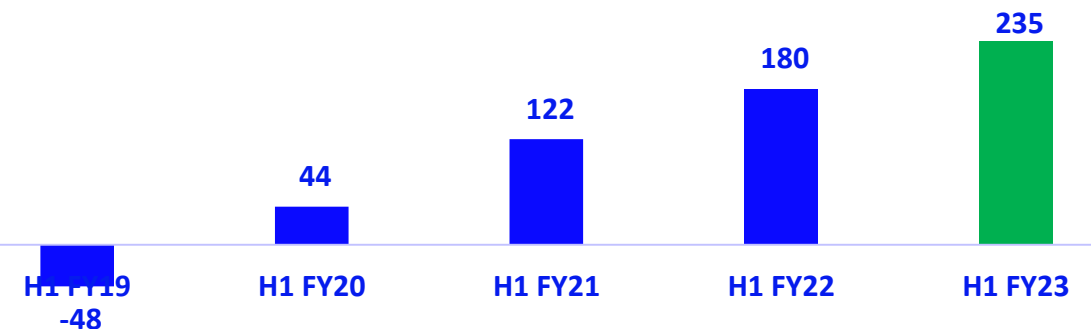
Net Profit QoQ



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	100%

Prudential Provisions	Amount (in Cr)
NPA Provision	97
Contingency provision	106
Total	203
Tax	51
After Tax Impact	152

Contingency provision is more than Net NPA

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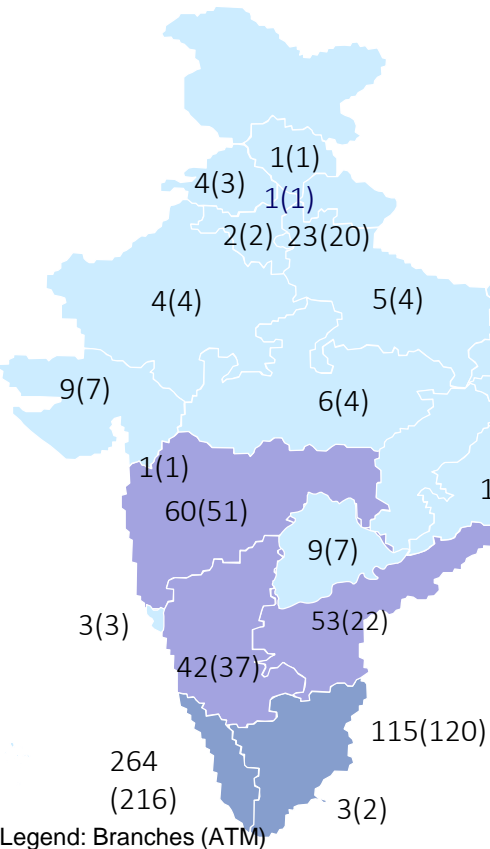
Digital Penetration

Strategy

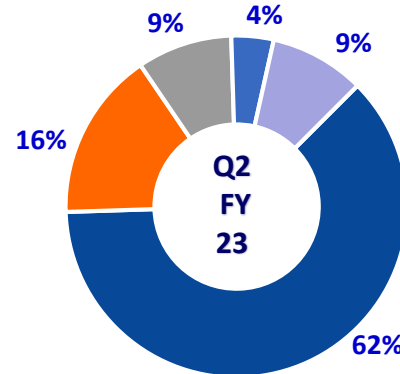
Branch Distribution

State	% distribution	
	Sep-21	Sep-22
KERALA	49%	43%
TAMIL NADU	17%	19%
MAHARASHTRA	10%	10%
ANDHRA	6%	9%
KARNATAKA	7%	7%
OTHERS	11%	12%

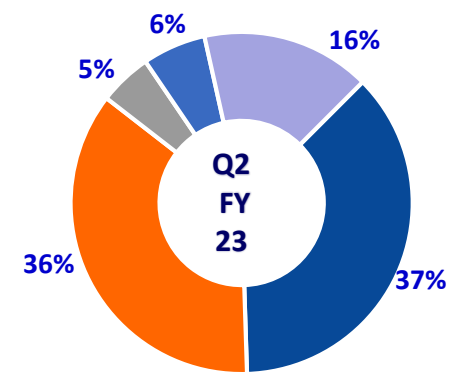
Population	No of Branches	
	Sep-21	Sep-22
Metropolitan	112	123
Urban	110	120
Semi-urban	277	318
Rural	42	47
Grand Total	541	608



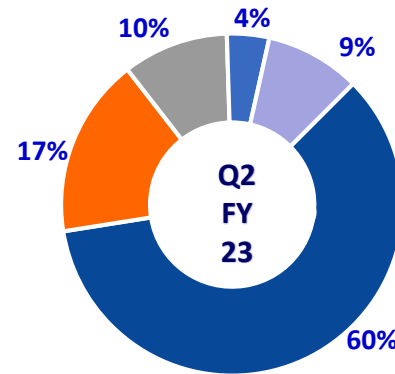
CASA



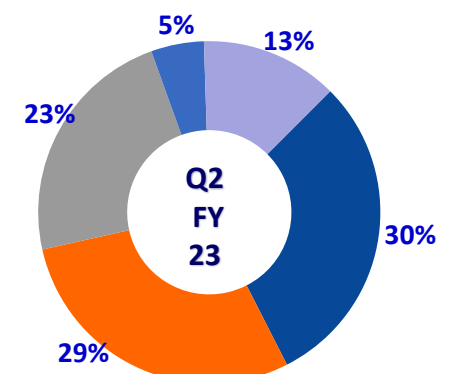
Gold Loans



Total Deposits



Total Advances

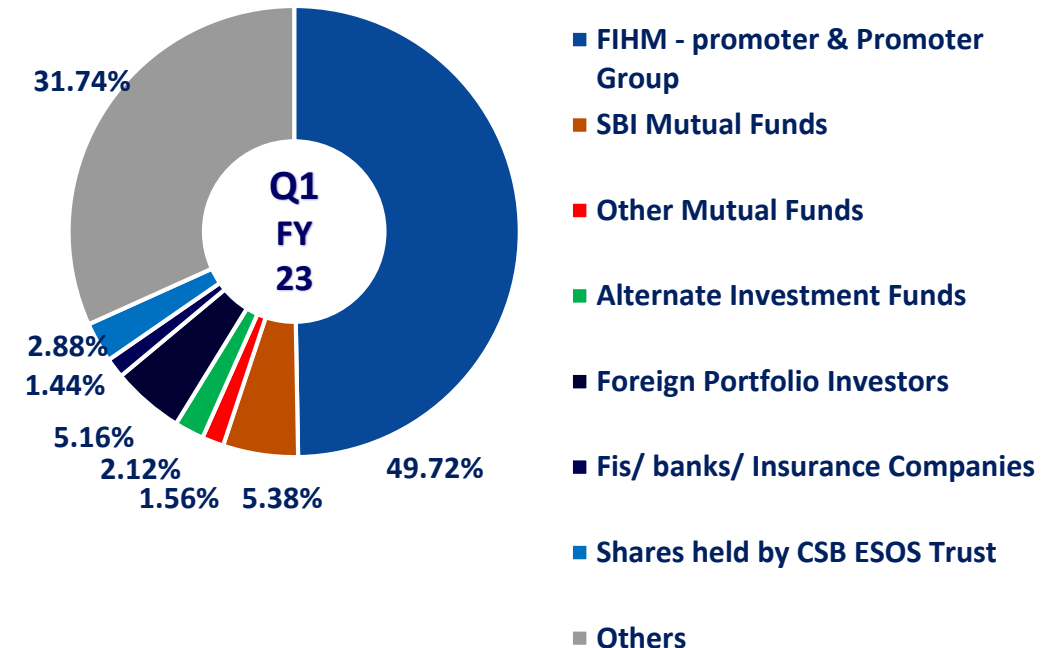


■ Kerala ■ Tamilnadu ■ Maharashtra ■ Karnataka ■ Others

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 Fund	1	9.34	5.39%
Other Mutual Funds	8	2.70	1.56%
Alternate Investment Funds	8	3.67	2.12%
Foreign Portfolio Investors	45	8.95	5.16%
Fis/ banks/ Insurance Companies	1	2.49	1.43%
Shares held by CSB ESOS Trust	1	5.00	2.88%
Others	56777	55.07	31.74%
Total	56842	173.48	100.00%

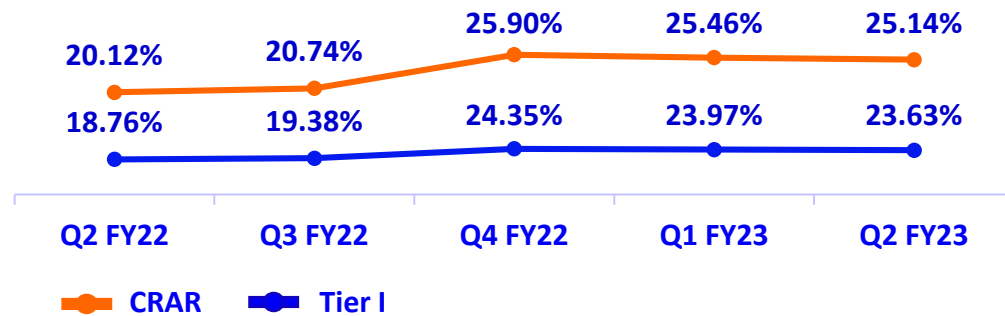
% of Share Holding



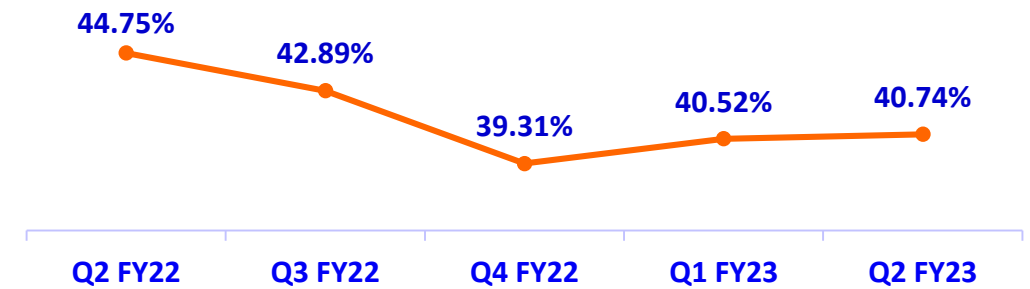
Solid CRAR & Adequate Liquidity – Our Strength

Amt in Cr

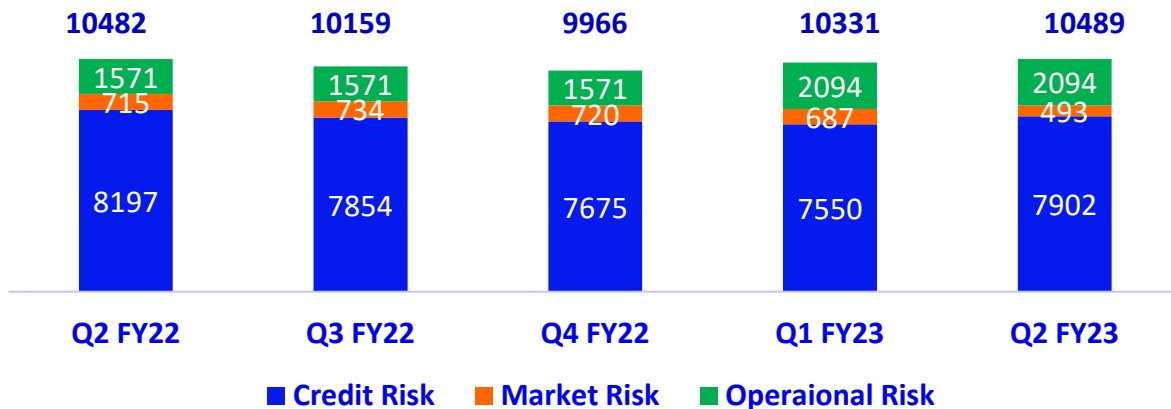
Capital Adequacy Ratio



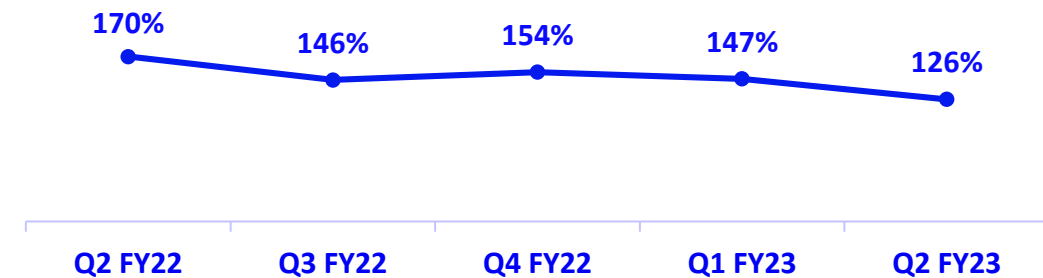
RWA to Total Assets



Risk Weighted Assets



Liquidity Coverage Ratio



Company Overview

Business Overview

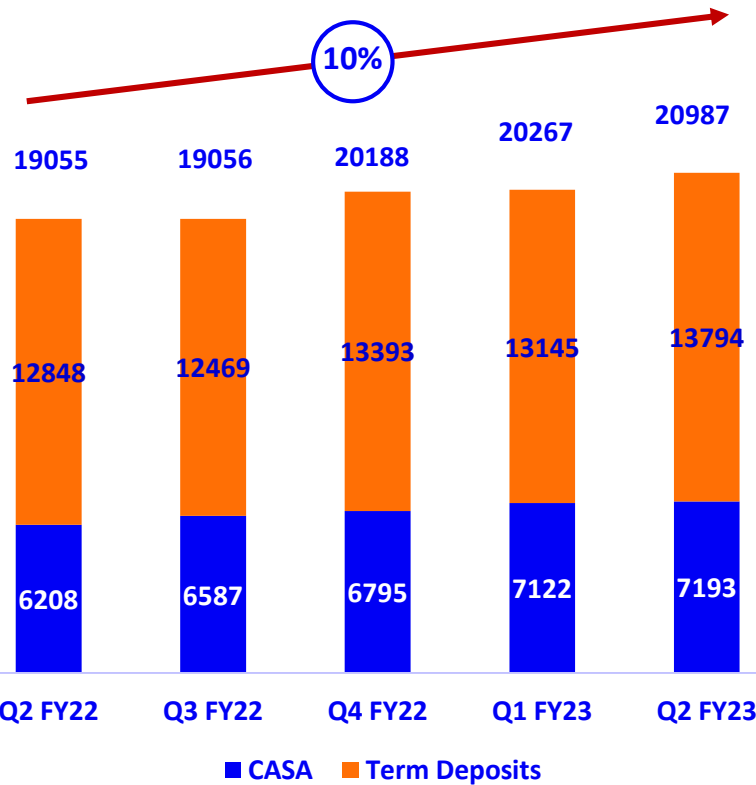
Earnings

Digital Penetration

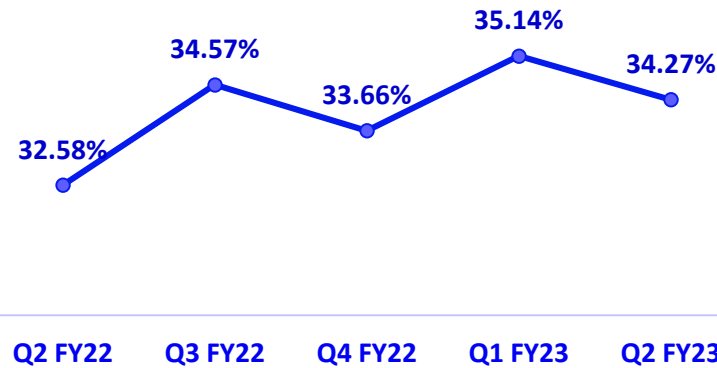
Strategy

Total Deposits

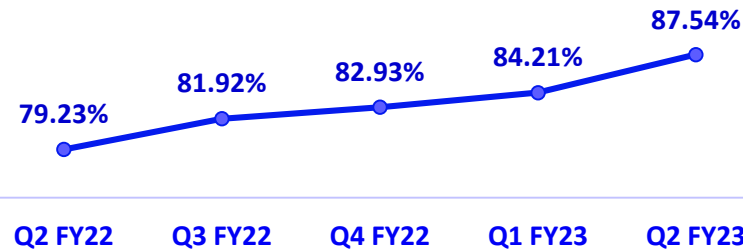
(Amt in Cr)



CASA Ratio

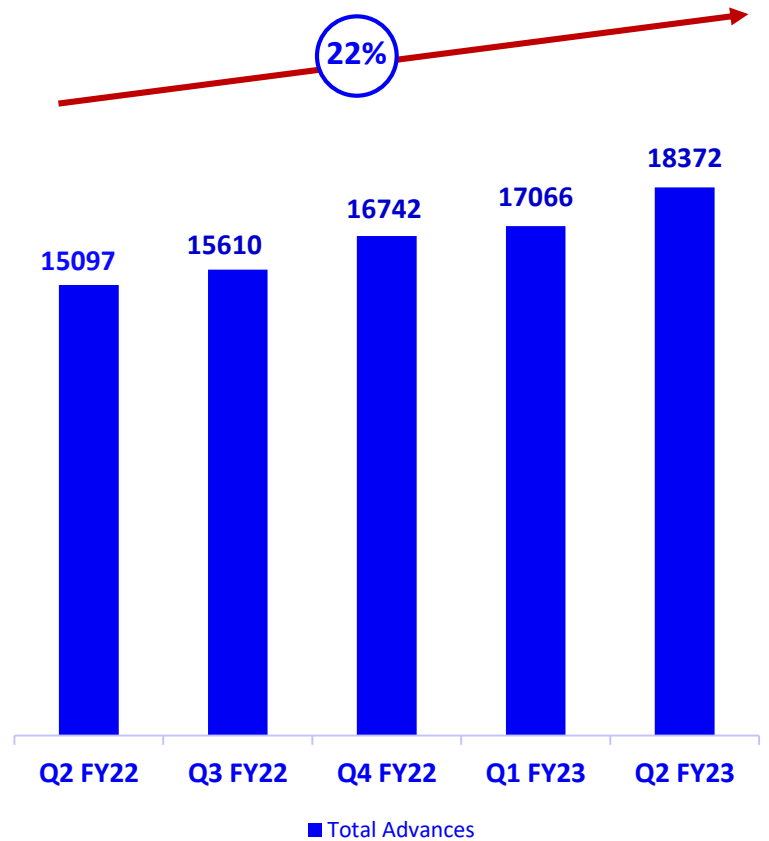


Gross CD Ratio

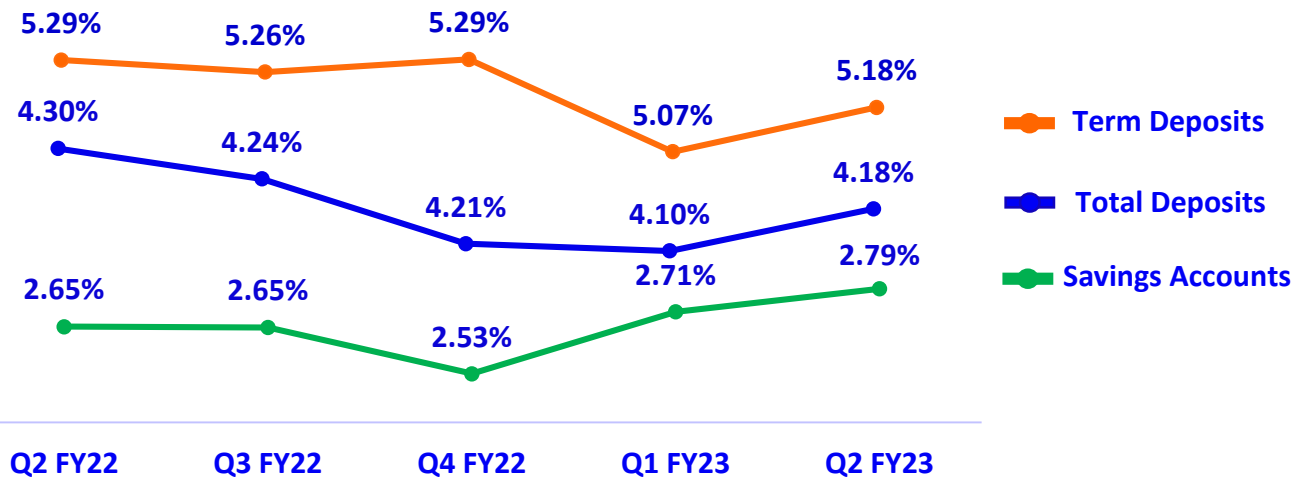


Total Gross Advances

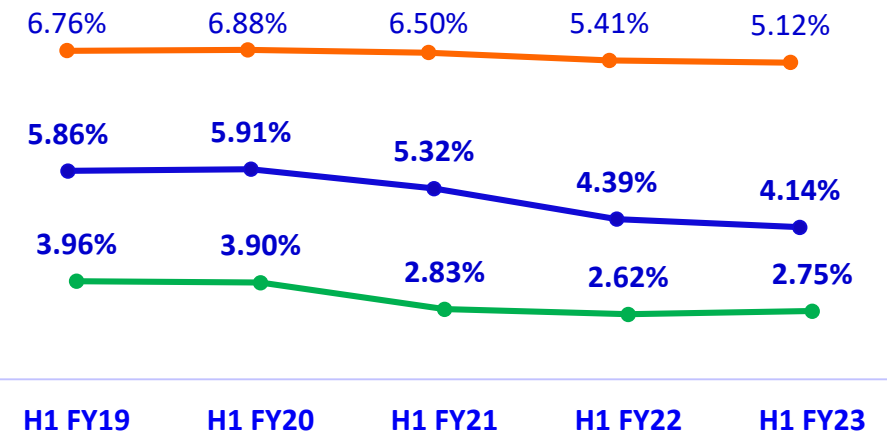
(Amt in Cr)



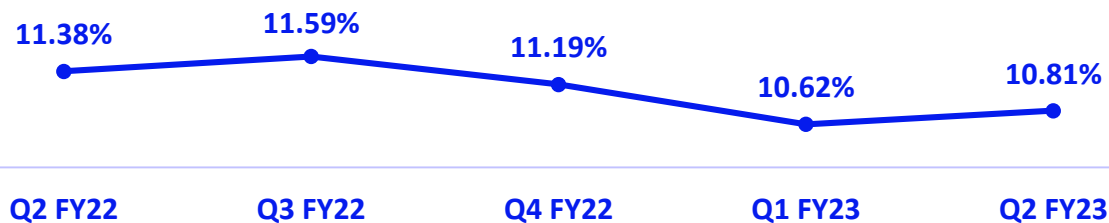
Cost of Deposits (QoQ)



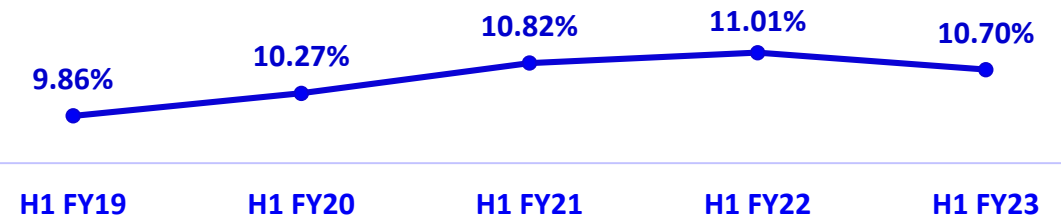
Cost of Deposits (YoY)



Yield on Advances (QoQ)



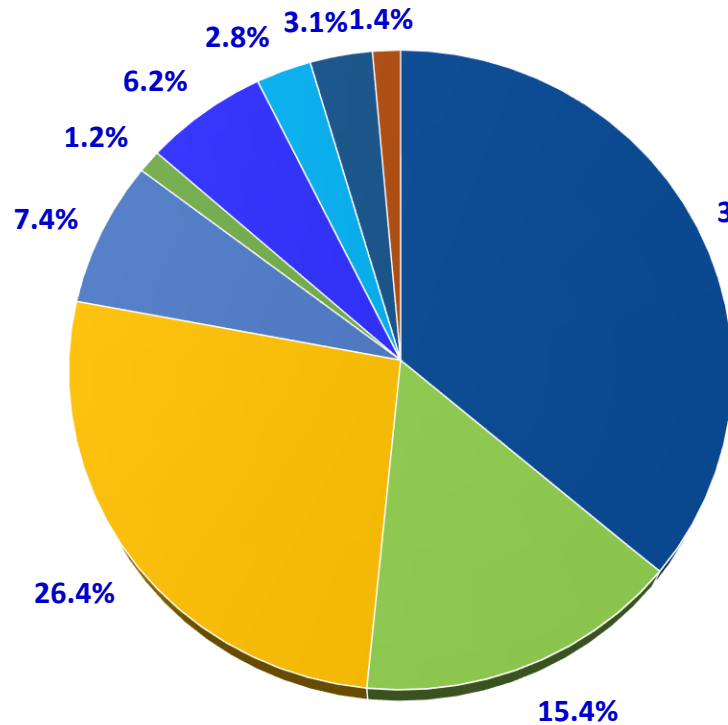
Yield on Advances (YoY)



Advance Mix

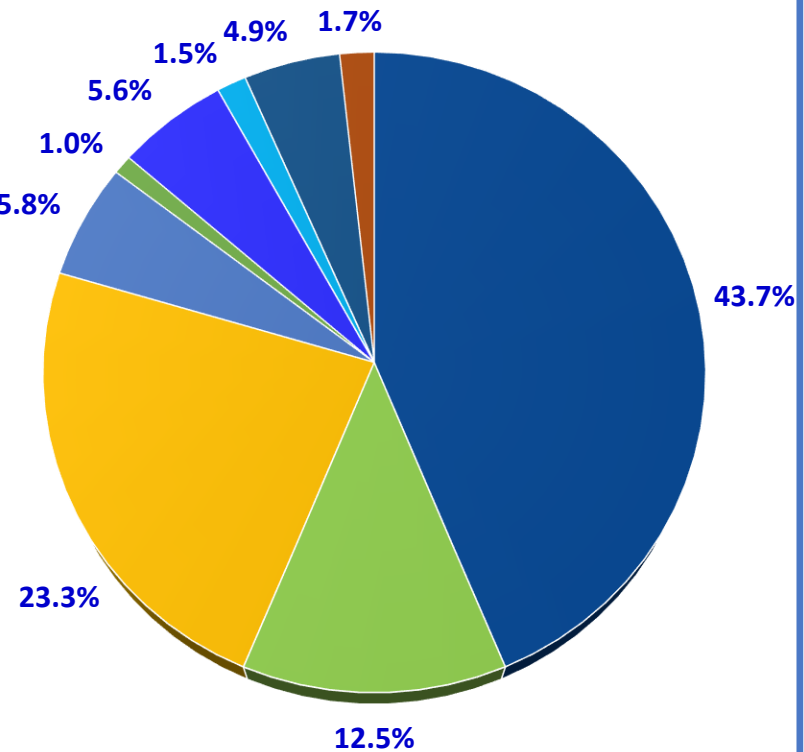
(Amt in Cr)

Q2 FY 22



Retail Loans includes 41% LAP, 20% HL, 6% EL, 3% VL & 30% others

Q2 FY 23



82% of Assignments loans are gold DA, Retail Loans includes 42% LAP, 17% HL, 5% EL, 3% VL & 33% others

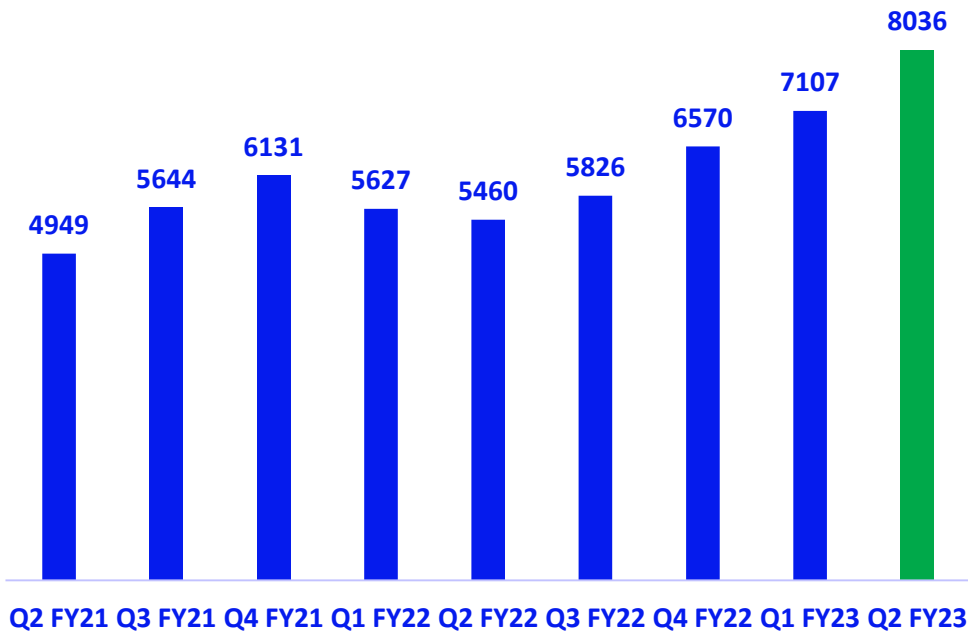
5460	Gold Loans	8036	↑ 47.2%
2326	SME Loans	2299	↓ 1.2%
3983	Corporate Loans	4278	↑ 7.4%
1112	Retail Loans	1068	↓ 4.0%
177	Two Wheeler Loans	178	↑ 0.4%
934	Assignment Loans	1031	↑ 10.4%
419	LCBD & TReDS	274	↓ 34.7%
474	Agri Loans	892	↑ 88.2%
212	MFI Loans	318	↑ 49.9%

Gold Loan – Our DNA

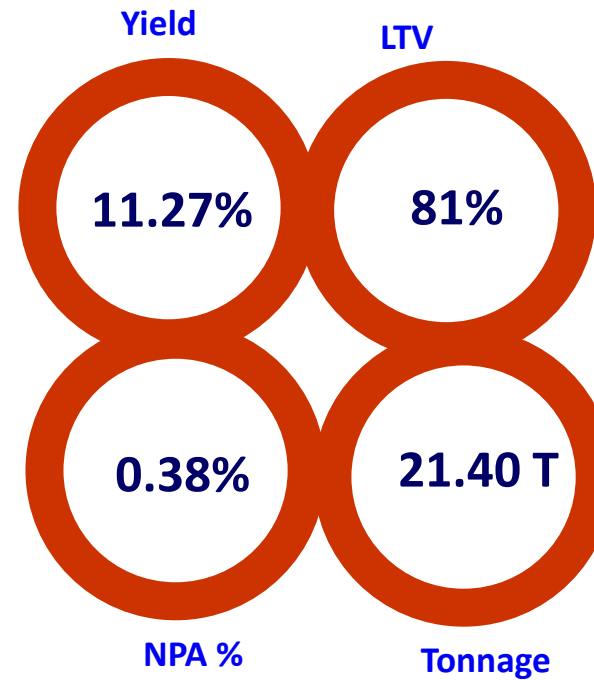
(Amt in Cr)

Portfolio Movements

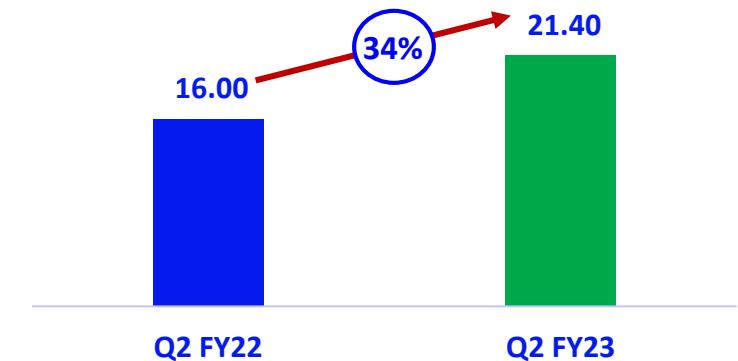
↑ 47% YoY ↑ 13% QoQ



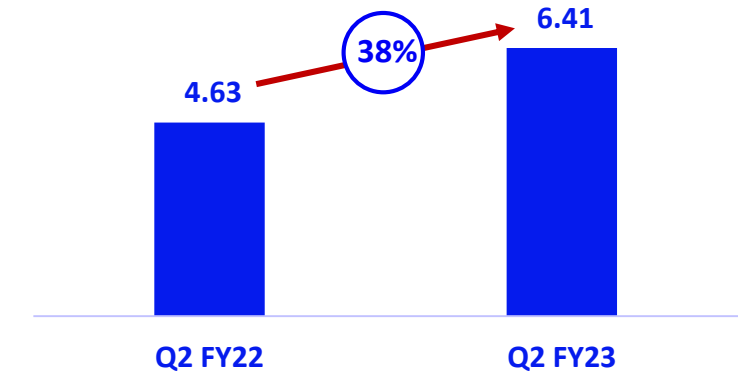
Portfolio Quality



Tonnage

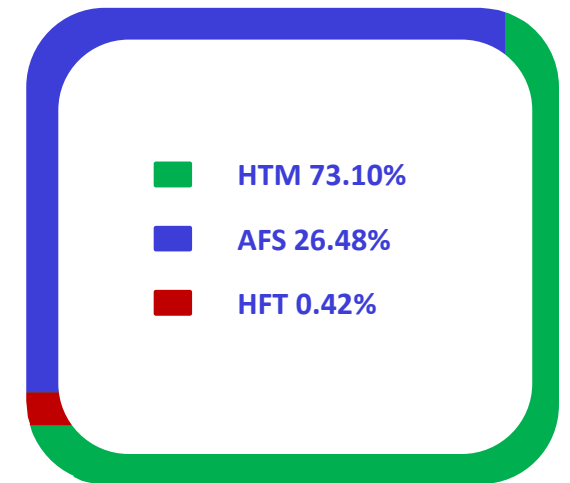
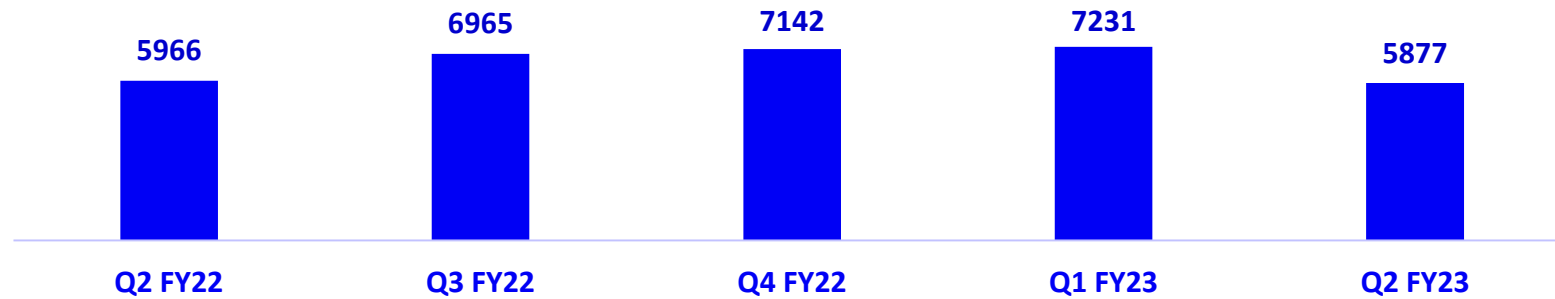


No of Accounts (in Lakhs)

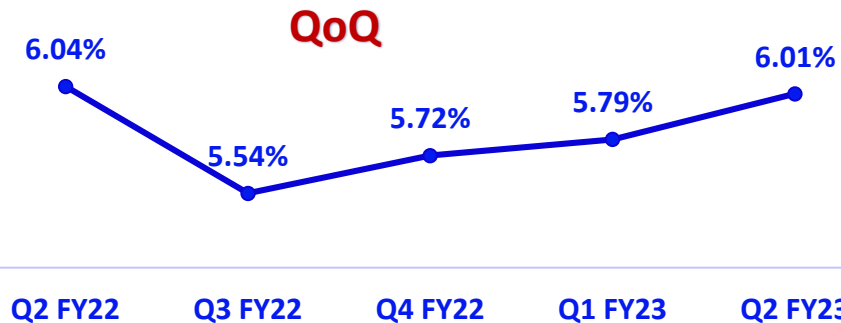


Investments

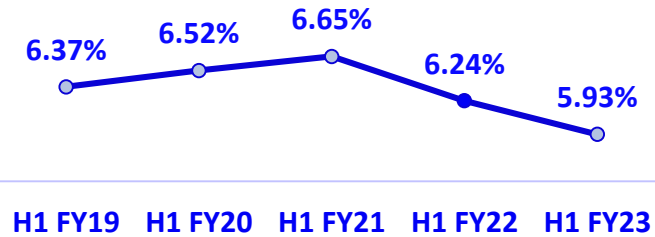
(Amt in Cr)



Yield on Investments



YoY

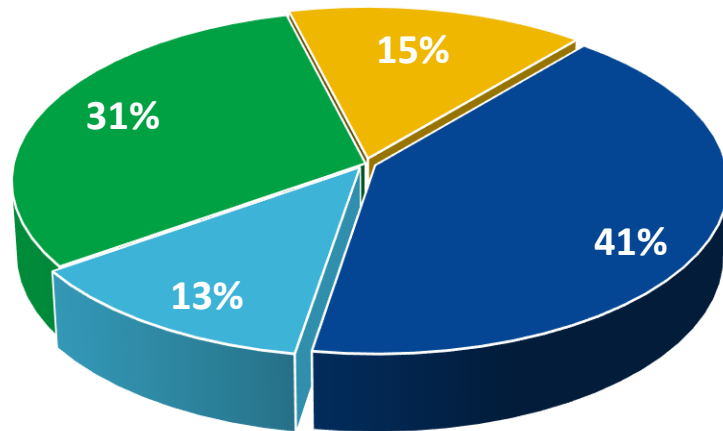


M Duration

HFT	AFS	HTM	Total
7.40	0.98	5.80	4.63

Sector Wise Exposure

Sector Wise Exposure



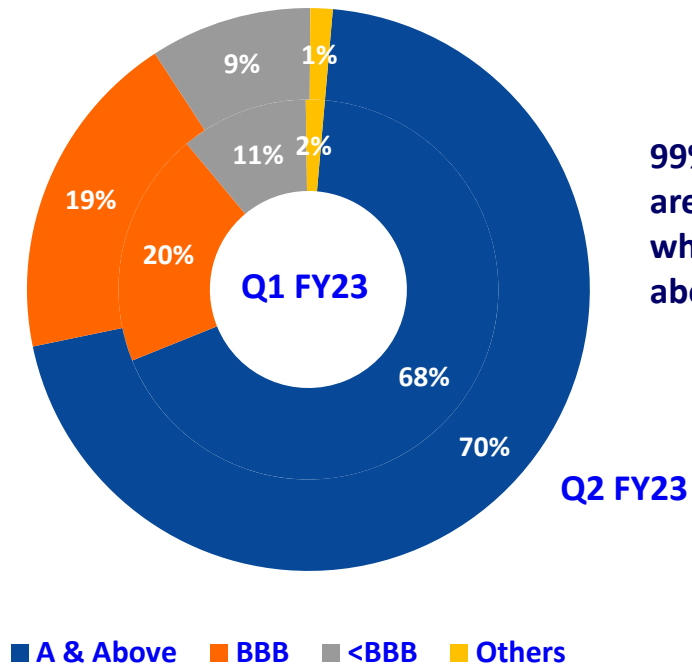
- Agriculture and Allied Activities
- Industry
- Services
- Retail & Others

Industries	% to Gross advances
Textiles	4.67%
Construction	3.79%
Infrastructure	3.62%
Food Processing	3.09%
Chemicals and Chemical Products (Dyes, Paints, etc)	0.86%
All Engineering	0.69%
Vehicles, Vehicle Parts and Transport Equipments	0.50%
Paper and Paper Products	0.23%
Gems and Jewellery	0.17%
Rubber, Plastic and their Products	0.13%
Basic Metal and Metal Products	0.28%
Wood and Wood Products	0.12%
Beverages (excluding Tea & Coffee) and Tobacco	0.09%
Cement and Cement Products	0.04%
Leather and Leather products	0.17%
Mining and Quarrying	0.04%
Other Industries	0.19%

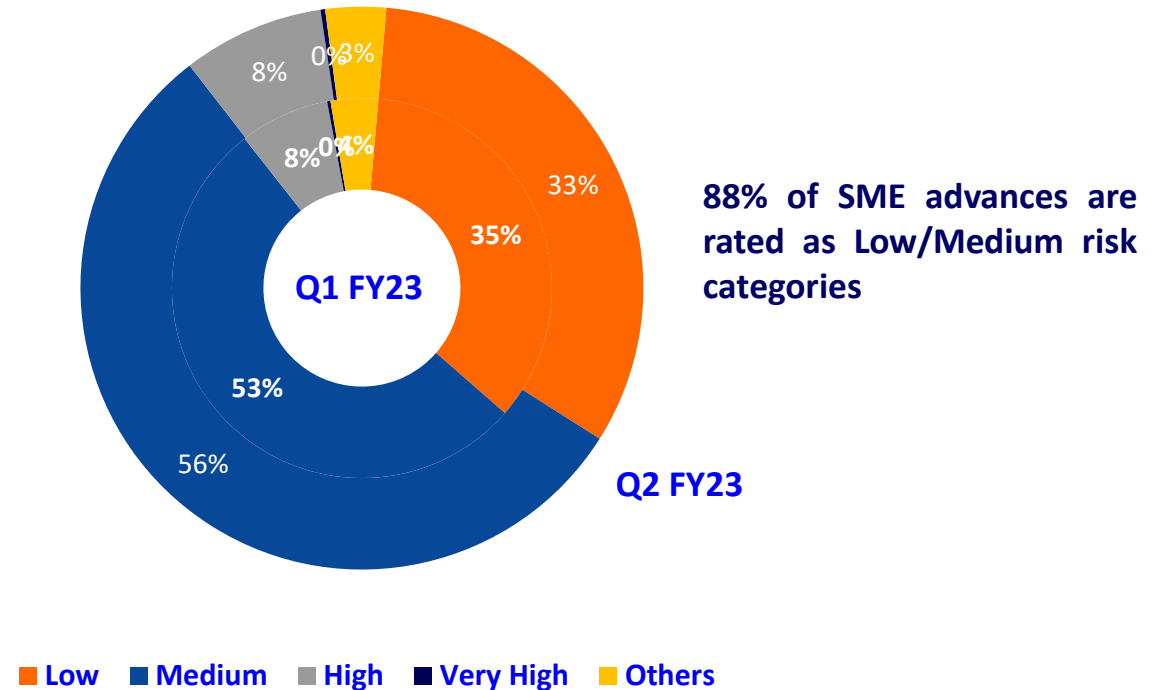
Services	% to Gross advances
NBFCs	7.49%
HFC	4.69%
Wholesale & Retail Trade	3.29%
Tourism, Hotel and Restaurants	2.07%
Real Estate Activities	1.26%
Transport Operators	0.62%
MFIs	0.48%
Computer and Related Activities	0.36%
Other Services	10.38%

Rating wise Exposure

External Rating of Corporate Accounts (>Rs 25Cr)



Internal Rating of SME accounts



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Profit & Loss Account - Q2 FY 23

Amt in Cr

	Q1 FY23	Q2 FY23	QoQ	Q2 FY22	YoY
Interest Income	535.9	555.2	4%	495.9	12%
Interest Expense	225.2	230.2	2%	217.5	6%
Net Interest Income	310.7	325.0	5%	278.4	17%
Treasury Profit	9.9	-21.4		-10.2	
Exchange Profit	2.8	1.8	-36%	1.6	14%
Processing Fees	7.7	22.0	186%	16.8	31%
Commission Income	17.9	25.4	42%	15.9	60%
PSLC Income	-	-		20.9	
Other Income	16.5	17.2	4%	14.8	16%
Total Non Interest Income	54.9	44.9	-18%	59.8	-25%
Total Net Operating Income	365.5	369.9	1%	338.2	9%
Staff Cost	122.2	129.0	6%	119.2	8%
Other Opex	88.6	83.5	-6%	69.6	20%
Total Opex	210.8	212.5	1%	188.8	13%
Operating Profit	154.7	157.4	2%	149.4	5%

	Q1 FY23	Q2 FY23	QoQ	Q2 FY22	YoY
Operating Profit	154.7	157.4	2%	149.4	5%
Provision for NPA	-1.2	-8.7		-18.2	
Other Provisions	2.9	5.0	72%	9.1	-45%
Total Provisions	1.7	-3.7		-9.1	
Profit Before Tax	153.0	161.1	5%	158.4	2%
Tax	38.5	40.5	5%	39.9	2%
Profit/Loss (-) After Tax	114.5	120.5	5%	118.6	2%

- Profit After Tax is at Rs 121 Cr in Q2 FY 23 as against Rs 114 Cr in Q1 FY 22 (up by 5%)
- Operating Profit of the bank is Rs 157 Cr for Q2 FY 23 whereas it was Rs 149 Cr for the same period last FY (up by 5%).
- Net Interest Income (NII) earned for the second quarter is Rs 325 Cr with a Y-o-Y increase of 17% (Rs 278.4 Cr for Q2 FY 22). QoQ there is an increase of Rs15 crore.
- Treasury profits impacted due to hardening of yields and SR provision of Rs 17.4 Cr
- Due to draining of opportunities in the PSLC market, no PSLC income could be booked in Q2 FY 23 where as an income of Rs 20.9 Cr was booked in Q2 FY 22
- Processing Fee has gone up by 31% YoY & 185% QoQ
- Improved Commission income- up by 60% YoY & 42% QoQ
- Increased staff count and new branch openings resulted in increase in Opex

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Profit & Loss Account - H1 FY 23

Amt in Cr

	H1 FY22	H1 FY23	YoY	YoY%
Interest Income	991.1	1091.1	100.0	10%
Interest Expense	445.0	455.5	10.5	2%
Net Interest Income	546.1	635.7	89.6	16%
Treasury Profit	11.2	-11.4	-22.6	
Exchange Profit	4.7	4.6	-0.1	-2%
Processing Fees	25.9	29.6	3.7	14%
Commission Income	27.0	43.3	16.3	60%
PSLC Income	33.4	-		
Other Income	28.8	33.7	4.9	17%
Total Non Interest Income	131.0	99.8	-31.2	-24%
Total Net Operating Income	677.2	735.4	58.2	9%
Staff Cost	216.4	251.2	34.8	16%
Other Opex	136.7	172.2	35.5	26%
Total Opex	353.1	423.4	70.3	20%
Operating Profit	324.1	312.1	-12.0	-4%

	H1 FY22	H1 FY23	YoY	YoY%
Operating Profit	324.1	312.1	-12.0	-4%
Provision for NPA	79.0	-9.9	-88.9	
Other Provisions	5.1	7.8	2.7	53%
Total Provisions	84.1	-2.1	-86.2	
Profit Before Tax	240.0	314.1	74.1	31%
Tax	60.4	79.1	18.7	31%
Profit/Loss (-) After Tax	179.6	235.1	55.5	31%

- PAT up by 31% at Rs 235 Crs
- NII up by 16%
- Non Interest income impacted by additional SR provision(Rs 17 Cr) & lacklustre PSLC market (impact of Rs 33 Cr)
- Commission income up by 60%
- Increase in number of branches(by 67 no) and Staff count(443) resulted in 20% increase in Opex
- NPA provision reversal of Rs 10 Cr as against the additional provision of Rs 79 Cr in H1 FY 22 due to stable asset quality

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Balance Sheet – Q2 FY 23

Amt in Cr

30-09-2021

30-09-2022

YoY (%)

30-06-2022

QoQ (%)

Liabilities

Capital	173.5	173.5	0%	173.5	0%
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Reserves & Surplus	2189.9	2715.2	24%	2,593.2	5%
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Deposits	19055.5	20986.6	10%	20,266.8	4%
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Of Which CASA	6208.0	7192.8	16%	7,121.9	1%
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Borrowings	1476.0	1351.8	-8%	1,985.0	-32%
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Other Liabilities & Provisions	529.6	516.4	-2%	476.2	8%
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Total	23424.6	25743.6	10%	25,494.8	1%
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Assets

Cash & Balance with RBI	2208.0	1479.6	-33%	1,112.7	33%
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Balance with Banks Money at call & Short Notice	217.3	151.0	-31%	36.5	314%
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Investments	5836.4	5734.4	-2%	7,105.4	-19%
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Advances	14070.1	17468.3	24%	16,142.1	8%
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Fixed Assets	278.2	289.1	4%	286.8	1%
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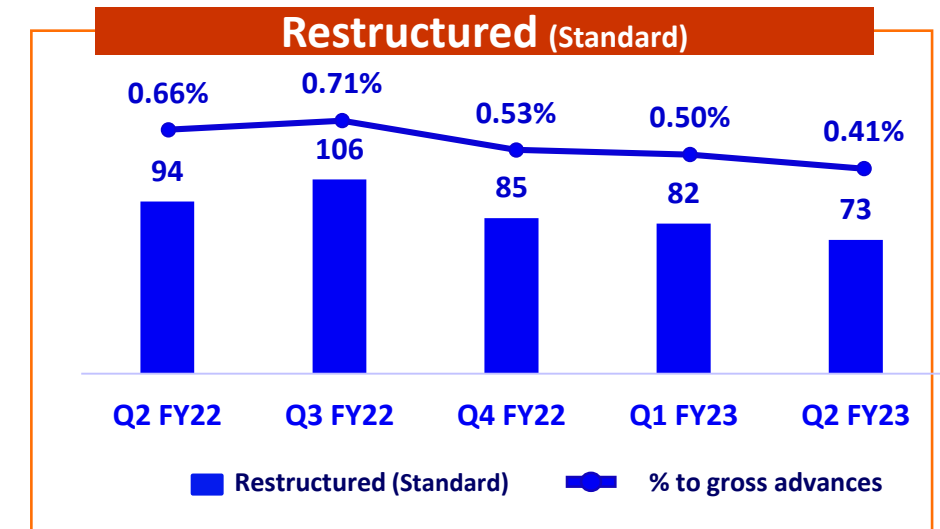
Other Assets	814.6	621.2	-24%	811.3	-23%
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Total	23424.6	25743.6	10%	25,494.8	1%
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Asset Quality

Amt in Cr

Gross NPA: Movement	QoQ movement				
	Q2 FY22 (3 months)	Q3 FY22 (3 months)	Q4 FY22 (3 months)	Q1 FY23 (3 months)	Q2 FY23 (3 months)
Opening Balance of Gross NPA	686	587	389	290	293
Additions	205	81	38	37	42
Sub-total (A)	892	668	427	327	335
Less:-					
(i) Upgradations	96	72	36	15	13
(ii) Recoveries	190	206	98	17	20
(iii) Technical/ Prudential Write-offs	19	-	-	-	-
(iv) Write-offs	1	1	3	2	11
Sub-total (B)	305	279	137	34	44
Closing balance of Gross NPA (A – B)	587	389	290	293	291

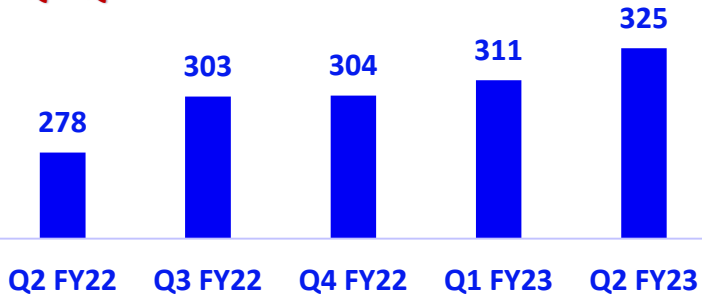


Security Receipts					
	Q2 FY22	Q3 FY22	Q4 FY22	Q1 FY23	Q1 FY23
Book Value	177	171	161	155	152
Net Book Value	57	50	33	33	13

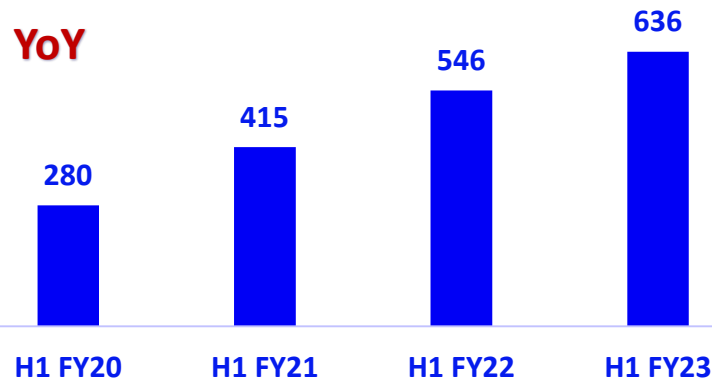
Profitability Ratios

Net Interest Income (in Cr)

QoQ

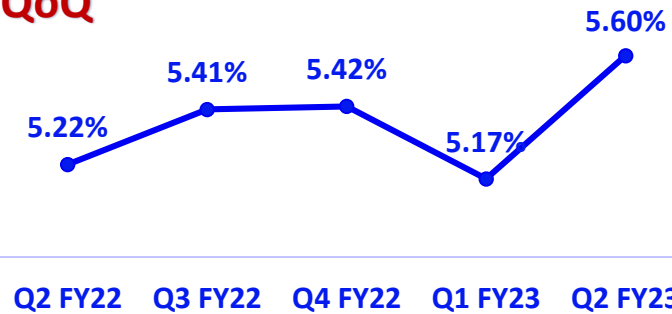


YoY

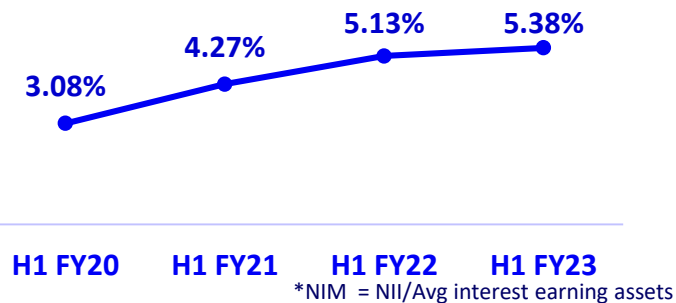


NIM

QoQ

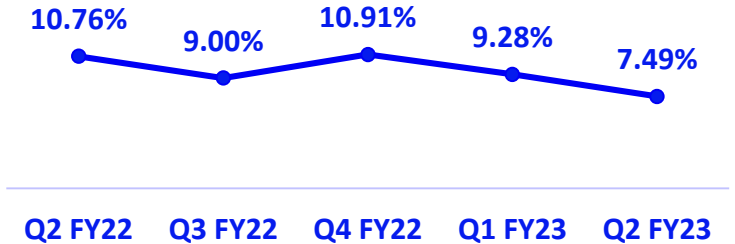


YoY

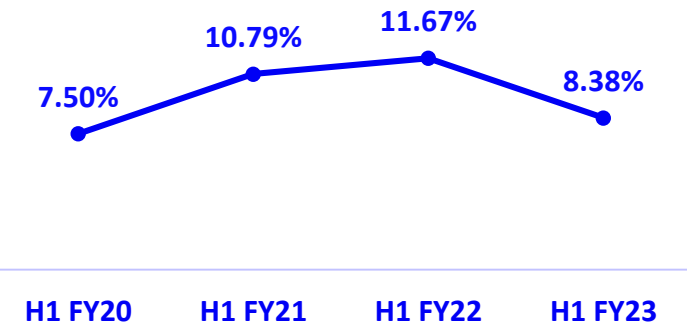


Non interest Income to Total Income

QoQ



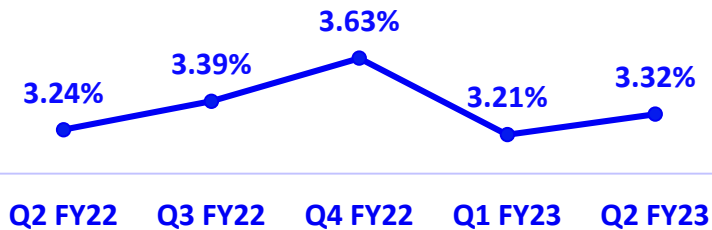
YoY



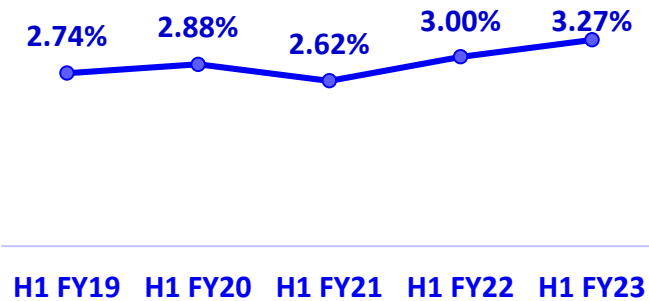
Profitability Ratios

Opex to Average assets

QoQ



YoY

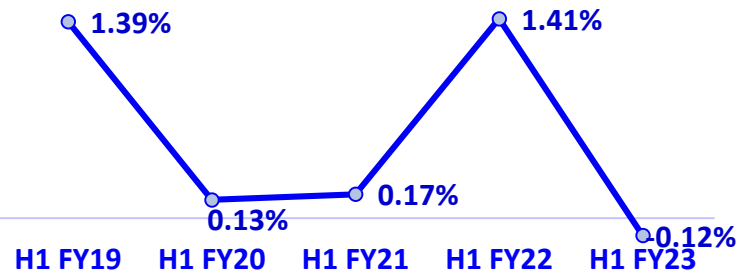


Credit Cost

QoQ

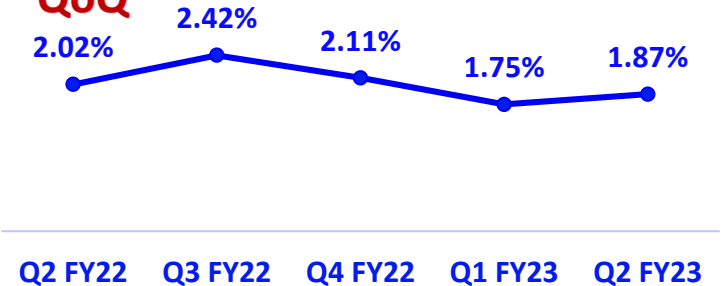


YoY

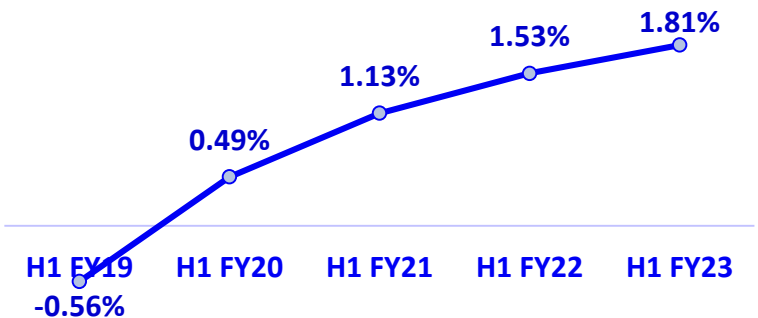


RoA

QoQ



YoY



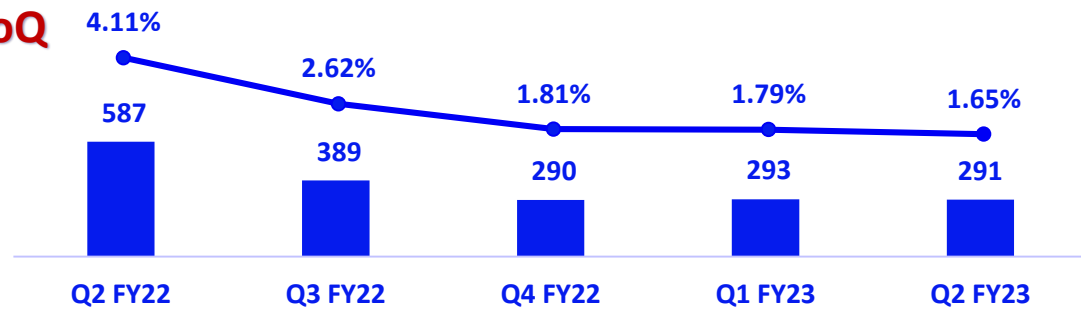
Asset Quality Ratios

Amt in Cr

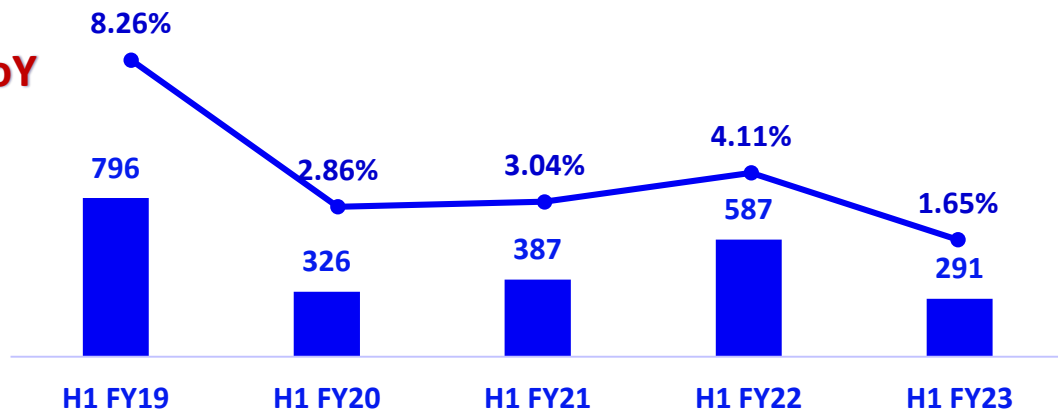
■ Gross NPA

— Gross NPA %

QoQ



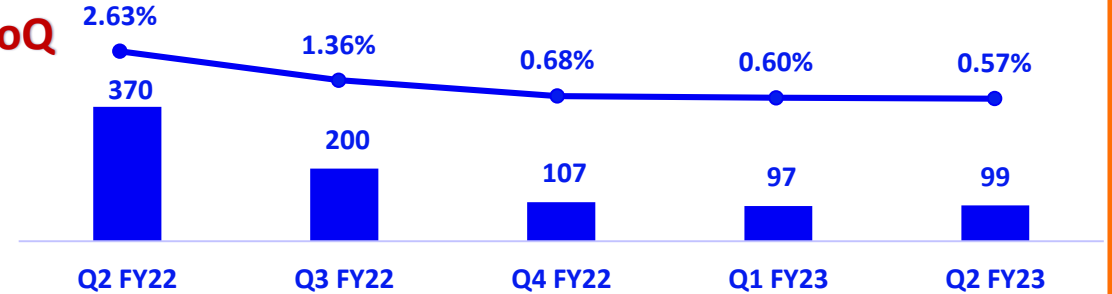
YoY



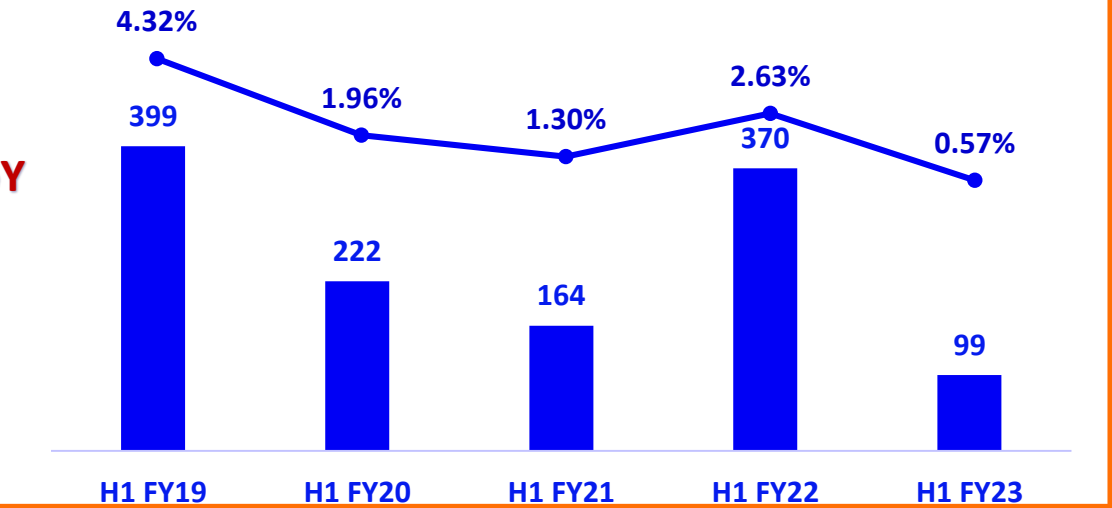
■ Net NPA

— Net NPA %

QoQ



YoY



Asset Quality Ratios

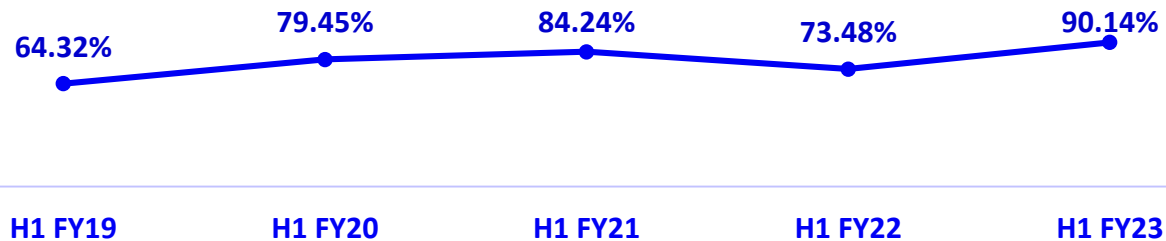
Amt in Cr

Provision Coverage Ratio

QoQ

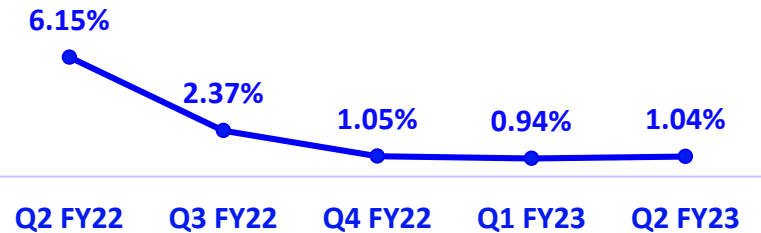


YoY



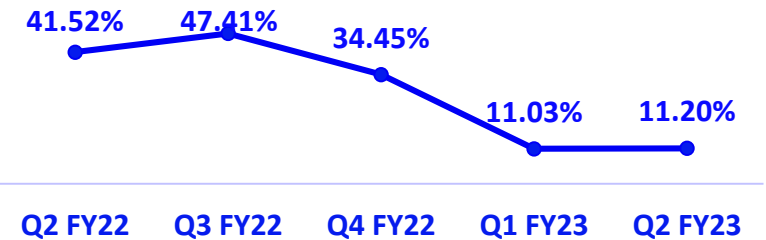
Slippage Ratio

QoQ



Recovery Rate

QoQ



Share Holders Return & Risk Ratios

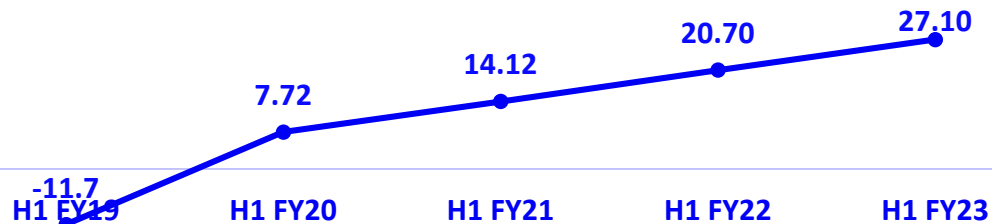
EPS

(in Rs)

QoQ

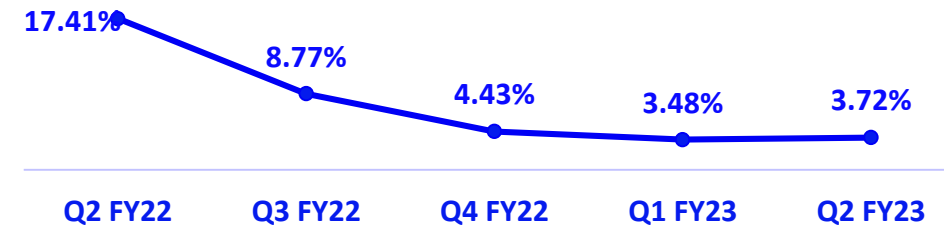


YoY

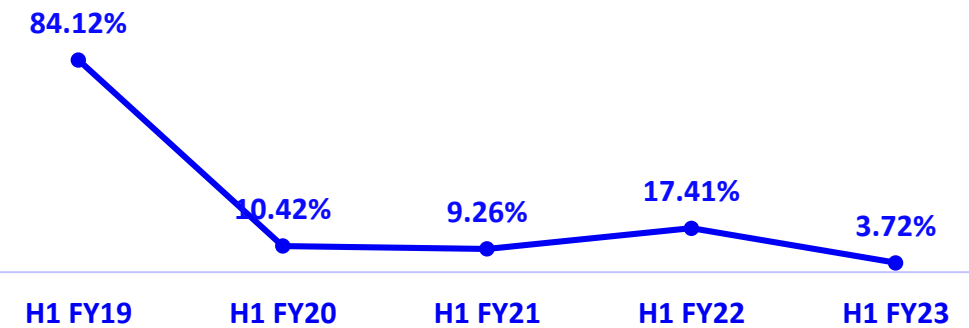


Net NPA to Networth

QoQ



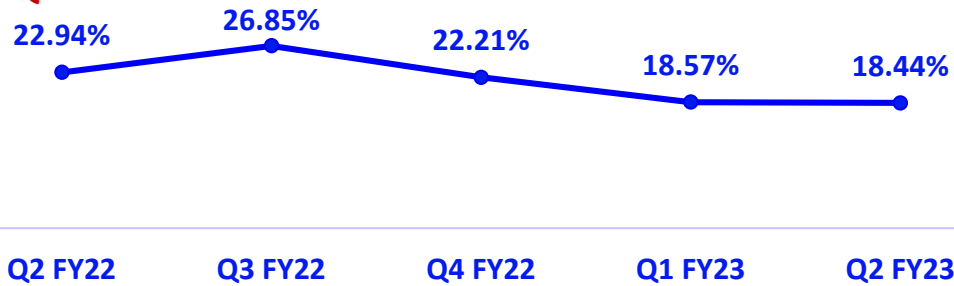
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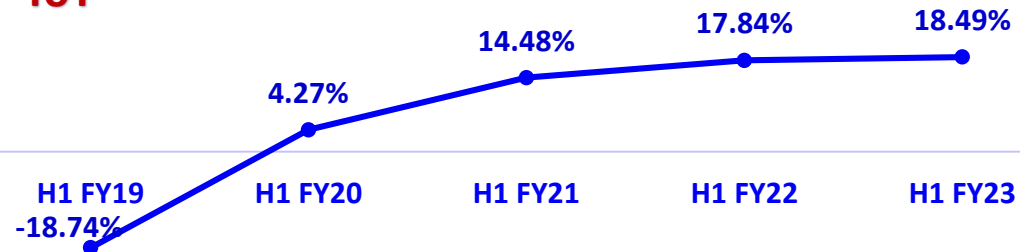
Share Holders Return & Risk Ratios

RoE

QoQ



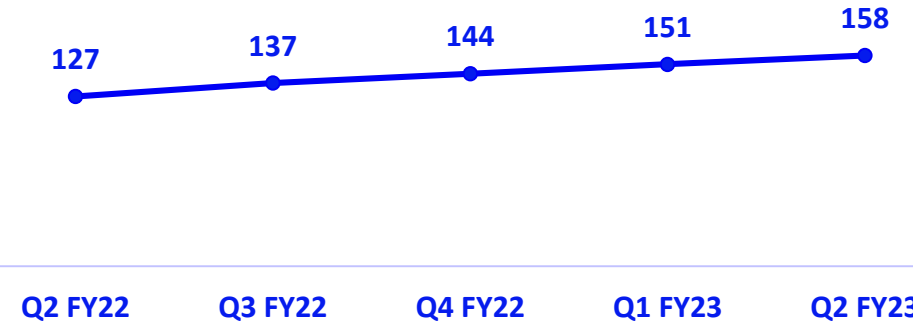
YoY



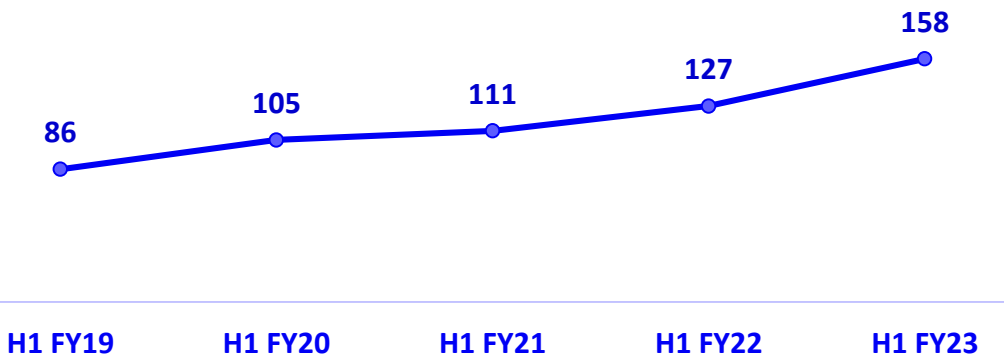
Book Value per Share

(in Rs)

QoQ



YoY

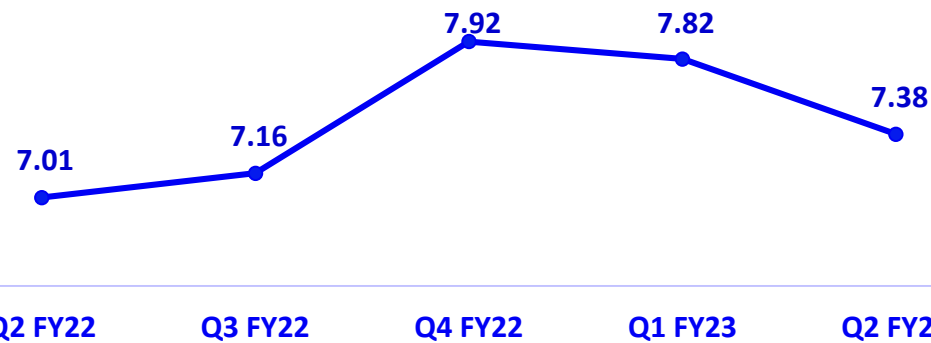


Efficiency Ratios

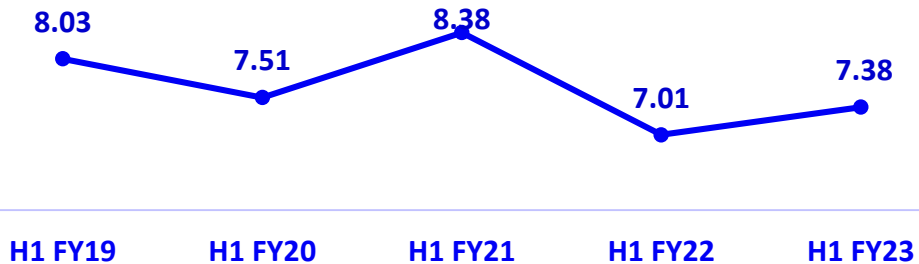
Business per Employee

(In Cr)

QoQ



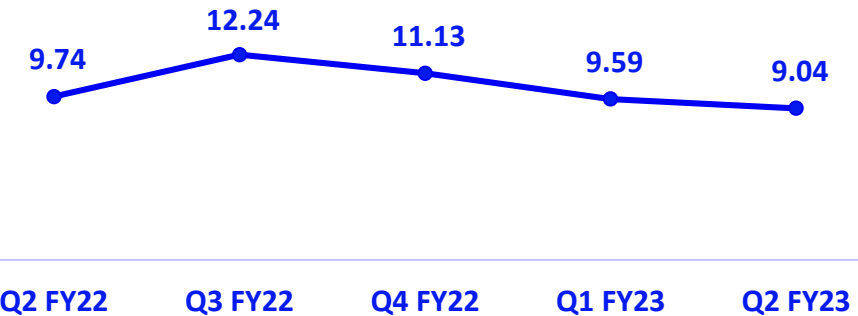
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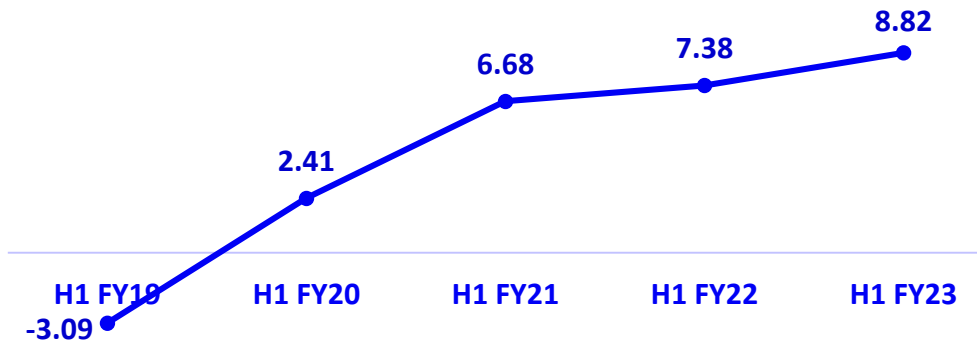
Profit per Employee

(in Lakhs)

QoQ



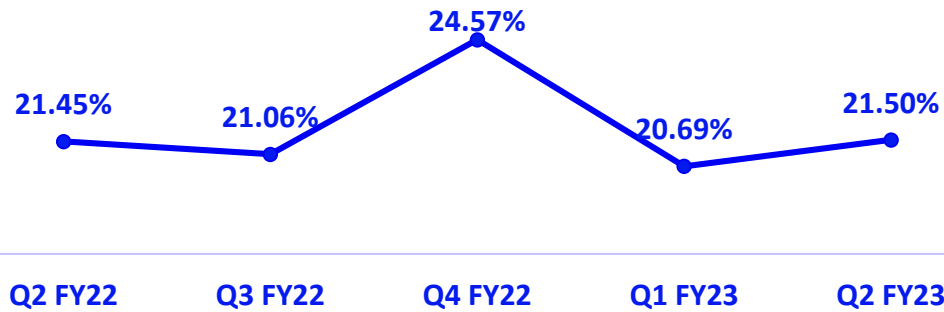
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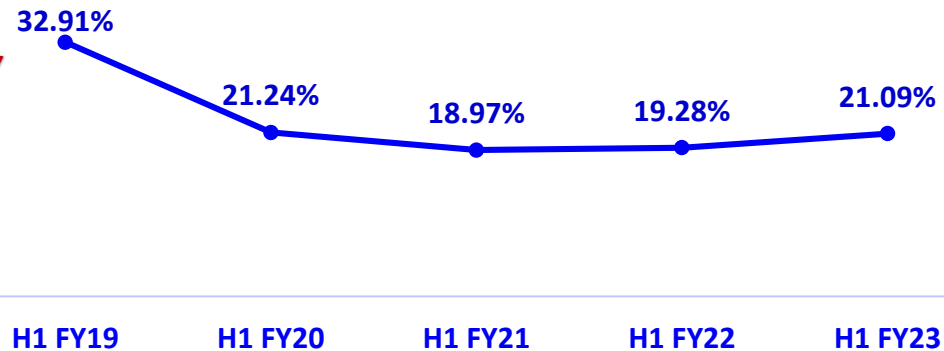
Efficiency Ratios

Staff Cost to Total Income

QoQ

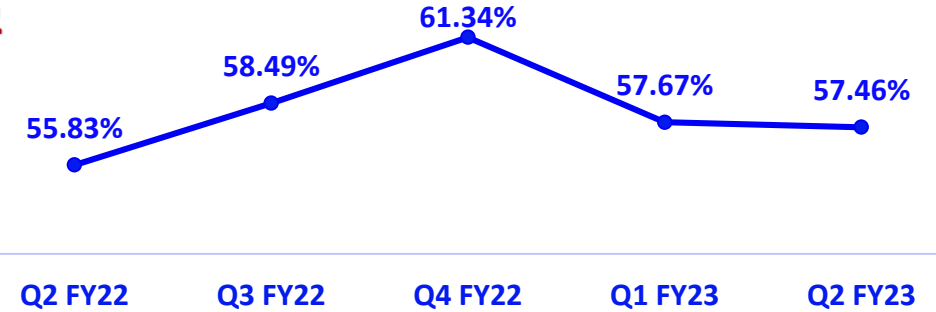


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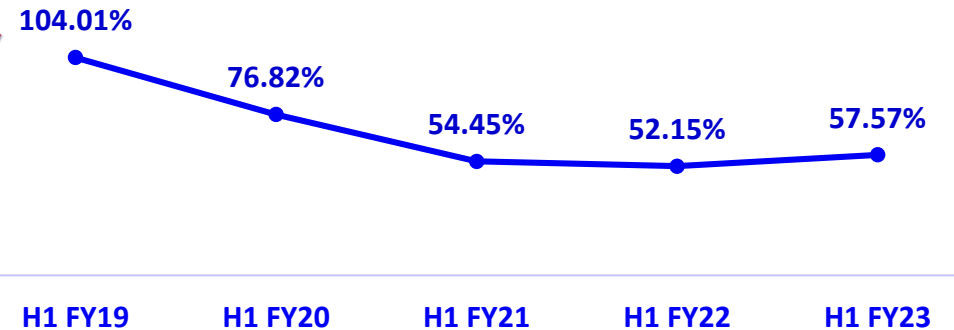


Cost to Income Ratio

QoQ



YoY



Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Digital Touch Points



1,468 Installations



6.72 lacs + Debit Cards



4.07 lacs+ Net
Banking users



507 ATM
Network



5,332+ QR
Installations



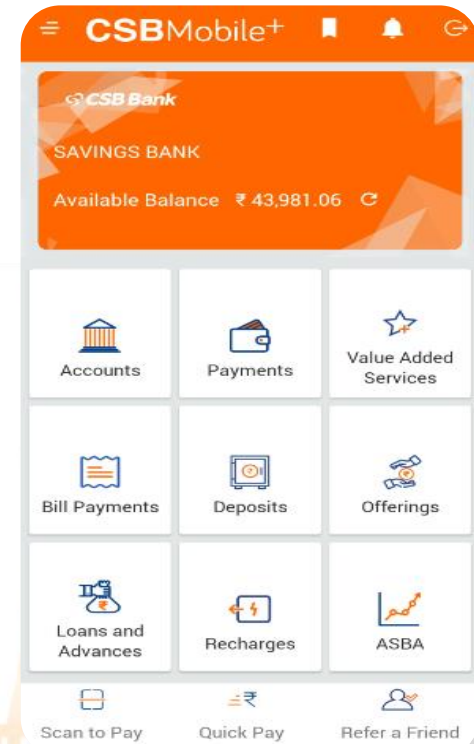
87,532+ ePassbook
Downloads



78,660+Prepaid
Cards



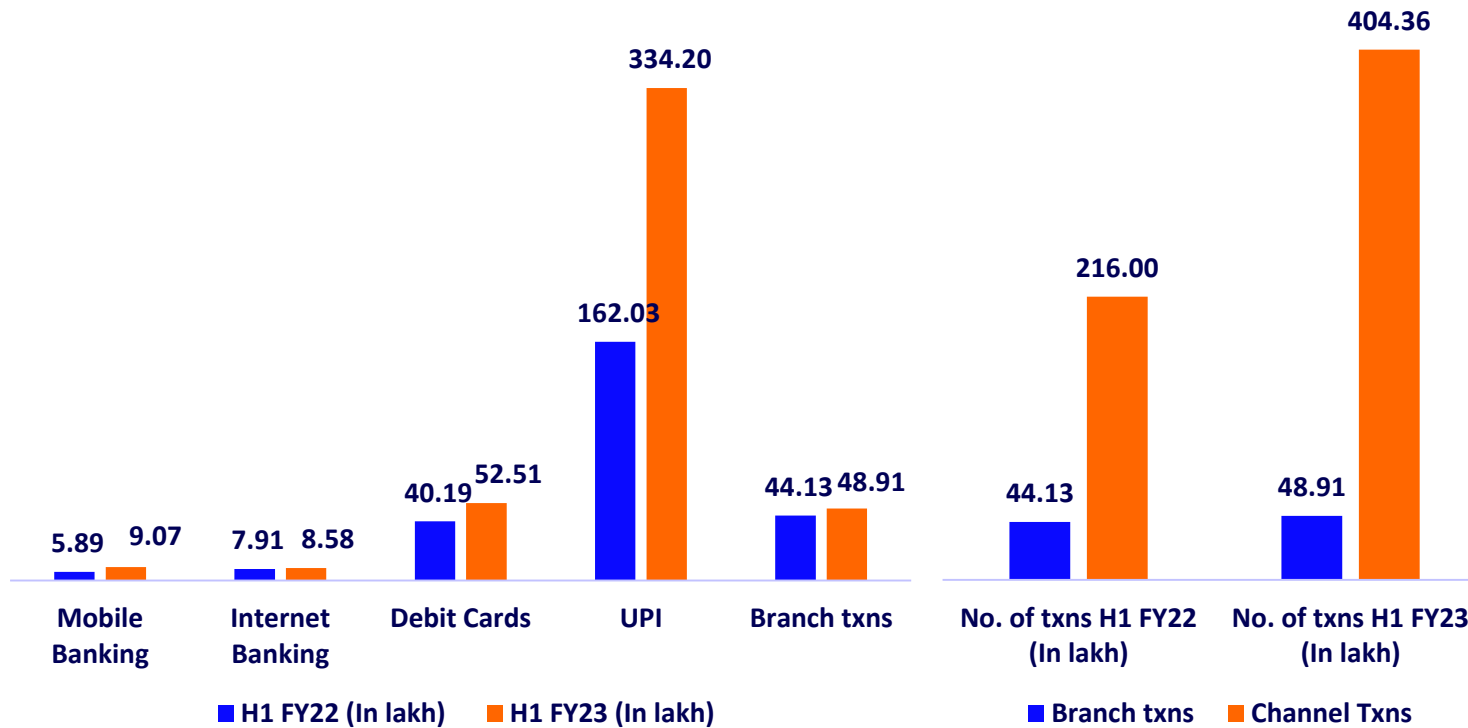
1.34 lac+ UPI
Downloads



3.91 lacs+ Mobile
Banking Users

Channel Transactions

Digital vs Branch



	No. of txns	
	H1 FY22 (In lakh)	H1 FY23 (In lakh)
Mobile Banking	5.89	9.07
Internet Banking	7.91	8.58
Debit Cards	40.19	52.51
UPI	162.03	334.20
Branch txns	44.13	48.91
Total Channel Transactions	216.00	404.36
% of channel txns	83.04%	89.21%

**Company
Overview**

**Business
Overview**

Earnings

**Digital
Penetration**

Strategy

SBS 2030

SUSTAIN

PROFITABLE FRANCHISE



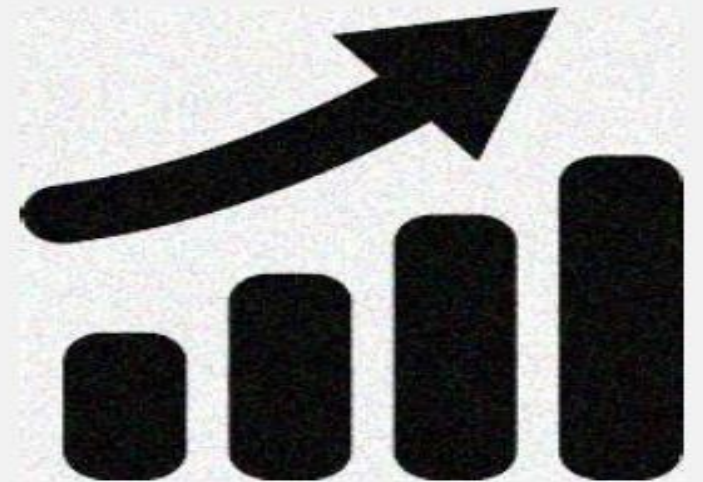
BUILD

PLATFORMS FOR FUTURE



SCALE

EXECUTE WITH GUARDRAILS





THANK YOU!

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