

Investor Presentation:
**Q3 FY21 and
9M-FY21**

February 6, 2021



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Financial &
Business
Performance

MCR

Economic
Backdrop

Financial Performance – Q3 FY21

Rs. Crore

| Particulars | Standalone | | % Change | Consolidated | | % Change |
|----------------------------------|--------------|--------------|------------|--------------|--------------|-----------|
| | Q3 FY20 | Q3 FY21 | | Q3 FY20 | Q3 FY21 | |
| Total Income | 57.23 | 54.83 | -4% | 63.25 | 63.72 | 1% |
| Total Expenses | 36.00 | 33.78 | -6% | 40.79 | 39.55 | -3% |
| Profit Before Tax (PBT) | 21.23 | 21.05 | -1% | 22.46 | 24.17 | 8% |
| Provision for Tax | 4.75 | 5.24 | 10% | 4.88 | 5.23 | 7% |
| Profit After Tax (PAT) | 16.48 | 15.81 | -4% | 17.58 | 18.94 | 8% |
| | | | | | | |
| Profitability | | | | | | |
| PBT (%) | 37% | 38% | | 36% | 38% | |
| PAT (%) | 29% | 29% | | 28% | 30% | |
| Basic EPS (Rs. per share) | 5.59 | 5.37 | | 5.91 | 6.32 | |

Financial Performance – 9M FY21

Rs. Crore

| Particulars | Standalone | | % Change | Consolidated | | % Change |
|----------------------------------|--------------|--------------|------------|--------------|--------------|------------|
| | 9M FY20 | 9M FY21 | | 9M FY20 | 9M FY21 | |
| Total Income | 185.55 | 176.96 | -5% | 201.70 | 194.49 | -4% |
| Total Expenses | 103.49 | 93.79 | -9% | 117.97 | 110.28 | -7% |
| Profit Before Tax (PBT) | 82.07 | 83.17 | 1% | 83.73 | 84.21 | 1% |
| Provision for Tax | 15.51 | 19.43 | 25% | 15.93 | 19.73 | 24% |
| Profit After Tax (PAT) | 66.55 | 63.74 | -4% | 67.80 | 64.48 | -5% |
| Profitability | | | | | | |
| PBT (%) | 44% | 47% | | 42% | 43% | |
| PAT (%) | 36% | 36% | | 34% | 33% | |
| Basic EPS (Rs. per share) | 22.59 | 21.63 | | 22.77 | 21.53 | |

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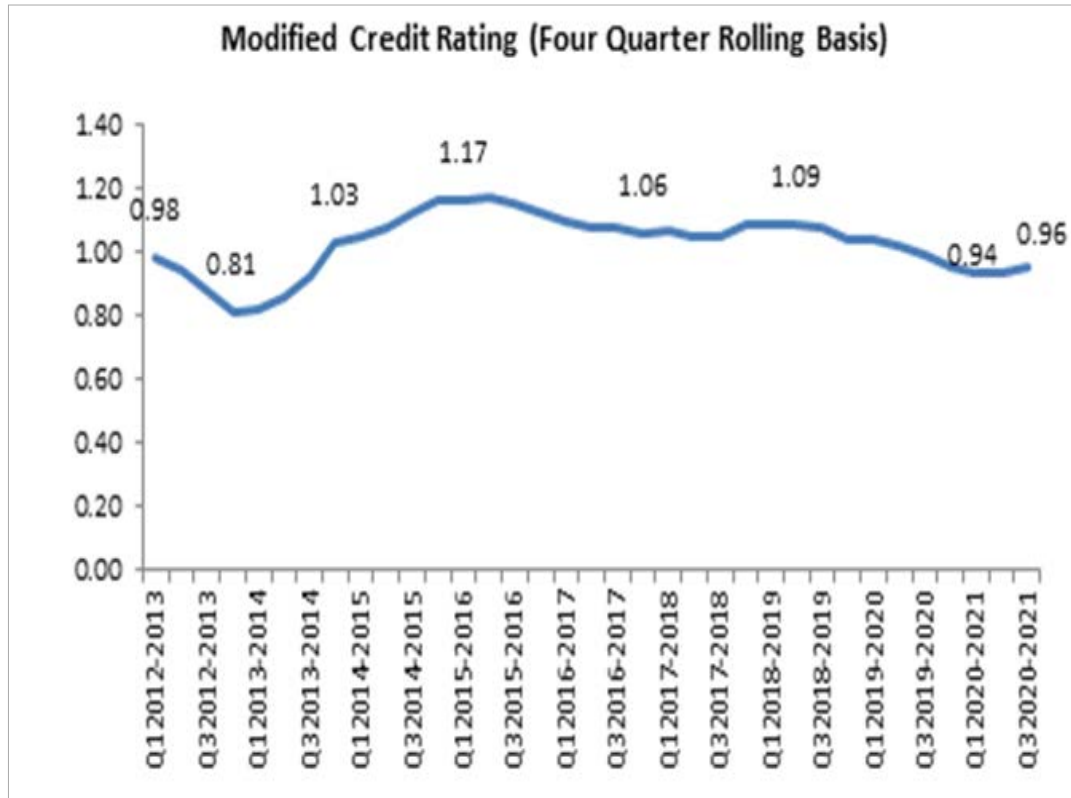


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Modified Credit Ratio



What is MCR?

The MCR is defined as the ratio of (upgrades and reaffirmations) to (downgrades and reaffirmations)

The credit quality of the rated entities as measured by CARE Rating's 'modified credit ratio' (MCR) at 0.96 for Q3-FY21 was an improvement, albeit marginally from the preceding two quarters (0.94). While the majority (75%) of the entities saw their credit ratings being reaffirmed during the period, there has also been an increase in the proportion of entities that have witnessed a rating upgrade.

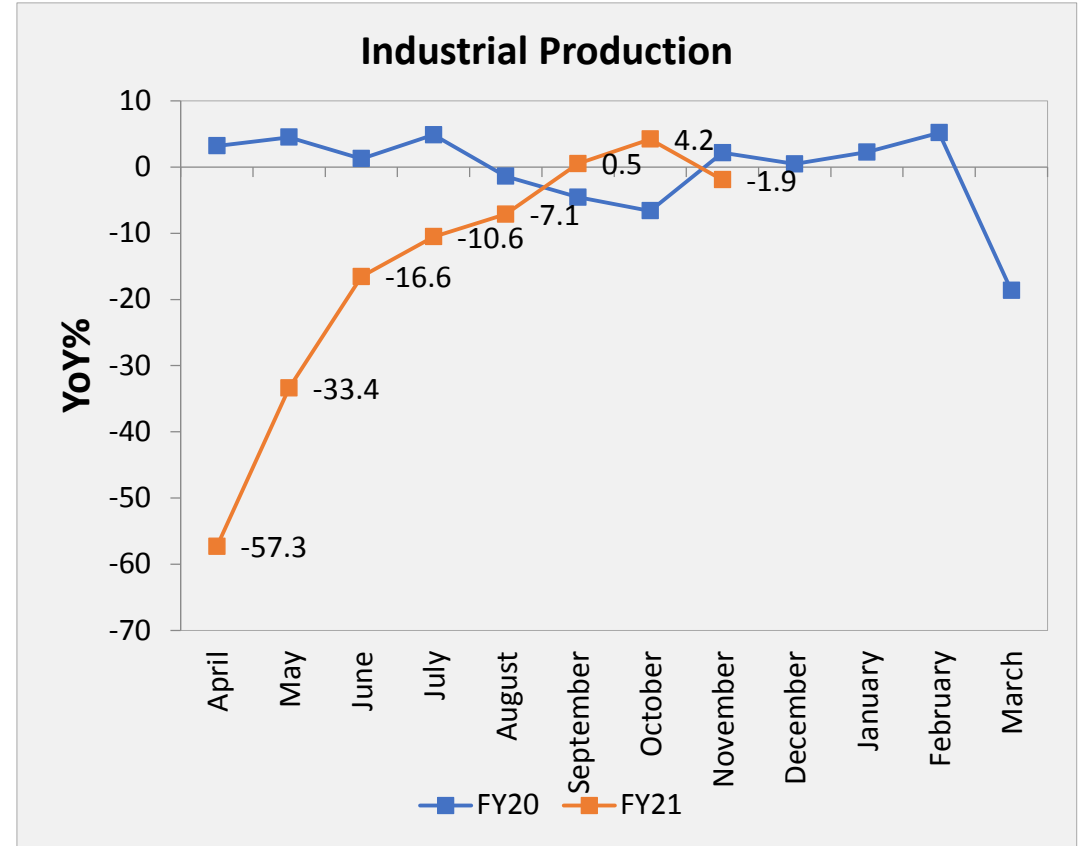
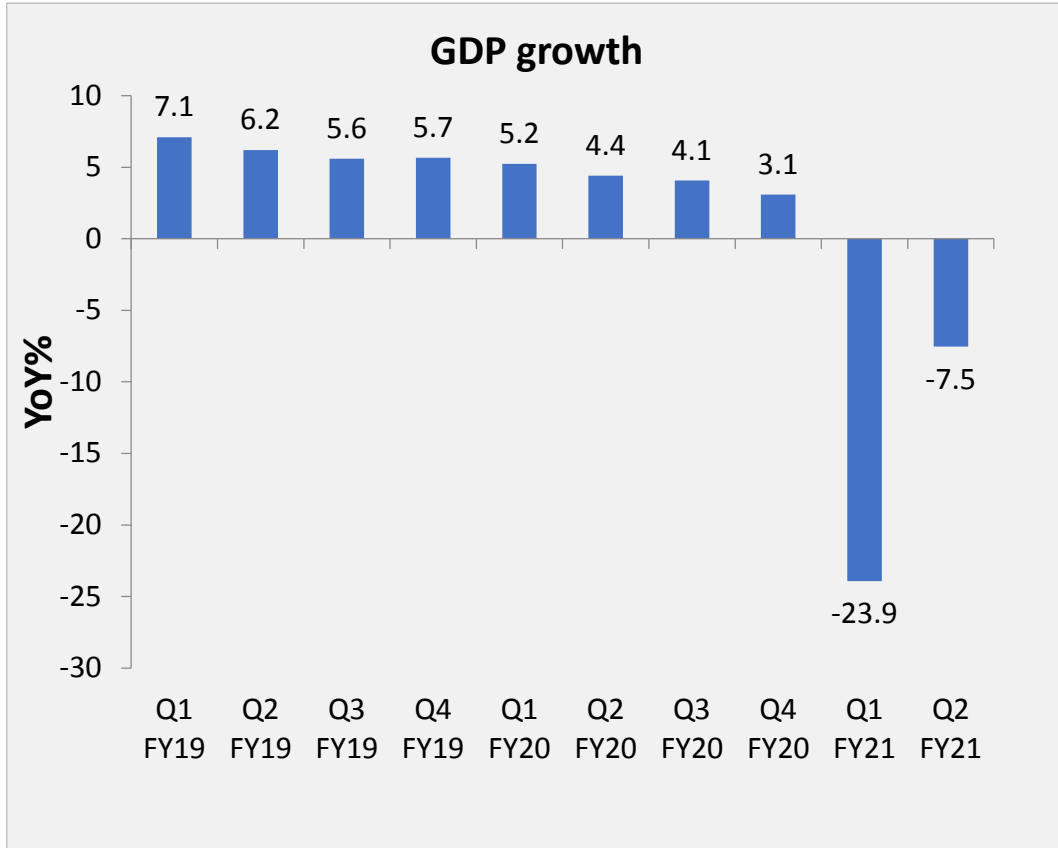
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GDP growth and Industrial Production



Source: MOSPI

NSSO's estimate of GDP for FY21 : (-)7.7%

CARE Ratings' estimate for FY21: (-) 7.7 – 7.9%

Economic Survey estimate for FY22 : 11% (Real), 15.4% (Nominal)

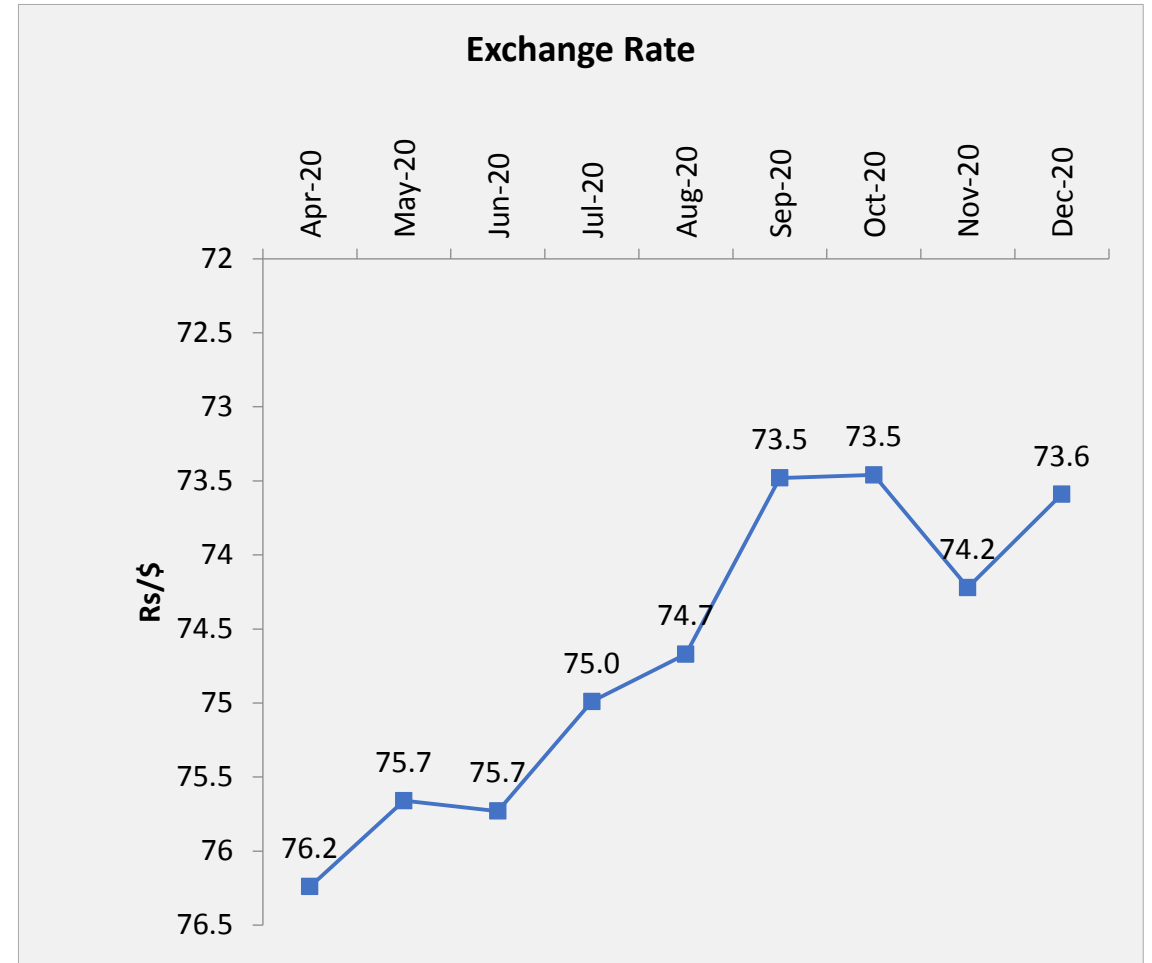
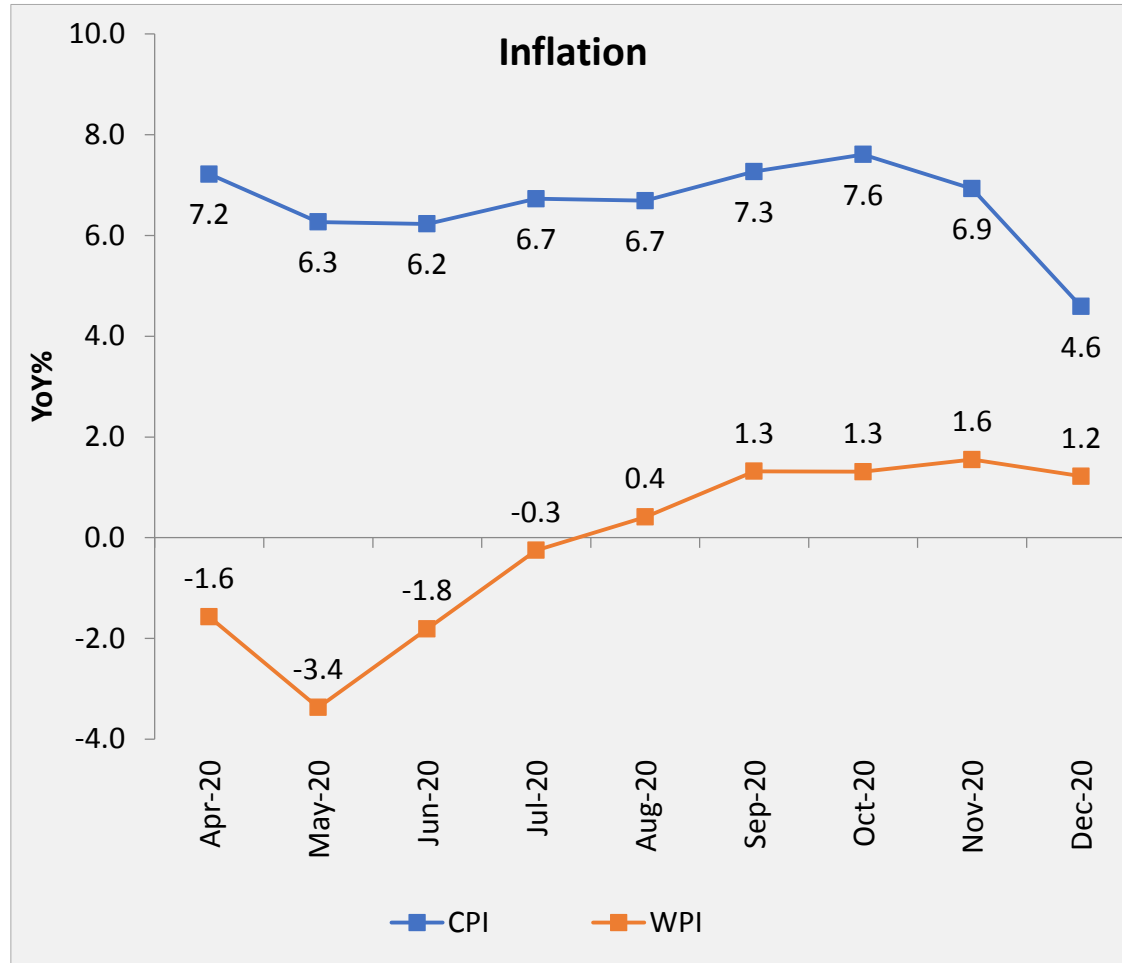
Budget 2021-22 projection for FY22 : 14.4% (Nominal)

Source: Office of Economic Advisor

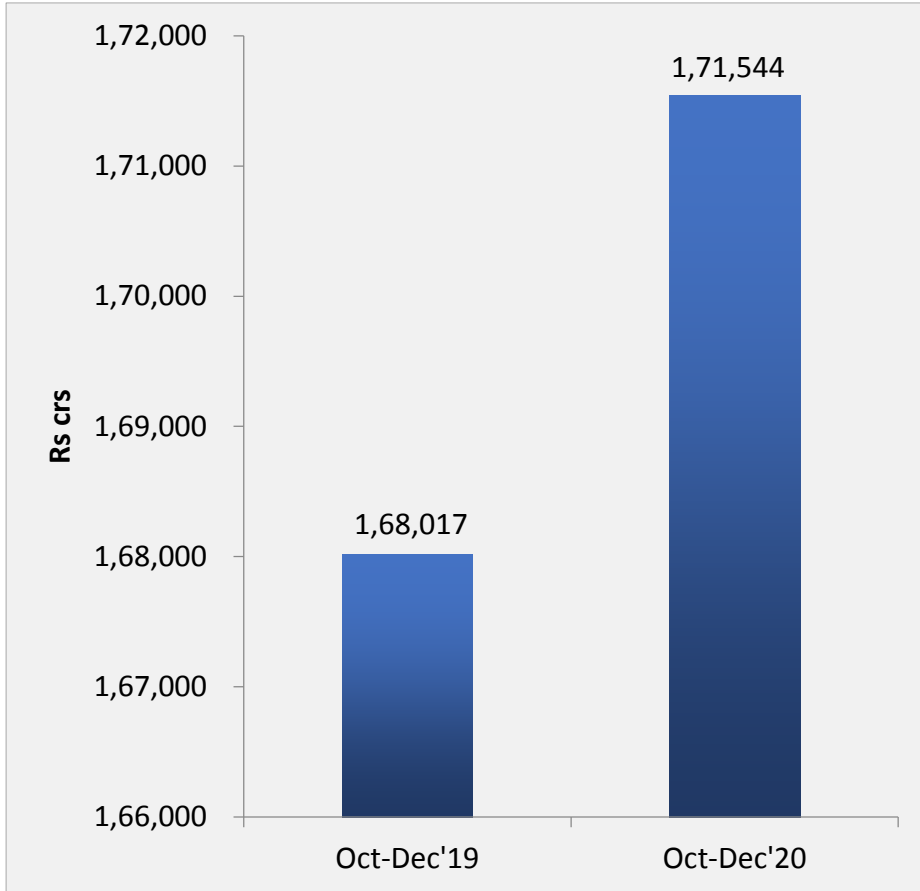
April-November'19 : 0.4%

April-November'20: (-) 15.3%

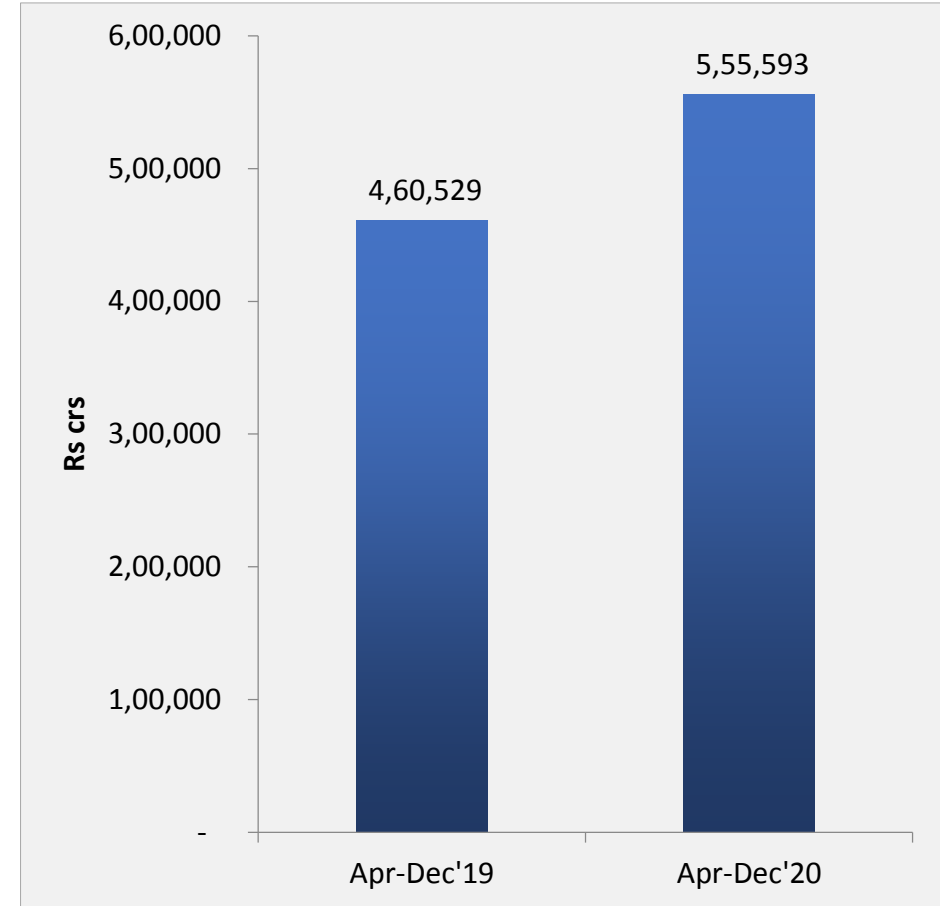
Inflation and Exchange rate



Debt issuances



Source Prime Database (including public issuances)

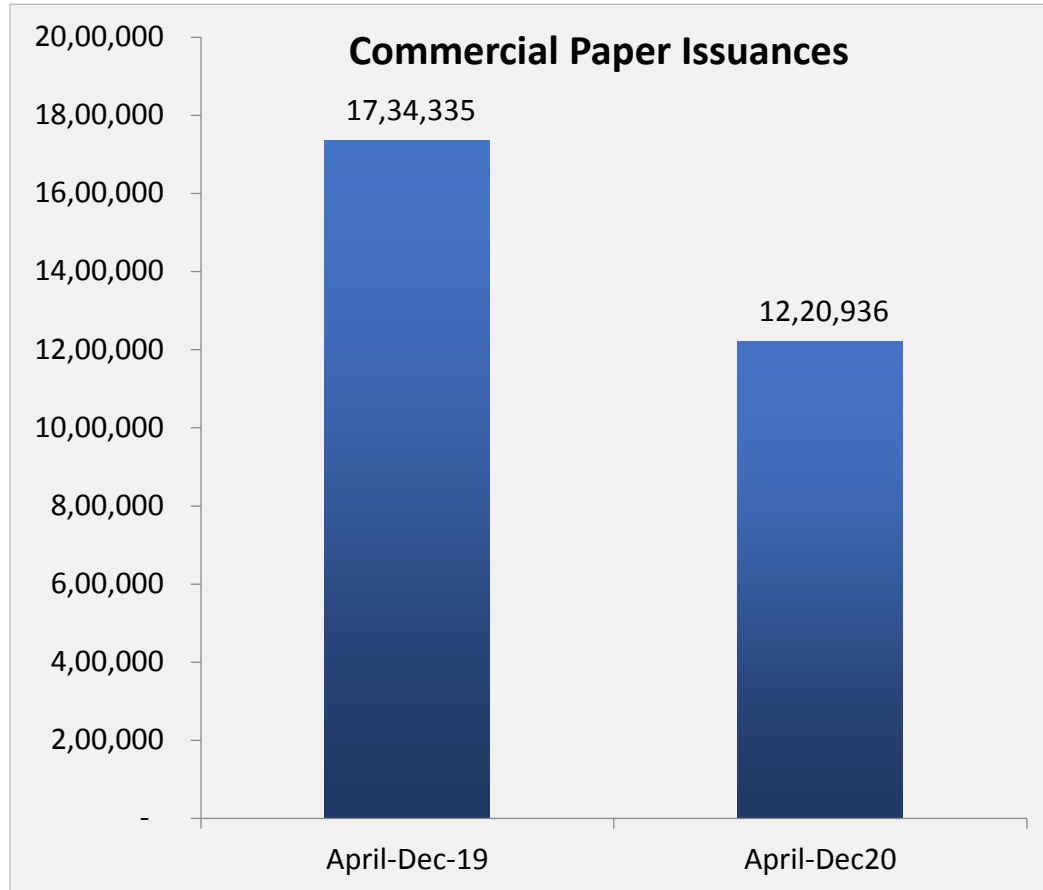


Corporate Bond Market

- Almost 64% of the total issuances during the current fiscal has been from banking/financial services and housing finance
- Corporate bond yields in the primary market have eased from 7.19% in April 2020 to 6.95% in September 2020 and further to 6.55% in December 2020.

| Industry | % share (April-Dec'20) |
|--|------------------------|
| Banking/Term Lending | 32.5 |
| Financial Services/Investments | 17.6 |
| Housing Finance | 13.3 |
| Roads & Highways | 6.3 |
| Power Generation & Supply | 5.0 |
| Oil Exploration/Drilling/Refining | 3.4 |
| Housing/Civil Construction/Real Estate | 3.2 |
| Telecommunications | 2.8 |
| Others | 15.8 |

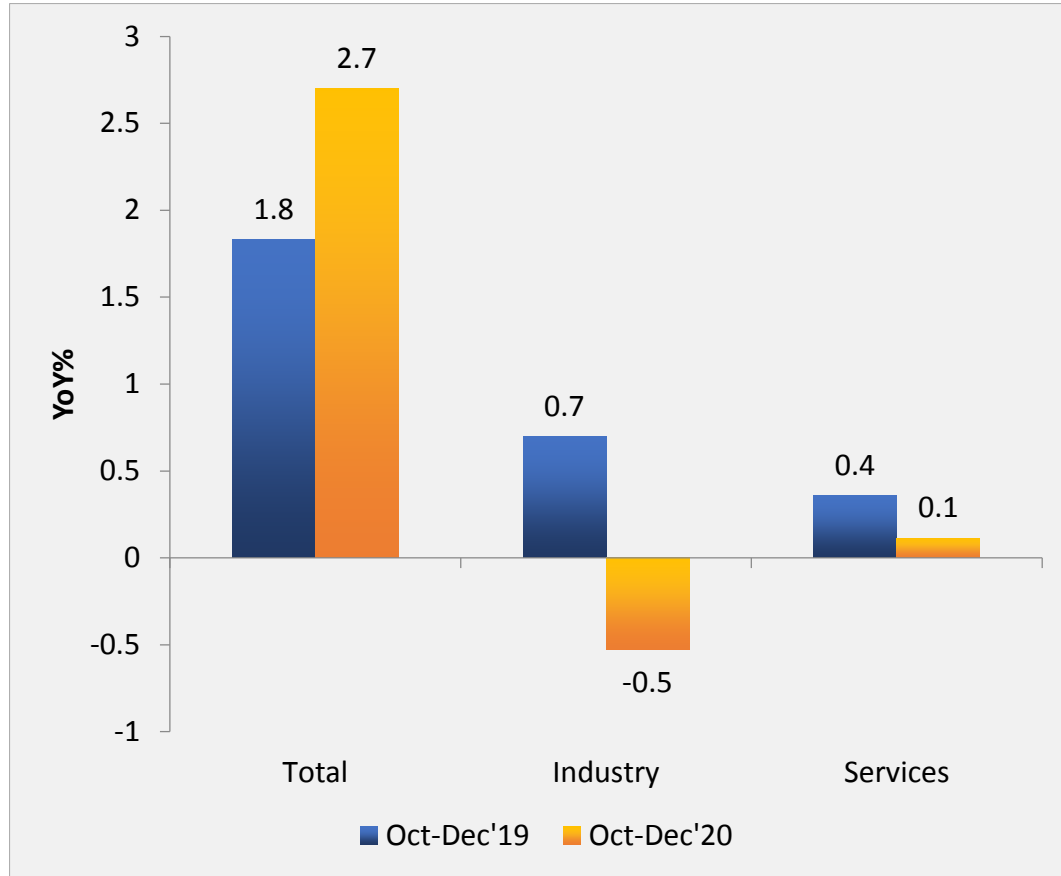
Commercial Paper



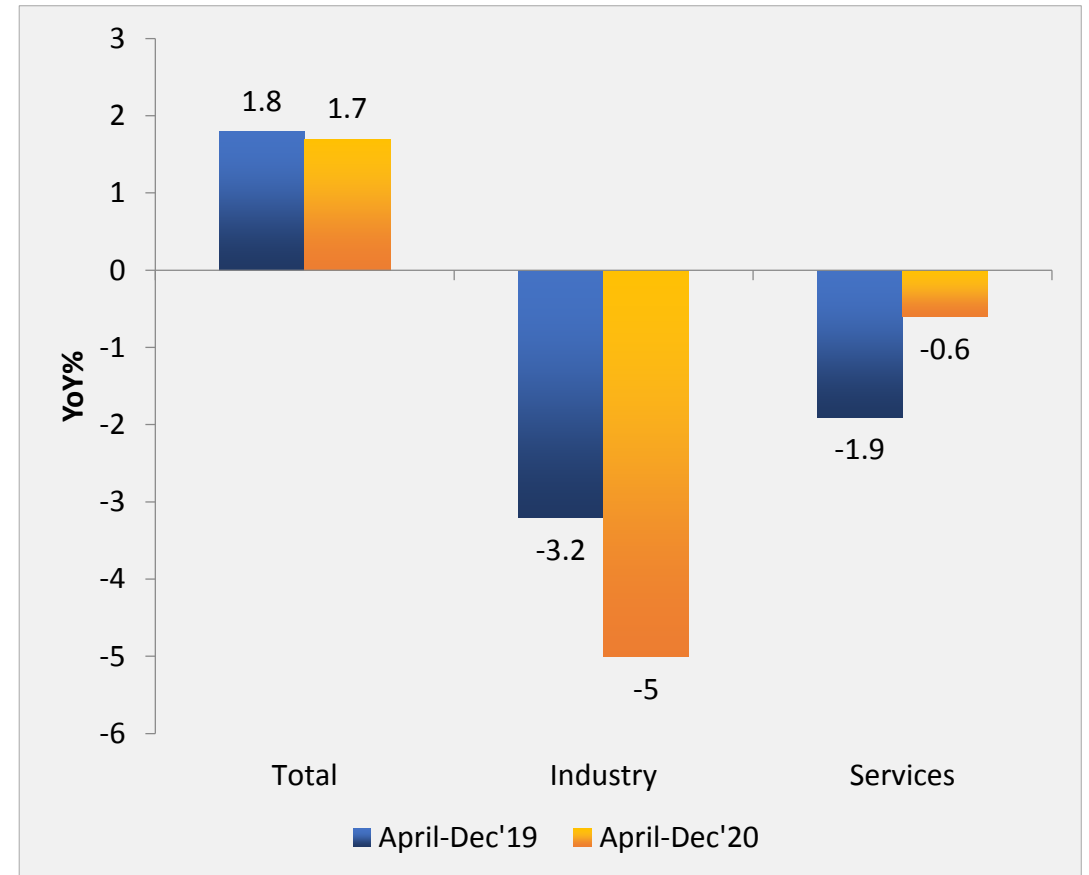
Source: RBI

- Sectors which have raised the highest funds during April-December 2020 via the CP market include: financial services/investment (25%), oil exploration (18%), banking/term lending (9%) and power generation (8%)
- CP issuances during Q3-FY21 stood at Rs 4.34 lakh crs compared with Rs 4.1 lakh crs during the corresponding quarter last year
- CP yields have moderated from 5.53% in April 2020 to 4.27% in September 2020 and further lower to 3.35% in December 2020

Bank Credit – Change (%)

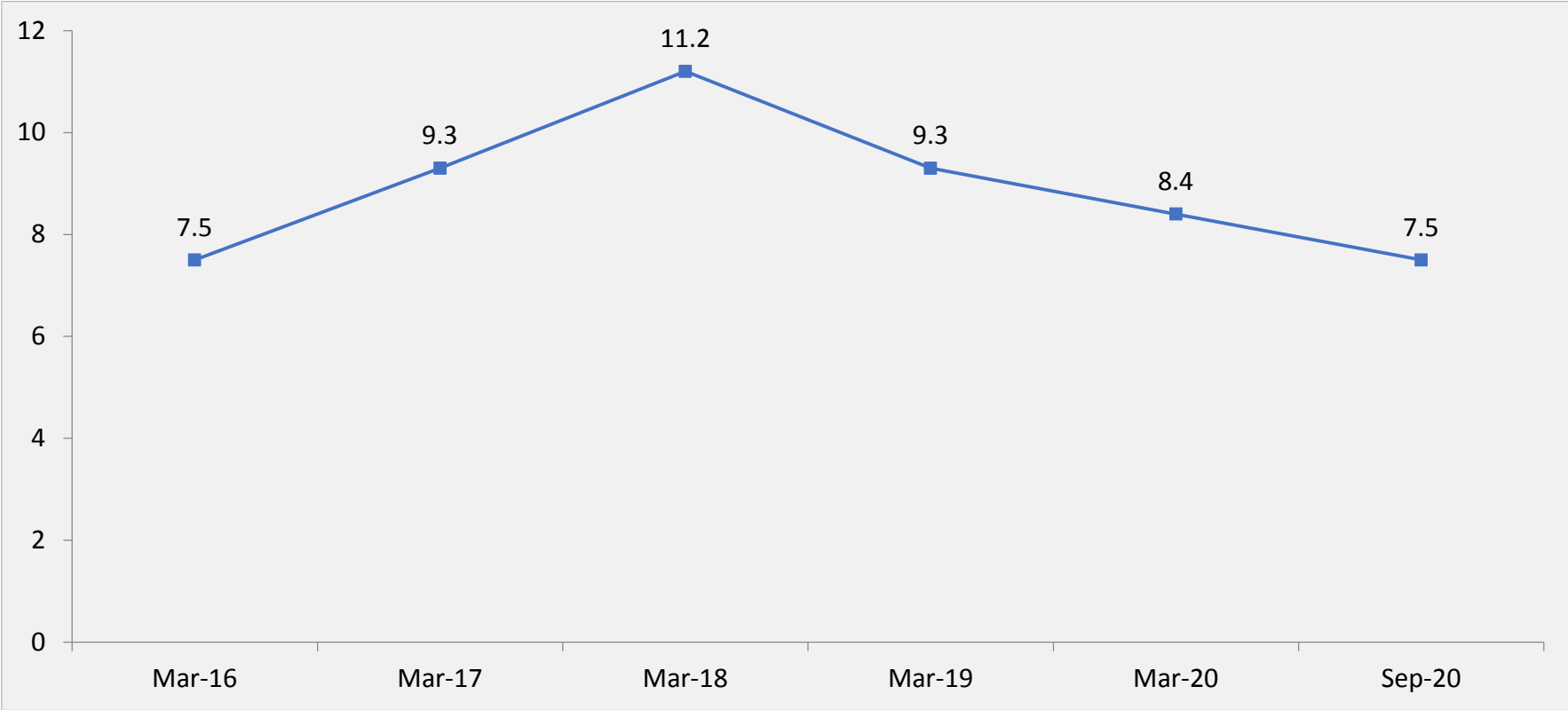


Source: RBI



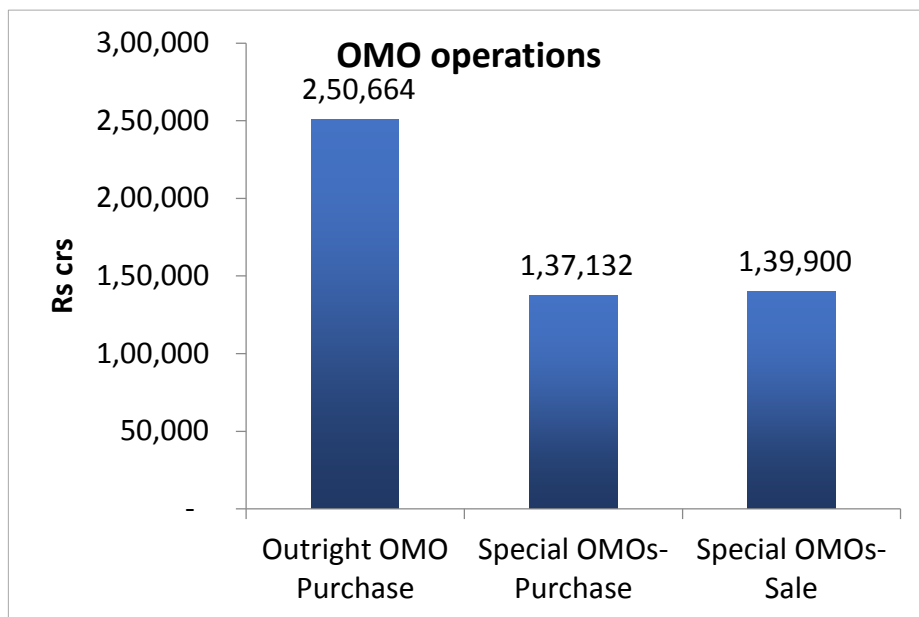
Source: RBI
Source: RBI

Non-performing assets (NPAs)



Source: RBI

Liquidity Infusion Measures by the RBI



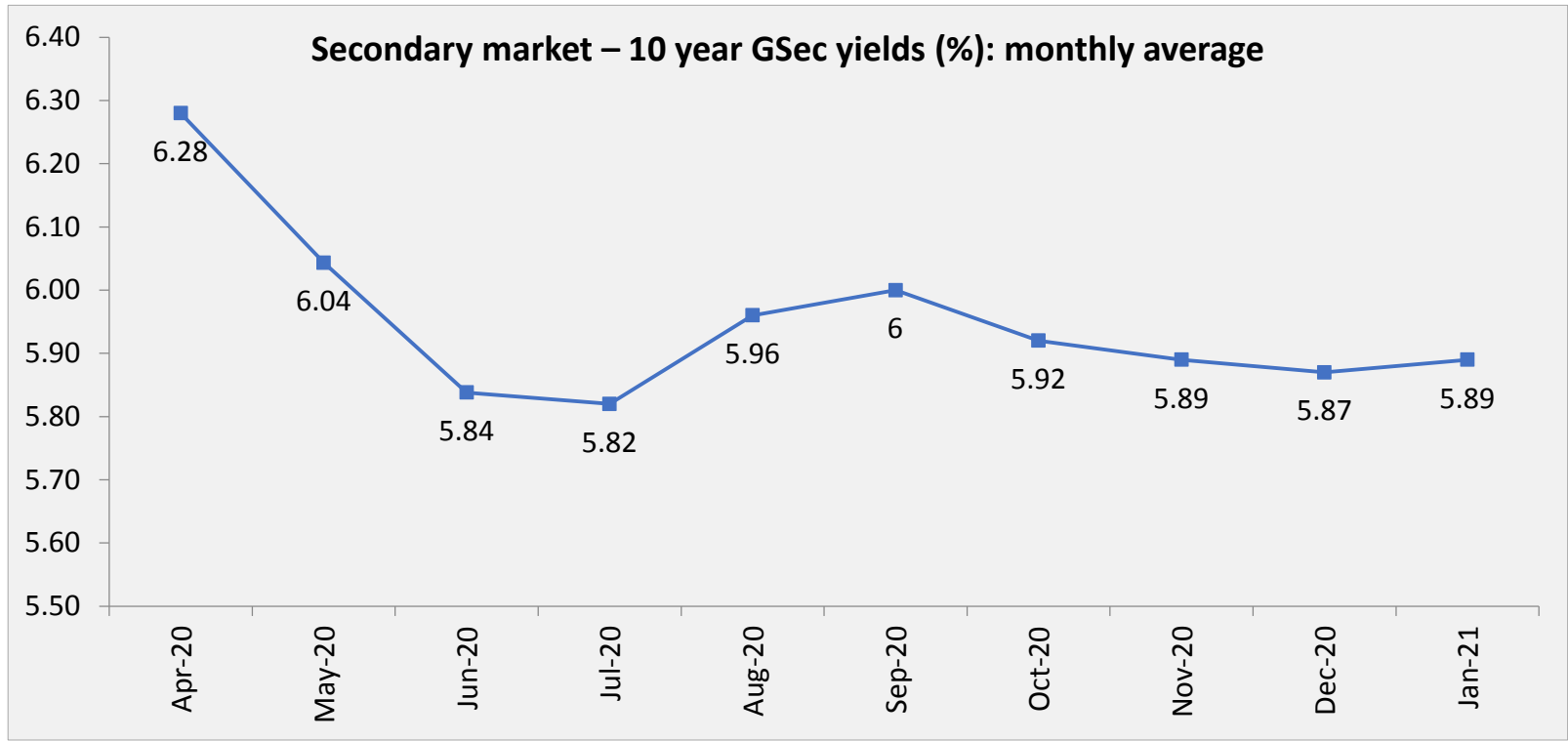
Source: RBI, till January 24, 2021

| | Amount Auctioned | Amount Aailed | Reversals | Outstanding |
|--------------|------------------|---------------|-----------|-------------|
| LTRO | 1,25,000 | 1,25,117 | -1,23,572 | 1,545 |
| TLRO 1.0 | 1,00,000 | 1,00,050 | -32,448 | 67,602 |
| TLTRO 2.0 | 25,000 | 12,850 | -4,900 | 7,950 |
| On-Tap TLTRO | 1,00,000 | NA | NA | NA |

Source: RBI, Outstanding as of February 2, 2021

- RBI has reduced repo rate by 40 bps in May 2020 while it has reduced reverse repo rate by 65 bps during April – May 2020

GSec yields – 10 year



Source: FBIL



Thank You