

# Investor Presentation

Q3FY22 Results



# Contents

## YES BANK Quarterly Update

YES BANK – Franchise

Annexure



# Key Highlights for the Quarter

## Continuing improvement in performance across key indicators

### Sustained Earnings



- Profits at **INR 266 Cr** in Q3FY22 up **18.2%Q-o-Q**
  - Operating Profit up **7.7% Q-o-Q**
  - NIM at 2.4%** up **25 bps Q-o-Q** aided by **~30bps** reduction in **Cost of Deposits**, at **4.9% (Below 5 % for the first time)**

### Improving Asset Quality



- GNPA ratio at 14.7%** vs. 15.0% last quarter
  - Fresh **Slippages** significantly lower Q-o-Q at **INR 978 Cr** vs. INR 1,783 Cr last quarter
  - Resolution Momentum continues **with INR 610 Cr of Cash Recoveries & INR 573 Cr of upgrades** in Q3FY22

### Granular Growth & Capital Accretion



- Balance sheet crosses INR 3 Lac crore for first times since Sept'19, sustained improvement in quality, granularity and capital buffers**
  - CET 1 at 11.6%** up **16 bps Q-o-Q: Total CRAR at 17.7%**
  - Balance Sheet** grew **~ 6% Q-o-Q; C/D ratio** continues to improve at **95.6%** v/s. 97.8% last quarter
  - Retail : Corporate Mix** improved by **300 bps Q-o-Q** to **57:43**;
  - CASA ratio 30.4%** v/s. 29.4% last quarter, improvement of 100 bps, **opened >100k CASA accounts** in the month December
  - Expanding geographical presence: Opened **22 new branches**; Increased **1,065 new YES Bankers** since March 31, 2021

### Achievements & Initiatives





















- Awarded **Best ERP Integration and Most Innovative Transaction Banking Solution** for Liquidity and Working Capital during Covid 19<sup>1</sup>
- Recipient of 4 Awards at the Digital Payments Utsav, 2021**
- Committed to **reduce green house gas emissions** across the country **to net zero by 2030**
- Included in the **MSCI ESG indices**

Moody's upgrades rating to B2 and changes outlook from Stable to Positive

<sup>1</sup> By 'The Digital Banker' at the Global Transaction Banking Innovation Awards, 2021



# Strategic Objectives & Guidance Tracker

Key Strategic Objectives		FY2020 (YBL Reconstruction Scheme)	FY2021	Q1FY22	Q2FY22	Q3FY22	Status	FY22 Guidance
CASA Ratio		26.6% 	26.1% 	27.4%	29.4%	30.4%	Achieved	> 30%
Retail & MSME: Corporate Mix		44%:56% 	51%:49% 	53%:47%	54%:46%	57%:43%	On Track	60%:40% Medium Term (FY23-25) Targets
Advances Y-o-Y Growth		-29% 	-3% 	-1%	4%	4%	Sustained Momentum in granular and diversified business	>15% growth
Wholesale Y-o-Y Growth	Corporate	-40% 	-15% 	-17%	-15%	-15%		~10% growth
	Medium Ent	-29%	10% 	11%	20%	40%		
SME & Retail Y-o-Y Growth	SME	-10% 	-5% 	7%	9%	12%	On Track	~20% growth
	Retail	-1%	23% 	31%	39%	26%		
C/D ratio		162.7% 	102.4% 	100.2%	97.8%	95.6%	Achieved	< 100%
Resolutions	Recoveries	 ~ INR 5K Cr		INR 602 Cr	INR 987 Cr	INR 610 Cr	On Track ~INR 4,320 Cr <sup>2</sup>	> INR 5,000 Cr
	Upgrades <sup>1</sup>			INR 1723 Cr	INR 969 Cr	INR 573 Cr		
RoA		-7.1% 	-1.3% 	0.3%	0.3%	0.4%	On Track	1 - 1.5% Medium Term (FY23-25) Targets

<sup>1</sup> Includes Covid & MSME Restructuring of ~INR 600 Cr in Q1FY22, ~INR 330 Cr in Q2FY22 & ~INR 215 Cr in Q3FY22

<sup>2</sup> Excludes the above mentioned Covid & MSME Restructuring

# Performance Highlights (1/2)

All figures in INR Cr

## Profit & Loss



	Q3FY22	Q-o-Q	Y-o-Y
<b>Net Interest Income</b>	<b>1,764</b>	<b>17%</b>	<b>-31% *</b>
Non interest income	734	-6%	-33% *
Operating Expenses	1,767	10%	20%
<b>Operating Profit</b>	<b>731</b>	<b>8%</b>	<b>-66% *</b>
<b>Profit After Tax</b>	<b>266</b>	<b>18%</b>	<b>77%</b>
<b>Total Assets</b>	<b>304,597</b>	<b>6%</b>	<b>17%</b>
Net Advances	176,241	2%	4%
<b>Total Deposits</b>	<b>184,288</b>	<b>4%</b>	<b>26%</b>
Shareholders Funds	33,873	1%	-8%

## Balance Sheet



## Key Ratios



	Q3FY22	Q2FY22	Q3FY21
<b>NIM</b>	<b>2.4%</b>	<b>2.2%</b>	<b>3.4% *</b>
<b>Cost to Income</b>	<b>71%</b>	<b>70%</b>	<b>40% *</b>
<b>Return on Assets <sup>4</sup></b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.2%</b>
<b>CET 1</b>	<b>11.6%</b>	<b>11.5%</b>	<b>13.1%</b>
<b>Average LCR</b>	<b>124%</b>	<b>118%</b>	<b>111%</b>
Book Value per share (INR)	13.5	13.4	14.8
<b>Credit Deposit Ratio</b>	<b>96%</b>	<b>98%</b>	<b>116%</b>

## Improvement across parameters

\*Y-o-Y growth not comparable given:

- Non-Recognition of NPA since Feb'20, given RBI Moratorium followed by Supreme Court Embargo
- Significantly higher interest recoveries from NPA and gain on sale of investments in Q3FY21



NII grew by **16.6% Q-o-Q**

NIMs at **2.4%**, improved by **~25bps** sequentially

Operating Profit at **INR 731 Cr** up **~8% Q-o-Q**

**Customer Deposits<sup>1</sup>** at INR **179,208 Cr**; up **4.4% Q-o-Q**

**CASA Ratio** at **30.4%** v/s. 29.4% in Q2FY22; growth rate at ~2x of overall deposits



**~269K CASA A/Cs** opened vs. 244K last quarter

**Deposits Market share at 1.1%;**

**Incremental Deposits Market Share at 3.2%<sup>2</sup>**

**Retail + MSME advances mix at 57%**

Gross Retail Disbursements of INR **9,313 Cr**

SME Disbursements<sup>3</sup> at INR **4,940 Cr**

Wholesale Banking Disbursements at INR **4,760 Cr**



**CD Ratio** further improved to **95.6%** vs 97.8% last quarter

**CET1 Ratio** improves by **16bps** to **11.6%**

<sup>1</sup> Excluding Certificate of Deposits

<sup>3</sup> Includes Limit Setup

<sup>2</sup> Since Reconstruction based on RBI weekly data

<sup>4</sup> Annualised

# Performance Highlights (2/2)

All figures in INR Cr

	Q1FY22	Q2FY22	Q3FY22
Non Performing Exposures <sup>1</sup>	Gross NPA	28,506	28,741
	Other Non Performing Exposures	10,315	9,246
	<b>Total Gross Non Performing Exposures</b>	<b>38,821</b>	<b>37,986</b>
	Total Provisions held	26,198	25,248
	<b>Net Non Performing Exposures</b>	<b>12,623</b>	<b>11,977</b>
	Cumulative Technical Write-off #	17,065	16,602
	<i>Net additions during the Quarter</i>	<i>(143)</i>	<i>(464)</i>
	<b>Provision Coverage for above<sup>3</sup></b>	<b>77.4%</b>	<b>77.9%</b>
Standard Restructured Loans <sup>2</sup>	<b>Total Gross Restructured Loans</b>	<b>4,976</b>	<b>6,184</b>
Overdue Book	<b>61-90 days overdue loans</b>	<b>3,398</b>	<b>1,903</b>
	<i>Of which Retail</i>	<i>790</i>	<i>361</i>
	<b>31-60 days overdue loans</b>	<b>8,167</b>	<b>3,639</b>
	<i>Of which Retail</i>	<i>1,715</i>	<i>672</i>

## Asset quality trends continue to improve

**GNPA ratio at 14.7%, vs 15.0% last quarter**

**NNPA ratio at 5.3% vs. 5.5% last quarter**

Fresh **Slippages** lower at **INR 978 Cr** vs. INR 1,783 last quarter of which:

- Corporate slippages lower at **INR 435 Cr** vs. INR 750 Cr last quarter
- Retail slippages lower at **INR 388 Cr** vs. INR 888 Cr last quarter

**Increase in Total Gross Restructured Loans** on account of DCCO, Covid 2.0 & MSME 2.0 during the quarter

**Overdue Loans** in 61-90 days bucket are stable, while, in 31-60 days bucket its higher by **~INR 1,600 Cr Q-o-Q**, predominantly on account of one large infrastructure group fully backed by strong and highly valued collateral

<sup>1</sup> NPA, NPI & ARC

<sup>2</sup> Erstwhile, MSME 1.0 & 2.0, DCCO related & Covid 1.0 & 2.0

<sup>3</sup> Including technical w/o;

# Only Corporate

# Profit and Loss Statement



All figures in INR Cr

- **Profits at INR 266 Cr up 18.2% Q-o-Q in Q3FY22 - Highest since December 2018**
- **Operating Profits at INR 731 Cr**
  - **Net Interest Income at INR 1,764 Cr up 17% Q-o-Q;**
  - **NIM at 2.4% up 25 bps Q-o-Q;**
  - **Sustained Reduction** in cost of deposits while continuing to garner liabilities

Profit and Loss Statement	Quarter Ended			Growth	
	Q3FY22	Q2FY22	Q3FY21	Q-o-Q	Y-o-Y
Net Interest Income	1,764	1,512	2,560	17%	-31% <sup>1</sup>
Non-Interest Income	734	778	1,087	-6%	-33% <sup>1</sup>
<b>Total Income</b>	<b>2,498</b>	<b>2,290</b>	<b>3,648</b>	<b>9%</b>	<b>-32%<sup>1</sup></b>
<b>Operating Expense</b>	<b>1,767</b>	<b>1,612</b>	<b>1,472</b>	<b>10%</b>	<b>20%</b>
<i>Human Resource Cost</i>	733	706	601	4%	22%
<i>Other Operating Expenses</i>	1,034	906	871	14%	19%
<b>Operating Profit / (Loss)</b>	<b>731</b>	<b>678</b>	<b>2,176</b>	<b>8%</b>	<b>-66%<sup>1</sup></b>
Provisions	375	377	2,089	-1%	-82%
Profit Before Tax	356	301	87	18%	311%
Tax Expense	90	75	(64)	19%	NM
<b>Net Profit/(Loss)</b>	<b>266</b>	<b>225</b>	<b>151</b>	<b>18%</b>	<b>77%</b>
Yield on Advances	8.1%	8.0%	9.3% <sup>1</sup>		
Cost of Funds	5.1%	5.4%	6.1%		
Cost of Deposits	4.9%	5.1%	5.9%		
NIM	2.4%	2.2%	3.4% <sup>1</sup>		
Cost to Income	70.7%	70.4%	40.4% <sup>1</sup>		

NM = Not measurable

<sup>1</sup> Y-o-Y Growth not comparable given Non-Recognition of NPA since Feb'20, given RBI Moratorium followed by Supreme Court Embargo; Significantly higher interest recoveries from NPA and gain on sale of investments in Q3FY21

# Break Up of Non Interest Income

All figures in INR Cr

▪ **Core Fee Income drivers continue to show significant traction**

- Sustained Momentum in Retail Banking Fees
- Corporate Trade & Cash Management business continue to be strong, marginal drop on account of bullion business, granular cash management fees continues to do well

	Quarter Ended			Growth	
	Q3FY22	Q2FY22	Q3FY21	Q-o-Q	Y-o-Y
<b>Non-Interest Income<sup>1</sup></b>	<b>734</b>	<b>778</b>	<b>1,087</b>	<b>-6%</b>	<b>-33%</b>
<b>Corporate Trade &amp; Cash Management</b>	<b>148</b>	<b>157</b>	<b>128</b>	<b>-6%</b>	<b>16%</b>
<b>Forex, Debt Capital Markets &amp; Securities</b>	<b>124</b>	<b>148</b>	<b>549</b>	<b>-16%</b>	<b>-77%</b>
<i>Of which realized / unrealized gain on Investments</i>	23	30	472	-22%	-95%
<b>Corporate Banking Fees</b>	<b>27</b>	<b>29</b>	<b>1</b>	<b>-8%</b>	<b>2370%</b>
<b>Retail Banking Fees</b>	<b>447</b>	<b>444</b>	<b>409</b>	<b>1%</b>	<b>9%</b>
Trade & Remittance	58	56	43	3%	33%
Facility/Processing Fee	77	78	75	-1%	3%
Third Party Sales	43	39	34	11%	27%
Interchange Income	144	143	154	1%	-7%
General Banking Fees	124	128	102	-3%	22%

<sup>1</sup> Break up includes one time loss on sale of asset amounting to ~ INR 12 Crs



# Break up of Operating Expenses

All figures in INR Cr

▪ **Operating Expenses for Q3FY22 higher by 10% Q-o-Q**

- Further step up in provisions towards variable compensation of employees
- Sustained momentum in business volumes
- Increase in card related expenses post resumption in Credit Card Business
- Increase in Insurance cost for Covid19 coverage of employees & DICGC

	Quarter Ended			Growth	
	Q3FY22	Q2FY22	Q3FY21	Q-o-Q	Y-o-Y
Payments to and provisions for employees	733	706	601	4%	22%
Rent, Taxes and Lighting	108	111	118	-3%	-8%
Loan Sourcing Fees and DSA	181	164	121	10%	50%
Depreciation on Bank's property	98	102	90	-4%	9%
IT related expenses	113	105	85	7%	33%
Professional Fees & Commission	70	75	75	-7%	-6%
Insurance	64	49	40	31%	59%
Others	400	298	343	34%	17%
<b>Total</b>	<b>1,767</b>	<b>1,612</b>	<b>1,472</b>	<b>10%</b>	<b>20%</b>

# Provisions and P&L

All figures in INR Cr

- Provisions for Investments on account of step up in provisioning for security receipts
- Provisioning for NPA's from Fresh Slippages and Step up in PCR offset by:
  - **~INR 174 Cr** of recovery from written off accounts
  - **~INR 500 Cr** of provision reversal from upgrades & recoveries

	Quarter Ended			Growth	
	Q3FY22	Q2FY22	Q3FY21	Q-o-Q	Y-o-Y
<b>Operating Profit</b>	<b>731</b>	<b>678</b>	<b>2,176</b>	<b>8%</b>	<b>-66%</b>
Provision for Taxation	90	75	(64)	19%	NM
Provision for Investments	312	(52)	457	NM	-32%
Provision for Standard Advances	(139)	561	1,482	NM	NM
Provision for Non-Performing Advances	225	(139)	165	NM	36%
Other Provisions	(23)	8	(15)	NM	54%
<b>Total Provisions</b>	<b>464</b>	<b>453</b>	<b>2,025</b>	<b>2%</b>	<b>-77%</b>
<b>Net Profit / (Loss)</b>	<b>266</b>	<b>225</b>	<b>151</b>	<b>18%</b>	<b>77%</b>
Return on Assets (annualized)	0.36%	0.32%	0.24%		
Return on Equity (annualized)	3.16%	2.69%	1.63%		
Earnings per share-basic (non-annualized)	0.11	0.09	0.06		

NM = Not Measurable

# Balance Sheet

All figures in INR Cr

- **Balance Sheet** grew **6% Q-o-Q**, while continuing to improve
  - **C/D ratio at 95.6%** v/s. 97.8% last quarter
  - **CASA ratio 30.4%** v/s. 29.4% last quarter
- **Secular growth across segments led by granular business :**
  - Gross Retail Disbursements of **INR 9,313 Cr**
  - SME Disbursements<sup>1</sup> of **INR 4,940 Cr**
  - Wholesale Banking Disbursements of **INR 4,760 Cr**

<sup>1</sup> Includes Limit Setup

	31-Dec-20	30-Sep-21	31-Dec-21	Growth % (Q-o-Q)	Growth % (Y-o-Y)
<b>Assets</b>	<b>260,062</b>	<b>288,523</b>	<b>304,597</b>	<b>6%</b>	<b>17%</b>
Advances	169,721	172,839	176,241	2%	4%
Investments	38,798	56,167	53,377	-5%	38%
<b>Liabilities</b>	<b>260,062</b>	<b>288,523</b>	<b>304,597</b>	<b>6%</b>	<b>17%</b>
Shareholders' Funds	36,956	33,608	33,873	1%	-8%
<b>Total Capital Funds</b>	<b>46,606</b>	<b>40,294</b>	<b>40,690</b>	<b>1.0%</b>	<b>-12.7%</b>
Deposits	146,233	176,672	184,288	4.3%	26%
Borrowings	61,318	63,849	71,906	13%	17%

# Break up of Advances & Deposits

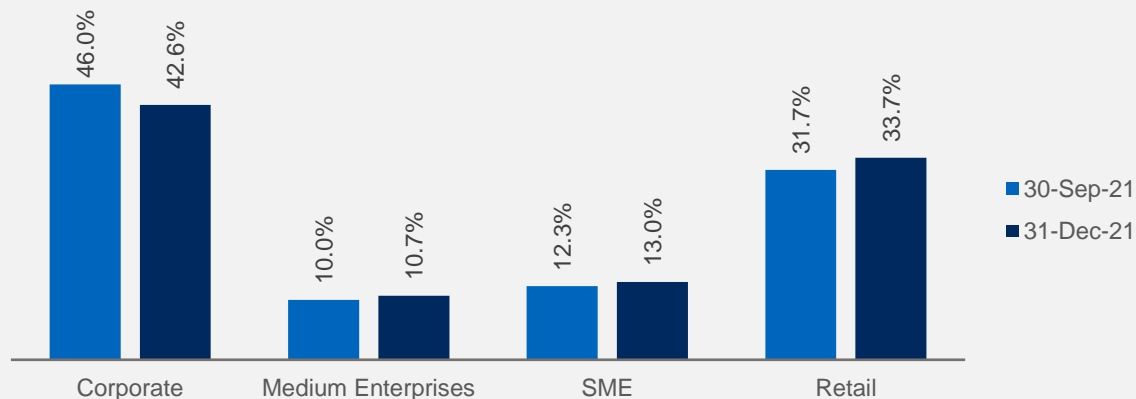
All figures in INR Cr

- Sustained Granularization of Balance Sheet:
  - CASA + Retail TDs at **61.3% v/s 61.1%** in Q2FY22<sup>1</sup>
  - Average daily CA grew by **74.2% Y-o-Y**
  - Average daily SA grew by **43.8% Y-o-Y**
  - **~269K** CASA Accounts opened in Q3FY22
  - Retail Advances mix at **33.7%** v/s. 31.7% in Q2FY22

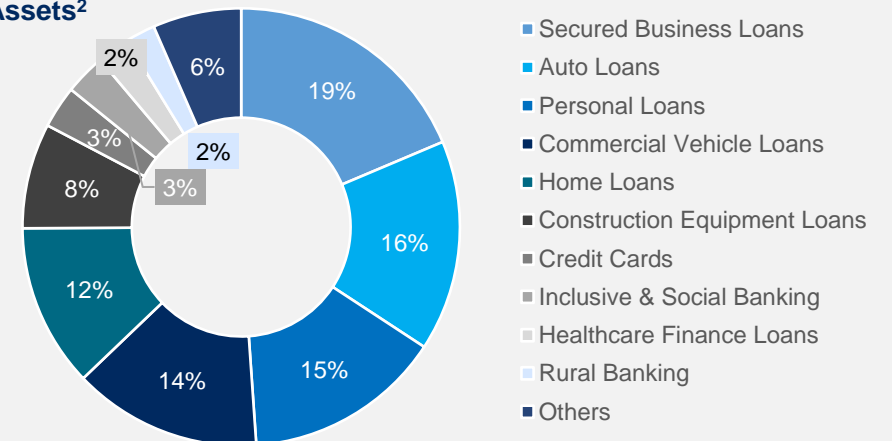
	31-Dec-20	30-Sep-21	31-Dec-21	QoQ Growth (%)	YoY Growth (%)
Current Account Deposits	15,856	22,725	24,522	8%	55%
Savings Bank Deposits	22,118	29,305	31,475	7%	42%
<b>CASA</b>	<b>37,973</b>	<b>52,029</b>	<b>55,997</b>	<b>8%</b>	<b>47%</b>
<b>CASA Ratio</b>	<b>26.0%</b>	<b>29.4%</b>	<b>30.4%</b>		
Term Deposits (TD)	108,260	124,642	128,291	3%	19%
of which CDs	7,395	5,031	5,080	1%	-31%
<b>Total Deposits</b>	<b>146,233</b>	<b>176,672</b>	<b>184,288</b>	<b>4%</b>	<b>26%</b>

## Advances Book Split

Book Size: INR 176,241 Cr



## Retail Banking Assets<sup>2</sup>



<sup>1</sup> Errata corrected for Q2FY22 disclosure

<sup>2</sup> Split basis gross retail advances



# NPA Highlights

All figures in INR Cr

- Significant improvement across all segments
  - **Gross NPA Ratio at 14.7%** vs 15.0% last quarter
  - Fresh **Slippages** lower at **INR 978 Cr**
    - Corporate slippages lower at **INR 435 Cr** vs. INR 750 Cr last quarter
    - Retail slippages lower at **INR 388 Cr** vs. INR 888 Cr last quarter
  - **Upgrades** at **INR 573 Cr**
  - **Cash Recovery<sup>2</sup> – INR 610 Cr**
    - Principal Recovery – **INR 364 Cr**
    - Interest Recovery – **INR 72 Cr**
    - Recovery from Written Off Accounts – **INR 174 Cr**

<sup>1</sup> including technical write-offs

<sup>2</sup> Including NPI recovery

Asset Quality Parameters	31-Dec-20	30-Sep-21	31-Dec-21
Gross NPA (%)	15.36%	14.97%	14.65%
Net NPA (%)	4.04%	5.55%	5.29%
Provision Coverage Ratio <sup>1</sup> (%)	81.5%	78.9%	79.3%

Segmental GNPA	31-Dec-20		30-Sep-21		31-Dec-21	
	GNPA	(%)	GNPA	(%)	GNPA	(%)
Retail	219	0.5%	1,579	2.8%	1,279	2.1%
SME	397	1.9%	807	3.7%	767	3.3%
Medium Enterprises	436	3.2%	393	2.2%	397	2.1%
Corporate	28,495	25.8%	25,961	26.8%	26,212	28.2%
<b>Total</b>	<b>29,547</b>	<b>15.4%</b>	<b>28,741</b>	<b>15.0%</b>	<b>28,654</b>	<b>14.7%</b>

Movement of NPA	30-Sep-21	Movement				31-Dec-21
	Opening	Additions	Upgrades	Recoveries	Write Offs	Closing
Retail	1,579	388	452	71	165	1,279
SME	807	123	79	83	2	767
Medium Enterprises	393	31	5	22	0	397
Corporate	25,961	435	36	129	19	26,212
<b>Total</b>	<b>28,741</b>	<b>978</b>	<b>573</b>	<b>305</b>	<b>186</b>	<b>28,654</b>

# Summary of Labelled & Overdue Exposures

All figures in INR Cr

- **Overdue Loans** in 31-60 days bucket higher by ~INR 1,600 Cr Q-o-Q, predominantly on account of one large infrastructure group fully backed by strong and highly valued collateral
- **Increase in Gross Restructured Loans** largely on account of DCCO, Covid 2.0 & MSME 2.0 during the quarter

In INR Cr	30-Jun-21		30-Sep-21		31-Dec-21	
	Gross	Provisions	Gross	Provisions	Gross	Provisions
<b>NPA</b>	<b>28,506</b>	<b>19,051</b>	<b>28,741</b>	<b>19,154</b>	<b>28,654</b>	<b>19,331</b>
<b>Other Non-Performing Exposures</b>	<b>10,315</b>	<b>7,147</b>	<b>9,246</b>	<b>6,093</b>	<b>8,897</b>	<b>6,243</b>
<i>NFB of NPA accounts</i>	1,566	338	1,548	332	1,422	332
<i>NPI</i>	6,587	6,067	5,540	5,021	5,329	4,810
<i>ARC</i>	2,163	742	2,157	740	2,145	1,101
<b>Total Non-Performing Exposures</b>	<b>38,821</b>	<b>26,198</b>	<b>37,986</b>	<b>25,248</b>	<b>37,551</b>	<b>25,574</b>
<i>Technical Write-Off</i>		17,065		16,602		16,579
<b>Provision Coverage incl. Technical W/O</b>		<b>77.4%</b>		<b>76.7%</b>		<b>77.9%</b>
<b>Std. Restructured Advances<sup>1</sup></b>	<b>4,976</b>	<b>476</b>	<b>6,184</b>	<b>615</b>	<b>6,878</b>	<b>753</b>
<i>Erstwhile</i>	27	1	28	1	26	1
<i>DCCO related</i>	1,408	70	1,403	70	1,749	87
<i>MSME (Covid)</i>	192	11	844	79	1,050	101
<i>Covid</i>	3,348	394	3,908	465	4,052	563
<b>Other Std. exposures <sup>2</sup></b>	<b>994</b>	<b>348</b>	<b>940</b>	<b>329</b>	<b>124</b>	<b>43</b>
<b>61-90 days overdue loans</b>	<b>3,398</b>		<b>1,903</b>		<b>1,943</b>	
<i>Of which Retail</i>	790		361		275	
<b>31-60 days overdue loans</b>	<b>8,167</b>		<b>3,639</b>		<b>5,305</b>	
<i>Of which Retail</i>	1,715		672		688	

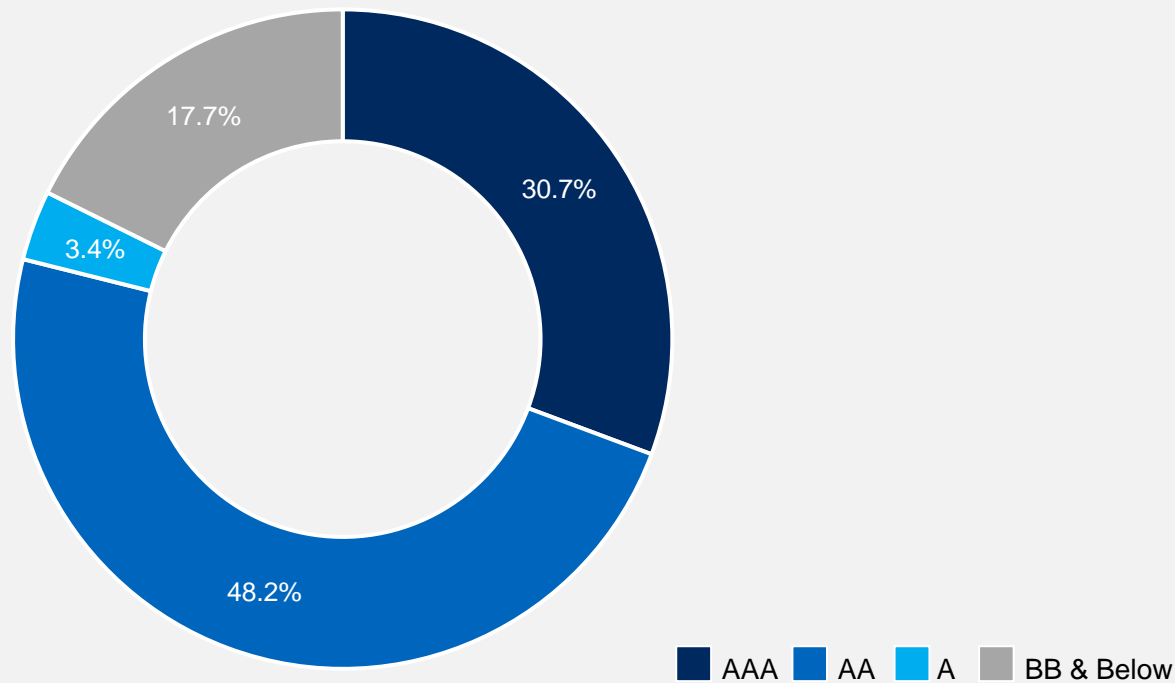
<sup>1</sup> Already Implemented as of respective date; Erstwhile category represents Standard Restructured accounts and does not include withdrawn categories such as SDR, S4A etc.

<sup>2</sup> Where provisioning has been made as per requirement of RBI circular on Prudential Framework for Resolution of Stressed Assets dated June 7, 2019

# Corporate Debt Investments

- Total Corporate Debt Investments at **INR 12,528 Cr**
- Standard performing investments at **INR 7,286 Cr** vs. INR 7,158 Cr last quarter
- TLTRO investments during the quarter at **INR 400 Cr** ( part of HTM)

Rating wise break up of Standard Performing Investments (Corporate AFS & CP's)<sup>2</sup>

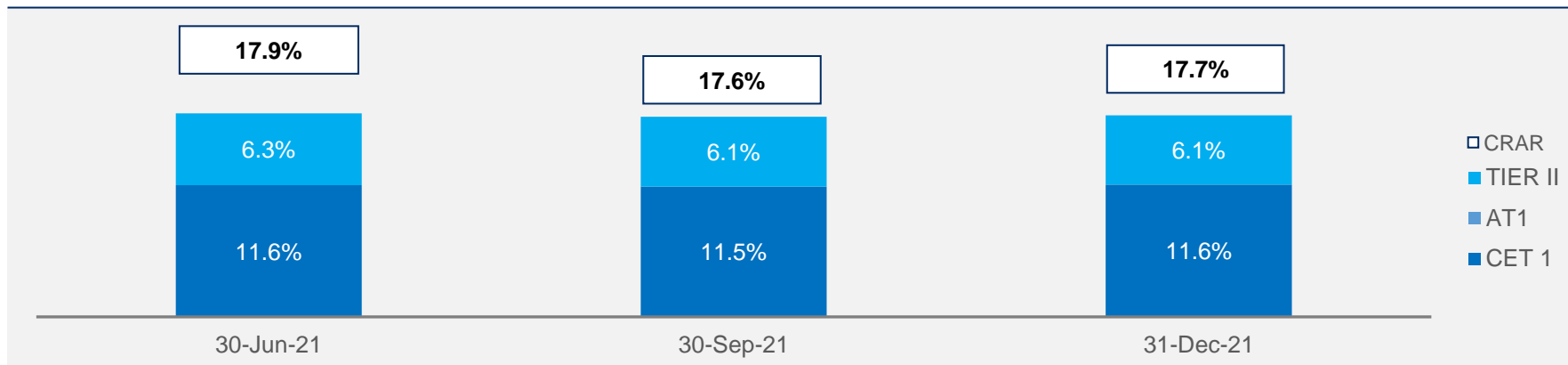


<sup>1</sup> Excludes Equity / Preference Shares

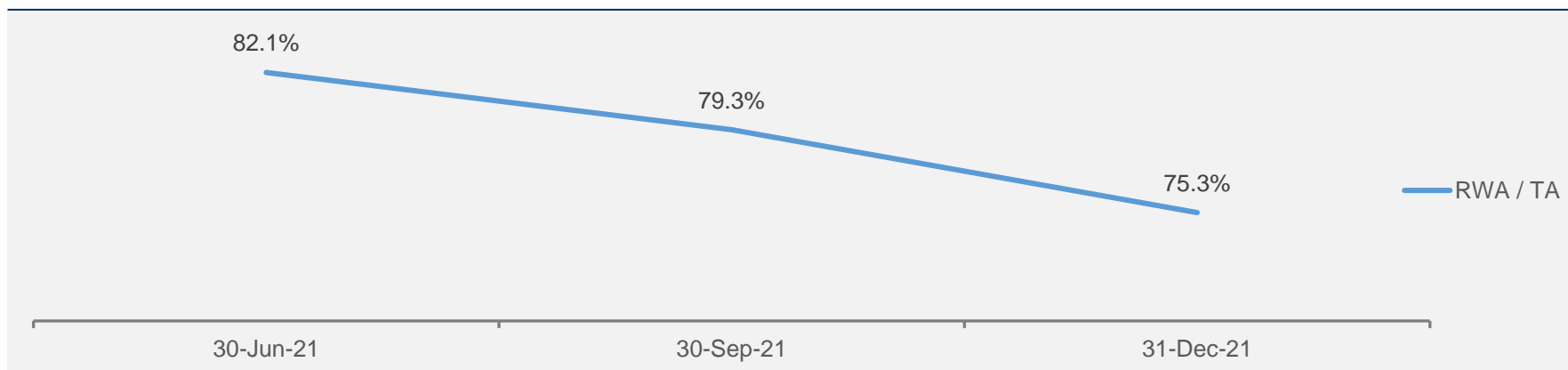
<sup>2</sup> Standard exposures based on External Ratings

# Capital Sufficiency: CET 1 ratio at 11.6%

## 1 Bank's Capital Adequacy Ratio<sup>1</sup>



## 2 RWA to Total Assets



<sup>1</sup> Includes Profits

CET 1 Ratio comfortable at 11.6%

Recoveries and Operating Profits to sufficiently cover for future slippages and growth

Deferred tax asset of ~INR 6,240 Cr deducted from net-worth for computing CET 1, representing ~270 bps, to further aid Bank's CET 1 over time





# Contents



YES BANK Quarterly Update

**YES BANK – Franchise**

Annexure

# YES BANK – Snapshot



- India's 7<sup>th</sup> Largest Private Sector Bank<sup>1</sup>
- Rebuilt the foundation in FY21** while, improving performance across key parameters, despite severe headwinds of Covid-19 & moratorium imposed on the Bank; **focus shifted to growth & profitability.**

## Physical Presence



## Digital Presence

UPI Market Share: **~42%** of **~3 billion** monthly transactions are powered by YES BANK

AePS Market Share: **~ 18%** of **~200 million** monthly 'off-us' transactions are powered by YES BANK across **1 mn+ BC outlets**

API Banking Leadership: **4,865** set ups done for customers so far

## YES Family



Feature-packed proposition offers wide-ranging services and rewards to meet financial needs of entire family, including priority servicing, huge savings and cashbacks, fee waivers, flexibility to maintain balance across family accounts and family privileges among other banking solutions

## Excellence

Awarded **Best ERP Integration and Most Innovative Transaction Banking Solution** for Liquidity and Working Capital during Covid 19 by 'The Digital Banker' at the Global Transaction Banking Innovative Awards, 2021;

Received **4 Awards** at the Digital Payments Utsav, 2021  
Included in the **MSCI ESG indices**  
Committed to **reduce green house gas emissions** across the country **to net zero by 2030**

Total Assets  
₹ 304,597 Cr

Advances  
₹ 176,241 Cr

Deposits  
₹ 184,288 Cr

CD Ratio  
95.6%

CASA Ratio  
30.4%

BVPS  
₹ 13.5

YES Bankers  
23,335

Net Profit  
₹ 266 Cr

NIM's  
2.4%

CRAR Ratio  
17.7%

Advances Mix  
Retail : Corporate  
57%:43%

ATM's /CRM's/BNA's  
1,221

Average LCR  
123.8%

Net addition of 1,065 employees in FY22

Relationship

Wholesale Banking

SME Banking

Retail Banking

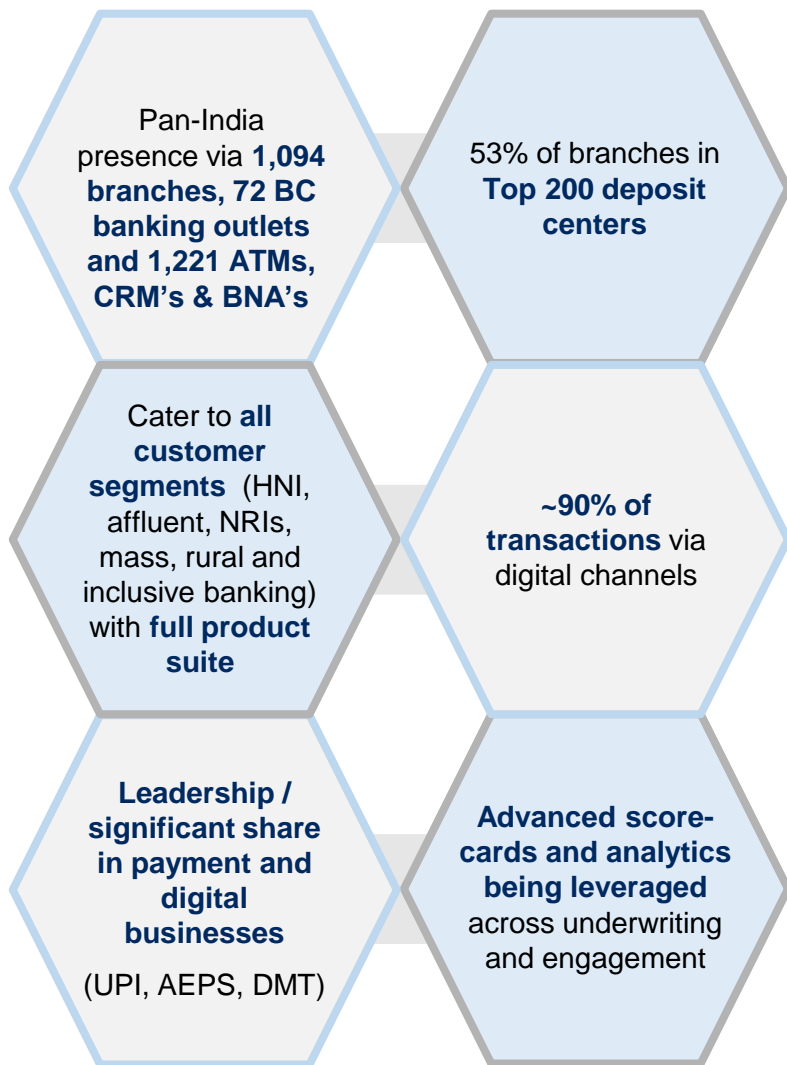
Strategy

Approach With Execution Focused Management; Digital & Technology Key Enablers

Complete array of financial products and solutions covering credit, deposit, transaction banking and digital propositions

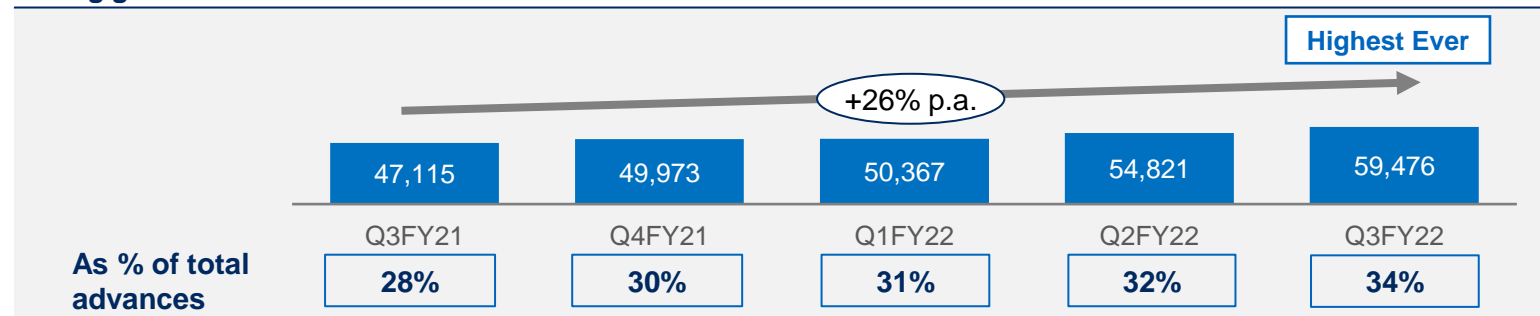
<sup>1</sup> Data as on Sep 30, 2021, based on Total Assets

# Retail Bank: *Full spectrum retail bank growing with strong momentum*

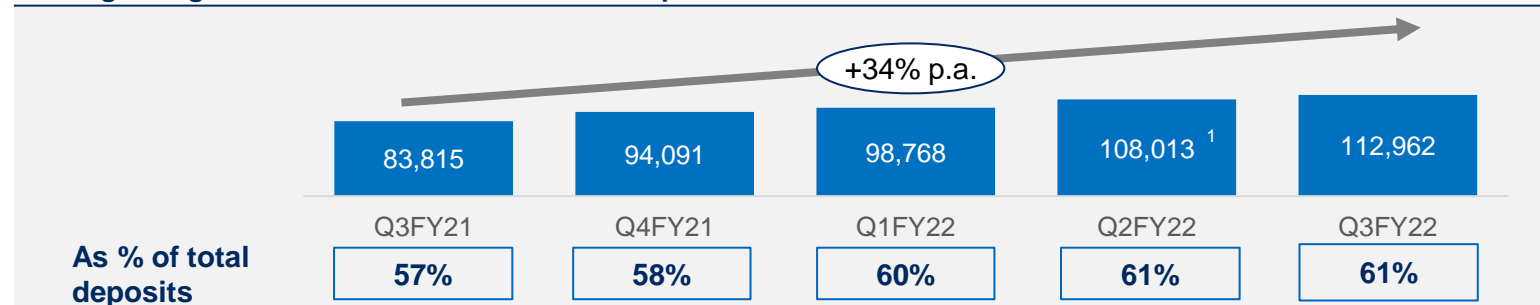


All figures in INR Cr

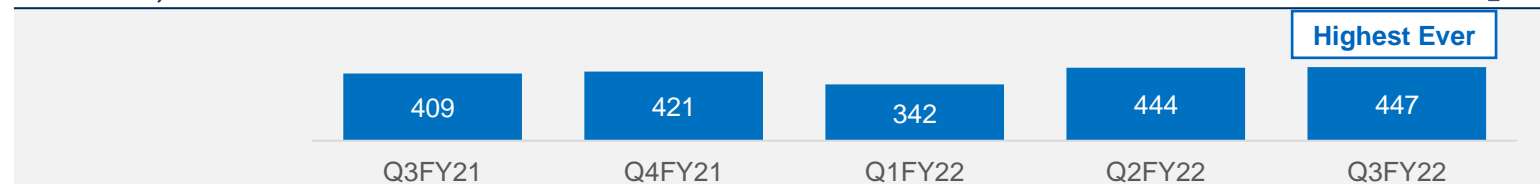
## Strong growth in Retail Advances



## ...along with growth in CASA and Retail Term Deposits



## In addition, continued momentum within Retail Fee Income



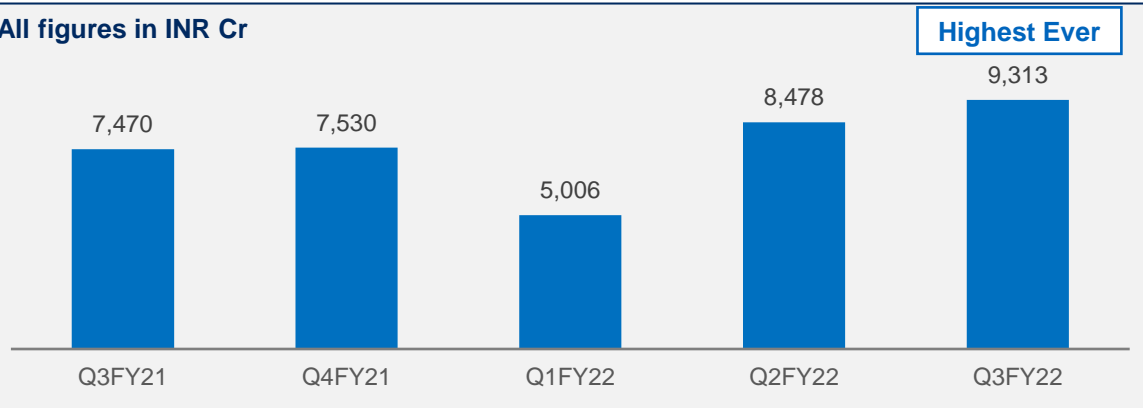
<sup>1</sup> Errata corrected for Q2FY22 disclosure

# Retail Assets: *Fast growing diversified book*



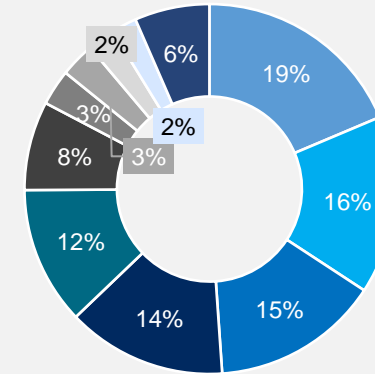
## 1 Retail asset disbursements momentum continues

All figures in INR Cr



## 3 Diversified retail book<sup>1</sup>

- Secured Business Loans
- Auto Loans
- Personal Loans
- Commercial Vehicle Loans
- Home Loans
- Construction Equipment Loans
- Credit Cards
- Inclusive & Social Banking
- Healthcare Finance Loans
- Rural Banking
- Others



**Preferred financier status** with leading Auto OEMs

**Dedicated, verticalized structures** to focus on individual products & improved governance (e.g. Product head, NSM, Credit Head)

## 2 On the back of purposeful digital investments



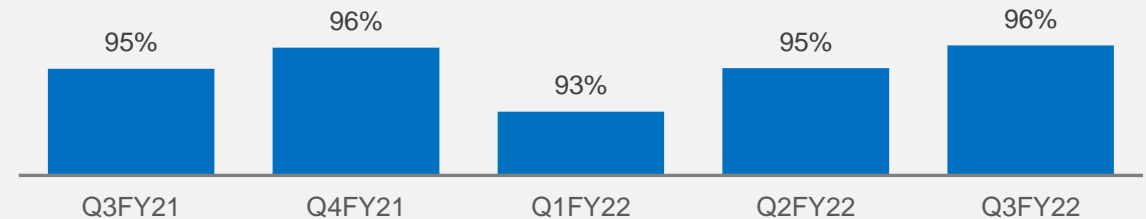
**Loan in seconds (LIS) platform** and front-end automation initiatives (**Yes Robot**) have resulted in **lower TAT along with higher productivity**



**Pre-qualified Gold Loan OD** for existing customers  
**24x7 digital process**

## 4 Strong focus on book quality & collections

Retail Assets collections efficiency at **96.7%** for month of December



- High share of secured loans in Retail Assets book - 82%, with healthy LTV ratios:
  - Avg. LTV for Affordable Home Loan ~69%
  - Avg. LTV for LAP ~57%

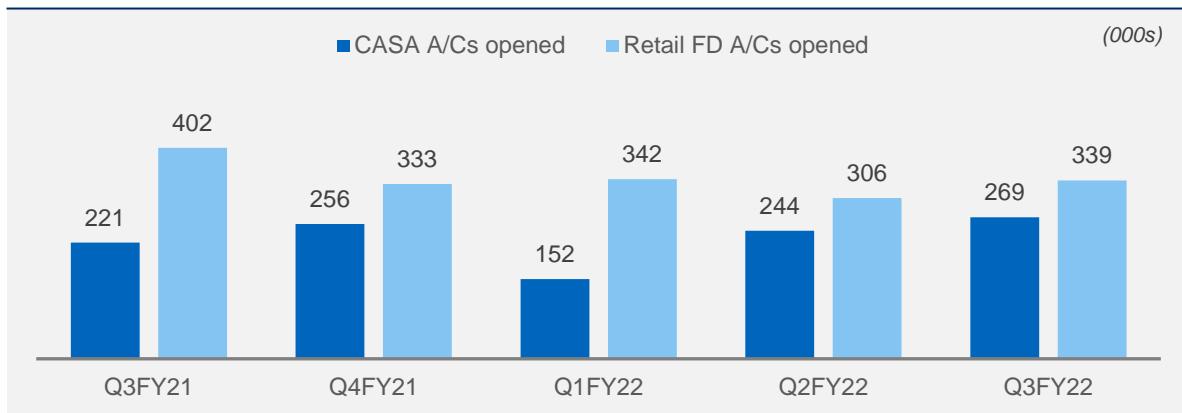
<sup>1</sup> Split basis gross retail advances



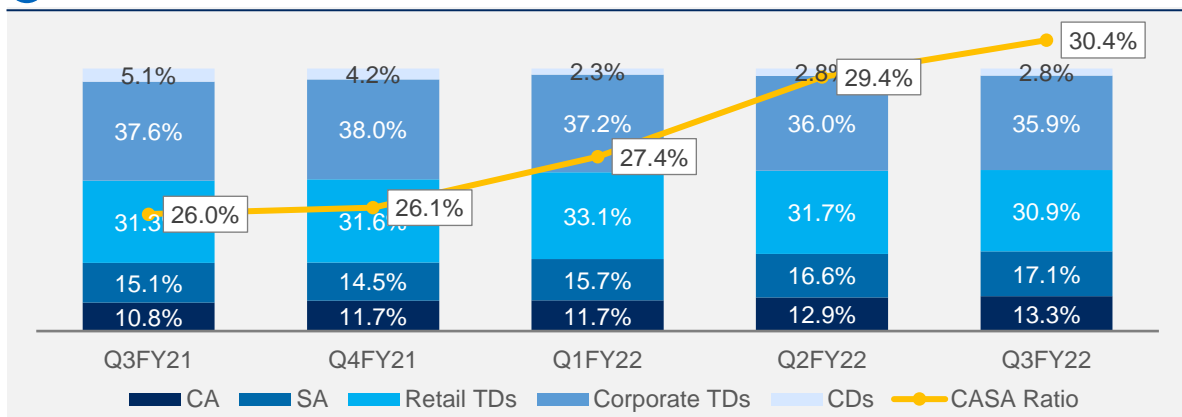
# Liabilities: Strong growth, improving deposit mix, despite reduction in rates



## 1 Strong run-rate in numbers of accounts acquired

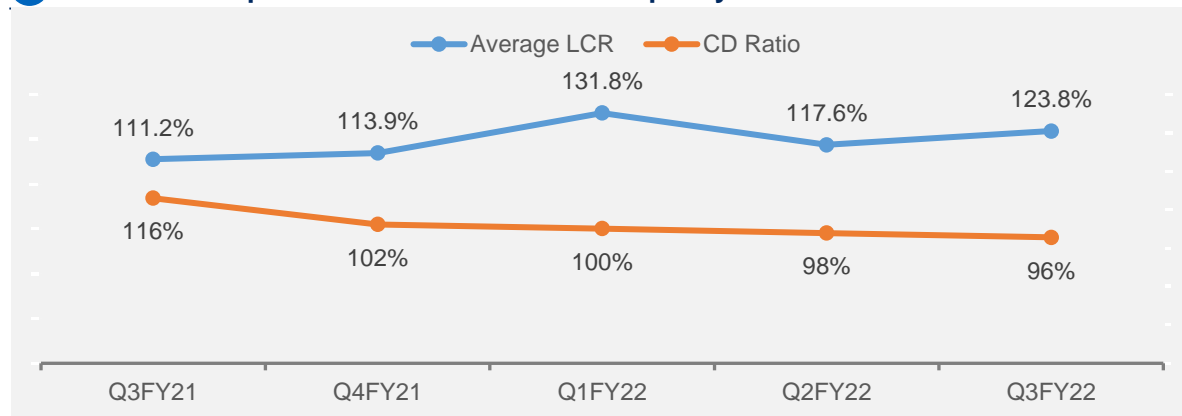


## 2 ... along with healthy deposits book growth<sup>1</sup>

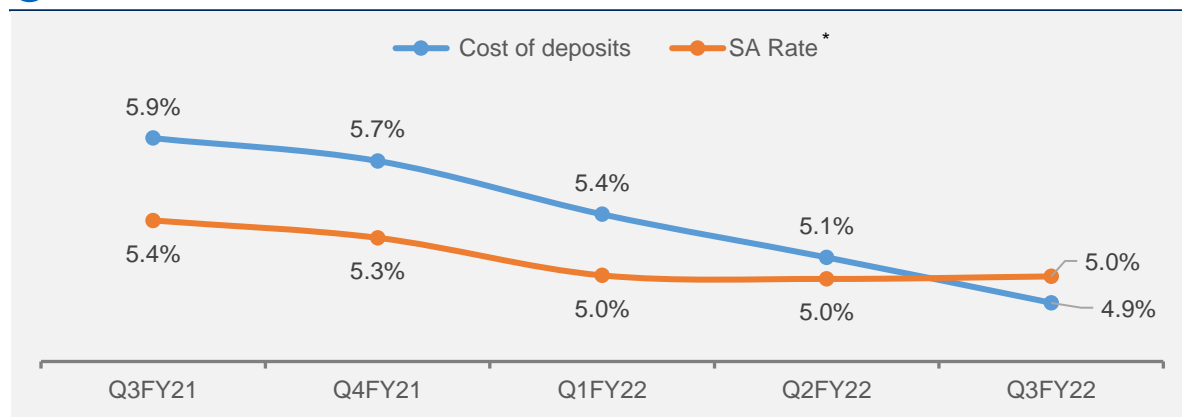


<sup>1</sup> End of period balances.

## 3 continuous improvement in CD Ratio and Liquidity



## 4 Growth has come via productivity gains, despite reduction in rates



\*Weighted Average SA rate

# Rural Assets: *Deepen the penetration in emerging rural markets & generate Agri PSL*



## 1 Business originations (disbursements) returning towards normalcy

All figures in INR Cr



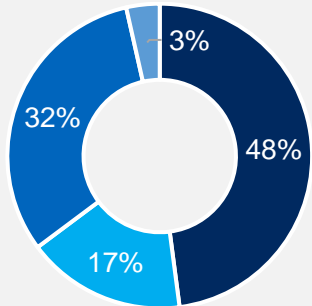
- 100% book qualifies under **granular PSL lending**
- Product suite to cater to all segments** of semi urban/ rural ecosystem
- Parameterized lending** in the granular book for faster disbursements

## 3 Robust Farmer financing book & improved collections in JLG book

- High quality farmer financing** book with NPA < 0.5%
- NPA <2% in the book generated post-COVID** (disbursements on or after April 1, 2020; constitute ~87% of total book); inline with the microfinance industry standards.
- Collection efficiency in JLG book improved significantly in Q3; **expected to sustain the same levels during Q4FY22**
- On ground portfolio monitoring/** trigger-based monitoring by an independent risk monitoring team

## 2 Capturing Rural value chain with geographic diversification

Book Split (value) by segments



Book size : INR 3,815 Cr

- JLG financing**
- MFI lending**
- Farmer financing (KCC + Farm Mechanization)**
- MSME financing**
- Diversified portfolio** across ~225 districts in 14 states
- Rich pedigree of working with credible BC partners**
- Grid based framework for MFI lending** (Parameters include AUM size, capital adequacy, external rating, delinquency, diversification etc.)

## 4 Analytics for expansion towards paperless processing

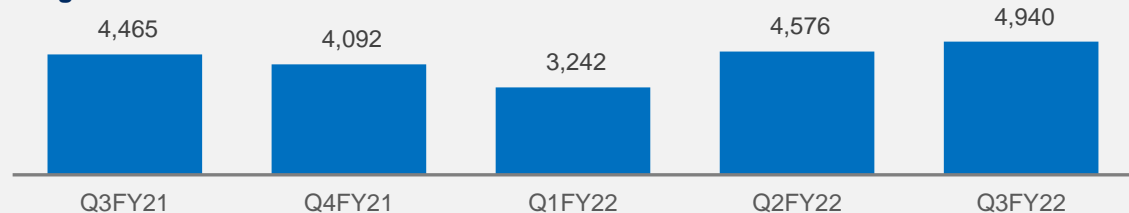
- Digital & Analytics to **enhance customer experience / reduce TAT**
  - Digital on-boarding**, dedicated LMS for rule based sanctions & disbursements and **geo-tagged based monitoring**
  - Usage of Bureau data** up to PIN code level for geographical expansions & periodic portfolio scrub to monitor portfolio health
  - Leveraging Fintech/ digitechs for underwriting and risk management

# Small & Micro Enterprises: *Granular book creation with a solution led approach*



## 1 Steady momentum in disbursements<sup>1</sup>

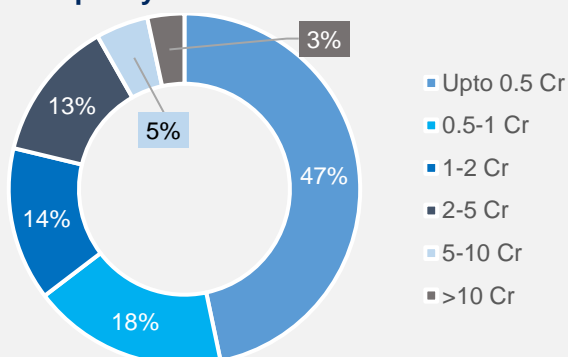
All figures in INR Cr



- **Dedicated teams** for shaper focus in business originations & portfolio management
- **100% business originations** from internal channels
- **Parameterized lending** enabling faster credit decisioning

## 2 High quality & well diversified granular book

Book Split by Ticket Size

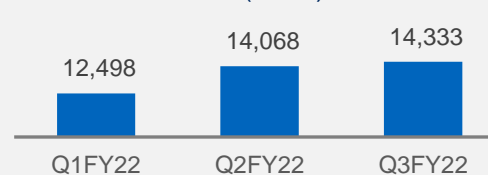


- Distributed portfolio leading to reduced **concentration risk**
- **Portfolio secured by collateral** in addition to primary security of stock & book debts
- **Customer churning and portfolio utilization** at pre-covid level - reflecting portfolio strength.

<sup>1</sup> Includes Limit Setups

## 3 Strengthening Relationship Management

Cross Sell (Units)



Liability Book (INR Cr)



- **One stop solution approach** for all needs of entity and promoters
- **Comprehensive borrower assessment** : Pre-approved retail asset products offering along with business banking limits (Industry first initiative)
- **Dedicated Physical RMs** for relationship deepening **across trade, retail, API banking, etc**
- **Virtual RMs support** to enable customers for engagement, services, enhancements & cross sell

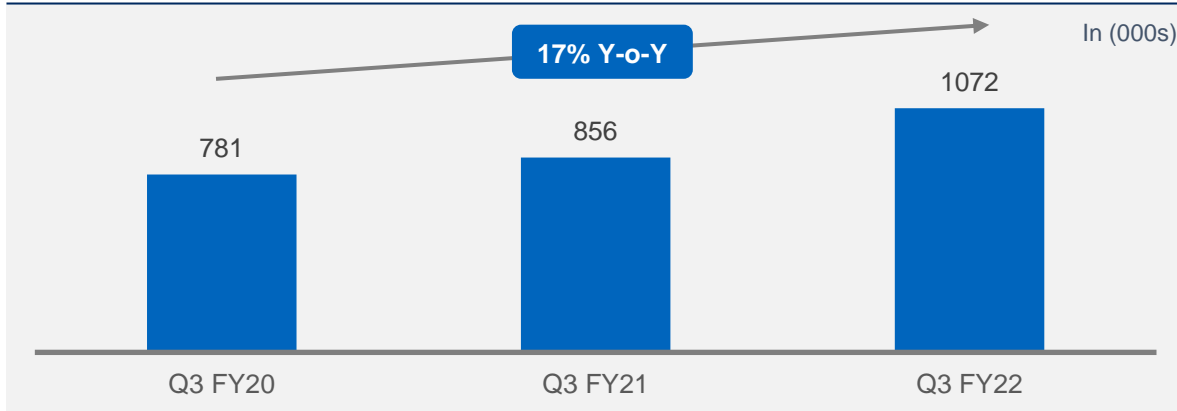
## 4 Digital and Analytics at fulcrum of the franchise

- **Digital & Analytics to enhance customer experience / reduce friction**
  - Analytics driven prospective client identification
  - Digital Lending Platform - Seamless customer approval experience
  - Self-assist digital tools - MSME App, Trade-On-Net, FX Online, etc.
  - Robust EWS framework - early identification of incipient sickness & support frontline in remedial management

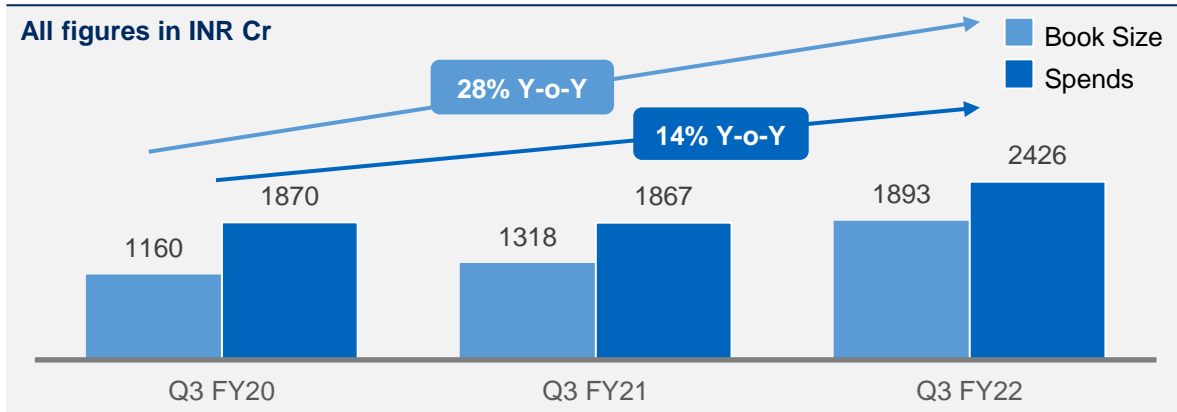
# Credit Cards: *Resumption in business with an increase in cards base coupled with strong growth in spends*



## 1 Total cards base has grown consistently



## 2 Strong Growth in Book & Card spends



## 3 Differentiated Product Offering, Focused digital initiatives, Partnerships & Alliances

- **Comprehensive suite of 16 Products** covering Consumer and Commercial Cards
- **Most rewarding Rewards Platform**, allowing customers to share & adjust reward points against statement outstanding with Reward Points that never expire
- **Best Foreign Currency Markup** on select card variants & **Hosted on most stable technology platform Vision+ (Fiserv) and Falcon** (risk monitoring platform)
- **Digitization of value-added offerings through self-service portal** to enhance customer experience
- Partnerships with Fin-techs and affiliates to bolster distribution outreach

## 4 Digital Onboarding & Product Launches

- Customer onboarding through '**End To End digital journey**' in partnership with TransUnion CIBIL
- Equipped with Video KYC for a '**NO Contact**' processing. Video KYC penetration at 51% in Dec'21
- **49% of Fresh Issuance through digital modes in Q3** ( 53% in Dec'21)
- Launch of '**Finbooster**' Credit Cards in partnership with BankBazaar in Oct'21.
- Issuance of **NPCI/RuPay** branded Credit Cards started from Dec'21.

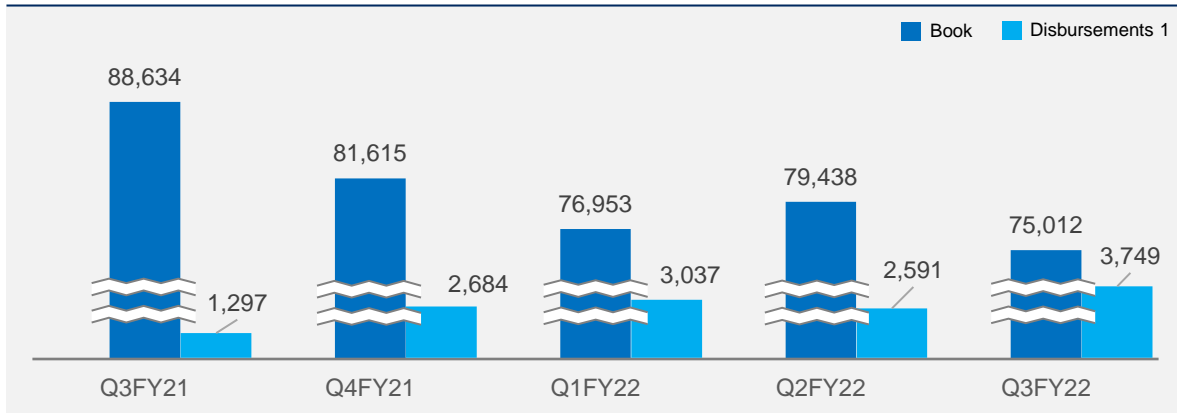


# Wholesale Banking: *Strong growth in transaction banking and granularization of incremental lending book*

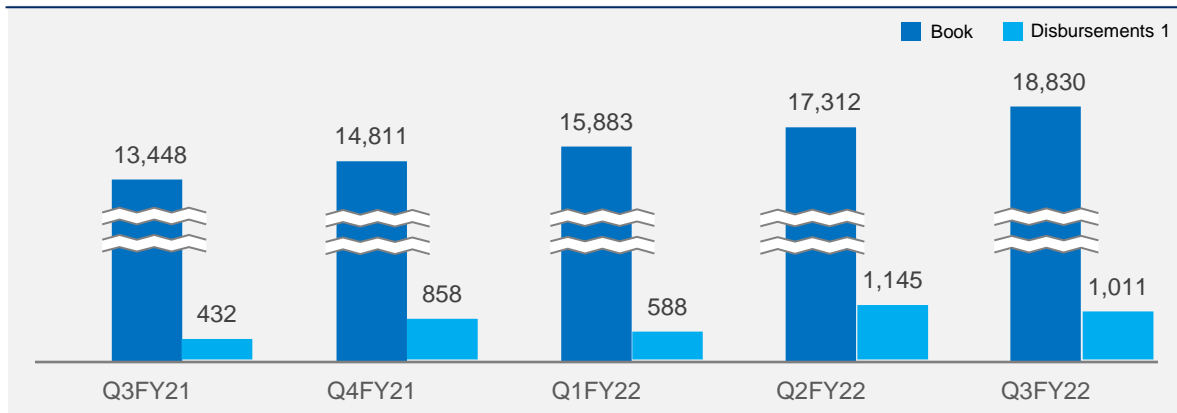


All figures in INR Cr

## 1 Corporate Book & Disbursements – Debulking Continues



## 2 Medium Enterprises Break up – Granularity improving



1 Excludes movement of CC/OD

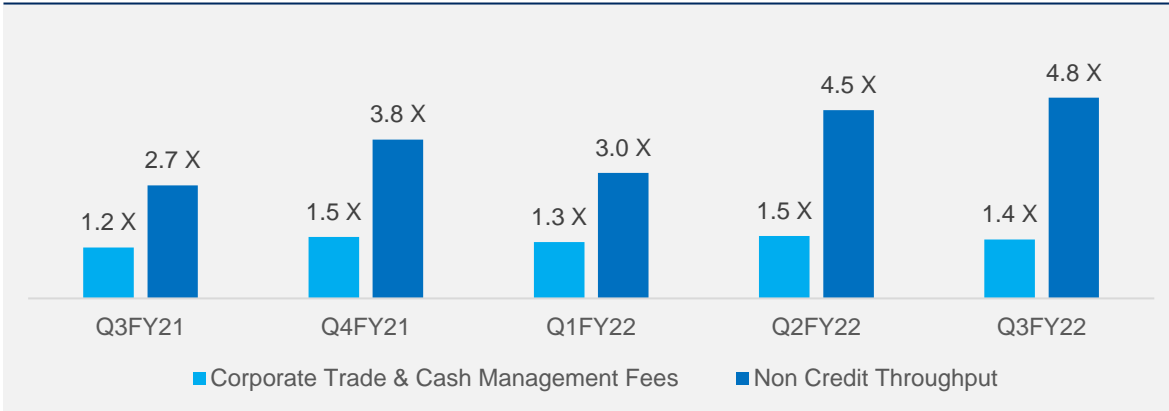
## 3 Providing tailored solutions to clients across business segments

<b>Large Corporates</b>	<ul style="list-style-type: none"> <li>Strong relationships with clients and conglomerates having turnover &gt; INR 1,500 cr</li> <li>Team of experienced Relationship bankers based in 10 locations</li> <li>Focus on Working Capital solutions, Supply Chain programs, Debt Capital Markets (Bonds, CPs), Forex solutions, Advisory, Liquidity Management and well-structured project and Capex Financing</li> <li>Diversified Sector focus - Cement, Steel, Electronics, FMCG, Auto, IT, Chemicals, Healthcare, Data Centre, Dairy, Agri Products, Warehousing/Logistics, Renewables, Engineering</li> <li>Emphasis on Corporate Payroll Accounts and Private Banking cross-sell</li> </ul>
<b>Institutional &amp; Govt Banking Group</b>	<ul style="list-style-type: none"> <li>Divided into 4 focused segments with a relationship-based approach and pan-India presence                             <ul style="list-style-type: none"> <li>Indian Financial Institutions Banking</li> <li>Government Banking</li> <li>Multinational Corporate Banking</li> <li>International Banking</li> </ul> </li> </ul>
<b>Medium Enterprises (Emerging Local Corporates)</b>	<ul style="list-style-type: none"> <li>Tailored solutions to corporates with turnover between INR 100 to INR 1,500 cr.</li> <li>Deeply entrenched in new-age entrepreneurship ecosystem by providing bespoke digital solutions, incubation and networking platforms</li> </ul>
<b>Financial Markets</b>	<ul style="list-style-type: none"> <li>Customized solutions for foreign exchange risk management to more than 35,000 clients pan India.</li> <li>Strong debt capital markets and primary dealership franchise offering origination and distribution services on Fixed Income to clients</li> </ul>

# Transaction Banking: *Annuity income through Trade and Cash Management*

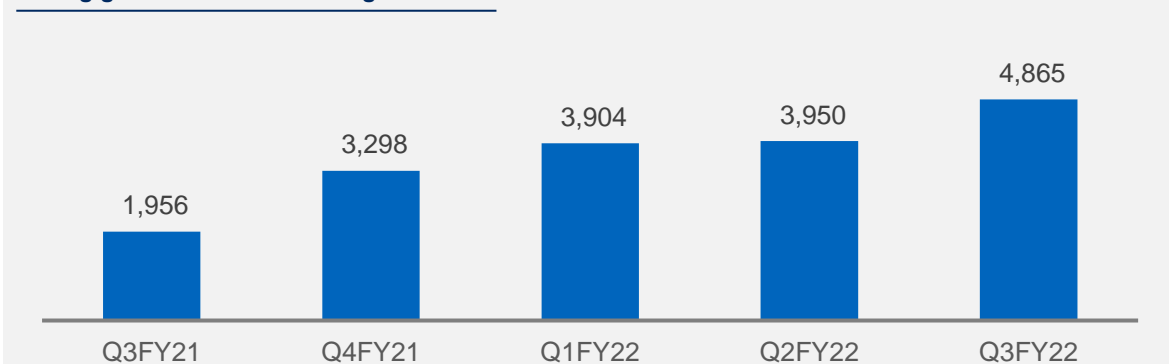


## 1 Book has seen strong growth in non-credit throughput



## 2 ... on the back of an industry leading API banking and technology stack

### Strong growth in total API integrations...



<sup>1</sup> Startups with a valuation of > \$100 mn and < \$ 1bn

## 3 Strong growth in API led transaction banking throughputs

### Cash Management

- Cash Management led thruout has increased by 24% QoQ, of which API Banking volumes grew 24% QoQ and API thruout increased by 33%
- Technology led solutioning in the New Age Tech Segment led to a 40% QoQ growth in value and 32% growth in volumes
- ~96% of our cash management throughput is now from digital modes
- Bankers to ~60% of the Unicorns / Soonicorns<sup>1</sup>. Additionally, 62 of Top 100 FinTechs in India are banking with YES Bank

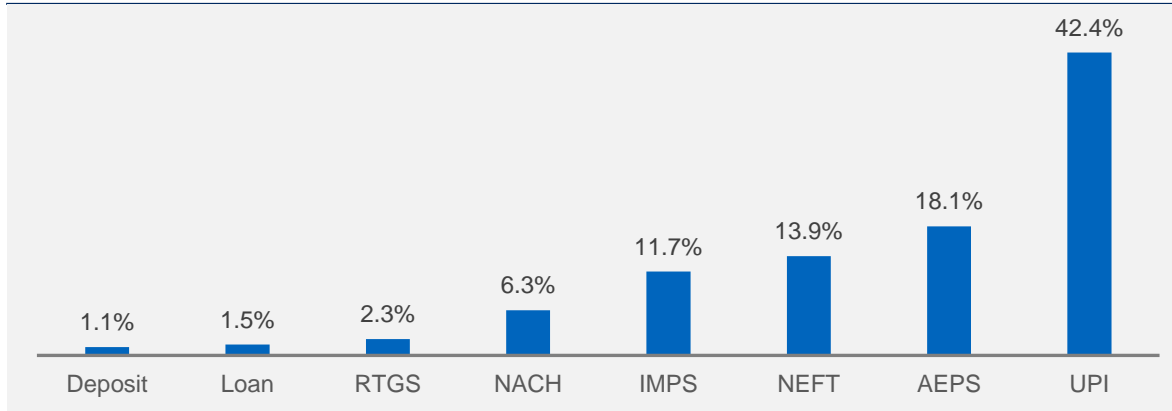
### Trade Finance & Supply Chain

- Strong Digitization push led to 7% QoQ in Smart Trade Platform adoption
- Corporate Export Credit Book grew @ 35% YoY
- Trade NFB book has grown by 4% QoQ
- MSME TReDS Book grew @ 44% QoQ while our Corporate Supply Chain book grew 6% QoQ, contributing to 14% of the total MSME onboarding

# Powering India's Digital Banking



## 1 Market share is higher with progressive payment platforms<sup>1</sup>



## 3 Maximise participation in money flow

### Prepaid Cards

Gift, Payroll & Expense Management, Travel, Toll & Transit

### Payment & Collections

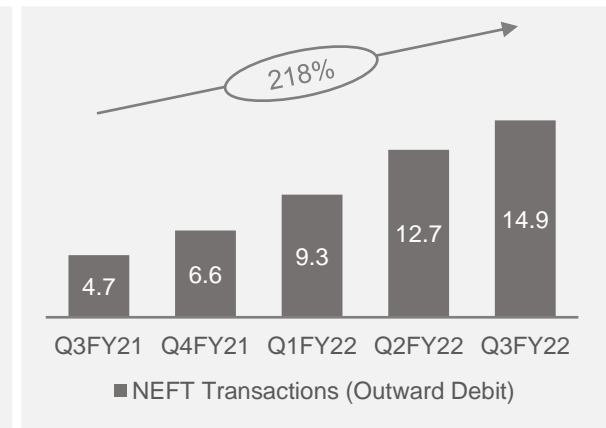
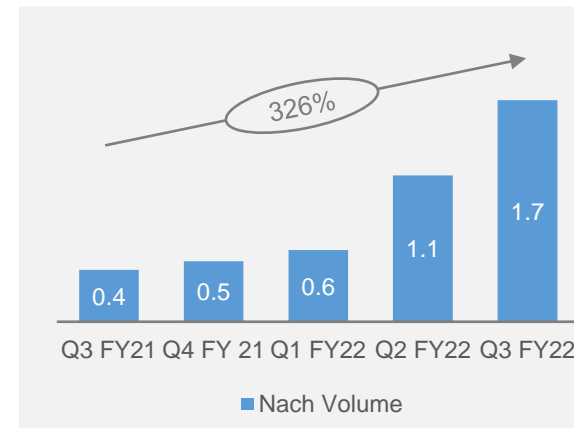
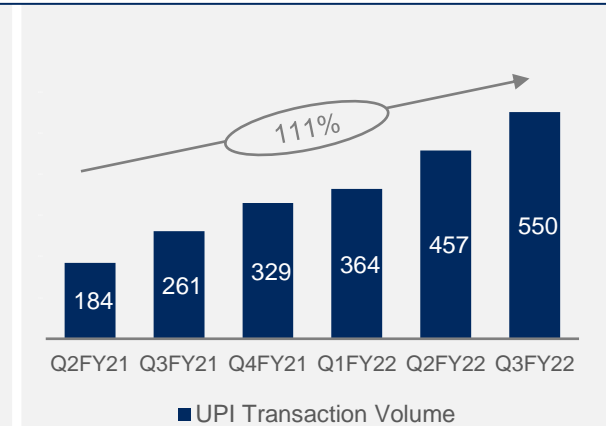
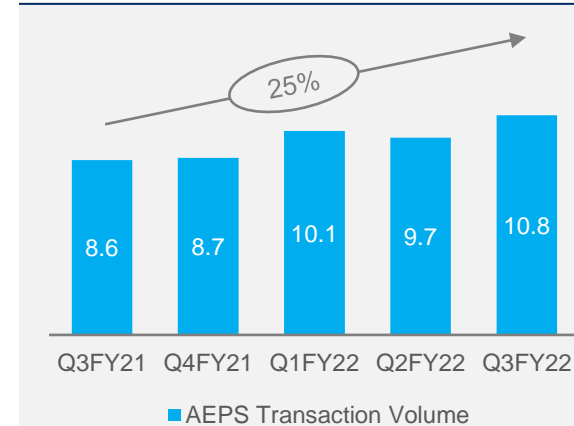
Built around NPCI, Master & VISA Rails (UPI, IMPS, MoneySend, VISA Direct, Payment Gateways etc.)

### Assisted Digital Services

Domestic Money Transfer, AEPS, Micro ATMs

- YES BANK processes nearly **1 out of every 3 digital transactions** which totals over **6 bn monthly**
- Leader with more than **1 mn BCs** and the **3rd largest player in Micro ATMs** after launching them in March 2021
- 99.7% success rate on UPI transactions**

## 2 Healthy Growth in Transaction Volumes across various platform



<sup>1</sup> NEFT - By Volumes Outward; RTGS - By Volumes Outward; IMPS - As per NPCI among peer banks; AEPS - Based on 'off us' transactions; UPI by Transaction volumes




# Technology: Transformation initiatives – Aligned to Business growth

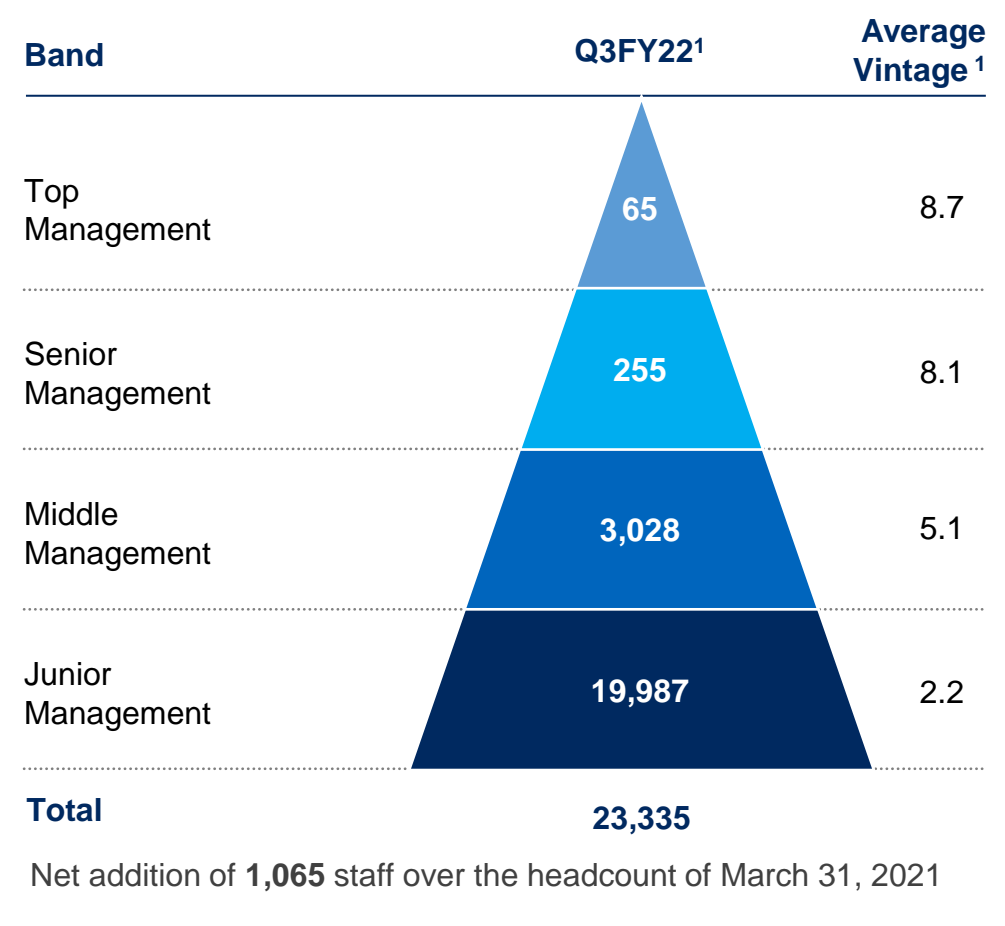


<p>Enable a connected Ecosystem</p>	<ul style="list-style-type: none"> <li>Enhance to an <b>API first</b>, microservices business architecture enabling faster integration with B2B customers and partners across journeys.</li> <li>Embark on a “<b>Zero Operations</b>” Journey – Deliver efficiency   Reduce Risk   Drive growth</li> <li>Enable <b>Data led decisioning with AI/ML overlays</b>. Interleave into journeys</li> </ul>	<ul style="list-style-type: none"> <li>Frictionless onboarding / service journeys</li> <li>Self Onboarding API capability – Short window to monetization</li> <li>Digitization of back office workflows</li> </ul>
<p>Drive Cloud Adoption</p>	<ul style="list-style-type: none"> <li><b>Next Gen Cloud</b> architecture enabling – Scale   Service   Secure   Compliance.</li> <li>Work with 2 Hyper Scaler partners to drive our key applications into cloud.</li> <li>Flexibility for dynamics workloads   Development Environments   Data Lake   Dev-Ops   Remote Monitoring   Automation</li> </ul>	<ul style="list-style-type: none"> <li>On demand business scalability – volume driven</li> <li>Enhanced Dev Ops / Change Management</li> </ul>
<p>Demonstrate Robust Business Assurance</p>	<ul style="list-style-type: none"> <li>Establish strong governance and processes across technology – change &amp; operating functions with focus on <b>Risk – Information Security – Compliance</b></li> <li>Implement and drive a strong Project Management Governance framework supporting agile delivery methodologies</li> </ul>	<ul style="list-style-type: none"> <li>Enhance Security posture across landscape</li> <li>Ensure complete compliance to regulatory directives</li> </ul>
<p>Deliver Total Experience</p>	<ul style="list-style-type: none"> <li>Collaborative journeys defining customer plus ecosystem experience   Delivered through Platforms across channels</li> <li>Talent Management supporting employee career   Employee Lifecycle Management delivering Superlative Employee Experience</li> </ul>	<ul style="list-style-type: none"> <li>Customer Experience – Personalized</li> <li>Employee Experience – Single Interface</li> <li>User Experience – Device experience</li> </ul>

# Strong people focus: Stable leadership with focus on up-skilling talent, objective performance management & enabling employee flexibility



<b>Stable &amp; highly experienced leadership team</b> 	<ul style="list-style-type: none"> <li>Top Management with average vintage of 9 years within the bank combined with new talent from the industry.</li> <li>YES Bank has been <b>ranked No. 2 amongst Large-Sized Banks</b> in the Best places to work in India 2021 awards, conducted by AmbitionBox.com.</li> </ul>
<b>Investing in the right skillset &amp; talent</b> 	<ul style="list-style-type: none"> <li>Dedicated capability building function – <b>Yes School of Banking</b> focusing on role and skill-specific training and certifications – <b>66,936 training days</b> covered in Q3FY22 and <b>1,15,108 training days YTD</b> as on Dec 31, 2021.</li> <li>During Q3, the Bank launched the <b>APEX Leadership Program</b> focused on 'Conscious Leadership' to cover all it's <b>Top &amp; Senior Management employees</b>.</li> <li>During Q3,FY22, the Bank <b>has recruited 110 profiles (331 profiles since April 2021) with technology, product, digital and analytics background</b> to strengthen our digital leadership.</li> </ul>
<b>Focus on compliance culture and long-term retention</b> 	<ul style="list-style-type: none"> <li>To ensure <b>long-term retention</b> of key talent and <b>link employee rewards with the performance of the Bank</b>, ESOPs were awarded selectively to employees. Also, eligible employees in Junior and Middle management bands were paid an interim performance bonus in Q3 FY22</li> <li>To strengthen the <b>Governance and Compliance culture</b>, goals of the management team cover relevant, standardized and measurable Key Performance Indicators covering Governance and Compliance.</li> </ul>
<b>Employee flexibility and welfare</b> 	<ul style="list-style-type: none"> <li>Hybrid working models under the Bank's <b>Working from Anywhere (WFA) policy</b> have been enabled for employees</li> <li>Phase wise WFA transition being enabled during current FY</li> <li>Over 3000 employees at our Corporate Office (YES BANK House) have the option to avail <b>Flexi work timings</b></li> </ul>



<sup>1</sup> Data as on December 31, 2021

# Responsible franchise committed to a purposeful ESG agenda

YES BANK



## Key Highlights

**First Bank globally to have 732 facilities under its ISO certified 14001:2015 Environmental Management System**

**First Indian Bank to measure and report financed emissions** of its electricity generation loan exposure aiming to align with SBTi 1.5 degree scenario

**First Indian Bank to be a Founding Signatory to UNEP FI Principles for Responsible Banking** and to sign the Commitment to Climate Action, striving to align its business strategy with the Paris Climate Agreement

**Inclusive & Social Banking delivering access to finance** to 9.2 lakh women in unbanked areas



- 1 Addressing Climate & ESG Risk**  
Adopted an Environment and Social Policy (ESP), integrating E&S risks into overall credit risk assessment framework
- 2 Net zero by 2030**  
Committed to reduce greenhouse gas (GHG) emissions from operations to net zero by 2030. Switched to renewable energy at the Bank's headquarters, YES BANK House
- 3 Enhancing governance & disclosures**  
Enhanced sustainability disclosures aligned to Global Reporting Initiative (GRI) Standards and the Principles for Responsible Banking  
Climate disclosures aligned to Taskforce on Climate-related Financial disclosures recommendations
- 4 Engaging stakeholders**  
Associated with the Task Force on Sustainable Finance (*constituted by the Department of Economic Affairs, Ministry of Finance, Government of India*) as a co-lead of the work stream 'Building Resilience in the Financial Sector'
- 5 Promoting sustainable finance**  
Launched India's first Green Bond and first Green Fixed Deposit

Read YES BANK's Sustainability Report for FY 2020-21 [here](#)



# Contents

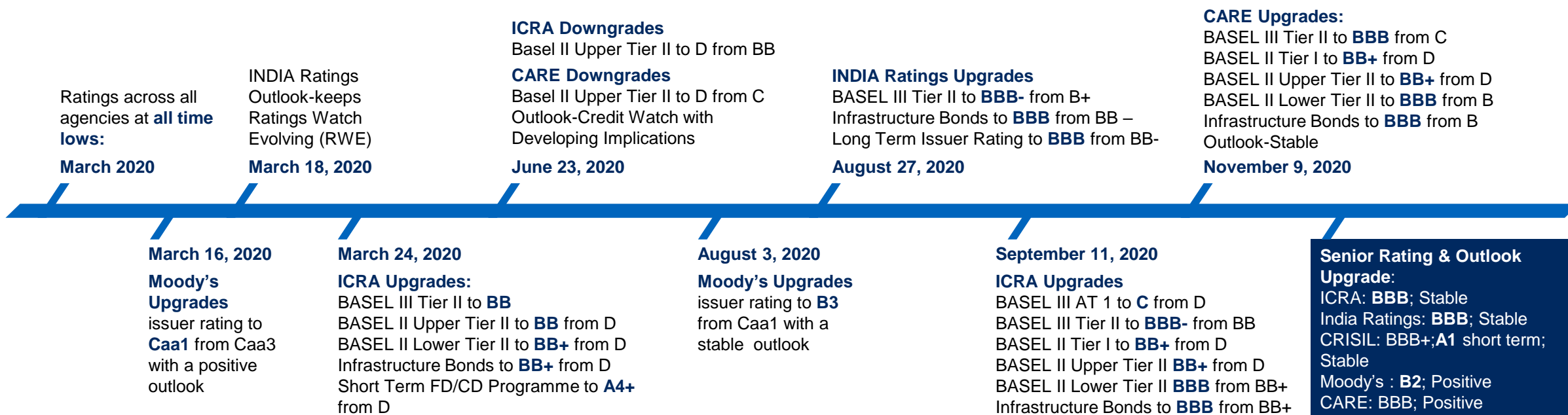


YES BANK Quarterly Update

YES BANK – Franchise

**Annexure**

# Annexure 1: Credit Rating



International Rating	Long-term						Outlook	Short-term
Moody's Investors Service	B2						Positive	Not Prime
Domestic Rating	Long-term						Outlook	Short-term
	Basel III		Basel II			Infra Bonds		
	AT I	Tier II	T I	UT II	LT II			
CRISIL		BBB+				BBB+	Stable	A1
ICRA	C	BBB-	BB+	BB+	BBB	BBB	Stable	
India Ratings		BBB-				BBB	Stable	
CARE		BBB		BB+	BBB	BBB	Positive	

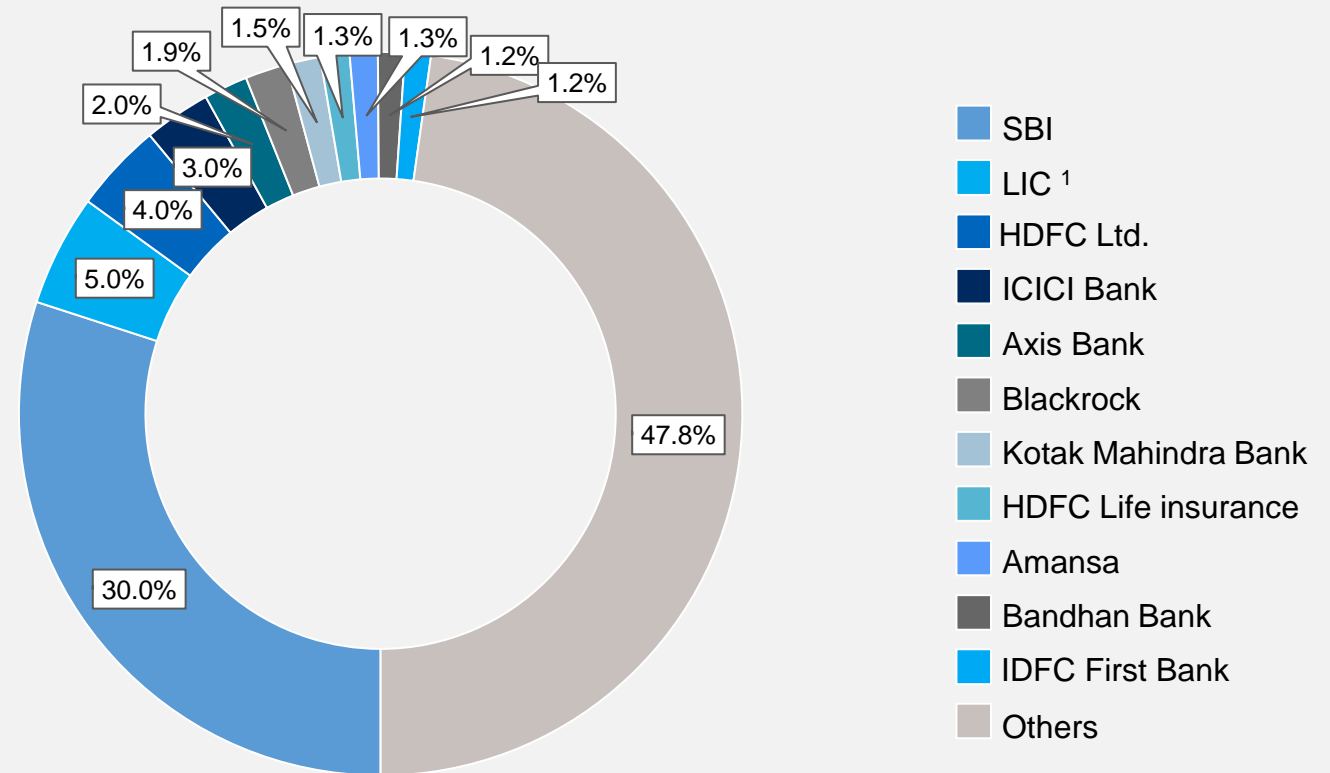
## Annexure 2: Strong Investor base

### Well diversified Investor base:

Category	%
Financial Institutions	38.3%
Individuals	35.2%
FII's	8.1%
Body Corporates	7.7%
Insurance Companies	6.3%
Others	4.4%
<b>TOTAL</b>	<b>100.0%</b>

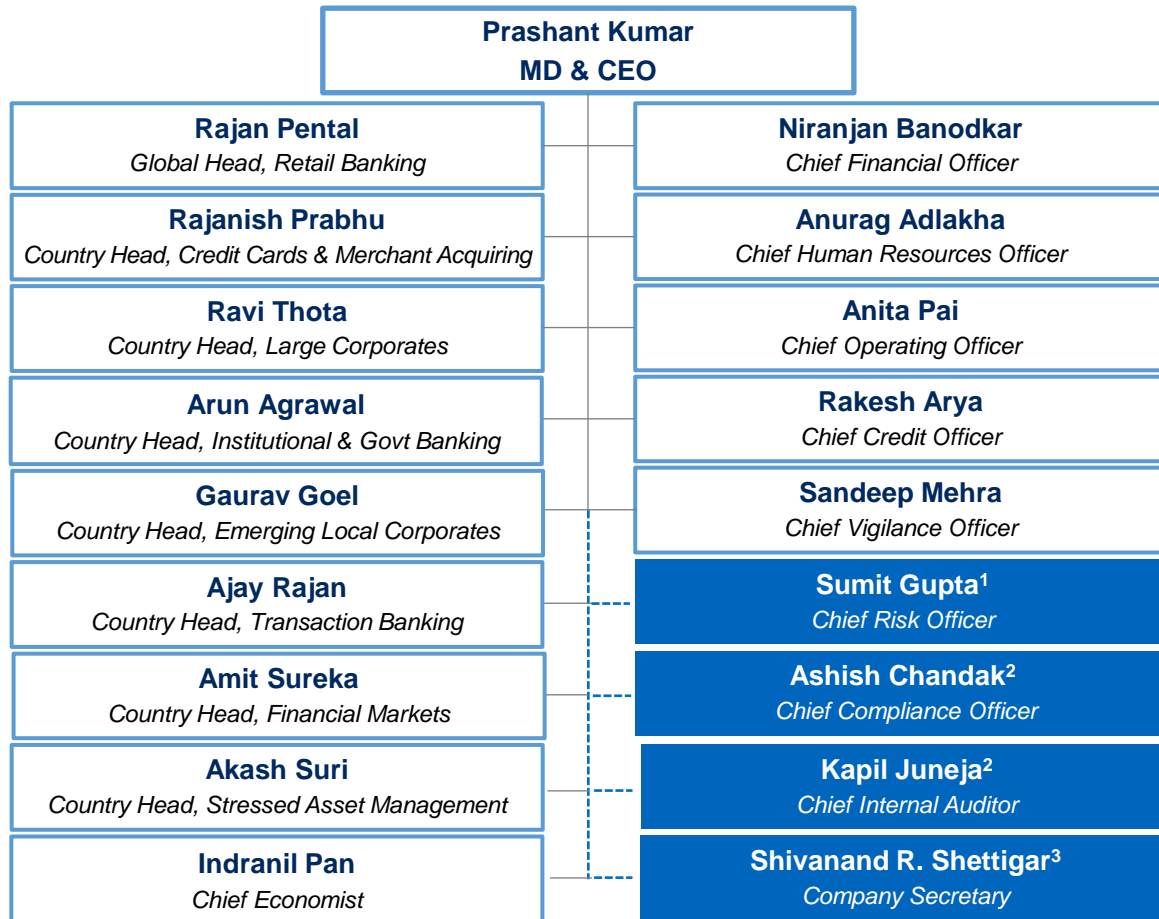
1 LIC along with its various schemes

### Shareholding Pattern as on December 31, 2021



# Annexure 3: Robust Governance Structure

## Simplified Organization Structure



## Eminent and Experienced Board



<sup>1</sup> Reports directly to the Risk Management Committee of the Board

<sup>2</sup> Reports directly to the Audit Committee of the Board

<sup>3</sup> Reports directly to the Chairman of Board



# Thank You

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