



Aptus Value Housing Finance India Limited Investor Presentation | Q2 FY24

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Commenced Operations in 2010
- 14th successful year of operations



Regulated by RBI and supervised by NHB

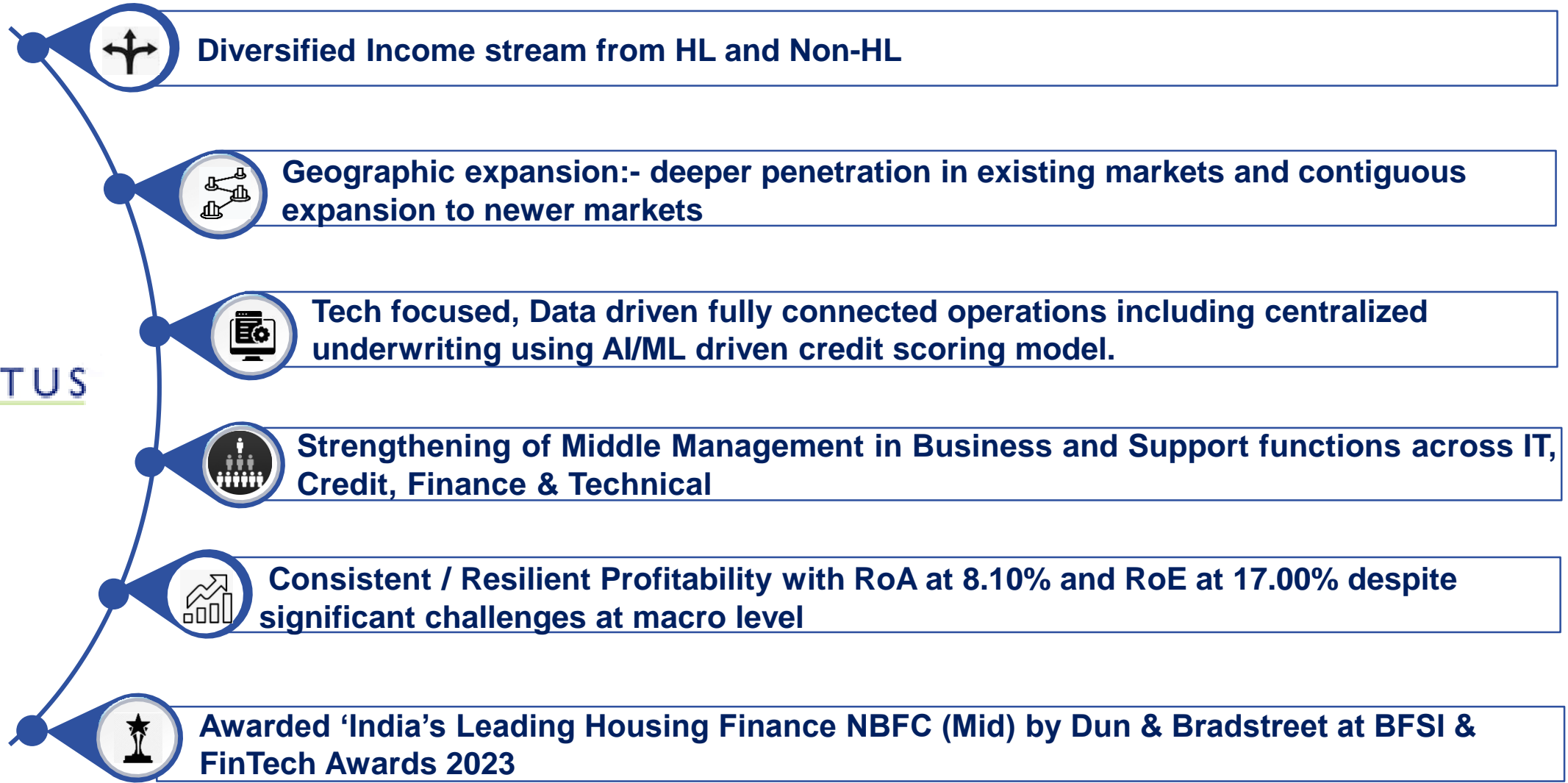


Run by professional
management team backed by
strong Founder Promoter and
marquee investors



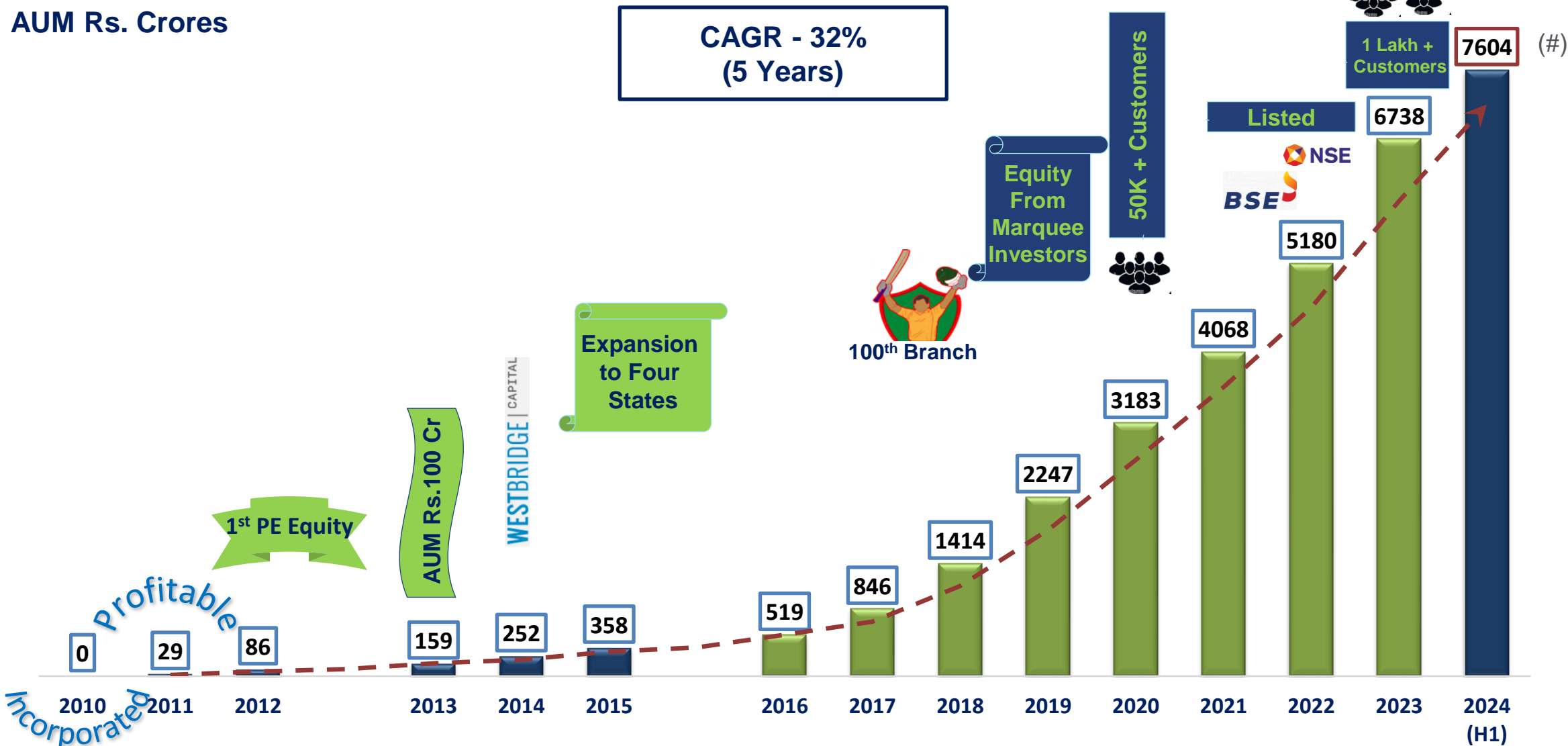
Presence in 250 locations





Journey – over the years

AUM Rs. Crores



(#) – Represents on book portfolio
- no Direct Assignment transactions done

Financial Snapshot – 5 Years

Rs in Crores

	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24 (H1)	CAGR
No. of Branches	143	175	190	208	231	250	
No. of Customers	30,749	43,987	58,069	83,565	1,07,146	1,19,323	
Disbursements	1,089	1,271	1,298	1,641	2,395	1,391	
AUM	2,247	3,179	4,068	5,180	6,738	7,604	32%
Total Income	337	523	655	840	1,129	659	
Interest Expenses	(116)	(185)	(207)	(209)	(276)	(181)	
NIM	222	339	449	632	853	478	40%
Operating Expenses	(67)	(88)	(98)	(117)	(165)	(97)	
Pre-Prov Operating Profit	154	250	351	514	688	381	45%
ECL Prov. / Write-Off's	(1)	(3)	(6)	(34)	(34)	(8)	
Profit Before Tax	153	247	345	480	654	373	44%
Profit After Tax	112	211	267	370	503	290	46%
Ratios							
NIM to Assets (%)	12.10%	12.48%	12.38%	13.66%	14.32%	13.34%	
Opex to Assets (%)	3.67%	3.26%	2.70%	2.53%	2.75%	2.71%	
PPOP to Assets (%)	8.43%	9.22%	9.68%	11.13%	11.57%	10.63%	
ECL to Assets (%)	0.07%	0.10%	0.16%	0.75%	0.57%	0.22%	
Return on Assets (PBT) (%)	8.35%	9.12%	9.52%	10.38%	10.99%	10.40%	
Return on Assets (PAT) (%)	6.10%	7.78%	7.37%	8.01%	8.44%	8.10%	
GNPA (%)	0.40%	0.70%	0.70%	1.19%	1.15%	1.19%	
NNPA (%)	0.30%	0.54%	0.49%	0.88%	0.86%	0.89%	
ROE (%)	17.38%	17.53%	14.47%	14.45%	16.34%	17.00%	
CRAR (%)	43.64%	82.50%	73.63%	86.25%	77.38%	71.03%	

Note 1: CAGR: FY 23 Vs FY19

Note 2: GNPA for FY19, FY20 & FY21 as per old RBI norms

Note 3: Asset Ratio based on Avg. Loan Book

Snapshot - September 2023



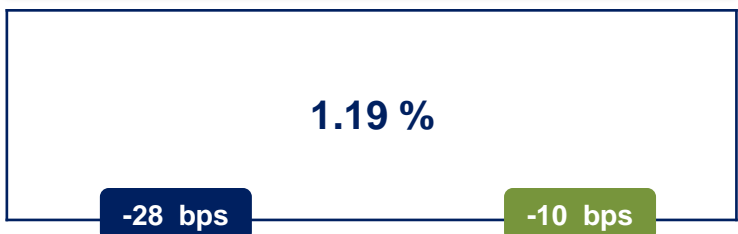
Assets under Management (AUM)



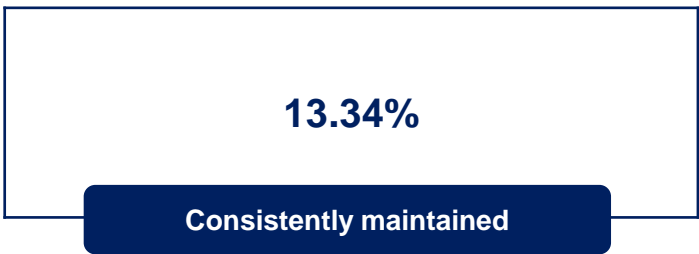
Disbursement



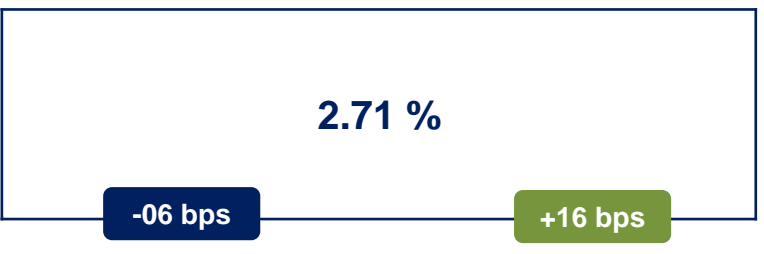
Gross Stage 3



NIM



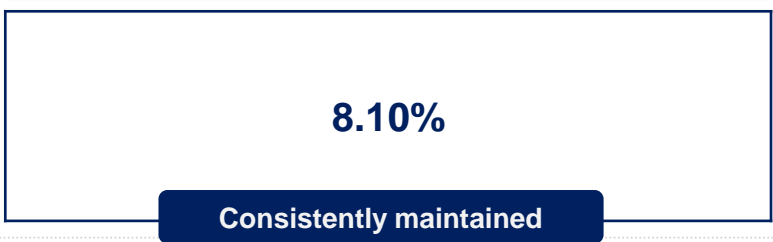
Opex to Assets



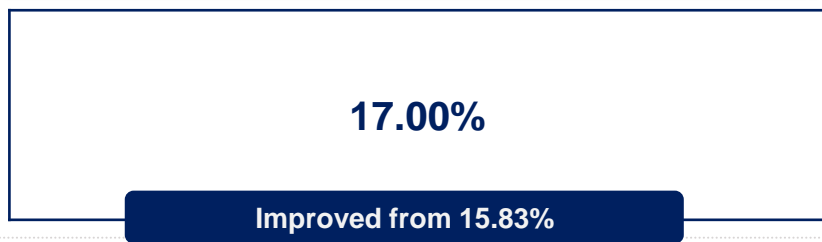
Profit After Tax



Return on Assets



Return on Equity



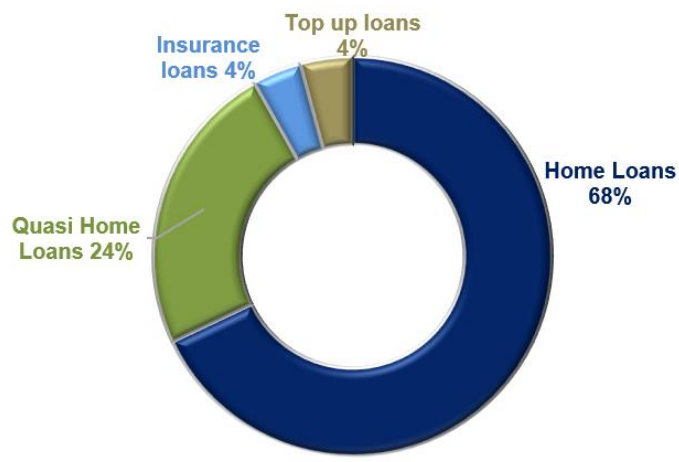
■ YoY
■ QoQ

Diversified Income Stream With Niche Customer Focus



Secured Portfolio – Home Loans (HL) / Small Business Loans (SBL)

HFC



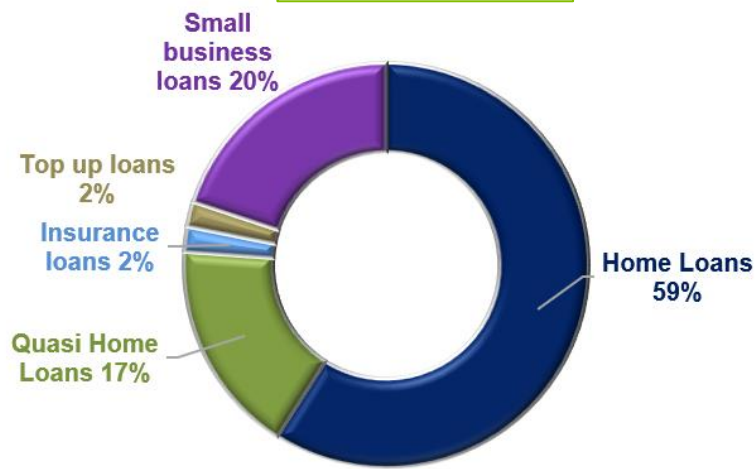
AUM - Rs. 6092 Cr

NBFC



AUM – Rs 1512 Cr

Consolidated



AUM - Rs. 7604 Cr

LIG Customers

79%

Self Employed Borrowers

72%

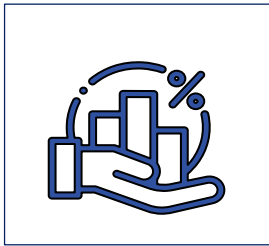
Rural Focus

76%

Avg Ticket Size < Rs.10 lacs

>93%

Fully In-House Team...



1,641

Business Origination



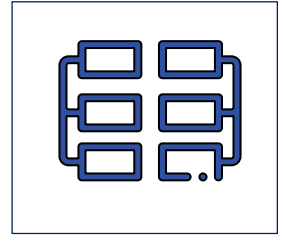
279

Credit



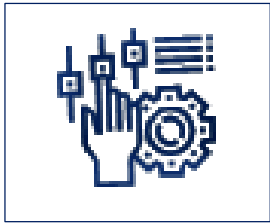
236

Legal & technical



492

Collection



152

HO / Operations

...Leading to Desired Business Outcomes

Pricing Power



Reduced TAT

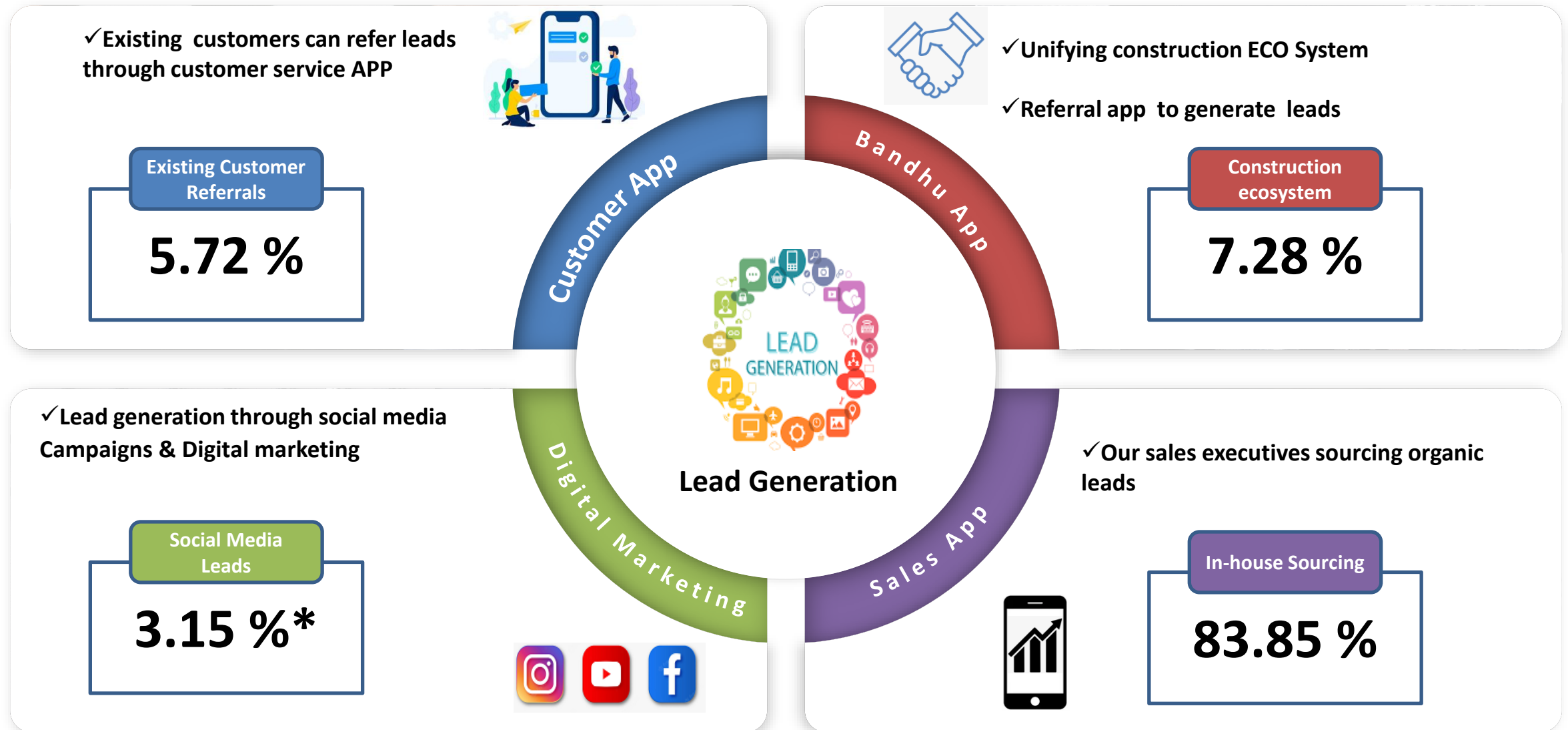


Low Takeover



Reduced Operational Risk





* Commenced in Q4 FY23

100% In-House Sourcing

Lead Generation through

- Cust app, Ref app
- Social media
- 250 Branches

0%

Sourcing from DSA / Builders

Leveraging Technology

Digital Onboarding and KYC

Credit verification app, property app and legal app –

Optimal leverage of technology leading to efficient processing

Stringent Credit Underwriting

Cash flow assessment

Pre & Post Disbursement

Centralized Underwriting

Robust Collection Management System

15-24 months

Monitoring early default signs

90 DPD

Legal action / SARFAESI

Lending Software

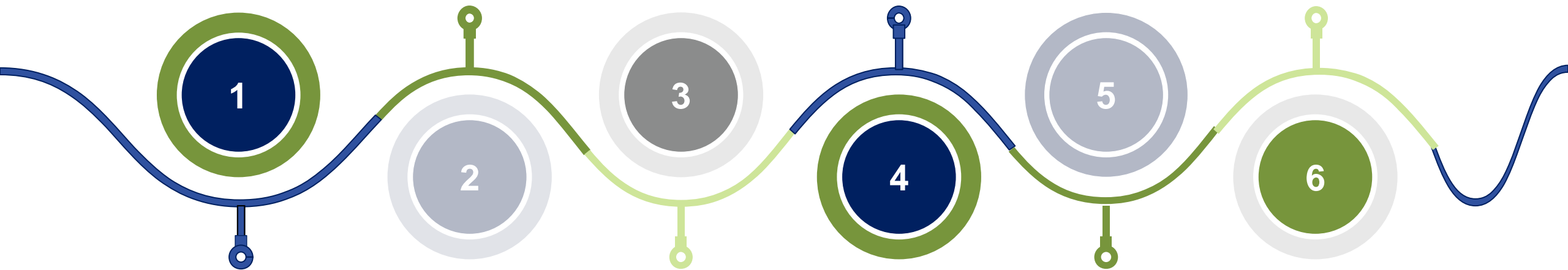
End-to-end software solution

Customer Relationship & Service

Automated CRM and customer service requests

Human Resources

Human resources management system application



Customer Onboarding

*Sales app, referral app, credit verfn. app and property app
E-KYC, E-Nach*

Collections App,

Payments automation via Bharat Bill Pay, Google Pay, Paytm etc

Business Intelligence & Analytics

“Power” analytics platform

- ✓ Mobile App for customer on-boarding, Credit Verification, Technical Valuation, Collections & Customer Service
- ✓ Digital – KYC, Account Aggregator & E-nach mandate
- ✓ Easy, Quick & Transparent process right from the field
- ✓ Loan kit in Whatsapp & Customer App
- ✓ Leegality - eStamp & eSign Digital Agreement - Live



Mobility

- ✓ Time Series Forecast Using **Statistical Model** and **Tensor Flow** for Bounce Prediction.
- ✓ Machine Learning Models for Analysis and Predictions.
 - Customer Profile Analysis
 - Loan Foreclosure Prediction
 - Probability of Default model
- ✓ **"Power BI"** for Live Dashboards



Data Analytics

- ✓ Lead generation through Campaigns.
- ✓ Lead Enrichment by Digital Marketing team
- ✓ Tie-up with marketing partners to get the leads
- ✓ Brand awareness
- ✓ Location awareness
- ✓ Product and service awareness

Digital Marketing



Razorpay

BBPS
BHARAT BILL PAYMENT SYSTEM

- ✓ End-to- End ERP solution
- ✓ Robotic Process Automation(RPA) to eliminate manual process
- ✓ Electronic Payments
- ✓ Backups on Cloud
- ✓ Payment automation via Bharat Bill Pay Services and Razorpay API integration in Collection app

Tech-Infra

"End – To – End Digital Process "





Risk Management

- ✓ 50 + key data points are collected for Customer Profile Analysis
- ✓ Stage-wise disbursement through technical visits
- ✓ Multiple touch points to ensure thorough verification in underwriting process



Tech - Intervention

- ✓ Tech enabled evaluation of customers
- ✓ Integration of credit score card with lending application for easier credit evaluation
- ✓ Analyzing profiles behaviour for continuous improvement of parameters through machine learning for Better & Faster credit decisioning



Centralized Processing

- ✓ Consistency in underwriting with expertise in state-wise analysis along with linguistic skills
- ✓ Effective training, knowledge sharing and monitoring process
- ✓ Quick adoption to process change

Loans approved
within 72 hrs

> 90 %



Tamil Nadu



Andhra Pradesh



Telangana



Karnataka

Per Capita GDP

Compared to national average of INR 180k

1.8x

1.1x

1.5x

1.5x

GDP Growth

India average: 6.1%

13%

9%

8%

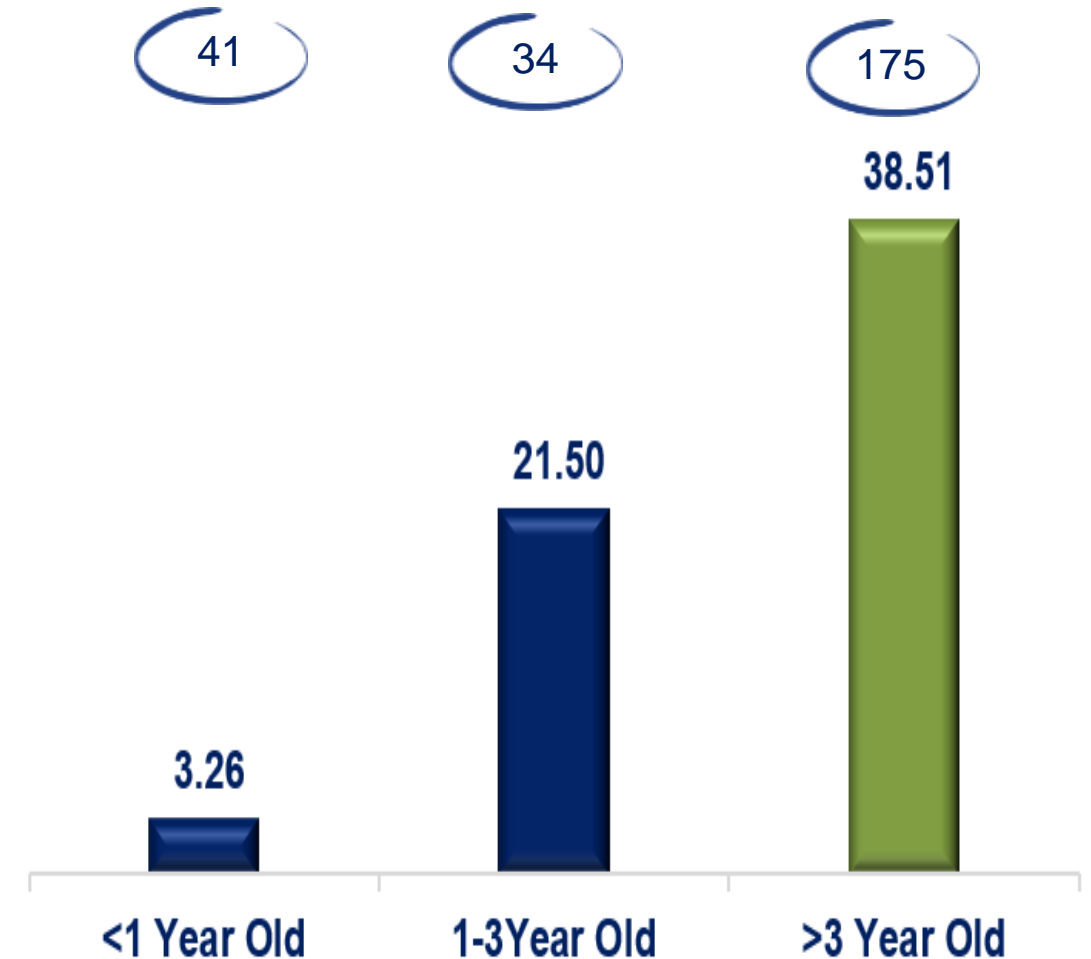
7%

State	No. of Branches	% of AUM as on				
		FY 24 (H1)	FY 23	FY 22	FY 21	FY 20
TamilNadu	86	40%	43%	48%	52%	56%
AndhraPradesh	94	38%	35%	31%	28%	24%
Telangana	42	14%	14%	12%	10%	10%
Karnataka	26	8%	8%	9%	10%	10%
Odisha	2	0%	0%	0%	-	-
Total	250	100%	100%	100%	100%	100%

Branch Productivity as on September 30, 2023

AUM per Branch (Rs. Cr)

of Branches





Focus on financial inclusion

79%

LIG

72%

Self-employed

38%

New to Credit

Support

to borrowers in tier 2/3/4 locations
leading to financial inclusion



Corporate Social Responsibility

-focusing on improving education,
health and livelihood



Improving Living Standards

Employment

in rural / semi-urban areas,
where local talents are
identified, hired and trained

Women Empowerment

Encourage Women in family to be
Applicant / Co-Applicant

Gender Diversity

Significant number of Women
Employees across all levels of
hierarchy in every function

ESOP

Implemented ESOP plan for
Employee retention



Strong Corporate Governance

Diversified Experience

Of Board Members across academic
and Professional domains

Varied Expertise

Senior Leadership Team across all
Domains, right from Business,
Finance, IT, HR, Technical, Legal,
Operations, Compliance,
Secretarial etc.

Clean Track Record

NO Defaults
NO Audit Qualifications
NO Restatement of Financials



Paperless Initiative

Digital Transformations

KYC to e-KYC
Physical Signature to e-Signature
Stamping to e-Stamping
NACH to e-NACH

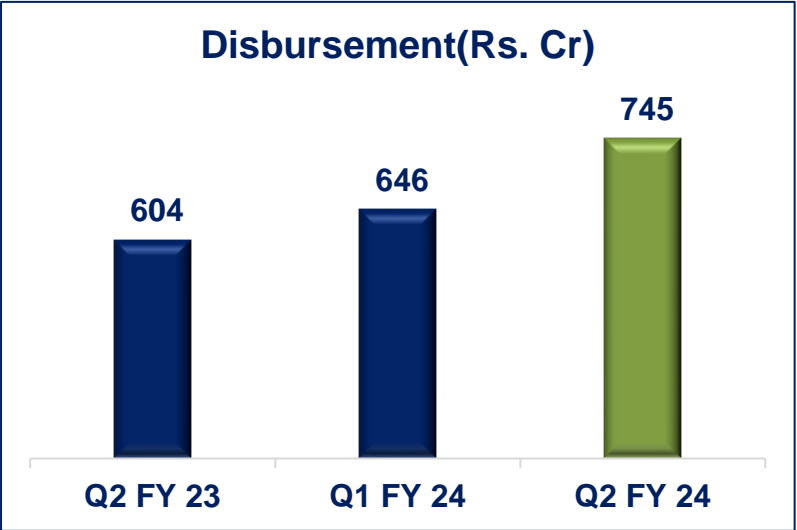
App Connect

Customer App & Bandhu App for
Customer Connect
HRMS for Employee Connect

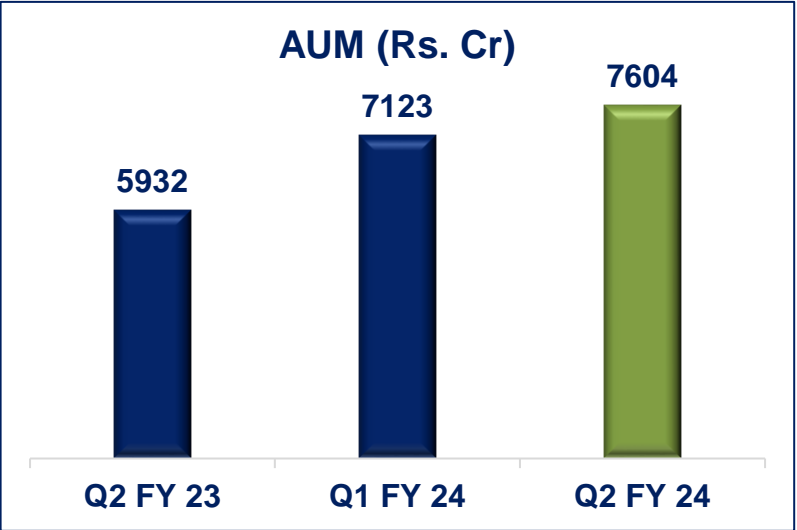
Business Responsibility & Sustainability Report

-published as part of Integrated
Annual report for the FY23

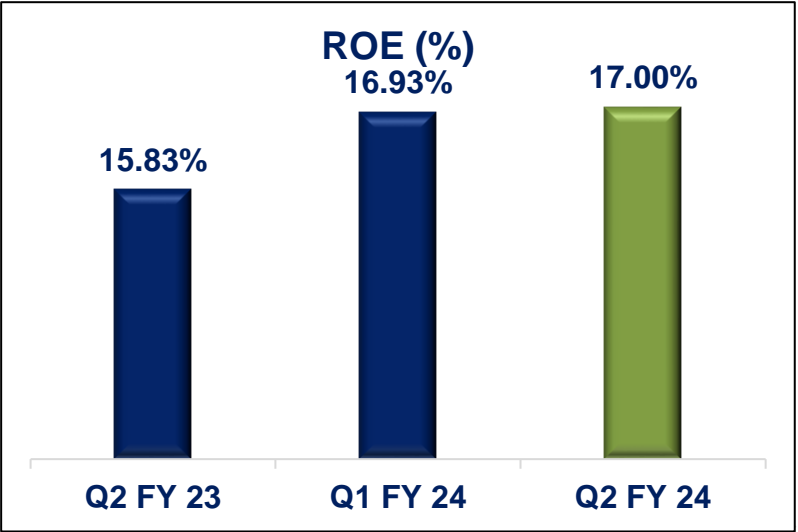
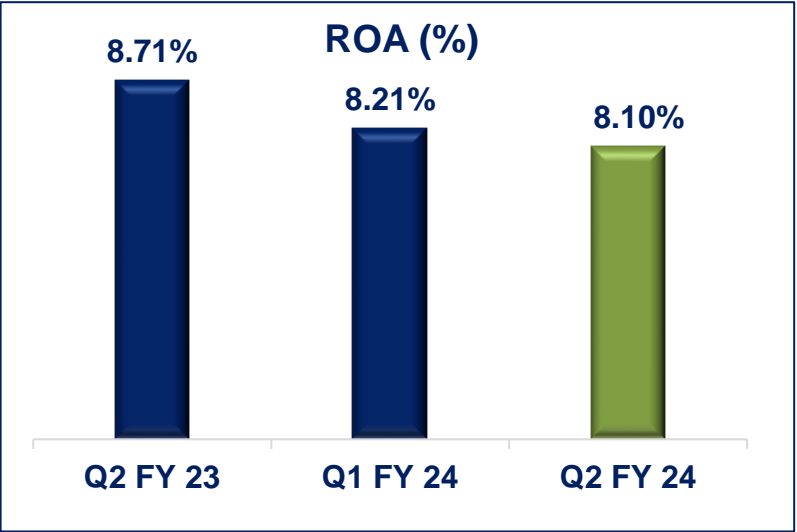
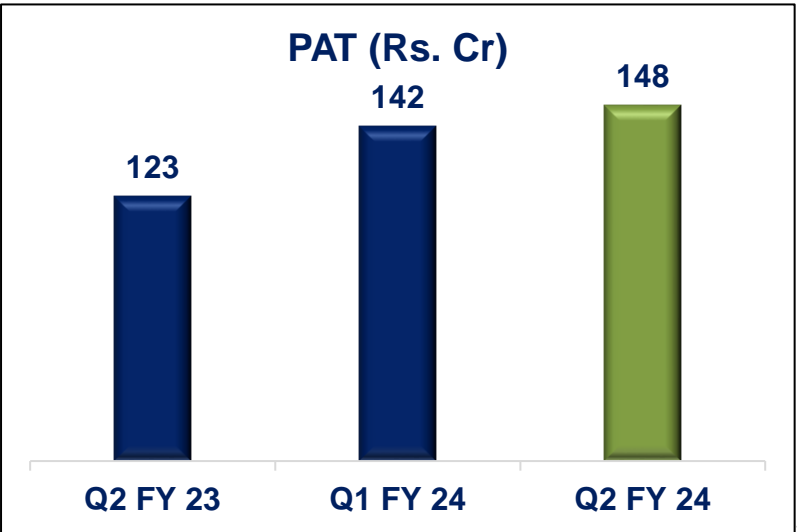
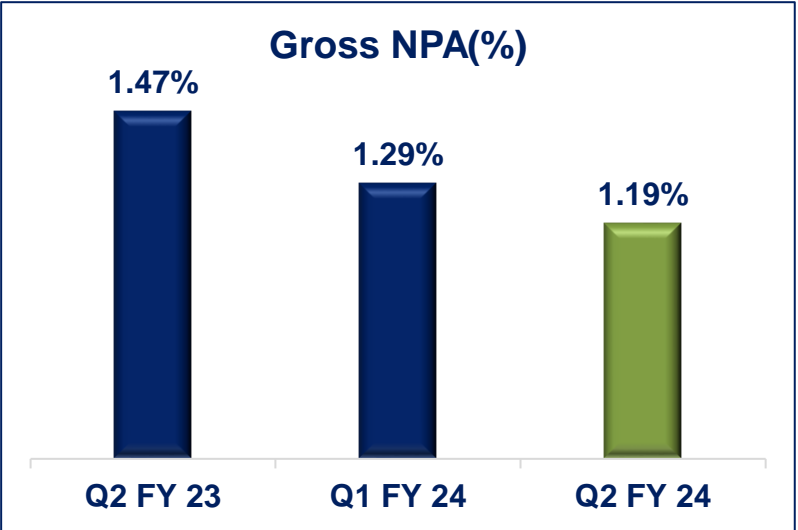
Performance Highlights (Quarterly)



Growth QoQ 15%



Growth QoQ 7%



Performance Highlights (Year on Year)

Disbursement (Rs. Cr)

1391

1129

H1 FY23

H1 FY24

Growth

YoY

23%

AUM (Rs. Cr)

7604

5932

H1 FY23

H1 FY24

Growth

YoY

28%

Gross NPA (%)

1.47%

1.19%

H1 FY23

H1 FY24

PAT (Rs. Cr)

290

242

H1 FY23

H1 FY24

Growth

YoY

20%

RoA (%)

8.71%

8.10%

H1 FY23

H1 FY24

ROE (%)

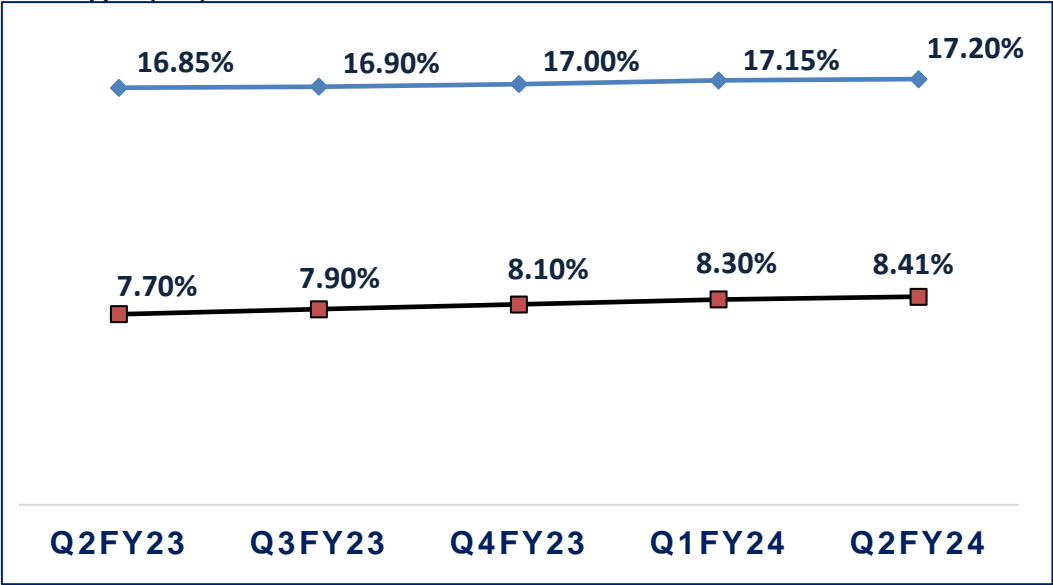
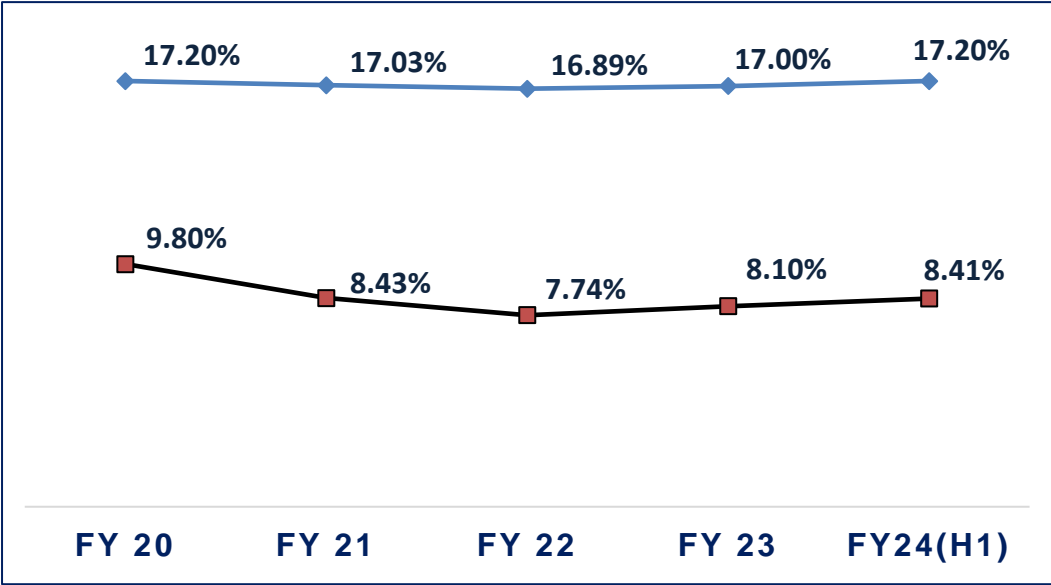
15.83%

17.00%

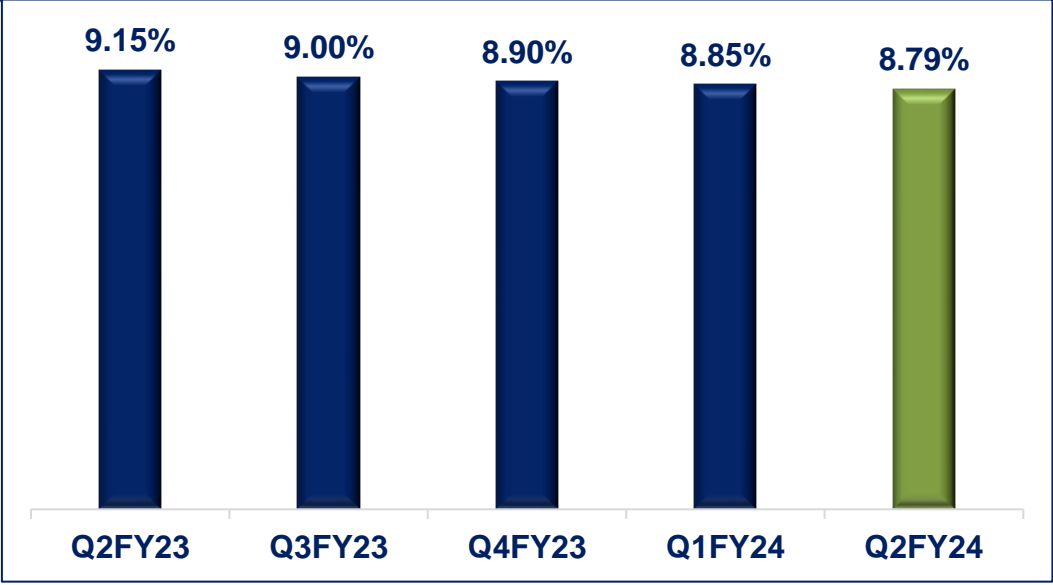
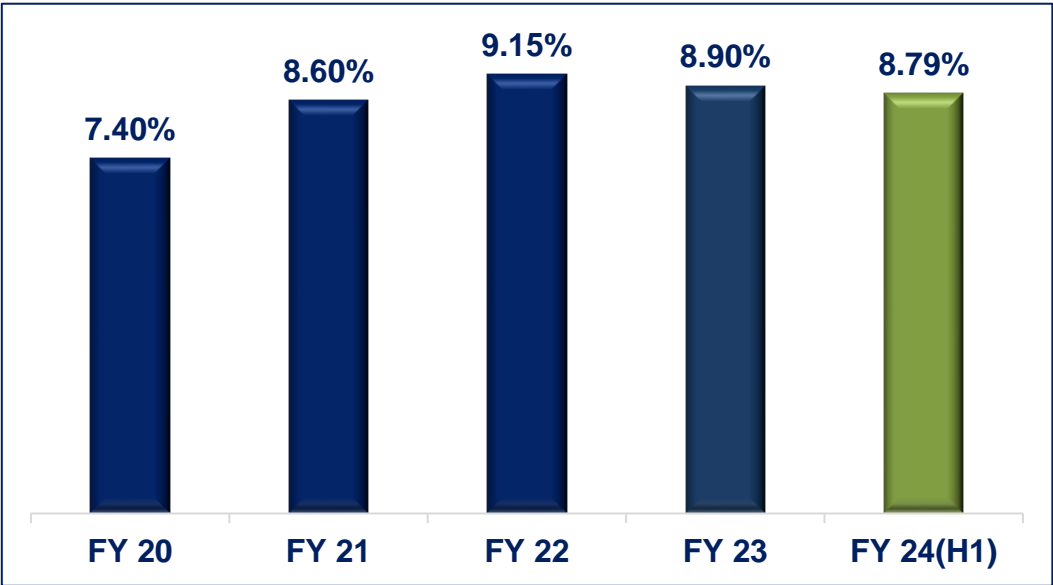
H1 FY23

H1 FY24

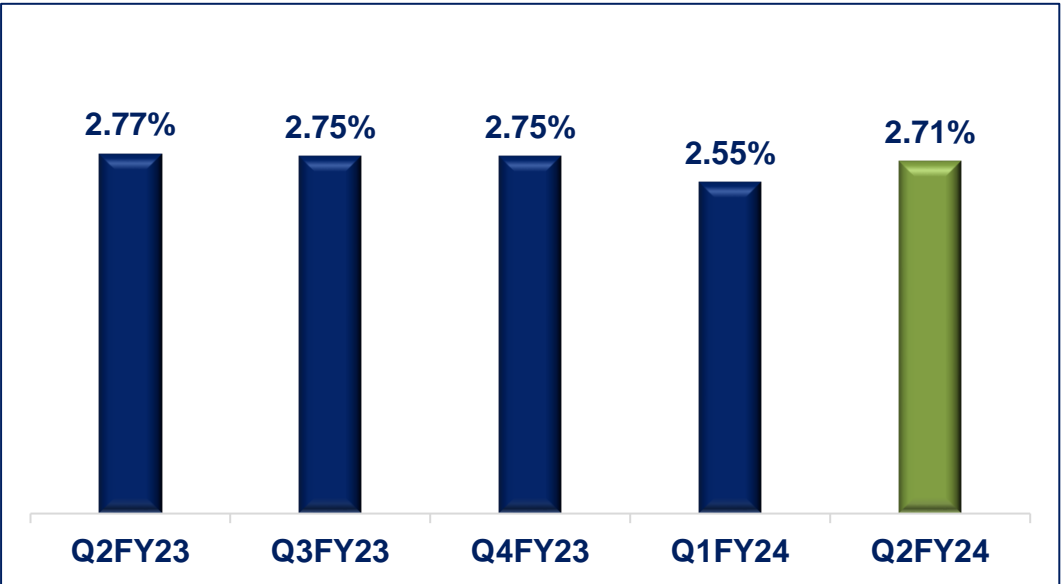
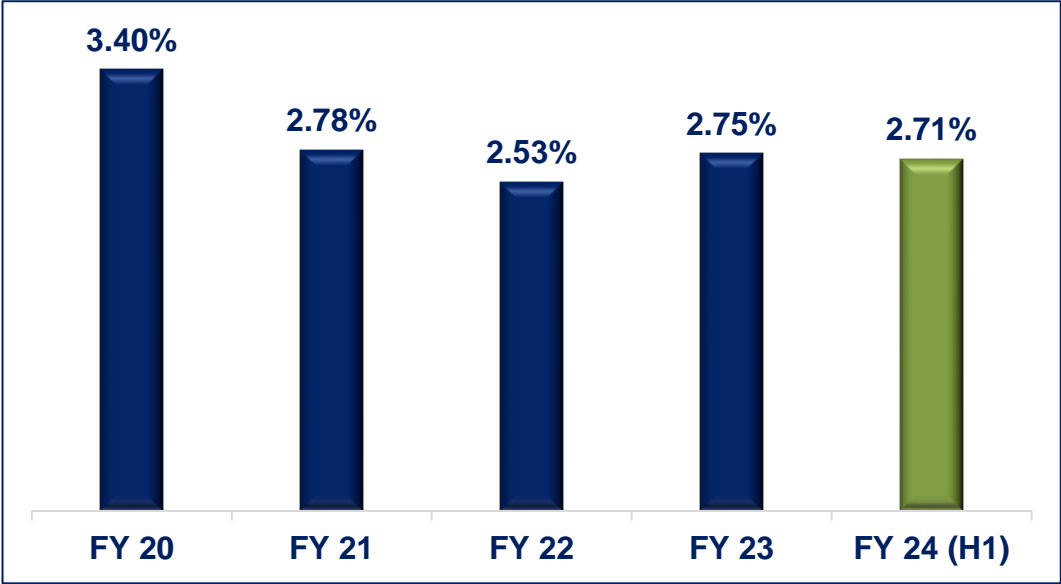
Yields / Cost of Borrowings (%)



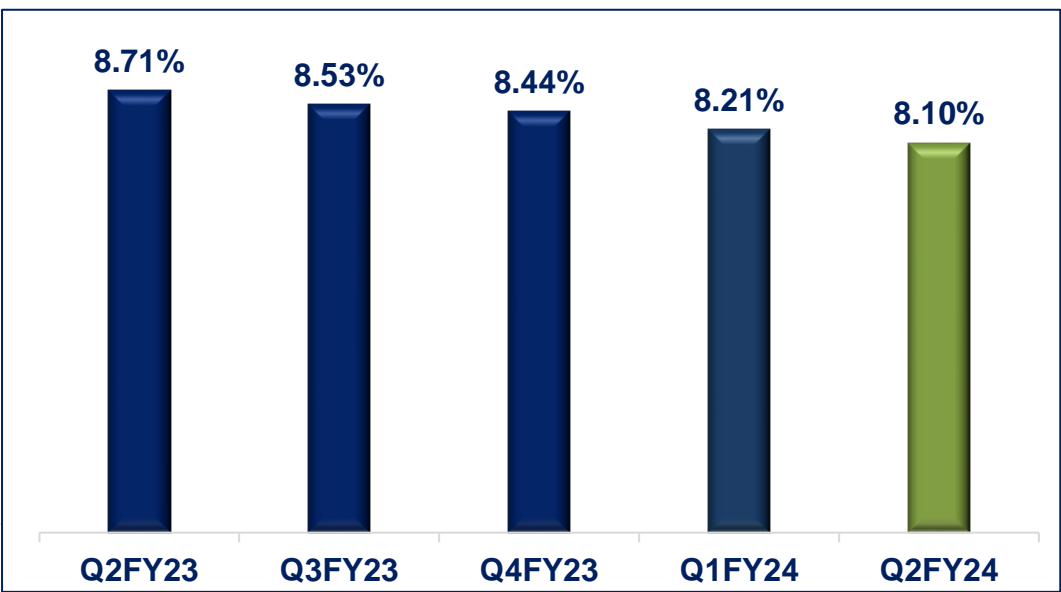
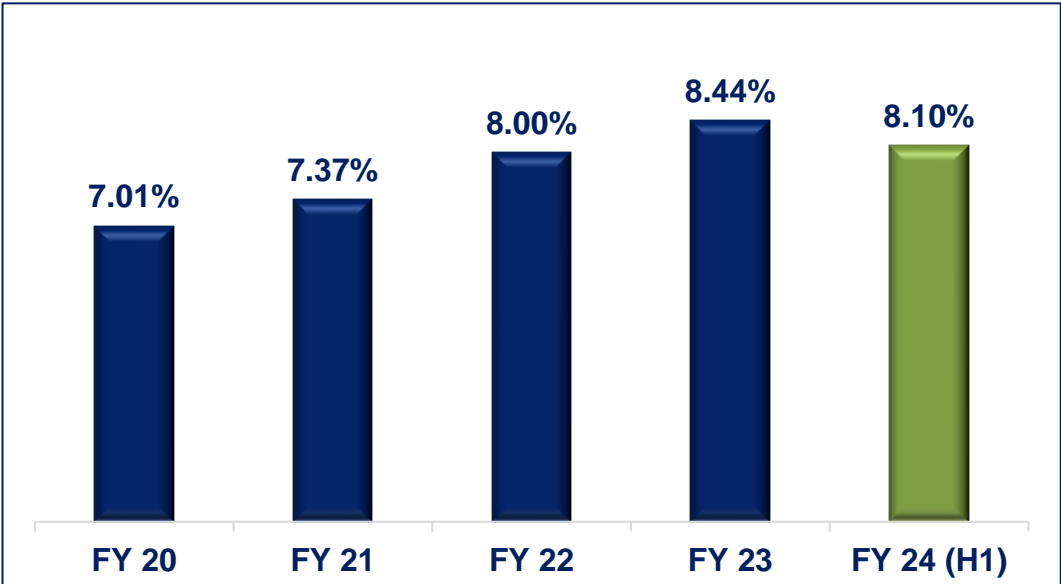
Spread (%)

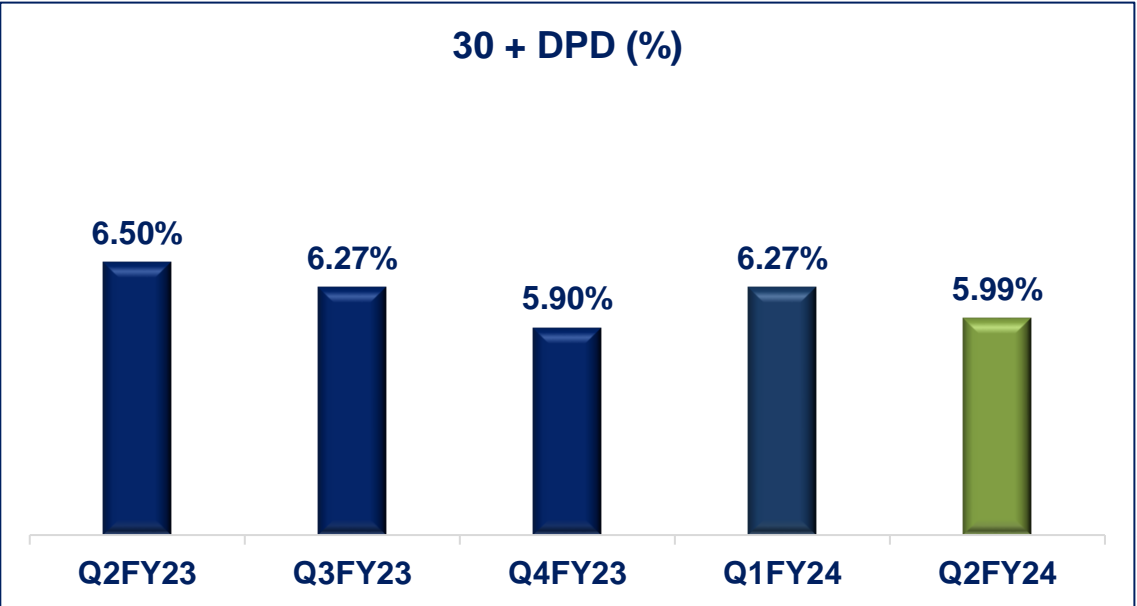
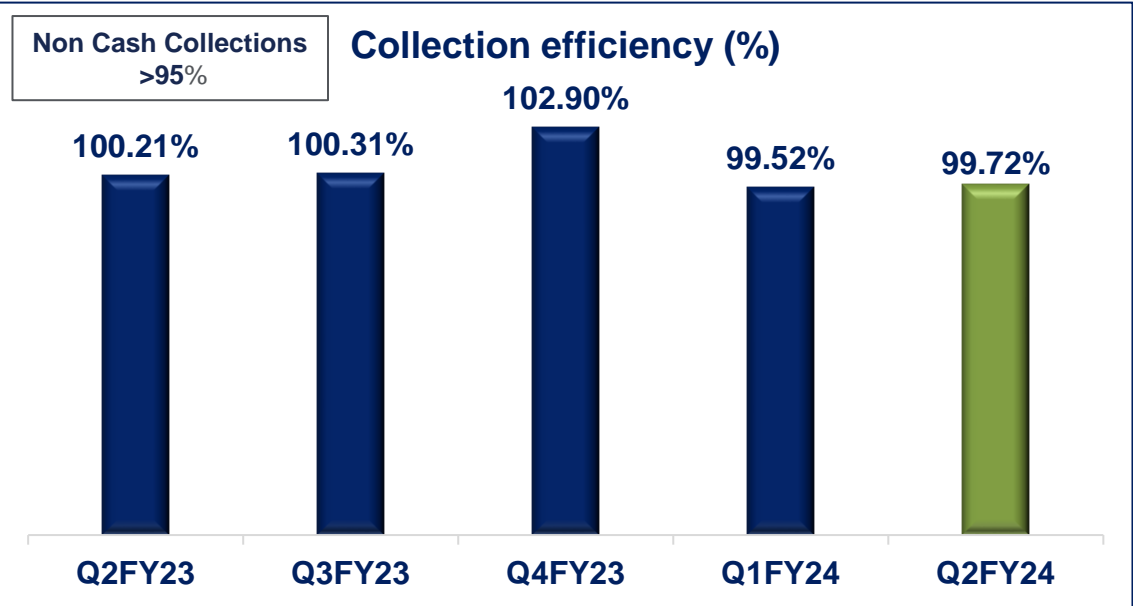
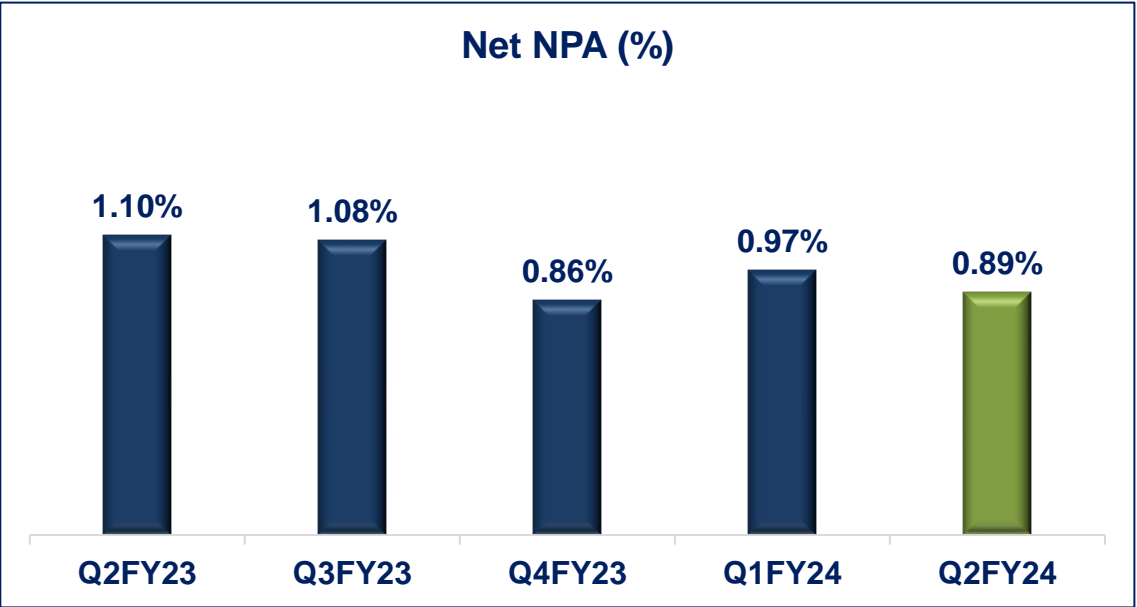
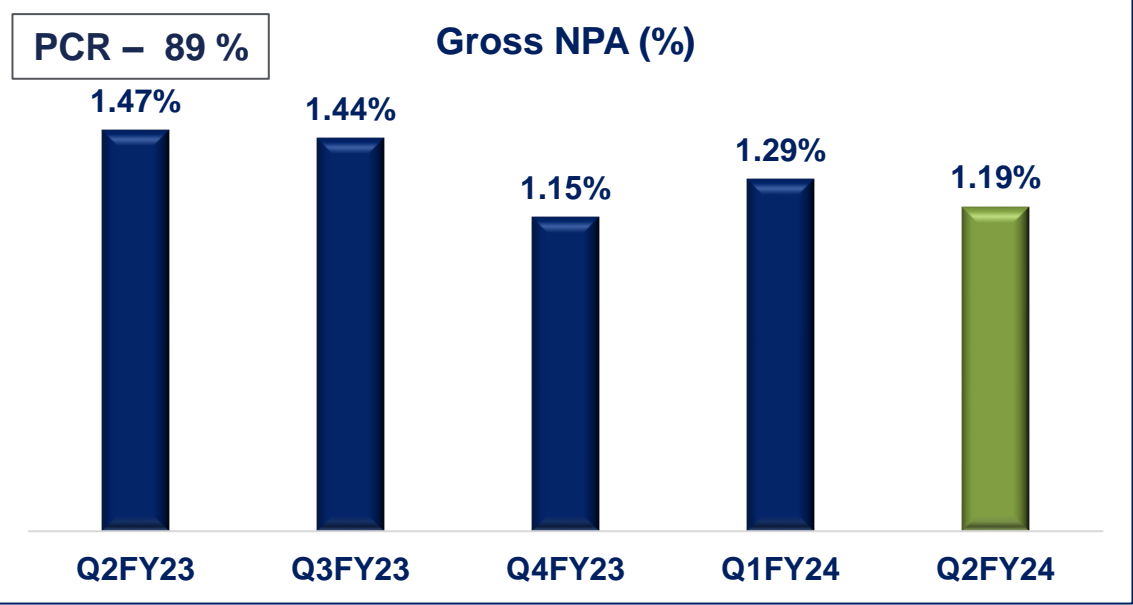


Opex (%)



ROA (%)





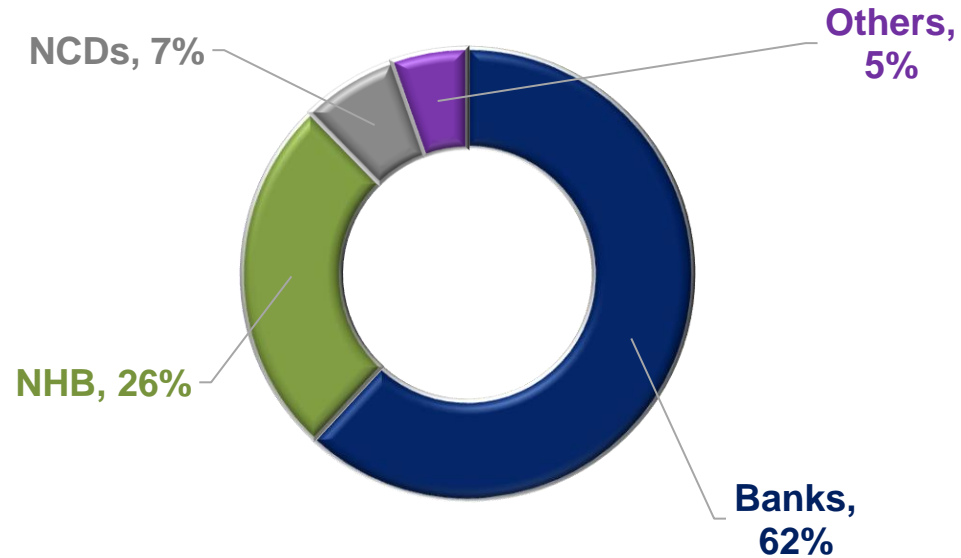
Provision for Contingencies (ECL)

Rs in lakhs

	Consolidated			
	30-Sep-23	30-Jun-23	31-Mar-23	31-Mar-22
Gross Stage 3	9,061	9,224	7,767	6,184
% portfolio in Stage 3	1.19%	1.29%	1.15%	1.19%
ECL Provision Stage 3	2,265	2,306	1,942	1,546
Net Stage 3	6,796	6,919	5,825	4,638
Provision coverage ratio (PCR)	25.00%	25.00%	25.00%	25.00%
Gross Stage 2	36,491	35,474	31,998	45,156
% portfolio in stage 2	4.80%	4.98%	4.75%	8.72%
ECL Provision Stage 2	2,956	2,596	2,551	1,021
Net Stage 2	33,535	32,878	29,446	44,135
Provision coverage ratio (PCR)	8.10%	7.32%	7.97%	2.26%
Gross Stage 1	7,14,816	6,67,634	6,34,066	4,66,620
% portfolio in stage 1	94.01%	93.73%	94.10%	90.09%
ECL Provision Stage 1	2,838	2,649	2,625	1,602
Net Stage 1	7,11,978	6,64,984	6,31,441	4,65,018
Provision coverage ratio (PCR)	0.40%	0.40%	0.41%	0.34%
Total AUM	7,60,368	7,12,332	6,73,831	5,17,960
ECL Provision	8,060	7,551	7,119	4,169
Provision coverage ratio (PCR)	1.06%	1.06%	1.06%	0.80%

Diversified and Balanced Funding Mix

Sources of funds mix(%)



Avg. Tenure of Borrowings (months)	FY 24 (H1)	FY23	FY22
	84.1	86.9	84.7

• Others represents Securitisation

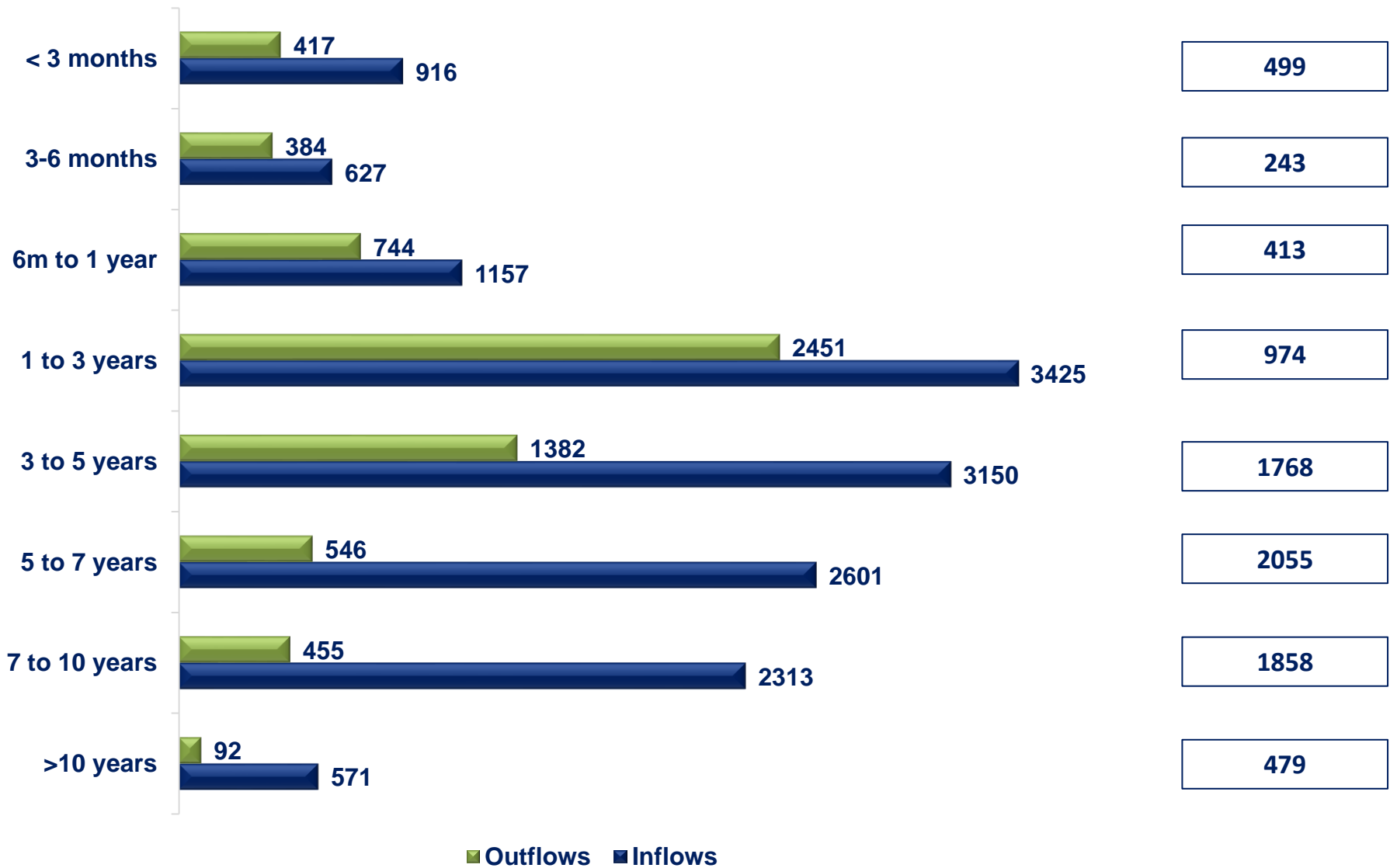
- Credit Rating (ICRA) – AA (-) Stable
- Credit Rating (CARE) – AA (-) Stable

20+ Lender Relationships

No Exposure to Short term loan incl CPs

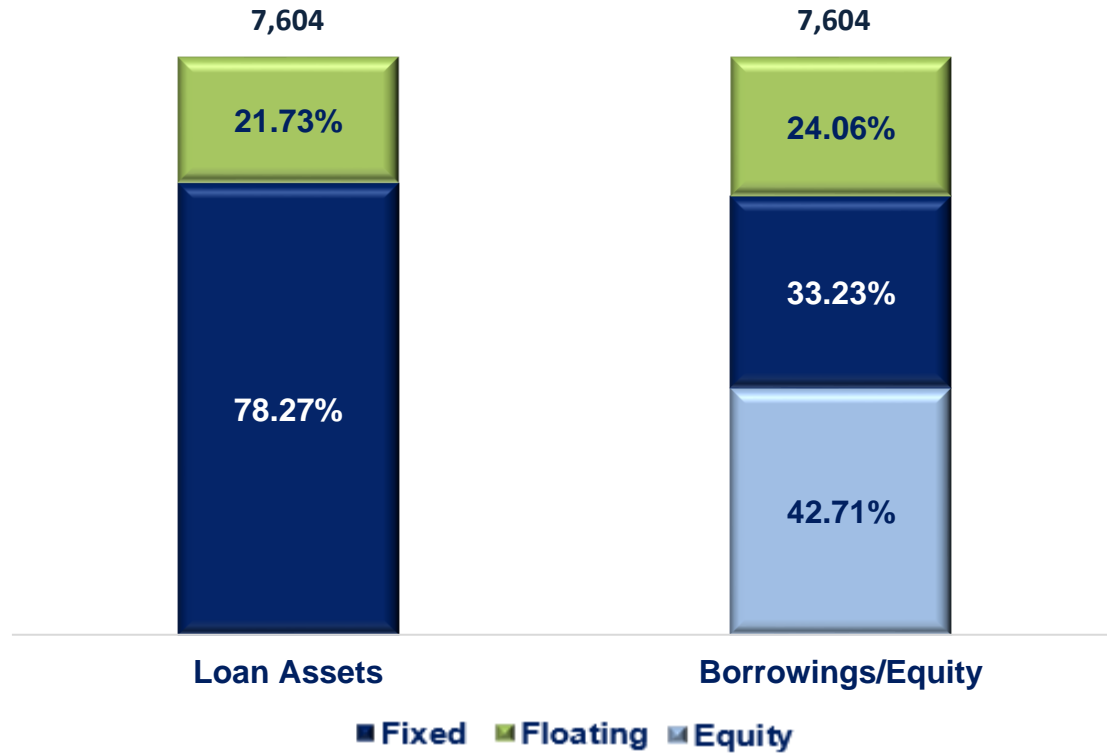


Position as on 30 Sep 2023 (Rs.Cr)

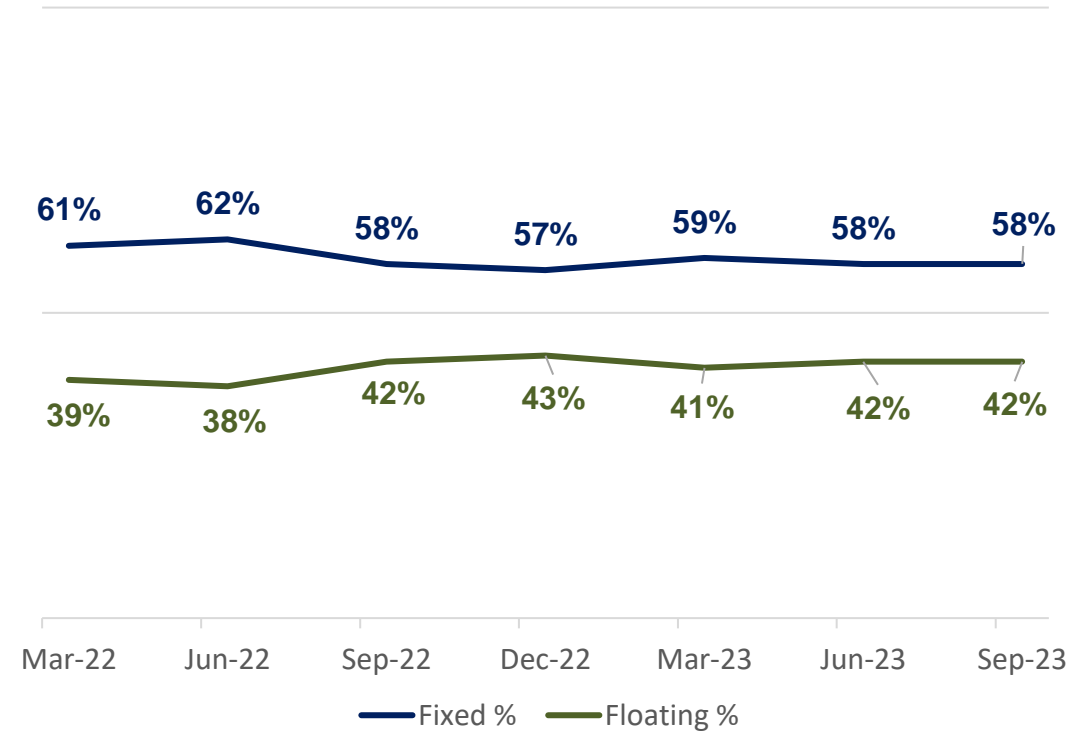


Fixed Vs Floating (Assets Vs Liabilities)

Loan Assets & Borrowings (₹ Cr) As on Sep-23



Borrowings - Fixed Vs. Floating



gap between Loan Assets & Borrowings filled by a portion of Equity

A. Liquidity

Rs in Crores

Particulars	30-Sep-23
Unencumbered Cash & Cash equivalents	384
Unavailed Sanctions from Banks	290
Unavailed Sanctions from NHB	300
Total	974

Particulars	FY 24 Q3	FY 24 Q4
Opening Liquidity	974	1,141
Add: Principal repayments & Surplus from Operations	576	579
Less: Debt repayments	(410)	(397)
Closing Liquidity	1,141	1,323

* Excluding Fresh Sanctions

* Rs.1,323 Crores Surplus available for business up to March 2024

B. Capital Adequacy

Capital Adequacy as on 30 September 2023 - 71.03%



Continued
Focus on
Existing
Segment &
strengthen
focus on SME

- Ticket Size in INR 0.5 – 1.5mn range in HL and SME
- Large headroom in new to credit, retail segment
- Different templates of customer profiles to increase business while managing risks



Deeper
Penetration in
Existing
Markets &
Expand in
new markets

- Increasing penetration and Contiguous expansion
- Branch expansion in new markets – Odisha and Maharashtra



Continued
focus on
productivity &
Credit Cost

- Focus on productivity, Credit Cost and Opex
- Continue to improve credit ratings, Cost of funds.

Experienced and Well Diversified Board



Chairman



M. Anandan

Executive Chairman

Non-Executive Nominee Directors



Sumir Chadha

Nominee Director - WestBridge



KP Balaraj

Nominee Director - WestBridge



Shailesh J. Mehta

Partner, Granite Hill Capital Partners

Non-Executive Independent Directors



S. Krishnamurthy

Former MD and CEO, SBI Life Insurance



K. M. Mohandass

Partner, KM Mohandass & Co Chartered Accountants.



Krishnamurthy Vijayan

Former MD, JPM Asset Mgmt.



Mona Kachhwaha

Director – Impact Investors Council

Non-Executive Independent Directors



VG Kannan

Former- MD, SBI

Managing Director



P. Balaji

Managing Director



Balaji P

Managing Director

Several years of experience in financial Services including HFC



C.T. Manoharan

Chief Business Officer

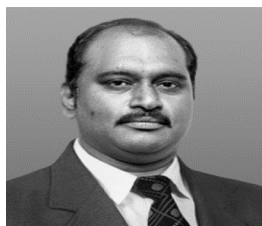
Rich experience in housing finance industry across sales, channel and distribution management



V. Krishnaswami

Sr. Vice President - Information Technology

Experience in strategizing and implementing digital technology solutions, IT designs and, infrastructure.



Sundara Kumar V

Sr. Vice President – Legal, Technical & Receivables

Legal experience in Mortgage finance, SARFAESI and arbitration procedures in management of collections



Naveen Kumar R

Associate VP – Operations & Compliance

Experience in Housing Finance Industry specific to Operations, Customer Service, Portfolio analytics and LOS/LMS



John Vijayan

Chief Financial Officer

Experience in Financial Services in the areas of Operations, Finance, Risk Management and Internal Audit.



Srinivasan K

Associate VP- Credit

Rich experience in areas of Credit & Risk Management, Fraud Control and operations in retail finance.



Krishna Kishore S

Associate VP - Credit

Rich experience in areas of Credit & underwriting, Portfolio and Risk management of Mortgage products

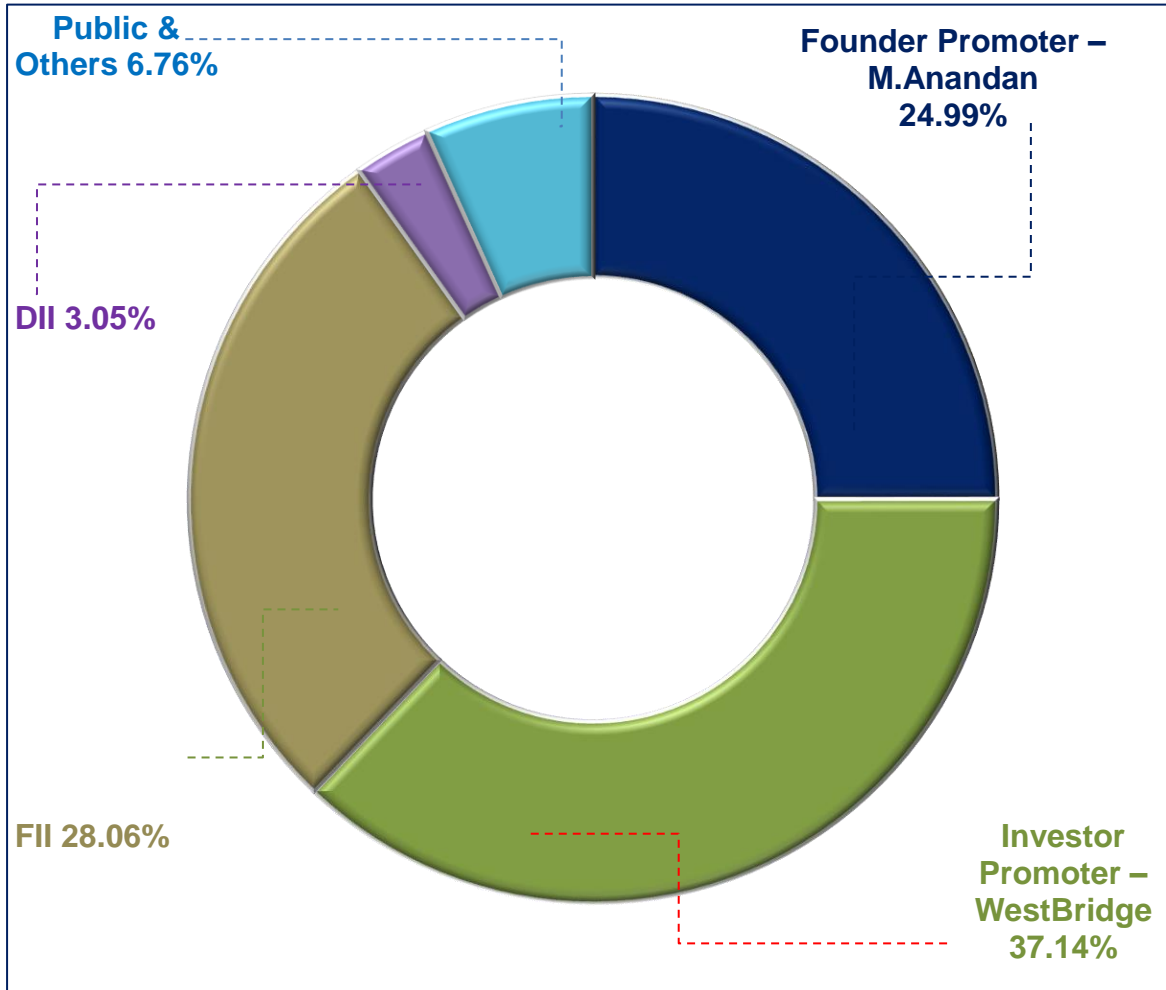


N.Srikanth

Vice President - HR

Seasoned Professional with experience in HR planning, recruitment, training, induction, employee relations and engagement

Shareholding Pattern



Top Institutional Shareholders Key Investors

Investor Details	% of holding
Malabar	8.31
Steadview	3.18
Ward Ferry	3.08
Capital research	2.85
Aberdeen	2.77
Sequoia	2.61
Vanguard	1.44
Genesis	0.75
DSP Mutual Funds	0.83
SBI MF	0.43
Mirae Asset	0.43
PGIM India	0.29

Annexures

Consolidated Statement of Profit and Loss(*)

Rs in Crores

FY 23 Full Year	Particulars	FY 24 Q2	FY 24 Q1	FY 24 H1	FY 23 H1	Growth % H1-o-H1
1,058.40	Interest Income	324.63	296.81	621.44	490.47	27%
70.60	Fee and Other Income	19.83	18.06	37.89	35.34	
(275.91)	Interest Expenses	(96.14)	(84.74)	(180.88)	(121.09)	
853.08	NIM	248.32	230.13	478.45	404.72	18%
(165.24)	Operating Expenses	(53.22)	(44.24)	(97.46)	(77.22)	26%
(34.12)	ECL Provisions / Write-Off's	(5.56)	(2.49)	(8.05)	(18.59)	
653.71	Profit Before Tax	189.53	183.40	372.93	308.91	21%
(150.70)	Prov. For Tax	(41.54)	(41.17)	(82.71)	(66.75)	
503.01	Profit After Tax	147.99	142.23	290.22	242.16	20%

(*) – Based on Ind AS

Consolidated Statement of Assets and Liabilities(*)

Rs in Crores

Mar-23	Particulars	Sep-23	Sep-22
	<u>Source of Funds</u>		
99.61	Share capital	99.74	99.60
3,239.72	Reserves & surplus	3,440.21	3,075.21
3,339.33	Net worth	3,539.95	3,174.81
3,786.02	Borrowings	4,316.83	3,732.81
50.70	Other Liabilities & Provisions	34.89	49.39
7,176.05	Total Source of Funds	7,891.67	6,957.01
	<u>Application of Funds</u>		
6,592.14	Loan Assets	7,434.69	5,812.90
4.55	Fixed Assets	5.75	4.77
511.42	Liquid Assets - Bank FD's / MF's etc	384.37	1,088.55
67.93	Other Assets	66.85	50.79
7,176.05	Total Application of Funds	7,891.67	6,957.01

(*) – Based on Ind AS

RoA Tree (based on Avg Loan Book)

Particulars	FY 24	
	H1	H1
<u>Return on Assets (RoA)*</u>		
Revenue from Operations	17.78%	17.92%
Other Income	0.61%	0.76%
Total Revenue	18.39%	18.68%
Interest Expenses	(5.04%)	(4.36%)
NIM	13.34%	14.32%
ECL Provisions / Write-Off's	(0.22%)	(0.64%)
Operating Expenses	(2.71%)	(2.77%)
Profit Before Tax - RoA	10.40%	10.91%
Profit After Tax - RoA	8.10%	8.71%
Profit After Tax - RoE #	17.00%	15.83%

* Ratio on Avg Loan Book

Ratio on Avg Networth

RoA Tree (based on Avg Total Assets)

Particulars	FY 24 FY 23	
	H1	H1
<u>Return on Assets (RoA)*</u>		
Revenue from Operations	16.92%	15.91%
Other Income	0.58%	0.73%
Total Revenue	17.50%	16.64%
Interest Expenses	(4.80%)	(3.83%)
NIM	12.70%	12.81%
ECL Provisions / Write-Off's	(0.21%)	(0.59%)
Operating Expenses	(2.59%)	(2.44%)
Profit Before Tax - RoA	9.90%	9.77%
Profit After Tax - RoA	7.70%	7.66%
Profit After Tax - RoE #	17.00%	15.83%

* Ratio on Avg Total Assets

Ratio on Avg Networth

Thank You