



# Investor Presentation

## 2<sup>nd</sup> Quarter/ Half Year FY 20

Oct 22, 2019



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# Glossary and Key Notes

AEPS	Aadhaar Enabled Payment System	INR	Indian Rupee
Agri	Agribusiness Banking	IPO	Initial Public Offering
API	Application Programming Interface	LAP	Loan Against Property
ARC	Asset Reconstruction Company	MF	Mutual Funds
ATM	Automated Teller Machine	Mn	Million
BC	Business Correspondent	MSME	Micro, Small and Medium Enterprises
BIL	Business Installment Loan	NABARD	National Bank for Agriculture and Rural Development
Bps	Basis Points	NFB	Non Fund Based
BVPS	Book Value Per Share	NIM	Net Interest Margin
C&IB	Corporate & Institutional Banking	NNPA	Net Non Performing Assets
CAGR	Compounded Annual Growth Rate	NPA	Non Performing Assets
CASA	Current Account and Savings Account	PCR	Provision Coverage Ratio
CB	Commercial Banking	PIL	Personal Installment Loan
CBDT	Central Board for Direct Taxes	Q1	3 month period ended June 30( April 1 - June 30)
CC	Credit Card	Q2	3 month period ended September 30( July 1 - September 30)
CEO	Chief Executive Officer	Q3	3 month period ended December 31( October 1 - December 31)
CET1	Core Equity Tier 1	Q4	3 month period ended March 31(January 1 - March 31)
Cr	Crore	QoQ	Quarter on Quarter
CRAR	Capital to Risk Weighted Assets Ratio	H1	6 month period ended September 30( April 1 - September 30)
CSR	Corporate Social Responsibility	9M	9 month period ended December 31( April 1 - December 31)
DB & FI	Development Banking & Financial Inclusion	RBI	Reserve Bank of India
DBT	Direct Benefit Transfer	RoA	Return on Assets
FICC	Fixed Income, Currency and Commodity	RoE	Return on Equity
FPI	Foreign Portfolio Investor	RWA	Risk Weighted Assets
FY	12 month period ended March 31	SDR	Strategic Debt Restructuring
GNPA	Gross Non Performing Assets	SLR	Statutory Liquidity Ratio
G-Sec	Government Securities	UPI	Unified Payments Interface
GST	Goods and Services Tax	US	United States
HUF	Hindu Undivided Family	VCF	Venture Capital Funds
IFI	Institutional Financial Inclusion	YoY	Year on Year
RBL Finserve	RBL Finserve Ltd.		

# Table of Contents

Topic	Page Number
Key Performance Highlights	5
RBL Vision 2020	12
Financial Performance	16
Distribution Network	33
Shareholding Pattern and Ratings	35
Micro-banking Update	37
Credit Cards Update	42
Annexures	47



# Key Performance Highlights

# Q2/ H1 FY20 Financial Highlights

- ▶ **Q2/ H1 FY20 continues to track well to business drivers, Profitability impacted by short term challenges**
- ▶ **Total Revenue growth in Q2 FY20 of 41% YOY (H1 FY20 of 45% YoY)**
- ▶ **NII growth of 47% YoY in Q2 FY20 (H1 FY20 growth of 47% YOY); Other Income growth of 33% YoY in Q2 FY20 (H1 FY20 growth of 40% YOY)**
- ▶ **Net Profit reduced by 73% YoY in Q2 FY20 due to accelerated provision on advances (H1 FY20 reduced by 19 YOY%)**
- ▶ **NIM continues upward trajectory, 4.35% in Q2 FY20 vs. 4.08% in Q2 FY19 ( 4.31% in Q1 FY20)**
- ▶ **Advances growth of 27% YoY, deposit growth of 31% YoY and CASA growth of 42% YoY**
- ▶ **GNPA at 2.60% vs. 1.40% in Q2 FY19, NNPA at 1.56% vs. 0.74% in Q2 FY19**
- ▶ **PCR at 58.4% at Q2 FY20 vs. 61.5% in Q2 FY19 (69.1% in Q1 FY20)**
- ▶ **RoA at 0.25% and RoE at 2.73% for Q2 FY20**
- ▶ **Total customer base of 7.32 million; addition of 0.4 million in the quarter**

# Q2 FY20 Highlights

		— YoY Growth —	— QoQ Growth —
<b>Net interest Income</b>	Rs. 869cr	47%	6%
<b>Core Fee Income</b>	Rs. 388cr	19%	(6%)
<b>Net Total Income</b>	Rs. 1,310cr	41%	1%
<b>Operating Profit</b>	Rs. 636cr	42%	3%
<b>Net Profit</b>	Rs. 54cr	(73%)	(80%)

# Half Year FY20 Highlights

— YoY Growth —

**Net interest Income**

Rs. 1,686cr

47%

**Core Fee Income**

Rs. 799cr

30%

**Net Total Income**

Rs. 2,609cr

45%

**Operating Profit**

Rs. 1,255cr

42%

**Net Profit**

Rs. 321cr

(19%)



# Q2 FY20 Highlights Contd....

— YoY Growth —

— QoQ Growth —

**Advances**

**Rs. 58,476cr**

**27%**

**3%**

**Wholesale  
Advances**

**Rs. 30,471cr**

**12%**

**(1%)**

**Non-Wholesale  
Advances**

**Rs. 28,005cr**

**49%**

**7%**

**Deposits**

**Rs. 62,829cr**

**31%**

**3%**

**CASA**

**Rs. 16,620cr**

**42%**

**6%**

# Key Indicators

## Pre-IPO

	Advances	Deposits	Net Profit	RoA	BVPS
FY 11	1,905	2,042	12	0.5%	Rs. 50
FY 16	21,229	24,349	292	1.0%	Rs. 91

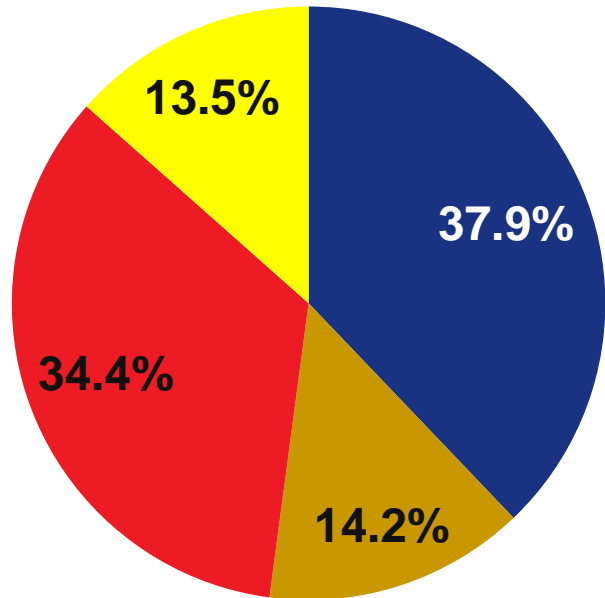
(84% CAGR FY 11-16) (64% CAGR FY 11-16) (88% CAGR FY 11-16)

## Post Listing Performance

	Advances	YoY	NIM	Net Profit	RoA
Q3 FY17	26,773	46%	3.4%	129	1.17%
Q4 FY17	29,449	39%	3.5%	130	1.20%
Q1 FY18	31,108	40%	3.5%	141	1.19%
Q2 FY18	33,576	35%	3.7%	151	1.19%
Q3 FY18	36,890	38%	3.9%	165	1.22%
Q4 FY18	40,268	37%	4.0%	178	1.25%
Q1 FY19	42,198	36%	4.0%	190	1.26%
Q2 FY19	45,873	37%	4.1%	205	1.26%
Q3 FY19	49,893	35%	4.1%	225	1.27%
Q4 FY19	54,308	35%	4.2%	247	1.30%
Q1 FY20	56,837	35%	4.3%	267	1.31%
Q2 FY20	58,476	27%	4.3%	54	0.25%

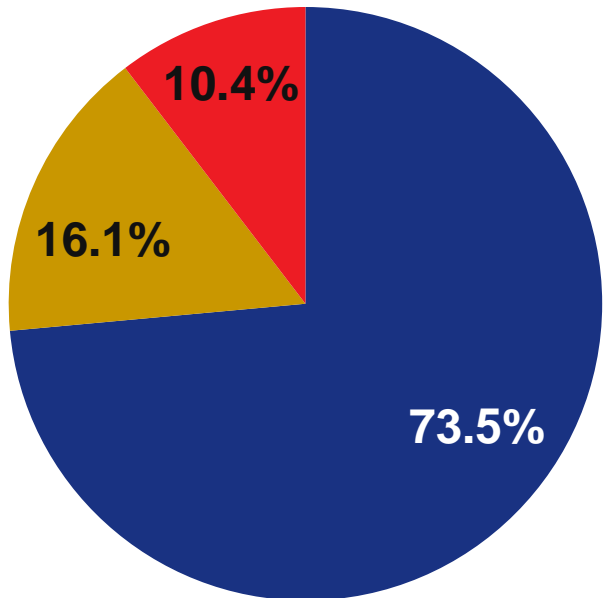
# Key Indicators – Business Breakup

— Advances by Segment (%) —



■ CIB   ■ CB   ■ Retail Assets   ■ DB&FI

— Deposit Breakup (%) —



■ Term Deposits   ■ Saving Deposits  
■ Current Deposits



# RBL Vision 2020

# Performance to Vision 2020 Goals

	RBL Vision 2020 (Post IPO/Sept 2016)	Actual Q2 FY20
<b>Advances</b>	30-35% CAGR	CAGR since Q2 FY17: 33% Q2 FY20 : 27%
<b>CASA Ratio</b>	0.75 - 1% increase every year	FY 16: 18.6%; FY 17: 22.0%; FY 18: 24.3%; FY 19: 25.0%; Q2 FY20: 26.5%
<b>Other Income %</b>	~ 1/3 <sup>rd</sup> of Net Total Income	34%
<b>Operational Efficiency</b>	Cost/Income ratio of 51% - 52% by 2020	FY 16: 58.6%; FY 17: 53.5%; FY 18: 53.0%; FY 19: 51.3%, Q2 FY20: 51.5%
<b>Return Ratios</b>	~ 1.50% RoA by 2020	FY 16: 0.98%; FY 17 : 1.08%; FY 18: 1.21%; FY 19: 1.27%, Q2 FY20: 0.25%

# Key Initiatives of Vision 2020



## Technology

### Leveraging technology to acquire, engage and service clients

*API banking, Abacus (Digital savings account); Fintech Partnerships (Moneytap, Zeta) ; Credit card partnerships (Bajaj Finserv, BookMyShow, ET Money)*



## Distribution

### Enhancing distribution through a combination of owned branches, and BCs

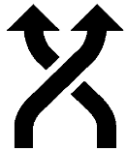
*346 own branches, 1156 BC branches (including 238 Banking Outlets) serve over 7.3 Mn customers pan-India*



## Platforms

### Creation of Transaction and Payment platforms that leverage changes in ecosystem driven by Aadhaar, UPI, IndiaStack, GST etc.

*AEPS and UPI based mobile apps allow customers to transact through low cost channels  
Better availability of data for underwriting in case of retail and MSME businesses*



## Cross-sell

### Enhancing cross-sell across all businesses

*Strong analytics teams in place to analyze data to enhance cross sell and customer targeting*



## Mass Banking

### Increase presence in 'Mass Banking' - internal efforts, partnerships and acquisitions

*Extending network to individual loans in rural areas and offering deposits, insurance, DBT and remittance services*

*Pilot partnership underway in affordable housing*

# Our Fundamentals Have Resulted in Consistent Strong Performance

## Guiding Principles

*1. Focus on Effective Risk Management and Asset Quality*

*2. Prudent and profitable growth*

*3. Customer-centric and relationship approach*

*4. Focus on Operational Quality and Scalability*

*5. Leveraging Partnerships and Technology for Creating Customer Centric / Multi-channel Solutions*



## Key Pillars

**Robust corporate governance framework and processes**

**Broad Based Shareholder and Strong Capital Base**

**Professional and experienced management team**

**Eminent Board of Directors**



# Financial Performance



# Strong Operating Profit Momentum Continues; Accelerated Provisioning Impacts Net Profit

Parameter	Q2 FY20	Q2 FY19	YoY	Q1 FY20	QoQ	H1 FY20	H1 FY19
Net Interest Income	869	593	47%	817	6%	1,686	1,146
Other Income	442	333	33%	481	(8%)	923	659
Net Total Income	1,310	926	41%	1,299	1%	2,609	1,805
Operating Profit	636	449	42%	619	3%	1,255	881
Net Profit	54	205	(73%)	267	(80%)	321	395

Parameter	Q2 FY20	Q2 FY19	Q1 FY20	H1 FY20	H1 FY19
Other Income/Total Income	33.7%	36.0%	37.1%	35.4%	36.5%
Cost/Income	51.5%	51.5%	52.3%	51.9%	51.2%
Net Interest Margin	4.3%	4.1%	4.3%	4.3%	4.1%
Credit Cost/Advances (bps)*	93	26	35	129	51
RoA	0.25%	1.26%	1.31%	0.77%	1.26%
RoE	2.7%	11.6%	13.8%	8.2%	11.4%

\* Not Annualized

# Strong Growth in Business and CASA Continues

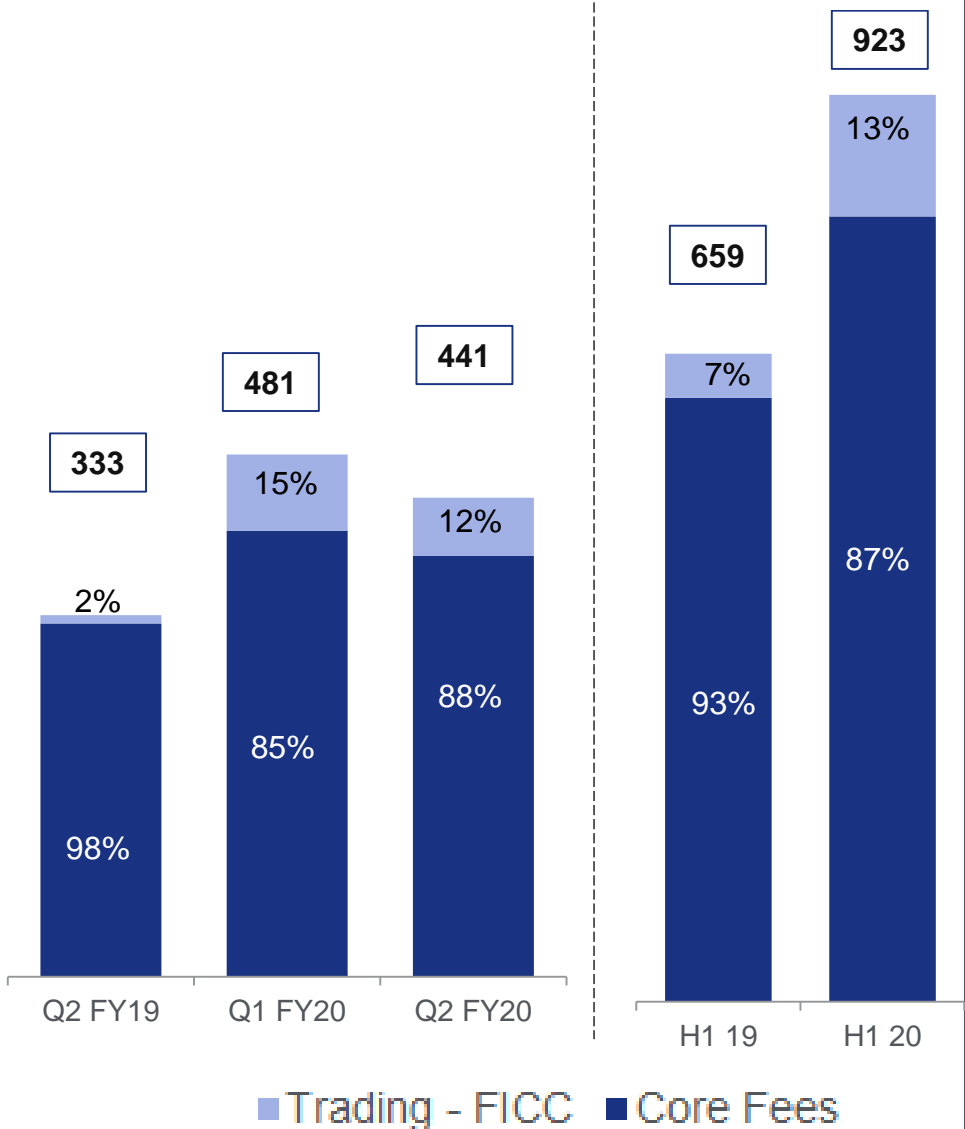
Parameter	Sep 30,2019	Sep 30,2018	YoY
Advances	58,476	45,873	27%
Deposits	62,829	47,790	31%
Investments	19,778	13,749	44%

Parameter	Sep 30,2019	Sep 30,2018	June 30,2019
CASA	26.5%	24.5%	25.8%
GNPA	2.60%	1.40%	1.38%
NNPA	1.56%	0.74%	0.65%
Net Stressed Assets	1.60%	0.81%	0.71%
PCR	58.4%	61.5%	69.1%
CRAR*	12.3%	13.7%	12.4%

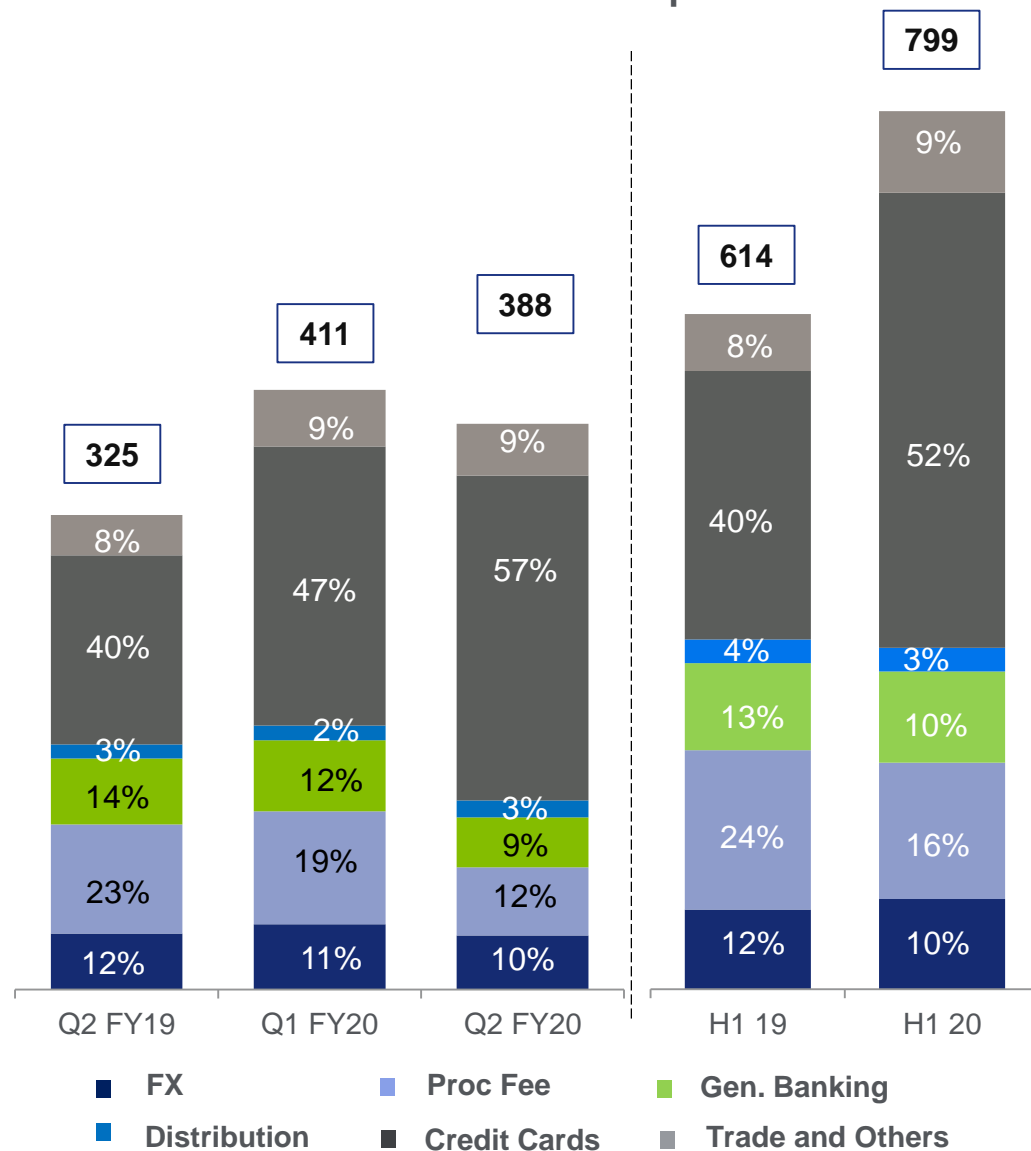
\* including interim profits

# Well Diversified Other Income Profile; Cards Driving Core Fee Income

## Other Income

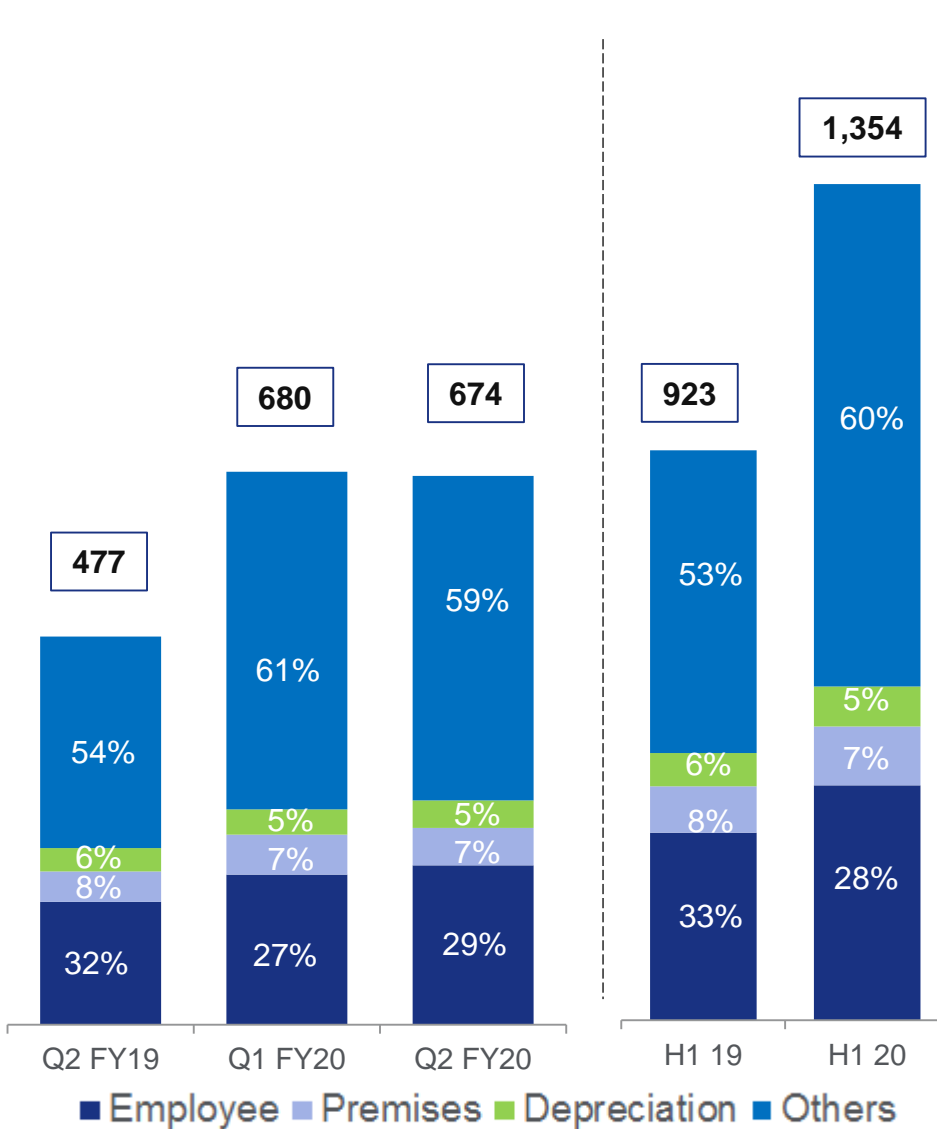


## Core Fee Income Breakup

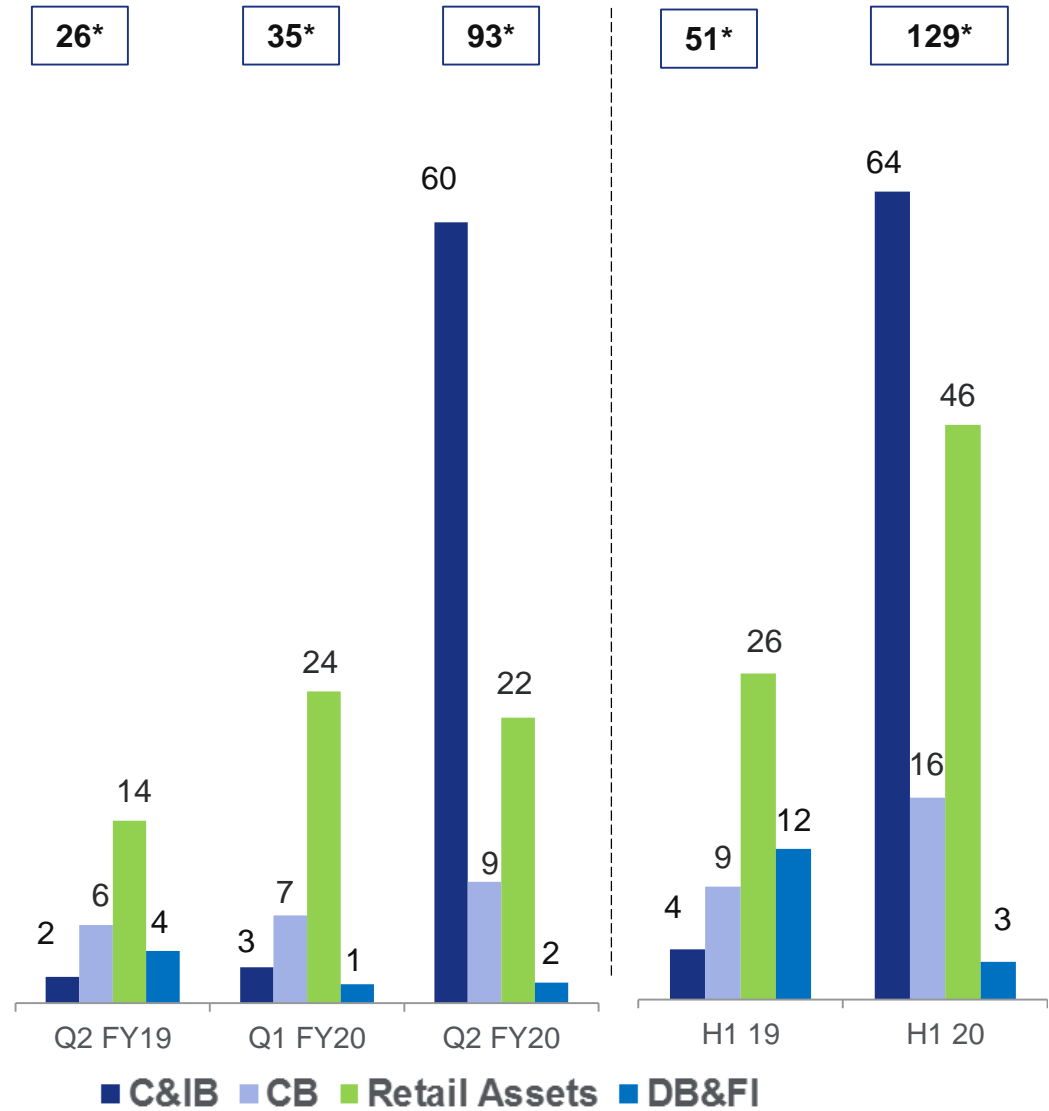


# Cost Growth Driven by Business Expansion; Credit Costs due to Increased Provisions

## Operating Expenses



## Net Credit Cost by Business (bps)



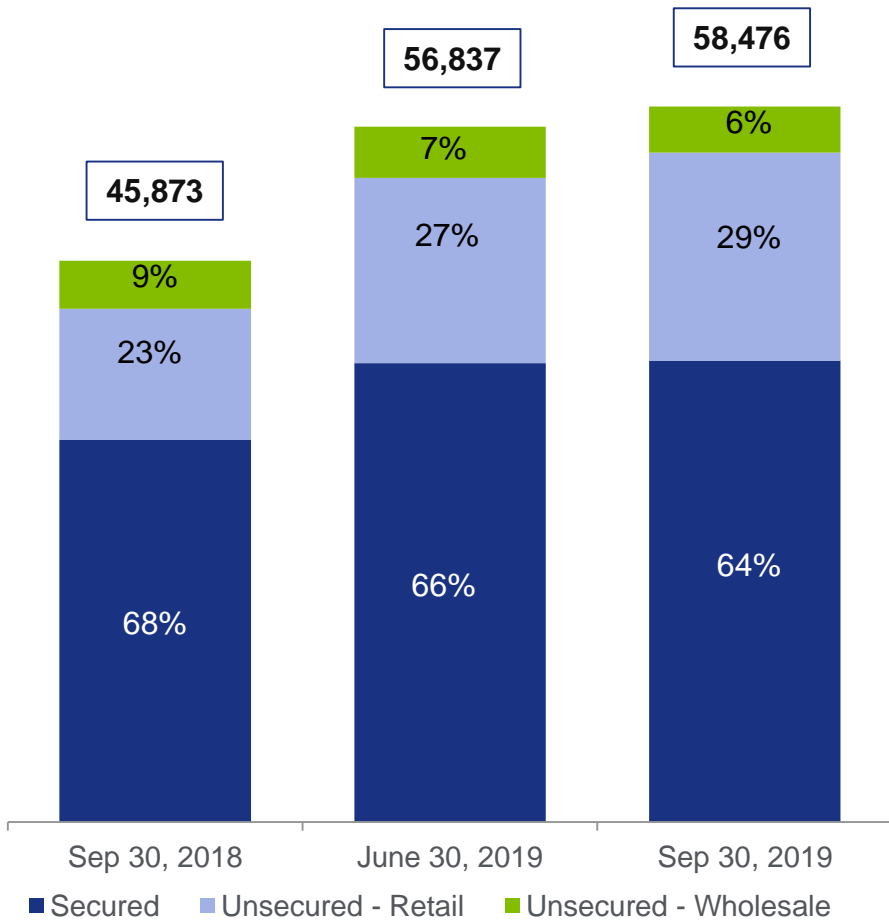
\* Not Annualized for the bank or at individual segment level for the quarter

# Changing Advances Mix and Improving Yields Helping NIMs

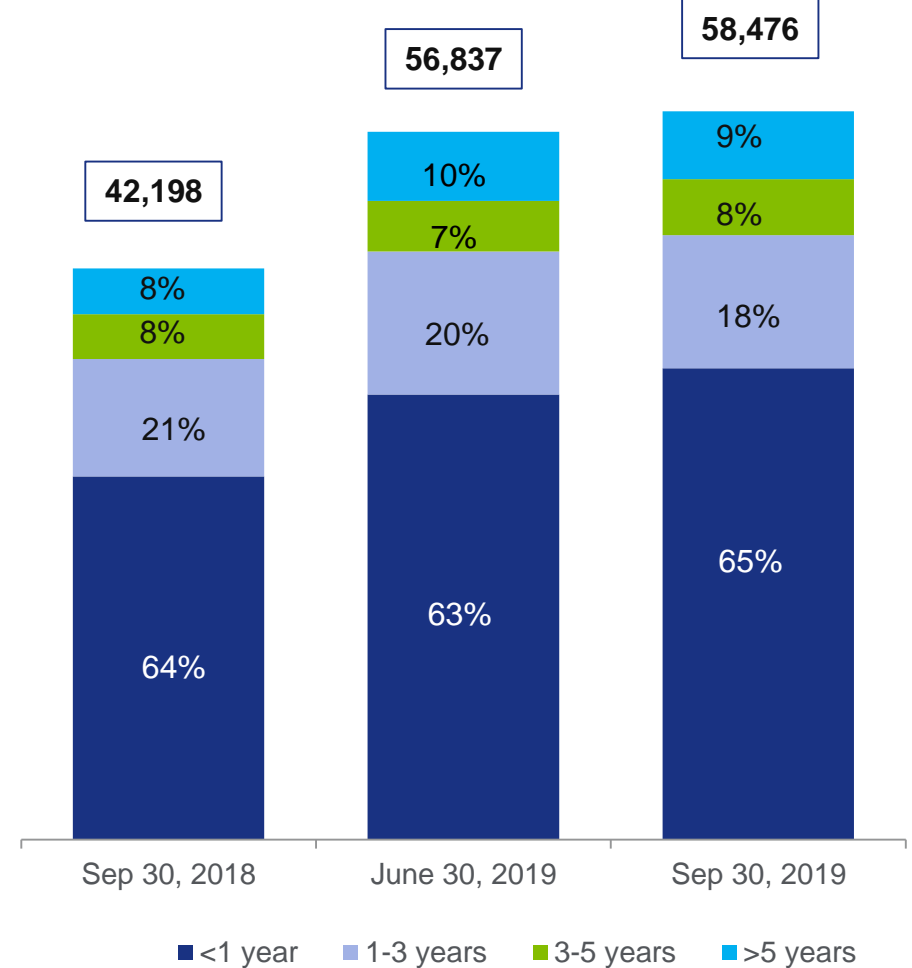
	Sep 30,2019	Sep 30,2018	YoY	Yield H1 20	Proportion
<b>C&amp;IB</b>	<b>22,143</b>	<b>18,826</b>	<b>18%</b>	<b>9.2%</b> <b>(8.6%)</b>	<b>52%</b>
<b>CB</b>	<b>8,328</b>	<b>8,303</b>	<b>0%</b>		
<b>Wholesale</b>	<b>30,471</b>	<b>27,129</b>	<b>12%</b>	<b>15.4%</b> <b>(14.1%)</b>	<b>48%</b>
<b>Retail Assets</b>	<b>20,138</b>	<b>12,407</b>	<b>62%</b>		
<i>LAP</i>	<i>7,295</i>	<i>4,532</i>	<i>61%</i>		
<i>Credit Cards</i>	<i>8,003</i>	<i>3,613</i>	<i>121%</i>		
<i>Retail Agri</i>	<i>1,470</i>	<i>1,541</i>	<i>(5%)</i>		
<i>BIL</i>	<i>1,541</i>	<i>1,257</i>	<i>23%</i>		
<i>Others</i>	<i>1,830</i>	<i>1,464</i>	<i>25%</i>		
<b>DB &amp; FI</b>	<b>7,867</b>	<b>6,337</b>	<b>24%</b>		
<i>Micro-banking</i>	<i>5,151</i>	<i>3,917</i>	<i>31%</i>		
<i>IFI</i>	<i>1,575</i>	<i>1,669</i>	<i>(6%)</i>		
<i>MSME</i>	<i>1,142</i>	<i>751</i>	<i>52%</i>		
<b>Non-Wholesale</b>	<b>28,005</b>	<b>18,744</b>	<b>49%</b>		
<b>Total</b>	<b>58,476</b>	<b>45,873</b>	<b>27%</b>		

# Diversified Loan Portfolio

## Break up of advances - Secured/Unsecured

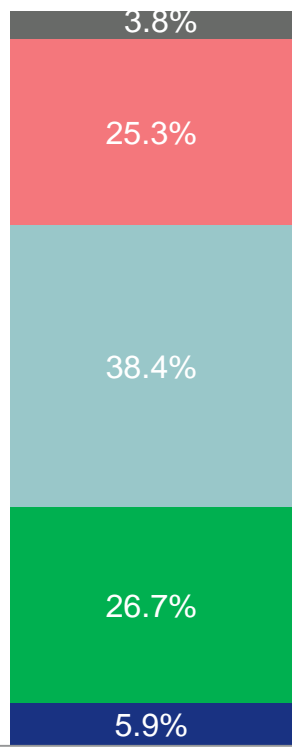


## Tenor of Advances



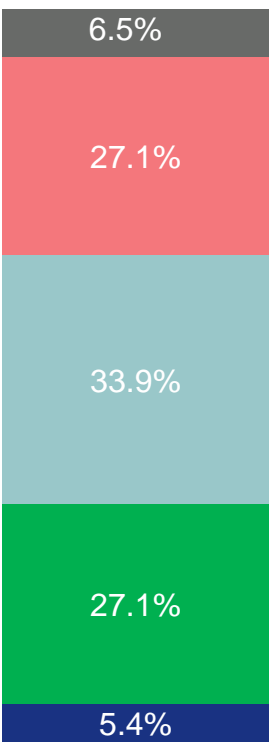
# Borrowers' External Rating Profile\*

Sep 30, 2018



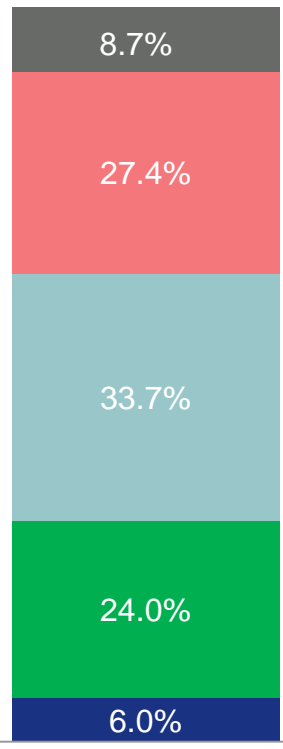
External Ratings

June 30, 2019



External Ratings

Sep 30, 2019



External Ratings

- AAA
- A- & Above
- BB+ & Below

- AA- & Above
- BBB- & Above

\* Based on standard exposures; Unrated external ratings are mapped basis internal ratings

# Diversified Industry Mix

## Top 10 Industry\*

Industry	Outstanding FB+NFB Exposure	FB-NFB Split	% of Outstanding FB+NFB Exposure
NBFC (ex. HFC & DFI)	4,029	99:1	5.3%
Construction	3,956	33:67	5.2%
Engineering	3,551	35:65	4.6%
Retail/ Distribution	2,965	76:24	3.9%
Real Estate	2,500	92:8	3.3%
Power	2,436	74:26	3.2%
Pharma	2,239	85:15	2.9%
Professional Services	2,127	83:17	2.8%
Metals	1,942	46:54	2.5%
Logistic Services	1,344	68:32	1.8%

\* As of Sep 30, 2019 based on actual outstanding

## Non Fund Based Book

Particulars	Sep 30, 2019	Sep 30, 2018	June 30, 2019
Guarantees	11,918	10,101	12,246
Letter of Credit, Acceptances, Endorsements and other Obligations	5,000	4,745	5,727



# Specific Asset Disclosures

- **Increased stress in the economy and deterioration in the credit environment has had an impact on us, more than we initially anticipated**
- **As a result, we expect the total stressed / NPA is conservatively approx. Rs. 1,800 crore. This includes the 4 groups (East based group, diversified media group, south based coffee group and west based plastics group plus a buffer)**
- **Of the above,**
  - **Approx. Rs. 800 crore has been recognised as NPA in this quarter against which we have taken Rs. 350 crore as provisions**
- **SMA 1 for the Bank is 0.45% and SMA2 is 0.39% of total Standard Advances as of September 30<sup>th</sup>**
- **Of this, net of stressed names in SMA 1 and SMA 2 , SMA 1 is 0.15% and SMA 2 is 0.17%**

# Exposures to Specific Sectors

- **Total outstanding of the real estate sector is approx. Rs. 2,500 crore , fully secured**
  - This exposure is to 44 accounts with an average ticket size of Rs. 57 crore
  - There is no case in SMA 1 or SMA 2 in this portfolio
  - Average maturity of between 1-2 years
- **Total outstanding of the construction sector is approx. Rs. 4,000crore**
  - Average o/s of Rs. 44 crore with 2/3<sup>rd</sup> being non fund based
  - No case of SMA 1 and SMA 2 in this portfolio.
  - 80% of the book has a maturity of less than 1 year
- **NBFC (ex. MFI, DFI) outstanding excl. loan to our strategic partner is approx. Rs. 4,100 crore**
  - Outstanding from HFCs is approx. Rs. 900 crore, with average ticket size of Rs. 115 crore
  - Book is fully secured; No case of SMA 1 and SMA 2 in this portfolio
  - Average maturity of about a year
- **On other NBFCs , total outstanding is approx. Rs. 3,200 crore**
  - Average o/s Rs. 82 cr with 95%+ book fully secured
  - No case of SMA 1 or SMA 2 with average maturity of between 2- 3 years
- **The total outstanding to the Power sector is approx. Rs. 2,400 crore**
  - Average of Rs. 52 crore, with 2/3<sup>rd</sup> maturing within 1 year
  - Again, no case of SMA 1 and SMA 2 in this portfolio
  - No project finance type exposure

# Asset Quality Impacted by Stress in Select Accounts

## — Gross NPA by business segment —

	Quarter Ended			Gross NPA by business segment			
	Sep 30,2019	June 30,2019	Sep 30,2018	Business segment	Sep 30,2019	June 30,2019	Sep 30,2018
Movement of Gross NPAs				C&IB	842.4	139.5	92.1
Opening Balance	789	755	596	% of total advances	1.43%	0.24%	0.20%
(+) Additions during the period	1,377	225	142	CB	198.6	242.1	255.1
(-) Upgrade	260	8	2	% of total advances	0.34%	0.42%	0.55%
(-) Recoveries	55	36	27	Retail Assets	421.4	347.7	200.7
(-) Write Offs	313	147	65	% of total advances	0.71%	0.61%	0.43%
Closing Balance	1,539	789	645	DB&FI	76.7	59.9	97.0
Gross NPA (%)	2.60%	1.38%	1.40%	% of total advances	0.13%	0.10%	0.21%
Net NPA	912	372	339	<b>Total</b>	1,539.1	789.2	645.0
Net NPA (%)	1.56%	0.65%	0.74%	<b>Total (%)</b>	2.60%	1.38%	1.40%
Provisioning Coverage Ratio (PCR) (%)	58.45%	69.13%	61.45%				
Slippage Ratio	2.42%	0.41%	0.34%				
Restructured %	0.04%	0.06%	0.07%				
Net Stressed Assets%	1.60%	0.71%	0.81%				

• There are Nil Security Receipts

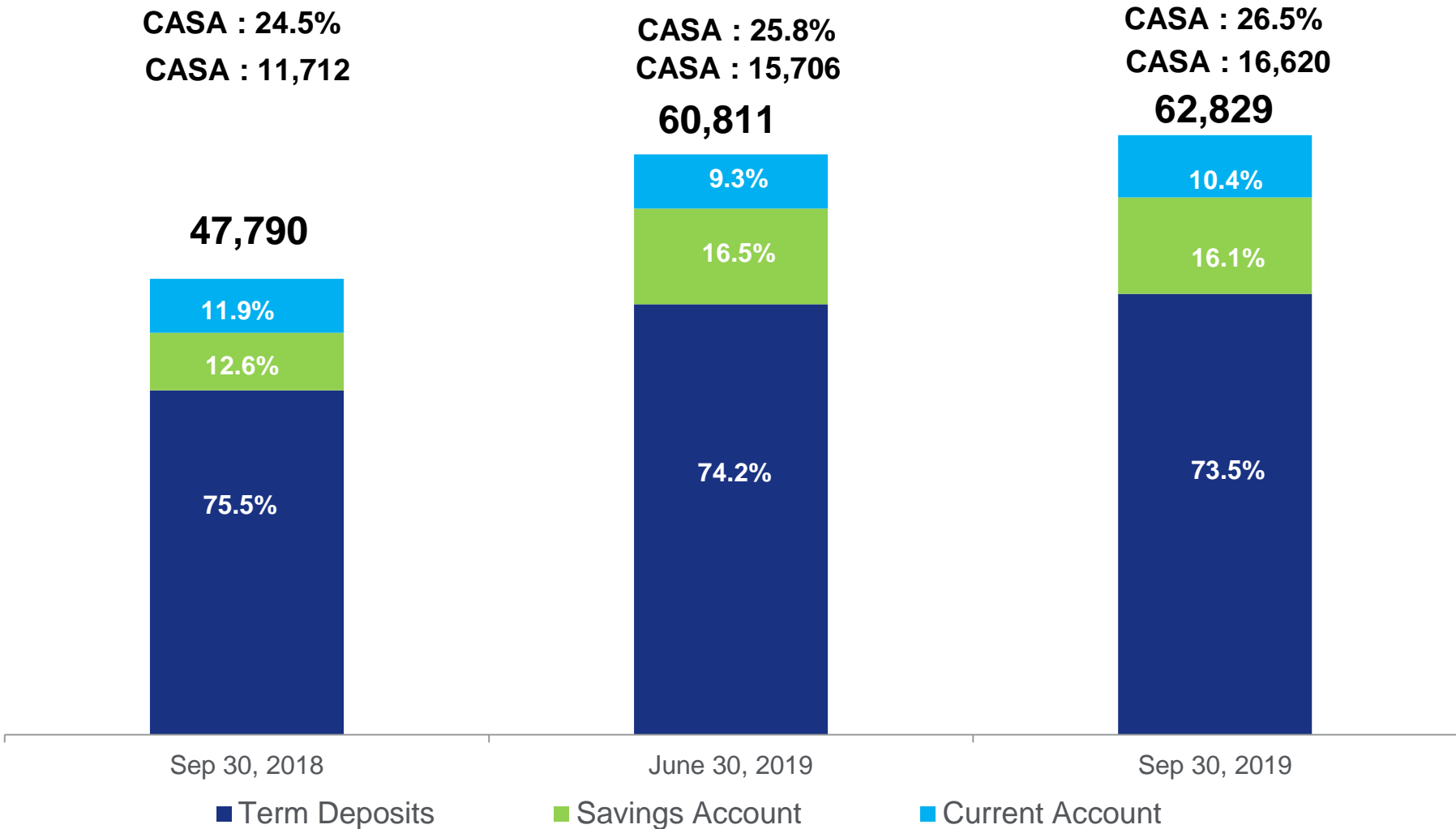
# Capital Adequacy - Well Capitalized to Support Growth

Particulars	Sep 30, 2019	Sep 30, 2018	June 30, 2019
Tier 1 Capital Funds*	7,542	6,969	7,443
Tier 2 Capital Funds	685	712	719
<b>Total Capital Funds</b>	<b>8,227</b>	<b>7,681</b>	<b>8,162</b>
<b>Total RWA</b>	<b>66,976</b>	<b>55,867</b>	<b>65,740</b>
Tier 1 CRAR*	11.3%	12.5%	11.3%
<b>Total CRAR*</b>	<b>12.3%</b>	<b>13.7%</b>	<b>12.4%</b>
RWA/Total Assets	76.4%	83.2%	78.2%

\* CRAR and Tier 1 Capital Funds for interim financial periods has been computed after adding interim profit for better comparison

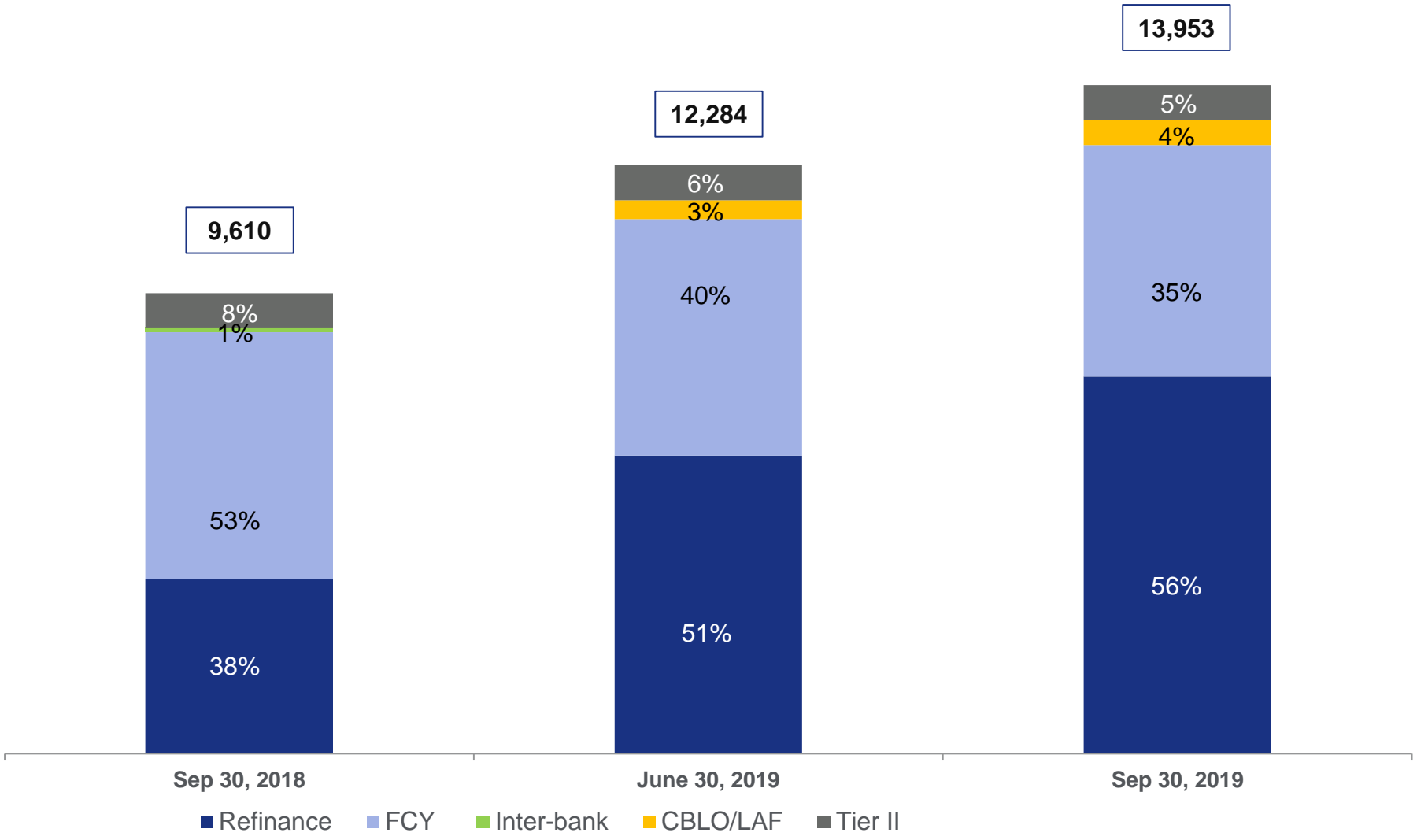
# CASA Growth Driving Overall Deposit Growth

*42% yoy growth in CASA, while total deposits grew by 31%*

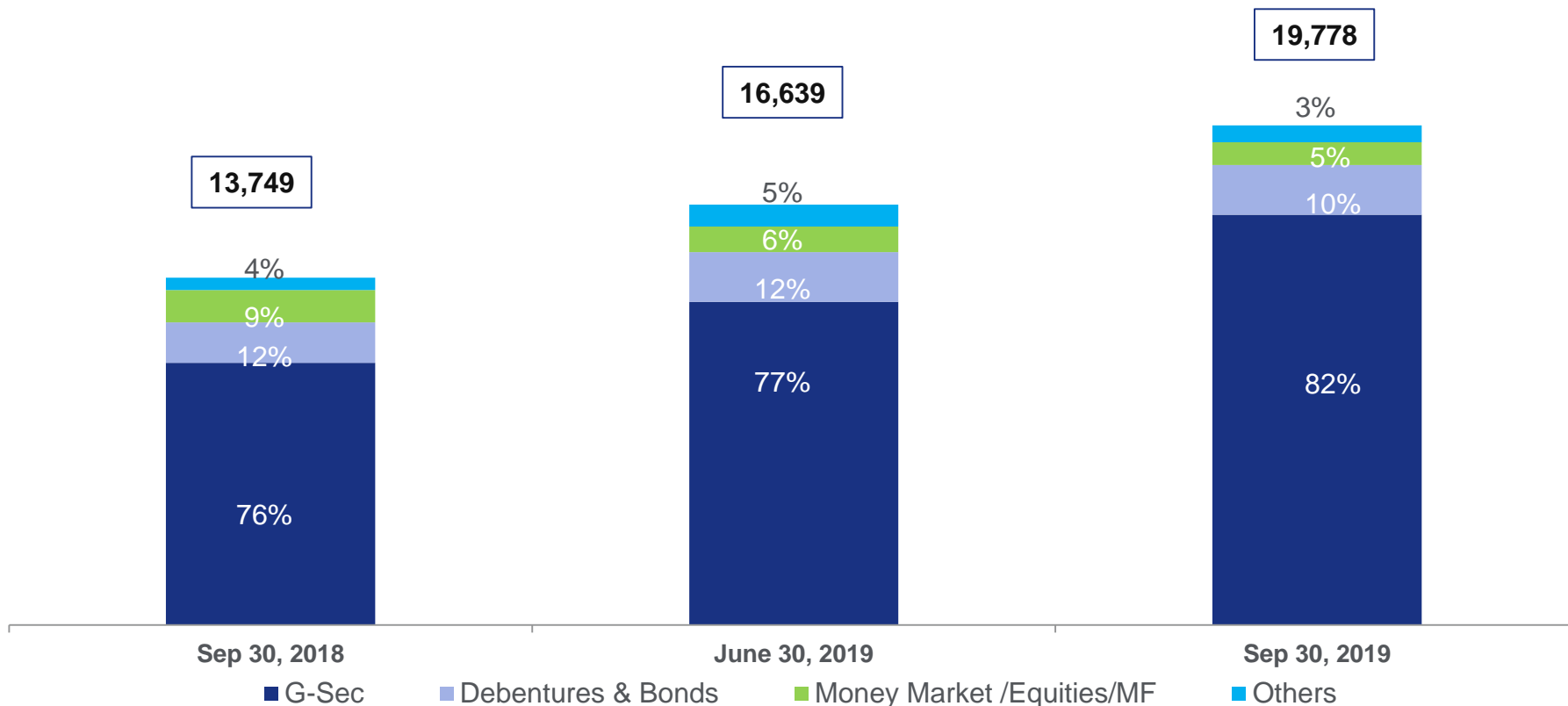


# Diversified Borrowing Streams

## Borrowing Breakup



## Investment Breakup



## Yield

Yield	Q2 FY20	Q2 FY19	Q1 FY20	H1 FY20	H1 FY19
Total Investments	7.6%	7.4%	7.6%	7.6%	7.3%
SLR	7.4%	7.4%	7.8%	7.6%	7.4%
Non SLR	9.1%	9.6%	8.6%	8.9%	9.3%

# NIM Improvement Helped by Higher Yields due to Changing Mix

## Pre-IPO

	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Yield on Advances	10.9%	12.6%	13.1%	12.9%	12.3%	11.7%
Cost of Funds	5.8%	8.3%	9.6%	9.4%	8.4%	7.6%
Cost of Deposits	5.8%	8.1%	8.9%	8.8%	8.3%	7.7%

## Post Listing Performance

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20
Yield on Advances	10.6%	10.6%	10.4%	10.5%	10.8%	10.9%	11.2%	11.8%	12.0%	12.1%
Cost of Funds	6.5%	6.4%	6.2%	6.2%	6.4%	6.4%	6.6%	6.8%	6.8%	6.8%
Cost of Deposits	6.7%	6.6%	6.4%	6.5%	6.6%	6.7%	6.8%	6.9%	7.0%	6.9%

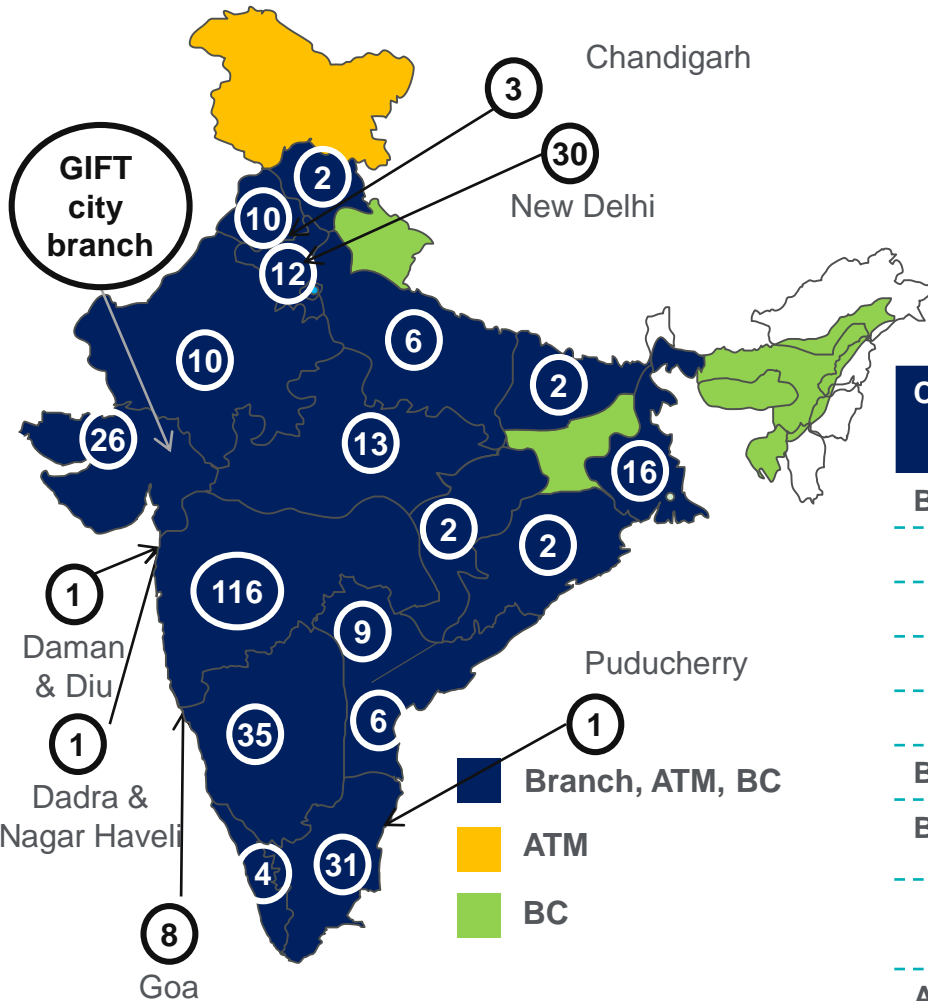




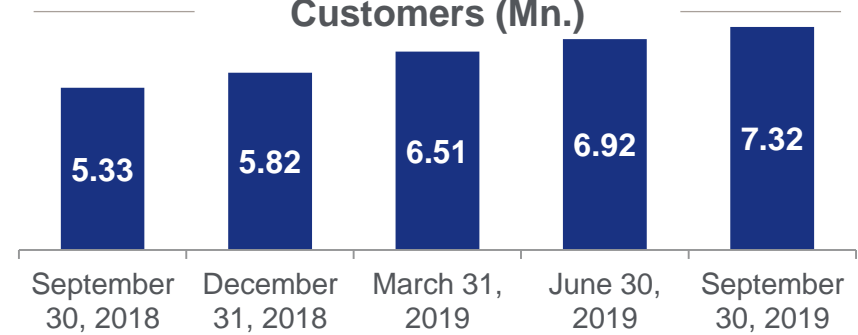
# Distribution Network

# Our Growing, Multi-Layered Distribution Network

## Locations



## Customers (Mn.)



## Channel Breakup

Channels	Number of transaction points		
	Sep 30, 2019	June 30, 2019	Sep 30, 2018
<b>Branches</b>	346	332	268
<i>Metro</i>	160	148	93
<i>Urban</i>	55	55	44
<i>Semi-urban</i>	76	75	76
<i>Rural</i>	55	54	55
<b>Banking Outlets (BOs)</b>	238	228	213
<b>BC Branches (incl. BOs)</b>	1,156	1,013	900
<i>Of which RBL Finserve</i>	533	458	375
<b>ATMs</b>	394	376	382

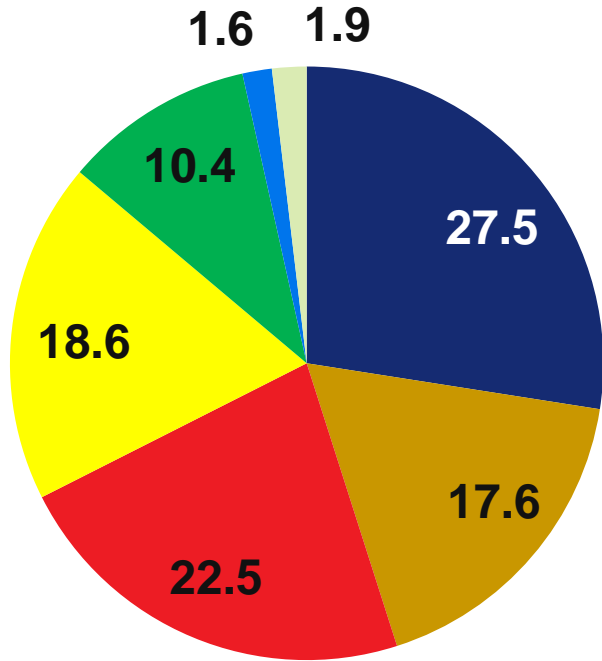
Figures in circles refer to number of branches in given state/union territory



# Shareholding Pattern & Ratings

# Diversified Shareholding & Strong/Improving Rating Profile

— Shareholding by category (%) —



- Individual/HUFs
- Foreign Corporates
- VCF/MF/Pension Funds/Insurance
- FPI
- Body Corporates
- NRIs
- Others

Total Foreign holding – 36.2%.  
Approved limit – 74%

## Ratings

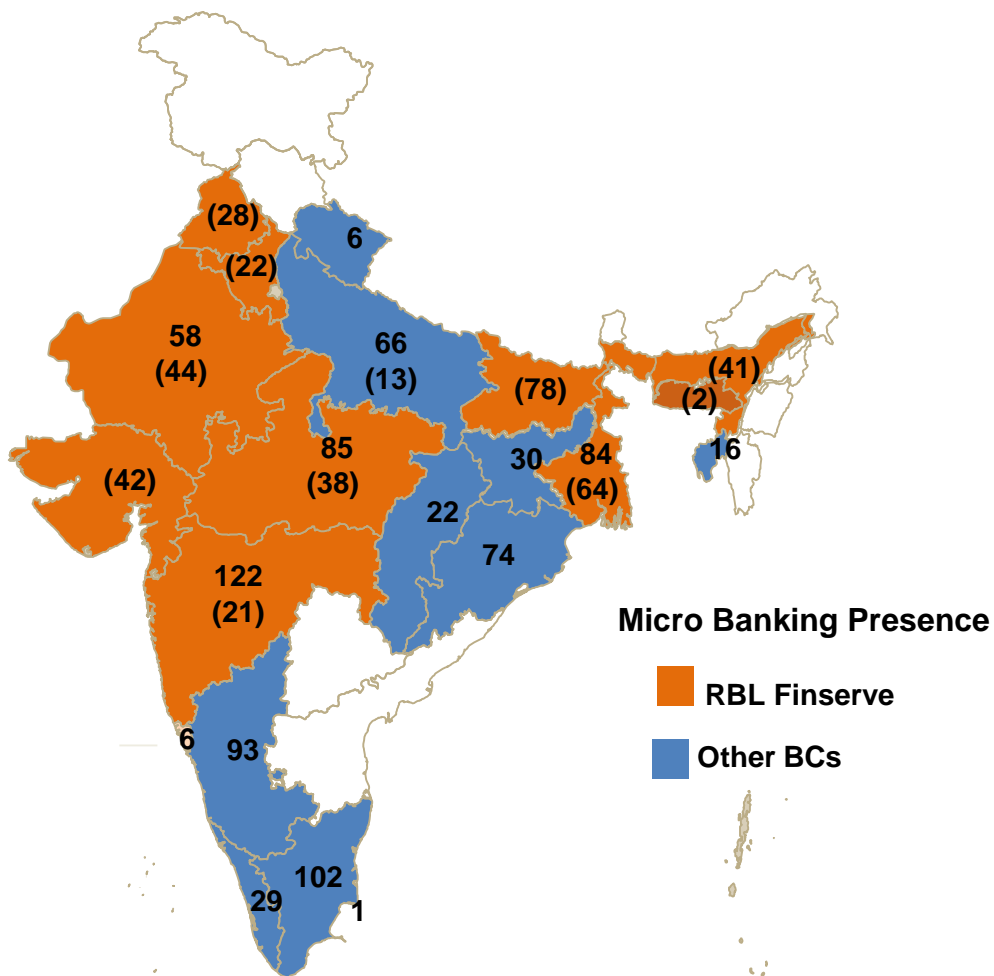
Instrument	Rating
Basel III compliant Tier II bonds	ICRA AA- hyb (Stable) CARE AA- (Stable) (Re-affirmed dated Oct 3, 2019)
Certificate of Deposits	ICRA A1+
Medium term fixed deposit programme	ICRA MAA (Stable)
Short term fixed deposit programme	ICRA A1+



# Micro-banking Update

# Micro-banking Distribution Network

- 133 BC branches opened in H1 FY20 (117 branches in Q2)
- 63 RBL Finserve branches opened in H1 FY20 (57 branches in Q2 FY20)
- 238 Banking Outlets

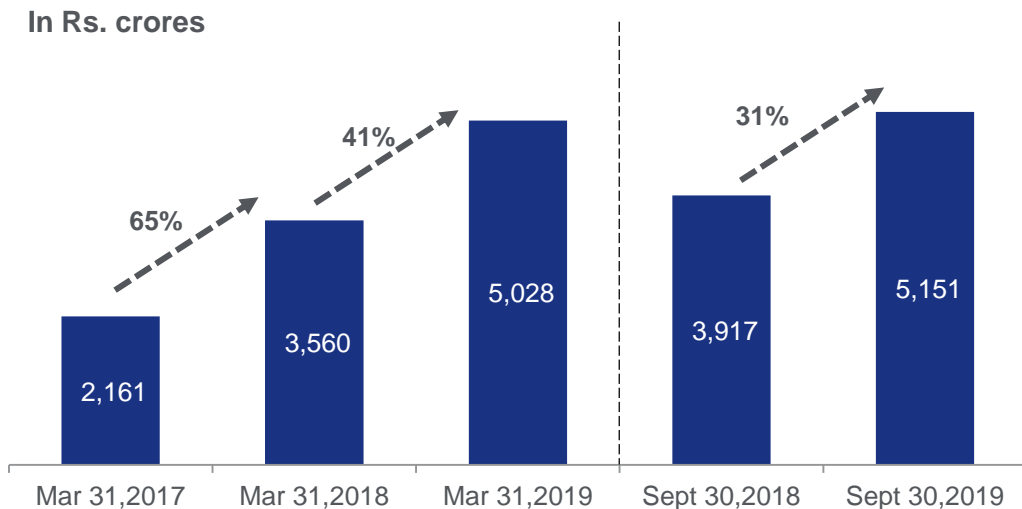


Figures in brackets refers to branches of RBL Finserve

State Name	% of Portfolio Sept'19	% of Portfolio Mar'19
Tamil Nadu	13.80%	14.60%
Bihar	13.30%	14.40%
Maharashtra	11.60%	12.00%
Karnataka	9.30%	9.70%
West Bengal	8.70%	7.60%
Odisha	7.10%	7.60%
Rajasthan	6.10%	5.70%
Madhya Pradesh	4.70%	4.90%
Punjab	4.60%	4.30%
Gujarat	3.60%	4.30%
Assam	4.10%	2.80%
Haryana	3.40%	2.90%
Jharkhand	2.60%	3.00%
Chhattisgarh	2.10%	2.00%
Uttar Pradesh	1.20%	0.10%
Uttarakhand	0.90%	1.80%
Kerala	1.00%	0.70%
Tripura	0.70%	0.90%
Goa	0.70%	0.80%
Puducherry	0.40%	0.00%
Meghalaya	0.10%	0.00%
Grand Total	100.00%	100.00%

# Micro-banking - Portfolio Highlights

## Loan Book

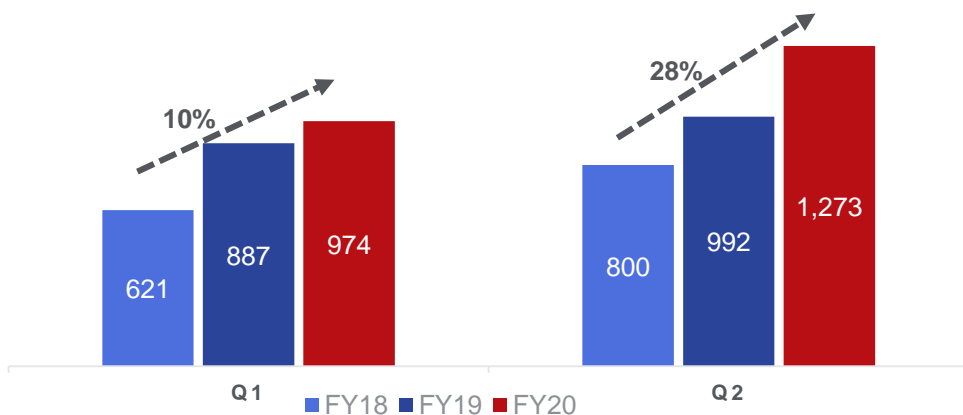


Portfolio Mix	Sept 30 <sup>th</sup> 2019
RBL Finserve & Direct	55%
Other BCs	45%

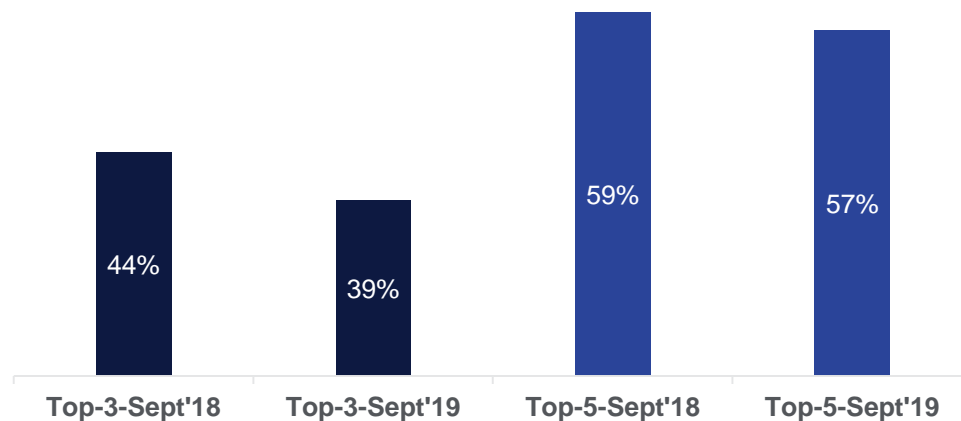
2.65 Mn active loan accounts

## Quarter on Quarter Disbursement Shows Healthy Growth

In Rs. crores

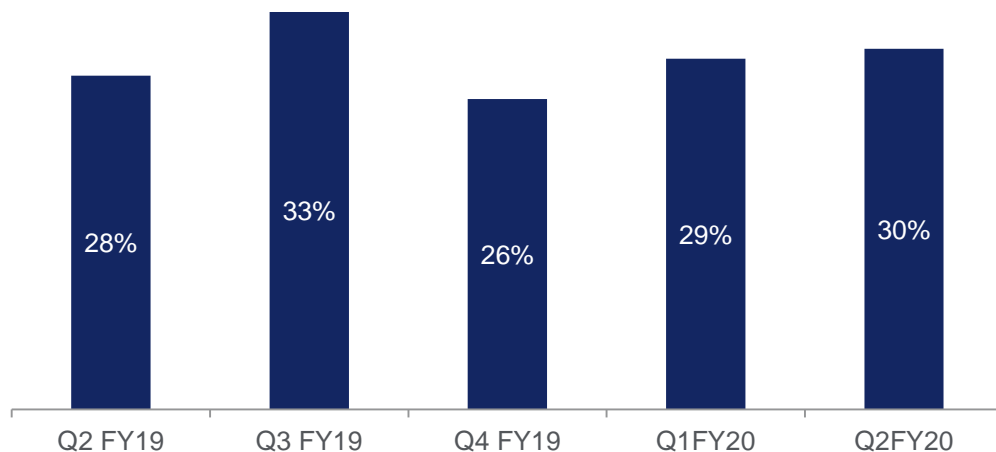


## Top 3 and Top 5 states (Share in Portfolio)

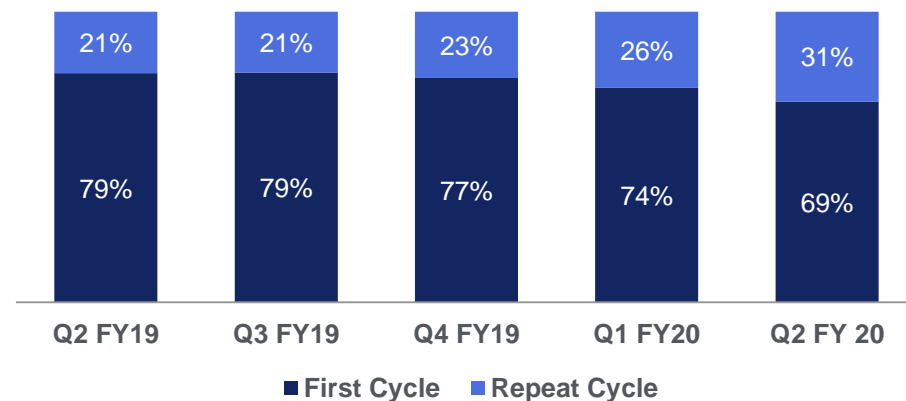


# Micro-banking - Through the door Mix

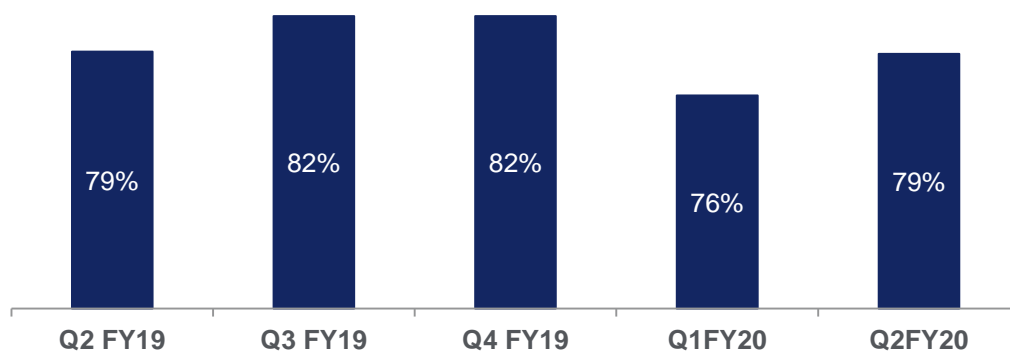
## Bureau Rejection Rate



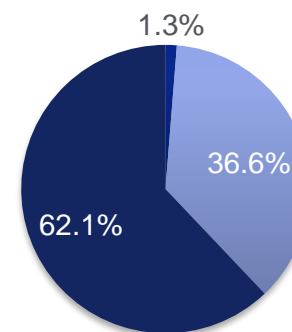
## Borrowing Cycle with RBL Bank



## Bureau Hit Rate\*



## Loan Tenor

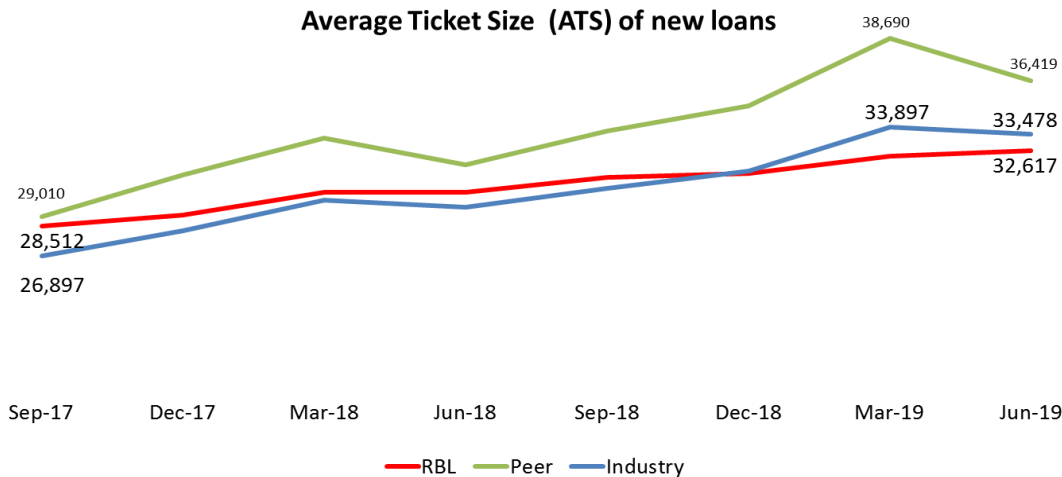


\* Hit Rate= % of loan application with matching records with Credit Bureau

■ 12 Months   ■ 18 Months   ■ 24 Months



# Micro-banking – Average Ticket Size Below Industry



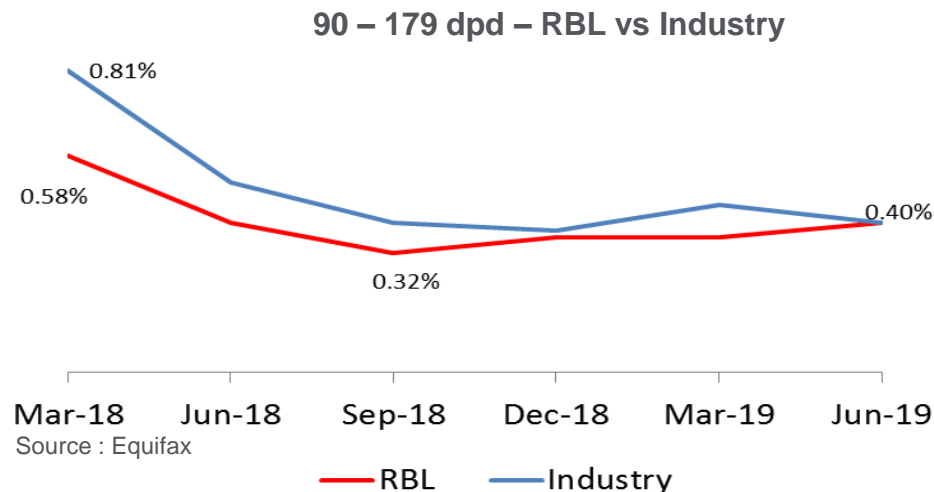
Gradual ticket size increase ~ 14% over 2 years. Market ticket sizes have grown faster and are more – both for industry and peers.

Peers : Two largest banks, two prominent SFB's and two large MFI's  
Source : Equifax

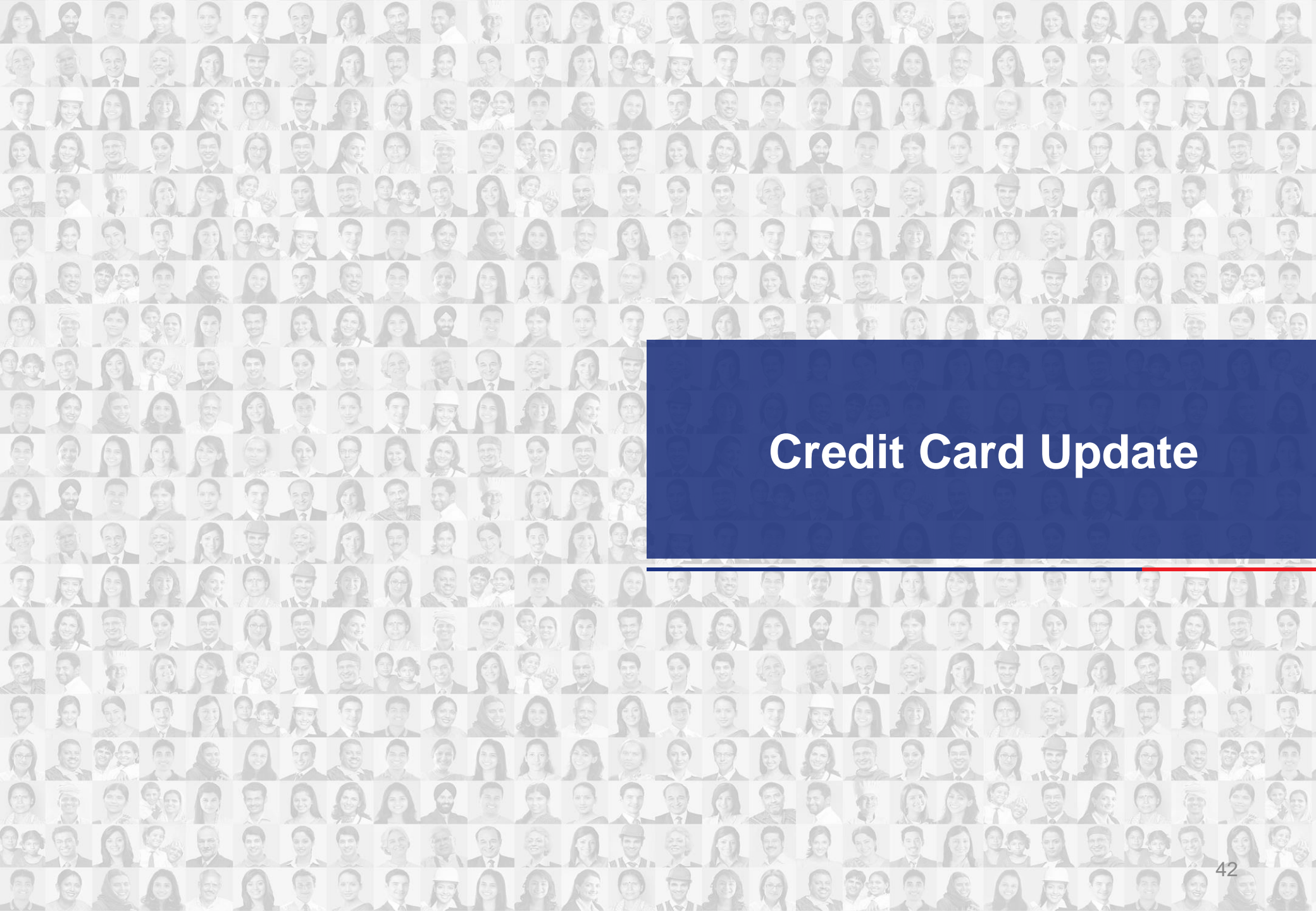
Loan disbursement concentration (last 2 years)		
	Top 3 states	Top 5 states
<b>RBL</b>	41%	58%
<b>Peers</b>	48%	64%
<b>Industry</b>	40%	55%

Peers : Two largest banks, two prominent SFB's and two large MFI's  
Source : Equifax

RBL bank's strategy has been to diversify the disbursements and portfolio across the country. The concentration in top 3 and 5 states are significantly below peers.



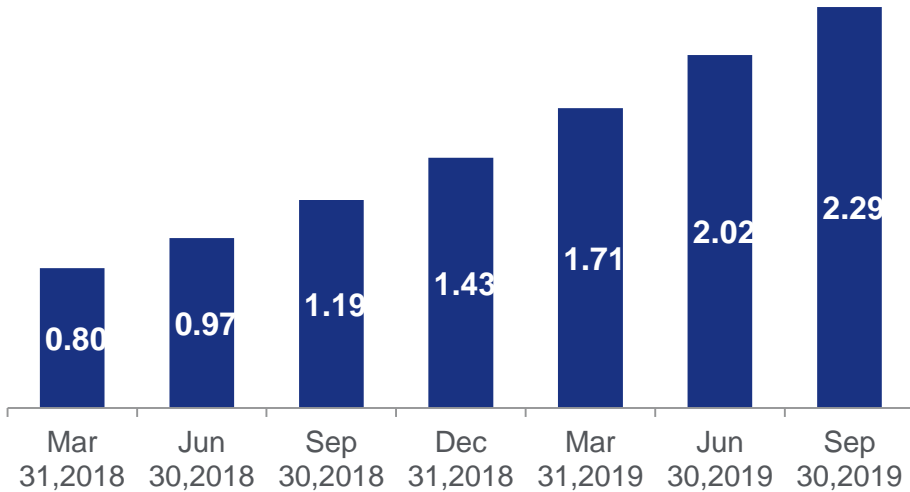
The RBL portfolio delinquencies have been in control and below / at par with the industry



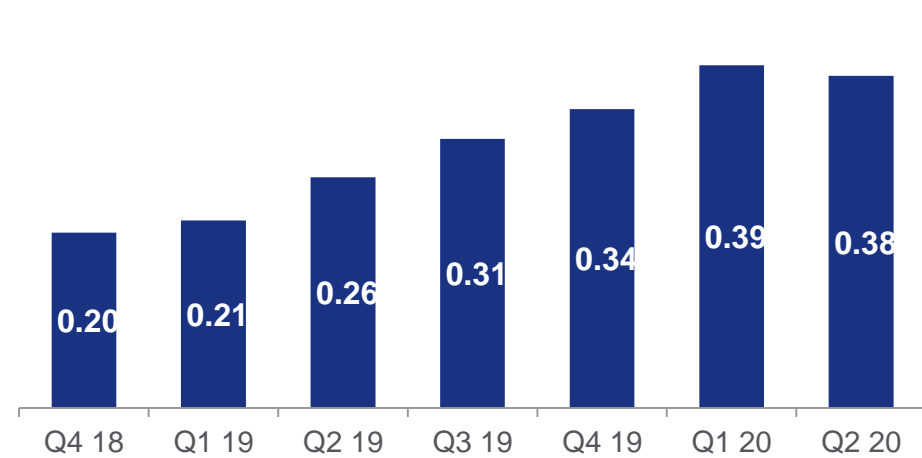
# Credit Card Update

# Credit Card Base Increasing Steadily

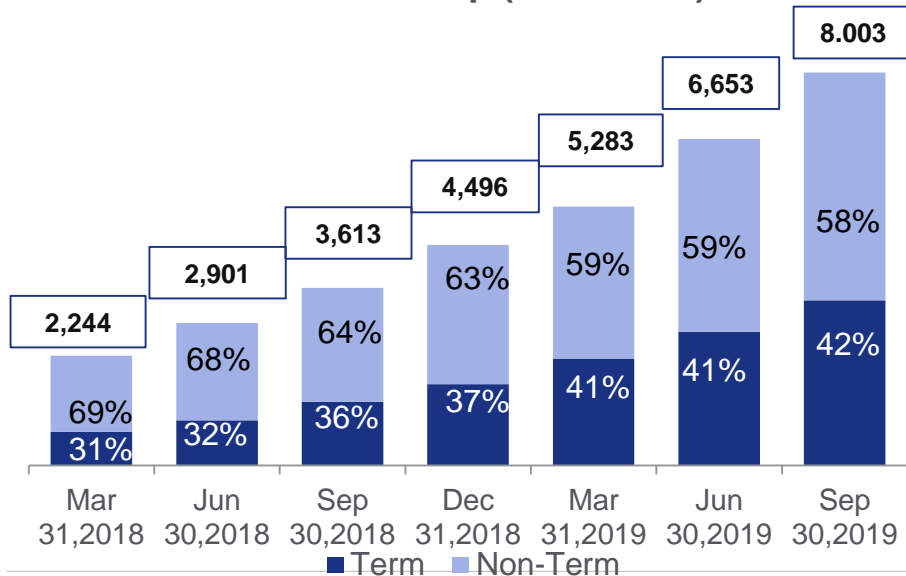
### Cards in Force ( In Mn)



### Card Additions ( In Mn)



### Advances Breakup (In Rs. Crore)



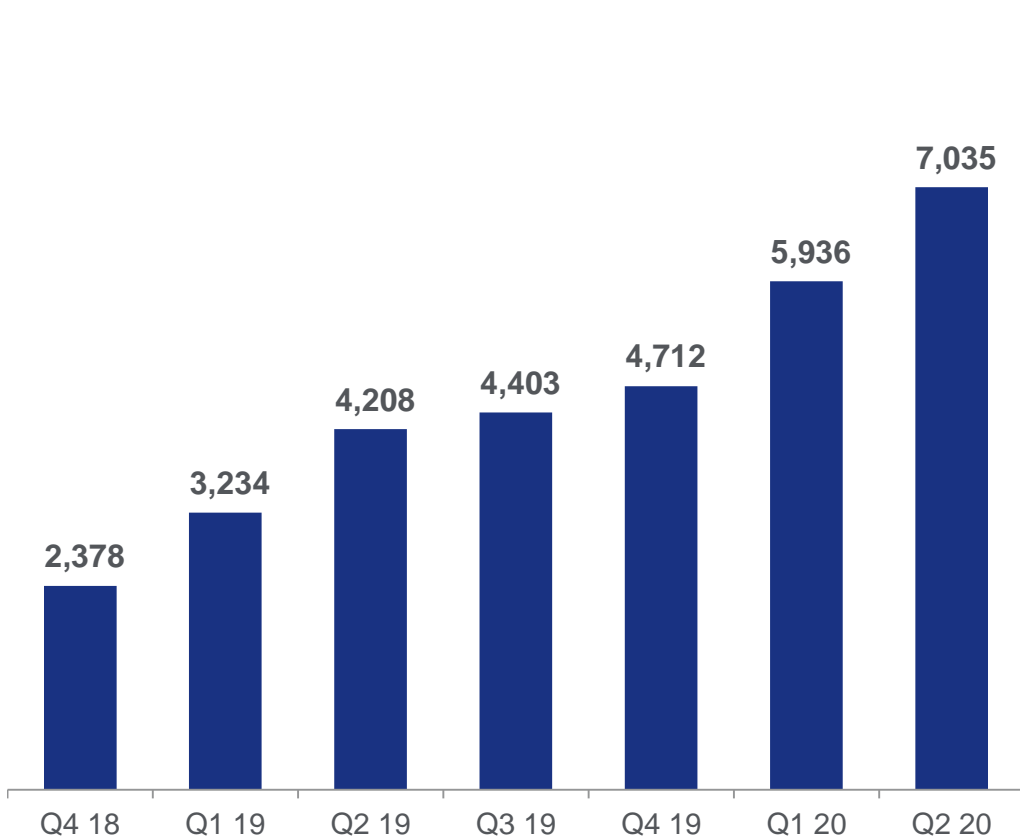
### Customer Metrics

Key Metrics	Sep 2019
Retail Spend Per Card*	Rs. 10,522
Balance per Card*	Rs. 36,010
Fee Income (as % of revenue)	49%
Geographical Concentration ( Top 8 Cities vs. Others)	63% : 37%

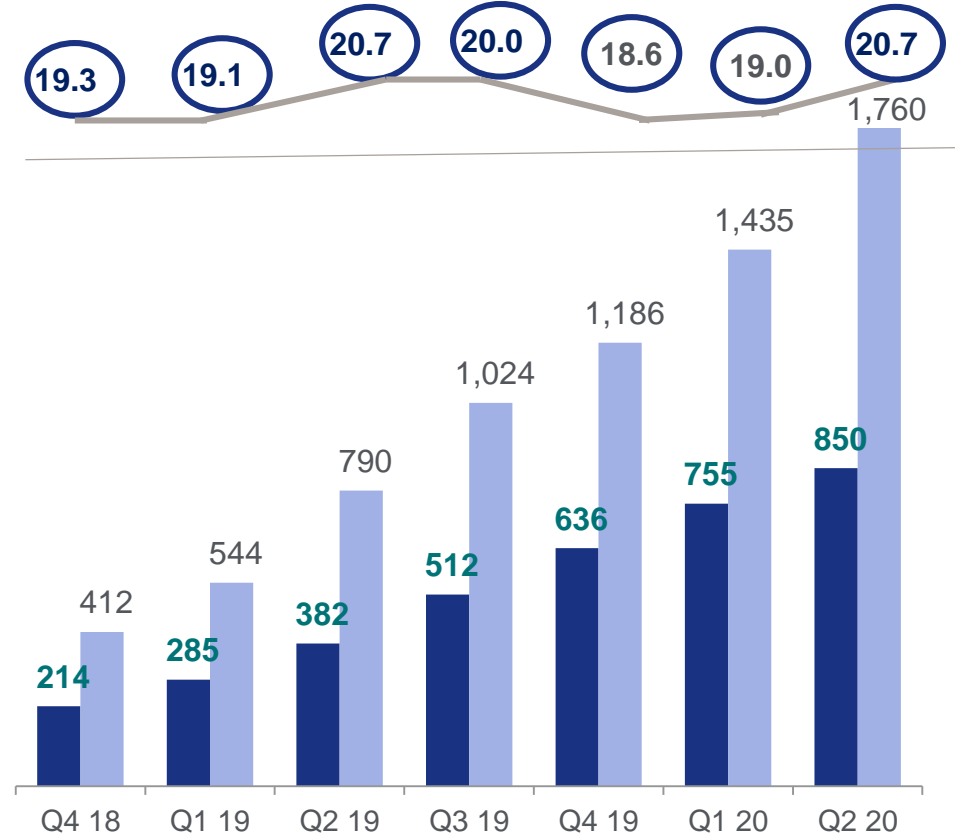
\* Does not include corporate card spends

# Credit Cards - Sticky Customer Spends

Total Spends (In Rs Crore)



Consumer Loans

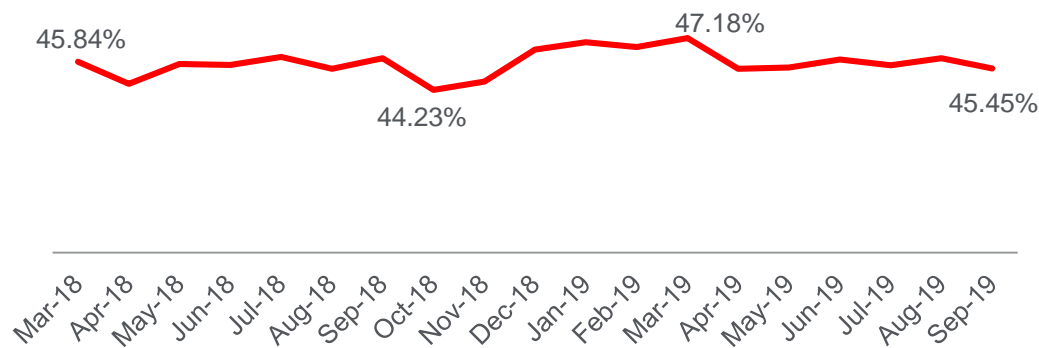


■ No. of Loans ('000)    ■ Loans Booked (Rs. Crore)  
 Average Ticket Size (Rs. 000)

**Conversion Of Spends Into Consumer Loans Provides Stability to Portfolio**

# Credit Cards – Stable Revolving Balances

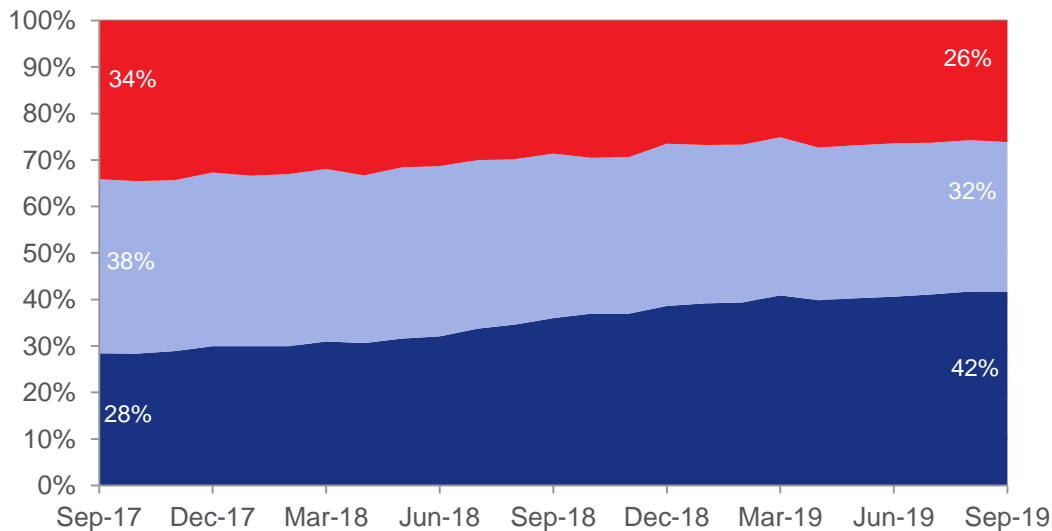
### RBL - Revolve Rate



Revolve rate stable and maintained between 44%- 46% - the ideal balance in terms of generating revenue while keeping the risk in check.

Note : Revolve rate is measured as total balances of customers (including term) who pay anywhere between MAD (Min amount due) and TAD (Total amount due) as a proportion of total portfolio balances

### RBL Portfolio – Balance Breakup



The proportion of Non term interest bearing have been coming down. This indicates lowering of risk within the portfolio.

The growth of term balances which are largely from non-revolving customers (more than 75% ) is a strategy to drive revenue from safer customers

■ Term ■ Non-Term IB ■ Non-Term NIB

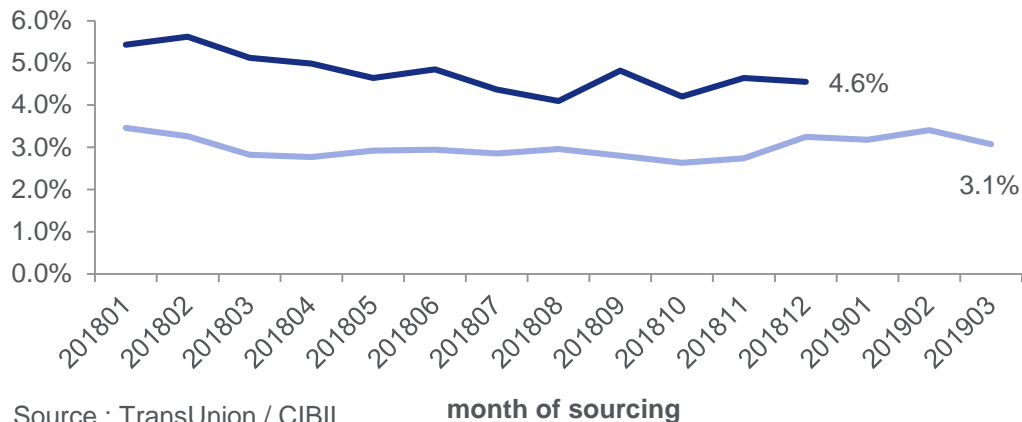
Term : Balances with are pertaining to EMI based repayment

Non term IB : Non term balances which earn interest @ revolve rate

Non term NIB : Non term balances which do not earn any interest

# Credit Cards – Delinquency Trends Better Than Industry

### 6 MOB \$30+ rate – RBL vs Industry



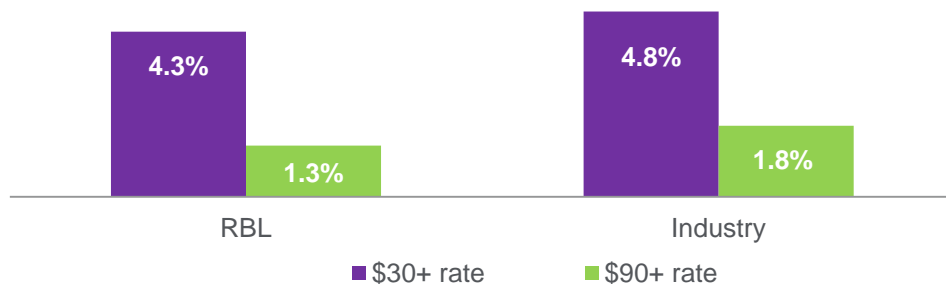
Source : TransUnion / CIBIL

month of sourcing  
 Industry RBL

Early delinquency trends for new acquisition at 6 MOB (months on book)

Consistently maintained below industry cohort. This is on account of active “steering wheel” approach involving quarterly adjustments to the risk scorecard to stay within defined risk appetite

### Delinquency Rates – RBL vs Industry



**At a portfolio level, the 30dpd and 90 dpd are below industry**

As of end June 2019, balances between 0 and 179 dpd

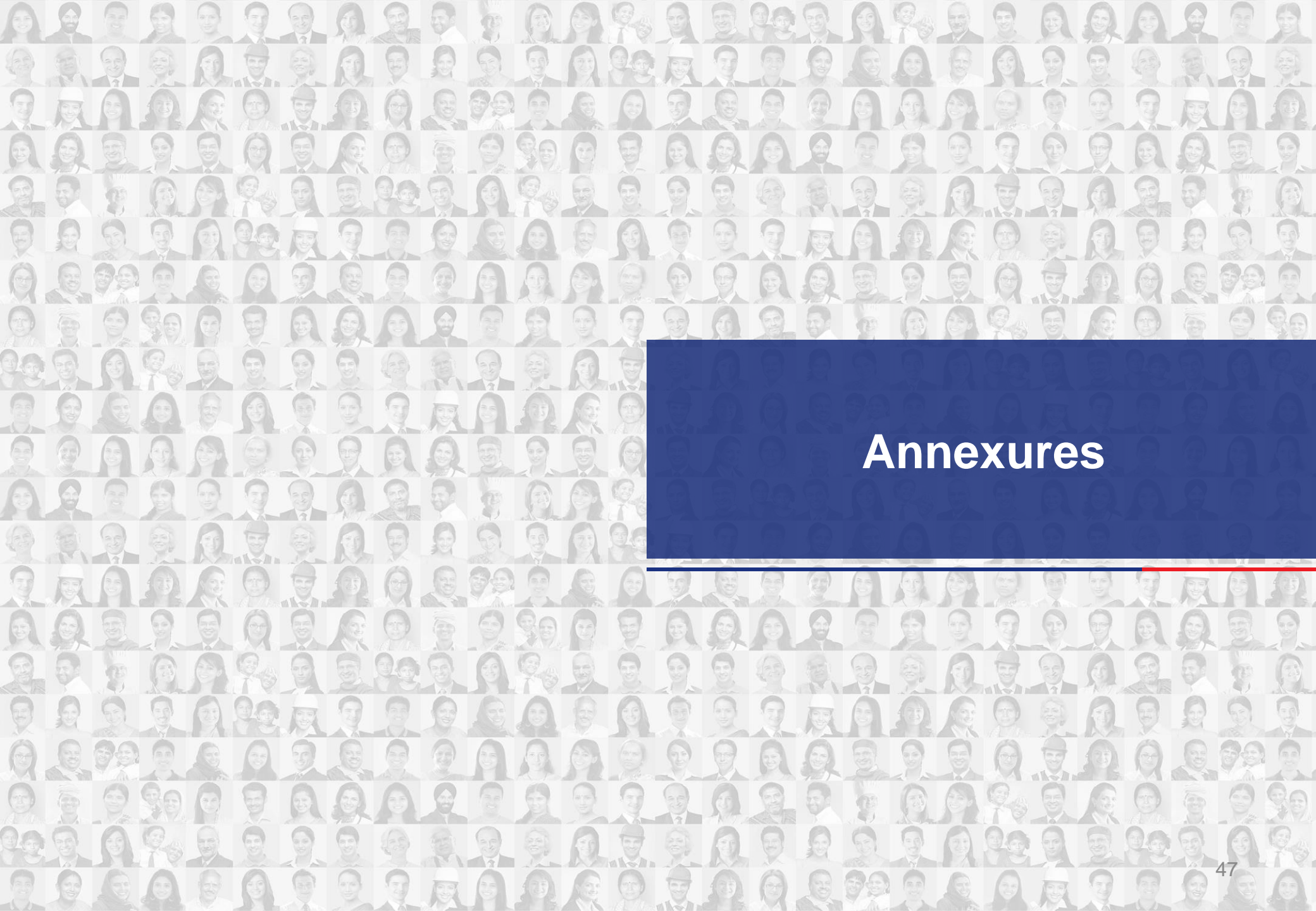
Source : TransUnion / CIBIL

### RBL – Overall unsecured balance per customer



RBL Card customers total unsecured balances across all banks / NBFC's

**No material buildup in unsecured leverage seen for card customers in the credit bureau over the last one year. Seasonal buildup during festival months (Sep-Dec)**



# Annexures

# Board of Directors



**Mr. Vishwavir Ahuja**

*Managing Director and CEO*

*Previously, Managing Director & Country Executive Officer of Bank of America for Indian Sub-continent*



**Mr. Rajeev Ahuja**

*Executive Director*

*Previously, associated with Citibank India, Bank of America, India and Bankers Trust Company*



**Mr. Palepu Sudhir Rao**

*Independent Director*

*Currently, Associated with a Number of Corporates including Aditya Birla Money Ltd and Radhakrishna Foodland Pvt Ltd*



**Mr. Vijay Mahajan**

*Non-Executive Director*

*Previously, Founder of Basix Social Enterprise Group*



**Mr. Prakash Chandra**

*Non – Executive Part Time Chairman*

*Previously, Chairman of Central Board of Direct Taxes (CBDT)*



**Mr. Sivanandhan Dhanushkodi**

*Independent Director*

*Currently, Part-Time Security Advisor to RBI*

*Previously, Director General of Police, Maharashtra*



**Mr. Ishan Raina**

*Independent Director*

*Previously, Founder of Out of Home (OOH) India, Associated with J. Walter Thompson (JWT) and Lintas Advertising*



**Ms. Veena Mankar**

*Non-Independent Director*

*Currently, Chairman of RBL Finserve Ltd. Previously, Founder of Swadhaar Finserve Pvt. Ltd. And Swadhaar FinAccess*



# Professional and Experienced Leadership Team



**Mr. Vishwavir Ahuja**

*Managing Director and CEO*

*Managing Director & Country Executive Officer of Bank of America for Indian Sub-continent from 2007-2009*

(37)



**Mr. Rajeev Ahuja**

*Executive Director*

*Previously, associated with Citibank India, Bank of America, India and Bankers Trust Company*

(33)



**Mr. R. Gurumurthy**

*Head – Risk & Governance*

*Previously, associated with Standard Chartered Bank, Bank of America, Credit Lyonnais and State Bank of India with leadership roles in India and Asia-Pacific region*

(34)



**Mr. Andrew Gracias**

*Head - Financial Markets*

*Previously, associated with Bank of America and UBS*

(23)



**Mr. Brijesh Mehra**

*Head – Corporate, Institutional & Transaction Banking*

*Previously, Country Manager, Royal Bank of Scotland N.V. and prior to that associated with Grindlays Bank Public Limited Company*

(33)



**Mr. Jaideep Iyer**

*Head - Strategy*

*Previously, Group President and Deputy CFO – Yes Bank*

(21)



**Mr. Harjeet Toor**

*Head - Retail, Inclusion and Rural Business, Credit Cards, Retail and MSME Lending*

*Previously, associated with Bank of America, ABN AMRO Bank and Fullerton India Credit Company*

(25)



**Mr. Vincent Valladares**

*Head - Commercial Banking*

*Previously, Middle East Head – Commercial Banking, Citibank*

(21)



**Mr. Surinder Chawla**

*Head – Geography, Branch and Business Banking*

*Previously, associated with Standard Chartered Bank, ABN Amro Bank and HDFC Bank*

(27)



**Ms. Shanta Vallury Gandhi**

*Head - HR, CSR & Internal Branding*

*Previously, Vice President of Acquisitions and Partnerships Division in American Express Bank Ltd (Gurgaon)*

(27)

Figures in brackets are years of work experience in financial services

# Professional and Experienced Leadership Team (Contd.)



**Mr. Ramnath Krishnan**  
*Chief Risk Officer*  
*Previously, Country Chief Risk Officer , HSBC Malaysia Berhad*

(31)



**Mr. Pankaj Sharma**  
*Chief Operations Officer*  
*Previously, Head Retail Operations, Axis Bank*

(20)



**Mr. Mohit Kapoor**  
*Head - Legal*  
*Previously, associated with Hewitt Associates, Max New York Life, Citibank India*

(25)



**Mr. Bhavtaran Singh (Sunny) Uberai**  
*Head – Client Services*  
*Previously, associated with ABN Amro Bank and Arete Financial Partners, Singapore*

(34)



**Mr. Sankarson Banerjee**  
*Chief Information Officer*  
*Previously, Chief Technology Officer , National Stock Exchange*

(23)



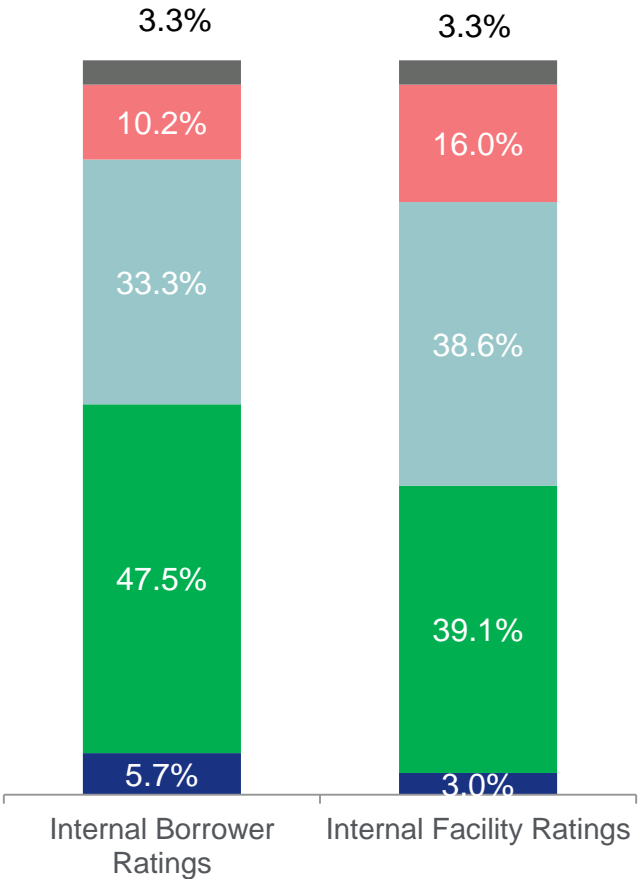
**Ms. Neeta Mukerji**  
*Chief Credit Officer*  
*Previously, associated with ICICI Bank, Asset Reconstruction Company (India) and GE Capital*

(30)

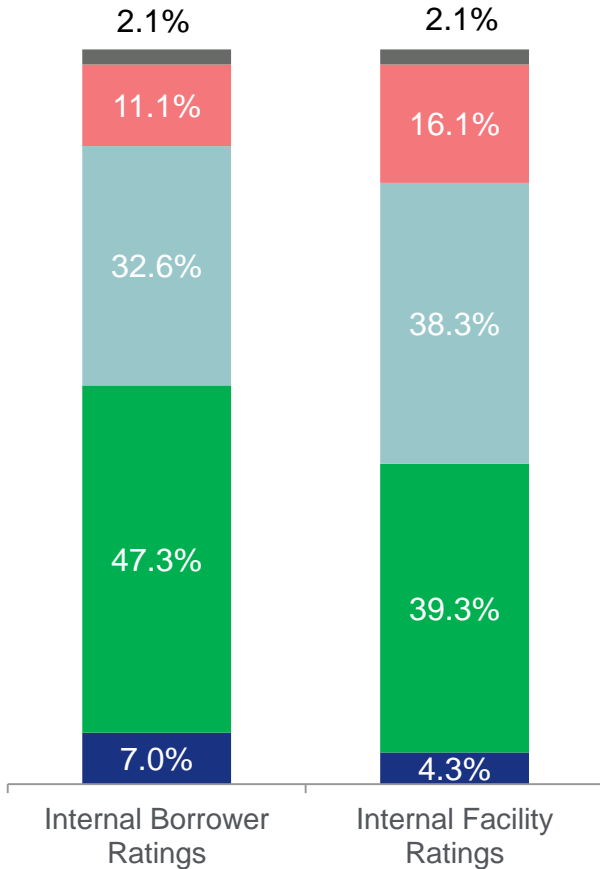
Figures in brackets are years of work experience in financial services

# Borrowers' Rating Profile

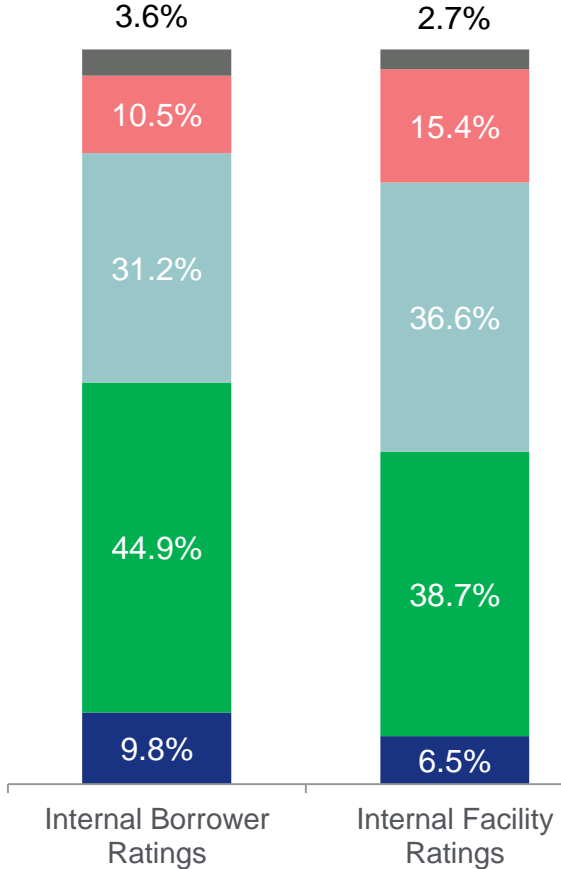
Sep 30, 2018



June 30, 2019



Sep 30, 2019



AAA  
 A- & Above  
 BB+ & Below (including NPAs)

AA- & Above  
 BBB- & Above

# Profit & Loss Statement

Particulars	Q2 FY20	Q2 FY19	Q1 FY20	H1 FY20	H1 FY19
<b><u>Income</u></b>					
Interest Earned	2,126	1,463	2,023	4,149	2,828
Interest Expended	1,257	870	1,205	2,463	1,682
<b>Net Interest Income</b>	<b>869</b>	<b>593</b>	<b>817</b>	<b>1,686</b>	<b>1,146</b>
Other Income	442	333	481	923	659
<b>Total Income</b>	<b>1,310</b>	<b>926</b>	<b>1,299</b>	<b>2,609</b>	<b>1,805</b>
<b><u>Expenditure</u></b>					
<b>Operating Expenses</b>	<b>674</b>	<b>477</b>	<b>680</b>	<b>1,354</b>	<b>923</b>
Employee Cost	196	151	185	381	304
Premises Cost	46	38	49	95	75
Depreciation	34	29	31	65	54
Other Operating Expenses	399	260	415	814	490
<b>Operating Profit</b>	<b>636</b>	<b>449</b>	<b>619</b>	<b>1,255</b>	<b>881</b>
<b>Provisions</b>	<b>533</b>	<b>140</b>	<b>213</b>	<b>746</b>	<b>280</b>
On advances	539	109	201	740	217
On others	(6)	31	12	6	63
<b>Profit Before Tax</b>	<b>103</b>	<b>309</b>	<b>406</b>	<b>508</b>	<b>601</b>
<b>Tax</b>	<b>48</b>	<b>105</b>	<b>139</b>	<b>187</b>	<b>207</b>
<b>Profit After Tax</b>	<b>54*</b>	<b>204</b>	<b>267</b>	<b>321</b>	<b>395</b>

\*Net DTA Impact of Rs. 22 Crs taken in Q2

# Balance Sheet Statement

Particulars	Sep 30, 2019	June 30, 2019	Sep 30, 2018
<b><u>Liabilities</u></b>			
Capital	431	428	431
Reserves and Surplus	7,368	7,409	6,609
Deposits	62,829	60,811	47,790
Borrowings	13,953	12,284	9,610
Other Liabilities	3,096	3,113	2,716
<b>Total</b>	<b>87,678</b>	<b>84,045</b>	<b>67,156</b>
<b><u>Assets</u></b>			
Cash & Balances with RBI	3,657	3,374	3,576
Balances with other banks	2,766	4,327	1,318
Investments (Net)	19,778	16,639	13,749
Advances (Net)	58,476	56,837	45,873
Fixed and Other Assets	3,001	2,869	2,640
<b>Total</b>	<b>87,678</b>	<b>84,045</b>	<b>67,156</b>

# Consolidated Profit & Loss Statement

Particulars	Q2 FY20	Q2 FY19	Q1 FY20	H1 FY20	H1 FY19
<b><u>Income</u></b>					
Interest Earned	2,190	1,464	2,083	4,274	2,828
Interest Expended	1,257	870	1,205	2,463	1,681
<b>Net Interest Income</b>	<b>933</b>	<b>594</b>	<b>878</b>	<b>1,811</b>	<b>1,147</b>
Other Income	443	333	484	927	658
<b>Total Income</b>	<b>1,376</b>	<b>926</b>	<b>1,362</b>	<b>2,738</b>	<b>1,805</b>
<b><u>Expenditure</u></b>					
<b>Operating Expenses</b>	<b>741</b>	<b>469</b>	<b>744</b>	<b>1,486</b>	<b>906</b>
Employee Cost	244	175	227	471	348
Premises Cost	49	40	52	102	80
Depreciation	35	29	32	67	56
Other Operating Expenses	413	224	433	845	423
<b>Operating Profit</b>	<b>635</b>	<b>457</b>	<b>617</b>	<b>1,252</b>	<b>899</b>
<b>Provisions</b>	<b>533</b>	<b>140</b>	<b>213</b>	<b>746</b>	<b>280</b>
On advances	539	109	201	740	210
On others	(6)	31	12	6	70
<b>Profit Before Tax</b>	<b>102</b>	<b>317</b>	<b>404</b>	<b>506</b>	<b>619</b>
<b>Tax</b>	<b>48</b>	<b>105</b>	<b>139</b>	<b>187</b>	<b>207</b>
<b>Profit After Tax</b>	<b>53*</b>	<b>212</b>	<b>265</b>	<b>319</b>	<b>412</b>

\*Net DTA Impact of Rs. 22 Crs taken in Q2

# Consolidated Balance Sheet Statement

Particulars	Sep 30, 2019	June 30, 2019	Sep 30, 2018
<b><u>Liabilities</u></b>			
Capital	431	428	431
Reserves and Surplus	7,353	7,395	6,619
Deposits	62,824	60,807	47,774
Borrowings	13,953	12,284	9,610
Other Liabilities	3,110	3,139	2,768
<b>Total</b>	<b>87,671</b>	<b>84,053</b>	<b>67,202</b>
<b><u>Assets</u></b>			
Goodwill on Consolidation	41	41	41
Cash & Balances with RBI	3,658	3,374	3,578
Balances with other banks	2,768	4,336	1,375
Investments (Net)	19,683	16,543	13,654
Advances (Net)	58,472	56,837	45,873
Fixed and Other Assets	3,050	2,923	2,681
<b>Total</b>	<b>87,671</b>	<b>84,053</b>	<b>67,202</b>

# Our Recent History

Particulars	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY19	H1 FY20
Net Worth	1,075	1,131	1,594	2,012	2,224	2,960	4,242	6,544	7,336	7,610
Deposits	2,042	4,739	8,341	11,599	17,099	24,349	34,588	43,902	58,394	62,829
Advances (Net)	1,905	4,132	6,376	9,835	14,450	21,229	29,449	40,268	54,308	58,476
Investments (Net)	892	2,334	5,571	6,518	9,792	14,436	13,482	15,448	16,840	19,778
Net Profit	12	66	92	93	207	292	446	635	867	321
CRAR (%)	56.4	23.2	17.1	14.6	13.1	12.9	13.7	15.3	13.5	12.3
Gross NPA (%)	1.12	0.80	0.40	0.79	0.77	0.98	1.20	1.4	1.38	2.60
Net NPA (%)	0.36	0.20	0.11	0.31	0.27	0.59	0.64	0.78	0.69	1.56
Business per employee	4.4	6.7	7.9	7.7	9.1	11.8	13.1	15.9	19.3	17.8
No. of employees	907	1,328	1,859	2,798	3,465	3,872	4,902	5,300	5,843	6,831
Return on Assets (%)	0.53	1.33	1.05	0.66	1.02	0.98	1.08	1.21	1.27	0.77
Return on Equity (%)	1.7	5.9	6.73	5.44	9.58	11.32	11.67	10.95	12.15	8.19



# Thank you

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**Please email us your contact details at the above id to get added to our investor relations mailing list**

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