



APTUS™

Ref No: APTUS/05-FEB/2022-23

February 02, 2023

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 543335	To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Scrip Symbol: APTUS
--	--

Dear Sir/Madam,

Sub: Investor Presentation on the Unaudited Financial Results for the third quarter ended December 31, 2022

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith a copy of Investor Presentation of the Company on the Unaudited Financial Results for the third quarter ended December 31, 2022.

This Investor Presentation is also available on the website of the Company at www.apтусindia.com.

Please take this information on record.

Thanking you,

For Aptus Value Housing Finance India Limited

Sanin Panicker
Company Secretary & Compliance Officer
Membership No: A32834

Aptus Value Housing Finance India Ltd.

8B, Doshi Towers, 205, Poonamallee High Road, Kilpauk, Chennai-600 010. Tel : 044-4565000, Fax : 044-4555 4170.

CIN : L65922TN2009PLC073881

www.apтусindia.com



Aptus Value Housing Finance India Limited
Investor Presentation | Q3 FY23

Safe Harbor

This presentation and the accompanying slides (the “Presentation”) which have been prepared by **Aptus Value Housing Finance India Limited** (the “Company”) have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, the Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and action regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

Background



Commenced Operations in 2010
from Chennai, Tamil Nadu



Regulated by RBI and supervised by NHB



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

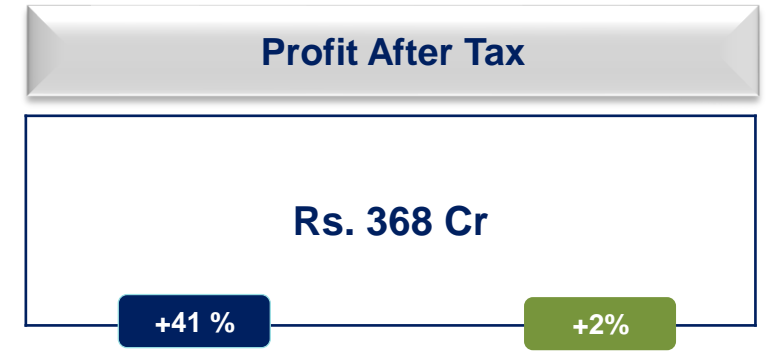
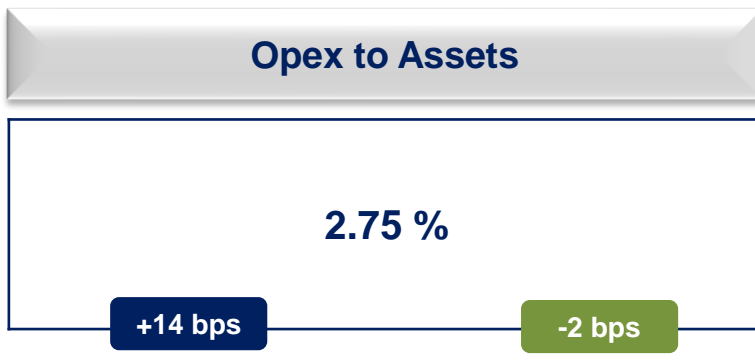
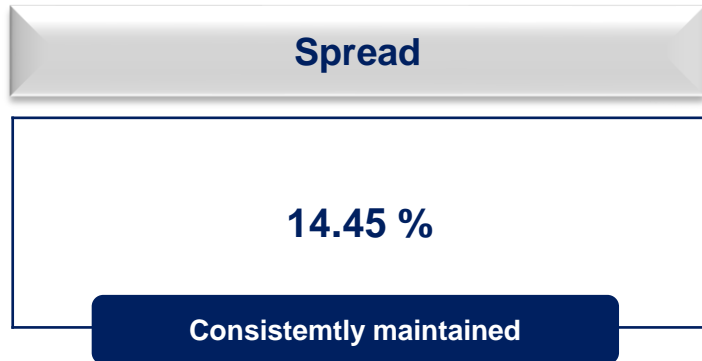
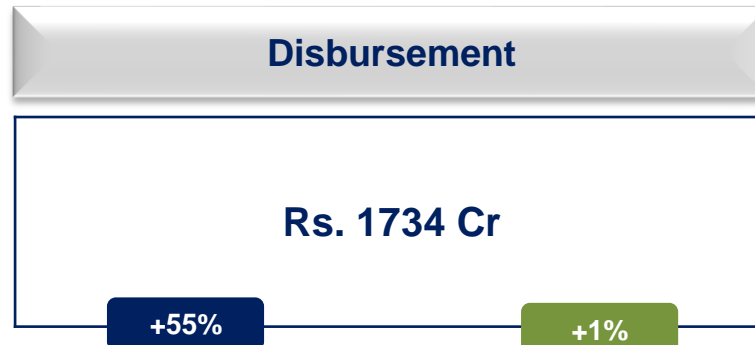
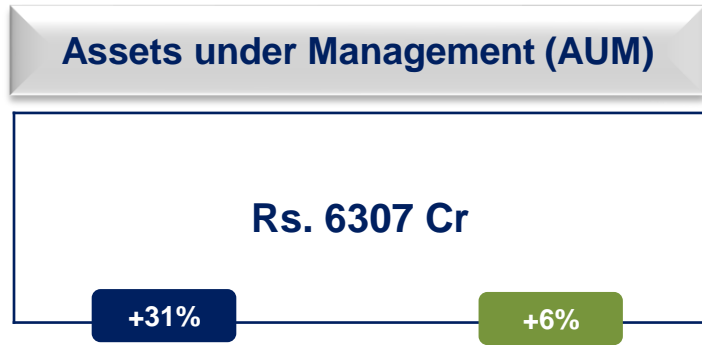


Presence in 215 locations

Key Strengths



Snapshot - December 2022

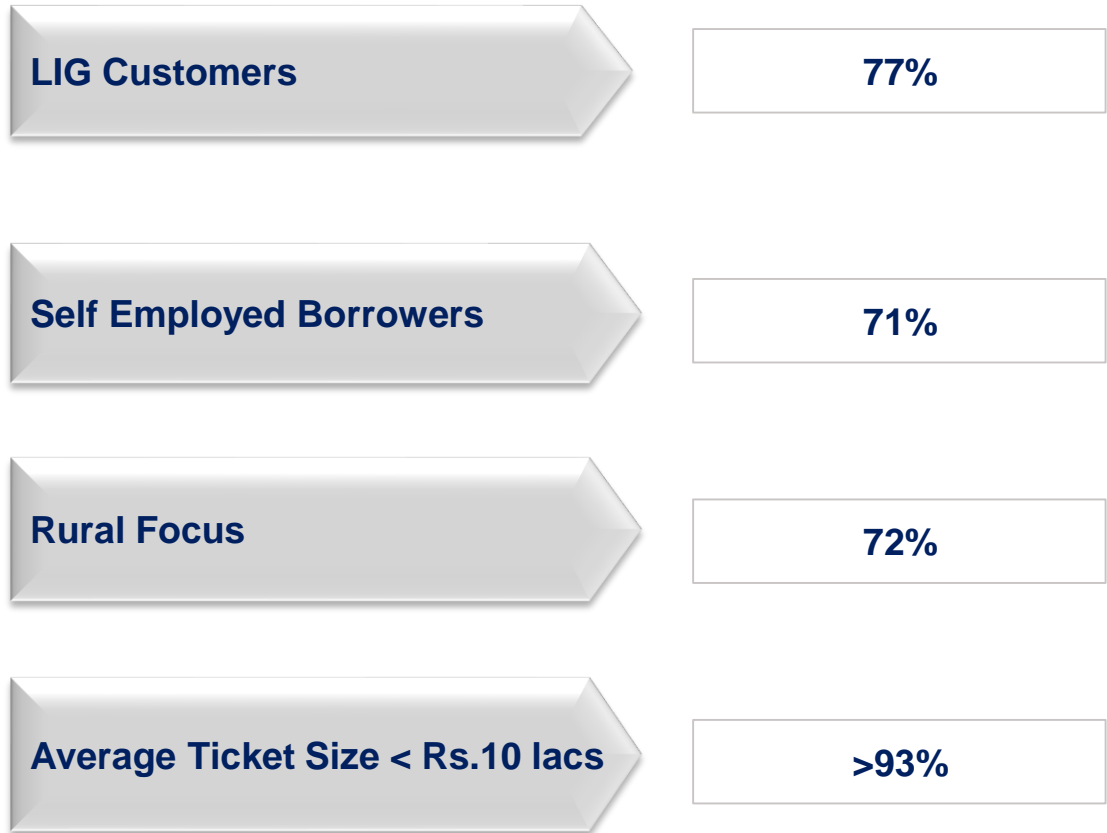
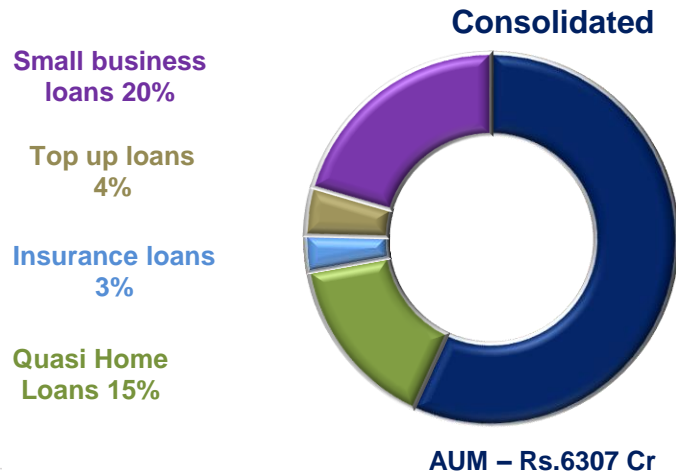
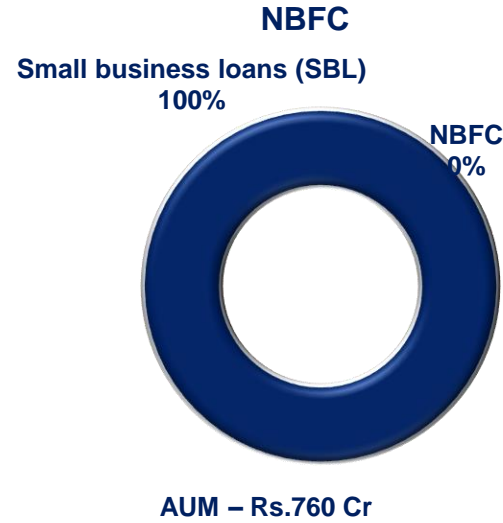
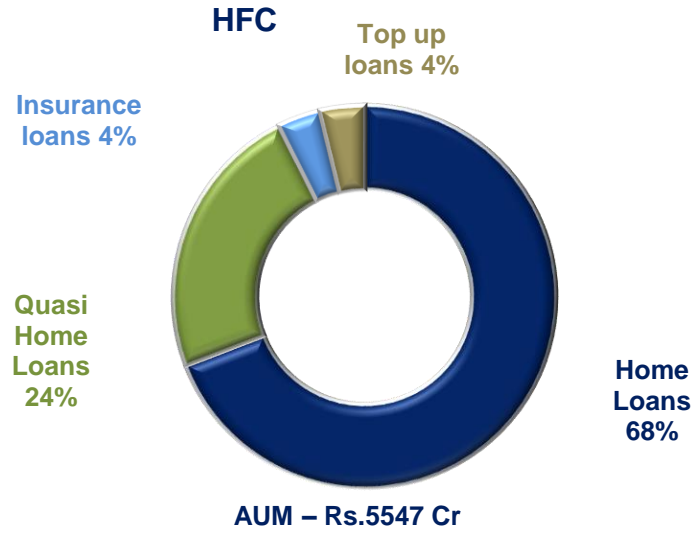


■ YoY
■ QoQ

(*) – As per RBI circular dated 12 Nov 2021

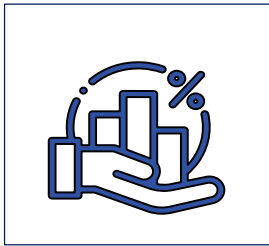
Diversified Loan Portfolio With Niche Customer Focus

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

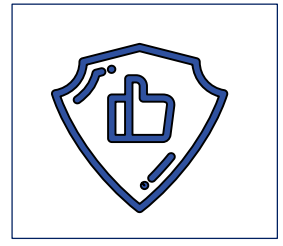


100% In-House Operations

Fully In-House Team...



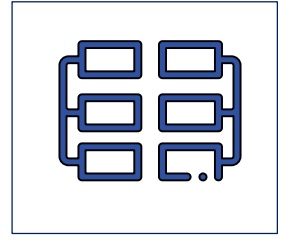
1,323
Business origination



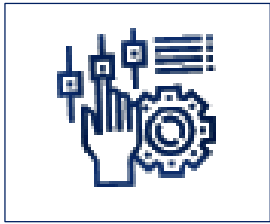
252
Credit



216
Legal & technical



417
Collection



141
HO / Operations

...Leading to Desired Business Outcomes

Pricing Power 

Reduced TAT 

Low Takeover 

Reduced Operational Risk 

Robust Underwriting, Monitoring and Collections Process

100% In-House Sourcing

Lead Generation through

- *Cust app, Ref app*
- *Social media*
- *215 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

Information & Technology : Key Enabler of Growth

Lending Software

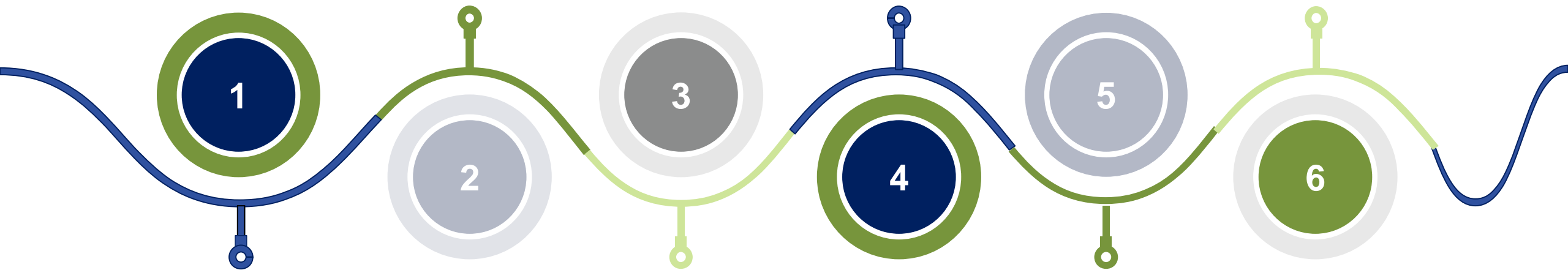
End-to-end software solution

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,

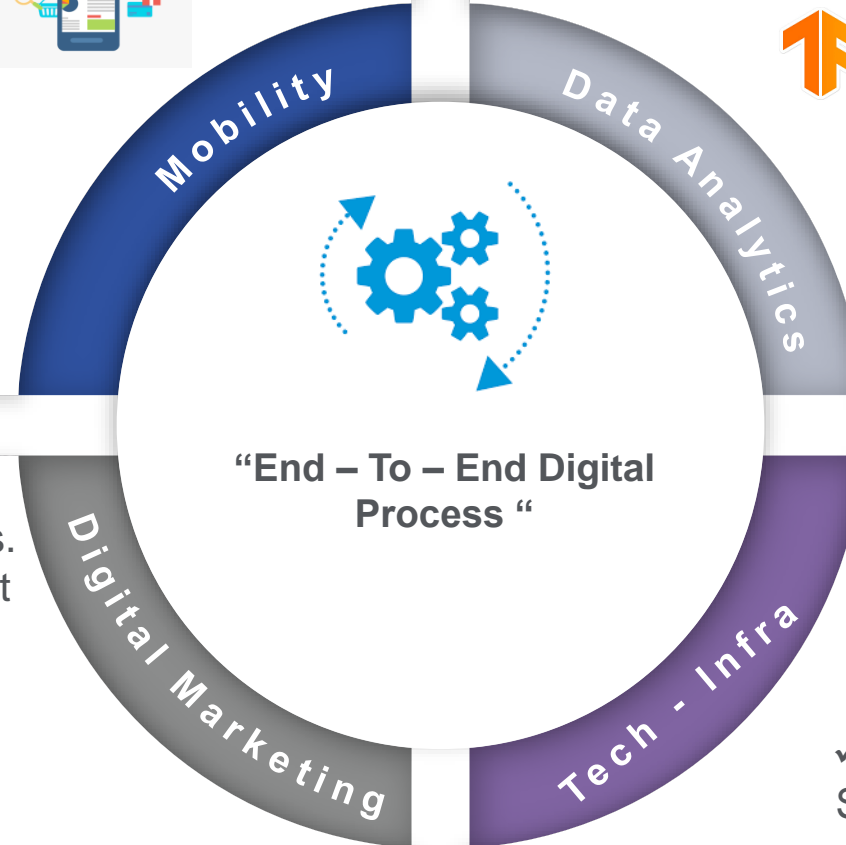
Payments automation via Bharat Bill Pay, Google Pay, Paytm etc

Business Intelligence & Analytics

“Power” analytics platform

Scalable and Robust Digital Landscape

- ✓ Mobile App for customer on-boarding, Credit Verification, Technical Valuation, Collections & Customer Service
- ✓ Easy, Quick & Transparent process right from the field
- ✓ Robotic Process Automation (RPA) to eliminate manual process
 - ✓ Electronic Payments
- ✓ Leegality - eStamp & eSign – In Progress



- ✓ 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

- ✓ Lead generation through Campaigns.
- ✓ Tie-up with marketing partners to get the leads [Tuskmelon, Alchem]
 - ✓ Brand awareness
 - ✓ Location awareness
- ✓ Product and service awareness



Razorpay

BBPS
BHARAT BILL PAYMENT SYSTEM

- ✓ End-to- End ERP solution
 - ✓ Backups on Cloud
- ✓ Payment automation via Bharat Bill Pay Services and Razorpay API integration in Collection app

Risk and Data Science Backed Centralized Underwriting



Risk Management

- 25 + 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 %

Scalability



Tamil Nadu



Andhra Pradesh



Telangana



Karnataka

Per Capita GDP

Compared to national average of INR 157k

1.8x

1.1x

1.5x

1.5x

GDP Growth

India average: 4%

13%

9%

8%

7%

State	No of branches	% of AUM as on			
		9M FY 23	FY 22	FY 21	FY 20
TamilNadu	82	44%	48%	52%	56%
AndhraPradesh	79	34%	31%	28%	24%
Telangana	33	13%	12%	10%	10%
Karnataka	20	8%	9%	10%	10%
Odisha	1	0%	0%	-	-
Total	215	100%	100%	100%	100%

(*) - Four more branches opened in Jan 2023 including one in Orissa

Branch Productivity as on Dec 31, 2022

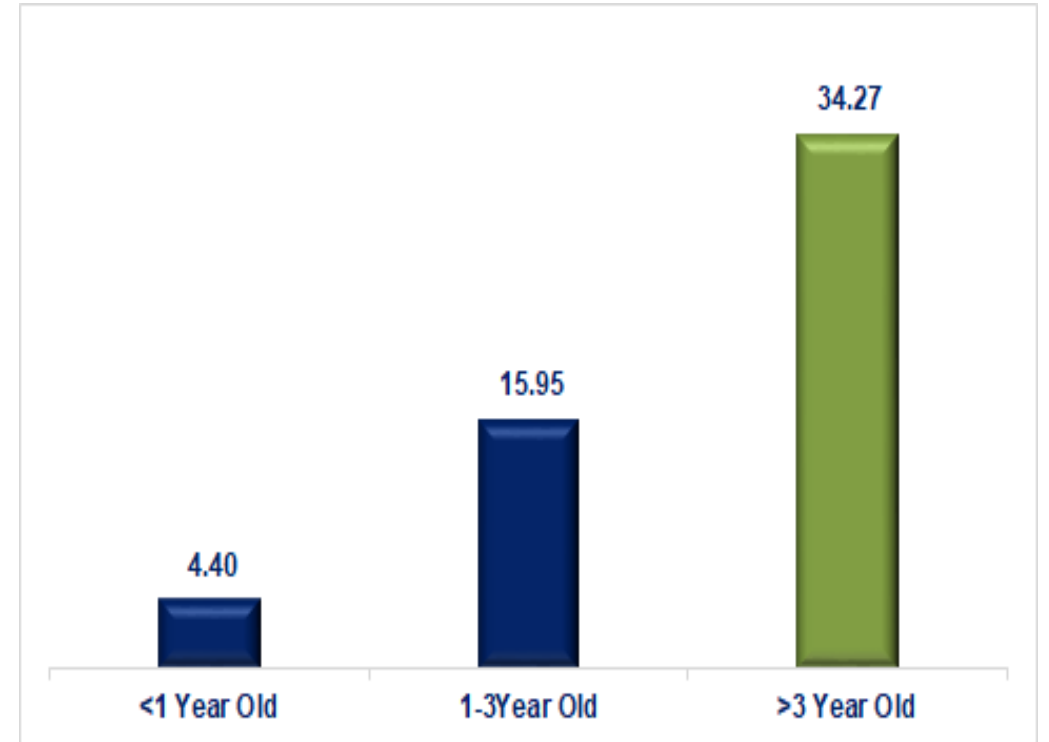
AUM per Branch (Rs. Cr)

of Branches

16

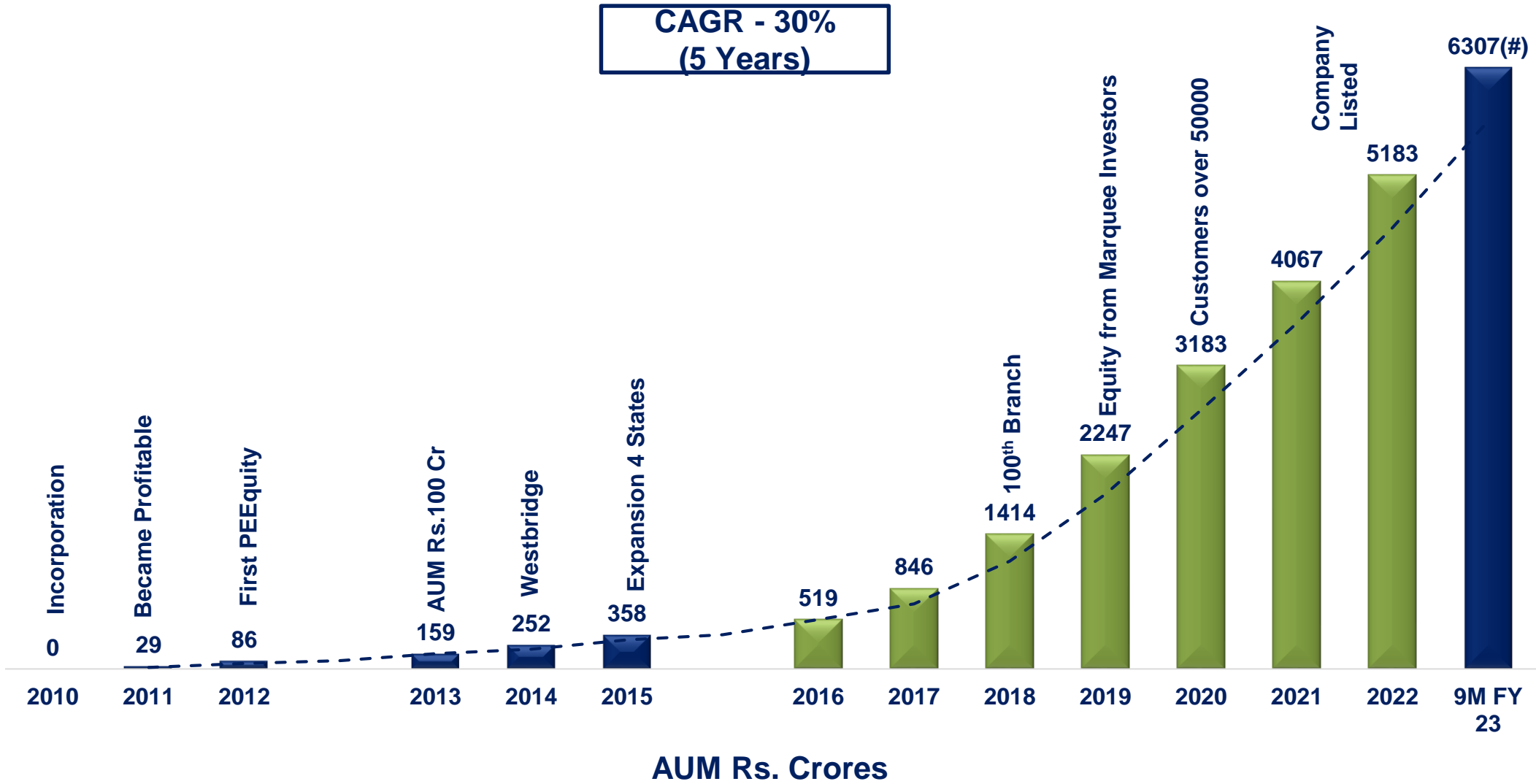
32

167



Scalable Operating Model

CAGR - 30%
(5 Years)



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

Resilient Model Across Economic Cycles

	GST Implementation FY 18	NBFC Liquidity Crisis FY 20	Covid-19 (first wave) FY 21	Covid-19 (Second wave) FY 22	Geo Political Issues 9M FY 23
AUM growth	66%	41%	28%	27%	31%
Yield	17%	18%	17%	17%	17%
GNPA	0.5%	0.7%	0.7%	1.19%(#)	1.44%(#)
ROA	6.0%	7.8%	7.4%	8.00%	8.53%

– As per RBI circular dated 12 Nov 2021

Strong ESG Focus



Focus on financial inclusion

76%
LIG

72%
Self-employed

38%
New to Credit



Improving Living Standards

Employment
in rural / semi-urban areas

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

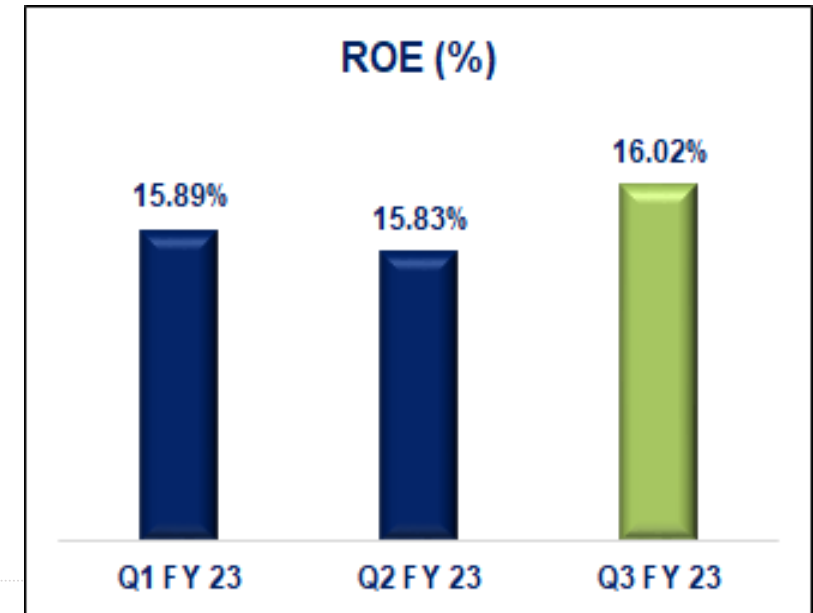
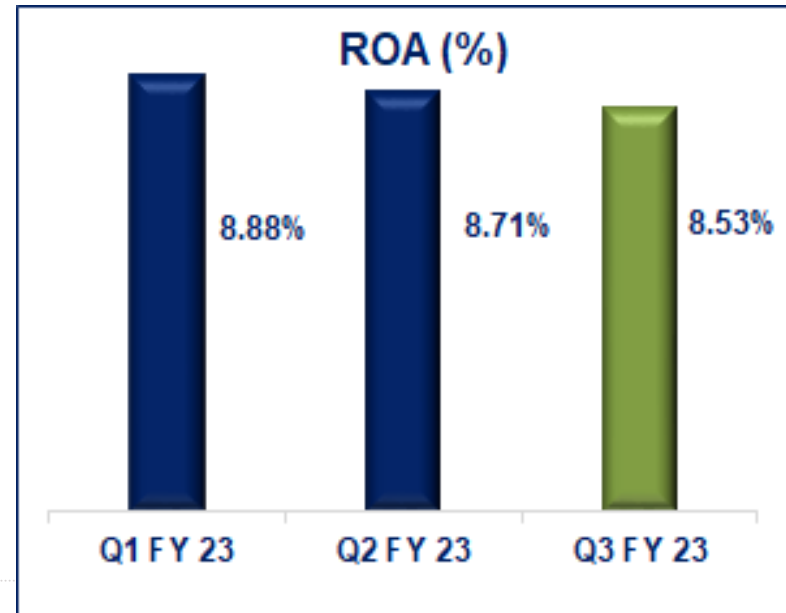
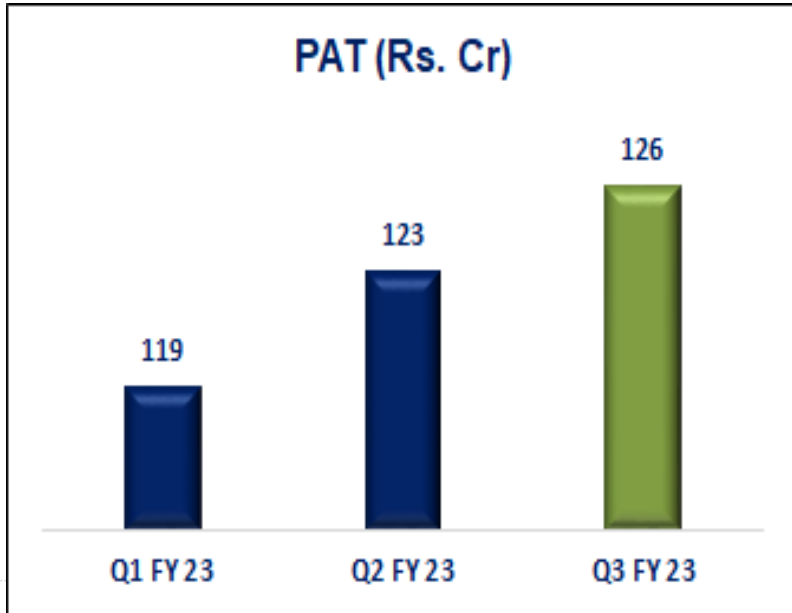
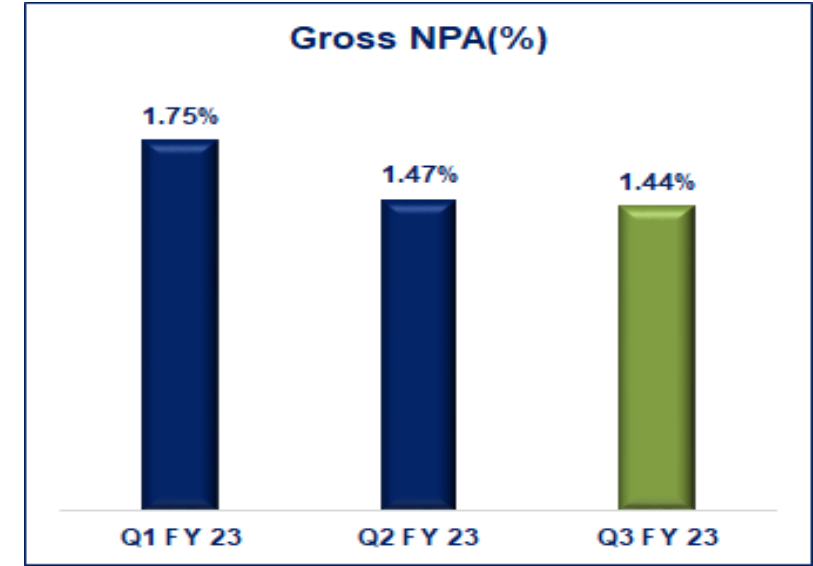
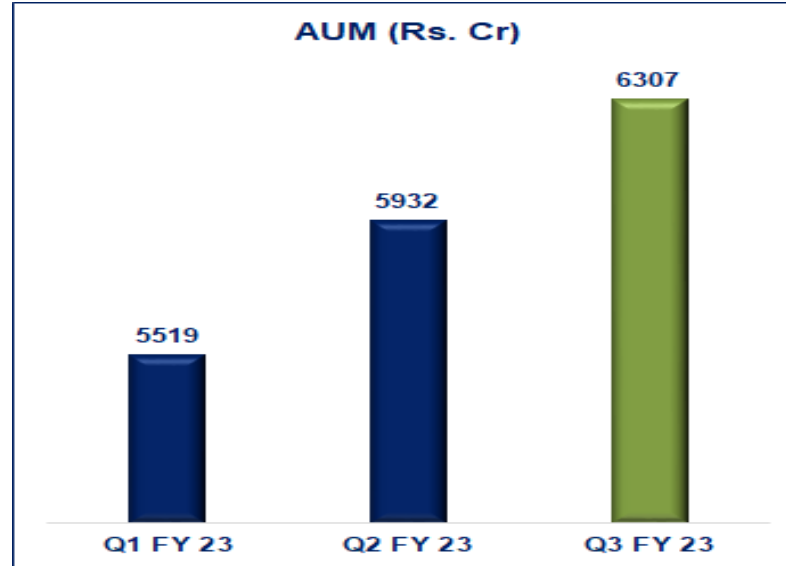
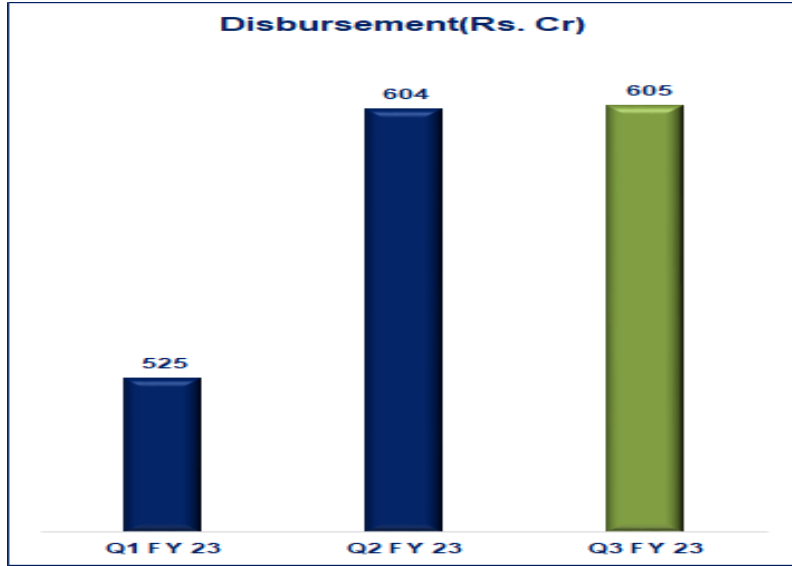


Strong Corporate Governance

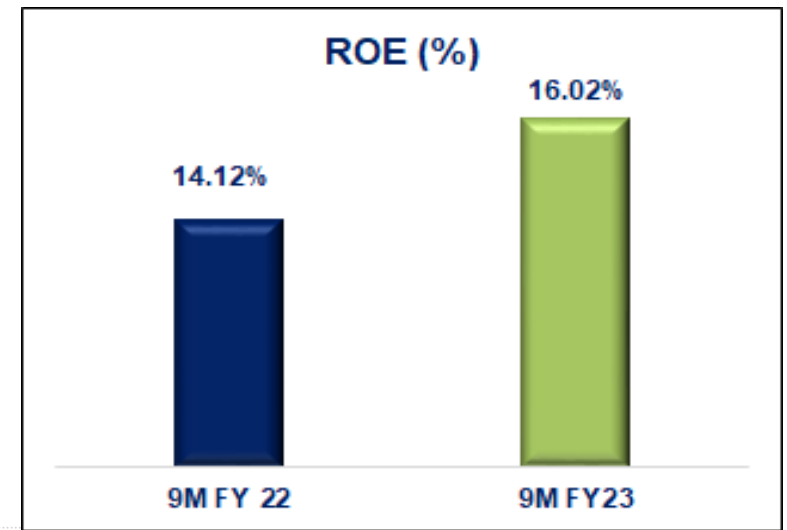
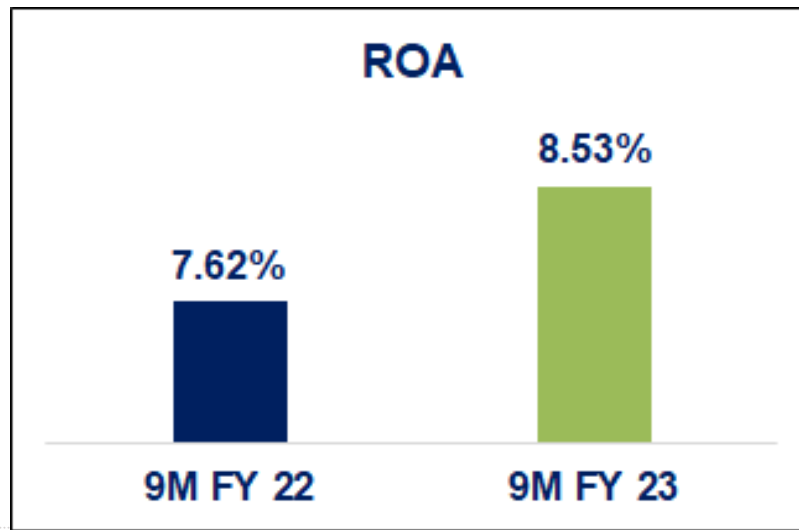
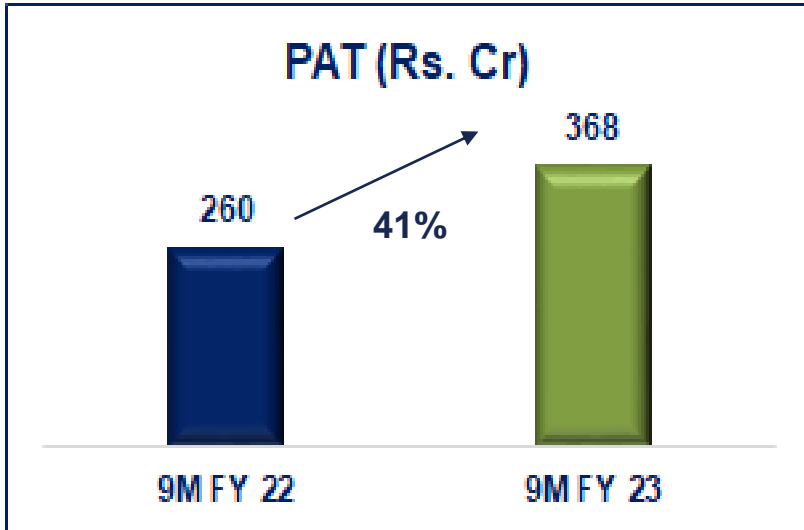
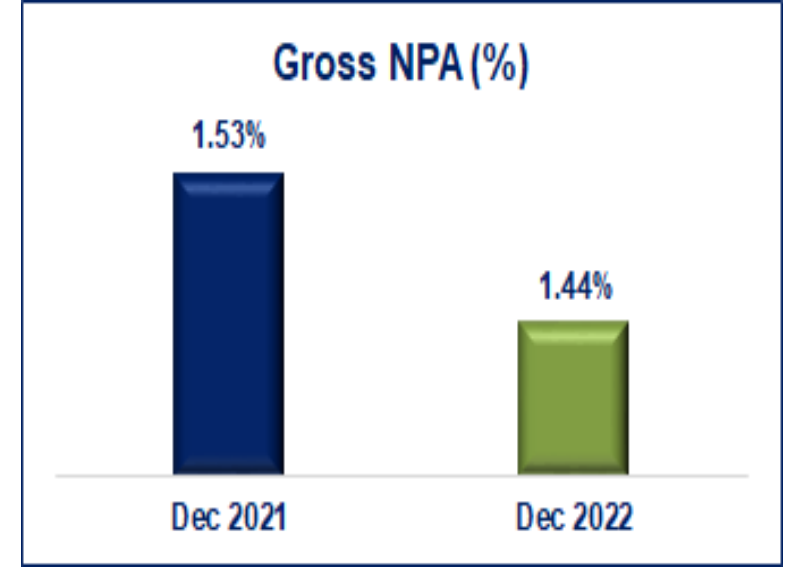
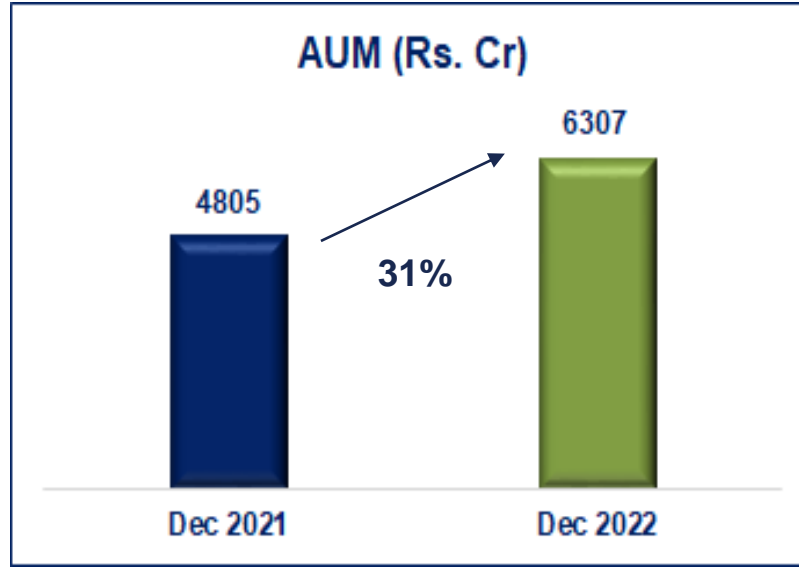
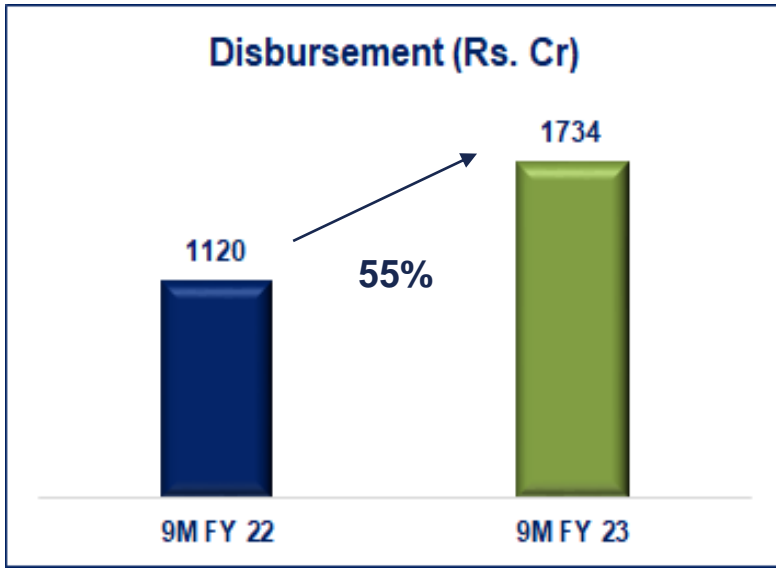
NIL
Material Civil litigation

Diversified Experience
of Board Members across academic and professional domains

Performance Highlights (Quarterly)

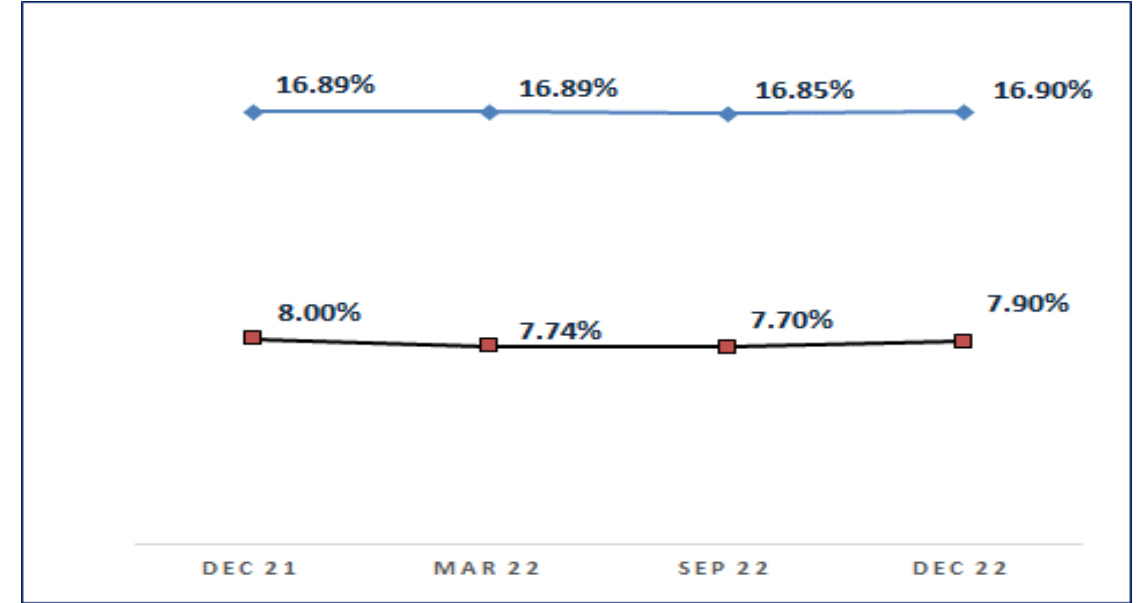
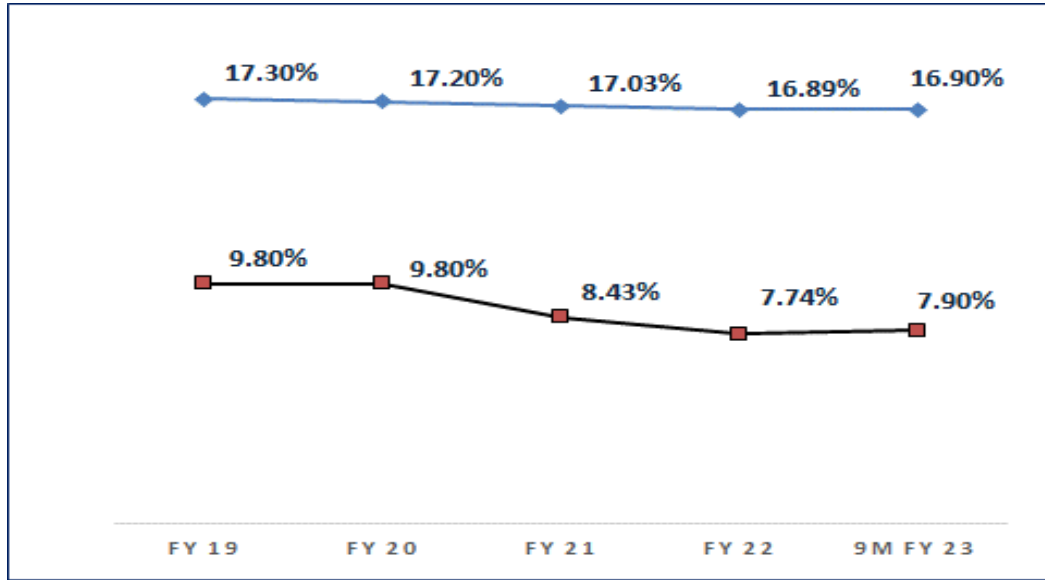


Performance Highlights (Year on Year)

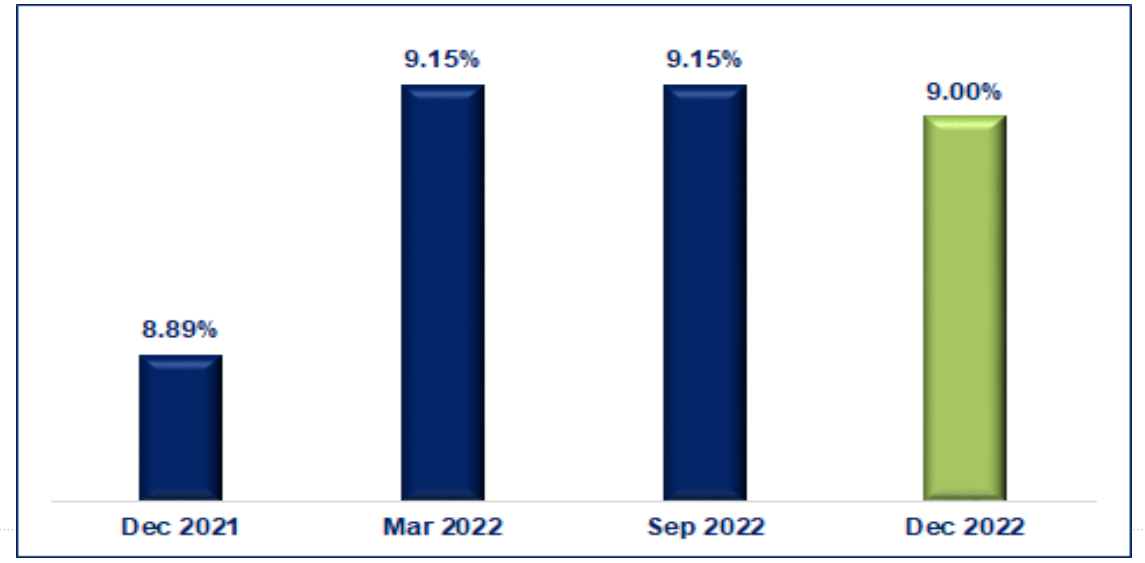
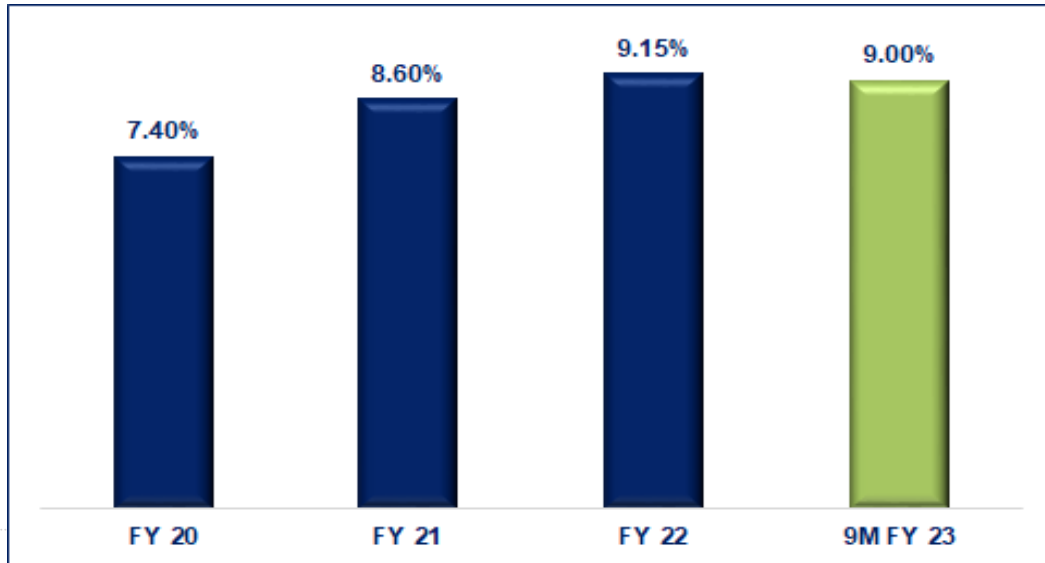


Consistent Spreads

Yields/Cost of Borrowings (%)

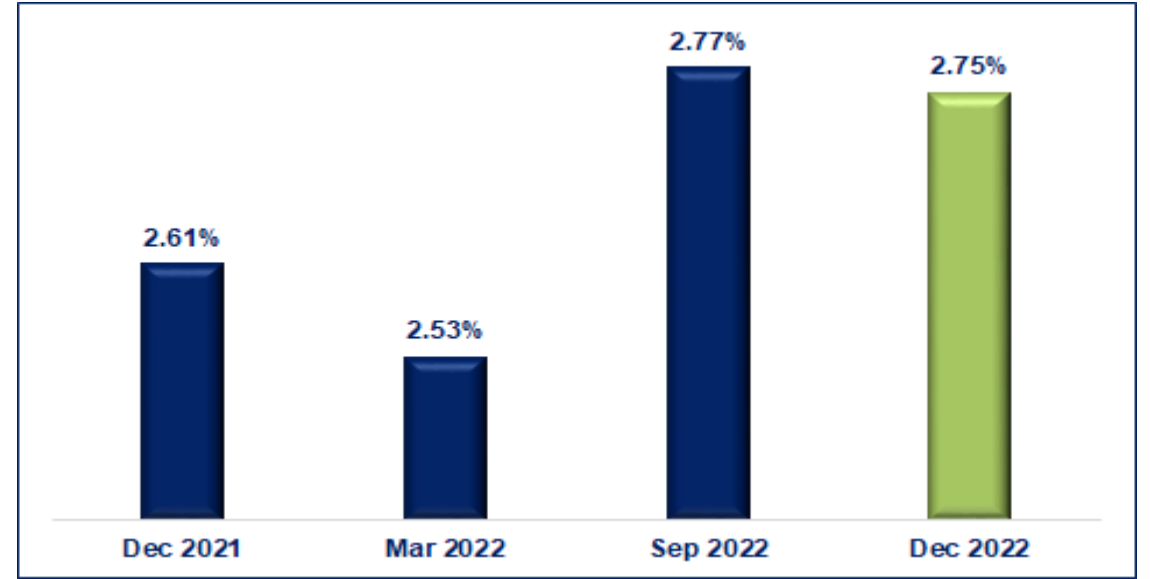
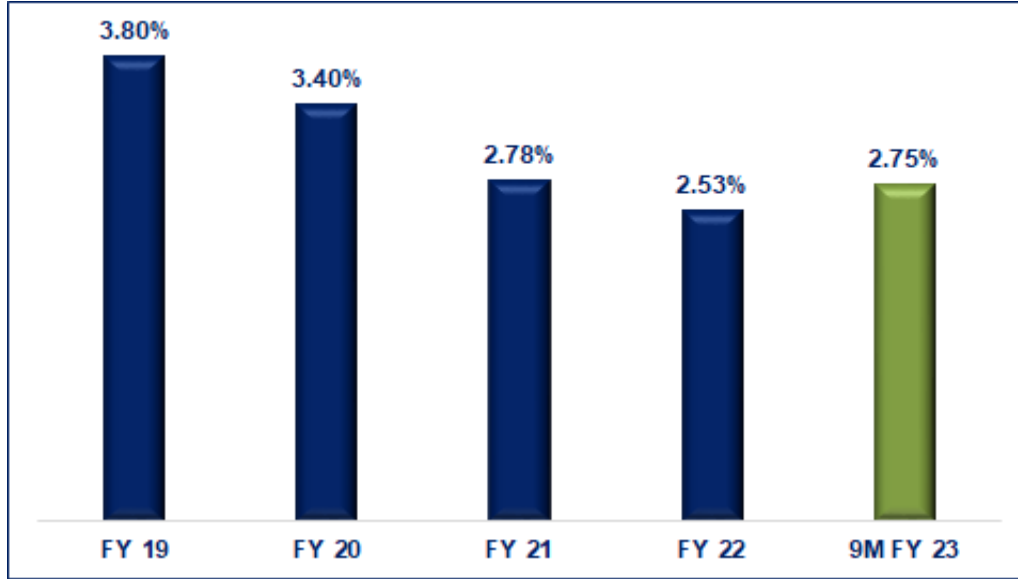


NIM (%)

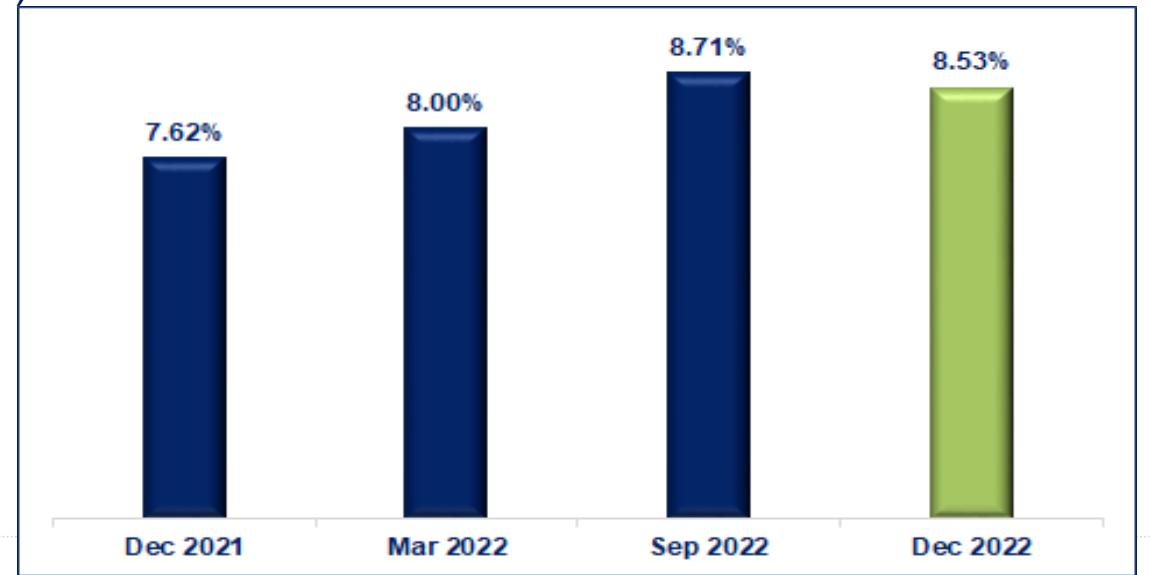
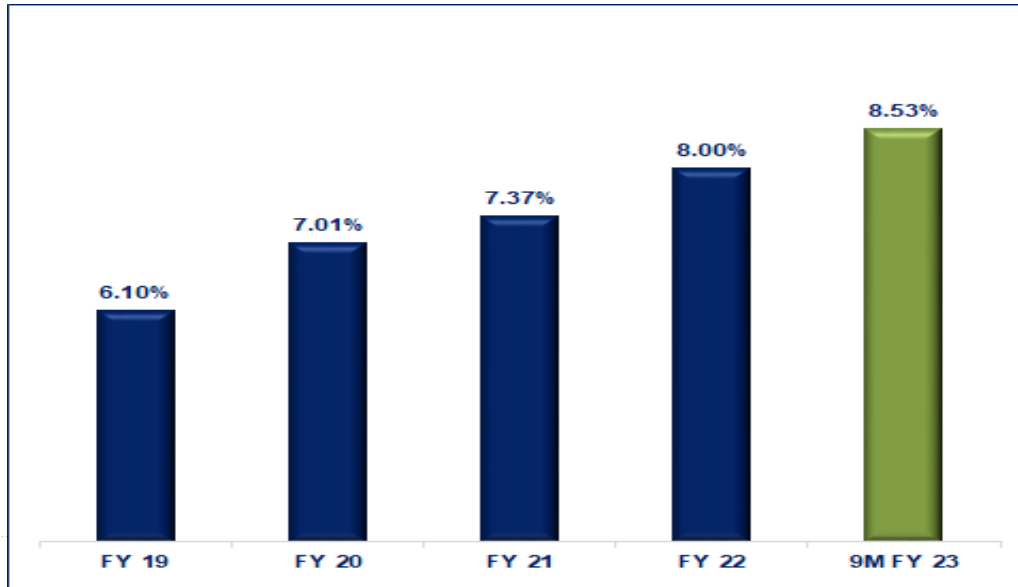


Opex and ROA

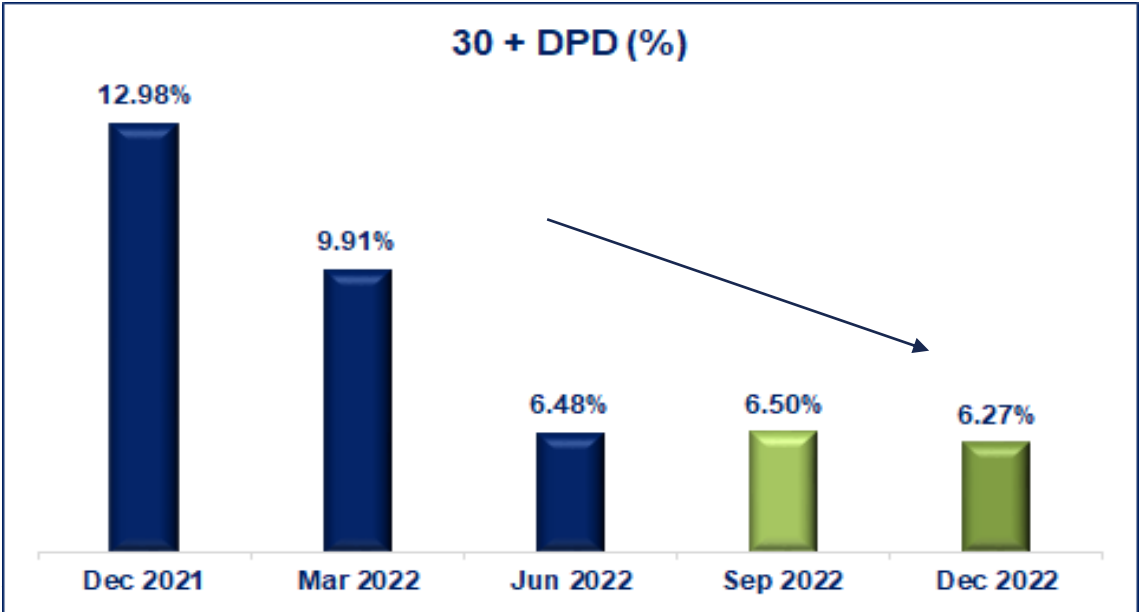
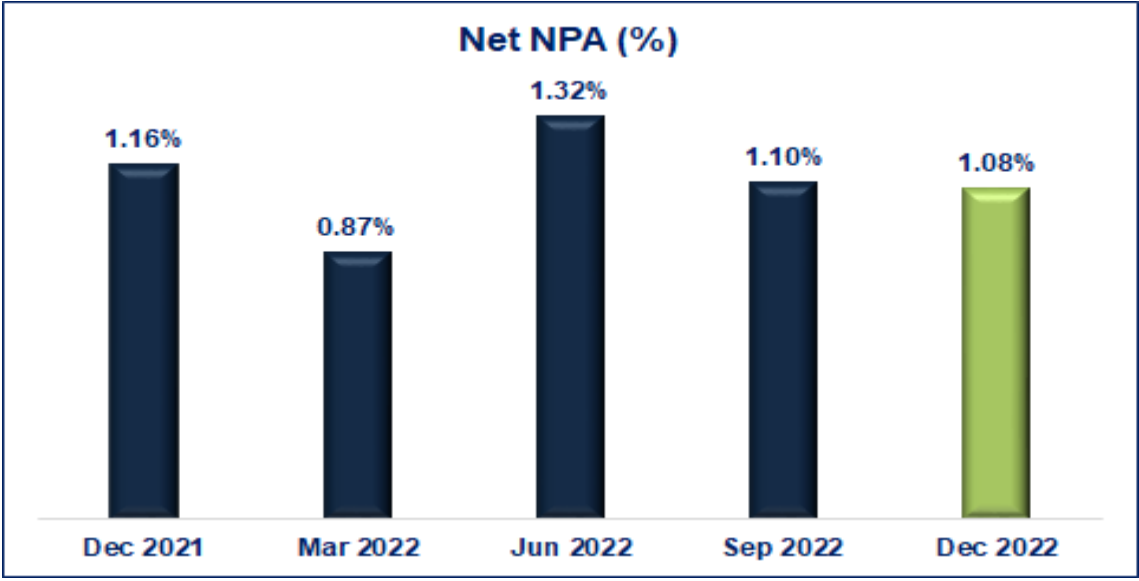
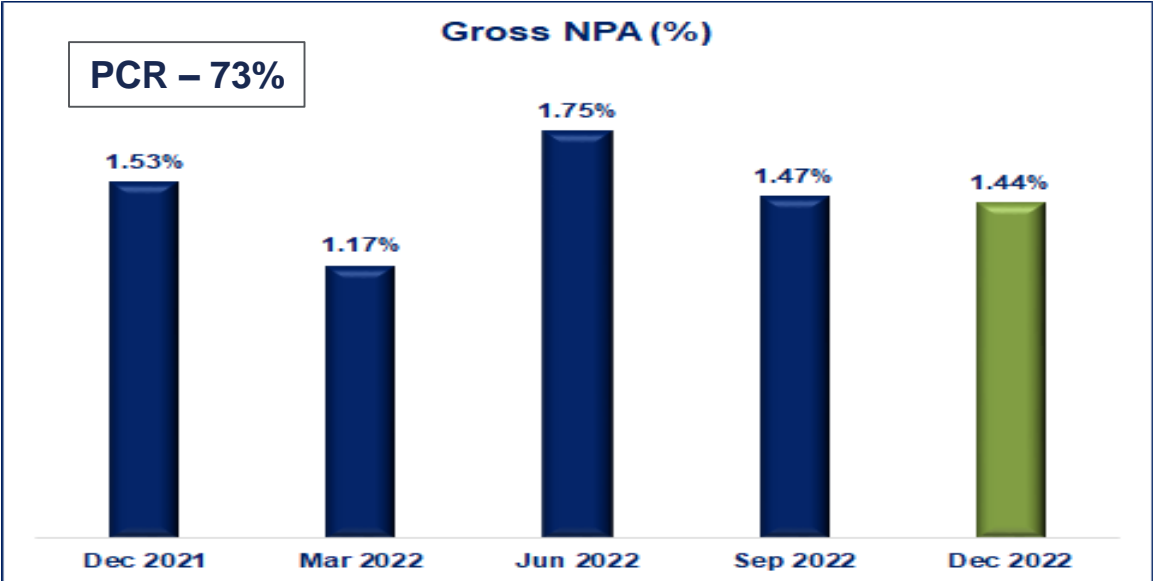
Opex (%)



ROA (%)



Asset Quality

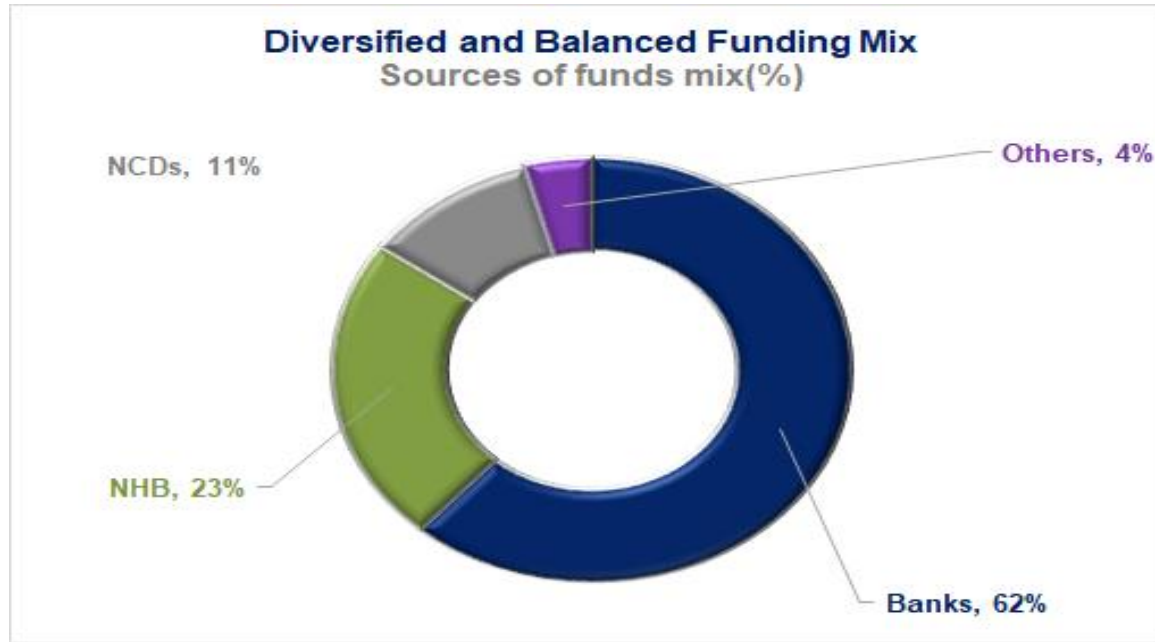


Provision for Contingencies (ECL)

Rs. Lakhs

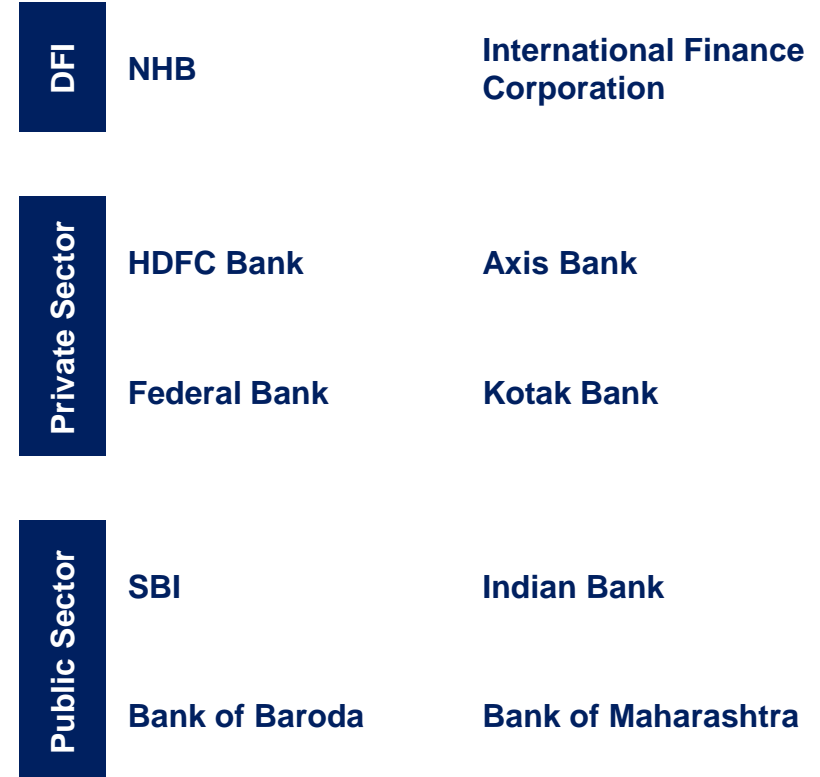
Particulars	Consolidated				
	31-Dec-22	30-Sep-22	30-Jun-22	31-Mar-22	31-Mar-21
Gross Stage 3	9,107.22	8,692.27	9654.17	6,183.67	2,717.11
% portfolio in Stage 3	1.44%	1.47%	1.75%	1.19%	0.67%
ECL Provision Stage 3	2,276.81	2,173.07	2,413.54	1,545.92	1,178.23
Net Stage 3	6,830.42	6,519.20	7,240.63	4,637.74	1,538.88
Provision coverage ratio (PCR)	25.00%	25.00%	25.00%	25.00%	43.36%
Gross Stage 2	30,402.31	29,818.89	26,049.50	45,155.90	35,289.12
% portfolio in stage 2	4.82%	5.03%	4.72%	8.72%	8.68%
ECL Provision Stage 2	2,235.63	1,915.17	902.49	1,020.68	176.45
Net Stage 2	28,166.68	27,903.72	25,147.01	44,135.22	35,112.67
Provision coverage ratio (PCR)	7.35%	6.42%	3.46%	2.26%	0.50%
Gross Stage 1	5,91,158.93	5,54,715.88	5,16,195.10	4,66,620.41	3,68,769.06
% portfolio in stage 1	93.74%	93.51%	93.53%	90.09%	90.66%
ECL Provision Stage 1	2,157.73	1,886.03	1,755.06	1,602.02	328.06
Net Stage 1	5,89,001.20	5,52,829.85	5,14,440.04	4,65,018.39	3,68,441.00
Provision coverage ratio (PCR)	0.37%	0.34%	0.34%	0.34%	0.09%
Total AUM	6,30,668.46	5,93,227.04	5,51,898.77	5,17,959.98	4,06,775.29
ECL Provision	6,670.17	5,974.27	5,071.10	4,168.62	1,682.74
Provision coverage ratio (PCR)	1.06%	1.01%	0.92%	0.80%	0.41%

Robust Funding Management and Credit Profile



No Exposure to Short term loan incl CPs

20+ Lender Relationships



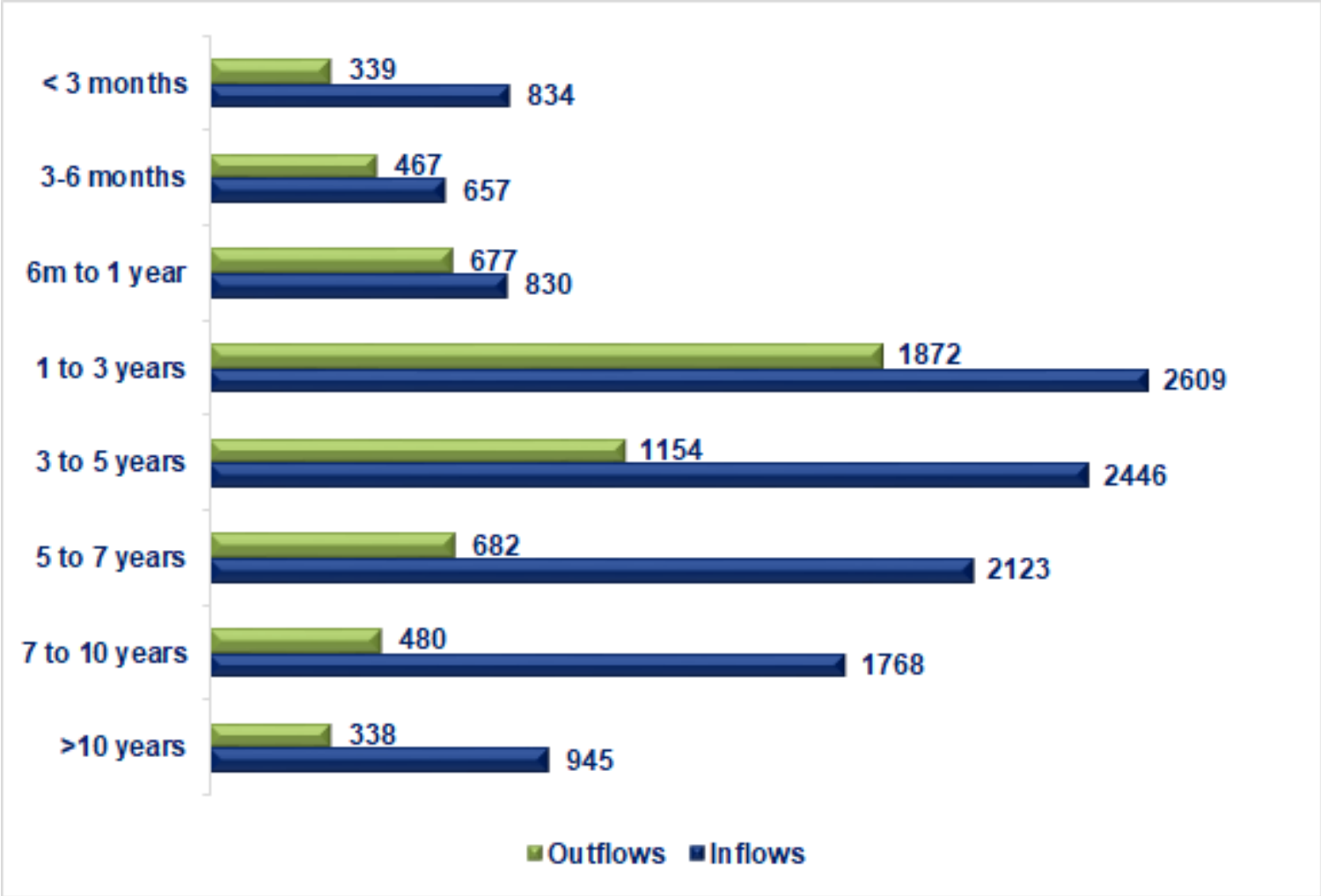
Avg. tenure of borrowings (months)	Q3 FY 23	FY22	FY21
	85.9	84.7	83.3

• Others represents Securitisation

- Credit Rating (ICRA) – Upgraded to AA-from A+
- Credit Rating (CARE) – Upgraded to AA-from A+

ALM Surplus

Position as on 31 Dec 2022 (Rs.Cr)

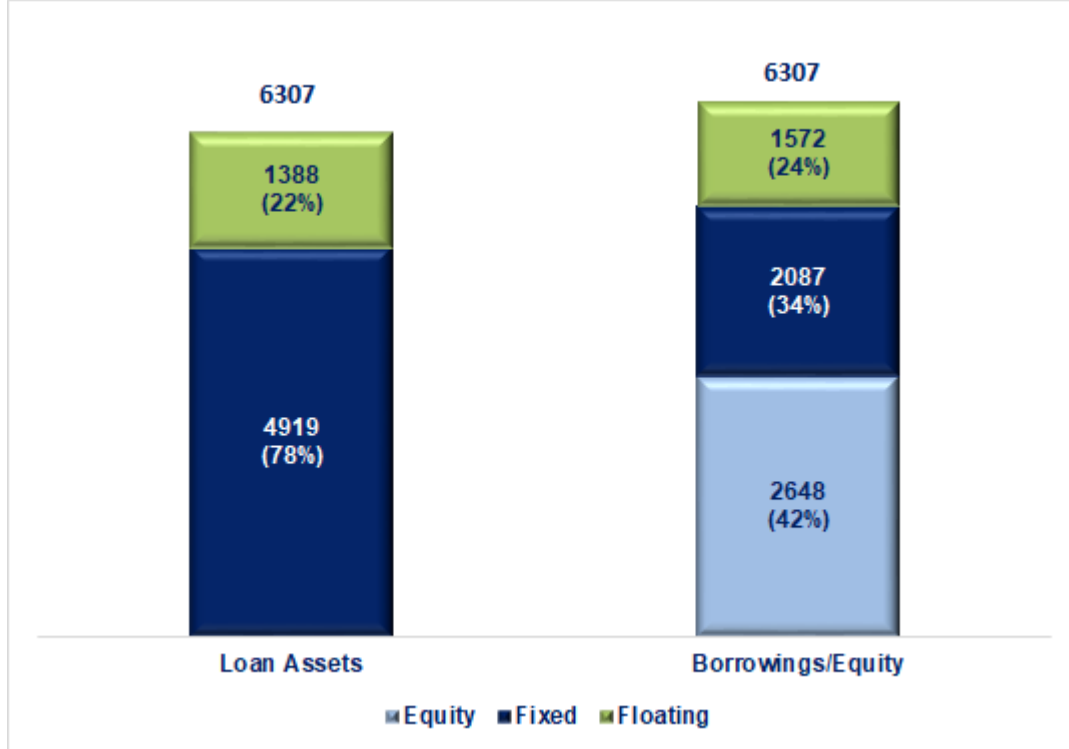


Surplus

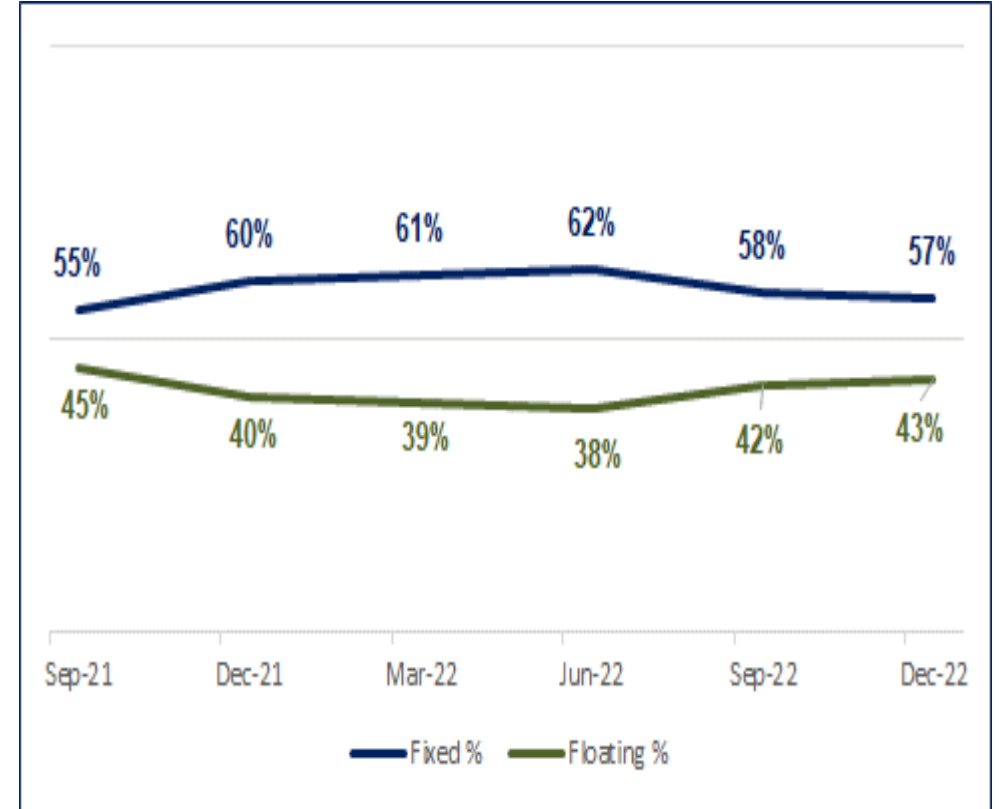
496
191
154
737
1293
1441
1288
607

Fixed Vs Floating (Assets Vs. Liabilities)

Loan Assets & Borrowings (₹ Cr) As on Dec-22



Borrowings - Fixed Vs. Floating (*)



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

Comfortable liquidity position/Capital Adequacy

A. Liquidity

Rs. Crores

Unencumbered Cash and Cash Equivalents	664
Un availed sanctions from NHB	400
Total	1,064

Particulars	Q4 FY 23	Q1 FY 24
Opening Liquidity	1064	1191
Add: Principal repayments and surplus from operations	312	317
Less: Debt repayments	185	250
Closing Liquidity	1,191	1,259

- Rs.1250 crores available for business upto June 2023

B. Capital Adequacy

Capital Adequacy as on 31 Dec 2022 - 79.32%

Key Growth Strategies



Continued Focus on Existing Segment

- Ticket Size in INR 0.5 – 1.5mn range
- Large headroom in **new to credit, retail** segment
- Maintain different templates **of customer profiles** to increase business while managing risks



Deeper Penetration in Existing Markets

- **Contiguous** expansion and increasing penetration
- **Branch expansion** in new markets – Odisha, Maharashtra, and Chhattisgarh



Continued focus on productivity

- Focus on **Opex** including cost of funds
- Continue to improve **credit ratings**

Experienced and Well Diversified Board

CMD



M. Anandan

Chairman & Managing Director

Non-Executive Nominee Directors



Sumir Chadha

Nominee Director - WestBridge



KP Balaraj

Nominee Director - WestBridge

Non-Executive Independent Directors



S. Krishnamurthy

Former MD and CEO, SBI Life Insurance



K. M. Mohandass

Partner, KM Mohandass & Co.



Krishnamurthy Vijayan

Former MD, JPM Asset Mgmt.



Mona Kachwaha

Director – Impact Investors Council

Non-Executive Independent Director



VG Kannan

Former- MD, SBI

Non-Executive Directors



Shailesh J. Mehta

Partner, Granite Hill Capital Partners



Suman Bolina

Executive Managing Partner, Sri Santhi Corp.

Stable Management



M. Anandan

Chairman & Managing Director

4 decades of experience in Financial Services



Balaji P

ED & CFO

Several years of experience in finance, treasury, banking, fund raising



Subramaniam G

ED - Chief of Operations and Risk

Several years of experience in lending (financial products), risk management, operations and collections



C.T. Manoharan

Executive Vice President - Business Development

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.



N. Srikanth

Vice President - HR

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



Ramesh K

Vice President - Credit

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



John Vijayan

Chief Risk Officer

Experience in Financial Services in the areas of Operations, Finance, Customer Servicing and Internal Audit.



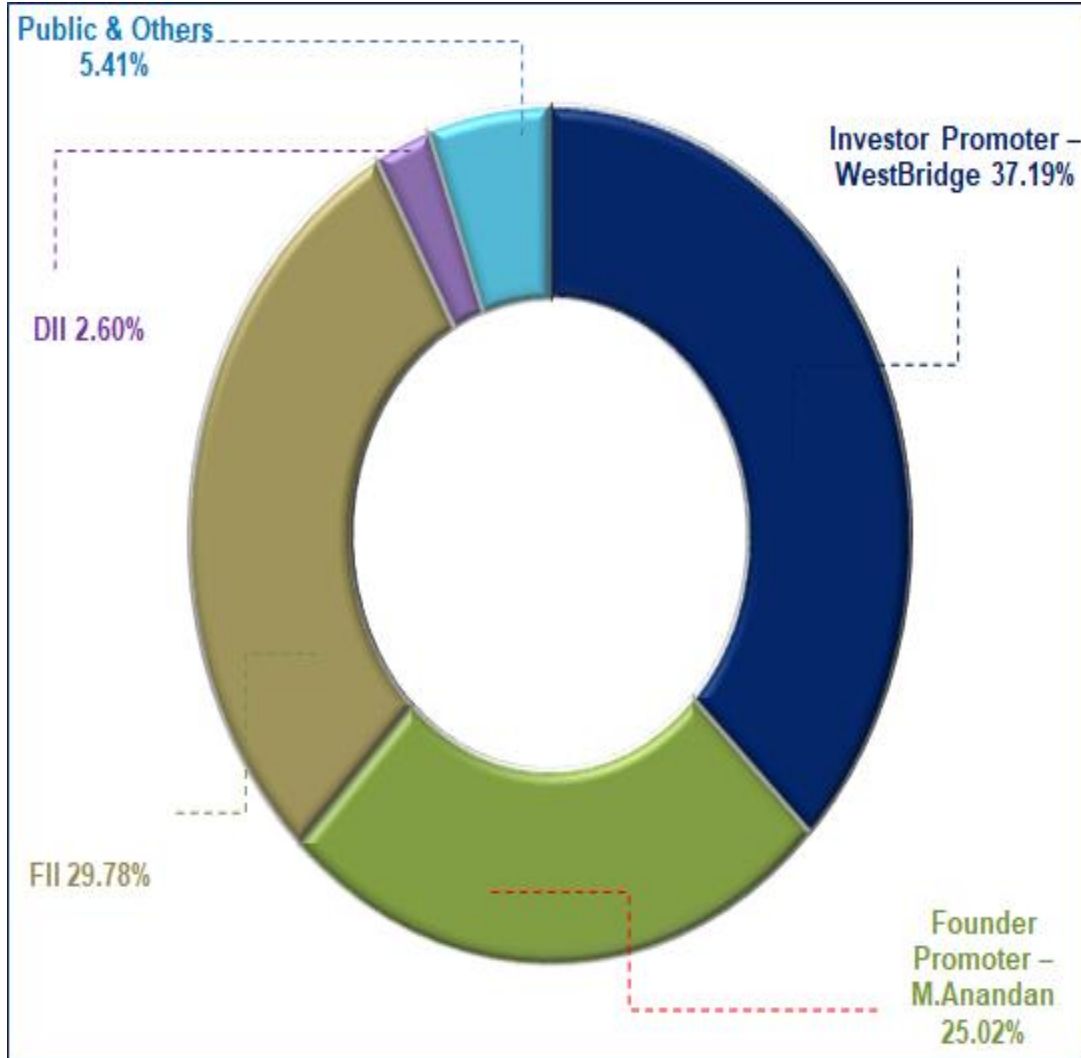
Sundara Kumar V

Vice President - Legal & Receivables

Legal experience in title deed scrutiny, SARFAESI and arbitration procedures in housing finance / mortgages.

Diversified Shareholding

Shareholding Pattern as on 27 Jan 2023



Top Institutional Shareholders as on 27 Jan 2023

Investor Details	% of holding
Key Investors	
Malabar Group	8.41
Ward Ferry	3.50
Capital Research	3.40
Steadview Capital	3.19
Sequoia	2.78
Madison	1.86
Aberdeen	1.80
Vanguard	1.39
Genesis	1.17
Neuberger Berman	1.01

Annexures

Consolidated Statement of Profit and Loss(*)

Rs. Crores

FY 22	Particulars	Q3 FY 23	Q2 FY 23	9 M FY 23	9 M FY 22	Growth
						9M FY 23 over 9M FY 22
791.67	Interest income on loans	277.32	257.47	767.79	574.41	34%
48.55	Processing fees and other income	17.48	19.58	52.82	31.46	
208.59	Interest expense	77.16	66.83	198.25	159.36	
631.63	NIM	217.64	210.22	622.36	446.51	39%
117.14	Operating expenses	41.43	44.55	118.66	86.81	37%
34.47	Provisions - ECL/Write offs	7.78	9.07	26.37	24.00	
480.02	Profit before tax	168.43	156.60	477.33	335.70	42%
109.88	Provision for Taxation	42.87	33.28	109.62	75.41	
370.14	Profit After Tax	125.56	123.32	367.71	260.29	41%

(*) – Based on Ind AS

Consolidated Statement of Assets and Liabilities(*)

Rs. Crores

Particulars	31-Dec-22	31-Mar-22
Sources of Funds		
Share capital	99.60	99.38
Reserves & Surplus	3102.73	2,816.78
Total Networth	3,202.33	2,916.16
Borrowings		
Other liabilities and provisions	54.06	47.25
Total	6,915.50	5,684.04
Application of Funds		
Loan Assets	6177.58	5,078.75
Fixed Assets	4.55	4.01
Liquid Assets - Bank FDs, MFs	671.19	547.59
Other Assets	62.18	53.69
Total	6,915.50	5,684.04

(*) – Based on Ind AS

RoA Tree

Particulars	9M FY 23	FY 22
Revenue from operations/Avg Loan book	18.45%	17.51%
Other Income/Avg loan book	0.60%	0.67%
Total Revenue/Avg loan book	19.05%	18.17%
Finance cost/Avg loan book	4.60%	4.51%
Spread/Avg loan book	14.45%	13.66%
Operating expenses/Avg loan book	2.75%	2.53%
ECL Provision/Avg loan book	0.61%	0.75%
PBT/Avg loan book	11.08%	10.38%
PAT/Avg loan book	8.53%	8.00%
PAT/Networth	16.02%	14.45%

Thank You