

Ref. No.: AUSFB/SEC/2021-22/355  
Date: 10<sup>th</sup> March 2022

To,

<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. <b>NSE Symbol: AUBANK</b>	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. <b>Scrip Code: 540611</b>
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Dear Sir/Madam,

**Sub: Presentation to Investors in AU Insights - Webinar for Analysts and Investors**

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Investor Presentation of the AU Small Finance Bank Limited ("**Bank**") which was made today to analysts and investors i.e. on 10<sup>th</sup> March, 2022 in AU Insights – (Webinar).

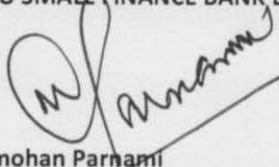
The Investors Presentation may also be accessed on the website of the Bank at the link <https://www.aubank.in/investors/au-insights>.

This is for your information, records and appropriate dissemination.

Thanking You,

Yours faithfully,

For AU SMALL FINANCE BANK LIMITED



**Manmohan Parnami**  
**Company Secretary and Compliance Officer**  
Membership No.: F9999  
[investorrelations@aubank.in](mailto:investorrelations@aubank.in)



**Registered Office**  
**AU SMALL FINANCE BANK LIMITED**  
19-A Dhuleshwar Garden, Ajmer Road,  
Jaipur - 302001, Rajasthan, India  
**Phone:** +91 141 4110060/61, **Fax:** +91 141 4110090  
CIN: L36911RJ1996PLC011381  
Formerly known as Au Financiers (India) Limited

# AU INSIGHTS



10 MARCH 2022





# In this Presentation

Here's what we'll cover:

1

WHEELS INSIGHTS

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2

HOME LOAN INSIGHTS

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3

Q&A

# Building a robust foundation to execute our strategy



➤ 10 Business Groups (SBU structures) formalized to drive future growth

➤ We will cover the 2 SBUs - **Wheels** and **Housing Loans** today

➤ Each BU to have

- Its own vertical structure supported by shared horizontals like HR, Finance, MIS etc.
- Its own growth strategy and approach to drive Bank's long-term Objectives and Strategic Priorities
- Its own Revenue and Cost tracking



# WHEELS

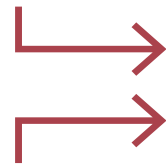


## Amrit Kaal

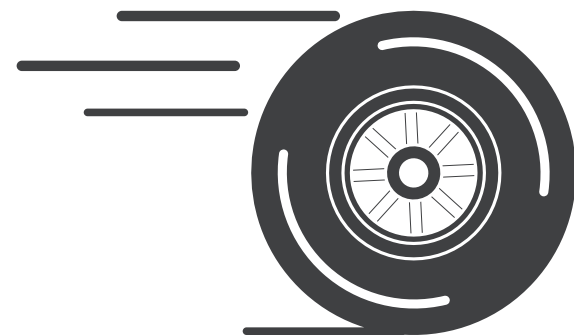
Gol's Planned Infra Push (5 years)



Roads - 20 Lakh Cr

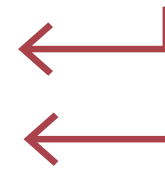


Airports & Waterways - 1.5 Lakh Cr



Budget FY22-23

Capex - Rs. 7.5 Lakh Cr



Railways - 17000 Km

## Harit Kaal

in Auto Sector



~5Lakh Electric Cars Sales expected in FY2027

2W leading the segment in EV sales

CV & PV to grow



Vehicle Scrappage Policy:

Aims to reduce pollution by scrapping 1 Cr units



CNG making inroads

CV Segment – 8% (Jan'21) to 19% (Dec'21)

PV Segment, <1% (FY18) to 7.6% (FY22)



India's E-Comm. Industry to reach ~14Lakh Cr in FY2026

## India's Automobile Sector Contribution (FY2021)

### Share in India's GDP

7.1% (Mfg GDP- 49%)

13 Lakh Cr

### Share in FDI Inflows

4.9%

1.88 Lakh Cr

### Share in Exports

4.3%

3.5 Lakh Cr

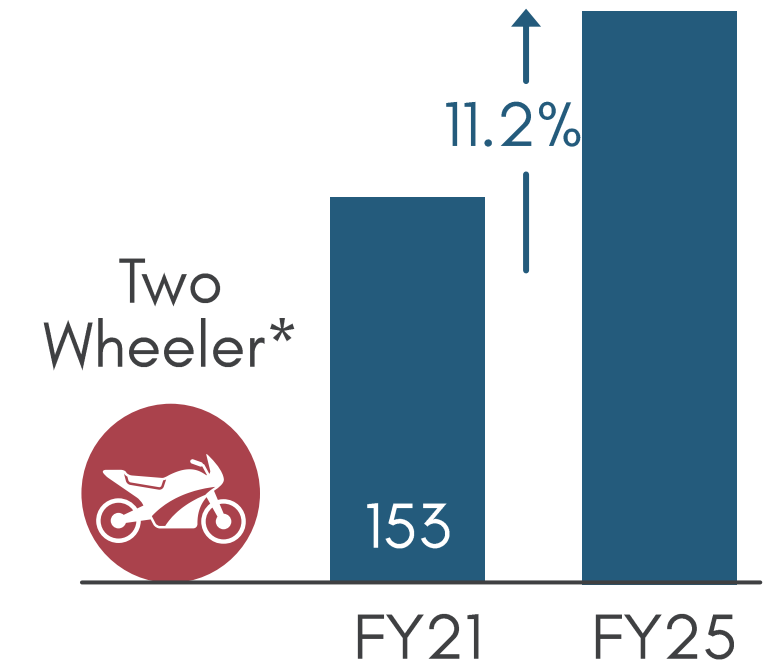
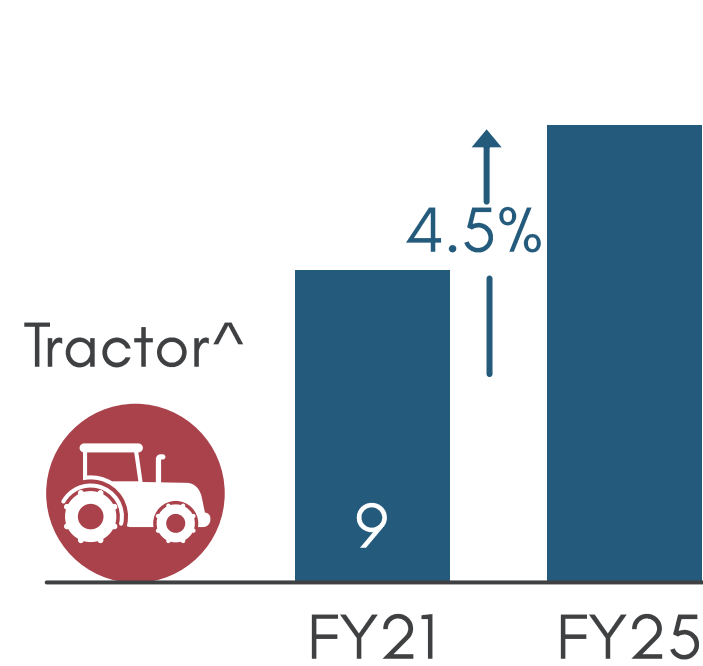
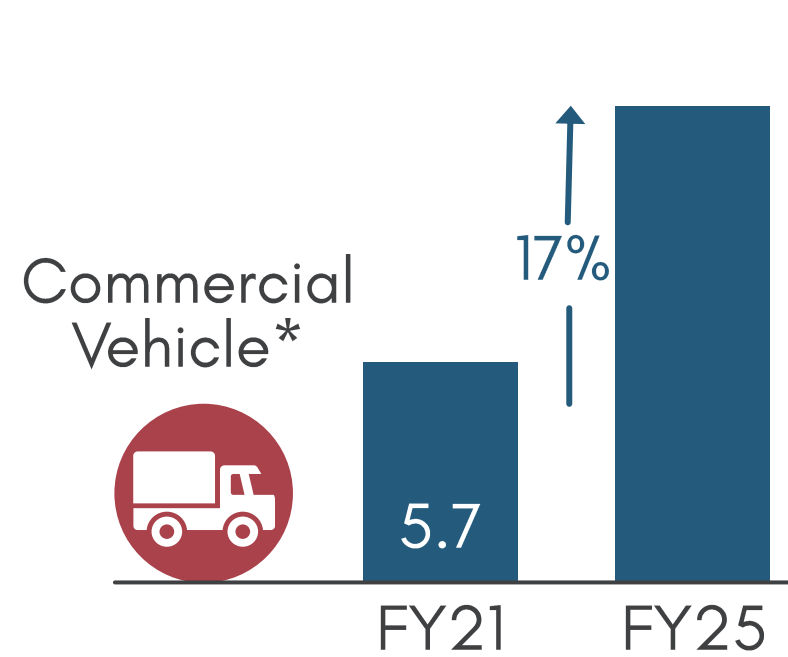
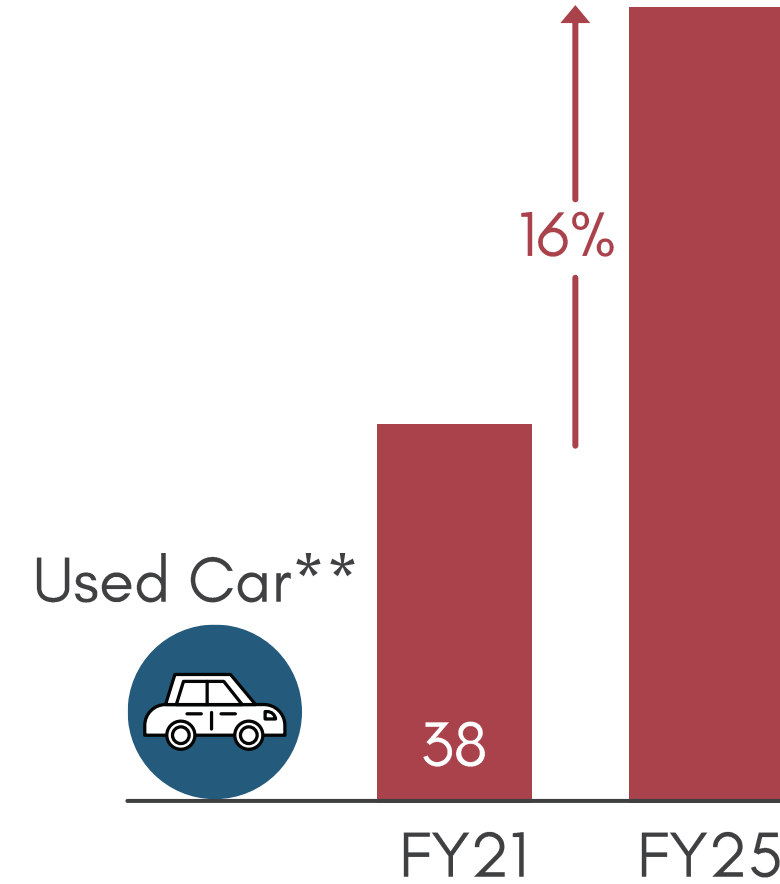
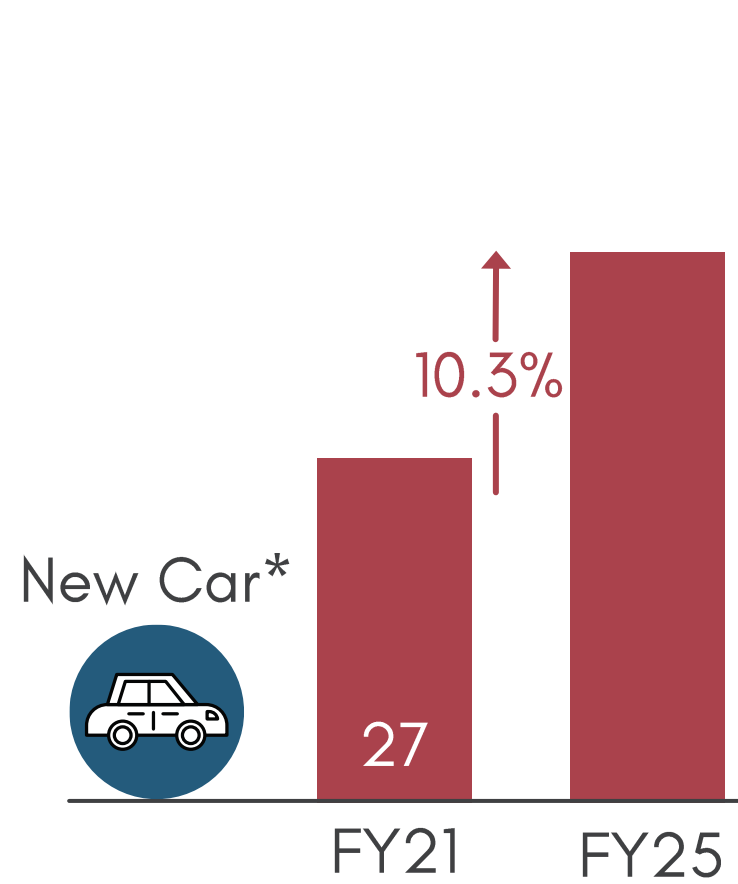
### PLI Scheme

Investment - Rs. 42k Cr

Production - Rs. 2.3 Lakh Cr

# Industry Opportunity & Outlook

Units In Lakhs  
Growth% in CAGR



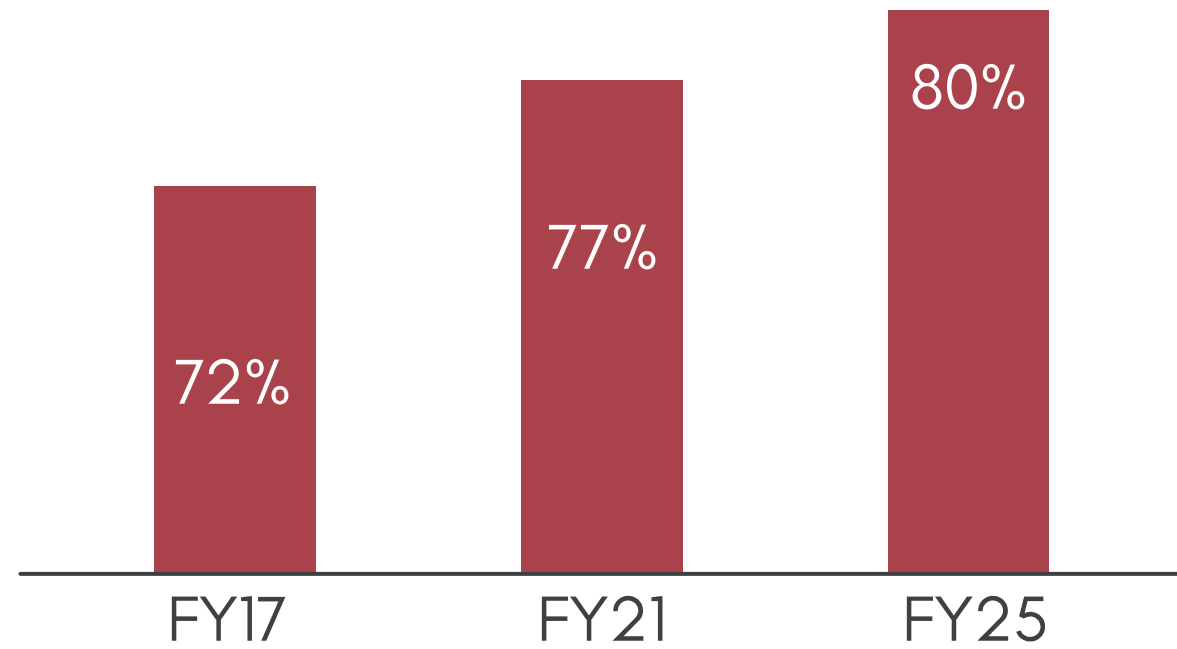
Source: \*SIAM and CRISIL Research

\*\* India Pre-Owned Car Market Report- Frost & Sullivan

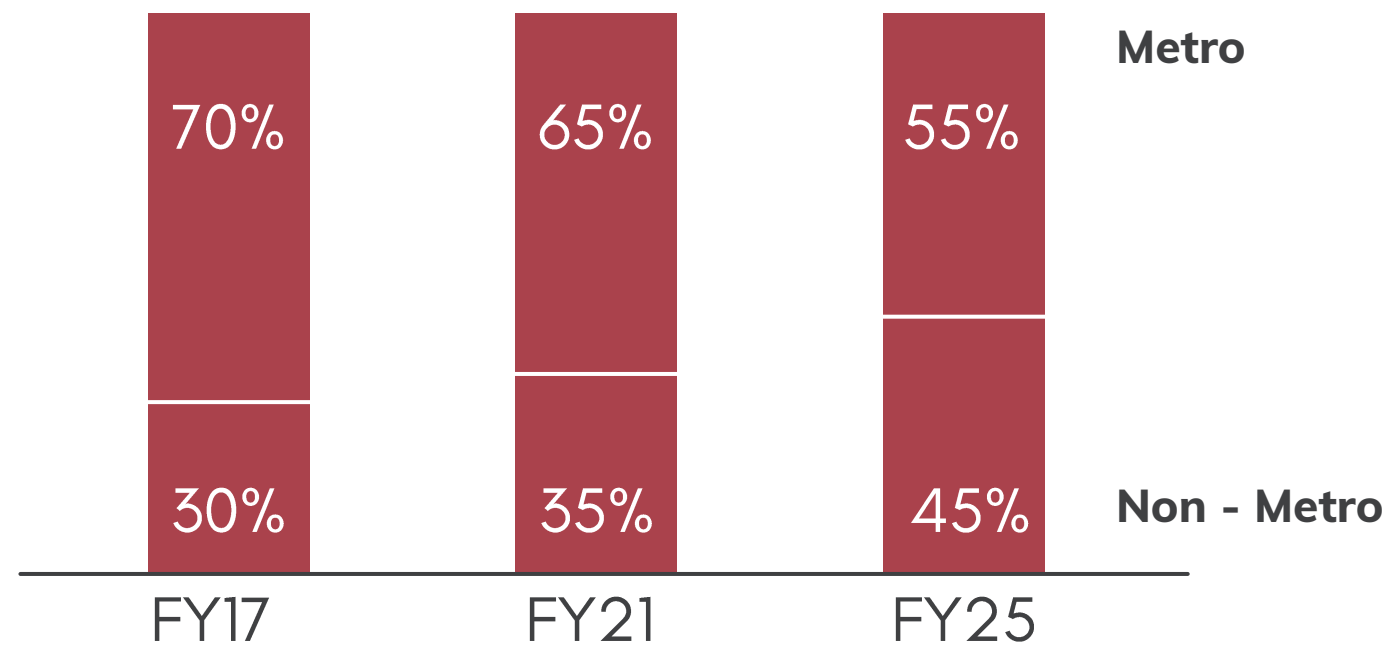
^ TMA and Mordor Intelligence

# Wheels Opportunity - Penetration and Scope

New car finance penetration to increase \*

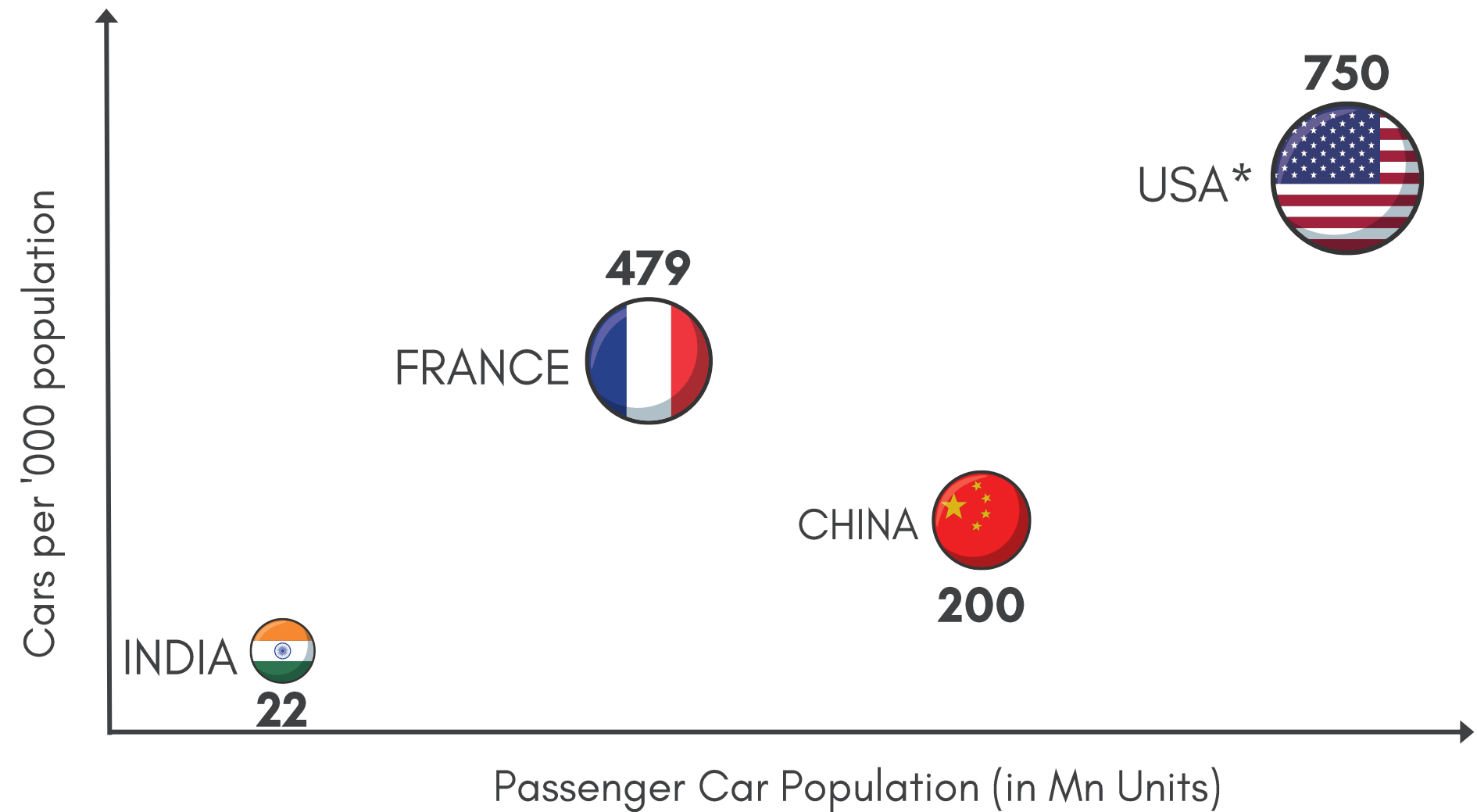


New Car market penetration in Non-Metro to grow faster%\*



\*Source- Frost & Sullivan Pre-Owned Car Report

Cars Per Thousand Comparison (2019)



Source : FHWA - DOT (USA), United Nations Economic Commission for Europe (UNECE), Redseer analysis

\*For USA, cars include Light Trucks as well



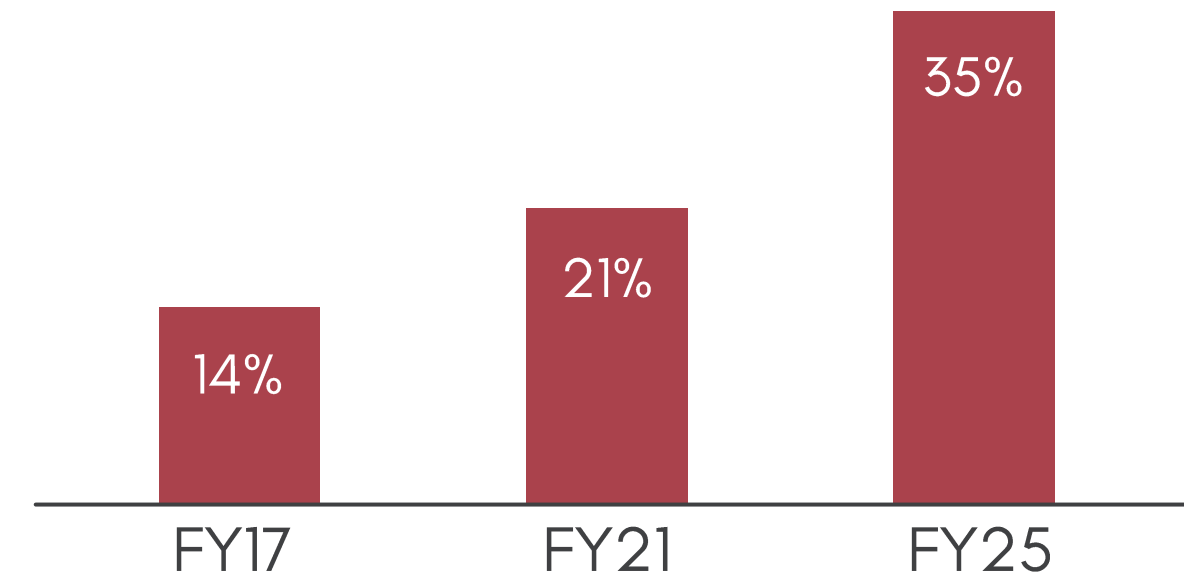
## Used Car Ecosystem\*

- ▶ 64% of purchased used cars are users' first car
- ▶ Owners intend to use used car for 3 years on average
- ▶ Used: New sales ratio to increase to 1.8 by FY25 from 1.4 in FY21
- ▶ More than 70% used cars sales from price range of below 5 lakhs

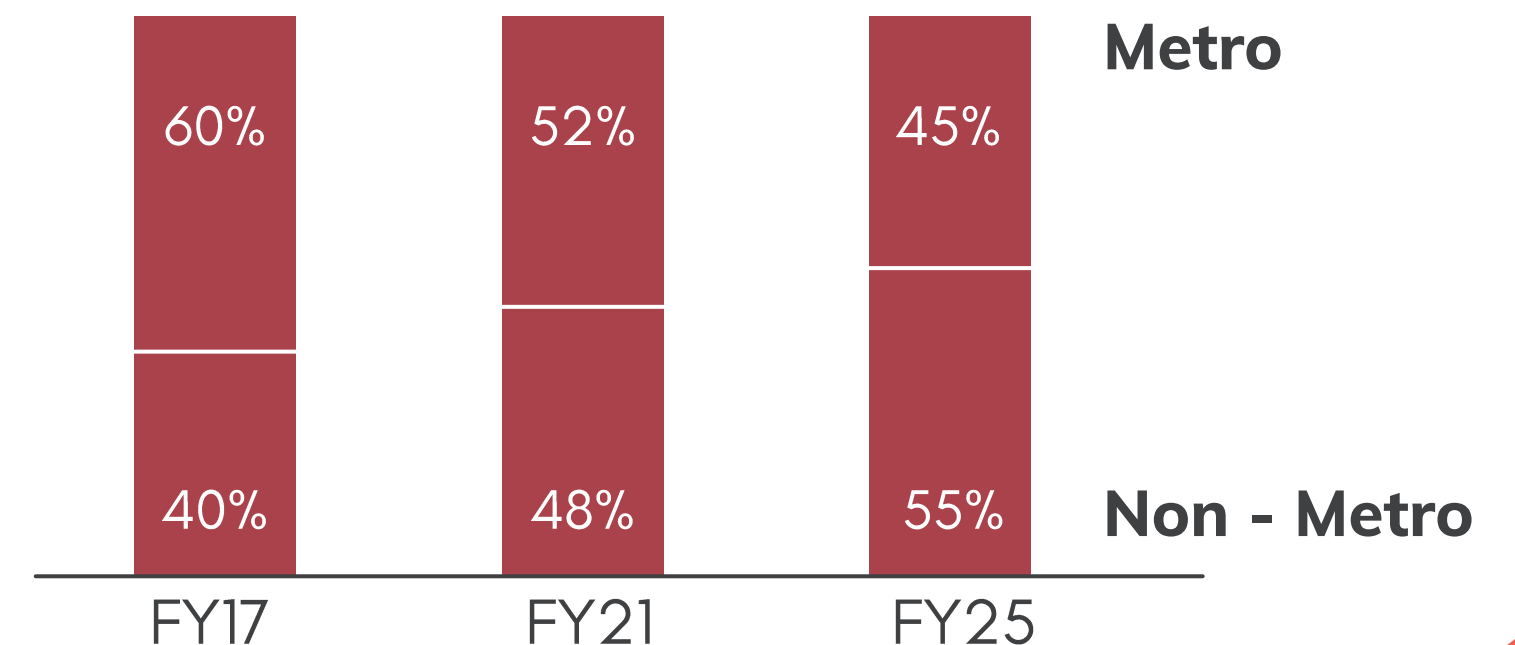
## Used Car Industry: Transformation

- ▶ Organized sector to increase to 45% in FY25 from 25% in FY21\*
- ▶ Online RTO enablement
- ▶ Unorganised to Organised with new-age business models:
  - Online classified (Digital market place)
  - Convenient Transaction (Digital auction platform)
  - OEM exchange

## Used Car Finance pegged to grow\*



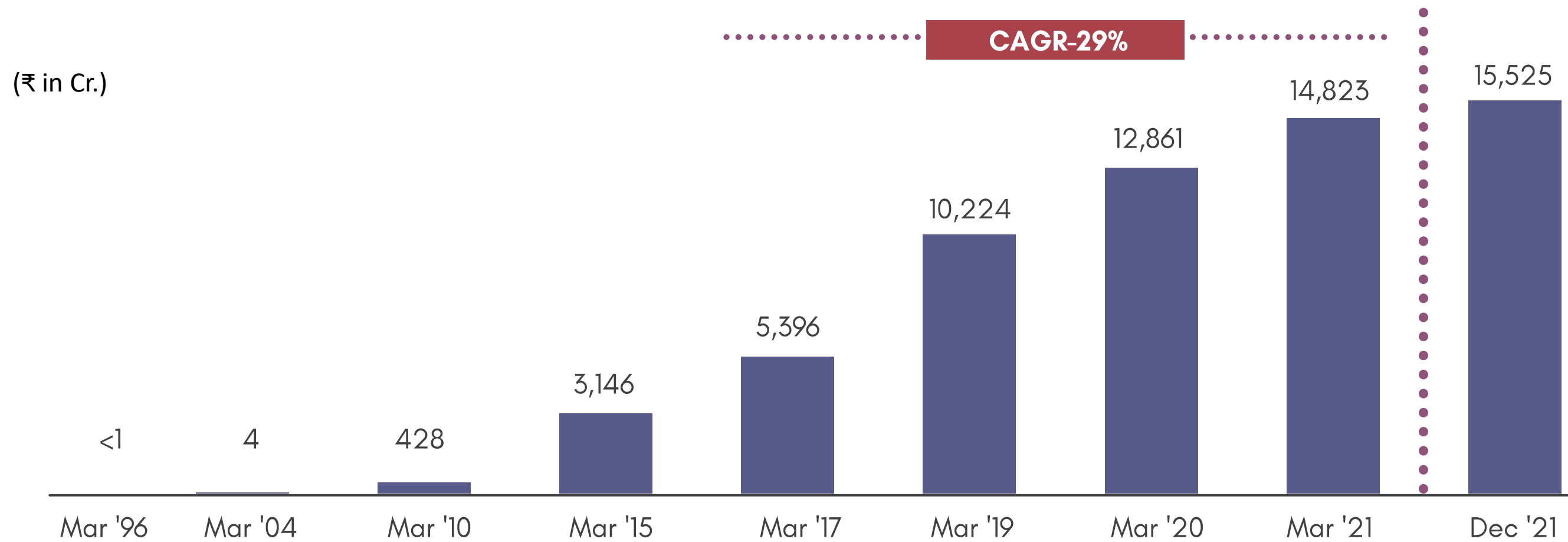
## Used Car Market Penetration% on the rise in Non Metro\*



\*Source: India's Pre-Owned Car Market Study - Frost and Sullivan Report

# AU Foundational Business: Two Decades and Counting

Carrying the **AU** vision since time of NBFC till now:



..... **2004 - 2010** .....

## Channel Partners of HDFC

- Access to Capital
- Build and Manage Book
- Process Orientation
- Distribution Management

..... **1996 - 2017** .....

## Key Skills acquired as NBFC

- Rural Sourcing
- Cash Flow based Assessment
- Application-based Understanding
- Collection Management
- Credit Assessment
- Importance of RCU



Skills acquired translated into a book with consistent and stable growth backed by Vintage Senior Team who are in place since NBFC Days

## 10.8 Years

Avg. AU Vintage of Senior Team

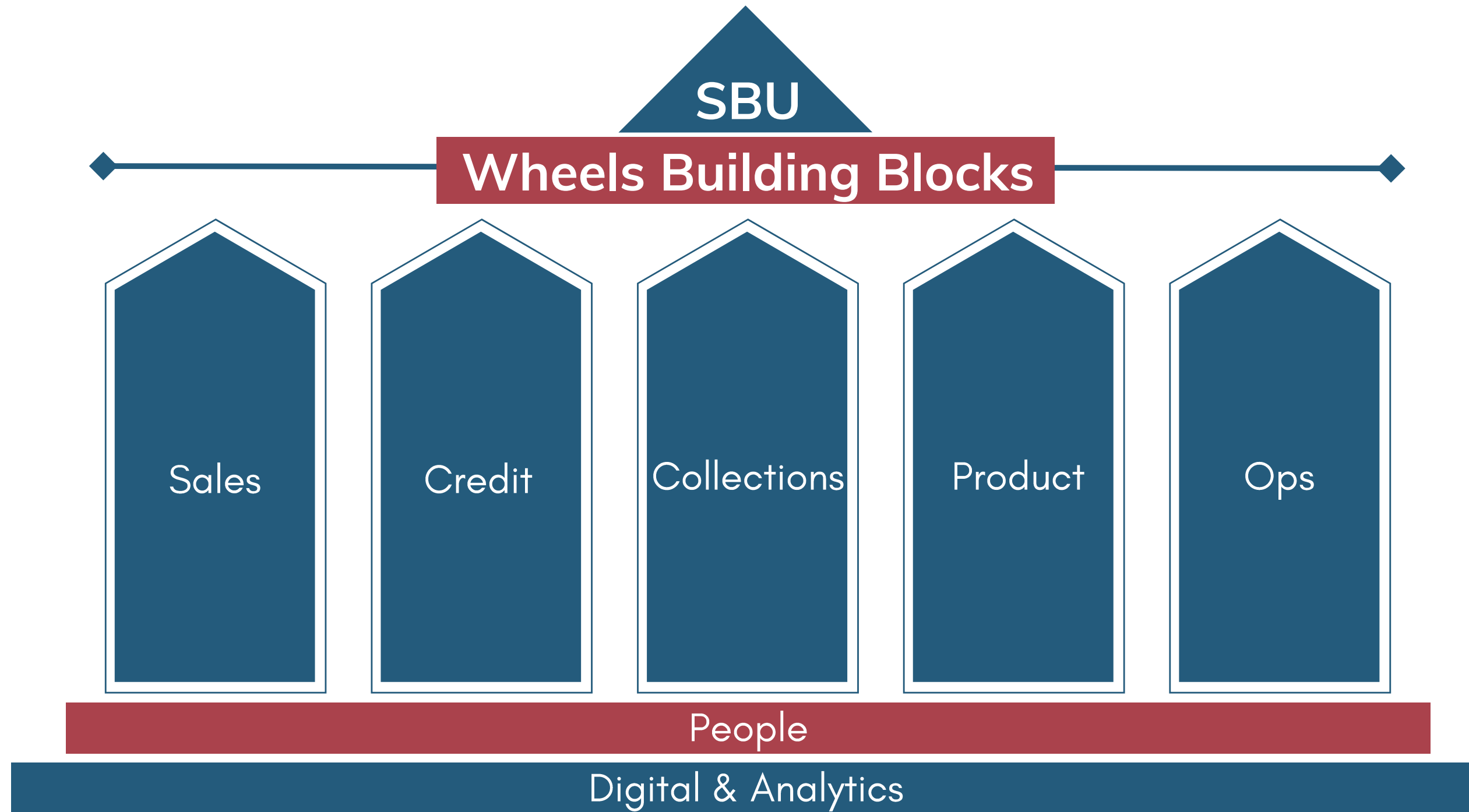
## 43 Years

Avg. Age of Senior Management

## Forever Journey of Banking



Key learnings in our journey of building trust



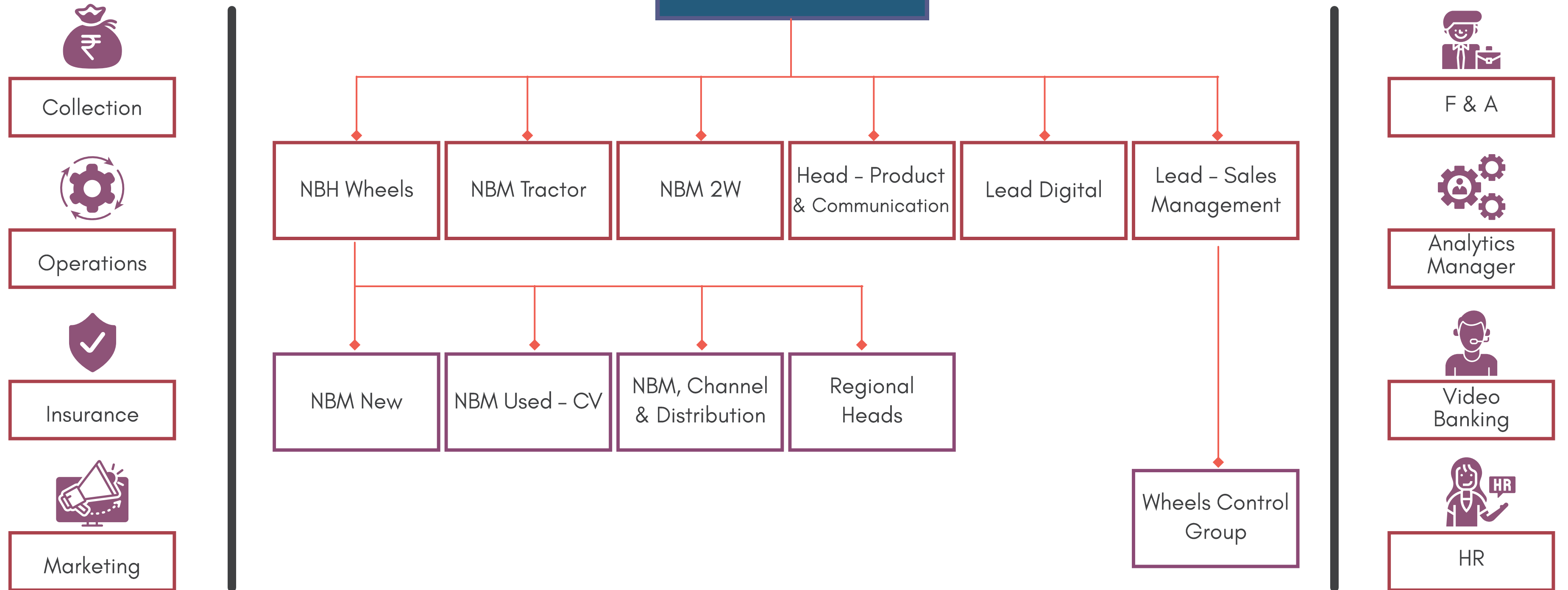
 **Diverse Sourcing Channels**

 **Independent Credit**

 **Vintage Team**

 **Entire Product Range (2W to 22W)**

 **Strong Collection Architecture**





## Customer Profile

- First Time Buyers
- First Time Users
- Last Mile / Intra-City Operators
- Tour & Travels Operators
- Captive Users
- Income proof
- Non-Income proof



## Value Proposition

- New and Used
- Rural, Semi-urban & Urban
- Personal, Passenger & Loading
- Earn & Pay, Self-employed & Salaried
- NTC and ETC
- Agri & Non-Agri



## Enablers

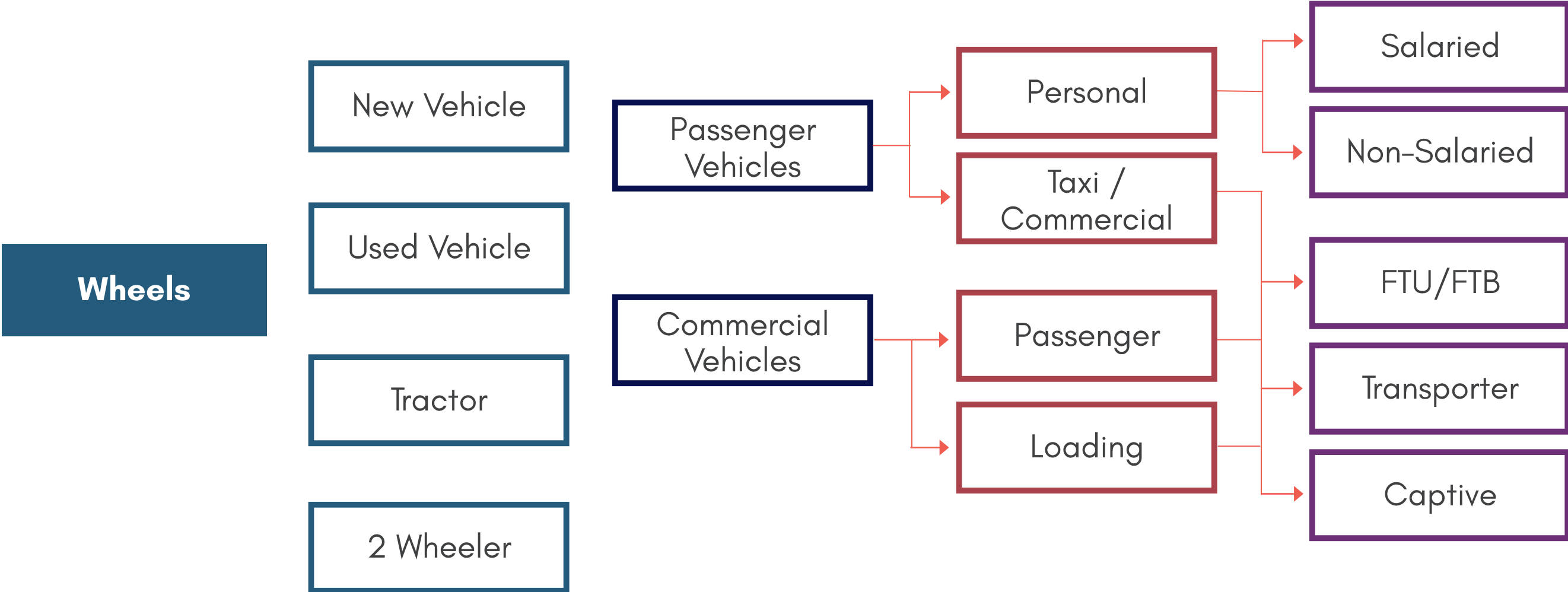
- Deep Distribution model
- Entire Product Suite
- Vintage Leadership
- Localised Team



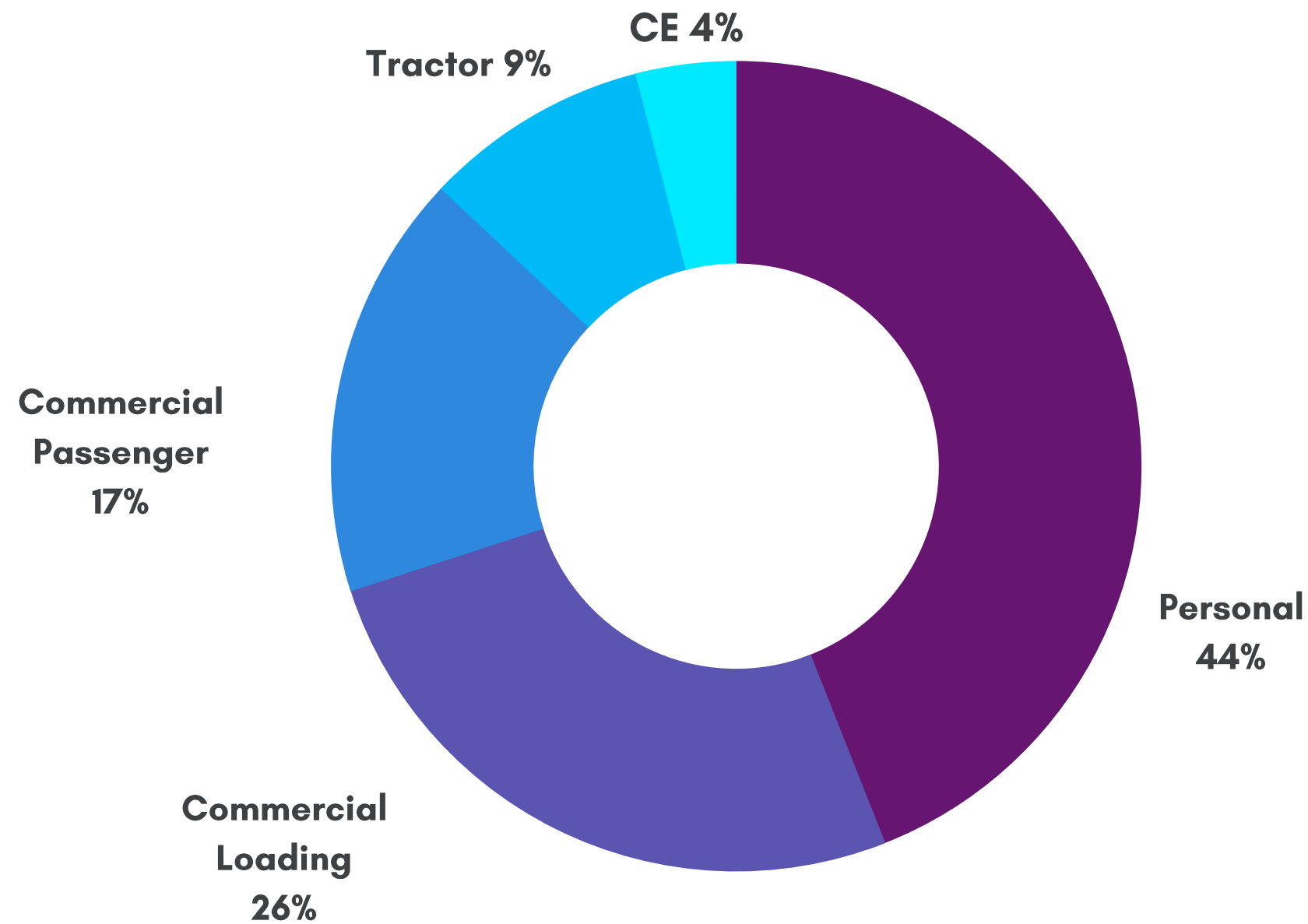
## Granular Book

Active Loan ~6,70,000	Avg. Tenor 40 Months	Avg. EMI ~Rs. 12k- 13k	Avg. LTV 80%	ATS 2.7 Lakhs	<10 Lakh 95% Customers
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## Personal & Last Mile Transport

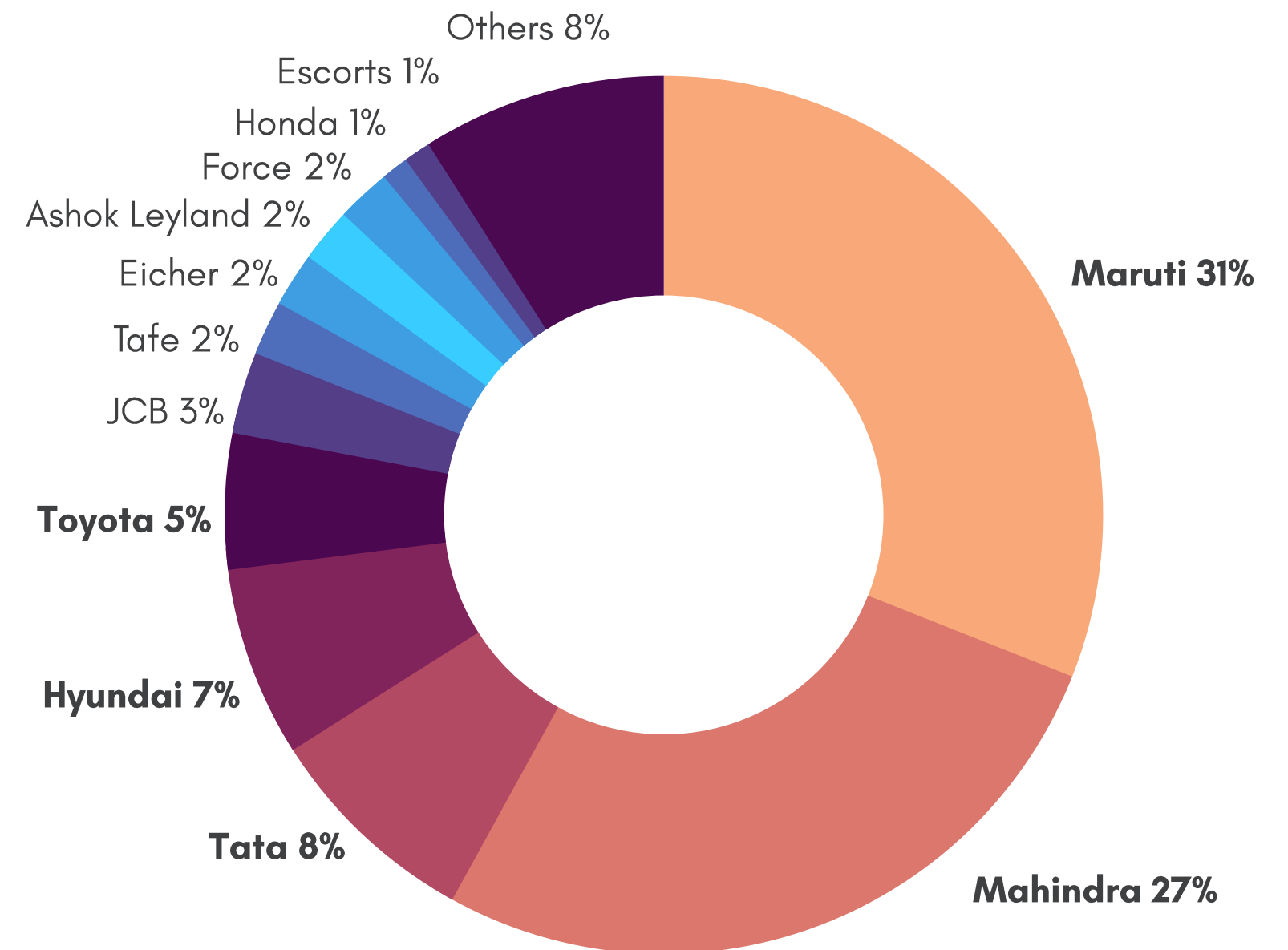


## Category Wise Book



- Personal remains **resilient**
- School buses (~2.5%) and Ola/Uber (<1%)
- Passenger segment consists predominantly of **Multipurpose vehicles**

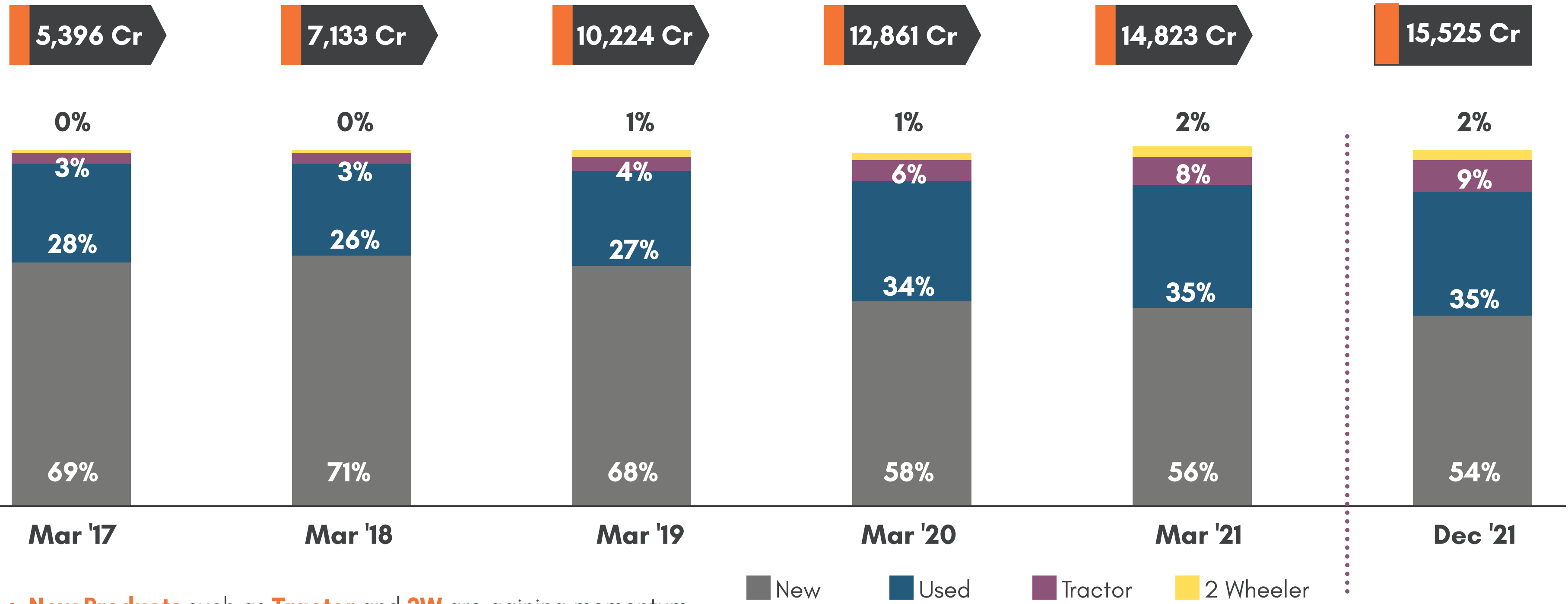
## Strong OEMs dominate in book



- Focus on the **OEM selection** remains key
- **Models Categorization** within OEMs



# Product wise AUM trend



- **New Products** such as **Tractor** and **2W** are gaining momentum.
- **Calibrating growth** aligned to market dynamics
- **New Book** is also building in absolute terms.

## WHEELS OMNIPRESENCE ACROSS AU

STATES

12

BRANCHES

463

TOUCHPOINTS

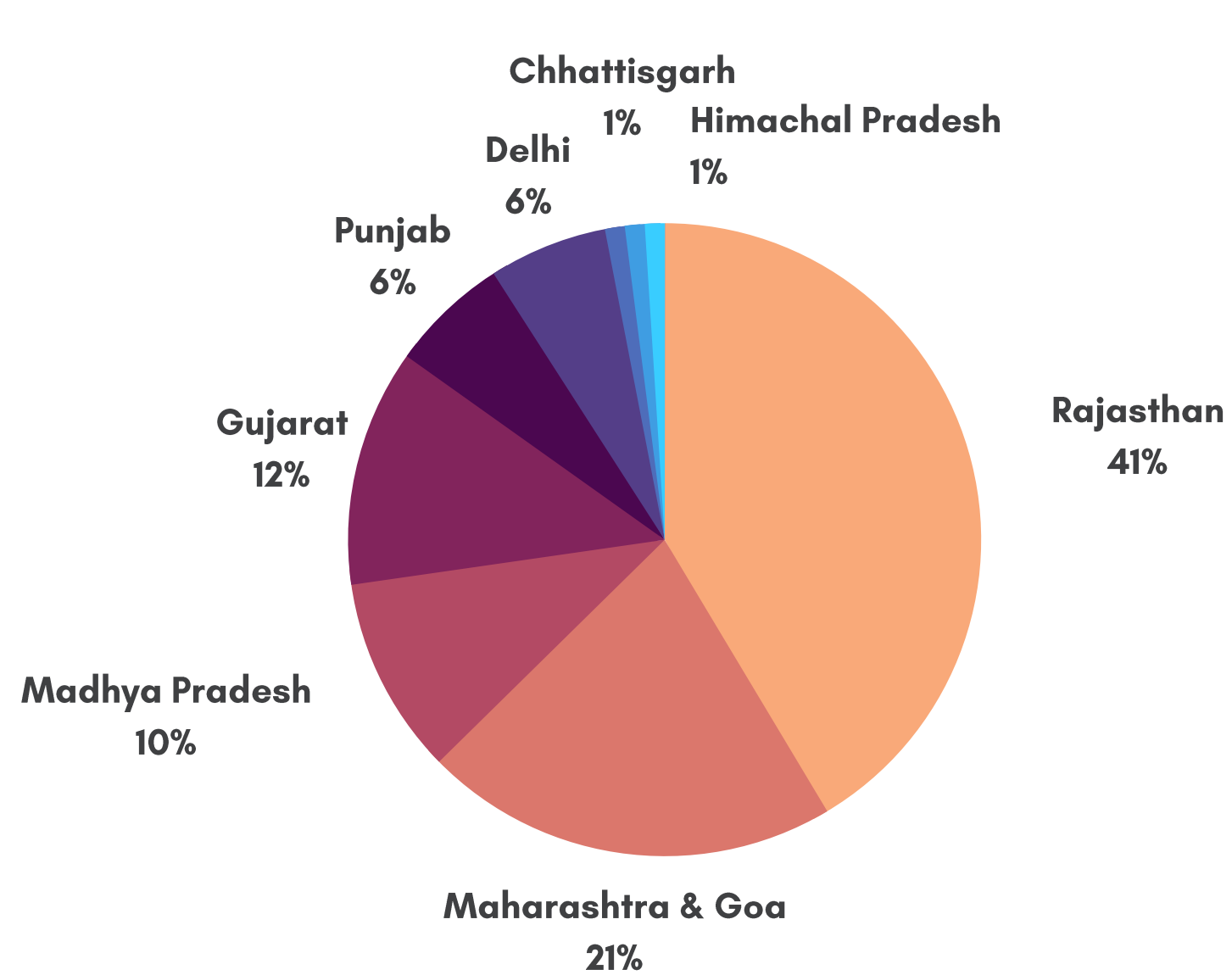
862

CORE

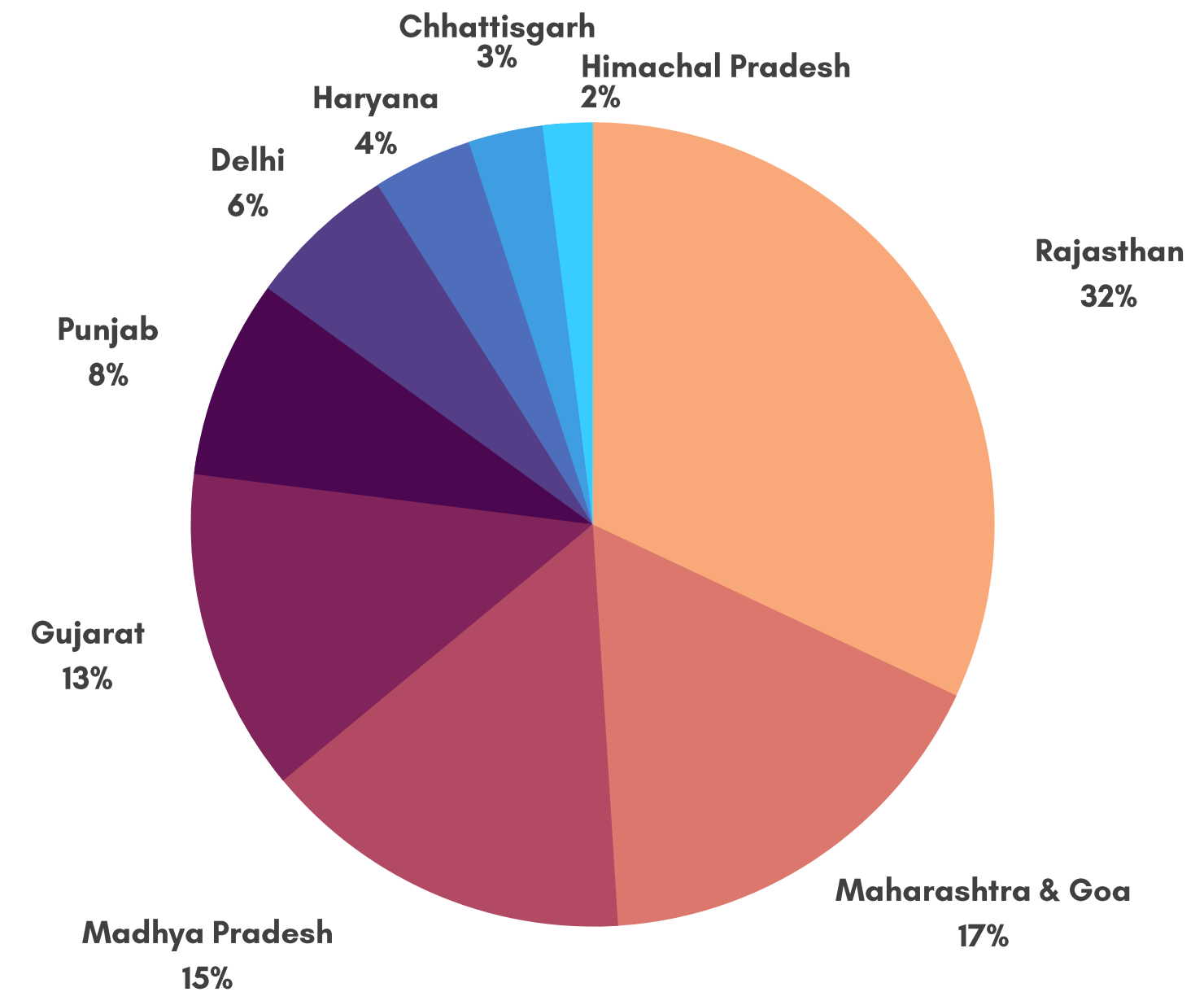
74%

URBAN

26%



Book as on Mar'17



Book as on Dec'21

- Rajasthan's share in book reduced from 41% in Mar-17 to 32% in Dec'21
- Share of other states picking up

## Existing States Book Comparison Mar'17 Vs Dec'21

States	Mar'17   POS in Cr.	Dec'21   POS in Cr.	CAGR %
Rajasthan	2,236	4,922	18%
Maharashtra & Goa	1,145	2,654	19%
Madhya Pradesh	522	2,309	37%
Gujarat	669	1,945	25%
Punjab	308	1,240	34%
Delhi	332	906	24%
Haryana	73	656	59%
Chhattisgarh	74	517	51%
Himachal Pradesh	37	360	61%
Jammu & Kashmir	0	16	NA
<b>Grand Total</b>	<b>5,396</b>	<b>15,525</b>	<b>25%</b>

.....> **Vintage State**

.....> **Emerging States**

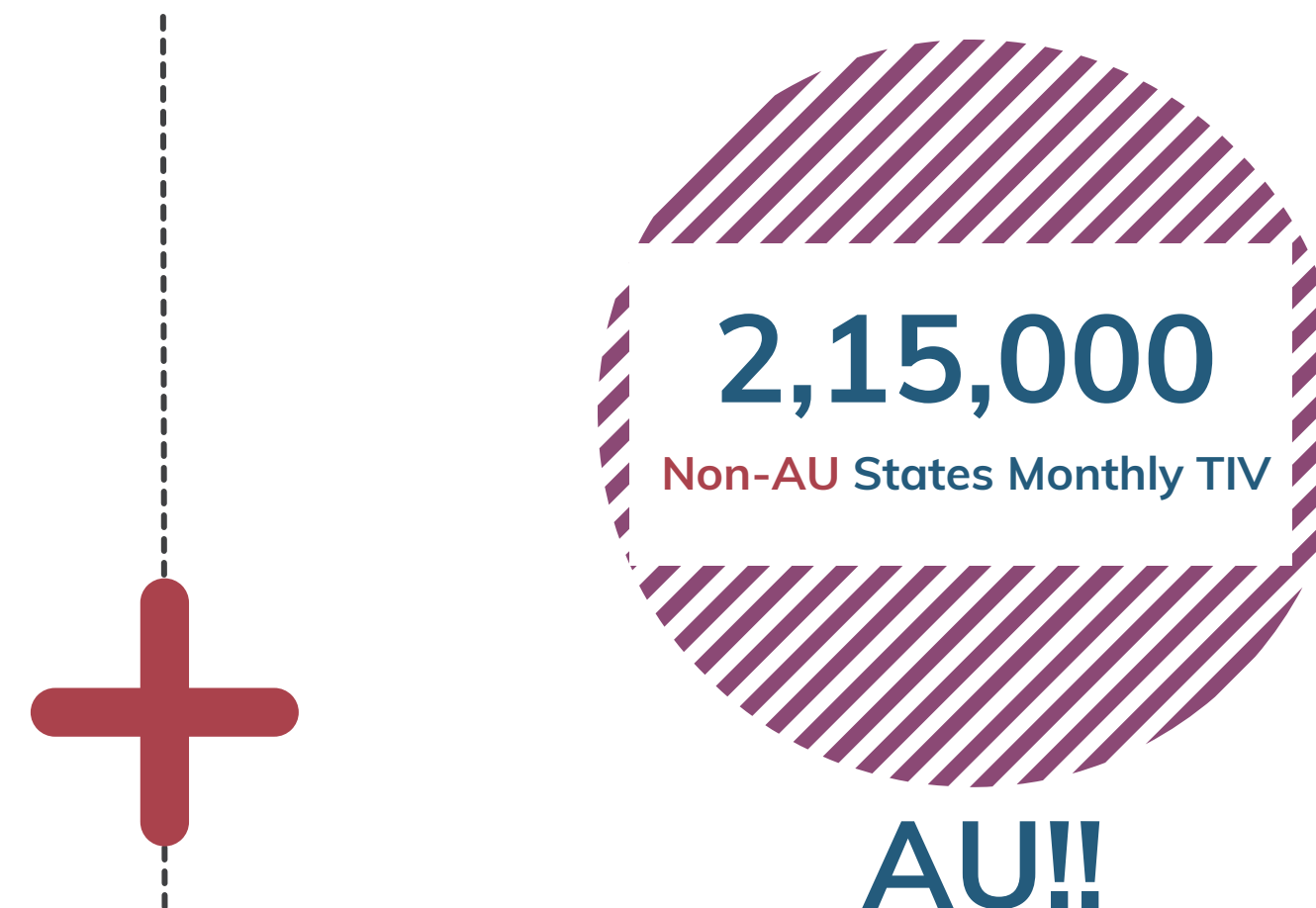
.....> **Budding States**

- **Growth Across States:** Alongside Rajasthan, others also grew in tandem
- Relatively newer states reflect **higher growth** on account of a low base
- Given market share, **enough scope** in existing states

Monthly New Total Industry Volume (TIV) (excl 2W) - 4,25,000

AU States Monthly TIV - 2,10,000

States	Mkt Share in Units*
Rajasthan	8.3%
Maharashtra & Goa	2.8%
Madhya Pradesh	5.0%
Gujarat	2.9%
Punjab	4.1%
Delhi	2.3%
Haryana	2.2%
Chhattisgarh	5.0%
Himachal Pradesh	6.4%
Jammu & Kashmir	0.7%
<b>Total</b>	<b>3.8%</b>



**New Geographies**

**AU Wheels** would follow Liabilities and spread out in new states aided by:

- Initial focus on Top 5 OEMs
- Leveraging Relationships with OEMs for Dealer Connect
- Replicating Proven Business Model

\*Source: Industry Units based on SIAM & TMA OND'21

# Customer Acquisition (Sourcing 9M FY22)

## EXTERNAL



Dealers  
51%



DSAs/CA  
8%



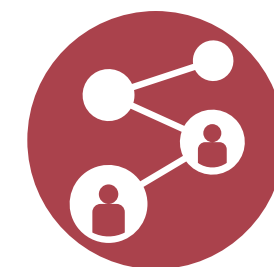
Referrals  
5%



Digital Partnerships  
4%



Digital Bank  
1%



Employee Referrals  
2%

## INTERNAL

Direct Sourcing  
26%



Liabilities Cross Sell  
1.4%

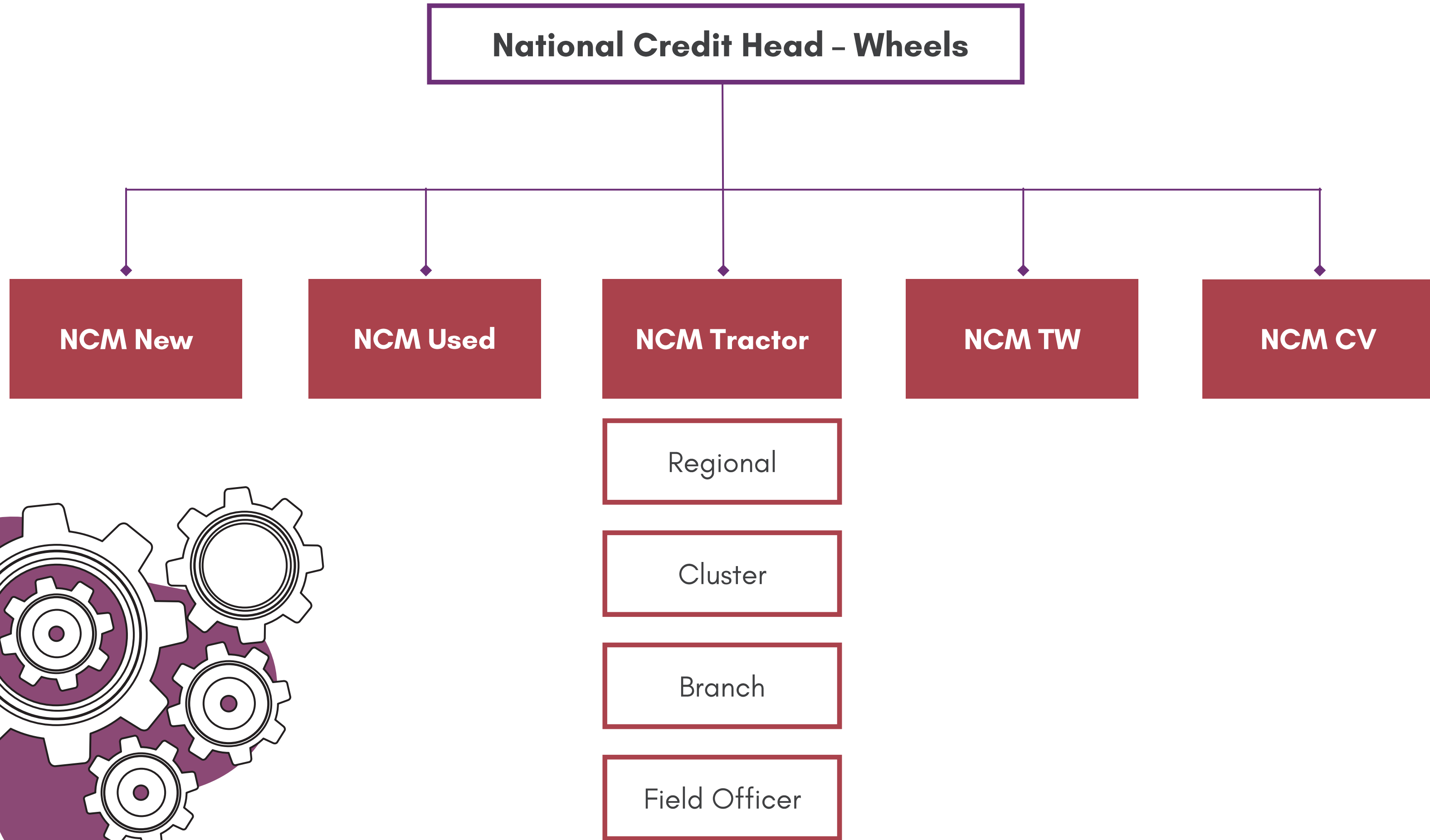


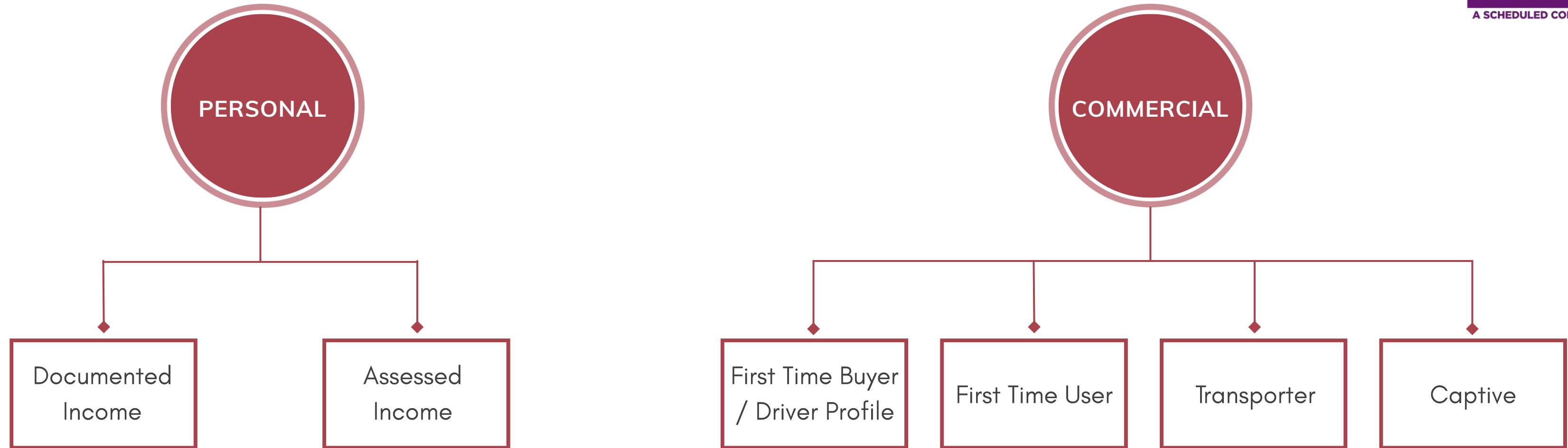
Asset Cross Sell  
0.7%



BO/BC  
0.3%







## TransUnion CIBIL Score Wise Customer Spread

		AUM Dec'21	Sourcing 9M FY22
NTC	NTC	34%	<b>27%</b>
ETC	> 700	45%	<b>56%</b>
	E. 651 - 700	13%	<b>12%</b>
	D. 601 - 650	5%	<b>4%</b>
	C . <= 600	2%	<b>1%</b>

NTC portfolio behavior is similar to >700 Credit score



Vertical Wise Credit



Credit on Ground (Local)



STP for Pre Approved



Centralized Credit & STP (2W)

In House Field Investigation



Collateral Know How



Customer Equity In Absolute Terms



Touch and Feel





NS-ED

- Non-Starter (NS)- Any EMI overdue within 2 months
- Early Delinquency (ED)- In Bucket 60+ before collection of 6 EMI



Asset  
Verification

- In Roll Forward NS-ED cases



Quick  
Mortality

- 90+ within 12 months of sourcing



PDD

- Invoice, Insurance and RC with AU Hypothecation



Current  
Bkt

- Monitoring of Current Bkt Bouncing

## Loading Vehicle FTB/Driver Profile

**Mr. Anak** is FTB & driver profile customer – purely earn and pay segment. He lives in **parental owned residence** in **Jetport** We have funded him **Rs 2.5 Lac** on Used Bolero Maxi Truck.

Customer paid us **22 EMI out of 36** and his repayment was regular during covid period also.



## Personal vehicle- Self Employed with Low CIBIL score

**Mr. Pawan**, is 36 years old doctor profile with **ITR of Rs 12 lac**. He is having hospital in rented property. Customer's **CIBIL Score was 551** due to 17 days DPD in two Property loan while customer's Car loan track was reflecting ETR history with Zero delay. We had taken proper justification for delays in Property loan and **funded him Rs 16.33 L on New Honda Civic with 90% LTV.**

Now customer is running ETR and paid 26 EMI out of 60. He paid well one time in COVID period also



## Personal Vehicle – Low Documented + Assessed

**Mr. Amit** is salaried person doing private job having **salary of 20k**. His **mother** is also living with him and getting **pension income of 21k Per month**. We have funded New Swift VDI Rs 6 L funding.

Customer has paid 25 EMI out of 60 and his repayments are ETR during covid period also.



## Transporter – Commercial Passenger

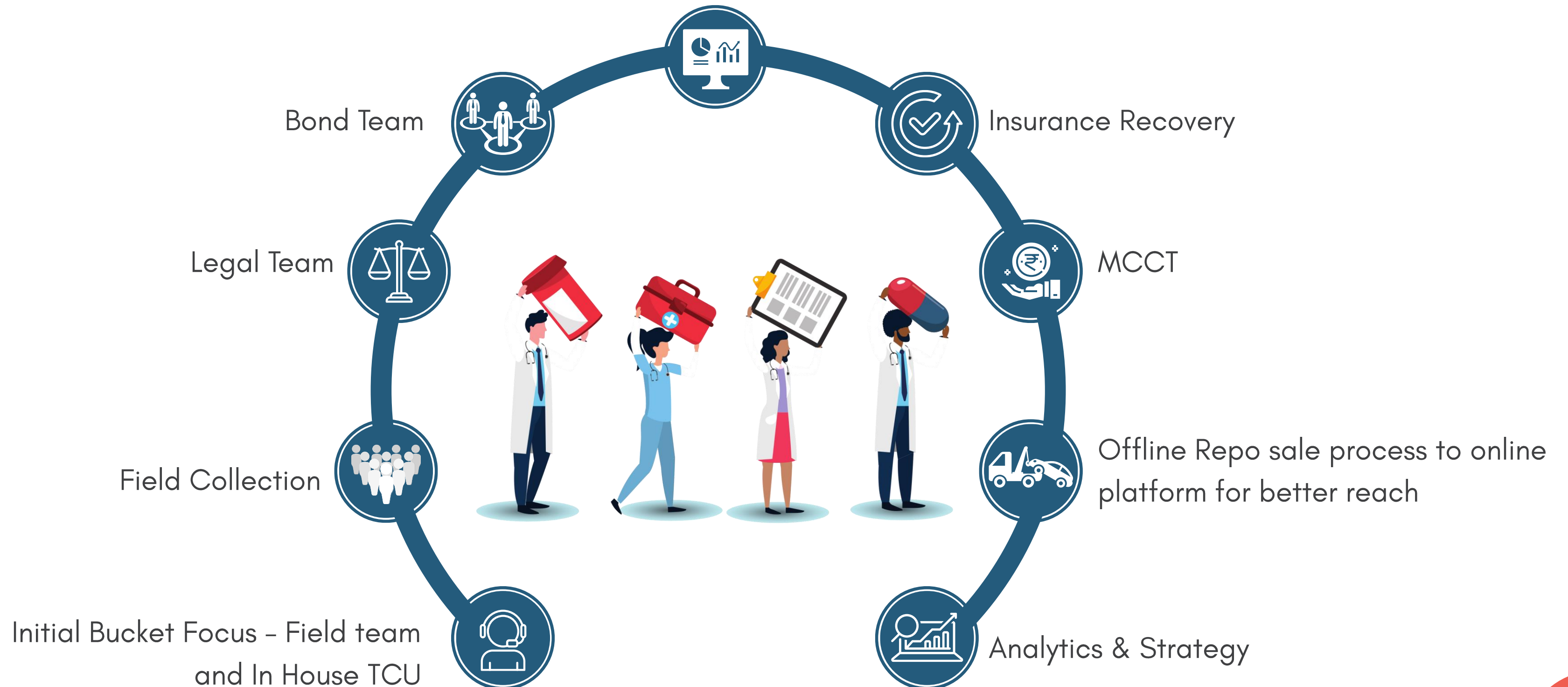
**Mr. Manish** is into travel business in Wardha (MH) and already having Tavera & Maruti Swift. He is also getting **rental income Rs 18,000/-** per months, having **700+ CIBIL score**. Residing in owned house of worth 75 Lac. We funded him Scorpio – Rs 8.92 L.

Now he is running ETR with seasoning of 24 months out of 60.

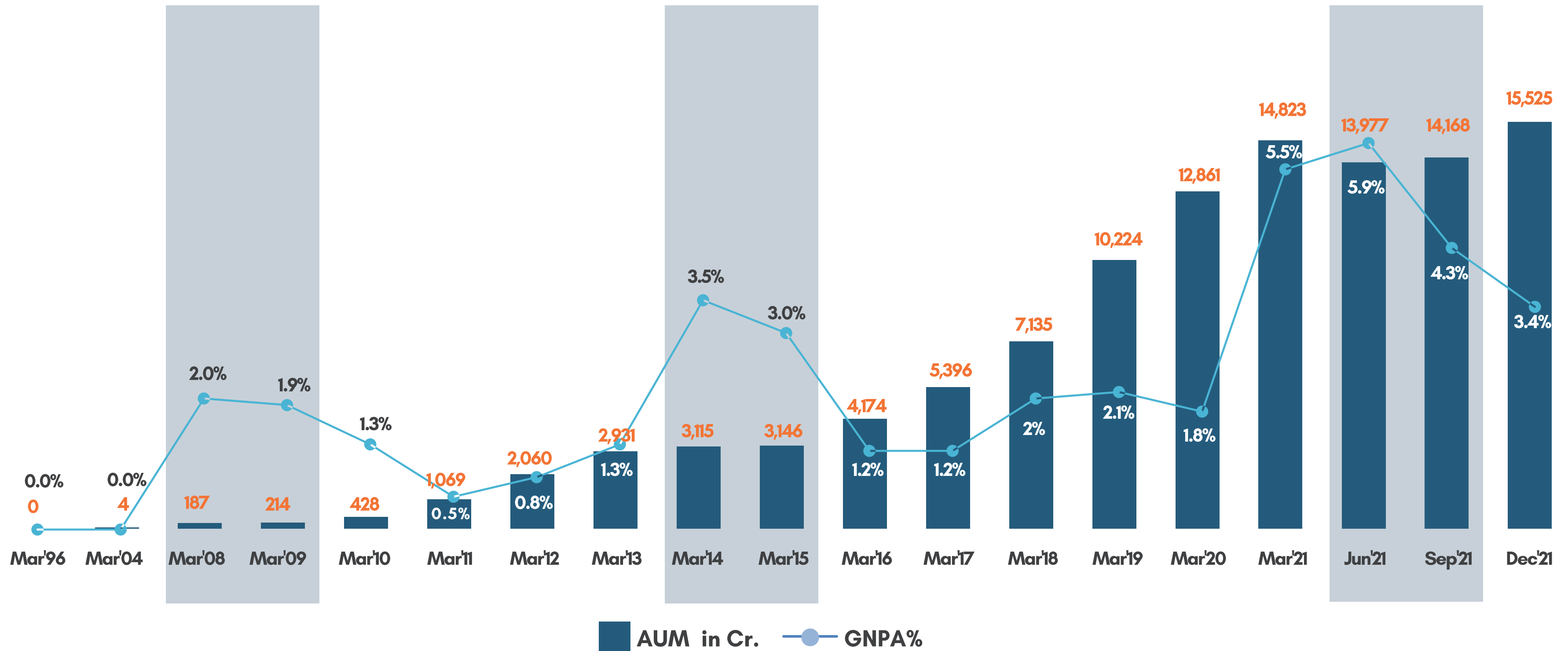


## SUPER SPECIALTY UNIT – RIGHT TREATMENT FOR EVERY CASE

Real time tracking, dashboards, settlement module



## Wheels AUM (In Rs. Cr.) and GNPA% Trend



- GNPA well within range in even industry downturn
- GNPA gliding back to pre-covid levels
- Reduced from Peak of 5.9% to 3.4% by Dec-21



## APPROACH

“How to connect with customer and Manage our portfolio”



## ACTION

- **Entire team including Credit, Ops, Sales undertook Collection activity on delinquent cases**
- **Granular Approach in branch wise case allocation:** Extended moratorium and restructuring basis to specified customers
- **Agency to Inhouse:** Essential category tag helped in field collections
- **Customer Connectivity:** Geographically spread of team and local team connect made us reach physically or over mobile



## LEARNINGS

- Design and Business Model got tested
- Rural customer base felt limited impact of pandemic
- Approach of '3P' viz Product, Place and Profile got tested

## EXISTING



**RO Enablement:** Onboarding & Lead Management App



2 Wheeler **End to End Digital** Journey



Customer Experience - **AU 0101** Journey for New Car



**OEM** Digital Partnership with Maruti



Pre Approved **STP**

## IN PIPELINE

**Dealer Enablement:** Business Dashboard



**Ops:** Process Automation



Journey for **Other Products**



**Marketplace** for Used Cars



**STP** for Non-Pre Approved Customers



# Two-Wheeler End to End Digital Journey

1

Enter new lead on App

2

Otp/Biometric authentication

3

Enter vehicle details  
Auto populates details of the model  
Dealer list - Based on OEM and location

4

Basis Customer's Income and captured details loan eligibility is ready

5

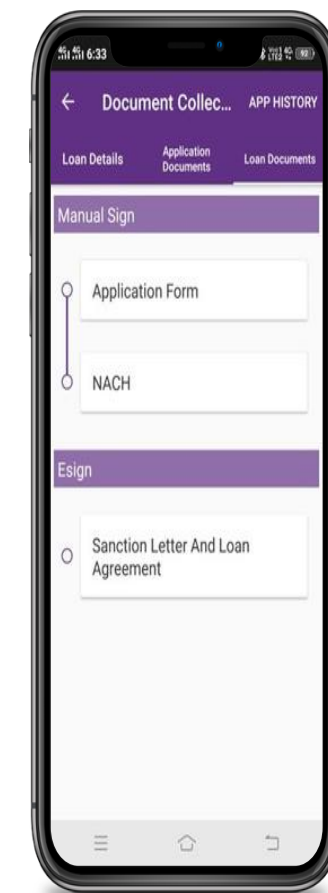
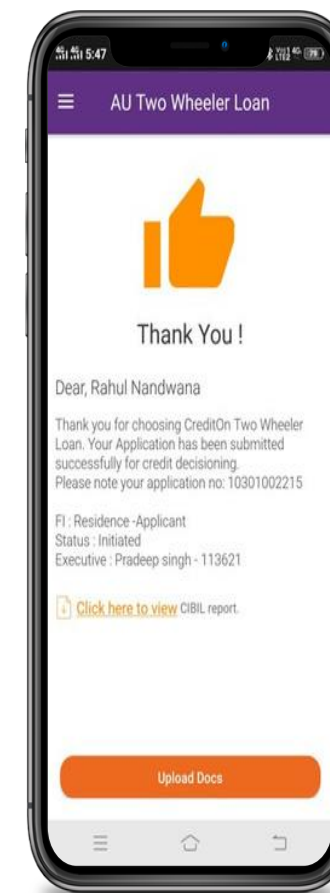
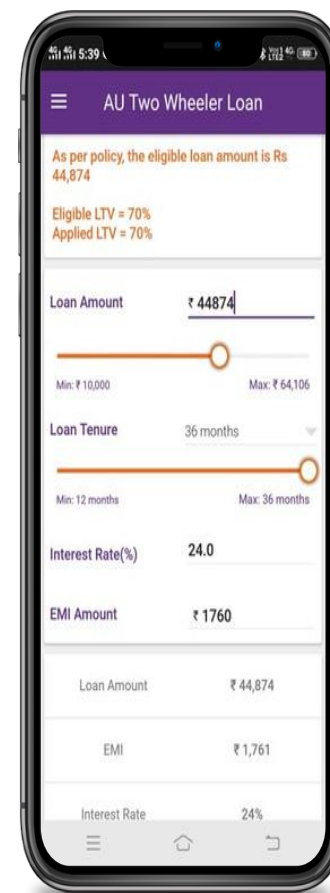
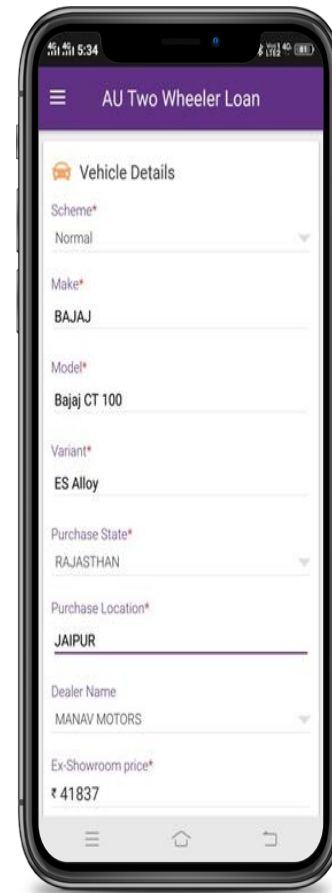
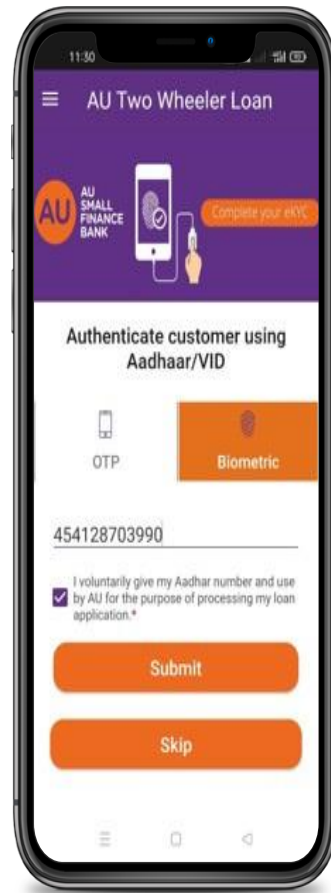
Application successfully submitted

6

Customer has the to option E-sign or give a physical sign at the dealership

7

Congratulations, customer can now enjoy new ride.

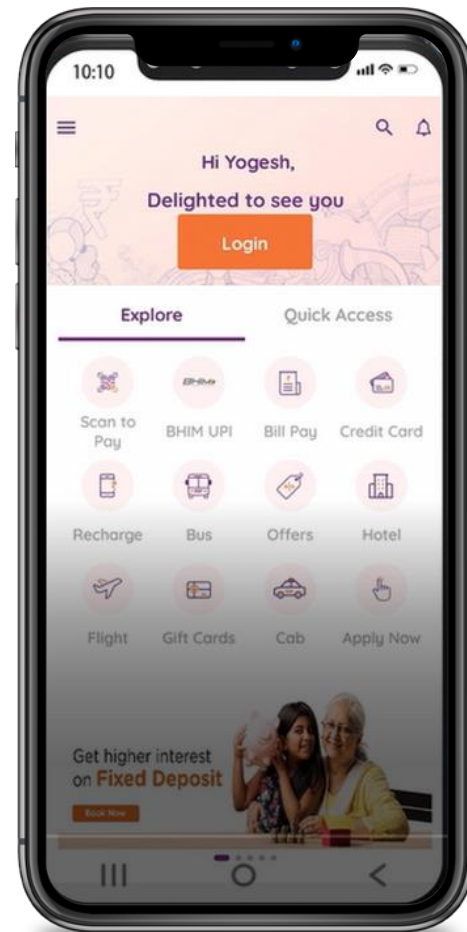




# Customer Experience- AU0101 Journey for New Car (Pre-Approved)

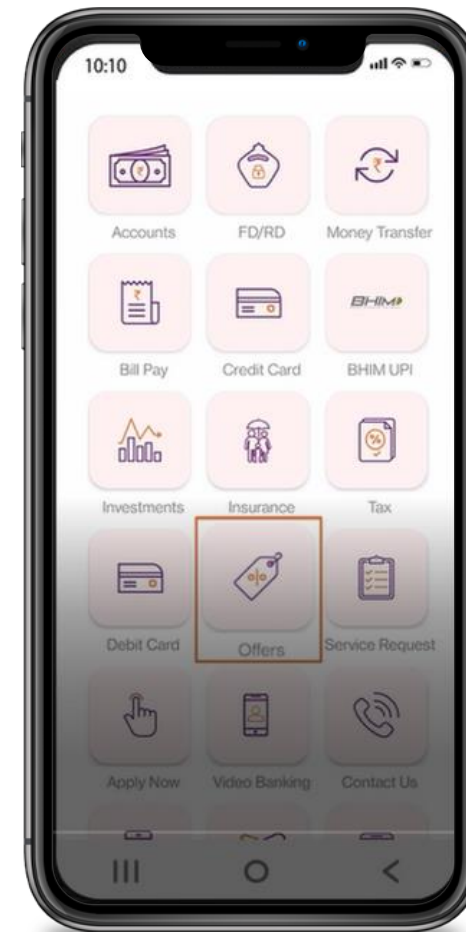
1

Start off Your Journey by Logging in 0101 App



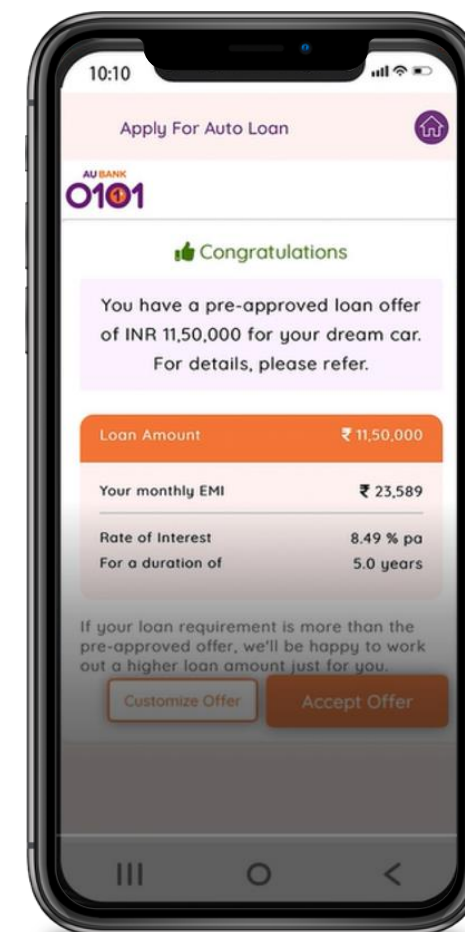
2

Then tap on "Offers"



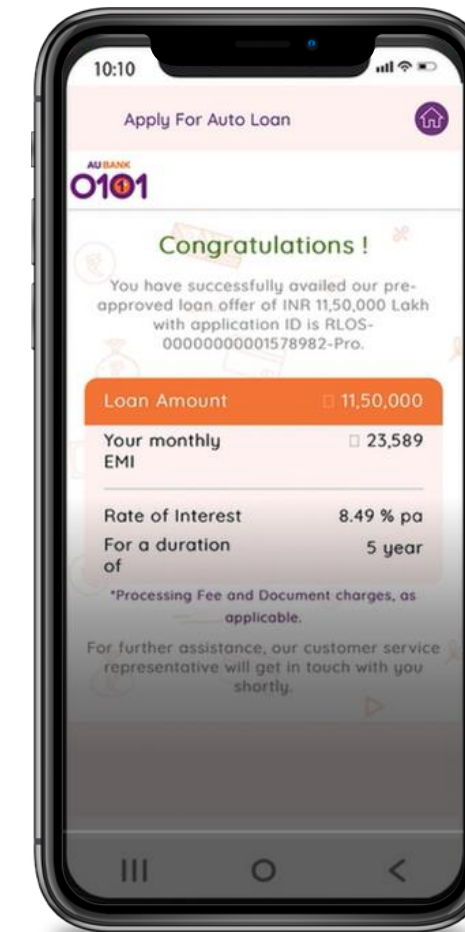
3

Check if you are eligible for a Pre-Approved New Car Loan & Click "Accept Offer"

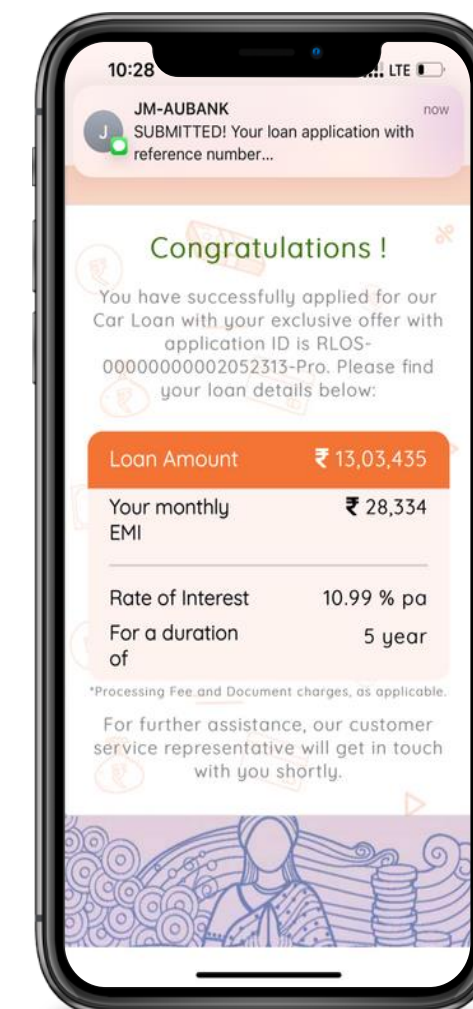
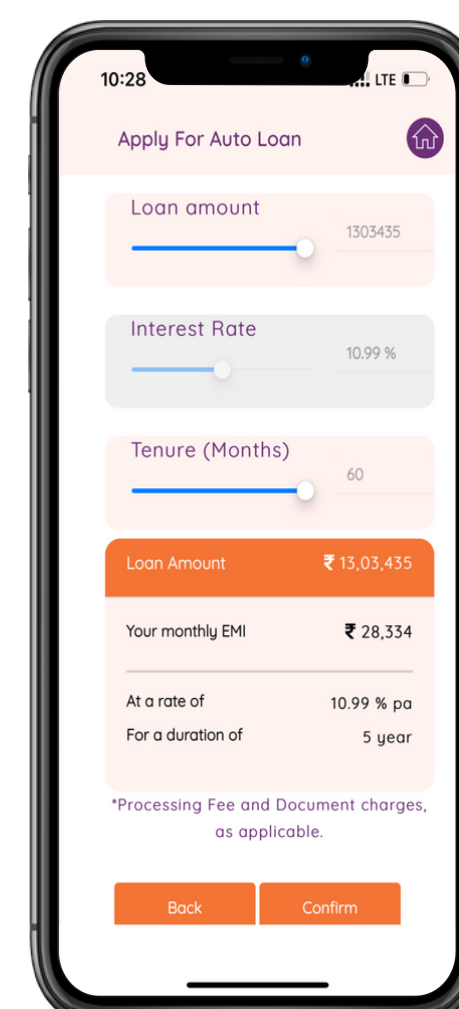
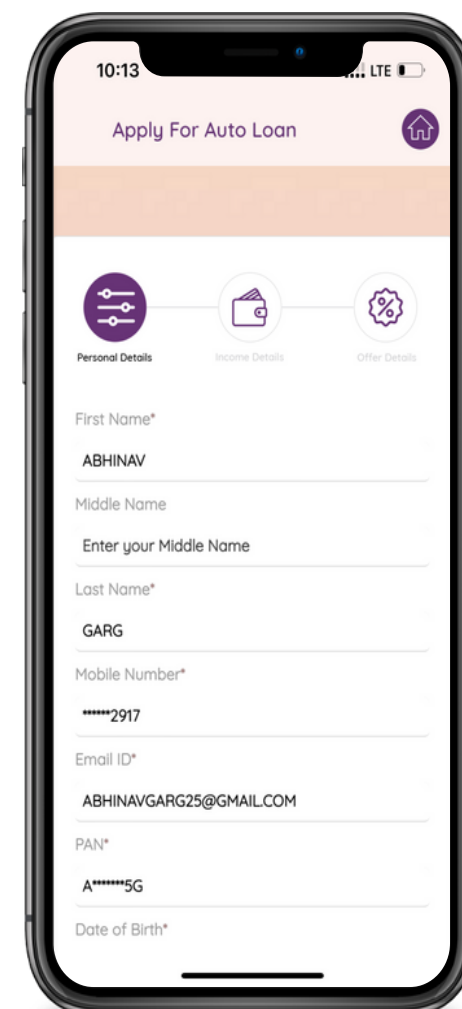
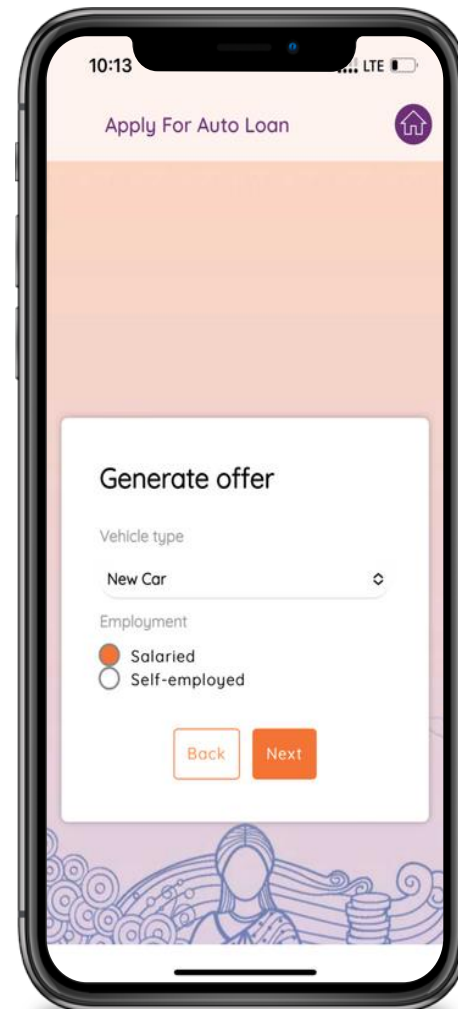
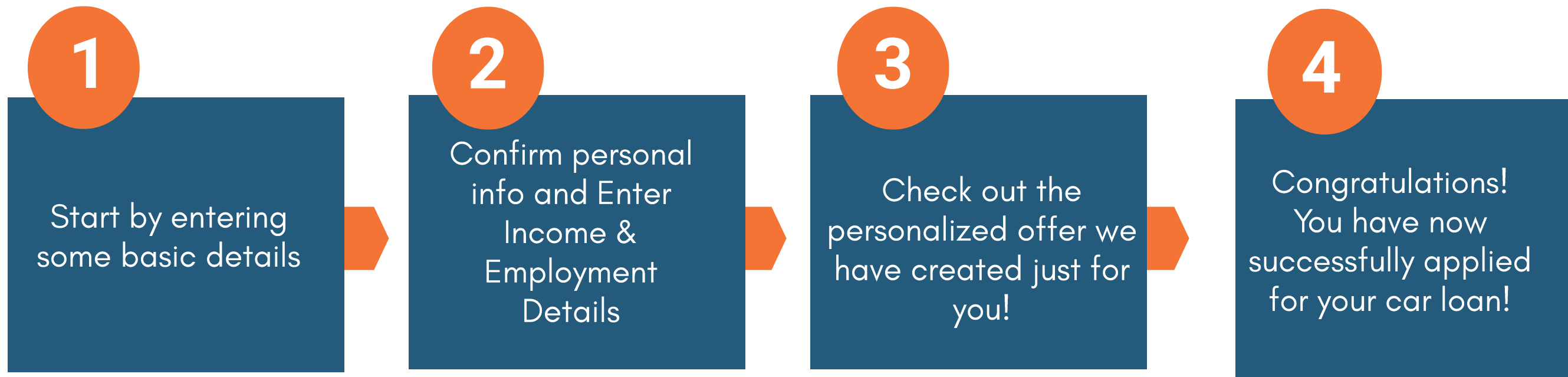


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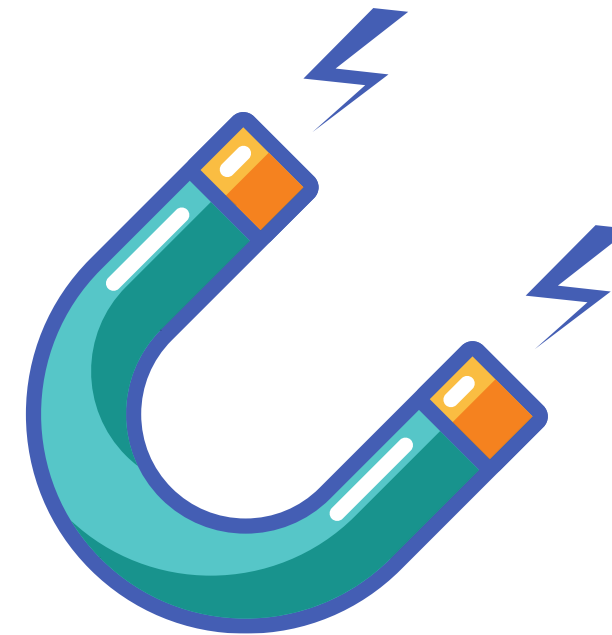
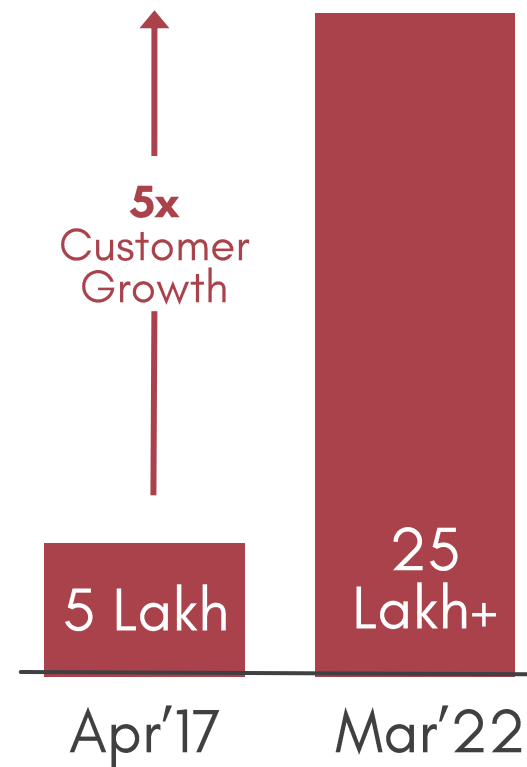
Congratulations you are done! Our representative will get in touch with you shortly.



# Customer Experience- AU0101 Journey for New Car (Customized)



## Banking on the Bank



## Pull of the Bank

In Bank, **1 Lakh Monthly Customers** are Onboarded on ongoing basis

**27%** ETB Customers in YTD (Dec-21) sourcing

## Focus on Deepening



Customer **lifecycle management**

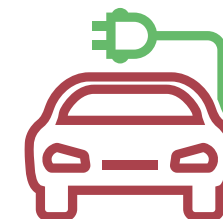


**Customer Engagement** on Banking Platform



Providing **"Wheels Experience"** sitting at Home

## Sustainability by Design



**41,000** CNG vehicles and **100+** Electric Vehicles are part of Book

### EV Outlook

Electrification in 2 Wheelers to be 6-8% by FY2026

Electric PV penetration to be 3-5% and in LCV to tune of 2%

- Strong India Story - **Amrit Kaal + Harit Kaal**
- **Growing opportunity** in Used and New (especially in Rural Areas)
- **Big Headroom** – Market share (enough room to expand) and New Geographies
- Banking on the **Bank**
- **Tested Business Model**- Sales, Credit, Product and Collection Architecture
- **Digital** Adoption and **Technology** Levers to enhance productivity and ease of business
- AU is **suitably equipped** for **dynamic changes** unfolding in the industry



# HOME LOAN





» Basic and fundamental human need



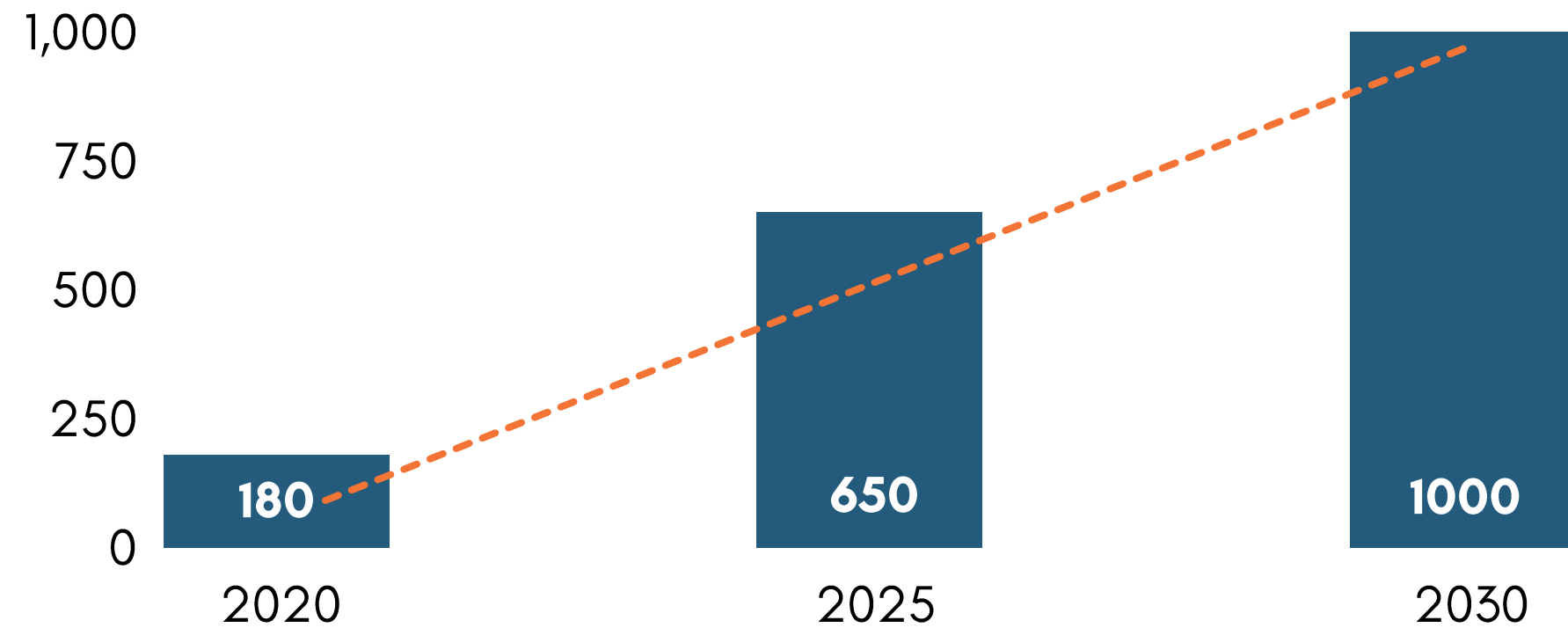
» Largest employment generator after agriculture



» The impetus to "Housing for All"

## Expected Growth of Real Estate Market In India

Amt \$ Billion | CAGR 19%



- In India, the real estate sector is the **second-highest employment generator**, after the agriculture sector.
- Increasing share of real estate in GDP would be supported by increasing **industrial activity**, **improving income level** and **urbanization**.

### SUB SECTORS

- Housing
- Retail
- Hospitality
- Commercial
- SEZs

### US \$ 1 Trillion

- By **2030** market size of Real Estate in India Expected to reach

### CAGR 19%

- India's real estate market is estimated to grow during **2020 - 2030**

### 13%

- Expected contribution to India's GDP by 2025

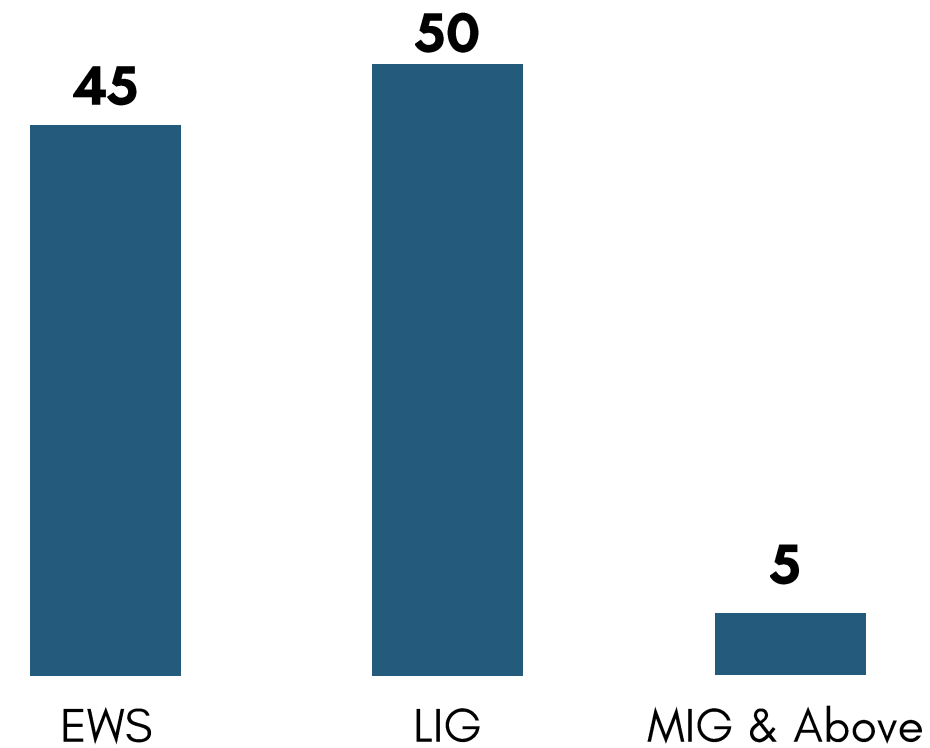
### ~ 80%

- Contribution of **Residential Segment**

# Significant opportunities for our Bank in housing loans

		Mar '19	Mar '20	Mar '21
<b>Overall Home Loans</b>	Portfolio O/S (Lakh Cr)	<b>18.4</b>	<b>20.0</b>	<b>22.4</b>
	Y-o-Y Growth %		<b>8.8%</b>	<b>12.1%</b>
<b>Affordable Home Loans (ticket size &lt;35 lacs Rs.)</b>	Portfolio O/S (Lakh Cr)	<b>11.1</b>	<b>12.0</b>	<b>13.0</b>
	Y-o-Y Growth %		<b>7.6%</b>	<b>8.3%</b>

## Housing Shortage in India 2022 (Mn units)



- **Under penetrated** mortgage market
- **95%** of the shortage corresponds to Lower Income Group (LIG) & Economically Weaker Sections (EWS)



# AU Home Loan - A decade long high-quality franchise

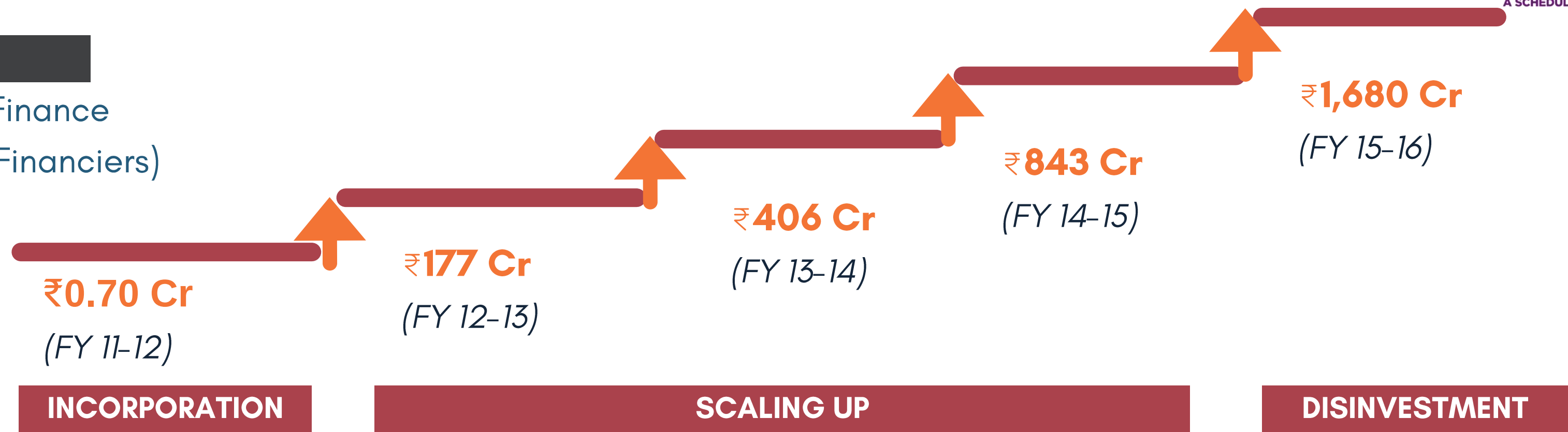


## 2011-16

AU Housing Finance  
(Now Aavas Financiers)



AUM

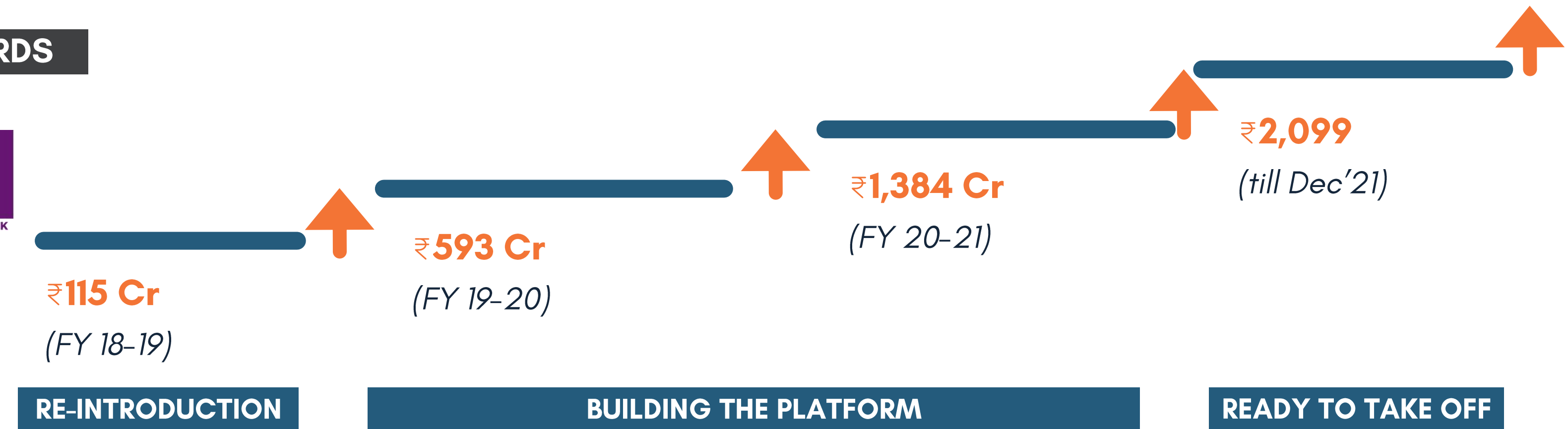


## 2018 ONWARDS

AU BANK



AUM







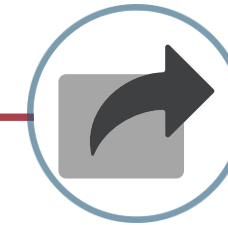
## Bank Platform

- High emphasis on Compliance and Governance, Higher Trust, Transparency and customer connect
- 2.37 million ETB Base and adding ~1 lakh NTB customers per month to the Bank platform



## Brand

- Rising Brand awareness and acceptance with growing presence of the Bank
- Increased Brand recall and visibility after the "Badlav" campaign



## Reach & Infra

- Established bank branches and asset centres.
- Strongly positioned in Core markets.
- Bank Presence @ 880+ touchpoints. HL presently serving 237 touchpoints.



## Risk Management

- Nuanced Expertise in collateral assessment in core areas with inhouse experienced legal and technical teams.
- 100% in house Credit & Collateral underwriting



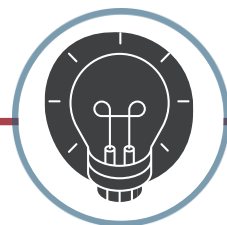
## Customer Focus

- Strong understanding of underserved segments and underwriting them
- Best in class TAT
- Dedicated RM for each customer throughout lifecycle



## Access to low-cost Fund

- Availability of granular and low-cost deposit.
- Access to NHB low-cost refinance.



## Vintage

- Experienced, cycle tested and Professional management team with decade loan experience in Home finance.



## Social Responsibility

- Pride in creating homes for individuals - >15000 first homes created
- 7300 customers benefitted through PMAY subsidy



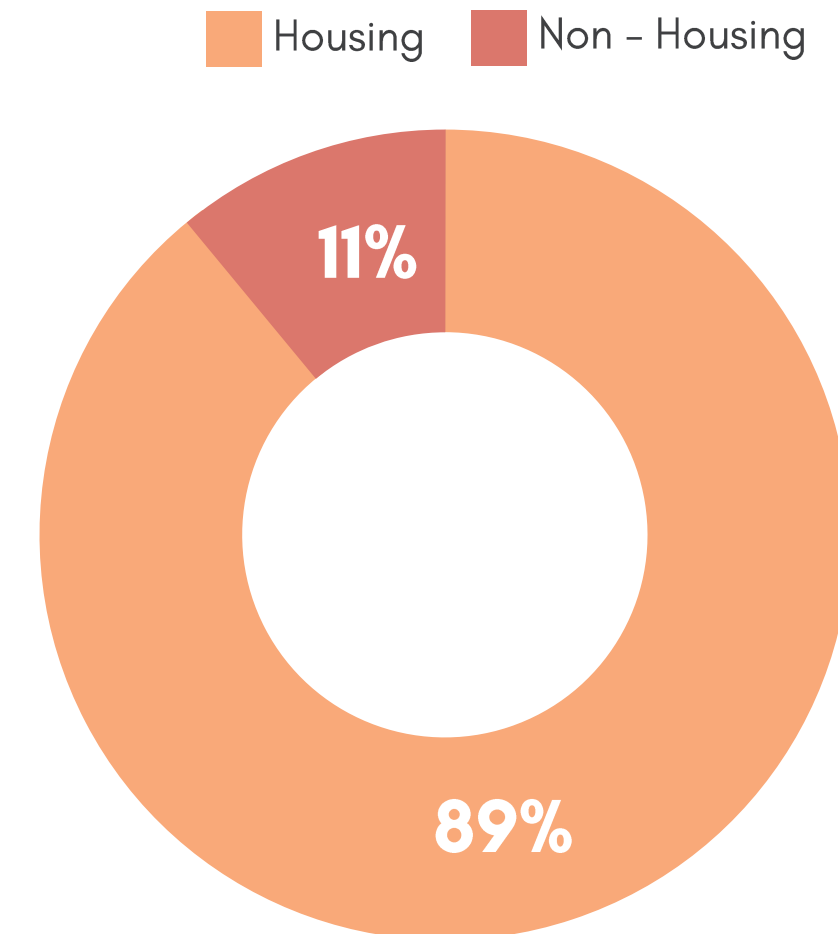
## Tech-Led Bank

- Strong focus on Digital to improve productivity and customer experience.

# Diversified Portfolio For Diverse Needs



## Housing Vs. Non-Housing Portfolio



89% Housing book is a variable rate booked linked to External Benchmark

*Housing portfolio includes Top-up loans*

IN HOUSE

Direct Sourcing - **70%**



Dedicated RO with strong on ground presence.

Employee referral - **11%**



25000+ Employees referring leads for Home loan

Branch Banking - **4%**



New acquisition and existing customer requiring Home loan.

REFERRAL

AU Connect - **15%**



Associated Connectors with Bank generating leads for Home loan.

## Exploring Alternate channels



DSA/ Referral



LEVERAGING ON DIGITAL CALL CENTRE



DEEPER PENETRATION IN BRANCH BANKING



LEVERAGING EXISTING BANK CUSTOMER

# Direct Sourcing driven by Strong Ground Connect

- 1 Branch specific sourcing and business strategy
- 2 Focus to hire locals
- 3 On the job training with the Business and Credit team
- 4 Defining route, target area and segment for RO
- 5 Product specific sourcing enablers and activities
- 6 The first screen of customer and property being done by RO
- 7 Complete sales structure from RO to National Head.

## Strong Ground Connect



### ENABLERS

- Real Estate Agent
- Developer
- Builder
- Contractor
- Insurance Advisor
- Hardware Shop
- Cement Supplier
- CA & Tax consultant
- Village Chaupal

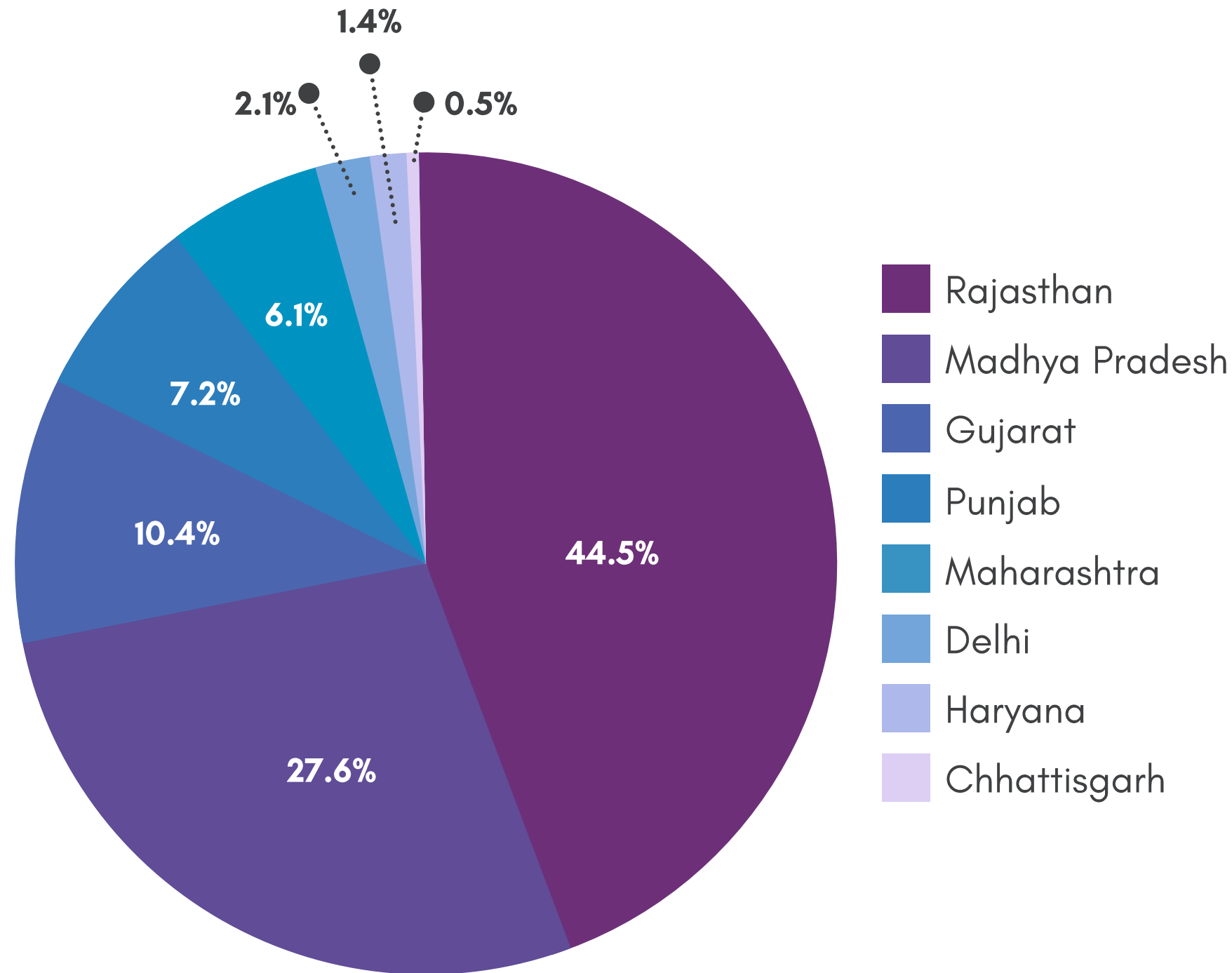


### ACTIVITIES

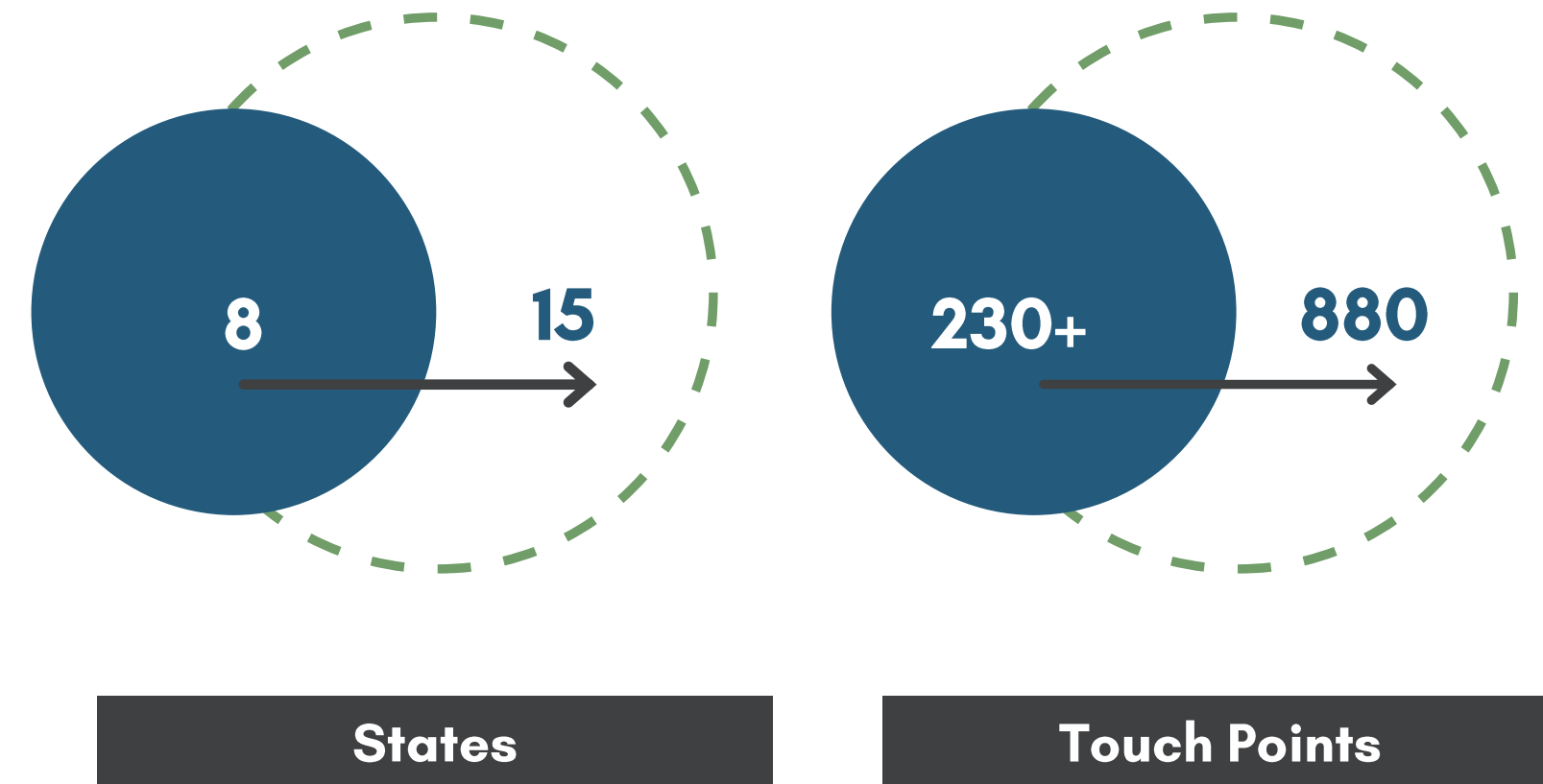
- Society Activity
- Business place activity
- Marketing Data
- Activity
- Tele-calling Leads
- Builder site activity
- Canopy activities
- Loan Mela

# Significant room to grow within locations where AU is already present

## GEOGRAPHIC DISTRIBUTION



## AU HOME LOAN Vs. BANK PRESENCE



AUM	Net Disbursement	Average Ticket Size	Average Booking Tenure	Average EMI	WIRR	Average LTV	Housing PSL Contribution	NPA
2,099 Cr.	2,245 Cr.	10.97 Lacs	194 months	10.65k	11.54%	52%	71%	0.61%

## CUSTOMERS

**19,500+**

Customers Empowered  
**ETB 23% & NTB 77%**

**15,158**

First Homes created so far

SALARIED  
**39%**

SELF EMPLOYED  
**61%**

NTC

> 700 CIBIL SCORE

< 700 CIBIL SCORE

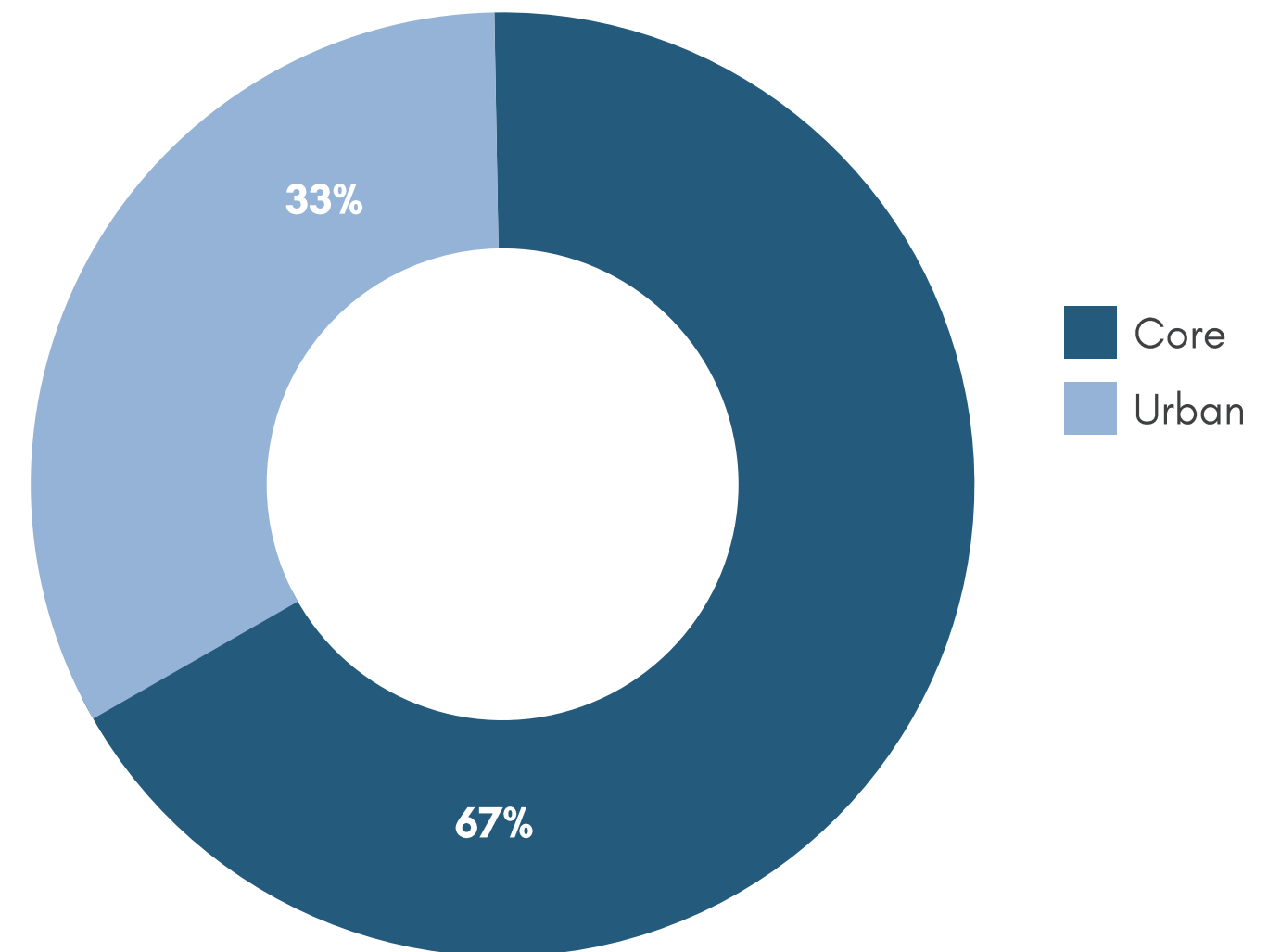
< 600 CIBIL SCORE

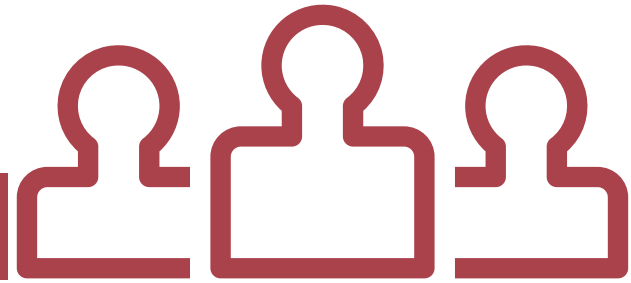
**25%**

**62%**

**12%**

**01%**





Customer associated with Bank for **Avg 18 years** by virtue of **Home loan**



## Opportunity to Cross-sell



Family Banking



Term Deposits /  
Recurring Deposits



Insurance



SIP / Mutual Funds



Vehicle Loan

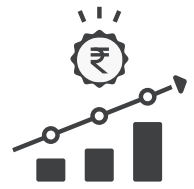


Business loan



Credit Card

## HOME LOAN SBU



**SALES**



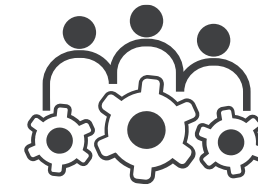
**CREDIT**



**LEGAL**



**TECHNICAL**

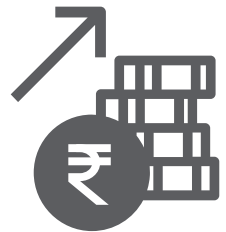


**OPERATIONS**

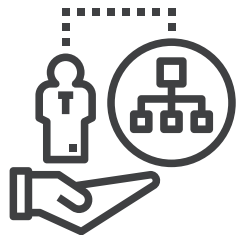


**COLLECTION**

### Support Functions



**Finance and P&L Management**



**Human Resource**



**Digital Analytics & Process Innovation**

### NBM



### NCM







## Strong Team building



- Dedicated **credit team** at each branch.
- Complete **credit structure** from Branch Credit to National Credit.
- **Qualified Professional** for on-ground credit assessment and underwriting
- Focus to **hire locals** to ensure better geography understanding and location-specific market risk.



## Regular Knowledge Sharing



- **Knowledge sharing** and **Regular Training** to educate about the prevalent and upcoming market risks
- Regular **Cross-functional training** for improving engagement between different departments



## Effective Handholding



- **End to End** process adherence and monitoring is the responsibility of Credit

## Strong Assessments and Verifications



### Customer Check

=

Preliminary RM  
Visit Report

+

Independent  
external FI  
(Third Party  
Check)

+

100% Customer  
PD through  
dedicated In-  
house Credit  
team.



### Property Check

=

Property Visit  
and verification  
by empanelled  
valuers

+

Dedicated In  
house Technical  
team for  
property  
verification

+

Mandatory  
Property check  
by Credit team



### Legal Check

=

Mandatory title  
check by  
empanelled  
lawyers

+

100% Property  
papers scrutiny  
by in-house  
Legal team

+

Mandatory  
Paper checking  
by Credit team.

## Robust Underwriting

➤ Strong & **Experienced Credit hierarchy** for case decisioning.

➤ **Deep understanding** of customers, Properties and its titles in core areas.

➤ **Digital data analysis** through Bureau, bank statement analysis etc. to check customer insights

➤ **Business Rule Engine** configured in the system giving a 360 view of the case

# Who Are My Customers

Profile: **Self-employed | Informal**

Product Offered: **Home Construction Loan**

Location: **Jaipur**



## What is his story?

- **Four-wheeler mechanic** since last 5+ years
- Monthly income of around **₹32,000**.
- Decent earning but poor in business documentation
- Was living on rent and **aspired to construct a home** on an owned plot
- **AU helped him realize his dream** of owning a home.
- The assessed method of onboarding was used and sanctioned a **home loan of ₹15 lacs**.
- The customer was **empowered** to live proudly

## Covid Experience

Pandemic disrupted market but not his will. Repaid well on time

Profile: **Salaried | Formal**

Product Offered: **Home Purchase Loan**

Location: **Bhilwara**



## What is his story?

- **Salaried** since last 8+ years
- Monthly income of **₹35,000**.
- He was **living on rent** and wanted to **buy his own house**.
- Salaried customer with a private job.
- We sanctioned his **home loan of ₹20 lacs**
- He could buy his own house
- A sense of **achievement and fulfilment** amongst family members.

## Covid Experience

A temporary salary reduction could not disrupt customer, repaid on time

Profile: **Self-employed | Formal**

Product Offered: **Plot Purchase Plus Construction**

Location: **Jaipur**



## What is his story?

- **Kirana Store & Dairy** business
- He runs a **grocery shop** since last 6+ Years, and his wife runs a **dairy shop** for the last 3+ Years.
- Overall, monthly family income of **₹40,000**. The family was **living on rent** and wanted to acquire their own house.
- We sanctioned a **home loan of ₹18 lacs** which helped them realize their **dream of living in their own house**.

## Covid Experience

They have been repaying regularly even during the pandemic

## Use and Verification

End use and Asset **verification**

## NS-ED

Non-starter & Early Delinquency **monitoring with ownership at each level**

## PDD

**Post disbursal** document management

## Construction Progress

Monitoring **construction progress** and partially disbursed cases

## APF

APF management. Monitoring **Builder Projects** and demands in line with the **stage of construction**

## Current Bucket

Current Bucket Follow Up through monitoring **Cycle Date bouncing** trends and **EMI cycle calling**

## Collection Control

Strong **collection control** over case movement in different buckets





Process Automation: Login to Disbursement



Building Green Channel & STP



Building video PD Solutions & ecosystem



Bringing vendors to Bank's digital platform for smooth processing



Integrating with **AU 0101**, Video Banking and What's app Banking platforms



## BENEFIT OF DIGITALIZATION

- Lower Turnaround time
- Quicker customer onboarding
- Increasing employee efficiency
- Reduced paperwork
- Enhancing data quality and security
- Improved cost-efficiency
- Improved Data analytics helping better business generation and risk management

## AU HOME LOAN DIGITAL JOURNEY



1

2

3

4

5

6

Customer Onboarding

Authentication

Data and Collateral Verification




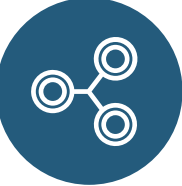
Regulatory Process

Loan Disbursement

Digital end to end Process



# Key Takeaways

-  Basis our key competitive strengths including **Bank, Brand, Vintage** etc. we are strongly positioned to be amongst the leading and trusted **housing finance originators** in the country.
-  Continue to focus on mass affluent clients mainly **EWS/LIG and MIG customers** and grow our customer base.
-  Diversified HL focused Business Mix. Entire Suite of products available to meet customer requirements. **Risk-based business mix** to ensure low-risk portfolio contribution.
-  A natural progression to cater to **880** Bank's touchpoints from 230 currently.
-  Strong focus on ground connects **credit underwriting** and **managing risk**.
-  Continue to invest in and roll out **digital and technology-enabled** solutions across the business to improve **customer experience** and **improve cost efficiency**.
-  Optimize **borrowing cost** and **operating expenses**. Focus on Fee Income.
-  High Focus on **Cross-sell**



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