



**Indian Bank Q4/FY'23 Results
Post Earnings Conference Call / Meet
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Transcript

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Anand Dama (Host - Emkay Global): Welcome everyone to Indian Bank Fourth Quarter Results Con-Call. We have with us the Indian Bank top management, including Mr. S.L.Jain, who is the MD and CEO. We also have the Executive Directors including Mr. Imran Siddiqui; Mr. Ashwani Kumar; Mr. Mahesh Kumar Bajaj; and Mr. Ashutosh Choudhury. First, sir, I would request you to briefly touch upon the fourth quarter results, the outlook for FY24, particularly in terms of both margins, asset quality. Over to you, sir.

Shri S. L. Jain , Managing Director and Chief Executive Officer: Good evening, and welcome to the post-results conference call. So, as far as our business is concerned, it has grown by 8% in the FY23 and the deposit has grown by 5% and advances by 14%. On the deposit side, our saving deposit has grown by 7%. In the credit side, 14%. Again, RAM has grown by 12%. Corporate has grown by 12%. In the RAM sector, retail has grown by 13%, housing loan by 11%, auto loan by 28%, personal loan by 26%. So you must be seeing that continuously we are growing between 12%-15%. In the agri side we have grown by 16%. In the agri side, crop loan 13%, but 70% of the crop loan is the jewel loan, which is growing 22%. So virtually other than the jewel this loan is more or less same. Investment credit has grown by 30%, agri allied by 13%, and SHG is growing by 44%. So agri has grown by 16%. MSME has grown by 7%, but the MSME you see, ECLGS loan we have given around Rs. 11,800 Crore, so present outstanding is around Rs. 7,000 Crore. So Rs. 4,000 Crore has come. So if you factor in, here again we are growing around 11% or so. In standard corporates, of course, we are seeing 12%, but since we are writing it off also, the standard corporate is growing 17% and the mid-corporate is growing by 19%. So you see all components of our credits are growing. In the deposit side, we are growing by savings 7% and deposits by 5%. This is the business. Now the profitability side, so you see YoY basis and a QoQ as well. The operating profit has grown by 20% on a YoY basis and the net profit by 34% and in the quarter, operating profit and net profit both have grown by 47%.

So the growth of the operating profit is based on our NII growth, the 47% on a quarter-to-quarter. This 29% is NII growth, that is the main reason. Bad debt recovery is 37%. Fee income has grown by 12%. The fee and fee processing has grown by 20%, cross selling 41%. If you see the year-on-year again, so NII has grown by 21%, bad debt recovery by 35%, fee by 16% and our fee processing has grown by 21%. Again, cross selling 58%, Forex 46%. So you see in all segments of our NFLI income is growing or business is growing.

As far as our margins are concerned, the margin was 2.91% for the last financial year. In the current financial year, it is 3.41%. If quarter-on-quarter you see, it has come down from 3.74% to 3.59%. This is the NIM side. ROA for the year is at 0.77%, but you see for the quarter it is 0.82%. Likewise the ROE for the year is at 14.73%. But for in the quarter it is at 15.48%. Cost to Income Ratio which was 46% in the last year is 44% and the Cost of Deposit has increased from 3.97% of last year to 4.09%, but the yield on advances from 7.21% to 7.76%. So here you see that our yield on advance has grown higher than the cost of deposit, but in the last quarter, of course, the cost of deposit has grown slightly higher. And one reason is that the interest reversal is also one factor. The GNPA has come down from 6.53% of the last quarter to 5.95% and net NPA from 1% to 0.9% and the PCR at 93.59% to 93.82%. So Gross NPA has come down both YoY and as also sequentially net NPA has also come down. PCR also improved. So the capital adequacy ratio 16.49%, but you see the CET capital is increasing in spite of increase in credit by around Rs. 56,000 to Rs. 57,000 crores so which we are telling that our generation will be adequate to take care of our growth, which has been proved by these numbers

Now you are talking about the margins for the next financial year and the credit growth or the deposit growth. So credit growth, we are and of course, we have grown by 14%, we have

given a guidance of 12% plus, minus 2%, so as against this, we have ended with a 14%. So we are always conservative in giving the guidance. So, here again, our credit growth is 10% to 12% for the next financial year, and the deposit is again 8% to 10%. So you see, the deposit is 5%, our savings 7%. So we have done number of changes in the deposit side. Not only we are onboarding the customer through tablet banking, organizational structure wise also we have made huge changes here in the Zonal office level, at FGMO level also because deposit is a challenge, but as far as over-liquidity is concerned, we are at a 158% LCR. We are having a Rs. 35,000, Rs. 36,000 excess SLR. So that liquidity-wise we are comfortable.

So I read you the business number, the net NPA number, of course going forward the net NPA and the gross NPA should also come down. And you see our ROE is already we are at 15.4%, so it should be better than -- we expect that '23 - '24 will be better than again this '22 - '23. So I along with all my four EDs are here. For two or three minutes I want to talk about the digital by my colleague Mr. Bajaj will tell you where we are in digital.

Shri Mahesh Kumar Bajaj, Executive Director: Thank you, sir. Can I show the PPT, sir?

Shri S.L.Jain : No, no, you speak.

Mahesh Kumar Bajaj, ED: Good evening, everyone. As far as the digital is concerned, during the last financial year, Bank has taken various initiatives on the existing core banking and new technologies, the existing platform announcement on the cyber security. Our UPI transaction now per day is 1.25 crore and mobile banking is 22 crore. Apart from that, the digital channels, our Q1 March '22 was 77%. Now the digital transaction 85% and branch transaction has gone down to 15%. Same way the mobile transaction also grown by 68% and the also UPI we have grown by more than 100%.

Last year, we on-boarded DLP, digital lending platform as well as the omnichannel. Recently we started certain journeys. On the RAM sector, we have completed close to 20 journeys end-to-end digital. And we garnered the canvas digital business close to Rs. 5,200 crore in retail and Rs. 300 crore in agri and MSME Rs. 60 crore. And we are planning to do another 15 to 20 journeys by July end. With that, we are hopeful of doing the business almost 7 to 8 times from the last year.

As far as the DLP as well as the omnichannel, we are coming up with a new app in the next the first half, where we have the device-agnostic omnichannel experience the customer will be having on the mobile, Internet banking KIOSK, or other channels of the same experience and same kind of facility. Apart from that, we have – because our CBS is old age and lot of customization was done. We are coming -- we have already gone with middleware with the CBS APIs. We can now have the partnership with the other fintechs as well as the within the bank also we are on-boarding various vendors. The APIs are easy. And on the cloud technology also we are already on the public cloud in the smart office and the private cloud we are planning for the core banking in the next financial year.

On the information and cyber security also bank has taken a call to strengthen and last year also we spent good amount of money on this. And this year also we are planning to go for the advanced cyber software and new vectors. And bank has created an Analytics Center of Excellence for the new initiatives on the analytics side for the new journeys. Apart from that, the data warehouse, data garner, data cleaning etc. is going on in this part.

On the Customer Relation Management, we are onboarding the vendor for the CRM for the Customer 360 marketing and operation side. And we have created one more vertical for the benefit of our corporate customers, the CMS. On the HR side, we have created 100 plus persons dedicated digital organizational setup and because various journeys and various new

initiatives have been taken. We have this 900 plus dedicated digital banking champions are on-boarded to drive the digital agendas in the team. And already I have told, more than 20 journeys completed, another 20 we'll be doing in the next half year. Thank you, sir.

Shri S.L.Jain : Now we are open for questions.

Anand Dama: Thank you, sir. Are we good to take Q&A?

Shri S.L.Jain : Yes

Anand Dama: Sure, sir. First question is from Mr. Ashok Ajmera. Please limit your questions to two maximum.

Ashok Ajmera: Good evening, sir. And, yes, compliments for yet another good set of numbers for the quarter and as well as the whole year and a very good progress, especially the credit growth is also, I mean, more than the guidance given. And what is heartening to note is that most about Rs. 10,000 crore growth in the corporate book only in just last quarter itself as against many of the other Peer bank where the credit in the last quarter is a little bit muted. So going forward, don't you think that your target of 10%, 12% is a little conservative on that the way our bank is growing? This is one thing where we would like to hear more about little optimistic numbers and sir, now with our CD ratio going 76.24%, of course, you have the extra SLR. So how do you plan to grow the book as well as you know, match the CD ratio also and up to what level you will be comfortable to go up to in the CD ratio. This is one on the credit and this. Sir, other things is on the recovery in NARCL side, our recovery cash recovery in this quarter is good. Even SMA2 is also under control. But now the major recoveries will come through the NARCL and the NCLT. So some little more information, you know, color on that, at what kind of recoveries we are -- I think we had 22 accounts in NARCL and then nine accounts already bids are received. So a little more detail on that if you can give. And sir, on the treasury side, now that the things are improving and the rates are softening up, of course, treasury performance I mean, we can call it as good, more than Rs. 1,100 crore of the income in this segment is in the treasury, but it is lower than the last quarter. And even the MTM or the loss on the sale valuation of the securities, I mean, the profit is also very meagre as compared to what it was in the last quarter. So some of these points are there sir. And one thing about the extra provision which we hold, because we have seen through notes, where Rs. 1,556 crore and Rs. 1,071 crore the provisions are there. So more than the IRAC like you have Rs. 520 crores more than the IRAC in note number 20 also. So if you can give the color, the buffer which we have of the provisioning, because you are a very prudent banker and astute banker, I would say, a chartered accountant and must be playing well with the numbers So some of these are my questions and observation, sir, in this round.

Shri S.L.Jain : Thank you, Ajmera ji. So I'll give one-by-one answer of all your issues. So you know we are a little bit conservative in our guidance. So that is why 10% to 12% we have given you. Earlier also we have given you guidance 12%, we ended with 14%. So we will continue to have that kind of. But you see the growth virtually 17% we have grown in corporate and 19% mid-corporate. But we are focusing more on a mid-corporate. We have already opened around 25 branches for mid-corporate to take care of mid-corporate which is where the margins are there, right. And all our engines are growing. You see agri side, jewel loan is growing 20%. We are having Rs. 2,70,000 crore of a book which is growing. So in retail also 12%, 13% will continue to help that growth. So we are sure that we'll be able to achieve this 12% number.

Second point is, your treasury number, you have said the profit is little muted. So you see what we have done, we have done a lot of churning in the last quarter in treasury book and as a result, our AFS holding yield has improved to 7.15%. Current rate is around 7%. So due to the

churning of this, there the profits are not appearing more in the P&L account, but the fact remains we will continue to have a good profit in the time to come. Likewise in our holding, the HTM book has also increased. So this is a conscious call to have a better yield on investments, so when the interest rate will increase even then we will continue to have a good interest income. That is the whole object of doing, so to protect our margins in all. This is a strategic call which we have taken.

Now the third point you talk about the NARCL and all. So around Rs. 6,200 crore of a book which has been identified by the NARCL. Half of the accounts we have already received the bid and around a quarter is under process. And quarter intentionally NARCL has kept on hold. So what we think that, these are all accounts 100% provided because our PCR is 94%, 95%. So when the bid is received, we are expecting money. In some accounts, even we are expecting the government guarantee. You know the SR needs to be government -- guaranteed by the government. So we are expecting guarantee, then some of the account will shift. So going forward we should have a better recovery in the recovery part.

Ashok Ajmera: Sorry to interrupt you, sir. On this SRs, when you receive or you have received government guaranteed, that also you are going to provide 100% or that you are going to take as a income or some hit in the investment book on that SRs?

Shri S.L.Jain : Point is that we are having 100% provision, we will continue to hold that.

Ashok Ajmera: Okay

Shri S.L.Jain : So whatever cash we received will be a income, otherwise, we will be keeping our balance sheet strengthened. This is all policy all along like this. Now the point you raised about the extra provisioning we made on Rs. 2,208 crores, so what is the weakness of the balance sheet? All others are good. Our net NPA is 0.9, so it is a restructured book basically, restructured book. And you see even ECL guidelines or draft ECL guidelines of the Reserve Bank of India. But this year the ECL – this restructuring should be near to the NPA numbers and all. The provisioning may increase if the situation so arise. So what is happening in the restructuring book, of course our restructuring number is coming down, because when you received 20% or 30% more, it is out from the restructuring book. Even then we thought it that we should increase our provisioning in the restructured book, but we are having restructure -- Rs. 11,000 crore of a restructuring number we are having as far as COVID is concerned. In addition to that around a Rs. 3,000 or Rs. 4,000. Tranche 1, Tranche 2 and DCCO where the two years has already been -- when you enhance the DCCO by two years as per RBI guideline, it has to be classified as a restructured asset. So around Rs. 15,000 crore. So we have made 20%, Rs. 3,000 crore. Now fact remains, what is the risk we are having in the book, that is important. So in a DCCO against a Rs. 3,500 crore, Rs. 3,000 crore already COD is achieved. But as per the existing guideline, it will be out from the NPA after two years.

Ashok Ajmera: Okay

Shri S.L.Jain : So that is one part of it. The second part of this is that restructuring book, what we have done restructuring, Rs. 18,000 crore of a book we have originally done the restructuring. How much have been slipped, so around 92%, 93% of the restructuring we are getting money. So NPA is 7% or 8%. Even then to prepare ourselves, we have created additional buffers. And it is always said that in a good times one should create buffers to take care of future. That is based on the prudence we have done this. This is the third point of yours, and the one risk is that in restructuring, if any account goes back, what happens, it goes from the retrospective effect, always. Of course, based on the -- our conduct of account, there is no issue, but we should have to have adequate provision or suppose the ECL guidelines come next year, this year, bank should be fully protected. That is our object and when you are

passing through a good times. This is always based on product speed only. So what is this is the third point of yours, right? But is any other points, sir, which I have missed?

Ashok Ajmera: No, sir, you have covered all the points. Just like I just wanted to understand that other than the IRAC norms and RBI requirement, what aggregate total buffer -- so around, I think -- am I right if I take it at around Rs. 3,000 crore, Rs. 3,500 crore of total...

Shri S.L.Jain : No, we are having a standard asset provision of Rs. 6,000 crores.

Ashok Ajmera: Rs. 6,000 crores.

Shri S.L.Jain : Rs. 6,000 crores. And we are having a net NPA of Rs. 4,000 crores.

Ashok Ajmera: Got it, sir. Yes, sir.

Shri S.L.Jain : Bank that way fully, fully protected, sir.

Ashok Ajmera: Okay. So anyway, sir, thank you very much, sir. And I'll come back again.

Shri S.L.Jain : Our point is the margin, margin point is a big component. Sorry, I could not complete in my earlier. 3.74% to 3.59%, and going forward everybody is seeing that, when the interest rate will increase, the cost of deposit will increase, how will you able to protect your margin, this is a big question. Even now I start with the initial point. So one aspect I've already clarified you in the investment what we are doing. Second point is that, we think that we are in the near to peak levels. So what we are shifting some of the repo link we are shifting to MCLR. So our MCLR number which was 56% in December, we have moved to 59% and repo which was 36, 34, because what happens if the repo will come down and of course that we may expect the last quarter and again depends on the inflation, and inflation depends on the monsoon and all, right, but we should be ready to that. In addition to that, we are also coming out with fixed loan products. So what will happen if the situation that interest rate will come or repo will come down, we should be able to protect our margins and all.

The third point, how you can protect your margins. So you should take that deposit based on the need. So you see what happened, we have not taken the deposit in the last quarter, but at the time, the deposit rate is 7.8%. You see the CD rates of March and the CD rates are now, you will find that the interest rate is softening. So that is considered call we have taken. Of course the growth you are seeing, that growth is not happening, but it was a part of considered call when you are having a 158% of the LCR, when you have excess SLR, what you are going to do, not borrow at 6.5% as against 7%, 8%. And we have -- you see we have built the treasury also, at that time 7.4% was the rate. So this is a time for us to make money. So these are all part of your decision-making or how you run the organization.

Anand Dama: Thank you, Ajmera ji. We have next question from Sathyan. Sathyan, please go ahead.

Sathyan: Good evening, Mr. Jain. Great set of numbers My question is leading on from where we set out from NIM. So I guess NIM guidance you are saying is 3.7% to 3.9%, is that right?

Shri S.L.Jain : NIM guidance? NIM guidance, actually the NIM is 3.41 year as a whole, right?

Sathyan: Right.

Shri S.L.Jain : 3.59, I'm sitting, right. 3.59. So our endeavour is to protect this 3.41 number and all. We should be able to protect -- our entire endeavour will be on that. 10 bps here and there, 15 bps here and there, time will tell, sir, but our endeavour will be that sir.

Sathyan: Okay, great. And next question again on provisioning, so you are still provisioning at a pretty high rate of 2.5% of these standard loans. Just wondering and now I guess the net NPAs are down to 0.9%, so what sort of provisioning are you going to do towards NPAs and what excess provisioning are you thinking of doing for FY24?

Shri S.L.Jain : No, so point is that

Sathyan: The question is that you know given that how aggressively you provisioned and provisioning should come out materially

Shri S.L.Jain : No, so point is that our net NPA has come down. So going forward, our provisioning needs will be less as compared to the last year, because we started from 2.27%, now ended with a 0.9%. Naturally, the going forward provisioning needs will come down and we have created the buffers in the process also because the time was good. So going forward, our provisioning will come down substantially.

Sathyan: Sir, any guidance on how much excess buffer you still want to create for FY24 and what -- I mean, how much actual...

Shri S.L.Jain : The buffer has no limit, sir. Buffer has no limit, but since ideally since our net NPA has come down, so provisioning will be lesser.

Sathyan: Okay, substantially less.

Shri S.L.Jain : Substantially less.

Sathyan: Okay, great.

Shri S.L.Jain : Right sir. Substantially -- it should be, because Rs. 4,000 crores is the net NPA and SMA book you have seen and the restructuring book where 92%, 93% are going good. So going forward also we are not seeing much challenge here.

Sathyan: So that Rs. 9,300 crore number should probably come down by 50% I would imagine going forward? I'm not trying...

Shri S.L.Jain : It is very difficult to say in terms of numbers, but it should be substantially down, sir.

Sathyan: Okay, great. Thank you.

Anand Dama: Thank you, Sathyan. Next question we have some Dixit. Dixit, please go head.

Dixit Doshi: Yeah, thanks for the opportunity. Couple of questions. First question was just related to what the previous participant has asked. So this quarter, the provisions of NPA was only Rs. 1,040 crores, but we did almost Rs. 1,450 crore. So this kind of run rate in standard advances will continue or even that will come down? Because as you rightly pointed out, the net NPA is now Rs. 4,000 crore only. So obviously this NPA provisions will come down, but we will see the overall provisions will also come down? And second question was, by when we have to dilute the government holding below 75%. So, any update on the QIP we might look to do?

Shri S.L.Jain : Okay. So point is that there is no such doubt, sir, my provisioning will come down. There's absolutely no doubt, because the net NPA has come down and buffers also we created, right. So going forward, it should come down. For second point is that, your capital raising and all, right, so what we have said that, our generation will take care of our growth. So if CET capital, at the beginning, when we started the year, it was 12.53, now it is 12.89. 36 bps higher. And we see the advances from Rs. 415,000 crore to Rs. 474,000 crore, so around

Rs. 58,000 crore, Rs. 59,000 crore of advances we have done. Even then our CET is higher than this and in spite of that, we have declared the dividend of 86%, right. So this is clearly showing that my generation will take care of my growth. Even then, we have taken a Board approval for raising both CET capital and Tier 1 and Tier 2 capital. These are the enabling provisions which we've taken last time also, sir.

Now fact remains, if the opportune times comes, we will take. Otherwise what happens, these are all -- suppose Tier 1 and Tier 2 bond one if we take, it has higher rate than the interest rate what we are getting. So in that situation, you will be losing whereas you are having a good capital adequacy. So based on the need and all, we will take a call during the financial year. I agree with you that our present government holding is higher than 75%. So these all provisions we will take care of in case we come out with a capital raising it will come down from 79.86%, which is presently around 80%. But everything will depend in the next financial year how profitabilities will come, but we will be having the enabling provision from Board as well as our shareholders.

Dixit Doshi: Okay. So just to confirm what you have said, so as you rightly said that since the net NPA is now only Rs. 4,000 crores, so NPA provision should come down and that's what we were expecting from last two quarters, but that was offset by the standard provisions on the standard advances we did. So now you are saying that overall provisions will also come down since we have created enough buffer as you said.

Shri S.L.Jain : Right, sir.

Dixit Doshi: Okay. Thank you, sir. That's it from my side.

Anand Dama: Thank you. Next question we have from Mahrukh. Mahrukh, please go ahead.

Mahrukh Adajania: Hello. Yeah, hi. So hello, sir, hi. Good evening. Sir, my first question is on current deposits, so what drove the slightly stronger growth in current deposits and then my other question really is on deposit cost. So just over the weekend and today, suddenly all -- a lot of banks are guiding that there has been so much of premature withdrawal of deposits, that there has been an early repricing of the outstanding of back deposit book and because 90% or 80% of whatever that figure is of outstanding of back book deposits have already repriced, now cost of deposits and funds can stay stable, which then kind of suggest that you know margins can actually move up slightly in the first quarter. Do you subscribe to that view? I mean, you also guided to a full-year margin expansion from the 4Q levels, but just in terms of how it will play out in the first quarter and how much -- what percentage of your deposits are actually repriced and how much is pending?

Shri S.L.Jain : Margin expansion -- basically margin expansion is two factors. One is advance side, whether you will be able to pass on increase in repo and the second time the cost of deposit. These are two factors. In fact, in the credit side, if we see housing loan, 250 bps was the increase in the repo rate, but in housing loan we could be able to pass 170 bps or auto loan 180 bps, right, or a jewel loan around 190 bps or so. So we could not pass the entire 250 because of the market competition. If we increase 250, then we become less competitive in the market. So this is one part of this credit side.

On the deposit side again, it depends on the duration of your liabilities. So the point is that from May '22 onwards, this repo has increased, right, but it is over a period of seven or eight months. And generally, generally one and a half or two near our duration may be around one and a half -- what is the duration? One and a half or so. 1.6 is our duration of our liabilities, right. So some part of it will come for repricing. But you see, 59% of my book is MCLR. So this will take care.

Second point is that, you see, I have excess SLR and all, so what will happen, there is a sub-optimal use of money also some times. When we will convert this money into a credit, naturally the interest rate will be high.

The third point is what happens when the earlier time, when there was excess liquidity, so pricing power is virtually with the customer. Slowly, slowly we are getting the pricing power because of the increased interest rate. So we will be able to pass on at a higher price. So putting all these two things together, what I told you that we will be able to maintain our margin of 3.41 of the last financial year, because these are all based on liquidity. You can't -- earlier people used to take money at 6%, 6.5%. Now nobody is giving this money at 6.5%, but in case of my margin or yield or advance that amount was that and that come with lower rate of interest. So, first point, your increase in the credit growth. Second is your pricing power, right. Third is your MCLR increase. These are one side of the lever. Other side of the lever is your increase in cost of deposits. So we'll have to match this. This will be our endeavour.

Mahrukh Adajania: Got it. But your deposit maturity has not gone higher or there has not been any accelerated repricing of deposits. Is that -- would that be a correct statement?

Shri S.L.Jain : No madam. Point is that, accelerated cost means there are two parts of the deposit. One is a bulk part and one is a stable part, right. So in our bank, we have bulk deposit same number which was having in that '22 we are having more or less the same number in 2023 as well. 17%, 18% of that part, remaining is all our stable deposits. And you see in CASA side also we are 42%. So basically we are not on that. Here you are having a 30% bulk or 25% -- 35% bulk or a 25% bulk where the repricing may be the issue. For us, we are a stable bank and we are not growing 20% that you need money at this rate.

Mahrukh Adajania: No, sir, I was not talking about bulk versus retail, what I was saying is that a lot of banks are complaining that even within retail, there is a premature withdrawal of deposits for deposits that were...

Shri S.L.Jain : Yes madam, We are not having that kind of assets.

Mahrukh Adajania: Okay. Perfect, sir. Thank you.

Anand Dama: Thank you, Mahrukh. Next question we have from Mona Khetan.

Mona Khetan: Yeah. Hi, sir, good evening. Sir, firstly, we have seen higher MSME slippages this quarter. So just wanted to understand if this is primarily from the restructured book or is it from the normal standard book?

Shri S.L.Jain : So, out of Rs. 2,500 crore of a slippage, Rs. 1,300 crore is MSME. So around 50%. Out of Rs. 1,300 crores, Rs. 700 crore is from the restructuring book. So this -- because this has slipped from the restructuring book, it is impacting my NIM also slightly. And again, the Rs. 110 crore is from the ECLGS book, where of course we will get our money.

Mona Khetan: Okay. And so since you mentioned in restructured there is this retrospective effect on interest reversals, so what are the total interest reversal this quarter?

Shri S.L.Jain : Just a minute, I will tell you. Just a minute. My interest reversal for the current quarter, Rs. 236 crore, ma'am.

Mona Khetan: Okay

Shri S.L.Jain : As against the Rs. 139 crore of the last quarter, so Rs. 100 crore more virtually.

Mona Khetan: Got it. That's useful. Secondly, you mentioned MCLR book of 59%. So how much of this has already been repriced so far?

Shri S.L.Jain : No, this is an ongoing situation. My point is, one year -- out of this, again, 59% -- around 40% is a one-year MCLR, right. And around six month is a 14% --14% is on a six month MCLR. So this is an ongoing basis. What is the issue? Issue is that 7.30 was the original rate in May '22 and 8.55 today we are having, right. So that 125 bps. So those which have been priced 7.30 a year back will have a repricing of 8.55 in the first quarter, 125 bps. So this will take care of our major part of increase in cost.

Mona Khetan: Right. And when you say 40%, this is 40% of advances, the one-year MCLR book?

Shri S.L.Jain : Right. 40% of the total book.

Mona Khetan: Okay. Which is the total advances of the bank. Okay, got it. And just finally, do you have any sense of the ECL provisioning requirement that we may come across over the next few years?

Shri S.L.Jain : Okay. ECL, madam we are making provisions right. ECL-- What is the ECL actually iam telling you ECL again, we have given Rs.11800 Cr of a ECLGS, entirely. So todays outstanding is Rs. 7200Cr. Is that ECL ? Okay. ECL final guidelines are yet to come, ma'am. But two things are sure. Two things are sure based on that. There will be higher provisioning requirement for restructuring book, right and the SMA. These are the two things basically. This is going to happen. So we and all banks are having higher provision in NPA, because we are at 94% PCR. So there we are having a surplus provision which we will -- can use partly for the restructuring book.

Mona Khetan: Got it. But no early calculations as to how much could be the overall requirement?

Shri S.L.Jain : Let the final guidelines come, madam. We have given our observations, they have come out with a draft guideline.

Mona Khetan: Got it. Thank you. That was useful.

Shri S.L.Jain : But we are preparing ourselves.

Mona Khetan: Sure. Thank you and all the best.

Shri S.L.Jain : Thank you.

Anand Dama: So, when you said that you are preparing yourself, does that mean that you have already started building additional provisions assuming that the norms will come...

Shri S.L.Jain : Yeah, that is -- the crux of the ECL is the expected loss. Expected is -- what is incurred you know, expected is out of, what -- expected is out of your restructured and out of your SMA. The difference between incurred and expected is only expected.

Anand Dama: So we basically -- I think the question which came from was Mona was also primarily because Canara bank earlier call said that the overall ECL incremental requirement for them is like 420 odd billion which is almost like 7% of their capital possibly could be wiped out in that.

Shri S.L.Jain : No, I don't know their requirement, but we are preparing ourselves. So our issue, which I came -- I understand that I need to build some provision for restructuring, which we have already built.

Anand Dama: Sure, sir. Next question, we have from Mr. Sushil Choksey. Please go ahead

Sushil Choksey: Congratulations on very good numbers to team Indian Bank. Sir, my single question, as you've answered most of my questions, your outlook on treasury you answered, but do you estimate huge profits in the current year? And second is, knowing your past track record with Bank of Baroda and Allahabad Bank, what is the roadmap for Indian Bank to be future ready? So you've rolled out many products, but what are the other enablers you will put along with these products that Indian Bank will take on the peer banks and the bigger banks also on various segments?

Shri S.L.Jain : Thank you, Choksey Ji. There are two issues basically. AFS book, so I told you that we -- our holding yield is 7.15 and the current is around 7%, so there is a gain there, right, this one point. So that we have to decide how much gain we will have, our interest we will have. That is the decision to be done by us based on our own decisions.

Second point is, how to make bank future ready, So you know that we have already -- the way the Bank of Baroda or the State Bank of India has got the permission to create a subsidiary for your operational needs, we also have got the permission. We are third bank, we got the permission from the Reserve Bank of India to create our own subsidiary. So we are in the process of creating more subsidiaries. What will happen in subsidiary, there we will also have some of the work we will outsource to them, even the marketing work, even our day-to-day back office work so that we will save my operational cost in the time to come. This is second thing which we are doing.

And the third thing is digital where we are doing a number of things. Bajaj ji has told. What we are doing a digital -- one in a core and other is a customer side. So the core side also we are doing number of things. Core side, we are -- it's the middleware, the omnichannel, right. The cyber operation center, so the number of things we are doing on the core side also as well as the customer side also to offer more and more products to our customers digitally and in the mobile banking. So what we have done again, first let us -- first we decided, let us do increase our mobile registration. So we have doubled, 58 become 115 and we again want to go double. We are working totally on that. So this is -- the market is available. If your mobile penetration increases, your market you've created.

Now the second point is that to offer the product. So digital journeys we have started. And third, whom to give this digital journey. So Analytics Center of Excellence we have created. So this Analytics Center of Excellence based on the past trends, based on our rule engine, we will decide this particular customer we can offer this product, whether a pre-approved personal loan, pre-approved business loan, top up in housing, top up in auto, and what -- and others and based on the past history, or even the MSME based on the GST side -- based on that we have integration of the GST. This is the third thing we have done.

So the journeys we already launched. Now what we are doing, with change management office we have created along with the general manager. So we are giving training to our people to understand the digital. And again in digital, we have gone with three different ways. One is that we have gone with the mobile, we have got the Internet and third one is the assisted journey. So suppose my customer -- all of the customers are not so digital savvy, because we are having 10 crore customers. So assisted mode is also there. If the customer comes to the branch, you'd even -- you go digitally. So that way slowly, slowly we will be able to create digital asset.

Again two or three things will happen. My data quality become better and better and better. So I will use my Analytics Center of Excellence and offer the product. One thing we will going to do. Second my Opex cost will come down. So all this way we are working. In addition to the

digital side, in entire -- last year we changed the performance management system of each and every employees -- each and every officer of the bank in the KRAs. And the KRAs we have given based on the work he is doing and we have capital lever. Suppose this time the deposit is a challenge so we are increasing the number for deposit. Earlier 12 marks, now will be having 20 marks. So everybody will work for deposit to get their better PMS score to get the promotions and everything. So this is also we are doing. So a number of ways we are working from the employee side, from the digital side, from the customer side, from the IT side, from the cyber side. We have recruited people from the market also in IT, in cash management and number of other fields.

Sushil Choksey: Sir, based on all the initiatives what you've taken, one is, what is our total spend you would like to achieve over a period of two, three years to make things ready? And second is, you know you are sitting in a hub, which is very knowledge-based states Southern India. Your competitors are big NBFCs like Sundaram Finance, Chola, Aptus many other, Manappuram. Are you seeing your initiatives giving you a higher market share compared to competition with your products being rolled out at your customer level?

Shri S.L.Jain : So let me tell you, my number itself is saying. The first year of amalgamation we were having a profit of Rs. 3,000 crore. Second year, we are having a profit of Rs. 4,000 crore. And third year we are having appropriate of Rs. 5,300 crore. So you see that our business is growing, our profitability is growing, our synergy is coming. Now Bajaj ji will tell about our expense, this technologic cost. We are incurring huge cost.

Mahesh Kumar Bajaj, ED: Sir, here on the IT investment, we have couple of the categorization where on the capacity build and IT infrastructure, then analytics then consultancy, then cyber security and new technology. So in last year almost we have spent Rs. 1,600 crore and the next year also is in the line of may be Rs. 500 crores to Rs. 600 crores spend will be there, sir.

Shri S.L.Jain : So you see Rs. 1,600 crores, because you see every project takes time to give you results. Sir, we are making bank future ready for -- from the digital side as well.

Sushil Choksey: So how much of loan growth are you seeing in gold, auto and lap or...

Shri S.L.Jain : Sir, you see auto is 28% we are growing, we will continue to grow. Gold we are growing 20%, we will continue to grow.

Sushil Choksey: Can I take that as more or less a guidance over the current base?

Shri S.L.Jain : Yeah, this is our history says, sir. So we will continue to grow on that number.

Sushil Choksey: Thank you, sir, and all the best. Congratulations and best wishes for the years to come.

Shri S.L.Jain : Thank you, sir. Thank you.

Anand Dama: Thank you, Mr. Choksey. Next question we have from Rakesh Kumar. Rakesh, please go ahead.

Rakesh Kumar: Yeah. Hi. Yeah, thanks a lot, sir, for the opportunity. Very strong performance on the provisioning side and creating buffer for future, that is a great performance. But sir, on the balance sheet growth side, the growth basically on our deposit is quite low. So deposit growth has been quite low as compared to the system and we are still looking at around 3.4% margin and next year also we are projecting margin -- giving guidance of around the same level. So are we also going to use the lever of excess -- LCR that we have and the LDR which

is -- which we can further improve? So are we going to use these two levers to further enhance the margin? Is there a room? Is there any thought process on that front considering the...

Shri S.L.Jain : Yeah. We will be increasing our deposits and this excess part of the money also we can use. The fact remains, last time we could have grown more, but we take the deposit based on the need in a wholesale market and all. But we would like to grow granular part of the deposit, salary accounts. So what we have done here again we have created a four or five GMs even for liability, which earlier used to be the one GM. We have created a government relationship sale at various locations either in Tamil Nadu, Chennai or Lucknow or Calcutta or Delhi or a number of places. So we are creating infrastructure, organizations, people to garner granular deposits. And we came out with various products as well, so that of the sale also we can -- suppose we are taking a salary account from any borrower, then we can offer them and insurance and all. We have created a number of products, which we call as Sampoon Suraksha or Sampoon where we are giving insurance also free, right. We are giving other benefits as well. So these all products we are offering to our customers. We do understand that we need to grow more in the granular part of the deposit

Rakesh Kumar: So this guidance of 3.41, a stable margin in the next year, is that considering utilization of excess liquidity and increase in the LDR or without using that?

Shri S.L.Jain : This is a combination of all these, sir. You can't say, but point fact remains what will be the increase in cost and what will be the revenue. So we have considered all calculation and come to that we should be able to protect, but of course everything 10, 15 bps here and there can always happen.

Rakesh Kumar: Thanks, sir. Thanks. Many thanks, sir. Thanks a lot and all the best to you, sir.

Anand Dama: Yeah, thank you, Rakesh. Next question we'll take from Mayank Gulgulia. Please go ahead.

Mayank Gulgulia: Yeah. Hi, sir. Thanks for taking my question. So we have term deposit of Rs. 6.2 lakh crore. What portion of the term deposit is likely to come for repricing in next 12 months?

Shri S.L.Jain : Just a minute. But you see 1.6 is our duration, right. So naturally 1.6 we may say divided by 4, say -- 15%, 16% per quarter.

Mayank Gulgulia: Okay. And what would be our outstanding cost of time deposits?

Shri S.L.Jain : Time deposit outstanding?

Mayank Gulgulia: Like term deposit Rs. 6.2 lac crore which we have, what would be cost of deposit of that amount?

Shri S.L.Jain : So we are having term deposit Rs. 3,60,000 crore, right, sir. And our cost of deposit is -- just a minute -- our cost of deposit is 4.33%, right. That includes the CASA part, right. So 40% you exclude -- so you do, sir, one math for me, right. So 4.33% is a core and 40% is at a 3%, remaining will be the cost of deposit for term deposit

Mayank Gulgulia: Okay. Sure. And like this quarter we created Rs. 1,400 crores of provisioning. So how much of this is for restructured loan and how much is this for other standard assets?

Shri S.L.Jain : So what we have done, we have done a 20% provision for restructured book, which includes Rs. 15,000 crore and Rs. 11,000 crore COVID plus DCCO and all Tranche 1 and Tranche 2, all put together. So this additional provision we have created.

Mayank Gulgulia: And this -- where would be comfortable level of provisioning for restructured loan?

Shri S.L.Jain : No, the fact remains that we should need to build our provision, that was the object, right. And you see that 92% of the advances are, we are getting money. So to my mind, the issue is only the 7% or 8%. So 7% or 8% of Rs. 15,000 crore is Rs. 1,200 crore is already a cushion.

Mayank Gulgulia: So 20% is comfortable level for provisioning?

Shri S.L.Jain : Seems to be as on date. As on date seems to be at a comfortable level, as on date.

Mayank Gulgulia: Hello?

Shri S.L.Jain : Yes, sir.

Anand Dama: Mayank, are you done? So we'll take next question from Manoj Alimchandani

Manoj Alimchandani: Yeah. Mr, Jain, thanks a lot for the opportunity.

Shri S.L.Jain : Thank you, sir.

Manoj Alimchandani: Couple of points. One is on the operating profit. We are seeing you numbers for '23 are very good. But Q4, there is a slowdown. There is effectively no incremental growth in operating profit. So can you elaborate and explain what is the issue and how much growth we can expect in FY24? Number two is on capital adequacy. And there were a few questions and issues on ECL. Now we have seen on the ECL side, RBI is having responses from many banks. The top private banks, top tiers, top tier PSU and also the second tier PSU. Now there is a talk of a hybrid system, one is ECL and also based on the circular on actual which has not been implemented anywhere in the world. But the current system of AQR and provisioning has resulted in healthy banks in the last few years. So -- and also another point coming on this is some of the banks have represented to RBI and the government the deferred implementation of the ECL for next two years and also the spread instead of five years should become seven years. And the private banks are already doing models and sharing it with the RBI and they had done accelerated provisioning. Indian Bank is known for very high asset quality, particularly in the last three years and you are strengthening the asset quality every year by accelerated provisioning.

I would like to know your views, particularly on this ECL consultation paper which was issued, consultations going on the hybrid matter and what is your view? Are you ready? Because, along with SBI, you are known to be a very high quality bank in terms of asset quality and also among the lowest in cost of deposit. Another thing, last few days, in fact, for quite some time, the second year, the PSU bank like Bank of India, Canara Bank, Union Bank have started sharing their number. Bank of India mentioned about Rs. 25,000 crores based -- and Canara Bank talked about -- the Union Bank talks about Rs. 35,000 crore. Canara Bank number is much, much higher, mainly I think because of the Syndicate Bank merger, earlier absorption. So what is your view and what can we expect? And for these reasons, the RBI is encouraging banks to do fundraising and take the money when the market is good and today the valuations are quite good and some other banks have started having the plan. So why not raise the funds

and buildup capital adequacy further? If you can address it then I can take it maybe one more point later.

Shri S.L.Jain : Okay. Thank you, sir.

Manoj Alimchandani: And you are a finance person, you are accountant, you know ECL and hybrid system very, very well among the very few MDs of PSU banks.

Shri S.L.Jain : So thank you, sir. The two points you raised, one is operating profit on a sequential basis, which was -- is it Rs. 4,016 crore as against Rs. 4,061 crore, the first question. So what we have done, sir, in the current quarter, we have made up salary provision of Rs. 177 crore as against Rs. 75 crore of last quarter, so Rs. 100 crore extra salary revision, because the salary was due from November, so earlier only a two months, now it is at three months. Second one is employee benefit which we have made a Rs. 700 crore provision, this is again Rs. 548 crore. And the third point is that in March quarter, there are 90 days as against in the December quarter 92 days. And we are earning interest on a daily basis. So naturally that also Rs. 100 crore to Rs. 150 crore of -- Rs. 5,000 crore of NII it will impact my NII. These are three major reasons. And fourth one is the interest reversal, because of this. And these are the four major reasons. Otherwise, you see the numbers are going good, sir.

Also, you asked about the ECL and all, of course this is not the forum to discuss this ECL provisioning and all -- just a minute. This is not the forum to discuss ECL and all, because unless the complete guidelines comes from the Reserve Bank of India, with the plain reading of the circular which comes to my mind, it's plain reading of that, there will be higher requirement for restructuring. And second with SMA where the 12 months PD will be calculated as and -- in a restructured lifetime PD. And the NPA also lifetime PD and fourth one is the undrawn part. These are the three or four major things which I observed from that.

From my bank's perspective, what should be my call, so my goal is that I'm already having 95, so NPA is no issue. The second issue is the restructuring, let us take that into account. And I'm telling you, as per the guidelines also, the RBI has allowed five years time. In a number of circulars, RBI allows a five years' time. Even when the pension provisions came, even they allowed five years' time to amortize. In a fraud, they allow four quarters to amortize. This is the highest -- higher side they allowed so that -- so as to strengthening of the system. But the banks generally do earlier than this and those banks who are having strength in their balance sheet would like to do earlier than this and move forward. So the approach -- our approach will continue to be of that type of a bank.

Manoj Alimchandani: Thanks a lot. Just one question on this. Are you giving the calculation of ECL based on certain models to RBI on a regular basis or no?

Shri S.L.Jain : We are calculating, but things are not stabilized, sir. So different banks have different --- when the things are not clear, how will you compare each other?

Manoj Alimchandani: Right.

Shri S.L.Jain : So it is in an evolving stage actually. In reality, it is a evolving stage. And RBI -- that is why RBI itself has said that in the draft circular, if your existing provision is higher than your ECL provision, you keep that provision, the way they have done in the capital adequacy guideline when the Basel II and Basel III came.

Manoj Alimchandani: Right. Okay, thank you very much and wish you all the best.

Shri S.L.Jain : Thank you.

Anand Dama: Thank you. Next question we have from Chintan Shah. Please go ahead.

Chintan Shah: Yeah, thank you for the opportunity. Sir, I had two. First question on the ECLGS. So what would be your outstanding portfolio on the ECLGS and what is the NPA from that portfolio as of now? And sir, secondly is on guidance part. So any qualitative comments on the guidance on asset quality, that is GNPA and NNPA slippages and recovery for FY24 will also be helpful. Yeah, thank you.

Shri S.L.Jain : GECLS, one by one I'll tell you. GECLS we have given Rs. 11,800 crore, right. Today outstanding is Rs. 7,200 crore, right. So it means Rs. 4,000 crore had come, so around 40% of the money has come. What is the NPA? NPA is Rs. 537 crore, out of the Rs. 12,000 crore. So around NPA is 4%. So it means 96% of ECLGS is behaving good. So Just a minute. Are you getting my voice? Just a minute. Hello. Hello. Are you getting my voice, sir?

Chintan Shah: Yes sir

Shri S.L.Jain : Okay. So this is GECLS. So as on date we are having a Rs. 7,200 crore and the NPA of this Rs. 537 crore. But what happens is Rs. 4,000 crore has come from the MSME book and as a result MSME growth is appearing at 7%.

Chintan Shah: Okay

Shri S.L.Jain : What is the second point? The second point is GNPA and NNPA, right? You see quarter-on-quarter basis, our GNPA is coming down, right. It is now at 5.95%. Our endeavour will be to bring below 5% as early as we can. And 0.91% is our number, maybe slight bit here and there. 5.95% is my current number in GNPA. Our endeavor will be to commit below 5%.

Chintan Shah: Okay. And, sir -- and any guidance on slippages, any thoughts on this?

Shri S.L.Jain : Okay. The recovery was -- last time the target was Rs. 8,000 crore, we have ended with Rs. 8,500 crores. So last time our recovery was better than our targets. The second point, if you go slippage versus recovery, Rs. 7,000 crore slippage and Rs. 8,500 crore recovery. You see last quarter even slippage recovery was more than the slippage. December quarter recovery was more than the slippage. September quarter recovery was more than the slippage. So our endeavor will continue to be having more recovery than the slippages, so in that way we will be able to control In that way, we will be able to control our GNPA numbers and all.

Chintan Shah: Sure, sir. And this is quite helpful. Thank you.

Anand Dama: Yeah. Thank you, Chintan. Next question we'll take from Jai. Jai, please unmute yourself.

Jai Mundhra: Yeah, hi, sir. First, sir, this year and this quarter, our tax rate has been very miniscule. For full year '23, this would be around 11%. So how should we -- I mean, earlier we had said that we now should be seeing normalized tax rate. So how should we look at the tax rate maybe for near-term or FY24?

Shri S.L.Jain : So what happens in this quarter we have created the standard asset provision and created DTA on that. And because of that the tax rate has come down. Now going forward we are at 25%. So in a PBT level, it will be 25% and of course in the operating level, it will be lesser than this.

Jai Mundhra: Okay. Secondly, sir, while we have said that so far there was the repo rate hike and MCLR hike was already there. Still the yields on loans have declined 2 basis point in this quarter, right. So how would you explain this? I mean, if repo rates were to peak -- assuming repo rates have already peaked, then cost of -- yield of -- yield on fund should anyway decline.

I mean, what exactly happened in this quarter that yields declined now with at least 30% of the EBLR our book will not reprice? Then yields could have even more pressure going ahead?

Shri S.L.Jain : No, I told you know, because of interest reversals, Rs. 236 crore, right, it is Rs. 100 crore higher than the earlier one.

Jai Mundhra: Yeah, so that... Yeah.

Shri S.L.Jain : That is a 10 bps impact, sir. Otherwise, it would have been higher

Jai Mundhra: Yeah. So, sir, even if you just 10 basis point, that would mean that the yields have gone up by 8 basis points only.

Shri S.L.Jain : But you see that I told you know, we will not be able to pass on that entire increase in housing loan and auto loan. We could pass on only 170 bps as against that 250 bps, because market is like this. Likewise in the auto loan also, competition is there. Gold loan also...

Jai Mundhra: Competition will stay only, right. So how will you...

Shri S.L.Jain : That is why it cannot be linear. It cannot be linear. Market forces decides.

Jai Mundhra: Correct. And so yields pressure may continue and cost of deposits should only rise, right, as earlier deposits will come for repricing as the term deposit maturity would be one, two years.

Shri S.L.Jain : So this question actually -- this question I have replied, how we will take this issue. I told you, one side is the investment side, second one is the MCLR side.

Jai Mundhra: I think, sir, there is some disturbance.

Shri S.L.Jain : We too know that the cost of deposit will increase, right. This is writing on the wall. Also deposit will increase and that deposit will come for repricing, it will be repriced. So how to take the situation. So one is, you have to tackle that from the income side, both side it is increasing. Income side -- from the way the income comes, income comes from the investment, income comes from the credit book. So what -- the investment I have told you that we have increased our holding yield. On the same side on the credit book, credit book we had -- MCLR book is 59%. So, this will also come, 59% means 14%, sir. I'm just telling you. 59% means 15% per quarter, I'm telling you in very simple language. 15% per quarter, on an average 1.6 duration of liabilities, so 16% will come for repricing. 16% will come for repricing liability side, 15% will come on asset side.

Jai Mundhra: So that should ideally set off?

Shri S.L.Jain : Not ideally set off. Again, because their price will hike -- here the price -- MCLR is not equivalent to your cost of deposit increase. So that is why we had taken the route of investment.

Jai Mundhra: Great. No, that is very clear, sir. Yeah, thank you and all the best

Shri S.L.Jain : Very clear?

Jai Mundhra: Yeah. Yes, sir. Thank you.

Anand Dama: Thank you. We will just take last question from Mr. Ajmera. Please limit your questions to one.

Ashok Ajmera: No, I was listening to Jain sir giving detailed explanation. Sir, just one or two small data point. And in between the voice was also broken somewhere. So I might have missed. So one was, sir, on this -- when you said that, in your cost, the employees cost, the provision of Rs. 100 crore additional, sir, that was for the wage revision, but what about the additional pension where every bank is providing a larger amount every quarter. So in your case it is not required or you've passed it onto the next quarter, sir? This is one.

Shri S.L.Jain : No, this is based on actuarial valuation, first point. Second point is it is calculated with respect to the yield, old investment, yield on our investment book. If there is a shortfall, we provide.

Ashok Ajmera: Okay. So it is fully -- whatever is required is provided?

Shri S.L.Jain : So, if year as a whole you see last year, we provided Rs. 1,800 Crore, this year we provided Rs. 2,100 Crore, but we are now mark to market. So that is the issue.

Ashok Ajmera: And sir secondly, sir, I think we in note number 17, we bought some agriculture loan in the loan of Rs. 1,322 crores, if I'm not wrong, note number 17.

Shri S.L.Jain : You tell us. No issue, you ask I will reply.

Ashok Ajmera: So Rs. 1,322 crore agriculture loan has been acquired with tangible security nil, so what are these loans? What kind of loan these are?

Shri S.L.Jain : Sir, what happens we do purchases of pool, then the JLGs loan, joint liability guarantee. So we -- this is a part of our business we are acquiring from these NBFCs some JLG loan based on the past track recorded.

Ashok Ajmera: So means there is no chance of any...

Shri S.L.Jain : No, sir, guarantee is there, because we know the behavior of the account earlier also we acquired.

Ashok Ajmera: All right, sir. And one was last on that NPA sold, one NPA where we got the provision reverse stock Rs. 395 crore, so that total provisional reversal for this quarter only of that particular Rs. 395 crore?

Shri S.L.Jain : This is the yearly numbers We have -- yearly disclosure we have given based on the ARCs sale

Ashok Ajmera: Okay, the amount realized is Rs. 439 crore on the NPA of Rs. 837 crore, so the provision reversal was Rs. 395 crore, it is for the...

Shri S.L.Jain : So point is that, sir, whenever we received full amount and we are having 100% provision, the provision needs to be...

Ashok Ajmera: Yeah. So it is for the whole year?

Shri S.L.Jain : Yeah

Ashok Ajmera: Okay, sir. Thank you and all the best, sir.

Shri S.L.Jain : Thank you

Anand Dama: Sir, one question which has come in the chat box is on your NIMs and secondly is on the -- if you can just help us with like you have exposure to SpiceJet, which has, I mean, one of the -- filed a case against the company.

Shri S.L.Jain : SpiceJet?

Anand Dama: Yeah

Shri S.L.Jain : But you are asking about SpiceJet?

Anand Dama: Yeah, sir, SpiceJet.

Shri S.L.Jain : NIM I already clarified.

Anand Dama: Yeah NIM I think you have already clarified.

Shri S.L.Jain : And SpiceJet is a very, very minimum exposure. Very, very minimum. Even less than --, So we are having actually exposure under ECLGS, and existing exposure is even less than 20cr.

Anand Dama: Sure, sir. That's very helpful. So with that, sir, we will close the call. Sir, you have any final comments from it before we end the call.

Shri S.L.Jain : Thank you. Thank you all the investors and analysts for your continuous support. And we hope that the next year will be better than this. Thank you.

Anand Dama: Thank you, sir.

Thank you everyone