बैंक ऑफ महाराष्ट्र
Bank of Maharashtra
भारत सरकार का उद्यम
एक परिवार एक बैंक

AX1/ISD/STEX/135/2025-26 **Date: 16.01.2026**

The Vice President **BSE Ltd.,** **P.J Towers,** **Dalal Street,** **Mumbai-400 001**	**The Vice President** **National Stock Exchange of India Ltd.,** **Exchange Plaza,** **Bandra Kurla Complex,** **Bandra (East), Mumbai-400 051**
BSE Scrip Code: 532525	**NSE Scrip Code: MAHABANK**

Dear Sir/ Madam,

Sub: Transcript of Earnings Conference Call with Institutional Investors / Analysts held on 13.01.2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of conference call with Institutional Investors/ Analysts regarding Financial Results of Bank for the quarter ended 31.12.2025 held on Tuesday, 13.01.2026.

The transcript of conference call is uploaded on Bank's website and same can be accessed through below link:
https://www.bankofmaharashtra.bank.in/financial_results

Kindly take the same on your record.

Thanking you.

Yours faithfully,
For Bank of Maharashtra

VISHAL SETHIA Digitally signed by VISHAL SETHIA Date: 2026.01.16 16:33:41 +05'30'

(Vishal Sethia)
Company Secretary & Compliance Officer

Encl: As above

Bank of Maharashtra

Q3FY25-26 Earnings Conference Call

January 13, 2026

MANAGEMENT: MR. NIDHU SAXENA – MANAGING DIRECTOR AND CEO

EXECUTIVE DIRECTORS, CHIEF GENERAL MANAGERS & GENERAL MANAGERS OF THE BANK

Moderator: Ladies and gentlemen, good day, and welcome to the Earnings Conference Call for Q3 FY '25-'26 Results of Bank of Maharashtra. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this call is being recorded.

I now hand the conference over to Ms. Margaret Mishra. Thank you, and over to you, Margaret.

Margaret Mishra: Good evening, everyone. We have the following members of management with us today: Mr. Nidhu Saxena, Managing Director and CEO; Mr. Rohit Rishi; and Mr. Prabhat Kiran, Executive Director; along with Chief General Managers and General Managers of the bank.

I will now hand over the call to the management, Mr. Nidhu Saxena, Managing Director and CEO, to walk us through the quarter. Thank you all, and over to you, sir.

Nidhu Saxena: Thank you, and thank you all for joining this con call. We have finalized our results today, and I would say, this has been yet another quarter where we have consistently and, I would say, for the last couple of years, one of the best quarters in terms of profitability also. Numbers, I will very quickly share.

But before that, let me share that the guidance that we had kept in the beginning of the year, the first 2 quarters and now this Q3, we are well above our guidance numbers. On all the parameters, we have been achieving our guidance. I will quickly share. So total business, against our guidance of 15% growth year-on-year, 17.24%, and we reached INR5,95,000 crores. Total deposits have increased by 15.3% against the guidance number of 14%.

Advances have increased at 19% -- sorry, advances against the guidance of 17%, have increased by 20% year-on-year. Then CASA share has been maintained at above 50%. We are doing 50% this year also -- this quarter also. Our RAM to Corporate share, which was 60-40 plus/minus 2, we have done 63-37 share. RAM growth against the guidance of 20%, we are exceeding that number also.

Within the Retail, the verticals that are growing in the bank, Home Loans have grown year-on-year at 28%; vehicle loans, 54%; Gold Loans, 56%. Retail overall has grown at 36% year-on-year. Our stress in the loan book is very well managed. We have improved on these metrics also. Overall, stress number stands at 3.35%, within which SMA1 plus 2 is 1.69%, which is an 18 bps improvement. In terms of above INR5 crores, the stress stands at 0.19%.

The gross NPA and the NPA, the numbers are also very well managed. Our gross NPA in terms of percentage has got reduced from 1.72% in the last quarter to 1.60% this quarter. The net NPA has improved from 0.18% in the last quarter to 0.15% this quarter, and we are well within our guidance that is to maintain our gross NPA less than 2% and net NPA at less than 0.25%.

The ROA, ROE and NIM numbers; against the guidance of 3.75%, we have achieved 3.87%. ROA guidance, 1.75%, we have achieved 1.86%. ROE guidance to maintain ROE above 20%, we have actually achieved in this quarter 23.79%. Our cost-to-income is to be maintained below 40%.

Against that guidance, we have done 37.19%. Yield on advances stands at 8.95%. We have experienced also reduction in our costs, and cost of fund stands at 4.10%. Cost of deposits stands at 4.47%. Overall, the profitability has been good in this quarter. We have been able to clock our highest ever quarterly profit of INR1,779 crores and the 9 months net profit has exceeded INR5,000 crores, which stands at INR5,005 crores.

We are maintaining a healthy CRAR against the guidance of keeping the number above 16%. We have a CRAR of 17.06%. CET1 is maintained at 13.10%. In these 9 months, we have also seen OFS issuance by the government, and we are today an MPS-compliant bank with GoI holding standing at 73.6%.

Ratings during the year. Beyond the international rating from Fitch, we had approached S&P Global, and they assigned us a BBB- Stable rating in September 2025. Our long-term rating is AA+ Stable from ICRA and CARE. Short-term rating is A1+ from CRISIL.

Looking at this good profitability, we have also looked at considering payouts in terms of interim dividend. I'm happy to share that 10% interim dividend has been approved by our Board today. I will take a pause, and I think we will take more questions from your side. The detailed presentation, I'm sure, is made available to you, and you would have gone through those, and we would like to take queries from you and respond to those. Thank you.

Moderator: Thank you very much. We'll take our first question from the line of Ashok Ajmera from Ajcon. Please go ahead.

Ashok Ajmera: Compliments to you, sir, Nidhu sir, and the entire team, Rohit sir, Prabhat sir, and the top management of the Bank of Maharashtra, and the other staff, for a very, very excellent quarter results-wise, if you see. And you rightly said, one of the highest quarterly profit, taking the bank -- in fact, now the size of the bank is also increasing. You are now going to touch maybe in the next quarter INR6.5 lakh crores of the business, so quite a good sizable bank. And my compliments to you, sir, for the fantastic show. Having said that -- hello, am I audible?

Moderator: Yes, you are. Please go ahead.

Nidhu Saxena: Yes, Ajmera ji, please go ahead.

Ashok Ajmera: So just 1 or 2 -- couple of observations and a few points. While in this quarter also we have grown -- in this quarter, we have grown well on the credit front as well as even deposit also. But overall, if you look at the 9 months growth in the deposits, it is only 4.73%.

I don't take the whole year, but 9 months, which means in the last quarter of this January, March quarter, we'll have to raise the deposit of almost about INR29,000 crores, INR30,000 crores to reach the target of that 14% of the deposit. So just like in the previous year you have achieved that, this year, too, are you confident of achieving this gap or bridging this gap of about 9% for the whole year, so on the deposit front?

And this has basically affected our -- I mean, rather affected the CD ratio also, which has gone up very high at 85%. And CRAR also has come down to now 17.06%. So I just want to have your comments on this, that how are we placed? And are we going to achieve the deposit target? This is my question one.

Nidhu Saxena: So Ajmera ji, the deposit guidance that we have kept is 14%, which will be maintained. I would like to bring to notice that if you see the deposit growth, which has lagged the credit growth, but within the deposit, the composition that has grown in the bank is the low-cost component.

So CASA -- even in the last quarter, if you ask me, 12% was the total deposit growth, within which CASA grew by 14%. In this quarter, the total deposit has grown by 15%, but within which CASA has grown by 16% year-on-year. Now the focus is very, very clear, to raise low-cost component of the deposit.

Very consciously, this is our strategy for the last couple of quarters to let high-cost bulk deposits leave our bank. We don't need that kind of funding, and we have tried to look at other alternative sources of raising resources. We have gone for almost INR14,000 crores, INR15,000 crores of refinance transactions at appropriate time during the year, carving some of our portfolio, we have been able to raise resources at a blended rate of 6%, 6.5%, which have been quite beneficial.

And this is coming with no overhang for CRR and SLR requirements. So it was a conscious strategy on our part. In fact, last -- in this quarter, we have seen the bulk deposits for the first time, we have degrown year-on-year by 7% in the last quarter. And this is -- overall, the DRI component also from total deposits, bulk, the DRI which was as high as 13, we have slowly and gradually let it come down and it stood at 5.08. So it was a conscious strategy, and that also had an impact on the CD ratio going up.

What we feel that it is not -- the bulk high cost is a function of rate of interest that we will decide. And we can easily get that business to enter our system, but we are more conscious of the profitability aspect of that. And at the right moment, we will keep looking at raising more of the low-cost deposits, and the priority will also be towards retail deposits, which are more stable, don't experience volatility.

There, we keep offering some special schemes, offering some special rates to get that kind of a deposit in our bank. So this is how we are managing. CD ratio is also an outcome of that. But at the appropriate time, we will be taking call during this quarter. And a lot of things do happen in Q4, we are all aware. That's how the industry experiences. And I will have no element of doubt that 14%, that objective is in mind, will not be achieved.

Ashok Ajmera: Yes, sir. Point well taken, sir. In fact, you are known for your CASA, which is, of course, a low-cost deposit, and it is maintained still, in these difficult times, also almost about at 50%. Though it has gone down a little bit from March, 53% to 50%, but this is commendable even to maintain this also. Sir, having said that, sir, now coming to our overall profitability, the overall profitability of the bank as such is very good. But if you look at the treasury side, I think in this quarter, we have suffered a loss on the investment, I mean, the loss of about INR180 crores as compared to the profit of INR99 crores in the last quarter.

And even if you look at the segment-wise treasury profit also, that has also gone down to INR136 crores against INR433 crores in the last quarter. So there is definitely some pressure on this. So going forward, for the remaining one quarter of this financial year, how do we see ourselves going and making at least -- offsetting some of the treasury losses which have taken place or rather coming into the profit, which adds to the overall profit of the bank and makes it more profitable?

Nidhu Saxena: So if you -- before I start looking at this, let me just give you one more number. CASA percentage has actually improved in this quarter by 26 bps year-on-year. So that again is a substantial improvement. In terms of treasury income and the number that you are seeing, there is a one-off INR290 crores of Maharashtra Gramin Bank and Vidarbha Konkan Gramin Bank amalgamation, which has resulted in this INR290 crores of one-time hit. And if you exclude that, treasury also will be seeing quarterly profit of around INR115 crores -- INR112 crores.

Ashok Ajmera: That's good, sir. So it means in the next quarter, this INR290 crores, if you remove and add to whatever the treasury profit is there, then that will be added further to the bank's overall profit, and it accordingly can be seen and analyzed, the bank's performance coming. Sir, coming to the -- if you look at little bit of the composition in the segment-wise results, which are being always furnished along, which is as per the requirement of Reserve Bank of India.

So here, if you look at the profitability segment-wise, then in the retail book, our profit has gone up to INR1,050 crores as against INR673 crores in the last quarter, almost about INR400 crores. Wholesale book is also a little bit better from INR680 crores to INR802 crores. So is there any recomposition? Is there any, like maybe the gold loan or agri loan, reclassification between retail and wholesale book, or some -- I mean, what is the reason for segment-wise such a high jump in the retail profitability, sir?

Nidhu Saxena: So if you look at the portfolio and the growth, the elements in the retail segment, the individual -- in the retail advances, agriculture, MSME advances, if I talk of retail, home loans are experiencing a year-on-year growth of 28%. Vehicle as a portfolio, where we have focused on big-ticket business with our existing clients, has grown at 54%. Gold loan itself is growing at 56%.

And we have also entered into co-lending partnerships, almost 9 have been signed up to this time, majorly in the segment of gold. Then, housing and MSME, we are also signed up with co-lending arrangements. And that is also a sizable book that has been built up, and where we have got good pricing for the business that has entered the bank.

So this is how -- but let me tell you, we are growing simultaneously our corporate book also with the corporate growth of year-on-year 19%. I think it's a very healthy where the industry may be a single-digit growth. And we are expanding into areas where new opportunities are visible, new profitable opportunities are visible. We have done a lot of green financing, renewable energy projects. We have done data centers and the like, EV segment. So a lot of this kind of funding has been done in the bank and portfolio has gone up.

So contribution will keep coming from all the sectors, and we will participate in any kind of opportunity that is visible to us, where the only underlying thing in the corporate segment, whether we understand the risks, whether we are able to manage it well. And if it is a profitable opportunity, whether in the retail segment or in the corporate segment, we will definitely participate.

Ashok Ajmera: The last question, sir, on the slippages. Our slippages this quarter have gone a little higher at the INR700 crores and almost INR750 crores as compared to a range of INR650 crores to INR700 crores. So is there any one-off this thing of INR100 crores, INR200 crores, or it is the common, normal things in the quarter which is going to be followed in the coming quarter too, sir?

Management: No, Ajmera, slippages also, if you look at the ratio, our advance book is increasing. In terms of percentage, it is 1.2%. The same was the figure last year. And even 1 year back also, we were around this range only. So there is nothing alarming there to solve in the usual course of business. That's what I would like to say.

And just to supplement your observation on treasury income, MD sir has already put the things in the right perspective, but if you exclude that one-off item, which has resulted because of our investment in MGB, in the last year, entire net profit on our investments was INR220 crores. And if we remove this one-off item, then our 9-month profit is INR352 crores, which shows marked improvement.

Similarly, on the FX operation side also, last year, our entire year profit was INR63 crores. This year, in nine months, we have done INR107 crores. So, core operations profit is improving. They are contributing more towards profitability in the current financial year.

Ashok Ajmera: Great, sir. My compliments to you once again, and all the best to you all. I will come back again, if the time permits. Thank you.

Moderator: Thank you. We'll take our next question from the line of Mahrukh Adajania from Nuvama. Please go ahead.

Mahrukh Adajania: Congratulations. So I just wanted one clarification first, that it's fair to say that you had absolutely no impact from the new labor codes? That's my first question.

Nidhu Saxena: So we have done our assessment. It is a very small amount. Around INR33 lakhs is the figure, keeping in account our contractual employees, our regular employees. And that is a number which is very insignificant and needs no discussion is what the sense we are having. With the new labor code, new rules are probably under the framing.

And if new interpretations, or within the code, new rules are seen, we will keep a watch on that and see how it is impacting. But as I said, it is only a small amount of INR33 lakhs on account of the new labor code, the rules that are applicable to us are the impact on Bank of Maharashtra.

Mahrukh Adajania: And that includes the gratuity contribution and everything?

Nidhu Saxena: Yes, ma'am. Yes.

Mahrukh Adajania: Okay. And sir, my second question is on the LDR only. So the LDR has shot up, and that's throughout the system. It's not unique only to Bank of Maharashtra, right? And previously, RBI has always gotten worried when the LDR touches 80%. Now the system LDR is 82%. So, do you foresee any regulator action or soft nudge from the regulator, given that the system LDR is rising so much, and it's already above the comfort level of 80% that has been historically the case?

Nidhu Saxena: So the LDR, in my case, we are keeping guidance of maintaining around 83%, 84% in the present circumstances. And we feel that is the best prescription in terms of being able to generate our good profitability. So I also had mentioned to a previous query wherein very consciously, we have been looking at other alternative sources, including infrastructure bonds, which have also contributed in some way to see that 1 bps, 2 bps more of CD ratio LDR in the case of Bank of Maharashtra. But I think there is no major challenge.

There is no prescription from the regulator. We all know that. So far, no soft nudge also. But we are mindful of this, and we will keep looking at raising core business, stable business that comes from branches rather than it is very easy for us, which is a matter of function of interest rate that I would offer on a bulk deposit, and let the deposit be raised in the bank. But we would not like to exercise that option.

It will not be out of place to also say that we are running a project currently in the bank. We are calling it as Project 321, wherein 321 branches selected very scientifically at the PIN code level, we have decided to be opened in 18 months. While I speak today, 116 of those branches have already been made functional, and they are doing business. So these branches are going to get us the core business of individual deposits in their jurisdiction, in that branch.

And that's how we will be focusing -- keep continuing to focus on the core business, core deposits, stable deposits where we see no fluctuations, major, no volatility in our business. Stable figures are what we are experiencing now. And we will continue to be mindful of how the impact on LDR is going forward and take corrective steps wherever we feel have to be taken, we'll do that.

Mahrukh Adajania: Okay, sir. And my last question is on rates. So what is your home loan rate right now for your prime or your best customers? And what would be your average yield on gold loans?

Nidhu Saxena: So we are keeping very competitive home loan interest rates. And the idea is, with a big enabler of being able to maintain such a high CASA, we are able to offer the best interest rates in the market. We charge 7.1% for our home loan borrowers, but then this rate is again not available to all. One has to qualify in terms of their credit scores.

So there is a graded slab. The best interest rates is available for CIBIL score 800 and above. And we have a slab system, depending on what credit score I enjoy, I will be priced according to that. We have also been mindful of the quality. Somebody -- some mention was there for slippage. So it is not only pricing the product with CIC scores, but we have also done underwriting.

So there is no -- the underwriting benchmark does not permit in the bank -- no funding below CIC score of 681 and below, CIBIL score. We have benchmarked our underwriting to TransUnion CIBIL, and 681 and below, there is no underwriting in any schemes in the bank. So we are mindful of the quality, the loan book that we are forming in these good times. We are also aware of that part. And profitability, of course, we are aware of.

Mahrukh Adajania: Sir, average yield on gold loans?

Nidhu Saxena: So my gold loan, we have actually made three options, because with the tweak which has come, or the relaxation, dispensation, which came from the regulator on this segment, they have permitted small segment agriculture gold loans, small segment, up to INR10 lakhs, MSME gold loans and the nonretail -- nonpriority, the retail gold loans.

So I have three products where I will -- if it's agriculture classified, I will charge the lowest rate. But we are getting a yield of almost 9% around in our gold portfolio. Also, when I mentioned...

Mahrukh Adajania: It includes agri also?

Nidhu Saxena: Yes, it includes agri also. And we are also having the co-lending partnership, a sizable book. Today, I think we are the leading bank in the industry having NBFC co-lending tie-ups, and more than one NBFCs we are doing that arrangement with, where using seamless digital API and reverse API integration, we are doing that business. And we have almost now INR5,500 crores of business in that segment, where I'm getting a good pricing.

I also don't incur any expenses in safekeeping of the gold jewelry. There is no insurance cost to me. I'm getting a good rate. So this co-lending also is -- and the portfolio is behaving very well. We intend to further increase these co-lending partnerships with some good rated gold NBFCs who will be willing to join hands with us.

Mahrukh Adajania: And what is the co-lending rate? Rate on co-lending portfolio?

Nidhu Saxena: So that is subject to our discussion negotiation, but system knows that the private gold loan NBFCs charge a very high rate. We are not into that game. We are mindful of the quality also, although it's a self-liquidating asset, but there is a ceiling in our co-lending arrangement beyond which we will not permit underwriting. So there is a strict business rule engine through which this entire underwriting will flow.

So whatever gold NBFC branches throughout the country will do business, the portfolio is shared to the bank. We will do our LTV checks digitally. We will do the screening and then purity check is done, and we will underwrite this portfolio the very next day. So the technology that supports this co-lending arrangement is working seamlessly.

There is a reconciliation on a daily basis that is happening. And as I said, a lot of issues in doing gold loan business that we encounter when we do it in our branches versus in this co-lending arrangement, the front ending is done by the NBFC. I'm saving a lot of cost on those fronts also. But rates are negotiated one-on-one. I would not like to disclose those.

Mahrukh Adajania: Okay. Okay, sir. Thank you so much.

Moderator: We'll take our next question from the line of Rohit Priyadarshi from Mittal Analytics. Please go ahead.

Rohit Priyadarshi: So congratulations on good set of numbers to the management. And sir, my question is on the yield front. If you look at our yield on advances, it has been reducing from 9.27% last December to 8.92% this December.

So could you please explain the key reasons behind this decline? Is it mainly due to the loan mix change or reducing lending rates or anything else? And what will be our yield guidance for the coming quarters?

Nidhu Saxena: So the yield on advances is standing at 8.95%. But you would have seen that there has been 125 bps rate cut from the regulator. And like every bank has mandated to pass on the rate cut without any time lag. We have to mandatorily pass this rate cut benefit to our portfolio, which is linked to the repo rate. So around 40% -- 42% of portfolio is linked to the repo, which gets this benefit passed on immediately.

But the deposit pricing, which is always coming with a lag. And with this rate cut happening, the overall yield will see an impact. But we have been very mindful -- when this rate cut cycle was in the offing, aware of that, almost 30 bps to 35 bps of MCLR raise we had done in a 10-12 months period before this rate cut began in Feb 2025.

And we have seen that this portfolio -- still maybe one quarter of portfolio which will be remaining for getting repriced, in that MCLR portfolio, which is around 55% that is our loan book composing or linked to the MCLR.

But again, with this rate cut, clients, the good rated borrowers have been approaching and they have been getting options, and we have to be aligning ourselves remaining in the market and doing business. So some good rated borrowers also on the MCLR side have been approaching banks with concessions.

And when the competition is looking at those and considering them, then we would also not sometimes like to lose the business. So all these are elements of headwinds in this thing. But ultimately, with rate cuts, the ancillary benefit that bank is getting is that with new rate cuts, we will see new opportunities coming for the bank for raising their loan book all over.

New home buys are happening, the interest rate cut, the tax rates, the GST cuts, all this is doing is enabling, empowering people to go and spend. And when this is happening in the ecosystem, ultimately, the funding opportunities for all the players in the ecosystem is only going up.

So that's how we are also going to get benefit out of that. The yield may a little bit soften, but overall, our volumes that we are doing are higher, ultimately, it will become a profitable proposition for the bank. Though not on the immediate, when the rate cut benefit has to be passed immediately, there will be a lag where my deposits will get repriced. For that intervening period, yes, but as I explained, ultimately, bank also stands to benefit.

Management: We don't have guidance on yield on advances. We have a guidance on NIM, we are targeting to maintain at about 3.75%, and we will maintain it.

Rohit Priyadarshi: That is good, sir. That is good to hear. And sir, secondly, how focused are we on increasing the MSME loan book? And what kind of yield can we expect from here? And since I believe MSME usually gives higher yields, so do you see this helping our overall yield improvement going forward?

Nidhu Saxena: So as I said, we are into wherever we see profitable opportunities and where we are comfortable to build our exposures on. So be it MSME also, we are looking at this segment also very seriously. What we have done is low-ticket MSMEs, the journeys have been created in using technology and the end-to-end process is digitalized where we don't wish to have too much of engagement in our branch for availing or disbursing these MSMEs small ticket size loans.

So we rely more on digital journeys where we will set our own business rules and the underwriting quality will also be managed well. MSME, we will keep trying to grow. We have been growing double digit -- high double digit, I would say, in 15%, 16%. Lately, in the last quarter, you would have seen our MSME and agri book has shown a single-digit growth.

I have also shared about this rebalancing strategy that we were undergoing. And very consciously, we are rebalancing some portfolio in these two segments and using these good times where the growth is happening in high double digit. I want to onboard some business, which is, I should say, a high-quality business, and replace some businesses with those. So this is a rebalancing that was happening. Now we have improved drastically.

When we look at September growth in agri, MSME year-on-year versus December growth, you will see marked improvement has come in. And very consciously, we have been underwriting big ticket agri and MSME advances and onboarding them. When these set of clients are coming, focus has moved from production-linked finance to investment credit in the agri segment.

And that's how we have done a lot of rice mill, dal mill. We have done warehouses, cold storages. And we have seen that while the portfolio has grown, we have got some ancillary business also.

We have got a lot of primary and collateral securities. So we have grown the portfolio in a very secured manner.

And of course, yes, you are right to say that the pricing, if you are able to service the clients' requirements expeditiously, this is a portfolio which is able to get you good rates also. And there's not much competition here. So we deliver our products fast through quick decision-making and are able to command some premium in pricing also, which a customer is happily paying to the bank. 20 bps, 25 bps don't matter. If their requirements are expeditiously seen and met by the lender, they'll be more than happy to pay that.

Moderator: We'll take our next question from the line of Jai Prakash Mundhra from ICICI Securities. Please go ahead.

Jai Prakash Mundhra: Congratulations on a steady number. Sir, my first question is, during the quarter, the RBI had opened the window for MSME dispensation to the export unit. What would be the quantum, sir, if we would have received any request for moratorium from export customers?

Nidhu Saxena: We'll just come back to you on this. We are aware of this dispensation. And we don't have a very big portfolio around here, but we will just come back to you if there is anything major.

Management: Total amount for the MSME for this compensation, whatever the RBI guidelines have come, it is around INR5,000 crores, sir. And already we have started the process and it is undergoing, sir.

Jai Prakash Mundhra: Sure. So, sir, you have a loan book of around INR50,000 crores in MSME, right? So out of INR50,000 crores of MSME, around INR5,000 crores have come for dispensation. I mean, is the number right, INR5,000 crores?

Management: Yes, yes.

Jai Prakash Mundhra: Okay, sure. And these are all export-heavy, predominantly exporters only, right, those who are engaged in export and have been impacted under the U.S. tariff, etcetera?

Management: Yes, sir.

Jai Prakash Mundhra: Sure. And sir, the window has now been closed, right? That now no more -- as of, let's say, 13th of January, if a similar customer wants a similar dispensation, they cannot have that, right?

Management: Correct. It is 31st of January.

Jai Prakash Mundhra: Sorry, sorry. I missed that. Sorry, is this the 31st of December or the 31st of January?

Management: January.

Jai Prakash Mundhra: Okay. So the window is still open, right?

Management: Yes.

Jai Prakash Mundhra: Okay. Second question, sir, on LCR, if you can suggest what was the LCR at the end of quarter 3. And as we move into April 1, you may have now a higher LCR requirement on the mobile and Internet Banking. But at the same time, you will have some lower risk weights on the bulk deposit, right, at least the NBFC deposits.

So how do you see the net-net impact, let us say, on -- what is the Q3 LCR number? And assuming we have to provide higher on mobile Internet banking, but lower on bulk deposits, how would it look like? Would it be net impact positive or net impact negative?

Nidhu Saxena: So we are looking at -- these calculations are being done. But -- meanwhile, we are keeping the internal guidance for us to maintain LCR between 115% to 120%. We feel too high on this number is not a very good idea to maintain. And LCR, to answer your question, for Q3 is 116.36%. And I will ask my CRO to just respond to what is in the offing, as you said, 1st April. You want to add in there?

Management: On the 1st April, whatever the guidance states, increasing the dividend or let's say the deposits, and we have seen this actually and considering the net outflow positive impact on the banks is around 3%.

Jai Prakash Mundhra: Okay. So the net impact will be a positive impact on LCR, right?

Nidhu Saxena: Of 3% is what the calculation is showing.

Jai Prakash Mundhra: Correct. So, sir, assuming you have to move to -- on 1st April, you need not shore up liquidity, right? If at all, you will have some release of liquidity. Is that the right understanding, or is there some other element here?

Nidhu Saxena: You are right to say that.

Jai Prakash Mundhra: Sure, sure. And secondly, sir, if you can talk about the total gold loan of Bank of Maharashtra, the retail gold given is around INR12,000 crores. What will be the total -- do you have agri or MSME gold also, or is that not very meaningful?

Nidhu Saxena: No. Like I said, we have all the 3 variants. Today, with regulator, up to INR2 lakhs being permitted to be classified as gold loan under agri, subject to conditions. So if those conditions are getting met, so agri gold loan is also possible. Likewise, up to INR10 lakhs for MSME is possible.

For other than those purposes, it is classified as a non-priority gold loan. And the breakup, if I have to tell you, the retail is INR12,000 crores, agri is INR9,000 crores, and MSME, which is a new product introduction post this regulator guideline, we very quickly gave this option also, so it is INR1,000 crores.

And this is one segment which we have been aggressive to grow, and we had marked as one of our focus products. If you see quarter-on-quarter, we have been growing at a very high rate of

40%, 45% year-on-year, right? 18 months back, I remember, it was almost INR7,500 crores to INR8,000 crores.

Today, including co-lending, we stand at INR22,000 crores. So minus around INR5,000 crores of exposure in co-lending, INR16,500 crores to INR17,000 crores gold loan is happening through our branches. The rest is what is under the co-lending tie-ups.

So the point is, we have also been very careful that this business, although it's a very good business, attracts zero risk weight as per the guidelines. But it's the 2 elements, which are the purity of the gold and the safekeeping of the pledged ornaments, these 2 infra we will create first, and then only permit a branch to venture into doing gold loans.

So I think the focus that is there has led to good growth in the portfolio. But going forward, we will keep this drive of growing the gold portfolio. 116 branches that we have opened in this FY under the Project 321, we have supplied them with gold safes from day 1.

So the mandate is very clear. They would also be looking at doing gold loans as per the potential that is available. And today, gold loan is not the element of 6 traditional South-based states, but it is happening elsewhere also in the country in a big way. A lot of scope is there to grow this portfolio.

A lot of gold loans are in the unorganized segment despite -- we very clearly see, after the COVID, a lot of focus has come from banks. Most of the banks have grown gold loans. But still, I would say there is a huge market that is there for coming to the banks and even the NBFCs from the unorganized segment, and the customers also stand to benefit because the interest rates getting charged in the banks particularly will be very low. So we are growing this portfolio.

Jai Prakash Mundhra: Right. And sir, if you have this...

Moderator: I'm sorry to interrupt, sir. May I request you to join back the queue, please, as we have participants waiting for their turn.

Jai Prakash Mundhra: Sure. Thanks a lot.

Moderator: Thank you. We'll take our next question from the line of Bhavesh Kanani from UTI AMC. Please go ahead. The current participant line is disconnected.

We'll move on to the next question from the line of Akshay Badlani from HDFC Securities. Please go ahead.

Akshay Badlani: So my question is around the margins. So yields, what we can see is it has dropped by over 25 bps this quarter. And before that, there was 100 bps rate cut, but the yields did not drop as much. And also, the rate cut happened slightly at the end of the quarter. So I wanted to understand that why did we see as much drop in the yield on advances?

And secondly, on cost of fund side, there also, we have seen 22 bps reduction. So is that largely term deposit repricing? Or have we done some repricing on savings accounts as well?

Nidhu Saxena: So I'll take your second question first. So yes, we keep reviewing the interest rates being offered across spectrum of products, including the savings deposits. Also, when we look at this business, we see, very clearly, there are 2 components. One is the institutional business, the institutional CASA, and the retail core CASA that is happening through our branches.

I have been mentioning about this vertical that was set up with the idea to reach out very systematic manner to the institutional clients, which our understanding is they have a different set of requirements. They need to be understood, their requirements need to be understood.

And we go ahead and do a lot of value additions when we look at institutional CASA relationship coming into the bank, where we try to give them some technology-based solutions, which will take care of their transactional needs, saving needs, investment needs, or payments and collection needs. And that's how we bring value to those institutions.

And that's how we are able to see that leaving in the ecosystem, many options of banks they are having, but they prefer to bank with us. So, institutional CASA, we keep focusing on a different strategy altogether. The core CASA, we have done a lot of new product introductions to see that today in the ecosystem, whatever segment of savers are there, whatever segments of deposits that will come from banks, from women, from kids, from professionals, from HNI, ultra HNI, NRI, the entire product basket is available, customized products are available to them.

We have gone ahead and revamped one of the most important channels in today's time, where customers come and transact, which is not in the branches, but it is the mobile application. And I'm happy to share that our new mobile application is not just an upgrade of the old version, but we have totally revamped and launched a new version where the theme or the underlying principle was making life simpler for clients, letting them do transactions with a minimum number of clicks.

That's how the journey, that's how the app has been developed, and it is getting a lot of good reviews, and has been appreciated. Clients who have on-boarded themselves are able to transact and see the difference. What the old version took 7 months for first 1 lakh downloads, we achieved first 1 lakh downloads in 14 days.

And today, while I speak, this is a very recent launch in September on our Foundation Day, but we have crossed 6 lakh active users, which in the previous version was 225,000 users. So that's how we are bringing change in core CASA, giving right product choices, ease of customers for doing their business.

Once they are on-boarded, they are able to transact seamlessly with us. And that's how we are seeing slowly, steadily attrition is coming from that element also, core CASA, stable individual deposits, and the institutional. Your other question was?

Akshay Badlani: On the yield aspects?

Nidhu Saxena: So yield on advances, you rightly have said, but see the earlier times, it was not the full quarter impact which was there, we had seen. And we have also passed on our rates. I did mention in my last response to a query wherein our good rated borrowers also are demanding. I would not like to lose a borrower. And we tried to -- whenever a rate cut request is coming, we try to compensate that the overall profitability from that client should not have gone down.

So we always seek, while we give them good rates, so that they continue to bank with us, but we try to replace the loss in the concession that we have offered through getting some ancillary business. So overall the income may not be seen in the advances book, but we will get some ancillary business, whether it's payroll accounts, whether seeking their payment and collection business and trying to get some income through those heads.

We are getting some deposits of their to sit with us. That's how we try to keep compensating so that the relationship continues. Our profitability with that client also should not go down. But then we are operating in this market. We may see another rate cut is being discussed, but we keep a close tab.

We are mindful of those things, and we keep doing business. And if you see the bottom line, ultimately we have maintained, and we have not seen that any of my NIM, ROA, ROE has seen a contraction. This is the quarter where I had mentioned last time that we probably will not see any further contraction in NIM.

And we have actually increased NIM by 2 bps only, although we have increased, at least no contraction. And there is a 25bps rate cut is what we have come. But then again, the next quarter, I will get the full quarter effect of this rate cut. And we may even, going forward see further rate cuts. But we will keep operating and keep maintaining the bottom lines and the profitability metrics. We will keep achieving those as per our guidance and try to surpass our guidance every quarter.

Akshay Badlani: Sure. Thank you for answering the questions.

Moderator: Thank you. We'll take our next question from the line of Ashlesh Sonje from Kotak Securities. Please go ahead.

Ashlesh Sonje: Hi, team. Good evening. A few questions from my side. Firstly, can you share what is the proportion of your term deposits which are yet to be fully re-priced at the lower rate, that is one. Secondly, you mentioned that the home loan disbursements which happen at the 7.1% rate are a very small proportion.

Can you share that proportion with us, please? And lastly, in your exchange disclosure, you have shared that roughly you bought loans worth roughly INR5,000 crores in this quarter and about INR12,000 crores during the 9 months. Can you share what type of loans these are and from whom they were acquired?

Nidhu Saxena: So first is, deposit getting re-priced. So when this rate cut cycle began, and very closely, we have been seeing and monitoring this development. So our typical maturity profile is against the industry standard of 12 to 15 months. Our maturity profile at that point in time was 8 to 10 months. And we have seen that most of the deposits by that time have been re-priced.

But then again, there is a fresh rate cut announced, and we will see that this is a cycle that will keep happening. And we are also seeing that -- we don't wish our -- we should keep offering when the other banks that are not able to garner deposits and are facing challenges, they are also offering very high rates to depositors.

And I would not like my retail depositors, at least, to leave the bank. They are the stable core deposits. So we keep offering good rates to them. And meanwhile, not focusing on the high-cost bulk, but continuing to give these kinds of rates to them. So these are the, I think continuous dynamic challenges that you will keep seeing when this kind of rate cuts will be happening. What is the next question, please?

Ashlesh Sonje: The proportion of disbursements which are at 7.1%.

Nidhu Saxena: Yes, sir. So 23% -- when we introduced this metric, we strengthened our underwriting of benchmark standard in home loans and all retail segment loans by saying that there will be no sanctions below 681. So the pricing was also tweaked according to that. So I can share with you that when the 12 months have passed, the 800 and above CIBIL score, which is entitled to get that 7.1% rate, 23% of sanctions in that 12 months happened in that bucket.

And 57% of sanctions happened between 750 and 800 buckets. So if you put together 23% plus 57%, 80% sanctions were happening in that bucket. So while I am giving very fine rates, I'm also trying to get some ancillary business, because the mandate given to our field functionaries when they sell one home loan, they will be trying to sell minimum four products on the day 1.

So they will try to offer a co-branded credit card that we have now in our kitty. They will try to do a group credit life, explaining the benefits of that scheme. And if they are not able to get the operative account from where the salary or the business where the servicing of EMI will happen, they will request the borrower with minimum three EMIs as deposits with the bank.

So we do a home loan with these three or four things together. So that's how -- but you will appreciate that the quality of loan book that is now getting created for the last 12 to 15 months, this will be of good quality. We will not see, going forward the kind of slippages number where guidance we are keeping to maintain it below 1.

It is behaving well, 0.88% for this quarter. Annualized is 1.2%, which is the trend we have seen last quarter, and a couple of quarters behind us. And we would like to see that this ultimately will go down further. Any question I missed yours, sir?

Ashlesh Sonje: Sir, the loan purchases of roughly INR5,000 crores which you did?

Nidhu Saxena: Yes, sir. So the pool transactions that we are doing, at some point in time, we keep analyzing our portfolio that is built. And when we reach a realization that some rebalancing is required, we will do that. So we had also marked that we will try to reduce our overdependence on pool transactions.

While saying this, we are not averse to doing pool at the right moment as per need of the bank. If, for some PSL classifications, I require a portfolio, we will do that. We will also do pool buyouts when we are getting a good pricing or we have other ancillary benefits with that. But my core branches business must happen first, then we will see what pool we will do or not do.

So the mandate given to the field functionaries in my 50 zonal offices and now 2,700 branches is to stop looking at what the bulk business or pool business you will do. That's the central office call. They will see that the KRA of the zonal manager is the core business that is happening in their set of 60-65 branches, whether it is happening or not. Their KRA is very clearly defined in those terms.

So what we have done is, sir, we have reduced our overdependence. The December 2024 quarter, in fact, became the first quarter where we have seen YTD degrowth in the pool. Year-on-year, minus 7% in pool. But as I said, again, from time to time, we will keep looking at taking pool partnerships.

Today, when in the agri and the MSME, I mentioned about doing the rebalancing in my portfolio. It was a conscious strategic decision on part of the bank. And to see that the portfolio is there, we have taken some pool transactions in the last 1, 2 quarters.

We will again shift back to my branches doing the core stable business. And from time to time, it is purely a central office call, we will see the profitable part of it, we will see the PSL requirements part of it, and we will keep doing pool transactions going ahead also.

Ashlesh Sonje: Got it, sir. Thank you. Sir, just one clarification on the first question. Fair to assume that the term deposit book is largely repriced now and no more repricing should be expected?

Nidhu Saxena: So, some more -- about 18% to 20% is likely to be repriced during this quarter, which is what is coming up. And some part is repriced. But moreover, what happens, like one is after the rate cut from RBI, and then basis that, there are multiple rate revisions at the bank level, depending on the appetite of the bank. So basis this, repricing keeps happening. But as of now, we can tell that about 18% repricing is expected during this quarter.

Ashlesh Sonje: Understood, sir. Thank you, sir. Thank you very much for your responses.

Moderator: Thank you. We'll take our next question from the line of Bhavesh Kanani from UTI AMC. Please go ahead.

Bhavesh Kanani: Thank you for the opportunity. I hope I am audible.

Moderator: Yes. Please go ahead.

Bhavesh Kanani: Yes. So my question was on the MSME segment. Sir has mentioned a couple of times that there is a rebalancing going on. So it would be helpful if you can help us understand the nature of rebalancing, the purpose behind that, especially in the context that within MSME, the medium entities book seems to be degrowing dramatically.

And this is surprising when we look at the sectoral GNPA numbers, which clearly reflects that medium enterprises are experiencing improving GNPA profile. So hence, the question that what is the reason behind need to rebalance.

Similarly, on agri, too, while the headline total number seems to indicate a single-digit growth, within agri, the agri infra and agri ancillary portions of the book are growing at much faster rate. So what are the segments, the kind of borrowers we are serving here, that would be helpful. And last one was on the other expenses. There seems to be a sharp spike sequentially. So what is the reason behind that spike? That's all from my end.

Nidhu Saxena: So, thank you for the question. So MSME, there has been some reasoning behind the change in the regulator guidelines. So with the MSME limits getting enhanced, you would have seen some portfolio which is MSME shifts. So they have increased the limits. So there is a portfolio which would move from MSME mid to the small segment. And likewise to micro.

Even some corporate accounts would have moved to MSME getting entitled. So that is one thing which is happening as per the change in the regulator guidelines. What we have been also looking at rebalancing are the TReDS book that I'm having. This is a function of not underwriting, there's no underwriting involved. It is a function of pricing.

I can easily grow the TReDS -- bill discounting portfolio by offering very cheap rates, which normally is getting provided to the MSME suppliers when they get their bill discounting done on the TReDS platforms. So we want to see that the final purchasers from those MSMEs, are they our existing clients or not.

So we decided that we will gradually move from -- if there is a TReDS discounting facility available, and we are not part of the consortium or we are not lenders to that entity, we would like to move into their consortium.

We would like to move -- even if they are into multiple arrangement or sole, we would like to take their exposure in their normal credit also, whether a term loan, working capital, so that we can have more visibility on how that entity is performing, not just leaving it to doing TReDS business all by ourselves. We should have TReDS along with other business also. So that is one.

Second, we wanted to centralize and improve our underwriting in the MSME segment also. Two things we did, CMR 1 to 3, up to CMR 10. This is what CIBIL TransUnion is assigning ranks to MSMEs from INR10 lakhs to INR50 crores. And we decided that CMR 1 to 5, below which no underwriting will happen in the MSME segment.

So this was decision number 2. So we have been pursuing that MSME TReDS bill discounting has been centralized from -- now zones, 50 zones are not permitted. We want to centralize the portfolio, do seamless -- there are two more discounting platforms which have been approved by RBI. We have signed with them also. They have also been onboarded.

So there is a lot of potential to grow, but we want to have share in their normal financing. So this rebalancing, and if you see my September 2025, MSME growth would have been suboptimal 2%, 3%, 4%. But we have grown now year-on-year 8%. So now that impact, what rebalancing we have done, from December and onwards, I'm going to get to the same level of double-digit growth.

But we are mindful, as I said, of quality. The borrowers that are entering into my system, how comfortable we are with them. And yes, they are a very profitable segment also. So we don't want to exclude any of that part of business coming into the bank balance sheet. So this is all, I think, from my side on this MSME rebalancing.

Management: Regarding agriculture, your question on agriculture ancillary activities, this book is growing. And that is mainly food processing-related activities like rice mills, dal mills and all that. And farm credit, there is a degrowth. So this is a segment where we have experienced some stress. So that's the reason we are not going very aggressive in this particular segment.

Bhavesh Kanani: Okay. And the last one on other expenses.

Management: With regard to other expenses, various factors are impacting, like we have opened around 165 branches, new branches that is also considering the additional business giving, expenses are also increasing. And second is also revaluation depreciation is there. Since last year we have revalued our some of the assets, and that is why the depreciation has also increased. And also IT capex expenses we have done. So on that part also, our depreciation has also increased. So that is why other expenses are showing -- but on Y-o-Y basis, we see 11% increment is there.

Bhavesh Kanani: So in terms of the continuing for other expenses, I just was wondering if there is one-off this quarter and it is going to normalize subsequently. Is there a one-off there?

Nidhu Saxena Yes, sir. Any one-off element is there is what's being asked. You want to explain what is that one-off? Otherwise, I will take that such as PLC…

Management: PLC certificates...

Nidhu Saxena: Okay. So some PLC certificates in this rebalancing is what the team is saying. I think INR20 crores?

Management: INR63 crores.

Nidhu Saxena: INR63 crores. So that is one-off transaction that has happened in this quarter. But now we have come out of that. In terms of new branch opening, what is our experience, because since we are doing this, almost 500 branches have been opened in the last three to four years. And in this year, 116 in this FY. And we are going forward with our plan to open complete 321 while knowing that there will be first some increase in the opex.

But the experience so far has been that the new branch that we have decided to open, after a very scientific exercise down to PIN code level, trying to decide where two things must be happening. There must be existing banking business potential and that center is also growing at a good growth rate. If these two conditions qualify, we decide to open a branch there.

For a branch in one center, we have even gone to see, which is the PIN code within that center where we should open. Typically, you would see a branch -- that a city is growing in one side. So we will not want to open our branch in a side where nothing is happening. So doing it very scientifically, we have decided this list of 321 branches. And what our experience is, when we are opening branches in potential growth centers of the country, we will see that they will break even also very fast.

And whatever branches we have opened in the last three to four years, we have been very closely tracking those branches. So the branches which were opened three years from now, all have turned profitable. Branches which are opened between two to three years, 60% of them have converted to profitable.

So incrementally, what is happening, while I do incur some opex in the immediate, but incrementally, what the new branch that has opened is giving me revenues and profit, it is more than offsetting the cost. So we are not at all bothered about increasing our expenses on account of new branch opening. It is only this one-off item which is there in this quarter, which will, of course, not be seen in the next quarter.

And very critical, the other metric, if you look at, cost-to-income. Knowing that we have been -- I've been doing 37%, 38% cost-to-income for a couple of quarters. But since we are opening branches, we were mindful that some opex will go up. So my guidance has been maintained beginning of the year to maintain it below 40%. But if you see cost-to-income, today also it is 37.19%. So cost-to-income is also -- which is, almost, I should say, best in the industry. Even private banks don't have that metric.

Bhavesh Kanani: Certainly sir. Thank you for all the responses and wishing you all the best.

Moderator: Thank you. Ladies and gentlemen, we'll take that as the last question for today. I now hand the conference over to Mr. Nidhu Saxena, Managing Director and CEO, Bank of Maharashtra, for closing comments. Over to you, sir.

Nidhu Saxena: So I think not only this quarter has been good, but the other element, which is the consistency in the result getting delivered is also something an element of comfort to the management, and I'm sure investors as a community must be looking at that. And also going forward, the kind of branch expansion that we have been doing in potential centers of the country, I think this kind of high double-digit growth for the next three to four years very clear visibility is there, is going to be maintained in the system.

We will keep growing because these branches, 321, doesn't end. We have a Board approval to open 1,000 branches in the next five years. We are doing it in two phases. The first phase, we have taken up for three years, and we took help of an external expert to help us use a lot of scientific data points and tell us which is the center, and they have done a lot of work around the CIC data that is available, RBI data, using their all algorithms, and they have come and told us very scientifically that in the center, at this PIN code, is where the bank should have its next presence.

So I think this new branch expansion which is happening is going to sustain this fast growth rate also, and we will remain mindful of the profitability part of the business. It is not mindlessly growing the top line, but any corresponding growth in the top line, how it is impacting our bottom line, we will remain mindful on that and see that not only growth metrics, but our asset quality, profitability metrics, our capital adequacy numbers, all are getting consistently delivered. Thank you.

Moderator: Thank you, sir. On behalf of Bank of Maharashtra, we conclude this conference. Thank you for joining us, and you may now disconnect your lines.

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