



Bank of Maharashtra

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Dear Sir/ Madam,

Sub: Transcript of Earnings Conference Call with Institutional Investors / Analysts held on 20th April, 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 and year ended 31.03.2026 held on Monday, 20th April, 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)

Company Secretary & Compliance Officer

Encl: As above

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Bank of Maharashtra

BANK OF MAHARASHTRA

Q4 FY 2025-26 Post Results Conference Call

April 20, 2026



Bank of Maharashtra

**SYSTEMATIX GROUP**
Investments Re-defined



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 Bank of Maharashtra's Q4 FY 2025-'26 Post Results Conference Call, hosted by Systematix Shares & Stocks. 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 touch-tone phone.

I now hand the conference over to Mr. Siddharth Rajpurohit from Systematix Institutional Equities. Thank you, and over to you, Mr. Siddharth.

Siddharth Rajpurohit: Good evening, everyone. Thank you all for joining Bank of Maharashtra's Q4 Post Results Conference Call. From the management today, we have Mr. Nidhu Saxena, Managing Director and CEO; Mr. Prabhat Kiran, Executive Director; and Mr. Sushanta Kumar Mohanty, Executive Director. I would like to congratulate Mr. Mohanty for being appointed as the ED to the bank. We are very grateful to the bank for giving us the opportunity to host this. I hand over the call now to Mr. Nidhu Saxena for his opening remarks, post which we'll open the call for Q&A session. Over to you, sir.

Nidhu Saxena: Thank you, and good afternoon to all, and thank you all for joining this con call. And I'm happy to share that we have seen yet another good year for the bank despite whatever, I should say, challenges, geopolitical uncertainties and a real war for deposits also. But bank has typically shared 18 to 19 parameters for which the guidance was shared at the beginning of the year. We have done this last year also.

And I'm happy to share that all the guidance numbers across the growth parameters, across the asset quality, across the profitability metrics, across the capital adequacy, efficiency ratios, we have been able to meet all the guidance and at some of the places with a decent margin above the guidance that was shared in the beginning of the year.

To just quickly -- the high-level pointers. Total business this year has grown at the rate of 17% and within which advances grew at 22%. Total deposits grew at 14%, within which our focus, which had always remained on CASA, CASA grew at a double-digit 12%. And our CASA ratio also was maintained above the 50%. We closed the year with 52.51% CASA. Term deposit also saw growth of 16%. The asset side, the RAM had good growth, within which retail was growing at 32%.

The major focus products that supported this growth. Home loans grew at 29%. Vehicle and gold, which were marked as focused products to grow for this year grew at Y-o-Y 56% and Y-o-Y 53%, respectively. Agriculture and MSME portfolios also saw a double-digit growth. MSME grew at 11%. Agri grew at 13%. While we've been doing both these portfolios at 15% to 16%, but we had initiated a conscious strategic part on our side to do a rebalancing in the portfolio.

And while in the first -- Q1, Q2, you would have seen that the growth had gone down to single digit -- low single digit, I would say, but we've closed the year with double-digit growth, and the process to grow quality agri and MSME has onboarded new fresh business in that segment in that portfolio, is going on for this year. It will continue also. And we will soon regain our 15% to 16% retail and agri -- sorry, agri and MSME growth in the bank.

Corporate also, we have been able to find areas which we mark as bullish areas for the bank to go. Sectors like green, clean energy, renewable sector, we have funded in a major way. And we have done infra loans. We have done data centers. We have done a lot of areas where there is a lot of emphasis and support system, which is coming from the government of India and where we are seeing that huge scope and potential to grow is there not only for the current FY, but for the years to come.

So we had marked these sectors as bullish sectors. And through our quick acquisition, quick disposal, we have even grown our corporate book Y-o-Y at 22%. RAM corporate share was within the guidance. It was 63% in favor of RAM, 37% was corporate. The asset quality has also been contained well -- maintained well, and there is improvement in both GNPA and NNPA, where we have seen improvement both in absolute terms and percentage terms as well.

The gross NPA has reached -- percentage come down to 1.45% with a 29 bps improvement year-on-year. Net NPA came down to 0.13%, 5 bps year-on-year. And both were well within the guidance number. Recovery in the bank this year also had seen a good performance and within which our write-off recovery book, which is almost marked as a focus area to perform, around INR20,000 crores -- INR21,000 crores of write-off book, and we had planned that annually, we should be recovering between INR1,200 crores to INR1,500 crores for the next 5 years.

And the band, which was kept a big band because out of INR25,000 crores -- INR20,000 crores, around INR7,500 crores were in NCLT where bank would do a process. But at times, you're not very sure whether the recovery will fall in a particular quarter or it may slip to the other because of the some delays that may happen in the NCLT. So we had a band of INR1,200 crores to INR1,500 crores, but I'm happy to share that for the last 2 years, a lot of traction is seen.

Last year, against FY22 number of INR600-odd crores of recovery in written-off book, we did INR1,375 crores. This year, we have even surpassed that number. It is INR1,423 crores of recovery in the write-off book. So I think our strategy is playing well. We are able to see resolutions and recovery in the write-off book. And we will continue to focus this segment. We have a big, I would say, gold mine where we -- if we are resolving, we are contributing also to the OP of the bank.

The stress has been well managed. The overall stress saw an improvement of 49 bps. It has come down to 2.93%, within which SMA-1 plus 2 is 1.39%, which also improved by 61 bps. As a result of this fresh growth and growth where we have not mindlessly grown the top line but have remained conscious about the bottom line -- for every transaction level, we have been very consciously doing that.

Our profitability also has grown in a very favorable way, I would say. OP, operating profit, INR10,826 crores, grew Y-o-Y at 16%. Net profit with INR7,019 crores, grew Y-o-Y at 27%. The profitability metrics of ROA, ROE, NIM, they also were well above our guidance that we shared beginning of the year. Against a NIM guidance of 3.75% at the beginning of the year, we closed the year with a NIM of 3.91%.

If I have to share Q1, Q2, Q3, Q4. Q1, the NIM was 3.95%. It went down to 3.85%, 10 bps in quarter 2. We have seen improvement thereafter, which I have been sharing, that probably the third and the fourth quarter, we will see no further contraction. We may see an improvement in our NIM, and that's

-- despite the rate cuts during the FY, we have seen that we have regained our NIM at 3.95%. Quarter 4 stand-alone NIM was 3.95%. Full year NIM was 3.91%. Our guidance has been 3.75%.

ROA, quarter 4, 1.97%, so barely touching the 2%. But for the full year, our ROA has been 1.86 against the guidance of 1.75. Seeing this good traction, while I will share also the guidance number of important parameters, we are ready with those guidance numbers. But I can share, for ROA, we have upped our guidance over the last year. We have said that guidance for this year ROA will be 1.80.

Going over to the ROE. Q4 ROE, 26.61%. Full year ROE is 23.19%. Our net interest income also has grown handsomely, 17% Y-o-Y growth. We have contained our cost to income below our guidance of 40%, and it closed with 37.08%. Yield on advances has been maintained at 9.05%. Cost of funds and cost of deposits both have seen a reduction. Cost of funds at 4.15%, has reduced 7 bps year-on-year. Cost of deposits has improved by 14 bps year-on-year at 4.52%.

Capital adequacy, we are adequately capitalized. And with this full year profitability now also added, CET1 is standing at 14.59%. CRAR is at 18.36%. Government of India Holding during the FY, with the OFS issuance by Government of India, has come below the 75%. We are an MPS compliant bank now. And Government of India Holding stands at 73.60%.

Participation from FIIs and DIIs have gradually been increasing over the past 2 years, and we have been very, very particular about our engagements with the investors, both foreign and domestic. Just to give you a number, the FII shareholding has gone up from 0.39% in 2023 to 5.8%. Likewise, DII, excluding the LIC and the bank treasuries, has gone up from 0.24% to 6.86%.

I think I will take a pause. These are the broad numbers. The presentations are shared with you. I will take a pause to take questions. And while we go ahead with those, maybe give some more additional inputs from our side.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Ashok Ajmera from Ajcon Global. Please go ahead.

Ashok Ajmera:

Thank you for giving me the opportunity. Before I start, let me congratulate and welcome our new ED, Sushanta Kumarji Mohanty. Sir, welcome to Bank of Maharashtra from analyst side. You have recently joined. Having said that, congratulations Nidhu sir and the entire team of management of Bank of Maharashtra for the fantastic results. It's not only a question of quarter, but on the overall FY26, you have performed exceedingly well.

And once again, have gone beyond 50% on the CASA, beyond 20% growth on the credit, and almost every parameter that yourself narrated, you have met all the guidance and one of the excellent performance. Though you are the first to declare the results among the public sector banks, but still I would say you are one of the best performers, sir. My compliments to you. Having said that, Nidhu sir, I would like to have your views because now going forward, this war started from 28th of February, this Iran, Israel and US war. And the impact might not have been seen so much in March.

But now going forward in April, May, June, in this current quarter, where do you see the impact of this war coming to our corporate account, mainly the MSME accounts? And is there any stress which you

have already started feeling? Because till last year, till 31st March, the SMA numbers are good. SMA-1 is only INR241 crores, SMA-2 is only INR56 crores. So what are your comments on that, sir? And what kind of impact do you see, sir, of this war?

Nidhu Saxena:

So Ajmeraji, you're right when you're saying that there is a crisis ahead of us, but we also know that we are yet to see the end of the crisis. It will be very difficult to say what will be the full impact because if this kind of crisis will stretch and if it will prolong, we would see more pain coming in, is what the sense tells us. But we are very closely monitoring, watching the developments, and I'm sure at the highest level in the government and the regulator, their engagements are on to see how things pan.

And at the bank level, I would say that if you -- since you mentioned about the MSME portfolio, so far, March, there is no element of stress or sign of any worry. In fact, my MSME NPA number has actually come down, has come down to 1.54%, which is an improvement. But having said that, yes, with headwinds like Brent crude more than \$115, anything above \$100 will bring pain. We may see inflation if this is getting prolonged for long. We all understand the rupee-dollar and how the currency depreciated will have its own impact. So we are watching it very closely.

And you're also right to say that March will not be where the impact. We may see the impact in -- not Q1. By Q2, you will see the fallout of the West Asia crisis. But as I again said, we are still to see the end. So we can only hope that the crisis resolves and what damage must have happened, the impact, how fast it can be replaced is also needs to be seen.

So you may see in following quarters, the impact of the damage, which has happened, it is not that the war ends and everything goes back -- appears normal because something gets disturbed, the crude supply where some actions are there, it hit. So to replace those damages will take time. And so one may see, but we'll need to watch, and we are completely mindful of the impact.

Ashok Ajmera:

Yes, sir. Point well taken, sir. You explained it very well, sir. I got a few data points and some observations. In the provision front, we used to have that INR1,200 crores, that special provision, I think that COVID provision. But this time, it has come down to INR1,010 crores. So INR190 crores has gone up from that buffer, from that provision we used to maintain. So is it used in the normal provisioning? I mean, but for it, the provision would have been more by INR190 crores in this quarter? This is my...

Nidhu Saxena:

Right. So point is well taken. We have been mindful of the nudges that are coming from the regulator. When we are passing a benign phase where we are seeing that everything is good, the balance sheet, banks are good, corporates are good, every bank is also showing profits. So what has been continuously being said, when the good times, you should keep maintaining buildup provisions. But to have a COVID provision and COVID is all gone way back, beyond the point, there is no sense to build that kind of provision.

So while the COVID book has reduced, it has actually been a nudge coming from the auditors also. That when we are adequately provided, when you are maintaining NNPA of 0.25 guidance and actually, the performance is much below that 0.13 is number. So any fresh slippages that we are encountering, we are supposed to, as per IRAC norms, go with 15%, but we are providing 100% upfront. So we are adequately provided, so why you should now keep this?

But actually, what we have done, if you see, I think this is again an industry first. Keeping in mind this West Asia crisis, we have internally created, there is no regulator prescription. There is no nudge also towards that, but we are calling it as a global geopolitical uncertainties provisioning. And we have, in this quarter, built a provision of INR200 crores.

What we will do in the next quarter, whether we'll top it up, we don't know. But we thought we will be prudent when -- if any challenges are coming, prudence will be -- let's actively provide for -- if there is a headroom or there is an enabler with you, let's utilize that. So we call it global geopolitical uncertainties provision INR200 crores to begin with in this quarter, I have created.

Ashok Ajmera: So it has just shifted from there to here. In fact, that INR1,200 crores has become INR1,010 crores. So another fresh INR200 crores provision has been made?

Nidhu Saxena: Fine, you can look at it that way because amount is almost appearing to be similar, but this was something a consciousness which came not because the auditors wanted that why do we so much keep provisioning on the COVID thing. But we had on our own decided that we will be -- continue to remain prudent. And if prudence requires that when you see a challenge or a headwind and if you are providing for it, so there was no link to that to this. But yes, somehow the amount is near to that.

Ashok Ajmera: So there is an irony that even the good points are put in the emphasis by the auditors. Even if you are holding extra provision, they put as an emphasis item. But anyway, sir, my one point is on this overseas advances book, which has gone up from INR3,517 crores to INR6,142 crores. I believe this must be GIFT City. So what kind of book we have built here, which has gone up from 1.29% to 2%?

Nidhu Saxena: So it is a combination of participating in some global syndications. We are -- see, GIFT City, today, we have started operations in the last FY. We will see a lot of opportunities, to begin with, in the corporate. Then we are also -- we have taken a complete suite of Infosys. We also intend to do in this half year of this current FY -- H2, we will be good to go with the retail products in our GIFT IBU.

So currently, it is mostly corporate books, but we are ECBs, global syndications. That's what we are doing. Even the way we have in a very short time moving very decisively. I recall 13 February 2025, we get the nod from the Reserve Bank of India, and we took 6 months to book our first business. 13th September, 4 transactions were booked. And September 2025, we had 100 million of overseas business in our books.

And from there, the journey started. We have kept an aspiration of making GIFT City in 12 months minimum 1 billion book. 650 million we've already done. And I can share with you that we have -- there is a pipeline visibility to us of 350 million. So that aspiration is going to be -- getting achieved. While in the Board, when we went for suggesting for a GIFT license, we said we may take 3 years to breakeven.

But I'm happy to share, we said, why not? In the first 12 months, the balance sheet should be a profit - net profit should be there. And what we have done in March in GIFT City, we have achieved after covering the entire overheads, staff cost, premises, everything, including the IT, we have been able to see bottom line positive in the GIFT IBU also. So that aspiration, that part of aspiration also will, I'm sure, be achieved in the GIFT IBU.

- Moderator:** Sorry to interrupt, Mr. Ajmera, may we request you to please re-join the queue. We have participants waiting.
- Ashok Ajmera:** One question, one on tax. Can I go? Hello?
- Moderator:** Please go ahead, sir.
- Ashok Ajmera:** Yes. So on taxation front, sir, just one clarification. Our average tax -- income tax, it has come to 10.66% of the profit for the whole year. Can the CFO -- you can throw the light on the entire DTA provision and everything? And what is the status? Where do we stand today on the taxation front, sir?
- Nidhu Saxena:** Okay. Since you said CFO, I'm passing on the line to the CFO.
- Management:** Yes, sir. With regards to tax, sir, average tax rate is coming around 10% to 11% because we are getting a deduction in the forms of bad debt provision also under 36(1)(viii) & 36(1)(vii) - two sections mainly we are operating where we are getting deduction. Apart from that, sir, also other DTAs, like in this DTA, we have hardly INR17 crores, we have created. So that is also there. So overall, sir, if you see in our bank or other banking sector, sir, operating profit, 13% to 14%, average tax rate is coming.
- So since in first quarter, we are having some unabsorbed losses of around INR1,200 crores to INR1,300 crores. So first quarter, we have consumed that losses. And after that, second quarter and onwards, sir, we are coming to the normal tax bucket rates. And since we've opted for new regime, so 25% tax rate is coming.
- So for OP, it is a 13% to 14% average rate is coming for us. And sir, considering the quarterly profit and we are having cushions. Now since we are not requiring any additional provision, so we are not seeing anything that we will not able to cover that provisioning requirement from tax side, sir. And also, we have -- in this quarter, we have paid the advance tax of INR930 crores, total advance tax for FY26-'27.
- Ashok Ajmera:** So you mean to say that in future now, our tax will be 25.17% because we have finished all those benefits of the bad debts and the DTA and other things. So we will come back into the normal bucket -- normal tax rate bucket, isn't it?
- Management:** Yes. Sir, this year itself, from second quarter itself, we are in the normal tax bucket rate, and we are accordingly provided -- certain tax provision has been done, and sufficiently advanced tax is also paid.
- Moderator:** The next question is from the line of Priyank Chheda from Vallum Capital.
- Priyank Chheda:** First, sir, you have been highlighting on various calls about the strategy, which is working well. I would like to hear it out again on what actually has played out for Bank of Maharashtra to achieve all the guidances that we set 12 months ago in such a volatile year? And if you can also touch upon what will work -- what has worked till now and what will work going ahead over the next 2, 3 years?
- Nidhu Saxena:** So what we have been working with the theme, see, bank has been performing well for the last couple of years. And the only sense that we were drawing that our scale and size of operations was not as significant. So we want -- the 2 years back when I joined, and we kept this vision that we will become

a bank of a greater significance. And 2, 3 things that we jotted down for us. One is that we want to grow in scale and size, so the top line has to grow.

And if you see the stack of 12 PSBs, we were ranking in terms of size at the position 11. And what we decided that in the next 2 to 3 years, minimum 2 notches is what we should grow in size. So from 11th, we have to come to the 9th. But then we said it is not a mindless top line growth. What we will be doing that with top line, bottom line growth has to correspondingly improve.

If it cannot be -- I mean, if possible, we will try to even improve it further because we've maintained some good ratios. You would have seen. Most of the ratios are now among the top 3 in the industry. In terms of profitability, asset quality, we rank in position 1, 2, 3 on the critical ratios when we compare ourselves with the industry. So we would like to not go down on a single ratio. So the mantra for growth was it should be a growth, but it should be a profitable growth. Then there is no compromise on the quality.

So around this theme, we had done a lot of things. I recall, we had a very fine rate T-bill linked rate product. We had certain exposures. But we said we made our exposure zero during the course of the year. And we switched on from core business that should happen from my 2,500, 2,600 branches. And for that, we did a lot of product improvisations, new product improvements. Processes were streamlined.

Our review mechanism went for a total change when we started to review our zonal leaders in terms of their core business growth. It is not enough that institutional relationship is settled and your 20% branches are optimum performing. It is essential that your core business is your core area. The bulk element of business, the central office, head office will take care. So that's the theme with which we started to review them. And I think dividends were visible.

And we have seen now that the volatility in the loan -- in the total book -- total business book also is not there. Because whatever new business has come, has also come from core, which is happening from individual branches. So we went on to reduce our overdependence on pool buyout transactions, not that we are averse to doing. Wherever we get good pricing and at times, we want to look at meeting our PSL requirements, we will do those transactions. But that's the central office call.

So my branches, zones, they were all working towards getting core business. So this is one thing. This theme is going to continue going forward as well. I am also a differentiated bank. With this kind of a geographical expansion, I think no bank in PSB space and particularly the large players who saw amalgamation and mergers, they had to logically go for some sort of a rationalization where some branches had to be closed down.

So we were differentiated that we were opening branches lately when the private banks did realize 1 to 2 years back. So you would have seen HDFC, Axis, ICICI have decided to open a few branches in some rural semi-urban centers. But we were organically growing and expanding our presence. And this branch expansion is happening continuously. I have 1,000 branches approval from the Board to be opened in the 5 years.

We are in a very calibrated and scientific manner, growing the branch presence across the country. For the first 3 years, we are calling it as Phase 1, wherein we are currently running a Project 321, we are opening 321 branches. While I speak, 183 branches till date have become functional, and they are actually doing business. And they are scientifically selected to be opened in a center down to the pin code level.

So with this kind of very focused approach, we are -- despite whatever headwinds, we are able to see business. We are able to see profitable business. We are able to also do business without compromising in any way on the quality of business. And that's how we will continue to go ahead with, sir.

Priyank Chheda:

Amazing for the -- and much appreciate the detailing. Sir, I just have another two questions. Second question on the 18, 19 parameters which you had said on the various level guidances and the forward-looking statements that you had made for the bank for us to judge for the following 12 years, and you have meticulously achieved that in FY26. What would be those comparable numbers when I have to look Bank of Maharashtra for FY27? That is my question number second.

Nidhu Saxena:

Yes, sir. Sir, again, the last 2 years, we have been announcing and sharing these guidances beginning of the year. And we are fully committed to achieve each of those parameters. The same exercise has been done for FY26-'27. I can very quickly, for benefit of all, share these numbers. So total business this year, we plan to grow at 16% to 17%, within which advances will grow at 18%.

Deposit to grow at 14% to 15%. CASA, we will maintain around 50%. RAM book will be growing at 18%. RAM corporate, the ratio 60-40 plus/minus 2%. Net interest income is to grow at 15%. NIM, the guidance for this year is 3.75%. Noninterest portion to grow at 10%. Cost to income, we will continue to maintain as last year, below 40%. ROA, here, we have actually upped our guidance number by 5 bps.

Last year, ROA guidance was 1.75%. By seeing quarter 4 ROA touching 1.97% -- I mean, barely touching 2%. So ROA, we want to keep a guidance of 1.80%. ROE, while we did 23% plus for this year, we want to maintain a guidance of 20% and more. GNPA will remain within 2%. NNPA within 0.25%. Slippage will be maintained below 1%, and credit cost will be around 1%. PCR at 98%, and CRAR to be maintained at 18%.

So these are the broad guidance numbers, which will again guide our path and very thoughtfully seeing our past trend performance and keeping also some headwinds in mind and keeping a challenge for us. We have kept these numbers, and we'll -- the team is committed to see that as we have done in last 2 years, we should -- there's no compromise. These are sacrosanct numbers for us. We will be achieving itself.

Moderator:

Sorry to interrupt. May we request Mr. Chheda to please rejoin the queue. We have participants waiting for their turn. Thank you. The next question is from the line of Parth Gutka from 360 One Capital. Please go ahead.

Parth Gutka:

Yes, hi. Thanks a lot for the opportunity. Sir, my first question is on the fee income. Our fee income growth was lower or way lower than the loan growth. So what are the steps we are taking here to improve our fee income?

Nidhu Saxena:

So noninterest income, if you are -- you must have seen, it is 2.51%, whereas we have kept 10% guidance for this year. What has happened in this particular financial year, there is a one-time exercise where I had to provide for INR290 crores, so there is -- we have RRB, Maharashtra Gramin Bank and Government of India initiative to have one state, one RRB. I got to amalgamate the RRB from Bank of India, which is Vidharbha Konkan Gramin Bank.

So now the entire state of Maharashtra today, we are a single RRB and that RRB, I'm the sponsor bank. And the book is also a significant size, INR44,000 crores of business. With this RRB coming in, unfortunately, for us, it was carrying accumulated losses on balance sheet and stand-alone also, there was a loss. And I had to take the investment on face value. So there was an immediate MTM, which we had to provide and INR290 crores is what the hit I took as onetime.

But then as I said, this is MTM, already 10% -- INR10 crores -- sorry, not 10%, INR10 crores, we have seen improvement in that. But this is why my noninterest income parameter has gone weak. But I'm happy that you have raised this issue. For this year, even before we had actually -- we do keep in mind that beyond the critical parameters, we will keep every year 1 or 2 areas where we will be focusing and seeking participation from each and every branch, each and every zone, and each and every staff member and all vertical heads.

So last year, we have done this focus on growing a quality agri and MSME book. This year, the one parameter which we have already decided is fee-based income. And 2 days from now, we are -- we have planned our Board strategy meet and my zonal leadership will be all together. We will be disclosing this special ask for this year.

One is that we will make it as a year of deposits. And second is that we will make it as a year where we see huge scope of growing our fee-based income. And to help them do, the central office verticals are working overtime to already work on giving them enablers. So they are able to respond to this corporate call and deliver better results, better outcomes in this FY.

Parth Gutka:

Sir, my second question is on the cost of deposits. So what percentage of your deposit book is yet to reprice in Q1 and Q2 FY27?

Nidhu Saxena:

So, see, this repricing, now there is no much of portfolio, which is seem to be repriced. We have seen the entire -- because in fact, I would say when we used to look at this parameter and look at what the industry average, my average maturity profile was somewhere around 10 to 12 months. So we saw repricing also happening faster than the industry.

And you would have seen probably this is one of the reasons, one of the contributors that my cost of deposits have gone down year-on-year 14 bps. It is 4.52%, within which the quarter 4 was 4.33%. The full year is 4.52%, but quarter was 4.33%. So this is what the impact is. And -- I mean, that answers your question sir.

Parth Gutka:

Yes. And sir, my last question. The yield on investments has improved materially on a Q-o-Q basis from 6.71% to 6.8%, what has led to that one-off improvement?

- Management:** Yes. Actually, there was one of the factors, one-off income, which was booked during current quarter. So because of that, otherwise, the yield was flat during the current quarter.
- Parth Gutka:** Okay. sir. Can you please quantify that number, if possible?
- Management:** That was roughly INR20 crores, INR25 crores.
- Parth Gutka:** Okay. Okay, sir. Thanks a lot. Thanks.
- Moderator:** Thank you. The next question is from the line of Jai Mundhra from ICICI Securities. Please go ahead.
- Jai Mundhra:** Yes, hi. Good evening, sir and congratulations on a great number. Sir, I have a few questions. One is on the treasury portfolio, if you can suggest how much was the MTM, the number that we have given is the total MTM plus realized gain and the movement in AFS reserves from Q3 to Q4?
- Management:** Sir, in the [FVTPL] portfolio, we had around INR40 crores, INR45 crores of MTM and we have added that into the books. And in AFS, yes, you're rightly seeing that the AFS reserve is coming down, okay? And that has turned into red. But as on date, because the yield as on 31st March and now it has improved a bit around 10 bps to 15 bps. So the AFS reserve is still into the red, but it is under manageable. It is manageable.
- Jai Mundhra:** Right. Sir, I was more interested in knowing the swing from Q3, how much was the AFS reserves? And I believe because yields have come back to below 7%, so you would have seen a recouping of this thing. But how much was AFS reserves in Q3 and how much was it at the end of the quarter, March quarter? Yes.
- Management:** Yes. So it was INR175 crores positive as on Q3. And as on -- I mean for 31st March, it is INR362 crores negative. So roughly around INR500 crores -- INR550 crores swing is there.
- Jai Mundhra:** Right. Okay. Sure. And sir, one -- a question to Nidhu sir, it's around PLI, performance-linked incentive, how much was the total payout for Q4 performance-linked incentive, sir, PLI thing? So how much was the payout in Q4 and maybe FY26? And what is the scheme that we have in PLI in the sense that I think now you can only offer one PLI above a certain grade. Do we practice that 15 days for everyone and then an additional PLI for Class 4 and above? Or how is it?
- Nidhu Saxena:** So, Jai sir, what we have done is for scale up to 3, as per the agreed formula in the IBA, we have gone ahead and released the PLI to them. And for the category of officers, Scale 4 and above, since there are discussions going around, final points are still. But as a bank, we have made 100% provision on some estimations that we have already in place. So provisioning is there, the PLI release probably will take some discussions before we actually are able to release the amount.
- Jai Mundhra:** Okay, sure. Maybe I'll take this offline. So that is okay. And sir, the assignment number, right, which gives in the BSE disclosure, that gives like INR14,000 crores is the aggregate amount of loan that we have acquired through assignment. I was hoping that this will be mostly mortgages and SME, but the tangible security coverage is only 12%, 13%. So what is the nature of these loans? What have we acquired where the tangible security is so less? Or what am I missing here?

- Nidhu Saxena:** One moment, sir. I am just passing the line. Please feel free. We are going to provide you. That is not an issue. So I'm just handing over to Chanda, he is GM Credit. I will respond. If you're not satisfied or you need more information, please do let us know, we will do that. Chanda?
- Management:** So regarding unsecured yes, sir, we had a loan to NABARD which was a substantial amount. So that contributed to that portfolio.
- Management:** Jai sir, that INR14,000 approximate amount is in a pool lending. So majority of the pool is in our AA and AAA rated NBFCs there. So those IDs in MFI sector and some of the housing pool is also there. So -- but that housing pool is secured. MFI pool is like that it is in a consumption or some production pool is there. So their securities reflecting lower side, but it is given to NBFCs, which are the AAA and AA rated. So as of now, that portfolio is doing well.
- Jai Mundhra:** Right. Okay. I was hoping that only, sir, but it says that the loan acquired are not rated because these are noncorporate borrower because the pool is -- underlying the pool is individual, but the originator is NBFC, right? That is the way it is. Okay. Sure. So, Sunil sir, I will take this offline also. So that is good. And the last thing is, sir, from my side is this -- sorry, the tax rate.
- You said that it is already normalized, but if I calculate tax rate as a percentage of PBT, it still is 12%, 13% in the last 2, 3 quarters. So -- I mean, you said that it has normalized, but will you be -- because you may have some rural advances or some exemption, what is the true tax rate for us in FY27?
- Management:** Sir, now we are in the normal tax rate. And if you see from OP point of view, we can say 13% to 14% -- operating profit 13% to 14% is an existing rate we are getting. So it is affecting multiple factors like rural advances, how much we are the depth in there. And exactly -- because some assumption basis, 8.5% directly we are getting the deduction. So -- and the DTA is also one of the factors. So multiple factor is there. So on the OP basis, we can say 13% to 14%.
- Jai Mundhra:** No, sir, my only question was when we give guidance, while we'll be doing everything right, but if the tax rate itself moves from, let's say, this year tax rate, if I calculate tax upon PBT is less than around 10%. But if next year, it is 25%, then despite delivering on PBT, you may -- I mean, the tax outgo itself can swing. So that is why I was hoping if the tax rate will remain more or less similar or you believe it will move up from 10% to 25% next year? That is the question.
- Management:** It is more of similar only because this year also, we are hardly having INR1,200 crores unabsorbed losses. Over the whole period, we have done whatever required provisioning is there and we have paid the advanced tax. So considering the other factors, this is the normal rate is there and it is now normalized.
- Nidhu Saxena:** Mr. Jai sir, if you have still some elements to be answered, additional information, we will be providing. Please be rest assured on that.
- Jai Mundhra:** Yes, sir. I know. I know, sir. You have been very prompt. I will come back sir, yes.
- Moderator:** The next question is from the line of Akshay Badlani from HDFC Securities.

Akshay Badlani: My first question is around the fact that Maharashtra government has announced farm loan waivers for KCC loans less than INR 2 Lakh. So just wanted to get a sense as to how do we see the impact of that because majority of our agri advances are in Maharashtra. And because of that, if -- do we envisage any borrower behavior that could get impacted?

That is one. And second was around, as we said that we have made some additional provisions regarding geopolitical risk. Do we also see a sense whether we could price our loans better. Is there a scope of our yield on advances going up if we are sensing some risk in the MSME sector, especially because of the geopolitical risk? Thank you.

Nidhu Saxena: So the state has already, I think, budgeted for this year that there should be a debt waiver, while the approved scheme has to still come and known to the banks. But we are aware of a couple of things because we've been the SLBC and we are otherwise also discussions at various forums. So below INR2 lakhs KCC loans, which are outstanding as on 30th September 2025 and which are overdue or have already slipped to NPA are the eligible accounts that will be considered for any scheme that will come.

So we have our calculations that are in place. So overdue -- our overdue amount eligible accounts will be INR917 crores. NPA is INR1,067 crores. So put together, it is INR1,984 crores, to help to understand -- so around INR2,000 crores of debt waiver amount is what one can expect. We don't see any major challenges around this probably once the budgeted action is done and the approval is expected, if not Q1, Q2, maybe we can hope Q2 max Q3.

We will see, in fact, our NPA in the agri book, we have done some estimations, calculations. My agri NPA, which is standing at 7.72% with around INR3,100 crores. With this, it will come down to INR2,037 crores. Agri NPA will actually come down to 5.33% is what we are looking. We are aware that some part of this is also where we would have maybe done some prudent write-off also. If that is -- whatever that portion, it will also -- I'm able to take it to OP.

So we don't see any major challenge around this debt waivers. Rather this FY, if the state approvals are coming, not only us, other banks also will get the benefit. My calculation is INR2,000 crores is what we get to benefit out of debt waivers. Second, there is a component is that wherever prompt payments are made by agriculturists during FY23, '24 and '25. So the government has also indicated that an amount of INR50,000 per borrower will be passed on as a prompt payment incentive. And this will not go to the loan accounts. This will be credited to their saving banks account.

So we have even done that calculation that I would get INR775 crores of SB balance if this debt waiver has to come. So we don't see a major challenge whatever things would have happened, I think the pain would have been already seen. Now is the time where it is Q3 or -- Q2 or Q3, we may see that if debt waiver is actually coming and sanctioned and the state is passing the funds, we will see these 2 positives happening in the bank.

Akshay Badlani: Understood. And on the second question regarding if we see stress building up in the second half, are we in a position to price our loans better even if there is no rate action?

Nidhu Saxena: So I think banks are free to look at the pricing part. And when we have been saying that we will grow and grow profitably, so if the risk underlying are there, we always look at pricing the risk, pricing the

accounts, pricing the facilities that we are extending carefully. So if there is a risk, enhance risk, increase risk, we will take a suitable call and price the risk that we see coming to the bank. So this is one part of it.

But as we initially -- I also mentioned, one has to really wait and watch and see how much and by when we see the impact of this West Asia crisis. I think one good thing if it can be happening is at least the crisis find a resolution and we end the crisis. So then we can actually see. But we are very closely monitoring the likely portfolio and any benefits or anything which is flowing from the regulator dispensation or from the government.

We are fully committed to see that the benefits get passed on seamlessly to the eligible category of borrowers or even the retail category, whatever is getting to announce, we will follow that. It happens seamlessly, and that's how we will also derisk ourselves in the process.

Moderator: The next question is from the line of Ashlesh Sonje from Kotak Securities. Please go ahead.

Ashlesh Sonje: Congratulations. Two questions from my side.

Moderator: I'm sorry to interrupt you, Mr. Ashlesh, we are unable to hear you. Your voice is breaking.

Ashlesh Sonje: Can you hear now.

Moderator: It's better.

Ashlesh Sonje: A few questions from my side. Firstly, if you can explain the movement of the net worth because it seems like your net worth has declined quarter-on-quarter by about INR200 crores in spite of a profit of INR2,000 crores for the quarter. That is one. Secondly, your gold loan book has declined by some 17-odd percent Q-o-Q. So if you can explain that change. Thirdly, if you can share what proportion of your MSME book is covered under the CGTMSE guarantee? Fourth one, if you can share a segmental breakup of slippages? Yes, those are my questions.

Management: Yes. Regarding the first question on net worth, if you see on quarter-on-quarter basis, there is one movement regarding the AFS reserve. And second, the Board has proposed a dividend, the final dividend amount is around 12% and -- including the interim dividend of 10%. So considering these 2 factors, you see the decline in net worth on a quarter-on-quarter basis.

Ashlesh Sonje: What would be the dividend payment amount roughly?

Management: So 22% comes to around INR1,600 crores, INR1,692 crores.

Nidhu Saxena: So answering, sir, your second part -- sorry, first, I think you asked about the decline in the gold. So gold, I mentioned also is our focus category to grow this portfolio. Year-on-year, we have -- my gold loan book stands at INR24,000 crores, which has grown by 53%. Some odd INR5,000 crores is where we have gone for co-lending arrangements, and we have signed up co-lending arrangements now with 9 leading NBFCs, all A rated and above. And we have done a sizable business in co-lending with gold NBFCs.

So the Muthoot and the other 2, 3 companies where we have signed, so what has happened is 1st January 2026, RBI has come up with a fresh set of guidelines wherein the new model, CLM1 was mandatory to be implemented. So we had almost an exposure of INR5,000 crores plus in co-lending with the 3 NBFCs. And the portfolio is a good yielding business to me and portfolio is doing really well.

But we did not do any fresh underwriting till the time we switched on from the CLM2 to CLM1 model, which needed some level of integrating my IT and developing, first of all, new underwriting mechanism with me and the NBFC. And it took time with NBFC also. So now by almost, I should say, first week of March, my portfolio because I was getting huge collections on a daily basis, but I had actually stopped fresh underwriting.

So with first week of March, the CLM1 model is implemented, tested, and it is working fine. And I'm getting -- RBI guidelines are allowing 15 days portfolio to be shared under the CLM1 arrangement. And we are on a daily basis, building this book to come back to the earlier levels. Market is there. The gold price and our experience with co-lending partnerships has been extremely good.

We are only happy to onboard more gold NBFCs as and when -- I mean, they are ready with the CLM1 model and discussions are underway with getting more good rated NBFCs for this co-lending piece. So that partly explains what happened in the last quarter. And sir, one last of your query, I got this figure, sir. CGTMSE, INR9,800 crores is the portfolio, which is backed by CGTMSE guarantee.

Ashlesh Sonje: Got it. And sir, last one was on the segmental breakup of slippages for the quarter? Those are all the questions I had.

Nidhu Saxena: Yes, yes, the data is there sir. They'll share. Please go ahead.

Management: So in retail, there is around INR100 crores. In agri, it is around INR300 crores. In MSME, it is around INR400 crores.

Nidhu Saxena: Sir, were we audible to you? March '26, fresh slippages sector-wise was shared. Could you take down the number?

Ashlesh Sonje: Retail INR100 crores, agri INR300 crores, MSME INR400 crores. Corporate side was?

Management: Sir, in corporate, there is no slippage.

Ashlesh Sonje: Understood, sir. Understood. Perfect, sir. Thank you very much for your detailed answers.

Moderator: Next question is from the line of Preethi RS from DSP. Please go ahead.

Preethi RS: Congratulations, first of all, on a great quarter to you and team. Sir, I was just curious to understand your thoughts on M part of the RAM portfolio. So that has -- the growth is lower than the company's average. So what are your thoughts? The growth is around 10%. And within that, the growth in medium and small is actually lower and declining?

So what are your thoughts on that? And the second question is on tax rate. It's wasn't clear to me. You said it averaged around 15%, 16% this year. So what will that be when you say 2% ROA target for next year? What are you -- I mean what is the team internally building it?

Nidhu Saxena: Yes. So Preethi, the ROA target for the next year, we have kept at 1.80%. I just wanted to clarify that. Coming to MSME...

Preethi RS: When you say 1.8%, what is the tax rate that you're building?

Nidhu Saxena: Okay. So let me first take the MSME. So MSME micro book has grown small and medium. And what we have done is like we did in the retail, where we experienced a high double-digit growth, in fact, 24%, 25% and now even crossing 30%. So we had last year introduced stringent underwriting benchmarks. So we stopped funding to retail segment, individual borrowers where the credit score minimum 681 was not there.

So there is no funding permitted in the bank, and there's no discretion to any authority to permit any funding. So likewise, in MSME, we have strengthened the underwriting benchmarks. And we want to see that in this good growth times, can we have some big ticket and secured and good rated portfolio that can come and sit in our loan book. So that was the attempt.

And that's -- when we initiated this, we did come to market and announce this that we are doing the rebalancing in both the books. And simultaneously, what we were attempting that every level, whether it's a branch or a CPC is what we call where the underwriting on linked branches is happening in agri and MSME or a zonal level sanctioning committee or corporate office, there are 4 committees. GM-headed, CGM-headed, ED-headed or MD-headed and of course, the MC.

So all these committees will see that they are sanctioning proposals. So business has to be properly scouted under big ticket agri and MSME proposals, where our sense was we will get securities and see that the quality business is underwritten. So we -- temporarily in the Q1, Q2, we did see a dip. The Y-o-Y growth went down to 3%, 4%. But then after that, the pickup has started to happen. We also had some exposures to TReDS.

And we wanted to see that wherever TReDS has been allowed as a facility, are we part of the consortium or are we having other funding facilities with them? Alone TReDS, we perceived it as a risk that we are not able to actually monitor the accounts if we are doing alone TReDS. So a couple of these things were done and idea was to create -- to have a loan book, which is a quality loan book where we have a proper control on what is sitting in the loan book.

So now it is almost 11%, around INR6,000 crores we have grown, and we are not stopping. These 2 priorities and contribution from across all levels in the bank to sanction good rated agri, big ticket investment credit kind of portfolios in agri and also in MSME will continue to be there till the time we are able to go back to our original levels of 15% to 16% growth in these 2 segments. And I'm just taking help of my CFO to repeat the answer for the tax part.

Management: Yes. Ma'am, with regards to tax, so for -- on the OP, it is 13% to 14% effective tax rate is coming. So we are getting the benefit of rural advances and other thing considering all these parameters. So that is

the normal tax rate. Now we are -- in the last 3 quarters, we are the normal tax paying and normal provision has been done also as per the requirement.

Preethi RS: So what should we build in for next year on PBT basis? Not OP, on PBT basis?

Management: It is around same level ma'am, because we are -- this year, we are in the normal level, so -- yes, 10%.

Management: On a PBT basis, Madam, roughly it will be around 18% to 20%.

Preethi RS: For next year, right? For '27 I mean?

Moderator: Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Nidhu Saxena for closing comments.

Nidhu Saxena: So I think there's not much to add around this. We have also looked at upping our payout -- dividend payout. So 10% was the interim and 12% our Board has approved. So put together becomes 22%. We also are growing fast and having a sanction pipeline. INR72,000 crores of sanctions have been granted in the last FY in the corporate book.

And we still have undisbursed portion of INR34,500 crores, and this will keep seeing the growth in the -- healthy growth that we are recording in the corporate side going forward also. And whatever numbers that we have shared and our emphasis on recovery and recovery, particularly also from the write-off book. Our last 2 years' experience has been good. So we will continue with those efforts. We'll continue with those strategies, which are playing out well for us and giving us the results going forward.

And we are fully committed to see that whatever guidance we have shared today, the team is meeting, and we will be closely watching all these 17, 18 parameters on a quarterly basis. And we'll keep coming to you with whatever developments are happening within the bank in all these areas. And I must thank all of you to have spared time today and joined the call. Thank you so much.

Moderator: Thank you. Ladies and gentlemen, on behalf of Bank of Maharashtra, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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