



**Prashant Kumar**  
Managing Director & CEO

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**Mr. Chittaranjan Chattopadhyay**  
Chairman - Banking, Financial Services &  
Insurance Board  
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Sub: Release of the Aide Memoire on Infrastructure Financing

Dear Mr. Chattopadhyay

At the onset, I would like to personally thank you and the entire BFSI Board of Indian Institute of Cost Accountants for the sharing a copy of the first publication in Aide memoire series titled 'Aide Memoire on lending to Micro, Small & Medium Enterprises sector' with YES Bank.

Given infrastructure is one the key focus areas of the Union Government and the continuous thrust of investment program within the sector, and the fact India's MSMEs contribute nearly one third of the country's GDP, makes this book extremely insightful and can potentially act as a one-stop comprehensive guide on infrastructure financing for all stakeholders.

YES Bank strategy adopted for our MSME clients is where digital and analytics form the fulcrum of both new acquisitions and seamless customer service. Analytics is being used to drive prospective client identification, while the AI-powered Early Warning Signals framework helps to flag off incipient sickness and support frontline remedial management.

The MSME segment continues to remain attractive for us. The micro, small and medium businesses suffered the brunt of the COVID-19-related economic downturn. But there are some strong positives in their favour. They are also early and intensive users of tech-based banking. MSMEs have been able to pivot around quickly with a helping hand from the government. MSME business made up 24% of YES Bank's advances base and 18000 crores of new sanctions/ disbursements in FY 2021-22, and we see a huge potential for product volumes and customer size in this segment.

We look forward to the second publication of the Aide Memoire Series.

Once again, I would like to express my gratitude to you and the BFSI Board of the ICAI.

Yours sincerely

Prashant Kumar  
Managing Director & CEO