Equity Research

June 5, 2020

BSE Sensex: 34287

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Q4FY20 result review and earrings revision

Banking

Target price Rs206

Earnings revision

(%)	FY21E	FY22E
PAT	↓ 2	↓ 3

Target price revision

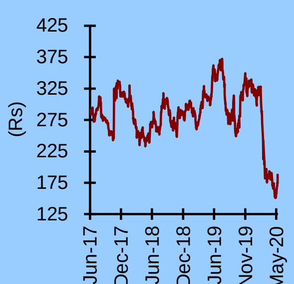
Rs206 from Rs185

Shareholding pattern

	Sep '19	Dec '19	Mar '20
Promoters	57.9	57.7	57.6
Institutional investors	35.2	35.5	34.2
MFs and others	13.6	13.8	13.6
FIs/Banks	0.1	0.0	0.1
Insurance Cos.	10.7	10.6	10.6
FIIs	10.8	11.1	9.9
Others	6.9	6.8	8.2

Source: BSE

Price chart



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INDIA

ICICI Securities

State Bank of India

ADD

Maintained

Alluring valuation; economic/social costs a risk

Rs188

State Bank of India's Q4FY20 earnings are characterised by depressed NIM (at <3%) and muted NII growth (flat YoY) offset by lower than anticipated credit cost and sustained asset growth. Relatively lower vulnerability on asset portfolio (assessed by our SAAP framework) is reaffirmed by lower moratorium percentage (across product categories – *detailed below*). Unlike other banks, SBI has not created any Covid-19-related contingency buffer (taking shield under higher coverage of 84%). However, post assessment of the situation and better visibility, provisioning is likely in H1FY21. Inarguably the strongest and superior franchise on deposits, underwriting, digitisation, etc., huge potential to unlock value in subsidiaries, and operating profit at 1.7-2.0% of assets will help SBI manage stress. However, further risk to NIMs (MCLR cut by 50bps post March), low CET-1 at 9.7% (posing equity dilution risk) and being in the forefront to bear the brunt of economic/social obligations will cap rerating upside despite alluring valuations and robust franchise. Maintain ADD. (TP - Rs206) (Old TP – Rs185)

- **Moratorium percentage reaffirms SBI's better profile than peers:** Moratorium has been offered to all customers (opt-out); however, 82% of them have paid two or more instalments as at May-end. In retail, 21% of customers availed of moratorium (20% for home loans – in line with HDFC – and 5% for unsecured lending). In corporate book, only 13% of customers (7-8% by value) have availed of moratorium (much lower than peers), and in SMEs 47%. However, this analysis is based purely on number of customers (not on value) and agri segment is not covered. Under CGTSME scheme (up to Rs1.5trn of SME lending is eligible), of Rs300bn that can be offered, 30% by value (Rs100bn) has already been disbursed.
- **Agri slippages play spoilsport:** Slippage run-rate of 1.5% (Rs83bn) came in line with our expectations as moratorium benefit protected Rs62bn of SMA-1/2 accounts (1.1% run-rate) being classified into NPLs. However, agri segment accounted for ~60% of it with agri NPLs touching the 15% mark (hopefully largely recognised now). Besides, interest income reversals of 25-30% on two crop cycles also dragged NIMs lower by 15-20bps. Going forward, SBI being proxy to the Indian economy, macro slowdown/stress would reflect on its portfolio. Post assessing the situation, SBI will start providing from Q1FY21 onwards, in our view. Despite strong coverage, we are building-in a credit cost of >200bps for FY21E.
- **NIMs to settle lower:** SBI has cut MCLR by 50bps post March (to 7.25%) and LDR ratio will come off (with moderation in loan growth), though deposits would flock to this superior franchise). This, coupled with incremental stress due to Covid-19 crisis, will offset the benefit from sharp cut in deposit rates, and NIMs would hover low at sub-3%.
- **Inarguably strongest and superior franchise:** SBI is relatively better placed on asset profile given that 39% of its corporate lending is to PSUs/government, 77% to 'A' & above rated corporates, >60% of retail book is low-risk mortgages, >95% of unsecured lending is to government/PSU employees, and <4% of its loans is to severely affected Covid-19 sectors. This profile, coupled with operating profits at 1.7-2.0% of assets, will help SBI manage stress better than other PSU banks. However, we see upside being capped due to risks related to bearing the brunt of any social obligation/cost and BV-dilutive equity raising (given low CET-1 at 9.7%).

Market Cap	Rs1676bn/US$22.2bn
Reuters/Bloomberg	SBI.BO/SBIN IN
Shares Outstanding (mn)	8,924.6
52-week Range (Rs)	372/151
Free Float (%)	42.1
FII (%)	9.9
Daily Volume (US$'000)	1,85,323
Absolute Return 3m (%)	(34.9)
Absolute Return 12m (%)	(46.7)
Sensex Return 3m (%)	(10.6)
Sensex Return 12m (%)	(13.5)

Year to Mar	FY19	FY20P	FY21E	FY22E
NII (Rs bn)	883	981	992	1,079
Net Profit (Rs bn)	(8)	145	88	224
EPS (Rs)	(3)	16	10	25
% Change YoY	(64)	(717)	(39)	156
P/E (x)	(29)	5	8	3
P/BV (x)	0.4	0.3	0.3	0.3
P/ABV (x)	0.5	0.4	0.4	0.4
GNPA (%)	7.5	6.1	8.2	7.1
RoA (%)	(0.1)	0.4	0.2	0.5
RoE (%)	(1.2)	7.3	4.2	10.1

Table 1: Q4FY20 result review

(Rs mn, year ending March 31)

Particulars	Q4FY20	Q4FY19	% Chg YoY	Q3FY20	% Chg QoQ
Net Interest Income	2,27,669	2,29,538	-1	2,77,788	(18)
% Growth	(1)	15		22	(104)
Fee income	78,730	85,890	-8	56,350	40
Add: Other income	54,731	40,970	34	34,710	58
Total Net Income	3,61,130	3,56,398	1	3,68,848	(2)
% Growth	1	10		20	
Less: Operating Expenses	(2,03,793)	(1,87,059)	9	(1,86,622)	9
Pre-provision operating profit	1,57,338	1,69,340	-7	1,82,226	(14)
NPA Provisions	(1,18,937)	(1,73,358)	-31	(81,931)	45
Other provisions	(16,010)	8,340	NA	9,400	(270)
Exceptional Item	27,313	-	NA	-	NA
PBT	49,704	4,321	1050	1,09,696	(55)
Less: taxes	(13,902)	4,072	-441	(53,863)	(74)
PAT	35,802	8,393	327	55,833	(36)
Balance sheet (Rs mn)					
Advances	2,32,52,896	2,18,58,769	6	2,19,99,169	6
Deposits	3,24,16,207	2,91,13,860	11	3,11,12,286	4
Asset quality					
Gross NPL	14,90,919	17,27,504	(13.7)	15,96,612	(6.6)
Net NPL	5,18,713	6,58,947	(21.3)	5,82,486	(10.9)
Gross NPL ratio (Change bps)	6.2	7.5	(135)	6.9	(79.0)
Net NPL ratio (Change bps)	2.2	3.0	(78)	2.7	(42.0)
Credit cost (Change bps)	2.0	3.1	(110)	1.4	57.3
Coverage ratio (Change bps)	65	62	335	64	169
Business ratio			**Change bps**		**Change bps**
RoA	0.4	0.1	28	0.6	(23)
RoE	6.2	1.5	465	9.7	(357)
CASA	43.5	44.2	(69)	43.1	43
Credit / Deposit Ratio	71.7	75.1	(335)	70.7	102
Cost-Income ratio	56.4	52.5	394	50.6	584
Earning ratios			**Change bps**		**Change bps**
Yield on advances	7.5	8.1	(53)	8.8	(132)
Cost of deposits	4.7	5.1	(42)	4.8	(16)
NIM	2.6	2.8	(19)	3.3	(69)

Source: Company data

Table 2: Break-up of loan book

(Rs bn, year ending March 31)

Particulars	Q4FY20	Q3FY19	% Change YoY	Q3FY20	% Change QoQ
Agriculture	2,061	2,027	1.7	2,100	-1.9
Retail	7,476	6,478	15.4	7,198	3.9
SME	2,676	2,886	-7.3	2,780	-3.7
Corporate	8,442	8,516	-0.9	7,710	9.5
International	3,574	3,027	18.1	3,229	10.7
Total	**24,228**	**22,935**	**5.6**	**23,017**	**5.3**

Source: Company data, I-Sec research

Table 3: Break-up of slippages

(Rs bn, year ending March 31)

Particulars	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Agriculture	42	31	30	52
Retail	24	6	8	6
SME	40	15	16	2
Corporate	54	32	95	16
International	2	3	17	5
Total	**162**	**88**	**165**	**81**

Source: Company data, I-Sec research

Chart 1: Loan growth declined to 6.4% YoY

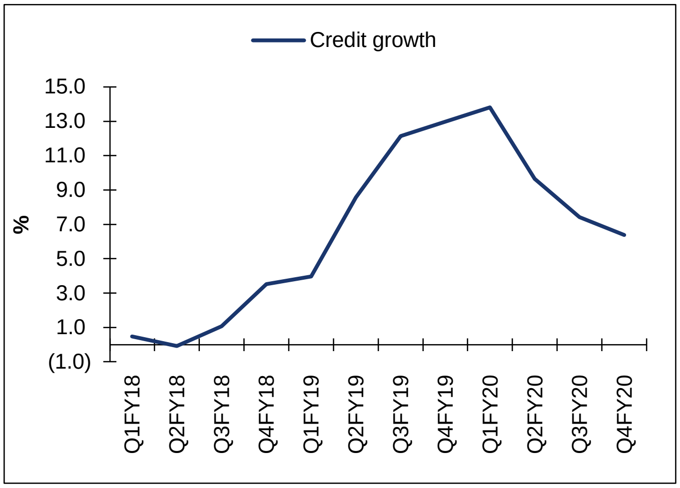


Chart 2: Deposit growth was strong at 11.3% YoY

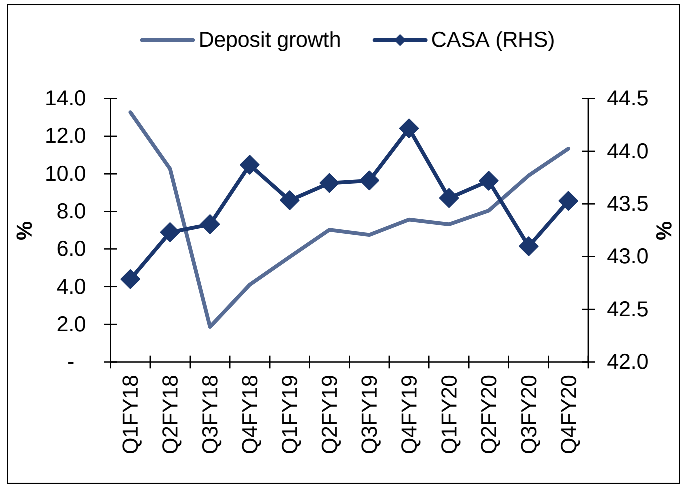


Chart 3: Higher loan reversals led to margin compression

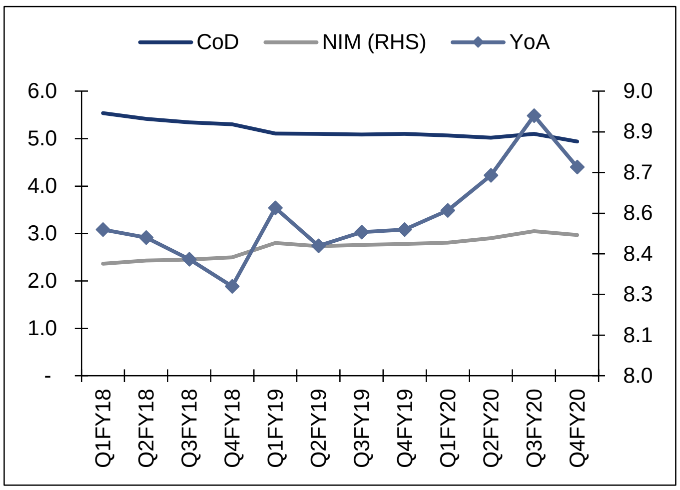


Chart 4: Fee income stood steady

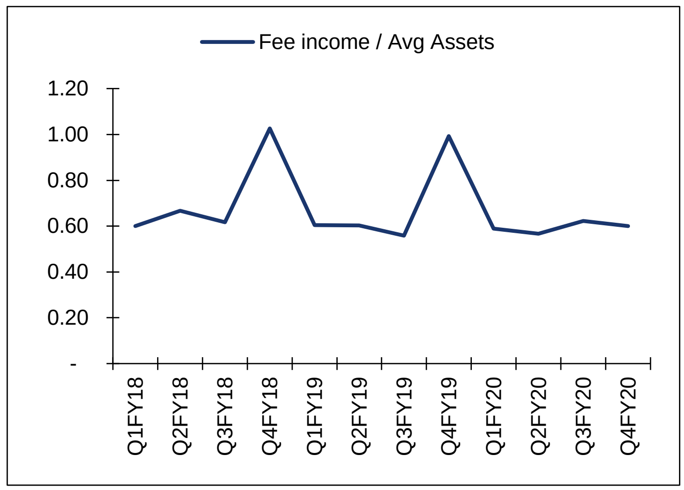


Chart 5: Cost ratios increased due to higher retirement benefits related expenses

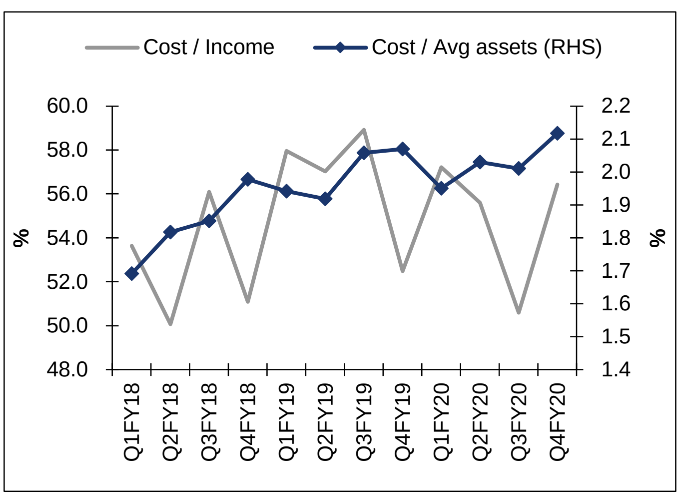


Chart 6: Asset quality improved due to higher write-offs and moratorium

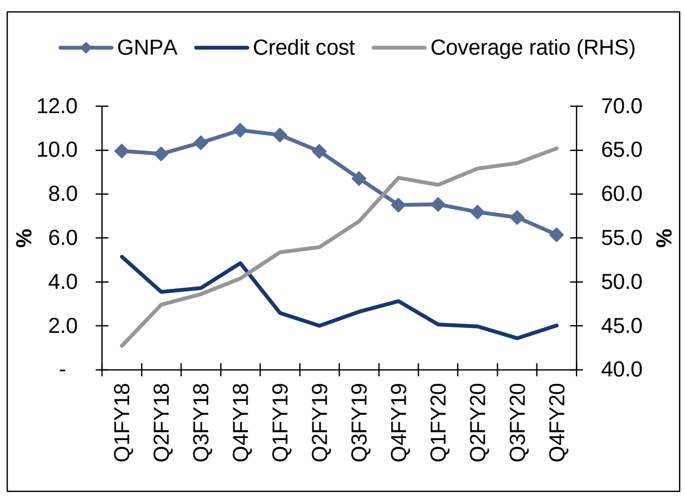


Chart 7: Slippages declined to 3% vs 3.6% in Q3

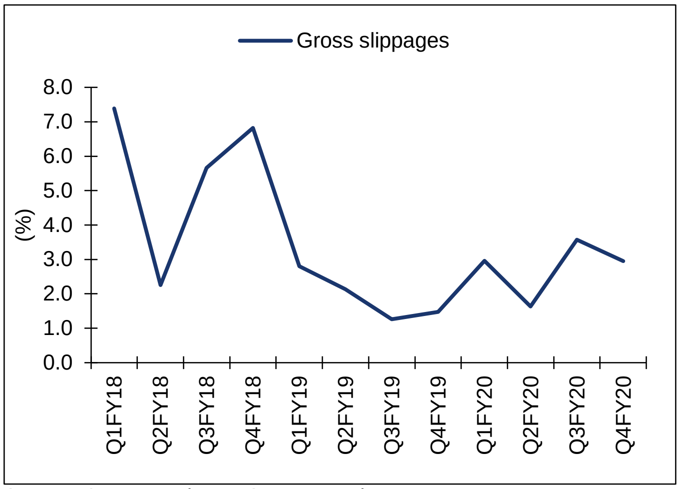
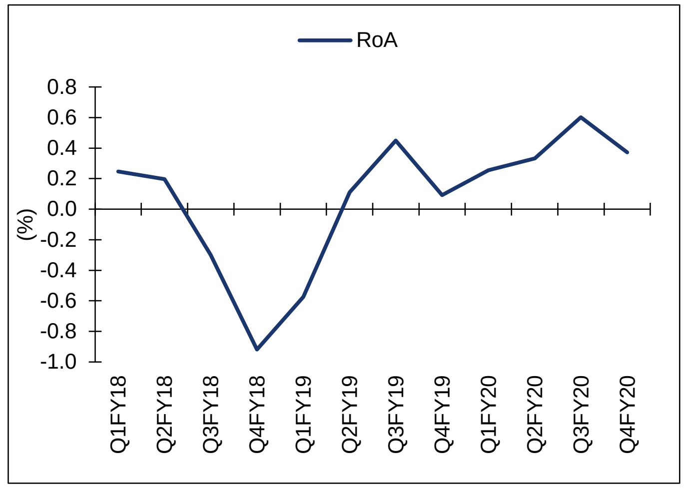


Chart 8: RoA declined to 0.4% led by higher provisioning



Source: Company data, I-Sec research

Table 4: Valuation of subsidiaries

Subsidiary	Valuation method	Company Value (Rs mn)	SBI Stake	SBI stake value (Rs mn)	SoTP Value (Rs per share)
SBI Life Insurance	2.8x Appraisal value (x NBAP))	10,03,750	58	5,78,160	65
SBI General Insurance	25x PE	1,42,550	70	99,785	11
SBI Mutual Fund	5% of AUM	1,45,152	63	91,446	10
SBI cards	Market Cap	5,27,640	74	3,90,454	44
SBI Caps	15x PE	76,785	100	76,785	9
Others	0.5x PB	28,800	35	10,080	1
TOTAL					**140**
After holding company discount of 20%					**112**

Source: I-Sec research

State Bank of India – Q4FY20 analyst meet takeaways

State Bank of India ***reported PAT of Rs35.8bn***. ***Provisioning came at Rs 135bn –*** Covid-related provisioning of Rs27bn (12bps). Rs9.4bn provided for Rs62.5bn of accounts that were standard as of February 29th but would have slipped had moratorium benefit not taken.

On moratorium (everything on number of customers; agri not covered in analysis)

- *82% people have made 2 or more EMI instalments during moratorium period and 92% have paid one or more instalment as of May end. Those who have not paid moratorium is 8%. 94 L term loan accounts – 9 lac have not paid any paid any instalment and 7 lacs have paid one instalment.*
- Moratorium is opt out - so 100% from the banks side – However, *only Rs15bn per month is not being collected of Rs80bn of term loan monthly interest dues.*
- There is no significant difference in behaviour after extension of the moratorium.
- Moratorium availed by ***21% of retail customers*** – its better than peers given 2/3rd of its book is towards home loans. It is lower than peers as it has salaried customer class. ***20% of home loan customers have availed the moratorium. In unsecured, 5.1% have availed moratorium.***
- In corporate book, only 13% of customers (7-8% by value) have not paid and availed moratorium – here also better than peers as 77% of corporate loans are to A and above rated corporates. Corporates are just taking moratorium to conserve liquidity.
- 16 NBFCs out of 117 have availed moratorium – 2-3% of NBFC book. Post March, it is working on 50 proposals from NBFCs of Rs150-200bn of which 20% is sanctioned.
- *In SME, 47% of customers have opted for moratorium.*
- *Under CGTSME scheme – Total eligible amount is Rs1.5tn to whom additional 20% (Rs300bn) can be offered – of this, 10% in terms of number and 30% of value (Rs100bn) in MSME is already disbursed.*
- RBI with respect to restructuring would wait & evaluate the situation - Deep restructuring would come to know only after unlocking – doesn't have any request as of date from any corporate for restructuring.

On upcoming stress in COVID (assessment and provisioning to happen in Q1FY20)

- ***Standstill offered only for Rs62bn of loans –*** nothing in corporate; primarily towards retail, SME, agri etc
- ***Exposure to severely stressed sectors by COIVD 19 is less than 4.0% of the book (Other pvt sector NBFC/CRE/Aviation/Hotel and Retail/ IPPs rated below A-)***

- ***Strong risk mitigation available; Eg- Lease Rent Discounting - mainly office space to top class IT majors.***
- Will take assessment of situation in June and will start making provisioning from Q1FY21 onwards for account behaviour in last 3 months. Banks policy of proactively providing will remain unchanged.

Key strengths and strategy to manage Covid challenge

- Unmatched distribution network and digital capabilities
- 2-years operating profit would be Rs1.4tn – so comfortable to manage stress. ***Rs400bn will kept aside for legacy stress book***
- Lot of value sitting in subsidiaries and huge potential to unlock value. ***Need to sell 2.12% of SBI Life as per regulatory requirement.***
- At appropriate time will list SBI General and SBI AMC – no hurry at this moment.
- ***Comfortable on balance sheet and will be able to manage the stress***

On slippages & GNPLs

- Mindful of the fact the if economy doesn't do well, banking system cannot be insulated and SBI will also face problem.
- Slippages run-rate at Rs2.16% - overall slippages at Rs83bn (of which fresh was Rs81bn). Should be able to manage at 1.5.1-7%.
- ***GNPLs down from 6.94% to 6.15% - even ex of moratorium benefit of 30bps, GNPLs have improved.***
- ***Fresh slippages came in line with expectations at Rs81.5bn – corporates at Rs15.6bn, retail at Rs6bn, international at Rs4.8bn, agri came in higher at Rs52.4bn***
- ***Agriculture is only segment where slippages were elevated - GNPLs in agri segment rose to 15.9% - is now cleaned up comfortably.***
- ***Provision Coverage Ratio of 83.7% (up 200 bps QoQ). Corporate PCR of 78.37% is significantly higher than the LGDs.***

On growth

- Credit Growth stood at 5.64% YoY (compared to 7.4% in Q3FY20), mainly driven by retail advances (15% YoY) - Home loan, which constitutes 22% of domestic advances, has grown by 13.86% YoY
- Deposit growth of 11% YoY (compared to 10% in Q3FY20)

On NIMs

- NIMs during the quarter was 2.94% - settled even lower than our expectations. Doesn't expect NIMs to improve from 3.2% report for full year FY20.
- Interest reversal on agri NPLs – Rs50bn – interest income reversal of 25-30% for 2 crop cycles amounting to Rs12-15bn (20bps impact).

Other highlights

- Will reduce staff strength by 50% in corporate office and work from home is turning out to be more productive.
- Profit on sale of investments of Rs32.4bn.
- On wage revision has been providing at 10% - has provided Rs40bn.
- On power sector NPAs, 73% is PCR.
- ***No need to go for capital raising from government or market as operating profit trajectory is strong. However, has an enabling resolution of Rs200bn – suggesting it might come sometime in H2FY21***.
- ***Waiver of interest during moratorium period as per Supreme Court – subjudiced matter, so would not comment. However, need to take cognisance of the fact that 490mn depositors also have to be serviced.***

State Bank of India – Q3FY20 analyst meet takeaways

With respect to asset quality:

- The bank's exposure to DHFL is now at INR70bn as INR30bn is already provided. Provisioning of 20% is done on the loan amount (INR70bn) and 50% provided on bond investment (INR30bn). This account has slipped into NPL this quarter.
    - This account will resolved by September 2020 at the latest. The recovery is expected in the range of 40-50%
- This quarter includes recoveries of Essar Steel, Ruchi and Prayagraj.
- Three accounts- Textile account (INR18bn), Bhushan Power and Steel (INR40bn) and another power asset (INR10bn) are in advanced stages of resolution.
- There is a Non fund based exposure of ~INR110bn towards Telecom, but is not a concern as it pertains to Spectrum charges which have been deferred by the government. This is in addition to the fund based exposure of INR75bn.
- There are 70k accounts in MSME restructuring schemes amounting to INR36bn (of which approx 50% is from current quarter)
- Recovery of provisions from resolved ICA accounts will happen over a period of one year
- Provisioning in Q4FY20 should be around INR100bn • Corporate slippages ex DHFL are not chunky • BB and below book has improved by 2% points in the quarter.
- Windpower account was recognized as NPL in September and has been fully provided for.
- Outstanding SRs amount to INR77bn

With respect to operational metrics:

- *Domestic NIMs were 3.2% adjusting for Essar recovery, and going forward it should settle at these levels*
- DTA of ~INR100bn as at FY19 on which an approx markdown of INR28.38bn required along with a tax credit reversal of INR5.54bn.
- Post adjustment of excess tax provisioning, there has been an impact of INR13.33bn, which has been routed through P&L
- On account of Essar Steel there has been an Interest income of over INR40bn and Provisioning write back of INR78bn
- RoA for FY20 will remain at current levels
- Investment depreciation is high due to INR15bn write down on DHFL bonds, INR7bn of MTM and provisioning on SRs.

With respect to growth metrics:

- The retail portfolio is growing at a decent pace and there are no are issues pertaining to this.
- As and when corporate growth picks up, the bank could register upto 10% YoY loan growth. As of now, non exercise of working capital limits are hurting corporate loan growth.

Other highlights:

- The new mortality table published by IRDA is already adopted by the bank since the past few years.
- ***SBI cards has GNPL of 2.67% and NNPL of 0.83%***

Financial summary

Table 5: Profit and Loss statement

(Rs mn, year ending Mar 31)

	FY15	FY16	FY17	FY18	FY19	FY20P	FY21E	FY22E
Net Interest Income	5,50,153	5,71,948	7,51,990	7,48,537	8,83,489	9,80,866	9,91,767	10,78,779
% Growth	12	4	31	(0)	18	11	1	9
Fee income	1,31,728	1,56,586	2,13,890	2,29,968	2,33,039	2,37,250	2,49,113	2,76,515
Add: Other income	94,031	1,21,868	2,12,480	1,61,677	1,34,710	1,52,818	1,62,363	1,64,071
Total Net Income	**7,75,911**	**8,50,402**	**11,78,360**	**11,40,182**	**12,51,238**	**13,70,934**	**14,03,243**	**15,19,365**
% Growth	14	10	39	(3)	10	10	2	8
Less: Operating Expenses	(3,80,539)	(4,17,825)	(5,83,770)	(5,99,434)	(7,29,000)	(7,51,737)	(7,83,432)	(8,19,569)
Pre-provision operting profit	**3,95,373**	**4,32,578**	**5,94,590**	**5,40,748**	**5,22,237**	**6,19,197**	**6,19,810**	**6,99,795**
NPA Provisions	**(1,74,874)**	**(2,98,808)**	**(5,54,210)**	**(7,13,742)**	**(5,45,291)**	**(4,27,760)**	**(4,75,000)**	**(3,70,000)**
Other provisions	(27,359)	3,970	(53,030)	(36,650)	7,005	(2,950)	(27,500)	(30,000)
Exceptional item			(38,420)	54,362	15,606	62,156		
PBT	**1,93,140**	**1,37,740**	**(51,070)**	**(1,55,283)**	**(443)**	**2,50,644**	**1,17,310**	**2,99,795**
Less: taxes	(62,124)	(38,234)	(5,410)	89,808	(7,453)	(1,05,747)	(29,527)	(75,459)
Reported profit	**1,31,016**	**99,506**	**(56,480)**	**(65,475)**	**(7,896)**	**1,44,897**	**87,783**	**2,24,337**
% Growth	20	(24)	(157)	16	(88)	(1,935)	(39)	156
Reported profit excluding exceptional items	**1,31,016**	**99,506**	**(18,060)**	**(1,19,837)**	**(23,502)**	**82,741**	**87,783**	**2,24,337**

Source: Company data, I-Sec research

Table 6: Balance sheet

(Rs mn, year ending Mar 31)

	FY15	FY16	FY17	FY18	FY19	FY20P	FY21E	FY22E
Capital	7,466	7,763	8,110	8,925	8,925	8,925	8,925	8,925
Reserve & Surplus	12,76,917	14,34,982	21,10,016	21,82,361	22,00,214	23,11,150	23,98,933	26,23,270
Deposits	1,57,67,932	1,73,07,224	2,58,53,203	2,70,63,433	2,91,13,860	3,24,16,207	3,40,37,018	3,77,81,090
Borrowings	20,51,503	22,41,906	33,21,057	36,21,421	40,30,171	31,46,557	25,85,444	21,91,617
Other liabilities	13,76,980	15,98,756	17,56,232	16,71,381	14,55,973	16,31,101	16,80,034	17,64,036
Total liabilities	**2,04,80,798**	**2,25,90,630**	**3,30,48,618**	**3,45,47,520**	**3,68,09,143**	**3,95,13,939**	**4,07,10,353**	**4,43,68,937**
Cash & Bank Balances	15,47,558	16,74,677	27,08,617	19,18,986	22,24,901	25,10,970	25,20,349	26,51,284
Investment	48,17,587	47,70,973	93,29,267	1,06,09,867	96,70,220	1,04,69,545	1,04,80,015	1,07,73,455
Advances	1,30,00,264	1,46,37,004	1,86,89,626	1,93,48,802	2,18,58,769	2,32,52,896	2,42,97,481	2,72,81,877
Fixed Assets	93,292	1,03,893	4,99,064	3,99,923	3,91,976	3,84,393	3,88,237	3,92,119
Other Assets	10,22,097	14,04,084	18,22,043	22,69,942	26,63,277	28,96,136	30,24,273	32,70,202
Total Assets	**2,04,80,798**	**2,25,90,630**	**3,30,48,618**	**3,45,47,520**	**3,68,09,143**	**3,95,13,939**	**4,07,10,353**	**4,43,68,937**
% Growth	188.0	10.3	46.3	4.5	6.5	7.3	3.0	9.0

Source: Company data, I-Sec research

Table 7: Dupont Analysis

(%, year ending Mar 31)

	FY15	FY16	FY17	FY18	FY19	FY20P	FY21E	FY22E
Interest income	7.9	7.6	8.1	6.5	6.8	6.7	6.4	6.5
Interest expense	(5.1)	(5.0)	(5.3)	(4.3)	(4.3)	(4.2)	(3.9)	(4.0)
NII	**2.9**	**2.7**	**2.7**	**2.2**	**2.5**	**2.6**	**2.5**	**2.5**
Other income	0.5	0.6	0.8	0.5	0.4	0.4	0.4	0.4
Fee income	0.7	0.7	0.8	0.7	0.7	0.6	0.6	0.7
Total income	**4.0**	**3.9**	**4.2**	**3.4**	**3.5**	**3.6**	**3.5**	**3.6**
Operating expenses	(2.0)	(1.9)	(2.1)	(1.8)	(2.0)	(2.0)	(2.0)	(1.9)
Operating profit	**2.1**	**2.0**	**2.1**	**1.6**	**1.5**	**1.6**	**1.5**	**1.6**
NPA provision	**(0.9)**	**(1.4)**	**(2.0)**	**(2.1)**	**(1.5)**	**(1.1)**	**(1.2)**	**(0.9)**
Total provisions	(0.1)	0.0	(0.2)	(0.1)	0.0	(0.0)	(0.1)	(0.1)
PBT	**1.0**	**0.6**	**(0.0)**	**(0.6)**	**(0.0)**	**0.5**	**0.3**	**0.7**
Tax	(0.3)	(0.2)	(0.0)	0.3	(0.0)	(0.3)	(0.1)	(0.2)
PAT	**0.7**	**0.5**	**(0.1)**	**(0.4)**	**(0.1)**	**0.2**	**0.2**	**0.5**

Source: Company data, I-Sec research

Table 8: Key ratios

(Year ending Mar 31)

	FY15	FY16	FY17	FY18	FY19	FY20P	FY21E	FY22E
EPS – Diluted (Rs)	17.5	13.0	-7.2	-7.3	-2.6	16.2	9.8	25.1
% Growth	11.9	-26.0	-155.7	1.4	-64.1	-716.5	-39.4	155.6
DPS (Rs)	3.50	2.60	2.60	-	(0.50)	-	-	4.78
Book Value per share (BVPS) (Rs)	172	188	201	218	215	227	237	262
% Growth	1.1	9.4	6.7	8.4	-1.3	5.8	4.3	10.6
Adjusted BVPS (Rs)	148	140	119	136	166	187	169	197
% Growth	4.9	-5.1	-15.3	14.2	22.4	12.8	-9.6	16.2
Valuations								
Price / Earnings (x)	4.3	5.9	-10.5	-10.4	-28.9	4.7	7.7	3.0
Price / Book (x)	0.4	0.4	0.4	0.3	0.4	0.3	0.3	0.3
Price / Adjusted BV (x)	0.5	0.5	0.6	0.6	0.5	0.4	0.4	0.4
Asset Quality								
Gross NPA (Rs mn)	5,67,253	9,81,728	17,78,660	22,34,270	17,27,499	14,90,919	20,90,919	20,20,919
Gross NPA (%)	4.3	6.5	9.1	10.9	7.5	6.1	8.2	7.1
Net NPA (Rs mn)	2,75,906	5,58,070	9,69,780	11,08,548	6,58,948	4,75,193	8,06,693	7,79,193
Net NPA (%)	2.1	3.8	5.2	5.7	3.0	2.0	3.3	2.9
NPA Coverage ratio (%)	51	43	45	50	62	68	61	61
Gross Slippages (%)	2.4	4.8	7.7	5.1	1.6	2.4	6.0	2.9
Credit Cost (%)	1.57	2.08	3.51	3.8	2.5	1.8	2.0	1.5
Net NPL/Net worth	21	39	46	51	30	20	34	30
Business ratios (%)								
ROAA	0.68	0.46	(0.20)	(0.2)	(0.07)	0.38	0.22	0.53
ROAE	10.6	7.3	(3.8)	(3.7)	(1.2)	7.3	4.2	10.1
ROAA (Excl. Exceptional item)	0.7	0.5	(0.1)	(0.4)	(0.1)	0.2	0.2	0.5
ROAE (Excl. Exceptional item)	10.6	7.3	(1.1)	(6.5)	(1.2)	7.3	4.2	10.1
Credit Growth	7.5	12.6	27.7	3.5	13.0	6.4	4.5	12.3
Deposits Growth	13.1	9.8	49.4	4.7	7.6	11.3	5.0	11.0
CASA	41.3	42.6	43.7	44.5	44.2	43.5	40.5	41.5
Credit / Deposit Ratio	82.4	84.6	72.3	71.5	75.1	71.7	71.4	72.2
Cost-Income ratio	49.0	49.1	49.5	53	59	55	56	54
Operating Cost / Avr. Assets	2.0	1.9	2.1	1.8	2.0	2.0	2.0	1.9
Fee Income / Total Income	17	18	18	20	19	17	18	18
Earnings ratio								
Yield on Advances	9.0	8.4	9.3	7.4	7.8	8.0	7.7	7.9
Yield on Earning Assets	8.3	8.1	8.6	7.0	7.4	7.4	7.0	7.1
Cost of Deposits	6.0	6.0	6.4	5.1	5.0	4.8	4.5	4.5
Cost of Funds	5.8	5.7	6.1	4.9	4.9	4.7	4.4	4.5
NIM	3.0	2.8	2.9	2.4	2.7	2.8	2.7	2.8
Capital Adequacy (%)								
RWA (Rs mn)	1,22,05,520	1,34,10,786	1,76,71,185	1,89,00,948	1,92,69,586	2,09,89,805	2,17,24,232	2,42,34,194
Tier I	9.6	9.9	10.1	10.4	10.7	11.0	10.4	10.2
CAR	12.0	13.1	12.9	12.6	12.7	13.1	13.7	11.2

Source: Company data, I-Sec research

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