May 10, 2019

Q4FY19 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY20E	FY21E	FY20E	FY21E
Rating	BUY		BUY	
Target Price	427		361	
NII (Rs. m)	1,010,225	1,144,210	1,001,510	1,109,147
% Chng.	*0.9*	*3.2*		
Op. Profit (Rs. m)	644,536	735,158	620,117	709,786
% Chng.	*3.9*	*3.6*		
EPS (Rs.)	23.4	33.0	17.5	23.8
% Chng.	*33.6*	*38.8*		

Key Financials

	FY18	FY19	FY20E	FY21E
NII (Rs bn)	749	883	1,010	1,144
Op. Profit (Rs bn)	595	554	645	735
PAT (Rs bn)	(65)	8	209	294
EPS (Rs.)	(7.3)	1.0	23.4	33.0
Gr. (%)	*229.3*	*(113.0)*	*2,359.1*	*41.1*
DPS (Rs.)	0.5	-	-	3.0
Yield (%)	*0.2*	-	-	*1.0*
NIM (%)	*2.4*	*2.7*	*2.9*	*3.0*
RoAE (%)	*(3.0)*	*0.4*	*9.0*	*11.6*
RoAA (%)	*(0.2)*	*0.0*	*0.5*	*0.7*
P/BV (x)	1.4	1.4	1.2	1.1
P/ABV (x)	2.4	1.9	1.6	1.4
PE (x)	(42.0)	323.9	13.2	9.3
CAR (%)	12.6	12.7	12.1	11.9

Key Data

Key Data	SBI.BO | SBIN IN
52-W High / Low	Rs.340 / Rs.238
Sensex / Nifty	37,463 / 11,279
Market Cap	Rs.2,749bn/ $ 39,361m
Shares Outstanding	8,925m
3M Avg. Daily Value	Rs.12764.94m

Shareholding Pattern (%)

Promoter's	57.92
Foreign	10.25
Domestic Institution	24.10
Public & Others	7.73
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.9)	8.8	24.2
Relative	2.1	2.1	16.9

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State Bank of India (SBIN IN)

Rating: BUY | CMP: Rs308 | TP: Rs427

Operational challenges getting behind

Quick Pointers

- Relatively slower impairment and continued recoveries helped asset quality, while pushed towards higher coverage ratio in legacy NPAs
- SMA-1&2 loans dropped sharply to lower stress

SBI's core performance was better off than expectations on back of higher other income led by continued strong recovery from W.off a/c, decent NII and relatively good opex control. Earnings were dented on back of sharp provision rise based on ageing of certain legacy NPAs in the NCLT List -1 taking PCR to ~100%. Also, asset quality improved on back of lower slippages (Rs79.6bn or 1.6% of loans) v/s expectations and also incorporating few of the recent stress names. Going ahead, higher recoveries & lower slippages should improve asset quality, while better PCR of +60% (70% on corporate book and 93% on NCLT) should translate to normalization in credit cost, helping improve return ratios. We retain BUY with revised TP of Rs427 (from 361) based on 1.5x Mar-21 (rolled over from Sep-20) and Rs88 for subs.

- **Strong top line helps core operations:** NII grew by 15.0% YoY (slightly lower than expectations), while other income was good on continued strong recovery from w.off a/c and fees. Also, control in opex (despite wage/pension provisions) helped overall core PPOP growth of 10% YoY. Domestic NIMs of 2.95% (3.02% on quarterly basis) improved with positive bias on better loan mix dynamics playing out, but have not seen large improvements as deposit costs were also passed on to MCLRs and certain loan segments. Management expects NIMs (domestic) should improve to 3.25% in FY20 considering the recoveries, loan growth and pricing power of the bank.

- **Loan growth improves led by retail; deposits growth steady:** Loan growth improved to 14% YoY in domestic with strong growth in retail of 18% YoY followed by corporate/SME of 13% YoY. Bank continues to retain higher share in retail products. **On liabilities:** Deposit grew by 7% YoY with CASA growing at 8% YoY and keeping mix steady at 45.7%. Bank has benefitted from external benchmarking of deposits and will continue to do so ahead until any guidelines emerge, and changes in rates will be transmitted to MCLRs.

- **Stress lowering despite a few hiccups:** GNPA/NNPA came off by 120/90bps QoQ to 7.5%/3.0% in Q4FY19 with PCR improving to 62% v/s 57% in Q3FY19. Improvement was backed by relatively lower slippages than expectations of Rs79.6 bn (1.6% of loans), better recovery/upgrades and strategic w.offs. Important highlight was SMA-1&2 book more than halved to Rs77.6bn v/s Rs170.6bn or 0.4% of loans from 0.85% of loans sequentially and was on back of regularization of certain a/c in power sector. Net stress book stood at 3.4% of loans. With bank making sufficient provisions on legacy accounts and strong pipeline of recoveries, will reflect on earnings from normalization of credit cost towards 1.0%-1.4% band and improve core operations taking ROAs towards 1% in FY21.

NII saw strong growth on back of 13%YoY loan growth and NIM uptick

Other income remained soft on low core fee growth and treasury income, ex-treasury growth was 5%YoY

Opex growth spiked on back of yield increase on pension corpus, CI came at 52%

Bank provided Rs173bn provision on NPA, of which Rs108bn was legacy assets

Loan growth was in line with estimates and inched up close to industry

Margins benefitted from lower cost of funds

Asset quality improved on much lower slippages, while PCR improved by ~5% QoQ as bank retained higher provisioning despite higher write-off

CASA mix improved as SA grew 8.6%YoY and CA grew 7.6% while TD grew 8.1%YoY

Exhibit 1: Provisions dent earnings but strengthens Balance sheet

(Rs m)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
Interest income	6,29,854	5,59,413	*12.6*	6,22,766	*1.1*
Interest Expenses	4,00,316	3,59,670	*11.3*	3,95,856	*1.1*
Net interest income (NII)	**2,29,538**	**1,99,743**	***14.9***	**2,26,910**	***1.2***
- Treasury income	5,340	9,410	*(43.3)*	4,250	*25.6*
Other income	1,26,851	1,24,948	*1.5*	80,352	*57.9*
Total income	**3,56,390**	**3,24,691**	***9.8***	**3,07,262**	***16.0***
Operating expenses	1,87,059	1,65,859	*12.8*	1,81,013	*3.3*
-Staff expenses	1,04,780	92,542	*13.2*	1,11,719	*(6.2)*
-Other expenses	82,279	73,317	*12.2*	69,293	*18.7*
Operating profit	**1,69,331**	**1,58,832**	***6.6***	**1,26,250**	***34.1***
Core operating profit	1,63,991	1,49,422	*9.8*	1,22,000	*34.4*
Total provisions	1,65,019	2,80,961	*(41.3)*	60,062	*174.7*
Profit before tax	**4,312**	**(1,22,129)**	***(103.5)***	**66,187**	***(93.5)***
Tax	(4,072)	(44,947)	*NA*	26,639	*(115.3)*
Profit after tax	**8,384**	**(77,182)**	***(110.9)***	**39,548**	***(78.8)***
Balance Sheet					
Deposits	2,91,13,860	2,70,63,433	*7.6*	2,83,05,377	*2.9*
Advances	2,18,58,769	1,93,48,802	*13.0*	2,04,77,790	*6.7*
Ratios (%)					
RoaA	0.1	(0.9)	*101*	0.4	*(31)*
NIM	**2.8**	**2.5**	***28***	**2.8**	***2***
Yield on Advances	8.5	8.3	*21*	8.5	*1*
Cost of Deposits	5.1	5.3	*(20)*	5.1	*1*
Asset Quality					
Gross NPL (Rs m)	17,27,504	22,34,275	*(22.7)*	18,77,646	*(8.0)*
Net NPL (Rs m)	6,58,947	11,08,547	*(40.6)*	8,09,435	*(18.6)*
Gross NPL ratio	**7.5**	**10.9**	***(338)***	**8.7**	***(118)***
Net NPL ratio	**3.0**	**5.7**	***(272)***	**4.0**	***(94)***
Coverage ratio	61.9	50.4	*1,147*	56.9	*496*
Business & Other Ratios					
Low-cost deposit mix	45.7	45.7	*6*	45.2	*51*
Cost-income ratio	52.5	51.1	*141*	58.9	*(642)*
Non int. inc / total income	35.6	38.5	*(289)*	26.2	*944*
Credit deposit ratio	75.1	71.5	*359*	72.3	*273*
CAR	12.7	12.6	*12*	12.8	*(5)*
Tier-I	10.7	10.4	*29*	10.5	*11*

Source: Company, PL

Q4FY19 Analyst Meet Highlights

Business Outlook

- Bank is focusing on extending loans to businesses where cash flows are visible and strong across all sectors. Bank mentions that mix between corporate and retail is likely to remain steady. Bank has Rs250bn of current pipeline in project finance v/s 520.0bn in FY19.
- Bank eyes RoA of 1% in FY20 and 1.25% in FY21. International book (13.8%/3.3% of total loans /deposit) is generating RoA of ~1%.
- Bank has linked sector weights with Tier I ratio with no sector exceeding weightage more than Tier I ratio at a given time.

Asset Quality

- Recovery during FY19 stood at Rs315bn of which ~Rs130bn came from IBC resolution. Bank eyes recovery of 160bn from three accounts soon and Rs80bn form AUCA a/c, thereby expects total recovery of Rs380bn in FY20. Bank has made Rs108.0bn provisions made on these three accounts.
- SMA 1 & 2 exposure stood at Rs77.6bn exhibiting a decline of 55% sequentially as one account pertaining to power sector turned standard. Corporate is below 50% in SMA 1 & 2 book.
- Exposure: bank commented risk being manageable wrt Reliance ADA group. In real estate majority of exposure is towards rent securitization. Jet airways has been provided higher than requirement as in Substandard account – added 7bps to GNPA. Power sector has NPA of ~Rs250.0bn on which PCR is ~50%
- Bank is expecting resolution of 2 accounts (18bn exposure) to get resolved in current month along with OTS resolution in 3 accounts.
- Total slippages came at Rs79.6bn, of which Rs22bn pertains to corporate side. Slippage ratio stood at 1.56% in 4Q19. Bank guides ratio of 1.4-1.5% in FY20.
- Credit cost for slippages has been 50bps in FY19 and rest is for legacy credit cost. Credit cost will be below 1% for new slippages

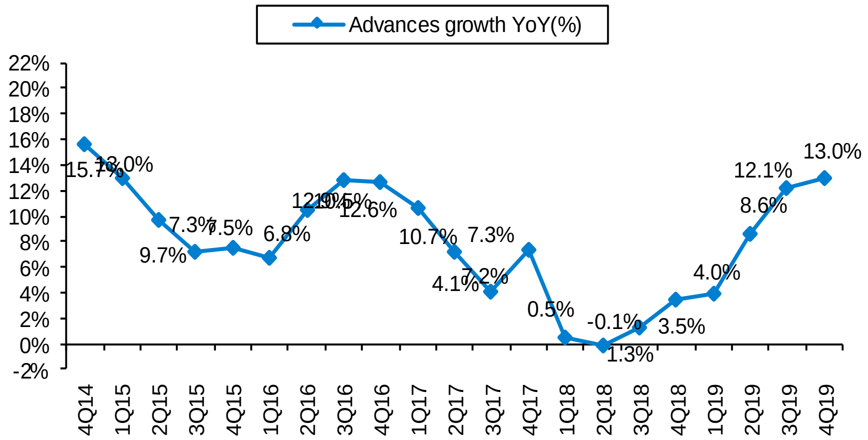
Margins/Opex

- NIM came at 3.02% in 4Q19, bank is eyeing 3.25% for FY20 as cost of deposits remain quite comforting for the bank. Further NIMs are helped by share of performing loans.

Others

- Bank highlighted that credit growth of 10%YoY can be funded with incremental deposits. Domestic CD ratio stands at 70.7%.
- General insurance business is driven largely through Banca channel (forms 40% of distribution channel)

Exhibit 2: Loan growth improving on back of both corporate & retail



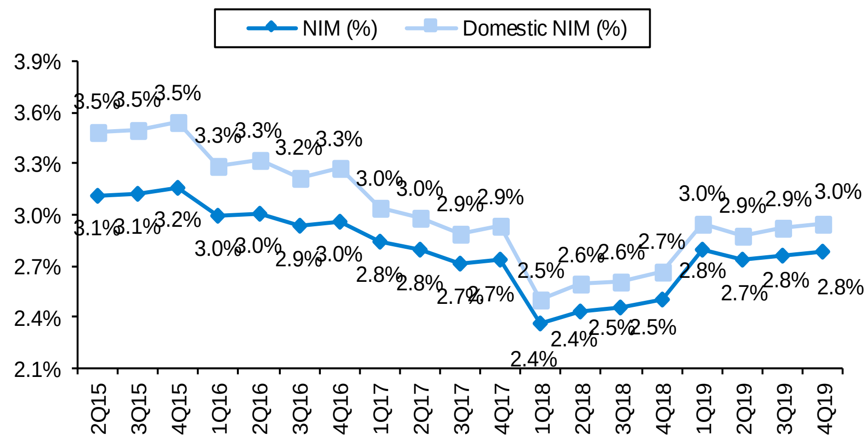
Source: Company, PL

Exhibit 3: Retail loans contributing strong on growth

Loan break up (Rs bn)	Q4FY19	Q4FY18	*YoY gr. (%)*	Q3FY19	*QoQ gr. (%)*
Gross Advances	**22,935**	**20,484**	***12.0***	**21,553**	***6.4***
Total Corporate and SME	11,402	10,115	*12.7*	10,678	*6.8*
SME	3,027	3,020	*0.2*	2,763	*9.6*
Agri	7,516	1,883	*299.3*	1,987	*278.3*
International	3,027	3,020	*0.2*	2,763	*9.6*
Retail	6,478	5,466	*18.5*	6,126	*5.8*
Home	*4,004*	*3,131*	*27.9*	*3,810*	*5.1*
Auto	*719*	*664*	*8.3*	*708*	*1.5*
Other Retail	*1,756*	*1,671*	*5.1*	*1,608*	*9.2*

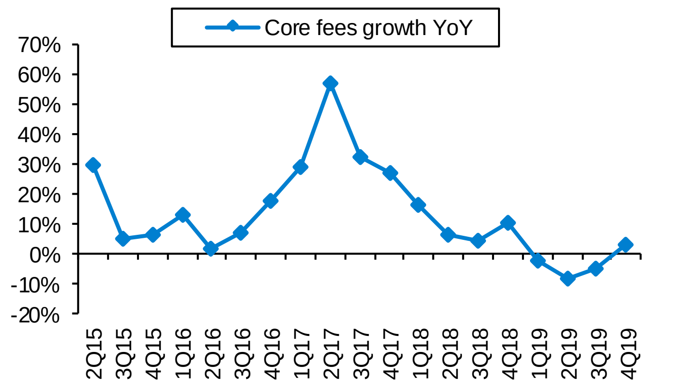
Source: Company, PL

Exhibit 4: Global Margins remained steady as domestic NIM moved up



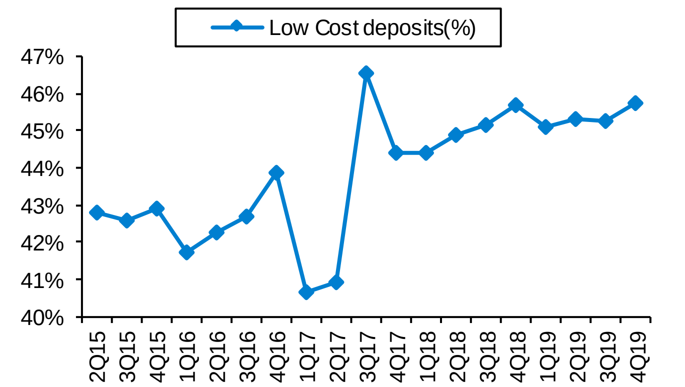
Source: Company, PL

Exhibit 5: Fee income was slower at 3%



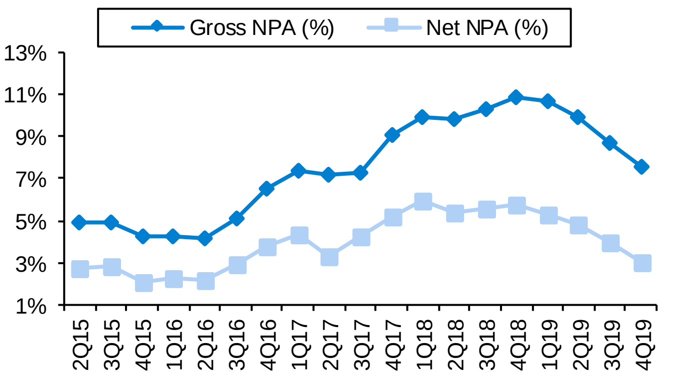
Source: Company, PL

Exhibit 6: CASA mix has remained steady



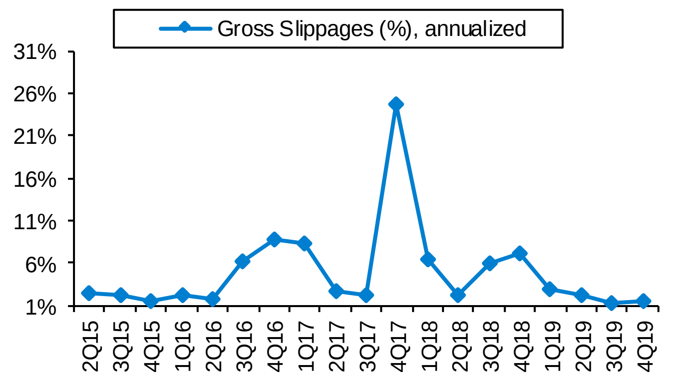
Source: Company, PL

Exhibit 7: Asset quality has improved on lower slippages and higher write-offs



Source: Company, PL

Exhibit 8: Gross slippages are normalizing



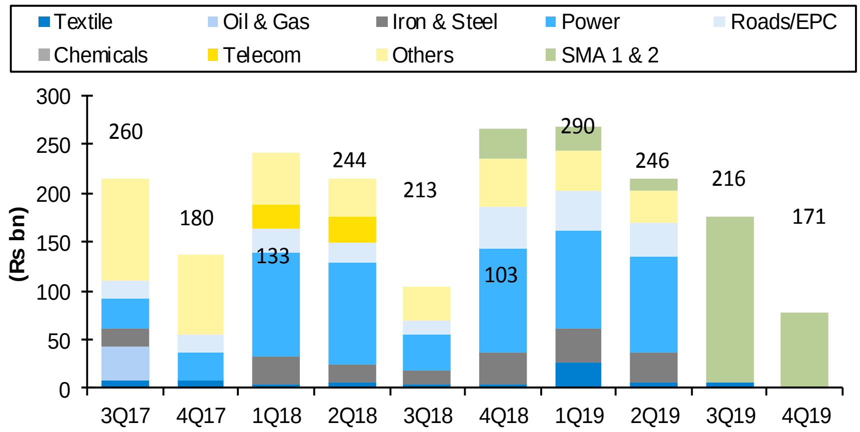
Source: Company, PL

Exhibit 9: Asset quality helped by lowering stress

Figures Rs million	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19
Additions	103,570	103,680	300,590	106,270	267,800	328,210	143,490	108,880	65,410	79610
Slippages (%) - annualized	*2.89%*	*2.86%*	*6.43%*	*2.36%*	*5.94%*	*7.19%*	*2.97%*	*2.32%*	*1.34%*	*1.56%*
Upgradation + Recovery	31,210	22,050	66,800	33,230	44,420	NA	148,560	43.270	66,170	57120
Write offs	59,060	39,920	131,760	92,580	93,120	NA	100,800	135,380	180,240	172640
Gross NPAs	**1,081,723**	**1,123,430**	**1,778,660**	**1,861,146**	**1,991,413**	**2,234,260**	**2,128,390**	**2,058,641**	**1,877,646**	**1727470**
Gross NPA Ratio	***7.23%***	***6.90%***	***9.97%***	***9.83%***	***10.35%***	***10.91%***	***10.70%***	***9.95%***	***8.71%***	***7.53%***
Net NPAs	**614,305**	**969,780**	**1,077,597**	**978,963**	**1,023,701**	**1,108,547**	**992,363**	**948,100**	**809,435**	**658,947**
Net NPA Ratio	***4.24%***	***5.19%***	***5.97%***	***5.43%***	***5.61%***	***5.73%***	***5.29%***	***4.84%***	***3.95%***	***3.01%***
Provision Coverage Ratio	43.2%	45.5%	42.7%	47.4%	48.6%	50.4%	53.4%	53.9%	56.9%	61.9%
SMA 1 & SMA 2						**31,870**	**23,440**	**12,320**	**170,590**	**77,620**
% of loans						0.16%	0.12%	0.06%	0.83%	0.36%
Net Stressed assets (% of loans)	**4.24%**	**5.19%**	**5.97%**	**5.43%**	**5.61%**	**5.89%**	**5.42%**	**4.90%**	**4.78%**	**3.37%**

Source: Company, PL

Exhibit 10: SMA 1 & 2 coming off sharply



Source: Company, PL

Exhibit 11: Return ratios improvement will be gradual but higher delta from provisions

RoAE decomposition (%)	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Net interest income	**2.9**	**2.9**	**2.6**	**2.7**	**2.2**	**2.5**	**2.6**	**2.7**
Treasury income	0.2	0.3	0.3	0.6	0.4	0.1	0.1	0.1
Other Inc. from operations	0.9	0.9	1.0	0.9	0.9	0.9	0.9	0.9
Total income	**4.0**	**4.0**	**3.9**	**4.2**	**3.5**	**3.5**	**3.7**	**3.8**
Employee expenses	1.3	1.2	1.1	1.2	1.0	1.2	1.2	1.2
Other operating expenses	0.8	0.8	0.8	0.9	0.8	0.8	0.8	0.8
Operating profit	**1.9**	**2.0**	**2.0**	**2.1**	**1.8**	**1.6**	**1.7**	**1.8**
Tax	0.3	0.3	0.2	0.0	(0.3)	0.0	0.3	0.3
Loan loss provisions	0.9	1.0	1.3	2.1	2.2	1.5	0.9	0.7
RoAA	**0.6**	**0.7**	**0.5**	**(0.1)**	**(0.2)**	**0.0**	**0.5**	**0.7**
RoAE	**10.0**	**10.6**	**7.3**	**(1.1)**	**(3.5)**	**0.4**	**9.9**	**12.6**

Source: Company Data, PL Research

Exhibit 12: Change in estimates table – we tweak our business growth and lower credit cost numbers

(Rs mn)	Old		Revised		*%Change*	
	FY20E	**FY21E**	**FY20E**	**FY21E**	***FY20E***	***FY21E***
Net interest income	10,01,510	11,09,147	10,10,225	11,44,210	*0.9*	*3.2*
Operating profit	6,20,117	7,09,786	6,44,536	7,35,158	*3.9*	*3.6*
Net profit	1,56,217	2,12,185	2,08,735	2,94,433	*33.6*	*38.8*
EPS (Rs)	17.5	23.8	23.4	33.0	*33.6*	*38.8*
ABVPS (Rs)	188	212	193	225	*2.2*	*6.3*
Price target (Rs)	**361**		**427**		***18.3***	
Recommendation	**BUY**		**BUY**			

Source: Company, PL

Exhibit 13: We revise our TP to Rs427 (from 361) based on Mar-21 ABV (rolled over from Sep-20 ABV) and SOTP

PT calculation and upside	
Terminal growth	5.0%
Market risk premium	6.0%
Risk-free rate	7.5%
Adjusted beta	1.07
Cost of equity	**13.9%**
Fair price - P/ABV	339
Value of subs/associates	88
Fair value of consol. entity	**427**
P/ABV – Standalone bank	**1.5**
P/E - Standalone bank	**10.3**
Current price, Rs	308
Upside (%)	**39%**
Dividend Yield (%)	1%
Total Return	**40%**

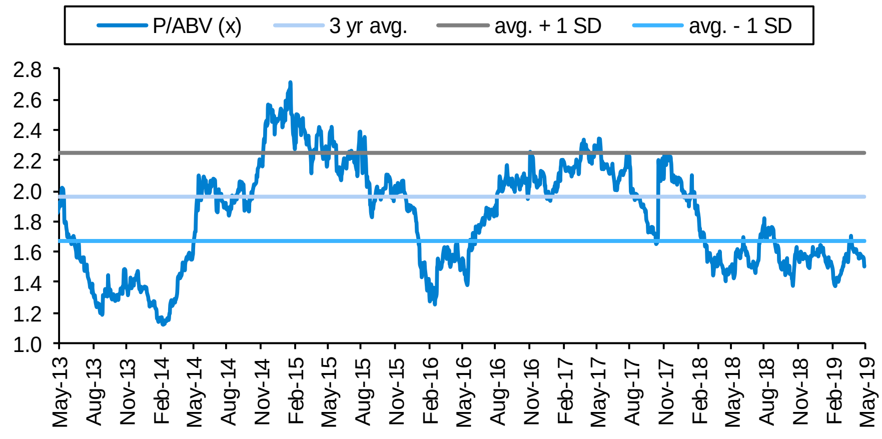
Source: Company, PL

Exhibit 14: SBIN's: SOTP valuation table

SOTP valuation, FY19E	Stake (%)	Revised PT	Method
Standalone	100	339	Avg. of P/ABV 1.5x
Life insurance venture	62%	54	2.8x EV; 21x new biz multiple
Asset management	74%	10	5% of AUMs
Capital Market/DFHI/Others	100%	24	P/E model
Total		**427**	

Source: Company, PL

Exhibit 15: SBIN - one year forward P/ABV trends



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY18	FY19	FY20E	FY21E
Int. Earned from Adv.	1,413,632	1,616,402	1,904,445	2,155,565
Int. Earned from invt.	703,376	744,062	695,968	692,677
Others	65,485	56,432	49,499	56,030
Total Interest Income	2,204,993	2,428,687	2,665,984	2,920,211
Interest Expenses	1,456,450	1,545,198	1,655,759	1,776,001
Net Interest Income	**748,543**	**883,489**	**1,010,225**	**1,144,210**
Growth(%)	*1.4*	*4.7*	*12.5*	*11.8*
Non Interest Income	446,010	367,620	397,030	428,792
Net Total Income	1,194,553	1,251,109	1,407,254	1,573,002
Growth(%)	*(0.6)*	*5.5*	*9.5*	*9.3*
Employee Expenses	331,787	410,547	451,602	496,762
Other Expenses	253,875	272,282	296,788	326,467
Operating Expenses	599,435	696,877	762,718	837,844
Operating Profit	**595,119**	**554,231**	**644,536**	**735,158**
Growth(%)	*0.1*	*(6.9)*	*16.3*	*14.1*
NPA Provision	706,800	545,291	325,149	287,409
Total Provisions	750,380	538,291	335,300	298,962
PBT	**(155,262)**	**15,941**	**309,236**	**436,196**
Tax Provision	(89,808)	7,453	100,502	141,764
Effective tax rate (%)	*57.8*	*46.8*	*32.5*	*32.5*
PAT	**(65,454)**	**8,488**	**208,735**	**294,433**
Growth(%)	*262.4*	*(113.0)*	*2,359.1*	*41.1*

Balance Sheet (Rs. m)

Y/e Mar	FY18	FY19	FY20E	FY21E
Face value	1	1	1	1
No. of equity shares	8,925	8,925	8,925	8,925
Equity	8,925	8,925	8,925	8,925
Networth	2,191,286	2,209,138	2,417,873	2,680,016
Growth(%)	*3.5*	*0.8*	*9.4*	*10.8*
Adj. Networth to NNPAs	1,108,547	658,947	581,295	537,610
Deposits	27,063,433	29,113,860	31,442,969	34,272,836
Growth(%)	*4.7*	*7.6*	*8.0*	*9.0*
CASA Deposits	11,872,940	12,872,850	13,866,349	15,182,866
% of total deposits	*43.9*	*44.2*	*44.1*	*44.3*
Total Liabilities	**34,547,520**	**36,809,143**	**39,811,946**	**43,429,239**
Net Advances	19,348,802	21,858,769	24,591,115	27,665,005
Growth(%)	*3.5*	*13.0*	*12.5*	*12.5*
Investments	10,609,867	9,670,220	9,500,567	9,539,497
Total Assets	**34,547,520**	**36,809,143**	**39,811,946**	**43,429,239**
Growth (%)	*4.5*	*6.5*	*8.2*	*9.1*

Asset Quality

Y/e Mar	FY18	FY19	FY20E	FY21E
Gross NPAs (Rs m)	2,234,270	1,727,480	1,568,935	1,516,366
Net NPAs (Rs m)	1,108,547	658,947	581,295	537,610
Gr. NPAs to Gross Adv.(%)	*11.5*	*7.9*	*6.4*	*5.5*
Net NPAs to Net Adv. (%)	*5.7*	*3.0*	*2.4*	*1.9*
NPA Coverage %	*50.4*	*61.9*	*62.9*	*64.5*

Profitability (%)

Y/e Mar	FY18	FY19	FY20E	FY21E
NIM	2.4	2.7	2.9	3.0
RoAA	(0.2)	0.0	0.5	0.7
RoAE	(3.0)	0.4	9.0	11.6
Tier I	10.4	10.7	9.6	9.5
CRAR	12.6	12.7	12.1	11.9

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q1FY19	Q2FY19	Q3FY19	Q4FY19
Interest Income	588,132	587,935	622,766	629,854
Interest Expenses	370,148	378,878	395,856	400,316
Net Interest Income	**217,984**	**209,057**	**226,910**	**229,538**
YoY growth (%)	*(0.8)*	*4.5*	*9.6*	*11.3*
CEB	49,760	50,150	47,240	85,890
Treasury	-	-	-	-
Non Interest Income	66,795	93,751	80,352	126,851
Total Income	**654,927**	**681,685**	**703,118**	**756,705**
Employee Expenses	97,084	96,964	111,719	104,780
Other expenses	67,963	66,795	69,293	82,279
Operating Expenses	165,047	163,759	181,013	187,059
Operating Profit	**119,731**	**139,049**	**126,250**	**169,331**
YoY growth (%)	*0.8*	*(30.5)*	*7.4*	*6.6*
Core Operating Profits	-	-	-	-
NPA Provision	130,379	101,845	139,708	173,358
Others Provisions	192,283	120,922	60,062	165,019
Total Provisions	192,283	120,922	60,062	165,019
Profit Before Tax	**(72,551)**	**18,127**	**66,187**	**4,312**
Tax	(23,793)	8,678	26,639	(4,072)
PAT	**(48,759)**	**9,449**	**39,548**	**8,384**
YoY growth (%)	*(343.1)*	*(40.2)*	*(263.7)*	*(110.9)*
Deposits	**27,478,132**	**28,074,201**	**28,305,377**	**29,113,860**
YoY growth (%)	*5.6*	*7.0*	*6.8*	*7.6*
Advances	**18,757,735**	**19,573,396**	**20,477,790**	**21,858,769**
YoY growth (%)	*4.0*	*8.6*	*12.1*	*13.0*

Key Ratios

Y/e Mar	FY18	FY19	FY20E	FY21E
CMP (Rs)	308	308	308	308
EPS (Rs)	(7.3)	1.0	23.4	33.0
Book Value (Rs)	223	225	248	277
Adj. BV (70%)(Rs)	127	164	193	225
P/E (x)	(42.0)	323.9	13.2	9.3
P/BV (x)	1.4	1.4	1.2	1.1
P/ABV (x)	2.4	1.9	1.6	1.4
DPS (Rs)	0.5	-	-	3.0
Dividend Payout Ratio (%)	*(6.5)*	-	-	*9.1*
Dividend Yield (%)	*0.2*	-	-	*1.0*

Efficiency

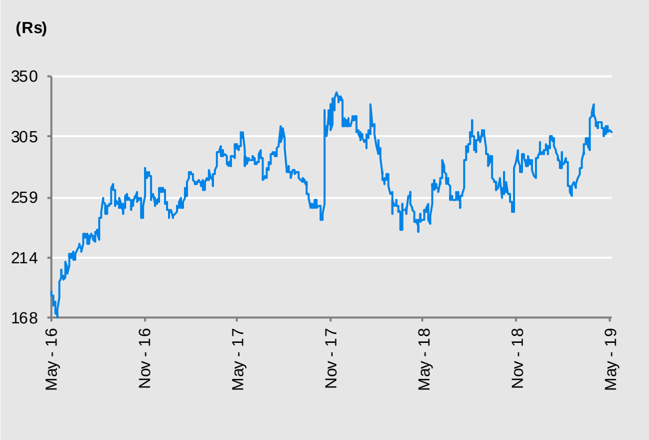
Y/e Mar	FY18	FY19	FY20E	FY21E
Cost-Income Ratio (%)	*50.2*	*55.7*	*54.2*	*53.3*
C-D Ratio (%)	*71.5*	*75.1*	*78.2*	*80.7*
Business per Emp. (Rs m)	219	238	260	284
Profit per Emp. (Rs lacs)	(3)	0	10	14
Business per Branch (Rs m)	2,687	2,935	3,207	3,525
Profit per Branch (Rs m)	(4)	0	12	17

Du-Pont

Y/e Mar	FY18	FY19	FY20E	FY21E
NII	2.39	2.69	2.88	3.02
Total Income	3.82	3.81	4.01	4.15
Operating Expenses	1.91	2.12	2.18	2.21
PPoP	1.90	1.69	1.84	1.94
Total provisions	2.40	1.64	0.96	0.79
RoAA	(0.21)	0.03	0.60	0.78
RoAE	(3.45)	0.43	9.89	12.55

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	22-May-18	BUY	349	254
2	23-May-18	BUY	349	254
3	21-Jun-18	BUY	349	269
4	10-Jul-18	BUY	346	259
5	11-Aug-18	BUY	349	304
6	5-Oct-18	BUY	349	271
7	6-Nov-18	BUY	355	295
8	7-Jan-19	BUY	355	296
9	1-Feb-19	BUY	361	284
10	5-Apr-19	BUY	361	317

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Accumulate	837	741
2	Bank of Baroda	BUY	161	114
3	Bank of India	Reduce	89	106
4	Federal Bank	BUY	112	98
5	HDFC Bank	BUY	2,700	2,293
6	HDFC Standard Life Insurance Company	BUY	465	399
7	ICICI Bank	BUY	475	401
8	ICICI Prudential Life Insurance Company	BUY	511	368
9	IDFC First Bank	BUY	57	43
10	IndusInd Bank	BUY	1,791	1,768
11	Jammu & Kashmir Bank	BUY	76	59
12	Kotak Mahindra Bank	Hold	1,385	1,387
13	Max Financial Services	BUY	629	439
14	Punjab National Bank	Hold	83	73
15	SBI Life Insurance Company	BUY	779	612
16	South Indian Bank	BUY	22	18
17	State Bank of India	BUY	361	317
18	Union Bank of India	Reduce	79	93
19	YES Bank	Reduce	190	238

PL's Recommendation Nomenclature (Absolute Performance)

Buy : > 15%
Accumulate : 5% to 15%
Hold : +5% to -5%
Reduce : -5% to -15%
Sell : < -15%
Not Rated (NR) : No specific call on the stock
Under Review (UR) : Rating likely to change shortly

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