

State Bank of India

BSE SENSEX

52,276

S&P CNX

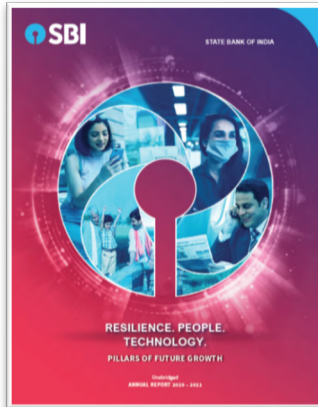
15,740

CMP: INR427

TP: INR530 (+24%)

Buy

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Stock Info

Bloomberg	SBIN IN
Equity Shares (m)	8,925
M.Cap.(INRb)/(USD\$b)	3812.1 / 52.3
52-Week Range (INR)	442 / 169
1, 6, 12 Rel. Per (%)	13/42/77
12M Avg Val (INR M)	16407
Free float (%)	43.1

Financials Snapshot (INR b)

Y/E March	FY21	FY22E	FY23E
NII	1,107.1	1,222.9	1,385.7
OP	715.5	828.5	946.4
NP	204.1	343.1	425.0
NIM (%)	3.0	3.0	3.0
EPS (INR)	22.9	38.4	47.6
EPS Gr. (%)	40.9	68.1	23.9
ABV (INR)	220.6	260.6	308.7
Cons. BV (INR)	294.2	332.7	381.6

Ratios

RoE (%)	9.3	13.9	15.0
RoA (%)	0.5	0.7	0.8

Valuations

P/BV (x) (Cons.)	1.5	1.3	1.1
P/ABV (x)*	1.1	0.9	0.8
P/E (x)*	10.5	6.2	5.0

*Price adjusted for value of subs

Balance sheet fortification continues; earnings to gain pace

Subs remain strong compounders

- State Bank of India (SBIN)'s Annual Report highlights "Resilience," "People," and "Technology" as the key theme, with the endeavor to continuously strengthen the balance sheet and improve return ratios. The bank has continued to invest in cutting-edge technology to maintain its position among the most digitally savvy banks.
- The focus has remained on building a superior loan book, while maintaining strong underwriting – as evident from the robust asset quality across retail segments. This is primarily attributable to >95% of unsecured credit being offered to government/PSU employees and ~41% of corporate loans being offered to PSUs / govt. undertakings.
- On a segmental basis, the Corporate segment has reported profits after four years of consecutive losses. On the other hand, Retail PBT has declined 48% YoY, impacted by pandemic-led provisions.
- On the digitalization front, YONO continues to set new records with ~80m downloads and ~37m+ registered users, with average daily logins of ~10m. In FY21, YONO was further extended to overseas customers with the onboarding of ~40k customers and INR213b/INR457b worth of personal/gold loans was disbursed. SBIN has 13.2% market share in POS terminals, 29.2% in debit card spends, and 25.8% in mobile banking.
- Despite a challenging year, SBIN has continued to report higher improvement in asset quality v/s private peers, with PCR improving to 71% (85% on the corporate book). Controlled restructuring (0.7%) and a low SMA book (0.5%) provide further comfort on asset quality and would drive a sustained reduction in credit cost. **Maintain BUY, with TP of INR530 (1.1x FY23E ABV + INR188 from subs).**

Building a superior loan book, with a strong focus on underwriting

SBIN's focus has been on building a granular and high-quality loan portfolio, with Retail being a key growth driver. Within Retail Loans, Home Loans / Xpress Credit grew ~11% YoY / 37% YoY and Gold Loans was up ~4.6x to ~INR210b. Growth in Xpress Credit is primarily driven by YONO, and the total size stands at ~INR1.93t – it is the largest player in the Personal Loans segment. The GNPL ratio in the Xpress Credit segment stands at just 0.36% as >95% of the unsecured retail credit is offered to government / PSU employees. On the corporate side, ~75% of loans are rated A & above, while ~41% of loans are toward PSUs / government undertakings.

Corporate segment reports profit after four consecutive years of loss

Segmental profitability highlights that while revenues in the Corporate segment declined 9% YoY, the bank reported PBT of INR51b in Corporate Banking. The segment turned profitable after reporting loss for four consecutive years, contributing 16% to the total profits. Retail PBT declined 48% YoY and contributed ~30% to the total profits, impacted by higher provisions, as revenue growth came in flat YoY. In Treasury, the bank reported PBT of INR171b (led by gains from the stake sale of SBI Life), which contributed ~54% to the total segmental profits.

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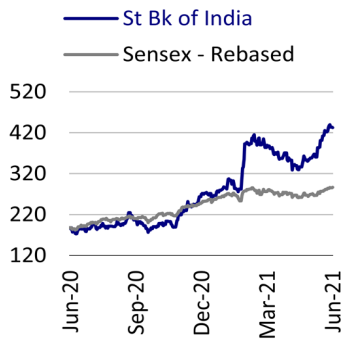
Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Shareholding pattern (%)

As On	Mar-21	Dec-20	Mar-20
Promoter	56.9	56.9	56.9
DII	24.3	24.8	24.4
FII	11.1	10.9	10.7
Others	7.7	7.4	8.0

FII Includes depository receipts

Stock Performance (1-year)**Mix of Doubtful/Loss NPLs rises to 39%, signifying low aging provisions**

The mix of Loss and D-3 assets combined has increased to ~39% (v/s ~10% in FY18). This signifies the diminishing requirement of aging provisions and higher recovery prospects from fully provided / written-off accounts. SBIN now has 85% coverage on its corporate portfolio, while overall PCR at 71% stands much higher than what is required as per the ECL methodology.

Building strong digital capability; YONO gaining scale rapidly

SBIN has garnered major market share across multiple digital channels, such as 13.2% in POS terminals, 29.2% in debit card spends, and 25.8% in mobile banking. YONO continues to set new records, with ~80m downloads and ~37+m registered users, with average daily logins of ~10m. In FY21, YONO was further extended to overseas customers, with ~40k customers on-boarded. ~94% of eligible savings accounts were opened up through YONO (~5.2m). It sanctioned 1.2m digital loans worth INR196b, and ~1.4m pre-approved personal loans worth INR213b were opened in FY21. Furthermore, ~INR457b gold loans were sanctioned through YONO.

Balance sheet cleaning continues; recoveries remain strong

Despite a challenging year, SBIN continues to report improvement in asset quality, with PCR improving to 71% (85% on the corporate book). Controlled restructuring (0.7%) and SMA 2 book (0.3%) provide further comfort on asset quality and would drive a sustained reduction in credit cost. Total recoveries (including those from the AUCA book) remain strong, with normal recoveries at ~61%. A significant portion of recoveries also come from Compromise (30%), in addition to NCLT.

Sectoral GNPA's show improving trends; priority sector NPA still high

GNPAs for the non-priority sector declined to 3.6% in FY21 (from 4.8% in FY20), led by decline in the Services sector to 3.2% (from 4.4%). For the priority sector, the GNPA ratio moderated to 9.4% from 10.7%. This was due to decline in Agriculture GNPA to 15.2% from 16% and in Industry GNPA to 12.1% from 18.5%.

Subs remain strong industry-leading compounding machines

SBIN's subsidiaries – SBI MF, SBI Life Insurance, SBI General Insurance, and SBICARD – have displayed robust performances and turned market leaders in their respective segments. The contribution of subsidiaries to the SOTP has increased significantly – they now contribute ~35% to the SOTP (~44% on CMP). We expect the robust performances from subs to continue and add value to the overall SOTP. Value unlocking from SBI MF and SBI General Insurance could result in further gains.

Valuation and view

The bank has reported a strong FY21 in a challenging environment. Deposit growth stood strong, led by healthy CASA trends, while loan growth is likely to recover gradually over FY22–23E. The asset quality outlook remains encouraging, with the slippage ratio lower than many private banks. SBIN has prudently improved PCR to ~71% and holds unutilized COVID provisions of ~INR63b. SBIN has reported FY21 RoE of ~9.5% – the highest since the AQR was commenced in FY16 – and now aims to reclaim 15% RoE in the medium term. Thus, we project RoA/RoE of 0.8%/15% by FY23E and reiterate SBIN as our top BUY, with TP of INR530 (1.1x FY23E ABV + INR188 from subs).

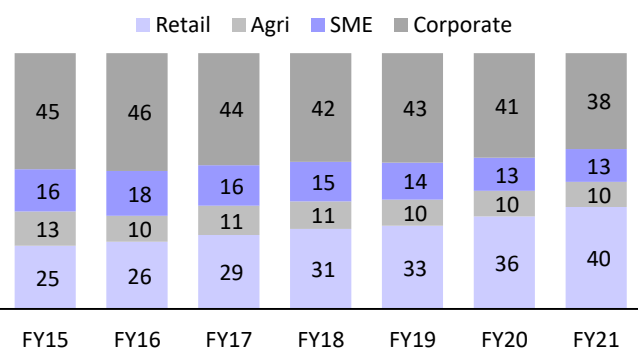
Building a superior loan book, with a strong focus on underwriting

~35%/32% market share in Home Loans / Auto Loans

41% of corporate loans are toward PSUs or govt. undertakings

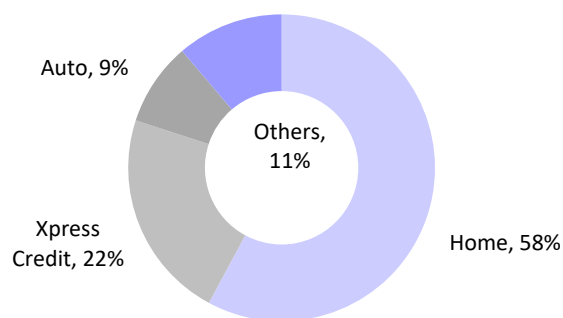
- SBIN’s focus has been on building a granular and high-quality portfolio. The bank grew its net advances by 5.3% YoY in FY21 while the Retail business grew strongly at 16.5% YoY. The Retail segment remains the key growth driver and constitutes ~40% of the total loan book (v/s ~36% in FY18); including TLTRO, the loan growth stands higher.
- Within Retail Loans, Home Loans / Xpress Credit grew ~11% YoY / 37% YoY, and Gold Loans were up ~4.6x to ~210b. **Growth in Xpress Credit is primarily driven by the YONO platform and amounts to ~INR1.93t. Together, the Home Loans and Xpress Credit portfolios constitute ~80% of the total Retail portfolio. SBIN is the market leader in Home Loans / Auto Loans, with market share of ~35%/~32%. Including NBFC credit, market share stands at ~22%/12%.** Furthermore, SBIN’s market share in total new car sales increased to 16.5% in FY21 (v/s 14.4% in FY20).
- On the Wholesale front, corporate loan growth has declined ~3% YoY as the focus remains on a high-quality-rated portfolio. **~75% of the Corporate Loans portfolio is A & above rated.**
- In terms of risk profile, ~41% of corporate loans are toward PSUs or govt. undertakings. ~58% of the Retail portfolio constitutes home loans, and >95% of unsecured retail credit is offered to govt/PSU employees. Furthermore, Xpress loans are dominated by salaried accounts of govt employees. Of the ~95% salaried accounts, ~50% belong to the Government sector.**

Exhibit 1: Loan mix composition (%)



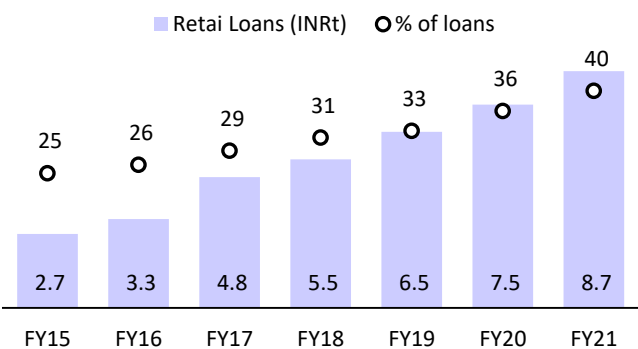
Source: MOFSL, Company

Exhibit 2: Composition of retail loans



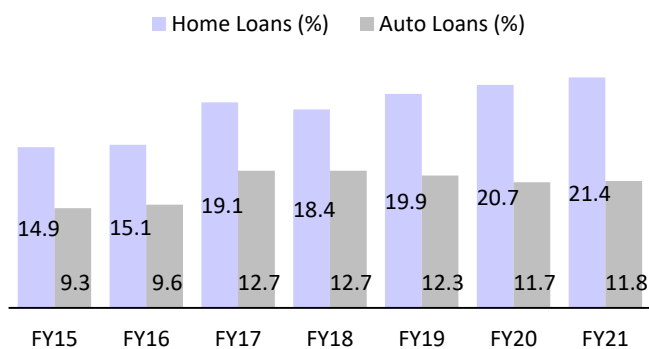
Source: MOFSL, Company

Exhibit 3: Retail loans post 21% CAGR over FY15–21



Source: MOFSL, Company

Exhibit 4: SBIN’s market share in Home Loans / Auto Loans



Source: MOFSL, Company, Market share including NBFC Credit

Robust funding profile to support margins; CASA ratio healthy at 46%

CD ratio at ~66% – lowest in 15 years

SA rate for SBIN remains at 2.7% (lowest among peers)

- SBIN continues to see strong growth in deposits and has succeeded in maintaining a robust liability franchise, with market share in deposits up by 50bp to 23.3%. Domestic deposit growth came in strong at ~14% YoY, while overseas deposits declined 5% YoY. Growth in domestic deposits was led by CASA deposits at 16.7%. As a result, the CASA ratio improved to 46.1% and TD deposits grew ~12% YoY.
- The CD ratio for the bank stands at ~66% – the lowest level seen in the past 15 years. This indicates significant headroom for a credit growth uptick as economic activity revives. Thus, we expect loan growth to pick up gradually by 8–12% over FY21–23E. SBIN’s SA rate remains lower (2.7%), which, along with the re-pricing of term deposits, would support margins over the medium term.

Exhibit 5: CASA ratio stands at 46.1%

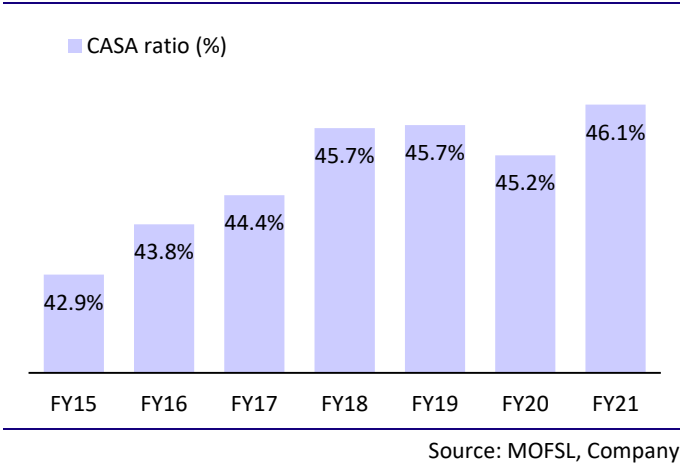


Exhibit 6: CASA ratio across peers

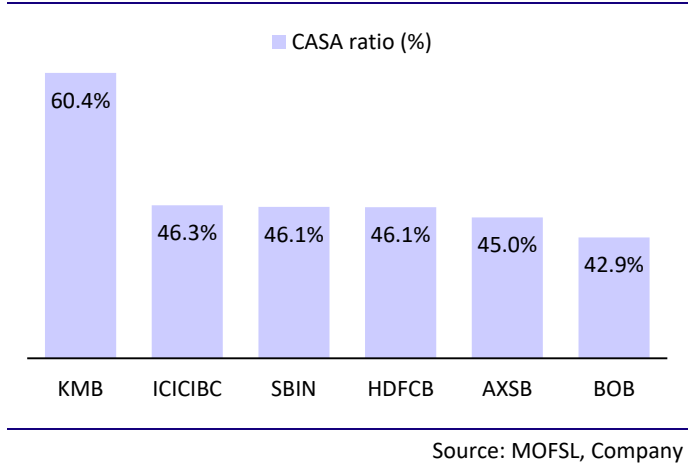


Exhibit 7: CASA growth higher than TD growth

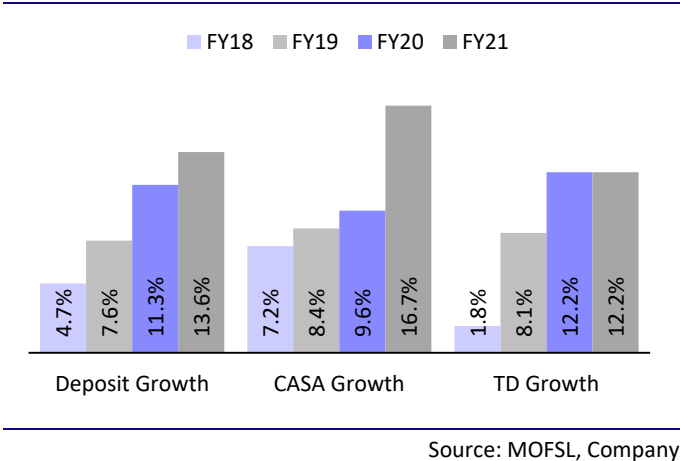
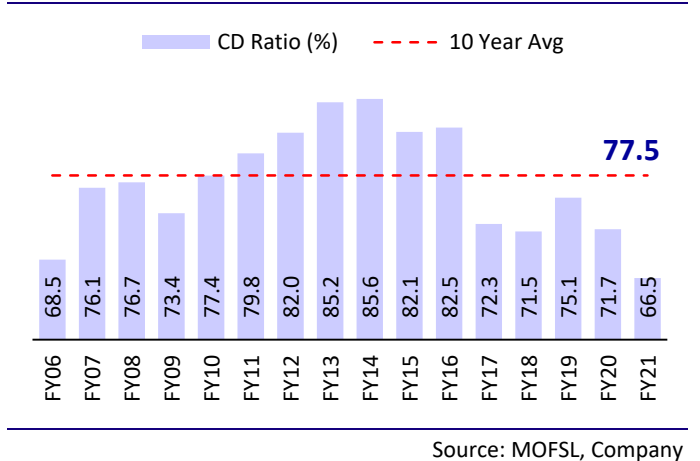


Exhibit 8: CD ratio the lowest in the past 15 years

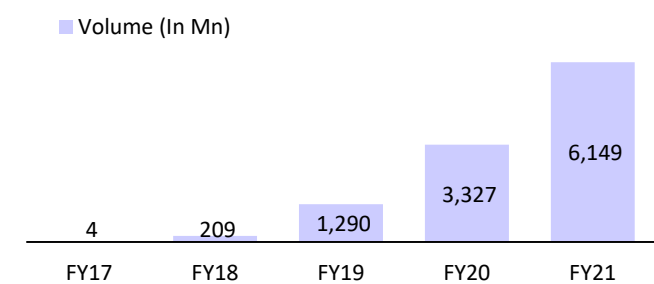


Building strong digital capability; market share continues to improve
YONO rapidly gaining scale; new launches to support further growth

Market share is 13.2% in POS terminals, 29.2% in debit card spends, and 25.8% in mobile banking

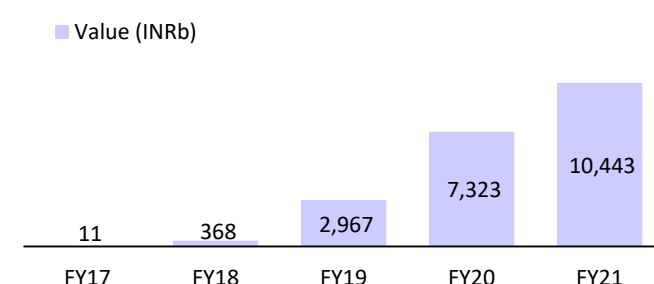
- The YONO application continues to set new records, with ~80m downloads and ~37+m registered users, with average daily logins of ~10m. In FY21, YONO was further extended to overseas customers, with ~40k customers on-boarded.
- YONO offers not only a one-stop shop for financial services but also a gamut of investment, insurance, and shopping solutions. It offers YONO Krishi for the Agriculture segment and has also launched this for corporate customers with the aim to offer seamless services, while catering to their varied needs.
- The bank sanctioned 1.2m digital loans worth INR196b in FY21, of which Xpress Credit Loans and Xpress Credit Top-up Loans contributed INR151b.
- ~94% of eligible savings accounts were opened through the YONO platform. ~5.2m digital savings accounts were opened in FY21, while ~1.4m pre-approved personal loans were disbursed in FY21 (amounting to INR213b). Furthermore, ~INR457b worth of gold loans was sanctioned through YONO.
- ~100+ merchant partners were live on the B2C marketplace platform, which saw 1.2m transactions worth INR6.4b of gross merchandise value in FY21. Through YONO, the bank sourced ~0.4m credit cards, received investments worth INR24.3b, and sold ~2.9m personal accident policies in FY21.
- SBIN is also the top MF distributor – it surpassed a milestone of INR1.1t in AUM in FY21, with ~80% of SIPs mobilized digitally. Furthermore, the digital sourcing rate of the SBI Life banca channel stands at 99.6%.
- SBIN has garnered major market share across multiple digital channels, such as **13.2% in POS terminals, 29.2% in debit card spends (with a total of 293m actively used debit cards), and 25.8% market share in mobile banking**. SBIN holds market share of ~12%/9% in RTGS/NEFT outward remittances.
- The bank is constantly increasing its digital customer onboarding, with 46% of retail asset accounts and 58% of liability customers added through digital channels in FY21. ~93% of transactions were through alternate channels.
- **Surge in UPI payments:** SBI has ~148m registered users, which undertook ~6.2b transactions (~26% market share), amounting to INR10.4t, in FY21.

Exhibit 9: UPI transaction volume up ~1.8x in FY21



Source: Company, MOFSL

Exhibit 10: UPI transaction value up ~1.4x in FY21



Source: Company, MOFSL

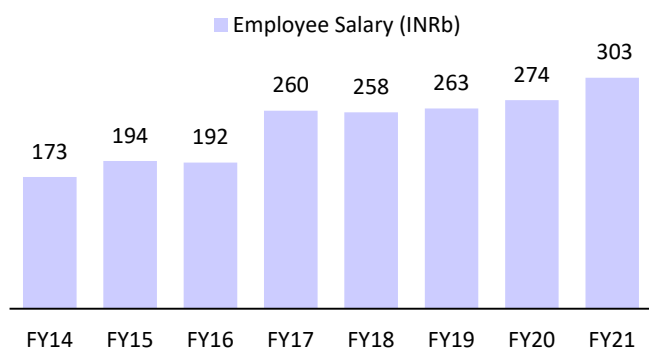
- ~19% of SBIN’s financial transactions were routed through ATMs and automated kiosks in FY21. SBIN’s ATM network accounts for ~34% of the country’s total ATM transactions. Furthermore, the bank has a total of 19.7m mobile banking users.

Staff expenses (excl. pension/gratuity provisions) in check

Digitalization to further help contain cost metrics

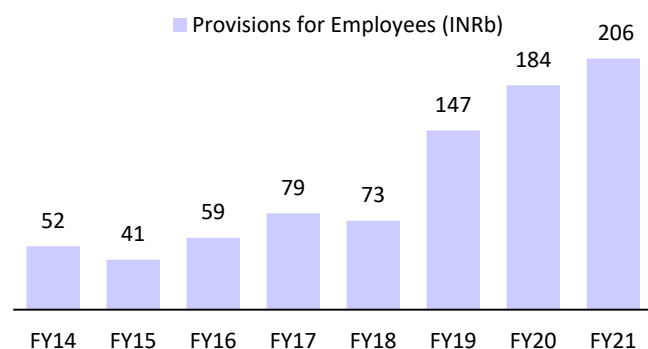
- SBIN took additional provisions of INR206b toward wage revisions and enhancing the gratuity limit – which has been elevated over the past few years (27% CAGR over FY17–21); as a result, staff expenses posted an 11% CAGR. However, excluding pension/gratuity provisions, staff expenses posted a modest 4% CAGR.
- With employee-related provisions likely to moderate hereafter and continued rationalization expected in the headcount (number of employees down to ~246k in FY21 from 280k in FY17), we expect staff overhead expenses to remain in check. Furthermore, (a) the rationalization of branches, with the focus on increasing the business per branch, and (b) improving productivity, owing to technological initiatives undertaken by the bank on the digital front, should help control operating expenses.

Exhibit 11: Employee expenses (excl. pension/gratuity provisions) post ~4% CAGR over FY17–21



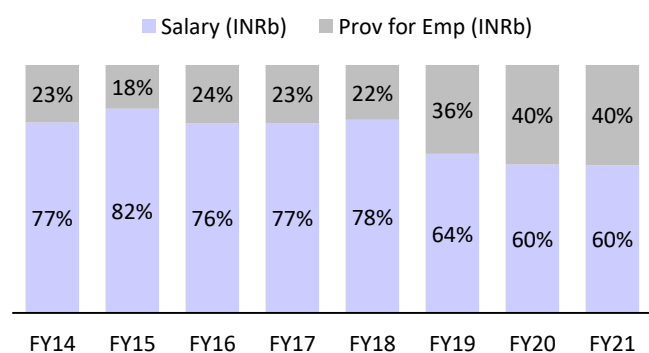
* Merged number from 1st Apr'17 Source: Company, MOFSL

Exhibit 12: Trend in provisions for employees (wage revisions / gratuity); expect the same to moderate



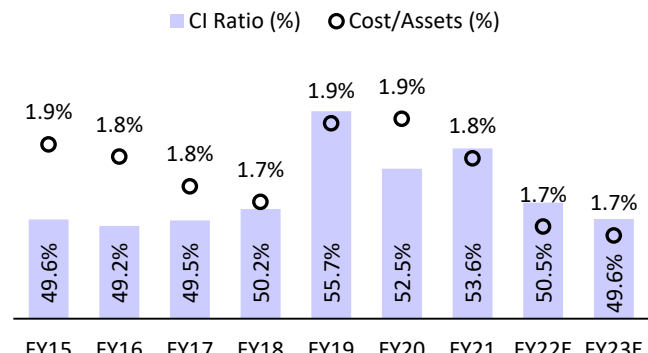
* Merged number from 1st Apr'17 Source: Company, MOFSL

Exhibit 13: Composition of employee expenses; employee provision expenses likely to have peaked



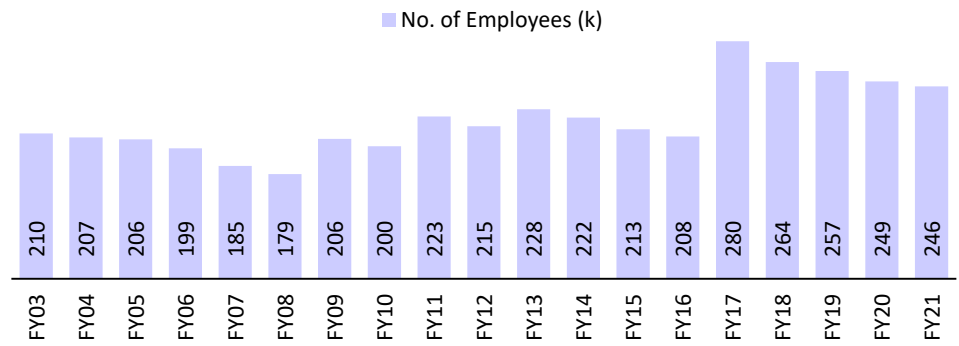
* Merged number from 1st Apr'17 Source: Company, MOFSL

Exhibit 14: Cost/Asset trend lower v/s peers; expect C/I ratio of ~50% by FY23



Source: Company, MOFSL

Exhibit 15: Employee count trend gradually reducing, indicating higher productivity; historical trends suggest scope for further reduction



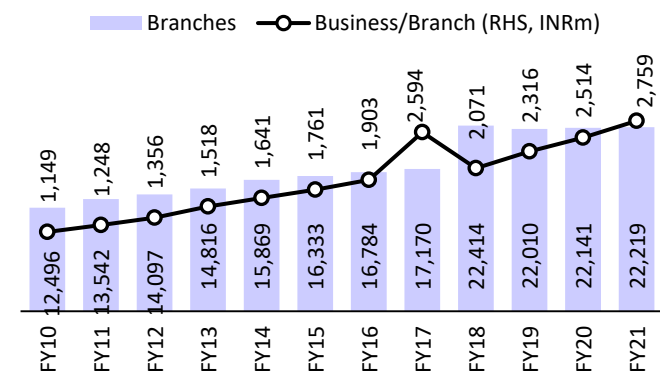
* Merged number from 1st Apr'17

Source: Company, MOFSL

Business productivity constantly improving; SA per branch rises to INR623m

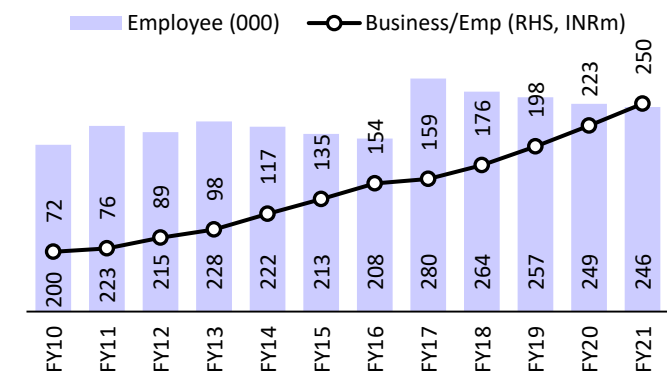
SBIN has been focusing on improving branch productivity by leveraging technology. SBIN's business per branch improved to INR2.8b in FY21 (from INR2.5b in FY20) and business per employee to INR250m in FY21 (from INR223m in FY20). Furthermore, SA per branch of SBIN improved to INR623m in FY21 (v/s INR545m in FY20), indicating higher productivity and operational efficiency at the branch level.

Exhibit 16: Business/branch consistently improving; comes in at INR2.8b per branch



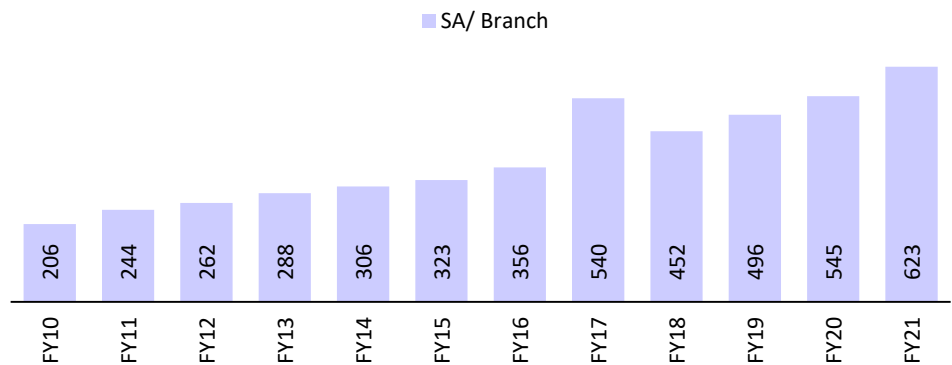
Source: Company, MOFSL

Exhibit 17: Business/employee up to INR250m v/s INR176m in FY18



Source: Company, MOFSL

Exhibit 18: SA per branch – constant improvement over past few years



Source: Company, MOFSL

Corporate segment reports profit after four consecutive years of loss

Segmental profitability suggests Retail PBT declined 48% YoY and contributed ~30% to the total profits, impacted by higher provisions, as revenue growth was flat YoY. Corporate segment revenues declined 9% YoY, but it reported PBT of INR51b. The bank reported profit in the Corporate segment after reporting loss for four consecutive years, contributing 16% to the total profits. In the Treasury segment, the bank reported PBT of INR171b (led by gains from the stake sales of SBI Life), which contributed ~54% to the total segmental profits.

Exhibit 19: Segmental trends across business segments – Corporate sees profit after four years of consecutive loss

INR b	Assets				Revenue				PBT			
	FY18	FY19	FY20	FY21	FY18	FY19	FY20	FY21	FY18	FY19	FY20	FY21
Retail	13,229	14,917	15,806	18,150	1,118	1,210	1,309	1,318	194	127	181	94
YoY growth (%)	39%	13%	6%	15%	32%	8%	8%	1%	-7%	-34%	42%	-48%
Corporate	10,110	11,333	11,776	11,976	633	786	902	818	-385	-163	-40	51
YoY growth (%)	9%	12%	4%	2%	4%	24%	15%	-9%	NA	NA	NA	LP
Treasury	10,896	10,028	11,345	14,531	820	777	751	919	55	73	157	171
YoY growth (%)	35%	-8%	13%	28%	29%	-5%	-3%	22%	-61%	33%	114%	9%

Source: MOFSL, Company

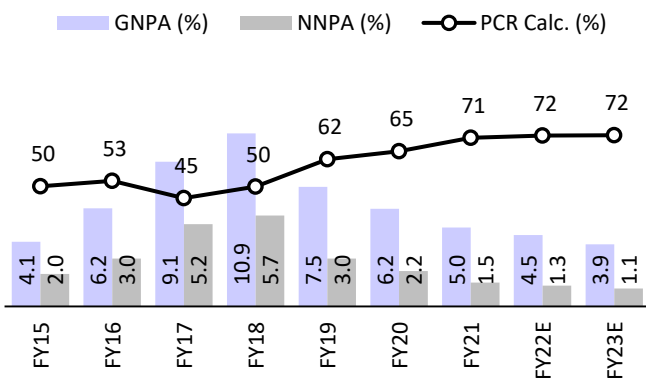
Balance sheet cleaning continues; asset quality improves despite challenging year

Slippage ratio among the lowest across large banks

Slippage ratio at 1.2% – the lowest among the top banks, including private peers

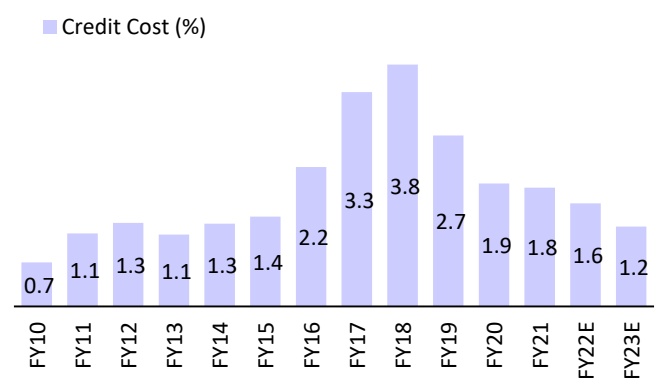
- Despite a challenging year, SBIN continues to report improvement in asset quality, with GNPA's declining ~15% to ~5% in FY21 (from 6.2% in FY20). On the other hand, the coverage ratio increased to 71% v/s 65% in FY20 (85% on the corporate book). Overall improvement in asset quality has been far higher v/s peers, including private peers. Even the slippage ratio came in **at 1.2% – the lowest among the top banks, including private peers.**
- **Restructuring:** The bank has received a restructuring request of INR178.5b (0.7% of loans), INR53.2b of which has already been implemented. The bank further carries an additional provision of INR63.5b (0.3% of loans).
- We believe SBIN has prudently improved PCR in the last few years and has one of the lowest stressed assets among the corporate banks. **This is further evident from the fact that SBIN has relatively lower slippage v/s other banks.** Thus, we expect GNPA/NNPA to moderate to 3.9%/1.1% and credit cost to moderate to 1.2% by FY23, which would be a key earnings driver.

Exhibit 20: Coverage ratio improves to ~71%



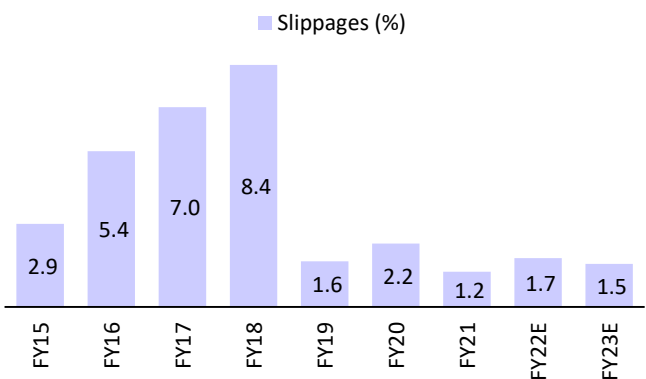
Source: Company, MOFSL

Exhibit 21: Credit cost seeing steady moderation



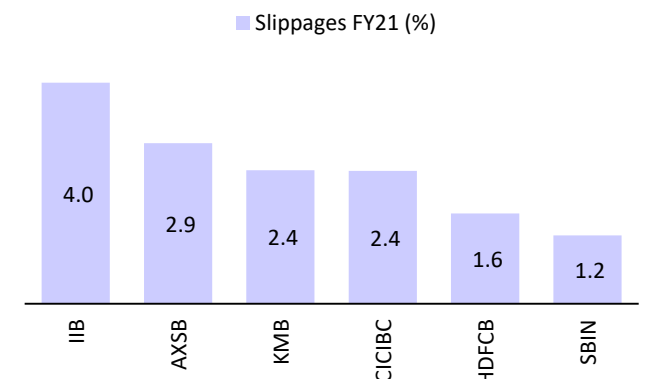
Source: Company, MOFSL

Exhibit 22: SBIN sees moderation in slippage for the past few years; expect this to remain in check



Source: Company, MOFSL

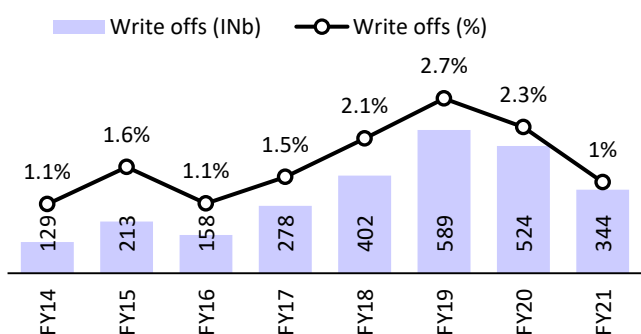
Exhibit 23: Slippage ratio among the lowest; better than even the large private banks



Source: Company, MOFSL

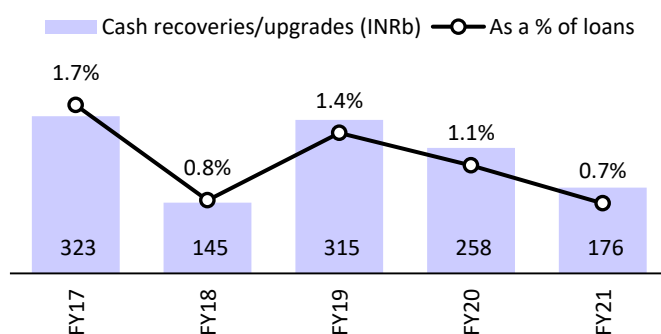
- Notably, the **AUCA book for SBIN stands at INR1.74t**, significantly higher than the GNPL pool, with recoveries historically at 6–11%. Over the past five years, the bank has recovered ~INR372b from the AUCA book; we expect recovery trends to continue as the IBC process starts again after a long pause (due to COVID-19 restrictions).
- SMA 1 and 2 for the bank stand at INR115.2b (0.5% of loans), lower v/s peers, including large private banks. Furthermore, banks’ Power/Telecom exposure remains comfortable, with the bulk of the exposure toward PSU entities and better rated corporates. **Asset quality within the Retail segment has been stellar as well as comparable with private peers, which provides further comfort.**

Exhibit 24: SBIN sees ~INR2.1t w/o over the past five years



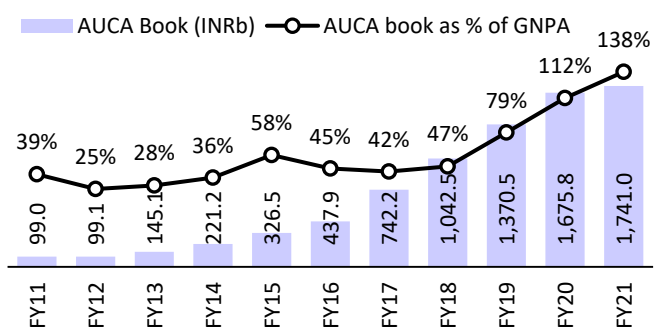
Source: Company, MOFSL

Exhibit 25: Healthy cash recoveries and upgrades



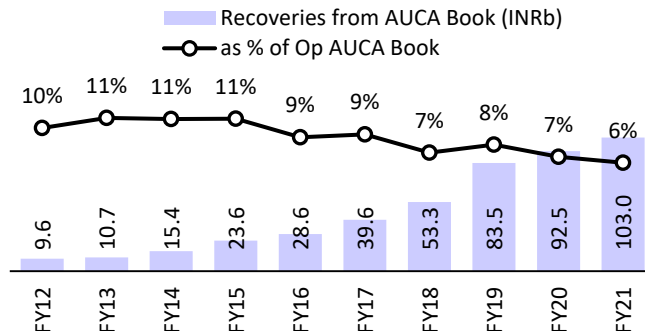
Source: Company, MOFSL

Exhibit 26: SBIN carries AUCA pool of INR1.74t



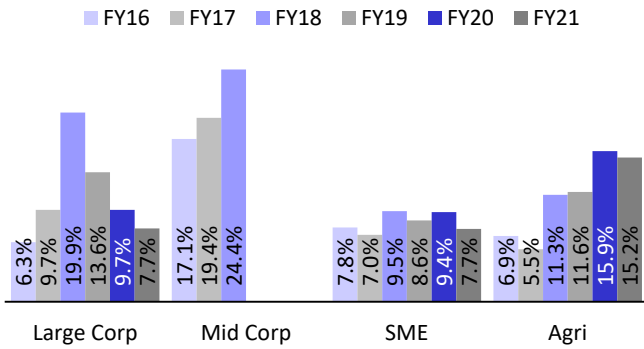
Source: Company, MOFSL

Exhibit 27: Strong recoveries from AUCA book



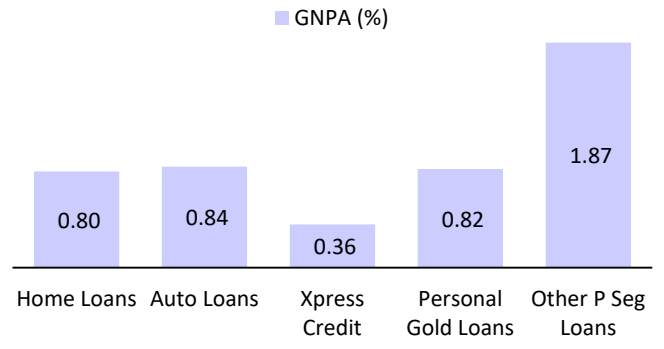
Source: Company, MOFSL

Exhibit 28: Trend in NPL ratios across sectors – moderation across most segments



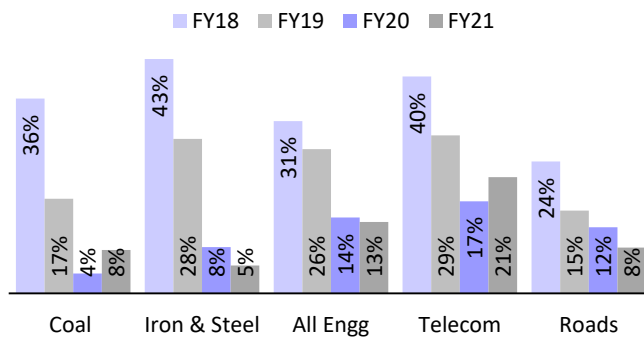
Source: Company, MOFSL

Exhibit 29: Asset quality in Retail segment comparable with large private banks – GNPA at 0.8% of total retail loans



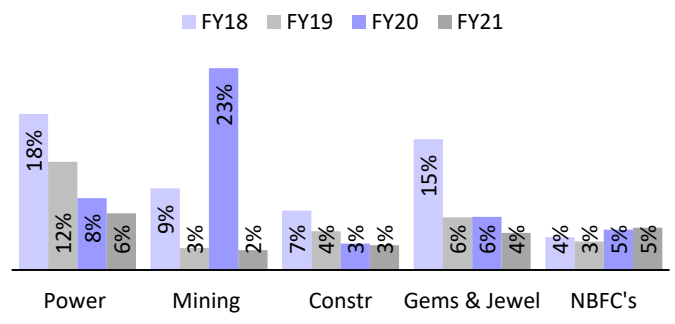
Source: Company, MOFSL

Exhibit 30: NPL ratios in stressed sectors moderate...



Source: Company, MOFSL, Basel III disclosure

Exhibit 31: ...across most segments, barring Coal/Telecom



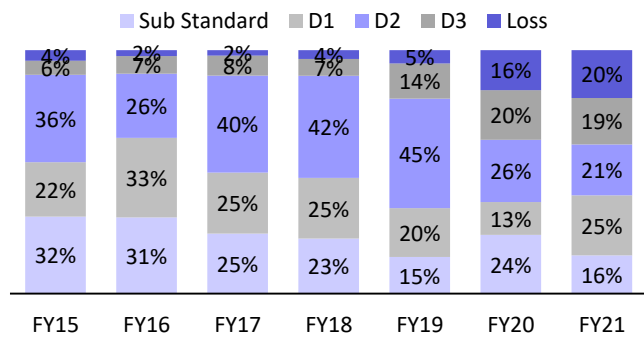
Source: Company, MOFSL, Basel III disclosure

Share of Loss/Doubtful-3 NPLs up ~4x over past three years

- The mix of Loss and D-3 assets combined increased to ~39% (v/s ~10% in FY18). This indicates the diminishing requirement of aging provisions and higher recovery prospects from fully provided / written-off accounts. SBIN now has 85% coverage on its corporate portfolio, while overall PCR at 71% stands much higher than what is required as per the ECL methodology.
- Furthermore, the concentration of the Top 4 NPA accounts increased to ~20%. GNPA for the non-priority sector declined to 3.6% in FY21 (from 4.8% in FY20), due to a decrease in the Services sector to 3.2% (from 4.4%). For the priority sector, the GNPA ratio moderated to 9.4% (from 10.7%), weighed by decline in Agriculture GNPA to 15.2% (from 16%) / Industry GNPA to 12.1% (from 18.5%).

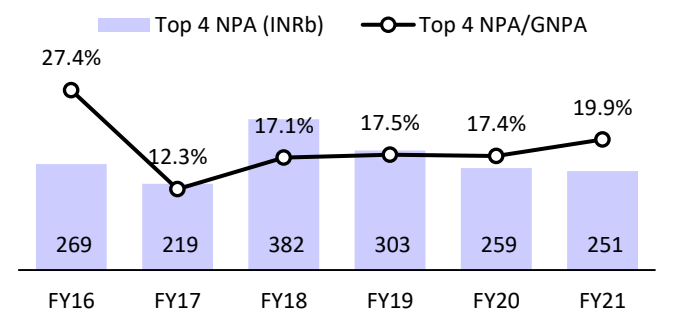
Mix of Loss and D-3 assets combined increased to ~39% (v/s ~10% in FY18)

Exhibit 32: Higher proportion of Loss and D3 category accounts reflects lower requirement of aging provisions



Source: Company, MOFSL

Exhibit 33: Concentration of Top 4 NPA accounts up to ~20% of gross NPA



Source: Company, MOFSL

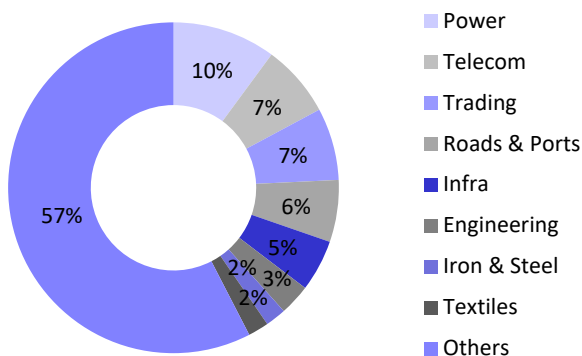
Exhibit 34: GNPA's for non-priority/priority sector moderate across segments, barring Services

INR b	FY18		FY19		FY20		FY21	
	O/s advances	GNPA (%)	O/s advances	GNPA (%)	O/s advances	GNPA (%)	O/s advances	GNPA (%)
Priority Sector								
Agriculture	1,885	11.1%	1,998	11.7%	2,042	16.0%	2,128	15.2%
Industry	994	16.1%	971	12.9%	1,011	18.5%	930	12.1%
Services	744	9.9%	992	9.8%	839	6.3%	1,221	8.4%
Personal loans	1,045	3.2%	1,594	1.8%	1,668	1.9%	1,715	1.4%
Total (A)	4,668	10.2%	5,556	8.7%	5,559	10.7%	5,994	9.4%
Non-Priority Sector								
Agriculture	38	8.0%	194	0.5%	22	10.3%	16	13.2%
Industry	9,066	18.0%	9,759	11.5%	10,543	7.1%	6,781	7.0%
Services	2,209	4.2%	2,475	3.2%	2,216	4.4%	5,602	3.2%
Personal loans	4,504	0.8%	4,951	0.8%	5,887	0.8%	7,001	0.7%
Total (B)	15,816	11.1%	17,379	7.2%	18,669	4.8%	19,400	3.6%
Total (A+B)	20,484	10.9%	22,935	7.5%	24,228	6.1%	25,394	5.0%

Source: Company, MOFSL

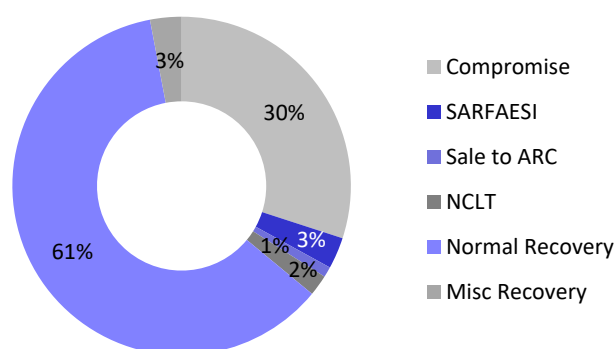
- Floating provisions and lower SR book provide comfort:** The bank held floating provisions of ~INR1.9b and standard assets provisions of INR153b in FY21. Furthermore, the SR book stood at INR83.6b in FY21, with a provision of INR42.3b. The bank further carried additional provisions of INR63.5b (0.3% of loans).
- Sensitive sector exposure:** The bank's Commercial Real Estate exposure increased to INR563b in FY21 (v/s INR316b in FY20), corresponding to 2.3% of total loans; exposure to Capital Markets declined to INR114b.
- Segmental NPAs:** As per the industry-wise classification of NPAs, the segmental split remains largely balanced, with Power contributing the highest NPA with 10%, followed by Telecom (7%) and Trading (7%). Total recoveries (including those from the AUCA book) remain strong, with normal recoveries forming ~61%. A significant portion of recoveries also come from Compromise (30%), in addition to NCLT.

Exhibit 35: Industry-wise distribution of NPAs as of FY21



Source: MOFSL, Company

Exhibit 36: Mode of recovery for FY21

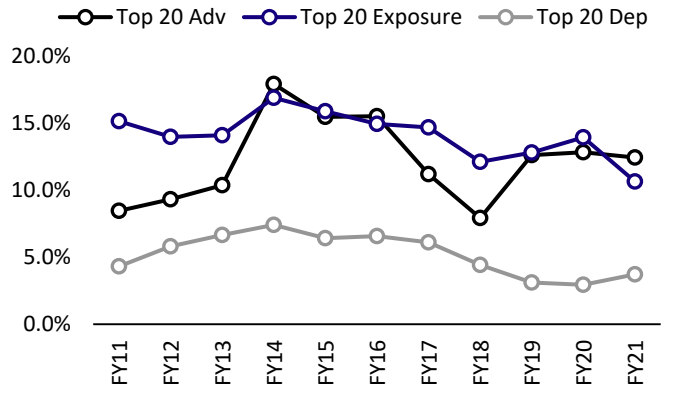


Source: MOFSL, Company

RWA density moderates; advances concentration improves

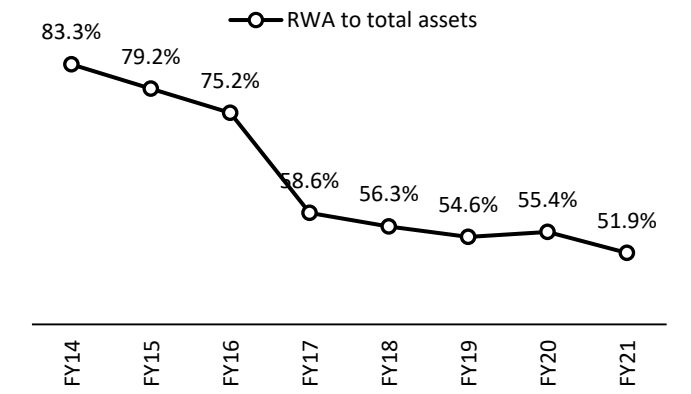
In FY21, SBIN had a Tier-1 ratio of 11.4% (CET 1 of 10%), while the total CAR stood at 13.7%. The bank's focused lending to the Retail segment resulted in moderation in RWA density to ~52% (v/s ~83% in FY14). Furthermore, the concentration of the Top 20 advances/exposures improved 40bp/330bp to 12.4%/10.6% in FY21. On the liability side, the concentration of the Top 20 depositors increased ~77bp to 3.7%.

Exhibit 37: Concentration of Top 20 advances/exposures declines, while that of deposits increases to ~3.7%



Source: MOFSL, Company

Exhibit 38: RWA density moderates to ~52% (from 55% in FY20) v/s 83% in FY14



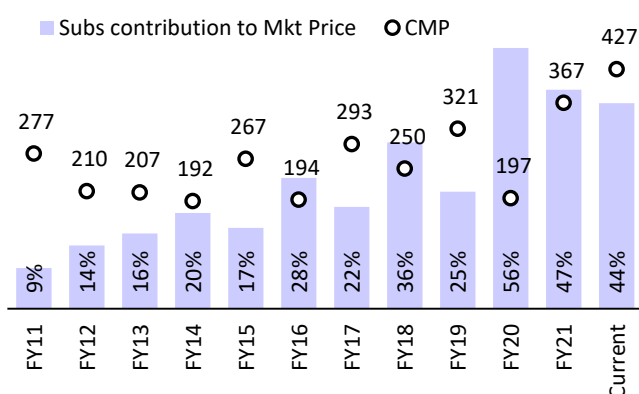
Source: MOFSL, Company

Subs remain strong industry-leading compounding machines

Underscoring the importance of an SOTP-based valuation

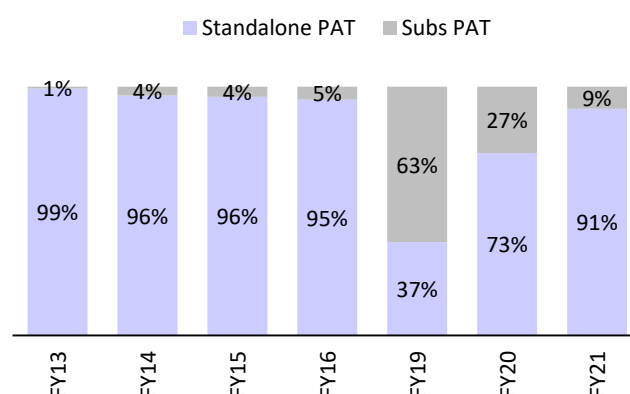
- For the past few years, the increasing customer awareness about various financial products has been reflected in the robust earnings of its subsidiaries. These subsidiaries have gained scale and market share and emerged as market leaders in their respective segments. This has led to strong expansion in their market multiples.
- Hence, over time, SBIN has increasingly transformed into an SOTP-based play v/s a standalone play. The contribution of subsidiaries to the bank's SOTP valuation has increased significantly – they now contribute ~35% to the SOTP (~44% as a percentage of CMP). As these businesses gain further scale and market share, we believe they would remain strong industry-leading compounding machines and continue to add value to SBIN's SOTP. Value unlocking from SBI MF and SBI General Insurance could result in further gains.

Exhibit 39: SBIN – subs' contribution to CMP



Source: MOFSL, Company

Exhibit 40: SBIN – trend in composition of consolidated PAT



Source: MOFSL, Company

SBICARD has gained the highest incremental market share of 23% over the past three years

SBICARD – healthy operating metrics; strong long-term outlook

- Over the past few years, SBICARD has delivered a strong performance in both customer acquisitions and earnings. SBICARD has gained the highest incremental market share of 23% over the past three years and had a market share of ~19% each on o/s cards/spends, with a card base of 11.8m in FY21.
- SBICARD saw a 33% CAGR in card spends over FY16–21 (despite decline of 7% in FY21), while the PAT CAGR over this period was 28% (despite decline of 21% in FY21). Return ratios, though impacted due to COVID-19, remained healthy with RoE of ~17%.
- SBICARD seeks to expand by increasing its sourcing from banca customers via penetration into mid-tier cities. While the near-term performance may remain subdued due to the impact of COVID-19, we expect quick recovery in momentum and a continued healthy performance over the medium term.

Exhibit 41: Snapshot – PAT/spend has posts a 28%/33% CAGR over past five years

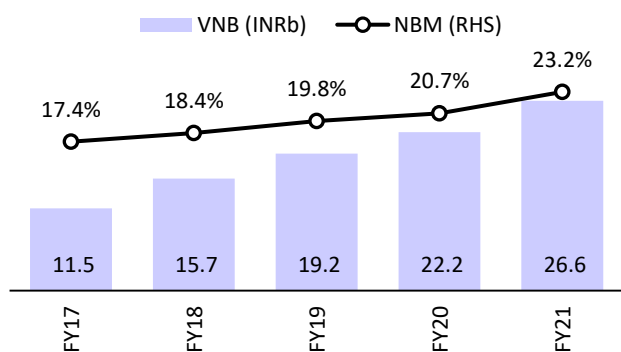
INR m	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Spends on cards	2,12,845	2,91,418	4,38,545	7,70,232	10,36,046	13,14,519	1,224,160
Mkt. Share Spends	11.1%	12.0%	13.2%	16.6%	17.1%	17.8%	19.4%
Mkt. Share cards base	15.0%	14.8%	15.3%	16.7%	17.6%	18.3%	19.1%
Revenue	19,045	24,918	34,710	53,702	72,869	97,523	97,136
PAT	2,667	2,839	3,729	6,011	8,650	12,448	9,845
RoA	4.9%	4.0%	4.0%	4.5%	4.8%	5.5%	3.8%
RoE	31.2%	26.8%	28.6%	31.6%	29.1%	27.9%	16.9%
Net Worth	9,656	11,550	14,488	23,531	35,878	53,412	63,020
GNPA	1.9%	2.0%	2.3%	2.8%	2.4%	2.0%	5.0%
Total Assets	62,573	78,803	1,07,650	1,56,860	201,462	253,028	270,129

Source: MOFSL, Company

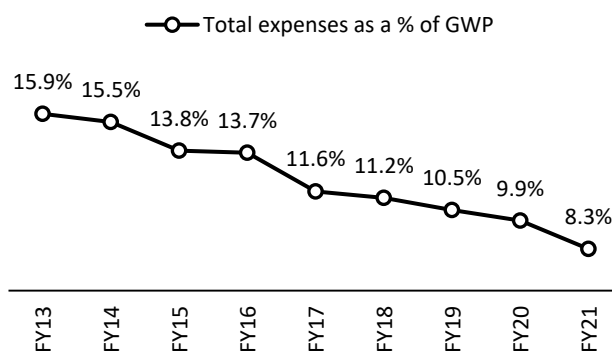
Margins to be supported by a shift in the product mix in favor of Non-PAR/Protection; Persistency is seeing improving trends

SBI Life – strong parentage, unmatched distribution; improving margins

- SBILIFE delivered a ~24%/18% CAGR in NBP/individual WRP over FY16–21, led by a strong distribution network and healthy execution. We believe distribution strength would continue to aid market share gains. Renewal premium growth remains strong (28% CAGR over FY16–21), supported by improved persistency.
- Furthermore, SBILIFE has increased its focus on the Non-PAR Savings / Protection mix, which forms ~15% of APE (v/s ~6% in FY18). SBILIFE reported consistent improvement in new business margins to 23.2% in FY21, backed by cost control, an improving Protection/Non-PAR mix, and rising persistency levels.
- SBILIFE has one of the lowest cost structures among peers. Interestingly, the company steadily reduced its total expenses as a percentage of gross written premium (GWP) to 8.3% in FY21 (from 15.9% in FY13), led by a higher mix of ULIPs and a strong banca channel.

Exhibit 42: SBILIFE reports 250bp improvement in NBM (ETR base), with VNB up 20% in FY21

Source: MOFSL, Company

Exhibit 43: Total expense (as a % of GWP) improves to 8.3% in FY21 (from ~16% in FY13)

Source: MOFSL, Company

Exhibit 44: Key operating metrics of SBI Life

INR b	FY17	FY18	FY19	FY20	FY21
Gross premium	210.2	253.5	329.9	406.3	502.5
New business premium	101.4	109.7	137.9	165.9	206.2
New business margin (ETR)	NA	18.4%	19.8%	20.7%	23.2%
Net profit	9.6	11.5	13.3	14.2	14.6
AUM	977.4	1,162.6	1,410.2	1,603.6	2,208.7
Embedded Value (ETR)	NA	201.7	237.3	276.4	364.0

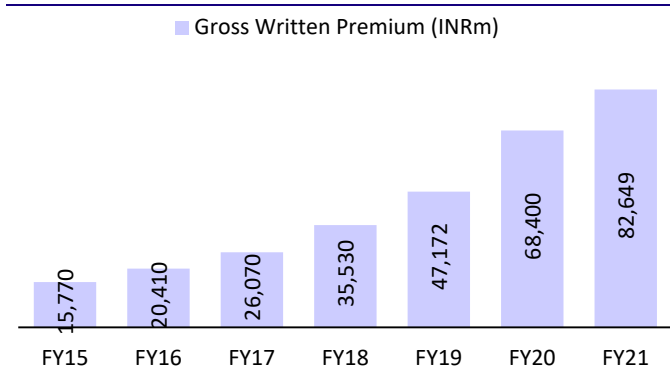
Source: MOFSL, Company

GWP posted a CAGR of 32% over FY16–21; RoE improved to 22%

SBI General Insurance – rapidly gaining scale, market share, & profitability

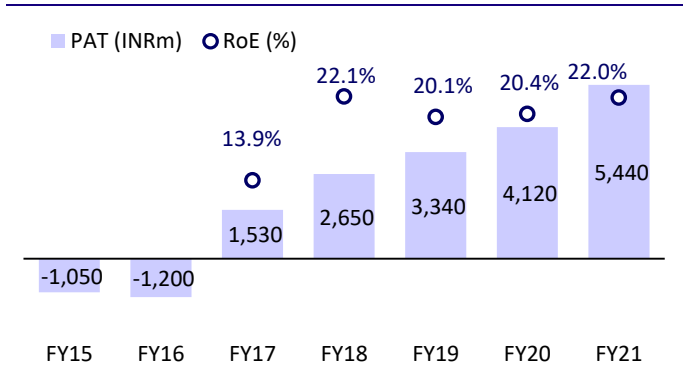
- The company has delivered a robust performance, improving its market position and operational performance. In FY21, GWP grew 21% (much higher than the industry), ranking 7th among private insurers and 12th in the industry on the basis of GWP. Its market share improved to 4.16% in FY21 (from 2.77% in FY19).
- The company delivered a ~32% CAGR in GWP over FY16–21. PAT grew 32% YoY to INR5.4b in FY21 (37% CAGR over FY17–21), with RoE of 22%.
- Continuous improvement in process efficiencies, claims, and expenses led to improved operating ratios. A better growth rate in premiums, a well-diversified premium base, and the ability to leverage SBI’s mammoth branch network should help the company achieve superior operating metrics.

Exhibit 45: GWP posts 32% CAGR over FY16–21



Source: MOFSL, Company

Exhibit 46: PAT surges; ROE improves to 22%



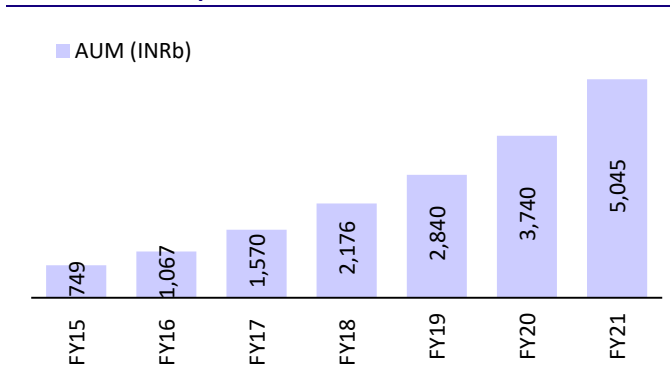
Source: MOFSL, Company

Strengthened its lead as the largest mutual fund, with total AUM of ~INR5t

SBI Asset Management – largest MF player, with market share of 15.7%

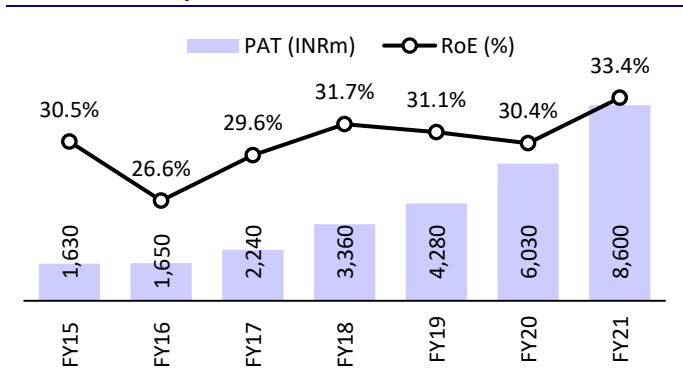
- SBI Mutual Fund is the country’s largest ETF provider and the largest mutual fund, with total AUM of ~INR5t and market share of 15.7% as of FY21.
- AUM posted a robust CAGR of 36% over FY16–21 to INR5t in FY21 (from INR1t in FY16). PAT over this period posted a 39% CAGR to INR8.6b in FY21, with RoE of 33.4%.
- SBI MF has a wide reach with ~6m retail investors and 5000+ institutional investors. With higher inflows from SIP accounts and an increase in the financialization of savings, we expect SBI MF to continue to gain momentum and maintain its market share (~870bp over FY15–21).

Exhibit 47: AUM posts 40% CAGR over FY15–19



Source: MOFSL, Company

Exhibit 48: PAT posts 27% CAGR over FY15–19



Source: MOFSL, Company

Snapshot of regional rural banks; asset quality ratios improving for RRBs

- SBIN has sponsored ~14 regional rural banks (RRBs – exited from one during FY21), with operations at regional levels in 14 states. These RRBs had a combined branch strength of 4,726, spanning 216 districts, as of 31st Mar'21.
- **In FY21, aggregate deposits grew ~13% YoY to INR1.06t and advances 15.1% YoY to INR665.5b. As a planned strategy to diversify its portfolio, RRBs grew their housing and gold loans by ~20.5% and ~91.7% YoY, respectively.**
- RRBs posted net profit of ~INR10b in FY21 (v/s INR2.5b in FY20) despite having higher pension provisions of INR14.6b. The RRBs continue to focus on improving their earnings from their core banking business, strengthening fee income streams, and control on operating costs.
- **The combined GNPA ratio of the RRBs declined to 5.44% in FY21 (v/s 5.96% in FY20), led by a focused approach toward reducing NPA. The NNPA ratio stood at 2.16% (v/s 2.56% in FY20).**
- Business per employee improved to INR100.9m in FY21 from INR84.3m in FY20.

Other highlights from the Annual Report

- **The bank's contingent liabilities** surged ~40% in FY21 (12% CAGR over FY16–21), largely led by an increase in forward contracts. As a result, the proportion of total assets increased to ~40% v/s 52% in FY15 (32% in FY19).

Exhibit 49: Contingent liabilities constitute 40% of total assets

Contingent Liabilities (INR b)	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Claims not acknowledged as debt	141	123	290	352	434	716	791
O/s forward exch. contracts	5,689	5,064	5,726	6,441	5,966	6,358	10,280
Guarantees given in India	1,237	1,358	1,312	1,489	1,572	1,656	1,731
Guarantees given outside India	637	828	712	675	724	706	727
Acceptances, Endorsements etc.	978	1,069	1,001	1,212	1,242	1,324	1,488
Uncalled liability on investments	5	2	6	6	5	17	15
Others	1,320	1,276	1,418	1,446	1,218	1,373	2,038
Total	10,006	9,720	10,464	11,620	11,161	12,150	17,069
% of total assets	52.1%	44.1%	37.0%	34.4%	31.3%	31.8%	40.2%

Source: MOFSL, Company

- **Fraud accounts:** The total number reported during the year stood at 5,724, with the amount involved being INR100.9b – of which INR99.6b pertains to advances declared as fraud. The bank has made provisions for 100% for all fraud accounts.
- **RBI imposes penalty of INR20m** in FY21: This was toward remunerations to employees in the form of commissions.
- **PSLC purchase increases** in FY21: The bank purchased priority sector lending certificates (PSLCs) worth INR1.3t (v/s INR873b in FY20). It has not sold any PSLCs in the past three years.
- **Salary customer base increases to 16.6m:** The bank further highlighted the total salary account customer base stood at 16.6m as of Mar'21, with the bank adding ~0.4m new salary package customers in FY21.
- **Wealth Management business:** This business has been making strong progress and has shown exponential growth in acquiring clients and AUM. The number of clients increased by 93% YoY to 255k in Mar'21 (from 132k in Mar'20). AUM grew 90% YoY and stood at INR2.1t as of Mar'21 (v/s INR1.1t in Mar'20).

- **Financial Inclusion:** SBIN has a total of ~162m accounts under Financial Inclusion – it transacted worth INR588m through the BC channel.
- **Government business:** SBIN is the market leader in the Government business, with market share of over 67% in Central Government Turnover and >80% in Government Commissions. Total turnover from the Government business stood at INR52.6t in FY21, with INR37.4b commissions earned. Furthermore, the bank processed ~INR4t worth of direct benefit transfers (DBTs) and INR155b under DBTL (LPG subsidy).
- **Supply chain finance / Agri:** SBIN extended supply chain finance to ~28k+ dealers and ~14k+ vendors, with total sanctioned limits of over INR437b. The bank caters to ~13.7m farmers – the highest by any bank.
- **Bancassurance fee / Commission from JV:** Fees from bancassurance grew 9% YoY to INR15.7b (from INR14.4b in FY20). Furthermore, in terms of commissions earned from JVs, SBI MF / SBI Life Insurance witnessed healthy traction and growth of 24%/11%YoY; SBI General saw growth of 4% YoY. Commissions from SBI Cards declined 36% YoY due to the COVID-19 impact.

Exhibit 50: Bancassurance fee income – witnessing gradual uptick

INR b	FY17	FY18	FY19	FY20	FY21
Sale of Life Insurance	4.9	7.1	9.5	11.2	12.4
Sale of Non-Life Insurance	1.1	2.1	2.7	3.1	3.3
Others	0.0	0.0	0.0	0.0	0.0
Total	6.0	9.3	12.3	14.4	15.7

Source: MOFSL , Company

Exhibit 51: Commissions earned from JVs – MF and Life Insurance continue to show healthy traction

INR b	FY17	FY18	FY19	FY20	FY21
SBI Life	5.8	7.1	9.5	11.2	12.4
SBI MF	1.9	5.6	5.0	3.8	4.6
SBI General	1.3	2.1	2.7	3.2	3.3
SBI Cards	0.3	1.4	1.9	2.1	1.4
SSL	0.0	0.1	0.1	0.1	0.0
NPS	-	0.0	0.0	0.1	0.1
Total	9.1	16.3	19.3	20.3	21.8

Source: MOFSL , Company

- **Change in discount rates:** While the discount rate used for pension provisions increased to 6.9% in FY21 (v/s 6.83% in FY20), it declined marginally to 6.82% for other employee benefits. Expected return on plan assets also saw a similar change, while the salary escalation rate was revised up by 20bp to 5.6%.

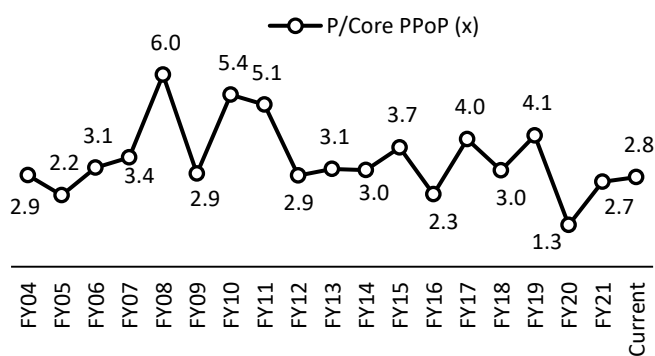
Valuation and view

- SBIN has strengthened its balance sheet by creating higher provisions toward stressed accounts. It raised its PCR (including TWO) to ~88% in FY21 (from ~65% in 1QFY18). It holds a higher (~85%) provision coverage on Corporate NPAs.
- The bank has one of the best liability franchises (CASA mix: ~46%). As a result, it is better positioned to manage pressure on yields. A reduction in the interest rate on deposits would continue to support margins to a large extent.
- Subsidiaries – SBI MF, SBILIFE, and SBI Cap – have reported robust performances for the past few years, supporting the SOTP value of the bank.
- The retail asset quality remained impeccable, with total slippage of ~INR33b (0.5% of loans) in FY21. Total Retail GNPA stood at less than 1%. Asset quality remained strong, with GNPA/NNPA improving to 4.98%/1.5% (v/s proforma GNPA/NNPA of 5.44%/1.81% in 3QFY21). This was aided by improved slippage, which stood at 1.2% of loans in FY21 (v/s 2.3% in FY20).
- Among the PSU banks, SBIN remains the best play on gradual recovery in the Indian economy, with a healthy PCR (~71%), Tier I of ~11.4%, strong liability franchise, and improved core operating profitability.
- **Buy, with TP of INR530:** SBIN reported a strong FY21 in a challenging environment. Deposit growth stood strong, led by healthy CASA trends, while loan growth is likely to recover gradually over FY22–23E. The asset quality outlook remains particularly encouraging, with record low slippage and a controlled restructuring book. Slippage stood at 1.2% in FY21 (v/s 2.3% in FY20). The retail asset quality was impeccable for SBIN, with slippage significantly lower v/s peers. The management has prudently improved PCR to ~71%. It holds unutilized COVID provisions of ~INR63b. The bank is well on track to keep credit costs in check. Thus, we project RoA/RoE of 0.8%/15% by FY23E. **We maintain our BUY rating, with TP of INR530/share (1.1x FY23E ABV + INR188/share from subsidiaries).**

Exhibit 52: SOTP-based pricing

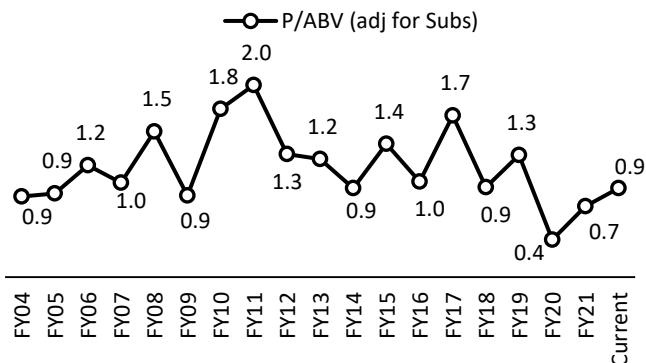
Name	Stake (%)	Value for SBIN (INR b)	Value per Share- (at our PT)	% of total value	Rationale	Value per Share- (at CMP)	% of total value
SBI Bank	100	3,055	342	65	❖ 1.1x FY23E ABV	258	60
Life insurance	56	655	73	14	❖ 2.5x FY23E EV	61	14
Cards	69	790	88	17	❖ 40x FY23E PAT	77	18
Asset management	63	219	25	5	❖ 32x FY23E PAT	25	6
General insurance	70	170	19	4	❖ 25x FY23E PAT	19	4
YES Bank	30	122	13	2		12	3
Capital Market/DFHI/Others		148	17	3		17	4
Total Value of Subs		2,104	235	44		211	49
Less: 20% holding disc		421	47	9		42	10
Value of Subs (Post Holding Disc)		1,683	188	35		169	40
Target Price		4,738	530			427	

Exhibit 53: P/Core PPOP for FY22E trading at 2.8x...



Source: MOFSL, Company

Exhibit 54: ...while P/ABV (adj. for sub) trading at 0.9x FY22E



Source: MOFSL, Company

Exhibit 55: DuPont Analysis: Return ratios to improve gradually over FY23

Y/E MARCH	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Interest Income	7.89	7.28	6.52	6.81	6.74	6.25	6.08	6.07
Interest Expense	5.23	4.83	4.31	4.33	4.17	3.64	3.52	3.46
Net Interest Income	2.66	2.44	2.21	2.48	2.57	2.61	2.56	2.61
Fee income	0.74	0.94	0.92	0.94	0.96	0.88	0.81	0.79
Trading and others	0.49	0.44	0.40	0.09	0.22	0.14	0.14	0.14
Non Interest income	1.23	1.39	1.32	1.03	1.19	1.03	0.95	0.93
Total Income	3.88	3.83	3.53	3.51	3.76	3.63	3.51	3.54
Operating Expenses	1.91	1.90	1.77	1.95	1.97	1.95	1.77	1.76
Employee cost	1.08	1.10	0.98	1.15	1.20	1.20	1.09	1.08
Others	0.83	0.79	0.79	0.80	0.77	0.75	0.68	0.68
Operating Profit	1.97	1.93	1.76	1.55	1.79	1.69	1.73	1.78
Core Operating Profit	1.48	1.49	1.36	1.47	1.56	1.54	1.59	1.65
Provisions	1.37	1.97	2.22	1.49	1.13	1.04	0.76	0.70
NPA	1.29	1.80	2.11	1.53	1.13	0.64	0.85	0.66
Others	0.08	0.17	0.11	-0.04	0.00	0.39	-0.09	0.05
PBT	0.60	-0.04	-0.46	0.06	0.66	0.65	0.97	1.08
Tax	0.17	0.02	-0.27	0.04	0.28	0.17	0.25	0.28
RoA	0.43	-0.06	-0.19	0.02	0.38	0.48	0.72	0.80
Leverage (x)	17.0	17.6	18.0	18.3	18.9	19.4	19.4	18.7
RoE	7.2	-1.0	-3.5	0.4	7.2	9.3	13.9	15.0

Financials and valuations

Income Statement							(INR b)	
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	
Interest Income	2,239.8	2,205.0	2,428.7	2,573.2	2,651.5	2,905.8	3,220.9	
Interest Expense	1,487.8	1,456.5	1,545.2	1,592.4	1,544.4	1,682.9	1,835.2	
Net Interest Income	752.0	748.5	883.5	980.8	1,107.1	1,222.9	1,385.7	
Change (%)	3.9	-0.5	18.0	11.0	12.9	10.5	13.3	
Non Interest Income	426.4	446.0	367.7	452.2	435.0	452.4	493.1	
Total Income	1,178.4	1,194.5	1,251.2	1,433.1	1,542.1	1,675.3	1,878.8	
Change (%)	11.4	1.4	4.7	14.5	7.6	8.6	12.1	
Operating Expenses	583.8	599.4	696.9	751.7	826.5	846.7	932.3	
Pre Provision Profits	594.6	595.1	554.4	681.3	715.5	828.5	946.4	
Change (%)	10.7	0.1	-6.8	22.9	5.0	15.8	14.2	
Core Provision Profits	458.5	460.9	522.9	595.6	655.2	762.2	873.5	
Change (%)	-4.3	0.5	13.5	13.9	10.0	16.3	14.6	
Provisions (excl. tax)	607.2	750.4	531.3	430.7	440.1	364.8	372.1	
PBT	-12.6	-155.3	23.1	250.6	275.4	463.7	574.3	
Tax	5.5	-89.8	14.5	105.7	71.3	120.6	149.3	
Tax Rate (%)	-43.3	57.8	62.6	42.2	25.9	26.0	26.0	
PAT	-18.0	-65.5	8.6	144.9	204.1	343.1	425.0	
Change (%)	NM	NM	NM	NM	40.9	68.1	23.9	
Cons. PAT post MI	2.4	-45.6	23.0	197.7	224.1	370.1	462.7	
Change (%)	-98.0	NM	NM	NM	13.3	65.2	25.0	
Balance Sheet								
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	
Share Capital	8	9	9	9	9	9	9	
Reserves & Surplus	2,110	2,182	2,200	2,311	2,530	2,863	3,275	
Net Worth	2,118	2,191	2,209	2,320	2,539	2,872	3,284	
Deposits	25,853	27,063	29,114	32,416	36,813	40,862	45,561	
Change (%)	15.4	4.7	7.6	11.3	13.6	11.0	11.5	
of which CASA Dep	11,988	12,039	12,976	14,337	16,713	18,960	21,368	
Change (%)	39.3	0.4	7.8	10.5	16.6	13.4	12.7	
Borrowings	3,321	3,621	4,030	3,147	4,173	4,558	4,965	
Other Liabilities & Prov.	1,756	1,671	1,456	1,631	1,820	1,947	2,103	
Total Liabilities	33,049	34,548	36,809	39,514	45,344	50,239	55,913	
Current Assets	2,709	1,919	2,225	2,511	3,430	3,331	3,459	
Investments	9,329	10,610	9,670	10,470	13,517	15,950	17,705	
Change (%)	51.6	13.7	-8.9	8.3	29.1	18.0	11.0	
Loans	18,690	19,349	21,859	23,253	24,495	26,455	29,629	
Change (%)	1.1	3.5	13.0	6.4	5.3	8.0	12.0	
Fixed Assets	499	400	392	384	384	403	424	
Total Assets	33,049	34,548	36,809	39,514	45,344	50,239	55,913	
Asset Quality								
GNPA	1,779	2,234	1,728	1,491	1,264	1,229	1,195	
NNPA	970	1,109	659	519	368	347	335	
GNPA Ratio	9.12	10.91	7.53	6.15	4.98	4.5	3.9	
NNPA Ratio	5.19	5.73	3.01	2.23	1.50	1.3	1.1	
Slippage Ratio	7.0	8.4	1.6	2.2	1.2	1.7	1.5	
Credit Cost	3.3	3.8	2.7	1.9	1.8	1.6	1.2	
PCR (Excl. Tech. W/O)	45.5	50.4	61.9	65.2	70.9	71.8	71.9	

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Yield and Cost Ratios (%)							
Avg. Yield-Earning Assets	9.0	7.4	7.8	7.7	7.2	7.0	7.0
Avg. Yield on loans	9.3	7.4	7.8	8.0	7.2	7.6	7.7
Avg. Yield on Investments	8.5	7.2	7.5	6.9	6.8	6.5	6.3
Avg. Cost-Int. Bear. Liab.	6.0	4.9	4.8	4.6	4.0	3.9	3.8
Avg. Cost of Deposits	6.4	5.1	5.0	4.8	4.1	4.0	3.9
Interest Spread	3.0	2.5	2.9	3.1	3.1	3.1	3.2
Net Interest Margin	3.0	2.5	2.8	3.0	3.0	3.0	3.0

Capitalization Ratios (%)

CAR	13.0	12.7	12.8	13.3	14.0	13.9	13.3
<i>Tier I</i>	10.4	10.5	10.8	11.2	11.7	11.9	11.6
<i>Tier II</i>	2.6	2.2	2.1	2.1	2.3	2.1	1.8

Business and Efficiency Ratios (%)

Loans/Deposit Ratio	72.3	71.5	75.1	71.7	66.5	64.7	65.0
CASA Ratio	46.4	44.5	44.6	44.2	45.4	46.4	46.9
Cost/Assets	1.8	1.7	1.9	1.9	1.8	1.7	1.7
Cost/Total Income	49.5	50.2	55.7	52.5	53.6	50.5	49.6
Cost/Core Income	56.0	56.5	57.1	55.8	55.8	52.6	51.6
Int. Expense./Int. Income	66.4	66.1	63.6	61.9	58.2	57.9	57.0
Fee Income/Total Income	24.6	26.1	26.9	25.6	24.3	23.0	22.4
Non Int. Inc./Total Income	36.2	37.3	29.4	31.6	28.2	27.0	26.2
Empl. Cost/Total Expense	58.2	55.3	58.9	60.8	61.6	61.4	61.3
Investment/Deposit Ratio	36.1	39.2	33.2	32.3	36.7	39.0	38.9

Profitability Ratios and Valuation

RoE	-1.1	-3.5	0.4	7.2	9.3	13.9	15.0
RoA	-0.1	-0.2	0.0	0.4	0.5	0.7	0.8
RoRWA	-0.1	-0.3	0.0	0.7	0.9	1.3	1.4
Consolidated RoE	0.1	-2.0	1.0	7.9	8.2	12.4	13.9
Consolidated RoA	0.0	-0.1	0.1	0.5	0.5	0.7	0.8
Book Value (INR)	240	230	232	245	270	307	353
Change (%)	15.7	-4.0	0.9	5.6	10.0	13.8	15.0
Price-BV (x)	1.0	1.0	1.0	1.0	0.9	0.8	0.7
Consol BV (INR)	248	243	248	267	294	333	382
Change (%)	11.6	-2.0	2.0	7.7	10.3	13.1	14.7
Price-Consol BV (x)	1.5	1.6	1.7	1.6	1.5	1.3	1.1
Adjusted BV (INR)	139	135	170	187	221	261	309
Price-ABV (x)	1.7	1.8	1.4	1.3	1.1	0.9	0.8
Adjusted Consol BV	159	152	192	212	250	290	339
Price-Consol ABV (x)	2.4	2.5	2.2	2.0	1.7	1.5	1.3
EPS (INR)	-2.3	-7.7	1.0	16.2	22.9	38.4	47.6
Change (%)	NM	NM	NM	NM	40.9	68.1	23.9
Price-Earnings (x)	NM	NM	NM	14.7	10.5	6.2	5.0
Consol EPS (INR)	0.3	-5.3	2.6	22.1	25.1	41.5	51.8
Change (%)	-98.1	NM	NM	NM	13.3	65.2	25.0
Price-Consol EPS (x)	NM	NM	NM	19.3	17.0	10.3	8.2

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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