

Estimate change	↑
TP change	↑
Rating change	↑

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Bloomberg	UNBK IN
Equity Shares (m)	64.8
M.Cap.(INRb)/(USDb)	259.4 / 3.5
52-Week Range (INR)	45 / 23
1, 6, 12 Rel. Per (%)	-3/8/-10
12M Avg Val (INR M)	468

## Financials & Valuations (INR b)

Y/E March	FY21	FY22E	FY23E
NII	246.9	291	323
OP	192.6	218.8	241.0
NP	29.1	50.4	75.6
NIM (%)	2.5	2.8	2.9
EPS (INR)	4.5	7.9	11.8
EPS Gr. (%)	-140.6	73.4	50.1
BV/Sh. (INR)	96.4	103.1	111.3
ABV/Sh. (INR)	63.6	69.9	78.6
RoE (%)	5.1	8.2	11.4
RoA (%)	0.3	0.5	0.6
<b>Valuations</b>			
P/E(X)	8.4	4.8	3.2
P/BV (X)	0.39	0.4	0.3
P/ABV (X)	0.6	0.5	0.5

## Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	83.5	89.1	89.1
DII	6.8	4.4	5.0
FII	1.7	0.7	0.8
Others	8.0	5.9	5.1
FII Includes depository receipts			

**CMP: INR38**

**TP: INR55 (+45%)**

**Buy**

## Operating performance showing recovery signs

### Slippages remain elevated; higher PCR/recovery outlook provides comfort

- UNBK reported healthy operating performance, supported by higher other income and improving margin trajectory, despite sluggish business growth. Domestic NIM expanded by 71bp QoQ to 3.11%.
- Slippages stood elevated (~4.8% annualized), led by higher slippages in the MSME and two large corporate accounts slipping in 1QFY22. However, higher write-offs and upgradations aided stable asset quality on a sequential basis.
- SMA-2 overdue stood at 3.7% of loans, and restructured book stood at 2.7% of net loans. We conservatively estimate RoA/RoE of 0.6%/11.4% by FY23E. **We resume coverage with a Buy rating.**

### Improving earnings traction; slippages stay elevated, with PCR healthy ~69%

- UNBK reported a PAT of INR11.8b (+255% YoY), supported by higher treasury gains of INR11.1b and recovery from written off account of INR3.3b, even as total provisions stood elevated ~INR35b.
- NII grew 9.5% YoY (+30% QoQ) to INR70.1b, while domestic NIM improved by 71bp QoQ to 3.11%.
- Core fee income grew 41% YoY, supported by a benign base, but fell 30% QoQ, impacted by low business volumes. Other income grew 98% YoY (fell 36% QoQ) to ~INR29b, led by higher treasury gains (INR11.1b) and recovery from written off assets (INR3.3b).
- Opex grew ~20% YoY to ~INR46.1b. PPOP grew strongly at 31% YoY to INR53b. C/I ratio improved by ~150bp QoQ to 46.5%.
- On the business front, loan growth was flat YoY (down ~1% QoQ) ~INR5.8t, with Retail up 10.6% YoY (flat QoQ), MSME declined by ~4% QoQ, and Agri/Corporate fell by 1% QoQ. Deposit growth stood weak ~2% YoY (down ~2% QoQ), while CASA grew 11% YoY. CASA mix stood ~36.4% (flat QoQ).
- Fresh slippages stood elevated at INR70.5b (annualized at 4.8% of loans), led by higher slippages from the MSME portfolio (INR31.4b) and two large Corporate accounts slipping in 1QFY22. However, higher write-offs and upgradations led to a stable asset quality on a sequential basis. GNPA ratio declined by 14bp QoQ to 13.6%, while NNPA ratio increased by 7bp QoQ to ~4.7%. PCR ratio stood at 68.7% (v/s 69.6% in FY21).
- SMA-2 overdue stood at 3.7% of loans (while SMA-2 over INR50m stands at 1.7%). Total restructured loans stood at 2.7% of net loans.

### Highlights from the management commentary

- Recovery pipeline in FY22 remains strong at INR130b, which includes INR40b from NCLT accounts. Accounts under NCLT resolution stand at 96, with a total exposure of ~INR56.5b.
- The management expects business growth of 8-10% YoY. It also guided at a slippage ratio/credit cost of 2.5%/2%.

### Valuation and view

UNBK reported healthy earnings performance, supported by high treasury gains and improving margin, despite tepid business growth. The bank expects growth to pick up, led by the RAM segments, while the Corporate book would witness a gradual recovery. Asset quality was largely stable, despite higher slippages, but was supported by higher write-offs and upgradations. SMA-2 overdue stood at 3.7% of loans, and restructured book at 2.7% of net loans. We expect slippages to moderate, mainly from 2HFY22. We project credit cost at 2.3%/1.9% in FY22E/FY23E. We estimate RoA/RoE of 0.6%/11.4% by FY23E. The bank is trading at reasonable valuations of 0.5x FY23E ABV. **We resume coverage with a Buy rating and a TP of INR55/share (0.7x FY23E ABV).**

### Quarterly performance

									(INR m)	
	FY21				FY22				FY21	FY22E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Net Interest Income</b>	<b>64,032</b>	<b>62,929</b>	<b>65,895</b>	<b>54,029</b>	<b>70,135</b>	<b>71,642</b>	<b>73,390</b>	<b>76,062</b>	<b>2,46,884</b>	<b>2,91,228</b>
Change (YoY, %)	154.3	116.6	110.2	87.7	9.5	13.8	11.4	40.8	115.9	18.0
Other Income	14,625	23,079	30,155	45,509	29,009	26,974	29,192	31,595	1,13,369	1,16,770
<b>Total Income</b>	<b>78,657</b>	<b>86,008</b>	<b>96,050</b>	<b>99,538</b>	<b>99,143</b>	<b>98,616</b>	<b>1,02,582</b>	<b>1,07,657</b>	<b>3,60,253</b>	<b>4,07,998</b>
Operating Expenses	38,316	38,661	42,944	47,739	46,115	46,912	47,479	48,655	1,67,660	1,89,161
<b>Operating Profit</b>	<b>40,341</b>	<b>47,347</b>	<b>53,106</b>	<b>51,799</b>	<b>53,028</b>	<b>51,704</b>	<b>55,102</b>	<b>59,002</b>	<b>1,92,593</b>	<b>2,18,837</b>
Change (YoY, %)	113.9	111.3	121.1	95.3	31.4	9.2	3.8	13.9	109.8	13.6
Provisions	35,558	41,439	52,559	39,043	35,238	34,769	35,484	37,591	1,68,599	1,43,082
<b>Profit before Tax</b>	<b>4,783</b>	<b>5,908</b>	<b>547</b>	<b>12,756</b>	<b>17,790</b>	<b>16,935</b>	<b>19,618</b>	<b>21,412</b>	<b>23,994</b>	<b>75,755</b>
Tax	1,456	742	-6,721	-542	5,980	5,673	6,572	7,152	-5,066	25,378
<b>Net Profit</b>	<b>3,327</b>	<b>5,166</b>	<b>7,268</b>	<b>13,298</b>	<b>11,810</b>	<b>11,262</b>	<b>13,046</b>	<b>14,259</b>	<b>29,060</b>	<b>50,377</b>
Change (YoY, %)	48.3	-143.3	26.5	-153.1	254.9	118.0	79.5	7.2	-200.3	73.4
<b>Operating Parameters</b>										
Deposit (INR b)	8,925	8,861	8,824	9,238	9,085	9,404	9,571	9,792	9,238	9,792
Loan (INR b)	5,817	5,790	5,829	5,910	5,846	6,016	6,123	6,264	5,910	6,264
Deposit Growth (%)	107.6	100.1	98.3	105.0	1.8	6.1	8.5	6.0	105.0	6.0
Loan Growth (%)	98.0	94.4	89.5	87.6	0.5	3.9	5.0	6.0	87.6	6.0
<b>Asset Quality</b>										
Gross NPA (%)	15.0	14.7	13.5	13.7	13.6	13.3	13.2	12.9	13.7	12.9
Net NPA (%)	5.0	4.1	3.3	4.6	4.7	4.6	4.4	4.4	4.7	4.4
PCR (%)	70.3	75.1	78.3	69.6	68.7	69.0	69.5	68.8	69.2	68.8

E: MOFSL estimates

## Quarterly snapshot

INR m	FY20				FY21				FY22		Change (%)	
	1Q	2Q	3Q	24	1Q	2Q	3Q	24	1Q	YoY	QoQ	
<b>Profit &amp; Loss</b>												
Net Interest Income	25,182	29,059	31,346	28,781	64,032	62,929	65,895	54,029	70,135	10	30	
Other Income	9,895	11,432	11,105	20,176	14,625	23,079	30,155	45,509	29,009	98	-36	
Total Income	35,077	40,491	42,451	48,957	78,657	86,008	96,050	99,538	99,143	26	0	
Operating Expenses	16,213	18,084	18,436	22,431	38,316	38,661	42,944	47,739	46,115	20	-3	
Employee	7,212	7,583	8,656	10,136	20,866	20,791	24,151	24,440	28,237	35	16	
Others	9,001	10,502	9,780	12,295	17,450	17,869	18,793	23,299	17,878	2	-23	
Operating Profit	18,864	22,406	24,014	26,526	40,341	47,347	53,106	51,799	53,028	31	2	
Core Operating Profit	16,314	19,486	23,194	18,196	35,151	38,027	39,846	43,059	41,938	19	-3	
Provisions	15,193	38,588	18,190	60,117	35,558	41,439	52,559	39,043	35,238	-1	-10	
PBT	3,671	-16,181	5,825	-33,590	4,783	5,908	547	12,756	17,790	272	39	
Taxes	1,426	-4,245	79	-8,559	1,456	742	-6,721	-542	5,980	311	-1,204	
PAT	2,244	-11,936	5,746	-25,032	3,327	5,166	7,268	13,298	11,810	255	-11	
<b>Balance Sheet</b>												
Deposits (INR b)	4,300	4,429	4,451	4,507	8,925	8,861	8,824	9,238	9,085	2	-2	
Loans (INR b)	2,938	2,979	3,076	3,150	5,817	5,790	5,829	5,910	5,846	0	-1	
<b>Asset Quality</b>												
GNPA (INR b)	488	499	499	491	972	958	880	898	878	-10	-2	
NNPA (INR b)	212	208	215	173	289	239	191	273	274	-5	1	
Slippages	31	42	51	25	18	7	3	147	70	303	-52	
<b>Others</b>												
Branches	4,288	4,285	4,282	0	9,590	9,590	9,587	9,312	9,312	-278	0	
ATM	6,561	6,798	6,686	0	13,239	13,287	12,961	12,957	11,824	-1,415	-1,133	

## Quarterly snapshot continued

Ratios (%)	FY20				FY21				FY22		Change (bp)	
	1Q	2Q	2Q	2Q	1Q	2Q	2Q	2Q	1Q	YoY	QoQ	
<b>Asset Quality Ratios</b>												
GNPA	15.2	15.2	14.9	14.2	15.0	14.7	13.5	13.7	13.6	-135	-14	
NNPA	7.2	7.0	7.0	5.5	5.0	4.1	3.3	4.6	4.7	-28	7	
PCR	65.9	67.8	67.4	73.6	79.9	83.2	86.2	81.3	81.4	156	16	
Credit Cost	2.5	4.6	3.2	0.0	2.5	4.6	3.2	0.0	0.0	-251	0	
<b>Business Ratios Ratios</b>												
Fees-to-Total Income	92.7	92.8	98.1	83.0	93.4	89.2	86.2	91.2	88.8	-459	-241	
Cost-to-Core Income	49.8	48.1	44.3	55.2	52.2	50.4	51.9	52.6	52.4	22	-21	
Tax Rate	38.9	26.2	1.4	25.5	30.4	12.6	-1,228.5	-4.2	33.6	318	3,786	
CASA (Cal.)	34.4	33.8	34.4	35.6	33.3	34.6	35.4	36.3	36.4	309	6	
Loan/Deposit	68.3	67.3	69.1	69.9	65.2	65.3	66.1	64.0	64.3	-83	37	
<b>Profitability Ratios</b>												
RoA	0.2	-0.9	0.4	-1.8	0.1	0.2	0.3	0.5	0.4	31	-6	
RoE	4.7	-16.5	7.8	-43.3	3.3	5.0	6.8	12.2	10.0	669	-224	
Yield on Loans	7.8	7.9	8.0	7.6	7.9	7.5	7.3	6.2	7.3	-61	102	
Yield on Investments	6.8	7.0	6.7	6.6	6.5	6.3	6.3	5.9	5.9	-56	3	
Yield on Funds	6.9	6.9	7.0	6.5	6.6	6.5	6.6	5.8	6.3	-31	54	
Cost of Funds	4.9	4.8	4.7	4.5	4.3	4.2	4.1	3.7	3.7	-60	-3	
Cost of Deposits	5.6	5.7	5.5	5.5	5.0	4.8	4.6	4.3	4.2	-86	-10	
Margin	2.1	2.4	2.5	2.2	2.8	2.8	2.9	2.4	3.1	30	70	

## Highlights from the management commentary

## Asset quality

- Total restructuring implemented in the MSME scheme under Resolution Framework 1.0/2.0 stood ~INR24.3b/~INR9.5b. Another INR25-28b of MSME loans have been restructured in earlier schemes. Total MSME loans restructured would be ~INR61b.
- Total SMA-2 overdue (including those below INR50m) stood ~3.7% of loans.
- Corporate slippages have largely come from two accounts, one from a thermal Power account (~INR9b) and another from a Jewelry account (~INR3b).



- Upgradation includes one large account of INR20b, which got restructured and upgraded as a standard account.
- Slippages of INR2b came from old restructured schemes in 1QFY22.
- **Recovery pipeline in FY22 would be INR130b**, which includes INR40b from NCLT accounts. Accounts under NCLT resolution stand at 96, with a total exposure of ~INR56.5b.

### P&L and Balance Sheet related

- It is seeing some recovery in corporate business activity, and therefore expects loan growth revival in the Corporate segment.
- It is carrying a DTA of INR150b on the Balance Sheet.

### Guidance for FY22

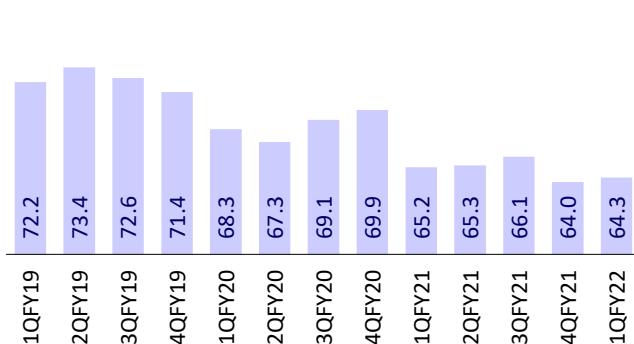
- Deposit/advances to grow at 8-10%. Advances growth would be contributed by the Retail/Agri segments.
- NIM to range between 2.9% and 3%.
- On the asset quality front, it expects slippages/credit cost at 2.5%/2%.

#### Exhibit 1: DuPont Analysis: Expect return ratios to remain modest

Y/E MARCH (%)	FY18	FY19	FY20	FY21	FY22E	FY23E
Interest Income	6.97	6.94	7.13	6.57	6.81	6.87
Interest Expense	4.99	4.86	4.94	4.21	4.18	4.14
<b>Net Interest Income</b>	<b>1.98</b>	<b>2.08</b>	<b>2.19</b>	<b>2.36</b>	<b>2.64</b>	<b>2.73</b>
Fee income	0.79	0.79	0.73	0.73	0.68	0.66
Trading and others	0.27	0.12	0.28	0.35	0.37	0.42
<b>Non-Interest Income</b>	<b>1.06</b>	<b>0.91</b>	<b>1.01</b>	<b>1.08</b>	<b>1.06</b>	<b>1.09</b>
<b>Total Income</b>	<b>3.04</b>	<b>2.99</b>	<b>3.20</b>	<b>3.44</b>	<b>3.69</b>	<b>3.82</b>
<b>Operating Expenses</b>	<b>1.44</b>	<b>1.46</b>	<b>1.44</b>	<b>1.60</b>	<b>1.71</b>	<b>1.78</b>
Employees	0.67	0.64	0.64	0.86	0.91	0.95
Others	0.77	0.82	0.80	0.74	0.80	0.83
<b>Operating Profit</b>	<b>1.60</b>	<b>1.53</b>	<b>1.76</b>	<b>1.84</b>	<b>1.98</b>	<b>2.04</b>
<b>Core Operating Profit</b>	<b>1.33</b>	<b>1.42</b>	<b>1.48</b>	<b>1.49</b>	<b>1.61</b>	<b>1.61</b>
<b>Provisions</b>	<b>3.02</b>	<b>2.33</b>	<b>2.53</b>	<b>1.61</b>	<b>1.30</b>	<b>1.08</b>
NPA	2.87	2.33	1.78	1.30	1.27	1.05
Others	0.14	0.00	0.75	0.31	0.03	0.03
<b>PBT</b>	<b>-1.41</b>	<b>-0.80</b>	<b>-0.77</b>	<b>0.23</b>	<b>0.69</b>	<b>0.96</b>
Tax	-0.30	-0.20	-0.22	-0.05	0.23	0.32
<b>RoA</b>	<b>-1.12</b>	<b>-0.60</b>	<b>-0.55</b>	<b>0.28</b>	<b>0.46</b>	<b>0.64</b>
Leverage (x)	21.3	20.9	19.0	18.3	17.9	17.8
<b>RoE</b>	<b>-23.8</b>	<b>-12.5</b>	<b>-10.6</b>	<b>5.1</b>	<b>8.2</b>	<b>11.4</b>

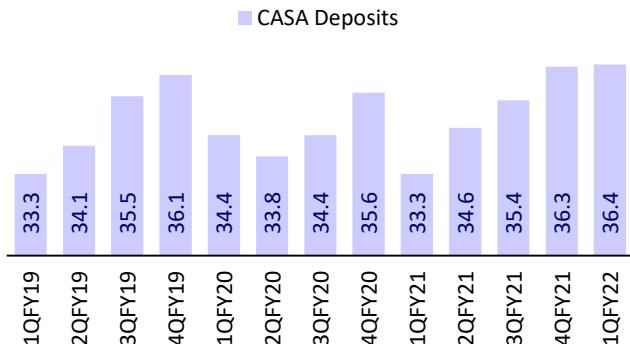
## Story in charts

### Exhibit 1: CD ratio stood ~64%



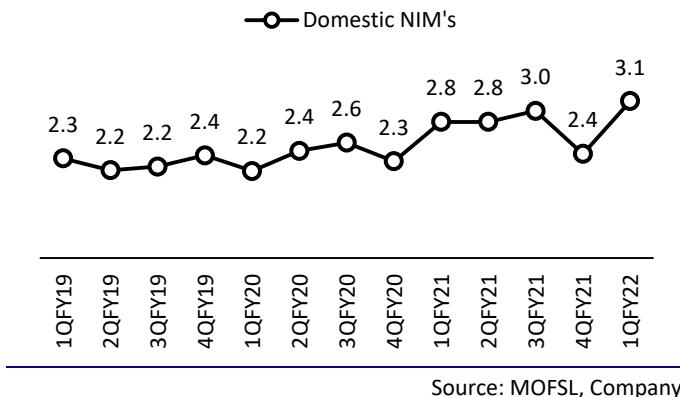
Merged numbers from 1QFY21 onwards Source: MOFSL, Company

### Exhibit 2: CASA ratio stood at 36.4%



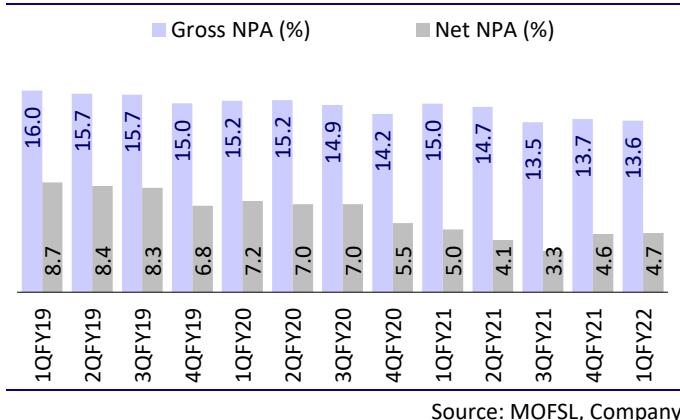
Source: MOFSL, Company

### Exhibit 3: NIM improves by 71bp QoQ to 3.11%



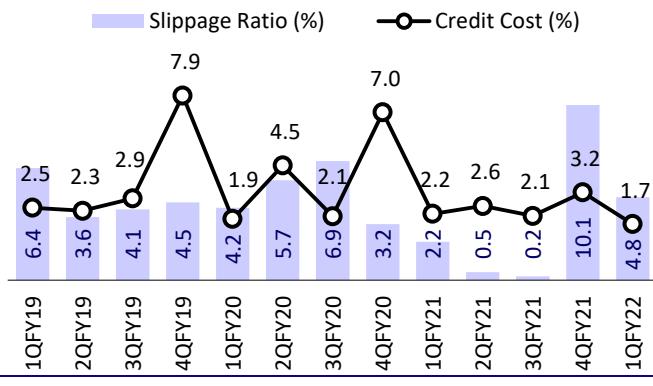
Source: MOFSL, Company

### Exhibit 5: GNPA ratio improves by 14bp QoQ to ~13.6%, while NNPA rose by 7bp QoQ to ~4.7%



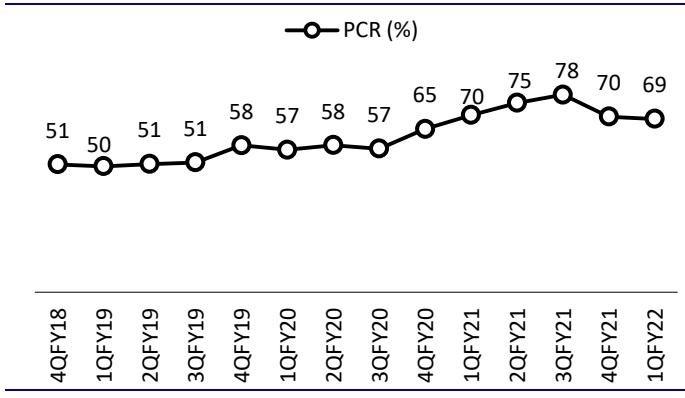
Source: MOFSL, Company

### Exhibit 4: Annualized slippage and credit cost ratios over the last few quarters



Source: MOFSL, Company

### Exhibit 6: PCR improves to ~69%



Source: MOFSL, Company

## Financials and valuations

Income Statement						(INR m)
Y/E March	FY18	FY19	FY20	FY21	FY22E	FY23E
Interest Income	3,27,480	3,40,667	3,72,311	6,87,673	7,52,623	8,12,683
Interest Expense	2,34,433	2,38,517	2,57,944	4,40,789	4,61,394	4,89,249
<b>Net Interest Income</b>	<b>93,047</b>	<b>1,02,149</b>	<b>1,14,368</b>	<b>2,46,884</b>	<b>2,91,228</b>	<b>3,23,434</b>
Growth (%)	4.5	9.8	12.0	115.9	18.0	11.1
Non-Interest Income	49,899	44,739	52,608	1,13,369	1,16,770	1,28,447
<b>Total Income</b>	<b>1,42,945</b>	<b>1,46,889</b>	<b>1,66,975</b>	<b>3,60,253</b>	<b>4,07,998</b>	<b>4,51,881</b>
Growth (%)	3.1	2.8	13.7	115.8	13.3	10.8
Operating Expenses	67,550	71,676	75,164	1,67,660	1,89,161	2,10,873
<b>Pre-Provision Profit</b>	<b>75,396</b>	<b>75,212</b>	<b>91,811</b>	<b>1,92,593</b>	<b>2,18,837</b>	<b>2,41,008</b>
Growth (%)	1.5	-0.2	22.1	109.8	13.6	10.1
<b>Core PPP</b>	<b>62,732</b>	<b>69,475</b>	<b>77,179</b>	<b>1,56,080</b>	<b>1,77,467</b>	<b>1,90,952</b>
Growth (%)	48.7	10.7	11.1	102.2	13.7	7.6
Provisions (excl. tax)	1,41,807	1,14,479	1,32,087	1,68,599	1,43,082	1,27,335
<b>PBT</b>	<b>-66,411</b>	<b>-39,267</b>	<b>-40,276</b>	<b>23,994</b>	<b>75,755</b>	<b>1,13,674</b>
Tax	-13,938	-9,792	-11,299	-5,066	25,378	38,081
Tax Rate (%)	21.0	24.9	28.1	-21.1	33.5	33.5
<b>PAT</b>	<b>-52,474</b>	<b>-29,474</b>	<b>-28,978</b>	<b>29,060</b>	<b>50,377</b>	<b>75,593</b>
Growth (%)	-1,045.1	-43.8	-1.7	-200.3	73.4	50.1
Balance Sheet						
Y/E March	FY18	FY19	FY20	FY21	FY22E	FY23E
Equity Share Capital	11,686	17,630	34,228	64,068	64,068	64,068
Reserves and Surplus	2,39,282	2,47,240	3,03,628	5,80,699	6,23,357	6,75,794
<b>Net Worth</b>	<b>2,50,968</b>	<b>2,64,870</b>	<b>3,37,856</b>	<b>6,44,767</b>	<b>6,87,426</b>	<b>7,39,863</b>
<b>Deposits</b>	<b>40,85,016</b>	<b>41,59,153</b>	<b>45,06,685</b>	<b>92,38,053</b>	<b>97,92,337</b>	<b>1,05,75,724</b>
Growth (%)	8.0	1.8	8.4	105.0	6.0	8.0
<b>of which CASA Dep.</b>	<b>13,92,412</b>	<b>15,01,412</b>	<b>16,03,733</b>	<b>33,55,919</b>	<b>35,83,995</b>	<b>38,91,866</b>
Growth (%)	6.9	7.8	6.8	109.3	6.8	8.6
Borrowings	4,56,808	4,28,638	5,24,863	5,18,371	5,50,210	5,83,521
Other Liabilities and Prov.	81,009	87,727	1,37,429	3,15,867	3,47,453	3,82,199
<b>Total Liabilities</b>	<b>48,73,801</b>	<b>49,40,388</b>	<b>55,06,833</b>	<b>1,07,17,058</b>	<b>1,13,77,426</b>	<b>1,22,81,306</b>
Current Assets	4,94,412	4,30,460	5,51,062	8,44,103	7,65,348	8,14,625
<b>Investments</b>	<b>12,37,542</b>	<b>12,60,466</b>	<b>15,24,139</b>	<b>33,15,118</b>	<b>36,46,630</b>	<b>39,38,360</b>
Growth (%)	10.3	1.9	20.9	117.5	10.0	8.0
<b>Loans</b>	<b>28,87,606</b>	<b>29,69,322</b>	<b>31,50,494</b>	<b>59,09,829</b>	<b>62,64,418</b>	<b>67,65,572</b>
Growth (%)	0.8	2.8	6.1	87.6	6.0	8.0
Fixed Assets	38,333	37,623	47,625	73,439	77,111	80,966
Other Assets	2,15,908	2,42,518	2,33,512	5,74,570	6,23,919	6,81,783
<b>Total Assets</b>	<b>48,73,801</b>	<b>49,40,388</b>	<b>55,06,833</b>	<b>1,07,17,058</b>	<b>1,13,77,426</b>	<b>1,22,81,306</b>
Asset Quality						
GNPA (INR m)	4,93,699	4,87,291	4,90,853	8,97,882	8,89,049	8,74,114
NNPA (INR m)	2,43,262	2,03,323	1,73,030	2,76,341	2,77,350	2,70,653
GNPA Ratio	15.73	14.98	14.15	13.75	12.93	11.86
NNPA Ratio	8.42	6.85	5.49	4.68	4.43	4.00
Slippage Ratio	7.46	4.70	5.02	2.93	3.10	2.50
Credit Cost	4.69	3.90	3.04	2.28	2.30	1.90
PCR (Excl. Tech. write-off)	50.7	58.3	64.7	69.2	68.8	69.0

## Financials and valuations

### Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Yield and Cost Ratios (%)</b>						
<b>Avg. Yield-Earning Assets</b>	<b>7.3</b>	<b>7.3</b>	<b>7.5</b>	<b>7.0</b>	<b>7.3</b>	<b>7.3</b>
Avg. Yield on loans	7.9	8.1	8.2	7.7	8.0	8.0
Avg. Yield on Investments	7.6	7.4	7.7	6.8	7.0	7.0
<b>Avg. Cost-Int. Bear. Liab.</b>	<b>5.4</b>	<b>5.2</b>	<b>5.4</b>	<b>4.6</b>	<b>4.6</b>	<b>4.6</b>
Avg. Cost of Deposits	5.5	5.4	5.5	4.6	4.5	4.5
<b>Interest Spread</b>	<b>1.9</b>	<b>2.1</b>	<b>2.2</b>	<b>2.4</b>	<b>2.7</b>	<b>2.8</b>
<b>Net Interest Margin</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.5</b>	<b>2.8</b>	<b>2.9</b>
<b>Capitalization Ratios (%)</b>						
CAR	11.6	11.9	12.7	12.5	12.8	13.0
Tier I	9.1	9.6	10.7	10.3	10.6	10.8
Tier II	2.4	2.3	2.0	2.2	2.3	2.3
<b>Business and Efficiency Ratios (%)</b>						
Loans/Deposit Ratio	70.7	71.4	69.9	64.0	64.0	64.0
CASA Ratio	34.1	36.1	35.6	36.3	36.6	36.8
Cost/Assets	1.4	1.5	1.4	1.6	1.7	1.7
Cost/Total Income	47.3	48.8	45.0	46.5	46.4	46.7
Cost/Core Income	51.8	50.8	49.3	51.8	51.6	52.5
Int. Expense/Int. Income	71.6	70.0	69.3	64.1	61.3	60.2
Fee Income/Total Income	26.0	26.6	22.7	21.3	18.5	17.3
Non Int. Inc./Total Income	34.9	30.5	31.5	31.5	28.6	28.4
Empl. Cost/Total Expense	46.7	44.0	44.7	53.8	53.4	53.2
Investment/Deposit Ratio	30.3	30.3	33.8	35.9	37.2	37.2
<b>Profitability Ratios and Valuation</b>						
RoE	-23.7	-12.5	-10.6	5.1	8.2	11.4
RoA	-1.1	-0.6	-0.6	0.3	0.5	0.6
RoRWA	-1.8	-1.1	-1.0	0.5	0.9	1.2
Book Value (INR)	204	143	94	96	103	111
Growth (%)	-38.1	-29.7	-34.7	3.0	6.9	7.9
Price-to-BV (x)	0.2	0.3	0.4	0.4	0.4	0.3
Adjusted BV (INR)	51	57	55	64	70	79
Price-to-ABV (x)	0.7	0.7	0.7	0.6	0.5	0.5
EPS (INR)	-56.54	-20.11	-11.18	4.54	7.9	11.8
Growth (%)	-800.1	-64.4	-44.4	-140.6	73.4	50.1
Price-to-Earnings (x)	-0.7	-1.9	-3.4	8.4	4.8	3.2
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	1.2	3.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	3.2	9.5

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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