

# State Bank of India

## Strong recoveries to drive earnings

**SBI earnings were healthy on asset quality. NII was a miss due to interest reversals, lower LDR and unutilised credit. Treasury income was higher while AUCA recovery was a beat (included a large aviation A/C of Rs16.9bn), which coupled with lower opex led to a PPoP beat. Although net slippages were more driven by SME/retail, 30% were recouped in the qtr. also indicated by lower NPA provisions. This trend continued in July which saw good recoveries. June/July collection efficiency improved to 92/94%. Additional restructuring was minimal with overall pool at Rs203bn or 83bps (last qtr. 73bps). We raise our multiple to 1.5x FY23 core ABV due to better recoveries and lower stress formation. See RoE improve over FY20-23E to 8.4% to 10%. Raise SOTP based TP to Rs545. Reiterate BUY.**

### Q1FY22 results – Fee and recovery income with lower provisions drove earnings

NII was a miss at Rs277bn (est. Rs297bn) led by interest reversals of R8bn and higher deposit growth. Hence NIM was lower at 2.9% (est. 3.1%). Loan growth was 5.8% YoY (est. 5.5%) while deposits grew by 8.8% YoY with CASA at 44.6% (46% last qtr.). Other income was a beat at Rs118bn (est. Rs83bn) mainly led by better treasury gains of Rs21.0bn (est. Rs4.1bn) and stronger recovery income at Rs28.1bn (est. Rs17bn). Opex was lower at Rs205bn (est. Rs216bn) led by both employees and other opex. Due to other income beat, PPoP was Rs190bn (est. Rs165bn). GNPA/NNPA were higher at 5.3%/1.8% (+34bps/+27bps QoQ) due to elevated net slippages though provisions were lower at Rs100.5bn (est. Rs125bn) led by better recovery. PAT was Rs65.0bn (est. Rs30.0bn) driven by higher other income and lower provisions.

### Positive outlook on recoveries; additional restructuring negligible

Net slippages were a miss at Rs113bn (est. Rs84bn) though recoveries from gross accretion was in-line at 30%. Broader gross slippage split was SME-41% and personal-34% (home 20%). Recovery trend is healthy with collection efficiency for June'21 being 92% which increased to 93.5% in July'21. Recoveries in July amounted to Rs47.9bn (Q1FY22 recovery was Rs49.7bn). AUCA recovery income included a large account of Rs16.9bn from the aviation sector and FY22 AUCA income target is Rs140bn. Incremental restructuring was minimal which stood at Rs203bn or 83bps (last quarter 73bps). Of this, retail is Rs90bn, SME Rs36.3bn and corporate is Rs78bn. Buffer provisions were Rs90.7bn of 37bps of loans.

### Traction in retail continues; NIM guided to improve

In tandem with the system, credit flow was again driven by retail (+16.5% YoY), that was led by home loans (+11.0%). Xpress credit which is mainly extended to salaried Govt. employees saw a strong growth of +34.3% YoY and the bank expects it to grow by 20-25% in FY22. De-growth in corporate (-2% YoY) was driven by unutilized sanctioned limits and deleveraging trend in the system on account of liquidity preference. Unutilized sanctions further increased for corporates and while SMEs saw better availment. ECLGS O/S as at Q1FY22 was Rs220bn. NIM was depressed led by interest reversals, lower repricing of yields, decline in LDR and unutilised sanctions, although bank outlook on NIM is better as credit offtake improves.

### Valuation and Risks

Higher recoveries under AUCA/NPA would increase other income and reduce provisions for FY22/23 which would outweigh weaker NII. Increase FY22/23 PAT by 6% each. We raise multiple to 1.5x core FY23 ABV (earlier 1.2x) owing to a strong recovery pipeline and outlook. Raise SOTP based TP to Rs545 (previously Rs460). Maintain BUY. Risks: slower recoveries.

### Financial and valuation summary

YE Mar (Rs mn)	1QFY22A	1QFY21A	YoY (%)	4QFY21A	QoQ (%)	FY21A	FY22E	FY23E
NII	276,384	266,416	3.7	270,670	2.1	1,107,100	1,159,332	1,222,253
PPoP	189,748	165,214	14.9	197,002	(3.7)	715,542	728,030	762,260
Provisions	100,520	125,013	(19.6)	110,510	(9.0)	440,130	405,637	383,447
Net profit	65,040	41,893	55.3	64,508	0.8	204,105	238,248	279,943
Loan growth (%)	5.8	7.7	(1.9)	5.3	0.5	5.3	7.0	9.0
NIM (%)	2.9	3.1	(0.3)	2.9	(0.1)	3.0	2.9	2.8
Cost/income (%)	51.9	52.2	(0.4)	54.5	(2.6)	53.6	55.1	55.6
GNPA (%)	5.3	5.4	(0.1)	5.0	0.3	5.0	4.9	4.6
RoA (%)	0.6	0.3	0.3	0.6	1bp	0.5	0.5	0.6
RoE (%)	10.3	4.6	5.1	10.6	(0.3)	8.4	9.0	9.8
P/core ABV (x)						0.4	1.3	1.2

Source: Company, Centrum Broking

### Result Update

India I BFSI

04 August, 2021

**BUY**

Price: Rs457

Target Price: Rs545

Forecast return: 19%

### Market Data

Bloomberg:	SBIN IN
52 week H/L:	467/176
Market cap:	Rs4078.1bn
Shares Outstanding:	8924.6mn
Free float:	32.7%
Avg. daily vol. 3mth:	38,546,810

Source: Bloomberg

### Changes in the report

Rating:	Unchanged
Target price:	To Rs545 from Rs460
EPS:	6.4% FY22 / 5.9% FY23

Source: Centrum Broking

### Shareholding pattern

	Jun-21	Mar-21	Dec-20	Sep-20
Promoter	57.6	57.6	57.6	57.6
FII	10.3	9.9	9.8	7.8
DII	23.0	23.3	23.9	24.3
Public/other	9.0	9.1	8.7	10.3

Source: BSE

### Centrum estimates vs Actual results

YE Mar (Rs mn)	Actual Q1FY22	Centrum Q1FY22	Variance (%)
NII	276,384	297,078	(7.0)
PPoP	189,748	164,699	15.2
PAT	65,040	29,615	119.6
Loan growth	5.8	5.5	0.3
GNPA (%)	5.3	5.2	0.2

Source: Centrum Broking



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## Thesis Snapshot

### Estimate revision

YE Mar (Rs mn)	FY22E New	FY22E Old	% chg	FY23E New	FY23E Old	% chg
NII	1,159,332	1,184,835	(2.2)	1,222,253	1,248,713	(2.1)
PPoP	728,030	734,015	(0.8)	762,260	760,267	0.3
PAT	238,248	223,936	6.4	279,943	264,302	5.9
Loan gr.(%)	7.0	7.0	0.0	9.0	9.0	0.0
GNPA (%)	4.9	4.6	0.2	4.6	4.3	0.3

Source: Centrum Broking

### State Bank of India versus NIFTY 50

	1m	6m	1 year
SBIN IN	5.6	16.2	138.7
NIFTY 50	2.7	8.9	46.5

Source: Bloomberg, NSE

### Key assumptions

YE Mar	FY22E	FY23E
Loan growth	7.0	9.0
NIM	2.9	2.8
Other inc / Assets	1.0	1.0
Cost / Assets	1.9	1.9
Provision costs	1.7	1.4

Source: Centrum Broking

### SOTP valuation

Business	Stake	Rs mn	Basis	Multiple (x)	Rs per share	% of total
Standalone bank	100.0%	3,598,205	Mar'23 core ABV Rs262	1.5	403	68.1
SBI Cards	69.4%	680,609	Market cap	1.0	76	12.9
Life insurance	55.5%	629,184	Market cap	1.0	70	11.9
SBI AMC	62.9%	156,823	FY21 PAT	29.0	18	3.0
General insurance	70.0%	114,240	FY21 PAT	30.0	13	2.2
Yes Bank	30.0%	95159	Market Cap	1.0	11	1.8
UTI AMC	9.99%	13295	Market Cap	1.0	1	0.3
<b>Hold Co. Discount @25%</b>				(47)		
<b>Total</b>					<b>545</b>	<b>100.0</b>

Source: Company, Centrum Research estimates

### Peer comparison

Company	Mkt Cap (Rs bn)	CAGR FY21-FY23E (%)			P/B			RoA (%)			RoE (%)		
		NII	PPOP	PAT	FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E
<b>SBI</b>	<b>4,078</b>	<b>5.1</b>	<b>3.2</b>	<b>17.1</b>	<b>0.8</b>	<b>1.5</b>	<b>1.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>8.4</b>	<b>9.0</b>	<b>9.8</b>
ICICI	4,950	13.1	11.4	27.7	1.9	3.0	2.7	1.4	1.6	1.8	12.3	13.7	15.2
Axis	2,310	11.5	12.1	45.8	1.6	2.1	1.9	0.7	1.0	1.2	7.1	10.1	11.9
HDFC	8,103	16.1	16.8	20.2	4.0	3.5	3.0	1.9	2.0	2.1	16.6	17.0	17.7
Kotak	3,469	13.2	13.1	17.3	5.5	4.9	4.4	1.9	2.0	2.1	12.9	12.9	13.4

Source: Company, Centrum Broking

## Concall takeaways

### Asset Quality

- Slippages for home loans stood at Rs31.23bn.
- Collection efficiency for June'21 stood at 92% and increased to 93.5% for July'21.
- Higher SME slippages were driven by cash flow disruptions and mobility restrictions. Expect faster recoveries as the restrictions ease.
- Total recoveries in July amounted Rs47.90bn.
- Restructuring for Q1FY22 stood at Rs202.97bn. Of this, retail was Rs90bn, SME stood at Rs36.30bn and corporate was Rs78bn.
- Transfer amount to NARCL remains the same at around Rs220bn.
- On telecom loans, bank has engaged with the stakeholders to resolve the issue and has insulated the balance sheet for the anticipated shock.
- Recoveries for Q1 had one off large account to the extent of Rs16.93bn.
- Bank has targeted Rs140bn of recoveries from written off accounts for FY22.

### Advances and Deposits

- De-growth in corporate book was driven by unutilized sanction limits and deleveraging trend in the system on account of liquidity.
- Outstanding digital unsecured PATL loans as on Q1FY22 stood at Rs250bn. These loans have average ticket size of Rs0.3mn.
- Xpress credit loans saw strong growth in FY21. Management expects similar 20-25% growth for FY22.
- Unutilized sanctions further increased for corporates and unutilized portion for large corporates was as high as 40%. Unutilized sanctions for SME saw improvement in utilization as unutilized portion reduced from 30% to 25%.
- Total unutilized sanctions were Rs3000bn with Rs1300bn proposals in pipeline.
- ECLGS sanctions were Rs300bn while disbursements were Rs270bn and outstanding ECLGS loans as on Q1FY22 was Rs220bn
- Trends in international book suggest strong growth in coming quarters. Also, rupee/dollar strap is allowing bank to fund that book at very low cost.
- Sequential dip in current accounts is majorly seasonal in nature and partly (around 10%) on account of RBI circular on current account.

### Margin and Yields

- For Q1FY22, there were interest reversals amounting to Rs8bn.
- Loan yields were lower due to YoY decline in book of around 30bn and low MCLR rates effective at 7.29% vis-à-vis normal 7.75%.
- Reduction in credit/deposit ratio was also a contributing factor for lower margins in Q1FY22.
- Apart from this, there was pressure on loan yields because of the unutilized sanction limits.
- Bank is targeting to reach FY21 NIM levels in FY22.

**Exhibit 1: Quarterly financials**

(Rs mn)	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22
<b>Income statement</b>									
Interest earned	626,378	643,124	676,920	626,814	665,004	668,141	667,345	651,016	655,644
Interest expended	396,990	397,121	399,132	399,145	398,588	386,326	379,146	380,346	379,260
<b>Net Interest Income</b>	<b>229,388</b>	<b>246,003</b>	<b>277,788</b>	<b>227,669</b>	<b>266,416</b>	<b>281,815</b>	<b>288,199</b>	<b>270,670</b>	<b>276,384</b>
<b>Other income</b>	80,154	85,384	91,059	133,461	79,575	85,277	92,462	162,253	118,027
<b>Total Income</b>	<b>309,542</b>	<b>331,387</b>	<b>368,847</b>	<b>361,130</b>	<b>345,990</b>	<b>367,092</b>	<b>380,661</b>	<b>432,923</b>	<b>394,412</b>
<b>Operating Expenses</b>	177,081	184,243	186,622	203,793	180,777	202,494	207,329	235,922	204,664
Employees	109,181	113,026	114,556	120,387	118,651	125,702	131,180	133,828	125,383
Others	67,900	71,217	72,065	83,406	62,126	76,793	76,149	102,094	79,281
<b>Operating profit</b>	<b>132,462</b>	<b>147,145</b>	<b>182,226</b>	<b>157,338</b>	<b>165,214</b>	<b>164,598</b>	<b>173,332</b>	<b>197,002</b>	<b>189,748</b>
Provisions	91,829	131,389	72,529	134,951	125,013	101,183	103,424	110,510	100,520
Exceptional Item	0	34,843	0	27,313	15,397	0	0	0	0
<b>Profit before tax</b>	<b>40,632</b>	<b>50,598</b>	<b>109,697</b>	<b>49,700</b>	<b>55,598</b>	<b>63,415</b>	<b>69,908</b>	<b>86,491</b>	<b>89,229</b>
Taxes	17,510	20,481	53,863	13,892	13,704	17,673	17,946	21,984	24,189
<b>Net Profit</b>	<b>23,122</b>	<b>30,117</b>	<b>55,834</b>	<b>35,808</b>	<b>41,893</b>	<b>45,742</b>	<b>51,962</b>	<b>64,507</b>	<b>65,040</b>
<b>Balance sheet</b>									
Share capital	8,925	8,925	8,925	8,925	8,925	8,925	8,925	8,925	8,925
Reserves & surplus	2,216,653	2,251,828	2,316,282	2,311,150	2,407,632	2,448,285	2,503,505	2,529,827	2,603,880
Deposits	29,488,207	30,333,958	31,112,286	32,416,207	34,193,628	34,704,617	35,357,534	36,812,771	37,209,870
Borrowings	2,833,124	2,741,858	2,625,487	3,146,557	3,129,959	2,982,303	4,108,731	4,172,977	3,989,043
Other liabilities	1,273,060	1,443,437	1,428,943	1,631,101	1,439,173	1,434,433	1,591,174	1,819,797	1,758,339
<b>Total liabilities</b>	<b>35,819,969</b>	<b>36,780,006</b>	<b>37,491,922</b>	<b>39,513,939</b>	<b>41,179,316</b>	<b>41,578,563</b>	<b>43,569,868</b>	<b>45,344,296</b>	<b>45,570,057</b>
Cash & bank	1,337,954	1,439,042	1,445,987	1,667,358	1,291,386	1,808,727	1,173,042	2,132,015	1,720,026
Interbank & call	730,751	812,193	1,003,447	843,612	1,312,558	319,794	2,351,192	1,298,372	2,026,131
Investments	9,443,548	9,850,222	10,121,007	10,469,545	12,252,284	13,291,663	13,108,846	13,517,052	13,865,100
Advances	21,347,737	21,461,598	21,999,169	23,252,896	22,983,462	22,939,012	23,681,391	24,494,978	24,319,081
Other assets	2,959,979	3,216,951	2,922,311	3,280,528	3,339,626	3,219,367	3,255,396	3,901,879	3,639,719
<b>Total assets</b>	<b>35,819,969</b>	<b>36,780,006</b>	<b>37,491,922</b>	<b>39,513,939</b>	<b>41,179,316</b>	<b>41,578,563</b>	<b>43,569,868</b>	<b>45,344,296</b>	<b>45,570,057</b>
<b>Balance sheet (%)</b>									
Loan growth	13.8	9.6	7.4	6.4	7.7	6.9	7.6	5.3	5.8
Deposit growth	7.3	8.0	9.9	11.3	16.0	14.4	13.6	13.6	8.8
Loans / Deposits	72.4	70.8	70.7	71.7	67.2	66.1	67.0	66.5	65.4
CASA	43.6	43.7	43.1	43.5	43.8	44.0	43.7	0.0	44.6
Investment / Deposits	32.0	32.5	32.5	32.3	35.8	38.3	37.1	36.7	37.3
<b>Capital Adequacy</b>									
Tier-1	10.7	11.3	11.6	11.0	11.4	11.9	11.7	11.4	11.3
Tier-2	2.2	2.3	2.1	2.1	2.1	2.8	2.7	2.3	2.4
CRAR	12.9	13.6	13.7	13.1	13.4	14.7	14.5	13.7	13.6
<b>Profitability (%)</b>									
Yield on assets	8.2	8.2	8.4	7.5	7.8	7.8	7.4	7.0	6.8
Cost of funds	5.1	4.9	4.9	4.6	4.6	4.4	4.1	4.0	3.9
NIM	3.0	3.1	3.5	2.7	3.1	3.3	3.2	2.9	2.9
Other income / Assets	0.9	1.0	1.0	1.4	0.8	0.9	0.9	1.5	1.1
Cost / Income	57.2	55.6	50.6	56.4	52.2	55.2	54.5	54.5	51.9
Cost / Assets	2.0	2.1	2.0	2.1	1.9	2.1	2.0	2.2	1.9
RoE	4.2	1.7	9.9	2.8	5.2	7.8	8.6	10.6	10.3
RoA	0.3	0.1	0.6	0.2	0.3	0.5	0.5	0.6	0.6
EPS (Rs)	2.6	3.4	6.3	4.0	4.7	5.1	5.8	7.2	7.3
BVPS (Rs)	175.8	186.2	195.3	201.8	222.9	221.9	233.6	243.2	244.4
<b>Asset quality (%)</b>									
GNPA	7.5	7.2	6.9	6.2	5.4	5.9	5.4	5.0	5.3
NNPA	3.1	2.8	2.7	2.2	1.9	2.1	1.8	1.5	1.8
Provision coverage	61.1	62.9	63.5	65.2	67.1	66.0	68.0	70.9	67.9
Provision costs	1.7	2.5	1.3	2.4	2.2	1.8	1.8	1.8	1.6
Slippage	3.2	1.7	3.8	1.4	0.7	3.0	0.4	0.9	2.7
NNPA / Equity	29.5	26.5	25.1	22.4	17.7	19.4	17.0	14.5	16.5

Source: Company, Centrum Broking

P&L					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
Interest earned	2,428,687	2,573,236	2,651,506	2,744,291	3,116,947
Interest expended	1,545,198	1,592,388	1,544,406	1,584,959	1,894,694
<b>Net Interest Income</b>	<b>883,489</b>	<b>980,848</b>	<b>1,107,100</b>	<b>1,159,332</b>	<b>1,222,253</b>
Other income	367,749	452,214	434,964	461,342	495,136
<b>Total Income</b>	<b>1,251,238</b>	<b>1,433,063</b>	<b>1,542,064</b>	<b>1,620,674</b>	<b>1,717,389</b>
<b>Operating Expenses</b>	<b>696,877</b>	<b>751,737</b>	<b>826,522</b>	<b>892,644</b>	<b>955,129</b>
Employees	410,547	457,150	509,360	550,109	588,616
Others	286,330	294,587	317,162	342,535	366,513
<b>Operating profit</b>	<b>554,360</b>	<b>681,326</b>	<b>715,542</b>	<b>728,030</b>	<b>762,260</b>
Provisions	538,286	430,699	440,130	405,637	383,447
<b>Profit before tax</b>	<b>16,074</b>	<b>250,627</b>	<b>275,411</b>	<b>322,393</b>	<b>378,813</b>
Taxes	7,452	105,747	71,307	84,144	98,870
<b>Net Profit</b>	<b>8,622</b>	<b>144,881</b>	<b>204,105</b>	<b>238,248</b>	<b>279,943</b>
Ratios					
YE Mar	FY19A	FY20A	FY21A	FY22E	FY23E
<b>Growth (%)</b>					
Loans	13.0	6.4	5.3	7.0	9.0
Deposits	7.6	11.3	13.6	8.3	8.4
RWA growth	2.0	8.9	7.2	12.2	9.4
NII	18.0	11.0	12.9	4.7	5.4
Other income	(17.5)	23.0	(3.8)	6.1	7.3
Opex	16.3	7.9	9.9	8.0	7.0
PPoP	(6.8)	22.9	5.0	1.7	4.7
Provisions	(28.3)	(20.0)	2.2	(7.8)	(5.5)
Net profit	nm	nm	40.9	16.7	17.5
<b>Profitability (%)</b>					
Yield on assets	7.8	7.7	7.2	6.8	7.2
Cost of funds	4.8	4.6	4.0	3.7	4.2
NIM	2.8	2.9	3.0	2.9	2.8
Other income / Total inc.	29.4	31.6	28.2	28.5	28.8
Other inc. / avg assets	1.0	1.2	1.0	1.0	1.0
Cost/Income	55.7	52.5	53.6	55.1	55.6
Employee	32.8	31.9	33.0	33.9	34.3
Other	22.9	20.6	20.6	21.1	21.3
Opex/ Avg assets	2.0	2.0	1.9	1.9	1.9
Provisioning cost	2.6	1.9	1.8	1.6	1.4
Tax rate	46.4	42.2	25.9	26.1	26.1
RoE	0.4	6.4	8.4	9.0	9.8
RoA	0.0	0.4	0.5	0.5	0.6
RoRWA	0.0	0.7	0.9	1.0	1.1
<b>Du-pont (%)</b>					
Interest income	6.8	6.7	6.2	5.9	6.2
Interest expenses	4.3	4.2	3.6	3.4	3.8
<b>NII</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.5</b>	<b>2.4</b>
Other income	1.0	1.2	1.0	1.0	1.0
<b>Total income</b>	<b>3.5</b>	<b>3.8</b>	<b>3.6</b>	<b>3.5</b>	<b>3.4</b>
Operating expenses	2.0	2.0	1.9	1.9	1.9
Employee	1.2	1.2	1.2	1.2	1.2
Other	0.8	0.8	0.7	0.7	0.7
<b>PPoP</b>	<b>1.6</b>	<b>1.8</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>
Provisions	1.5	1.1	1.0	0.9	0.8
<b>PBT</b>	<b>0.0</b>	<b>0.7</b>	<b>0.6</b>	<b>0.7</b>	<b>0.8</b>
Tax	0.0	0.3	0.2	0.2	0.2
<b>RoA</b>	<b>0.0</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
Share capital	8,925	8,925	8,925	8,925	8,925
Reserves & surplus	2,200,214	2,311,150	2,529,827	2,732,377	2,972,159
Deposits	29,113,860	32,416,208	36,812,772	39,872,096	43,237,184
Borrowings	4,030,171	3,146,557	4,172,977	3,873,945	4,201,661
Other Liabilities	1,455,973	1,631,101	1,819,797	1,936,973	2,100,830
<b>Total liabilities</b>	<b>36,809,144</b>	<b>39,513,940</b>	<b>45,344,296</b>	<b>48,424,312</b>	<b>52,520,760</b>
Cash balances with RBI	1,769,325	1,667,358	2,132,016	2,437,495	2,639,729
Balances with banks	455,576	843,612	1,298,372	1,117,185	1,099,887
Investments	9,670,220	10,469,545	13,517,052	14,415,294	15,426,986
Advances	21,858,770	23,252,896	24,494,978	26,209,626	28,568,492
Fixed Assets	391,976	384,393	384,192	385,345	386,116
Other Assets	2,663,277	2,896,136	3,517,687	3,859,368	4,399,548
<b>Total assets</b>	<b>36,809,144</b>	<b>39,513,940</b>	<b>45,344,296</b>	<b>48,424,312</b>	<b>52,520,760</b>
Ratios					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
<b>Balance Sheet (%)</b>					
Loans / Deposits	75.1	71.7	66.5	65.7	66.1
Investments / Deposits	44.2	45.0	55.2	55.0	54.0
CASA	0.0	0.0	0.0	0.0	0.0
Assets/equity (x)	16.7	17.0	17.9	17.7	17.6
RWA / Total assets	52.4	53.1	49.6	52.1	52.6
<b>Capital ratios (%)</b>					
CET-1	9.6	9.8	10.0	9.8	9.8
Tier-1	10.6	11.0	11.4	11.2	11.2
Tier-2	2.1	2.1	2.3	2.2	2.1
CRAR	12.7	13.1	13.7	13.4	13.3
<b>Asset quality ratios (%)</b>					
GNPA (Rs mn)	1,727,505	1,490,925	1,263,890	1,315,786	1,359,275
NNPA (Rs mn)	658,947	518,713	368,097	421,052	462,154
GNPA	7.5	6.2	5.0	4.9	4.6
NNPA	3.0	2.2	1.5	1.6	1.6
PCR	61.9	65.2	70.9	68.0	66.0
Slippage	1.9	2.4	1.2	1.8	1.6
NNPA / Equity	29.8	22.4	14.5	15.4	15.5
<b>Per share</b>					
EPS	1.0	16.2	22.9	26.7	31.4
BVPS	247.5	260.0	284.5	307.2	334.0
ABVPS	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>					
P/E	286.7	19.1	10.4	17.1	14.6
P/BV	1.1	1.2	0.8	1.5	1.4
P/ABV	1.4	1.3	1.0	1.8	1.6

Source: Company, Centrum Broking

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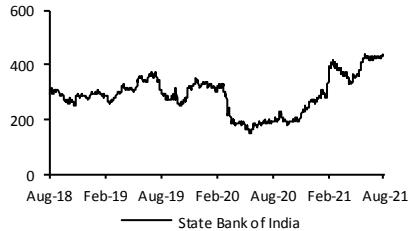
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#### State Bank of India



Source: Bloomberg

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