



LEADING WITH
IMPACT
INNOVATION
INTEGRITY

India Banking Sector Update - Q2 FY22

DECEMBER 2021

Glossary: Classification of Indian banks used in this document

PSU (12 banks)



Private—New (10 banks)



Private—Old (8 banks)



Small Finance (4 banks)



Glossary: Classification of 31 NBFCs used for industry analysis

HFCs (10 NBFCs)



Microfinance(3 NBFCs)



Gold (2 NBFCs)



Diversified (16 NBFCs)



Summary Snapshot (I/II)



Macro Trends

- India's FY22 GDP forecasted to grow within the range **8.5% to 10% YoY**
- **Repo and reverse repo rate remained unchanged** from the previous months in Dec'21; MCLR remained near Jul'21 levels in Aug'21



Key Performance Indicators

- **30% YoY jump in PAT** for Industry as all PSBs (94% YoY jump) return to profitability
- Overall pre-provision profit pool at **2.2%** of Avg assets
- Profitability metrics (ROA, ROE) continued to improve for PSBs and Private banks; SFBs saw decline due to higher opex and provisioning
- **Comfortable capitalization levels** providing adequate buffer for future growth



Business

- **Credit growth rose** as economy revives; pace of **deposit growth has slowed** to 9.4%
- Overall credit growth remains subdued due to **de-growth in corporate book**
- Slowdown in CASA deposits for PSU banks but PVT-New banks saw strong traction

Summary Snapshot (II/II)



NPA & Risk Mgmt.

- Asset quality gradually improving for most banks; SFBs reported deteriorating asset quality
- However, Banks across categories holding healthy provision coverage against NPAs



Valuation

- Most PSU banks valued below book value; private banks commanding premium; HDFC bank contributes approx. 30% of overall banking sector Mcap



Digital

- Continued digital adoption across journeys by Indian banks and consumers
- Digital Transactions: >85% transactions are now digital; huge jump from 64% in FY20

Banking sector overview



Macro Indicators

Key Performance Indicators- Industry (Banks + NBFCs)

Key Performance Indicators- Banking Industry

Business: Advances & Deposits

NPA & Risk Management

Valuation

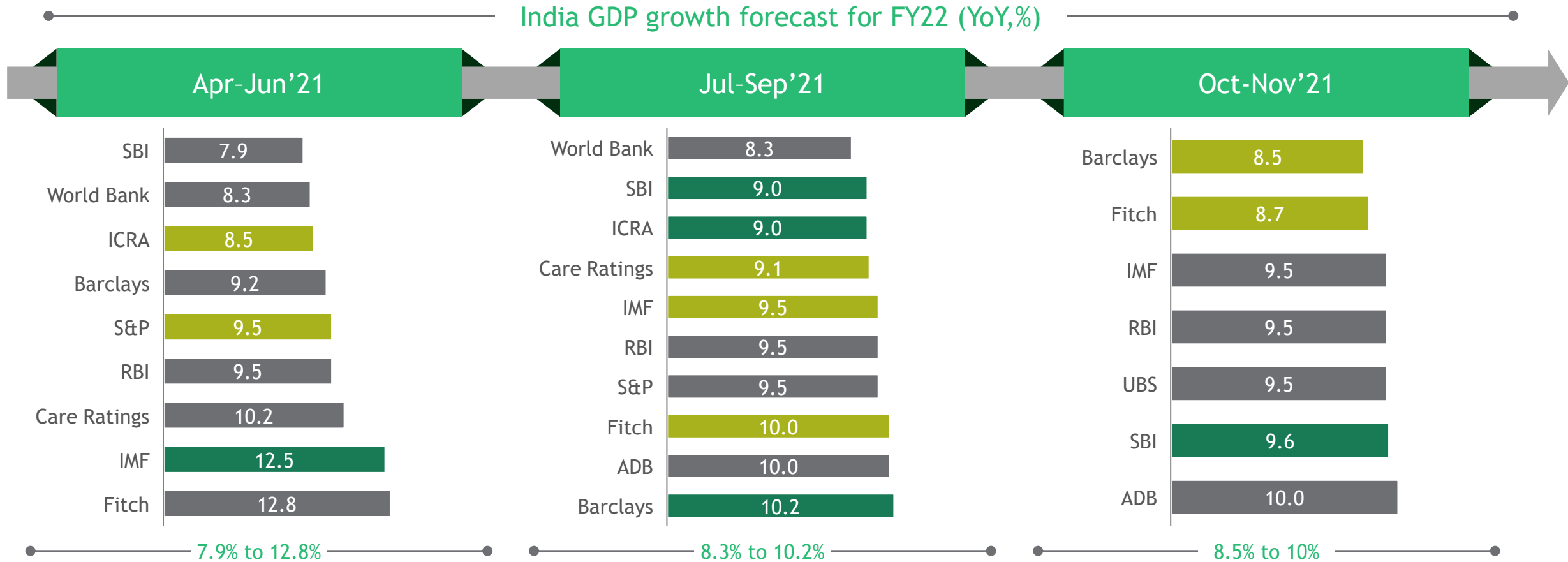
Digital in Banking

Key Regulatory Measures

Player Performance



India's FY22 GDP forecasted to grow within the range 8.5% to 10% YoY



Data as of 21 Nov'21; Estimates likely to be revised further

No change
 Downward revision
 Upward revision

Note: Upper-limit has been included where agencies reported forecast range
 Source: Analyst reports, BCG analysis



2021 Monthly Trend Summary: Select high frequency indicators witnessed growth while others exhibited mixed trends in Sep-Oct'21 vs. previous month

Absolute MoM delta comparison of 2021 data (vs. previous month)

Indicator	May	Jun	Jul	Aug	Sep	Oct
1 Industrial Activity						
Power Consumption	-7%	8%	5%	3%	-12%	0%
Petroleum Consumption	-11%	8%	3%	-4%	0%	12%
Index of Industrial Prod.	-8%	6%	7%	0%	-2%	NA
2 Trade						
Services Export	-1%	14%	-4%	3%	6%	NA
Services Import	3%	9%	3%	0%	6%	NA
Merchandise Export	5%	1%	9%	-6%	2%	6%
Merchandise Import	-16%	9%	11%	1%	20%	-2%
3 Logistics						
E-Way Bills Generated	-32%	37%	17%	3%	3%	8%
Railway Freight Originated	3%	-2%	0%	-2%	-4%	11%
JNPT Container Traffic	-3%	-3%	-2%	5%	-5%	10%
Air Freight	-9%	0%	9%	2%	4%	NA
4 Sector-wise Impact						
Steels Sales	27%	-13%	0%	-4%	5%	7%
Passengers Vehicle Sales	-61%	137%	11%	-11%	-25%	25%
Two-wheeler Sales	-63%	97%	16%	4%	11%	2%
Gross Premium (Life)	33%	131%	-32%	36%	11%	-30%
5 Macro economic Indicators						
Total GST Collection	-27%	-10%	25%	-4%	4%	11%
MGNREGA Jobs Provided	4%	32%	-27%	-9%	-4%	11%

Mixed growth
 Degrowth
 Growth

Industrial activity exhibited mixed trends in Sep-Oct'21 vs. previous month—Power consumption remained unchanged while fuel consumption grew; IIP recorded marginal MoM degrowth

Services exports & imports improved; Merchandise exports grew for the second consecutive month while imports declined MoM

Logistics indicators exhibited MoM improvement—JNPT traffic, rail freight & E-way bills recorded substantial growth in Oct'21 vs. Sep'21

Some sectors grew while others fell in Oct'21 vs. Sep'21—Steel, passenger vehicle & 2W sales logged growth while life insurance recorded MoM degrowth

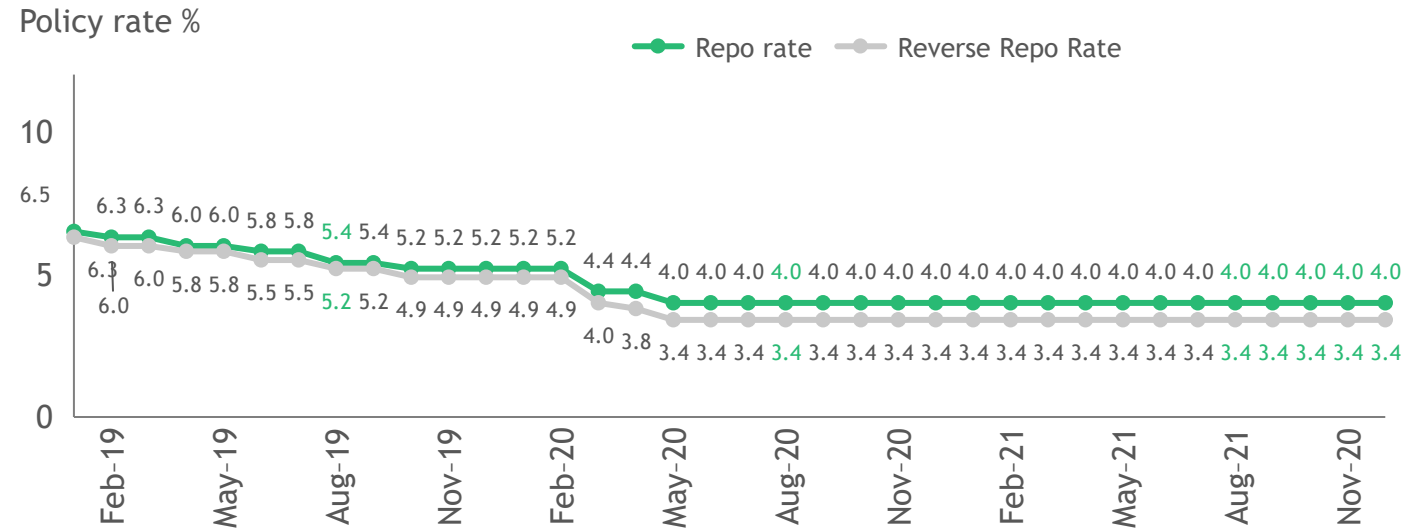
Select macroeconomic indicators grew in Oct'21 vs. Sep'21—Both GST collection & MGNREGA jobs provided witnessed MoM improvement



Repo and reverse repo rate remained unchanged from the previous months in Dec'21

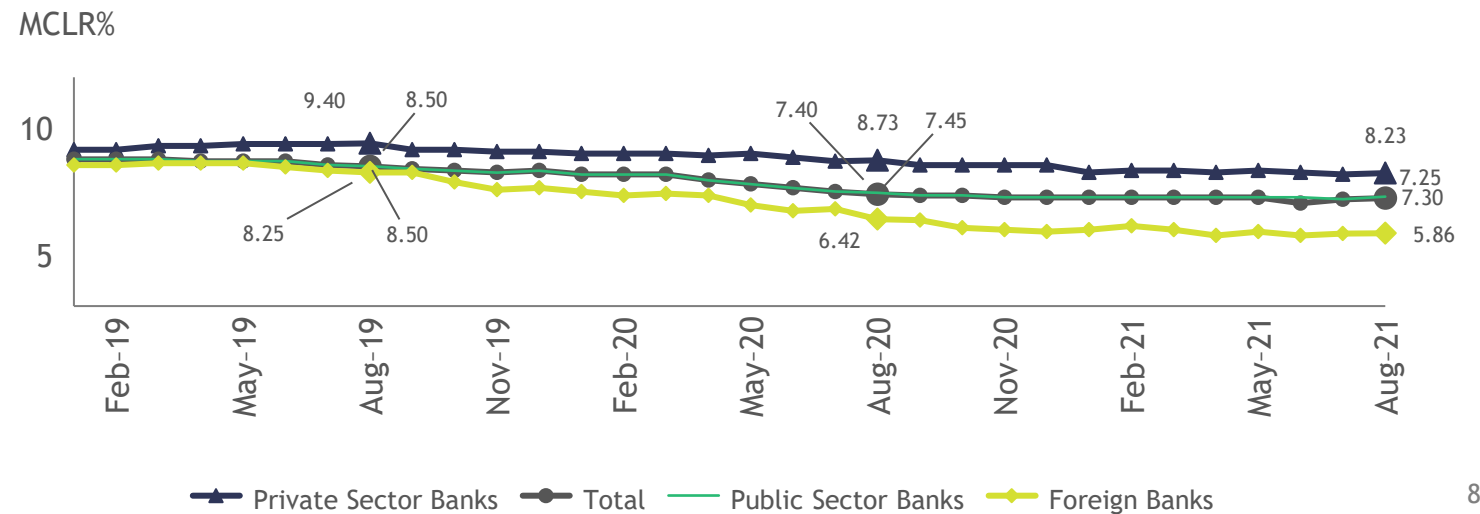
MCLR remained near Jul'21 levels in Aug'21

Reserve Bank's Policy rates (%)



MCLR¹ of scheduled commercial banks

(Median rate on one-year borrowings, in %)



1. MCLR: Minimum interest rate at which scheduled commercial banks can lend to customers (based on Incremental cost of funds). 2. Base Rate: Minimum rate set by the Reserve Bank of India below which banks are not allowed to lend to its customers. 3. Repo Rate: Interest rate at which the RBI lends short term funds to licensed commercial banks 4. Reverse Repo Rate: Interest rate which the RBI borrows money from commercial banks
Source: CMIE, RBI DBIE

Banking sector overview

Macro Indicators

➤ Key Performance Indicators- Industry (Banks + NBFCs)

Key Performance Indicators- Banking Industry

Business: Advances & Deposits

NPA & Risk Management

Valuation

Digital in Banking

Key Regulatory Measures

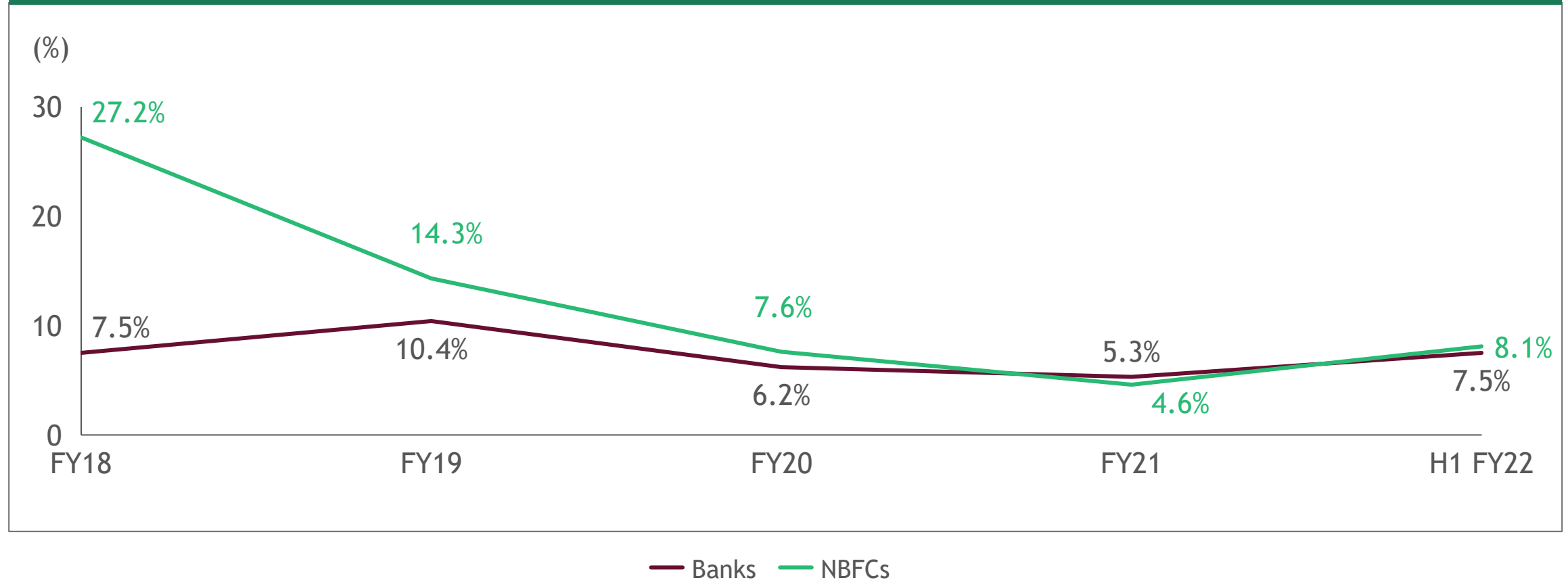
Player Performance



Pandemic years have narrowed the growth gap between banks & NBFCs

NBFC growth has moderated post onset of the pandemic; Further revival expected in the second half

Player-group wise y-o-y growth in loan book

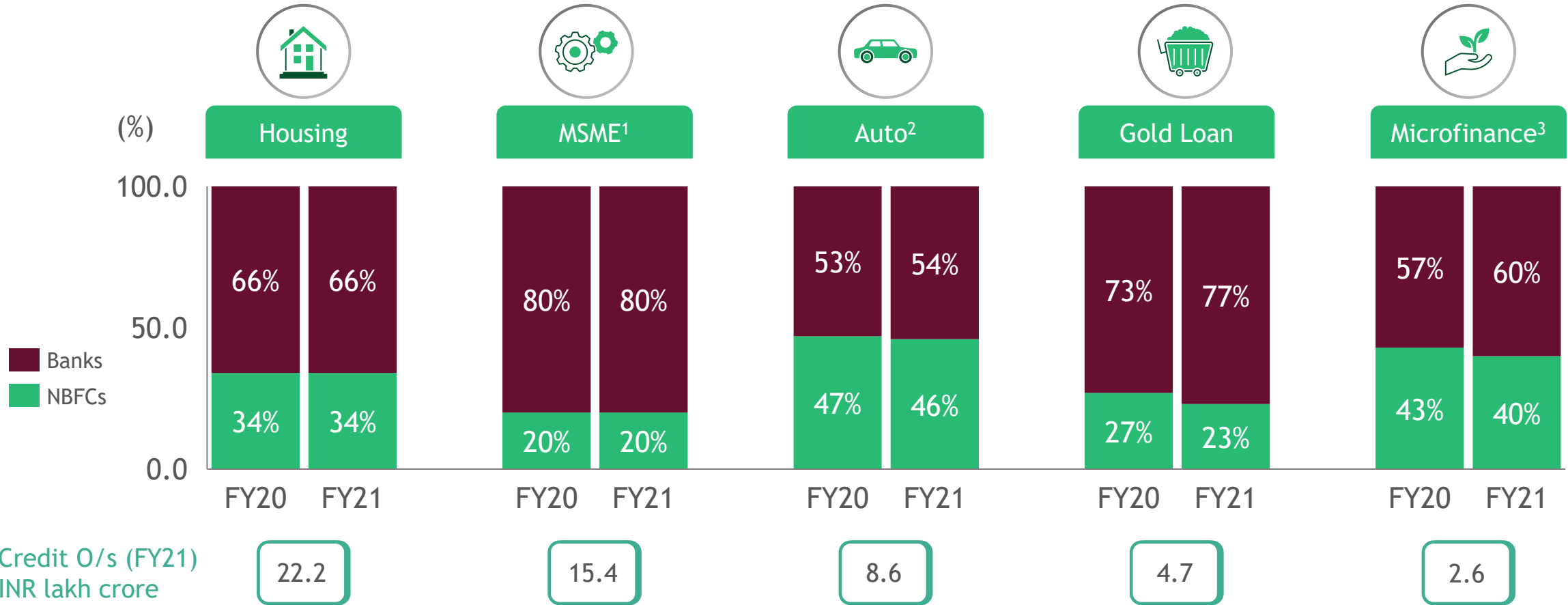


Note: Analysis has been made based on 29 NBFCs (9 HFCs, 2 Gold, 3 MFI and 15 Diversified NBFCs) and 30 Banks (12 PSU Banks, 10 Private-New and 8 Private-old banks)
Source: Capitaline, Quarterly Results, Investor Presentation, Annual Report, BCG Analysis



Banks gained share in MFI and Gold loans in FY21; stable across other segments

Change in share of player groups across asset class



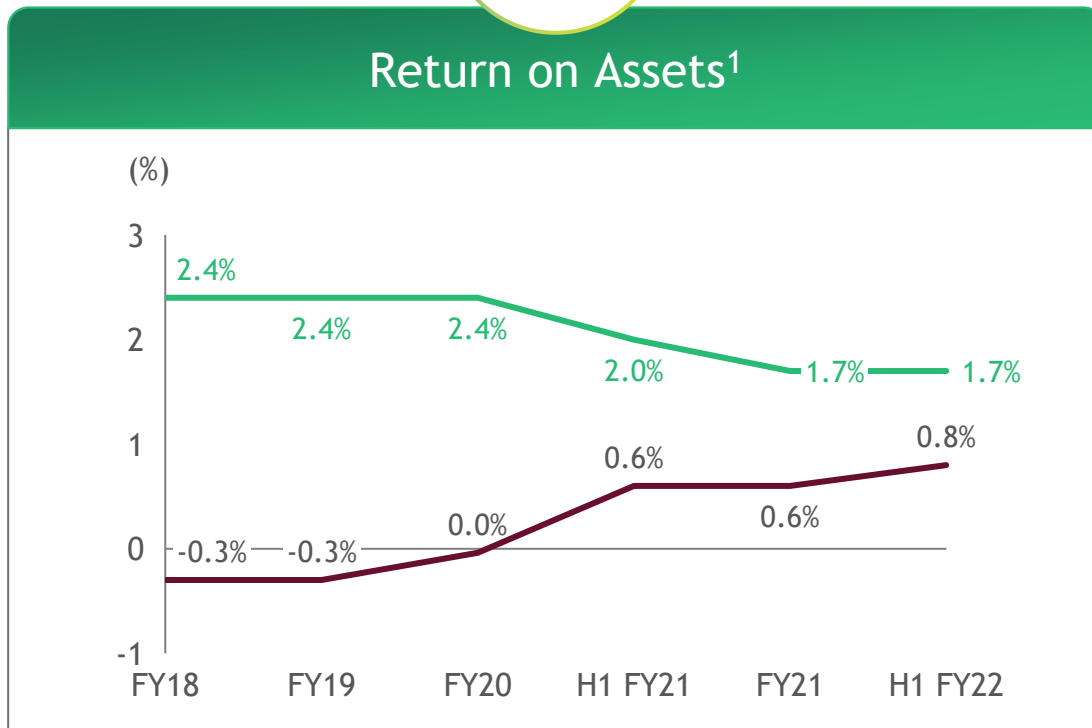
1. MSME includes Loan against property, secured non-LAP MSME loans and unsecured MSME loans; 2. Auto includes PVs new and used, CVs new and used, tractors, 2and 3 wheelers; 3. Share of NBFCs in MFI include NBFC-MFI, NBFCs and Non-Profit MFIs
 Source: CRISIL research; BCG Analysis



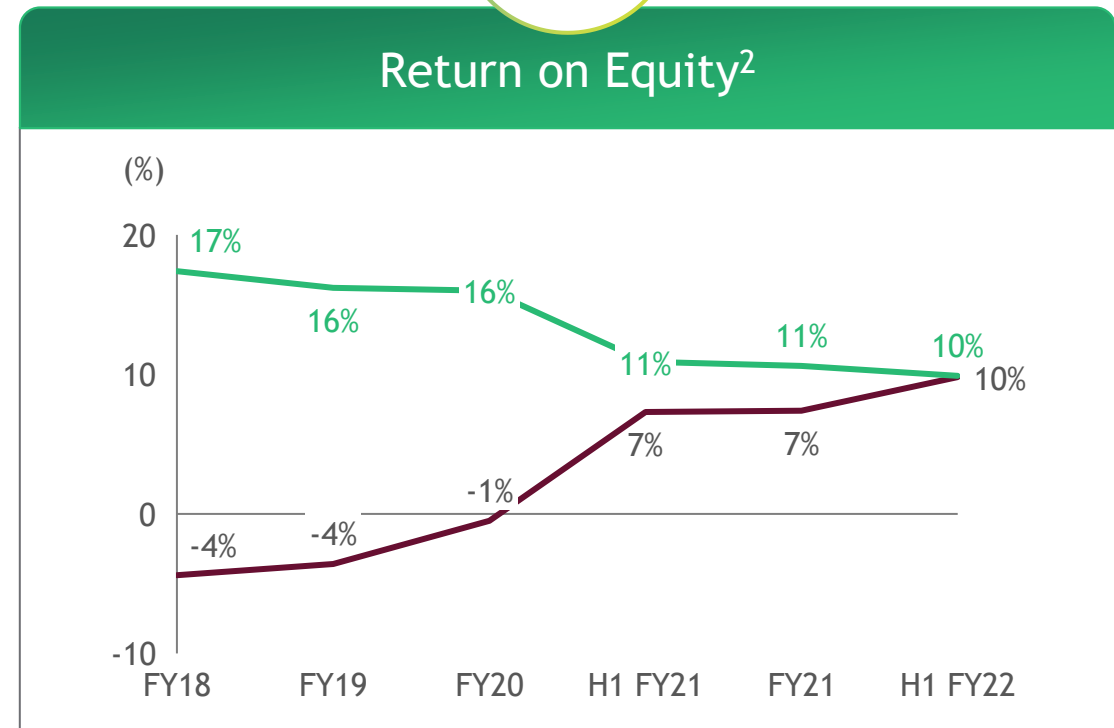
Profitability remained impacted on account of elevated provisioning costs



Return on Assets¹



Return on Equity²



— Banks — NBFCs

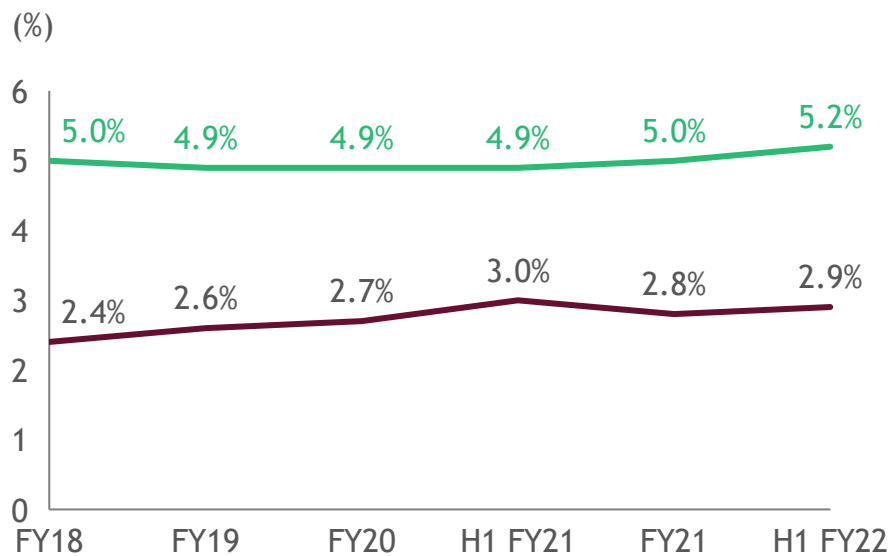
1. Return on Assets is calculated as net profit/average assets 2. Return on Equity is calculated as net profit/average shareholders' fund.
 Note: Analysis has been made based on 31 NBFCs (10 HFCs, 2 Gold, 3 MFI and 16 Diversified NBFCs) and 30 Banks (12 PSU Banks, 10 Private-New and 8 Private-old banks)
 Source: Capitaline, Quarterly Results, Investor Presentation, Annual Report, BCG Analysis



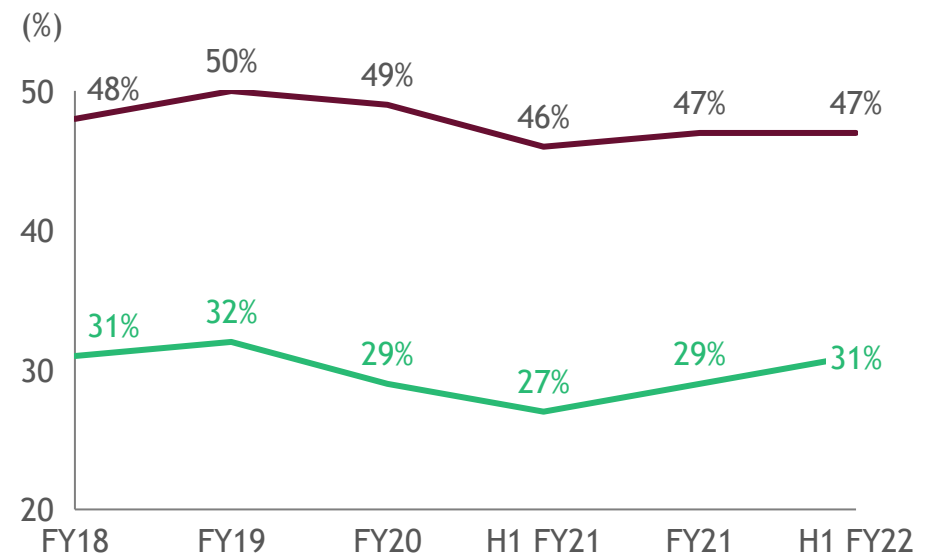
NBFCs continue to earn higher margins; CIR inching up to pre-pandemic levels



Net Interest Margin¹ (%)



Cost to Income Ratio² (%)



— Banks — NBFCs

1. NIM is calculated as (Interest Income - Interest Expense)/Average Assets ² Cost to Income is calculated as Operation expense/(net interest income + other income)
 Operation Expense excludes "Net loss on fair value changes", "Net loss on derecognition of financial instruments under amortized cost category", "Net Transaction Exchange Loss" and/or "Loss/write-off on Repossessed Assets and Assets acquired in satisfaction of debt"

Note: Analysis has been made based on 31 NBFCs (10 HFCs, 2 Gold, 3 MFI and 16 Diversified NBFCs) and 30 Banks (12 PSU Banks, 10 Private-New and 8 Private-old banks)

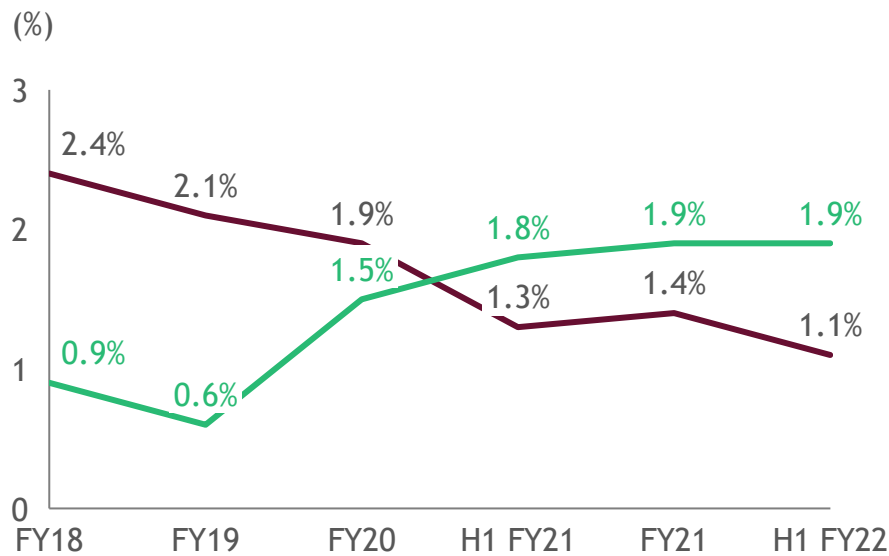
Source: Capitaline, Quarterly Results, Investor Presentation, Annual Report, BCG Analysis



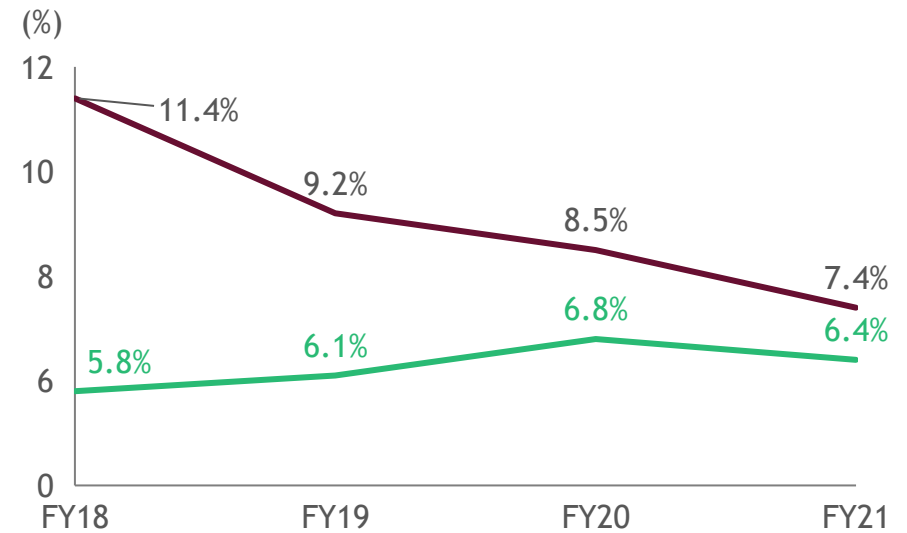
Credit costs higher for NBFCs vs. banks post-pandemic



Credit Cost¹ (%)



GNPA (%)



— Banks — NBFCs

1. Credit Cost is calculated as provision and contingencies/average assets

Note: Analysis has been made based on 31 NBFCs (10 HFCs, 2 Gold, 3 MFI and 16 Diversified NBFCs) and 30 Banks (12 PSU Banks, 10 Private-New and 8 Private-old banks)

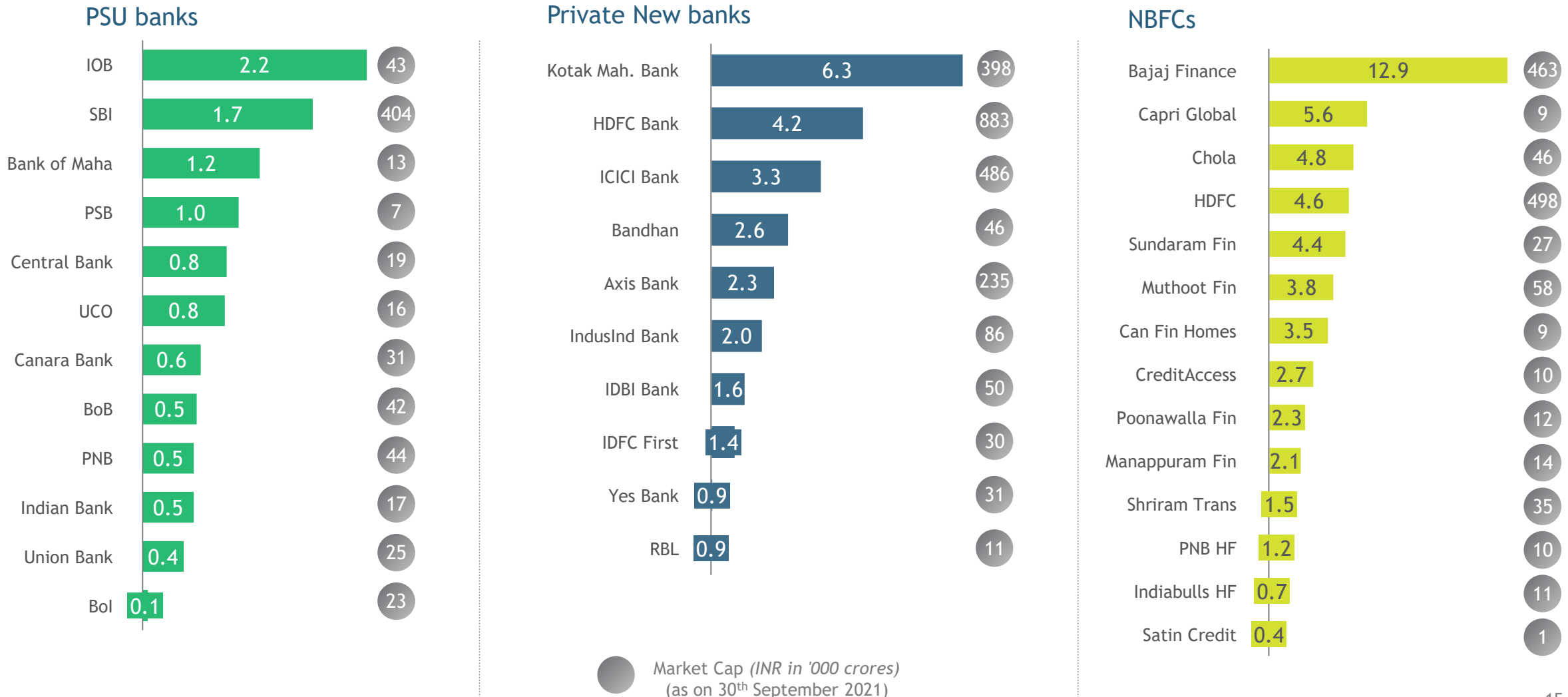
Source: Quarterly Results, Investor Presentation, Annual Report, RBI, BCG Analysis



PSBs continue to trade at lower multiple vs. Private and NBFC peers

Price to book ratio (As on 30th September 2021)

Select Banks and NBFCs



Banking sector overview

Macro Indicators

Key Performance Indicators- Industry (Banks + NBFCs)

> Key Performance Indicators- Banking Industry

Business: Advances & Deposits

NPA & Risk Management

Valuation

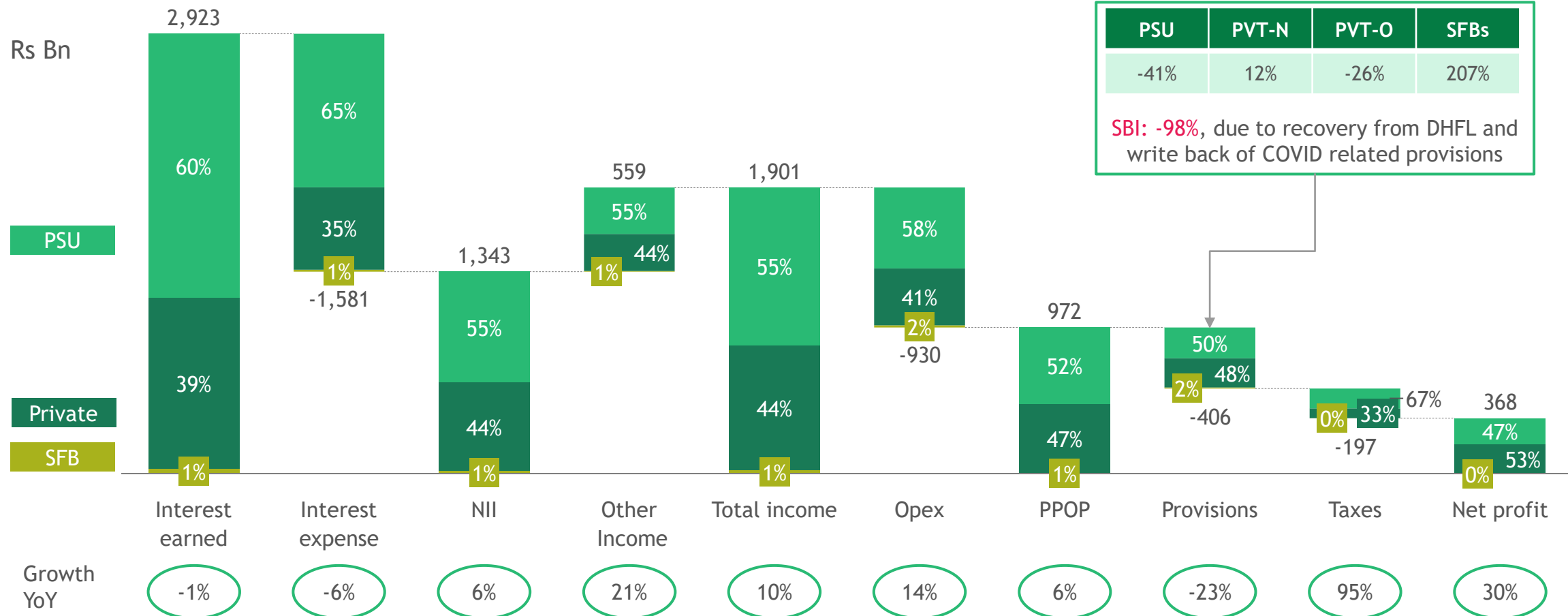
Digital in Banking

Key Regulatory Measures

Player Performance



Q2FY22 Banking sector - Earnings snapshot



Note: Growth Q2FY22 over Q2FY21; Analysis has been made based on 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks
 Source: Capitaline; Press releases; BCG analysis



PSBs witness improvement in RoA; Small finance bank's most hit

Particulars ¹	UoM	PSU Banks		Private New		Private Old		SFBs		Industry	
		Q2 FY22	Q2 FY21	Q2 FY22	Q2 FY21	Q2 FY22	Q2 FY21	Q2 FY22	Q2 FY21	Q2 FY22	Q2 FY21
Net interest Margin	(%)	2.6	2.7	3.8	3.8	3.1	3.2	7.2	7.4	3.0	3.1
Fee + Other Income	(%)	1.1	0.9	1.7	1.5	0.8	1.0	1.7	1.8	1.3	1.1
Operating expenses	(%)	1.9	1.9	2.4	2.2	2.3	2.2	5.9	4.9	2.1	2.0
Pre-Provision Profit²	(%)	1.8	1.8	3.1	3.2	1.6	2.0	3.0	4.3	2.2	2.2
Credit costs	(%)	0.7	1.3	1.3	1.3	0.8	1.2	2.7	1.0	0.9	1.3
Tax	(%)	0.2	0.1	0.4	0.5	0.2	0.2	0.1	0.8	0.4	0.2
Exceptional Items	(%)	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Assets	(%)	0.6	0.3	1.3	1.4	0.6	0.6	0.2	2.5	0.8	0.7

1. All the above #s are as a % of average assets and annualized; 2. Pre-provision profit may not tally due to rounding off error

Note: Analysis has been made based on 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks

Source: Capitaline; Press releases; BCG analysis

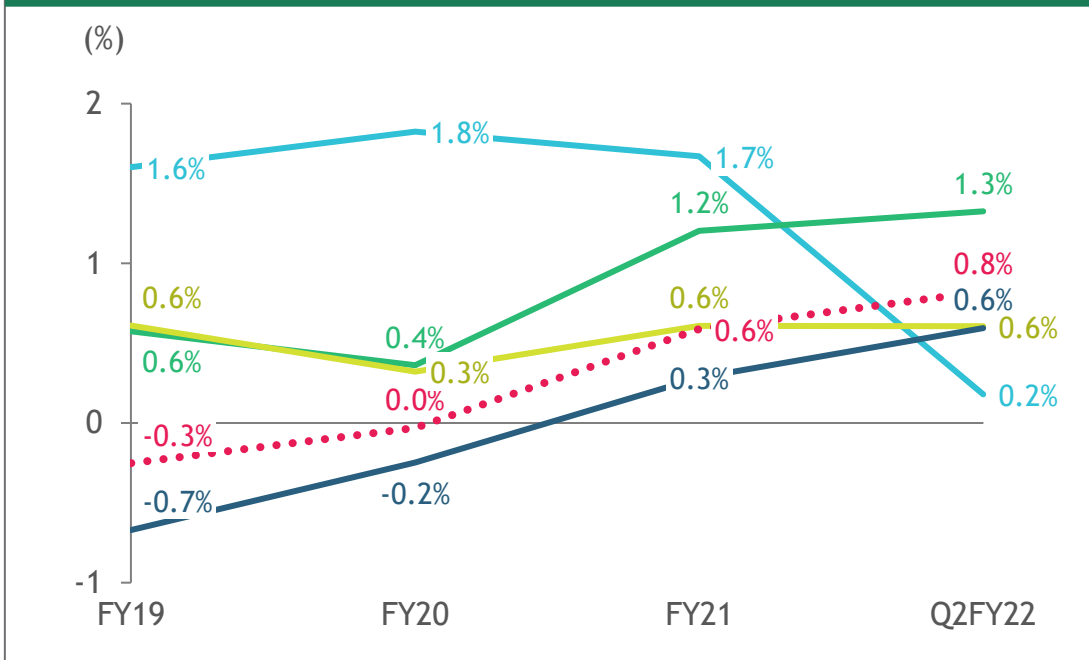


Profitability metrics continue to improve for PSBs and Private banks

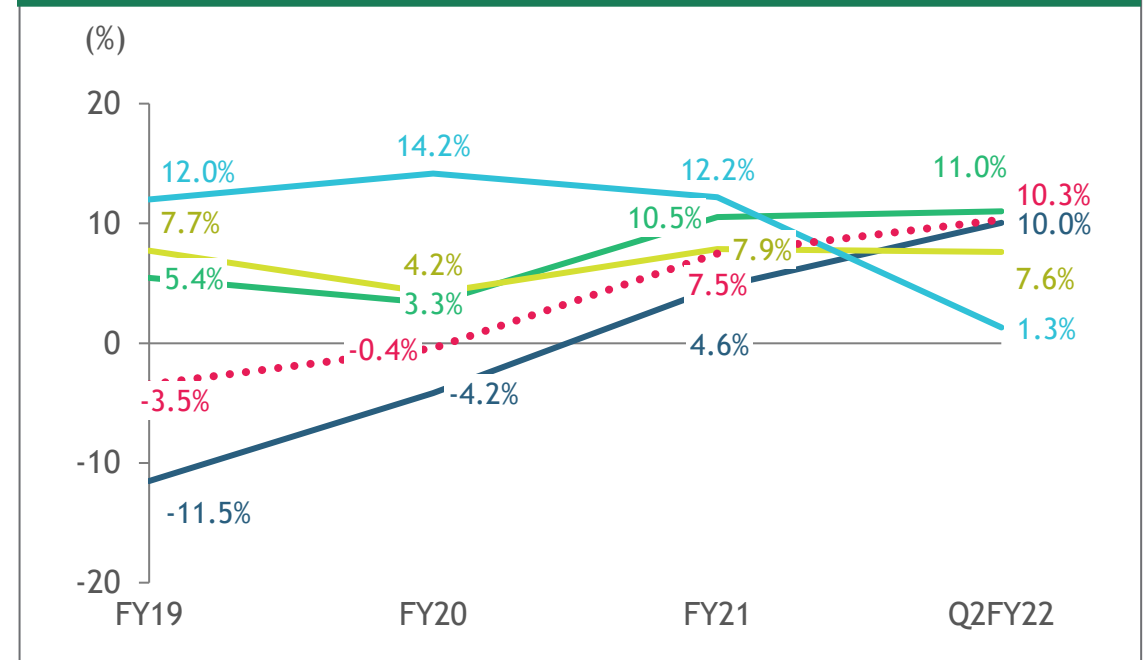
SFBs saw decline due to higher opex and provisioning



Return on Assets¹ by bank category



Return on Equity² by bank category



— SFB — Private-New — Private-Old — PSU •• Industry

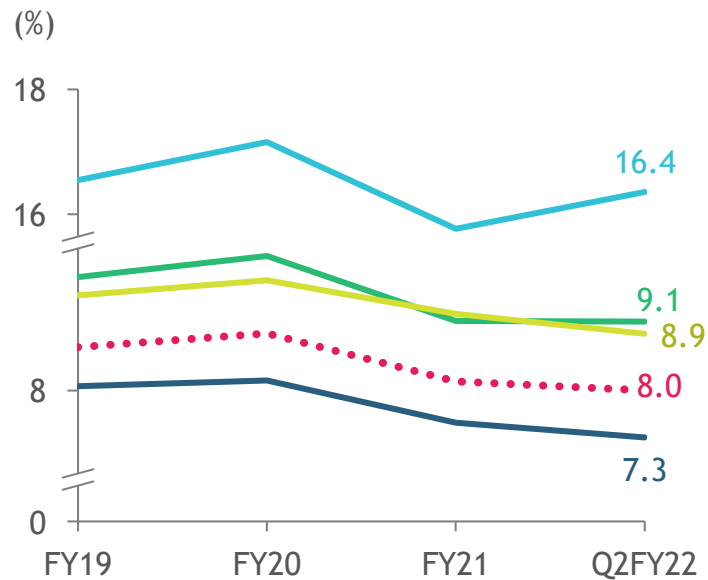
¹Return on Assets is calculated as net profit/average assets annualized ²Return on Equity is calculated as net profit/average shareholders' fund annualized
 Note: Analysis has been made based on 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks
 Source: RBI; Capitaline; Press releases; BCG analysis



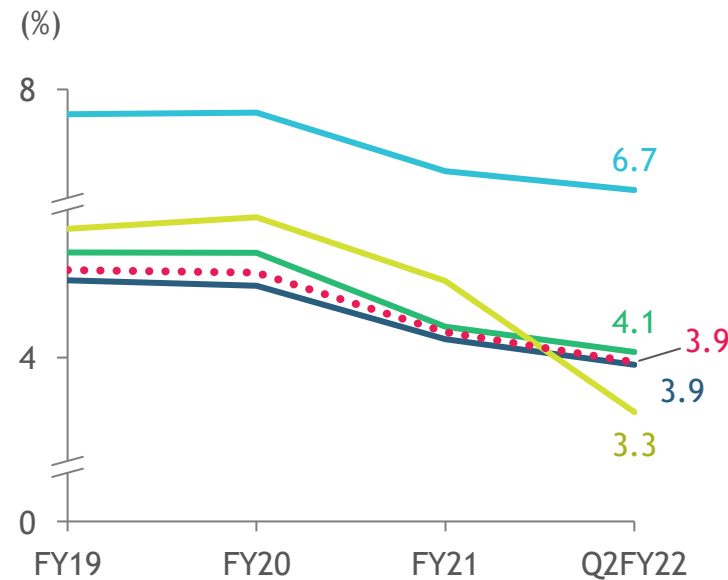
Interest rates are near multi-year lows and low-interest rates have led cost of funds to decline sharply



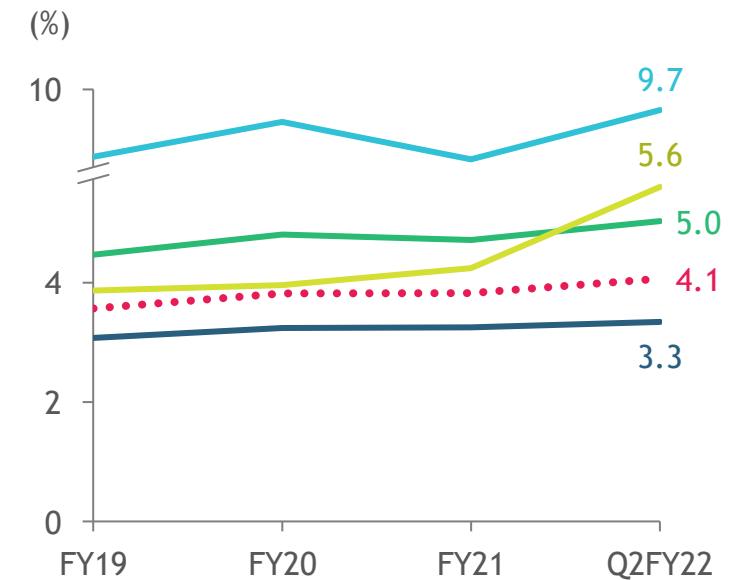
Yield¹ by bank category (%)



Cost of Funds² by bank category (%)



Spread³ by bank category (%)



— SFB — Private-New — Private-Old — PSU •• Industry

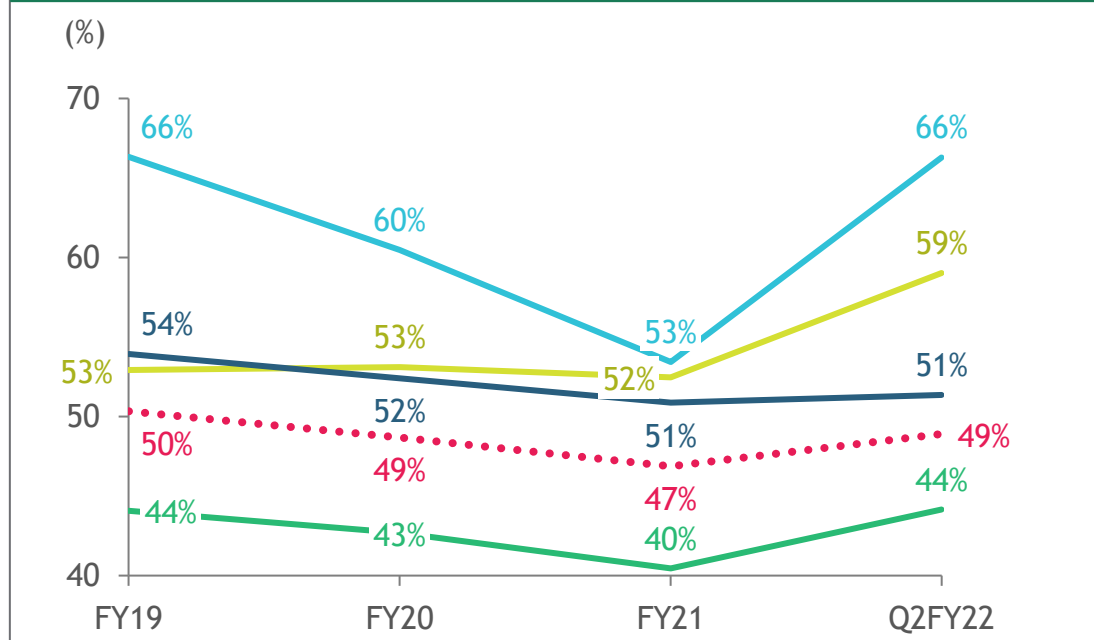
¹Yield is calculated as Interest Earned on Advances/Average Net Advances Annualized ²CoF is calculated as Interest Expended/(Deposits + Borrowings) annualized ³Spread is the difference between yield and CoF; Note: Analysis has been made based on 12 PSU, 10 Private-New 8 Private-Old and 4 Small Finance Banks
Source: RBI; Capitaline; Press releases; BCG analysis



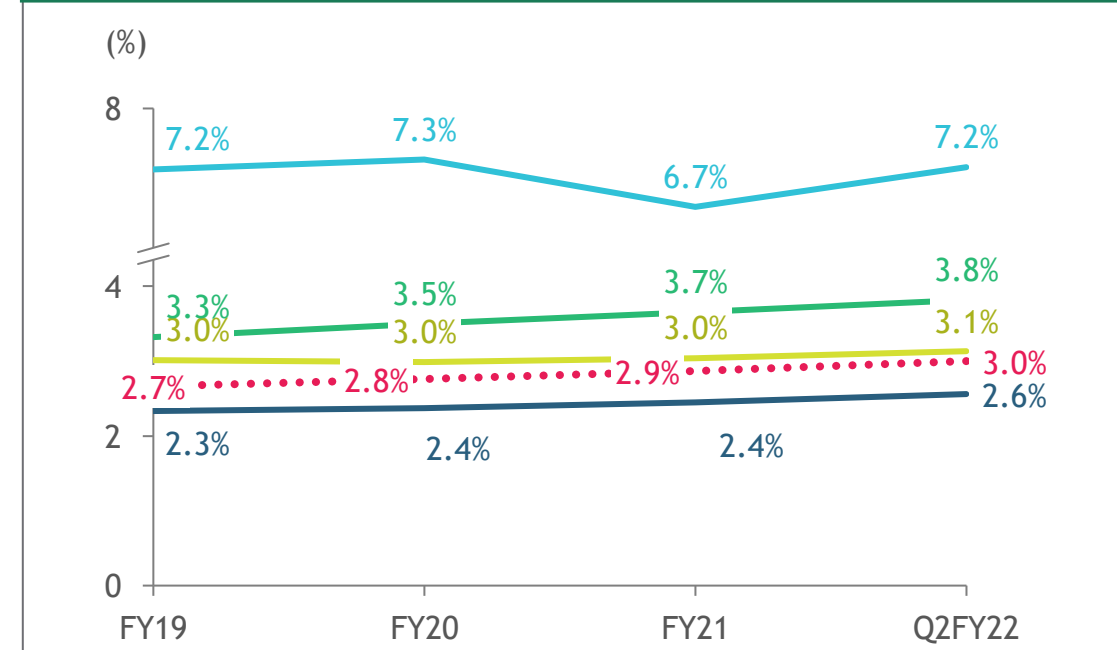
CIRs returning to pre-Covid levels; NIMs inching up across bank categories



Cost to Income Ratio¹ by bank category (%)



Net Interest Margin² by bank category (%)



— SFB — Private-Old — PSU — Private-New •• Industry

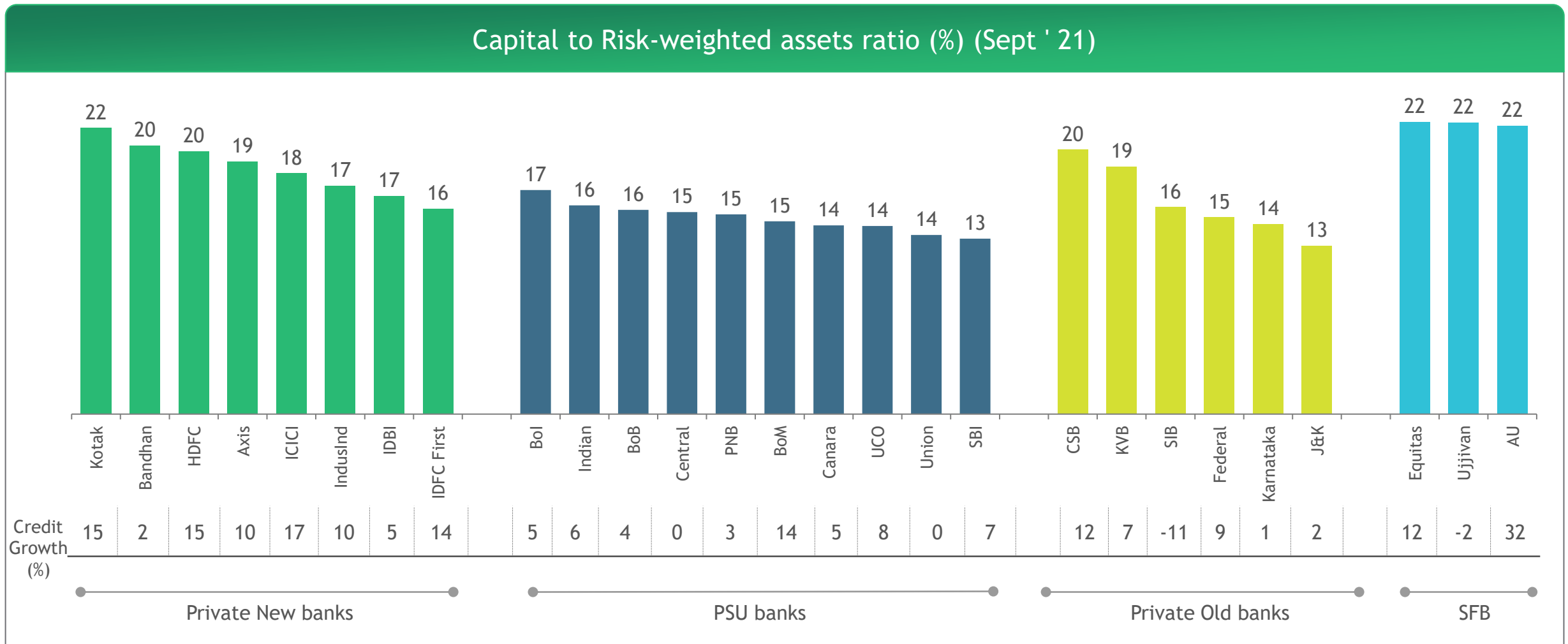
¹Cost to Income is calculated as Operation expense/(net interest income + other income) ²NIM is calculated as (Interest Income - Interest Expense)/Average Assets Annualized
 Note: Analysis has been made based 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks
 Source: RBI; Capitaline; Press releases; BCG analysis



Comfortable capitalization levels providing adequate buffer for future growth

Minimum CRAR requirement for Public and Private sector banks = 9%; for SFBs = 15%

Select Banks



Source: Capitaline, Investor presentation, Press release, RBI, CARE Ratings, BCG Analysis

Banking sector overview

Macro Indicators

Key Performance Indicators- Industry (Banks + NBFCs)

Key Performance Indicators- Banking Industry

> **Business: Advances & Deposits**

NPA & Risk Management

Valuation

Digital in Banking

Key Regulatory Measures

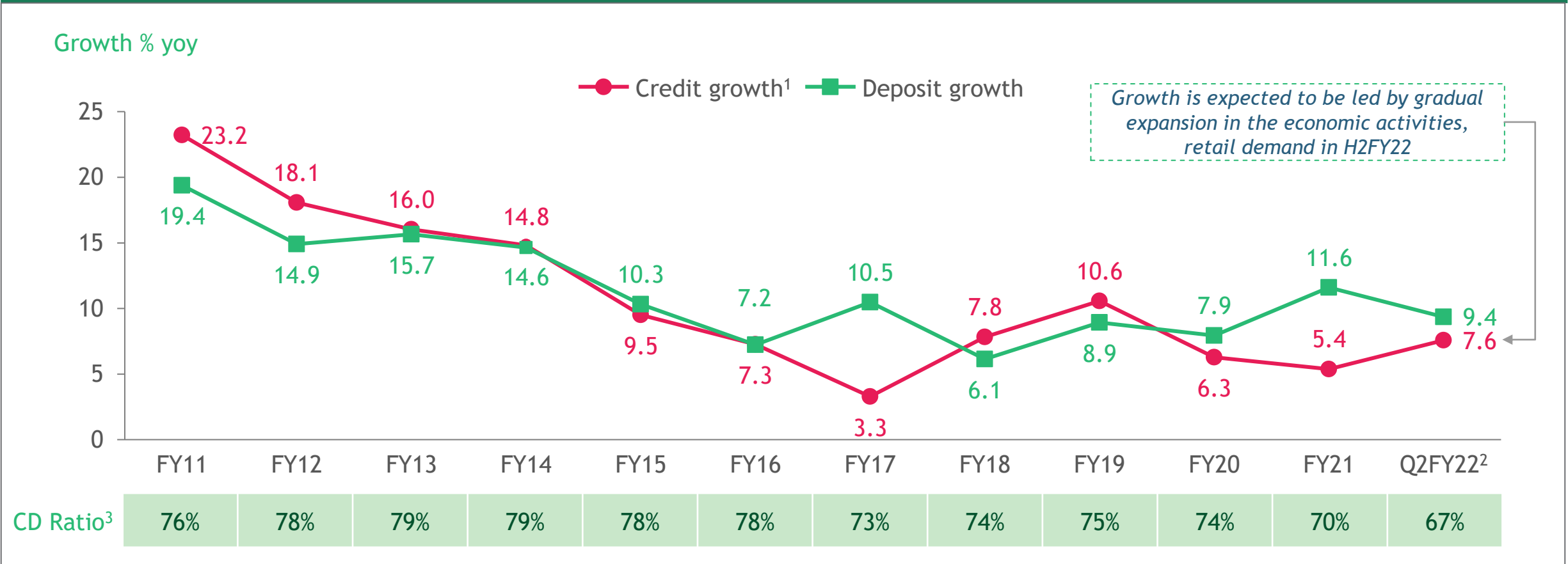
Player Performance



Uptick witnessed in credit growth rises as economy revives

Pace of deposit pick-up has slowed down to 9.4%; however, continues to outpace credit growth

Credit and deposit growth rate (%)



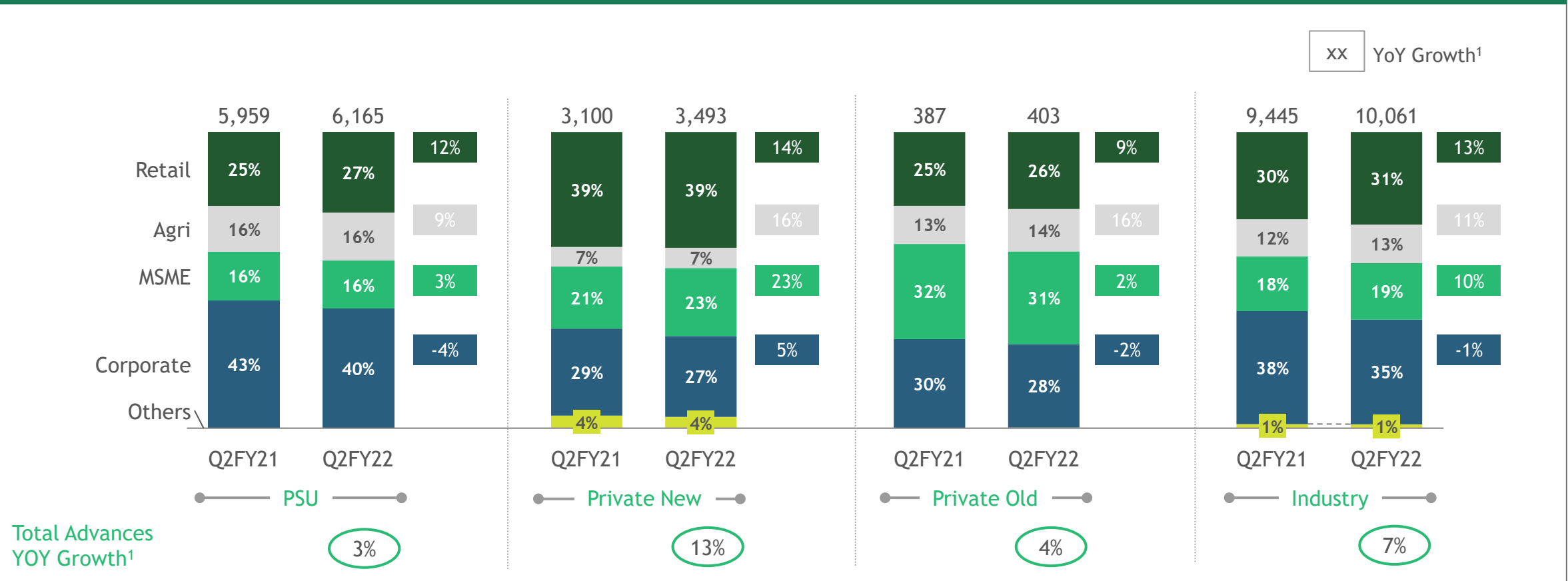
Note: 1. Credit growth are Net Advances growth 2. Growth Q2FY22 over Q2FY21 3. Credit-Deposit Ratio is calculated as Net Advances/Total Deposits
 Analysis has been made based on 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks
 Source: RBI; Capitaline; India Ratings, Press releases; BCG analysis



Overall credit growth remains subdued due to de-growth in corporate book

Retail and Agri sectors show resilience posting double digit YoY growth

Split of Domestic Loan Book ('000 Crs)



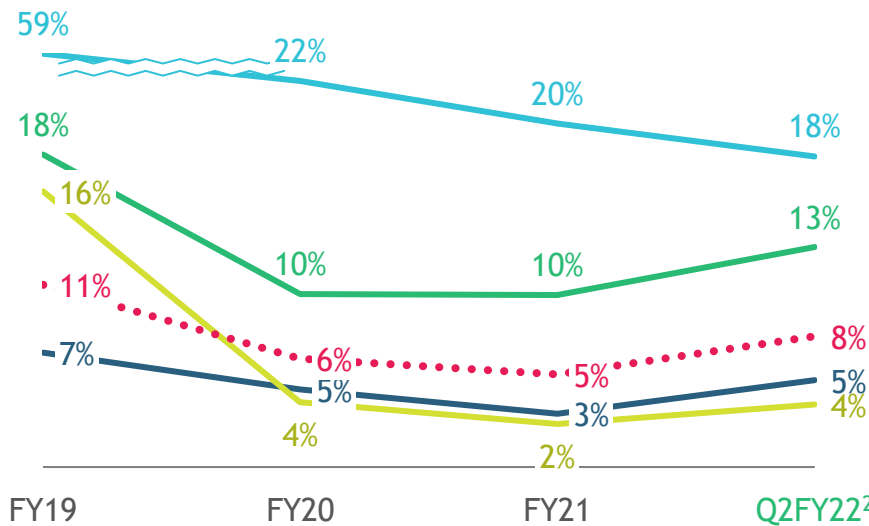
1. Growth Q2FY22 over Q2FY21; Note: Loan book includes domestic advances only; MSME includes SME, LAP, Business Banking and CV/CE loans; Agri includes Rural Loans, Kisan gold card loans and Tractor Loans; Others include Micro finance, PSL Inorganic + SRs and Loan Converted into Equity and credit substitutes; For HDFC Bank, (MSME advances = Commercial & Rural Banking Excl Agriculture + Loan Against Property); Totals may not add up to 100% due to rounding off error
 Analysis has been made based on 12 PSU, 9 Private-New and 7 Private-Old Banks; SFB's have not been considered for this analysis
 Source: RBI; Capitaline; Press releases; BCG analysis



Private-New banks continue to gain market share; even as industry credit shows a 'U-shaped' recovery

Credit growth by bank category

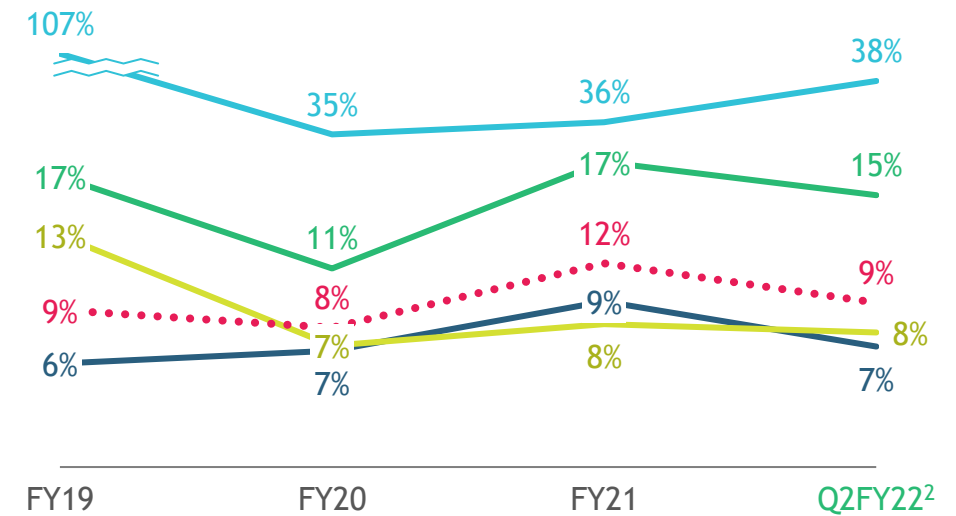
Growth % yoy



Market share (%)	FY19	FY20	FY21	Q2FY22 ²
PSU	64%	63%	62%	61%
Private-N	31%	32%	34%	34%
Private-O	4%	4%	4%	4%
SFB	1%	1%	1%	1%

Deposits growth by bank category

Growth % yoy



Market share (%)	FY19	FY20	FY21	Q2FY22 ²
PSU	69%	69%	67%	67%
Private-N	26%	27%	28%	28%
Private-O	4%	4%	4%	4%
SFB	5%	4%	4%	4%

Note: 1. Credit growth are Net Advances growth 2. Growth Q2FY22 over Q2FY21; Analysis has been made based on 12 PSU, 10 Private-New, 8 Private-Old and 4 Small Finance Banks
Source: RBI; Capitaline; Press releases; BCG analysis

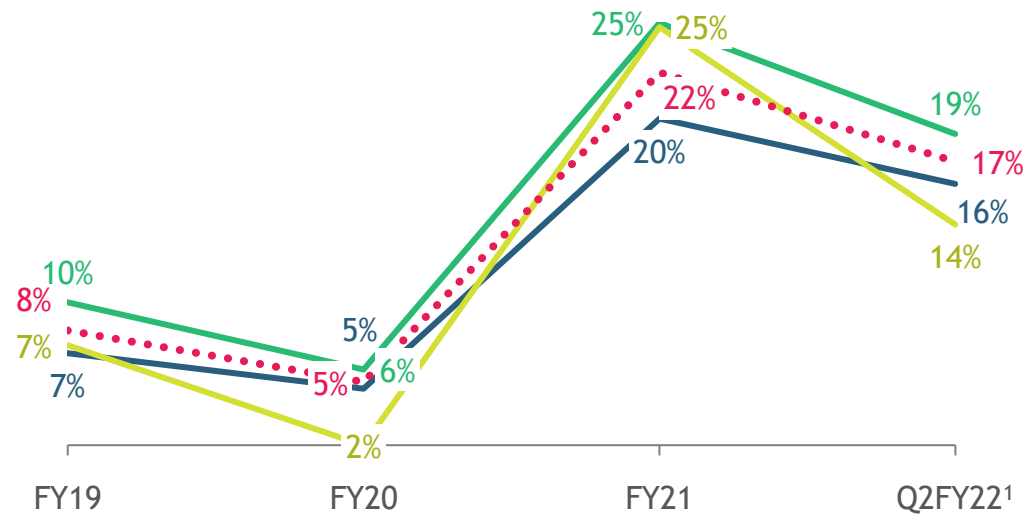


CASA deposits: Slowdown for PSU banks; PVT-New banks saw strong traction



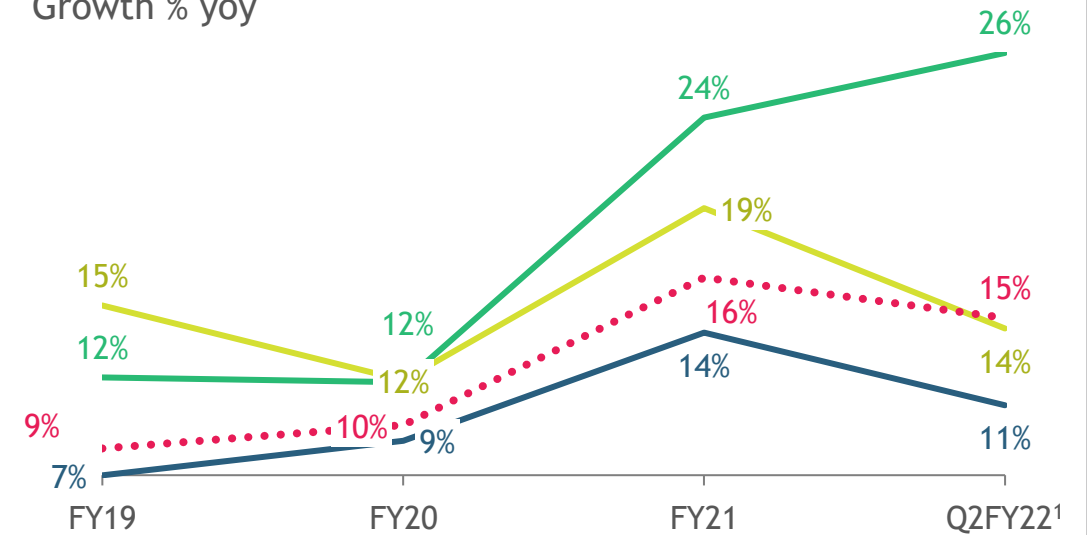
Current Deposits growth by bank category

Growth % yoy



Savings Deposits growth by bank category

Growth % yoy



— Private-New — PSU — Private-Old ··· Industry

1. Growth Q2FY22 over Q2FY21; Note: Analysis has been made based on 12 PSU, 9 Private-New and 5 Private-Old banks; Analysis based on Global CA and SA deposits for all banks except SBI, Bank of Baroda, Canara Bank, Bank of India and UCO bank
 Source: RBI; Capitaline; Press releases; BCG analysis

Banking sector overview

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Key Performance Indicators- Banking Industry

Business: Advances & Deposits

➤ NPA & Risk Management

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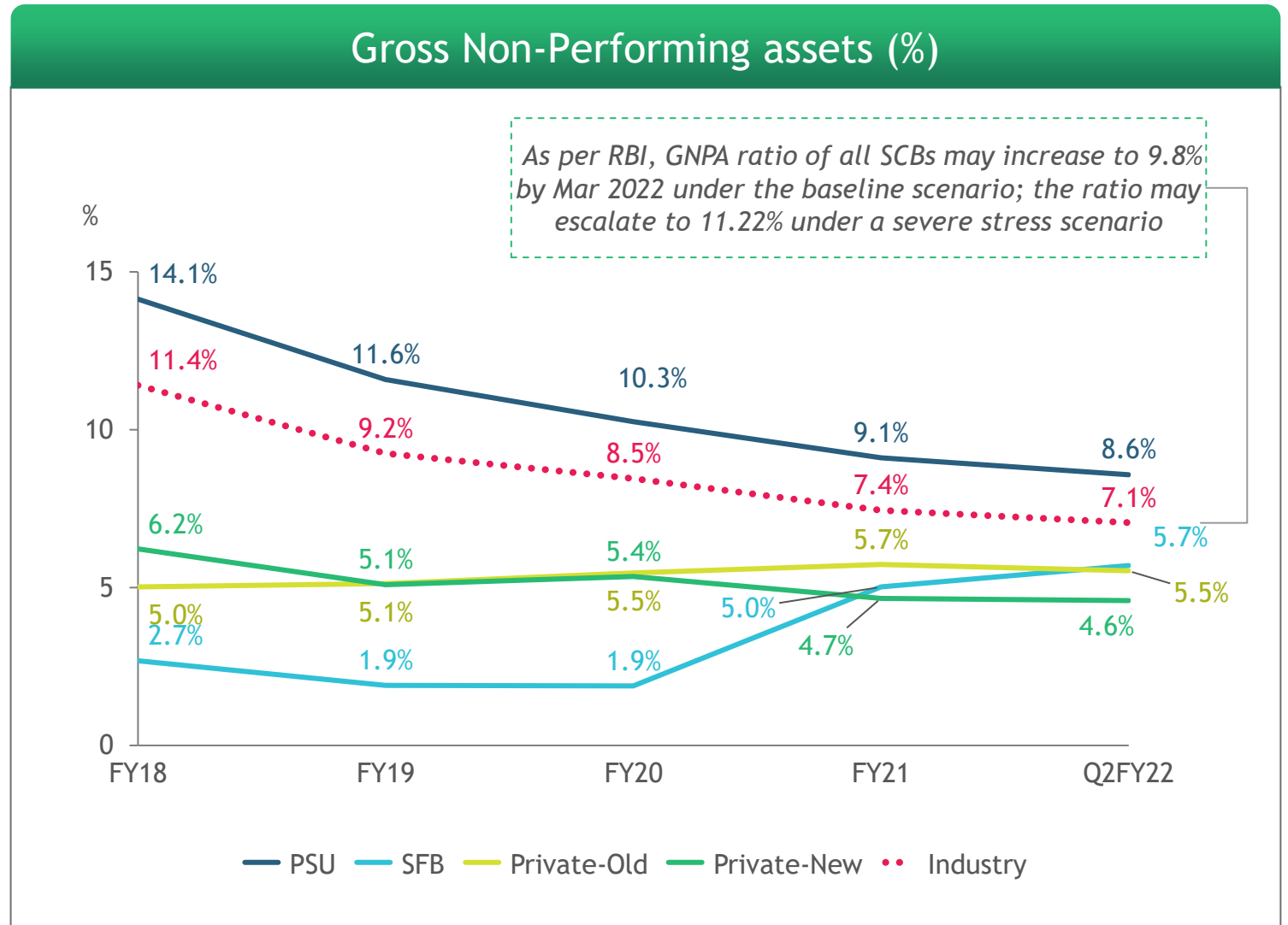
Digital in Banking

Key Regulatory Measures

Player Performance



Asset quality gradually improving for most banks; SFBs reported deteriorating asset quality



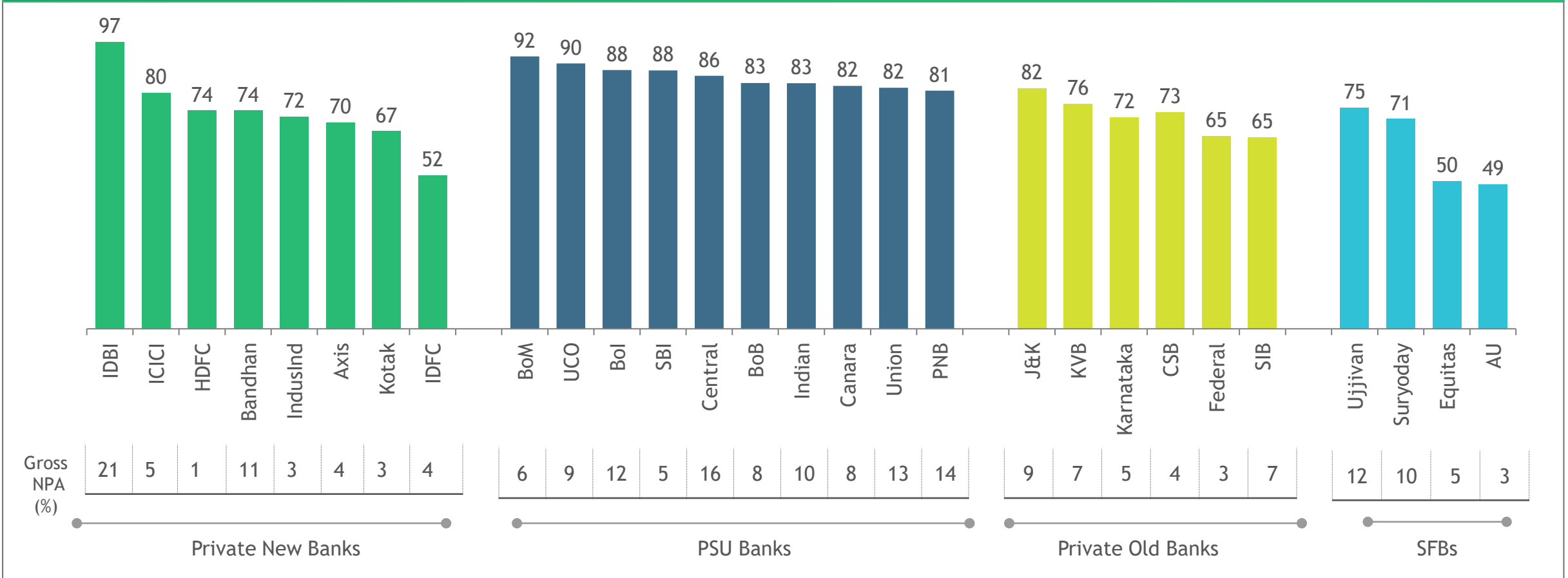
Note: Analysis has been made based on 12 PSU, 10 Private-New 8 Private-Old and 4 Small Finance Banks
 Source: RBI; Capitaline; Press releases; BCG analysis



Healthy provision coverage against NPAs across banks

Select Banks

Provision coverage ratio¹ (%) (Sept '21)



1. All the above PCR% are including Technical write-offs, wherever separately disclosed by banks
 Source: Capitaline, Investor presentation, Press release, BCG Analysis

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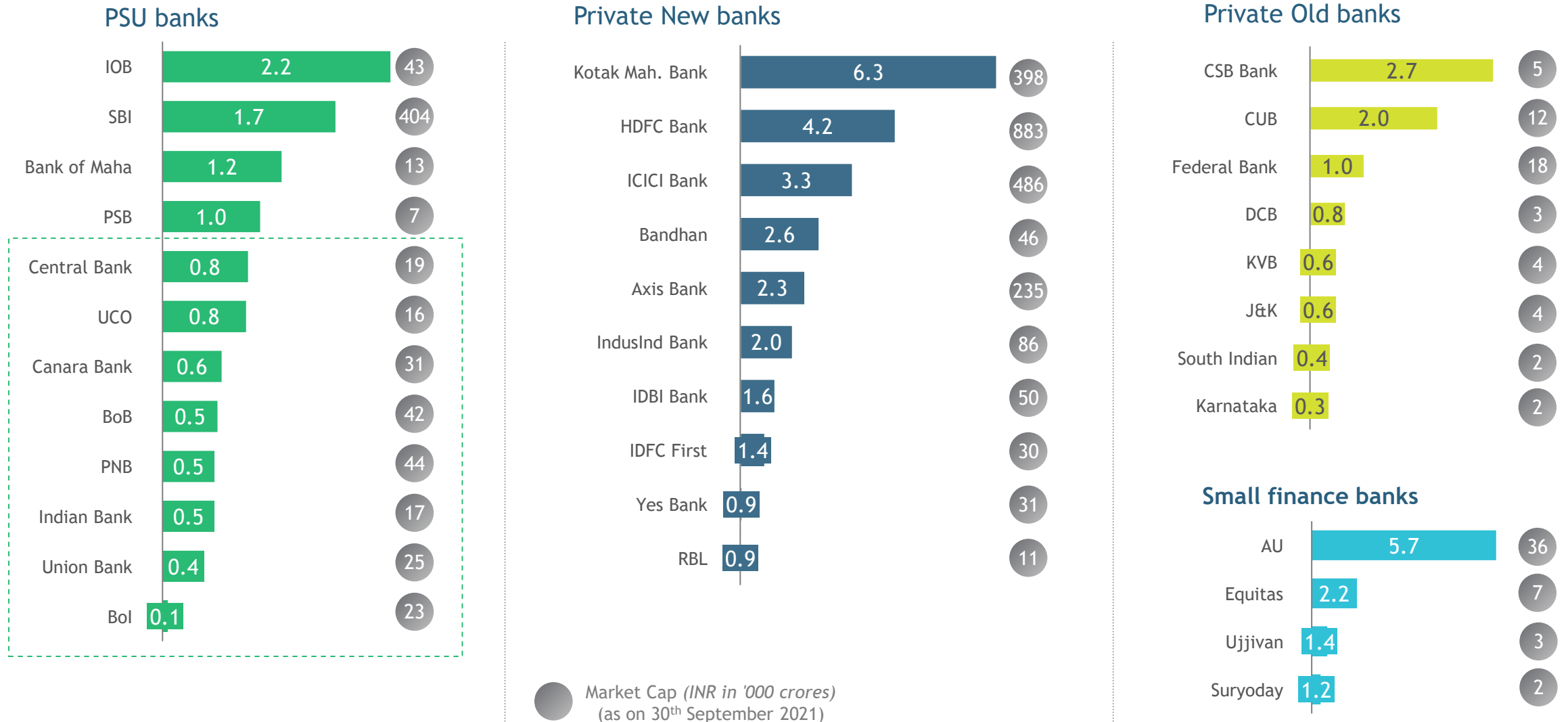
Player Performance



Most PSU banks valued at discount to book value

Price to book ratio (As on 30th September 2021)

Select Banks



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Emergence of end-to-end digital adoption by Indian Banking Industry

Select Banks

For Q2 FY22	AXIS BANK	IndusInd Bank	ICICI Bank	SBI
Saving Account sourced digitally	71% ¹ ↑ 400 bps	98% ↑ 200 bps	NA	62% ↓ 1000 bps
FD sourced digitally	67% ² ↓ 200 bps	94% ↑ 100 bps	57% ² ↓ 300 bps	NA
SIPs initiated digitally	48% ↓ 900 bps	NA	69% ² ↑ 900 bps	~4,957cr. MF sales ²
Credit Card issued digitally	77% ↑ 300 bps	44% ↓ 600 bps	24% ² ↑ 100 bps	NA
Personal Loans sourced digitally	55% ¹ ↓ 500 bps	43% ↓ 200 bps	40% ² ↑ 1700 bps	~7,875 cr. PAPL disbursed ⁴
YoY growth in Volume of MB Transaction ¹	69%	2.9x times ³	3.3x times	NA

↑ ↓ Q-o-Q changes

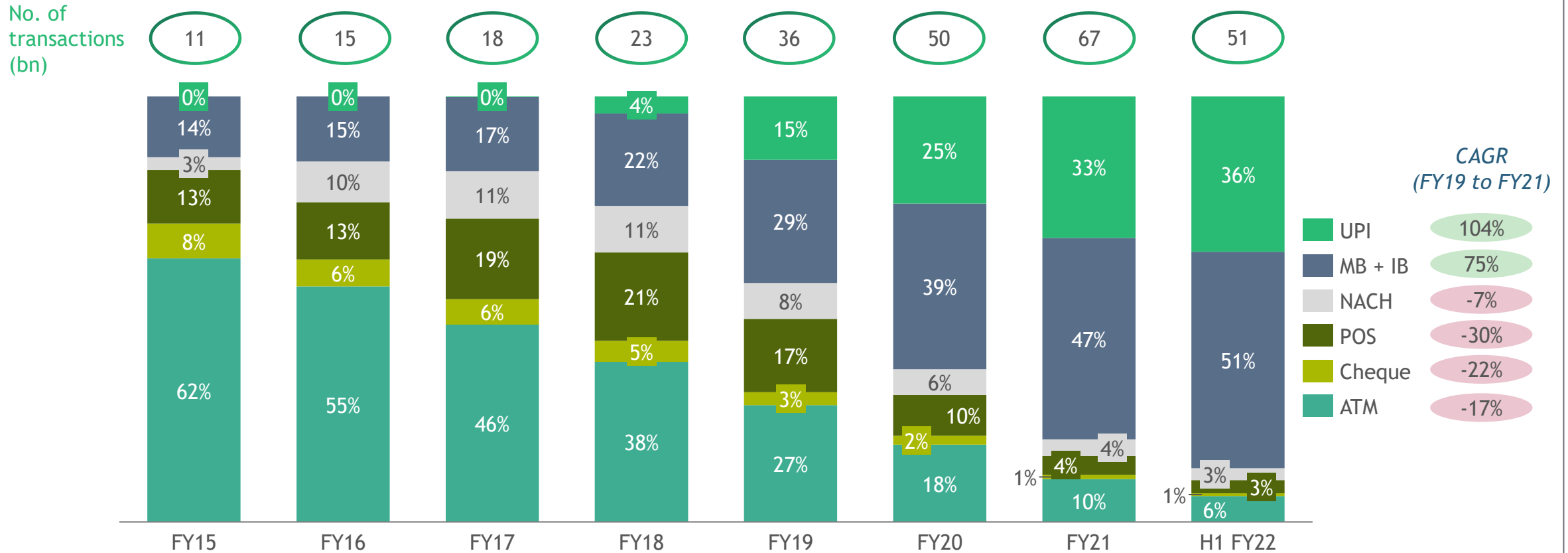
1. Through phygital and digital mode in H1FY22; 2. For H1 FY22; 3. YoY Increase in mobile & UPI transactions (Q2 FY22 over Q2 FY21); 4. Pre-approved Personal Loans disbursed during FY (YTD)

Source: NPCI, Investor presentations; Analyst reports; BCG analysis



H1FY22: >85% transactions are now digital; huge jump from 64% in FY20

Split of Financial Transactions² (%) by volume



Notes: 1. Financial Transactions do not include cash transactions at branches; 3. Internet transactions include RTGS, ECS, NEFT and IMPS financial transactions · ATM and Mobile transactions included are financial transactions only; 4. CAGR is calculated as FY19-FY21 5. Total may not sum to 100 because of differences due to rounding off
 Source: RBI data; National Payments Corporation of India (NPCI) statistics; BCG analysis

Banking sector overview

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Key Regulatory Measures



Nov 23 The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021

According to the Lok Sabha bulletin on the legislative agenda, the bill has been listed for the winter session of Parliament to create a facilitative framework for creation of the official digital currency to be issued by the Reserve Bank of India.

The Bill also seeks to prohibit all private cryptocurrencies in India; however, it allows for certain exceptions to promote the underlying technology of cryptocurrency and its uses



Sept 24 Master Directions on “Transfer of Loan Exposures”

Loan transfers are resorted to by lending institutions for multitude of reasons ranging from liquidity management, rebalancing their exposures or strategic sales. With a view to create a robust secondary market in loans, RBI has issued set of regulatory guidelines governing transfer of loan exposures

[Link to full document](#)



Sept 24 Master Directions on “Securitisation of Standard Assets”

Prudentially structured securitisation transactions will be an important facilitator in a well-functioning financial market in that it improves risk distribution and liquidity of lenders in originating fresh loan exposures

[Link to full document](#)



Jun 14 RBI releases Consultative Document on Regulation of Microfinance

The document is aimed at protecting the microfinance borrowers from over-indebtedness as well as enabling competitive forces to bring down the interest rates by empowering the borrowers to make an informed decision

[Link to full document](#)



Feb 18 Master Direction on Digital Payment Security Controls

Going by the pre-eminent role being played by digital payment systems in India, RBI gives highest importance to the security controls around it. These guidelines will create an enhanced and enabling environment for customers to use digital payment products in more safe and secure manner

[Link to full document](#)

Banking sector overview

Macro Indicators

Key Performance Indicators- Industry (Banks + NBFCs)

Key Performance Indicators- Banking Industry

Business: Advances & Deposits

NPA & Risk Management

Valuation

Digital in Banking

Key Regulatory Measures

 Player Performance



Player performance (I/III)

	Period	Net Advances		Deposits		CASA		NIM ⁴ (%)		CIR ² (%)		GNPA (%)		ROA ⁴ (%)	
		Rs	Cr	Rs	Cr	Ratio (%)									
SBI	Q2FY '22	24.4L	▲7%	38.1L	▲10%	46%	▲ 85 bps	2.8%	▼ 6 bps	54%	▼ 106 bps	4.9%	▼ 38 bps	0.7%	▲ 22 bps
	Q2FY '21	22.9L		34.7L		45%		2.9%		55%		5.3%		0.5%	
pnb	Q2FY '22	6.7L	▲3%	11.2L	▲4%	45%	▼ 188 bps	2.0%	▼ 72 bps	58%	▲ 969 bps	13.6%	▲ 20 bps	0.4%	▲ 15 bps
	Q2FY '21	6.5L		10.7L		47%		2.8%		49%		13.4%		0.2%	
केनरा बैंक Canara Bank	Q2FY '22	6.5L	▲5%	10.3L	▲9%	34%	▲ 135 bps	2.2%	▼ 19 bps	47%	▼ 430 bps	8.4%	▲ 19 bps	0.5%	▲ 30 bps
	Q2FY '21	6.2L		9.5L		33%		2.4%		51%		8.2%		0.2%	
बैंक ऑफ बड़ोदा Bank of Baroda	Q2FY '22	6.9L	▲4%	9.6L	▲1%	43%	▲ 368 bps	2.6%	▼ 7 bps	49%	▲ 108 bps	8.1%	▼ 103 bps	0.7%	▲ 11 bps
	Q2FY '21	6.7L		9.5L		40%		2.7%		48%		9.1%		0.6%	
यूनियन बैंक Union Bank	Q2FY '22	5.8L	▲0.3%	9.1L	▲3%	37%	▲ 249 bps	2.6%	▲ 12 bps	44%	▼ 64 bps	12.6%	▼ 207 bps	0.6%	▲ 38 bps
	Q2FY '21	5.8L		8.9L		35%		2.5%		44%		14.7%		0.2%	
Bank of India	Q2FY '22	3.8L	▲5%	6.1L	▲1%	38%	▲ 386 bps	2.0%	▼ 49 bps	53%	▲ 454 bps	12.0%	▼ 179 bps	0.6%	▲ 28 bps
	Q2FY '21	3.6L		6.1L		34%		2.5%		48%		13.8%		0.3%	
इंडियन बैंक Indian Bank	Q2FY '22	3.6L	▲6%	5.5L	▲10%	41%	▼ 53 bps	2.7%	▼ 28 bps	46%	▼ 256 bps	9.6%	▼ 33 bps	0.7%	▲ 42 bps
	Q2FY '21	3.4L		5.0L		42%		2.9%		48%		9.9%		0.3%	
सेंट्रल बैंक ऑफ इंडिया Central Bank of India	Q2FY '22	1.6L	▲0%	3.4L	▲4%	50%	▲ 214 bps	2.7%	▲ 2 bps	56%	▲ 169 bps	15.5%	▼ 184 bps	0.3%	▲ 9 bps
	Q2FY '21	1.6L		3.2L		48%		2.7%		55%		17.4%		0.2%	
Indian Overseas Bank	Q2FY '22	1.3L	▲ 10%	2.5L	▲ 9%	43%	▲ 221 bps	2.4%	▼ 4 bps	48%	▼ 34 bps	10.7%	▼ 238 bps	0.6%	▲ 32 bps
	Q2FY '21	1.2L		2.3L		41%		2.5%		49%		13.0%		0.2%	
यूको बैंक UCO BANK	Q2FY '22	1.1L	▲ 8%	2.1L	▲ 8%	39%	▼ 67 bps	2.6%	▲ 17 bps	47%	▼ 156 bps	9.0%	▼ 264 bps	0.3%	▲ 28 bps
	Q2FY '21	1.1L		2.0L		40%		2.4%		49%		11.6%		0.1%	
बैंक ऑफ महाराष्ट्र Bank of Maharashtra	Q2FY '22	1.1L	▲ 14%	1.8L	▲ 14%	54%	▲ 340 bps	3.1%	▲ 46 bps	47%	▼ 355 bps	5.6%	▼ 325 bps	0.5%	▲ 24 bps
	Q2FY '21	1.0L		1.6L		51%		2.6%		50%		8.8%		0.3%	
Punjab & Sind Bank	Q2FY '22	0.6L	▲ 7%	1.0L	▲ 21%	30%	▼ 199 bps	2.3%	▼ 12 bps	70%	▼ 403 bps	14.5%	▲ 48 bps	0.8%	▲ 244 bps
	Q2FY '21	0.6L		0.8L		32%		2.5%		74%		14.1%		-1.6%	

- Advances are net advances; 2. RoA and NIM are calculated as % of average assets; 3. CIR is calculated as Opex by Total Income (NII + Other Income); 4. Annualized
- Source: RBI; Capitaline; Press releases; BCG analysis

xxx Change vs. last year



Player performance (II/III)

Private new banks

	Period	Net Advances Rs Cr	Deposits Rs Cr	CASA Ratio (%)	NIM ⁴ (%)	CIR ² (%)	GNPA (%)	ROA ⁴ (%)
HDFC BANK	Q2FY '22	12.0L ▲15%	14.1L ▲14%	47% ▲ 520 bps	4.1% ▼21 bps	37% ▲ 15 bps	1.4% ▲ 27 bps	2.0% ▼2 bps
	Q2FY '21	10.4L	12.3L	42%	4.3%	37%	1.1%	2.0%
ICICI Bank	Q2FY '22	7.6L ▲17%	9.8L ▲17%	46% ▲ 234 bps	3.8% ▲37 bps	40% ▲ 154 bps	4.8% ▼ 35 bps	1.8% ▲23 bps
	Q2FY '21	6.5L	8.3L	44%	3.5%	38%	5.2%	1.6%
AXIS BANK	Q2FY '22	6.2L ▲10%	7.4L ▲16%	44% ▼ 53 bps	3.2% ▼19 bps	49% ▲ 1045 bps	3.5% ▼ 65 bps	1.3% ▲50 bps
	Q2FY '21	5.6L	6.4L	45%	3.4%	39%	4.2%	0.8%
Kotak <small>Kotak Mahindra Bank</small>	Q2FY '22	2.3L ▲15%	2.9L ▲12%	61% ▲ 346 bps	4.1% ▼40 bps	47% ▲ 771 bps	3.2% ▲ 64 bps	2.1% ▼45 bps
	Q2FY '21	2.0L	2.6L	57%	4.5%	39%	2.6%	2.5%
IndusInd Bank	Q2FY '22	2.2L ▲10%	2.8L ▲21%	42% ▲ 185 bps	4.1% ▼8 bps	42% ▲ 82 bps	2.8% ▲ 56 bps	1.2% ▲42 bps
	Q2FY '21	2.0L	2.3L	40%	4.2%	41%	2.2%	0.8%
IDBI BANK	Q2FY '22	1.3L ▲5%	2.2L ▼0.3%	55% ▲ 631 bps	2.5% ▲30 bps	55% ▼ 383 bps	20.9% ▼ 416 bps	0.8% ▲34 bps
	Q2FY '21	1.3L	2.2L	48%	2.2%	59%	25.1%	0.4%
YES BANK	Q2FY '22	1.7L ▲4%	1.8L ▲30%	29% ▲ 463 bps	2.2% ▼40 bps	70% ▲ 1904 bps	15.0% ▼ 193 bps	0.3% ▲16 bps
	Q2FY '21	1.7L	1.4L	25%	2.6%	51%	16.9%	0.2%
IDFC FIRST Bank	Q2FY '22	1.0L ▲14%	0.9L ▲19%	55% ▲1165 bps	5.6% ▲108 bps	77% ▼ 527 bps	4.3% ▲ 265 bps	0.4% ▲12 bps
	Q2FY '21	0.9L	0.8L	44%	4.5%	83%	1.6%	0.3%
Bandhan Bank	Q2FY '22	0.7L ▲2%	0.8L ▲24%	45% ▲ 640 bps	7.1% ▼130 bps	36% ▲ 659 bps	10.8% ▲ 964 bps	-11.0% ▼1507 bps
	Q2FY '21	0.7L	0.7L	38%	8.4%	30%	1.2%	4.0%
RBL BANK	Q2FY '22	0.6L ▼0.3%	0.8L ▲17%	35% ▲ 430 bps	3.7% ▼14 bps	54% ▲ 468 bps	5.4% ▲ 206 bps	0.1% ▼47 bps
	Q2FY '21	0.6L	0.6L	31%	3.8%	50%	3.3%	0.6%

xxx Change vs. last year

- Advances are net advances; 2. RoA and NIM are calculated as % of average assets; 3. CIR is calculated as Opex by Total Income (NII + Other Income); 4. Annualized
- Source: RBI; Capitaline; Press releases; BCG analysis



Player performance (III/III)

	Period	Net Advances Rs Cr	Deposits Rs Cr	CASA Ratio (%)	NIM ⁴ (%)	CIR ² (%)	GNPA (%)	ROA ⁴ (%)	
Private old banks	FEDERAL BANK YOUR PERFECT BANKING PARTNER	Q2FY '22	1.3L ▲9%	1.7L ▲10%	36% ▲ 248 bps	3.0% ▼12 bps	55% ▲679 bps	3.2% ▲40 bps	0.9% ▲ 24 bps
		Q2FY '21	1.2L	1.6L	34%	3.1%	48%	2.8%	0.7%
	J&K Bank	Q2FY '22	0.7L ▲2%	1.1L ▲6%	55% ▲ 153 bps	3.4% ▼16 bps	72% ▲921 bps	9.0% ▲8 bps	0.4% ▲ 22 bps
		Q2FY '21	0.7L	1.0L	53%	3.5%	63%	8.9%	0.2%
	SOUTH INDIAN Bank	Q2FY '22	0.6L ▼11%	0.9L ▲5%	31% ▲ 302 bps	2.2% ▼61 bps	82% ▲2657 bps	6.7% ▲178 bps	-0.8% ▼ 104 bps
		Q2FY '21	0.6L	0.8L	28%	2.8%	56%	4.9%	0.3%
	Karnataka Bank Your Family Bank. Service with care.	Q2FY '22	0.5L ▲1%	0.8L ▲5%	31% ▲ 171 bps	3.0% ▲14 bps	52% ▲431 bps	4.5% ▲53 bps	0.6% ▼ 01 bps
		Q2FY '21	0.5L	0.7L	29%	2.8%	47%	4.0%	0.6%
	KVB Karur Vysya Bank Smart way to bank	Q2FY '22	0.5L ▲7%	0.7L ▲7%	35% ▲ 155 bps	3.7% ▲32 bps	56% ▲157 bps	7.4% ▼55 bps	0.9% ▲ 25 bps
		Q2FY '21	0.5L	0.6L	34%	3.4%	54%	7.9%	0.6%
SFBs	CITY UNION BANK CUB	Q2FY '22	0.4L ▲7%	0.5L ▲12%	29% ▲ 326 bps	3.6% ▼27 bps	41% ▲20 bps	5.6% ▲214 bps	1.4% ▲ 9 bps
		Q2FY '21	0.3L	0.4L	26%	3.8%	40%	3.4%	1.3%
	DCB BANK	Q2FY '22	0.3L ▲8%	0.3L ▲10%	25% ▲ 295 bps	3.3% ▼31 bps	58% ▲980 bps	4.7% ▲241 bps	0.7% ▼ 23 bps
		Q2FY '21	0.2L	0.3L	22%	3.6%	49%	2.3%	0.9%
	CSB Bank Formerly The Catholic Syrian Bank Ltd.	Q2FY '22	0.1L ▲12%	0.2L ▲9%	33% ▲ 319 bps	4.9% ▲29 bps	56% ▼58 bps	4.1% ▲107 bps	2.1% ▲ 70 bps
		Q2FY '21	0.1L	0.2L	29%	4.6%	56%	3.0%	1.4%
	AU SMALL FINANCE BANK	Q2FY '22	0.4L ▲32%	0.4L ▲45%	45% ▲ 1953 bps	6.2% ▲110 bps	59% ▲1229 bps	3.2% ▲162 bps	2.3% ▼ 63 bps
		Q2FY '21	0.3L	0.3L	26%	5.1%	46%	1.5%	2.9%
	equitas Equitas Small Finance Bank	Q2FY '22	0.2L ▲12%	0.2L ▲40%	19% ▲ 740 bps	8.0% ▼125 bps	69% ▲1000 bps	4.8% ▲234 bps	0.7% ▼ 138 bps
		Q2FY '21	0.2L	0.1L	11%	9.2%	59%	2.5%	2.1%
UJJIVAN Ujjivan Small Finance Bank	Q2FY '22	0.1L ▼2%	0.1L ▲31%	22% ▲ 600 bps	8.2% ▼260 bps	84% ▲2695 bps	11.8% ▲1082 bps	-5.7% ▼ 792 bps	
	Q2FY '21	0.1L	0.1L	16%	10.8%	57%	1.0%	2.2%	
SURYODAY A BANK OF SMILES	Q2FY '22	0.0L ▲18%	0.0L ▲0%	33% ▲ 723 bps	9.3% ▲88 bps	54% ▼353 bps	10.2% ▲796 bps	-0.1% ▼ 220 bps	
	Q2FY '21	0.0L	0.0L	26%	8.4%	58%	2.3%	2.1%	

- Advances are net advances; 2. RoA and NIM are calculated as % of average assets; 3. CIR is calculated as Opex by Total Income (NII + Other Income); 4. Annualized
- Source: RBI; Capitaline; Press releases; BCG analysis

xxx Change vs. last year

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