

Industry	Financial
Bloomberg	SBIN IN
BSE CODE	500112

Conserving for better future earnings going ahead.

RATING	BUY
CMP	284
Price Target	348
Potential Upside	23%

Rating Change	↔
Estimate Change	↓
Target Change	↔

Stock Info

52wk Range H/L	325/232
Mkt Capital (Rs Cr)	253,726
Free float (%)	43%
Avg. Vol 1M (000)	15,059
No. of Shares (Cr)	892
Promoters Pledged %	

Research Analyst

DEEPAK KUMAR

Deepak.kumar@narnolia.com
+91-22-62701205

SWETA PADHI

Shweta.padhi@narnolia.com
+91-22-62701227

3QFY19 Result Update

- ❑ NII has grown strong at 21% YoY in line with our expectations while PAT missed our expectations due to lower treasury income, higher opex. PAT jumped 3 fold to Rs 3955 Cr. NIM improved by 3 bps/31 bps QoQ/ YoY supported by expansion by domestic NIM from 2.88% to 2.92%, while foreign NIM declined sequentially from 1.42% to 1.38%. Yield on advances has improved by 5 bps QoQ while cost of deposit has remained almost stable at 5.09%
- ❑ Operating expenses were higher due to increase in provisions on employee retirement benefit which rose by 124% but staff cost increase was just about 2.4% YoY.
- ❑ Total Provisions declined by 50% QoQ but NPA related provision remained elevated and increased by 37% QoQ to Rs 13971 Cr which resulted in strengthening of PCR to 75%. Management has provided Rs 5000 Cr of extra NPA provision over the norms. Write back in investment depreciations of Rs 7994 Cr has resulted in lower total provisions.
- ❑ Domestic advances grew at 16% YoY while foreign advances have de-grown at 8% YoY. CD ratio stands at 72% driven by 7% growth in Deposit. Retail growth was at 28% YoY.
- ❑ GNPA has improved by 124 bps QoQ to 8.71%, NPA has declined by 89 bps QoQ to 3.95% as at 3QFY19. There is an all-round improvement in the GNPA number across all segments. Corporate slippages stood at Rs 1908 Cr. SMA 1 & SMA 2 stands at Rs 17059 Cr.

View and Valuation

Assets quality has been improving with the declining stress additions. PCR of 75% gives comfort in lower credit cost in FY20. Speed up in resolution and recovery of NPA will improve the headline numbers of assets quality significantly in FY20. Management expects Rs 34K Cr of NPA resolution to be completed in near term. For FY20 management expects slippages to decline to Rs 24k-30k Cr. On the growth front advances picked up to the industry level growth which seems to be key positive for the bank. NIM has been on improving trend led by increase in yield. We expect NIM to improve going ahead given the large low cost deposits franchise. Further MCLR reset and lower slippages will provide support to margins. We expect earnings for FY20 to get boost from improving NIM, controlled opex and lower credit cost. We largely maintain our earnings estimates for FY20. SBI is currently trading at 1x BVPS FY20e. We maintain BUY on the stock with the unchanged target price of Rs 348.

Key Risks to our rating and target

- ❑ Delay in NCLT resolution process
- ❑ Excessive increase in haircut than estimated.

KEY FINANCIAL/VALUATIONS	FY16	FY17	FY18	FY19E	FY20E
NII	163685	175518	220499	244871	278533
PPP	43258	50848	59511	56382	73976
PAT	9951	10485	-6547	5940	32006
NIM %	2.8	2.7	2.7	2.7	2.9
EPS (Rs)	13	13	-7	7	36
EPS growth (%)	-27	3	-156	-191	439
ROE (%)	7.3	6.3	-3.0	2.7	13.3
ROA (%)	0.5	0.4	-0.2	0.2	0.8
BV	114	123	93	140	182
P/B (X)	1.0	1.2	1.0	1.1	1.0
P/E (x)	15.2	22.2	-34.1	42.7	7.9

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3Q FY19 Results
NII in line with expectation
Assets Quality Improves

Financials	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	YoY %	QoQ%	FY17	FY18	YoY %
Interest Inc.	54,803	55,941	58,813	58,793	62,277	13.6%	5.9%	175518	220499	25.6%
Interest Exp.	36,115	35,967	37,015	37,888	39,586	9.6%	4.5%	113658	145645	28.1%
NII	18,688	19,974	21,798	20,906	22,691	21.4%	8.5%	61860	74854	21.0%
Other Income	8,084	12,495	6,679	9,375	8,035	-0.6%	-14.3%	35461	44601	25.8%
Total Income	26,772	32,469	28,478	30,281	30,726	14.8%	1.5%	97321	119455	22.7%
Ope Exp.	15,017	16,586	16,505	16,376	18,101	20.5%	10.5%	46473	59944	29.0%
PPP	11,755	15,883	11,973	13,905	12,625	7.4%	-9.2%	50848	59511	17.0%
Provisions	18,876	28,096	19,228	12,092	6,006	-68.2%	-50.3%	35992	75039	108.5%
PBT	(7,122)	-12212.9	-7255	1,813	6,619	LTP	265.1%	14856	-15528	N/A
Tax	(4,705)	(4,495)	(2,379)	868	2,664	N/A	207.0%	4371	-8981	N/A
Net Profit	(2,416)	(7,718)	(4,876)	945	3,955	LTP	318.6%	10485	-6547	N/A

NII growth improved backed by improving NIM.

Domestic NIM improved by 4 bps QoQ led by improvement in yield & decline in Cost of fund. Foreign NIM declined by 4 bps QoQ to 1.38%. Yield on advances improved by 5 bps/10 bps on QoQ/YoY, while cost of deposits declined by 1 bps/23 bps on QoQ/YoY basis. Management thinks NIM to improve to 3% going ahead while there is a scope of improvement in the domestic NIM.

C/I ratio increased to 58.9% as against 54% a quarter back, due to increase in operating expenditure growth by 21% YoY. Operating expenses were higher due to increase in provisions on employee retirement benefit which rose by 124% but staff cost increase was just about 2.4% YoY.

Advances growth picked-up.

Overall loan book grew by 12% YoY. Domestic advances grew by 16% YoY driven by growth in corporate and retail segment whereas foreign advances have de-grown by 8%. Corporate advances grew by 12% YoY. Retail book grew by 18% YoY due to strong growth in home loan by 27% YoY. Auto loan grew by 9% YoY. Management expects loan growth to be in the range of 10-12% going forward. Deposits during the quarter grew at 1%/7% on QoQ/YoY basis. Current account decreased by 1%/1% QoQ/YoY, whereas saving account grew at 1%/9% on QoQ/YoY basis. CASA ratio was improved by 2 bps at 43.72%

Slippages moderated during the quarter.

Slippages during the quarter declined by 40% sequentially to Rs 6541 Cr, out of which fresh slippages was Rs 4523 Cr. GNPA/NNPA ratio declined by 124 bps/89 bps on YoY/QoQ basis to reach at 8.71%/3.95% respectively. PCR improves to 75% vs 71% a quarter back. GNPA has improved across all segments with agri from 11.43% to 11.01% QoQ, personal segment 1.20% to 1.11%, SME from 10.21% to 8.81%, corporate book from 19.63% to 16.89% QoQ and international from 1.27% to 88 bps respectively. Total exposure in NCLT 1 & NCLT 2 cases (inc. AUCA) is about Rs 58927 Cr and about 75% of provisions have been done. Exposure in power sector is about Rs 195133 Cr, out of which Rs 31449 Cr is NPA & SMA 1 & 2 stands at Rs 6105 altogether constituting about 50% of provisions towards it. The bank has total exposure of Rs 163947 Cr towards the NBFC sector. Corporate slippages stood at Rs 1908 Cr. SBI has provided 50% for Rs 900 Cr IL&FS exposure, while DHFL exposure stands standard & fully servicing. Management expects slippages to the tune of Rs 25000-30000 in FY20. Management is optimistic of recovery to the amount of Rs 34000 Cr which will bring down GNPA & NPA level to 7% & 3% going ahead.

Other Highlights

- ❑ Fee income declined during the quarter by 6% YoY. Other income declined by 1% YoY, due to lower treasury gain.
- ❑ Share of transactions through alternate channels registered an increase of 395 bps YoY to reach a level of 87.75% as on December 18 from 83.80% as on December 17. The Leadership position of the Bank in Debit Card spends continues with a market share of 30.16% as on Dec 18.
- ❑ CAR ratio declined by 16 bps to 12.70%. Tier-1 ratio stood at 10.54% during the quarter.

Concall Highlights

- Management believes to reach 3% NIM in one-year time.
- Operating expenses were higher due to increase in provisions on employee retiral benefit which rose by 124% but staff cost increase was just about 2.4% YoY. All the overheads of the bank are under control. Some of the expenses were related to the origination income.
- Management said that there concern in the market that growth of SBI was below the industry growth but ion 3Q FY19 SBI clocked back 12% advances growth and domestic advances growth was at 16% YoY with good quality assets.
- Management believes that comfortable CD ratio and LCR will enable further credit growth of the bank. Bank has almost added Rs 1 Lakh Cr of saving deposits in a year. Bank has 41.5 Cr of saving customer base and almost 1 Cr of customers are getting every year. This gives huge opportunity for the bank on cost side.
- For home loan and auto loan SBI's market share among SCBs is 34%. If HFCs were added then it is 20%.
- Overseas advances declined by 8% YoY due to Rupee appreciation and impact of transfer of \$2 billion assets in SBI UK and because of the LOU ban, the trade finance portfolio came down by almost \$8 billion.
- On the higher provisions for loan losses of Rs 13971 Cr, management stated that it was a deliberate and conscious decision to have higher provisions and accelerated provision. Management said that this quarter Rs 5000 Cr extra provisions have been provided above the regulatory norm. There was write-back under invest depreciation of about almost Rs 8000 Cr.
- Management said that there are 8 accounts worth of Rs 34000 Cr in advance stage of resolution the price has been discovered, it's just a matter of either adjudication before NCLT or NCLAT or approval, regulatory approval in respect of power assets. This resolution will bring down the gross NPA ratio below 7 and net NPA ratio below 3, and there will be a write back of Rs 6000 Cr of provision. Out of these 8 accounts 5 are under NCLT and 3 are power assets.
- On the watchlist management feels that the given size of watchlist it has lost relevance and will disclose the SMA 1 and SMA 2 numbers only as it reports to RBI.
- PCR on power sector is 50% which management believes is adequately covered given the price discovered in respect of some assets where bank is close to resolution.
- On NCLT accounts bank has 75% PCR. Management said that under one account bank has Rs 6000 Cr recovery.
- For FY20 management believes that the slippages will be in the range of Rs 25000-30000 Cr and credit cost will also be anywhere between Rs 25000 to Rs 30000 Cr by providing 100% on the fresh slippages. There will not be any carry over credit cost of FY19 in FY20.
- Account classification of NCLT 1 has changed from D2 to D3 requiring 100% PCR against existing 50%. As per approval by RBI bank has maintained the status quo in respect of provisions held in the view of full recovery of the book value of NPA as per resolution plan filed in NCLT.
- Under the SMA accounts of Rs 17000 Cr, corporate SMA would be Rs 9300 Cr.
- AUCA accounts are at Rs 131000 Cr.
- Holding company of IL&FS is already NPA and management has provided 50% PCR on exposure of Rs 900 Cr.
- Slippages consist of SME is Rs 1,599 Cr, agri is Rs 1,125 Cr, and Personal segment, which includes housing, at Rs 492 Cr and corporate is Rs 1,308 Cr.
- NFB exposure on NPA accounts has come down to below Rs 10000 Cr.
- Total agriculture portfolio is of Rs1,80,000 Cr, the crop loan is just Rs 1,00,000 Cr, and distributed across the country. Management has not seen any loan waiver impact on credit behavior.
- Through digital channel of 'YONO' bank has built Rs 1100 Cr of loan book till now with zero delinquencies.

Profitability Matrix

	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	YoY (+/-)	QoQ (+/-)
C/I Ratio %	53.6	42.2	56.1	51.1	58.0	54.1	58.9	2.82	4.83
Empl. Cost/ Tot. Exp. %	56.2287	52.7517	56.6	55.8	58.8	59.2	61.7	5.14	2.51
Other Exp/Tot. Exp.%	43.7713	47.2483	43.4	44.2	41.2	40.8	38.3	-5.14	-2.51
Provision/PPP %	75.199	95.6877	160.6	176.9	160.6	87.0	47.6	-113.01	-39.39
Tax /PBT %	31.8864	-83.4645	66.1	36.8	32.8	47.9	40.2	-25.82	-7.63
Int Exp./Int Inc. (%)	67.9332	66.1152	65.9	64.3	62.9	64.4	63.6	-2.34	-0.88
Other Inc./Net Inc. %	31.2574	46.2883	30.2	38.5	23.5	31.0	26.2	-4.05	-4.81
PAT/ Net Income %	7.83201	4.57273	(9.0)	(23.8)	(17.1)	3.1	12.9	21.90	9.75
PAT Growth %	-20.4361	-37.6779	(192.6)	(374.2)	-343	(40.3)	263.7	456.25	303.96
NII Growth % (YoY)	23.0141	28.7275	26.7	10.5	23.8	12.5	21.4	-5.26	8.94
Operating Profit Growth	7.4217	78.1744	(6.3)	(0.9)	0.8	(30.5)	7.4	13.69	37.88

Margin Performance

Margin %	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	YoY (+/-)	QoQ (+/-)
Yield on Advances	8.49	8.46	8.38	8.28	8.57	8.43	8.48	0.10	0.05
Yield on Total Assets (Cal.)	8.76	8.13	7.71	7.45	7.69	7.52	7.88	0.17	0.36
Cost of Fund	5.63	5.50	5.42	4.71	4.87	4.89	4.94	-0.48	0.04
Cost of Deposits	5.54	5.42	5.34	5.30	5.11	5.10	5.09	-0.25	-0.01
Dom. NIM	2.50	2.59	2.61	2.67	2.95	2.88	2.92	0.31	0.04
Whole NIM	2.36	2.43	2.45	2.50	2.80	2.73	2.76	0.31	0.03
Foreign NIM	1.16	1.17	1.16	1.14	1.47	1.42	1.38	0.22	-0.04

Exhibit: Yield and Cost

Rise in yield & decline in cost

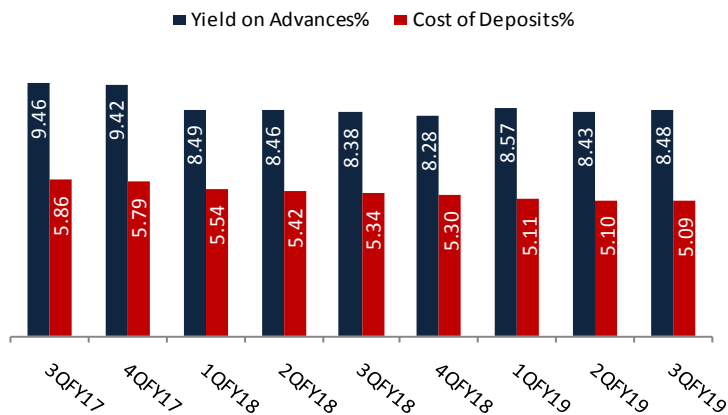
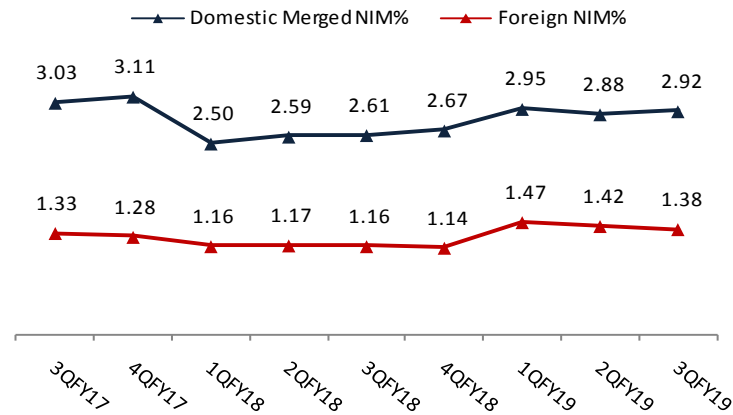


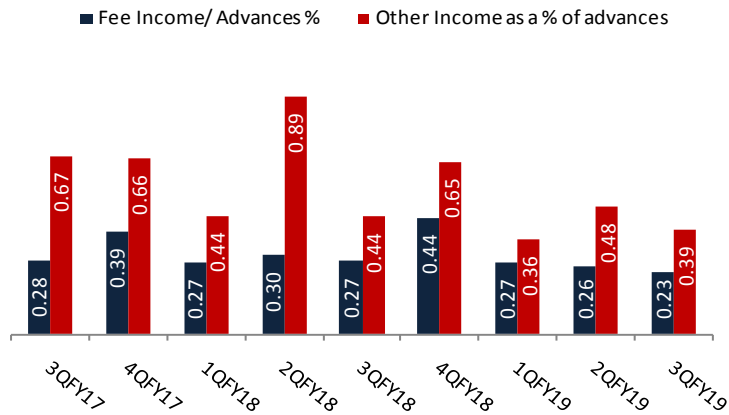
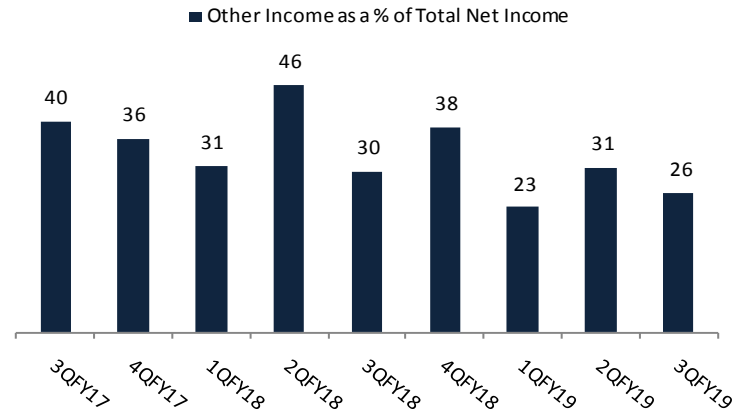
Exhibit: Net Interest Margin

NIM on improving trend.



Other Income Break Up- Decline in fee income.

	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19
Loan Processing Charges	594	1078	654	637	627	1360	641	641	926
Commission on Govt.	460	673	781	785	840	1003	931	973	953
Commission on LC/BG	863	861	407	446	618	636	592	637	600
Transaction Fees	715	1984	1432	0	0	3592	1482	1523	0
Cross Sell/Commission on	200	280	288	378	408	557	376	482	486
Misc Fee Income	1179	1202	463	3111	2486	883	143	291	413
Locker Rent, POS, CMP etc.	0	0	844	0	0	400	812	470	0
Total Fee-Based Income	4011	6078	4869	5357	4979	8431	4977	5015	4724
Forex Income	591	589	667	675	597	546	427	493	564
Dividend	0	394	23	94	0	331	13	0	0
Profit on Sale / Rev of	3969	1766	1770	8566	1026	941	-1264	1328	425
Other Income(Misc	1091	1500	676	1325	1482	2246	2527	2539	2322
Other Income	9662	10327	8005	16017	8084	12495	6680	9375	8035

Exhibit: Fee Income/Advances %
Fee income as a % of total advances declined.

Exhibit: Other Income/ Total Income %
Growth in other income shrunk

Asset Quality

	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	YoY (+/-)	QoQ (+/-)
GNPA (Rs in Cr)	188069	186114	199141	223427	212840	205863	187764	-6%	-9%
GNPA %	10.0	9.8	10.4	10.9	10.7	10.0	8.7	-1.64	-1.24
NNPA (Rs in Cr)	107760	97896	102370	110855	99236	94810	80944	-21%	-15%
NNPA %	6.0	5.4	5.6	5.7	5.3	4.8	4.0	-1.66	-0.89
Slippages (Rs in Cr)	30,059	10,627	26,780	32,821	14,349	10,888	6,541	-76%	-40%
PCR %	60.8	65.1	65.9	66.2	69.3	70.7	74.6	8.71	3.89

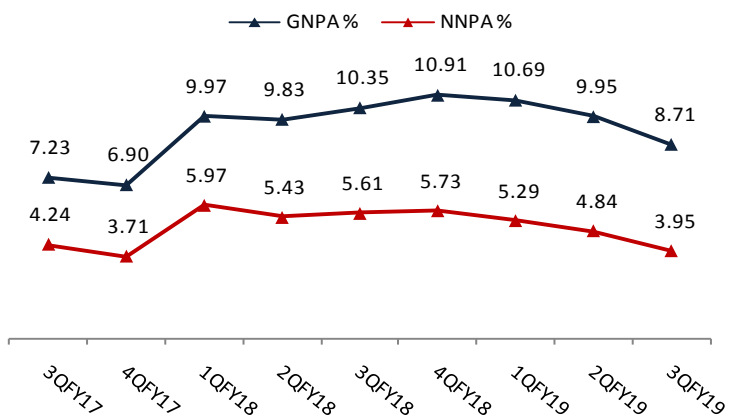
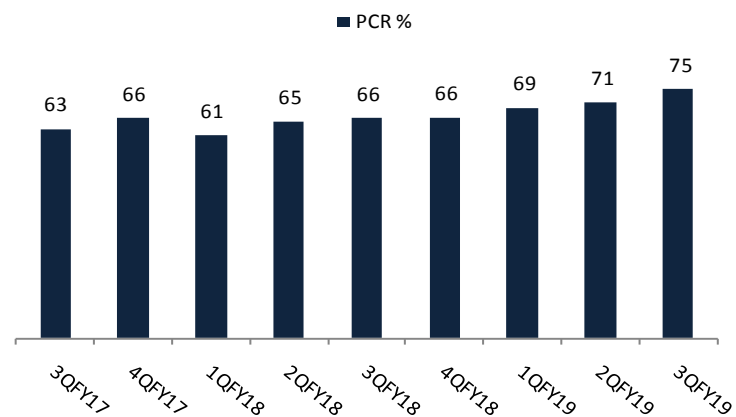
Exhibit: Asset Quality
Assets quality improved.

Exhibit: Provisions
PCR trending upwards.


Exhibit: Advances Performance

Advances growth picked-up.

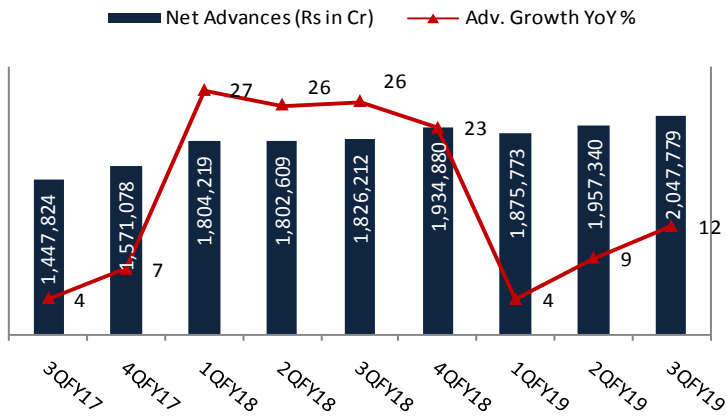


Exhibit: Domestic Advances Breakup%

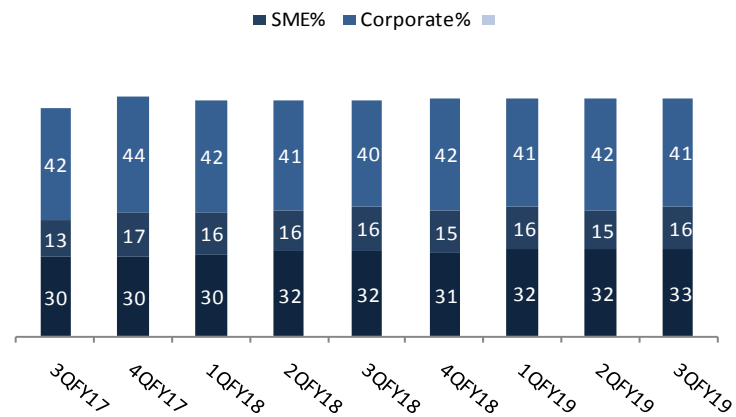


Exhibit: Deposits Performance

Deposits growth slightly moved up.

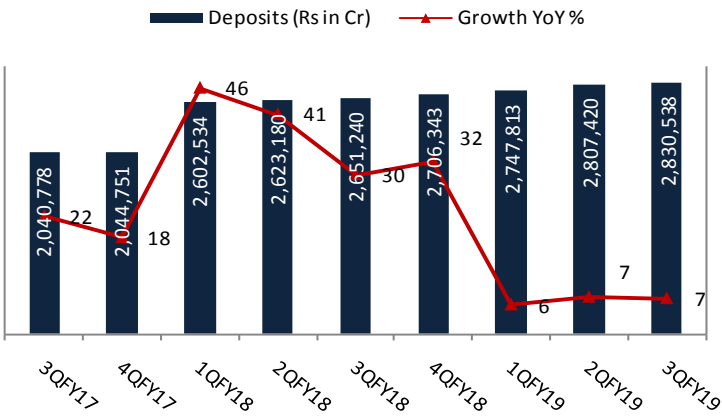


Exhibit: CASA Performance

CASA level remained stable.

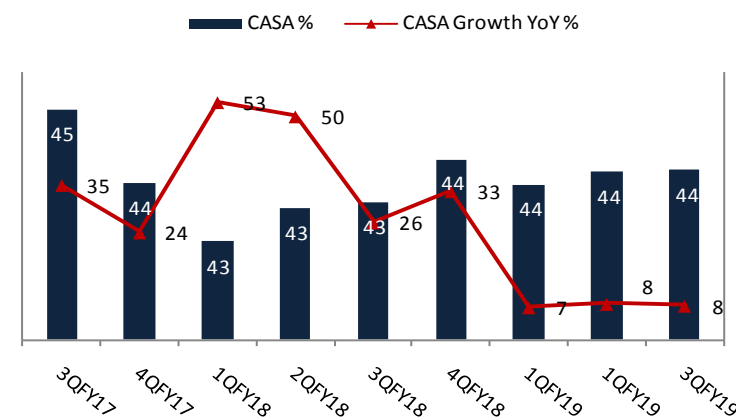


Exhibit: Credit Deposit Ratio

CD ratio moved up.

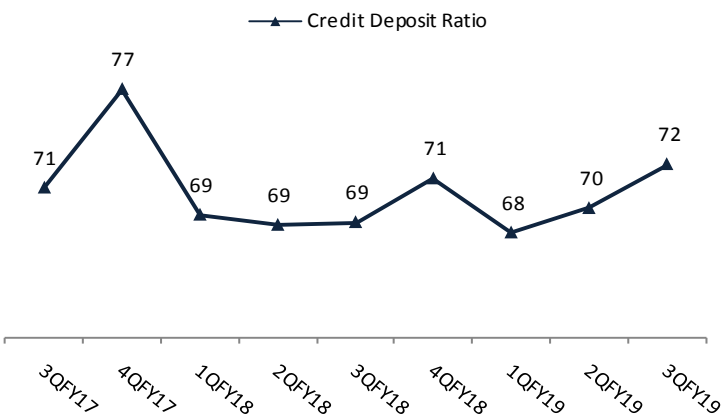
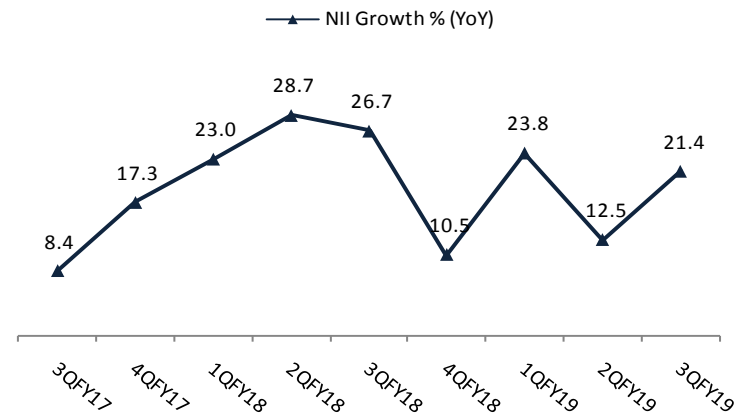


Exhibit: NII Growth

NII growth picked up.



Financial Details

Balance Sheet

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Share Capital	684	747	747	776	797	892	892	892
>> Equity Capital	684	747	747	776	797	892	892	892
>> Preference Capital	0	0	0	0	0	0	0	0
Reserves & Surplus	98200	117536	127692	143498	187489	218236	224176	255647
Networth	98884	118282	128438	144274	188286	219128	225069	256539
Deposits	1202740	1394409	1576793	1730722	2044751	2706343	2942078	3295127
Change (%)	15.2	15.9	13.1	9.8	18.1	32.4	8.7	12.0
>> CASA Deposits	525488	580197	637760	717332	890409	1187294	1295103	1450515
Change (%)	14.7	10.4	9.9	12.5	24.1	33.3	9.1	12.0
Borrowings	169183	183131	205150	323345	317694	362142	369582	380158
Other Liabilities & Prov.	95405	96927	137698	159276	155235	167138	176525	197708
Total Liabilities	1566212	1792748	2048080	2357617	2705966	3454751	3713253	4129532
Cash & Bank	114820	132550	174861	167468	171971	191898	199919	224998
Investments	350878	398800	495027	575652	765990	1060987	1117990	1225787
Change (%)	12.4	13.7	24.1	16.3	33.1	38.5	5.4	9.6
Advances	1045617	1209829	1300026	1463700	1571078	1934880	2147717	2405443
Change (%)	20.5	15.7	7.5	12.6	7.3	23.2	11.0	12.0
Fixed Assets	7005	8002	9329	10389	42919	39992	40392	41200
Other Assets	47892	43568	68836	140408	154008	226994	207236	232104
Total Assets	1566212	1792748	2048080	2357617	2705966	3454751	3713253	4129532

Income Statement

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Interest income	119657	136351	152397	163685	175518	220499	244871	278533
Interest expended	75326	87069	97382	106803	113658	145645	155101	172190
Net Interest Income	44331	49282	55015	56882	61860	74854	89770	106342
Change (%)	2.4	11.2	11.6	3.4	8.8	21.0	19.9	18.5
Other Income	16037	18553	22576	28158	35461	44601	35473	38855
Change (%)	11.7	15.7	21.7	24.7	25.9	25.8	-20.5	9.5
>> Core Fee Income	11484	12611	14139	15658	17803	23636	22233	25544
>> Treasury Income	1098	2077	3618	5017	10749	12303	797	3601
>> Others	3455	3865	4819	7483	6909	8662	12442	9710
Total Net Income	60368	67835	77591	85041	97321	119455	125243	145197
Operating Expenses	29285	35726	38678	41782	46473	59944	68861	71221
Change (%)	12.3	22.0	8.3	8.0	11.2	29.0	14.9	3.4
>> Employee Expenses	18381	22504	23537	25114	26489	33179	40589	38742
Pre-provisioning Profit	31083	32109	38913	43258	50848	59511	56382	73976
Change (%)	-1.6	3.3	21.2	11.2	17.5	17.0	-5.3	31.2
Provisions	11131	15935	19600	29484	35992	75039	46242	25482
Change (%)	-15.0	43.2	23.0	50.4	22.1	108.5	-38.4	-44.9
PBT	19952	16174	19314	13775	14856	-15528	10140	48494
Tax	5846	5283	6212	3823	4371	-8981	4200	16488
Profit After Tax	14106	10891	13102	9951	10485	-6547	5940	32006
Change (%)	20.5	-22.8	20.3	-24.0	5.4	-162.4	190.7	438.8

Financial Details

Key Ratios

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Balance Sheet Metrics								
Loan Growth (%)	21	16	7	13	7	23	11	12
Deposit Growth (%)	15	16	13	10	18	32	9	12
C/D Ratio (%)	86.9	86.8	82.4	84.6	76.8	71.5	73.0	73.0
CASA (%)	43.7	41.6	40.4	41.4	43.5	43.9	44.0	44.0
Investment/Deposit (%)	29.2	28.6	31.4	33.3	37.5	39.2	38.0	37.2
CRAR (%)	12.5	12.4	12.0	13.1	13.1	12.6	11.8	11.8
>> Tier 1 (%)	9.3	9.7	9.6	9.9	10.4	10.4	9.5	9.7
>> Tier 2 (%)	3.2	2.7	2.4	3.2	2.8	2.2	2.3	2.1

Assets Quality Metrics

Gross NPA (Rs)	51,190	61,605	56,725	98,173	112343	223427	179143	172542
Gross NPA (%)	4.8	5.0	4.3	6.5	6.9	10.9	7.9	6.8
Net NPA(Rs)	21,956	31,096	27,591	55,807	58,277	110855	75240	69017
Net NPA (%)	2.1	2.6	2.1	3.8	3.7	5.7	3.5	2.9
Slippages (%)	4	4	2	5	3	7	2	2
Provision Coverage (%)	67	63	69	61	66	66	73	75
Provision/Average Advances (%)	1.2	1.4	1.6	2.1	2.4	4.0	2.3	1.1

Margin Metrics

Yield On Advances (%)	9.5	9.1	9.0	8.4	7.9	8.1	7.9	8.3
Yield On Investment (%)	-	-	-	-	-	-	-	-
Yield on Earning Assets (%)	8.8	8.6	8.4	8.0	7.6	7.8	7.4	7.7
Cost Of Deposits (%)	6.0	6.0	6.0	6.0	5.6	5.7	5.0	5.0
Cost Of Funds (%)	5.7	5.7	5.6	5.5	5.1	5.2	4.7	4.8
Spread (%)	3.0	2.9	2.8	2.5	2.5	2.6	2.7	2.9
NIM (%)	3.2	3.1	3.1	2.8	2.7	2.7	2.7	2.9

Profitability & Efficiency Metrics

Int. Expense/Int.Income (%)	63.0	63.9	63.9	65.2	64.8	66.1	63.3	61.8
Fee Income/NII (%)	25.9	25.6	25.7	27.5	28.8	31.6	24.8	24.0
Cost to Income (%)	48.5	52.7	49.8	49.1	47.8	50.2	55.0	49.1
Cost on Average Assets (%)	2.1	2.3	2.1	2.0	2.0	2.1	3.4	3.1
Tax Rate (%)	29.3	32.7	32.2	27.8	29.4	57.8	41.4	34.0

Valuation Ratio Metrics

EPS (Rs)	20.6	14.6	17.5	12.8	13.2	(7.3)	6.7	35.9
Change (%)	18.0	(29.3)	20.3	(27.0)	2.6	(156)	(190.7)	438.8
ROAE (%)	-	10.0	10.6	7.3	6.3	(3.0)	2.7	13.3
ROAA (%)	-	0.6	0.7	0.5	0.4	(0.2)	0.2	0.8
Dividend Payout (%)	20.1	20.6	19.9	20.3	19.8	-	7.5	16.7
Dividend yield (%)	2.0	1.6	1.3	1.3	0.9	-	0.2	2.1
Book Value (Rs)	144.6	158.4	172.0	185.9	236.2	245.5	252.2	287.5
Change (%)	15	10	9	8	27	4	3	14
P/B (X)	1.4	1.2	1.6	1.0	1.2	1.0	1.1	1.0
P/E (X)	10.1	13.1	15.2	15.2	22.2	(34.1)	42.7	7.9

Financial Details

Exhibit: DuPont Analysis

	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
<i>Interest Income</i>	8.1	7.9	7.4	6.9	6.5	6.8	7.1
<i>Interest expended</i>	5.2	5.1	4.8	4.5	4.3	4.3	4.4
<i>Net Interest Income</i>	2.9	2.9	2.6	2.4	2.2	2.5	2.7
<i>Non-Fund Based Income</i>	1.1	1.2	1.3	1.4	1.3	1.0	1.0
>> <i>Core Fee Income</i>	0.8	0.7	0.7	0.7	0.7	0.6	0.7
>> <i>Trading and Other Income</i>	0.4	0.4	0.6	0.7	0.6	0.4	0.3
<i>Core Operating Income</i>	3.7	3.6	3.3	3.1	2.9	3.1	3.4
<i>Total Income</i>	4.0	4.0	3.9	3.8	3.5	3.5	3.7
<i>Total Operating Expenses</i>	2.1	2.0	1.9	1.8	1.8	1.9	1.8
>> <i>Employee Expenses</i>	1.3	1.2	1.1	1.0	1.0	1.1	1.0
>> <i>Other Expenses</i>	0.8	0.8	0.8	0.8	0.8	0.8	0.8
<i>Operating Profit</i>	1.9	2.0	2.0	2.0	1.8	1.6	1.9
<i>Provisions</i>	0.9	1.0	1.3	1.4	2.2	1.3	0.6
<i>Others</i>	-	-	-	-	-	-	-
<i>PBT</i>	1.0	1.0	0.6	0.6	(0.5)	0.3	1.2
<i>Tax</i>	0.3	0.3	0.2	0.2	(0.3)	0.1	0.4
<i>PAT/RoAA</i>	0.6	0.7	0.5	0.4	(0.2)	0.2	0.8
<i>Equity Multiplier (x)</i>	15.5	15.6	16.2	15.2	15.7	16.1	16.3
<i>ROAE</i>	10.0	10.6	7.3	6.3	(3.0)	2.7	13.3

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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

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