State Bank of India

February 13, 2023

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Tier-I bonds (Basel III)	10,000.00	CARE AA+; Stable	Assigned
Tier-II bonds (Basel III)	4,000.00	CARE AAA; Stable	Reaffirmed
Tier-II bonds (Basel III)	10,000.00	CARE AAA; Stable	Reaffirmed
Tier-II bonds (Basel III)	2,000.00	CARE AAA; Stable	Reaffirmed
Tier-II bonds (Basel III)[!]	950.00	CARE AAA; Stable	Reaffirmed
Tier-II bonds (Basel III)[$]	500.00	CARE AAA; Stable	Reaffirmed
Tier-II bonds (Basel III)[&]	700.00	CARE AAA; Stable	Reaffirmed
Certificate of deposit^	6,000.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.
[!]Transferred from State Bank of Patiala to SBI, consequent to the merger with SBI.
[$]Transferred from State Bank of Mysore to State Bank of India (SBI), consequent to the merger with SBI.
[&]Transferred from State Bank of Hyderabad to SBI, consequent to the merger with SBI.

CARE Ratings Limited (CARE Ratings) has rated the aforesaid Basel III Compliant Additional Tier-I Bonds after taking into consideration its key features as mentioned below:

- The bank has full discretion at all times to cancel coupon payments.
- The coupon is to be paid out of current year profits. However, if the current year's profits are not sufficient, i.e., payment of such coupon is likely to result in losses during the current year, the balance of coupon payment may be made out of revenue reserves including statutory reserves and/or credit balance in profit and loss account and excluding share premium, revaluation reserve, foreign currency translation reserve, investment reserve and reserves created on amalgamation provided the bank meets the minimum regulatory requirements for Common Equity Tier-I (CET-I), Tier-I and Total Capital Ratios and capital buffer frameworks as prescribed by the Reserve Bank of India (RBI).
- The instrument may be written-down upon CET I breaching the pre-specified trigger of 5.5% before March 31, 2019, 6.125% on and after March 31, 2019, and 7% on or after October 01, 2021, or written off/converted into common equity shares on the occurrence of the trigger event called PONV. The PONV trigger will be determined by the RBI.

Any delay in payment of interest/principal (as the case may be) due to invocation of any of the features mentioned above will constitute as an event of default as per CARE Ratings' definition of default and as such these instruments may exhibit a somewhat sharper migration of the rating compared with other subordinated debt instruments.

Tier-II Bonds under Basel III are characterised by a PONV trigger due to which the investor may suffer a loss of principal. PONV will be determined by the RBI and is a point at which the bank may no longer remain a going concern on its own unless appropriate measures are taken to revive its operations, and thus, enable it to continue as a going concern. In addition, the difficulties faced by a bank should be such that these are likely to result in financial losses, and raising the Common Equity Tier-I capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable.

Rationale and key rating drivers

The ratings assigned to the various debt instruments of SBI factor in the majority ownership and expected support from the Government of India (GoI) as well as SBI's systemic importance and its dominant position in the Indian banking sector, being the largest bank in terms of business and asset size, with advances (net) of ₹3,058,177 crore and deposits of ₹4,213,557 crore as on December 31, 2022.
The ratings continue to derive strength from its strong and established franchise through an extensive pan-India branch network and international presence, which has helped the bank develop a strong current account savings account (CASA) base, and diversified advances profile with a growing retail share and comfortable liquidity profile.
The ratings further factor in the consistent improvement in SBI's asset quality parameters over the last three years with limited slippages considering the stress induced due to COVID-19 and the resultant moderate level of credit cost, helping enhance the earnings profile. Supported by strong internal capital generation, the bank has adequate capitalisation levels and an adequate cushion to absorb any asset quality stress in the near term.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Not applicable

Negative factors:

- Reduction in government support and ownership below 50%.
- Deterioration in asset quality parameters, with a net non-performing assets (NPA) ratio of over 8% on a sustained basis.
- A decline in profit on a sustained basis, leading to deterioration in capitalisation cushion levels of less than 1% over and above the minimum regulatory requirement.

Analytical approach

The ratings are based on the standalone profile of the bank and factor in the strong and continued support from the GoI, which holds the majority shareholding in the bank.

Key strengths

Ownership and support by GoI, systemic importance of the bank and experienced management

The bank's major shareholder is the GoI, which held 56.92% stake in the bank as on December 31, 2022. SBI is the largest bank in India, with a total business size (advances and deposits) of ₹7,347,122 crore as on December 31, 2022. SBI is designated as one of the Domestic-Systemically Important Bank (D-SIB) in the country. The bank also has a sizeable overseas presence, with overseas advances accounting for 15.52% (March 31, 2022: 14.61%) of the total gross loan portfolio at the end of December 31, 2022. Considering the majority shareholding and the systemic importance of the bank, GoI has been providing support to the bank in terms of capital as well as management, and CARE Ratings expects continued support of GoI to the bank in the future. The bank is headed by Dinesh Kumar Khara, who took over as the Chairman with effect from October 07, 2020. The bank has in place an experienced management team comprising four managing directors and 16 deputy managing directors looking at various functions of the bank's business.

Strong franchise with extensive branch network and strong depositor base

As on December 31, 2022, the bank had a network of 22,381 branches, 70,258 Business correspondence outlets and 65,650 ATMs/ automated deposit and withdrawal machines (ADWMs) as on December 31, 2022. The resource profile of the bank continues to be healthy, with the bank having a robust CASA and retail liabilities franchise.
During FY22 (refers to the period April 1 to March 31), the bank's total deposits grew by 10.06% to ₹4,051,534 crore, with a high proportion of low-cost CASA deposits constituting 45.28% of the total deposits as on March 31, 2022. During 9MFY23, the total deposits rose further and stood at ₹4,213,557 crore with CASA deposit slightly moderating to 44.48% of the total deposits as on December 31, 2022.

Adequate capitalisation levels

The bank has been maintaining adequate levels of capitalisation to meet the minimum regulatory requirement and support credit growth. It reported a CAR (standalone) of 13.83% (PY: 13.74%) and CET I ratio of 9.94% (PY: 10.02%) as on March 31, 2022, as against the minimum regulatory requirement of CAR of 12.10% and CET I ratio of 8.6% (including 0.6% additional buffer for being classified as D-SIB). The bank reported a CAR (standalone) of 13.27% and CET I ratio of 9.26% as on December 31, 2022, without addition of profit accrued during 9MFY23. The bank has not raised incremental equity capital in the last three years and has been funding the credit growth through internal capital generation through accruals. While the incremental credit costs have been declining with improvement in asset quality, the bank has seen stable credit growth over the years resulting in the reduction of cushion for CET I ratio over the minimum regulatory requirement. The bank been raising non-core capital and has raised Tier-II bonds of ₹4,000 crore during 9MFY23 (refers to the period April 1 to March 31) (FY22: nil and FY21: ₹20,931 crore) and ATI bonds of ₹6,872 crore during 9MFY23 (FY22: ₹13,974 and FY21: ₹6,500 crore) to support its capitalisation levels. The bank has an enabling board approval to raise AT-I capital of up to ₹10,000 crore (approximately US$ 1.25 billion) upto FY 24, which would help it fund its growth. While the overall capitalisation level is adequate, however the strong internal capital generation during FY23 is expected to improve the capitalisation levels of the bank during Q4FY23. CARE Ratings expects the bank to raise core equity in the medium term to support the credit growth.

Diversified advances profile

SBI's gross advances witnessed a growth of 11% y-o-y in FY22 to ₹2,818,671 crore as on March 31, 2022, which was largely driven by retail credit growth in the domestic book. The majority of the growth in domestic advances was derived from the retail segment, including personal loans and home loans.

The retail loans segment recorded a growth of 15.11% in FY22. Within retail, home loans grew by 11.49% to ₹561,651 crore and the bank's 'Xpress credit' product grew by 28.50% to ₹247,714 crore. As on March 31, 2022, the retail segment constituted 36%, corporate loans constituted 31%, while agriculture loans, SME loans and others together constituted 34% of the total advances. The bank's home loan portfolio and 'Xpress credit' portfolio constitute 56% and 25%, respectively, of the bank's retail loans. Although the bank has witnessed growth in the corporate advances, the bank's focus on retail is expected to continue and drive growth in the near term.
The total advances of the bank stood at ₹3,133,565 crore as on December 31, 2022, as compared with ₹2,664,602 crore as on December 31, 2021, witnessing growth of 17.6% year-on-year basis largely driven by growth in all segments with agriculture and MSME witnessing comparatively slower growth than retail, corporate and overseas segments.

Improvement in profitability
During FY22, interest income increased by 3.89% to ₹275,457 crore as compared with ₹265,151 crore in FY21, supported by advances growth and a marginal decline in yield, whereas non-interest income declined by 6.74% to ₹40,564 crore as compared with ₹43,496 crore on the back of a decline in treasury income and lower processing fee income as the credit growth was lower during the COVID-19 period. The bank's net interest income (NII) showed growth of 9.03% (PY: 12.87%), as the bank was able to maintain its interest expenses by bringing down the cost of funds. The bank's net interest margin (NIM) stood at 2.55% for FY22 as compared with 2.63% for FY21. Furthermore, the bank maintained its operating costs level and reported a 5.22% growth in pre-provision operating profit (PPOP), which increased to ₹75,292 crore in FY22 as compared with ₹71,554 crore in FY21. With lower slippages, the bank's credit costs declined during FY22, resulting in an improvement in the overall profitability of the bank. During FY22, the bank had a one-time exceptional item of provisions on account of a change in family pension rules of ₹7,418 crore (exceptional item gain for FY21: ₹1,540 crore). The bank's return on total assets (ROTA) for FY22 stood at 0.67%, as compared with 0.48% for FY21. Excluding the effect of the one-time provision on a family pension of ₹7,418 crore in FY22 and a gain on the sale of a certain stake in the subsidiary of SBI (SBI Life Insurance Company Ltd) in FY21, the bank would have reported a net profit of ₹39,094 crore for FY22 as compared with ₹18,870 crore for FY21, recording a 107.17% increase in profit after tax (PAT) and ROTA of 0.83% for FY22 and 0.45% for FY21.
During 9MFY23, NII increased by 16.69% year-on-year basis to ₹104,448 crore as compared with ₹89,510 crore for 9MFY22. The non-interest income of the bank decreased by 21.02% due to Mark-to-Market (MTM) loss in treasury book as compared corresponding period of previous year. As a result, PPOP grew moderate by 6.33% at ₹59,092 for 9MFY23. The provisions have been lower due to improvement in asset quality. PAT improved to ₹33,538 crore for 9MFY23 as compared with PAT of ₹22,562 crore for 9MFY22. CARE Ratings expects the bank's credit costs to remain moderate and the profitability to improve with the growth in advances.

Key weaknesses

Moderate asset quality parameters
The bank has seen improvement in its asset quality parameters over the past few years with recoveries from some of its large corporate NPAs under the National Company Law Tribunal (NCLT) and it has continued focusing on the resolution of stressed assets. The bank has a Stressed Assets Resolution Group (SARG), which is a vertical dedicated to the efficient resolution of high-value NPAs.
During FY22, the bank continued to report improvement in its asset quality parameters, with the gross NPA (GNPA) ratio declining to 3.97% as on March 31, 2022, from a GNPA ratio of 4.98% as on March 31, 2021. The slippage ratio declined to 1.04% for FY22 from 1.26% for FY21, with lower slippages in the second half of the year when the COVID-19 waves subsided. The GNPAs in the corporate segment declined and stood at 5.96% at the end of FY22 (PY: 7.71%), while that in the retail segment stood at 3.77% in FY22 (PY: 4.46%). The bank has maintained its level of provisioning for NPAs and had a provision coverage ratio (PCR) at 75.04% (PY: 70.88%) (excluding advances under collection account [AUCA]) as on March 31, 2022. As a result, the bank's NNPA ratio stood at 1.02% (P.Y.: 1.50%) as on March 31, 2022, and NNPA to net worth ratio stood at 11.62% (P.Y.: 17.15%).
The bank's special mention accounts (SMA) 1 and 2, for above ₹5 crore, reduced from ₹11,519 crore as on March 31, 2021, to ₹3,544 crore as on March 31, 2022, constituting 0.12% of the total advances (net), and the restructured book under the RBI framework stood at ₹30,960 crore as on March 31, 2022. The bank held contingent provisions of ₹30,629 crore as on March 31, 2022, including standard asset provisions of ₹19,973 crore and additional provisions of ₹7,912 crore for standard restructured assets.
With the impact of the second COVID-19 wave subsiding, the incremental slippages have been lower. The bank's contingent provisions and the improvement in operating profitability have strengthened its ability to absorb any expected assets in the near term. For 9MFY23, the slippage ratio reduced to 0.78% (annualised) resulting in the GNPA ratio to improve to 3.14% and NNPA ratio of 0.77% as on December 31, 2022, as compared with March 31, 2022. The bank had restructured accounts of 0.83% of

gross advances and SMA 1 & 2 over ₹5 crore of 0.15% of gross advances as on December 31, 2022. The bank continues to have sufficient provisions against weak assets as on December 31, 2022.

Liquidity: Strong

The bank's liquidity coverage ratio (LCR) based on a simple daily average of Q3FY23 was 129.45% as against the minimum regulatory requirement of 100%. The bank's comfortable liquidity profile is supported by its strong and sizeable deposit raising franchise. Furthermore, the bank has access to market liquidity support like liquidity adjustment facility (LAF) and marginal standing facility (MSF) from the RBI, access to refinance from agencies like the National Housing Bank (NHB) and the National Bank for Agriculture and Rural Development (NABARD) as well as the call money market.

Applicable criteria

Policy on default recognition
Factoring Linkages Government Support
Financial Ratios - Financial Sector
Rating Outlook and Credit Watch
Short Term Instruments
Rating Basel III - Hybrid Capital Instruments issued by Banks
Bank

About the company

SBI is the largest bank in India in terms of assets and total business and is systemically important, with an asset base of ₹5,324,123 crore as on December 31, 2022. As on March 31, 2022, the bank has systemic importance with a market share of 19.68% in advances (PY: 19.79%) and 22.69% in deposits (PY: 22.51%) in the Indian banking system. As per RBI's press release dated January 19, 2021, the bank has been classified as one of the three D-SIB in India and is mandated to maintain an additional CET I capital of 0.60% of the risk weighted assets. The GoI is the major shareholder, holding a 56.92% stake in the bank as on December 31, 2022. The bank had a network of 22,381 branches, 70,258 Business correspondence outlets and 65,650 ATMs/ automated deposit and withdrawal machines (ADWMs) as on December 31, 2022. The bank is headed by Dinesh Kumar Khara, who took over as the Chairman of the bank w.e.f. October 07, 2020.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total income	308,647	316,021	261,806
PAT	20,410	31,676	33,538
Total assets	4,534,430	4,987,597	5,324,123
Net NPA (%)	1.50	1.02	0.77
ROTA (%)	0.48	0.67	0.87*

A: Audited; UA: Unaudited; *Annualised

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Bonds-Tier-I bonds	Proposed	-	-	-	10,000.00	CARE AA+; Stable
Bonds-Tier-II bonds	INE062A08074	January 02, 2014	9.69	January 02, 2024	2,000.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE 651A08033	December 17, 2014	8.55	December 17, 2024	500.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE652A08015	January 22, 2015	8.29	January 22, 2025	950.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE649A08029	December 30, 2015	8.4	December 30, 2025	500.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE649A08037	February 08, 2016	8.45	February 08, 2026	200.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE062A08231	August 21, 2020	6.80	August 21, 2035	8,931.00	CARE AAA; Stable
Bonds-Tier-II bonds	INE062A08322	September 23, 2022	7.57	September 23, 2037	4,000.00	CARE AAA; Stable
Bonds-Tier-II bonds	Proposed	-	-	-	1,069.00	CARE AAA; Stable
Certificate of deposit	-	-	-	7-364 days	6,000.00	CARE A1+

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
2	Bonds-Perpetual Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
3	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
4	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
5	Bonds-Upper Tier-II	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
6	Bonds-Perpetual Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
7	Bonds-Perpetual Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
8	Bonds-Perpetual Bonds	LT	-	-	1)Withdrawn (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE	1)CARE AAA; Stable (05-Jul-19)

							AAA; Stable (06-Jul-20)	
9	Bonds-Lower Tier-II	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
10	Bonds-Lower Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
11	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
12	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
13	Bonds-Perpetual Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
14	Bonds-Perpetual Bonds	LT	-	-	-	-	1)Withdrawn (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
15	Bonds-Upper Tier-II	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
16	Bonds-Lower Tier-II	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
17	Certificate Of Deposit	ST	6000.00	CARE A1+	1)CARE A1+ (07-Oct-22) 2)CARE A1+ (14-Sep-22) 3)CARE A1+ (05-Jul-22)	1)CARE A1+ (06-Jul-21)	1)CARE A1+ (12-Aug-20) 2)CARE A1+ (06-Jul-20)	1)CARE A1+ (05-Jul-19)
18	Bonds-Upper Tier-II	LT	-	-	1)Withdrawn (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
19	Bonds-Tier-II Bonds	LT	2000.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)

20	Bonds-Tier-II Bonds	LT	500.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
21	Bonds-Tier-II Bonds	LT	950.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
22	Bonds-Tier-II Bonds	LT	500.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
23	Bonds-Tier-II Bonds	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
24	Bonds-Tier-II Bonds	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
25	Bonds-Tier-II Bonds	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
26	Bonds-Tier-II Bonds	LT	-	-	-	1)Withdrawn (06-Jul-21)	1)CARE AAA; Stable	1)CARE AAA; Stable

							(12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	(05-Jul-19)
27	Bonds-Tier-II Bonds	LT	-	-	1)Withdrawn (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
28	Bonds-Tier-I Bonds	LT	-	-	1)Withdrawn (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (12-Aug-20) 2)CARE AA+; Stable (06-Jul-20)	1)CARE AA+; Stable (05-Jul-19)
29	Bonds-Tier-II Bonds	LT	200.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20) 2)CARE AAA; Stable (06-Jul-20)	1)CARE AAA; Stable (05-Jul-19)
30	Bonds-Tier-I Bonds	LT	-	-	1)Withdrawn (07-Oct-22) 2)CARE AA+; Stable (14-Sep-22) 3)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (12-Aug-20) 2)CARE AA+; Stable (06-Jul-20)	1)CARE AA+; Stable (05-Jul-19)
31	Bonds-Tier-II Bonds	LT	10000.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Oct-22) 2)CARE AAA; Stable (14-Sep-22) 3)CARE AAA; Stable (05-Jul-22)	1)CARE AAA; Stable (06-Jul-21)	1)CARE AAA; Stable (12-Aug-20)	-
32	Bonds-Tier-II Bonds	LT	4000.00	CARE AAA;	1)CARE AAA; Stable	-	-	-

				Stable	(07-Oct-22) 2)CARE AAA; Stable (14-Sep-22)			
33	Bonds-Tier-I Bonds	LT	10000.00	CARE AA+; Stable				

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Additional Tier-I Bonds	Detailed explanation
Covenants	
Call option	After five years
Write-down trigger	There are two types of write-down triggers: 1. A 'Trigger Event' means that the Bank's CET-1 Ratio is: (i) if calculated at any time prior to March 31, 2019, at or below 5.5%; or (ii) if calculated at any time from and including March 31, 2019, at or below 6.125% (the "CET-1 Trigger Event Threshold") 2. PONV Trigger, in respect of the bank, means the earlier of: (i) a decision that a principal write-down, without which the bank would become non-viable, is necessary, as determined by the RBI; and (ii) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non-viable, as determined by the RBI.
If write-down, full or partial	Full or partial
If write-down, permanent or temporary	In case of pre-specified trigger – permanent or temporary. In case of PONV Trigger – only permanent.
If temporary write-down, description of write-up mechanism	The instrument may be written-up (increase) back to its original value in future, depending upon the conditions prescribed in the terms and conditions of the instrument.

Tier II Bonds	Detailed explanation
Covenants	
Call option	Not Applicable
Write-down trigger	PONV Trigger, in respect of the bank means the earlier of: (i) a decision that a principal write-down, without which the bank would become non-viable, is necessary, as determined by the RBI; and (ii) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non-viable, as determined by the RBI.
If write-down, full or partial	Full or partial
If write-down, permanent or temporary	Permanent
If temporary write-down, description of write-up mechanism	Not applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Bonds-Tier-I Bonds	Highly Complex
2	Bonds-Tier-II Bonds	Complex
3	Certificate of Deposit	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please click here

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media contact
Name: Mradul Mishra
Phone: +91-22-6754 3596
E-mail: mradul.mishra@careedge.in

Analyst contact
Name: Aditya R Acharekar
Phone: 9819013971
E-mail: aditya.acharekar@careedge.in

Relationship contact
Name: Saikat Roy
Phone: +91-22-67543404
E-mail: saikat.roy@careedge.in

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