In Q2FY21, RBI's moratorium along with higher write-offs by SCBs resulted in lower GNPAs

Note: The following study includes 32 Scheduled Commercial Banks (SCBs) (12 public sector banks (PSB) and 20 private sector banks (PVB)) for Q2FY21 financial performance analysis. All growth comparisons are made in y-o-y terms, unless stated otherwise.

Major Highlights

- Aggregate interest income recorded a marginal increase of 0.8% during the quarter ended Sept-20 due to subdued credit offtake during the quarter coupled with falling interest rates.
- Falling deposit interest rate in Q2FY21 led to decline in interest expense of SCBs by 8.0% compared with 9.4% growth in the year-ago period in spite of growth.
- Total income growth of SCBs slowed down to 0.8% against 13.7% in the previous year, largely due to negative growth in incremental credit, along with lending rate cuts by SCBs.
- The GNPA ratio of the SCBs has seen considerable reduction by end of Q2FY21 due to recoveries and higher write-offs made by multiple banks. Additionally the moratorium offered by the banks was lifted on September 01, 2020; the after-effect and the impact on the banks' balance sheets may be witnessed in the latter part of the financial year and the subsequent quarters. Furthermore, the Supreme Court has ordered all banks to not classify Covid-19 related defaults as NPAs until further notice, or else the NPAs would have been higher in Q2FY21. As per disclosures by banks, the Gross NPAs would have been around 0.5% to 0.6% higher had these accounts been classified as NPAs.
- Capitalization levels of PSBs improved over regulatory levels, however the CET 1 ratio of PSBs was lower compared to PVBs. All SCBs excluding Lakshmi Vilas Bank reported CAR higher than the minimum regulatory requirement as on Sept-20. However, on November 27, 2020 Lakshmi Vilas Bank was amalgamated with DBS Bank India Limited (DBIL) (DBIL received capital infusion of Rs.2,500 crores from DBS Bank Limited (Singapore) to support its amalgamation, following which it stated that now it is well-capitalised, and its CAR remains above regulatory requirements after the amalgamation).
- Also, the RoA for SCBs improved from (-) 0.03% in Q2FY120 to 0.31% in Q2FY21 owing to an increase in net profits of both; PSBs and PVBs led by decline in provisioning.

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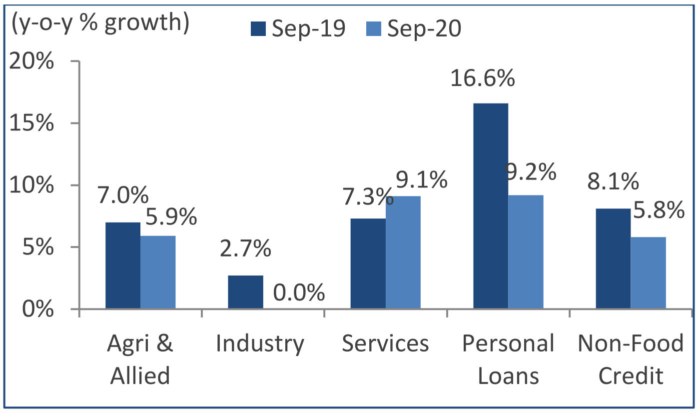
Figure 1: Growth in Bank Credit (%)



- The y-o-y growth in non-food credit as of Sept 2020 was 5.8%, approximately 230 bps lower than the 8.1% witnessed in Sept 2019. As can be seen in Figure 1, the credit growth was slower on account of extremely marginal growth in industrial segment and slow growth in agriculture & allied activities and personal loans segment. However, services sector grew by 9.1% largely owing to 11.5% growth in trade (5.5% in Sept 2019) as it accounts for 22% of the total credit outstanding to the services segment.

Note: Data accounts for 33 SCBs accounting for about 90% of the Non-food credit deployed; Source: RBI

Figure 2: Average Deposit & Lending rates of SCBs (%)

Month	TDR<1 yr	WALR#	WALR (O/S loan)
Jul-19	6.97	9.84	10.47
Aug-19	6.97	9.71	10.48
Sep-19	6.95	9.67	10.46
Jul-20	6.04	8.65	9.92
Aug-20	5.94	8.44	9.86
Sep-20	5.79	8.39	9.80

Figure 3: SCBs Deposits & Credit (y-o-y growth %)

Month	Demand Deposits	Time Deposits	Aggregate Deposits	Bank Credit@
Sep-18	5.9%	8.4%	8.4%	13.1%
Sep-19	7.6%	9.6%	10.1%	8.9%
Sep-20	11.9%	10.3%	10.5%	5.1%

*Mean # On fresh rupee loans, TDR-Term Deposit Rate, WALR- Weighted Average Lending Rate; @: Bank credit growth accounts for 33 SCBs; Source: RBI, CMIE

Net Interest Income (NII)

Figure 4: Interest Income

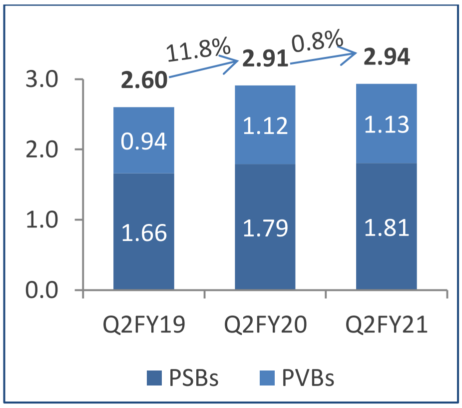


Figure 5: Interest Expenses

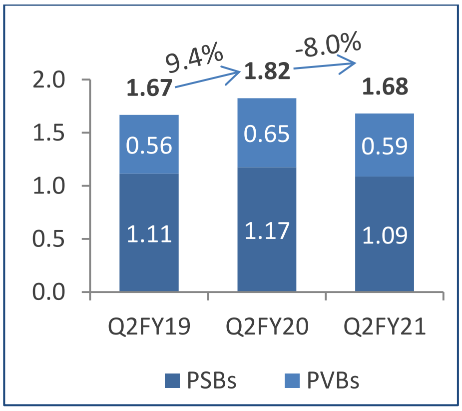
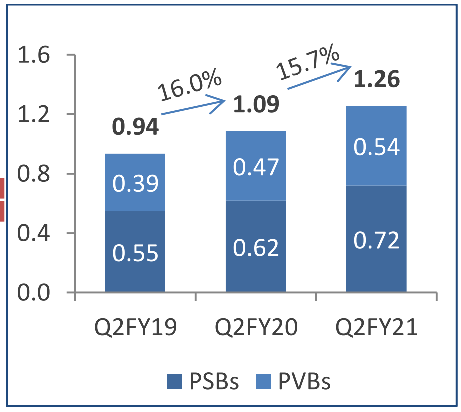


Figure 6: Net Interest Income



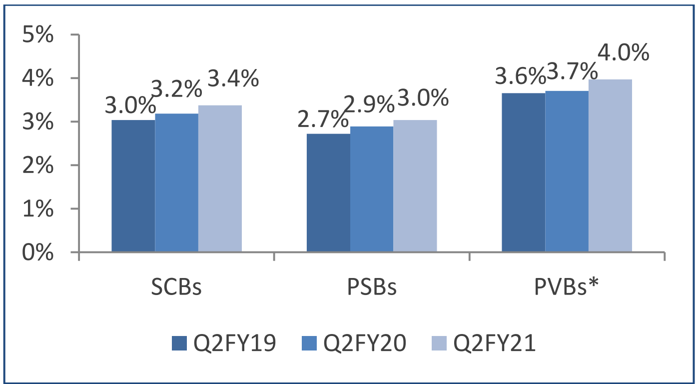
Note: Figures in lakh crore; Source: Ace Equity, CARE Ratings Calculations

- NII growth of SCBs grew at a similar pace as compared to the year-ago level of 16.0%. This can be ascribed to:
  - Marginal increase in the interest income can be observed in Q2FY21, due to subdued credit offtake during the quarter along with fall in interest rates. However, the interest income growth was restricted from declining further; this can be attributed to decrease in gross NPAs from Rs.9.3 lakh crores in Q2FY20 to Rs.8 lakh crores in Q2FY21.

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

- The rate cuts and transmission to end borrowers by the bank led to low weighted average lending rates (WALR) for fresh loans of all SCBs (refer Figure 2). The rate cuts would work more effectively when credit growth picks up, as banks are selective in giving fresh loans due to asset quality concerns. However, the spreads between TDR and WALR of SCBs (for fresh loans) came down by only 11 bps (261 bps in Sept 2020 as against 272 bps in Sept 2019, led by decline in spreads of PVBs (283 bps in Sept 2020 against 308 bps in Sept 2019).
- On the other hand, the spreads between TDR and WALR for outstanding loan increased to 401 bps in Sept 2020 as against 352 bps in Sept 2019 owing to increase in spreads of PVBs by higher basis points (469 bps in Sept-20 compared with 402 bps in Sept-19) which led to positive growth in interest income.
- Moreover, due to liquidity surplus in the banking system and to ensure better transmission of rate cuts, banks slashed deposit rates on categories of deposits less than Rs.2 crores as banks do not want to encourage high cost deposits (e.g. SBI Bank reduced the FD rates by 20 bps on deposits less than Rs.2 crores and above Rs. 2 crores), which resulted in contraction in growth of interest expenses (Figure 2).

Figure 7: Net Interest Margin (NIM %) of SCBs*

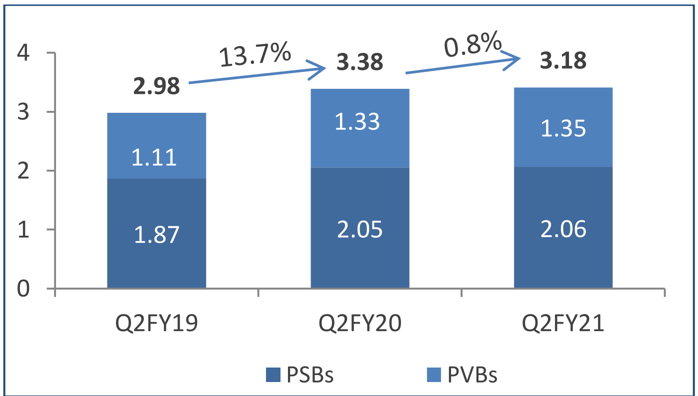


*NIM% reported for the set of 12 PSBs and 20 PVBs for the quarters under review, Source: Ace Equity, CARE Ratings Calculations

- NIMs of both PSBs and PVBs recorded a marginal improvement, as the transmission of rate cut was faster to the depositors as compared to the borrowers.
- Additionally, in a move to provide relief to the borrowers, the Finance Ministry announced waiver of interest on loans up to Rs 2 crores under the RBI's moratorium scheme, however, the SCBs have been opposing the waiver of interest for which the hearing is still due by the Supreme Court.

Total Income

Figure 8: Total Income of SCBs (in lakh crore)



Source: Ace Equity, CARE Ratings Calculations

- Total income growth of SCBs grew at a slower rate in Q2FY21 vis-à-vis the previous year; owing to the slow growth in both interest income (Figure 4) and other income compared with the previous year.
- Interest income accounts for around 86.0% share of the total income and other income accounts for the balance 14.0% share of total income. Other income registered a flat growth in Q2FY21 compared with 27.0% growth in Q2FY20.

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

Operating Expenses

Figure 9: Employee Costs

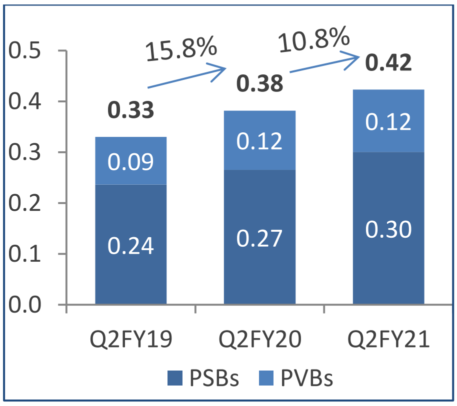


Figure 10: Other Expenses

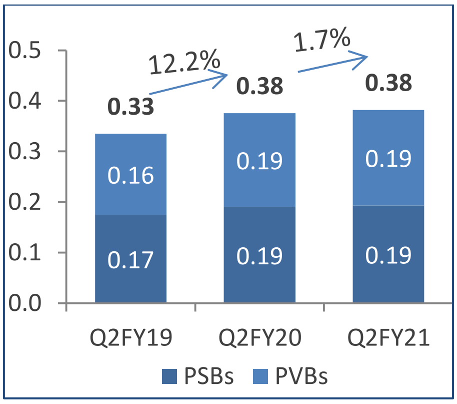
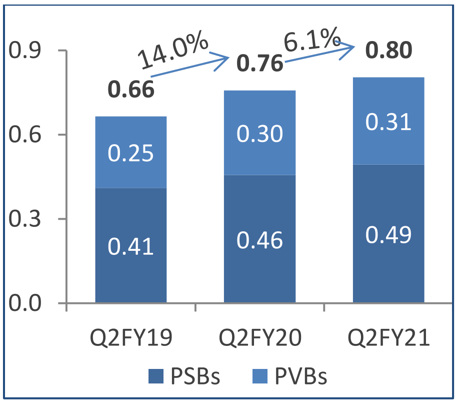


Figure 11: Operating Expenses



Note: Figures in lakh crore; Source: Ace Equity, CARE Ratings Calculations

- The operating expenses of SCBs increased at a slower rate as compared with the previous year due to subdued growth in other expenses (Figure 10) which accounts for around 48.0% share of operating expenses.
- The other expenses (which include consulting services, postage and stationery, and expenses associated with buildings and other fixed assets) grew by 1.7% in Q2FY21 as against 12.2% growth in Q2FY20 as many bank branches were operational for limited working hours due to the spread of COVID-19. However, the total operating expenses growth was capped at 6.1% owing to 10.8% growth in employee cost as against 15.8% in Q2FY20.
- SBI Bank which accounts for ~30.0% of the overall SCBs had revised wages of the employees during Mar-end quarter (effective from April 2020) resulted in y-o-y increase in employee cost (11.2%). This was further led by post-retirement dues of SBI during the quarter which also supported the increase in employee costs.
- Additionally, the employee expenses of Canara Bank and Punjab National Bank each accounting for 8.0% share of employee costs of SCBs along with Bank of Baroda and HDFC Bank (each accounting for 6.0% share respectively, of employee costs of SCBs) increased by 27.3%, 17.9%, 11.8% and 8.0% respectively during the quarter. Further, Canara Bank had provided wage revision, gratuity, leave encashment and pension during the quarter which led to increase in staff costs, while Punjab National Bank had earlier promoted 3,611 officers in Q1FY21 due to which the employee expenses were higher y-o-y. The Indian Bank which accounts for only 4.0% share of the SCBs witnessed 35.1% growth in employee cost.
- The operating expenses are expected to increase in H2FY21, following the wage revision for 12 PSBs and 10 PVBs which had been pending since 2017. This was finalised and signed by the Indian Banks' Association (IBA) and Workmen Unions on November 11, 2020.

Figure 12: Movement of cost to income ratio

Cost to Income Ratio (%)	Q2FY19	Q2FY20	Q2FY21
PSBs	54.4%	52.0%	50.5%
PVBs	45.8%	44.2%	41.2%
SCBs	50.8%	48.6%	46.4%

Source: CARE Ratings Calculations

- Cost to income ratio of SCBs improved by 220 bps in Q2FY21 vis-à-vis the previous year mainly owing to decline in other expenses (refer Figure 10).

Asset Quality: Movement in Non-Performing Assets

Figure 13: Gross NPAs & Net NPAs

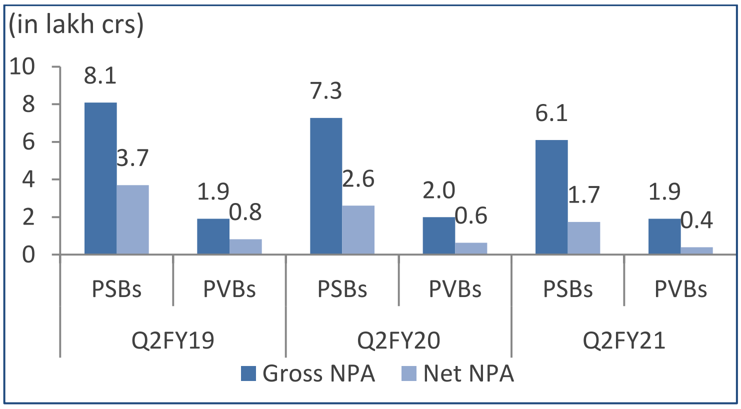
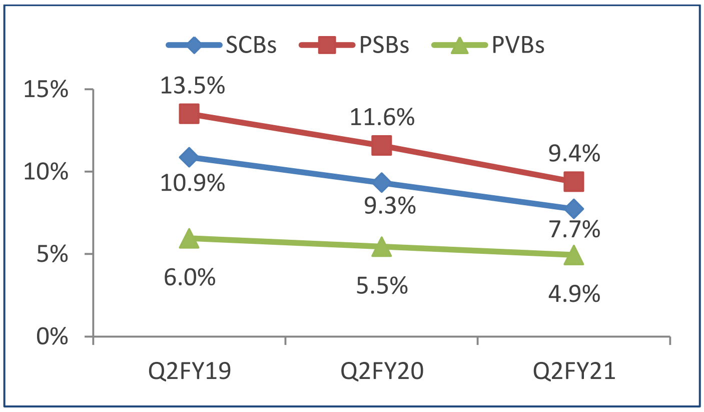


Figure 14: GNPA ratio



Source: Ace Equity, CARE Ratings Calculations

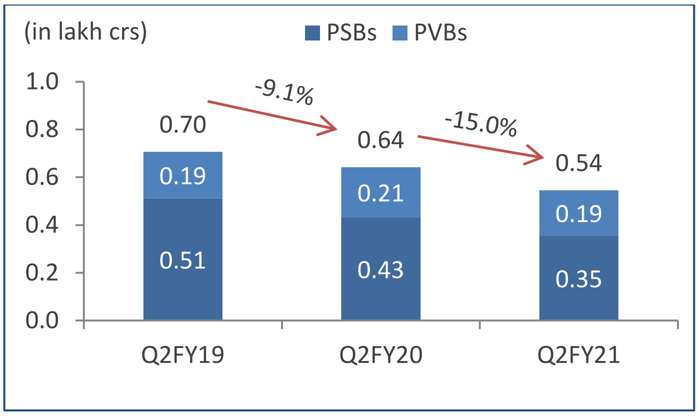
- The quantum of gross NPAs of SCBs declined during the quarter as compared with the same quarter in the previous year. The gross NPAs of PSBs contracted between Sept-18 and Sept-20. Among PSBs, the State Bank of India (SBI) which accounts for the highest share at ~20.0% of the GNPAs of PSBs in Q2FY21 reported the highest asset quality improvement, with a decline in GNPA ratio to 5.3% in Sept-20 vs 7.2% in Sept-19; followed by Punjab National Bank accounting for ~16% share which also posted lower GNPA ratio at 13.4% in Sept-20 vs 16.8% in Sept-19. Similarly, net NPAs also shrank to Rs.2.1 lakh crores in Q2FY21 from Rs.4.5 lakh crores in Q2FY19 reflecting an increase in provision coverage ratio (PCR). The aggregate provision coverage ratio (PCR) of all banks rose to 80% at the end of Sept-20 quarter from 68.9% in the previous year.
- The GNPA ratio of SCBs improved to 7.7% in the quarter ended Sept-20 against 9.3% in the year-ago period and 8.2% in the Jun-end quarter which was largely driven by PSBs. On an overall basis PSBs accounting for ~75% share of GNPAs of SCBs have experienced a drop in the GNPA ratio to 9.3% in the quarter ended Sept-20 against 11.6% in the year-ago period and 9.8% in Jun-20 quarter.
- The improvement in asset quality (GNPA reduction) has been due to recoveries (e.g. SBI Bank: Rs.4,038 crores, ICICI Bank: Rs 1,945 crores, Bank of Baroda: Rs.1,642 crores, Union Bank of India: Rs.1,218 crores, Bank of India: Rs.1,172 crores, Central Bank of India: Rs.907 crores, Indian Bank: Rs.795 crores, Bank of Maharashtra: Rs.556 crores and Canara Bank: Rs.449 crores) and higher write-offs by the multiple banks. e.g. SBI Bank (Rs.5,617 crores), Punjab National Bank (Rs.4,555 crores), Bank of Baroda (Rs.2,553 crores), ICICI Bank (Rs.2,469 crores), Canara Bank (Rs.2,342 crores) and Axis Bank (Rs.1,812 crores).
- Additionally, now that the moratorium offered by the banks has been lifted on September 01, 2020, the after-effect and the impact on the banks' balance sheets may be witnessed in the latter part of the year and subsequent period. Furthermore, the Honourable Supreme Court of India in its order dated September 3, 2020, ordered all banks to not classify Covid-19 related defaults as NPAs until further notice, or else the NPAs would have been higher. As per disclosures by banks, the Gross NPAs would have been around 0.5% to 0.6% higher had these accounts been classified as NPAs. However, following this many banks have kept aside extra provisioning for NPAs that may arise in future, or else the provisions would have been lower than reported in Sept-20. For eg: SBI (Rs.3,194 crores), ICICI Bank (Rs.497 crores), Bank of Baroda (Rs.293 crores), Central Bank of India (Rs.146 crores), Kotak Mahindra Bank (Rs.13 crores) provided additional provisions for defaults arising of these accounts in future.
- As the ongoing Covid-19 pandemic is significantly impacting businesses across the board, RBI has been announcing several measures one of which is one-time restructuring of loans (OTR) which is divided across three segments,

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

corporate loans, MSME loans and personal loans. However, reportedly not many borrowers are opting for OTR scheme.

Provisions

Figure 15: Provisions and contingencies



- Provisions of SCBs in the Sept-end quarter declined to Rs.0.54 lakh crores, lowest in the last two years. This was owing to significant fall in provisioning made by PSBs as can be seen in figure 16.
- Previously, following the outbreak of Covid-19, RBI had mandated all banks to make 10% additional provisioning over a period of two quarters (5% each in March and June 2020 quarters) on loan accounts where moratorium benefit had been extended, which resulted in banks providing higher additional provisions beyond the RBI's mandatory rate during both the quarters (provisioning of Rs.0.33 lakh crores by PVBs and Rs.0.50 lakh crores by PSBs in Mar-20; and in the quarter ended Jun-20 PVBs made provisioning of Rs.0.25 lakh crores and PSBs-Rs.0.38 lakh crores).
- The banks which have provided lesser owing to lower slippages during the quarter include SBI (Rs.10,118 crores in Sept-20 vs Rs.13,139 crores in Sept-19), Union Bank Of India (Rs.4,144 crores in Sept-20 vs Rs.5,894 crores in Sept-19 - includes merged banks - Andhra Bank and Corporation Bank), Bank Of Baroda (Rs.3,002 crores in Sept-20 vs Rs.4,210 crores in Sept-19 - includes merged banks - Dena Bank and Vijaya Bank), IDBI Bank Ltd (Rs.581 crores in Sept-20 vs Rs.5,641 crores in Sept-19) and The Jammu & Kashmir Bank Ltd (Rs.325 crores in Sept-20 vs Rs.1,428 crores in Sept-19).
- The SMA-1 and SMA-2 of SCBs has been higher compared to Jun-end quarter and lower as compared with previous year (eg: SBI, Central Bank of India, Bank of Maharashtra), however, owing to this gradual rise in NPAs may be observed in CY2021.
- In the coming quarter's provisions of SCBs are likely to remain elevated on account of recognition of stressed assets owing to Covid-19 and its disruptions affecting the businesses which could impact the financial performance.

Provision Coverage Ratio (PCR)

Figure 16: PCR% range of SCBs as at end of Sept 2020

PCR % Range	All	PSBs	PVB*
Less than 70%	1	0	1
70-80%	15	1	14
Greater than 80%	15	11	4

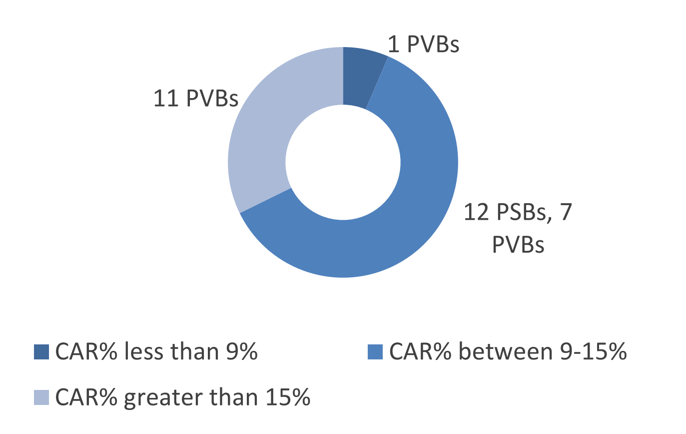
*Excluding Bandhan Bank, Source: Ace Equity

- The average PCR of SCBs stands at 80.0% at the end of Sept 2020, against 68.9% in the year-ago period reflecting an improvement in the financial health of the SCBs.
- Half of the SCBs under review had reported PCR less than 80% as at end of Sept 2020. Maximum PVBs have reported a marked rise in their PCR at the end of Q2FY21.
- The PSBs have recorded considerably higher PCR during Q2FY21 as compared with the same quarter previous year.
- Of the 19 PVBs considered, 'The South Indian Bank Ltd' reported lower PCR at 65.2%, while the remaining recorded considerably higher PCR during Q2FY21. However, 'The South Indian Bank Ltd' PCR has shown improvement in the quarter ended Sept-20 compared with the previous year (48.1%).

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

Capital Adequacy Ratio (CAR) under Basel III

Figure 17: CAR% range of SCBs as at end of Sept 2020



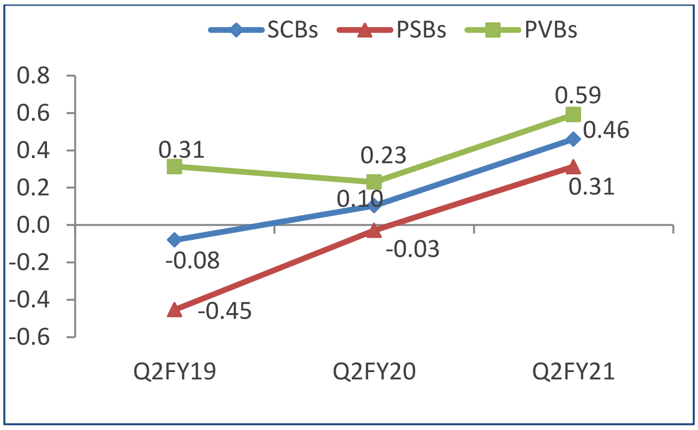
* Excluding AU Small Finance Bank; Source: Banks performance results, Ace Equity

- As per Basel III regulations, all SCBs were required to maintain a CAR of 11.5% from March 31, 2020 onwards (CAR of 9.0% along with capital conservation buffer (CCB) of 2.5%).
- However, in view of the continuing stress on account of Covid-19, RBI on September 29, 2020 deferred the implementation of the last tranche of 0.625% of the Capital Conservation Buffer (CCB) from September 30, 2020 to April 1, 2021. Currently, the required CAR stands at 10.875%.
- Further, systemically important banks needs to maintain an additional requirement of over and above the 10.875% CAR (which includes SBI: 0.6%, HDFC: 0.2% and ICICI Bank: 0.2%). All SCBs excluding Lakshmi Vilas Bank reported CAR higher than the minimum regulatory requirement as on Sept-20.
- Lakshmi Vilas Bank posted lowest CAR at -2.85% in Sept-20 against 5.56% in the previous year. On November 27, 2020, Lakshmi Vilas Bank amalgamated with DBS Bank India Limited (DBIL), for which DBIL received capital infusion of Rs.2,500 crores from DBS Bank Limited (Singapore) to support its amalgamation. Presently, the bank has stated that it was well-capitalised, and its CAR remains above regulatory requirements after the amalgamation.
- Furthermore, owing to the challenging business environment banks have been increasing their capital base, as listed below:
  - In July, Yes Bank raised capital of Rs.15,000 crores through public offering to ensure adequate capital to support its growth and expansion pushing the CAR to 19.9% in Sept-20 quarter against 8.6% CAR reported in Jun-20.
  - Axis Bank raised Rs.10,000 crores in August 2020 through allotment of equity shares to qualified institutional buyers (QIB) and ICICI Bank raised Rs.15,000 crores through equity capital during the same month.
  - Kotak Mahindra Bank raised Rs.7,000 crores during Sept-end quarter.
  - SBI raised Rs 5,000 crores by issuing Basel-III compliant bonds in October 2020.
  - In December 2020, Indian Bank also raised Rs.1,048 crores by issuing Basel-III compliant bonds. During the same month, Canara Bank raised Rs 2,000 crore equity capital by issuing over 19 crore shares; followed by IDBI Bank (raised Rs 1,435 crores through QIP) and Punjab National Bank (raised over Rs.3,788 crores through QIP issue). Bank of Maharashtra also raised over Rs.200 crores through private placement of Basel III-compliant tier II bonds during December 2020.

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

Return on Assets (RoA)

Figure 18: Movement of RoA (%)

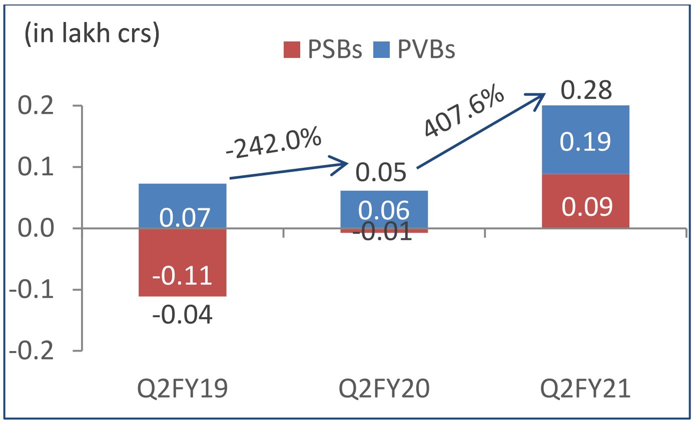


Source: Ace Equity, CARE Ratings Calculations

- The RoA for SCBs improved from Q2FY19 to Q2FY21 owing to an increase in net interest income and subdued provisioning requirements for both PSBs and PVBs (refer figure 19).
- The RoA for PSBs has improved from -0.03% in Q2FY20 to 0.31% in quarter under review.
- As discussed above, the profit margins of the SCBs has increased mainly due to lower slippages (due to standstill as a result of RBI moratorium and order by Supreme Court) and decline in provisions during the quarter.

Net Profit

Figure 19: Trend of net profit



Source: Ace Equity, CARE Ratings Calculations

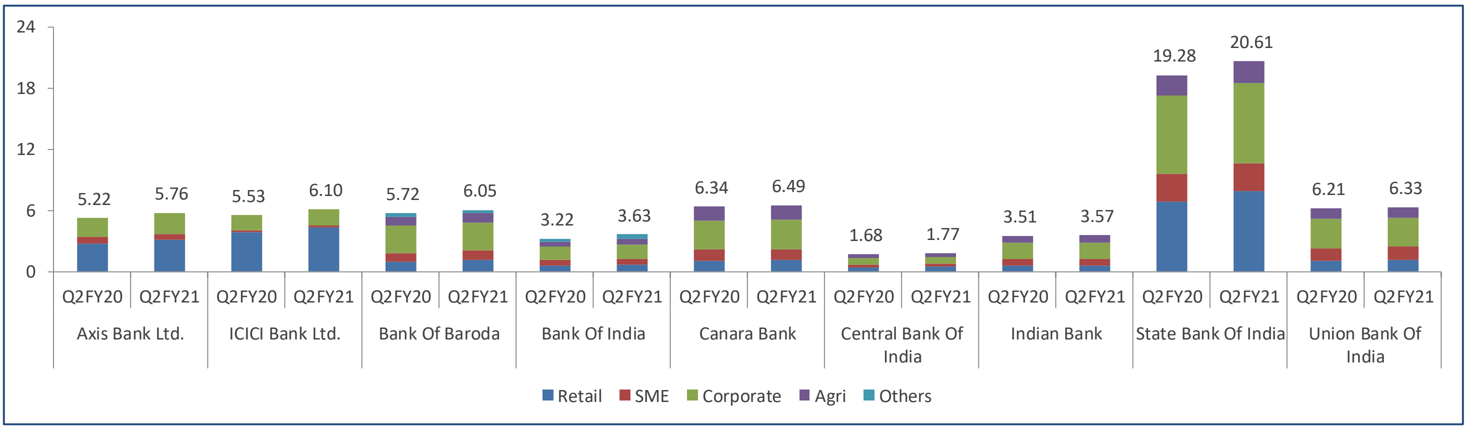
- The overall aggregate net profit of SCBs rose during the quarter as against a net loss in the corresponding period a year-ago.

- As can be seen in Figure 19, PSBs recorded significant growth in its net profit during the quarter under review largely owing to better net interest incomes and decline in provisioning (refer Figure 15) during the quarter. Amongst PSBs, Indian Overseas Bank, Indian Bank and Union Bank of India reported significant profit of Rs.2,402 crores, Rs.2,168 crores and Rs.1,510 crores against a net loss of Rs.2,254 crores, Rs.1,756 crores and Rs.994 crores in the previous year.
- The profit margins of the SCBs have registered positive growth due to fall in credit cost of banks such as Bank of Baroda, SBI, Indian Bank, Axis Bank with few others owing to bad loans written off.

Note: The PSBs includes merged banks → Syndicate Bank with Canara Bank, Allahabad Bank with Indian Bank, Oriental Bank Of Commerce and United Bank of India with Punjab National Bank, Andhra Bank and Corporation Bank with Union Bank of India.

Total Advances

Figure 20: Composition of total advances (in Rs lakh crores)



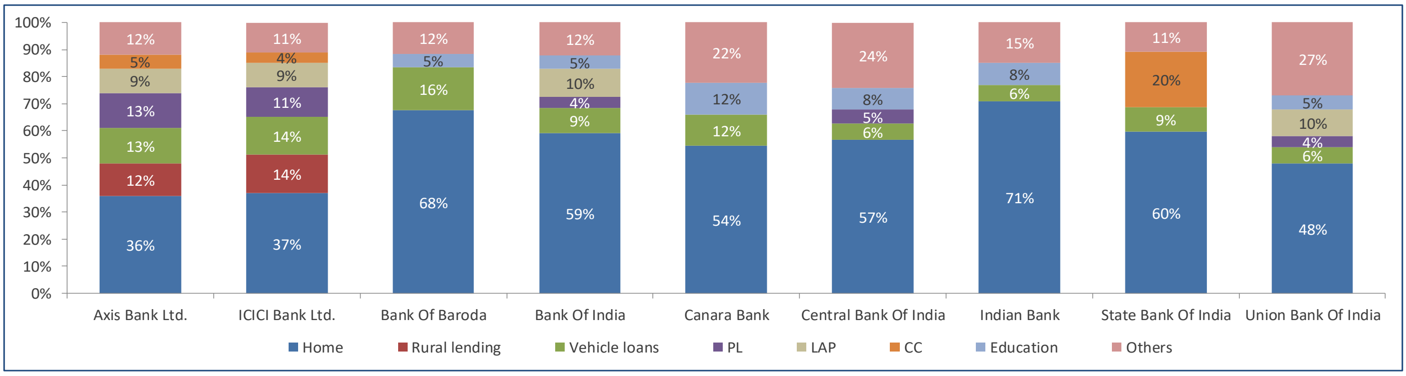
Source: Company Reports

The sample set of SCBs considered here accounts for ~67% of total advances at the end of Sept-20, of which corporate segment accounts for the highest share at ~39% followed by retail segment (34%), SME (14%) and balance is accounted by the agricultural sector. SBI alone accounts for the largest share at ~23% with 38% exposure to retail and corporate segment each; while SME accounts for 13% and rest towards agricultural segment. The retail segment registered highest growth rate (~13% y-o-y) as compared with other segments.

Majority of the SME growth can be attributed to the ECLGS scheme which was instrumental in improving the activity level during the pandemic time. As on September 29, 2020, PSBs sanctioned Rs.80,061 crores and disbursed Rs. 66,848 crores; while PVBs sanctioned Rs.95,061 and disbursed Rs. 60,741 crores to MSMEs under the ECLGS scheme. SBI has recorded the maximum cumulative sanctions of Rs. 24,840 crores, which is 1.0% of their total loan book as of end-Sept 2020, followed by Punjab National Bank (PNB) which has sanctioned Rs. 10,806 crores (which is 1.5% of total loan book). Additionally, this could continue in H2FY21 as the ECLGS has been further extended till March 2021 to enable MSME's avail additional funds under this scheme.

Among the retail portfolio of SCBs, home loan accounts for the highest share at ~55%, followed by vehicle loans (~10%) (Refer Figure 21). To push retail credit, banks had been offering various festive offers (Diwali) leading to retail demand along with various online shopping portals offering Diwali sale offers (banks like HDFC Bank, Axis Bank, ICICI Bank along with others had announced various offers). Also, banks had provided concession on home loan interest rate, which would help increase demand. For eg: SBI in October 2020 announced festive season interest rate concession up to 25 bps on home loans. All these measures taken by SCBs would restrict the overall bank credit growth from declining further in H2FY21.

Figure 21: Retail portfolio mix (%)



Source: Company Reports

Concluding remarks:

The SCBs continue to remain risk averse due to the pandemic-led uncertainty. Bank credit growth remained low at 5.7% as of December 04, 2020 despite of availability of ample liquidity in the banking system; compared to last year's level of 7.9% (as of December 06, 2019) reflecting weak demand. Additionally, the bank credit growth is also supported by disbursements under ECLGS scheme which has been extended further till March 31, 2021. However, SCBs are being very selective with their credit portfolios due to asset quality concerns. The overall bank credit growth is expected to remain slower in the near term. Whereas, deposit growth increased faster at 10.5% compared to the last two years where deposit registered growth between 8-10%.

However, as RBI has permitted a one-time restructuring (OTR) of loans across three segments – corporate loans, MSME loans and personal loans – as the ongoing Covid-19 pandemic is significantly impacting the businesses across the board. This benefit is allowed to be initiated up to December 31, 2020, which would allow the banks to take appropriate actions after understanding ground realities post moratorium, opening of the economy and impact of the Covid- 19 pandemic. Following this, many banks have announced capital raising plans for catering post COVID-19 economy by maintaining adequate capital buffers. On the other hand, the stringent conditions laid down by RBI for eligibility of borrower for OTR scheme would make it difficult for them to qualify for the same. By end-Dec 2020, the SCBs would get some idea on the number of accounts under OTR scheme that can help them in understanding the slippages by end of this fiscal year. However, assuming the borrowers who are qualified ineligible are not in the condition to re-pay their loan would further lead to an increase in the GNPAs in the coming quarters.

Appendix

Table A.1: Bank-wise Gross NPAs (PSB) in %

Public Sector Banks (PSB)	Mar-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
Bank Of Baroda	12.26	11.78	11.01	9.61	10.28	10.25	10.43	9.40	9.39	9.14
Bank Of India	16.58	16.36	16.31	15.84	16.50	16.31	16.30	14.78	13.91	13.79
Bank Of Maharashtra	19.48	18.64	17.31	16.40	17.90	16.86	16.77	16.40	10.93	8.81
Canara Bank	11.84	10.56	10.25	8.83	8.77	8.68	8.36	8.21	8.84	8.23
Central Bank Of India	21.48	21.48	20.64	19.29	19.93	19.89	19.99	18.92	18.10	17.36
Indian Bank	7.37	7.16	7.46	7.11	7.33	7.20	7.20	6.87	10.90	9.89
Indian Overseas Bank	25.28	24.73	23.76	21.97	22.53	20.00	17.12	14.78	13.90	13.04
Punjab & Sind Bank	11.19	10.02	11.19	11.83	12.88	13.64	13.58	14.18	14.34	14.06
Punjab National Bank	18.38	17.16	16.33	15.50	16.49	16.76	16.30	14.21	14.11	13.43
State Bank Of India	10.91	9.95	8.71	7.53	7.53	7.19	6.94	6.15	5.44	5.28
UCO Bank	24.64	25.37	27.39	25.00	24.85	21.87	19.45	16.77	14.38	11.62
Union Bank Of India	15.73	15.74	15.66	14.98	15.18	15.24	14.86	14.15	14.95	14.71

Note: The data for Mar-20 excludes merged Banks as financial results released only for standalone; Source: Ace Equity

Table A.2: Bank-wise Gross NPAs (PVB) in %

Private Sector Banks (PVB)	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
AU Small Finance Bank Ltd.	2.03	2.09	2.04	2.08	2.01	1.88	1.68	1.69	1.54
Axis Bank Ltd.	5.96	5.75	5.26	5.25	5.03	5.00	4.86	4.72	4.18
Bandhan Bank Ltd.	1.29	2.41	2.04	2.02	1.76	1.93	1.48	1.43	1.18
City Union Bank Ltd.	2.85	2.91	2.95	3.34	3.41	3.50	4.09	3.90	3.44
DCB Bank Ltd.	1.84	1.92	1.84	1.96	2.09	2.15	2.46	2.44	2.27
Dhanlaxmi Bank Ltd.	7.81	8.11	7.47	7.61	7.06	7.13	5.90	6.89	6.36
HDFC Bank Ltd.	1.33	1.38	1.36	1.40	1.38	1.42	1.26	1.36	1.08
ICICI Bank Ltd.	9.30	8.54	7.38	7.21	6.90	6.39	5.53	5.99	5.63
IDBI Bank Ltd.	31.78	29.67	27.47	29.12	29.43	28.72	27.53	26.81	25.08
IDFC First Bank Ltd.	1.63	1.97	2.43	2.66	2.62	2.83	2.60	1.99	1.62
IndusInd Bank Ltd.	1.09	1.13	2.10	2.15	2.19	2.18	2.45	2.53	2.21
Karur Vysya Bank Ltd.	7.70	8.49	8.79	9.17	8.89	8.92	8.68	8.34	7.93
Kotak Mahindra Bank Ltd.	2.15	2.07	2.14	2.19	2.32	2.46	2.25	2.70	2.55
RBL Bank Ltd.	1.40	1.38	1.38	1.38	2.60	3.33	3.62	3.45	3.34
The Federal Bank Ltd.	3.11	3.14	2.92	2.99	3.07	2.99	2.84	2.96	2.84
The Jammu & Kashmir Bank Ltd.	9.00	9.94	8.97	8.48	10.64	11.10	10.97	10.73	8.87
The Karnataka Bank Ltd.	4.66	4.45	4.41	4.55	4.78	4.99	4.82	4.64	3.97
The Lakshmi Vilas Bank Ltd.	12.31	13.95	15.30	17.30	21.25	23.27	25.39	25.40	24.45
The South Indian Bank Ltd.	4.61	4.88	4.92	4.96	4.92	4.96	4.98	4.93	4.87
Yes Bank Ltd.	1.60	2.10	3.22	5.01	7.39	18.87	16.80	17.30	16.90

Source: Ace Equity

Table A.3: Bank-wise Provision Coverage Ratio (PSB) in %

Public Sector Banks (PSB)	Q2FY19	Q2FY20	Q2FY21
Bank Of Baroda	70.8	77.9	85.4
Bank Of India	69.1	77.3	87.9
Bank Of Maharashtra	64.4	82.7	87.2
Canara Bank	61.4	69.6	81.5
Central Bank Of India	67.7	76.9	82.2
Indian Bank	60.8	68.1	84.4
Indian Overseas Bank	62.0	75.9	89.4
Punjab & Sind Bank	64.8	65.5	76.1
Punjab National Bank	66.9	74.1	83.0
State Bank Of India	70.7	81.2	88.2
UCO Bank	67.6	81.2	89.8
Union Bank Of India	57.7	67.8	83.2

Source: Ace Equity

Table A.4: Bank-wise Provision Coverage Ratio (PVBs) in %

Private Sector Banks (PVBs)	Q2FY19	Q2FY20	Q2FY21
AU Small Finance Bank Ltd.	37.6	43.9	71.0
Axis Bank Ltd.	73.0	79.0	77.0
City Union Bank Ltd.	65.0	65.0	70.0
DCB Bank Ltd.	76.8	73.1	79.1
Dhanlaxmi Bank Ltd.	82.5	89.2	89.3
HDFC Bank Ltd.	70.0	71.0	72.0
ICICI Bank Ltd.	68.7	85.0	81.5
IDBI Bank Ltd.	69.4	91.3	96.0
IDFC First Bank Ltd.	N/A	56.1	73.7
IndusInd Bank Ltd.	56.0	50.0	77.0
Karur Vysya Bank Ltd.	58.5	61.8	75.2
Kotak Mahindra Bank Ltd.	62.8	64.0	75.6
RBL Bank Ltd.	61.5	58.5	74.8
The Federal Bank Ltd.	63.4	66.2	78.3
The Jammu & Kashmir Bank Ltd.	69.5	71.5	80.4
The Karnataka Bank Ltd.	57.5	59.2	75.4
The Lakshmi Vilas Bank Ltd.	55.4	62.3	79.7
The South Indian Bank Ltd.	41.9	48.1	65.2
Yes Bank Ltd.	47.8	43.1	75.7

*Excluding Bandhan Bank; Source: Ace Equity

Table A.5: Bank-wise Capital Adequacy Ratio (PSB) in %

Public Sector Banks (PSB)	Q2FY19	Q2FY20	Q2FY21
Bank Of Baroda	11.88	12.98	13.26
Bank Of India	10.93	14.09	12.80
Bank Of Maharashtra	9.87	11.83	13.18
Canara Bank	12.62	13.99	12.77
Central Bank Of India	8.71	12.97	12.97
Indian Bank	12.73	14.52	13.64
Indian Overseas Bank	9.16	11.86	10.90
Punjab & Sind Bank	10.66	11.68	11.11
Punjab National Bank	10.08	14.07	12.84
State Bank Of India	12.61	13.59	14.72
UCO Bank	7.57	11.44	11.80
Union Bank Of India	11.55	15.14	12.38

Source: Ace Equity

Table A.6: Bank-wise Capital Adequacy Ratio (PVBs) in %

Private Sector Banks (PVBs)*	Q2FY19	Q2FY20	Q2FY21
Axis Bank Ltd.	16.17	18.23	19.38
Bandhan Bank Ltd.	32.59	25.09	25.70
City Union Bank Ltd.	15.11	15.49	17.36
DCB Bank Ltd.	15.57	16.16	18.28
Dhanlaxmi Bank Ltd.	14.16	13.77	13.72
HDFC Bank Ltd.	17.10	17.50	19.10
ICICI Bank Ltd.	17.84	16.14	16.54
IDBI Bank Ltd.	6.22	11.98	11.98
IDFC First Bank Ltd.	19.18	14.65	14.73
IndusInd Bank Ltd.	14.28	14.70	16.55
Karur Vysya Bank Ltd.	14.22	15.99	18.41
Kotak Mahindra Bank Ltd.	17.04	18.15	23.40
RBL Bank Ltd.	13.12	11.88	16.50
The Federal Bank Ltd.	13.29	13.98	14.64
The Jammu & Kashmir Bank Ltd.	12.02	15.14	11.86
The Karnataka Bank Ltd.	11.30	12.64	13.08
The Lakshmi Vilas Bank Ltd.	9.67	5.56	-2.85
The South Indian Bank Ltd.	12.11	12.08	13.94
Yes Bank Ltd.	16.20	16.30	19.90

* Excluding AU Small Finance Bank; Source: Ace Equity