

HOLD
 TP: Rs 170 | ▲ 10%

RBL BANK

| Banking

| 20 January 2025

Sharp provisioning weighs on profitability

- Provisions more than doubled in Q3 leading to PBT loss, this was on account of higher provisioning in the MFI portfolio
- Consequently, credit cost increased sharply to 5.3%, vs. 2.8% in Q2FY25, which weighed on profitability
- Business growth too was moderate in Q3FY25. Hence, we revise our estimates, and adjust our rating to HOLD and TP to Rs 170

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Moderate business growth: RBK posted moderate credit growth of 13% YoY (+3% QoQ) in Q3FY25. Housing (up 6% QoQ), business banking (up 12% QoQ) and vehicle portfolio (up 11% QoQ) aided the loan book growth during the quarter. Deposits too was modest which grew 15% YoY (down 1% QoQ). CASA ratio was lower at 32.8% vs. 33.6% in Q2FY25. While the wholesale and secured retail business continued to do well, MFI and credit cards portfolio saw de-growth/muted growth.

Higher provisioning a drag on profitability: PAT declined significantly (down 86% YoY) owing to sharp increase in the credit costs in the MFI book. Credit cost stood at 5.3% vs. 2.8% in Q2FY25. NIM contracted by 14bps QoQ to 4.9% impacted by interest reversals and slowdown in disbursements in MFI portfolio.

Asset quality a concern: RBK saw increased slippages in Q3FY25 particularly in MFI and card portfolio. GNPA stood at 2.92% (+4bps QoQ) while NNPA was lower at 0.53% (down 26bps QoQ) on account of provisions. The slippage ratio increased to 1.49% vs. 1.18% in Q2FY25 with ~85% coming from the card and MFI portfolio. Almost 3% and 8% of credit card and MFI portfolio slipped to NPA and management expects similar level of slippages in Q4FY25. Credit card slippages is expected to improve going forward. The bank had made accelerated provisions of Rs 4.1bn towards its JLG loans.

Assume coverage of RBK with HOLD: Considering a higher stress in the MFI and credit card book, we estimate higher credit costs of 2.2-3% going forward in FY25E-FY27E. While the bank has increased coverage to 82% from 73% in Q2FY25, credit cost is likely to remain elevated aided by these two segments. Loan growth to be moderate with wholesale and secured retail business continuing to do well. The stock may witness pressure in the near term on account of lower growth in loan book and deterioration in the asset quality. Hence, we have a HOLD rating (from BUY) and lower our TP to Rs 170 (earlier Rs 276) for the stock as it offers limited upside at the current valuation of 0.6x Dec'26 ABV.

Key changes

	Target	Rating
	▼	▼

Ticker/Price	RBK IN/Rs 155
Market cap	US\$ 1.1bn
Free float	100%
3M ADV	US\$ 22.2mn
52wk high/low	Rs 287/Rs 148
Promoter/FPI/DII	0%/21%/18%

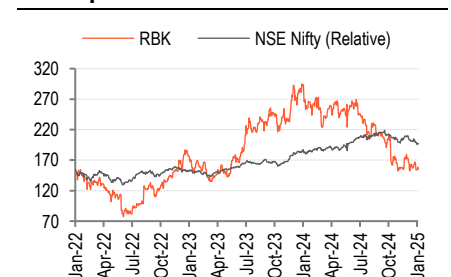
Source: NSE | Price as of 17 Jan 2025

Key financials

Y/E 31 Mar	FY24A	FY25E	FY26E
NII (Rs mn)	60,429	68,268	80,777
NII growth (%)	35.8	13.0	18.3
Adj. net profit (Rs mn)	11,679	9,190	16,773
EPS (Rs)	19.4	15.2	27.6
Consensus EPS (Rs)	19.4	26.0	33.5
P/E (x)	8.0	10.2	5.6
P/BV (x)	0.6	0.6	0.5
ROA (%)	0.9	0.6	1.1
ROE (%)	8.2	6.0	10.1

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement (post-reclassification)

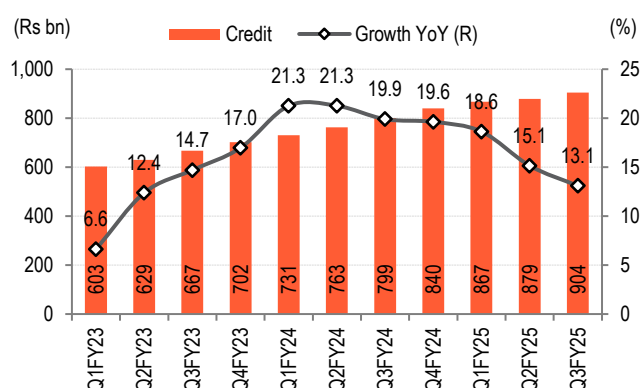
(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Income Statement							
Interest Income	25,988	26,793	27,502	28,291	28,461	9.5	0.6
Income on investments	5,015	5,134	5,230	5,274	5,332	6.3	1.1
Int. on bal. with RBI & inter-bank funds & Others	911	1,464	2,231	1,745	1,570	72.3	(10.0)
Interest income	31,914	33,391	34,962	35,309	35,363	10.8	0.2
Interest expense	16,455	17,392	17,963	19,160	19,513	18.6	1.8
Net interest income	15,459	15,999	17,000	16,150	15,851	2.5	(1.9)
Growth YoY (%)	34.6	32.1	19.5	9.5	2.5	(3,210bps)	(696bps)
Non-interest income	7,776	8,755	8,055	9,274	10,733	38.0	15.7
Growth YoY (%)	25.7	29.9	17.5	31.6	38.0	1,230bps	639bps
Net income	23,234	24,753	25,054	25,423	26,584	14.4	4.6
Growth YoY (%)	31.5	31.3	18.9	16.7	14.4	(1,710bps)	(224bps)
Staff expenses	3,989	3,775	3,680	4,654	4,530	13.6	(2.7)
Other operating expenses	11,593	12,108	12,783	11,670	12,088	4.3	3.6
Operating expenses	15,582	15,883	16,464	16,324	16,618	6.6	1.8
Pre-Provisioning Profit (PPoP)	7,653	8,870	8,591	9,099	9,966	30.2	9.5
Growth YoY (%)	34.9	49.4	32.7	24.5	30.2	(468bps)	576bps
Provisions	4,581	4,138	3,663	6,183	11,889	159.5	92.3
Growth YoY (%)	56.5	76.3	37.6	(3.4)	159.5	10,301bps	16,294bps
PBT	3,071	4,732	4,928	2,916	(1,923)	(162.6)	(165.9)
Tax	740	1,206	1,213	690	(2,249)	(403.8)	(425.8)
PAT	2,331	3,526	3,715	2,225	326	(86.0)	(85.3)
Growth YoY (%)	11.5	30.1	29.0	(24.3)	(86.0)	(9,754bps)	(6,167bps)
Per Share Data (Rs)							
FV	10	10	10	10	10	0.0	0.0
EPS	4	6	6	4	1	(86.0)	(85.3)
Book Value	228	235	242	244	243	6.7	(0.4)

Source: Company, BOBCAPS Research

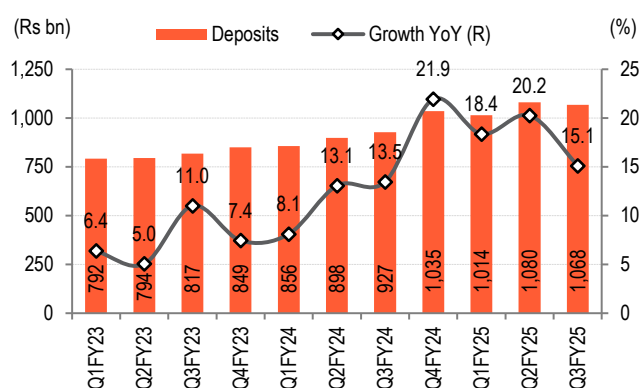
Fig 2 – Quarterly snapshot: Balance sheet & other metrics

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Deposits	9,27,460	10,34,936	10,13,520	10,79,587	10,67,530	15.1	(1.1)
Growth YoY (%)	13.5	21.9	18.4	20.2	15.1	165bps	(515bps)
Advances	7,99,490	8,39,869	8,67,040	8,78,820	9,04,120	13.1	2.9
Growth YoY (%)	19.9	19.6	18.6	15.1	13.1	(681bps)	(206bps)
Investment	2,78,520	2,95,759	2,97,260	3,03,730	2,95,420	6.1	(2.7)
Equity	1,43,916	1,47,964	1,52,790	1,54,664	1,55,160	7.8	0.3
Assets	12,71,466	13,81,069	13,57,830	14,38,840	14,09,000	10.8	(2.1)
Growth YoY (%)	16.1	19.2	14.7	15.9	10.8	(524bps)	(508bps)
Yield (%)							
Yield on Funds	10.99	10.90	11.03	10.90	10.67	(32bps)	(23bps)
Cost of Funds	6.19	6.18	6.18	6.45	6.45	25bps	(1bps)
Spread	4.80	4.73	4.85	4.44	4.22	(58bps)	(22bps)
Net Interest Margin (calc.)	5.32	5.22	5.36	4.98	4.78	(54bps)	(20bps)
Ratios (%)							
Other Income / Net Income	33.5	35.4	32.1	36.5	40.4	691bps	390bps
Cost to Income ratio	67.1	64.2	65.7	64.2	62.5	(455bps)	(170bps)
CASA ratio	33.8	35.2	32.6	33.6	32.8	(98bps)	(75bps)
C/D ratio	86.2	81.2	85.5	81.4	84.7	(151bps)	329bps
Investment to Assets	21.9	21.4	21.9	21.1	21.0	(94bps)	(14bps)
Assets Quality							
GNPA	25,511	22,710	23,778	25,811	27,010	5.9	4.6
NNPA	6,356	6,193	6,389	6,975	4,816	(24.2)	(30.9)
Provision	19,154	16,517	17,389	18,836	22,194	15.9	17.8
GNPA (%)	3.12	2.65	2.69	2.88	2.92	(20bps)	4bps
NNPA (%)	0.80	0.74	0.74	0.79	0.53	(27bps)	(26bps)
Provision Coverage Ratio (%)	75.1	72.7	73.1	73.0	82.2	708bps	919bps
Others (nos)							
Branches	538	545	545	550	558	20	8
ATMs	388	395	398	406	411	23	5
Employees	12,316	12,473	13,353	14,777	14,715	2,399	(62)

Source: BOBCAPS Research, Company

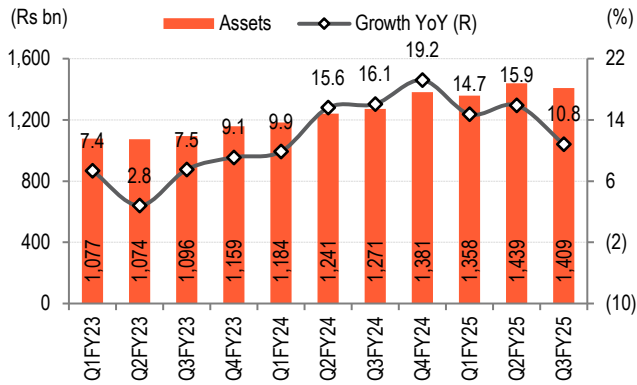
Fig 3 – Credit growth moderated due to slowdown in unsecured portfolio

Source: Company, BOBCAPS Research

Fig 4 – Deposit growth decelerates on low CASA mobilisation

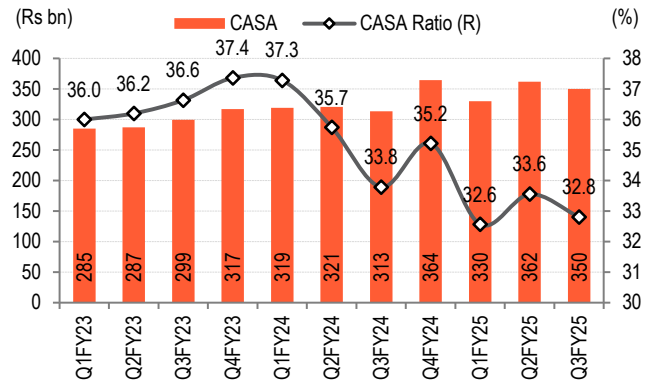
Source: Company, BOBCAPS Research

Fig 5 – Total assets show a sharp decline on higher base



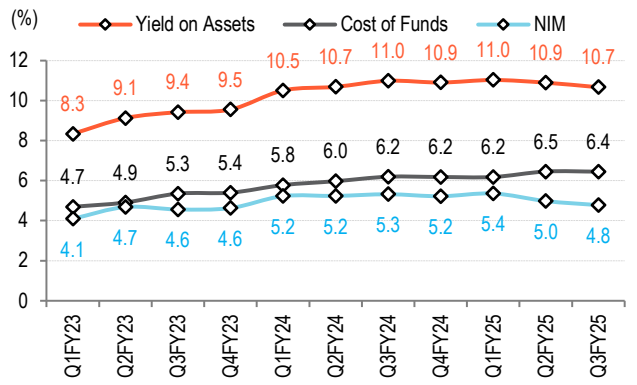
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio dips on low CA deposit mobilisation



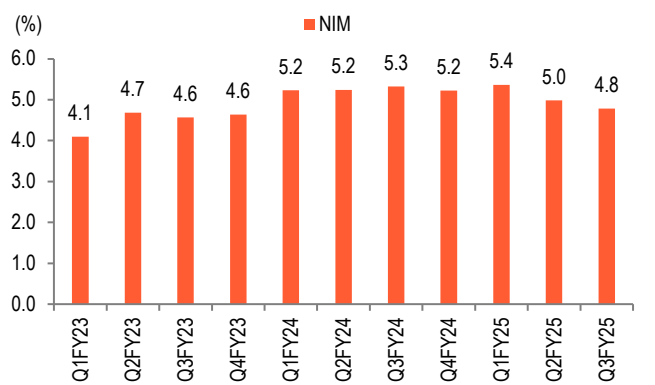
Source: Company, BOBCAPS Research

Fig 7 – Cost of funds on the rise...



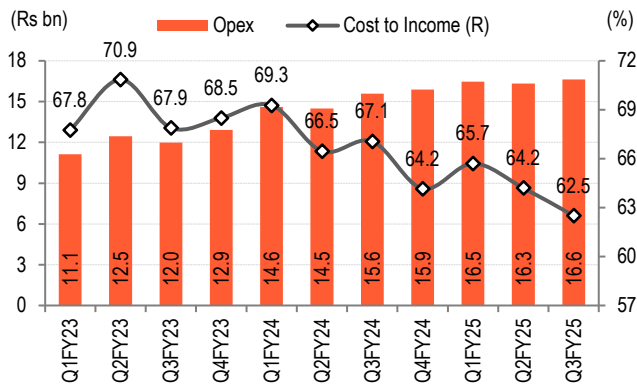
Source: Company, BOBCAPS Research

Fig 8 – ... affecting NIM (calc.) QoQ



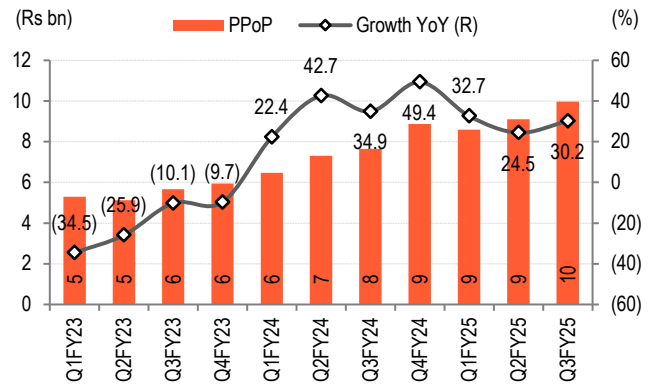
Source: Company, BOBCAPS Research

Fig 9 – Cost to income moderated on slow growth in opex



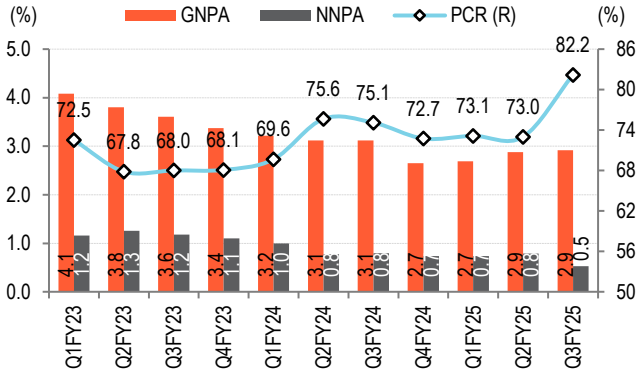
Source: Company, BOBCAPS Research

Fig 10 – PPOP growth modest QoQ on higher cost of funds



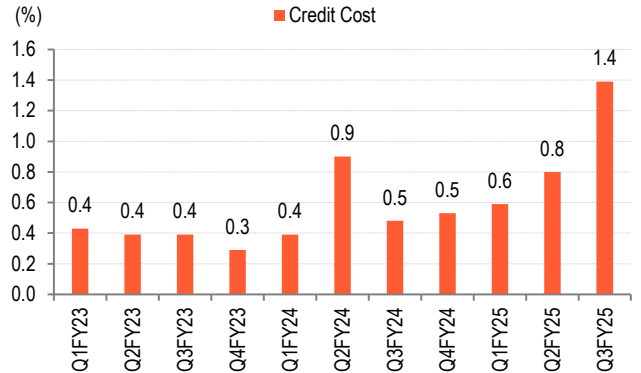
Source: Company, BOBCAPS Research

Fig 11 – Additional provision on JLG loans increased PCR to 82.2%



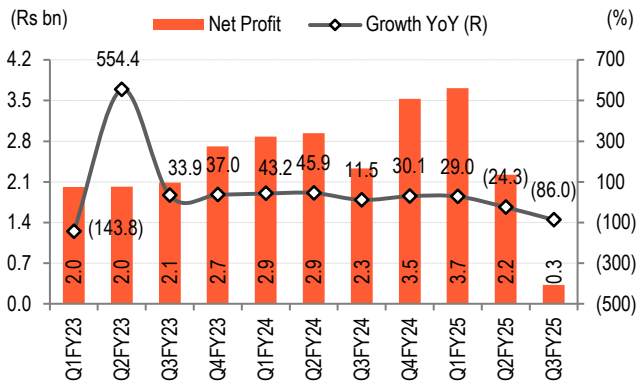
Source: Company, BOBCAPS Research

Fig 12 – Credit cost elevated on account of additional provision on JLG loans (impact of 49bps)



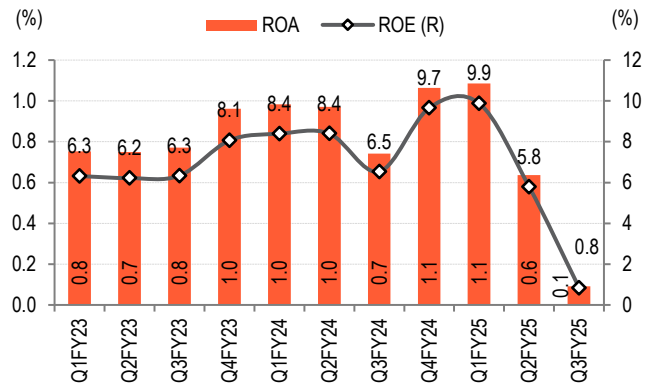
Source: Company, BOBCAPS Research

Fig 13 – Higher provision dragged PAT



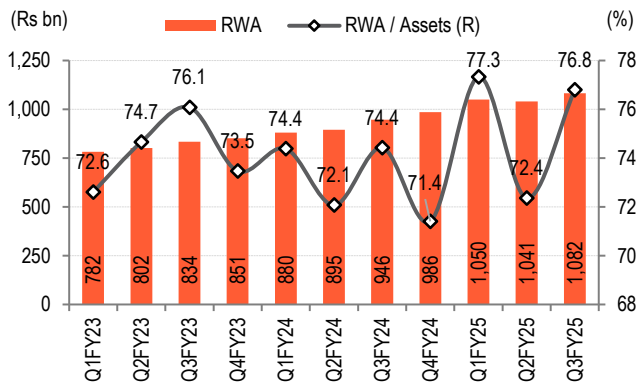
Source: Company, BOBCAPS Research

Fig 14 – ROA & ROE at their lowest due to high provision & moderate NII growth



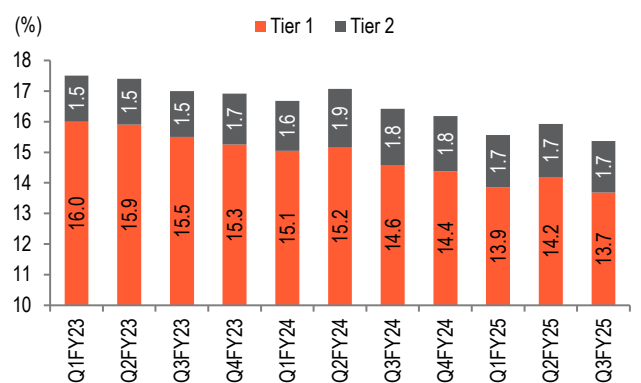
Source: Company, BOBCAPS Research

Fig 15 – RWA/asset ratio higher on increased operational risk



Source: Company, BOBCAPS Research | RWA: Risk-weighted assets

Fig 16 – Well capitalised to fund credit demand



Source: Company, BOBCAPS Research

Earnings call highlights

Guidance

- Company is unclear about the FY26 guidance as Q4 could be uncertain with respect to loan book mix and elevated slippages across the unsecured segment.
- Management believes that higher risk-weighted book is expected to grow slower in coming quarters and, thus, the company would be well capitalised in terms of CET1 in the foreseeable future.

Asset quality

- Provisions increased to Rs 11.9bn from Rs 6.2bn in Q2FY25 largely due to additional provision of Rs 4.1bn on Joint Liability Group (JLG) portfolio.
- Credit cost is elevated at 139bps vs. 80 bps in Q2FY25. There is an impact of 49bps on credit cost on account of additional provision of Rs 4.1bn on JLG loans.
- Slippages during the quarter totaled Rs 13.1bn vs. Rs 10.3bn in Q2FY25, whereas upgrades and recovery stood at Rs 2.6bn vs. Rs 2.1bn. Write-offs during the quarter stood at Rs 9.3bn vs. Rs 6.1bn in Q2. This led to a 4bps rise in GNPA to 2.92%, while NPPA declined to 0.53% on account of additional provision. PCR stood at 93.5% vs. 89.4% in Q2FY25.
- The total provisions of the bank including specific, general and contingent provision is at 110% of GNPA.
- Management expects slippages to remain elevated in Q4 thereby providing adequate provision on bad loans. We could see a declining trend in slippages in the cards & MFI segment from FY26.
- RBK's net restructured book stood at 0.32% against 0.38% in Q2FY25.

Deposits

- Deposits grew 15% YoY (-1% QoQ) in Q3 due to decline in CA deposits leading to a CASA ratio decline of 75bps QoQ to 32.8%, while RBK clocked strong 20% YoY growth in accounts below Rs 30mn. These stand at 50.3% of total deposits (48.4% a year ago), which the bank planned to ramp up closer to 50% achieving the milestone.
- Average LCR stood at 143% vs. 129% in Q2FY25 and 132% in Q3FY24.

Advances

- Advances grew 13% YoY and 3% QoQ.
- Retail advances book grew 19% YoY with Retail: Wholesale advances mix at 61:39.
- Robust growth in retail lending was mainly driven by the housing loan, rural vehicle finance and personal loan and others, including the gold loan segment.
- Credit card, MFIs and retail agri loan book showed a sharp decline on yearly and quarterly basis on slowdown of disbursals due to increasing trend of slippages.

Margins

- Reported NIM dropped to 4.90% from 5.04% in Q2FY25 on account of Interest reversal and lower-than-expected disbursements in the JLG business.
- Margins are expected to fall in Q4 as well due to provisioning in the credit card and JLG portfolio. We could expect some stabilisation in NIMs from FY26.

Fig 17 – Loan book trend

(Rs mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Corporate Banking	2,47,190	2,38,880	2,46,660	2,57,250	2,35,780	2,33,950	2,44,280	(1.0)	4.4
CB	75,020	83,450	89,120	91,150	93,900	97,650	1,07,850	21.0	10.4
Wholesale	3,22,210	3,22,330	3,35,780	3,48,400	3,29,680	3,31,600	3,52,130	4.9	6.2
Housing Loan	45,410	49,410	59,150	62,600	66,960	74,470	78,850	33.3	5.9
Business Loan	80,580	83,150	75,700	81,610	81,820	88,370	98,590	30.2	11.6
Rural Vehicle Finance Loan	12,420	14,420	19,970	22,210	21,590	23,430	25,990	30.1	10.9
Personal Loan	35,710	36,990	35,470	38,880	39,880	39,170	37,220	4.9	(5.0)
Credit Card	1,42,080	1,49,690	1,59,640	1,70,380	1,73,940	1,74,330	1,72,880	8.3	(0.8)
MFIs	65,170	67,850	68,270	75,110	72,530	69,710	65,320	(4.3)	(6.3)
Others	13,770	25,810	29,200	23,470	66,050	63,080	58,770	101.3	(6.8)
Retail Agri	13,510	13,600	16,310	17,210	14,580	14,670	14,360	(12.0)	(2.1)
Retail	4,08,650	4,40,920	4,63,710	4,91,470	5,37,350	5,47,230	5,51,980	19.0	0.9
Total Loan	7,30,860	7,63,250	7,99,490	8,39,870	8,67,030	8,78,830	9,04,110	13.1	2.9

Source: Company, BOBCAPS Research | CB: Commercial Banking

Fig 18 – Loan book distribution

Segment (%)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Corporate Banking	33.8	31.3	30.9	30.6	27.2	26.6	27.0	(383bps)	40bps
CB	10.3	10.9	11.1	10.9	10.8	11.1	11.9	78bps	82bps
Wholesale	44.1	42.2	42.0	41.5	38.0	37.7	38.9	(305bps)	122bps
Housing Loan	6.2	6.5	7.4	7.5	7.7	8.5	8.7	132bps	25bps
Business Loan	11.0	10.9	9.5	9.7	9.4	10.1	10.9	144bps	85bps
Rural Vehicle Finance Loan	1.7	1.9	2.5	2.6	2.5	2.7	2.9	38bps	21bps
Personal Loan	4.9	4.8	4.4	4.6	4.6	4.5	4.1	(32bps)	(34bps)
Credit Card	19.4	19.6	20.0	20.3	20.1	19.8	19.1	(85bps)	(72bps)
MFIs	8.9	8.9	8.5	8.9	8.4	7.9	7.2	(131bps)	(71bps)
Others	1.9	3.4	3.7	2.8	7.6	7.2	6.5	285bps	(68bps)
Retail Agri	1.8	1.8	2.0	2.0	1.7	1.7	1.6	(45bps)	(8bps)
Retail	55.9	57.8	58.0	58.5	62.0	62.3	61.1	305bps	(122bps)
Total Loan	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

Source: Company, BOBCAPS Research

Valuation methodology

Assume coverage on RBK with HOLD: Considering a higher stress in the MFI and credit card book, we estimate higher credit costs in FY25E-FY27E. While the bank has increased coverage to 82% from 73% in Q2FY25, credit cost is likely to remain elevated aided by these two segments. Loan growth is to be moderate with wholesale and secured retail business continuing to do well. The management plans to provide the maximum on stress in these segments in FY25 which means that there would be similar levels of credit costs going ahead in the near term. The stock may witness pressure in the near term on account of lower growth in loan book and deterioration in the asset quality. Hence, we have a HOLD rating (from BUY) on RBK and cut TP to Rs 170 (previously Rs 276) as the stock offers limited upside at the current valuation of 0.6x Dec'26 ABV.

Fig 19 – Actuals vs BOBCaps estimates

Rs mn	Q3FY25A	Q3FY25E	Variance (%)
Loan	9,04,120	9,11,419	(0.8)
Deposits	10,67,530	10,67,630	0.0
Assets	14,09,000	14,44,293	(2.4)
NII	15,851	16,702	(5.1)
PPOP	9,966	10,525	(5.3)
Provision	11,889	7,161	66.0
PAT	326	2,540	(87.2)

Source: Company, BOBCAPS Research

Fig 20 – Key operational assumptions

(%)	FY24	FY25E	FY26E	FY27E
Advances Growth	19.6	12.5	14.5	15.0
NII Growth	35.8	13.0	18.3	21.0
PPoP Growth	37.6	33.8	10.5	22.8
PAT Growth	32.3	(21.3)	82.5	34.8
NIM	5.1	5.1	5.5	5.8
GNPA	2.6	3.1	2.7	2.6
CAR	16.2	14.9	14.8	14.3

Source: Company, BOBCAPS Research

Fig 21 – Key valuation assumptions

Gordon growth model	(%)
Return on Equity (RoE)	12.6
Cost of Equity (Ke)	13.5
Growth (Period 1)	10.1
Growth (Long Term)	5.0
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	60.0
Factor 1	1.7
Factor 2	5.5
Justified P/BV Multiple	0.9

Source: BOBCAPS Research

Key risks

- The bank's inability to manage a higher cost of funds amid deposit repricing would represent a key downside risk to our estimates.

Glossary

Glossary of Abbreviations			
AUCA	Advance Under Collection Account	LCR	Liquidity Coverage Ratio
ARC	Asset Reconstruction Company	MCLR	Marginal Cost of Funds-based Lending Rate
BRDS	Bills Rediscounting Scheme	MFI	Microfinance Institution
CASA	Current Account and Savings Account	MTM	Mark to Market
C&IB	Corporate and Institutional Banking	NII	Net Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CB	Commercial Banking	NNPA	Net Non-Performing Assets
CET1	Common Equity Tier 1	PCR	Provision Coverage Ratio
CD	Credit-Deposit Ratio	PPOP	Pre-Provision Operating Profit
C/I	Cost-Income Ratio	PSU	Public Sector Unit
EBLR	External Benchmark-based Lending Rate	RWA	Risk-Weighted Assets
ECL	Expected Credit Loss	SLR	Statutory Liquidity Ratio
GNPA	Gross Non-Performing Assets	SMA	Special Mention Account
IBPC	Interbank Participation Certificate	SME	Small and Medium-sized Enterprises
LAP	Loans against Property		

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net interest income	44,515	60,429	68,268	80,777	97,719
NilI growth (%)	10.5	35.8	13.0	18.3	21.0
Non-interest income	24,894	30,429	38,929	39,649	43,364
Total income	69,409	90,858	1,07,197	1,20,426	1,41,083
Operating expenses	47,384	60,550	66,638	75,588	86,033
PPOP	22,024	30,308	40,559	44,838	55,050
PPOP growth (%)	(19.8)	37.6	33.8	10.5	22.8
Provisions	10,220	17,785	28,207	22,294	24,656
PBT	11,805	12,523	12,352	22,544	30,395
Tax	2,978	844	3,162	5,771	7,781
Reported net profit	8,827	11,679	9,190	16,773	22,614
Adjustments	0	0	0	0	0
Adjusted net profit	8,827	11,679	9,190	16,773	22,614

Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Equity capital	5,996	6,051	6,080	6,080	6,080
Reserves & surplus	1,29,770	1,41,913	1,52,824	1,67,919	1,87,141
Net worth	1,35,766	1,47,964	1,58,904	1,73,999	1,93,221
Deposits	8,48,865	10,34,936	11,38,430	12,80,733	14,85,651
Borrowings	1,33,313	1,41,841	1,40,422	1,55,869	1,73,015
Other liab. & provisions	40,818	59,581	51,197	72,388	78,821
Total liab. & equities	11,58,762	13,84,322	14,88,952	16,82,990	19,30,707
Cash & bank balance	85,200	1,44,166	1,12,504	1,22,531	1,40,117
Investments	2,88,754	2,95,759	3,22,895	3,59,798	4,10,123
Advances	7,02,094	8,39,869	9,44,853	10,81,857	12,44,135
Fixed & Other assets	82,714	1,04,529	1,08,700	1,18,805	1,36,332
Total assets	11,58,762	13,84,322	14,88,952	16,82,990	19,30,707
Deposit growth (%)	7.4	21.9	10.0	12.5	16.0
Advances growth (%)	17.0	19.6	12.5	14.5	15.0

Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25E	FY26E	FY27E
EPS	14.7	19.4	15.2	27.6	37.2
Dividend per share	14.0	1.5	1.5	2.8	5.6
Book value per share	226.4	244.5	261.4	286.2	317.8

Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25E	FY26E	FY27E
P/E	10.5	8.0	10.2	5.6	4.2
P/BV	0.7	0.6	0.6	0.5	0.5
Dividend yield (%)	9.0	1.0	1.0	1.8	3.6

DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Net interest income	4.0	4.8	4.8	5.1	5.4
Non-interest income	2.2	2.4	2.7	2.5	2.4
Operating expenses	4.3	4.8	4.6	4.8	4.8
Pre-provisioning profit	2.0	2.4	2.8	2.8	3.0
Provisions	0.9	1.4	2.0	1.4	1.4
PBT	1.1	1.0	0.9	1.4	1.7
Tax	0.3	0.1	0.2	0.4	0.4
ROA	0.8	0.9	0.6	1.1	1.3
Leverage (x)	8.5	9.0	9.4	9.5	9.8
ROE	6.7	8.2	6.0	10.1	12.3

Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25E	FY26E	FY27E
YoY growth (%)					
Net interest income	10.5	35.8	13.0	18.3	21.0
Pre-provisioning profit	(19.8)	37.6	33.8	10.5	22.8
EPS	(1279.6)	31.7	(21.9)	82.1	34.8
Profitability & Return ratios (%)					
Net interest margin	4.2		5.0	5.4	5.7
Fees / Avg. assets	0.5	0.5	0.5	0.5	0.5
Cost-Income	68.3	66.6	62.2	62.8	61.0
ROE	6.7	8.2	6.0	10.1	12.3
ROA	0.8	0.9	0.6	1.1	1.3
Asset quality (%)					
GNPA	3.3	2.6	3.1	2.7	2.6
NNPA	1.1	0.7	0.8	0.7	0.7
Slippage ratio	4.6	3.5	4.9	3.0	3.0
Credit cost	1.6	2.3	3.2	2.2	2.1
Provision coverage	67.0	72.0	74.1	74.3	74.3
Ratios (%)					
Credit-Deposit	82.7	81.2	83.0	84.5	83.7
Investment-Deposit	34.0	28.6	28.4	28.1	27.6
CAR	16.9	16.2	14.9	14.8	14.3
Tier-1	15.3	14.4	13.5	13.3	12.9

Source: Company, BOBCAPS Research

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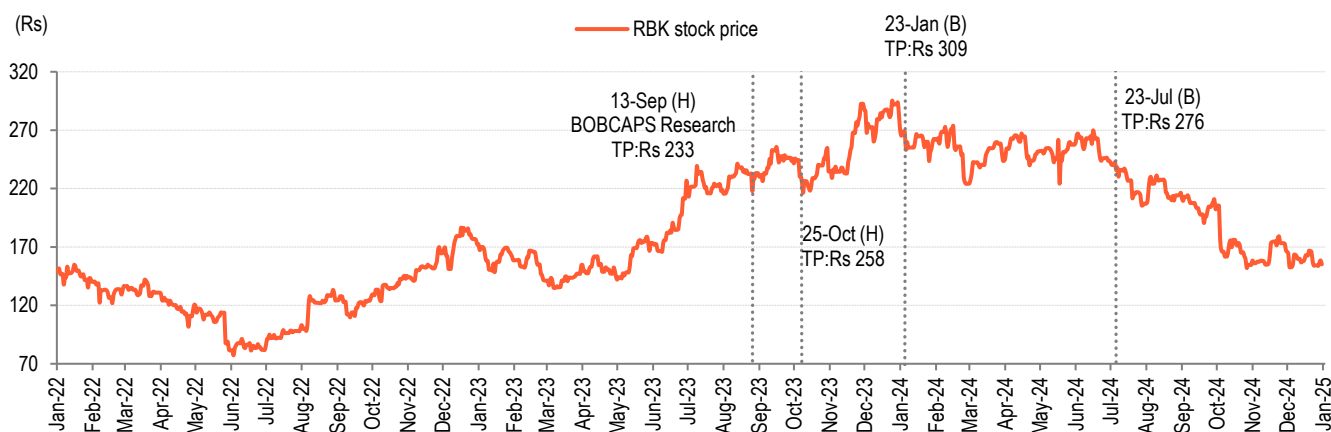
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SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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