



CORRESPONDENT BANKING & FINANCIAL INSTITUTIONS COVERAGE

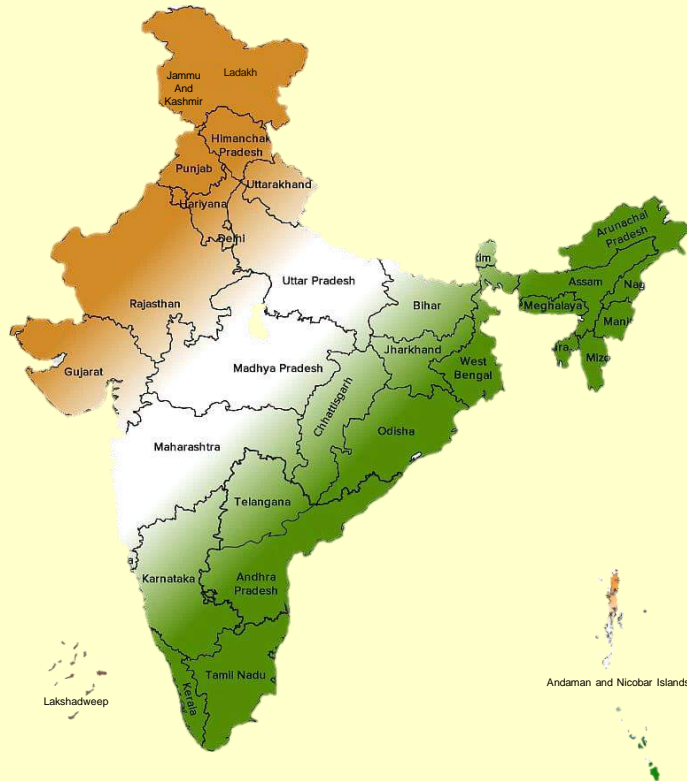
December 27, 2022

- CA VIJAY MANDLOI

India Overview

Fastest growing economy in the world

Population: 1.4B
GDP: 2.9T

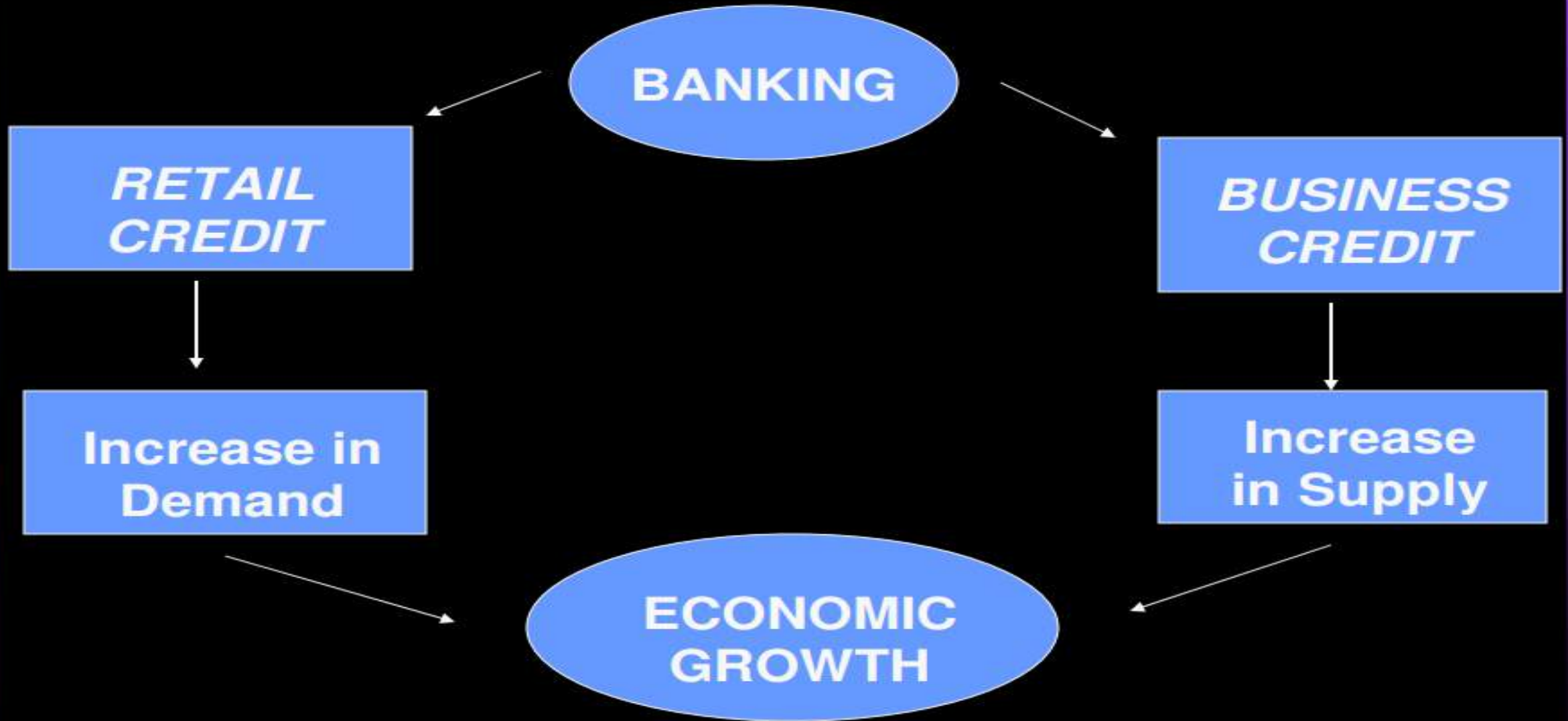


KEY FACTS



- **5th largest economy** (basis nominal GDP) with 7% share
- India will remain the beacon of global growth this decade and is expected to be the **third largest economy by 2030**
- Market capitalization at US\$ 3.46T & expected to reach **US\$ 5T by 2024**
- Steady improvement in **ease of doing business** (63rd rank in 2020 vs 100 in 2018)
- **3rd largest unicorn hub globally** - 42 unicorns added in 2021 vs 37 in the last decade
- **# 5 globally** in terms of **installed renewable capacity** - largest capacity increase planned globally by 2030

ROLE OF BANKS IN ECONOMIC GROWTH



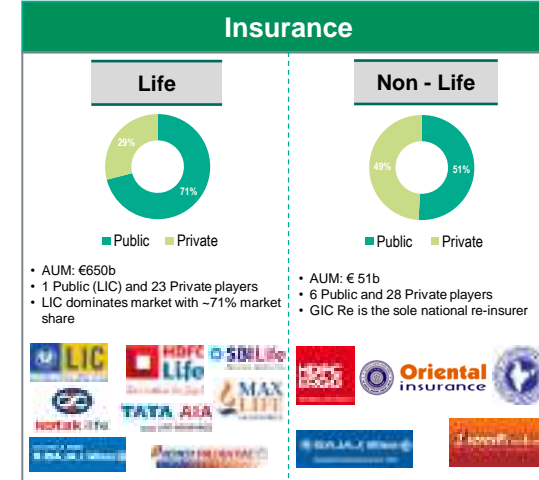
CONTRIBUTION TO GDP- AS A SERVICE SECTOR

- Contribution of the banking sector to GDP is about 7.7% of GDP.
- Banking sector intermediation as measured by total loan as a % of GDP is 30%.
- Banking sector has generated employment to the tune of 1.5 million

India Financial Institutions Landscape

Major Players

Banks		
Public Sector Banks		
12 PSU banks ~58.5% market share*		
Bank	Total Assets	Mkt Cap
SBI	623.4	57.0
PNB	164.4	4.5
State Bank of India	159.7	7.6
Canara Bank	153.4	5.0
Union Bank	148.4	3.4
Private Banks		
21 Private banks ~37.5% market share*		
Bank	Total Assets	Mkt Cap
HDFC Bank	258.6	102.2
ICICI Bank	176.4	74.2
Axis Bank	146.9	28.5
Kotak Bank	53.7	45.5
IndusInd Bank	50.2	10.2
Foreign Banks		
45 Foreign banks ~4% market share*		
Bank	Total Assets#	
Citi	25.7	
HSBC	24.8	
Standard Chartered	22.0	
Deutsche Bank	14.3	
IDBI Bank	7.3	



NBFC	
Housing Finance	Consumer Finance
<ul style="list-style-type: none"> Large players are HDFC Limited (mcap €55b) and LIC Housing (mcap €2.6b) 	<ul style="list-style-type: none"> Large players are Shriram Transport Finance (mcap € 4.4b), HDB Financial Services (unlisted - valued around € 10b)

Others

Asset Management	
<ul style="list-style-type: none"> Total AUM: € 470b 51 Asset Managers in the country Top 6 AMCs constitute ~63% of industry AUM 	
Top AMCs	AUM (€b)
SBI MUTUAL FUND	80.9
HDFC	58.1
Kotak	51.9
CAPITAL	35.3
UNION	35.1
WELLTOWER	34.9

Custodians	
<ul style="list-style-type: none"> 18 Custodians in the country Foreign banks (8), Non-bank custodians (4) and Indian banks (6) constitute ~50%, 40% and 10% respectively of industry AUC 	

Broker Dealers	

Pension Plans	

Private Equity	

New Players

Small Finance Banks		

Payment Banks		

*Notes: - Market share by Total Asset; - All figures are in € Billion (1 € = INR 80); Figures as on 31st March 2022 (standalone); AUM data as on 30th Jun 2022; - Market cap as on 31st July 2022 #As on 31st Mar 2022

Bank - Public

Total Assets as per the latest Balance Sheet available.

Company Name	Last Price	% Chg	Gross Block	Net Block	CWIP	Total Assets
SBI	598.70	0.33	37,467.49	37,467.49	240.67	4,987,597.41
PNB	53.95	0.75	10,673.61	10,673.61	0.00	1,314,805.02
Bank of Baroda	177.10	0.00	9,921.90	9,921.90	0.00	1,277,999.83
Canara Bank	306.50	0.57	11,353.96	11,353.96	2.34	1,226,979.67
Union Bank	82.35	2.49	7,155.20	7,155.20	36.10	1,187,591.06
Bank of India	88.65	1.49	9,489.56	9,489.56	285.40	734,614.01
Indian Bank	289.10	-0.05	7,682.74	7,682.74	0.97	671,668.06
Central Bank	32.35	4.86	4,955.04	4,955.04	0.00	386,565.59
IOB	32.35	2.86	3,364.79	3,364.79	0.11	299,377.17
UCO Bank	32.05	0.16	3,287.09	3,287.09	47.83	267,784.02
Bank of Mah	30.80	4.58	2,036.43	2,036.43	205.23	230,611.37
Punjab & Sind	32.30	-1.22	1,577.44	1,577.44	0.00	121,067.55

Bank - Private

Total Assets as per the latest Balance Sheet available.

Company Name	Last Price	% Chg	Gross Block	Net Block	CWIP	Total Assets
HDFC Bank	1,618.20	-0.61	6,083.67	6,083.67	0.00	2,068,535.05
ICICI Bank	892.55	0.02	9,373.82	9,373.82	0.00	1,411,297.74
Axis Bank	927.55	-0.13	4,363.22	4,363.22	209.13	1,175,178.11
Kotak Mahindra	1,819.65	0.44	1,643.72	1,643.72	0.00	429,428.40
IndusInd Bank	1,192.50	-0.23	1,754.17	1,754.17	94.51	401,974.58
Yes Bank	20.25	3.05	2,009.04	2,009.04	124.08	318,220.23
IDBI Bank	52.80	1.73	9,540.41	9,540.41	396.50	301,419.36
Federal Bank	132.65	1.45	605.76	605.76	28.18	220,946.31
IDFC First Bank	55.55	-0.18	1,281.81	1,281.81	79.41	190,181.61
Bandhan Bank	237.00	1.35	414.58	414.58	173.30	138,866.55
JK Bank	54.35	-2.77	1,910.60	1,910.60	43.08	130,602.41
RBL Bank	166.80	3.83	466.56	466.56	81.55	106,208.58
South Ind Bk	17.95	1.41	752.01	752.01	59.05	100,052.42
Karnataka Bank	148.15	4.26	818.16	818.16	0.00	92,040.55
Karur Vysya	108.45	-0.28	463.63	463.63	14.86	80,043.72
AU Small Financ	655.10	0.07	608.67	608.67	13.90	69,077.80
City Union Bank	176.85	0.51	214.65	214.65	0.00	61,530.91
TMB	485.95	0.74	210.84	210.84	0.00	52,858.49
DCB Bank	123.55	-0.16	608.36	608.36	52.82	44,840.14
Equitas Bank	57.45	6.09	189.27	189.27	11.18	26,951.90
CSB Bank	238.60	0.04	287.86	287.86	0.00	25,356.27
Ujjivan Small	27.85	-1.07	243.60	243.60	5.79	23,604.46
Dhanlaxmi Bank	19.25	0.00	221.00	221.00	0.00	13,795.76
Suryoday Small	107.55	1.85	66.03	66.03	49.22	8,180.18

ROLE OF A BANK



Correspondent Banking Business

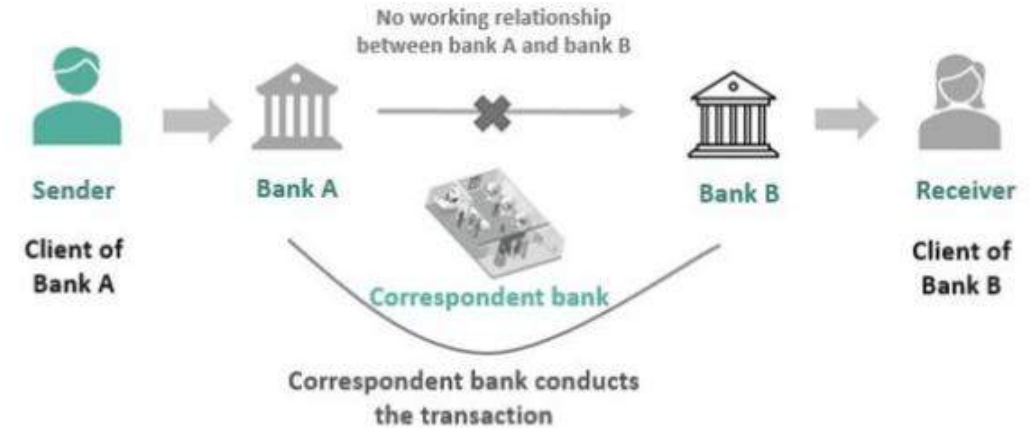
■ Transaction Banking Product

- Cash / Payments
- Trade

NOSTRO and VOSTRO Accounts

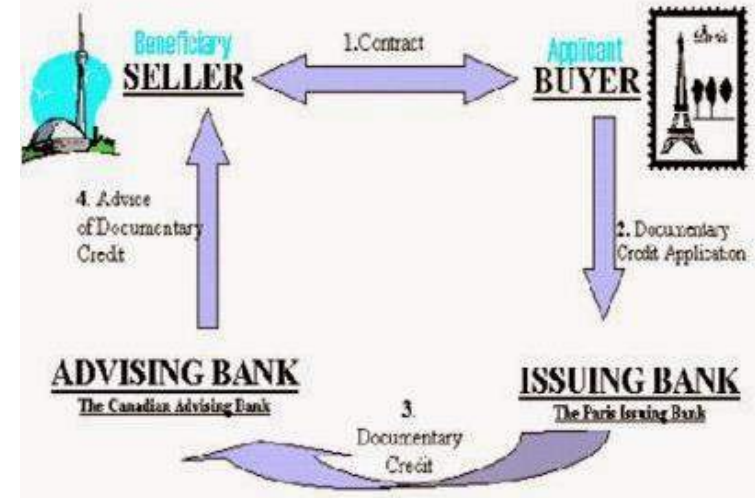
- Both NOSTRO and VOSTRO account are normally used in the context of foreign exchange transactions done by the banks or during currency settlement. Let's look at what they both mean.
- VOSTRO is an Italian word – meaning – **Yours**
- NOSTRO is an Italian word – meaning – **Ours**

Correspondent Banking



The Documentary Credit Cycle

Letter of Credit



Financial Institutions Coverage / Group

■ Transaction Banking

- Receivables, Payables, Trade Loans and Liquidity Management

■ Global Markets

- FX, Rates, Repos, Placements and Money Markets

■ Capital Markets

- ECM, DCM and M&A

■ Loans

- Bilateral, Syndicated, Club and ECA
-

A top-down view of a wooden table with several hands engaged in different tasks. In the top left, a hand in a light green striped shirt holds wooden blocks. In the top right, a hand holds a stack of wooden blocks. In the middle left, a hand fits a large cardboard puzzle piece. In the bottom left, a hand points to a puzzle piece. In the bottom center, a hand holds a small puzzle piece. In the bottom right, a hand holds a blue pen over a piece of paper with a hand-drawn yellow lightbulb. A central green rectangle with a white arrow pointing down contains the text "THANK YOU".

THANK YOU