



Late M.D. Gandhe Memorial Education Society's

CITY PREMIER COLLEGE

Affiliated to RTM Nagpur University, Nagpur



Banking Financial Services Insurance (BFSI)

INVESTOPEDIA

(Company Analysis Paper Presentation Competition)

2020

PARTICIPANTS



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Management Studies & Research, Nagpur.



Ajinkya B Metkar
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Vyankatesh Marothiya
Ramdeobaba Engineering &
Management College, Nagpur.

TEAM INVESTOPEDIA



Dr. Barna Naidu



Prof. Gaurangi Munje



Prof. Pranita Tapas

JUDGES



CA Pawan Gahukar

"I feel privileged to be one of the judges of the marquee event - Investopedia of City Premier College, Nagpur. I'd like to let you know that all the participants were of equal match.

Standard of the papers & presentations were all upto the mark. All the participants have high quality Communication skills. Some students showed excellent research skills.

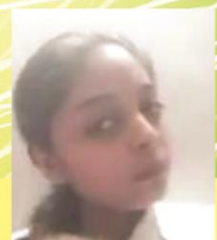
I'd like to congratulate Team City Premier College for holding such esteemed event. My best wishes for further expansion of Investopedia at India & International level.



CA Rajgopal Sanghi

"A great Initiative By CPC, The whole program is designed in such a manner that all the students would gain not only knowledge on finance and economics but they will understand the team work, presentation skills and Time management also. Looking forward to this event to grow multifold."

ANCHORS



Report on Investopedia 2020

City Premier College organized fourth successful edition of its Hallmark Academic Event Investopedia 2020. The event was held online through Zoom platform on Tuesday, 10 Nov 2020 in Narayani Memorial Hall. Event was inaugurated by Saraswati Vandana. It was the inter-collegiate competition which received overwhelming response not only from the region but also from other states. Theme of the competition was Analysis of Companies from ” **Banking Financial Services & Insurance**” sector. Twenty four teams submitted their papers out of which twelve best analysis were selected for final event. Participants were judged on various parameters viz. Company selection, synopsis, drafting, analysis, effective power point presentation, time management, co-ordination etc.

Best Synopsis was given to Mr. Pranay Belsare from Perna Institute of Commerce, Amravati, **Best Presentation** was given to Vyankatesh Marothiya from Ramdeobaba Engineering & Management College, Nagpur & **Best Paper** was given to Miss Ananya Modak, Dr Ambedkar Institute, **Second Runner Up** was Mr. Yash Dhamecha from Ramdeobaba Engineering & Management College, Nagpur First Runner Up was Miss. Samiksha Alat from City Premier College and **Mr.Sai Pawan Kumar & Miss Simran Sachdeva from Amity Global Business School emerged as the Winners of the competition.** The event was graced by the presence of Management Members. CA Gaurav Jaipuriya introduced the theme of the competition and highlighted the importance of Data Analysis. CA Pawan Gahukar & CA Rajagopal Sanghi were the **eminent judges** of the competition, who gave their important inputs to the participants. Dr. C. Barna Naidu, Convener, briefed the Event & Co-ordinator Prof Gaurangi Munje proposed the Vote of Thanks. Winners of the event were announced by the Event Co-Ordinator Prof. Pranita Tapas. Miss Ami Bhatt, Miss Rasika Joshi, Mr. Vedant Sanodiya & Mr. Rohit Jain from City Premier College, Nagpur anchored the program.

Press Release-Investopedia 2020

City Premier College, Nagpur organized 4th edition of its hallmark Academic event **Investopedia 2020** – A Company Analysis Intercollege Competition on 10th Nov 2020 . It was conducted online on Zoom platform , which received overwhelming response not only from the region but also from other states. The theme of the competition was **Analysis of Banking Financial Services & Insurance Sector** . Twenty four teams participated and presented their analysis in the competition out of which **twelve best analysis** were selected for final presentation . The event was graced by the presence of management members & staff of the college. CA Gaurav Jaipuriya introduced the theme of the competition- Investopedia 2020 and highlighted the importance of data analysis .

CA Pawan Gahukar & CA Rajagopal Sanghi were the eminent judges of the competition , who gave their important inputs to the participants on their presentations. **Second runner up** was Mr. Yash Dhamecha from Ramdeobaba Engineering & Management College, Nagpur. **First Runner Up** was Miss Samiksha Alat of City Premier College, Nagpur. Mr. Sai Pawan Kumar & Simran Sachdeva from Amity Global Business School Hyderabad, emerged as the **winners of the competition**. The convener of Investopedia 2020 Dr. C. Barna Naidu briefed the event & Prof. Gaurangi Munje proposed the Vote of Thanks. Miss Ami Bhatt, Miss Rasika Joshi, Mr. Vedant Sanodiya & Mr. Rohit Jain from City Premier College anchored the program.

Profile of Judges

CA Pawan Gahukar

He is Master in Commerce from Nagpur University and Member of Institute of Chartered Accountants of India. He is also Member of Institute of Company Secretaries of India. LL.B from Nagpur University.

He is practicing CA in the capacity of a partner at D.P. Sarda & Associates. He qualified CA at a Young age of 23. He is Maharashtra topper for DISA exam and mentoring CA & CS students since 2011. The core subjects of Teaching are – Securities Law, Company Law, Jurisprudence, Information Technology, Strategic Management, Economics and other Management subjects. He is pursuing Ph.D in E-Commerce & Information Technology. He has taught more than 20,000 students in a short span of 10 years. Visiting faculty for Nagpur branch of ICAI.

CARAJGOPAL SANGHI

He is Chartered Accountant by profession. Has cleared CA exam at very young age of 22 years. He has also cleared few other courses after clearing CA like Forensic Audit and Fraud Detection , Concurrent Bank Branch Auditor, Diploma In information systems Audit etc.

He has keen interest In the field of Finance and hence he is spreading knowledge on financial management to students of CA, Cs and other courses from past 10years.He is visiting faculty for many colleges in Vidarbha region few of them are G.S. College, Our CPC, KDM, Vivek Mandir , Gondia and many more.He has been appointed as a sitting member of many Committees of Nagpur Branch of ICAI. He has also taught for Institute of Chartered Accountants of India in many locations like Mumbai, Nagpur etc.

He taught across India at Many places like Pune ,Hyderabad , Mount Abu etc.

He also Mentored 1000s of students in past 10 years and helped them to clear different professional exams.He also a visiting faculty at many coaching classes in Nagpur region.

Index - Papers Presented at Investopedia 2020

S.No.	Name of the student	Institute/College Name	Company for Analysis	COURSE
1	Mr. Aakash Aade & Mr. Ajinkya Metkar	Dr Ambedkar Institute of Management Studies and Research, Nagpur.	Company Analysis of Housing Development Finance Corporation(HDFC) in banking sector.	MBA
2	Samiksha Alat	City Premier College, Nagpur	<u>Banking, financial services and insurance (BFSI)</u>	BBA
3	Sai Pavan Kumar & Simran Sachdeva	Amity global business school Hyderabad	The study of financial analysis of Bajaj Finance Pre & Post Covid Era.	BBA
4	Ashwini Sawant	City Premier College, Nagpur	Insurance Sector	BCA
5	Mr. Pranay D. Belsare	Prerna institute of commerce, amravati	Company Analysis of SBI (State Bank of India) in banking sector	B.COM
6	Ananya Modak	Dr. Ambedkar Institute of Management Studies and Research	Strategies applied to overcome those challenges and envisage future opportunities of BFSI”	BCCA
7	ShifaNoorani	VidyabharatiMahavidyalaya Amaravati	Bajaj Finserv (Financial Service)	BBA
8	SanketNinave	City Premier College, Nagpur	Financial Services	B.COM
9	Yash Dhamecha	RamdeoBabaEng and Mgmt	Banking, Financial Services and Insurance (BFSI)	COM SCIENCE & ENGR
10	Mr. Aniket I. Pande.	Prerna Institute of Commerce, Amravati	Company Analysis of United Commercial Bank in Banking Sector	B.COM
11	VyankteshMarot hiya	RamdeoBabaEng and Mgmt	CompanyAnalysis of Bandhan bank	MBA

- 1. Aakash A Aade&Ajinkya b Metkar**
Dr. Ambedkar Institute of Management Studies & Research,
Nagpur.



Paper: 01

Topic: -

Comparative Analysis of HDFC Bank and ICICI Bank in Banking sector.

The RBI is India's central bank of India. The Reserve Bank of India was established on the April 1, 1935 in coordination with the provisions of the Reserve Bank of India Act, 1934. RBI works as a banker to the Government and Banks. The Central Bank keeps the record of Government revenue and expenditure under various heads. It keeps up deposit accounts of all other banks and advances money to other banks, when required. Another important function of the Central Bank is the issuance of currency notes; regulating their circulation and controlling of money supply in the country. RBI also play a main important function that is credit creation in the economy. Due to the big merger of 10 Public Sector Banks with 4 big Public Sector Banks in the year 2018-19, the total numbers of Public sectors bank reduces to 12 where there are 22 private sectors banks, 44 foreign banks, 58 regional rural banks, 1,482 urban cooperative banks and 96,000+ rural cooperative banks in addition to cooperative credit institutions. As on May 31, 2020

Introduction

HDFC Bank remains the Gold standard when it comes to its solid execution capabilities and pristine loan book. Headquartered in Mumbai, HDFC Bank is a new generation private sector bank providing a wide range of banking services covering commercial and investment banking on the wholesale side and transactional/branch banking on the retail side. HDFC Bank also has one overseas wholesale banking branch in Bahrain, a branch in Hong Kong and two representative offices in UAE and Kenya. The Bank has two subsidiary companies, namely HDFC Securities and HDB Financial Services.

ICICI Bank is one of the largest banks in the country in terms of consolidated assets. It has a nationwide presence with over 4,874 branches and 86,763 plus employees. The Bank is engaged in providing a range of banking and financial services, including commercial banking, retail banking, project and corporate finance, working capital finance, insurance, venture capital and private equity, investment banking, broking and treasury products and services.

Income Data	HDFC Bank (Mar 20)	ICICI Bank (Mar 20)
Profit Before Tax (In Cr)	375615	173425
Profit After Tax (In Cr)	272540	95663

Market Share

In terms of deposit and credit the HDFC bank is one step ahead of ICICI bank. HDFC bank has share of 8.5% as a deposit and 9.6% as credit in overall banking sector. Whereas ICICI bank has share of 5.7 % as deposit and 6.3 % as credit in overall banking sector.

NPA Overview

ICICI Bank's profits are up and bad loans shrunk significantly by the end of June 2020. The **bank's** net **non-performing assets** (NNPA) ratio dropped to 1.23% and gross **NPA** (GNPA) dropped to 5.46%. “The **bank's** GNPA lowest in the last 20 quarters,” said **ICICI** President Sandeep Batra during the earnings call.

HDFC Bank's profits are up and bad loans shrunk significantly by the end of 2020. The **bank's** net **non-performing assets** (NNPA) ratio dropped to 1.26% and gross **NPA** (GNPA) dropped to 0.36%. “The **bank's** GNPA lowest in the last 20 quarters,” said **HDFC Bank**

Corporate Governance Of HDFC Bank



Corporate Governance Of ICICI Bank



Product And Services offer By HDFC Bank

HDFC Business Loan
 HDFC Car Loan
 HDFC Credit Card
 HDFC Debit Card
 HDFC Education Loan
 HDFC Gold Loan
 HDFC Home Loan
 HDFC Loan Against Property
 HDFC Personal Loan
 HDFC Bank Savings Account

Product And Services offer By ICICI Bank

ICICI Bank Business Loan.
 ICICI Bank Car Loan
 ICICI Bank Credit Card.
 ICICI Debit Card.
 ICICI Bank Education Loan
 ICICI Bank Gold Loan.
 ICICI Loan Against Property
 ICICI Bank Personal Loan

Scenario before covid-19:- As per as Scenario of HDFC bank Before this pandemic, the total revenue of this bank is ₹35917.63 crore (Mar20) quarter. As compare to in June quarter there was minor change in profit ₹34453.28crore (June 20). While talking about the challenges faced by The bank said that during the nationwide lockdown, 13800 ATMs across the country were operational and that the bank had also taken to deploy mobile ATMs. [HDFC](#) Bank also added that over 2 lakh customers were being reached out to everyday, whilst on the [corporate](#) side 35 thousand customers had been reached out to by their Relationship Managers since the lockdown was first imposed. As a direct result of the pandemic, HDFC said 250 branches are in different stages of readiness to open and would have otherwise been open, had it not been for the lockdown

Strategies applied to overcome the challenges:

The bank said that during the nationwide lockdown, 13800 ATMs across the country were operational and that the bank had also taken to deploy mobile ATMs. [HDFC](#) Bank also added that over 2 lakh customers were being reached out to everyday, whilst on the [corporate](#) side 35 thousand customers had been reached out to by their Relationship Managers since the lockdown was first imposed. As a direct result of the pandemic, HDFC said 250 branches are in different stages of readiness to open and would have otherwise been open, had it not been for the lockdown.

Impact Of Covid 19 on ICICI Bank

For ICICI Bank that has been weighed down by asset quality woes in recent years, the steep rise in Covid related provisions in the June quarter and a steady addition to the bank's BB and below rated loan book, indicates huge uncertainty around its asset quality and earnings in the coming quarters. Much like its peers, the bank made substantial Covid-related provisions in the March quarter. The spike in such provisions in the June quarter (unlike the trend seen in peers such as HDFC Bank and Axis Bank), though prudent, hints at likely more pain on the bank's bad loan front.

ICICI Bank made an additional provisioning to the tune of Rs 5,550 crore in the latest June quarter (after the sizeable Rs 2,725 crore in the March quarter), to cushion the impact of Covid-19. But despite the sharp rise in provisions, the bank managed to deliver 36 per cent growth in profit after tax in the June quarter, thanks to Rs 3,036 crore of profit on sale of some stake in its insurance subsidiaries --- ICICI Lombard General Insurance and ICICI Prudential Life Insurance. Lower tax also aided earnings.

Conclusion

Banking sector is picked as it is very manage part in IndiaHDFC bank has biggest market capitalization among the managing players .ICICI and HDFC brings a host of services at our singer tips during the year.HDFC bank remains the gold standard.ICICI is one of the largest bank in the country in terms of consolidate asset HDFC and ICICI are the two banks who always have competition of gassing the high assets. HDFC banks is performing well as compare to ICICI bank.

2. Samiksha Alat.
City Premier College, Nagpur



Paper: 02

A study of Insurance sector of India with special reference to LIC and ICICI prudential life Insurance Company

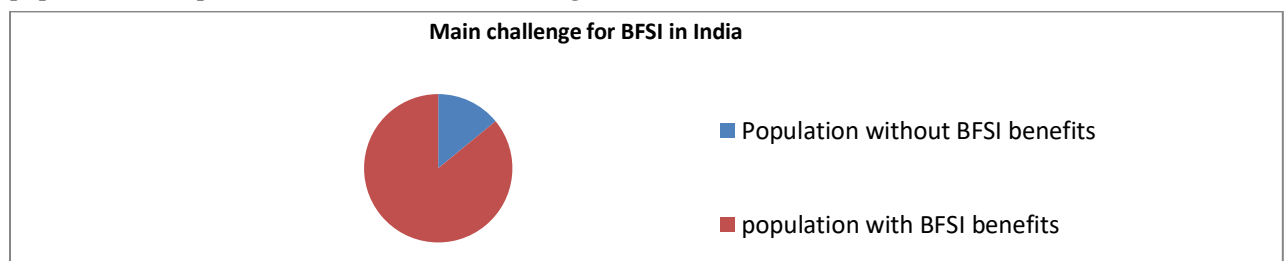
DEFINITION :-Banking, financial services and insurance (BFSI) is an industry term for companies that provide a range of such financial products or services. This includes universal banks that provide a range of financial services or companies that operate in one or more of these financial sectors. BFSI comprises commercial banks, insurance companies, non-banking financial companies, cooperatives, pension funds, mutual funds and other smaller financial entities.

Banking Services :-It is most concerned with direct saving and lending, Banking services are provided by large commercial banks, community banks, credit unions, and other entities.

Financial Services :-The financial services sector incorporates investments, insurance, redistribution of risk, and other financial activities.

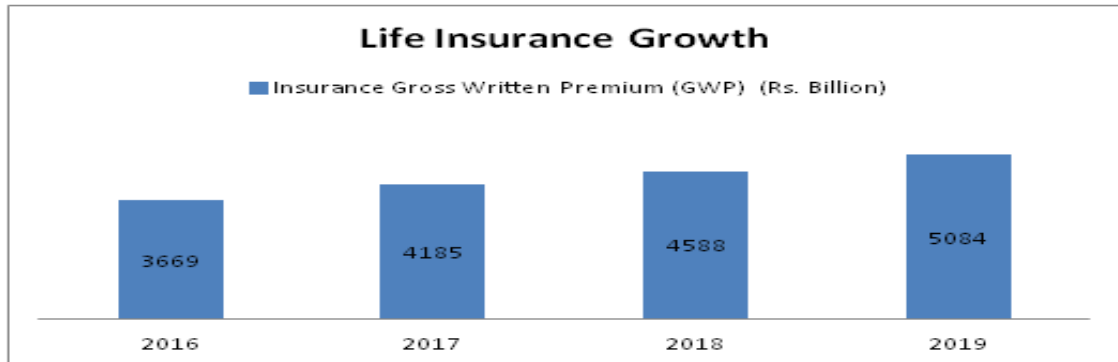
Bank insurance :-Bank Insurance is a guarantee by the Federal Deposit Insurance Corporation (FDIC) of deposits in a bank. Bank insurance helps protect individuals who deposit their savings in banks

OVERLOOK IN BFSI SECTOR IN INDIA :- BFSI sector in India is valued at Rs. 81 trillion and is likely to become fifth largest in the world by year 2020 and third largest by year 2025. However BFSI sector is facing challenges also. One of the most challenges is of demand and supply and services are not reaching to the certain fraction of the population which is rural and doesn't have access to banking thus hindering the growth of BFSI sector. A report suggests that out of 46 million farmer households only 28 % are getting loans for farming sector and rest are not getting access even and this poor population is dependent on traditional borrowings.



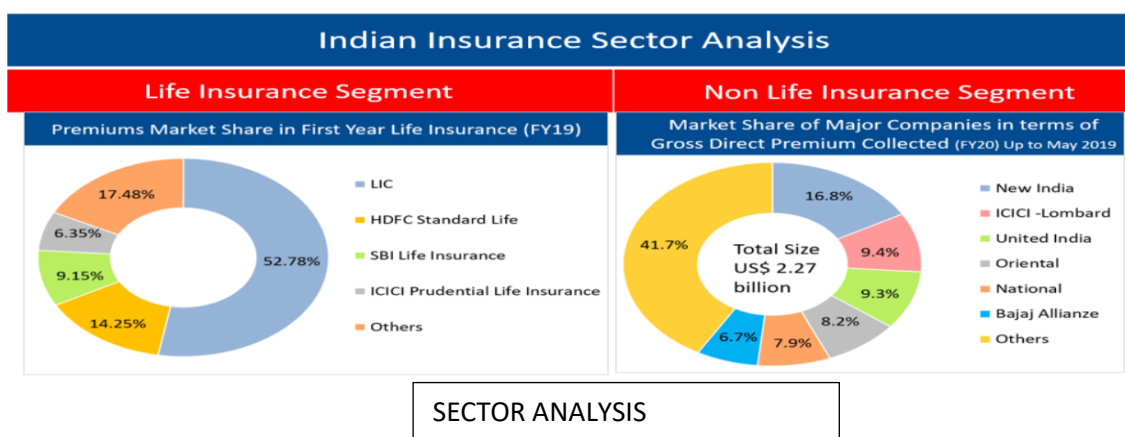
Fallout of Covid-19 on the BFSI Sector:-In addition to loss of life, this pandemic also threaten to devastate economies. The likely impact of Covid-19 pandemic and the ensuing nation-wide lockdown in the country is bound to be very significant for the Indian economy and the banking and financial services sector in particular.

INSURANCE SECTOR IN INDIA :-Insurance industry in India has seen a major growth in the last decade along with an introduction of a huge number of advanced products. This has led to a tough competition with a positive and healthy outcome Insurance sector in India plays a dynamic role in the wellbeing of its economy. It substantially increases the opportunities for savings amongst the individuals, safeguards their future and helps the insurance sector form a massive pool of funds. With the help of these funds, the insurance sector highly contributes to the capital markets, thereby increasing large infrastructure developments in India.



- Total Gross Premium Written for FY2018-19 was almost \$100 Billion. Thus, the valuation of total premiums write (Life insurance + Non-life insurance) in India in FY2018-19 was around Rs.7 Lakh Crore.
- If we compared it with Mutual Fund Industry, the total inflow in mutual fund industry is normally around Rs.1-1.5 Lakh Crore (that to in a good year). So, we can clearly get the growth potential of insurance sector in coming years.
- Out of the total Rs.7 Lakh Crore premium in FY2018-19,
 1. 75% : Life Insurance Companies' premium (Rs.5.25 Lakh Crore)
 2. 25% : Non-Life Insurance Companies' premium (Rs.1.75 Lakh Crore)

If we take life insurance industry into consideration, public sector companies are contributing almost 66.2% in gross premium written. In this, LIC (Life Insurance Corporation of India) is a major contributor to public sector life insurance segment. That is, out total Rs.100 life insurance premium over the entire country, LIC is contributing Rs.66.2 in gross premium in FY2019. Also, in new-business premium contribution of Life Insurance is Rs.52. Also, the shares of HDFC standard Life, SBI Life Insurance and ICICI Prudential Life Insurance are growing considerably. All private sector players are contributing 33.8% Life Insurance Segment in FY2019



The Multibagger Insurance Companies are

SBI Life Insurance, HDFC Standard Life Insurance, ICICI Prudential Life Insurance and Lombard General Life Insurance.

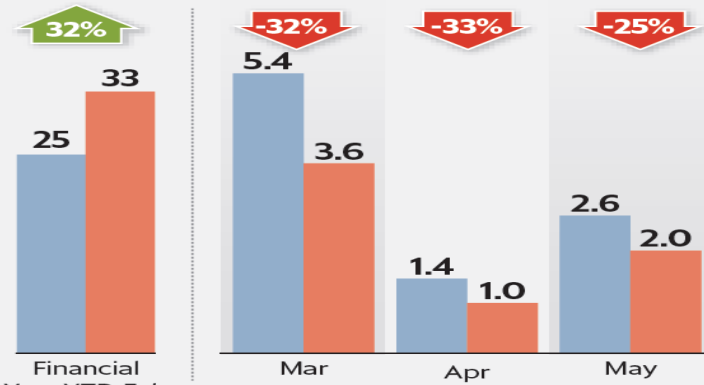
Feeling the pinch

Impact of covid-19 on life and general insurance sectors from February to May

Life insurance sector saw reversal in premium growth from February through March-May

■ 2019 ■ 2020

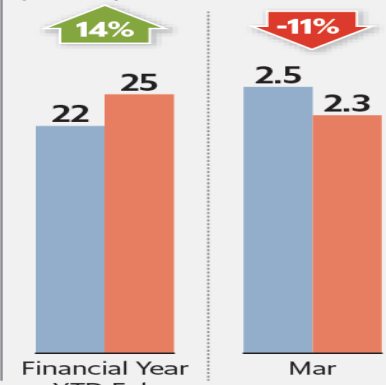
First-year premium (in \$ bn)



Note: YTD is year to date

General insurance gross premium had been growing till February before dropping in March

Gross direct premium (in \$ bn)



Sources: Irdai; Bain Analysis

This Graph represents the fall and rise in Indian insurance sector before and after The Global Pandemic, Covid-19. The insurance sector is also facing the impact of a regressing economy due to inefficient and should ensure greater productivity which can be capitalized post recovery. Since India currently follows a factor based regime for solvency capital.

3. Sai Pavan Kumar & Simran Sachdeva
Amity Global Business School, Hyderabad.



Paper: 03

Paper Title

THE STUDY OF COMPARATIVE FINANCIAL ANALYSIS OF BAJAJ FINANCE AND MAHINDRA FINANCE PRE & POST COVID ERA.

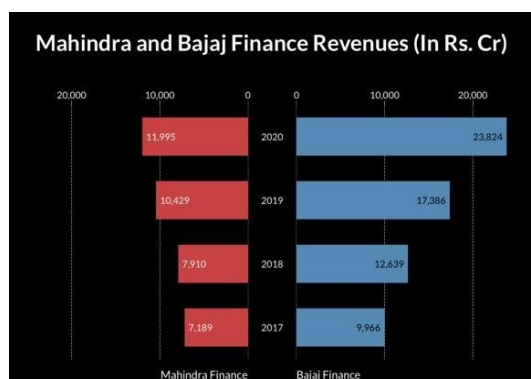
INTRODUCTION

Non-Banking Finance Companies have played a major role in the growth of the Indian economy over the past couple of years. NBFCs offer formal credit to retail and micro, small and medium enterprises (MSME) segment which have been underserved in the past. NBFCs help strengthen the economy and increase MSME output and their contribution to the GDP.

Bajaj finance limited is an Indian NBFC (subsidiary of Bajaj FinServ) and deals with consumer finance, SME, commercial lending and wealth management systems. In 1987 Bajaj finance was originally incorporated as Bajaj Auto Finance limited which primarily focused on providing vehicle loans for two and three wheelers. As of now its operating with 33,000 + service locations and a revenue of 2.18 Billion USD with its headquarters in Pune. BFL has a diversified lending portfolio across retail, SME, and commercial customers with a significant presence in urban and rural India. Consumer lending accounted for 48.5% of the assets under management.

Mahindra and Mahindra Financial Services Limited (MMFSL) are a NBFC rural organization based in Mumbai, India. It is one of the leading tractor sponsors in India and offers a variety of financial products to address the diverse needs of customers. NBFC has 1000+ offices spread over 1 in all 3 districts across India with a total of more than 4.7 million customers. In 1993 it started funding M&M Utility vehicles and in 1995 it started its first branch outside Mumbai, Jaipur. The company started funding non-M&M vehicles in 2002 and entered the business of financing cars and construction equipment in 2009. 2011 was a year in which they partnered with a subsidiary of Rabobank for tractor funding in the US and compiled a product portfolio by introducing finance to small and medium enterprises (SMEs) in finance. Its currently operating with 35,000+ employees and 1.5 billion USD of total revenue.

Revenues (in Rs Cr) comparison



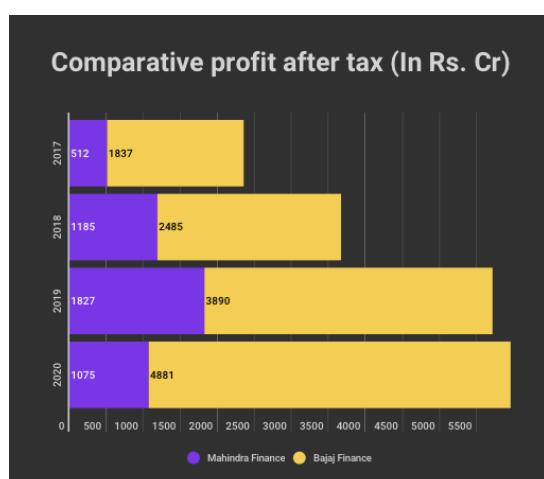
As indicated in the graph above, Bajaj Finance has consistently reported higher revenues and a faster pace of growth in comparison to Mahindra Finance. Bajaj's revenues have grown at a pace of 37% between FY19 and FY20. Mahindra Finance's growth pales in comparison, showing a 15% increase in revenue between FY19 and FY20. Mahindra and Bajaj target two contrasting sectors of customers: Mahindra has a strong footprint in towns and villages whereas Bajaj Finance has a strong base in metropolitan cities. With the surge in employment in cities, Bajaj

has a wider base of customers compared to Mahindra

Market Share

Bajaj Finance has a market capitalization of Rs. 227,823 Crores whereas Mahindra Finance has a market capitalization of Rs. 16,068 Crores. Based on market cap, Bajaj has a strong lead in comparison to Mahindra Finance. Both Mahindra and Bajaj have ranked in the top 10 in the Dun and Bradstreet Rankings for the NBFC sector in India with Bajaj at Rank#3 and Mahindra taking Rank#6. Bajaj Finance enjoys a dominant market share of non-infrastructure NBFCs of 60-65% (as of June, 2020).

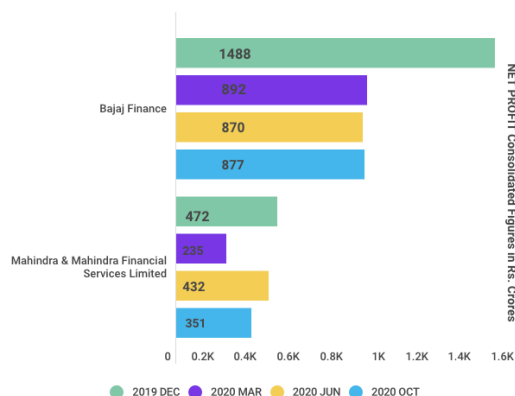
Profit after Tax (in Rs. Cr) Comparison



Mahindra Finance was on track to a fast-paced growth with consistent increase in profits from FY17 to FY19. In order to cover the contingencies that may arise due to COVID-19 Pandemic, Mahindra Finance created a provision recognized in the statement of Profit and Loss during the quarter amounting to Rs. 562.60 crores. This caused an unprecedented drop in profits.

Bajaj Finance consistently reported high growth rate of profit from 2017-19. For similar reasons to Mahindra Finance, the growth in profits was slower as the company created a provision of Rs. 850 Crores for Covid-19 related contingencies.

Pre and Post Covid-19 Profits (Quarterly in Rs. Cr)



Both Bajaj and Mahindra have been making recovery from Covid-19 at a reasonable pace. This is due to the overall fall in demand for financing as a result of nationwide lockdowns. Due to lockdown and subsequent moratorium on loan instalments, performance of banks and non-banking financial companies (NBFCs) were impacted in March, in addition to standstill in new car sales and grace period to customers on premium payment equally impacted the life and general insurance sectors. In the case of Mahindra finance, the rural market has not felt the brunt of the Covid-19 impact like the metros. This enabled the company to bounce back, but while in compliance with the prudential guidelines issued by the RBI and has been increasing provisions steadily.

Product Ranges

Bajaj Finance offers different products for different customers:
 - Consumer Lending: Durable finance, lifestyle finance, EMI Card, 2&3 Wheeler finance, Personal loans, loan against FD, extended warranty, gold loan, home loan, retail EMI, retailer finance, E-Commerce, Co-Branded Credit Card, Co-Branded Wallet.

-Commercial Lending: Vendor financing, large value lease rental discounting, loans against securities.

-Investment: Fixed Deposits, Mutual Funds.

-SME Finance: Home loan, loan against property, gold loan, business loan, loan against shares, professional loan, working capital loan, developer finance, used car finance.

Mahindra Finance Offers vehicle financing (including pre-owned vehicles), SME financing, Personal Loans, mutual fund distribution, insurance broking, housing finance and mutual funds.

Bajaj Finance offers a wider variety of services, more tailored to the metropolitan cities' financing needs. Mahindra Finance's offerings are suited to the economic activity level of rural areas and towns. Mahindra Finance's offerings are used by the agricultural sectors whereas Bajaj Finance's offerings are used by both consumers and businesses in metropolitan areas across a variety of sectors.

Corporate Governance

Bajaj Finance: The parent company, Bajaj Finserv Limited, holds 57.28% of the total shares and has a controlling stake in the subsidiary. Other major investors include Maharashtra Scooters Limited, Government of Singapore, Small cap World Fund INC and AXIS Long Term Equity Fund.

Mahindra Finance: Mahindra & Mahindra holds a 51.2% stake in the company and maintains controlling stake. Other top public shareholders include: Franklin Templeton, Merrill Lynch Singapore, Life Insurance Corporation of India and Vanguard Emerging Markets.

Non-Performing Assets

Bajaj Finance: Consolidated Gross and Net NPA as of 30 June 2020 stood at 1.40% and 0.50%, respectively.

Mahindra Finance: The gross NPA (stage 3) stood at 9.19% as against 8.17%. Net NPAs (stage 3) was at 5.72%, against 6.27% last year.

Bajaj Finance maintains a significantly lower percentage of NPAs. The NPAs have been impacted by the loan moratorium granted by the RBI, providing extension of payments for 3 months. This affected the ability of both firms to collect timely payments as a large number of customers opted for the moratorium. According to Supreme Court orders, accounts not declared NPAs cannot be modified after 31 August 2020 until further orders. While this order has not been lifted (as of November 2020), this is an influencing factor in the true determination of NPAs as a result of Covid-19.

IMPACT OF COVID-19 – MEASURES BY RBI

Although the health crisis has brought the country to its knees, this deadly disease seems to be contributing to the economic consequences in a massive extent. With economic and environmental activities being heavily exploited in sectors such as real estate and finance, the NBFC's exposure to loans in these sectors is said to be hit harder than the global wave. Increased mortgage losses and the unavailability of new loans are likely to exacerbate asset constraints.

Before the RBI Relief Package for NBFCs, banks had declined to lend to smaller companies citing high credit risk. This is despite the significant liquidity boost from the Reserve Bank of India (RBI) in two rounds. That problem was partly addressed with the government assuring full credit guarantee on Rs 30,000 crore special liquidity schemes for NBFCs with minimum investment grade. Apart from the liquidity boost to NBFC/MFIs, Sitharaman's announcement of Rs 3 lakh crore worth collateral-free loans to micro, small and medium enterprises (MSMEs) will also benefit NBFCs since they are lenders to many MSMEs.

COVID-19 IMPACT ON BAJAJ & MAHINDRA

The covid-19 had severely affected the Bajaj finance. the company has declared that its net profit was down by 77% for Q4FY20 compared to Q4FY19. the company has liquidity surplus of Rs. 15,725 crores as of March 2020 and remained debt free. Overall 27% of the companies' book which worth AUM of Rs. 38,599 Cr was under moratorium and 68% of the customers among them had no bounce history, the company had to suspend its further expansion of branches and had frozen all incremental and replacement hiring, barring the strategic positions. Bajaj Finance is a large NBFC, belonging to the AAA category. To maintain a healthy economy and help businesses to recover from the sharp blow dealt by

Covid-19, NBFCs play a significant role by offering credit to smaller businesses which banks would traditionally ignore and help them maintain liquidity in order to function. Bajaj Finance is an aggressive lender and has received premium valuation as a result of sustained high growth rates. While the pandemic has affected the spending capability of Indian consumers, Bajaj Finance is expected to continue its upward growth journey as things return to normal.

Mahindra Finance reported a 62% annual decline in its net profit of Rs 221 crore for the quarter of March as it set aside Rs 563 crore as a Covid-related provision. At the consolidated level, Mahindra Finance's total profit decreased by 66% to Rs 239 crore for the quarter ended March 2020. The company saw its customers exceed 6.8 million quarterly which is a positive point. The private equity (AUM) assets stand at Rs 77,160 crore as of March 31, 2020, up 12% from Rs 68,948 crore as on the same day last year. The company has announced that 75% of the company's customers have used the loan suspension option and those who have not (taken a temporary suspension) are mainly from the farming community, where they felt their cash flow would improve and would be able to pay. It expects arestructure loan of Rs 6,000 crore for 0.15 million customers under the RBI loan control package. Despite of the tough path a head it has a chance of speed recovery from the Covid-19 effect.

4. Ashwini Sawant
City Premier College, Nagpur.

**Topic: ANALYSIS OF LIC-LIFE INSURANCE AND SBI-LIFE IN
INSURANCE SECTOR**



Paper: 04
ANALYSIS OF LIC
LIFE INSURANCE AND SBI LIFE IN INSURANCE SECTOR

LIC LIFE INSURANCE:

- Life Insurance corporation of India (LIC) is the largest insurance company in India. It has its headquarters in Mumbai, India.
- LIC is owned by the central government.
- LIC is the largest financial institution investor in the country.

Sales Analysis:

- India's share in total global insurance market is ~1.9% according to the IRDAI 2018-19.
- The total insurance premium that increased y-o-y was close to 9.3%. Indian Insurance market has been predominately dominated by the life insurance due to the huge share of the company.
- LIC provides endowment plans, whole life plans, money back plans, term assurance policies, ULIP plans, pension plans, health plans as well as riders.
- The company has tied up with 12 public sector banks, 6 private sector banks, 18 rural regional banks, 41 cooperative banks and 1 foreign bank. The company also appointed 64 corporate agents and 83 insurance marketing firms. During FY18-19, the company added 7 new banks, 12 other corporate agents and 20 insurance marketing firms.

REVENUE:

- In a 10-month period, up till 31st Jan 2020, the company had completed 1,95,85,635 policies
- First year premium income amounting to Rs.45,199 crores
- The company has shown an impressive growth of 17.48% in individual first year premium income
- No. of policies, growth rate of 29.42%. In the last 14 years, this is the highest growth achieved by LIC in no. of policies
- Achieved 78.43% of policy budget in 10 months, as the budget for current year was 2.5 crore policies
- In first year premium income, the company achieved 80% of the target
- The individual composite NOP market share as on 31st Jan 2020, is ~77% (composite NOP- both types of insurance no of policies), increased from 74%
- First Year Premium income of individual business as on 31st Jan 2020, is ~70% from ~66%
- The growth of LIC has been better than all the private players put together- LIC showed 29.38% growth y-o-y, whereas competitors showed growth rate of 3.71% in terms of composite NOP. In terms of composite FYP income, LIC showed growth of 42.85% whereas competitors showed growth of ~20%
- LIC has 4 online products currently- 1st September 2019 online vertical launched (LIC Tech Term), 15,780 policies have been completed online- Term insurance product
- Rs.520.66 crore of FYP income from online vertical

- As a prudent institution is expected, the company has invested majority of its fund into securities, followed up by loans which include policy loans and other loans given to mutual funds and other financial institutions.

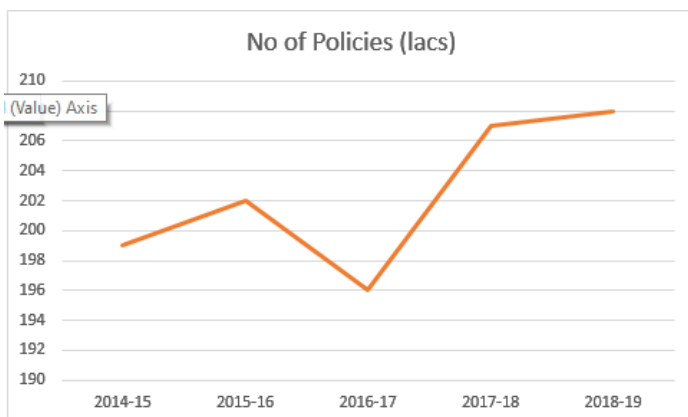
Some competitive features:

Business Highlights	
As on March 31, 2019 (₹ In Cr)	
Deposits	2,27,372
- CASA Deposits	96,730
- CASA Share (%)	42.54%
Advances (Gross)	1,82,097
- Corporate	88,928
- Retail	93,170
- Corporate : Retail (%)	49:51

Profit & Loss	
2018-19 (₹ In Cr)	
For the period	
Total Income	25,372
- Interest Income	22,071
- Other Income	3,300
Total Expenses (other than provisions)	21,319
- Interest Expenses	16,166
- Operating Expenses	5,154
Net Interest Income	5,906
Operating Profit	4,052
Provisions & Contingencies	19,168
Profit/ (Loss) After Tax	(15,116)

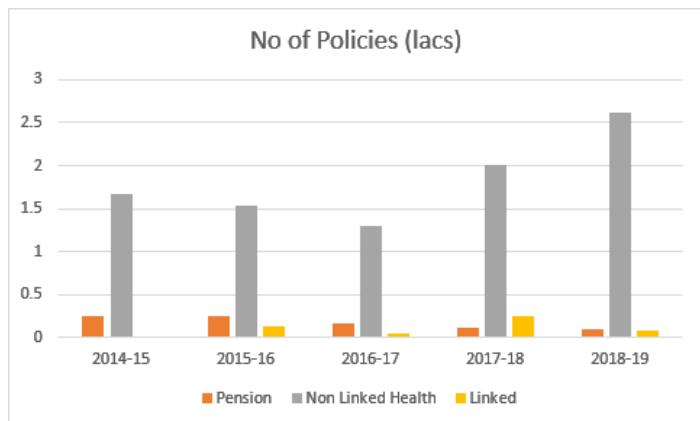
Capital Ratios	
As on March 31, 2019	
CRAR	11.58%
Tier 1 Ratio	9.13%

The company has reached a coveted status of selling 2 crore policies in a single year. In 2018-19 it achieved 2.07 crore policies. In 2019-20, the target as written before was 2.5 crore, and ~ 80% of the target was achieved in 10 months. The company has shown a growth rate of ~ 0.8% CAGR.



Annuities:

The growth that the company has achieved is impressive ~63% CAGR. Now, the business has faced some down years but if we take a 5-year time horizon the growth looks incredible.



Analysis of the Income

The company generates its bottom line proportionately via different businesses.

In the latest available report, we find (also over the years) that the majority of the premium income that the company generates has been through the Individual Insurance business.

Years	Total Net Income	Total Outgo	Net Income
2014-15	407546	190376	217170
2015-16	424399	190756	233643
2016-17	492623	226449	266174
2017-18	523611	262926	260685
2018-19	560784	316943	243841
(Figures in crore)			

MARKET STATUS:

→ But LIC's market share gain may not be based on an increase in business, but more because of a heavy loss of business for private insurers. Indeed, LIC's growth in August was largely because of a low share of market- linked products in its portfolio.

→ Shares of SBI Life and ICICI Prudential Life Insurance are still 15% down from²

their peaks this year, while that of HDFC Life are down around 5%. LIC's market share gains, meanwhile, may augur well for its proposed initial public offering(IPO).

- LIC made Rs 13,000 cr profit in equity till August this fiscal.
- The insurance industry had lost about Rs 45,000 crore in new and renewable premiums in the last fortnight of FY20 due to the COVID-19 pandemic. However, we have recovered well since unlocking and registered healthy growth.
- Government likely to sell 25% stake in LIC.

Conclusion

Though, not the most beneficial products in the market, still with a ~ 98% claim payout ratio, the company has been able to achieve the trust among policy holders. This is the ONLY factor people buy LIC insurance cover. LIC has become a synonym of insurance in India as Google has become synonym of Search globally.

Future, truly holds good for LIC due to increased awareness, disposable income as well as increasing aspirations of the young India. If the government include LIC, its most prized possession, in its dis-investment target of 2020-21, it has the possibility of becoming the biggest IPO of the history of India's capital markets.

The company should focus more in digital services as well as annuity products which are both growing sub areas in the larger scheme of things.

SBI LIFE INSURANCE:

- SBI Life Insurance Company Limited (SBI Life), are one of the leading private life insurers in India.
- In FY20, PAT increased to `14.22 billion from `13.27 billion in FY19 and GWP grew 23.2% y-o-y to `406.35 billion.
- On an actual tax rate basis, our Indian Embedded Value(IEV) reached `262.91 billion, as on March 31, 2020, from `224.02 billion, as on March 31, 2019.
- This performance against the backdrop of a slowing economy and intensifying competition speaks volumes about our strong fundamentals.

MARKET STATUS:

- The global economy has witnessed its weakest growth since the 2

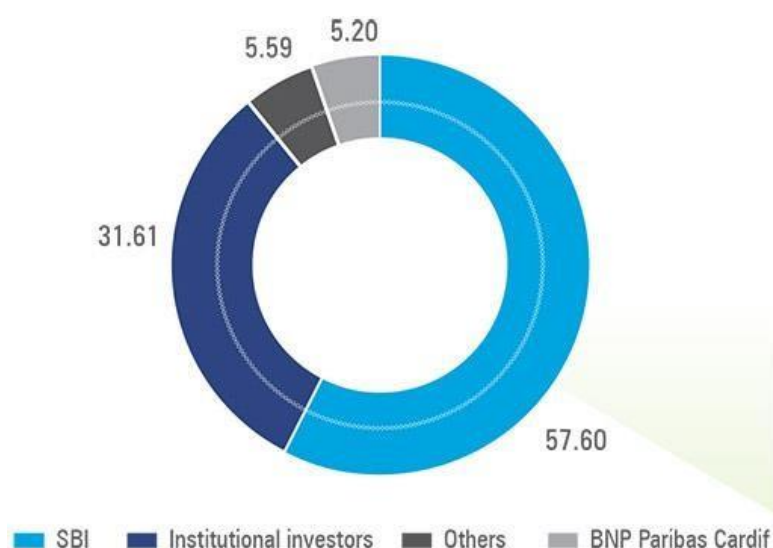
financial crisis of FY09, due to US-China trade tensions and increased protectionism, weak consumption and sluggish business sentiment.

→The novel coronavirus (COVID-19) outbreak in the fourth quarter of FY20 and the subsequent nationwide lockdown to contain the spread brought major global economies, including India, to a standstill.

→India recorded its slowest GDP growth in 11 years at 4.2%, down from 6.1% a year earlier.

REVENUE:

- The International Monetary Fund (IMF) and other global institutions expect India's GDP to contract by at least 4% in FY21, before staging a sharp rebound in FY22.
- SBI LIFE crossed the `400 billion mark in GWP, covering the lives of 8.9 million customers in FY20 with an AUM of `1.6trillion.
- They maintained stable profitability during the year under review, with PAT increasing to `14.22 billion from `13.27billion.
- On an actual tax rate basis, IEV rose to `262.91 billion, as on March 31, 2020, from `224.02billion as on March 31, 2019. VoNB grew 17% to `20.12 billion, while VoNB margin improved from 17.7% to 18.7%.
- The 13th month persistency ratio improved to 86.1% from 85.1%, which reflects the commitment to provide customers with continued cover. Mis-selling ratio dropped to 0.09% from 0.10%
- Surrender ratio came down significantly from 5.24% to 3.91%, which testifies to the increased trust the customers bestow on our ethical selling practices.
- They did not declare any interim dividend during the period under review due to restrictions imposed by the regulators in light of COVID-19.
- However, we see this as an opportunity to enrich the shareholder wealth further.



5. Mr.PranayBelsare
Prerna
Amravati

Topic: Analysis
Banking Sector

Institute of Commerce,
of SBI and HDFC Bank in



Paper: 05

Topic

Comparison between Company Analysis of SBI and HDFC Bank in Banking Sector

Back ground information for the Bank And Their Turnover

SBI (State Bank of India):-

In the pre independence period, the first bank of India was the “**Bank of Hindustan**”, established in **1770** and located in the then, Indian capital, Calcutta. During the British rule in India, The East India Company had established three banks: Bank of Bengal (1809), Bank of Bombay (1840) and Bank of Madras (1843) and called them the Presidential banks. These three banks were later merged into one single bank in 1921, which was called the “**Imperial Bank of India**”. And this Imperial Bank of India was later nationalized in 1955 and was named **The State Bank of India**, which is currently the largest Public sector Bank. There are 22,141 branches of SBI in India and 249,448 employees work in SBI (March2020).

Revenue	▲ ₹368,010.6492 crore (US\$52 billion) [2] (2020)
Operating income	▲ ₹75,105.2876 crore (US\$11 billion) [2] (2020)
Net income	▲ ₹11,439.4023 crore (US\$1.6 billion) [2] (2020)
Total assets	▲ ₹4,197,492.3443 crore (US\$590 billion) [2] (2020)
Total equity	▲ ₹250,167.6630 crore (US\$35 billion) [2] (2020)



Turnover of SBI FY 2019-2020

HDFC (Housing Development of Finance Corporation):-

A subsidiary of the Housing Development Finance Corporation, HDFC Bank was incorporated in August 1994, with its registered office in Mumbai, Maharashtra, India. As of 30 June 2019, the Bank's distribution network was at 5500 branches across 2,764 cities. It has a base of 104,154 permanent employees as of 30 June 2019.

Revenue	▲ ₹147,068.27 crore (US\$21 billion) [5] (2020)
Operating income	▲ ₹114,032.21 crore (US\$16 billion) [5] (2020)
Net income	▲ ₹27,253.95 crore (US\$3.8 billion) [5] (2020)
Total assets	▲ ₹1,580,830.44 crore (US\$220 billion) [6] (2020)
Total equity	▲ ₹175,810.38 crore (US\$25 billion) [6] (2020)

↑
Turnover of HDFC FY 2019-2020

PBT and PAT of SBI and HDFC Bank

SBI Bank:-

State Bank of India Profit before Tax (PBT) FY 2019-2020	State Bank of India Profit after Tax (PAT) FY 2019-2020
300516.79cr.	181768.29cr.

HDFC Bank:-

HDFC Profit before Tax (PBT) FY 2019-2020	HDFC Profit after Tax (PAT) FY 2019-2020
381948.55cr.	272962.65cr.

Market Share

This is the report of SBI and HDFC bank share market. This is data from 1st Jan. to Nov.6th.

HDFC BANK: - The report of HDFC share market states that the share value of HDFC Bank has increased a lot on 6th November. HDFC bank's share price was very low in April but has been rising since June and now HDFC share value has risen sharply. This data is collected from BSE (Bombay stock exchange).



SBI BANK:- The report of SBI share market states that the value of SBI shares has declined on 6 November. Also, the price of SBI share has been declining since March. This data is collected from BSE (Bombay stock exchange).



NPA (Non-performing Assets)

SBI Non Performing Asset (NPA)

The bank's gross non-performing assets (NPAs) stood at Rs 1,49,091.85 crore as on 31 March 2020. The ratio of gross NPAs to gross advances stood at 6.15% as on 31 March 2020 as against 6.94% as on 31 December 2019 and 7.53% as on 31 March 2019. The ratio of net NPAs to net advances stood at 2.23% as on 31 March 2020 as against 2.65% as on 31 December 2019 and 3.01% as on 31 March 2019. As per this information SBI non performing asset diminishing form.

HDFC Non Performing Asset (NPA)

In fiscal year 2020, the value of gross NPA's at HDFC Bank limited across India amounted to 126 billion Indian rupees. This was a big increase in the NPAs filed by the bank compared to the fiscal year 2017 when amounted to about 58 billion rupees. The asset quality of the bank improved slightly with gross non-performing assets (NPA) standing at 1.36 per cent of gross advances as on June 30, 2020 vis-à-vis 1.40 per cent as on June 30, 2019 even as it was 1.26 per cent as on March 31, 2020. Net NPAs were at 0.33% of net advances as on June 30, 2020. As per this information HDFC bank non-performing assets are increasing.

Corporate Governance

1) SBI has a total no. of 12 boards of directors out of which 1 Mr. Dinesh Kumar khara is the chairman as per section SBI act 1995 19 (a) and both are managing directors under section SBI act 1995 19 (b). Shetty and Ashwani bhatiya. And the remaining 9 are directors of SBI.

We seek to delight customers through our innovative product offerings and world-class servicing standards, enabling them to make informed choices using State-of- the-Art execution capabilities that provide trusted market access.

SBI marketing strategy:-

1. Institution for advanced learning:

To provide state of the art training in financial products to middle level and senior level executives.

2. Internal consultant/change agent:

To act as catalyst for change in attitudes and orientation of banking staff and to provide expertise and consultative support.

2) HDFC has a total no. of 10 boards of directors out of which 1 is the part time non-executive chairperson and independent director. And 5 are independent directors and both are non-executive director and 1 is the additional director and managing director and chief executive officer and remaining 1 is executive director.

HDFC Bank's mission is to be a world class Indian bank. We have a two-fold objective: first, to be the preferred provider of banking services for target retail and wholesale customer segments. The second objective is to achieve healthy **growth** in profitability, consistent with the bank's risk appetite.

HDFC marketing strategy:-

1. Strategy focusing on quality and not on quantity and delivering high quality customer service.
2. Leverage our technology platform and open scalable systems to deliver more products to more customers and to control operating costs.
3. Develop innovative products and services that attract the targeted customers.
4. Continue to develop products and services that reduce bank's cost of funds.
5. Focus on high earnings growth with low volatility.
6. Increasing market share in India's expanding banking.
7. Delivering high quality customer service.
8. Delivering more products to more customers.
9. Maintaining current high standards for asset quality through disciplined credit risk management.
10. O Develop innovative products and services that attract targeted customers and address inefficiencies in the Indian financial sector.

Online Presence/ Products

These are some products of SBI bank :-

E-Ticketing, SBI E-Tax, Bill Payment, Eztrade@sbi, RTGS/NEFT, E-Payment, Fund Transfer, Third Party Transfer, Cheque Book Request, Demand Draft, Accounting opening Request, Demat Account Statement, Account Statement, User Profile, Transaction Enquiry, Donation, Retail banking, corporate banking, investment banking, mortgage loans, Private banking, wealth management, credit cards, finance and Insurance.

These are some products of HDFC bank:-

Credit cards, consumer banking, finance and insurance, investment banking, mortgage loans, private banking, private equity, wealth management.

Role of RBI in SBI and HDFC bank

Role of RBI in SBI: - SBI bank is the largest government bank in the country. These banks have their own rule and this bank can't work under the RBI. Because, SBI have their own act and they work their own act. And follow the government rules. SBI is statutory company.

Role of RBI in HDFC:- HDFC bank is the largest private bank and it can be controlled by the RBI. This bank has work under the Rule of RBI.

Impact of Covid-19

Challenges during lockdown in SBI bank:-

In the period of lockdown, the depositor was reduced so SBI had to face a small loss. Due to the financial crisis in business as well as household sector there is lack of fund and here banking sector plays very important role in mobilization of savings. As per the above mention it is challenge for state bank of India to properly channelize its saving in profitable and convenient way.

Due to the lockdown, banks across the country have revised their branch timings. Along with changing branch timings, banks have also reduced staff, put a limit to the type of transactions that are allowed at branches and are pushing people to use digital channels instead of visiting the branch.

Challenges during lockdown in HDFC bank:-

With the lockdown imposed to contain the spread of the corona virus, banks are taking safety measures to safeguard their staff and customers. Banks across the country have changed timings of their branches, reduced staff. Banks are also pushing people to use digital channels instead of visiting the branch. The bank has changed its working hours and will function from 10 am to 2 pm. The bank has temporarily suspended passbook updates and foreign currency purchase services.

Survive in Covid-19

Strategies Applied by SBI to Survive in Covid-19:-

During this lockdown period, the government had asked the bank staff to continue working and SBI divided the staff in various group for solving the customer problems. And all online/digital transactions were opened. 90% of ATMs are operational during this lockdown period. And SBI offered doorstep banking services.

Strategies Applied by HDFC to Survive in Covid-19:-

HDFC bank asked to customer use digital means for transactions and said they have reduced their staff in office as a precautionary measure against the spread of corona virus. HDFC bank has changed its working hours and will function from 10am to 2 pm till March 31, except on Saturday. HDFC offered doorstep banking services.

Conclusion

In this paper data getting information regarding analysis of two banks HDFC bank and SBI bank. SBI bank is largest bank in India, is only worth one-third of HDFC Bank, which in its own right, is the largest private sector bank in the country. This is despite the fact that SBI's balance sheet is four times larger than HDFC bank, has 10 times more customers, and is owned by the government of India. SBI bank share price was low as compared to HDFC

bank. And NPA of SBI more than as compared to HDFC bank. And in the profit of SBI and HDFC bank have huge amount of difference as per the fiscal year 2019-2020. But in current position SBI share market down and HDFC share market grow.

6. Ananya Modak

Dr. Ambedkar Institute of Management Studies & Research

Topic: “ Analysis Of Banking, Financial Services And Insurance(BFSI) Of India Taking Into Account Of The Challenges Encountered During Covid 19 Pandemic, Strategies Applied To Overcome Those Challenges And Envisage Future Opportunities Of BFSI”



Paper: 06

Introduction

BFSI stands for the Banking, Financial Services, and Insurance sector. BFSI provide a myriad range of financial products and services which include commercial banks, insurance companies, non-banking financial companies, cooperatives, pension funds, mutual funds and other smaller financial entities. India, as a business destination, fosters all the positives for the BFSI sector to flourish at an appreciable pace. Inter-dependent factors of government policy, active public/private involvement, robust regulatory measures, and technological evolution have spurred the BFSI sector to register strong numbers in recent years. The Covid-19 pandemic has impacted serious turmoil resulting in negative growth. However, the BFSI industry envisaged to bounce back due to its universal applicability and resilience by adopting modern technology, evolved management system etc.

Background Information for Banking Industry in India

Banking system is considered as the backbone of nation's economy. Banking procedures were carried by informal methods in ancient world. However, formal banking has been developed as the "LIFE BLOOD" of trade and commerce from 20th Century. The banking industry in India has a huge canvass of history, which covers the traditional banking practices from the time of Britishers to the reforms period, nationalization to privatization of banks and now increasing numbers of foreign banks in India. Therefore, banking in India has been through a long journey. Rural banking and micro financing are the two gateways for the Indian banks to grow and compete with international banks. The rapid transformation in the banking industry over the last decade has made the industry stronger, cleaner, transparent, efficient, faster, disciplined and a lot more competitive.

Background Information for Financial Services in India

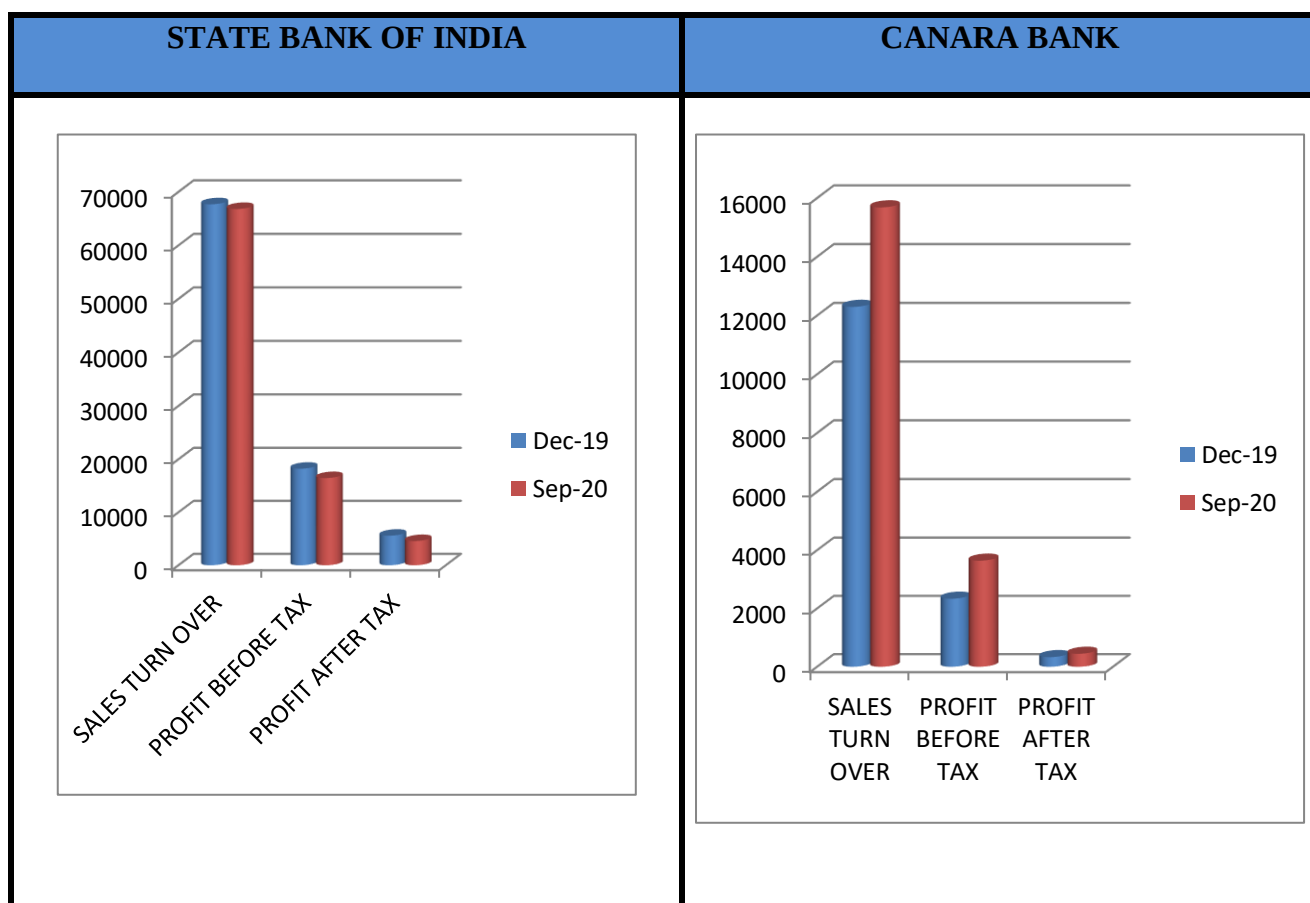
Financial Services sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The financial services industry manages money for individuals and corporations. India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

Background Information for Insurance Sector in India

The Insurance sector in India plays a dynamic role in the wellbeing of its economy. The insurance industry of India has 57 insurance companies - 24 are in the life insurance business, while 33 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. There are six public sector insurers in the non-life insurance segment. In addition to these, there is a sole national re-insurer, namely General Insurance Corporation of India (GIC Re). Other stakeholders in the Indian Insurance market include agents (individual and corporate), brokers, surveyors and third-party administrators servicing health insurance claims

Performance before Covid-19 pandemic vis-a-vis Performance Peak of Post Covid-19 pandemic.

The schematic chart depicting net sales turnover, PBT, PAT of two of the public sector banks namely State Bank of India and Canara Bank for Quarter Ending December 2019 and September 2020 is shown below :



- State Bank of India accrued net sales turn over of Rs 67691.99 Cr in December 2019 and Rs 66814.11 Cr in September 2020. Profit Before Tax of the Bank was Rs 18222.56 Cr in December 2019 and Rs 16459.76 Cr in September 2020. Profit After Tax of the Bank was Rs 5583.36 Cr in December 2019 and Rs 4574.16 Cr in September 2020.
- Canara Bank accrued net sales turn over of Rs 12294.89 Cr in December 2019 and Rs 15682.12 Cr in September 2020. Profit Before Tax of the Bank was Rs 2334.33 Cr in December 2019 and Rs 3639.76 Cr in September 2020. Profit After Tax of the Bank was Rs 329.62 Cr in December 2019 and Rs 444.41 Cr in September 2020.

Analysis of effects of Covid-19 on BFSI Sectors

It is inferred from the above statistics, it is observed that there is a dip in not only Net Sales Turn over but also in PBT and PAT in Banking Sector. The same case be found in Insurance Sectors also with an exception to LIC, which has marginally incurred profit during Covid period. But, the overall profit percent dipped during the period.

Further, according to a report released by S&P Global Ratings, Indian banks are likely to see an increase in their NPA ratio by 1.9% in 2020, following the economic slowdown caused by COVID-19 pandemic. Going by the report, this can further worsen the banks' credit cost ratios by around 130 basis points (bps).

NPAs seem to be only the tip of the iceberg. The current crisis has definitely increased the liquidity in India's banking system with surplus cash growing to over 4 lakh crores. However, high liquidity has not encouraged fresh banking loans, as most banks continue to play it safe because of the prevailing economic uncertainty.

Additionally, banks in India could see a major spike in bad loans as more borrowing companies begin to default on their loan payments due to the lack of economic activity. With reduced economic activity, banking executives are projecting few buyers for stressed assets. The asset quality pressure for both banks and NBFCs is expected to rise in the financial year 2021. As a result, credit costs for NBFCs could grow by 50-100% over the next quarters. COVID-19 is also impacting the Net Interest Margin (NIM) of the financial sector. NIM growth mainly depends on internal factors such as Capital Adequacy Ratio (CAR) and Current & Savings Account Ratio (CASA) that have been on the decline. In the coming weeks, NIM is further likely to reduce due to an increase in bank NPAs.

Like any other nation, India's BFSI sector is largely dependent on a robust economy and business activity for growth. With the current pandemic, the health of this sector will depend on the quick recovery of India's economy. To steer the country through these unprecedented times, the RBI and the Indian government have implemented several fiscal measures that are providing relief to financial institutions. These are enumerated below :

Role of Regulators (RBI, IRDA, SEBI) to mitigate the problems faced by BFSI during pandemic

The Reserve Bank of India had initiated a slew of measures in order to provide relief for the ongoing Covid-19 outbreak in India. These include:

- 1) **Repo Rate** – RBI announced that it was cutting the repo rate by 75 bps, or 0.75% to 4.4. The Repo Rate was earlier 5.15; last being cut in October 2019.
- 2) **Reverse Repo** – The regulator also announced that it would cut the Reverse Repo rate by 90 bps, or 0.90%. On a daily average, banks had been parking Rs 3 lakh crore with the RBI. The current reverse repo rate was 4%.
- 3) **CRR** – The RBI also announced that the Cash Reserve Ratio (CRR) would be reduced by 100 bps, or 1%, to 3% . This would be applicable from March 28, and would inject Rs. 1,37,000 crore.
- 4) **Ease of Working Capital financing** – Lenders were allowed lending to recalculate drawing power by reducing margins and/or by reassessing the working capital cycle for the borrowers. The RBI also specified that such a move would not result in asset classification downgrade.

5) **Fresh Liquidity.** The RBI added. since February 2020 it had injected Rs 2.8 lakh crore of liquidity, equivalent to 1.4 percent of GDP.

Conclusion

India is in cusp of finding its rightful place in world's scenario with respect to economic development. The Covid 19 pandemic has definitely created a panic amongst everyone given its ability to spread quickly and cause large scale economic disruption. The COVID-19 impact has also created challenges for the BFSI companies, and it has also brought new opportunities for them to do the business. The crisis, however, is also providing the BFSI space with an unparalleled opportunity to bring about a fundamental change in the way that it functions. In the coming months, there will be more digital products from these companies which all will focus on the digital platforms to drive the sales of these products. India is a cash-driven economy that, despite large-scale measures such as demonetisation, has not been outgrowing its dependence on cash. This seems to be changing, as the viral nature of the novel coronavirus has made Indians circumspect of cash.

RBI has been very proactive and has taken measures to manage the systematic risk that may emanate from this situation. However, Banking sector needs to be nudged to pass on rate cuts induced by RBI to the borrowers. Public sector financial institutions need to be further capitalized and nudged by the RBI to lend out low-ticket loans below INR 1 Crore in the form of working capital to ensure that liquidity comes back into the system. The banks and lending institutions have to cope with the deteriorating operating environment, increasing asset risk and pressure on capitalization as asset growth may outpace internal capital generation. The COVID-19 crisis is likely to significantly accelerate the shift to digital and fundamentally redefine the overall business landscape. Nevertheless, there surely would be light at the end of the tunnel.

7. ShifaNoorani

Amravati.

Topic: Company



VidyabhartiMahavidyala

Analysis of HDFC Bank ³

and Kotak Mahindra Bank Limited

The term “Bank” is derived from an Italian word called “Banco”.

Banco means a bench. Italian merchants placed money for borrowing/Lending on a bench.

HDFC BANK- HDFC is a Indian private nationalised bank. Which was founded in August 1994, 26 years ago and the founder was Hasmukhbhai Parekh. It is largest private sector bank by asset.

KOTAK MAHINDRA BANK LIMITED- Kotak Mahindra Bank Limited is a Indian private nationalised bank. In 1985, Uday Kotak founded what later became an Indian financial services conglomerate. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the group’s flagship company, received a banking licence from the reserve bank of India (RBI). With this, KMFL became the first non-banking finance company in India to be converted into a bank: Kotak Mahindra Bank Limited.

Particulars	HDFC	KOTAK
Product	It is major housing provider in India, banking, life & general. Insurance, asset management, ventarn, capital, reality, education deposits and education loans.	Life insurance, mutual fund, car finances, securities, institutional equities. Investment banking. Kotak Mahindra International Kotak private equity, kotak reality fund.
Turn overs	Yearly turnover of HDFC Net Sales turnover 114812.65 69305.96 Other income 23260.82 12296.49 Total income 138073.47 81602.45	Yearly turnover of Kotak Net Sales turnover 26929.61 23943.21 Other income 5372.11 4604.03 Total income 32301.72 28547.24

PAT & PBT	Profit after and before tax. (in crore) Int/Dics on adv/bills 25,119.76 Income on investment 5622.45 Int.on balances with RBI 853.02 Others 147.04 Other income 6,696 Interest expended 15,033.18 Total expenditure 13,027.59 Profit before tax 10,377.70 Tax 2,666.33 Net profit 7,702.86	Profit after and before tax (in crore) Int/Disc on adv/bills 5,473.08 Income on investments 2419.14 Int on balances with RBI 334.04 Others 111.10 Other income 5,254.05 Intrest expended 3,285.51 Total expenditure 6391.43 Profit before tax 3,914.47 Tax 981.01 Net profit 2946.62
Market shares	1183.55.3.65 (0.31%) NPAs Value, (2017-2020) The gross NPAs of HDFC bank across India. Amounted to 126 billions Indian rupees. This was a big increase in the NPAs field by bank. Composed to the fiscal year 2017. When it amounted to about 5.8 billion rupees.	1547.40-23.50. (1.50%) The gross NPA stood at RS. 5619 crore at the end of June 2020. The set NPA ratio rose 16bps 100.87% customer assets which includes advances and credit substitutes. Stood at RS 2.17 lakh crore as on June 30, down marginally y-o-y advances as on 30 junewere RS 2.04 lakh crore, down 2% y-o-y
RBI	Among the most prominent changes in the drafts changes is the definition of housing finances. The RBI said that 50% of net assets of HDFC's should be. Towards housing finances, excluded. Loan against properties, commercials real estate and lease rent discounts etc. of these 75% of asset should be towards individuals housing loans the central bank proposed.	RBI has granted its final approval vide. Its letter dated Feb 18, 2020 in the matter. Related to dilution of promoters shareholding in kotak Mahindra bank, the lender notified through a BSE filing.
Impact of Covid-19	HDFC on Saturday highlighted. The effect of the covid-19 pandemic, shortly after declaring that standalone net profit grew by 17.7% in 2020 to Rs 1550 crore . HDFC bank also spend in march 2020 . were lower by 21% as compared to average tan & feb 2020. This was further impact following the imposition of lockdown on 23 mar. after which card spends fell by 35%.	Wreaking have also on our economy which in turn will impact a finance services firm like kotak. The need to recalibrate there costs and operate well in advance, to ensure sustainability of these business. Kotak. Bank's profit fell as the private lenders increased to mitigate the potential impact increased provisioning to potential impact of the covid-19, the bank's profit declined 8.51%

		year Rs 1244.5 crore in the three months ended June.
Handle during covid-19	Insta account, insta credit card, step-by-step EMI in loans offering (personal & auto loans), helping business stay afloat using net banking, during everything from home.	The bank, disbursed around 4000 crore till the end of July under the emergency credit line guarantee scheme announced by the government as part of its COVID-19 relief package.
Future planning	HDFC is planning to raise 1 billion from overseas markets.	Seriously looking at opportunities for acquisition within India and get something appropriate, it would be top of our priority and this is something they are currently focusing on.

8. SanketNinave
City Premier College, Nagpur

Topic: Comparative Analysis on Bajaj Finance-NBFC & HDFC Bank



Selected Companies :-

- Bajaj Finance (NBFC)
- HDFC Bank

Contents :-

- Introduction
- Analysis
- Role of Regulator
- Impact of Covid-19
- Conclusion

Introduction:-

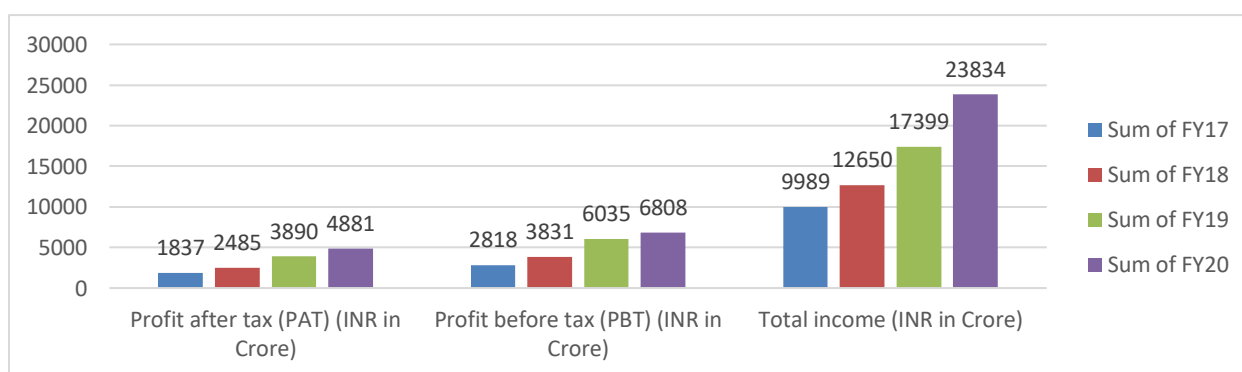
Banking, Financial services and insurance (BFSI) is an industry term for companies that provide a range of such financial products or services. This includes universal banks that provide a range of financial services or companies that operate in one or more of these financial sectors. BFSI comprises commercial banks, insurance companies, non-banking financial companies, cooperatives, pensions fund, mutual funds and other smaller financial entities.

The Banking part of BFSI may include core banking, retail, private, corporate, investment and cards. Financial services may include stock-broking, payment gateways, mutual funds. Insurance covers both life insurance and general insurance.

Bajaj Finance(NBFC):-

In a press note, **Rajeev Jain**, MD, Bajaj Finance, tells **ET Now**, “On a year-on-year basis, gross NPA and net NPA both are better off. That is the first point I would like to make. The gross NPA is between 1.5% and 1.7% and we are comfortable with 45 to 65 bps of net NPA. Both these numbers are very much in line with what we have guided for. The overall asset quality remains very strong. On a year-on-year basis, 10 bps plus/minus in sequential quarters, is really not within control from an operating management standpoint.”

Key figures	FY17	FY18	FY19	FY20
Total income (INR in Crore)	9,989	12,650	17,399	23,834
Profit before tax (PBT) (INR in Crore)	2,818	3,831	6,035	6,808
Profit after tax (PAT) (INR in Crore)	1,837	2,485	3,890	4,881
Net NPA	0.44	0.43	0.63	0.65



Avg growth/year	Total income	PAT
FY18	26.64%	35.27%
FY19	37.54%	56.54%
FY20	36.98%	25.48%

Impact of Covid-19:-

Bajaj Finance reported a fall of 19% in its profit to ₹948 crore in the three months between Jan-March 2020 compared to the same time last year. “Due to COVID-19 pandemic and the consequent lockdown, the company lost 10 productive days in Q4 FY20 resulting in lower acquisition of nearly 1 million loan accounts and lower AUM of approximately Rs 4,500 crore,” Bajaj Finance said in its filing with the BSE.

The company expects ₹1,954 crore worth of loans may not return — that’s a nearly fivefold jump in provision for bad loans compared to March 2019.

Nearly half of the all provisions, about ₹900 crore, is due to the COVID-19 pandemic. Gross NPA (non-performing assets), a measure of bad loans, was unchanged at 1.61% at the March 2020 compared to three months earlier. Net NPA fell 5 basis points to 0.65%. 100 basis points make for a percentage.

In a call with analysts on Monday, Bajaj Finance’s management team, led by its Managing Director Rajeev Jain, said that over the past 10 days, the company had lost nearly 350,000 customers, impacting its assets under management (AUM) by Rs 4,750 crore (3.22 per cent of total AUM as of March 31).

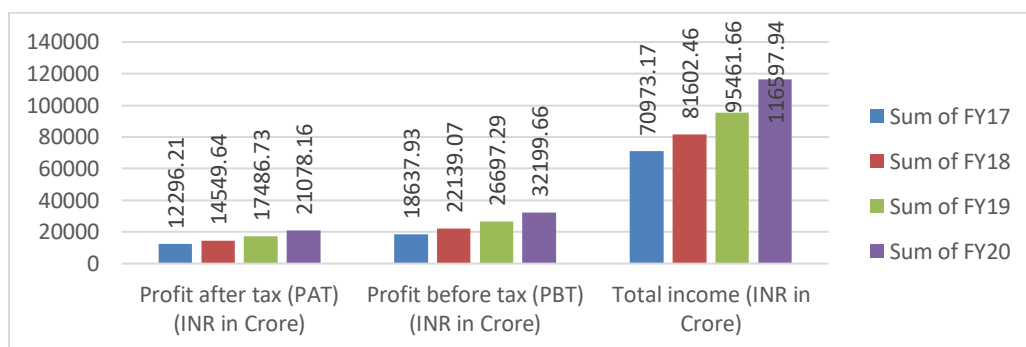
Strategy to handle Covid-19:-

Bajaj Finance’s default and collection related constraints would result in higher credit costs and that the company had committed investment to “deepen its collections infrastructure”, Asides from the ₹900 crore provision for COVID-19, Bajaj Finance had also taken a charge off of ₹390 crore for two identified large stressed accounts, the NBFC said. Till September 2020, the company had also suspended new branch expansion as well as had frozen all incremental and replacement hiring, barring “certain strategic positions”.

HDFC Bank:-

“If the bank had classified borrower accounts as NPA after August 31, 2020, and also adopted an early recognition of NPA using its analytical models (proforma approach), the proforma gross NPA ratio would have been 1.37% as on September 30, as against 1.36% as on June 30 and 1.38% as on September 30, 2019,” the bank said in a regulatory filing.

Key figures	FY17	FY18	FY19	FY20
Total income (INR in Crore)	70,973.17	81,602.46	95,461.66	116,597.94
Profit before tax (PBT) (INR in Crore)	18,637.93	22,139.07	26,697.29	32,199.66
Profit after tax (PAT) (INR in Crore)	12,296.21	14,549.64	17,486.73	21,078.16



Avg growth/year	Total income	PAT
FY18	14.98%	18.33%
FY19	16.98%	20.19%
FY20	22.14%	20.54%

Corporate governance:-

HDFC Bank recognizes the importance of good corporate governance.

- which is generally accepted as a key factor in attaining fairness for all stakeholders and achieving organizational efficiency.
- This Corporate Governance Policy, therefore, is established to provide a direction and framework for managing and monitoring the bank in accordance with the principles of good corporate governance.

Impact of Covid-19:-

The bank said that amidst the nationwide lockdown, 13800 ATMs across the country were operational and that the bank had also taken to deploy mobile ATMs. HDFC Bank also added that over 2 lakh customers were being reached out to everyday, whilst on the corporate side 35 thousand customers had been reached out to by their Relationship Managers since the lockdown was first imposed. As a direct result of the pandemic, HDFC said 250 branches are in different stages of readiness to open and would have otherwise been open, had it not been for the lockdown.

Survive in Covid-19:-

HDFC Bank MD & CEO **Aditya Puri** told over 1.15 lakh employees of the bank *“Not only are your jobs secure, your increment is also secure. Your bonus and your promotion are secure”*

He said the bank has not accepted defeat in the face of the coronavirus outbreak and delivered good results for two quarters and added that projections for the upcoming quarters also say the same.

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2. <https://m.economictimes.com/bajaj-finserv-ltd/stocks/companyid-21426.cms>
3. https://www.business-standard.com/article/companies/lockdown-takes-away-350-000-customers-from-bajaj-finance-in-just-10-days-120040601699_1.html
4. Business insiders

09. Yash Dhamecha

Ramdeobaba Engineering & Management College, Nagpur.

Topic: An Analysis on NBFCs in Financial Services



Non Banking Financial Companies (NBFCs)

Nonbank financial companies (NBFCs), also known as nonbank financial institutions (NBFIs) are financial institutions that offer various banking services but do not have a banking license. Generally, these institutions are not allowed to take traditional demand deposits—readily available funds, such as those in checking or savings accounts—from the public. This limitation keeps them outside the scope of conventional oversight from federal and state financial regulators.

NBFCs lend and make investments and hence their activities are akin to that of banks; however there are a few differences as given below:

- i. NBFC cannot accept demand deposits;
- ii. NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on it.
- iii. Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

Requirements for registration of NBFCs with RBI

A company incorporated under the Companies Act, 1956 and desirous of commencing business of non-banking financial institution as defined under Section 45 I(a) of the RBI Act, 1934 should comply with the following:

- i. It should be a company registered under Section 3 of the companies Act, 1956
- ii. It should have a minimum net owned fund of ₹ 200 lakh. (The minimum net owned fund (NOF) required for specialized NBFCs like NBFC-MFIs, NBFC-Factors, CICs is indicated separately in the FAQs on specialized NBFCs)

Systemically important NBFCs

NBFCs whose asset size is of ₹500 crore or more as per last audited balance sheet are considered as systemically important NBFCs.

Does the Reserve Bank regulate all financial companies?

No. Housing Finance Companies, Merchant Banking Companies, Stock Exchanges, Companies engaged in the business of stock-broking/sub-broking, Venture Capital Fund Companies, Nidhi Companies, Insurance companies and Chit Fund Companies are NBFCs but they have been exempted from the requirement of registration under Section 45-IA of the RBI Act, 1934 subject to certain conditions.

Housing Finance Companies are regulated by National Housing Bank, Merchant Banker/Venture Capital Fund Company/stock-exchanges/stock brokers/sub-brokers are regulated by Securities and Exchange Board of India, and Insurance companies are regulated by Insurance Regulatory and Development Authority. Similarly, Chit Fund Companies are regulated by the State Governments and Nidhi Companies are regulated by Ministry of Corporate Affairs, Government of India. Companies that do financial business but are regulated by other regulators are given specific exemption by the Reserve Bank from its regulatory requirements for avoiding duality of regulation.

Companies chosen from this sector:

1. Bajaj Finance LTD.

2. Manappuram Finance Ltd.

Reason for choosing these companies:

Bajaj finance being largest in the consumer finance and Manappuram finance being hottest company since gold price is increasing.

Company analysis:

1. BAJAJ FINANCE LTD.

About

Bajaj Finance Limited (BFL) is one of the leading non-banking financial companies (NBFC) in India. It is engaged in lending across retail, SME, and commercial customers and accepts public and corporate deposits.

- Subsidiary of BajajFinserv.
- 294 consumer branches.
- 497 rural allocation.
- 33000+ distribution points.

Challenges faced during covid-19 period

- New loans during the quarter stood at 3.62mn (vs. 6.47mn in Q2FY20) caused due to decrease in consumption and illiquid market.
- Retail-Corporate deposit mix stood at 75:25 (vs. 56:44 in Q2FY20), reducing exposure to corporate deposits.
- Due to moratorium Company faced huge losses and thus it increased the NPAs of company.
- Net Interest Income rose 4.0% YoY to Rs. 4,158cr. However, PAT slipped 35.9% YoY, as provisions rose to Rs. 1,700cr from Rs. 594cr in Q2FY20. • As of 30th Sep, Capital adequacy ratio stood at 26.6%; Gross NPA/Net.

Future Expectations and strategies

- The company plans to restart Retailing EMI card business by Jan-2021 and walletloan business only by Mar-2021, given the present riskscenario.
- BAF increased provisioning for Stage 1 and 2 assets by Rs. 1,370cr, with accumulated provisions of Rs. 5,099cr as on 30-Sep-2020.

2. **MANAPPURAM FINANCE LTD**

About:

Manappuram Finance (MGFL) is one of the leading gold loan NBFCs in India and is well diversified into other business segments like housing loan, vehicle loan and microfinance, with a branch network size of around 4,623 spread across the country.

- Major portfolio includes goldfinancing.
- 4190+ branches
- Highly populated in rural and semi-urban areas

Challenges faced during Covid-19 period

- Since company is specialised in gold financing, increasing in gold prices has been favouring for company.
- Company saw decline in housing, vehicle and microfinancing.
- Moratorium and illiquidity in the market has further lead increase in NPAs.

Strategies used to reduce the risk

- Expectations in increasing provision by 92% by FY21E.
- Company is focusing to lend cautiously and increasing in collection efficiently.

Share holding pattern

Promoter Holdings(March 2020)	Bajaj Finance Ltd	Manappuram finance Ltd
Promoters(%)	56.2	35.05
FII(%)	21.16	39.42
DII(%)	10.89	8.51
Public(%)	11.75	17.07
Pledge(%)	0	2.19

Company Statistic

Company Info	Bajaj Finance Ltd	Manappuram Finance Ltd
Current Market Price	Rs 3768.60	Rs 162.40
Market Capitalization	Rs 2,27,912 cr	Rs 13,741 cr
Operating revenue	Rs 23,822.53 cr	Rs 4,311cr
Book value	Rs 557.42	Rs 66.97
Face value	Rs 2	Rs 2
Dividend yield	0.26%	1.69%

Profit and loss statment

Profit & Loss Statement	Bajaj finance ltd			Manappuram finance ltd		
	March'18	March'19	March'20	March'18	March'19	March'20
Revenue	12,746cr	18,487cr	26,375cr	2,927cr	3,418cr	4,312cr
Interest	4,696cr	6,723cr	9,608cr	794cr	1,018cr	1,391cr
Expenses	4,115cr	5,454cr	9,159cr	1,043cr	1,123cr	1,127cr
Financial Profit	3,935cr	6,310cr	7,609cr	1,090cr	1,277cr	1,793cr
Financial Margin	31%	34%	29%	37%	37%	42%
Profit Before Tax(PBT)	3,843cr	6,179cr	7,322cr	1,055cr	1,218cr	1,680cr
Tax%	35%	35%	28%	35%	35%	27%
Net Profit	2,496cr	3,995cr	5,264cr	689cr	780cr	1,230cr

Valuation

While looking at the valuations of both the NBFCs both looks attractive and are been traded below historical P/E ratio

Industry P/E ratio: 17.19

Bajaj Finance : P/E 27.24 ; 5 year historical P/E at 30.18

Manappuram finance : P/E 6.51; 5 year historical P/E at 10.65

Performance comparison

Performance	Bajaj finance ltd			Manappuram finance ltd		
	5 year	3 year	1 year	5 year	3 year	1 year
Return on Equity(ROE)	21%	21%	20%	21%	22%	25%
Compounded sales growth	37%	38%	22%	17%	13%	28%
Compounded profit growth	42%	42%	-9%	35%	19%	48%
Stock price CAGR	48%	28%	-11%	48%	18%	-3%

Regulations and rescue plan:

On Nov 7 RBI calls out for large NBFCs to become banks. Large NBFCs if converted to banks will allow RBI a higher degree of regulations

The irregularities within few NBFCs such as IL&FS , DHFL has been motivated RBI to come up with such policies.

Conclusion

→ Bajaj Finance Ltd

Bajaj finance being specialised in consumer loans and largest company in this sector is expected to deliver decent returns. Government certain regulations will favour for the company and investor must consider investing in this company.

→ Manappuram Finance ltd

Manappuram finance being specialized in gold loan is expected to deliver good returns in short run since gold price are at high and it would favor the company certainly.

10. Aniket Pande

Prerna Institute of Commerce, Amravati.

Topic: A Comparative Analysis of UCO and HDFC Bank in Banking Sector



The RBI is known as the central bank of India. The Reserve Bank of India was established on the April 1, 1935 in co-operation with the provisions of the Reserve Bank of India Act, 1934. RBI is also known as banker's bank and bank to the Government. It keeps all the record of Government revenue and expenditure under various heads. It keeps deposit accounts of all other banks and lends advances money to other banks, when required. Another important function of the Central Bank is the issue of currency notes; regulating their circulation and controlling of money supply in the country. RBI also play a vitalrole that is credit creation in the economy. Due to the big merger of 10 Public Sector Banks with 4 big Public Sector Banks in the year 2018-19, the total numbers of Public sectors bank reduces to 12 where there are 22 private sectors banks, As on May 31, 2020

Introduction

HDFC Bank remains the Gold standard when it comes to its solid execution capabilities and pristine loan book. Headquartered in Mumbai, HDFC Bank is a new generation private sector bank providing a wide range of banking services covering commercial and investment banking on the wholesale side and transactional/branch banking on the retail side. HDFC Bank also has one overseas wholesale banking branch in Bahrain, a branch in Hong Kong and two representative offices in UAE and Kenya. The Bank has two subsidiary companies, namely HDFC Securities and HDB Financial Services.

UCO Bank is a major government-owned commercial bank of India.. The Bank's Regional presence includes 3,078 branches and 2564 ATMs with 22,427 employees. The Bank is engaged in providing a range of banking and financial services, including commercial banking, retail banking, project and corporate finance, working capital finance, and treasury products and services.

Income Data	HDFC Bank (Mar 20)	UCO Bank (Mar 20)
Profit Before Tax (In Cr)	375615	-3712.54
Profit After Tax (In Cr)	272540	-2436.83

Market Share

In terms of deposit and credit the HDFC bank is one step ahead of UCO bank. HDFC bank has share of 8.5% as a deposit and 9.6% as credit in overall banking sector. Whereas UCO bank has share of 5.7 % as deposit and 6.3 % as credit in overall banking sector.

NPA Overview

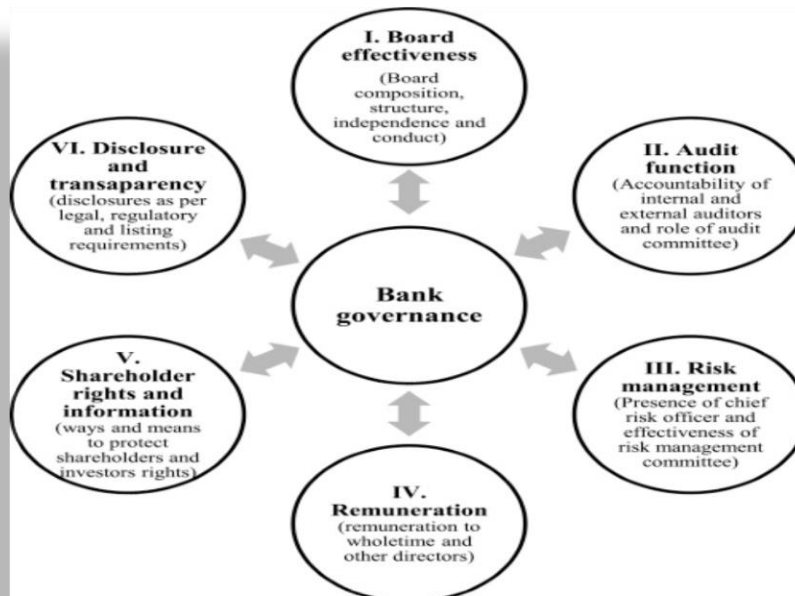
UCO Bank's profits are down and bad loans shrunk significantly by the end of June 2020. The **bank's net non-performing assets (NNPA)** ratio dropped to 16.77% and gross **NPA (GNPA)** dropped to 5.45%. “The **bank's** GNPA lowest in the last 20 quarters,” said **UCO** President Sandeep Batra during the earnings call.

HDFC Bank's profits are up and bad loans shrunk significantly by the end of 2020. The **bank's net non-performing assets (NNPA)** ratio dropped to 1.26% and gross **NPA (GNPA)** dropped to 0.36%. “The **bank's** GNPA lowest in the last 20 quarters,” said **HDFC Bank**

Corporate Governance Of HDFC Bank



Governance Of UCO Bank



Product And Services offer By HDFC Bank

- ✓ HDFC Business Loan
- ✓ HDFC Car Loan
- ✓ HDFC Credit Card
- ✓ HDFC Debit Card
- ✓ HDFC Education Loan
- ✓ HDFC Gold Loan
- ✓ HDFC Home Loan
- ✓ HDFC Loan Against Property
- ✓ HDFC Personal Loan
- ✓ HDFC Bank Savings Account

Product And Services offer By UCO Bank

- ✓ **UCO Bank** Business Loan.
- ✓ **UCO Bank** Car Loan.
- ✓ **UCO Bank** Credit Card.
- ✓ **UCO Bank** Education Loan.
- ✓ **UCO Bank** FD Rates 2020.
- ✓ **UCO Bank** Home Loan.
- ✓ **UCO Bank** Loan against Property.
- ✓ **UCO Bank** Personal Loan.
- ✓ Foreign Currency Loans
- ✓ Finance/Services to Exporters
- ✓ Finance/Services to Importers
- ✓ Remittances
- ✓ Forex & Treasury Services
- ✓ Resident Foreign Currency (Domestic) Deposits
- ✓ Correspondent Banking Services

Scenario before covid-19:- As per the Scenario of HDFC bank before this pandemic, ₹35917.63 crore (Mar20) was the total revenue of this bank. As compared to in June quarter there was minor change in profit ₹34453.28 crore (June 20). While talking about the

challenges faced by the bank said that during the nationwide lockdown, 13800 ATMs across the country were operational and that the bank had also taken to deploy mobile ATMs. [HDFC](#) Bank also added that over 2 lakh customers were being reached out to everyday, whilst on the [corporate](#) side 35 thousand customers had been reached out to by their Relationship Managers since the lockdown was first imposed. As a direct result of the pandemic, HDFC said 250 branches are in different stages of readiness to open and would have otherwise been open, had it not been for the lockdown

Strategies applied to overcome the challenges:

The bank said that during the nationwide lockdown, 13800 ATMs across the country were in operation and that the bank had also taken the help of mobile ATMs. [HDFC](#) Bank also added that over 2 lakh customers were being reached out to everyday, whilst on the [corporate](#) side 35 thousand customers had been reached out to by their Relationship Managers since the lockdown was first imposed. As a direct result of the pandemic, HDFC said 250 branches are in different stages of readiness to open and would have otherwise been open, had it not been for the lockdown.

Impact Of Covid-19 on UCO Bank

For UCO Bank that has been weighed down by asset quality woes in recent years, the steep rise in Covid related provisions in the June quarter and a steady addition to the bank's BB and below rated loan book, indicates huge uncertainty around its asset quality and earnings in the coming quarters. Much like its peers, the bank made substantial Covid-related provisions in the March quarter. The spike in such provisions in the June quarter (unlike the trend seen in peers such as HDFC Bank and Axis Bank), though prudent, hints at likely more pain on the bank's bad loan front.

UCO Bank announced emergency credit lines for their existing MSME borrowers. The facility provided by this bank was available till end of June specifically aimed at MSME borrowers and was given at a flat rate of 7.25%. UCO also Implemented:-

1. Door Step Banking for Senior Citizens and Differently abled persons including those who are visually impaired – through e-Banking and UCO Bank's website.
2. Loan Tracking System (RLH/SME) made live
3. Module for Empanelment of Retired Officers of UCO Bank for conducting RBIA in UCO Bank made live.
4. Auto e-Mail facility for securities associated with advance account made live

Conclusion

Banking sector is chosen because, it is very manage part in IndiaHDFC bank has biggest market capitalization among the managing players .UCO and HDFC brings a host of services at our singer tips during the year.HDFC bank remains the gold standard.UCO is one of the largestgovernmentbanks in the country in terms of government holdings. HDFC and UCO are the two different banks who have competition of gassing the high assets. Being a private sector bank HDFC banks are performing well as compare to UCO bank.

11. Vyankatesh Marothiya

Ramdeobaba Engineering & Management College, Nagpur.

Topic: Company Analysis of Bandhan Bank



Introduction on how Banks work-

we all have gone to banks at some point in our lives and have seen recipients counting nice banks of notes and wonder if we wish we had that much. sorry back to topic we really never think how banks work and how they earn their profits what is their business model. When a person deposits money into their bank account, the bank can then lend other people that money. The depositing customer gains a small amount of money in return (interest on deposits), and the lending customer pays a larger amount of money to the bank in return (interest on loans). To make money for itself, the bank keeps the difference.

Banking sector pre covid-19

Indian banking was growing steadily before covid-19 have arrived. During FY16–FY20, deposits grew at a CAGR of 6.81% and reached US\$ 1.90 trillion by FY20. Credit to non-food industries increased 3.3% y-o-y, reaching US\$ 1.26 trillion on February 28, 2020 and US\$ 1.42 trillion on March 13, 2020 and credit off-take grew at a CAGR of 13.93%. As of FY20, total credit extended surged to US\$ 1,936.29 billion. Also one of the largest private bank of india (Yes bank) had a little problem (not so little) and SBI and LIC had come and bail out the bank but that is a whole different topic to talk.

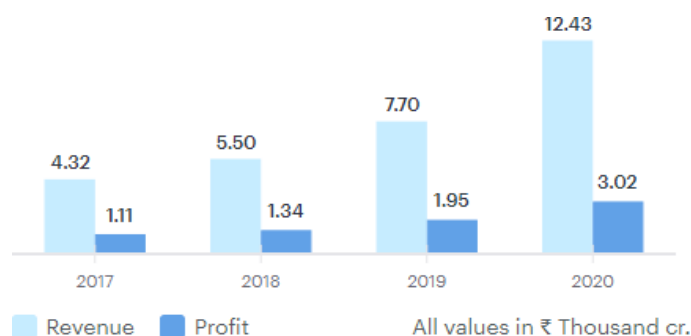
Company analysis of Bandhan bank

History

The promoter of this company started this bank as an NGO and only to help poor people by providing them credit which will help them to grow their business but they manage really well to take this NGO and make it a profitable business and help the rural people by doing the same awesome right?

Insight of company Strategies and growth

So Bandha banks focuses on microfinance. They provides small loans to people living in rural areas. And as we know the lesser the amount of loan banks give you the more interest it charge you and because of this Bandhan banks have highest interest marginal even higher than HDFC which is biggest privates bank in india. But providing loan to rural people raises the question that will the borrower would able to repay their loan as most of people are uneducated. Tells see how company have tackle this problem.As we all know India is a status driven society, here people care more about their reputation and bandhan bank as took advantage of this, bank provide to in groups.they educate people in group and then give them loan so this add an extra pressure among people of group regarding loan as if they dont pay it will affect their reputation and simply applying this strategies company have grown in last 4 year and they have done really well as you can see below and their NPAS has also gone down.



How covid-19 has affected the company

We all know people who was most affected financially by this pandemic was people who come at bottom of pyramid and since company has provide loan to such people their profit of june and september quarter has declined when compared with last year profit with same quarter by **804cr to 550cr** in june and **972cr to 920cr** in sep.The Bank said, nearly 100% of micro loan book has availed the moratorium benefit which was brought by the regulator on March 27. As a large chunk of collection still happens in cash and countrywide

lockdown impacted our ability to collect. Bandhan Bank's 75% of the loan book is under moratorium

How the company has tackled the Challenges

“Bandhan Bank's model is different from the industry, our risk based pricing is lower as compared to others” said Ghosh. He adds, “Our 52% of borrowers have been with us for more than 4 years and their data and behavioral pattern is completely known to us. 51% of borrowers have taken a single loan from Bandhan whereas 31% have taken a second loan from any other MFI or bank. “So the first bucket of 51% borrowers is an institutional strength for us.” Covid-19 is a natural crisis, people have not lost their assets, homes & capital in that sense so once the lockdown opens collections will pick up. In their constant conversation with customers, they have got an assurance and positive intent to transact with the bank as soon as the lockdown is lifted.

Future opportunities of the banking sector in India

since reliance jio have made 4G internet more affordable people all over the india have now access to internet they can use internet to develop skills and educate themselves. And more and more people want to become entrepreneurs and obviously they would require capital to start their businesses banks are going to play a huge role in that and number are only going to increase. more people on internet means more people are going to use online payment methods like UPI, debit card, credit card (currently only 3-4 percentage of people owns a credit card). Future of indian banking will be collaborative, exciting and will raise the bar in setting new standards.



PARTICIPANTS & ANCHORS FEEDBACK

‘The judges were really talented, I learned a lot from this event. Hoping to see more events like this before I pass out from our college’.

Samiksha Alat, City Premier College, Nagpur.

‘Pretty satisfied with event and how it was organised despite being online event and volunteers were supportive’.

Yash Dhamecha, Ramdeobaba College Nagpur.

‘The smooth functioning of event without any technical failure and proper management was the best part.

The event was organised with great planning and systematic effort which led to organise event smoothly’.

Vedant Sanodiya, City Premier College, Nagpur.

‘I thank CPC Nagpur for giving me such a wonderful opportunity. Looking forward to participate in further editions of investopedia’.

Sai Pawan Kumar, Amity Global Business School, Hyderabad.

‘The event was managed excellently. I was impressed by the way the event was managed. It was a first time digital experience for us’.

Ananya Modak, Dr Ambedkar Institute of Management Studies and Research, Nagpur.

PAST EVENT PHOTOS



