

SBI looks to offload retail, SME NPAs via portfolio sale

Exercise will involve bundling of 10,000-20,000 retail or SME loans

ABHIJIT LELE
Mumbai, 20 May

State Bank of India (SBI), the country's largest lender, is changing its strategy to recover bad loans up to ₹500 crore.

This financial year, it will look at doing "pool" sales of mid-size units, small and medium enterprises (SMEs), and retail bad loans.

To date it has been engaging in account-by-account sales.

There are two strands in selling bad loans. One is big-ticket accounts, which will move to newly formed National Asset Reconstruction Company Ltd (NARCL), and the second is the non-NARCL portfolio, where the bank intends to sell loans totalling ₹3,500-4,000 crore.

The realisation expected for non-NARCL sales is 35-40 per cent, a senior SBI executive said.

NPAs in personal loans, SMEs, and agriculture stood at ₹57,857 crore at the end of March 2022.

Some asset reconstruction companies and special situation funds are looking to buy -- on a portfolio basis -- loans of retail customers and micro, small, and medium enterprises.

The bank has not been active in this (pool sale). Other banks and finance companies are active offloading NPAs by bundling small-value loans.

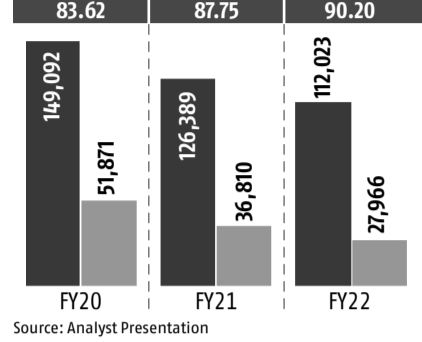
The bank will not sell education loans (NPAs).

There are loans to salaried people where the borrower is employed but has



ASSET QUALITY TRAJECTORY

■ Gross NPAs ■ Net NPAs (in ₹ cr)
■ Provision coverage ratio (%)



failed to make repayment. Such loans would be identified and sold in a pool to ARCs.

The exercise will involve bundling 10,000-20,000 retail or SME loans. ARCs and funds will do due diligence and valuations and acquire that from the bank.

They would then engage in the recovery process. The bank is careful about practices that the ARC or funds follow in making recoveries, another official said.

SBI's asset quality profile improved with gross non-performing assets (NPAs) declining to 3.97 per cent as of March 31, 2022, from 4.98 per cent in March 2021.

Its net NPAs declined to 1.02 per cent in March 2022, down from 1.5 per cent a year ago.

Loan loss provisions fell sharply by 67.10 per cent to ₹3,262 crore in Q4FY22

from ₹9,914 crore in Q4FY21.

However, the provision coverage ratio (PCR) improved to 90.2 per cent in March 2022 from 87.75 per cent a year ago.

The bank's recoveries and upgrades from NPAs were higher at ₹21,437 crore in FY22 from ₹17,632 crore in FY21, the year when the pandemic hit in a major way.

The recoveries and upgrades were ₹25,781 crore in FY20.

Besides NPAs, the bank has restructured loans worth ₹30,960 crore. They are a blend of loans to retail customers, SMEs, and companies (the last group has a small share).

The bank has created sufficient contingency provisions against restructured loans to insulate its balance sheet from any future shocks, SBI Chairman Dinesh Khara had said after announcing the results for FY22.

FDI inflow at record high of \$83.57 billion

SHREYA NANDI
New Delhi, 20 May

India attracted total foreign direct investments (FDI) inflow of \$83.57 billion in the financial year 2021-22, up by 1.95 per cent on-year, according to data released by the Department for Promotion of Industry and Internal Trade (DPIIT) on Friday.

Total FDI includes equity capital of unincorporated bodies, reinvest earnings and other capital.

During the entire 2020-21 financial year, the total FDI inflow was \$81.72 billion, despite the disruption caused by the outbreak of the pandemic last year.

"India is rapidly emerging as a preferred country for foreign investments in the manufacturing sector. FDI equity inflow in manufacturing sectors has increased by 76 per cent in FY2021-22 (\$21.34 billion) compared to previous FY2020-21 (\$12.09 billion). The following trends in India's foreign direct investment inflow are an endorsement of its status as a preferred investment destination amongst global investors," an official statement said.

DPIIT did not release the FDI equity inflow



data for FY22.

According to the data shared by the government, Singapore is the top investing country with 27 per cent of the equity inflows. This is followed by the US with inflows at 21 per cent and Mauritius that continued to remain one of the top sources of FDI for India at 16 per cent inflows in FY22.

As far as states are concerned, Karnataka is the top recipient state for yet another year with 38 per cent share of the total FDI equity inflows, followed by Maharashtra at 26 per cent and Delhi at 14 per cent.

Majority of equity inflow of Karnataka has been reported in the sectors -- computer software and hardware, with a share of 35 per cent of the total FDI equity inflow. For the automobile industry it was 20 per cent and 12 per cent in case of education during FY22.

REPORT CARD

URBAN JOBS GUARANTEE SCHEME: A REPORT CARD



The Economic Advisory Council to the Prime Minister has advocated an urban job guarantee scheme on the lines of MGNREGA. So far, six states have framed urban employment programmes. However, one big

drawback of all the schemes, pointed out by civil society members, is that they do not provide a legal guarantee for employment

COMPILED BY SANJEEB MUKHERJEE

CURRENT STATUS

■ **Kerala's Ayyankali Urban Employment Guarantee Scheme:** One of the longest-running, it guarantees 100 days of wage-employment in one FY to an urban household whose adult members volunteer to do unskilled manual work

■ **Himachal Pradesh's Mukhya Mantri Shahri Ajeevika Guarantee Yojana:** It seeks to provide 120 days' guaranteed wage employment to every household in urban areas

■ **Odisha's the Urban Wage Employment Initiative:** An employment scheme with an initial allocation of ₹100 crore for six months starting from April 2020

■ **Tamil Nadu's Urban Employment Scheme:** Launched on pilot basis in 2021-22 with ₹100 crore with 50% of person-days earmarked for women

■ **Rajasthan:** The scheme, announced in March 2022, has an allocation of ₹800 crore

■ **Jharkhand:** It has a scheme, but few details available

THE IDEAL SCHEME

- Has legal backing providing minimum work days
- Allocates adequate funds to strengthen urban local bodies
- Regularly revises statutory minimum wages like MGNREGA
- Clearly defines kind of work that will be undertaken

■ Disallows machine use, except in unusual cases or when project cost is high

Overseas loan biz of 6 banks up 7-33% in FY22

Portfolio was 4.8% of the overall loan book as on March 31, 2022

ABHIJIT LELE
Mumbai, 20 May

The overseas loan book of six Indian banks rose between 7 and 33 per cent in FY22, primarily on an upturn in trade, which pushed the demand for trade finance.

However, external commercial borrowings -- loans raised by Indian companies abroad -- were muted. This is because they tapped domestic sources due to cheap money available back home amid abundant liquidity.

Bank officials said India-centric business had predominant share -- funding exports and imports as well as terms loans. Along with this, lenders are also financing high-rated companies in



TOP PLAYERS

International loan book (in ₹ crore)

Bank	FY21	FY22	Growth % (YoY)
SBI	3,56,877	4,11,910	15.42
Bank of Baroda	1,10,514	1,33,968	21.2
Canara Bank	22597	30101	33.21
Union Bank of India	16,012	17,138	7.03
Punjab National Bank	20,269	25890	27.73
ICI Bank	37,590	41,284	9.8

Source: Analyst presentation; call transcripts

local markets. However, the size of loan and share in local corporate business is small. State Bank of India (SBI) reported 15.42 per cent growth in its international loan book at ₹4.12 trillion in FY22.

Ashwini Kumar Tewari,

managing director (international banking, subsidiaries), SBI, said the bank expects momentum (about 15 per cent) in international loan expansion in FY23 as seen in FY22. This is with support of trade finance and

factoring. It is providing supply chain finance in partnership with large banks on their platforms.

The intent is to generate more business from Indian companies on its own platform. On demand for overseas

loans from Indian firms, bank officials said it would depend on how the cost of funds shapes up in light of rising interest rates across the geographies.

Indian corporates would raise money overseas if the cost of hedging of currency risks plus loan rates turn beneficial compared to cost of funds in the domestic market.

ICICI Bank -- in an analysts' call -- said the overseas loan portfolio, in dollar terms, grew 5.9 per cent year-on-year (YoY) and was flat sequentially on March 31, 2022.

The YoY increase in the overseas loan portfolio of these banks was primarily due to rise in the India-linked trade finance book. The overseas loan portfolio was 4.8 per cent of the overall loan book as on March 31, 2022.

IDBI Bank to sell 25% stake in Ageas Federal

SUBRATA PANDA
Mumbai, 20 May

IDBI Bank has entered into a share purchase agreement with Ageas Insurance International, wherein the bank is looking to sell its remaining stake of 25 per cent in private sector life insurer Ageas Federal Life Insurance for ₹580 crore, making Ageas one of the few foreign insurers to raise its stake in its Indian insurance joint venture to 74 per cent, after the government raised the FDI cap in the insurance sector.

"In continuation of the bank's disclosure dated March 29, 2022, we hereby inform you that IDBI Bank has entered a share purchase

agreement (SPA) with Ageas Insurance International NV (Buyer) on May 19, 2022 to sell IDBI Bank's entire stake of 200,000,000 equity shares in Ageas Federal Life Insurance company pursuant to exercise of call option by Ageas. The transaction will be concluded subject to regulatory approvals," the bank said in a notification to the exchanges.

The transaction is expected to be completed in Q2FY23, subject to regulatory approvals and satisfaction of the terms and conditions set out in the share purchase agreement.

A European insurer, Ageas, had earlier increased its stake in the Indian insurer to 49 per cent from 26 per cent in December 2020.

Federal Bank's stake continued to be at 26 per cent. Following this, the insurer's name changed to Ageas Federal Life Insurance from IDBI Federal Life Insurance.

Currently, Ageas Insurance International holds 49 per cent stake in the private sector life insurer, Ageas Federal Life Insurance, and Federal Bank holds 26 per cent. After acquiring IDBI Bank's 25 per cent stake in the insurance company, Ageas Insurance International will take its shareholding in the firm to 74 per cent.

Earlier this month, Italian insurer Generali completed its acquisition of 25 per cent stake in Future Generali India Insurance, taking its shareholding in the insurer to 74 per cent.

MAN INFRACONSTRUCTION LIMITED

CIN: L70200MH2002PLC136849

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EXTRACT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31st MARCH, 2022

(Rs in Lakhs)

Sr. No.	Particulars	Quarter Ended	Year Ended	Quarter Ended
		31st March, 2022	31st March, 2022	31st March, 2021
		Audited	Audited	Audited
1	Total Income from Operations (Net)	27,499.02	1,16,265.49	21,771.27
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	4,950.43	37,888.88	2,544.26
3	Net Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	4,950.43	37,888.88	2,544.26
4	Net Profit/(Loss) for the period after tax and non controlling interest (after Exceptional and/or Extraordinary items)	3,736.32	21,635.44	1,554.20
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax and non controlling interest) and Other Comprehensive Income (after tax)]	3,715.87	21,548.79	1,555.24
6	Equity Share Capital (Face Value per Share of ₹ 2/- each)	7,425.01	7,425.01	4,950.01
7	Earnings Per Share (Face Value of ₹ 2/- each) (for continuing and discontinued operations) [Not annualised]			
	1. Basic (in ₹) :	1.01	5.83	0.42
	2. Diluted (in ₹) :	1.01	5.83	0.42

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective Meetings held on May 19, 2022. The Consolidated Financial Results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
- The Board of Directors, in their meeting held on October 04, 2021, had declared and paid an interim dividend of ₹ 1.26 per equity share for the financial year 2021-22. The Company has allotted 12,37,50,135 fully paid equity shares of face value Rs.2/- each on November 22, 2021 pursuant to a bonus issue approved by the shareholders through a postal ballot. The Bonus Equity Shares of Rs. 2/- each were allotted in the ratio of 1 (One) new fully paid-up Bonus Equity Share of Rs. 2/- each for every 2 (Two) existing fully paid-up Equity Shares of Rs. 2/- each held by the eligible Members; whose name appeared in the Register of Members/ List of Beneficial Owners as on November 19, 2021, being the Record Date fixed for this purpose.
- The above is an extract of the detailed format of Quarterly and year Ended Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of yearly Financial Results are available on the Stock Exchange Websites www.nseindia.com and www.bseindia.com and on Company's Website www.maninfra.com.
- Key data relating to Standalone Audited Financial Results of the Company are as follows:

(Rs in Lakhs)

Sr. No.	Particulars	Quarter Ended	Year Ended	Quarter Ended
		31st March, 2022	31st March, 2022	31st March, 2021
		Audited	Audited	Audited
1	Total Income from Operations (Net)	7,380.15	31,190.02	8,979.93
2	Profit/Loss before Tax	2,065.33	13,120.43	3,712.64
3	Profit/Loss after Tax	1,660.12	10,563.66	3,204.13

**By order of the Board
For Man Infraconstruction Limited
sd/-
Manan P. Shah
Managing Director**

Place: Mumbai
Date: May 19, 2022

Indiabulls Housing Finance Limited

Extract of Consolidated Audited Financial Results for the quarter and year ended March 31, 2022

(₹ in Crores)

Sr. No.	Particulars	Quarter ended	Year ended		Quarter ended
		31.03.22 (Audited)	31.03.22 (Audited)	31.03.21 (Audited)	31.03.21 (Audited)
1.	Total income from operations	2,189.31	8,983.31	9,927.42	2,371.71
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	372.47	1,555.77	1,561.66	356.83
3.	Net Profit / (Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	372.47	1,555.77	1,561.66	356.83
4.	Net Profit / (Loss) for the period after Tax (after Exceptional and/or Extraordinary items)	306.75	1,177.74	1,201.59	276.23
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	297.73	1,298.12	499.84	250.54
6.	Equity Share Capital	89.11	89.11	89.07	89.07
7.	Earnings per Share (EPS) <i>*(EPS for the quarters are not annualised)</i>				
	-Basic (Amount in ₹)	6.88	26.42	27.72	6.20
	-Diluted (Amount in ₹)	6.88	26.34	27.72	6.19

Notes:

- The above results have been reviewed by the Audit Committee on May 19, 2022 and subsequently approved at the meeting of the Board of Directors held on May 20, 2022.
- The financial results have been prepared in accordance with Ind AS, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.

3. Key Standalone Financial Information:

(₹ in Crores)

Particulars	Quarter ended	Year ended		Quarter ended
	31.03.22 (Audited)	31.03.22 (Audited)	31.03.21 (Audited)	31.03.21 (Audited)
Total Income	1,785.45	7,777.7	8,752.79	2,141.58
Profit before Tax	302.12	955.9	1,392.17	532.07
Net Profit after Tax	209.11	696.11	1,058.46	405.67

4. The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly / Annual Financial Results are available on the Company's website (http://www.indiabullshomeloans.com) and on the website of BSE (http://www.bseindia.com) and NSE (http://www.nseindia.com).

5. Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

Registered Office: M-62&63, First Floor, Connaught Place, New Delhi- 110 001.
(CIN: L65922DL2005PLC136029)

For and on behalf of the Board of Directors
Gagan Banga
Vice-Chairman, Managing Director & CEO

Place: Mumbai
Date: May 20, 2022