



Indian Banks' Association

FIBAC 2019

ANNUAL BENCHMARKING AND INSIGHTS

AUGUST 2019



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Indian Banks' Association

Indian Banks' Association (IBA) the only advisory body for banks in India, was set up in 1946 as an association to discuss vital issues of Banks. The onward journey of IBA has been progressive and enriched by the development of India's banking sector since independence.

Having bestowed with the status of the "torch bearer" for the banking industry, IBA has initiated several path breaking policies during the last seven decades which have eventually transformed the banking sector. Over a period of time IBA has evolved as the "Voice of the Indian Banking Industry". At present IBA has 251 Members, 144 Ordinary Members comprising Public, Private, Foreign and Cooperative Banks and 107 financial institutions and Banking related organizations as Associate Members.

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TransUnion CIBIL is India's leading credit information company and maintains one of the largest repositories of credit information globally. We have over 4500 members—including all leading banks, financial institutions, non-banking financial companies and housing finance companies—and maintain more than 1000 million credit records of individuals and businesses.

Our mission is to create information solutions that enable businesses to grow and give consumers faster, cheaper access to credit and other services. We create value for our members by helping them manage risk and devise appropriate lending strategies to reduce costs and increase portfolio profitability. With comprehensive, reliable information on consumer and commercial borrowers, they are able to make sound credit decisions about individuals and businesses. Through the power of information, TransUnion CIBIL is working to support our members drive credit penetration and financial inclusion for building a stronger economy.



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**ANNUAL BENCHMARKING
AND INSIGHTS**

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Executive Summary

The banking sector in India is at an inflection point. The worst phase of the recent NPA crisis is well and truly over. However, the gap between strong and weak banks is widening by the year, necessitating a change in the landscape of the industry with consolidation of players becoming one of the key ways to achieve this change. The past year saw muted growth in credit as well as deposits, however margins for banks improved due to lower cost of funds. Also, recoveries from write-offs gave a boost to fee income across the industry. Although overall growth in credit and deposits slowed, NPAs for retail as well as SME loans improved across all bank categories.

With all these changing market dynamics, there is a pressing need to assess new paradigms which would define the success for the banking industry. NBFCs continue to play a crucial role by leading the acquisition of new-to-credit (NTC) customers. In fact, NBFCs are adding as many new-to-credit customers as rest of the banking industry put together. However, the problem of NPAs in NBFCs seems to persist and needs to be addressed. PSU banks are playing a critical role in extending credit to Tier 3-4-5 towns.

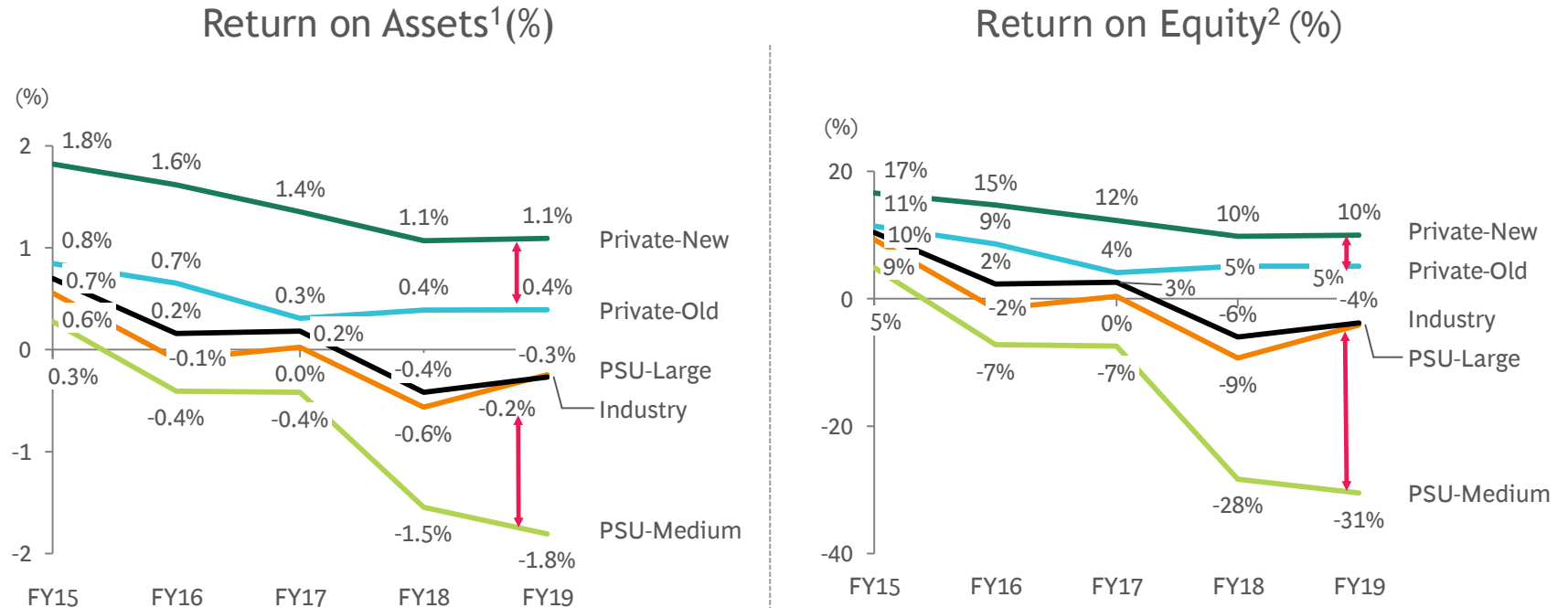
The link between branch growth and savings account deposits growth has weakened. There is a disruption in CASA, with rate war shifting incremental market shares in a significant manner. Across bank categories, there is an apparent trend of shifting market shares in savings deposits, with Private-New banks increasingly taking away share from peers. This is attributed to their continued investment in branch infrastructure, better digital adoption as well as higher interest rate offerings. On the lending front, lenders are exercising more caution as they sanction loans to customers with higher credit scores. However, it leaves a section of people unserved, leading to a higher demand-supply gap. Among the other factors, this has led to a slower growth in the retail segment.

As the digitization wave is picking up steam, for the first time in the history of Indian banking, almost two-thirds of all banking financial transactions are now digital; with UPI, mobile and internet banking leading the way. Growth in traditional channels like ATMs and branches has stagnated for all bank categories and the industry is investing heavily in non-traditional channels. Relocation and rationalization of ATMs and branches is leading to higher efficiency of these channels. Digital penetration is showing results with an average of one in five savings account holders using their debit cards at POS terminals. Banks are also increasingly improving their capabilities to monetize their digital channels with almost one in four personal loans being sold digitally.

OVERALL METRICS



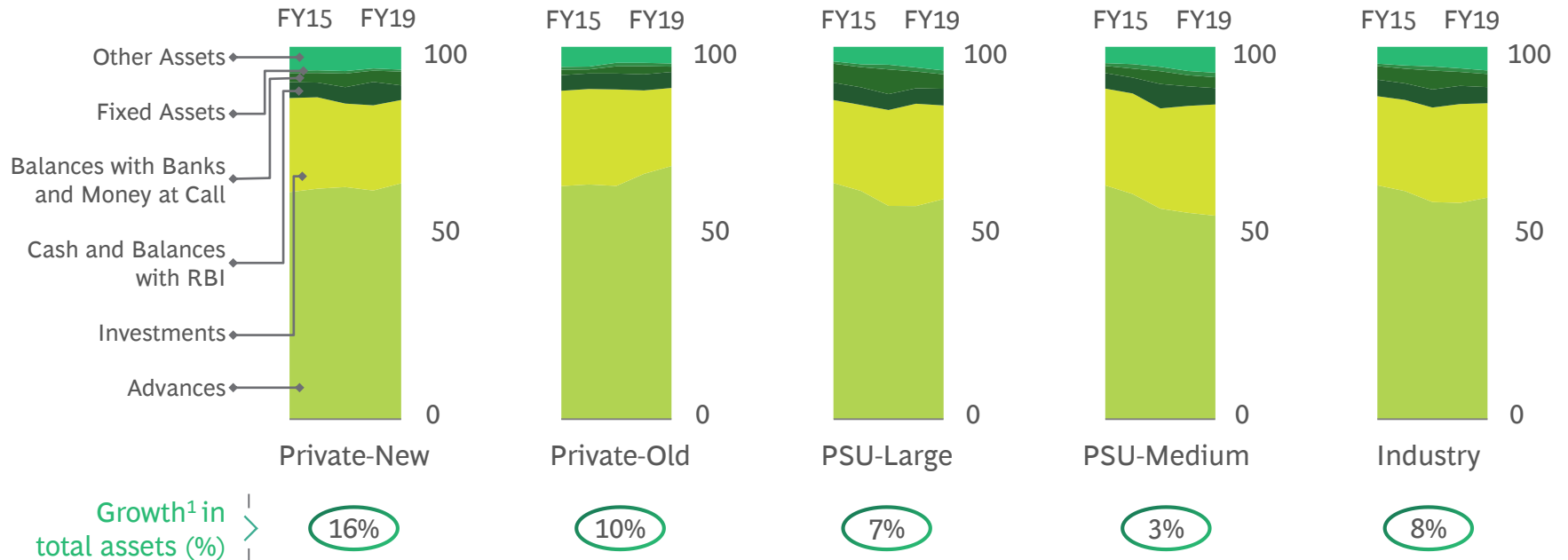
Gap in overall performance further widened within PSU and Private banks in FY 19



¹Return on Assets is calculated as net profit/average assets ²Return on Equity is calculated as net profit/average shareholders' fund
 Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis
 Source: RBI data; Capitaline data; BCG analysis

Slowdown in advances growth in PSU banks evident in asset profile

Balance Sheet Composition (%): Asset Mix



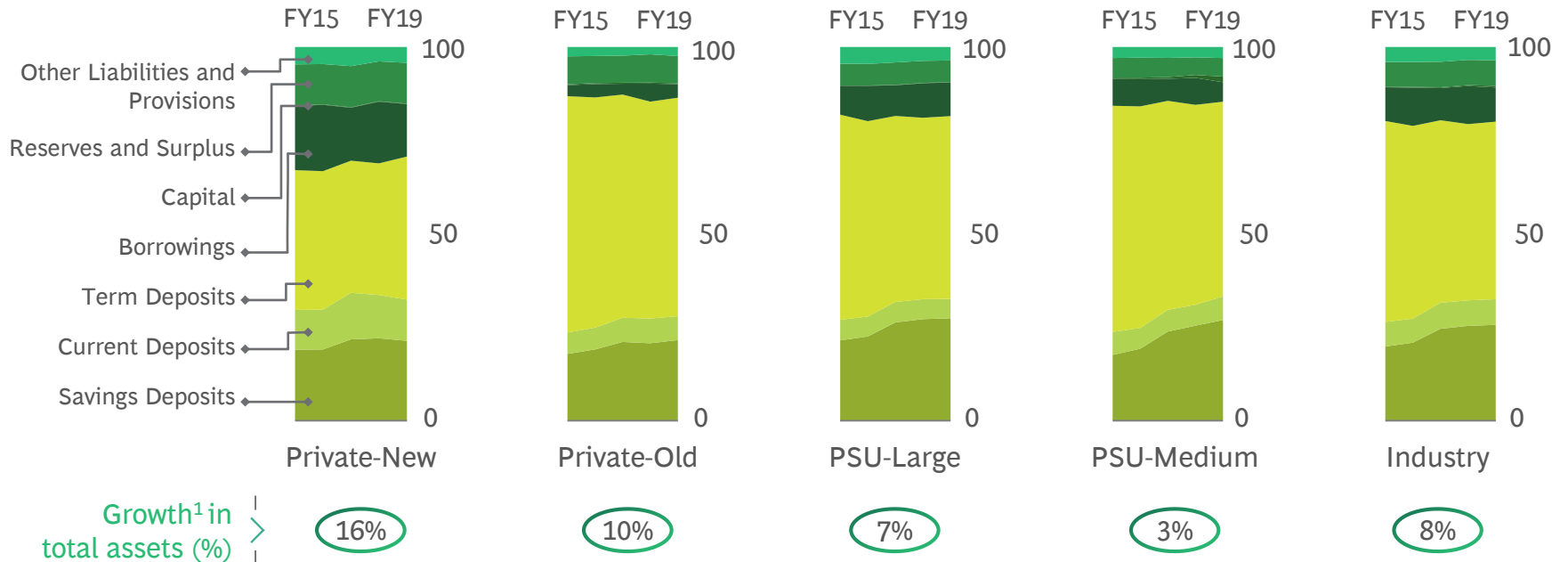
¹⁵ yr CAGR (FY 14 to FY 19)

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

Source: RBI data; Capitaline data; BCG analysis

Liability side balance sheet of the industry has improved with higher share of savings deposits; trend very prominent in PSU banks

Balance Sheet Composition (%): Liability Mix



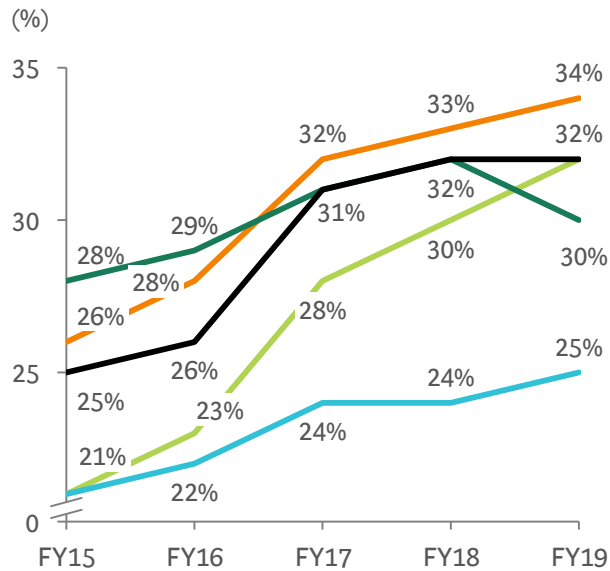
¹15 yr CAGR (FY 14 to FY 19)

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

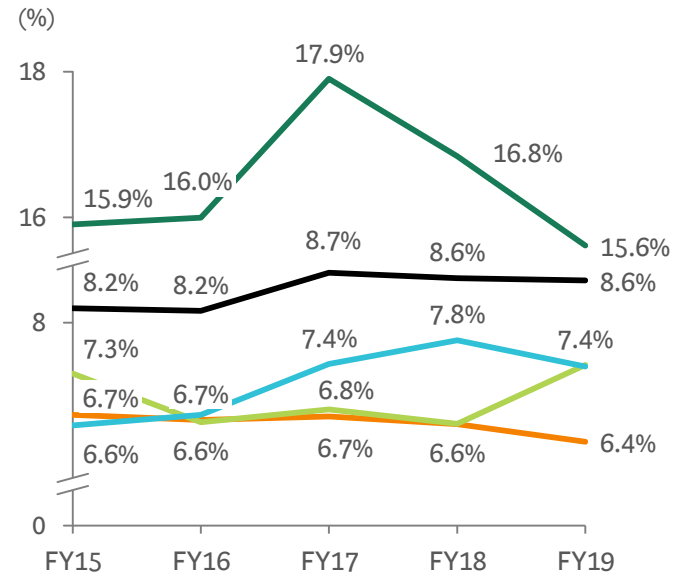
Source: RBI data; Capitaline data; BCG analysis

Drop in savings account share of deposits for Private-New banks; steady growth for rest of the players in the industry

Savings Account Deposits/Total Deposits¹ (%)



Current Account Deposits/Total Deposits¹ (%)



PSU-Large PSU-Medium Private-New Private-Old Industry

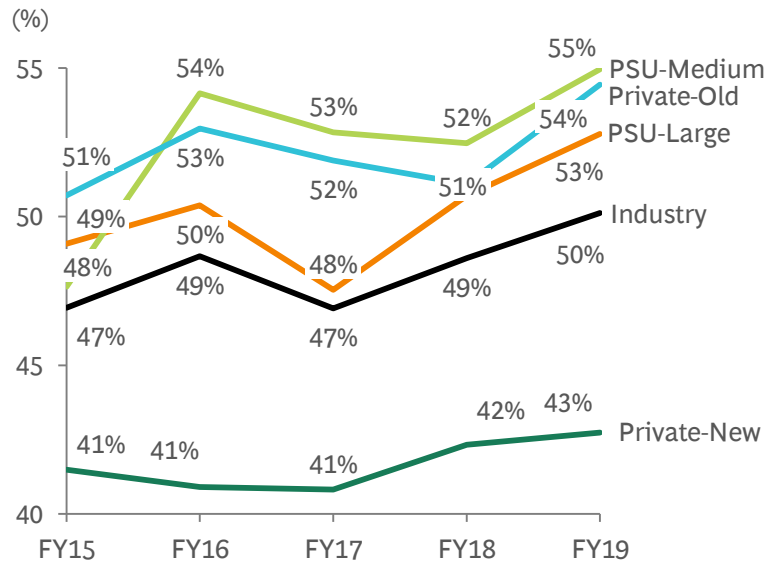
¹Ratio is calculated on basis of deposits in India and abroad

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

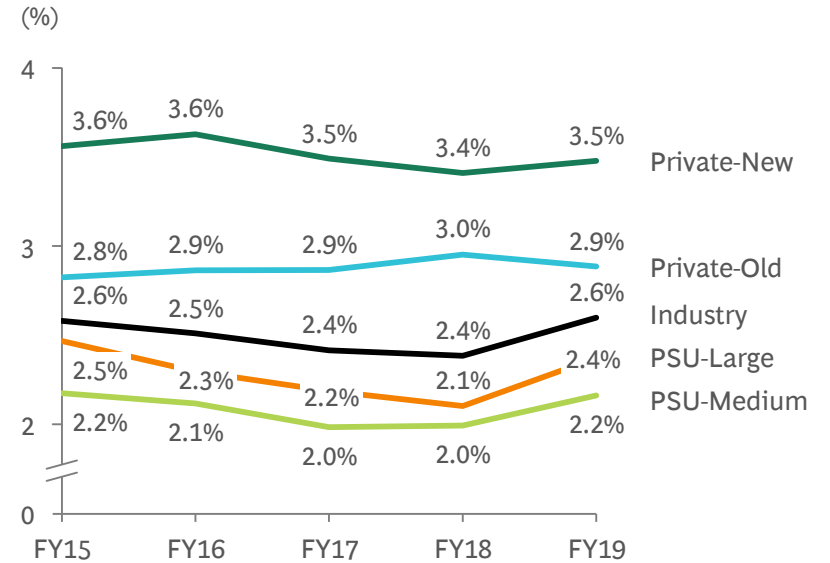
Source: RBI data; Capitaline data; BCG analysis

While Cost to Income Ratio continued to rise, Net Interest Margin has started to inch up

Cost to Income Ratio² (CIR) (%)



Net Interest Margin¹ (NIM) (%)



¹Net Interest Margin is calculated as net interest income/average assets ²Cost to Income Ratio is calculated as operating costs/revenues; Revenue is calculated as sum of net interest income and other income

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

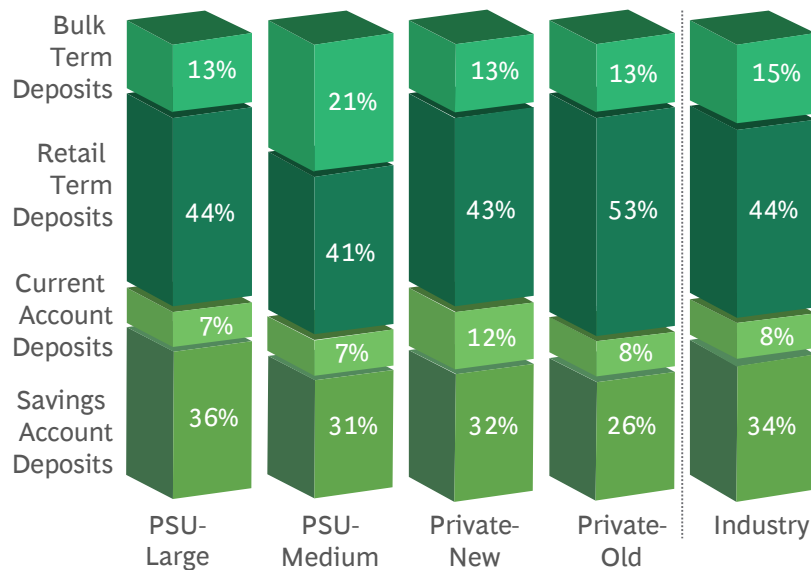
Source: RBI data; Capitaline data; BCG analysis

DEPOSITS



Private-New banks grew retail term deposits aggressively to further transform liability side balance sheet; overall deposits growth was muted

Composition of Total Deposits¹
(FY 19) (%)



Growth in Total Deposits¹
FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Savings	8%	8%	11%	14%	9%
Current	7%	19%	9%	7%	10%
Retail Term ²	1%	3%	25%	14%	6%
Bulk Term ³	36%	-5%	23%	3%	16%
Total	8%	4%	18%	12%	9%

¹Total Deposits represent only the domestic operations of banks ²Retail Term Deposits include Retail Fixed Deposits (less than INR 2 Crore) & Recurring Deposits

³Bulk Term Deposits include Bulk Term Deposits & CDs (equal to or more than 2 Crore) and Interbank Deposits & Others

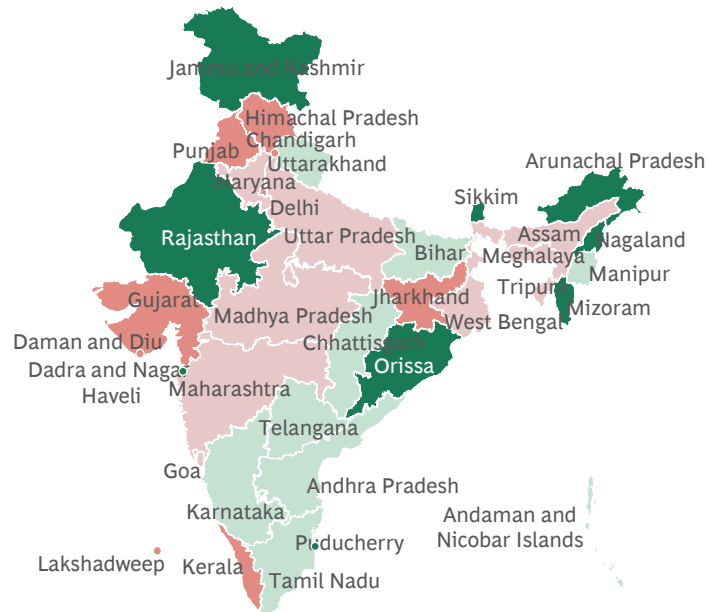
Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: FIBAC Productivity Survey 2019; BCG analysis

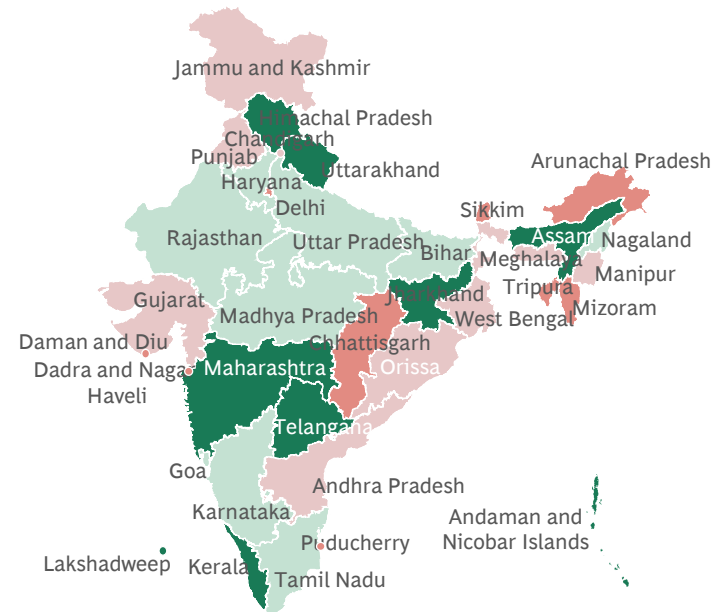
Most of the states in southern India showed robust growth in low cost deposits

Savings Account Deposits Growth (%)
(FY 19 over FY 18)



■ Quartile 1: SA Growth more than 12%
 ■ Quartile 3: SA Growth between 8% & 10%
■ Quartile 2: SA Growth between 10% & 12%
 ■ Quartile 4: SA Growth less than 8%

Current Account Deposits Growth (%)
(FY 19 over FY 18)

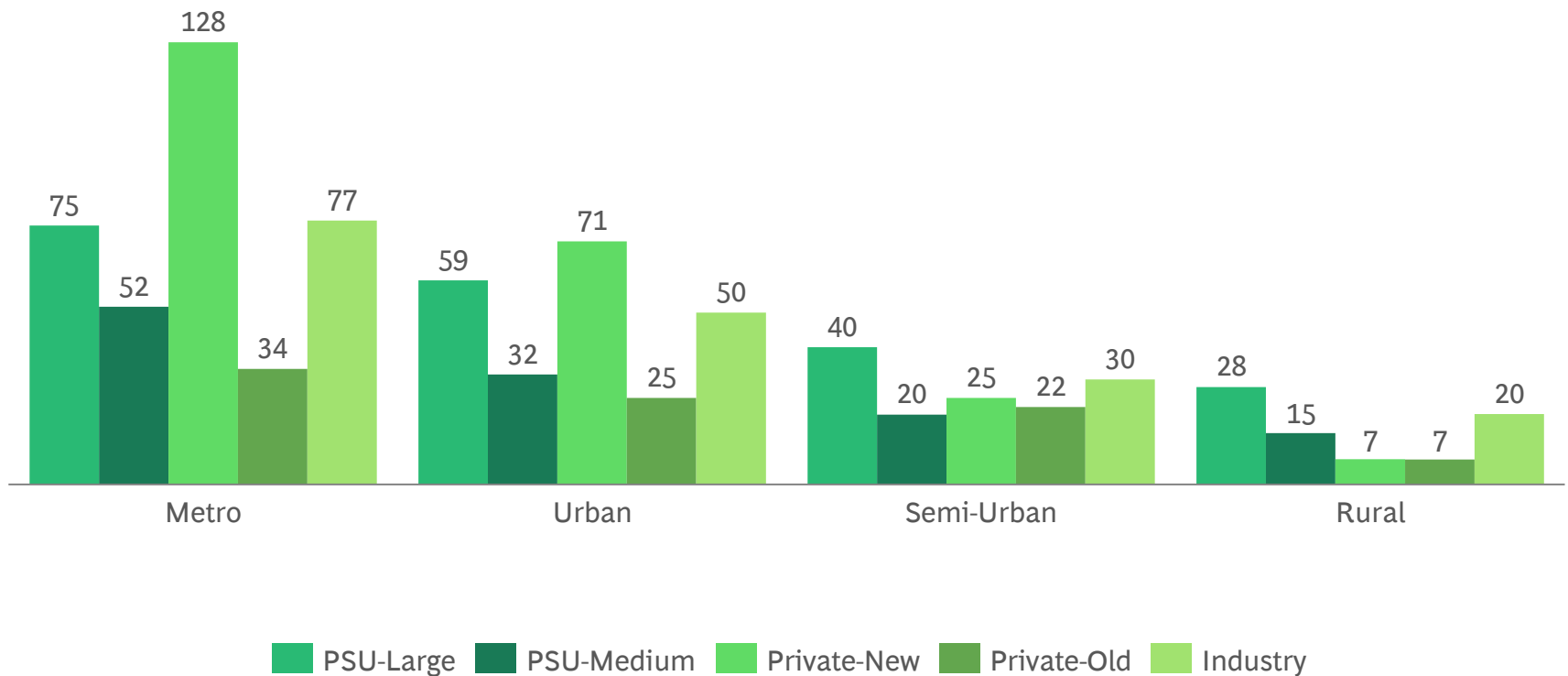


■ Quartile 1: CA Growth more than 12%
 ■ Quartile 3: CA Growth between -1% & 3%
■ Quartile 2: CA Growth between 3% & 12%
 ■ Quartile 4: CA Growth less than -1%

Note: 1. Data of 5 PSU-Large banks, 10 PSU-Medium banks, 2 Private-New banks and 7 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; BCG analysis

On branch productivity, PSU banks enjoy relative advantage in semi-urban & rural areas, Private-New banks in urban & metro and Private-Old in semi-urban

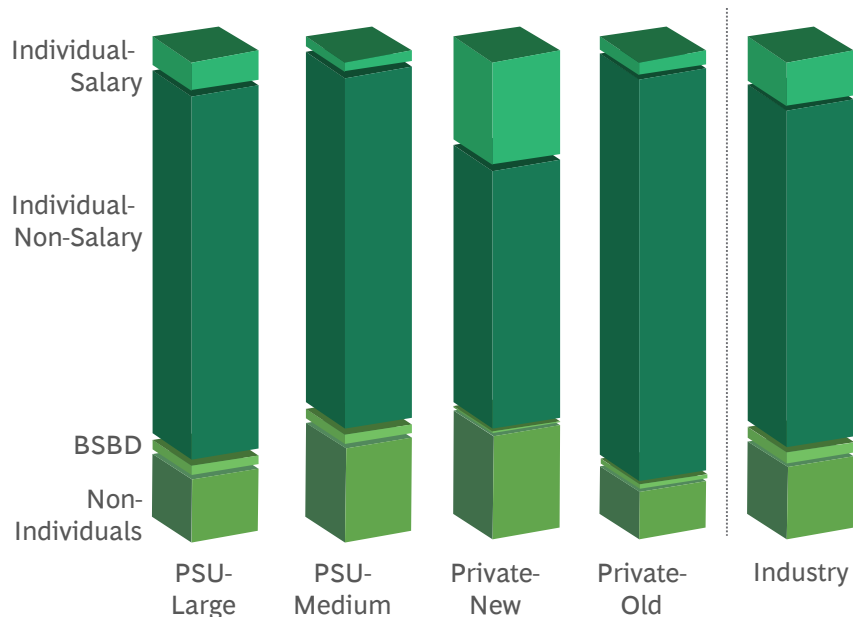
CASA Deposits per Branch for FY 19 (INR Crore)



Note: 1. Data of 6 PSU-Large banks, 10 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis
Source: FIBAC Productivity Survey 2019; BCG analysis

In savings deposits, individual salary accounts and BSBD grew faster than the other categories; PSU-Large dominating growth in both these segments

Composition of Total Savings Account Deposits¹ for FY 19 (%)



Growth in Total Savings Account Deposits¹ for FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Individual-Salary	28%	20%	18%	29%	23%
Individual-Non-Salary	7%	6%	8%	11%	7%
BSBD	24%	13%	-12%	13%	19%
Non-Individuals	5%	14%	9%	28%	8%
Total	8%	8%	11%	14%	9%

¹Total Savings Account Deposits pertain to banks' operations in India

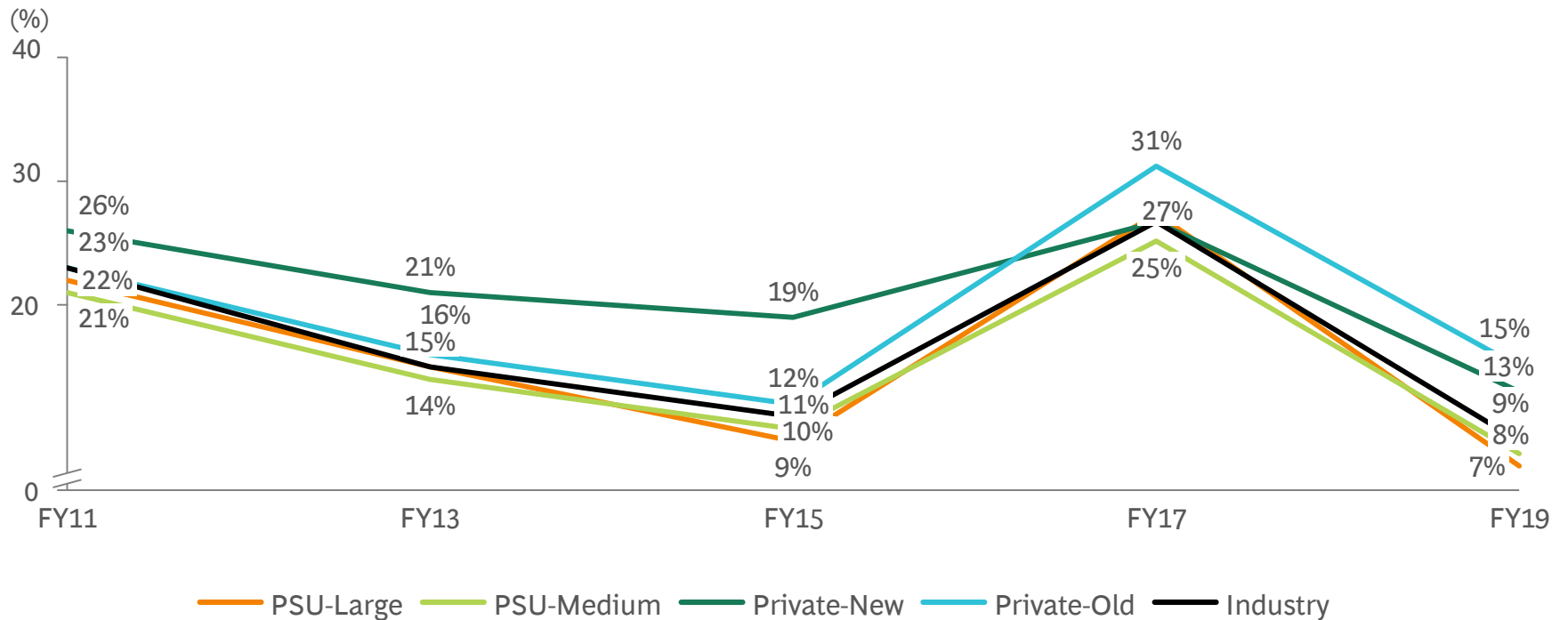
Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: FIBAC Productivity Survey 2019; BCG analysis

Overall savings account deposits growth at its slowest in a decade

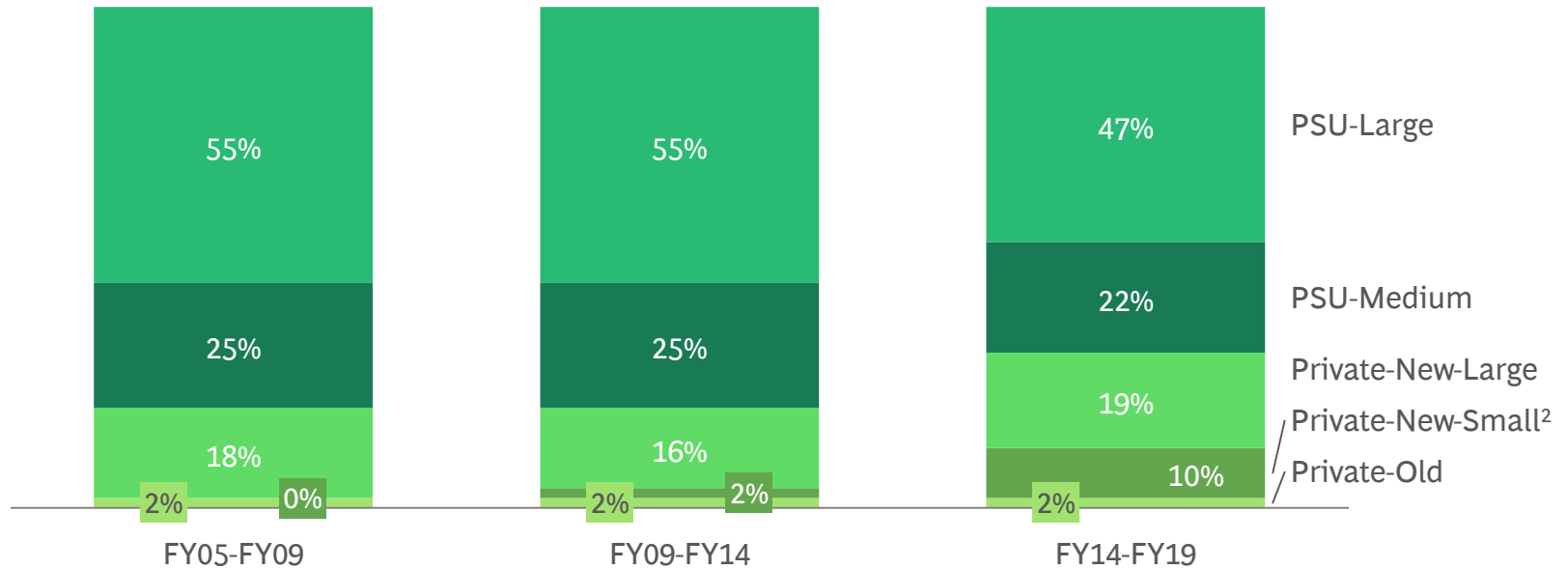
Overall Savings Account Deposits¹ Growth² (%)



¹Overall Savings Account Deposits include both domestic as well as foreign deposits ²Growth represents absolute growth between each 2 year period
 Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 9 Private-New banks and 9 Private-Old banks included for the purpose of this analysis
 Source: RBI data; BCG analysis

Market shares in savings account deposits are shifting faster than before; banks with better digital capabilities at an advantage

Market share for incremental Savings Account Deposit¹ (%)



¹Total Savings Account Deposits pertains to banks' operations in India and abroad

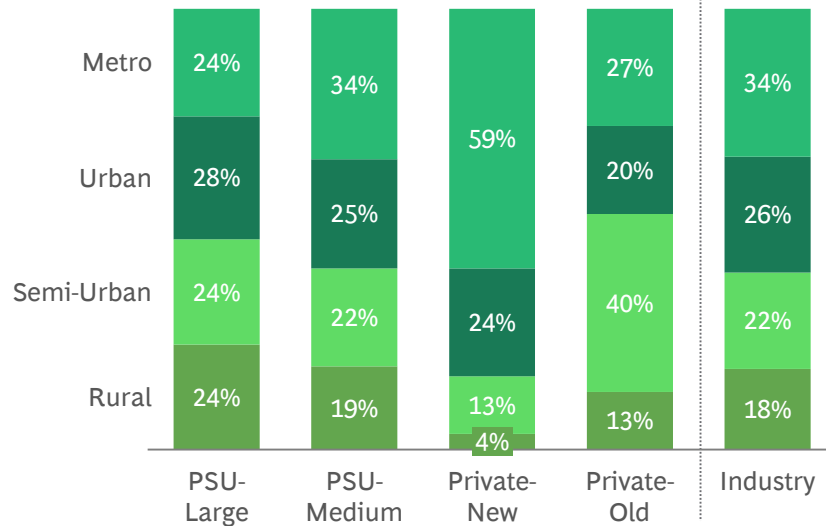
²Private-New-Small banks are considered based on total assets less than INR 5 billion as on 31 March 2019

Note: 1. Data of 6 PSU-Large banks, 15 PSU-Medium banks, 3 Private-New-Large banks, 6 Private-New-Small banks and 9 Private-Old banks included for the purpose of this analysis

Source: RBI data; BCG analysis

In savings deposits, PSU banks have struck a balance across MUSR; Private-New skewed towards metro and urban; Private-Old have semi-urban as their strength

Composition of Total Savings Account Deposits¹ by Geography for FY 19 (%)



Growth in Total Savings Account Deposits¹ FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Metro	5%	4%	12%	10%	7%
Urban	9%	9%	14%	12%	10%
Semi-Urban	9%	10%	6%	15%	9%
Rural	11%	11%	-3%	21%	11%
Total	8%	8%	11%	14%	9%

¹Total Savings Account Deposits pertains to banks' operations in India

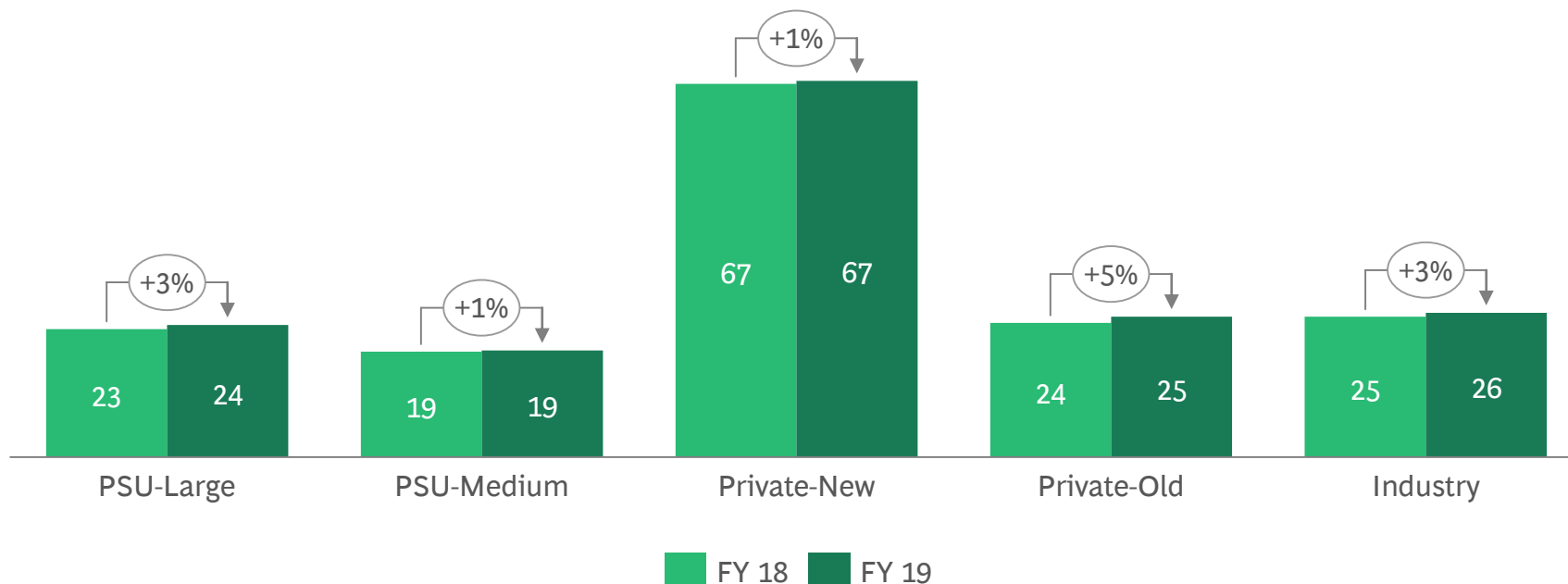
Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: FIBAC Productivity Survey 2019; BCG analysis

Average size of savings account deposits remains stagnant across all bank categories

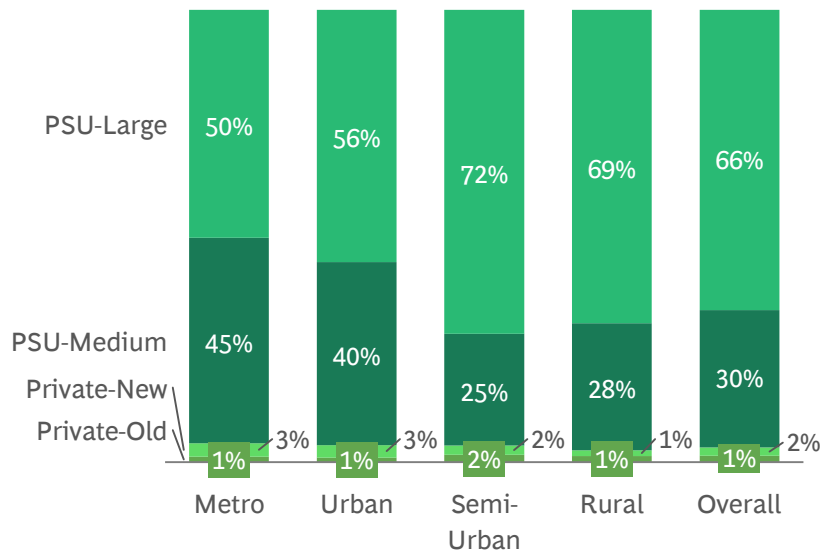
Average Size of Savings Account Deposits (INR '000)



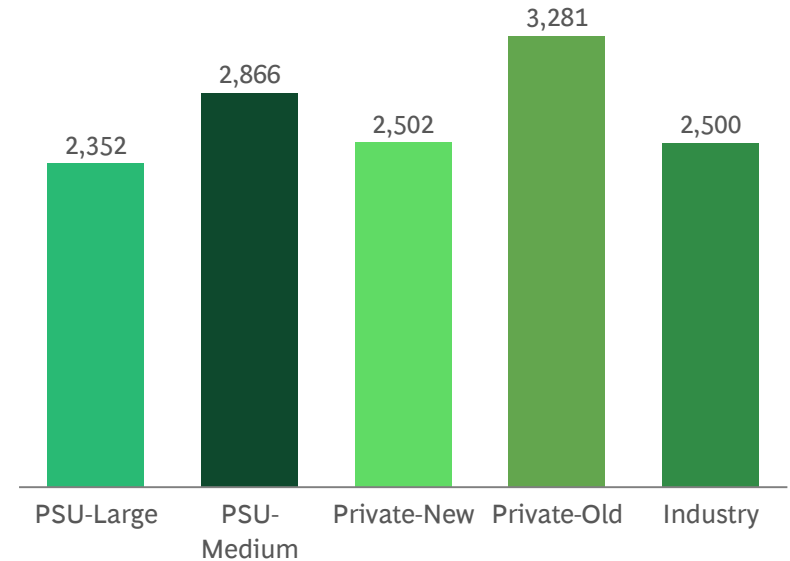
Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis
Source: FIBAC Productivity Survey 2019; BCG analysis

PSU-Large banks driving financial inclusion agenda across geographies

Market Share in BSBD Accounts by Geography by value for FY 19 (%)

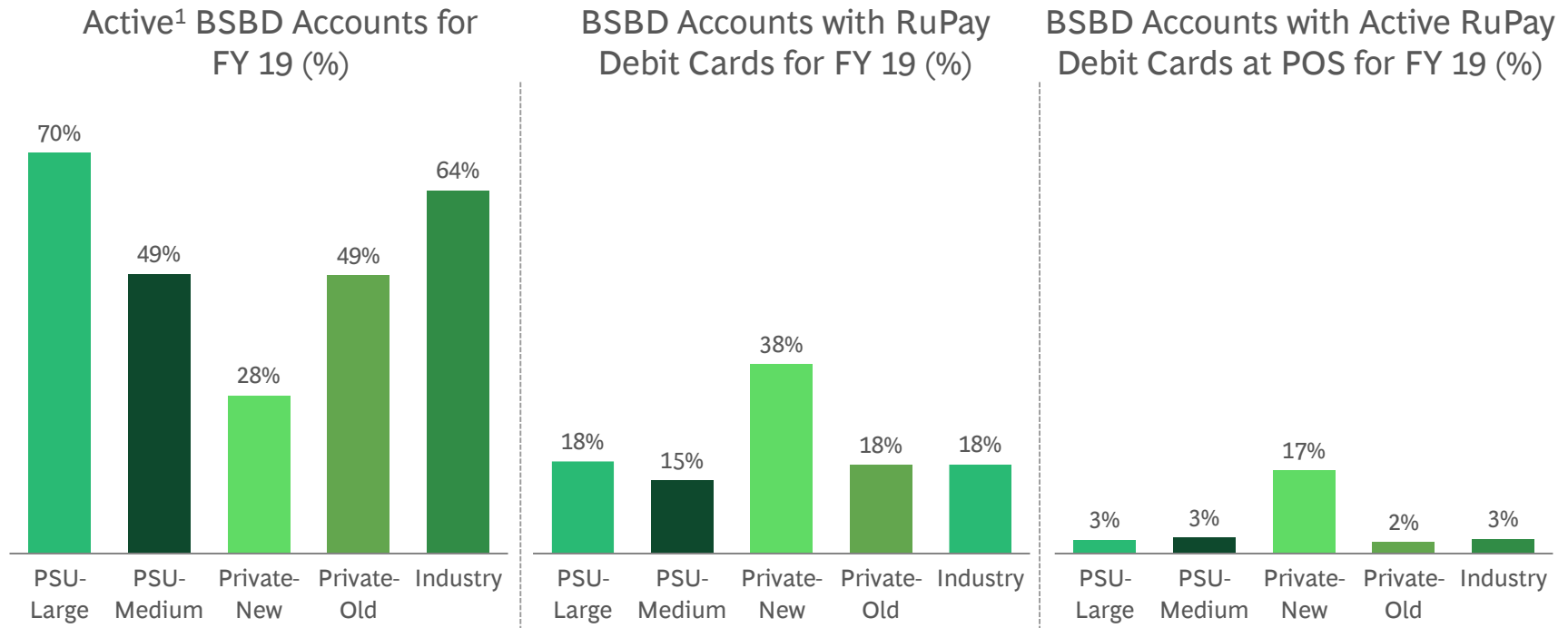


Average Balance per BSBD Account for FY 19 (INR)



Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 5 Private-Old banks included for the purpose of this analysis
 2. Total may not sum to 100 because of differences due to rounding off
 Source: FIBAC Productivity Survey 2019; BCG analysis

High activation of BSBD accounts for PSU-Large banks; however RuPay card activation lagging for them



¹Active BSBD Accounts defined as accounts with at least 1 customer initiated financial transaction in last 6 months (as of 31 March 2019)

Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 5 Private-Old banks included for the purpose of this analysis

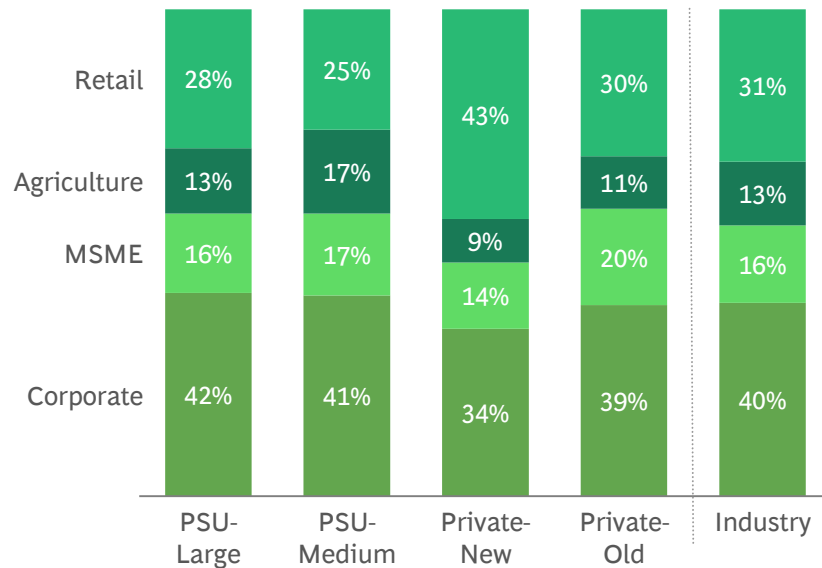
Source: FIBAC Productivity Survey 2019; BCG analysis



ADVANCES

Retail loans continue to grow in FY 19 with Private-New banks leading the pack; PSU-Medium growth extremely slow across the board

Total Advances in FY 19 (%)



Growth in Advances in FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Retail	18%	9%	30%	22%	20%
Agriculture	10%	5%	-5%	8%	6%
MSME ¹	3%	-6%	17%	10%	4%
Corporate	13%	3%	15%	9%	11%
Total	12%	3%	19%	13%	12%

Only participant banks in FIBAC

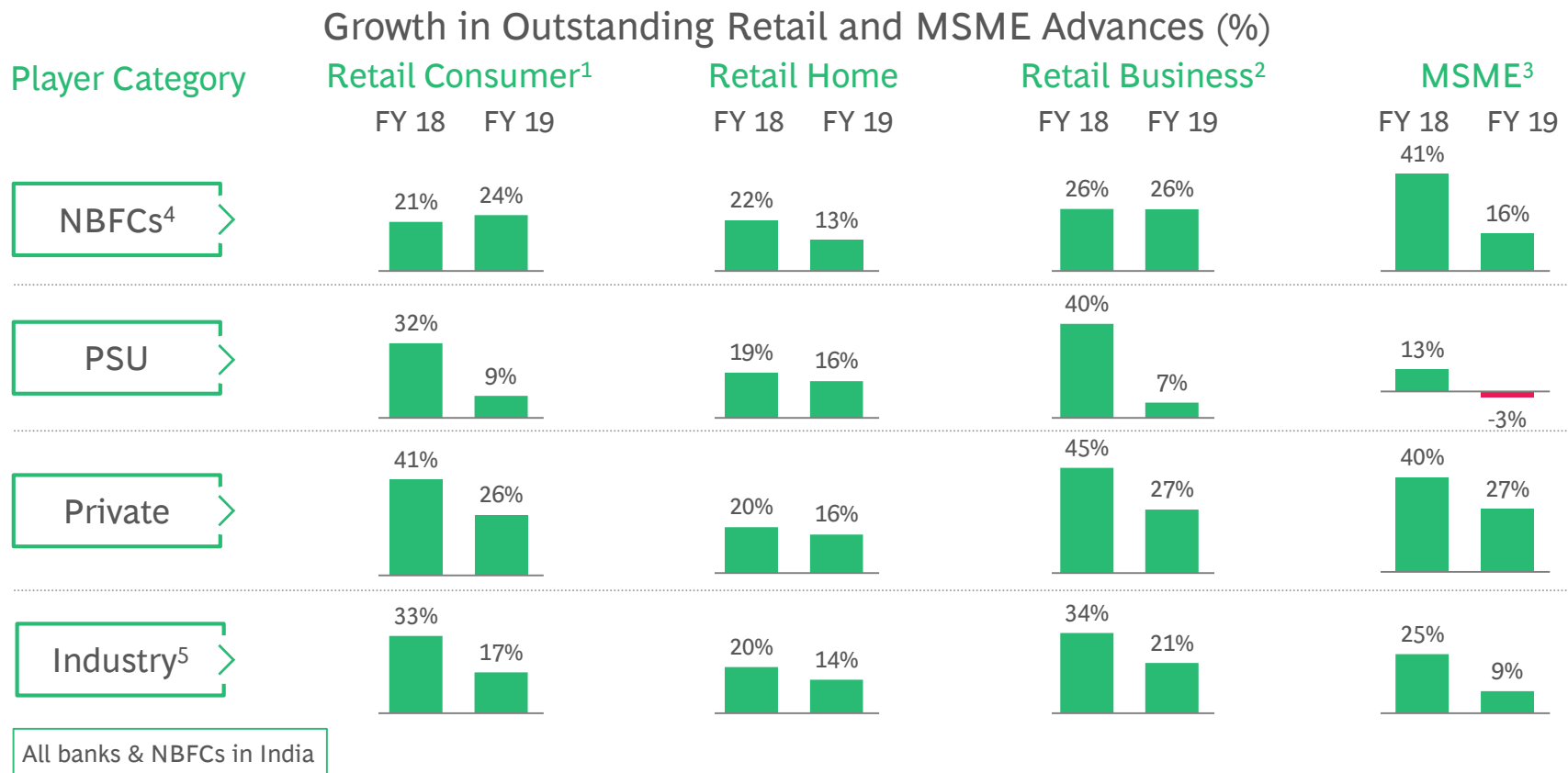
¹MSME advances includes CV/CE loans

Note: 1. Data of 6 PSU-Large banks, 12 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: FIBAC Productivity Survey 2019; BCG analysis

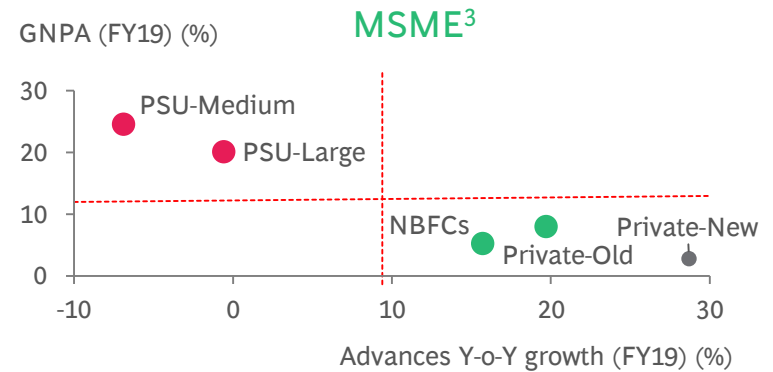
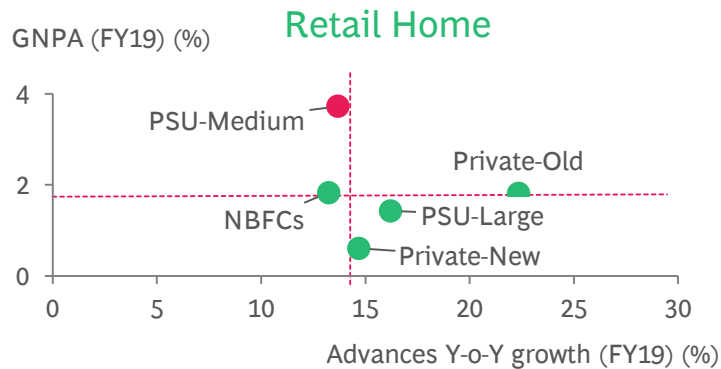
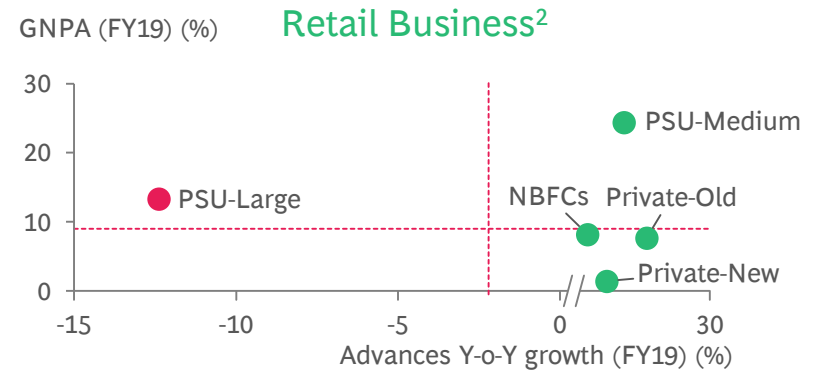
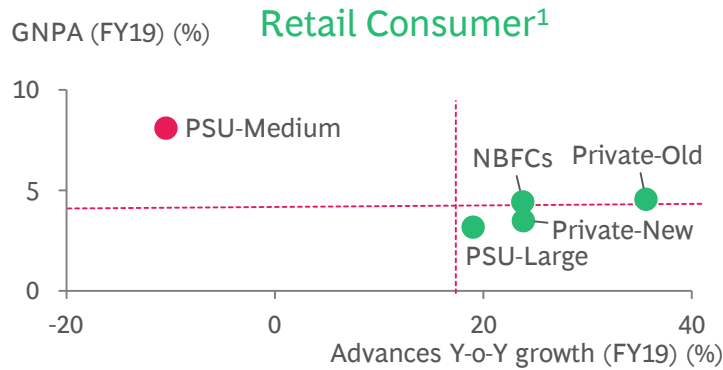
While retail loans continue to grow at a steady pace, sharp fall seen in growth for MSME with PSU banks worst hit among all bank categories



¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ²Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ³MSME includes loans less than INR 50 crores (data from CIBIL Commercial Bureau) ⁴NBFCs includes HFCs ⁵Industry includes NBFCs, HFCs, Private banks, PSU banks, Co-operative banks, MNCs and Regional Rural banks

Source: TransUnion CIBIL; BCG analysis

PSU-Medium banks have higher share of NPA despite low advances growth across retail & MSME; Private-Old need to improve their risk management capabilities



All banks & NBFCs in India

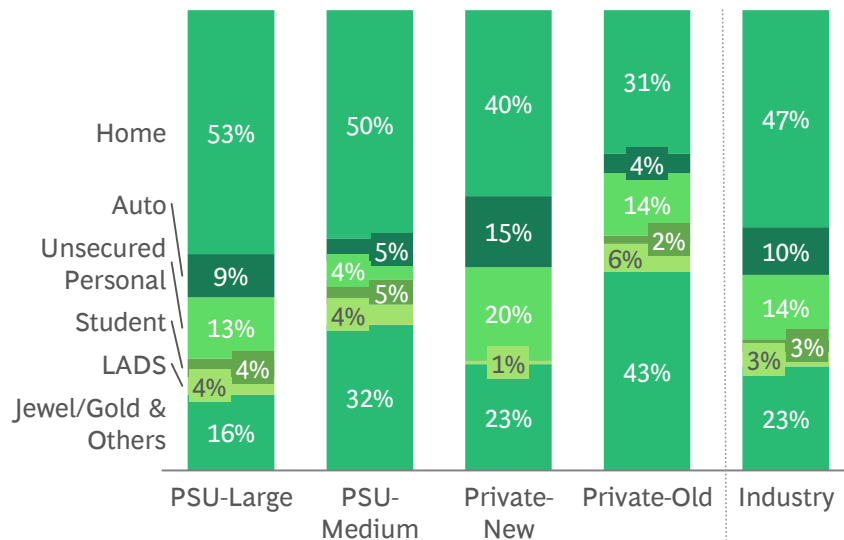
¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ² Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ³MSME includes loans less than INR 50 crores (data from CIBIL Commercial Bureau)
 Note: 1. NBFCs includes HFCs 2. Quadrants are defined based on Industry average 2. Industry includes Co-operative banks, MNCs and Regional Rural banks as well
 Source: TransUnion CIBIL; BCG analysis



Retail Advances

Unsecured loans continue to grow across the board; robust growth seen in home loans followed by auto loans

Split of Total Retail Advances in FY 19 (%)



Growth in Retail Advances FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Home	21%	12%	21%	32%	19%
Auto	10%	2%	18%	34%	14%
Unsecured Personal	11%	28%	37%	33%	24%
Student	4%	-6%	31%	3%	1%
LADS	9%	-18%	9%	5%	1%
Jewel/Gold & Others	27%	13%	54%	14%	29%
Total	18%	9%	30%	22%	20%

Only participant banks in FIBAC

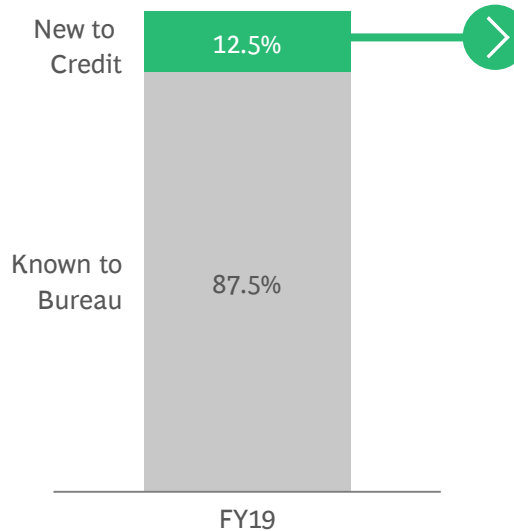
Note: 1. Data of 6 PSU-Large banks, 12 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

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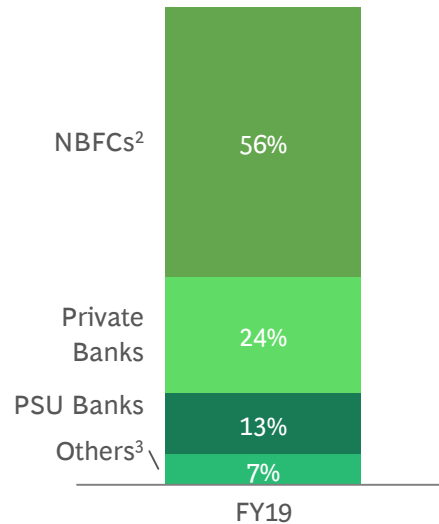
Source: FIBAC Productivity Survey 2019; BCG analysis

NBFCs capturing lion's share of new retail loans (40%) and even higher share of New to Credit customer base (56%)

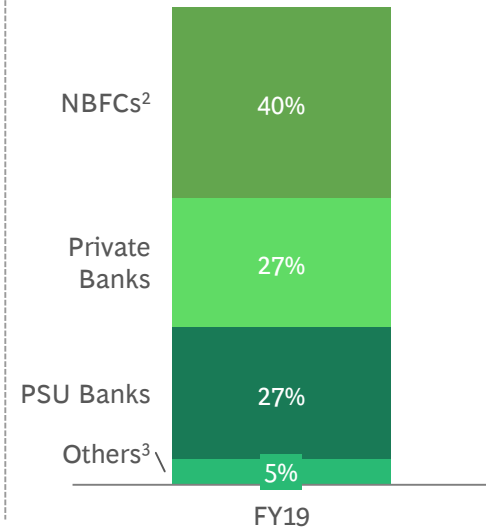
Share of New Retail Loans¹ by Customer type by volume (%)



Share of New Retail Loans¹ to New to Credit Customers by volume (%)



Share of New Retail Loans¹ to New to Credit Customers by value (%)

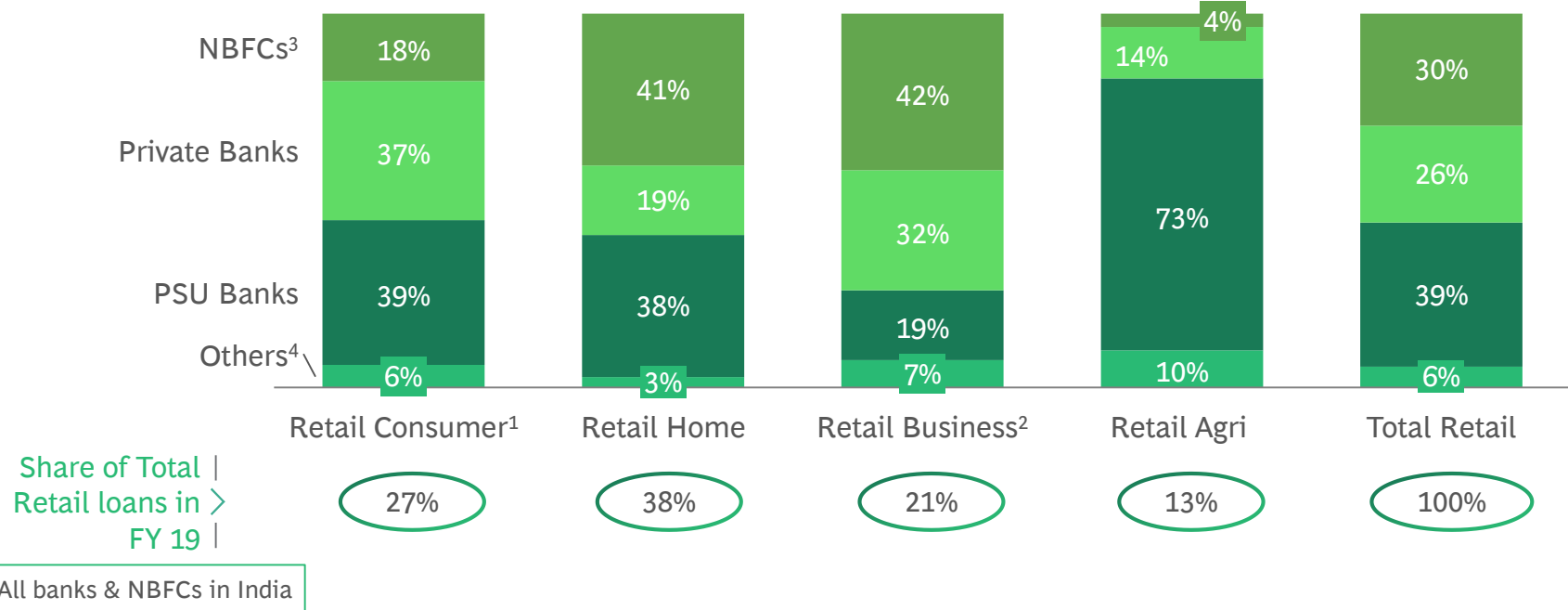


All banks & NBFCs in India

¹Retail Loan includes Auto Loans, Personal Loans, Home Loans, Consumer Loans, Business Loans, Loan Against Property, Gold Loan, Credit Cards, Agri, Commercial Vehicle and Construction Equipment Loans ²NBFCs includes HFCs ³Others include Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

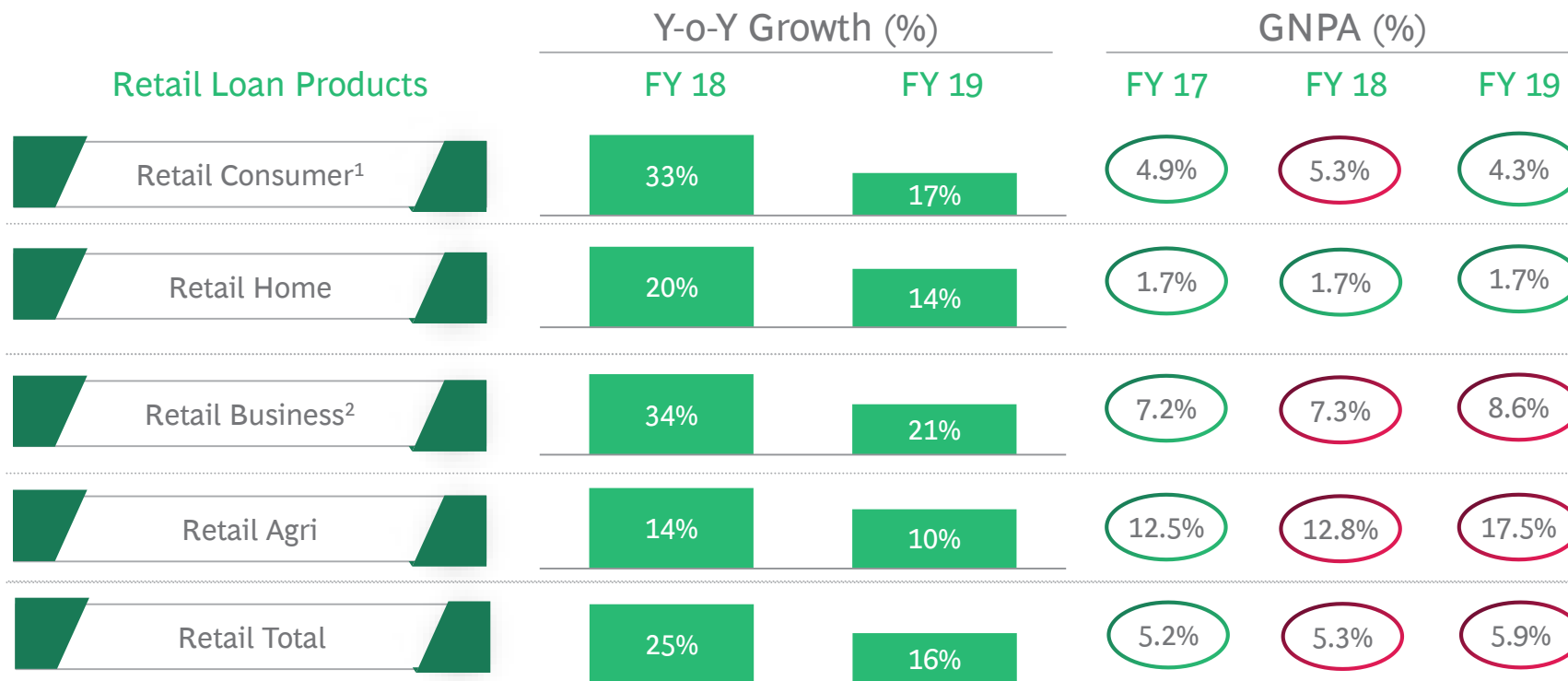
NBFCs have captured a dominant share in loans to small business and home retail loans

Share of Outstanding Retail Loans in FY 19 by value (%)



¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ²Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ³NBFCs includes HFCs ⁴Others include Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

While NPAs in retail home loans remain under control, retail business loans showing signs of stress; Agri loans still a segment under duress

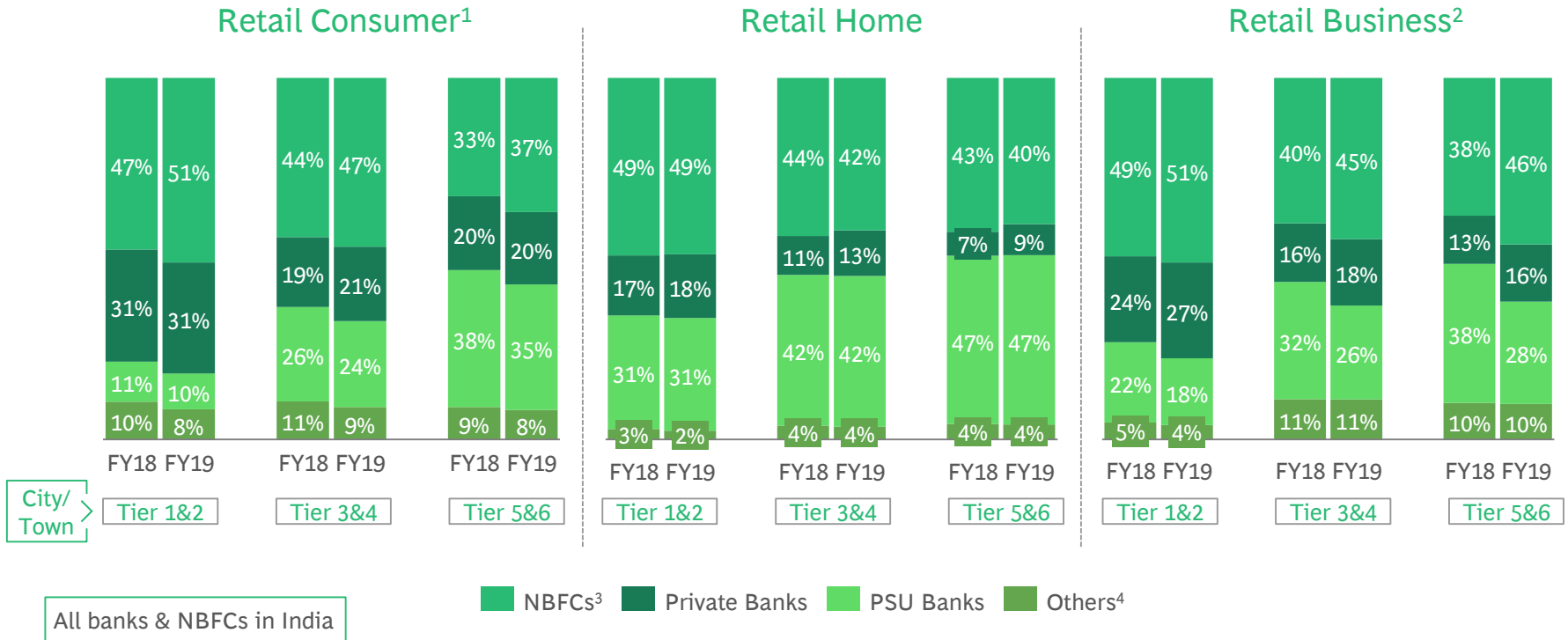


All banks & NBFCs in India

¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ²Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans
 Source: TransUnion CIBIL; BCG analysis

NBFCs captured almost 40% of share of new retail loans across geographies

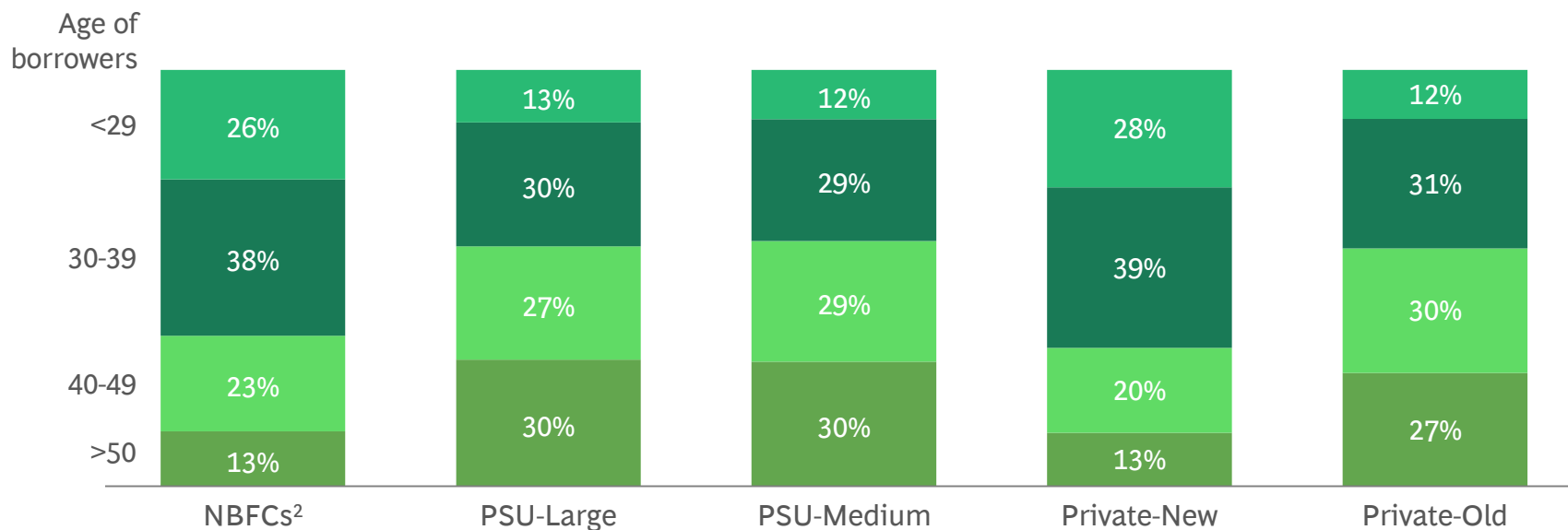
Market share of New Retail Loans by Geography and by Volume (%)



¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ²Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ³NBFCs includes HFCs ⁴Others include Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

Young India preferring Private-New banks and NBFCs for retail loans

Composition of New Retail Loans¹ based on age of borrower in FY 19 by volume (%)



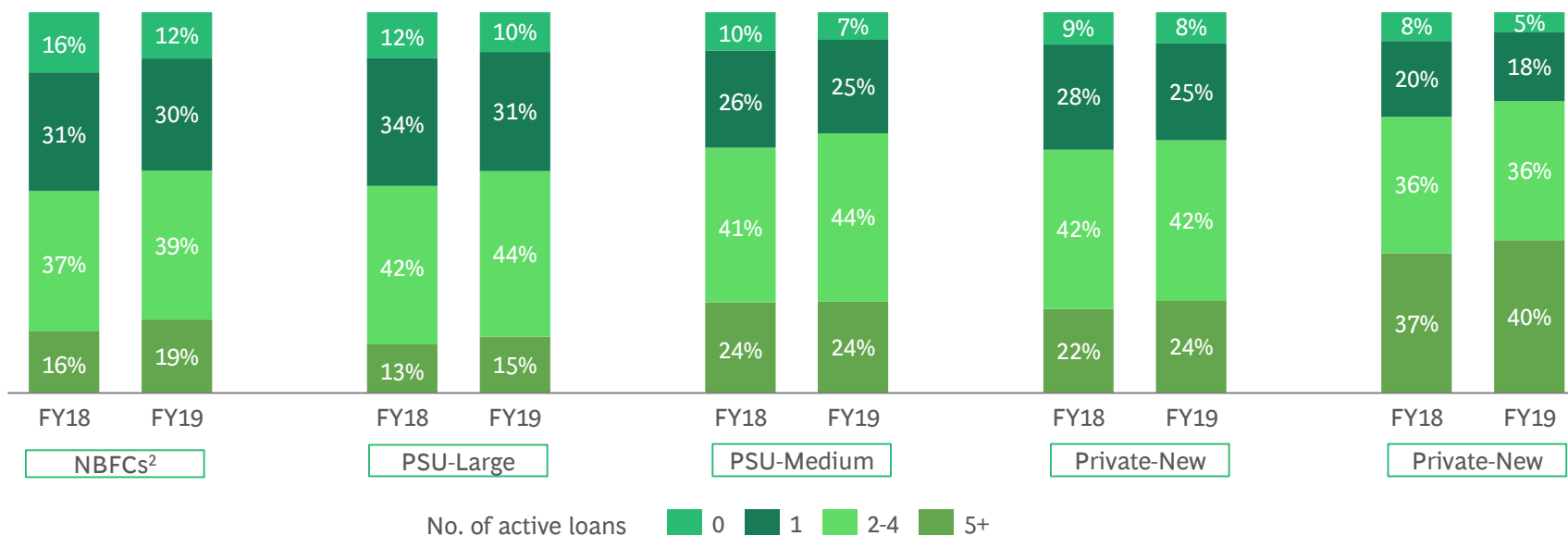
All banks & NBFCs in India

¹Retail Loan includes Auto Loans, Personal Loans, Home Loans, Consumer Loans, Business Loans, Loan Against Property, Gold Loan, Credit Cards, Agri, Commercial Vehicle and Construction Equipment Loans ²NBFCs includes HFCS

Source: TransUnion CIBIL; BCG analysis

Product leverage inching up as almost half of the loans are given to borrowers with two or more active loans

Composition of New Retail Loans¹ based on number of existing Active Loans of the Borrowers in FY 19 and by Volume (%)



All banks & NBFCs in India

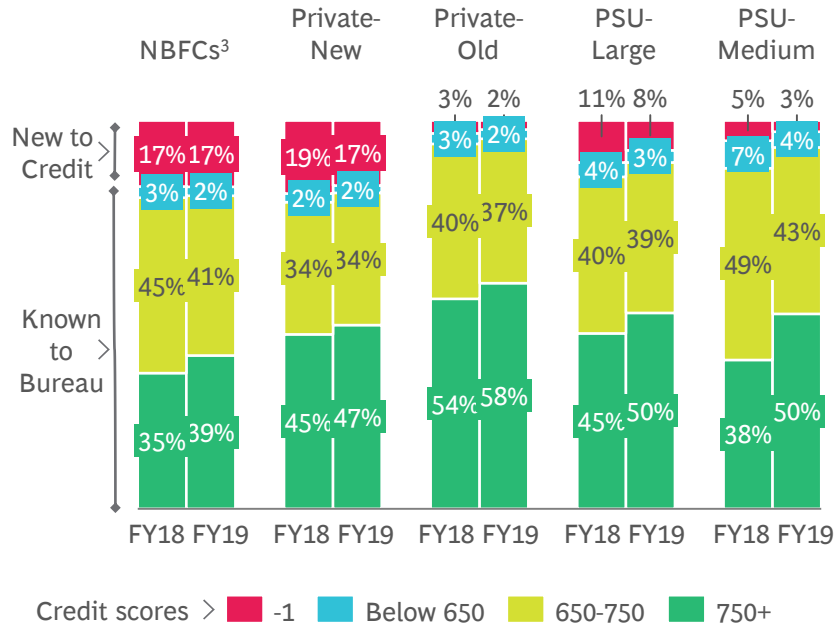
¹Retail Loan includes Auto Loans, Personal Loans, Home Loans, Consumer Loans, Business Loans, Loan Against Property, Gold Loan, Credit Cards, Agri, Commercial Vehicle and Construction Equipment Loans ²NBFCs includes HFCs

Note: 1. Count of loans excludes those loans which got closed before the new loan was sanctioned

Source: TransUnion CIBIL; BCG analysis

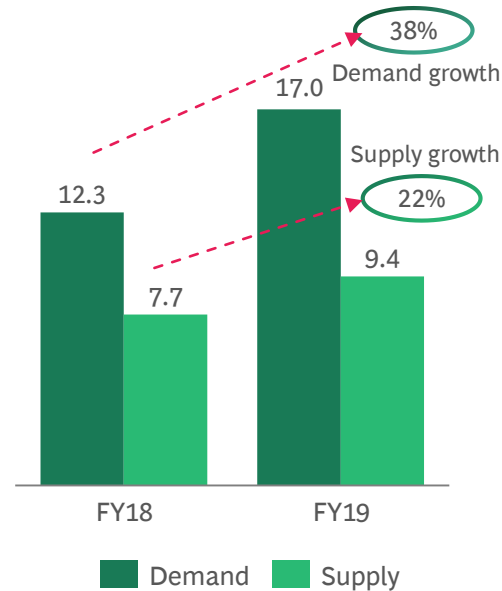
Retail Consumer Loans: Industry appears to have tightened lending standards leading to lower supply and slowdown in growth

New Retail Consumer Loans¹ by Credit Score by Volume (%)

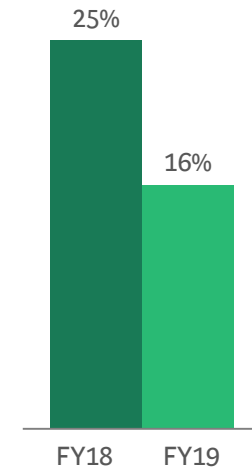


All banks & NBFCs in India

Demand² vs supply² of New Retail Consumer Loans (Number of loans in Crore)



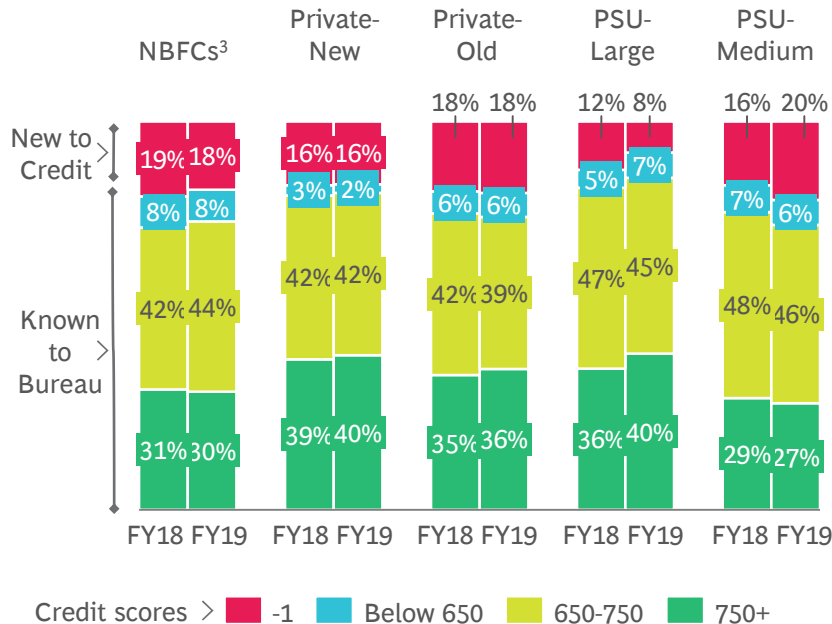
Retail Consumer Advances growth Y-o-Y (%)



¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans ²Demand refers to unique enquiries made by a consumer and supply refers to number of new loans sanctioned ³NBFCs includes HFCS
Source: TransUnion CIBIL; BCG analysis

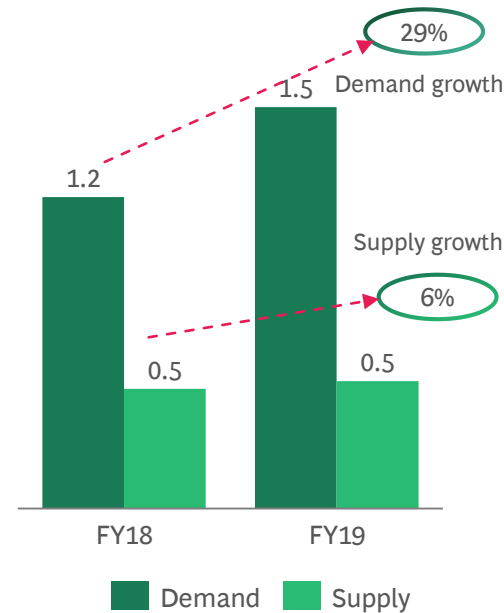
Tightening of norms has not led to improvement in profile of borrowers of small business loans, indicating business environment stress

New Retail Business Loans¹ by Credit Score by Volume (%)

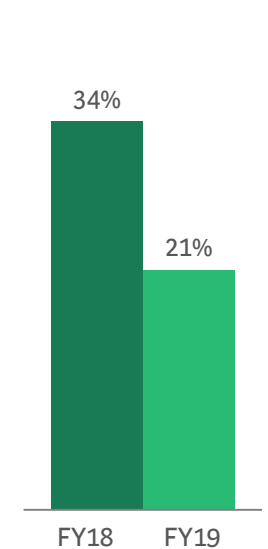


All banks & NBFCs in India

Demand² vs supply² of New Retail Business Loans (Number of loans in Crore)



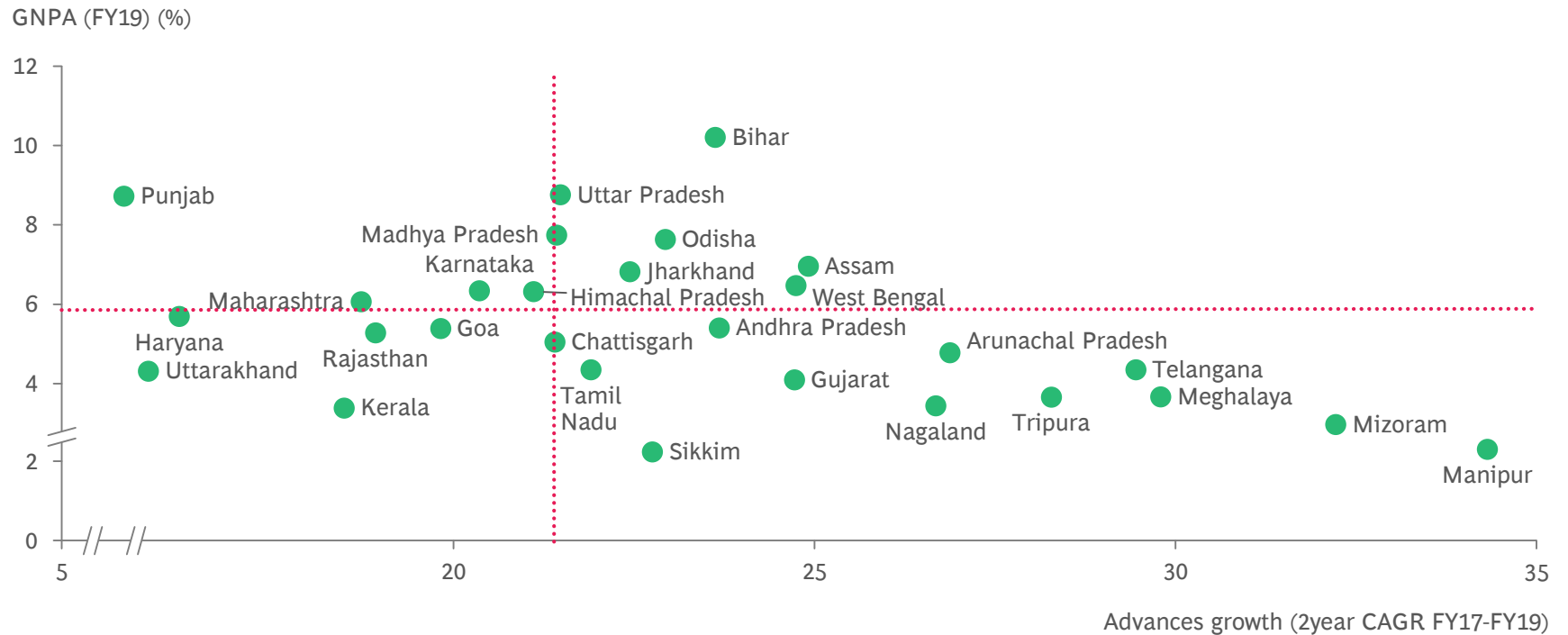
Retail Business Advances growth Y-o-Y (%)



¹Retail Business includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ²Demand refers to unique enquiries made by a consumer and supply refers to number of new loans sanctioned ³NBFCs includes HFCS
Source: TransUnion CIBIL; BCG analysis

Gujarat and Andhra Pradesh growing rapidly in retail loans; Maharashtra and Punjab reeling under high NPAs

Retail Loans¹ by Geography: Advances vs GNPA



All banks & NBFCs in India

¹Retail Loan includes Auto Loans, Personal Loans, Home Loans, Consumer Loans, Business Loans, Loan Against Property, Gold Loan, Credit Cards, Agri, Commercial Vehicle and Construction Equipment Loans

Note: 1. Quadrants defined based on Industry average

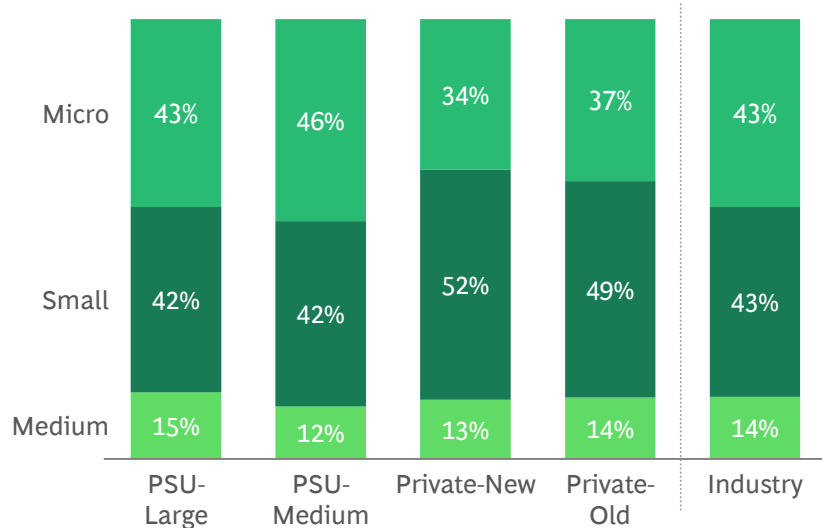
Source: TransUnion CIBIL; BCG analysis



MSME Advances

Loans to medium sized enterprises growing fastest within MSME with PSU-Large banks leading the way

Total MSME Advances¹ for FY 19 (%)



Growth in MSME Advances¹ FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Micro	1%	4%	-8%	4%	1%
Small	-2%	-5%	-7%	13%	-2%
Medium	15%	-16%	-4%	4%	4%

Only participant banks in FIBAC

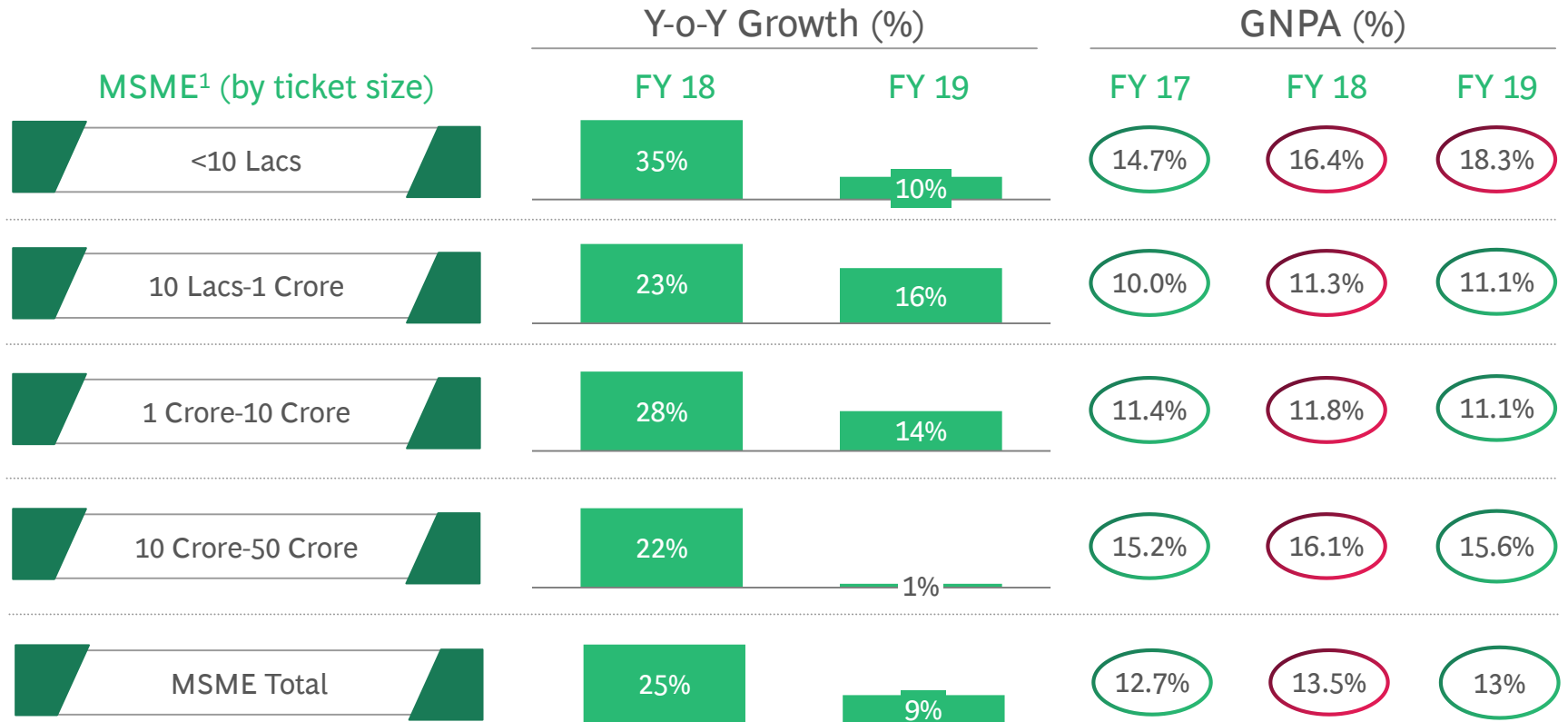
¹MSME Advances does not include CV/CE loans

Notes: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 2 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: FIBAC Productivity Survey 2019; BCG analysis

Within MSME lending, loans with ticket size between INR 10 lacs to 10 crores emerging as the sweet spot for lenders

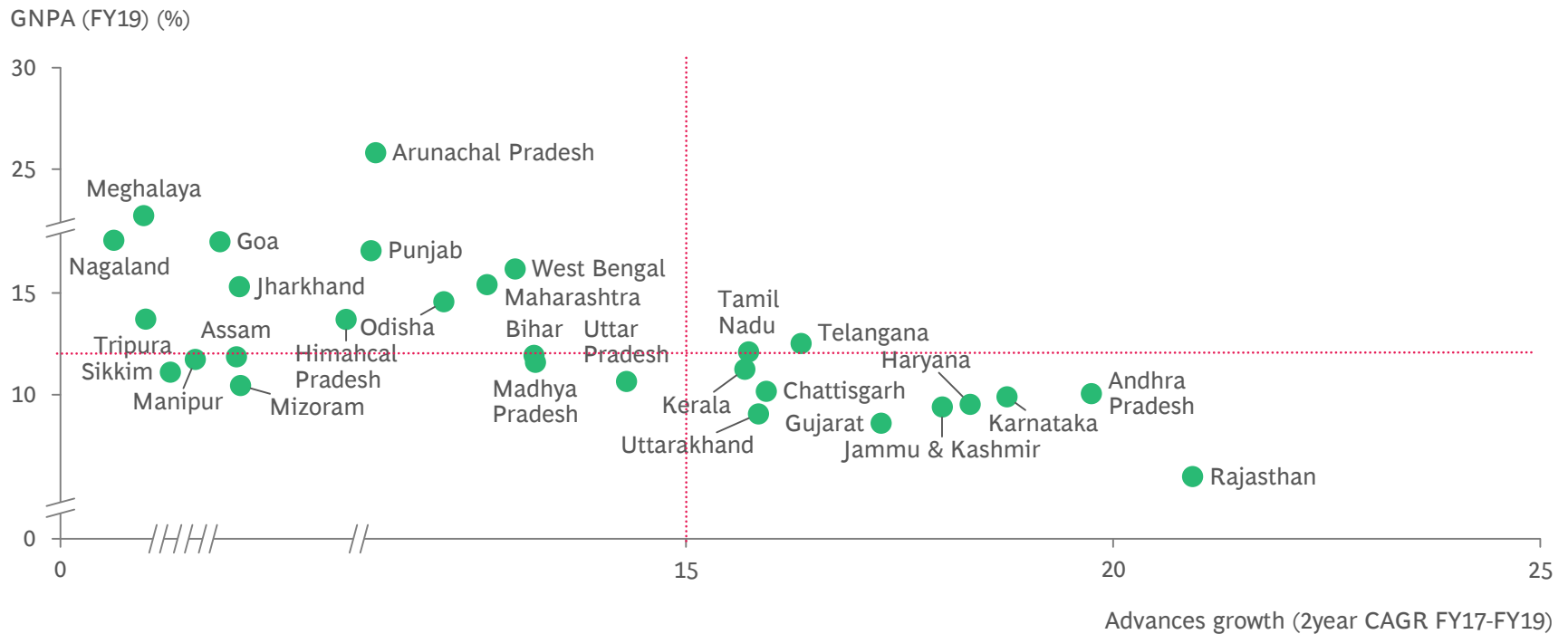


All banks & NBFCs in India

¹MSME loans includes loans less than INR 50 crores (data from CIBIL Commercial Bureau)
 Source: TransUnion CIBIL; BCG analysis

In MSME advances, states in southern India performing better on risk management and have high advances growth

MSME Loans¹ by Geography: Advances vs GNPA



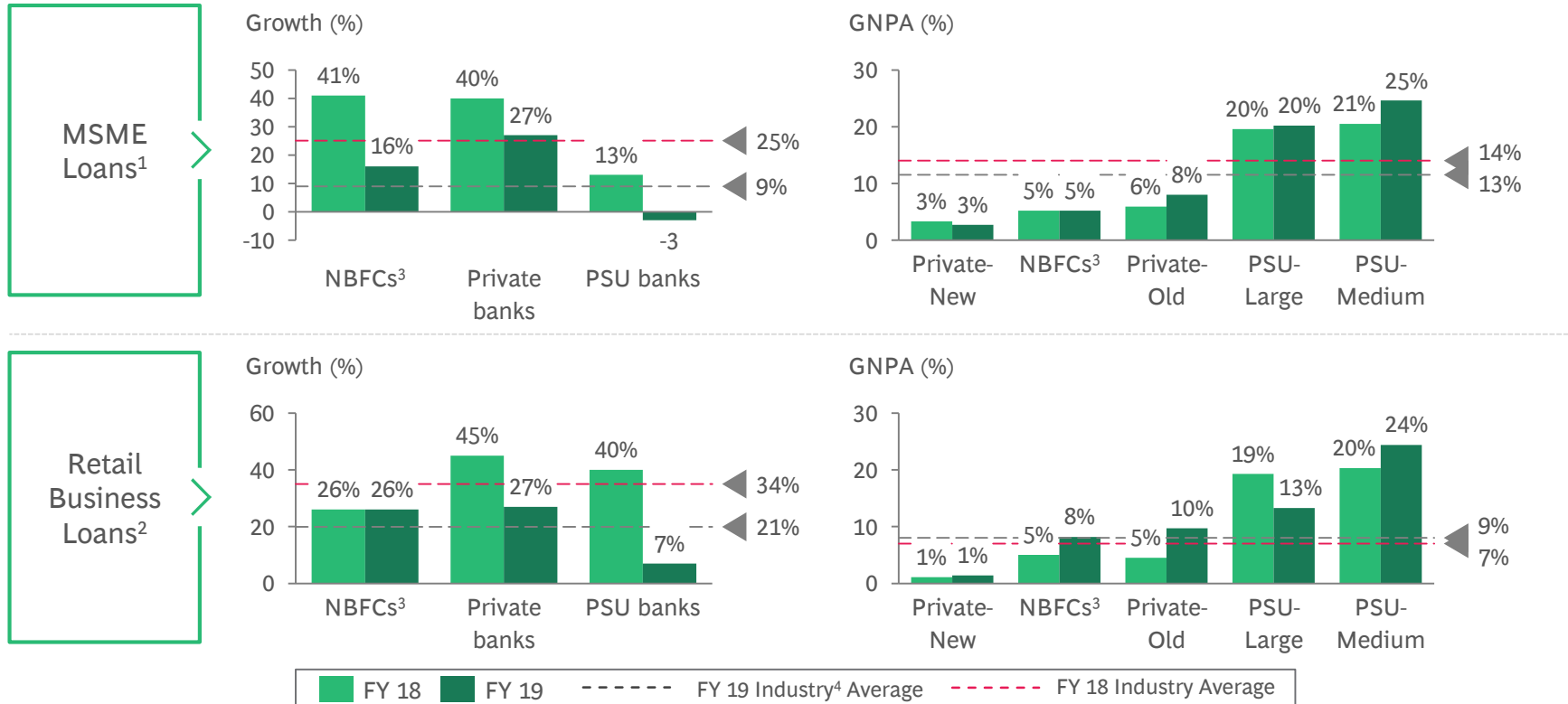
All banks & NBFCs in India

¹MSME loans includes loans less than INR 50 crores (data from CIBIL Commercial Bureau)

Note: 1. Quadrants defined based on Industry average

Source: TransUnion CIBIL; BCG analysis

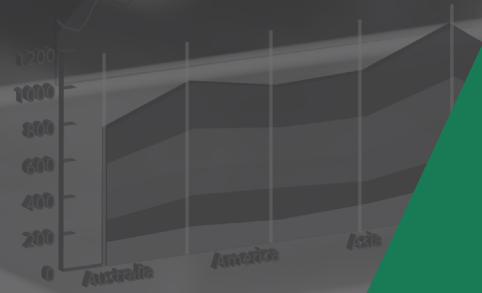
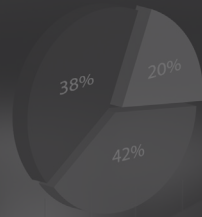
Sharp reduction in MSME credit by PSU banks due to high NPAs



All banks & NBFCs in India

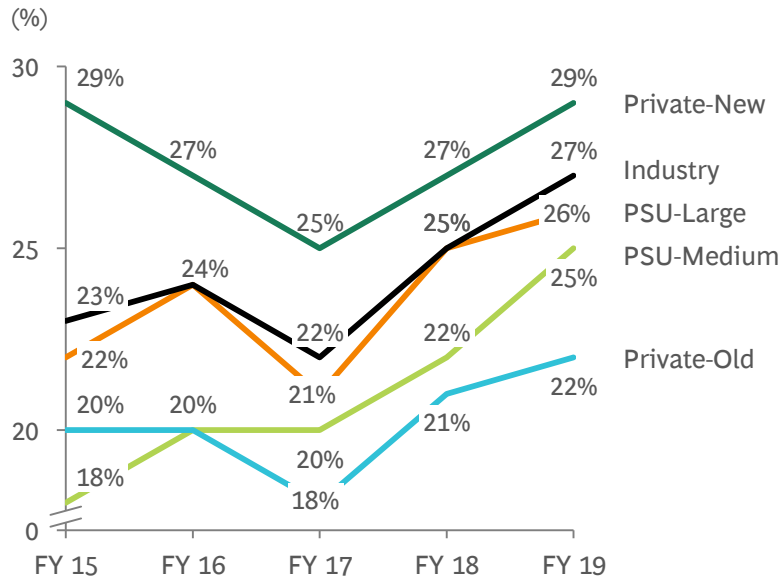
¹MSME loans includes loans less than INR 50 crores (data from CIBIL Commercial Bureau) ²Retail Business loans include Business loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ³NBFCs includes HFCs ⁴Industry includes Co-operative banks, MNCs and Regional Rural banks as well
Source: TransUnion CIBIL; BCG analysis

FEE INCOME

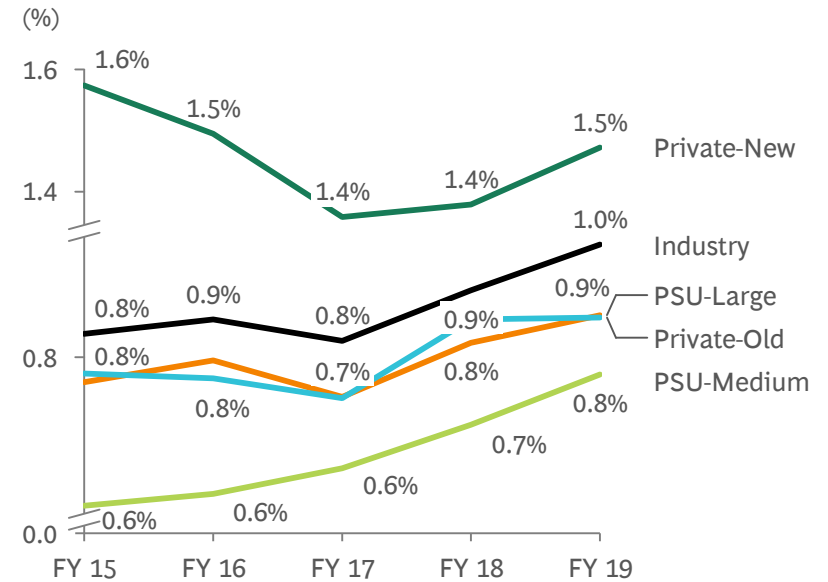


Recovery income driving up share of fee income for the industry; Retail fee a driving factor for Private-New banks

Fee Income¹/Total Income² (%)



Fee Income¹/Average Assets (%)



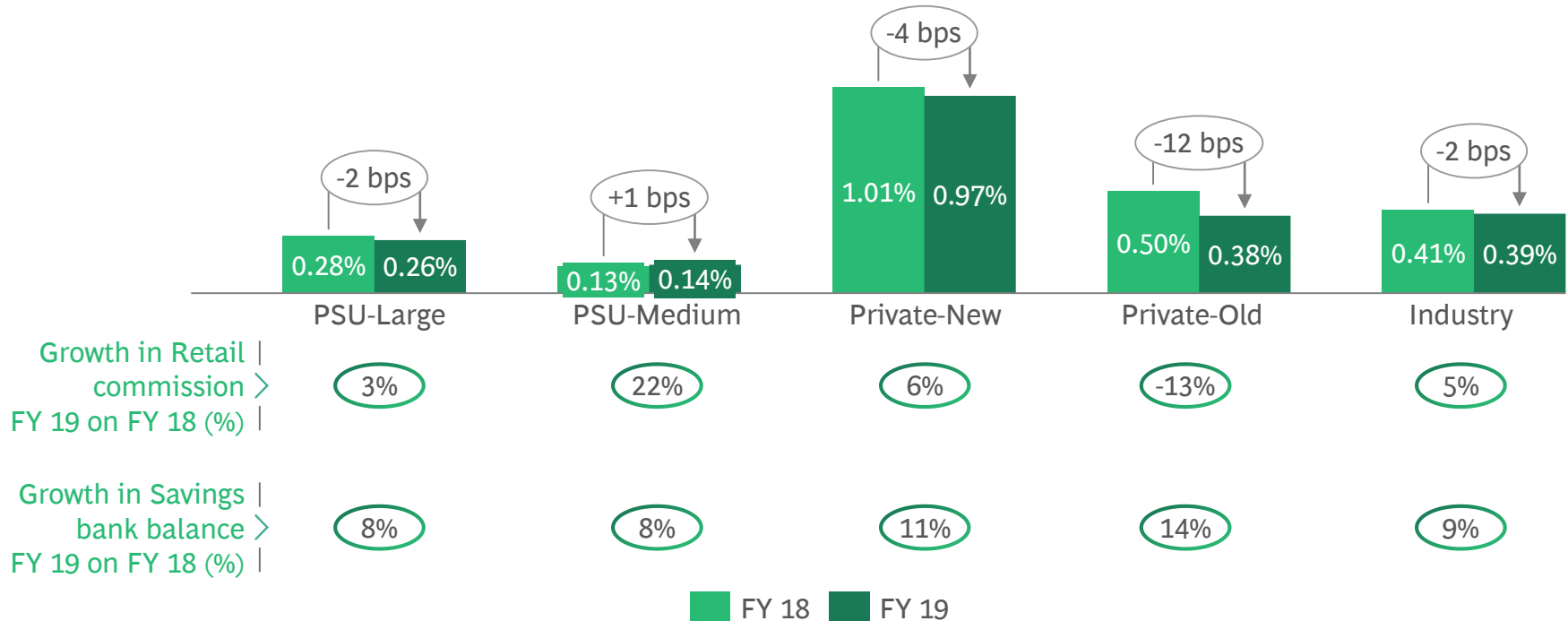
¹Fee Income is calculated as sum of commission, exchange and brokerage, forex income and miscellaneous income ²Total Income is calculated as sum of net interest income and other income

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

Source: RBI data; Capitaline data; BCG analysis

Private-New banks continued to be twice as efficient in cross selling fee products to savings account customers than industry; overall efficiency declined marginally

Retail Commission¹ by Total Savings Account Deposits (%)



¹Retail commission includes commission on insurance business, brokerage on distribution of mutual funds, income from merchants through POS transactions, and other retail commission (Demat, Gold ETF etc)

Note: 1. Data of 6 PSU-Large banks, 9 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. bps = basis points; 100 bps = 1%

Source: FIBAC Productivity Survey 2019; BCG analysis

Third party sales driven by Life Insurance followed by Mutual Funds; Private-Old banks well behind peers in Mutual Fund sales

Retail Commission as a % of Total Fee Income

Bank type	Share of Retail Commission in Total Fee Income (%)
PSU-Large	4%
PSU-Medium	2%
Private-New	7%
Private-Old	3%
Industry	5%

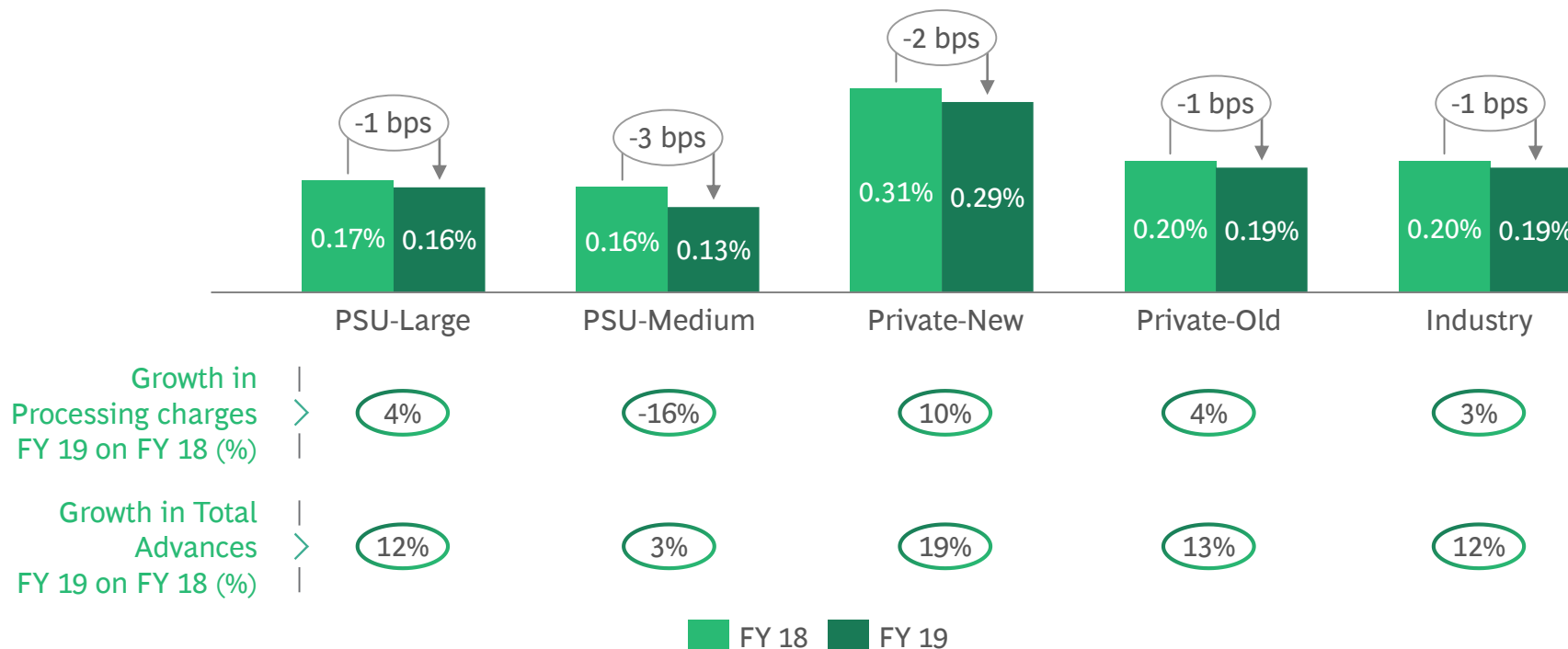
Composition of Retail Commission (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Life Insurance	60%	34%	64%	78%	61%
General Insurance	16%	56%	6%	18%	13%
Mutual Funds	24%	11%	30%	4%	26%

Note: 1. Data of 6 PSU-Large banks, 9 PSU-Medium banks, 3 Private-New banks and 5 Private-Old banks included for the purpose of this analysis
 2. Total may not sum to 100 because of differences due to rounding off
 Source: FIBAC Productivity Survey 2019; BCG analysis

Processing charges as a percentage of advances fell marginally across the board

Processing Charges by Total Advances (%)



Note: 1. Data of 5 PSU-Large banks, 12 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. bps = basis points; 100 bps = 1%

Source: FIBAC Productivity Survey 2019; RBI data; BCG analysis

Processing charges balanced between Corporate and Retail for Private-New banks; PSU banks focus on Corporate while subsidizing MSME and Retail

Processing Charges as a % of Total Fee Income

Bank type	Share of Processing Charges in Total Fee Income (%)
PSU-Large	8%
PSU-Medium	9%
Private-New	11%
Private-Old	11%
Industry	10%

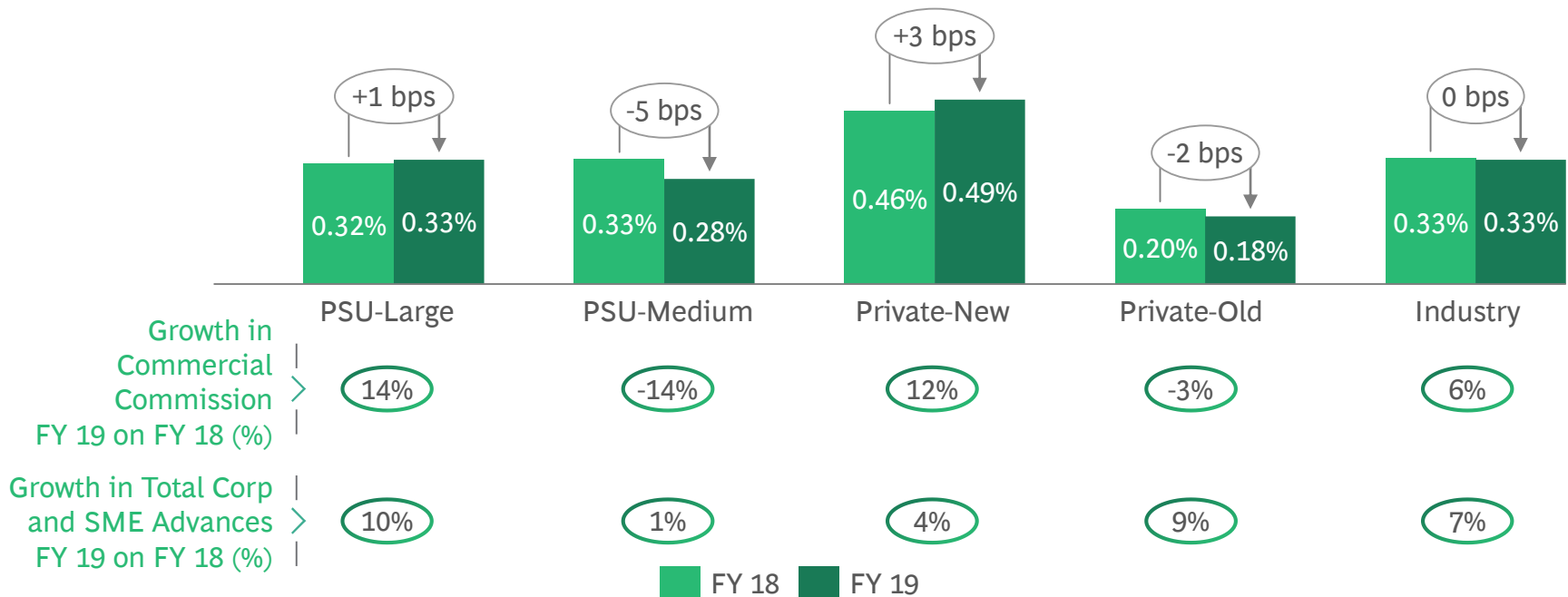
Composition of Processing Charges on Advances (%)

	PSU-Large	PSU-Medium	Private-New	Private-Old	Industry
Corporate Advances	88%	57%	51%	56%	59%
MSME Advances	10%	23%	3%	30%	9%
Retail Advances	2%	20%	46%	14%	32%

Note: 1. Data of 6 PSU-Large banks, 12 PSU-Medium banks, 4 Private-New banks and 5 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; BCG analysis

Fee from non-fund based lending witnessed a slight decline even as Private-New banks marginally strengthen their position

Commercial Commission¹ by Total Corporate and SME Advances (%)



¹Commercial commission includes commission on inland LC, commission on inland guarantee, commission on import LC established/export LC advised or confirmed, commission on foreign guarantee issued, commission on inland bills/cheques for collection/purchased and commission on foreign bills/cheques for collection/purchased

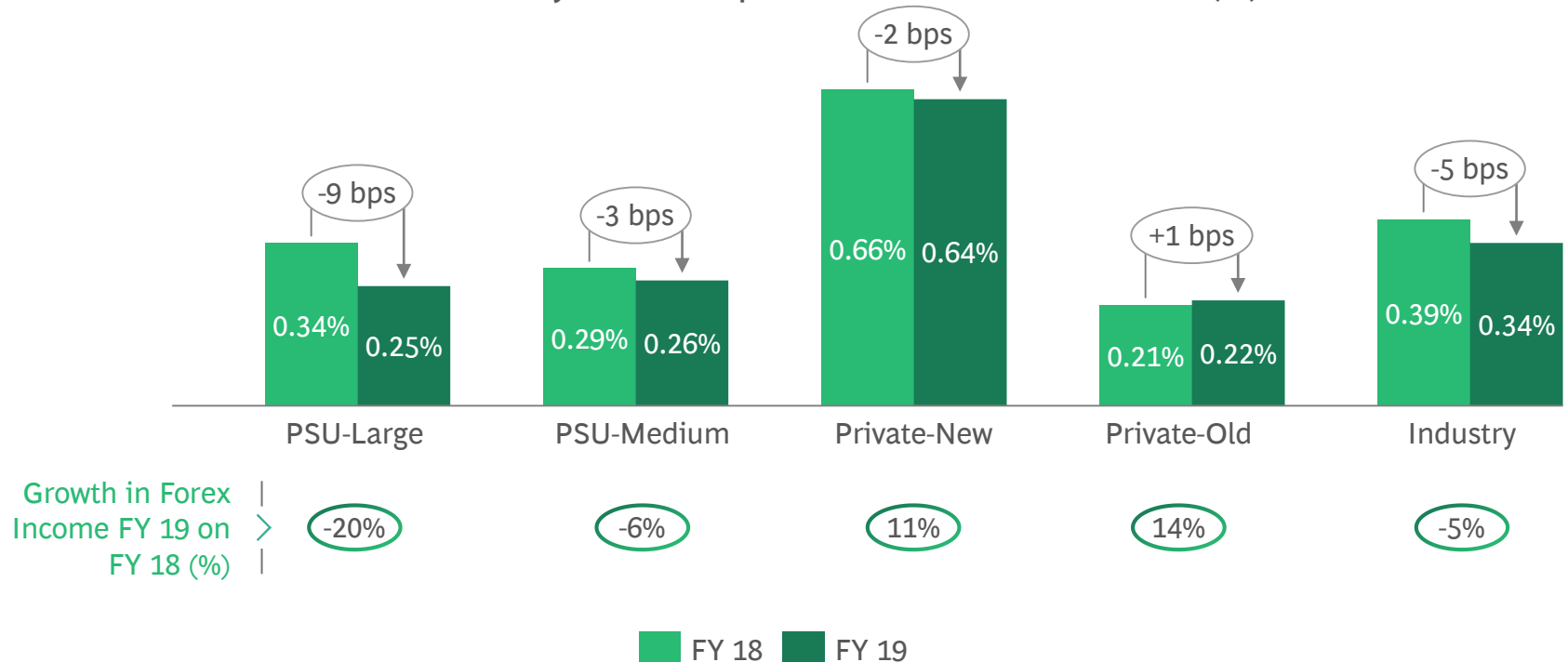
Note: 1. Data of 6 PSU-Large banks, 12 PSU-Medium banks, 3 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. bps = basis points; 100 bps = 1%

Source: FIBAC Productivity Survey 2019; BCG analysis

Forex income as a percentage of commercial advances fell across most bank categories

Forex Income by Total Corporate and SME Advances (%)



Notes: 1. Data of 5 PSU-Large banks, 11 PSU-Medium banks, 4 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

2. bps = basis points; 100 bps = 1%

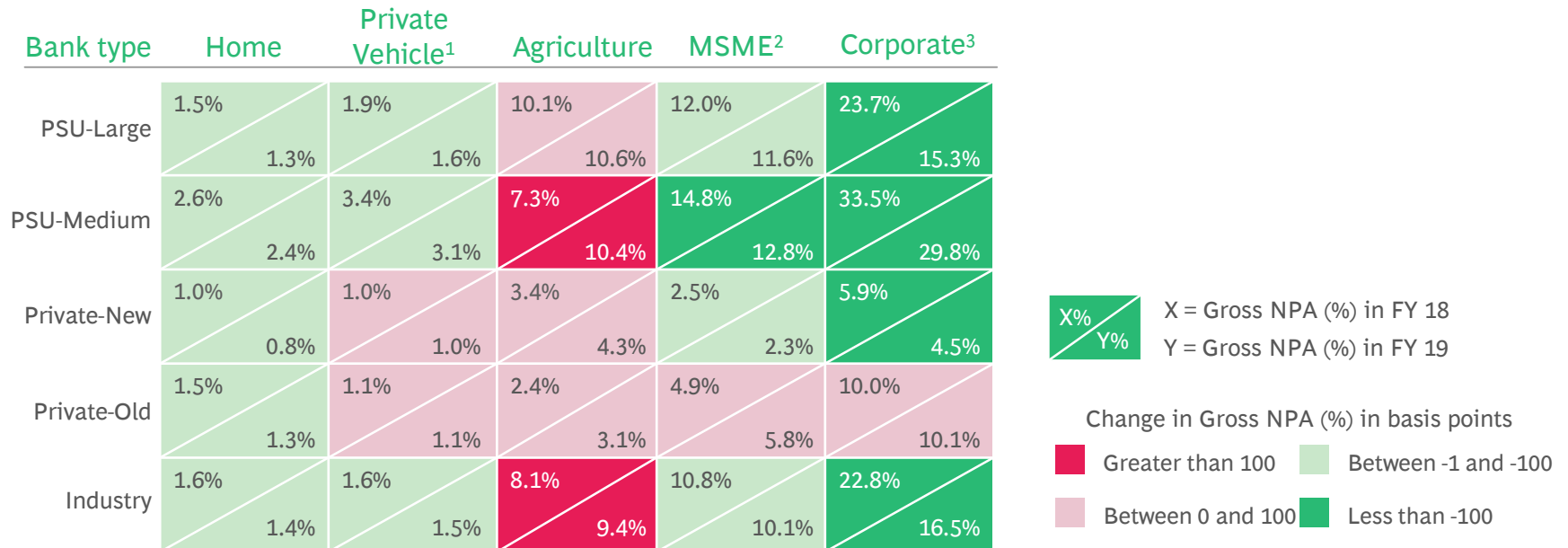
Source: FIBAC Productivity Survey 2019; RBI data; BCG analysis

NON-PERFORMING ASSETS



Improvement in asset quality seen across all asset classes except Agri loans; turnaround in MSME and corporate NPA trend clearly evident

Heat Map indicating Change in Gross NPA (%)



All participant banks in FIBAC

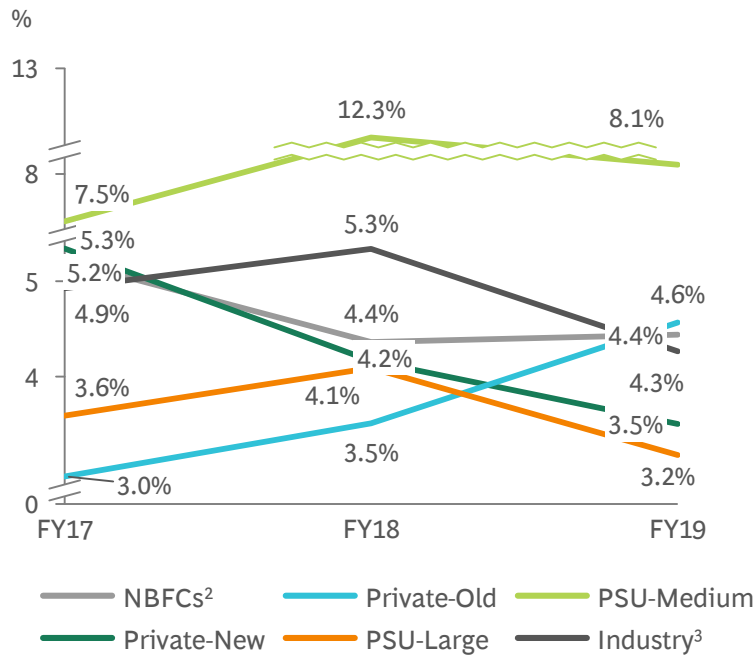
¹Private vehicle includes two wheeler and four wheeler vehicles ²MSME includes data for MSMEs, construction equipment and commercial vehicles ³Corporate advances includes mid corporate and large corporate advances

Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

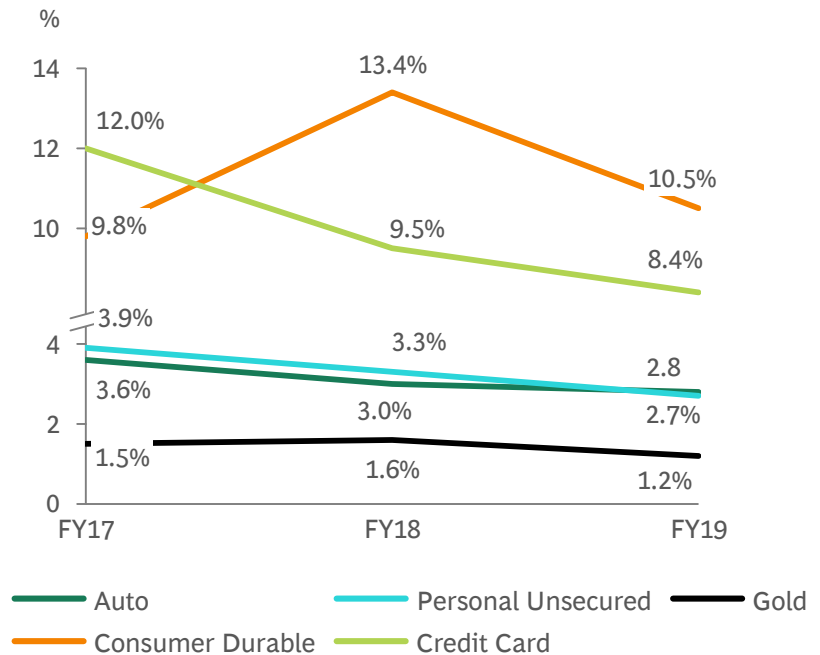
Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; BCG analysis

Marked improvement seen in asset quality across all retail consumer loans

GNPA: Retail Consumer¹ Loans (%)



GNPA: Retail Consumer Loans by Product type (%)

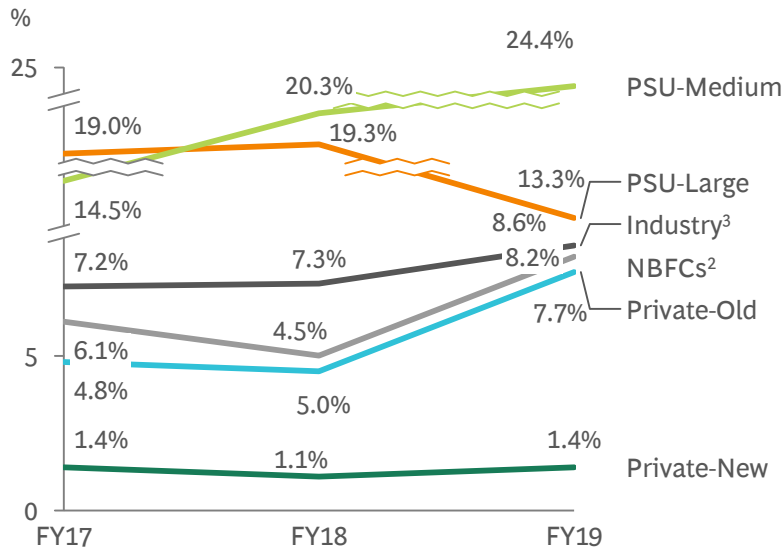


All banks & NBFCs in India

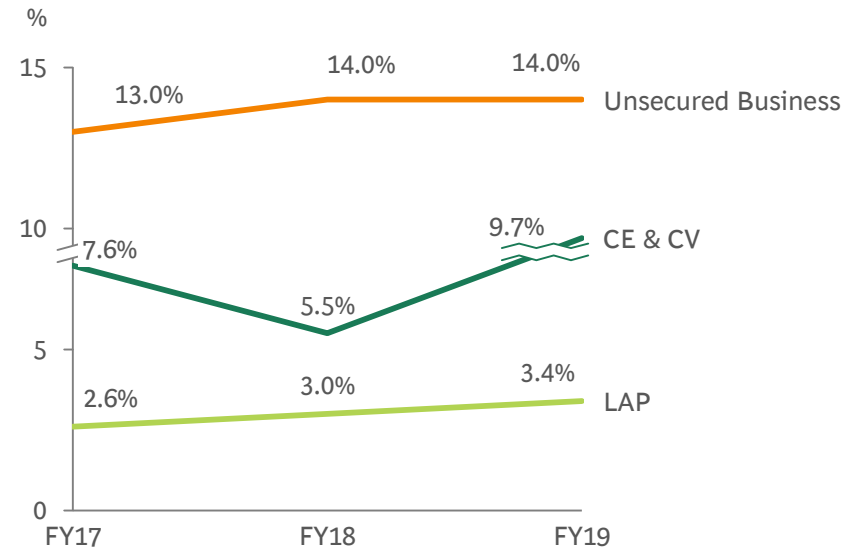
¹Retail Consumer includes Auto Loans, Personal Loans, Consumer Loans, Credit cards and Gold ²NBFCs includes HFCs ³Industry includes NBFCs, HFCs, Private banks, PSU banks, Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

Stress in CV/CE and LAP segments hurting smaller banks and NBFCs; PSU banks' NPAs in small business lending at unsustainable levels

GNPA: Retail Business¹ Loans (%)



GNPA: Retail Business Loans by Product type (%)



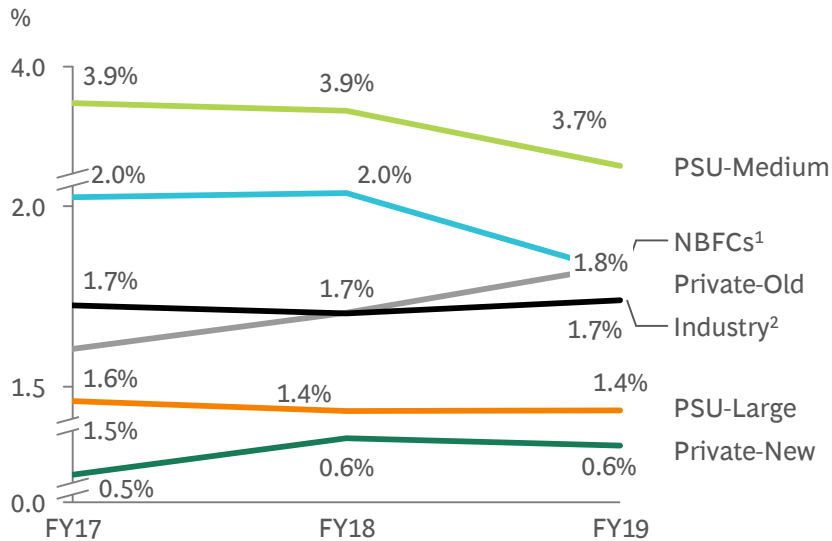
All banks & NBFCs in India

¹Retail Business loans include Business loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans ²NBFCs includes HFCs ³Industry includes NBFCs, HFCs, Private banks, PSU banks, Co-operative banks, MNCs and Regional Rural banks

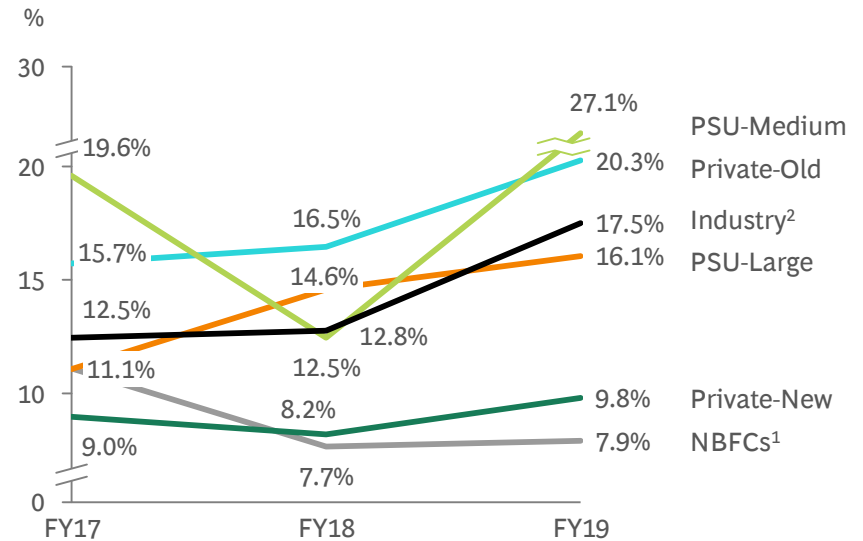
Source: TransUnion CIBIL; BCG analysis

Home loans continue to be the safest asset class in retail loans with home loan NPAs further improving in FY19; Agriculture retail loans showing higher NPA across the board

GNPA: Retail Home Loans (%)



GNPA: Retail Agri Loans (%)

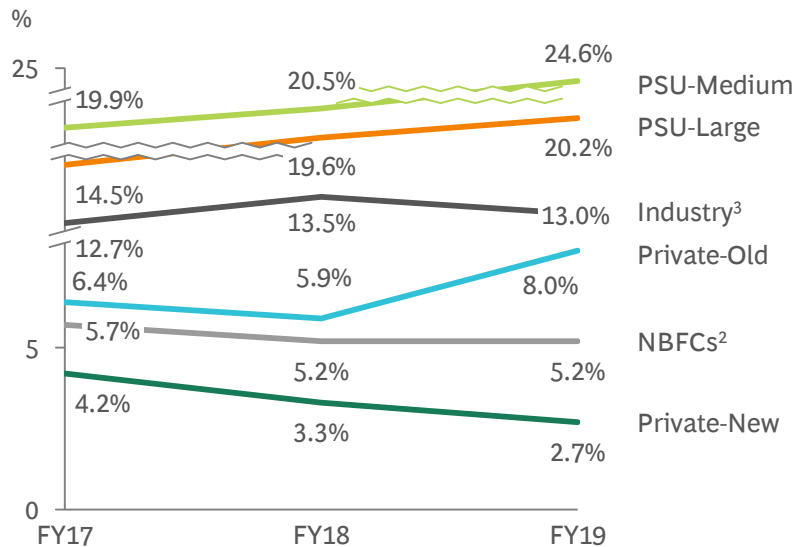


All banks & NBFCs in India

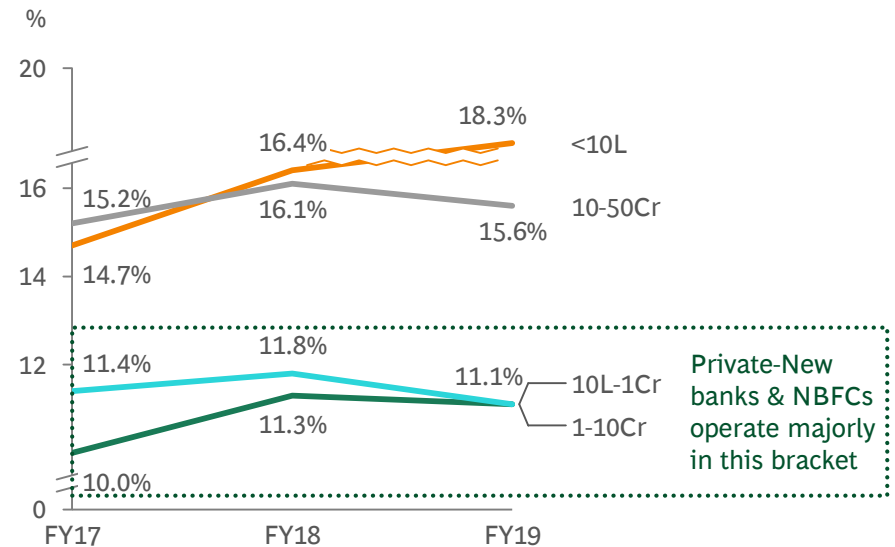
¹NBFCs includes HFCs ²Industry includes NBFCs, HFCs, Private banks, PSU banks, Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

While Private New banks and NBFCs sustained their NPA levels in MSME, rest of the industry saw a major increase; PSU banks at unsustainable levels

GNPA: MSME Loans¹
(%)



GNPA: MSME Loans by Ticket size in INR (%)



All banks & NBFCs in India

¹MSME loans includes loans less than INR 50 crores (data from CIBIL Commercial Bureau) ²NBFCs includes HFCs ³Industry includes NBFCs, HFCs, Private banks, PSU banks, Co-operative banks, MNCs and Regional Rural banks
Source: TransUnion CIBIL; BCG analysis

A grayscale photograph of a hand pressing a button on a calculator keypad. A prominent, bright green diagonal stripe runs from the top-left towards the bottom-right, crossing the calculator. The background is filled with a repeating pattern of alphanumeric characters in a light gray font, creating a digital or data-like atmosphere. The text 'TRADITIONAL CHANNELS' is overlaid in white, bold, sans-serif font on the left side of the image.

TRADITIONAL CHANNELS

Banking industry invested in self-service machines across the board; number of ATMs declined for all bank categories

Self Service Machines per Branch

Bank type	ATMs	POS terminals	Cash deposit machines	Cheque deposit machines	Passbook printers	Self service kiosks
PSU-Large	2.04	13.8	0.28	0.12	0.54	0.13
	1.97	16.7	0.28	0.12	0.61	0.12
PSU-Medium	1.08	10.0	0.15	0.04	0.20	0.06
	1.02	10.8	0.20	0.09	0.27	0.06
Private-New	2.88	87.7	0.26	0.03	0.05	0.21
	2.73	91.1	0.44	0.05	0.07	0.24
Private-Old	1.61	13.1	0.33	0.12	0.18	0.07
	1.51	14.6	0.40	0.17	0.19	0.05
Industry	1.86	22.5	0.24	0.09	0.37	0.13
	1.78	26.2	0.29	0.11	0.43	0.13

X X = FY 18
Y Y = FY 19

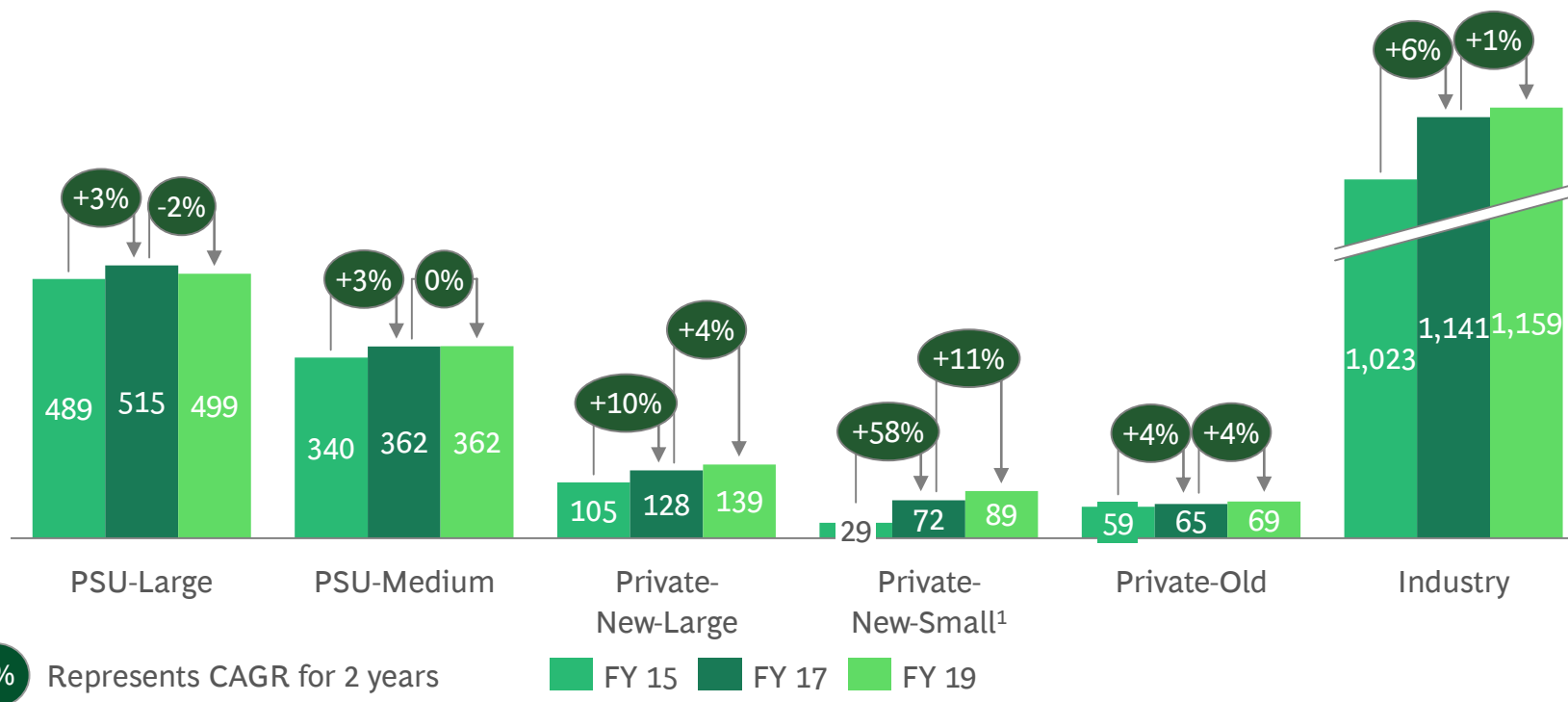
Growth in FY 19 over FY 18

- Growth less than or equal to 0%
- Growth greater than 0% and less than 25%
- Growth greater than or equal to 25%

Note: 1. Data of 5 PSU-Large banks, 7 PSU-Medium banks, 2 Private-New banks and 5 Private-Old banks included for the purpose of this analysis
Sources: FIBAC Productivity Survey 2019; RBI data; BCG analysis

Led by PSU banks, branch growth in India almost coming to a halt

Total Number of Branches ('00s)



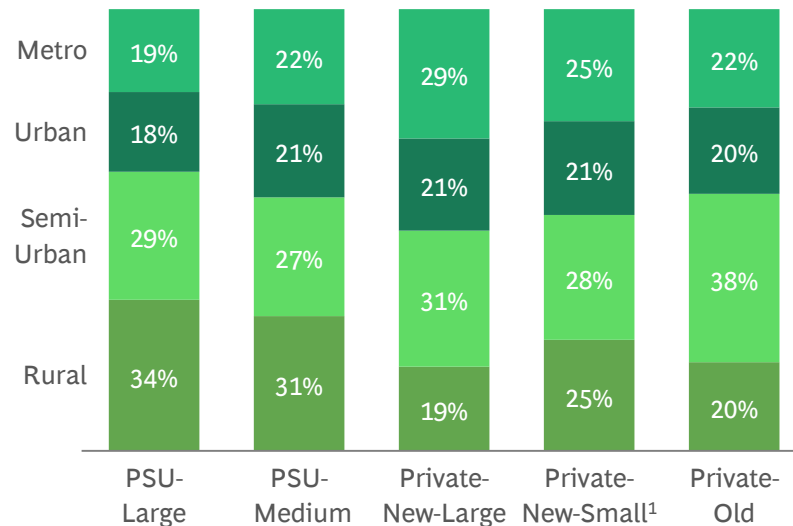
¹Private-New-Small banks are considered based on total assets less than INR 5 billion as on 31 March 2019

Note: 1. Data of 5 PSU-Large banks, 12 PSU-Medium banks, 3 Private-New-Large banks, 6 Private-New-Small banks and 10 Private-Old banks included for the purpose of this analysis

Source: RBI Data; BCG analysis

PSU banks rationalizing branch footprint across geographies

Branch Distribution by Geography for FY 19 (%)



Growth in Number of Branches FY 19 over FY 18 (%)

	PSU-Large	PSU-Medium	Private-New-Large	Private-New-Small ¹	Private-Old	Industry
Metro	-1%	-1%	5%	17%	2%	2%
Urban	-1%	0%	4%	12%	2%	1%
Semi-Urban	-1%	0%	5%	10%	2%	1%
Rural	0%	0%	3%	6%	3%	1%
Total	-1%	0%	5%	11%	2%	1%

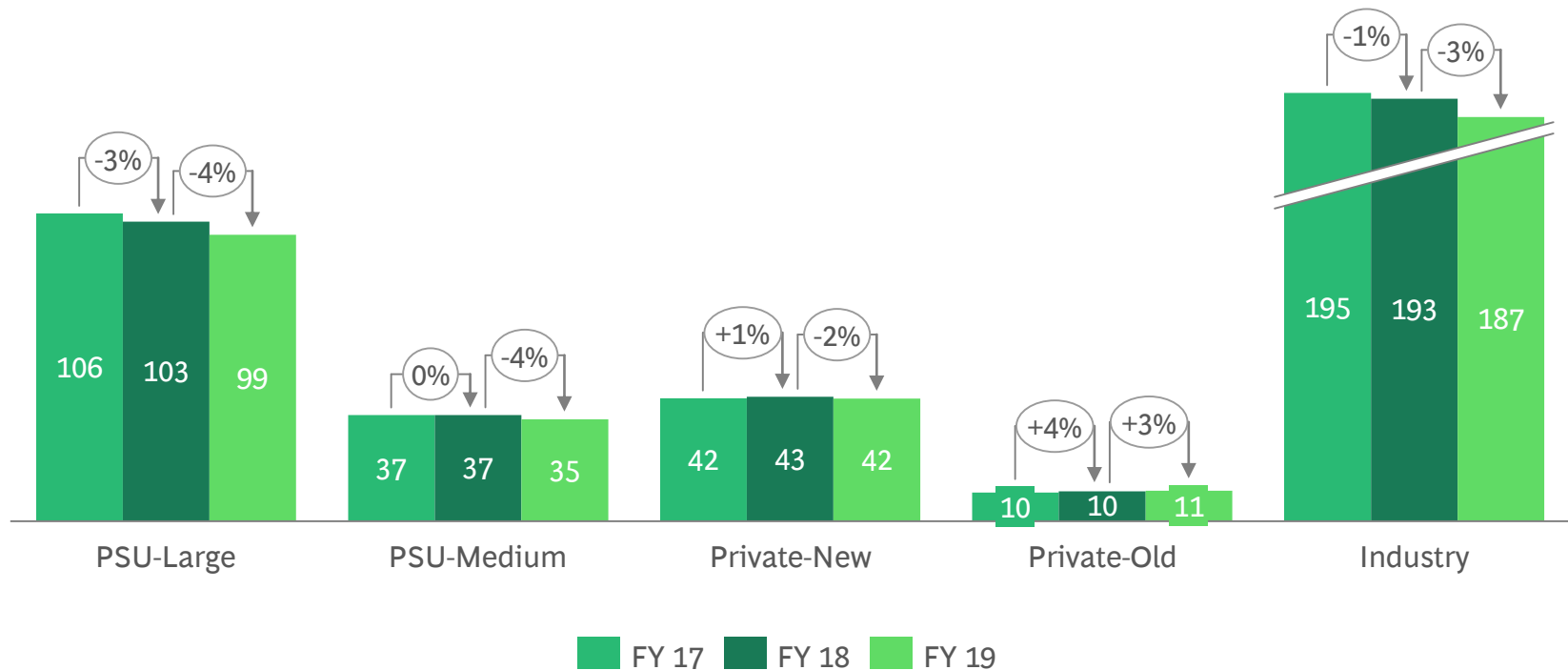
¹Private-New-Small banks are considered based on total assets less than INR 5 billion as on 31 March 2019

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 3 Private-New-Large banks, 6 Private-New-Small banks and 10 Private-Old banks included for the purpose of this analysis 2. Total may not sum to 100 because of differences due to rounding off

Source: RBI Data; BCG analysis

Decline in number of ATMs deployed across the country; PSU banks leading ATM consolidation

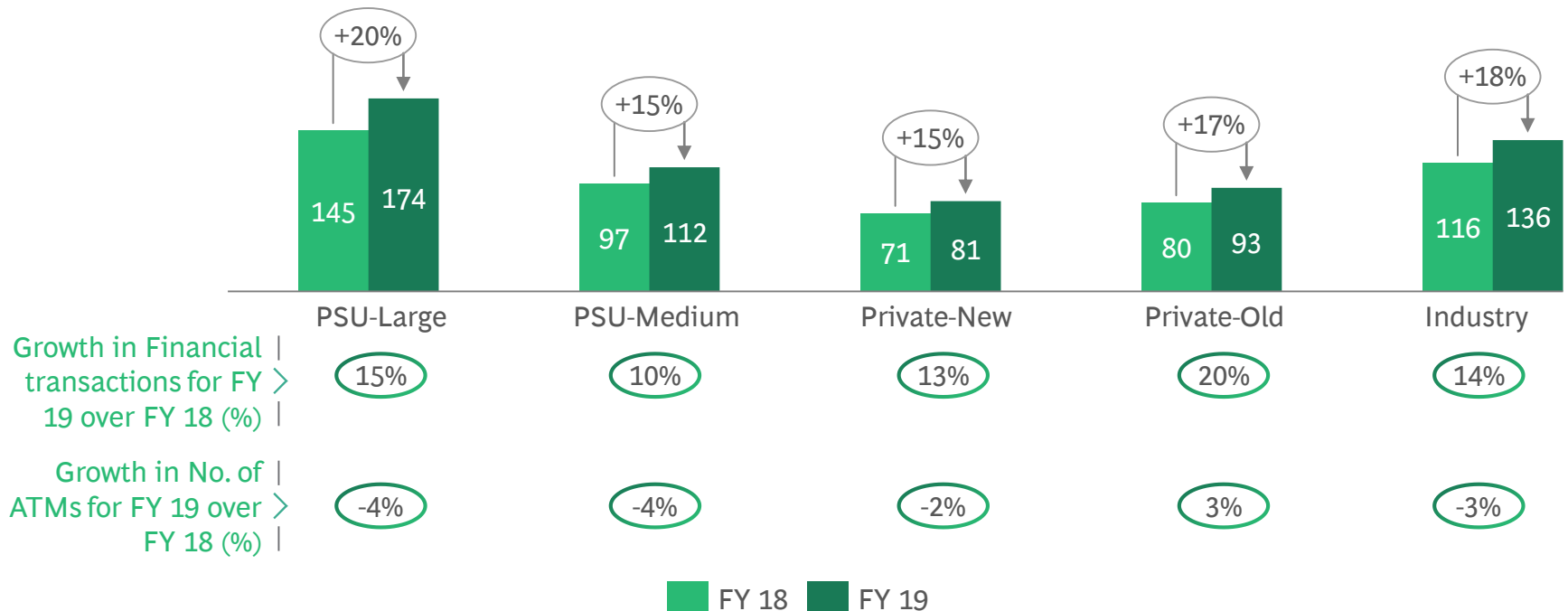
Number of ATMs ('000)



Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis
 Source: RBI Data; BCG analysis

Clear push towards driving ATM profitability; financial transactions on the rise

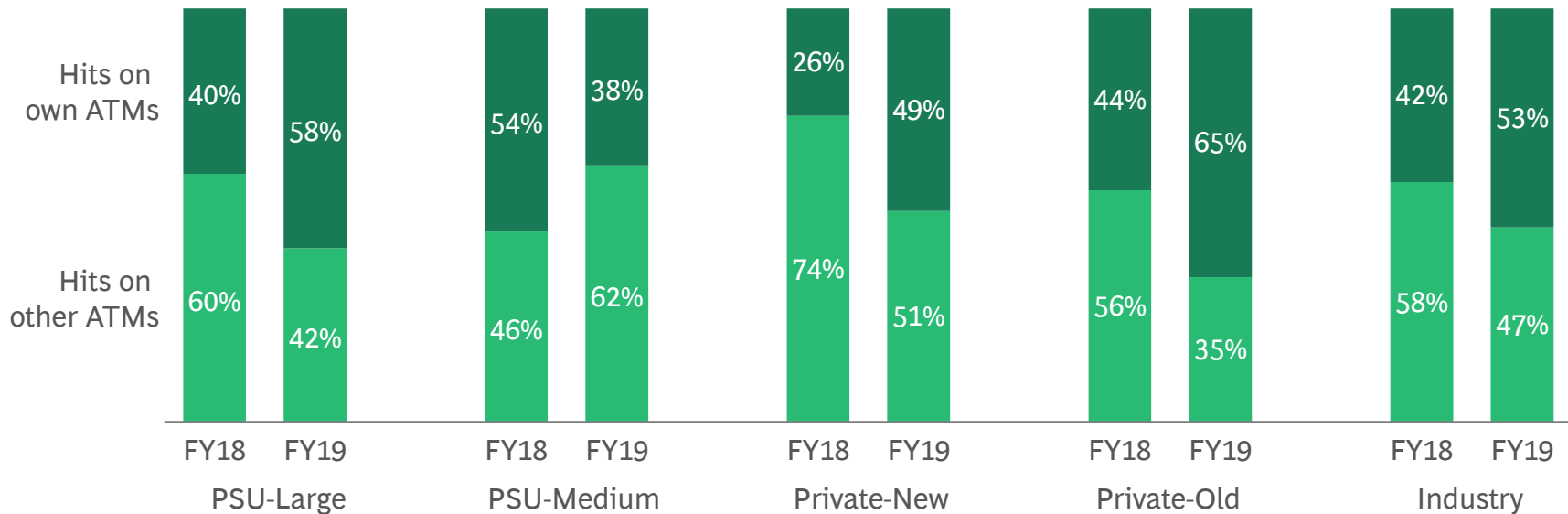
Financial Transactions per ATM per Day



Note: 1. No. of days has been taken as 365 for the year 2. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis
 Source: RBI data; BCG analysis

Relocation and rationalization of ATMs leading to higher own ATM hits

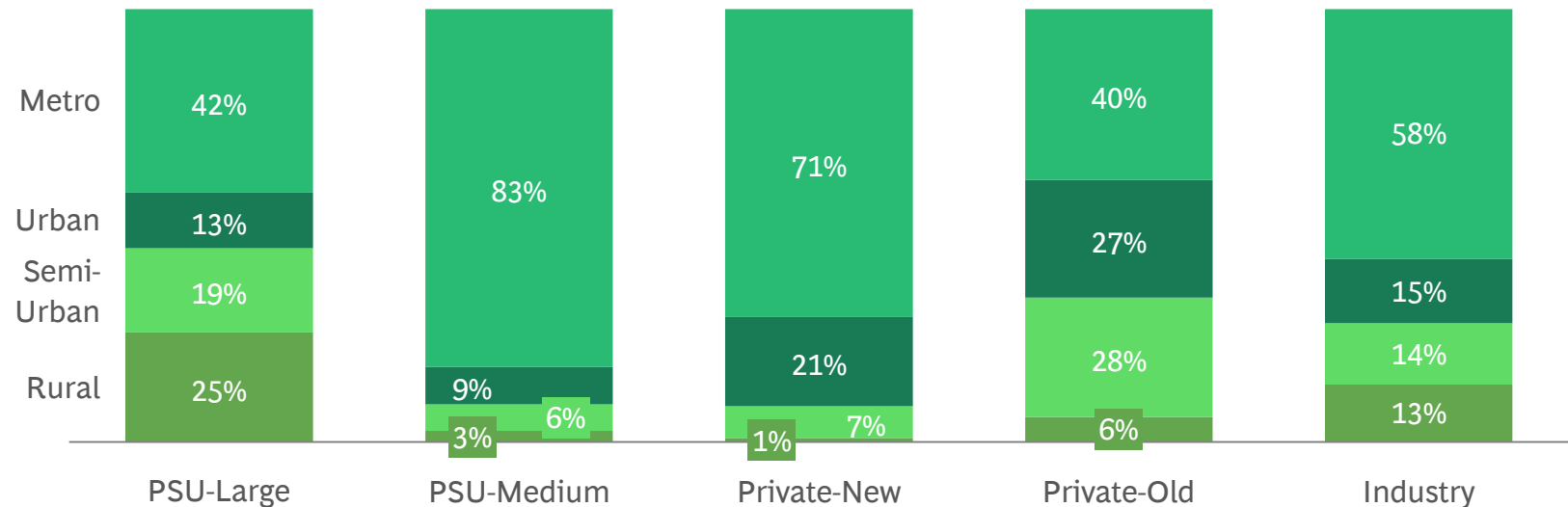
Share of Hits on Own and Other ATMs by Own Customers (%)



Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; BCG analysis

PSU-Large and Private-Old banks driving POS penetration in rural and semi-urban areas

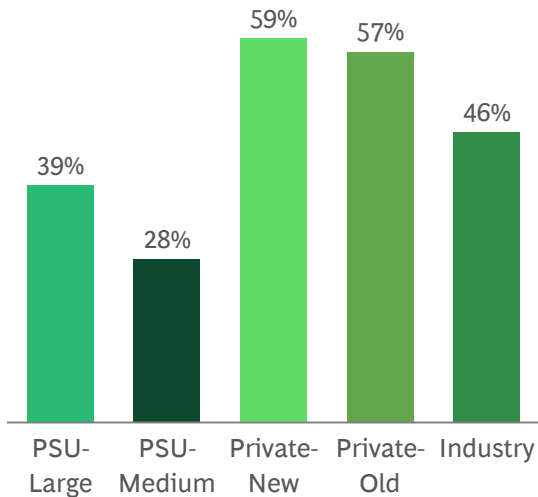
POS Terminal Distribution by Geography (%)



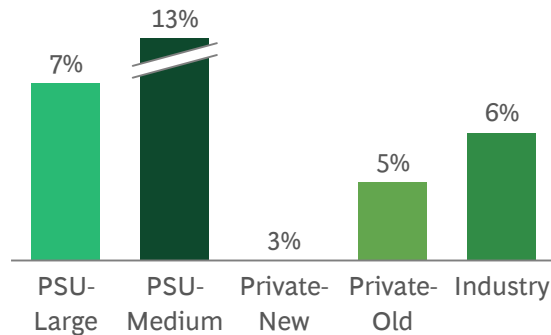
Note: 1. Data of 6 PSU-Large banks, 11 PSU-Medium banks, 2 Private-New banks and 8 Private-Old banks included for the purpose of this analysis
 2. Total may not sum to 100 because of differences due to rounding off
 Source: FIBAC Productivity Survey 2019; BCG analysis

With improved automation, almost half of all calls by customers to banks' contact centers now resolved on IVR

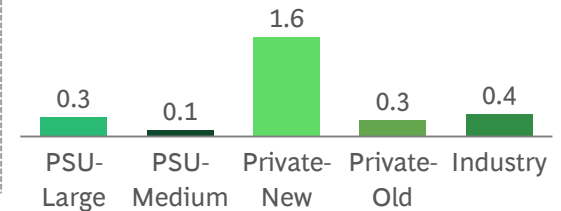
% Calls Truncated on IVR:
Calls Truncated/Total
Inbound calls (FY 19)



% Calls Dropped:
Calls Dropped/Total
Inbound calls (FY 19)



Inbound calls per account¹
per year (FY 19)



¹Account includes all CASA and Retail loan accounts
 Note: 1. Data of 6 PSU-Large banks, 8 PSU-Medium banks, 3 Private-New banks and 8 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; BCG analysis

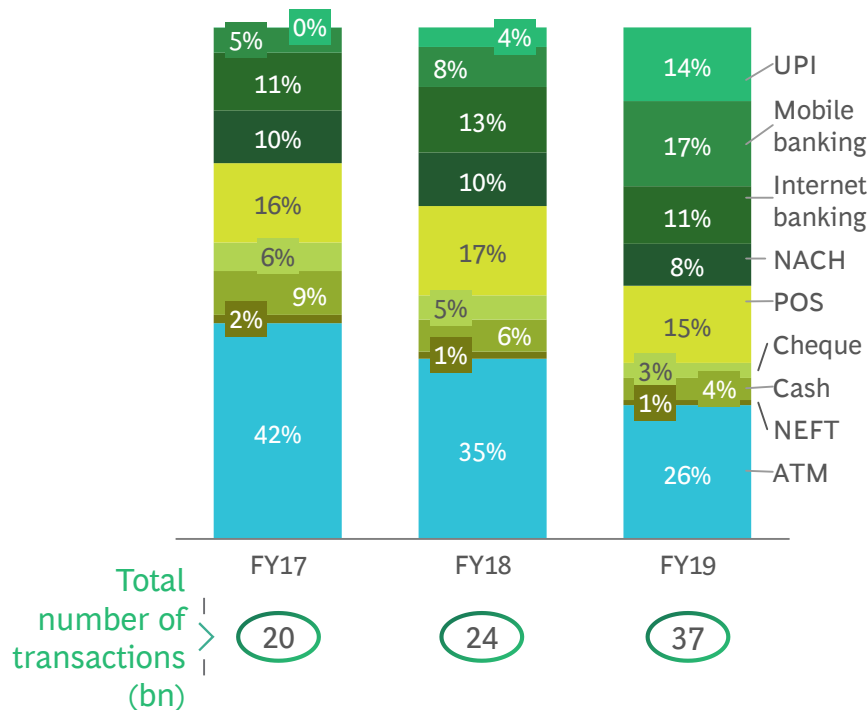
DIGITAL CHANNELS



Almost two-thirds of all banking financial transactions are now digital with UPI, mobile and internet banking leading the way

Breakdown of Total Financial Transactions (%)

Growth in Total Financial Transactions (%)



	FY 18 on FY 17	FY 19 on FY 18
Internet banking ¹	37%	36%
Mobile banking ²	92%	231%
UPI	5024%	485%
NACH (non-branch)	22%	21%
POS	35%	34%
Total Digital Channels	49%	94%
Cheque	2%	-2%
Cash	-13%	7%
NEFT (at branch)	4%	9%
Total Branch Based	-6%	5%
ATM ²	0%	15%

¹Internet transactions include RTGS, ECS, NEFT and IMPS financial transactions ²ATM and Mobile transactions included are financial transactions only

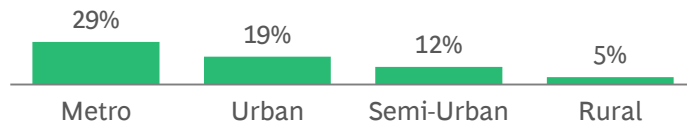
Note: 1. Data of 5 PSU-Large banks, 10 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis

2. Total may not sum to 100 because of differences due to rounding off

Source: RBI data; BCG analysis

Rural and Semi-Urban area well behind metro and urban in digital adoption by savings accounts

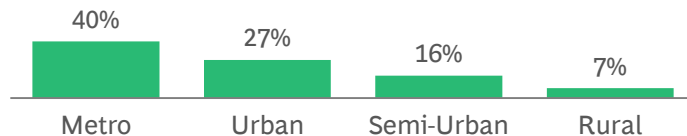
Percentage of Savings Account active¹ on Mobile Banking (FY 19)



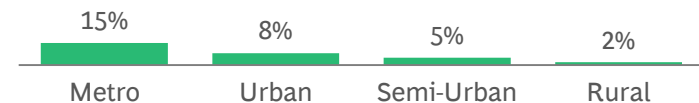
Percentage of Savings Account Financially active² on Mobile Banking (FY 19)



Percentage of Savings Account active¹ on Internet Banking (FY 19)



Percentage of Savings Account Financially active² on Internet Banking (FY 19)



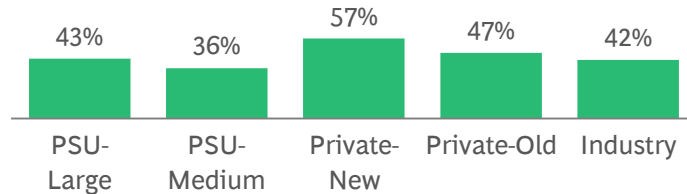
¹Accounts active on Mobile Banking and Internet Banking defined as accounts with at least 1 login to Mobile Banking or Internet Banking in the last 6 months (as of 31 March 2019) ²Financially active on a channel defined as at least 1 user initiated financial transaction in last 6 months (as of 31 March 2019)

Note: 1. Data of 5 PSU-Large banks, 11 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis

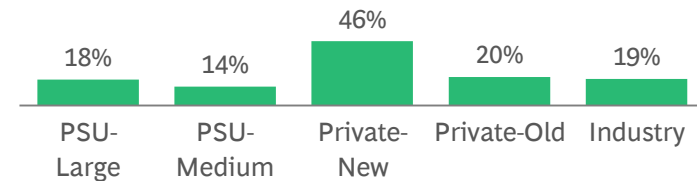
Source: FIBAC Productivity Survey 2019; BCG analysis

Almost one in five savings account holders uses debit card at POS; wide variation seen across bank categories and geographies

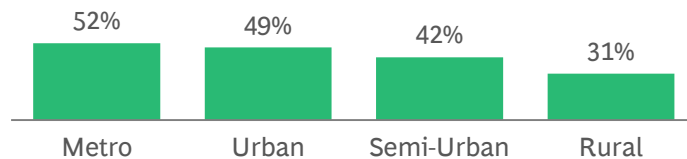
Percentage of active Savings Account¹ that use Debit card at ATMs (FY 19)



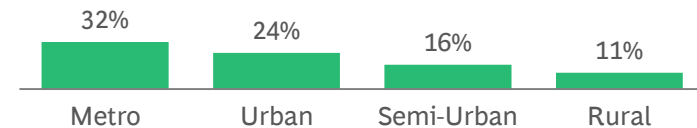
Percentage of active Savings Account¹ that use Debit card at POS (FY 19)



Percentage of active Savings Account¹ that use Debit card at ATMs (FY 19)



Percentage of active Savings Account¹ that use Debit card at POS (FY 19)



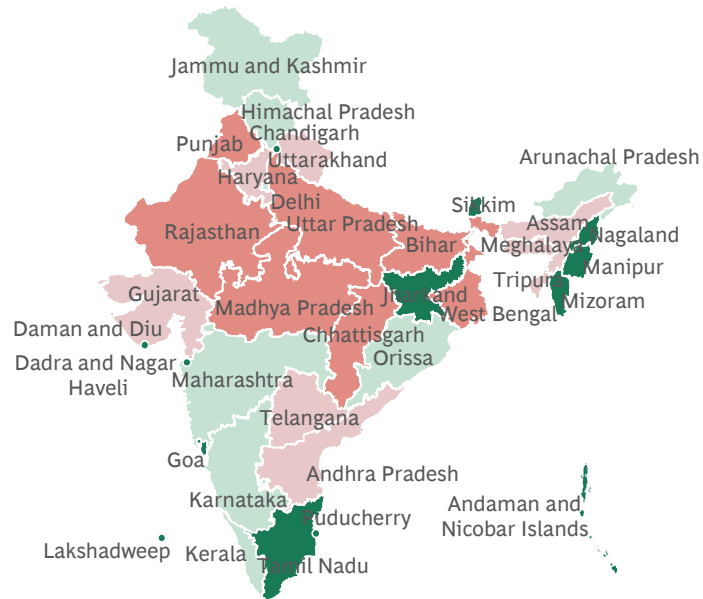
¹Active account defined as an account with at least 1 user initiated transaction in the last 6 months (as of 31 March 2019)

Note: 1. Data of 6 PSU-Large banks, 12 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis

Source: FIBAC Productivity Survey 2019; BCG analysis

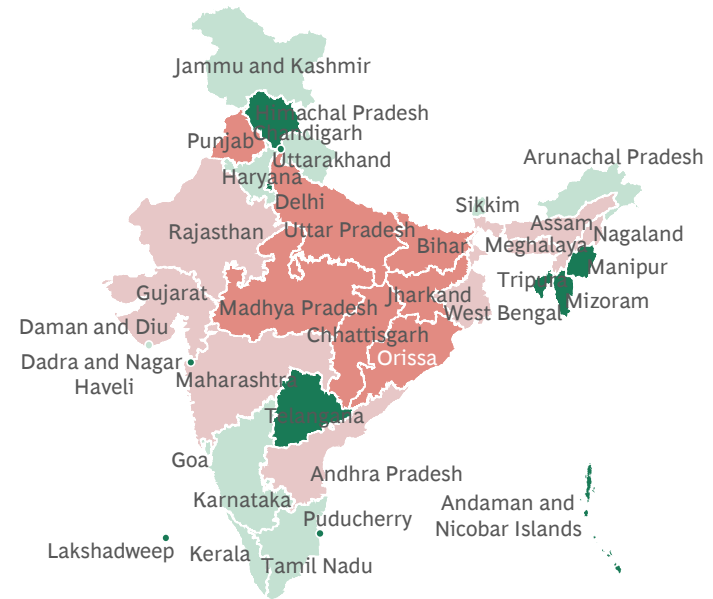
Most states in southern India leading in usage of debit cards at POS terminals

Percentage of active Savings Account¹ that use Debit card at ATMs (FY 19)



- Quartile 1: Penetration > 45%
- Quartile 2: Penetration between 41% and 45%
- Quartile 3: Penetration between 35% and 40%
- Quartile 4: Penetration < 35%

Percentage of active Savings Account¹ that use Debit card at POS (FY 19)



- Quartile 1: Penetration > 23%
- Quartile 2: Penetration between 19% and 23%
- Quartile 3: Penetration between 15% and 19%
- Quartile 4: Penetration < 15%

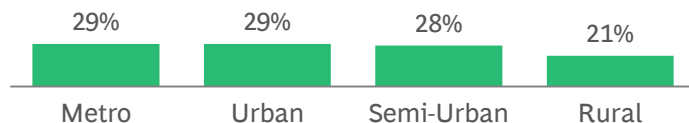
¹Active account defined as an account with at least 1 user initiated transaction in the last 6 months (as of 31 March 2019)

Note: 1. Data of 5 PSU-Large banks, 10 PSU-Medium banks, 3 Private-New banks and 7 Private-Old banks included for the purpose of this analysis

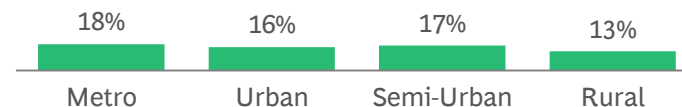
Source: FIBAC Productivity Survey 2019; BCG analysis

Digital activation of current accounts in rural is half of that in metros

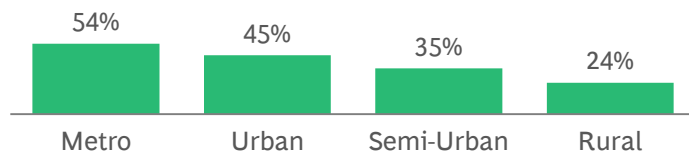
Percentage of Current Accounts active¹ on Mobile Banking (FY 19)



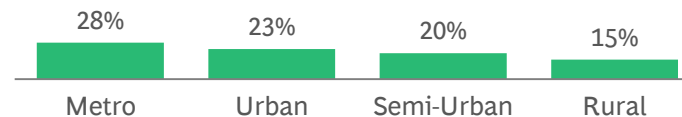
Percentage of Current Accounts Financially active² on Mobile Banking (FY 19)



Percentage of Current Accounts active¹ on Internet Banking (FY 19)



Percentage of Current Accounts Financially active² on Internet Banking (FY 19)



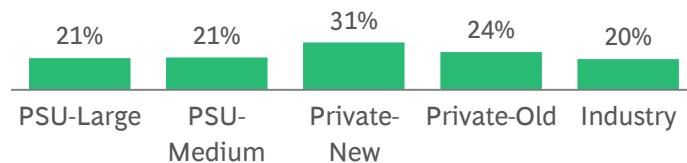
¹Accounts active on Mobile Banking and Internet Banking defined as accounts with at least 1 login to Mobile Banking or Internet Banking in the last 6 months (as of 31 March 2019), ²Financially active on a channel defined as at least 1 user initiated financial transaction in last 6 months (as of 31 March 2019)

Note: 1. Data of 4 PSU-Large banks, 10 PSU-Medium banks, 2 Private-New banks and 5 Private-Old banks for mobile banking 2. Data of 5 PSU-Large banks, 11 PSU-Medium banks, 2 Private-New banks and 8 Private-Old banks for internet banking included for the purpose of this analysis

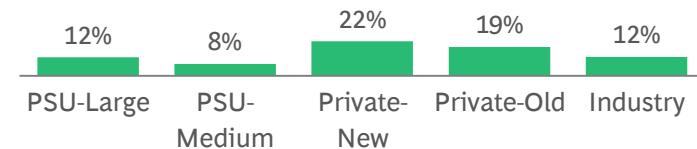
Source: FIBAC Productivity Survey 2019; BCG analysis

Current account customers preferring internet banking over mobile banking

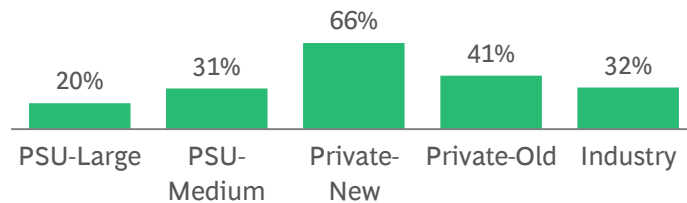
Percentage of Current Accounts active¹ on Mobile Banking (FY 19)



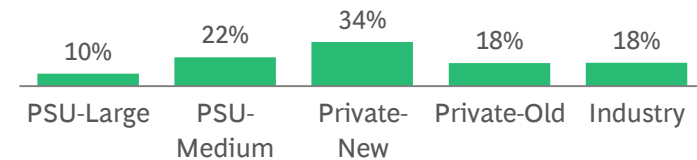
Percentage of Current Accounts Financially active² on Mobile Banking (FY 19)



Percentage of Current Accounts active¹ on Internet Banking (FY 19)



Percentage of Current Accounts Financially active² on Internet Banking (FY 19)



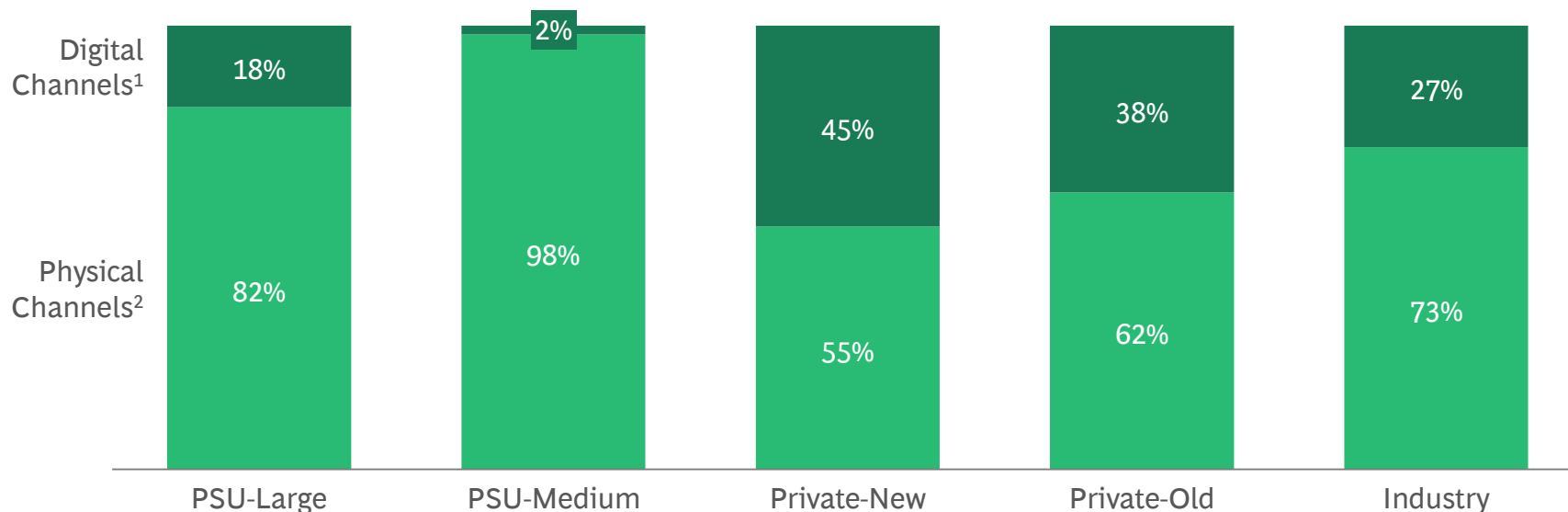
¹Accounts active on Mobile Banking and Internet Banking defined as accounts with at least 1 login to Mobile Banking or Internet Banking in the last 6 months (as of 31 March 2019), ²Financially active on a channel defined as at least 1 user initiated financial transaction in last 6 months (as of 31 March 2019)

Note: 1. Data of 4 PSU-Large banks, 11 PSU-Medium banks, 2 Private-New banks and 5 Private-Old banks for mobile banking 2. Data of 5 PSU-Large banks, 12 PSU-Medium banks, 2 Private-New banks and 8 Private-Old banks for internet banking included for the purpose of this analysis

Source: FIBAC Productivity Survey 2019; BCG analysis

Almost one in four personal loans in India sold digitally

Split of Personal Loans sold by banks in India in FY 19 (%)



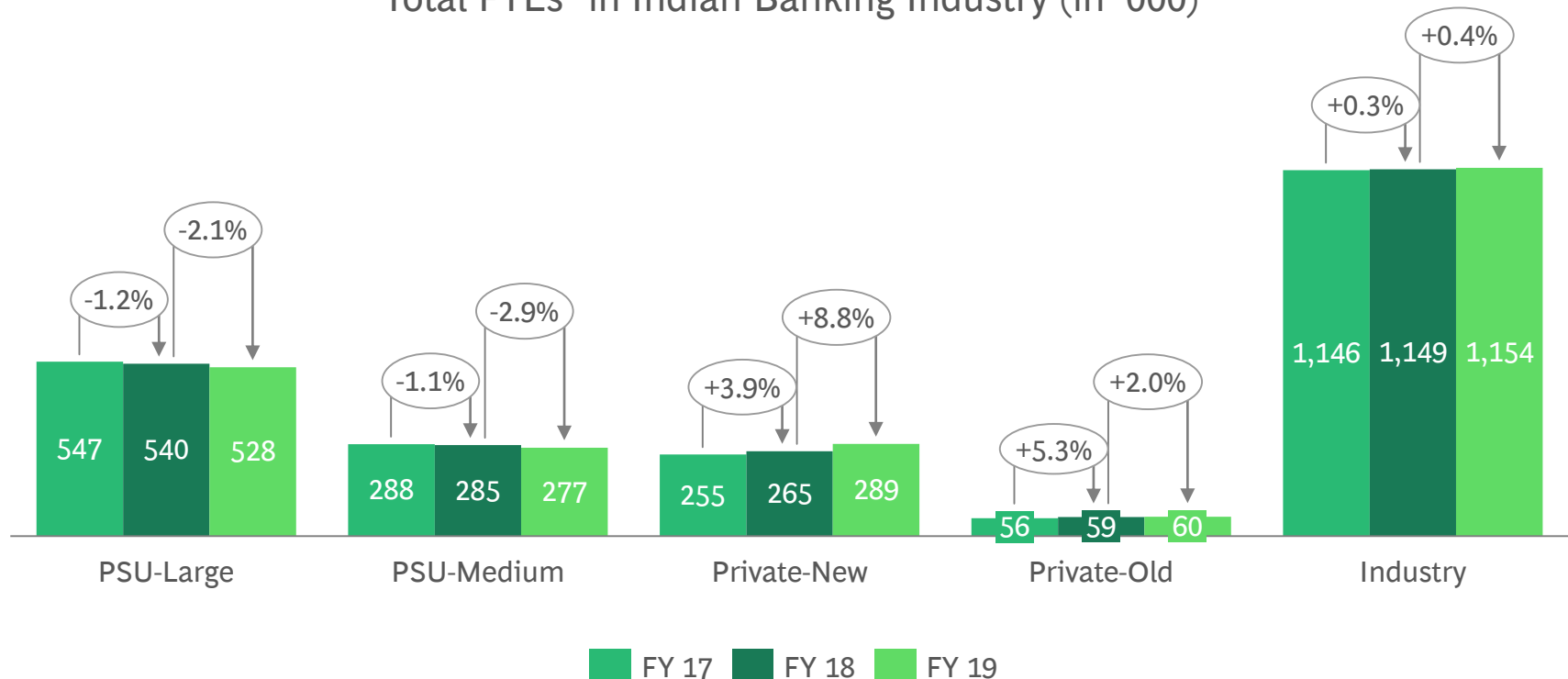
¹Digital channels include UPI, mobile banking, internet banking, NACH and POS ²Physical channels include cheque, cash, NEFT (at branch) and ATM
Note: 1. Data of 2 PSU-Large banks, 8 PSU-Medium banks, 3 Private-New banks and 6 Private-Old banks included for the purpose of this analysis
Sources: FIBAC Productivity Survey 2019; RBI data; BCG analysis



**ORGANIZATION
DESIGN**

PSU banks have reduced total headcount, while Private banks continue to hire

Total FTEs¹ in Indian Banking Industry (in '000)



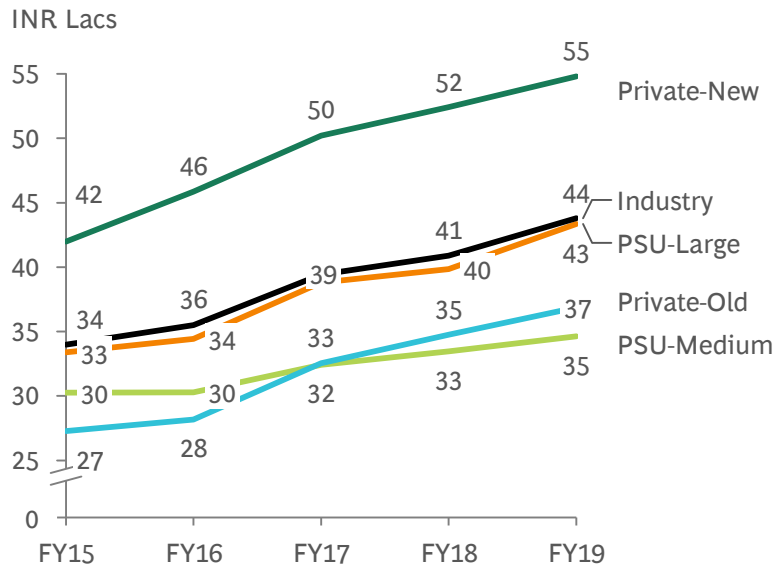
¹FTE: Full time employees

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

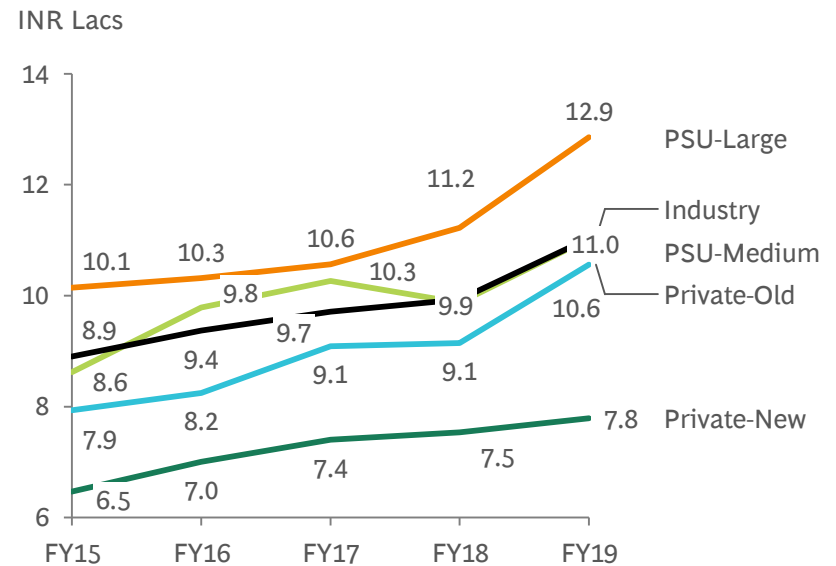
Source: Capitaline data; Company financials; BCG analysis

Cost per employee highest in PSU-large banks and growing faster than revenue per employee; Private-new banks have contained cost per employee

Total Revenue¹/Total Employees
(INR Lacs)



Employee Cost/Total Employees
(INR Lacs)



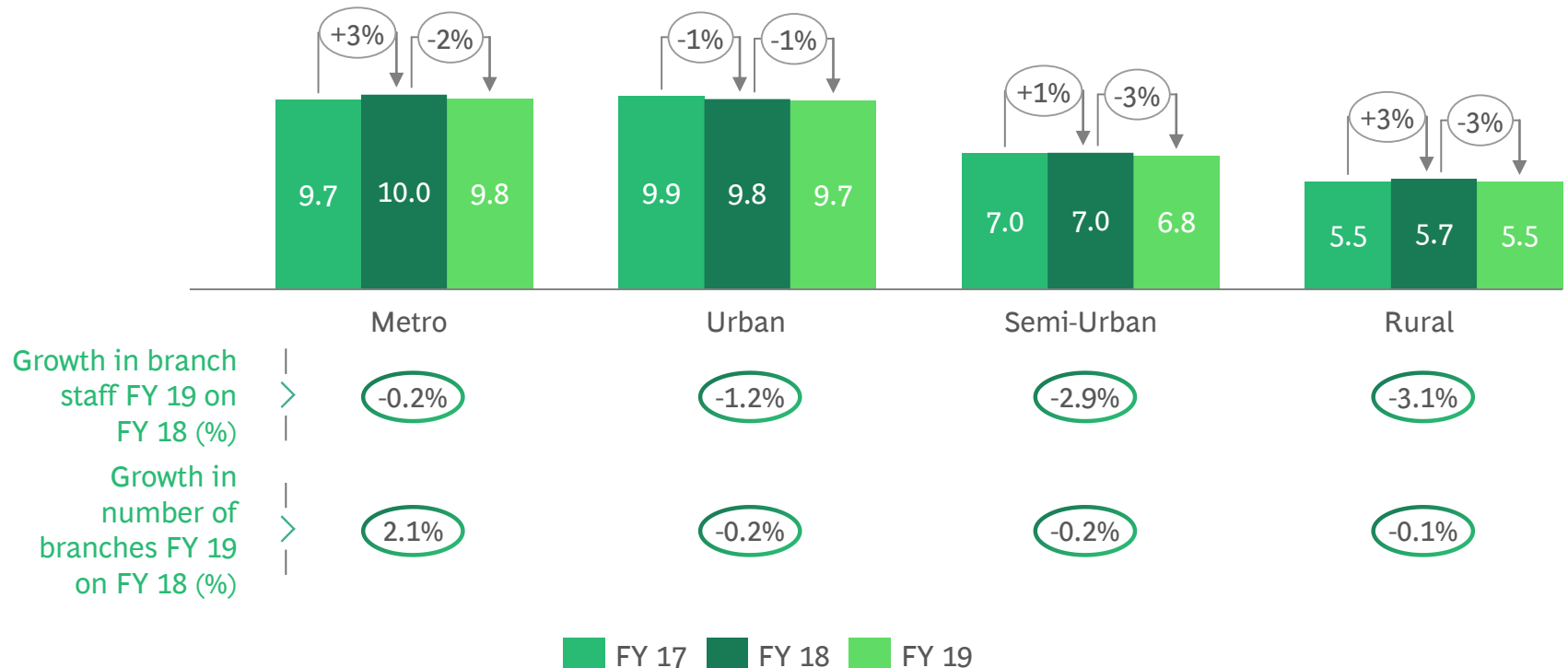
¹Revenue is calculated as sum of net interest income and other income

Note: 1. Data of 6 PSU-Large banks, 13 PSU-Medium banks, 4 Private-New banks and 8 Private-Old banks included for the purpose of this analysis

Source: Capitaline data; Company financials; BCG analysis

Digitization, automation and newer branch formats resulting in lower branch staff per branch across all geographies

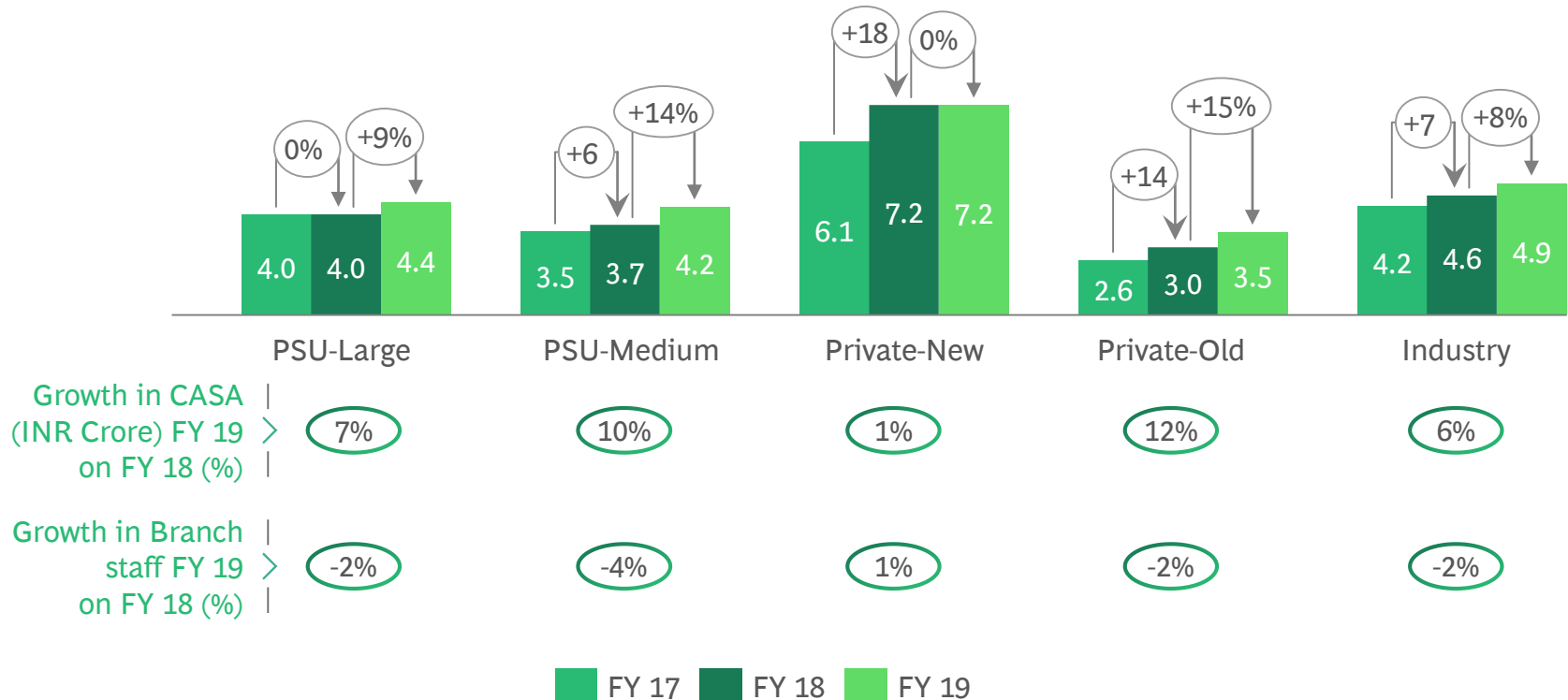
Branch Staff per Branch by Geography



Note: 1. Data of 5 PSU-Large banks, 10 PSU-Medium banks, 4 Private-New banks and 3 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; FIBAC Productivity Survey 2017; RBI data; BCG analysis

CASA per branch staff increasing across the board showing impact of digitization

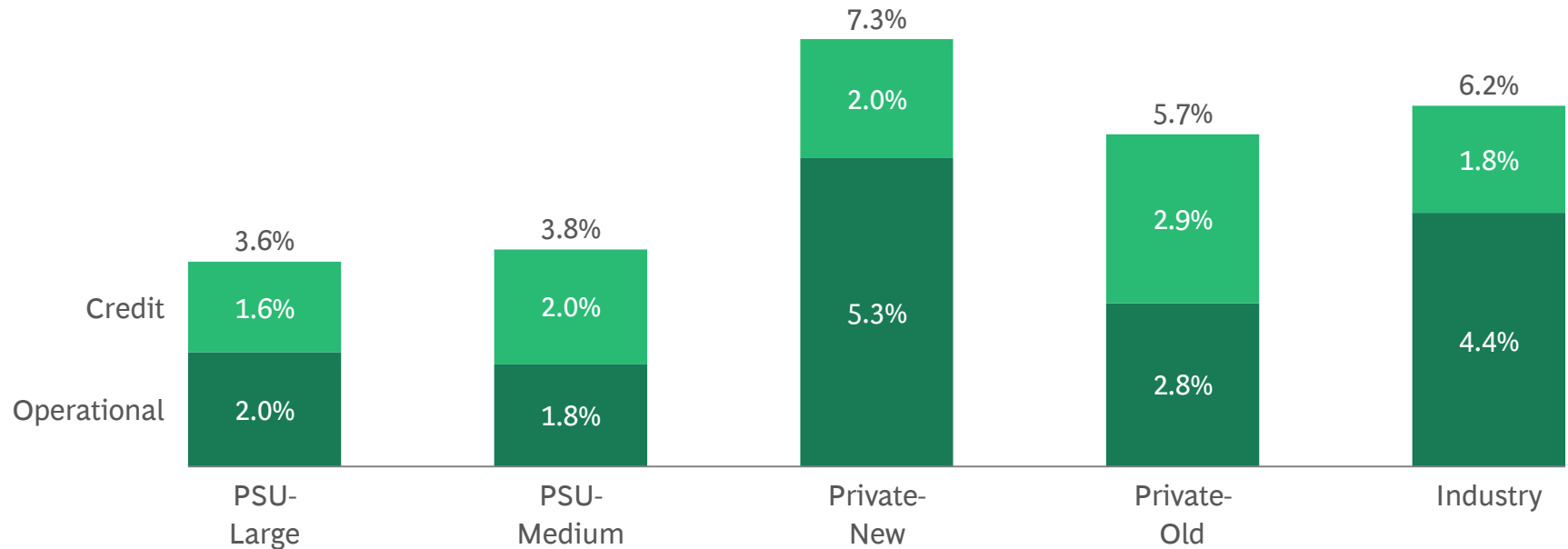
CASA per Branch Staff (INR Crore)



Note: 1. Data of 5 PSU-Large banks, 11 PSU-Medium banks, 4 Private-New banks and 3 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; FIBAC Productivity Survey 2017; BCG analysis

6% of Indian banks' FTEs in centralized back office; one-third deployed in credit related activities

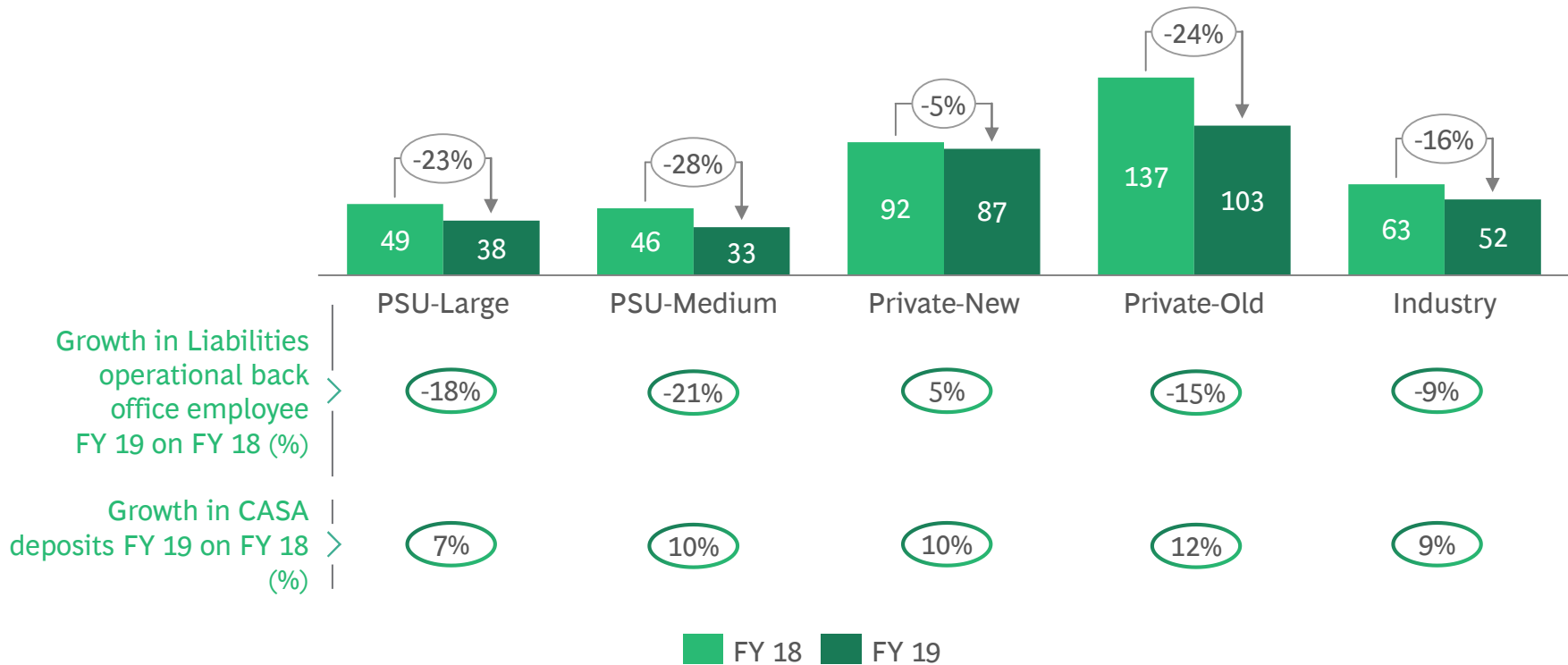
Credit and Operational Back Office¹ FTEs as % of Total FTE² (FY 19)



¹Credit back office includes Retail, SME and Corporate credit back offices ²Total staff includes staff of captive subsidiary as well as outsourced staff
 Note: 1. Data of 2 PSU-Large banks, 7 PSU-Medium banks, 1 Private-New banks and 3 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; BCG analysis

Straight-Through Processing and back office automation resulting in sharp drop in operational back office employees for liabilities processing

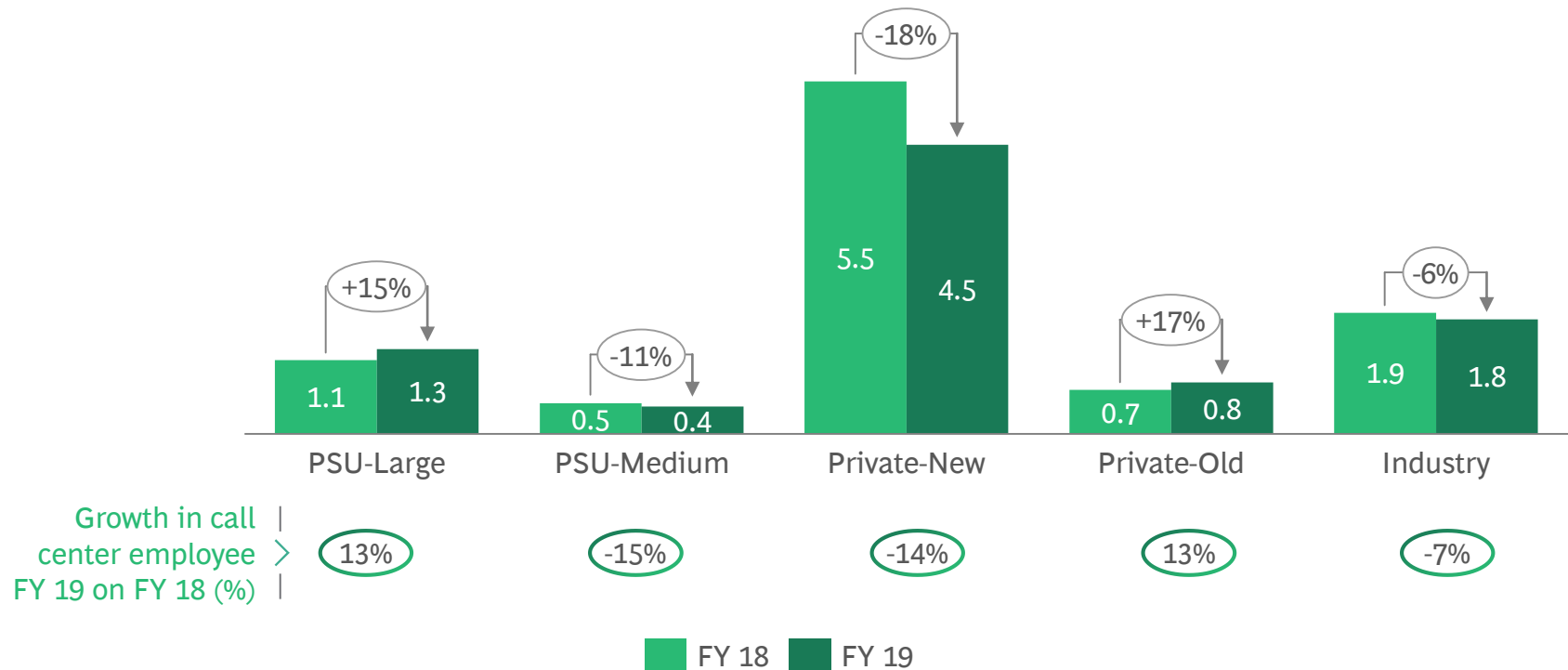
Liabilities Operational Back Office Employee per INR '000 Crore of CASA



Note: 1. Data of 5 PSU-Large banks, 9 PSU-Medium banks, 3 Private-New banks and 4 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; BCG analysis

Banks continue to invest in call centers to improve customer service

Call Center Employees per 100 Branch Employees



Note: 1. Data of 4 PSU-Large banks, 7 PSU-Medium banks, 3 Private-New banks and 5 Private-Old banks included for the purpose of this analysis
 Source: FIBAC Productivity Survey 2019; FIBAC Productivity Survey 2018; BCG analysis

Glossary

Individuals: Includes sole proprietors, partnership firms, trusts, HUFs, registered societies, association of persons, body of individuals and artificial juridical persons

Financial inclusion: Population above the age of 15 years which has a bank account is considered to be financially included

Retail Advances: Includes advances given for home loans, personal loans, education loans, auto loans, credit card loans, loans against deposits & shares, non-agriculture jewel loans and other retail loans

Micro, Small & Medium Enterprises (MSMEs) Advances: Includes advances given to entities defined as MSMEs by RBI

Corporate Advances: Includes advances given for working capital and term loans, given for business purposes to corporates other than Micro, Small & Medium Enterprises

NBFCs: Non-Banking Financial Companies registered under the companies act engaged in the business of loans and advances but do not hold a banking license

Retail Consumer Loans: Includes Auto Loans, Personal Loans, Consumer Loans, Credit Cards and Gold Loans

Retail Business Loans: Includes Business Loans, Loan Against Property, Commercial Vehicle and Construction Equipment Loans

Retail Commissions: These consist of fee income earned through mutual fund brokerage, insurance commissions and other miscellaneous retail commissions

Commercial Commissions: These consist of fee income earned through commissions on inland and foreign letters of credit, guarantees and bills

Digital transactions: These include transactions done through mobile banking, ECS, POS, internet banking, NACH and UPI

Branch Based Transactions: These include transactions through NEFT (in branch), cheque and cash transactions

Electronic points of service outlets: These include cash and cheque deposit machines, passbook printing machines and internet kiosks

Traditional outlets: These include branch and ATMs

Formalization: Existence of a formal record through registration with any one Government act/authority like GST, EPFO, Factory Act, Municipal/Local corporation

Digital MSMEs: These are MSMEs who have adopted digital across any one of accounting processes OR payments (>30% payment receipts through online banking, wallets/UPI apps, cards) OR online sales (sales on ecom platforms/websites)

PMJDY Accounts: Refers to accounts launched under the Pradhan Mantri Jan Dhan Yojana, which is a financial inclusion scheme launched in 2014

Volume increasers: This refers to customers who increase number of products or balances in account with a bank

Digital customers: These are customers who use digital channels for transactions at least once in three months and have visited a branch less than once or never for a transaction

Hybrid customers: These are customers who use digital channels for transactions at least once in three months and also visit a branch at least once in three months for doing a transaction

Face-to-face customers: These are customers who visit a branch for a transaction at least once in three months and have used digital channels less than once in a year for transactions

Mobile capture: Feature in which a customer is able to submit paperwork to the bank by photographing it with their smartphone camera

Real-time capture information: Information entered by customers in one channel (e.g. branch, or a mobile device) is saved in real time, so that they can continue their task on another channel seamlessly

For further reading

Boston Consulting Group publishes other reports and articles on related topics that may be of interest to senior executives. Recent examples include:

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A report by Boston Consulting Group, July 2019

Banks Brace for a New Wave of Digital Disruption

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Four Ways Banks Can Radically Reduce Costs

An article by Boston Consulting Group, June 2018

Note to the reader

The authors gratefully acknowledge the data collection efforts on various metrics from the 34 participating banks made by the respective nodal teams as listed below. This report would not have been possible without their invaluable support.

PSU - Large Banks

Haresh Keswani
Bank of Baroda

Shridhar Basudeo Narayan
Bank of India

Karthikeyan G
Canara Bank

M.Vijay Rao
Punjab National Bank

Sanjay Gadge
State Bank of India

Sumit Srivastava
Union Bank of India

PSU - Medium Banks

Manin Subramanian
Allahabad Bank

ACV Subrahmanyam
Andhra Bank

Ankita Singh
Bank of Maharashtra

Kanak Raju
Central Bank of India

Sunil Kumar Jadli
Corporation Bank

Veera Babu Deyyam
IDBI Bank

V Rammohan
Indian Bank

S. Padmavathy
Indian Overseas Bank

Sushil Kumar Khurana
Oriental Bank of Commerce

A N Singh
Punjab & Sind Bank

Renjini S
Syndicate Bank

Sumit Kumar Jha
UCO Bank

Arabindo Mahapatra
United Bank of India

Private - New Banks

Yash Parekh
Axis Bank

Padmakumar K
ESAF Bank

Ashwini Kulkarni
HDFC Bank

Pawan Arora
ICICI Bank

Prashant Agarwal
Kotak Mahindra Bank

Private - Old Banks

Ragesh M
Catholic Syrian Bank

V Sivakumar
City Union Bank

Navaneet Kais
Federal Bank

Tariq Ali
Jammu & Kashmir Bank

Ramesh
Karnataka Bank

Dharmarajan H
Karur Vysya Bank

Sushanta roy
Lakshmi Vilas Bank

Ajit C Jacob
South Indian Bank

Co-operative Banks

Girish Hoskote
NKGSB Co-operative Bank

D.Y. Tawde
Saraswat Co-operative Bank

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