

YES BANK

CMP: Rs. 339.05

DATE-7.6.2018

COMPANY DETAILS			
Industry Type	Banking & Financial Services		
Incorporated & Headquarter	2004, Mumbai, India		
Market cap(In cr.)	Rs.58,960.35		
BSE/ NSE Code	532648/ YESBANK		
52wk low/high	280.21/383.25		
KEY FINANCIALS(' in 000)			
Year	Income	Expenditure	Profit
2013-14	117,029,321	100,916,734	16,112,587
2014-15	136,199,192	116,224,965	19,974,227
2015-16	162,628,637	137,331,750	25,296,887
2016-17	206,427,984	173,029,128	33,398,856
2017-18	255,617,456	213,285,256	42,332,200
SHAREHOLDING PATTERN			

Category	Percentage
Promoters	20.01%
Foreign Institutions	42.62%
Financial Institutions	14.50%
NBanks Mutual Funds	10.29%
General Public	9.10%
Others	3.48%

HIGHLIGHTS:

As per the Reserve Bank of India (RBI), India's banking sector is sufficiently capitalized and well-regulated. The Indian banking system consists of 27 public sector banks, 22 private sector banks, 44 foreign banks, 56 regional rural banks, 1,589 urban cooperative banks and 93,550 rural cooperative banks.. Total money supply increased at a CAGR of 11.4%, lending and deposits increased at a CAGR of 20.7% and 19% respectively.

YES Bank plays an important role in Indian Banking Sector. YES Bank, incorporated in 2004 having a large market capitalization of Rs. 58,960.35 Crore. FY18 can be classified as the year of economic flux with profound economic changes on both the global and domestic front. This bank has

recorded a growth of 23.83% in income which stood at Rs.255,617,456 thousands in FY2017-18 as against Rs. 206,427,984 thousands in FY2016-17. Expenses has increased by 23.27% in FY2017-18 ,Rs.213,285,256 thousands as compared to Rs.173,029,128 thousands in FY2016-17. Profit has increased to Rs.42,332,200 thousands in FY 2017-18 from Rs.33,398,856 thousands in FY2016-17, recording a growth of 26.75%. Over the course of 5 years, the bank's income grew from Rs. 117,029,321 thousands to Rs. 255,617,456 thousands and its CAGR was 16.91%. Foreign Institutions have highest shares in Yes Bank's shareholding which was 42.62% of total shareholding and followed by Promoters, Financial

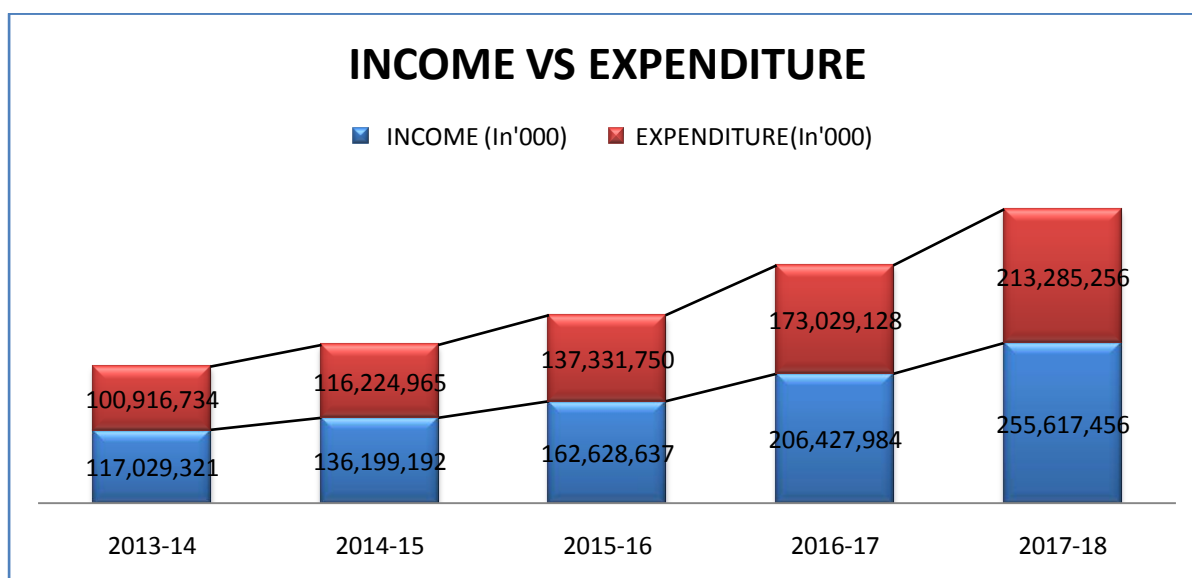
Institutions, NBank Mutual Funds, General Public and others having shares of 20.01%,14.50%,10.29%,9.10%,3.48% subsequently.

FINANCIAL PERFORMANCE:

FINANCIAL PERFORMANCE		
Particulars	2016-17	2017-18
Deposits(In'000)	1,428,574,438	2,006,886,036
Borrowings(In'000)	386,066,730	748,935,808
Assets(In'000)	2,150,596,899	3,124,496,536
Net Interest Income(In'000)	57,984,705	77,391,646
NPA (%)	0.81	0.64
CASA (%)	36.3	36.50
EPS(Rs.)	77	18.46
NET PROFIT MARGIN(%)	16.18	16.56
ROA (%)	1.55	1.35
ROE (%)	15.15	16.44

YES Bank has delivered a steady financial growth in FY2017-18. This Bank has Provided a return of 16.44% on Equity, 1.35% on Assets in FY2017-18. This Bank has continued to deliver on all key parameters with robust growth such as Deposits increment of 40.48%, Borrowings Increment of 93.99%, Assets Increment of 45.28% and Net Interest Income increment of 33.46%, Improving net interest margins, stable asset quality and improving liability franchise with a CASA ratio of 36.50%. This helped this Bank generate strong shareholder returns. EPS of the bank stood at Rs.18.46.

INCOME VS EXPENDITURE:

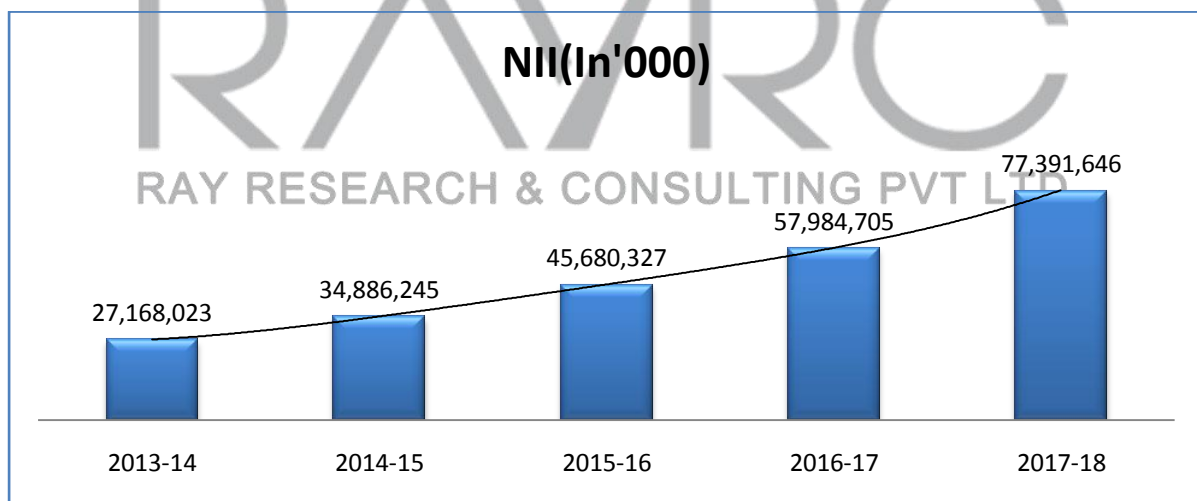


By considering these five years of income & Expenditure, it can be analyzed that both the trends are increasing at the same time. Income has registered a growth of 23.83% where expenses have recorded a growth 23.27%

INCOME:

- Total Income of the bank has increased by 23.83% in FY2017-18, Rs. 255,617,456 thousands in FY2017-18 as against Rs. 164,249,985 thousands in FY2016-17. This Increase in income is due to increase in Interest/discount on advances/bills of 26.76%, Income on investments of 8.05%, Interest on balances with Reserve Bank of India and other inter-bank funds of 100.16%, Others Income of 7.02%.
- Other Income of the bank has shown an increase of 25.50% on account of increase in Commission, exchange and brokerage of 31.43%, Profit on exchange transaction of 127.27%, Miscellaneous income of 68.06%.

NII:



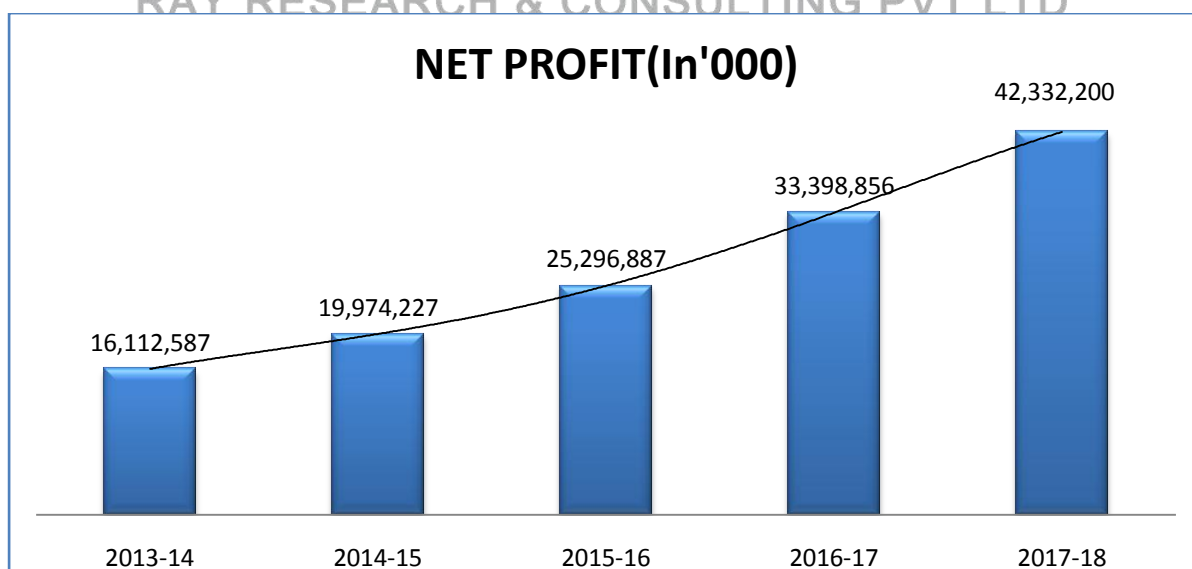
- Net Interest income (NII) of the Bank increased by 26.94% to Rs.77,391.646 thousands during FY 2017-18 as compared to Rs. 57,984,705 thousands during FY 2016-17. Increase in NII is on the back of improvement in loan book & investment of the Bank.

EXPENDITURE:

Expenditure of the bank has recorded a growth of 23.27% in FY2017-18 which stood at Rs. 213,285,256 thousands in FY2017-18 as against Rs. 173,029,128 thousands in FY2016-17. This Increase in Expenses is due to Increase in Interest expanded of 17.91%, Operating expenses of 26.51%, Provisions & contingencies of 110.29%.

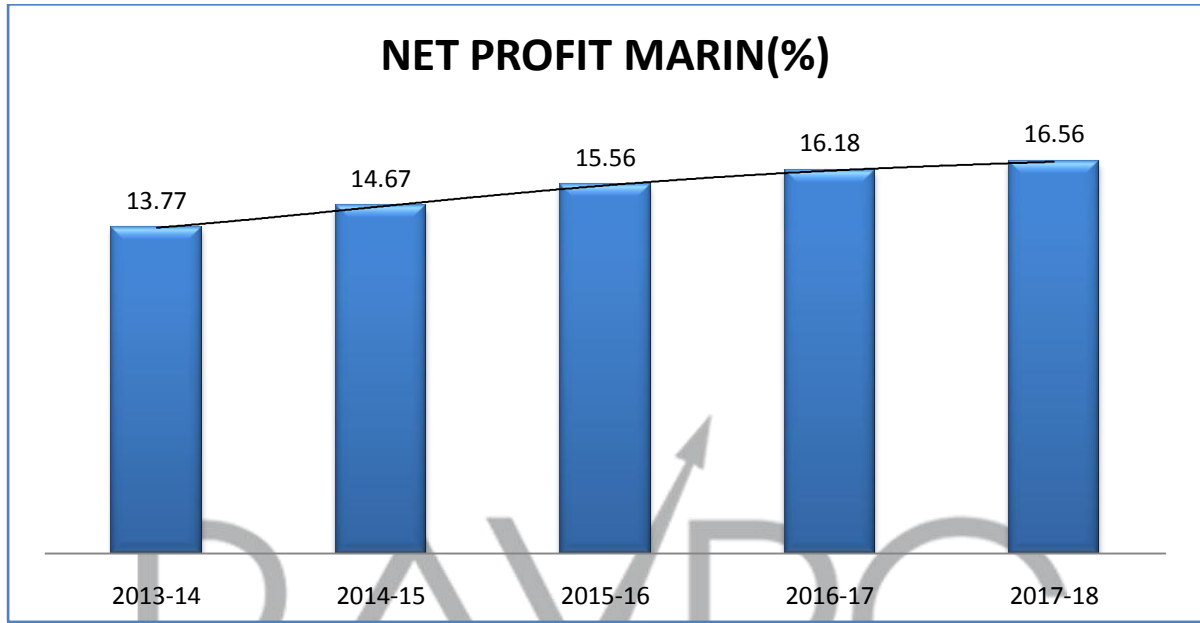
- Interest expanded has increased to Rs.125, 294,301 thousands in FY2017-18 from Rs.106, 265,280 thousands in FY2016-17. This Increase in Interest expanded is on account of increase in Interest on Deposits of 14.37%, Interest on Reserve Bank of India/inter-bank borrowings/ Tier I and Tier II debt instruments of 34.15%.
- Operating Expenses has increased by 26.51% as there was a increase in Payments to and provisions for employees of 21.43%, Rent, taxes and lighting of 20.15%, Printing and stationery of 36.59%, Depreciation on Group's property of 34.62%, Auditors' fees and expenses of 8.55%, Law charges of 65.85%, Postage, telegrams, telephones, etc. Of 24.45%, Repairs and maintenance of 69.89%, Insurance of 26.42%, Other expenditure of 35.15%.
- Provision and contingencies has shown a growth of 110.29% because of increase in Provision for taxation of 176.26%, Provisions For investments of 397.87, Provision for standard advances of 102.96%, Provision/write off for non performing advances of 62.48%.

PROFIT:



Net profit for FY 2017-18 increased by 26.75% to Rs.42, 332, 200 thousands as compared to Rs.33,398,856 thousands for the FY 2016-17.As Revenue of the Bank increased by 23.83% which was higher than the expenses growth, profit has increased.

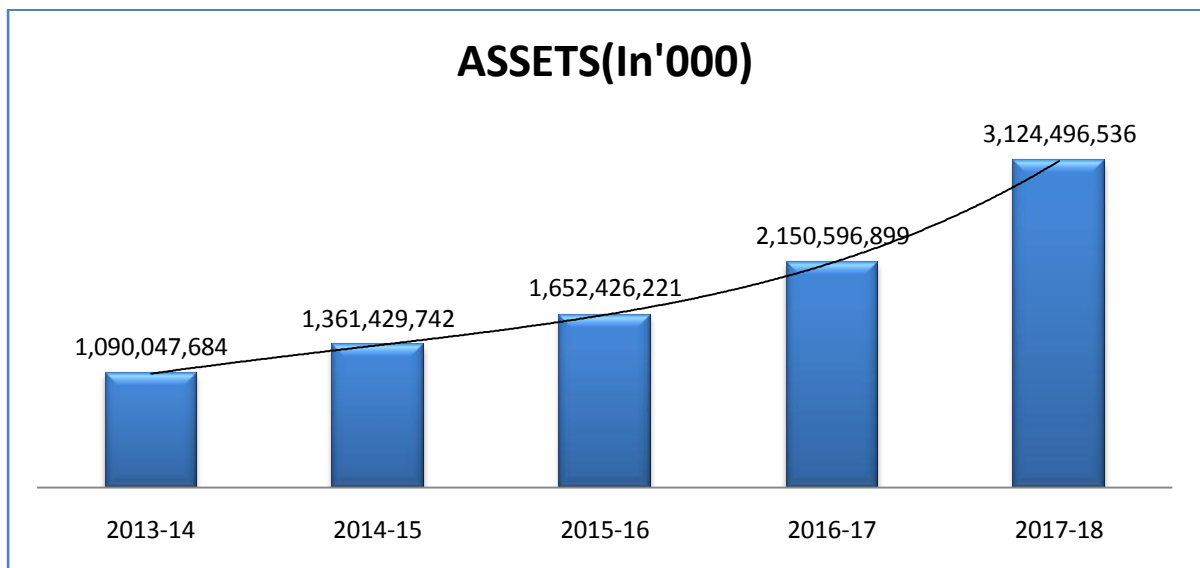
NET PROFIT MARGIN:



The bank has registered a profit margin of 16.56% in FY2017-18 as compared to 16.18% in FY2016-17.As revenue and Profit of the bank Increased, Profit Margin has also Increased.

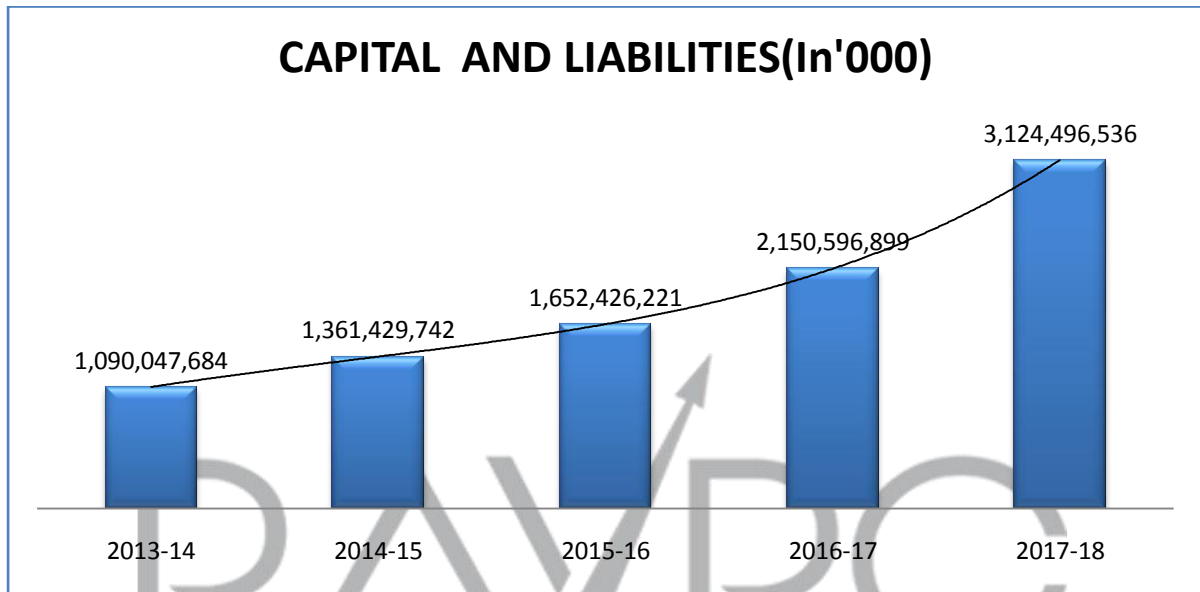
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ASSETS:



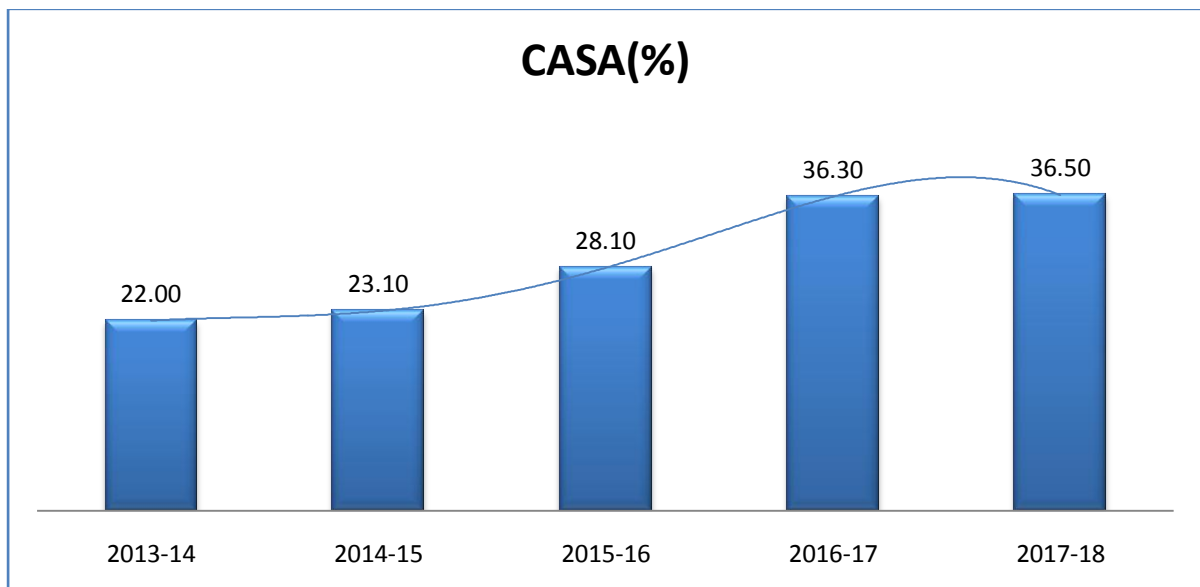
Total Assets of the bank has shown a significant growth of 45.29% in FY2017-18 which stood at Rs.3,124,496,536 thousands in FY2017-18 as against Rs.2,150,596,899 thousands in FY2016-17. This boost in increase was due to increase in Cash and balances with RBI of 64.35%, Balances With banks, money at call and short Notice of 5.76%, Investments of 36.64%, Advances of 53.87%, Fixed Assets of 21.91% , Other Assets of 19.66%.

CAPITAL AND LIABILITIES:



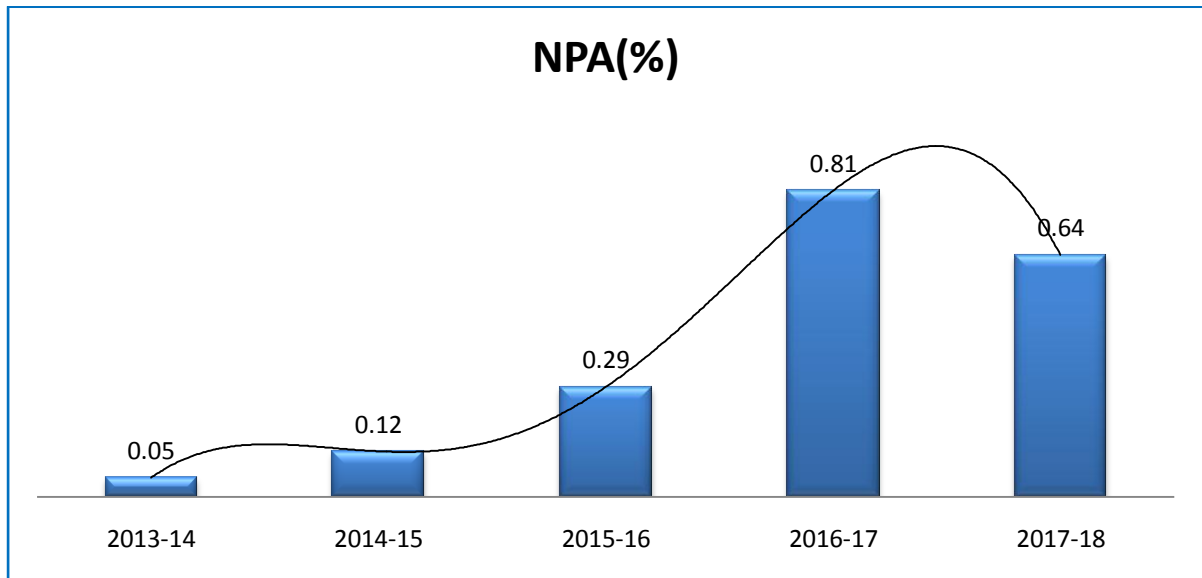
Capital And Liabilities of the bank has increased to 3,124,496,536 thousands in FY2017-18 from Rs. 2,150,596,899 thousands in FY2016-17. This growth was on account of increase in Capital of 0.90%, Reserve & surplus of 17.18%, Deposits of 40.48%, Borrowings of 93.99%.

CASA:



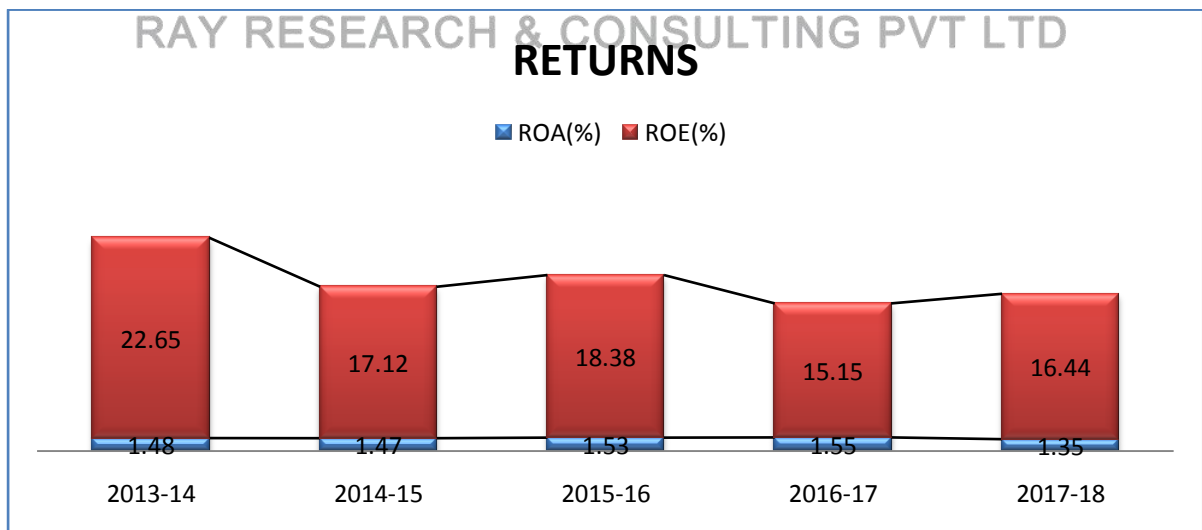
CASA of the bank has increased to 36.50% in FY2017-18 as compared to 36.30% in FY2016-17. The current and savings account (CASA) deposits increased from Rs.518,583,873 thousands at March 31, 2017 to Rs.731,740,316 thousands at March 31, 2018.

NPA:



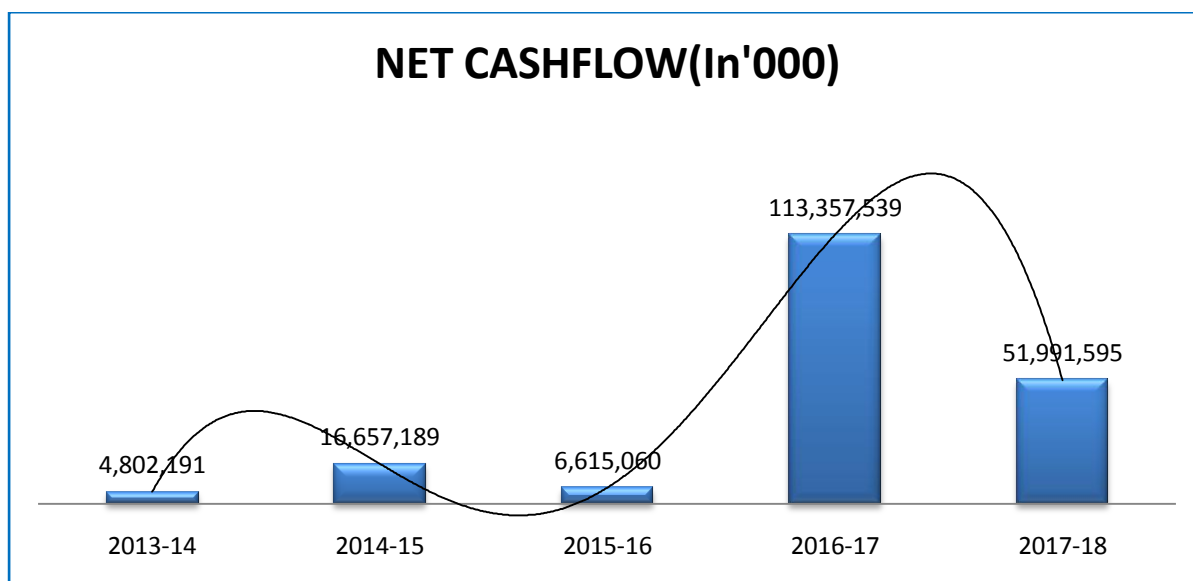
NPA of the bank has declined to 0.64% in FY2017-18 from 0.81% in FY2016-17. NPA declined i.e. it is good for the organisation.

RETURNS:



ROA of the bank has declined to 1.35% in FY2017-18 from 1.55% in FY2016-17. ROA decreased that means the bank has purchased more assets in accordance with its income. ROE has increased to 16.44% in FY 2017-18 from 15.15% in FY2016-17.

CASHFLOW:



In FY2017-18, the bank had a positive cash flow which stood at Rs.51,991,595 thousands as against Rs.113,357,539 thousands in FY2016-17. This Positive cash flow in FY2017-18 was due to Increase in Deposits, Investments, Advances, Proceeds from sale of fixed assets etc.

BUSINESS OVERVIEW AND OUTLOOK:

This Bank had another year of highly satisfactory business and financial outcomes in Financial Year ('FY') 2017-18 with a net profit of Rs. 42,332,200 thousand which is an increase of 26.75% from FY 2016-17. This Bank showed continued acceleration and momentum in building a strong liability franchise with CASA ratio at 36.5% at the end of FY 2017- 18. This Bank's Retail Assets Product Suite has also built significant traction and Digitization remains a key focus to further grow the Retail and MSME book.

FINANCIAL STATEMENT:

PROFIT AND LOSS:

PROFIT AND LOSS STATEMENT					
(in thousands)					
	2013-14	2014-15	2015-16	2016-17	2017-18
INCOME					
Interest earned	99,813,521	115,720,065	135,334,419	164,249,985	202,685,947
Other income	17,215,800	20,479,127	27,294,218	42,177,999	52,931,509
Total INCOME	117,029,321	136,199,192	162,628,637	206,427,984	255,617,456
EXPENDITURE					
Interest expended	72,645,498	80,833,820	89,654,092	106,265,280	125,294,301

Operating expenses	17,568,753	22,948,548	30,050,340	41,686,077	52,735,403
Provisions and contingencies	10,702,483	12,442,597	17,627,318	25,077,771	52,735,403
Total EXPENDITURE	100,916,734	116,224,965	137,331,750	173,029,128	213,285,256
PROFIT					
Net profit for the year	16,112,587	19,974,227	25,296,887	33,398,856	42,332,200
Profit brought forward	23,383,674	32,009,349	42,055,905	55,204,622	79,189,628
Total	39,496,261	51,983,576	67,352,792	88,603,478	121,521,828
APPROPRIATIONS					
Transfer to Capital Reserve	41,359	262,447	734,827	8,325,241	10,561,409
Transfer to Statutory Reserve	4,044,451	5,013,404	6,348,617	1,082,995	659,648
Transfer to Investment Reserve	4,385	124,099	-	-	-
Dividend paid for last year	4,026	2,253	2,740	4,665	5,488,101
Tax on Dividend paid for last year	17,305	383	468	950	1,117,377
Proposed Dividend	2,885,069	3,759,625	4,205,316	-	-
Tax (including surcharge & education cess) on Dividend	490,317	765,460	856,202	-	-
Balance carried over to balance sheet	32,009,349	42,055,905	55,204,622	79,189,628	103,695,292
Total	39,496,261	51,983,576	67,352,792	88,603,478	121,521,828
Earning per share					
Basic (Rs.)	44.74	49.15	60.39	79.12	18.46
Diluted (Rs.)	44.17	47.82	59.08	77.00	18.09
(Face Value of Equity Share is Rs.10/-)					

BALANCE SHEET:

BALANCE SHEET					
(in thousands)					
	2013-14	2014-15	2015-16	2016-17	2017-18

CAPITAL AND LIABILITIES					
Capital	3,606,336	4,177,361	4,205,316	4,564,858	4,605,934
Reserves and surplus	67,545,861	112,477,858	133,418,492	215,831,445	252,919,138
Deposits	741,856,256	911,587,769	1,117,041,801	1,428,574,438	2,006,886,036
Borrowings	213,142,862	262,204,013	316,589,769	386,066,730	748,935,808
Other liabilities And Provisions	63,896,369	70,982,741	81,170,843	115,559,428	111,149,620
Total	1,090,047,684	1,361,429,742	1,652,426,221	2,150,596,899	3,124,496,536
ASSETS					
Cash and balances with RBI	45,415,835	52,406,527	57,761,643	69,520,697	114,257,489
Balances With banks, money at call and short Notice	13,500,955	23,167,452	24,427,395	126,025,880	133,280,682
Investments	409,328,624	465,702,366	487,884,656	499,817,983	682,934,387
Advances	556,329,622	755,498,162	982,099,270	1,322,626,769	2,035,188,250
Fixed Assets	2,970,942	3,218,219	4,745,752	6,867,947	8,372,959
Other Assets	62,501,706	61,437,016	95,507,505	125,737,623	150,462,769
Total	1,090,047,684	1,361,429,742	1,652,426,221	2,150,596,899	3,124,496,536
Contingent Liabilities	2,010,168,222	3,372,992,517	3,312,391,973	3,795,645,710	5,818,302,701
Bills for collection	9,970,631	13,739,445	15,588,740	13,900,033	19,355,641

CASHFLOW STATEMENT:

CASHFLOW STATEMENT					
(in thousands)					
	2013-14	2014-15	2015-16	2016-17	2017-18
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before taxes	19,257,317	29,022,040	37,561,198	50,534,704	62,045,363
Adjustment for					
Depreciation for the year	517,070	863,410	1,118,449	1,726,068	2,323,569
Amortization of premium on investments	295,560	447,592	521,580	789,586	1,673,308
Provision for investments	-29,910	-584,289	25,337	522,117	2,599,443

Provision for standard advances	766,399	2,440,324	381,558	831,396	1,687,427
Provision/write off of non performing advances	1,516,688	1,300,099	4,979,020	6,642,284	10,792,641
Other provisions	29,310	238,650	-22,909	-176,774	397,075
Loss from sale of fixed assets	5,101	1,577	-944	-184	12,891
	22,357,535	33,729,403	44,563,289	60,869,197	81,531,717
Adjustments for :					
Increase / (Decrease) in Deposits	1,78,038,302	169,731,513	205,454,032	311,532,637	578,311,598
Increase / (Decrease) in Borrowings					
Increase/(Decrease) in Other Liabilities	-3,998,530	4,786,991	10,638,028	39,972,494	-1,058,963
(Increase)/Decrease in Investments	-86,083,331	-12,922,909	-18,915,997	27,645,611	-
(Increase)/Decrease in Advances	-91,625,933	-200,468,639	-231,580,128	-347,169,783	-
(Increase)/Decrease in Other assets	-6,765,222	-7,639,669	-318,401	-30,238,148	-25,122,220
	-10,434,714	-46,512,713	-34,722,466	1,742,811	-
					276,692,805
Payment of direct taxes	-6,516,441	-10,386,886	-13,597,052	-18,770,623	-22,943,356
Net cash generated from operating activities (A)	5,406,380	-23,170,196	-3,756,229	43,841,385	-
					218,104,444
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets	-1,038,360	-1,131,023	-2,667,113	-3,892,184	-3,932,525
Proceeds from sale of fixed assets	22,310	18,760	22,075	44,102	91,050
Changes in capital work-in-progress	-30,535	-	-	-	-
Investment in HTM	(66,368,74)	-34,799,997	-37,580,647	-40,890,641	-83,607,484
Net cash generated from investing activities (B)	-67,415,334	-35,912,260	-40,225,685	-44,738,722	-87,448,959
CASH FLOW FROM FINANCING ACTIVITIES					
Tier II Debt raised	17,638,00			-	
Increase in Borrowings	48,618,598	49,061,151	54,385,756	43,568,619	241,003,505
Innovative Perpetual Debt raised	1,400,000			30,000,000	54,150,000
Tier II Debt repaid during the year				-3,786,000	-2,489,000
Proceeds from issuance of Equity Shares	56,349	571,025	27,955	49,576,625	1,420,167
Share Premium received thereon	756,774	29,485,491	711,556	-	

Dividend paid during the year	-1,428,296	-2,887,322	-3,762,365	-4,209,981	-5,488,101
Tax on dividend	-230,280	-490,700	-765,928	-857,152	-1,117,377
Net cash generated from financing activities (C)	66,811,145	75,739,645	50,596,974	114,292,111	357,479,194
Effect of exchange fluctuation on translation reserve (D)				-37,234	65,803
Net increase in cash and cash equivalents (A+B+C+D)	4,802,191	16,657,189	6,615,060	113,357,539	51,991,595
Cash and cash equivalents as at April 1	85,855,406	58,916,790	75,573,979	82,189,038	195,546,577
Cash and cash equivalents as at March 31	40,657,597	75,573,979	82,189,038	195,546,577	247,538,171
Notes to the Cash flow statement:					
Cash and cash equivalents includes the following					
Cash and Balances with Reserve Bank of India	33,387,586	52,406,527	57,761,643	69,520,697	114,257,489
Balances with Banks and Money at Call and Short Notice	7,270,011	23,167,452	24,427,395	126,025,880	133,280,682
Cash and cash equivalents as at March 31	40,657,597	75,573,979	82,189,038	195,546,577	247,538,171

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REFERENCES:

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