

ICICI Bank

BUY

Credit growth slowdown; NIMs stable QoQ

Summary

ICICI Bank reported slowdown in credit growth led by lower growth in corporate book while deposit growth improved led by strong term deposits. We expect 15% CAGR (FY24-26E) loan growth. NIMs declined slightly by 3bps QoQ to 4.4% led by re-pricing of deposits. Further, management guided NIMs to be range bound from here on for the next few quarters until a rate cut. Asset quality improved led by lower slippages. Bank reported strong profitability growth at 17% YoY led by decline in provisions. PPOp grew by 9% YoY led by lower NII growth (up 8% YoY). Lower credit costs led by better recoveries resulted in best return ratios in last few years; RoA at 2.3%. We have maintained estimates and 'BUY' rating with a new TP of Rs.1,375 (Rs.1,350), valuing parent business at Rs.1,192 at 2.6X P/ABV FY26E and rest for the subsidiaries.

Key Highlights and Investment Rationale

- Credit growth slowdown:** Credit growth slowdown to 16.2% YoY (18.5% YoY Q3FY24); while overseas book declined by 2% YoY. Retail / SME portfolio continue to grow strongly at 19%/25% YoY respectively while corporate book (incl. IBPC) growth stood at 10% YoY. Deposit growth remain strong at 19.6% YoY (19% YoY Q3FY24); Avg CASA ratio at 39% vs 39% QoQ.
- NIMs declined by 3bps QoQ:** NIMs declined by 3bps QoQ to 4.4% led by increase in cost of deposits (up 10bps QoQ). Management highlighted that NIM should largely remain range bound over few quarters until rate cut.
- Asset quality improved:** Asset quality improved as GNPA stood at 2.16% vs 2.3% QoQ; PCR stood at 80.3% which is the highest among its peers.
- Outlook:** ICICI Bank has been investing heavily in building its digital capabilities, which has helped it to expand its customer base and improve its operational efficiency. We remain positive on ICICIB given its ability to maintain RoA above 2% for foreseeable future.

TP **Rs.1,375**

CMP **Rs.1,107**

Potential upside/downside 24%

Previous Rating BUY

Price Performance (%)

| | -1m | -3m | -12m |
|---------------|-----|-----|-------|
| Absolute | 2.1 | 9.6 | 20.5 |
| Rel to Sensex | 1.1 | 5.3 | (1.0) |

V/s Consensus

| EPS (Rs) | FY25E | FY26E |
|--------------|-------|-------|
| IDBI Capital | 65.8 | 74.7 |
| Consensus | 62.0 | 70.1 |
| % difference | 6.1 | 6.6 |

Key Stock Data

| | |
|---------------------------------|-------------------|
| Bloomberg/Reuters | ICICIB IN/ICBK.BO |
| Sector | Banking |
| Shares o/s (mn) | 7,025 |
| Market cap. (Rs mn) | 7,778,191 |
| 3-m daily average value (Rs mn) | 622.3 |
| 52-week high / low | Rs1,125 / 899 |
| Sensex / Nifty | 73,730 / 22,420 |

Shareholding Pattern (%)

| | |
|-----------|------|
| Promoters | 0.0 |
| FII | 44.8 |
| DII | 41.6 |
| Public | 13.6 |

Financial snapshot

(Rs mn)

| Year | FY2022 | FY2023 | FY2024 | FY2025E | FY2026E |
|-----------------|----------|----------|----------|----------|----------|
| NII | 4,74,661 | 6,21,286 | 7,43,057 | 8,42,112 | 9,64,866 |
| Change (yoy, %) | 22% | 31% | 20% | 13% | 15% |
| Net Profit | 2,33,395 | 3,18,965 | 4,08,883 | 4,61,872 | 5,24,568 |
| Change (yoy, %) | 44% | 37% | 28% | 13% | 14% |
| EPS (Rs) | 33.6 | 45.7 | 58.2 | 65.8 | 74.7 |
| Change (yoy, %) | 43% | 36% | 27% | 13% | 14% |
| ABV (Rs) | 223.8 | 267.9 | 321.5 | 375.8 | 454.2 |
| PER (x) | 31.4 | 23.1 | 18.1 | 16.0 | 14.1 |
| P/ABV (x) | 4.7 | 3.9 | 3.3 | 2.8 | 2.3 |
| ROE (%) | 14.7 | 17.2 | 18.6 | 17.9 | 17.4 |
| ROA (%) | 1.8 | 2.1 | 2.4 | 2.3 | 2.3 |
| GNPA (%) | 3.8 | 2.9 | 2.3 | 2.4 | 2.5 |
| NNPA (%) | 0.8 | 0.5 | 0.5 | 0.5 | 0.5 |
| CAR (%) | 19.2 | 18.3 | 16.3 | 16.5 | 16.8 |

Source: IDBI Capital Research

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Conference Call Highlights

Operational Performance:

- The increase in employee cost is mainly the function of impact of annual increments and promotions in FY24 and the increased employee base.
- Non-employee expenses were led by tech spends and investments in digital technology offerings to customers.
- Total tech spends amounted ~9.4% of the opex in FY24.
- The bank has managed to optimize the sourcing costs pertaining to retail personal loans while the internal sourcing costs for existing customers in nil. This has helped the bank in managing its operating expenses in terms of sourcing costs.
- The decline in fee income is relative as compared to Q3FY24. The higher fee growth in Q3 was mainly due to the festive season demand; hence the slowdown in fee income growth is relative.
- Branch count increased by 152 in Q4FY24 and by 623 in FY24.

Advances and Deposits:

- The average CASA grew by 2.9% sequentially.
- The bank's LCR during Q4FY24 stood at 123%.
- The sequential increase is due to recoveries and upgrades specially from the corporate banking portfolio.
- Sale of gross NPAs amounted to Rs. 3.27bn vs Rs. 0.36bn QoQ. The bank continues to hold provisions for sale of NPA's against security receipts since the NPAs sold were fully provided for.
- OF the total domestic loans, 49% are linked to repo rate, 2% to other external benchmarks loans while another 17% are linked to MCLR and other benchmark rates. The balance 32% of loans have fixed interest rates.
- 2.7% of the total builder advances portfolio at the end of Q4FY24 was either rated BB or below or classified as non-performing vs 3.9% YoY.

- The deposit flows were stronger in Q4FY24 as compared to the previous couple of quarters
- The management has been reducing the highly rated lower yielding advances to NBFC's in order to protect the bank's yields. However, the bank has undertaken adequate scrutiny of the lower rated borrowers and has not compromised on its set scrutiny standards.

Asset Quality:

- The bank holds contingency provisions of Rs.131bn as on Q4FY24
- The management expects the slippage ratio to remain stable at current rates going forward

Future Guidance

- The core focus of the management continues to remain on improving the bank's core profit before tax excluding treasury income (grew by 28% YoY in FY24 & 19% YoY in Q4FY24)
- The bank believes that its 'customer 360 degree' focus combined with investments in technology and people will enable it to achieve the laid down objectives
- The net employee additions have moderated since Q3FY24 and the management expects the same to be tapered in the near to medium term
- The pace of growth in opex has moderated and the management expects the growth in the same to remain at moderate levels in the medium term future
- The management expects the deposit costs to increase further in the FY25, hence also expects the NIM's to remain under pressure and expects a further moderation in NIMs going forward.
- The management is witnessing some moderation in the competitive intensity in terms of lending rates. The management intends to maintain yield discipline hence will adopt a wait and watch approach before making any changes to its lending rates
- The management expects the pace of growth in terms of tech spends to moderate going forward. The management also expects the overall growth in opex to moderate going forward as the previous tech investments is expected to bear fruit

Exhibit 1: Quarterly Snapshot

(Rs mn)

| Year-end: March | Q4FY24 | Q4FY23 | Q3FY24 | YoY (%) | QoQ (%) |
|----------------------------|-----------------|-----------------|-----------------|----------------|-----------------|
| Interest Income | 3,79,484 | 3,10,211 | 3,66,946 | 22.3 | 3.4 |
| Interest Expenses | 1,88,556 | 1,33,543 | 1,80,160 | 41.2 | 4.7 |
| Net Interest Income | 1,90,928 | 1,76,668 | 1,86,786 | 8.1 | 2.2 |
| NIM (%) | 4.40 | 4.90 | 4.43 | -50 bps | -3 bps |
| Non-Interest Income | 56,488 | 50,878 | 60,971 | 11.0 | (7.4) |
| Operating Income | 2,47,416 | 2,27,545 | 2,47,756 | 8.7 | (0.1) |
| Staff Cost | 37,202 | 34,010 | 38,127 | 9.4 | (2.4) |
| Other Op Exp | 59,826 | 55,272 | 62,393 | 8.2 | (4.1) |
| Total Operating Expenses | 97,028 | 89,282 | 1,00,520 | 8.7 | (3.5) |
| <i>Cost to Income (%)</i> | <i>39.2</i> | <i>39.2</i> | <i>40.6</i> | <i>-2 bps</i> | <i>-136 bps</i> |
| Operating Profit | 1,50,388 | 1,38,264 | 1,47,236 | 8.8 | 2.1 |
| Provisions | 7,185 | 16,198 | 10,494 | (55.6) | (31.5) |
| PBT | 1,43,203 | 1,22,066 | 1,36,743 | 17.3 | 4.7 |
| Tax | 36,127 | 30,847 | 34,027 | 17.1 | 6.2 |
| <i>-effective tax rate</i> | <i>25.2</i> | <i>25.3</i> | <i>24.9</i> | <i>-4 bps</i> | <i>34 bps</i> |
| PAT | 1,07,075 | 91,219 | 1,02,715 | 17.4 | 4.2 |
| EPS (Rs) | 15.2 | 13.1 | 14.6 | 16.7 | 4.1 |
| BV (Rs) | 339.4 | 287.4 | 323.3 | 18.1 | 5.0 |
| Deposits | 1,41,28,250 | 1,18,08,407 | 1,33,23,145 | 19.6 | 6.0 |
| Advances | 1,18,44,064 | 1,01,96,383 | 1,15,37,710 | 16.2 | 2.7 |

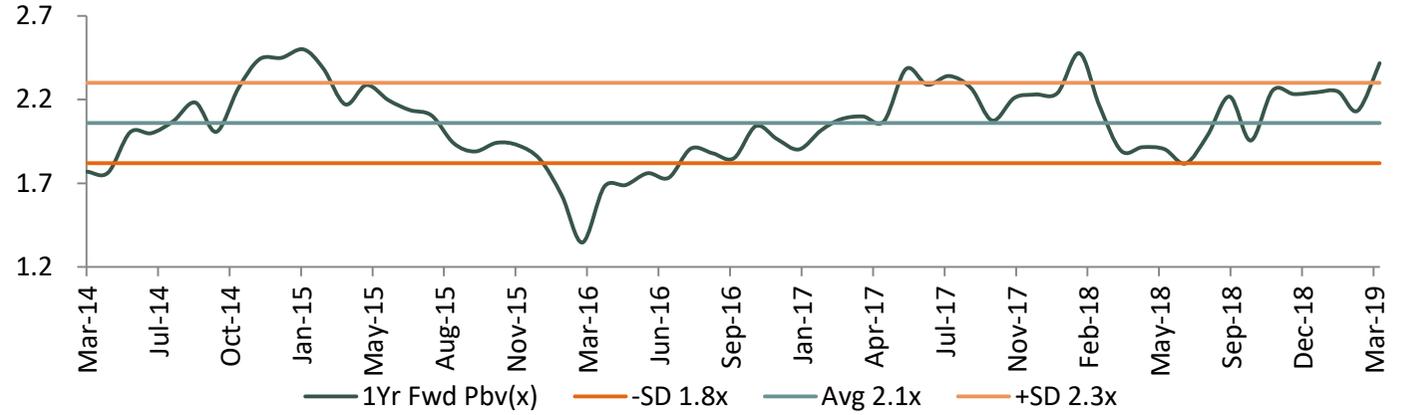
Source: Company; IDBI Capital Research

Exhibit 2: ROE Decomposition

| (%) | FY22 | FY23 | FY24E | FY25E | FY26E |
|--------------|------|------|-------|-------|-------|
| NII | 3.6 | 4.1 | 4.3 | 4.2 | 4.2 |
| Fees | 1.0 | 1.0 | 1.2 | 1.1 | 1.1 |
| Other Income | 0.4 | 0.3 | 0.1 | 0.2 | 0.2 |
| Net Revenue | 5.0 | 5.5 | 5.6 | 5.5 | 5.6 |
| Op.Exp | 2.0 | 2.2 | 2.3 | 2.2 | 2.2 |
| Op.Profit | 3.0 | 3.3 | 3.4 | 3.3 | 3.3 |
| Provisions | 0.7 | 0.4 | 0.2 | 0.3 | 0.3 |
| PBT | 2.3 | 2.8 | 3.2 | 3.1 | 3.1 |
| Tax | 0.6 | 0.7 | 0.8 | 0.8 | 0.8 |
| ROA | 1.8 | 2.1 | 2.4 | 2.3 | 2.3 |
| Leverage (x) | 8.3 | 8.1 | 7.9 | 7.7 | 7.5 |
| ROE | 14.7 | 17.2 | 18.6 | 17.9 | 17.4 |

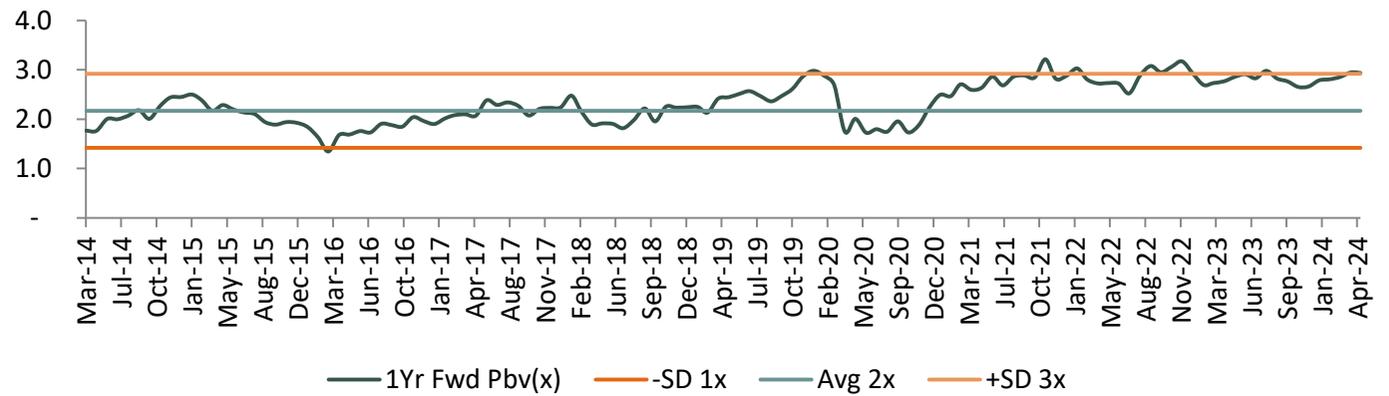
Source: Company; IDBI Capital Research

Exhibit 3: One-year forward P/ABV (FY14-19)



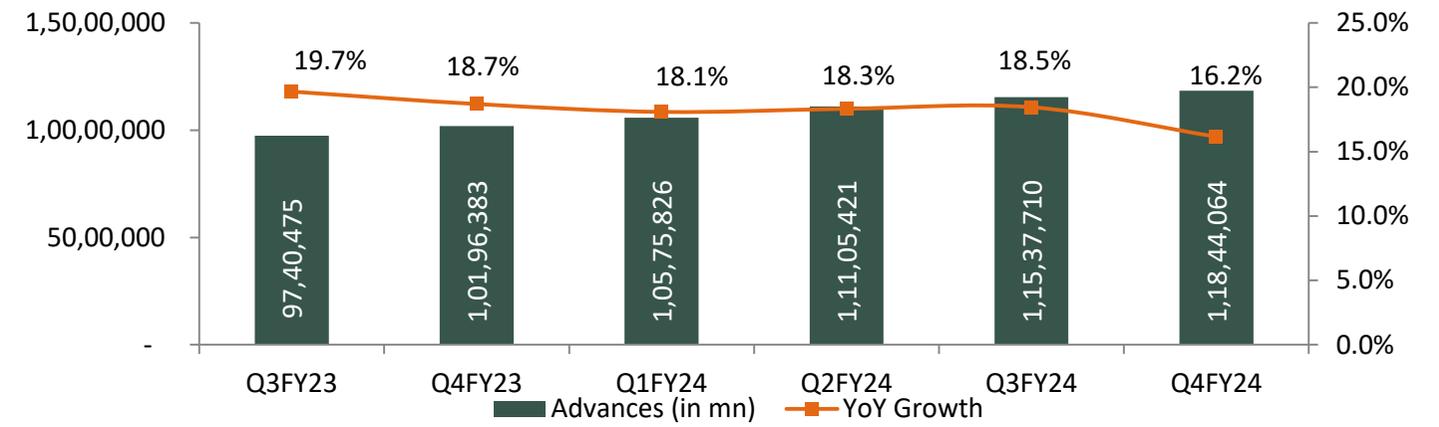
Source: Company; IDBI Capital Research

Exhibit 4: One-year forward P/ABV (FY14-25)



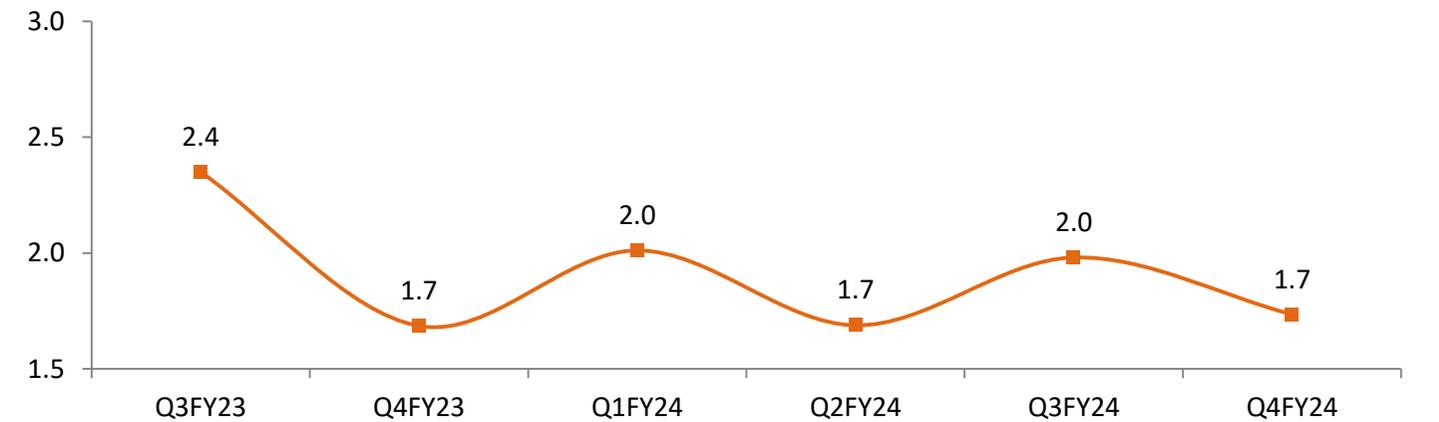
Source: Company; IDBI Capital Research

Exhibit 5: Advances growth continued to remain strong



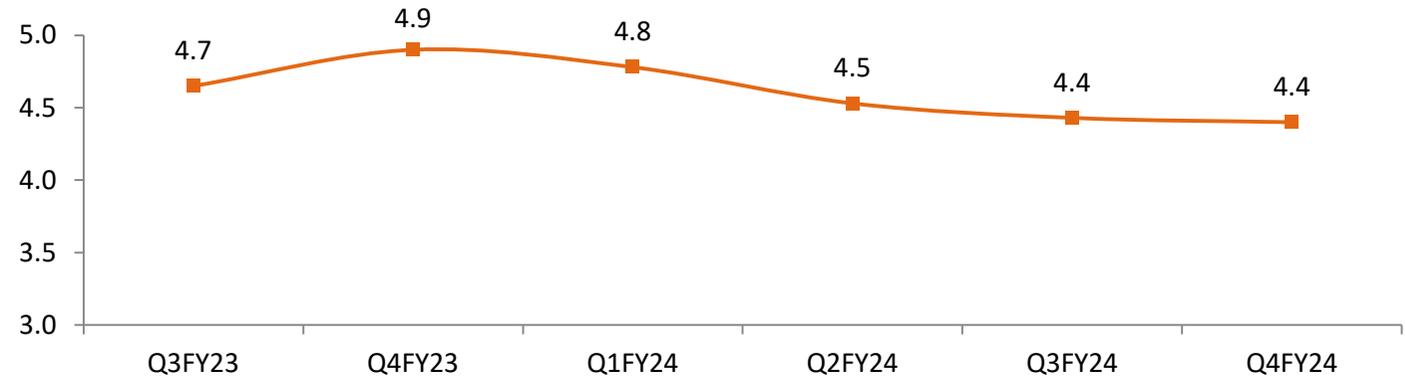
Source: Company; IDBI Capital Research

Exhibit 6: Slippage ratio improved on a sequential basis



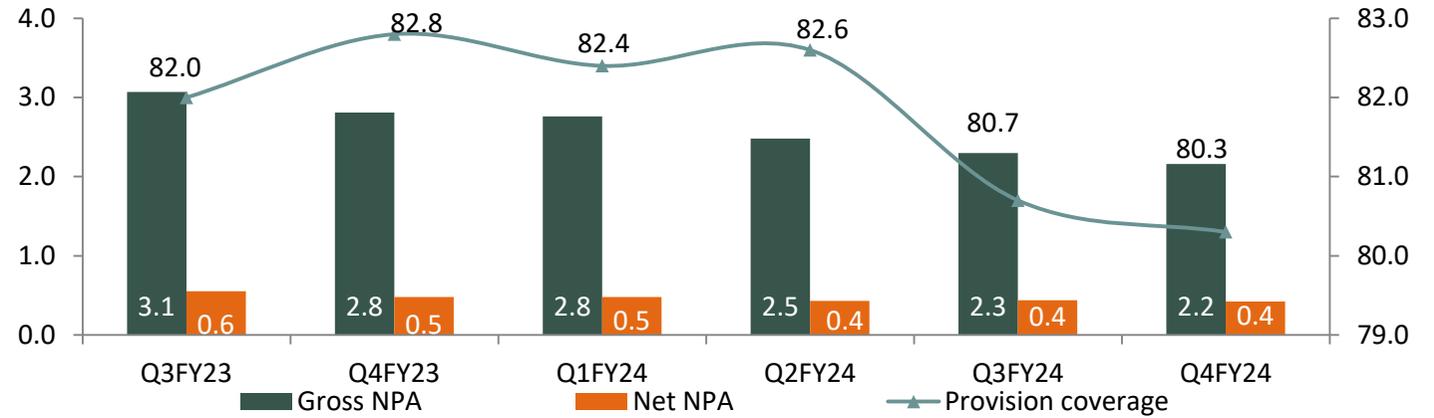
Source: Company; IDBI Capital Research

Exhibit 7: Net Interest margins remained stable on a sequential basis



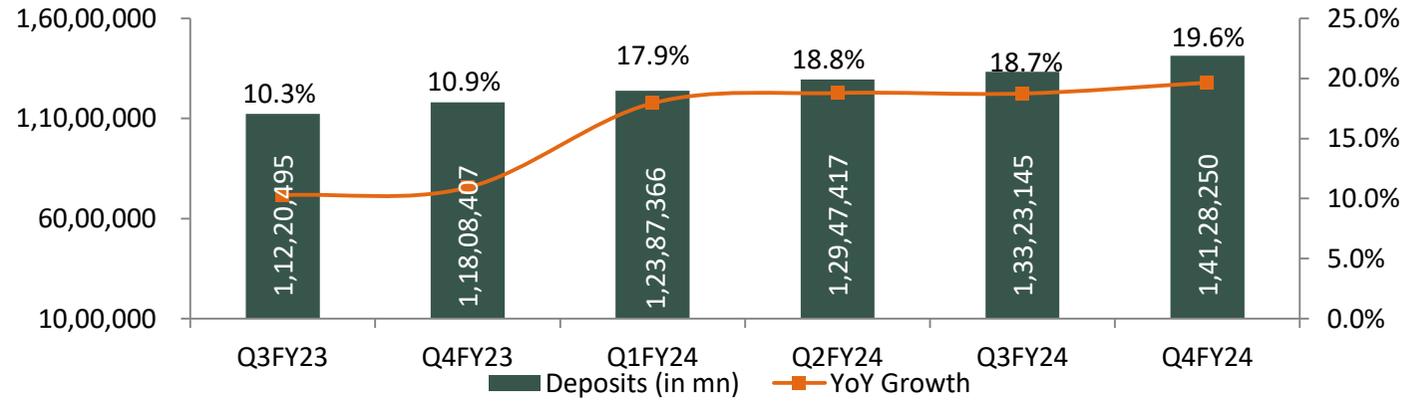
Source: Company; IDBI Capital Research

Exhibit 8: Asset Quality improved on a QoQ basis



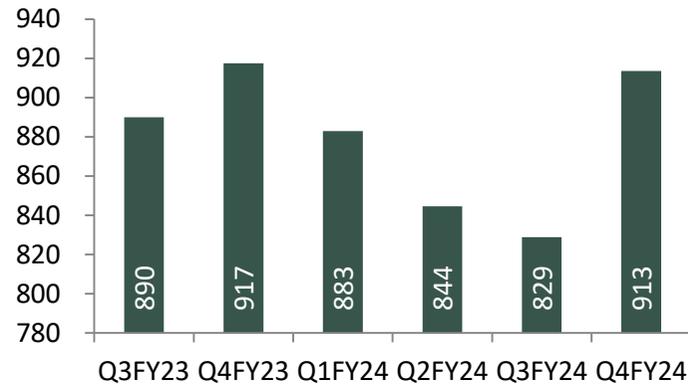
Source: Company; IDBI Capital Research

Exhibit 9: Deposits growth (YoY) picked up during the quarter



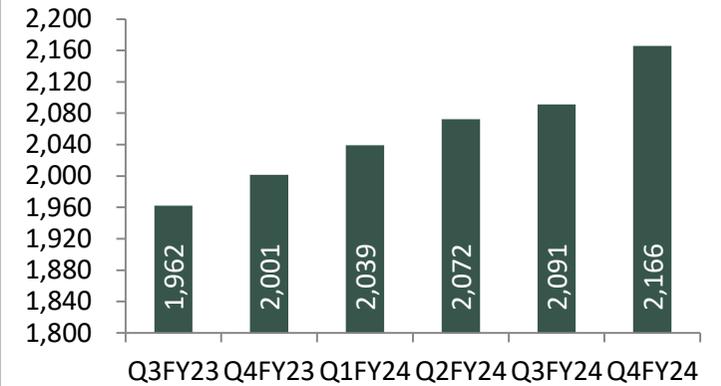
Source: Company; IDBI Capital Research

Exhibit 10: CASA Per Branch



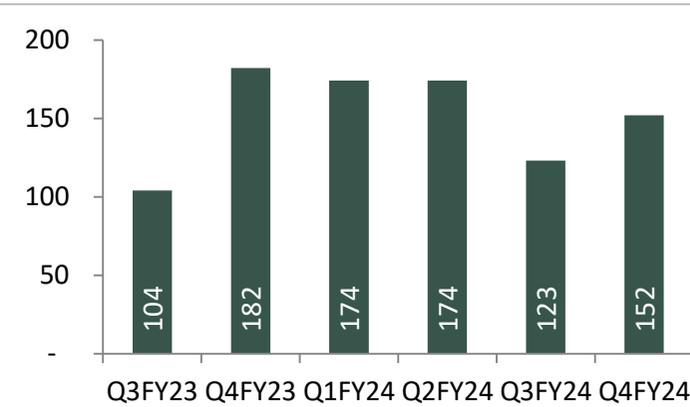
Source: Company; IDBI Capital Research

Exhibit 11: Deposits Per Branch



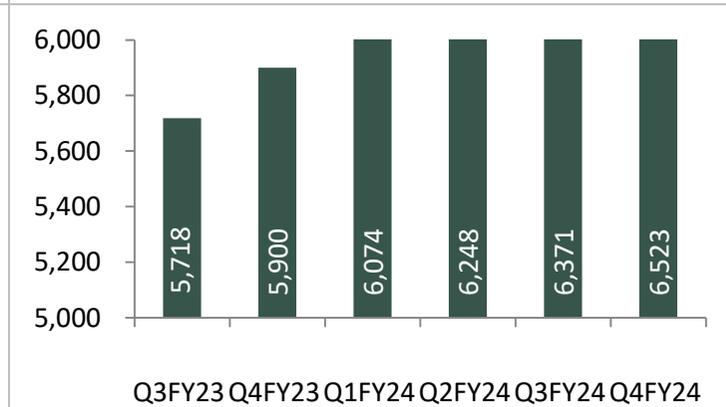
Source: Company; IDBI Capital Research

Exhibit 12: Incremental no of Branches per qtr



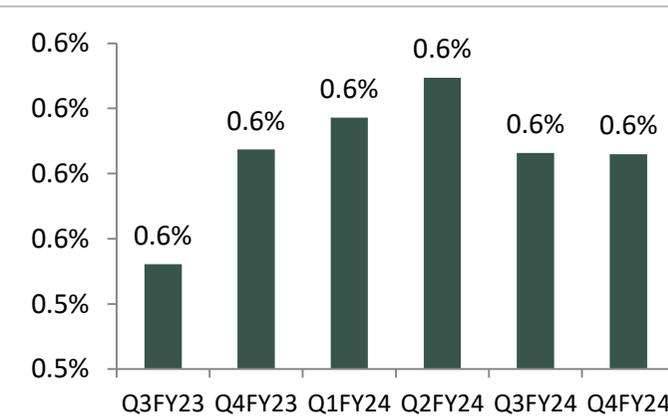
Source: Company; IDBI Capital Research

Exhibit 13: Added around 152 new branches in Q4FY24



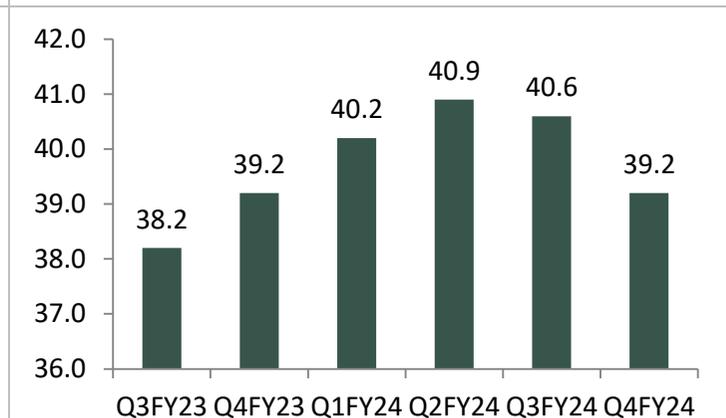
Source: Company; IDBI Capital Research

Exhibit 14: RoA (non-annualized); remained stable



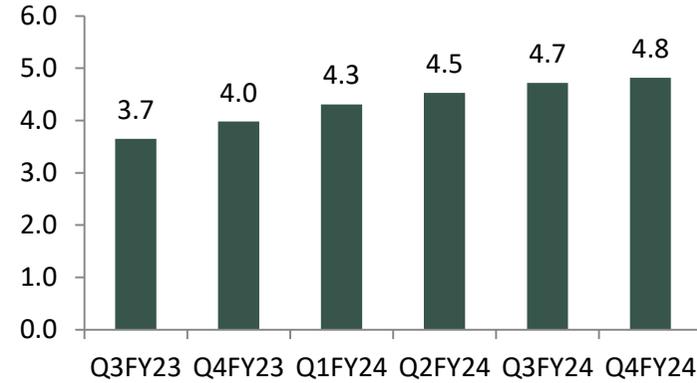
Source: Company; IDBI Capital Research

Exhibit 15: Cost to Income Ratio to moderated due to moderation in employee additions



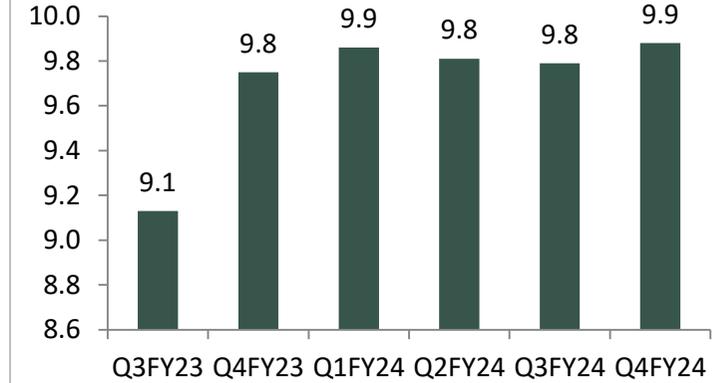
Source: Company; IDBI Capital Research

Exhibit 16: Cost of Deposits to remain at elevated for some qtrs going forward



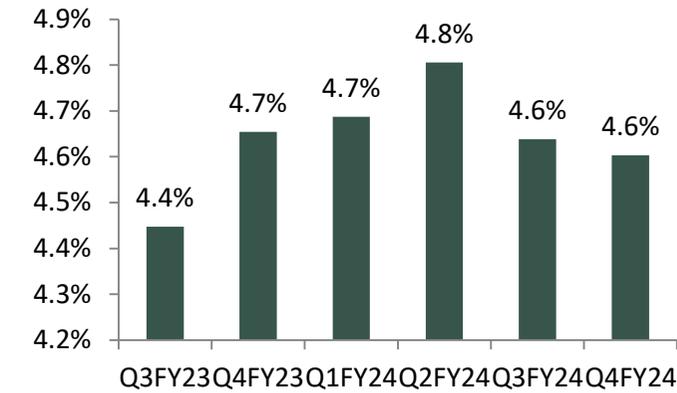
Source: Company; IDBI Capital Research

Exhibit 17: Yield on Advances improved QoQ



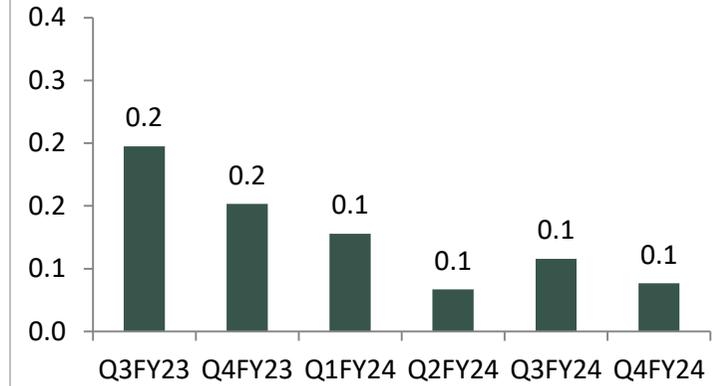
Source: Company; IDBI Capital Research

Exhibit 18: Return on Equity (non-annualized) moderated slightly QoQ



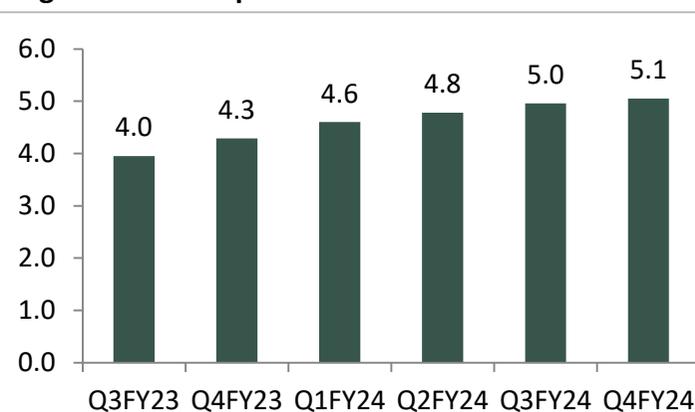
Source: Company; IDBI Capital Research

Exhibit 19: Credit Cost (non-annualized) remained stable on a sequential basis



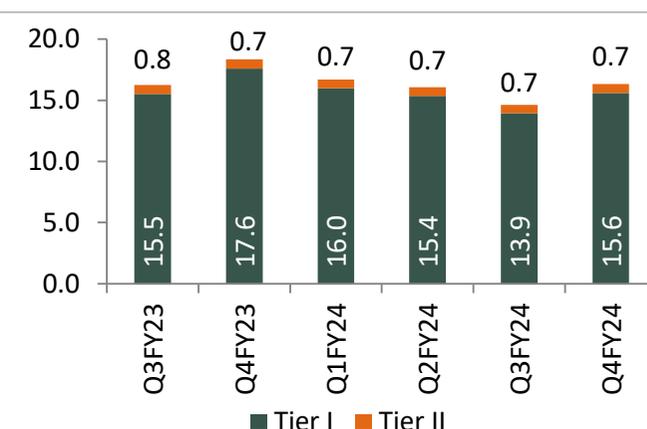
Source: Company; IDBI Capital Research

Exhibit 20: Cost of funds inched up QoQ led by higher cost of deposit



Source: Company; IDBI Capital Research

Exhibit 21: CAR remains comfortable



Source: Company; IDBI Capital Research

Exhibit 22: Statement of Standard Assets & Other Provisions

| Product Wise Advances (In Mn) | Q3FY23 | Q4FY23 | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contingency Provisions | 1,15,000 | 1,31,000 | 1,31,000 | 1,31,000 | 1,31,000 | 1,31,000 |
| Provision on Non-Fund based o/s to NPAs | 19,930 | 20,050 | 19,640 | 20,640 | 20,610 | 20,900 |
| Provisions on Fund based o/s to standard borrowers under resolution | 15,290 | 13,800 | 12,240 | 11,070 | 10,320 | 9,750 |
| General provisions on other Standard Assets and Other Provisions | 63,180 | 61,500 | 60,580 | 66,390 | 68,320 | 72,940 |
| Total Provisions | 2,13,400 | 2,26,350 | 2,23,460 | 2,29,100 | 2,30,250 | 2,34,590 |
| Total Provisions as a % of Net Advances | 2.2 | 2.2 | 2.1 | 2.1 | 2.0 | 2.0 |

Source: Company; IDBI Capital Research

Exhibit 23: Composition of Advances-In Mn

| Product Wise Advances (In Mn) | Q4FY24 | Q4FY23 | Q3FY24 | YoY (%) | QoQ (%) |
|-------------------------------|--------------------|--------------------|--------------------|--------------|---------------|
| Domestic Loan | 1,15,09,550 | 98,55,290 | 1,11,48,210 | 16.8 | 3.2 |
| Retail Loan | 66,62,610 | 55,78,170 | 64,25,720 | 19.4 | 3.7 |
| Rural Loan | 10,24,460 | 8,74,310 | 9,80,360 | 17.2 | 4.5 |
| Business Banking | 9,32,280 | 7,21,120 | 8,82,390 | 29.3 | 5.7 |
| SME Loans | 6,00,950 | 4,82,210 | 5,79,180 | 24.6 | 3.8 |
| Corporate & Others | 22,89,250 | 21,99,480 | 22,80,560 | 4.1 | 0.4 |
| Overseas Loan | 3,34,510 | 3,41,100 | 3,89,510 | (1.9) | (14.1) |
| Total Loan Book | 1,18,44,060 | 1,01,96,390 | 1,15,37,720 | 16.2 | 2.7 |

Source: Company; IDBI Capital Research

Exhibit 24: Composition of Advances-In %

| Product Wise Advances (In %) | Q4FY24 | Q4FY23 | Q3FY24 | YoY (%) | QoQ (%) |
|------------------------------|--------------|-------------|-------------|----------------|----------------|
| Domestic Loan | 97.2 | 96.7 | 96.6 | 52 bps | 55 bps |
| Retail Loan | 56.3 | 54.7 | 55.7 | 155 bps | 56 bps |
| Rural Loan | 8.6 | 8.6 | 8.5 | 7 bps | 15 bps |
| Business Banking | 7.9 | 7.1 | 7.6 | 80 bps | 22 bps |
| SME Loans | 5.1 | 4.7 | 5.0 | 34 bps | 5 bps |
| Corporate & Others | 19.3 | 21.6 | 19.8 | -224 bps | -44 bps |
| Overseas Loan | 2.8 | 3.3 | 3.4 | -52 bps | -55 bps |
| Total Loan Book | 100.0 | 100 | 100 | | |

Source: Company; IDBI Capital Research

Exhibit 25: Composition of Retail Loan Book

| Product Wise Retail Advances (In Mn) | Q4FY24 | Q4FY23 | Q3FY24 | YoY (%) | QoQ (%) |
|--------------------------------------|------------------|------------------|------------------|--------------|--------------|
| Mortgages | 39,59,210 | 34,46,960 | 38,41,320 | 14.9 | 3.1 |
| Vehicle loans | 9,26,350 | 7,94,190 | 9,05,010 | 16.6 | 2.4 |
| Auto finance | 5,92,190 | 4,96,870 | 5,78,740 | 19.2 | 2.3 |
| CV/CE | 3,14,260 | 2,75,410 | 3,04,480 | 14.1 | 3.2 |
| 2W | 19,900 | 21,910 | 21,790 | (9.2) | (8.7) |
| Personal Loans | 11,66,770 | 8,80,550 | 11,10,990 | 32.5 | 5.0 |
| Credit Cards | 11,66,770 | 3,78,410 | 4,81,970 | 208.3 | 142.1 |
| Others | 97,080 | 78,050 | 86,430 | 24.4 | 12.3 |
| Total Retail Loan Book | 73,16,180 | 55,78,160 | 64,25,730 | | |

Source: Company; IDBI Capital Research

Exhibit 26: Composition of Retail Loan Book

| Product Wise Retail Advances (In %) | Q4FY24 | Q4FY23 | Q3FY24 | YoY (%) | QoQ (%) |
|-------------------------------------|-------------|-------------|-------------|-----------------|-----------------|
| Mortgages | 54.1 | 61.8 | 59.8 | -768 bps | -566 bps |
| Vehicle loans | 12.7 | 14.2 | 14.1 | -158 bps | -142 bps |
| Auto finance | 8.1 | 8.9 | 9.0 | -81 bps | -91 bps |
| CV/CE | 4.3 | 4.9 | 4.7 | -64 bps | -44 bps |
| 2W | 0.3 | 0.4 | 0.3 | -12 bps | -7 bps |
| Personal Loans | 15.9 | 15.8 | 17.3 | 16 bps | -134 bps |
| Credit Cards | 15.9 | 6.8 | 7.5 | 916 bps | 845 bps |
| Others | 1.3 | 1.4 | 1.3 | -7 bps | -2 bps |
| Total Retail Loan Book | 100 | 100 | 100 | | |

Source: Company; IDBI Capital Research

Financial Summary

Profit & Loss Account

(Rs mn)

| Year-end: March | FY21 | FY22 | FY23 | FY24E | FY25E | FY26E |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net interest income | 3,89,894 | 4,74,661 | 6,21,286 | 7,43,057 | 8,42,112 | 9,64,866 |
| <i>Change (yoy, %)</i> | 17% | 22% | 31% | 20% | 13% | 15% |
| Fees | 1,04,868 | 1,26,397 | 1,47,766 | 2,07,960 | 2,16,450 | 2,48,918 |
| Other Income | 84,818 | 58,779 | 50,549 | 21,618 | 48,288 | 53,980 |
| Net Revenue | 5,79,579 | 6,59,836 | 8,19,600 | 9,72,635 | 11,06,849 | 12,67,764 |
| Operating expenses | 2,15,608 | 2,67,333 | 3,28,732 | 3,91,327 | 4,38,708 | 5,08,360 |
| Employee expenses | 80,918 | 96,727 | 1,20,599 | 1,51,420 | 1,80,808 | 2,11,775 |
| Other expenses | 1,34,690 | 1,70,606 | 2,08,133 | 2,39,907 | 2,57,900 | 2,96,586 |
| Pre-Provision Profit | 3,63,971 | 3,92,503 | 4,90,868 | 5,81,308 | 6,68,141 | 7,59,404 |
| <i>Change (yoy, %)</i> | 30% | 8% | 25% | 18% | 15% | 14% |
| Provision | 1,62,143 | 86,414 | 66,656 | 36,429 | 50,665 | 58,110 |
| PBT | 2,01,828 | 3,06,089 | 4,24,212 | 5,44,878 | 6,17,476 | 7,01,294 |
| Taxes | 39,901 | 72,694 | 1,05,247 | 1,35,996 | 1,55,604 | 1,76,726 |
| <i>Effective tax rate (%)</i> | 20% | 24% | 25% | 25% | 25% | 25% |
| Net profit | 1,61,927 | 2,33,395 | 3,18,965 | 4,08,883 | 4,61,872 | 5,24,568 |
| <i>Change (yoy, %)</i> | 104% | 44% | 37% | 28% | 13% | 14% |
| EPS | 23.4 | 33.6 | 45.7 | 58.2 | 65.8 | 74.7 |
| Return on Equity (%) | 12.3 | 14.7 | 17.2 | 18.6 | 17.9 | 17.4 |
| Return on Assets (%) | 1.4 | 1.8 | 2.1 | 2.4 | 2.3 | 2.3 |

Balance Sheet

(Rs mn)

| Year-end: March | FY21 | FY22 | FY23 | FY24E | FY25E | FY26E |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Capital | 13,834 | 13,900 | 13,968 | 14,047 | 14,047 | 14,047 |
| Reserves | 14,61,257 | 16,91,219 | 19,93,186 | 23,69,946 | 27,61,332 | 32,35,899 |
| Networth | 14,75,091 | 17,05,118 | 20,07,154 | 23,83,993 | 27,75,378 | 32,49,946 |
| Deposits | 93,25,221 | 1,06,45,716 | 1,18,08,404 | 1,41,28,250 | 1,63,49,011 | 1,89,02,888 |
| Current deposits | 13,61,701 | 15,84,797 | 16,14,860 | 21,19,237 | 24,52,352 | 28,35,433 |
| Saving deposits | 29,54,533 | 35,99,569 | 37,97,759 | 44,64,527 | 51,66,288 | 59,73,313 |
| Term deposit | 50,08,987 | 54,61,350 | 63,95,788 | 75,44,485 | 87,30,372 | 1,00,94,142 |
| Borrowings | 9,16,310 | 10,72,314 | 11,93,255 | 12,49,676 | 11,34,665 | 11,78,132 |
| Other liabilities | 5,87,704 | 6,89,828 | 8,33,254 | 9,53,227 | 9,44,690 | 9,08,428 |
| Total Liab. & Equity | 1,23,04,326 | 1,41,12,976 | 1,58,42,067 | 1,87,15,146 | 2,12,03,746 | 2,42,39,394 |
| Cash | 13,31,282 | 16,78,223 | 11,94,383 | 13,99,260 | 16,75,511 | 19,30,899 |
| Advances | 73,37,290 | 85,90,204 | 1,01,96,383 | 1,18,44,064 | 1,36,20,673 | 1,56,63,775 |
| Investments | 28,12,864 | 31,02,410 | 36,23,297 | 46,19,423 | 50,38,114 | 57,57,885 |
| Fixed Assets | 88,776 | 93,738 | 95,998 | 1,08,598 | 1,10,770 | 1,12,986 |
| Other Assets | 7,34,114 | 6,48,401 | 7,32,005 | 7,43,801 | 7,58,677 | 7,73,850 |
| Total assets | 1,23,04,326 | 1,41,12,976 | 1,58,42,067 | 1,87,15,146 | 2,12,03,746 | 2,42,39,394 |

Financial Ratios

(%)

| Year-end: March | FY21 | FY22 | FY23 | FY24E | FY25E | FY26E |
|-----------------------------|-------|-------|-------|-------|-------|-------|
| Growth | | | | | | |
| Deposits | 21.0 | 14.2 | 10.9 | 19.6 | 15.7 | 15.6 |
| Advances | 13.7 | 17.1 | 18.7 | 16.2 | 15.0 | 15.0 |
| NII | 17.2 | 21.7 | 30.9 | 19.6 | 13.3 | 14.6 |
| Pre-Provision Profit | 29.5 | 7.8 | 25.1 | 18.4 | 14.9 | 13.7 |
| Net Profit | 104.2 | 44.1 | 36.7 | 28.2 | 13.0 | 13.6 |
| Spreads | | | | | | |
| Yield on Assets | 7.6 | 7.2 | 7.9 | 9.0 | 9.0 | 9.0 |
| Cost of Funds | 4.1 | 3.5 | 3.8 | 4.8 | 5.0 | 5.0 |
| NIM | 3.7 | 3.9 | 4.5 | 4.7 | 4.6 | 4.6 |
| CASA | 46.3 | 48.7 | 45.8 | 46.6 | 46.6 | 46.6 |
| Operating Efficiency | | | | | | |
| Cost-to-Income | 37.2 | 40.5 | 40.1 | 40.2 | 39.6 | 40.1 |
| Cost-to-Assets | 1.9 | 2.0 | 2.2 | 2.3 | 2.2 | 2.2 |
| Asset Quality | | | | | | |
| GNPA | 5.3 | 3.8 | 2.9 | 2.3 | 2.4 | 2.5 |
| NNPA | 1.2 | 0.8 | 0.5 | 0.5 | 0.5 | 0.5 |
| Provision Coverage | 77.7 | 79.2 | 82.8 | 80.8 | 81.2 | 80.1 |
| Credit Cost | 2.4 | 1.1 | 0.7 | 0.3 | 0.4 | 0.4 |
| Capital Adequacy | | | | | | |
| CAR | 19.1 | 19.2 | 18.3 | 16.3 | 16.5 | 16.8 |
| Tier I | 18.1 | 18.4 | 17.6 | 15.6 | 15.8 | 16.1 |
| Valuation | | | | | | |
| EPS | 23.4 | 33.6 | 45.7 | 58.2 | 65.8 | 74.7 |
| ABV | 186.0 | 223.8 | 267.9 | 321.5 | 375.8 | 454.2 |
| P/E | 45.0 | 31.4 | 23.1 | 18.1 | 16.0 | 14.1 |
| P/ABV | 5.7 | 4.7 | 3.9 | 3.3 | 2.8 | 2.3 |
| ROE | 12.3 | 14.7 | 17.2 | 18.6 | 17.9 | 17.4 |
| ROA | 1.4 | 1.8 | 2.1 | 2.4 | 2.3 | 2.3 |
| RORWA | 2.1 | 2.8 | 3.3 | 3.3 | 3.1 | 3.1 |

Source: Company; IDBI Capital Research



Notes

Dealing

(91-22) 6836 1111

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Key to Ratings Stocks:**BUY:** 15%+; **HOLD:** -5% to 15%; **SELL:** -5% and below.**IDBI Capital Markets & Securities Ltd.****Equity Research Desk**

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