BFSI Q4FY24 Result Preview

Q4FY24E – DÉJÀ VU OF 9MFY24 PERFORMANCE!

Banks – NIMs to Compress; Earnings Momentum to Decelerate!

The systemic credit growth (as of 22nd Mar'24) continued to remain robust, registering a growth of ~20% YoY (~16.3% YoY ex-HDFC). Based on the provisional updates released by banks thus far, along with the systemic growth momentum and considering Q4 as a seasonally strong quarter, we expect the banks under our coverage to reflect these trends and register a ~17-18% YoY credit growth (ex-HDFC). Credit growth continues to be led by the retail and SME segments, with a gradual pick-up in corporate lending. We expect some moderation in the unsecured lending segment during the quarter on account of tightened norms by the regulator along with caution on part of lenders, considering the emergence of stress in certain pockets as seen in the previous quarter.

With sluggish deposit growth being a key point of discussion in the previous quarter (Q3FY24), banks have gone full throttle to improve deposit mobilization. The systemic deposit growth stands at ~13% YoY; though it continues to lag credit growth. Most banks that have reported their provisional business performance have seen a significant improvement in deposit growth with healthy performance in both CASA and TDs. As a result, most banks have seen an improvement in the C-D Ratio.

Limited scope for loan re-pricing along with pressure owing to an increase in CoF will continue to pose headwinds for NIMs. That said, we believe that the quantum of margin compression could be marginally lower sequentially for many banks. We pen down NII growth of 6/3% YoY/QoQ (ex-HDFC) for our coverage universe banks, with NIMs compression ranging between ~5-15bps across banks (mainly pvt banks).

Opex ratios will continue to reflect the investment phases of certain banks. PSU banks are expected to report lower Opex growth sequentially, primarily due to a substantial impact of wage revision which has already been reflected. Thus, PPOP growth is expected to be better QoQ. We expect banks under our coverage universe to report a 4% QoQ growth.

Banks are likely to witness yet another strong quarter in terms of asset quality; however, we remain vigilant of any pockets of stress in the unsecured portfolios. Slippages should remain under control and asset quality improvement will continue, driven by healthy recoveries. Credit costs are likely to remain at normalised level and reversal of AIF provisions for certain banks could lend some support to earnings. We do not see any significant levers for the ROAs of banks to improve.

The focus will continue to remain on the outlook on business growth momentum going ahead and comments on peaking-out of CoF.

NBFCs – NIM Trends Divergent; Growth Momentum Strong!

We expect disbursements to pick up in Q4FY24E for **Affordable Housing Financiers** under our coverage. While APTUS is expected to deliver a strong 29% YoY AUM growth, CANF's AUM growth is expected to be slower at ~12% YoY. However, margins for both the housing financier are likely to contract. Growth outlook and commentary on margins will be keenly watched for.

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Disbursement growth for **Vehicle Financiers** is likely to remain buoyant, driving healthy AUM growth. In terms of margins, we expect NIMs to remain largely stable QoQ with a positive bias for both CIFC and SUNDARAM. Asset quality is expected to remain stable and credit costs will remain at normalized levels.

Gold Financier under our coverage (Manappuram) is expected to report strong growth in the non-gold portfolio, while gold loan growth is likely to improve QoQ, supported by higher gold prices. Gold loan yields are expected to hold up and margins are likely to improve slightly. Asset quality improvement is likely to continue. Comments on growth opportunities owing to a ban on a leading gold financier will be keenly eyed.

Diversified NBFCs – BAF and MASFIN will report healthy AUM growth. However, margin pressures will continue to linger for BAF, while MAS could report steady NIMs. Asset quality is expected to remain stable during the quarter. The growth outlook hereon will remain a key focus area.

Small Finance Banks – Business Momentum Healthy; Margin Pressures Persist!

The disbursement growth across most segments has continued to remain buoyant, thereby driving strong credit growth for SFBs. Deposit growth momentum has continued to remain healthy for SFBs under our coverage, with AUSFB and UJSFB reporting an improvement in CASA Ratio. SFBs will continue to report margin contraction in the range of 10-15bps in Q4FY24. Opex ratios will continue to remain elevated to reflect the investment phase of these banks. Earnings growth is likely to be modest. Slippages during the quarter are expected to remain in control and asset quality is likely to remain stable. Credit costs are expected to remain steady providing some relief to earnings.

Microfinance – Growth Strong; Margins to Moderate!

Disbursement growth for Microfinanciers is expected to be healthy QoQ and should drive strong GLP growth for CREDAG (26-27% YoY). We believe the retail finance segment will gradually begin contributing to GLP growth. Margins are expected to contract slightly during the quarter owing to an increase in CoF and a rate cut implemented. Collections are expected to normalize and we do not expect any major asset quality challenges. ***We expect positive commentary from the management on growth momentum going forward.***

Diversified Financials – Broking, Credit Card Players and AMCs

Credit card issuer – SBI Cards is expected to witness modest growth in terms of CIF, while spends growth is expected to moderate after a strong festive season. NIMs are expected to contract marginally on the back of CoF pressures and an unchanged receivable mix. Credit costs are expected to remain elevated. Asset quality is expected to remain stable.

Broking revenue growth is likely to remain healthy aided by robust cash market volumes and continued strength in the derivatives segment. A pick-up in distribution will further support revenue growth for ISEC. Improvement of market share across segments will be keenly monitored. The C-I Ratio is expected to remain stable on a sequential basis.

We expect strong performance from **AMCs** under our coverage – Nippon Life India Asset Management (NAM) driven by strong AUM growth (~14% QoQ). This should drive healthy revenue growth during the quarter. However, yields are expected to be marginally lower in Q4FY24.

The key result plays are as follows:

Positive Result Plays:

Banks – ICICI Bank; SBI; HDFC Bank;

NBFCs – Manappuram Finance; Nippon AMC; Chola Inv. & Fin

Negative Result Plays: SBI Cards

Banks

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
HDFC Bank						→ Advances growth slowed down as focus shifts towards deposit mobilization; Deposit growth improves QoQ → Margins are likely to remain stable sequentially → Stable Opex ratios and support from stake sale to non-interest income are expected to keep PPOP growth healthy → Asset quality to remain stable; Credit costs expected to be slightly lower QoQ → **Key Monitorables**: (1) Management commentary on Business Growth (2) Margin improvement Trajectory hereon (positive commentary expected)
NII	29,356	28,471	3.1%	23,352	25.7%	
Non-Interest Income	11,912	11,137	7.0%	8,731	36.4%	
PPOP	24,393	23,647	3.2%	18,621	31.0%	
Provision	3,418	4,217	-19.0%	2,685	27.3%	
Net Profit	15,755	16,373	-3.8%	12,047	30.8%	
EPS	20.8	21.6	-3.8%	21.6	-3.8%	
ICICI Bank						→ Advances growth is expected to be healthy at ~17% YoY, led by the Retail and SME segment; Deposit growth is expected to improve sequentially → Quantum of margin compression likely to be lower QoQ → Healthy fee income and largely stable cost ratios to support PPOP growth → Reversal of AIF-related provisions to keep credit costs lower QoQ; no challenges on asset quality → **Key Monitorables**: (1) NIM outlook, (2) Comments on growth in the unsecured book
NII	19,190	18,679	2.7%	17,667	8.6%	
Non-Interest Income	6,167	6,097	1.1%	5,088	21.2%	
PPOP	14,915	14,724	1.3%	13,826	7.9%	
Provision	886	1,049	-15.6%	1,620	-45.3%	
Net Profit	10,538	10,272	2.6%	9,122	15.5%	
EPS	15.0	14.6	2.6%	13.1	15.0%	
Kotak Mahindra Bank						→ Business growth momentum is expected to remain healthy; Growth in the unsecured portfolio likely to continue → Margin contraction likely to be visible → Cost ratios are expected to remain stable, supporting operational profitability → Stable credit costs to support earnings; Asset Quality to remain in control → **Key Monitorables**: (1) Commentary on NIMs and (2) Growth outlook, especially the growth trajectory hereon in the unsecured book
NII	6,724	6,554	2.6%	6,103	10.2%	
Non-Interest Income	2,556	2,297	11.3%	2,186	16.9%	
PPOP	5,117	4,566	12.1%	4,648	10.1%	
Provision	565	579	-2.5%	148	282.7%	
Net Profit	3,431	3,005	14.2%	3,496	-1.9%	
EPS	17.3	15.1	14.2%	17.6	-1.9%	

Banks

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
State Bank of India						→ Advances and deposits growth is expected to remain healthy at ~14/11% YoY respectively → NII growth to be muted; NIMs likely to remain largely steady QoQ with a possibility of slight compression → Opex is likely to remain marginally higher to account for wage revision, though PPOP to improve QoQ → Credit cost to remain benign, Asset quality to remain stable → **Key Monitorables**: (1) Comments on unsecured loan growth and capital adequacy; (2) Loan book traction
NII	40,937	39,816	2.8%	40,393	1.3%	
Other Income	13,846	11,459	20.8%	13,961	-0.8%	
PPOP	21,181	20,337	4.2%	24,621	-14.0%	
Provision	1,827	688	165.6%	3,316	-44.9%	
Net Profit	14,135	9,165	54.2%	16,695	-15.3%	
EPS	15.8	10.3	54.2%	18.7	-15.3%	
Bank of Baroda						→ Deposit growth improves QoQ; Domestic loan growth healthy → Margins are likely to remain largely stable QoQ with a slight downward bias → Earnings growth expected to remain modest YoY/QoQ → Fresh slippages to remain in control; Asset Quality improvement to continue → **Key Monitorables**: (1) Asset quality outlook and (2) Loan book traction
NII	11,439	11,101	3.0%	11,525	-0.7%	
Other Income	3,337	2,810	18.7%	3,466	-3.7%	
PPOP	7,463	7,015	6.4%	8,073	-7.6%	
Provision	889	666	33.4%	1,421	-37.4%	
Net Profit	4,742	4,579	3.5%	4,775	-0.7%	
EPS	9.2	8.8	3.5%	9.2	-0.7%	
Federal Bank						→ Advances growth momentum strong; Deposit growth picks up. → Improvement in growth and mix of higher-yielding segments in the portfolio is likely; Margins are expected to remain flat QoQ → Cost ratios are likely to stay slightly inflated due to some impact of wage revision; PPOP growth to remain in check → Credit costs to remain largely steady; Asset Quality to remain stable → **Key Monitorables**: (1) Growth and NIM outlook; (2) Comments on management transition
NII	2,175	2,123	2.4%	1,909	13.9%	
Other Income	872	863	1.1%	734	18.8%	
PPOP	1,413	1,437	-1.7%	1,335	5.9%	
Provision	104	91	14.0%	117	-10.9%	
Net Profit	979	1,007	-2.8%	903	8.5%	
EPS	4.0	4.1	-2.8%	4.3	-5.7%	

Banks

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Karnataka Bank						
NII	838	828	1.2%	860	-2.6%	➔ Advances growth is expected to remain fairly healthy; Deposit growth likely to improve ➔ Margin compression to continue; NIMs expected to decline by ~8bps ➔ Opex growth to remain elevated weighing on the C-I Ratio ➔ Credit costs and Asset quality to remain largely stable ➔ **Key Monitorables**: (1) Outlook on Cost Ratio trajectory and (2) Loan growth for FY25
Other Income	385	326	18.0%	395	-2.6%	
PPOP	587	540	8.7%	686	-14.4%	
Provision	159	144	10.0%	253	-37.3%	
Net Profit	358	331	8.2%	354	1.3%	
EPS	11.5	10.6	8.2%	11.3	1.3%	
IDFC First Bank						
NII	4,484	4,287	4.6%	3,597	24.7%	➔ Advances and Deposit growth momentum expected to remain strong ➔ NII growth to remain healthy; Margins likely to remain broadly stable ➔ Cost Ratios to continue to remain elevated weighing on operational profitability ➔ Asset Quality improvement to continue; Credit costs to remain stable ➔ **Key Monitorables**: (1) NIM and cost-to-income outlook; (2) Growth outlook
Other Income	1,595	1,517	5.2%	1,397	14.1%	
PPOP	1,572	1,562	0.6%	1,559	0.9%	
Provision	652	655	-0.4%	482	35.3%	
Net Profit	725	716	1.3%	803	-9.7%	
EPS	1.1	1.1	1.3%	1.2	-9.7%	
City Union Bank						➔ Credit growth to remain significantly lower vs. peers/industry ➔ Margins are expected to compress slightly QoQ owing to CoF pressures ➔ Opex ratios are expected to remain slightly elevated though they will hover in the guided range; PPOP growth is to remain muted YoY ➔ Credit costs likely to remain steady; Asset quality to improve ➔ **Key Monitorables**: (1) Outlook on normalised return ratios (2) Comments on improvement in growth momentum
NII	529	516	2.5%	514	2.8%	
Other Income	214	193	11.0%	195	9.7%	
PPOP	393	364	8.1%	417	-5.7%	
Provision	57	46	23.9%	159	-64.2%	
Net Profit	268	253	5.8%	218	22.8%	
EPS	3.6	3.4	5.8%	2.9	23.0%	

Banks

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Bandhan Bank Ltd.						
NII	2,701	2,525	7.0%	2,472	9.3%	
Other Income	562	545	3.1%	629	-10.7%	
PPOP	1,766	1,655	6.7%	1,796	-1.6%	
Provision	725	684	6.0%	735	-1.3%	
Net Profit	785	733	7.2%	808	-2.8%	
EPS	4.9	4.5	7.2%	5.0	-2.8%	
DCB Bank Ltd.						
NII	490	474	3.3%	486	0.8%	
Other Income	135	124	9.3%	122	10.5%	
PPOP	230	212	8.8%	244	-5.7%	
Provision	45	41	9.8%	52	-14.3%	
Net Profit	137	127	8.5%	142	-3.4%	
EPS	4.4	4.1	8.5%	4.6	-3.6%	

Bandhan Bank Ltd. – Result expectations:

- ➔ Seasonally strong quarter for MFI likely to have supported advances growth; Deposit growth picks up
- ➔ Margins are likely to remain largely stable despite increased CoF to reflect the benefit of re-pricing in the EEB portfolio
- ➔ Credit costs likely to hover at ~250bps
- ➔ Slippages likely to taper QoQ; Expect improvement in the asset quality
- ➔ Key Monitorables: (1) Commentary on asset quality improvement and credit costs (2) Commentary on Growth, especially in the EEB segment

DCB Bank Ltd. – Result expectations:

- ➔ Deposit and Advance growth to remain healthy at ~18%+ YoY
- ➔ Margin likely to remain a shade lower QoQ; expect margins to decline in the range of ~5-8bps
- ➔ Opex ratios likely to remain elevated weighing on PPOP growth
- ➔ Credit costs to remain stable QoQ, Asset quality improvement to continue aided by better recoveries and lower slippages
- ➔ **Key Monitorables**: (1) NIM, Cost Ratio and RoA/RoE Outlook (2) Comments on seamless management transition

Small Finance Banks

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
AU Small Fin. Bank						➔ Advances growth continues to remain strong across both Retail and Commercial portfolios; Deposit growth improves ➔ Margin compression likely to be visible; Opex ratios to remain elevated impacting PPOP growth ➔ Credit costs to normalize, Delinquencies from credit card portfolio remain a key monitorable ➔ **Key Monitorables**: (1) Growth Outlook post-merger, (2) Comments on margin trajectory
NII	1,367	1,325	3.2%	1,213	12.7%	
Other Income	482	450	7.2%	333	44.7%	
PPOP	687	657	4.6%	571	20.3%	
Provision	177	159	11.2%	41	332.4%	
Net Profit	384	375	2.4%	425	-9.5%	
EPS	5.7	5.6	2.4%	3.2	80.4%	
Equitas Small Fin Bank						➔ Business growth continues to remain robust ➔ Margin compression to continue, though quantum would be modest ➔ Fee Income growth to remain healthy, Opex ratios to remain elevated ➔ Credit costs likely to remain stable QoQ, Asset quality improvement expected ➔ **Key Monitorables**: (1) Growth Outlook and progress on new products and (2) Comments on improvement in cost ratios
NII	811	785	3.3%	707	14.7%	
Other Income	218	205	6.3%	239	-8.5%	
PPOP	374	360	3.9%	386	-3.1%	
Provision	95	84	12.6%	126	-24.3%	
Net Profit	207	202	2.6%	190	9.0%	
EPS	1.8	1.8	3.5%	1.7	8.0%	
Ujjivan Small Fin. Bank						➔ Credit growth was healthy with healthy growth in MFI and Affordable Housing; the share of non-MFI loans improved. NIMs to remain stable despite increase in CoF as MFI book gets re-priced ➔ Elevated Opex ratios and normalizing credit costs to keep earnings growth in check ➔ Collections across buckets healthy, Asset quality stable QoQ ➔ **Key Monitorables**: (1) Pick-up in the secured business growth and overall credit growth and (2) Commentary on NIMs going forward
NII	901	860	4.8%	738	22.1%	
Other Income	182	185	-1.4%	179	1.8%	
PPOP	465	457	1.8%	411	13.4%	
Provision	79	63	25.6%	-2	N.M	
Net Profit	290	300	-3.3%	310	-6.2%	
EPS	1.7	1.7	-3.3%	1.6	6.1%	

NBFCs

Year- end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Bajaj Finance						
NII	8,110	7,655	5.9%	6,255	29.7%	➔ AUM Growth has remained healthy at ~6% QoQ ➔ Margins are likely to decline by ~10bps QoQ owing to an inch-up in CoF; the C-I Ratio to remain steady ➔ Credit costs (%) and Asset quality are expected to remain broadly stable QoQ ➔ **Key Monitorables**: (1) Commentary on sustenance of growth momentum and (2) Scale-up of new products
Other Income	1,709	1,643	4.0%	1,516	12.7%	
PPOP	6,499	6,142	5.8%	5,119	27.0%	
Provision	1,364	1,248	9.2%	859	58.7%	
Net Profit	3,813	3,639	4.8%	3,156	20.8%	
EPS	63.0	60.1	4.8%	52.2	20.6%	
CanFin Homes						
NII	336	329	2.1%	261	28.5%	➔ Disbursements are likely to improve QoQ; AUM growth to remain tepid at ~12% YoY ➔ Margins expected to contract by ~5-7bps QoQ ➔ Credit costs likely to normalize; Opex ratios to inch up ➔ Asset quality expected to remain largely stable QoQ ➔ **Key Monitorables**: (1) Commentary on Growth for FY25E and onwards, (2) Outlook on Margins
Other Income	9	7	27.0%	12	-26.2%	
Operating Profit	286	286	-0.1%	222	29.0%	
Provision	17	31	-44.8%	24	-28.6%	
Net Profit	211	200	5.3%	166	27.1%	
EPS	15.8	15.0	5.3%	12.5	27.1%	
Aptus Value Hsg Fin.						➔ Disbursement growth to pick up QoQ; AUM growth is seen at ~29% YoY ➔ NIM contraction will continue, though the quantum could be lower QoQ ➔ Opex Ratios to reflect the company's investments towards geographical expansion, marginal inch up in the C-A Ratio expected ➔ Credit costs expected at ~40bps; Asset quality to remain stable ➔ **Key Monitorables**: (1) Growth and Margins Outlook (2) Branch expansion strategy
NII	255	240	6.1%	213	19.6%	
Other Income	26	24	7.1%	18	45.8%	
Operating Profit	223	213	4.7%	184	21.2%	
Provision	8	8	0.0%	8	3.2%	
Net Profit	165	158	4.9%	135	22.2%	
EPS	3.3	3.2	5.6%	2.7	22.2%	

NBFCs

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Chola Invest.						➔ Disbursement momentum across segments is healthy driving strong AUM growth of ~35% YoY ➔ Margins are likely to improve by ~5bps QoQ ➔ Cost ratios are expected to remain stable QoQ; PPOP growth is expected to be healthy ➔ Credit costs to remain stable; No major asset quality challenges expected ➔ **Key Monitorables**: (1) Management outlook on AUM growth and (2) Credit cost outlook
NII	2,325	2,171	7.1%	1,765	31.8%	
Other Income	437	409	7.0%	295	48.2%	
Operating Profit	1,630	1,516	7.5%	1,273	28.0%	
Provision	386	359	7.6%	114	238.6%	
Net Profit	942	876	7.5%	853	10.4%	
EPS	11.4	10.7	7.5%	10.4	10.4%	
Sundaram Finance						➔ Strong disbursement and AUM growth are likely to be visible during the quarter ➔ Expect margins to remain flattish QoQ ➔ Asset quality to be maintained; credit costs broadly stable QoQ ➔ **Key Monitorables**: (1) Demand outlook (2) NIM trajectory
NII	525	501	4.7%	431	21.8%	
Other Income	173	157	10.3%	184	-6.1%	
Operating Profit	447	411	8.8%	422	6.1%	
Provision	27	21	25.2%	17	60.1%	
Net Profit	324	300	7.9%	316	2.3%	
EPS	29.2	27.0	7.9%	28.5	2.3%	
Manappuram Finance						➔ Non-gold loan book growth to outpace gold loan growth, AUM growth expected at ~22% YoY ➔ Gold loan yields are expected to remain stable, NIMs likely to improve marginally QoQ ➔ Opex expected to remain steady QoQ ➔ Credit costs to remain flat QoQ; No challenges on Asset quality ➔ **Key Monitorables**: (1) Management commentary on Gold loan growth for FY25 and (2) Asset quality of MFI/VF segment
NII	1,500	1,452	3.3%	1,125	33.3%	
Other Income	129	126	3.1%	85	53.1%	
Operating Profit	960	936	2.5%	614	56.4%	
Provision	156	150	4.3%	47	229.3%	
Net Profit	589	575	2.4%	415	41.9%	
EPS	7.0	6.8	2.4%	4.9	41.9%	

NBFCs

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
MAS Financial Services						
NII	113	107	6.4%	89	27.4%	➔ Disbursement and AUM growth momentum to continue, AUM growth expected at ~27% YoY ➔ Margins likely to remain largely stable QoQ ➔ Opex ratios to reflect the shift in sourcing mix towards direct distribution; the C-I Ratio is expected at ~32% ➔ Credit costs and Asset Quality are expected to remain stable QoQ ➔ **Key Monitorables**: (1) Branch expansion strategy (2) Outlook on return ratios
Other Income	58	55	4.7%	38	54.0%	
PPOP	116	110	5.4%	89	31.0%	
Provision	28	26	7.7%	18	51.8%	
Net Profit	65	62	4.7%	56	17.6%	
EPS	12.0	11.4	4.7%	10.2	17.6%	
CreditAccess Grameen						
NII	858	803	6.9%	619	38.6%	➔ AUM growth momentum to continue to remain healthy; AUM growth seen at ~26-27% YoY ➔ Margins to contract, quantum estimated at ~20bps QoQ ➔ Opex ratios are to be contained within the guided range; PPOP growth is expected to be healthy ➔ Asset quality to remain stable; Credit cost is expected to remain sub-2.5% ➔ **Key Monitorables**: (1) Management comments on scaling-up of Retail Finance Book (2) Growth and Margin trajectory going forward
Other Income	90	51	76.5%	101	-11.5%	
PPOP	674	602	12.1%	503	34.1%	
Provision	140	126	10.9%	105	32.9%	
Net Profit	397	353	12.4%	297	33.9%	
EPS	24.9	22.2	12.4%	18.7	33.7%	

Diversified Financials

Year - end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Nippon Life						➔ AUM growth expected to be robust at ~14% QoQ; driven by growth in equity markets ➔ Yields are expected to be marginally lower QoQ ➔ Opex ratio likely to remain steady QoQ ➔ **Key Monitorables**: (1) Outlook on AUM growth and improvement in share of Equity AUMs and (2) Sector outlook
Net revenue	473	423	11.8%	348	35.9%	
Operating Profit	290	259	11.8%	209	38.8%	
PAT	286	284	0.6%	198	44.4%	
EPS	4.6	4.6	0.6%	3.2	44.4%	
ICICI Securities Ltd.						➔ Strong cash market volumes along with continued momentum in derivative volumes to support broking income ➔ Distribution income is expected to remain healthy ➔ Improved primary market activity likely to support Inv. banking biz ➔ C-I Ratio likely to remain at sub-55% ➔ **Key Monitorables**: (1) Market share improvement across segments
Revenues	1,357	1,323	2.6%	885	53.4%	
EBITDA	955	911	4.8%	548	74.3%	
EBITDA Margin %	70.4%	68.9%		61.9%		
PAT	468	465	0.6%	263	78.1%	
EPS	14.5	14.4	0.6%	8.2	78.1%	

Diversified Financials

Year-end March (Rs Cr)	Q4FY24E	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
SBI Cards and Payment Services						➔ CIF growth expected to remain muted QoQ spends growth to slow down QoQ post a strong festive season ➔ Margins likely to see some pressure with an inch-up in CoF and an unchanged portfolio mix ➔ Opex ratios to remain under control and could taper QoQ ➔ Credit costs will continue to remain elevated, and Asset quality is likely to remain stable ➔ **Key Monitorables**: (1) Outlook on New customer additions and spends growth and (2) Comments on NIM and asset quality improvement levers
NII	1,449	1,387	4.5%	1,165	24.4%	
Other Income	2,709	2,659	1.9%	2,244	20.7%	
PPOP	1,762	1,621	8.7%	1,429	23.3%	
Provision	940	883	6.5%	630	49.2%	
Net Profit	612	549	11.5%	596	2.6%	
EPS	6.5	5.8	11.5%	6.3	2.6%	
SBI Life Insurance						➔ NBP growth is expected to remain healthy ➔ APE growth to remain healthy YoY, aided by NPAR and annuity products ➔ VNB Margins are likely to remain range-bound between 27-28% ➔ **Key Monitorables**: (1) Outlook on VNB Margin and 2) Comments on growth and changes in Product mix (if any)
Net Premium Earned	23,671	22,459	5.4%	20,014	18.3%	
Annual premium equivalent (APE)	5,127	6,130	-16.4%	4,570	12.2%	
VNB	1,418	1,680	-15.6%	1,440	-1.5%	
VNB Margin	27.7%	27.4%		31.6%		

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