



**ICICI Bank (ICICIB)** reported better than expected profit of Rs44 bn in Q4FY21 on the back of strong NII growth, contained OPEX and sharp decline in provisioning. Interest cost declined -8.3% YoY which provided a strong boost to NII which grew by 16.9% YoY, above our estimates. Other income remained weak due to decline in treasury income, though fee income witnessed improvement (6% YoY). NIM expanded significantly by 17bps sequentially to 3.84% mainly driven by healthy NII growth due to -8/+1 bps QoQ movement in CoF/YoA. Domestic NIM moved back to ~4% (3.94%) from 3.78% in Q3FY21. On business growth front, credit growth further improved to 11.5% YoY with sustained sequential pick up in corporate portfolio.

Gross slippages reported at Rs118.2 bn (proforma slippages of Rs83 bn in Q3) which came mainly due to retail slippages of Rs99.6 bn. As per mgmt, higher slippages from retail segment was on account of seasoning of portfolio which would normalize. Meanwhile we drive comfort from building strength in corporate portfolio with continued lower slippages from this segment (Rs18.6 bn in Q4). We expect lower corporate NPAs because of higher recognition of NPAs over the past years and underwriting to better rated corps (73% of loan book rated A or above as of Q4).

GNPA/NNPA improved to 4.96%/1.14% (from proforma of 5.42%/1.26% in Q3) with PCR at 77.8%, one of the best in the industry. Standard provisions at Rs141 bn including Rs75 bn of Covid related provision (Rs10 bn of contingent provisions made during the quarter) stood at 1.9% of loans thus providing comfort from the possible impact of second Covid wave. Restructuring book stood at 0.5% of loans by Q4 (0.4% in previous quarter) while the share of BB & below rated book also reduced to 1.8% of loans (2.0% of loans in Q3).

The impact of Covid second wave would be seen in next quarter as it may impact the collection efficiency. Though, higher secured nature of retail portfolio provides comforts. Further building strength in corporate portfolio is encouraging. Restoration of corporate credit growth, likely contained slippages and higher standard provisions will help to immune & boost profitability.

We maintain 'Buy' rating to ICICIB with revised target price of Rs735 (valuing standalone business at Rs595 derived at +1SD P/ABV of 2.4x FY23E ABV. Subsidiaries are valued at Rs140).

### NII growth remains strong driven by decline in CoF

ICICIB reported 16.9% YoY growth in NII because of the lower interest cost. Interest expenses declined by -8.3% YoY as CoF reduced by 8 bps QoQ. Interest income on the other hand rose by 3.4% YoY providing boost to NII. NIM improved by 17 bps to 4-quarter high of 3.84% in Q4FY21. Other income, however, contracted by -3.4% YoY due to negative treasury income as yield increased during the quarter. C/I rose to 41.3% in Q4 v/s 39.6% in Q3 primarily due to weak other income. Provisioning however declined by -51.7% YoY thus providing a boost to PAT which rose to Rs44 bn in Q4FY21.

### Advances growth pick-up; Corporate credit growth improves to double digit

Advances grew by 11.5% YoY on the back of strong growth in retail and SME segments. Retail credit grew by 19.9% YoY driven by housing (21.7% YoY), rural loans (26.9% YoY) and business banking (40.5% YoY). Corporate credit growth further improved to 10.1% YoY from 6.5% YoY in Q3 as with low CoF bank remains able to leverage short-term corporate opportunities. Deposits grew by 21% YoY within this, CASA grew by 24.1% YoY and term deposits by 18.4% YoY. CASA share improved to 46.3% in Q4FY21.

#### Rating Matrix

CMP	Rs621
Rating	Buy
Target Price	Rs735
Upside Potential	18.4%
52 week H/L	Rs679/286
Face value	Rs2
Mar. Cap.	Rs4,297 bn
Category	Large Cap
Sector	Banking

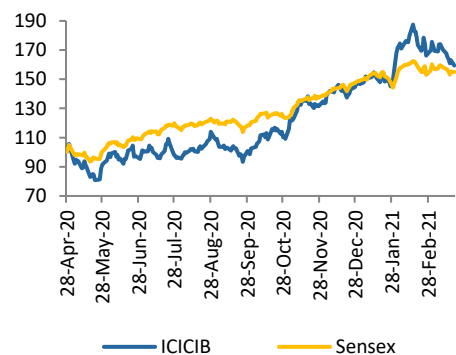
#### Shareholding Pattern

Particulars	Mar'21	Dec'20	Sep'20	Jun'20	Mar'20
Promoters	-	-	-	-	-
FPIs	47.8%	47.4%	45.7%	43.0%	43.7%
MFs	26.1%	26.4%	27.1%	28.3%	27.6%
Insti.	89.5%	89.9%	89.4%	88.7%	88.3%
Non. Inst.	10.1%	9.7%	10.2%	10.9%	11.3%

#### Quarterly Snapshot (Q4FY21)

Particulars	(Rs bn)	YoY (%)	QoQ (%)
NII	104.3	16.9%	5.2%
Other Income	41.1	-3.4%	-12.3%
Fee Income	38.2	6.0%	5.9%
OPEX	60.0	3.6%	3.9%
PPOP	85.4	15.6%	-3.2%
PAT	44.0	260.5%	-10.9%
Advances	7,337.3	11.5%	5.0%
Deposits	9,325.2	21.0%	6.7%
GNPA	413.7	-0.1%	18.7%
Slippage	118.2		

#### Relative Capital Market Strength



#### Key Financials (Rs bn)

Particulars	FY19	FY20	FY21	FY22E	FY23E
NII	270.1	332.7	389.9	432.9	501.6
Gr. (%)	17.3%	23.1%	17.2%	11.0%	15.9%
NIM	3.3%	3.6%	3.7%	3.6%	3.6%
PPOP	234.4	281.0	364.0	401.9	457.6
A.PAT	33.6	79.3	161.9	190.8	233.5
Eq./As. (%)	11.2%	10.6%	12.0%	11.4%	11.2%
RoE (%)	3.2%	7.1%	12.3%	12.3%	13.5%
CASA(%)	49.6%	45.1%	46.3%	46.2%	45.7%
GNPA (%)	7.4%	6.0%	5.4%	5.3%	4.8%
P/ABV (x)	4.3	3.8	3.2	2.8	2.5

### Five Quarters at a Glance

Particulars (Rs mn)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	YoY	QoQ
Interest Earned	1,91,886.8	1,99,243.5	1,96,224.6	1,97,297.9	1,98,416.7	3.4%	0.6%
Interest Expended	1,02,617.9	1,06,446.0	1,02,563.7	98,173.3	94,105.4	-8.3%	-4.1%
<b>NII</b>	<b>89,268.9</b>	<b>92,797.5</b>	<b>93,660.9</b>	<b>99,124.6</b>	<b>1,04,311.3</b>	<b>16.9%</b>	<b>5.2%</b>
Other Income	42,549.8	61,426.0	40,283.1	46,862.7	41,113.5	-3.4%	-12.3%
Fees & commissions	35,980.0	21,040.0	31,390.0	36,010.0	38,150.0	6.0%	5.9%
Total Income	1,31,818.7	1,54,223.5	1,33,944.0	1,45,987.3	1,45,424.8	10.3%	-0.4%
OPEX	57,917.8	46,459.0	51,333.1	57,789.7	60,026.5	3.6%	3.9%
<b>PPOP</b>	<b>73,900.9</b>	<b>1,07,764.5</b>	<b>82,610.9</b>	<b>88,197.6</b>	<b>85,398.3</b>	<b>15.6%</b>	<b>-3.2%</b>
P&C (incl NPA)	59,674.4	75,939.5	29,952.7	27,417.2	28,834.7	-51.7%	5.2%
PBT	14,226.5	31,825.0	52,658.2	60,780.4	56,563.6	297.6%	-6.9%
Tax	2,012.9	5,833.5	10,144.9	11,384.5	12,537.5	522.9%	10.1%
<b>Net Profit</b>	<b>12,213.6</b>	<b>25,991.5</b>	<b>42,513.3</b>	<b>49,395.9</b>	<b>44,026.1</b>	<b>260.5%</b>	<b>-10.9%</b>
Outstanding Shares	6,566.5	6,530.5	6,758.9	7,006.5	7,044.2	7.3%	0.5%
Dil. EPS (Rs)	1.9	4.0	6.3	7.1	6.3	236.0%	-11.3%
<b>Balance Sheet items/ratios (Rs bn)</b>							
Deposits	7,709.7	8,016.2	8,329.4	8,743.5	9,325.2	21.0%	6.7%
CA Deposits	1,022.3	957.8	1,075.2	1,167.4	1,361.7	33.2%	16.6%
SB Deposits	2,455.9	2,448.4	2,570.6	2,786.7	2,954.5	20.3%	6.0%
CASA	3,478.2	3,406.2	3,645.8	3,954.2	4,316.2	24.1%	9.2%
Term Deposits	4,231.5	4,610.1	4,683.6	4,789.3	5,009.0	18.4%	4.6%
Advances	<b>6578.2</b>	<b>6,312.2</b>	<b>6,526.1</b>	<b>6,990.2</b>	<b>7,337.3</b>	<b>11.5%</b>	<b>5.0%</b>
CD (%)	85.3%	78.7%	78.4%	79.9%	78.7%		
CASA Share (%)	45.1%	42.5%	43.8%	45.2%	46.3%		
CAR(%)	16.1%	16.0%	18.5%	18.0%	19.1%		
Tier 1 (%)	14.7%	14.6%	17.0%	16.7%	18.1%		
CET 1 (%)	13.4%	13.3%	15.7%	15.3%	16.8%		
<b>Operating ratios</b>							
Credit cost (%)	1.2%	1.7%	1.3%	1.3%	1.3%		
Yield on Advances (Y)	9.4%	9.4%	8.9%	8.4%	8.5%		
Cost of Funds (CoF)	4.9%	5.2%	4.4%	4.1%	4.0%		
NIM(%)	<b>3.87%</b>	<b>3.69%</b>	<b>3.57%</b>	<b>3.67%</b>	<b>3.84%</b>		
Cost-Income (%)	43.9%	30.1%	38.3%	39.6%	41.3%		
Tax Rate (%)	23.8%	41.9%	175.8%	221.7%	196.2%		
<b>Assets Quality</b>							
Gross NPA	414.1	403.9	389.9	348.6	413.7	-0.1%	18.7%
Net NPA	101.1	86.8	71.9	48.6	91.8	-9.2%	88.9%
GNPA/ Gross consum	6.01%	5.46%	5.17%	4.38%	4.96%		
NNPA/ Net consumer	<b>1.54%</b>	<b>1.23%</b>	<b>1.00%</b>	<b>0.63%</b>	<b>1.14%</b>		
PCR (%)	75.6%	78.5%	81.6%	86.1%	77.8%		
RoA(%) (Annualized)	0.4%	0.4%	1.5%	1.7%	1.5%		
<b>Slippages</b>							
Net standard restruct	2.9	2.9	3.3	3.8	31.8		
RA % of loan book	0.04%	0.05%	0.05%	0.05%	0.43%		
Gross slippages	<b>53.06</b>	<b>11.60</b>	<b>30.17</b>	<b>4.71</b>	<b>118.18</b>	122.7%	
R&U	18.83	7.57	19.45	17.76	25.60		
Write-offs	54.68	14.26	24.69	28.24	27.45		
Slippages (Net Additi	-20.45	-10.23	-13.97	-41.29	65.13		
Slippages (%)	0.8%	0.2%	0.5%	0.1%	1.7%		
Prov. for NPA in qtr	73.90	107.76	82.61	88.20	85.40		
<b>Advances Break-Out</b>							
Retail Advances	4,080.0	4,045.8	4,295.8	4,587.8	4,892.2	19.9%	6.6%
Corporate Credit	1,604.7	1,587.8	1,573.6	1,700.8	1,766.4	10.1%	3.9%
SME	228.5	208.6	233.4	270.9	302.8	32.5%	11.8%
Foreign Loans	539.7	470.3	423.3	430.6	375.9	-30.3%	-12.7%
<b>Retail Advances Break-Out</b>							
Housing	2,002	2,011	2,117	2,258	2,437	21.7%	7.9%
Personal Loans	453	440	445	464	493	9.0%	6.4%
Credit Cards	157	147	155	173	173	10.6%	0.3%
Vehicles Loans	583	575	598	624	642	10.0%	2.7%
Rural Loans	569	572	616	674	722	26.9%	7.1%
Business Banking	266	259	311	350	373	40.5%	6.7%
Others	51	42	53	45	53	3.5%	16.0%
<b>Network</b>							
ATMs	15,688	15,661	15,158	14,655	14,136	-9.9%	-3.5%
Branches	5,324	5,324	5,288	5,267	5,266	-1.1%	0.0%
Business per branch	2.7	2.7	2.8	3.0	3.2	17.9%	5.9%

#### Q4FY21 key result highlights

NII grew by 16.9% YoY due to lower interest cost

NIM rose by 17bps QoQ to 3.84%

Increase in yield impacted treasury income

PPOP rose by 15.6% YoY supported by healthy NII growth low OPEX.

Profitability remained strong during Q4FY21.

Deposits growth continue to outpace advances.

Advances growth picked up to 11.5% YoY

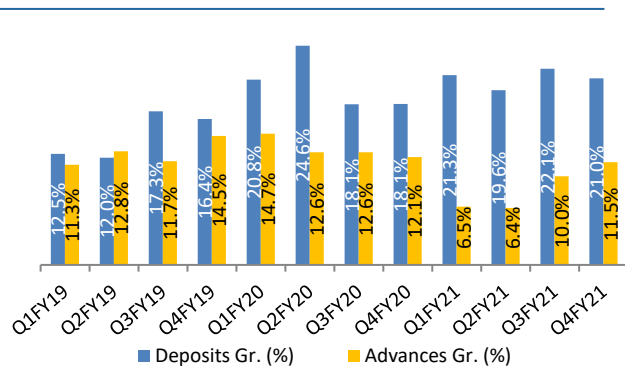
Corporate loans growth further revived

Particulars (Rs mn)	Q4FY21 Estimated	Q4FY21 Actual	Var. (%)	Comments
Interest Earned	1,94,121.1	1,98,416.7	2.2%	In line with our estimate
Interest Expenses	98,000.0	94,105.4	-4.0%	CoF declined higher than expectation
NII	96,121.1	1,04,311.3	8.5%	Driven by decline in interest cost
Other Income	48,895.1	41,113.5	-15.9%	Weak treasury income weighed on other income
Total Income	1,45,016.2	1,45,424.8	0.3%	In line with our estimate
OPEX	61,042.4	60,026.5	-1.7%	In line with our estimate
P&C	32,237.6	28,834.7	-10.6%	Lower provisioning due to low slippages from corporate & SME book
PAT	38,233.0	44,026.1	15.2%	PAT got boost from higher NII growth
Deposits	90,18,359.7	93,25,220.0	3.4%	In line with our estimate
Advances	71,08,686.5	73,37,290.0	3.2%	Corporate loan growth picked up significantly
GNPA	4,37,555.4	4,13,734.2	-5.4%	GNPA almost in line with estimates

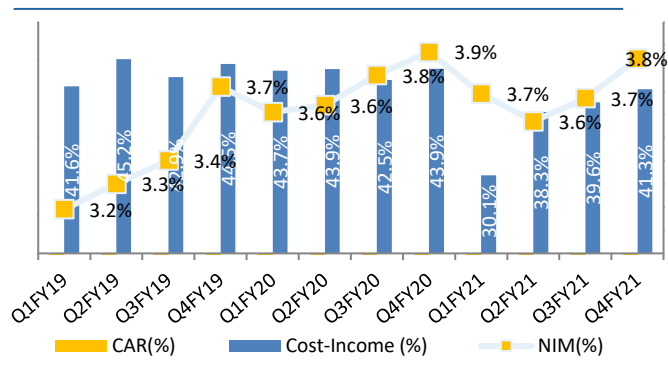
#### Change in Estimates

(Rs bn)	Old		Revised		Change (%)	
	FY22E	FY23E	FY22E	FY23	FY22E	FY22E
Interest Earned	873.2	1,031.0	867.9	1,034.3	-0.6%	0.3%
Interest Expended	442.4	537.1	435.1	532.7	-1.7%	-0.8%
NII	430.8	493.9	432.9	501.6	0.5%	1.5%
Other Income	207.5	234.7	217.9	247.7	5.0%	5.5%
OPEX	245.2	286.0	248.8	291.7	1.5%	2.0%
P&C	139.4	130.6	143.7	141.6	3.1%	8.5%
PAT	187.5	230.6	190.8	233.5	1.8%	1.2%
Deposits	10,096.8	11,435.2	10,785.8	12,286.1	6.8%	7.4%
Advances	8,087.9	9,077.7	8,308.3	9,356.8	2.7%	3.1%
GNPA	471.6	470.7	461.4	468.4	-2.2%	-0.5%
Adj. BVPS (Rs)	214.7	240.9	218.1	245.3	1.6%	1.8%

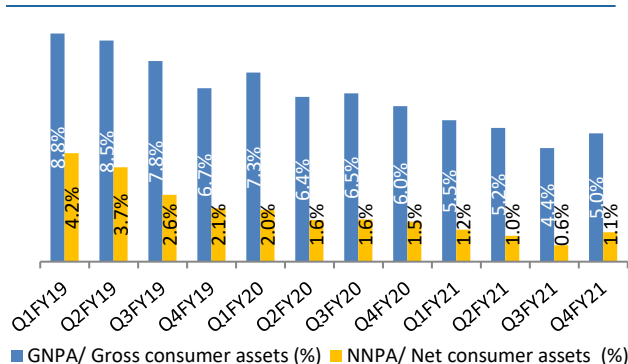
#### Business growth trend



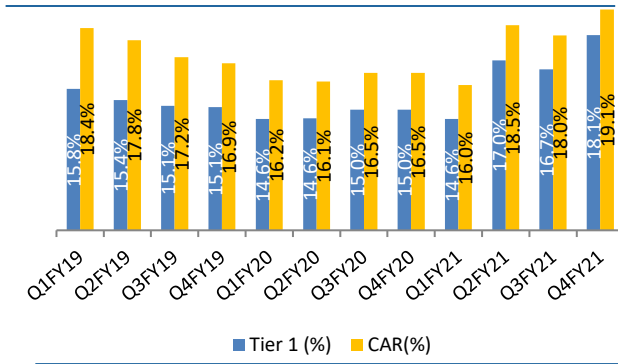
#### Trend in CASA, C/I and NIM



#### Assets quality remains stable



#### Trend in CAR



### Key Q4FY21 mgmt's con-call highlights:

- Fund based restructuring under RBI's one time restructuring window was at Rs39.3 bn or 0.5% of loans v/s 0.4% of loans or Rs25.5 bn. Restructuring book includes Rs20.1 bn from retail portfolio and Rs19.1 bn from corporate & SME. Bank holds 18% or Rs7.2 bn of provisions against these loans.
- BB & below book was lower to Rs131.0bn (1.8% of loans) v/s 136.5bn (2.0% of loans) in Q3FY21.
- Bank made Rs10 bn of additional contingent provisions taking the total Covid related provisions to Rs75 bn or 100 bps of loans. Additional contingent provisions was made in the wake of second Coronavirus wave in the country.
- As per the mgmt, formation of NPAs in FY22 will depend upon the trajectory of the second wave of Covid-19.
- Bank has adopted conservative provisioning approach in earlier buckets which led to Rs21 bn of provisions.
- Restructuring in corporate book was mainly from the BB & below rated pool.
- Fee income was impacted by low loan processing fees
- C/I to trend lower in the medium to long term as higher income to offset the impact of increase in tech related expenses.
- As per the mgmt, the bank will continue to focus on risk-calibrated lending and customer centric approach. Credit delivery has improved. Bank's focus to remain on utilizing upselling & cross selling to existing customer base.
- Corporate segment profitability is increasing due to lower credit cost, traction in fee income through focus on transaction banking, short term capital deployment opportunities and lower CoF.
- The bank has increased its market share. Market share gain could be attributed to 60% on credit delivery, 20% to decline in competitive intensity and 20% to technology initiatives.
- ECLGS disbursement stood at Rs120bn in 1.0. The bank has disbursed only Rs15bn under 2.0- 3.0.

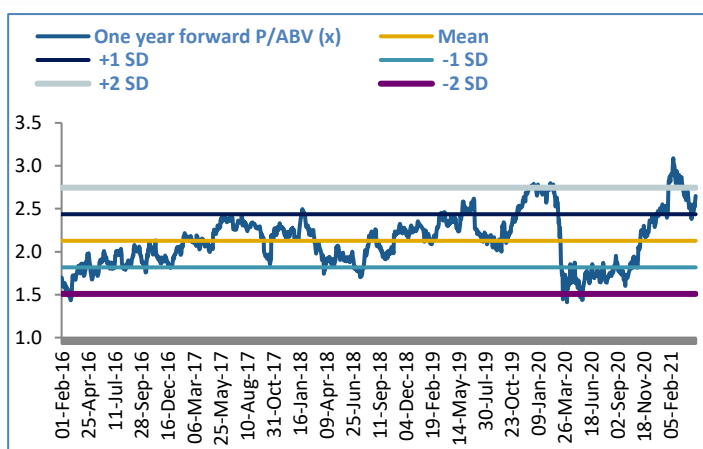
## Valuation and View

The impact of Covid second wave would be seen in next quarter as it may impact the collection efficiency. Though, higher secured nature of retail portfolio provides comforts. Further building strength in corporate portfolio is encouraging. Restoration of corporate credit growth, likely contained slippages and higher standard provision will help to immune & boost profitability.

We maintain 'Buy' rating to ICICIB with revised target price of Rs735 (valuing standalone business at Rs595 derived at +1SD P/ABV of 2.4x FY23E ABV. Subsidiaries are valued at Rs140).

P/ABV Valuation	FY19	FY20	FY21	FY22E	FY23E
Adjusted BVPS (Rs)	145.0	162.3	196.4	218.1	245.3
<b>Valuation Parameters</b>					
P/ABV (x)	2.4				

Sum-of-the-parts valuation (SOTP)	Holding (%)	Value/Share (Rs/S)	Basis
<b>ICICIB</b>	<b>100.0%</b>	<b>595</b>	<b>2.4x FY23E ABV</b>
ICICI Securities	75.0%	16	Prevailing market valuation
ICICI Prudential life insurance	51.4%	56	Prevailing market valuation
ICICI Lombard General insurance	51.9%	48	Prevailing market valuation
ICICI AMC	51.0%	19	7% of AUM
Housing finance business	100.0%	3	ABV basis
Overseas banking subsidiaries		33	
<b>Value of subsidiaries</b>		<b>175</b>	
Less: Holding company discount		20%	
<b>Value of subsidiaries after holding discount</b>		<b>140</b>	
<b>Value of consolidate business</b>		<b>675</b>	



Source: Choice Broking Research

## Financial statements (Standalone, Rs mn)

### Profit And Loss Statement

Particulars	FY19	FY20	FY21	FY22E	FY23E
Interest Income	6,34,011.9	7,47,983.2	7,91,182.7	8,67,948.9	10,34,310.8
Growth (%)	15.3%	18.0%	5.8%	9.7%	19.2%
Interest Expended	3,63,864.0	4,15,312.5	4,01,288.4	4,35,052.9	5,32,728.0
Growth (%)	13.9%	14.1%	-3.4%	8.4%	22.5%
<b>Net Interest Income</b>	<b>2,70,147.9</b>	<b>3,32,670.7</b>	<b>3,89,894.3</b>	<b>4,32,896.0</b>	<b>5,01,582.7</b>
Net Interest Margin	3.32%	3.62%	3.71%	3.56%	3.56%
Other Income	1,45,121.7	1,64,486.2	1,89,685.3	2,17,875.1	2,47,673.5
% of Interest Income	22.9%	22.0%	24.0%	25.1%	23.9%
Total Income	4,15,269.6	4,97,156.9	5,79,579.6	6,50,771.1	7,49,256.3
Growth (%)	2.7%	19.7%	16.6%	12.3%	15.1%
Operating expenses	1,80,890.6	2,16,144.1	2,15,608.3	2,48,825.6	2,91,705.3
PPOP	<b>2,34,379.0</b>	<b>2,81,012.8</b>	<b>3,63,971.3</b>	<b>4,01,945.5</b>	<b>4,57,551.0</b>
P&C	1,96,611.4	1,40,532.4	1,62,144.1	1,43,724.0	1,41,616.8
P&C % of Advances	3.4%	2.2%	2.2%	1.7%	1.5%
Operating Profit before Tax	37,767.6	1,40,480.4	2,01,827.2	2,58,221.4	3,15,934.2
Growth (%)	-49.2%	272.0%	43.7%	27.9%	22.4%
Pre-tax Margin %	9.1%	28.3%	34.8%	39.7%	42.2%
Tax	4,134.6	61,172.3	39,900.4	67,395.8	82,458.8
% of PBT	10.9%	43.5%	19.8%	26.1%	26.1%
Reported PAT	33,633.0	79,308.1	1,61,926.8	1,90,825.6	2,33,475.4
Net Profit Margin %	8.1%	16.0%	27.9%	29.3%	31.2%
Extraordinary Income	0.0	0.0	0.0	0.0	0.0
<b>Adjusted PAT</b>	<b>33,633.0</b>	<b>79,308.1</b>	<b>1,61,926.8</b>	<b>1,90,825.6</b>	<b>2,33,475.4</b>
Growth (%)	-50.4%	135.8%	104.2%	17.8%	22.4%

Balance Sheet	FY19	FY20	FY21	FY22E	FY23E
<b>ASSETS</b>					
Cash with RBI & Banks	8,02,962.9	11,91,557.4	13,31,282.5	18,35,158.7	21,84,047.3
Investments	20,77,326.8	24,95,314.8	28,12,865.4	34,36,942.8	38,95,717.6
Advances	58,66,465.8	64,52,900.0	73,37,290.0	83,08,303.2	93,56,785.6
Fixed assets	79,314.3	84,102.9	88,775.8	76,197.7	75,101.9
Other assets	8,18,521.7	7,59,776.7	7,34,112.2	6,68,294.4	7,57,500.6
<b>TOTAL ASSETS</b>	<b>96,44,591.5</b>	<b>1,09,83,651.1</b>	<b>1,23,04,325.9</b>	<b>1,43,24,896.9</b>	<b>1,62,69,153.3</b>

CAPITAL AND LIABILITIES	FY19	FY20	FY21	FY22E	FY23E
<b>LIABILITIES</b>					
Capital	12,894.6	12,947.6	13,834.1	13,834.1	13,834.1
Reserves and Surplus	10,70,785.9	11,52,096.5	14,61,257.7	16,15,826.5	18,04,941.5
Deposits	65,29,196.7	77,09,690.0	93,25,220.0	1,07,85,823.6	1,22,86,089.9
Borrowings	16,53,199.7	16,28,967.6	9,16,309.6	13,36,588.9	15,15,001.3
Other liabilities and provisions	3,78,514.6	4,79,949.9	5,87,703.8	5,72,823.8	6,49,286.3
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>96,44,591.5</b>	<b>1,09,83,651.1</b>	<b>1,23,04,325.2</b>	<b>1,43,24,896.9</b>	<b>1,62,69,153.3</b>

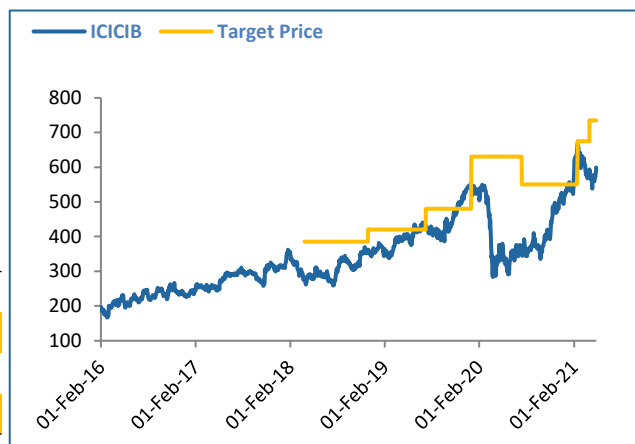
Financial Ratios	FY19	FY20	FY21	FY22E	FY23E
<b>Return / Profitability Ratios (%)</b>					
NIM	3.32%	3.62%	3.71%	3.56%	3.56%
Yield on advances	8.7%	9.3%	8.3%	8.2%	8.8%
Yield on investments (ex. trading profit)	6.2%	6.4%	6.2%	5.7%	5.5%
EPS (Diluted) (Rs)	5.1	12.1	23.0	27.1	33.1
RoA	0.4%	0.8%	1.4%	1.4%	1.5%
RoE	3.2%	7.1%	12.3%	12.3%	13.5%
Cost of Deposits	4.4%	3.9%	3.3%	3.8%	4.4%
<b>Operating ratios (%)</b>					
Credit to Deposit	89.8%	83.7%	78.7%	77.0%	76.2%
Cost to income	43.6%	43.5%	37.2%	38.2%	38.9%
CASA	49.6%	45.1%	46.3%	46.2%	45.7%
Investment / Deposit	31.8%	32.4%	30.2%	31.9%	31.7%
Non interest income / Total income	34.9%	33.1%	32.7%	33.5%	33.1%
<b>Capitalization Ratios (%)</b>					
Equity / Assets	11.2%	10.6%	12.0%	11.4%	11.2%
Loans / Assets	60.8%	58.8%	59.6%	58.0%	57.5%
Investments / Assets	21.5%	22.7%	22.9%	24.0%	23.9%
Dividend payout	19.5%	0.0%	8.7%	19.0%	19.0%
<b>Capital adequacy (%)</b>					
Tier-1 CAR	15.1%	14.7%	18.1%	14.9%	14.7%
Tier-2 CAR	1.8%	1.4%	1.0%	1.8%	1.8%
CAR (Basel III)	16.9%	16.1%	19.1%	16.7%	16.6%
<b>Asset Quality ratios (%)</b>					
Gross NPA	7.4%	6.0%	5.4%	5.3%	4.8%
Net NPA	2.3%	1.5%	1.3%	1.1%	1.0%
Coverage Ratio	70.6%	75.7%	81.0%	79.8%	80.6%
Slippage Ratio	2.5%	2.5%	2.4%	2.9%	2.3%
<b>Per Share Data (Rs)</b>					
EPS (Diluted)	5.1	12.1	23.0	27.1	33.1
DPS	1.0	0.0	2.0	5.1	6.3
BVPS	165.5	177.4	209.4	231.3	258.2
Adjusted BVPS	145.0	162.3	196.4	218.1	245.3
<b>Valuation ratios (x)</b>					
P/E (x)	120.9	51.4	27.0	22.9	18.7
P/BV (x)	3.8	3.5	3.0	2.7	2.4
P/ABV (x)	4.3	3.8	3.2	2.8	2.5
<b>Growth ratios (%)</b>					
Advances	14.5%	10.0%	13.7%	13.2%	12.6%
Deposits	16.4%	18.1%	21.0%	15.7%	13.9%
Net interest income	17.3%	23.1%	17.2%	11.0%	15.9%
Interest income	15.3%	18.0%	5.8%	9.7%	19.2%
PAT	-50.4%	135.8%	104.2%	17.8%	22.4%
<b>Business ratios</b>					
Profit per branch (Rs mn)	6.9	14.9	30.7	34.9	41.9
Business per branch (Rs mn)	2,543.2	2,660.1	3,164.2	3,493.3	3,888.4

Source: Choice Broking Research

### Choice's Rating Rationale

The price target for a large cap stock represents the value the analyst expects the stock to reach over next 12 months. For a stock to be classified as Outperform (Buy), the expected return must exceed the local risk free return by at least 5% over the next 12 months. For a stock to be classified as Underperform (Reduce, Sell), the stock return must be below the local risk free return by at least 5% over the next 12 months. Stocks between these bands are classified as Neutral (Hold).

BUY	Absolute Return >15%
Hold	Absolute Return Between 0-15%
Reduce	Absolute Return 0 To Negative 10%
Sell	Absolute Return > Negative 10%



### Equity Research Team

Name	Designation	Email id
Sundar Sanmukhanis	Head of Research - Fundamental	sanmukhanis@choiceindia.com
Satish Kumar	Research Analyst	satish.kumar@choiceindia.com
Rajnath Yadav	Research Analyst	rajnath.yadav@choiceindia.com
Ankit Pareek	Research Associate	ankit.pareek@choiceindia.com
Siddhi Acharya	Research Intern	siddhi.acharya@choiceindia.com
Yug Tibrewal	Research Intern	yug.tibrewal@choiceindia.com

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You can contact us on: 022 - 6707 9999



### Choice Equity Broking Pvt. Ltd.

Choice House, Shree Shakambhari Corporate Park, Plt No: -156-158,  
J.B. Nagar, Andheri (East), Mumbai - 400 099.

+91-022-6707 9999

+91-022-6707 9959

www.choiceindia.com

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