

October 26, 2024

RESULT REPORT Q2 FY25 | Sector: Banks

ICICI Bank Ltd

ICICI retains the coveted mantle of “boring bank”

Our view – By “boring”, we imply a picture of stability

Asset Quality – Slippages remained broadly under control, undergoing a moderate sequential decline: Gross NPA additions amounted to Rs 50.73bn for 2QFY25, translating to an annualized slippage ratio of 1.6% for the quarter. Gross NPA additions had amounted to Rs 59.16bn during 1QFY25. It may be noted that agri slippages are usually odd quarter phenomena. Provisions were Rs 12.33bn, down by -7.4% QoQ but up by 111.6% YoY, translating to calculated annualised credit cost of 39bps. The bank repeated that there will be a gradual normalization of credit cost but it will remain below historical levels.

Net Interest Margin - NIM saw a marginal contraction sequentially while management guided for stable margin before rate cuts: NIM was 4.27%, down -9bps QoQ and -26bps YoY. The yield on advances was at 9.73%, down by -7bps QoQ. The yield on advances was negatively impacted due to this being a longer quarter, due to the calculation approach adopted. NIM is expected to be broadly stable in 2H compared with 1H, until rate cuts start. When there is a rate cut cycle, there will be a lead lag impact but the cycle is expected to be shallow.

Balance sheet growth – Total advances have grown 15.7% YoY with non-corporate segments driving growth: Total advances have grown 15.0% YoY and 4.4% QoQ. Retail loans have grown 14.2% YoY and 2.9% QoQ, Rural loans have grown by 16.5% YoY and 1.7% QoQ and Business banking book has grown 30% YoY and 10.7% QoQ. The deposits were at Rs 14,978 bn, up by 5.0% QoQ and 15.7% YoY.

We maintain ‘Buy’ rating on ICICI with an unchanged price target of Rs 1525: We value the standalone bank at 2.8x FY26 P/BV for an FY25/26/27E RoE profile of 17.0/16.2/16.4%. We assign a value of Rs 255 per share to the subsidiaries, on SOTP.

(See Comprehensive con call takeaways on page 2 for significant incremental colour.)

Result Highlights (See “Our View” above for elaboration and insight)

- **Opex control:** Total cost to income ratio at 38.6% was down by -108/-235bps QoQ/YoY and the Cost to assets was at 2.2% down by -7/-17bps QoQ/YoY.
- **Fee income:** Core fee income to average assets was at 1.2%, up/down 5/-2bps QoQ/YoY.

Exhibit 1: Result table

Particulars (Rs mn)	Q2 FY25	Q1 FY25	% qoq	Q2 FY24	% yoy
Total Interest Income	405,374	389,958	4.0	349,204	16.1
Interest Expense	(204,894)	(194,429)	5.4	(166,125)	23.3
Net Interest Income	200,480	195,529	2.5	183,079	9.5
Fee Income	58,940	54,900	7.4	52,040	13.3
Non-fee Income	12,827	15,119	(15.2)	5,727	124.0
Total Non-Interest Income	71,767	70,019	2.5	57,767	24.2
Total Income	272,246	265,548	2.5	240,846	13.0
Employee Expense	(41,361)	(43,705)	(5.4)	(37,254)	11.0
Non-employee Opex	(63,653)	(61,595)	3.3	(61,299)	3.8
Total Operating expenses	(105,015)	(105,300)	(0.3)	(98,553)	6.6
PPOP	167,232	160,248	4.4	142,293	17.5
Provisions	(12,331)	(13,322)	(7.4)	(5,826)	111.6
PBT	154,901	146,927	5.4	136,466	13.5
Tax	(37,442)	(36,336)	3.0	(33,856)	10.6
PAT	117,459	110,591	6.2	102,610	14.5

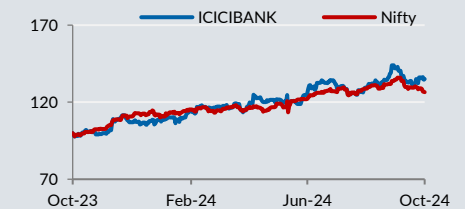
Source: Company, YES Sec-Research

Recommendation	: BUY
Current price	: Rs 1,255
Target Price	: Rs 1,525
Potential Return	: +21%

Stock data (as on October 25, 2024)

Nifty	24,181
52 Week h/l (Rs)	1362 / 899
Market cap (Rs/USD mn)	8829730 / 105041
Outstanding Shares (mn)	7,048
6m Avg t/o (Rs mn):	17,776
Div yield (%):	0.8
Bloomberg code:	ICICIBC IN
NSE code:	ICICIBANK

Stock performance



	1M	3M	1Y
Absolute return	-5.2%	4.8%	37.0%

Shareholding pattern (As of June'24 end)

Promoter	0.0%
FII+DII	90.0%
Others	10.0%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	1525	1525

Financial Summary

(Rs mn)	FY25E	FY26E	FY27E
NII	820,864	935,281	1,091,488
PPOP	659,905	741,627	865,376
Net Profit	437,573	477,649	557,044
Growth (%)	7.0	9.2	16.6
EPS (Rs)	62.3	68.0	79.3
BVPS (Rs)	392	450	519
P/E (x)	16.1	14.7	12.6
P/BV (x)	2.6	2.2	1.9
ROE (%)	17.0	16.2	16.4
ROA (%)	2.2	2.1	2.1
Tier-1 (%)	15.1	14.4	14.2

Δ in earnings estimates

Rs.	FY25E	FY26E	FY27E
EPS (New)	62.3	68.0	79.3
EPS (Old)	63.8	70.0	79.9
% change	-2.3%	-2.9%	-0.7%

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COMPREHENSIVE CON-CALL TAKEAWAYS

Asset quality

- **Slippages**
 - Gross NPA additions amounted to Rs 50.73bn for 2QFY25, translating to an annualized slippage ratio of 1.6% for the quarter. (Gross NPA additions had amounted to Rs 59.16bn during 1QFY25.)
 - **Segmental gross slippages**
 - Retail, rural and business banking – Rs 43.41bn
 - Corporate and SME – Rs 7.32bn.
 - **Unsecured retail slippages**
 - There has been some rise in credit card and personal loan slippages but, from an overall portfolio perspective, the impact is contained with the overall credit cost of 40-50 bps.
 - The bank had tightened underwriting standard in advance, with the growth in the personal loan and credit card segments slowing down.
 - The bank does not see unsecured retail slippages go up further on sequential basis.
- **Recoveries and upgrades**
 - Recoveries and upgrades amounted to Rs 33.19bn for 2QFY25, implying net NPA addition of Rs 17.54bn for the quarter.
 - **Segmental Recoveries and Upgrades**
 - Retail, rural and business banking – Rs 25.92bn
 - Corporate and SME – Rs 7.27bn.
- **Sale of Gross NPA**
 - Sale of gross NPA was Rs 0.16bn in 2Q which was in cash
- **Provisions**
 - **P&L provisions**
 - Provisions were Rs 12.33bn, down by -7.4% QoQ but up by 111.6% YoY, translating to calculated annualised credit cost of 39bps.
 - **Credit cost guidance**
 - The bank has been saying there will be a gradual normalization of credit cost but it will remain below historical levels.
 - There is nothing alarming the bank is seeing in terms of developments but credit cost could inch up over a period of time.
 - **Outstanding provisions**
 - **PCR**
 - The PCR (presumably specific PCR) stood at 78.5%.
 - **Contingent provisions**
 - The contingent provisions on the balance sheet amount to Rs 131bn or 100 bps of loan book.
 - **Total non-specific provisions**
 - Total provisions outside of specific provisions amounted to Rs 231.91bn or 1.8% of loan book.
- **Restructured book**
 - The total fund based outstanding restructured advances stood Rs. 25.46bn or 0.2% of gross advances.

(Con call takeaways continue on the next page)

- **NPA ratios**

- GNPA ratio stands at 1.97%, down -18bps QoQ and -51bps YoY while NNPA ratio stands at 0.42%, down -1bp both QoQ and YoY.

Net interest margin

- **NIM for the quarter**

- NIM was at 4.27%, down -9bps QoQ and -26bps YoY.
- **Interest on income tax refund**
 - The interest on income tax refund was nil for 2QFY25, 1QFY25 and 2QFY24.

- **Domestic loan mix by rate category**

- Repo rate – 51%
- Other external benchmarks – 1%
- MCLR and other older benchmarks – 16%
- Fixed rate – 32%

- **Yield on advances**

- The yield on advances was at 9.73%, down by -7bps QoQ.
- The yield on advances was negatively impacted due to this being a longer quarter due to the calculation approach adopted.

- **Cost of deposits**

- The cost of deposits have risen 4 bps QoQ to 4.88%.
- **Deposit rates**
 - Retail deposit rates have gone up 15 bps this calendar year and this will feed into the cost of deposits.
 - The big increase in retail deposit rates had already happened by FY24.
 - The rates on wholesale deposits have been somewhat higher than expected.
- **Macro setup**
 - The liquidity conditions are better and credit growth has come off a bit, which will help.
- **Sequential rise**
 - The cost of deposits has inched up 4 bps QoQ due to TD rates and lower CASA ratio.
 - There has been a marginal increase in TD rates.

- **Margin guidance**

- NIM is expected to be broadly stable in 2H compared with 1H until rate cuts start.
- When there is a rate cut cycle, there will be a lead lag impact but the cycle is expected to be shallow.

- **LCR**

- The LCR for the bank is 120%.

Loan growth

- **Overall growth outcomes**

- Total advances have grown 15.0% YoY and 4.4% QoQ.
- Domestic loans have grown 4.6% QoQ and 15.7% YoY.

- **Segmental growth outcomes**

- Retail loans have grown 14.2% YoY and 2.9% QoQ.
- Rural loans have grown by 16.5% YoY and 1.7% QoQ.
- Business banking book has grown 30% YoY and 10.7% QoQ.

(Con call takeaways continue on the next page)

- Domestic corporate loan book has grown 11.8% YoY and 4.9% QoQ.
- **Unsecured retail**
 - The tightening of underwriting standard has reduced personal loan growth from 40% about a year ago to 17% YoY currently.
 - The personal loan growth can slow further over the next 2 quarters.
 - It may be noted that the bank views credit cards a product core to the customer relationship and will continue to grow it in a reasonable manner.

Deposits Growth

- **Total Deposits**
 - The deposits were at Rs 14,978 bn, up by 5.0% QoQ and 15.7% YoY.
 - Average deposits increased by 15.6% YoY and 3.6% QoQ
- **CASA Deposits**
 - Average current account deposits increased by 10.8% YoY and 0.3% QoQ.
 - Average savings account deposits increased by 10.2% YoY and 2.3% QoQ.

Treasury gain

- The revised investment guidelines has placed a lot of position on MTM, including the FVTPL portfolio.
- A large part of the treasury gain has come from trading operations due to the incremental MTM on the FVTPL portfolio.

Operating expenses

- **Total opex**
 - Opex, at Rs. 105.02bn, is down by -0.3% QoQ but up by 6.6% YoY.
 - Consequently, cost/income ratio came in at 38.6%, down by -108bps QoQ and -235bps YoY.
- **Staff opex**
 - The staff opex is down by -5.4% QoQ but up by 11% YoY.
- **Other opex**
 - Other opex is up by 3.3% QoQ and 3.8% YoY.
 - Tech expense were 10% of the operating expense in 1HFY25
- **Guidance**
 - The bank had guiding over the past 4 quarters that opex growth would be coming off as the cost base is now large.
 - The opex growth in the first half has been about 8.5% YoY
 - In 2H, the opex growth can be slightly higher than this but broadly similar give or take a couple of percentage points.
- **Branch expansion**
 - The bank has added 90 branches in 1H and total branch count is at 6,613.
 - The bank does not think slower branch openings are a key factor behind lower opex growth.
 - The bank is not fixated on any number of branch openings for a given time period.
 - The bank has not consciously held back on opening branches.

(Con call takeaways continue on the next page)

Capital adequacy

- Including 1HFY25 profit, the CET 1 ratio stood at 15.96% and total Capital adequacy ratio was at 16.66%.

Fee income

- Fee income for the quarter rose 13.3% YoY.
- Non-corporate fee was 78% of total fees.

Exhibit 2: Business Data

(Rs mn)	Q2 FY25	Q1 FY25	% qoq	Q2 FY24	% yoy	Q2 FY25*	chg qoq*	chg yoy*
Loans	12,772,404	12,231,543	4.4	11,105,421	15.0	100.0	0bps	0bps
Corporate	2,690,290	2,563,770	4.9	2,406,250	11.8	21.1	10bps	-60bps
Retail Book	7,722,960	7,516,010	2.8	6,747,640	14.5	60.5	-98bps	-29bps
Mortgages	4,191,050	4,059,960	3.2	3,703,510	13.2	32.8	-38bps	-54bps
Vehicle Loans	943,190	940,720	0.3	870,430	8.4	7.4	-31bps	-45bps
Personal Loans	1,225,010	1,183,770	3.5	1,044,280	17.3	9.6	-9bps	19bps
Credit Card	552,810	534,720	3.4	432,300	27.9	4.3	-4bps	44bps
Rural Loans	787,890	774,630	1.7	676,360	16.5	6.2	-16bps	8bps
Others	23,010	22,210	3.6	20,760	10.8	0.2	0bps	-1bps
Business Banking	2,330,250	2,105,590	10.7	1,793,120	30.0	18.2	103bps	210bps
BRDS/IBPC	(312,600)	(299,510)	4.4	(204,950)	52.5	(2.4)	0bps	-60bps
Overseas Loans	341,500	345,670	(1.2)	363,360	(6.0)	2.7	-15bps	-60bps
Deposits	14,977,607	14,261,495	5.0	12,947,417	15.7	100.0	0bps	0bps
CA	1,830,900	1,760,280	4.0	1,553,040	17.9	12.2	-12bps	23bps
SA	4,256,330	4,076,430	4.4	3,723,260	14.3	28.4	-17bps	-34bps
Term	8,890,377	8,424,785	5.5	7,671,117	15.9	59.4	28bps	11bps
Investments	4,790,985	4,752,556	0.8	4,132,531	15.9	NA	NA	NA
Investments/(Invest. + Net Adv.) (%)	27.3	28.0	-70bps	27.1	16bps	NA	NA	NA
Borrowings	1,244,929	1,201,469	3.6	1,167,580	6.6	NA	NA	NA
Borrowings/(Borr. + Deposits) (%)	7.7	7.8	-10bps	8.3	-60bps	NA	NA	NA
Total assets	19,768,582	18,926,971	4.4	17,207,796	14.9	NA	NA	NA
RWA	14,812,960	14,219,900	4.2	12,064,060	22.8	NA	NA	NA

Source: Company, YES Sec - Research, *Share in total and change in share, YoY and QoQ figures are comparable

Exhibit 3: Key Ratios

(%)	Q2 FY25	Q1 FY25	chg qoq	Q2 FY24	chg yoy
Net interest margin	4.27	4.36	-9bps	4.53	-26bps
Yield on advances	9.73	9.80	-7bps	9.81	-8bps
Cost of Deposits	4.88	4.84	4bps	4.53	35bps
CASA	40.6	40.9	-28bps	40.8	-11bps
Loan to Deposit ratio	85.3	85.8	-49bps	85.8	-50bps
Non-int. income / Total income	26.4	26.4	-1bps	24.0	238bps
Fee Income to Avg. Total Assets	1.2	1.2	5bps	1.2	-2bps
Cost to Income	38.6	39.7	-108bps	40.9	-235bps
Opex to Avg. Total Assets	2.2	2.2	-7bps	2.3	-17bps
Credit Cost	0.4	0.4	-5bps	0.2	18bps
RoE	18.1	18.0	10bps	19.1	-100bps
RoA	2.4	2.4	4bps	2.4	-1bps
Annualised Slippage Ratio*	1.6	1.9	-33bps	1.7	-9bps
Provision Coverage Ratio	78.5	79.7	-120bps	82.6	-410bps
Gross NPA	2.0	2.2	-18bps	2.5	-51bps
Net NPA	0.4	0.4	-1bps	0.4	-1bps
Capital adequacy ratio	15.4	16.0	-61bps	16.1	-72bps
Tier I capital ratio	14.7	15.2	-59bps	15.4	-70bps

Source: Company, YES Sec - Research; *Gross NPA Addition Ratio

Exhibit 4: Quarterly Actuals Vs Estimates

Q2FY25 (Rs. mn)	Actuals	Estimates	Diff, %
Net Interest Income	200,480	202,573	(1.0)
Pre-Prov. Operating Profit	167,232	157,974	5.9
Profit After Tax	117,459	110,981	5.8

Source: Company, YES Sec - Research

Exhibit 5: Non-Interest Income Break-up

(Rs mn)	Q2 FY25	Q1 FY25	% qoq	Q2 FY24	% yoy
Fee Income (A)	58,940	54,900	7.4	52,040	13.3
Total Other Income (B)	7,417	6,179	20.0	(753)	(1,084.7)
Treasury Income	6,800	6,130	10.9	(850)	(900.0)
Dividend income	5,410	8,940	(39.5)	6,480	(16.5)
Others	617	49	1,153.3	97	537.0
Total Non-Interest Income (A+B)	66,357	61,079	8.6	51,287	29.4

Source: Company, YES Sec - Research

Exhibit 6: Rating profile for Corporate Portfolio

%	Q2 FY25	Q1 FY25	chg qoq
AA- and Above	39.4	36.6	280bps
A+, A, A-	38.1	39.9	-180bps
A- and above	77.5	76.5	100bps
BBB+, BBB, BBB-	21.3	21.9	-60bps
BB and below	0.8	1.0	-20bps
Non-performing loans	0.1	0.1	0bps
Unrated	0.3	0.5	-20bps

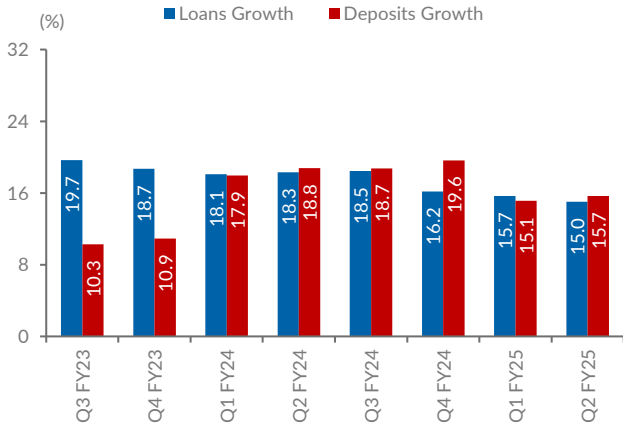
Source: Company, YES Sec - Research

Exhibit 7: Subsidiaries PAT

(Rs mn)	Q2 FY25	Q1 FY25	% qoq	Q2 FY24	% yoy
ICICI Prudential Life	2,520	2,250	12.0	2,440	3.3
ICICI Lombard General	6,940	5,800	19.7	5,770	20.3
ICICI Pru. Asset Mgmt.	6,940	6,330	9.6	5,010	38.5
ICICI Sec. (Consolidated)	5,290	5,270	0.4	4,240	24.8
ICICI Sec. PD	2,680	890	201.1	170	1,476.5
ICICI Home Finance	1,830	1,170	56.4	1,120	63.4
ICICI Venture	0	(10)	(100.0)	30	(100.0)
ICICI Bank UK (USD mn)	8	8	3.9	3	142.4
ICICI Canada (CAD mn)	19	20	(5.9)	21	(9.5)

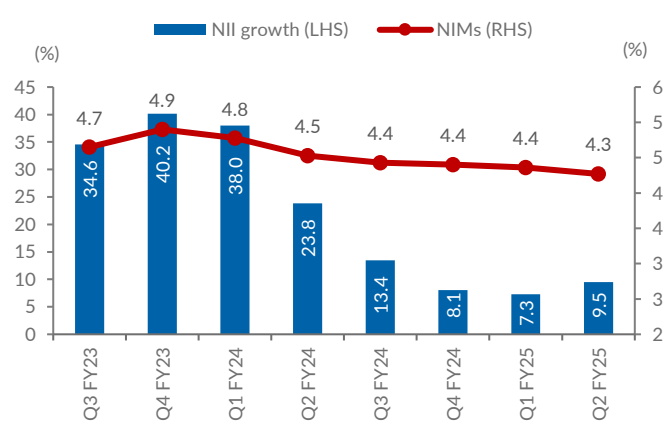
Source: Company, YES Sec - Research

Exhibit 8: Loans and Deposits growth (YoY %)



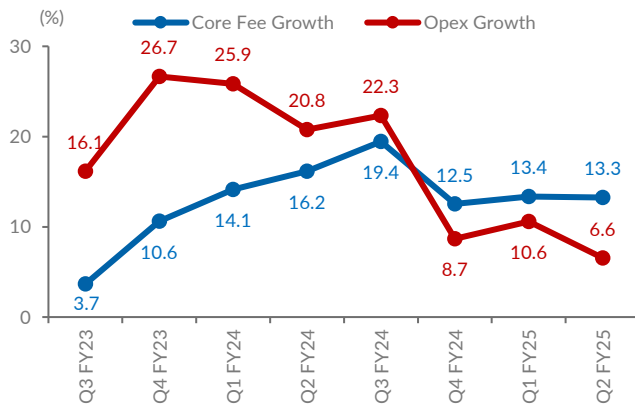
Source: Company, YES Sec - Research

Exhibit 9: NII growth (YoY %) and NIM



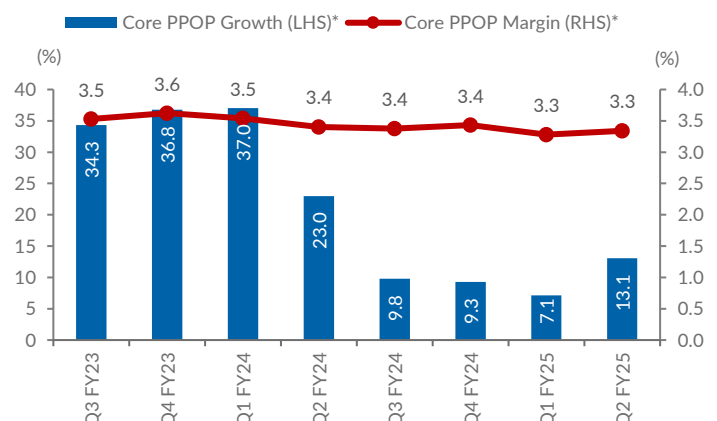
Source: Company, YES Sec - Research

Exhibit 10: Core Fee and Opex growth (YoY %)



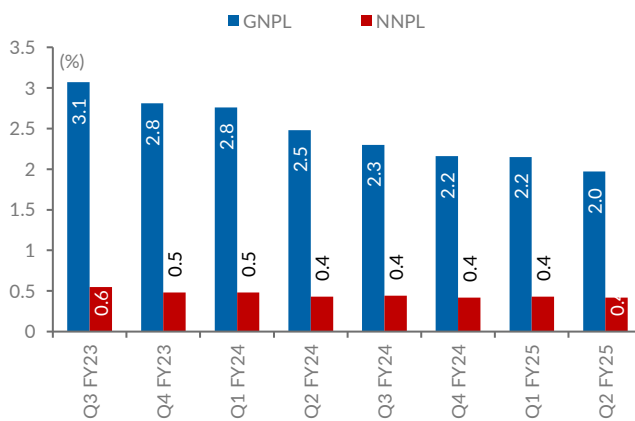
Source: Company, YES Sec - Research

Exhibit 11: Core PPOP growth (YoY %) and Core PPOP margin



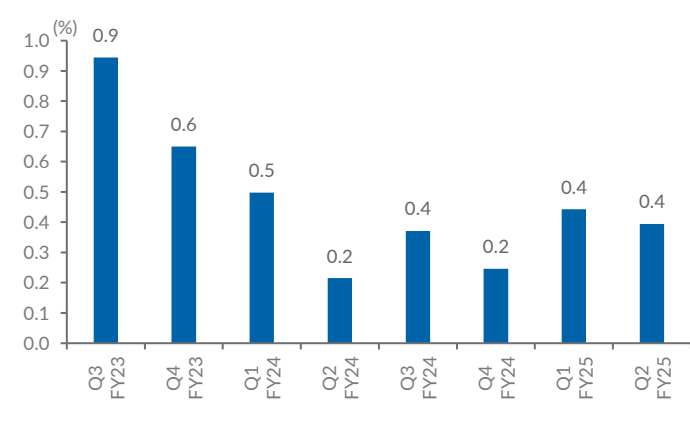
Source: Company, YES Sec - Research. * Core PPOP is derived by adjusting PPOP for gain/loss on sale of investments and misc. income

Exhibit 12: Gross NPA and Net NPA (%)



Source: Company, YES Sec - Research

Exhibit 13: Provisions/Average Advances (%)



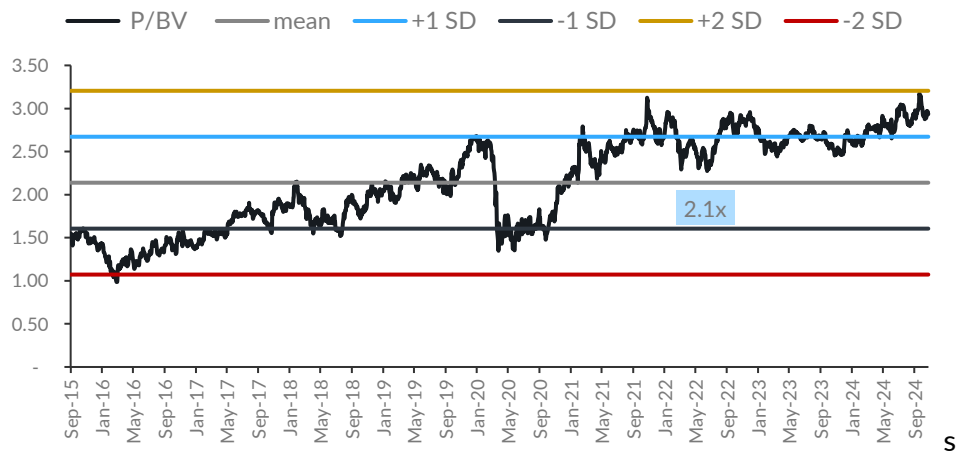
Source: Company, YES Sec - Research

Exhibit 14: 1-year rolling P/BV band



Source: Company, YES Sec - Research, N.B. Valuations in this chart are not adjusted / netted out for subsidiaries' value

Exhibit 15: 1-yr rolling P/BV vis-a-vis the mean and standard deviations



Source: Company, YES Sec - Research, N.B. Valuations in this chart are not adjusted / netted out for subsidiaries' value

ANNUAL FINANCIALS

Exhibit 16: Balance sheet

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Total cash & equivalents	1,194,383	1,399,260	1,609,149	1,882,704	2,202,764
Investments	3,623,297	4,619,423	4,491,189	5,188,204	5,997,063
Advances	10,196,383	11,844,064	13,620,673	15,936,188	18,645,340
Fixed assets	95,998	108,598	119,458	131,404	144,544
Other assets	732,005	743,801	818,181	899,999	989,999
Total assets	15,842,067	18,715,146	20,658,651	24,038,500	27,979,711
Net worth	2,007,154	2,383,993	2,751,333	3,158,748	3,645,558
Deposits	11,808,407	14,128,250	16,349,011	19,127,629	22,378,611
Borrowings	1,193,255	1,249,676	781,312	1,156,638	1,583,529
Other liabilities	833,251	953,227	776,995	595,485	372,013
Total liabilities incl. Equity	15,842,067	18,715,146	20,658,651	24,038,500	27,979,711

Source: Company, YES Sec – Research

Exhibit 17: Income statement

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Interest income	1,092,313	1,428,909	1,613,314	1,841,683	2,167,243
Interest expense	(471,027)	(685,852)	(792,451)	(906,402)	(1,075,755)
Net interest income	621,286	743,057	820,864	935,281	1,091,488
Non-interest income	198,314	229,578	300,200	343,966	401,742
Total income	819,600	972,635	1,121,064	1,279,247	1,493,230
Operating expenses	(328,732)	(391,327)	(461,159)	(537,620)	(627,854)
PPoP	490,868	581,308	659,905	741,627	865,376
Provisions	(66,656)	(36,429)	(76,474)	(104,761)	(122,650)
Profit before tax	424,212	544,878	583,431	636,865	742,726
Taxes	(105,247)	(135,996)	(145,858)	(159,216)	(185,681)
Net profit	318,965	408,883	437,573	477,649	557,044

Source: Company, YES Sec – Research

Exhibit 18: Du Pont Analysis (RoA tree)

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Interest income	7.3	8.3	8.2	8.2	8.3
Interest expense	-3.1	-4.0	-4.0	-4.1	-4.1
Net interest income	4.1	4.3	4.2	4.2	4.2
Non-interest income	1.3	1.3	1.5	1.5	1.5
Total income	5.5	5.6	5.7	5.7	5.7
Operating expenses	-2.2	-2.3	-2.3	-2.4	-2.4
PPoP	3.3	3.4	3.4	3.3	3.3
Provisions	-0.4	-0.2	-0.4	-0.5	-0.5
Profit before tax	2.8	3.2	3.0	2.8	2.9
Taxes	-0.7	-0.8	-0.7	-0.7	-0.7
Net profit	2.1	2.4	2.2	2.1	2.1

Source: Company, YES Sec – Research

Exhibit 19: Sum of the Parts (SOTP) - Subsidiaries

Subsidiary	Market Cap / Assigned value (Rs mn)	Valuation metric	Metric value (Rs mn)	Trailing multiple (Implied / Assigned)	Stake (%)	Stake value (Rs mn)	Per share (Rs)
ICICI Pru Life	1,074,120	EV	460,180	2.3	51%	550,379	78.8
ICICI Pru AMC	841,227	AUM	8,412,273	10%	51%	429,026	61.4
ICICI Lombard	954,090	BV	119,605	8.0	48%	458,154	65.6
ICICI Securities	271,157	BV	38,927	7.0	75%	202,961	29.1
ICICI Home Fin	50,824	BV	33,882	1.5	100%	50,824	7.3
ICICI Bank UK	31,223	BV	28,385	1.1	100%	31,223	4.5
ICICI Bank Canada	55,712	BV	39,795	1.4	100%	55,712	8.0
Value of Subsidiaries						1,778,279	254.6

Source: Company, YES Sec – Research

Exhibit 20: Change in annual estimates

Y/e 31 Mar (Rs mn)	Revised Estimate			Earlier Estimate			% Revision		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Net Interest Income	820,864	935,281	1,091,488	848,483	969,748	1,114,987	(3.3)	(3.6)	(2.1)
Pre-Prov. Operating Profit	659,905	741,627	865,376	687,559	776,170	888,965	(4.0)	(4.5)	(2.7)
Profit after tax	437,573	477,649	557,044	448,066	491,718	560,869	(2.3)	(2.9)	(0.7)

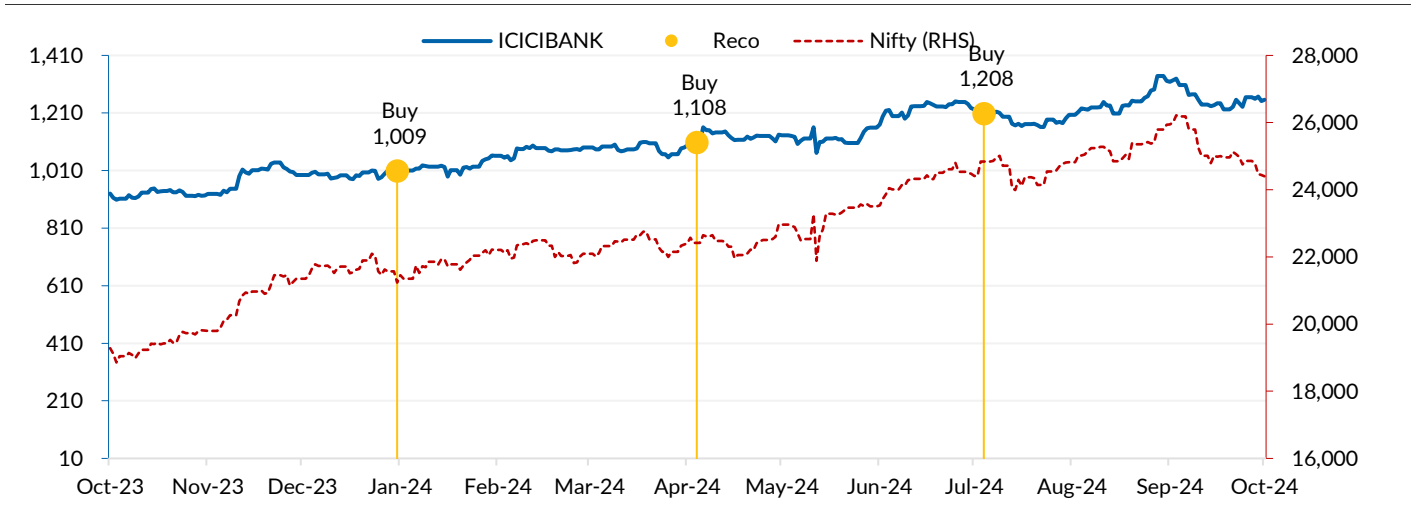
Source: Company, YES Sec – Research

Exhibit 21: Ratio analysis

Y/e 31 Mar	FY23	FY24	FY25E	FY26E	FY27E
Growth matrix (%)					
Net interest income	30.9	19.6	10.5	13.9	16.7
PPoP	25.1	18.4	13.5	12.4	16.7
Net profit	36.7	28.2	7.0	9.2	16.6
Loans	18.7	16.2	15.0	17.0	17.0
Deposits	10.9	19.6	15.7	17.0	17.0
Profitability Ratios (%)					
Net interest margin	4.5	4.5	4.4	4.4	4.4
Return on Average Equity	17.2	18.6	17.0	16.2	16.4
Return on Average Assets	2.1	2.4	2.2	2.1	2.1
Per share figures (Rs)					
EPS	45.7	58.2	62.3	68.0	79.3
BVPS	287	339	392	450	519
ABVPS	280	332	375	424	482
Valuation multiples					
P/E	22	17	16	15	13
P/BV	3.5	2.9	2.6	2.2	1.9
P/ABV	3.6	3.0	2.7	2.4	2.1
NIM internals (%)					
Yield on loans	8.9	10.1	9.9	9.9	10.0
Cost of deposits	3.5	4.5	4.7	4.7	4.7
Loan-deposit ratio	86.3	83.8	83.3	83.3	83.3
CASA ratio	45.8	42.2	42.0	42.5	42.5
Opex control (%)					
Cost/Income ratio	40.1	40.2	41.1	42.0	42.0
Cost to average assets	2.2	2.3	2.3	2.4	2.4
Capital adequacy (%)					
Tier 1 capital ratio	17.6	15.6	15.1	14.4	14.2
Asset quality (%)					
Slippage ratio	1.9	1.7	1.7	1.7	1.7
Gross NPL ratio	2.9	2.3	2.3	2.3	2.4
Credit cost	-0.1	0.1	0.5	0.6	0.6
Net NPL ratio	0.5	0.5	0.8	1.2	1.4

Source: Company, YES Sec - Research; Valuations are the implied value of standalone entity net of subsidiaries

Recommendation Tracker



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