

May 10, 2024

RESULT REPORT Q4 FY24 | Sector: Banks

Bank of Baroda

Placed as a top pick in May 2023, BoB guides for stability

Our view – Management broadly guides for a repeat of FY24

Asset quality - There was a moderate sequential rise in slippages but broadly within guided range, while management guided for sustained control of slippages in FY25: For the quarter, gross NPA additions amounted to Rs 32.0bn, translating to an annualised gross slippage ratio of 1.2%, while recoveries and upgrades amounted to Rs 20.1bn. Gross NPA additions had amounted to Rs 26.18bn during 3QFY24. The gross slippage ratio guidance for FY24 was 1-1.25% and the outcome has been well within this range. This was despite 2 large wholesale slippages of an aviation account worth Rs 17bn (Go First) and an international account worth Rs 5bn. The bank has guided for a slippage ratio of 1-1.25% once again for FY25. Management seemed to suggest that the potential impact on credit cost from the RBI Draft on Project Finance may be small to the tune of 10 bps.

Net interest margin - Margin was boosted sequentially by strong recoveries, while management guided for sustenance of NIM: Global NIM at 3.27% was up/down 17bps/-26bps QoQ/YoY. Margin was boosted sequentially by strong year-end recoveries, excluding which the margin for the quarter would have been 3.15%, implying a still creditable expansion in underlying margin by 5 bps QoQ. The bank has, once again, guided for a NIM of 3.15% plus or minus 5 bps.

Balance sheet growth – Loan growth outcome was reasonable and management guided for similar to slightly better growth in FY25: Whole bank advances grew 3.9%/12.5% QoQ/YoY driven sequentially by Corporate, Retail and Agri. loans. The bank has guided for a loan growth of 12-14%, driven by retail loans. On the liability side, the bank has guided for a deposit growth of 10-12%, with focus on CASA and retail TD. The CD ratio has been reduced by 200 bps QoQ to about 82%. The bank is aiming to keep the CD ratio at 80-82%, with a bias towards 80%.

We maintain 'Buy' on BoB with a revised price target of Rs 350: We value the bank at 1.2x FY26 P/BV for an FY25E/26E RoE profile of 16.0/16.3%. We assign a value of Rs 18.5 per share to the subsidiaries, based on SOTP. We had flagged BoB as a top pick in our [report dated May 2023](#).

(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 was at 49.3% down/up by -29/314bps QoQ/YoY and the Cost to assets was at 2.0% up by 22/8bps QoQ/YoY
- **Fee income:** Core fee income to average assets was at 0.5%, up 9bps QoQ and 1bp YoY

Exhibit 1: Result table

(Rs mn)	Q4 FY24	Q3 FY24	% qoq	Q4 FY23	% yoy
Total Interest Income	295,834	286,051	3.4	258,567	295,834
Interest Expense	(177,906)	(175,038)	1.6	(143,318)	(177,906)
Net Interest Income	117,928	111,013	6.2	115,249	117,928
Fee Income	19,150	15,430	24.1	17,140	19,150
Other Income	22,765	12,675	79.6	17,521	22,765
Total Non-Interest income	41,915	28,105	49.1	34,661	41,915
Total Income	159,843	139,118	14.9	149,909	159,843
Employee Expense	(45,467)	(38,085)	19.4	(37,807)	(45,467)
Non-employee Opex	(33,315)	(30,882)	7.9	(31,373)	(33,315)
Total operating expenses	(78,782)	(68,967)	14.2	(69,180)	(78,782)
PPOP	81,061	70,151	15.6	80,729	81,061
Provisions	(13,019)	(6,663)	95.4	(14,207)	(13,019)
PBT	68,042	63,488	7.2	66,522	68,042
Tax	(19,177)	(17,694)	8.4	(18,768)	(19,177)
PAT	48,865	45,793	6.7	47,753	48,865

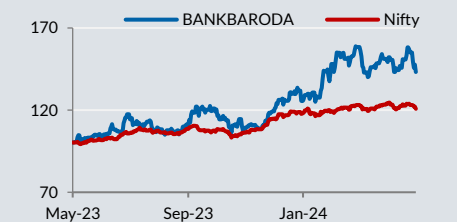
Source: Company, YES Sec-Research

Recommendation	: BUY
Current Price	: Rs 255
Target Price	: Rs 350
Potential Return	: +37%

Stock data (as on May 10, 2024)

Nifty	22,055
52 Week h/l (Rs)	286 / 173
Market cap (Rs/USD mn)	1358258 / 16268
Outstanding Shares (mn)	5,171
6m Avg t/o (Rs mn):	4,267
Div yield (%):	2.0
Bloomberg code:	BOBIN
NSE code:	BANKBARODA

Stock performance



	1M	3M	1Y
Absolute return	-5.9%	-3.3%	42.8%

Shareholding pattern (As of Mar'24 end)

Promoter	64.0%
FII+DII	28.7%
Others	7.3%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	350	360

Financial Summary

(Rs mn)	FY24	FY25E	FY26E
NII	447,215	497,597	563,612
PPOP	309,652	361,887	423,257
Net Profit	177,888	197,615	234,384
Growth (%)	26.1	11.1	18.6
EPS (Rs)	34.4	36.3	43.1
BVPS (Rs)	217	247	282
P/E (x)	6.9	6.5	5.5
P/BV (x)	1.1	1.0	0.8
ROE (%)	16.9	16.0	16.3
ROA (%)	1.2	1.2	1.2
Tier-1 (%)	14.1	14.5	14.1

Δ in earnings estimates

Rs.	FY24	FY25E	FY26E
EPS (New)	NA	36.3	43.1
EPS (Old)	NA	37.4	44.5
% change	NA	-2.7%	-3.0%

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COMPREHENSIVE CON-CALL TAKEAWAYS

Asset quality

- **Slippages**
 - Gross NPA additions amounted to Rs 32.0bn for 4QFY24, translating to an annualized slippage ratio of 1.2% for the quarter. (Gross NPA additions had amounted to Rs 26.18bn during 3QFY24.)
 - **Full year performance**
 - The gross slippage ratio guidance for FY24 has been 1-1.25% and the outcome was well within this range.
 - This was despite 2 large wholesale slippages of an aviation account worth Rs 17bn (Go First) and an international account worth Rs 5bn.
 - **Guidance**
 - The bank has guided for a slippage ratio of 1-1.25% once again for FY25.
- **Recoveries and upgrades**
 - Recoveries and upgrades amounted to Rs 20.1bn for 4QFY24, implying net NPA addition of Rs 11.9bn for the quarter.
 - The recovery from TWO was strong at Rs 12bn for the quarter.
 - **Guidance**
 - The bank expects recovery in FY25 to be similar to FY24.
 - There is a Rs 460bn portfolio to recover from.
 - **Aviation account recoverability**
 - The aviation account may be recovered in full since one-third is government guaranteed and the remaining is well covered with collateral.
- **Provisions**
 - **P&L provisions**
 - Provisions were Rs 13.02bn, up by 95.4% QoQ but down by -8.4% YoY, translating to calculated annualised credit cost of 50bps.
 - **Full year credit cost**
 - Full year credit cost is optically high due to a conscious decision to make provisions in excess of RBI requirement.
 - A provision of Rs 12bn was made on the aviation account in 3Q and Rs 5.5bn more in 4Q, taken the provision on the account to 100% instead of 20% as required by the RBI.
 - There was also a floating provision worth Rs 2bn made earlier.
 - But for the excess provisions, credit cost in FY24 would have been in line with provisions in FY23.
 - **Guidance**
 - The credit cost will remain below 1% in FY25.
 - **Project finance draft**
 - Since it is a draft guideline, the bank really does not have a view.
 - The bank has the option to either absorb or pass on the cost.
 - The impact on credit cost may be small to the tune of 10 bps.
- **NPA ratios**
 - GNPA ratio stands at 2.92%, down -16bps QoQ and -87 bps YoY while NNPA ratio stands at 0.68%, down -2 bps QoQ and -21bps YoY.
- **SMA book**
 - The CRILC SMA1 and SMA2 amount to just 0.15%, implying there is nothing on the radar in terms of emerging wholesale stress.
- **Collection efficiency**
 - The collection efficiency stood at 98%.

(Con call takeaways continue on the next page)

- **Restructured book**
 - The restructured book amounts to Rs 81.48bn.

Loan growth

- Whole bank advances growth was 12.5% YoY, driven by domestic advances growth of 12.9% YoY.
- International advances growth was held back, as planned, at 10.5% YoY.
- **Segmental growth**
 - Retail advances growth amounted to 21% YoY.
 - MSME and agri loan growth was 12% YoY.
 - Corporate loan growth has been kept low consciously at 11-12% YoY.
 - Within retail, home loans, education loans and auto loans grew 14.5%, 19% and 23.8% YoY, respectively.
 - Personal loan growth was moderated to 52% YoY compared with 100% earlier.
- **Guidance**
 - The bank has guided for a loan growth of 12-14%, driven by retail loans.

Deposits growth

- Total deposits have grown at 10% YoY.
- CASA deposits have grown at 5.5% YoY but 7.5% QoQ.
- The CASA ratio is up 64 bps QoQ.
- **Guidance**
 - The bank has guided for a deposit growth of 10-12%, with focus on CASA and retail TD.

Liquidity

- The LCR is 121% as of March.
- **CD ratio**
 - The CD ratio has been reduced by 200 bps QoQ to about 82%.
 - The bank is aiming to keep the CD ratio at 80-82%, with a bias towards 80%.

Return ratios

- The RoA for the quarter was 1.25% and has been above 1% for 7 consecutive quarters.

Net interest margin

- **NIM for the quarter**
 - NIM (Global) was at 3.27%, up 17 bps QoQ but down -26bps YoY.
 - Margin was boosted sequentially by strong year-end recoveries, excluding which the margin for the quarter would have been 3.15%.
- **Full year margin**
 - Excluding the one-off in margin, the full year NIM would have been 3.14% instead of 3.18%.
 - This implies the bank has achieved full year guidance of 3.15% both including and excluding one-off.

(Con call takeaways continue on the next page)

- **Yield on advances**
 - The yield on advances has risen 24 bps QoQ to 8.75%.
- **Cost of deposits**
 - The cost of deposits has risen 10 bps QoQ to 5.06%.
 - Retail term deposits have fully repriced since most of them were 1-year duration.
 - In fact, repricing will be somewhat positive going forward.
- **Guidance**
 - The bank has guided for a NIM of 3.15% plus or minus 5 bps once again.
- **Loan book mix by rate category**
 - When rates initially started to move, the bank benefited less due to its smaller share of repo rate linked loans.
 - About 50% of the domestic book is on MCLR, which is linked to cost of deposits and the bank has been increasing the MCLR off and on.

Capital adequacy

- The CET1 ratio stands at 12.54%.
- The negative impact from the RBI guidelines (on risk weights) had amounted to 65 bps.
- The bank has accreted CET1 ratio driven by internal accruals.
- There have been some bond raises to replace maturing bonds.

Non-interest income

- There has been a sustained focus on Non-interest Income, which is up 40.7% YoY.
- **Fee income**
 - CEB is up 19.7% YoY.
 - Fee income is benefiting from a strong fee and flow drive.
 - The rise in fee income is sustainable as relationship verticals have been established to drive higher share of wallet in segments such as mid-corporate.
 - The bank will optimize for a fee income growth higher than 16%.
- **Treasury**
 - Treasury income is up almost 40%.
 - Treasury benefited from a writeback of Rs 4.98bn this year whereas there was a depreciation last year.
 - As per the new norms, AFS profit will not go to the P&L, which may impact treasury profit in FY25.
 - However, due to the new norms, there will be a substantial accretion in the reserve.

Operating expenses

- **Total opex**
 - Total Opex, at Rs. 78.78 bn, is up 14.2% QoQ and 13.9% YoY.
 - Consequently, cost/income ratio came in at 49.3%, down by -29bps QoQ but up by 314bps YoY.
- **Staff opex**
 - The staff opex is up by 19.4% QoQ and 20.3% YoY.
 - There was a Rs 4bn impact due to retirements for the quarter.

(Con call takeaways continue on the next page)

- There was another Rs 4bn impact due to bond yields going down.
- Thus the total one-time hit amounts to Rs 8bn and the run rate for staff cost can be taken to be the 4Q number less Rs 8bn.
- **Non-staff opex**
 - Non-staff opex in up by 7.9% QoQ and 6.2% YoY.

Exhibit 2: Key quarterly balance sheet / business data

(Rs mn)	Q4 FY24	Q3 FY24	% qoq	Q4 FY23	% yoy	Q4 FY24*	chg qoq*	chg yoy*
Global Gross Advances	10,905,060	10,493,270	3.9	9,695,480	12.5	100.0	0bps	0.0
International Gross Advances	1,923,900	1,872,400	2.8	1,739,880	10.6	17.6	-20bps	(1.7)
Gross domestic advances	8,981,160	8,620,860	4.2	7,955,600	12.9	82.4	20bps	0.4
Retail	2,149,420	2,036,270	5.6	1,780,370	20.7	19.7	30bps	7.3
Home loans	1,117,910	1,063,270	5.1	980,140	14.1	10.3	12bps	1.4
Auto loans	386,970	370,800	4.4	312,610	23.8	3.5	1bps	10.1
Mortgages loans	187,150	179,050	4.5	168,010	11.4	1.7	1bps	(1.0)
Education loans	98,000	93,930	4.3	81,960	19.6	0.9	0bps	6.3
Personal loans	297,840	276,990	7.5	196,450	51.6	2.7	9bps	34.8
Gold loans	45,460	36,820	23.5	24,200	87.9	0.4	7bps	67.0
Others	16,090	15,410	4.4	17,000	(5.4)	0.1	0bps	(15.9)
Agriculture	1,386,400	1,342,400	3.3	1,242,470	11.6	12.7	-8bps	(0.8)
Gold loans	429,260	413,920	3.7	358,310	19.8	3.9	-1bps	6.5
MSME	1,194,150	1,159,950	2.9	1,081,960	10.4	11.0	-10bps	(1.9)
Corporate	3,797,470	3,628,130	4.7	3,404,080	11.6	34.8	25bps	(0.8)
Others	453,720	454,120	(0.1)	446,720	1.6	4.2	-17bps	(9.7)
Domestic deposits	11,285,130	10,673,710	5.7	10,473,750	7.7	100.0	0bps	0.0
CA	763,860	645,760	18.3	751,110	1.7	6.8	72bps	(5.6)
SA	3,900,140	3,697,610	5.5	3,674,000	6.2	34.6	-8bps	(1.5)
Term	6,621,130	6,330,340	4.6	6,048,640	9.5	58.7	-64bps	1.6
Investments	3,698,168	3,697,755	0.0	3,624,854	2.0	NA	NA	NA
Investments/(Invest. + Net Adv.) (%)	25.8	26.5	-77bps	27.8	-205bps	NA	NA	NA
Borrowings	944,023	1,284,119	(26.5)	1,019,105	(7.4)	NA	NA	NA
Borrowings/(Borr. + Deposits) (%)	6.6	9.3	-271bps	7.8	-116bps	NA	NA	NA

Source: Company, YES Sec – Research, * Share in Total and change in share

Exhibit 3: Key quarterly ratios

(%)	Q4 FY24	Q3 FY24	chg qoq	Q4 FY23	chg yoy
Net interest margin - Global	3.27	3.10	17bps	3.53	-26bps
Net interest margin - Domestic	3.45	3.23	22bps	3.65	-20bps
Yield on advances - Global	8.75	8.51	24bps	8.47	28bps
Yield on advances - Domestic	9.25	8.95	30bps	9.03	22bps
Cost of deposits - Global	5.06	4.96	10bps	4.43	63bps
Cost of deposits - Domestic	5.11	5.00	11bps	4.52	59bps
Loan to Deposit ratio	80.3	82.2	-192bps	78.2	214bps
CASA Ratio	41.3	40.7	64bps	42.3	-92bps
Non-interest income/Total income	26.2	20.2	602bps	23.1	310bps
Fee Income to Avg. Total Assets	0.5	0.4	9bps	0.5	1bps
Cost to Income	49.3	49.6	-29bps	46.1	314bps
Opex to Avg. Total Assets	2.0	1.8	22bps	1.9	8bps
RoA	1.3	1.2	5bps	1.3	-9bps
Annualised Slippage Ratio*	1.2	1.0	19bps	1.2	4bps
Provision coverage	93.3	93.4	-9bps	92.4	87bps
Gross NPA	2.9	3.1	-16bps	3.8	-87bps
Net NPA	0.7	0.7	-2bps	0.9	-21bps
Capital adequacy ratio	16.3	14.7	159bps	16.2	7bps
Tier I capital ratio	14.1	12.7	140bps	14.0	8bps
Common equity tier 1 capital ratio	12.5	11.1	143bps	12.2	30bps

Source: Company, YES Sec – Research, *Annualised Gross NPA Addition Ratio

Exhibit 4: Quarterly Actuals Vs Estimates

Q4 FY24 (Rs. mn)	Actuals	Estimates	Diff, %
Net Interest Income	117,928	114,202	3.3
Pre-Prov. Operating Profit	81,061	78,834	2.8
Profit After Tax	48,865	42,667	14.5

Source: Company, YES Sec – Research

Exhibit 5: Operating Expense Break-up

(Rs mn)	Q4FY24	Q3FY24	% qoq	Q4FY23	% yoy
Employee Expense	45,467	38,085	19.4	37,807	20.3
Other Operating Expense	33,315	30,882	7.9	31,373	6.2
Total Operating Expense	78,782	68,967	14.2	69,180	13.9

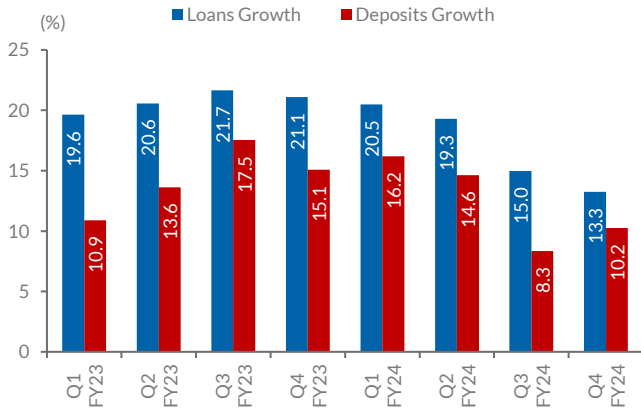
Source: Company, YES Sec – Research

Exhibit 6: Non-Interest Income Break-up

(Rs mn)	Q4 FY24	Q3 FY24	% qoq	Q4 FY23	% yoy
Total Fee Income (A)	19,150	15,430	24.1	17,140	11.7
Comm/Exch/Brok	10,300	6,830	50.8	8,980	14.7
Incidental Charges	3,600	4,160	(13.5)	3,730	(3.5)
Forex Income	4,640	3,830	21.1	3,850	20.5
Other Misc. Fee Income	610	610	0.0	580	5.2
Total Other Income (B)	22,765	12,675	79.6	17,521	29.9
Recovery from TWO	12,020	8,470	41.9	14,470	(16.9)
Trading Gains-Sale of sec	5,370	3,300	62.7	2,800	91.8
Revaluation of Investment	(180)	(2,920)	(93.8)	(1,580)	(88.6)
Profit on Exchange Trans	2,340	3,720	(37.1)	1,750	33.7
Others	3,215	105	2,964.5	81	3,888.5
Total Non-Interest Income (A+B)	41,915	28,105	49.1	34,661	20.9

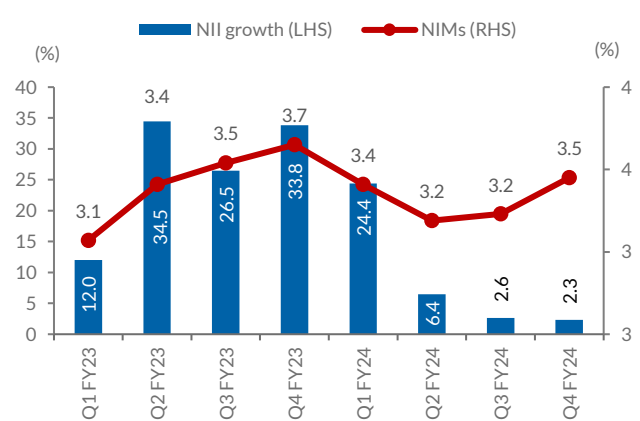
Source: Company, YES Sec – Research

Exhibit 7: Loans and Deposits growth (YoY %)



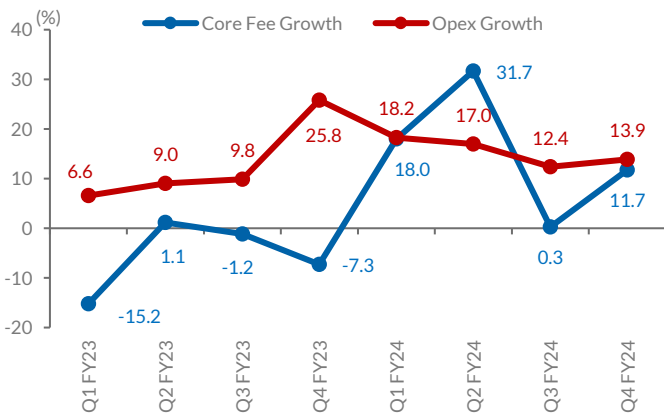
Source: Company, YES Sec – Research

Exhibit 8: NII growth (YoY %) and NIM



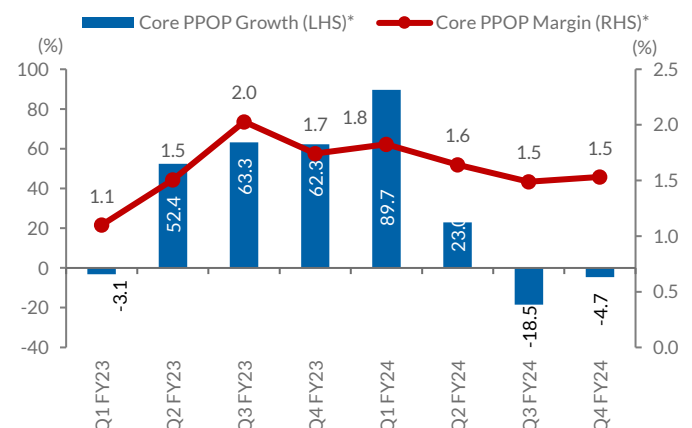
Source: Company, YES Sec – Research

Exhibit 9: Core Fee and Opex growth (YoY %)



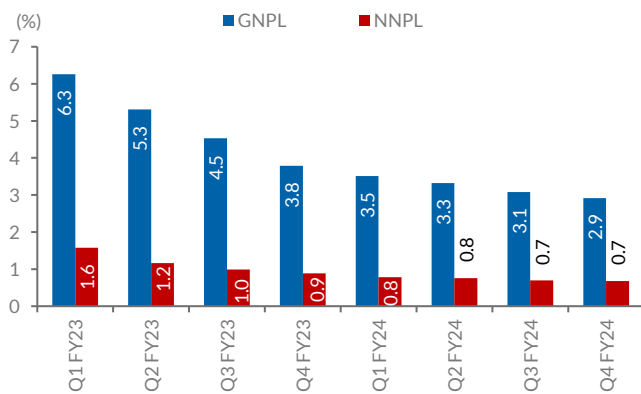
Source: Company, YES Sec – Research

Exhibit 10: Core PPOP growth (YoY %) and Core PPOP margin (%)



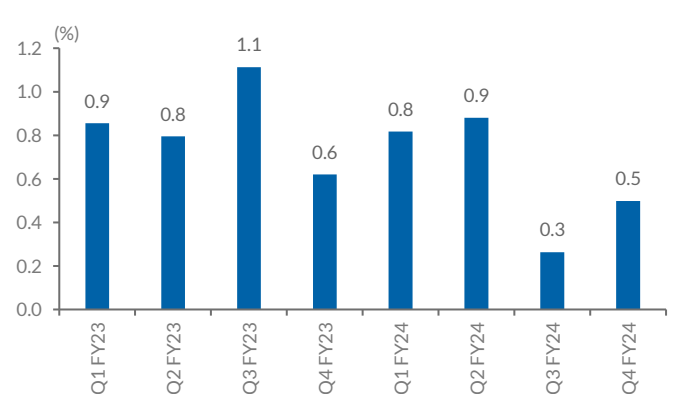
Source: Company, YES Sec – Research, * Core PPOP is derived by adjusting PPOP for gain/loss on sale of investments and misc. income

Exhibit 11: Gross NPA and Net NPA (%)



Source: Company, YES Sec – Research

Exhibit 12: Credit Cost (%)



Source: Company, YES Sec – Research

Exhibit 13: 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 14: 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 15: Balance sheet

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Total cash & equivalents	1,226,550	957,032	951,241	1,083,900	1,224,807
Investments	3,157,954	3,624,854	3,698,168	4,160,708	4,681,556
Advances	7,771,552	9,409,983	10,657,817	12,043,333	13,608,967
Fixed assets	99,219	87,066	79,126	87,038	95,742
Other assets	524,724	506,681	471,619	518,780	570,658
Total assets	12,779,998	14,585,615	15,857,971	17,893,760	20,181,730
Net worth	859,097	982,229	1,122,236	1,342,633	1,535,699
Deposits	10,459,386	12,036,878	13,269,578	14,793,646	16,515,843
Borrowings	1,038,993	1,019,105	944,023	1,206,205	1,560,433
Other liabilities	422,523	547,404	522,134	551,276	569,755
Total liabilities incl. Equity	12,779,998	14,585,615	15,857,971	17,893,760	20,181,730

Source: Company, YES Sec – Research

Exhibit 16: Income statement

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Interest income	698,808	895,885	1,126,059	1,258,246	1,426,958
Interest expense	(372,594)	(482,325)	(678,844)	(760,649)	(863,346)
Net interest income	326,213	413,560	447,215	497,597	563,612
Non-interest income	114,840	100,258	144,954	156,378	180,441
Total income	441,053	513,818	592,169	653,975	744,053
Operating expenses	(217,164)	(245,183)	(282,517)	(292,088)	(320,796)
PPoP	223,888	268,635	309,652	361,887	423,257
Provisions	(130,024)	(71,369)	(60,756)	(97,802)	(110,035)
Profit before tax	93,864	197,266	248,896	264,086	313,222
Taxes	(21,142)	(56,170)	(71,008)	(66,470)	(78,838)
Net profit	72,723	141,096	177,888	197,615	234,384

Source: Company, YES Sec – Research

Exhibit 17: Du Pont Analysis (RoA tree)

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Interest Income	5.7	6.5	7.4	7.5	7.5
Interest expense	-3.1	-3.5	-4.5	-4.5	-4.5
Net interest income	2.7	3.0	2.9	2.9	3.0
Non-interest income	0.9	0.7	1.0	0.9	0.9
Total income	3.6	3.8	3.9	3.9	3.9
Operating expenses	-1.8	-1.8	-1.9	-1.7	-1.7
PPoP	1.8	2.0	2.0	2.1	2.2
Provisions	-1.1	-0.5	-0.4	-0.6	-0.6
Profit before tax	0.8	1.4	1.6	1.6	1.6
Taxes	-0.2	-0.4	-0.5	-0.4	-0.4
Net profit	0.6	1.0	1.2	1.2	1.2

Source: Company, YES Sec – Research

Exhibit 18: Sum of the Parts (SOTP) - Subsidiaries

Subsidiaries/JVs	Market Cap / Assigned value (Rs mn)	Valuation metric	Metric value (Rs mn)	Trailing multiple (Implied / Assigned)	Stake (%)	Stake value (Rs mn)	Per share (Rs)
IndiaFirst Life Insurance	65,889	NWP	59,736	1.1x	65.0%	42,828	8.3
India Infradebt	27,813	BV	27,813	1.0	41.0%	11,401	2.2
Nainital Bank	10,917	BV	7,278	1.5	98.6%	10,761	2.1
Baroda AMC	21,388	AUM	356,465	6.0%	50.1%	10,715	2.1
BOBCARD Ltd.	20,190	BV	10,095	2.0	100.0%	20,190	3.9
Value of Subsidiaries						95,895	18.5

Source: Company, YES Sec – Research

Exhibit 19: Change in annual estimates

Y/e 31 Mar (Rs mn)	Revised Estimate			Earlier Estimate			% Revision		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net Interest Income	NA	497,597	563,612	NA	537,475	609,066	NA	(7.4)	(7.5)
Pre-Prov. Operating Profit	NA	361,887	423,257	NA	391,816	457,581	NA	(7.6)	(7.5)
Profit after tax	NA	197,615	234,384	NA	203,057	241,697	NA	(2.7)	(3.0)

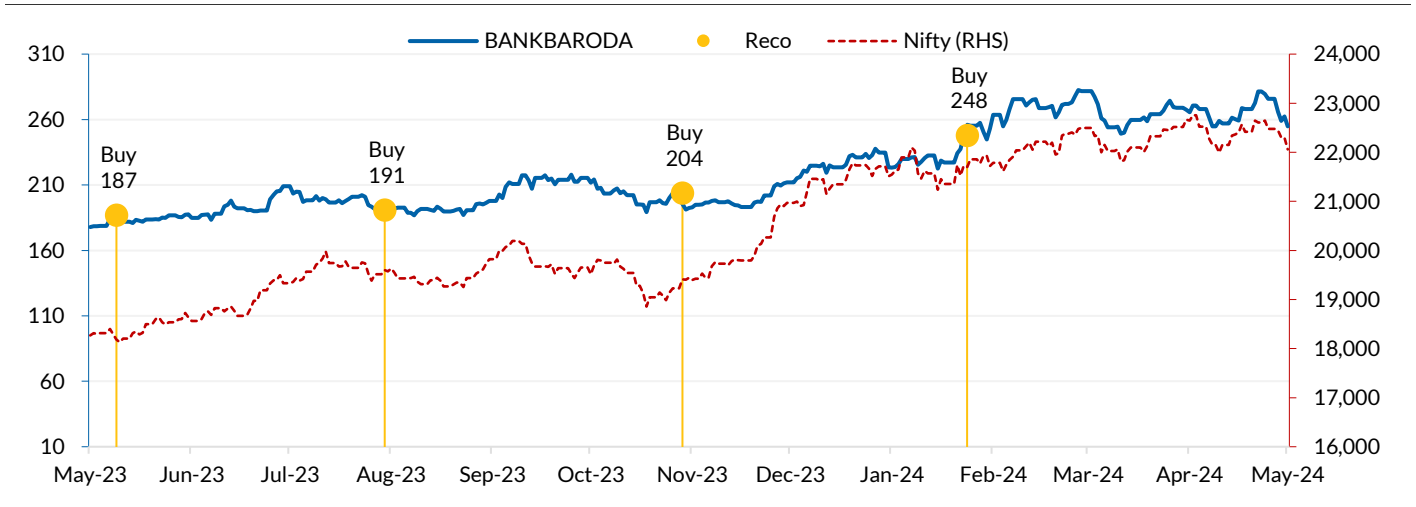
Source: Company, YES Sec – Research

Exhibit 20: Ratio analysis

Y/e 31 Mar	FY22	FY23	FY24	FY25E	FY26E
Growth matrix (%)					
Net interest income	13.2	26.8	8.1	11.3	13.3
PPoP	5.6	20.0	15.3	16.9	17.0
Net profit	777.3	94.0	26.1	11.1	18.6
Loans	10.0	21.1	13.3	13.0	13.0
Deposits	8.2	15.1	10.2	11.5	11.6
Profitability Ratios (%)					
Net interest margin	3.0	3.3	3.2	3.2	3.2
Return on Average Equity	8.9	15.3	16.9	16.0	16.3
Return on Average Assets	0.6	1.0	1.2	1.2	1.2
Per share figures (Rs)					
EPS	14.0	27.3	34.4	36.3	43.1
BVPS	166	190	217	247	282
ABVPS	140	174	203	231	263
Valuation multiples					
P/E	16.8	8.7	6.9	6.5	5.5
P/BV	1.4	1.2	1.1	1.0	0.8
P/ABV	1.7	1.4	1.2	1.0	0.9
NIM internals (%)					
Yield on loans	6.6	7.5	8.5	8.5	8.5
Cost of deposits	3.3	3.7	4.7	4.8	4.8
Loan-deposit ratio	74.3	78.2	80.3	81.4	82.4
CASA ratio	41.5	39.5	38.0	38.0	38.0
Opex control (%)					
Cost/Income ratio	49.2	47.7	47.7	44.7	43.1
Cost to average assets	1.8	1.8	1.9	1.7	1.7
Capital adequacy (%)					
Tier 1 capital ratio	13.3	14.0	14.1	14.5	14.1
Asset quality (%)					
Slippage ratio	1.9	1.3	1.0	1.2	1.2
Gross NPL ratio	6.6	3.8	2.9	2.8	2.7
Credit cost	2.0	0.5	0.6	0.8	0.8
Net NPL ratio	1.7	0.9	0.7	0.7	0.8

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

Recommendation Tracker



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