

Lower credit cost and early signs of yield improvement

AUBANK reported above estimate numbers primarily to improvement in asset quality. NII for the quarter came in line at Rs13.4bn (CentrumE – Rs13.7bn). Further, non-interest income witnessed ~24% QoQ jump, thanks to pick up in business momentum. However, higher opex led to marginally lower PPOP at Rs6.6bn (CentrumE – 6.9bn). Resultantly, CTI for the quarter was sequentially higher at 64.9% vs. 63.0% in 3QFY24. However, credit cost for the quarter was lower at Rs1,325mn vs. Rs1,589mn in 3QFY24 which was better than our expectations. GNPA came in at 1.67% which was lower by 31bps QoQ, NNPA at 0.55% also lower by 9 bps on sequential basis thanks to collection momentum. Therefore, inspite the bank booked amalgamation expenses as exceptional item worth Rs768mn the PAT was broadly in line our estimates of Rs3.7bn. CRAR came in at 20.06% vs. 20.82% as of 3QFY24. **We maintain our ADD recommendation for the stock. We roll forward to FY26 from 1HFY26 and value AUBANK at 3.5x ABVE for FY26E, resulting in a TP of Rs.884.**

Sharp Increase in CTI ratio leads to lower than expected PPOP

AUBANK posted robust +24% fund based income to Rs28.3bn vs. our estimates of 28.7bn. However, CoF (calc.) for the quarter declined sequentially by ~30 bps and came at 7.1%. On opex front, AUBANK witnessed a sharp increase with CTI print registering at 64.9% vs. 63% in 3QFY24. Resultantly, PPOP growth was lower at 16%.

Lower credit cost aids earnings

Slippages for the quarter came in higher at Rs3.0n (~1.75% of gross advances on an annualized basis). Further, AUBANK witnessed spike in provision expenses to Rs1,325mn (QoQ down 23 bps of AUM. Bank booked amalgamation expenses as exceptional item of Rs 768mn which resulting into PAT decline by -12.7% YoY/-1.2% QoQ. Resultantly, RoAA and RoAE (calc.) stood lower at 1.5% (-17bps QoQ) and 13.2% (-62bps QoQ), respectively.

Total deposits growth lead by bulk deposit

Total deposit portfolio stood at Rs871.8bn grew by 25.7%/8.8% YoY/QoQ. The deposit growth push by Bulk deposit (33.8% of Total deposit) by 40%/6% YoY/QoQ. CASA show healthy growth of 10% QoQ as compare to deposit at 9%. Further, advances grew by 25.2%/9.6% YoY/QoQ, stand at 732bn. Resulting, LDR maintain at 83.9% vs 83.3% in last quarter.

Expensive valuations doesn't provide room for disappointment

AUBANK has historically commanded premium valuation multiples, attributed to its sustained loan growth, impeccable asset quality, and appealing return ratios. Nevertheless, the current environment presents challenges for the bank, and execution is more important than ever. Our revised earnings estimates reflect an upward adjustment of approximately 6% and 3% for FY25, and FY26, respectively, to factor in recent improvement in business. **We roll over to FY26 and assign a 3.5x to ABV to arrive at revised TP of Rs884 (earlier TP 809) and retain our ADD rating.**

Financial and valuation summary

YE Mar (Rs mn)	4QFY24A	4QFY23A	YoY (%)	3QFY24A	QoQ (%)	FY24A	FY25E	FY26E
NII	13,370	12,132	10.2	13,249	0.9	51,572	86,447	1,08,168
PPoP	6,642	5,709	16.3	6,571	1.1	25,151	38,645	51,452
Provisions	1,325	409	224.2	1,589	(16.6)	4,387	11,673	15,220
Net profit	4,475*	4,246	5.4	3,752	19.3	15,348	19,556	27,120
Loan growth (%)	25.2	26.7		31.6		25.2	24.0	24.0
NIM (%)	5.9	6.7		6.0		5.7	6.4	6.5
Cost/income (%)	64.9	63.1		63.0		63.6	65.5	62.6
GNPA (%)	0.0	1.7		0.0		1.7	2.2	2.5
RoA (%)	2.2	2.1		1.8		1.5	1.5	1.5
RoE (%)	15.2	18.4		13.2		13.0	13.2	14.7
P/ABV (x)						3.4	2.8	2.5

Source: Company, Centrum Broking, *After adjusting amalgamation expense

Result Update

India I BFSI

25 April, 2024

ADD

Price: Rs619

Target Price: Rs884

Forecast return: 43%

Institutional Research

Market Data

Bloomberg:	AUBANK IN
52 week H/L:	813/554
Market cap:	Rs459.7bn
Shares Outstanding:	742.7mn
Free float:	69.3%
Avg. daily vol. 3mth:	40,49,908
Source: Bloomberg	

Changes in the report

Rating:	ADD; Unchanged
Target price:	Rs884; Changed by 9.2%
ABV:	FY25E; 220.9; Changed by 3.2%
	FY26E; 252.4; Changed by 1.8%

Source: Centrum Broking

Shareholding pattern

	Mar-24	Dec-23	Sep-23	Jun-23
Promoter	25.5	25.5	25.5	25.5
FII's	39.4	41.1	41.6	41.6
DII's	22.8	20.8	19.6	19.3
Public/other	12.4	12.6	13.3	13.6

Source: BSE

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q4FY24	Actual Q4FY24	Variance (%)
NII	13,770	13,370	(2.9%)
PPOP	6,912	6,642	(3.9%)
Provision	1810	1,325	(26.8%)
PAT	3816	3,707	(2.9%)

Source: Bloomberg, Centrum Broking



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Thesis Snapshot

Estimate revision

YE Mar (Rs mn)	FY25E New	FY25E Old	% chg	FY26E New	FY26E Old	% chg
NII	86,447	81,886	5.6%	1,08,168	1,05,626	2.4%
PPoP	41,145	37,955	8.4%	51,452	48,392	6.3%
PAT	22,056	19,827	11.2%	27,120	24,523	10.6%

Source: Centrum Broking

AU Small Finance Bank versus NIFTY Midcap 100

	1m	6m	1 year
AUBANK IN	9.7	(11.0)	(6.8)
NIFTY Midcap 100	5.7	29.6	60.3

Source: Bloomberg, NSE

Key assumptions

Y/E Mar	FY25E	FY26E
AUM Growth	26.9	24.1
NII growth	56.7	58.8
Other Inc./Assets	1.8	1.7
Opex/Assets	5.1	5.1
Provision Cost	0.8	0.9

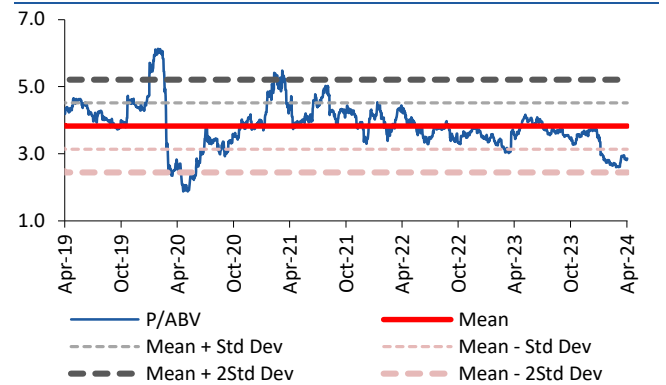
Source: Centrum Broking

Valuations

We expect AUBANK to report strong growth in advances, NII, and PAT, with CAGR of 24%, 26%, and 17%, respectively over FY24-26E. We maintain our ADD recommendation for the stock. We roll forward to FY26 from 1HFY26 and value AUBANK at 3.5x ABVE for FY26E, resulting in a TP of Rs.884 (Rs 809).

Valuations	Rs/share
FY26E ABV (Rs)	252
Ascribed P/BV (x)	3.5
Target Price (Rs)	884
Upside to CMP	43%

P/ABV mean and standard deviation



Source: Bloomberg, Centrum Broking

Peer comparison

Company	EPS (Rs)				ABVPS (Rs)				RoAA (%)				RoAE (%)			
	FY23A	FY24A	FY25E	FY26E	FY23A	FY24A	FY25E	FY26E	FY23A	FY24A	FY25E	FY26E	FY23A	FY24A	FY25E	FY26E
EQSFB	5.2	7.0	9.2	12.0	43.6	49.4	57.1	67.6	1.9	2.0	2.1	2.2	12.2	14.4	16.1	18.1
UJJIVANS	5.6	6.5	6.2	7.6	21.5	27.0	32.0	38.2	3.9	3.4	2.6	2.5	31.4	26.5	20.6	21.2
SURYODAY	7.3	19.6	26.0	29.8	140.5	162.8	189.6	219.1	0.9	2.1	2.0	1.9	5.0	12.3	14.2	14.1
Average	6.0	11.0	13.8	16.5	68.5	79.7	92.9	108.3	2.2	2.5	2.2	2.2	16.2	17.7	17.0	17.8
AUBANK	21.4	22.9	26.3	36.5	159.7	180.8	220.9	252.4	1.8	1.5	1.6	1.5	15.5	13.1	13.8	14.8

Company	CMP (Rs)	Rating	TP (Rs)	Mcap (Rs mn)	CAGR (FY23-26E)				P/E (x)				P/BV (x)			
					AUM	NII	Opex	PPoP	FY23A	FY24A	FY25E	FY26E	FY23E	FY24A	FY25E	FY26E
EQSFB	98	Buy	137	1,10,750	22.0	24.0	25.0	27.0	20.5	13.9	10.7	8.2	2.1	1.9	1.6	1.4
UJJIVANS	54	Buy	64	1,07,630	30.7	22.9	25.2	19.4	9.8	8.4	8.8	7.1	2.6	2.0	1.7	1.4
SURYODAY	207	Buy	249	22,030	32.9	26.5	30.7	27.1	28.3	10.6	7.9	6.9	1.1	1.2	1.1	0.9
Average					28.5	24.5	27.0	24.5	19.5	11.0	9.1	7.4	1.9	1.7	1.5	1.2
AUBANK	620	ADD	884	4,59,690	25.1	34.7	35.8	36.6	29.0	27.0	23.6	17.0	3.3	3.2	2.7	2.3

Source: Company, Centrum Broking

Exhibit 1: Key Parameters

CoF (%)	Reported			Calculated		
	Q3FY24	Q4FY24	QoQ change (bps)	Q3FY24	Q4FY24	QoQ change (bps)
AUBANK	6.9	7.0	10bps	7.4	7.1	(30bps)
EQSFB	7.4	7.4	nm	8.5	8.0	(50bps)
NIMs	Reported			Calculated		
	Q3FY24	Q4FY24	QoQ change (bps)	Q3FY24	Q4FY24	QoQ change (bps)
AUBANK	5.5	5.4	(10bps)	6.0	5.9	(10bps)
EQSFB	8.4	8.2	(20bps)	9.3	8.7	(60bps)
B/S	LDR	Dep. Growth	Borr/Liab			
AUBANK	83.9%	26%	5%			
EQSFB	86.9%	43%	4%			

Source: Company, Centrum Broking

Earnings concall KTAs

Guidance

- FY25 would be one more growth year in spite of 1QFY25 witnessing general election. Bank will continue to grow their balance sheet by maybe around 25% annually over the next three years.
- Targeted CASA over next 3years is 40%.
- On merged basis, NIMs are expected to be maintained in spite of expected increase in CoF for FY25 given incrementally disbursement (~75bps) is expected in higher yields book (GL/MFI/Wheels/MBL etc).
- Asset quality is expected to be maintained on improved performance of collection efforts. For merged entity, the credit cost would be ~1-1.1% on gross average advances and ~75bps on total average assets.
- CTI to remain range bound for next 2-3years.
- Universal license roadmap is under works for SFBs.
- For the credit card business, bank will moderate issuance (~6-6.5Lakh) to around FY24 levels to control upfront acquisition costs.

Advances and Deposits

- While witnessing a healthy 9% growth in overall deposits compared to the preceding quarter, CASA also has increased by 10% quarter-on-quarter.
- The combination of CASA plus retail term deposits now accounts for 64% of our deposits with CASA contributing 33%.

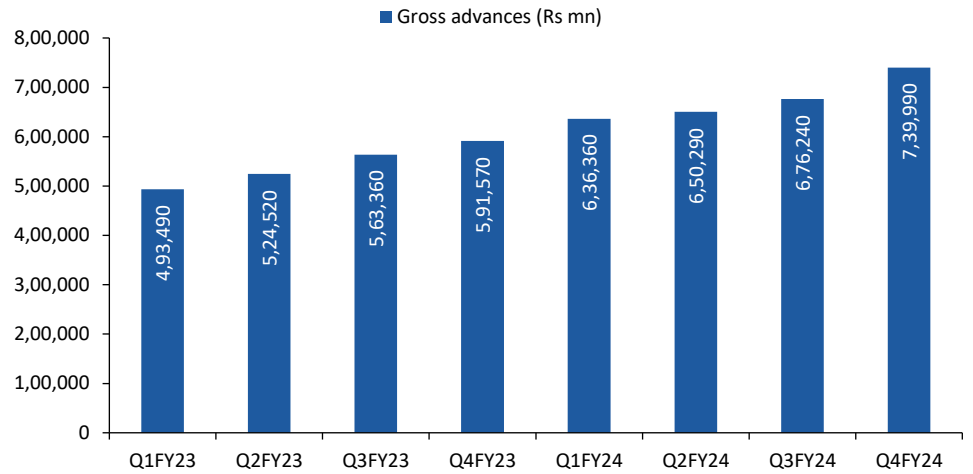
Asset quality and margins

- Incrementally the yields on major products has seen increase by +20bps. On overall book basis the yields are ~8bps. This has led to improvement in sequentially spreads coupled with lower securitization.
- Asset quality has seen improvement on the back of improved collection efforts.
- Fee income is seeing good traction and the momentum witnessed in 4QFY24 would continue going ahead as well.

Others

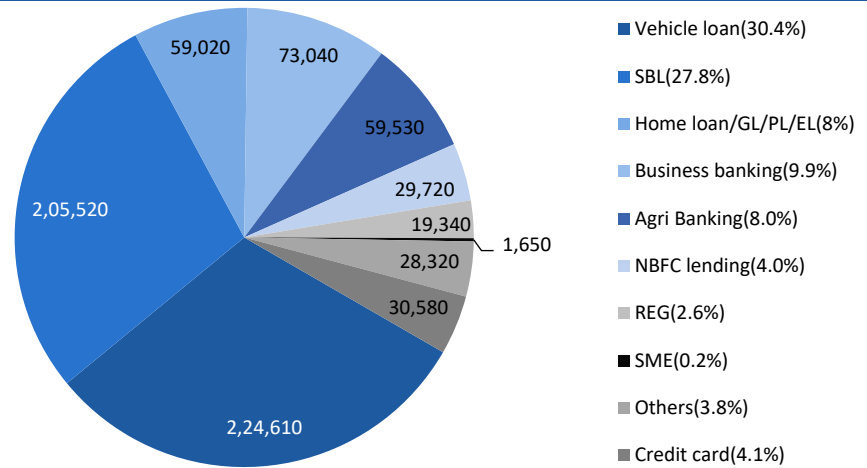
- Incremental merger cost is limited to Rs50-60cr over next two years as 4Q has seen incremental booking of same in AU and Fincare.
- For 4QFY24, the absolute credit cost was flattish sequentially inspite of increase in book size.
- As per the management, video banking and QR code is no longer a product for the bank. They have changed them from product to channel. So video banking had got merged with branch banking team now. And so there also the investment will not be there because now the whole leverage will happen to the branch banking team and similarly in the QR code also we don't want to put QR code as a separate business rather we want to put a QR code to our current account acquisition kind of strategy right so I think there also the QR code will become profitable right so it's a more a value proposition than a product so I think that two initiative will also help us to cut cost in that two initiatives.

Exhibit 2: Advances trend



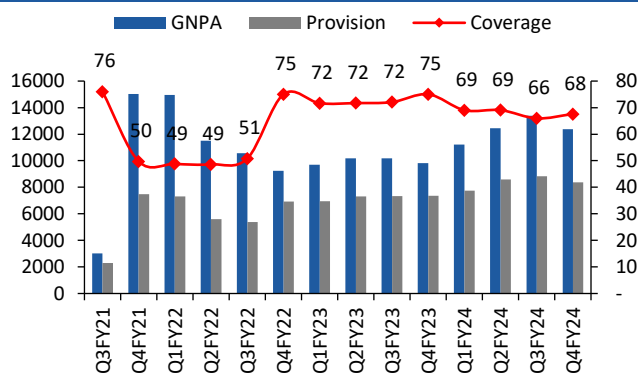
Source: : Company, Centrum Broking

Exhibit 3: Segment wise AUM breakup (Rs mn)



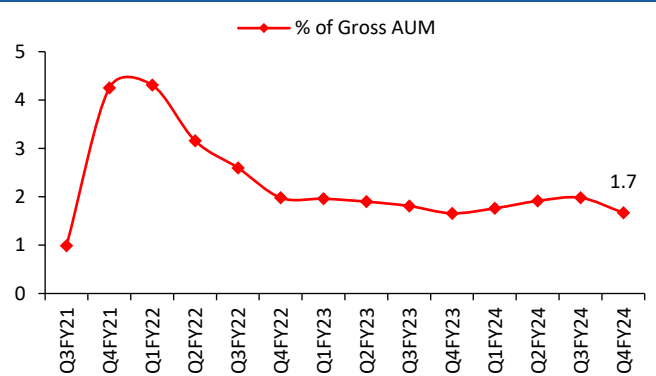
Source: Company, Centrum Broking

Exhibit 4: Marginal uptick in GNPA due to seasonality



Source: Company, Centrum Broking

Exhibit 5: Impressive downward trend of GNPA



Source: Company, Centrum Broking

Exhibit 6: Quarterly Financials Snapshot

Rs mn	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Income statement										
Interest earned	14,965	16,670	18,202	19,923	21,181	22,749	24,583	25,311	27,358	28,295
Interest expended	6,760	7,305	8,442	9,089	9,653	10,616	12,121	12,821	14,109	14,925
Net Interest Income	8,204	9,366	9,760	10,833	11,527	12,132	12,462	12,490	13,249	13,370
Other income	2,756	3,114	1,592	2,474	2,949	3,331	3,151	4,255	4,497	5,556
Total Income	10,961	12,479	11,352	13,307	14,476	15,463	15,613	16,744	17,746	18,926
Operating Expenses										
Employees	3,559	4,137	3,940	4,513	4,652	4,825	5,070	5,120	5,287	5,559
Others	2,818	3,519	3,471	3,806	4,267	4,928	5,082	5,147	5,887	6,726
Operating profit	4,584	4,823	3,941	4,988	5,557	5,709	5,460	6,477	6,571	6,642
Provisions	560	932	384	430	326	409	330	1,143	1,589	1,325
Profit before tax	4,025	3,891	3,557	4,558	5,231	5,300	5,131	5,334	4,981	5,316
Taxes	1,004	430	878	1,132	1,302	1,054	1,262	1,315	1,229	841
Net Profit	3,020	3,461	2,679	3,426	3,928	4,246	3,869	4,018	3,752	4,475
Balance sheet										
Shareholders funds	71,267	74,727	77,889	1,00,759	1,05,400	1,09,773	1,13,790	1,17,627	1,21,670	1,25,595
Borrowings	45,685	59,908	61,166	66,951	61,910	62,987	76,370	53,441	54,140	54,794
Deposits	4,42,780	5,25,846	5,46,310	5,83,354	6,11,010	6,93,650	6,93,150	7,57,429	8,01,200	8,71,821
Other liabilities	26,723	29,884	25,041	27,332	28,710	35,751	32,520	31,277	34,750	42,046
Total liabilities	5,86,454	6,90,365	7,10,406	7,78,397	8,07,030	9,02,161	9,15,830	9,59,774	10,11,760	10,94,257
Cash & bank	27,080	59,285	33,260	39,485	38,250	94,252	49,360	62,573	51,550	63,763
Advances	4,01,810	4,60,953	4,86,540	5,17,431	5,56,010	5,84,215	6,28,610	6,41,685	6,67,400	7,31,627
Investments	1,41,440	1,53,065	1,72,270	2,02,202	1,92,700	2,00,720	2,16,270	2,32,199	2,67,140	2,71,334
Fixed assets	5,420	6,226	6,510	6,814	7,110	7,401	7,260	7,574	8,070	8,516
Other assets	10,710	11,250	11,820	12,847	12,960	15,573	14,330	15,743	17,600	19,017
Total assets	5,86,460	6,90,778	7,10,400	7,78,779	8,07,030	9,02,161	9,15,830	9,59,774	10,11,760	10,94,257
Balance sheet (%)										
Loan growth	26.5	26.8	36.9	38.0	34.1	23.7	26.9	24.0	20.0	25.1
Deposit growth	49.0	46.2	47.6	49.4	38.0	31.9	26.9	29.8	31.1	25.7
Loans / Deposits	90.7	87.7	89.1	88.7	91.0	84.2	90.7	84.7	83.3	84.9
Investment / Deposits	31.9	29.1	31.5	34.7	31.5	28.9	31.2	30.7	33.3	31.1
Capital Adequacy										
Tier-1	18.2	19.7	18.4	21.3	20.0	21.8	19.9	21.0	19.4	18.8
Tier-2	1.4	1.3	1.0	2.1	2.0	1.8	1.6	1.4	2.1	1.3
CRAR	19.6	21.0	19.4	23.4	22.0	23.6	21.5	22.4	21.5	20.1
Profitability (%)										
Yield on assets	11.8	11.8	12.2	13.1	12.5	12.6	12.4	12.5	12.4	12.5
Cost of funds	5.9	5.3	6.5	6.4	6.2	5.6	7.0	6.8	6.8	6.4
NIM	6.5	6.6	6.6	7.1	6.8	6.7	6.3	6.2	6.0	5.9
Other income / Assets	0.5	0.5	0.2	0.3	0.4	0.4	0.3	0.5	0.5	0.5
Cost / Income	58.2	61.3	65.3	62.5	61.6	63.1	65.0	61.3	63.0	64.9
Employees	32.5	33.1	34.7	33.9	32.1	31.2	32.5	30.6	29.8	29.4
Others	25.7	28.2	30.6	28.6	29.5	31.9	32.6	30.7	33.2	35.5
Cost / Assets	4.8	5.1	4.8	5.1	5.1	4.9	5.0	4.7	4.9	4.9
RoA	2.3	2.3	1.8	2.1	2.3	2.1	1.9	1.8	1.7	1.5
RoE	19.4	20.3	15.0	16.3	17.8	18.4	16.1	14.7	13.2	12.6
Asset quality (%)										
GNPA	2.6	2.0	2.0	1.9	1.8	1.7	1.8	1.9	2.0	1.7
NNPA	1.3	0.5	0.6	0.6	0.5	0.4	0.5	0.6	0.7	0.6
PCR	50.8	75.0	71.7	71.7	72.1	75.0	69.0	69.1	66.0	67.6
Credit Cost	0.6	0.9	0.4	0.4	0.3	0.3	0.2	0.8	1.0	0.8

Source: Company, Centrum Broking

Exhibit 7: ROAE Tree of AUBank

ROAE Tree	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Total Assets	1,88,328	3,26,228	4,21,431	5,15,913	6,90,778	9,02,161	10,94,257	15,64,294	19,44,418
Average total assets	1,43,070	2,57,278	3,73,829	4,68,672	6,03,345	7,96,470	9,98,209	14,15,615	17,54,356
Equity	22,812	31,629	43,768	62,752	75,140	1,09,773	1,25,595	1,71,060	1,97,513
Average Equity	21,344	27,220	37,699	53,260	68,946	92,457	1,17,684	1,60,436	1,84,287
Interest Income on term loans/ Average total assets	8.7%	9.2%	9.1%	8.4%	8.1%	8.6%	8.5%	9.7%	9.9%
Income on investments/money with RBI/other banks / Average total assets	1.2%	1.4%	1.7%	1.8%	1.4%	1.6%	1.7%	1.7%	1.6%
Non-Interest Income/ Average total assets	2.7%	1.8%	1.9%	3.0%	1.6%	1.3%	1.7%	1.8%	1.7%
Total Income/ Average total assets	12.6%	12.4%	12.7%	13.3%	11.2%	11.5%	11.9%	13.2%	13.2%
Interest on Deposits, borrowings and debt securities / Average total assets	5.8%	6.2%	6.4%	5.5%	4.5%	4.7%	5.4%	5.1%	5.2%
Net Interest Income / Average total assets	6.6%	5.2%	5.1%	5.0%	5.4%	5.6%	4.7%	6.1%	6.2%
Net Total Income/ Average total assets	9.3%	7.0%	7.0%	8.1%	7.0%	6.9%	6.5%	7.9%	7.8%
Operating Expenses / Average total assets	5.3%	4.2%	3.8%	3.5%	4.0%	4.3%	4.4%	5.0%	4.9%
PPOP/Average total assets	4.0%	2.8%	3.2%	4.6%	3.0%	2.5%	2.5%	2.9%	2.9%
Provision Cost / Average total assets	0.9%	0.6%	0.8%	1.4%	0.6%	0.19%	0.44%	0.8%	0.9%
Profit before tax / Average total assets	3.1%	2.3%	2.4%	3.1%	2.4%	2.3%	2.0%	2.1%	2.1%
Tax expense/ Average total assets	1.1%	0.8%	0.3%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
One-time tax adjustment/Average Total Assets	0.0%	0.0%	0.2%	1.2%	0.0%	-0.1%	0.1%	0.0%	0.0%
RoAA	2.0%	1.5%	1.9%	1.3%	1.9%	1.8%	1.5%	1.5%	1.5%
Leverage (Average total assets/average Equity or average Net-worth)	6.70	9.45	9.92	8.80	8.75	8.61	8.48	8.82	9.52
RoAE	13.7%	14.0%	19.1%	11.6%	16.4%	15.9%	13.0%	13.7%	14.7%

Source: Centrum Broking, Company Data

P&L					
YE Mar (Rs mn)	FY22A	FY23A	FY24A	FY25E	FY26E
Interest earned	59,217	82,054	1,05,547	1,66,135	2,08,167
Interest expended	82,054	37,801	53,975	79,687	99,999
Net Interest Income	26,876	44,253	51,572	86,447	1,08,168
Other income	37,801	10,345	17,459	25,512	29,385
Total Income	32,341	54,597	69,031	1,11,959	1,37,553
Operating Expenses	44,253	34,403	43,880	73,315	86,101
Employees	9,937	17,930	21,037	33,965	39,449
Others	10,345	16,472	22,843	39,349	46,652
PPoP	42,278	20,195	25,151	38,645	51,452
Provisions	54,597	1,549	4,387	11,673	15,220
Profit before tax	24,128	18,646	20,763	26,971	36,232
Taxes	34,403	4,367	4,647	7,415	9,112
Net Profit	13,789	14,279	16,116	19,556	27,120

Ratios					
YE Mar	FY22A	FY23A	FY24A	FY25E	FY26E
Growth (%)					
Loans	33.2	26.7	25.2	24.0	24.0
Deposits	46.2	31.9	25.7	27.8	25.1
RWA growth	30.2	33.2	23.5	25.7	26.2
NII	36.7	36.8	16.5	27.0	25.1
Other income	(30.1)	4.1	68.8	22.1	15.2
Opex	46.9	42.6	27.5	29.3	17.4
PPoP	(15.3)	11.3	24.5	20.0	33.1
Provisions	(46.1)	(57.1)	183.3	92.6	30.4
Net profit	(4.8)	26.4	7.5	(2.5)	38.7
Profitability (%)					
Yield on assets	10.4	11.4	11.7	12.4	12.5
Cost of funds	5.3	5.6	6.4	6.6	6.6
NIM	5.7	6.2	5.7	6.4	6.5
Other income / Total inc.	23.5	18.9	25.3	22.8	21.4
Other inc. / avg assets	1.6	1.3	1.7	1.8	1.7
Cost/Income	57.1	63.0	63.6	65.5	62.6
Employee	32.6	32.8	30.5	30.3	28.7
Other	24.5	30.2	33.1	35.1	33.9
Opex/ Avg assets	4.0	4.3	4.4	5.0	4.9
Provisioning cost	0.9	0.3	0.7	1.2	1.2
Tax rate	22.3	23.4	22.4	27.5	25.1
RoE	16.4	15.4	13.0	13.2	14.7
RoA	1.9	1.8	1.5	1.5	1.5
RoRWA	3.5	3.4	2.8	2.5	2.7
Du-pont (%)					
Interest income	9.8	10.3	10.6	11.7	11.9
Interest expenses	4.5	4.7	5.4	5.6	5.7
NII	5.4	5.6	5.2	6.1	6.2
Other income	1.6	1.3	1.7	1.8	1.7
Total income	7.0	6.9	6.9	13.2	13.2
Operating expenses	4.0	4.3	4.4	5.2	4.9
Employee	2.3	2.3	2.1	2.4	2.2
Other	1.7	2.1	2.3	2.8	2.7
PPOP	3.0	2.5	2.5	2.9	2.9
Provisions	0.6	0.2	0.4	0.8	0.9
PBT	2.4	2.3	2.0	2.1	2.1
Tax	0.5	0.5	0.5	0.5	0.5
RoA	1.9	1.8	1.5	1.5	1.5

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY22A	FY23A	FY24A	FY25E	FY26E
Share capital	3,562	3,562	7,319	8,200	8,200
Reserves & surplus	71,578	1,02,666	1,18,276	1,62,856	1,89,309
Deposits	5,25,846	6,93,650	8,71,821	12,48,250	15,62,080
Borrowings	59,908	62,987	54,794	1,01,116	1,29,590
Other Liabilities	29,884	35,751	42,046	43,871	55,238
Total liabilities	6,90,778	9,02,161	10,94,257	15,64,294	19,44,418
Cash balances with RBI	24,684	89,161	46,380	98,441	1,23,122
Balances with banks	34,601	5,091	17,383	18,156	22,693
Investments	1,53,065	2,00,720	2,71,334	3,45,253	4,31,849
Advances	4,60,953	5,84,215	7,31,627	10,60,456	13,15,088
Fixed Assets	6,226	7,401	8,516	10,552	12,135
Other Assets	11,250	15,573	19,017	31,434	39,530
Total assets	6,90,778	9,02,161	10,94,257	15,64,294	19,44,418

Ratios					
YE Mar (Rs mn)	FY22A	FY23A	FY24A	FY25E	FY26E
Balance Sheet (%)					
Loans / Deposits	87.7	84.2	83.9	85.0	84.2
Investments / Deposits	29.1	28.9	31.1	27.7	27.6
CASA	37.3	38.4	33.4	30.7	32.0
Assets/equity (x)	9.2	8.2	8.7	9.1	9.8
RWA / Total assets	52.7	53.8	54.8	55.8	56.7
Capital ratios (%)					
CET-1	19.7	21.8	20.3	19.1	17.5
Tier-1	19.7	21.8	20.3	19.1	17.5
Tier-2	1.3	1.8	1.5	1.1	0.9
CRAR	21.0	23.6	21.7	20.2	18.4
Asset quality ratios (%)					
GNPA (Rs mn)	9,244	9,813	12,374	24,750	35,082
NNPA (Rs mn)	2,719	2,862	4,010	8,164	12,197
GNPA	2.0	1.7	1.7	2.2	2.5
NNPA	0.5	0.4	0.5	0.7	0.9
PCR	75.0	74.7	67.2	67.0	65.2
Slippage	3.9	2.6	2.2	2.5	2.6
NNPA / Equity	3.6	2.6	3.2	4.8	6.2
Per share					
EPS	35.9	21.4	22.9	26.3	36.5
BVPS	238.6	164.6	187.7	230.3	265.9
ABVPS	228.7	159.7	180.8	221.0	252.6
Valuation (x)					
P/E	17.3	29.0	27.0	23.5	17.0
P/BV	2.6	3.8	3.3	2.7	2.3
P/ABV	2.7	3.9	3.4	2.8	2.5

Source: Company, Centrum Broking

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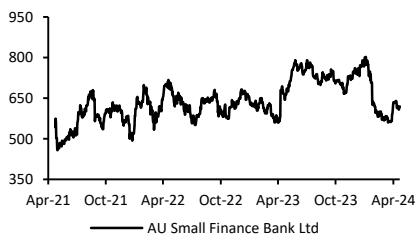
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AU Small Finance Bank



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