

BUY

TP: Rs 1,415 | ▲ 17%

ICICI BANK

| Banking

| 27 January 2025

Continue to demonstrate stable performance

- PAT growth of 15% YoY aided by stable credit cost and PPOP growth of 15% YoY
- NIMs declined by 2bps QoQ to 4.25%, Advances and Deposits grew 14% YoY
- Assume coverage of ICICIBC with a BUY from HOLD. Raise SOTP-based TP to Rs 1,415 (from Rs 1,352) set at 2.8x Dec'26 ABV

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Stable performance: ICICIBC continued to deliver stable business performance during Q3FY25. Advances grew by 14% YoY and 3% QoQ. This was driven by SME and business banking and corporate portfolio. Growth in advances has been softer compared to growth in the range of 15-18% in the previous quarters owing to price competition, softening of disbursements in some segments such as affordable housing and vehicle loans. However, the bank is witnessing healthy growth in the current quarter. We expect loan to grow at a CAGR of ~18% in FY24-FY27E. Deposits increased 14% YoY (2% QoQ) in Q3FY25 led by strong growth in term deposits at 12% YoY (2% QoQ).

Marginal contraction in NIMs: NIMs contracted by 2bps QoQ to 4.25% in Q3FY25. This was primarily on account of income tax refund and lower yield on advances due to higher interest reversals on Kisan Credit Card (KCC). Management expects margin to remain stable going forward till the rate cycle improves. Other income declined 2% QoQ and was up 16% YoY in Q3FY25.

Asset quality: GNPA ratio declined marginally by 1bps QoQ to 1.96% while NNPA remained stable at 0.42%. PCR declined 29bps QoQ to 78.7%. Credit cost stood at 38bps for Q3FY25 vs 40bps in Q2FY25. Slippages were higher at Rs 60.9bn vs. Rs 50.7bn in Q2FY25 owing to additions from Kisan Credit Card portfolio which generally occurs in the Q1 and Q3.

Lower provisions: Provisions came in at Rs 12.3bn vs. our estimate of Rs 15.6bn and was stable sequentially. This led to higher PAT vs. our estimates.

Assume coverage of ICICIBC with a BUY: ICICIBC is well on track for robust performance supported by strong advances growth, stable credit costs and overall sustainable business model. We expect loan to grow at a CAGR of ~18% in FY24-FY27E. RoA is expected to be in the range of 2.2-2.3% and RoE 17.5-18% in FY25-FY27E. Given ICICIBC's sturdy and improved performance, we upgrade to BUY from HOLD rating and raise our SOTP-based TP to Rs 1,415 from Rs 1,352 set at 2.8x Dec'26 ABV.

Key changes

	Target	Rating
	▲	▲

Ticker/Price	ICICIBC IN/Rs 1,209
Market cap	US\$ 99.0bn
Free float	100%
3M ADV	US\$ 179.1mn
52wk high/low	Rs 1,362/Rs 985
Promoter/FPI/DII	0%/45%/44%

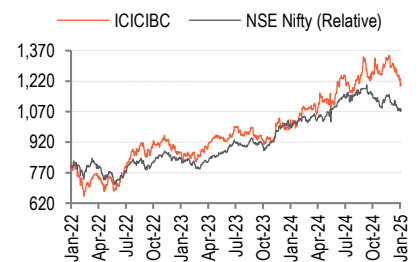
Source: NSE | Price as of 24 Jan 2025

Key financials

Y/E 31 Mar	FY24A	FY25E	FY26E
NII (Rs mn)	74,306	81,382	91,418
NII growth (%)	19.6	9.5	12.3
Adj. net profit (Rs mn)	40,888	46,510	52,143
EPS (Rs)	58.4	66.0	73.9
Consensus EPS (Rs)	58.4	68.0	74.5
P/E (x)	20.7	18.3	16.4
P/BV (x)	3.6	3.1	2.7
ROA (%)	2.4	2.3	2.2
ROE (%)	18.6	18.1	17.5

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Income Statement							
Interest Income	2,85,575	2,94,234	3,01,085	3,14,265	3,20,484	12.2	2.0
Income on investments	72,107	77,820	81,566	83,113	83,021	15.1	(0.1)
Int. on bal. with RBI & inter-bank funds & Others	9,264	7,430	7,307	7,996	9,493	2.5	18.7
Interest income	3,66,946	3,79,484	3,89,958	4,05,374	4,12,998	12.6	1.9
Interest expense	1,80,160	1,88,556	1,94,429	2,04,894	2,09,292	16.2	2.1
Net interest income	1,86,786	1,90,928	1,95,529	2,00,480	2,03,706	9.1	1.6
Growth YoY (%)	13.4	8.1	7.3	9.5	9.1		
Non-interest income	60,971	56,488	70,019	71,767	70,681	15.9	(1.5)
Growth YoY (%)	21.4	11.0	28.8	24.2	15.9		
Total income	2,47,756	2,47,416	2,65,548	2,72,246	2,74,387	10.7	0.8
Growth YoY (%)	15.3	8.7	12.2	13.0	10.7		
Staff expenses	38,127	37,202	43,705	41,361	39,291	3.1	(5.0)
Other operating expenses	62,393	59,826	61,595	63,653	66,231	6.2	4.0
Operating expenses	1,00,520	97,028	1,05,300	1,05,015	1,05,521	5.0	0.5
Pre-Provisioning Profit (PPoP)	1,47,236	1,50,388	1,60,248	1,67,232	1,68,866	14.7	1.0
Growth YoY (%)	10.9	8.8	13.3	17.5	14.7		
Provisions	10,494	7,185	13,322	12,331	12,267	16.9	(0.5)
Growth YoY (%)	(53.5)	(55.6)	3.1	111.6	16.9		
PBT	1,36,743	1,43,203	1,46,927	1,54,901	1,56,599	14.5	1.1
Tax	34,027	36,127	36,336	37,442	38,675	13.7	3.3
PAT	1,02,715	1,07,075	1,10,591	1,17,459	1,17,924	14.8	0.4
Growth YoY (%)	23.6	17.4	14.6	14.5	14.8		
Per Share							
FV (Rs)	2.0	2.0	2.0	2.0	2.0	0.0	0.0
EPS (Rs)	14.7	15.3	15.7	16.7	16.7	64.1	53.6
Book Value (Rs)	323	339	361	368	385	37.6	40.6

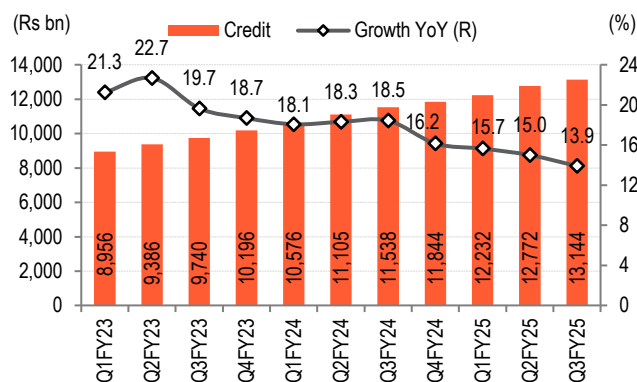
Source: Company, BOBCAPS Research

Fig 2 – Quarterly snapshot: Balance sheet & other metrics

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Deposits	1,33,23,145	1,41,28,250	1,42,61,495	1,49,77,607	1,52,03,088	14.1	1.5
Growth YoY (%)	18.7	19.6	15.1	15.7	14.1		
Advances	1,15,37,710	1,18,44,064	1,22,31,543	1,27,72,404	1,31,43,661	13.9	2.9
Growth YoY (%)	18.5	16.2	15.7	15.0	13.9		
Investment	43,66,498	46,19,423	47,52,556	47,90,985	47,19,783	8.1	(1.5)
Equity	22,68,366	23,83,993	25,39,945	25,95,400	27,16,429	19.8	4.7
Assets	1,78,32,221	1,87,15,146	1,89,26,971	1,97,68,582	2,01,33,431	12.9	1.8
Growth YoY (%)	17.2	18.1	14.9	14.9	12.9		
Yield (%)							
Yield on Funds	8.83	8.73	8.68	8.76	8.64	(19bps)	(12bps)
Cost of Funds	5.02	5.03	5.04	5.17	5.12	10bps	(5bps)
Spread	3.81	3.70	3.63	3.59	3.52	(29bps)	(6bps)
Net Interest Margin (Cal)	4.50	4.39	4.35	4.33	4.26	(23bps)	(7bps)
Ratios (%)							
Other Income / Net Income	24.6	22.8	26.4	26.4	25.8	115bps	(60bps)
Cost to Income ratio	40.6	39.2	39.7	38.6	38.5	(212bps)	(12bps)
CASA ratio	39.6	42.2	40.9	40.6	40.5	86bps	(15bps)
C/D ratio	86.6	83.8	85.8	85.3	86.5	(15bps)	118bps
Investment to Assets	24.5	24.7	25.1	24.2	23.4	(104bps)	(79bps)
Assets Quality							
GNPA	2,87,746	2,79,617	2,87,186	2,71,212	2,77,453	(3.6)	2.3
NNPA	53,785	53,778	56,848	56,851	58,978	9.7	3.7
Provision	2,33,962	2,25,839	2,30,338	2,14,360	2,18,476	(6.6)	1.9
GNPA (%)	2.30	2.16	2.15	1.97	1.96	(34bps)	(1bps)
NNPA (%)	0.44	0.42	0.43	0.42	0.42	(2bps)	0bps
Provision (%)	81.3	80.8	80.2	79.0	78.7	(257bps)	(29bps)
Others (nos)							
Branches	6,371	6,523	6,587	6,613	6,742	371	129
ATMs	17,037	17,190	17,102	16,120	16,277	(760)	157
Employees	1,41,000	1,41,180	1,44,255	1,44,825	1,47,650	6,650	2,825

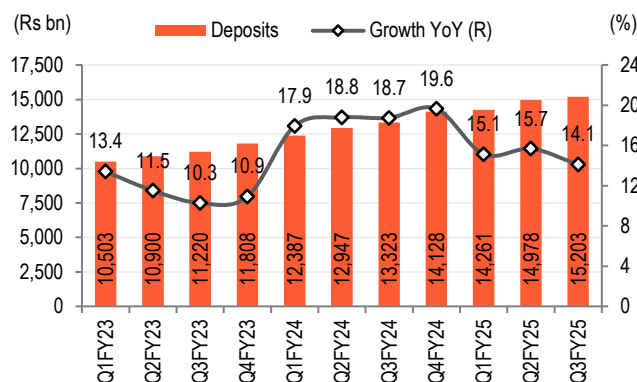
Source: Company, BOBCAPS Research

Fig 3 – Credit growth healthy at 14% YoY



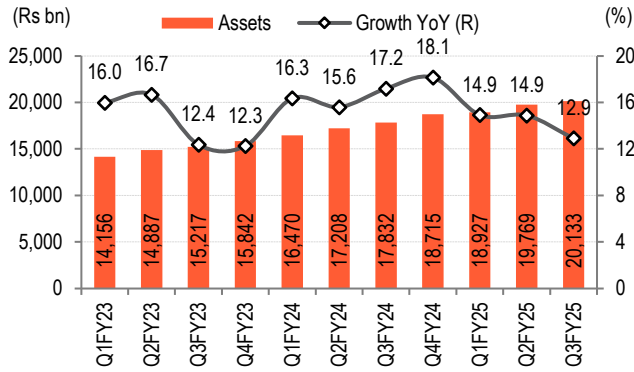
Source: Company, BOBCAPS Research

Fig 4 – Deposits increase 1.5%/14.1% on QoQ/YoY basis; growth to remain stable



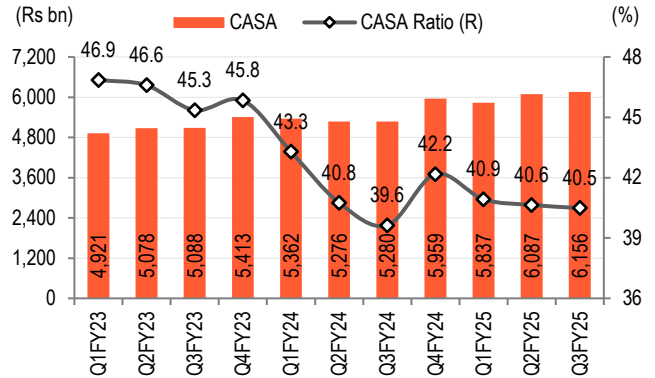
Source: Company, BOBCAPS Research

Fig 5 – Asset growth at 13% YoY on higher base



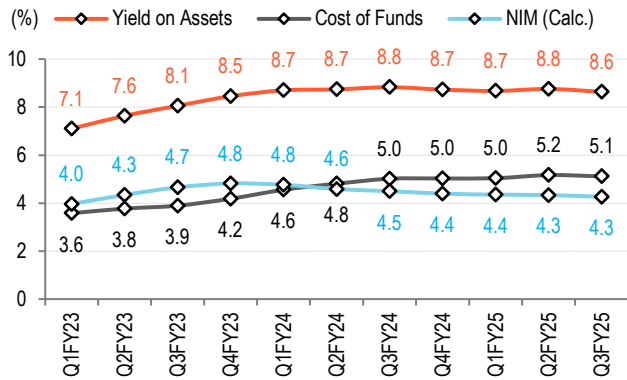
Source: Company, BOBCAPS Research

Fig 6 – CASA declined 15bps QoQ on low CASA mobilisation but improved 86bps YoY



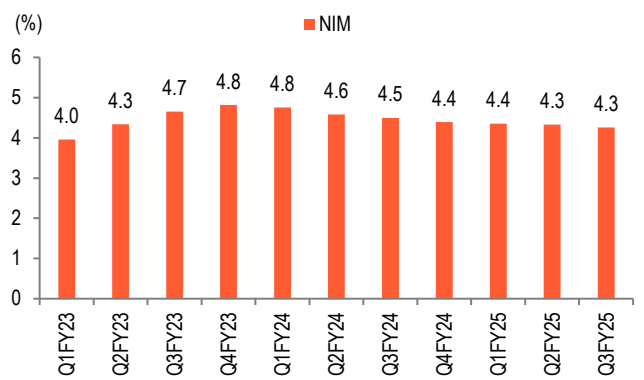
Source: Company, BOBCAPS Research

Fig 7 – Lower yields on products impacted NIMs...



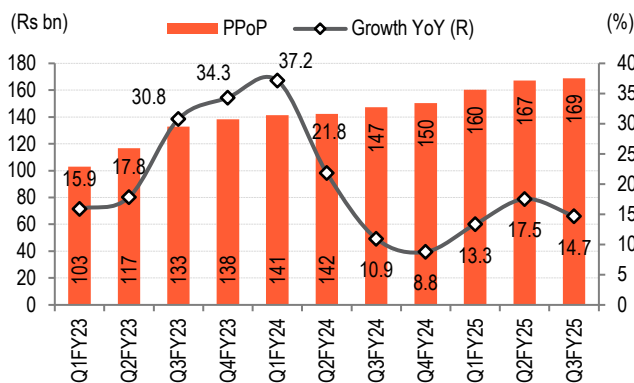
Source: Company, BOBCAPS Research

Fig 8 – ... leading to 7bps QoQ NIM (calc.) contraction



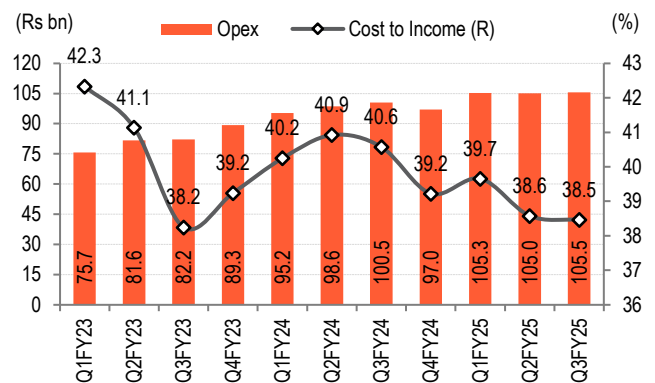
Source: Company, BOBCAPS Research

Fig 9 – PPOP moderated on lower topline



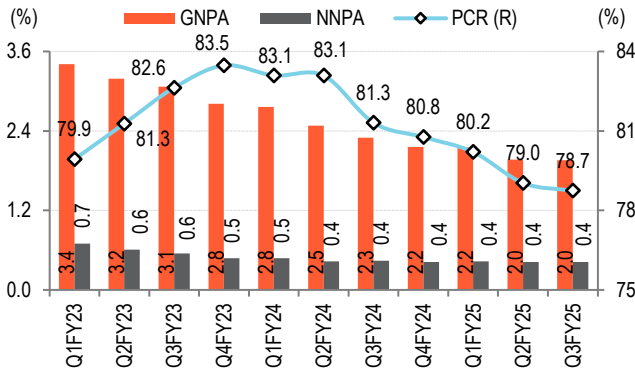
Source: Company, BOBCAPS Research

Fig 10 – C/I ratio decreased 212bps YoY



Source: Company, BOBCAPS Research

Fig 11 – Asset quality remained stable despite increase in unsecured stress



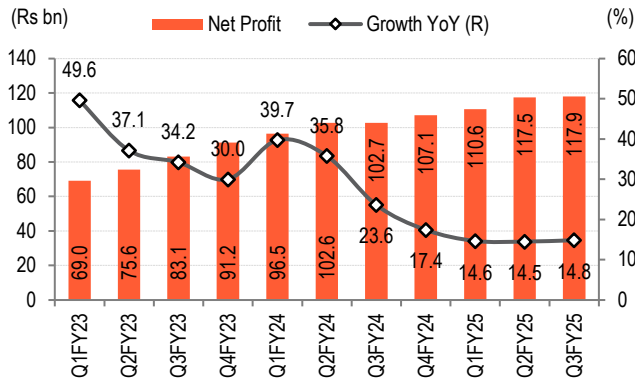
Source: Company, BOBCAPS Research

Fig 12 – Credit cost getting normalised, guidance range ~50bps



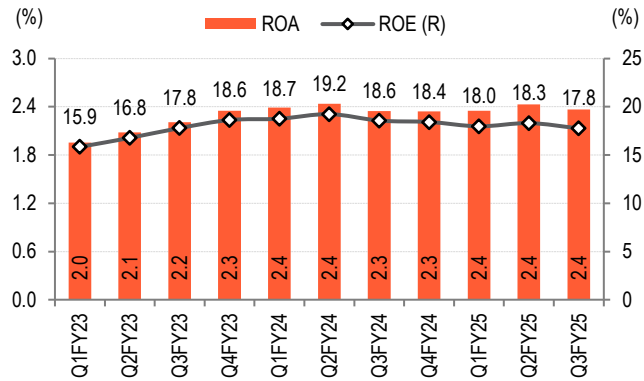
Source: Company, BOBCAPS Research

Fig 13 – PAT grew 15% YoY led by lower provisions & higher non-interest income



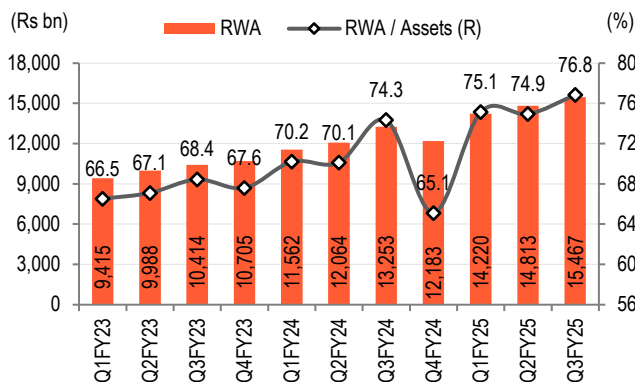
Source: Company, BOBCAPS Research

Fig 14 – Return ratios remained healthy



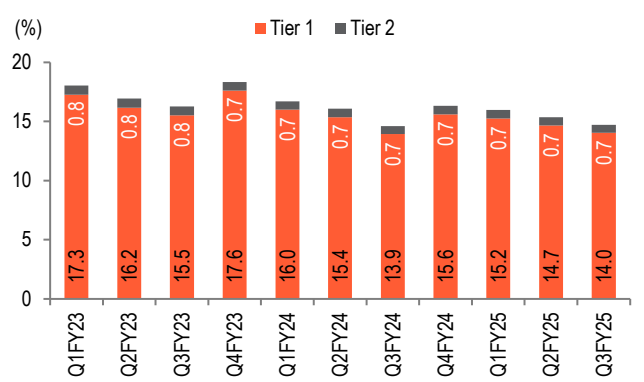
Source: Company, BOBCAPS Research

Fig 15 – RWA increased with increase in risk weight



Source: Company, BOBCAPS Research

Fig 16 – CAR remained healthy to fund growth



Source: Company, BOBCAPS Research

Earnings call highlights

Operating performance

- Management opined that the operating environment for the banking system continues to be dynamic and it continues to monitor inflation liquidity, interest rates, and uncertainties in the global environment.
- NII came in at Rs 203.7bn, up 9% YoY and 2% QoQ, below our estimates by 2%. NIMs contracted by 2bps QoQ to 4.25% in Q3FY25. This was primarily on account of income tax refund.
- Cost of deposits increased by 3bps QoQ to 4.19%. This was due to upward repricing of term deposits. While yield on advances (calculated) decreased by 16bps QoQ to 9.89% in Q3FY25. This was primarily on account of the KCC portfolio.
- Operating expenses remained stable sequentially and was up 5% YoY. Consequently, the cost to income ratio declined by 12bps QoQ to 38.5% in Q3FY25.
- PPOP increase by 15% YoY and 1% QoQ.
- Provisions came in at Rs 12.3bn vs. our estimate of Rs 15.6bn and stable sequentially. This led to higher PAT vs. our estimates.
- PAT came in at Rs 117.9bn, up 15% YoY and flat sequentially.

Asset quality

- ICICIBC's slippages increased to Rs 60.9bn during Q3FY25 vs. Rs 50.7bn in Q2, mainly due to higher slippages (Rs 7.1 bn) from the Kisan Credit Card which is seasonal in nature, while slippages from retail & rural (Rs 53.0bn vs Rs 43.4bn). Slippages in corporate & business banking (Rs 7.8bn vs Rs 7.3bn in Q2) remained high. Write-off during the quarter slowed to Rs 20.1bn vs. Rs 33.4bn in Q2FY25. Increase in slippages & steady recoveries led to marginal increase of Rs 6.2bn in GNPA in Q3.
- GNPA ratio declined marginally by 1bps QoQ to 1.96% while NNPA remained stable at 0.42%. PCR declined 29bps QoQ to 78.7%.
- Net Investment in security receipts of ARCs was nil as on 31 December 2024.
- Credit cost stands at 38bps for Q3FY25 vs 40bps in Q2FY25.
- Total provisions stood at Rs 226bn, including contingent provisions of Rs 131bn, general provisions of Rs 70.7bn and others for fund-based restructured and non-fund-based NPA stood at 1.7% of gross loans, which provide an additional cushion toward the mandated requirement.
- The builder portfolio including construction finance, lease rental, discounting, term loans and working capital was Rs 586.4bn at Q3 compared to Rs 542.2bn in Q2.
- Recoveries stood at Rs 33.9bn vs. Rs 33.2 bn in Q2FY25 out of which retail recoveries were Rs 27.9bn. The bank foresees continued retail recoveries going

forward while corporate recoveries may be lower as recoveries from this segment has been completed.

- The bank informed that it has tightened underwriting and risk assessment parameters and has calibrated growth in the unsecured loan space.

Loans

- During Q3, advances grew by 14% YoY and 3% QoQ. This was led by SME and business banking and corporate portfolio.
- Growth in advances has been softer compared to growth in the range of 15-18% in the previous quarters owing to price competition, softening of disbursements in some of the segments such as affordable housing and vehicle loans. However, the bank is witnessing a healthy growth in the current quarter.
- Domestic book grew 15% YoY and 3% QoQ. Retail book saw a growth of 11% YoY and 1% QoQ. Retail book now constitutes to 53.5% of the total loan book.
- Personal loans and credit card portfolio growth remained muted at -1% QoQ and 3% QoQ respectively.
- PL and credit card together constituted 13.5% of the total book vs. 13.9% in Q2FY25.
- Oversees book declined 19% YoY and 8% QoQ in Q3FY25.

Deposits

- Deposits increased 14% YoY (2% QoQ) in Q3FY25 led by strong growth in term deposits at 12% YoY (2% QoQ), whereas low-cost CASA grew 1% QoQ and 7% YoY. This resulted in a stable CASA ratio sequentially at 40.5% in Q3FY25.
- Average current account deposits increased by 13% YoY and 5% sequentially in Q3. Average savings account deposits increased by 12% YoY and 1% sequentially.

NIM

- Reported NIM declined 2bps QoQ to 4.25%, reflecting the lag in deposit repricing over the last year and by lower loan and investment yields.
- Domestic NIMs saw a marginal decline of 2bps to 4.32% vs. 4.34% in Q2FY25, while international NIMs expanded by 11bps QoQ to 1.33%.
- Of the total domestic loan book, 52% is linked to the repo rate, 16% to MCLR and other rates, 1% to EBLR and the balance 31% is fixed rate book.

Fig 17 – Loan book trend

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Corporate	24,78,850	25,82,790	26,63,040	26,90,290	28,06,800	13.2	4.3
SME + Business Banking	18,80,850	15,33,230	16,40,110	23,30,250	24,80,480	31.9	6.4
Retail	63,61,870	66,62,610	68,23,430	69,35,070	70,32,650	10.5	1.4
Rural	7,08,480	10,24,460	10,58,800	7,87,890	7,94,960	12.2	0.9
Domestic Loans	1,11,48,200	1,15,09,550	1,18,85,870	1,24,30,900	1,28,27,780	15.1	3.2
Overseas Loans	3,89,510	3,34,510	3,45,670	3,41,500	3,15,880	(18.9)	(7.5)
Total Loans	1,15,37,710	1,18,44,060	1,22,31,540	1,27,72,400	1,31,43,660	13.9	2.9
Total Loans (Reported)	1,15,37,710	1,18,44,064	1,22,31,543	1,27,72,404	1,31,43,661	13.9	2.9

Source: Company, BOBCAPS Research

Fig 18 – Loan book distribution

(%)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Corporate	21.5	21.8	21.8	21.1	21.4	(13bps)	29bps
SME + Business Banking	16.3	12.9	13.4	18.2	18.9	257bps	63bps
Retail	55.1	56.3	55.8	54.3	53.5	(163bps)	(79bps)
Rural	6.1	8.6	8.7	6.2	6.0	(9bps)	(12bps)
Domestic Loans	96.6	97.2	97.2	97.3	97.6	97bps	27bps
Overseas Loans	3.4	2.8	2.8	2.7	2.4	(97bps)	(27bps)
Total Loans	100.0	100.0	100.0	100.0	100.0	0bps	0bps

Source: Company, BOBCAPS Research

Fig 19 – Retail book trend

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Mortgage	38,41,320	39,59,210	40,59,960	41,91,050	42,77,450	11.4	2.1
Auto Finance	5,78,740	5,92,190	6,02,040	6,06,870	6,17,080	6.6	1.7
Commercial Vehicle & Equipment	3,04,480	3,14,260	3,21,180	3,21,340	3,26,930	7.4	1.7
Two wheelers	21,790	19,900	17,500	14,980	12,240	(43.8)	(18.3)
Personal Loans	11,10,990	11,66,770	11,83,770	12,25,010	12,08,630	8.8	(1.3)
Credit Cards	4,81,970	5,13,210	5,34,720	5,52,810	5,68,470	17.9	2.8
Others	22,580	97,080	1,04,260	23,010	21,850	(3.2)	(5.0)
Total Retail Loans	63,61,870	66,62,620	68,23,430	69,35,070	70,32,650	10.5	1.4

Source: Company, BOBCAPS Research

Fig 20 – Retail loan book distribution

(%)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
Mortgage	33.3	33.4	33.2	32.8	32.5	(75bps)	(27bps)
Auto Finance	5.0	5.0	4.9	4.8	4.7	(32bps)	(6bps)
Commercial Vehicle & Equipment	2.6	2.7	2.6	2.5	2.5	(15bps)	(3bps)
Two wheelers	0.2	0.2	0.1	0.1	0.1	(10bps)	(2bps)
Personal Loans	9.6	9.9	9.7	9.6	9.2	(43bps)	(40bps)
Credit Cards	4.2	4.3	4.4	4.3	4.3	15bps	0bps
Others	0.2	0.8	0.9	0.2	0.2	(3bps)	(1bps)
Total Retail Loans	55.1	56.3	55.8	54.3	53.5	(163bps)	(79bps)

Source: Company, BOBCAPS Research

Fig 21 – Trend in deposits

(Rs mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
CA Deposits	15,34,110	19,35,720	17,60,280	18,30,900	19,04,380	24.1	4.0
SA Deposits	37,45,840	40,23,000	40,76,430	42,56,330	42,51,480	13.5	(0.1)
CASA Deposits	52,79,950	59,58,720	58,36,710	60,87,230	61,55,860	16.6	1.1
Term Deposits	80,43,195	81,69,530	84,24,785	88,90,377	90,47,228	12.5	1.8
Total Deposits	1,33,23,145	1,41,28,250	1,42,61,495	1,49,77,607	1,52,03,088	14.1	1.5

Source: Company, BOBCAPS Research

Fig 22 – Deposit distribution

(%)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
CA Deposits	11.5	13.7	12.3	12.2	12.5	101bps	30bps
SA Deposits	28.1	28.5	28.6	28.4	28.0	(15bps)	(45bps)
CASA Deposits	39.6	42.2	40.9	40.6	40.5	86bps	(15bps)
Term Deposits	60.4	57.8	59.1	59.4	59.5	(86bps)	15bps
Total Deposits	100.0	100.0	100.0	100.0	100.0	0bps	0bps

Source: Company, BOBCAPS Research

Valuation methodology

Assume coverage with a BUY: ICICIB is well on track for robust performance supported by strong advances growth, stable credit costs and overall sustainable business model. We expect loan to grow at a CAGR of ~18% in FY24-FY27E. We expect RoA to be in the range of 2.2-2.3% and RoE 17.5-18% in FY25-FY27E. Given ICICIB's sturdy and improved performance, we upgrade to BUY from HOLD rating and raise our SOTP-based TP to Rs 1,415 from Rs 1,352 set at 2.8x Dec'26 ABV.

Fig 23 – Actuals vs BOBCAP estimates

(Rs mn)	Q3FY25A	Q3FY25E	Actual vs. Estimates (%)
Loan	1,31,43,661	1,32,68,367	(0.9)
Deposits	1,52,03,088	1,55,88,080	(2.5)
Assets	2,01,33,431	2,05,19,966	(1.9)
NII	2,03,706	2,07,548	(1.9)
PPOP	1,68,866	1,67,610	0.7
Provision	12,267	15,624	(21.5)
PAT	1,17,924	1,14,293	3.2

Source: Company, BOBCAPS Research

Fig 24 – Key operational assumptions

(%)	FY24	FY25E	FY26E	FY27E
Advances	16.2	16.2	17.2	15.0
Net Interest Income	19.6	9.5	12.3	17.1
PPOP	18.4	14.4	14.2	18.1
PAT	28.2	13.7	12.1	15.6
NIM	4.5	4.3	4.1	4.1
GNPA	2.9	2.2	2.0	2.1
CAR	18.4	15.4	15.8	15.8

Source: Company, BOBCAPS Research

Fig 25 – Valuation summary

Business	Valuation	Holdings (%)	Value (Rs/Sh)
ICICI Bank	2.8x FY26E ABV	100	1,165
ICICI Prudential Life	Market cap	51.04	62
ICICI Lombard General	Market cap	51.81	66
ICICI Securities	Market cap	74.64	28
ICICI Prudential AMC	7.5% of AUM	51	76
ICICI Home Finance	1.5x FY25E P/B	100	8
ICICI Bank CANADA & UK	-	100	11
Total	-	-	1,415

Source: Company, BOBCAPS Research

Fig 26 – Key valuation assumptions

Gordon growth model	(%)
Return on Equity (RoE)	17.3
Cost of Equity (Ke)	12.4
Growth (Period 1)	13.8
Growth (Long Term)	6.9
Initial High Growth Period (yrs)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	60.0
Factor 1	2.1
Factor 2	13.2
Justified P/BV (x)	2.8

Source: Company, BOBCAPS Research

Glossary

Glossary of Abbreviations			
AUCA	Advance Under Collection Account	LDR	Loan to Deposit Ratio
ARC	Asset Reconstruction Company	MCLR	Marginal Cost of Funds-based Lending Rate
BRDS	Bills Rediscounting Scheme	MTM	Mark to Market
CASA	Current Account and Savings Account	NBFC	Non-Banking Finance Company
CAR	Capital Adequacy Ratio	NII	Net Interest Income
CC	Credit Card	NIM	Net Interest Margin
CET1	Common Equity Tier 1	NNPA	Net Non-Performing Assets
CD	Credit-Deposit Ratio	PCR	Provision Coverage Ratio
C/I	Cost-Income Ratio	PL	Personal Loans
CRB	Commercial and Rural Banking	PPOP	Pre-Provision Operating Profit
CV	Commercial Vehicles	PSU	Public Sector Unit
EBLR	External Benchmark-based Lending Rate	RWA	Risk-weighted Assets
ECL	Expected Credit Loss	SLR	Statutory Liquidity Ratio
GNPA	Gross Non-Performing Assets	SMA	Special Mention Account
HFC	Housing Finance Company	SME	Small and Medium-sized Enterprises
IBPC	Interbank Participation Certificate	TD	Term Deposits
LCR	Liquidity Coverage Ratio		

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net interest income	62,129	74,306	81,382	91,418	1,07,051
Nil growth (%)	30.9	19.6	9.5	12.3	17.1
Non-interest income	19,831	22,958	28,119	33,022	37,952
Total income	81,960	97,263	1,09,501	1,24,440	1,45,003
Operating expenses	32,873	39,133	42,998	48,506	55,315
PPOP	49,087	58,131	66,502	75,933	89,688
PPOP growth (%)	25.1	18.4	14.4	14.2	18.1
Provisions	6,666	3,643	5,305	7,324	10,404
PBT	42,421	54,488	61,197	68,610	79,284
Tax	10,525	13,600	14,687	16,466	19,028
Reported net profit	31,897	40,888	46,510	52,143	60,256
Adjustments	0	0	0	0	0
Adjusted net profit	31,897	40,888	46,510	52,143	60,256

Balance Sheet

Y/E 31 Mar (Rs mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Equity capital	1,397	1,405	1,412	1,412	1,412
Reserves & surplus	1,99,319	2,36,995	2,74,763	3,17,938	3,67,830
Net worth	2,00,715	2,38,399	2,76,175	3,19,350	3,69,242
Deposits	11,80,841	14,12,825	16,31,813	18,88,007	21,99,529
Borrowings	1,19,325	1,24,968	1,52,460	1,75,330	1,98,122
Other liab. & provisions	83,325	95,323	91,171	1,49,668	1,61,427
Total liab. & equities	15,84,207	18,71,515	21,51,619	25,32,355	29,28,320
Cash & bank balance	1,19,438	1,39,926	1,52,878	1,58,392	1,96,202
Investments	3,62,330	4,61,942	5,25,144	6,38,703	7,40,524
Advances	10,19,638	11,84,406	13,76,280	16,13,000	18,54,950
Fixed & Other assets	82,800	85,240	97,317	1,22,260	1,36,644
Total assets	15,84,207	18,71,515	21,51,619	25,32,355	29,28,320
Deposit growth (%)	10.9	19.6	15.5	15.7	16.5
Advances growth (%)	18.7	16.2	16.2	17.2	15.0

Per Share

Y/E 31 Mar (Rs)	FY23A	FY24A	FY25E	FY26E	FY27E
EPS	45.8	58.4	66.0	73.9	85.3
Dividend per share	8.0	10.0	11.3	12.7	14.7
Book value per share	287.4	339.4	391.2	452.3	523.0

Valuations Ratios

Y/E 31 Mar (x)	FY23A	FY24A	FY25E	FY26E	FY27E
P/E	26.4	20.7	18.3	16.4	14.2
P/BV	4.2	3.6	3.1	2.7	2.3
Dividend yield (%)	0.7	0.8	0.9	1.1	1.2

DuPont Analysis

Y/E 31 Mar (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Net interest income	4.1	4.3	4.0	3.9	3.9
Non-interest income	1.3	1.3	1.4	1.4	1.4
Operating expenses	2.2	2.3	2.1	2.1	2.0
Pre-provisioning profit	3.3	3.4	3.3	3.2	3.3
Provisions	0.4	0.2	0.3	0.3	0.4
PBT	2.8	3.2	3.0	2.9	2.9
Tax	0.7	0.8	0.7	0.7	0.7
ROA	2.1	2.4	2.3	2.2	2.2
Leverage (x)	8.1	7.9	7.8	7.9	7.9
ROE	17.2	18.6	18.1	17.5	17.5

Ratio Analysis

Y/E 31 Mar	FY23A	FY24A	FY25E	FY26E	FY27E
YoY growth (%)					
Net interest income	30.9	19.6	9.5	12.3	17.1
Pre-provisioning profit	25.1	18.4	14.4	14.2	18.1
EPS	36.0	27.5	13.1	11.8	15.6
Profitability & Return ratios (%)					
Net interest margin	4.4	4.5	4.3	4.1	4.1
Fees / Avg. assets	0.2	0.0	0.2	0.2	0.2
Cost-Income	40.1	40.2	39.3	39.0	38.1
ROE	17.2	18.6	18.1	17.5	17.5
ROA	2.1	2.4	2.3	2.2	2.2
Asset quality (%)					
GNPA	3.2	2.5	1.9	1.7	1.9
NNPA	0.7	0.4	0.4	0.4	0.5
Slippage ratio	3.0	1.8	1.8	1.7	2.3
Credit cost	0.7	0.3	0.4	0.5	0.6
Provision coverage	79.2	82.8	80.8	79.2	75.0
Ratios (%)					
Credit-Deposit	86.3	83.8	84.3	85.4	84.3
Investment-Deposit	30.7	32.7	32.2	33.8	33.7
CAR	18.3	18.4	15.4	15.8	15.8
Tier-1	17.6	17.6	14.6	15.0	15.1

Source: Company, BOBCAPS Research

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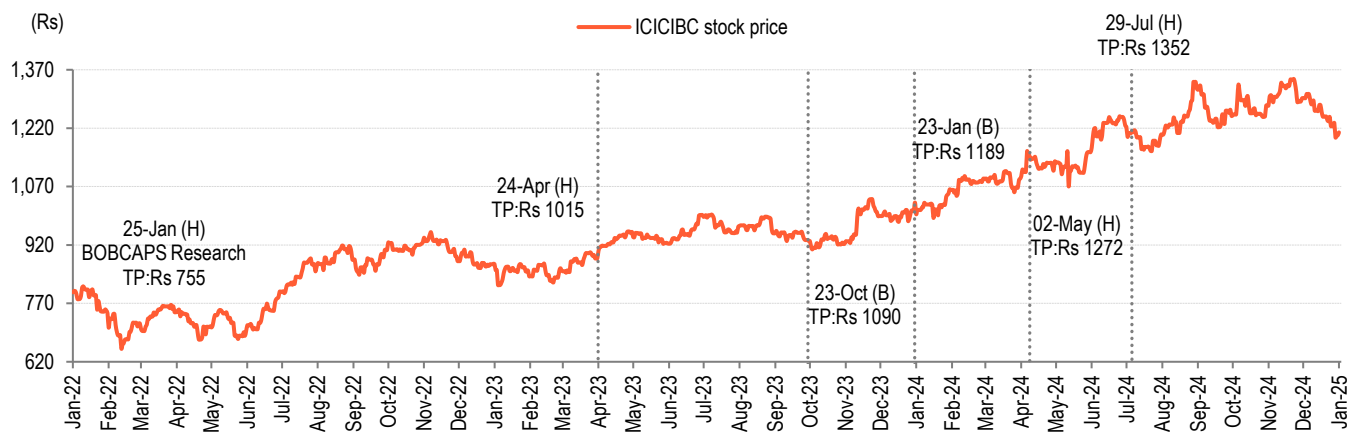
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