

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	INBK IN
Equity Shares (m)	1347
M.Cap.(INRb)/(USD\$)	742.8 / 8.8
52-Week Range (INR)	633 / 391
1, 6, 12 Rel. Per (%)	9/-4/5
12M Avg Val (INR M)	1197

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	232.7	253.0	275.3
OP	168.4	186.8	201.2
NP	80.6	104.1	112.8
NIM (%)	3.2	3.1	3.1
EPS (INR)	62.2	77.3	83.7
EPS Gr. (%)	46.7	24.2	8.4
BV/Sh. (INR)	409	471	537
ABV/Sh. (INR)	396	461	524

Ratios

RoA (%)	1.1	1.3	1.2
RoE (%)	17.1	18.4	17.3

Valuations

P/E(X)	8.9	7.1	6.6
P/BV (X)	1.3	1.2	1.0
P/ABV (X)	1.4	1.2	1.1

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	73.8	73.8	79.9
DII	17.4	16.9	11.8
FII	5.0	5.4	4.3
Others	3.8	3.9	4.1

CMP: INR552

TP: INR650 (+18%)

Buy

NII, PPop in line; asset quality remains buoyant

Asset quality continues to improve

- Indian Bank (INBK) reported 2QFY25 PAT of INR27.06b (36% YoY, 6% beat), driven by lower provisions and higher other income.
- NII grew 7.9% YoY (in line) to INR61.9b. Domestic NIM moderated 4bp QoQ to 3.49%.
- Net advances grew 13.2% YoY/2.3% QoQ, while deposits grew 8.2% YoY/1.8% QoQ. Consequently, the C/D ratio increased 43bp QoQ to 76.9%. The CASA ratio stood at 38.9%.
- Fresh slippages declined to INR13.8b vs. INR19.6b in 1QFY25. GNPA/NNPA ratios improved by 29bp/12bp QoQ to 3.48%/0.27%. PCR rose to 92.5%.
- We fine tune our earnings estimates and expect the bank to deliver RoA/RoE of 1.2%/17.3%. **Reiterate BUY with a revised TP of INR650 (1.2x FY26E ABV).**

Operational performance in line; NIM moderates 4bp QoQ

- PAT growth was healthy at 36% YoY/12.6% QoQ to INR27.1b (6% beat), led by lower provisions and higher other income. In 1HFY25, earnings grew 38% YoY to INR51.1b (2HFY25E at INR53b, implying 21% YoY growth).
- NII grew 7.9% YoY (in line) to INR61.9b. Domestic NIMs moderated 4bp QoQ to 3.49%. The management guides for NIM of 3.4% for FY25.
- Other income grew 21.5% YoY/27% QoQ to INR24.2b (18% beat), resulting in 11.4% YoY growth in total revenue (4% beat). Treasury income stood at INR3.3b vs. INR2.6b in 1QFY25.
- Opex grew 13.3% YoY/8.5% QoQ (5% higher than MOFSLe). As a result, the C/I ratio increased to 45% from 44.3% in 1QFY25. PPop grew 9.9% YoY (in line) to INR47.3b in 2QFY25.
- Gross advances grew 11.9% YoY (up 2% QoQ) to ~INR5.5t, led by Retail and Agri. Within Retail, housing and vehicle maintained healthy growth trends. Deposit growth was modest at 8.2% YoY (1.8% QoQ). The CASA ratio stood at 38.9%. The C/D ratio increased 43bp QoQ to 76.9%.
- Fresh slippages declined to INR13.8b vs. INR19.6b in 1QFY25. GNPA/NNPA ratios continued to improve by 29bp/12bp QoQ to 3.48%/0.27%. PCR increased to 92.5%.
- SMA book stood at 0.9% of loans during the quarter. Restructured portfolio declined to 1.3% of loans (vs. ~1.5% in 1QFY25).

Nitin Aggarwal - Research Analyst (Nitin.Aggarwal@MotilalOswal.com)

Research Analyst: Dixit Sankharva (Dixit.sankharva@motilalosal.com) | Disha Singhal (Disha.Singhal@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

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Highlights from the management commentary

- SMA 1 increased due to one INR22b account, which was earlier in SMA-2 and has now been transferred to SMA-1 as it is a government-guaranteed account.
- INBK maintains growth guidance for advances at 11-13% and deposits at 8-10%.
- About 58% of the loan book is based on MCLR, 36% is repo linked, 5% is fixed. The bank has total standard provisions of INR85b.
- The bank expects lower recovery this year at ~INR70b.

Valuation and view

INBK reported a healthy quarter, with earnings led by lower provisions and higher other income. Loan growth remained healthy, while deposit growth was modest, which led to a slight increase in the CD ratio. INBK has ~58% of its book linked to MCLR, which should provide cushion to margins, particularly as the rate cycle turns. The management expects margins at ~3.4% in FY25 and the growth trend to remain steady. It will continue to focus on profitable growth. SMA 1 increased due to one account, which was transferred from SMA-2. Asset quality ratios have improved, with the bank maintaining a best-in-class coverage ratio with lower slippages, providing comfort on incremental credit costs. We fine tune our earnings estimates and expect the bank to deliver RoA/RoE of 1.2%/17.3%. **Reiterate BUY with a revised TP of INR650 (premised on 1.2x FY26E ABV).**

Quarterly performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	v/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Interest Income	57.0	57.4	58.1	60.2	61.8	61.9	63.7	65.6	232.7	253.0	62.4	-1%
% Change (YoY)	25.8	22.5	5.7	9.2	8.3	7.9	9.6	9.1	15.1	8.7	8.7	
Other Income	17.1	19.9	19.0	22.6	19.1	24.2	22.2	24.2	78.7	89.7	20.6	18%
Total Income	74.1	77.3	77.2	82.8	80.8	86.2	86.0	89.8	311.4	342.7	83.0	4%
Operating Expenses	32.8	34.3	36.2	39.7	35.8	38.9	39.1	42.1	143.0	155.9	37.0	5%
Operating Profit	41.3	43.0	41.0	43.0	45.0	47.3	46.9	47.6	168.4	186.8	46.0	3%
% Change (YoY)	16.0	18.6	0.9	7.2	8.9	9.9	14.5	10.7	10.3	11.0	6.8	
Provisions	17.4	15.5	13.5	12.5	12.6	11.0	11.9	12.2	58.9	47.7	12.0	-8%
Profit before Tax	23.9	27.5	27.5	30.6	32.4	36.3	35.0	35.4	109.5	139.1	34.0	7%
Tax	6.9	7.6	6.3	8.1	8.4	9.2	8.8	8.7	28.9	35.1	8.6	
Net Profit	17.1	19.9	21.2	22.5	24.0	27.1	26.2	26.8	80.6	104.1	25.4	6%
% Change (YoY)	40.8	62.2	51.8	55.3	40.6	36.2	23.6	19.1	52.7	29.1	28.0	
Operating Parameters												
Deposits (INR b)	6,215	6,408	6,542	6,880	6,812	6,931	7,282	7,499	6,880	7,499	7,050	-2%
Loans (INR b)	4,564	4,706	4,896	5,149	5,208	5,329	5,504	5,695	5,149	5,695	5,336	0%
Deposit Growth (%)	6.4	8.8	9.6	10.8	9.6	8.2	11.3	9.0	10.8	9.0	10.0	
Loan Growth (%)	13.6	14.2	12.3	14.6	14.1	13.2	12.4	10.6	14.6	10.6	13.4	
Asset Quality												
Gross NPA (%)	5.5	5.0	4.5	4.0	3.8	3.5	3.3	3.2	4.0	3.2	3.6	
Net NPA (%)	0.7	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.4	0.3	0.4	
PCR (%)	87.8	88.5	88.7	89.5	90.0	92.5	92.0	91.5	89.5	91.5	89.6	

E: MOFSL Estimates

Quarterly snapshot

	FY24				FY25		Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	YoY	QoQ
Profit and Loss (INRm)								
Net Interest Income	57.0	57.4	58.1	60.2	61.8	61.9	8	0
Other Income	17.1	19.9	19.0	22.6	19.1	24.2	22	27
Core Fees	6.7	8.1	8.5	9.7	7.9	8.9	11	13
Trading profits	4.6	3.2	3.3	1.9	2.6	3.3	3	27
Total Income	74.1	77.3	77.2	82.8	80.8	86.2	11	7
Operating Expenses	32.8	34.3	36.2	39.7	35.8	38.9	13	9
Employee	21.2	21.8	23.4	26.3	23.0	24.6	13	7
Others	11.6	12.5	12.8	13.4	12.8	14.2	14	11
Operating Profits	41.3	43.0	41.0	43.0	45.0	47.3	10	5
Core Operating Profits	36.7	39.8	37.7	41.1	42.4	44.0	10	4
Provisions	17.4	15.5	13.5	12.5	12.6	11.0	-29	-13
PBT	23.9	27.5	27.5	30.6	32.4	36.3	32	12
Taxes	6.9	7.6	6.3	8.1	8.4	9.2	21	10
PAT	17.1	19.9	21.2	22.5	24.0	27.1	36	13
Balance Sheet (INRb)								
Loans	4,564	4,706	4,896	5,149	5,208	5,329	13	2
Deposits	6,215	6,408	6,542	6,880	6,812	6,931	8	2
CASA Deposits	2,502	2,570	2,595	2,805	2,659	2,694	5	1
-Savings	2,174	2,236	2,257	2,415	2,314	2,332	4	1
-Current	329	334	338	390	345	362	8	5
Loan mix (%)								
Agri Advances	23.2	24.1	24.1	24.3	24.6	25.0	92	35
MSME Advances	17.4	17.5	17.5	16.9	16.6	16.9	-57	31
Large Industry	38.7	37.7	37.4	37.8	37.7	36.7	-99	-99
Retail Loans	20.7	20.8	20.9	21.0	21.1	21.4	65	33
Asset Quality (INRb)								
GNPA	262.3	244.9	227.9	211.1	203.0	191.5	-22	-6
NNPA	32.0	28.3	25.8	22.2	20.3	14.5	-49	-29
Slippages	18.5	19.8	16.7	12.7	19.6	13.8	-30	-29
Asset Quality Ratios (%)								
	1Q	2Q	3Q	4Q	1Q	2Q	YoY(bp)	QoQ(bp)
GNPA	5.5	5.0	4.5	4.0	3.8	3.5	-149	-29
NNPA	0.7	0.6	0.5	0.4	0.4	0.3	-33	-12
PCR (Cal.)	87.8	88.5	88.7	89.5	90.0	92.5	399	243
PCR (Inc. TWO)	95.1	95.6	95.9	96.3	96.7	97.6	196	94
Credit Cost	0.9	0.8	0.8	0.7	0.7	0.7	-16	-7
Business Ratios (%)								
CASA	40.3	40.1	39.7	40.8	39.0	38.9	-125	-17
Loan/Deposit	73.4	73.4	74.8	74.8	76.5	76.9	345	43
Other income/Total Income	23.1	25.8	24.6	27.3	23.6	28.1	234	454
Cost to Income	44.2	44.4	46.9	48.0	44.3	45.1	76	81
Cost to Assets	2.0	1.9	2.3	2.1	1.9	2.0	6	10
Tax Rate	28.6	27.8	22.9	26.5	25.9	25.4	-234	-46
Capitalisation Ratios (%)								
CAR	15.8	15.5	15.6	16.4	16.5	16.6	102	8
Tier-1	12.9	12.6	12.9	14.0	13.9	14.0	138	8
- CET 1	12.3	12.1	12.4	13.5	13.4	13.5	144	9
Tier-2	2.9	2.9	2.7	2.4	2.5	2.5	-36	0
LCR	136.3	129.1	132.9	135.0	121.6	121.0	-805	-61
Profitability Ratios (%)								
Yield on loans	8.5	8.8	8.8	8.8	8.7	8.8	2	8
Yield On Investments	6.7	6.8	6.8	6.9	7.2	7.2	40	2
Cost of Funds	4.8	5.0	5.1	5.1	5.1	5.2	25	10
Margins	3.6	3.5	3.5	3.5	3.5	3.5	-3	-4
ROA	1.0	1.1	1.1	1.2	1.2	1.3	27	13
ROE	17.9	19.9	19.9	19.1	19.8	21.0	-806	-843
Other Details								
Branches	5,798	5,823	5,835	5,847	5,846	5,856	33	10
ATM	4,804	4,866	4,899	4,937	5,093	5,217	351	124



Highlights from the management commentary

Balance sheet and P&L

- Business grew by 10%, deposits by 8%, and advances by 12%. CASA grew by 5% with mix at ~39%.
- INBK made additional provisions of INR1.5b during the quarter.
- Among segments, RAM grew by 14%, with Retail at 15%, Agri at 16%, and MSME at 8%.
- PAT increased by 36%, and operating profit grew by 10%, driven by NII growth of 8%, bad debt recovery, fee income and PSLC income of more than 8%.
- Bad debt recovery was INR7.32b. PSLC amortized and the income for the current quarter is INR1.82b.
- Domestic NIMs moderated 4bp QoQ to 3.49%. Global margin moderated to 3.39% vs. 3.44% in 1QFY25.
- RoA stood at 1.33% and RoE at 21% in 2QFY25.
- The CI ratio stood at 45%. The yield on advances stood at 8.8% vs. 8.7% in 1QFY25.
- Digital transactions account for 91% of total transactions, with 19.5m UPI users. The number of transactions grew by 62% YoY.

Advances and deposits

- LCR stood at 121-122% in 2QFY25.
- One account in the housing book has repaid due to interest rates; therefore, its rating has changed.
- The bank is closing IndBank Housing (55% stake) as there is no activity.
- The bulk deposit rate is 7-7.9% and the infra bond rate is 7.18%; INBK has a huge infra book of INR550b.
- The bank has sanctioned 20% more than last year.
- It has ~INR160-170b of proposals in the pipeline, and the undisbursed working capital limit is ~INR280b.
- There are challenges in raising CASA deposits, and multiple steps have been taken to address them.
- INBK is performing well in the SHG segment, which has strong asset quality.
- The bank focuses on robust underwriting; often on-boarding low-risk assets.

Yields, costs and margins

- About 58% of the loan book is based on MCLR, 36% is repo linked, 5% is fixed and one year MCLR is 80%.
- O/S standard asset provision of INR85b; ~28% is restructured book.
- Other income was high due to penal interest as well, which is coming from NII account.
- The bank has already raised its AS-15 provisions to INR8.12b.

Investments

- The bank has added investments of INR50b from Jun'24 to Sep'24.
- About INR7b is the unrealized profit, which is now going to AFS reserve.

Asset quality

- SMA 1 increased due to one INR22b account, which was earlier in SMA-2 and has now been transferred to SMA-1 as it is a government-guaranteed account.
- INBK expects less recovery this year at ~INR70b.
- The bank expects the same amount of recovery through SARFAESI as last year. ~INR970m is recovered from ARC.
- ~INR2.06b exposure to Telangana.
- The bank will be able to maintain a PCR of ~98%.
- It has guided for close to INR20b in AUCA recovery, with INR10b already achieved.

Guidance

- INBK maintains its growth guidance of 11-13% for advances and 8-10% for deposits.
- The bank aims to exceed its NIM guidance of 3.4%.
- The goal is to maintain or improve the current RoA level.

Story in charts

Exhibit 1: Loan book up ~13.2% YoY (up 2.3% QoQ)

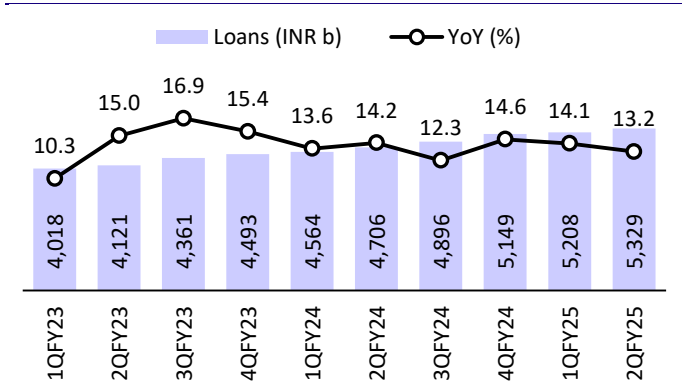


Exhibit 2: Deposits grew ~8.2% YoY (up 1.8% QoQ)

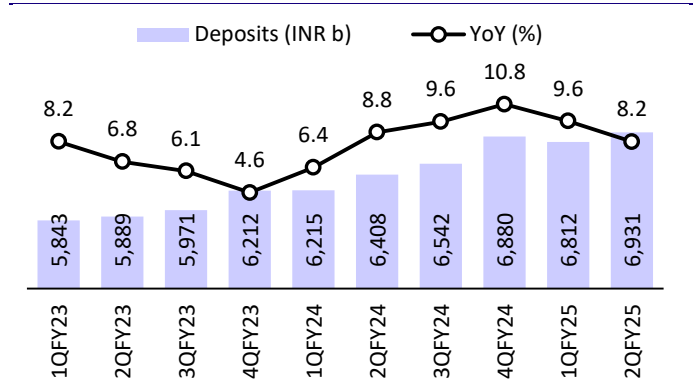


Exhibit 3: NIMs stood at 3.49%; CASA ratio at 38.9%

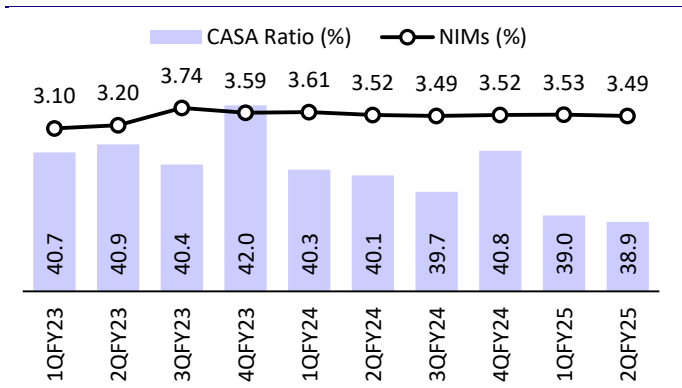


Exhibit 4: Yields increased to 8.8%/CoD at 5.1%

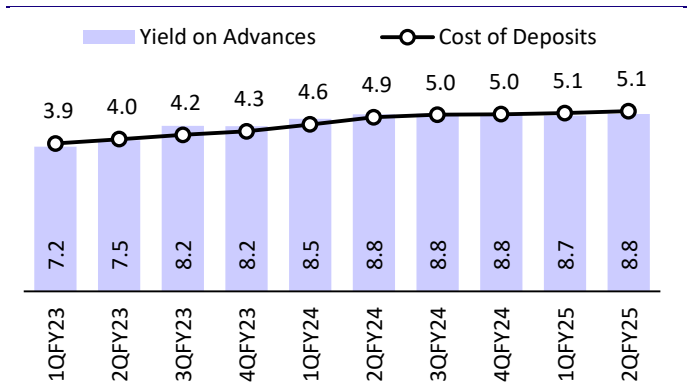


Exhibit 5: C/I ratio increased to 45% in 2QFY25

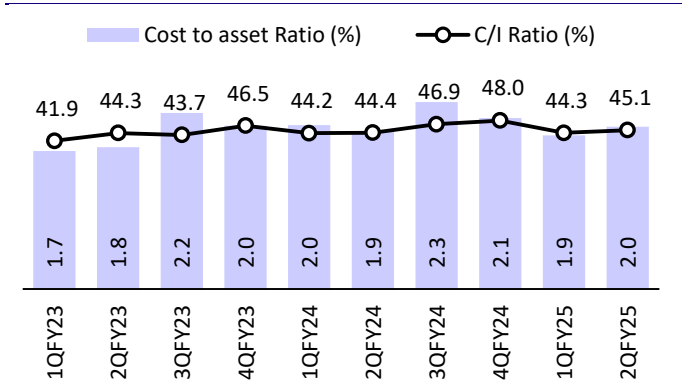


Exhibit 6: CD ratio increased to 76.9%; LCR at 121%

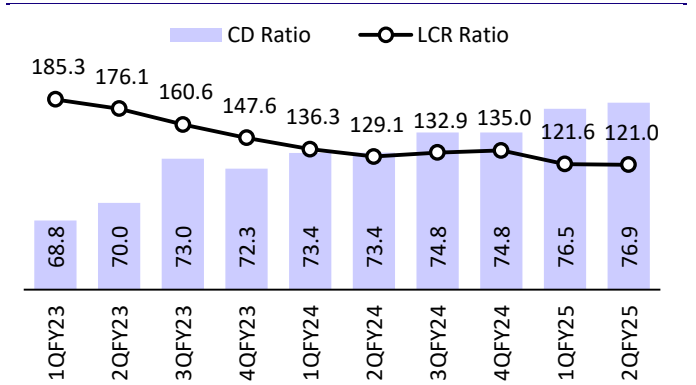


Exhibit 7: Slippages increased to INR13.8b in 2QFY25

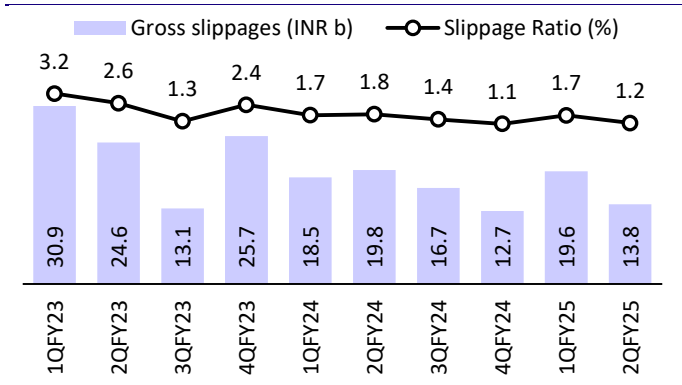
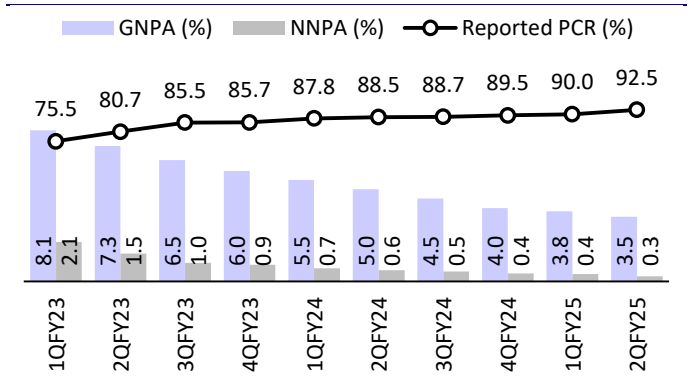


Exhibit 8: GNPA/NNPA ratios improved 29bp/12bp QoQ



Source: MOFSL, Company

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Valuation and view: Maintain BUY with a TP of INR650

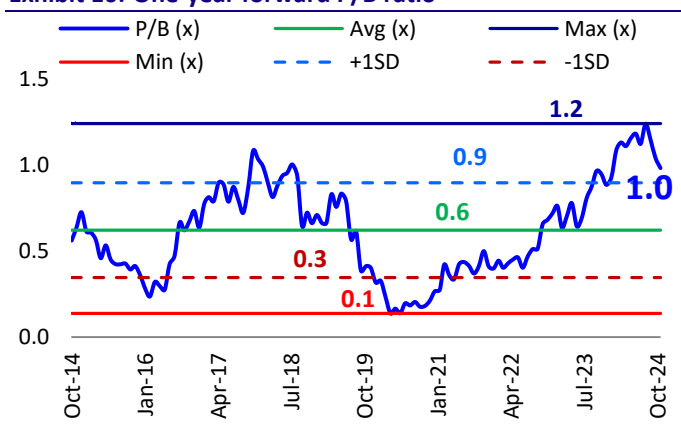
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- The management expects margins at ~3.4% in FY25 and the growth trend to remain steady. It will continue to focus on profitable growth. SMA 1 increased due to one account which got transferred from SMA-2 account. Asset quality ratios have improved, with the bank maintaining a best-in-class coverage ratio, with lower slippages, providing comfort on incremental credit costs.
- We fine tune our earnings estimate and expect the bank to deliver RoA/RoE of 1.2%/17.3%. **Reiterate BUY with a revised TP of INR650 (premised on 1.2x FY26E ABV).**

Exhibit 9: Changes in our earnings estimates

INR B	Old est.		Rev est		Change(%/bps)	
	FY25	FY26	FY25	FY26	FY25	FY26
Net Interest Income	253.9	277.8	253.0	275.3	-0.3	-0.9
Other Income	85.7	94.3	89.7	98.6	4.6	4.6
Total Income	339.6	372.1	342.7	374.0	0.9	0.5
Operating Expenses	154.6	171.3	155.9	172.7	0.8	0.8
Operating Profit	185.1	200.8	186.8	201.2	1.0	0.2
Provisions	48.4	50.8	47.7	50.5	-1.4	-0.5
PBT	136.7	150.0	139.1	150.8	1.8	0.5
Tax	34.4	37.8	35.1	38.0	1.8	0.5
PAT	102.2	112.2	104.1	112.8	1.8	0.5
Loans	5,715	6,344	5,695	6,310	-0.4	-0.5
Deposits	7,485	8,182	7,499	8,197	0.2	0.2
Margins (%)	3.2	3.1	3.1	3.1	0.0	0.0
Credit Cost (%)	0.8	0.8	0.8	0.8	-0.9	0.0
RoA (%)	1.2	1.2	1.3	1.2	0.0	0.0
RoE (%)	18.1	17.3	18.4	17.3	0.3	0.0
EPS	75.9	83.3	77.3	83.7	1.8	0.5
BV	469.7	535.1	471.1	536.8	0.3	0.3
ABV	456.6	522.0	460.8	523.6	0.9	0.3

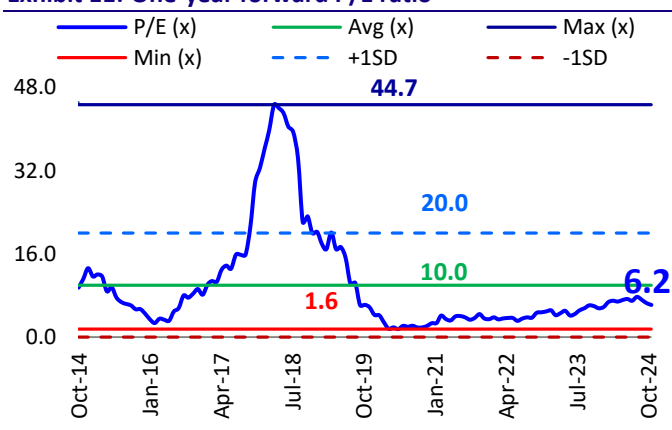
Source: MOFSL, Company

Exhibit 10: One-year forward P/B ratio



Source: MOFSL, Company

Exhibit 11: One-year forward P/E ratio



Source: MOFSL, Company

DuPont Analysis: We estimate return ratios to improve gradually

	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	6.50	7.41	7.64	7.59	7.61
Interest Expense	3.58	4.31	4.59	4.56	4.54
Net Interest Income	2.93	3.10	3.05	3.03	3.07
Fee income	0.99	0.87	0.89	0.88	0.86
Trading and others	0.04	0.17	0.19	0.21	0.23
Other Income	1.03	1.05	1.08	1.08	1.08
Total Income	3.96	4.15	4.13	4.11	4.16
Operating Expenses	1.75	1.91	1.88	1.90	1.91
Employees	1.09	1.23	1.20	1.20	1.20
Others	0.66	0.67	0.68	0.70	0.71
Operating Profits	2.21	2.24	2.25	2.21	2.25
Core operating Profits	2.17	2.07	2.06	2.00	2.02
Provisions	1.35	0.78	0.58	0.55	0.56
PBT	0.86	1.46	1.68	1.66	1.69
Tax	0.09	0.38	0.42	0.42	0.43
RoA	0.76	1.07	1.26	1.24	1.26
Leverage (x)	17.4	15.9	14.7	14.0	13.4
RoE	13.3	17.1	18.4	17.3	17.0

Source: MOFSL, Company

Financials and valuations

Income Statement						(INRb)
Y/E March	FY23	FY24	FY25E	FY26E	FY27E	
Interest Income	449.4	556.1	633.3	690.5	762.1	
Interest Expense	247.2	323.4	380.2	415.1	454.5	
Net Interest Income	202.3	232.7	253.0	275.3	307.6	
- growth (%)	20.9	15.1	8.7	8.8	11.7	
Non Interest Income	71.4	78.7	89.7	98.6	108.5	
Total Income	273.7	311.4	342.7	374.0	416.1	
- growth (%)	15.8	13.8	10.1	9.1	11.3	
Operating Expenses	121.0	143.0	155.9	172.7	191.3	
PPoP	152.7	168.4	186.8	201.2	224.9	
- growth (%)	20.1	10.3	11.0	7.7	11.7	
Core PPoP	149.8	155.3	171.2	182.4	202.3	
- growth (%)	31.0	3.7	10.2	6.6	10.9	
Provisions	93.6	58.9	47.7	50.5	55.8	
PBT	59.1	109.5	139.1	150.8	169.1	
Tax	6.3	28.9	35.1	38.0	42.6	
Tax Rate (%)	10.7	26.4	25.2	25.2	25.2	
PAT	52.8	80.6	104.1	112.8	126.5	
- growth (%)	33.9	52.7	29.1	8.4	12.1	

Balance Sheet

Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Share Capital	12	13	13	13	13
Equity Share Capital	12.5	13.5	13.5	13.5	13.5
Reserves & Surplus	467.3	570.4	653.9	742.5	840.4
Net Worth	479.7	583.9	667.4	756.0	853.9
Deposits	6,211.7	6,880.0	7,499.2	8,196.6	8,999.9
- growth (%)	4.6	10.8	9.0	9.3	9.8
- CASA Dep	2,608.1	2,804.9	3,025.9	3,344.2	3,712.5
- growth (%)	5.2	7.5	7.9	10.5	11.0
Borrowings	220.7	231.3	244.2	266.5	293.2
Other Liabilities & Prov.	192.9	231.0	265.6	305.5	351.3
Total Liabilities	7,105.0	7,926.2	8,676.5	9,524.6	10,498.2
Current Assets	501.3	421.1	441.4	465.5	515.8
Investments	1,859.9	2,104.9	2,290.1	2,473.3	2,708.3
- growth (%)	6.5	13.2	8.8	8.0	9.5
Loans	4,493.0	5,148.9	5,694.7	6,309.7	6,972.2
- growth (%)	15.4	14.6	10.6	10.8	10.5
Fixed Assets	74.6	75.2	81.2	87.7	94.7
Other Assets	176.2	155.5	169.2	188.5	207.3
Total Assets	7,105.0	7,905.5	8,676.5	9,524.6	10,498.2

Asset Quality	FY23	FY24	FY25E	FY26E	FY27E
GNPA (INR b)	281.8	211.1	186.6	190.4	197.7
NNPA (INR b)	40.4	22.2	15.8	21.1	26.1
GNPA Ratio (%)	6.0	4.0	3.2	2.9	2.8
NNPA Ratio (%)	0.9	0.4	0.3	0.3	0.4
Slippage Ratio(%)	1.7	1.4	1.3	1.4	1.4
Credit Cost (%)	2.2	1.2	0.8	0.8	0.8
PCR (Excl Tech. write off)	85.7	89.5	91.5	88.9	86.8

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25E	FY26E	FY27E
Yield and Cost Ratios (%)					
Avg. Yield- on Earning Assets	6.8	7.7	7.9	7.8	7.8
Avg. Yield on loans	7.6	8.4	8.7	8.6	8.7
Avg. Yield on Investments	6.5	6.8	6.9	7.0	7.0
Avg. Cost of Int. Bear. Liab.	3.9	4.8	5.1	5.1	5.1
Avg. Cost of Deposits	3.8	4.7	5.2	5.2	5.2
Interest Spread	2.8	2.9	2.7	2.7	2.7
Net Interest Margin	3.0	3.2	3.1	3.1	3.2

Capitalisation Ratios (%)

CAR	16.5	16.4	17.4	17.3	17.1
Tier I	13.5	14.0	15.2	15.3	15.4
- CET-1	12.9	13.5	14.6	14.8	14.8
Tier II	3.0	2.4	2.3	2.0	1.7

Business Ratios (%)

Loans/Deposit Ratio	72.3	74.8	75.9	77.0	77.5
CASA Ratio	42.0	40.8	40.4	40.8	41.3
Cost/Assets	1.7	1.8	1.8	1.8	1.8
Cost/Total Income	44.2	45.9	45.5	46.2	46.0
Cost/Core income	44.7	47.9	47.7	48.6	48.6
Int. Expense/Int.Income	55.0	58.2	60.0	60.1	59.6
Fee Income/Total Income	25.0	21.1	21.6	21.3	20.6
Non Int. Inc./Total Income	26.1	25.3	26.2	26.4	26.1
Empl. Cost/Total Expense	62.2	64.8	63.6	63.1	62.7

Efficiency Ratios (INRm)

Employee per branch (in nos)	7.0	6.9	6.9	6.9	6.9
Staff cost per employee (INR m)	1.8	2.3	2.4	2.6	2.8
CASA per branch (INRm)	450.7	479.4	507.0	549.4	597.9
Deposits per branch (INRm)	1,073.4	1,175.9	1,256.6	1,346.5	1,449.5
Business per Employee (INR m)	262.5	298.8	321.4	346.4	373.9
Proft per Employee (INR m)	1.3	2.0	2.5	2.7	3.0

Profitability Ratios and Valuation

RoE	13.3	17.1	18.4	17.3	17.0
RoA	0.8	1.1	1.3	1.2	1.3
RoRWA	1.6	2.2	2.6	2.5	2.4
Book Value (INR)	358	409	471	537	610
- growth (%)	10.7	14.2	15.2	14.0	13.5
Price-BV (x)	1.5	1.3	1.2	1.0	0.9
Adjusted BV (INR)	334	396	461	524	594
Price-ABV (x)	1.7	1.4	1.2	1.1	0.9
EPS (INR)	42.4	62.2	77.3	83.7	93.9
- growth (%)	27.7	46.7	24.2	8.4	12.1
Price-Earnings (x)	13.0	8.9	7.1	6.6	5.9
Dividend Per Share (INR)	8.6	12.0	15.2	18.0	21.2
Dividend Yield (%)	1.6	2.2	2.8	3.3	3.8

E: MOFSL Estimates

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Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilalosal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilalosal.com
Mr. Ajay Menon	022 40548083	am@motilalosal.com

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