

Financials: Banks



4QFY24 earnings estimate (INR b)

PAT (INR b)	4Q FY24E	YoY (%)	QoQ (%)
Private Banks			
AUBANK	3.8	-9.5	2.4
AXSB	63.5	-4.1	4.6
BANDHAN	8.5	5.3	16.2
DCBB	1.3	-7.5	4.0
EQUITAS	2.1	11.1	4.5
FB	9.0	-0.6	-10.9
HDFCB	156.5	29.9	-4.4
ICICIBC	106.3	16.5	3.5
IDFCFB	7.5	-6.5	4.8
IIB	24.2	18.2	5.0
KMB	34.2	-2.2	13.8
RBK	3.4	23.7	43.9
Private Total	420.3	14.0	1.5
PSU Banks			
BOB	48.2	0.8	5.2
CBK	37.3	17.6	2.1
INBK	22.0	51.7	3.6
PNB	28.6	146.5	28.5
SBIN	161.3	-3.4	76.0
UNBK	38.7	39.1	7.8
PSU Total	336.0	11.9	32.6
Banks Total	756.3	13.0	13.3
SBICARD	5.6	-5.5	2.7
Paytm	-4.7	NA	NA

Earnings growth to remain steady; NIM contraction to ease

Asset quality robust, but remain watchful on credit cost in FY25

- **Credit growth healthy; unsecured loan growth to moderate:** Systemic credit growth remains robust at 16.5% for the fortnight ending 8th Mar'24, and we anticipate this trend to be mirrored across our coverage universe. This healthy growth is fueled by sustained momentum in retail and business banking, along with a gradual recovery in the corporate sector. While the SME segment continues its steady expansion, the real estate sector is experiencing strong growth, supported by favorable industry trends. We expect this positive momentum to continue, with home loans driving growth within the retail segment, accompanied by strong performances in vehicle finance and small business loans. However, we anticipate some moderation in the unsecured segment due to tightening measures by the RBI.
- **Deposit growth gaining traction; NIM compression to moderate:** While credit growth has been robust, deposit growth too has gathered pace on the back of aggressive competition, a push for deposits, and competitive TD rates offered by banks. As a result, the gap between credit and deposits has narrowed to ~3.4% in Mar'24. The CD ratio stays elevated at 80% as most banks will see healthy credit volumes amid the seasonally strong fourth quarter. Among the banks under our coverage, we will watch out for deposit growth for HDFCB and AXSB. We expect ICICIBC, AXISB and KMB to see a 7-11bp moderation in NIM, while we expect flat NIMs for HDFCB, RBK, SBIN, IIB and UNBK. AUSFB is expected to see a substantial moderation in NIMs.
- **Lower bounce rates, healthy credit ratio suggest favorable asset quality outcomes:** The bounce rate has decreased to 19% and stays benign vs. pre-Covid levels, indicating strong asset quality outcomes and a lack of visible stress in the near term. The credit ratio also remained healthy at 1.79x in 2HFY24 but moderated from 1.91x in 1HFY24, thus providing an optimistic outlook for corporate credit quality. Consequently, we anticipate slippages to remain manageable, with upgrades/recoveries and resolutions in certain corporate/SME segments enabling a continued decline in the GNPA ratio. We estimate that credit costs will stay below their normalized run rate, with the release of certain AIF provisions further supporting this lower rate. Moreover, most banks have a minimal restructured book, and the SMA book too remains low, contributing to an improvement in overall credit costs.
- **We estimate our banking coverage universe earnings to grow ~13%/28%/18% YoY (9%/26%/18% excluding HDFCB) in 4QFY24/FY24/FY25:** For 4QFY24, we estimate NII for our banking coverage universe to grow ~7.4% YoY/2.9% QoQ (excluding HDFCB), while controlled opex and modest treasury gains (amid moderation in bond yields) will enable 1.6% YoY/5.5% QoQ growth in PPOp (excluding HDFCB). For 4QFY24, we estimate earnings growth of 12% YoY for PSU banks and 14% for private banks (6% excluding HDFCB). **We estimate MOFSL Banking Universe earnings to grow 28% (~26% excluding HDFCB) in FY24, 18% in FY25, and 17% YoY in FY26.**

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

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

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

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Private Banks – 4QFY24 PAT to grow ~6% YoY (excluding HDFCB)

- **For our private bank coverage universe (excluding HDFCB), we estimate PPOP growth of 6% YoY/2% QoQ and PAT growth of 6% YoY/5.3% QoQ in 4QFY24.** 4Q earnings growth should be supported by robust business growth, normalized opex and controlled credit cost (which offsets continued NIM compression). However, we expect the pace of NIM squeeze to moderate vs. 3Q/2Q levels.
- **We estimate 4QFY24 NII growth of 15.4% YoY (11% YoY excluding HDFCB),** with IDFCB at ~25%, HDFCB at ~25%, RBL at ~19%, IIB at ~18%, KMB at ~10%, ICICIB at ~9%, and AXSB at ~8% YoY.
- Opex is likely to follow a normalized trend as banks continue with their investments in branches and technology, while the pace of employee hiring also remains healthy. The moderation in bond yield is expected to aid other income.
- **Slippages are likely to remain under control,** which should drive continued improvement in asset quality ratios. This, coupled with healthy recoveries from NCLT resolutions and a pick-up in the sale of NPA accounts to ARC, should improve asset quality ratios.

PSBs – Controlled opex, stable NIMs and benign credit cost to aid earnings

- We estimate PSBs to report healthy earnings growth of 12% YoY/33% QoQ amid stable margins, decent growth, controlled opex, moderate treasury gains and benign credit cost. We, thus, estimate PSBs to report **5% YoY growth in NII, 1% YoY decline in PPOP, and 11.9% YoY growth in PAT.**
- **Opex is expected to decrease** from the 3Q levels, primarily due to wage-related provisions made in 3Q. These provisions were largely accounted for in 3Q and partially in 4Q, particularly for SBIN and FB. **Treasury performance is likely to stay robust,** supported by a decline in bond yields and buoyant capital markets.
- The ongoing **improvement in asset quality is expected to continue,** with controlled slippages, complemented by robust recoveries, upgrades, and sales to the NARCL, which will enhance asset quality ratios. Healthy PCR and a significant reduction in the SMA pool bode well for credit costs.

SFBs – Mixed performance; NIM moderation to continue

- We estimate **AUBANK's 4Q PAT** to decline 10% YoY to INR3.84b (+2.4% QoQ) as opex ratios remain elevated (C/I ratio at ~63% in FY24). Its NIMs are expected to remain under pressure and may fall by ~25bp to 5.25% after flat NIMs in 3Q. We remain watchful on asset quality as the bank has seen an uptick in credit cost due to faster normalization of slippage run rate and low recoveries.
- **EQUITASB** is likely to report a mixed quarter, with PPOP likely to decline 5% YoY amid lower other income and PAT likely to grow 11% YoY due to controlled credit cost. Advances may grow ~21% YoY (~7% QoQ), though AUM growth will be faster. We estimate NIMs to moderate by another 11bp QoQ to 8.26%.

Payments/Fintech: Macro uncertainty, regulatory actions to dent earnings

- **SBICARDS:** The momentum in credit card spending is expected to moderate in 4Q amid lower corporate spending. New account sourcing should remain stable in 4Q. NIM is expected to moderate amid a lower revolver mix at 23% and a rise in funding cost, particularly as banks pass on the impact of increased risk-

weights. Asset quality could remain under pressure, keeping credit costs high. We, thus, estimate earnings to decline 6% YoY (+3% QoQ).

- **PAYTM:** We estimate a 23% YoY decline in GMV in 4QFY24, amounting to INR3.9t. Additionally, the value of disbursed loans is expected to plunge 67% QoQ, as the company has suspended postpaid loans due to RBI concerns and put merchant loans on hold pending data on QR transition. Revenue from operations is projected to decrease by 21% YoY to INR18.3b, while contribution profit is estimated to decline by 15% YoY to INR10.9b, with a contribution margin of ~60%. Adj. EBITDA loss is estimated to be at INR0.5b. We have factored in UPI incentive in our estimates during 4Q.

Other monitorables

- **RBI regulations tightening:** While the system's overall growth remains robust, regulators have identified various issues in certain companies. Consequently, there will be increased scrutiny on overall growth of the financial sector as attention shifts toward effectively managing compliance and fostering growth. We remain watchful on regulatory actions demanding increased vigilance and compliance from all entities involved.
- **Deposit progression remains a critical** business metric, given an elevated CD ratio. As a result, banks will continue to make efforts to mobilize deposits to improve their CD ratios.
- **Opex and wage provisions:** Ongoing investments in technology and branch expansion or business growth initiatives are likely to impact the opex run rate. It will be crucial to evaluate any gaps in residual wage and pension provisioning to assess earnings growth.
- **Fee income traction and treasury performance:** Another significant focus area lies in monitoring the traction in fee income and treasury performance, particularly amid buoyant capital markets and a moderation in bond yields.

Top picks – ICICIBC, IIB and SBIN

ICICIBC: Financial snapshot (INR b)

Y/E March	FY23	FY24E	FY25E
NII	621	744	845
OP	491	578	662
NP	319	408	455
NIM (%)	4.7	4.8	4.6
EPS (INR)	45.8	58.4	65.2
EPS Gr (%)	36.0	27.6	11.6
ABV/Sh (INR)	267	317	373
Cons. BV/Sh (INR)	306	365	435

Ratios

RoE (%)	17.5	19.0	18.1
RoA (%)	2.1	2.4	2.2

Valuations

P/BV (x) (Cons)	3.5	3.0	2.5
P/ABV (x)	3.3	2.8	2.4
P/E (x)	19.1	15.0	13.4

IIB: Financial snapshot (INR b)

Y/E MARCH	FY23	FY24E	FY25E
NII	175.9	207.3	241.0
OP	144.2	159.4	184.6
NP	74.4	90.4	107.3
NIM (%)	4.1	4.3	4.3
EPS (INR)	96.0	116.6	138.4
EPS Gr. (%)	54.7	21.4	18.7
BV/Sh. (INR)	707	808	930
ABV/Sh. (INR)	691	791	913

Ratios

RoE (%)	14.5	15.4	16.0
RoA (%)	1.7	1.9	1.9

Valuations

P/E (X)	16.1	13.3	11.2
P/BV (X)	2.2	1.9	1.7
P/ABV (X)	2.2	2.0	1.7

ICICIBC (Buy)

- ICICIBC has consistently demonstrated strong growth and profitability over the past few years. The bank boasts a healthy PCR of 82% as of 3QFY24. Moreover, it has set aside Covid-related provisions of INR131b (1.1% of total loans).
- Slippages have been effectively managed and have been decreasing for the past few quarters, which is expected to continue. ICICIBC is well-prepared with ample provisions on its balance sheet (higher than industry standards) and does not foresee an immediate need to utilize these provisions.
- Despite reaching peak margins in 4QFY23, the bank faces potential challenges such as the repricing of liabilities and the risk of CASA cannibalization, which could lead to an increase in funding costs and, consequently, margin pressure. With 70% of its loan book comprising floating-rate products and much of the repricing already completed, yields are expected to remain stable.
- ICICIBC is transitioning into a growth leader in the SME and Retail segments, supported by ongoing investments in technology and strategic partnerships with new ecosystem players. We estimate an 18% CAGR in loans over FY24-26.
- The bank has potential for re-rating, driven by its consistent delivery of strong return ratios and sustained growth, attributed to its focus on enhancing core operating performance. We estimate RoA/RoE of 2.2%/17.8% in FY26. Adjusted for subsidiaries, the standalone bank currently trades at 2.0x FY26E ABV.

IIB (Buy)

- After witnessing slower growth of 10-12% over FY20-22, IIB has seen a growth revival since then, with broad-based growth in both corporate and retail loans. The bank's advances have gained momentum, with strong 19-22% YoY growth in the past four quarters; Corporate growth stood at 15%+ and Retail growth was strong at 24% YoY in 3Q. We believe a healthy economic outlook and stable demand from corporates should help IIB sustain growth momentum.
- The bank has seen a gradual improvement in its asset quality, led by moderation in slippages, particularly from the MFI/Corporate segments, leading to a GNPA of 1.9% and healthy PCR of ~71% as on 3QFY24. IIB had contingent provisions amounting to INR13b (40bp of advances) as on 3QFY24.
- IIB's average CoD stands at 6.4%, which is higher than that of its peers, but the bank's ability to sustain its retail deposit base with steady optimization in deposit rates will be crucial for margin improvement. Its CASA ratio stood at 38.5% and retail deposits form 42% of total deposits; these metrics should improve as IIB continues to ramp up by tapping other customer segments.
- IIB has maintained its market share of ~2% of net systemic advances, backed by its leadership position in vehicle finance and MFI, which formed 26% and 11% of its advances, respectively, as on 3QFY24. The bank has guided for 18-23% in PC-6 (FY23-26), which we believe is fairly achievable amid a healthy demand environment. We expect healthy growth of 17%+ for FY24-26.
- We thus estimate RoA/RoE of 2.0%/16.7% in FY26. The stock currently trades at an attractive valuation of 1.5x FY26E ABV.

SBI: Financial snapshot (INR b)

Y/E March	FY23	FY24E	FY25E
NII	1,448	1,597	1,745
OP	837	880	1,100
NP	502	565	705
NIM (%)	3.2	3.1	3.1
EPS (INR)	56.3	63.3	79.0
EPS Gr. (%)	58.6	12.5	24.8
ABV (INR)	311	362	427
Cons. BV (INR)	385	453	540

Ratios

RoE (%)	18.1	17.6	18.9
RoA (%)	1.0	1.0	1.1

Valuations

P/BV (x) (Cons.)	2.0	1.7	1.4
P/ABV (x)	1.7	1.5	1.2
P/E (x)	9.4	8.3	6.7

SBI (Buy)

- SBI delivered steady 17%/15.1% YoY loan growth in FY23/9MFY24 (vs. 9% CAGR over FY18-22) while focusing on building a granular and high-quality loan portfolio. It has been witnessing a healthy pick-up in corporate loan growth amid improved demand and healthy utilization.
- SBIN has been steadily growing its deposit base, up 13% YoY to INR47.6t in 9MFY24. Despite higher rates being offered by competition, the management does not foresee any challenges in garnering deposits, even at such a large base.
- Asset quality has remained well under control, with constant moderations in GNPA/NNPA ratios and overall stress pool. The bank witnessed a 72bp/13bp YoY decline in GNPA/NNPA to 2.42%/0.64% in 3QFY24.
- With the cost of deposits largely peaked out, the deposit repricing is almost at the fag end in 4QFY24 and should be largely offset by some degree of MCLR repricing. SBIN increased TD rates by 25-50bp in Dec'23 in the short-tenure buckets, which is not expected to notably impact costs; we have incorporated a slight moderation of 5bp in NIM in 4QFY24.
- The opex run rate has been high as SBIN made additional provisions in 3QFY24 for a 17% wage hike settlement. The bank has thus made total wage provisions of INR127.2b, and expects residual wage-related provisions of INR54b in 4QFY24. Additionally, the bank provided INR71b in 3Q for differential pension and DA neutralization. The bank guides for a lower wage bill of INR660b in FY25 vs. INR770b in FY24. As a result, we expect the cost ratio to moderate notably in FY25 to 52% and further to ~51% by FY26 from 58% in FY24.
- We estimate FY26 RoA/RoE of 1.1%/18.4%. The stock currently trades at decent valuations of 1.1x FY26E ABV.

Exhibit 1: Summary of 4QFY24 earnings estimates

		NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
		Rating	Mar'24	Variance YoY (%)	Variance QoQ (%)	Mar'24	Variance YoY (%)	Variance QoQ (%)	Mar'24	Variance YoY (%)
Financials										
AU Small Finance	Buy	13,720	13.1	3.6	6,697	17.3	1.9	3,842	-9.5	2.4
Axis Bank	Neutral	1,27,193	8.3	1.5	92,158	0.5	0.8	63,525	-4.1	4.6
Bandhan Bank	Neutral	26,673	7.9	5.6	18,067	0.6	9.1	8,514	5.3	16.2
DCB Bank	Neutral	4,885	0.5	3.1	2,289	-6.1	8.2	1,316	-7.5	4.0
Equitas Small Finance	Buy	7,962	12.6	1.4	3,680	-4.8	2.1	2,111	11.1	4.5
Federal Bank	Buy	21,999	15.2	3.6	13,227	-0.9	-8.0	8,975	-0.6	-10.9
HDFC Bank	Buy	2,91,442	24.8	2.4	2,42,589	30.3	2.6	1,56,538	29.9	-4.4
ICICI Bank	Buy	1,91,778	8.6	2.7	1,47,187	6.5	0.0	1,06,290	16.5	3.5
IDFC First Bank	Neutral	44,872	24.8	4.7	16,545	6.1	5.9	7,502	-6.5	4.8
IndusInd Bank	Buy	54,883	17.5	3.6	41,611	10.7	2.9	24,156	18.2	5.0
Kotak Mahindra Bank	Neutral	66,999	9.8	2.2	50,291	8.2	10.1	34,197	-2.2	13.8
RBL Bank	Neutral	16,140	18.9	4.4	8,157	37.4	6.6	3,354	23.7	43.9
Banks – Private		8,68,546	15.4	2.7	6,42,499	13.7	2.4	4,20,319	14.0	1.5
Banks – Private (Ex of HDFCB)		5,77,104	11	3	3,99,910	6	2	2,63,781	6.2	5.3
Bank of Baroda	Buy	1,13,946	-1.1	2.6	75,234	-6.8	7.2	48,156	0.8	5.2
Canara Bank	Buy	93,875	8.9	-0.3	70,425	-2.9	3.5	37,344	17.6	2.1
Indian Bank	Buy	59,465	8.0	2.3	42,018	4.6	2.6	21,961	51.7	3.6
Punjab National Bank	Neutral	1,04,546	10.1	1.6	70,996	21.0	12.1	28,563	146.5	28.5
State Bank of India	Buy	4,14,605	2.6	4.1	2,29,106	-6.9	12.7	1,61,277	-3.4	76.0
Union Bank	Buy	94,413	14.4	3.0	72,262	5.9	-0.7	38,694	39.1	7.8
Banks – PSU		8,80,849	5.1	2.9	5,60,040	-1.1	8.0	3,35,996	11.9	32.6
Total Banks		17,49,395	10.0	2.8	12,02,539	6.3	4.9	7,56,315	13.0	13.3
Total Banks (Ex of HDFCB)		14,57,953	7	3	9,59,950	2	6	5,99,777	9.3	19.1
Paytm	Neutral	18,338	-21.5	-35.7	-463	LP	-121.0	-4,693	NA	NA
SBI Cards	Neutral	14,485	24.3	4.4	17,001	18.9	4.9	5,637	-5.5	2.7

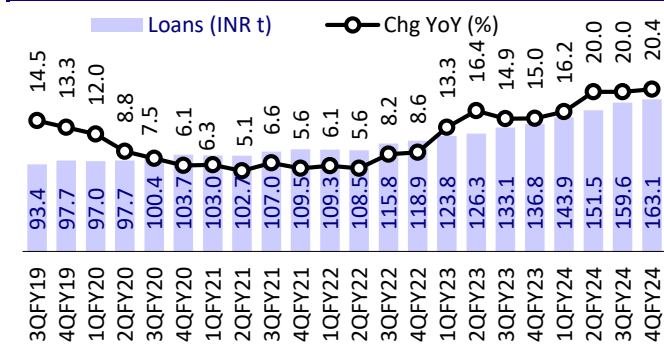
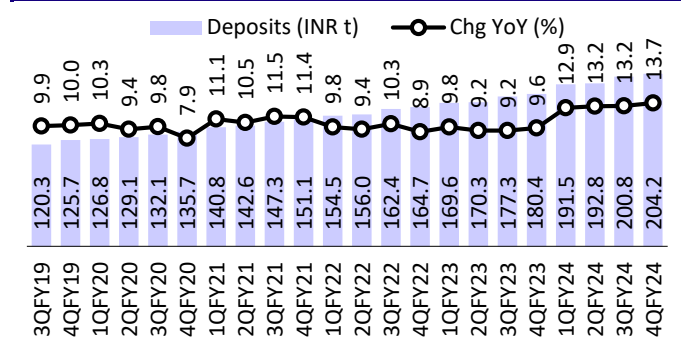
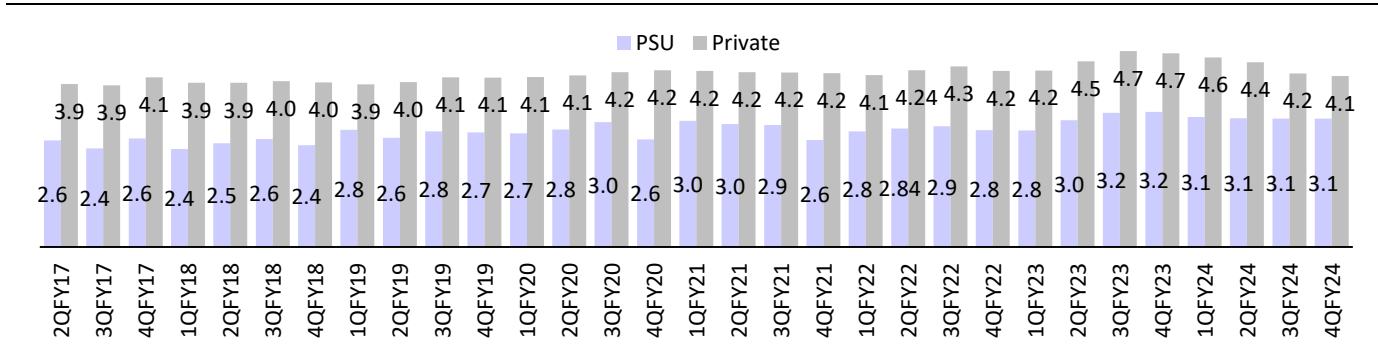
Exhibit 2: Loan growth healthy at 20.4% (including HDFC)**Exhibit 3: Deposit growth inches up to 13.7%****Exhibit 4: Margins expected to compress further**

Exhibit 5: Earnings progression on track

INRb	Old Estimates			Revised Estimates			% Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Private Banks									
AXSB	241.2	277.4	331.0	240.8	267.2	317.0	-0.1%	-3.7%	-4.2%
BANDHAN	32.6	41.5	49.8	30.3	37.1	43.6	-7.2%	-10.7%	-12.5%
DCBB	5.2	6.1	7.2	5.1	6.1	7.4	-1.2%	0.4%	2.0%
HDFCB	605.8	730.8	879.8	599.5	693.4	812.7	-1.0%	-5.1%	-7.6%
ICICIBC	406.7	460.8	538.3	408.1	455.4	523.6	0.3%	-1.2%	-2.7%
IDFCB	30.3	39.7	52.1	29.8	38.6	53.3	-1.6%	-2.8%	2.3%
IIB	90.0	109.0	132.3	90.4	107.3	130.1	0.5%	-1.5%	-1.6%
KMB	131.0	148.0	171.3	130.7	145.1	169.7	-0.2%	-2.0%	-0.9%
FB	37.9	44.7	52.5	37.4	44.0	52.9	-1.5%	-1.4%	0.6%
RBK	11.4	15.5	20.9	11.5	15.4	20.9	0.9%	-0.7%	0.1%
AUBANK	15.5	20.8	28.6	15.5	20.5	28.2	-0.1%	-1.5%	-1.4%
EQUITASB	8.1	9.5	12.3	8.0	9.4	12.4	-0.8%	-1.6%	0.3%
Total Pvt	1,615.7	1,903.8	2,276.2	1,607.2	1,839.5	2,171.7	-0.5%	-3.4%	-4.6%
YoY growth	26.9%	17.8%	19.6%	26.2%	14.5%	18.1%			
Total Pvt (Ex of HDFCB)	1,009.9	1,173.0	1,396.4	1,007.6	1,146.0	1,359.1	-0.2%	-2.3%	-2.7%
YoY growth	21.4%	16.1%	19.0%	21.1%	13.7%	18.6%			
PSU Banks									
BOB	179.0	203.3	229.0	177.2	200.2	226.7	-1.0%	-1.5%	-1.0%
CBK	144.0	170.8	197.5	145.3	166.0	187.5	0.9%	-2.8%	-5.1%
INBK	80.0	95.5	111.3	80.1	95.1	111.2	0.2%	-0.5%	0.0%
PNB	81.2	122.0	155.3	80.9	125.0	164.3	-0.4%	2.5%	5.8%
SBIN	559.7	721.1	829.0	565.1	705.0	799.4	1.0%	-2.2%	-3.6%
UNBK	140.4	165.1	185.4	142.1	162.1	184.5	1.2%	-1.8%	-0.5%
Total PSU	1,184.3	1,477.9	1,707.6	1,190.7	1,453.5	1,673.6	0.5%	-1.7%	-2.0%
YoY growth	29.9%	24.8%	15.5%	30.6%	22.1%	15.1%			
Total Banks	2,800.1	3,381.7	3,983.7	2,797.8	3,292.9	3,845.3	-0.1%	-2.6%	-3.5%
YoY growth	28.2%	20.8%	17.8%	28.1%	17.7%	16.8%			
Total Banks (Ex of HDFCB)	2,194.3	2,650.9	3,103.9	2,198.3	2,599.5	3,032.7	0.2%	-1.9%	-2.3%
YoY growth	25.8%	20.8%	17.1%	26.1%	18.3%	16.7%			
SBI Cards	23.8	32.1	43.7	23.1	32.3	43.6	-2.8%	0.4%	-0.3%
Paytm	-11.4	-14.1	0.0	-13.3	-9.8	5.7	NA	NA	

Exhibit 6: Snapshot of additional provision buffers as of 3QFY24

Large banks continue to carry additional provision buffers	As on 3QFY24	Loans (INR b)	COVID/contingent provisions	Floating/additional provisions	Total provisions	As a percentage of loans (%)
	AXSB*	9,323	50.1	69.7	119.8	1.3
	HDFCB	24,461	139	15	154	0.6
	ICICIBC	11,538	131	-	131	1.1
	IIB	3,271	13	-	13	0.4
	KMB	3,596	2.9	-	2.9	0.1
	AUBANK	667	0.05	0.4	0.5	0.1

*AXSB holds total provisions of INR119.8b, including standard and additional, other than NPA

Source: MOFSL, Company

Exhibit 7: Snapshot of AIF provision as of 3QFY24

As on 3QFY24	AIF Provisions (INR b)
ICICI Bank	6.3
KMB	1.9
RBL Bank	1.2
Axis bank	1.8
SBIN	2.4
BOB	0.5
DCB	0.5

Source: MOFSL, Company

Restructured book remains under control for private banks, but it is relatively higher for public sector banks

Exhibit 8: Snapshot of restructured book across banks

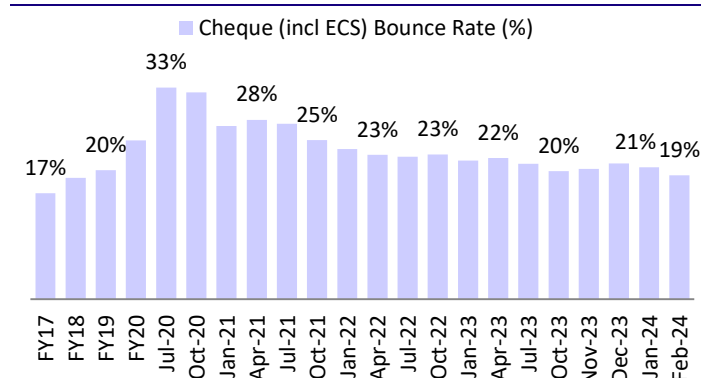
INR b	Restructured book									
	Absolute	Dec'21	Mar'22	Jun'22	Sep'22	Dec'22	Mar'23	Jun'23	Sep'23	Dec'23
AXSB	16.41	0.63	0.52	0.45	0.38	0.3	0.22	0.21	0.2	0.18
BANDHAN	NA	8.22	5.2	2.35	0.2	NA	NA	NA	NA	NA
DCBB	11.59	6.81	6.42	6.1	5.45	4.94	4.51	3.97	3.4	3
HDFCB	51.287	1.4	1.14	0.76	0.53	0.42	0.31	NA	0.22	NA
ICICIBC	33.18	1.19	1	0.8	0.7	0.5	0.4	NA	0.32	0.29
IIB	15.699	3.3	2.6	2.1	1.5	1.25	0.84	0.66	0.54	0.48
KMB	4.59	0.54	0.44	0.39	0.34	0.25	0.22	0.19	0.15	0.13
FB	22	2.45	2.44	2.22	2.03	1.81	1.62	1.4	1.3	1.1
RBK	5.037	3.44	3.27	2.9	2.21	1.67	1.21	1.05	0.89	0.63
AUBANK	4.672	3.1	2.5	2.1	1.7	1.4	1.2	1	0.8	0.7
BOB	99	2.65	2.44	2.46	2.12	1.87	1.5	1.31	NA	1
SBIN	188.8	1.2	1.13	1	0.93	0.85	0.8	0.69	0.62	0.54
INBK	94.36	5.09	4.73	4.2	3.9	3.37	2.51	2.19	2.12	1.93
PNB	97.2	2.76	2.36	2	1.8	1.54	1.32	NA	NA	1.06
UNBK	140.71	3.32	2.99	2.92	2.6	2.38	2.2	2	1.71	1.57
CBK	NA	2.78	2.77	2.41	2.09	1.75	NA	NA	NA	NA

Source: MOFSL, Company

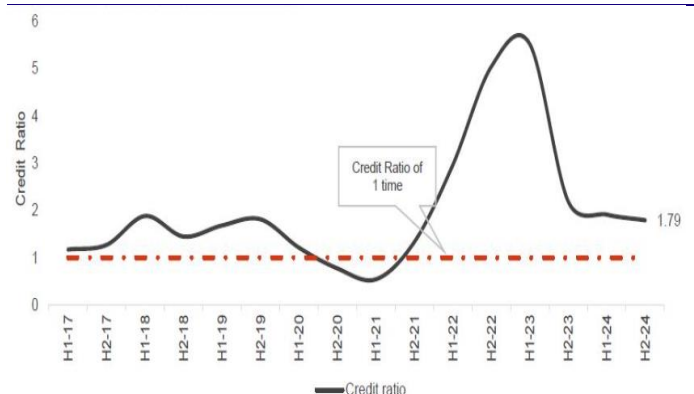
Exhibit 9: SMA book across banks as of 3QFY24

SMA (bp of loans)	SMA 0	SMA 1	SMA 2
BOB	NA	24bp	
BOI	NA	16bp	18bp
CBK	17bp	15bp	48bp
INBK	NA	36bp	20bp
PNB	NA	NA	14bp
SBIN	NA	10bp	10bp
UNBK	32bp	9bp	18bp
BANDHAN	140bp	100bp	90bp
KMB	NA	NA	6bp

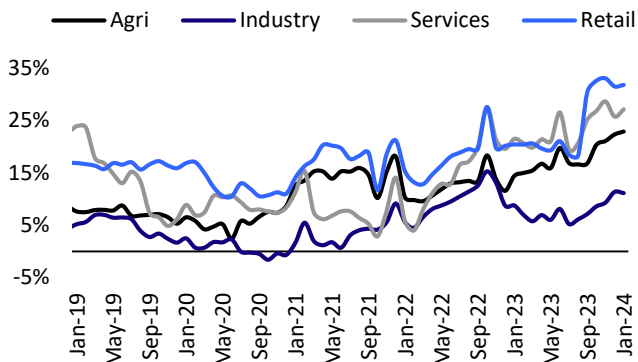
Source: MOFSL, Company

Exhibit 10: Cheque Bounce rate reduces to 19%; lower than pre-Covid levels

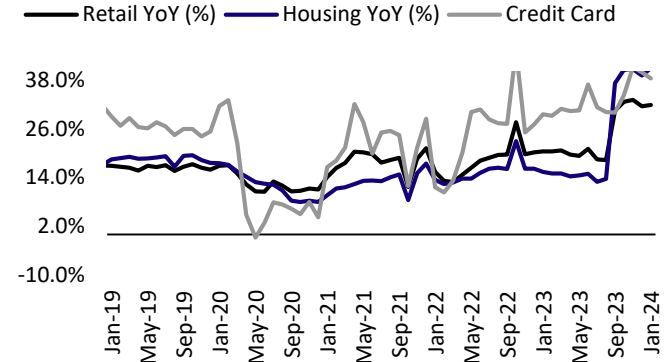
Source: MOFSL, NPCI

Exhibit 11: Credit ratio moderated to 1.79x in 2HFY24, showcasing favorable asset quality outcomes

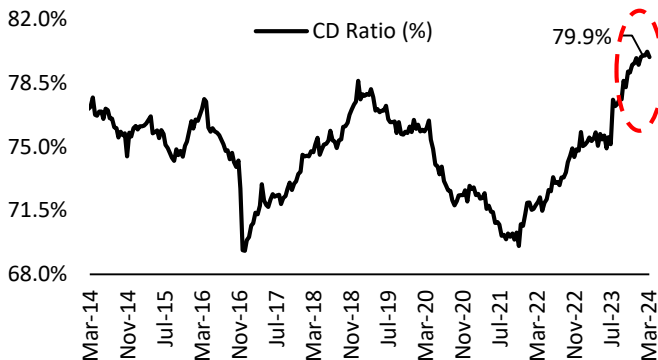
Source: MOFSL, CRISIL

Exhibit 12: Retail loan growth healthy at 31.8% YoY; Retail mix at 34.1% in Jan'24

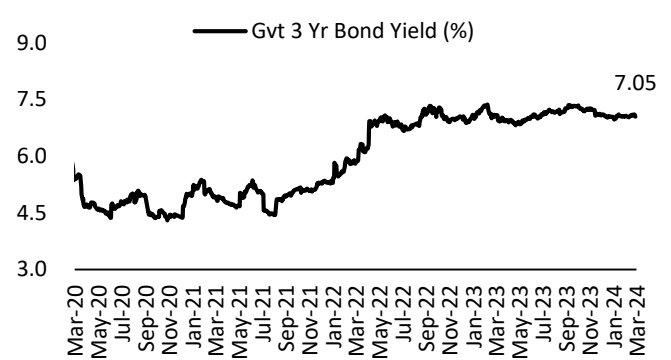
Source: MOFSL, RBI

Exhibit 13: Credit Card grew at ~38.4% YoY; Housing/Retail loan growth at ~40.9%/31.8% YoY in Nov'23

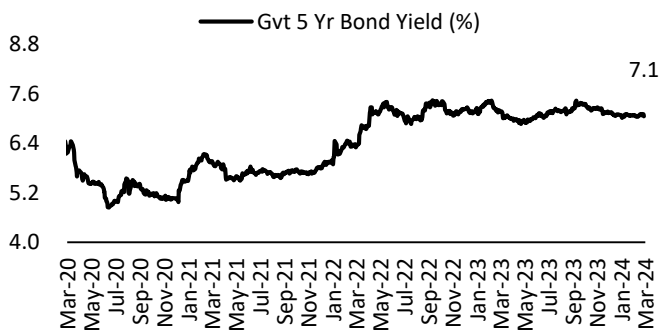
Source: MOFSL, RBI

Exhibit 14: CD ratio stands at 79.9% as of Mar'24

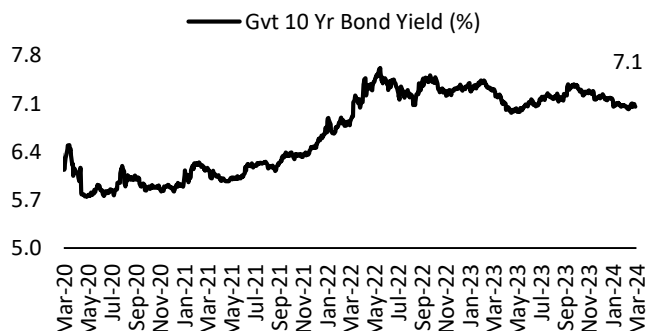
Source: MOFSL, RBI

Exhibit 15: Three-year G-Sec yield remains in a narrow range

Source: MOFSL, BBG

Exhibit 16: Five-year G-Sec yield declined 7bp in Mar'24

Source: MOFSL, BBG

Exhibit 17: 10-year G-Sec yield stood at 7.1% in Mar'24

Source: MOFSL, BBG

Exhibit 18: Relative performance – three months (%)

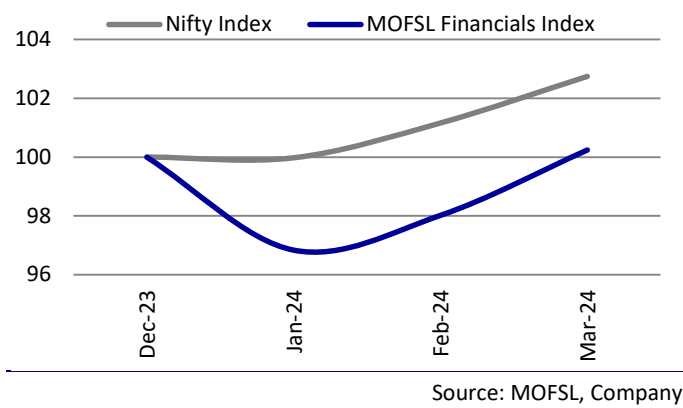


Exhibit 19: One-year relative performance (%)

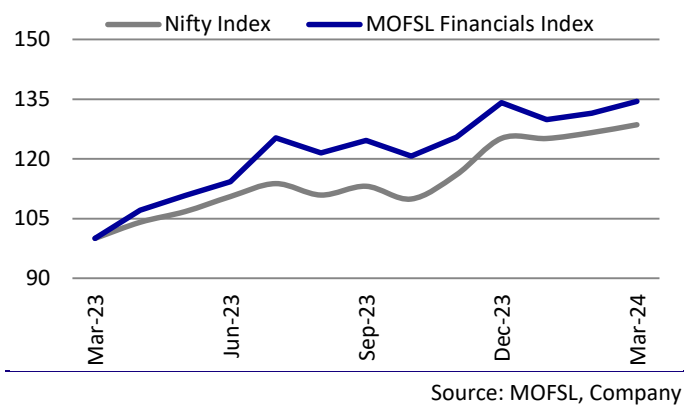


Exhibit 20: Valuation summary

Company	CMP (INR)	Rating	EPS (INR)			P/E (x)			P/B (x)			RoE (%)		
			FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Financials														
Banks-Private														
ICICIBC	1,077	Buy	58.4	65.2	75.0	14.9	13.4	11.6	2.6	2.2	1.9	19.0	18.1	17.8
HDFCB	1,483	Buy	78.9	91.3	107.0	16.0	13.8	11.8	2.2	2.0	1.7	14.5	15.1	15.6
AXSB	1,063	Neutral	78.2	86.6	102.8	12.3	11.1	9.4	2.0	1.7	1.5	17.7	16.8	17.1
BANDHAN	191	Neutral	18.8	23.0	27.0	10.1	8.3	7.0	1.4	1.3	1.1	14.7	16.1	16.9
KMB	1,732	Neutral	65.9	74.5	86.2	17.6	15.5	13.4	2.4	2.1	1.8	14.6	14.1	14.4
IIB	1,543	Buy	116.6	138.4	167.7	13.2	11.2	9.2	1.9	1.7	1.4	15.4	16.0	16.7
FB	155	Buy	16.5	18.2	21.9	9.4	8.5	7.1	1.3	1.1	1.0	14.9	14.3	15.1
DCBB	127	Neutral	16.4	19.6	23.7	7.7	6.5	5.4	0.8	0.7	0.7	11.4	12.3	13.3
IDFCFB	78	Neutral	4.4	5.7	7.9	17.6	13.8	10.0	1.7	1.5	1.3	10.3	11.4	13.8
EQUITASB	97	Buy	7.2	8.3	10.9	13.5	11.7	8.9	1.9	1.7	1.4	14.6	15.1	17.3
AUBANK	605	Buy	23.2	29.1	37.9	26.1	20.8	16.0	3.3	2.7	2.3	13.4	14.2	15.5
RBK	252	Neutral	19.2	25.6	34.9	13.2	9.9	7.2	1.0	1.0	0.9	8.2	10.2	12.9
Banks-PSU														
SBIN	771	Buy	62.7	80.8	92.9	8.4	6.6	5.7	1.3	1.1	1.0	17.6	18.9	18.4
PNB	135	Neutral	7.3	11.4	14.9	18.4	11.9	9.1	1.4	1.3	1.1	8.4	11.8	13.8
BOB	274	Buy	34.2	38.7	43.8	8.0	7.1	6.3	1.3	1.1	1.0	17.8	17.3	16.9
CBK	606	Buy	80.1	91.5	103.3	7.6	6.6	5.9	1.3	1.1	0.9	19.9	19.0	18.0
UNBK	157	Buy	19.9	21.9	24.9	7.9	7.2	6.3	1.3	1.1	1.0	17.7	17.1	17.0
INBK	529	Buy	61.8	70.6	82.6	8.6	7.5	6.4	1.3	1.1	1.0	16.9	16.7	16.9
Fintech and payments														
Paytm	411	Neutral	-26.1	-18.9	4.2	-15.7	-21.8	96.8	2.1	2.2	2.2	-13.1	-10.3	-7.8
SBICARD	695	Neutral	24.4	34.1	46.1	28.5	20.4	15.1	5.5	4.4	3.5	21.2	24.1	25.8

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

AU Small Finance Bank

Buy
CMP: INR605 | TP: INR720 (+19%)
EPS CHANGE (%): FY24|FY25: -0.1|-1.5

- Expect margins to compress
- CoF and C/I ratios are expected to remain elevated
- Merger to help AUBANK diversify its lending portfolio and increase its geographical footprint
- Asset quality ratios expected to remain stable

Quarterly Performance

(INR m)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	9,760	10,833	11,527	12,132	12,462	12,490	13,249	13,720	44,253	51,921
% Change (Y-o-Y)	34.8	43.8	40.5	29.5	27.7	15.3	14.9	13.1	36.8	17.3
Other Income	1,592	2,474	2,949	3,331	3,151	4,255	4,497	4,752	10,345	16,655
Total Income	11,352	13,307	14,476	15,463	15,613	16,744	17,746	18,472	54,597	68,576
Operating Expenses	7,411	8,319	8,919	9,753	10,153	10,267	11,175	11,776	34,403	43,370
Operating Profit	3,941	4,988	5,557	5,709	5,461	6,477	6,571	6,697	20,195	25,205
% Change (Y-o-Y)	-18.2	27.1	21.2	18.4	38.6	29.9	18.2	17.3	11.3	24.8
Provisions	384	430	326	409	330	1,143	1,589	1,637	1,548	4,699
Profit before Tax	3,557	4,558	5,231	5,300	5,131	5,334	4,981	5,060	18,646	20,506
Tax	878	1,132	1,302	1,054	1,262	1,315	1,229	1,218	4,367	5,024
Net Profit	2,679	3,426	3,928	4,246	3,869	4,018	3,752	3,842	14,279	15,482
% Change (Y-o-Y)	31.8	23.0	30.1	22.7	44.4	17.3	-4.5	-9.5	26.4	8.4
Operating Parameters										
Deposit (INR b)	546.3	583.4	611.0	693.6	693.2	757.4	801.2	871.8	693.6	871.8
Loan (INR b)	486.5	517.4	556.0	584.2	628.6	641.7	667.4	727.5	584.2	727.5
Deposit Growth (%)	47.6	49.4	38.0	31.9	26.9	29.8	31.1	25.7	31.9	25.7
Loan Growth (%)	43.3	44.4	38.4	26.7	29.2	24.0	20.0	24.5	26.7	24.5
Asset Quality										
GNPA (%)	2.0	1.9	1.8	1.7	1.8	1.9	2.0	2.0	1.7	2.0
NNPA (%)	0.6	0.6	0.5	0.4	0.6	0.6	0.7	0.7	0.5	0.7
PCR (%)	71.7	71.1	72.1	75.0	69.0	69.1	66.0	64.7	70.8	64.7

Axis Bank

Neutral
CMP: INR1063 | TP: INR1,175 (+10%)
EPS CHANGE (%): FY24|FY25: -0.1|-3.7

- Expect CD ratio to remain elevated
- Cost ratios to remain elevated
- Expect margin to moderate in 4Q
- Expect business growth to remain healthy

Quarterly Performance

(INR m)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	93.8	103.6	114.6	117.4	119.6	123.1	125.3	127.2	429.5	495.2
% Change (Y-o-Y)	20.9	31.1	32.4	33.1	27.4	18.9	9.4	8.3	29.6	15.3
Other Income	30.0	39.4	46.7	49.0	50.9	50.3	55.5	57.7	165.0	214.5
Total Income	123.8	143.0	161.2	166.4	170.5	173.5	180.9	184.9	594.5	709.8
Operating Expenses	65.0	65.9	68.5	74.7	82.3	87.2	89.5	92.8	273.0	351.7
Operating Profit	58.9	77.2	92.8	91.7	88.1	86.3	91.4	92.2	321.4	358.0
% Change (Y-o-Y)	-4.8	30.2	50.6	41.8	49.7	11.9	-1.5	0.5	29.9	11.4
Provisions	3.6	5.5	14.4	3.1	10.3	8.1	10.3	7.3	28.8	36.1
Profit before Tax	55.3	71.7	78.4	88.6	77.8	78.2	81.1	84.9	292.6	322.0
Tax	14.0	18.4	19.9	22.4	19.8	19.5	20.4	21.4	73.3	81.1
Net Profits	41.3	53.3	58.5	66.3	58.0	58.6	60.7	63.5	219.3	240.8
% Change (Y-o-Y)	91.0	70.1	61.9	60.9	40.5	10.0	3.7	-4.1	68.4	9.8
Operating Parameters										
Deposit (INR t)	8.0	8.1	8.5	9.5	9.4	9.6	10.0	10.8	9.5	10.8
Loan (INR t)	7.0	7.3	7.6	8.5	8.6	9.0	9.3	9.8	8.5	9.8
Deposit Growth (%)	12.6	10.1	9.9	15.2	17.2	17.9	18.5	13.8	15.2	13.8
Loan Growth (%)	14.0	17.6	14.6	19.4	22.4	22.8	22.3	15.6	19.4	15.6
Asset Quality										
Gross NPA (%)	2.8	2.5	2.4	2.0	2.0	1.7	1.6	1.6	2.2	1.6
Net NPA (%)	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	77.3	79.9	80.8	80.9	79.6	79.5	77.8	77.0	80.0	77.0

Bandhan Bank**Neutral****CMP: INR191 | TP: INR225 (+18%)****EPS CHANGE (%): FY24|FY25: -7.2|-10.8**

- Expect NIM moderation to continue
- Expect asset quality to improve and credit cost to be under control
- Expect business growth to pick up amid seasonal pick-up
- Cost ratios expected to remain elevated

Quarterly Performance**(INR b)**

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	25.1	21.9	20.8	24.7	24.9	24.4	25.3	26.7	92.6	101.3
% Change (YoY)	18.9	13.3	-2.1	-2.7	-0.9	11.4	21.4	7.9	6.3	9.4
Other Income	3.3	4.8	10.3	6.3	3.9	5.4	5.5	6.8	24.7	21.5
Total Income	28.4	26.7	31.1	31.0	28.8	29.8	30.7	33.4	117.3	122.7
Operating Expenses	10.2	11.2	11.9	13.1	13.1	14.0	14.2	15.4	46.4	56.7
Operating Profit	18.2	15.5	19.2	18.0	15.6	15.8	16.6	18.1	70.9	66.1
% Change (YoY)	-7.0	-2.0	-1.4	-28.8	-14.2	2.0	-13.9	0.6	-11.5	-6.8
Provisions	6.4	12.8	15.4	7.3	6.0	6.4	6.8	6.6	42.0	25.8
Profit Before Tax	11.8	2.7	3.8	10.6	9.6	9.5	9.7	11.5	28.9	40.2
Tax	2.9	0.6	0.9	2.5	2.4	2.3	2.4	2.9	7.0	10.0
Net Profit	8.9	2.1	2.9	8.1	7.2	7.2	7.3	8.5	21.9	30.3
% Change (YoY)	137.6	NM	-66.2	-57.5	-18.7	244.6	152.2	5.3	NM	37.9
Operating Parameters										
Deposits (INR b)	931	994	1,023	1,081	1,085	1,121	1,174	1,262	1,081	1,262
Loans (INR b)	909	902	921	1,048	982	1,020	1,102	1,203	1,048	1,203
Deposit Growth (%)	20.3	21.3	21.0	12.2	16.6	12.8	14.8	16.8	12.2	16.8
Loan Growth (%)	21.6	21.1	14.7	11.5	8.0	13.1	19.6	14.8	11.5	14.8
Asset Quality										
Gross NPA (%)	7.3	7.2	7.2	4.9	6.8	7.3	7.0	6.1	4.9	6.1
Net NPA (%)	1.9	1.9	1.9	1.2	2.2	2.3	2.2	1.9	1.2	1.9
PCR (%)	74.9	75.5	75.4	76.8	69.2	70.0	70.0	70.5	76.8	70.5

E: MOFSL Estimates

Bank of Baroda**Buy****CMP: INR274 | TP: INR310 (+13%)****EPS CHANGE (%): FY24|FY25: -1.0|-1.5**

- Expect earnings and business growth to remain healthy
- Expect asset quality to improve further; credit cost is likely to remain in control
- Margins expected to moderate slightly
- Loan growth development and opex to be key monitorables

Quarterly Performance**(INR b)**

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	88.4	101.7	108.2	115.2	110.0	108.3	111.0	113.9	413.6	443.2
% Change (YoY)	12.0	34.5	26.5	33.8	24.4	6.4	2.6	-1.1	26.8	7.2
Other Income	11.8	18.3	35.5	34.7	33.2	41.7	28.1	34.3	100.3	137.4
Total Income	100.2	120.0	143.7	149.9	143.2	150.0	139.1	148.3	513.8	580.6
Operating Expenses	54.9	59.7	61.4	69.2	64.9	69.8	69.0	73.0	245.2	276.8
Operating Profit	45.3	60.3	82.3	80.7	78.2	80.2	70.2	75.2	268.6	303.8
% Change (YoY)	-19.2	6.4	50.1	43.3	72.8	33.0	-14.8	-6.8	20.0	13.1
Provisions	16.8	16.3	24.0	14.2	19.5	21.6	6.7	9.7	71.4	57.4
Profit before Tax	28.4	44.0	58.3	66.5	58.8	58.6	63.5	65.6	197.3	246.4
Tax	6.7	10.9	19.8	18.8	18.1	16.1	17.7	17.4	56.2	69.2
Net Profit	21.7	33.1	38.5	47.8	40.7	42.5	45.8	48.2	141.1	177.2
% Change (YoY)	79.4	58.7	75.4	168.5	87.7	28.4	18.9	0.8	94.0	25.6
Operating Parameters										
Deposit (INR b)	10,327	10,902	11,495	12,037	11,999	12,496	12,453	13,108	12,037	13,108
Loan (INR b)	7,996	8,366	8,907	9,410	9,635	9,980	10,241	10,680	9,410	10,680
Deposit Growth (%)	10.9	13.6	17.5	15.1	16.2	14.6	8.3	8.9	15.1	8.9
Loan Growth (%)	19.6	20.6	21.7	21.1	20.5	19.3	15.0	13.5	21.1	13.5
Asset Quality										
Gross NPA (%)	6.3	5.3	4.5	3.8	3.5	3.3	3.1	2.9	3.8	2.9
Net NPA (%)	1.6	1.2	1.0	0.9	0.8	0.8	0.7	0.6	0.9	0.6
PCR (%)	75.9	79.1	78.8	77.2	78.5	77.6	77.7	78.3	76.7	78.3

Canara Bank

Buy

CMP: INR606 | TP: INR650 (+7%)

EPS CHANGE (%): FY24|FY25: 0.9|-2.8

- Expect operating expenses and margins to remain broadly stable
- Advances and deposit growth to be a key monitorable
- Asset quality and credit cost expected to improve

Quarterly Performance

(INR b)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	67.8	74.3	86.0	86.2	86.7	89.0	94.2	93.9	314.4	363.7
% Change (Y-o-Y)	10.2	18.5	23.8	23.0	27.7	19.8	9.5	8.9	19.1	15.7
Other Income	51.8	48.3	39.9	47.8	48.2	46.3	43.0	45.6	187.6	183.1
Total Income	119.6	122.6	125.9	133.9	134.8	135.4	137.1	139.5	502.0	546.9
Operating Expenses	53.5	53.5	56.3	61.4	58.8	59.2	69.1	69.1	224.8	256.2
Operating Profit	66.1	69.1	69.5	72.5	76.0	76.2	68.1	70.4	277.2	290.7
% Change (Y-o-Y)	20.5	23.2	19.8	16.9	15.1	10.3	-2.1	-2.9	13.4	4.9
Other Provisions	36.9	36.4	31.2	30.9	27.2	26.1	19.0	22.3	135.4	94.6
Profit before Tax	29.2	32.7	38.3	41.6	48.9	50.1	49.1	48.1	141.7	196.1
Tax	8.9	7.4	9.5	9.8	13.5	14.0	12.5	10.8	35.7	50.8
Net Profit	20.2	25.3	28.8	31.7	35.3	36.1	36.6	37.3	106.0	145.3
% Change (Y-o-Y)	71.7	89.5	91.8	90.5	74.8	42.8	26.9	17.6	86.7	37.0
Operating Parameters										
Deposit (INR b)	11,181	11,340	11,635	11,792	11,925	12,322	12,629	12,818	11,792	12,818
Loan (INR b)	7,469	7,885	8,164	8,307	8,551	8,923	9,206	9,370	8,307	9,370
Deposit Growth (%)	9.4	9.8	11.5	8.5	6.6	8.7	8.5	8.7	8.5	8.7
Loan Growth (%)	15.2	21.4	18.0	18.1	14.5	13.2	12.8	12.8	18.1	12.8
Asset Quality										
Gross NPA (%)	7.0	6.4	5.9	5.4	5.2	4.8	4.4	4.1	5.4	4.1
Net NPA (%)	2.5	2.2	2.0	1.7	1.6	1.4	1.3	1.2	1.7	1.2
PCR (%)	66.2	67.1	68.1	68.9	70.6	71.4	70.8	71.3	68.8	71.3

E: MOFSL Estimates

DCB Bank

Neutral

CMP: INR127 | TP: INR145 (14%)

EPS CHANGE (%): FY24|FY25: -1.2|0.4

- Expect loan book growth to be healthy
- Asset quality expected to remain broadly stable
- Provisions to remain under control, while potential reversal of AIF provisions can further support lower credit cost
- Margin trajectory to be closely monitored

Quarterly Performance

(INR m)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	3,740	4,111	4,460	4,860	4,707	4,757	4,740	4,885	17,170	19,090
% Change (Y-o-Y)	21.1	27.2	29.3	27.7	25.9	15.7	6.3	0.5	26.5	11.2
Other Income	924	992	954	1,223	1,069	1,074	1,237	1,369	4,094	4,749
Total Income	4,664	5,103	5,414	6,083	5,777	5,831	5,977	6,254	21,264	23,838
Operating Expenses	3,002	3,278	3,473	3,643	3,690	3,725	3,862	3,965	13,397	15,242
Operating Profit	1,661	1,826	1,941	2,439	2,087	2,105	2,115	2,289	7,867	8,596
% Change (Y-o-Y)	-17.8	4.2	-2.4	10.5	25.6	15.3	9.0	-6.1	-1.3	9.3
Provisions	350	310	407	525	377	397	410	513	1,787	1,697
Profit before Tax	1,311	1,516	1,534	1,915	1,709	1,708	1,705	1,776	6,080	6,899
Tax	340	392	396	493	440	441	439	460	1,424	1,780
Net Profit	971	1,124	1,139	1,422	1,269	1,268	1,266	1,316	4,656	5,119
% Change (Y-o-Y)	187.8	73.0	51.1	25.4	30.7	12.9	11.2	-7.5	61.9	10.0
Operating Parameters										
Deposit (INR b)	350.8	369.6	395.1	412.4	430.1	455.0	471.2	491.2	412.4	491.2
Loan (INR b)	298.1	312.9	329.7	343.8	354.7	372.8	389.5	407.1	343.8	407.1
Deposit Growth (%)	14.6	16.3	22.6	18.9	22.6	23.1	19.3	19.1	18.9	19.1
Loan Growth (%)	17.9	17.9	20.6	18.2	19.0	19.1	18.2	18.4	18.2	18.4
Asset Quality										
Gross NPA (%)	4.2	3.9	3.6	3.2	3.3	3.4	3.4	3.4	3.2	3.4
Net NPA (%)	1.8	1.5	1.4	1.0	1.2	1.3	1.2	1.2	1.0	1.2
PCR (%)	57.8	61.3	63.0	68.2	64.1	62.8	65.1	65.3	68.2	65.3

E: MOFSL Estimates

Equitas Small Finance Bank

Buy
CMP: INR97 | TP: INR125 (+29%)
EPS CHANGE (%): FY24|FY25: -0.8|-1.6

- Expect NIMs to further moderate
- Cost ratios estimated to remain elevated
- Expect asset quality ratios to remain stable
- Deposit traction and trend in CASA ratio to be the key monitorables

Quarterly Performance

INRm

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	5,806	6,097	6,475	7,070	7,431	7,656	7,851	7,962	25,447	30,901
% Change (YoY)	25.9	26.0	19.7	28.0	28.0	25.6	21.3	12.6	24.8	21.4
Other Income	1,332	1,450	1,526	2,387	1,714	1,814	2,055	2,279	6,696	7,861
Total Income	7,138	7,547	8,001	9,456	9,145	9,470	9,906	10,241	32,143	38,762
Operating Expenses	4,456	5,124	5,210	5,593	6,024	6,168	6,303	6,561	20,383	25,056
Operating Profit	2,682	2,423	2,791	3,864	3,121	3,302	3,603	3,680	11,760	13,706
% Change (YoY)	63.1	21.8	24.2	36.1	16.4	36.3	29.1	-4.8	34.9	16.5
Provisions	1,416	901	499	1,256	601	632	844	906	4,072	2,982
Profit before Tax	1,266	1,522	2,292	2,608	2,521	2,670	2,759	2,774	7,688	10,724
Tax	296	358	591	707	609	689	739	663	1,952	2,699
Net Profit	970	1,164	1,701	1,900	1,912	1,982	2,020	2,111	5,736	8,025
% Change (YoY)	713.4	182.6	57.4	59.0	97.1	70.2	18.7	11.1	104.3	39.9
Operating Parameters										
AUM (INR b)	217	228	249	279	296	312	328	337	279	337
Deposits (INR b)	204	217	234	254	277	308	324	345	254	345
Loans (INR b)	205	218	233	258	275	288	292	312	258	312
AUM Growth (%)	22	20	27	35	36	37	32	21	35	21
Deposit Growth (%)	19	20	31	34	36	42	38	36	34	36
Loan Growth (%)	22	22	27	33	34	32	25	21	33	21
Asset Quality										
Gross NPA (%)	4.1	3.9	3.6	2.8	2.8	2.3	2.5	2.4	2.8	2.4
Net NPA (%)	2.2	2.0	1.8	1.2	1.2	1.0	1.1	1.1	1.2	1.1
PCR (%)	48.5	50.5	50.8	56.9	57.8	57.7	56.0	56.5	56.9	56.5

Federal Bank

Buy
CMP: INR155 | TP: INR175 (+13%)
EPS CHANGE (%): FY24|FY25: -1.5|-1.4

- Credit growth to remain healthy
- Deposits growth and traction in CASA to be a key monitorable
- Expect cost ratios to remain elevated; margin expected to remain flat
- Asset quality metrics to remain broadly stable

Quarterly Performance

(INR b)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	16.0	17.6	19.6	19.1	19.2	20.6	21.2	22.0	72.3	83.0
% Change (YoY)	13.1	19.1	27.1	25.2	19.6	16.7	8.5	15.2	21.3	14.7
Other Income	4.5	6.1	5.3	7.3	7.3	7.3	8.6	8.5	23.3	31.8
Total Income	20.6	23.7	24.9	26.4	26.5	27.9	29.9	30.5	95.6	114.8
Operating Expenses	10.8	11.6	12.2	13.1	13.5	14.6	15.5	17.3	47.7	60.7
Operating Profit	9.7	12.1	12.7	13.3	13.0	13.2	14.4	13.2	47.9	54.1
% Change (YoY)	-14.1	32.9	39.4	67.2	33.8	9.3	12.8	-0.9	27.6	12.9
Provisions	1.7	2.7	2.0	1.2	1.6	0.4	0.9	1.1	11.4	4.0
Profit before Tax	8.1	9.4	10.8	12.2	11.5	12.8	13.5	12.1	36.6	50.1
Tax	2.1	2.4	2.7	3.2	2.9	3.3	3.4	3.1	6.5	12.7
Net Profit	6.0	7.0	8.0	9.0	8.5	9.5	10.1	9.0	30.1	37.4
% Change (YoY)	63.5	52.9	54.0	67.0	42.1	35.5	25.3	-0.6	59.3	24.1
Operating Parameters										
Deposit (INR b)	1,834	1,891	2,014	2,134	2,225	2,329	2,396	2,526	2,134	2,526
Loan (INR b)	1,517	1,612	1,682	1,744	1,835	1,928	1,992	2,093	1,744	2,093
Deposit Growth (%)	8.2	10.0	14.8	17.4	21.3	23.1	19.0	18.4	17.4	18.4
Loan Growth (%)	16.9	20.0	19.5	20.4	21.0	19.6	18.4	20.0	20.4	20.0
Asset Quality										
Gross NPA (%)	2.7	2.5	2.4	2.4	2.4	2.3	2.3	2.2	2.4	2.2
Net NPA (%)	0.9	0.8	0.7	0.7	0.7	0.6	0.6	0.6	0.8	0.6
PCR (%)	65.8	68.7	70.4	71.2	71.3	72.3	72.3	72.1	68.4	72.1

HDFC Bank**Buy****CMP: INR1,483 | TP: INR1,950 (+32%)****EPS CHANGE (%): FY24|FY25: -1.0|-5.1**

- Deposit traction expected to remain healthy
- Asset quality for the merged entity expected to remain broadly stable
- Margins likely to remain broadly stable
- Guidance for business growth and earnings trajectory to be key monitorable

Quarterly Performance**(INR b)**

	FY23				FY24				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	194.8	210.2	229.9	233.5	236.0	273.9	284.7	291.4	868.4	1,086.0
% Change (Y-o-Y)	14.5	18.9	24.6	23.7	21.1	30.3	23.9	24.8	20.6	25.1
Other Income	63.9	76.0	85.0	87.3	92.3	107.1	111.4	120.0	312.1	430.8
Total Income	258.7	286.2	314.9	320.8	328.3	380.9	396.1	411.5	1,180.6	1,516.8
Operating Expenses	105.0	112.2	124.6	134.6	140.6	154.0	159.6	168.9	476.5	623.0
Operating Profit	153.7	173.9	190.2	186.2	187.7	226.9	236.5	242.6	704.0	893.7
% Change (Y-o-Y)	1.5	10.0	13.4	13.8	22.2	30.5	24.3	30.3	9.9	26.9
Provisions	31.9	32.4	28.1	26.9	28.6	29.0	42.2	35.0	119.2	134.8
Profit before Tax	121.8	141.5	162.2	159.4	159.1	197.9	194.3	207.6	584.9	758.9
Tax	29.8	35.5	39.6	38.9	39.6	38.1	30.6	51.0	143.8	159.4
Net Profit	92.0	106.1	122.6	120.5	119.5	159.8	163.7	156.5	441.1	599.5
% Change (Y-o-Y)	19.0	20.1	18.5	19.8	30.0	50.6	33.5	29.9	19.3	35.9

Operating Parameters

Deposit	16,048	16,734	17,332	18,834	19,131	21,729	22,140	23,800	18,834	23,800
Loan	13,951	14,799	15,068	16,006	16,157	23,312	24,461	24,852	16,006	24,852
Deposit Growth (%)	19.2	19.0	19.9	20.8	19.2	29.8	27.7	26.4	20.8	26.4
Loan Growth (%)	21.6	23.4	19.5	16.9	15.8	57.5	62.3	55.3	16.9	55.3

Asset Quality

Gross NPA (%)	1.3	1.2	1.2	1.1	1.2	1.3	1.3	1.2	1.1	1.2
Net NPA (%)	0.4	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.3	0.3
PCR (%)	72.9	73.3	73.2	75.8	74.9	74.4	75.3	75.2	75.8	75.2

E: MOFSL Estimates; * Reported on total assets; # Cal. on interest earning assets Note – we are not reflecting one-off gains from Credila stake

ICICI Bank**Buy****CMP: INR1077 | TP: INR1,250 (+16%)****EPS CHANGE (%): FY24|FY25: 0.3|-1.2**

- Expect loan growth to remain healthy, led by Retail and SME segments
- Potential reversal in AIF provisions to aid credit cost improvement
- Expect credit costs to moderate; adequate contingency buffers to add comfort
- Margin and deposit traction to be the key monitorable

Quarterly Performance**(INR b)**

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	132.1	147.9	164.6	176.7	182.3	183.1	186.8	191.8	621.3	743.9
% Change (YoY)	20.8	26.5	34.6	40.2	38.0	23.8	13.4	8.6	30.9	19.7
Other Income	46.7	50.5	50.2	50.9	54.4	57.8	61.0	61.9	198.3	235.0
Total Income	178.8	198.4	214.9	227.5	236.6	240.8	247.8	253.7	819.6	978.9
Operating Expenses	75.7	81.6	82.2	89.3	95.2	98.6	100.5	106.5	328.7	400.8
Operating Profit	103.1	116.8	132.7	138.3	141.4	142.3	147.2	147.2	490.9	578.1
% Change (YoY)	15.9	17.8	30.8	34.3	37.2	21.8	10.9	6.5	25.1	17.8
Provisions	11.4	16.4	22.6	16.2	12.9	5.8	10.5	6.2	66.7	35.4
Profit before Tax	91.7	100.4	110.1	122.1	128.5	136.5	136.7	141.0	424.2	542.7
Tax	22.6	24.8	27.0	30.8	32.0	33.9	34.0	34.7	105.2	134.6
Net Profit	69.0	75.6	83.1	91.2	96.5	102.6	102.7	106.3	319.0	408.1
% Change (YoY)	49.6	37.1	34.2	30.0	39.7	35.8	23.6	16.5	36.7	27.9

Operating Parameters

Deposit	10,503	10,900	11,220	11,808	12,387	12,947	13,323	13,863	11,808	13,863
Loan	8,956	9,386	9,740	10,196	10,576	11,105	11,538	12,011	10,196	12,011
Deposit Growth (%)	13.4	11.5	10.3	10.9	17.9	18.8	18.7	17.4	10.9	17.4
Loan Growth (%)	21.3	22.7	19.7	18.7	18.1	18.3	18.5	17.8	18.7	17.8

Asset Quality

Gross NPA (%)	3.4	3.2	3.1	2.8	2.8	2.5	2.3	2.3	2.9	2.3
Net NPA (%)	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.5	0.4
PCR (%)	79.9	81.3	82.6	83.5	83.1	83.1	81.3	82.0	82.8	82.0

IDFC First Bank

Neutral

CMP: INR78 | TP: INR85 (8%)

EPS CHANGE (%): FY24|FY25: -6.3|-5.0

- Expect loan traction to remain healthy, aided by Retail
- Credit cost expected to moderate from 3Q levels
- Asset quality to remain broadly stable
- Traction in deposit growth and movement in cost ratios to be in focus

Quarterly Performance

(INR b)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	27.5	30.0	32.9	36.0	37.5	39.5	42.9	44.9	126.4	164.7
% Change (Y-o-Y)	25.9	32.1	27.3	34.7	36.1	31.6	30.5	24.8	30.2	30.3
Other Income	8.6	10.6	11.5	14.0	14.1	14.3	15.2	16.3	44.7	59.9
Total Income	36.1	40.6	44.4	49.9	51.6	53.8	58.0	61.1	171.0	224.5
Operating Expenses	26.6	28.9	31.8	34.4	36.6	38.7	42.4	44.6	121.7	162.3
Operating Profit	9.4	11.7	12.6	15.6	15.0	15.1	15.6	16.5	49.3	62.3
% Change (Y-o-Y)	-5.1	68.7	63.8	88.6	59.0	29.2	23.9	6.1	50.2	26.3
Provisions	3.1	4.2	4.5	4.8	4.8	5.3	6.5	6.2	16.6	22.8
Profit before Tax	6.4	7.4	8.1	10.8	10.2	9.8	9.1	10.3	32.7	39.4
Tax	1.6	1.9	2.1	2.7	2.6	2.3	1.9	2.8	8.3	9.6
Net Profit	4.7	5.6	6.0	8.0	7.7	7.5	7.2	7.5	24.4	29.8
% Change (Y-o-Y)	NM	266.1	115.1	134.2	61.3	35.2	18.4	-6.5	NM	22.4
Operating Parameters										
Deposit (INR b)	1,133	1,234	1,330	1,446	1,544	1,712	1,825	1,921	1,446	1,921
Deposit Growth (%)	24.1	36.8	43.4	36.9	36.2	38.7	37.2	32.8	36.9	32.8
Loan (INR b)	1,326	1,402	1,457	1,564	1,674	1,781	1,855	1,925	1,518	1,925
Loan Growth (%)	22.0	37.1	25.2	26.0	26.3	27.0	27.3	23.1	28.8	26.8
Asset Quality										
Gross NPA (%)	3.4	3.2	3.0	2.5	2.2	2.1	2.0	2.0	2.6	2.0
Net NPA (%)	1.3	1.1	1.0	0.9	0.7	0.7	0.7	0.6	0.9	0.6
PCR (%)	62.0	66.3	66.0	66.4	68.1	68.2	66.9	68.5	66.4	68.5

E: MOFSL Estimates

-

IndusInd Bank

Buy

CMP: INR1,543 | TP: INR1,900 (+23%).

EPS CHANGE (%): FY24|FY25: 0.5|-1.5

- Expect loan growth to remain healthy; deposit traction would be closely monitored
- Expect margins to be stable
- Expect asset quality to remain broadly stable
- Credit cost to remain under control

Quarterly Performance

(INR b)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	41.3	43.0	45.0	46.7	48.7	50.8	53.0	54.9	175.9	207.3
% Change (YoY)	15.8	17.6	18.5	17.2	18.0	18.0	17.8	17.5	17.3	17.8
Other Income	19.3	20.1	20.8	21.5	22.1	22.8	24.0	24.5	81.7	93.3
Total Income	60.6	63.1	65.7	68.2	70.8	73.6	76.9	79.3	257.6	300.6
Operating Expenses	26.3	27.7	28.9	30.7	32.5	34.5	36.5	37.7	113.5	141.2
Operating Profit	34.3	35.4	36.9	37.6	38.3	39.1	40.4	41.6	144.2	159.4
% Change (YoY)	9.9	10.0	11.3	11.2	11.7	10.3	9.7	10.7	10.6	10.6
Provisions	12.5	11.4	10.6	10.3	9.9	9.7	9.7	9.3	44.9	38.7
Profit before Tax	21.8	24.0	26.2	27.3	28.4	29.3	30.7	32.3	99.3	120.7
Tax	5.5	6.0	6.6	6.8	7.2	7.3	7.7	8.1	24.9	30.3
Net Profit	16.3	18.1	19.6	20.4	21.2	22.0	23.0	24.2	74.4	90.4
% Change (YoY)	60.5	57.4	58.2	45.9	30.3	22.0	17.2	18.2	54.9	21.5
Operating Parameters										
Deposit (INR b)	3,031	3,155	3,253	3,361	3,470	3,595	3,688	3,825	3,361	3,825
Loan (INR b)	2,480	2,601	2,728	2,899	3,013	3,155	3,271	3,407	2,899	3,407
Deposit Growth (%)	13.4	14.6	14.3	14.6	14.5	13.9	13.4	13.8	14.6	13.8
Loan Growth (%)	17.7	17.8	19.3	21.3	21.5	21.3	19.9	17.5	21.3	17.5
Asset Quality										
Gross NPA (%)	2.4	2.1	2.1	2.0	1.9	1.9	1.9	1.9	2.0	1.9
Net NPA (%)	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.5
PCR (%)	72.0	71.5	70.6	70.6	70.6	70.6	70.6	71.2	69.4	71.2

Indian Bank

Buy

CMP: INR529 | TP: INR600 (+13%)

EPS CHANGE (%): FY24|FY25: 0.2|-0.5

- Expect loan growth to remain healthy
- Margin to remain broadly stable

- Earnings growth to remain on track
- Expect asset quality ratios to improve

Quarterly Performance

(INR b)

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	45.3	46.8	55.0	55.1	57.0	57.4	58.1	59.5	202.3	232.0
% Change (YoY)	13.5	14.7	25.1	29.5	25.8	22.5	5.7	8.0	20.9	14.7
Other Income	16.0	18.3	17.2	19.9	17.1	19.9	19.0	20.7	71.4	76.8
Total Income	61.4	65.1	72.2	75.0	74.1	77.3	77.2	80.2	273.7	308.8
Operating Expenses	25.7	28.8	31.5	34.9	32.8	34.3	36.2	38.2	121.0	141.5
Operating Profit	35.6	36.3	40.6	40.2	41.3	43.0	41.0	42.0	152.7	167.4
% Change (YoY)	4.3	10.8	23.5	46.7	16.0	18.6	0.9	4.6	20.1	9.6
Provisions	22.2	20.6	25.2	25.6	17.4	15.5	13.5	13.6	93.6	60.0
Profit before Tax	13.5	15.7	15.5	14.5	23.9	27.5	27.5	28.5	59.1	107.4
Tax	1.3	3.5	1.5	0.1	6.9	7.6	6.3	6.5	6.3	27.3
Net Profit	12.1	12.3	14.0	14.5	17.1	19.9	21.2	22.0	52.8	80.1
% Change (YoY)	2.7	12.5	102.4	47.0	40.8	62.2	51.8	51.7	33.9	51.7
Operating Parameters										
Deposits (INR b)	5,843	5,889	5,971	6,212	6,296	6,408	6,542	6,771	6,212	6,771
Loans (INR b)	4,018	4,121	4,361	4,493	4,577	4,706	4,896	5,050	4,493	5,050
Asset Quality										
Gross NPA (%)	8.1	7.3	6.5	6.0	5.5	5.0	4.5	4.2	6.0	4.2
Net NPA (%)	2.1	1.5	1.0	0.9	0.7	0.6	0.5	0.5	0.9	0.5
PCR (%)	75.5	80.7	85.5	85.7	87.8	88.5	88.7	88.9	85.7	88.9

E: MOFSL Estimates

Kotak Mahindra Bank

Neutral

CMP: INR1,732 | TP: INR2,000 (+16%)

EPS CHANGE (%): FY24|FY25: -3.5|-4.5

- Expect steady traction in loan growth
- Margins to compress further

- Expect liability growth to remain healthy
- Asset quality to remain in control

Quarterly Performance

(INR b)

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	47.0	51.0	56.5	61.0	62.3	63.0	65.5	67.0	215.5	257.8
% Change (Y-o-Y)	19.2	26.8	30.4	35.0	32.7	23.5	15.9	9.8	28.1	19.6
Other Income	12.4	18.3	19.5	21.9	26.8	23.1	23.0	25.5	70.8	98.5
Total Income	59.4	69.3	76.0	82.9	89.2	86.1	88.5	92.5	286.3	356.3
Operating Expenses	31.6	33.6	37.5	36.4	39.7	40.0	42.8	42.2	137.9	164.7
Operating Profit	27.8	35.7	38.5	46.5	49.5	46.1	45.7	50.3	148.5	191.5
% Change (Y-o-Y)	-3.7	14.3	42.5	39.1	77.8	29.2	18.6	8.2	23.2	29.0
Provisions	0.2	1.4	1.5	1.5	3.6	3.7	5.8	4.9	4.6	18.0
Profit before Tax	27.6	34.3	37.0	45.0	45.9	42.4	39.9	45.4	143.9	173.5
Tax	6.9	8.5	9.1	10.0	11.3	10.5	9.8	11.2	34.5	42.9
Net Profit	20.7	25.8	27.9	35.0	34.5	31.9	30.1	34.2	109.4	130.7
% Change (Y-o-Y)	26.1	27.0	31.0	26.3	66.7	23.6	7.6	-2.2	27.6	19.5
Deposits (INRb)	3,165	3,252	3,447	3,631	3,863	4,010	4,086	4,234	3,631	4,234
Loans (INRb)	2,802	2,940	3,107	3,199	3,286	3,483	3,596	3,726	3,199	3,726
Deposit growth (%)	10.4	11.5	12.9	16.5	22.0	23.3	18.6	16.6	16.5	16.6
Loan growth (%)	28.8	25.1	22.9	17.9	17.3	18.5	15.7	16.5	17.9	16.5
Asset Quality										
Gross NPA (%)	2.24	2.08	1.90	1.78	1.77	1.72	1.73	1.69	1.78	1.69
Net NPA (%)	0.62	0.55	0.43	0.37	0.40	0.37	0.34	0.33	0.37	0.33
PCR (%)	72.6	73.7	77.6	79.3	78.0	79.1	80.6	80.7	79.3	80.7

E: MOFSL Estimates

Punjab National Bank**Neutral****CMP: INR135 | TP: INR120 (-11%)****EPS CHANGE (%): FY24|FY25: -0.4|2.5**

- Expect business growth to remain healthy
- Expect asset quality to improve
- Opex to remain under control as wage provisions already made
- Margins and RoA trajectory to remain the key monitorble

Quarterly Performance**(INRb)**

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	75.4	82.7	91.8	95.0	95.0	99.2	102.9	104.5	344.9	401.7
% Change (YoY)	4.3	30.2	17.6	30.0	26.0	20.0	12.1	10.1	20.2	16.5
Other Income	25.4	28.5	33.4	34.2	34.3	30.3	26.7	35.5	121.4	126.9
Total Income	100.8	111.2	125.2	129.2	129.4	129.5	129.7	140.1	466.3	528.6
Operating Expenses	47.0	55.5	68.0	70.5	69.7	67.3	66.4	69.1	241.1	272.5
Operating Profit	53.8	55.7	57.2	58.7	59.7	62.2	63.3	71.0	225.3	256.1
% Change (YoY)	-15.9	38.4	12.6	11.4	10.9	11.7	10.8	21.0	8.5	13.7
Provisions	47.9	49.1	47.1	38.3	39.7	34.4	27.4	28.2	182.4	129.7
Profit before Tax	5.9	6.6	10.0	20.4	20.0	27.7	35.9	42.8	42.9	126.4
Tax	2.8	2.5	3.7	8.8	7.5	10.2	13.7	14.2	17.8	45.5
Net Profit	3.1	4.1	6.3	11.6	12.6	17.6	22.2	28.6	25.1	80.9
% Change (YoY)	-69.9	-62.8	-44.2	474.9	307.0	327.0	253.5	146.5	-27.5	222.7
Operating Parameters										
Deposits	11,367	11,935	12,104	12,812	12,979	13,099	13,235	13,606	12,812	13,606
Loans	7,426	7,734	8,004	8,308	8,637	8,899	9,164	9,438	8,308	9,438
Deposit Growth (%)	3.6	7.0	7.4	11.8	14.2	9.8	9.3	6.2	11.8	6.2
Loan Growth (%)	12.3	14.9	15.5	14.1	16.3	15.1	14.5	13.6	14.1	13.6
Asset Quality										
Gross NPA (%)	11.3	10.5	9.8	8.7	7.7	7.0	6.2	5.8	8.7	5.8
Net NPA (%)	4.3	3.8	3.3	2.7	2.0	1.5	1.0	0.8	2.8	0.8
PCR (%)	64.8	66.3	68.5	70.8	75.8	80.0	85.4	86.3	69.6	86.3

E: MOFSL Estimates

RBL Bank**Neutral****CMP: INR252 | TP: INR270 (7%)****EPS CHANGE (%): FY24|FY25: 0.9|-0.7**

- Expect earnings to improve, driven by lower provisions
- Loan growth is likely to remain healthy, supported by new products
- Expect asset quality ratios to remain broadly stable
- Margin and credit cost outlook will be the key monitorables

Quarterly Performance

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	11,890	11,743	12,770	13,570	14,222	14,750	15,459	16,140	49,973	60,570
% Change (Y-o-Y)	22.6	28.3	26.4	19.9	19.6	25.6	21.1	18.9	24.1	21.2
Other Income	6,136	5,833	6,184	6,741	6,854	7,044	7,776	8,199	24,894	29,873
Total Income	18,026	17,576	18,954	20,311	21,076	21,794	23,234	24,339	74,867	90,444
Operating Expenses	12,735	12,453	13,282	14,373	14,601	14,484	15,582	16,182	52,843	60,850
Operating Profit	5,291	5,124	5,672	5,938	6,475	7,310	7,652	8,157	22,025	29,594
% Change (Y-o-Y)	-30.9	-25.9	-10.1	-9.7	22.4	42.7	34.9	37.4	-19.8	34.4
Provisions	2,530	2,415	2,927	2,347	2,662	6,404	4,581	3,725	10,219	17,372
Profit before Tax	2,761	2,709	2,745	3,591	3,813	906	3,071	4,432	11,805	12,222
Tax	750	693	655	880	932	-2,035	740	1,078	2,978	716
Net Profit	2,012	2,016	2,090	2,711	2,881	2,941	2,331	3,354	8,827	11,507
% Change (Y-o-Y)	NM	NM	33.9	37	43.2	45.9	11.5	23.7	NM	30.4
Operating Parameters										
Deposit (INR b)	792.2	794	817.5	848.9	856.4	897.8	927.5	1,035.00	848.9	1,035.00
Loan (INR b)	602.7	629.4	666.8	702.1	730.9	763.2	799.5	839.5	702.1	839.5
Deposit Growth (%)	6.4	5	11	7.4	8.1	13.1	13.5	21.9	7.4	21.9
Loan Growth (%)	6.6	12.4	14.7	17	21.3	21.3	19.9	19.6	17	19.6
Asset Quality										
Gross NPA (%)	4.1	3.8	3.6	3.4	3.2	3.1	3.1	3	3.4	3
Net NPA (%)	1.2	1.3	1.2	1.1	1	0.8	0.8	0.8	1.1	0.8
PCR (%)	72.5	67.8	68	68.1	69.6	75.6	75.1	73.6	68.1	73.6

E: MOFSL Estimates

State Bank of India

Buy

CMP: INR771 | TP: INR860 (+12%)

EPS CHANGE (%): FY24|FY25: 1.0|-2.2

- Opex to remain under control and earnings to improve as wage provisions already made in 3QFY24
- Asset quality to remain broadly stable
- Expect business growth to remain healthy
- Margin to be broadly stable with slight downward bias

Quarterly Performance

(INR b)

Y/E March	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	312.0	351.8	380.7	403.9	389.0	395.0	398.2	414.6	1,448.4	1,596.8
% Change (YoY)	12.9	12.8	24.1	29.5	24.7	12.3	4.6	2.6	20.0	10.2
Other Income	23.1	88.7	114.7	139.6	120.6	107.9	114.6	145.7	366.2	488.8
Total Income	335.1	440.6	495.4	543.5	509.7	502.9	512.7	560.3	1,814.6	2,085.6
Operating Expenses	207.6	229.4	243.2	297.3	256.7	308.7	309.4	331.2	977.4	1,206.0
Operating Profit	127.5	211.2	252.2	246.2	253.0	194.2	203.4	229.1	837.1	879.6
% Change (YoY)	-32.8	16.8	36.2	24.9	98.4	-8.1	-19.4	-6.9	11.2	5.1
Provisions	43.9	30.4	57.6	33.2	25.0	1.2	6.9	18.1	165.1	51.1
Exceptional items (exp)	0.0	0.0	0.0	0.0	0.0	0.0	71.0	0.0		71.0
Profit before Tax	83.6	180.8	194.6	213.1	228.0	193.0	125.5	211.0	672.1	757.5
Tax Provisions	22.9	48.2	52.5	46.1	59.1	49.7	33.8	49.7	169.7	192.4
Net Profit	60.7	132.6	142.1	166.9	168.8	143.3	91.6	161.3	502.3	565.1
% Change (YoY)	-6.7	73.9	68.5	83.2	178.2	8.0	-35.5	-3.4	58.6	12.5
Adj. Net profit	60.7	132.6	142.1	166.9	168.8	143.3	144.0	161.3	502.3	617.4
Operating Parameters										
Deposits (INR t)	40.5	41.9	42.1	44.2	45.3	46.9	47.6	49.0	44.2	49.0
Loans (INR t)	28.2	29.5	30.6	32.0	32.4	33.5	35.2	36.5	32.0	36.5
Deposit Growth (%)	8.7	10.0	9.5	9.2	12.0	11.9	13.0	10.8	9.2	10.8
Loan Growth (%)	15.8	20.8	18.6	17.0	14.9	13.3	15.1	14.1	17.0	14.1
Asset Quality										
Gross NPA (%)	3.9	3.5	3.1	2.8	2.8	2.6	2.4	2.3	2.8	2.3
Net NPA (%)	1.0	0.8	0.8	0.7	0.7	0.6	0.6	0.6	0.7	0.6
PCR (%)	75.1	77.9	76.1	76.4	74.8	75.4	74.2	74.4	76.2	74.4

E: MOFSL Estimates

Union Bank of India

Buy

CMP: INR157 | TP: INR175 (+11%)

EPS CHANGE (%): FY24|FY25: 1.2|-1.8

- Expect steady business growth in 4Q
- Margins expected to remain broadly stable
- SMA and restructuring books are key monitorables
- Expect steady improvement in asset quality

Quarterly Performance

(INR b)

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	75.8	83.1	86.3	82.5	88.4	91.3	91.7	94.4	327.7	365.8
% Change (YoY)	8.1	21.6	20.3	21.9	16.6	9.9	6.3	14.4	17.9	11.6
Other Income	28.2	32.8	32.7	52.7	39.0	37.0	37.7	39.2	146.3	152.9
Total Income	104.0	115.8	119.0	135.2	127.4	128.2	129.4	133.6	474.0	518.7
Operating Expenses	49.5	50.0	52.8	67.0	55.6	56.0	56.6	61.3	219.3	229.6
Operating Profit	54.5	65.8	66.2	68.2	71.8	72.2	72.8	72.3	254.7	289.0
% Change (YoY)	5.1	8.3	29.8	23.6	31.8	9.8	9.9	5.9	16.4	13.5
Provisions	32.8	40.8	30.4	29.4	20.1	17.7	17.5	18.6	133.3	73.8
Profit before Tax	21.7	25.0	35.8	38.9	51.7	54.5	55.3	53.7	121.4	215.3
Tax	6.1	6.5	13.4	11.1	19.4	19.4	19.4	15.0	37.0	73.2
Net Profit	15.6	18.5	22.4	27.8	32.4	35.1	35.9	38.7	84.3	142.1
% Change (YoY)	32.0	21.1	106.8	93.3	107.7	90.0	59.9	39.1	61.2	68.5
Operating Parameters										
Deposit (INR b)	9,928	10,433	10,650	11,177	11,281	11,376	11,725	12,071	11,177	12,071
Loan (INR b)	6,764	7,275	7,564	7,618	7,705	8,036	8,621	8,731	7,618	8,731
Deposit Growth (%)	9.3	14.1	13.6	8.3	13.6	9.0	10.1	8.0	8.3	8.0
Loan Growth (%)	15.7	25.2	22.6	15.3	13.9	10.5	14.0	14.6	15.3	14.6
Asset Quality										
Gross NPA (%)	10.2	8.5	7.9	7.5	7.3	6.4	4.8	4.6	7.5	4.6
Net NPA (%)	3.3	2.6	2.1	1.7	1.6	1.3	1.1	1.0	1.8	1.0
PCR (%)	69.9	70.6	74.6	78.8	79.8	80.7	78.4	79.0	78.1	79.0

SBI Cards and Payment Services**Neutral****CMP: INR695 | TP: INR850 (+22%)****EPS CHANGE (%): FY24|FY25: -2.8|0.4**

- Cost ratios to remain under control
- Spending growth to moderate amid lower corporate spending
- Asset quality ratios are likely to deteriorate further
- Sticky revolver mix and margin outlook remain key monitorables

Quarterly Performance**(INR b)**

	FY23				FY24				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Interest Income	10.8	11.2	11.4	11.7	12.3	13.0	13.9	14.5	44.0	53.7
% Change (Y-o-Y)	16.7	21.5	14.9	16.7	14.3	16.1	21.2	24.3	16.0	21.9
Other Income	18.8	19.7	20.5	22.4	22.4	23.2	26.6	26.6	82.4	98.8
Total Income	29.5	30.9	31.9	34.1	34.8	36.2	40.5	41.1	126.4	152.5
Operating Expenses	16.6	18.3	19.7	19.8	19.6	20.7	24.3	24.1	74.5	88.6
Operating Profit	12.9	12.5	12.2	14.3	15.2	15.5	16.2	17.0	51.9	63.9
% Change (Y-o-Y)	22.5	18.3	6.4	22.0	17.3	23.9	33.1	18.9	17.2	23.1
Provisions	4.5	5.5	5.3	6.3	7.2	7.4	8.8	9.4	21.6	32.9
Profit before Tax	8.4	7.1	6.8	8.0	8.0	8.1	7.4	7.6	30.3	31.0
Tax	2.1	1.8	1.7	2.0	2.0	2.1	1.9	1.9	7.7	7.9
Net Profit	6.3	5.3	5.1	6.0	5.9	6.0	5.5	5.6	22.6	23.1
% Change (Y-o-Y)	105.8	52.4	32.1	2.7	-5.4	14.7	7.8	-5.5	39.7	2.2
Operating Parameters										
Loan (INRb)	320.8	365.0	373.5	393.6	418.1	435.6	471.6	501.5	393.6	501.5
Loan Growth (%)	39.2	43.7	33.6	30.4	30.3	19.3	26.3	27.4	30.4	27.4
Asset Quality										
Gross NPA (%)	2.2	2.1	2.2	2.4	2.4	2.4	2.6	2.8	2.4	2.7
Net NPA (%)	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	0.9	1.0
PCR (%)	65.1	64.0	64.2	63.6	63.8	64.1	64.1	64.7	63.6	64.7

E: MOFSL Estimates; * Reported on total assets; # Cal. on interest earning assets

Paytm**Neutral****CMP: INR411 | TP: INR475 (+16%)****Adj EBITDA CHANGE (%): FY24|FY25: NA|NA**

- Expect operating profitability to decline due to RBI's ban on PPBL
- Expect decline in disbursements and GMV
- Expect decline in growth in total revenue
- Any further impact of RBI notification to be a key monitorable

Quarterly Performance**(INR b)**

	FY23				FY24E				FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Payment Services to Consumers	5.2	5.5	5.1	5.2	5.5	5.8	6.0	3.8	21.1	21.1
Payment Services to Merchants	5.6	6.2	6.4	9.2	8.4	9.2	10.8	6.6	27.4	35.1
Financial Services and Others	2.7	3.5	4.5	4.8	5.2	5.7	6.1	1.1	15.4	18.1
Payment and Financial Services	13.5	15.2	16.0	19.2	19.2	20.7	22.9	13.8	63.8	76.5
% Change (Y-o-Y)	95.4	80.6	43.2	58.6	42.4	36.1	43.0	-28.2	65.5	19.8
Commerce and Cloud Services	3.3	3.8	4.2	3.9	4.1	4.2	5.1	4.3	15.2	17.7
% Change (Y-o-Y)	64.8	54.6	23.8	22.7	22.0	12.5	22.4	8.6	37.6	16.4
Revenue from Operations	16.8	19.1	20.6	23.4	23.4	25.2	28.5	18.3	79.9	95.5
% Change (Y-o-Y)	88.7	76.2	41.7	51.5	39.3	31.6	38.2	-21.5	60.6	19.5
Direct Expenses	9.5	10.7	10.2	10.5	10.4	10.9	13.3	7.4	40.9	42.0
Contribution Profit	7.3	8.4	10.5	12.8	13.0	14.3	15.2	10.9	39.0	53.4
% Change (Y-o-Y)	197.4	223.4	131.0	138.1	79.3	69.2	45.1	-14.8	160.4	37.0
Indirect Expenses	10.0	10.1	10.2	10.5	12.2	12.7	13.0	11.4	40.8	49.3
Adjusted EBITDA	-2.7	-1.7	0.3	2.3	0.8	1.5	2.2	-0.5	-1.8	4.1
EBITDA	-6.3	-5.4	-3.3	-1.3	-2.9	-2.3	-1.6	-4.3	-16.3	-11.1
PAT	-6.4	-5.7	-3.9	-1.7	-3.6	-2.9	-2.2	-4.7	-17.8	-13.3
% Change (Y-o-Y)	68.5	20.4	-49.6	-77.9	-44.5	-48.9	-43.9	178.7	-25.9	-24.9
Operating Parameters										
GMV (INRt)	3.0	3.2	3.5	3.6	4.1	4.5	5.1	3.9	13.2	17.6
Disbursements (INR b)	55.5	73.1	99.6	125.5	148.5	162.1	155.4	50.6	353.8	516.5
GMV Growth (%)	101.5	62.6	38.4	39.8	36.8	41.5	47.4	8.6	55.2	33.0
Disbursements Growth (%)	778.8	481.8	356.6	253.3	167.3	121.7	56.0	-59.7	364.2	46.0
Asset Quality										
Contribution Margin	43.3	44.0	50.8	55.0	55.7	56.6	53.3	59.6	48.8	56.0
Adjusted EBITDA Margin (%)	-16.3	-8.7	1.5	10.0	3.6	6.1	7.7	-2.5	-2.2	4.3
EBITDA Margin (%)	-37.7	-28.1	-16.0	-5.5	-12.5	-9.2	-5.5	-23.6	-20.4	-11.7

E: MOFSL Estimates, Note - We have factored in UPI incentive in our estimates during 4Q

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company

- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263;

www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of

Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

Registration details of group entities: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.