

Stellar numbers; provision buffer to help tide FY22

ICICI Bank's FY21 earnings beat estimates on all parameters. Positive surprise on PPOp driven by NII, fee income and lower provisions resulted in a PAT beat. Loan growth was strong at 14% YoY as retail grew robustly at 20% YoY due to market share gains driven by seamless credit delivery led by digitisation. Asset quality for FY21 was better due to lower slippages (80% from retail). Stress formation in FY22 vs FY21 could be lesser as ICICI Bank has strengthened its underwriting and collection mechanism over the last 1-year. COVID-19 provisions at 1% of loans and a strong CET-1 at 16.8% provide comfort. We raise FY22/23 earnings on lower provisions and a re-rating is imminent basis consistent outperformance. Raise multiple to 2.6x core FY23 ABV and SOTP based TP to Rs700. Reiterate BUY.

Q4FY21 results – Beat on all accounts

NII was higher at Rs104.3bn led by better loan growth at 13.7% YoY (est. 11%) and NIM at 4.0% (est. 3.8%). Deposit growth was also more at 21% YoY (est. 16.2%) mainly led by CASA growth of 24% YoY. CASA ratio improved QoQ from 45% to 46%. Other income was a beat led by fees at Rs38.2bn (est. Rs32.3bn) while treasury saw a loss of Rs250mn due to hardening of yields. Provisions were Rs28.8bn (est. Rs37.0bn) of which COVID-19 related were Rs10bn, the balance being on NPA. The bank utilized Rs35.1bn of contingency provisions that were created over 9MFY21. Led by lower slippages and higher recoveries/write-offs (Rs25.6/47.3bn), GNPA was lower at 5.4% (est. 6.0%). PAT was a beat at Rs44.0bn (est. Rs30.3bn). PAT for FY21 was Rs162bn (est. Rs147bn) led by a beat on all parameters.

Strong retail growth due to market share gains

Domestic loan growth was strong at +17.7% YoY mainly led by retail (+20% YoY) while corporate credit surpassed the system, growing by 10% YoY. Retail accretion was largely led by robust housing growth of 21.7% while business banking and rural loans also performed well. Strong retail disbursements increased beyond pre-COVID levels in Q4FY21 driven by pickup in economic activity and efforts towards process decongestions and digitisation. Of this growth 60% could be attributable to seamless credit delivery (market share gains); 20% to lower competition and 20% to inherent demand. Domestic corporate growth was led by WC and capex related credit to higher rated corporates and PSUs. The A & above pool stands at 73% (70% in FY20).

Provision buffer at 1% of loans to help tide FY22E

Slippages for the quarter were Rs55.2bn with the split between retail/corporate being 80%/20%. For FY21 overall slippages were Rs161bn of which retail: corporate was 80:20 (40:60 YoY). Restructured pool was Rs39.3bn or 55bps of loans (guidance was ~1%). Of this retail was Rs20.1bn and corporate/SME was Rs17.1bn (bulk from BB & below). Stress formation had been declining till Q4FY21 but the bank is cautious due to the second COVID-19 wave. However, retail stress in FY22E could be lesser YoY as large private banks have strengthened their underwriting/digital infrastructure since the first COVID-19 surge, and future lockdowns may not be as severe. COVID-19 provisions of 1% provide an added comfort.

Valuation and risks

We raise FY22/23E PAT by 21%/23% as stress formation in FY22E could be lower and the profitability impact of this stress may be lesser due to buffer provisions. ICICI Bank warrants a re-rating due to its consistent outperformance. We raise multiple to 2.6x core FY23ABV (2.2x earlier) to arrive at an SOTP based TP of Rs700 (earlier Rs580). BUY. **Risks:** higher stress.

Financial and valuation summary

YE Mar (Rs mn)	4QFY21A	4QFY20A	YoY (%)	3QFY21A	QoQ (%)	FY21A	FY22E	FY23E
NII	104,311	89,269	16.9	99,125	5.2	389,894	433,394	491,820
PPoP	85,398	73,901	15.6	88,198	(3.2)	363,971	385,541	445,476
Provisions	28,835	59,674	(51.7)	27,417	5.2	162,144	117,965	125,347
Net profit	44,026	12,214	260.5	49,396	(10.9)	161,927	200,682	240,097
Loan growth (%)	13.7	10.0	3.7	10.0	3.7	13.7	14.2	15.0
NIM (%)	4.0	3.9	0.1	4.0	0.0	3.7	3.7	3.7
Cost/income (%)	41.3	43.9	(2.7)	39.6	1.7	37.2	39.4	38.3
GNPA (%)	5.4	6.1	(0.7)	5.9	(0.5)	5.6	5.4	5.1
RoA (%)	1.5	0.5	1.0	1.8	(0.3)	1.4	1.5	1.6
RoE (%)	13.3	4.3	9.0	15.3	(2.0)	12.3	13.0	14.1
P/core ABV (x)						1.7	2.3	2.1

Source: Company, Centrum Broking

Market Data

Bloomberg:	ICICIBC IN
52 week H/L:	680/286
Market cap:	Rs3942.5bn
Shares Outstanding:	6917.2mn
Free float:	87.8%
Avg. daily vol. 3mth:	27,461,170
Source: Bloomberg	

Changes in the report

Rating:	Unchanged
Target price:	To Rs700 from Rs580
EPS:	21% in FY22E/23% in FY23E

Source: Centrum Broking

Shareholding pattern

	Mar-21	Dec-20	Sep-20	Jun-20
Promoter	0.0	0.0	0.0	0.0
FIIs	47.8	47.4	45.7	43.0
DIIIs	39.0	39.8	41.1	43.2
Public/other	13.3	12.8	13.3	13.8

Source: BSE

Centrum estimates vs Actual results

YE Mar (Rs mn)	Actual Q4FY21	Centrum Q4FY21	Variance (%)
NII	104,311	96,972	7.6
PPoP	85,398	74,835	14.1
PAT	44,026	30,268	45.5
Loan growth	13.7	11.0	2.7
GNPA (%)	5.4	6.0	(0.6)

Source: Bloomberg, Centrum Broking



Gaurav Jani
Analyst, BFSI
+91-22-4215 9110
gaurav.jani@centrum.co.in

Thesis Snapshot

Estimate revisions

YE Mar (Rs mn)	FY22E New	FY22E Old	% chg	FY23E New	FY23E Old	% chg
NII	433,394	413,567	4.8	491,820	455,350	8.0
PPoP	385,541	362,299	6.4	445,476	404,192	10.2
Net profit	200,682	165,684	21.1	240,097	195,218	23.0
Loan growth (%)	14.2	14.0	0.2	15.0	13.0	2.1
GNPA	5.4	6.2	(0.7)	5.1	5.8	(0.7)

Source: Centrum Broking

ICICI Bank versus Nifty 50

	1m	6m	1 year
ICICIBC IN	(0.3)	36.7	70.2
Nifty 50	(1.1)	21.9	56.7

Source: Bloomberg, NSE

Key assumptions

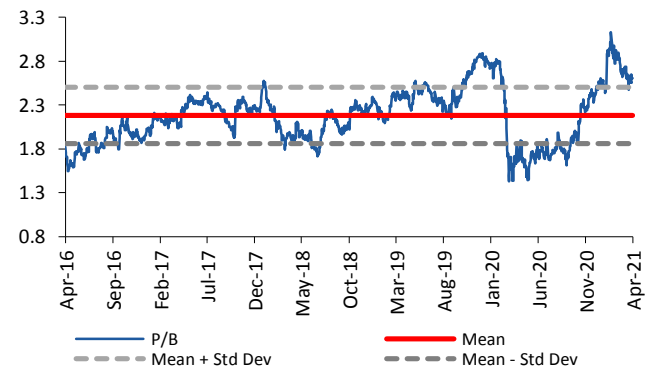
YE Mar	FY22E	FY23E
Loan growth	14.2	15.0
NIM	3.7	3.7
Other inc / Assets	1.6	1.6
Cost / Assets	1.9	1.9
Provision costs	1.3	1.2

Source: Centrum Broking

Valuations

We raise FY22/23E PAT by 21%/23% as stress formation in FY22E could be lower and the profitability impact of this stress may be lesser due to buffer provisions. ICICI Bank warrants a re-rating due to its consistent outperformance. We raise multiple to 2.6x core FY23ABV (2.2x earlier) to arrive at an SOTP based TP of Rs700 (earlier Rs580). BUY. Risks: higher stress.

P/BV mean and standard deviation



Source: Bloomberg, Centrum Broking

SOTP valuation

Business	Stake	Rs mn	Basis	Multiple (x)	Rs per share	% of total
Standalone bank	100.0%	4,142,352	x Mar'23 ABV	2.6	598	81.4
Life insurance	51.4%	377,940	Market Cap	1.0	55	7.4
General insurance	51.9%	325,682	Market Cap	1.0	47	6.4
AMC	51.0%	190,485	x Mar'20 PAT	30.0	27	3.7
UK+Canada	100.0%	36,790	at investment	1.0	5	0.7
Others	100.0%	14,170	at investment	1.0	2	0.3
Holding Co. Discount @25%					(34)	
Total					700	100

Source: Company, Centrum Broking

Peer comparison

Company	Mkt Cap (Rs bn)	CAGR FY20-FY22E (%)			P/BVPS			RoA (%)			RoE (%)		
		NII	PPoP	PAT	FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY20	FY21E	FY22E
ICICI	3,943	12.3	10.6	21.8	2.1	2.4	2.2	1.4	1.5	1.6	12.3	13.0	14.1
Axis	2,055	11.4	15.2	44.0	1.6	1.9	1.7	0.6	0.9	1.1	6.5	9.4	11.0
SBI	3,003	5.6	4.4	20.7	0.9	1.1	1.0	0.4	0.5	0.5	7.3	8.4	9.3
HDFC	7,797	16.1	16.8	20.2	3.9	3.3	2.9	1.9	2.0	2.1	16.6	17.0	17.7
Kotak	3,439	13.2	13.1	17.3	5.5	4.9	4.4	1.9	2.0	2.1	12.9	12.9	13.4

Source: Company, Centrum Broking

Fig 1: Key concall takeaways and metrics

Guidance	Q4FY21	Q3FY21	Our Comments
Loan growth	-	-	Loan growth was better at 14% YoY with domestic growth at 18% YoY. Retail was up 20% YoY led by market share gains, as digitisation enabled seamless credit delivery leading to faster customer accretion vis-à-vis peers. On housing, the bank suggested that growth was robust as it was underpenetrated in this segment. The bank has become more watchful on underwriting over the last 1-year. We have largely maintained our loan growth est. for FY22/23E at 14-15%.
NIM	-	-	NIMs continue to surprise (qtrly calc. NIM at 4% est. 3.8%) led by reducing deposit cost and better yields. Even after adjusting for the impact of income tax refund (4bps) and interest on interest (10bps), NIMs have outperformed. NIM for FY21 was also better at 3.75% (est. 3.68%) led by lower funding cost. As focus has been on the higher yielding retail segment, we slightly raise our NIM est. to 3.7% in FY22/23E from 3.6% earlier.
Opex	-	-	Opex for the quarter was a tad lower to est. though was in-line with the last quarter as the momentum in business volumes continued which reflected in higher loan growth. Basis the current run-rate we reduce our opex slightly by 1.5%/1.5% for FY21/22E. We see opex/assets in FY22/23E at 1.9%/1.9%.
Credit Costs	-	-	The bank is cautious due to the second COVID-19 surge. However, considering future lockdowns may not be as severe, coupled with the fact that ICICI bank has become more conservative on underwriting, retail stress in FY22 may be lesser than FY21. Additional provisions of 1% provide an added buffer. On a steady state basis, the bank is targeting normalised provisions of 1.2-1.3%. Hence we lower our provision est. for FY22/23E by 16.6%/12.9%.
RoE	-	-	On account of lower provisions, we raise our FY22/23E PAT estimates by 21%/23% resulting in a higher RoA at 1.5%/1.6% (earlier 1.3%/1.4%). RoE for FY23 could be higher at 14% (previously 12%).

Source: Company, Centrum Research estimates

Fig 2: Quarterly financials

(Rs mn)	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY21	Q1FY21	Q2FY21	Q3FY21	Q4FY21
Interest earned	172,928	179,800	185,653	190,643	191,887	199,243	196,225	197,298	198,417
Interest expended	96,727	102,426	105,079	105,190	102,618	106,446	102,564	98,173	94,105
Net Interest Income	76,201	77,374	80,574	85,453	89,269	92,797	93,661	99,125	104,311
Other income	36,210	34,254	41,942	45,740	42,550	61,426	40,283	46,863	41,114
Total Income	112,411	111,628	122,517	131,193	131,819	154,223	133,944	145,987	145,425
Operating Expenses	50,077	48,744	53,776	55,707	57,918	46,459	51,333	57,790	60,027
Employees	18,990	19,533	21,413	19,421	22,345	21,661	19,673	19,499	20,084
Others	31,087	29,211	32,362	36,286	35,573	24,798	31,660	38,290	39,942
Operating profit	62,334	62,884	68,741	75,486	73,901	107,764	82,611	88,198	85,398
Provisions	54,514	34,957	25,069	20,832	59,674	75,940	29,953	27,417	28,835
Profit before tax	7,820	27,927	43,672	54,654	14,227	31,825	52,658	60,780	56,564
Taxes	(1,871)	8,847	37,123	13,190	2,013	5,834	10,145	11,385	12,538
Net Profit	9,691	19,080	6,550	41,465	12,214	25,991	42,513	49,396	44,026
Balance sheet items									
Share capital	12,895	12,952	12,922	12,941	12,948	12,989	13,829	13,842	13,865
Reserves & surplus	1,070,786	1,091,042	1,093,179	1,137,072	1,152,097	1,173,206	1,362,694	1,413,843	1,461,227
Deposits	6,529,197	6,607,318	6,962,730	7,163,451	7,709,690	8,016,223	8,329,356	8,743,476	9,325,222
Borrowings	1,653,200	1,567,200	1,510,328	1,373,747	1,628,968	1,649,180	1,364,269	1,116,081	916,310
Other liabilities	378,515	359,013	390,951	383,470	479,950	534,530	559,563	644,930	587,704
Total liabilities	9,644,592	9,637,525	9,970,109	10,070,680	10,983,652	11,386,127	11,629,712	11,932,172	12,304,327
Cash & bank	378,580	359,896	414,955	362,146	352,840	322,556	305,378	294,056	460,312
Interbank & call	424,383	297,578	301,440	342,225	838,718	889,953	1,060,539	1,048,639	870,971
Investments	2,077,327	2,199,962	2,233,756	2,274,800	2,495,315	3,018,511	2,896,230	2,752,606	2,812,865
Advances	5,866,466	5,924,154	6,133,587	6,356,543	6,452,900	6,312,146	6,526,080	6,990,175	7,337,291
Other assets	897,836	855,935	886,372	734,967	843,880	842,961	841,484	846,696	822,888
Total assets	9,644,592	9,637,525	9,970,109	10,070,680	10,983,652	11,386,127	11,629,712	11,932,172	12,304,327
Balance sheet ratios (%)									
Loan growth	14.5	14.7	12.6	12.6	10.0	6.5	6.4	10.0	13.7
Deposit growth	16.4	20.8	24.6	18.1	18.1	21.3	19.6	22.1	21.0
Loans / Deposits	89.8	89.7	88.1	88.7	83.7	78.7	78.4	79.9	78.7
CASA	49.6	45.2	46.7	47.0	45.1	42.5	43.8	45.2	46.3
Investment / Deposits	31.8	33.3	32.1	31.8	32.4	37.7	34.8	31.5	30.2
Balance sheet ratios									
Tier-1	14.8	14.6	14.6	15.0	14.7	14.6	17.0	17.0	18.1
Tier-2	2.0	1.6	1.5	1.5	1.4	1.4	1.5	1.5	1.1
CRAR	16.8	16.2	16.1	16.5	16.1	16.0	18.5	18.5	19.1
Profitability ratios (%)									
Yield on assets	8.6	9.1	9.1	9.0	8.5	8.6	8.2	8.0	7.6
Cost of funds	5.0	5.4	5.3	5.2	4.7	4.8	4.5	4.3	3.8
NIM	3.80	3.92	3.97	4.04	3.93	3.98	3.91	4.01	4.01
Other income / Assets	1.6	1.5	1.8	1.9	1.7	2.3	1.5	1.7	1.4
Cost / Income	44.5	43.7	43.9	42.5	43.9	30.1	38.3	39.6	41.3
Cost / Assets	2.17	2.16	2.30	2.32	2.25	1.77	1.90	2.10	2.06
RoE	3.6	7.1	2.4	14.9	4.3	9.1	13.7	15.3	13.3
RoA	0.4	0.8	0.3	1.7	0.5	1.0	1.6	1.8	1.5
EPS (Rs)	6.0	11.8	4.1	25.6	7.5	16.0	24.6	28.5	25.4
BVPS (Rs)	147.0	152.2	154.3	161.7	164.3	169.3	187.4	192.4	199.5
Asset quality ratios (%)									
GNPA	8.4	7.2	6.9	6.4	6.1	6.1	5.9	5.9	5.4
NNPA	2.1	2.0	1.7	1.6	1.5	1.3	1.2	1.4	1.3
Provision coverage	70.7	74.1	76.1	76.1	75.6	78.5	79.9	77.7	77.8
Provision costs	3.8	2.4	1.7	1.3	3.7	4.8	1.9	1.6	1.6
Slippage	2.4	1.9	1.6	2.7	3.3	0.7	2.7	4.2	3.0
NNPA / Equity	12.5	10.7	9.9	9.0	8.7	7.3	5.9	6.7	6.2

Source: Company, Centrum Research

P&L					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
Interest earned	634,012	747,983	791,183	893,054	1,041,985
Interest expended	363,864	415,313	401,288	459,661	550,165
Net Interest Income	270,148	332,671	389,894	433,394	491,820
Other income	145,122	164,486	189,685	202,618	230,743
Total Income	415,270	497,157	579,580	636,012	722,563
Operating Expenses	180,891	216,144	215,608	250,471	277,087
Employees	68,082	82,712	80,918	91,263	101,933
Others	112,808	133,432	134,691	159,208	175,154
Operating profit	234,379	281,013	363,971	385,541	445,476
Provisions	196,611	140,532	162,144	117,965	125,347
Profit before tax	37,768	140,480	201,827	267,576	320,130
Taxes	4,135	61,172	39,900	66,894	80,032
Net Profit	33,633	79,308	161,927	200,682	240,097

Ratios					
YE Mar	FY19A	FY20A	FY21A	FY22E	FY23E
Growth (%)					
Loans	14.5	10.0	13.7	14.2	15.0
Deposits	16.4	18.1	21.0	13.0	14.5
RWA growth	8.3	10.5	3.4	9.0	12.0
NII	17.3	23.1	17.2	11.2	13.5
Other income	(16.7)	13.3	15.3	6.8	13.9
Opex	15.2	19.5	(0.2)	16.2	10.6
PPoP	(5.3)	19.9	29.5	5.9	15.5
Provisions	13.6	(28.5)	15.4	(27.2)	6.3
Net profit	(50.4)	135.8	104.2	23.9	19.6
Profitability (%)					
Yield on assets	7.9	8.2	7.6	7.6	7.8
Cost of funds	4.7	4.7	4.1	4.2	4.5
NIM	3.4	3.7	3.7	3.7	3.7
Other income / Total inc.	34.9	33.1	32.7	31.9	31.9
Other inc. / avg assets	1.6	1.6	1.6	1.6	1.6
Cost/Income	43.6	43.5	37.2	39.4	38.3
Employee	16.4	16.6	14.0	14.3	14.1
Other	27.2	26.8	23.2	25.0	24.2
Opex/ Avg assets	2.0	2.1	1.9	1.9	1.9
Provisioning cost	3.1	2.0	2.1	1.3	1.2
Tax rate	10.9	43.5	19.8	25.0	25.0
RoE	3.2	7.1	12.3	13.0	14.1
RoA	0.4	0.8	1.4	1.5	1.6
RoRWA	0.5	1.1	2.1	2.4	2.6
Du-pont (%)					
Interest income	6.9	7.3	6.8	6.8	7.1
Interest expenses	3.9	4.0	3.4	3.5	3.7
NII	2.9	3.2	3.3	3.3	3.3
Other income	1.6	1.6	1.6	1.6	1.6
Total income	4.5	4.8	5.0	4.9	4.9
Operating expenses	1.2	1.3	1.2	1.2	1.2
Employee	2.0	2.1	1.9	1.9	1.9
Other	0.7	0.8	0.7	0.7	0.7
PPOP	2.5	2.7	3.1	3.0	3.0
Provisions	2.1	1.4	1.4	0.9	0.9
PBT	0.4	1.4	1.7	2.1	2.2
Tax	0.0	0.6	0.3	0.5	0.5
RoA	0.4	0.8	1.4	1.5	1.6

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
Share capital	12,941	12,983	13,865	13,865	13,865
Reserves & surplus	1,070,739	1,152,062	1,461,227	1,601,400	1,786,275
Deposits	6,529,197	7,709,690	9,325,222	10,533,894	12,063,988
Borrowings	1,653,200	1,628,968	916,310	948,050	1,018,201
Other Liabilities	378,515	479,950	587,704	677,435	784,931
Total liabilities	9,644,591	10,983,651	12,304,327	13,774,644	15,667,259
Cash balances with RBI	378,580	352,840	460,312	470,760	536,370
Balances with banks	424,383	838,718	870,971	930,037	1,007,329
Investments	2,077,327	2,495,315	2,812,866	3,100,125	3,532,191
Advances	5,866,466	6,452,900	7,337,291	8,378,397	9,636,631
Fixed Assets	79,314	84,103	88,776	91,828	98,766
Other Assets	818,522	759,777	734,112	803,497	855,973
Total assets	9,644,591	10,983,651	12,304,327	13,774,644	15,667,259

Ratios					
YE Mar (Rs mn)	FY19A	FY20A	FY21A	FY22E	FY23E
Balance Sheet (%)					
Loans / Deposits	89.8	83.7	78.7	79.5	79.9
Investments / Deposits	18.3	20.5	21.1	20.7	20.5
CASA	49.6	45.1	46.3	46.0	45.0
Assets/equity (x)	890.0	942.8	834.1	852.8	870.3
RWA / Total assets	71.3	69.1	63.8	62.1	61.2
Capital ratios (%)					
CET-1	13.6	13.4	16.8	16.6	16.2
Tier-1	15.1	14.7	18.1	17.9	17.5
Tier-2	1.8	1.4	1.1	0.8	0.7
CRAR	16.9	16.1	19.1	18.7	18.2
Asset quality ratios (%)					
GNPA (Rs mn)	513,362	467,697	408,811	454,086	493,103
NNPA (Rs mn)	141,187	103,579	93,977	109,696	123,471
GNPA	7.5	6.3	5.6	5.4	5.1
NNPA	2.2	1.5	1.2	1.2	1.2
PCR	71.8	77.5	79.7	78.5	77.7
Slippage	2.1	2.4	2.6	2.4	2.2
NNPA / Equity	13.0	8.9	6.4	6.8	6.9
Per share					
EPS	5.2	12.2	23.4	28.9	34.6
BVPS	167.5	179.5	212.8	233.0	259.7
ABVPS	145.7	163.5	199.2	217.2	241.9
Valuation (x)					
P/E	26.7	19.3	18.7	19.7	16.5
P/BV	1.8	2.1	2.1	2.4	2.2
P/ABV	2.0	2.3	2.2	2.6	2.4

Source: Company, Centrum Broking

Disclaimer

Centrum Broking Limited ("Centrum") is a full-service, Stock Broking Company and a member of The Stock Exchange, Mumbai (BSE) and National Stock Exchange of India Ltd. (NSE). Our holding company, Centrum Capital Ltd, is an investment banker and an underwriter of securities. As a group Centrum has Investment Banking, Advisory and other business relationships with a significant percentage of the companies covered by our Research Group. Our research professionals provide important inputs into the Group's Investment Banking and other business selection processes.

Recipients of this report should assume that our Group is seeking or may seek or will seek Investment Banking, advisory, project finance or other businesses and may receive commission, brokerage, fees or other compensation from the company or companies that are the subject of this material/report. Our Company and Group companies and their officers, directors and employees, including the analysts and others involved in the preparation or issuance of this material and their dependants, may on the date of this report or from, time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. Centrum or its affiliates do not own 1% or more in the equity of this company. Our sales people, dealers, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/information inconsistent or different those made in this report. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We and our Group may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of Centrum. Centrum or its affiliates do not make a market in the security of the company for which this report or any report was written. Further, Centrum or its affiliates did not make a market in the subject company's securities at the time that the research report was published.

This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients of Centrum. Though disseminated to clients simultaneously, not all clients may receive this report at the same time. Centrum will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. Any such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document.

The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by or on behalf of the Company, Centrum, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts.

The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Centrum does not provide tax advice to its clients, and all investors are strongly advised to consult regarding any potential investment. Centrum and its affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Foreign currencies denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk. Certain transactions including those involving futures, options, and other derivatives as well as non-investment-grade securities give rise to substantial risk and are not suitable for all investors. Please ensure that you have read and understood the current risk disclosure documents before entering into any derivative transactions.

This report/document has been prepared by Centrum, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. Centrum has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change.

This report or recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. The report is for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of Centrum. This report or any portion hereof may not be printed, sold or distributed without the written consent of Centrum.

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither Centrum nor 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.

This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this report comes should inform themselves about, and observe any such restrictions. By accepting this report, you agree to be bound by the foregoing limitations. No representation is made that this report is accurate or complete.

The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of Centrum Broking and are given as of this date and are subject to change without notice. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection.

This document has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Information in this document must not be relied upon as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith.

Centrum and its affiliates have not managed or co-managed a public offering for the subject company in the preceding twelve months. Centrum and affiliates have not received compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for service in respect of public offerings, corporate finance, debt restructuring, investment banking or other advisory services in a merger/acquisition or some other sort of specific transaction.

As per the declarations given by him, Mr. Gaurav Jani, research analyst and/or any of their family members do not serve as an officer, director or any way connected to the company/companies mentioned in this report. Further, as declared by them, they are not received any compensation from the above companies in the preceding twelve months. They do not hold any shares by them or through their relatives or in case if holds the shares then will not to do any transactions in the said scrip for 30 days from the date of release such report. Our entire research professionals are our employees and are paid a salary. They do not have any other material conflict of interest of the research analyst or member of which the research analyst knows of has reason to know at the time of publication of the research report or at the time of the public appearance.

While we would endeavour to update the information herein on a reasonable basis, Centrum, its associated companies, their directors and employees are under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Centrum from doing so.

Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Centrum policies, in circumstances where Centrum is acting in an advisory capacity to this company, or any certain other circumstances.

This report is not directed to, 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 or regulation or which would subject Centrum Broking Limited or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market.

Ratings definitions

Our ratings denote the following 12-month forecast returns:

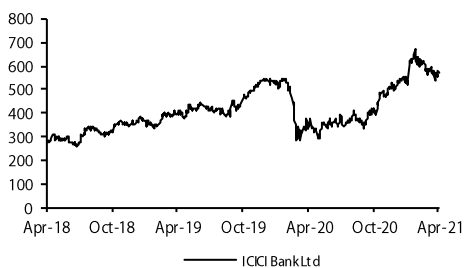
Buy – The stock is expected to return above 15%.

Add – The stock is expected to return 5-15%.

Reduce – The stock is expected to deliver -5-+5% returns.

Sell – The stock is expected to deliver <-5% returns.

ICICI Bank



Source: Bloomberg

Disclosure of Interest Statement

1	Business activities of Centrum Broking Limited (CBL)	Centrum Broking Limited (hereinafter referred to as "CBL") is a registered member of NSE (Cash, F&O and Currency Derivatives Segments), MCX-SX (Currency Derivatives Segment) and BSE (Cash segment), Depository Participant of CDSL and a SEBI registered Portfolio Manager.
2	Details of Disciplinary History of CBL	CBL has not been debarred/ suspended by SEBI or any other regulatory authority from accessing /dealing in securities market.
3	Registration status of CBL:	CBL is registered with SEBI as a Research Analyst (SEBI Registration No. INH000001469)
		ICICI Bank
4	Whether Research analyst's or relatives' have any financial interest in the subject company and nature of such financial interest	No
5	Whether Research analyst or relatives have actual / beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the document.	No
6	Whether the research analyst or his relatives has any other material conflict of interest	No
7	Whether research analyst has received any compensation from the subject company in the past 12 months and nature of products / services for which such compensation is received	No
8	Whether the Research Analyst has received any compensation or any other benefits from the subject company or third party in connection with the research report	No
9	Whether Research Analysts has served as an officer, director or employee of the subject company	No
10	Whether the Research Analyst has been engaged in market making activity of the subject company.	No
11	Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months;	No
12	Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No
13	Whether it or its associates have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No

Member (NSE and BSE). Member MSEI (Inactive)

Single SEBI Regn No.: INZ000205331

Depository Participant (DP)

CDSL DP ID: 120 – 12200

SEBI REGD NO.: CDSL: IN-DP-CDSL-661-2012

PORTFOLIO MANAGER

SEBI REGN NO.: INP000004383

Research Analyst

SEBI Registration No. INH000001469

Mutual Fund Distributor

AMFI REGN No. ARN- 147569

Website: www.centrum.co.in**Investor Grievance Email ID:** investor.grievances@centrum.co.in**Compliance Officer Details:**

Ashok D Kadambi

(022) 4215 9937; Email ID: compliance@centrum.co.in

Centrum Broking Ltd. (CIN :U67120MH1994PLC078125)**Registered Office Address**Bombay Mutual Building,
2nd Floor, Dr. D. N. Road,
Fort, Mumbai - 400 001**Corporate Office & Correspondence Address**Centrum House
6th Floor, CST Road, Near Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai
400 098.
Tel: (022) 4215 9000 Fax: +91 22 4215 9344

Centrum Broking Institutional Equities Team Details			
Nischal Maheshwari	CEO	nischal.maheshwari@centrum.co.in	+91-22-4215 9841
Research Analyst	Sector	E-mail	Phone number
Anish Rankawat	Auto & Auto Ancillary	anish.rankawat@centrum.co.in	+91-22-4215 9053
Gaurav Jani	BFSI	gaurav.jani@centrum.co.in	+91-22-4215 9110
Milind S Raginwar	Cement & Building Materials	milind.raginwar@centrum.co.in	+91-22-4215 9201
Shirish Pardeshi	FMCG	shirish.pardeshi@centrum.co.in	+91-22-4215 9634
Ashish Shah	Infra & Aviation	shah.ashish@centrum.co.in	+91-22-4215 9021
Ashish Kejriwal	Metals & Mining	ashish.kejriwal@centrum.co.in	+91-22-4215 9855
Probal Sen	Oil & Gas	Probal.sen@centrum.co.in	+91-22-4215 9001
Cyndrella Carvalho	Pharma	cyndrella.carvalho@centrum.co.in	+91-22-4215 9643
Subhankar Sanyal	Economist	subhankar.sanyal@centrum.co.in	+91-22-4215 9035
Alternative Research Desk	Quant	alternative.research@centrum.co.in	+91-22-42159636
Equity Sales	Designation	Email	Phone number
Rajesh Makharia	Director	rajesh.makharia@centrum.co.in	+91-22-4215 9854
Paresh Shah	MD	paresh.shah@centrum.co.in	+91-22-4215 9617
Anil Chaurasia	Sr. VP	anil.chaurasia@centrum.co.in	+91-22-4215 9631
Amit Kapoor	Sr. VP	amit.kapoor@centrum.co.in	+91-22-4215 9980
Himani Sanghavi	AVP	himani.sanghavi@centrum.co.in	+91-22-4215 9082
Saahil Harwani	Associate	saahil.harwani@centrum.co.in	+91-22-4215 9623