

October 17, 2023

Q2FY24 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY25E	FY26E	FY25E	FY26E
Rating	BUY		BUY	
Target Price	2,025		2,025	
NII (Rs. m)	13,61,807	16,19,553	13,79,116	16,33,624
% Chng.	(1.3)	(0.9)		
Op. Profit (Rs. m)	10,84,333	12,87,387	10,97,578	13,03,474
% Chng.	(1.2)	(1.2)		
EPS (Rs.)	93.1	111.0	94.6	112.7
% Chng.	(1.5)	(1.6)		

Key Financials - Standalone

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII (Rs bn)	1,061	1,154	1,362	1,620
Op. Profit (Rs bn)	873	1,005	1,084	1,287
PAT (Rs bn)	561	626	706	841
EPS (Rs.)	74.9	82.7	93.1	111.0
Gr. (%)	18.1	10.4	12.7	19.2
DPS (Rs.)	18.8	17.9	21.4	25.5
Yield (%)	1.2	1.2	1.4	1.7
NIM (%)	3.8	3.6	3.6	3.7
RoAE (%)	15.8	15.4	15.4	16.2
RoAA (%)	1.9	1.8	1.8	1.8
P/BV (x)	3.0	2.7	2.4	2.1
P/ABV (x)	3.1	2.7	2.4	2.1
PE (x)	20.4	18.5	16.4	13.8
CAR (%)	21.3	21.1	20.5	20.0

Key Data

HDBK.BO | HDFCB IN

52-W High / Low	Rs.1,758 / Rs.1,427
Sensex / Nifty	66,167 / 19,732
Market Cap	Rs.11,597bn/ \$ 1,39,261m
Shares Outstanding	7,582m
3M Avg. Daily Value	Rs.35391.45m

Shareholding Pattern (%)

Promoter's	
Foreign	52.13
Domestic Institution	30.64
Public & Others	17.23
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(8.0)	(9.6)	6.3
Relative	(5.6)	(17.5)	(7.0)

Gaurav Jani

gauravjani@plindia.com | 91-22-66322235

Anant Dumbhare

anantdumbhare@plindia.com | 91-22-66322257

Margin trajectory to improve

Quick Pointers:

- NII mainly in-line though NIM beat due to better investment yields.
- Core earnings beat of 12% due to lower credit costs and taxes.

HDFCB saw good quarter; NIM was 4bps higher to PLe at 3.66% and core PPop was a 2.9% beat owing to better fees. Loan growth at 5.0% QoQ was broad based led by CRB/agri/retail/corporate. Asset quality was stable with GNPA at 1.34% (-6bps QoQ) and controlled net slippages. While NIM was affected (-37bps QoQ) by surplus liquidity, we believe margins have bottomed out as excess cash has already been drawn down which should normalize NIM in H2FY24E. Moreover, as high cost liabilities of HDFCL are replaced, NIM should enhance over FY24-26E from 3.57% to 3.72%. Due to higher fees/lower taxes we raise FY24E core PAT by ~3%, although FY25/26E earnings remain unchanged. With core RoA of 1.74% and likely core PAT CAGR of ~19% over FY24-26E, HDFCB remains our preferred pick among large-caps. We maintain multiple at 2.8x on Sep'25E core ABV and TP at Rs2,025. Retain 'BUY'.

- **Better fees; core PAT beat led by lower provisions/tax rate:** NII was largely in-line at Rs273.85bn (PLe Rs273.58bn). NIM was a tad better at 3.66% (PLe 3.62%); yield on IEA was higher at 9.05% (PLe 8.93%) while cost of funds at 5.77% was 3bps more. Credit growth was 13.1% YoY while deposits grew 18.3% YoY. Other income was higher at Rs107bn (PLe Rs94bn) due to fees and treasury. Opex was a bit lower at Rs154bn (PLe Rs155.7bn). PPop was Rs226.9bn (PLe Rs211.98bn) and while core PPop at Rs201.4bn was 2.9% above PLe. GNPA/NNPA was in-line at 1.34%/0.35% as net slippages came in as expected; PCR was stable at 74.4%. Provisions were lesser at Rs29bn (PLe Rs32.5bn). Tax rate was lower at 19.3% (last quarter 24%). PAT came in at Rs159.8bn while core PAT at Rs139.17bn was 12% ahead of PLe.
- **Credit offtake QoQ was broad based:** Sequential loan growth was broad based and healthy at 5.0% led by CRB (+9.7%), agri (+13.6%), corporate (ex-HDFCL, +5.8%) and retail (+3.1%). Retail accretion was led by mortgages, auto, gold and 2W. Unsecured growth was softer to system (+0.9%) since bank is taking a more calibrated stance however, it remains a focus segment. With the merger being concluded, there are no downside risks to loan growth and we expect existing credit momentum to sustain (+4.5-5.0% QoQ) which would translate to ~15% YoY loan growth in FY24E. Deposit accretion was strong this quarter (+5.3% QoQ) largely led by TD growth (+8.3%). Share of retail deposits as per LCR was 56.5% pre-merger which inched up to 59.7% in Q2'24.
- **NIM to normalize in H2FY24:** NIM declined by 37bps QoQ which was largely attributable to liquidity build-up and ICRR requirements. However, liquidity has been drawn down towards the end of the quarter suggesting that margins should normalize in H2FY24. We are factoring NIM to improve from 3.66% in Q2'24 to 3.77% in Q4'24. FY24 performance would be muted, given sharp fall in NIM, however, as per our calculations ~43% of HDFCL liabilities (high-cost) are expected to be replaced from FY23 to FY26E which should translate to NIM improvement from 3.57% to 3.72% over FY24-26E.

Exhibit 1: Earnings beat at Rs159.8bn led by lower provisions and tax rate

Financials (Rs m)	Q2FY24	Q2FY23	YoY gr. (%)	Q1FY24	QoQ gr. (%)
Interest income	676,984	517,853	30.7	648,655	4.4
Interest Expended	403,132	261,249	54.3	360,861	11.7
Net interest income (NII)	273,852	256,604	6.7	287,794	(4.8)
- Treasury income	10,410	(2,531)	(511.3)	5,520	88.6
Other income	107,078	94,326	13.5	95,888	11.7
Total income	380,931	350,930	8.5	383,682	(0.7)
Operating expenses	153,992	123,538	24.7	152,673	0.9
-Staff expenses	51,702	37,908	36.4	50,464	2.5
-Other expenses	102,290	85,630	19.5	102,209	0.1
Operating profit	226,939	227,392	(0.2)	231,009	(1.8)
Core operating profit	216,529	229,923	(5.8)	225,489	(4.0)
Total provisions	29,038	37,131	(21.8)	32,800	(11.5)
Profit before tax	197,900	190,260	4.0	198,209	(0.2)
Tax	38,139	45,061	(15.4)	47,570	(19.8)
Profit after tax	159,761	145,199	10.0	150,639	6.1
Balance sheet (Rs m)					
Deposits	21,728,578	18,362,914	18.3	20,638,000	5.3
Advances	23,312,329	20,620,008	13.1	22,209,816	5.0
Profitability ratios					
YoA – Calc	9.9	9.1	82	10.2	(28)
CoF – Calc	6.1	4.7	137	5.7	37
NIM – Calc	3.7	4.0	(37)	4.0	(37)
RoaA	2.0	2.1	(6)	2.0	2
RoaE	16.6	16.3	28	16.1	55
Asset Quality					
Gross NPL (Rs mn)	315,779	292,150	8.1	315,066	0.2
Net NPL (Rs mn)	80,728	97,567	(17.3)	81,364	(0.8)
Gross NPL ratio	1.3	1.4	(6)	1.4	(6)
Net NPL ratio	0.3	0.5	(13)	0.4	(2)
Coverage ratio – Calc	74.4	66.6	783	74.2	26
Business & Other Ratios					
Low-cost deposit mix	37.6	41.4	(374)	39.4	(176)
Cost-income ratio	40.4	35.2	522	39.8	63
Non int. inc / total income	28.1	26.9	123	25.0	312
Credit deposit ratio	107.3	112.3	(500)	107.6	(33)
CAR	19.5	18.3	117	19.2	30
Tier-I	17.8	17.5	30	17.8	3

Source: Company, PL.

NII was in-line, growing by 6.7% YoY at Rs273.85bn.

Other income was higher at Rs107bn led by higher fees and treasury income.

Opex was a slight miss at Rs154bn owing to lower staff and other opex.

Core PPOp was a beat at Rs201.4bn led by better fees.

Advances growth was 13.1% YoY led by CRB & agri Loans, deposits grew at 18.3% YoY led by TD growth of 25.9% YoY.

NIM declines to 3.66% while Yield on advances came in at 9.9%.

GNPA/NNPA were in-line at 1.34%/0.35%, while PCR remained stable at 74.4%

CASA mix declined to 37.6% owing to TD growth at 25.9% YoY.

Key Q2FY24 Conference Call Highlights

Business Review & Outlook:

- **Deposits** – In Q2FY24, bank added 2.7mn new liability accounts and. Deposits grew by 18.3% YoY to Rs21.7trn out of which 83-85% constitute of retail. Growth was mainly led by term deposits growing 7.8% QoQ, while savings deposits grew 2% QoQ. Current account deposits stood at Rs2.5trn out of which retail constitutes to 72%.
- **Assets** – Advances growth has been led by CRB (9.7% QoQ) & retail (3.1% QoQ), while wholesale grew by 5.8% QoQ ex-HDFC Ltd non-individual loans. **HDFC Ltd.'s mortgage portfolio** has been moved to repo based pricing.
- **Total advances grew by 13.1% YoY to Rs23.2trn.** Regarding wholesale book of HDFC Ltd, the construction finance and LRD book would be the focus area from banks strategic perspective and should witness growth in H2FY24, the corporate loan book would be assessed as part of overall exposure to various corporates.
- **Commercial & Rural Banking** grew at 29% YoY and continues to be a focus segment. Bank currently caters to to 1.85 lakh villages while target is to expand to 2 lakh villages.
- **Retail growth** momentum continued during the quarter at 17.9% YoY driven by Home loans and Personal loans. Home loans demand was robust with ~20% increase in mortgage cases post-merger. In Q1FY24, bank added 1.7mn new cards. Xpress car loans contribute 30% of new volumes. Bank added 1.5mn cards in Q1FY24 and payments business grew by 12.8% YoY.

Margins/NII

- Bank reported NIM of 3.4% in Q2FY24 on total asset basis and 3.6% on earning asset basis. Management said bank took a hit of 25bps on margins due to ICRR and excess liquidity led by the merger management.
- In Q2FY24, RoA / RoE stood at 2%/16.6%. Bank continues to guide RoA to be in the range of ~1.9-2.1%.
- LCR for the quarter Q2FY24 stood at 121% absorbing the ICRR.

Other Income/Opex

- **Opex increased by 24.7% YoY** driven by both employee as well as other costs.
- **Branch Expansion** – In Q2FY24, bank added 85 branches with total branch network now at 7,945 branches (10,446 - including HDFC Ltd. Branch offices). Management suggested 90% branches achieve breakeven with 2 years of operations.
- Management would continue to focus on digital and technology front, PayZapp 2.0 app has currently 3mn users and handles 0.25mn transactions per day. AI driven channel platform, WhatsApp and chat banking are working smoothly.

- **Employee addition** – Bank added 16,000 employees during the quarter across segments primarily in order to position greater engagement with the customers.
- Management suggested significant engagement levels in subsidiaries post – merger, focus is on process optimization across geographies so as to enhance cross sales and reduce TAT for all the products offered by the banks.
- **Fee and commission income was Rs69.36bn** in Q2FY24 growing 19.5% QoQ. 92% of total fees and commission income was attributable to retail segment. Management suggested fee to other income would maintain the ratio of 65%.

Asset quality

- O/S floating + contingent provisions were Rs156bn. Total Provisions (incl. specific, contingent, floating & general) were 156% of Gross NPAs. PCR stood at 74% at the end of Q2FY24.
- In Q2FY24, bank reported GNPA/NNPA of 1.34%/0.35%. Slippages were 32bps or Rs78bn, while recoveries/upgrades amounted to Rs.45bn and write-offs were Rs32.5bn.
- NPA for HDFC Ltd. Non-retail book witnessed steady decline over past six quarters, management suggested they are comfortable with quality of book as bank has adequate PCR to the tune of 74%.

Exhibit 2: CRB (+29.6% YoY) and Retail (14.6% YoY) were key growth drivers

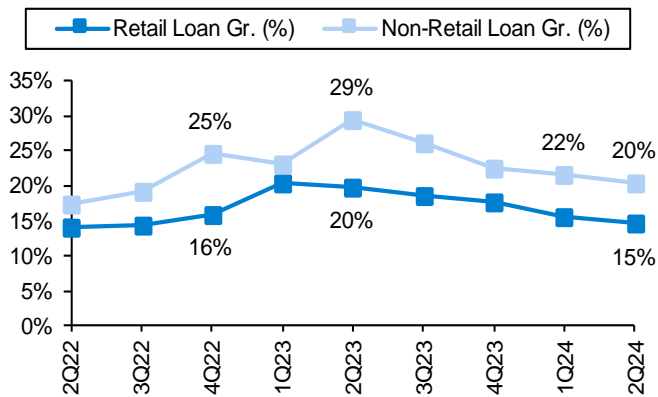
Loan Composition (Rs mn)	Q2FY24	Q2FY23	YoY gr. (%)	Q1FY24	QoQ gr. (%)
Corporate	4,281,090	3,967,790	7.9	4,046,370	5.8
HDFCL non-Ind.	1,027,550	1,291,270	(20.4)	1,092,710	(6.0)
CRB	6,147,280	4,744,620	29.6	5,631,920	9.2
Agri	904,870	702,780	28.8	796,370	13.6
Retail	11,995,050	10,466,890	14.6	11,632,250	3.1
PL	1,786,910	1,548,200	15.4	1,767,340	1.1
Auto	1,255,160	1,087,880	15.4	1,217,320	3.1
Mortgages	7,170,700	6,285,040	14.1	6,927,670	3.5
CC	909,070	819,660	10.9	904,360	0.5
2Wheelers	109,570	95,970	14.2	103,670	5.7
Gold	126,040	94,340	33.6	116,910	7.8
Other Retail	637,600	535,800	19.0	594,980	7.2
Total Advances	23,546,340	20,885,200	12.7	22,446,500	4.9

Source: Company, PL

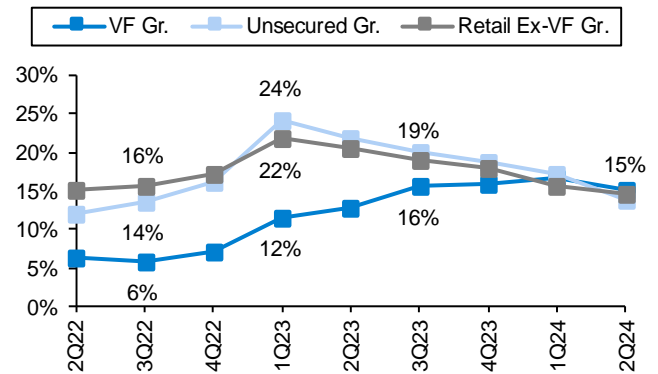
Agri loans witness strong growth at 28.8% YoY.

Home loans saw robust growth of 14.1% YoY and personal loans grew by 15.4% YoY

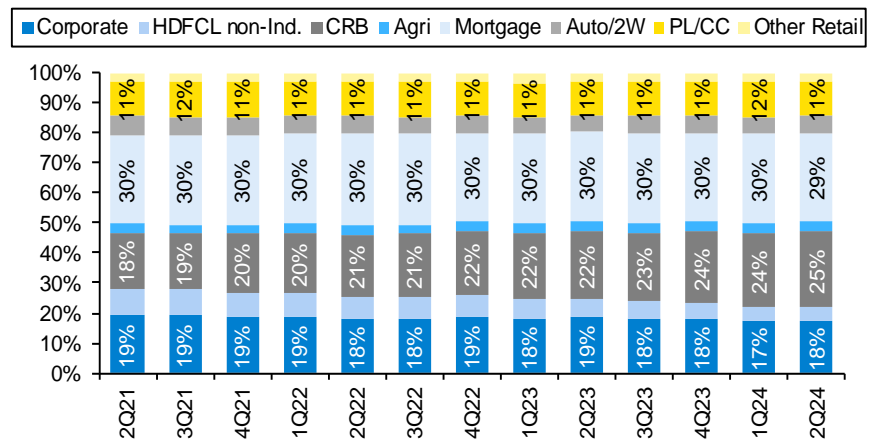
Commercial & Rural Banking continues to be growth driver at 29.6% YoY

Exhibit 3: Retail book growth at 20% YoY


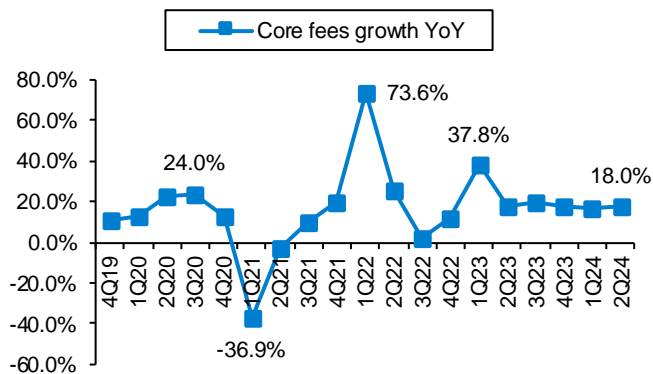
Source: Company, PL

Exhibit 4: Unsecured growth more calibrated now


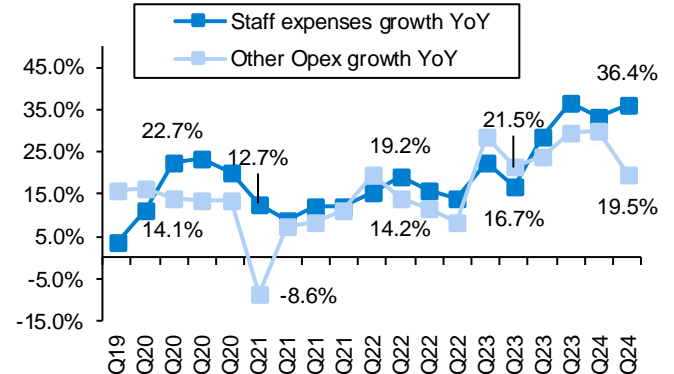
Source: Company, PL

Exhibit 5: Break up of product wise advances as percentage of total loans


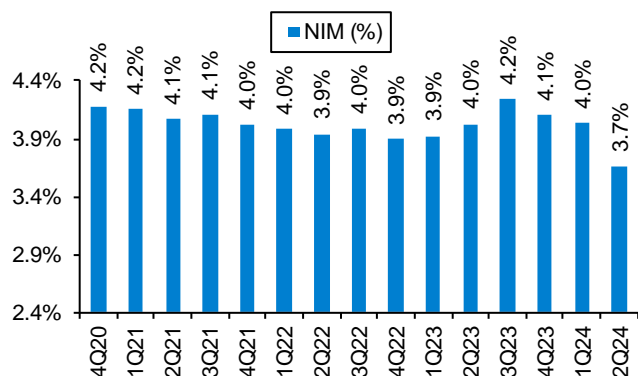
Source: Company, PL

Exhibit 6: Fee income stable at 18% YoY


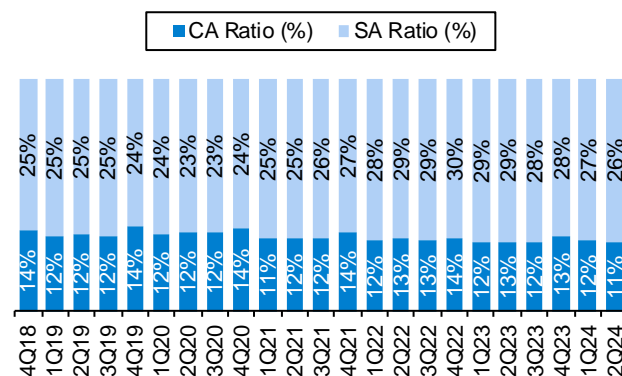
Source: Company, PL

Exhibit 7: Staff cost growth increases; other opex de-grew


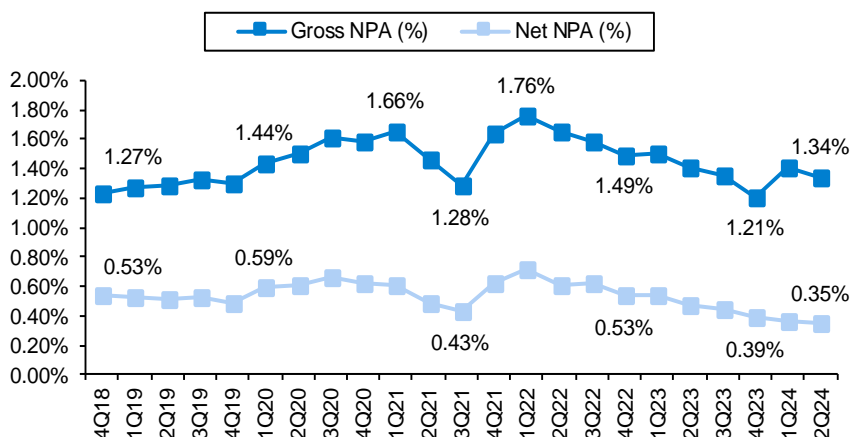
Source: Company, PL

Exhibit 8: NIM decline to 3.7% owing to higher CoF.


Source: Company, PL

Exhibit 9: CASA declines to 37.6% due to higher TD growth


Source: Company, PL

Exhibit 10: GNPA/NNPA stood 1.34%/0.35% respectively


Source: Company, PL

Exhibit 11: Return ratios improvement depends on margin expansion

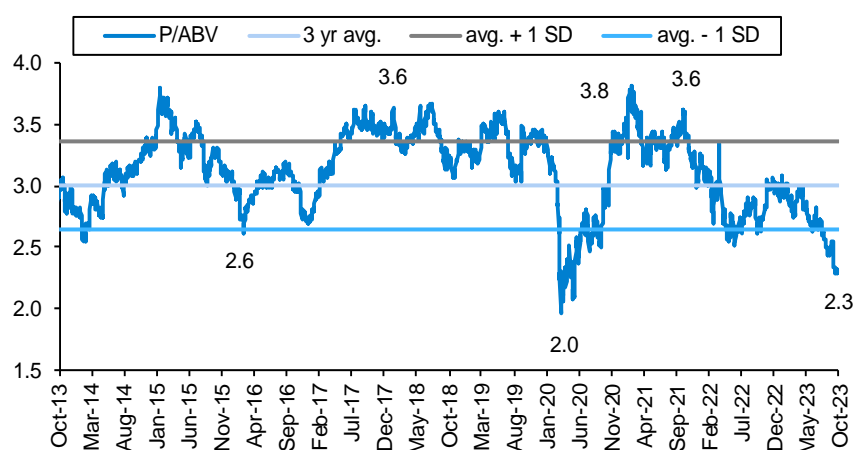
RoA decomposition	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest income	8.6	8.8	8.5	7.6	6.9	7.4	8.1	7.7
Interest expenses	4.8	5.0	4.8	3.9	3.3	3.8	4.7	4.3
Net interest income	3.8	3.8	3.7	3.7	3.6	3.6	3.4	3.4
Other Inc. from operations	1.6	1.2	1.9	1.3	1.2	1.1	1.4	1.2
Total income	5.4	5.0	5.6	4.9	4.8	4.8	4.8	4.6
Employee expenses	0.6	0.5	0.5	0.5	0.5	0.6	0.6	0.6
Other operating expenses	1.3	1.3	1.3	1.1	1.1	1.2	1.2	1.2
Operating profit	3.5	3.2	3.8	3.3	3.2	3.0	2.9	2.7
Tax	0.8	0.8	0.6	0.5	0.5	0.5	0.6	0.6
Loan loss provisions	0.6	0.5	1.0	0.9	0.7	0.5	0.4	0.4
RoAA	2.00	1.80	2.17	1.84	1.89	1.92	1.83	1.78
RoAE	18.2	15.0	17.6	14.5	14.9	15.8	15.4	15.4

Source: Company, PL

Exhibit 12: SOTP Valuation of Rs2025, core bank valued at 3x on FY25E

Particulars	Stake	Rs per share	% of total	Valuation Basis
Standalone	100.0%	1,845	90.2	3.0 x Mar'25 ABV
HDFC Life	50.4%	91	4.5	1.00 Mkt Cap
HDFC AMC	52.6%	45	2.2	27.00 Sep'25 core EPS
HDB Financials	95.0%	33	1.6	2.50 of Mar'23 ABV
HDFC Ergo	50.5%	18	0.9	40.00 of Mar'23 PAT
HSL	96.0%	10	0.5	10.00 of Mar'22 PAT
Bandhan Bank	5.0%	3	0.1	1.00 Mkt Cap
HDFC Credila	10.0%	1	0.0	2.00 of Mar'23 ABV
Total		2,045	100.0	
Holdco discount		20		
Target Price		2,025		

Source: Company, PL

Exhibit 13: HDFCB one year forward P/ABV trades at 2.3x


Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Int. Earned from Adv.	17,85,469	22,33,462	24,98,568	27,74,744
Int. Earned from invt.	3,44,268	4,48,249	4,98,103	5,51,950
Others	25,745	43,869	33,739	39,210
Total Interest Income	21,68,280	27,55,713	30,59,635	34,01,918
Interest Expenses	11,07,381	16,02,136	16,97,828	17,82,366
Net Interest Income	10,60,899	11,53,577	13,61,807	16,19,553
Growth(%)	15.7	17.5	11.5	17.6
Non Interest Income	3,27,936	4,77,930	4,57,052	5,19,373
Net Total Income	13,88,835	16,31,507	18,18,859	21,38,926
Growth(%)	23.3	29.5	8.8	11.5
Employee Expenses	1,65,376	2,09,479	2,45,093	2,66,491
Other Expenses	3,50,715	4,16,815	4,89,434	5,85,048
Operating Expenses	5,16,091	6,26,294	7,34,526	8,51,539
Operating Profit	8,72,744	10,05,213	10,84,333	12,87,387
Growth(%)	10.4	15.2	7.9	18.7
NPA Provision	1,35,722	1,13,525	1,38,697	1,61,131
Total Provisions	1,37,147	1,26,839	1,55,194	1,80,252
PBT	7,35,598	8,78,374	9,29,139	11,07,135
Tax Provision	1,74,562	2,01,453	2,22,993	2,65,712
Effective tax rate (%)	23.7	22.9	24.0	24.0
PAT	5,61,036	6,26,058	7,06,145	8,41,423
Growth(%)	19.1	11.6	12.8	19.2

Balance Sheet (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Face value	1	1	1	1
No. of equity shares	7,490	7,582	7,582	7,582
Equity	7,490	7,582	7,582	7,582
Networth	38,00,396	43,26,562	48,70,294	55,18,190
Growth(%)	15.1	13.8	12.6	13.3
Adj. Networth to NNPA's	85,628	81,292	86,406	96,154
Deposits	2,03,60,707	2,41,92,757	2,88,36,735	3,42,74,240
Growth(%)	18.3	18.8	19.2	18.9
CASA Deposits	83,59,889	87,34,809	1,05,84,351	1,27,85,458
% of total deposits	41.1	36.1	36.7	37.3
Total Liabilities	3,15,92,767	3,67,72,015	4,23,57,531	4,89,61,972
Net Advances	2,20,89,486	2,54,02,394	2,95,11,197	3,42,76,014
Growth(%)	14.8	15.0	16.2	16.1
Investments	60,06,690	73,18,513	82,47,192	95,57,632
Total Assets	3,15,92,767	3,67,72,015	4,23,57,531	4,89,61,972
Growth (%)	17.9	16.4	15.2	15.6

Asset Quality

Y/e Mar	FY23	FY24E	FY25E	FY26E
Gross NPAs (Rs m)	2,69,720	3,15,780	3,35,926	3,74,177
Net NPAs (Rs m)	85,628	81,292	86,406	96,154
Gr. NPAs to Gross Adv.(%)	1.2	1.2	1.1	1.1
Net NPAs to Net Adv. (%)	0.4	0.3	0.3	0.3
NPA Coverage %	68.3	74.3	74.3	74.3

Profitability (%)

Y/e Mar	FY23	FY24E	FY25E	FY26E
NIM	3.8	3.6	3.6	3.7
RoAA	1.9	1.8	1.8	1.8
RoAE	15.8	15.4	15.4	16.2
Tier I	18.0	18.2	17.8	17.6
CRAR	21.3	21.1	20.5	20.0

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q3FY23	Q4FY23	Q1FY24	Q2FY24
Interest Income	5,72,420	6,06,256	6,48,655	6,76,984
Interest Expenses	2,94,141	3,19,523	3,60,861	4,03,132
Net Interest Income	2,78,279	2,86,733	2,87,794	2,73,852
YoY growth (%)	22.4	22.2	20.3	6.7
CEB	61,495	67,225	63,372	69,360
Treasury	-	-	-	-
Non Interest Income	86,647	86,195	95,888	1,07,078
Total Income	6,59,067	6,92,450	7,44,543	7,84,062
Employee Expenses	43,610	46,023	50,464	51,702
Other expenses	92,134	1,00,908	1,02,209	1,02,290
Operating Expenses	1,35,744	1,46,931	1,52,673	1,53,992
Operating Profit	2,29,181	2,25,996	2,31,009	2,26,939
YoY growth (%)	13.5	12.7	20.4	3.6
Core Operating Profits	2,14,770	2,17,132	2,11,583	2,01,430
NPA Provision	-	-	-	-
Others Provisions	31,764	31,234	32,800	29,038
Total Provisions	31,764	31,234	32,800	29,038
Profit Before Tax	1,97,417	1,94,763	1,98,209	1,97,900
Tax	48,791	48,609	47,570	38,139
PAT	1,49,943	1,49,189	1,50,639	1,59,761
YoY growth (%)	18.0	18.2	28.1	15.0
Deposits	1,89,47,250	2,03,55,057	2,06,38,000	2,17,28,578
YoY growth (%)	18.3	18.3	16.2	18.3
Advances	2,09,58,675	2,20,89,486	2,22,09,816	2,33,12,329
YoY growth (%)	17.3	14.8	13.2	13.1

Key Ratios

Y/e Mar	FY23	FY24E	FY25E	FY26E
CMP (Rs)	1,530	1,530	1,530	1,530
EPS (Rs)	74.9	82.7	93.1	111.0
Book Value (Rs)	507	571	642	728
Adj. BV (70%)(Rs)	496	560	631	715
P/E (x)	20.4	18.5	16.4	13.8
P/BV (x)	3.0	2.7	2.4	2.1
P/ABV (x)	3.1	2.7	2.4	2.1
DPS (Rs)	18.8	17.9	21.4	25.5
Dividend Payout Ratio (%)	-	-	-	-
Dividend Yield (%)	1.2	1.2	1.4	1.7

Efficiency

Y/e Mar	FY23	FY24E	FY25E	FY26E
Cost-Income Ratio (%)	37.2	38.4	40.4	39.8
C-D Ratio (%)	108.5	105.0	102.3	100.0
Business per Emp. (Rs m)	257	237	238	257
Profit per Emp. (Rs lacs)	34	30	29	32
Business per Branch (Rs m)	5,088	5,143	5,331	5,599
Profit per Branch (Rs m)	67	65	65	69

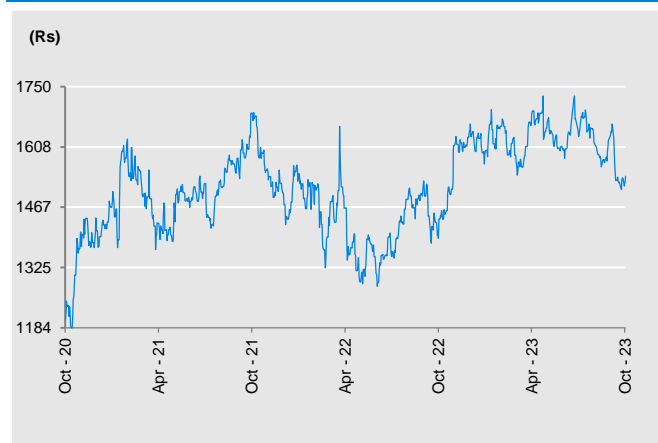
Du-Pont

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII	3.83	3.71	3.75	3.78
Total Income	5.21	5.21	5.29	5.29
Operating Expenses	2.10	2.26	2.32	2.31
PPoP	3.11	2.95	2.97	2.98
Total provisions	0.53	0.47	0.52	0.53
RoAA	1.95	1.85	1.83	1.83
RoAE	16.96	16.28	16.21	16.46

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Oct-23	BUY	2,025	1,534
2	21-Sep-23	BUY	2,025	1,564
3	18-Jul-23	BUY	2,025	1,679
4	06-Jul-23	BUY	2,025	1,675
5	25-May-23	BUY	1,925	1,610
6	22-Apr-23	BUY	1,925	1,672
7	16-Apr-23	BUY	1,925	1,692
8	11-Apr-23	BUY	1,850	1,658
9	14-Jan-23	BUY	1,850	1,601
10	05-Jan-23	BUY	1,800	1,600

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Hold	1,560	1,726
2	Axis Bank	BUY	1,170	1,001
3	Bank of Baroda	BUY	235	215
4	Can Fin Homes	BUY	900	774
5	City Union Bank	Accumulate	160	129
6	DCB Bank	BUY	150	123
7	Federal Bank	BUY	175	147
8	HDFC Asset Management Company	BUY	3,000	2,757
9	HDFC Bank	BUY	2,025	1,534
10	ICICI Bank	BUY	1,180	945
11	IndusInd Bank	BUY	1,530	1,435
12	Kotak Mahindra Bank	BUY	2,250	1,744
13	LIC Housing Finance	Hold	430	468
14	State Bank of India	BUY	770	594
15	UTI Asset Management Company	BUY	900	787

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

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