

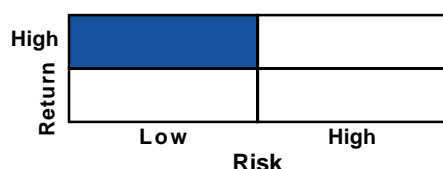
Yes Bank

CMP: Rs 65
Buy
**Target Price: Rs 100
(18 Months)**
Sejal Doshi

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Darpin Shah

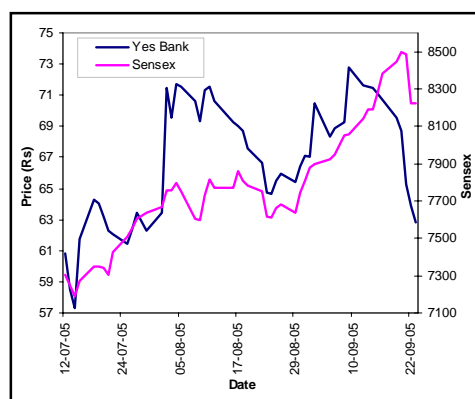
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Risk – Return Trade off


Market Cap (Rs cr)	1755
Market Cap (US\$ mn)	400
52 Week High / Low	74 / 56
Avg Daily Volume	1843341
Face Value (Rs)	10
BSE Sensex	8479
Nifty	2557
BSE Code	532648
NSE Code	YESBANK
Reuters Code	YES.BO
Bloomberg Code	YES@IN

Shareholding Pattern (%)

Promoters	38.6
MF / Banks / Indian FIs	3.6
FII / NRIs / OCBs	42.0
Indian Public / Others	15.8


Investment Argument

- Yes Bank recently ventured into the Banking Sector after the RBI awarded the only green-field license since 1995 to the bank.
- Yes Bank has a team of well-qualified promoters and senior management who have global and specialized banking operations' experience.
- Building up a business-model by propagating 'Knowledge-Banking' with focus on niche emerging sectors would help the bank in distinguishing itself from its peers and simultaneously enable to drive its business volumes.
- Apart from focusing on its core business operations, the bank is equally focused on building up a sustainable fee-income revenue stream by leveraging on its expertise across segments, which is expected to be earnings accretive.
- Earnings are expected to be on a faster growth trajectory going ahead mainly driven by contribution from its core business operations, fee-income and superior operational efficiency. Net Profit is expected to grow at a CAGR of 71.3% to Rs 161cr during the FY2005-08E period.

Valuation

Yes Bank draws heavily from its experienced promoters and senior top management who have a track record of being successful bankers. Yes Bank is all set to take off its banking operations at an exponential rate and distinguish itself from its peers riding high on *Knowledge Banking*. The bank's earnings growth would be on a faster growth trajectory with contribution from its core business operations and fee-income.

At the CMP, the stock trades at 12.3x FY2008E earnings of Rs 5.3, 1.7x FY2008E Book Value of Rs37.2 and 1.8x FY2008E Adj. Book Value of Rs 36.7, which is quite low taking into account the growth rate of the bank. **We Initiate Coverage on the stock with a Buy recommendation with an 18-month target of Rs 100.**

Financials

Y/E March (Rs cr)	FY2005	FY2006E	FY2007E	FY2008E
Nil	18	88	168	282
% chg	-	383.4	91.5	68.0
Net Profit	(4)	55	90	161
% chg	-	1,559.7	64.6	78.3
NIM (%)	-	3.5	3.0	3.0
EPS (Rs)	-	2.0	3.3	5.3
P/E (x)	-	32.0	19.4	12.3
P/BV (x)	-	3.0	2.7	1.7
P/ABV (x)	-	3.0	2.7	1.8
RoANW (%)	-	13.8	14.6	18.0
RoAA (%)	-	2.0	1.6	1.7

Source: Company, Angel Research; Note: FY2005 Figures are from Nov 21, 2003 to March 31, 2005

Mid Cap - Banking

Background

Yes Bank recently ventured into the Indian Banking Sector after the RBI awarded the only green-field license since 1995 to the promoters of the bank, Ashok Kapur and Rana Kapoor. On receiving the commercial banking license in May 2004, the bank launched its banking operations in phases. It launched its Corporate & Institutional Banking and Business Banking operations in August 2004, Financial and Treasury operations in September 2004 and Transaction Banking operations in October 2004.

Able Leaders at the helm of affairs

Yes Bank's main strength lies in its Promoters and Top Management Team who have vast banking experience. Despite the bank's short operational duration, the Promoters and Top Management Team bring together vast experience in banking operations from across the globe and specialised banking operations. Ashok Kapur and Rana Kapoor have cumulative banking experience of over 65 years and an in-depth understanding of the Indian Banking Industry and relationships across sectors.

Rana Kapoor, Managing Director and CEO of Yes Bank, has successfully handled some challenging assignments in his banking career spanning 25 years. Prior to Yes Bank, he was MD and CEO of Rabo India Financial - a non-banking finance company (NBFC) in joint venture with Rabobank. Rana Kapoor was instrumental in positioning Rabo India Financial among the top-five corporate and investment banking houses in India. He has spent two years working for ANZ Grindlays Investment Bank and 16 years with Bank of America.

Ashok Kapur, Chairman of Yes Bank, has over 40 years of banking experience. He was partner in Rabo India Finance and has played a crucial role in establishing its business in India. He has also served with reputed foreign banks like ABN Amro and ANZ Grindlays Bank.

Promoters apart, the Senior Management of Yes Bank also bring with them vast experience in banking acquired during their stint with various leading foreign and domestic private banks. Some of them were placed at different locations worldwide and have gained rich experience in varied areas of banking operations including transaction banking, treasury, investment banking, branch banking, wealth management, etc.

Despite Yes Bank having a very short stint in Banking Operations in India, its Promoters and Senior Management Team on account of their vast banking experience would be key to Yes Bank's success going ahead. Further, being the only green-field licensee since 1995 shows the Apex Bank's conviction regards the Promoters' track record.

Equally focused on attracting and retaining talent

Yes Bank drawing heavily from its talent pool is positioning itself as one of the preferred employers in the financial sector. It has been successful in attracting talent from different fields of operations — treasury, retail, finance, credit evaluation, technology, risk management and marketing.

Having succeeded in attracting the talented banking professionals, the bank is taking due cognizance of retaining the same, which is a bigger challenge in a highly competitive environment. Hence, the bank is looking at building a spirit of entrepreneurship amongst its senior management. Taking this into account, the bank has formalized a very attractive Joining Stock Option scheme (JSOP). Currently, the senior management owns around 5% stake in the bank. The bank has formalized a JSOP of Rs 10cr par value, under which it has allotted options of purchasing up to Rs 1cr equity shares by eligible employees in FY2005. The bank has also formalized its second phase of the JSOP wherein it proposes to grant an aggregate of up to 0.5cr options to its employees in FY2006.

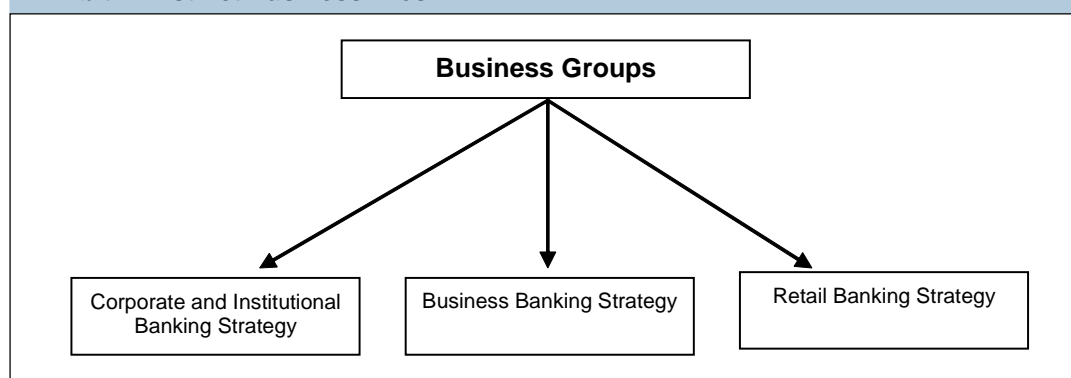
The bank has adopted the right measures laying emphasis on drafting a policy to retain its talent, which is important for long- term sustainability in a service industry.

Strategically segmented business divisions

Yes Bank would be riding on a high growth trajectory in the coming years as it starts rolling out its business plans supported by setting up of a branch network across the country. The bank has chalked out specific strategies and identified key business segments for its business growth.

For business purposes, the bank has strategically distinguished its business areas into three separate strategic business units (SBUs) - Corporate & Institutional Banking, Business Banking and Retail Banking. The Corporate & Institutional Banking segment would be a key revenue contributor for the bank in its initial years of operations. Going forward, Business Banking and Retail Banking would be the key focus areas for the bank.

Exhibit 1: Distinct Business lines



Source: Company

Corporate & Institutional Banking

Under the Corporate & Institutional Banking segment, the bank would be focusing on large corporates with an annual turnover in excess of Rs 500cr, government and public sector companies, banks, financial institutions and multinationals. The bank plans to leverage its relationship with corporates within its focus industry and lay emphasis on increasing profitability levels and cross-sales of low capital consuming and fee-based products.

Business Banking

In Business Banking, Yes Bank is targeting the emerging SMEs with an annual turnover of less than Rs 500cr. The bank is citing to capitalize on major opportunities in this under-served SME segment. The bank's strategy for this segment is offering one-stop banking solutions to its customers ranging from business, personal, wealth management, advisory, etc., personalized services, multiple delivery channels and extending its distribution through alliance and partnerships with industry associations and chambers of commerce.

Retail Banking

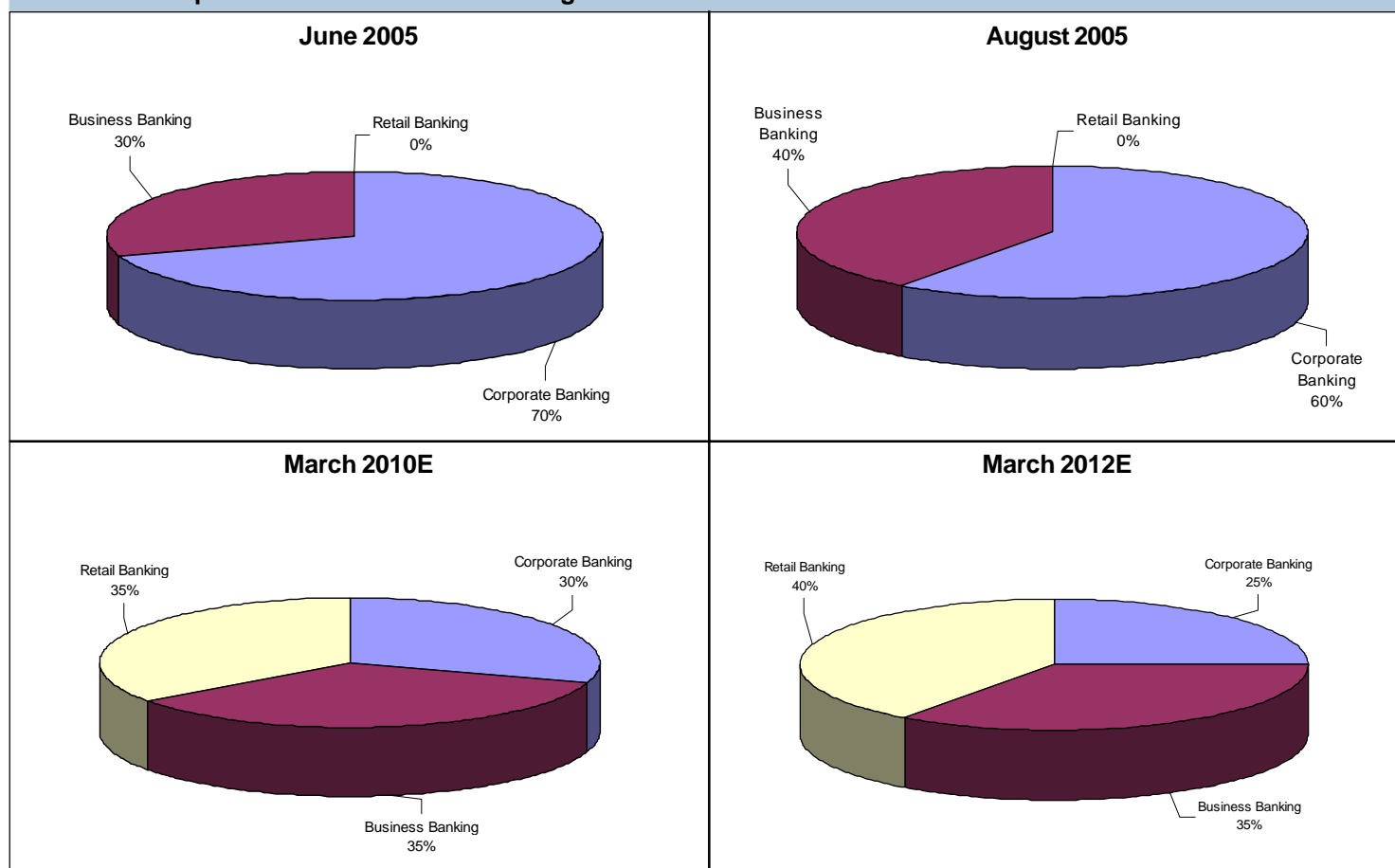
The bank plans to gradually make inroads into Retail Banking by building the Yes brand for offering financial products and services to its customers. Its strategy for Retail is to target the 'Affluent Customers' with an annual income of Rs 25-50lakh and 'Mass Affluent' customers with an annual income of Rs 5-25lakh. The bank would be targeting these two segments by offering value-added services and customized products giving choice and convenience financial solutions, providing a one-stop-shop for all traditional and modern financial products, technology-driven innovative product range and knowledge-based wealth management solutions. Also the bank has strated distribution of third party products like mutual funds, life and non-life insurance,

etc. With focus on the *Affluent Customer* and *Mass Affluent Customer* segments, Yes Bank plans to expand its distribution network in the National Capital Territory (NCT) of Delhi/Northern region on the back of a growing population of class led by significant economic and infrastructural growth.

Currently, the bank has three fully operational branches and has the RBI license for opening additional 28 branches, which the bank plans to roll out by March 2006. The bank has already made a soft launch of some of its additional branches, but it would be making a proper nationwide launch in January 2006. The Bank's retail operations would receive a fillip on account of the brand building exercise as it would result in a proper brand awareness of the *Yes Bank* brand. The bank plans to expand its branch network to 100 by FY2008.

Overall, Yes Bank has in place a sound strategy for its different business segments aimed at optimally utilizing its capital and maximize its Return on Equity. The bank's Corporate & Institutional Banking segment would help it establish a stable revenue stream, which would in turn help the bank in funding its retail strategy as it would entail more capital and infrastructure investments. Thus, the bank is judiciously utilizing its resources in a way where the business segments Corporate & Institutional Banking and Business Banking would be funding the growth of the bank's Retail Banking division.

Exhibit 2: Composition of various business segments



Source: Company, Angel Research

Distinguishing itself on Knowledge Banking

Apart from broad segmentation of its business, the bank has also identified certain niche sectors as its thrust areas. It has adopted a knowledge-based approach for product structuring and delivery. With the changing dynamics of the Indian Economy as also the Banking Sector, Yes Bank has adopted *Knowledge Banking* as the new mantra for the Banking Sector of the future. Currently, the Indian Banking Sector is undergoing a paradigm shift from traditional Branch Banking to Universal Banking and now Knowledge Banking. Citing nature of under-servicing of a large section of customers, the bank plans to utilize its expertise in the various emerging sectors by offering a comprehensive bouquet of products and services, which would differentiate it from its peers. With a strong corporate finance backdrop coupled with in-depth understanding of different sectors, the bank has identified certain emerging sectors as its niche service areas. Thus, the bank plans to build its business model on *Knowledge Banking*, which is expected to be the new mantra in the Banking Sector going ahead.

Food and Agri-Business

The Food and Agri Business sector is the major focus area and strength of the bank's strategic partner – Rabobank. With the government laying major emphasis on the agriculture sector, Yes Bank targets to be a dominant player in this business segment across the value chain including agro-processing, agri-infrastructure, agri-inputs, food service & retail and agri-biotechnology. The bank is also working closely with the different government agencies for development within the agri-sector.

Life Sciences

In the emerging Life Sciences sector, thrust is on the active pharmaceutical ingredient (API) and intermediate manufacturers, formulation companies with international registrations and approved facilities and companies with robust contract manufacturing, contract research and clinical trial pipelines. The bank is building up its network in the US and European markets to assist its clients for international expansion. It is also associated with the different government agencies, state governments and industrial associations in its bid to play an active role in growth of the sector.

Infrastructure

Heightened infrastructure activity in the country – roads, ports & shipping, logistics & transportation, airports & airlines and power/renewable energy – is offering a huge opportunity for the bank by way of advisory services and lending opportunities.

TMT

Within the Technology, Media & Telecom (TMT) segment, the bank is focusing on the wireless service providers, equipment manufacturers and turnkey solution providers, wireless software providers, television software, film exhibitors and IT-enabled services businesses with transaction processing capability and stable contracts.

Engineering

The bank's focus in the engineering segment is on the auto component segment, power equipment and engineering procurement and contracting with a major thrust on the industry where India has made its mark in the world market.

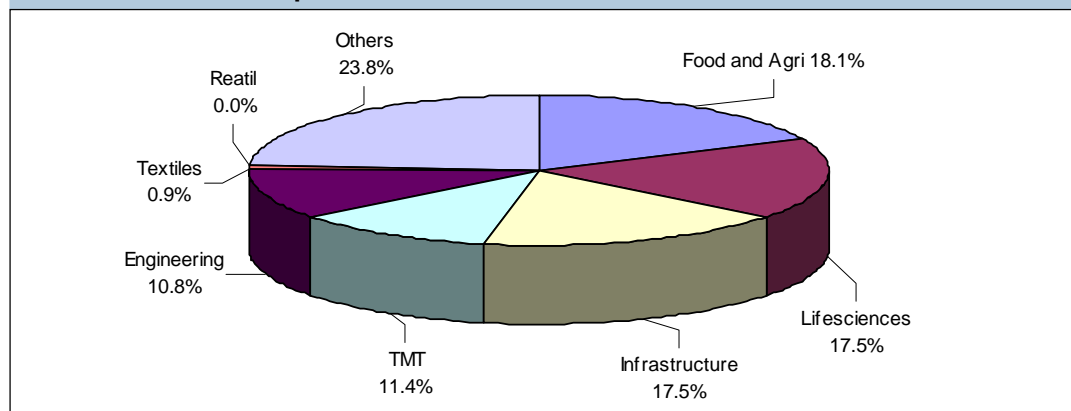
Textiles

Revival of the Textile Sector and major opportunities thrown up post-dismantling of quotas is offering plenty of investment opportunities. The bank plans to optimize on these opportunities coming up in the Textile segment.

Retailing

The Retail sector in India has been undergoing major transformation in recent times. Huge investment opportunities are emerging on the back of rising income levels and changing demographics. The bank is focusing on the retail sector as it would provide opportunities in transaction banking, working capital financing, securitization of receivables and wealth management.

Exhibit 3: Sectoral exposure

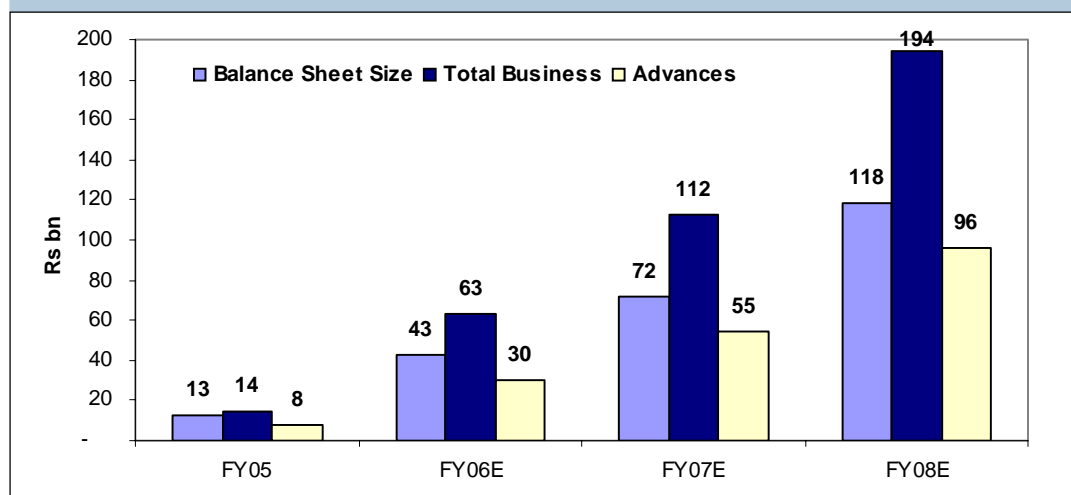


Source: Company

Focused approach to aid high growth momentum

On account of a well-planned business strategy in place with proper segmentation of business divisions coupled with thrust on niche sectors, the bank would be able to expand its loan portfolio at an exponential rate. During the FY2005-08E period, we expect the bank's advances portfolio to grow at a CAGR of 132.7% to Rs 96bn. The bank's aggregate business is expected to grow at a CAGR of 138.8% to Rs 194bn in the same period. The bank's Balance Sheet size is expected to grow from Rs 13bn to Rs 118bn in the mentioned period.

Exhibit 4: Advances and Business volumes



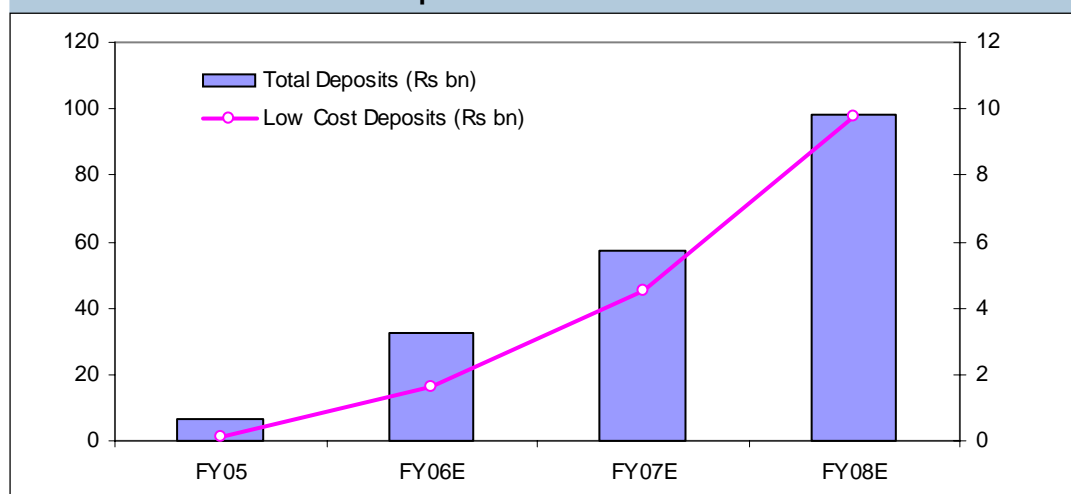
Source: Company, Angel Research

Roll out of Retail Banking to help stabilize margins

Yes Bank would kick-start its retail banking operations in a focused manner from January 2006. With a gradual roll out of its branches over the years, the bank would be building up its low-cost savings and current deposit base. Currently, the bank is more dependent on bulk deposits.

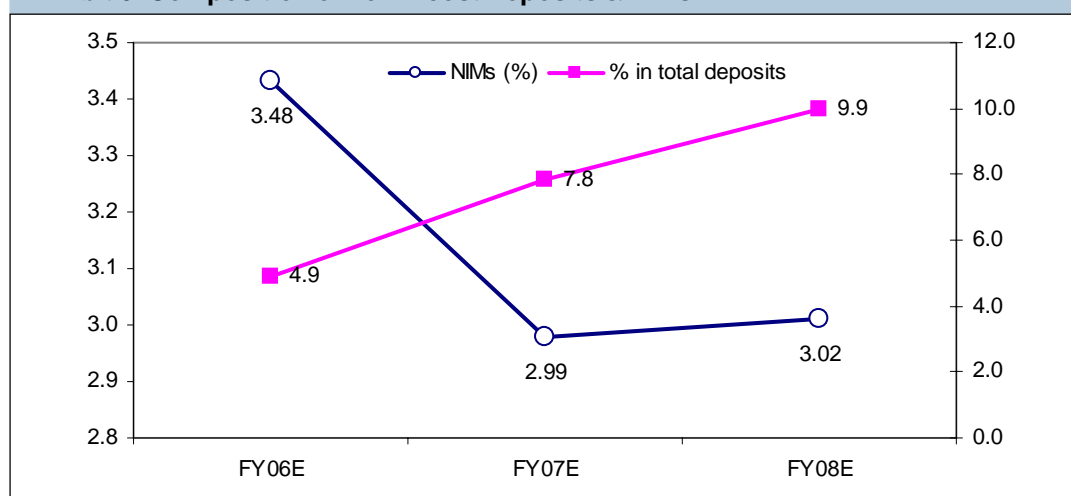
The thrust on emerging and SME segments coupled with retail assets would help the company in maintaining the yield on its advances portfolio. On the liabilities side, the bank would be able to lower its cost of deposits by building up its low-cost deposit base. Subsequently, the bank would be able to stabilize its interest margins and maintain its net interest margins (NIMs) at over 3% levels.

Exhibit 5: Total & Low - cost Deposits



Source: Company, Angel Research

Exhibit 6: Composition of Low - cost Deposits & NIMs



Source: Company, Angel Research

Fee Income to remain significant contributor to revenue stream

Yes Bank has been building its business model with a sustained focus on the fee income revenue stream. It is targeting customers based on the potential of multiple product delivery rather than just plain vanilla loan products. The bank believes in maximizing its relationship with its customers through cross-selling of financial market products, transaction banking and financial advisory products and services.

Financial Market Business

The products and services in this segment include spot foreign exchange for conversion of foreign currency, forward foreign exchange for hedging and foreign exchange and interest rate derivatives.

Transaction Banking Products and Services

Transaction Banking can be broadly classified as Trade Services and Cash Management Services. The bank's Trade Services product portfolio is aimed at structuring complete solutions to meet the complex requirements of clients for expanding their business horizons. It offers complete end-to-end solutions to its customers including letter of credits (LCs), export credit and domestic trade solutions. Under Cash Management Services, the bank facilitates customized collections, payments, liquidity and investment services for its customers enabling them to optimally utilize their resources by reducing the time period between collections and payments.

Financial Advisory Products and Services

Financial Advisory Products and Services include private equity fund raising, merger and acquisition transactions and restructuring. Advisory services are offered both on transactional as well as retainer basis. The bank has to its credit successful completion of private equity placement of Suzlon Energy in the renewable energy sector. The bank has also played an active role in the IPO of Suzlon Energy as a co-book running lead manager. The issue has been one of the largest issues within the private sector in FY2006 this far.

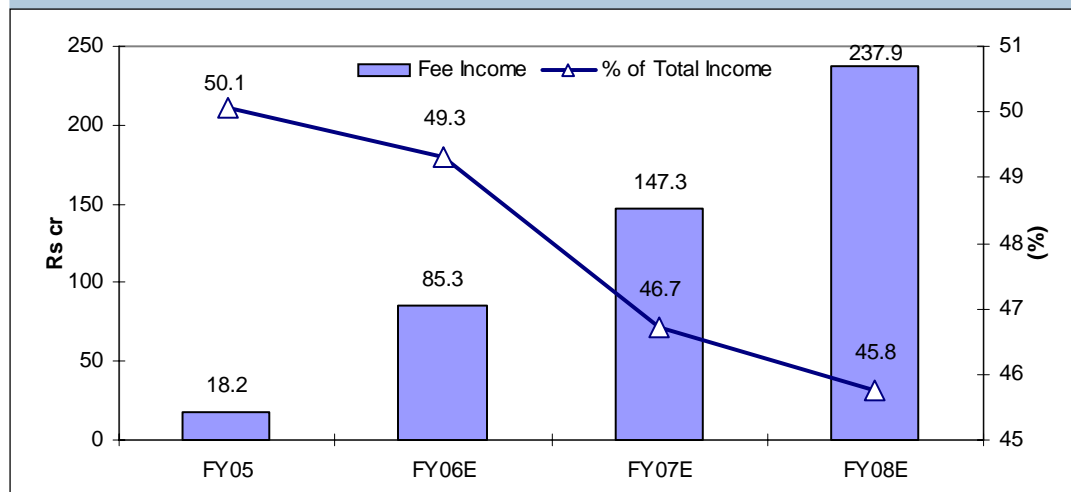
The bank has entered into a tripartite agreement with Rabo India and BTS Investment Advisors to set up the 'Indian Renewable Energy Enterprise Development (IREED)' fund. The IREED fund will make equity/quasi-equity investments in renewable energy projects and companies manufacturing renewable energy equipment in India. The fund is aimed at attracting both the domestic and overseas investors and is expected to raise US\$ 30mn as initial capital. Yes Bank will play the role of a strategic advisor to the fund as it has the expertise for appraising and financing renewable energy projects. The bank has also entered into an MoU with BTS Investment Advisors, a Swiss company that provides advisory services for investments in India. The bank would be jointly pursuing sustainable funds management opportunities in India.

The Financial Advisory segment is likely to provide the bank with a sustainable revenue stream on account of a booming economy and capex cycle by India Inc., and more significantly the knowledge-based positioning of the bank itself.

Third-party distribution of financial products

The bank also offers third-party distribution of its different financial products so as to provide complete wealth management solutions to its clients. For instance, the bank is into the distribution of mutual funds products of majority of mutual funds. It has also tied up with Max New York Life for distributing the latter's life insurance products and with Bajaj Allianz for distributing its non-life insurance products.

Thus, Yes Bank is building a sustainable fee-income revenue stream spread across business segments, which will help position it as a one-stop financial service provider. The bank is aiming at maintaining contribution of fee income to total income at around 45%, which would in turn enable it to maximize overall Return on Equity.

Exhibit 7: Fee Income & its contribution to Total Income


Source: Company, Angel Research

Cost-effective Outsourcing Model for IT requirement

Yes Bank has formulated its IT strategy in consultation with Gartner to achieve high standards of customer service at comparatively lower costs. The bank's IT strategy is based on the following six critical aspects:

- High level of efficiency through automation
- Centralized database management and centralized processing
- Connectivity with customers and external agencies to gain consistent experience of customers across all points.
- Systems that enable integration of front, middle and back offices
- Strong build-in surveillance and security systems providing comfort to all users
- Robust information networks ensuring high uptime supported by proven back-up systems and disaster recovery processes

The bank has adopted a unique outsourcing IT model wherein it would outsource its technology infrastructure and hardware. The outsourcing model gives it an edge over traditional in-house models by way of cost competitiveness. The bank has signed a strategic partnership with Wipro Infotech for outsourcing its application management, IT infrastructure management and network management. The outsourcing model is estimated to result in savings of around 20-25% in IT operational costs for the bank compared to the traditional models apart from facilitating flexibility to scale up its requirements in line with its expansion plans.

Thus, Yes Bank is not only using a superior IT platform for achieving high quality standards ensuring greater customer satisfaction and superior operational efficiencies, but all that will be achieved through a lower cost structure.

Asset Quality Standards to be maintained

Yes Bank has zero NPA levels primarily on account of a short history of business operations. However, we feel that the bank will be able to maintain its asset quality standards at very reasonable levels due to its prudent risk management systems, thorough appraisal procedures supported by a strong IT platform, which would enable it to keep its delinquency levels under control. We expect ageing and expansion of its loan portfolio to result in some delinquencies, but it would be very much manageable. We expect the bank's NPAs to remain at around 0.2% levels.

Exhibit 8: Net NPA ratio

(%)	FY06E	FY07E	FY08E
Net NPAs	0.16	0.18	0.16

Source: Company, Angel Research

Additional capital required to support its growth plans

Banking being a capital intensive business, the bank would have to raise additional capital in FY2007 or FY2008. Yes Bank has an aggressive growth strategy in place and is expected to clock a CAGR growth of 138.8% in its total business during the FY2005-08E period. The bank would also be tapping Tier II capital to the tune of Rs 200cr during FY2006 to strengthen its capital adequacy ratio (CAR).

Earnings growth on fast track

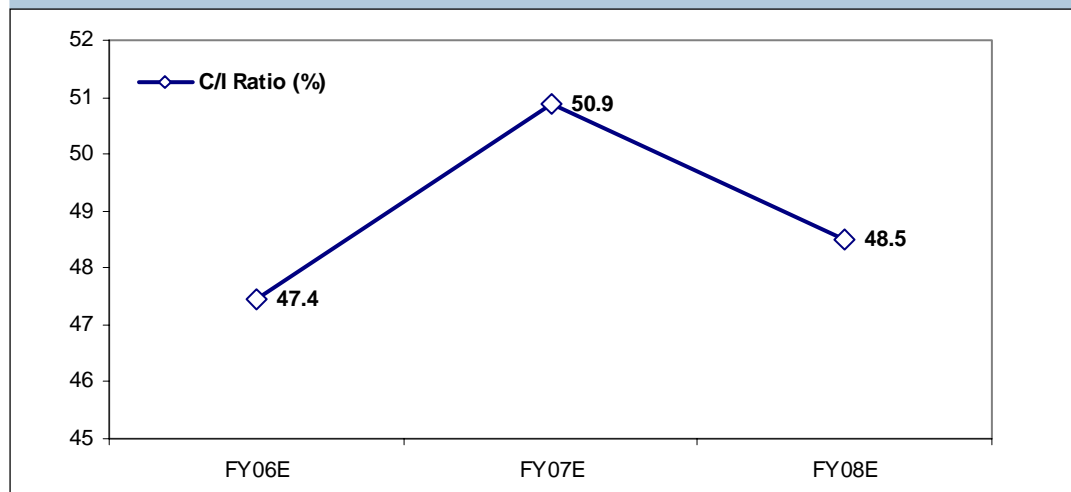
The bank has a very short history of commercial operations. It would be completing its fourth fully commercial operational quarter in September 2005. In this short span of operation, the bank has done exceptionally well for itself and is expected to continue its sequential growth at a faster pace.

Exhibit 9: Q1FY2006 Financial Performance

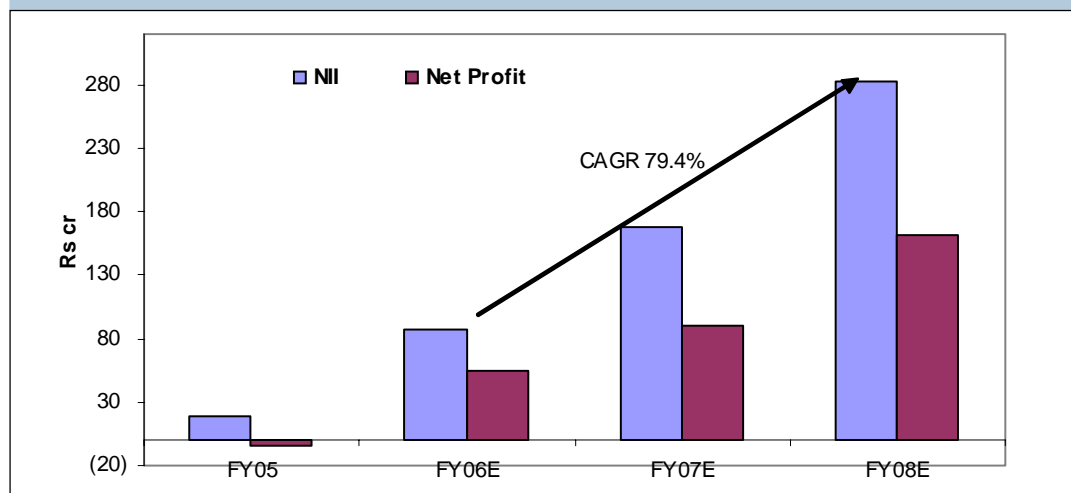
Rs cr	Q1FY06	Q4FY05	QoQ % growth	Q3FY05	Period ended Mar 31,05
NII	13.4	10.9	23.1	4.6	18.2
Non- interest Income	19.0	6.9	174.1	7.8	18.2
- Non Trading non interest income	18.3	6.9	165.8	6.9	15.6
Total Income	32.4	17.8	82.0	12.3	36.3
Operating expenses	15.5	16.7	(7.4)	9.4	39.9
Operating Profit	16.9	1.1	1,487.2	3.0	(3.6)
Provisions & contingencies	0.3	0.1	122.8	3.3	1.9
Provision for Tax	5.4	-	-	-	(1.7)
Profit After Tax	11.3	0.9	1,100.7	(0.3)	(3.8)

Source: Company

With a well-drawn business model in place focusing on core business income coupled with a thrust on sustainable fee income, the bank is expected to increase its earnings at a fast clip. Rolling out of its branch network would help the bank in driving its business volumes and sustain its NIMs. As a result, NII is expected to grow at a CAGR of 79.4% to Rs 282cr during the FY2005-08E period with NIMs stabilizing at around 3% levels. Fee income is expected to significantly contribute to the bank's revenue stream. Non-interest income during the same period is expected to grow at a CAGR of 135.7% to Rs 238cr. Cost/Income ratio is expected to be around 50% by FY2008, despite the bank being in the investment phase on account of its strong technology platform and superior operational efficiency. Subsequently, Net Profit is expected to grow at a significant rate of 71.3% to Rs 161cr in the FY2005-08E period.

Exhibit 10: Cost / Income ratio


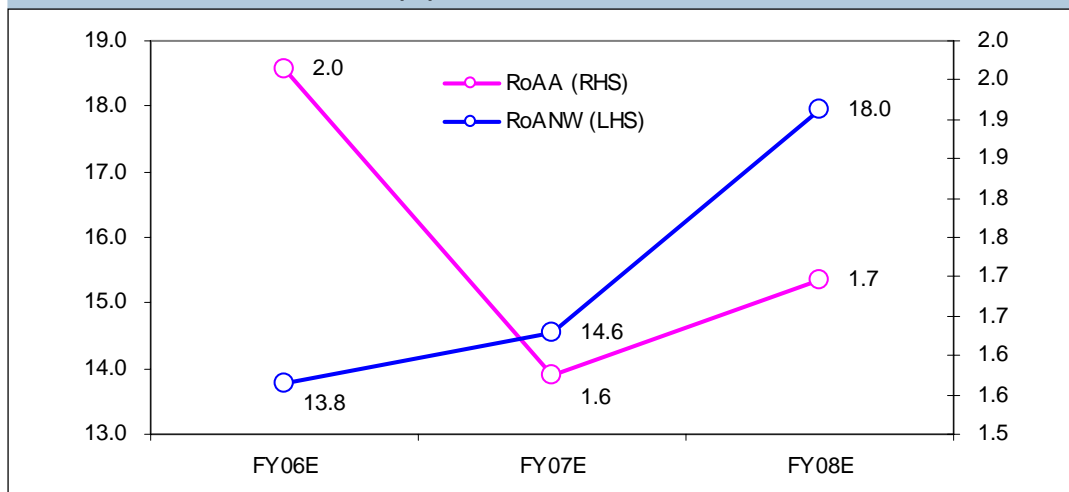
Source: Company, Angel Research

Exhibit 11: NII and NP


Source: Company, Angel Research

Maximizing Returns

Overall business strategy of the bank is driven by maximizing overall returns on equity. The bank's multiple-product offering strategy, gradual expansion of retail banking operations, focus on fee-based income, etc., are aimed at achieving superior profitability on capital. We expect the bank to achieve the same and expect RoANW at 18% during FY2008E.

Exhibit 12: RoANW and RoAA (%)


Source: Company, Angel Research

Rabobank's long-term commitment builds confidence

Rabobank, the only 'AAA' rated bank and ranking amongst the top-15 in the world, is the strategic partner of Yes Bank. Rabobank has established a niche position in the Food & Agri-business, which would be important for Yes Bank's success in the Agri sector. The Rabobank held a 20% stake in Yes Bank and post-issue its share-holding declined to 14.8%. However, Rabobank has sought RBI's approval for increasing its stake in the bank to 20%. Accordingly, Rabobank applied to the IPO and got around 0.5% allotment; thereafter, it has been gradually increasing its stake in the bank through the secondary market in its bid to bring back its stake to 20%. Rabobank's commitment and faith in the bank also strengthens confidence about the long-term prospects of Yes Bank.

Valuation

Yes Bank's key strengths lie in its experienced promoters and senior top management who have a track record of being successful bankers. The bank is all set to take off its banking operations at an exponential rate in the ensuing years distinguishing itself from its peers on the ground of *Knowledge Banking*. The bank's earnings growth is expected to be on a faster growth trajectory with contribution from core business and fee-income.

At the CMP of Rs 65, the stock trades at 12.3x FY2008E earnings of Rs 5.3, 1.7x FY2008E Book Value of Rs 37.2 and 1.8x FY2008E Adj. Book Value of Rs 36.7, which is low taking into account the growth rate of the bank. **We Initiate Coverage on the stock with a Buy recommendation with an 18-month target of Rs 100.**

Exhibit 13: Comparative Valuation

FY2007E	NII (Rs cr)	Net Profit (Rs cr)	EPS (Rs)	PE (x)	P/BV (x)	P/ABV (x)
YES Bank	168	90	3.3	19.4	2.7	2.7
HDFC Bank	2,600	1,142	36.7	18.5	3.4	3.4
ICICI Bank	4,531	2,903	39.4	14.6	2.6	2.9
Centurion Bank	507	125	1.0	18.9	3.0	3.4

Source: Angel Research, Bloomberg

Profit & Loss Statement
Rs crore

Y/E March	FY2005	FY2006E	FY2007E	FY2008E
Interest Income	30	172	430	723
Interest Expenses	12	84	262	441
Net Interest Income	18	88	168	282
Other Income	18	85	147	238
Operating Income	36	173	315	520
Operating Expenses	40	82	160	252
Operating Profit	(4)	91	155	268
Provisions and Contingencies	2	13	20	28
Profit before Tax	(6)	78	135	240
Provision for Tax	(2)	24	44	79
Profit after Tax	(4)	55	90	161

Balance Sheet
Rs crore

Y/E March	FY2005	FY2006E	FY2007E	FY2008E
Sources of Funds				
Equity Capital	200	270	270	305*
Reserver & Surplus	13	313	388	830
Net Worth	213	583	658	1135
Deposits	663	3260	5750	9800
Borrowings	370	407	633	696
Other Liabilities	28	61	127	190
Total Liabilities	1274	4311	7168	11820
Application of Funds				
Cash & Balance with RBI	41	72	87	125
Bal. with Banks/ Short Notice	12	40	58	80
Advances	761	3044	5479	9588
Investments	395	1054	1407	1850
Fixed Assets	20	50	75	100
Other Assets	46	51	62	77
Total Assets	1274	4311	7168	11820

Key Ratios

Y/E March	FY2006E	FY2007E	FY2008E
Valuation			
EPS (Rs)	2.0	3.3	5.3
Book Value (Rs)	21.6	24.4	37.2
Adj. Book Value (Rs)	21.4	24.0	36.7
P/E (x)	32.0	19.4	12.3
P/BV (x)	3.0	2.7	1.7
P/ABV (x)	3.0	2.7	1.8
Profitability (%)			
RoANW	13.8	14.6	18.0
RoAA	2.0	1.6	1.7
Cost / Income Ratio	47.4	50.9	48.5
Cost / Avg. Earning Assets	3.0	2.9	2.7
Avg. yield on Advances	8.8	8.3	8.3
Avg. yield on Investments	6.5	6.0	6.0
Avg. cost on Deposits	6.0	5.3	5.2
Spread	2.4	2.4	2.5
Net Interest Margin	3.5	3.0	3.0
Growth (%)			
Net Interest Income	383.4	91.5	68.0
Other Income	369.3	72.7	61.6
Operating Profit	2,593.5	70.3	73.0
Net Profit	1,559.7	64.6	78.3
Credit	300.0	80.0	75.0
Deposit	391.7	76.4	70.4
C/D ratio	93.4	95.3	97.8
Investment / Deposit Ratio	32.3	24.5	18.9
Asset Quality			
NPAs as % to Net Advances (%)	0.2	0.2	0.2
Dividend			
DPS (Rs)	-	0.5	1.0
Capital Adequacy (%)			
CAR	16	12	14
Efficiency			
Avg. Business per Employee (Rs cr)	10.3	15.9	20.4
Avg Profit per Employee (Rs lakh)	6.8	13.2	16.8

(*) Equity dilution assumed at Rs100 per share; Note: FY2005 Figures are from Nov 21, 2003 to March 31, 2005



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Borivali (West)	Gyan Prakash Joshi	201, Soni Shopping Center, Above Kamlesh Jewellers, L.T. Road, Borivali (W), Mumbai - 400 092	Tel : 2861 0941 / 43 / 44
Borivali (West)	Tarun Dhami	14, 1st Flr, Laxmi Nivas, Near Chamunda Circle, Pai Nagar, Mumbai - 400 092	Tel : 3092 1969 / 2892 8890
Chembur	Rajesh Mehta	205, Swastik Chamber, Sion Trombay Road, Mumbai - 400 071	Tel : 5503 0210 / 11 / 12
Fort	Kantiprasad Modi	1A, Haji Kasam Building, 66 Tamarind Lane, Mumbai - 400 001	Tel : 2263 4050
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