



Punjab National Bank

BSE SENSEX 19,008	S&P CNX 5,697	Rs1,123	Buy																																																																	
Bloomberg Equity Shares (m) 52-Week Range 1,6,12 Rel.Perf.(%) M.Cap. (Rs b) M.Cap. (US\$ b)	PNBIN 315.3 1,395/842 -1/1/13 354.1 7.8	<table border="1"> <thead> <tr> <th>YEAR</th> <th>NET INCOME</th> <th>PAT</th> <th>EPS</th> <th>EPS</th> <th>P/E</th> <th>BY</th> <th>P/BY</th> <th>P/ABY</th> <th>ROAA</th> <th>ROAE</th> </tr> <tr> <th>END</th> <th>(RS M)</th> <th>(RS M)</th> <th>(RS)</th> <th>GR. (%)</th> <th>(X)</th> <th>(RS)</th> <th>(X)</th> <th>(X)</th> <th>(%)</th> <th>(%)</th> </tr> </thead> <tbody> <tr> <td>3/10A</td> <td>120,882</td> <td>39,054</td> <td>123.9</td> <td>26.4</td> <td>9.1</td> <td>515</td> <td>2.2</td> <td>2.3</td> <td>1.4</td> <td>26.6</td> </tr> <tr> <td>3/11E</td> <td>151,949</td> <td>43,311</td> <td>137.4</td> <td>10.9</td> <td>8.2</td> <td>624</td> <td>1.8</td> <td>1.9</td> <td>1.3</td> <td>24.1</td> </tr> <tr> <td>3/12E</td> <td>176,131</td> <td>52,704</td> <td>167.2</td> <td>21.7</td> <td>6.7</td> <td>757</td> <td>1.5</td> <td>1.6</td> <td>1.3</td> <td>24.2</td> </tr> <tr> <td>3/13E</td> <td>207,761</td> <td>63,811</td> <td>202.4</td> <td>21.1</td> <td>5.5</td> <td>918</td> <td>1.2</td> <td>1.3</td> <td>1.3</td> <td>24.2</td> </tr> </tbody> </table>	YEAR	NET INCOME	PAT	EPS	EPS	P/E	BY	P/BY	P/ABY	ROAA	ROAE	END	(RS M)	(RS M)	(RS)	GR. (%)	(X)	(RS)	(X)	(X)	(%)	(%)	3/10A	120,882	39,054	123.9	26.4	9.1	515	2.2	2.3	1.4	26.6	3/11E	151,949	43,311	137.4	10.9	8.2	624	1.8	1.9	1.3	24.1	3/12E	176,131	52,704	167.2	21.7	6.7	757	1.5	1.6	1.3	24.2	3/13E	207,761	63,811	202.4	21.1	5.5	918	1.2	1.3	1.3	24.2
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Punjab National Bank's 3QFY11 results were in-line at the operational level; however, increase in pension liability, muted fee income growth and deterioration in asset quality overshadowed overall performance. Key highlights:

- Business growth remains strong, with loan growth of 30% YoY and 6% QoQ to Rs2.2t, and deposit growth of 23.5% YoY and ~6% QoQ to Rs2.9t in 3QFY11.
- Margin increased 7bp QoQ and 50bp YoY to 4.13%, led by timely hike in lending rates. NIM for 9MFY11 improved 56bp YoY to 3.99%. NII grew 45% YoY and 8% QoQ to Rs32b v/s our estimate of Rs31.8b. However, NII included Rs1b of interest income on IT refund, adjusted for which NII grew 40% (in line).
- Fee income (ex forex income) grew 20% YoY but declined ~6% QoQ. Lower processing charges from big-ticket loans and waiver of processing charges on home loans are the reasons for the sequential drop in fee income.
- Overall CASA growth stood at 22% YoY; however, SA grew 24% YoY (+3% QoQ). Sharp rise in interest rates led to moderation in CA growth (+16% YoY and +2% QoQ). On the back of higher intake of bulk deposits, CASA ratio declined to 39% from 40.6% a quarter ago.
- Operating expenses grew 38% YoY. PNB provided Rs3.6b towards pension and gratuity (Rs1.1b more compared to 2QFY11). Management has guided for gratuity liability of ~Rs5b (to be fully provided in FY11) and Rs36b towards second pension option (up from Rs25b guided earlier).
- Asset quality continued to deteriorate. GNPA increased 13% QoQ to Rs45b. Gross slippages during the quarter were ~Rs10b v/s Rs9b in 2QFY11. The bank added Rs8.2b to restructured accounts.
- The stock trades at 1.5x FY12E and 1.2x FY13E BV. Maintain **Buy** with a target price of Rs1,360 (1.8x FY12E BV), upside of 21%.

QUARTERLY PERFORMANCE

									(RS MILLION)	
	FY10				FY11				FY10	FY11E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	51,441	53,045	53,887	56,076	59,716	64,554	71,191	77,903	214,669	273,364
Interest Expense	33,456	33,123	31,764	31,097	33,733	34,787	39,158	46,508	129,440	154,187
Net Interest Income	17,985	19,922	22,123	24,980	25,983	29,767	32,033	31,394	85,229	119,178
% Change (Y-o-Y)	24.5	16.4	12.4	31.0	44.5	49.4	44.8	25.7	24.8	39.8
Other Income	10,334	7,713	8,478	9,346	8,917	7,183	8,572	8,099	35,653	32,771
Net Income	28,320	27,636	30,601	34,326	34,901	36,950	40,605	39,494	120,882	151,949
Operating Expenses	12,626	11,573	12,419	11,001	13,919	15,949	17,106	18,367	47,619	65,341
Operating Profit	15,693	16,063	18,182	23,325	20,982	21,001	23,499	21,127	73,263	86,609
% Change (Y-o-Y)	59.7	17.4	0.7	46.9	33.7	30.7	29	-9.4	28.7	18.2
Other Provisions	3,018	2,160	2,819	6,219	5,341	5,160	7,139	5,275	14,215	22,916
Profit before Tax	12,676	13,903	15,363	17,106	15,640	15,841	16,360	15,851	59,048	63,693
Tax Provisions	4,355	4,634	5,250	5,756	4,958	5,095	5,463	4,866	19,994	20,382
Net Profit	8,321	9,270	10,113	11,350	10,683	10,746	10,898	10,985	39,054	43,311
% Change (Y-o-Y)	62.4	31.1	0.5	31.1	28.4	15.9	7.8	-3.2	26.4	10.9
Interest Exp./Interest Income (%)	65.0	62.4	58.9	55.5	56.5	53.9	55.0	59.7	60.3	56.4
Other Income/Net Income (%)	36.5	27.9	27.7	27.2	25.6	19.4	21.1	20.5	29.5	21.6
Cost/Income Ratio (%)	44.6	41.9	40.6	32.0	39.9	43.2	42.1	46.5	39.4	43.0
Provisions/Operating Profits (%)	19.2	13.4	15.5	26.7	25.5	24.6	30.4	25.0	19.4	26.5
Tax Rate (%)	34.4	33.3	34.2	33.6	31.7	32.2	33.4	30.7	33.9	32.0

E: MOSL Estimates, Yearly numbers vary with full year number on account of reclassification

RESULTS ANALYSIS (RS M)

	3QFY11	3QFY10	YOY GR. %	2QFY11	QOQ GR. %	FY10	FY11E	FY12E
Interest Income	71,191	53,887	32	64,554	10	214,669	273,364	340,467
Interest Expense	39,158	31,764	23	34,787	13	129,440	154,187	201,823
Net Interest Income (NII)	32,033	22,123	45	29,767	8	85,229	119,178	138,644
Other Income	8,572	8,478	1	7,183	19	35,653	32,771	37,487
- Fees and others	6,472	6,138	5	5,913	9	24,460	25,979	29,876
- Trading Profits	870	1,570	(45)	380	129	8,033	3,000	3,250
- Recovery from w/off	1,230	770	60	890	38	3,160	3,792	4,361
Net Income	40,605	30,601	33	36,950	10	120,882	151,949	176,131
Total Operating Costs	17,106	12,419	38	15,949	7	47,619	65,341	69,998
- Staff Costs	12,235	8,327	47	11,131	10	31,211	46,405	47,392
- Other Opex	4,871	4,092	19	4,818	1	16,408	18,936	22,606
Operating Profit	23,499	18,182	29	21,001	12	73,263	86,609	106,133
Provisions	7,139	2,819	153	5,160	38	14,215	22,916	26,279
- NPAs	5,550	3,260	70	3,590	55	9,943	18,683	20,713
- Others	1,589	(441)	NA	1,570	NA	4,272	4,233	5,566
PBT	16,360	15,363	6	15,841	3	59,048	63,693	79,854
Tax	5,463	5,250	4	5,095	7	19,994	20,382	27,150
Tax Rate %	33	34		32		34	32	34
PAT	10,898	10,113	8	10,746	1	39,054	43,311	52,704
Deposits	2,888,730	2,339,460	23	2,733,940	6	2,493,298	3,041,824	3,711,025
CASA Ratio %	39	40		41		41	39	38
Advances	2,212,520	1,704,270	30	2,087,640	6	1,866,012	2,332,515	2,845,668
Gross NPA %	2.0	1.8		1.9		1.7	2.0	2.0
Net NPA %	0.8	0.5		0.7		0.5	0.7	0.7
Yields on Advances %*	10.6	10.4		10.6		9.8	10.2	10.4
Cost of Deposits % *	5.2	5.2		5.0		5.2	5.0	5.4
NIM % *	4.1	3.6		4.1		3.5	4.0	3.8
CAR	13.3	14.6		13.6		14.2	12.6	11.5

* Quarterly as reported, full year nos calculated

Margin up 7bp QoQ, stable post adjustment for exceptional interest income

Margin for 3QFY11 improved 7bp QoQ to 4.13%; however, adjusted for one-off interest income of Rs1.07b on IT refund, it was largely stable QoQ at ~4%. While reported NII was ~3% higher than expected, adjusted for one-offs, NII was largely in line with our estimate. For 9MFY11, NIM remained stable at ~4%.

With 70% of the loans linked to PLR and base rate, 75bp PLR and 50bp base rate increase during the quarter resulted in higher interest income. However, hike in deposit rates is yet to fully impact cost of deposits. Reported yield on loans improved 8bp QoQ and 3bp YoY to 10.48%; yield on investments improved 11bp QoQ and 56bp YoY to 6.58%. Cost of deposits increased ~10bp QoQ and declined 47bp YoY to 5.1%.

Slippages remain high, asset quality disappoints

In absolute terms, GNPA increased 13% QoQ to Rs43b. Gross slippages during the quarter were ~Rs10b v/s Rs9.1b in 2QFY11. The annualized slippage ratio for 3QFY11 remained high at ~2.1%. For 9MFY11, annualized slippage ratio was 2.2%, higher than 1.83% reported a year ago. Net increase in GNPA during the quarter was Rs5.2b.

PCR (calculated) remained stable at ~65% and PCR including technical write-offs was at 77%. PNB restructured fresh loans worth Rs8.2b in 3QFY11 and accounts worth Rs660m slipped into NPA. Outstanding restructured book stood at Rs143.6b (6.5% of loan book), and cumulatively, restructured loans of Rs12.5b (8.7% of outstanding restructured book) have slipped into NPA till December 2010.

Fees grew 20% YoY; high trading profits QoQ

Non-interest income remained flat YoY but was up 19% QoQ at Rs8.6b, boosted by higher treasury gains and forex income. Trading profits for 3QFY11 were Rs870m v/s Rs380m in 2QFY11. In 3QFY10, profit from sale of stake in PNB Housing (~Rs710m) had boosted treasury gains to Rs1.6b. Growth in core fee income (ex-forex and income from MF) grew 20% YoY and declined 6% QoQ to Rs5.05b.

Lower processing charges from big-ticket loans and waiver of processing charges on home loans are the reasons for sequential drop in fee income. Forex income for the quarter was Rs1.3b v/s Rs310m a quarter ago. Recoveries during the quarter were high at Rs1.2b v/s Rs890m in 2QFY11 and Rs770m in 3QFY10.

Second pension liability deficit liability increased to Rs36b v/s Rs25b a quarter ago

Operating expenses grew 38% YoY. Employee expenses increased 47% YoY and 10% QoQ. During 3QFY11, PNB provided Rs3.6b towards pension and gratuity (Rs2.5b in 2QFY11). Management has guided for gratuity related liability of Rs5b (to be fully provided in FY11) while it has revised its guidance for second pension option to Rs36b up from Rs25b guided earlier. Pension related liability would be amortized over a period of five years. Cost to core income ratio for 3QFY11 remained sequentially stable at ~43%.

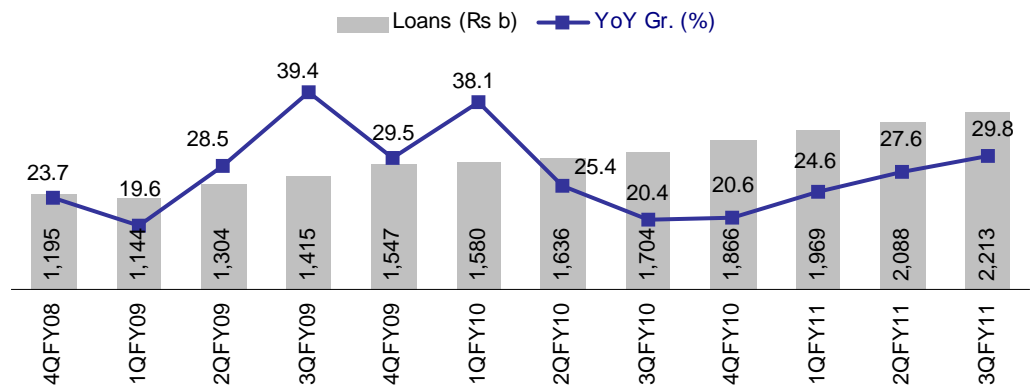
Valuation and view: downgrading estimates by ~5%; maintain Buy

PNB has shown sustained traction in NII backed by high CASA ratio, efficient ALM and strong growth. Despite sharp rise in cost of liabilities, margin performance remains impressive. While we remain confident on core operating profit growth, continued deterioration in asset quality is a key headwind for stock performance.

We are downgrading our earnings estimates by ~5% to factor in higher opex and credit costs. We expect PNB to report earnings CAGR of 18% over FY10-13. We expect RoE and RoA to remain superior at ~24% and ~1.3%, respectively over FY10-13. BV is expected to be Rs757 in FY12 and Rs918 in FY13. The stock trades at 1.5x FY12E and 1.2x FY13E BV. Maintain **Buy** with a target price of Rs1,360 (1.8x FY12E BV), upside of 21%.

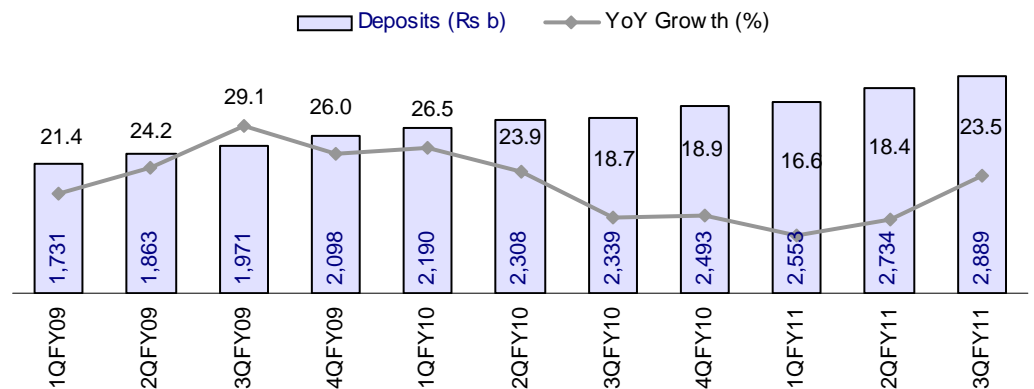
Loans grew 6% QoQ

YoY loan growth remains higher than industry



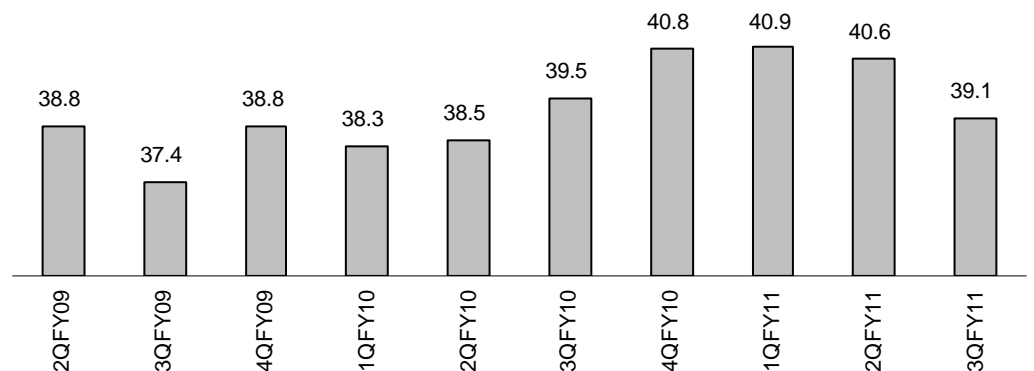
Deposit growth trend

Deposits grew 5.3% QoQ



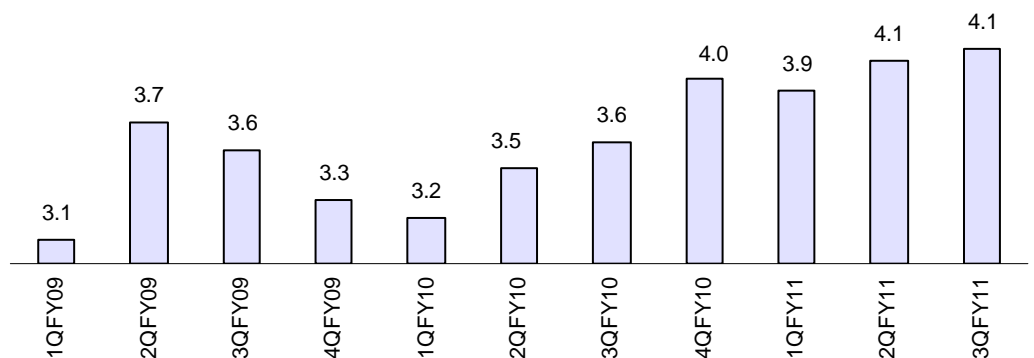
CASA grew ~22% YoY

To meet the high demand for loans, PNB has resorted to bulk deposits, and this has resulted in 150bp decline in CASA ratio



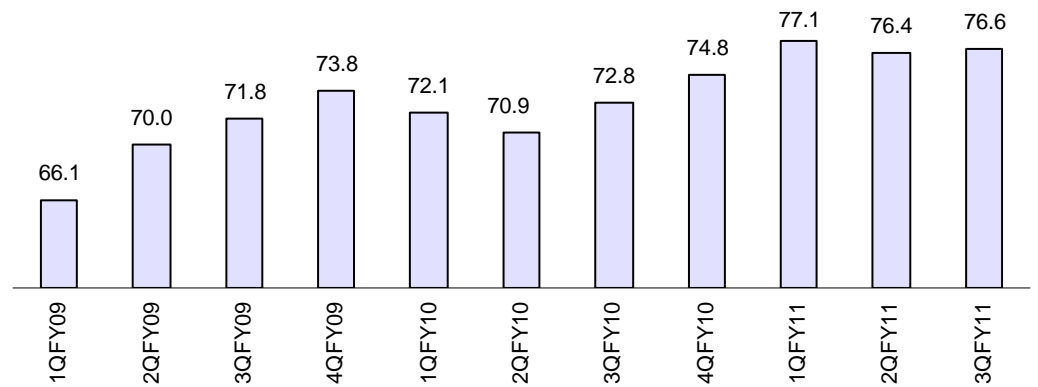
NIM remains at 4%+

NIM for 3QFY11 improved 7bp QoQ; however, adjusted for one-off interest income on IT refund it was largely stable QoQ at ~4%

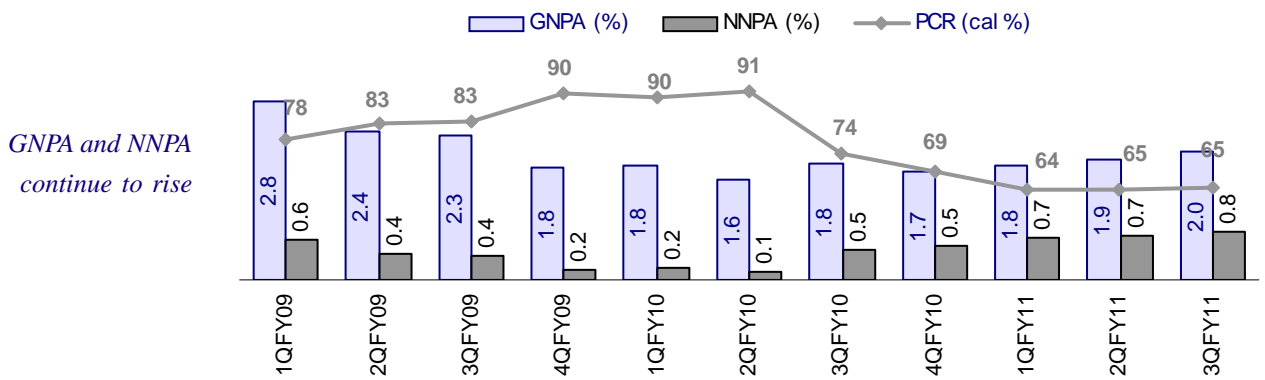


Source: Company/MOSL

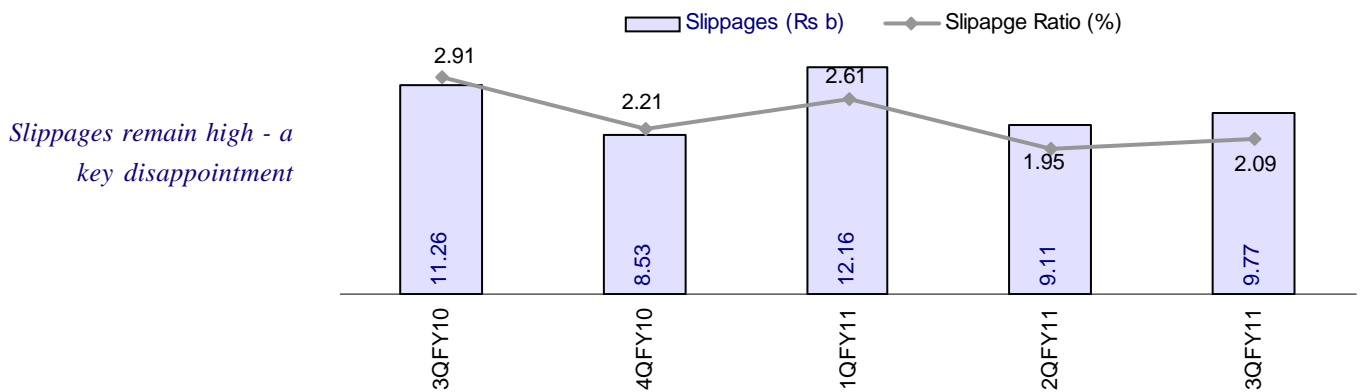
CD ratio remains optimal (%)



Asset quality deteriorates QoQ



Trend in slippages



Source: Company/MOSL

Punjab National Bank: an investment profile

Company background

Punjab National Bank (PNB) is the second largest state-owned bank, with a strong presence in North and Central India. Established in 1894, it has a balance sheet size of over Rs2.7t and a network of over 5,000+ branches. It is one of the most technologically advanced state-owned banks. The government owns 57.8% of its equity.

Key investment arguments

- Strongest liability franchise, ~40% CASA ratio, strong control over cost of funds ensures superior margins of 3.8%+.
- Increasing focus on international operations, third-party distribution and strong loan growth will ensure strong fee income growth.
- Adequately capitalized (CAR of 13.3% and Tier-I ratio of 9%) for the next phase of growth.
- Mr K R Kamath, CMD, has a tenor of five years, which should ensure continuity of strategy.

Key investment risks

- PNB has higher proportion of restructured loans at 6.5% of the loan book.
- Relapse from restructured accounts and higher slippages can put earnings under pressure.

Comparative valuations

		PNB	Canbk	BoB
P/E (x)	FY11E	8.2	7.0	8.1
	FY12E	6.7	6.1	6.9
P/BV (x)	FY11E	1.8	1.6	1.8
	FY12E	1.5	1.3	1.5
RoE (%)	FY11E	24.1	25.3	24.4
	FY12E	24.2	23.7	23.5
RoA (%)	FY11E	1.3	1.2	1.2
	FY12E	1.3	1.1	1.2

Shareholding Pattern (%)

	Dec-10	Sep-10	Dec-09
Promoter	57.8	57.8	57.8
Domestic Inst	17.7	17.8	18.3
Foreign	19.5	19.5	19.1
Others	5.1	4.9	4.8

Recent developments

- Mr Rakesh Sethi has joined as Executive Director effective from January 2010.
- PNB has entered into factoring business through joint venture (IFFSL) with FIMBank Plc and others. PNB has a 30% stake in IFFSL.

Valuation and view

- We expect PNB to report earnings CAGR of 18% over FY10-13. We expect RoE and RoA to remain superior at ~24% and ~1.3%, respectively over FY10-13. BV is expected to be Rs757 in FY12 and Rs918 in FY13.
- The stock trades at 1.5x FY12E BV and 1.2x FY13E BV. Maintain **Buy** with a target price of Rs1,360.

Sector view

- Loan growth remains strong. However, rising inflation and increasing interest rates are the near-term headwinds for the sector.
- Our Economist expects current tightness in liquidity to start easing in 4QFY11, allaying the pressure of significant NIM compression.
- We believe that margins would start compressing, but gradually. With strong loan growth and high CD ratio, there is strong pricing power with banks.
- Banks with high CASA deposits and lower proportion of bulk deposits will be preferred bets.

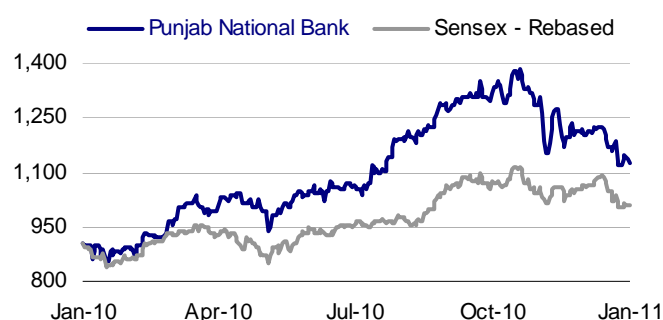
EPS: MOSL forecast v/s Consensus (rs)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY11	137.4	149.2	-7.9
FY12	167.2	185.2	-9.8

Target Price and Recommendation

Current Price (Rs)	Target Price (Rs)	Upside (%)	Reco.
1,123	1,360	21.1	Buy

Stock performance (1 year)



Financials and Valuation

INCOME STATEMENT		(Rs Million)					
YE MARCH	2008	2009	2010	2011E	2012E	2013E	
Interest Income	142,650	191,272	214,669	273,364	340,467	421,582	
Interest Expense	87,309	122,953	129,440	154,187	201,823	256,693	
Net Interest Income	55,342	68,319	85,229	119,178	138,644	164,888	
<i>Change (%)</i>	<i>6.2</i>	<i>23.4</i>	<i>24.8</i>	<i>39.8</i>	<i>16.3</i>	<i>18.9</i>	
Non Interest Income	19,976	30,647	35,653	32,771	37,487	42,873	
Net Income	75,317	98,966	120,882	151,949	176,131	207,761	
<i>Change (%)</i>	<i>8.5</i>	<i>31.4</i>	<i>22.1</i>	<i>25.7</i>	<i>15.9</i>	<i>18.0</i>	
Operating Expenses	35,255	42,062	47,619	65,341	69,998	79,678	
Pre Provision Profits	40,062	56,904	73,263	86,609	106,133	128,083	
<i>Change (%)</i>	<i>10.7</i>	<i>42.0</i>	<i>28.7</i>	<i>18.2</i>	<i>22.5</i>	<i>20.7</i>	
Provisions (excl tax)	7,103	9,235	14,215	22,916	26,279	31,400	
PBT	32,959	47,669	59,048	63,693	79,854	96,683	
Tax	12,472	16,760	19,994	20,382	27,150	32,872	
<i>Tax Rate (%)</i>	<i>37.8</i>	<i>35.2</i>	<i>33.9</i>	<i>32.0</i>	<i>34.0</i>	<i>34.0</i>	
PAT	20,488	30,909	39,054	43,311	52,704	63,811	
<i>Change (%)</i>	<i>33.0</i>	<i>50.9</i>	<i>26.4</i>	<i>10.9</i>	<i>21.7</i>	<i>21.1</i>	
Equity Dividend (Incl tax)	4,796	7,378	8,101	8,868	10,791	13,065	
Core PPP*	33,843	46,957	62,069	79,817	98,522	119,568	
<i>Change (%)</i>	<i>33.0</i>	<i>50.9</i>	<i>26.4</i>	<i>10.9</i>	<i>21.7</i>	<i>21.1</i>	
<i>*Core PPP is (Nil+Fee income-Opex)</i>							
BALANCE SHEET		(Rs Million)					
YE MARCH	2008	2009	2010	2011E	2012E	2013E	
Equity Share Capital	3,153	3,153	3,153	3,153	3,153	3,153	
Reserves & Surplus	120,030	143,383	174,076	208,519	250,432	301,178	
Net Worth	123,183	146,536	177,229	211,672	253,585	304,331	
Deposits	1,664,572	2,097,605	2,493,298	3,041,824	3,711,025	4,564,560	
<i>Change (%)</i>	<i>19.0</i>	<i>26.0</i>	<i>18.9</i>	<i>22.0</i>	<i>22.0</i>	<i>23.0</i>	
of which CASA Dep	715,609	814,599	1,018,500	1,194,715	1,401,581	1,644,456	
<i>Change (%)</i>	<i>10.9</i>	<i>13.8</i>	<i>25.0</i>	<i>17.3</i>	<i>17.3</i>	<i>17.3</i>	
Borrowings	116,114	124,597	192,624	248,820	288,049	332,189	
Other Liabilities & Prov.	86,335	100,448	103,177	124,746	150,395	181,226	
Total Liabilities	1,990,204	2,469,186	2,966,328	3,627,062	4,403,054	5,382,306	
Current Assets	188,307	214,131	234,736	259,568	319,795	430,509	
Investments	539,917	633,852	777,245	932,694	1,119,232	1,343,079	
<i>Change (%)</i>	<i>19.5</i>	<i>17.4</i>	<i>22.6</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>	
Loans	1,195,016	1,547,030	1,866,012	2,332,515	2,845,668	3,471,715	
<i>Change (%)</i>	<i>23.7</i>	<i>29.5</i>	<i>20.6</i>	<i>25.0</i>	<i>22.0</i>	<i>22.0</i>	
Fixed Assets	23,155	23,971	25,135	26,444	27,350	27,791	
Other Assets	43,808	50,202	63,201	75,841	91,009	109,211	
Total Assets	1,990,204	2,469,186	2,966,328	3,627,062	4,403,054	5,382,306	
ASSET QUALITY							
GNPA (Rs M)	33,193	25,069	32,144	48,622	58,806	67,346	
NNPA (Rs M)	7,538	2,639	9,817	17,018	20,582	23,571	
GNPA Ratio	2.44	1.58	1.67	2.03	2.02	1.90	
NNPA Ratio	0.63	0.17	0.53	0.73	0.72	0.68	
PCR (Excl Tech. write off)	74.6	89.4	69.0	65.0	65.0	65.0	
PCR (Incl Tech. Write off)			81.2	76.4	75.0	74.1	
<i>E: MOSL Estimates</i>							

Financials and Valuation

RATIOS

YE MARCH	2008	2009	2010	2011E	2012E	2013E
Spreads Analysis (%)						
Avg. Yield-Earning Assets	8.9	9.6	8.7	9.1	9.3	9.5
Avg. Yield on loans	9.7	10.6	9.8	10.2	10.4	10.6
Avg. Yield on Investments	7.3	7.3	6.5	6.7	6.6	6.9
Avg. Cost-Int. Bear. Liab.	5.4	6.1	5.3	5.2	5.5	5.8
Avg. Cost of Deposits	5.4	6.1	5.2	5.0	5.4	5.7
Interest Spread	3.5	3.4	3.5	4.0	3.8	3.7
Net Interest Margin	3.4	3.4	3.5	4.0	3.8	3.7

Profitability Ratios (%)

RoE	19.6	25.8	26.6	24.1	24.2	24.2
RoA	1.1	1.4	1.4	1.3	1.3	1.3
Int. Expense/Int. Income	61.2	64.3	60.3	56.4	59.3	60.9
Fee Income/Net Income	18.2	20.9	20.2	17.1	17.0	16.5
Non Int. Inc./Net Income	26.5	31.0	29.5	21.6	21.3	20.6

Efficiency Ratios (%)

Cost/Income*	49.7	45.6	42.2	43.9	40.5	39.0
Empl. Cost/Op. Exps.	69.8	69.5	65.5	71.0	67.7	66.1
Busi. per Empl. (Rs m)	44.0	55.9	70.3	76.8	91.3	108.5
NP per Empl. (Rs lac)	3.5	5.3	6.9	6.8	8.1	9.5

* ex treasury

Asset-Liability Profile (%)

Loans/Deposit Ratio	71.8	73.8	74.8	76.7	76.7	76.1
CASA Ratio	43.0	38.8	40.8	39.3	37.8	36.0
Investment/Deposit Ratio	32.4	30.2	31.2	30.7	30.2	29.4
G-Sec/Investment Ratio	83.4	87.1	85.5	84.8	82.9	85.0
CAR	13.5	14.0	14.2	12.6	11.5	10.6
<i>Tier 1</i>	<i>9.0</i>	<i>9.0</i>	<i>9.1</i>	<i>8.5</i>	<i>8.1</i>	<i>7.8</i>

VALUATION

Book Value (Rs)	342.0	416.7	514.8	624.0	756.9	917.9
<i>Change (%)</i>	<i>6.3</i>	<i>21.9</i>	<i>23.5</i>	<i>21.2</i>	<i>21.3</i>	<i>21.3</i>
Price-BV (x)	3.3	2.7	2.2	1.8	1.5	1.2
Adjusted BV (Rs)	326.4	411.3	494.5	588.9	714.5	869.3
Price-ABV (x)	3.4	2.7	2.3	1.9	1.6	1.3
EPS (Rs)	65.0	98.0	123.9	137.4	167.2	202.4
<i>Change (%)</i>	<i>33.0</i>	<i>50.9</i>	<i>26.4</i>	<i>10.9</i>	<i>21.7</i>	<i>21.1</i>
Price-Earnings (x)	17.3	11.5	9.1	8.2	6.7	5.5
Dividend Per Share (Rs)	13.0	20.0	12.0	24.0	29.3	35.4
Dividend Yield (%)	1.2	1.8	1.1	2.1	2.6	3.2

E: MOSL Estimates

N O T E S



For more copies or other information, contact

Institutional: Navin Agarwal. **Retail:** Manish Shah

Phone: (91-22) 39825500 Fax: (91-22) 22885038. E-mail: reports@motiloswal.com

Motilal Oswal Securities Ltd, 3rd Floor, Hoechst House, Nariman Point, Mumbai 400 021

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Disclosure of Interest Statement

Punjab National Bank

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|---|----|
| 1. Analyst ownership of the stock | No |
| 2. Group/Directors ownership of the stock | No |
| 3. Broking relationship with company covered | No |
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