

April 21, 2011

IDBI Bank Ltd.

CMP Rs. 150

Results Watch

March Quarter, FY11 Result Update

Financial Highlights

(All data in Rs. mn unless specified, Y/e March)

Particulars	Q4FY11	Q4FY10	YoY (%)	Q3FY11	QoQ (%)	FY11	FY10	YoY (%)
Interest Income	50,251	40,833	23.1	47,123	6.6	186,008	152,726	21.8
Interest Expended	39,166	33,212	17.9	35,083	11.6	142,719	130,052	9.7
Net Interest Income	11,085	7,621	45.5	12,040	(7.9)	43,289	22,674	90.9
Non-Interest Income	6,755	5,446	24.0	4,472	51.1	20,837	22,910	(9.0)
Net Total Income	17,841	13,067	36.5	16,512	8.0	64,125	45,584	40.7
Operating Expenses	6,173	6,133	0.6	5,167	19.5	22,547	18,314	23.1
-Employee Expenses	3,045	2,855	6.6	1,658	83.6	10,462	7,734	35.3
-Other Operating Expenses	3,128	3,277	(4.6)	3,509	(10.9)	12,085	10,580	14.2
Operating Profit	11,668	6,934	68.3	11,345	2.8	41,579	27,270	52.5
Provisions	2,819	5,419	(48.0)	6,520	(56.8)	18,769	16,817	11.6
Pre tax Income	8,849	1,515	484.1	4,826	83.4	22,810	10,453	118.2
Tax	3,687	(1,669)	(320.9)	285	1,193.5	6,307	136	4,540.6
Post Tax Income	5,163	3,184	62.1	4,541	13.7	16,503	10,317	60.0
Extra Ordinary Items	-	-	-	-	-	-	-	-
Reported Diluted EPS	5.2	4.4	19.4	4.6	13.7	18.4	14.2	29.1
Asset Quality								
Gross NPA's	27,847	21,294	30.8	30,205	(7.8)	27,847	21,294	30.8
% Gross NPA's	1.8	1.5	-	2.2	-	1.8	1.5	-
Net NPA's	16,779	14,063	19.3	16,095	4.2	16,779	14,063	19.3
% Net NPA's	1.1	1.0	-	1.2	-	1.1	1.0	-
Provision Coverage Ratio %	74.7	74.9	-	75.6	-	74.7	74.9	-
Capital Adequacy (%)								
CAR	13.6	11.3	-	14.1	-	13.6	11.3	-
Key Ratios (%)								
NIM	2.1	1.6	-	2.3	-	2.1	1.3	-
Yield on Total Assets	9.8	8.7	-	9.4	-	9.2	9.0	-
Cost of Funds	7.5	6.9	-	7.1	-	6.9	7.4	-
CASA	20.9	14.6	-	15.1	-	20.9	14.6	-
Credit / Deposit	87.0	82.4	-	89.5	-	87.0	82.4	-

- IDBI reported a net profit of Rs. 5,163 mn. in Q4 FY11 as compared to Rs. 3184 mn. in the same quarter previous year. IDBI reported a 60% growth in net profit for FY11
- Gross NPAs stood at 1.8% for FY11 as compared to 1.5% reported in FY10, Net NPAs stood at 1.1% and 1.0% in FY11 and FY10 respectively.
- CASA reported significant improvement to 20.9% in FY11 from 14.6% in FY10.
- NIM's for the quarter stood at 2.1% as against 1.6% in Q4FY10, NIM's for FY11 reported robust trajectory of improvement from 1.3% in FY10 to 2.1%.
- Advances grew by 14% at Rs. 1570980 mn in FY11 from Rs. 1382020 mn in FY10. Deposit growth did not match the pace of growth in advances and grew by 8% to Rs. 1804858 mn in FY11 from Rs. 1676671 mn in FY10. Thereby, improving the C/D ratio to 87% in the reporting period from 82% in the previous year.

Company Profile

IDBI Bank was Development Financial Institution (DFI) when established, which transformed into a full-service commercial bank offering the entire suite of banking products and named as Industrial Development Bank of India Ltd (IDBI) in Sept. 2004.

The Bank has a network of 816 branches and 1370 ATMs as on 31st March. 2011 and has a presence in 548 locations with a head count of 13800 employees.

The above analysis and data are based on last available prices and not official closing rates.

SKP Research is also available on Bloomberg, Thomson First Call & Investext Myiris, Moneycontrol, Tickerplant and ISI Securities

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