

Axis Bank



BSE SENSEX 18,882
S&P CNX 5,655

Rs1,228

Buy

Bloomberg	AXSB IN	YEAR	NET INCOME	PAT	EPS	EPS	P/E	BV	P/BY	P/ABY	ROAA	ROAE
Equity Shares (m)	405.2	END	(RS M)	(RS M)	(RS)	GR. (%)	(X)	(RS)	(X)	(X)	(%)	(%)
52-Week Range	1,608/967	3/10A	89,503	25,145	62.1	22.7	19.8	396	3.1	3.2	1.5	19.2
1,6,12 Rel.Perf.(%)	-1/-15/6	3/11E	111,575	32,794	80.9	30.4	15.2	462	2.7	2.7	1.6	18.9
M.Cap. (Rs b)	497.6	3/12E	131,571	39,555	97.6	20.6	12.6	542	2.3	2.3	1.6	19.5
M.Cap. (US\$ b)	10.9	3/13E	157,938	47,153	116.4	19.2	10.6	636	1.9	2.0	1.5	19.8

Axis Bank's 3QFY11 PAT grew 36% YoY to Rs8.9b (10% higher than our estimate of Rs8.2b), led by strong loan growth, improvement in margins, and improving asset quality. Key highlights are:

- Loans grew 46% YoY (on a base of 13% YoY growth in 3QFY10) and 12% QoQ to Rs1.23t, led by large corporate loans.
- Improvement in CD ratio and higher yield on funds led to sharp improvement in margins by 13bp QoQ to 3.81% v/s our expectation of 10bp QoQ decline. The management guided 15-20bp QoQ decline in margins in 4QFY11, led by higher cost of funds. As a result, FY11 margins are likely to be ~3.7% v/s 3.75% in 9MFY11.
- CASA growth was strong at 36% YoY on an average daily basis; average daily CASA ratio stood at ~41%.
- Slippages stood at Rs3.3b, leading to annualized slippage ratio of 1.3%. This includes slippages of Rs260m from restructured loans. During the quarter, the bank added restructured loans worth Rs1.63b; Rs250m turned into NPA and Rs0.8b was repaid from the restructured pool.
- GNPA increased 9% QoQ in absolute terms due to lower write-offs. PCR (calculated) improved to 74% v/s 70% a quarter ago. NNPA declined 6% QoQ in absolute terms. Including prudential write-offs, PCR stood at 82.7% v/s 80.2% a quarter ago.
- The bank's capital adequacy ratio (CAR) stood at 13.8%; tier-I ratio stood at 10.2% (including 9M profits). The management has guided that as tier-I ratio reaches 8.5-9%, they may look to raise capital (likely in CY12).

Valuation and view: We upgrade our profit estimate by ~3% for FY11 to factor in higher NII growth. We estimate BV at Rs462 for FY11 and Rs542 for FY12. The stock trades at 2.3x FY12E and 1.9x FY13E BV, and at 12.6x FY12E and 10.6x FY13E EPS. We expect RoE of 19-20% in FY11-13 and RoA of ~1.6% over FY11-13. Maintain **Buy** with a target price of Rs1,625 (3x FY12E BV) - 30%+ upside.

QUARTERLY PERFORMANCE

	FY10				FY11				(RS MILLION)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY10	FY11E
Interest Income	29,056	28,604	28,837	29,885	33,256	36,243	38,383	41,546	116,380	149,427
Interest Expense	18,599	17,107	15,345	15,284	18,118	20,092	21,052	23,946	66,335	83,208
Net Interest Income	10,456	11,497	13,491	14,601	15,138	16,151	17,331	17,600	50,045	66,220
% Change (Y-o-Y)	29.0	25.9	45.1	41.4	44.8	40.5	28.5	20.5	35.8	32.3
Other Income	9,586	10,656	9,881	9,335	10,008	10,332	11,477	13,538	39,458	45,356
Net Income	20,042	22,153	23,372	23,936	25,146	26,483	28,808	31,138	89,503	111,575
Operating Expenses	8,278	9,095	9,626	10,098	10,645	11,620	12,224	13,876	37,097	48,365
Operating Profit	11,764	13,058	13,746	13,838	14,501	14,864	16,585	17,262	52,406	63,210
% Change (Y-o-Y)	46.6	49.3	51.1	21.5	23.3	13.8	20.6	24.7	40.7	20.6
Other Provisions	3,153	4,989	3,731	2,019	3,330	3,788	3,139	3,454	13,892	13,710
Profit before Tax	8,611	8,069	10,015	11,819	11,171	11,076	13,446	13,808	38,514	49,500
Tax Provisions	2,990	2,752	3,455	4,171	3,752	3,725	4,532	4,698	13,368	16,706
Net Profit	5,620	5,316	6,560	7,649	7,419	7,351	8,914	9,110	25,145	32,794
% Change (Y-o-Y)	70.2	32.0	31.0	31.5	32.0	38.3	35.9	19.1	38.5	30.4
Interest Exp/Interest Income (%)	64.0	59.8	53.2	51.1	54.5	55.4	54.8	57.6	57.0	55.7
Other Income/Net Income (%)	47.8	48.1	42.3	39.0	39.8	39.0	39.8	43.5	44.1	40.7
Cost/Income Ratio (%)	41.3	41.1	41.2	42.2	42.3	43.9	42.4	44.6	41.4	43.3
Provisions/Operating Profits (%)	26.8	38.2	27.1	14.6	23.0	25.5	18.9	20.0	26.5	21.7
Tax Rate (%)	34.7	34.1	34.5	35.3	33.6	33.6	33.7	34.0	34.7	33.8

E: MOSL Estimates

RESULTS ANALYSIS (RS M)

	3QFY11	3QFY10	YOY GR. %	2QFY11	QOQ GR. %	FY10	FY11E	FY12E
Interest Income	38,383	28,837	33	36,243	6	116,380	149,427	193,353
Interest Expense	21,052	15,345	37	20,092	5	66,335	83,208	116,116
Net Interest Income (NII)	17,331	13,491	28	16,151	7	50,045	66,220	77,237
Other Income	11,477	9,881	16	10,332	11	39,458	45,356	54,334
- Fees	9,680	8,000	21	8,490	14	30,294	36,896	45,193
- Treasury Gains	1,350	1,700	-21	1,080	25	7,140	5,500	6,000
- Others	447	181	147	762	-41	2,023	2,960	3,141
Net Income	28,808	23,372	23	26,483	9	89,503	111,575	131,571
Total Operating Costs	12,224	9,626	27	11,620	5	37,097	48,365	58,038
- Staff Costs	3,962	3,085	28	4,053	-2	12,558	16,954	20,344
- Other Opex	8,262	6,540	26	7,567	9	24,539	31,411	37,694
Operating Profit	16,585	13,746	21	14,864	12	52,406	63,210	73,533
Provisions	3,139	3,731	-16	3,788	-17	13,892	13,710	14,052
- NPAs	2,330	3,210	-27	3,210	-27	14,135	11,276	12,722
- Others	809	521	55	578	40	(243)	2,435	1,330
PBT	13,446	10,015	34	11,076	21	38,514	49,500	59,481
Tax	4,532	3,455	31	3,725	22	13,368	16,706	19,926
<i>Tax Rate %</i>	<i>34</i>	<i>34</i>		<i>34</i>		<i>35</i>	<i>34</i>	<i>34</i>
PAT	8,914	6,560	36	7,351	21	25,145	32,794	39,555
Deposits	1,558,106	1,138,532	37	1,568,871	-1	1,413,002	1,723,863	2,154,828
<i>CASA Ratio %</i>	<i>42</i>	<i>46</i>		<i>42</i>		<i>47</i>	<i>47</i>	<i>46</i>
Loans	1,235,470	847,699	46	1,105,928	12	1,043,431	1,330,375	1,662,968
- Retail	252,040	189,000	33	210,010	20			
- SME	170,530	165,030	3	168,120	1			
Gross NPA (Rsb)	14.8	11.7	26	13.6	9	13.2	15.7	16.6
<i>Gross NPA %</i>	<i>1.1</i>	<i>1.2</i>		<i>1.1</i>		<i>1.3</i>	<i>1.2</i>	<i>1.0</i>
Net NPA (Rsb)	3.9	4.3	-10	4.1	-6	4.2	4.7	5.0
<i>Net NPA %</i>	<i>0.3</i>	<i>0.5</i>		<i>0.3</i>		<i>0.4</i>	<i>0.4</i>	<i>0.3</i>
Yield on Loans %*	8.9	9.6		8.9		8.6	8.6	9.1
Cost of Funds %**	4.8	4.8		4.8		4.6	4.7	5.3
NIM %**	3.8	4.0		3.7		3.3	3.6	3.4
Tier I CAR %	10.2	11.8		10.7		11.2	10.1	9.2
Tier II CAR %	3.6	5.0		3.9		4.6	3.8	3.1
Branches	1,120	949		1,103		1,035	1,210	1,385
ATMs	5,303	4,055		4,846		4,293	5,693	6,443

* Calculated, ** Reported for Quarterly and calculated for yearly

Strong balance sheet growth YoY on a lower base

Loans increased by 46% YoY and 12% QoQ in 3QFY11. Growth was driven by (1) large corporate loans, which grew +11% QoQ, (2) agri loans, which grew +19% QoQ, and (3) SME and retail loans, which grew +20% QoQ. On a YoY basis, corporate loans grew ~70%, agri and retail grew ~35% while SME loans remained flat. In 3QFY11, the proportion of personal loans in overall retail loans grew to 16% v/s 8% a quarter ago. During the quarter, the bank financed personal loans for government housing schemes which is likely to run off in next two quarters. This proportion contributed ~18% of the incremental growth.

While reported loan growth over 1Q-3QFY11 is very strong at 35%+ due to lower base, growth will moderate to 28-30% in 4QFY11 on a higher base. We have increased our estimate of loan growth to 27.5% in FY11 v/s 25% earlier and have kept FY12-13 growth estimates unchanged at 25%. To grow 27.5% in FY11, the bank will have to grow ~8% from 9MFY11 levels.

On reported basis, deposits were flat QoQ at Rs1.56t and grew ~37% YoY (on a lower base). The proportion of wholesale deposits (calculated) remained stable at ~43% QoQ but higher than 35% a year ago. CASA growth on average daily basis stood at 36%, SA growth stood at 35% YoY and CA growth was 38% YoY. Reported CASA ratio stood at ~41% (v/s 40% a quarter ago).

Adjusted fees grew 25% YoY

Reported fee income (including treasury fees) grew ~20% YoY (and 14% QoQ), driven by higher corporate fees (+36% YoY and +18% QoQ, indicates increased sanctions / non-fund-based activity). While large and mid-corporate fee income is strong, muted growth in agri and SME division (down 6% YoY) and business banking (down 5% YoY) disappointed.

The bank had changed the policy of recognizing commission income on guarantees (from upfront recognition when guarantee becomes due to pro-rata basis over the period of guarantee). As a result, other/fee income in 3QFY10 was higher by Rs280m. Adjusted for this change in accounting policy, fee income grew ~25% YoY. Going forward, we believe fee income growth would roughly track asset growth; we model fee income CAGR of ~23%.

Improvement in margins - a positive surprise

Margins surprised us positively, with 13bp QoQ improvement to 3.81% despite cost of funds increasing 4bp QoQ. While on a reported basis, CD ratio increased to 79% from 71% a quarter ago, the bank has reported average daily CD ratio of 72-73% (largely stable QoQ). Strong traction in CASA deposits, improved yield on funds (due to change in PLR and base rate) led to improvement in margins QoQ. On a reported basis, we expect the bank to report 15-20bp decline in margins for 4QFY11. Still, FY11 blended margin decline over FY10 is unlikely to be more than 5bp.

Asset quality surprised positively

Axis Bank reported gross NPAs of 1.09% (down 3bp QoQ) and net NPAs of 0.29% (down 5bp QoQ). In absolute terms, reported gross NPAs increased 9% QoQ due to lower write-offs and net NPAs declined 6% QoQ led by improvement in PCR (calculated) to 74% from 70% a quarter ago. Provision coverage including prudential write-offs stands at ~82% v/s ~80% a quarter ago.

Slippages during the quarter stood at Rs3.3b, leading to annualized slippage ratio of 1.3% v/s 1.65% in 1HFY11 and 2.2% in FY10. Slippages during the quarter include slippages of Rs260m from restructured loans. While the bank has added Rs1.63b worth of loans to restructured category, Rs260m have slipped and Rs800m were repaid. On a QoQ basis, net restructured loans have increased by Rs560m. Of the gross level of peak restructured loans of Rs32b, Rs5.85b (~18% of the restructured loans) have already slipped into NPA category. Outstanding standard restructured loans stood at Rs21.2b (~1.7% of the loan book).

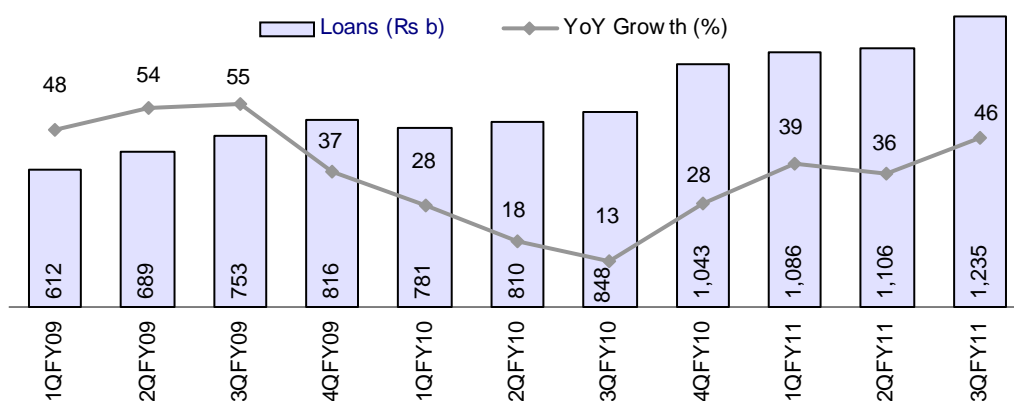
Valuation and view

Strong loan growth, improvement in margins and better asset quality are some of the key positive surprises. While we believe some stress on asset quality still prevails, strong core operating profits growth will help the bank to absorb higher credit cost.

We expect the bank to report a loan CAGR of ~25% and fee CAGR of ~23% over FY11-13. We upgrade our profit estimate by ~3% for FY11, to factor in higher NII growth. We estimate BV of Rs462 in FY11 and Rs542 in FY12. We expect EPS to be Rs81 in FY11 and Rs98 in FY12. The stock trades at 2.3x FY12E and 1.9x FY13E BV, and 12.6x FY12E and 10.6x FY13E EPS. We expect RoE of 19-20% and RoA of ~1.6% over FY11-13. Maintain **Buy**, with a target price of Rs1,625 (3x FY12E BV) - 30%+ upside.

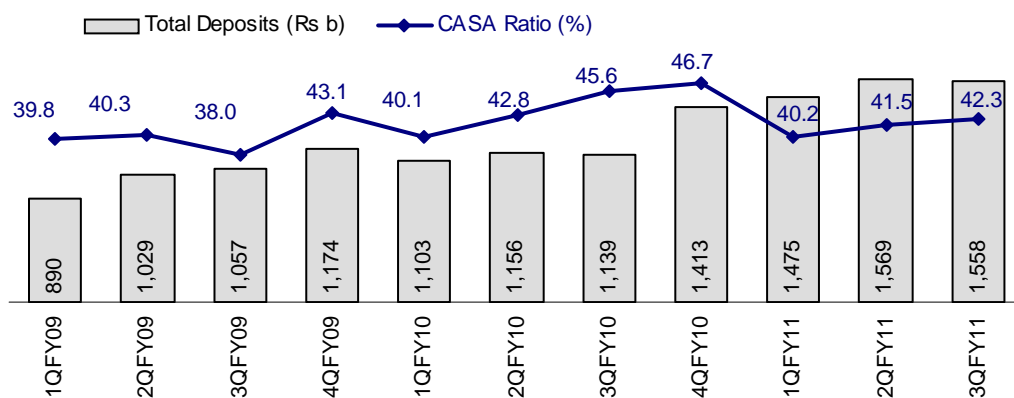
Strong loan growth on a lower base

The bank reported loan growth of 46% in 3QFY11 on a lower base; however on a higher base, growth will moderate to 28% in 4QFY11



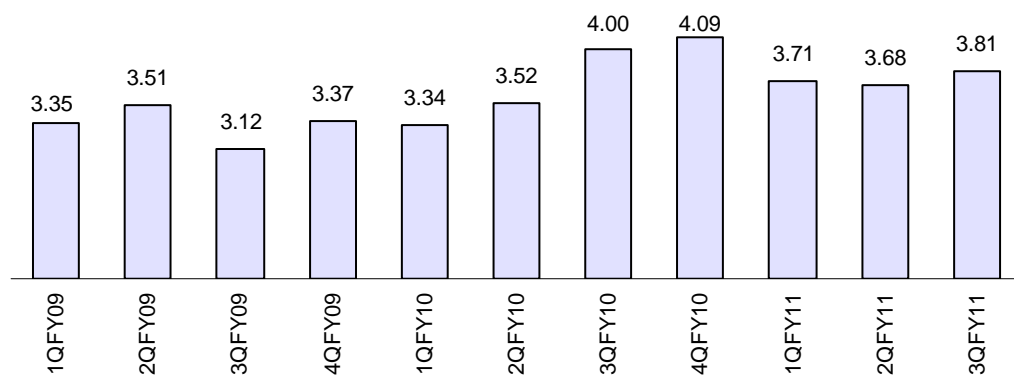
Trend in deposit and CASA ratio

CASA grew 36% YoY on average daily basis; average daily CASA ratio stood at 41%



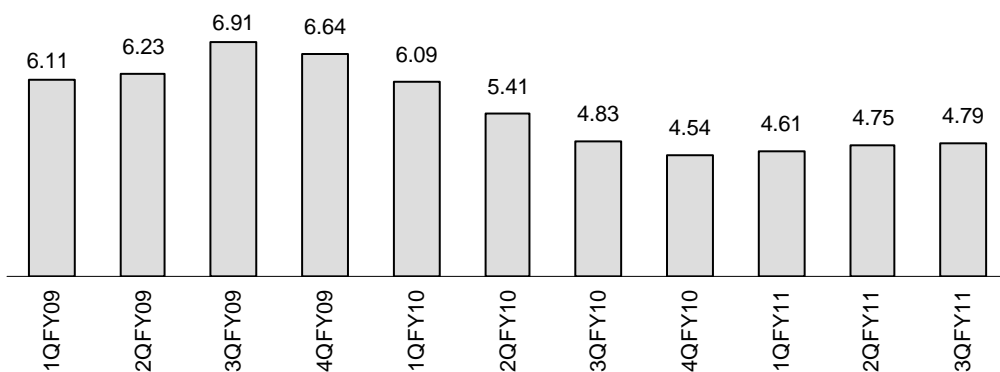
NIM improved QoQ (%)

Management has guided 15-20bp QoQ decline in margins in 4QFY11, led by higher cost of funds



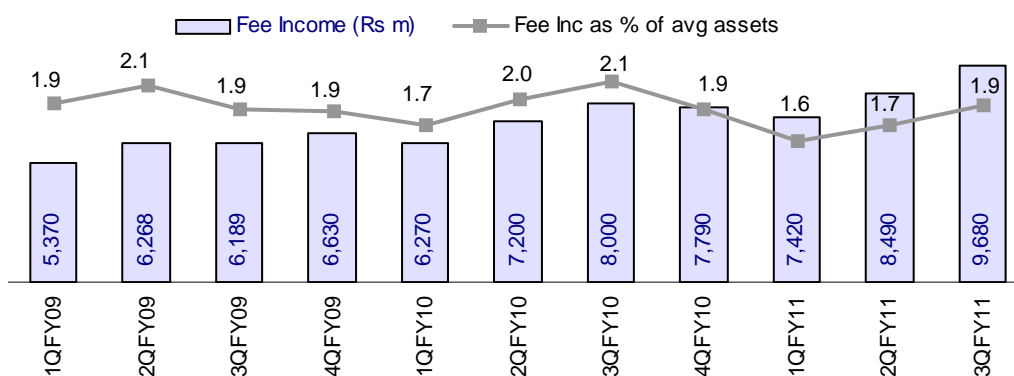
Source: Company/MOSL

Trend in cost of funds (%)



Fee income growth on the expected lines

In 3QFY11, adjusted fee income grew 25% YoY v/s reported growth of ~20% YoY



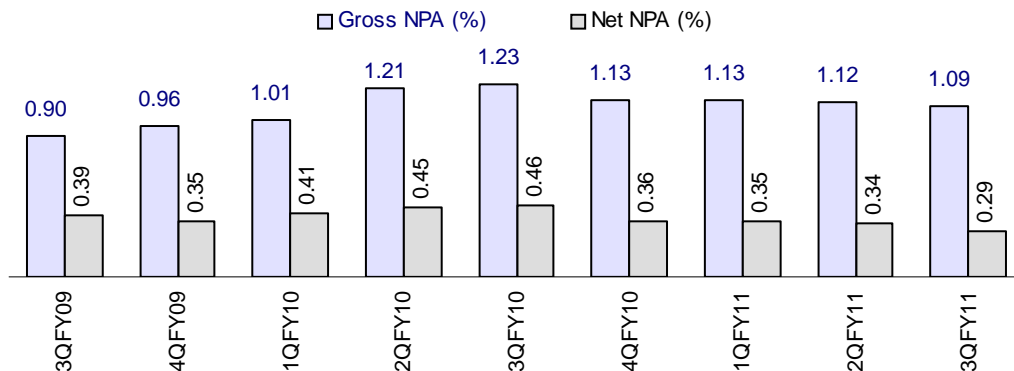
YoY growth in various fee income streams (%)

Strong growth in corporate fees leading to 14% QoQ growth in fee income



Trend in GNPA and NNPA ratio (%)

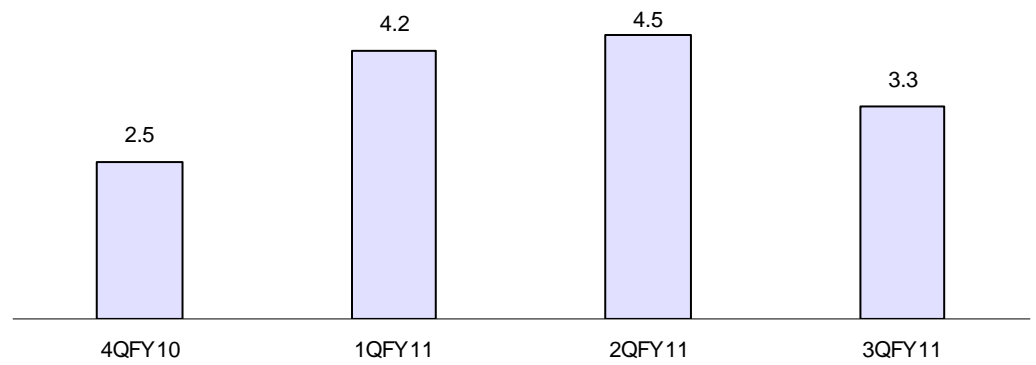
Asset quality stable QoQ



Source: Company/MOSL

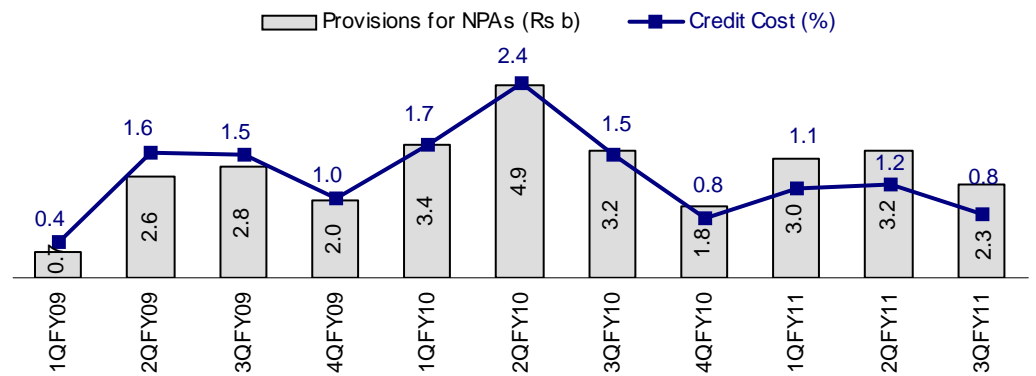
Trend in slippages (Rs b)

Slippages down sharply; a positive surprise



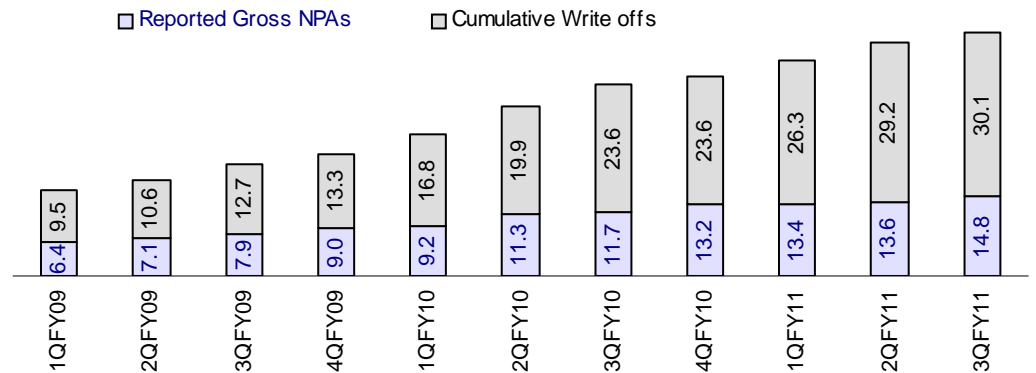
Trend in credit cost

Provisions for NPA and credit cost came down sharply

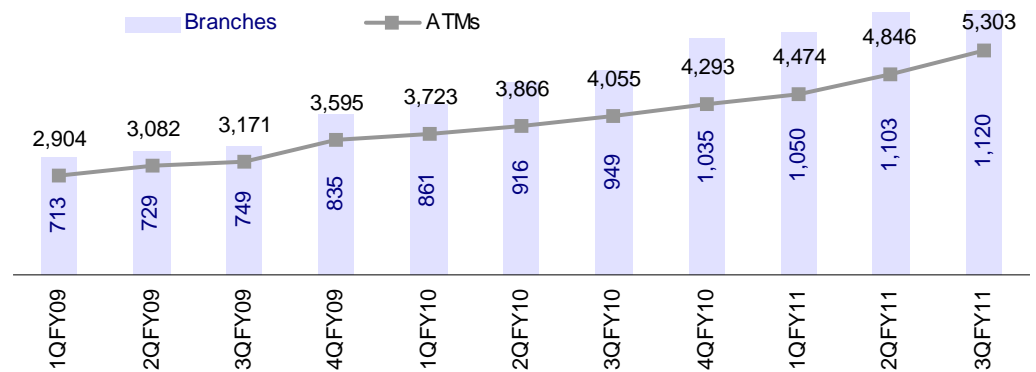


Trend in GNPA and write-offs (Rs b)

Write-offs of Rs0.9b during the quarter



Franchise build-up continues



Source: Company/MOSL

Axis Bank: an investment profile

Company description

Axis Bank is a private sector bank in India, with a balance sheet size of Rs2.06t. Promoted by UTI in 1994, it has a countrywide presence through 1,120 branches and extension counters across 734 locations and 5,303 ATMs. With assets clocking 40% CAGR and PAT clocking 47.6% CAGR over the past 10 years, Axis Bank has emerged as one of the best run banks in India.

Key investment argument

- Higher than industry average loan growth with ability to sustain NIM of ~3.5% augurs well for the core operations of the bank.
- The bank's key strengths are its ability to grow CASA deposits (CAGR of 41% over FY05-10) and diversified fee income (CAGR of 50% over FY05-10).
- The bank has built a strong retail network on the platform of best technology and quality staff.

Key investment risks

- Higher than expected deterioration in asset quality due to fast loan growth (46% CAGR over FY05-10) in the past.

Comparative valuations

		AxisBank	HDFC Bank	ICICI Bank*
P/E (x)	FY11E	15.2	24.6	22.6
	FY12E	12.6	18.8	17.7
P/BV (x)	FY11E	2.7	3.8	2.1
	FY12E	2.3	3.3	1.9
RoE (%)	FY11E	18.9	16.6	11.7
	FY12E	19.5	18.7	13.9
RoA (%)	FY11E	1.6	1.6	1.3
	FY12E	1.6	1.7	1.4

* Price adjusted for value of key ventures and BV adjusted for investments in those key ventures

Shareholding Pattern (%)

	Dec-10	Sep-10	Dec-09
Promoter	37.4	37.5	38.8
Domestic Inst	5.3	5.5	8.4
Foreign	45.8	46.0	39.6
Others	11.6	10.9	13.3

Recent developments

- Axis Bank has acquired the broking and IB business of Enam Securities through share swap in the ratio of 5.7:1, leading to effective dilution of 3.3% of the enlarged equity capital base.

Valuation and view

- We expect bank to report a loan CAGR of ~25% and PAT CAGR of 20% over FY11-13.
- We expect RoE of 19-20% in FY11-13 and RoA of ~1.6% over FY11-13.
- Stock trades at 2.3x FY12E BV and 1.9x FY13E BV and 12.6x FY12E EPS, 10.6x FY13E EPS. **Buy.**

Sector view

- Loan growth continues to remain 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 thus allaying the pressure of significant NIMs compression.
- We believe that margins going ahead would start compressing but gradually. With strong loan growth and high CD ratio there is a strong pricing power with banks.
- Banks with high CASA deposits and lower proportion of bulk deposits will be preferred bets.

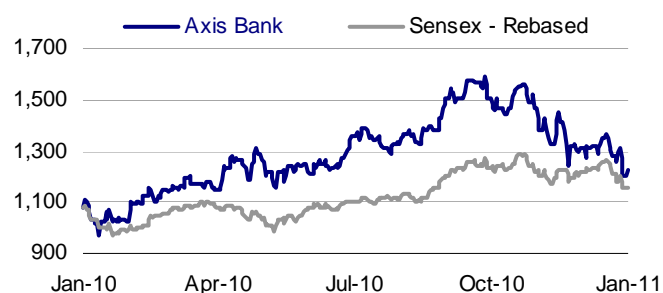
EPS: MOSL forecast v/s Consensus (Rs)

	MOSL forecast	Consensus forecast	Variation (%)
FY11	80.9	78.0	3.7
FY12	97.6	99.6	-2.0

Target Price and Recommendation

Current Price (Rs)	Target Price (Rs)	Upside (%)	Reco.
1,228	1,625	32.3	Buy

Stock performance (1 year)



Financials and Valuations

INCOME STATEMENT		(Rs Million)				
Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
Interest Income	70,053	108,355	116,380	149,427	193,353	245,978
Interest Expense	44,200	71,493	66,335	83,208	116,116	153,312
Net Interest Income	25,854	36,862	50,045	66,220	77,237	92,666
<i>Change (%)</i>	<i>76.1</i>	<i>42.6</i>	<i>35.8</i>	<i>32.3</i>	<i>16.6</i>	<i>20.0</i>
Non Interest Income	17,955	28,969	39,458	45,356	54,334	65,273
Net Income	43,808	65,831	89,503	111,575	131,571	157,938
<i>Change (%)</i>	<i>76.8</i>	<i>50.3</i>	<i>36.0</i>	<i>24.7</i>	<i>17.9</i>	<i>20.0</i>
Operating Expenses	21,549	28,582	37,097	48,365	58,038	69,466
Pre Provision Profits	22,259	37,249	52,406	63,210	73,533	88,472
<i>Change (%)</i>	<i>76.1</i>	<i>67.3</i>	<i>40.7</i>	<i>20.6</i>	<i>16.3</i>	<i>20.3</i>
Provisions (excl tax)	5,796	9,397	13,892	13,710	14,052	17,565
PBT	16,463	27,852	38,514	49,500	59,481	70,907
Tax	5,753	9,698	13,368	16,706	19,926	23,754
<i>Tax Rate (%)</i>	<i>34.9</i>	<i>34.8</i>	<i>34.7</i>	<i>33.8</i>	<i>33.5</i>	<i>33.5</i>
PAT	10,710	18,154	25,145	32,794	39,555	47,153
<i>Change (%)</i>	<i>62.5</i>	<i>69.5</i>	<i>38.5</i>	<i>30.4</i>	<i>20.6</i>	<i>19.2</i>
Equity Dividend (Incl tax)	2,516	4,205	5,674	6,078	7,293	8,914
Core PPP*	19,608	33,735	43,521	55,110	64,783	78,972
<i>Change (%)</i>	<i>66.3</i>	<i>72.1</i>	<i>29.0</i>	<i>26.6</i>	<i>17.6</i>	<i>21.9</i>

*Core PPP is (Nil+Fee income-Opex)

BALANCE SHEET		(Rs Million)				
Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
Equity Share Capital	3,577	3,590	4,052	4,052	4,052	4,052
Reserves & Surplus	84,108	98,546	156,393	183,109	215,371	253,610
Net Worth	87,685	102,136	160,444	187,161	219,422	257,662
Deposits	876,262	1,173,741	1,413,002	1,723,863	2,154,828	2,693,535
<i>Change (%)</i>	<i>49.1</i>	<i>33.9</i>	<i>20.4</i>	<i>22.0</i>	<i>25.0</i>	<i>25.0</i>
of which CASA Dep	400,270	506,437	660,295	809,285	981,724	1,191,032
<i>Change (%)</i>	<i>70.8</i>	<i>26.5</i>	<i>30.4</i>	<i>22.6</i>	<i>21.3</i>	<i>21.3</i>
Borrowings	90,535	155,199	171,696	227,764	272,349	316,107
Other Liabilities & Prov.	41,298	46,145	61,336	74,111	85,647	99,047
Total Liabilities	1,095,779	1,477,220	1,806,479	2,212,899	2,732,247	3,366,351
Current Assets	125,042	150,169	152,064	168,813	219,596	275,679
Investments	337,051	463,304	559,748	643,710	772,452	926,943
<i>Change (%)</i>	<i>25.3</i>	<i>37.5</i>	<i>20.8</i>	<i>15.0</i>	<i>20.0</i>	<i>20.0</i>
Loans	596,611	815,568	1,043,431	1,330,375	1,662,968	2,078,711
<i>Change (%)</i>	<i>61.8</i>	<i>36.7</i>	<i>27.9</i>	<i>27.5</i>	<i>25.0</i>	<i>25.0</i>
Fixed Assets	9,229	10,729	12,225	21,237	21,152	20,529
Other Assets	27,846	37,451	39,011	48,763	56,078	64,489
Total Assets	1,095,779	1,477,220	1,806,479	2,212,899	2,732,247	3,366,351

ASSET QUALITY		(%)				
GNPA (Rs M)	4,946	8,978	13,180	15,651	16,630	20,787
NNPA (Rs M)	2,483	3,271	4,190	4,695	4,989	6,236
GNPA Ratio	0.83	1.09	1.25	1.17	0.99	0.99
NNPA Ratio	0.42	0.40	0.40	0.35	0.30	0.30
PCR (Excl Tech. write off)	49.8	63.6	68.2	70.0	70.0	70.0
PCR (Incl Tech. Write off)			72.4	80.0	79.6	78.2

E: MOSL Estimates

Financials and Valuations

RATIOS

Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
Spreads Analysis (%)						
Avg. Yield-Earning Assets	8.5	9.3	7.8	8.1	8.6	8.9
Avg. Yield on loans	9.8	10.6	8.6	8.6	9.1	9.4
Avg. Yield on Investments	6.9	7.6	6.7	7.4	7.6	7.7
Avg. Cost-Int. Bear. Liab.	5.4	6.2	4.6	4.7	5.3	5.6
Avg. Cost of Deposits	5.1	6.1	4.4	4.6	5.3	5.7
Interest Spread	3.1	3.1	3.2	3.4	3.3	3.2
Net Interest Margin	3.1	3.2	3.3	3.6	3.4	3.3
Profitability Ratios (%)						
RoE	17.6	19.1	19.2	18.9	19.5	19.8
RoA	1.2	1.4	1.5	1.6	1.6	1.5
Int. Expense/Int. Income	63.1	66.0	57.0	55.7	60.1	62.3
Fee Income/Net Income	34.9	38.7	34.2	33.4	34.6	35.3
Non Int. Inc./Net Income	41.0	44.0	44.1	40.7	41.3	41.3
Efficiency Ratios (%)						
Cost/Income*	51.8	45.4	45.0	45.6	46.2	45.9
Empl. Cost/Op. Exps.	31.1	34.9	33.9	35.1	35.1	35.1
Busi. per Empl. (Rs m)	82.4	83.9	102.7	116.6	136.7	161.2
NP per Empl. (Rs lac)	0.7	0.9	1.2	1.4	1.6	1.8
* ex treasury						
Asset-Liability Profile (%)						
Loans/Deposit Ratio	68.1	69.5	73.8	77.2	77.2	77.2
CASA Ratio	45.7	43.1	46.7	46.9	45.6	44.2
Investment/Deposit Ratio	38.5	39.5	39.6	37.3	35.8	34.4
G-Sec/Investment Ratio	59.9	59.8	61.1	67.0	69.7	72.6
CAR	13.7	13.7	15.8	13.9	12.3	11.2
<i>Tier 1</i>	<i>10.2</i>	<i>9.3</i>	<i>11.2</i>	<i>10.1</i>	<i>9.2</i>	<i>8.6</i>
VALUATION						
Book Value (Rs)	245.1	284.5	396.0	461.9	541.6	635.9
<i>Change (%)</i>	<i>103.5</i>	<i>16.1</i>	<i>39.2</i>	<i>16.7</i>	<i>17.2</i>	<i>17.4</i>
Price-BV (x)	5.0	4.3	3.1	2.7	2.3	1.9
Adjusted BV (Rs)	240.6	278.6	389.3	454.4	533.5	625.9
Price-ABV (x)	5.1	4.4	3.2	2.7	2.3	2.0
EPS (Rs)	29.9	50.6	62.1	80.9	97.6	116.4
<i>Change (%)</i>	<i>28.0</i>	<i>68.9</i>	<i>22.7</i>	<i>30.4</i>	<i>20.6</i>	<i>19.2</i>
Price-Earnings (x)	41.0	24.3	19.8	15.2	12.6	10.6
Dividend Per Share (Rs)	4.5	6.0	10.0	12.0	15.0	18.0
Dividend Yield (%)	0.4	0.5	0.8	1.0	1.2	1.5
<i>E: MOSL Estimates</i>						



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Axis Bank

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| 2. Group/Directors ownership of the stock | No |
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