ENAM Securities
India Research

CMP: Rs 251
Target Price: Rs 292
Potential Upside: 16%
Absolute Rating: BUY

IndusInd Bank

Relative to Sector: **Neutral**

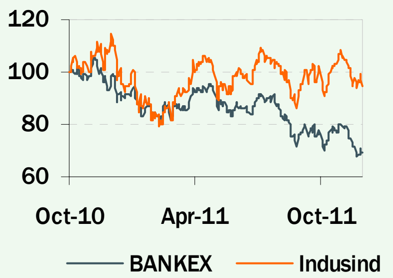
BFSI

Stock Data

No. of shares	: 467 mn
Market cap	: Rs 117 bn
52 week high/low	: Rs 309/ Rs 181
Avg. daily vol. (6mth)	: 628,700 shares
Bloomberg code	: IIB IB
Reuters code	: INBK.BO

Shareholding (%)		Sep-11	QoQ chg
Promoters	:	19.5	(0.0)
FIIs	:	35.2	0.5
MFs / UTI	:	6.7	(1.0)
Banks / FIs	:	0.5	0.1
Others	:	38.1	0.4

Relative Performance



Source: ENAM Research, Bloomberg

Defensive play on strong retail biz

Financial Summary

Y/E Mar	PAT (Rs mn)	FDEPS (Rs)	EPS chg (%)	P/E (x)	BV (Rs)	Adj. BV (Rs)	P/BV (x)	P/Adj. BV (x)	RoE (%)	RoA (%)	Net NPA (%)
2010	3,503	9	104	29	53	51	4.8	4.9	19	1.1	0.5
2011	5,773	12	45	20	82	81	3.1	3.1	19	1.4	0.3
2012E	7,738	17	34	15	96	95	2.6	2.6	19	1.5	0.3
2013E	9,816	21	27	12	113	112	2.2	2.2	20	1.6	0.2

Source: Company, ENAM Research

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November 30, 2011

Key investment highlights…

- **Differentiated business model – provides structural pillars to the bank**
  - IndusInd Bank (IIB) is pre-dominantly an asset finance player (vehicle & CE finance forms ~45% of loans), with strong domain expertise. In 2004, Ashok Leyland Finance (an asset finance NBFC) was merged into the bank
    - Vehicle & CE financing ensures better than industry margins *(~3.6% in FY11)*
    - Better ALM mgmt due to low duration of vehicle loans (avg. tenure of CV is ~2 yrs)
    - Stringent risk management practices ensure lower NPAs in the segment. The bank also has branch-focused asset quality monitoring system in place at its specialized vehicle finance outlets (590 outlets)
    - Strong growth – despite slowing CV industry growth, IIB's vehicle finance growth has remained healthy (avg ~35% growth over last six quarters)
- **Diversified corporate lending makes sure that the bank remains relatively insulated from industry-specific shocks**
  - No individual industry (other than vehicle finance) has more than 6% share of the total loan book *(refer slide 11)*
  - Negligible exposure towards the troubled industries (such as Aviation, MFI & Telecom 2G) along with one of the lowest restructured book (~0.3%), ensures lower slippages in coming quarters
- **Strong management team at the helm**
  - Core fundamentals improved significantly post FY08, wherein the entire business model was restructured by the new management team led by Mr. Romesh Sobti (joined in 2008 from ABN Amro Bank)
  - In phase-I (FY09–FY11), ROA of the bank improved from 0.3% in FY08 to 1.4% in FY11 *(refer slide 4)*

…Key investment highlights

- **Promising phase-II (FY12E–FY14E) – focus on Growth, Margins and Fee boosters**
  - By FY14E, IIB aims to double its balance sheet size to reach ~Rs 950 bn (Rs 456 bn in FY11)
  - Margins to be supported by improving CASA franchise and increased share of high yielding products (such as Used CV, Loans against Property - LAP & Credit cards)
    - Mgmt aims to increase the consumer finance (vehicle, CE and retail) share to 50% from existing 47% of total advances
    - The bank targets ~35% CASA ratio by FY14E (~27% in FY11)
  - Fee income profile to be strengthened (supported by initiatives like the recent tie-up with HDFC Ltd for mortgages origination business). The bank targets to grow its fee income above B/S growth in coming years
- **Valuations**
  - IIB has witnessed significant improvement across parameters supported by a strong mgmt team, which has well planned future goals. The diversified and secured retail portfolio is likely to support margins and asset quality going ahead. The stock is currently trading at 12x FY13E EPS of Rs 21 and 2.2x FY13E ABV of Rs 112. **We initiate coverage with BUY rating and TP of Rs 292** (14x FY13E EPS and 2.6x FY13E ABV) – upside of 16% from CMP of Rs 251
- **Key risk factors**
  - **Higher slippages in newer businesses (viz. credit card and Used CV)** to impair asset quality
  - **Slowdown in CV cycle:** Growth objectives may not be achieved if there is a material slowdown in CV cycle

Improved fundamentals; to strengthen further

- **IIB's recent and expected future performances are defined in 2 phases:**
  - Phase I: FY09 to FY11 – growth foundation was laid with restructuring of existing business and processes
  - Phase 2: FY12E to FY14E – building on the foundation with strong focus on growth, fee income and CASA franchise

- **Phase-I witnessed ROA improvement to 1.4% in FY11 (from 0.3% in FY08), along with visible improvement in operating parameters. We expect phase-II to witness further improvement from current levels across various financial parameters**

Phase I
FY09 to FY11

Phase II
FY12E to FY14E

%	FY08	FY11	FY13E	Comments
ROA	0.3	1.4	1.6	Return ratios improved as a result of revamp of overall business processes, improvement in margins, efficiency in costs and improvement in asset quality Returns are expected to improve further, with focus on improving the CASA franchise and enhancing fee income
ROE	6.9	19.3	20.1	
Gross NPA ratio	3.0	1.0	1.0	Expertise in vehicle finance along with branch level focus led to visible improvement in asset quality Mgmt is confident of keeping credit quality strong with (1) Strong risk mgmt practices (2) No industry concentration (3) Insignificant exposure to troubled industries (such as MFI, aviation, telecom 2G)
Net NPA ratio	2.3	0.3	0.2	
Provisioning coverage ratio	26	73	75	
Cost to income	67	48	47	C/I has improved as a result of higher growth in net income
CASA ratio	16	27	30	CASA ratio is expected to improve supported by an expansion in retail franchise
NIM	1.5	3.6	3.7	Margins to remain healthy supported by increased CASA ratio and an increase in share of high yielding products

Source: Company, ENAM Research

About the Bank

- **IIB is a private sector bank which started its operations in 1994. It merged the operations of Ashok Leyland Finance (ALF) with itself in 2004**
  - IIB currently has a balance sheet size of ~Rs 505 bn, with a loan book of Rs 301 bn
- **With joining of new mgmt team in 2008, the bank set out to chart a different trajectory with focus on strong and profitable growth**
  - With rollout of new and restructuring of existing branches, the bank's overall productivity has improved
  - Liability franchise was created which helped in expansion of margins
- **Experienced management team**
  - **Romesh Sobti (MD & CEO):** He was previously with ABN Amro Bank and took charge of IIB as the MD & CEO in 2008. He has over 33 years of rich experience in the banking industry and is credited with making IIB a high return generating bank
  - In January 2011, he has been **re-appointed as the MD and CEO for three years** (up to January 2014)

Chronology of key events

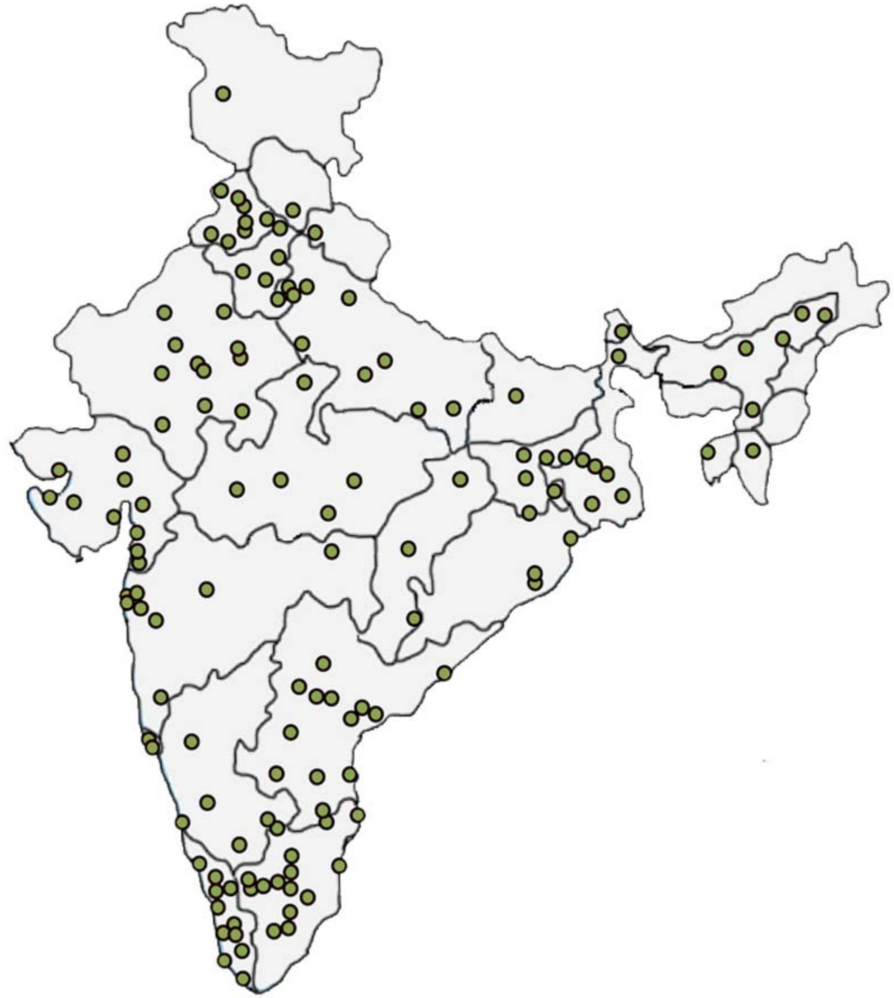
Year	Event
1994	**Incorporated in 1994**
1998	**Initial Public Offer - raised Rs 1.8 bn**
2002	Tie ups with exchange houses in Middle East and banks in US
2003	IndusInd Enterprises & Finance Ltd (an NBFC) amalgamated with the Bank
2004	**Ashok Leyland Finance Ltd merged with the bank** Opened a representative office in Dubai
2005	Opened a representative office in London
2006	Tied up with Aviva Life Insurance for bancassurance Tied-up with Religare Securities for offering 3-in-1 account covering banking, depository & securities trading
2007	Tied up with Cholamandalam for general insurance distribution Signed agreement with NMCE as clearing banker
2008	**New management team headed by Mr. Romesh Sobti inducted from ABN AMRO Bank NV** New Launch/Rollout: Mid market Investment Bank, 3rd Party Distribution Platform
2009	QIP Issue – Raised Rs 4.8 bn
2010	Awarded the "Technology Bank of the Year-2009" from IBA QIP Issue – Raised Rs 11.7 bn
2011	**Acquired credit card business of Deutsche Bank** Tied up with HDFC Ltd for mortgage sourcing

Source: Company, ENAM Research

Presence across the country

- IIB has a pan-India presence in 28 States and Union Territories with a network of 350 branches and 666 ATMs
  - Apart from the main branches, the bank also has ~590 outlets which are specialized centers for vehicle financing (part of them are erstwhile Ashok Leyland Finance centers)
  - IIB has few branches which operate 365 days to enable client engagement and help in creating brand awareness and better servicing
  - The bank also has representative offices in Dubai and London
- IIB plans to add 100 new branches in FY12E – and aims to create a network of 650 branches by FY14E
  - Majority of the expansion is targeted in top 20 cities with focus on North, West and South India
- ATMs are rolled out on an outsourced basis, which helps in keeping costs under check
  - The bank targets to reach 1,800 ATMs (from current 666) by FY14E

Pan-India Branch Network

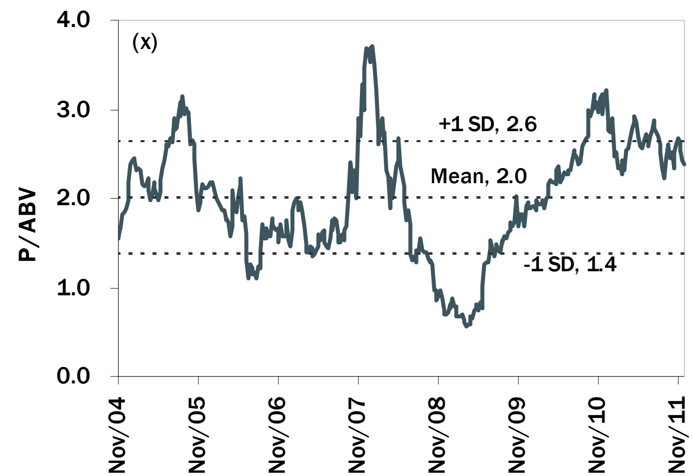


Source: Company

Peer comparison

- IIB is expected to generate an ROE of ~20% and an ROA of ~1.6% (FY13E) backed by superior operating metrics and quality management
  - IIB's core biz has structural pillars, which renders it with higher return generating capacity on a sustainable basis
    - High business growth (Last 3-Yr CAGR of 24%) with a diversified loan book
    - Strong NIMs (3.6% in FY11) supported by improving CASA and increasing share of high yielding assets
    - Robust risk management system (GNPA at ~1.1%) and low exposure to troubled industries (restructured assets at 0.3%)

IIB: Historical Valuation - 12mth fwd P/ABV



Source: Company, ENAM Research

Peer Comparison

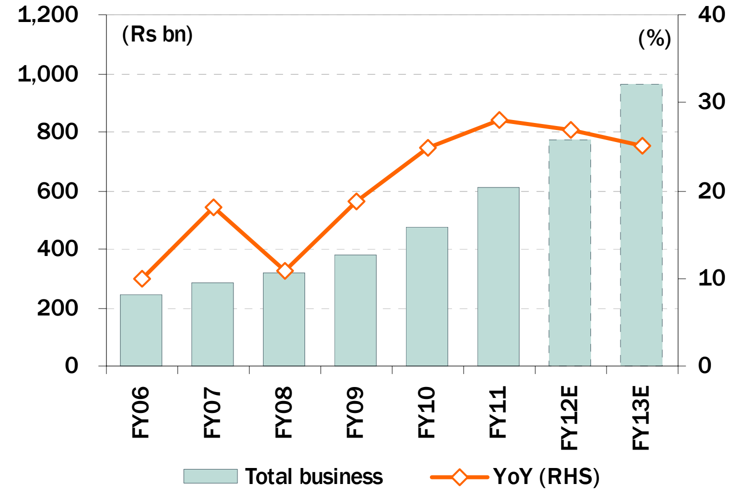
	Mcap	FY11			FY13E			
	(Rs bn)	GNPA (%)	Tier - I (%)	NIM (%)	ROE (%)	ROA (%)	P/E (x)	P/BV (x)
KMB	343	1.7	18.0	5.6	16	2.2	17	2.4
IndusInd	**117**	**1.0**	**12.3**	**3.6**	**20**	**1.6**	**12**	**2.2**
Yes Bk	96	0.2	9.7	2.7	23	1.4	8	1.7
Fed Bk	61	3.5	15.6	4.2	15	1.3	7	1.0
ING Vysya	45	2.3	9.4	2.9	13	1.1	8	1.0

Source: Company, ENAM Research, Bloomberg estimates for KMB, and Fed Bank

Business growth

- **Business (i.e. advances plus deposits) growth has been above industry since April 2008**
  - Business growing at 24% CAGR since FY09 against 13% CAGR witnessed over FY06–FY08
  - Post Apr-08, focus on core business has gained traction as a result of extensive restructuring, branch refurbishing and training of employees
  - We expect the strong business momentum to continue driven by its increasing retail franchise and diversified product suite
  - By FY13E, we expect total business to grow to Rs 961 bn (2-yr CAGR of ~26%)

Total Business Growth is strong



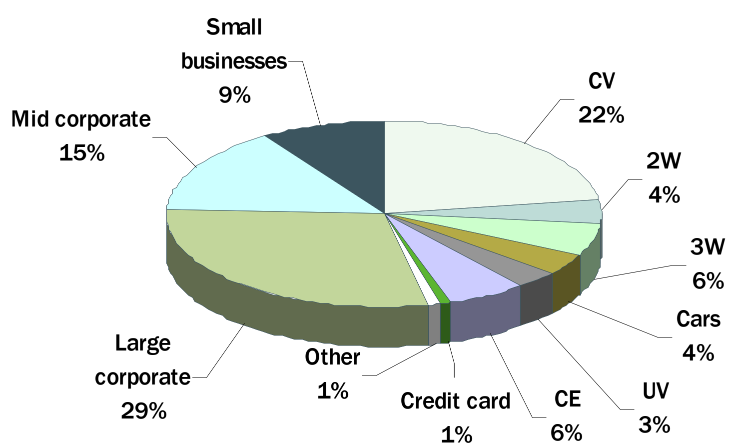
Source: Company, ENAM Research

- **The bank offers a wide range of products and services to corporate, commercial and retail customers through various delivery channels**
  - IIB has ~3,000 corporate clients and over 1 mn retail clients on the liability side
  - It finances more than 40,000 vehicles per month, which also helps in generating fee income (insurance cross sell)
  - Apart from regular bank branches, IIB has ~590 dedicated outlets for vehicle financing
  - It targets to open ~350 branches in the next three years, with prime focus on expanding its retail base and fee income
  - With the recent acquisition of Deutsche Bank's credit cards business, IIB has created an entire range of products offerings

Credit book – driven by vehicle finance…

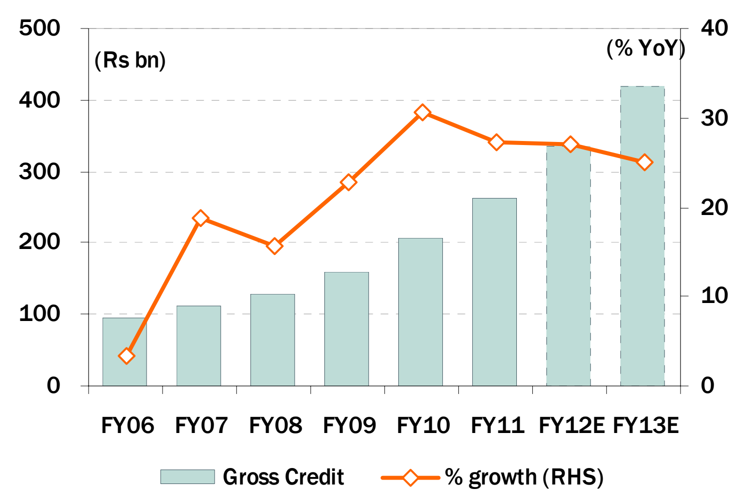
- **The credit book is dominated by vehicle & CE finance with 45% share in the overall loan book**
  - Almost half of the vehicle/CE finance is contributed by commercial vehicles (~22% of overall loan book)
  - The bank is one of the top-most financiers for commercial vehicles sold by Tata Motors and Ashok Leyland, which are the leading CV makers in the country. On an average, it finances 3 vehicles of Tata Motors compared to 1 vehicle of Ashok Leyland
  - The large share of vehicle/CE finance (45%) provides support to the blended loan yields, without any stress on asset quality (overall Net NPA at ~0.3% in Sep-11)
- **The industrial credit book (53% of loans) is well diversified with significant industry concentration. The management intends to bring down the share of industrial credit book to ~50% over next three years**
- **Loan book has grown at a 3-Yr CAGR of 27%, and we expect this grow at ~26% CAGR over next 2 years**

Diversified Loan book* (Sep-11)



* Loan book Rs 301 bn (Sep-11)

Gross Credit Growth



Source: Company, ENAM Research

...with continued focus on high yield products

- **The bank continues to focus on its vehicle and retail segments (referred as 'consumer finance business' by the bank)**
  - As per the mgmt, they will increase the share of consumer finance business to 50% by FY14E (which is currently at ~47%)
  - The increase in share will support margins as these products yield higher rates compared to corporate and commercial finance book
- Increase in lending towards **high yielding assets** such as LAP, Used CV, and credit cards too would help in protecting margins at current levels (NIM at ~3.6% in FY11)
- **It has recently bought the credit cards business of Deutsche Bk India (book of ~ Rs 2.4 bn; <1% share of IIB's loans)**
  - As per the mgmt, the acquired book is seasoned and has a healthy asset quality. This book has already started contributing to the top line of the bank

Lending profile of IIB

	Loan (Rs bn)	% tot loan	Avg loan yields
Vehicle and retail	**141**	**47**	**~16%**
New CV	50	17	~13%
Used CV	~18	~6	~17%
2W	13	4	~22%
3W	17	6	~17%
Cars	11	4	~13.5%
Utility Veh	10	3	na
Cons Equipment	17	6	~14%
Credit card	2	1	~26%
LAP	3	1	~14%
Avg corporate/commercial	**161**	**53**	**~11%**

Source: Company, ENAM Research

Higher yields in vehicle and retail segment enhance margins

The bank targets to increase the share of these segments from current 47% to 50% by FY14E – which would support margins

Diversified industrial lending

ENAM
It's possible!

- No industry segment has more than 6% exposure to the overall loan book
- Insignificant exposure towards troubled sectors such as MFI, Telecom (2G), Infra, and Aviation
- Among industries, IIB's lending to the NBFC sector is the highest with 5.3% share of overall loans
- Low concentration risk – Top 20 borrowers constitute ~21% of the overall loan book

Diversified Lending to various Industries

Corporate loan breakup	% tot loan	Comments
NBFC	5.3	
Construction	4.3	
Real Estate	3.0	Loan to Developers just ~0.5%
Pharma	3.0	
Telecom	3.2	Nil towards 2G/3G
Power Generation	1.8	Power exposure only towards WC loans
Auto Ancilliaries	1.4	
Gems & Jewellery	1.5	
Hospital/Medical	1.2	
Steel	1.0	
Aluminium	1.0	
Other Industries	26.7	MFI just ~0.3%
Total	**53**	

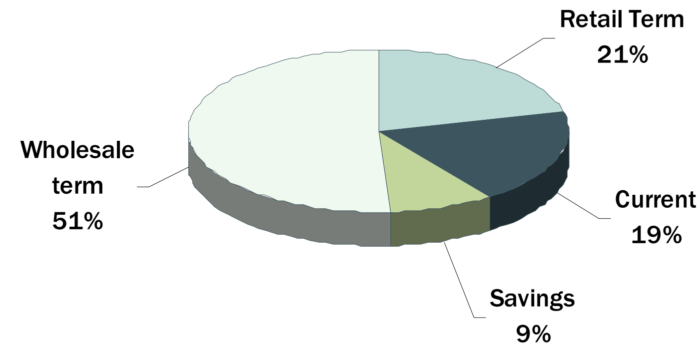
No industry segment has more than 6% exposure to the overall loan book

Source: Company, ENAM Research

Deposit franchise – focusing on retail

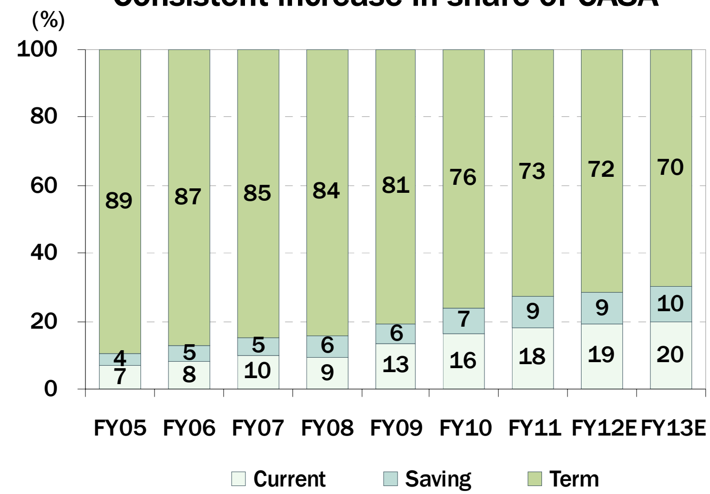
- **IIB's deposits grew at a 22% CAGR over last 3 years to reach Rs 344 bn by FY11, with CASA ratio improving from 16% to 27% over the same period**
  - Deposit growth had kept pace with advances growth up to FY08. However, from FY09 deposit growth lagged advances growth due to **higher redeployment of funds**
    - This led to an increase in avg. loan-to-deposit ratio (LDR) for FY09-FY11 to 75% (66% avg. LDR for FY05-FY08)
  - We expect deposits to grow at a 2-yr CAGR of ~26%
- **The bank targets to reach a CASA ratio of 35% by FY14E; however, we have built in a CASA ratio of 30% by FY13E to factor in current macro headwinds**
  - The bank intends to fund its future growth of fixed rate vehicle loans through the low cost CASA deposits base
  - The branch network that was treated as asset generator are now being re-looked as retail liability generators
    - Large team for CASA acquisition set-up at branch level
    - Strong focus on customer acquisition, customer service, brand awareness drive, entire range of retail product suite
    - IIB is adding ~50,000 CASA customers every month and the average ticket size has also increased by ~25% to Rs 25,000 over the last two years

Deposit* break-up (June 2011)



* Deposit book Rs 353 bn (Jun-11)

Consistent increase in share of CASA

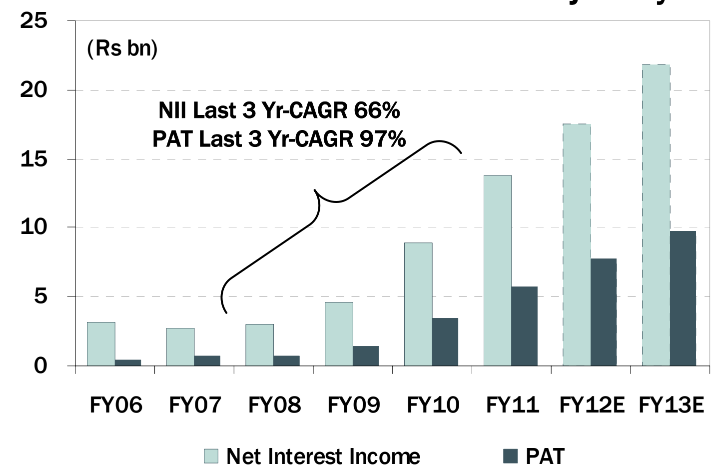


Source: Company, ENAM Research

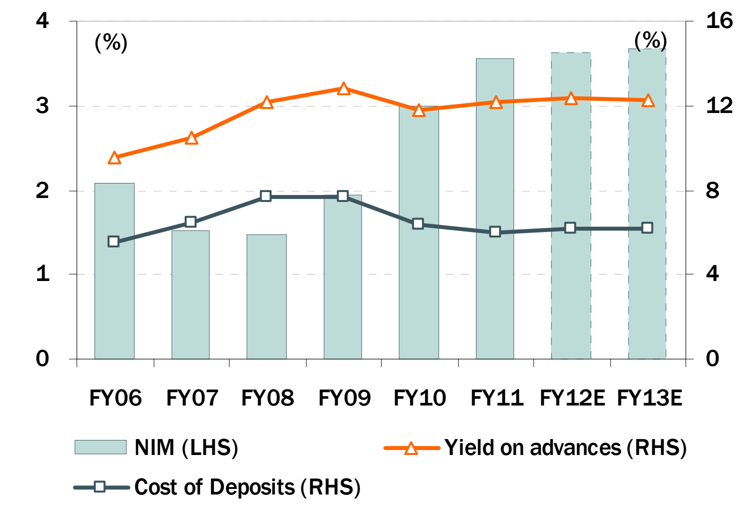
Profitability to be maintained

- **IIB's net profit has risen at a CAGR of ~97% over the last 3-years driven by a mix of improved margins (increased by ~210 bps over FY08-11), strong loan growth (3 yr-CAGR of 27%) and high growth in non-interest income (3 yr-CAGR of ~34%)**
  - Margins more than doubled over last 3 years (from 1.5% in FY08 to 3.6% in FY11) as a result of
    - Increased focus on higher yielding products
    - Build-up of the retail liability franchise (with CASA increasing from 16% in FY08 to 27% in FY11)
- **We expect the bank to maintain above-industry growth in profitability, albeit at a normalized avg. of ~30% over next couple of years**
  - We expect margins to be maintained (with an upward bias), supported by
    - Higher focus on CASA deposit
    - Increase in share of consumer finance (i.e. vehicle + retail products) from current 47% to 50% of the total loans

Net Interest Income and PAT trajectory



Comparative Interest Yield and Cost

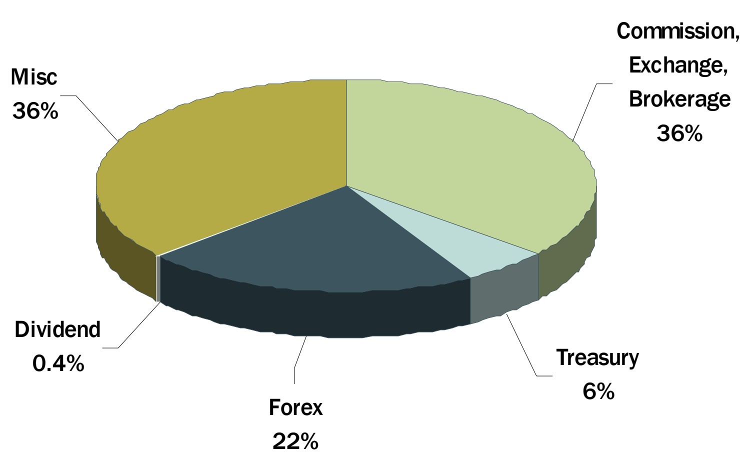


Source: Company, ENAM Research

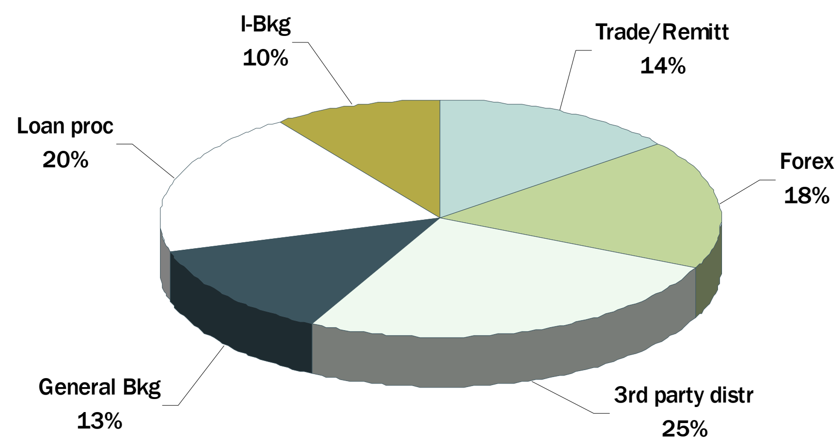
Diversified fee income – a strong contributor to profitability…

- **IIB's non-interest income has been a strong support to the bottom-line and has provided a healthy (34%) contribution to net income in FY11**
  - Non interest income has grown higher than the balance sheet at a 3-Year CAGR of ~34% (vs. B/S growth of 25% CAGR). The core fee income is a major contributor to non interest income (~88% share in FY11)
  - IIB gets 90 bps as origination fee for loans it generates for HDFC along with 50 bps income from insurance and transaction account of the customer. This income is booked upfront by the bank

Non Interest Income breakup - Low share of treasury gains (FY11)



Diversified sources of core fee income (FY11)

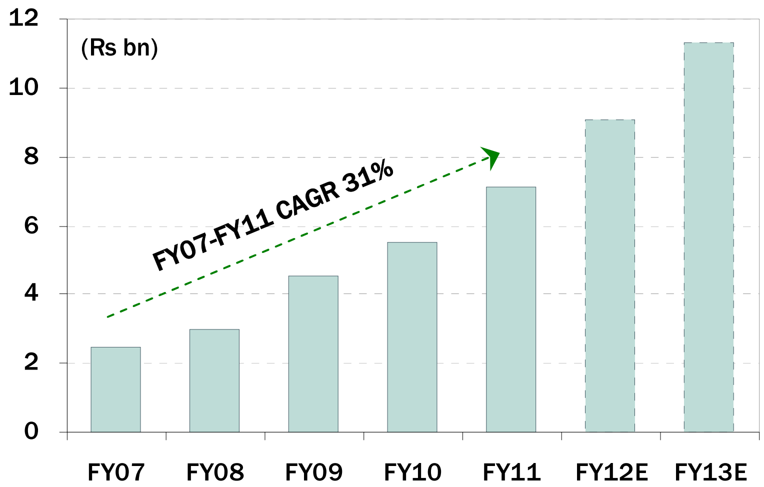


Source: Company, ENAM Research

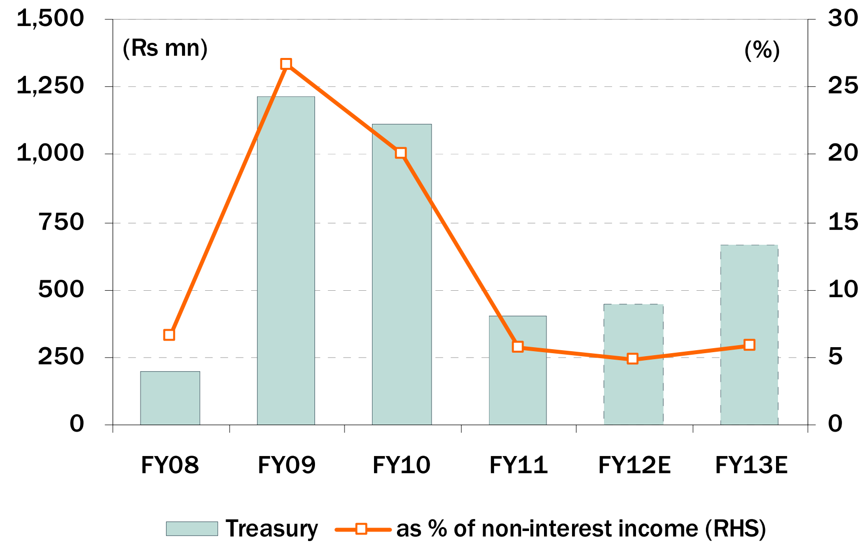
...Fee income growth to be one of the focus areas

- The bank has embarked on various initiatives to give a boost to its fee income growth
  - Tie-up with HDFC, wherein IIB would earn 90 bps origination fee. In addition to this if the customer opts for insurance through IIB they get additional 50 bps for insurance/ transaction account
  - Credit cards business to help in retaining core accounts of customers
  - Tie-ups for cross selling of financial products (Aviva Life for life insurance and Chola MS for general insurance)
  - Investment banking fee to gain traction (Rs 600 mn in FY11)
  - ~76% of ATM transactions at IIB ATMs are from non-IIB customers which help in generating fee income for the bank

Non-interest income growth



Share of treasury income in Non-interest income

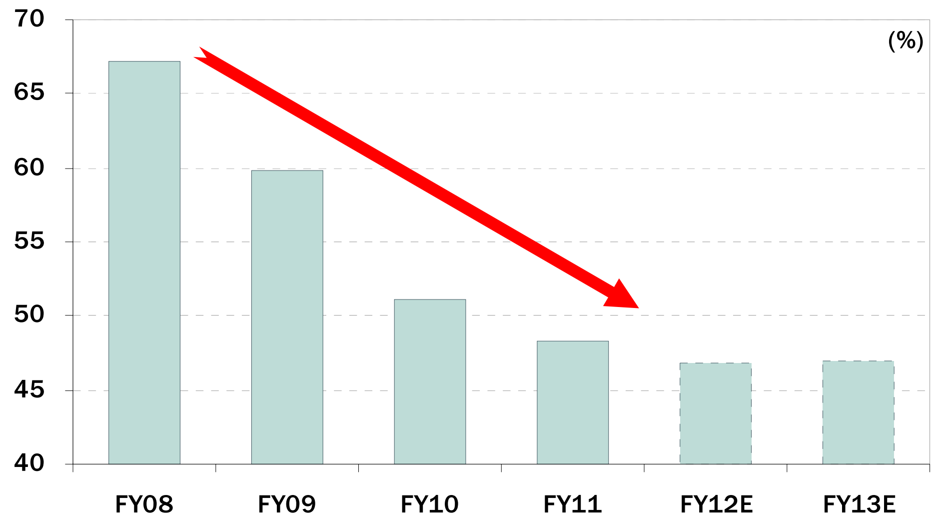


Source: Company, ENAM Research

Cost-to-income ratio – to remain under control

- **The cost-to-income ratio (C/I ratio) of the bank witnessed significant decline to ~48 % in FY11 (from ~67% in FY08) supported by a strong growth in net income**
  - The operating costs have increased at a 3-Yr CAGR of 36%, while total net income has increased at 52% CAGR during this period
- **The management targets to bring the C/I ratio down to ~45% by FY14E**
  - With seasoning of existing branches (currently IIB has 350 branches), productivity would increase and help in bringing down the overall C/I ratio

Declining cost-to-income ratio

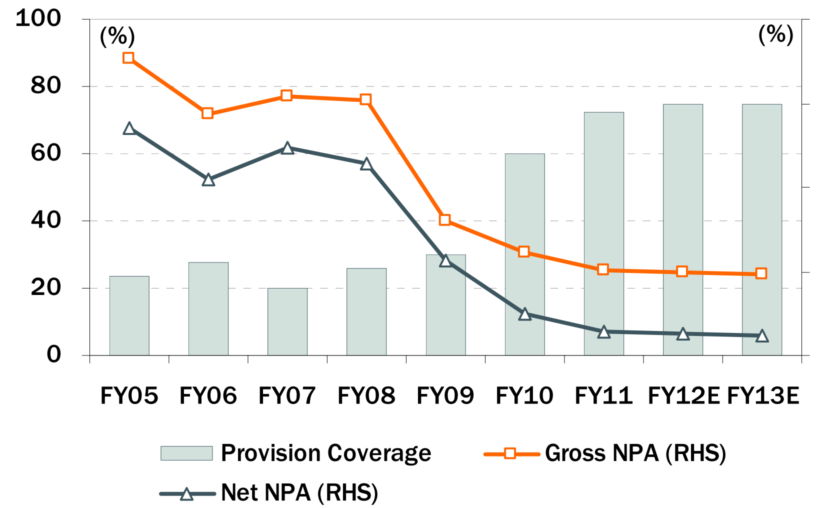


Source: Company, ENAM Research

Healthy asset quality with branch focused monitoring

- **Asset quality of the bank has improved significantly over the years with gross NPA ratio coming down to ~1% in Mar-11 (from ~3% in Mar-08) led by lower slippages and higher recoveries**
  - Provision coverage ratio has increased from 26% in FY08 to 73% in FY11 - currently at a comfortable level and diminishes the need for enhanced credit costs
  - Restructured book of the bank is low at 0.3% of advances
  - In CV segment, IIB lends only to small truck operators (and not large fleet operators). Even ALF had not witnessed credit costs of >1% in its 27 yrs history across 6 cycles

Steady improvement in asset quality



Source: Company, ENAM Research

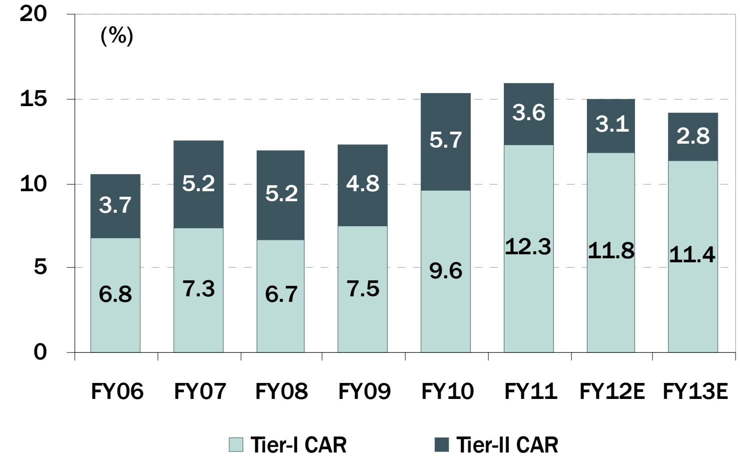
- **We expect asset quality to remain healthy with gross NPA ratio of less than 1% by FY13E**
  - IIB follows stringent risk mgmt practices and possesses expertise in vehicle financing which ensures healthy asset quality
  - The bank has negligible exposure towards troubled asset classes
  - Diversified corporate lending ensures that the bank remains relatively protected from industry-specific shocks
  - Mgmt expects the credit cost for FY12E to remain low at FY11 levels (~70 bps)
  - Although the bank has taken over the credit cards portfolio (which is typically considered a risky asset), the mgmt maintains that the business is seasoned and possesses healthy quality

High Tier-I ratio provides leveraging opportunity

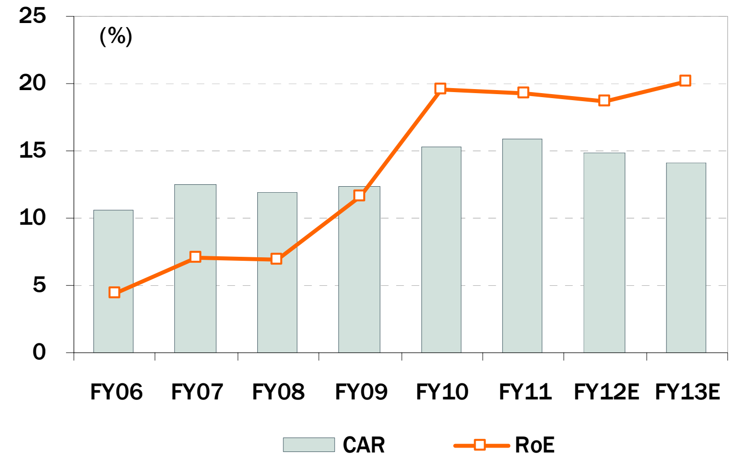
- **Post the capital raising in November 2010 and strong internal accruals, the Tier-I ratio of the bank has improved significantly to 12.3% in FY11** (vs. 9.7% in FY10)
  - One of the highest Tier-I ratios in the industry and is much above the regulatory requirement of 6%
  - The total capital adequacy ratio of the bank stood at 15.9% at end FY11; this will enable IIB to leverage and tread on its growth path without immediate need to raise fresh capital
  - As per the mgmt, the bank targets a Tier-I threshold of 9-10% before it goes for fresh dilution

- **Dilution of promoters' stake:** As per the regulatory requirement, the bank requires to dilute the promoter's shareholding to less than 10% from current ~19.5%
  - This may require the bank to go for equity dilution in the coming years or the promoters may be required to sell and reduce their stake within stipulated limits (current promoter holding ~19.5%)

Tier-I and Tier-II capital ratios



Sufficient CAR & rising ROEs



Source: Company, ENAM Research

Company Financials...

Profit & Loss (Rs mn)

Y/E March	2010	2011	2012E	2013E
Interest earned	27,070	35,894	45,825	56,613
Interest expended	18,206	22,129	28,249	34,713
Net interest income	**8,864**	**13,765**	**17,576**	**21,901**
Non interest income	**5,535**	**7,137**	**9,083**	**11,285**
Commission, exchange & brokerage	1,936	2,570	3,340	4,175
Profit on exchange transactions	845	1,542	1,862	2,155
Net income	**14,399**	**20,902**	**26,659**	**33,186**
Operating expenses	**7,360**	**10,085**	**12,500**	**15,570**
Staff expenses	2,906	3,826	5,144	6,918
Operating profit	**7,039**	**10,817**	**14,159**	**17,616**
Provisions & contingencies	**1,708**	**2,019**	**2,382**	**2,653**
Prov. for NPAs	1,523	1,841	2,374	2,653
Pre-tax profit	**5,330**	**8,798**	**11,777**	**14,964**
Tax expense	1,827	3,025	4,040	5,147
Profit after tax	**3,503**	**5,773**	**7,738**	**9,816**

Balance sheet (Rs mn)

Y/E March	2010	2011	2012E	2013E
Assets				
Cash & Balances with RBI	26,032	40,246	49,660	58,364
Investments	104,018	135,508	153,636	186,094
Advances	205,506	261,656	332,263	415,425
Fixed assets	6,448	5,965	6,197	6,402
Other assets	11,691	12,983	15,584	17,939
Total Assets	**353,695**	**456,358**	**557,340**	**684,223**
Liabilities				
Equity capital	4,106	4,660	4,660	4,660
Reserves & surplus	19,866	35,842	42,283	50,477
Networth	21,656	38,249	44,689	52,884
Borrowings	49,343	55,254	60,195	67,997
Deposits	267,102	343,654	436,405	546,360
Other liabilities & prov.	13,278	16,948	13,797	14,729
Total Liabilities	**353,695**	**456,358**	**557,340**	**684,223**

Source: Company, ENAM Research

...Company Financials

Key ratios (%)

Y/E March	2010	2011	2012E	2013E
Per share				
EPS (Rs.)	9.1	13.2	16.6	21.1
FDEPS (Rs.)	8.5	12.4	16.6	21.1
BV (Rs.)	53	82	96	113
Adj. BV (Rs.)	51	81	95	112
DPS (Rs.)	2	2	2	3
Dividend payout (%)	25	19	17	17
Yields & Margins (%)				
Yield on advances	11.7	12.2	12.3	12.2
Yield on investment	6.0	6.1	6.2	6.2
Cost of deposit	6.4	6.0	6.2	6.1
Net interest margin	3.0	3.6	3.6	3.7
Asset quality (%)				
Gross NPAs	1.2	1.0	1.0	1.0
Net NPAs	0.5	0.3	0.3	0.2
Provisioning coverage	60	73	75	75

Y/E March	2010	2011	2012E	2013E
Capital (%)				
Tier-I	9.6	12.3	11.8	11.4
CAR	15.3	15.9	14.9	14.1
Efficiency (%)				
ROA	1.1	1.4	1.5	1.6
ROE	19	19	19	20
Cost to income	51	48	47	47
CASA	24	27	28	30
Effective tax rate	34	34	34	34
Growth (%)				
Net interest income	93	55	28	25
Fee income	39	33	30	25
Profit after tax	136	65	34	27
Advances	31	27	27	25
Deposits	21	29	27	25
Balance sheet	28	29	22	23

Source: Company, ENAM Research; Note – Yields, Margins and Ratios are on calculated basis

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CONFLICT OF INTEREST DISCLOSURE

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Disclosure of interest statement (As of November 29, 2011)

1. Analyst ownership of the stock	No
2. Firm ownership of the stock	No
3. Directors ownership of the stock	Yes
4. Investment Banking mandate	No
5. Broking relationship	No

We are committed to providing completely independent and transparent recommendations to help our clients reach a better decision.