

## Oriental Bank of Commerce

		Rs322											Buy		
BSE SENSEX	S&P CNX														
18,396	5,512														
Bloomberg	OBC IN														
Equity Shares (m)	250.5														
52-Week Range (Rs)	545/229														
1,6,12 Rel. Perf.(%)	-10/-17/15														
M.Cap. (Rs b)	80.7														
M.Cap. (US\$ b)	1.8														

OBC's 3QFY11 PAT grew 41% YoY and 3% QoQ to Rs4.1b (in line with our estimates). A sequential decline in NIMs and moderate business growth led to 4% QoQ drop in NII against the industry trend of 4%+ increase. Control on opex and lower provisioning expenses resulted in profits (in line with our estimates). Key highlights are:

- 3QFY11 NIMs were down 20bp QoQ to 3.1% (up 10bp YoY) led by an increase in cost of deposits (up 20bp QoQ) and stable yields on QoQ basis. Rising deposit rates and an increased proportion of bulk deposits/CDs (41.4% v/s 37% at the end of March 2010) resulted in a drop in NIMs. In a rising rate scenario, a higher mix of bulk deposits and CDs would have a negative impact on NIMs. The management reiterated its guidance of sustaining NIMs at ~3% for FY11.
- Loans grew 3.8% QoQ and 16% YoY and deposits were up 2.8% QoQ and 17% YoY. Moderation in loan growth was led by repayment of some short-term loans. The management guided for 18%+ loan growth for FY11.
- CASA deposits grew 20% YoY (2% QoQ) and CASA mix was stable at ~25%. Growth in savings deposits outpaced overall deposit growth at 28% YoY (up 3% QoQ).
- 3QFY11 asset quality deteriorated sharply with GNPA's in absolute terms increasing 21% QoQ to Rs17.6b and NNPA's increased by 35% to Rs8.2b. In percentage terms GNPA's were 1.94% against 1.67% in 2QFY11 and NNPA's were 0.9% against 0.7% in 2QFY11. Calculated PCR was 54% (v/s 58% a quarter earlier) and 77% including a technical write off (v/s 81% a quarter earlier).
- Slippages in 3QFY11 were high at Rs4.7b v/s Rs3.2b in 2QFY11. Slippage ratio for the quarter was high at 2.25%. Of the total slippages during the quarter, Rs2.2b was from restructured accounts and part (~40%) was technical in nature. The management expects strong recoveries and upgrades from these accounts over two quarters. OBC's restructured loans were Rs51.3b (~5.7% of loan book).
- While sustaining operating parameters will be challenging, current valuation of 0.8x FY12E BV offers comfort. **Buy.**

### QUARTERLY PERFORMANCE

Y/E MARCH	(Rs Million)									
	FY10				FY11				FY10	FY11E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	24,042	24,958	26,716	26,855	28,308	29,919	30,328	32,865	102,571	121,420
Interest Expense	19,201	19,347	17,987	16,961	17,736	19,148	20,029	23,038	73,497	79,951
<b>Net Interest Income</b>	<b>4,842</b>	<b>5,611</b>	<b>8,729</b>	<b>9,894</b>	<b>10,572</b>	<b>10,771</b>	<b>10,299</b>	<b>9,827</b>	<b>29,074</b>	<b>41,469</b>
% Change (Y-o-Y)	8.4	8.0	53.7	114.9	118.4	92.0	18.0	-0.7	45.6	42.6
Other Income	3,919	3,051	2,377	2,654	2,147	2,141	2,314	2,378	12,000	8,980
<b>Net Income</b>	<b>8,760</b>	<b>8,662</b>	<b>11,106</b>	<b>12,548</b>	<b>12,720</b>	<b>12,912</b>	<b>12,613</b>	<b>12,204</b>	<b>41,075</b>	<b>50,449</b>
Operating Expenses	3,591	3,612	4,878	4,779	4,497	4,853	4,873	5,349	16,860	19,571
<b>Operating Profit</b>	<b>5,169</b>	<b>5,049</b>	<b>6,228</b>	<b>7,769</b>	<b>8,223</b>	<b>8,060</b>	<b>7,739</b>	<b>6,856</b>	<b>24,215</b>	<b>30,877</b>
% Change (Y-o-Y)	46.1	24.1	61.2	44.3	59.1	59.6	24.3	-11.8	43.7	27.5
Other Provisions	1,514	551	1,921	4,174	2,280	2,263	1,918	2,187	8,176	8,647
<b>Profit before Tax</b>	<b>3,656</b>	<b>4,498</b>	<b>4,307</b>	<b>3,595</b>	<b>5,943</b>	<b>5,796</b>	<b>5,822</b>	<b>4,669</b>	<b>16,039</b>	<b>22,230</b>
Tax Provisions	1,082	1,789	1,413	425	2,310	1,820	1,739	1,356	4,692	7,225
<b>Net Profit</b>	<b>2,574</b>	<b>2,709</b>	<b>2,894</b>	<b>3,170</b>	<b>3,633</b>	<b>3,977</b>	<b>4,083</b>	<b>3,313</b>	<b>11,347</b>	<b>15,005</b>
% Change (Y-o-Y)	16.7	14.3	14.8	61.9	41.1	46.8	41.1	4.5	25.3	32.2
Interest Exp./Interest Income (%)	79.9	77.5	67.3	63.2	62.7	64.0	66.0	70.1	71.7	65.8
Other Income/Net Income (%)	44.7	35.2	21.4	21.2	16.9	16.6	18.3	19.5	29.2	17.8
Cost/Income Ratio (%)	41.0	41.7	43.9	38.1	35.4	37.6	38.6	43.8	41.0	38.8
Provisions/Operating Profits (%)	29.3	10.9	30.8	53.7	27.7	28.1	24.8	31.9	33.8	28.0
Tax Rate (%)	29.6	39.8	32.8	11.8	38.9	31.4	29.9	29.0	29.3	32.5

\* HTM Amortisation and losses on account of transfer of securities from AFS to HTM considered as part of other income

## Results analysis (Rs m)

	3QFY11	3QFY10	YOY GR. %	2QFY11	QOQ GR. %	FY10	FY11E	FY12E
Interest Income	30,328	26,716	14	29,919	1	102,571	121,420	149,630
Interest Expense	20,029	17,987	11	19,148	5	73,497	79,951	102,565
<b>Net Interest Income (III)</b>	<b>10,299</b>	<b>8,729</b>	<b>18</b>	<b>10,771</b>	<b>(4)</b>	<b>29,074</b>	<b>41,469</b>	<b>47,065</b>
Other Income	2,314	2,377	(3)	2,141	8	12,000	8,980	10,691
- Fees	1,494	1,445	3	1,650	(9)	5,759	6,191	7,274
- Treasury Income	314	508	(38)	8	N.A.	4,236	700	900
- Others	506	424	19	483	5	2,006	2,089	2,517
<b>Net Income</b>	<b>12,613</b>	<b>11,106</b>	<b>14</b>	<b>12,912</b>	<b>(2)</b>	<b>41,075</b>	<b>50,449</b>	<b>57,756</b>
Total Operating Costs	4,873	4,878	(0)	4,853	0	16,860	19,571	22,770
- Staff Costs	2,771	2,891	(4)	2,764	0	9,713	11,151	12,799
- Other Opex	2,103	1,986	6	2,089	1	7,147	8,420	9,971
<b>Operating Profit</b>	<b>7,739</b>	<b>6,228</b>	<b>24</b>	<b>8,060</b>	<b>(4)</b>	<b>24,215</b>	<b>30,877</b>	<b>34,985</b>
Provisions	1,918	1,921	(0)	2,263	(15)	8,176	8,647	9,705
- NPAs	1,781	457	289	2,196	(19)	5,316	7,297	8,162
- Others	137	1,463	(91)	67	103	2,860	1,350	1,543
<b>PBT</b>	<b>5,822</b>	<b>4,307</b>	<b>35</b>	<b>5,796</b>	<b>0</b>	<b>16,039</b>	<b>22,230</b>	<b>25,281</b>
Tax	1,739	1,413	23	1,820	(4)	4,692	7,225	8,216
Tax rate %	30	33		31	(5)	29	33	33
<b>PAT</b>	<b>4,083</b>	<b>2,894</b>	<b>41</b>	<b>3,977</b>	<b>3</b>	<b>11,347</b>	<b>15,005</b>	<b>17,065</b>
<b>Deposits</b>	<b>1,293,346</b>	<b>1,107,447</b>	<b>17</b>	<b>1,257,862</b>	<b>3</b>	<b>1,202,576</b>	<b>1,443,091</b>	<b>1,731,709</b>
<b>CASA Ratio %*</b>	<b>25</b>	<b>24</b>		<b>25</b>		<b>25</b>	<b>24</b>	<b>24</b>
<b>Advances</b>	<b>908,011</b>	<b>785,546</b>	<b>16</b>	<b>875,005</b>	<b>4</b>	<b>834,893</b>	<b>989,348</b>	<b>1,187,218</b>
Gross NPA (Rs B)	17.6	12.9	37	14.6	21	14.7	18.1	20.2
<b>Gross NPA %</b>	<b>1.9</b>	<b>1.6</b>		<b>1.7</b>		<b>1.7</b>	<b>1.8</b>	<b>1.7</b>
Net NPA (Rs B)	8.2	5.8	40	6.1	35	7.2	8.1	9.1
<b>Net NPA %</b>	<b>0.9</b>	<b>0.8</b>		<b>0.7</b>		<b>0.9</b>	<b>0.8</b>	<b>0.8</b>
Yields on Advances %*	10.3	10.3		10.3		10.0	9.9	10.3
Cost of Deposits %*	6.1	6.2		5.9		6.4	5.8	6.2
<b>NIM %*</b>	<b>3.1</b>	<b>3.0</b>		<b>3.3</b>		<b>2.5</b>	<b>3.0</b>	<b>2.9</b>

\* as reported for quarterly numbers and calculated for annual numbers

## Other highlights

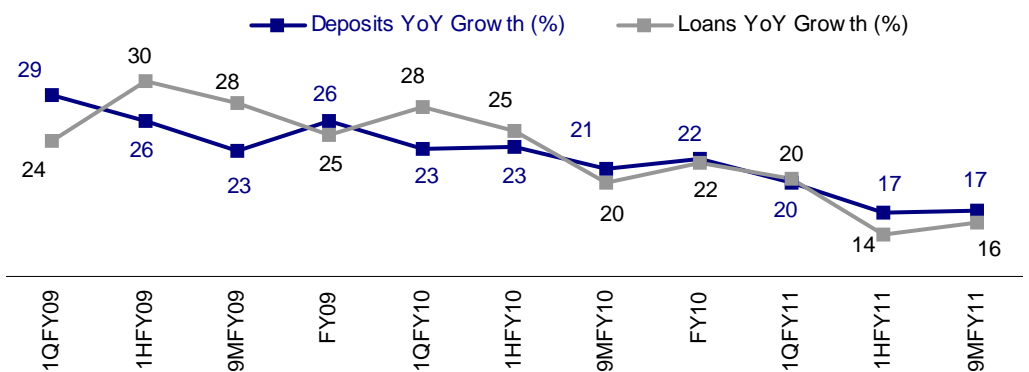
- Core fee income was up marginally by 3% YoY and down 9% QoQ. 3QFY11 trading gains were Rs314m against Rs8m in 2QFY11 and Rs212m in 3QFY10. Overall non-interest income was flat YoY but up 8% QoQ due to higher trading gains.
- Operating expenses were flat on a YoY and QoQ basis at Rs4.9b (5% lower than estimates). OBC provided Rs500m towards increase in the gratuity limit (9MFY11 Rs1.5b, total liability Rs2b). Besides, it estimated the final liability towards the second pension option at ~Rs11b and is carrying cumulative provisions of Rs4.1b (including ad hoc provisions of Rs3.6b being excess provisions made for wage arrears).
- Total investment book at the end of 3QFY11 was ~Rs370b and of this ~25% is in the AFS category. Modified duration of AFS proportion is comparatively high at 4.3 years. In a rising rate scenario, this could result in MTM losses. The management stated that the AFS book was cushioned until the 8% benchmark yield.

**Valuation and view: cutting estimates ~5%**

- In the current rising rate scenario, the sustenance of NIMs at the current level will be a key challenge for OBC given relatively lower proportion of CASA mix and a high proportion of bulk deposits. Although the management is guiding for lower slippages going ahead, we believe CBS recognition of NPAs could throw up a negative surprise.
- We are cutting our earnings estimates by ~5% to factor in lower margins and higher credit costs. We estimate OBC will report PAT CAGR of 15% over FY11-13. EPS is expected to be Rs60 in FY11 and Rs68 in FY12. BV will be Rs340 and Rs393, respectively. RoAs will be 0.9-1% and RoEs will be ~18.5% over FY11-13.
- While sustaining operating parameters would be challenging, the current valuation of 0.8x FY12E BV offers comfort. Maintain **Buy** with a target price of Rs470 (1.2x PBV FY12E).

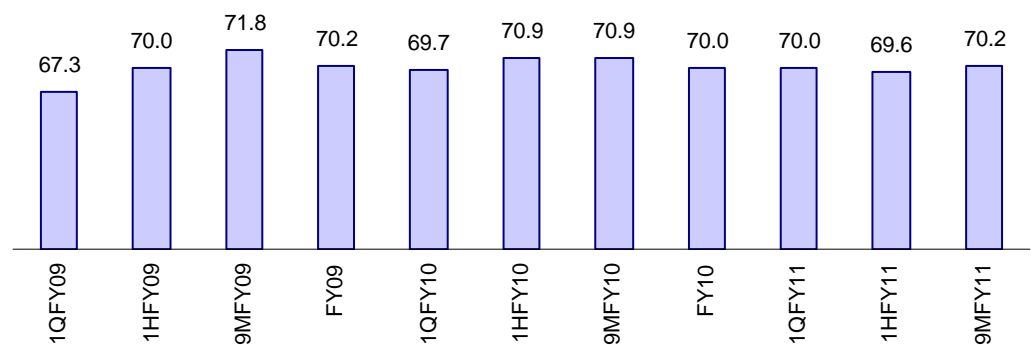
**Business growth**

*Loan growth moderation was led by repayment of some short term loans. The management guided for FY11 loan growth of over 18% (4QFY11 QoQ growth of over 10%)*



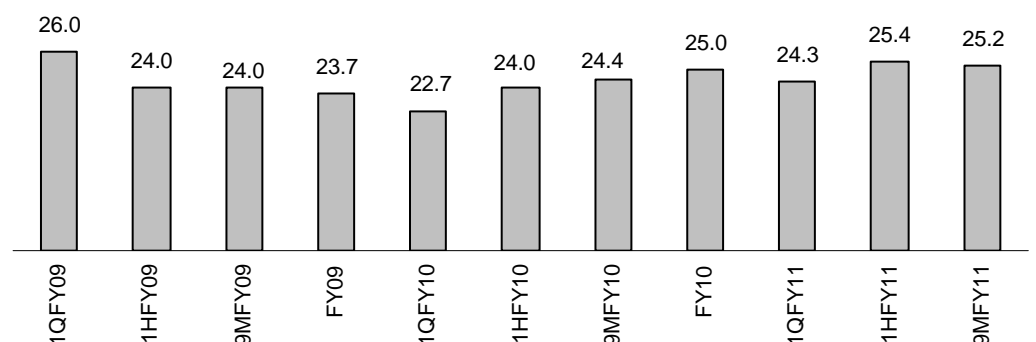
**CD ratio (%)**

*CD ratio remains stable QoQ*



**CASA ratio (%)**

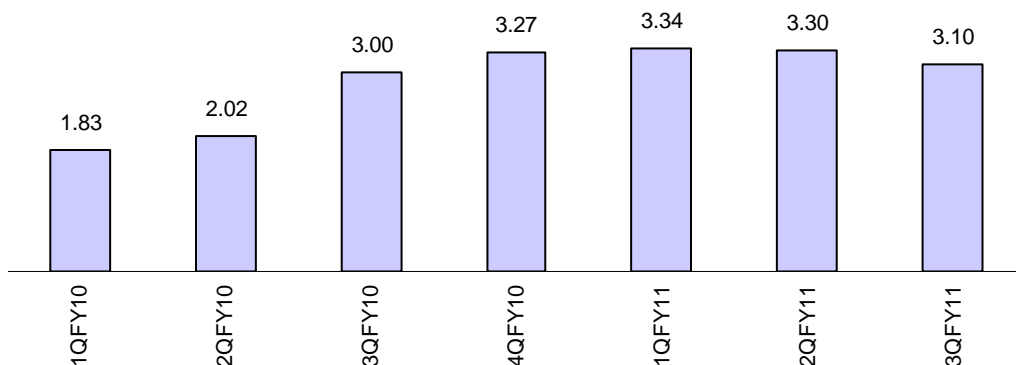
*Low CASA mix to lead to higher cost of funds*



Source: Company/MOSL

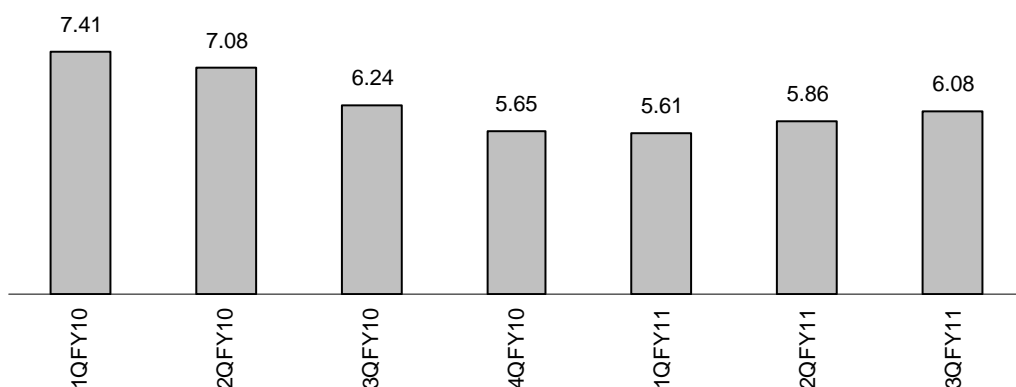
**NIM (%)**

*NIMs decline 20bp QoQ to 3.1% led by an increase in cost of deposits (up 20bp QoQ)*



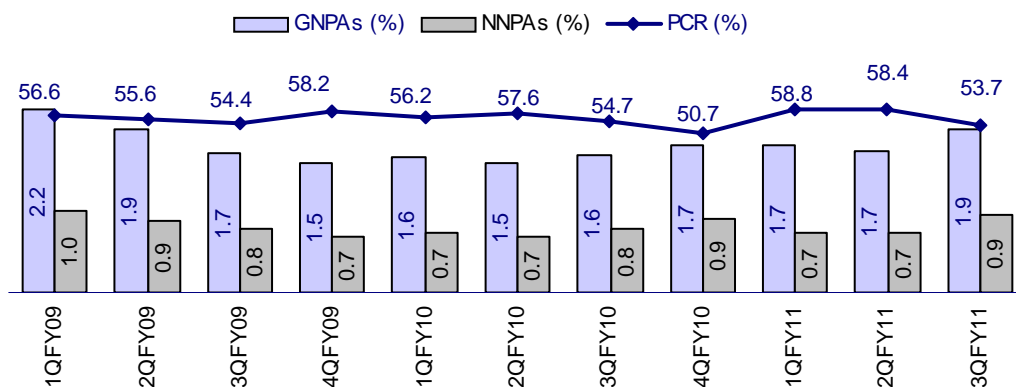
**Cost of deposits (%)**

*Higher mix of bulk deposits and CDs (41% of total deposits) to have negative impact on NIMs*

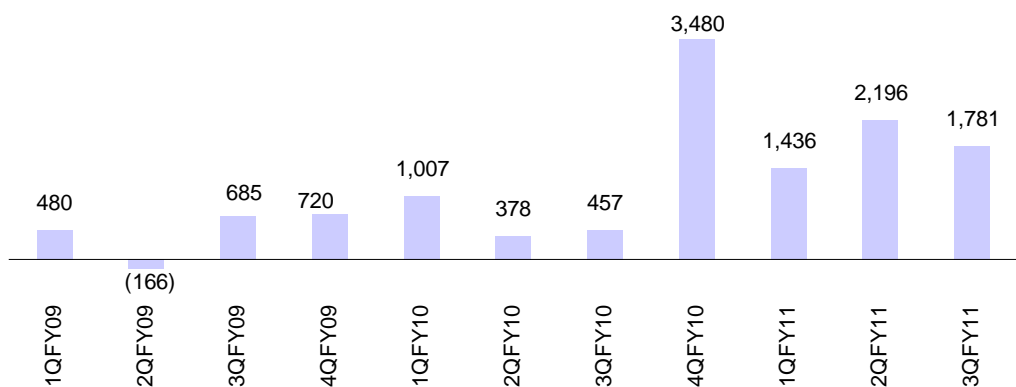


**Trend in asset quality (%)**

*Slippage ratio for the quarter was high at 2.25%. Of the total slippages in 3QFY11 ~40% was technical in nature*



**Provision (Rs m)**



Source: Company/MOSL

## Oriental Bank of Commerce: an investment profile

### Company description

OBC is a state-owned bank with a business of Rs2t. The bank has a strong presence in northern India with ~60% of its total branches (1,573 branches) in the region, constituting ~50% of OBC's business. In August 2004, OBC merged with GTB, a small private-sector bank to strengthen its presence in southern India.

### Key investment arguments

- Strong operating performance and relatively lower credit costs drove OBC's ROEs to 16.5% in FY10 from 14.8% in FY09. We have built in higher credit costs of ~0.8% in FY11/12. Despite this we expect RoE to remain healthy at ~19% over FY11 to FY13.
- CASA ratio improved from 22.7% in 1QFY10 to 25.2% in 3QFY11. The management targets CASA ratio of over 27% in FY11.
- While sustaining operating parameters will be challenging, the current valuation of 0.8x FY12E BV offers comfort.

### Key investment risks

- Asset quality risk persists for OBC with its overseas restructured assets of 6% as at the end of September 2010. Higher slippages could increase the credit cost, impacting profitability.
- Although showing improvement, a low CASA base will have a negative impact on NII growth in a rising rate scenario.

### Comparative valuations

		OBC	Canara Bank	Andhra Bank
P/E (x)	FY11E	5.4	6.5	5.2
	FY12E	4.7	5.7	4.3
P/BV (x)	FY11E	0.9	1.5	1.2
	FY12E	0.8	1.2	1.0
RoE (%)	FY11E	19.0	25.3	25.6
	FY12E	18.6	23.7	25.3
RoA (%)	FY11E	1.0	1.2	1.3
	FY12E	1.0	1.1	1.3

### Shareholding Pattern (%)

	Dec-10	Sep-10	Dec-09
Promoter	51.1	51.1	51.1
Domestic Inst	25.5	26.0	26.9
Foreign	16.8	16.8	13.6
Others	6.7	6.2	8.4

### Recent developments

- Mr. Nagesh Pydah was appointed chairman and managing director of Oriental Bank of Commerce.
- The bank increased its base rate by 50bp to 9 %, and BPLR by 75bp to 13.25%.

### Valuation and view

- We expect OBC to report PAT CAGR of 15% over FY11-13. EPS is expected to be Rs60 for FY11, Rs68 for FY12. BV will be Rs340 and Rs393, respectively. RoAs will be 0.9-1% and RoEs will be ~18.5% over FY11-13.
- While sustaining operating parameters would be challenging, current valuation of 0.8x FY12E BV offer comfort. Maintain **Buy** with a target price of Rs470 (1.2x PBV FY12E).

### Sector view

- Loan growth is strong but rising inflation and increasing interest rates are near-term headwinds for the sector.
- Our economist expects the current tightness in liquidity to begin to ease in 4QFY11, allaying the pressure of a significant NIM compression.
- We believe margins will compress gradually. With strong loan growth and a high CD ratio, banks have strong pricing power.
- Banks with high CASA deposits and a lower proportion of bulk deposits will be preferred bets.

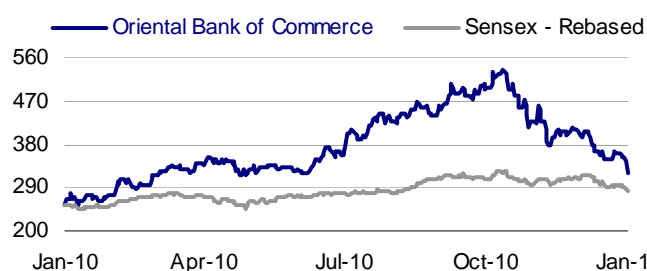
### EPS: MOSL forecast v/s Consensus (Rs)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY11	59.9	60.4	-0.9
FY12	68.1	72.8	-6.5

### Target Price and Recommendation

Current Price (Rs)	Target Price (Rs)	Upside (%)	Reco.
322	470	46.0	Buy

### Stock performance (1 year)



## Financials and Valuation

INCOME STATEMENT				(Rs Million)		
Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
Interest Income	68,272	88,565	102,571	121,420	149,630	181,710
Interest Expense	51,562	68,600	73,497	79,951	102,565	126,992
<b>Net Interest Income</b>	<b>16,710</b>	<b>19,965</b>	<b>29,074</b>	<b>41,469</b>	<b>47,065</b>	<b>54,718</b>
<i>Change (%)</i>	<i>-1.2</i>	<i>19.5</i>	<i>45.6</i>	<i>42.6</i>	<i>13.5</i>	<i>16.3</i>
Non Interest Income	6,277	10,713	12,000	8,980	10,691	12,638
<b>Net Income</b>	<b>22,987</b>	<b>30,678</b>	<b>41,075</b>	<b>50,449</b>	<b>57,756</b>	<b>67,355</b>
<i>Change (%)</i>	<i>0.2</i>	<i>33.5</i>	<i>33.9</i>	<i>22.8</i>	<i>14.5</i>	<i>16.6</i>
Operating Expenses	10,796	13,828	16,860	19,571	22,770	26,447
<b>Pre Provision Profits</b>	<b>12,190</b>	<b>16,850</b>	<b>24,215</b>	<b>30,877</b>	<b>34,985</b>	<b>40,909</b>
<i>Change (%)</i>	<i>-6.0</i>	<i>38.2</i>	<i>43.7</i>	<i>27.5</i>	<i>13.3</i>	<i>16.9</i>
Provisions (excl tax)	-429	5,255	8,176	8,647	9,705	11,494
<b>PBT</b>	<b>12,619</b>	<b>11,595</b>	<b>16,039</b>	<b>22,230</b>	<b>25,281</b>	<b>29,414</b>
Tax	4,210	2,540	4,692	7,225	8,216	9,560
<i>Tax Rate (%)</i>	<i>33.4</i>	<i>21.9</i>	<i>29.3</i>	<i>32.5</i>	<i>32.5</i>	<i>32.5</i>
<b>PAT</b>	<b>8,409</b>	<b>9,054</b>	<b>11,347</b>	<b>15,005</b>	<b>17,065</b>	<b>19,855</b>
<i>Change (%)</i>	<i>1.7</i>	<i>7.7</i>	<i>25.3</i>	<i>32.2</i>	<i>13.7</i>	<i>16.4</i>
<b>Equity Dividend (Incl tax)</b>	<b>1,178</b>	<b>1,829</b>	<b>2,280</b>	<b>2,756</b>	<b>3,132</b>	<b>3,758</b>
<b>Core PPP<sup>a</sup></b>	<b>10,654</b>	<b>12,036</b>	<b>19,979</b>	<b>30,177</b>	<b>34,085</b>	<b>39,809</b>
<i>Change (%)</i>	<i>-10.1</i>	<i>13.0</i>	<i>66.0</i>	<i>51.0</i>	<i>13.0</i>	<i>16.8</i>
<i><sup>a</sup>Core PPP is (Nil+Fee income-Opex)</i>						
BALANCE SHEET				(Rs Million)		
Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
Share Capital	2,505	2,505	2,505	2,505	2,505	2,505
<b>Reserves &amp; Surplus</b>	<b>55,254</b>	<b>71,529</b>	<b>79,874</b>	<b>91,655</b>	<b>105,055</b>	<b>120,513</b>
<b>Net Worth</b>	<b>57,759</b>	<b>74,034</b>	<b>82,379</b>	<b>94,161</b>	<b>107,561</b>	<b>123,019</b>
<b>Deposits</b>	<b>778,567</b>	<b>983,688</b>	<b>1,202,576</b>	<b>1,443,091</b>	<b>1,731,709</b>	<b>2,078,051</b>
<i>Change (%)</i>	<i>21.7</i>	<i>26.3</i>	<i>22.3</i>	<i>20.0</i>	<i>20.0</i>	<i>20.0</i>
<b>of which CASA Dep</b>	<b>217,235</b>	<b>233,562</b>	<b>300,229</b>	<b>350,058</b>	<b>408,830</b>	<b>490,596</b>
<i>Change (%)</i>	<i>12.0</i>	<i>7.5</i>	<i>28.5</i>	<i>16.6</i>	<i>16.8</i>	<i>20.0</i>
Borrowings	35,653	27,220	48,870	54,606	62,428	76,295
Other Liabilities & Prov.	35,074	40,883	40,484	42,590	47,178	52,414
<b>Total Liabilities</b>	<b>907,053</b>	<b>1,125,826</b>	<b>1,374,310</b>	<b>1,634,448</b>	<b>1,948,876</b>	<b>2,329,778</b>
Current Assets	102,147	122,251	145,999	168,662	192,676	239,794
<b>Investments</b>	<b>239,507</b>	<b>284,890</b>	<b>357,853</b>	<b>436,581</b>	<b>523,897</b>	<b>615,579</b>
<i>Change (%)</i>	<i>20.9</i>	<i>18.9</i>	<i>25.6</i>	<i>22.0</i>	<i>20.0</i>	<i>17.5</i>
<b>Loans</b>	<b>545,659</b>	<b>685,004</b>	<b>834,893</b>	<b>989,348</b>	<b>1,187,218</b>	<b>1,424,661</b>
<i>Change (%)</i>	<i>23.6</i>	<i>25.5</i>	<i>21.9</i>	<i>18.5</i>	<i>20.0</i>	<i>20.0</i>
Fixed Assets	3,875	13,839	13,940	13,908	13,946	13,934
Other Assets	15,866	19,843	21,624	25,949	31,139	35,810
<b>Total Assets</b>	<b>907,053</b>	<b>1,125,826</b>	<b>1,374,310</b>	<b>1,634,448</b>	<b>1,948,876</b>	<b>2,329,778</b>
ASSET QUALITY				(%)		
GNPA (Rs M)	12,801	10,581	14,688	18,081	20,179	23,684
NNPA (Rs M)	5,384	4,424	7,238	8,137	9,081	10,658
GNPA Ratio	2.32	1.53	1.74	1.81	1.68	1.65
NNPA Ratio	0.99	0.65	0.87	0.82	0.76	0.75
PCR (Excl Tech. write off)	56.3	56.2	49.6	55.0	55.0	55.0
PCR (Incl Tech. Write off)	0.0	0.0	76.7	77.8	76.5	74.7

E: MOSL Estimates

## Financials and Valuation

## RATIOS

Y/E MARCH	2008	2009	2010	2011E	2012E	2013E
<b>Spreads Analysis (%)</b>						
<b>Avg. Yield-Earning Assets</b>	<b>9.3</b>	<b>9.6</b>	<b>9.0</b>	<b>8.8</b>	<b>9.1</b>	<b>9.3</b>
Avg. Yield on loans	9.8	10.6	10.0	9.9	10.3	10.5
Avg. Yield on Investments	8.4	8.2	7.7	7.0	7.3	7.3
<b>Avg. Cost-Int. Bear. Liab.</b>	<b>7.0</b>	<b>7.5</b>	<b>6.5</b>	<b>5.8</b>	<b>6.2</b>	<b>6.4</b>
Avg. Cost of Deposits	6.9	7.4	6.4	5.8	6.2	6.4
<b>Interest Spread</b>	<b>2.3</b>	<b>2.1</b>	<b>2.5</b>	<b>3.0</b>	<b>2.9</b>	<b>2.9</b>
<b>Net Interest Margin</b>	<b>2.3</b>	<b>2.2</b>	<b>2.5</b>	<b>3.0</b>	<b>2.9</b>	<b>2.8</b>
<b>Profitability Ratios (%)</b>						
RoE	14.8	14.8	16.5	19.0	18.6	18.7
RoA	1.0	0.9	0.9	1.0	1.0	0.9
Int. Expense/Int. Income	75.5	77.5	71.7	65.8	68.5	69.9
Fee Income/Net Income	20.6	19.2	18.9	16.4	17.0	17.1
Non Int. Inc./Net Income	27.3	34.9	29.2	17.8	18.5	18.8
<b>Efficiency Ratios (%)</b>						
Cost/Income*	50.3	53.5	45.8	39.3	40.0	39.9
Empl. Cost/Op. Exps.	50.9	54.7	57.6	57.0	56.2	55.3
Busi. per Empl. (Rs m)	81.2	102.1	120.7	136.3	152.8	173.3
NP per Empl. (Rs lac)	0.6	0.6	0.7	0.9	1.0	1.1
* ex treasury						
<b>Asset-Liability Profile (%)</b>						
Loans/Deposit Ratio	70.1	69.6	69.4	68.6	68.6	68.6
CASA Ratio	27.9	23.7	25.0	24.3	23.6	23.6
Investment/Deposit Ratio	30.8	29.0	29.8	30.3	30.3	29.6
G-Sec/Investment Ratio	86.7	88.0	91.9	85.9	85.9	87.8
CAR	12.1	13.0	12.5	12.4	12.0	11.4
<i>Tier 1</i>	9.3	9.1	9.3	8.8	8.3	7.8
<b>VALUATION</b>						
Book Value (Rs)	230.5	257.5	292.2	339.2	392.7	454.4
<i>Change (%)</i>	<i>13.0</i>	<i>11.7</i>	<i>13.5</i>	<i>16.1</i>	<i>15.8</i>	<i>15.7</i>
Price-BV (x)	1.4	1.3	1.1	0.9	0.8	0.7
Adjusted BV (Rs)	216.6	246.1	273.4	318.1	369.1	426.7
Price-ABV (x)	1.5	1.3	1.2	1.0	0.9	0.8
EPS (Rs)	33.6	36.1	45.3	59.9	68.1	79.2
<i>Change (%)</i>	<i>1.7</i>	<i>7.7</i>	<i>25.3</i>	<i>32.2</i>	<i>13.7</i>	<i>16.4</i>
Price-Earnings (x)	9.6	8.9	7.1	5.4	4.7	4.1
Dividend Per Share (Rs)	4.7	7.3	9.1	11.0	12.5	15.0
Dividend Yield (%)	1.5	2.3	2.8	3.4	3.9	4.7
<i>E: MOSL Estimates</i>						



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**Oriental Bank of Commerce**

1. Analyst ownership of the stock	No
2. Group/Directors ownership of the stock	No
3. Broking relationship with company covered	No
4. Investment Banking relationship with company covered	No

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