

City Union Bank (CITUNI)

₹ 190

Steady performance continues...

- NII witnessed a continued pick-up in growth trajectory at 14.5% YoY to ₹ 418 crore, in line with our estimate, led by healthy credit offtake
- Other income was at ₹ 120 crore; down 1.5% YoY, lower than our estimate, attributable to a subdued treasury performance. Accordingly, operating profit was muted at ₹ 307 crore, up 3.5% YoY
- Provisions were at ₹ 79 crore, down 8.1% YoY & 16% QoQ. Lower-than-expected tax outgo at ₹ 50 crore, led earnings growth at 15.1% YoY to ₹ 178.1 crore, broadly in line with our estimate
- Slippage remained higher at ~₹ 165 crore, led by one large exposure, highlighted earlier. This led to a sequential increase in absolute GNPA and NNPA to ₹ 892 crore and ₹ 528 crore, respectively. However, overall asset quality largely continues to stay under control. Exposure to two NCLT accounts is fully provided. CUB has not availed dispensation with respect to MSME in the quarter
- Advances growth remained steady at 17.4% YoY to ~₹ 30637 crore

Strong regional bank; expect 17% CAGR in loans in FY18-20E

City Union Bank (CUB) is the oldest bank in the "old private sector bank" category with 100+ years of existence with continuous profitability and dividend payout. It is largely a south India oriented bank with a network of 616 branches of which 552 are in South India with 426 in Tamil Nadu alone. CUB's business traction at 29% CAGR in FY06-13 has been higher than industry except in FY14-15 wherein business growth fell to 8.6% at ₹ 17965 crore, focusing on quality rather than growth. We expect credit CAGR at 17.1% over FY18-20E to ₹ 38170 crore.

NIM above 3%+ for over decade; expect healthy levels to sustain ahead

One of the commendable features of CUB is that it has been able to maintain NIMs of 3%+ for over a decade across economic cycles despite a low CASA base (~24% of total deposits). This is owing to the structure of its loan book, which is focused on the SME/MSME segment (~50% of loans) that is high yielding and wherein re-pricing is possible. Further, ~90% of the book is on a floating basis, which reduces interest rate risk. We expect calculated NIM to stay healthy at >3.5% in FY18-20E.

Asset quality expected to remain resilient compared to peers

CUB's philosophy of giving small ticket secured loans helps control NPA. Around 1:1 loan to collateral ratio was maintained with unsecured loans at 1% of loans. It did not go overboard on growth in peak years of 2007-08. It maintained 25-30% credit growth and improved its NNPA from 7-8% in the FY00 crisis to <1.0% in FY10 while maintaining it till FY13. Post this, SME and AQR NPA led GNPA ratio inch up at ~3%. We expect GNPA, NNPA ratios at ~2.7%, 1.3% respectively, by FY20E.

Steady operational performance, asset quality to support valuation

The bank has consistently delivered healthy business growth along with keeping a tab on asset quality. CUB has guided at maintaining RoAs >1.5%+ and RoE ~15%, going ahead, on the back of healthy credit growth of 17-19%, strong margins and controlled asset quality. We expect PAT CAGR of ~13.6% in FY18-20E with RoEs at ~15% and RoAs at ~1.6%. We continue to prefer CUB as it is well placed among regional players and comfortable on the capital front with tier-I ratio at 14.4%. CUB has historically traded at a premium to other regional banks due to better return ratios and a consistency in earnings. We maintain our **BUY** rating and target price of ₹ 225 with a multiple of 3x FY20E BV.

Rating matrix	
Rating	: Buy
Target	: ₹ 225
Target Period	: 12 months
Potential Upside	: 18%

What's Changed?	
Target	Unchanged
FY19E EPS	Changed from ₹ 8.9 to ₹ 9.2
FY20E EPS	Changed from ₹ 10.6 to ₹ 10.4
Rating	Unchanged

Quarterly Performance					
₹ crore	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)
NII	418.1	365.1	14.5	398.0	5.0
Other Income	119.8	121.7	-1.5	118.6	1.1
PPP	306.9	296.4	3.5	296.0	3.7
PAT	178.1	154.8	15.1	168.0	6.0

Key Financials				
₹ Crore	FY17	FY18	FY19E	FY20E
NII	1,199	1,430	1,626	1,893
PPP	994	1,208	1,247	1,447
PAT	503	592	681	766

Valuation summary				
	FY17	FY18	FY19E	FY20E
P/E	22.3	20.9	20.2	17.9
Target P/E	26.9	25.2	24.4	19.3
P/ABV	3.5	3.4	3.2	2.7
Target P/ABV	4.3	4.1	3.8	2.9
RoA (%)	1.5	1.6	1.6	1.6
RoE (%)	15.4	15.5	15.3	14.8

Stock data	
Market Capitalisation	₹ 14052 crore
GNPA (Q3FY19)	₹ 892 crore
NNPA (Q3FY19)	₹ 528 crore
NIM (Q3FY19) (%)	4.4
52 week H/L	207 / 134
Networth	₹ 4090 crore
Face value	₹ 1
DII Holding (%)	25.6
FII Holding (%)	25.2

Price performance (%)				
	1M	3M	6M	12M
City Union Bank	-1.7	-3.0	1.1	15.6
South Indian Bank	7.3	-17.4	-44.2	-52.2
Federal Bank	13.1	-5.7	-15.9	-31.4

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Variance analysis

	Q3FY19	Q3FY19E	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	Comments
NII	418	417	365	14.5	398	5.0	Healthy credit growth and QoQ uptick in led to NII growth
NIM (%)	4.41	4.3	4.4	0 bps	4.3	9 bps	Steady CASA and better CD ratio led to uptick in NIM
Other Income	120	137	122	-1.5	119	1.1	Lower treasury income kept other income growth benign
Net Total Income	538	554	487	10.5	517	4.1	
Staff cost	93	97	80	16.1	93	-0.3	
Other Operating Expenses	138	138	110	25.2	128	8.4	
PPP	307	319	296	3.5	296	3.7	PPP traction was muted owing to weak other income
Provision	79	71	86	-8.1	68	15.9	
PBT	228	248	211	8.2	228	0.0	
Tax Outgo	50	64	56	-10.7	60	-16.7	
PAT	178	183	155	15.1	168	6.0	PAT growth steady YoY

Key Metrics

GNPA	892	873	860	3.7	848	5.2	Recognition of a paper mill account as substandard led to spike in slippages
NNPA	528	508	448	17.8	498	6.0	
Total Restructured assets	0	6	10	-100.0	6	-100.0	
Advances	30,637	31,043	26,089	17.4	29,425	4.1	Advances growth continues to remain healthy
Deposits	35,504	35,812	31,339	13.3	34,534	2.8	CASA ratio steady at ~24%

Source: Company, ICICI Direct Research

Change in estimates

(₹ Crore)	FY19E			FY20E		
	Old	New	% Change	Old	New	% Change
Net Interest Income	1,593	1,626	2.1	1,902	1,893	-0.4
Pre Provision Profit	1,279	1,247	-2.5	1,501	1,447	-3.6
NIM (%)	3.9	4.0	10 bps	4.0	4.0	1 bps
PAT	653	681	4.3	780	766	-1.8
ABV (₹)	58.5	58.9	0.7	68.4	68.6	0.3

Source: Company, ICICI Direct Research

Assumptions

	FY17		Current		Earlier	
	FY17	FY18	FY19E	FY20E	FY19E	FY20E
Credit growth (%)	13.2	16.9	17.1	17.0	17.1	17.0
Deposit Growth (%)	10.9	9.1	14.4	14.4	14.4	14.4
CASA ratio (%)	23.4	24.2	24.5	24.8	24.5	24.8
NIM Calculated (%)	3.8	4.0	4.0	4.0	3.9	4.0
Cost to income ratio (%)	40.8	38.3	41.4	41.0	40.3	40.1
GNPA (₹ crore)	682	856	922	1,036	922	1,036
NNPA (₹ crore)	408	479	483	507	483	507
Slippage ratio (%)	2.0	2.1	1.7	1.6	1.7	1.6
Credit cost (%)	1.1	1.1	0.9	1.0	0.9	1.0

Source: Company, ICICI Direct Research

Company Analysis

Regional bank with focus on SME segment; expect 17% CAGR in loans

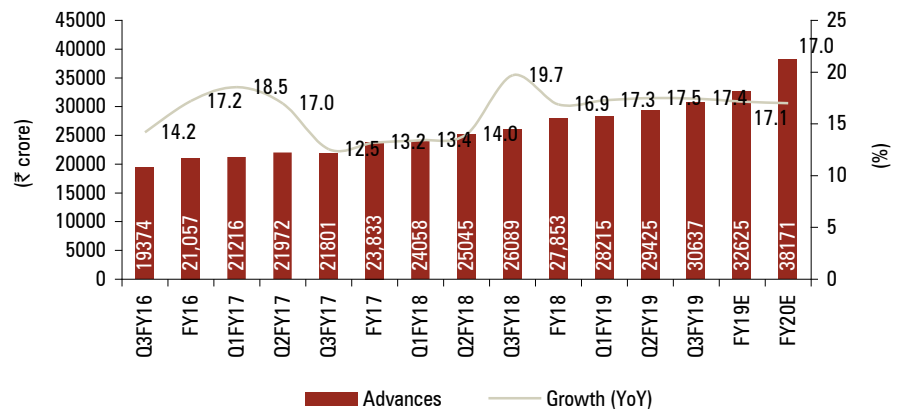
CUB is a South India based small sized bank with a legacy of over 100 years. Based out of Tamil Nadu, it has a network of 616 branches with 552 branches concentrated in southern India and 426 branches in Tamil Nadu alone. CUB has a history of 100 years of profits and dividend payouts.

One of its distinguishing features is its focus on its target segment of SME/MSME in southern India, which accounts for ~50% of CUB's advances book. The bank capitalises on knowledge of its niche market of small businesses, SME and traders primarily based in south India. Going ahead, the bank maintains that its focus would continue to be the SME/MSME segment.

CUB's credit grew above industry at 29% CAGR to ₹ 15246 crore between FY06 and FY13. However, owing to a weak economic scenario, the bank scaled down its advances traction to 8.6% YoY CAGR to ₹ 17965 crore in FY14-15 and to 14.2% in FY16. Moderation has set in even in FY17, with growth at just 13.2% YoY, with pick-up seen in FY18. Going ahead, we expect advances growth of 17.1% CAGR in FY18-20E to ₹ 38170 crore with MSME and retail remaining the thrust areas. Any major improvement in economic scenario could result in higher-than-expected traction in loans than factored in by us.

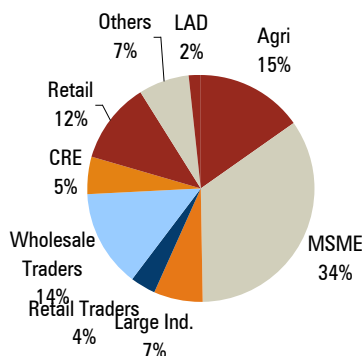
Going ahead, we expect advances growth of 17.1% CAGR over FY18-20E to ₹ 38170 crore

Exhibit 1: Credit traction maintained at healthy levels and ahead of industry



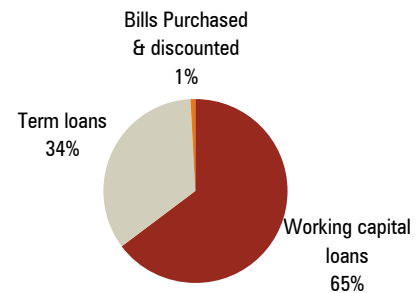
Source: Company, ICICI Direct Research

Exhibit 2: Loan break-up ---- Sector wise



Source: Company, ICICI Direct Research

Exhibit 3: Loan break-up ---- Product wise

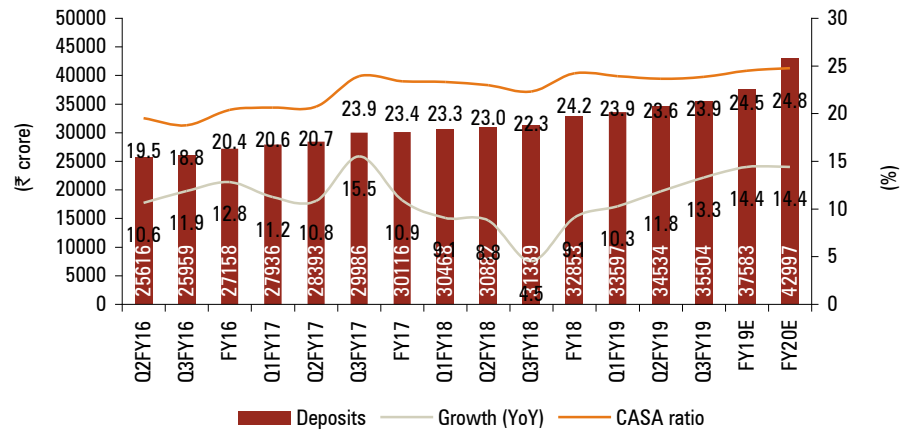


Source: Company, ICICI Direct Research

Deposits franchise improving with steady CASA

CUB's deposits have also tracked credit growth. It registered healthy CAGR of 28% in FY06-13 to ₹ 20305 crore. Like credit, deposit growth also slowed in FY14 at 8.4% and 9.3%, respectively, in FY15. Due to demonetisation, FY17 saw deposit growth surging with CASA ratio improving to 23.9% in Q3FY17 from the earlier 20% range. From thereon, the bank has maintained CASA ratio at ~24%. CASA ratio is estimated to stay at ~24% by FY20E.

Exhibit 4: CASA ratio to remain steady at ~24% ahead



Source: Company, ICICI Direct Research

We expect deposit CAGR to 14.4% in FY18-20E to ~₹ 42997 crore.

CUB's deposits are largely retail in nature with nil bulk deposits. Going ahead, we expect deposits to grow at 14.4% CAGR in FY18-20E to ~₹ 42997 crore.

Structure of loan book aids NIMs; expect to stay at healthy levels

CUB has historically maintained a higher NIM of above 3%. In FY16, reported margins were at 3.81% while in FY17 & FY18 it was >4%. This is commendable considering that its CASA ratio has been ~20-23% levels.

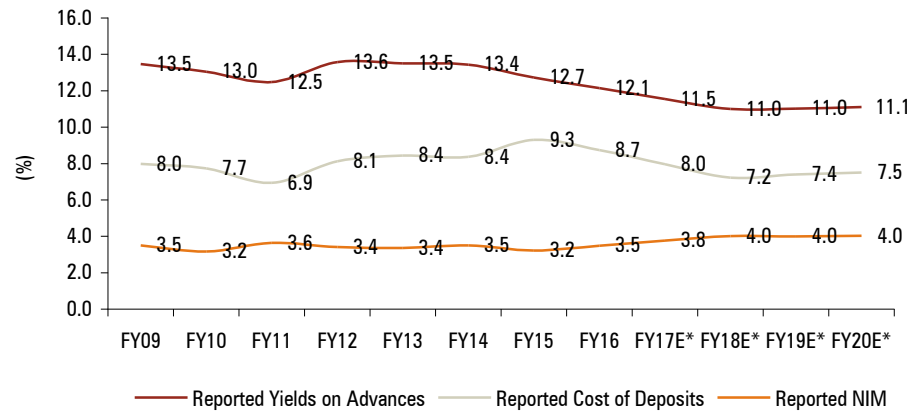
We expect margins to stay at healthy levels of > 3.5% over FY18-20E

As discussed above, given its positioning as an SME/MSME (~52% of loans) focused bank catering to their specific requirements, higher churn and yields due to greater proportion of short-term loans (working capital loans at ~65%), extensive knowledge about its market dynamics and a floating loan book size of ~90%, the bank has been able to manage its yields on advances across business cycles, thus maintaining the spread. The bank has enjoyed high yields of ~11-12% since FY08.

Moreover, the deposit base consists mainly of retail term deposits, which have a higher maturity. This reduces the bank's dependence on high cost bulk deposits, which is currently nil. However, with increasing competition in the SME segment in its home state of Tamil Nadu and rising interest rate scenario, we expect margins to remain broadly range bound. Q3FY19 margins came higher at 4.41%. NIM is expected to stay at healthy levels of >3.5% ahead.

Nil is expected to grow at 15% CAGR to ₹ 1893 crore over FY18-20E tracking credit growth.

Exhibit 5: Margins historically healthy at >3% levels; expected to be maintained



Source: Company, ICICI Direct Research, * Calculated

Asset quality expected to remain prudent

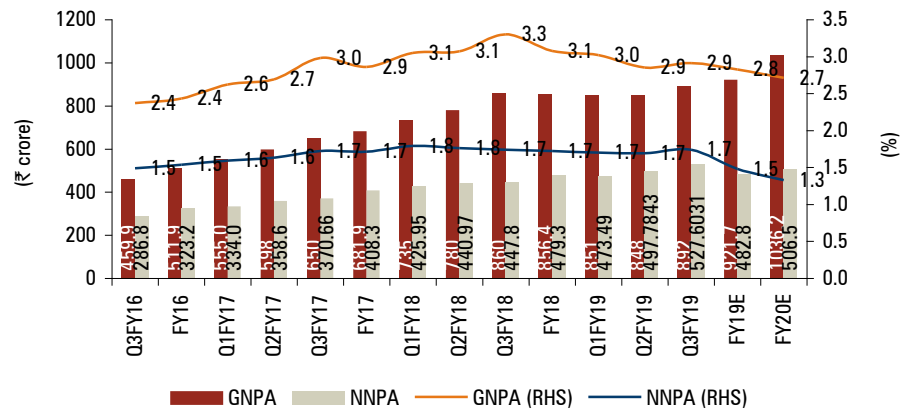
CUB has largely maintained its asset quality well over a long time. The GNPA and NNPA ratios declined to 1.1% and 0.6% as on FY13 from 4.43% and 1.95%, respectively, in FY06. CUB’s lending philosophy of giving small ticket secured loans helps control asset quality. Around 1:1 loan to collateral ratio is maintained. Unsecured advances aggregate to only 1% of loans. The bank did not go overboard on growth in the peak years of 2007-08 and maintained its 25-30% credit growth.

However, in FY14, owing to a weak economy, CUB witnessed asset quality pressures with fresh slippages rising to ₹ 456 crore from ₹ 223 crore in FY13. In FY15 and FY16, slippages were lower than FY14 but still at higher levels of ₹ 425 crore and ₹ 429 crore, respectively. In FY18, slippages again came in higher at ₹ 575 crore owing to a weak economic scenario. In Q1FY19 and Q2FY19, slippages were at ~₹ 126 crore and ₹ 136 crore, respectively, which was the lowest in last six quarters. In Q3FY19, slippages came in higher at ₹ 165 crore, primarily led by one loan account in paper industry.

Despite deterioration, we believe CUB’s asset quality remains manageable compared to its peers. Restructured assets (RA) have come down to zero. Lower exposure to stressed segments like the infra segment at ~1% also provide comfort. The management has maintained guidance of slippages staying in the range of 1.75-2% of loans in FY19E. We expect GNPA, NNPA ratios at ~2.7%, 1.3% respectively, by FY20E.

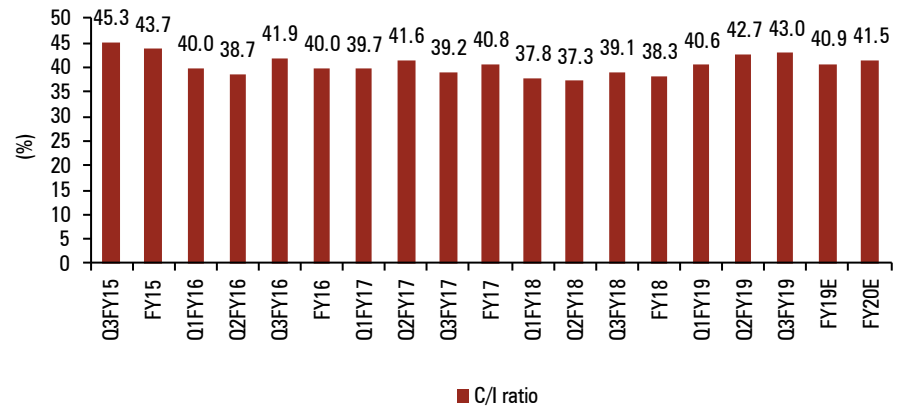
We expect GNPA ratio at ~2.7% by FY20E

Exhibit 6: Asset quality remains acceptable



Source: Company, ICICI Direct Research

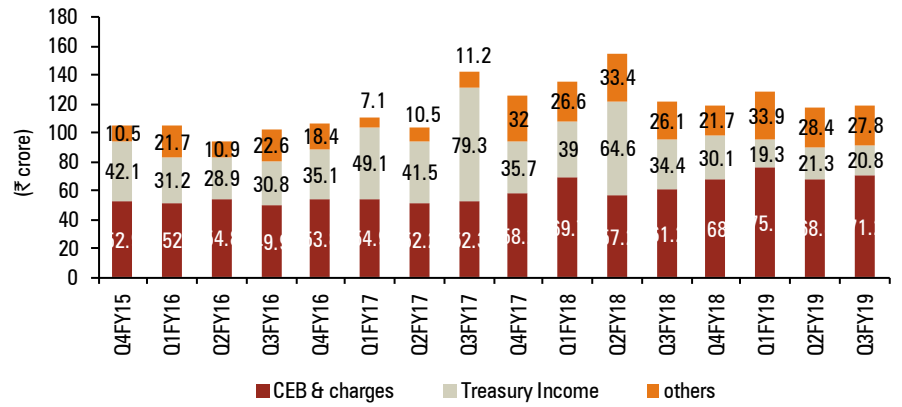
Exhibit 7: Superior operational efficiency in past; expected to stabilise near ~40% in FY18-20E



Source: Company, ICICI Direct Research

CUB's cost-to-income ratio (C/I ratio) has largely stayed near 40%, which has been better than its peers wherein the C/I ratio is ~45%. Positives for the bank include no large pressure from provisioning for gratuity & pension as faced by public sector banks. For 9MFY19, the C/I ratio has remained a tad higher at ~42%. The management has maintained the guidance of keeping at ~38-40% ahead.

Exhibit 8: Other income break up & trend

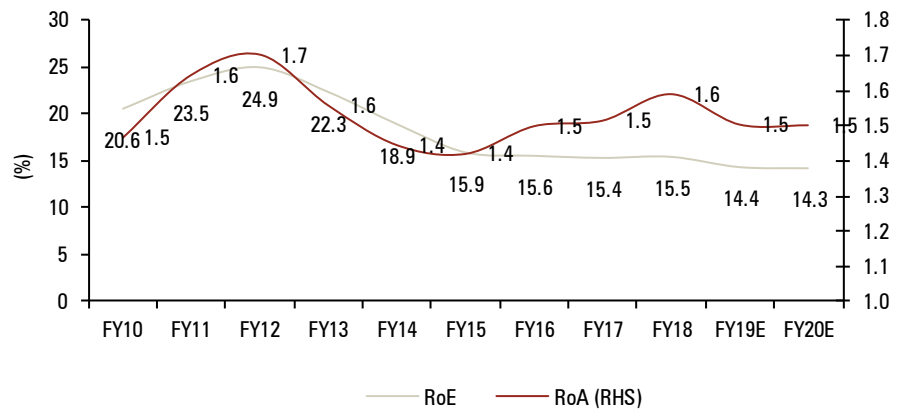


Source: Company, ICICI Direct Research

Outlook and valuation

The bank has consistently delivered healthy business growth along with keeping a tab on asset quality. CUB has guided at maintaining RoAs at >1.5%+ and RoE ~15%, going ahead, on the back of healthy credit growth of 17-19%, strong margins and controlled asset quality. We expect PAT CAGR of ~13.6% in FY18-20E with RoEs at ~15% and RoAs at ~1.6%. We continue to prefer CUB as it is well placed among regional players and comfortable on the capital front with tier-I ratio at 14.4%. CUB has historically traded at a premium to other regional banks due to better return ratios and a consistency in earnings. We retain our **BUY** rating and target price of ₹ 225 with a multiple of 3x FY20E BV.

Exhibit 9: RoEs & RoAs better relative to regional peers



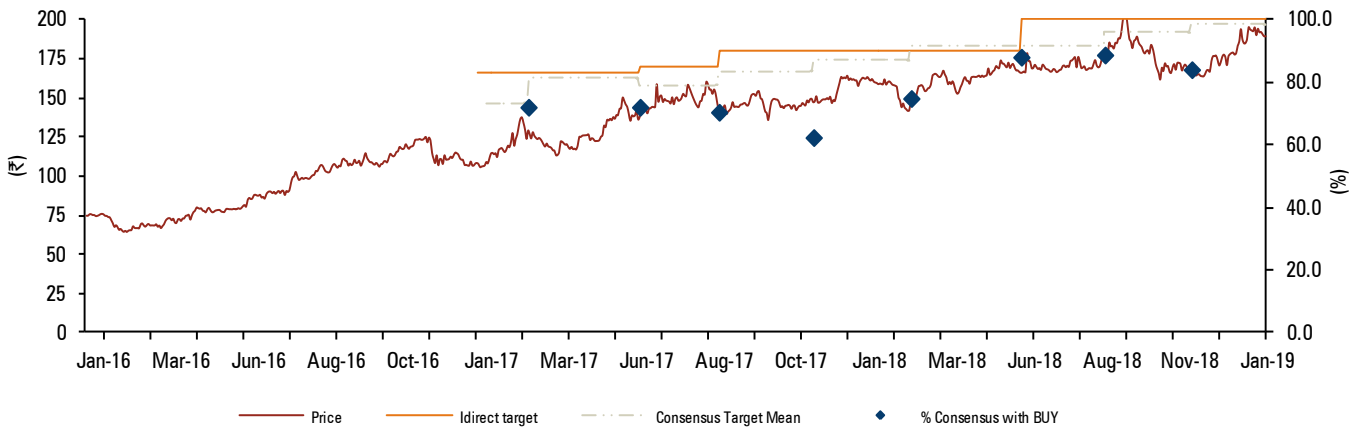
Source: Company, ICICI Direct Research

Exhibit 10: Valuation

	NII (₹ cr)	Growth (%)	PAT (₹ cr)	Growth (%)	P/E (x)	ABV (₹)	P/ABV (x)	RoA (%)	RoE (%)
FY17	1,199	22.2	502.8	13.1	22.3	52.6	3.5	1.5	15.4
FY18	1,430	19.3	592.3	17.8	20.9	55.4	3.4	1.6	15.5
FY19E	1,626	13.7	681.4	15.1	20.2	58.9	3.2	1.6	15.3
FY20E	1,893	16.4	765.6	12.4	17.9	68.6	2.7	1.6	14.8

Source: Company, ICICI Direct Research

Recommendation History vs. Consensus



Source: Bloomberg, Company, ICICI Direct Research

Key events

Date	Event
FY98	A 100 year old regional bank, gets listed in FY98
FY02	They enter into an MoU with Life Insurance Corporation of India and National Insurance Co Ltd for selling insurance products
FY03	Bank starts expanding beyond south and opens branch in Mumbai
FY07	Bank makes major preferential placement to L&T, LIC and other funds in ₹169 to ₹190 range
FY07	Announces share split in the ratio of 1:10 and rights issue in 1:4 ratio at ₹ 10
FY10	Mr Kamakodi takes over as CEO and MD, a young top management replacing Mr Balasubramanian, who became chairman
FY13	Further rights issue announced at ₹ 30 in 1:4 ratio
Jul-14	The bank raises ₹ 350 crore via QIP by diluting 8% stake

Source: Company, ICICI Direct Research

Top 10 shareholders

Rank	Name	Latest Filing date	%	O/S Position	Change
1	HDFC Asset Management Co., Ltd.	30-09-2018	4.4%	32.69M	-12.30M
2	Life Insurance Corporation of India	30-09-2018	3.65%	26.90M	0
3	Capital World Investors	30-09-2018	3.28%	24.15M	-0.00M
4	George Kaiser Family Foundation	30-09-2018	2.76%	20.31M	-0.00M
5	Axis Asset Management Company Limited	30-09-2018	2.63%	19.36M	+1.17M
6	Ntasain Discovery Master Fund	30-09-2018	2.39%	17.59M	-5.83M
7	Vaidyanathan (Vilasini)	30-09-2018	2.05%	15.13M	0
8	Visalam (G)	30-09-2018	2.05%	15.13M	0
9	Franklin Templeton Asset Management (India) Pvt. Ltd.	30-09-2018	1.99%	14.62M	0
10	Wasatch Advisors, Inc.	30-09-2018	1.96%	14.43M	+1.31M

Source: Reuters, ICICI Direct Research

Shareholding Pattern

(in %)	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
Promoter	-	-	-	-	-
FII	31.5	30.4	28.3	27.3	25.6
DII	19.0	20.4	23.0	24.5	25.2
Others	49.5	49.2	48.7	48.2	49.2

Recent Activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
L&T Investment Management Limited	+8.98M	+3.67M	HDFC Asset Management Co., Ltd.	-30.12M	-12.30M
DSP Investment Managers Pvt. Ltd.	+7.63M	+3.11M	Ntasain Discovery Master Fund	-14.28M	-5.83M
Wasatch Advisors, Inc.	+3.22M	+1.31M	Aberdeen Standard Investments (Asia) Limited	-3.53M	-1.44M
Axis Asset Management Company Limited	+2.87M	+1.17M	Pictet Asset Management Ltd.	-3.03M	-1.24M
The Vanguard Group, Inc.	+1.72M	+0.69M	Aditya Birla Sun Life AMC Limited	-3.03M	-1.21M

Source: Reuters, ICICI Direct Research

Financial summary

Profit and loss statement		₹ Crore			
(Year-end March)	FY17	FY18	FY19E	FY20E	
Interest Earned	3,173.8	3,402.4	3,934.9	4,589.0	
Interest Expended	1975.0	1972.1	2308.5	2695.6	
Net Interest Income	1,198.8	1,430.3	1,626.4	1,893.3	
growth (%)	22.2	19.3	13.7	16.4	
Non Interest Income	483.9	532.1	505.6	566.0	
Net Income	1682.7	1962.4	2132.0	2459.3	
Staff cost	298.1	315.9	376.8	431.0	
Other Operating expense	390.8	438.8	508.4	581.3	
Operating profit	993.8	1207.8	1246.7	1447.0	
Provisions	301.0	417.5	330.9	412.5	
Taxes	190.0	198.0	330.9	269.0	
Net Profit	502.8	592.3	681.4	765.6	
growth (%)	13.1	17.8	15.1	12.4	
EPS (₹)	8.4	8.9	9.2	10.4	

Source: Company, ICICI Direct Research

Key ratios					
(Year-end March)	FY17	FY18	FY19E	FY20E	
Valuation					
No. of Equity Shares	60.1	66.4	73.8	73.8	
EPS (₹)	8.4	8.9	9.2	10.4	
BV (₹)	59.4	62.7	65.4	75.5	
ABV (₹)	52.6	55.4	58.9	68.6	
P/E	22.3	20.9	20.2	17.9	
P/BV	3.1	3.0	2.8	2.5	
P/ABV	3.5	3.4	3.2	2.7	
Yields & Margins (%)					
Net Interest Margins	3.8	4.0	4.0	4.0	
Yield on assets	10.0	9.5	9.6	9.8	
Avg. cost on funds	6.8	6.0	6.2	6.4	
Yield on average advances	11.5	11.0	11.0	11.1	
Avg. Cost of Deposits	6.8	6.1	6.2	6.3	
Quality and Efficiency (%)					
Cost to income ratio	40.8	38.3	41.4	41.0	
Credit/Deposit ratio	79.1	84.8	86.8	88.8	
GNPA	2.9	3.1	2.8	2.7	
NNPA	1.7	1.7	1.5	1.3	
ROE	15.4	15.5	15.3	14.8	
ROA	1.5	1.6	1.6	1.6	

Source: Company, ICICI Direct Research

Balance sheet		₹ Crore			
(Year-end March)	FY17	FY18	FY19E	FY20E	
Sources of Funds					
Capital	60.1	66.4	73.8	73.8	
Reserves and Surplus	3510.1	4096.8	4754.8	5497.1	
Networth	3570.2	4163.2	4828.6	5570.9	
Deposits	30115.7	32853.1	37583.3	42996.9	
Borrowings	531.0	1735.9	1957.2	2083.4	
Other Liabilities & Provisions	1053.8	1185.5	1258.5	1337.3	
Total	35,270.7	39,937.6	45,627.6	51,988.4	
Applications of Funds					
Fixed Assets	215.1	223.1	247.9	271.1	
Investments	7031.3	7879.1	8525.1	9555.1	
Advances	23832.7	27852.8	32624.7	38170.9	
Other Assets	1312.7	1346.2	1354.3	820.3	
Cash with RBI & call money	2879.0	2636.4	2875.5	3171.0	
Total	35,270.7	39,937.6	45,627.6	51,988.4	

Source: Company, ICICI Direct Research

Growth		(%)			
(Year-end March)	FY17	FY18	FY19E	FY20E	
Total assets	10.9	13.2	14.2	13.9	
Advances	13.2	16.9	17.1	17.0	
Deposit	10.9	9.1	14.4	14.4	
Total Income	9.2	7.6	12.8	16.1	
Net interest income	22.2	19.3	13.7	16.4	
Operating expenses	23.5	9.5	17.3	14.4	
Operating profit	19.3	21.5	3.2	16.1	
Net profit	13.1	17.8	15.1	12.4	
Net worth	17.0	16.6	16.0	15.4	
EPS	23.8	6.6	3.5	12.4	

Source: Company, ICICI Direct Research

ICICI Direct coverage universe (Banking)

Sector / Company	CMP		Rating	M Cap (₹ Cr)	EPS (₹)			P/E (x)			P/ABV (x)			RoA (%)			RoE (%)		
	(₹)	TP(₹)			FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E
Bank of Baroda (BANBAR)	113	140	Buy	29,960	-9.2	10.0	17.0	-12.4	11.3	6.6	0.9	0.9	0.8	-0.3	0.4	0.6	-5.8	6.1	9.8
State Bank of India (STABAN)	284	340	Buy	253,771	-7.3	26.0	17.3	-38.8	10.9	16.5	2.3	1.4	1.8	-0.2	0.7	0.4	-3.0	9.7	6.5
Indian Bank (INDIBA)	223	250	Buy	10,696	26.2	16.9	30.6	8.5	13.2	7.3	0.9	1.1	0.9	0.5	0.3	0.5	7.1	4.4	7.7
Axis Bank (AXIBAN)	658	725	Buy	169,196	1.1	22.2	38.2	613.1	29.6	17.2	3.6	3.1	2.5	0.0	0.8	1.2	0.0	0.8	1.2
City Union Bank (CITUNI)	186	225	Buy	13,628	8.9	8.5	10.3	20.9	21.8	18.0	3.4	3.3	2.4	1.6	1.5	1.6	15.6	14.5	14.2
DCB Bank (DCB)	176	210	Buy	5,456	7.9	10.2	13.9	22.4	17.2	12.7	2.2	2.0	1.7	0.9	1.0	1.1	10.9	11.7	14.0
Federal Bank (FEDBAN)	85	110	Buy	16,904	4.5	6.2	7.4	19.1	13.8	11.5	1.5	1.4	1.3	0.7	0.8	0.9	8.2	9.3	10.4
HDFC Bank (HDFBAN)	2,076	2,400	Buy	564,690	67.4	75.5	91.3	30.8	27.5	22.7	5.3	4.0	3.5	1.8	1.8	1.8	18.1	16.6	16.2
IndusInd Bank (INDBA)	1,456	1,860	Buy	87,687	60.1	81.5	106.1	24.2	17.9	13.7	3.8	3.2	2.7	1.8	2.0	2.1	16.2	18.8	20.6
Jammu & Kashmir Bk(JAMKAS)	40	52	Buy	2,205	3.6	5.0	8.9	10.9	7.9	4.5	0.7	0.7	0.7	0.2	0.3	0.5	3.4	4.4	7.5
Kotak Mahindra Bank (KOTMAH)	1,262	1,400	Hold	240,741	21.4	26.5	33.0	58.9	47.6	38.3	6.7	6.1	5.6	1.7	1.7	1.8	12.5	12.8	14.4
Yes Bank (YESBAN)	204	300	Buy	47,113	18.3	22.1	26.3	11.1	9.2	7.7	1.9	1.6	1.3	1.6	1.4	1.4	17.6	18.0	18.2
Bandhan Bank (BANBAN)	411	575	Buy	48,965	11.3	16.9	21.9	18.1	12.0	9.3	2.6	2.2	1.8	3.6	4.0	4.0	19.5	19.6	21.1

Source: Company, ICICI Direct Research

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