

IndusInd Bank (IIB IN)

Rating: ACCUMULATE | CMP: Rs1,478 | TP: Rs1,640

January 14, 2020

Q3FY20 Result Update

☑ Change in Estimates | ■ Target | ☑ Reco

Change in Estimates

	Current		Previous	
	FY21E	FY22E	FY21E	FY22E
Rating	ACCUMULATE		BUY	
Target Price	1,640		1,640	
NII (Rs. m)	141,589	172,883	144,464	169,164
% Chng.	(2.0)	2.2		
Op. Profit (Rs. m)	125,517	151,874	126,743	146,715
% Chng.	(1.0)	3.5		
EPS (Rs.)	108.3	135.3	108.7	128.9
% Chng.	(0.4)	5.0		

Key Financials - Standalone

Y/e Mar	FY19	FY20E	FY21E	FY22E
NII (Rs m)	103,970	119,245	141,589	172,883
Op. Profit (Rs m)	93,050	106,302	125,517	151,874
PAT (Rs m)	40,540	56,086	75,035	93,860
EPS (Rs.)	62.7	81.0	108.3	135.3
Gr. (%)	4.2	29.1	33.6	25.0
DPS (Rs.)	6.5	10.0	12.5	15.0
Yield (%)	0.4	0.7	0.8	1.0
NIM (%)	4.3	4.1	4.1	4.1
RoAE (%)	14.8	16.7	18.5	19.2
RoAA (%)	1.6	1.8	2.0	2.1
P/BV (x)	3.3	2.8	2.3	1.9
P/ABV (x)	3.6	3.0	2.4	2.0
PE (x)	23.6	18.2	13.7	10.9
CAR (%)	15.8	17.3	17.9	17.9

Key Data

INBK.BO | IIB IN

52-W High / Low	Rs.1,835 / Rs.1,188
Sensex / Nifty	41,953 / 12,362
Market Cap	Rs.1,024bn/ \$ 14,456m
Shares Outstanding	693m
3M Avg. Daily Value	Rs.11150.41m

Shareholding Pattern (%)

Promoter's	14.38
Foreign	55.70
Domestic Institution	11.74
Public & Others	18.18
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.5)	(2.1)	(0.4)
Relative	(2.7)	(9.6)	(14.9)

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Operations improving but asset quality to be watched

Quick pointers

- Asset quality steady but slippages came in high in both corporate/consumer
- NIMs improve 5bps QoQ to 4.15% on sharp fall in deposit cost by 21bps QoQ

IIB reported earnings of Rs13.0bn (PLe: Rs15.4bn) was below our estimate largely on higher provisioning including an Rs2.5bn of accelerated provisioning to enhance PCR to 53% (300bps up QoQ). Headline asset quality was steady on better asset recoveries & few write-offs but internals showcase higher than trend slippages in both corporate – largely emanating from known stress watch list & consumer – mostly in CV/Cards/MFI. Positives have been further improvement in NIMs by 5bps QoQ to 4.15%, strong SA growth of 30% YoY/11% QoQ. We believe, it will be very important to see new MD's strategy on corporate book given questions surrounding asset quality and retailization of liabilities, while asset quality and provisioning will remain higher from trend levels. We downgrade to Accumulate and retain TP of Rs1,640 (unchanged) based on 2.5x Sep FY22 ABV.

- Operationally steady:** NII came in at Rs30.7bn (PLe: Rs30.5bn) growing 34% YoY (not comparable) & 5.7% QoQ with further improvement in NIMs of 5bps QoQ to 4.15%. Strong improvement in cost of deposit (for core IIB) by 21bps QoQ to 6.49% has largely driven NIM improvement. Important data to highlight is non-consumer lending yields at 8.87% is lowest in many quarters more likely due to interest reversals and also from higher repayments. Other revenue areas like fee income grew by 19% YoY led from loan processing & TPD fees.
- Asset growth remain slower; liabilities holding up:** Loan growth incl. Bhafin's book grew at 20% YoY (in-line with PLe) with MFI growth accelerating by 10% QoQ, implying core loan book was slower. Slower growth has been led from selective growth in corporate and repayments/recoveries/selldowns in loans, while macros affecting secured asset growth. **On liabilities,** deposits growth has held up well at 23% YoY with CASA growth at 20% YoY led by SA growth of 30% YoY/12% QoQ leading to slightly better CASA ratio but this ratio has been volatile as bank tries to up the retail portion of deposits.
- Trend line slippages increasing will keep asset quality issues active:** Headline asset quality was steady on higher recoveries/write-offs but slippages came in higher with corporate slippage at Rs12.4bn (highest ever excl. IL&FS) and Rs7.1bn in consumer book. Corporate book slippage was partly from known accounts & stressed watchlist of the bank (down to 50bps from 110bps of loans). Consumer slippage has started to inch up significantly with rising trends in CV/Cards/MFI, while some segments like BBG/LAP/PVs have seen small improvements. Bank classified two a/c as fraud from corporate book – one HFC (likely DHFL) and one travel co (likely Cox & Kings) where 25% provision was routed through P&L and rest 75% through reserves which in next three quarters would eventually pass through P&L keeping credit cost high for bank with eventual guidance increased to 80bps for FY20 and retained within trend line of 60bps for FY21.

Exhibit 1: Q3FY20 Financials – Operationally steady; provisions accelerate

NII grew by 34% YoY driven by stable yields & 17bps improvement in CoF (21bps improvement in deposit cost).

Other income remained good on back of better fee items in loan processing & TPD fees

Opex growth has been quite sharper led from higher staff cost

Provisions were up to improve PCR with an accelerated provision of Rs2.5bn and also fraud related provisioning

Deposits growth has held up with strong growth from SA and overall Retail deposits

NIMs improved by 5bps sequentially for the 2nd quarter

Stressed book shrunk to 0.47% v/s 1.1% on repayments/recoveries and NPAs.

Slippages were high at Rs 19.45bn, though headline asset quality was steady on strong recoveries and higher write-offs

Strong SA growth led to improvement in CASA mix

P&L	Q3FY20	Q3FY19	YoY gr. (%)	Q2FY20	QoQ gr. (%)
Interest Income	72,845	57,635	26.4	71,504	1.9
Interest Expense	42,105	34,754	21.2	42,408	(0.7)
Net interest income (NII)	30,740	22,881	34.3	29,095	5.7
Treasury income	2,840	2,030	39.9	2,590	9.7
Fee income	15,060	12,660	19.0	14,680	2.6
Other income	17,894	14,689	21.8	17,267	3.6
Total income	48,634	37,569	29.5	46,362	4.9
Operating expenses	21,178	16,400	29.1	20,363	4.0
-Staff expenses	5,501	4,521	21.7	5,155	6.7
-Other expenses	15,677	11,879	32.0	15,208	3.1
Operating profit	27,456	21,170	29.7	25,999	5.6
Core operating profit	24,616	19,140	28.6	23,409	5.2
Total provisions	10,435	6,067	72.0	7,377	41.4
Profit before tax	17,022	15,103	12.7	18,622	(8.6)
Tax	4,020	5,253	(23.5)	4,789	(16.1)
Profit after tax	13,002	9,850	32.0	13,834	(6.0)
Deposits	2,167,130	1,757,010	23.3	2,071,934	4.6
Advances	2,074,130	1,731,690	19.8	1,971,126	5.2
Profitability ratios					
RoAA	1.8	1.6	20	2.0	(13)
RoAE	15.6	15.4	18	17.3	(164)
NIM	4.2	3.8	32	4.1	5
Yield on Advances	12.0	11.5	45	12.0	(7)
Cost of Deposits	6.5	6.7	(25)	6.7	(21)
Asset Quality ratios					
Gross NPL (Rs m)	45,784	19,682	132.6	43,702	4.8
Net NPL (Rs m)	21,733	10,293	111.1	22,026	(1.3)
Gross NPL ratio	2.2	1.1	105.0	2.2	(1.0)
Net NPL ratio	1.1	0.6	46.0	1.1	(7.0)
Coverage ratio	52.5	47.7	483	49.6	293
Restructured adv. (Rs m)	1,244	1,905	(34.7)	2,168	(42.6)
% restructured adv.	0.1	0.1	(5)	0.1	(5)
Business & Other Ratios					
Low-cost deposit mix	42.4	43.6	(118)	41.4	96
Cost-income ratio	43.5	43.7	(11)	43.9	(38)
Non int. inc / total income	36.8	39.1	(230)	37.2	(45)
Credit deposit ratio	95.7	98.6	(285)	95.1	57
CAR	13.3	14.2	(90)	14.7	(141)
Tier-I	13.5	13.8	(29)	14.3	(78)

Source: Company, PL

Note – YoY numbers are not comparable on merger

Q3FY20 Concall Highlights

Balance Sheet growth & outlook

- **Lending** - Overall Loan Book growth was slow at 20% YoY mainly from slower growth in corporate segment owing to recoveries/repayments which has been to tune of Rs77.0bn in last three quarters. In consumer banking, MFI book has posted a comeback with the focus remaining on the existing customer base with secular growth across geographies and had slowed in Assam and WB a few quarters back. Two wheeler book has done well on account of Festive season built-up from Sep-Oct-Nov months.
- **Liabilities** – CASA growth of 20% YoY was supported by strong SA growth of 30% YoY/12% QoQ, while bank also grew its Retail deposits by 48% YoY.

Margins/Profitability

- NIM expanded by 5 bps to 4.15% on lower cost of funding and higher share of retail deposits and low cost deposits. Bank has lowered its term deposits rates by 90-100bps in last one year benefitting on deposit cost.
- Yields in Corporate book have been lowest in many quarters at 8.87% with 15bps down QoQ alone and 95bps YoY.s

Asset Quality

- Slippages rose from trend levels to Rs19.45bn with overall slippages coming from sub-investment grade book of the watchlist. Slippages from Corporate book were significantly higher up 158% QoQ. Major slippages include Rs 2.82bn from a Travel Co., Rs.2.5bn from the stressed Diversified Conglomerate (though this stands recovered in this quarter itself), and Rs 1.77bn from a Paper Co.
- For the large infrastructure NBFC, PCR stands at 73% (pre-w.off) with an expected recovery of 75% in a large tunnel which is the major part of the SPV exposure
- Classification of the stressed HFC (though this hasn't slipped yet) and a Travel Co. under Frauds has contributed Rs2.4bn to provisions, while 75% was passed through reserves during the quarter, but eventually will be passed back from P&L over next three quarters keeping provisioning level high. **Guidance** – Bank upped its credit cost guidance to 80bps from 60bps and retained 60-70bps for FY21in-line with trend levels
- **Stressed loans** – Overall stressed loan book have come off from 1.1% in Q2FY20 to 0.47% of loans in Q3FY20 on back of aggressive provisioning and some recoveries (Rs3.45bn from sale of shares of stressed Diversified Conglomerate).

Corporate loan book saw decline on back of welcome provisions and payments.

Vehicle finance portfolio saw healthy growth from tractors/UVs/2W

MFI book growth showed recovery growing 44% YoY

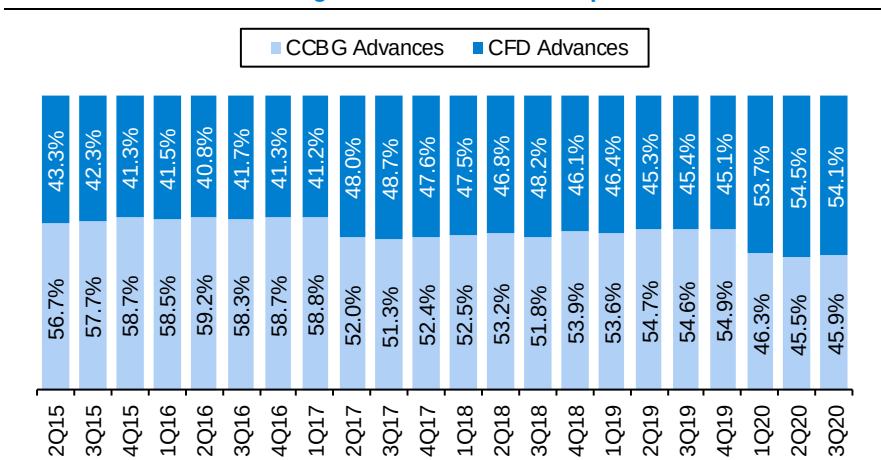
Credit card posted strong 29% YoY/8.9% QoQ growth

Exhibit 2: MFI growth recovers, vehicle financing continues to be slow

Loan Book mix	Q3FY20	Q3FY19	YoY gr. (%)	Q2FY20	QoQ gr. (%)
CV Loans / Tractors	249,770	233,040	7.2	250,920	(0.5)
UV Loans	42,640	33,830	26.0	40,090	6.4
3W/Small CV	35,600	30,340	17.3	33,860	5.1
2W Loans	52,960	43,220	22.5	47,990	10.4
Car Loans	73,360	62,850	16.7	70,130	4.6
Tractors	44,000	33,150	32.7	41,320	6.5
Equipment Financing	82,380	68,520	20.2	80,410	2.4
Credit Card	45,760	35,460	29.0	42,030	8.9
LAP	95,390	85,570	11.5	87,850	8.6
Others	77,570	54,350	42.7	77,480	0.1
MFI	207,570	-	NA	188,840	9.9
BBG	114,600	105,110	9.0	113,600	0.9
Consumer Finance in BBG	1,121,600	785,440	42.8	1,074,520	4.4
Corporate Finance	952,530	946,250	0.7	896,606	6.2
Loan Mix					
Vehicle Finance	28.0%	29.2%	(1.2)	28.6%	(0.7)
Non-Vehicle Consumer	26.1%	16.2%	9.9	25.9%	0.2
Consumer Finance	54.1%	45.4%	8.7	54.5%	(0.4)
Corporate Finance	45.9%	54.6%	(8.7)	45.5%	0.4

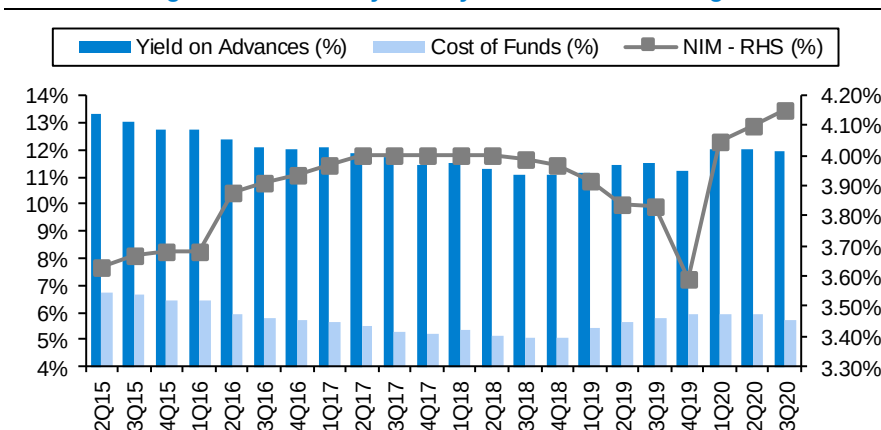
Source: Company, PL Research; Note – BBG reclassified in Consumer Fin

Exhibit 3: Consumer book growth continues as corporate book shrinks

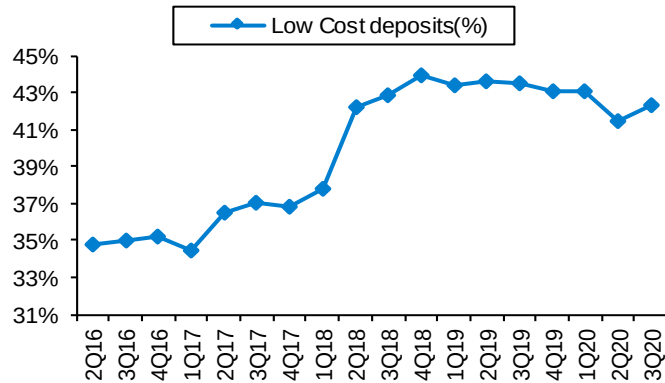


Source: Company, PL Research

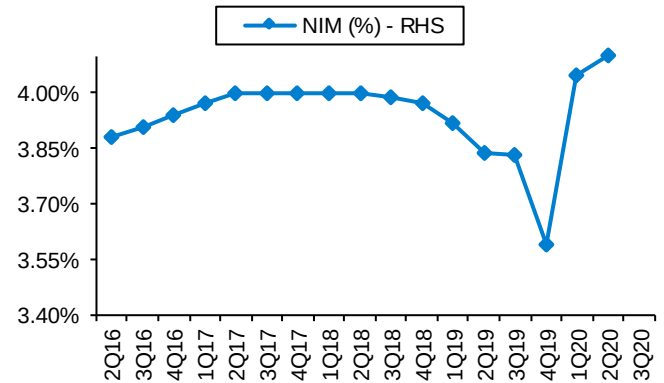
Exhibit 4: Margins remain steady as they benefit from lowering CoF



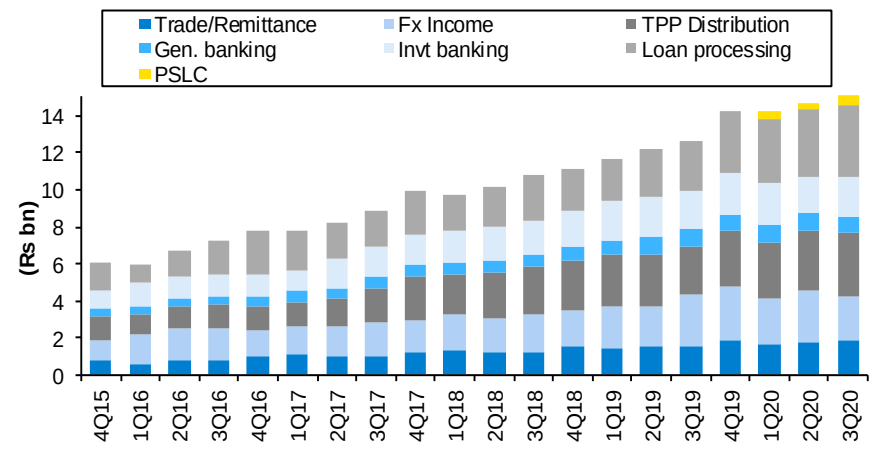
Source: Company, PL Research

Exhibit 5: CASA recovers on support from Savings


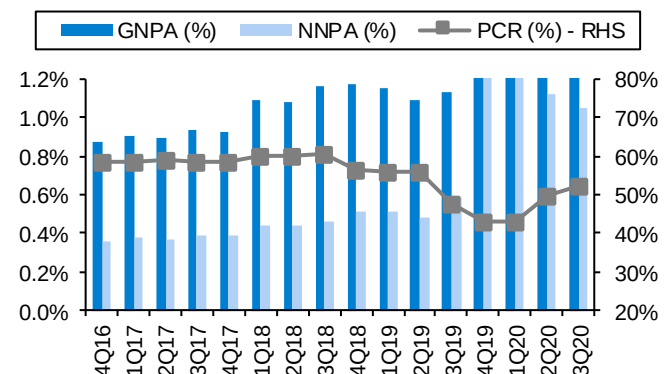
Source: Company, PL

Exhibit 6: NIMs move up by 5bps QoQ mainly from core IIB


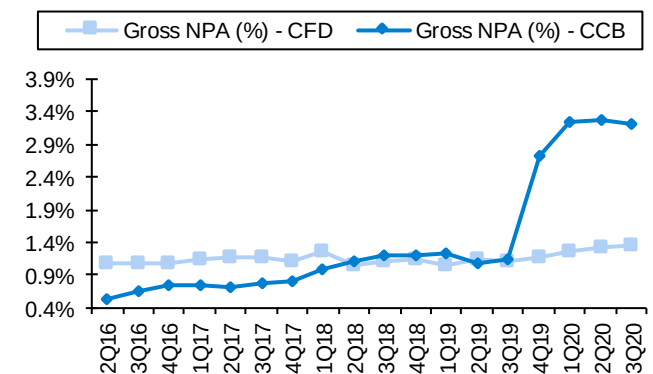
Source: Company, PL

Exhibit 7: Core fee growth has been stable contributed from transaction /processing fees/TPD


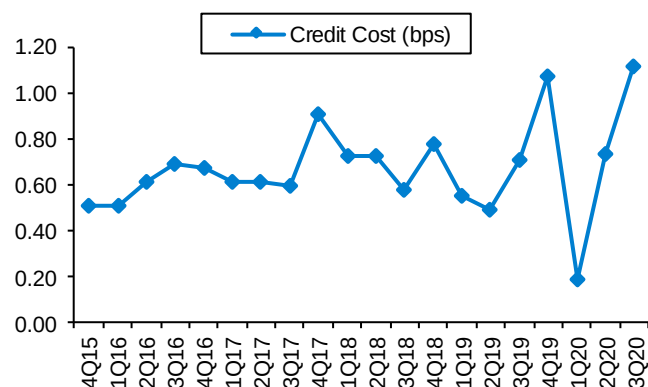
Source: Company, PL Research

Exhibit 8: GNPA's increase but PCR up by 483bps YoY


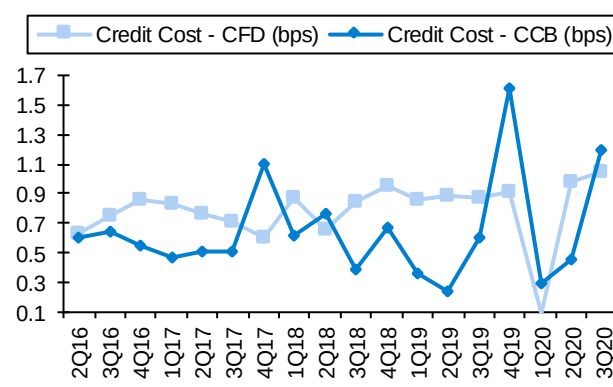
Source: Company, PL

Exhibit 9: Asset Quality for the Corporate book deteriorates


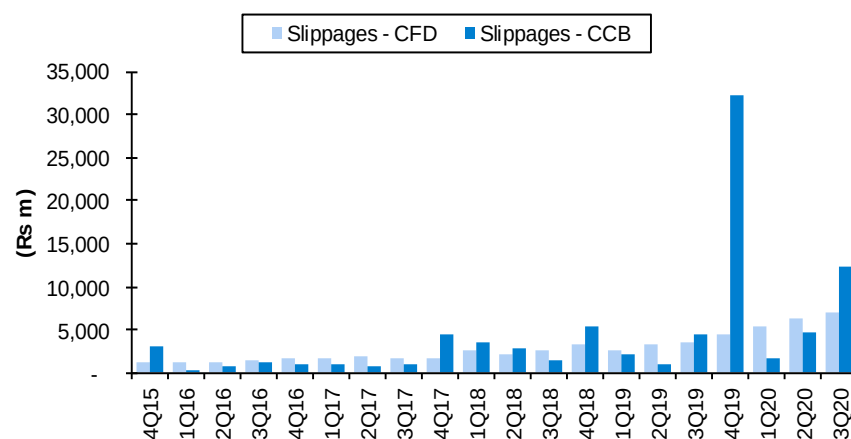
Source: Company, PL

Exhibit 10: Credit costs increase on spike in provisioning


Source: Company, PL

Exhibit 11: Credit costs for Corp. spike on higher slippages


Source: Company, PL

Exhibit 12: Slippages for Corporate sees a spike


Source: Company, PL Research

Exhibit 13: Trends in Stressed Assets as a Proportion of Loan Book

Stressed Assets	4Q19	1Q20	2Q20	3Q20
Media Group	0.4%	0.4%	0.3%	0.3%
Diversified Group	1.0%	1.0%	0.5%	0.2%
HFC Group	0.4%	0.3%	0.3%	-
Total	1.9%	1.7%	1.1%	0.5%
SMA-1	0.3%	0.2%	0.4%	0.6%
SMA-2	0.3%	0.2%	0.6%	0.5%

Source: Company, PL

Exhibit 14: Return ratios have cushion for incremental stress concerns

RoE decomposition (%)	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E	FY22E
Interest income	9.75	9.09	8.96	8.63	9.56	9.30	9.25	9.26
Interest expenses	6.31	5.55	5.19	4.89	5.48	5.46	5.40	5.38
Net interest income	3.44	3.55	3.77	3.75	4.08	3.84	3.84	3.88
Treasury income	0.84	0.77	0.74	0.65	0.58	0.43	0.43	0.39
Other Inc. from operations	1.58	1.82	1.85	1.73	1.75	1.82	1.74	1.66
Total income	5.86	6.14	6.37	6.12	6.41	6.09	6.01	5.93
Employee expenses	0.99	0.97	0.95	0.89	0.90	0.74	0.71	0.66
Other operating expenses	1.76	1.91	2.03	1.90	1.86	1.93	1.89	1.86
Operating profit	3.12	3.25	3.39	3.33	3.65	3.42	3.41	3.41
Tax	0.92	0.93	0.93	0.94	0.82	0.65	0.72	0.74
Loan loss provisions	0.39	0.53	0.68	0.59	1.24	0.97	0.65	0.56
RoAA	1.80	1.80	1.78	1.80	1.59	1.81	2.04	2.10
RoAE	18.22	16.14	14.96	16.21	14.81	16.68	18.49	19.20

Source: Company, PL Research

Exhibit 15: Change in estimates table – Cut our loan growth estimates and increased provisions marginally

Rs (mn)	Old			Revised			% Change		
	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E
Net interest income	122,964	144,464	169,164	119,245	141,589	172,883	(3.0)	(2.0)	2.2
Operating profit	108,864	126,743	146,715	106,302	125,517	151,874	(2.4)	(1.0)	3.5
Net profit	60,479	75,316	89,400	56,086	75,035	93,860	(7.3)	(0.4)	5.0
EPS, Rs.	87.4	108.7	128.9	81.0	108.3	135.3	(7.3)	(0.4)	5.0
ABV per share, Rs.	491.3	613.4	720.8	488.7	609.1	724.5	(0.5)	(0.7)	0.5
Price target, Rs.	1,640			1,640			0.0%		
Recommendation	BUY			ACCUMULATE					

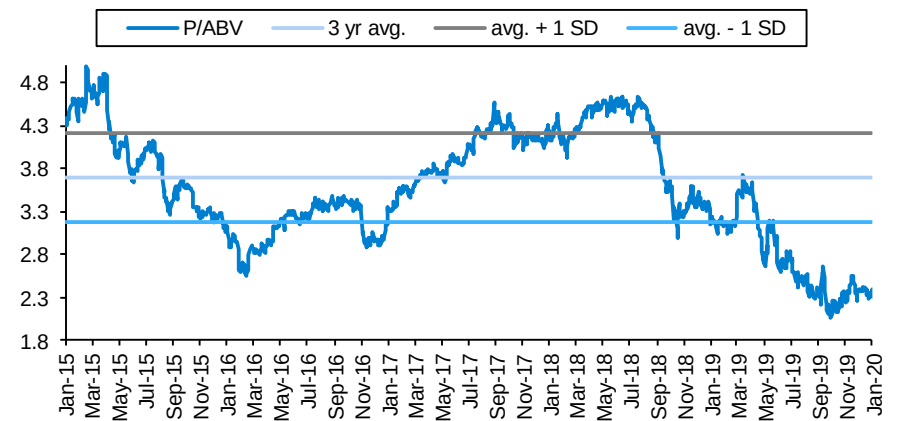
Source: Company, PL

Exhibit 16: Valuation Table – We change our rating to Accumulate maintaining TP of Rs1,640 based on 2.5x Sep FY22 ABV

PT calculation and upside	
Terminal growth	5.0%
Market risk premium	6.5%
Risk-free rate	7.5%
Adjusted beta	1.08
Cost of equity	14.5%
Fair price - P/ABV, Rs	1,640
Target P/ABV (x)	2.5
Target P/E (x)	13.5
Current price, Rs	1,478
Upside (%)	12%

Source: Company, PL Research

Exhibit 17: One year forward valuation chart



Source: Company, PL Research

Income Statement (Rs. m)

Y/e Mar	FY19	FY20E	FY21E	FY22E
Int. Earned from Adv.	203,637	239,958	281,086	339,074
Int. Earned from invt.	36,773	44,185	56,280	69,760
Others	3,285	4,631	3,229	4,042
Total Interest Income	243,696	288,774	340,595	412,876
Interest Expenses	139,726	169,529	199,006	239,993
Net Interest Income	103,970	119,245	141,589	172,883
Growth(%)	33.3	15.9	17.0	19.4
Non Interest Income	59,310	69,986	79,784	91,353
Net Total Income	163,280	189,231	221,373	264,235
Growth(%)	37.5	18.4	17.2	19.9
Employee Expenses	22,863	23,092	26,094	29,616
Other Expenses	44,898	57,020	67,284	80,068
Operating Expenses	70,230	82,929	95,857	112,362
Operating Profit	93,050	106,302	125,517	151,874
Growth(%)	39.8	14.2	18.1	21.0
NPA Provision	27,190	25,039	21,998	22,114
Total Provisions	31,620	29,995	24,119	25,035
PBT	61,430	76,307	101,398	126,838
Tax Provision	20,890	20,221	26,363	32,978
Effective tax rate (%)	34.0	26.5	26.0	26.0
PAT	40,540	56,086	75,035	93,860
Growth(%)	12.4	38.3	33.8	25.1

Balance Sheet (Rs. m)

Y/e Mar	FY19	FY20E	FY21E	FY22E
Face value	10	10	10	10
No. of equity shares	692	693	694	694
Equity	6,922	6,926	6,937	6,937
Networth	308,988	363,455	448,205	529,541
Growth(%)	29.7	17.6	23.3	18.1
Adj. Networth to NNPA's	22,653	21,755	22,379	23,694
Deposits	1,948,679	2,377,388	2,947,962	3,655,473
Growth(%)	28.5	22.0	24.0	24.0
CASA Deposits	840,701	1,022,277	1,252,884	1,557,231
% of total deposits	43.1	43.0	42.5	42.6
Total Liabilities	2,880,372	3,329,622	4,035,397	4,883,070
Net Advances	1,941,015	2,232,167	2,656,279	3,240,660
Growth(%)	33.9	15.0	19.0	22.0
Investments	592,662	723,288	947,927	1,139,010
Total Assets	2,880,484	3,329,622	4,035,397	4,883,070
Growth (%)	30.0	15.6	21.2	21.0

Asset Quality

Y/e Mar	FY19	FY20E	FY21E	FY22E
Gross NPAs (Rs m)	40,053	48,534	52,410	57,820
Net NPAs (Rs m)	22,653	21,755	22,379	23,694
Gr. NPAs to Gross Adv.(%)	2.1	2.2	2.0	1.8
Net NPAs to Net Adv. (%)	1.2	1.0	0.8	0.7
NPA Coverage %	43.4	55.2	57.3	59.0

Profitability (%)

Y/e Mar	FY19	FY20E	FY21E	FY22E
NIM	4.3	4.1	4.1	4.1
RoAA	1.6	1.8	2.0	2.1
RoAE	14.8	16.7	18.5	19.2
Tier I	15.3	16.5	17.2	17.3
CRAR	15.8	17.3	17.9	17.9

Source: Company Data, PL Research

Note: FY19 base financials include Proforma Bhafin

Quarterly Financials (Rs. m)

Y/e Mar	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Interest Income	59,914	69,614	71,504	72,845
Interest Expenses	37,591	41,174	42,408	42,105
Net Interest Income	22,324	28,440	29,095	30,740
YoY growth (%)	42.3	39.8	31.1	21.2
CEB	14,190	14,220	14,680	15,060
Treasury	-	-	-	-
Non Interest Income	15,590	16,633	17,267	17,894
Total Income	75,504	86,246	88,770	90,739
Employee Expenses	4,812	6,472	5,155	5,501
Other expenses	12,424	12,691	15,208	15,677
Operating Expenses	17,237	19,163	20,363	21,178
Operating Profit	20,677	25,910	25,999	27,456
YoY growth (%)	16.9	35.6	30.5	29.7
Core Operating Profits	19,277	23,500	23,409	24,616
NPA Provision	20,040	3,040	3,630	5,760
Others Provisions	15,607	4,306	7,377	10,435
Total Provisions	15,607	4,306	7,377	10,435
Profit Before Tax	5,070	21,603	18,622	17,022
Tax	1,469	7,278	4,789	4,020
PAT	3,601	14,325	13,834	13,002
YoY growth (%)	(62.2)	38.3	50.3	32.0
Deposits	1,948,679	2,005,860	2,071,934	2,167,130
YoY growth (%)	28.5	26.3	23.2	23.3
Advances	1,863,935	1,935,200	1,971,126	2,074,130
YoY growth (%)	28.6	28.4	20.8	19.8

Key Ratios

Y/e Mar	FY19	FY20E	FY21E	FY22E
CMP (Rs)	1,478	1,478	1,478	1,478
EPS (Rs)	62.7	81.0	108.3	135.3
Book Value (Rs)	442	520	641	759
Adj. BV (70%)(Rs)	409	489	609	724
P/E (x)	23.6	18.2	13.7	10.9
P/BV (x)	3.3	2.8	2.3	1.9
P/ABV (x)	3.6	3.0	2.4	2.0
DPS (Rs)	6.5	10.0	12.5	15.0
Dividend Payout Ratio (%)	10.4	12.3	11.5	11.1
Dividend Yield (%)	0.4	0.7	0.8	1.0

Efficiency

Y/e Mar	FY19	FY20E	FY21E	FY22E
Cost-Income Ratio (%)	43.0	43.8	43.3	42.5
C-D Ratio (%)	99.6	93.9	90.1	88.7
Business per Emp. (Rs m)	140	154	173	197
Profit per Emp. (Rs lacs)	15	19	23	27
Business per Branch (Rs m)	2,336	2,307	2,337	2,397
Profit per Branch (Rs m)	24	28	31	33

Du-Pont

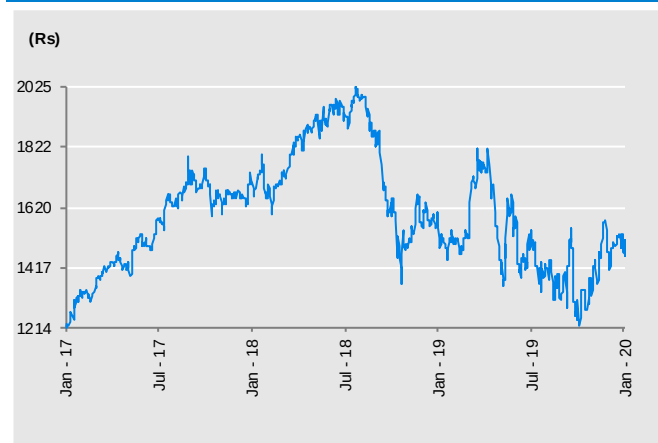
Y/e Mar	FY19	FY20E	FY21E	FY22E
NII	4.08	3.84	3.84	3.88
Total Income	6.41	6.09	6.01	5.93
Operating Expenses	2.76	2.67	2.60	2.52
PPoP	3.65	3.42	3.41	3.41
Total provisions	1.24	0.97	0.65	0.56
RoAA	1.59	1.81	2.04	2.10
RoAE	14.81	16.68	18.49	19.20

Source: Company Data, PL Research

Note: FY19 base financials include Proforma Bhafin

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	3-Jan-20	BUY	1,640	1,519
2	15-Dec-19	BUY	1,640	1,485
3	10-Oct-19	BUY	1,640	1,229
4	3-Oct-19	BUY	1,832	1,256
5	12-Jul-19	BUY	1,800	1,510
6	4-Jul-19	BUY	1,800	1,493
7	28-Jun-19	BUY	1,800	1,420
8	22-May-19	BUY	1,832	1,528
9	5-Apr-19	BUY	1,791	1,768

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Accumulate	800	744
2	Bank of Baroda	BUY	115	102
3	Bank of India	Reduce	58	70
4	Federal Bank	BUY	102	91
5	HDFC	BUY	2,700	2,376
6	HDFC Bank	BUY	1,406	1,267
7	HDFC Life Insurance Company	Hold	624	630
8	ICICI Bank	BUY	605	538
9	ICICI Prudential Life Insurance Company	Accumulate	529	485
10	IDFC First Bank	BUY	44	46
11	IndusInd Bank	BUY	1,640	1,519
12	Jammu & Kashmir Bank	Under Review	-	30
13	Kotak Mahindra Bank	Hold	1,586	1,655
14	Max Financial Services	BUY	596	554
15	Punjab National Bank	Reduce	57	65
16	SBI Life Insurance Company	BUY	991	975
17	South Indian Bank	BUY	18	10
18	State Bank of India	BUY	413	334
19	Union Bank of India	Reduce	44	55
20	YES Bank	Hold	59	47

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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