Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

April 29, 2022

Q4FY22 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY23E	FY24E	FY23E	FY24E
Rating	**BUY**		**BUY**	
Target Price	**940**		**975**	
NII (Rs. m)	381,414	434,670	385,199	459,095
% Chng.	*(1.0)*	*(5.3)*		
Op. Profit (Rs. m)	292,839	334,735	290,332	344,496
% Chng.	*0.9*	*(2.8)*		
EPS (Rs.)	50.8	59.3	49.6	61.2
% Chng.	*2.4*	*(3.2)*		

Key Financials - Standalone

Y/e Mar	FY21	FY22	FY23E	FY24E
NII (Rs bn)	292	331	381	435
Op. Profit (Rs bn)	257	247	293	335
PAT (Rs bn)	66	130	156	182
EPS (Rs.)	21.5	42.3	50.8	59.3
Gr. (%)	*272.9*	*96.9*	*20.0*	*16.6*
DPS (Rs.)	-	1.0	4.6	6.5
Yield (%)	-	*0.1*	*0.6*	*0.8*
NIM (%)	*3.7*	*3.6*	*3.6*	*3.6*
RoAE (%)	*7.1*	*12.0*	*13.3*	*14.2*
RoAA (%)	*0.7*	*1.2*	*1.3*	*1.3*
P/BV (x)	2.4	2.1	2.0	1.8
P/ABV (x)	2.5	2.2	2.1	1.9
PE (x)	36.3	18.4	15.3	13.2
CAR (%)	19.1	18.5	17.8	17.3

Key Data	AXBK.BO | AXSB IN
52-W High / Low	Rs.881 / Rs.621
Sensex / Nifty	57,521 / 17,245
Market Cap	Rs.2,394bn/ $ 31,303m
Shares Outstanding	3,070m
3M Avg. Daily Value	Rs.8634.7m

Shareholding Pattern (%)

Promoter's	9.70
Foreign	46.93
Domestic Institution	30.50
Public & Others	12.87
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	6.0	2.8	10.1
Relative	6.1	7.2	(4.8)

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Axis Bank (AXSB IN)

Rating: BUY | CMP: Rs780 | TP: Rs940

Mixed quarter; NIM the key monitorable

Quick Pointers:

- Miss on PPoP led by softer margins while asset quality improved QoQ
- NIM recovery and opex benefits might take longer to materialise

Axis bank earnings were mixed as operating income missed estimates by 4% due to weaker margins although PAT was a beat at Rs41.2bn (PLe: Rs39.8bn) driven by lower provisions (due to stronger recoveries). Loan growth was a tad higher led by retail, however the management was a bit cautious on credit growth in FY23E owing to a tougher global environment. The likelihood of reaching the guided RoE of ~16% seems lower in the medium term as margin recovery could be protracted and opex may remain elevated. However, balance sheet strength and improving asset quality provide some cushion. Valuation discount to ICICIBC might widen to 20-25% (currently 16%) unless NIM improves. With RoE of 14.2% in FY24E, we maintain multiple for AXSB at 2.3x FY24E ABV though cut TP from Rs975 to Rs940. Maintain BUY.

- **Q4FY22 – Miss on operating profit though asset quality better:** NII was lower at Rs89bn (PLe Rs91bn) led by softer NIM at 3.8% (PLe 4.0%). Loan growth was 15% YoY (PLe 13.5%) mainly led by retail. Deposits grew by 17.7% YoY as average CASA growth of ~19%. Other income was a tad better at Rs42bn as fees were higher. Opex was Rs65.8bn with staff cost being softer while other opex was higher. Led by weaker NII, PPoP dipped 6% YoY to Rs64.7bn (PLe Rs67.3bn). Due to higher recoveries, asset quality was strong with GNPA/NNPA (calc.) being lower at 2.8%/0.7% (PLe 3%/0.9%). Hence provisions were Rs9.9bn (PLe Rs13.9bn). PAT was Rs41.2bn (PLe Rs39.8bn).

- **Business growth led from retail and SME:** Credit accretion was largely led by retail (+21% YoY) while SME too was strong at 26% YoY. Corporate growth was muted at 4% YoY. Retail growth was attributable to HL, LAP, rural, SBB and CC. Endeavour would be to penetrate further in the semi-urban rural areas and grow the higher yielding retail book. There was no growth guidance in particular but the management sounded more circumspect than last time in terms of FY23E growth. On liabilities, CASA traction continues and focus remains on granularity. For SA deposits, bank has been moving towards acquisition of premier customers, which would aid in ticket size growth.

- **Margin recovery and opex reduction could be slower:** Margins once again disappointed owing to pricing pressure. While it was suggested earlier that NIM expansion would hinge on shifting from investments to higher yielding loans, the pace has been slower which could lead to a protracted margin recovery. Moreover, earlier guidance to reach 2% cost to assets in FY23 stands deferred as the bank expects higher expenses in the near to medium term.

- **Asset quality was strong:** While gross slippages were higher Rs39.8bn (mainly retail), recoveries were stronger leading to negligible net slippages that resulted in better asset quality. Restructured pool declined QoQ from 100bps to 85bps while PCR on the same is 24%. The BB & below pool further reduced QoQ from 1.7% to 1.3%. Buffer provisions are maintained at Rs50bn or 70bps.

NII growth was decent with 17% YoY/1.9% led by softer margins

Better fees lead to drive other income

Other expenses increase with volumes, tech spends and one-time expenses related to acquisition

Provisions include Rs.5.8bn towards prudent provisioning.

Loan growth driven by retail and some better growth in SME too

NIMs muted due to stagnant yields and rising costs of funds

Asset quality has been improving with PCR at 75%

CASA mix remained steady

Exhibit 1: NIM pressure led to NII miss, lower provisions drove earnings beat

Financial Statement (Rs m)	Q4FY22	Q4FY21	YoY gr. (%)	Q3FY22	QoQ gr. (%)
Interest Income	130,694	115,982	*12.7*	126,790	*3.1*
Interest Expenses	89,571	79,902	*12.1*	86,086	*4.0*
Net interest income (NII)	**88,191**	**75,550**	***16.7***	**86,525**	***1.9***
Other income	42,233	46,683	*(9.5)*	38,404	*10.0*
Total income	**130,425**	**1,22,233**	***6.7***	**124,929**	***4.4***
Operating expenses	65,765	**53,586**	*22.7*	63,314	*3.9*
-Staff expenses	18,865	16,676	*13.1*	19,386	*(2.7)*
-Other expenses	46,900	36,910	*27.1*	43,928	*6.8*
Operating profit	**64,660**	**68,647**	***(5.8)***	**61,615**	***4.9***
Core operating profit	62,350	**60,757**	*2.6*	57,945	*7.6*
Total provisions	9,872	32,950	*(70.0)*	13,348	*(26.0)*
Profit before tax	**54,788**	**35,697**	***53.5***	**48,267**	***13.5***
Tax	13,610	8,926	*52.5*	12,125	*12.2*
Profit after tax	**41,178**	**26,771**	***53.8***	**36,142**	***13.9***
Balance sheet (Rs m)					
Deposits	71,38,622	6,979,826	*17.7*	7,716,702	*6.5*
Advances	61,48,737	6,143,994	*15.2*	6,648,656	*6.4*
Ratios (%)					
Profitability ratios					
RoaA	1.5	1.1	*40*	1.4	*11*
NIM	**3.5**	**3.6**	***(7)***	**3.5**	***(4)***
RoaE	15.2	11.5	*372*	13.8	*141*
Asset Quality					
Gross NPL	218,223	253,148	*(13.8)*	233,012	*(6.3)*
Net NPL	55,122	69,935	*(21.2)*	65,131	*(15.4)*
Gross NPL ratio	**2.8**	**3.7**	***(88)***	**3.2**	***(35)***
Net NPL ratio	**0.7**	**1.1**	***(39)***	**0.9**	***(18)***
Coverage ratio (Calc)	74.7	72.4	*237*	72.0	*269*
Business & Other Ratios					
Low-cost deposit mix	45.0	45.5	*(53)*	44.7	*31*
Cost-income ratio	50.4	43.8	*658*	50.7	*(26)*
Non int. inc / total income	32.4	38.2	*(581)*	30.7	*164*
Credit deposit ratio	86.1	88.2	*(190)*	86.2	*(4)*
CAR	18.5	19.1	*(58)*	18.7	*(18)*
Tier-I	15.2	16.5	*(123)*	15.3	*(9)*

Source: Company, PL

Exhibit 2: Improving Loan Growth, focus continues on granularity

Segmental Mix (Rs m)	Q4FY22	Q4FY21	YoY gr. (%)	Q3FY22	QoQ gr. (%)
Large & mid-corporate	23,07,380	21,93,560	***5.2***	**2,294,620**	***0.6***
SME Advances	7,70,670	6,98,500	*10.3*	679,090	*13.5*
Retail	39,98,910	33,45,140	*19.5*	3,674,940	*8.8*
- Housing Loans	18,56,050	12,04,250	*23.3*	743,810	*6.4*
- Personal loans	4,52,420	4,01,417	*12.7*	419,400	*7.9*
- Auto loans	4,44,210	4,01,751	*10.6*	420,850	*5.6*

Source: Company, PL

Key Q4FY22 Concall Highlights

Assets/Liabilities

- **Retail book -** The retail segment momentum continued with 21% YoY/9% QoQ Growth. Secured to unsecured mix stood at 80:20. Segments like Rural Loans & Small Business Banking grew strongly with 29% YoY/21% QoQ and 60% YoY/20% QoQ growth, respectively. Management plans to penetrate further in the rural & semi urban markets. Credit Card segment grew 19% YoY/7% QoQ led by Flipkart Axis and Google Co-branded credit card has helped increase monthly acquisitions, there has been an uptick in credit card spends overall. Bank would continue lending aggressively to retail unsecured segment.

- **Corporate book –** Corporate book growth was muted at 4% YoY/0.6% QoQ. 92% incremental sanctions to A- & above rated clients. Focus shall be to grow segments which have delivered like mid-corporate segment, Bharat Banking

- **Overseas Corporate Book –** Book grew majorly on account of GIFT City Branch Exposure in Trade Finance, 94% of the book is India linked.

- **Deposits –** Focus remains on granular accretion and faster growth in deposits. For SA Deposits, bank has been moving towards acquisition of premier segment customers, continuous growth in terms of ticket size, corporate salary accounts to grow the book.

Opex/NIMs

- NIMs declined 7bps YoY/4bps QoQ. The sequential decline of 4bps was on account of interest realized on NPA Investment account (Principal O/s), the arbitration award has been against the bank. NIM expansion would be dependent on shift in BS mix from investments to loans and within loan mix towards higher yielding segments; currency shift (more rupee term loans), better low cost deposits and shedding of RIDF bonds.

- Other opex increased 27% YoY/6.8% QoQ due to higher business acquisition expenses, collection expenses, PSLC Purchases, future growth & tech expenses and a major chunk towards onetime expenses related to reclassification of provisions to expenses and Citi business acquisition. Tech expenses are 8% of the total expenses and would continue to be higher. Bank's earlier guidance of FY23 - 2% cost to assets exit stands deferred.

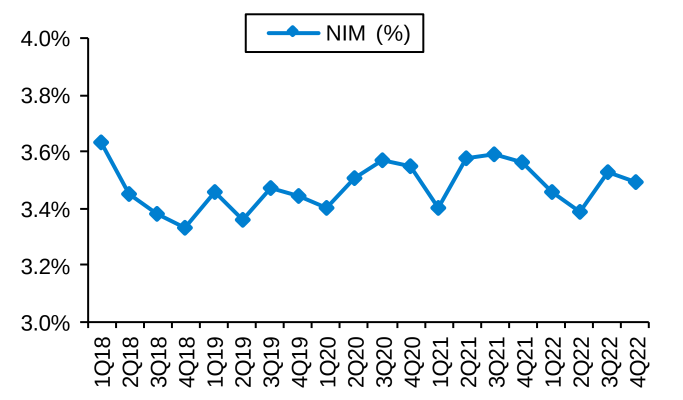
Asset Quality

- **Restructuring & BB and below book –** Fund based restructuring is Rs40.3bn or 0.6% of loans. Segmental break up was 0.5% wholesale book, 0.7% in Retail & 0.02% SME. BB & Below rated book stood at Rs57.8bn declining gradually. 16% of BB & Below Book is rated better than 1 rating agency.

- Bank witnessed Rs39.8bn of slippages while Recoveries & Upgrades for the quarter were Rs. 37.6n and write off at Rs.17bn. Of the Gross Slippages, retail slippages account for 63% and balance from Corporate and SME Segment. Intra quarter recovery & upgrades were 54%

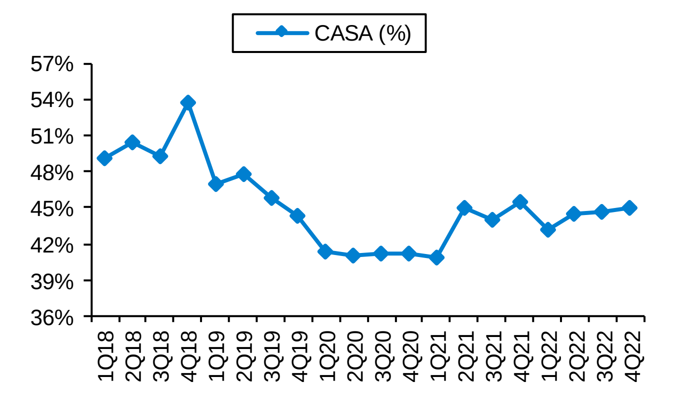
- Bank holds provisions of Rs14.1bn on restructured portfolio. Covid Provisions have not been invoked or utilized so far and management expects the same to be carried forward. As on March 31, 2022; total non-NPA provision carried by the bank are Rs.124.3bn.

Exhibit 3: NIM decline due to pricing pressure



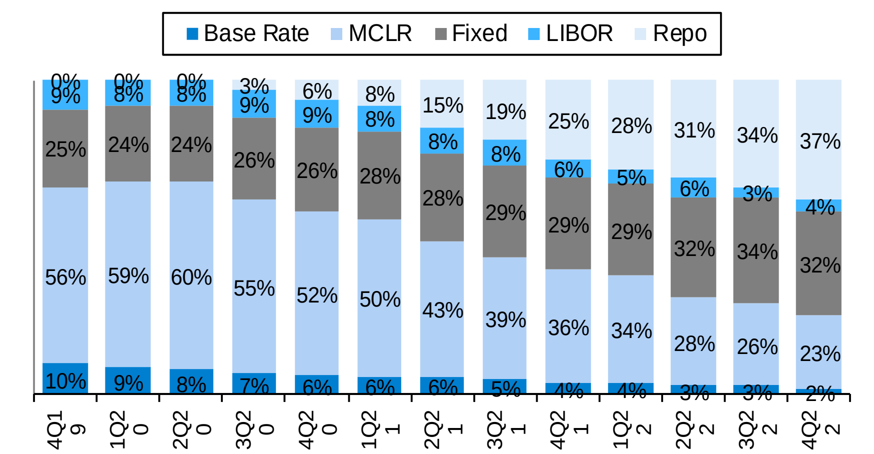
Source: Company, PL

Exhibit 4: CASA ratio remains steady



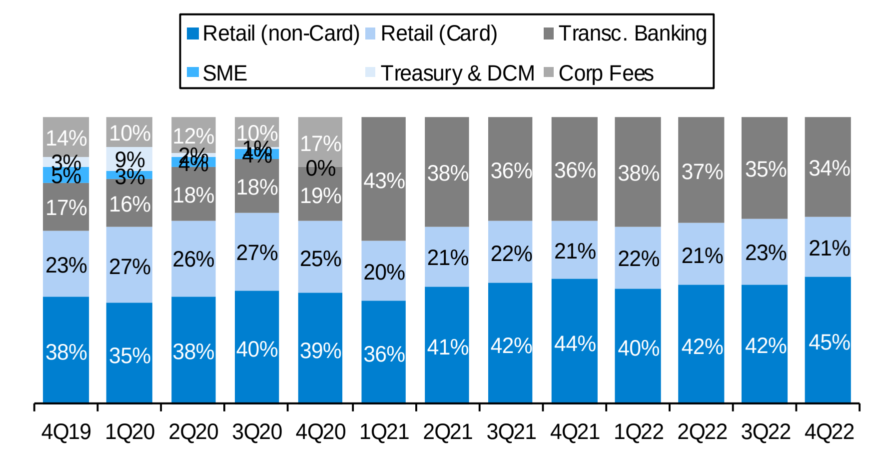
Source: Company, PL

Exhibit 5: Repo linked loan share has gone up resolutely



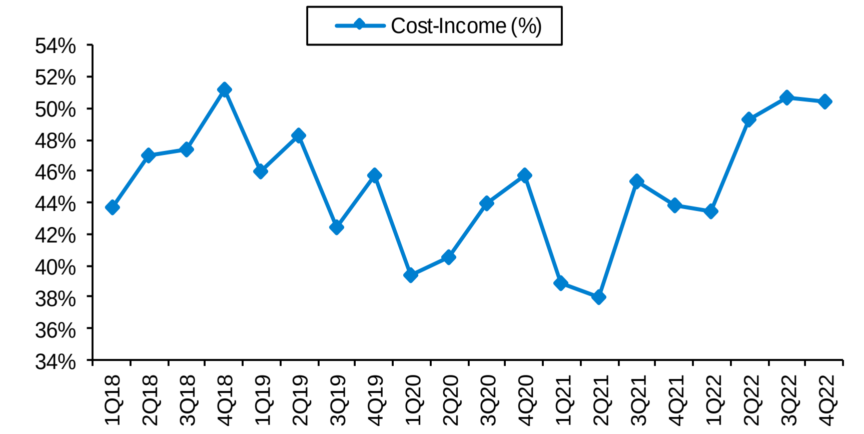
Source: Company, PL

Exhibit 6: Steady flow of fees for the bank



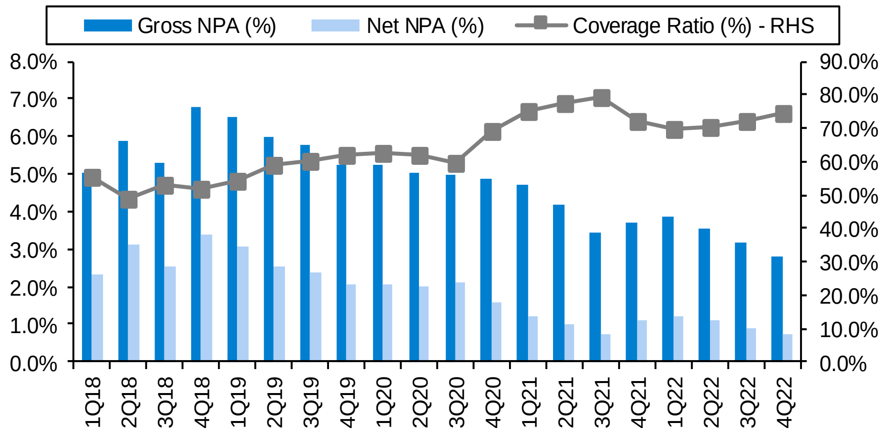
Source: Company Data, PL Research

Exhibit 7: Cost-Income has been steady



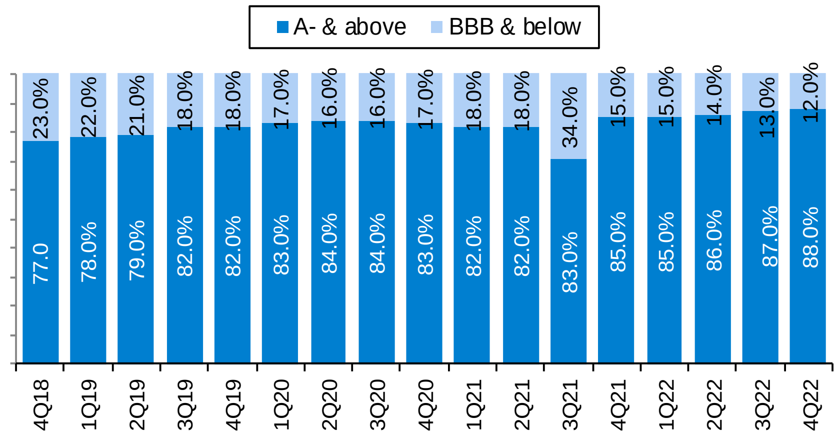
Source: Company, PL

Exhibit 8: Asset quality pressures easing



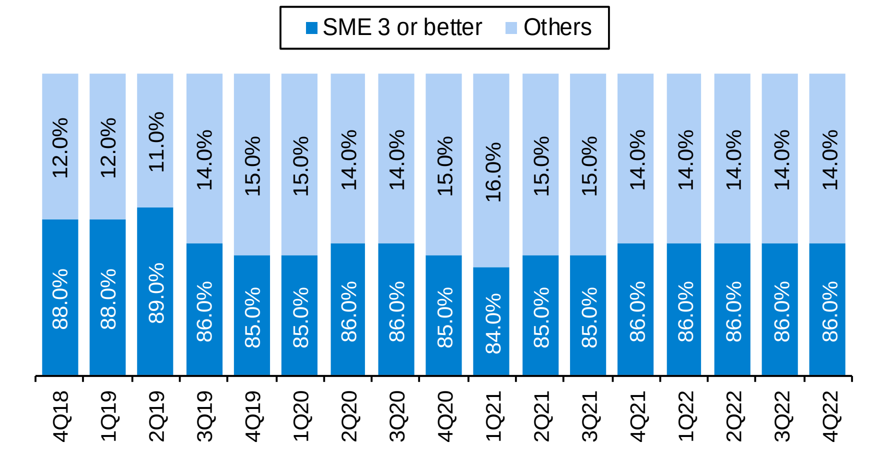
Source: Company, PL

Exhibit 9: Corporate book rating steady



Source: Company, PL   Note – BB book clubbed with BBB from Q4FY20

Exhibit 10: SME rating remains same sequentially



Source: Company, PL

Exhibit 11: Fresh Slippages decline, recovery trends better

Stressed Loans (Rs Mn)	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
Gross slippages	**47,980**	**49,830**	**62,140**	**39,200**	**22,180**	**17,510**	**79,930**	**52,850**	**65,180**	**54,640**	**41,470**	**39,810**
Recoveries+ Up gradations	21,770	22,130	24,220	24,890	6,080	20,260	21,650	34,620	25,430	25,080	17,070	37,630
Write-offs	30,050	31,040	27,900	12,700	22,840	18,120	42,570	55,530	33,410	47,570	32,880	16,960
Annualized Slippages (%)	3.86%	3.82%	4.52%	2.74%	1.58%	1.24%	5.61%	3.39%	4.24%	3.52%	2.49%	2.25%
BB & Below book	75,040	62,910	51,280	65,280	64,200	91,180	87,220	74,430	80,420	66,970	64,960	57,780
NFB O/s to BB & Below exposures	25,000	22,000	36,700	39,060	37,210	49,280	47,960	45,740	44,240	44,390	43,240	27,800
Investments O/s in BB & Below rating		17,580	9,850	5,620	6,120	8,080	6,200	6,660	6350	6,100	6,700	8,260
Total BB & below book	**100,040**	**102,490**	**97,830**	**109,960**	**107,530**	**148,540**	**141,380**	**126,830**	**131,010**	**117,460**	**114,900**	**93,840**
% of customer assets	*1.7%*	*1.8%*	*1.7%*	*1.9%*	*1.7%*	*2.3%*	*2.2%*	*1.9%*	*1.9%*	*1.7%*	*1.6%*	*1.2%*
Provisions held				75,872	80,648	114,376	106,035	91,318	91,707	82,222	82,728	70,380
Total Restructured Dispensation							**27,090**	**18,480**	**21,920**	**43,420**	**46,430**	**40,290**
% of loans							*0.4%*	*0.3%*	*0.3%*	*0.7%*	*0.7%*	*0.6%*

Source: Company, PL

Exhibit 12: We tweak our NII growth & credit cost assumptions

Earning Estimate Change (Rs mn)	Earlier		Revised		*% Change*	
	FY23E	**FY24E**	**FY24E**	**FY24E**	***FY23E***	***FY24E***
Net interest income	385,199	459,095	381,414	434,670	*(1.0)*	*(5.3)*
Operating profit	290,332	344,496	292,839	334,735	*0.9*	*(2.8)*
Net profit	152,285	187,808	156,303	182,244	*2.6*	*(3.0)*
Loan Growth (%)	18.0	14.0	14.2	15.0	*(3.8)*	*1.0*
Credit Cost (bps)	95.0	90.0	101.1	96.1	*6.1*	*6.1*
EPS (Rs)	49.6	61.2	50.8	59.3	*2.4*	*(3.2)*
ABVPS (Rs)	385.9	432.8	367.5	416.4	*(4.8)*	*(3.8)*
Price target (Rs)	975		940			*(3.6)*
Recommendation	BUY		BUY			

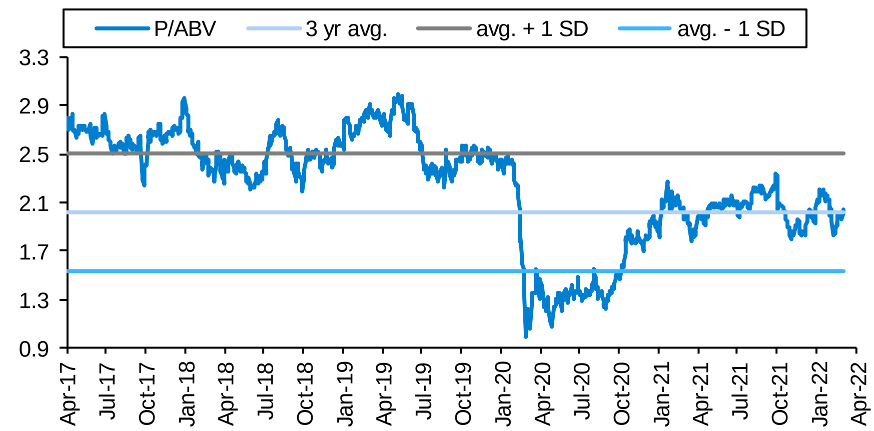
Source: Company, PL

Exhibit 13: We revise our TP to Rs940 (from Rs975) based on 2.3x Mar-24 ABV

PT calculation and upside	
Terminal growth	5.0%
Market risk premium	7.0%
Risk-free rate	**6.3%**
Adjusted beta	1.08
Cost of equity	**13.6%**
Fair price - P/ABV	**940**
Target P/ABV	**2.3**
Target P/E	**15.9**
Current price, Rs	780
Upside (%)	**21%**
Dividend yield (%)	1%
Total return (%)	**22%**

Source: Company, PL

Exhibit 14: AXSB's one year forward P/ABV trends



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY21	FY22	FY23E	FY24E
Int. Earned from Adv.	479,189	496,166	625,290	738,364
Int. Earned from invt.	125,582	146,189	166,886	196,130
Others	21,303	16,132	17,044	19,424
Total Interest Income	636,453	673,768	822,928	970,591
Interest Expenses	344,062	342,446	441,514	535,920
Net Interest Income	**292,391**	**331,322**	**381,414**	**434,670**
Growth(%)	*8.2*	*9.7*	*15.9*	*13.6*
Non Interest Income	148,380	152,205	179,181	202,399
Net Total Income	440,772	483,528	560,595	637,069
Growth(%)	*0.4*	*5.2*	*21.3*	*17.1*
Employee Expenses	61,640	76,126	85,330	94,719
Other Expenses	112,630	159,982	182,427	207,616
Operating Expenses	183,752	236,108	267,756	302,335
Operating Profit	**257,020**	**247,420**	**292,839**	**334,735**
Growth(%)	*9.7*	*(3.7)*	*18.4*	*14.3*
NPA Provision	122,048	58,310	64,669	70,480
Total Provisions	168,963	73,595	83,877	91,094
PBT	**88,057**	**173,826**	**208,961**	**243,641**
Tax Provision	22,174	43,571	52,658	61,398
Effective tax rate (%)	*25.2*	*25.1*	*25.2*	*25.2*
PAT	**65,883**	**130,255**	**156,303**	**182,244**
Growth(%)	*304.9*	*97.7*	*20.0*	*16.6*

Balance Sheet (Rs. m)

Y/e Mar	FY21	FY22	FY23E	FY24E
Face value	2	2	2	2
No. of equity shares	3,064	3,076	3,076	3,076
Equity	6,127	6,151	6,151	6,151
Networth	1,016,030	1,151,741	1,197,987	1,360,184
Growth(%)	*19.6*	*13.4*	*4.0*	*13.5*
Adj. Networth to NNPAs	69,935	55,121	65,149	76,093
Deposits	6,979,853	8,217,209	9,255,337	10,504,362
Growth(%)	*9.0*	*17.7*	*12.6*	*13.5*
CASA Deposits	3,177,487	3,697,550	4,071,718	4,519,700
% of total deposits	*45.5*	*45.0*	*44.0*	*43.0*
Total Liabilities	**9,867,976**	**11,751,781**	**12,904,138**	**14,745,378**
Net Advances	6,237,202	7,076,960	8,081,587	9,291,693
Growth(%)	*9.2*	*13.5*	*14.2*	*15.0*
Investments	2,261,196	2,755,972	2,998,729	3,431,775
Total Assets	**9,961,184**	**11,751,781**	**12,904,138**	**14,745,378**
Growth (%)	*8.8*	*18.0*	*9.8*	*14.3*

Asset Quality

Y/e Mar	FY21	FY22	FY23E	FY24E
Gross NPAs (Rs m)	253,148	218,223	228,237	244,845
Net NPAs (Rs m)	69,935	55,121	65,149	76,093
Gr. NPAs to Gross Adv.(%)	*3.7*	*2.8*	*2.6*	*2.4*
Net NPAs to Net Adv. (%)	*1.1*	*0.7*	*0.8*	*0.8*
NPA Coverage %	*72.4*	*74.7*	*71.5*	*68.9*

Profitability (%)

Y/e Mar	FY21	FY22	FY23E	FY24E
NIM	3.7	3.6	3.6	3.6
RoAA	0.7	1.2	1.3	1.3
RoAE	7.1	12.0	13.3	14.2
Tier I	16.5	16.3	15.7	15.2
CRAR	19.1	18.5	17.8	17.3

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q1FY22	Q2FY22	Q3FY22	Q4FY22
Interest Income	160,035	163,360	172,611	177,762
Interest Expenses	82,432	84,357	86,086	89,571
Net Interest Income	**77,603**	**79,003**	**86,525**	**88,191**
YoY growth (%)	*11.1*	*7.8*	*17.4*	*16.7*
CEB	26,680	32,310	33,440	37,580
Treasury	-	-	-	-
Non Interest Income	35,882	37,984	38,404	42,233
Total Income	**195,916**	**201,344**	**211,015**	**219,996**
Employee Expenses	18,519	19,355	19,386	18,865
Other expenses	30,805	38,350	43,928	46,900
Operating Expenses	49,324	57,705	63,314	65,765
Operating Profit	**64,160**	**59,282**	**61,615**	**64,660**
YoY growth (%)	*9.8*	*(14.1)*	*1.1*	*(5.8)*
Core Operating Profits	59,170	54,552	57,945	62,350
NPA Provision	35,120	9,270	7,900	6,020
Others Provisions	35,320	17,351	13,348	9,872
Total Provisions	35,320	17,351	13,348	9,872
Profit Before Tax	**28,840**	**41,931**	**48,267**	**54,788**
Tax	7,239	10,776	12,125	13,610
PAT	**21,602**	**31,155**	**36,142**	**41,178**
YoY growth (%)	*94.2*	*85.1*	*223.7*	*53.8*
Deposits	**7,138,622**	**7,362,855**	**7,716,702**	**8,217,209**
YoY growth (%)	*13.6*	*18.1*	*20.3*	*17.7*
Advances	**6,148,737**	**6,217,193**	**6,648,656**	**7,076,960**
YoY growth (%)	*9.5*	*10.1*	*16.7*	*15.2*

Key Ratios

Y/e Mar	FY21	FY22	FY23E	FY24E
CMP (Rs)	780	780	780	780
EPS (Rs)	21.5	42.3	50.8	59.3
Book Value (Rs)	332	374	389	442
Adj. BV (70%)(Rs)	309	357	368	417
P/E (x)	36.3	18.4	15.3	13.2
P/BV (x)	2.4	2.1	2.0	1.8
P/ABV (x)	2.5	2.2	2.1	1.9
DPS (Rs)	-	1.0	4.6	6.5
Dividend Payout Ratio (%)	-	*2.4*	*9.0*	*11.0*
Dividend Yield (%)	-	*0.1*	*0.6*	*0.8*

Efficiency

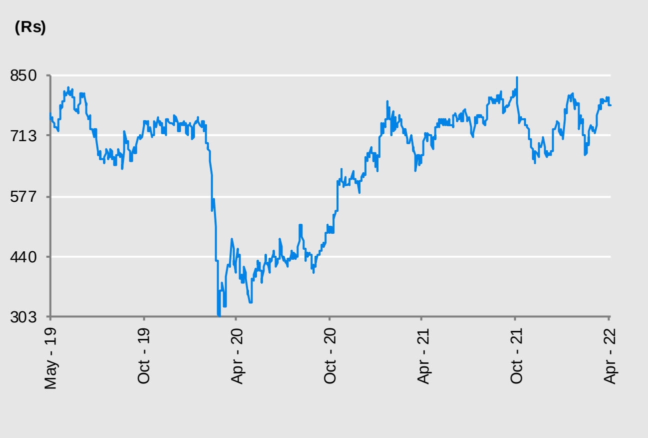
Y/e Mar	FY21	FY22	FY23E	FY24E
Cost-Income Ratio (%)	*41.7*	*48.8*	*47.8*	*47.5*
C-D Ratio (%)	*89.4*	*86.1*	*87.3*	*88.5*
Business per Emp. (Rs m)	169	145	159	179
Profit per Emp. (Rs lacs)	8	12	14	16
Business per Branch (Rs m)	2,877	2,823	3,059	3,345
Profit per Branch (Rs m)	14	24	28	31

Du-Pont

Y/e Mar	FY21	FY22	FY23E	FY24E
NII	3.07	3.06	3.09	3.14
Total Income	4.63	4.47	4.55	4.61
Operating Expenses	1.93	2.18	2.17	2.19
PPoP	2.70	2.29	2.38	2.42
Total provisions	1.78	0.68	0.68	0.66
RoAA	0.69	1.20	1.27	1.32
RoAE	5.35	11.13	12.79	13.79

Source: Company Data, PL Research

Price Chart	Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Apr-22	BUY	975	795
2	31-Mar-22	BUY	975	750
3	12-Jan-22	Accumulate	860	743
4	06-Oct-21	Accumulate	860	779
5	27-Jul-21	Accumulate	860	756
6	06-Jul-21	Accumulate	822	758

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	BUY	3,500	2,485
2	Axis Bank	BUY	975	795
3	Bank of Baroda	BUY	150	120
4	Can Fin Homes	BUY	800	661
5	City Union Bank	BUY	180	140
6	DCB Bank	BUY	120	86
7	Federal Bank	BUY	135	100
8	HDFC	BUY	3,272	2,445
9	HDFC Bank	BUY	1,740	1,465
10	ICICI Bank	BUY	950	748
11	IDFC First Bank	UR	-	42
12	IndusInd Bank	BUY	1,297	986
13	Kotak Mahindra Bank	Accumulate	1,925	1,785
14	LIC Housing Finance	Accumulate	420	393
15	Punjab National Bank	BUY	50	38
16	State Bank of India	BUY	610	516

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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