

HDFC Bank (HDFCB IN)

Rating: BUY | CMP: Rs1,467 | TP: Rs1,690

January 17, 2021

Company Report

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY22E	FY23E	FY22E	FY23E
Rating	BUY		BUY	
Target Price	1,690		1,645	
NII (Rs. m)	770,800	908,017	768,835	901,618
% Chng.	0.3	0.7		
Op. Profit (Rs. m)	655,066	767,463	664,131	776,623
% Chng.	(1.4)	(1.2)		
EPS (Rs.)	68.9	82.9	68.9	83.2
% Chng.	0.1	(0.4)		

Key Financials - Standalone

Y/e Mar	FY20	FY21E	FY22E	FY23E
NII (Rs bn)	562	653	771	908
Op. Profit (Rs bn)	487	566	655	767
PAT (Rs bn)	263	314	379	456
EPS (Rs.)	48.0	57.2	68.9	82.9
Gr. (%)	21.2	19.0	20.5	20.2
DPS (Rs.)	9.5	-	13.0	15.0
Yield (%)	0.6	-	0.9	1.0
NIM (%)	4.2	4.1	4.2	4.2
RoAE (%)	16.4	16.8	17.4	18.1
RoAA (%)	1.9	1.9	2.0	2.0
P/BV (x)	4.7	4.0	3.5	3.0
P/ABV (x)	4.9	4.1	3.6	3.1
PE (x)	30.5	25.6	21.3	17.7
CAR (%)	18.5	18.6	17.7	17.1

Key Data

HDBK.BO | HDFCB IN

52-W High / Low	Rs.1,497 / Rs.739
Sensex / Nifty	49,035 / 14,434
Market Cap	Rs.8,078bn/ \$ 110,553m
Shares Outstanding	5,508m
3M Avg. Daily Value	Rs.30372.45m

Shareholding Pattern (%)

Promoter's	26.00
Foreign	39.35
Domestic Institution	21.47
Public & Others	13.18
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	5.4	39.3	14.2
Relative	(0.5)	2.4	(2.5)

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Back to normalization

Quick Pointers:

- Asset quality improved substantially; although importantly on pro-forma basis remained steady similar to Q1FY21 levels moving to normalization
- Restructured book was low at 50bps of loans, while it carries Rs100bn (100bps of loans) as floating + contingency provision adding Rs26bn this quarter

HDFCB's earnings were in-line at Rs87.6bn (PLe: Rs87.5 bn) with NII slightly growing slow at 15%, though NIM improved by 10bps to 4.2%. Better treasury gains helped PPOP and made additional Rs26bn of contingent provisions. Contingency plus floating provisions now stood at 100bps of loans (70bps in Q2FY21) which is quite adequate given normalization in slippage and lower restructured book of 50bps of loans (Rs54bn). Collections also have normalized to pre-COVID levels of 97% but yet varies product to product making growth aspects slightly cautious. With normalization coming back, it will re-again in retail credit, while turn aggressive in small/medium biz lending from being cautious as things normalize, in-turn improving NIMs path. Also, with strong PCR & lowering credit cost in FY22/23E, ROEs should move up to 18% making the bank best placed amongst peers. We retain BUY with revised TP of Rs1,690 (from Rs1,645 based on 3.6x (from 3.5x) Mar-23 ABV.

- Slower NII; treasury aids, while fees recovering:** NII grew by 15% YoY which looked slightly slower. Although reported NIMs was up by 10bps QoQ to 4.2% as liquidity was being deployed but still has impact by 10-15bps on NIMs. Surprising was further reduction in cost of funds which on calculated basis came off by 26bps QoQ aided by CASA, although yields also fell equally as corporate book growth continues lead much ahead than retail book growth. Strong treasury gains helped PPOP growth of 17% YoY, while core PPOP grew by 14% as fee growth was struggling though recovering quarter to quarter. Opex has still remained benign helping maintain C/I at 36%, but expected to pick up in FY22/23E as loan volumes and business activity picks.
- Collections normalized; restructuring at 50bps of loans:** As expected focus was on collections which has improved from 95% rate for Sept'20 to 97% levels in Dec'20 which is pre-COVID levels. Also, restructuring remained at low levels of 50bps of loans, a very low outcome as anticipated during mid-year and not expected to move up from these levels. Asset quality was benign due to negligible slippages, hence reported GNPA/NNPA were at 0.8%/0.1% with PCR of 88.5%. Although, importantly on pro-forma basis GNPA/NNPA stood at 1.38%/0.4% which was steady relatively seen in Q1FY21 despite full billing cycle and full quarter post morat ending. Some of the pro-forma asset quality was held up due to higher write-offs/sale of NPA retail assets which has normalized PCR to 70% and focus will turn on growth from asset quality.
- Retail still slow; wholesale still shining:** Loans grew steady at 16% YoY with 27% YoY growth in corporate book and a slower 5% YoY growth in retail. Having said that sequential trends were strong in home loans, gold loans and unsecured credit while management indicated all time high quarterly disbursements on most products. Strong disbursements will accelerate loan growth as repayments weigh on growth currently and as it moves from a cautious outlook to a strong growth outlook. Bank is also committed to resolve & improve its technology related outlays post recent issues which will also help better digital delivery of products.

Exhibit 1: Slower NII compensated by treasury helps maintain earning growth

NII growth was slightly slower on back of slower income, while cost of funds further improved aiding NII

Other income continued to be supported by treasury gains, while fee items are gradually moving up

Provisions were largely related to contingent provisions & pro-forma slippages

Overall Advances growth was steady at 15-16% while Deposits grew 19% YoY

NIMs improved by 10bps to 4.2% on sharp fall in cost of funds. Although, higher liquidity continues to impact NIM by 10-15bps

Bank now has Rs86bn of contingency provisions which includes pro-forma NPAs & restructuring

CASA growth was maintained at 29% YoY supported by strong SA growth of 30% YoY

C/I continue to remain benign as opex has remained on lower side as yet

Financials (Rs m)	Q3FY21	Q3FY20	YoY gr. (%)	Q2FY21	QoQ gr. (%)
Interest income	3,00,797	2,93,697	2.4	2,99,770	0.3
Interest Expended	1,37,621	1,51,968	(9.4)	1,42,006	(3.1)
Net interest income (NII)	1,63,176	1,41,729	15.1	1,57,764	3.4
- Treasury income	11,090	6,765	63.9	10,162	9.1
Other income	74,432	66,693	11.6	60,925	22.2
Total income	2,37,608	2,08,422	14.0	2,18,688	8.7
Operating expenses	85,748	78,968	8.6	80,551	6.5
-Staff expenses	26,301	24,550	7.1	25,424	3.5
-Other expenses	59,447	54,418	9.2	55,127	7.8
Operating profit	1,51,860	1,29,454	17.3	1,38,138	9.9
Core operating profit	1,40,770	1,22,689	14.7	1,27,976	10.0
Total provisions	34,141	30,436	12.2	37,035	(7.8)
Profit before tax	1,17,719	99,019	18.9	1,01,103	16.4
Tax	30,136	24,854	21.3	25,972	16.0
Profit after tax	87,583	74,165	18.1	75,131	16.6
Balance sheet (Rs m)					
Deposits	1,27,11,239	1,06,74,335	19.1	1,22,93,104	3.4
Advances	1,08,23,242	93,60,295	15.6	1,03,83,351	4.2
Profitability ratios					
YoA - Calc	8.9	10.2	(133)	9.2	(28)
CoF - Calc	4.0	5.3	(130)	4.3	(26)
NIM - Rep	4.2	4.2	-	4.1	10
RoaA	2.1	2.2	(3)	1.9	24
RoaE	18.4	18.6	(20)	16.5	187
Asset Quality					
Gross NPL (Rs mn)	88,256	1,34,273	(34.3)	1,13,046	(21.9)
Net NPL (Rs mn)	10,160	44,684	(77.3)	17,561	(42.1)
Gross NPL ratio	0.8	1.4	(61)	1.1	(27)
Net NPL ratio	0.1	0.5	(39)	0.2	(8)
Coverage ratio - Calc	88.5	66.7	2,177	84.5	402
Business & Other Ratios					
Low-cost deposit mix	43.0	39.5	351	41.6	141
Cost-income ratio	36.1	37.9	(180)	36.8	(75)
Non int. inc / total income	31.3	32.0	(67)	27.9	347
Credit deposit ratio	85.1	87.7	(254)	84.5	68
CAR	18.9	18.5	40	19.1	(20)
Tier-I	17.6	17.1	50	17.7	(10)

Source: Company, PL

Key Q3FY21 Conference Call Highlights

Business outlook & growth

■ Business Outlook & Operations:

- Business growth driven by wholesale loans up by 27% YoY.
- The collection efficiency has been improving on a month on month basis to 97% by Dec end and pre-COVID used to be 98%. Corporate collections were higher by 11% YoY for the quarter against down 16% in the 1HFY21. Post festive as well in Dec'20 collections were up 20% YoY.
- Bounce rates have been improving month over month from Sep'20 and has gone above pre-COVID levels in recent months.
- Delinquency trends have come down significantly in all collection buckets.

■ Assets –

- **Retail** loans fresh disbursements have almost reached the pre-Covid levels and are at all-time high quarterly disbursements. Dec'20-Dec'19 incremental business is growing in double digits. **Home loans** – stamp duty in certain states & interest rates have helped growth, **gold loans** have been strong, **auto loans** – moving up on growth path, **unsecured book** sourcing increased from internal customer and increased government segment contribution in double digits.
- **Business banking** segment which awaits macro demand scenario to improve further. SME advances boosted with ECLGS scheme and disbursed Rs 221 bn in ECLGS 1.0, and another Rs 5.8 bn in ECLGS 2.0.
- **Corporate** book has led the bank's loan book growth with fresh disbursements comprising high rated accounts. There are some corporate accounts in the restructured book of 0.5% of total advances. Corporate pro forma NPAs remains at similar levels owing to the stable portfolio.
- **Unsecured** loan book's weighted average internal rating came down marginally to 3.4, which compared to industry average, has 52% of the portfolio above what is considered a high cut off score across Credit Bureaus, against industry average of ~35%.

- **Liabilities** –. Bank witnessed 29.6% growth in CASA with savings deposit increasing by 34.8%. The bank's stance on increasing granularity of deposits going ahead.

Fees/Margins

- Fee Income recovered from pandemic lows with 9.9%/27% QoQ growth. Going ahead, the Other Income will boost further as credit demand picks up in the last quarter.
- Cost/Income ratio came down to 36% for YTD. Management expects it to increase slightly to 38-39% in the short term owing to increased spend to drive sales and services.

Asset quality

- Specific Loan losses for the quarter stood at Rs 31.04 bn. The total provisions included contingent provisions of Rs 24 bn. PCR stood at a healthy 88%. The total credit cost for 3Q21 stood at 1.25% of advances against 1.41% in previous quarter. Pro forma GNPA/NNPA stood at 1.38%/0.40% on account of pending verdict in Supreme Court.
- Bank holds Rs100bn (Rs70bn in 1H21) of contingency + floating provisions which is 100bps of loans.
- 0.5% of the loan book is under restructuring, including some corporate accounts as well. However, with recent interest for stressed retail assets picking up, the bank has sold some small amount of stressed retail asset.
- Agri loan book is holding up well and getting better than historical levels

Others:

- Subsidiaries-** HDB Financial Services reported a loss of Rs 440 million. Under the NBFC NPA recognitions, GNPA/NNPA stood at 2.7%/1.7% for the quarter. The Pro forma GNPA ratio would have been higher at 5.9% against 2.9% previous year. Deposits grew by 19.0% while advances grew by 15.6% during the quarter.

Exhibit 2: Corporate book continues to drive growth

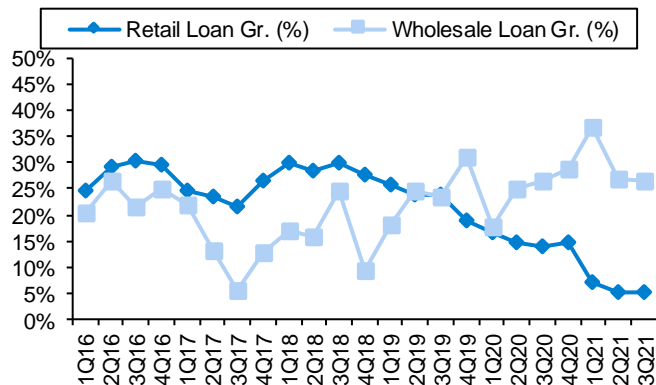
Loan Composition (Rs mn)	Q3FY21	Q3FY20	YoY gr. (%)	Q2FY21	QoQ gr. (%)
Car Loans	8,18,800	8,35,520	(2.0)	7,96,640	2.8
CV loans	2,71,150	2,81,240	(3.6)	2,69,800	0.5
2 wheeler loans	95,040	1,01,490	(6.4)	94,940	0.1
Sub-total - Auto Loans	11,84,990	12,18,250	(2.7)	11,61,380	2.0
Personal loans	11,52,750	10,95,310	5.2	11,24,460	2.5
Business banking	6,58,330	6,32,550	4.1	6,35,110	3.7
Loan against shares	16,510	18,120	(8.9)	15,760	4.8
Credit Cards	6,33,320	5,76,780	9.8	5,81,420	8.9
Home loans	6,66,440	6,17,290	8.0	6,28,470	6.0
Gold Loans	66,960	53,180	25.9	60,390	10.9
Kisan Gold Card	4,26,480	3,89,740	9.4	4,35,360	(2.0)
Other Retail	2,43,160	2,00,110	21.5	2,07,680	17.1
Retail Loans	50,48,940	48,01,330	5.2	48,50,030	4.1
Non Retail Loans	57,74,302	45,58,965	26.7	55,33,321	4.4
Total Advances	1,08,23,242	93,60,295	15.6	1,03,83,351	4.2
Loan Mix	Q3FY21	Q3FY20	bps chg. YoY	Q2FY21	bps chg. QoQ
Vehicle Loans	10.9%	13.0%	(207)	11.2%	(24)
Unsecured Loans	16.5%	17.9%	(136)	16.4%	7
Retail Loans	46.6%	51.3%	(465)	46.7%	(6)
Non Retail Loans	53.4%	48.7%	465	53.3%	6

Source: Company, PL

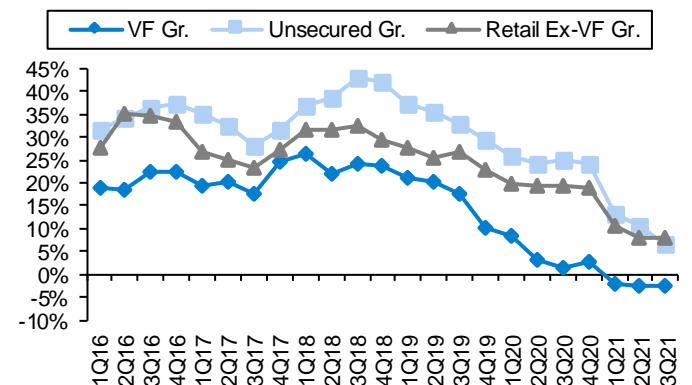
Auto Loans de-growth continues; although car loans growth improving

Retail growth continues to be mainly helped by Home loans, strong in gold loans and recovering in unsecured segment

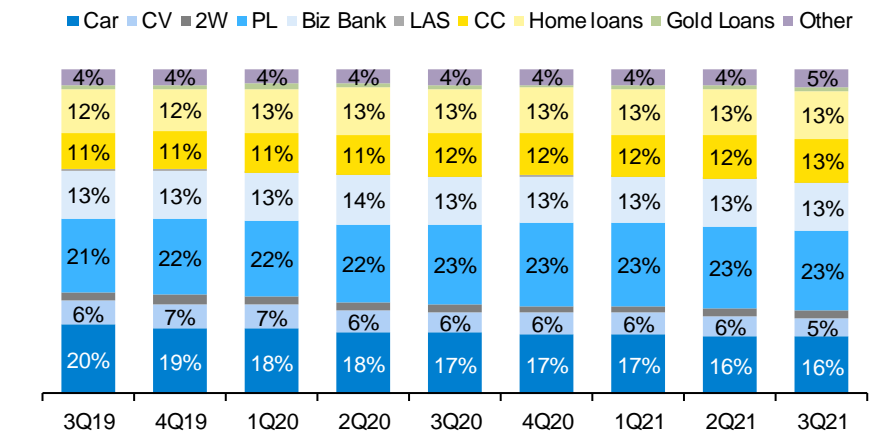
Commentary on disbursements have been robust with being back to pre-COVID and highest ever

Exhibit 3: Retail & wholesale steady but latter still driving growth


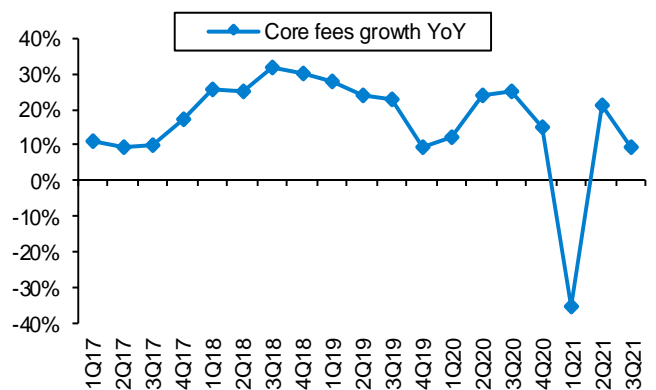
Source: Company, PL

Exhibit 4: Retail growth bottoming and to be led by secured assets


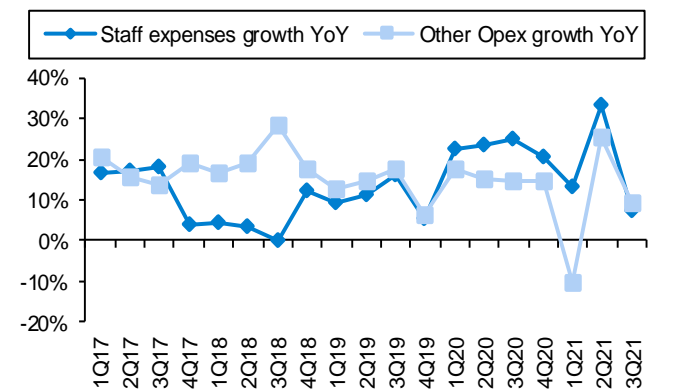
Source: Company, PL

Exhibit 5: Break up of retail book as percentage of retail loans


Source: Company, PL

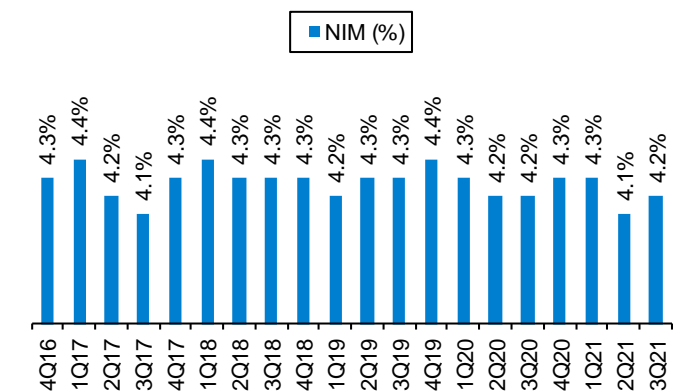
Exhibit 6: Fee growth was slightly weaker post recovery


Source: Company, PL

Exhibit 7: Opex growth remains benign


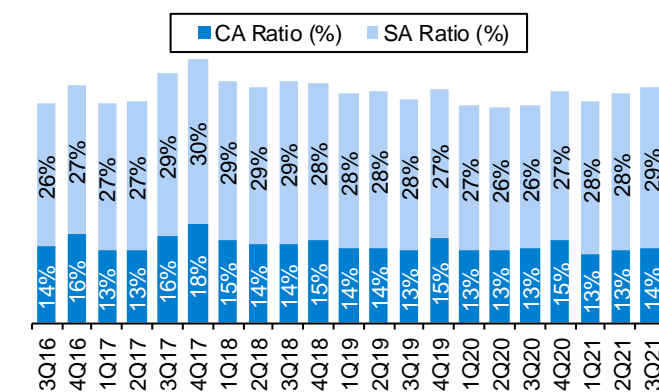
Source: Company, PL

Exhibit 8: NIMs improve sequentially



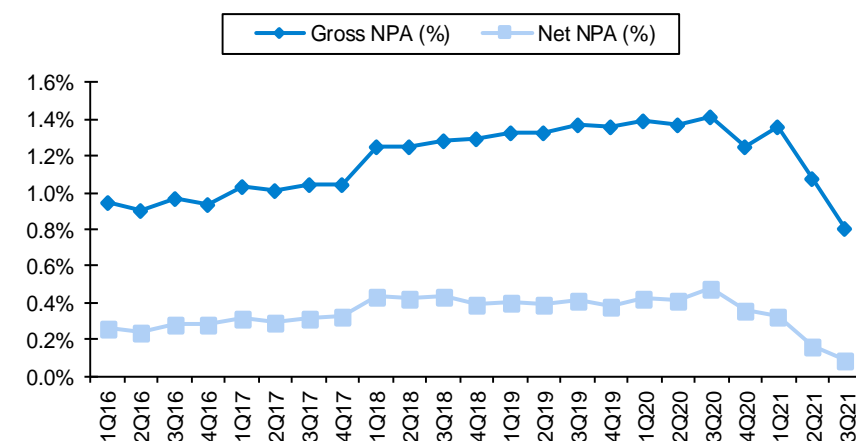
Source: Company, PL

Exhibit 9: CASA grows supported by strong SA



Source: Company, PL

Exhibit 10: Asset quality improves on lower slippages; pro-forma asset quality steady



Source: Company Data, PL Research

Exhibit 11: Strong PPOP & lowering provisioning to drive RoE

RoA decomposition	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Interest income	8.64	8.32	8.57	8.27	7.39	7.46	7.61
Interest expenses	4.51	4.17	4.40	4.23	3.44	3.44	3.56
Net interest income	4.13	4.16	4.18	4.05	3.95	4.02	4.05
Treasury income	0.30	0.25	0.18	0.29	0.35	0.20	0.14
Other Inc. from operations	1.23	1.33	1.34	1.38	1.12	1.20	1.22
Total income	5.66	5.74	5.71	5.73	5.42	5.42	5.41
Employee expenses	0.81	0.71	0.67	0.69	0.63	0.63	0.62
Other operating expenses	1.65	1.65	1.59	1.53	1.36	1.37	1.37
Operating profit	3.21	3.38	3.44	3.51	3.42	3.42	3.42
Tax	0.95	0.96	0.96	0.75	0.65	0.68	0.70
Loan loss provisions	0.45	0.61	0.65	0.88	0.87	0.76	0.69
RoAA	1.81	1.81	1.83	1.89	1.90	1.98	2.03
RoAE	17.95	17.87	16.50	16.40	16.83	17.42	18.11

Source: Company Data, PL Research

Exhibit 12: We revise our TP to Rs1,690 (from 1,645) based on 3.6x (from 3.5x)

Mar-23 ABV

PT calculation and upside	
Market risk premium	7.0%
Risk-free rate	6.3%
Adjusted beta	1.07
Terminal Growth	5.0%
Cost of equity	13.7%
Fair price - P/ABV	1,690
Target P/ABV	3.6
Target P/E	20.4
Current price, Rs	1,467
Upside (%)	15.2%
Dividend yield (%)	1.9%
Total return (%)	17.2%

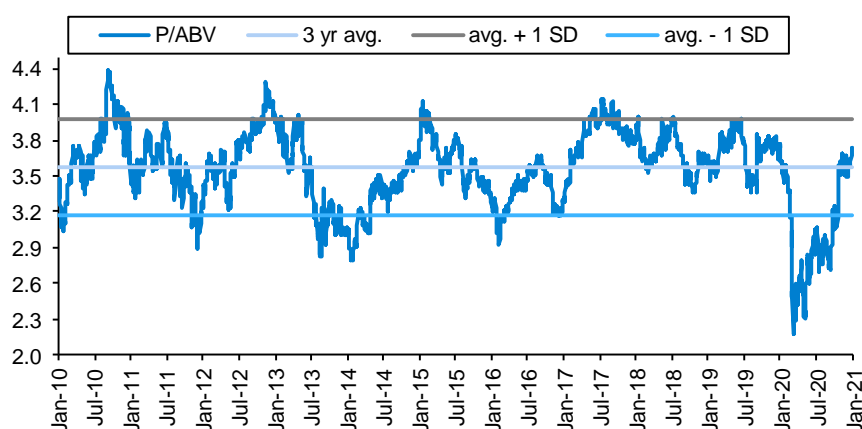
Source: Company Data, PL

Exhibit 13: Change in earnings estimates – We tweak NII, increase treasury gains and adjust recovery/w.offss

(Rs mn)	Old			Revised			%Change		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Net interest income	6,56,748	7,68,835	9,01,618	6,52,723	7,70,800	9,08,017	(0.6)	0.3	0.7
Operating profit	5,60,328	6,64,131	7,76,623	5,65,589	6,55,066	7,67,463	0.9	(1.4)	(1.2)
Net profit	3,12,847	3,79,068	4,58,028	3,14,198	3,79,465	4,56,094	0.4	0.1	(0.4)
Loan Growth (%)	16.0	17.0	18.0	15.9	17.0	18.0	(0.1)	-	-
Credit Cost (bps)	110.0	105.0	98.0	110.0	105.0	96.0	-	-	(2.0)
EPS (Rs)	56.9	68.9	83.2	57.2	68.9	82.9	0.4	0.1	(0.4)
ABVPS (Rs)	354.4	406.4	472.9	355.5	407.7	473.2	0.3	0.3	0.1
Price target (Rs)	1,645			1,690			2.7		
Recommendation	BUY			BUY					

Source: Company Data, PL

Exhibit 14: HDFCB one year forward P/ABV trend



Source: Company Data, PL

Income Statement (Rs. m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Int. Earned from Adv.	917,879	957,923	1,124,637	1,355,670
Int. Earned from invt.	206,333	231,573	278,739	328,219
Others	23,914	30,896	27,329	23,224
Total Interest Income	1,148,127	1,220,391	1,430,705	1,707,113
Interest Expenses	586,264	567,668	659,905	799,096
Net Interest Income	561,863	652,723	770,800	908,017
Growth(%)	20.6	12.7	16.2	16.7
Non Interest Income	232,608	242,378	269,039	305,360
Net Total Income	794,471	895,101	1,039,839	1,213,376
Growth(%)	18.4	5.9	16.2	18.4
Employee Expenses	95,257	104,782	121,548	139,780
Other Expenses	199,760	211,746	249,860	292,336
Operating Expenses	306,975	329,511	384,773	445,914
Operating Profit	487,495	565,589	655,066	767,463
Growth(%)	22.6	16.0	15.8	17.2
NPA Provision	90,833	117,997	131,208	141,001
Total Provisions	121,424	143,280	145,032	155,256
PBT	366,072	422,310	510,034	612,207
Tax Provision	103,498	108,111	130,569	156,113
Effective tax rate (%)	28.3	25.6	25.6	25.5
PAT	262,573	314,198	379,465	456,094
Growth(%)	24.6	19.7	20.8	20.2

Balance Sheet (Rs. m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Face value	1	1	1	1
No. of equity shares	5,483	5,504	5,504	5,504
Equity	5,483	5,504	5,504	5,504
Networth	1,709,860	2,024,080	2,331,989	2,705,519
Growth(%)	14.6	18.4	15.2	16.0
Adj. Networth to NNPA's	35,424	35,672	50,978	56,462
Deposits	11,475,023	13,597,902	16,045,525	19,094,174
Growth(%)	24.3	18.5	18.0	19.0
CASA Deposits	4,846,250	5,996,675	7,027,940	8,382,342
% of total deposits	42.2	44.1	43.8	43.9
Total Liabilities	15,305,113	17,723,271	20,622,034	24,225,666
Net Advances	9,937,029	11,517,016	13,474,909	15,900,393
Growth(%)	21.3	15.9	17.0	18.0
Investments	3,918,267	4,636,417	5,386,003	6,311,503
Total Assets	15,305,113	17,723,271	20,622,034	24,225,666
Growth (%)	23.0	15.8	16.4	17.5

Asset Quality

Y/e Mar	FY20	FY21E	FY22E	FY23E
Gross NPAs (Rs m)	126,500	140,007	199,922	212,358
Net NPAs (Rs m)	35,424	35,672	50,978	56,462
Gr. NPAs to Gross Adv.(%)	1.3	1.2	1.5	1.3
Net NPAs to Net Adv. (%)	0.4	0.3	0.4	0.4
NPA Coverage %	72.0	74.5	74.5	73.4

Profitability (%)

Y/e Mar	FY20	FY21E	FY22E	FY23E
NIM	4.2	4.1	4.2	4.2
RoAA	1.9	1.9	2.0	2.0
RoAE	16.4	16.8	17.4	18.1
Tier I	17.2	17.1	16.4	16.0
CRAR	18.5	18.6	17.7	17.1

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q4FY20	Q1FY21	Q2FY21	Q3FY21
Interest Income	298,851	303,780	299,770	300,797
Interest Expenses	146,810	147,126	142,006	137,621
Net Interest Income	152,041	156,654	157,764	163,176
YoY growth (%)	16.2	17.8	16.7	15.1
CEB	42,008	22,307	39,403	49,749
Treasury	-	-	-	-
Non Interest Income	60,326	40,753	60,925	74,432
Total Income	359,176	344,533	360,694	375,229
Employee Expenses	24,983	25,134	25,424	26,301
Other expenses	57,796	43,980	55,127	59,447
Operating Expenses	82,778	69,115	80,551	85,748
Operating Profit	129,588	128,293	138,138	151,860
YoY growth (%)	19.5	15.1	18.1	17.3
Core Operating Profits	123,935	117,426	127,976	140,770
NPA Provision	19,178	27,398	12,406	6,912
Others Provisions	37,845	38,915	37,035	34,141
Total Provisions	37,845	38,915	37,035	34,141
Profit Before Tax	91,743	89,378	101,103	117,719
Tax	22,466	22,791	25,972	30,136
PAT	69,277	66,586	75,131	87,583
YoY growth (%)	17.7	19.6	18.4	18.1
Deposits	11,475,020	11,893,873	12,293,104	12,711,239
YoY growth (%)	24.3	24.6	20.3	19.1
Advances	9,937,029	10,032,989	10,383,351	10,823,242
YoY growth (%)	21.3	20.9	15.8	15.6

Key Ratios

Y/e Mar	FY20	FY21E	FY22E	FY23E
CMP (Rs)	1,467	1,467	1,467	1,467
EPS (Rs)	48.0	57.2	68.9	82.9
Book Value (Rs)	312	368	424	492
Adj. BV (70%)(Rs)	300	355	408	473
P/E (x)	30.5	25.6	21.3	17.7
P/BV (x)	4.7	4.0	3.5	3.0
P/ABV (x)	4.9	4.1	3.6	3.1
DPS (Rs)	9.5	-	13.0	15.0
Dividend Payout Ratio (%)	24.9	-	18.9	18.1
Dividend Yield (%)	0.6	-	0.9	1.0

Efficiency

Y/e Mar	FY20	FY21E	FY22E	FY23E
Cost-Income Ratio (%)	38.6	36.8	37.0	36.7
C-D Ratio (%)	86.6	84.7	84.0	83.3
Business per Emp. (Rs m)	183	211	243	283
Profit per Emp. (Rs lacs)	22	26	31	37
Business per Branch (Rs m)	3,953	4,334	4,761	5,274
Profit per Branch (Rs m)	48	54	61	69

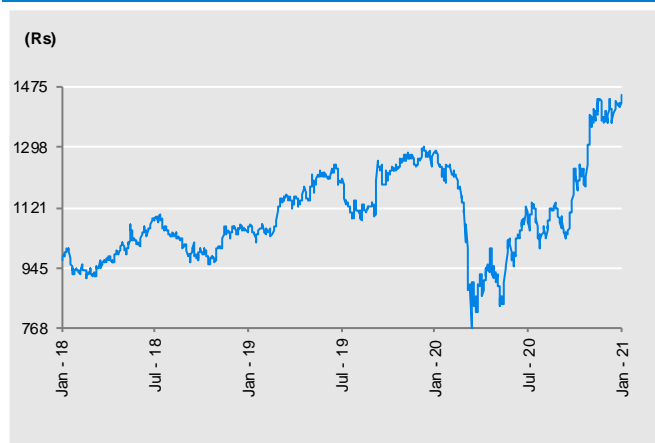
Du-Pont

Y/e Mar	FY20	FY21E	FY22E	FY23E
NII	4.05	3.95	4.02	4.05
Total Income	5.73	5.42	5.42	5.41
Operating Expenses	2.21	2.00	2.01	1.99
PPoP	3.51	3.42	3.42	3.42
Total provisions	0.88	0.87	0.76	0.69
RoAA	1.89	1.90	1.98	2.03
RoAE	16.40	16.83	17.42	18.11

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	11-Jan-21	BUY	1,645	1,432
2	18-Oct-20	BUY	1,385	1,203
3	09-Oct-20	BUY	1,265	1,234
4	19-Jul-20	BUY	1,265	1,098
5	08-Jul-20	BUY	1,105	1,110
6	19-Apr-20	BUY	1,105	910
7	14-Apr-20	BUY	1,124	895

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Accumulate	750	673
2	Bank of Baroda	BUY	82	66
3	Federal Bank	Accumulate	81	76
4	HDFC Bank	BUY	1,645	1,432
5	HDFC Life Insurance Company	Reduce	600	717
6	ICICI Bank	BUY	614	542
7	ICICI Prudential Life Insurance Company	Reduce	485	526
8	IDFC First Bank	Sell	32	44
9	IndusInd Bank	Accumulate	1,026	940
10	Kotak Mahindra Bank	Hold	1,912	1,971
11	Max Financial Services	Accumulate	760	727
12	Punjab National Bank	Hold	37	35
13	SBI Life Insurance Company	Accumulate	1,026	936
14	South Indian Bank	BUY	10	9
15	State Bank of India	BUY	325	286

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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