

October 16, 2022

Q2FY23 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	BUY		BUY	
Target Price	1,800		1,800	
NII (Rs. m)	9,98,752	11,57,555	9,89,806	11,62,753
% Chng.	0.9	(0.4)		
Op. Profit (Rs. m)	8,14,810	9,26,699	8,13,284	9,25,062
% Chng.	0.2	0.2		
EPS (Rs.)	86.9	98.4	86.4	97.8
% Chng.	0.6	0.6		

Key Financials - Standalone

Y/e Mar	FY22	FY23E	FY24E	FY25E
NII (Rs bn)	720	872	999	1,158
Op. Profit (Rs bn)	641	704	815	927
PAT (Rs bn)	370	424	484	548
EPS (Rs.)	66.7	76.1	86.9	98.4
Gr. (%)	18.1	14.2	14.2	13.2
DPS (Rs.)	6.5	15.4	17.4	19.7
Yield (%)	0.5	1.1	1.2	1.4
NIM (%)	4.2	4.3	4.2	4.2
RoAE (%)	16.7	16.4	16.4	16.4
RoAA (%)	1.9	1.9	1.8	1.8
P/BV (x)	3.3	2.9	2.6	2.3
P/ABV (x)	3.4	3.0	2.6	2.3
PE (x)	21.6	18.9	16.6	14.6
CAR (%)	18.9	18.5	18.0	17.8

Key Data

HDBK.BO | HDFCB IN

52-W High / Low	Rs.1,725 / Rs.1,272
Sensex / Nifty	57,920 / 17,186
Market Cap	Rs.8,015bn/ \$ 97,319m
Shares Outstanding	5,570m
3M Avg. Daily Value	Rs.9798.64m

Shareholding Pattern (%)

Promoter's	25.78
Foreign	32.31
Domestic Institution	27.11
Public & Others	14.80
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.9)	(1.8)	(14.7)
Relative	(1.9)	(1.1)	(9.7)

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Good quarter; liability accretion a key

Quick Pointers:

- NII and core PPOp were a beat driven by better margins and fee income.
- TD accretion was strong QoQ; asset quality was better than expected.

HDFCB saw a good quarter with core earnings beating estimates by ~5% led by stronger NII and other income (excl. treasury) while asset quality was better. NIM was higher by 9bps due to superior yields driven by faster asset repricing, which is expected to outpace that of liabilities, suggesting that NIM would improve in near term. Retail wholesale mix remained stable QoQ at 43:57 owing to stronger growth in corporate. Targeted retail contribution is 55% however the bank would also focus on wholesale if it is RoA accretive. As per its strategy, deposit flow in H1FY23 was largely led by TD (+13% YTD). The bank clarified that it would not resort to aggressive pricing in deposits. We upgrade FY23 earnings by 6% mainly led by higher NIM/NII while there is no material change in FY24/25E PAT. We remain positive on HDFCB though near term focus would remain on merger. Valuation is undemanding at 2.3x Sep'24 core ABV. We maintain multiple at 3.0x and TP at Rs1,800. Retain BUY.

- Healthier earnings led by NIM/NII:** NII was a beat at Rs210bn (PLe Rs205bn) growing by 19% YoY led by better NIM at 4.6% (PLe 4.5%). Increase in yields was higher compared to CoF. Credit growth was 23.4% YoY and deposit accretion was 19% YoY. Other income was a tad higher at Rs76bn (PLe Rs72.5bn) due to fee and recovery income, however there was a treasury loss of Rs2.5bn. Opex was a bit more at Rs112bn (PLe Rs109bn) mainly led by other opex. PPOp was a beat at Rs174bn (PLe Rs171bn) and core PPOp too was ahead at Rs176bn. Asset quality was better with controlled GNPA at 1.23% (PLe 1.26%) owing to lower net slippages. Provisions were flat QoQ at Rs32.4bn. PAT was a beat at Rs106bn (PLe Rs103bn).
- Credit flow led by non-retail; deposit growth mainly led by TD:** Sequential loan growth was largely driven by CRB (+8.7%) and corporate (+9.0%) while retail grew by 4.1%. Although faster retail accretion would have been preferred than corporate, pricing seems to have normalized within wholesale as NII growth is catching up with that of loans. Credit mix at 57:43 continues to be skewed towards wholesale. Although targeted retail share would be 55%, wholesale business would be done if it is ROA accretive. Deposit accretion was largely driven by higher TD growth of 22% YoY, in-line with strategy highlighted by the bank. Management reiterated its stance of not adhering to price increase to garner faster deposits. On NIM, repricing of assets would continue to outpace that of liabilities in near term suggesting improving NIM.
- Opex to remain elevated; asset quality improved QoQ:** Bank added 8,500 employees and 121 branches during the quarter. HDFCB intends to add 900 more branches in near term. Due to focus on retail loans and with the upcoming merger, we expect opex to remain elevated and are factoring a 21% CAGR in opex over FY22-25E. GNPA improved QoQ as slippages reduced to Rs5.7bn or 1.7% (2.1% in Q1FY23). Restructured pool further declined QoQ from 90bps to 62bps. Contingent provision was increased from 69bps to 74bps (Rs110bn).

Exhibit 1: Core earnings strong, treasury loss leads to PAT miss

NII growth at 18.9% YoY was strong led by better margins.

Other income growth was strong led by better fee income.

Other Opex increases with higher employee addition and branch expansion.

Credit costs continues to be sub 1%

Lending growth rate was strong led by Corporate & CRB Loans, deposits led by TD.

NIMs was steady QoQ

Slippages came off to Rs.57bn, while PCR continues to be strong+70%.

CASA mix was steady at 45.4%

Financials (Rs m)	Q2FY23	Q2FY22	YoY gr. (%)	Q1FY23	QoQ gr. (%)
Interest income	385,864	313,534	23.1	351,720	9.7
Interest Expended	175,652	136,690	28.5	156,906	11.9
Net interest income (NII)	210,212	176,844	18.9	194,814	7.9
- Treasury income	(2,531)	6,755	NA	(13,117)	NA
Other income	75,956	74,008	2.6	63,882	18.9
Total income	286,167	250,852	14.1	258,697	10.6
Operating expenses	112,246	92,779	21.0	105,018	6.9
-Staff expenses	35,238	29,671	18.8	35,002	0.7
-Other expenses	77,007	63,108	22.0	70,016	10.0
Operating profit	173,922	158,073	10.0	153,678	13.2
Core operating profit	176,453	151,318	16.6	166,795	5.8
Total provisions	32,401	39,247	(17.4)	31,877	1.6
Profit before tax	141,520	118,826	19.1	121,801	16.2
Tax	35,463	30,483	16.3	29,841	18.8
Profit after tax	106,058	88,343	20.1	91,960	15.3
Balance sheet (Rs m)					
Deposits	16,734,080	14,063,433	19.0	16,047,600	4.3
Advances	14,798,732	11,988,374	23.4	13,950,677	6.1
Profitability ratios					
YoA – Calc	9.1	8.6	46	8.6	46
CoF – Calc	4.1	3.7	34	3.9	23
NIM – Calc	4.6	4.6	4	4.4	17
RoaA	2.1	2.0	4	1.9	18
RoaE	17.9	17.5	49	15.9	205
Asset Quality					
Gross NPL (Rs mn)	183,010	163,461	12.0	180,337	1.5
Net NPL (Rs mn)	48,827	47,551	2.7	48,877	(0.1)
Gross NPL ratio	1.2	1.4	(12)	1.3	(6)
Net NPL ratio	0.3	0.4	(7)	0.4	(2)
Coverage ratio – Calc	73.3	70.9	241	72.5	42
Business & Other Ratios					
Low-cost deposit mix	45.4	46.8	(141)	45.8	(38)
Cost-income ratio	39.2	37.0	224	40.6	(137)
Non int. inc / total income	26.5	29.5	(296)	24.7	185
Credit deposit ratio	88.4	85.2	319	86.9	150
CAR	18.0	20.0	(200)	18.1	(10)
Tier-I	17.1	18.7	(160)	17.1	-

Source: Company, PL.

Key Q2FY23 Conference Call Highlights

Business Review & Outlook:

- **Deposits** - Bank opened of 2.9mn (11% QoQ/22% YoY) new liability accounts in Q2FY23. Deposits growth has been led by TD growth of 22% YoY and CASA growth of 15% YoY. Deposit growth strategy would be retail focused branch & relationship led. During the quarter, bank added Rs.710bn of retail deposits vs Rs500bn last quarter and would continue to build on the momentum. With respect rates, they would be competitive and in-line with other peers.
- **Assets** – Advances growth has been led by substantial upswing in CRB (31% YoY) & Corporate (27% YoY), while retail grew at 21% YoY. Fixed: Floating Rate book – 45:55.
 - **Corporate & Other Wholesale** – During the quarter, bank let go wholesale advances of Rs. 35,000-36,000 crore owing to pricing pressure however relationship with the entities continue. **Growth** –Although the target loan mix of the bank would be Retail 55% and non-retail 45%, wholesale advances would be done if they are ROA accretive. In Q2FY23, demand was seen from telecom, energy and PSUs.
 - **Commercial & Rural Banking** – Continues to be focus segment of the bank. Bank continues to be in-line for expanding to 2 lakh villages. Strong cash flows continue in the segment.
 - **Retail** – Retail growth momentum improved during the quarter however **Cards** - Card spends has seen 9% QoQ growth while payments business grew 21% YoY & 2.3% QoQ however, revolver rate continues to be lower at 70-75% of pre-covid levels. 1-3months revolver have been slightly picking up. In Q1FY23, bank added 1.2mn new cards while bank closed 2.4mn inactive cards as per RBI regulations.

Other Income/Opex

- C/I came at 39.2% for Q1FY23. Management expects C/I to remain in the range of 39.5-41% as retail share moves up, branch & employee addition.
- Branch Expansion – In Q2FY23, bank added 121 branches and 900 branches would be launched in the near term. Branches take 18-24 months to break-even.
- Employee addition – Bank added 8,500 employees during the quarter, in line with branch expansion strategy. Also, over a period of time 45,000 employees would be transferred from subsidiary.
- MTM loss were contributed by corporate bonds, PTCs

Margins/NII

- Bank reported NIM of 4.1% in Q2FY23. Asset repricing would be faster than deposits. Margin expansion would depend on asset repricing as well as mix change towards retail.

Asset quality

- O/S contingent provisions were Rs.110bn. Total Provisions (incl. specific, contingent, floating & general) were 119bps of advances.
- Bank's restructured portfolio stood at 53bps (in addition to 9bps from other facilities to same borrower which are not restructured) or Rs78.5bn.
- Bank reported GNPA of 1.23%. In Q2FY23, Slippages were 36bps or Rs57bn, while recoveries/upgrades amounted to Rs.25bn and W/off Rs30bn. Credit was Cost improved slightly sequentially at 0.87%.

Exhibit 2: Corporate emerges stronger, retail trends sluggish

Loan Composition (Rs mn)	Q2FY23	Q2FY22	YoY gr. (%)	Q1FY23	QoQ gr. (%)
Personal Loans	1,548,200	1,263,580	22.5	1,479,280	4.7
Auto	1,087,880	951,950	14.3	1,040,030	4.6
Home Loans	930,500	757,540	22.8	882,490	5.4
Payment Products	819,660	677,830	20.9	801,420	2.3
LAP	693,130	544,260	27.4	651,160	6.4
2Wheelers	95,970	97,130	(1.2)	91,950	4.4
Gold Loans	94,340	81,090	16.3	88,080	7.1
Other Retail	535,800	456,040	17.5	544,400	(1.6)
Agri	702,780	560,040	25.5	615,790	14.1
Retail Loans	5,805,480	4,829,420	20.2	5,578,810	4.1
Commercial & Rural Banking	5,447,400	4,150,240	31.3	4,980,640	9.4
Corporate & Wholesale	3,967,790	3,124,230	27.0	3,639,390	9.0
Total Advances	14,932,520	1,263,580	23.4	14,081,750	5.2
Loan Mix	Q1FY23	Q1FY22	bps chg. YoY	Q4FY22	bps chg. QoQ
Vehicle Loans	7.9%	8.7%	(8.5)	8.0%	(0.6)
Unsecured Loans	15.9%	16.0%	(1.1)	16.2%	(1.3)
Retail Loans	38.9%	39.9%	(2.6)	39.6%	(1.0)
Non Retail Loans	63.1%	60.1%	4.9	61.2%	3.9

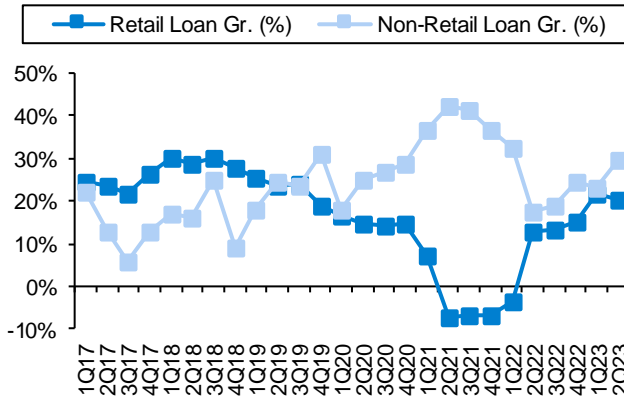
Source: Company, PL

2W loan growth continue to struggle, while Auto loans improve.

Commercial & Rural Banking continues to be growth driver

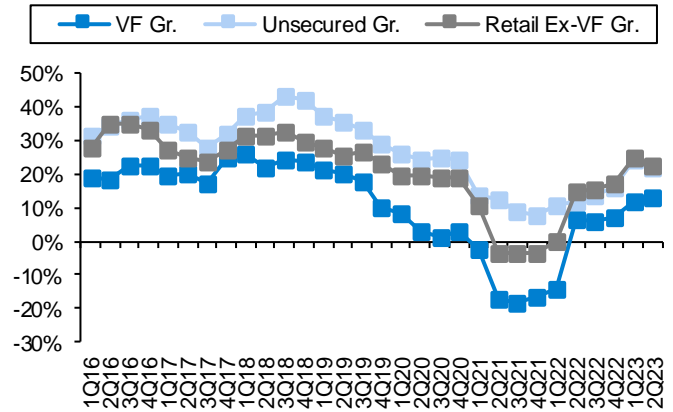
Share of retail portfolio slower, however non-retail continues to be dominant

Exhibit 3: Retail book slower, non-retail robust



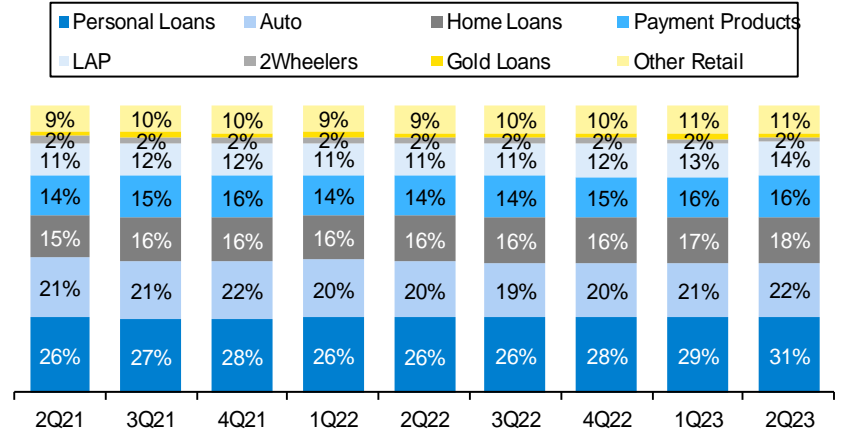
Source: Company, PL

Exhibit 4: Broad-based improvement in retail loan growth



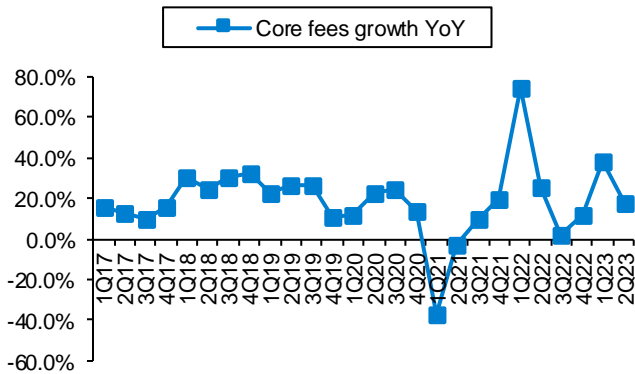
Source: Company, PL

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



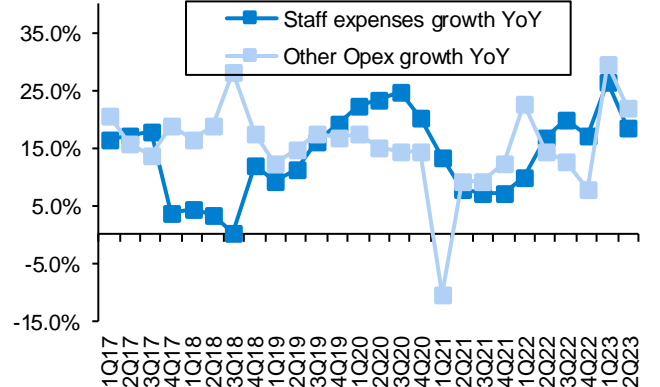
Source: Company, PL

Exhibit 6: Fee income improves sequentially

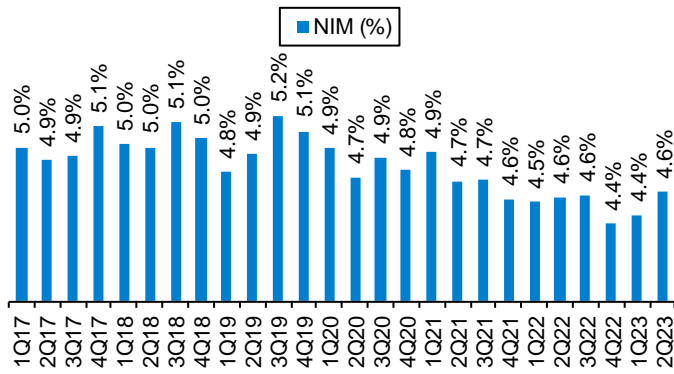


Source: Company, PL

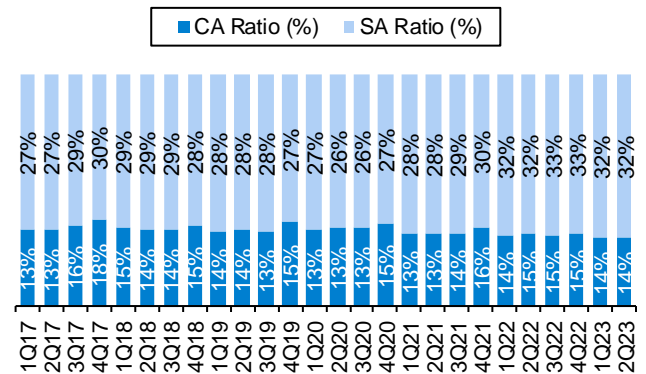
Exhibit 7: Opex growth to see rise



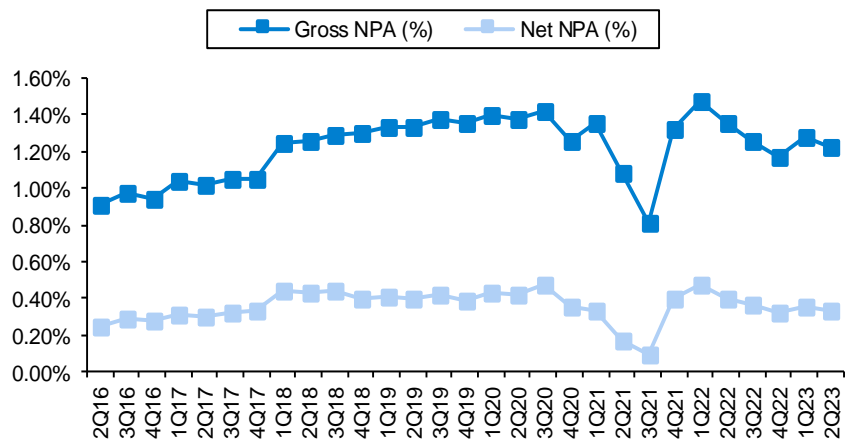
Source: Company, PL

Exhibit 8: NIM sees uptick as yields go up


Source: Company, PL

Exhibit 9: CASA trends down as guided by management


Source: Company, PL

Exhibit 10: Asset quality steady sequentially


Source: Company Data, PL Research

Exhibit 11: Return ratios improvement depends on margin expansion

RoA decomposition	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Interest income	8.3	8.6	8.3	7.4	6.7	7.2	8.1	8.6
Interest expenses	4.2	4.4	4.2	3.4	2.9	3.3	4.3	4.8
Net interest income	4.2	4.2	4.0	4.0	3.8	3.8	3.8	3.8
Other Inc. from operations	1.6	1.5	1.7	1.5	1.5	1.3	1.4	1.4
Total income	5.7	5.7	5.7	5.5	5.3	5.2	5.2	5.2
Employee expenses	0.7	0.7	0.7	0.6	0.6	0.7	0.7	0.6
Other operating expenses	1.6	1.6	1.5	1.4	1.3	1.4	1.5	1.5
Operating profit	3.4	3.4	3.5	3.5	3.4	3.1	3.1	3.1
Tax	1.0	1.0	0.7	0.6	0.6	0.6	0.6	0.6
Loan loss provisions	0.6	0.7	0.9	1.0	0.8	0.6	0.6	0.6
RoAA	1.8	1.8	1.9	1.9	1.9	1.9	1.8	1.8
RoAE	17.9	16.5	16.4	16.6	16.7	16.4	16.4	16.4

Source: Company, PL

Exhibit 12: We marginally tinker our estimates, while retain TP

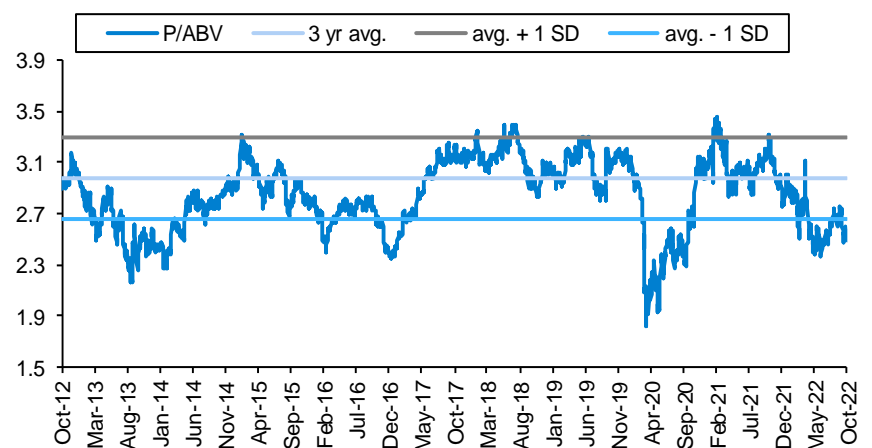
Earnings Estimates Changes (Rs mn)	Earlier		Revised		% Change	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Net interest income	830,956	989,806	871,794	998,752	4.9	0.9
Operating profit	686,514	813,284	703,878	814,810	2.5	0.2
Net profit	400,234	479,166	424,091	484,118	6.0	1.0
Loan Growth (%)	18.0	16.0	18.1	16.0	0.1	-
Credit Cost (bps)	94.7	92.3	86.8	89.4	(7.9)	(2.9)
EPS (Rs)	72.2	86.4	76.1	86.9	5.5	0.6
ABVPS (Rs)	478.6	546.3	486.9	548.9	1.7	0.5
Price target (Rs)	1,800		1,800		-	
Recommendation	BUY		BUY			

Source: PL

Exhibit 13: SOTP Valuation

Particulars	Stake	Rs per share	NW / NBAP / PAT / AUM	Valuation	Basis
Standalone	100.0%	1,649	4,073,434	3.0	x Mar'24 ABV
HDFC Life	51.0%	78	1,139,107	1.00	Mkt Cap
HDFC AMC	52.7%	29	402,544	1.00	Mkt Cap
HDB Financials	95.0%	27	83,495	2.50	of Mar'22 PAT
HDFC Ergo	51.0%	14	5,000	40.00	of Mar'22 PAT
HSL	96.0%	13	9,843	10.00	of Mar'22 PAT
Bandhan Bank	5.0%	3	427,833	1.00	Mkt Cap
HDFC Credila	100.0%	5	13,413	2.50	of Mar'22 PAT
Total		1,817	6,154,670		
Holdco discount		17			
Target Price		1,800			

Source: Company, PL

Exhibit 14: HDFCB one year forward P/ABV trend


Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Int. Earned from Adv.	9,85,120	12,79,983	16,71,399	20,50,439
Int. Earned from invt.	2,60,461	3,24,567	4,31,873	5,14,366
Others	6,426	12,244	9,557	9,921
Total Interest Income	12,77,531	16,30,075	21,31,704	25,99,281
Interest Expenses	5,57,435	7,58,281	11,32,952	14,41,726
Net Interest Income	7,20,096	8,71,794	9,98,752	11,57,555
<i>Growth(%)</i>	12.7	15.7	17.2	15.4
Non Interest Income	2,95,099	3,02,338	3,77,025	4,29,837
Net Total Income	10,15,195	11,74,132	13,75,777	15,87,392
<i>Growth(%)</i>	7.7	22.9	29.8	20.7
Employee Expenses	1,20,317	1,48,290	1,74,223	1,93,780
Other Expenses	2,38,107	3,21,964	3,86,744	4,66,912
Operating Expenses	3,74,422	4,70,254	5,60,967	6,60,693
Operating Profit	6,40,773	7,03,878	8,14,810	9,26,699
<i>Growth(%)</i>	11.7	9.8	15.8	13.7
NPA Provision	1,01,194	1,33,049	1,50,182	1,74,212
Total Provisions	1,50,618	1,39,126	1,67,594	1,94,092
PBT	4,90,155	5,64,752	6,47,216	7,32,608
Tax Provision	1,20,541	1,40,661	1,63,098	1,84,617
<i>Effective tax rate (%)</i>	24.6	24.9	25.2	25.2
PAT	3,69,614	4,24,091	4,84,118	5,47,991
<i>Growth(%)</i>	18.8	14.7	14.2	13.2

Balance Sheet (Rs. m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Face value	1	1	1	1
No. of equity shares	5,546	5,570	5,570	5,570
Equity	5,546	5,570	5,570	5,570
Networth	24,00,929	27,67,187	31,19,033	35,56,148
<i>Growth(%)</i>	17.9	15.3	12.7	14.0
Adj. Networth to NNPA's	44,077	55,300	61,548	74,263
Deposits	1,55,92,174	1,88,56,728	2,18,83,986	2,55,80,116
<i>Growth(%)</i>	16.8	20.9	16.1	16.9
CASA Deposits	75,10,491	81,38,053	92,90,275	1,06,71,808
<i>% of total deposits</i>	48.2	43.2	42.5	41.7
Total Liabilities	2,06,85,351	2,46,70,883	2,82,27,756	3,24,75,134
Net Advances	1,36,88,209	1,61,60,216	1,87,45,850	2,19,51,390
<i>Growth(%)</i>	20.8	18.1	16.0	17.1
Investments	45,55,357	58,45,586	64,93,635	72,22,802
Total Assets	2,06,85,351	2,46,70,883	2,82,27,756	3,24,75,134
<i>Growth (%)</i>	18.4	19.3	14.4	15.0

Asset Quality

Y/e Mar	FY22	FY23E	FY24E	FY25E
Gross NPAs (Rs m)	1,61,410	1,91,338	2,12,164	2,47,872
Net NPAs (Rs m)	44,077	55,300	61,548	74,263
<i>Gr. NPAs to Gross Adv.(%)</i>	1.1	1.1	1.1	1.1
<i>Net NPAs to Net Adv. (%)</i>	0.3	0.3	0.3	0.3
<i>NPA Coverage %</i>	72.7	71.1	71.0	70.0

Profitability (%)

Y/e Mar	FY22	FY23E	FY24E	FY25E
NIM	4.2	4.3	4.2	4.2
RoAA	1.9	1.9	1.8	1.8
RoAE	16.7	16.4	16.4	16.4
Tier I	17.9	17.6	17.2	17.1
CRAR	18.9	18.5	18.0	17.8

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Interest Income	3,24,681	3,34,487	3,51,720	3,85,864
Interest Expenses	1,40,246	1,45,760	1,56,906	1,75,652
Net Interest Income	1,84,435	1,88,727	1,94,814	2,10,212
<i>YoY growth (%)</i>	13.0	10.2	14.5	18.9
CEB	50,751	56,303	53,604	58,029
Treasury	-	-	-	-
Non Interest Income	81,836	76,371	63,882	75,956
Total Income	4,06,517	4,10,858	4,15,603	4,61,820
Employee Expenses	31,544	31,446	35,002	35,238
Other expenses	66,967	70,082	70,016	77,007
Operating Expenses	98,511	1,01,528	1,05,018	1,12,246
Operating Profit	1,67,760	1,63,570	1,53,678	1,73,922
<i>YoY growth (%)</i>	10.5	5.3	1.5	10.0
Core Operating Profits	1,57,295	1,63,973	1,66,795	1,76,453
NPA Provision	18,206	17,782	-	-
Others Provisions	29,940	33,124	31,877	32,401
Total Provisions	29,940	33,124	31,877	32,401
Profit Before Tax	1,37,820	1,30,447	1,21,801	1,41,520
Tax	34,398	29,895	29,841	35,463
PAT	1,03,423	1,00,552	91,960	1,06,058
<i>YoY growth (%)</i>	18.1	22.8	19.0	20.1
Deposits	1,44,59,181	1,55,92,174	1,60,47,600	1,67,34,080
<i>YoY growth (%)</i>	13.8	16.8	19.2	19.0
Advances	1,26,08,628	1,36,88,209	1,39,50,677	1,47,98,732
<i>YoY growth (%)</i>	16.5	20.8	21.6	23.4

Key Ratios

Y/e Mar	FY22	FY23E	FY24E	FY25E
CMP (Rs)	1,439	1,439	1,439	1,439
EPS (Rs)	66.7	76.1	86.9	98.4
Book Value (Rs)	433	497	560	638
Adj. BV (70%)(Rs)	425	487	549	625
P/E (x)	21.6	18.9	16.6	14.6
P/BV (x)	3.3	2.9	2.6	2.3
P/ABV (x)	3.4	3.0	2.6	2.3
DPS (Rs)	6.5	15.4	17.4	19.7
<i>Dividend Payout Ratio (%)</i>	9.7	20.3	20.0	20.0
<i>Dividend Yield (%)</i>	0.5	1.1	1.2	1.4

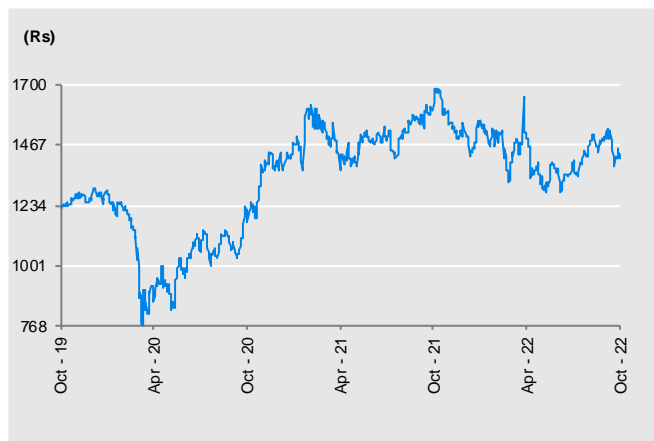
Efficiency

Y/e Mar	FY22	FY23E	FY24E	FY25E
<i>Cost-Income Ratio (%)</i>	36.9	40.1	40.8	41.6
<i>C-D Ratio (%)</i>	87.8	85.7	85.7	85.8
Business per Emp. (Rs m)	207	208	228	249
Profit per Emp. (Rs lacs)	26	25	27	29
Business per Branch (Rs m)	4,617	4,705	4,648	4,733
Profit per Branch (Rs m)	58	57	55	55

Du-Pont

Y/e Mar	FY22	FY23E	FY24E	FY25E
NII	3.77	3.84	3.78	3.81
Total Income	5.32	5.18	5.20	5.23
Operating Expenses	1.96	2.07	2.12	2.18
PPoP	3.36	3.10	3.08	3.05
Total provisions	0.79	0.61	0.63	0.64
RoAA	1.94	1.87	1.83	1.81
RoAE	16.66	16.41	16.45	16.42

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	05-Oct-22	BUY	1,800	1,454
2	16-Sep-22	BUY	1,800	1,521
3	17-Jul-22	BUY	1,740	1,362
4	08-Jul-22	BUY	1,740	1,396
5	06-Jul-22	BUY	1,740	1,371
6	01-Jun-22	BUY	1,740	1,395
7	17-Apr-22	BUY	1,740	1,465
8	09-Apr-22	BUY	2,000	1,515
9	04-Apr-22	BUY	2,000	1,657
10	17-Jan-22	BUY	1,870	1,545

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Hold	2,300	2,197
2	Axis Bank	BUY	940	743
3	Bank of Baroda	Accumulate	130	133
4	Can Fin Homes	BUY	675	497
5	City Union Bank	BUY	190	173
6	DCB Bank	BUY	120	103
7	Federal Bank	BUY	135	121
8	HDFC	BUY	2,900	2,349
9	HDFC Bank	BUY	1,800	1,454
10	ICICI Bank	BUY	950	868
11	IDFC First Bank	UR	-	53
12	IndusInd Bank	BUY	1,300	1,217
13	Kotak Mahindra Bank	Accumulate	1,950	1,823
14	LIC Housing Finance	BUY	450	418
15	Punjab National Bank	BUY	50	36
16	State Bank of India	BUY	650	533

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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