

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	CBK IN
Equity Shares (m)	1814
M.Cap.(INRb)/(USDb)	568.5 / 6.9
52-Week Range (INR)	342 / 172
1, 6, 12 Rel. Per (%)	6/1/32
12M Avg Val (INR M)	2774

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
NII	314.4	363.0	400.5
OP	277.2	315.0	349.4
NP	106.0	137.4	167.5
NIM (%)	2.6	2.7	2.7
EPS (INR)	58.5	75.7	92.3
EPS Gr. (%)	78.1	29.6	21.9
BV/Sh. (INR)	380	451	538
ABV/Sh. (INR)	318	397	487

Ratios

	FY23	FY24E	FY25E
RoE (%)	15.2	17.2	17.8
RoA (%)	0.8	1.0	1.1

Valuations

	FY23	FY24E	FY25E
P/E (x)	5.4	4.1	3.4
P/BV (x)	0.8	0.7	0.6
P/ABV (x)	1.0	0.8	0.6

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	62.9	62.9	62.9
DII	16.2	16.6	13.6
FII	9.0	8.7	8.5
Others	11.9	11.7	15.0

FII Includes depository receipts

CMP: INR313 **TP: INR400 (+28%)** **Buy**

Margin outlook steady; remain watchful of ECL provisioning

Asset quality continues to improve

- Canara Bank (CBK) reported a mixed quarter with PAT up 91% YoY to INR31.7b (in line), driven by higher 'other income' even as NII/PPoP saw a miss. NII grew 23% YoY (8% miss), while margins expanded marginally by 2bp QoQ to 3.07%.
- On the business front, loan growth sustained its momentum at ~18% YoY, while deposits grew 9% YoY (1.4% QoQ), aided by higher growth in CASA deposits.
- The asset quality ratios have shown improvement due to moderation in fresh slippages and the combined effect of healthy recoveries, upgrades and write-offs.
- We revise our estimates slightly to factor in lower provisions and expect CBK to deliver FY25E RoA/RoE of 1.1%/17.8%. We reiterate our **BUY rating with an unchanged TP of INR400 (premised on 0.9x Sep'24E ABV)**.

Business growth remains steady; PCR improves to 69%

- CBK reported a PAT of INR31.7b (up 91% YoY; inline), driven by higher 'other income' and lower provisions. NII rose 23% YoY (8% miss) with margins largely flat QoQ at 3.07%. For FY23, NII/PPoP/PAT rose 19%/20%/51% YoY to INR314b/INR277b/INR106.
- Other income grew 7% YoY (20% QoQ), aided by higher recovery from written-off accounts of INR21.7b and strong fee income, which grew 19% QoQ. Total revenue thus jumped 17% YoY. Treasury gains stood at INR1.5b.
- Operating expenses increased 17% YoY. PPoP thus grew 17% YoY to INR75.5b (5% miss), while core PPoP grew 25% YoY.
- On the business front, total loans grew 1.7% QoQ (up 18% YoY), led by both corporate (up 2% QoQ) and RAM segment (up 3% QoQ) within which Agri book grew ~5% QoQ. Deposits grew 8.5% YoY (up 1.4% QoQ), led by CASA deposits, which increased 4.3% QoQ, while term deposits stood flat QoQ. CASA ratio thus increased to 33.5% (92bp QoQ).
- Fresh slippages moderated to INR29.7b, which coupled with higher recoveries, upgrades, and write-offs resulted in an improvement in GNPA/NNPA ratio by 54bp/23bp to 5.4%/1.7%. PCR improved further to 68.9%.
- Total SMA Book increased marginally to 0.76% from 0.71% in 3QFY23.

Highlights from the management commentary

- Credit growth guidance for FY24 stands at 10.5% with NIMs to be ~3.05% v/s 2.95% in FY23.
- Credit cost guidance stands at ~1.2% for FY24.
- The bank has guided for 1% ROA for FY24.
- If implemented, the total requirement under IND-AS is expected to be ~INR420b, which is expected to be distributed over a span of five years. Thus, additional provision of INR80b will be required for the first year (20%).

Valuation and view

CBK reported a mixed performance as miss on operating performance was offset by higher 'other income' which drove earnings. Margins stood broadly flat, while asset quality witnessed a steady improvement. Loan growth was led by Corporate, Retail, and Agri segments and the outlook remains encouraging. Slippages moderated sequentially, enabling further improvement in asset quality ratios. The controlled SMA book, along with declining restructuring book, provides additional assurance regarding asset quality. We revise our estimates slightly to factor in lower provisions and remain watchful of the provisioning requirement under the IND-AS. We expect CBK to deliver FY25E RoA/RoE of 1.1%/17.8%. **We reiterate our BUY rating with an unchanged TP of INR400 (premised on 0.9x Sep'24E ABV).**

Quarterly performance**(INR b)**

	FY22				FY23				FY22	FY23	FY23E	V/S our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est.
Net Interest Income	61.6	62.7	69.4	70.1	67.8	74.3	86.0	86.2	263.8	314.4	93.7	(8)
% Change (Y-o-Y)	1.0	-0.5	14.1	24.9	10.2	18.5	23.8	23.0	9.5	19.1	33.8	
Other Income	41.6	42.7	36.1	44.6	51.8	48.3	39.9	47.8	165.0	187.6	44.1	8
Total Income	103.2	105.4	105.6	114.7	119.6	122.6	125.9	133.9	428.8	502.0	137.8	(3)
Operating Expenses	48.3	49.4	47.5	52.7	53.5	53.5	56.3	61.4	184.4	224.8	61.7	(0)
Operating Profit	54.8	56.0	58.0	62.0	66.1	69.1	69.5	72.5	244.4	277.2	76.2	(5)
% Change (Y-o-Y)	27.9	21.9	10.2	18.8	20.5	23.2	19.8	16.9	24.2	13.4	22.8	
Other Provisions	34.6	33.6	22.4	37.1	36.9	36.4	31.2	30.9	141.3	135.4	33.4	(7)
Exceptional Item (Exp.)	NA	NA	13.5	NA	NA	NA	NA	NA	13.5	NA	NA	
Profit before Tax	20.2	22.4	22.0	24.9	29.2	32.7	38.3	41.6	89.6	141.7	42.8	(3)
Tax	8.4	9.1	7.0	8.3	8.9	7.4	9.5	9.8	32.8	35.7	12.0	(18)
Net Profit	11.8	13.3	15.0	16.7	20.2	25.3	28.8	31.7	56.8	106.0	30.8	3
% Change (Y-o-Y)	189.8	199.9	115.8	64.8	71.7	89.5	91.8	90.5	122.0	86.7	84.7	
Operating Parameters												
Deposit (INR b)	10,218	10,325	10,434	10,864	11,181	11,340	11,635	11,792	10,864	11,792	12,005	(2)
Loan (INR b)	6,485	6,496	6,922	7,036	7,469	7,885	8,164	8,307	7,036	8,307	8,303	0
Deposit Growth (%)	12.3	8.8	7.2	7.5	9.4	9.8	11.5	8.5	7.5	8.5	10.5	(196)
Loan Growth (%)	5.1	5.4	9.1	10.1	15.2	21.4	18.0	18.1	10.1	18.1	18.0	6
Asset Quality												
Gross NPA (%)	8.5	8.4	7.8	7.5	7.0	6.4	5.9	5.4	7.5	5.4	5.6	(21)
Net NPA (%)	3.5	3.2	2.9	2.7	2.5	2.2	2.0	1.7	2.7	1.7	1.8	(10)
PCR (%)	61.5	63.9	65.2	66.5	66.2	67.1	68.1	68.9	65.9	68.9	68.4	53

E:MOFSL Estimates

Quarterly snapshot

INR b	FY21				FY22				FY23				Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
Profit and Loss														
Net Interest Income	61.0	63.0	60.9	56.1	61.6	62.7	69.4	70.1	67.8	74.3	86.0	86.2	23	0
Other Income	26.5	31.0	41.5	47.0	41.6	42.7	36.1	44.6	51.8	48.3	39.9	47.8	7	20
Total Income	87.5	94.1	102.4	103.1	103.2	105.4	105.6	114.7	119.6	122.6	125.9	133.9	17	6
Operating Expenses	44.6	48.1	49.7	50.9	48.3	49.4	47.5	52.7	53.5	53.5	56.3	61.4	17	9
Employee	30.4	32.1	31.8	32.7	33.7	31.4	29.7	32.3	34.2	31.2	34.8	37.3	15	7
Others	14.2	16.0	17.9	18.3	14.7	18.0	17.8	20.4	19.4	22.3	21.5	24.1	18	12
Operating Profits	42.9	46.0	52.7	52.2	54.8	56.0	58.0	62.0	66.1	69.1	69.5	72.5	17	4
Core PPOP	32.8	37.0	37.6	50.4	48.6	44.7	54.8	56.8	57.2	64.4	65.7	71.0	25	8
Provisions	38.3	39.7	42.1	36.5	34.6	33.6	22.4	37.1	36.9	36.4	31.2	30.9	-17	-1
PBT	4.6	6.2	10.6	15.7	20.2	22.4	22.0	24.9	29.2	32.7	38.3	41.6	67	9
Taxes	0.5	1.8	3.6	5.6	8.4	9.1	7.0	8.3	8.9	7.4	9.5	9.8	19	3
PAT	4.1	4.4	7.0	10.1	11.8	13.3	15.0	16.7	20.2	25.3	28.8	31.7	91	10
Balance sheet (INR b)														
Loans	6,172	6,163	6,342	6,390	6,485	6,496	6,922	7,036	7,469	7,885	8,164	8,307	18	2
Retail Loans	1,052	1,079	1,119	1,153	1,153	1,191	1,231	1,263	1,286	1,341	1,370	1,401	11	2
Deposits	9,096	9,488	9,730	10,109	10,218	10,325	10,434	10,864	11,181	11,340	11,635	11,792	9	1
Asset Quality														
GNPA	575.3	534.4	497.9	602.9	582.2	578.5	568.9	556.5	547.3	524.9	501.4	461.6	-17	-8
NNPA	243.6	210.6	167.7	244.4	224.3	208.6	198.2	186.7	185.0	172.9	159.8	143.5	-23	-10
Slippages	16.8	20.9	26.0	178.9	43.9	112.9	145.8	193.2	39.5	79.0	111.1	140.8	-27	27
Ratios (%)														
Asset Quality Ratios	FY21				FY22				FY23				Change (bp)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
GNPA (%)	8.8	8.2	7.5	8.9	8.5	8.4	7.8	7.5	7.0	6.4	5.9	5.4	-216	-54
NNPA (%)	4.0	3.4	2.6	3.8	3.5	3.2	2.9	2.7	2.5	2.2	2.0	1.7	-92	-23
PCR (Calculated, %)	57.7	60.6	66.3	59.5	61.5	63.9	65.2	66.5	66.2	67.1	68.1	68.9	246	79
PCR (Reported, %)	79.0	81.5	84.9	79.7	81.2	82.4	83.3	84.2	84.5	85.4	86.3	87.3	314	99
Slippage Ratio (%)	1.5	0.4	0.5	14.1	2.8	4.5	2.1	3.0	2.2	2.4	1.9	1.7	-127	-16
Credit Cost (%)	2.9	2.6	2.7	2.3	2.2	2.1	1.4	1.3	2.1	2.0	1.7	1.6	34	-4
Business Ratios														
Fees to Total Income	18.8	23.4	25.8	43.9	34.3	29.7	31.2	34.3	35.8	35.6	28.6	34.5	18	592
Cost to Core Income	57.6	56.5	57.0	50.3	49.8	52.5	46.4	48.1	48.4	45.4	46.2	46.4	-174	19
Tax Rate	11.5	28.7	34.1	35.5	41.8	40.6	31.8	33.2	30.7	22.7	24.8	23.6	-954	-115
CASA	33.8	32.8	33.4	34.3	34.2	34.1	34.6	35.9	34.3	34.0	32.6	33.5	-240	92
Loan/Deposit	67.9	65.0	65.2	63.2	63.5	62.9	66.3	64.8	66.8	69.5	70.2	70.4	568	27
Profitability Ratios														
ROA	0.2	0.2	0.2	0.4	0.4	0.5	0.5	0.6	0.7	0.8	0.9	1.0	38	7
ROE	4.5	4.8	7.3	10.8	11.5	12.4	13.5	15.3	16.3	18.9	20.4	21.7	643	125
Yield on loans	8.2	8.1	8.0	7.1	7.1	7.1	7.2	7.2	7.0	7.2	7.5	7.7	48	25
Yield On Investments	7.1	7.0	6.9	6.4	6.5	6.4	6.3	6.3	6.4	6.5	6.6	6.7	41	6
Yield On Funds	6.9	6.7	6.5	5.8	5.9	5.8	5.8	5.8	5.8	6.0	6.2	6.4	60	22
Cost of Funds	4.6	4.4	4.2	3.8	3.7	3.7	3.6	3.6	3.6	3.8	3.9	4.0	43	17
Cost of Deposits	5.0	4.8	4.6	4.2	4.0	4.0	4.0	4.0	4.0	4.1	4.2	4.4	43	19
Margins	2.8	2.8	2.7	2.5	2.7	2.8	2.8	2.9	2.8	2.9	3.1	3.1	14	2



Highlights from the management commentary

Balance sheet and P&L related

- RAM credit grew 13% YoY in 4QFY23 to INR4.8t
- Retail credit grew 10.91% YoY, primarily driven by the growth in the Housing loan and Gold loan segments (14.27%/33.8% YoY).
- The bank has guided for 1% ROA for FY24.
- NIM guidance for FY24 stands at 3.05% v/s 2.95% in FY23.
- RAM: Corporate Mix to be 55:45. +-2% diversion will be there depending upon the opportunities available for the bank.
- 49% of the loan book is MCLR linked, of which 40-45% are yet to be re-priced as these are linked to one-year MCLR
- Credit growth guidance for FY24 stands at 10.5%.
- CRAR stands at 16.7% and the bank does not expect any equity requirement for the next 1-2 years.
- The board has approved a capex (for IT) of INR12b for FY24.
- The bank has a high HTM holding of INR2.7t, with a yield of 6.63%.
- CASA ratio stands at 33.48% as on 4QFY23 with a guidance of 35% for FY24.
- More than 90% of the deposits have been re-priced. Further, bulk deposits are likely to be re-priced at a lower rate. Thus, COD is likely to be maintained at the current level, depending on the CASA growth in the next three months.
- The bank has given a go ahead for Canara Robecco AMC and Canara HSBC life Insurance businesses to be listed with the stock exchange.

Asset quality related

- Although the NNPA guidance stands at around ~1.2% for FY24, it is optimistic about achieving 1% by the same fiscal year.
- Credit cost guidance stands at ~1.2% for FY24.
- INR7.2b of other provisions created by the bank was to strengthen the B/S for future shocks/discrepancies.
- The bank aims to improve the PCR by 100bp every quarter to create additional cushion to the B/S.
- If implemented, the total requirement under IND-AS is expected to be ~INR420b, which is expected to be distributed over a span of five years. Thus, an additional provision of INR80b will be required for the first year (20%). The bank expects the additional provisions to be met with net profits.
- **Slippages mix:** Agri (INR9.8b-10b), MSME (INR14.5b), Retail (INR5b), and had nil corporate slippages. It guided for slippage ratio of 1.3% for FY24.
- Recoveries from the IL&FS group amounted to INR6b-6.5b from two accounts and the bank is expecting some more resolutions in FY24.

Exhibit 1: DuPont Analysis – Return ratios to improve gradually

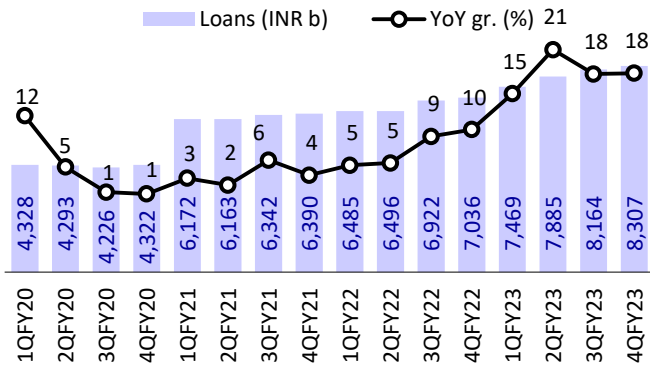
Y/E MARCH	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	6.9	7.1	6.9	6.3	5.8	6.6	6.8	6.9
Interest Expense	4.8	4.9	5.0	4.1	3.6	4.1	4.2	4.3
Net Interest Income	2.0	2.2	1.9	2.2	2.2	2.4	2.6	2.6
Fee income	0.8	0.4	1.0	1.1	1.2	1.3	1.3	1.3
Trading and others	0.3	0.6	0.1	0.3	0.2	0.2	0.2	0.2
Non-Interest income	1.2	1.0	1.1	1.4	1.4	1.5	1.5	1.5
Total Income	3.2	3.2	3.0	3.5	3.6	3.9	4.0	4.1
Operating Expenses	1.6	1.6	1.6	1.8	1.5	1.7	1.8	1.8
Employee cost	0.9	0.9	1.0	1.2	1.0	1.1	1.1	1.1
Other operating expenses	0.7	0.7	0.6	0.6	0.6	0.7	0.7	0.7
Operating Profits	1.6	1.6	1.3	1.8	2.1	2.2	2.2	2.3
Core operating Profits	1.3	1.0	1.2	1.5	1.8	2.0	2.1	2.1
Provisions	2.7	2.0	1.6	1.5	1.2	1.1	0.9	0.8
NPA provisions	2.5	1.9	1.5	1.3	0.8	1.1	0.8	0.7
Other Provisions	0.2	0.0	0.1	0.2	0.4	0.0	0.1	0.1
PBT	-1.1	-0.4	-0.2	0.3	0.9	1.1	1.3	1.5
Tax	-0.4	-0.4	0.1	0.1	0.3	0.3	0.3	0.4
RoA	-0.7	0.1	-0.3	0.2	0.5	0.8	1.0	1.1
Leverage (x)	18.8	18.3	18.8	20.0	19.0	18.4	17.5	16.3
RoE	-13.2	1.0	-5.9	4.6	9.1	15.2	17.2	17.8

Valuation and view

CBK reported a mixed performance as miss on operating performance was offset by higher 'other income' which drove earnings. Margins stood broadly flat, while asset quality witnessed a steady improvement. Loan growth was led by Corporate, Retail, and Agri segments and the outlook remains encouraging. Slippages moderated sequentially, enabling further improvement in asset quality ratios. A controlled SMA book, along with declining restructuring book, provides additional assurance on asset quality. We revise our estimates slightly to factor in lower provisions and remain watchful of the provisioning requirement under the IND-AS. We expect CBK to deliver FY25E RoA/RoE of 1.1%/17.8%. **We reiterate our BUY rating with an unchanged TP of INR400 (premised on 0.9x Sep'24E ABV).**

Story in charts

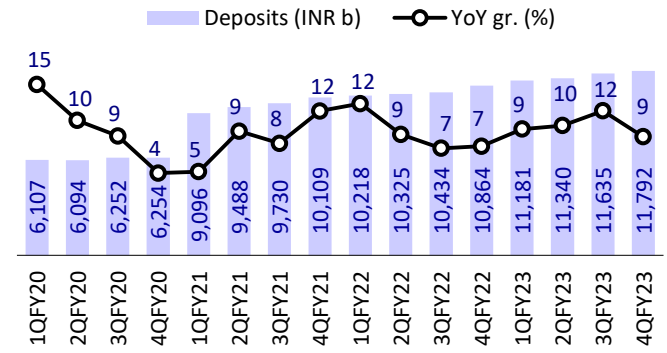
Exhibit 2: Loan book up ~18% YoY (up 1.7% QoQ)



Merged numbers from 1QFY21

Source: MOFSL, Company

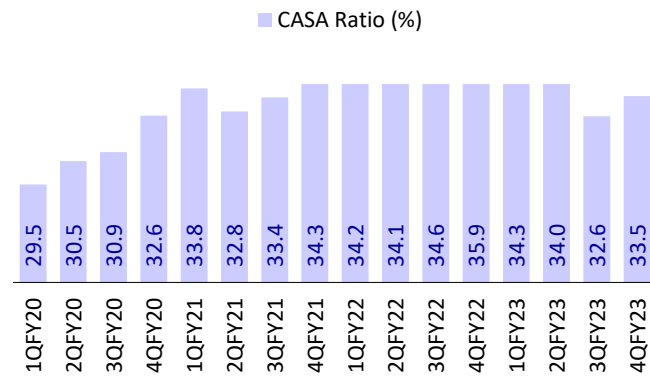
Exhibit 3: Deposits up 9% YoY (up 1.4% QoQ)



Merged numbers from 1QFY21

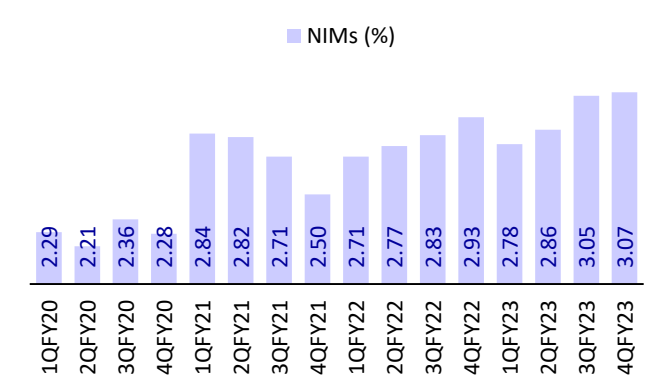
Source: MOFSL, Company

Exhibit 4: CASA ratio improves 92bp QoQ to 33.5%



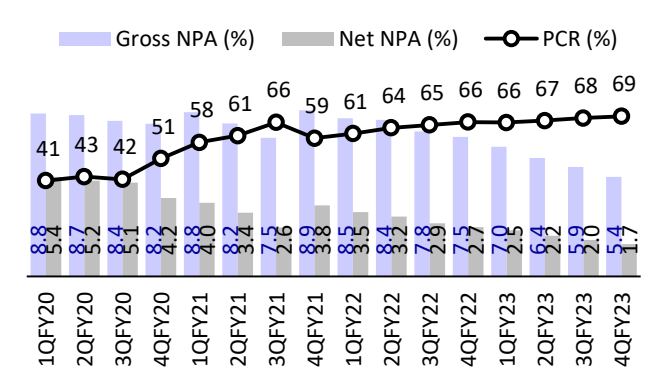
Source: MOFSL, Company

Exhibit 5: NIM improves slightly by 2bp QoQ to 3.07%



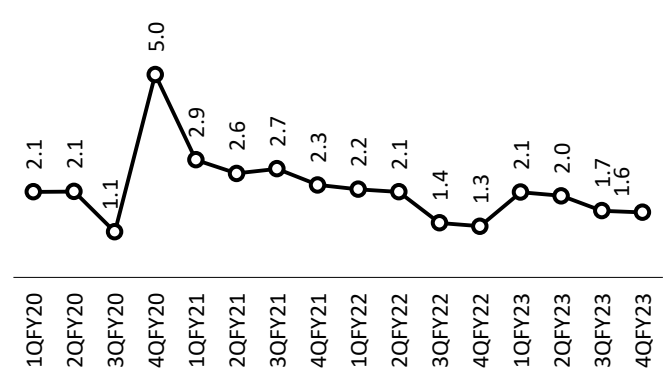
Source: MOFSL, Company

Exhibit 6: GNPA/NNPA ratio moderates 54bp/23bp QoQ to 5.4%/1.7%; PCR improves to 69% (87.3% including TWO)



Source: MOFSL, Company

Exhibit 7: Credit cost moderates to 1.6%



Source: MOFSL, Company

Financials and Valuations

Income Statement								(INR b)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	412.5	468.1	489.3	692.8	694.1	844.2	958.0	1,059.2
Interest Expense	290.9	323.3	358.1	451.8	430.3	529.9	595.0	658.7
Net Interest Income	121.6	144.8	131.2	241.0	263.8	314.4	363.0	400.5
Growth (%)	23.2	19.0	-9.4	83.7	9.5	19.1	15.5	10.3
Non-Interest Income	69.4	65.7	78.1	149.2	165.0	187.6	204.5	227.0
Total Income	191.1	210.5	209.4	390.3	428.8	502.0	567.5	627.5
Growth (%)	9.6	10.2	-0.6	86.4	9.9	17.1	13.1	10.6
Operating Expenses	95.6	104.6	115.8	193.4	184.4	224.8	252.5	278.1
Pre Provision Profits	95.5	105.9	93.6	196.9	244.4	277.2	315.0	349.4
Growth (%)	7.1	10.9	-11.6	110.4	24.2	13.4	13.6	10.9
Core PPP	76.3	65.7	86.0	166.9	218.5	257.7	292.6	323.7
Growth (%)	70.5	-13.9	31.0	94.1	30.9	17.9	13.5	10.6
Provisions (excl. tax)	161.1	129.2	111.2	159.8	141.3	135.4	130.6	124.6
Exceptional Item (Exp.)	NA	NA	NA	NA	13.5	NA	NA	NA
PBT	-65.6	-23.3	-17.6	37.1	89.6	141.7	184.4	224.8
Tax	-23.4	-26.7	4.8	11.5	32.8	35.7	47.0	57.3
Tax Rate (%)	35.6	114.9	-27.4	31.0	36.6	25.2	25.5	25.5
PAT	-42.2	3.5	-22.4	25.6	56.8	106.0	137.4	167.5
Growth (%)	NM	NM	NM	NM	122.0	86.7	29.6	21.9

Balance Sheet								
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	7.3	7.5	10.3	16.5	18.1	18.1	18.1	18.1
Reserves & Surplus	348.7	354.2	382.6	572.4	643.0	717.9	847.2	1,003.8
Net Worth	356.0	361.8	392.9	588.8	661.1	736.1	865.3	1,021.9
Deposits	5,247.7	5,990.3	6,253.5	10,108.7	10,864.1	11,792.2	12,853.5	14,190.2
Growth (%)	6.0	14.2	4.4	61.6	7.5	8.5	9.0	10.4
of which CASA Deposits	1,670.3	1,748.1	1,962.1	3,309.0	3,688.3	4,198.0	4,627.3	5,051.7
Growth (%)	11.5	4.7	12.2	68.6	11.5	13.8	10.2	9.2
Borrowings	388.1	409.9	427.6	499.8	462.8	580.9	509.7	539.2
Other Liabilities & Prov.	177.0	185.6	164.7	339.3	281.7	348.2	369.1	391.2
Total Liabilities	6,168.9	6,947.7	7,238.7	11,536.8	12,269.8	13,457.3	14,597.5	16,142.6
Current Assets	499.1	661.5	682.7	1,784.1	1,820.5	1,414.2	1,309.6	1,399.3
Investments	1,440.5	1,529.9	1,762.4	2,616.9	2,820.1	3,190.4	3,413.7	3,618.5
Growth (%)	-4.1	6.2	15.2	48.5	7.8	13.1	7.0	6.0
Loans	3,817.0	4,277.3	4,321.8	6,390.5	7,036.0	8,306.7	9,303.5	10,513.0
Growth (%)	11.6	12.1	1.0	47.9	10.1	18.1	12.0	13.0
Fixed Assets	83.2	84.1	82.8	112.1	113.6	102.3	107.4	112.8
Other Assets	329.0	394.9	389.1	633.2	479.5	443.7	463.3	499.0
Total Assets	6,168.9	6,947.7	7,238.7	11,536.8	12,269.8	13,457.3	14,597.5	16,142.6

Asset Quality								
GNPA	474.7	392.2	370.4	602.9	556.5	461.6	434.6	431.6
NNPA	287.0	231.8	184.7	248.4	189.6	143.5	121.6	110.9
GNPA Ratio	11.9	8.8	8.2	8.9	7.5	5.4	4.5	4.0
NNPA Ratio	7.5	5.4	4.3	3.9	2.7	1.7	1.3	1.1
Slippage Ratio	7.2	4.1	3.5	6.8	2.2	2.0	2.0	1.9
Credit Cost	4.1	3.1	2.5	2.6	1.5	1.8	1.3	1.1
PCR (Excl. Tech. write off)	39.5	40.9	50.1	58.8	65.9	68.9	72.0	74.3

Financials and Valuations

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Yield and Cost Ratios (%)								
Avg. Yield-Earning Assets	7.3	7.7	7.4	6.7	6.2	6.9	7.1	7.2
Avg. Yield on loans	8.0	8.5	8.4	8.0	7.4	8.0	8.1	8.0
Avg. Yield on Investments	7.2	7.5	7.0	6.7	6.3	6.6	6.8	7.1
Avg. Cost-Int. Bear. Liab.	5.3	5.4	5.5	4.4	3.8	4.1	4.6	4.6
Avg. Cost of Deposits	5.3	5.4	5.5	4.4	3.8	4.1	4.6	4.6
Interest Spread	2.0	2.3	1.9	2.3	2.4	2.8	2.5	2.5
Net Interest Margin	2.2	2.4	2.0	2.3	2.4	2.6	2.7	2.7

Capitalisation Ratios (%)

CAR	13.3	12.0	13.7	13.3	15.0	16.7	13.5	14.2
Tier I	10.4	9.2	10.2	10.2	12.0	13.8	13.2	13.9
Tier II	2.9	2.8	3.5	3.1	3.0	2.9	0.2	0.3

Business and Efficiency Ratios (%)

Loans/Deposit Ratio	72.7	71.4	69.1	63.2	64.8	70.4	72.4	74.1
CASA Ratio	31.8	29.2	31.4	32.7	33.9	35.6	36.0	35.6
Cost/Assets	1.5	1.5	1.6	1.7	1.5	1.7	1.7	1.7
Cost/Total Income	50.0	49.7	55.3	49.6	43.0	44.8	44.5	44.3
Cost/Core Income	55.6	61.4	57.4	53.7	45.8	46.6	46.3	46.2
Int. Expense/Int. Income	70.5	69.1	73.2	65.2	62.0	62.8	62.1	62.2
Fee Income/Net Income	26.3	12.1	33.7	30.6	32.4	33.5	32.1	32.1
Non Int. Inc./Net Income	36.3	31.2	37.3	38.2	38.5	37.4	36.0	36.2
Emp. Cost/Op. Exp.	57.0	57.7	61.6	65.6	61.6	61.1	59.9	59.8
Investment/Deposit Ratio	27.5	25.5	28.2	25.9	26.0	27.1	26.6	25.5

Profitability and Valuation

RoE	-12.2	1.0	-5.9	4.6	9.1	15.2	17.2	17.8
RoA	-0.7	0.1	-0.3	0.2	0.5	0.8	1.0	1.1
RoRWA	-1.2	0.1	-0.6	0.5	1.1	1.9	2.2	2.4
Book Value (INR)	437	433	348	330	339	380	451	538
Growth (%)	-15.1	-0.8	-19.8	-5.1	2.6	12.2	18.7	19.1
Price-BV (x)	0.7	0.7	0.9	0.9	0.9	0.8	0.7	0.6
Adjusted BV (INR)	150	206	213	219	259	318	397	487
Price-ABV (x)	2.1	1.5	1.5	1.4	1.2	1.0	0.8	0.6
EPS (INR)	-63.5	4.7	-25.1	15.5	32.8	58.5	75.7	92.3
Growth (%)	NM	NM	NM	NM	111.3	78.1	29.6	21.9
Price-Earnings (x)	-4.9	67.1	-12.5	20.2	9.5	5.4	4.1	3.4

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