

Union Bank of India

Estimate change

TP change

Rating change



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Bloomberg	UNBK IN
Equity Shares (m)	6835
M.Cap.(INRb)/(USDb)	617.1 / 7.5
52-Week Range (INR)	96 / 37
1, 6, 12 Rel. Per (%)	23/2/118
12M Avg Val (INR M)	1209

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
NII	327.7	364.1	399.5
OP	254.7	282.2	313.6
NP	84.3	123.4	151.5
NIM (%)	2.8	2.9	2.9
EPS (INR)	12.3	18.0	22.2
EPS Gr. (%)	56.1	46.3	22.8
BV/Sh. (INR)	110	123	137
ABV/Sh. (INR)	94	109	125
RoE (%)	12.2	16.1	17.6
RoA (%)	0.7	0.9	1.0

Valuations

P/E(X)	7.3	5.0	4.1
P/BV (X)	0.8	0.7	0.7
P/ABV (X)	1.0	0.8	0.7

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	83.5	83.5	83.5
DII	8.3	8.4	7.1
FII	1.7	1.6	1.2
Others	6.6	6.5	8.3

FII Includes depository receipts

CMP: INR90

TP: INR110 (+22%)

Buy

Earnings beat led by higher other income and lower provisions

Asset quality improves

- Union Bank of India (UNBK) reported a steep YoY growth of 108% in PAT to INR32.4b (56% beat), driven by higher other income (up 39% YoY) and lower provisions (down 32% QoQ).
- NII grew 7% QoQ to INR88.4b (6% beat), owing to NIM increase of 15 bps. Loan/Deposits growth remains flattish with CASA deposits witnessing a moderation.
- Asset quality ratios improved with GNPA/NNPA ratios moderating to 7.3%/1.6%. PCR improved to ~79.8% in 1QFY24. Restructured book declined to 2.0% of loans, while SMA book improved 11bp QoQ to 51bp.
- We increase our FY24/25E earnings estimates by 19%/12% and estimate RoA/RoE of 1.0%/17.6% by FY25. We **retain our BUY rating with a TP of INR110**.

Margin improves 15bp QoQ to 3.1%; SMA book declines to 51bp

- UNBK reported 108% YoY growth in 1QFY24 PAT to INR32.4b (56% beat), driven by higher 'other income' (18% beat) and a decline in provision to INR20.0b (down 32% QoQ).
- NII grew 7% QoQ to INR88.4b (up 17% YoY, 6% beat) in 1QFY24, driven by a 15bp QoQ increase in NIM increase to 3.1%.
- Other income grew 39% YoY, fueled by a treasury gain of INR7.8b (up 28% QoQ) and a fee income of INR19.5b (up 15% QoQ) despite modest recovery from NPAs.
- Operating expenses grew 12% YoY to INR56b (3% below MOFSLe). PPOp/Core PPOp rose 32%/21% YoY to INR71.8b/INR64.0b. C/I ratio moderated to 43.7% during the quarter.
- Advances grew 14% YoY to INR7.7t, propelled by traction across the RAM segment and Overseas credit, which grew 14% YoY and 34% YoY. Deposits grew 14% YoY (flat QoQ) with CASA deposits declining 2.3% QoQ, leading to a 102bp QoQ moderation in CASA ratio to 34.6%.
- Fresh slippages increased to INR32.4b (1.7% annualized); however, healthy recoveries/upgrades and write-offs resulted in an improvement in asset quality ratios. GNPA/NNPA ratio thus improved 19bp/12bp QoQ to 7.3%/1.6%, while PCR improved to 79.8%.
- The total SMA book (~INR42m) stood at 0.51% of loans vs. 0.62% in 4QFY23. The total restructured loans declined to 2.0% of loans.

Highlights from the management commentary

- NIM for 1QFY24 stood at 3.1% and the bank provides full-year NIM guidance of 3% for FY24.
- Of the total MCLR book, 25% of the book has been re-priced in the current quarter.

- The bank has provided GNPA/NNPA guidance of below 6%/1% for FY24.
- The bank has seen a growth of 20% in digital account addition and 65% growth in digital FD creation.

Valuation and view

UNBK reported a robust quarter as earnings beat estimates, led by higher treasury gains, healthy margins, and lower provisions. Loan/Deposits growth remains flattish with CASA witnessing a moderation. Fresh slippages increased slightly; however, healthy recoveries and upgrades supported the asset quality. A low SMA book (0.51%) and controlled restructuring (2.0%) provided a better outlook on asset quality. We increase our FY24E/25E earnings estimates by 19%/12% and estimate RoA/RoE of 1.0%/17.6% by FY25. We **reiterate our BUY rating with a TP of INR110 (premised on 0.9x FY'25E ABV).**

Quarterly performance

												(INR b)
	FY23				FY24E				FY23	FY24E	FY24E	V/S our
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Est
Net Interest Income	75.8	83.1	86.3	82.5	88.4	89.2	91.8	94.8	327.7	364.1	83.5	6%
% Change (YoY)	8.1	21.6	20.3	21.9	16.6	7.4	6.4	14.9	17.9	11.1	10.2	
Other Income	28.2	32.8	32.7	52.7	39.0	37.7	39.9	44.3	146.3	161.0	33.0	18%
Total Income	104.0	115.8	119.0	135.2	127.4	126.9	131.7	139.1	474.0	525.1	116.6	9%
Operating Expenses	49.5	50.0	52.8	67.0	55.6	59.0	61.5	66.8	219.3	242.9	57.3	-3%
Operating Profit	54.5	65.8	66.2	68.2	71.8	67.8	70.2	72.3	254.7	282.2	59.3	21%
% Change (YoY)	5.1	8.3	29.8	23.6	31.8	3.2	6.1	6.0	16.4	10.8	8.8	
Provisions	32.8	40.8	30.4	29.4	20.1	25.9	26.5	28.3	133.3	100.8	29.5	-32%
Profit before Tax	21.7	25.0	35.8	38.9	51.7	42.0	43.7	44.0	121.4	181.4	29.7	74%
Tax	6.1	6.5	13.4	11.1	19.4	12.6	13.1	13.0	37.0	58.1	8.9	118%
Net Profit	15.6	18.5	22.4	27.8	32.4	29.4	30.6	31.0	84.3	123.4	20.8	56%
% Change (YoY)	32.0	21.1	106.8	93.3	107.7	58.9	36.3	11.5	61.2	46.3	33.4	
Operating Parameters												
Deposit (INR b)	9,928	10,433	10,650	11,177	11,281	11,490	11,758	12,071	11,177	12,071	11,311	0%
Loan (INR b)	6,764	7,275	7,564	7,618	7,705	7,912	8,163	8,456	7,618	8,456	7,744	-1%
Deposit Growth (%)	9.3	14.1	13.6	8.3	13.6	10.1	10.4	8.0	8.3	8.0	13.9	(31)
Loan Growth (%)	15.7	25.2	22.6	15.3	13.9	8.8	7.9	11.0	15.3	11.0	14.5	(58)
Asset Quality												
Gross NPA (%)	10.2	8.5	7.9	7.5	7.3	6.9	6.4	5.8	7.5	5.8	7.2	17
Net NPA (%)	3.3	2.6	2.1	1.7	1.6	1.6	1.5	1.3	1.8	1.3	1.6	(2)
PCR (%)	69.9	70.6	74.6	78.8	79.8	78.4	78.5	78.3	78.1	78.3	79.0	81

E:MOFSL Estimates

Quarterly snapshot

INR m	FY22				FY23				FY24	Change (%)	
Profit and Loss	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	YoY	QoQ
Interest Income	171.3	167.1	169.3	171.7	181.7	196.8	208.8	220.0	234.8	29	7
Loans	113.5	111.7	112.7	114.5	122.6	138.1	150.3	156.6	166.4	36	6
Investment	51.0	49.2	49.3	50.0	52.5	53.1	53.5	54.5	55.8	6	2
Interest Expenses	101.2	98.8	97.6	104.1	105.9	113.8	122.5	137.5	146.4	38	6
Net Interest Income	70.1	68.3	71.7	67.7	75.8	83.1	86.3	82.5	88.4	17	7
Other Income	27.8	39.8	25.2	32.4	28.2	32.8	32.7	52.7	39.0	39	-26
Trading profits	9.9	8.0	5.8	11.2	1.7	3.0	4.7	6.1	7.8	356	27
Recoveries	6.2	17.6	4.7	2.9	7.5	12.4	10.9	29.5	6.9	-8	-77
Core Fees	10.6	12.3	13.2	18.3	16.8	16.0	17.1	17.1	24.4	45	43
Total Income	97.9	108.1	97.0	100.1	104.0	115.8	119.0	135.2	127.4	23	-6
Operating Expenses	46.1	47.3	46.0	44.9	49.5	50.0	52.8	67.0	55.6	12	-17
Employee	28.8	26.4	23.8	22.1	26.5	27.5	28.5	41.4	31.8	20	-23
Others	17.3	20.9	22.2	22.8	23.0	22.6	24.3	25.5	23.8	4	-7
Operating Profits	51.8	60.7	51.0	55.2	54.5	65.8	66.2	68.2	71.8	32	5
Core Operating Profits	41.9	52.7	45.2	44.0	52.8	62.8	61.5	62.2	64.0	21	3
Provisions	34.0	37.2	25.5	36.2	32.8	40.8	30.4	29.4	20.1	-39	-32
NPA provisions	24.9	36.9	22.7	31.5	36.5	28.2	24.4	35.7	19.8	-46	-44
Provisions on Invest.	-2.0	-0.5	-0.9	5.6	6.7	-1.1	0.0	5.0	-1.1	-116	0
PBT	17.8	23.5	25.5	19.0	21.7	25.0	35.8	38.9	51.7	139	33
Taxes	6.0	8.2	14.6	4.6	6.1	6.5	13.4	11.1	19.4	219	75
PAT	11.8	15.3	10.9	14.4	15.6	18.5	22.4	27.8	32.4	108	16
Balance Sheet											
Deposits (INR b)	9,085	9,140	9,375	10,324	9,928	10,433	10,650	11,177	11,281	14	1
Loans (INR b)	5,846	5,810	6,168	6,610	6,764	7,275	7,564	7,618	7,705	14	1
Asset Quality											
GNPA (INR b)	877.6	802.1	777.9	795.9	745.0	653.9	637.7	609.9	601.0	-19	-1
NNPA (INR b)	274.4	267.9	252.6	243.0	223.9	191.9	162.0	129.3	121.4	-46	-6
Others											
Branches	9,312	9,274	9,113	8,873	8,729	8,729	8,710	8,580	8,561	-168	-19
ATM	11,824	11,677	11,455	11,232	11,154	11,092	10,953	10,835	10,195	-959	-640
Ratios (%)											
Asset Quality Ratios											
GNPA	13.6	12.6	11.6	11.1	10.2	8.5	7.9	7.5	7.3	-288	-19
NNPA	4.7	4.6	4.1	3.7	3.3	2.6	2.1	1.7	1.6	-173	-12
PCR	81.4	81.8	82.8	83.6	84.8	86.6	88.5	90.3	90.9	611	52
Credit Cost	0.0	0.0	0.0	0.0	2.0	1.5	1.2	1.8	1.0	-105	-80
Business Ratio Ratios											
Fees of Total Income	89.9	92.6	94.1	88.8	98.4	97.5	96.0	95.5	93.9	-445	-158
Cost to Core Income	52.4	47.3	50.4	50.5	48.4	44.3	46.2	51.9	46.5	-192	-537
Tax Rate	33.6	35.1	57.4	24.3	28.1	26.1	37.4	28.4	37.5	NM	902
CASA (Cal)	36.4	37.2	37.0	36.5	36.2	35.6	35.3	35.6	34.6	-159	-102
Loan/Deposit	64.3	63.6	65.8	64.0	68.1	69.7	71.0	68.2	68.3	17	14
Profitability Ratios											
RoA	0.4	0.6	0.4	0.5	0.5	0.6	0.7	0.9	1.0	47	12
RoE	10.0	12.2	8.2	11.1	11.5	12.9	14.7	17.5	19.0	745	147
Yield on Loans	7.3	7.1	7.2	7.0	7.1	7.7	7.8	8.0	8.4	129	40
Yield on Investments	5.9	6.1	6.1	6.0	6.0	6.2	6.5	6.6	6.7	63	9
Cost of Deposits	4.2	4.2	4.0	4.1	4.0	4.2	4.3	4.8	5.0	94	16
Margins	3.1	3.0	3.0	2.8	3.0	3.2	3.2	3.0	3.1	13	15



Highlights from the management commentary

Business Performance, Balance Sheet, and P&L related

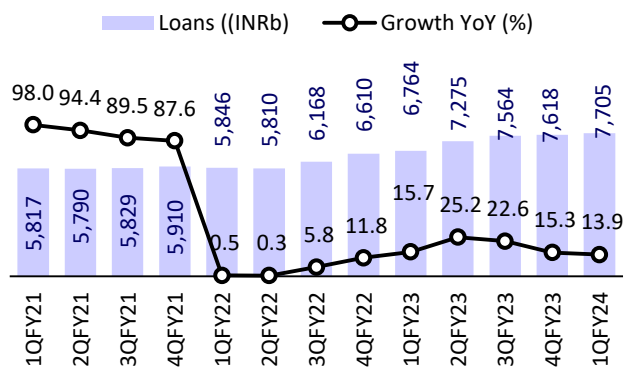
- The company continues to enhance its digital capabilities, aiming to achieve ~50% of its RAM book, completely through digital means.
- The credit cost of the bank came down to 97bps in 1QFY24.
- The bank has seen a growth of 20% in digital account additions. Further, there has been a remarkable 65% growth in the creation of digital FDs.
- With 94% of MSME accounts being renewed digitally, the bank has achieved a substantial reduction in opex and manpower requirements.
- The bank is aiming to build partnerships with ONDC going forward and has already made partnership with many fintechs.
- Of the total MCLR book, 25% of the book has been re-priced in the current quarter.
- The bank expects 30% growth in non-interest income going forward.
- NIM for 1QFY24 stood at 3.1% and the bank provides full-year NIM guidance of 3% for FY24.
- The bank has fully provided the expected tax of INR75b.
- 16% of the loan book is linked to EBLR.
- PSLC income stood at INR5.5b in 1QFY24 and Outstanding ECLGS stood at INR87b
- The bank has provided medium-term ROA guidance of 1% by FY25.
- Operating expenses includes absorption of one-time pension cost in the current quarter.
- Loan growth is expected to be ~10-12% in FY24.
- The bank has provided 100% on the SR book.

Asset quality related

- The bank has provided GNPA/NNPA guidance of below 6%/1% for FY24.
- The differential in ECL provision is primarily arising from SMA2 accounts, which the bank expects to reduce in the coming quarters.
- Recoveries in FY24 are expected to remain around the same levels as in 1QFY24.
- In NARCL, the bank has successfully settled three accounts, with a combined total amount of INR9.9b. Out of this settlement, the bank has managed to recover 46% of the total amount.

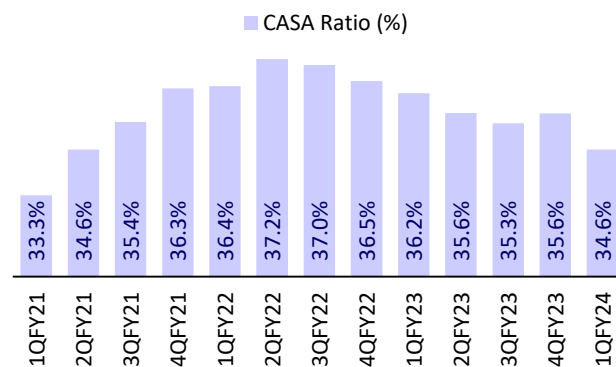
Story in charts

Exhibit 1: Loan growth moderated to 14% YoY (flat QoQ)



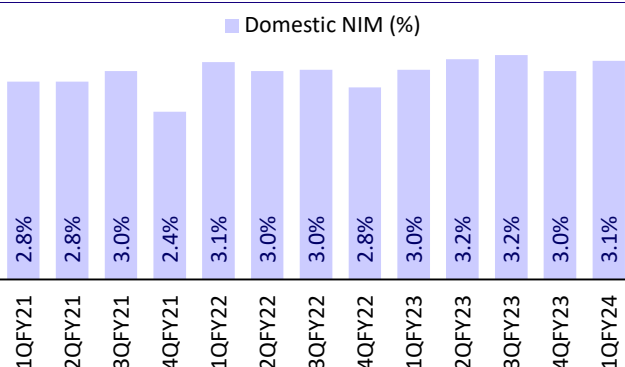
Merged numbers from 1QFY21 onwards Source: MOFSL, Company

Exhibit 2: CASA ratio moderated to 34.6%



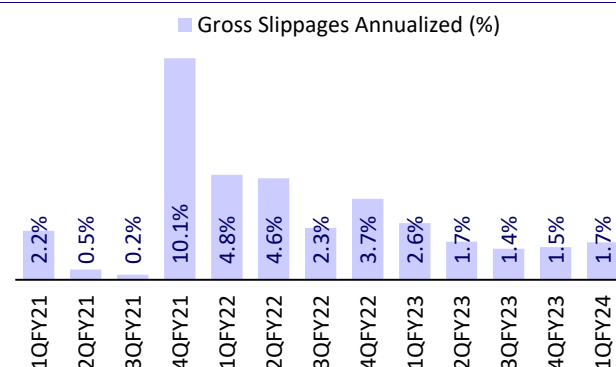
Source: MOFSL, Company

Exhibit 3: NIMs improved 15bp QoQ to 3.1%



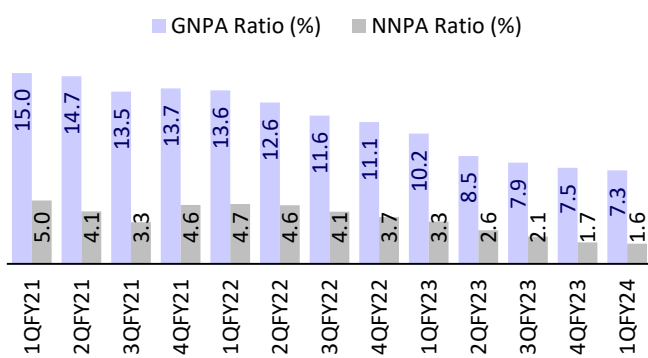
Source: MOFSL, Company

Exhibit 4: Slippages increased marginally to 1.7% in 1QFY24



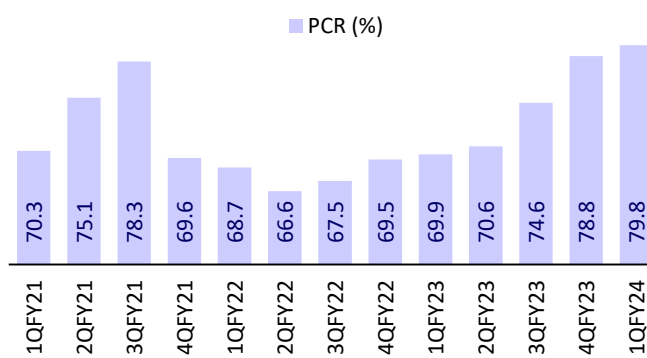
Source: MOFSL, Company

Exhibit 5: GNPA/NNPA ratio improved 19bp/12bp QoQ



Source: MOFSL, Company

Exhibit 6: PCR improved 100bp to 79.8%



Source: MOFSL, Company

Exhibit 7: DuPont Analysis – expect return ratios to witness gradual improvement

Y/E MARCH (%)	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	6.97	6.94	7.13	6.57	6.01	6.54	7.00	6.98
Interest Expense	4.99	4.86	4.94	4.21	3.55	3.89	4.27	4.22
Net Interest Income	1.98	2.08	2.19	2.36	2.46	2.65	2.73	2.76
Fee income	0.79	0.79	0.73	0.73	0.82	1.10	1.11	1.11
Trading and others	0.27	0.12	0.28	0.39	0.29	0.09	0.10	0.11
Non Interest Income	1.06	0.91	1.01	1.12	1.11	1.19	1.21	1.22
Total Income	3.04	2.99	3.20	3.48	3.57	3.84	3.94	3.98
Operating Expenses	1.44	1.46	1.44	1.60	1.63	1.78	1.82	1.82
Employees	0.67	0.64	0.64	0.89	0.90	1.00	1.04	1.04
Others	0.77	0.82	0.80	0.71	0.74	0.77	0.78	0.77
Operating Profits	1.60	1.53	1.76	1.88	1.94	2.06	2.12	2.17
Core Operating Profits	1.33	1.42	1.48	1.49	1.64	1.98	2.02	2.06
Provisions	3.02	2.33	2.53	1.65	1.18	1.08	0.76	0.71
NPA	2.87	2.33	1.78	1.33	1.03	1.01	0.72	0.68
Others	0.14	0.00	0.75	0.32	0.15	0.07	0.03	0.03
PBT	-1.41	-0.80	-0.77	0.23	0.76	0.98	1.36	1.45
Tax	-0.30	-0.20	-0.22	-0.05	0.30	0.30	0.44	0.41
RoA	-1.12	-0.60	-0.55	0.28	0.46	0.68	0.93	1.05
Leverage (x)	21.3	20.9	19.0	18.3	18.0	17.9	17.4	16.8
RoE	-23.8	-12.5	-10.6	5.1	8.3	12.2	16.1	17.6

Exhibit 8: We increase our FY24/FY25 earnings estimate by 19%/12%

INR B	Old Est		New Est		% Change	
	FY24	FY25	FY24	FY25	FY24	FY25
Net Interest Income	355.4	399.1	364.1	399.5	2.5	0.1
Other Income	157.3	174.6	161.0	177.1	2.3	1.4
Total Income	512.7	573.7	525.1	576.6	2.4	0.5
Operating Expenses	242.8	263.9	242.9	263.0	0.0	-0.4
Operating Profits	269.9	309.8	282.2	313.6	4.5	1.2
Provisions	122.1	122.2	100.8	103.2	-17.5	-15.5
PBT	147.8	187.6	181.4	210.4	22.7	12.1
Tax	44.3	52.5	58.1	58.9	30.9	12.1
PAT	103.5	135.1	123.4	151.5	19.2	12.1
Loans	8,456	9,429	8,456	9,429	0.0	0.0
Deposits	12,071	13,158	12,071	13,158	0.0	0.0
Margins (%)	2.80	2.89	2.87	2.89	7	1
RoA (%)	0.8	0.9	0.9	1.0	15	12
RoE (%)	13.4	15.9	16.1	17.6	266	162
BV	121	133	123	137	1.6	3.2
ABV	107	121	109	125	1.9	3.3
EPS	15	20	18	22	19.2	12.1

Financials and valuations

Income Statement							(INRb)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	327.5	340.7	372.3	687.7	679.4	807.4	932.8	1,010.9
Interest Expense	234.4	238.5	257.9	440.8	401.6	479.8	568.7	611.4
Net Interest Income	93.0	102.1	114.4	246.9	277.9	327.7	364.1	399.5
Growth (%)	4.5	9.8	12.0	115.9	12.5	17.9	11.1	9.7
Non Interest Income	49.9	44.7	52.6	117.4	125.2	146.3	161.0	177.1
Total Income	142.9	146.9	167.0	364.3	403.1	474.0	525.1	576.6
Growth (%)	3.1	2.8	13.7	118.2	10.6	17.6	10.8	9.8
Operating Expenses	67.5	71.7	75.2	167.7	184.4	219.3	242.9	263.0
Pre Provision Profits	75.4	75.2	91.8	196.7	218.7	254.7	282.2	313.6
Growth (%)	1.5	-0.2	22.1	114.2	11.2	16.4	10.8	11.1
Core PPP	62.7	69.5	77.2	156.1	185.7	243.8	269.1	297.8
Growth (%)	48.7	10.7	11.1	102.2	19.0	31.3	10.3	10.7
Provisions (excl tax)	141.8	114.5	132.1	172.7	132.9	133.3	100.8	103.2
PBT	-66.4	-39.3	-40.3	24.0	85.8	121.4	181.4	210.4
Tax	-13.9	-9.8	-11.3	-5.1	33.5	37.0	58.1	58.9
Tax Rate (%)	21.0	24.9	28.1	-21.1	39.0	30.5	32.0	28.0
PAT	-52.5	-29.5	-29.0	29.1	52.3	84.3	123.4	151.5
Growth (%)	-1,045.1	-43.8	-1.7	-200.3	80.0	61.2	46.3	22.8

Balance Sheet								
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	11.7	17.6	34.2	64.1	68.3	68.3	68.3	68.3
Reserves & Surplus	239.3	247.2	303.6	580.7	637.4	715.0	804.9	905.1
Net Worth	251.0	264.9	337.9	644.8	705.8	783.3	873.2	973.4
Deposits	4,085.0	4,159.2	4,506.7	9,238.1	10,323.9	11,177.2	12,071.3	13,157.8
Growth (%)	8.0	1.8	8.4	105.0	11.8	8.3	8.0	9.0
of which CASA Dep	1,392.4	1,501.4	1,603.7	3,355.9	3,771.9	3,940.6	4,430.2	4,907.8
Growth (%)	6.9	7.8	6.8	109.3	12.4	4.5	12.4	10.8
Borrowings	456.8	428.6	524.9	518.4	511.8	431.4	448.6	470.5
Other Liabilities & Prov.	81.0	87.7	137.4	315.9	334.4	415.6	457.2	512.1
Total Liabilities	4,873.8	4,940.4	5,506.8	10,717.1	11,875.9	12,807.5	13,850.4	15,113.7
Current Assets	494.4	430.5	551.1	844.1	1,195.0	1,121.5	1,076.7	1,090.3
Investments	1,237.5	1,260.5	1,524.1	3,315.1	3,485.1	3,393.0	3,698.4	3,920.3
Growth (%)	10.3	1.9	20.9	117.5	5.1	-2.6	9.0	6.0
Loans	2,887.6	2,969.3	3,150.5	5,909.8	6,610.0	7,618.5	8,456.5	9,429.0
Growth (%)	0.8	2.8	6.1	87.6	11.8	15.3	11.0	11.5
Fixed Assets	38.3	37.6	47.6	73.4	71.9	88.3	92.7	97.3
Other Assets	215.9	242.5	233.5	574.6	513.9	586.3	526.1	576.9
Total Assets	4,873.8	4,940.4	5,506.8	10,717.1	11,875.9	12,807.5	13,850.4	15,113.7

Asset Quality								
GNPA (INR m)	493.7	487.3	490.9	897.9	795.9	609.9	510.6	441.8
NNPA (INR m)	243.3	203.3	173.0	279.4	249.3	133.6	110.9	99.4
GNPA Ratio	15.73	14.98	14.15	13.75	11.12	7.53	5.77	4.52
NNPA Ratio	8.42	6.85	5.49	4.73	3.77	1.75	1.31	1.05
Slippage Ratio	7.46	4.70	5.02	2.93	3.65	1.76	1.80	1.80
Credit Cost	4.69	3.90	4.32	2.90	2.12	1.87	1.20	1.10
PCR (Excl Tech. write off)	50.7	58.3	64.7	68.9	68.7	78.1	78.3	77.5

E: MOFSL Estimates

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	7.3	7.5	7.0	6.4	6.9	7.4	7.3
Avg. Yield on loans	7.9	8.1	8.2	7.7	7.2	8.0	8.3	8.1
Avg. Yield on Investments	7.6	7.4	7.7	6.8	5.9	6.3	6.7	6.8
Avg. Cost-Int. Bear. Liab.	5.4	5.2	5.4	4.6	3.9	4.3	4.7	4.7
Avg. Cost of Deposits	5.5	5.4	5.5	4.6	3.8	4.1	4.7	4.6
Interest Spread	1.9	2.1	2.2	2.4	2.5	2.6	2.6	2.6
Net Interest Margin	2.1	2.2	2.3	2.5	2.6	2.8	2.9	2.9
Capitalisation Ratios (%)								
CAR	11.6	11.9	12.7	12.6	14.5	16.0	17.0	16.6
Tier I	9.1	9.6	10.7	10.4	12.2	13.9	15.1	14.8
Tier II	2.4	2.3	2.0	2.2	2.3	2.1	2.0	1.8
Business and Efficiency Ratios (%)								
Loans/Deposit Ratio	70.7	71.4	69.9	64.0	64.0	68.2	70.1	71.7
CASA Ratio	34.1	36.1	35.6	36.3	36.5	35.3	36.7	37.3
Cost/Assets	1.4	1.5	1.4	1.6	1.6	1.7	1.8	1.7
Cost/Total Income	47.3	48.8	45.0	46.0	45.7	46.3	46.3	45.6
Cost/ Core Income	-0.5	-1.3	-0.5	-0.4	-0.6	-2.1	-1.9	-1.7
Int. Expense/Int.Income	71.6	70.0	69.3	64.1	59.1	59.4	61.0	60.5
Fee Income/Total Income	26.0	26.6	22.7	21.1	22.9	28.6	28.2	28.0
Non Int. Inc.Total Income	34.9	30.5	31.5	32.2	31.1	30.9	30.7	30.7
Empl. Cost/Total Expense	46.7	44.0	44.7	55.4	54.9	56.5	57.1	57.5
Investment/Deposit Ratio	30.3	30.3	33.8	35.9	33.8	30.4	30.6	29.8
Profitability Ratios and Valuation								
RoE	-23.7	-12.5	-10.6	5.1	8.3	12.2	16.1	17.6
RoA	-1.1	-0.6	-0.6	0.3	0.5	0.7	0.9	1.0
RoRWA	-1.8	-1.1	-1.0	0.5	1.0	1.4	2.0	2.2
Book Value (INR)	204	143	94	96	99	110	123	137
Growth (%)	-38.1	-29.7	-34.7	3.0	3.1	10.3	12.0	11.9
Price-BV (x)	0.4	0.6	1.0	0.9	0.9	0.8	0.7	0.7
Adjusted BV (INR)	51	57	55	63	72	94	109	125
Price-ABV (x)	1.8	1.6	1.7	1.4	1.3	1.0	0.8	0.7
EPS (INR)	-56.5	-20.1	-11.2	4.5	7.9	12.3	18.0	22.2
Growth (%)	-800.1	-64.4	-44.4	-140.6	74.2	56.1	46.3	22.8
Price-Earnings (x)	-1.6	-4.5	-8.1	19.8	11.4	7.3	5.0	4.1
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	1.9	3.0	4.9	7.5
Dividend Yield (%)	0.0	0.0	0.0	0.0	2.1	3.3	5.4	8.3

E: MOFSL Estimates

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Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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