

Estimate change 

TP change 

Rating change 

Bloomberg	CBK IN
Equity Shares (m)	1814
M.Cap.(INRb)/(USDb)	651.9 / 7.8
52-Week Range (INR)	387 / 269
1, 6, 12 Rel. Per (%)	1/10/20
12M Avg Val (INR M)	2931

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
NII	314.4	365.2	398.7
OP	277.2	305.7	342.8
NP	106.0	146.2	167.9
NIM (%)	2.6	2.7	2.7
EPS (INR)	58.5	80.6	92.6
EPS Gr. (%)	78.1	37.8	14.9
BV/Sh. (INR)	383	459	546
ABV/Sh. (INR)	322	409	497

Ratios

RoE (%)	15.2	18.2	17.6
RoA (%)	0.8	1.0	1.1

Valuations

P/E (x)	6.2	4.5	3.9
P/BV (x)	0.9	0.8	0.7
P/ABV (x)	1.1	0.9	0.7

Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	62.9	62.9	62.9
DII	14.9	16.0	15.4
FII	10.2	8.9	8.4
Others	11.9	12.2	13.3

FII Includes depository receipts

CMP: INR360

TP: INR440 (+22%)

Buy

In-line performance; asset quality improves further

NIMs compress 5bp QoQ

- Canara Bank (CBK) reported a healthy quarter, with PAT up 43% YoY to INR36.1b (in line), driven by lower provisions. NII grew 20% YoY (in line), while margins moderated 5bp QoQ to 3.0%.
- On the business front, loan book grew ~13% YoY (4% QoQ), driven by healthy traction in retail and corporate loans. Deposits grew 9% YoY (3% QoQ) to INR12.3t, led by 11% YoY growth in term deposits.
- Asset quality ratios have improved and the management expects to further reduce net NPAs at an accelerated pace. SMA book moderated to 0.7% in 2QFY24 vs. 1.1% in 1QFY24.
- We revise our earnings estimates slightly to factor in lower provisions and expect CBK to deliver FY25 RoA/RoE of 1.1%/17.6%. We reiterate our **BUY rating with a TP of INR440 (0.9x FY25E ABV)**.

Business growth steady; PCR improved to 71.4%

- 2QFY24 PAT grew 43% YoY to INR36.1b (in line), driven by lower provisions. NII grew 20% YoY (in line), with margins declining 5bp QoQ to 3.0%. Other income declined 4% YoY (5% miss). Total revenue grew 10% YoY (in line).
- Operating expenses increased by 10% YoY to INR59.2b (in line). PPop grew 10% YoY to INR76b (in line), while core PPop grew 13% YoY.
- On the business front, total loans rose 4% QoQ (up 12% YoY), led by both corporate (up 3% QoQ) and RAM segments (up 5% QoQ). Agri book grew ~6.4% QoQ, while Retail and MSME grew ~4% QoQ each. Deposits grew 8.7% YoY (up 3.3% QoQ); however, CASA deposits increased 1% QoQ, leading to a moderation in CASA ratio by 85bp QoQ to 32.2%.
- GNPA/NNPA ratios improved by 39bp/16bp QoQ to 4.76%/1.41%. PCR improved by 88bp QoQ to 71.4%. Fresh slippages stood at INR29.87b vs. INR34.28b in 1QFY24. Provisions declined 28% YoY (4% QoQ) to INR26b (9% below MOSLe).
- SMA book declined to 0.7% in 2QFY24 from 1.1% in 1QFY24. Standard restructured book stood at INR140b (1.57% of loans).

Highlights from the management commentary

- The bank has increased its C/D ratio to 75%. It has excess SLR and is using this to borrow from the RBI and deploy it to earn additional income.
- CBK expects to sustain NIMs at 3-3.05%.
- C/I is expected to remain in the range of 45%.
- The bank expects recovery in some accounts from NCLT, although the pace of recovery is slow. The bank has received INR6.5b through NCLT accounts.

Valuation and view

CBK reported an in-line performance in 2QFY24, with earnings growing at a steady run rate led by stable revenue and lower provisions. Asset quality improved further as GNPA and NNPA ratios moderated. NIMs compressed 5bp QoQ; however, we expect margins to remain broadly stable going forward as MCLR re-pricing offsets the pressure on funding costs. Loan growth was led by Corporate, Retail, and Agri segments and the outlook remains steady. Slippages and SMA book improved sequentially, which supported improvements in asset quality ratios. We raise our estimates slightly and expect CBK to deliver FY25E RoA/RoE of 1.1%/17.6%.

Reiterate BUY with a TP of INR440 (premised on 0.9x FY25E ABV).

Quarterly performance

	FY23				FY24E				FY23	FY24E	FY24E	(INR b)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	V/S our Est
Net Interest Income	67.8	74.3	86.0	86.2	86.7	89.0	92.2	97.4	314.4	365.2	88.0	1
% Change (Y-o-Y)	10.2	18.5	23.8	23.0	27.7	19.8	7.2	13.0	19.1	16.2	18.4	
Other Income	51.8	48.3	39.9	47.8	48.2	46.3	45.5	49.5	187.6	189.5	48.7	(5)
Total Income	119.6	122.6	125.9	133.9	134.8	135.4	137.7	146.8	502.0	554.7	136.7	(1)
Operating Expenses	53.5	53.5	56.3	61.4	58.8	59.2	62.8	68.3	224.8	249.0	60.6	(2)
Operating Profit	66.1	69.1	69.5	72.5	76.0	76.2	74.9	78.6	277.2	305.7	76.1	0
% Change (Y-o-Y)	20.5	23.2	19.8	16.9	15.1	10.3	7.7	8.4	13.4	10.3	10.2	
Other Provisions	36.9	36.4	31.2	30.9	27.2	26.1	26.2	30.1	135.4	109.5	28.8	(9)
Profit before Tax	29.2	32.7	38.3	41.6	48.9	50.1	48.7	48.5	141.7	196.2	47.3	6
Tax	8.9	7.4	9.5	9.8	13.5	14.0	12.4	10.1	35.7	50.0	12.1	16
Net Profit	20.2	25.3	28.8	31.7	35.3	36.1	36.3	38.4	106.0	146.2	35.2	2
% Change (Y-o-Y)	71.7	89.5	91.8	90.5	74.8	42.8	26.0	21.1	86.7	37.8	39.5	
Operating Parameters												
Deposit (INR b)	11,181	11,340	11,635	11,792	11,925	12,322	12,401	12,700	11,792	12,700	12,217	
Loan (INR b)	7,469	7,885	8,164	8,307	8,551	8,923	8,956	9,262	8,307	9,262	8,705	
Deposit Growth (%)	9.4	9.8	11.5	8.5	6.6	8.7	6.6	7.7	8.5	7.7	7.7	
Loan Growth (%)	15.2	21.4	18.0	18.1	14.5	13.2	9.7	11.5	18.1	11.5	10.4	
Asset Quality												
Gross NPA (%)	7.0	6.4	5.9	5.4	5.2	4.8	4.6	4.3	5.4	4.3	4.9	
Net NPA (%)	2.5	2.2	2.0	1.7	1.6	1.4	1.3	1.2	1.7	1.2	1.5	
PCR (%)	66.2	67.1	68.1	68.9	70.6	71.4	72.2	72.5	68.8	72.5	71.0	

E: MOFSL Estimates

Quarterly snapshot

INR b	FY22				FY23				FY24		Change (%)	
Profit and Loss	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	YoY	QoQ
Net Interest Income	61.6	62.7	69.4	70.1	67.8	74.3	86.0	86.2	86.7	89.0	20	3
Other Income	41.6	42.7	36.1	44.6	51.8	48.3	39.9	47.8	48.2	46.3	-4	-4
Total Income	103.2	105.4	105.6	114.7	119.6	122.6	125.9	133.9	134.8	135.4	10	0
Operating Expenses	48.3	49.4	47.5	52.7	53.5	53.5	56.3	61.4	58.8	59.2	11	1
Employee	33.7	31.4	29.7	32.3	34.2	31.2	34.8	37.3	36.5	37.9	22	4
Others	14.7	18.0	17.8	20.4	19.4	22.3	21.5	24.1	22.3	21.3	-5	-4
Operating Profits	54.8	56.0	58.0	62.0	66.1	69.1	69.5	72.5	76.0	76.2	10	0
Core Operating Profits	48.6	44.7	54.8	56.8	57.2	64.4	65.7	71.0	73.1	72.6	13	-1
Provisions	34.6	33.6	22.4	37.1	36.9	36.4	31.2	30.9	27.2	26.1	-28	-4
PBT	20.2	22.4	22.0	24.9	29.2	32.7	38.3	41.6	48.9	50.1	53	3
Taxes	8.4	9.1	7.0	8.3	8.9	7.4	9.5	9.8	13.5	14.0	89	4
PAT	11.8	13.3	15.0	16.7	20.2	25.3	28.8	31.7	35.3	36.1	43	2
Balance sheet (INR b)												
Loans	6,485	6,496	6,922	7,036	7,469	7,885	8,164	8,307	8,551	8,923	13	4
Retail Loans	1,153	1,191	1,231	1,263	1,286	1,341	1,370	1,401	1,423	1,482	11	4
Deposits	10,218	10,325	10,434	10,864	11,181	11,340	11,635	11,792	11,925	12,322	9	3
Asset Quality												
GNPA	582.2	578.5	568.9	556.5	547.3	524.9	501.4	461.6	457.3	439.6	-16	-4
NNPA	224.3	208.6	198.2	186.7	185.0	172.9	159.8	143.5	134.6	125.5	-27	-7
Slippages	43.9	112.9	145.8	193.2	39.5	79.0	111.1	140.8	34.3	64.2	-19	87
Ratios (%)												
	FY22				FY23				FY24		Change (bp)	
Asset Quality Ratios	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	YoY	QoQ
GNPA (%)	8.5	8.4	7.8	7.5	7.0	6.4	5.9	5.4	5.2	4.8	-161	-39
NNPA (%)	3.5	3.2	2.9	2.7	2.5	2.2	2.0	1.7	1.6	1.4	-78	-16
PCR (Calculated, %)	61.5	63.9	65.2	66.5	66.2	67.1	68.1	68.9	70.6	71.4	437	88
PCR (Reported, %)	81.2	82.4	83.3	84.2	84.5	85.4	86.3	87.3	88.0	88.7	337	69
Slippage Ratio (%)	2.8	4.5	2.1	3.0	2.2	2.4	1.9	1.7	1.7	1.5	-92	-14
Credit Cost (%)	2.2	2.1	1.4	1.3	2.1	2.0	1.7	1.6	1.4	1.2	-78	-12
Business Ratios												
Fees to Total Income	34.3	29.7	31.2	34.3	35.8	35.6	28.6	34.5	33.6	31.6	-395	-195
Cost to Core Income	49.8	52.5	46.4	48.1	48.4	45.4	46.2	46.4	44.6	44.9	-47	34
Tax Rate	41.8	40.6	31.8	33.2	30.7	22.7	24.8	23.6	27.6	28.0	525	35
CASA	34.2	34.1	34.6	35.9	34.3	34.0	32.6	33.5	33.0	32.2	-187	-85
Loan/Deposit	63.5	62.9	66.3	64.8	66.8	69.5	70.2	70.4	71.7	72.4	288	70
Profitability Ratios												
ROA	0.4	0.5	0.5	0.6	0.7	0.8	0.9	1.0	1.0	1.0	23	3
ROE	11.5	12.4	13.5	15.3	16.3	18.9	20.4	21.7	23.0	22.0	315	-94
Yield on loans	7.1	7.1	7.2	7.2	7.0	7.2	7.5	7.7	8.4	8.6	132	13
Yield On Investments	6.5	6.4	6.3	6.3	6.4	6.5	6.6	6.7	6.9	6.9	36	3
Yield On Funds	5.9	5.8	5.8	5.8	5.8	6.0	6.2	6.4	7.3	7.3	138	6
Cost of Funds	3.7	3.7	3.6	3.6	3.6	3.8	3.9	4.0	4.8	4.9	111	10
Cost of Deposits	4.0	4.0	4.0	4.0	4.0	4.1	4.2	4.4	5.2	5.4	126	13
Margins	2.7	2.8	2.8	2.9	2.8	2.9	3.1	3.1	3.1	3.0	14	-5



Highlights from the management commentary

Balance sheet and P&L related

- Business grew in double digits in 2Q, with gross advances up 12.11% YoY.
- RAM credit grew 13.63% YoY. Retail grew 10.5% YoY, Housing loans grew 12.3% YoY, Education loans grew 14.7% YoY, and Vehicle loans grew 9.3% YoY.
- RoA crossed 1% in 2Q. C/I stood at 43%.
- NIM was maintained above 3%, up 19bp YoY.
- CBK took several initiatives in 1Q, such as targeting salaried customers for deposits. In 2Q, the bank added 1.6m salaried accounts. The bank plans to announce two new schemes aimed at new customers to garner CASA deposits.
- The bank does not expect much impact on the HTM portfolio with respect to new investment guidelines.
- Miscellaneous income increased due to recovery in w-off income and an annual fee increase in debit cards. The bank has started passing on the debit card fee to customers.
- The bank has a higher effective tax rate. It has made provisions on expected operating profit. The bank has moved to a new tax regime and the effective tax rate for FY24 should be 25%.
- PSLC fees have come off as demand was good in 2Q and the same benefit is not expected to be there in future quarters.
- Lending rates are good as the bank focuses on the RAM sector. CBK is trying to reprice low-yielding corporate accounts. As a result, the bank has been seeing healthy yields.
- INR4.5b in NPA interest was recovered in 2Q. The bank expects INR3-5bn of interest recovery every quarter.
- CBK is seeing stress in margins due to rising interest on deposits, but the bank does not see any difficulty in garnering new deposits. It has no plan to reduce or increase the interest rate on deposits. There is stress on interest expenses, but sourcing of liabilities is not an issue. CBK is growing 8% YoY in deposits. The bank is not having any difficulty in raising deposits at the higher rate of interest.
- Of the bank's total loan book, 50% is linked to MCLR and 38% to RRLR.
- The bank has increased MCLR by 10bp since Mar'23. It does not expect any further repricing in MCLR.
- CBK is conscious about margin and will also look at profit.
- The bank is closely working with Can-Fin Homes to have a better monitoring system. It is planning to shift its card business to a separate subsidiary.
- CBK has been relocating duplicate branches since the amalgamation. CBK focuses on opening 275 branches to boost CASA deposits.
- The bank is not anticipating any increase in the rate of interest for savings accounts.
- The C/D ratio has increased to 75%. It has excess SLR and is using this to borrow from RBI to deploy it to earn additional income.

Asset quality related

- GNPA declined 161bp YoY, NNPA declined 78bp YoY. GNPA ratio stands at 4.76% and NNPA at 1.41%.
- CBK has some stress on the LRD account (SMA-2). As a result, the bank has been taking additional provisions. The account is stressed but is not NPA. The bank

has provided INR6.5b in total (INR2b in 2Q). The bank believes the provision is sufficient for this account.

- SMA book declined to 0.7% and is expected to remain at this level going ahead.
- Slippages breakup: INR8b in Agri, INR9b in MSME, INR4b in retail and INR7.5b in corporate.
- The bank expects recovery in some accounts from NCLT, although the pace of recovery is slow. The bank has received INR6.5b through NCLT account.
- Total restructured book stands at INR200b, of which INR140b is standard and INR60b is NPA.
- The bank maintains aggressive provisions and expects the policy to be continued. The bank has a PCR of 88% and expects it to be at 90% in FY24.

Guidance for FY24

- Expects to sustain NIMs at 3-3.05%.
- Deposit growth to remain at 8%+ YoY.
- C/I likely to be maintained around 45%.
- Guides for credit cost of 1.2%, as the bank aims to increase its PCR.

Exhibit 1: DuPont Analysis – Return ratios to improve gradually

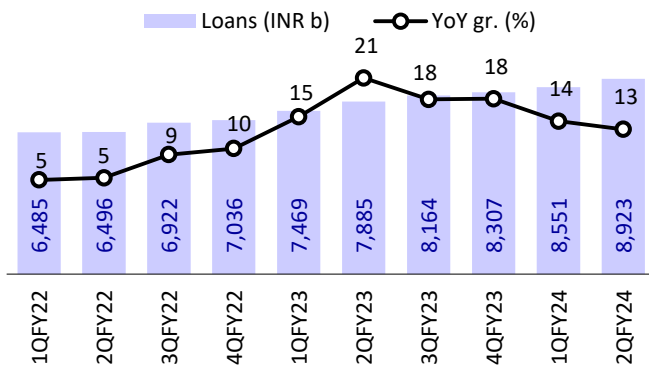
Y/E MARCH	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	6.9	6.3	5.8	6.6	7.1	7.1	7.2
Interest Expense	5.0	4.1	3.6	4.1	4.5	4.5	4.5
Net Interest Income	1.9	2.2	2.2	2.4	2.6	2.6	2.7
Fee income	1.0	1.1	1.2	1.3	1.2	1.2	1.3
Trading and others	0.1	0.3	0.2	0.1	0.2	0.2	0.2
Non Interest income	1.1	1.4	1.4	1.5	1.4	1.4	1.4
Total Income	3.0	3.5	3.6	3.9	4.0	4.0	4.1
Operating Expenses	1.6	1.8	1.5	1.7	1.8	1.8	1.8
Employee cost	1.0	1.2	1.0	1.1	1.1	1.1	1.1
Other operating expenses	0.6	0.6	0.6	0.7	0.7	0.7	0.7
Operating Profits	1.3	1.8	2.1	2.2	2.2	2.2	2.3
Core operating Profits	1.2	1.5	1.8	2.0	2.0	2.1	2.2
Provisions	1.6	1.5	1.2	1.1	0.8	0.8	0.8
NPA provisions	1.5	1.3	0.8	0.8	0.8	0.7	0.8
Other Provisions	0.1	0.2	0.4	0.3	0.0	0.0	0.0
PBT	-0.2	0.3	0.9	1.1	1.4	1.5	1.6
Tax	0.1	0.1	0.3	0.3	0.4	0.4	0.4
RoA	-0.3	0.2	0.5	0.8	1.0	1.1	1.2
Leverage (x)	18.8	20.0	19.1	18.4	17.4	16.0	15.0
RoE	-5.9	4.6	9.1	15.2	18.2	17.6	17.3

Valuation and view

CBK reported an in-line performance in 2QFY24, with earnings growing at a steady run rate led by stable revenue and lower provisions. Asset quality improved further as GNPA and NNPA ratios moderated. NIMs compressed 5bp QoQ; however, we expect margins to remain broadly stable going forward as MCLR re-pricing offsets the pressure on funding costs. Loan growth was led by Corporate, Retail, and Agri segments, and the outlook remains steady. Slippages and SMA book improved sequentially, which led to improvements in asset quality ratios. We raise our estimates slightly and expect CBK to deliver FY25 RoA/RoE of 1.1%/17.6%. **Reiterate BUY with a TP of INR440 (premised on 0.9x FY25E ABV).**

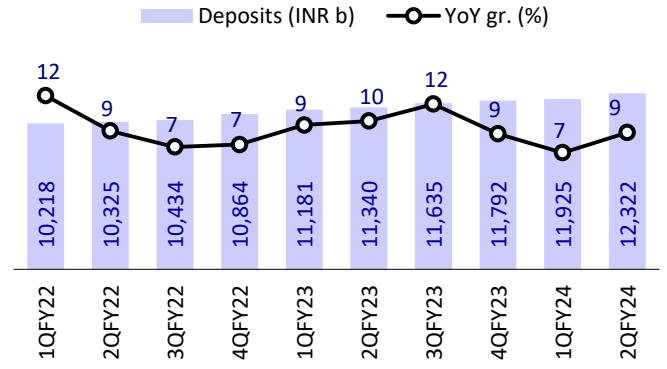
Story in charts

Exhibit 2: Loan book up ~13% YoY (up 4.3% QoQ)



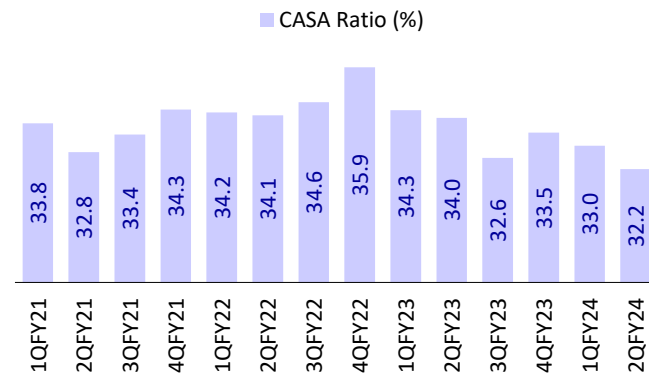
Source: MOFSL, Company

Exhibit 3: Deposits up 9% YoY (up 3.3% QoQ)



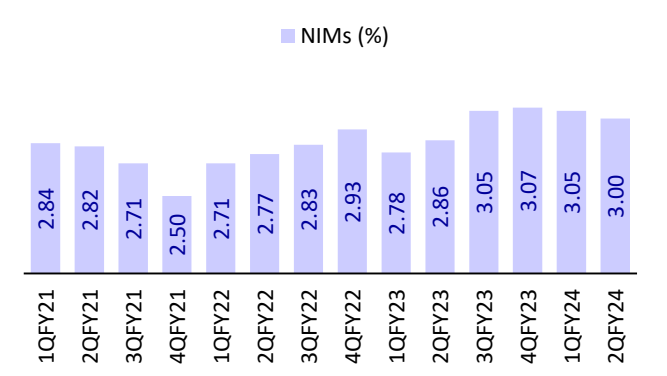
Source: MOFSL, Company

Exhibit 4: CASA ratio moderates by 85bp QoQ to 32.2%



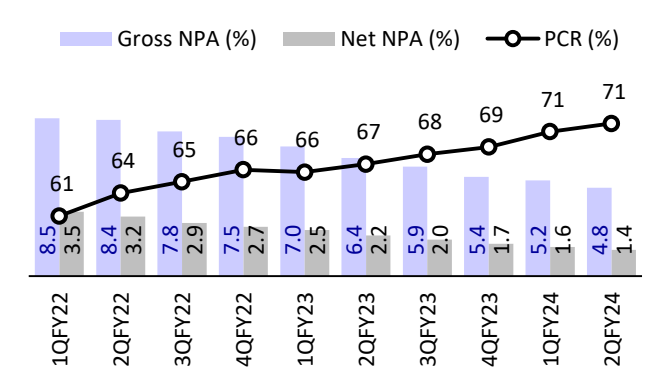
Source: MOFSL, Company

Exhibit 5: NIM moderates by 5bp QoQ to 3.0%



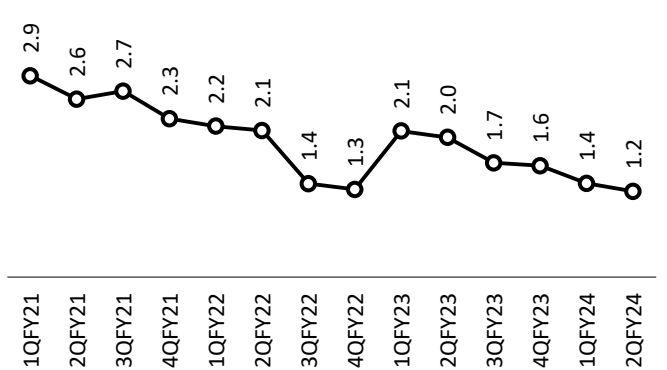
Source: MOFSL, Company

Exhibit 6: GNPA/NNPA ratios improve 39bp/16bp QoQ to 4.8%/1.4%



Source: MOFSL, Company

Exhibit 7: Credit cost moderates to 1.2%



Source: MOFSL, Company

Financials and Valuations

Income Statement						(INR b)
Y/E March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	692.8	694.1	844.2	999.2	1,090.2	1,205.5
Interest Expense	451.8	430.3	529.9	634.0	691.5	752.8
Net Interest Income	241.0	263.8	314.4	365.2	398.7	452.7
Growth (%)	83.7	9.5	19.1	16.2	9.2	13.5
Non Interest Income	149.2	165.0	187.6	189.5	216.0	239.8
Total Income	390.3	428.8	502.0	554.7	614.7	692.5
Growth (%)	86.4	9.9	17.1	10.5	10.8	12.7
Operating Expenses	193.4	184.4	224.8	249.0	271.9	297.8
Pre Provision Profits	196.9	244.4	277.2	305.7	342.8	394.6
Growth (%)	110.4	24.2	13.4	10.3	12.1	15.1
Core PPOp	166.9	218.5	258.2	283.9	317.8	365.9
Growth (%)	94.1	30.9	18.2	9.9	11.9	15.1
Provisions	159.8	141.3	135.4	109.5	117.4	133.6
Exceptional Item (Exp)	NA	13.5	NA	NA	NA	NA
PBT	37.1	89.6	141.7	196.2	225.4	261.0
Tax	11.5	32.8	35.7	50.0	57.5	66.6
Tax Rate (%)	31.0	36.6	25.2	25.5	25.5	25.5
PAT	25.6	56.8	106.0	146.2	167.9	194.5
Growth (%)	-214.4	122.0	86.7	37.8	14.9	15.8

Balance Sheet						
Y/E March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	16.5	18.1	18.1	18.1	18.1	18.1
Reserves & Surplus	572.4	643.0	717.9	855.9	1,013.0	1,196.5
Net Worth	588.8	661.1	736.1	874.1	1,031.1	1,214.7
Deposits	10,108.7	10,864.1	11,792.2	12,700.2	13,868.6	15,200.0
Growth (%)	61.6	7.5	8.5	7.7	9.2	9.6
of which CASA Dep	3,309.0	3,688.3	3,665.8	3,962.5	4,424.1	4,909.6
Growth (%)	68.6	11.5	-0.6	8.1	11.7	11.0
Borrowings	499.8	462.8	580.9	612.0	649.3	690.0
Other Liabilities & Prov.	339.3	293.0	348.2	389.9	440.6	493.5
Total Liabilities	11,536.8	12,281.0	13,457.3	14,576.2	15,989.6	17,598.2
Current Assets	1,784.1	1,820.5	1,414.2	1,357.8	1,422.8	1,525.4
Investments	2,616.9	2,820.1	3,190.4	3,397.8	3,601.6	3,817.7
Growth (%)	48.5	7.8	13.1	6.5	6.0	6.0
Loans	6,390.5	7,036.0	8,306.7	9,262.0	10,373.4	11,639.0
Growth (%)	47.9	10.1	18.1	11.5	12.0	12.2
Fixed Assets	112.1	113.6	102.3	107.4	112.8	118.4
Other Assets	633.2	490.8	443.7	451.2	479.0	497.6
Total Assets	11,536.8	12,281.0	13,457.3	14,576.2	15,989.6	17,598.2

Asset Quality						
GNPA (INR M)	602.9	556.5	461.6	411.1	404.4	411.3
NNPA (INR M)	248.4	190.6	143.9	112.9	109.0	103.4
GNPA Ratio	8.9	7.5	5.4	4.3	3.8	3.4
NNPA Ratio	3.9	2.7	1.7	1.2	1.1	0.9
Slippage Ratio	6.8	2.2	1.7	2.0	1.9	1.9
Credit Cost	2.6	1.5	1.3	1.2	1.2	1.2
PCR (Excl Tech. write off)	58.8	65.7	68.8	72.5	73.0	74.9

E: MOSL Estimates

Financials and Valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Yield and Cost Ratios (%)						
Avg. Yield-Earning Assets	6.7	6.2	6.9	7.4	7.4	7.4
Avg. Yield on loans	8.0	7.4	8.0	8.6	8.4	8.4
Avg. Yield on Investments	6.7	6.3	6.6	6.8	7.0	7.0
Avg. Cost-Int. Bear. Liab.	4.4	3.8	4.3	4.9	4.9	4.9
Avg. Cost of Deposits	4.4	3.8	4.3	4.9	4.9	4.9
Interest Spread	2.3	2.4	2.6	2.5	2.5	2.5
Net Interest Margin	2.3	2.4	2.6	2.7	2.7	2.8

Capitalisation Ratios (%)

CAR	13.3	15.0	16.7	13.5	14.3	15.1
Tier I	10.2	12.0	13.8	13.4	14.1	14.9
Tier II	3.1	3.0	2.9	0.2	0.2	0.3

Business and Efficiency Ratios (%)

Loans/Deposit Ratio	63.2	64.8	70.4	72.9	74.8	76.6
CASA Ratio	32.7	33.9	31.1	31.2	31.9	32.3
Cost/Assets	1.7	1.5	1.7	1.7	1.7	1.7
Cost/Total Income	49.6	43.0	44.8	44.9	44.2	43.0
Cost/Core Income	53.7	45.8	46.5	46.7	46.1	44.9
Int. Expense/Int. Income	65.2	62.0	62.8	63.4	63.4	62.4
Fee Income/Net Income	30.6	32.4	33.6	30.2	31.1	30.5
Non Int. Inc./Net Income	38.2	38.5	37.4	34.2	35.1	34.6
Empl. Cost/Op. Exps.	65.6	61.6	61.1	61.3	61.2	60.9
Investment/Deposit Ratio	25.9	26.0	27.1	26.8	26.0	25.1

Profitability and Valuation

RoE	4.6	9.1	15.2	18.2	17.6	17.3
RoA	0.2	0.5	0.8	1.0	1.1	1.2
RoRWA	0.5	1.1	1.9	2.3	2.4	2.5
Book Value (INR)	330	339	383	459	546	647
Growth (%)	-5.1	2.6	13.1	19.9	18.9	18.5
Price-BV (x)	1.1	1.1	0.9	0.8	0.7	0.6
Adjusted BV (INR)	219	259	322	409	497	600
Price-ABV (x)	1.7	1.4	1.1	0.9	0.7	0.6
EPS (INR)	15.5	32.8	58.5	80.6	92.6	107.2
Growth (%)	-161.9	111.3	78.1	37.8	14.9	15.8
Price-Earnings (x)	23.2	11.0	6.2	4.5	3.9	3.4
Dividend Per Share (INR)	0.0	6.5	12.0	4.5	6.0	6.0
Dividend Yield (%)	0.0	1.8	3.3	1.2	1.7	1.7

E: MOSL Estimates

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UNDER REVIEW	Rating may undergo a change
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