

# Q3FY25 IndusInd Bank Ltd.



## IndusInd Bank Ltd.

MFI segment continued to build near term pressure on growth and asset quality

|           |           |                  |                     |                |         |
|-----------|-----------|------------------|---------------------|----------------|---------|
| CMP*      | Target    | Potential Upside | Market Cap (INR Mn) | Recommendation | Sector  |
| INR 1,009 | INR 1,031 | 2.1%             | 7,86,063            | HOLD           | Banking |

### Result Highlights Q3FY25:

- In Q3FY25, Net Interest Income (NII) decreased by 1.3% YoY (-2.2% QoQ) to INR 52,281 Mn. The NII was lower by 3.6%. Pre-Provision Operating Profits (PPOP) declined by 10.9% YoY (flat QoQ) in Q3FY25 to INR 36,007 Mn. The PPOP was a 2.6% miss compared to our estimates. The net profit for Q3FY25 stood at INR 14,023 Mn, a decline of 39.1% YoY (+5.3% QoQ).
- Near-term growth remains constrained by macroeconomic stress, elevated credit costs, and cautious lending in unsecured and microfinance segments, impacting margins and asset quality.
- We revise our Adjusted Book Value (ABV) downward by 4.3% for FY26E and 6.0% for FY27E, factoring in multiple stress points and a slower-than-anticipated recovery in the near to medium term. Rolling forward our valuation to FY27E, we assign a P/B multiple of 0.95x to the FY27E ABVPS of INR 1,084.8, leading to a revised target price of INR 1,031 (earlier INR 1,305). Given the current risk-reward dynamics, we maintain our “HOLD” rating on IndusInd Bank.**

### MARKET DATA

|                   |            |
|-------------------|------------|
| Shares outs (Mn)  | 779        |
| Mkt Cap (INR Mn)  | 7,86,063   |
| 52 Wk H/L (INR)   | 1,576/ 924 |
| Volume Avg (3m K) | 5,405      |
| Face Value (INR)  | 2          |
| Bloomberg Code    | IIB IN     |

### KEY FINANCIALS

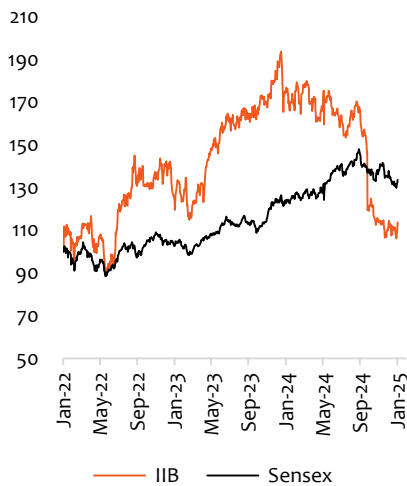
| Particulars (INR Mn)    | FY23    | FY24    | FY25E   | FY26E   | FY27E   |
|-------------------------|---------|---------|---------|---------|---------|
| NII                     | 175,921 | 206,159 | 213,906 | 239,291 | 276,707 |
| PPOP                    | 144,189 | 158,641 | 149,325 | 167,056 | 191,282 |
| PAT                     | 74,433  | 89,773  | 64,689  | 82,508  | 98,965  |
| EPS (INR / Share)       | 96.0    | 115.3   | 83.0    | 105.9   | 127.0   |
| ABVPS (INR / Share)     | 686.3   | 785.5   | 859.3   | 961.3   | 1,084.8 |
| NIM (%)                 | 5.0%    | 4.8%    | 4.3%    | 4.3%    | 4.3%    |
| Advances Growth YoY (%) | 21.3%   | 18.4%   | 10.4%   | 14.4%   | 14.4%   |

Source: Company, DevenChoksey Research

### Growth continued to see a slowdown on the back of a decline in the MFI portfolio:

- Advances grew at 12.2% YoY/ 2.7% QoQ at INR 3,668,890 Mn, driven by sustained expansion in the corporate loan book and strong traction in the non-vehicle finance consumer portfolio. Vehicle finance loans grew by 8.7% YoY, in line with industry trends, with sequential loan growth accelerating to 3.3% from 1.0% QoQ. Disbursements for Q3FY25 stood at INR 133,880 Mn, reflecting a strong 25.0% QoQ rebound, reversing the declining trend observed over the past several quarters. The vehicle finance segment is expected to benefit from a recovery in industry volumes, supported by government infrastructure spending and a potentially lower interest rate environment. With improved diversification across product categories, IIB is well-positioned to capitalize on industry revival, leveraging its strong market presence and risk-calibrated lending approach.
- The MFI loan book continued to decline by 8.9% YoY/ 0.5% QoQ. However, while incremental stress formation is showing early signs of stability, IIB continues to be cautious in the microfinance segment.
- The Corporate loan book grew by 16.1% YoY/ 2.5% QoQ. Within corporate, large corporates grew by 14.0% YoY, and mid & small corporate grew by 18.0% YoY each. Looking ahead, IIB will continue to focus on building granular and diversified corporate bank franchises, leveraging on selective areas of competitive advantage.
- The other retail assets maintained robust growth momentum with 19.0% YoY/ 4.0% QoQ growth. The bank continues to scale its home loan book at a healthy pace, with outstanding at INR 31,440 Mn as of December 31, 2024, growing by 128.0% YoY. Credit card spending rose by 12.0% QoQ. The share of unsecured credit cards and PL has been maintained prudently at 5.0-6.0% of the loan book.
- Deposits grew 11.0% YoY (-0.7% QoQ) to INR 4,094,380 Mn as of December 31, 2024. CASA ratio was lower by 360 bps YoY/ 99 bps QoQ due to the outflow of some short-term flows, such as dividend mandates. Savings Account deposits saw a growth of 2.0% QoQ. IIB maintained healthy growth momentum in retail deposits as per LCR of 4.0% QoQ and 14.0% YoY.

### SHARE PRICE PERFORMANCE



### MARKET INFO

|        |        |
|--------|--------|
| SENSEX | 77,506 |
| NIFTY  | 23,482 |

### SHARE HOLDING PATTERN (%)

| Particulars | Dec-24 | Sep-24 | Jun-24 |
|-------------|--------|--------|--------|
| Promoters   | 16.3   | 16.4   | 16.4   |
| FIIIs       | 24.7   | 34.1   | 38.4   |
| DIIIs       | 42.8   | 35.1   | 30.2   |
| Others      | 16.2   | 14.4   | 15.0   |
| Total       | 100.0  | 100.0  | 100.0  |

\*Based on previous closing

Note: All the market data is as of previous closing

10.3%

NII CAGR between FY24 and FY27E

3.3%

PAT CAGR between FY24 and FY27E

## IndusInd Bank Ltd.

### Operating income saw sluggishness with NIM contraction:

- Net Interest Margin (NIM) moderated to 3.93% in Q3FY25, down 15 bps QoQ and 36 bps YoY, driven by lower average balances in microfinance and EBLR repricing impact. The yield on advances declined to 12.21% (vs 12.31% in Q2FY25), reflecting pressure from a changing loan mix and softer pricing in certain segments. Meanwhile, the cost of funds increased sequentially, impacted by higher deposit costs and increased borrowings, though the rise in the cost of deposits was contained at 3 bps QoQ, primarily due to a shift in the funding mix.
- The non-interest income for the quarter stood at INR 23,550 Mn, a fall of 1.7% YoY but increased by 7.8% QoQ. The core fee income was INR 21,230 Mn. The fee income was driven by a healthy sequential pick-up in vehicles as well as microfinance disbursements.
- The trading income for the quarter grew 286.7% QoQ to INR 2,320 Mn,
- IIB continued to optimize its operating expenditures. The YoY growth in opex has been moderated to single digits at 9.1% vs 14.0% in the previous quarter. The sequential growth, too, remains contained at 1.3% QoQ. The cost-to-income, however, inched up by 507 bps YoY/ 31 bps QoQ due to slower revenue growth.
- Profit after tax for the quarter was INR 14,023 Mn, marking a decline primarily due to higher provisions and lower operating profits. However, return ratios showed a marginal improvement sequentially, with RoA and RoE at 1.03% and 8.45%, respectively, compared to 1.0% and 8.11% in Q2FY25.

### Asset quality remained under pressure due to an increase in the fresh slippages in MFI and vehicle finance, particularly in the tractor segment:

- As of December 31, 2024, GNPA and NNPA were 2.25% and 0.68%, respectively, as against 2.11% and 0.64% as of September 30, 2024. The Provision Coverage Ratio stood at 70.2%.
- The gross slippage ratio stood at 0.62%, compared to 0.56% in the previous year. Segment-wise, gross slippages were led by Bharat Financial Inclusion Ltd at INR 6,950 Mn, followed by Vehicle Finance at INR 6,710 Mn, Other Retail at INR 5,530 Mn, and Corporate at INR 2,810 Mn. Gross slippages in the corporate book were mainly contributed by one restructured real estate account, which passed the DCCO deadline.
- The provisions for the quarter stood at INR 17,436 Mn, an increase of 79.9% YoY (-4.2% QoQ). Total loan-related provisions are at 2.4% of loans or 105.0% of the GNPA's.
- The contingent provisions for the quarter stood at INR 13,250 Mn, compared to INR 15,250 Mn in the previous quarter. The bank wrote off INR 3,440 Mn in microfinance loans, a significant increase from INR 730 Mn in the previous quarter. Additionally, there was a corporate account slippage from the restructured book, with the contingent provisions being primarily utilized to cover these write-offs.
- The upgrades for the quarter stood at 1,500 Mn, while the recoveries were INR 3,300 Mn. The restructured book continued to see a reduction during the quarter to 0.18% from 0.29% QoQ. The write-offs for the quarter stood at INR 9,840 Mn as against INR 6,670 Mn in Q2FY25.

### Key Concall Highlights:

- IIB saw YoY growth in disbursements for MHCV, construction equipment, and two wheelers. Passenger Vehicles and SCV saw a YoY decline in disbursements. Tractors and LCV, too, saw robust improvement sequentially, albeit it's still lower YoY.
- The gross slippages in Vehicle Finance were stable at 0.74% vs 0.73% YoY, and 0.77% QoQ. The Commercial Vehicles, Passenger Vehicles and Construction Equipment saw YoY and QoQ improvement in slippages, whereas Tractors and 2-wheelers saw comparatively higher slippages.
- The microfinance segment witnessed sequential improvement in disbursements driven by pent-up demand, as well as improved eligibility of centers and customers.
- IIB remains cautious about growth, with disbursements well below its historical run rates and customer eligibility. Geographically, amongst the key states, the portfolio grew sequentially in Maharashtra and Odisha, whereas it grew in Karnataka and Uttar Pradesh.
- For the MFI segment, IIB continues to believe in its approach of focusing on 1) funding requirements of vintage customers and centers, 2) being conservative on overall customer industry indebtedness, 3) investing in collection infrastructure, and 4) continued diversification of the loan book.
- The diamond business remained robust in asset quality, while growth was subdued due to weak industry demand.
- The proportion of A and above-rated customers for the corporate segment has been at 79.0% vs 77.0% YoY, with the weighted average rating improving to 2.47 vs 2.54 YoY.
- MSME book under business banking stood at INR 177,690 Mn, a growth of 12.0% YoY. New acquisitions momentum saw an uptick with 10.0% QoQ growth driven by the maturing of the branch operating model & new product adoptions. ~80.0% of New to Bank customers are from a granular less than INR 20 Mn segment catered via its fully enabled digital lending platform specifically designed for MSME customers.
- IIB will continue to scale up its other retail assets at a faster pace, with a focus on improving the diversification of the overall loan book while increasing the retail secured mix of home loans and MSME.
- IIB's initiatives for affluent and NRI banking are showing robust traction amidst the challenging deposit environment. Affluent segment deposits at INR 603 Bn grew by 20.0% YoY, and 6.0% QoQ and AUM at INR 99Bn grew by 28.0% YoY.
- The liquidity position remained healthy during the quarter, with an average LCR of 118.0% and an average surplus liquidity of INR 408 Bn.
- INDIE continued to scale as the app was opened to all bank customers. As the upgraded digital application for all, it has seen an extremely positive trend among early adopters. The first set of 0.15 Mn clients who have migrated have shown 20.0% deepening within a month of adoption.
- IIB remains cautious about the microfinance segment. While the slippages may get elevated for another quarter, the bank's customer base is showing early signs of stability, which is expected to start reflecting from Q1FY26E onwards.

## IndusInd Bank Ltd.

### Valuation and view:

IndusInd Bank's Q3FY25 performance was largely in line with expectations on operational metrics, with a net profit beat driven by lower-than-expected provisions. However, near-term stress persists due to elevated slippages in the microfinance segment, rising credit costs, and muted growth in unsecured lending, impacting asset quality and margins. Loan growth remained calibrated at 12% YoY, but stress in microfinance and cautious lending in unsecured credit cards and personal loans weighed on overall performance. Net Interest Margins (NIM) declined 15 bps QoQ to 3.93%, reflecting pressure from microfinance book runoff and higher funding costs.

We revise our net profit estimates downward by 17.6% for FY26E and 17.5% for FY27E, factoring in a slowdown in operating growth and rising credit costs, particularly due to stress in unsecured loans and the microfinance segment. We project NII/ PPOP/ PAT to grow at a CAGR of 10.8%/ 6.4%/ 3.3% over FY24-27E, reflecting margin pressures and moderated earnings growth. ROE/ROA is expected to decline to 11.3%/1.3% in FY27E, down from 14.2%/1.7% in FY24, respectively. While the bank remains well-capitalized (CET1 at 15.18%), macro uncertainty, asset quality concerns, and muted near-term earnings visibility warrant a cautious stance.

**Rolling forward our valuation to FY27E, we assign a P/B multiple of 0.95x (earlier 1.3x FY26E) to the FY27E Adjusted BVPS of INR 1,084.8, leading to a revised target price of INR 1,031 (earlier INR 1,305), implying a 2.1% upside from the current market price. We maintain our "HOLD" rating on the stock of IndusInd Bank, awaiting clearer signs of stability and growth recovery before turning constructive.**

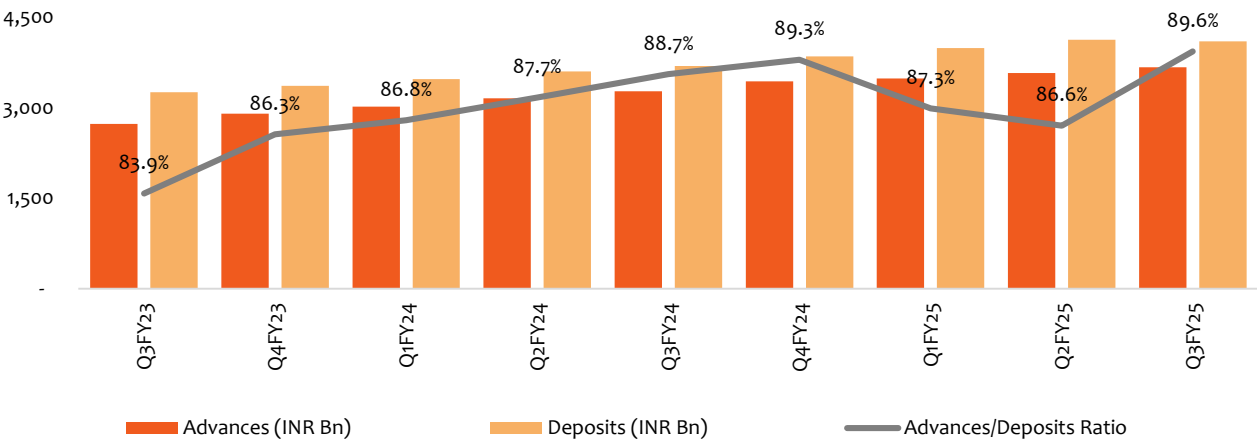
### Result Snapshot Q3FY25

| Particulars (INR in Mn)       | Q3FY25        | Q2FY25        | Q3FY24        | Q-o-Q        | Y-o-Y         | 9MFY25         | 9MFY24         | Y-o-Y         |
|-------------------------------|---------------|---------------|---------------|--------------|---------------|----------------|----------------|---------------|
| <b>Income Statement</b>       |               |               |               |              |               |                |                |               |
| Interest income               | 128,008       | 126,863       | 115,723       | 0.9%         | 10.6%         | 380,338        | 335,497        | 13.4%         |
| Interest expense              | 75,727        | 73,390        | 62,766        | 3.2%         | 20.6%         | 220,508        | 183,102        | 20.4%         |
| <b>Net interest income</b>    | <b>52,281</b> | <b>53,473</b> | <b>52,956</b> | <b>-2.2%</b> | <b>-1.3%</b>  | <b>159,830</b> | <b>152,395</b> | <b>4.9%</b>   |
| Non-interest income           | 23,550        | 21,850        | 23,959        | 7.8%         | -1.7%         | 69,816         | 68,876         | 1.4%          |
| <b>Total income</b>           | <b>75,831</b> | <b>75,322</b> | <b>76,916</b> | <b>0.7%</b>  | <b>-1.4%</b>  | <b>229,646</b> | <b>221,271</b> | <b>3.8%</b>   |
| Employee costs                | 14,828        | 15,049        | 13,907        | -1.5%        | 6.6%          | 44,262         | 39,637         | 11.7%         |
| Other operating expenses      | 24,997        | 24,275        | 22,585        | 3.0%         | 10.7%         | 73,862         | 63,809         | 15.8%         |
| Operating expenses            | 39,825        | 39,324        | 36,492        | 1.3%         | 9.1%          | 118,123        | 103,446        | 14.2%         |
| <b>Pre-provision profit</b>   | <b>36,007</b> | <b>35,998</b> | <b>40,423</b> | <b>0.0%</b>  | <b>-10.9%</b> | <b>111,523</b> | <b>117,825</b> | <b>-5.3%</b>  |
| Provisions                    | 17,436        | 18,201        | 9,693         | -4.2%        | 79.9%         | 46,136         | 29,346         | 57.2%         |
| <b>Profit before tax</b>      | <b>18,570</b> | <b>17,797</b> | <b>30,731</b> | <b>4.3%</b>  | <b>-39.6%</b> | <b>65,387</b>  | <b>88,479</b>  | <b>-26.1%</b> |
| Tax expense                   | 4,547         | 4,484         | 7,716         | 1.4%         | -41.1%        | 16,343         | 22,197         | -26.4%        |
| <b>Net profit</b>             | <b>14,023</b> | <b>13,313</b> | <b>23,015</b> | <b>5.3%</b>  | <b>-39.1%</b> | <b>49,044</b>  | <b>66,282</b>  | <b>-26.0%</b> |
| <b>Balance sheet analysis</b> |               |               |               |              |               |                |                |               |
| Deposits                      | 4,094,380     | 4,123,968     | 3,687,930     | -0.7%        | 11.0%         | 4,094,380      | 3,687,930      | 11.0%         |
| CASA Deposits                 | 1,428,180     | 1,479,440     | 1,419,240     | -3.5%        | 0.6%          | 1,428,180      | 1,419,240      | 0.6%          |
| CASA (%)                      | 34.9%         | 35.9%         | 38.5%         | -99bps       | -360bps       | 34.9%          | 38.5%          | -360bps       |
| Advances                      | 3,668,890     | 3,571,586     | 3,270,570     | 2.7%         | 12.2%         | 3,668,890      | 3,270,570      | 12.2%         |
| Capital adequacy ratio (%)    | 16.5%         | 16.5%         | 17.9%         | -5bps        | -140bps       | 16.5%          | 17.9%          | -140bps       |
| Net Interest Margins (NIM)    | 3.9%          | 4.1%          | 4.29%         | -15bps       | -36bps        | 4.2%           | 4.3%           | -10bps        |
| <b>Asset quality</b>          |               |               |               |              |               |                |                |               |
| Gross NPA                     | 83,753        | 76,385        | 63,771        | 9.6%         | 31.3%         | 83,753         | 63,771         | 31.3%         |
| Net NPA                       | 24,958        | 22,820        | 18,752        | 9.4%         | 33.1%         | 24,958         | 18,752         | 33.1%         |
| GNPA (%)                      | 2.25%         | 2.11%         | 1.92%         | 14bps        | 33bps         | 2.25%          | 1.92%          | 33bps         |
| NNPA (%)                      | 0.68%         | 0.64%         | 0.57%         | 4bps         | 11bps         | 0.68%          | 0.57%          | 11bps         |
| PCR (%)                       | 70.2%         | 70.1%         | 70.6%         | 8bps         | -39bps        | 70.2%          | 70.6%          | -39bps        |
| RoA (%) (Annualized)          | 1.0%          | 1.0%          | 1.9%          | 3bps         | -90bps        | 1.2%           | 1.9%           | -67bps        |

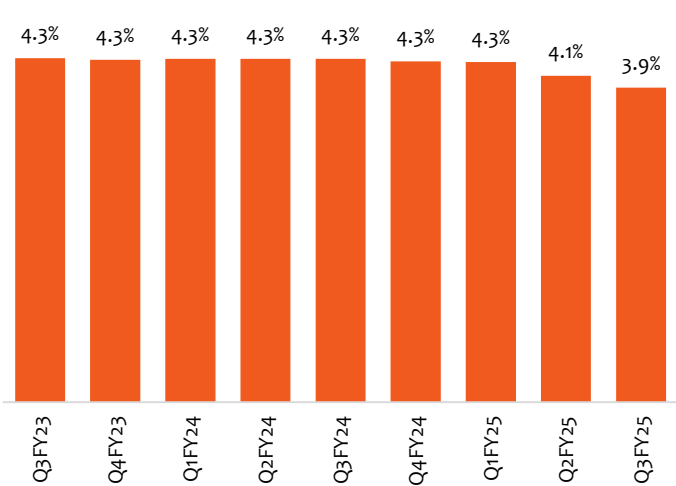
Source: Company, DevenChoksey Research

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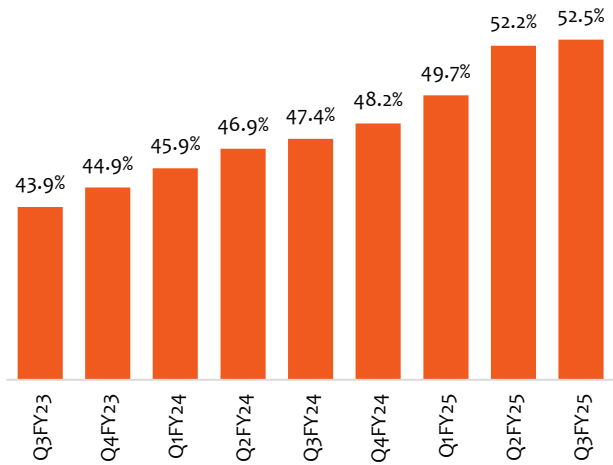
Advances/Deposits ratio (In INR Mn): Deposits saw sequentially muted quarter



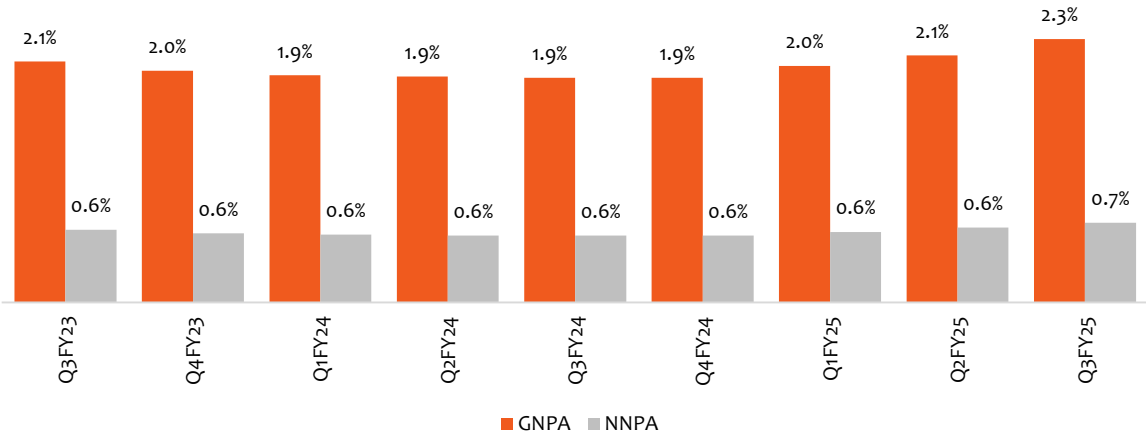
Decline in yields led to contraction in NIMs



Cost/Income: Higher ratio due to lower operating income during the quarter



Asset Quality remains at elevated levels



Source: Company, DevenChoksey Research



## IndusInd Bank Ltd.

### Financials:

#### Exhibit 1: Profit & Loss Statement

| INR Mn                               | FY23           | FY24           | FY25E          | FY26E          | FY27E          |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Interest Income                      | 363,679        | 457,482        | 512,261        | 574,774        | 660,893        |
| Interest Expense                     | 187,758        | 251,323        | 298,356        | 335,483        | 384,186        |
| <b>Net Interest Income</b>           | <b>175,921</b> | <b>206,159</b> | <b>213,906</b> | <b>239,291</b> | <b>276,707</b> |
| Non-interest income                  | 81,728         | 93,958         | 95,399         | 104,939        | 113,334        |
| Operating income                     | 257,649        | 300,117        | 309,305        | 344,230        | 390,041        |
| Operating Expense                    | 113,460        | 141,476        | 159,980        | 177,174        | 198,759        |
| <b>PPOP</b>                          | <b>144,189</b> | <b>158,641</b> | <b>149,325</b> | <b>167,056</b> | <b>191,282</b> |
| Provisions                           | 44,868         | 38,849         | 63,078         | 57,049         | 59,331         |
| <b>PBT</b>                           | <b>99,320</b>  | <b>119,792</b> | <b>86,247</b>  | <b>110,008</b> | <b>131,950</b> |
| Share of Profit/(Loss) in Associates | 3.60           | 3.10           | 0.90           | 2.00           | 2.00           |
| Tax Expense                          | 24,887         | 30,022         | 21,559         | 27,502         | 32,988         |
| <b>PAT</b>                           | <b>74,437</b>  | <b>89,773</b>  | <b>64,689</b>  | <b>82,508</b>  | <b>98,965</b>  |
| <b>Diluted EPS (INR)</b>             | <b>96.0</b>    | <b>115.3</b>   | <b>83.0</b>    | <b>105.9</b>   | <b>127.0</b>   |

#### Exhibit 2: Balance Sheet

| INR Mn                                | FY23             | FY24             | FY25E            | FY26E            | FY27E            |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Source of Funds</b>                |                  |                  |                  |                  |                  |
| Share capital                         | 7,759            | 7,783            | 7,791            | 7,791            | 7,791            |
| Reserves & Surplus                    | 541,844          | 623,257          | 687,946          | 770,454          | 869,419          |
| Networth                              | 549,603          | 631,041          | 695,737          | 778,245          | 877,209          |
| ESOP                                  | 443              | 1,035            | 1,035            | 1,035            | 1,035            |
| Borrowings                            | 490,112          | 476,114          | 465,760          | 506,086          | 583,458          |
| Deposits                              | 3,361,202        | 3,845,857        | 4,234,179        | 4,819,862        | 5,556,741        |
| Other liabilities & provisions        | 177,006          | 196,893          | 366,201          | 458,080          | 485,677          |
| <b>Total Equity &amp; Liabilities</b> | <b>4,578,366</b> | <b>5,150,940</b> | <b>5,762,911</b> | <b>6,563,307</b> | <b>7,504,120</b> |
| <b>Uses of Funds</b>                  |                  |                  |                  |                  |                  |
| Balances w/ banks & others            | 138,019          | 185,605          | 211,709          | 240,993          | 277,837          |
| Investments                           | 830,757          | 1,064,865        | 1,227,912        | 1,445,959        | 1,667,022        |
| Loans & advances                      | 2,899,237        | 3,432,983        | 3,791,224        | 4,337,003        | 4,962,316        |
| Fixed assets                          | 20,789           | 23,240           | 26,726           | 30,735           | 35,345           |
| Other assets                          | 259,816          | 260,778          | 314,802          | 339,922          | 367,113          |
| <b>Total Assets</b>                   | <b>4,578,366</b> | <b>5,150,940</b> | <b>5,762,911</b> | <b>6,563,307</b> | <b>7,504,120</b> |

#### Exhibit 3: Key Ratios

| Key Ratio                          | FY23  | FY24  | FY25E  | FY26E | FY27E   |
|------------------------------------|-------|-------|--------|-------|---------|
| <b>Growth Rates</b>                |       |       |        |       |         |
| Advances (%)                       | 21.3% | 18.4% | 10.4%  | 14.4% | 14.4%   |
| Deposits (%)                       | 14.6% | 14.4% | 10.1%  | 13.8% | 15.3%   |
| Total assets (%)                   | 13.9% | 12.5% | 11.9%  | 13.9% | 14.3%   |
| NII (%)                            | 17.3% | 17.2% | 3.8%   | 11.9% | 15.6%   |
| Pre-provisioning profit (%)        | 10.1% | 10.0% | -5.9%  | 11.9% | 14.5%   |
| PAT (%)                            | 52.9% | 20.6% | -27.9% | 27.5% | 19.9%   |
| <b>B/S Ratios</b>                  |       |       |        |       |         |
| Credit/Deposit (%)                 | 86.3% | 89.3% | 89.5%  | 90.0% | 89.3%   |
| CASA (%)                           | 40.1% | 37.9% | 34.5%  | 35.2% | 35.3%   |
| Advances/Total assets (%)          | 63.3% | 66.6% | 65.8%  | 66.1% | 66.1%   |
| Leverage - Total Assets to Equity  | 8.33  | 8.16  | 8.28   | 8.43  | 8.55    |
| <b>Operating efficiency</b>        |       |       |        |       |         |
| Cost/income (%)                    | 44.0% | 47.1% | 51.7%  | 51.5% | 51.0%   |
| Opex/total assets (%)              | 2.5%  | 2.7%  | 2.8%   | 2.7%  | 2.6%    |
| Opex/total interest earning assets | 3.3%  | 3.4%  | 3.4%   | 3.3%  | 3.2%    |
| <b>Profitability</b>               |       |       |        |       |         |
| NIM (%)                            | 5.0%  | 4.8%  | 4.3%   | 4.3%  | 4.3%    |
| RoA (%)                            | 1.6%  | 1.7%  | 1.1%   | 1.3%  | 1.3%    |
| RoE (%)                            | 13.5% | 14.2% | 9.3%   | 10.6% | 11.3%   |
| <b>Asset quality</b>               |       |       |        |       |         |
| Gross NPA (%)                      | 2.0%  | 1.9%  | 2.3%   | 2.2%  | 2.2%    |
| Net NPA (%)                        | 0.6%  | 0.6%  | 0.7%   | 0.7%  | 0.6%    |
| PCR (%)                            | 69.4% | 69.5% | 70.0%  | 70.0% | 71.0%   |
| Slippage (%)                       | 2.9%  | 2.1%  | 0.9%   | 0.7%  | 0.6%    |
| Credit cost (%)                    | 1.3%  | 0.9%  | 1.3%   | 1.1%  | 1.0%    |
| <b>Per share data / Valuation</b>  |       |       |        |       |         |
| EPS (INR)                          | 95.9  | 115.3 | 83.0   | 105.9 | 127.0   |
| BVPS (INR)                         | 708.3 | 810.8 | 893.1  | 999.0 | 1,126.1 |
| ABVPS (INR)                        | 686.3 | 785.5 | 859.3  | 961.3 | 1,084.8 |
| P/E (x)                            | 14.9  | 13.5  | 12.2   | 9.5   | 7.9     |
| P/BV (x)                           | 2.0   | 1.9   | 1.1    | 1.0   | 0.9     |
| P/ABV (x)                          | 2.1   | 2.0   | 1.2    | 1.1   | 0.9     |

Source: Company, DevenChoksey Research

## IndusInd Bank Ltd.

| IndusInd Bank Limited |           |          |                |
|-----------------------|-----------|----------|----------------|
| Date                  | CMP (INR) | TP (INR) | Recommendation |
| 03-Feb-25             | 1,009     | 1,031    | HOLD           |
| 24-Oct-24             | 1,280     | 1,305    | HOLD           |
| 01-Aug-24             | 1,428     | 1,785    | BUY            |
| 30-Apr-24             | 1,516     | 1,850    | BUY            |
| 19-Jan-24             | 1,561     | 1,950    | BUY            |
| 20-Oct-23             | 1,469     | 1,705    | BUY            |

| Rating Legend (Expected over a 12-month period) |                |
|-------------------------------------------------|----------------|
| Our Rating                                      | Upside         |
| Buy                                             | More than 15%  |
| Accumulate                                      | 5% – 15%       |
| Hold                                            | 0 – 5%         |
| Reduce                                          | -5% – 0        |
| Sell                                            | Less than – 5% |

### ANALYST CERTIFICATION:

I, **Dipak Saha** (MBA, Finance), Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

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