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ICICI BANK LTD.

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ICICI Bank Ltd together with its subsidiaries, joint ventures and associates, is a diversified financial services group providing a range of banking and financial services, including commercial banking, retail banking, project and corporate finance, investment banking, broking and treasury products and services. It operates under four segments: retail banking, wholesale banking, treasury and other banking. Retail Banking includes exposures, which satisfy the four criteria of orientation, product, granularity and low value of individual exposures for retail exposures.

### Investor's Rationale

**Better domestic loan growth and impressive vertical performance supported the top line, up 4.9% YoY-** ICICIBANK registered a nominal growth of 4.9% YoY in its consolidated top-line at ₹202.4 bn in Q4FY'13 largely on account of higher domestic loan growth of 30%. The loan growth was driven on short term loans to highly-rated corporate customers. The revenue was further augmented by an overall notable segmental performance, barring life insurance business. The treasury, corporate and retail operations rose strongly 9.8%, 6.5% and 11.9% YoY to ₹91.4bn, ₹78.7 bn and ₹58.4bn respectively.

**Higher NII and strong vertical business, especially general insurance business boosted bottom-line considerably by 37.7% YoY-** Despite the decline in other income by 3.5% YoY to ₹86.6bn, the bank witnessed a rise of 37.7% YoY at ₹24.9bn in its net profit during Q4FY'13 steered by sharp rise in net interest income (NII) 22% at ₹45.3 bn. Further, the general insurance business of the bank posted a profit of 106% to ₹0.bn against a loss of ₹5.9bn in Q4FY'12. Moreover, profit was boosted on an improvement in NIM to 3.3% YoY due to a rise in CASA ratio and the cost-to-income ratio that eased 161 bps YoY to 40.0%.

**Asset Quality, a mixed bag-** The asset quality of the bank has been a mixed bag. The gross NPA has declined to 3.2% in Q4FY'13 from 3.6% in Q4FY'12, while the net NPA has increased to 0.8% from 0.7% in the same period. The provisions (other than tax) have increased by 50% to ₹5.5bn.

**Significant growth in deposits and advances-** Bank's deposits growth stood at 14.5% YoY ₹2,926.1bn. Savings deposits mobilization improved to 13% YoY as sequential growth picked-up on the back of substantial new account additions. Current account growth remained challenging at 6% YoY. Bank is confident of sustaining daily average CASA near 40% in FY'14.

### Market Data

CMP (₹)	1,130
Target Price	1,243
Stop Loss	1,073
Duration	Short-term
52-week High-Low (₹)	1,231/767
Rise from 52WL (%)	47.3
Correction from 52WH (%)	8.2
Beta	1.7
1 year Average Volume (mn)	3.3
Stock Return (%)	3M- (3.4) 6M- 4.4 1Y- 31.8
Market Cap (₹bn)	1,303.8
Book Value (₹)	523.6

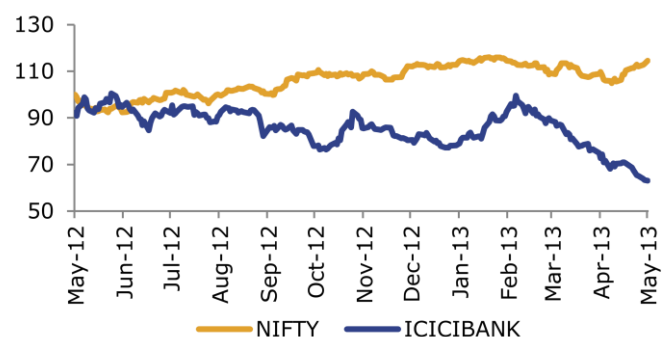
### Shareholding Pattern

	Mar'13	Dec'12	Chg
Promoters (%)	-	-	-
FII (%)	37.94	37.09	0.85
DII (%)	24.13	24.91	(0.78)
Public & Others (%)	37.93	38.00	(0.07)

### Quarterly Performance (Consolidated)

(₹bn)	Q4 FY'13	Q4 FY'12	Q3 FY'13	YoY Change(%)	QoQ Change(%)
Total inc.	202.4	193.0	187.2	4.9	8.1
Op. exp	90.6	97.1	73.9	(6.7)	22.6
Net profit	24.9	18.1	26.5	37.7	(5.8)
NII	45.3	37.1	42.0	22.0	7.9
NIM (%)	3.3	3.0	3.1	30bps	20bps
GNPA(%)	3.2	3.6	3.3	(40bps)	(10bps)
EPS (₹)	21.5	15.7	22.8	577	(133)

### One Year Price Chart





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