

## IndusInd Bank

Current Price: ₹ 1496.15

### STOCK DATA

|            |            |
|------------|------------|
| BSE Code   | 532187     |
| NSE Symbol | INDUSINDBK |
| Reuters    | INBK.BO    |
| Bloomberg  | IIB IN     |

### VALUE PARAMETERS

|                                      |                 |
|--------------------------------------|-----------------|
| 52 W H/L(Rs)                         | 1694.35/1065.50 |
| Mkt. Cap.(Rs Cr)                     | 116448.34       |
| Latest Equity(Subscribed)            | 778.32          |
| Latest Reserve (cons.)               | 56839.96        |
| Latest EPS (cons.) -Unit Curr.       | 111.05          |
| Latest P/E Ratio -cons               | 13.47           |
| Latest Bookvalue (cons.) -Unit Curr. | 740.29          |
| Latest P/BV - cons                   | 2.02            |
| Dividend Yield -%                    | 1.10            |
| Face Value                           | 10.00           |

### SHARE HOLDING PATTERN (%)

| Description as on        | % of Holding<br>31/04/2024 |
|--------------------------|----------------------------|
| Foreign                  | 46.49                      |
| Institutions             | 26.32                      |
| Non Promoter Corp. Hold. | 3.74                       |
| Promoters                | 15.10                      |
| Public & Others          | 8.36                       |

### Financial Results

In Cr.

| Particulars                | Qtr Ended<br>Mar. 24 | Qtr Ended<br>Mar. 23 | Var % |
|----------------------------|----------------------|----------------------|-------|
| Interest Earned            | 12198.53             | 10020.71             | 22    |
| Interest Expended          | 6822.09              | 5351.25              | 27    |
| Net Interest Income        | 5376.44              | 4669.46              | 15    |
| Other Income               | 2500.48              | 2150.51              | 16    |
| Net Total Income           | 7876.92              | 6819.97              | 15    |
| Operating Expenses         | 3849.82              | 3067.20              | 26    |
| Operating Profits          | 4027.10              | 3752.77              | 7     |
| Provisions & Contingencies | 899.11               | 1030.05              | -13   |
| Profit Before Tax          | 3127.99              | 2722.72              | 15    |
| Provision for tax          | 781.15               | 682.21               | 15    |
| PAT                        | 2346.84              | 2040.51              | 15    |
| EPS*(Rs)                   | 30.15                | 26.30                |       |

### IndusInd Bank Q4 FY24, Steady growth, margins and asset quality, meets estimates

Indusind Bank has reported 15% growth in net profit at Rs 2346.84 crore for the quarter ended March 2024 (Q4FY2024). The bank has posted healthy 15% growth in net interest income (NII), while the core fee income of the bank also improved 13% in Q4FY2024. The Net Interest Margin (NIM) of the bank was steady at 4.26% in Q4FY2024 compared to 4.28% in the corresponding quarter of previous year.

On business front, the bank as has posted 16% growth in business with strong 18% surge in loan book. The asset quality of the bank was stable in Q4FY2024. Bank has raised the credit to deposit ratio to 89.2% at end March 2024 from 86.2% at end March 2023. The CASA ratio of the bank has declined to 37.9% at end March 2024 from 40.0% at end March 2023.

**Asset quality stable:** The bank has maintained stable asset quality in Q4FY2024.

- The fresh slippages of loans stood at Rs 1428 crore in Q4FY2024 compared with 1765 crore in previous quarter and Rs 1603 crore in the corresponding quarter last year.
- The recoveries of NPAs stood at Rs 171 crore, upgradations at Rs 257 crore and the write-off of loans was at Rs 502 crore in Q4FY2024. The sale of assets to ARCs was at Rs 182 crore.
- The standard restructured loan book of the bank stood at Rs 1373 crore end March 2024.
- Provision coverage ratio was steady at 71.00% at end March 2024 compared to 71.00% a quarter ago and 71.00% a year ago.
- The capital adequacy ratio of the bank stood at 17.2% with Tier I ratio at 15.8% at end March 2024.
- The risk weighted assets of the bank has increased 14% YoY to Rs 383660 crore end March 2024,

### Business Highlights:

**Healthy business growth:** The business of the bank has increased 16% YoY to Rs 728091

## Asset Quality Indicators: Indusind Bank

In Cr.

| Particulars                 | Qtr Ended | Qtr Ended | Qtr Ended | Qtr Ended | Qtr Ended | Variation |     |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----|
|                             | Mar-24    | Dec-23    | Sept-23   | Jun-23    | Mar-23    | QoQ       | YoY |
| Gross NPA (Rs Crore)        | 6693.38   | 6377.05   | 6164.22   | 5941.12   | 5826.27   | 5         | 15  |
| Net NPA (Rs Crore)          | 1968.90   | 1875.18   | 1813.76   | 1746.93   | 1714.96   | 5         | 15  |
| % Gross NPA                 | 1.92      | 1.92      | 1.93      | 1.94      | 1.98      | 0         | -6  |
| % Net NPA                   | 0.57      | 0.57      | 0.57      | 0.58      | 0.59      | 0         | -2  |
| % PCR                       | 71.00     | 71.00     | 71.00     | 71.00     | 71.00     | 0         | 0   |
| % CRAR - Basel III          | 17.23     | 17.86     | 18.21     | 18.40     | 17.86     | -63       | -63 |
| % CRAR - Tier I - Basel III | 15.82     | 16.47     | 16.75     | 16.89     | 16.37     | -65       | -55 |

Variation in basis points for figures given in percentages and in % for figures in Rs crore

crore end March 2024, driven by 18% surge in advances to Rs 343298 crore. Deposits rose 14% to Rs 384793 crore at end March 2024.

**CASA deposits ratio declines:** The CASA deposits of the bank increased 8% YoY to Rs 145665 crore at end March 2024. The current account deposits fell 7% to Rs 46989 crore, while saving account deposits increased 17% to Rs 98676 crore end March 2024. The CASA ratio declined to 37.9% at end March 2024 compared to 40.0% at end March 2023, while eased from 38.5% a quarter ago. The term deposits have increased 19% to Rs 239128 crore end March 2024.

**Strong loan growth:** Advances growth was driven by retail loans rising 23% YoY to Rs 191245 crore at end March 2024, while credit to MSME increased 14% to Rs 68026 crore at end March 2024. The corporate credit has moved up 13% to Rs 84027 crore end March 2024.

Investment book of the bank increased 28% YoY to Rs 106527 crore at end March 2024.

**Margins steady:** The bank has showed 67 bps YoY jump in cost of deposits to 6.48%, while yield on advances increased 64 bps YoY to 12.66% in Q4FY2024. The NIM was nearly steady at 4.26% in Q4FY2024.

**Branch expansion:** The bank has added 256 branches and 17 ATMs in Q4FY2024, taking overall tally to 2984 branches and 2956 ATM's end March 2024.

**Book value** of the bank stood at Rs 802.2 per share at end March 2024, while the adjusted book value (net of NNPA and 10% of restructured advances) was Rs 775.1 per share at end March 2024.

### Quarterly Performance

**NII rises on stable NIMs and healthy loan growth:** Bank has recorded 22% increase in the interest earned at Rs 12198.53 crore, while interest expenses increased 27% to Rs 6822.09 crore in Q4FY2024. NII improved 15% to Rs 5376.44 crore in the quarter ended March 2024.

**Healthy growth in the core fee income:** Bank has posted healthy 13% growth in core fee income to Rs 2058 crore, while the treasury income jumped 221% to Rs 215 crore, supporting 16% rise in the overall non-interest income to Rs 2500.48 crore in the quarter ended March 2024. The forex income declined 13% to Rs 235 crore.

**Expenses ratio rises:** The operating expenses of the bank increased 26% to Rs 3849.82 crore, as other expenses moved up 26% to Rs 2800.71 crore, while employee expenses increased 25% to Rs 1049.11 crore in Q4FY2024. Cost to income ratio increased to 48.9% in Q4FY2024 compared with 45.0% in Q4FY2023. The Operating Profit to rose 7% to Rs 4027.10 crore.

**Provisions and contingencies decline:** The bank has showed -13% decline in provisions to Rs 899.11 crore.

**Effective tax rate** eased marginally to 25.0% in Q4FY2024 from 25.1% in Q4FY2023. Net Profit rose by 15% YoY to Rs 2346.84 crore during quarter ended March 2024.

### Financial Performance FY2024:

Bank has posted 21% increase in net profit to Rs 8949.78 crore in the year ended March 2024 (FY2024). The net interest income increased 17% to Rs 20615.91 crore, while non-interest income moved up 15% to Rs 9387.85 crore, pushing up net total income by 16% to Rs 30003.76 crore in FY2024. The operating expenses increased 25% to Rs 14263.49 crore, while provision and contingencies dipped 15% to Rs 3798.74 crore, allowing profit before tax to increase 21% to Rs 11941.53 crore in FY2024. The cost-to-income ratio rose to 47.5% in FY2024 compared to 44.3% in FY2023. An effective tax rate was steady at 25.1% in FY2024 compared to 25.1% in FY2023. The net profit has increased 21% to Rs 8949.78 crore in FY2024.

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