

# Banks and NBFCs

## A washout quarter

COVID-19 disrupted real economic activity in April and May. These disruptions, coupled with an already weak credit demand, has impacted asset growth, we believe. On the funding side, large private banks (and select NBFCs and HFCs within our coverage) are expected to have fared well. Even though collections were impacted, the standstill classification benefit/moratorium would have optically limited slippages and GNPA's. Thus, the true picture will emerge only in 2HFY21E. However, elevated provisions are likely to persist (denting earnings) for some lenders as they may have chosen to fortify their balance sheets.

Our broad thesis remains unchanged. We expect the banking space to witness increased polarisation. Consequently, larger banks with sufficient capital, strong granular liability franchises and a reasonable asset quality track record are expected to emerge stronger. Our top picks are ICICIBC (SoTP of Rs 456), AXSB (SoTP of Rs 565) and CUBK (TP of Rs 172). CIBC remains our top pick in the NBFC space, given its (1) management pedigree, (2) diversified portfolio, (3) easy access to funds and a higher proportion of bank borrowings, (4) more than sufficient capital post the recent fund raise, and (5) historical asset quality trends.

What we will watch out for: (1) disbursements under NCGTC scheme, (2) COVID-19 related provisions and changes in PCR, (3) details on the moratorium extended, and (4) deposits accretion (for banks) and availability of funds (for NBFCs and HFCs).

### Banks

- We expect slower credit growth across our coverage. Fresh disbursements in most loan segments would have been limited. The trends in non-food credit growth until May-20 (6.8% YoY vs. 11.4% YoY in May-19) substantiate our take. A significant proportion of fresh lending in the quarter have occurred in the following segments- agri loans, gold loans, and MSME loans under the NCGTC scheme.
- On the deposits front, we expect that large private banks (ICICIBC, AXSB and KMB) and SBIN (within our coverage) would have seen good deposit traction (faster growth vs. the sector).
- We expect banks such as ICICIBC and AXSB to report stable NIMs (QoQ). Although interest rates have trended downwards, the fall in yields will be cushioned by lower slippages. Further, these banks are likely to see a fall in their CoF. KMB is expected to see higher NIMs, given that it cut its SA rates sharply in April. Banks such as RBK, IIB, KVB, CUBK and DCBB may see NIMs compress due to CoF stickiness. Over FY21E, we expect most banks within our coverage to see NIM compression (refer to our report 'NIM Compression on the Cards').
- Banks such as AXSB, CUBK, and DCBB, which made relatively higher COVID-19 related provisions in 4QFY20, are expected to report lower provisions (QoQ). However, we expect IIB (provided 5% on overdue accounts), FB, RBK and SBIN to report higher provisions. Stake sale gains permit SBIN and ICICIBC to make higher provisions. We will watch for incremental COVID-19 related provisions.

### BANKS

Company	CMP (Rs)	RECO	TP (Rs)
AUBANK	623	ADD	577
AXSB	454	BUY	565
CUBK	138	BUY	172
DCBB	86	ADD	105
FB	55	BUY	64
ICICIBC	371	BUY	456
IIB	557	ADD	601
KMB	1,368	ADD	1,331
KVB	35	REDUCE	35
RBK	188	REDUCE	148
SBIN	199	BUY	277

### NBFCs

Company	CMP (Rs)	RECO	TP (Rs)
CIBC	209	BUY	235
SHTF	721	ADD	861
INDOSTAR	278	REDUCE	266
LICHF	283	REDUCE	272

Source: HSIE Research

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- Most banks are likely to see *optically* stable asset quality (QoQ). The standstill benefit classification is likely to limit slippages unless banks voluntarily classify an account as a non-performing one. Recoveries and upgrades will also be impacted.
- While the manner in which banks report moratorium metrics lacks standardisation, we expect the proportion of banks' loans under moratorium to have reduced by June-20. Repayments are likely to have improved after lockdown restrictions were eased. We will watch for commentary on this parameter.

#### NBFCs and HFCs

- We believe that our coverage is likely to see YoY AUM growth slow further. Disbursals for the quarter are expected to see a sharp decline (YoY and QoQ) due to limited business activity during April and May. June is likely to have contributed to the majority of the quarter's disbursals across the board.
- Tractors and two-wheelers are likely to have constituted a greater proportion of disbursals for vehicle financiers under our coverage.
- On the borrowings front, within our coverage, we expect CIFC and LICHF to have had access to ample funds, in line with previous trends. We also expect our coverage companies to continue to report an increase in the proportion of bank borrowings.
- NIMs are expected to remain stable for NBFCs within our coverage the liquidity drag would compensate the effect of a fall in CoF. LICHF's NIMs may rise slightly (due to a fall in CoF), after the significant compression seen in 4QFY20.
- We expect provisions to remain elevated in 1Q for our coverage universe. We will watch for incremental COVID-19 related provisions.
- Like banks, we expect NBFCs and HFCs to see optically stable asset quality. They would have also seen a decrease in the proportion of loans under moratorium in June 2020. Collection efficiency is likely to have improved after lockdown restrictions were eased. We will watch for commentary on this parameter.

## 1QFY21E: Financial Summary

Rs bn	NII			PPOP			APAT		
	1Q FY21E	YoY (%)	QoQ (%)	1Q FY21E	YoY (%)	QoQ (%)	1Q FY21E	YoY (%)	QoQ (%)
<b>PSBs</b>									
SBIN	238.0	3.8	4.6	145.2	9.6	(21.4)	33.3	43.9	(7.1)
<b>PVT Banks</b>									
ICICIBC	88.6	14.5	(0.8)	98.5	56.6	33.3	29.0	51.8	137.2
KMB	37.0	16.7	4.1	27.3	13.9	0.2	13.7	1.0	8.4
AXSB	67.6	15.7	(0.7)	52.7	(10.5)	(9.9)	12.3	(10.1)	NA
IIB	30.2	6.1	(6.6)	25.3	(2.2)	(10.7)	3.0	(78.9)	(0.1)
RBK	9.5	15.8	(7.3)	7.2	16.0	(6.1)	1.1	(57.0)	0.4
FB	11.9	3.1	(2.2)	11.9	3.1	(2.2)	2.8	(28.2)	(8.4)
CUBK	4.2	1.2	0.6	3.1	(13.0)	(8.8)	1.0	(45.5)	NA
DCBB	3.2	4.5	(1.6)	1.9	11.7	(12.2)	0.7	(10.5)	5.6
KVB	5.6	(4.3)	(5.3)	4.0	(9.7)	(19.6)	0.6	(14.8)	(25.8)
<b>Aggregate</b>	<b>257.7</b>	<b>12.7</b>	<b>(1.2)</b>	<b>231.9</b>	<b>16.5</b>	<b>6.2</b>	<b>64.3</b>	<b>(9.0)</b>	<b>243.0</b>
<b>SFBs</b>									
AUBANK	5.5	39.9	(0.3)	3.0	40.7	(2.0)	1.2	(6.7)	1.4
<b>NBFCs</b>									
SHTF	18.9	(2.6)	(2.1)	14.4	(6.7)	(2.3)	5.0	(20.8)	124.7
CIFC	9.3	12.8	2.1	6.4	7.3	3.5	2.9	(9.0)	571.3
INDOSTAR	1.4	(28.5)	0.8	0.6	(46.1)	368.4	0.3	(36.2)	NA
<b>Aggregate</b>	<b>29.6</b>	<b>0.0</b>	<b>(0.7)</b>	<b>21.4</b>	<b>(5.1)</b>	<b>1.8</b>	<b>8.2</b>	<b>(17.8)</b>	<b>NA</b>
<b>HFCs</b>									
LICHF	11.5	(2.9)	1.2	10.2	(7.2)	18.9	6.0	(1.5)	42.7

Source: HSIE Research

## 1QFY21E: Banks

What's Likely	Key Monitorables
<b>AUBANK</b>	
<ul style="list-style-type: none"> <li>▪ Given the muted disbursements in 1Q, AUM growth is expected to be slower at 18% (down 2% QoQ) vs. the previous trends.</li> <li>▪ NII growth of 40% YoY will be largely driven by NIM improvement (stable QoQ).</li> <li>▪ With lower disbursements, fee income too will be impacted.</li> <li>▪ We expect a 41% YoY PPOP growth after building in a 28% rise in opex.</li> <li>▪ We have built higher provisions (+4.6x YoY, flattish QoQ).</li> <li>▪ Adj PAT to dip 7% YoY (flat QoQ).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Retail deposit traction.</li> <li>▪ Details on the moratorium/collection efficiency</li> <li>▪ Scope for efficiency improvement.</li> <li>▪ Stake sale in AAVAS, if any.</li> </ul>
<b>AXSB</b>	
<ul style="list-style-type: none"> <li>▪ ~14% YoY (-1% QoQ) loan growth and stable NIMs are expected to drive core earnings growth of 16% YoY.</li> <li>▪ Drop in non-interest income (with muted core fees and higher recoveries in base qtr), will result in PPOP de-growth of 11% YoY and 10% QoQ).</li> <li>▪ We have factored in higher LLPs (+21% YoY), even as AXSB has a calc. PCR of ~69% and contingent provisions at 20% of GNPA's).</li> <li>▪ Higher provisions will drag net earnings (Rs 12.3bn, -10% YoY).</li> </ul>	<ul style="list-style-type: none"> <li>▪ GNPA and BB and below rated loan pool flux.</li> <li>▪ Details on the moratorium.</li> <li>▪ Comments on proposed fund raise</li> <li>▪ Outlook on growth and NIMs.</li> <li>▪ Subsidiaries' performance.</li> <li>▪ Deposit traction.</li> </ul>
<b>CUBK</b>	
<ul style="list-style-type: none"> <li>▪ Muted core earnings (1.2% YoY and flat QoQ) will be driven by margin compression and slower loan growth of 5%.</li> <li>▪ Drop in non-interest income (lower fees and dip in treasury gains) and a 13% rise in opex will drag PPOP (-13% YoY).</li> <li>▪ After factoring higher provisions (+35% YoY), net earnings are expected to dip 46%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Utilisation of MSME restructuring, if any</li> <li>▪ Details on the moratorium.</li> <li>▪ Comments on asset quality (esp. after weak commentary in 4Q).</li> <li>▪ Comments on SMA II and the SME sector.</li> <li>▪ Disbursements under NCGTC scheme</li> </ul>
<b>DCBB</b>	
<ul style="list-style-type: none"> <li>▪ Loan growth to further moderate to ~6.5% YoY</li> <li>▪ We expect core earnings to grow by ~5% YoY (down 2% QoQ); NIMs expected to dip in sequential basis.</li> <li>▪ PPOP growth to be 12% YoY led by strong operating leverage. However, on a sequential basis, PPOP expected to dip 12%</li> <li>▪ We have factored in higher provisions (+2.2x YoY).</li> <li>▪ Consequently, we expect PAT to de-grow 11% YoY. Sequentially PAT is expected to increase by 6% /QoQ.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Retail deposit accretion.</li> <li>▪ Utilisation of MSME restructuring, if any</li> <li>▪ Further comments on the moratorium.</li> <li>▪ Efficiency improvements.</li> <li>▪ Commentary on the LAP/SME businesses.</li> <li>▪ Disbursements under NCGTC scheme</li> </ul>
<b>FB</b>	
<ul style="list-style-type: none"> <li>▪ With 8% loan growth and some NIM compression (YoY), we expect NII to grow at a mere 3%.</li> <li>▪ Non-interest income to see a sharp drop QoQ as the base qtr includes one-off gains. However, non-interest income to remain flattish YoY</li> <li>▪ Opex to de-grow sequentially, as staff cost dips 14% QoQ (as base qtr includes additional provisions pursuant to wage negotiations).</li> <li>▪ Consequently, we expect PPOP (Rs 7.2bn) to dip 25% QoQ (-8% YoY).</li> <li>▪ Higher provisions (+84% YoY) will drag net earnings by 28% YoY to Rs 2.8bn.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Utilisation of MSME restructuring, if any</li> <li>▪ Details on the moratorium.</li> <li>▪ Incremental provisions towards COVID-19/ improvement of PCR</li> <li>▪ Additions to the watch-list and treatment of one stress exposure (sector: exchanges)</li> <li>▪ Disbursements under NCGTC scheme</li> </ul>

## What's Likely

## Key Monitorables

## ICICIBC

- Incrementally loan growth to be driven by corporate segment. We expect loan growth of 9% YoY.
  - Core earnings to grow at 15% YoY with some NIM improvement.
  - Higher non-interest income (aided by the stake in insurance subsidiary) will drive +57% YoY PPOP growth.
  - We have factored in higher provisions (+71% YoY, albeit lower QoQ), as ICICIBC proactively utilises the gains from stake sale in subs.
  - PAT is likely to register a sharp 52% YoY growth (+2.4x QoQ)
- Incremental provisions towards COVID-19/ improvement of PCR
  - Movement in BB and below-rated book and outlook on asset quality.
  - Details on the moratorium.
  - Subsidiaries' performance.
  - Comments on proposed fund raise

## IIB

- Loan growth to further moderate to 3.5% YoY vs. ~7% (comparable number) in 4Q.
  - With some pressure on NIMs (impacted by CoF), we expect NII to dip 7% QoQ (+6% YoY)
  - Non-interest income growth to be muted (flat % YoY) with higher treasury gains. Sequentially non-interest income to dip 7%
  - With a muted total income and 12% YoY rise opex, PPOP is expected to de-grow 2% YoY (-11% QoQ).
  - We have factored higher provisions (towards increasing PCR/COVID-19 related) of Rs 21.3bn i.e. +4.95x YoY
  - We expect earnings to dip 79% YoY (flat QoQ).
- Traction in retail deposits and further outflows in bulk deposits, if any.
  - Details on the moratorium.
  - Comments on fund raise
  - Provisions towards COVID-19/ increase PCR
  - Additions to the watch-list and stress in the corporate and SME segments.

## KMB

- Loan growth to further moderated to sub-7%
  - Despite the sharp drop in CD ratio, we expect NIMs to improve sequentially. This will be boosted by the sharp drop in SA deposits rate and recent fund raise.
  - We expect NII growth of 17% YoY (+4% QoQ).
  - Healthy core earnings, and a controlled 11% opex growth will lead to 14% growth in PPOP
  - We have factored in higher provisions (+2.8x YoY).
  - Consequently, PAT to remain flattish YoY (+8% QoQ)
- Details on the moratorium
  - Comments on macros and the financial Sector
  - Deposits inflows after the drop in SA rates
  - Performance of subsidiaries.

## KVB

- De-growth in loans and NIM compression is expected to result in NII de-growth of 4/5% YoY/QoQ
  - Non-interest income to dip QoQ (25%), led by lower treasury gains and muted fee traction.
  - Despite 5% de-growth in opex, PPOP is expected to drop 10% YoY (-20% QoQ) as core earnings muted.
  - We continue to factor higher provisions (given lower calc. PCR at 57% and provisions towards COVID-19).
  - Net earnings to de-grow 15% YoY (-26% QoQ), on a small base).
- Utilisation of MSME restructuring, if any,
  - Deposits traction
  - Details on the moratorium
  - Announcement about the new MD & CEO.
  - Additions to the watch-list and higher stress in the SME segment.

## RBK

- Loan growth to further moderate (down 1% YoY, 3% QoQ) from 7% in FY20 and 35% in FY19, with slowdown in MFI and credit card business and further moderation in corporate book
  - With sequential NIM compression, we expect NII to de-grow 7% QoQ (+16% YoY)
  - Non-interest income to de-grow 12/16% YoY/QoQ led by moderation in fee growth (esp. card business).
  - PPOP to de-grow 6% QoQ, with a 10% drop in total income
  - We factor in higher provisions (+2.6x YoY) given lower PCR (44%) and provisions towards COVID-19
  - Net earnings to de-grow 57% YoY (flat QoQ).
- Details and commentary on deposit flux and strategy for increased deposit mobilisation.
  - Details on the moratorium
  - Additional provisions towards rise in PCR or related to COVID-19
  - Drop in margins
  - Movement in GNPA's and addition to the watch-list, if any.

What's Likely	Key Monitorables
<b>SBIN</b>	
<ul style="list-style-type: none"> <li>▪ SBIN's loan to grow at 6.7% YoY (down 2% QoQ).</li> <li>▪ With marginal NIM improvement on a sequential basis, we expect NII to grow at 4/5% YoY/QoQ.</li> <li>▪ NIM will be cushioned with lower slippages and SA rate reduction.</li> <li>▪ Non-interest income to drop QoQ (seasonal trends) led by lower core fees. We have factored stake sale gains of Rs 15.2bn in SBI Life.</li> <li>▪ Opex to remain flattish QoQ and grow 13% YoY after 7% rise in staff cost.</li> <li>▪ PPOP to grow 9% (down 21% QoQ), driven by lower non-interest income; core PPOP to de-grow 4/20% YoY/QoQ.</li> <li>▪ We have factored higher provisions (+10% YoY) despite ample coverage (+84%).</li> <li>▪ PAT to grow 44% YoY (down 7%)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Deposits traction.</li> <li>▪ Details on the moratorium</li> <li>▪ Slippages in agri segment, as the moratorium was not offered to the segment.</li> <li>▪ Additional provisions to increase in PCR / COVID-19 related provisions.</li> <li>▪ Utilisation of one-off gains from the SBI Life stake sale to bolster the b/s or otherwise.</li> </ul>

## 1QFY21E: NBFCs

What's Likely	Key Monitorables
<b>CIFC</b>	
<ul style="list-style-type: none"> <li>▪ We expect a sharp drop in disbursements given the disruptions in 1<sup>st</sup> half of the qtr. However, we expect CIFC to gain M-share across segments.</li> <li>▪ Consequently, AUM growth to be slower at 7% YoY vs. 12% YoY in FY20.</li> <li>▪ NIMs are likely to marginally improve on a sequential basis, driven by the recent capital raise, MCLR cuts and rise in share of high yielding segments. Higher liquidity on B/S will restrict the improvement.</li> <li>▪ NII is expected to grow at 13% YoY and 2% QoQ.</li> <li>▪ After factoring a 12% rise in opex cost, we expect PPOP to grow at a mere 7% YoY.</li> <li>▪ We have conservatively factored in a 2.3x YoY growth in provisions.</li> <li>▪ PAT to de-grow 9% YoY.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Comments on Collections and on ground business activities.</li> <li>▪ Details on the moratorium</li> <li>▪ Approach to provisioning.</li> <li>▪ Improvement in efficiency and coverage.</li> <li>▪ Liquidity and comments on availability of funds.</li> </ul>
<b>INDOSTAR</b>	
<ul style="list-style-type: none"> <li>▪ With near NIL disbursements, we expect AUM to marginally dip on QoQ basis.</li> <li>▪ Consequently, NII to remain flat QoQ</li> <li>▪ Sequentially, provisions are expected to dip significantly given the cushion created in 4Q.</li> <li>▪ With slower core earnings growth, we expect PAT to dip 37% YoY.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Details on the moratorium</li> <li>▪ Liquidity, availability of funds and cost of funds (incremental).</li> <li>▪ Outlook on growth and asset quality.</li> <li>▪ Incremental provisions on corporate and VF portfolio</li> </ul>
<b>SHTF</b>	
<ul style="list-style-type: none"> <li>▪ Muted AUM growth to continue in 1Q as well (4% YoY and flat QoQ), accentuated by slower disbursements.</li> <li>▪ NIMs are expected to be marginally impacted by higher cost of funds and additional liquidity on B/S</li> <li>▪ We expect NII to de-grow 3/2% YoY/QoQ.</li> <li>▪ Opex is expected to grow at 11% YoY (down 2% QoQ), resulting in a 7% drop in PPOP.</li> <li>▪ we continue to factor elevated LLPs (~2.8% vs. 2.1% YoY)</li> <li>▪ We expect PAT to de-grow by ~21% YoY (+2.2x QoQ, on a smaller base)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Liquidity, availability of funds and cost of funds.</li> <li>▪ Details on the moratorium</li> <li>▪ Comments on Collections and on ground business activities.</li> <li>▪ Comments on the three-way merger.</li> </ul>

## What's Likely

## Key Monitorables

## LICHF

- We expect AUM growth of 7% YoY (flattish QoQ). Core home loans are expected to see better traction, while developer loans will see some moderation.
  - NIMs are expected to improve QoQ (after a sharp drop in 4Q), driving NII growth of 1.2% QoQ (flattish YoY).
  - Sharp QoQ drop in opex (sequential phenomenon) will drive PPOP growth of 19% QoQ.
  - We have factored in higher provisions (+7.8x QoQ) given current coverage (~44%). This poses a risk to our estimates on either side.
  - PAT to grow at 43% QoQ (flat YoY).
- Outlook on growth, NIMs and asset quality.
  - Details on the moratorium.
  - Asset quality in the retail book and resolutions in developer loans.
  - Repayment rates.

## Revision in TP

	TP (Rs)		Multiple (x)		Rating	
	OLD	NEW	OLD	NEW	OLD	NEW
<b>BANKS</b>						
AUBANK	549	577	3.1	3.3	ADD	ADD
AXSB	541	565	1.5	1.6	BUY	BUY
CUBK	164	172	2.1	2.2	BUY	BUY
DCBB	100	105	0.9	0.9	ADD	ADD
FB	62	64	0.8	0.9	BUY	BUY
ICICIBC	442	456	1.5	1.6	BUY	BUY
IIB	575	601	1.0	1.1	ADD	ADD
KMB	1,282	1,331	3.0	3.1	ADD	ADD
KVB	33	35	0.5	0.6	REDUCE	REDUCE
RBK	136	148	0.6	0.7	REDUCE	REDUCE
SBIN	270	277	0.8	0.8	BUY	BUY
<b>NBFCs</b>						
CIFC	225	235	2.0	2.1	BUY	BUY
SHTF	825	861	1.1	1.2	ADD	ADD
INDOSTAR	253	266	0.9	1.0	REDUCE	REDUCE
LICHF	263	272	0.9	0.9	REDUCE	REDUCE

Source: HSIE Research

## Peer Set Comparison

	MCAp (Rs bn)	CMP (Rs)	Rating	TP (Rs)	ABV (Rs)			P/E (x)			P/ABV (x)			ROAE (%)			ROAA (%)		
					FY20P	FY21E	FY22E	FY20P	FY21E	FY22E	FY20P	FY21E	FY22E	FY20P	FY21E	FY22E	FY20P	FY21E	FY22E
<b>BANKS</b>																			
AUBANK	189	623	ADD	577	135	146	172	30.8	30.1	24.8	4.51	4.18	3.53	18.6	13.3	14.2	1.61	1.35	1.40
AXSB#	1,280	454	BUY	565	268	292	341	75.4	13.2	9.9	1.62	1.49	1.27	2.1	10.4	12.4	0.19	0.98	1.20
CUBK	102	138	BUY	172	61	65	77	21.5	20.1	13.5	2.26	2.12	1.81	9.4	9.2	12.3	1.00	1.00	1.38
DCBB	27	86	ADD	105	93	94	114	7.9	8.8	6.9	0.92	0.91	0.75	10.3	8.5	9.9	0.91	0.76	0.89
FB	110	55	BUY	64	65	67	76	7.1	9.2	7.1	0.85	0.83	0.73	11.1	7.9	9.6	0.91	0.64	0.77
ICICIBC#	2,399	371	BUY	456	155	173	201	20.5	11.1	9.1	1.62	1.41	1.20	6.3	11.1	12.1	0.77	1.25	1.39
IIB	395	557	ADD	601	459	512	575	8.7	13.4	9.4	1.21	1.09	0.97	14.7	8.1	10.2	1.51	0.93	1.21
KMB#	2,706	1,368	ADD	1,331	240	292	330	34.8	34.9	29.8	4.50	3.80	3.26	13.6	11.6	11.1	1.78	1.67	1.75
KVB	28	35	REDUCE	35	60	51	62	12.1	8.8	6.2	0.59	0.69	0.57	3.6	4.8	6.7	0.34	0.46	0.61
RBK	96	188	REDUCE	1448	185	196	215	18.9	19.7	11.6	1.02	0.96	0.88	5.6	4.5	7.2	0.60	0.53	0.84
SBIN#	1,777	199	BUY	277	175	167	207	5.3	7.5	3.7	0.49	0.53	0.42	6.4	4.4	8.2	0.38	0.26	0.48
<b>NBFCs</b>																			
CIFC	171	209	BUY	235	84	92	112	16.3	15.3	12.6	2.48	2.28	1.86	14.7	12.9	13.9	1.73	1.73	1.98
SHTF	164	721	ADD	861	530	568	754	6.5	7.4	5.9	1.36	1.27	0.96	14.8	11.5	13.0	2.28	1.90	2.28
INDOSTAR	37	278	REDUCE	266	226	247	276	-7.9	32.8	17.5	1.23	1.13	1.01	11.4	4.0	5.2	-2.96	1.15	2.00
LICHF	143	283	REDUCE	272	294	269	298	5.9	8.9	6.1	0.96	1.05	0.95	13.9	8.5	11.3	1.15	0.72	0.99

Source: HSIE Research, #Adjusted for subsidiaries



### Rating Criteria

BUY: >+15% return potential  
 ADD: +5% to +15% return potential  
 REDUCE: -10% to +5% return potential  
 SELL: > 10% Downside return potential

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