

# IndusInd Bank

We had extended price target on IndusInd Bank to Rs939 in Call Updated dated 1<sup>st</sup> January, 2015. The stock has surpassed our target in yesterday's trading session thus delivering a return of 16% in the aforesaid period. Notwithstanding the significant rally in the stock, we believe that valuation has room for further augmentation given that bank would deliver the best earnings growth of 30% pa over FY14-17 within our coverage universe. The key earnings growth drivers would be acceleration in loan growth, expansion in NIM, improvement in cost metric and moderation in credit cost. We therefore extend our price target to Rs1,035.

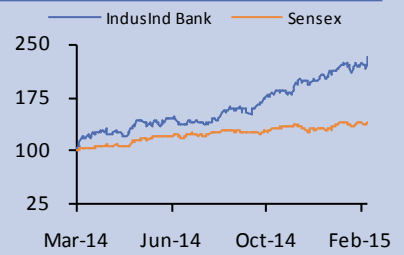
Previous Reco Price:	Rs811
Previous Target Price:	Rs939
Return Achieved:	16.0%
New Target Price:	Rs1,035
Expected Return:	10.3%

<b>Sector:</b>	<b>Financials</b>
<b>Sector view:</b>	<b>Positive</b>
Sensex:	29459
52 Week h/l (Rs):	950/390
Market cap (Rscr) :	49960
6m Avg vol ('000Nos):	950
Bloomberg code:	IIB IB
BSE code:	532187
NSE code:	INDUSINDBK
FV (Re):	10
Price as on March 2, 2015	

## Company rating grid

	Low	1	2	3	4	5	High
Earnings Growth							
RoA Progression							
B/S Strength							
Valuation appeal							
Risk							
	Low						High

## Share price trend



## Share holding pattern

(%)	Dec-14	Sep-14	Jun-14
Promoter	15.1	15.1	15.2
Insti	49.6	51.9	52.15
Others	35.3	33	32.65

Call Success & Update

## IndusInd Bank

We had recommended a BUY on IndusInd Bank with a 24-month price target of Rs811 in our large cap strategy report - **Size Matters! 12 Bluechips to ride on** - dated August 27<sup>th</sup>, 2014. Stock has surpassed the target in today's trading session thus returning a substantial 44% in just four months. Despite significant return outperformance vis-à-vis peers, we remain upbeat on IndusInd Bank given its high quality franchise, superior profitability and ability to deliver the fastest earnings growth. Valuation, consequently, would continue to get richer.



Previous Reco Price:	Rs562
Previous Target Price:	Rs811
Return Achieved:	44.2%
12m Target Price:	Rs939
Expected Return:	16.0%

<b>Sector:</b>	<b>Financials</b>
<b>Sector view:</b>	<b>Positive</b>
Sensex:	27472
52 Week h/l (Rs):	811/369
Market cap (Rscr) :	42,809
6m Avg vol ('000Nos):	920
Bloomberg code:	IIB IB
BSE code:	532187
NSE code:	INDUSINDBK
FV (Re):	10
Price as on January 1, 2015	

### Company rating grid

	Low	1	2	3	4	5	High
Earnings Growth							
RoA Progression							
B/S Strength							
Valuation appeal							
Risk							
	Low						High

### Share price trend



### Share holding pattern

(%)	Mar-14	Jun-14	Sep-14
Promoter	15.2	15.2	15.1
Insti	50.8	52.1	51.8
Others	34.0	32.7	33.1

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January 01, 2015

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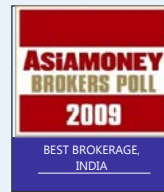
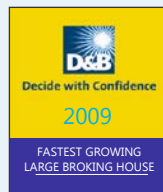
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## Other awards



### Recommendation parameters for fundamental reports:

**Buy** – Absolute return of over +15%

**Accumulate** – Absolute return between 0% to +15%

**Reduce** – Absolute return between 0% to -10%

**Sell** – Absolute return below -10%

**Call Failure** - In case of a Buy report, if the stock falls 20% below the recommended price on a closing basis, unless otherwise specified by the analyst; or, in case of a Sell report, if the stock rises 20% above the recommended price on a closing basis, unless otherwise specified by the analyst

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