

UCO Bank

Performance Highlights

Particulars (₹ cr)	4QFY11	3QFY11	% chg (qoq)	4QFY10	% chg (yoy)
NII	844	1,062	(20.5)	744	13.5
Pre-prov. profit	580	765	(24.2)	566	2.5
PAT	226	301	(25.0)	380	(40.5)

Source: Company, Angel Research

For 4QFY2011, UCO Bank posted a disappointing set of numbers with net profit declining by 25.0% qoq and 40.5% yoy to ₹226cr on account of a sharp 76bp sequential fall in reported NIMs as well as an 83.8% spurt in net NPAs. Profitability was also marred by the full hit of the provisions required for second pension option and gratuity for retired employees. **We maintain our Neutral recommendation on the stock.**

Disappointing NIM and slippages: During 4QFY2011, the bank's advances grew by 10.7% qoq and 18.8% yoy, and deposits grew 20.3% qoq and 18.7% yoy during 4QFY2011. Reported NIM declined sharply by 76bp qoq due to a 77bp qoq increase in cost of deposits, as 87% of incremental deposits were high-cost wholesale deposits and CDs. NIM compression was exacerbated by a 23bp decline in yield on advances due to high slippages. The annualised slippage ratio was as high as 5.7% during 4QFY2011 from an average of 2.5% in 9MFY2011 and 1.6% in FY2010. Net NPAs surged by 83.8% qoq and reported provision coverage ratio fell to 51.6% from 66.2% in 3QFY2011 as the bank reverted to incremental NPA provisioning based on prudential norms vs. the 70% PCR norm.

Outlook and valuation: Structurally, the bank has had relatively higher exposure to large corporates, low CASA of ~23% and low fee/assets. Going forward, we expect the bank's earnings to find support from increasing exposure to the SME and retail segments, improving other income and moderating asset-quality pressures, aided by increasing recoveries. However, at the CMP, the stock is trading at 1.0x FY2013E ABV, which we believe factors in the improvement expected in earnings quality. **Hence, we maintain our Neutral recommendation on the stock.**

Key financials

Y/E March (₹ cr)	FY2010	FY2011	FY2012E	FY2013E
NII	2,324	3,845	3,810	4,240
% chg	41.3	65.4	(0.9)	11.3
Net profit	1,012	907	1,126	1,294
% chg	81.5	(10.4)	24.2	14.9
NIM (%)	1.9	2.6	2.2	2.2
EPS (₹)	18.4	11.8	15.1	17.8
P/E (x)	5.2	8.0	6.3	5.3
P/ABV (x)	1.7	1.4	1.1	1.0
RoA (%)	0.8	0.6	0.6	0.6
RoE (%)	31.6	16.8	16.9	17.3

Source: Company, Angel Research

NEUTRAL

CMP	₹94
Target Price	-

Investment Period	-
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Stock Info

Sector	Banking
Market Cap (₹ cr)	5,902
Beta	1.3
52 Week High / Low	152/69
Avg. Daily Volume	9,41,519
Face Value (₹)	10
BSE Sensex	17,993
Nifty	5,387
Reuters Code	UCBK.BO
Bloomberg Code	UCO@IN

Shareholding Pattern (%)

Promoters	68.1
MF / Banks / Indian FIs	10.2
FII / NRIs / OCBs	5.7
Indian Public / Others	16.0

Abs. (%)	3m	1yr	3yr
Sensex	(1.0)	9.4	8.1
UCO Bank	(7.4)	32.4	113.3

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Exhibit 1: 4QFY2011 performance

Particulars (₹ cr)	4QFY11	3QFY11	% chg (qoq)	4QFY10	% chg (yoy)
Interest earned	3,068	2,894	6.0	2,436	26.0
- on Advances / Bills	2,298	2,203	4.3	1,751	31.2
- on investments	728	679	7.2	608	19.7
- on balance with RBI & others	20	10	95.3	50	(61.1)
- on others	24	2	1,142.7	27	(10.0)
Interest Expended	2,224	1,832	21.4	1,692	31.5
Net Interest Income	844	1,062	(20.5)	744	13.5
Other income	292	214	36.4	254	14.9
Operating income	1,136	1,276	(11.0)	998	13.9
Operating expenses	556	511	8.9	432	28.7
- Employee expenses	381	366	4.1	288	32.5
- Other Opex	175	145	21.1	145	21.2
Pre-provision Profit	580	765	(24.2)	566	2.5
Provisions & Contingencies	341	456	(25.2)	177	92.7
- Provisions for NPAs	94	338	(72.3)	204	(54.0)
- Other Provisions	247	118	110.0	(27)	NA
PBT	239	310	(22.8)	389	(38.5)
Provision for Tax	13	8	58.7	9	48.0
PAT	226	301	(25.0)	380	(40.5)
Effective Tax Rate (%)	5.5	2.7	284bp	2.3	323bp

Source: Company, Angel Research

Exhibit 2: 4QFY2011 – Actual vs. estimates

Particulars (₹ cr)	Actual	Estimates	Var. (%)
Net interest income	844	1,054	(19.9)
Other income	292	244	19.9
Operating income	1,136	1,298	(12.4)
Operating expenses	556	522	6.7
Pre-prov. profit	580	776	(25.3)
Provisions & cont.	341	387	(11.9)
PBT	239	389	(38.5)
Prov. for taxes	13	30	(55.8)
PAT	226	359	(37.1)

Source: Company, Angel Research

Exhibit 3: 4QFY2011 performance analysis

Particulars	4QFY11	3QFY11	% chg (qoq)	4QFY10	% chg (yoy)
Balance sheet					
Advances (₹ cr)	99,071	89,486	10.7	83,371	18.8
Deposits (₹ cr)	145,278	120,758	20.3	122,416	18.7
Credit-to-Deposit Ratio (%)	68.2	74.1	(591)bp	68.1	9bp
Current deposits (₹ cr)	7,360	4,272	72.3	6,139	19.9
Saving deposits (₹ cr)	24,308	23,616	2.9	21,183	14.8
CASA deposits (₹ cr)	31,668	27,888	13.6	27,322	15.9
CASA ratio (%)	23.2	24.8	(155)bp	23.6	(35)bp
CAR (%)	13.8	13.0	78bp	13.2	59bp
Tier 1 CAR (%)	8.6	7.5	114bp	7.1	156bp
Profitability Ratios (%)					
Cost of deposits	6.3	5.6	77bp	5.6	76bp
Yield on advances	9.9	10.1	(23)bp	9.3	57bp
Yield on investments	7.4	7.2	18bp	7.2	23bp
Yield on funds	9.1	NA	NA	8.5	67bp
Cost of funds	6.8	NA	NA	5.8	95bp
Reported NIM	2.4	3.1	(76)bp	2.6	(28)bp
Cost-to-income ratio	49.0	40.0	893bp	43.3	564bp
Asset quality					
Gross NPAs (₹ cr)	3,150	2,300	37.0	1,666	89.0
Gross NPAs (%)	3.1	2.6	56bp	2.0	114bp
Net NPAs (₹ cr)	1,825	993	83.8	966	88.8
Net NPAs (%)	1.8	1.1	71bp	1.2	67bp
Provision Coverage Ratio (%)	51.6	66.2	(1,464)bp	50.0	160bp
Slippage ratio (%)	5.7	2.2	351bp	NA	NA
LLP to average assets (%)	0.3	1.0	(72)bp	0.7	(41)bp

Source: Company, Angel Research

Strong business growth at the expense of margins

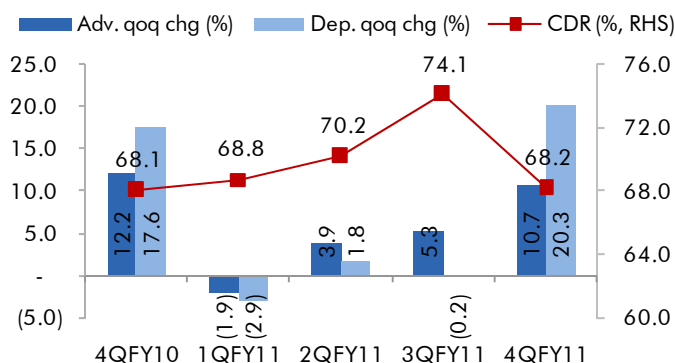
During 4QFY2011, advances growth was healthy at 10.7% qoq and a reasonable 18.8% yoy. On a yoy basis, credit and mid-corporate loans recorded healthy growth of 28.2% and 21.7%, respectively. As a result of stronger deposits growth, the credit-deposit ratio dipped by ~600bp qoq to 68.2%.

On the deposits side, CASA deposits registered growth of 15.9% yoy driven by 19.9% growth in current account deposits and 14.8% rise in saving account deposits. Saving account deposits growth slowed down to just 2.9% qoq, leading to a fall in reported CASA ratio by 155bp to 23.2% despite a 72.3% qoq increase in current account deposits (primarily on account of year-end surge).

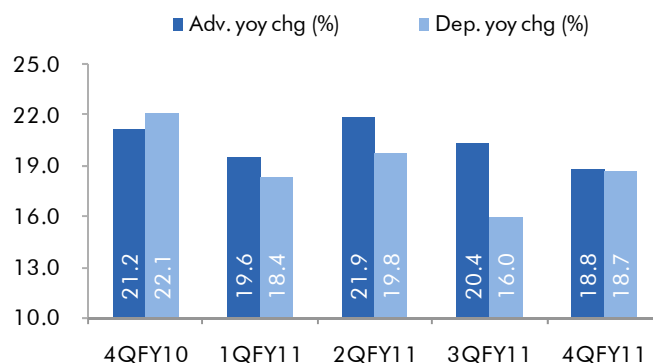
Exhibit 4: Domestic deposits composition

Particulars (₹ cr)	4QFY11	3QFY11	% chg (qoq)	4QFY10	% chg (yoy)
Current deposits	7,360	4,272	72.3	6,139	19.9
Savings deposits	24,308	23,616	2.9	21,183	14.8
Bulk deposits	40,855	34,818	17.3	44,125	(7.4)
CD	23,512	15,872	48.1	8,464	177.8
Retail term deposits	40,380	42,180	(4.3)	36,045	12.0
Domestic deposits	136,415	120,758	13.0	115,956	17.6

Source: Company, Angel Research

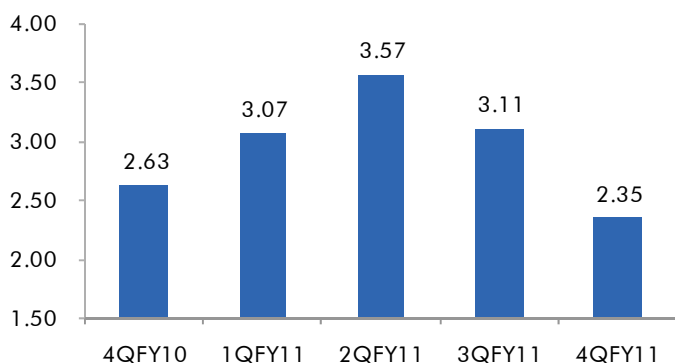
Exhibit 5: Strong business growth sequentially...


Source: Company, Angel Research

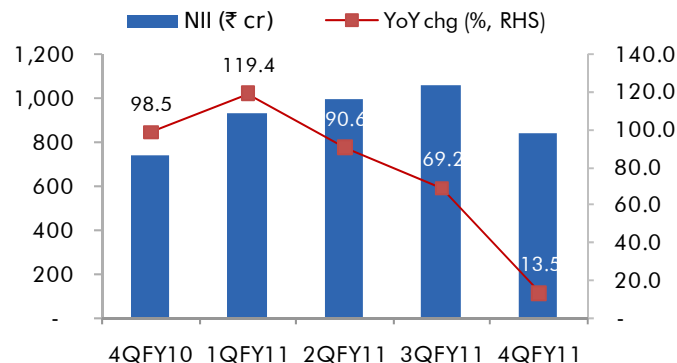
Exhibit 6: ... reasonable on a yoy basis


Source: Company, Angel Research

Reported NIM declined sharply by 76bp qoq due to a 77bp qoq increase in cost of deposits, as 87% of incremental deposits were high-cost wholesale deposits and CDs. Share of saving account deposits in sequentially incremental deposits was just 4.4%. NIM compression was exacerbated by a 23bp decline in yield on advances due to high slippages. Consequently, the bank's NII growth slowed down to 13.5% compared to over 70% yoy growth in each of the past four quarters.

Exhibit 7: Reported NIM dips sharply...


Source: Company, Angel Research

Exhibit 8: ...leading to moderation in NII yoy growth


Source: Company, Angel Research

Fee income declines yoy; recoveries rise sharply

During FY2011, other income declined by 4.2% yoy to ₹925cr primarily due to lower treasury gains. Other income excluding treasury registered growth of 15.4% yoy to ₹834cr on the back of almost doubling of recoveries from written-off accounts. Exchange and commission income declined by 6.8% yoy compared to 18.8% yoy growth in advances. The bank recorded lower treasury gain of ₹91cr in FY2011 compared to ₹243cr in FY2010.

Exhibit 9: Sharp pick-up in recoveries from written-off accounts

Particulars (₹ cr)	FY2011	FY2010	% chg
Exchange & commission	232	249	(6.8)
Recovery from written-off accounts	84	43	95.3
Treasury income	91	243	(62.6)
Others	518	431	20.2
Other income	925	966	(4.2)
Other income excl. treasury	834	723	15.4

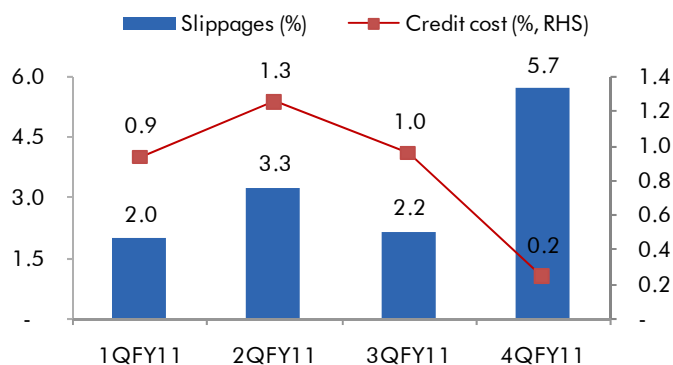
Source: Company, Angel Research

Slippages spurt again; credit costs low due to relaxation of 70% PCR norm for incremental slippages

The bank's asset quality deteriorated considerably during the quarter as well as during the entire FY2011. Annualised slippage ratio for 4QFY2011 rose to 5.7% compared to an average slippage of 2.5% during 9MFY2011 and 1.6% during FY2010. On a yoy basis, slippages more than doubled to 3.3% from 1.6% in FY2010. Management attributed this to cleaning up of the balance sheet and partly to CBS-driven recognition of NPAs (for loans of ₹1cr and above so far).

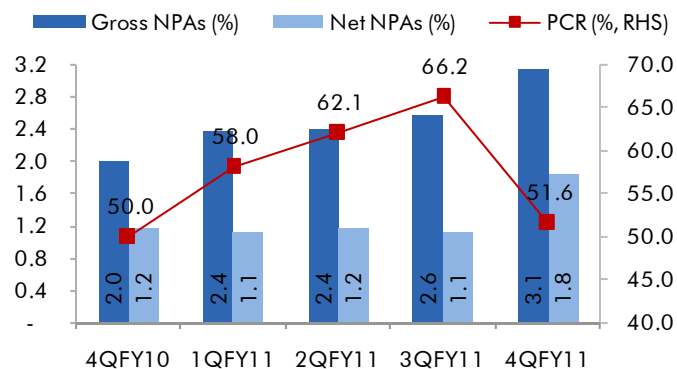
During 4QFY2011, gross NPAs increased by 37.0% qoq and 89.0% yoy to ₹3,150cr and net NPAs jumped up by 83.8% qoq and 88.8% yoy to ₹1,825cr. Gross and net NPA ratios deteriorated to 3.1% (from 2.6% from 3QFY2011 and 2.0% in 4QFY2010) and 1.8% (from 1.1% in 3QFY2011 and 1.2% in 4QFY2010), respectively. The reported provision coverage ratio declined to 51.6% from 66.2% in 3QFY2011, as the bank transferred the excess provisions (of ₹210cr) vis-à-vis the prudential norms into 'counter cyclical provisioning buffer' in accordance with the recent RBI circular.

Exhibit 10: Slippages spurt sharply



Source: Company, Angel Research

Exhibit 11: Asset quality deteriorates substantially



Source: Company, Angel Research

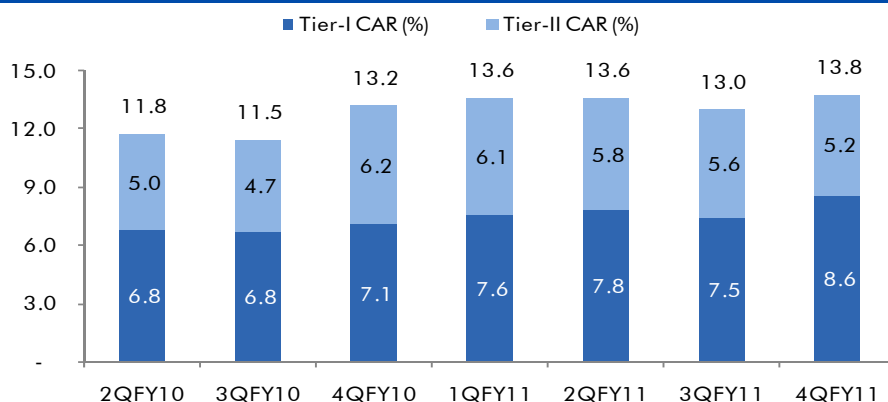
During 4QFY2011, despite the spurt in slippages, credit cost declined to 0.2% from an average of 1.1% in 9MFY2011, as the bank took benefit of the recent RBI circular, which relaxed the 70% provision coverage norm on incremental slippages.

The bank's total amount of restructured advances stood at ₹6,325cr (₹474cr restructured in FY2011) as of 4QFY2011, representing 6.4% of advances and ~90% of net worth. Of the cumulative restructuring, ₹820cr (13.0% of restructured advances) slipped into NPAs as of 4QFY2011.

Capital adequacy improves on capital infusion

Post the recent equity capital infusion of about ₹940cr and preference capital infusion of ₹673cr by the Government of India, the bank's tier-I has improved to 8.6% from 7.5% in 3QFY2011. Post the capital infusion, the government's shareholding in the bank stands at 68.1%, indicating the headroom available for raising tier-I capital. Overall capital adequacy improved to 13.8% from 13.0% in 3QFY2011.

Exhibit 12: Trend in CAR



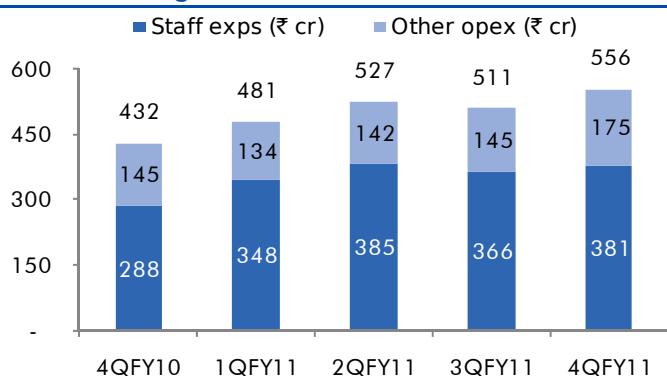
Source: Company, Angel Research

Operating costs rise; branch expansion muted

During the quarter, operating expenses of the bank increased by 8.9% qoq and 28.7% yoy to ₹556cr. Staff costs were stable sequentially (growth of 4.1% qoq) but increased by 32.5% yoy to ₹381cr. The bank's incremental liability on account of second pension and enhanced gratuity amounted to ₹800cr for serving employees, of which it amortised ₹160cr (1/5th) in FY2011. The bank also provided ₹55cr towards the full pension liability with respect to retired employees.

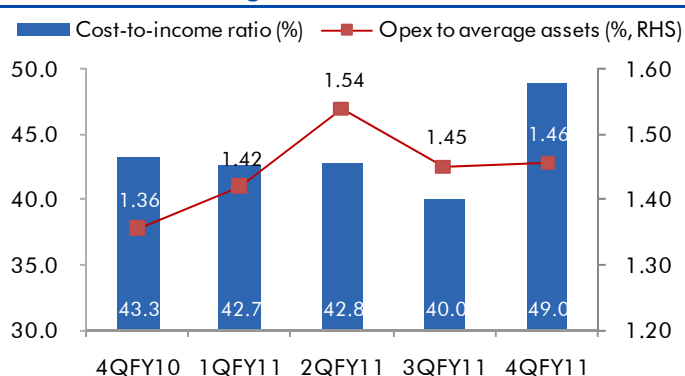
Other operating expenses jumped up by 21.1% qoq to ₹175cr. As a result of declining operating performance and higher operating costs, the cost-to-income ratio deteriorated to 49.0% from 40.0% in 3QFY2011 and 43.3% in 4QFY2010.

Exhibit 13: Higher staff costs...



Source: Company, Angel Research

Exhibit 14: ...leading to deterioration in cost ratios



Source: Company, Angel Research

During 4QFY2011, the bank opened 35 new branches, taking its total branch network to 2,202. While during the entire FY2011, the bank added just 50 branches, representing growth of just 2.3% yoy in its branch network. Going forward, management has expressed an intention to open a substantial 800 branches over the next two years.

Investment arguments

Improvement in core profitability

The bank had relatively lower NIM of 1.9% in FY2010 due to low CASA ratio of ~25% and high exposure to relatively low-yielding corporate loans, which constituted 69% of its total loan book. While reported NIM has risen to 3.1% in FY2011 due to a decline in cost of wholesale deposits, going forward, an increase in retail and SME loans is expected to partly stem the fall in NIM due to rising deposit rates. We have factored in a ~40bp decline in NIM for FY2012.

Improvement in operating environment to lower credit cost

The bank's gross and net NPAs stood at 3.1% and 1.8%, respectively, in FY2011, with cumulative restructured advances at ₹6,211cr (6.3% of loans, 119% of net worth). Going forward, we expect stronger recoveries and lower slippages, which are expected to result in a decline in provisioning expense, as a percentage of average assets, to 0.3% for FY2013 from 0.8% in FY2011.

Outlook and valuation

Structurally, the bank has had relatively higher exposure to large corporates, low CASA of ~23% and low fee/assets. Going forward, we expect the bank's earnings to find support from its increasing exposure to the SME and retail segments, improving other income and moderating asset-quality pressures, aided by increasing recoveries. However, at the CMP, the stock is trading at 1.0x FY2013E ABV, which we believe factors in the improvement expected in earnings quality. **Hence, we maintain our Neutral recommendation on the stock.**

Exhibit 15: Key assumptions

Particulars (%)	Earlier estimates		Revised estimates	
	FY2012	FY2013	FY2012	FY2013
Credit growth	17.0	16.0	20.0	20.0
Deposit growth	16.0	16.0	15.0	15.0
CASA ratio	26.0	25.6	21.3	21.2
NIMs	2.8	2.5	2.2	2.2
Other income growth	18.9	16.0	17.7	17.0
Growth in staff expenses	14.0	14.0	15.0	15.0
Growth in other expenses	14.0	14.0	17.0	17.0
Slippages	2.2	2.1	1.9	1.9
Treasury gain/(loss) (% of investments)	0.2	0.2	0.2	0.2

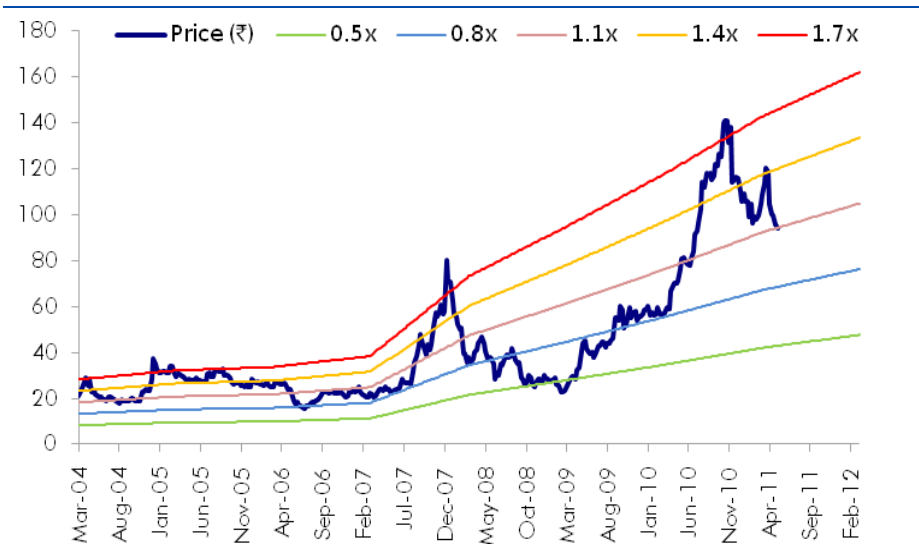
Source: Angel Research

Exhibit 16: Change in estimates

Particulars (₹ cr)	FY2012			FY2013		
	Earlier estimates	Revised estimates	Var. (%)	Earlier estimates	Revised estimates	Var. (%)
NII	4,334	3,810	(12.1)	4,595	4,240	(7.7)
Non-interest income	1,043	1,090	4.5	1,209	1,275	5.4
Operating income	5,377	4,899	(8.9)	5,805	5,515	(5.0)
Operating expenses	2,326	2,399	3.1	2,652	2,772	4.5
Pre-prov. profit	3,050	2,501	(18.0)	3,153	2,742	(13.0)
Provisions & cont.	1,151	1,249	8.6	1,103	1,017	(7.8)
PBT	1,899	1,251	(34.1)	2,050	1,726	(15.8)
Prov. for taxes	551	125	(77.3)	665	431	(35.1)
PAT	1,349	1,126	(16.5)	1,385	1,294	(6.6)

Source: Angel Research

Exhibit 17: P/ABV band



Source: Company, Angel Research

Exhibit 18: Recommendation summary

Company	Reco.	CMP (₹)	Tgt. price (₹)	Upside (%)	FY2013E P/ABV (x)	FY2013E Tgt P/ABV (x)	FY2013E P/E (x)	FY2011E-13E EPS CAGR (%)	FY2013E RoA (%)	FY2013E RoE (%)
AxisBk	Buy	1,187	1,653	39.3	1.9	2.7	9.7	21.7	1.5	21.2
FedBk	Accumulate	422	447	5.9	1.1	1.2	8.5	20.6	1.3	14.1
HDFCBk	Accumulate	2,264	2,582	14.0	3.1	3.5	16.0	29.5	1.7	20.7
ICICIBk*	Buy	1,007	1,355	34.6	1.8	2.5	14.6	24.0	1.5	15.6
SIB	Accumulate	23	25	8.6	1.2	1.3	7.1	11.7	0.9	17.3
YesBk	Buy	274	334	22.1	1.8	2.2	9.7	16.0	1.2	19.7
AllBk	Buy	185	217	17.4	0.9	1.1	5.3	7.8	0.9	17.4
AndhBk	Accumulate	137	145	6.0	0.9	1.0	5.7	3.0	1.0	16.8
BOB	Buy	809	1,017	25.7	1.1	1.4	6.2	10.2	1.1	19.4
BOI	Buy	412	488	18.6	1.1	1.3	6.3	20.0	0.8	18.2
CanBk	Accumulate	502	531	5.8	0.9	1.0	5.6	(0.6)	0.9	17.6
CentBk	Neutral	117	-	-	0.8	-	5.3	(10.8)	0.5	14.9
CorpBk	Buy	530	638	20.5	0.8	1.0	4.9	6.5	0.9	18.0
DenaBk	Buy	87	106	21.9	0.6	0.8	4.2	6.1	0.8	16.1
IDBI#	Neutral	129	-	-	0.8	-	5.9	14.3	0.7	14.5
IndBk	Accumulate	221	248	12.1	0.9	1.0	4.7	9.7	1.4	20.2
IOB	Accumulate	144	162	12.5	0.9	1.0	5.7	16.7	0.7	16.0
J&KBk	Accumulate	788	885	12.2	0.8	1.0	5.6	5.7	1.1	16.2
OBC	Buy	330	391	18.5	0.7	0.9	5.2	11.2	0.9	15.1
PNB	Buy	1,026	1,238	20.6	1.2	1.4	5.9	11.5	1.1	21.2
SBI*	Buy	2,253	2,842	26.2	1.7	2.1	8.3	44.1	1.1	22.6
SynBk	Buy	110	135	22.5	0.7	0.9	4.6	14.5	0.7	17.0
UCOBk	Neutral	94	-	-	1.0	-	5.3	22.5	0.6	17.3
UnionBk	Accumulate	311	356	14.7	1.1	1.3	6.5	10.3	0.8	18.3
UtdBk	Buy	96	111	15.4	0.8	0.9	5.6	13.5	0.6	13.9
VijBk	Neutral	68	-	-	0.9	-	6.6	8.5	0.5	12.7

Source: Company, Angel Research; Note: *Target multiples=SOTP Target Price/ABV (including subsidiaries), #Without adjusting for SASF

Income statement

Y/E March (₹ cr)	FY08	FY09	FY10	FY11	FY12E	FY13E
Net Interest Income	1,488	1,645	2,324	3,845	3,810	4,240
- YoY Growth (%)	(6.2)	10.5	41.3	65.4	(0.9)	11.3
Other Income	772	1,020	966	925	1,090	1,275
- YoY Growth (%)	40.3	32.1	(5.3)	(4.2)	17.7	17.0
Operating Income	2,260	2,665	3,290	4,770	4,899	5,515
- YoY Growth (%)	5.7	17.9	23.5	45.0	2.7	12.6
Operating Expenses	1,306	1,613	1,718	2,075	2,399	2,772
- YoY Growth (%)	9.5	23.5	6.5	20.8	15.6	15.6
Pre - Provision Profit	954	1,052	1,572	2,695	2,501	2,742
- YoY Growth (%)	1.0	10.2	49.4	71.5	(7.2)	9.7
Prov. & Cont.	575	488	600	1,750	1,249	1,017
- YoY Growth (%)	(1.9)	(15.2)	23.1	191.7	(28.6)	(18.6)
Profit Before Tax	379	564	972	945	1,251	1,726
- YoY Growth (%)	5.7	48.9	72.3	(2.8)	32.5	37.9
Prov. for Taxation	(33)	6	(41)	38	125	431
- as a % of PBT	(8.8)	1.1	(4.2)	4.0	10.0	25.0
PAT	412	558	1,012	907	1,126	1,294
- YoY Growth (%)	30.4	35.3	81.5	(10.4)	24.2	14.9

Balance sheet

Y/E March (₹ cr)	FY08	FY09	FY10	FY11	FY12E	FY13E
Share Capital	799	1,249	1,699	2,451	2,451	2,451
- Equity	799	549	549	628	628	628
- Preference	-	700	1,150	1,823	1,823	1,823
Reserve & Surplus	2,127	2,708	3,511	5,042	5,806	6,701
Deposits	79,909	100,222	122,416	145,278	167,069	192,130
- Growth (%)	23.2	25.4	22.1	18.7	15.0	15.0
Borrowings	1,716	2,062	1,889	1,475	1,696	1,950
Tier 2 Capital	2,950	3,075	4,375	4,000	4,800	5,760
Other Liab. & Prov.	2,294	2,348	3,430	5,154	6,087	7,103
Total Liabilities	89,795	111,664	137,319	163,398	187,908	216,094
Cash Balances	5,703	6,589	7,243	10,404	10,860	12,488
Bank Balances	2,401	4,265	862	6,576	4,698	5,402
Investments	24,250	29,385	43,521	42,927	48,409	49,754
Advances	55,082	68,804	82,505	99,071	118,885	142,662
- Growth (%)	17.2	24.9	19.9	20.1	20.0	20.0
Fixed Assets	684	719	710	739	824	919
Other Assets	1,676	2,235	2,968	3,681	4,233	4,868
Total Assets	89,795	111,996	137,808	163,398	187,908	216,094
- Growth (%)	19.9	24.4	23.0	19.0	15.0	15.0

Ratio analysis

Y/E March	FY08	FY09	FY10	FY11	FY12E	FY13E
Profitability ratios (%)						
NIMs	1.9	1.7	1.9	2.6	2.2	2.2
Cost to Income Ratio	57.8	60.5	52.2	43.5	49.0	50.3
RoA	0.5	0.6	0.8	0.6	0.6	0.6
RoE	17.6	21.1	31.6	16.8	16.9	17.3
B/S ratios (%)						
CASA Ratio	25.7	24.1	24.7	21.8	21.3	21.2
Credit/Deposit Ratio	68.9	68.7	67.4	68.2	71.2	74.3
CAR	10.1	11.9	13.2	13.3	13.8	12.8
- Tier I	5.1	6.5	7.1	9.7	9.2	8.2
Asset Quality (%)						
Gross NPAs	3.0	2.2	2.0	3.1	3.3	3.5
Net NPAs	2.0	1.2	1.2	1.8	1.6	1.6
Slippages	2.2	1.2	1.6	3.3	1.9	1.9
Loan Loss Prov. /Avg. Assets	0.4	0.3	0.3	0.8	0.4	0.3
Provision Coverage	33.9	47.2	42.0	42.1	53.3	55.0
Per Share Data (₹)						
EPS	5.2	10.2	18.4	11.8	15.1	17.8
ABVPS (75% cover.)	22.6	43.1	55.7	69.1	83.7	93.4
DPS	1.0	1.1	2.3	2.0	2.5	3.0
Valuation Ratios						
PER (x)	18.2	9.3	5.1	8.0	6.2	5.3
P/ABVPS (x)	4.2	2.2	1.7	1.4	1.1	1.0
Dividend Yield	1.1	1.2	2.4	2.1	2.6	3.2
DuPont Analysis						
NII	1.8	1.6	1.9	2.6	2.2	2.1
(-) Prov. Exp.	0.7	0.5	0.5	1.2	0.7	0.5
Adj. NII	1.1	1.1	1.4	1.4	1.5	1.6
Treasury	0.3	0.3	0.2	0.1	0.0	0.0
Int. Sens. Inc.	1.4	1.5	1.6	1.5	1.5	1.6
Other Inc.	0.7	0.7	0.6	0.6	0.6	0.6
Op. Inc.	2.0	2.2	2.2	2.0	2.1	2.2
Opex	1.6	1.6	1.4	1.4	1.4	1.4
PBT	0.5	0.6	0.8	0.6	0.7	0.9
Taxes	(0.0)	0.0	(0.0)	0.0	0.1	0.2
RoA	0.5	0.6	0.8	0.6	0.6	0.6
Leverage	35.1	38.2	39.0	34.1	31.4	31.4
RoE *	17.6	21.1	31.6	16.8	16.9	17.3

Note: * RoE calculated on PAT for equity share holders post preference dividend

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UCO Bank

1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

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Ratings (Returns):

Buy (> 15%)

Reduce (-5% to 15%)

Accumulate (5% to 15%)

Sell (< -15%)

Neutral (-5 to 5%)