

## EDUCATIONAL EQUITY RESEARCH REPORT :

# ICICI BANK LTD.

(NSE : ICICI BANK, BSE: 532174 )

DATE : 20/4/24

WE AT AS RESEARCH TECHNIC ,INITIATE OUR COVERAGE ON ICICI BANK LTD.

ICICI Bank is a leading private sector bank in India, and offers a wide range of banking products and financial services to Corporate, Small and Medium Enterprises (SME) and Retail customers through extensive multi-channel touch points including branches, state-of-the-art Internet Banking, Mobile Banking, WhatsApp Banking, and Phone Banking.

### ABOUT THE BUSINESS :

ICICI Bank Limited is an Indian multinational bank and financial services company headquartered in Mumbai with a registered office in Vadodara. It offers a wide range of banking and financial services for corporate and retail customers through various delivery channels and specialized subsidiaries in the areas of investment banking, life, non-life insurance, venture capital and asset management.

### PROS :

- Company is expected to give good quarter.
- Company has delivered good profit growth of 59.7% CAGR over last 5 years.

### CONS :

- Stock is trading at 3.66 times its book value.
- Company has low interest coverage ratio.
- Contingent liabilities of Rs.51,22,409 Cr.
- Company might be capitalizing the interest cost.
- Earnings include an other income of Rs.72,596 Cr.

### RESEARCH ANALYST :

**P.SUNANDINI @ AS RESEARCH TECHNIC**



### FINANCIAL SNAP SHOT :

MARKET CAP	775623
STOCK P/E	18.3
ROE	17.20%
CURRENT PRICE	1067.25
BOOK VALUE	₹ 307
ROCE	6.32 %
HIGH	₹ 1,117
LOW	882
DIVIDEND YIELD	0.72 %
FACE VALUE	₹ 2.00

### SHARE HOLDING PATTERN:

PROMOTERS	0
FIIS	43.65%
DIIS	46.00%
PUBLIC	10.09%
GOVERNMENT	0.27%
OTHERS :	0
NO.OF	18,02,207

### SHAREHOLDERS

## PEER COMPARISON :

### SECTOR: BANKS      INDUSTRY: BANKS - PRIVATE SECTOR

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	HDFC Bank	1518.95	16.96	1153932.75	1.25	78008.17	6.24
2	ICICI Bank	1104.4	18.28	775623.2	0.72	40865.23	6.32
3	Kotak Mah. Bank	1813.05	20.66	360420	0.08	14494.96	6.86
4	Axis Bank	1073.45	12.84	331336.03	0.09	28865.2	5.12
5	IndusInd Bank	1555.65	14.01	121079.34	0.9	11572.25	6.91
6	IDBI Bank	86.8	17.48	93330.85	1.15	6548.98	4.26
7	Yes Bank	24.25	68.12	69762.11	0	6988.73	4.94

## KEY POINTS :

- ICICI BNK HAS ADOPTED A 360 DEGREE APPROACH TO MEET EVOLVING NEEDS OF ITS CUSTOMERS BY DECONJURING ITS PROCESSES, RE-ORIENTING ITS TECHNOLOGIES AND MAKING ITS HR PRACTICES MORE AGILE.
- NAMED ' CUSTOMER 360' , THE OBJECTIVE OF THIS MULTI- DIMENSIONAL APPROACH IS TO BRING THE ENTIRE BANK TO THE CUSTOMER AND OFFER SOLUTIONS TO THEM AS WELL AS THEIR ECOSYSTEMS AS PER THEIR REQUIREMENTS .
- THE BANK IS TRANSFERING ITSELF FROM BANK TO BANK TECH , TECHNOLOGY IS ASSUMING AN INTEGRAL ROLE IN ITS BUSINESS STRATEGY.
- iMOBILE PAY IS ICICI BANK'S MOBILE BANKING APPLICATION WHICH HAS MORE THAN 28 MILLION USERS. THE TOTAL VALUE OF TRANSACTIONS DONE THROUGH THIS APP STOOD AT CLOSE TO ₹ 9,000 BILLION IN FISCAL 2023.
- ICICI BANK HAS OVER 1.5 MILLION ACTIVE USERS ON ITS BUSINESS BANKING APP , INSTA BIZ. AROUND 2,25,000 NON- ICICI BANK ACCOUNT HOLDERS REGISTERED ON THIS APP. VALUE OF FINANCIAL TRANSACTIONS ON INSTABIZ GREW BY 22% IN FISCAL 2023.
- RETAIL CREDIT CARD SPENDS GREW BY 60% IN FISCAL 2023 COMPARED TO THE PREVIOUS YEAR.
- ICICI BANK CONTINUES TO BE ONE OF THE LEADING BANK IN ELECTRIC TOLL COLLECTIONS THROUGH FASTog WITH A MARKET SHARE OF CLOSE TO 29%
- THE BANK SUPPORTED OVER 400 HOSPITALS BENEFITTING 1.5 MILLION PEOPLE BY STRENGTHENING HEALTHCARE INFRASTRUCTURE AND IMPROVING HEALTH FACILITIES TILL DATE.
- DURING THE FISCAL 2023, THE BANK CONTINUED TO FOCUS ON PROFITABLE GROWTH IN BUSINESS WHILE MAINTAINING A STRONG BALANCE SHEET AND ROBUST LIQUIDITY.
- THE BANK DELIVERED A HEALTHY GROWTH IN PROFFIT ALONG WITH IMPROVEMENT IN ASSET QUALITY PARAMETERS.
- CONTINUING ON THE JOURNEY FROM BANK TO BANK TECH , THE BANK IS CONSTANTLY UPGRADING AND STRENGTHENING THE TECHNOLOGY INFRASTRUCTURE WITH A GOAL TO MAKE IT SECURE, STABLE AND RESILIENT.

• ONE OF THE LEADING PRIVATE SECTOR BANKS IN INDIA, ICICI BANK CONTINUES TO FOCUS ON REIMAGINING BANKING AND LEVERAGING DIGITAL CAPABILITIES, ANCHORED TO THEIR COMMITMENT TO BE A TRUSTED FINANCIAL PARTNER .

FOR COSTUMERS

• SOME OF THE BANK'S APPROACHES ARE AS FOLLOWS:

- 360 DEGREE CUSTOMER CENTRIC APPROACH
- FOCUS ON MICRO MARKETS
- FOCUS ON ECOSYSTEMS
- COLLABORATION AND EXTERNAL PARTNERSHIPS
- BANK TO BANK TECH LEVERAGING TECHNOLOGY AND DIGITAL.
- PROCESS DECONGESTION AND OPERATIONAL FLEXIBILITY .
- RISK AND COMPLIANCE CULTURE.

• THE VOLUME OF UPI PERSON TO MERCHANT (P2M) TRANCACTIONS INCREASED BY 55.0% YEAR-ON-YEAR IN FISCAL 2023 AND THE VALUE OF THESE TRANSACTIONS WAS 2.1 TIMES THE VALUE IN FISCAL 2022.

• THE BANK HAS INCREASED ITS MARKET SHARE IN VALUE OF UPI P2M TRANSACTIONS TO 19.3% IN MARCH 2023.

• THE SHARE PRICE CAN GO UPTO 1125.26 IF IT BREAKS 1114.83 ON THE UPPER SIDE.

• THE SHARE PRICE CAN GO UPTO 1023.92 IF IT BREAKS 1037 ON THE LOWER SIDE.

### PIVOT TABLE :

		SUPPORT				RESISTANCE			
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
18-04-2024	1067.25	1023.9	1037.2	1052.12	1065.4	1080.32	1093.58	1108.52	1067.05
16-04-2024	1067.25	1057.3	1060	1069.17	1071.9	1081.07	1083.78	1092.97	1078.35
15-04-2024	1067.25	1055.7	1066.2	1085.28	1095.7	1114.83	1125.27	1144.38	1104.4
12-04-2024	1104.4	1083.5	1089.6	1099.52	1105.7	1115.57	1121.73	1131.62	1109.4
10-04-2024	1104.4	1091.2	1098.2	1102.62	1109.6	1114.02	1120.98	1125.42	1107.05
09-04-2024	1104.4	1051.6	1070	1078.55	1096.9	1105.5	1123.85	1132.45	1087.15

DISCLAIMER: INVESTMENT/TRADING IN SECURITIES MARKET IS SUBJECT TO MARKET RISK, PAST PERFORMANCE IS NOT A GUARENTEE OF FUTURE PERFORMANCE.THE RISK OF LOSS IN TRADING AND INVESTMENT IN SECURITIES MARKETS INCLUDING EQUITIES AND DERIVATIVES CAN BE SUBSTANTIAL.