


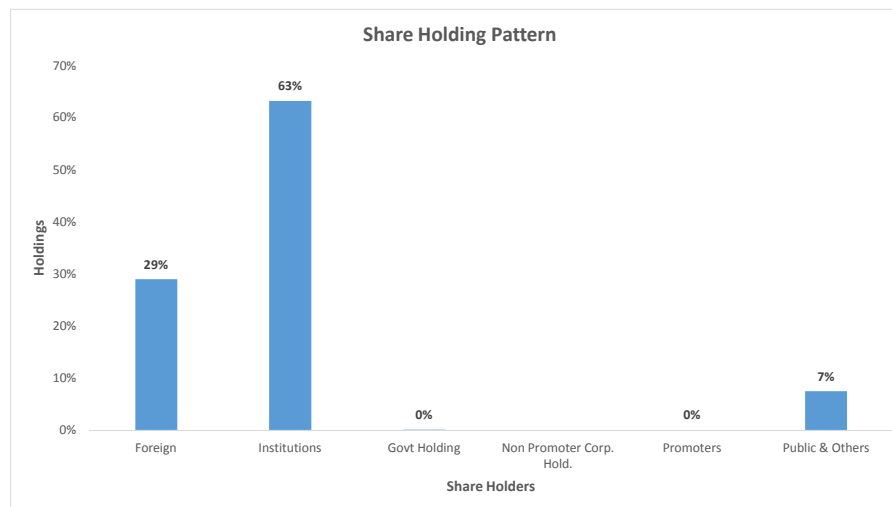
Research Report	 Spearhead FinServe <small>PRIVATE LIMITED</small> <small>A subsidiary of Spearhead Services Pvt Ltd</small>
ICICI Bank	Recommendation Accumulate Current Market Price 341.85 Target 380 Accumulation Price Band 250 -310 Time Frame 6 Months Derivatives Segment Yes
Industry : Financial Services	
Company Overview	Quick Glance
<ul style="list-style-type: none"> ICICI Bank is India's largest private sector bank which was originally promoted by the ICICI Ltd in the year 1994 as an Indian financial institution and its wholly owned subsidiary. Operating through a network consisting of 3,845 Branches and 12,012 ATM's across India and its subsidiaries in UK, Canada and Russia, the bank offers a wide range of banking products and financial services such as insurance, trading platform etc to corporate and retail customers through a variety of delivery channels and through its group companies. With its proficiency in operations ICICI Bank was able to witness a significant growth in personal loan disbursement in FY 14 	Share Capital (Rs Cr) 1,155.04 Market Cap (Rs Cr) 198,175.87 Face Value (in Rs) 2.00 52 Week High/ Low (in Rs) 367.10/188.72
Industry Overview	Financials
<ul style="list-style-type: none"> Indian Banking sector is constantly growing. Since the turn of the century, there has been a noticeable upsurge in transactions through ATMs, and also internet and mobile banking. The total banking assets are expected to grow to cross US\$ 28.5 trillion in FY25, with the total banking assets in India touching US\$ 1.8 trillion in FY13. Bank deposits have witnessed growth at a compound annual growth rate (CAGR) of 21.2 per cent over FY06–13, with the total deposits standing at US\$ 1,274.3 billion for FY 13. The total banking credit is anticipated to grow at a CAGR of 18.1 per cent (in terms of INR) to reach US\$ 2.4 trillion by 2017. The RBI has given banks greater flexibility to refinance current long-gestation project loans worth Rs 1,000 crore (US\$ 163.42 million) and more, and has allowed partial buyout of such loans by other financial institutions as standard practice India is yet to tap into the potential of mobile banking and digital financial services, and holds the potential of becoming the world's 5th largest banking sector by 2020. 	EPS (Rs) 18.21 Book Value (Rs) 126.42 P/E 19.07 P/BV 2.75 ROE 15.21 ROCE (%) 9.65 Dividend Yield (%) 1.34 Debt - Equity 4.73
Key Highlights	Highlights
<ul style="list-style-type: none"> Prime Minister has dedicated the 'ICICI Digital Village' to the nation at an event which was organised to celebrate the ICICI Group's 60 years of partnering India in its progress. ICICI Bank plans to sell ICICI Bank Eurasia Limited Liability Co, which accounts to less than 0.1 percent of the parent company's consolidated total assets and profit after tax for the six months ended September to a mid-sized Russian bank Sovcombank. 	Debt (Rs Cr) 154,759.05 Reserves (Rs Crs) 72,051.71 FII Holdings (%) 29.10 MF Holdings (%) 11.05 Free Float Market Capitalisation (Rs Cr) 197,886.66 Beta 1.79 Net NPA (%) 0.97 Avg Volume Per day (no. of shares) 12,943,312 Avg Volume Per Month (no. of shares) 448,848,544
Key Risks	
<ul style="list-style-type: none"> Stiff Competition from peers such as HDFC Bank, Axis Bank etc. Fluctuation Exchange Rates Economic downturn may lead to increase in the number of bad loans 	

Financial Highlights

Income Statement (Annual)					
Particulars (Rs. Cr)	2014	2013	2012	2011	2010
Interest Earned	44178.15	40075.6	33542.65	25974.05	25706.93
Interest Expended	27,702.59	26,209.19	22,808.50	16,957.15	17,592.57
Net Interest Income	16,475.56	13,866.41	10,734.15	9,016.90	8,114.36
Other Income	10,427.87	8,345.70	7,502.76	6,647.90	7,477.65
Operating Income	26,903.43	22,212.11	18,236.91	15,664.80	15,592.01
Operating Expenses	6,088.75	5,119.59	4,335.16	3,800.31	3,934.04
Pre Provision Profit	20,814.68	17,092.52	13,901.75	11,864.49	11,657.97
Provisions and contingencies	2,626.40	1,802.54	1,583.04	2,286.84	4,386.86
PBT	13,968.17	11,396.69	8,803.43	6,760.71	5,345.32
PAT	9,810.48	8,325.47	6,465.26	5,151.38	4,024.98

Balance Sheet					
Particulars (Rs. Cr)	2014	2013	2012	2011	2010
Capital	1,155.04	1,153.64	1,152.77	1,151.82	1,114.89
Reserves	72,051.71	65,547.84	59,250.09	53,938.82	50,503.48
Deposits	331,913.66	292,613.63	255,499.96	225,602.11	202,016.60
Borrowings	154,759.05	145,341.49	140,164.91	109,554.28	94,263.57
Other Liabilities and Provisions	34,755.55	32,133.60	32,998.69	15,986.35	15,501.18
Total Liabilities	594,641.58	536,794.68	489,068.81	406,233.67	363,399.72
Cash and Bank Balances with RBI	21,821.83	19,052.73	20,461.29	20,906.97	27,514.29
Balances with Bank & Money at Call	19,707.77	22,364.79	15,768.02	13,183.11	11,359.40
Investments	177,021.82	171,393.60	159,560.04	134,685.96	120,892.80
Advances	338,702.65	290,249.44	253,727.66	216,365.90	181,205.60
Fixed Assets	4,678.14	4,647.06	4,614.69	4,744.26	3,212.69
Other Assets	32,709.37	29,087.06	34,937.11	16,347.47	19,214.93
Total Assets	594,641.58	536,794.68	489,068.81	406,233.67	363,399.71
Contingent Liability	794,965.35	802,383.84	923,037.16	931,651.64	694,948.84

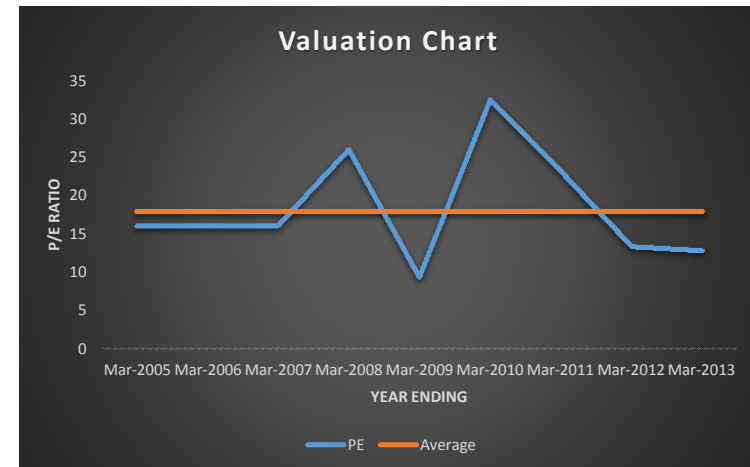
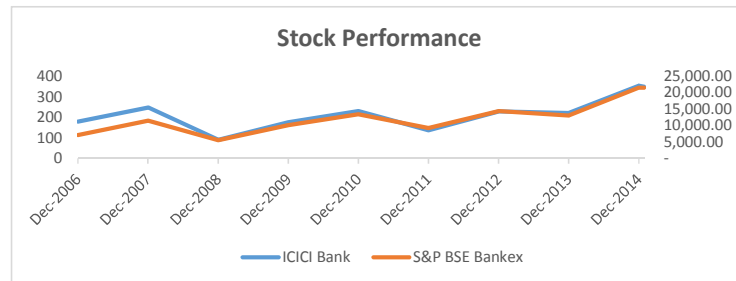
Income Statement (Quarterly)								
Particulars (Rs. Cr)	2014		2013				2012	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Interest Earned	12150.56	11766.9	11489.25	11454.95	10813.27	10420.68	10365.33	10138.29
Interest Expended	7,493.92	7,275.01	7,132.73	7,199.89	6,769.76	6,600.21	6,562.11	6,639.27
Net Interest Income	4,656.64	4,491.89	4,356.52	4,255.06	4,043.51	3,820.47	3,803.22	3,499.02
Other Income	2,738.39	2,849.81	2,976.09	2,801.01	2,166.48	2,484.29	2,208.19	2,214.62
Operating Income	7,395.03	7,341.70	7,332.61	7,056.07	6,209.99	6,304.76	6,011.41	5,713.64
Operating Expenses	1,610.73	1,578.12	1,616.86	1,620.16	1,450.56	1,401.17	1,407.55	1,320.52
Pre Provision Profit	5,784.30	5,763.58	5,715.75	5,435.91	4,759.43	4,903.59	4,603.86	4,393.12
Provisions and contingencies	849.49	726.08	713.78	694.64	624.80	593.18	460.02	368.73
PBT	3,848.42	3,790.64	3,739.71	3,744.40	3,263.08	3,220.98	3,144.10	3,083.75
PAT	2,709.01	2,655.30	2,652.01	2,532.21	2,352.05	2,274.21	2,304.07	2,250.24



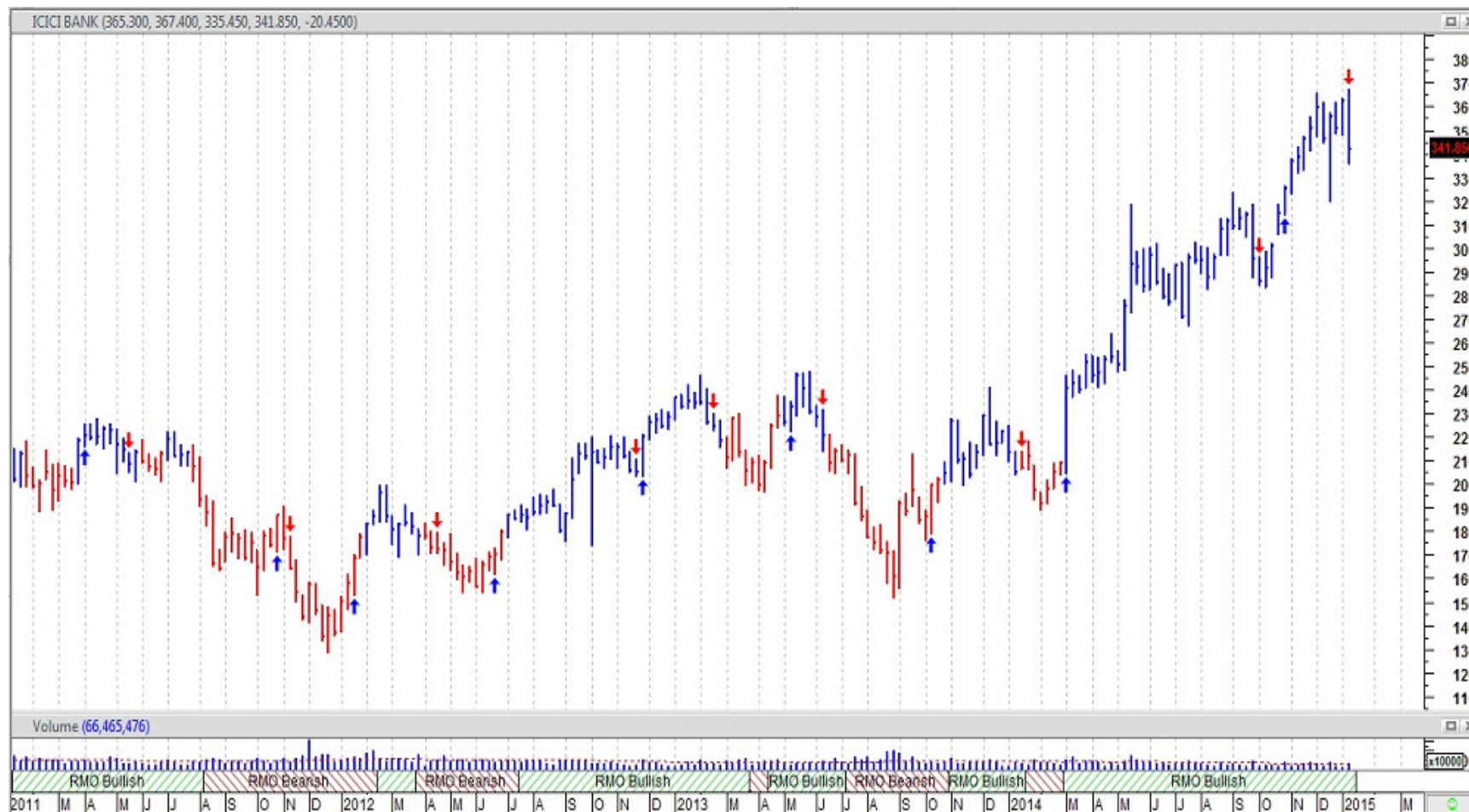
Key Financial Indicators						
Particulars	Units	2014	2013	2012	2011	2010
Net Interest Income	Crs	16,475.56	13,866.41	10,734.15	9,016.90	8,114.36
% Change	%	18.82	29.18	19.04	11.12	(3.00)
Net Profit	Crs	9,810.48	8,325.47	6,465.26	5,151.38	4,024.98
% Change	%	17.84	28.77	25.51	27.99	7.10
Net Interest Margin	%	2.91	2.70	2.40	2.34	2.19
EPS	Rs	84.95	72.17	56.09	44.73	36.10
P/E	times	13.20	12.65	13.47	21.04	23.13
P/BV	times	2.11	1.94	1.74	2.30	2.05
ROA	%	1.78	1.70	1.50	1.35	-
ROE	%	15.21	14.77	13.11	11.43	9.52

Peer Comparison				
Particulars	Units	ICICI Bank	HDFC Bank	Axis Bank
Net Interest Income	Crs	16,475.56	18,482.64	11,951.64
% Change	%	18.82	16.90	23.64
Net Profit	Crs	9,810.48	8,478.40	6,217.67
% Change	%	17.84	26.05	20.05
Net Interest Margin	%	2.91	4.14	3.29
EPS	Rs	18.21	38.33	28.45
P/E	times	19.07	25.16	17.65
P/BV	times	2.75	5.36	3.10
ROA	%	1.78	2.00	1.78
ROE	%	15.21	17.74	13.26
NPA	%	0.97	0.30	0.40

Stock Performance vis-a-vis Index		
Particulars	Return	
	YTD	QTD
ICICI Bank	-1.49%	-1.49%
CNX Bank	-0.28%	-0.28%



Technical Outlook



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