



VISIT NOTE

EQUITAS HOLDINGS

Building a strong foundation

India Equity Research | Banking and Financial Services



We met the top management of Equitas Holdings (Equitas), which reinforced our confidence that it is on course to build a sustainable and scalable small finance bank franchise. The focus is on customer acquisition, reaping the benefits of a diversified product offering as well as ramping-up deposit base. However, during the transition phase, RoEs shall be depressed (<15%) given its strategy to significantly bring down proportion of micro finance (MFI) business to about 30% by FY18 and further to 15% by FY20. Moreover, credit cost pertaining to stressed MFI book of INR750-800mn might be up-fronted over the next 1-3 quarters. But, the scale-up of the non-MFI book will support >35% AUM growth over the FY18-20 period. Furthermore, asset quality trend in non-MFI book will stabilise as well. As the management does not intend expanding the branch network significantly, operating leverage will kick-in and strengthening liability franchise (CASA mobilization) will bring down cost of funds. We believe that the visible benefit of successful execution from FY19 onwards will bolster confidence, leading to valuation re-rating. We maintain a 'BUY' rating with a TP of INR220. Equitas is one of our top sector picks.

Broader offerings in near-term; Deeper relationships in medium-term

In a bid to reduce the volatility in business model associated with MFI business, management continues with its stance to prune down MFI portfolio to about 30% by FY18 and 15% by FY20 (INR2-3bn rundown in H2FY18 versus INR6.5bn run-down in H1FY18). However, the focus is on acquiring customers and broadening the non-MFI product bouquet through: a) launch of new products such as LCV, dealer financing, and business loans for the formal segment); and b) rolling out existing products from more branches post the soft launch. Consequently, strong underlying momentum in vehicle/ business loans, LAP, and scale up of new product segments will support an AUM growth in excess of 35% over FY18-20E.

Outlook and valuations: Favourable risk-reward; maintain 'BUY'

The ongoing transition phase will be strenuous during the near-term, but the company's conservative strategy and adequate capital will rein-in execution risks. We are expecting upfronting of provisions in stressed MFI book during FY18, after which the return profile should stabilise from FY19 onwards with significant funding cost advantages and lower cyclical risk. We expect RoAs to scale up gradually to ~2% and RoEs to ~12% by FY20. At CMP, the stock trades at 1.8x FY19E P/ABV. We maintain 'BUY/SO' with TP of INR220.

Financials

(INRmn)

Year to March	FY16	FY17	FY18E	FY19E	FY20E
Net revenue	6,781	9,695	12,183	14,337	18,824
Net profit	1,672	1,594	1,251	1,994	3,365
Diluted EPS (INR)	6.2	4.7	3.7	5.9	10.0
BV (INR)	49.7	66.0	69.7	75.6	85.6
Price/ BV (x)	3.0	2.3	2.1	2.0	1.7
Diluted P/E (x)	24.1	31.6	40.3	25.3	15.0
ROE (%)	13.3	8.9	5.5	8.1	12.4

EDELWEISS 4D RATINGS

Absolute Rating	BUY
Rating Relative to Sector	Outperform
Risk Rating Relative to Sector	Medium
Sector Relative to Market	Overweight

MARKET DATA (R: , B: EQUITAS IN)

CMP	: INR 149
Target Price	: INR 220
52-week range (INR)	: 188 / 135
Share in issue (mn)	: 339.5
M cap (INR bn/USD mn)	: 51 / 786
Avg. Daily Vol.BSE/NSE('000)	: 1,756.3

SHARE HOLDING PATTERN (%)

	Current	Q1FY18	Q4FY17
Promoters *	-	-	-
MF's, FI's & BK's	39.9	37.3	32.5
FII's	15.8	16.0	9.7
Others	44.3	46.7	57.8
* Promoters pledged shares (% of share in issue)	:		NIL

PRICE PERFORMANCE (%)

	Stock	Nifty	EW Banks and Financial Services Index
1 month	(4.4)	1.8	8.0
3 months	(7.4)	5.4	6.4
12 months	(5.2)	30.4	39.6

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Pressure on asset quality poised to taper-off

The asset quality has taken a meaningful hit due to challenges faced during the GST and demonetisation period. The management expressed optimism that asset quality stress has peaked and both MFI and non-MFI businesses shall improve. With respect to MFI book, of the overall PaR portfolio of INR1.76bn (on book PaR), the bank has already provided INR760mn, and expects recovery to the tune of INR200mn thereby leaving with incremental hit of INR750-800mn to be taken. We have upfronted the same in FY18 in our estimates. We are encouraged that collection efficiency (of ex-par customers) at > 99.9% suggests limited pain going forward. With respect to non-MFI book, the management highlighted that there were some hiccups in used CV book as collection efficiencies were very low during July /August due to billing related issues on implementation of GST. However, recovery has been very swift during September/October. Consequently, vehicle NPLs will retrace back to Q1FY18 level in Q3FY18 and NPLs in Q4FY18 should hover marginally below Q4FY17. In micro-LAP as well, GNPLs will be controlled at sub-2% level though the product is appropriately priced considering steady state GNPLs of 4% and credit cost of 2.5%.

Cost/income ratio is near peak

Equitas' cost/income ratio has been on the higher side owing to the roll out of liability branches, associated recruitment and investment in technology. The company highlighted that it has completed its branch expansion exercise, curtailing its target to 392 branches versus 412 envisaged earlier (57 branches were added during Q2FY18). The management is considering the use of business correspondent (BC) and digital channels. The bank currently has 16 BCs, and 200 business enabler (which initially only source assets) which will convert into BC's and another 500 business enablers will be set-up. Given that a major part of the branch roll out and recruitments is complete, the company believes that cost has peaked in Q2FY18 and expects it to stabilise from hereon. We estimate cost/income to improve to below 65% by FY20.

Focus on liability accretion to continue unabated

Amidst asset quality and growth pangs, Equitas has been laying a strong foundation in terms of liability ramp-up. The momentum in deposit build-up has been better than anticipated. It is targeting mass to mass affluent customers through hard-sell, offering higher savings rate, providing free lockers and customised service. These had led to a commendable CASA accretion of INR8.8bn, which translates to INR22mn per branch. While activity level in savings account is low, it is encouraging transactions by offering 2 free online transactions with no minimum balance requirement. Also more than 40% of its transactions are routed through online channels. With a further deepening of customers in phase-2, it aims improve the deposit profile by increasing CASA ratio beyond 40% (versus 28% currently).

The ramp up in deposit franchise along with run-down in higher cost borrowings will help the bank to significantly bring down funding cost (expects a funding cost of 8% in FY18E, 7.5% in FY19E compared 8.8% currently). Having said that, the management aims to pass on the benefit to customers and launch newer portfolio. Hence we anticipate NIMs to be largely steady at 9%.

Chart 1: Growth momentum is on the path of stabilization as a large part of the run-down in MFI book is over

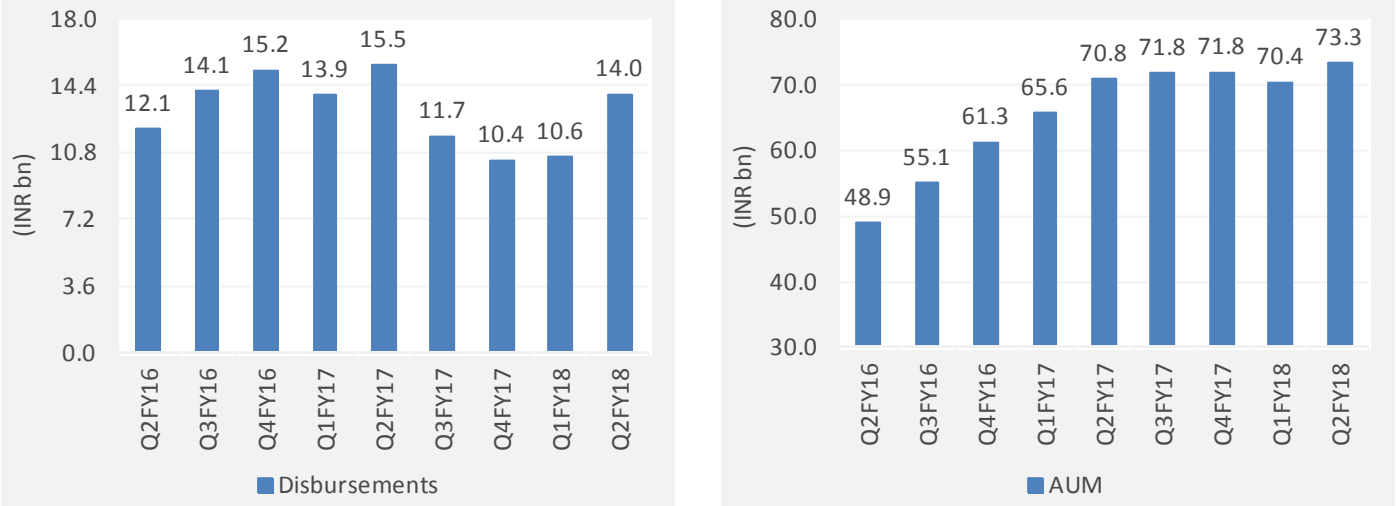


Chart 2: MFI proportion will continue to run-down, albeit at lower pace

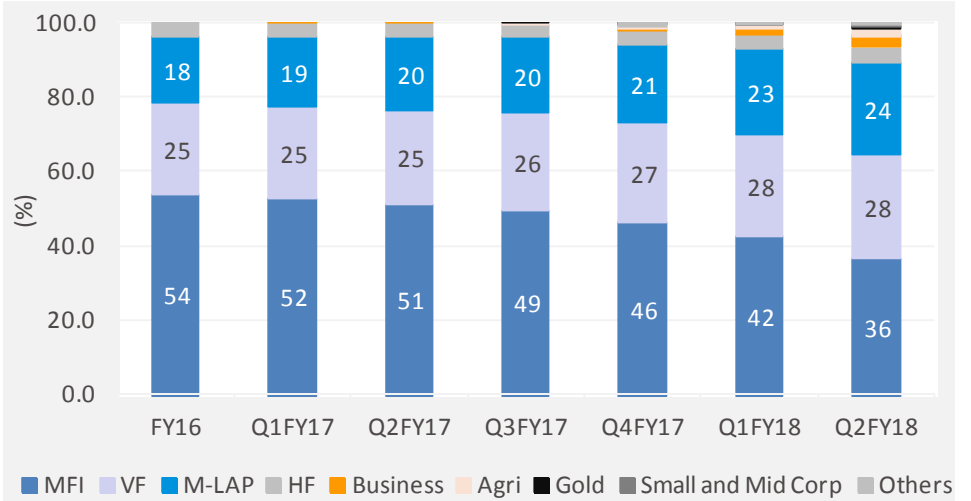
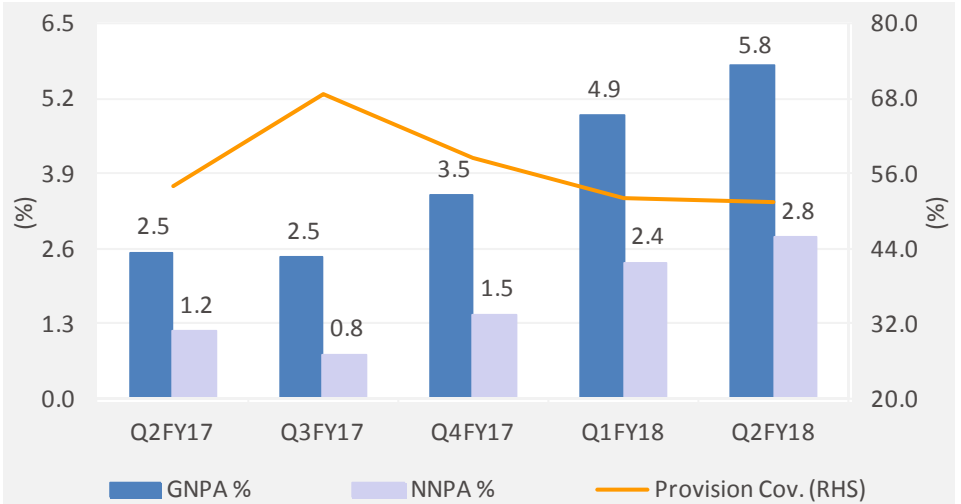


Chart 3: Asset quality pressure is likely to have peaked



Source: Company

Chart 4: Cost/income ratio near peak levels, significant operating leverage to kick-in

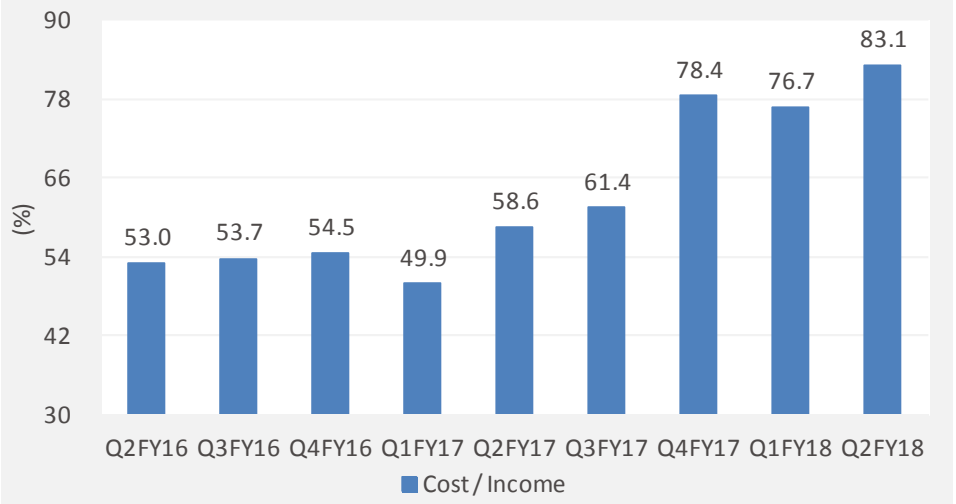


Table 1: Liability traction better than anticipated, but a long way to catch-up with peers

	Equitas	AU Finance	Ujjivan	CUBK	KVB	FB	SIB
CASA (INR mn)	8,780	6,450	620	70,939	1,55,740	3,15,230	1,64,850
-SA (INR mn)	6,530	5,060	620	45,933	1,01,690	2,71,500	1,35,260
CASA/Branch (INR mn)	22	21	7	128	207	252	194
SA/branch	17	17	7	83	135	217	159

*Note: For Ujjivan CASA composition is not available so SA per branch is same as CASA

Chart 5: Liability momentum is better than earlier...

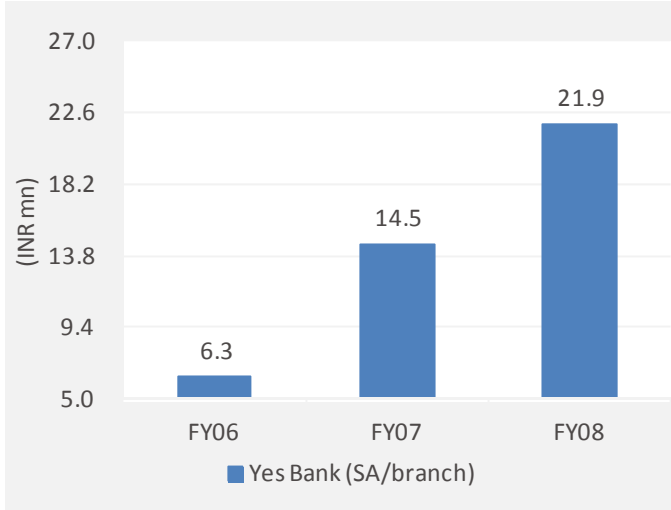


Table 2:Supported by savings rate de-regulation ...

Bank	(%)	Bank	(%)
HDFC Bank	4.0	Equitas	6.5
SBI	4.0	AU Finance	6.5
PNB	4.0	Ujjivan	4.0
Yes Bank	6.0		
IIB	6.0		

Source: Company

Table 3: Change in Estimates

	FY18E			FY19E			Comments
	New	Old	% change	New	Old	% change	
NII	10,197	10,342	(1.4)	11,545	11,834	(2.4)	
PPOP	3,321	3,486	(4.7)	3,953	4,130	(4.3)	
Provisions	1,440	1,333	8.0	955	1,003	(4.8)	Factoring in upfronting of provisions in MFI book in FY18
PAT	1,251	1,432	(12.6)	1,994	2,079	(4.1)	
NIMs	11.0	10.9		9.4	9.4		

Source: Edelweiss research

Company Description

Incorporated in 2007, Equitas Holdings (Equitas) is a diversified financial services provider, focusing on low income groups and economically weaker sections, and micro-and-small enterprises (MSEs). The company began operations with focus on the MF segment (mainly in Tamil Nadu), but has subsequently diversified its business profile post the aftermath of the Andhra Pradesh (AP) crisis. Its current product mix includes MF loans, used commercial vehicle (UCV) loans, MSE finance (micro LAP, LAP, business loans, 2-wheeler loans, gold loans and agri loans), and housing finance. The wide product suite provides the company with significant cross-selling and up-selling opportunities across its target customer segments. The company has achieved significant scale since inception, with AUM of ~INR73.3bn as of September 2017.

Equitas launched SFB operations in September 2016 via Equitas Small Finance Bank. Since inception, the bank has seen a decent traction in deposit accretion, and has started sale of third-party products (mutual funds, life insurance and general insurance). On the liability side, it has 392 operational branches, spread across the Southern (205), Western (92) and Northern (95) regions. As of September 2017, the bank had on-boarded >3,700 branch banking employees.

Investment Theme

Once in a while comes an opportunity wherein near-term valuations look optically expensive, but over the medium-to-long term the stock emerges as a significant value creator. Equitas, we believe, is in this league. While the transition phase is bound to be strenuous, Equitas' proven track record, prudent & conservative approach, right strategy, and adequate capital will limit execution risk during this phase. Benefits are bound to accrue FY19 onwards as significant funding cost advantage and lower cyclicality risk will boost RoE. Equitas will stand out amongst the small finance bank licensee in next 5-7 years.

Key Risks

SFB model may be subject to execution hurdles: The SFB model is new and untested in India. Additionally, Equitas has no operating history in the banking business. As a result, during implementation, the company may be subject to several operational risks, including inability to access timely funding, asset quality deterioration, etc.

MF portfolio poses risks: Equitas' MF book accounts for ~36% of its overall portfolio. The unsecured nature of the business poses credit risk with higher possibility of defaults. Additionally, political and social risks may also adversely impact repayment rates, etc., thereby negatively impacting asset quality.

Higher geographical concentration: Equitas' business is concentrated in the state of Tamil Nadu, which makes its business highly vulnerable to the regional environment. Further, as it is rolling out its liability franchise within a 1km radius of its asset-led branches, incremental investment is also happening in the same state, leading to concentration risk.

Regulatory risks: The SFB operations of Equitas will be subject to a highly regulated environment of the banking industry. The company will have to comply with several requirements, including capital adequacy ratios, CRR/SLR ratios, PSL limits, etc. This may limit its operational flexibility, thereby impacting business.

Financial Statements

Key assumptions

Year to March	FY16	FY17	FY18E	FY19E	FY20E
Macro					
GDP (Y-o-Y%)	7.9	6.6	6.8	7.4	NA
Inflation (Avg)	4.9	4.5	4.0	4.5	NA
Repo rate (exit rate)	6.8	6.3	5.8	5.8	NA
USD/INR (Avg)	65.0	67.5	66.0	66.0	NA
Sector					
Credit growth (%)	9.3	6.0	12.0	14.0	16.0
Deposit growth (%)	8.6	14.0	12.0	13.0	14.0
CRR (%)	4.0	4.0	4.0	4.0	4.0
SLR (%)	21.5	20.5	20.0	20.0	20.0
Company					
Asset branches (nos.)	549	610	669	719	769
Liability branches (nos.)	0	284	450	550	650
CASA/branch (INR mn)	NA	11.5	30.0	45.0	63.0
Retail TD/branch (INR mn)	NA	18.0	36.0	64.8	103.7
Employee/branch (x)	15.2	15.0	12.9	11.6	10.6
Interest rate: (%)					
Savings	NA	6.0	6.0	6.0	6.0
Retail TD	NA	7.0	7.6	7.3	7.1
Bulk TD	NA	7.0	8.2	7.9	7.7
Yield on advances (%)	20.0	20.1	18.9	17.5	17.0
Yield on investments (%)	NA	7.0	7.2	7.7	7.8
SLR (%)	NA	28.8	25.8	22.8	21.8
CRR (%)	NA	4.0	4.0	4.0	4.0
Employee growth (%)	50.7	69.4	34.5	16.1	17.1
Other opex growth (%)	32.5	63.9	45.5	21.5	18.8
GNPLs (%)	1.3	3.5	3.9	3.1	2.9
Prov. Coverage (%)	29.9	48.9	51.9	47.4	47.9

Income statement

(INR mn)

Year to March	FY16	FY17	FY18E	FY19E	FY20E
Interest income	10,253	14,141	16,032	19,107	25,105
Interest charges	4,368	5,760	5,835	7,562	10,029
Net interest income	5,885	8,381	10,197	11,545	15,076
Fee & other income	896	1,314	1,985	2,793	3,749
Net revenues	6,781	9,695	12,183	14,337	18,824
Operating expense	3,582	6,150	8,861	10,384	12,189
- Employee exp	2,338	3,961	5,326	6,182	7,241
- Depreciation /amort.	137	375	895	993	1,136
- Other opex	1,107	1,814	2,640	3,209	3,812
Preprovision profit	3,199	3,545	3,321	3,953	6,635
Provisions	597	1,029	1,440	955	1,575
PBT	2,601	2,516	1,881	2,999	5,060
Taxes	930	922	630	1,005	1,695
PAT	1,672	1,594	1,251	1,994	3,365
Extraordinaries	0	0	0	0	0
Reported PAT	1,672	1,594	1,251	1,994	3,365
Basic number of sh. (mn)	270	338	338	338	338
Basic EPS (INR)	6.2	4.7	3.7	5.9	10.0
Dil. No. of shares (mn)	270	338	338	338	338
Diluted EPS (INR)	6.2	4.7	3.7	5.9	10.0

Growth ratios (%)

Year to March	FY16	FY17	FY18E	FY19E	FY20E
NII growth	46.8	42.4	21.7	13.2	30.6
Net revenues growth	47.1	43.0	25.7	17.7	31.3
Opex growth	45.0	71.7	44.1	17.2	17.4
PPP growth	49.6	10.8	(6.3)	19.0	67.8
Provisions growth	18.1	72.3	39.9	(33.7)	64.9
PAT growth	56.8	(4.7)	(21.5)	59.4	68.8

Operating ratios (%)

Year to March	FY16	FY17	FY18E	FY19E	FY20E
Yield on advances	20.0	20.1	18.9	17.5	17.0
Yield on assets	24.0	19.6	17.3	15.6	15.0
Cost of Borrowings	11.3	9.6	8.3	8.8	8.9
Cost of deposits	NA	6.8	7.6	7.2	6.9
Cost of funds	11.1	10.2	7.9	7.4	7.0
Spread	12.7	9.9	11.0	10.2	10.0
Net interest margins	11.5	11.6	11.0	9.4	9.0
Cost-income	52.8	63.4	72.7	72.4	64.8
Tax rate	35.7	36.6	33.5	33.5	33.5

Banking and Financial Services

Balance sheet		(INR mn)				
As on 31st March	FY16	FY17	FY18E	FY19E	FY20E	
Liabilities						
Equity capital	2,699	3,378	3,378	3,378	3,378	
Reserves	10,714	18,931	20,182	22,176	25,541	
Net worth	13,414	22,309	23,560	25,554	28,919	
Secured loans	44,133	42,967	12,890	6,796	321	
Unsecured loans	3,710	3,612	1,083	571	27	
Total borrowings	47,843	46,579	13,974	7,368	348	
Deposits		18,850	69,134	1,14,200	1,65,166	
Total liabilities	61,256	87,738	1,06,667	1,47,121	1,94,432	
Assets						
Loans	50,710	58,289	75,293	1,07,726	1,44,680	
Investments	121	18,959	21,556	27,828	36,189	
Current assets	13,238	13,469	10,257	14,835	20,058	
Current liabilities	3,809	6,700	5,271	7,541	10,128	
Net current assets	9,428	6,769	4,986	7,294	9,931	
Fixed assets (net block)	628	3,288	4,412	3,872	3,235	
Deferred tax asset	369	433	420	400	397	
Total assets	61,256	87,738	1,06,667	1,47,121	1,94,432	
Balance sheet ratios (%)						
Loan growth	46.4	14.9	29.2	43.1	34.3	
Gross NPA ratio	1.3	3.5	3.9	3.1	2.9	
Net NPA ratio	0.9	1.8	1.9	1.6	1.5	
Provision coverage	29.9	48.9	51.9	47.4	47.9	

RoE decomposition (%)					
Year to March	FY16	FY17	FY18E	FY19E	FY20E
Net int. income/Assets	11.5	11.6	11.0	9.4	9.0
Other Income/Assets	1.8	1.8	2.1	2.3	2.2
Net revenues/Assets	13.3	13.4	13.1	11.7	11.3
Operating exp./Assets	7.0	8.5	9.5	8.5	7.3
Provisions/Assets	1.2	1.4	1.5	0.8	0.9
Taxes/Assets	1.8	1.3	0.7	0.8	1.0
Total costs/Assets	10.0	11.2	11.8	10.1	9.3
ROA	3.3	2.2	1.3	1.6	2.0
Equity/Assets	24.6	24.8	24.7	20.1	16.3
ROAE	13.3	8.9	5.5	8.1	12.4

Valuation metrics					
Year to March	FY16	FY17	FY18E	FY19E	FY20E
Diluted EPS (INR)	6.2	4.7	3.7	5.9	10.0
EPS growth (%)	56.3	(23.8)	(21.5)	59.4	68.8
BV per share (INR)	49.7	66.0	69.7	75.6	85.6
Adj. BV per share (INR)	48.4	63.9	66.8	72.0	81.1
Diluted P/E (x)	24.1	31.6	40.3	25.3	15.0
Price/ BV (x)	3.0	2.3	2.1	2.0	1.7
Price/ ABV (x)	3.1	2.3	2.2	2.1	1.8

Peer comparison valuation

Name	Market cap (USD mn)	Diluted P/E (X)		Price/ Adj. BV (X)		ROAE (%)	
		FY18E	FY19E	FY18E	FY19E	FY18E	FY19E
Equitas Holdings Ltd.	786	40.3	25.3	2.2	2.1	5.5	8.1
Axis Bank	20,928	32.1	16.3	2.3	2.1	7.3	12.2
DCB Bank	910	21.8	17.7	2.4	2.1	11.8	11.9
Federal Bank	3,444	19.5	15.6	1.9	1.7	10.6	10.9
HDFC Bank	74,828	26.2	21.6	4.7	4.0	18.9	19.5
ICICI Bank	31,193	18.6	13.5	2.7	2.4	10.8	13.9
IDFC Bank	2,913	13.8	11.8	1.2	1.2	9.0	9.7
IndusInd Bank	15,601	27.4	21.8	4.3	3.7	16.5	17.9
Karnataka Bank	927	8.8	7.3	0.9	0.8	9.6	10.8
Kotak Mahindra Bank	30,420	33.5	27.2	4.3	3.8	14.5	14.6
South Indian Bank	881	14.0	7.6	1.4	1.2	8.6	14.5
Yes Bank	11,227	17.2	12.8	3.0	2.5	17.6	20.2
Median	-	20.6	16.0	2.3	2.1	10.7	13.1
AVERAGE	-	22.8	16.5	2.6	2.3	11.7	13.7

Source: Edelweiss research

Additional Data

Directors Data

N. Rangachary	Independent Non Executive Chairman	S. Bhaskar	Executive Director & CEO
P.N. Vasudevan	Managing Director & CEO - Equitas Small Finance Bank	Arun Ramanathan	Independent Director
Jayshree Vyas	Independent Director	Y.C. Nanda	Independent Director
P.V.Rajaraman	Independent Director		

Auditors - S.R. Batliboi & Associates LLP

**as per last annual report*

Holding - Top 10

	Perc. Holding		Perc. Holding
Templeton Asset Management	9.74	CDC Group	7.82
SBI Funds Management	7.82	International Finance Corporation	6.50
Credit Access Asia	5.17	Creation Investments	5.10
DEG Deutsche Investments	4.30	ICICI Prudential Asset Management	4.29
Franklin Resources	3.82	UTI Asset Management	3.35

**as per last available data*

Bulk Deals

Data	Acquired / Seller	B/S	Qty Traded	Price
18 Apr 2017	Cmdb li	Sell	1960499	165.10

**in last one year*

Insider Trades

Reporting Data	Acquired / Seller	B/S	Qty Traded
06 Mar 2017	A SRAVANA KUMAR	Sell	18000.00
30 Nov 2016	H K N RAGHAVAN	Sell	23964.00

**in last one year*

Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Allahabad Bank	HOLD	SU	M	Axis Bank	HOLD	SP	M
Bajaj Finserv	HOLD	SP	L	Bank of Baroda	BUY	SP	M
Bharat Financial Inclusion	BUY	SO	M	Capital First	BUY	SO	M
DCB Bank	HOLD	SP	M	Dewan Housing Finance	BUY	SO	M
Equitas Holdings Ltd.	BUY	SO	M	Federal Bank	BUY	SP	L
HDFC	HOLD	SP	L	HDFC Bank	BUY	SO	L
ICICI Bank	BUY	SO	L	IDFC Bank	HOLD	SP	L
Indiabulls Housing Finance	BUY	SP	M	IndusInd Bank	BUY	SP	L
Karnataka Bank	BUY	SP	M	Kotak Mahindra Bank	HOLD	SP	M
L&T FINANCE HOLDINGS LTD	BUY	SO	M	LIC Housing Finance	BUY	SP	M
Magma Fincorp	BUY	SP	M	Mahindra & Mahindra Financial Services	HOLD	SP	M
Manappuram General Finance	BUY	SO	H	Max Financial Services	BUY	SO	L
Multi Commodity Exchange of India	BUY	SP	M	Muthoot Finance	BUY	SO	M
Oriental Bank Of Commerce	HOLD	SP	L	Power Finance Corp	BUY	SO	M
Punjab National Bank	BUY	SP	M	Reliance Capital	BUY	SP	M
Repco Home Finance	BUY	SO	M	Rural Electrification Corporation	BUY	SO	M
Shriram City Union Finance	BUY	SO	M	Shriram Transport Finance	BUY	SO	L
South Indian Bank	BUY	SP	M	State Bank of India	BUY	SP	L
Union Bank Of India	HOLD	SP	M	Yes Bank	BUY	SO	M

ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

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Coverage group(s) of stocks by primary analyst(s): Banking and Financial Services

Allahabad Bank, Axis Bank, Bharat Financial Inclusion, Bajaj Finserv, Bank of Baroda, Capital First, DCB Bank, Dewan Housing Finance, Equitas Holdings Ltd., Federal Bank, HDFC, HDFC Bank, ICICI Bank, IDFC Bank, Indiabulls Housing Finance, IndusInd Bank, Karnataka Bank, Kotak Mahindra Bank, LIC Housing Finance, L&T FINANCE HOLDINGS LTD, Max Financial Services, Multi Commodity Exchange of India, Manappuram General Finance, Magma Fincorp, Mahindra & Mahindra Financial Services, Muthoot Finance, Oriental Bank Of Commerce, Punjab National Bank, Power Finance Corp, Reliance Capital, Rural Electrification Corporation, Repco Home Finance, State Bank of India, Shriram City Union Finance, Shriram Transport Finance, South Indian Bank, Union Bank Of India, Yes Bank

Recent Research

Date	Company	Title	Price (INR)	Recos
28-Nov-17	Banking	Q2FY18 scorecard: Sweet 'n' sour; Sector Update		
23-Nov-17	Banking	Resolution Tracker #3: Defanging defaulting promoters; Sector Update		
14-Nov-17	Bank of Baroda	Building on momentum; Result Update	174	Buy

Distribution of Ratings / Market Cap

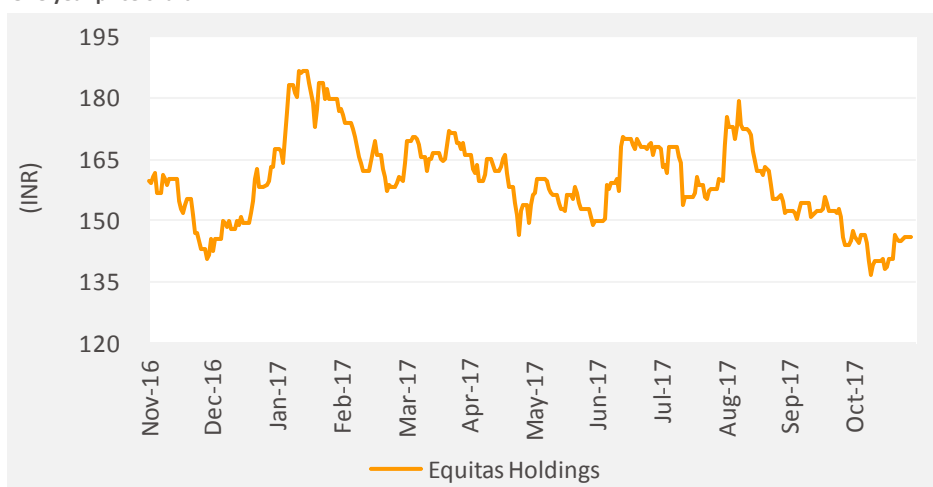
Edelweiss Research Coverage Universe

	Buy	Hold	Reduce	Total
Rating Distribution*	161	67	11	240
* 1stocks under review				
	> 50bn	Between 10bn and 50 bn	< 10bn	
Market Cap (INR)	156	62	11	

Rating Interpretation

Rating	Expected to
Buy	appreciate more than 15% over a 12-month period
Hold	appreciate up to 15% over a 12-month period
Reduce	depreciate more than 5% over a 12-month period

One year price chart



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