


24th April 2025

LTP* – ₹1,422/-

View – **Buy**
Key Highlights – Q4FY25

- Loan book grew +13.3% YoY and +2.1% QoQ to ₹13,418bn.
- Overall deposits increased by +14.0% YoY and +5.9% QoQ to ₹16,103bn.
- During the quarter, bank reported a NIM expansion of ~16bps QoQ to ~4.4%.
- While cost of funds remained inched up to 5.2% while yield on advances surged by ~21bps QoQ to 9.9%.
- Asset quality improved significantly with GNPA and NNPA coming down to 1.67% and 0.39% respectively.
- Cost to income ratio fell from 40.2% in FY24 to 38.6% in FY25.
- Provision made in Q4FY25 were 27% lower sequentially ₹9bn.

Important Statistics

| | |
|------------------------|-------------|
| Nifty | 24,329 |
| Sensex | 80,116 |
| LTP* (₹) | 1,422 |
| M.CAP (₹ tn) | ₹10.15 |
| 52 Week H/L (₹) | 1,436/1,051 |
| NSE Code | ICICIBANK |
| BSE Code | 532174 |
| Bloomberg Code | ICICIB:IN |

LTP* as on 23rd Apr 2025

Shareholding Pattern
Mar'25

| | |
|--------|--------|
| FIIIs | 37.30% |
| DII | 36.67% |
| Public | 5.83% |
| Others | 20.20% |

Q4FY25 Result Update
Advances

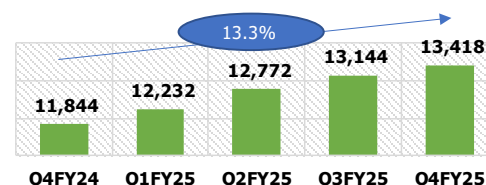
- ICICI Bank loan book growth was robust amid challenging environment, total advances rose by +13.3% YoY and +2.1% sequentially to ₹13,418bn.
- Retail segment growth witnessed soft growth of +8.9% YoY and +2.0% QoQ to ₹7,172bn. Credit cards and personal loan segments have seen meaningful weakness on a sequential basis for past few quarters now.
- Business Banking segment posted strong growth of +33.7% YoY / +6.2% QoQ to ₹2,634bn. The management remains upbeat on the segment's growth outlook. Credit costs in the segment have shown resilience.
- Corporate lending book witnessed healthy +11.9% YoY/ flat QoQ growth to ₹2,796bn.

| (₹ bn) | Q4FY25 | Q4FY24 | % YoY | Q3FY25 | % QoQ | Book Mix (Q4FY25) |
|---------------------------|--------------|--------------|-------------|--------------|-------------|-------------------|
| Mortgages | 4,396 | 3,959 | 11% | 4,277 | 3% | 61% |
| Vehicle Loans | 965 | 926 | 4% | 956 | 1% | 13% |
| Auto Finance | 619 | 592 | 5% | 617 | 0% | 9% |
| CV and Equipment | 336 | 314 | 7% | 327 | 3% | 5% |
| 2W Loans | 10 | 20 | -51% | 12 | -21% | 0% |
| Personal Loans | 1,216 | 1,167 | 4% | 1,209 | 1% | 17% |
| Credit Cards | 573 | 513 | 12% | 568 | 1% | 8% |
| Loan against shares | 22 | 23 | -4% | 22 | 1% | 0% |
| Total Retail Loans | 7,172 | 6,589 | 8.9% | 7,033 | 2.0% | - |

Source: Company, Way2wealth

Key Segmental numbers – Q4FY25

| Loan Portfolio | YoY Growth % |
|------------------|--------------|
| Overall Advances | 13.3% |
| Retail Loans | 8.9% |
| Rural Loans | 5.1% |
| Business Banking | 33.7% |
| Corporate Loans | 11.9% |
| Overseas Loans | -8.0% |

Loanbook (₹ bn)


Source: Company, Way2wealth

Relative Performance

| Return (%) | 1 Yr | 3Yr | 5 Yr |
|-------------------|------------|------------|-------------|
| ICICI Bank | 30% | 91% | 274% |
| Nifty 50 | 8% | 41% | 165% |
| Sensex | 8% | 40% | 155% |

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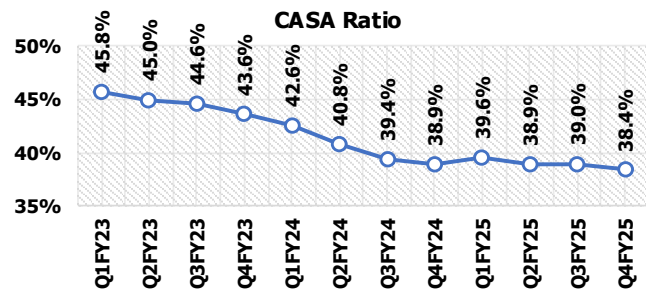
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| (₹ bn) | Q4FY25 | Q4FY24 | % YoY Chn | Q3FY25 | % QoQ Chr | % Share (Q4FY25) |
|------------------|--------|--------|-----------|--------|-----------|------------------|
| Current Deposits | 2,330 | 1,936 | 20% | 1,904 | 22% | 14% |
| Savings Deposits | 4,408 | 4,023 | 10% | 4,251 | 4% | 27% |
| CASA Deposits | 6,737 | 5,959 | 13% | 6,156 | 9% | 42% |
| Term Deposits | 9,366 | 8,170 | 15% | 9,047 | 4% | 58% |
| Total Deposits | 16,103 | 14,128 | 14% | 15,203 | 6% | - |

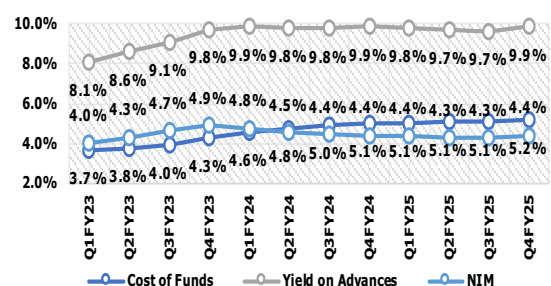


Source: Company, Way2wealth

Operational performance

- Net interest income rose +11% YoY/+4% QoQ to ₹212bn with NIM coming at 4.4% recovering back to Q4FY24 levels and rising +16bps QoQ.
- Interest income for the quarter rose +12% YoY/ +3% QoQ to ₹424bn. Yields on advances improved +21bps QoQ to 9.9%.
- Interest expense grew at +13% YoY/ flat QoQ to ₹212bn, while cost of funds of increased marginally by 9bps QoQ to 5.2%.
- During Q4FY25, operating expenses grew by +11% YoY and +2% QoQ at ₹108bn, with cost to income ratio improving further to 37.9% QoQ and down from 39.2% in Q4FY24. Resulting in the bank's core operating profit increasing by +14% YoY /+6% QoQ to ₹174bn.
- Provisions during the quarter were up +24% YoY but fell -27% QoQ to ₹9bn.
- Healthy treasury gains of ₹2bn during the quarter led to PBT rising by +17% YoY/+7% QoQ to ₹168bn. PAT was up +18% YoY/+7% QoQ to ₹126bn.
- ICICI Bank added 241 branches during the quarter taking the total branch network to 6,983 while number of ATMs remained largely stable at 16,285 by 4QFY25.

NIM improvement led by increase in yield on advances

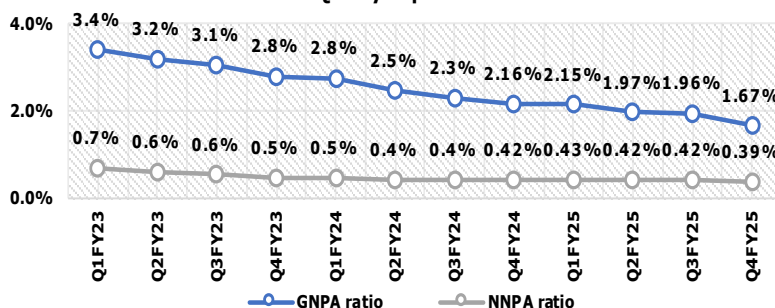


Source: Company, Way2wealth

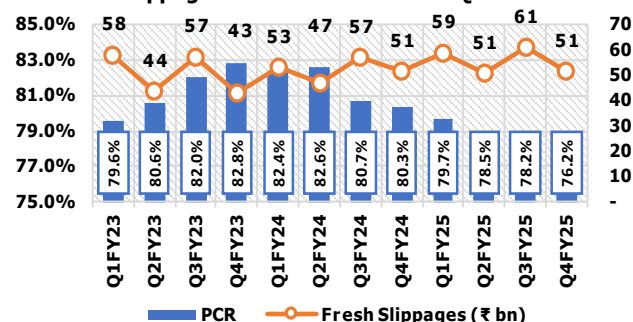
Asset Quality

- Asset quality improved significantly during the quarter with GNPA and NNPA coming in at 1.67% and 0.39% respectively.
- Fresh slippages were down -15% sequentially (flat YoY) to ₹51bn.
- The bank continued to hold contingency provisions of ₹131bn as on Mar 31, 2025. At end-Q4FY25, the bank holds a CET-1 ratio of 15.81%, and a total capital adequacy ratio of 16.41%.

Asset Quality improves further



Slippages moderates further in Q4FY25



Source: Company, Way2wealth


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 View – **Buy**
View

ICICI Bank Ltd. posted yet another industry-leading performance amid structural headwinds faced by the banking industry. NIM expansion during the quarter back to levels seen in the previous year same quarter was the key highlight of earnings performance. Despite challenges faced by peers in personal and unsecured segment, the bank was able to maintain its pristine asset quality somewhat aided lower KCC slippage. Although growth in those segments was constrained, it was largely offset by strong growth in the business banking segment.

Operating profitability during the quarter remained robust aided by the lower growth in operating expenses. Despite ICICI Bank's key focus on expansion, operating expenses were elevated by just 8% in FY25. Continuous investment in technology and focus on cost reduction initiatives were the key drivers of the meaningful improvement in cost to income ratio from 40.2% in FY24 to 38.6% in FY25.

We remain bullish on the bank's ability to post healthy earnings growth going forward as well and hence recommend investors to Buy this stock, **at CMP of ₹1,422, trading at a P/BV ~2.8x FY26E.**


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View – **Buy**
Quarterly Performance

(₹ bn)

| Particulars | Q4FY25 | Q4FY24 | YoY | Q3FY25 | QoQ Chng | FY25 | FY24 | YoY |
|--|--------|--------|---------|--------|----------|--------|--------|---------|
| Net interest earned | 424 | 379 | 12% | 413 | 3% | 1,633 | 1,429 | 14% |
| Net interest expensed | 212 | 189 | 13% | 209 | 1% | 821 | 686 | 20% |
| Net interest income | 212 | 191 | 11% | 204 | 4% | 812 | 743 | 9% |
| NIM | 4.4% | 4.4% | 1 bps | 4.3% | 16 bps | 4.3% | 4.5% | -21 bps |
| Non-interest income | 70 | 59 | 18% | 67 | 5% | 266 | 229 | 16% |
| Fee income | 63 | 54 | 16% | 62 | 2% | 239 | 208 | 15% |
| Dividend income from subsidiaries/associates | 7 | 5 | 39% | 5 | 33% | 26 | 21 | 26% |
| Operating expense | 108 | 97 | 11.2% | 106 | 2.2% | 424 | 391 | 8% |
| Core operating profit | 174 | 153 | 13.7% | 165 | 5.5% | 654 | 581 | 13% |
| Total net provision | 9 | 7 | 24% | 12 | -27% | 47 | 36 | 29% |
| Treasury income | 2 | (3) | | 4 | | 19 | 0 | |
| Profit before tax | 168 | 143 | 17% | 157 | 7% | 626 | 545 | 15% |
| Provision for taxes | 41 | 36 | 15% | 39 | 7% | 154 | 136 | 13% |
| Profit after tax | 126 | 107 | 18% | 118 | 7% | 472 | 409 | 16% |
| Advances | 13,418 | 11,844 | 13.3% | 13,144 | 2.1% | 13,418 | 11,844 | 13% |
| Deposits | 16,103 | 14,128 | 14.0% | 15,203 | 5.9% | 16,103 | 14,128 | 14% |
| BVPS | 410 | 340 | 21% | 385 | 7% | 410 | 340 | 21% |
| ROE | 18.2% | 18.5% | -30 bps | 17.6% | 60 bps | 17.9% | 18.7% | -80 bps |
| ROAA | 2.5% | 2.4% | 13 bps | 2.4% | 13 bps | 2.4% | 2.4% | 3 bps |
| EPS | 18 | 15 | 17% | 16 | 7% | 66 | 57 | 15% |

Source: Company, Way2wealth



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Disclosure of Interest Statement ICICI Bank Ltd. as on April 24, 2025

| | |
|--|-----------------|
| Name of the Security | ICICI Bank Ltd. |
| Name of the analyst | Prasad Hase |
| Analysts' ownership of any stock related to the information contained | NIL |
| Financial Interest | |
| Analyst : | No |
| Analyst's Relative : Yes / No | No |
| Analyst's Associate/Firm : Yes/No | No |
| Conflict of Interest | No |
| Receipt of Compensation | No |
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