

July 20, 2025

Q1FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	1,730		1,700	
NII (Rs. m)	8,76,700	10,07,623	8,77,446	10,08,999
% Chng.	(0.1)	(0.1)		
Op. Profit (Rs. m)	7,40,447	8,35,853	7,16,017	8,30,146
% Chng.	3.4	0.7		
EPS (Rs.)	70.3	78.6	68.9	79.4
% Chng.	2.1	(0.9)		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
NII (Rs bn)	743	811	877	1,008
Op. Profit (Rs bn)	581	673	740	836
PAT (Rs bn)	409	472	502	561
EPS (Rs.)	58.2	66.3	70.3	78.6
Gr. (%)	27.5	13.9	6.1	11.8
DPS (Rs.)	10.0	10.8	12.0	13.4
Yield (%)	0.7	0.8	0.8	0.9
NIM (%)	4.5	4.2	4.1	4.2
RoAE (%)	18.9	18.0	16.1	15.7
RoAA (%)	2.4	2.4	2.2	2.2
P/BV (x)	4.3	3.5	3.0	2.7
P/ABV (x)	4.4	3.6	3.1	2.7
PE (x)	24.5	21.5	20.3	18.1
CAR (%)	16.3	16.6	16.9	16.9

Key Data ICBK.BO | ICICIBC IN

52-W High / Low	Rs.1,472 / Rs.1,153
Sensex / Nifty	81,758 / 24,968
Market Cap	Rs.10,175bn / \$ 1,18,097m
Shares Outstanding	7,136m
3M Avg. Daily Value	Rs.14962.73m

Shareholding Pattern (%)

Promoter's	-
Foreign	45.69
Domestic Institution	45.22
Public & Others	9.09
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	0.9	16.3	14.0
Relative	0.5	9.0	13.5

Gaurav Jani

gauravjani@plindia.com | 91-22-66322235

Aditya Modani

adityamodani@plindia.com | 91-22-66322257

Harshada Gite

harshadagite@plindia.com | 91-22-66322237

NIM was better but provisions normalise

Quick Pointers:

- Core PPOP largely in-line but slight miss on core PAT due to higher provisions.
- Provisions normalize to 56bps; quarterly NIMs FY26 would be monitored.

ICICIB saw a steady quarter as core PPOP was largely in-line; core PAT was a slight miss (3.4%) as provisions normalized to 56bps (avg. 35bps in previous 7 quarters). NIM adjusted for IT refund of Rs3.9bn was a tad better at 4.42% owing to slower repricing of EBLR loans to peers. Loan growth was softer at 1.7% QoQ due to pricing pressure and slower system growth. While we are factoring a loan CAGR of 14.5% over FY25-27E, the bank could deliver higher growth if retail credit growth picks up also led by PL/CC. Due to normalization of provisions we raise provision costs by 7-8bps for FY26/27E which would be partly offset by lower opex; net impact on core earnings is not material. With industry best expected core RoA of 2.1% for FY27E, we maintain multiple at 2.9x on Mar'27 core ABV, but our SOTP based TP increases to Rs1,730 from Rs1,700 due to increase in valuation of subsidiaries. Retain 'BUY'.

- Steady quarter led by better cost management; miss on provisions:** NII was higher at Rs216.3bn (PLe Rs212.5bn) due to IT refund of Rs3.9bn. NIM (calc.) was 4.42% (PLe 4.40%). Loan growth was lower at 11.5% YoY (PLe 12.4%). Deposit accretion was 12.8% YoY (PLe 14.0%). LDR increased to 84.8% (83.3% in Q4'25). Other income was higher at Rs85bn (PLe Rs72.6bn) due to higher treasury; fees at Rs59bn was 5.5% below PLe. Opex at Rs113.9bn was -1.1% lower to PLe; higher staff cost was offset by lower other opex. Thus, core PPOP at Rs161.4bn was 1% higher to PLe; PPOP was Rs187.5bn. Asset quality was stable; GNPA was lower 1.67% (PLe 1.73%) due to tad lower gross slippages at Rs62.5bn (PLe Rs64.5bn) while recoveries higher at Rs32bn (PLe Rs30bn). Provisions were a drag and normalized to Rs18.1bn (PLe Rs14.7bn). Core PAT was 0.7% lower to PLe at Rs108bn; PAT was Rs127.7bn (PLe Rs116.5bn)
- Sequential loan accretion was softer:** Credit accretion was a bit lower at 1.7% QoQ led by de-growth of 1.4%/1.5% in corporate/rural; while retail growth was also muted at 0.5% QoQ. Slowdown in vehicle loans was due to competitive pricing. BuB growth was decent at 3.7% QoQ/29.7% YoY due to a combination of better distribution process, technology and digital interface offered to customers while keeping asset quality intact. PL/CC growth may be more aggressive going ahead while maintaining pristine customer quality. With easing liquidity, bank expects a positive impact on credit/deposit accretion. We are factoring a loan/deposit CAGR of 14.5%/12.8% CAGR over FY25-27E while the bank may deliver higher growth.
- NIM could be impacted in Q2FY26E:** Impact of transmission of repo rate cuts on EBLR is expected to be higher in Q2FY26E. This would be partly offset by 1) fall in deposit cost mainly due to SA rate cut of 25bps in Apr'25, 2) repricing of retail TD and 3) reduction in higher cost wholesale deposits (benefit to accrue in Q2). Benefit of CRR cut would flow through in Q3FY26. We are factoring NIM of 4.08%/4.16% in FY26/27E (vs 4.25% in FY25).

Exhibit 1: PAT beat due to better cost management and higher other income; asset quality improved

P & L (Rs mn)	Q1FY26	Q1FY25	YoY gr. (%)	Q1FY26E	QoQ gr. (%)	Q4FY25	% Var.	FY26E	FY25	% Var.
Interest income	425,559	389,958	9.1	422,856	0.6	423,168	0.6	1,752,747	1,631,498	7.4
Interest expense	213,125	194,429	9.6	210,344	1.3	212,379	0.4	876,040	820,993	6.7
Net interest income (NII)	212,435	195,529	8.6	212,512	(0.0)	210,789	0.8	876,707	810,504	8.2
Other income	85,049	70,019	21.5	72,629	17.1	72,601	17.1	330,138	285,067	15.8
- Fee income	59,000	54,900	7.5	62,429	(5.5)	63,060	(6.4)	269,691	238,700	13.0
- Other non-interest income	26,049	15,119	72.3	10,200	155.4	9,541	173.0	60,447	46,367	30.4
Total income	297,484	265,548	12.0	285,141	4.3	283,390	5.0	1,206,845	1,095,571	10.2
Operating expenses	113,935	105,300	8.2	115,153	(1.1)	107,888	5.6	470,301	423,723	11.0
- Staff expenses	47,431	43,705	8.5	45,978	3.2	41,052	15.5	190,200	165,409	15.0
- Other expenses	66,504	61,595	8.0	69,175	(3.9)	66,836	(0.5)	280,101	258,314	8.4
Operating profit	183,548	160,248	14.5	169,988	8.0	175,503	4.6	736,544	672,988	9.4
Core operating profit	157,499	145,129	8.5	159,788	(1.4)	165,962	(5.1)	676,097	626,621	7.9
Total provisions	18,146	13,322	36.2	14,667	23.7	8,907	103.7	72,252	46,826	54.3
Profit before tax	165,403	146,927	12.6	155,321	6.5	166,596	(0.7)	664,291	626,162	6.1
Tax	41,631	36,336	14.6	38,830	7.2	41,440	0.5	166,353	153,892	8.1
Profit after tax	123,772	110,591	11.9	116,491	6.3	125,156	(1.1)	497,938	472,270	5.4
Balance Sheet (Rs mn)										
Deposits	16,085,173	14,261,495	12.8	16,256,623	(1.1)	16,103,480	(0.1)	17,979,443	16,103,480	11.6
Advances	13,641,571	12,231,543	11.5	13,753,103	(0.8)	13,417,662	1.7	15,300,506	13,417,662	14.0
Profitability ratios (%) (calc)										
NIM	4.4	4.6	-22bps	4.4	2bps	4.4	0bps	4.1	4.2	-16bps
RoAA	2.5	2.5	4bps	2.3	23bps	2.5	1bps	2.2	2.4	-14bps
RoAE	18.2	19.0	-80bps	16.8	146bps	19.0	-82bps	16.0	18.0	-204bps
Asset Quality										
Gross NPA (Rs m)	247,327	287,186	(13.9)	252,146	-2bps	241,662	2.3	318,558	285,688	11.5
Net NPA (Rs m)	59,711	56,848	5.0	55,472	8bps	55,894	6.8	58,627	55,894	4.9
Gross NPL ratio	1.7	2.2	-48bps	1.7	-6bps	1.7	0bps	1.7	1.8	-6bps
Net NPL ratio	0.4	0.4	-2bps	0.4	2bps	0.4	2bps	0.4	0.4	-3bps
Coverage ratio (calc.)	75.9	80.2	-435bps	78.0	-214bps	76.9	-101bps	78.0	76.9	113bps
Business & Other Ratios										
CASA mix	41.2	40.9	28bps			41.8	-63bps	42.5	41.8	69bps
CASA mix - Average	38.7	39.6	-95bps			38.4	25bps			0bps
Cost-income ratio	38.3	39.7	-135bps	40.4	-208bps	38.1	23bps	39.0	38.7	29bps
Non int. inc / total income	28.6	26.4	222bps	25.5	312bps	25.6	297bps	27.4	26.0	134bps
Credit deposit ratio	84.8	85.8	-96bps	84.6	21bps	83.3	149bps	85.1	83.3	178bps
CAR	17.0	16.6	34bps			16.6	42bps	16.9	16.6	36bps
Tier-I	16.3	15.9	39bps			15.9	37bps	16.4	15.9	45bps

Source: Company, PL

Key Q1FY26 Concall Highlights

Assets/Liabilities

- **Corporate:** Shift from AA- to BBB- is a factor of both demand/pricing. This mix may be maintained. For lower brackets, there are tighter controls.
- **BuB:** Healthy growth is sustaining due to a combination of distribution process, technology and digital interface offered to the customers while maintaining the quality. This segment is expected to grow at a faster pace than overall book, thus increasing its share.
- **Vehicle loan** slowdown was mainly due to competitive pricing environment.
- **Unsecured loans:** PL and CC growth may be more aggressive going ahead while maintaining pristine customer quality.
- **CASA:** CA accretion was due to presence in transaction flows of corporate business and capital market players while SA accretion was a function of being a primary or transacting bank of retail customer. There is not much change in the competitive environment
- With easing liquidity, positive impact is expected in deposit/credit accretion. Average **LCR** for Q1FY26 was 128%.

NIM/fees/opex

- Bank has changed its **method of computing NIM** from number of days to number of months to reduce volatility (impact in this quarter was negligible; it will be visible in upcoming quarters). Reported NIM for Q4FY25 would have been lower had this method been followed.
- Impact of transmission of **repo rate cuts** on EBLR is expected to be higher in Q2FY26. This would be partly offset by (1) fall in cost of deposits mainly due to SA rate cut of 25bps in Apr'25 (2) repricing of retail TDs and (3) reduction in wholesale deposits. Benefit of CRR cut is expected to flow thru from Q3'26.
- **Impact of rate cuts** in Feb'25 has fully been passed, while that of Apr'25 has majorly been passed. However, Jun'25 cut has not yet been passed. Most of it is expected in Q2FY26.
- Impact of **interest on IT refund** was 7 bps in Q1'26 (vs 2bps/0bps QoQ/YoY).
- Increase in **staff cost** was mainly due to annual increments and promotions. **Technology expenses** were 10.7% of total expenses.

Asset quality

- GNPA from KCC portfolio in Q1 was Rs7.67bn. Adjusting for KCC, credit cost was ~50bps.
- Only 2 accounts in BBB and below book were Rs5bn+ as at 30th June 2025.
- Credit cost for BuB may go up slightly due to negligible credit cost currently, but the portfolio is granular and tightly monitored.

Domestic loan growth was strong across segments at 12.0% YoY/1.5% QoQ; international loan book fell YoY.

Retail growth was moderated due to slower home loans (+10.3% YoY) and PL (+1.4% YoY) growth. Credit card growth moderated.

Exhibit 2: Business banking grows strong at 29.7% YoY, followed by retail

Loan Book Details (Rs bn)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Total Loan Book	13,642	12,232	11.5	13,418	1.7
Domestic Loan book	13,312	11,886	12.0	13,110	1.5
Retail Loan book	7,205	6,741	6.9	7,172	0.5
Domestic Corporate book	2,757	2,564	7.5	2,797	(1.4)
Rural	772	775	(0.4)	783	(1.5)
Business Banking	2,731	2,106	29.7	2,634	3.7
International Loan book	330	346	(4.6)	308	7.1
Retail Loan book break-up					
Home Loans	4,479	4,060	10.3	4,396	1.9
Vehicle loans	963	941	2.3	965	(0.3)
Personal Loans	1,200	1,184	1.4	1,216	(1.3)
Credit Cards	543	535	1.5	573	(5.4)
Loan against shares and others	21	22	(4.7)	22	(3.8)

Composition of Loan Book

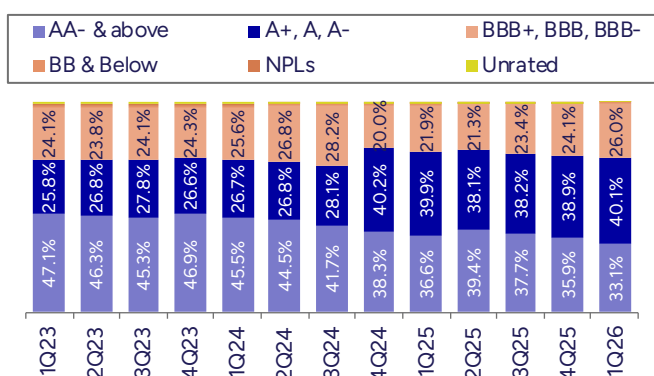
Domestic Loan book	98%	97%	41bps	98%	-12bps
Retail Loan book	53%	55%	-230bps	53%	-63bps
Domestic Corporate book	20%	21%	-75bps	21%	-63bps
Rural	6%	6%	-68bps	6%	-18bps
Business Banking	20%	17%	280bps	20%	39bps
International Loan book	2%	3%	-41bps	2%	12bps

Retail Loan book break-up

Home Loans	62%	60%	194bps	61%	87bps
Vehicle loans	13%	14%	-59bps	13%	-10bps
Personal Loans	17%	18%	-90bps	17%	-29bps
Credit Cards	8%	8%	-40bps	8%	-47bps
Loan against shares and others	0%	0%	-4bps	0%	-1bps

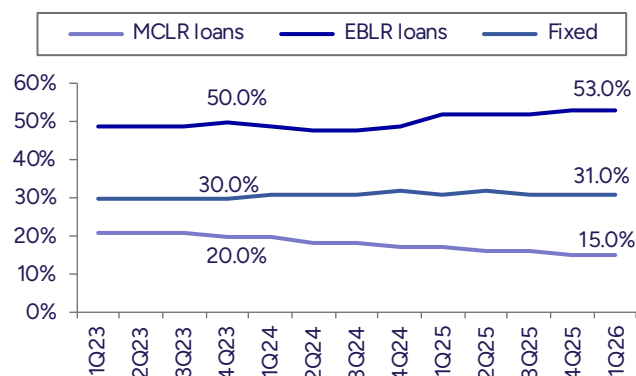
Source: Company, PL

Exhibit 3: A- & above rated book dominates at 73.2%

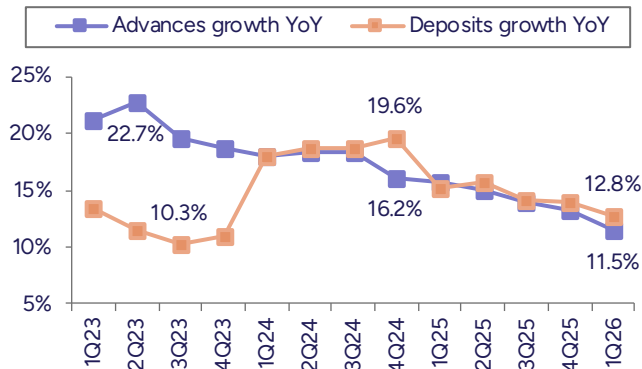


Source: Company, PL

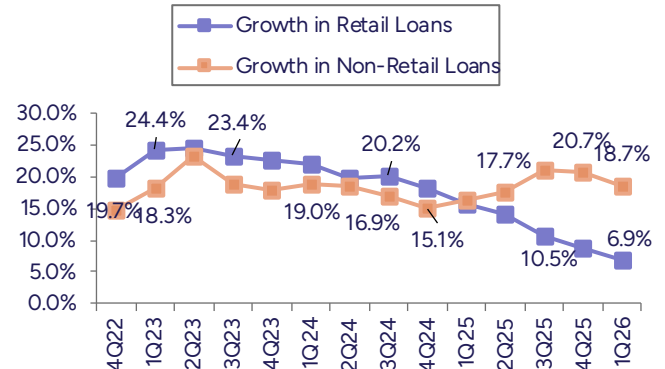
Exhibit 4: Fixed rate book stable QoQ at 31%



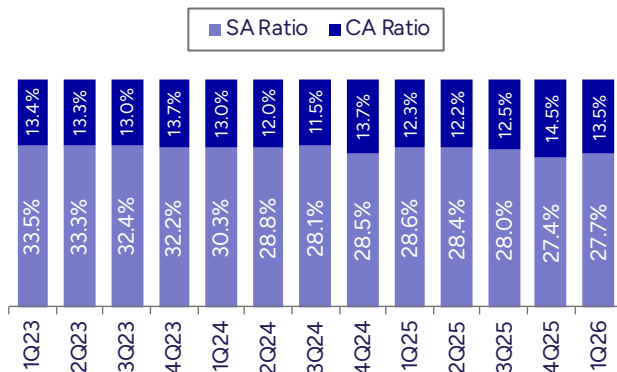
Source: Company, PL

Exhibit 5: Deposits grew faster than advances at 12.8% YoY

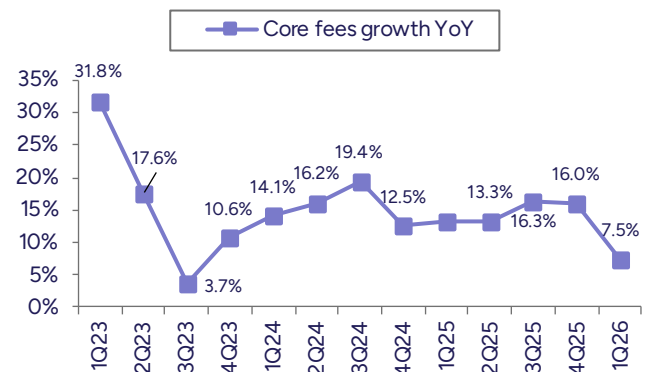
Source: Company, PL

Exhibit 6: Non-retail loan growth outpaced retail loan growth

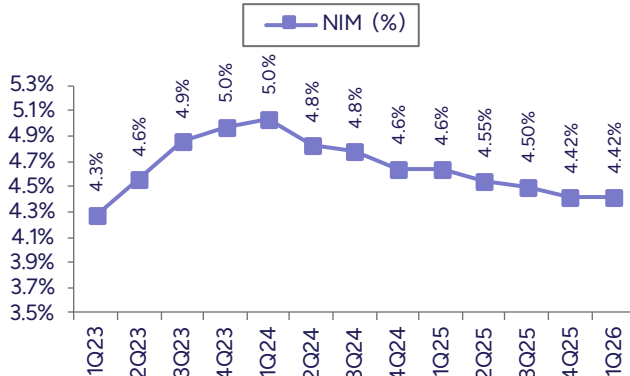
Source: Company, PL

Exhibit 7: CASA fell by 63bps QoQ to 41.21%

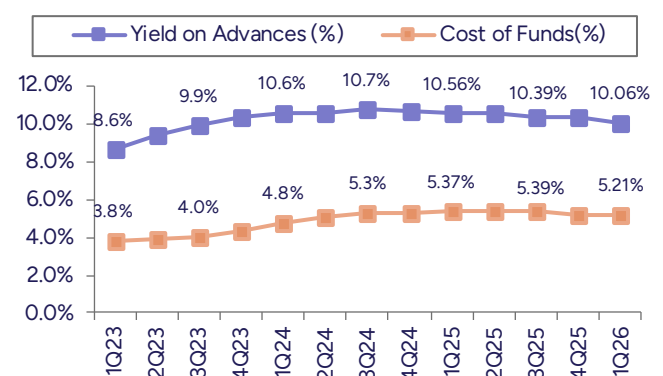
Source: Company, PL

Exhibit 8: Core fees grew 7.5% YoY

Source: Company, PL

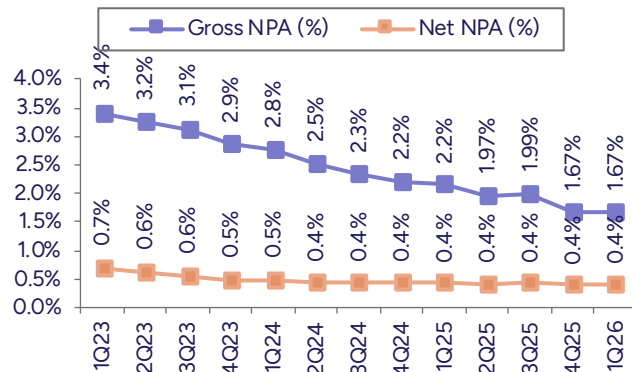
Exhibit 9: NIM (calc. adj for IT refund) was stable at 4.42%

Source: Company, PL

Exhibit 10: Fall in yields was mainly due to repo rate cut

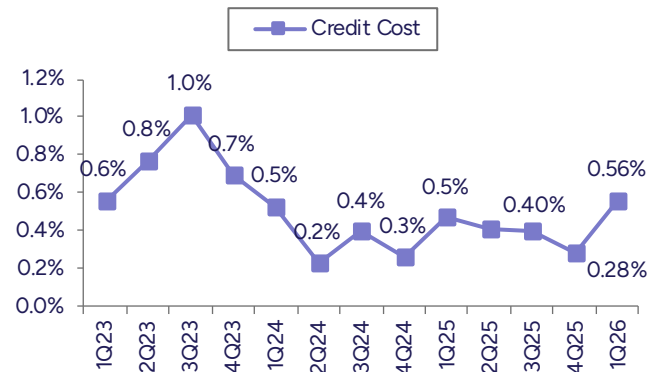
Source: Company, PL

Exhibit 11: GNPA was stable sequentially at 1.67%



Source: Company, PL

Exhibit 12: Credit cost was elevated at 0.56% due to KCC



Source: Company, PL

Exhibit 13: BB rated and below book quality maintained; net stressed assets at 0.9%

Particulars (Rs Million)	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Gross Restructured Loans	21,980	8,790	7,740	7,270	6,230	6,610	6,450	5,720	0	0	0	0
Non Fund O/s to non-performing loans	35,160	38,690	37,800	37,040	38,860	36,940	36,710	35,430	33,820	31,600	30,750	32,980
Borrowers with o/s >Rs1.0bn	32,550	26,060	18,010	15,030	21,910	31,660	26,890	27,220	25,530	16,690	23,900	24,580
Borrowers with o/s <Rs1.0bn	21,850	20,960	21,290	20,460	8,790	20,260	21,940	8,990	8,330	5,240	4,640	5,370
Total BB & Below rated book	111,540	94,500	84,840	79,800	86,750	95,470	91,990	77,070	67,680	53,530	59,290	62,930
Total BB & Below rated book (excl. NFB o/s to NPL)	76380	55810	47040	42760	36,930	58530	55280	41,640	33,860	21,930	28,540	29,950
Movement in BB & Below Book												
Slippage to NPA	570	11,210	1,520	NA	NA	NA	NA	NA	NA	NA	NA	NA
Upgrades to investment grade & O/s reduction	8,570	12,460	12,580	NA	NA	NA	NA	NA	NA	NA	NA	NA
Downgrades from investment grade	3,430	3,100	3,640	NA	NA	NA	NA	NA	NA	NA	NA	NA
BB & Below at end of period	111,540	94,500	84,840	79,800	86,750	95,470	91,990	77,070	67,680	53,530	59,290	62,930
% of Net Advances	1.2%	1.0%	0.8%	0.8%	0.8%	0.8%	0.8%	0.6%	0.5%	0.4%	0.4%	0.5%
GNPA %	3.4%	3.2%	3.1%	2.9%	2.8%	2.5%	2.3%	2.2%	2.0%	2.0%	1.7%	1.7%
NNPA %	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Net Stressed Assets %	2.1%	1.8%	1.6%	1.3%	1.3%	1.2%	1.3%	1.1%	1.0%	0.9%	0.9%	0.9%

Source: Company, PL **Note – Total BB & below disclosed only for corporate book from Q2FY25 onwards**

Exhibit 14: Slippages were higher at Rs62.45bn; write-offs normalised to Rs24.7bn

Asset Quality Break-up	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Fresh Slippages	58,250	43,360	57,230	42,970	53,180	46,870	57,140	51,390	59,160	50,730	60,850	51,420	62,450
- Retail	50,370	36,580	41,590	40,200	50,720	43,640	54,820	49,280	57,320	43,410	53,040	43,390	51,930
- Non retail (corporate/SME)	7,880	7,080	15,640	2,770	2,460	3,230	2,320	2,110	1,840	7,320	7,810	8,030	10,520
- Slippages below Investment grade	1,190	570	11,210	1,520	0	0	0	0	0	0	0	0	0
Recovery & Upgrades	54,430	37,610	46,040	42,830	35,103	45,710	53,510	39,180	32,920	33,190	33,920	38,170	32,110
Write-offs & Sale of NPA	11,393	11,673	11,616	13,585	11,690	19,220	16,048	20,340	17,530	33,360	20,688	49,042	24,675

Source: Company, PL

Exhibit 15: On track towards ~16% ROEs

RoA decomposition	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net interest income	2.8	2.9	3.2	3.3	3.6	4.1	4.3	4.1	3.9	4.0
Other Inc. from operations	2.1	1.6	1.6	1.6	1.4	1.3	1.3	1.4	1.5	1.4
Total income	4.9	4.5	4.8	5.0	5.0	5.5	5.6	5.5	5.4	5.4
Employee expenses	0.7	0.7	0.8	0.7	0.7	0.8	0.9	0.8	0.9	0.8
Other operating expenses	1.2	1.2	1.3	1.2	1.3	1.4	1.4	1.3	1.3	1.2
Operating profit	3.0	2.5	2.7	3.1	3.0	3.3	3.4	3.4	3.3	3.3
Tax	0.1	0.0	0.6	0.3	0.6	0.7	0.8	0.8	0.7	0.7
Loan loss provisions	2.1	2.1	1.4	1.4	0.7	0.4	0.2	0.2	0.3	0.3
RoAA	0.8	0.4	0.8	1.4	1.8	2.1	2.4	2.4	2.2	2.2
RoAE	6.8	3.2	7.3	12.6	15.0	17.5	18.9	18.0	16.0	15.7

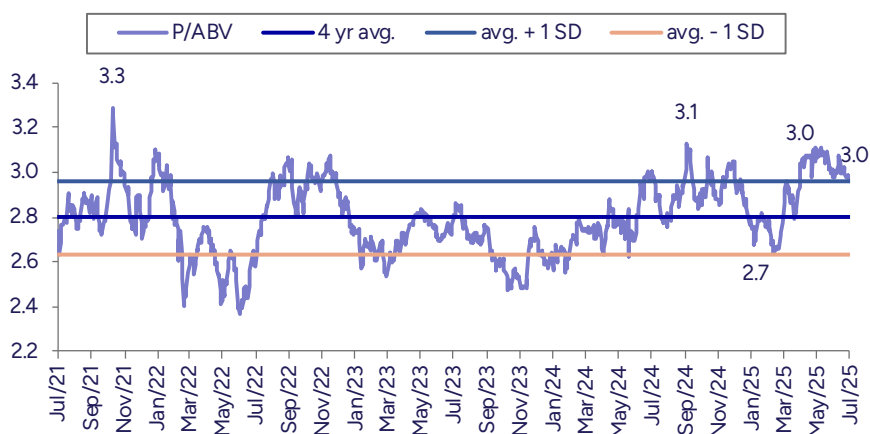
Source: Company, PL

Exhibit 16: SOTP valuation of Rs1,730, core bank valued at 2.9x on FY27E

Particulars	Stake	Rs per share	% of total	Valuation (x)	Basis
ICICI Bank	100.0%	1,457	82.8	2.9	xFY27 Core ABV
ICICI Pru Life	51.2%	66	3.7	1.00	Mkt Cap
ICICI Lombard	51.3%	68	3.9	1.00	Mkt Cap
ICICI Pru AMC	51.2%	106	6.0	42.0	xFY27 PAT
ICICI Securities	100.0%	41	2.3	1.00	Mkt Cap
ICICI Home Fin.	100.0%	12	0.7	2.50	FY25 ABV
ICICI UK+Canada	100.0%	10	0.6	1.00	FY25 ABV
Total		1,760	100.0		
Holdco discount 10%		30			
Target Price		1,730			

Source: Company, PL

Exhibit 17: ICICIBC 1-year forward P/ABV trades at 3.0x



Source: Company, PL


Income Statement (Rs. m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Int. Earned from Adv.	11,09,439	12,64,047	13,40,725	14,72,458
Int. Earned from invt.	2,86,310	3,29,802	3,55,580	3,79,048
Others	15,246	16,090	22,061	22,952
Total Interest Income	14,28,909	16,31,498	17,52,747	19,12,381
Interest Expenses	6,85,852	8,20,993	8,76,046	9,04,757
Net Interest Income	7,43,057	8,10,504	8,76,700	10,07,623
Growth(%)	19.6	9.1	8.2	14.9
Non Interest Income	2,29,578	2,85,067	3,30,138	3,54,928
Net Total Income	9,72,635	10,95,571	12,06,839	13,62,551
Growth(%)	28.5	15.6	8.7	8.9
Employee Expenses	1,51,420	1,65,409	1,90,200	2,13,079
Other Expenses	2,23,281	2,58,314	2,80,101	3,13,619
Operating Expenses	3,91,327	4,23,723	4,70,301	5,26,698
Operating Profit	5,81,308	6,72,988	7,40,447	8,35,853
Growth(%)	18.4	15.8	10.0	12.9
NPA Provision	9,448	32,778	50,431	63,369
Total Provisions	36,429	46,826	72,252	87,519
PBT	5,44,878	6,26,162	6,68,195	7,48,334
Tax Provision	1,35,996	1,53,892	1,66,351	1,87,083
Effective tax rate (%)	25.0	24.6	24.9	25.0
PAT	4,08,883	4,72,270	5,01,844	5,61,250
Growth(%)	28.2	15.5	6.3	11.8

Balance Sheet (Rs. m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Face value	2	2	2	2
No. of equity shares	7,023	7,123	7,137	7,137
Equity	14,047	14,246	14,273	14,273
Networth	23,83,993	29,20,763	33,73,382	38,39,220
Growth(%)	18.8	22.5	15.5	13.8
Adj. Networth to NNPA's	53,778	55,894	58,627	69,147
Deposits	1,41,28,250	1,61,03,480	1,79,79,443	2,04,99,943
Growth(%)	19.6	14.0	11.6	14.0
CASA Deposits	59,58,722	67,37,290	76,46,523	86,92,420
% of total deposits	42.2	41.8	42.5	42.4
Total Liabilities	1,87,15,146	2,11,82,400	2,35,59,226	2,68,30,596
Net Advances	1,18,44,064	1,34,17,662	1,53,00,506	1,75,88,951
Growth(%)	16.2	13.3	14.0	15.0
Investments	46,19,423	50,47,567	56,74,967	63,54,982
Total Assets	1,87,15,146	2,11,82,400	2,35,59,226	2,68,30,596
Growth (%)	18.1	13.2	11.2	13.9

Asset Quality

Y/e Mar	FY24	FY25	FY26E	FY27E
Gross NPAs (Rs m)	2,79,620	2,41,660	2,66,486	3,14,302
Net NPAs (Rs m)	53,778	55,894	58,627	69,147
Gr. NPAs to Gross Adv.(%)	2.3	1.8	1.7	1.8
Net NPAs to Net Adv. (%)	0.4	0.4	0.4	0.4
NPA Coverage %	80.8	76.9	78.0	78.0

Profitability (%)

Y/e Mar	FY24	FY25	FY26E	FY27E
NIM	4.5	4.2	4.1	4.2
RoAA	2.4	2.4	2.2	2.2
RoAE	18.9	18.0	16.1	15.7
Tier I	15.6	15.9	16.4	16.4
CRAR	16.3	16.6	16.9	16.9

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Interest Income	4,05,374	4,12,998	4,23,168	4,25,559
Interest Expenses	2,04,894	2,09,292	2,12,379	2,13,125
Net Interest Income	2,00,480	2,03,706	2,10,789	2,12,435
YoY growth (%)	9.5	9.1	10.4	8.6
CEB	58,940	61,800	63,060	59,000
Treasury	-	-	-	-
Non Interest Income	71,767	70,681	72,601	85,049
Total Income	4,77,140	4,83,679	4,95,769	5,10,608
Employee Expenses	41,361	39,291	41,052	47,431
Other expenses	63,653	66,231	66,836	66,504
Operating Expenses	1,05,015	1,05,521	1,07,888	1,13,935
Operating Profit	1,67,232	1,68,866	1,75,503	1,83,548
YoY growth (%)	17.5	14.7	16.7	14.5
Core Operating Profits	1,54,405	1,59,985	1,65,962	1,57,499
NPA Provision	-	-	-	-
Others Provisions	12,331	12,267	8,907	18,146
Total Provisions	12,331	12,267	8,907	18,146
Profit Before Tax	1,54,901	1,56,599	1,66,596	1,65,403
Tax	37,442	38,675	41,440	41,631
PAT	1,17,459	1,17,924	1,25,156	1,23,772
YoY growth (%)	14.5	14.8	16.9	11.9
Deposits	1,49,77,607	1,52,03,088	1,61,03,480	1,60,85,173
YoY growth (%)	15.7	14.1	14.0	12.8
Advances	1,27,72,404	1,31,43,661	1,34,17,662	1,36,41,571
YoY growth (%)	15.0	13.9	13.3	11.5

Key Ratios

Y/e Mar	FY24	FY25	FY26E	FY27E
CMP (Rs)	1,426	1,426	1,426	1,426
EPS (Rs)	58.2	66.3	70.3	78.6
Book Value (Rs)	335	406	468	534
Adj. BV (70%)(Rs)	327	398	460	524
P/E (x)	24.5	21.5	20.3	18.1
P/BV (x)	4.3	3.5	3.0	2.7
P/ABV (x)	4.4	3.6	3.1	2.7
DPS (Rs)	10.0	10.8	12.0	13.4
Dividend Payout Ratio (%)	17.2	16.4	17.0	17.0
Dividend Yield (%)	0.7	0.8	0.8	0.9

Efficiency

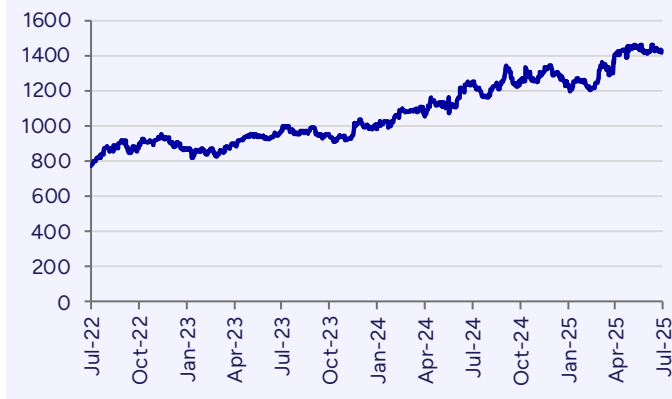
Y/e Mar	FY24	FY25	FY26E	FY27E
Cost-Income Ratio (%)	40.2	38.7	39.0	38.7
C-D Ratio (%)	83.8	83.3	85.1	85.8
Business per Emp. (Rs m)	184	196	209	229
Profit per Emp. (Rs lacs)	29	31	32	34
Business per Branch (Rs m)	3,982	4,228	4,447	4,801
Profit per Branch (Rs m)	63	68	67	71

Du-Pont

Y/e Mar	FY24	FY25	FY26E	FY27E
NII	4.30	4.06	3.92	4.00
Total Income	5.63	5.49	5.39	5.41
Operating Expenses	2.26	2.12	2.10	2.09
PPoP	3.36	3.37	3.31	3.32
Total provisions	0.21	0.23	0.32	0.35
RoAA	2.37	2.37	2.24	2.23
RoAE	18.89	18.01	16.10	15.70

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jul-25	BUY	1,700	1,436
2	23-Jun-25	BUY	1,700	1,427
3	21-Apr-25	BUY	1,700	1,407
4	08-Apr-25	BUY	1,550	1,288
5	27-Jan-25	BUY	1,550	1,209
6	08-Jan-25	BUY	1,640	1,279
7	27-Oct-24	BUY	1,640	1,255
8	07-Oct-24	BUY	1,520	1,240
9	28-Jul-24	BUY	1,520	1,207

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Accumulate	2,072	1,974
2	Axis Bank	BUY	1,375	1,161
3	Bank of Baroda	BUY	275	241
4	Can Fin Homes	BUY	860	816
5	City Union Bank	BUY	210	219
6	DCB Bank	BUY	155	142
7	Federal Bank	BUY	220	215
8	HDFC Asset Management Company	BUY	4,600	5,102
9	HDFC Bank	BUY	2,125	1,987
10	ICICI Bank	BUY	1,700	1,436
11	IndusInd Bank	Hold	780	854
12	Kotak Mahindra Bank	BUY	2,400	2,150
13	LIC Housing Finance	BUY	725	605
14	Nippon Life India Asset Management	BUY	700	775
15	State Bank of India	BUY	960	807
16	Union Bank of India	BUY	160	152
17	UTI Asset Management Company	BUY	1,300	1,329

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Gaurav Jani- CA, Passed CFA Level II, Mr. Aditya Modani- CA, Passed CFA Level II, Ms. Harshada Gite- CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Gaurav Jani- CA, Passed CFA Level II, Mr. Aditya Modani- CA, Passed CFA Level II, Ms. Harshada Gite- CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com