RATING BUY | CMP INR 970 | TP INR 1,200

State Bank of India (SBIN IN)

Q2FY27 Result Update

November 04, 2026

☑ Estimate Change | ■ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		BUY	
Target Price	1,200		1,200	
NII (INR. mn)	2,303,647	2,607,553	2,330,339	2,642,124
% Chng.	*(1.1)*	*(1.3)*		
Op. Profit (INR mn)	1,482,228	1,688,769	1,532,798	1,742,750
% Chng.	*(3.3)*	*(3.1)*		
EPS (INR)	101.0	116.3	103.7	118.9
% Chng.	*(2.6)*	*(2.2)*		

Key Data	SBI.BO | SBIN IN
BSE Code	501112
NSE Code	SBIN IN
52-W High / Low	INR 1,234 / INR 933
Face Value	1
Sensex / Nifty	76,918 / 23,811
Market Cap	INR 8,956 bn / $ 94,528 mn
Shares Outstanding	9230.77 mn
3M Avg. Daily Value	INR 9,831.09 mn

Shareholding Pattern (%)

Promoters	55.45
FIIs	11.07
Mutual Funds	13.68
Domestic Institution	12.66
Public & Others	7.14
Promoters Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	1.7	(7.2)	(9.2)	2.2
Relative	(4.9)	(5.1)	(9.2)	11.5

Key Financials - Standalone

Y/e Mar	FY26	FY27E	FY28E	FY29E
NII (INR mn)	1,731,205	2,019,247	2,303,647	2,607,553
NIM (%)	*2.6*	*2.7*	*2.7*	*2.7*
Core PPOP (INR mn)	1,010,279	1,174,730	1,372,365	1,582,094
PAT (INR mn)	800,320	857,015	931,898	1,073,298
Core PAT (INR mn)	623,842	737,676	850,600	994,358
EPS (INR)	86.7	92.8	101.0	116.3
Gr. (%)	*9.1*	*7.1*	*8.7*	*15.2*
DPS (INR)	17.4	18.6	20.2	23.3
Yield (%)	*2.0*	*1.9*	*2.1*	*2.4*
RoAE (%)	*17.3*	*15.6*	*14.9*	*15.1*
Core RoAE (%)	*14.1*	*13.9*	*14.0*	*14.4*
RoAA (%)	*1.1*	*1.1*	*1.0*	*1.1*
Core RoAA (%)	*0.9*	*0.9*	*0.9*	*1.0*
P/BV (x)	1.6	1.5	1.3	1.2
P/ABV (x)	1.7	1.6	1.4	1.2
PE (x)	10.2	10.5	9.6	8.3
CAR (%)	*15.4*	*16.8*	*17.0*	*17.0*

Tighter liquidity environment may benefit SBI

Quick Pointers

- Core PPoP in-line; lower loan growth offset by better NIM
- Muted growth in wholesale loans/deposits aided margins
- Balance sheet remains strong with more headroom to grow

SBI saw a steady quarter as core PPoP was in-line; lower loan growth was offset by better reported NIM, up 8bps QoQ to 2.94%. Management was a bit conservative in terms of domestic NIM guidance as it may surprise positively led by full impact of loan repricing while SBI may not compete aggressively on deposit pricing given adequate liquidity buffer. Despite achieving only 38-41% of targeted credit accretion in H1FY27, bank sounded confident of achieving loan growth guidance of 14-15% YoY in FY27 due to decent corporate pipeline and healthy RAM growth. We tweak multiple to 1.3x from 1.4x but keep TP at INR1,200 as we roll forward to Sep'28 core ABV. Retain 'BUY.

Steady quarter; lower loan growth offset by better NIM: NII at INR491.4bn was 1.5% higher due to NIM (calc.) that was a beat at 2.84% (PLe 2.77%); reported NIM was up 8bps QoQ to 2.94%. Loan/deposit growth was 257/162bps lower at 18.2%/12.3% YoY. LDR fell 100bps QoQ to 82%. CASA ratio was 36.6% (37.6% in Q1'27). Other income was INR190.7bn (PLe INR177.1bn); fee was a 7.6% miss, partly offset by higher TWO recovery. Opex at INR339.8bn was 0.9% higher due to other opex partially offset by lower staff cost. Core PPoP at INR277bn was in-line; PPoP was INR342.3bn. Asset quality improved; GNPA was 1.39% (PLe 1.39%). Gross slippage was INR53.8bn (PLe INR55bn) with higher recoveries at INR32.4bn (PLe INR18bn). Provisions were INR42.2bn (PLe INR51.2bn). Core PAT was 7.6% above PLe at INR180.3bn; PAT was INR230.4bn.

Loan growth was mainly led by retail/agri: Credit growth of 3.3% QoQ was led by agri (3.3%), retail (2.9%) & SME (2.4%). Corporate growth was soft at 1.3% QoQ as low priced WC and T-bill linked loans were avoided; corporate pipeline remains healthy at INR7.8trn. SME growth was partly driven by ECLGS of INR288bn. SBI's market share in mortgages increased despite slowdown in industry. Bank remains confident of achieving 14-15% credit growth for FY27. FCNR(B) deposits were USD10.9bn and related loans were USD8.83bn. INR100bn is eligible for restructuring under resolution with SLBCs of drought affected states, though, bank expects actual restructuring to be lower.

NIM could be higher than guidance: Reported NIM improved by ~8bps QoQ to 2.94% led by (1) utilization of FCNR deposits to shed high-cost bulk funding (2) avoiding low priced corporate loans and (3) cautious stance on FCNR mobilization. Domestic NIM guidance at 3%+ remains intact; it can be higher supported by full impact of repo rate hike and MCLR repricing, while impact on CoF may be limited due to liquidity buffer.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
NII (INR mn)	4,84,174	4,91,429	*1.5*	4,29,841	*14.3*
Margin (%)	*2.77*	*2.84*	*7.5 bps*	*2.79*	*5.5 bps*
Core PPoP (INR mn)	2,77,535	2,76,998	(0.2)	2,40,204	15.3
Core PAT (INR mn)	1,67,470	1,80,280	*7.6*	1,41,631	*27.3*

Source: Company, PL

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Q2FY27 Conference Call Highlights

Balance sheet

- Advances growth of 18.2% YoY was broad based across segments. Management remains confident of achieving 14-15% credit growth for FY27.
- Corporate growth was muted QoQ at 1.3% as SBI cautiously avoided low priced WC and T-bill linked loans. Pipeline remains healthy at INR7.8trn and with corporate credit growth expected at 15-16% for FY27.
- SME grew by 2.4% QoQ, with 50% of the growth driven by ECLGS of INR288bn. Borrowings by SMEs are conservatively deployed in WC cycle and brownfield expansions rather than capex. Investments in non-infra sectors, hydrocarbons and data centres were also witnessed during the quarter.
- Agri growth was healthy at 3.3% QoQ, with LTVs in agri-gold loans maintained at 60%. Retail grew by 2.9% QoQ (14.5% YoY) to INR18trn.
- Housing loan growth was 2.7% QoQ, with management indicating market share gains in housing despite overall slowdown in market led by inventory built up, delay in launch of new projects and slower demand in specific geographies. Management expects housing demand to remain structurally resilient, with first-time homebuyers continuing to drive demand with impact of rate hikes expected to be limited in segment.
- Vehicle loans growth was muted in Q2FY27, it rebounded in Oct'26 driven by recalibration in interest rates with a strategy to acquire NTB relations and enhance cross selling opportunities across products.
- Xpress credit grew by 0.9% QoQ (7.5% YoY), which remained below management's double digit growth expectations, however growth is considered reasonable given high churn in portfolio due to lower tenure. Gold loans grew by 9.5% QoQ, as shift from personal loans to low-cost gold loan continues.
- SBI mobilized USD 10.9bn of FCNR(B) deposits, of which USD 8.83bn were leveraged. FCNR flows were primarily used to shed-off wholesale deposits.
- EBLR book stood at 32%, MCLR/T-bill linked book accounted for 27%/17% while fixed rate book is 23%.

Profit & loss

- Overall NIM improved 8bps QoQ to 2.94% driven by (1) robust daily average balances in CASA leading to lowered cost of deposits (2) shedding of high-cost wholesale deposits (3) avoiding low priced corporate loans (4) cautious stance on FCNR mobilization.
- Despite FCNR, overseas NIM declined by only 2bps which was attributable to factors other than FCNR(B) mobilisation, indicating FCNR was executed without any significant adverse impact on margins.
- NIM guidance of 3%+ remains intact, while management expects tailwinds from repricing of (1) EBLR book due to repo rate hike of 25bps, with further 50bps hike expected by Q3FY27 and (2) MCLR book due to 15bps increase in lending rates.
- Management indicated repo hike to have limited pressure on CoF, supported by excess SLR of INR3.7trn, which provides adequate liquidity, reducing the need to aggressively compete for deposits.
- Treasury accounted losses of INR12.8bn (ex-stake sale gains) due to adverse bond yield movement. Gains from stake sale in NSE of INR37bn were routed through AFS reserves, with balance investment in NSE also marked to market through AFS.

- Other opex increased by 38% QoQ as expenses of ~INR8bn pertaining to IT services and vendor payments were front loaded to have even expense amortization. Further, purchases of PSLCs were accelerated to avail benefit of average PSLC achievement, led to expenses of INR1.18 bn/INR5.8bn for Q1/Q2FY27.

- RoA excluding the stake sale gains stood at 0.98%. RoA/RoE for FY27 guided at 1%/15%.

Asset quality

- One-time impact of ECL assessed at INR195bn, however, clarity with respect to provisioning for HTM portfolio and crop loans is awaited. Management continued its stance of seeking regulatory dispensation in transitioning to ECL. Sustainable impact on credit cost remains under assessment.

- INR100bn of portfolio is assessed as eligible for restructuring under resolution with SLBCs of drought affected states, though, management expects actual restructuring to be lower.

- SMA-1/2 increased 15% QoQ, however, more than 50% of the portfolio was subsequently pulled back, except one account that slipped to NPA and is expected to be recovered soon.

Exhibit 1: Quarterly Estimates

(INRmn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
NII	4,69,924	14.4	4,91,429	14.3	5,15,949	14.7	5,41,945	22.1
Core PPoP	2,90,575	21.6	2,76,998	15.3	2,90,387	7.4	3,16,771	20.7
NIM (%)	2.8	5.3 bps	2.8	5.5 bps	2.9	8.4 bps	2.9	21.5 bps
Core PAT	1,78,052	25.2	1,80,280	27.3	1,78,626	6.9	2,00,060	15.7

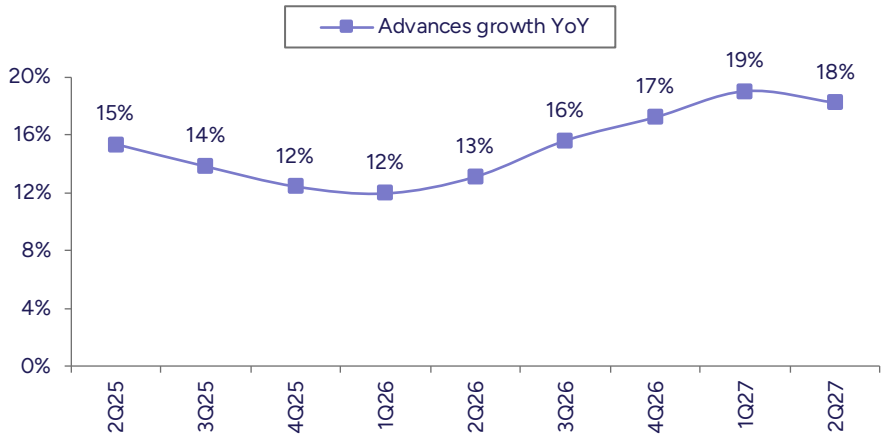
Source: Company, PL

Exhibit 2: Core PPoP was in-line; PAT beat was led by stake sale gains and higher TWO recoveries

Financial Statement (Rs m)	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	QoQ gr. (%)
Interest income	13,20,186	11,96,539	10.3	13,22,179	-0.2	12,78,965	3.2
Interest Expenses	8,28,757	7,66,699	8.1	8,38,005	-1.1	8,09,040	2.4
Net interest income (NII)	**4,91,429**	**4,29,841**	**14.3**	**4,84,174**	**1.5**	**4,69,924**	**4.6**
Other income	1,90,659	1,99,190	-4.3	1,77,134	7.6	1,59,227	19.7
-Fee Income	1,00,780	95,520	5.5	1,09,077	-7.6	99,730	1.1
-Other non-interest income	89,879	1,03,670	-13.3	68,057	32.1	59,497	51.1
Total income	**6,82,088**	**6,29,031**	**8.4**	**6,61,308**	**3.1**	**6,29,151**	**8.4**
Operating expenses	3,39,831	3,09,987	9.6	3,36,715	0.9	2,93,860	15.6
-Staff expenses	1,74,520	1,66,060	5.1	1,81,208	-3.7	1,74,238	0.2
-Other expenses	1,65,311	1,43,927	14.9	1,55,508	6.3	1,19,622	38.2
Operating profit	**3,42,257**	**3,19,044**	**7.3**	**3,24,593**	**5.4**	**3,35,292**	**2.1**
Core operating profit	**2,76,998**	**2,40,204**	**15.3**	**2,77,535**	**-0.2**	**2,90,575**	**-4.7**
Total provisions	42,169	54,001	-21.9	51,225	-17.7	50,468	-16.4
Profit before tax	**3,00,089**	**2,65,043**	**13.2**	**2,73,368**	**9.8**	**2,84,824**	**5.4**
Tax	69,709	63,444	9.9	71,076	-1.9	73,612	-5.3
Profit after tax	**2,30,380**	**2,01,599**	**14.3**	**2,02,292**	**13.9**	**2,11,212**	**9.1**
Balance Sheet (Rs mn)							
Deposits	6,27,79,190	5,59,17,004	12.3	6,36,82,756	-1.4	6,00,58,052	4.5
Advances	5,15,43,230	4,36,17,370	18.2	5,26,65,639	-2.1	4,99,20,037	3.3
Ratios (%)							
RoaA	1.2	1.2	2.9 bps	1.1	16.4 bps	1.2	6.8 bps
RoaE	16.5	17.2	-71.1 bps	14.6	184.6 bps	16.3	19.7 bps
NIM	**2.8**	**2.8**	**5.5 bps**	**2.8**	**7.5 bps**	**2.8**	**3.2 bps**
Yield on Advances	8.2	8.4	-19.5 bps	8.1	7.8 bps	8.2	0.8 bps
Cost of Funds	5.0	5.2	-13.0 bps	5.0	1.2 bps	5.1	-2.4 bps
Asset Quality							
Gross NPL (Rs m)	7,25,291	7,62,430	-4.9	7,37,199	-1.6	7,42,721	-2.3
Net NPL (Rs m)	1,85,461	1,84,599	0.5	1,84,300	0.6	1,91,585	-3.2
Gross NPL ratio	**1.4**	**1.7**	**-33.7 bps**	**1.4**	**0.7 bps**	**1.5**	**-7.9 bps**
Net NPL ratio	**0.4**	**0.4**	**-6.0 bps**	**0.3**	**1.0 bps**	**0.4**	**-2.4 bps**
Coverage ratio	74.4	75.8	-135.9 bps	75.0	-57.1 bps	74.2	22.4 bps
Business & Other Ratios			**Change in bps**		**Change in bps**		**Change in bps**
Low-cost deposit mix	36.6	38.0	-140.3	37.0	-38.9	37.6	-105.9
Cost-income ratio	49.8	49.3	54.2	50.9	-109.4	46.7	311.5
Non int. inc / total income	28.0	31.7	-371.4	26.8	116.7	25.3	264.4
Credit deposit ratio	82.1	78.0	409.9	82.7	-59.8	83.1	-101.7
CAR	16.1	14.6	147.0			15.7	42.0
Tier-I	14.3	12.7	167.0			13.9	44.0

Source: Company, PL

Exhibit 3: Advances grew by 18.2% YoY



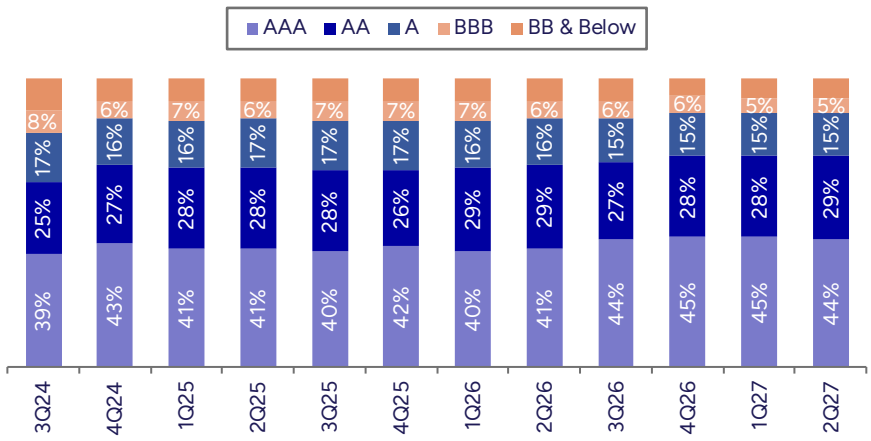
Source: Company, PL

Exhibit 4: Gross advances growth of 3.2% QoQ led by agri (3.3%), retail (2.9%), & SME (2.4%)

Loan break up (INR bn)	Q2FY27	Q2FY26	*YoY gr. (%)*	Q1FY27	*QoQ gr. (%)*
Gross Advances	**52,083**	**44,197**	***17.8***	**50,472**	***3.2***
Large Corporates	14,392	12,393	*16.1*	14,207	*1.3*
SME	6,613	5,422	*22.0*	6,460	*2.4*
Agri	4,514	3,681	*22.6*	4,368	*3.3*
International	8,313	6,766	*22.9*	7,706	*7.9*
Retail	18,251	15,934	*14.5*	17,731	*2.9*
Home	9,855	8,804	*11.9*	9,594	*2.7*
Auto	1,363	1,287	*5.9*	1,366	*-0.2*
Other Retail	7,033	5842	*20.4*	6,772	*3.8*

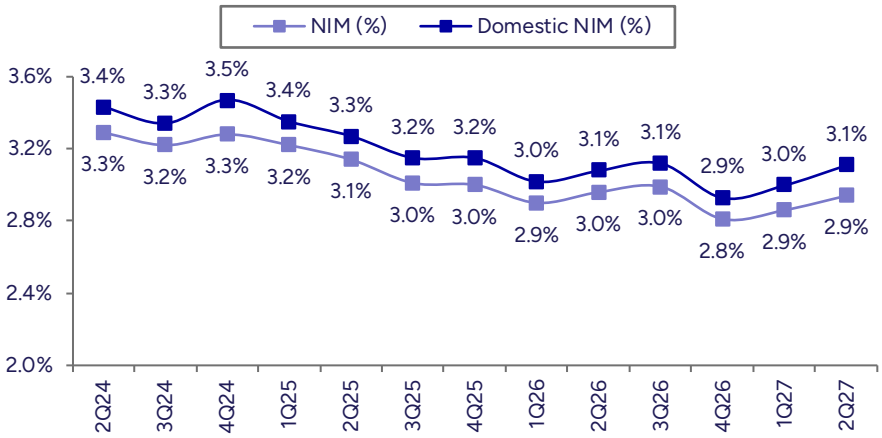
Source: Company, PL

Exhibit 5: Rating distribution of AAA & AA book steady at 73%



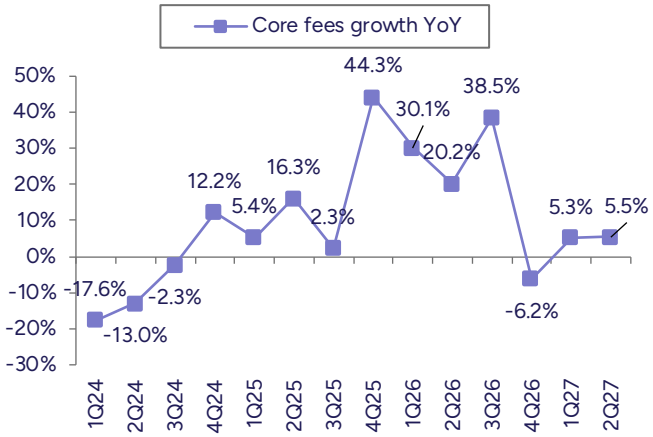
Source: Company, PL

Exhibit 6: Overall NIM (reported) improved 8bps QoQ to 2.94%; Domestic NIM improved by 11bps QoQ



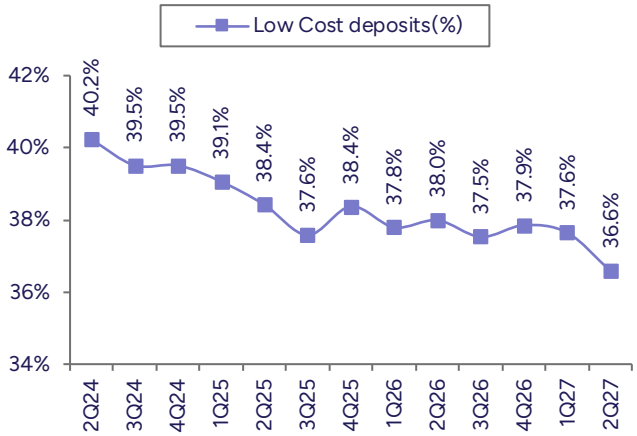
Source: Company, PL

Exhibit 7: Core fees grew by 5.5% YoY



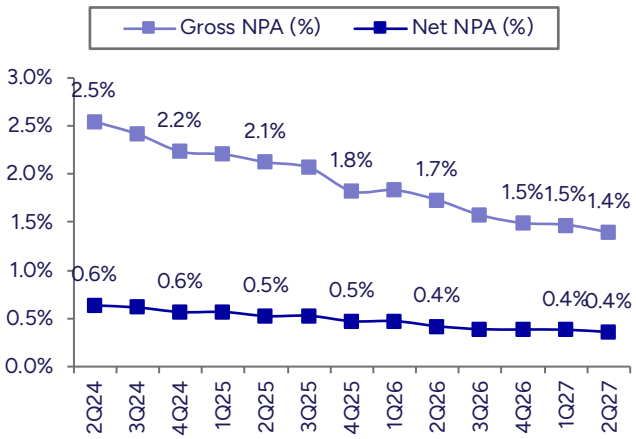
Source: Company, PL

Exhibit 8: CASA ratio fell to 36.6%



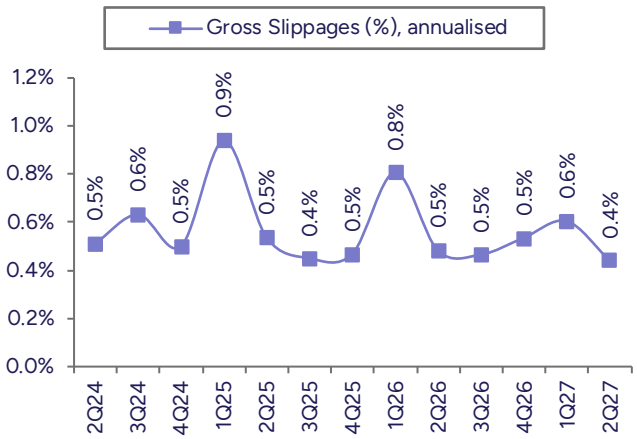
Source: Company, PL

Exhibit 9: GNPA/NNPA improved to 1.39%/0.36%



Source: Company, PL

Exhibit 10: Gross slippages were lower QoQ at 0.44%



Source: Company, PL

Exhibit 11: Slippages came in at INR53.8bn, while overall stress book is quite manageable at <1%

(INRmn)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27
Additions	87,070	49,510	41,460	43,190	83,980	49,980	48,600	55,480	73,590	53,770
Slippages (%) - annualized	*0.94%*	*0.53%*	*0.45%*	*0.47%*	*0.81%*	*0.48%*	*0.46%*	*0.53%*	0.60%	0.44%
Upgradation + Recovery	36,660	26,000	12,060	17,390	32,530	22,790	23,710	15,260	35,740	32,350
Write offs	50,913	32,078	19,489	1,00,602	39,855	45,156	50,953	42,063	29,654	38,850
Gross NPAs	8,42,260	8,33,692	8,43,604	7,68,802	7,80,397	7,62,430	7,36,368	7,34,525	7,42,721	7,25,291
Gross NPA Ratio	*2.21%*	*2.13%*	*2.07%*	*1.82%*	*1.83%*	*1.73%*	*1.57%*	*1.49%*	1.47%	1.39%
Net NPAs	2,15,547	2,02,943	2,13,776	1,96,669	1,99,084	1,84,599	1,80,121	1,88,301	1,91,585	1,85,461
Net NPA Ratio	*0.57%*	*0.53%*	*0.53%*	*0.47%*	*0.47%*	*0.42%*	*0.39%*	*0.39%*	0.38%	0.36%
Provision Coverage Ratio	*74.4%*	*75.7%*	*74.7%*	*74.4%*	*74.5%*	*75.8%*	*75.5%*	*74.4%*	74.2%	74.4%
SMA 1 & SMA 2	46,360	1,37,310	95,520	33,330	50,250	37,610	38,700	33,490	41,740	48,010
% of loans	*0.14%*	*0.41%*	*0.28%*	*0.09%*	*0.14%*	*0.10%*	*0.10%*	*0.08%*	0.10%	0.11%

Source: Company, PL

Exhibit 12: Return ratios to remain between 15-15.5%

RoA decomposition (%)	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Net Interest Income/Assets	2.8	2.7	2.6	2.4	2.5	2.6	2.6
Other Income/Assets	0.7	0.9	1.0	1.0	0.8	0.8	0.7
Net revenues/Assets	**3.5**	**3.6**	**3.6**	**3.4**	**3.4**	**3.3**	**3.3**
Operating Expense/Assets	1.9	2.0	1.8	1.7	1.7	1.7	1.6
Provisions/Assets	0.3	0.1	0.2	0.2	0.2	0.2	0.2
Taxes/Assets	0.3	0.4	0.4	0.4	0.4	0.4	0.4
ROA	**1.0**	**1.1**	**1.1**	**1.1**	**1.1**	**1.0**	**1.1**
ROE	**18.3**	**20.4**	**18.6**	**17.3**	**15.6**	**14.9**	**15.1**

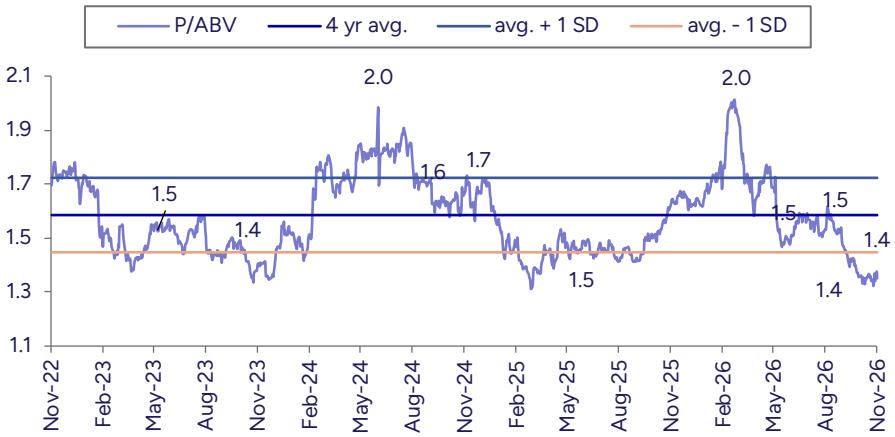
Source: Company, PL

Exhibit 13: SBIN's SOTP-based TP at INR1,200 with subs value at INR228

Particulars	Stake	Rs per share	*% of total*	Valuation	Basis
Bank	100.0%	972	*78.4*	1.3	x Sep'28 core ABV
SBI Life	55.4%	102	*8.2*	1.00	Mkt Cap
SBI MF	62.1%	66	*5.3*	1.00	Mkt Cap
SBI Cards	68.6%	38	*3.1*	1.00	Mkt Cap
SBI Caps	100.0%	38	*3.1*	25.00	of Mar'26 PAT
SBI Gen Ins	69.1%	12	*1.0*	30.00	of Mar'26 PAT
Yes Bank	10.78%	6	*0.5*	1.00	Mkt Cap
UTI AMC	10.0%	6	*0.5*	13.00	13x on Sep'28 core PAT
Total		**1,240**	***100***		
Holdco discount		40			
Target Price		**1,200**			

Source: Company, PL

Exhibit 14: One-year forward P/ABV trades at 1.4x



Source: Company, PL

Quarterly Financials

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Income Statement (INR m)								
Interest earned	1,174,266	1,195,094	1,179,959	1,196,539	1,223,524	1,230,977	1,278,965	1,320,186
Interest expended	759,811	768,916	769,234	766,699	773,658	787,177	809,040	828,757
Net Interest Income	**414,455**	**426,178**	**410,725**	**429,841**	**449,866**	**443,800**	**469,924**	**491,429**
Other income	110,408	243,667	173,457	199,190	185,623	173,141	159,227	190,659
Fees	**72,670**	**100,530**	**78,430**	**85,730**	**86,080**	**108,520**	**94,760**	**95,490**
Total Income	524,863	669,845	584,182	629,031	635,489	616,941	629,151	682,088
Operating Expenses	**289,355**	**356,985**	**278,737**	**309,987**	**306,865**	**339,899**	**293,860**	**339,831**
Employees	160,737	180,052	168,995	166,060	160,031	162,153	174,238	174,520
Others	128,617	176,933	109,742	143,927	146,834	177,747	119,622	165,311
Operating profit	235,508	312,860	305,445	319,044	328,624	277,042	335,292	342,257
Core PPoP	**223,571**	**244,064**	**239,028**	**240,204**	**270,331**	**262,381**	**290,575**	**276,998**
Provisions	**9,111**	**64,417**	**47,592**	**54,001**	**45,069**	**28,722**	**50,468**	**42,169**
Profit before tax	226,398	248,444	257,853	265,043	283,555	248,320	284,824	300,089
Taxes	57,483	62,018	66,248	63,444	73,273	51,483	73,612	69,709
Net Profit	168,914	186,426	191,604	201,599	210,282	196,838	211,212	230,380
Core PAT	**160,008**	**134,803**	**142,252**	**141,631**	**167,052**	**172,908**	**178,052**	**180,280**
Balance Sheet (INR m)								
Share capital	8,925	8,925	8,925	9,231	9,231	9,231	9,231	9,231
Reserves & surplus	4,345,139	4,402,697	4,693,024	5,171,362	5,390,972	5,435,192	5,659,077	5,986,628
Deposits	52,293,845	53,821,895	54,732,537	55,917,004	57,013,089	59,756,421	60,058,052	62,779,190
Borrowings	7,091,353	5,635,725	5,377,492	6,005,510	6,357,069	7,312,538	7,688,542	6,895,114
Other liabilities	2,467,483	2,891,291	2,873,071	2,771,580	2,849,389	3,716,738	3,207,948	3,207,763
Total liabilities	**66,206,744**	**66,760,533**	**67,685,048**	**69,874,687**	**71,619,748**	**76,230,120**	**76,622,850**	**78,877,926**
Cash & bank	3,362,656	3,402,297	3,724,120	3,923,286	2,949,247	3,845,598	3,308,950	3,341,334
Investments	18,086,289	16,905,728	16,834,939	17,280,797	17,337,790	18,012,541	18,034,258	18,646,767
Advances	40,045,669	41,633,121	41,962,051	43,617,370	46,277,341	48,778,948	49,920,037	51,543,230
Fixed assets	433,892	441,076	515,550	520,942	534,231	547,904	549,684	555,659
Other assets	4,278,237	4,378,312	4,648,387	4,532,292	4,521,140	5,045,129	4,809,920	4,790,936
Total assets	**66,206,744**	**66,760,533**	**67,685,048**	**69,874,687**	**71,619,748**	**76,230,120**	**76,622,850**	**78,877,926**
Balance sheet ratios (%)								
Loan growth	13.8	12.4	11.9	13.1	15.6	17.2	19.0	18.2
Deposit growth	9.8	9.5	11.7	9.3	9.0	11.0	9.7	12.3
LDR	76.6	77.4	76.7	78.0	81.2	81.6	83.1	82.1
CASA	37.6	38.4	37.8	38.0	37.5	37.9	37.6	36.6
Capital Adequacy (%)								
CET-1	9.5	10.8	11.1	11.5	11.0	12.3	12.9	13.3
Tier-2	2.2	2.1	2.2	2.0	2.0	2.1	1.8	1.8
CRAR	13.0	14.3	14.6	14.6	14.0	15.4	15.7	16.1
Profitability ratios (%)								
Yield on assets	7.9	7.8	7.9	7.7	7.5	7.3	7.6	7.5
Cost of funds	5.4	5.4	5.4	5.2	5.0	5.0	5.1	5.0
NIM	2.8	2.8	2.8	2.7	2.7	2.6	2.8	2.8
Fees/Assets	0.5	0.6	0.5	0.5	0.5	0.6	0.5	0.5
Cost/Income	55.1	53.3	47.7	49.3	48.3	55.1	46.7	49.8
Opex/avg assets	0.4	0.5	0.4	0.5	0.4	0.5	0.4	0.4
RoA	1.1	1.1	1.2	1.2	1.2	1.1	1.2	1.2
Core RoA	1.0	0.8	0.9	0.9	1.0	1.0	1.0	1.0
RoE	17.3	17.3	17.4	16.8	16.5	16.2	15.6	15.8
Core RoE	15.9	13.2	13.1	12.1	13.7	14.0	13.7	12.9
EPS (INR)	156.1	158.9	171.8	174.7	174.3	173.4	183.1	199.7
BVPS (INR)	487.9	494.3	526.9	561.2	585.0	589.8	614.1	649.5
ABVPS (INR)	-	-	-	-	-	-	-	-
Asset quality ratios (%)								
GNPA	2.1	1.8	1.8	1.7	1.6	1.5	1.5	1.4
NNPA	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Provision coverage	74.7	74.4	74.5	75.8	75.5	74.4	74.2	74.4
Provision costs	0.1	0.7	0.5	0.5	0.4	0.3	0.4	0.4
Slippage	0.4	0.5	0.8	0.5	0.5	0.5	0.6	0.4
NNPA/Equity	4.9	4.5	4.2	3.6	3.3	3.5	3.4	3.1

Source: Company, PL

Financials

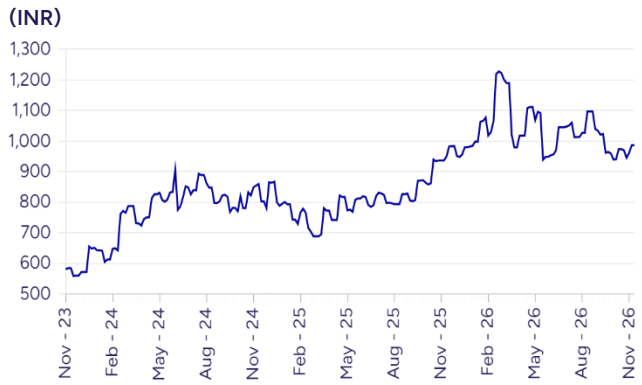
Y/e Mar	FY26	FY27E	FY28E	FY29E
Income Statement (INR m)				
Interest earned	4,827,972	5,410,915	6,239,431	7,070,512
Interest expended	3,096,767	3,391,661	3,935,784	4,462,959
Net Interest Income	**1,731,205**	**2,019,247**	**2,303,647**	**2,607,553**
Other income	734,435	681,944	685,169	740,916
Fees	**360,129**	**418,662**	**455,306**	**514,240**
Net Total Income	2,465,640	2,701,192	2,988,815	3,348,469
Operating Expenses	**1,235,488**	**1,366,839**	**1,506,587**	**1,659,699**
Employees	657,238	734,753	840,016	956,790
Others	578,250	632,086	666,571	702,909
Operating profit	1,230,152	1,334,353	1,482,228	1,688,769
Core PPoP	**1,010,279**	**1,174,730**	**1,372,365**	**1,582,094**
Provisions	**175,384**	**188,057**	**222,906**	**238,366**
Profit before tax	1,054,768	1,146,296	1,259,322	1,450,403
Taxes	254,448	289,281	327,424	377,105
Net Profit	800,320	857,015	931,898	1,073,298
Core PAT	**623,842**	**737,676**	**850,600**	**994,358**
Growth Ratios (%)				
Loans	17.2	14.0	13.0	13.0
Deposits	11.0	12.2	10.8	13.0
NII	4.1	16.6	14.1	13.2
Fees	14.2	16.3	8.8	12.9
Opex	4.6	10.6	10.2	10.2
Core PPoP	9.6	16.3	16.8	15.3
Provisions	14.6	7.2	18.5	6.9
Core PAT	9.0	18.2	15.3	16.9
Profitability Ratios (%)				
Yield on IEA	7.3	7.2	7.4	7.5
Cost of funds	4.9	4.8	4.9	5.0
NIM	**2.6**	**2.7**	**2.7**	**2.7**
Cost/Income	50.1	50.6	50.4	49.6
Provision cost	**0.4**	**0.4**	**0.4**	**0.4**
Tax rate	24.1	25.2	26.0	26.0
Core RoA	**0.9**	**0.9**	**0.9**	**1.0**
Core RoE	**14.1**	**13.9**	**14.0**	**14.4**
Du-pont (%)				
Interest income	**6.8**	**6.7**	**6.9**	**7.0**
Interest expenses	**4.3**	**4.2**	**4.4**	**4.4**
NII	**2.4**	**2.5**	**2.6**	**2.6**
Other income	1.0	0.8	0.8	0.7
Fees/avg assets	**0.6**	**0.6**	**0.6**	**0.5**
Total income	**3.4**	**3.4**	**3.3**	**3.3**
Opex/avg assets	**1.7**	**1.7**	**1.7**	**1.6**
Staff cost	0.9	0.9	0.9	0.9
Other opex	0.8	0.8	0.7	0.7
PPOP	**1.7**	**1.7**	**1.6**	**1.7**
Core PPoP/avg assets	**1.4**	**1.5**	**1.5**	**1.6**
Provisions	0.2	0.2	0.2	0.2
PBT	**1.5**	**1.4**	**1.4**	**1.4**
Tax	0.4	0.4	0.4	0.4
RoA	**1.1**	**1.1**	**1.0**	**1.1**
RoE	**17.3**	**15.6**	**14.9**	**15.1**

Source: Company, PL

Y/e Mar	FY26	FY27E	FY28E	FY29E
Balance Sheet (INR m)				
Equity	5,444,423	6,239,879	6,985,398	7,872,316
Share capital	9,231	9,231	9,231	9,231
Deposits	59,756,421	67,051,003	74,304,301	83,931,418
Borrowings	7,312,538	8,096,512	9,911,118	10,891,953
Other Liabilities	3,716,738	3,403,116	3,830,237	4,310,965
Total liabilities	**76,230,120**	**84,790,510**	**95,031,053**	**107,006,653**
Cash with RBI	2,684,453	2,334,863	2,627,909	2,957,735
Balance with banks	1,161,145	1,209,958	1,361,819	1,532,739
Investments	18,012,541	20,115,301	22,291,290	25,179,425
Advances	48,778,948	55,586,899	62,788,927	70,924,073
Fixed assets	547,903	558,998	565,736	572,556
Other assets	5,045,129	4,984,490	5,395,372	5,840,124
Total assets	**76,230,120**	**84,790,510**	**95,031,053**	**107,006,653**
Balance sheet ratios (%)				
LDR	81.6	82.9	84.5	84.5
CASA	38.3	37.1	37.1	37.0
Inv/NDTL	25.4	25.6	25.3	25.4
Borr/NDTL	10.3	10.3	11.3	11.0
Assets/equity (x)	14.0	13.6	13.6	13.6
RWA/Loans	81.2	79.8	79.2	78.5
RWA/Total assets	52.0	52.3	52.3	52.0
Capital ratios (%)				
CRAR	15.4	16.8	17.0	17.0
CET-1	12.3	13.5	13.5	13.5
AT-1	1.0	1.1	1.1	1.1
Tier-2	2.1	2.2	2.4	2.4
Asset quality ratios (%)				
GNPA (INR mn)	734,524	714,681	740,242	799,566
NNPA (INR mn)	188,301	178,670	185,061	199,892
GNPA	1.5	1.3	1.2	1.1
NNPA	0.4	0.3	0.3	0.3
PCR	74.4	75.0	75.0	75.0
Slippage	0.5	0.5	0.5	0.5
NNPA / Equity	3.5	2.9	2.6	2.5
Per share (INR)				
EPS	86.7	92.8	101.0	116.3
DPS	17.4	18.6	20.2	23.3
BVPS	552.5	638.7	719.5	815.6
ABVPS	532.1	619.4	699.4	793.9
Core BVPS	539.7	625.9	706.7	802.7
Core ABVPS	519.3	606.5	686.6	781.1
Valuation (x)				
Price (INR)	882.0	970.3	970.3	970.3
P/E	10.2	10.5	9.6	8.3
P/BV	1.6	1.5	1.3	1.2
P/ABV	1.7	1.6	1.4	1.2
P/core BV	1.2	1.2	1.1	0.9
P/core ABV	1.3	1.2	1.1	1.0

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Oct-26	BUY	1200	959
2	08-Aug-26	BUY	1200	1097
3	07-Jul-26	BUY	1200	1038
4	09-May-26	Buy	1200	1019
5	10-Apr-26	BUY	1280	1041
6	19-Feb-26	BUY	1280	1219
7	08-Feb-26	BUY	1200	1066
8	08-Jan-26	BUY	1100	1007
9	04-Nov-25	BUY	1100	958
10	07-Oct-25	BUY	960	865

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Aditya Birla Sun Life AMC	BUY	1200	950
2	Axis Bank	BUY	1600	1290
3	Bank of Baroda	Accumulate	280	239
4	Canara Bank	BUY	160	125
5	Canara Robeco Asset Management Company	HOLD	285	225
6	City Union Bank	BUY	250	215
7	DCB Bank	BUY	215	201
8	Federal Bank	BUY	400	338
9	HDFC Asset Management Company	BUY	2850	2415
10	HDFC Bank	BUY	950	729
11	ICICI Bank	BUY	1900	1397
12	ICICI Prudential Asset Management Company	BUY	3420	2969
13	Indian Bank	BUY	1000	835
14	IndusInd Bank	BUY	1100	835
15	Karur Vysya Bank	BUY	380	346
16	Kotak Mahindra Bank	BUY	510	431
17	Nippon Life India Asset Management	BUY	1200	976
18	Prudent Corporate Advisory Services	Accumulate	3200	2890
19	State Bank of India	BUY	1200	959
20	Union Bank of India	Accumulate	200	181
21	UTI Asset Management Company	HOLD	975	888

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

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