

**BUY**  
 TP: Rs 328 | ▲ 15%

**FEDERAL BANK**

| Banking

| 30 April 2026

**Return profile improving with better asset quality**

- Return profile improves gradually on lower cost to income and credit costs. Asset quality improved on the back of higher reductions
- Advances growth improving, with a structural shift to medium-yielding segments
- Maintain BUY with revised TP of Rs 328 (Rs 312 earlier), valuing the stock at 1.6x Mar’28E ABV (unchanged)

Niraj Jalan  
 Research Analyst  
 Vijiya Rao  
 Research Analyst

Kaustubh Shetye  
 Research Associate  
 research@bobcaps.in

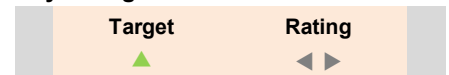
**PAT beat estimates due to one-off; return profile improves:** PAT at Rs 12.6bn (+21% QoQ) beat our estimates by 9%, driven by one-off (Rs 1.15bn income tax provision reversal) during the quarter. Adjusting for this, PAT stood at Rs 11.4bn; which was largely in line with our estimates. NIMs improved marginally by 2bps QoQ to 3.2%, excluding the one-off on interest on the IT refund of Rs 4.56bn. NIMs expanded as CoF declined by 4bps QoQ, supported by a rise of 32.9% (+87bps QoQ) in CASA. Ex-one-offs, PAT was backed by marginal improvement in C/I to 52.9% (-96bps QoQ) and lower CC of 47bps (flat QoQ), resulting in RoA of 1.2% (+9bps QoQ).

**Credit growth improving with a shift to medium-yielding segments:** FB witnessed a steady loan growth of 12.7% YoY as of Mar’26 vs 10.9% (Dec’25) and mid-to-high single digit in the first two quarters of FY27. FB is recalibrating the loan mix and focuses on medium-yielding segments (CV/CE, LAP, Auto, Gold), which saw their share in gross advances rise to 45.5% (43.1% in FY25). Gold loans increased at a high pace of 25.9% YoY, resulting in their share rising to 14.1% (Mar’26) vs 12.3% (Mar’25). However, gold loan LTV remains comfortable at below 54%. Management is comfortable with gold share till 20% of loan book, post which it will re-evaluate. Also, the strategy is to increase LAP (+7.7% QoQ) vs Housing segment (0.3% QoQ), due to a favourable risk-reward.

**AQ improved:** Asset quality (AQ) improved with GNPA ratio declining to 1.62% (-10bps QoQ), supported by higher reductions to Rs 5.9bn (+13% QoQ) that was partly offset by a rise in slippages to Rs 4.8bn (+9% QoQ). A one-off floating provision of ~Rs 4.56bn was created from tax refund interest as a prudent buffer for ECL transition, with no underlying AQ concerns. Management stated that given the current SMA position, there is no sign of any stress building up in the book.

**Maintain BUY:** We model advances growth of 16% CAGR over FY26-29E with RoA/RoE of 1.4%/13.4% in FY29E (1.1%/11.5% in FY26). We believe FB’s strategic initiatives are unfolding with better loan growth visibility and consistently improving return profile. We maintain BUY and roll over valuation to 1.6x Mar’28E ABV (unchanged) with TP of Rs 328 (Rs 312 earlier).

**Key changes**



Ticker/Price	FB IN/Rs 285
Market cap	US\$ 7.4bn
Free float	100%
3M ADV	US\$ 24.0mn
52wk high/low	Rs 302/Rs 183
Promoter/FPI/DII	0%/26%/50%

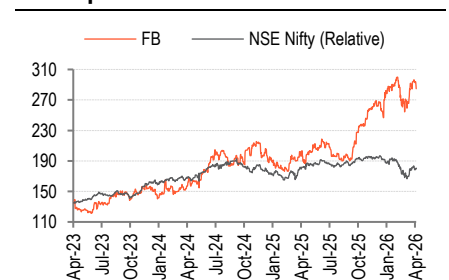
Source: NSE | Price as of 29 Apr 2026

**Key financials**

Y/E 31 Mar	FY26A	FY27E	FY28E
NII (Rs mn)	1,06,574	1,28,558	1,53,147
NII growth (%)	12.6	20.6	19.1
Adj. net profit (Rs mn)	41,173	51,138	63,660
EPS (Rs)	16.7	20.8	24.5
Consensus EPS (Rs)	16.7	20.0	23.9
P/E (x)	17.0	13.7	11.6
P/BV (x)	1.9	1.7	1.4
ROA (%)	1.1	1.2	1.3
ROE (%)	11.7	12.9	13.3

Source: Company, Bloomberg, BOBCAPS Research

**Stock performance**



Source: NSE



**Fig 1 – Quarterly snapshot: Income statement**

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
<b>Income Statement</b>							
Interest Income	52,848	53,229	53,834	54,741	55,296	4.6	1.0
Income on investments	11,504	11,346	11,684	12,128	12,543	9.0	3.4
Int. on bal. with RBI & inter-bank funds & Others	2,131	2,291	1,904	1,806	6,152	188.7	240.6
<b>Interest income</b>	<b>66,484</b>	<b>66,866</b>	<b>67,422</b>	<b>68,675</b>	<b>73,991</b>	<b>11.3</b>	<b>7.7</b>
Interest expense	42,709	43,498	42,469	42,148	42,265	(1.0)	0.3
<b>Net interest income</b>	<b>23,774</b>	<b>23,368</b>	<b>24,952</b>	<b>26,527</b>	<b>31,726</b>	<b>33.4</b>	<b>19.6</b>
Growth YoY (%)	12.0	6.5	8.9	9.1	33.4		
<b>Non-interest income</b>	<b>10,060</b>	<b>11,130</b>	<b>10,822</b>	<b>11,003</b>	<b>11,450</b>	<b>13.8</b>	<b>4.1</b>
Growth YoY (%)	16.6	47.6	18.2	20.1	13.8		
<b>Total income</b>	<b>33,834</b>	<b>34,498</b>	<b>35,774</b>	<b>37,530</b>	<b>43,176</b>	<b>27.6</b>	<b>15.0</b>
Growth YoY (%)	13.3	17.0	11.5	12.1	27.6		
Staff expenses	7,838	7,976	8,034	8,487	7,757	(1.0)	(8.6)
Other operating expenses	11,342	10,959	11,298	11,750	12,655	11.6	7.7
<b>Operating expenses</b>	<b>19,180</b>	<b>18,935</b>	<b>19,332</b>	<b>20,237</b>	<b>20,412</b>	<b>6.4</b>	<b>0.9</b>
<b>Pre-Provisioning Profit (PPoP)</b>	<b>14,654</b>	<b>15,563</b>	<b>16,442</b>	<b>17,293</b>	<b>22,764</b>	<b>55.3</b>	<b>31.6</b>
Growth YoY (%)	2.0	40.2	9.5	10.2	55.3		
<b>Provisions</b>	<b>1,381</b>	<b>4,002</b>	<b>3,631</b>	<b>3,324</b>	<b>7,410</b>	<b>436.6</b>	<b>122.9</b>
Growth YoY (%)	51.4	(523.0)	151.7	13.7	436.6		
<b>PBT</b>	<b>13,273</b>	<b>11,561</b>	<b>12,811</b>	<b>13,970</b>	<b>15,354</b>	<b>15.7</b>	<b>9.9</b>
Tax	2,971	2,944	3,258	3,557	2,763	(7.0)	(22.3)
<b>PAT</b>	<b>10,302</b>	<b>8,618</b>	<b>9,553</b>	<b>10,412</b>	<b>12,591</b>	<b>22.2</b>	<b>20.9</b>
Growth YoY (%)	2.3	(4.9)	(5.4)	9.0	22.2		
<b>Per Share</b>							
FV (Rs)	2.0	2.0	2.0	2.0	2.0	-	-
EPS (Rs)	4.2	3.5	3.9	4.2	5.1	21.7	20.8
Book Value (Rs)	135	138	142	146	157	16.4	7.7

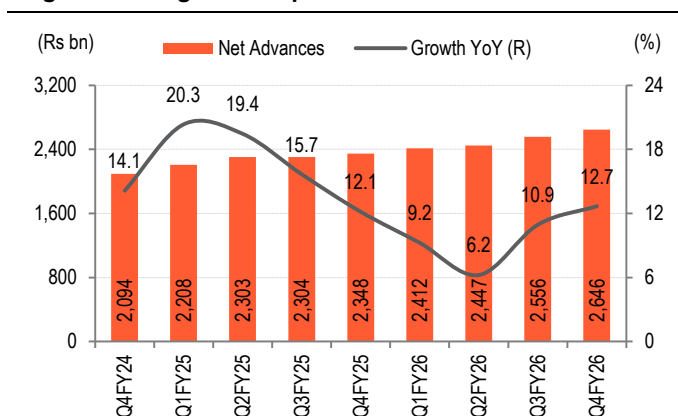
Source: BOBCAPS Research, Company

**Fig 2 – Quarterly snapshot: Key balance sheet parameters & ratios**

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
<b>Deposits</b>	<b>28,36,475</b>	<b>28,74,360</b>	<b>28,89,196</b>	<b>29,77,960</b>	<b>31,39,094</b>	<b>10.67</b>	<b>5.41</b>
Growth YoY (%)	18.4	13.8	8.6	11.8	10.7		
<b>Advances</b>	<b>23,48,364</b>	<b>24,12,040</b>	<b>24,46,571</b>	<b>25,55,690</b>	<b>26,45,944</b>	<b>12.67</b>	<b>3.53</b>
Growth YoY (%)	17.9	15.2	10.8	10.9	12.7		
Investment	6,62,456	6,85,010	7,03,469	7,18,890	7,66,762	15.7	6.7
Equity	3,34,206	3,44,194	3,59,473	3,65,750	3,91,979	17.3	7.2
Assets	34,90,048	35,32,980	35,60,802	36,66,910	38,75,215	11.0	5.7
Growth YoY (%)	17.8	14.6	8.6	7.9	11.0		
<b>Yield (%)</b>							
Yield on Funds	8.12	8.02	8.01	7.99	8.26	14bps	27bps
Cost of Funds	5.67	5.66	5.53	5.43	5.21	(46bps)	(22bps)
Spread	2.45	2.35	2.48	2.56	3.05	60bps	49bps
<b>Net Interest Margin</b>	<b>3.12</b>	<b>2.94</b>	<b>3.06</b>	<b>3.18</b>	<b>3.74</b>	<b>62bps</b>	<b>56bps</b>
<b>Ratios (%)</b>							
Other Income / Net Income	29.7	32.3	30.3	29.3	26.5	(321bps)	(280bps)
Cost to Income ratio	56.7	54.9	54.0	53.9	47.3	(941bps)	(665bps)
CASA ratio	30.2	30.3	31.0	32.1	32.9	270bps	87bps
C/D ratio	82.8	83.9	84.7	85.8	84.3	150bps	(153bps)
Investment to Assets	19.0	19.4	19.8	19.6	19.8	81bps	18bps
<b>Assets Quality</b>							
GNPA	43,755	46,697	45,320	44,469	43,353	(0.9)	(2.5)
NNPA	10,404	11,576	11,652	10,680	5,293	(49.1)	(50.4)
Provision	33,352	35,120	33,669	33,788	38,060	14.1	12.6
GNPA (%)	1.84	1.91	1.83	1.72	1.62	(22bps)	(10bps)
NNPA (%)	0.44	0.48	0.48	0.42	0.20	(24bps)	(22bps)
PCR (%)	76.2	75.2	74.3	76.0	87.8	1157bps	1181bps
<b>Others (nos)</b>							
Branches	1,589	1,591	1,595	1,601	1,640	51	39
ATMs	2,080	2,094	2,082	2,094	2,112	32	18

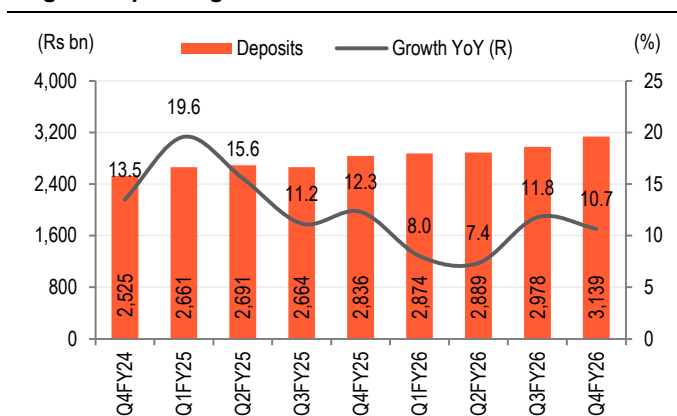
Source: Company, BOBCAPS Research

**Fig 3 – Credit growth improved to 12.7% YoY**



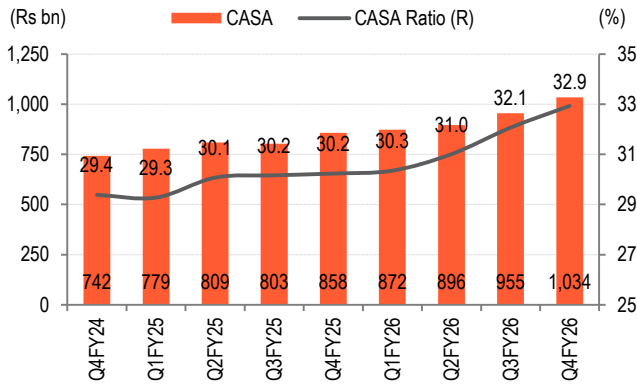
Source: Company, BOBCAPS Research

**Fig 4 – Deposits grew 10.7% YoY**



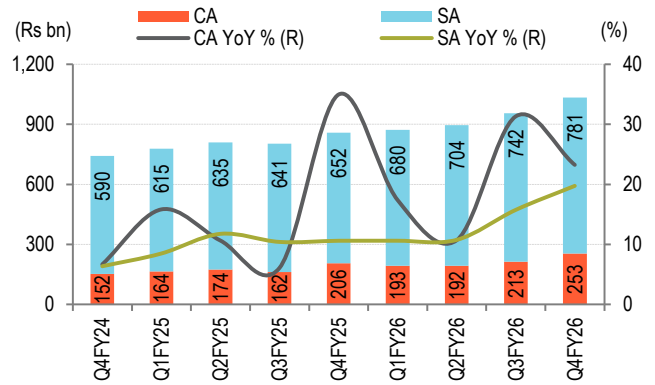
Source: Company, BOBCAPS Research

**Fig 5 – CASA ratio improving steadily...**



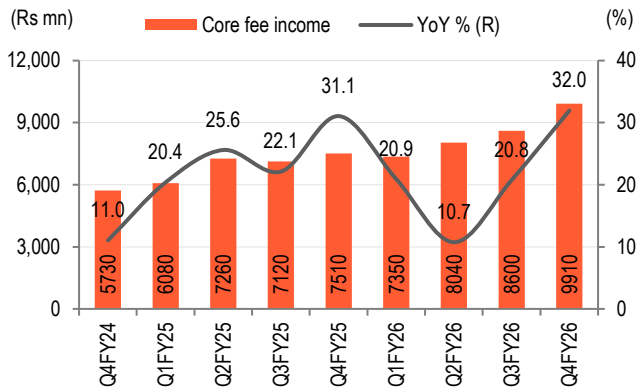
Source: Company, BOBCAPS Research

**Fig 6 – ...with CA up (+23% YoY) and SA up (+20% YoY)**



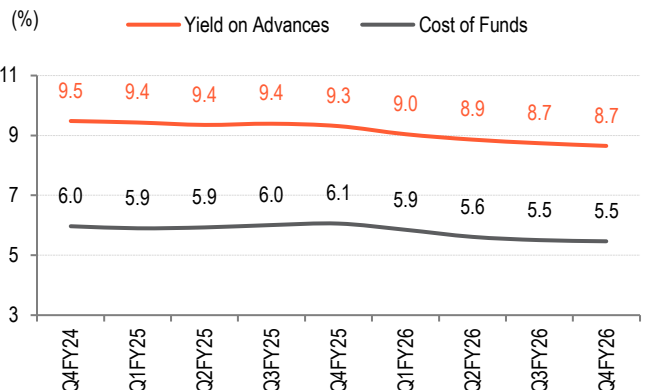
Source: Company, BOBCAPS Research

**Fig 7 – Focus on growing core fee income**



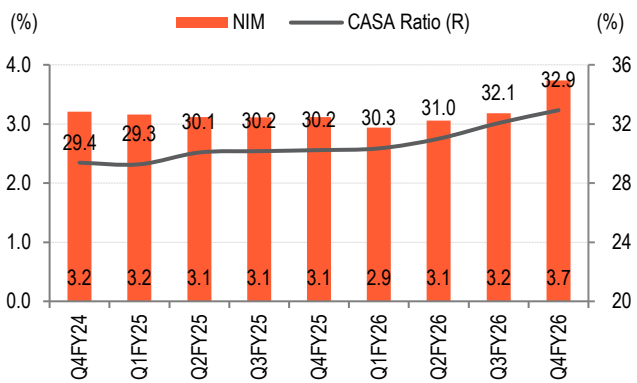
Source: Company, BOBCAPS Research

**Fig 8 – Yields moderated while CoF improved**



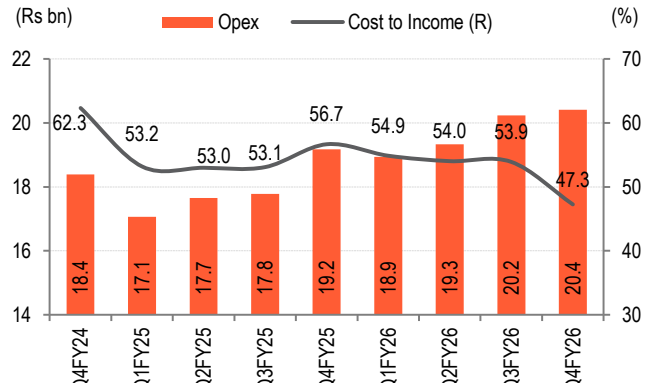
Source: Company, BOBCAPS Research

**Fig 9 – NIMs improved 56bps QoQ due to one-offs**



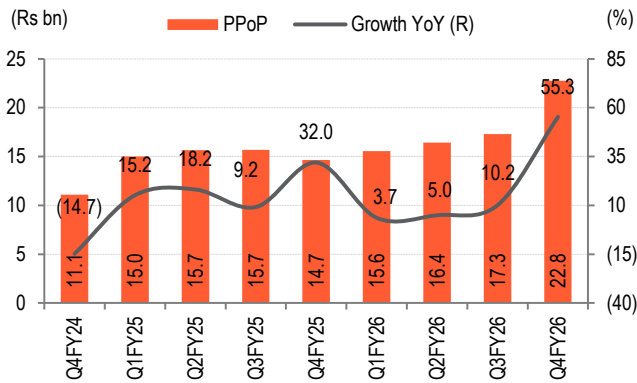
Source: Company, BOBCAPS Research

**Fig 10 – C/I ratio improved by ~106bps (ex- one-offs); guided to be 53-55% for next couple of years**



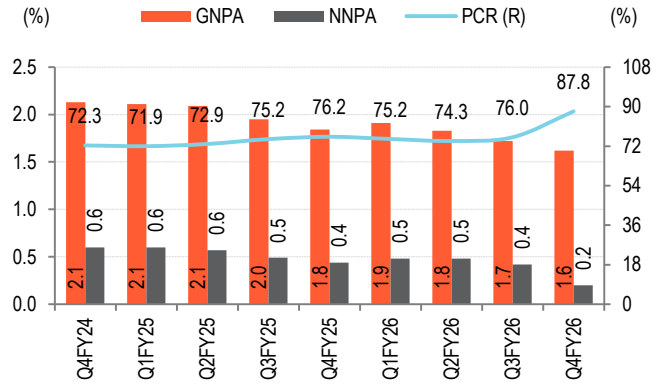
Source: Company, BOBCAPS Research

**Fig 11 – PPOP improved steadily**



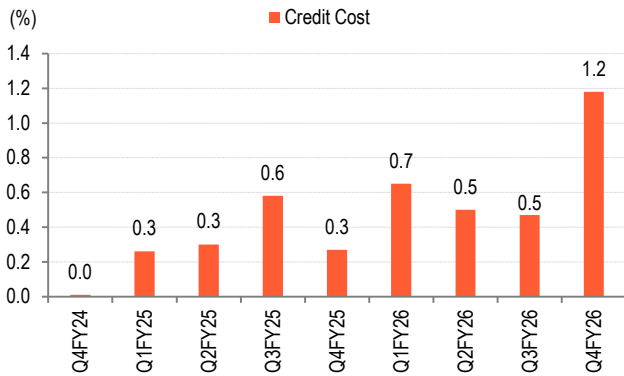
Source: Company, BOBCAPS Research

**Fig 12 – Asset quality improved**



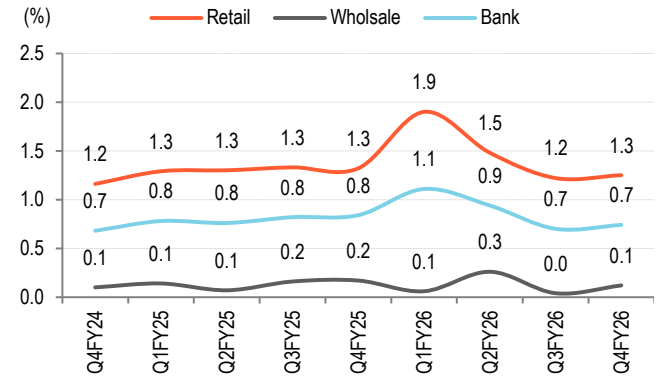
Source: Company, BOBCAPS Research

**Fig 13 – Credit cost higher due to additional floating provisions made in Q4**



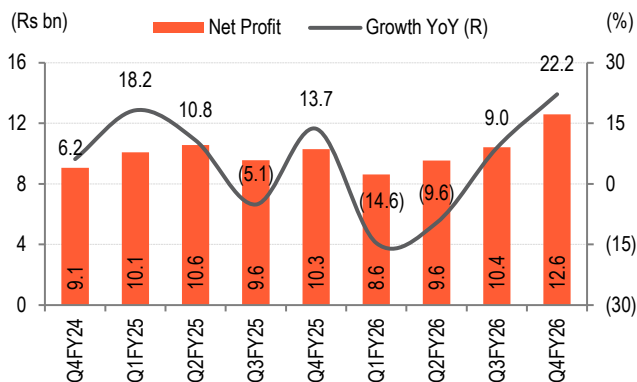
Source: Company, BOBCAPS Research

**Fig 14 – Slippages stable across segments**



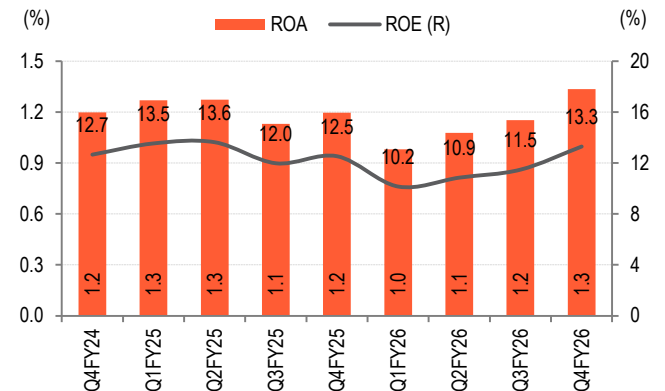
Source: Company, BOBCAPS Research

**Fig 15 – Net profit improved on one-time IT provision reversal this quarter**



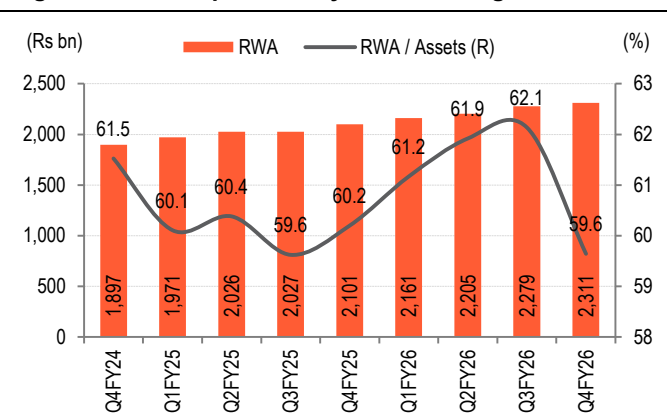
Source: Company, BOBCAPS Research

**Fig 16 – Return ratios on improving trajectory**



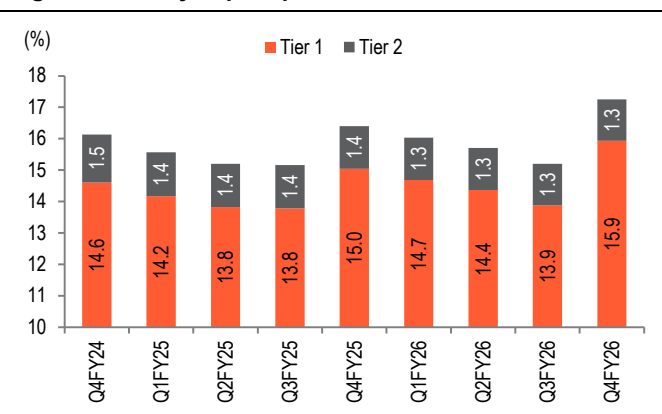
Source: Company, BOBCAPS Research

**Fig 17 – RWAs expected stay ~60-62% range**



Source: Company, BOBCAPS Research

**Fig 18 – Healthy capital position**



Source: Company, BOBCAPS Research

## Earnings Call Highlights

- On February 16, 2026, the bank allotted ~27.3cr warrants to Asia II Topco XIII Pte. Ltd. via preferential issuance at Rs 227 per warrant, **receiving ~Rs 15.5bn upfront (25% of issue price)**. Each warrant is convertible into one equity share (FV Rs 2), with the **remaining 75% payable within 18 months**.
- The bank continues executing a calibrated shift in its balance sheet, with a clear focus on **improving liability mix and scaling higher-yielding asset segments**, supporting margin expansion over the medium term.
- CASA ratio has improved to ~33%, with a stated medium-term target of ~36%**, driven by the ongoing strengthening of retail deposit mobilisation and granularisation of liabilities.
- Management reiterated the strategy to **reduce reliance on high-cost wholesale deposits and pivot towards stable, retail-led funding**, while continuing to leverage its **strong NRI franchise** as a key funding moat.
- In **corporate banking**, focus remains on **credit selectivity** and **pricing discipline**, with a strategic pivot towards the mid-market segment to drive overall revenue through cross-selling of trade, forex, and cash management services.
- Management **remains cautious on the home loan segment**, due to irrationally low pricing relative to funding costs and expects to scale this portfolio only when risk-adjusted returns improve.
- NIM expansion is expected to be a function of multiple levers**, including **asset repricing**, improvement in **liability mix** (higher CASA), and a **rising share of medium-to-high-yield assets**.
- The bank guided for a **cost-to-income ratio in the range of 53%–56%**, with current efficiency levels trending slightly better than the guided band.
- Fee income growth is expected to be driven by credit cards, wealth management, and trade/forex**, with the recently launched wealth platform aimed at deepening customer engagement and expanding fee pools.

- The bank has **utilised one-off gains (interest on Income Tax refunds) to build provisioning buffer of Rs 4.56bn**, ahead of the transition to ECL framework.
- On distribution, the **bank plans addition of ~100 branches** in FY27, following a data-driven review of its network to support growth and deepen reach.
- While macro fundamentals remain strong, management **remains watchful of the risks from the conflict in West Asia**; particularly its potential impact on energy prices, inflation, and remittance flows towards late FY27.
- **Remittance flows remain robust** currently, with sustainability contingent on employment conditions in the Middle East.

## Valuation Methodology

FB's strategy to position itself closer to the top private sector banks, driven by changes in the assets and liabilities profile, is expected to result in a steady business growth and an improved return profile. We model advances growth of 16% CAGR over FY26-29E with RoA/RoE of 1.4%/13.4% in FY29E (1.1%/11.5% in FY26). We believe FB's strategic initiatives are unfolding with better visibility in loan growth and a consistently improving return profile. We maintain BUY and roll over valuation to 1.6x Mar'28E ABV (unchanged) with TP of Rs 328 (Rs 312 earlier).

**Fig 19 – Actuals vs BOBCAPS Estimates**

(Rs mn)	Q4FY26A	Q4FY26E	Variance (%)
Loan	26,45,944	26,74,787	(1.1)
Deposits	31,39,094	31,48,487	(0.3)
Assets	38,75,215	38,28,859	1.2
NII	31,726	28,013	13.3
PPoP	22,764	18,767	21.3
Provision	7,410	3,153	135.0
PAT	12,591	11,561	8.9

Source: Company, BOBCAPS Research

**Fig 20 – Revised estimates**

Estimates Key Parameters (Rs mn)	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Loan	30,42,835	35,29,689	30,38,196	35,24,307	0.2	0.2
Deposits	35,78,567	41,33,245	35,95,742	41,53,082	(0.5)	(0.5)
Assets	43,85,644	50,48,297	44,95,538	52,15,456	(2.4)	(3.2)
NII	1,28,558	1,53,147	1,28,361	1,51,052	0.2	1.4
PPoP	82,955	1,01,009	82,292	99,988	0.8	1.0
Provision	14,222	15,445	13,916	14,438	2.2	7.0
PAT	51,138	63,660	50,872	63,650	0.5	0.0
ABV (Rs)	168	196	166	190	1.2	3.1

Source: Company, BOBCAPS Research

**Fig 21 – Key operational assumptions**

(%)	FY26	FY27E	FY28E	FY29E
Advances growth	12.7	15.0	16.0	16.3
NII growth	12.6	20.6	19.1	21.0
PPoP growth	18.1	15.1	21.8	20.5
PAT growth	1.6	24.2	24.5	22.2
NIM	3.2	3.4	3.5	3.6
GNPA	1.6	1.5	1.4	1.3
CAR	17.3	16.6	17.9	17.5

Source: Company, BOBCAPS Research

**Fig 22 – Valuation summary**

Business	Valuation	Holdings (%)	Value (Rs/sh)
Federal Bank	1.6x Mar'28E ABV	100	317
Fed Financial Services	Market cap	61	11
<b>Total</b>			<b>328</b>

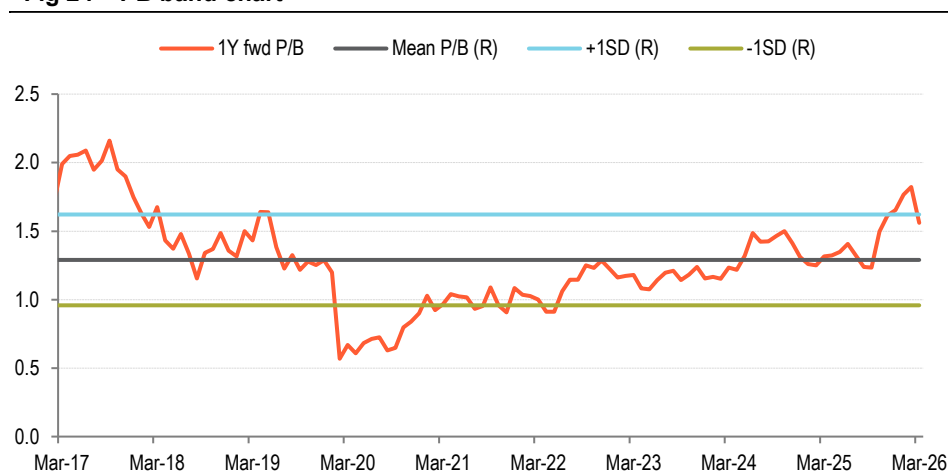
Source: Company, BOBCAPS Research

**Fig 23 – Valuation assumptions**

Gordon Growth Model	Assumptions
Cost of equity (%)	12.8
Blended ROE (%)	15.1
Initial high growth period (years)	10.0
Payout ratio of high-growth phase (%)	20.0
Long-term growth (%)	6
Long term dividend payout ratio (%)	60
Justified P/BV (x)	1.6

Source: BOBCAPS Research

**Fig 24 – PB band chart**



Source: Company, BOBCAPS Research

## Key Risks

Key downside risks to our estimates:

- Reversal in credit cycle, which can lead to higher deterioration in asset quality and hence, the overall profitability, owing to higher provisions
- Management's inability to implement the new strategy

## Glossary

Glossary of Abbreviations			
<b>AUCA</b>	Advance Under Collection Account	<b>MTM</b>	Mark to Market
<b>CASA</b>	Current Account and Savings Account	<b>NII</b>	Net Interest Income
<b>CAR</b>	Capital Adequacy Ratio	<b>NIM</b>	Net Interest Margin
<b>CET1</b>	Common Equity Tier 1	<b>NNPA</b>	Net Non-Performing Assets
<b>CD</b>	Credit-Deposit Ratio	<b>NRE</b>	Non-Resident (External) Account
<b>C/I</b>	Cost-Income Ratio	<b>NRO</b>	Non-Resident Ordinary Account
<b>CV/CE</b>	Commercial Vehicle/Construction Equipment	<b>PCR</b>	Provision Coverage Ratio
<b>EBLR</b>	External Benchmark-based Lending Rate	<b>PPOP</b>	Pre-Provision Operating Profit
<b>ECL</b>	Expected Credit Loss	<b>PSU</b>	Public Sector Unit
<b>FCNR</b>	Foreign Currency Non-Resident Account	<b>RWA</b>	Risk-weighted Assets
<b>GNPA</b>	Gross Non-Performing Assets	<b>SA</b>	Savings Account
<b>LCR</b>	Liquidity Coverage Ratio	<b>SLR</b>	Statutory Liquidity Ratio
<b>LDR</b>	Loan to Deposit Ratio	<b>SMA</b>	Special Mention Account
<b>MCLR</b>	Marginal Cost of Funds-based Lending Rate	<b>SME</b>	Small and Medium-sized Enterprises
<b>MFI</b>	Microfinance Institution		

## Financials

### Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
<b>Net interest income</b>	<b>94,680</b>	<b>1,06,574</b>	<b>1,28,558</b>	<b>1,53,147</b>	<b>1,85,267</b>
NilI growth (%)	14.2	12.6	20.6	19.1	21.0
Non-interest income	38,012	44,404	49,152	56,934	65,307
Total income	1,32,692	1,50,978	1,77,710	2,10,080	2,50,574
Operating expenses	71,681	78,916	94,754	1,09,071	1,28,836
PPOP	61,011	72,062	82,955	1,01,009	1,21,738
PPOP growth (%)	17.9	18.1	15.1	21.8	20.5
Provisions	7,331	18,367	14,222	15,445	17,178
PBT	53,681	53,695	68,733	85,564	1,04,560
Tax	13,162	12,522	17,596	21,904	26,767
<b>Reported net profit</b>	<b>40,519</b>	<b>41,173</b>	<b>51,138</b>	<b>63,660</b>	<b>77,793</b>
Adjustments	0	0	0	0	0
<b>Adjusted net profit</b>	<b>40,519</b>	<b>41,173</b>	<b>51,138</b>	<b>63,660</b>	<b>77,793</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity capital	4,912	4,929	4,929	5,475	5,475
Reserves & surplus	3,29,295	3,66,631	4,14,444	5,36,028	6,10,164
Net worth	3,34,206	3,71,559	4,19,373	5,41,502	6,15,639
Deposits	28,36,475	31,39,094	35,78,567	41,33,245	47,86,298
Borrowings	2,37,263	2,11,591	2,27,643	2,61,789	2,56,554
Other liab. & provisions	82,104	1,37,479	1,44,570	1,11,760	1,77,652
<b>Total liab. &amp; equities</b>	<b>34,90,048</b>	<b>38,75,215</b>	<b>43,85,644</b>	<b>50,48,297</b>	<b>58,36,142</b>
Cash & bank balance	3,08,592	2,57,276	3,18,404	3,47,032	3,83,540
Investments	6,62,456	7,66,762	8,11,703	9,39,042	11,04,233
Advances	23,48,364	26,45,944	30,42,835	35,29,689	41,05,028
Fixed & Other assets	1,70,636	2,05,233	2,12,701	2,32,534	2,43,341
<b>Total assets</b>	<b>34,90,048</b>	<b>38,75,215</b>	<b>43,85,644</b>	<b>50,48,297</b>	<b>58,36,142</b>
Deposit growth (%)	12.3	10.7	14.0	15.5	15.8
Advances growth (%)	12.1	12.7	15.0	16.0	16.3

### Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
EPS	16.6	16.7	20.8	24.5	28.4
Dividend per share	1.2	1.2	1.3	1.3	1.3
Book value per share	136.1	150.8	170.2	197.8	224.9

### Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	17.2	17.0	13.7	11.6	10.0
P/BV	2.1	1.9	1.7	1.4	1.3
Dividend yield (%)	0.4	0.4	0.5	0.5	0.5

### DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	2.9	2.9	3.1	3.2	3.4
Non-interest income	1.2	1.2	1.2	1.2	1.2
Operating expenses	2.2	2.1	2.3	2.3	2.4
Pre-provisioning profit	1.9	2.0	2.0	2.1	2.2
Provisions	0.2	0.5	0.3	0.3	0.3
PBT	1.6	1.5	1.7	1.8	1.9
Tax	0.4	0.3	0.4	0.5	0.5
ROA	1.2	1.1	1.2	1.3	1.4
Leverage (x)	10.5	10.4	10.4	9.8	9.4
ROE	13.0	11.7	12.9	13.3	13.4

### Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
<b>YoY growth (%)</b>					
Net interest income	14.2	12.6	20.6	19.1	21.0
Pre-provisioning profit	17.9	18.1	15.1	21.8	20.5
EPS	1.3	1.0	24.0	18.0	16.1
<b>Profitability &amp; Return ratios (%)</b>					
Net interest margin	3.1	3.2	3.4	3.5	3.6
Fees / Avg. assets	0.2	0.2	0.2	0.2	0.2
Cost-Income	54.0	52.3	53.3	51.9	51.4
ROE	13.0	11.7	12.9	13.3	13.4
ROA	1.2	1.1	1.2	1.3	1.4
<b>Asset quality (%)</b>					
GNPA	1.8	1.6	1.5	1.4	1.3
NNPA	0.4	0.2	0.2	0.2	0.2
Slippage ratio	0.9	0.9	0.9	0.9	0.8
Credit cost	0.3	0.7	0.5	0.5	0.5
Provision coverage	75.9	87.6	87.8	87.8	87.9
<b>Ratios (%)</b>					
Credit-Deposit	82.8	84.3	85.0	85.4	85.8
Investment-Deposit	23.4	24.4	22.7	22.7	23.1
CAR	16.4	17.3	16.6	17.9	17.5
Tier-1	15.0	15.9	15.7	17.0	16.7

Source: Company, BOBCAPS Research

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Name of the Research Entity: **BOB Capital Markets Limited**  
 Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**  
 SEBI Research Analyst Registration No: **INH000000040 (Perpetual)**  
 SEBI Stock Broker Registration No: **INZ000159332**  
 SEBI Depository Participant Registration No: **IN-DP-728-2022**  
 SEBI Merchant Banker Registration No: **INM000009926**  
 Phone: +91-22-61389300  
 Name of the Compliance Officer: Mr. Sameer Khobrekar  
 Email ID: [Compliance@bobcaps.in](mailto:Compliance@bobcaps.in); Phone no.: +91-22-61389358  
 For any queries or grievances, you may contact the Grievance Officer.  
 Name of the Grievance Officer: Mr. Manoj Pawar  
 Email ID: [head-customer@bobcaps.in](mailto:head-customer@bobcaps.in); Phone no: 0+91-22-69417333

Brand Name: **BOBCAPS**  
 Website: <https://www.bobcaps.in/>  
 CIN: **U65999MH1996GOI098009**



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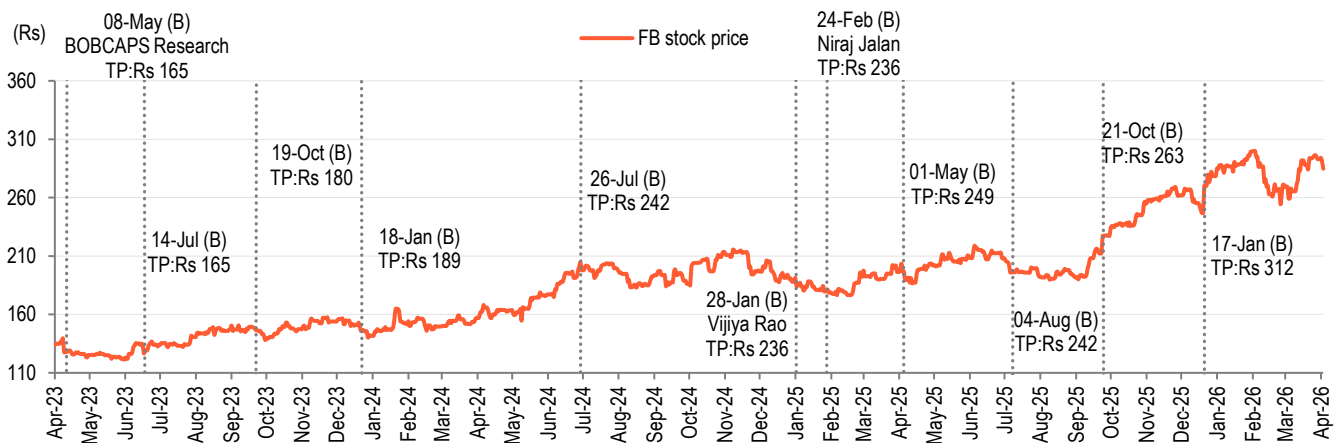
**HOLD** – Expected return from -6% to +15%

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**Note:** Recommendation structure changed with effect from 21 June 2021

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