

HOLD

TP: Rs 344 | ▲ 7%

RBL BANK

| Banking

| 26 April 2026

Return ratios remain moderate; secured retail gains traction

- Return ratios remain moderate; but RoA likely to be supported post ENBD’s capital infusion and secured segment turning profitable
- Credit growth improving, with a rising focus on secured retail lending. AQ improved, but pain in CC to continue till H1FY27
- Maintain HOLD with TP of Rs 344 (from Rs 339), set at 1.0x Mar’28E ABV (unchanged) vs 3Y average P/ABV of 0.9x

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Return ratios remain moderate; RoA levers likely to play out: RBK reported PAT of Rs 2.3bn (+7.4% QoQ) but was below our estimate of Rs 3.2bn; mainly due to weaker-than-expected NII and a rise in provisions to Rs 6.8bn (+6.1% QoQ). NIMs declined to 4.4% (-22 bps QoQ), mainly because of decline in yields on advances to 11.6% (-49bps QoQ), driven by the Dec’25 repo rate cut, mix changes, and surplus liquidity, partly offset by a lower CoF at 5.9% (-28bps QoQ). Management stated that the secured retail segment has reached breakeven and will start accreting to profitability (~70–90bps PBT level) in FY27 with scale and productivity optimisation. RoA/RoE stayed modest at 0.55%/5.69% in Q4FY26. Management guided for the following factors to drive RoA: a) secured segments turning profitable b) expected capital infusion from ENBD in FY27 that will result in accelerated growth and operating leverage c) a likely credit rating upgrade to result in lower cost of liabilities.

Loan growth improving with rising focus on secured retail: Advances growth improved to 23.3% YoY in Q4FY26, driven by wholesale (+27.6% YoY) and retail book (+20.5% YoY; 58.8% of total loans). Within retail, RBK’s focus was on secured retail segments (+36% YoY) while being cautious on unsecured. Hence, share of unsecured retail (CC, JLG and PL) declined to 23.6% (Q4FY26) from 28.2% (Q4FY25). Management expects the share of unsecured book to be in the 20-25% range. Share of secured retail lending grew to 35.2% of total loans in Q4FY26 (31.9% in Q4FY25), mainly on the back of business loans (+50.4% YoY).

AQ improved; but pain in CC to continue till H1FY27: AQ improved with GNPA ratio at 1.45% (-43bps QoQ) in Q4FY26 largely driven by lower slippage ratio of 3.59% (-3bps QoQ). Around 76% of total slippage was from unsecured retail in Q4FY26. Management expects credit card slippages to normalise from H2FY27.

Maintain HOLD: Lower growth in unsecured retail (high RoA) and elevated C/I (68.5% in FY26) will likely result in moderate return ratios in the near term. We expect RBK to deliver RoA of 1-1.5% and RoE of 10.8-16.9% during FY27-29E. RoA to improve post ENBD capital infusion, subject to approvals. We maintain HOLD with revised TP of Rs 344 (from Rs 339), set at 1.0x Mar’28E ABV.

Key changes

Target	Rating
▲	◀▶

Ticker/Price	RBK IN/Rs 321
Market cap	US\$ 2.1bn
Free float	100%
3M ADV	US\$ 17.1mn
52wk high/low	Rs 340/Rs 187
Promoter/FPI/DII	0%/20%/43%

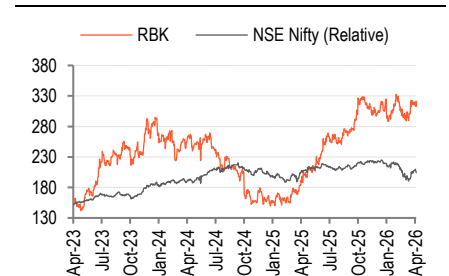
Source: NSE | Price as of 24 Apr 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
NII (Rs mn)	63,595	83,230	1,04,094
NII growth (%)	(1.6)	30.9	25.1
Adj. net profit (Rs mn)	8,224	18,820	25,263
EPS (Rs)	13.4	30.4	40.9
Consensus EPS (Rs)	13.4	21.5	29.7
P/E (x)	24.0	10.6	7.9
P/BV (x)	1.2	1.1	1.0
ROA (%)	0.5	1.0	1.1
ROE (%)	5.1	10.8	12.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

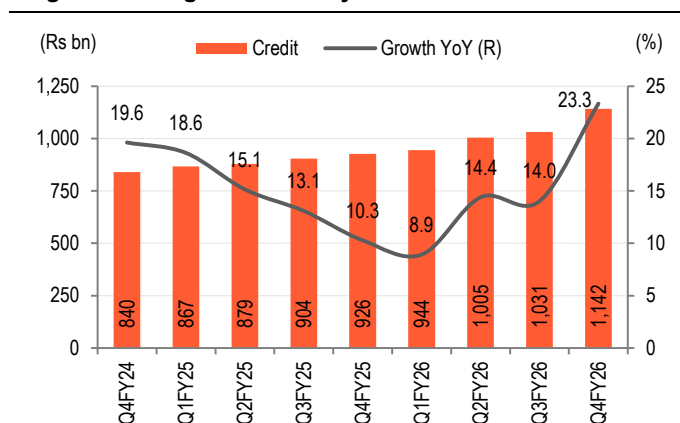
(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	QFY26	YoY (%)	QoQ (%)
Income Statement							
Interest Income	27,995	27,725	28,678	30,102	30,094	7.5	(0.0)
Income on investments	5,637	5,480	5,208	5,216	5,550	(1.5)	6.4
Int. on bal. with RBI & inter-bank funds & Others	1,125	1,206	1,188	1,349	1,559	38.6	15.5
Interest income	34,756	34,411	35,075	36,667	37,203	7.0	1.5
Interest expense	19,126	19,604	19,568	20,095	20,493	7.1	2.0
Net interest income	15,630	14,807	15,507	16,572	16,710	6.9	0.8
Growth YoY (%)	1.1	(7.5)	(8.8)	4.6	6.9		
Non-interest income	10,000	10,695	9,327	10,503	10,690	6.9	1.8
Growth YoY (%)	28.6	22.2	15.8	(2.1)	6.9		
Net income	25,631	25,501	24,834	27,075	27,399	6.9	1.2
Growth YoY (%)	10.3	3.0	(0.9)	1.8	6.9		
Staff expenses	4,480	4,746	4,848	5,024	4,822	7.6	(4.0)
Other operating expenses	12,539	13,726	12,702	12,926	13,024	3.9	0.8
Operating expenses	17,019	18,472	17,550	17,951	17,845	4.9	(0.6)
Pre-Provisioning Profit (PPoP)	8,612	7,029	7,284	9,124	9,554	10.9	4.7
Growth YoY (%)	12.5	(20.8)	(15.2)	(8.4)	10.9		
Provisions	7,851	4,423	4,997	6,393	6,783	(13.6)	6.1
Growth YoY (%)	71.4	6.9	36.4	(46.2)	(13.6)		
PBT	760	2,606	2,287	2,732	2,771	264.3	1.4
Tax	74	603	502	593	474	544.2	(20.1)
PAT	687	2,003	1,785	2,139	2,297	234.4	7.4
Growth YoY (%)	(70.5)	(43.2)	(51.9)	555.5	234.4		
Per Share Data (Rs)							
FV	10.0	10.0	10.0	10.0	10.0	0.0	0.0
EPS	1.1	3.3	2.9	3.5	3.7	229.2	6.9
Book Value	245.6	248.9	247.9	254.9	259.1	5.5	1.6

Source: Company, BOBCAPS Research

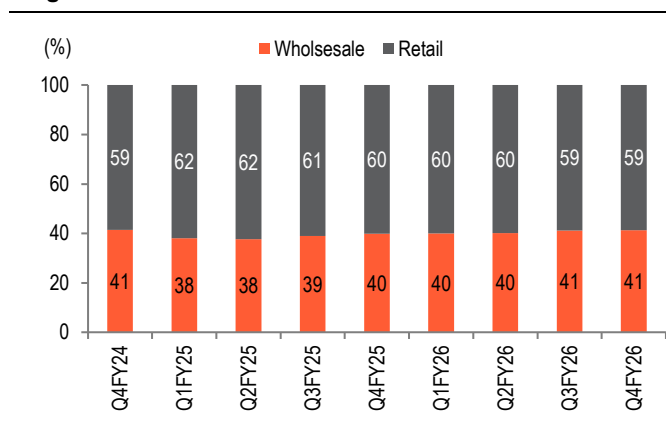
Fig 2 – Quarterly snapshot: Balance sheet & other metrics

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Deposits	11,09,435	11,27,340	11,66,674	11,97,210	13,90,176	25.3	16.1
Growth YoY (%)	19.6	8.9	15.1	12.1	25.3		
Advances	9,26,183	9,44,310	10,05,286	10,30,860	11,42,319	23.3	10.8
Growth YoY (%)	15.8	12.4	15.9	14.0	23.3		
Investment	3,21,648	2,38,290	2,88,140	2,68,140	3,20,782	(0.3)	19.6
Equity	1,56,068	1,58,320	1,60,298	1,63,360	1,66,049	6.4	1.6
Assets	14,67,255	14,88,260	15,39,877	15,72,900	18,06,848	23.1	14.9
Growth YoY (%)	15.4	7.5	13.4	11.6	23.1		
Yield (%)							
Yield on Funds	10.34	9.95	9.90	10.06	9.39	(95bps)	(67bps)
Cost of Funds	6.26	6.22	6.03	6.03	5.65	(62bps)	(39bps)
Spread	4.07	3.74	3.87	4.02	3.74	(33bps)	(28bps)
Net Interest Margin (calc.)	4.65	4.28	4.38	4.54	4.22	(43bps)	(33bps)
Ratios (%)							
Other Income / Net Income	39.0	41.9	37.6	38.8	39.0	(0bps)	22bps
Cost to Income ratio	66.4	72.4	70.7	66.3	65.1	(127bps)	(117bps)
CASA ratio	34.1	32.5	31.9	30.9	33.6	(54bps)	273bps
C/D ratio	83.5	83.8	86.2	86.1	82.2	(131bps)	(393bps)
Investment to Assets	21.9	16.0	18.7	17.0	17.8	(417bps)	71bps
Assets Quality							
GNPA	24,655	26,859	23,776	19,615	16,750	(32.1)	(14.6)
NNPA	2,708	4,288	5,724	5,670	4,427	63.5	(21.9)
Provision	21,947	22,570	18,052	13,945	12,322	(43.9)	(11.6)
GNPA (%)	2.60	2.78	2.32	1.88	1.45	(115bps)	(43bps)
NNPA (%)	0.29	0.45	0.57	0.55	0.39	10bps	(16bps)
Provision Coverage Ratio (%)	89.0	84.0	75.9	71.1	73.6	(1,545bps)	247bps
Others (nos)							
Branches	561	562	564	580	603	42	23
ATMs	412	415	415	415	415	3	-
Employees	14,265	14,186	13,926	13,632	13,316	(949)	(316)

Source: BOBCAPS Research, Company

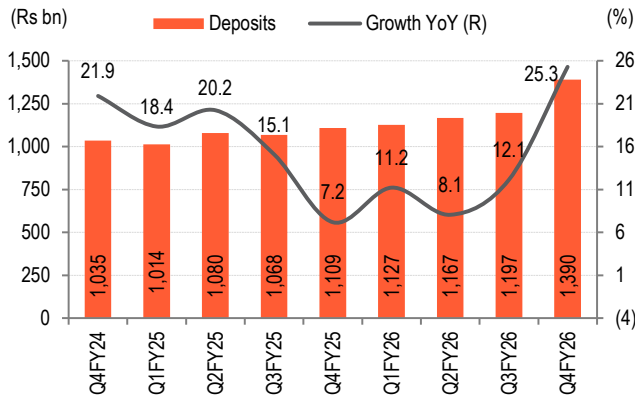
Fig 3 – Credit growth healthy at 23.3% YoY

Source: Company, BOBCAPS Research

Fig 4 – Wholesale vs Retail mix stable

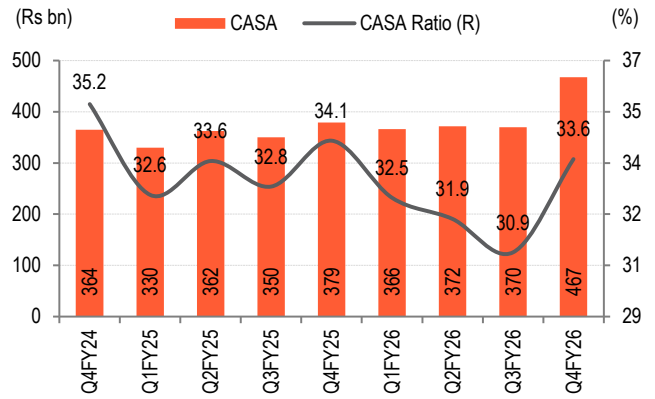
Source: Company, BOBCAPS Research

Fig 5 – Deposits grew 25.3% YoY



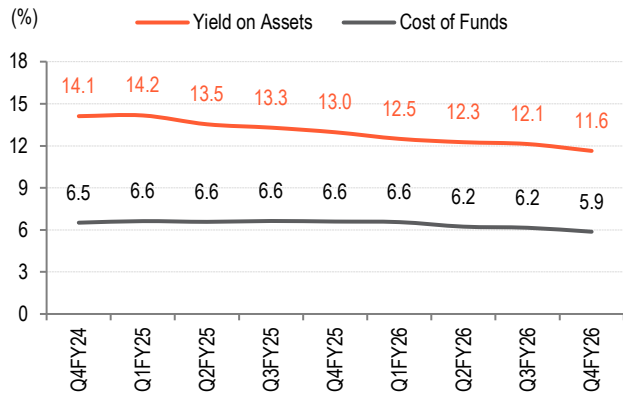
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio improves by 273bps QoQ



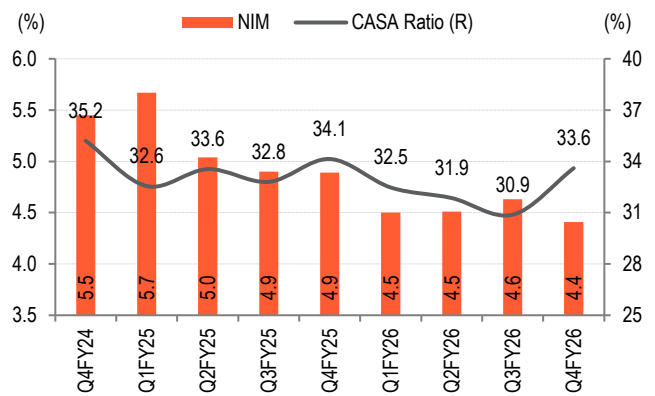
Source: Company, BOBCAPS Research

Fig 7 – Yield on assets decline with fall in share of unsecured book...



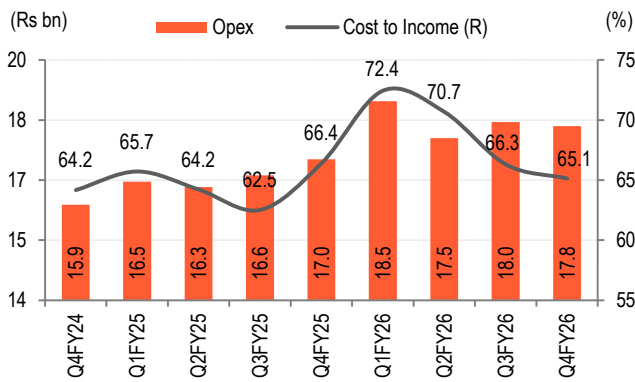
Source: Company, BOBCAPS Research

Fig 8 – ...resulting decline in NIMs by 22bps QoQ



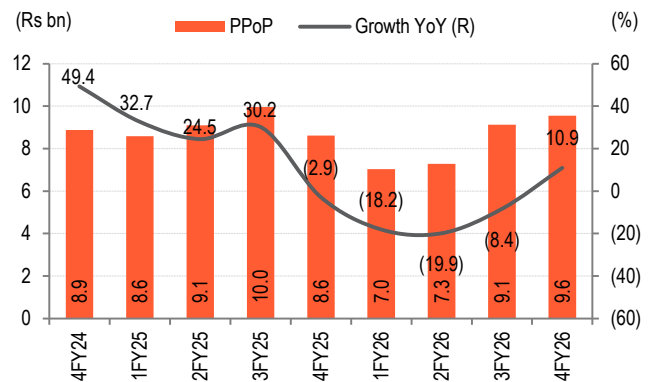
Source: Company, BOBCAPS Research

Fig 9 – Cost to income has improved



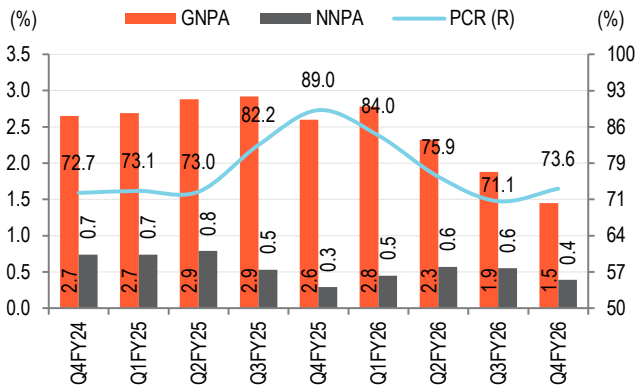
Source: Company, BOBCAPS Research

Fig 10 – PPOP improves on a sequential basis



Source: Company, BOBCAPS Research

Fig 11 – Asset quality improved



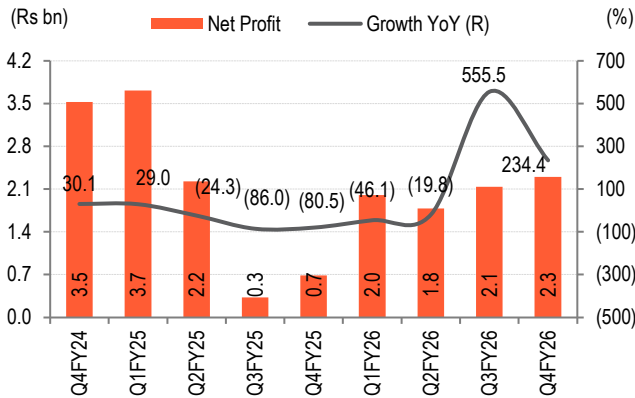
Source: Company, BOBCAPS Research

Fig 12 – Credit cost remains high



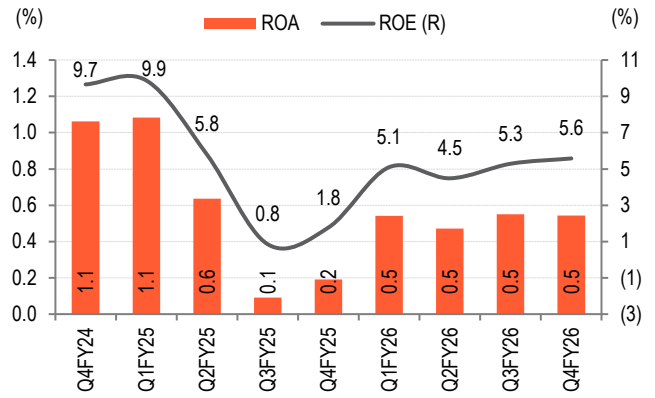
Source: Company, BOBCAPS Research

Fig 13 – PAT increased 7.4% QoQ



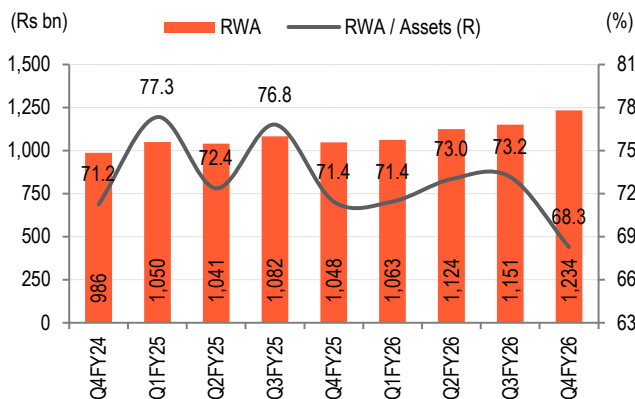
Source: Company, BOBCAPS Research

Fig 14 – Return profile improving



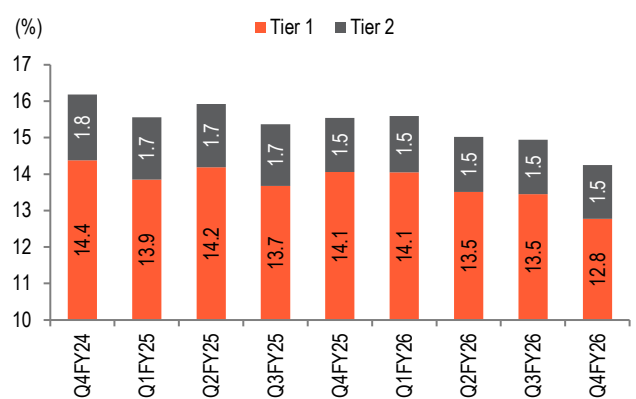
Source: Company, BOBCAPS Research

Fig 15 – RWA/asset ratio increases



Source: Company, BOBCAPS Research | RWA: Risk-weighted assets

Fig 16 – Well capitalised to fund credit demand



Source: Company, BOBCAPS Research

Earnings Call Highlights

Growth Strategy & Portfolio Mix

- Management outlined a **clear medium-term portfolio construct**, targeting a balanced mix across wholesale, secured retail, and unsecured segments to improve earnings stability.
- Growth will be **led by secured retail (home loans, business banking, gold loans)**, with continued traction in branch-led sourcing.
- The bank plans an **accelerated branch expansion (150–200 additions in FY27)** to strengthen distribution and support granular growth.
- Unsecured retail growth to remain calibrated**, with tighter risk filters and focus on portfolio seasoning.

Margin Outlook & Profitability Levers

- NIMs expected to remain flattish in the near term (Q1FY27)**, with improvement likely from Q2 onwards, driven by a) resumption of growth in higher-yielding segments (cards) b) better deployment of incremental capital.
- Post capital infusion, management intends to **optimise liabilities by retiring high-cost borrowings**, supporting margin expansion.
- Secured retail portfolio is expected to **scale up the profitability**, with a guidance of **~70–90bps at PBT level** in FY27.

AQ & Credit Cost Trajectory

- Management indicated that **stress in unsecured segments is past its peak**, with normalisation expected through FY27. **Credit costs have been guided to normalise to ~1.5% by H2FY27.**
- Credit card portfolio stress will likely stay elevated in 1H**, but expected to **improve materially in 2H**, with lower slippages and credit costs.
- MFI book showing early signs of recovery**, with improving SMA trends and expected normalisation from Q1FY27.
- Bulk of the book (**wholesale + secured retail**) continues exhibiting **strong AQ with negligible slippages.**

Funding, Capital & Structural Improvements

- Emirates NBD capital infusion** is in final stages, having received approvals from RBI and CCI, while approvals from GoI and SEBI are in process.
- Management expects a **meaningful reduction in CoF** post transaction, aided by improved liability profile and investor confidence.
- Potential **credit rating upgrade** could further lower borrowing costs and enhance access to high-quality liabilities.

- Capital position post infusion will support **growth acceleration without near-term dilution risk**.

Management Commentary & Outlook

- Management remains **cautiously optimistic**, highlighting stable demand trends across segments.
- No visible impact from external/geopolitical risks on the current portfolio.
- While the Board **composition may evolve following the strategic investment**, management continuity at the leadership level is expected.
- Overall stance remains focused on **sustainable growth, improving AQ, and steady return ratio expansion** vs aggressive balance sheet scaling.

Fig 17 – Loan book trend

(Rs mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Corporate Banking	2,33,950	2,44,280	2,51,870	2,53,880	2,72,820	2,84,600	3,18,450	26.4	11.9
CB	97,650	1,07,850	1,17,280	1,24,190	1,31,150	1,40,160	1,52,670	30.2	8.9
Wholesale	3,31,600	3,52,130	3,69,150	3,78,070	4,03,970	4,24,760	4,71,120	27.6	10.9
Housing Loan	74,470	78,850	81,770	83,100	84,540	86,190	87,170	6.6	1.1
Business Loan	88,370	98,590	1,11,620	1,16,560	1,34,910	1,51,370	1,67,930	50.4	10.9
Rural Vehicle Finance Loan	23,430	25,990	27,540	28,600	29,940	31,990	30,440	10.5	(4.8)
Personal Loan	39,170	37,220	32,450	30,530	28,610	28,220	29,600	(8.8)	4.9
Credit Card	1,74,330	1,72,880	1,71,330	1,71,910	1,71,970	1,66,900	1,62,500	(5.2)	(2.6)
MFIs	69,710	65,320	57,520	54,350	58,850	66,920	77,020	33.9	15.1
Others	63,080	58,770	59,720	65,890	77,600	59,430	1,02,080	70.9	71.8
Retail Agri	14,670	14,360	15,090	15,290	14,900	15,090	14,450	(4.2)	(4.2)
Retail	5,47,230	5,51,980	5,57,040	5,66,230	6,01,320	6,06,110	6,71,190	20.5	10.7
Total Loan	8,78,830	9,04,110	9,26,190	9,44,300	10,05,290	10,30,870	11,42,310	23.3	10.8

Source: Company, BOBCAPS Research | CB: Commercial Banking

Fig 18 – Loan book distribution

Segment (%)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (bps)	QoQ (bps)
Corporate Banking	26.6	27.0	27.2	26.9	27.1	27.6	27.9	68bps	27bps
CB	11.1	11.9	12.7	13.2	13.0	13.6	13.4	70bps	(23bps)
Wholesale	37.7	38.9	39.9	40.0	40.2	41.2	41.2	139bps	4bps
Housing Loan	8.5	8.7	8.8	8.8	8.4	8.4	7.6	(120bps)	(73bps)
Business Loan	10.1	10.9	12.1	12.3	13.4	14.7	14.7	265bps	2bps
Rural Vehicle Finance Loan	2.7	2.9	3.0	3.0	3.0	3.1	2.7	(31bps)	(44bps)
Personal Loan	4.5	4.1	3.5	3.2	2.8	2.7	2.6	(91bps)	(15bps)
Credit Card	19.8	19.1	18.5	18.2	17.1	16.2	14.2	(427bps)	(196bps)
MFIs	7.9	7.2	6.2	5.8	5.9	6.5	6.7	53bps	25bps
Others	7.2	6.5	6.4	7.0	7.7	5.8	8.9	249bps	317bps
Retail Agri	1.7	1.6	1.6	1.6	1.5	1.5	1.3	(36bps)	(20bps)
Retail	62.3	61.1	60.1	60.0	59.8	58.8	58.8	(139bps)	(4bps)
Total Loan	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

Source: Company, BOBCAPS Research | CB: Commercial Banking

Valuation Methodology

Maintain HOLD: Lower growth in unsecured retail (high RoA) and elevated C/I (68.5% in FY26) will likely result in moderate return ratios in the near term. We expect RBK to deliver RoA of 1-1.5% and RoE of 10.8-16.9% during FY27-29E. RoA is expected to improve following the ENBD capital infusion, subject to pending approvals. We maintain HOLD with revised TP of Rs 344 (from Rs 339), set at 1.0x Mar'28E ABV (unchanged) vs. 3Y average P/ABV of 0.9x.

Fig 19 – Actuals vs BOBCAP estimates

(Rs mn)	Q4FY26A	Q4FY26E	Variance (%)
Loan	11,42,319	11,40,131	0.2
Deposits	13,90,176	13,90,370	(0.0)
Assets	18,06,848	17,41,968	3.7
NII	16,710	17,848	(6.4)
PPOP	9,554	10,787	(11.4)
Provision	6,783	6,607	2.7
PAT	2,297	3,198	(28.2)

Source: Company, BOBCAPS Research

Fig 20 – Revised estimates

Estimates Key Parameters (Rs mn)	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Loan	13,59,360	16,44,826	12,72,992	15,40,320	6.8	6.8
Deposits	16,12,604	19,18,999	14,77,413	17,58,121	9.2	9.2
Assets	20,56,009	23,89,567	19,03,686	22,22,349	8.0	7.5
NII	83,230	1,04,094	84,202	1,04,158	(1.2)	(0.1)
PPOP	47,811	58,440	45,812	55,741	4.4	4.8
Provision	22,515	24,484	21,085	22,928	6.8	6.8
PAT	18,820	25,263	18,397	24,412	2.3	3.5
ABV (Rs)	290	329	296	334	(1.9)	(1.6)

Source: Company, BOBCAPS Research

Fig 21 – Key operational assumptions

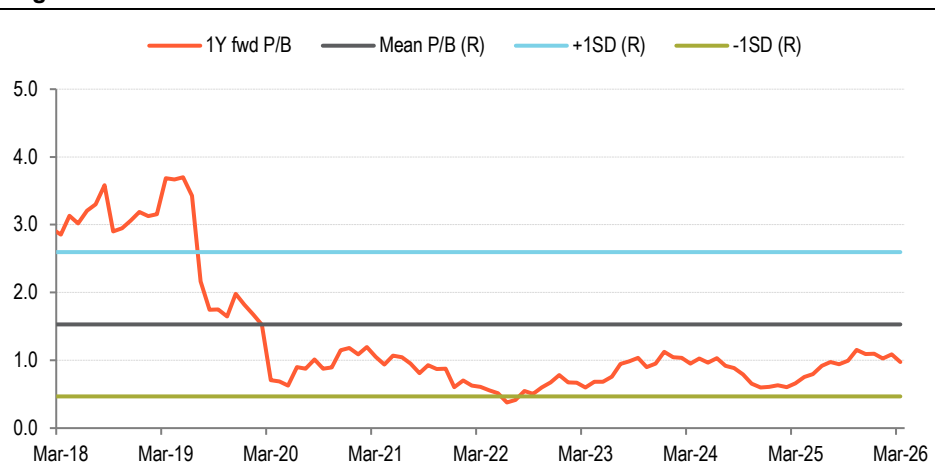
(%)	FY26A	FY27E	FY28E	FY29E
Advances Growth	23.3	19.0	21.0	21.6
NII Growth	(1.6)	30.9	25.1	27.3
PPoP Growth	(9.0)	44.9	22.2	33.8
PAT Growth	18.3	128.8	34.2	50.8
NIM	4.5	4.9	5.2	5.3
GNPA	1.5	1.2	1.0	1.0
CAR	14.3	13.5	13.0	12.6

Source: Company, BOBCAPS Research

Fig 22 – Key valuation assumptions

Gordon growth model	(%)
Return on Equity (RoE)	14.0
Cost of Equity (Ke)	14.2
Growth (Period 1)	11.2
Growth (Long Term)	5.6
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	60.0
Factor 1	1.7
Factor 2	5.7
Justified P/BV Multiple	1.0

Source: BOBCAPS Research

Fig 23 – PB band chart

Source: Company, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Rise in operating costs higher vs estimated levels, resulting in high C/I ratio.
- Elevated stress in unsecured book to persist, leading to higher credit cost, which would represent a key downside risk to our estimates.

Key upside risks to our estimates:

- The consummation of ENBD deal, which would augment the capital base and allow for higher scaling up of business and other opportunities.
- Improvement in C/I ratio and credit costs better than our estimates, resulting in an improvement in the return profile.

Glossary

Glossary of Abbreviations			
AUCA	Advance Under Collection Account	LCR	Liquidity Coverage Ratio
ARC	Asset Reconstruction Company	MCLR	Marginal Cost of Funds-based Lending Rate
BRDS	Bills Rediscounting Scheme	MFI	Microfinance Institution
CASA	Current Account and Savings Account	MTM	Mark to Market
C&IB	Corporate and Institutional Banking	NII	Net Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CB	Commercial Banking	NNPA	Net Non-Performing Assets
CET1	Common Equity Tier 1	PCR	Provision Coverage Ratio
CD	Credit-Deposit Ratio	PPOP	Pre-Provision Operating Profit
C/I	Cost-Income Ratio	PSU	Public Sector Unit
EBLR	External Benchmark-based Lending Rate	RWA	Risk-Weighted Assets
ECL	Expected Credit Loss	SLR	Statutory Liquidity Ratio
GNPA	Gross Non-Performing Assets	SMA	Special Mention Account
IBPC	Interbank Participation Certificate	SME	Small and Medium-sized Enterprises
LAP	Loans against Property		

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	64,630	63,595	83,230	1,04,094	1,32,473
Nil growth (%)	7.0	(1.6)	30.9	25.1	27.3
Non-interest income	38,062	41,214	48,286	53,347	60,040
Total income	1,02,692	1,04,809	1,31,515	1,57,441	1,92,513
Operating expenses	66,424	71,818	83,704	99,001	1,14,342
PPOP	36,268	32,992	47,811	58,440	78,171
PPOP growth (%)	19.7	(9.0)	44.9	22.2	33.8
Provisions	29,587	22,596	22,515	24,484	26,973
PBT	6,681	10,395	25,296	33,956	51,199
Tax	(272)	2,171	6,476	8,693	13,107
Reported net profit	6,954	8,224	18,820	25,263	38,092
Adjustments	0	0	0	0	0
Adjusted net profit	6,954	8,224	18,820	25,263	38,092

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity capital	6,079	6,181	6,181	6,181	6,181
Reserves & surplus	1,49,989	1,59,868	1,77,559	2,01,559	2,37,746
Net worth	1,56,068	1,66,049	1,83,740	2,07,740	2,43,927
Deposits	11,09,435	13,90,176	16,12,604	19,18,999	23,02,798
Borrowings	1,37,338	1,67,945	1,73,823	1,80,776	1,88,007
Other liab. & provisions	64,413	82,678	85,842	82,052	96,598
Total liab. & equities	14,67,255	18,06,848	20,56,009	23,89,567	28,31,331
Cash & bank balance	1,25,596	2,30,644	1,73,110	1,82,407	2,18,056
Investments	3,21,647	3,20,782	4,08,035	4,44,970	4,93,487
Advances	9,26,183	11,42,319	13,59,360	16,44,826	20,00,108
Fixed & Other assets	93,829	1,13,103	1,15,503	1,17,364	1,19,680
Total assets	14,67,255	18,06,848	20,56,009	23,89,567	28,31,331
Deposit growth (%)	7.2	25.3	16.0	19.0	20.0
Advances growth (%)	10.3	23.3	19.0	21.0	21.6

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
EPS	11.5	13.4	30.4	40.9	61.6
Dividend per share	1.0	1.0	1.8	2.0	3.1
Book value per share	256.7	268.6	297.3	336.1	394.6

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	28.0	24.0	10.6	7.9	5.2
P/BV	1.3	1.2	1.1	1.0	0.8
Dividend yield (%)	0.3	0.3	0.6	0.6	1.0

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	4.5	3.9	4.3	4.7	5.1
Non-interest income	2.7	2.5	2.5	2.4	2.3
Operating expenses	4.7	4.4	4.3	4.5	4.4
Pre-provisioning profit	2.5	2.0	2.5	2.6	3.0
Provisions	2.1	1.4	1.2	1.1	1.0
PBT	0.5	0.6	1.3	1.5	2.0
Tax	0.0	0.1	0.3	0.4	0.5
ROA	0.5	0.5	1.0	1.1	1.5
Leverage (x)	9.4	10.2	11.0	11.4	11.6
ROE	4.6	5.1	10.8	12.9	16.9

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Net interest income	7.0	(1.6)	30.9	25.1	27.3
Pre-provisioning profit	19.7	(9.0)	44.9	22.2	33.8
EPS	(40.9)	17.0	126.9	34.2	50.8
Profitability & Return ratios (%)					
Net interest margin	5.1	4.5	4.9	5.2	5.3
Fees / Avg. assets	0.5	0.5	0.5	0.5	0.5
Cost-Income	64.7	68.5	63.6	62.9	59.4
ROE	4.6	5.1	10.8	12.9	16.9
ROA	0.5	0.5	1.0	1.1	1.5
Asset quality (%)					
GNPA	2.6	1.5	1.2	1.0	1.0
NNPA	0.3	0.4	0.3	0.3	0.2
Slippage ratio	4.9	4.1	3.5	3.0	3.0
Credit cost	3.4	2.2	1.8	1.6	1.5
Provision coverage	88.8	73.3	73.8	74.8	75.8
Ratios (%)					
Credit-Deposit	83.5	82.2	84.3	85.7	86.9
Investment-Deposit	29.0	23.1	25.3	23.2	21.4
CAR	15.6	14.3	13.5	13.0	12.6
Tier-1	14.1	12.8	12.1	11.8	11.5

Source: Company, BOBCAPS Research

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BUY – Expected return >+15%

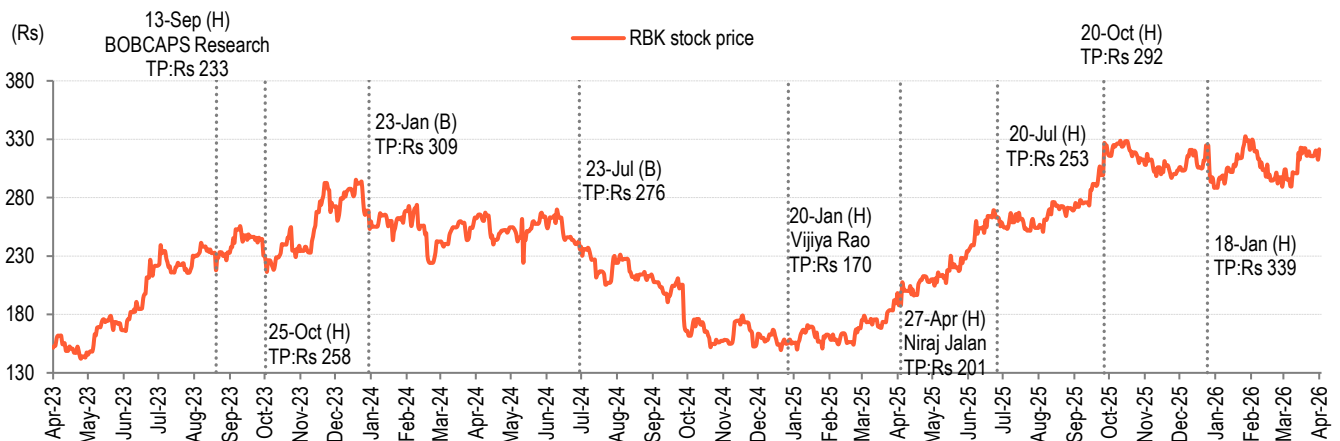
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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