

State Bank of India | BUY

Steady performance

SBIN reported a steady 1QFY26 with PAT growth of +12%/+3% YoY/QoQ, ~15% higher than JMFe, driving RoA/RoE to ~1.1%/17%. Loan growth remained stable at +12% YoY, led by home/international segments. NII declined -4% QoQ (-3% vs JMFe) due to a 16bps QoQ decline in NIM (calc.) to 2.65%. However, higher/lower than expected core fee/opex led to strong core PPOP growth (+13% QoQ, 9% above JMFe). Asset quality remained stable with decline in gross/net slippages and stable SMA book on YoY basis. Credit cost declined ~18bps QoQ to ~46bps. Management retained its FY26 guidance of 12% credit growth, 3.0% domestic NIM (vs. 3.2% in FY25) and slippages below 0.6%. At 0.9x FY27E Adj. BVPS, valuations remain inexpensive. We build avg. ROA/ROE of 1%/14% during FY26/27E and revise our FY26/FY27E EPS estimates by ~2%-3%. Our revised SoTP-based TP stands at INR 950, valuing the core bank at 1.1x FY27E Adj. BVPS. Maintain BUY.

- **Steady loan growth momentum; guidance retained:** Loan growth remained stable at +12%/+1% YoY/QoQ (INR 42tn), supported by sequential uptick in the retail and international segments (+2%/+3% QoQ), even as agri growth was muted and corporate loans moderated to +9.5%/-1% YoY/QoQ. Domestic deposits rose +12%/+2% YoY/QoQ, led by term deposits (+14%/+3%), while CASA growth was muted at +8%/flat YoY/QoQ, leading to a decline in CASA ratio to 39% (vs 40% QoQ). Domestic/overall CD ratio stood at 68.9%/76.7%. Management retained its FY26 credit growth guidance at 12% and expects momentum to pick up from 2QFY26. It expects Xpress Credit to grow in double digits despite near-term softness, while corporate loans are guided to grow at 10–11% YoY. **We build in a loan CAGR of 13% over FY25–FY27E.**
- **Moderating opex leads to beat in operating profit:** SBIN reported a 16bps QoQ decline in calculated NIM to 2.65% in 1QFY26 (vs 2.81% QoQ), driven by a 25bps drop in yields on IEA, partially offset by a 9bps decline in CoF. As a result, NII came in at INR 410.7bn (flat YoY, -4% QoQ, -3% vs JMFe). Opex moderated to INR 279bn (+8%/-22% YoY/QoQ), leading to an 11% beat in operating profit and improvement in the cost-to-income ratio to 48%. Management targets C/I ratio to be <50% going forward and reiterated that domestic NIM trajectory will likely follow a U-shape in FY26, with further pressure in Q2 and recovery expected from Q3 onwards. It maintained a domestic NIM guidance of 3.0%. **We model average calculated NIM of 2.6% over FY26–FY27E.**
- **Asset quality largely stable:** Asset quality remained stable with GNPA/NNPA at 1.8%/0.5% QoQ. Gross slippage ratio rose to 81bps (+38bps QoQ, -14bps YoY), though higher recoveries of INR 33bn (vs INR 17.4bn QoQ) helped contain net slippages at 50bps (+24bps QoQ). Total provisions declined to INR 47.6bn (vs INR 64.4bn QoQ), translating into a lower credit cost of 0.5% (down ~18bps QoQ). Of the total slippages of INR 79bn, SME/Agri/Personal loans (Xpress Credit) contributed INR 26.8bn/24.6bn/26bn, respectively, with INR 15.9bn already pulled back. Management guided for full-year slippages below 0.6% and reiterated its outlook of delivering RoA >1% and RoE >15% in FY26. **We build in an average credit cost of 43bps over FY26–FY27E.**



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	950
Upside/(Downside)	18.1%
Previous Price Target	925
Change	2.7%

Key Data – SBIN IN

Current Market Price	INR804
Market cap (bn)	INR7,424.2/US\$84.7
Free Float	35%
Shares in issue (mn)	8,924.6
Diluted share (mn)	
3-mon avg daily val (mn)	INR9,337.2/US\$106.5
52-week range	876/680
Sensex/Nifty	79,858/24,363
INR/US\$	87.7

Price Performance

%	1M	6M	12M
Absolute	-1.0	9.1	-0.5
Relative*	2.2	4.2	-0.7

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Profit	610,766	709,006	687,846	754,277	962,488
Net Profit (YoY) (%)	21.6%	16.1%	-3.0%	9.7%	27.6%
Assets (YoY) (%)	12.0%	8.0%	10.6%	13.8%	13.4%
ROA (%)	1.0%	1.1%	1.0%	1.0%	1.1%
ROE (%)	17.3%	17.3%	14.3%	13.7%	15.5%
EPS	68.4	79.4	74.5	81.7	104.3
EPS (YoY) (%)	21.6%	16.1%	-6.2%	9.7%	27.6%
PE (x)	11.7	10.1	10.8	9.8	7.7
BV	423	494	565	630	713
BV (YoY) (%)	15.2%	16.9%	14.2%	11.6%	13.2%
P/BV (x)	1.90	1.63	1.42	1.28	1.13

Source: Company data, JM Financial. Note: Valuations as of 08/Aug/2025

- **Subsidiaries show mixed performance:** SBI Life reported healthy VNB growth of +12% YoY in 1QFY26, with individual rated premium rising +6% YoY to INR 35bn and VNB margins steady at 27.4%. SBI Cards saw a modest PAT decline of ~7% YoY, though cards-in-force grew +10% YoY. Among unlisted entities, SBI General Insurance delivered strong performance with PAT of INR 1.9bn (vs INR 1.8bn YoY), while SBI MF reported robust PAT growth of +24% YoY to INR 8.45bn. SBI Capital, however, reported a PAT of INR 1.8bn, down -13% YoY.
- **Valuation and view:** The core bank currently trades at 0.9x FY27E Adj. BVPS. While profitability may remain under pressure in FY26 due to margin compression, we expect lower cost-to-income ratio and controlled credit costs to support RoA/RoE at ~1%/14%. **We revise our FY26/FY27E EPS estimates by +2%/+3% and value the core bank at 1.1x FY27E Adj. BVPS. Our revised SoTP-based TP stands at INR 950, including INR 260 for subsidiaries. Maintain BUY.**

Key Concall Takeaways

Guidance

- **Credit Growth:** FY26 credit growth guidance retained at 12% (FY25: 12.4%); sees potential for >13% if demand strengthens. Expects double-digit growth from 2QFY26.
- **Profitability:** Confident of sustaining ROA >1% and ROE >15% in FY26.
- **NIMs:** Domestic NIM to follow U-shaped trajectory in FY26; dip in Q2 with recovery from Q3. Guidance maintained at 3% (vs. 3.22% in FY25).
- **Cost Efficiency:** Aims to keep cost-to-income ratio <50% through productivity measures (e.g., Project SARAL).
- **Asset Quality:** FY26 slippage ratio guidance maintained at <0.6%.
- **AUCA Recoveries:** Targeting INR 7,000–8,000cr in FY26.
- **Xpress Credit:** Double-digit growth guidance intact; recovery visible from Q2.
- **Corporate Credit:** Guided for 10–11% YoY growth; strong infra and green energy pipeline.

Asset Quality

- **1QFY26 Slippages:** INR 79.4bn; INR 15.9bn pulled back. Breakdown: SME – INR 26.8bn, Agri – INR 24.6bn, Xpress Credit – INR 26bn, CCG – INR 1.96bn.
- **SMA Trends:** Moderated; no broad-based stress observed.
- **Xpress Credit GNPA:** At 1.2%; appears elevated due to flat book and past overleveraging.
- **SME Loans:** Largely secured or CGTMSE-backed; underwriting quality stable; tech-driven credit processes in place.
- **MFI Loans:** No major issues; early signs of systemic improvement.

Loan growth

- **Market Share:** Loan market share up 14bps YoY.
- **Loan Growth Outlook:** Expected to outpace nominal GDP and industry growth.
- **Auto Loans:** Soft in Q1; recovery expected in H2.
- **Corporate Loans:** Weak Q1 due to INR 12k cr prepayments and higher CP market activity; selective lending to protect yields.
- **SME Loans:** Robust YoY growth (19–20%); strong wallet share through CA linkages.

Margins & Cost

- **NIM (Domestic):** ~3%; U-shaped recovery expected from Q3 driven by deposit repricing and CRR cut.
- **Cost of Deposits:** Elevated due to shift towards term deposits; repricing to support CoD in 6–12 months.
- **CASA:** Decline impacting CoD, though CA balances improving on higher institutional flows.
- **Opex:** QoQ decline on absence of Q4-linked charges; YoY opex growth at historic low..

Exhibit 1. SBIN 1Q26 Results summary (standalone)

Earnings Table (INR bn.)	1QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)	JMF Est.	Change (%)
Net Interest Income	411	428	411	0%	-4%	425	-3%
Core Fee income	73	128	93	28%	-27%	84	11%
Other income	39	115	80	107%	-30%	70	15%
Total income	523	670	584	12%	-13%	579	1%
Opex	258	357	279	8%	-22%	303	-8%
Operating Profit	264	313	305	15%	-2%	276	11%
Core Operating Profit	226	198	225	0%	13%	206	9%
Provisions	34	64	48	38%	-26%	53	-10%
Tax	60	62	66	11%	7%	56	18%
PAT	170	186	192	12%	3%	167	15%
ROA (%)	1.10%	1.12%	1.14%	4 bps	2 bps	0.99%	15 bps
ROE (%)	17.6%	17.0%	16.8%	(77) bps	(19) bps	14.9%	196 bps
Balance Sheet Items							
Loans	37,491	41,633	41,962	12%	1%	42,049	0%
Deposits	49,017	53,822	54,733	12%	2%	54,468	0%
C/D ratio	76%	77%	77%	18 bps	(69) bps	77.2%	(53) bps
CASA	19,144	20,652	20,685	8%	0%		
CASA (%)	39.1%	38.4%	37.8%	(126) bps	(58) bps		
Key Ratios							
Yield on advances (Calc, %)	7.88%	7.86%	7.61%	(28) bps	(26) bps	7.7%	(4) bps
Cost of funds (calc, %)	5.13%	5.25%	5.16%	3 bps	(9) bps	5.2%	1 bps
Loan - deposit spread	2.75%	2.62%	2.44%	(30) bps	(17) bps	2.5%	(6) bps
NIM (calc, %)	2.91%	2.81%	2.65%	(26) bps	(16) bps	2.7%	(7) bps
NIM reported (%)	3.22%	3.00%	2.90%	(32) bps	(10) bps		
Asset Quality							
Gross Slippages (%)	0.95%	0.43%	0.81%	(13) bps	38 bps	0.7%	13 bps
Net Slippages (%)	0.55%	0.26%	0.50%	(5) bps	24 bps	0.5%	(1) bps
SMA as % loans	0.12%	0.08%	0.12%	(0) bps	4 bps	0.0%	12 bps
PCR (%)	74.4%	74.4%	74.5%	8 bps	7 bps	74.0%	49 bps
Credit cost (%)	0.4%	0.6%	0.5%	9 bps	(18) bps	0.5%	(5) bps
Capital Adequacy							
Tier I (%)	11.78%	12.11%	12.45%	67 bps	34 bps		
CAR (%)	13.86%	14.25%	14.63%	77 bps	38 bps		
Du-pont Analysis							
NII / Assets (%)	2.66%	2.57%	2.44%	(22) bps	(13) bps	2.52%	2.66%
Non-Interest Inc. / Assets (%)	0.72%	1.46%	1.03%	31 bps	(42) bps	0.91%	0.72%
Operating Cost / Assets (%)	1.67%	2.15%	1.66%	(1) bps	(49) bps	1.80%	1.67%
Operating Profits / Assets (%)	1.71%	1.88%	1.82%	11 bps	(6) bps	1.63%	1.71%
Provisions / Assets (%)	0.22%	0.39%	0.28%	6 bps	(10) bps	0.31%	0.22%
ROA (%)	1.10%	1.12%	1.14%	4 bps	2 bps	0.99%	1.10%

Source: Company, JM Financial

Exhibit 2. SBIN 1Q26: gross loan mix (banking business)

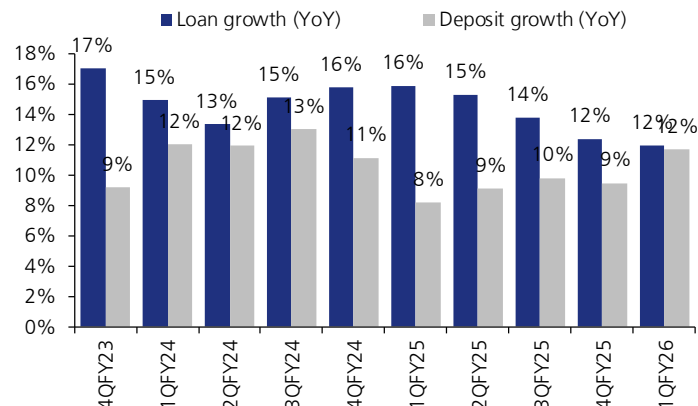
Loan Book Composition (INR bn)	1QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Corporate (Large + Mid+ SME)	15,820	17,466	17,315	9.5%	-0.9%
Agriculture	3,091	3,485	3,483	12.7%	-0.1%
Retail credit	13,680	15,065	15,399	12.6%	2.2%
Home loans	7,396	8,308	8,509	15.0%	2.4%
Auto loans	1,176	1,271	1,271	8.1%	0.0%
Residual retail loans	5,108	5,486	5,401	5.7%	-1.6%
International	5,530	6,191	6,348	14.8%	2.5%
Total Advances	39,207	42,207	42,545	8.5%	0.8%
Loan Mix (%)					
Corporate (Large + Mid+ SME)	40.3%	41.4%	40.7%	0.3%	-0.7%
Agriculture	7.9%	8.3%	8.2%	0.3%	-0.1%
Retail credit	34.9%	35.7%	36.2%	1.3%	0.5%
Home loans	18.9%	19.7%	20.0%	1.1%	0.3%
Auto loans	3.0%	3.0%	3.0%	0.0%	0.0%
Residual retail loans	13.0%	13.0%	12.7%	-0.3%	-0.3%
International	14.1%	14.7%	14.9%	0.8%	0.3%
Total	100%	100%	100%		

Source: Company, JM Financial

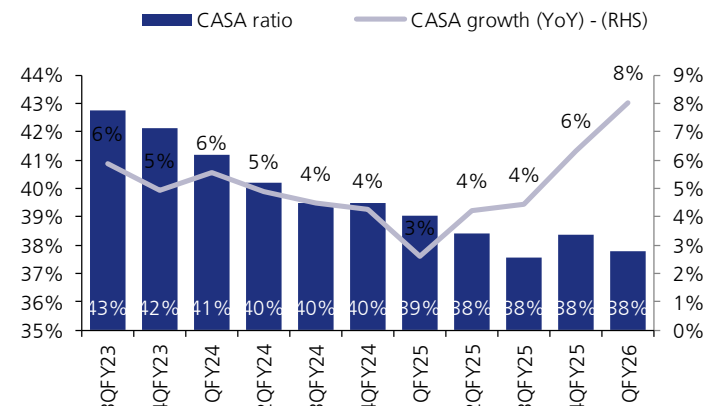
Exhibit 3. SBIN 1Q26: Deposits mix (banking business)

Deposits Composition (INR bn)	1QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Savings Deposits - domestic	16,683	17,006	17,468	4.7%	2.7%
Current Deposits - domestic	2,462	3,646	3,217	30.7%	-11.8%
CASA Deposits	19,144	20,652	20,685	8.0%	0.2%
Time Deposits - Domestic	27,895	31,017	31,863	14.2%	2.7%
Total Deposits - Domestic	47,040	51,669	52,549	11.7%	1.7%
Foreign Deposits	1,978	2,153	2,184		
Total Deposits	49,017	53,822	54,733	11.7%	1.7%
Domestic Deposit Mix (%)					
Savings Deposits - domestic	35.5%	32.9%	33.2%	-2.2%	0.3%
Current Deposits - domestic	5.2%	7.1%	6.1%	0.9%	-0.9%
CASA (% domestic)	40.7%	40.0%	39.4%	-1.3%	-0.6%
Time Deposits - Domestic	59.3%	60.0%	60.6%	1.3%	0.6%
Total Deposits	100.0%	100.0%	100.0%		

Source: Company, JM Financial

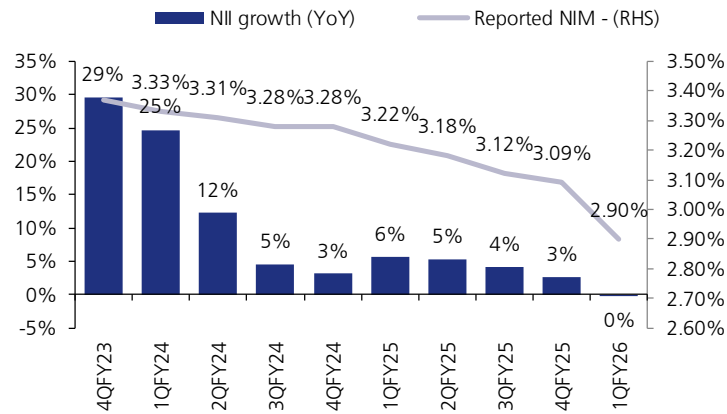
Exhibit 4. SBI: Trend in Loan/Deposit growth

Source: Company, JM Financial

Exhibit 5. SBI: Trend in CASA ratio and CASA growth

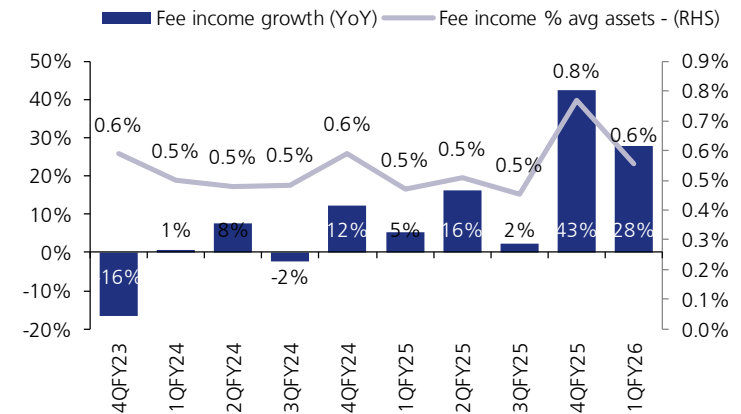
Source: Company, JM Financial

Exhibit 6. SBI: Trend in NII growth and margin



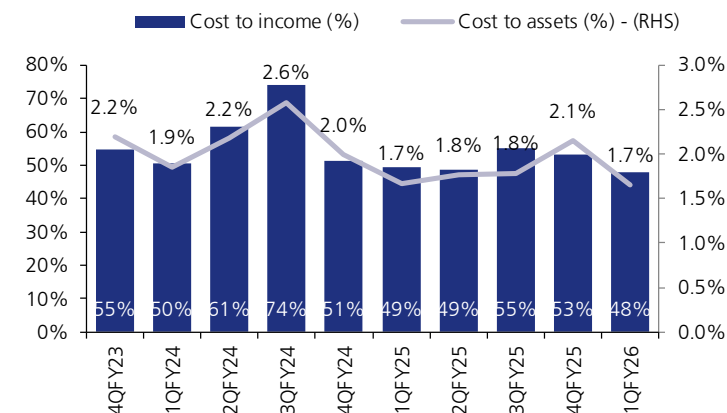
Source: Company, JM Financial

Exhibit 7. SBI: Trend in Fee Income



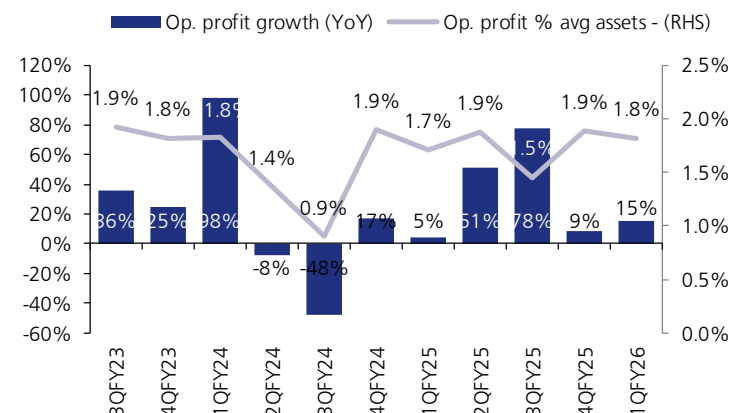
Source: Company, JM Financial

Exhibit 8. SBI: Trend in cost to income/cost to assets



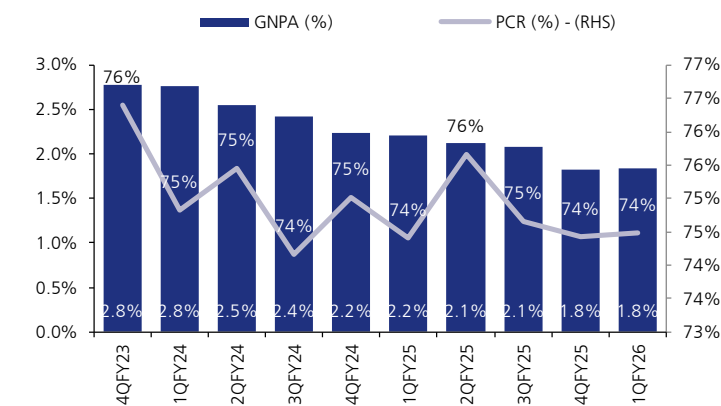
Source: Company, JM Financial

Exhibit 9. SBI: Trend in operating profit



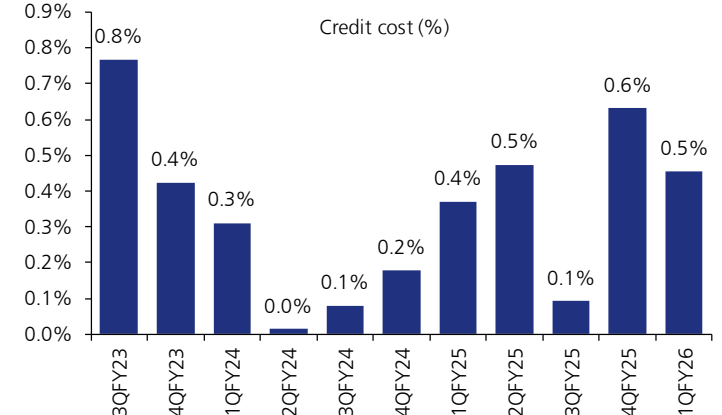
Source: Company, JM Financial

Exhibit 10. SBI: Trend in GNPA/PCR



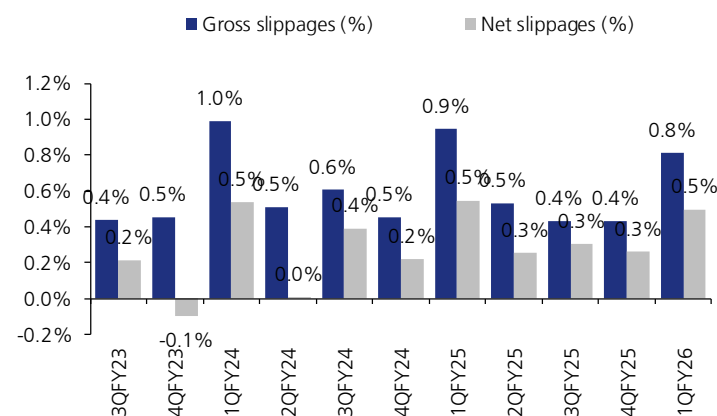
Source: Company, JM Financial

Exhibit 11. SBI: Trend in credit cost



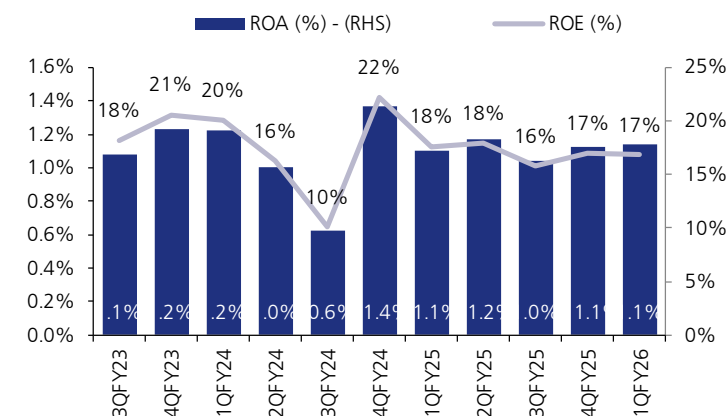
Source: Company, JM Financial

Exhibit 12. SBI: Trend in Gross/Net Slippages



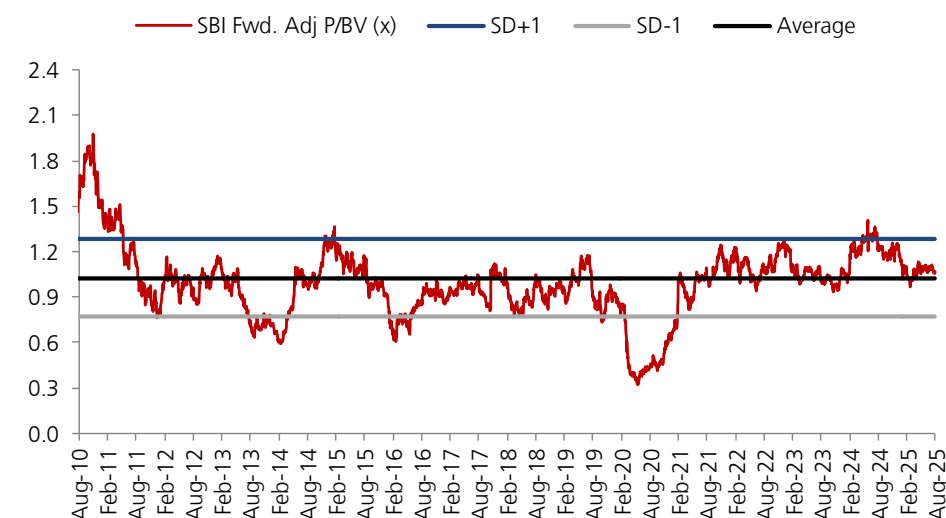
Source: Company, JM Financial

Exhibit 13. SBI: Trend in ROA/ROE



Source: Company, JM Financial

Exhibit 14. SBIN (banking business): One-year forward Price to Book (x)



Source: Company, JM Financial

Exhibit 15. SBIN: Change in our estimates

	New Estimates			Old Estimates			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Recommendation	BUY			BUY					
Target price (INR)	950			925			3%		
Assumptions									
YoY advances growth	11.8%	13.8%	14.0%	12.4%	14.3%	14.8%	(69) bps	(52) bps	(81) bps
Net interest margins (calculated)	2.56%	2.65%	2.79%	2.61%	2.58%	2.73%	(5) bps	7 bps	6 bps
Fee income to asset	0.60%	0.60%	0.60%	0.56%	0.57%	0.57%	3 bps	3 bps	3 bps
Cost to assets	1.78%	1.73%	1.70%	1.81%	1.71%	1.67%	(3) bps	1 bps	4 bps
Credit cost	0.42%	0.43%	0.40%	0.45%	0.45%	0.42%	(2) bps	(2) bps	(3) bps
Outputs (INR bn)									
Loans	46,529	52,950	60,363	46,815	53,520	61,446	-1%	-1%	-2%
Deposits	60,388	67,717	77,197	60,466	68,931	78,582	0%	-2%	-2%
Assets	73,850	84,030	95,277	74,757	84,784	96,579	-1%	-1%	-1%
NII	1,669	1,939	2,326	1,718	1,914	2,308	-3%	1%	1%
Other income	692	649	711	667	658	730	4%	-1%	-3%
Total income	2,361	2,589	3,037	2,385	2,572	3,038	-1%	1%	0%
Opex	1,254	1,364	1,526	1,282	1,367	1,510	-2%	0%	1%
Operating profit	1,107	1,224	1,512	1,103	1,205	1,528	0%	2%	-1%
Provisions	187	216	225	199	227	243	-6%	-5%	-7%
Net Profit	688	754	962	676	732	961	2%	3%	0%
EPS (INR)	75	82	104	73	79	104	2%	3%	0%
ROA (%)	0.98%	0.96%	1.07%	0.96%	0.92%	1.06%	2 bps	4 bps	1 bps
ROE (%)	14.3%	13.7%	15.5%	14.1%	13.3%	15.6%	23 bps	36 bps	(5) bps

Valuation Summary

Exhibit 16. SOTP based valuation summary

SBI Bank SOTP	Holding	Valuation Methodology	Value per share	Contribution to TP (%)
SBI Bank - Parent	100%	1.1x/8x FY27E core Adj.BVPS/EPS based on excess return	690	73%
Non-Bank Subs/ Associates			260	27%
SBI Cards & payments	69%	Market cap	56	6%
SBI Life	55%	Using JMF TP of INR 2,222/share	134	14%
SBI MF	63%	TTM P/E of 30x (in-line with peers), 7% of AUM	51	5%
SBI Caps	100%	20x FY25 EPS	25	3%
SBI General insurance Co Ltd	69%	25x FY25 EPS	10	1%
Others			8	1%
SBI DFHI	72%	10x FY'25 EPS	3	0%
Total (INR)		1.4x/10x FY27E consolidated BVPS/EPS	950	100%

Financial Tables (Standalone)

Profit & Loss (INR bn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Interest Income	1,599	1,670	1,669	1,939	2,326
Profit on Investments	118	153	165	70	60
Exchange Income	17	44	0	0	0
Fee & Other Income	381	420	527	579	651
Non-Interest Income	517	617	692	649	711
Total Income	2,116	2,286	2,361	2,589	3,037
Operating Expenses	1,178	1,181	1,254	1,364	1,526
Pre-provisioning Profits	938	1,106	1,107	1,224	1,512
Loan-Loss Provisions	81	147	0	0	0
Provisions on Investments	-6	5	0	0	0
Others Provisions	-26	0	0	0	0
Total Provisions	49	153	187	216	225
PBT	889	953	920	1,008	1,287
Tax	207	244	232	254	324
PAT (Pre-Extraordinaries)	682	709	688	754	962
Extra ordinaries (Net of Tax)	-71	0	0	0	0
Reported Profits	611	709	688	754	962
Dividend paid	122	142	138	151	192
Retained Profits	488	567	550	603	770

Source: Company, JM Financial

Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Growth (YoY) (%)					
Deposits	11.1%	9.5%	12.2%	12.1%	14.0%
Advances	15.8%	12.4%	11.8%	13.8%	14.0%
Total Assets	12.0%	8.0%	10.6%	13.8%	13.4%
Nil	10.4%	4.4%	-0.1%	16.2%	20.0%
Non-interest Income	41.1%	19.4%	12.3%	-6.2%	9.5%
Operating Expenses	20.5%	0.3%	6.2%	8.8%	11.8%
Operating Profits	12.0%	17.9%	0.1%	10.6%	23.5%
Core Operating profit	-5.7%	17.0%	-1.1%	25.7%	27.8%
Provisions	-70.2%	211.5%	22.2%	15.4%	4.2%
Reported PAT	21.6%	16.1%	-3.0%	9.7%	27.6%
Yields / Margins (%)					
Interest Spread	2.82%	2.63%	2.38%	2.47%	2.58%
NIM	2.97%	2.81%	2.56%	2.65%	2.79%
Profitability (%)					
Non-IR to Income	24.4%	27.0%	29.3%	25.1%	23.4%
Cost to Income	55.7%	51.6%	53.1%	52.7%	50.2%
ROA	1.04%	1.10%	0.98%	0.96%	1.07%
ROE	17.3%	17.3%	14.3%	13.7%	15.5%
Assets Quality (%)					
Slippages	0.00%	0.00%	0.00%	0.00%	0.00%
Gross NPA	2.24%	1.82%	1.61%	1.52%	1.47%
Net NPAs	0.57%	0.47%	0.41%	0.38%	0.37%
Provision Coverage	75.0%	74.4%	74.5%	75.0%	75.0%
Specific LLP	0.27%	0.37%	0.40%	0.43%	0.43%
Net NPAs / Networth	5.6%	4.5%	3.7%	3.5%	3.4%
Capital Adequacy (%)					
Tier I	11.93%	12.11%	13.59%	13.33%	13.31%
CAR	14.28%	14.25%	16.14%	15.88%	15.86%

Source: Company, JM Financial

Balance Sheet (INR bn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Equity Capital	9	9	9	9	9
Reserves & Surplus	3,764	4,403	5,203	5,806	6,576
Deposits	49,161	53,822	60,388	67,717	77,197
Borrowings	5,976	5,636	5,610	6,861	7,822
Other Liabilities	2,888	2,891	2,640	3,637	3,673
Total Liabilities	61,797	66,761	73,850	84,030	95,277
Investments	16,713	16,906	18,149	20,882	23,805
Net Advances	37,040	41,633	46,529	52,950	60,363
Cash & Equivalents	3,108	3,402	3,630	4,102	4,676
Fixed Assets	426	441	507	558	340
Other Assets	4,510	4,378	5,035	5,539	6,092
Total Assets	61,797	66,761	73,850	84,030	95,277

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Nil / Assets	2.73%	2.60%	2.37%	2.46%	2.59%
Other Income / Assets	0.88%	0.96%	0.98%	0.82%	0.79%
Total Income / Assets	3.62%	3.56%	3.36%	3.28%	3.39%
Cost / Assets	2.01%	1.84%	1.78%	1.73%	1.70%
PBP / Assets	1.60%	1.72%	1.57%	1.55%	1.69%
Provisions / Assets	0.08%	0.24%	0.27%	0.27%	0.25%
PBT / Assets	1.52%	1.48%	1.31%	1.28%	1.44%
Tax rate	23.3%	25.6%	25.2%	25.2%	25.2%
ROA	1.04%	1.10%	0.98%	0.96%	1.07%
RoRWAs	2.03%	2.06%	1.84%	1.84%	2.06%
Leverage	16.4	15.1	14.2	14.4	14.5
ROE	17.3%	17.3%	14.3%	13.7%	15.5%

Source: Company, JM Financial

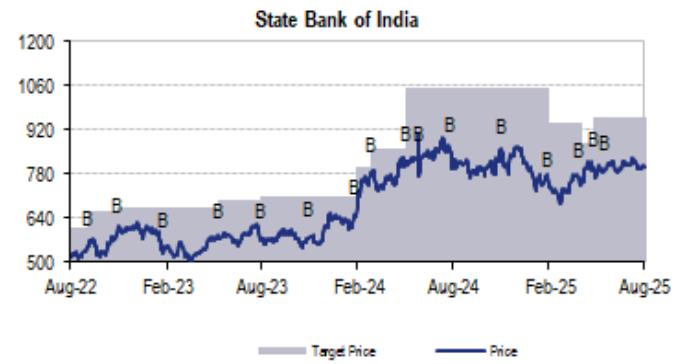
Valuations					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shares in Issue	8.9	8.9	9.2	9.2	9.2
EPS (INR)	68.4	79.4	74.5	81.7	104.3
EPS (YoY) (%)	21.6%	16.1%	-6.2%	9.7%	27.6%
PER (x)	11.7	10.1	10.8	9.8	7.7
BV (INR)	423	494	565	630	713
BV (YoY) (%)	15.2%	16.9%	14.2%	11.6%	13.2%
ABV (INR)	399	470	541	606	690
ABV (YoY) (%)	15.6%	17.7%	15.2%	12.1%	13.8%
P/BV (x)	1.90	1.63	1.42	1.28	1.13
P/ABV (x)	2.02	1.71	1.49	1.33	1.17
DPS (INR)	13.7	15.9	14.9	16.3	20.9
Div. yield (%)	1.7%	2.0%	1.9%	2.0%	2.6%

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
3-Nov-21	Buy	615	
5-Feb-22	Buy	610	-0.8
15-May-22	Buy	590	-3.3
7-Aug-22	Buy	610	3.4
11-Sep-22	Buy	660	8.2
6-Nov-22	Buy	675	2.3
3-Feb-23	Buy	675	0.0
18-May-23	Buy	700	3.7
6-Aug-23	Buy	710	1.4
5-Nov-23	Buy	710	0.0
4-Feb-24	Buy	800	12.7
5-Mar-24	Buy	860	7.5
10-May-24	Buy	1,050	22.1
6-Jun-24	Buy	1,050	0.0
4-Aug-24	Buy	1,050	0.0
10-Nov-24	Buy	1,050	0.0
7-Feb-25	Buy	940	-10.5
8-Apr-25	Buy	875	-6.9
4-May-25	Buy	960	9.7
25-May-25	Buy	960	0.0

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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