

Strong earnings beat; NIM pressure to persist in near term

BFSI - Banks ▶ Result Update ▶ October 19, 2026

CMP (Rs): 1,397 | TP (Rs): 1,785

ICICI Bank continues to deliver a PAT beat, of Rs148bn (+8% qoq/15.9% yoy), 10% ahead of our/consensus' estimates. Global NIM declined by 18bps qoq to 4.18%, reflecting the impact of FCNR(B)-led overseas asset accretion and higher retail term deposits; domestic NIM, adjusted for tax-refund interest, was stable at 4.32%. Margins are expected to remain under pressure in 3QFY27 as FCNR(B) balances flow through the average balance sheet, with a gradual recovery anticipated from 4QFY27 as surplus liquidity is deployed. Asset quality improved further, with gross slippages declining 4.0% yoy to Rs48.3bn and net NPA ratio easing by 5bps qoq to 0.30%. With FCNR-induced credit growth of 30%, we increase our loan growth assumptions for FY27 to 30%, thereby increasing our earnings by 1-11% over FY27-29E. Hence, we retain BUY on the stock and TP of Rs1,785, based on 2.6x Sep-28E ABV and subsidiaries' value at Rs300/sh.

Strong growth momentum continues

The bank delivered strong business growth in 2QFY27, with advances growing 30.0% yoy/12.0% qoq – 24.1%/7.3% excluding FCNR(B)-led international lending, driven by corporate banking, business banking, and a recovery in retail and rural lending. Reported global NIM declined by 18bps qoq to 4.18%, primarily due to the higher proportion of lower-yielding overseas assets funded through FCNR(B) deposits, increased retail term deposits, and absence of the 8bps tax-refund interest benefit recorded in 1QFY27; however, domestic NIM excluding this benefit was broadly stable at 4.32%. Management expects further near-term NIM moderation in 3QFY27 before seeing recovery from 4QFY27, as excess liquidity is deployed and funding-mix effects normalize.

Asset quality improves amid strong loan growth

Asset quality continued to improve, with slippages moderating to 1.37%, while PCR was stable at 75%. Lower stress in personal loans and credit cards, negligible corporate slippages, and improved recoveries supported net additions of Rs12.1bn. Credit costs remained benign at 20bps, below the normalized guidance of ~50bps. The bank retains a healthy provisioning buffer of Rs131bn in contingency provisions, providing additional protection against potential asset-quality risks. The bank did not utilize contingency provisions during the quarter, with the contingency provision buffer remaining substantial at Rs131bn.

We retain BUY on ICICI Bank

We believe ICICIB is well-positioned to deliver 2.2-2.3% ROA over FY27-29E, aided by better growth, cost management, and contained LLP. This, along with credible management and strong provision/capital buffer, should help the bank maneuver the ongoing macro turbulence and still deliver superior ROA. Thus, we retain BUY with unchanged TP of Rs1,785, based on 2.6x Sep-28E ABV and subsidiaries' value at Rs300/sh. Key risks: Macro slowdown hurting growth and attrition of top management.

Target Price – 12M	Sep-27
Change in TP (%)	5.0
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	27.8

Stock Data	ICICIB IN
52-week High (Rs)	1,480
52-week Low (Rs)	1,188
Shares outstanding (mn)	7,179.9
Market-cap (Rs bn)	10,029
Market-cap (USD mn)	105,614
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	14.4
ADTV-3M (Rs mn)	16,020.0
ADTV-3M (USD mn)	168.7
Free float (%)	99.8
Nifty-50	23,146.2
INR/USD	95.0

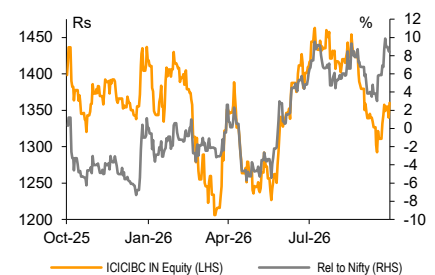
Shareholding, Sep-26

Promoters (%)	0.0
FPIs/MFs (%)	34.7/57.5

Price Performance

(%)	1M	3M	12M
Absolute	2.8	(1.5)	(1.4)
Rel. to Nifty	3.1	2.4	8.9

1-Year share price trend (Rs)



ICICI Bank: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profit	472,270	501,466	610,020	702,110	813,501
Loan growth (%)	13.3	15.8	30.3	15.4	16.9
NII growth (%)	9.2	8.5	19.0	21.4	17.9
NIM (%)	4.3	4.1	4.1	4.2	4.3
PPOP growth (%)	15.8	6.4	21.5	20.4	17.9
Adj. EPS (Rs)	66.8	70.2	85.2	98.0	113.6
Adj. EPS growth (%)	14.4	5.2	21.3	15.1	15.9
Adj. BV (INR)	388.5	449.9	520.2	600.4	693.6
Adj. BVPS growth (%)	22.2	15.8	15.6	15.4	15.5
RoA (%)	2.4	2.2	2.3	2.2	2.2
RoE (%)	18.0	16.1	17.0	17.0	17.0
P/E (x)	16.4	15.6	12.9	11.2	9.7
PABV	2.8	2.4	2.1	1.8	1.6

Source: Company, Emkay Research

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Earnings call highlights

Outlook on loans, deposits, and NIM

- NIM compression was driven by a higher share of overseas assets and strong term deposit mobilization, which lowered the average CASA ratio. Overseas margins were stable-to-slightly higher, supported by higher US dollar interest rates and better spreads on floating-rate deposits.
- Management expects further moderation in 3QFY27 as the full impact of FCNR(B) deposits flows through the average balance sheet, partly offset by the recent rate hike and followed by a healthy recovery from 4QFY27.
- Management does not view the near-term margin pressure as a structural concern, as the ~\$18bn FCNR(B) mobilization was a strategic opportunity to secure cost-effective funding and support sustainable franchise growth.
- The excess liquidity is expected to be deployed over the next two quarters. Management declined to quantify the standalone FCNR(B) impact on NIM or provide an FCNR(B)-excluded margin estimate, reiterating its focus on competitive funding costs and disciplined loan pricing.
- Total deposits grew 27.1% yoy/11.8% qoq, supported by ~\$18bn of gross FCNR(B) mobilization under the RBI swap facility. Excluding FCNR(B), period-end deposit growth stood at 17% yoy/3.1% qoq, while average CASA deposits grew 10.7% yoy/1.4% qoq. Cost of deposits rose to 4.50% from 4.41% qoq, but remained below the 4.64% clocked a year ago.
- The FCNR(B) mobilization comprised ~\$10bn lent directly by ICICI Bank to customers, \$3.6bn lent by partner banks, and >\$4bn funded by customers' own resources. Management viewed this as an opportunity to deepen its NRI franchise, strengthen customer engagement, and secure cost-effective funding without regulatory pre-emption requirements.
- Savings deposit growth was relatively soft at 5% yoy, reflecting a decline in institutional savings, particularly from government departments, while retail savings growth remained satisfactory. Management focuses on retail "money in bank" (MIB)—balances across savings accounts and term deposits—rather than headline savings growth, with retail MIB accretion stable-to-slightly better.
- Average LCR stood at 126%. Management said the September LCR would not be particularly informative, as excess liquidity was deployed into safe, higher-yielding instruments, including financial-sector paper, money-market mutual funds, and bank CDs, rather than additional high-quality liquid assets (HQLA), given the adequate existing LCR levels.
- Corporate growth was supported by working capital requirement, investment activity, favorable pricing opportunities, and substitution from bond markets and offshore foreign-currency borrowings to onshore rupee loans. Management said growth reflected underlying client demand rather than temporary parking of FCNR(B) funds.
- Management attributed the sequential credit card decline partly to timing and seasonal effects, and the moderation in jewel loans to adjustments to processes and controls following the new RBI guidelines.
- Management has no fixed target for the retail–corporate loan mix; growth across both segments will be calibrated to risk-adjusted returns, pricing opportunities, capital, and funding availability. It expects to deploy excess FCNR(B)-related liquidity over the next two quarters, coinciding with the seasonally stronger credit growth period.

Asset quality

- Net NPA improved to 0.30% from 0.35% qoq and 0.39% yoy. Gross NPA additions declined to Rs48.3bn from Rs50.3bn yoy, while net additions fell to Rs12.1bn from Rs13.9bn, supported by recoveries and upgrades of Rs36.2bn. Total provisions were Rs8.5bn compared with Rs9.1bn a year ago, and the NPL provision coverage ratio stood at 75%.

- Retail and rural gross NPA additions declined to Rs37.1bn from Rs40.5bn yoy, while net additions fell to Rs11.1bn from Rs14.4bn. Corporate and business banking gross NPA additions increased to Rs11.2bn from Rs9.9bn yoy, with net NPA additions of Rs1.1bn versus net deletions of Rs0.5bn a year ago. Management highlighted negligible new corporate NPL formation, low business banking slippages, and stable retail NPL formation.
- Normalized credit cost was ~50bps of advances after adjusting for one-off corporate recoveries, standard asset provisions on FCNR(B)-backed loans, and seasonal KCC provisioning.
- Contingency provisions stood at Rs131bn, equivalent to 0.7% of advances, while total additional provisions excluding specific NPA provisions were Rs238.2bn or 1.3% of loans. The Rs12.8bn additional standard asset provision against the agricultural priority-sector portfolio remains in place, pending regulatory satisfaction with remediation, with an update expected over the next two quarters.
- Corporate credit costs are expected to remain structurally below that of retail, given the stringent client-level return-on-capital thresholds and a go/no-go lending approach. Management also emphasised that corporate returns should be assessed holistically, including transaction banking, payments, collections, and contribution to current-account balances.

Others

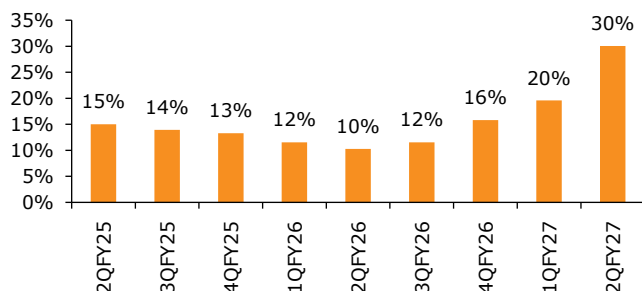
- Only 0.5% of the builder portfolio was internally rated BB and below or classified as non-performing.
- Exposure to performing corporate borrowers rated BB and below remained low at 0.2% of advances.

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Story in Charts

Exhibit 1: The bank continued its growth momentum in the Credit segment, led by FCNR corporate, business banking

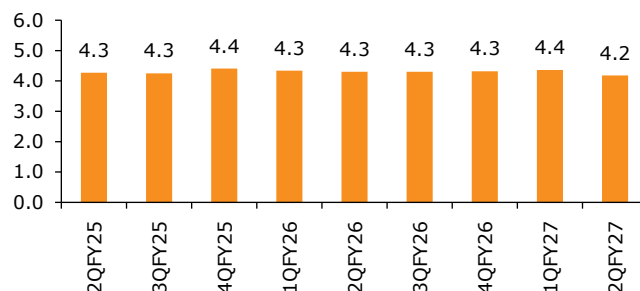
Loan Growth (yoy)



Source: Company, Emkay Research

Exhibit 2: Margins dip due to FCNR mobilization

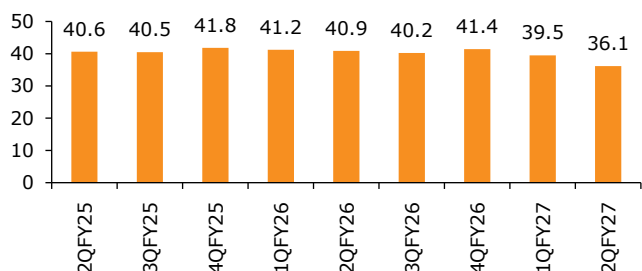
NIMs (%)



Source: Company, Emkay Research

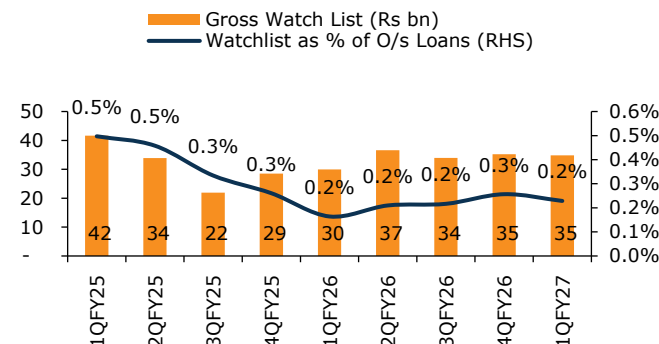
Exhibit 3: CASA ratio declines due to FCNR

CASA (%)



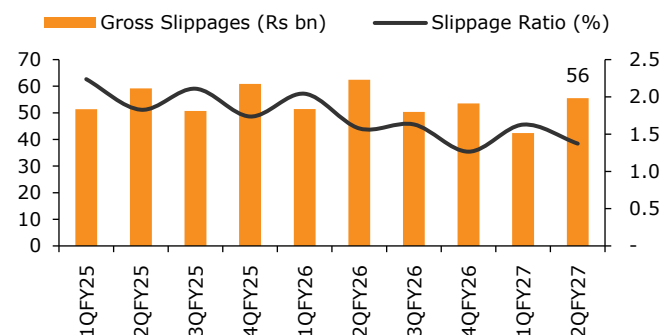
Source: Company, Emkay Research

Exhibit 4: The corporate watchlist is contained at 0.2% of outstanding loans



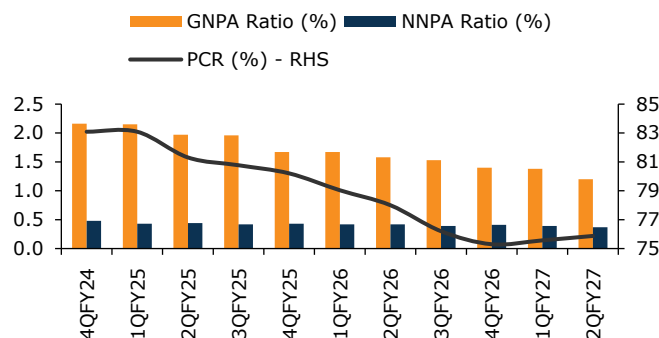
Source: Company, Emkay Research

Exhibit 5: Slippages trend downward, led by normalization of retail and negligible corporate stress...



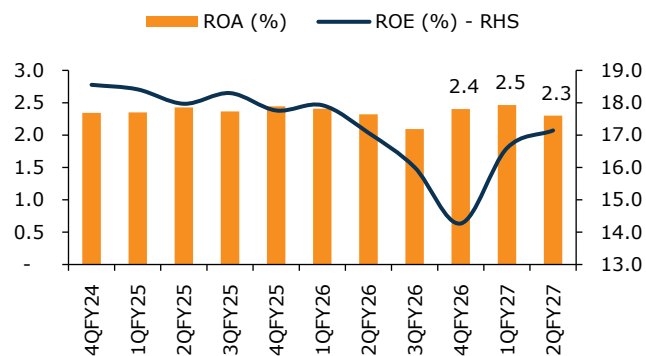
Source: Company, Emkay Research

Exhibit 6: ...which, coupled with continued higher recoveries/write-offs, led to an all-time low GNPA ratio

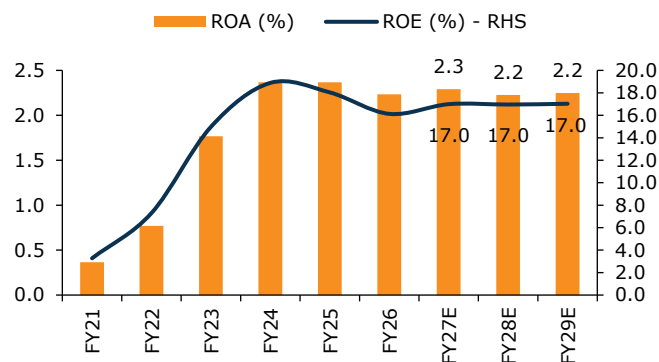


Source: Company, Emkay Research

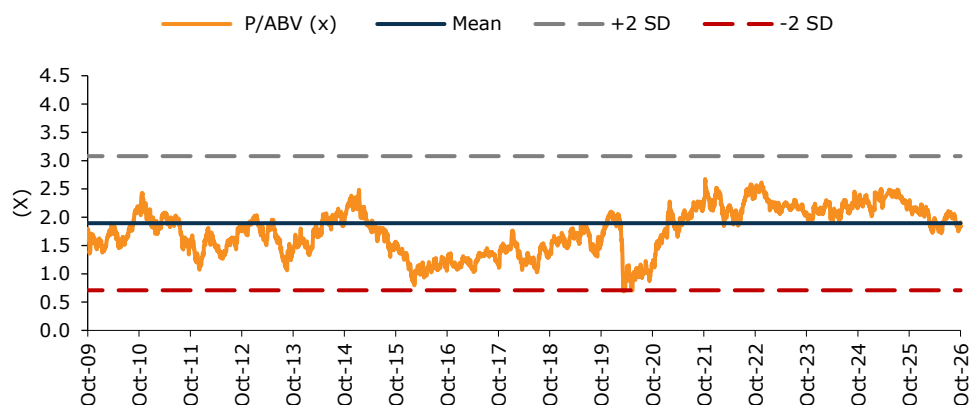
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Exhibit 7: Return ratios continue to improve due to lower provisions

Source: Company, Emkay Research

Exhibit 8: Strong credit growth, better cost management, and lower LLPs to protect the >2% ROA trajectory

Source: Company, Emkay Research

Exhibit 9: The stock is trading near its mean valuation

Source: Bloomberg, Emkay Research

Exhibit 10: ICICI Bank – SOTP-based valuation

	Stake	Value per share (Rs)	Basis of valuation
ICICI - Standalone (A)		1,538	2.6x Jun-28E ABV (adj for investments)
Non-Banking subsidiaries			
ICICI Prudential Life Insurance	53%	75	1.5x FY28E EV
ICICI Lombard General Insurance	51%	77	30x FY28E PAT
ICICI Asset Management Company	53%	139	12% of FY28E AUM
ICICI Securities	100%	38	15x FY28E PER
Other Subsidiaries	100%	24	
Value of Non-Banking business		353	
Value post-Holdco discount (20%) (B)		300	
Value of the bank (A+B) (rounded off)		1,785	
Current market price		1,397	
Upside		28%	
Contribution of subsidiaries to TP		17%	

Source: Emkay Research

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Exhibit 11: Actuals vs Estimates (Q2FY27)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	329,604	314,528	319,503	5%	3%	Strong credit growth led to healthy NII
PPOP	203,861	189,669	192,781	7%	6%	Strong credit growth and NII led to a healthy PPOP
PAT	148,045	134,495	133,616	10%	11%	Higher NII and lower provisions led to a PAT beat

Source: Emkay Research

Exhibit 12: Quarterly Summary

(Rs mn)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	yoy (%)	qoq (%)	FY26	FY27E	yoy (%)
Interest Earned	417,579	419,658	432,754	456,708	491,100	17.6	7.5	1,699,461	2,027,084	19.3
Interest Expenses	202,285	200,336	202,963	212,864	237,713	17.5	11.7	818,709	979,254	19.6
Net Interest Income	215,294	219,322	229,791	243,844	253,387	17.7	3.9	880,752	1,047,830	19.0
Global NIMs (reported)	4.30	4.30	4.32	4.36	4.18	-12bps	-18bps	4.10	4.10	0bps
Non-interest Income	75,755	73,682	73,090	85,761	80,475	6.2	-6.2	307,576	354,238	15.2
Operating Expenses	118,070	119,444	120,890	125,743	128,110	8.5	1.9	472,339	532,110	12.7
Pre-Provisioning Profit	172,979	173,560	181,991	203,861	205,752	18.9	0.9	715,989	869,957	21.5
Provision & Contingencies	9,141	25,556	962	12,605	8,507	-6.9	-32.5	53,804	54,423	1.1
PBT	163,838	148,004	181,030	191,256	197,245	20.4	3.1	662,185	815,535	23.2
Income Tax Expense (Gain)	40,250	34,825	44,013	43,211	48,815	21.3	13.0	160,718	205,515	27.9
Net Profit/(Loss)	123,588	113,179	137,017	148,045	148,430	20.1	0.3	501,466	610,020	21.6
Gross NPA (%)	1.58	1.53	1.40	1.38	1.20	-38bps	-18bps	1.44	1.11	-33bps
Net NPA (%)	0.39	0.37	0.33	0.35	0.31	-8bps	-4bps	0.35	0.28	-7bps
Deposits (Rs bn)	16,128	16,596	17,946	18,336	20,499	27.1	11.8	17,946	21,498	19.8
Net Advances (Rs bn)	14,085	14,662	15,539	16,313	18,316	30.0	12.3	15,539	20,254	30.3

Source: Company, Emkay Research

Exhibit 13: Revision in estimates

Y/E Mar (Rs mn)	FY27E			FY28E			FY29E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
Net income	1,400,607	1,402,067	0.1%	1,572,503	1,652,237	5.1%	1,810,996	1,930,642	6.6%
PPOP	868,497	869,957	0.2%	967,263	1,046,997	8.2%	1,114,802	1,234,447	10.7%
PAT	602,873	610,020	1.2%	648,669	702,110	8.2%	732,309	813,501	11.1%
EPS (Rs)	84.2	85.2	1.2%	90.6	98.0	8.2%	102	113.6	11.1%
BV (Rs)	535.9	536.9	0.2%	610.9	619.3	1.4%	695	714.9	2.8%

Source: Emkay Research

Exhibit 14: Key Assumptions

(%)	FY26	FY27E	FY28E	FY29E
Loan Growth	15.8	30.3	15.4	16.9
Deposit Growth	11.4	19.8	16.5	17.1
NIM	4.1	4.1	4.2	4.3
GNPA	1.4	1.1	1.2	1.3
Credit Cost	0.4	0.4	0.5	0.6
Yield on Advances	9.1	9.1	8.9	9.1
Cost of Deposits	4.3	4.3	4.2	4.4

Source: Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 15: Key Ratios and Trends

(Rs bn)	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Loans	12,772	13,144	13,418	13,641	14,085	14,661	15,538	16,313	18,315
- growth yoy (%)	15.0	13.9	13.3	11.5	10.3	11.5	15.8	19.6	30.0
Composition (%)									
Corporate - Domestic and others	21	21	21	20	20	20	20	20	19
Overseas	3	2	2	2	2	2	3	3	8
SME/BuB	18	19	20	20	21	21	21	21	21
Retail	54	54	53	53	52	51	51	49	52
Rural	6	6	6	6	6	6	6	6	6
Deposit	14,978	15,203	16,103	16,085	16,128	16,596	17,946	18,335	20,498
- growth yoy (%)	15.7	14.1	14.0	12.8	7.7	9.2	11.4	14.0	27.0
CASA (%)	40.6	40.5	41.8	41.2	40.9	40.2	41.4	39.5	36.1
CA (%)	12.2	12.5	14.5	13.5	12.8	13.1	14.9	13.5	12.9
SA (%)	28.4	28.0	27.4	27.7	28.0	27.1	26.5	26.0	23.2
Asset Quality/Capital (%)									
GNPA	2.0	2.0	1.7	1.7	1.6	1.5	1.4	1.4	1.2
NNPA	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.3
PCR	79.0	78.0	76.2	75.3	75.6	75.9	76.3	76.5	76.5
Slippages (Rs mn)	50,730	60,850	51,420	62,450	50,340	53,560	42,420	55,520	48,330
Slippages	1.8	2.1	1.7	2.0	1.6	1.6	1.3	1.6	1.4
Restructured loans (% of loans)	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
CAR	15.4	14.7	16.6	16.3	15.8	15.6	17.2	16.8	16.7
Tier I	14.7	14.0	15.9	15.7	15.1	14.7	16.4	16.2	16.1
ROE Decomposition (%)									
NII	4.1	4.1	4.1	4.1	4.0	4.1	4.0	4.1	3.9
Other Income (Ex Treasury)	1.3	1.3	1.4	1.4	1.4	1.4	1.3	1.4	1.2
Treasury	0.1	0.1	0.0	0.2	0.0	(0.0)	(0.0)	0.0	0.0
Opex	2.2	2.1	2.1	2.1	2.2	2.2	2.1	2.1	2.0
PPOP	3.5	3.4	3.4	3.5	3.2	3.2	3.2	3.4	3.2
Provisions	0.3	0.2	0.2	0.3	0.2	0.5	0.02	0.2	0.1
PBT	3.2	3.1	3.2	3.2	3.1	2.7	3.2	3.2	3.1
Tax	0.8	0.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0
ROA	2.4	2.4	2.5	2.4	2.3	2.1	2.4	2.5	2.3
ROE	18.3	17.8	17.9	17.1	16.0	14.3	16.6	17.1	16.6

Source: Company, Emkay Research; Note: The bank has reclassified its loan composition, with the portfolio now comprising borrowers with turnover of up to Rs7.5bn, incorporating the business banking, SME, mid-corporate, rural business credit, and dealer funding portfolios vs earlier reported separately/grouped under other portfolios. Accordingly, we have reclassified the loan composition for 4QFY23, 2QFY24, and 4QFY24

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions)

ICICI Bank: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	1,632,638	1,699,461	2,027,084	2,395,043	2,780,380
Interest Expense	820,993	818,709	979,254	1,122,960	1,280,405
Net interest income	811,644	880,752	1,047,830	1,272,083	1,499,975
NII growth (%)	9.2	8.5	19.0	21.4	17.9
Other income	285,067	307,576	354,238	380,154	430,667
Total Income	1,096,711	1,188,328	1,402,067	1,652,237	1,930,642
Operating expenses	423,723	472,339	532,110	605,240	696,195
PPOP	672,988	715,989	869,957	1,046,997	1,234,447
PPOP growth (%)	15.8	6.4	21.5	20.4	17.9
Core PPOP	650,736	708,140	850,661	1,029,630	1,217,949
Provisions & contingencies	46,826	53,804	54,423	108,347	146,878
PBT	626,162	662,185	815,535	938,649	1,087,569
Extraordinary items	0	0	0	0	0
Tax expense	153,892	160,718	205,515	236,540	274,067
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	472,270	501,466	610,020	702,110	813,501
PAT growth (%)	15.5	6.2	21.6	15.1	15.9
Adjusted PAT	472,270	501,466	610,020	702,110	813,501
Diluted EPS (Rs)	66.8	70.2	85.2	98.0	113.6
Diluted EPS growth (%)	14.4	5.2	21.3	15.1	15.9
DPS (Rs)	10.1	12.0	14.0	15.6	18.0
Dividend payout (%)	15.1	33.9	33.9	33.9	33.9
Effective tax rate (%)	24.6	24.3	25.2	25.2	25.2
Net interest margins (%)	4.3	4.1	4.1	4.2	4.3
Cost-income ratio (%)	38.6	39.7	38.0	36.6	36.1
Shares outstanding (mn)	7,123.0	7,161.2	7,161.2	7,161.2	7,161.2

Source: Company, Emkay Research

Asset quality and other metrics					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
Gross NPLs	235,231	225,786	225,786	290,891	362,924
Net NPLs	55,894	54,595	56,446	72,755	90,772
GNPA ratio (%)	1.7	1.4	1.1	1.2	1.3
NNPA ratio (%)	0.4	0.4	0.3	0.3	0.3
Provision coverage (%)	76.2	75.8	75.0	75.0	75.0
Gross slippages	202,011	191,312	275,796	325,525	400,183
Gross slippage ratio (%)	1.5	1.2	1.4	1.4	1.5
LLP ratio (%)	0.3	0.4	0.4	0.5	0.6
NNPA to networth (%)	1.8	1.5	1.4	1.6	1.7
Capital adequacy					
Total CAR (%)	16.6	17.2	16.0	16.4	16.5
Tier-1 (%)	15.9	16.3	15.3	15.8	15.9
CET-1 (%)	15.9	16.3	15.3	15.8	15.9
RWA-to-Total Assets (%)	76.1	76.8	77.0	77.0	77.0
Miscellaneous					
Total income growth (%)	15.6	4.7	18.6	16.5	15.7
Opex growth (%)	8.3	11.5	12.7	13.7	15.0
Core PPOP growth (%)	13.5	8.8	20.1	21.0	18.3
PPOP margin (%)	35.1	35.7	36.5	37.7	38.4
PAT/PPOP (%)	70.2	70.0	70.1	67.1	65.9
LLP-to-Core PPOP (%)	7.2	7.6	6.4	10.5	12.1
Yield on advances (%)	10.1	9.1	9.1	8.9	9.1
Cost of funds (%)	5.0	4.5	4.7	4.6	4.5

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	14,246	14,322	14,322	14,322	14,322
Reserves & surplus	2,906,517	3,359,392	3,864,632	4,451,030	5,132,099
Net worth	2,920,763	3,373,714	3,878,954	4,465,352	5,146,421
Deposits	16,103,480	17,946,250	21,497,922	25,050,337	29,329,144
Borrowings	1,235,383	1,249,941	1,359,752	1,346,951	1,337,289
Interest bearing liab.	17,338,863	19,196,191	22,857,674	26,397,287	30,666,434
Other liabilities & prov.	922,774	1,155,405	2,787,189	2,674,969	3,012,578
Total liabilities & equity	21,182,400	23,725,310	29,523,817	33,537,608	38,825,433
Net advances	13,417,662	15,538,929	20,253,817	23,370,611	27,326,681
Investments	5,047,567	4,922,173	5,731,028	6,429,544	7,253,711
Cash, other balances	1,855,620	2,303,352	2,514,344	2,639,729	3,066,643
Interest earning assets	20,320,849	22,764,454	28,499,189	32,439,883	37,647,035
Fixed assets	128,387	139,225	148,950	163,846	180,230
Other assets	733,163	821,631	875,677	933,879	998,167
Total assets	21,182,400	23,725,310	29,523,817	33,537,608	38,825,433
BVPS (Rs)	394.4	455.6	526.1	608.0	703.1
Adj. BVPS (INR)	388.5	449.9	520.2	600.4	693.6
Gross advances	13,596,999	15,710,120	20,423,157	23,588,746	27,598,833
Credit to deposit (%)	83.3	86.6	94.2	93.3	93.2
CASA ratio (%)	41.8	41.4	40.8	41.6	42.7
Cost of deposits (%)	4.7	4.3	4.3	4.2	4.4
Loans-to-Assets (%)	63.3	65.5	68.6	69.7	70.4
Net advances growth (%)	13.3	15.8	30.3	15.4	16.9
Deposit growth (%)	14.0	11.4	19.8	16.5	17.1
Book value growth (%)	21.9	15.5	15.5	15.6	15.6

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	16.4	15.6	12.9	11.2	9.7
P/B (x)	2.7	2.4	2.0	1.8	1.5
PABV	2.8	2.4	2.1	1.8	1.6
P/PPOP (x)	14.9	14.0	11.5	9.6	8.1
Dividend yield (%)	0.7	0.9	1.0	1.1	1.3
DuPont-RoE split (%)					
NII/avg assets	4.1	3.9	3.9	4.0	4.1
Other income	1.4	1.4	1.3	1.2	1.2
Fee income	1.2	1.2	1.1	1.0	1.0
Opex	2.1	2.1	2.0	1.9	1.9
PPOP	3.4	3.2	3.3	3.3	3.4
Core PPOP	3.3	3.2	3.2	3.3	3.4
Provisions	0.2	0.2	0.2	0.3	0.4
Tax expense	0.8	0.7	0.8	0.8	0.8
RoA (%)	2.4	2.2	2.3	2.2	2.2
Leverage ratio (x)	7.6	7.2	7.4	7.6	7.6
RoE (%)	18.0	16.1	17.0	17.0	17.0

Quarterly data					
Rs mn, Y/E Mar	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
NII	215,294	219,322	229,791	243,844	253,387
NIM (%)	4.3	4.3	4.3	4.4	4.2
PPOP	172,979	173,560	181,991	203,861	205,752
PAT	123,588	113,179	137,017	148,045	148,430
EPS (Rs)	17.3	15.8	19.1	20.6	20.7

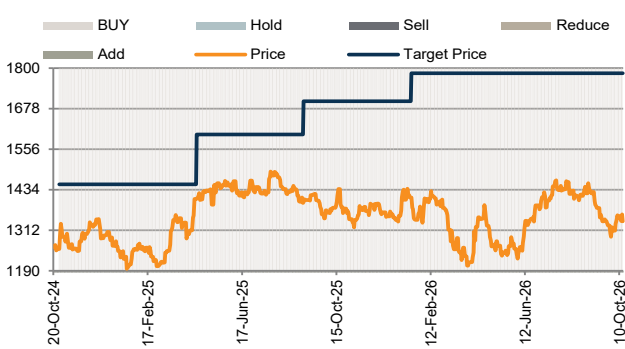
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
08-Oct-26	1,349	1,785	Buy	Avinash Singh
20-Jul-26	1,460	1,785	Buy	Avinash Singh
10-Jul-26	1,401	1,785	Buy	Avinash Singh
19-Apr-26	1,347	1,785	Buy	Anand Dama
18-Jan-26	1,411	1,785	Buy	Anand Dama
03-Sep-25	1,397	1,700	Buy	Anand Dama
20-Jul-25	1,426	1,600	Buy	Anand Dama
20-Apr-25	1,407	1,600	Buy	Anand Dama
09-Apr-25	1,301	1,450	Buy	Anand Dama
26-Jan-25	1,209	1,450	Buy	Anand Dama
27-Oct-24	1,255	1,450	Buy	Anand Dama

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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