BUY

Bank of Baroda

Growth and NIM guidance intact; ECL impact lower

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BFSI - Banks | Result Update | **July 26, 2026**

CMP (Rs): 246 | TP (Rs): 350

BoB reported a sharp decline in PAT to Rs12.8bn, hit by the one-off out-of-court settlement of the legacy NMC Group litigation, fully absorbed in 1Q. Operating profit declined 1.3% yoy/10.4% qoq, led by a sharp fall in other income. Credit growth remained healthy at 17.6% yoy, driven by RAM and overseas segments; corporate loan growth improved to 15% yoy but declined 6.5% qoq due to conscious portfolio recalibration. Core NIM moderated by 12bps qoq to 2.8%, with guidance reiterated at 2.75–2.95%, supported by improved asset pricing and moderation in incremental deposit costs. BoB raised over $600mn through the FCNR(B) route and maintained credit growth guidance of 12–14%. The management expects the ECL transition impact on CRAR at ~110bps (earlier 125bps), while BoB continues to carry Rs25bn of floating provisions and plans to raise Rs85bn of capital to support growth and cushion the impact. We fine-tune our earnings estimates and expect BoB to deliver healthy ~1% ROA over FY27-29E. Thus, we retain BUY and TP of Rs350, valuing the standalone bank at 0.9x Jun-28E ABV and subsidiaries/investments at Rs15/share.

Healthy credit growth; growth and margin outlook intact

BoB reported healthy credit growth of 17.6% yoy (broadly stable qoq; -0.9%), led by the RAM segment and overseas portfolio. Corporate loan growth improved to 15.3% yoy, but declined 6.5% qoq due to conscious portfolio recalibration, including the run-off of select finely-priced assets and seasonal changes in corporate cash flows. NIM declined by 12bps qoq to 2.8%, with the management reiterating its guidance of maintaining NIM within 2.75–2.95%, supported by improved asset pricing (particularly in the non-MCLR corporate book) and moderation in incremental deposit costs. The management maintained its credit growth guidance of 12–14%.

Stable asset quality; ECL impact revised lower to ~110bps

Gross slippages marginally increased to Rs34.2bn/1.15% of loans, while lower recoveries and write-offs drove a 10bps qoq increase in GNPA ratio to 2.0%. NNPA ratio increased to ~0.5%, with a decline in specific PCR to 75.1%. The management now expects the ECL transition impact on CRAR at ~110bps (earlier 125bps), as there is pullback of 15-20bps due to project loan guidelines. This translates to a ~Rs120bn impact, which will be amortized over the transition period, resulting in an annual impact of ~20–22bps. The bank continues to carry Rs25bn of floating provisions earmarked for ECL provisioning. The management further highlighted that asset quality remains stable, with no signs of incremental stress, supported by government measures for the MSME segment.

We retain BUY; take comfort from BoB's healthy ROAs and lower valuations

We fine-tune our earnings estimates to factor in better growth, and expect BoB to deliver healthy ~1% ROA over FY27-29E. We retain BUY and TP of Rs350, valuing the standalone bank at 0.9x Jun-28E ABV and subsidiaries/investments at Rs15/share. Key risks: Macro slowdown leading to slower credit growth; higher margin contraction; and asset-quality disruption – particularly in the SME space.

Target Price – 12M	Jun-27
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	42.3

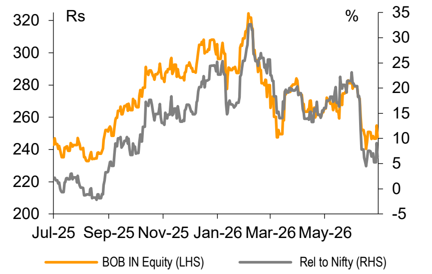
Stock Data	**BOB IN**
52-week High (Rs)	326
52-week Low (Rs)	231
Shares outstanding (mn)	5,171.4
Market-cap (Rs bn)	1,274
Market-cap (USD mn)	13,198
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	12.6
ADTV-3M (Rs mn)	3,651.1
ADTV-3M (USD mn)	37.8
Free float (%)	36.0
Nifty-50	23,767.4
INR/USD	96.6

Shareholding,Jun-26	
Promoters (%)	64.0
FPIs/MFs (%)	10.1/18.4

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	(12.0)	(10.1)	(0.2)
Rel. to Nifty	(11.0)	(9.6)	5.3

1-Year share price trend (Rs)



Bank of Baroda: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Net profit	195,812	200,526	205,620	236,719	275,578
Loan growth (%)	13.5	16.5	15.0	15.1	15.1
NII growth (%)	4.0	2.5	11.9	13.6	15.9
NIM (%)	2.9	2.6	2.6	2.6	2.6
PPOP growth (%)	4.7	(0.4)	7.9	14.2	15.6
Adj. EPS (Rs)	37.8	38.7	39.7	45.7	53.2
Adj. EPS growth (%)	10.1	2.4	2.5	15.1	16.4
Adj. BV (INR)	254.3	286.8	316.9	352.8	394.3
Adj. BVPS growth (%)	23.3	12.8	10.5	11.3	11.8
RoA (%)	1.2	1.1	1.0	1.0	1.0
RoE (%)	15.7	13.8	12.7	13.2	13.8
P/E (x)	6.1	6.0	5.8	5.1	4.4
P/ABV (x)	0.9	0.8	0.7	0.7	0.6

Source: Company, Emkay Research

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Key concall takeaways

Outlook on loans, deposits, and margins

- The management maintained its credit growth guidance of 12–14%, despite current outperformance, citing geopolitical uncertainties. It guided for deposit growth of 10–12% and reiterated its target to operate at a CD ratio of 84–86%. NIM guidance was unchanged at 2.75–2.95%.
- The sequential decline in corporate loans was due to a conscious portfolio recalibration rather than weaker demand. The decline in the corporate loan book was attributed to seasonal factors, including the run-off of select finely priced assets and temporary changes in corporate cash flow cycles.
- The bank is repricing corporate loans by migrating customers from non-MCLR benchmark-linked loans to MCLR-linked loans, to better-align lending yields with the higher cost of deposits. As part of this strategy, the bank allowed some low-yielding corporate exposures to run off, prioritizing profitability over volume growth.
- The management indicated that the strategy aims to improve loan yields by taking advantage of the evolving rate environment. The bank remains focused on optimizing portfolio mix and pricing, even at the cost of near-term moderation in corporate loan growth.
- The bank has raised over $600mn under the FCNR(B) scheme so far. The management expects total foreign currency inflows, including FCNR(B), ECB, and other overseas funding, to exceed $4–5bn. These deposits provide a competitive rupee funding cost, with deposit rates of around 6.4–6.5%. Loans against these deposits are extended through the bank's overseas branches based on local funding costs, generating margins at the overseas operations.
- The bank will assess the feasibility of passing on incremental ECL-related costs to customers, subject to regulatory guidelines. Any revision in lending spreads, applicable to both the existing and incremental loan book, will depend on the final regulatory framework and prescribed conditions.
- The management increased the duration of its investment portfolio to capitalize on elevated bond yields (~7.13–7.14%), which have since declined to ~6.75–6.80%, creating potential mark-to-market gains. The duration extension is a prudent strategy to benefit from favorable rate movements while maintaining a balanced interest rate risk profile.
- The management reiterated its NIM guidance of 2.75–2.95%, noting that reported NIM of 2.77% reflects margin pressure. This was primarily due to faster asset growth impacting margins, while NII growth reflected prudent asset-liability pricing management.
- The two key factors supporting margins: improved asset pricing, particularly in the non-MCLR corporate loan book, and moderation in incremental deposit costs. The bank has been able to reprice select non-MCLR corporate loans closer to MCLR levels, providing an upside to lending yields.

Asset quality

- The ECL transition impact on CRAR is now estimated at ~110bps (earlier 125bps), as the benefit from the final guidelines is lower at ~15bps compared with the earlier expectation of ~50bps, translating into an impact of ~Rs120bn and the balance is to be spread over the period. The yearly impact can be around 20-22bps.
- The bank carries Rs25bn floating provision for ECL provisioning.
- The bank’s strong capital position, with CET-1 ratio at ~16.3%, provides adequate comfort to absorb the transition impact, with additional capital raising plans in place.
- The bank emphasized that the higher reported NPAs reflect a prudent accounting approach rather than any deterioration in underlying asset quality. SMA-2 accounts

declined sharply to Rs7bn from Rs18bn, indicating a meaningful reduction in the stress pipeline.

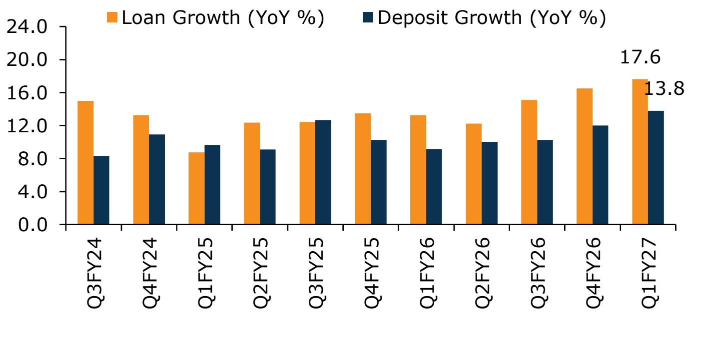
- The management highlighted that asset quality remains benign, with no signs of incremental stress across the portfolio. The bank also noted that government support measures for the MSME segment have helped mitigate potential stress, and it currently does not foresee any material deterioration in asset quality.

Others

- The bank entered into an out-of-court settlement to fully resolve the legacy NMC Group litigation, with its liability capped at $600mn. The settlement, paid on 1-Jul-26 and fully absorbed in 1QFY27 earnings, resolves all claims without any admission of liability or wrongdoing.
- LCR remains healthy at ~127%. The management reiterated that maintaining LCR at ~120% remains the bank's internal comfort threshold, with lower deposit run-off rates providing additional support to liquidity ratios.
- The management indicated that fee income is influenced by multiple factors, while given the strong loan growth, the bank has not passed on the entire increase in costs to customers, focusing instead on maintaining competitive pricing and overall account profitability.
- The bank also expects to receive an income tax refund of approximately Rs3bn.
- The management indicated its plan to raise up to Rs85bn of equity by Mar-28. With a CET-1 ratio of 16.3%, the bank does not see an immediate need for capital; however, sustained loan growth of 16–17% may warrant a capital raise over the medium term. The timing of the equity raise will depend on business growth requirements and favorable market conditions, including valuation.
- The bank's total IT budget (opex and capex combined) exceeds Rs4bn.
- The management reiterated its confidence on sustaining ROA above 1%.

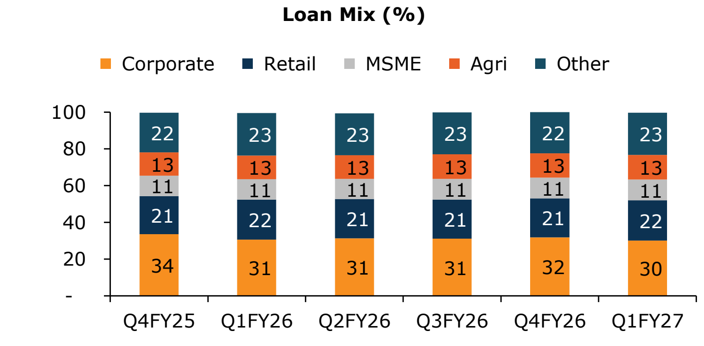
Story in charts

Exhibit 1: Loan growth remains healthy, led by RAM and overseas



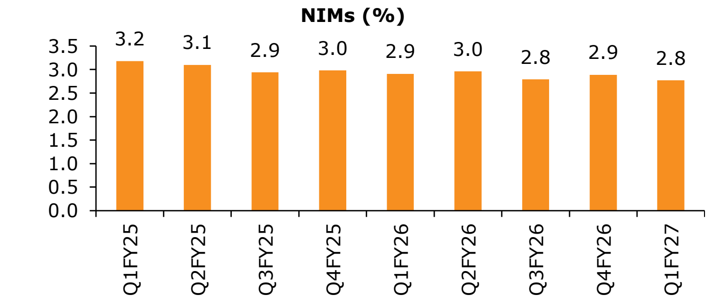
Source: Company, Emkay Research

Exhibit 2: Corporate segment shares reduced due to conscious portfolio recalibration



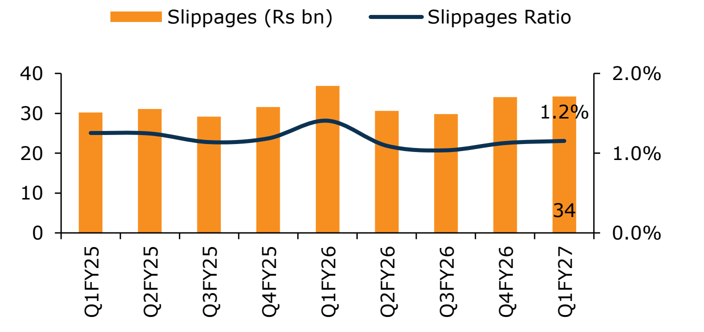
Source: Company, Emkay Research

Exhibit 3: NIM compressed qoq while guided NIM in the range of 2.75-2.95% in FY27



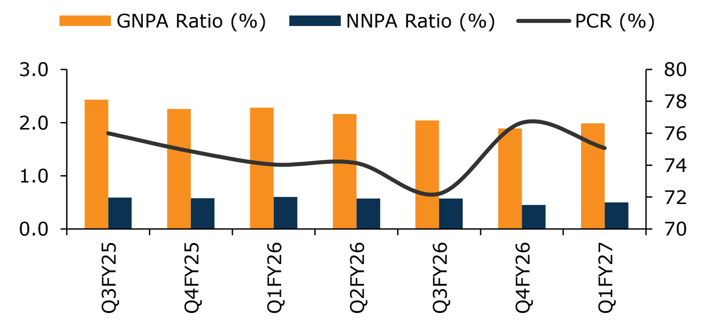
Source: Company, Emkay Research

Exhibit 4: Slippages marginally rise qoq …



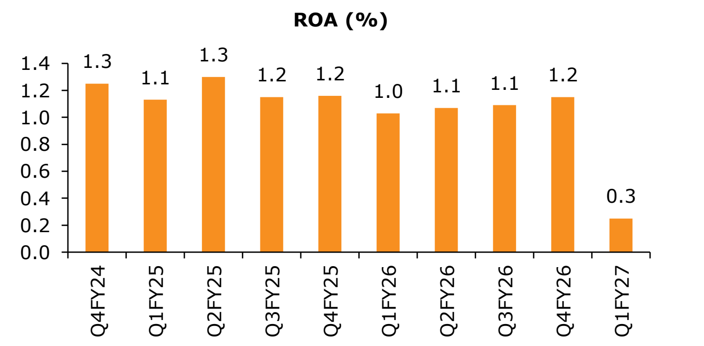
Source: Company, Emkay Research

Exhibit 5: …this, along with lower recoveries and write-offs, led to an increase in GNPA ratio



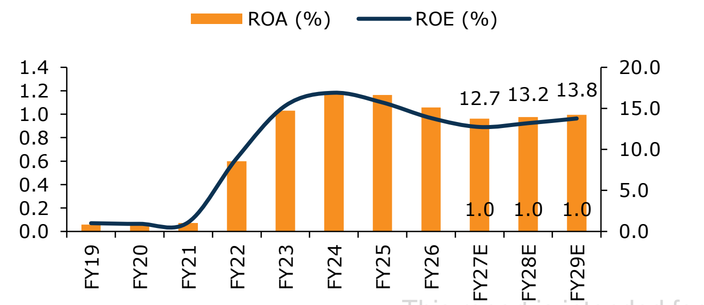
Source: Company, Emkay Research

Exhibit 6: ROA decline due to one-off court settlement



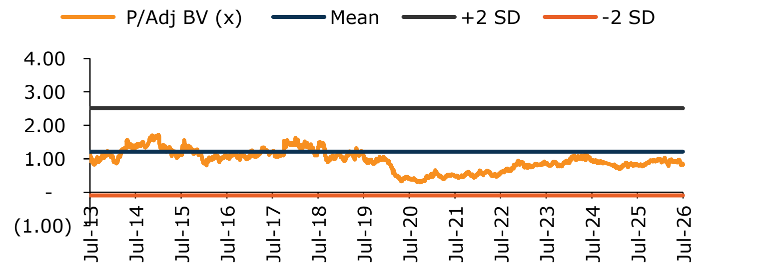
Source: Company, Emkay Research

Exhibit 7: We expect BoB to log ROA of 1% over FY27-29E



Source: Company, Emkay Research

Exhibit 8: The stock currently trades at ~0.8x its 1YF ABV



Source: Bloomberg, Emkay Research

Exhibit 9: Actuals vs estimates (1QFY27)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	159,955	157,141	155,447	2%	3%	Higher NII and stable other income let to a beat.
PPOP	81,273	75,768	78,826	7%	3%	Higher net income coupled with lower opex led to a PPOP beat.
PAT	12,784	41,826	41,599	-69%	-69%	One-off exceptional item led to sharp miss in PAT.

Source: Company, Emkay Research

Exhibit 10: Quarterly summary

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26	FY27E	yoy (%)
Interest Earned	310,915	315,108	317,495	326,418	332,107	7	2	1,269,937	1,368,349	8
Interest Expenses	196,567	195,572	199,491	201,482	206,856	5	3	793,112	834,637	5
Net Interest Income	114,348	119,536	118,004	124,937	125,251	10	0	476,825	533,711	12
Global NIM (reported)	2.9	3.0	2.8	2.9	2.8	-14bps	-12bps	2.6	2.6	-3bps
Non-interest Income	46,745	35,150	36,004	39,670	34,704	-26	-13	157,884	155,456	-2
Operating Expenses	78,728	78,926	80,237	73,912	78,682	0	6	311,803	340,839	9
Pre Provisioning Profit	82,365	75,760	73,771	90,694	81,273	-1	-10	322,905	348,328	8
Provision and Contingencies	19,669	12,325	7,989	31,505	6,430	-67	-80	71,488	73,435	3
PBT	62,695	63,435	65,782	59,190	74,842	19	26	251,417	274,894	9
Income Tax Expense (Gain)	17,282	15,341	15,236	3,033	5,256	-70	73	50,891	69,273	36
Net Profit/(Loss)	45,414	48,094	50,546	56,157	12,784	-72	-77	200,526	205,620	3
Gross NPA (%)	2.3	2.2	2.0	1.9	2.0	-29bps	10bps	1.9	1.7	-17bps
Net NPA (%)	0.6	0.6	0.6	0.5	0.5	-10bps	5bps	0.4	0.5	2bps
Deposits (Rs bn)	14,356	15,000	15,467	16,485	16,336	14	-1	16,485	18,677	13
Net Advances (Rs bn)	11,866	12,583	13,251	14,091	13,957	18	-1	14,091	16,208	15

Source: Company, Emkay Research

Exhibit 11: Revision in estimates

Y/E Mar (Rs mn)	FY27E			FY28E			FY29E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
Net income	672,910	689,167	2.4%	759,937	775,788	2.1%	870,267	884,249	1.6%
PPOP	331,021	348,328	5.2%	382,941	397,898	3.9%	452,856	459,982	1.6%
PAT	207,330	205,620	-0.8%	230,912	236,719	2.5%	265,877	275,578	3.6%
EPS (Rs)	40.0	39.7	-0.8%	44.6	45.7	2.5%	51.4	53.2	3.6%
BV (Rs)	328.2	327.9	-0.1%	364.0	365.0	0.3%	405.5	408.4	0.7%

Source: Emkay Research

Exhibit 12: Key assumptions

	FY26	FY27E	FY28E	FY29E
Loan Growth (%)	16.5	15.0	15.1	15.1
Deposit Growth (%)	12.0	13.3	14.6	15.0
NIM (%)	2.6	2.6	2.6	2.6
GNPA (%)	1.9	1.7	1.6	1.5
Credit Cost (%)	0.5	0.5	0.5	0.5

Source: Company, Emkay Research

Exhibit 13: Key ratios and trends

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Loans (Rs bn)	**10,716**	**11,430**	**11,730**	**12,305**	**12,071**	**12,788**	**13,449**	**14,299**	**14,174**
- Growth yoy (%)	*8.2*	*11.6*	*11.8*	*12.8*	*12.6*	*11.9*	14.7	16.2	17.4
- Growth qoq (%)	*(1.7)*	*6.7*	*2.6*	*4.9*	*-1.9*	*5.9*	5.2	6.3	-0.9
Liability Profile									
Deposit (Rs bn)	**13,070**	**13,635**	**14,029**	**14,720**	**14,356**	**15,000**	**15,467**	**16,485**	**16,336**
- Growth yoy (%)	*8.9*	*9.1*	*12.7*	*10.3*	*9.1*	*10.0*	*10.2*	12.0	13.8
- Growth qoq (%)	*(1.5)*	*4.3*	*2.9*	*4.9*	*-2.5*	*4.5*	*3.1*	6.6	-0.9
CASA (%)	41.0	41.0	40.0	40.0	39.0	38.0	38.0	39.0	38.0
Capital Adequacy									
CAR (%)	16.8	16.3	16.0	17.2	17.6	16.5	15.3	15.8	16.3
Tier I (%)	14.7	14.2	*13.4*	*14.8*	*15.2*	*14.2*	*14.2*	13.6	14.4
Asset Quality									
GNPA (%)	2.9	2.5	2.4	2.3	2.3	2.2	2.0	1.9	2.0
NNPA (%)	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5
PCR (%)	76.6	76.3	76.0	74.9	74.0	74.1	72.2	76.7	75.1
Slippages (%)	1.3	1.2	1.1	1.2	1.4	1.1	1.0	1.1	1.2
NIM – Global (%)	3.2	3.1	2.9	3.0	2.9	3.0	2.8	2.9	2.8
NIM – Domestic (%)	3.3	3.3	3.1	3.2	3.1	3.1	2.9	3.1	2.9
Cost/Income (%)	49.2	43.6	49.5	49.9	48.9	51.0	52.1	44.9	49.2
ROE Decomposition (%)									
NII	**3.2**	**3.2**	**3.0**	**2.8**	**2.9**	**3.0**	**2.9**	**2.9**	**2.8**
Other Income (ex-Treasury)	0.6	1.3	0.8	1.1	0.7	0.7	0.7	0.8	0.7
Treasury	0.0	0.1	0.2	0.2	0.5	0.2	0.2	0.1	0.1
Opex	1.9	2.0	2.0	2.1	2.0	2.0	1.9	1.7	1.8
PPOP	**2.0**	**2.6**	**2.0**	**2.1**	**2.1**	**1.9**	**1.8**	**2.1**	**1.8**
Provisioning Cost	0.3	0.6	0.3	0.4	0.5	0.3	0.2	0.7	0.1
PBT	1.7	1.9	**1.7**	**1.7**	**1.6**	**1.6**	**1.6**	**1.4**	**1.7**
Tax	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.1	0.1
ROA	**1.1**	**1.3**	**1.2**	**1.2**	**1.0**	**1.1**	**1.1**	**1.2**	**0.3**
Leverage (x)	13.6	13.1	13.1	13.0	12.7	12.4	12.4	12.8	13.1
ROE	**15.3**	**17.0**	**15.0**	**15.1**	**13.0**	**13.3**	**13.5**	**14.7**	**3.3**

Source: Company, Emkay Research

Bank of Baroda: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	1,223,006	1,269,937	1,368,349	1,491,356	1,667,276
Interest Expense	757,830	793,112	834,637	885,189	964,464
Net interest income	**465,176**	**476,825**	**533,711**	**606,167**	**702,812**
NII growth (%)	4.0	2.5	11.9	13.6	15.9
Other income	157,884	157,884	155,456	169,621	181,437
Total Income	**623,060**	**634,708**	**689,167**	**775,788**	**884,249**
Operating expenses	298,714	311,803	340,839	377,890	424,268
PPOP	**324,346**	**322,905**	**348,328**	**397,898**	**459,982**
PPOP growth (%)	4.7	(0.4)	7.9	14.2	15.6
Core PPOP	**293,920**	**291,379**	**317,204**	**362,105**	**420,610**
Provisions & contingencies	59,802	71,488	73,435	81,428	91,562
PBT	**264,544**	**251,417**	**274,894**	**316,470**	**368,419**
Extraordinary items	0	0	0	0	0
Tax expense	68,732	50,891	69,273	79,750	92,842
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**195,812**	**200,526**	**205,620**	**236,719**	**275,578**
PAT growth (%)	10.1	2.4	2.5	15.1	16.4
Adjusted PAT	**195,812**	**200,526**	**205,620**	**236,719**	**275,578**
Diluted EPS (Rs)	**37.8**	**38.7**	**39.7**	**45.7**	**53.2**
Diluted EPS growth (%)	10.1	2.4	2.5	15.1	16.4
DPS (Rs)	**8.4**	**8.5**	**8.0**	**9.0**	**10.2**
Dividend payout (%)	**24.9**	**24.8**	**22.7**	**22.2**	**21.6**
Effective tax rate (%)	26.0	20.2	25.2	25.2	25.2
Net interest margins (%)	2.9	2.6	2.6	2.6	2.6
Cost-income ratio (%)	47.9	49.1	49.5	48.7	48.0
Shares outstanding (mn)	5,177.7	5,177.7	5,177.7	5,177.7	5,177.7

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	10,355	10,355	10,355	10,355	10,355
Reserves & surplus	1,358,902	1,521,733	1,687,602	1,879,476	2,104,082
Net worth	**1,369,257**	**1,532,088**	**1,697,957**	**1,889,831**	**2,114,438**
Deposits	14,720,348	16,484,873	18,676,705	21,398,962	24,600,220
Borrowings	1,237,162	1,563,575	1,719,932	1,880,348	2,068,480
Interest bearing liab.	**15,957,510**	**18,048,447**	**20,396,637**	**23,279,311**	**26,668,701**
Other liabilities & prov.	**485,706**	**511,103**	**583,037**	**656,505**	**710,339**
Total liabilities & equity	**17,812,473**	**20,091,638**	**22,677,631**	**25,825,646**	**29,493,478**
Net advances	12,095,579	14,090,941	16,207,656	18,659,622	21,481,355
Investments	3,853,984	3,864,154	4,305,095	4,768,553	5,338,084
Cash, other balances	1,258,492	1,540,808	1,529,748	1,745,948	2,000,153
Interest earning assets	**17,208,055**	**19,495,903**	**22,042,499**	**25,174,124**	**28,819,592**
Fixed assets	123,763	118,793	129,191	138,005	147,496
Other assets	480,655	476,942	505,941	513,517	526,389
Total assets	**17,812,473**	**20,091,638**	**22,677,631**	**25,825,646**	**29,493,478**
BVPS (Rs)	264.5	295.9	327.9	365.0	408.4
Adj. BVPS (INR)	254.3	286.8	316.9	352.8	394.3
Gross advances	12,303,985	14,298,371	16,414,530	18,876,710	21,708,217
Credit to deposit (%)	82.2	85.5	86.8	87.2	87.3
CASA ratio (%)	37.8	37.2	37.4	37.7	38.2
Cost of deposits (%)	4.8	4.5	4.2	4.0	3.8
Loans-to-Assets (%)	67.9	70.1	71.5	72.3	72.8
Net advances growth (%)	13.5	16.5	15.0	15.1	15.1
Deposit growth (%)	10.3	12.0	13.3	14.6	15.0
Book value growth (%)	22.0	11.9	10.8	11.3	11.9

Source: Company, Emkay Research

Asset quality and other metrics

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
Gross NPLs	278,349	270,586	283,389	301,511	324,087
Net NPLs	69,942	63,156	76,515	84,423	97,226
GNPA ratio (%)	2.3	1.9	1.7	1.6	1.5
NNPA ratio (%)	0.6	0.4	0.5	0.5	0.5
Provision coverage (%)	71.0	66.1	73.0	72.0	70.0
Gross slippages	93,101	102,988	128,033	151,014	173,666
Gross slippage ratio (%)	0.8	0.7	0.8	0.8	0.8
LLP ratio (%)	0.5	0.5	0.5	0.5	0.5
NNPA to networth (%)	4.8	3.9	4.3	4.2	4.4
Capital adequacy					
Total CAR (%)	17.2	15.8	16.7	16.6	16.3
Tier-1 (%)	14.8	13.6	14.2	14.0	13.8
CET-1 (%)	14.8	13.6	14.2	14.0	13.8
RWA-to-Total Assets (%)	49.1	51.5	49.0	49.0	49.0
Miscellaneous					
Total income growth (%)	8.6	3.4	6.7	9.0	11.3
Opex growth (%)	5.7	4.4	9.3	10.9	12.3
Core PPOP growth (%)	1.4	(0.9)	8.9	14.2	16.2
PPOP margin (%)	23.5	22.6	22.9	24.0	24.9
PAT/PPOP (%)	60.4	62.1	59.0	59.5	59.9
LLP-to-Core PPOP (%)	20.3	24.5	23.2	22.5	21.8
Yield on advances (%)	8.2	7.4	6.9	6.6	6.5
Cost of funds (%)	5.0	4.7	4.3	4.1	3.9

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	6.1	6.0	5.8	5.1	4.4
P/B (x)	1.1	0.9	0.8	0.7	0.6
P/ABV (x)	0.9	0.8	0.7	0.7	0.6
P/PPOP (x)	3.9	3.9	3.7	3.2	2.8
Dividend yield (%)	3.4	3.4	3.2	3.7	4.1
DuPont-RoE split (%)					
NII/avg assets	2.8	2.5	2.5	2.5	2.5
Other income	0.9	0.8	0.7	0.7	0.7
Fee income	0.5	0.5	0.4	0.4	0.4
Opex	1.8	1.6	1.6	1.6	1.5
PPOP	**1.9**	**1.7**	**1.6**	**1.6**	**1.7**
Core PPOP	1.7	1.5	1.5	1.5	1.5
Provisions	0.4	0.4	0.3	0.3	0.3
Tax expense	0.4	0.3	0.3	0.3	0.3
RoA (%)	**1.2**	**1.1**	**1.0**	**1.0**	**1.0**
Leverage ratio (x)	13.5	13.1	13.2	13.5	13.8
RoE (%)	**15.7**	**13.8**	**12.7**	**13.2**	**13.8**

Quarterly data

Rs mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	114,348	119,536	118,004	124,937	125,251
NIM (%)	2.9	3.0	2.8	2.9	2.8
PPOP	82,365	75,760	73,771	90,694	81,273
PAT	45,414	48,094	50,546	56,157	12,784
EPS (Rs)	8.8	9.3	9.8	10.8	2.5

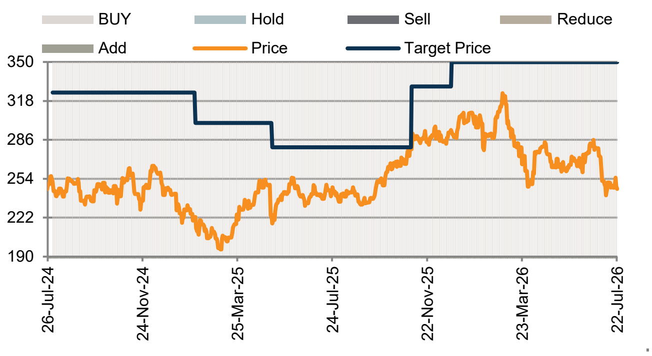
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
10-Jul-26	251	350	Buy	Avinash Singh
11-May-26	266	350	Buy	Anand Dama
31-Jan-26	299	350	Buy	Anand Dama
23-Dec-25	293	350	Buy	Anand Dama
02-Nov-25	278	330	Buy	Anand Dama
27-Jul-25	243	280	Buy	Anand Dama
23-Jul-25	243	280	Buy	Anand Dama
08-May-25	217	280	Buy	Anand Dama
09-Apr-25	230	300	Buy	Anand Dama
30-Jan-25	222	300	Buy	Anand Dama
27-Oct-24	240	325	Buy	Anand Dama
01-Aug-24	251	325	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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