BUY Bank of Baroda

Strong growth; fortifies balance sheet amid rising macro noise

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BFSI - Banks | Result Update | 11 May, 2026 | CMP (Rs): 264 | TP (Rs): 350

Bank of Baroda (BoB) continues to accelerate credit growth, at ~16% YoY, while margin increased by 10bps QoQ to ~2.9%, mainly due to higher interest on income-tax refund and better NPA recovery. This, coupled with lower staff cost benefiting from G-sec yield movement, led to a 10% PAT beat, at Rs56bn/1.1% RoA. The bank does not see any immediate stress due to the West Asia conflict and expects >Rs120bn disbursements in ECLGS due to strong working-capital demand. Separately, the bank has created Rs15bn floating provisions in 4Q to fortify its balance sheet from macro shocks. BoB expects overall loan growth to remain healthy in FY27, though margin could see some pressure. The bank also plans to raise capital (Rs85bn) to support strong credit growth and largely blunt the impact of ECL on capital. We fine-tune our earnings estimates to factor in better growth, and expect the bank to deliver healthy ~1% RoA over FY27-29E. Thus, we retain BUY and TP of Rs350, valuing the standalone bank at 1x FY28E ABV and subsidiaries/investments at Rs15/share.

Strong broad-based growth; margin improves due to one-offs

BoB delivered robust credit growth of 16.2% YoY and 6.3% QoQ, driven by broad-based momentum across segments, with sustained growth in RAM and overseas portfolios. Within retail, housing and auto loans saw healthy traction, while gold loans grew sharply by 98% YoY/38% QoQ. NIM increased by 10bps QoQ to 2.89% (vs 2.79% in Q3), mainly due to higher interest on income-tax refund and NPA recoveries. The management expects loan growth to remain healthy in FY27, but core margins to remain under pressure, now guiding for 2.75-2.95%, citing cost pressures.

Asset quality continues to improve

Gross slippages remain contained at ~Rs34.1bn (1.0% of loans), while higher recoveries and write-offs drove a 15bps QoQ improvement in GNPA ratio to 2.0%. NNPA ratio further improved to ~0.5%, with a sharp jump in specific PCR to 76.6%. BoB has sizeable exposure in the Middle East, including corporate and retail, but does not see any immediate credit risk. The management clarified that the Rs15bn floating provision created in 4Q is toward a prudential buffer, to strengthen its balance sheet against potential macro or geopolitical stress, and is not earmarked for the ECL transition.

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. Thus, we retain BUY and TP of Rs350, valuing the standalone bank at 1x FY28E 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	Mar-27
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	32.6

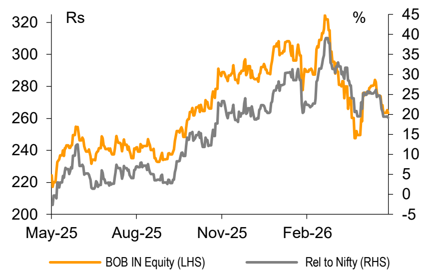
Stock Data	BOB IN
52-week High (Rs)	326
52-week Low (Rs)	212
Shares outstanding (mn)	5,171.4
Market-cap (Rs bn)	1,365
Market-cap (USD mn)	14,444
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	10.2
ADTV-3M (Rs mn)	3,078.0
ADTV-3M (USD mn)	32.6
Free float (%)	36.0
Nifty-50	24,176.2
INR/USD	94.5

Shareholding,Mar-26	
Promoters (%)	64.0
FPIs/MFs (%)	9.7/19.0

Price Performance

(%)	1M	3M	12M
Absolute	(4.4)	(8.7)	21.5
Rel. to Nifty	(5.1)	(3.0)	22.0

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	200,211	207,330	230,912	265,877
Loan growth (%)	13.5	16.5	14.2	14.1	15.1
NII growth (%)	2.1	4.4	6.7	14.4	17.0
NIM (%)	2.8	2.6	2.5	2.5	2.5
PPOP growth (%)	4.7	(0.5)	2.6	15.7	18.3
Adj. EPS (Rs)	37.8	38.7	40.0	44.6	51.4
Adj. EPS growth (%)	0	2.2	3.6	11.4	15.1
Adj. BV (INR)	254.3	286.8	317.1	351.9	391.4
Adj. BVPS growth (%)	0	12.8	10.6	10.9	11.3
RoA (%)	1.2	1.1	1.0	1.0	1.0
RoE (%)	15.7	13.8	12.8	12.9	13.3
P/E (x)	7.0	6.8	6.6	5.9	5.1
P/ABV (x)	1.0	0.9	0.8	0.8	0.7

Source: Company, Emkay Research

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Key concall takeaways

Outlook on loans, deposits, and margins

- The management upgraded FY27 guidance, raising loan growth to 12–14% and deposit growth to 10–12%, indicating confidence in business momentum despite global macro uncertainty.
- NIM outlook remains cautious, at 2.75–2.95%, with the management acknowledging near-term pressure from sticky funding costs. Deposit repricing appears largely complete, shifting focus toward asset-side repricing to defend margins.
- Cost of deposits is expected to remain elevated through at least Q1FY27, with limited near-term scope for easing, given liquidity tightness and geopolitical uncertainties. That said, BoB continues to retain one of the strongest liability franchises among PSU banks.
- Margin support could emerge from repricing parts of the corporate loan book, especially migration from lower-yielding T-bill-linked exposures toward MCLR-linked pricing, where commercially viable.
- Income tax refund-related interest income remains a recurring but volatile contributor. The management insists NIM remains 'core', though this remains a debated earnings-quality variable embedded within guidance.
- Middle East exposure is estimated at ~Rs500-600bn, spread across multiple countries, including several highly rated jurisdictions, with a meaningful retail banking presence as well.
- The management stated that international asset quality remains exceptionally strong, with near-zero stress currently visible, as the overseas book is concentrated in financially strong corporates and syndicated exposures with robust counterparties.
- On ECLGS-related lending opportunities, the bank expects potential disbursement of over Rs120bn, supported by the large MSME book where a significant portion consists of working capital facilities.
- Auto loan growth remains a strategic focus despite competitive pricing, with the management emphasizing that underwriting is based on borrower cash flow strength, particularly salaried borrowers, rather than collateral liquidation assumptions.
- The bank highlighted that much of its auto loan growth comes through structured tie-ups and controlled sourcing channels, which helps maintain portfolio quality despite aggressive market competition.
- Current stress levels in the auto loan portfolio remain benign, with very low delinquency and GNPA trends. Thus, the management remains comfortable with ongoing expansion in the segment.
- On international operations, the management indicated that overseas exposure stands at ~Rs2.6trn, with trade finance exposure intentionally capped below 20% due to lower pricing economics.
- Even after adjusting for overseas operations, the domestic cost of deposits remains below 5%, which the management believes compares favorably with those of peers and reflects continued liability franchise strength.
- On operating expenses, the management reiterated that the Rs5.2bn increase in employee costs due to updated AS-15 mortality assumptions were fully recognized in Q4 as a one-time charge, with negligible recurring impact going forward.
- The FY27 NIM guidance of 2.75–2.95% was deliberately kept conservative, to account for uncertainties around liquidity conditions, asset repricing timing, and fluctuations in income tax refund-related interest income, which remains a recurring but variable contributor.

- The management expects deposit costs to remain sticky in the near term, particularly through Q1, and does not currently foresee any decline in funding costs. However, any upward movement would depend on broader liquidity conditions in the banking system.

- On capital planning, the management reiterated that the previously announced Rs145bn capital-raising roadmap remains fully active, comprising Rs85bn of equity capital and Rs60bn via AT1/Tier 2 instruments, with execution dependent on market conditions and strategic requirements.
- The bank currently maintains SLR at ~22–23%, down from 26–27% historically but intends to retain a structural excess SLR buffer of ~3–3.5% above regulatory requirements to preserve liquidity flexibility and LCR comfort.
- The management clarified that while tax refund income is expected to continue in FY27 based on current visibility, it does not make long-term or perpetual assumptions, and future guidance will depend on actual refund expectations in each year.
- Regarding income tax refund-related interest income, the management acknowledged that the line item is inherently volatile and dependent on actual refund orders but stated that this uncertainty has already been factored into the conservative FY27 NIM guidance of 2.75–2.95%.
- The management indicated that loan growth can sustainably outpace deposit growth by ~2.5–3%, supported by the bank's strong capital position, alternative funding avenues such as bonds and refinance, and the ability to deploy incremental deposits directly into advances due to excess SLR holdings.

Asset quality

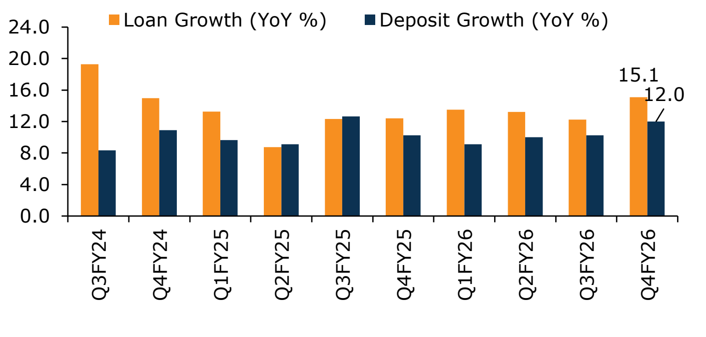
- On provisioning, the management clarified that the Rs15bn floating provision was created as a prudential buffer to strengthen the balance sheet against potential macro or geopolitical stress, and is not specifically earmarked for the ECL transition.
- The bank emphasized that any eventual ECL-related accounting impact would be recognized separately through the P&L if required, as floating provisions cannot be utilized without regulatory approval, making the two conceptually distinct
- The management also clarified that the stronger recovery performance was not driven by any single large resolution, but rather multiple mid-sized recoveries in the Rs2-2.5bn range, with the sizeable Rs620bn technically written-off pool continuing to provide long-term recovery optionality.
- Recoveries from technically written-off accounts were stronger than the normalized run rate in Q4, due to intensified year-end recovery efforts. That said, the management maintained its steady-state guidance of Rs7.5–8 bn per quarter rather than extrapolating the elevated Q4 performance.

Others

- Beyond the announced capital plan, the bank may continue to raise infrastructure bonds or other long-duration liabilities opportunistically as part of active ALM, depending on duration mismatches and funding optimization needs.
- Bulk deposit dependence remains under control, with the management noting that the ratio rose temporarily from ~17% to ~19% due to quarter-end liquidity tightness, but remains below the internal comfort threshold of 20%.

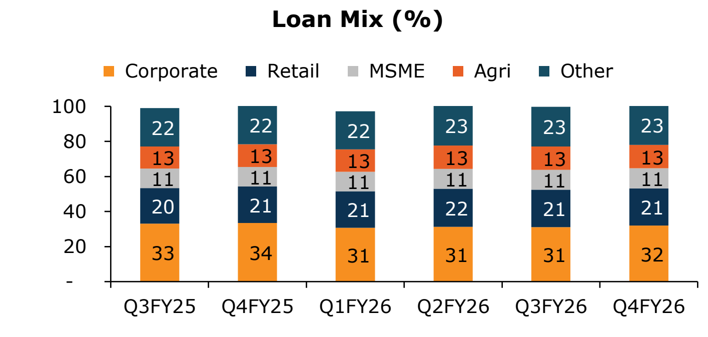
Story in charts

Exhibit 1: Loan growth remains robust, led by broad-based healthy growth across segments



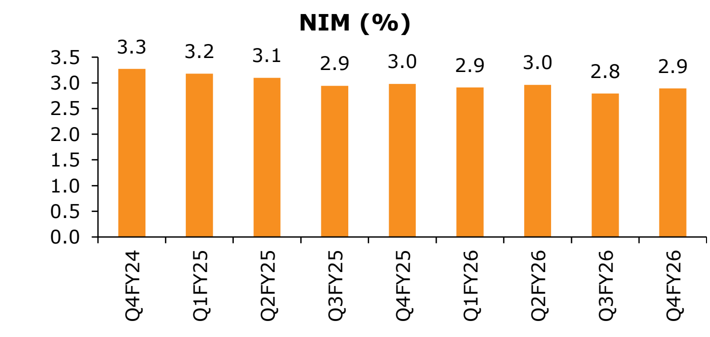
Source: Company, Emkay Research

Exhibit 2: The RAM segment was largely stable QoQ



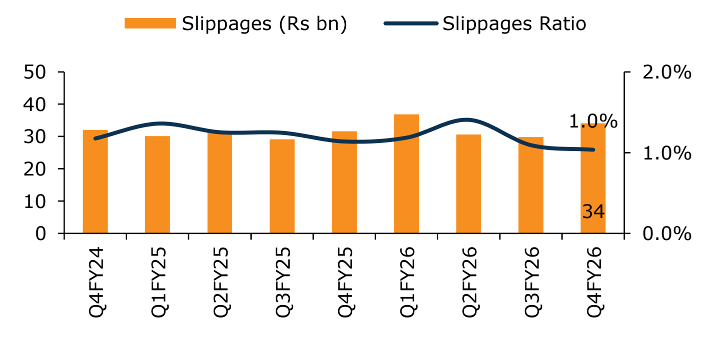
Source: Company, Emkay Research

Exhibit 3: NIM increased due to interest on IT refund and recoveries



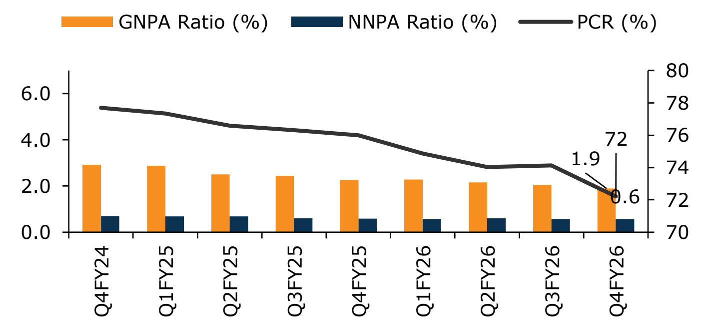
Source: Company, Emkay Research

Exhibit 4: Slippages rise, driven by higher slippages in MSME and agri segments…



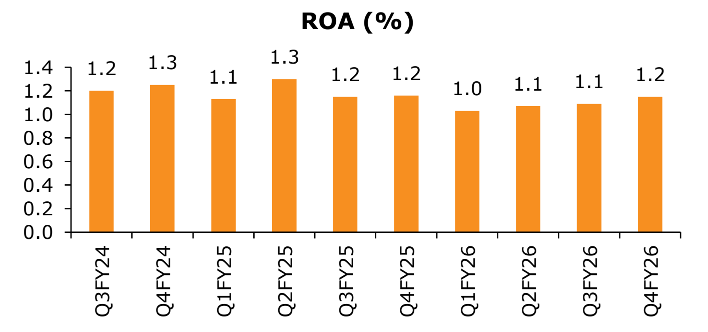
Source: Company, Emkay Research

Exhibit 5: …this, along with better recoveries and higher write-offs, led to improvement in GNPA ratio



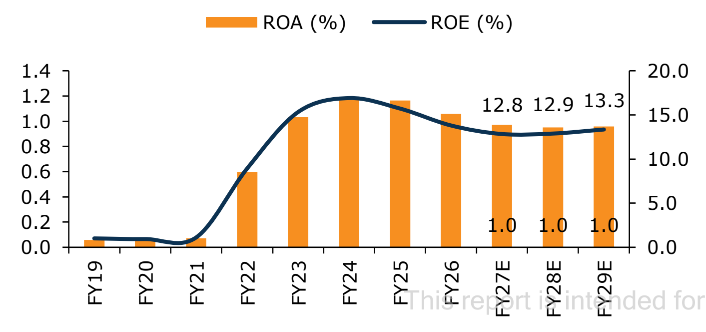
Source: Company, Emkay Research

Exhibit 6: RoA remains above 1%, led by contained opex and higher Interest on IT refund



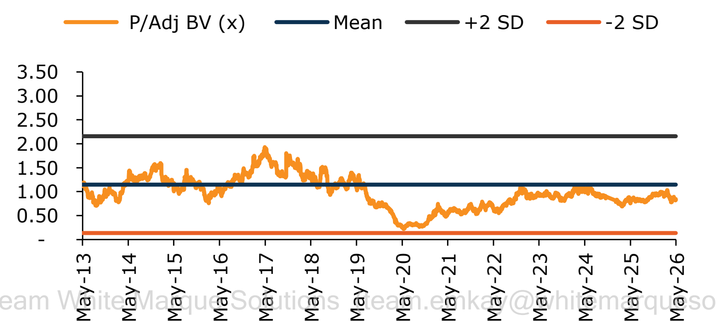
Source: Company, Emkay Research

Exhibit 7: We expect BoB to log RoA of ~1% over FY26-29E



Source: Company, Emkay Research

Exhibit 8: The stock currently trades at ~1.0x its 1YF ABV



Source: Bloomberg, Emkay Research

Exhibit 9: Actuals vs estimates (Q4FY26)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	164,606	163,324	155,097	1%	6%	NII nearly inline, supported by higher interest on IT refund.
PPOP	90,694	79,061	79,398	15%	14%	PPOP beat was led by lower staff expense.
PAT	56,157	51,173	47,320	10%	19%	PAT beat was due to better Ppop and NPA recovery.

Source: Company, Emkay Research

Exhibit 10: Quarterly summary

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)	FY26	FY27E	YoY (%)
Interest Earned	306,420	310,915	315,108	317,495	326,418	7	3	1,269,937	1,336,642	5
Interest Expenses	196,224	196,567	195,572	199,491	201,482	3	1	793,112	853,394	8
Net Interest Income	110,196	114,348	119,536	118,004	124,937	13	6	476,825	483,248	1
Global NIM (reported)	2.98	2.91	2.96	2.79	2.89	-9bps	10bps	2.61	2.36	-25bps
Non-interest Income	52,098	46,745	35,150	36,004	39,670	-24	10	157,568	159,473	1
Operating Expenses	80,973	78,728	78,926	80,237	73,912	-9	-8	311,803	351,613	13
Pre Provisioning Profit	81,321	82,365	75,760	73,771	90,694	12	23	322,590	291,109	-10
Provision and Contingencies	15,515	19,669	12,325	7,989	31,505	103	294	71,488	49,689	-30
PBT	65,806	62,695	63,435	65,782	59,190	-10	-10	251,102	241,419	-4
Income Tax Expense (Gain)	15,329	17,282	15,341	15,236	3,033	-80	-80	50,891	60,838	20
Net Profit/(Loss)	50,477	45,414	48,094	50,546	56,157	11	11	200,211	180,582	-10
Gross NPA (%)	2.26	2.28	2.16	2.04	1.89	-37bps	-15bps	1.89	1.74	-16bps
Net NPA (%)	0.58	0.60	0.57	0.57	0.45	-13bps	-12bps	0.45	0.49	4bps
Deposits (Rs bn)	14,720	14,356	15,000	15,467	16,485	12	7	16,485	18,713	14
Net Advances (Rs bn)	12,096	11,866	12,583	13,251	14,091	16	6	14,091	16,097	14

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	686,087	672,910	-1.9%	785,514	759,937	-3.3%	NA	870,267	NA
PPOP	334,818	331,021	-1.1%	396,600	382,941	-3.4%	NA	452,856	NA
PAT	205,877	207,330	0.7%	233,596	230,912	-1.1%	NA	265,877	NA
EPS (Rs)	39.8	40.0	0.7%	45.1	44.6	-1.1%	NA	51.4	NA
BV (Rs)	326.6	328.2	0.5%	363.0	364.0	0.3%	NA	405.5	NA

Source: Emkay Research

Exhibit 12: Key assumptions

	FY26	FY27E	FY28E	FY29E
Loan Growth (%)	16.5	14.2	14.1	15.1
Deposit Growth (%)	12.0	13.2	14.5	14.9
NIM (%)	2.6	2.5	2.5	2.5
GNPA (%)	1.9	1.7	1.6	1.5
Credit Cost (%)	0.4	0.4	0.5	0.5

Source: Company, Emkay Research

Exhibit 13: Key ratios and trends

	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Loans (Rs bn)	**10,904**	**10,716**	**11,430**	**11,730**	**12,305**	**12,071**	**12,788**	**13,439**	**14,302**
- Growth YoY (%)	*12.5*	*8.2*	*11.6*	*11.8*	*12.8*	*12.6*	*11.9*	14.6	16.2
- Growth QoQ (%)	*3.9*	*(1.7)*	*6.7*	*2.6*	*4.9*	*-1.9*	*5.9*	5.1	6.3
Liability Profile									
Deposit (Rs bn)	**13,315**	**13,070**	**13,635**	**14,029**	**14,720**	**14,356**	**15,000**	**15,467**	**16,485**
- Growth YoY (%)	*10.2*	*8.9*	*9.1*	*12.7*	*10.3*	*9.1*	*10.0*	*10.2*	12.0
- Growth QoQ (%)	*6.6*	*(1.5)*	*4.3*	*2.9*	*4.9*	*-2.5*	*4.5*	*3.1*	6.6
CASA (%)	41.3	41.0	41.0	40.0	40.0	39.0	38.0	38.0	39.0
Capital Adequacy									
CAR (%)	16.1	16.8	16.3	16.0	17.2	17.6	16.5	15.3	15.8
Tier I (%)	14.5	14.7	14.2	*13.4*	*14.8*	*15.2*	*14.2*	*14.2*	13.6
Asset Quality									
GNPA (%)	2.9	2.9	2.5	2.4	2.3	2.3	2.2	2.0	1.9
NNPA (%)	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5
PCR (%)	77.3	76.6	76.3	76.0	74.9	74.0	74.1	72.2	76.7
Slippages (%)	1.4	1.3	1.2	1.1	1.2	1.4	1.1	1.0	1.1
NIM – Global (%)	3.3	3.2	3.1	2.9	3.0	2.9	3.0	2.8	2.9
NIM – Domestic (%)	3.5	3.3	3.3	3.1	3.2	3.1	3.1	2.9	3.1
Cost/Income (%)	49.3	49.2	43.6	49.5	49.9	48.9	51.0	52.1	44.9
ROE Decomposition (%)									
NII	**3.3**	**3.2**	**3.2**	**3.0**	**2.8**	**2.9**	**3.0**	**2.9**	**2.9**
Other Income (ex-Treasury)	1.0	0.6	1.3	0.8	1.1	0.7	0.7	0.7	0.8
Treasury	0.2	0.0	0.1	0.2	0.2	0.5	0.2	0.2	0.1
Opex	2.2	1.9	2.0	2.0	2.1	2.0	2.0	1.9	1.7
PPOP	**2.3**	**2.0**	**2.6**	**2.0**	**2.1**	**2.1**	**1.9**	**1.8**	**2.1**
Provisioning Cost	0.4	0.3	0.6	0.3	0.4	0.5	0.3	0.2	0.7
PBT	1.9	1.7	1.9	**1.7**	**1.7**	**1.6**	**1.6**	**1.6**	**1.4**
Tax	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.1
ROA	**1.3**	**1.1**	**1.3**	**1.2**	**1.2**	**1.0**	**1.1**	**1.1**	**1.2**
Leverage (x)	14.0	13.6	13.1	13.1	13.0	12.7	12.4	12.4	12.8
ROE	**17.5**	**15.3**	**17.0**	**15.0**	**15.1**	**13.0**	**13.3**	**13.5**	**14.7**

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	1,214,416	1,269,937	1,338,837	1,468,448	1,648,289
Interest Expense	757,830	793,112	830,290	886,788	967,784
Net interest income	**456,587**	**476,825**	**508,548**	**581,660**	**680,505**
NII growth (%)	2.1	4.4	6.7	14.4	17.0
Other income	166,473	157,568	164,362	178,277	189,762
Total Income	**623,060**	**634,393**	**672,910**	**759,937**	**870,267**
Operating expenses	298,714	311,803	341,889	376,996	417,411
PPOP	**324,346**	**322,590**	**331,021**	**382,941**	**452,856**
PPOP growth (%)	4.7	(0.5)	2.6	15.7	18.3
Core PPOP	**293,920**	**292,150**	**306,669**	**356,154**	**424,729**
Provisions & contingencies	59,802	71,488	53,842	74,236	97,405
PBT	**264,544**	**251,102**	**277,179**	**308,705**	**355,451**
Extraordinary items	0	0	0	0	0
Tax expense	68,732	50,891	69,849	77,794	89,574
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**195,812**	**200,211**	**207,330**	**230,912**	**265,877**
PAT growth (%)	10.1	2.2	3.6	11.4	15.1
Adjusted PAT	**195,812**	**200,211**	**207,330**	**230,912**	**265,877**
Diluted EPS (Rs)	**37.8**	**38.7**	**40.0**	**44.6**	**51.4**
Diluted EPS growth (%)	0	2.2	3.6	11.4	15.1
DPS (Rs)	**8.4**	**8.5**	**8.0**	**9.0**	**10.2**
Dividend payout (%)	**24.9**	**24.8**	**22.5**	**22.8**	**22.4**
Effective tax rate (%)	26.0	20.3	25.2	25.2	25.2
Net interest margins (%)	2.8	2.6	2.5	2.5	2.5
Cost-income ratio (%)	47.9	49.1	50.8	49.6	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	1,688,912	1,874,558	2,089,024
Net worth	**1,369,257**	**1,532,088**	**1,699,267**	**1,884,914**	**2,099,380**
Deposits	14,720,348	16,484,872	18,662,524	21,375,044	24,567,296
Borrowings	1,237,162	1,563,575	1,695,358	1,839,091	2,021,851
Interest bearing liab.	**15,957,510**	**18,048,447**	**20,357,882**	**23,214,134**	**26,589,148**
Other liabilities & prov.	**485,706**	**511,103**	**610,231**	**755,155**	**944,482**
Total liabilities & equity	**17,812,473**	**20,091,638**	**22,667,380**	**25,854,203**	**29,633,009**
Net advances	12,095,579	14,090,941	16,093,336	18,365,346	21,143,138
Investments	3,853,984	3,864,154	4,317,718	4,965,058	5,654,102
Cash, other balances	1,258,492	1,540,808	1,628,631	1,857,131	2,127,132
Interest earning assets	**17,208,055**	**19,495,903**	**22,039,685**	**25,187,536**	**28,924,372**
Fixed assets	123,763	118,793	131,740	145,608	160,946
Other assets	480,655	476,942	495,955	521,059	547,692
Total assets	**17,812,473**	**20,091,638**	**22,667,380**	**25,854,203**	**29,633,009**
BVPS (Rs)	264.5	295.9	328.2	364.0	405.5
Adj. BVPS (INR)	254.3	286.8	317.1	351.9	391.4
Gross advances	12,303,979	14,298,377	16,300,150	18,582,171	21,369,496
Credit to deposit (%)	82.2	85.5	86.2	85.9	86.1
CASA ratio (%)	37.8	39.0	39.1	39.4	39.9
Cost of deposits (%)	4.8	4.5	4.2	4.0	3.8
Loans-to-Assets (%)	67.9	70.1	71.0	71.0	71.3
Net advances growth (%)	13.5	16.5	14.2	14.1	15.1
Deposit growth (%)	10.3	12.0	13.2	14.5	14.9
Book value growth (%)	22.0	11.9	10.9	10.9	11.4

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	270,592	283,306	301,145	323,369
Net NPLs	69,949	63,156	76,493	84,321	97,011
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 (%)	74.9	76.7	73.0	72.0	70.0
Gross slippages	93,101	131,400	127,141	148,657	170,956
Gross slippage ratio (%)	0.8	0.9	0.8	0.8	0.8
LLP ratio (%)	0.5	0.4	0.4	0.5	0.5
NNPA to networth (%)	4.8	3.9	4.3	4.2	4.4
Capital adequacy					
Total CAR (%)	17.2	16.6	16.5	16.1	15.7
Tier-1 (%)	14.8	14.3	14.2	13.9	13.6
CET-1 (%)	14.2	14.3	14.1	13.9	13.6
RWA-to-Total Assets (%)	49.1	49.0	49.0	49.0	49.0
Miscellaneous					
Total income growth (%)	8.6	3.4	5.3	9.5	11.6
Opex growth (%)	5.7	4.4	9.6	10.3	10.7
Core PPOP growth (%)	1.4	(0.6)	5.0	16.1	19.3
PPOP margin (%)	23.5	22.6	22.0	23.3	24.6
PAT/PPOP (%)	60.4	62.1	62.6	60.3	58.7
LLP-to-Core PPOP (%)	20.3	24.5	17.6	20.8	22.9
Yield on advances (%)	8.2	7.4	6.8	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)	7.0	6.8	6.6	5.9	5.1
P/B (x)	1.0	0.9	0.8	0.7	0.7
P/ABV (x)	1.0	0.9	0.8	0.8	0.7
P/PPOP (x)	4.2	4.2	4.1	3.6	3.0
Dividend yield (%)	3.2	3.2	3.0	3.4	3.9
DuPont-RoE split (%)					
NII/avg assets	2.7	2.5	2.4	2.4	2.5
Other income	1.0	0.8	0.8	0.7	0.7
Fee income	0.5	0.5	0.5	0.5	0.5
Opex	1.8	1.6	1.6	1.6	1.5
PPOP	**1.9**	**1.7**	**1.5**	**1.6**	**1.6**
Core PPOP	1.7	1.5	1.4	1.5	1.5
Provisions	0.4	0.4	0.3	0.3	0.4
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	13.9
RoE (%)	**15.7**	**13.8**	**12.8**	**12.9**	**13.3**

Quarterly data

Rs mn, Y/E Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
NII	110,196	114,348	119,536	118,004	124,937
NIM (%)	3.0	2.9	3.0	2.8	2.9
PPOP	81,321	82,365	75,760	73,771	90,694
PAT	50,447	45,414	48,094	50,546	56,157
EPS (Rs)	9.8	8.8	9.3	9.8	10.8

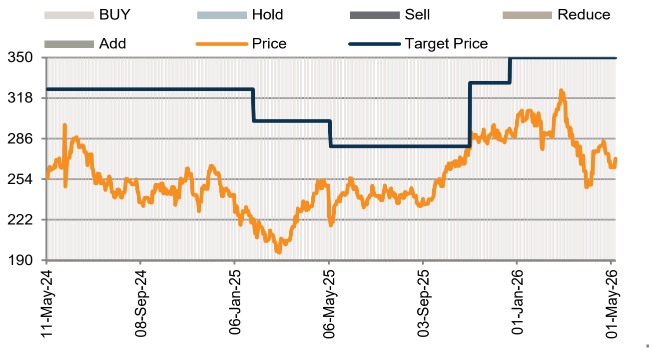
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
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
12-May-24	255	325	Buy	Anand Dama

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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

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