BUY Bandhan Bank

Weak core operating profit; stable NIM

Your success is our success

BFSI - Banks ▸ Result Update ▸ July 22, 2026

CMP (Rs): 209 | TP (Rs): 240

Bandhan Bank reported a steady PAT of Rs5.0bn (ROA: 1.0%), with higher NII and lower provisions offsetting the impact of lower other income and elevated opex. However, core operating profit remained subdued, declining to 5.9% yoy/7.0% qoq. AUM growth remained healthy at 16.4% yoy/ flat qoq, driven primarily by the non-MFI segment, while the MFI portfolio remained muted (-0.3% yoy/-2.4% qoq). NIM was stable at 6.2% in 1QFY27; however, the management expects some moderation going forward, as rising deposit and funding costs are likely to limit further margin expansion from 2QFY27 onwards. The management reiterated its FY27 credit growth guidance of ~14%, with EEB growth targeted at 5–10% and non-EEB growth at +20%. However, citing external headwinds, the bank revised its ROA outlook to 1.2-1.4%—a ~40bps impact vs earlier guidance, with ~30bps attributable to lower NIMs and ~10bps to higher opex. We expect the bank to deliver an ROA of 1.0-1.5% over FY27-29E, up from a low of 0.6% in FY26 dragged by portfolio clean-up. Thus, we retain BUY and raise our TP by 9% to Rs240 (from Rs220), valuing the bank at 1.2x Jun-28E ABV, factoring in the improving growth and ROA trajectory.

Growth recovery; margin to remain under pressure going ahead

Bandhan reported AUM growth of 16.4% yoy/0.9% qoq, led by the non-MFI segment, while the MFI portfolio remained subdued (-0.3% yoy/-2.4% qoq). The management expects the MFI segment to remain impacted by external headwinds and thus continues to pursue a calibrated growth strategy rather than aggressive expansion. However, the bank reiterated its FY27 credit growth guidance of ~14%, with EEB growth of 5–10% and non-EEB growth at +20%. NIM was stable at 6.2%; however, the management expects some moderation going forward, as rising deposit (SA costs already up ~20-25bps) and funding costs are likely to limit further margin expansion from 2QFY27.

Higher recoveries and write-offs drove improvement in GNPA

Gross slippages stayed elevated at Rs10.8bn/3.4% of loans (of which Rs6.04bn was from the EEB portfolio) but, aided by higher recoveries and write-offs, GNPA improved 12bps to 3.15%. Further, the overall DPD pool increased marginally to 3.5% from 3.1% qoq, primarily due to a seasonal rise in the SMA-0 bucket following holiday-related disruptions in April. The management expects the increase to be temporary and will continue to monitor the trend closely. Accordingly, the management has retained its credit cost guidance of 1.6–1.8% by FY27, despite near-term uncertainties.

We retain BUY

We estimate the bank to deliver a 1.0-1.5% ROA over FY27-29E, up from a FY26 low of 0.6% (dragged by portfolio clean-up). Thus, we retain BUY and raise our TP by 9% to Rs240, valuing the bank at 1.2x Jun-28E ABV, factoring in improving growth and ROA trajectory. Key risks: Slower-than-expected growth and a delay in asset-quality recovery, and the El-Nino effect.

Bandhan Bank: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profit	27,453	12,236	22,113	32,228	45,329
Loan growth (%)	9.0	13.7	14.4	18.7	20.2
NII growth (%)	11.4	(5.8)	9.2	18.0	20.9
NIM (%)	6.6	5.7	5.5	5.6	5.7
PPOP growth (%)	11.3	(20.6)	(0.3)	23.6	31.2
Adj. EPS (Rs)	17.0	7.6	13.7	20.0	28.1
Adj. EPS growth (%)	23.1	(55.4)	80.7	45.7	40.7
Adj. BV (INR)	144.9	152.0	163.2	180.1	204.1
Adj. BVPS growth (%)	13.3	4.9	7.4	10.4	13.3
RoA (%)	1.5	0.6	1.0	1.2	1.5
RoE (%)	11.9	4.9	8.3	11.2	14.0
P/E (x)	12.3	27.5	15.2	10.4	7.4
P/ABV (x)	1.4	1.4	1.3	1.2	1.0

Source: Company, Emkay Research

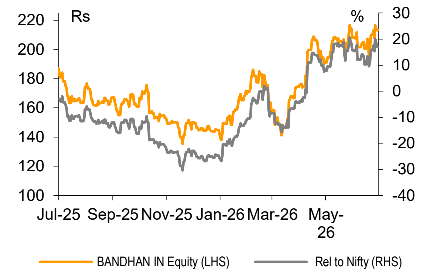
Target Price – 12M	Jun-27
Change in TP (%)	**9.1**
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	14.8

Stock Data	BANDHAN IN
52-week High (Rs)	221
52-week Low (Rs)	134
Shares outstanding (mn)	1,611.1
Market-cap (Rs bn)	336
Market-cap (USD mn)	3,496
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	12.7
ADTV-3M (Rs mn)	2,653.7
ADTV-3M (USD mn)	27.6
Free float (%)	51.5
Nifty-50	24,187.7
INR/USD	96.2
Shareholding,Mar-26	
Promoters (%)	39.0
FPIs/MFs (%)	22.1/22.3

Price Performance

(%)	1M	3M	12M
Absolute	0.4	18.6	14.6
Rel. to Nifty	(0.4)	20.5	18.9

1-Year share price trend (Rs)



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Key concall takeaways

Outlook on loans, deposits, and NIM

- The microfinance segment is expected to be among the most impacted areas due to these external headwinds, leading the bank to remain cautious on growth. While the bank remains committed to expanding the business, it does not intend to pursue aggressive growth.
- While external issues such as geopolitical developments may improve, the actual impact on the economy and banking system is likely to be visible with a lag of two to three months.
- The management reiterated that its primary focus has shifted from pursuing aggressive loan growth to strengthening portfolio quality, particularly in the microfinance business. The MFI portfolio is expected to be maintained at ~33–35% of the overall loan book.
- The management reiterated its FY27 credit growth guidance of ~14%, with EBB growth expected at 5–10% and non-EBB growth targeted at +20%.
- Given the uncertain operating environment, the management remains cautious on growing the high-yielding unsecured portfolio and expects the resulting pressure to persist over the next few quarters, while closely monitoring external factors whose full impact is yet to reflect in operating performance.
- The bank remains committed to rebalancing its loan mix, targeting the EBB portfolio at 33–35% of the loan book, with the remaining 65–67% comprising the non-EBB portfolio.
- The relatively slow growth in the housing finance business was due to the ongoing revamp of its organizational structure, including the segregation of three business verticals, which resulted in temporary execution-related challenges. The bank expects these issues to be resolved gradually, supporting an improvement in housing loan growth.
- The implementation of the revised RBI gold loan guidelines required significant system changes, resulting in temporary disruption to sourcing during April and mid-May. The bank has since stabilized operations and resumed normal gold loan sourcing, with growth expected to pick up going forward. From 2Q onwards, the bank expects gold loan growth to improve and trend closer to historical levels.
- Deposit growth remained moderate during the quarter, reflecting the bank's deliberate strategy to reduce reliance on high-cost bulk deposits and improve the quality of its funding base.
- The management expects some moderation in NIM going forward, as rising deposit costs and funding costs are likely to exert pressure on margins. The earlier expectation of further NIM expansion has been dropped, as external factors and higher funding costs are likely to keep margins under pressure.
- The benefit from earlier repo rate cuts has largely been absorbed through repricing of term deposits in 1QFY27, while rising deposit costs (particularly savings account rates) are expected to limit further funding cost benefits from 2QFY27 onwards. The bank's SA cost of funds have already increased by ~20bps qoq.
- The management indicated that the bank may need to further increase deposit rates in select segments to remain competitive, which could weigh on funding costs and margins.
- MFI lending yields have remained unchanged since the 100bp increase implemented in February 2026 (4QFY26), with no further hikes over the past two to three quarters. The bank currently has no plans to increase microfinance lending yields further.
- The management indicated that while lending yields have increased, the benefit has been offset by cautious loan growth amid the uncertain operating environment and external risks.

Asset quality

- The 0–90 DPD pool in the EEB segment increased to 3.5% from 3.1% qoq, primarily due to a seasonal rise in the SMA-0 bucket following holiday-related disruptions in April. The management expects the increase to be temporary and will continue to monitor the trend closely.

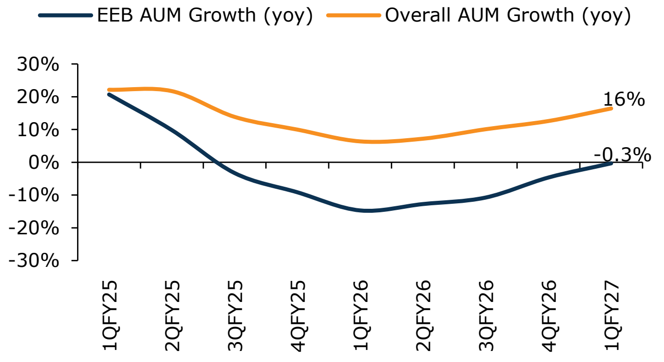
- Total slippages during the quarter stood at Rs10.79bn, of which Rs6.04bn originated from the EBB portfolio, with the balance coming from the non-EBB businesses.
- The bank highlighted that the increase was largely confined to the SMA-0 bucket, with no significant deterioration in early-stage delinquencies.

Others

- The management revised its exit 4QFY27 ROA expectation to ~1.2–1.4%, down from the earlier aspiration of 1.6-1.8%, citing increased uncertainty from external macroeconomic headwinds. While the medium-term ROA target remains unchanged, the management indicated that the current operating environment could slow the pace of reaching the guided profitability level.
- The lower profitability outlook is primarily driven by external factors, including the ongoing Middle East conflict, potential energy-related disruptions, and an unpredictable monsoon, which could weigh on economic activity.
- Operating expenses included a one-time Rs610mn gratuity provision due to changes in the salary structure under the new wage code. The management does not expect this expense to recur.
- The management expects 10–20bps improvement in ROA from higher other income over the coming quarters. Credit costs are expected to moderate further, supported by improving portfolio quality and a gradual shift toward a more secured loan mix.
- The bank's technology-related expenses currently stand at ~8% of operating expenses (including depreciation, ~9.5%). The management expects to keep technology costs within ~10% while gradually reducing the ratio toward ~8% as tech investments start delivering benefits. It expects technology investments to remain elevated through FY28, with efficiency benefits likely to emerge after the investment phase.
- Operating costs have been largely impacted by technology investments, particularly the core banking system (CBS) implementation over the past two to three years, while employee costs have already been rationalized significantly.
- The management quantified the ~40bps impact on ROA guidance, with ~30bps attributed to lower-than-expected NIM improvement and ~10bps to higher operating expenses.
- On operating expenses, technology-related costs have increased due to supply chain constraints, resulting in the cost-to-assets ratio rising to ~4.3% vs the earlier guidance of ~4.2%.

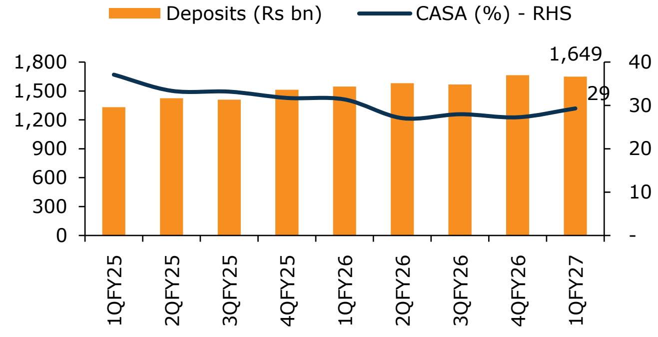
Story in charts

Exhibit 1: Bandhan's AUM growth improves, led by the non-MFI segment, however, MFI remains muted



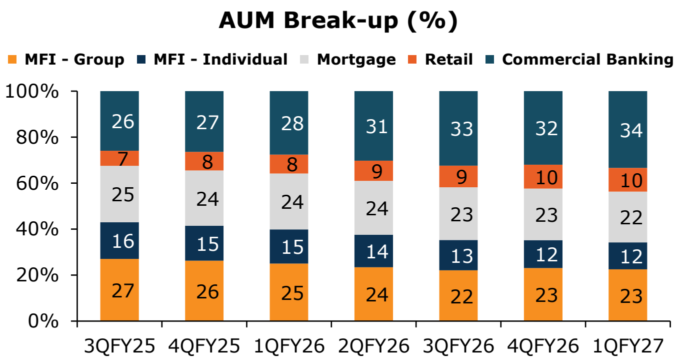
Source: Company, Emkay Research

Exhibit 2: Deposit growth slowed as the bank reduced high-cost deposits, CASA was stable qoq



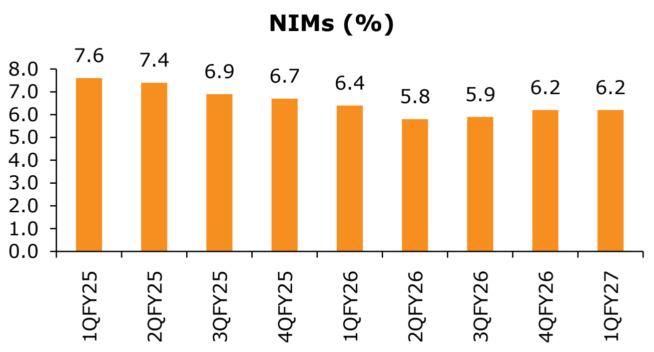
Source: Company, Emkay Research

Exhibit 3: Portfolio diversification continues, with the share of MFI declining as the bank targets to increase its secured portfolio



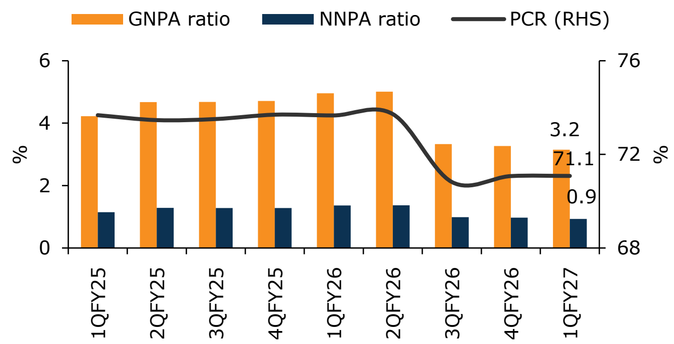
Source: Company, Emkay Research

Exhibit 4: Margin was flattish qoq due to deposit repricing



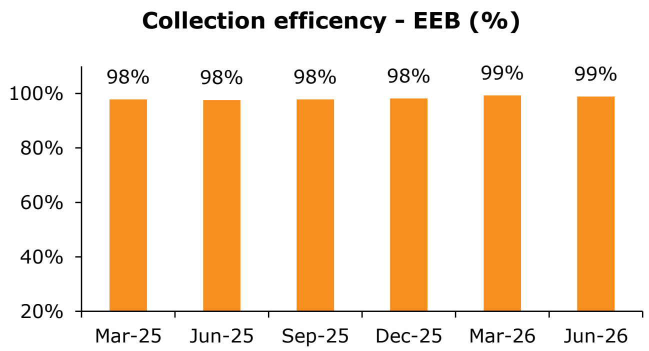
Source: Company, Emkay Research

Exhibit 5: Gross slippages were elevated, while high write-offs, recoveries, and sale to ARCs contributed to the GNPA improvement



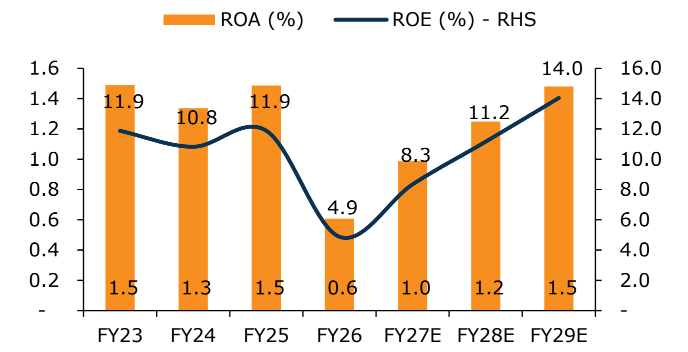
Source: Company, Emkay Research

Exhibit 6: Collection efficiency stable at 99%



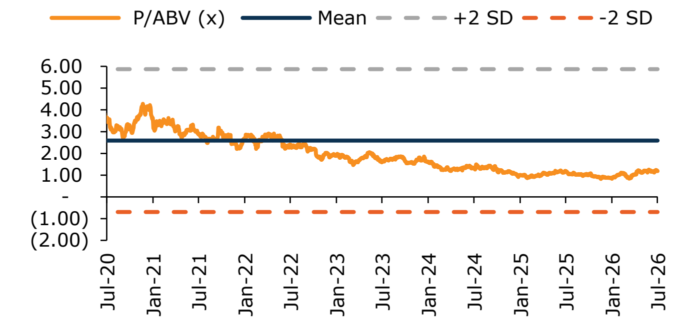
Source: Company, Emkay Research

Exhibit 7: Improvement in NIMs, lower opex and lower LLP set to improve return ratios



Source: Emkay Research

Exhibit 8: The stock currently trades at ~1.1x 1Y forward ABV



Source: Bloombarg, Emkay Research

Exhibit 9: Actuals vs estimates (Q1FY27)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	35,244	36,312	34,333	-3%	3%	Lower other income led to net income miss.
PPOP	13,581	16,937	15,361	-20%	-12%	Lower net income, as well as higher opex, led to PPOP miss.
PAT	5,017	7,059	5,222	-29%	-4%	Miss in PPoP, partly offset by lower provisions, led to PAT miss.

Source: Emkay Research

Exhibit 10: Quarterly summary

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26	FY27E	yoy (%)
Interest earned	54,756	53,538	54,312	54,284	56,306	3	4	216,891	231,184	7
Interest expenses	27,184	27,653	27,429	26,328	27,100	0	3	108,594	112,905	4
Net interest income	27,572	25,886	26,883	27,956	29,206	6	4	108,297	118,278	9
Global NIMs (reported)	6.40	5.80	5.90	6.20	6.20	-20bps	0bps	5.67	5.53	-15bps
Non-interest income	7,259	5,464	6,910	7,707	6,038	-17	-22	27,340	27,868	2
Operating expenses	18,147	18,246	19,343	21,251	21,663	19	2	76,988	87,678	14
Pre-provisioning profit	16,684	13,104	14,450	14,412	13,581	-19	-6	58,649	58,468	0
Provision and contingencies	11,469	11,526	11,546	6,770	6,826	-40	1	41,311	29,179	-29
PBT	5,215	1,578	2,904	7,641	6,755	30	-12	17,338	29,289	69
Income tax expense (Gain)	1,495	459	848	2,300	1,738	16	-24	5,102	7,176	41
Net profit/(loss)	3,720	1,119	2,056	5,341	5,017	35	-6	12,236	22,113	81
Gross NPA (%)	4.96	5.01	3.33	3.27	3.15	-181bps	-12bps	3.27	2.98	-29bps
Net NPA (%)	1.36	1.37	0.99	0.97	0.93	-43bps	-4bps	0.97	0.91	-5bps
Deposits (Rs bn)	1,547	1,581	1,567	1,663	1,649	7	-1	1,663	1,904	14
Net advances (Rs bn)	1,285	1,346	1,411	1,501	1,517	18	1	1,501	1,717	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	147,261	146,146	-0.8%	174,049	169,764	-2.5%	206,237	203,768	-1.2%
PPOP	65,837	58,468	-11.2%	83,204	72,277	-13.1%	103,143	94,851	-8.0%
PAT	30,246	22,113	-26.9%	40,606	32,228	-20.6%	53,083	45,329	-14.6%
EPS (Rs)	18.8	13.7	-26.9%	25.2	20.0	-20.6%	33.0	28.1	-14.6%
BV (Rs)	175.5	170.5	-2.9%	198.2	188.0	-5.2%	227.7	212.6	-6.6%

Source: Emkay Research

Exhibit 12: Key assumptions

(%)	FY26	FY27E	FY28E	FY29E
AUM growth	12.6	15.0	18.0	20.0
Deposit growth	10.0	14.5	19.4	20.9
NIM	5.7	5.5	5.6	5.7
GNPA	3.3	3.0	2.7	2.5
Credit cost	2.6	1.9	1.5	1.5

Source: Emkay Research

Exhibit 13: Key ratios and trends

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Loans (Rs mn)	**1,215,900**	**1,260,557**	**1,273,800**	**1,319,873**	**1,285,100**	**1,345,928**	**1,411,000**	**1,501,038**	**1,516,800**
growth yoy (%)	*17.9*	*17.1*	*15.6*	*9.0*	*5.7*	*6.8*	*10.8*	*13.7*	*18.0*
Loans qoq (%)	*0.4*	*3.7*	*1.1*	*3.6*	*(2.6)*	*4.7*	*4.8*	*6.4*	*1.1*
Composition (%)									
Micro-banking assets	49.1	45.3	42.5	41.3	39.5	36.9	34.5	35.0	33.8
Non-micro banking assets	50.9	54.7	57.5	58.7	60.5	63.1	65.5	65.0	66.2
Liability profile									
Deposits (Rs mn)	**1,332,100**	**1,425,095**	**1,410,020**	**1,512,125**	**1,546,700**	**1,580,746**	**1,567,240**	**1,663,444**	**1,648,860**
growth yoy (%)	*22.8*	*27.2*	*20.1*	*11.8*	*16.1*	*10.9*	*11.2*	*10.0*	*6.6*
growth qoq (%)	*(1.5)*	*7.0*	*(1.1)*	*7.2*	*2.3*	*2.2*	*(0.9)*	*6.1*	*(0.9)*
CASA *(%)*	33.4	33.2	31.7	31.4	27.1	28.0	27.3	29.3	29.4
CA *(%)*	4.6	4.5	4.3	5.4	4.2	4.9	5.1	6.9	5.4
SA *(%)*	28.8	28.7	27.4	26.0	22.9	23.1	22.2	22.4	24.0
Asset quality (Rs mn)									
Gross NPA	53,044	61,053	61,785	64,356	66,226	70,151	48,050	50,196	48,809
GNPA *(%)*	4.2	4.7	4.7	4.7	5.0	5.0	3.3	3.3	3.2
NPA	13,964	16,202	16,367	16,928	17,442	18,435	14,021	14,521	14,116
NNPA *(%)*	1.1	1.3	1.3	1.3	1.4	1.4	1.0	1.0	0.9
PCR – Specific *(%)*	73.7	73.5	73.5	73.7	73.7	73.7	70.8	71.1	71.1
Capital adequacy *(%)*									
CAR	15.0	14.3	14.4	18.7	19.1	18.2	17.3	18.0	18.2
Tier I	14.1	13.6	13.7	17.9	18.3	17.4	16.5	17.3	17.5
ROA	2.5	2.1	1.9	0.7	0.8	0.2	0.4	1.1	1.0
ROE	18.8	16.0	13.8	5.2	5.9	1.8	3.2	8.5	7.7

Source: Company, Emkay Research

Bandhan Bank: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	219,482	216,891	231,184	261,493	307,153
Interest Expense	104,576	108,594	112,905	121,895	138,365
Net interest income	**114,906**	**108,297**	**118,278**	**139,598**	**168,789**
NII growth (%)	11.4	(5.8)	9.2	18.0	20.9
Other income	29,666	27,340	27,868	30,166	34,979
Total Income	**144,572**	**135,637**	**146,146**	**169,764**	**203,768**
Operating expenses	70,685	76,988	87,678	97,487	108,916
PPOP	**73,887**	**58,649**	**58,468**	**72,277**	**94,851**
PPOP growth (%)	11.3	(20.6)	(0.3)	23.6	31.2
Core PPOP	**72,532**	**55,637**	**55,607**	**69,845**	**92,541**
Provisions & contingencies	37,654	41,311	29,179	29,191	34,251
PBT	**36,233**	**17,338**	**29,289**	**43,086**	**60,601**
Extraordinary items	0	0	0	0	0
Tax expense	8,780	5,102	7,176	10,858	15,271
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**27,453**	**12,236**	**22,113**	**32,228**	**45,329**
PAT growth (%)	23.1	(55.4)	80.7	45.7	40.7
Adjusted PAT	**27,453**	**12,236**	**22,113**	**32,228**	**45,329**
Diluted EPS (Rs)	**17.0**	**7.6**	**13.7**	**20.0**	**28.1**
Diluted EPS growth (%)	23.1	(55.4)	80.7	45.7	40.7
DPS (Rs)	**1.5**	**1.5**	**2.0**	**2.5**	**3.5**
Dividend payout (%)	**8.8**	**19.7**	**14.6**	**12.5**	**12.4**
Effective tax rate (%)	24.2	29.4	24.5	25.2	25.2
Net interest margins (%)	6.6	5.7	5.5	5.6	5.7
Cost-income ratio (%)	48.9	56.8	60.0	57.4	53.5
Shares outstanding (mn)	1,611.0	1,611.0	1,611.0	1,611.0	1,611.0

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	16,110	16,110	16,110	16,110	16,110
Reserves & surplus	229,940	239,639	258,531	286,731	326,422
Net worth	**246,050**	**255,749**	**274,640**	**302,841**	**342,532**
Deposits	1,512,125	1,663,444	1,904,391	2,273,148	2,747,244
Borrowings	111,385	143,028	135,799	146,543	158,219
Interest bearing liab.	**1,623,510**	**1,806,473**	**2,040,190**	**2,419,691**	**2,905,463**
Other liabilities & prov.	**45,203**	**49,016**	**57,572**	**66,091**	**86,785**
Total liabilities & equity	**1,914,763**	**2,111,237**	**2,372,402**	**2,788,624**	**3,334,780**
Net advances	1,319,873	1,501,038	1,717,433	2,038,693	2,451,126
Investments	407,123	386,683	433,426	509,326	606,481
Cash, other balances	95,694	139,511	132,612	145,181	174,328
Interest earning assets	**1,822,690**	**2,027,232**	**2,283,471**	**2,693,201**	**3,231,935**
Fixed assets	11,804	14,013	14,801	16,150	17,657
Other assets	80,269	69,992	74,130	79,273	85,188
Total assets	**1,914,763**	**2,111,237**	**2,372,402**	**2,788,624**	**3,334,780**
BVPS (Rs)	152.7	158.8	170.5	188.0	212.6
Adj. BVPS (INR)	144.9	152.0	163.2	180.1	204.1
Gross advances	1,319,873	1,503,791	1,754,022	2,078,264	2,493,916
Credit to deposit (%)	87.3	90.2	90.2	89.7	89.2
CASA ratio (%)	31.4	29.3	29.5	30.9	32.0
Cost of deposits (%)	6.7	6.4	5.9	5.5	5.2
Loans-to-Assets (%)	68.9	71.1	72.4	73.1	73.5
Net advances growth (%)	9.0	13.7	14.4	18.7	20.2
Deposit growth (%)	11.8	10.0	14.5	19.4	20.9
Book value growth (%)	13.9	3.9	7.4	10.3	13.1

Source: Company, Emkay Research

Asset quality and other metrics

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
Gross NPLs	64,356	50,196	52,271	56,529	61,129
Net NPLs	16,928	14,521	15,681	16,959	18,339
GNPA ratio (%)	4.7	3.3	3.0	2.7	2.5
NNPA ratio (%)	1.3	1.0	0.9	0.8	0.7
Provision coverage (%)	73.7	71.1	70.0	70.0	70.0
Gross slippages	53,700	54,800	41,505	42,587	45,994
Gross slippage ratio (%)	3.5	3.0	2.3	2.0	1.8
LLP ratio (%)	2.8	2.6	1.9	1.5	1.5
NNPA to networth (%)	6.6	5.4	5.4	5.3	5.0
Capital adequacy					
Total CAR (%)	19.5	18.4	17.9	17.5	17.1
Tier-1 (%)	18.5	17.5	17.1	16.8	16.5
CET-1 (%)	18.5	17.5	17.1	16.8	16.5
RWA-to-Total Assets (%)	67.0	67.0	67.0	67.0	67.0
Miscellaneous					
Total income growth (%)	18.4	(2.0)	6.1	12.6	17.3
Opex growth (%)	20.8	8.9	13.9	11.2	11.7
Core PPOP growth (%)	11.5	(23.3)	(0.1)	25.6	32.5
PPOP margin (%)	29.7	24.0	22.6	24.8	27.7
PAT/PPOP (%)	37.2	20.9	37.8	44.6	47.8
LLP-to-Core PPOP (%)	51.9	74.3	52.5	41.8	37.0
Yield on advances (%)	15.5	13.3	12.6	12.3	12.1
Cost of funds (%)	6.7	6.3	5.9	5.5	5.2

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	12.3	27.5	15.2	10.4	7.4
P/B (x)	1.4	1.3	1.2	1.1	1.0
P/ABV (x)	1.4	1.4	1.3	1.2	1.0
P/PPOP (x)	4.6	5.7	5.8	4.7	3.5
Dividend yield (%)	0.7	0.7	1.0	1.2	1.7
DuPont-RoE split (%)					
NII/avg assets	6.2	5.4	5.3	5.4	5.5
Other income	1.6	1.4	1.2	1.2	1.1
Fee income	1.4	1.2	1.1	1.1	1.1
Opex	3.8	3.8	3.9	3.8	3.6
PPOP	**4.0**	**2.9**	**2.6**	**2.8**	**3.1**
Core PPOP	3.9	2.8	2.5	2.7	3.0
Provisions	2.0	2.1	1.3	1.1	1.1
Tax expense	0.5	0.3	0.3	0.4	0.5
RoA (%)	**1.5**	**0.6**	**1.0**	**1.2**	**1.5**
Leverage ratio (x)	8.0	8.0	8.5	8.9	9.5
RoE (%)	**11.9**	**4.9**	**8.3**	**11.2**	**14.0**

Quarterly data

Rs mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	27,572	25,886	26,883	27,956	29,206
NIM (%)	6.4	5.8	5.9	6.2	6.2
PPOP	16,684	13,104	14,450	14,412	13,581
PAT	3,720	1,119	2,056	5,341	5,017
EPS (Rs)	2.3	0.7	1.3	3.3	3.1

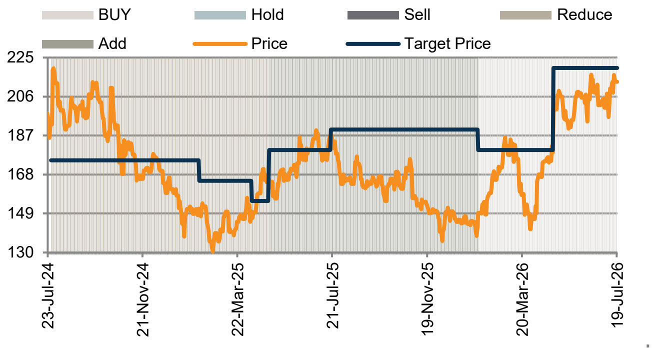
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
10-Jul-26	210	220	Buy	Avinash Singh
29-Apr-26	198	220	Buy	Anand Dama
23-Jan-26	149	180	Buy	Anand Dama
31-Oct-25	157	190	Add	Anand Dama
19-Jul-25	187	190	Add	Anand Dama
07-Jul-25	177	180	Add	Anand Dama
14-May-25	167	180	Add	Anand Dama
01-May-25	166	180	Add	Anand Dama
09-Apr-25	147	155	Reduce	Anand Dama
01-Feb-25	151	165	Reduce	Anand Dama
27-Oct-24	168	175	Reduce	Anand Dama
27-Jul-24	193	175	Reduce	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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