

Estimate change



TP change



Rating change



Bloomberg	DCBB IN
Equity Shares (m)	322
M.Cap.(INRb)/(USD\$)	65.2 / 0.7
52-Week Range (INR)	235 / 153
1, 6, 12 Rel. Per (%)	-6/12/41
12M Avg Val (INR M)	428

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
NII	24.6	29.3	35.7
OP	13.0	15.9	20.3
NP	7.3	9.8	12.0
NIM (%)	3.2	3.3	3.4
EPS (INR)	22.7	30.5	37.4
EPS Gr. (%)	16.1	34.0	22.9
BV/Sh. (INR)	196	225	260
ABV/Sh. (INR)	185	215	248

Ratios

RoA (%)	0.9	1.0	1.1
RoE (%)	12.7	14.8	15.8

Valuations

P/E (x)	8.9	6.6	5.4
P/BV (x)	1.0	0.9	0.8
P/ABV (x)	1.1	0.9	0.8

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	16.2	16.2	14.7
DII	30.4	32.3	31.9
FII	15.5	13.5	10.5
Others	37.9	38.0	42.9

FII includes depository receipts

CMP: INR202

TP: INR245 (+21%)

Buy

Steady quarter; business outlook remains healthy

RoA improves to 1.03%

- DCB Bank (DCBB) reported 29% YoY growth in PAT to INR2.36b (7% beat).
- NII grew 17% YoY/2% QoQ to INR7.0b (in line). NIM contracted 10bp QoQ to 3.25% (vs 3.33% MOFSLe) owing to the adverse impact of FCNR(B) deposit mobilization.
- Other income rose 34% YoY/27% QoQ to INR2.5b (17% higher vs MOFSLe) amid 11% QoQ pick up in core fee income and healthy treasury gains. PPOP stood at INR3.8b (up 26% YoY/11% QoQ; 6% beat).
- Business growth remained healthy, with advances growth of 21% YoY/7% QoQ, while deposits grew 19% YoY/3% QoQ, led by FCNR(B) deposit mobilization of USD194m. CASA mix improved to 22.3% vs 21.7% in 1QFY27.
- GNPA/NNPA ratios improved to 2.29%/0.73% (down 14bp/11bp QoQ), while PCR increased to ~69%. Slippage ratio increased to 3.6% vs. 3.5% in 1QFY27.
- The Board has approved the re-appointment of Mr. Praveen Kutty as MD & CEO for a further period of three years w.e.f. Apr'27, subject to RBI approval.
- **We fine-tune our earnings and estimate FY27E RoA/RoE of 1.02%/14.8%. Reiterate BUY with a TP of INR245 (based on 1.0x FY28E ABV).**

Asset quality improves; business growth remains healthy

- DCBB reported PAT of INR2.36b (up 29% YoY/11% QoQ; 7% beat) amid strong other income and healthy operating performance.
- NII grew 17% YoY/2% QoQ to INR7.0b (in line). NIM contracted 10bp QoQ to 3.25% (v/s 3.33% of MOFSLe). Other income rose 34% YoY/27% QoQ to INR2.5b (17% higher vs MOFSLe) amid robust growth in core fee income.
- Opex grew 18% YoY/5% QoQ to INR5.7b. PPOP, thus, grew 26% YoY/11% QoQ to INR3.8b (beat by 6%).
- Provisions were higher at INR645m (6% YoY/13% QoQ, in line). PBT grew to INR3.18b (31% YoY/11% QoQ, 7% beat).
- Advances grew 21% YoY/7% QoQ, led by gold loans (30% QoQ), steady growth in mortgages (4% QoQ), and moderate growth in co-lending book (2% QoQ). Corporate advances witness a surge of 13% QoQ as well.
- Deposits grew healthy at 19% YoY/3% QoQ with strong FCNR(B) deposits mobilization of USD194m, while CASA deposits growth came in at 12.5% YoY/6.3% QoQ. As a result, CASA ratio rose to 22.3% vs 21.7% in 1QFY27. CD ratio rose 297bp QoQ to 83.5%.
- Fresh slippages rose 8% QoQ to INR4.4b, with annualized slippage ratio increasing to 3.6% vs 3.5% in 1QFY27. GNPA/NNPA ratios improved to 2.29%/0.73% (down 14bp/11bp QoQ), while PCR increased to ~69%.

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Highlights from the management commentary

- Despite the expected capital infusion next quarter, management expects RoE to remain above 13.5%.
- NIMs are expected to improve in 3QFY27 and 4QFY27, supported by the pass-through of repo rate hikes
- The bank holds INR2.18b in floating provisions, which it has been building since 2015. Provisioning cover stands at 5.93x operating profit.
- Gold loans account for 23% of total advances, and management is comfortable increasing the share to 25% of overall loan mix.

Valuation and view

DCBB reported a steady performance, with strong other income driving PAT beat, while operating performance remained healthy. Margins contracted 10bp QoQ, while management expects NIM to expand in the coming quarters on the back of repo rate hike pass-through. Business growth remained healthy, supported by an increased focus on higher-yielding segments such mortgages and gold loans. Asset quality improved, with a decline in GNPA ratio and NNPA ratios. The bank expects growth to remain robust, guiding for RoE to remain above 13.5% in FY27 despite expected capital infusion in the near term, driven by an improving NIM trajectory, controlled provisions, and enhanced operating efficiency. **We fine-tune our earnings and estimate FY27E RoA/RoE of 1.02%/14.8%. Reiterate BUY with a TP of INR245 (based on 1.0x FY28E ABV).**

Quarterly Performance

Quarterly Performance									(INR b)			
	FY26				FY27E				FY26	FY27E	FY27E	V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QA	Est
Net Interest Income	5.8	6.0	6.2	6.6	6.8	7.0	7.4	8.0	24.6	29.3	7.0	0%
% Change (Y-o-Y)	16.9	17.1	15.1	17.4	17.8	17.2	18.6	22.8	16.6	19.2	16.8	
Other Income	2.4	1.9	2.2	2.1	2.0	2.5	2.6	2.7	8.6	9.7	2.1	17%
Total Income	8.2	7.8	8.5	8.7	8.8	9.5	10.0	10.8	33.1	39.0	9.1	4%
Operating Expenses	4.9	4.8	5.2	5.2	5.4	5.7	5.9	6.2	20.2	23.1	5.5	3%
Operating Profit	3.3	3.0	3.2	3.4	3.4	3.8	4.1	4.6	13.0	15.9	3.6	6%
% Change (Y-o-Y)	59.2	19.1	19.1	12.0	5.2	25.9	26.1	34.7	25.0	23.1	18.7	
Provisions	1.2	0.6	0.7	0.7	0.6	0.6	0.7	0.9	3.2	2.8	0.6	2%
Profit before Tax	2.1	2.4	2.5	2.7	2.9	3.2	3.4	3.8	9.8	13.2	3.0	7%
Tax	0.5	0.6	0.6	0.7	0.7	0.8	0.9	0.9	2.5	3.4	0.8	6%
Net Profit	1.6	1.8	1.8	2.1	2.1	2.4	2.5	2.8	7.3	9.8	2.2	7%
% Change (Y-o-Y)	19.7	18.3	22.0	16.1	35.6	28.5	34.9	36.9	18.9	34.0	19.9	
Operating Parameters												
Deposit (INR b)	620.4	647.8	677.5	725.8	744.8	768.4	821.4	862.3	725.8	862.3	784.5	-2%
Loan (INR b)	512.2	529.7	566.0	600.2	599.5	641.3	666.1	710.1	600.2	710.1	627.7	2%
Deposit Growth (%)	20.0	18.8	19.5	20.9	20.1	18.6	21.2	18.8	20.9	18.8	21.1	
Loan Growth (%)	21.4	19.1	18.5	17.6	17.1	21.1	17.7	18.3	17.6	18.3	18.5	
Asset Quality												
Gross NPA (%)	3.0	2.9	2.7	2.5	2.4	2.3	2.2	2.1	2.5	2.1	2.3	
Net NPA (%)	1.2	1.2	1.1	0.9	0.8	0.7	0.7	0.6	0.9	0.6	0.8	
PCR (%)	59.7	59.2	60.3	64.3	66.0	68.8	69.3	69.6	64.3	69.6	66.1	

Quarterly snapshot

	FY26				FY27		Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	YoY	QoQ
Profit and Loss (INR b)								
Net Interest Income	5.8	6.0	6.2	6.6	6.8	7.0	17.2	2.2
Other Income	2.4	1.9	2.2	2.1	2.0	2.5	34.0	27.0
Total Income	8.2	7.8	8.5	8.7	8.8	9.5	21.2	7.7
Operating Expenses	4.9	4.8	5.2	5.2	5.4	5.7	18.2	5.4
Employee	2.5	2.4	2.7	2.6	2.7	2.8	16.4	6.0
Others	2.4	2.4	2.5	2.6	2.7	2.8	20.0	4.9
Operating Profits	3.3	3.0	3.2	3.4	3.4	3.8	25.9	11.2
Core Operating Profits	2.3	2.8	2.9	3.3	3.3	3.5	26.2	8.1
Provisions	1.2	0.6	0.7	0.7	0.6	0.6	6.6	13.1
PBT	2.1	2.4	2.5	2.7	2.9	3.2	30.7	10.8
Taxes	0.5	0.6	0.6	0.7	0.7	0.8	37.3	10.7
PAT	1.6	1.8	1.8	2.1	2.1	2.4	28.5	10.9
Balance Sheet (INR b)								
Loans	512	530	566	600	600	641	21.1	7.0
Deposits	620	648	678	726	745	768	18.6	3.2
CASA Deposits	145	152	154	162	161	171	12.5	6.3
-Savings	121	128	131	137	137	146	13.7	6.8
-Current	23	24	23	26	25	25	6.0	3.5
Loan Mix (%)								
Retail Banking	71.8	71.1	67.9	68.1	71.2	71.4	30	20
-Mortgages	43.8	42.8	40.2	39.0	39.0	37.7	-510	-130
-CV	1.0	0.9	0.7	0.6	0.5	0.4	-50	-10
-AIB	23.2	23.5	23.0	23.5	24.3	23.9	40	-40
-Gold loans	3.8	3.9	4.0	5.0	7.4	9.4	550	200
SME	4.5	4.2	3.8	3.6	3.3	3.2	-100	-10
Co-lending	15.2	16.1	15.8	13.8	12.3	11.7	-440	-60
Corporate	6.2	6.5	6.4	7.5	7.5	8.0	150	50
Asset Quality (INR B)								
GNPA	15.54	15.68	15.68	14.96	14.82	14.89	-5.0	0.5
NNPA	6.25	6.41	6.23	5.34	5.04	4.65	-27.4	-7.7
Slippages	5.8	4.0	4.0	3.2	4.1	4.4	9.0	7.6
Asset Quality Ratios (%)								
	1Q	2Q	3Q	4Q	1Q	2Q	YoY (Bp)	QoQ (Bp)
GNPA (%)	3.0	2.9	2.7	2.5	2.4	2.3	-62	-14
NNPA (%)	1.2	1.2	1.1	0.9	0.8	0.7	-48	-11
PCR (Exc TWO, %)	59.7	59.2	60.3	64.3	66.0	68.8	960	279
Slippage ratio (%)	6.0	3.9	3.7	2.8	3.5	3.6	-34	11
Business Ratios (%)								
CASA	23.3	23.5	22.8	22.4	21.7	22.3	-122	65
Loan/Deposit	82.6	81.8	83.5	82.7	80.5	83.5	168	297
Other income/Total Income	28.9	23.8	26.2	24.4	22.3	26.3	251	400
Cost to Income	60.0	61.2	61.8	60.5	60.9	59.6	-151	-127
Cost to Asset	2.8	2.6	2.7	2.5	2.6	2.6	5	5
Tax Rate	25.7	24.4	25.7	24.7	25.7	25.7	124	-3
Capitalisation Ratios (%)								
Tier-1 (incl profit)	14.2	14.0	13.5	14.3	14.9	14.6	60	-33
CAR (incl profit)	16.7	16.4	15.8	16.6	17.0	16.6	22	-40
RWA / Total Assets	49.3	49.1	49.9	49.1	48.8	49.3	21	50
Profitability Ratios (%)								
RoA	0.8	0.9	0.9	1.0	1.0	1.0	9	7
RoE	11.6	13.2	12.7	13.5	13.6	14.6	140	99
Yield on loans	11.2	11.1	11.0	11.0	10.8	10.7	-38	-2
Cost of funds	7.2	7.0	6.9	6.9	6.8	6.7	-34	-8
Margins	3.20	3.23	3.27	3.39	3.35	3.25	2	-10
Others								
Branches	465	468	469	480	480	483	15	3



Highlights from the management commentary

Opening Remarks

- The bank continues to sustain its growth momentum, in line with its guidance.
- Advances grew 21% YoY/7% QoQ, while deposits grew 19% YoY/3% QoQ.
- Strong core fee income, productivity initiatives, and technology adoption are helping contain costs/average assets.
- Over the past two years, employee strength has grown 1%, while the balance sheet and revenue have expanded 34% and 33%, respectively.
- RoA stood at 1.03% in 2QFY27 and 1.0% in 1HFY27, while RoE stood at 14.6% and 14.1%, respectively.
- The Board has approved the re-appointment of Mr. Praveen Kutty as MD & CEO for a further three-year term, effective 29th Apr'27 to 28th Apr'30, subject to regulatory approvals.

Advances and deposits

- The bank raised USD194m through the FCNR(B) window.
- The bank shed a significant amount of high-cost bulk deposits, as most maturities fell in the last week of the quarter.
- The incremental housing loan and LAP mix stands at 70:30, which management is comfortable with.
- Around 30% of the gold loan book is organic, while the remaining 70% is sourced through co-lending and direct assignment.
- Gold loans account for 23% of total advances, and management is comfortable increasing the share to 25%.
- The bank continues to onboard gold loan customers with low CIBIL scores, given that gold loans often serve as a source of emergency funding.
- CIBIL scores are used primarily to assess customer profiles and mitigate the risk of fraudulent gold collateral. A low CIBIL score is not a disqualification for gold loans, which management also views as an avenue for customers to rebuild their credit profiles.
- Tractor loans and KCC each account for 4% of the loan mix. The tractor, KCC, and MFI portfolios are performing well, supporting PSL requirements and remaining important growth engines. Bounce rates are low, with no discernible impact from El Niño so far.
- The bank generates healthy RoE from its NBFC exposures. The corporate loan book currently accounts for ~8% of total advances and could increase to 10%.

Other Income and opex

- Higher employee additions have driven opex growth, and management expects similar trends in opex and opex/assets to continue.
- Employee headcount is expected to remain below 13k by Mar'27, at around 12.8–12.9k.
- The bank is prioritizing additional staffing at existing branches, particularly those witnessing strong business growth, rather than expanding its branch network.
- The bank does not envisage opening more than 20 branches during FY27.
- Management remains confident of extracting further productivity from existing branches.
- The bank is making significant efforts to drive cross-selling and improve the benefits derived from existing customer relationships.

- While bancassurance could be impacted by the draft consultation papers, management remains confident that profitability will be resilient despite lower bancassurance contributions.

Margins

- NIMs are expected to expand in 3QFY27 and 4QFY27, supported by the pass-through of repo rate hikes.
- YoA declined 2bp QoQ, while CoF declined 8bp QoQ.
- Surplus liquidity from FCNR(B) deposits on the balance sheet for most of the quarter weighed on NIMs.
- Gold loan yields increased only marginally QoQ.
- The bank intends to offer mortgage customers OD facilities at higher contractual interest rates, providing greater repayment flexibility and potentially lowering the effective interest cost for customers while improving yields for the bank.
- Although gold loans are a fixed-rate portfolio, their shorter tenure allows repricing every month.
- The mix of floating-rate, fixed-rate, and hybrid loans has remained broadly stable over the past three years.

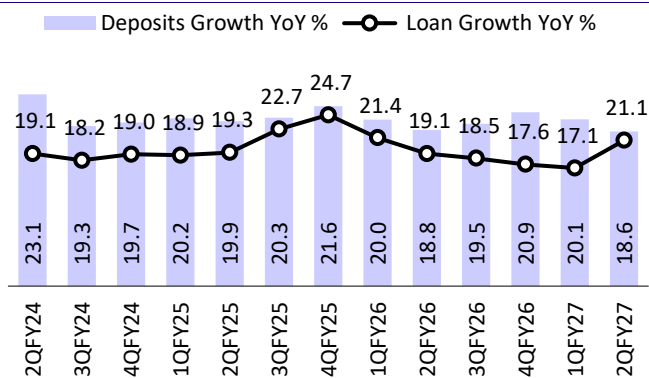
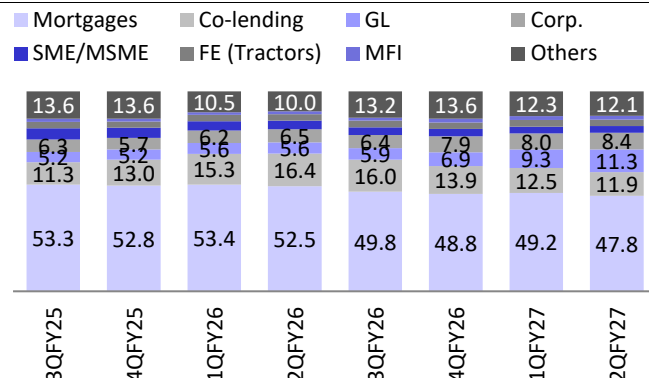
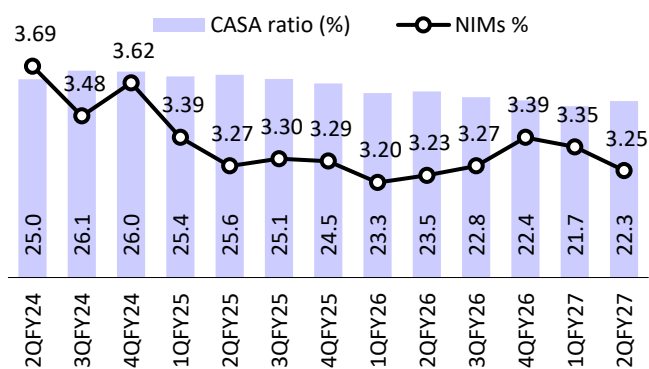
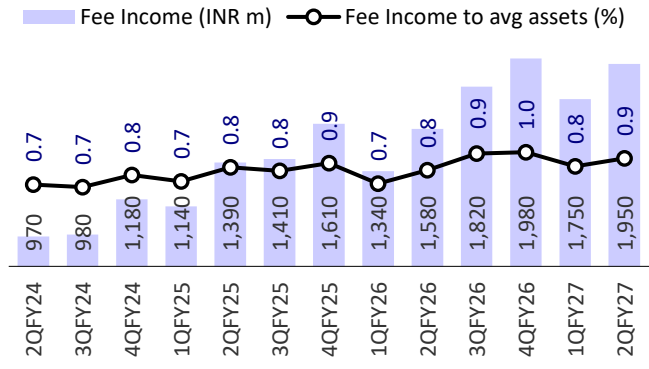
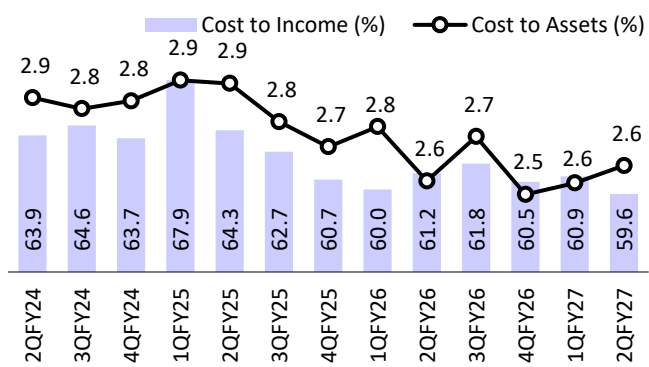
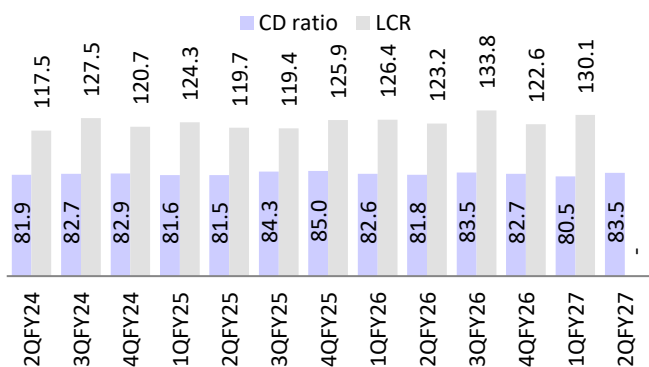
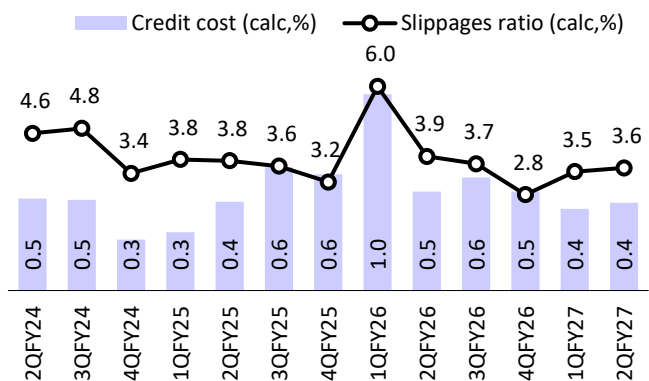
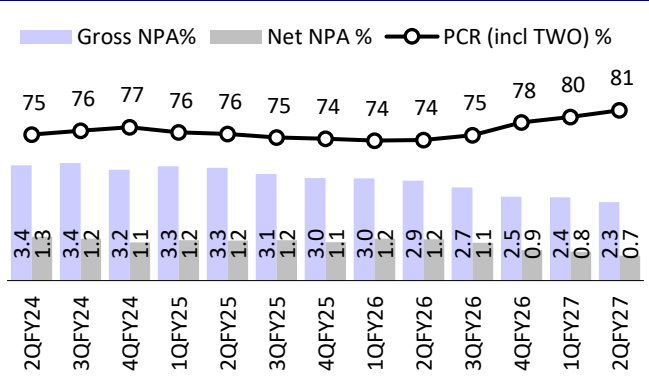
Asset quality

- Non-gold loan slippages stood at 1.55% in 2QFY27, compared with 1.52% in 1QFY27.
- Some co-lending and DA partners focus on collections before accounts turn NPA, rather than initiating collections at the 1-DPD stage.
- Gold loan NPAs remain contained despite strong portfolio growth.
- The bank lends only when collateral value is materially higher than the exposure. Management does not foresee any adverse impact beyond the SMA-1 and SMA-2 categories.
- The bank has appointed a Big Four firm to assist with the transition to ECL accounting.
- The bank holds INR2.18bn in floating provisions, which it has been building since 2015. Provisioning cover stands at 5.93x operating profit.
- Having successfully reduced NPAs, management is confident of bringing down SMA-1 and SMA-2 balances.
- Gold loan asset quality has remained unaffected despite overlap with customers defaulting on MFI loans last year.
- No single state accounts for more than 20% of the bank's asset exposure, and management has not observed any state-specific systemic issues.

Guidance

- Management indicated that there could be a positive announcement on the capital raise before the next investor call.
- The bank will not raise capital below the book value.
- Despite the expected capital infusion next quarter, management expects RoE to remain above 13.5%.

Story in charts

Exhibit 1: Loan/deposit books grew 21.1%/18.6% YoY

Exhibit 2: Trend in loan mix

Exhibit 3: CASA ratio at 22.3%; NIM contracted 10bp QoQ

Exhibit 4: Fee income to assets stood at 0.9% of avg. assets

Exhibit 5: Cost-Income ratio decreased to 59.6%

Exhibit 6: CD ratio increased to 83.5% during the quarter

Exhibit 7: Slippage ratio (calc) increased to 3.6% in 2QFY27

Exhibit 8: GNPA/NNPA ratios stood at 2.3%/0.7%


Source: MOFSL, Company

Source: MOFSL, Company

Valuation and view: Reiterate BUY with a TP of INR245

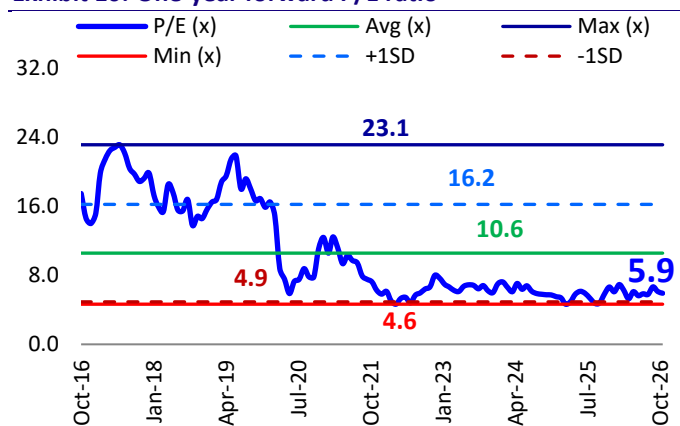
- DCBB reported a steady performance, with strong other income driving PAT beat, while operating performance remained healthy.
- Margins contracted 10bp QoQ, while management expects NIMs to expand in the coming quarters on the back of repo rate hike pass-through.
- Business growth remained healthy, supported by an increased focus on higher-yielding segments such as mortgages and gold loans. Asset quality improved, with a decline in GNPA ratio and NNPA ratios.
- The bank expects growth to remain robust, guiding for RoE to remain above 13.5% in FY27 despite expected capital infusion in the near term, driven by an improving NIM trajectory, controlled provisions, and enhanced operating efficiency.
- **We moderately raised our earnings and estimate FY27E RoA/RoE of 1.02%/14.8%. Reiterate BUY with a TP of INR245 (based on 1.0x FY28E ABV).**

Exhibit 9: We revised our earnings estimates by 1.2%/2.5% for FY27/FY28

(INR b)	Old Estimates		Revised Estimates		Change (%/bp)	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	29.1	35.5	29.3	35.7	0.4	0.6
Other Income	9.1	10.0	9.7	11.2	7.5	12.4
Total Income	38.2	45.5	39.0	46.9	2.1	3.2
Operating Expenses	22.5	25.4	23.1	26.7	2.4	5.0
Operating Profits	15.7	20.1	15.9	20.3	1.7	0.9
Provisions	2.7	4.3	2.8	4.1	3.9	-4.8
PBT	13.0	15.8	13.2	16.2	1.2	2.5
Tax	3.3	4.0	3.4	4.1	1.2	2.5
PAT	9.7	11.8	9.8	12.0	1.2	2.5
Loans	710	841	710	841	0.0	0.0
Deposits	862	1,018	862	1,018	0.0	0.0
Margins (%)	3.3	3.4	3.3	3.4	1	2
Credit Cost (%)	0.4	0.6	0.4	0.5	2	-3
RoA (%)	1.01	1.04	1.02	1.07	1	3
RoE (%)	14.7	15.5	14.8	15.8	17	33
BV	225	259	225	260	0.2	0.5
ABV	214	245	215	248	0.7	1.0
EPS	30	37	30	37	1.2	2.5

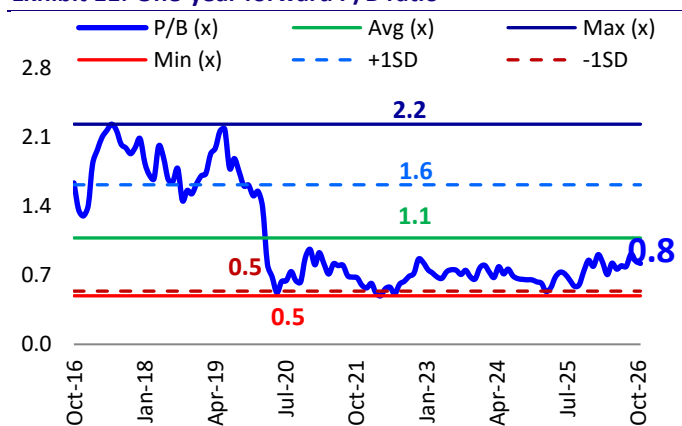
Source: MOFSL, Company

Exhibit 10: One-year forward P/E ratio



Source: MOFSL, Company

Exhibit 11: One-year forward P/B ratio



Source: MOFSL, Company

Exhibit 12: DuPont Analysis – Estimate RoA to improve to 1.02% for FY27

DCB Bank	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	8.65	9.29	9.25	8.98	8.87	8.98
Interest Expended	5.11	5.95	6.24	6.00	5.82	5.81
Net interest Income	3.53	3.34	3.01	2.98	3.05	3.16
Fee income	0.82	0.77	0.86	0.83	0.94	0.94
Trading and others	0.02	0.06	0.22	0.20	0.08	0.05
Non-interest Income	0.84	0.82	1.07	1.04	1.02	0.99
Total Income	4.38	4.16	4.09	4.02	4.07	4.16
Operating expenses	2.76	2.66	2.60	2.45	2.41	2.36
Employees	1.43	1.38	1.32	1.24	1.22	1.20
Others	1.33	1.29	1.28	1.20	1.19	1.16
Operating profits	1.62	1.50	1.48	1.57	1.66	1.80
Core PPOP	1.60	1.44	1.27	1.37	1.58	1.75
Provisions	0.33	0.25	0.30	0.39	0.29	0.36
NPA	0.09	0.02	0.03	0.02	0.27	0.33
Others	0.24	0.23	0.27	0.36	0.02	0.03
PBT	1.29	1.25	1.19	1.19	1.37	1.43
Tax	0.33	0.32	0.31	0.30	0.35	0.37
ROA (%)	0.96	0.93	0.88	0.89	1.02	1.07
Leverage (x)	12.01	12.76	13.73	14.27	14.52	14.80
ROE (%)	11.5	11.9	12.1	12.7	14.8	15.8

Source: MOFSL, Company

Financials and valuations

Income Statement					(INRb)	
Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	42.0	53.6	64.7	74.0	85.1	101.4
Interest Expense	24.8	34.3	43.6	49.5	55.8	65.6
Net Interest Income	17.2	19.3	21.1	24.6	29.3	35.7
-growth (%)	26.5	12.3	9.3	16.6	19.2	22.1
Non Interest Income	4.1	4.7	7.5	8.6	9.7	11.2
Total Income	21.3	24.0	28.6	33.1	39.0	46.9
-growth (%)	17.5	13.0	18.9	15.9	17.8	20.3
Operating Expenses	13.4	15.4	18.2	20.2	23.1	26.7
Pre Provision Profits	7.9	8.6	10.4	13.0	15.9	20.3
-growth (%)	-1.3	9.9	20.0	25.0	23.1	27.2
Core PPOp	7.8	8.3	8.9	11.3	15.2	19.7
-growth (%)	8.3	7.2	6.5	27.2	34.7	29.9
Provisions	1.6	1.4	2.1	3.2	2.8	4.1
PBT	6.3	7.2	8.3	9.8	13.2	16.2
Tax	1.6	1.9	2.1	2.5	3.4	4.1
Tax Rate (%)	25.8	25.8	25.7	25.1	25.5	25.5
PAT	4.7	5.4	6.2	7.3	9.8	12.0
-growth (%)	61.9	15.1	14.8	18.9	34.0	22.9

Balance Sheet						
Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	3.1	3.1	3.1	3.2	3.2	3.2
Reserves & Surplus	42.5	47.6	53.7	62.1	71.3	82.5
Net Worth	45.6	50.7	56.9	65.3	74.5	85.8
Deposits	412.4	493.5	600.3	725.8	862.3	1,017.5
-growth (%)	18.9	19.7	21.6	20.9	18.8	18.0
of which CASA Dep	109.0	128.4	147.2	162.5	187.1	232.0
-growth (%)	17.4	17.9	14.6	10.4	15.2	24.0
Borrowings	41.2	62.2	91.2	60.9	67.2	77.6
Other Liabilities & Prov.	24.4	23.9	19.7	28.6	33.8	39.9
Total Liabilities	523.6	630.3	768.1	880.6	1,037.8	1,220.8
Current Assets	23.7	30.7	27.0	42.2	47.4	52.6
Investments	125.8	162.1	201.5	203.8	242.5	286.1
-growth (%)	39.0	28.8	24.3	1.1	19.0	18.0
Loans	343.8	409.2	510.5	600.2	710.1	841.4
-growth (%)	18.2	19.0	24.7	17.6	18.3	18.5
Fixed Assets	8.3	8.6	9.0	9.9	10.8	11.5
Other Assets	22.1	19.7	20.2	24.6	27.1	29.1
Total Assets	523.7	630.4	768.1	880.7	1,037.8	1,220.8

ASSET QUALITY						
GNPA	11.2	13.5	15.5	15.0	15.1	18.2
NNPA	3.6	4.5	5.7	5.3	4.6	5.5
GNPA Ratio (%)	3.21	3.25	3.00	2.46	2.09	2.13
NNPA Ratio (%)	1.04	1.11	1.12	0.89	0.64	0.65
Slippage Ratio (%)	5.4	4.0	3.3	3.1	2.8	2.7
Credit Cost (%)	0.50	0.38	0.45	0.57	0.4	0.5
PCR (Excl Tech. write off) (%)	56.0	55.0	51.9	50.7	69.6	70.0

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Yield and Cost Ratios (%)						
Avg. Yield-Earning Assets	9.2	9.8	9.7	9.3	9.2	9.3
Avg. Yield on loans	10.7	11.3	11.1	10.6	10.4	10.5
Avg. Yield on Investments	6.6	7.3	7.2	7.1	6.9	6.9
Avg. Cost-Int. Bear. Liab.	5.9	6.8	7.0	6.7	6.5	6.5
Avg. Cost of Deposits	5.9	6.8	7.0	6.7	6.6	6.6
Interest Spread	3.3	3.0	2.7	2.6	2.7	2.8
Net Interest Margin	4.0	3.7	3.3	3.2	3.3	3.4

Profitability Ratios (%)

CAR	17.6	16.6	16.8	16.6	15.1	13.7
Tier I	15.2	14.5	14.3	14.3	13.2	12.1
CET 1	15.2	14.5	14.3	14.3	12.6	12.6
Tier II	2.4	2.1	2.5	2.3	1.9	1.6

Business Ratio (%)

Loans/Deposit Ratio	83.4	82.9	85.0	82.7	82.3	82.7
CASA Ratio	26.4	26.0	24.5	22.4	21.7	22.8
Cost/Assets	2.8	2.7	2.6	2.4	2.4	2.4
Cost/Income	63.0	64.0	63.7	60.9	59.1	56.8
Cost/ Core Income	63.3	64.9	67.3	64.1	60.3	57.5
Int. Expense/Int.Income	59.1	64.0	67.4	66.8	65.6	64.7
Fee Income/Net Income	18.7	18.4	21.0	20.7	23.0	22.7
Other Income/Net Income	19.3	19.7	26.3	25.8	25.0	23.9
Employee Cost/Operating Expense	51.7	51.7	50.7	50.9	50.7	50.9

Efficiency Ratios (INRm)

Employee per branch (in nos)	23.2	25.6	23.8	23.6	23.8	24.1
Staff cost per employee	0.7	0.7	0.8	0.9	1.0	1.0
CASA per branch	232.0	255.2	290.6	317.3	338.5	364.3
Deposits per branch	867.3	965.8	1,116.6	1,293.8	1,512.2	1,678.9
Business per Employee	79.0	76.3	79.7	100.5	117.0	128.4
Profit per Employee	3.6	4.7	4.7	5.6	6.5	8.0

Profitability and Valuations Ratios

RoE	11.5	11.8	12.1	12.7	14.8	15.8
RoA	1.0	0.9	0.9	0.9	1.0	1.1
RoRWA	1.6	1.6	1.6	1.7	1.9	1.9
Book Value (INR)	141	157	176	196	225	260
-growth (%)	12.0	11.1	12.2	11.6	14.5	15.5
Price-BV (x)	1.4	1.3	1.1	1.0	0.9	0.8
Adjusted BV (INR)	133	147	163	185	215	248
Price-ABV (x)	1.5	1.4	1.2	1.1	0.9	0.8
EPS (INR)	14.9	17.1	19.6	22.7	30.5	37.4
-growth (%)	61.7	14.6	14.3	16.1	34.0	22.9
Price-Earnings (x)	13.5	11.8	10.3	8.9	6.6	5.4
Dividend Per Share (INR)	1.0	1.2	1.2	1.3	1.8	2.5
Dividend Yield (%)	0.5	0.6	0.6	0.7	0.9	1.2

E: MOFSL Estimates

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