

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	DCBB IN
Equity Shares (m)	322
M.Cap.(INRb)/(USDb)	60.2 / 0.6
52-Week Range (INR)	206 / 119
1, 6, 12 Rel. Per (%)	2/7/38
12M Avg Val (INR M)	394

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
NII	24.6	29.5	36.3
OP	13.0	16.3	21.3
NP	7.3	9.9	12.4
NIM (%)	3.2	3.3	3.5
EPS (INR)	22.7	30.7	38.5
EPS Gr. (%)	16.1	35.0	25.5
BV/Sh. (INR)	196	218	251
ABV/Sh. (INR)	185	207	238

Ratios

RoA (%)	0.9	1.0	1.1
RoE (%)	12.7	15.2	16.8

Valuations

P/E (x)	8.2	6.1	4.9
P/BV (x)	1.0	0.9	0.7
P/ABV (x)	1.0	0.9	0.8

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	16.2	16.2	14.7
DII	32.3	32.8	31.8
FII	13.5	12.6	11.7
Others	38.0	38.3	41.8

FII includes depository receipts

CMP: INR187

TP: INR235 (+26%)

Buy

In-line performance; business outlook remains steady

NIMs contract 4bp QoQ

- DCB Bank (DCBB) reported 36% YoY growth in PAT to INR2.13b (broadly in line), as lower provisions compensated for modest other income.
- NII grew 18% YoY to INR6.8b (in line, up 4% QoQ). NIMs contracted 4bp QoQ to 3.35% in 1QFY27.
- Other income declined 17% YoY/declined 7% QoQ to INR2b (8% lower vs MOFSLe), driven by a decline in treasury gains. Opex grew ~10% YoY (2% QoQ) to INR5.4b. PPOP stood at INR3.4b (up 5% YoY/1% QoQ; broadly in line).
- Business growth remained healthy with advances growth of 17.1% YoY/decline of 0.1% QoQ, while deposits grew 20.1% YoY/2.6% QoQ. CASA mix declined to 21.7% vs 22.4% in 4QFY26.
- GNPA/NNPA ratios improved to 2.43%/0.84% (down 2bp/5bp QoQ), while PCR increased to ~66%. Slippage ratio declined to 2.7% vs. 2.3% in 4QFY26.
- We largely maintain our earnings and estimate FY27E RoA/RoE of 1.03%/15.2%. **Reiterate BUY with a TP of INR235 (based on 0.9x FY28E ABV).**

Asset quality improves; guides for moderation in funding costs

- DCBB reported PAT of INR2.13b (up ~35.6% YoY/ ~3.7% QoQ; largely in line), driven by lower-than-expected provisions, which were offset by lower other income.
- NII grew 17.8% YoY/4.4% QoQ to INR6.84b (largely in line). NIM contracted 4bp QoQ to 3.35% in 1QFY27. Other income declined 16.9% YoY/7.2% QoQ to INR1.96b (8% lower vs MOFSLe).
- Opex grew 9.5% YoY/2.2% QoQ to INR5.36b (largely in line). PPOP, thus, grew 5.2% YoY/0.6% QoQ to INR3.44b (miss by 5%).
- Provisions were lower at INR571m (down 50.4% YoY/ down 17.3% QoQ, 29% lower vs MOFSLe). PBT grew to INR2.87b (36% YoY/5.1% QoQ, largely in line).
- Advances grew 17.1% YoY/declined 0.1% QoQ, led by the gold book. While the mortgage book grew slower at 9.9% YoY/ 0.8% QoQ, the co-lending book declined by 10.6% QoQ.
- Deposits grew healthy at 20.1% YoY/2.6% QoQ, while CASA deposits growth was slow at 11.5% YoY/declined 0.7% QoQ. As a result, CASA ratio declined to 21.65% vs 22.4% in 4QFY26. CD ratio declined by 220bp QoQ to 80.5%.
- Fresh slippages moderated by 25.9% QoQ, with annualized slippage ratio increasing to 2.7% vs 3.3% in 4QFY26. GNPA/NNPA ratios improved to 2.43%/0.84% (down 2bp/5bp QoQ), while PCR increased to ~66%.

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Highlights from the management commentary

- Management reiterated its guidance of maintaining RoE above 13.5% in FY27, with an aspiration to improve it to 14.5% in FY28.
- Cost-to-assets is expected to remain below 2.5% despite planned investments in manpower and branch expansion.
- The bank expects the deposit repricing benefit to continue till late 2Q or early 3QFY27.
- The company continues to prioritize liability quality and pricing discipline rather than chasing high-cost deposits.

Valuation and view

DCBB reported in-line performance, with both NII and PAT meeting expectations, while lower-than-expected provisions offset weaker other income. Margins contracted by 4bp QoQ, and management expects further expansion driven by an improving asset mix and a decline in the cost of deposits. Business growth remained healthy, supported by an increased focus on higher-yielding segments such as mortgages. Asset quality improved, with a decline in the GNPA ratio leading to lower provisions. The bank expects growth to remain robust, guiding for an RoE of 13.5% in FY27 and 14.5% in FY28, along with an RoA target of ~1%, supported by better NIMs, improving asset quality, and enhanced operating efficiency. We largely maintain our estimates for FY27 and project an FY27E RoA/RoE of 1.03%/15.2%.

Reiterate BUY with a TP of INR235 (based on 0.9x FY28E ABV).

Quarterly Performance

(InR b)

	FY26				FY27E				FY26	FY27E	FY27E	V/s our
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QA	Est
Net Interest Income	5.80	5.96	6.25	6.55	6.84	7.09	7.47	8.13	24.57	29.54	6.95	-2%
% Change (Y-o-Y)	16.89	17.10	15.07	17.43	17.83	18.89	19.62	24.15	16.61	20.23	19.73	
Other Income	2.36	1.86	2.21	2.12	1.96	2.22	2.47	2.77	8.55	9.42	2.14	-8%
Total Income	8.17	7.82	8.46	8.67	8.80	9.31	9.94	10.90	33.12	38.96	9.09	-3%
Operating Expenses	4.90	4.78	5.23	5.25	5.36	5.56	5.79	5.99	20.16	22.70	5.46	-2%
Operating Profit	3.27	3.04	3.23	3.42	3.44	3.75	4.15	4.91	12.96	16.26	3.63	-5%
% Change (Y-o-Y)	59.17	19.13	19.08	12.02	5.25	23.41	28.63	43.65	24.95	25.47	11.07	
Provisions	1.15	0.61	0.74	0.69	0.57	0.71	0.82	0.90	3.19	3.00	0.81	-29%
Profit before Tax	2.12	2.43	2.49	2.73	2.87	3.04	3.33	4.02	9.77	13.26	2.83	2%
Tax	0.54	0.59	0.64	0.67	0.74	0.79	0.86	1.00	2.45	3.38	0.73	1%
Net Profit	1.57	1.84	1.85	2.06	2.13	2.26	2.47	3.02	7.32	9.88	2.10	2%
% Change (Y-o-Y)	19.7	18.3	22.0	16.1	35.6	22.8	33.8	46.7	18.9	35.02	33.29	
Operating Parameters												
Deposit (INR b)	620.4	647.8	677.5	725.8	744.8	778.1	817.3	856.5	725.8	856.5	755.4	-1%
Loan (INR b)	512.2	529.7	566.0	600.2	599.5	646.1	680.5	714.9	600.2	714.9	625.4	-4%
Deposit Growth (%)	20.0	18.8	19.5	20.9	20.1	20.1	20.6	18.0	20.9	18.0	21.8	
Loan Growth (%)	21.4	19.1	18.5	17.6	17.1	22.0	20.2	19.1	17.6	19.1	22.1	
Asset Quality												
Gross NPA (%)	2.98	2.91	2.72	2.45	2.43	2.28	2.18	2.13	2.46	2.13	2.40	
Net NPA (%)	1.22	1.21	1.10	0.89	0.84	0.79	0.75	0.71	0.89	0.71	0.86	
PCR (%)	59.7	59.2	60.3	64.3	66.0	65.8	66.3	66.9	64.3	66.9	64.8	

E: MOFSL Estimates

Quarterly snapshot

	FY26				FY27 1Q	Change (%)	
	1Q	2Q	3Q	4Q		YoY	QoQ
Profit and Loss (INR m)							
Net Interest Income	5.8	6.0	6.2	6.6	6.8	18	4
Other Income	2.4	1.9	2.2	2.1	2.0	-17	-7
Total Income	8.2	7.8	8.5	8.7	8.8	8	2
Operating Expenses	4.9	4.8	5.2	5.2	5.4	10	2
Employee	2.5	2.4	2.7	2.6	2.7	6	2
Others	2.4	2.4	2.5	2.6	2.7	13	2
Operating Profits	3.3	3.0	3.2	3.4	3.4	5	1
Core Operating Profits	2.3	2.8	2.9	3.3	3.3	45	-1
Provisions	1.2	0.6	0.7	0.7	0.6	-50	-17
PBT	2.1	2.4	2.5	2.7	2.9	36	5
Taxes	0.5	0.6	0.6	0.7	0.7	35	9
PAT	1.6	1.8	1.8	2.1	2.1	36	4
Balance Sheet (INR B)							
Loans	512	530	566	600	600	17	0
Deposits	620	648	678	726	745	20	3
CASA Deposits	145	152	154	162	161	11	-1
-Savings	121	128	131	137	137	13	0
-Current	23	24	23	26	25	5	-4
Loan Mix (%)							
Retail Banking	71.8	71.1	67.9	68.1	71.2	-60	310
-Mortgages	43.8	42.8	40.2	39.0	39.0	-480	0
-CV2	1.0	0.9	0.7	0.6	0.5	-50	-10
-AIB	23.2	23.5	23.0	23.5	24.3	110	80
-Gold loans	3.8	3.9	4.0	5.0	7.4	360	240
SME	4.5	4.2	3.8	3.6	3.3	-120	-30
Co-lending	15.2	16.1	15.8	13.8	12.3	-290	-150
Corporate	6.2	6.5	6.4	7.5	7.5	130	0
Asset Quality (INR B)							
GNPA	15.54	15.68	15.68	14.96	14.82	-5	-1
NNPA	6.25	6.41	6.23	5.34	5.04	-19	-6
Slippages	5.8	4.0	4.0	3.2	4.1	-30	26
Asset Quality Ratios (%)	1Q	2Q	3Q	4Q	1Q	YoY (Bp)	QoQ (Bp)
GNPA (%)	3.0	2.9	2.7	2.5	2.4	-55	-2
NNPA (%)	1.2	1.2	1.1	0.9	0.8	-38	-5
PCR (Exc TWO, %)	59.7	59.2	60.3	64.3	66.0	622	166
Slippage ratio (%)	6.0	3.9	3.7	2.8	3.5	-250	67
Business Ratios (%)							
CASA	23.3	23.5	22.8	22.4	21.7	-167	-73
Loan/Deposit	82.6	81.8	83.5	82.7	80.5	-206	-220
Other income/Total Income	28.9	23.8	26.2	24.4	22.3	-661	-210
Cost to Income	60.0	61.2	61.8	60.5	60.9	95	39
Cost to Asset	2.8	2.6	2.7	2.5	2.6	-18	4
Tax Rate	25.7	24.4	25.7	24.7	25.7	-3	101
Capitalisation Ratios (%)							
Tier-1 (incl profit)	14.2	14.0	13.5	14.3	14.9	70	64
CAR (incl profit)	16.7	16.4	15.8	16.6	17.0	37	48
RWA / Total Assets	49.3	49.1	49.9	49.1	48.8	-56	-30
LCR	NA	123.2	133.8	122.6	NA	NA	NA
Profitability Ratios (%)							
Yield on loans	11.2	11.1	11.0	11.0	10.8	-49	-23
Cost of funds	7.2	7.0	6.9	6.9	6.8	-43	-14
Margins	3.20	3.23	3.27	3.39	3.35	15	-4
Others							
Branches	465	468	469	480	480	15	0



Highlights from the management commentary

Opening Remarks

- Deposits grew 20.6% YoY, while advances grew 17% YoY.
- Profit after tax stood at INR2.13b, marking the highest-ever quarterly profit and the fourth consecutive quarter of record earnings.
- NIM expanded 15bp YoY to 3.35%, primarily driven by lower cost of deposits and improved recoveries despite moderation in lending yields.
- Strong growth in core fee income (INR175cr vs INR134cr in 1QFY26) has offset the sharp decline in one-off treasury gains (INR16cr vs INR101cr last year), highlighting improving quality of earnings.
- RoE stood at 13.61%, while cost-to-average assets improved to 2.42% from 2.50% in 1QFY26, aided by productivity improvements and record revenue per employee of INR11.06cr.
- Management reiterated key operating benchmarks of maintaining cost-to-assets below 2.5%, GNPA below 2.5%, NNPA below 1%, and RoE above 13.5%.

Advances and deposits related

- Management expects deposit repricing benefits to continue through 2QFY27, supporting funding costs over the coming quarters.
- Liability strategy remains focused on reducing cost of deposits rather than maximizing CASA ratio; current account acquisition remains the key improvement area.
- Cost of deposits continues to decline sequentially as the bank prioritizes granular liability growth over aggressive pricing.
- Loan mix is gradually shifting towards higher-yield mortgages, which are expected to offset the increasing share of lower-yield gold loans.
- Mortgage portfolio continues to transition toward organic branch-led sourcing, with the bank completely discontinuing the Direct Assignment (DA) model.
- Management clarified that there is no intentional slowdown in mortgages, and mortgage growth should accelerate if the current disbursement momentum is maintained.
- LAP-to-retail home loan mix remains at 70:30, which management considers the optimal steady-state portfolio mix.
- Gold loans are expected to stabilize at around 20-22% of the total loan book, with conservative underwriting through a maximum 75% LTV despite higher regulatory limits.
- Co-lending exposure is expected to remain between 12.5-15% of advances, with management preferring organic balance sheet growth over aggressive expansion.
- MSME growth is expected to improve from 3QFY27, supported by investments in relationship managers to improve CD accounts, overdraft products, and trade finance capabilities.
- The Commercial Vehicle portfolio continues to be a run-down portfolio, with no dedicated expansion strategy.
- Branch expansion remains measured, with around 20 new branches planned in FY27, while management continues to prioritize deeper penetration in existing geographies through manpower addition.

Income and cost related

- Processing fee income declined sequentially due to seasonal factors but management expects normalization in subsequent quarters.
- Trade finance, MSME banking, and current account acquisition remain the key drivers for improving fee income over FY27.
- Management continues to target cost-to-assets below 2.5%, even while expanding employee strength towards 13,000 over time.
- Productivity improvements have resulted in record revenue per employee of INR110.6m, helping offset investments in manpower.

Yield and margins

- Lending yields declined 23bp YoY, largely due to a higher mix of lower-yield gold loans.
- Management expects yields to improve over the next three quarters through increasing contribution from mortgages, LAP, and agriculture lending, while the proportion of gold loans normalizes.
- NIM expansion is expected to be driven primarily through continued reduction in funding costs rather than chasing high-yield lending segments.
- Management reiterated that it remains disciplined on asset mix and is not willing to sacrifice asset quality merely to improve margins.
- Deposit repricing and continued liability optimization are expected to remain the key margin drivers during FY27.

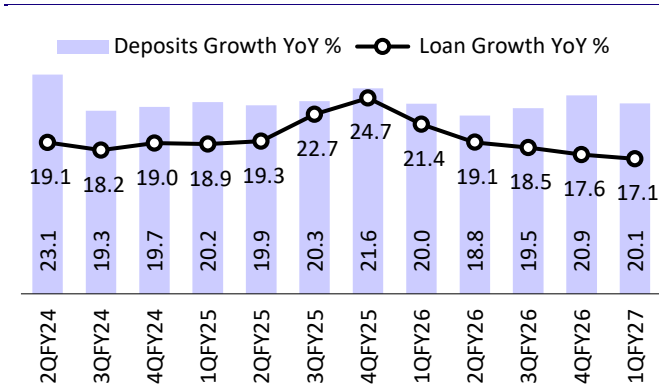
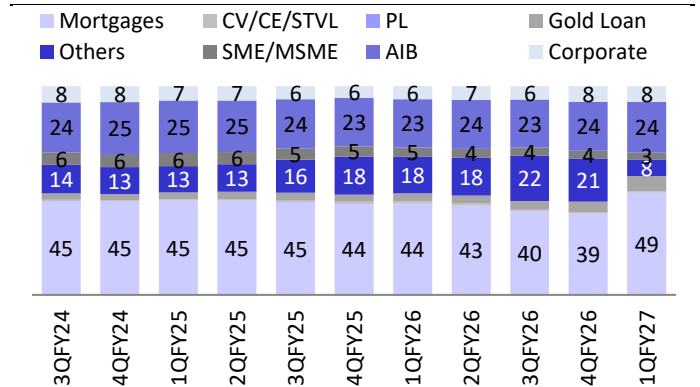
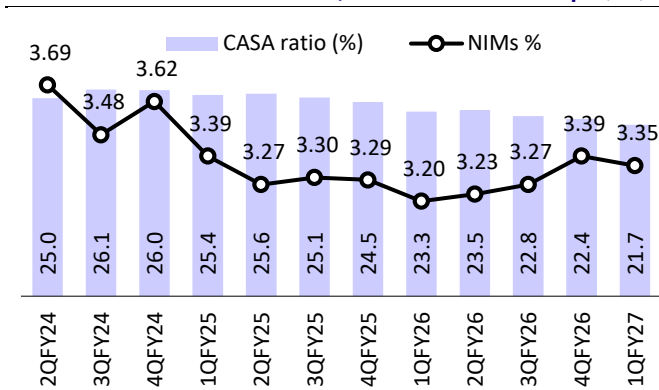
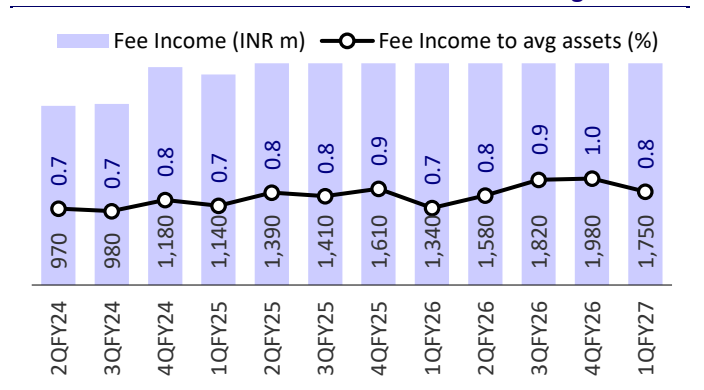
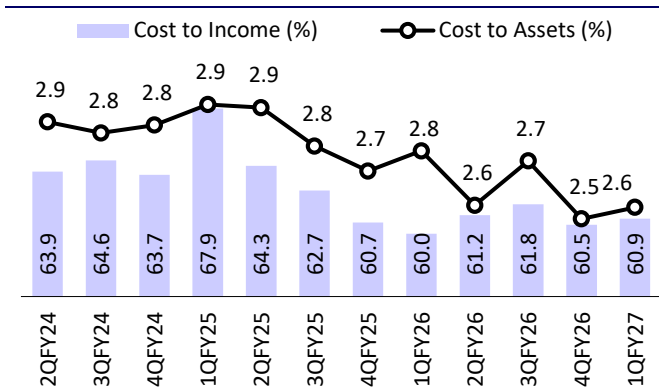
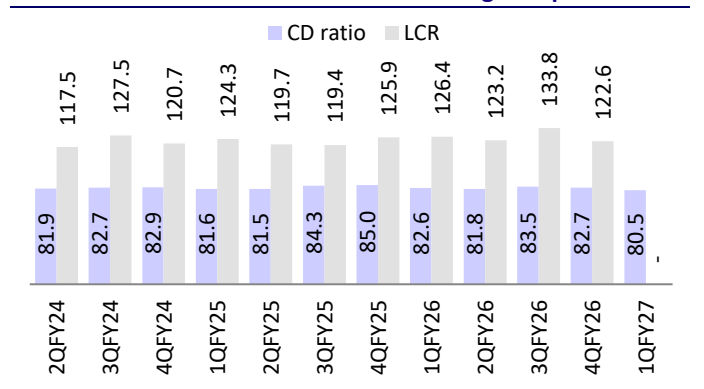
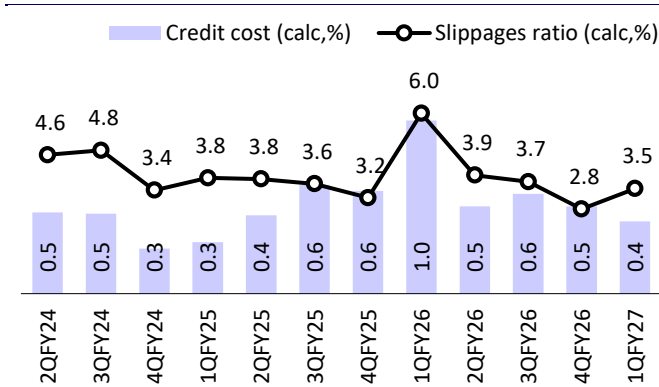
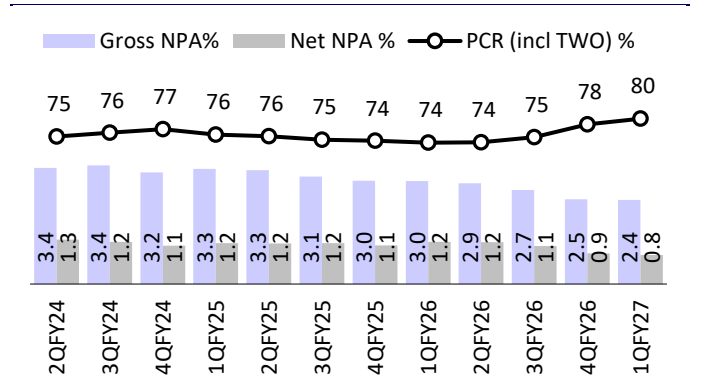
Asset quality

- Management indicated that non-gold portfolio slippages remain healthy, while gold loan slippages are operationally manageable given the fully secured nature of the portfolio.
- Conservative underwriting continues in the gold loan portfolio with a maximum 75% LTV, providing additional protection against volatility.
- MSME portfolio remains largely service-sector focused, with management not witnessing any meaningful stress despite inflationary pressures.
- Floating provisions continue to be strengthened, with INR60-70m added every quarter, taking the total floating provision buffer to around INR2.10b.
- Management reiterated its objective of maintaining GNPA below 2.5% and NNPA below 1%.

Guidance

- Management reiterated guidance of maintaining RoE above 13.5% in FY27, with an aspiration to improve it to 14.5% in FY28.
- Cost-to-assets is expected to remain below 2.5% despite planned investments in manpower and branch expansion.
- Capital position remains comfortable, with no immediate requirement for fund raising; however, approval for INR20b capital raising has been obtained to support future growth opportunities if required.
- CD ratio of 80.5% is expected to gradually increase as excess liquidity is deployed.
- Management remains focused on growing through organic mortgages, LAP, MSME, and transaction banking, while avoiding excessive risk-taking for margin expansion.

Story in charts

Exhibit 1: Loan/deposit books grew 17.1%/20.1% YoY

Exhibit 2: Trend in loan mix

Exhibit 3: CASA ratio at 21.7%; NIMs contracted 4bp QoQ

Exhibit 4: Fee income to assets stood at 0.8% of avg. assets

Exhibit 5: Cost to Income ratio increased to 60.9%

Exhibit 6: CD ratio declined to 80.5% during the quarter

Exhibit 7: Slippage ratio (calc) increased to 3.5% in 1QFY27

Exhibit 8: GNPA/NNPA ratios stood at 2.4%/0.8%


Source: MOFSL, Company

Source: MOFSL, Company

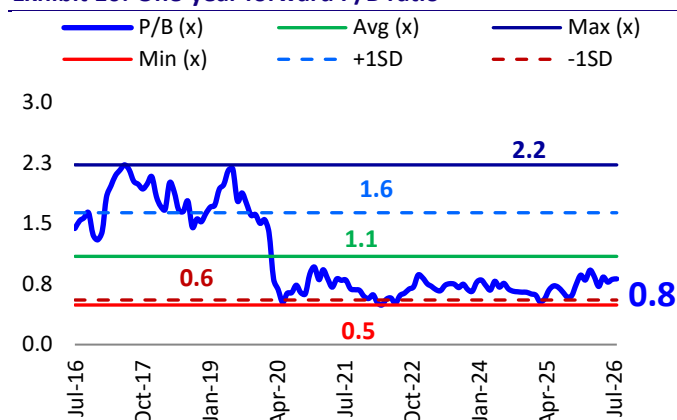
Valuation and view: Reiterate BUY with a TP of INR235

- DCBB reported an in-line performance, with both NII and PAT meeting expectations, while lower-than-expected provisions offset weaker other income.
- Margins contracted by 4bp QoQ, and management expects further expansion driven by an improving asset mix and a decline in the cost of deposits. Business growth remained healthy, supported by an increased focus on higher-yielding segments such as mortgages.
- Asset quality improved, with a decline in GNPA ratio leading to lower provisions. The bank expects growth to remain robust, guiding for an RoE of 13.5% in FY27 and 14.5% in FY28, along with an RoA target of ~1%, supported by better NIMs, improving asset quality, and enhanced operating efficiency.
- We largely maintain our estimates for FY27 and project an FY27E RoA/RoE of 1.03%/15.2%. **Reiterate BUY with a TP of INR235 (based on 0.9x FY28E ABV).**

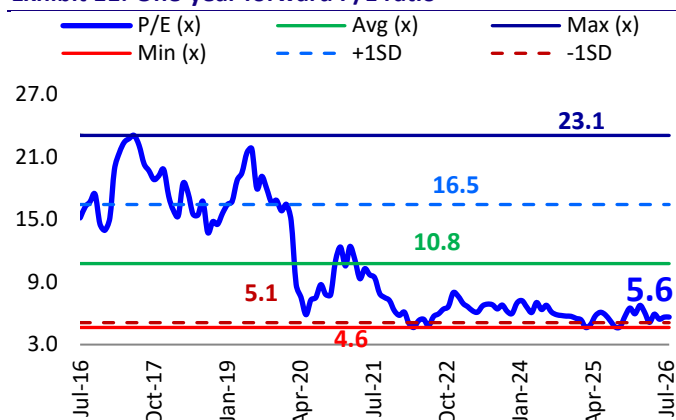
Exhibit 9: Summary of the changes to our earnings estimates

(INR b)	Old Estimates		Revised Estimates		Change (%/bp)	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	30.2	36.4	29.5	36.3	-2.3	-0.2
Other Income	9.6	11.2	9.4	10.9	-1.8	-2.6
Total Income	39.8	47.7	39.0	47.3	-2.1	-0.8
Operating Expenses	23.0	26.3	22.7	25.9	-1.4	-1.2
Operating Profits	16.8	21.4	16.3	21.3	-3.1	-0.3
Provisions	3.4	4.6	3.0	4.7	-12.9	2.7
PBT	13.3	16.8	13.3	16.6	-0.6	-1.1
Tax	3.4	4.3	3.4	4.2	-0.6	-1.1
PAT	9.9	12.5	9.9	12.4	-0.6	-1.1
Loans	715	852	715	852	0.0	0.0
Deposits	860	1,021	856	1,013	-0.4	-0.8
Margins (%)	3.4	3.5	3.3	3.5	-8	-2
Credit Cost (%)	0.5	0.6	0.5	0.6	-7	2
RoA (%)	1.00	1.04	1.03	1.10	3	6
RoE (%)	15.3	16.8	15.2	16.8	-8	-1
BV	218	255	218	251	-0.1	-1.8
ABV	206	240	207	238	0.4	-0.8
EPS	31	39	31	39	-0.6	-1.1

Source: MOFSL, Company

Exhibit 10: One-year forward P/B ratio


Source: MOFSL, Company

Exhibit 11: One-year forward P/E ratio


Source: MOFSL, Company

Exhibit 12: DuPont Analysis – Estimate RoA to improve to 1.03% for FY27

DCB Bank	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	8.65	9.29	9.25	8.98	8.88	8.96
Interest Expended	5.11	5.95	6.24	6.00	5.79	5.73
Net interest Income	3.53	3.34	3.01	2.98	3.09	3.22
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	0.05	0.02
Non-interest Income	0.84	0.82	1.07	1.04	0.98	0.97
Total Income	4.38	4.16	4.09	4.02	4.07	4.19
Operating expenses	2.76	2.66	2.60	2.45	2.37	2.30
Employees	1.43	1.38	1.32	1.24	1.21	1.18
Others	1.33	1.29	1.28	1.20	1.16	1.12
Operating profits	1.62	1.50	1.48	1.57	1.70	1.89
Core PPOp	1.60	1.44	1.27	1.37	1.65	1.87
Provisions	0.33	0.25	0.30	0.39	0.31	0.42
NPA	0.09	0.02	0.03	0.02	0.30	0.38
Others	0.24	0.23	0.27	0.36	0.02	0.04
PBT	1.29	1.25	1.19	1.19	1.39	1.48
Tax	0.33	0.32	0.31	0.30	0.35	0.38
ROA (%)	0.96	0.93	0.88	0.89	1.03	1.10
Leverage (x)	12.01	12.76	13.73	14.27	14.73	15.30
ROE (%)	11.51	11.85	12.09	12.67	15.20	16.82

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	84.9	101.0
Interest Expense	24.8	34.3	43.6	49.5	55.4	64.6
Net Interest Income	17.2	19.3	21.1	24.6	29.5	36.3
-growth (%)	26.5	12.3	9.3	16.6	20.2	23.1
Non Interest Income	4.1	4.7	7.5	8.6	9.4	10.9
Total Income	21.3	24.0	28.6	33.1	39.0	47.3
-growth (%)	17.5	13.0	18.9	15.9	17.6	21.4
Operating Expenses	13.4	15.4	18.2	20.2	22.7	25.9
Pre Provision Profits	7.9	8.6	10.4	13.0	16.3	21.3
-growth (%)	-1.3	9.9	20.0	25.0	25.5	31.3
Core PPOp	7.8	8.3	8.9	11.3	15.8	21.1
-growth (%)	8.3	7.2	6.5	27.2	40.3	33.2
Provisions	1.6	1.4	2.1	3.2	3.0	4.7
PBT	6.3	7.2	8.3	9.8	13.3	16.6
Tax	1.6	1.9	2.1	2.5	3.4	4.2
Tax Rate (%)	25.8	25.8	25.7	25.1	25.5	25.5
PAT	4.7	5.4	6.2	7.3	9.9	12.4
-growth (%)	61.9	15.1	14.8	18.9	35.0	25.5

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	69.1	79.5
Net Worth	45.6	50.7	56.9	65.3	72.3	82.8
Deposits	412.4	493.5	600.3	725.8	856.5	1,013.2
-growth (%)	18.9	19.7	21.6	20.9	18.0	18.3
of which CASA Dep	109.0	128.4	147.2	162.5	192.7	237.1
-growth (%)	17.4	17.9	14.6	10.4	18.6	23.0
Borrowings	41.2	62.2	91.2	60.9	70.6	85.7
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	1,033.2	1,221.6
Current Assets	23.7	30.7	27.0	42.2	41.7	47.3
Investments	125.8	162.1	201.5	203.8	238.4	281.3
-growth (%)	39.0	28.8	24.3	1.1	17.0	18.0
Loans	343.8	409.2	510.5	600.2	714.9	852.1
-growth (%)	18.2	19.0	24.7	17.6	19.1	19.2
Fixed Assets	8.3	8.6	9.0	9.9	10.8	11.5
Other Assets	22.1	19.7	20.2	24.6	27.4	29.4
Total Assets	523.7	630.4	768.1	880.7	1,033.2	1,221.6

ASSET QUALITY						
GNPA	11.2	13.5	15.5	15.0	15.4	18.4
NNPA	3.6	4.5	5.7	5.3	5.1	5.6
GNPA Ratio (%)	3.21	3.25	3.00	2.46	2.13	2.12
NNPA Ratio (%)	1.04	1.11	1.12	0.89	0.71	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	0.5	0.6
PCR (Excl Tech. write off) (%)	56.0	55.0	51.9	50.7	66.9	69.7

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	10.4
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	6.4
Avg. Cost of Deposits	5.9	6.8	7.0	6.7	6.5	6.5
Interest Spread	3.3	3.0	2.7	2.6	2.8	2.9
Net Interest Margin	4.0	3.7	3.3	3.2	3.3	3.5

Profitability Ratios (%)

CAR	17.6	16.6	16.8	16.6	15.1	14.2
Tier I	15.2	14.5	14.3	14.3	13.2	12.6
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	83.5	84.1
CASA Ratio	26.4	26.0	24.5	22.4	22.5	23.4
Cost/Assets	2.8	2.7	2.6	2.4	2.4	2.3
Cost/Income	63.0	64.0	63.7	60.9	58.3	54.9
Cost/ Core Income	63.3	64.9	67.3	64.1	58.9	55.2
Int. Expense/Int.Income	59.1	64.0	67.4	66.8	65.2	64.0
Fee Income/Net Income	18.7	18.4	21.0	20.7	23.1	22.5
Other Income/Net Income	19.3	19.7	26.3	25.8	24.2	23.1
Employee Cost/Operating Expense	51.7	51.7	50.7	50.9	51.1	51.4

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	0.9	1.0
CASA per branch	232.0	255.2	290.6	317.3	338.5	375.2
Deposits per branch	867.3	965.8	1,116.6	1,293.8	1,512.2	1,667.6
Business per Employee	79.0	76.3	79.7	100.5	117.0	128.3
Profit per Employee	3.6	4.7	4.7	5.6	6.5	8.1

Profitability and Valuations Ratios

RoE	11.5	11.8	12.1	12.7	15.2	16.8
RoA	1.0	0.9	0.9	0.9	1.0	1.1
RoRWA	1.6	1.6	1.6	1.7	1.9	2.0
Book Value (INR)	141	157	176	196	218	251
-growth (%)	12.0	11.1	12.2	11.6	11.0	14.9
Price-BV (x)	1.3	1.2	1.1	1.0	0.9	0.7
Adjusted BV (INR)	133	147	163	185	207	238
Price-ABV (x)	1.4	1.3	1.1	1.0	0.9	0.8
EPS (INR)	14.9	17.1	19.6	22.7	30.7	38.5
-growth (%)	61.7	14.6	14.3	16.1	35.0	25.5
Price-Earnings (x)	12.5	10.9	9.6	8.2	6.1	4.9
Dividend Per Share (INR)	1.0	1.2	1.2	1.3	1.8	2.5
Dividend Yield (%)	0.5	0.7	0.7	0.7	1.0	1.3

E: MOFSL Estimates

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