

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR193

TP: INR235 (+22%)

Buy

Steady quarter; on track for 1% RoA in FY27E

Asset quality healthy; NIMs expand 12bp QoQ

- DCB Bank (DCBB) reported 16.1% YoY growth in PAT at INR2.06b (broadly in line), aided by lower provisions and lower tax rate.
- NII grew 17% YoY to INR6.5b (inline, up 5% QoQ). NIMs expanded 12bp QoQ to 3.39% in 4QFY26, driven by lower funding cost and better loan mix.
- Other income declined ~3% YoY/declined 4.5% QoQ to INR2.1b (7% lower vs MOFSLe), amid muted treasury gains. Opex grew ~11% YoY (flat QoQ) to INR5.2b. PPop stood at INR3.4b (up ~12% YoY/6% QoQ; broadly in line).
- Business growth remained healthy with advances growth of 17.6% YoY/6% QoQ, while deposits grew 20.9% YoY/7.1% QoQ. CASA mix stood at 22.4%.
- GNPA/NNPA ratios improved to 2.45%/0.89% (down 27bp/21bp QoQ), while PCR increased to ~64%. Slippage ratio declined to 2.3% vs 3.1% in 3QFY26.
- We largely maintain our earnings and estimate FY27E RoA/RoE of 1.01%/15.1%. **Reiterate BUY with a TP of INR235 (based on 1.0x Sep'27E ABV).**

Business growth robust; slippage declines 21% QoQ

- DCBB reported PAT of INR2.06b (up ~16% YoY/ ~11% QoQ; largely in line), aided by lower-than-expected provisions and lower tax rate.
- NII grew 17% YoY/4.9% QoQ to INR6.5b (up 5% QoQ, largely in line). NIMs expanded 12bp QoQ to 3.39% in 4QFY26, supported by lower funding cost and improving mix. Other income declined 3% YoY/4.5% QoQ to INR2.1b (7% lower vs MOFSLe).
- Opex grew 11.3% YoY/flat QoQ to INR5.2b (largely in line). PPop, thus, grew 12% YoY/6% QoQ to INR3.4b (broadly in line).
- Provisions were lower at INR690m (up 2.6% YoY/ down 7% QoQ, 18% lower vs MOFSLe). PBT grew to INR2.73b (15% YoY/10% QoQ, largely in line).
- Advances grew 18% YoY/6% QoQ, led by gold, agri, as well as corporate book. While mortgage book grew slower at 5% YoY/ 2.9% QoQ, co-lending book declined by 7% QoQ.
- Deposits grew robust at 21% YoY/ 7% QoQ, while CASA deposits grew slow at 10.4% YoY/ 5.3% QoQ. As a result, CASA ratio declined to 22.4% vs 22.8% in 3QFY26. DCBB's CD ratio declined by 84bp QoQ to 82.7%.
- Fresh slippages moderated by 21% QoQ, with annualized slippage ratio declining to 2.3% vs 3.1% in 3QFY26. GNPA/NNPA ratios improved to 2.45%/0.89% (down 27bp/21bp QoQ), while PCR increased to ~64%.

Highlights from the management commentary

- The bank remains confident of sustaining 18-20% growth in advances and deposits over the medium term.
- RoA trajectory remains toward 1%+ as margins, asset quality, and productivity improve.
- The bank expects deposit repricing benefit to continue till late 2QFY27/early 3QFY27.
- Priority remains liability quality and pricing discipline rather than chasing high-cost deposits.

Bloomberg	DCBB IN
Equity Shares (m)	322
M.Cap.(INRb)/(USDb)	62.2 / 0.7
52-Week Range (INR)	204 / 119
1, 6, 12 Rel. Per (%)	8/30/51
12M Avg Val (INR M)	410

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
NII	24.6	30.4	36.2
OP	13.0	17.4	21.9
NP	7.3	9.9	12.5
NIM (%)	3.2	3.4	3.4
EPS (INR)	22.7	30.9	38.9
EPS Gr. (%)	16.1	35.8	26.1
BV/Sh. (INR)	198	220	257
ABV/Sh. (INR)	187	206	241

Ratios

RoA (%)	0.9	1.0	1.1
RoE (%)	12.5	15.1	16.6

Valuations

P/E (x)	8.5	6.3	5.0
P/BV (x)	1.0	0.9	0.8
P/ABV (x)	1.0	0.9	0.8

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	16.2	16.2	14.7
DII	32.8	32.2	29.2
FII	12.6	11.9	9.6
Others	38.3	39.7	46.5

FII includes depository receipts

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Motilal Oswal research is available on www.motilalosal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

DCBB reported an in-line performance, with both NII and PAT meeting expectations, while lower-than-expected provisions offset weaker other income. Margins improved by 12bp QoQ, and management expects further expansion driven by an improving asset mix and a decline in the cost of deposits, which is likely to continue until 2QFY27. Business growth remained healthy, supported by an increased focus on higher-yielding segments such as business loans and gold loans. Asset quality improved, with a decline in slippages leading to lower provisions. The bank expects growth to remain robust, guiding for asset growth of 18–20%, along with a 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 1.01%/15.1%. **Reiterate BUY with a TP of INR235 (based on 1.0x Sep'27E ABV).**

Quarterly Performance

(INR b)

	FY25				FY26				FY26	FY27E	FY26E 4QE	V/s our Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QA				
Net Interest Income	4.97	5.09	5.43	5.58	5.80	5.96	6.25	6.55	24.57	30.38	6.69	-2%
% Change (Y-o-Y)	5.49	7.03	14.53	9.95	16.89	17.10	15.07	17.43	16.61	23.68	19.86	
Other Income	1.43	2.05	1.84	2.19	2.36	1.86	2.21	2.12	8.55	10.05	2.27	-7%
Total Income	6.40	7.14	7.27	7.77	8.17	7.82	8.46	8.67	33.12	40.43	8.96	-3%
Operating Expenses	4.34	4.59	4.56	4.71	4.90	4.78	5.23	5.25	20.16	22.98	5.38	-3%
Operating Profit	2.05	2.55	2.71	3.05	3.27	3.04	3.23	3.42	12.96	17.45	3.58	-4%
% Change (Y-o-Y)	(1.58)	21.19	28.18	30.66	59.17	19.13	19.08	12.02	24.95	34.67	17.11	
Provisions	0.28	0.46	0.67	0.67	1.15	0.61	0.74	0.69	3.19	4.11	0.84	-18%
Profit before Tax	1.77	2.10	2.04	2.38	2.12	2.43	2.49	2.73	9.77	13.34	2.74	0%
Tax	0.46	0.54	0.52	0.61	0.54	0.59	0.64	0.67	2.45	3.40	0.71	-5%
Net Profit	1.31	1.55	1.51	1.77	1.57	1.84	1.85	2.06	7.32	9.94	2.02	2%
% Change (Y-o-Y)	3.5	22.6	19.6	13.8	19.7	18.3	22.0	16.1	18.9	35.85	14.23	
Operating Parameters												
Deposit (INR b)	516.9	545.3	566.8	600.3	620.4	647.8	677.5	725.8	725.8	849.2	708.4	2%
Loan (INR b)	421.8	444.7	477.8	510.5	512.2	529.7	566.0	600.2	600.2	716.7	602.9	0%
Deposit Growth (%)	20.2	19.9	20.3	21.6	20.0	18.8	19.5	20.9	20.9	17.0	18.0	
Loan Growth (%)	18.9	19.3	22.7	24.7	21.4	19.1	18.5	17.6	17.6	19.4	18.1	
Asset Quality												
Gross NPA (%)	3.33	3.29	3.11	2.99	2.98	2.91	2.72	2.45	2.45	2.41	2.57	
Net NPA (%)	1.18	1.17	1.18	1.12	1.22	1.21	1.10	0.89	0.89	0.90	1.01	
PCR (%)	65.2	65.2	62.9	63.2	59.7	59.2	60.3	64.3	64.3	63.0	61.4	

E: MOFSL Estimates

Quarterly snapshot

	FY25				FY26				Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
Profit and Loss (INR m)										
Net Interest Income	5.0	5.1	5.4	5.6	5.8	6.0	6.2	6.6	17	5
Other Income	1.4	2.0	1.8	2.2	2.4	1.9	2.2	2.1	-3	-4
Total Income	6.4	7.1	7.3	7.8	8.2	7.8	8.5	8.7	12	2
Operating Expenses	4.3	4.6	4.6	4.7	4.9	4.8	5.2	5.2	11	0
Employee	2.3	2.4	2.3	2.3	2.5	2.4	2.7	2.6	13	-3
Others	2.1	2.2	2.2	2.4	2.4	2.4	2.5	2.6	9	3
Operating Profits	2.1	2.6	2.7	3.1	3.3	3.0	3.2	3.4	12	6
Core Operating Profits	1.9	2.0	2.3	2.6	2.3	2.8	2.9	3.3	27	13
Provisions	0.3	0.5	0.7	0.7	1.2	0.6	0.7	0.7	3	-7
PBT	1.8	2.1	2.0	2.4	2.1	2.4	2.5	2.7	15	10
Taxes	0.5	0.5	0.5	0.6	0.5	0.6	0.6	0.7	10	5
PAT	1.3	1.6	1.5	1.8	1.6	1.8	1.8	2.1	16	11
Balance Sheet (INR B)										
Loans	422	445	478	510	512	530	566	600	18	6
Deposits	517	545	567	600	620	648	678	726	21	7
CASA Deposits	131	140	142	147	145	152	154	162	10	5
-Savings	110	118	120	125	121	128	131	137	10	4
-Current	21	22	22	23	23	24	23	26	13	10
Loan Mix (%)										
Retail Banking	74.3	74.0	72.5	71.2	71.8	71.1	67.9	68.1	-310	20
-Mortgages	45.4	45.3	44.5	43.6	43.8	42.8	40.2	39.0	-460	-120
-CV2	0.4	0.6	1.0	1.1	1.0	0.9	0.7	0.6	-50	-10
-AIB	25.2	24.6	23.6	23.1	23.2	23.5	23.0	23.5	40	50
-Gold loans	3.3	3.5	3.4	3.4	3.8	3.9	4.0	5.0	160	100
SME	6.2	5.9	5.3	4.9	4.5	4.2	3.8	3.6	-130	-20
Co-lending	7.1	8.0	11.3	13.0	15.2	16.1	15.8	13.8	80	-200
Corporate	6.9	6.9	6.3	5.7	6.2	6.5	6.4	7.5	180	110
Asset Quality										
GNPA	14.35	14.97	15.17	15.54	15.54	15.68	15.68	14.96	-4	-5
NNPA	4.99	5.21	5.62	5.72	6.25	6.41	6.23	5.34	-7	-14
Slippages	3.7	3.9	4.0	3.7	5.8	4.0	4.0	3.2	-13	-21
Asset Quality Ratios (%)										
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY (Bp)	QoQ (Bp)
GNPA (%)	3.3	3.3	3.1	3.0	3.0	2.9	2.7	2.5	-54	-27
NNPA (%)	1.2	1.2	1.2	1.1	1.2	1.2	1.1	0.9	-23	-21
PCR (Exc TWO, %)	65.2	65.2	62.9	63.2	59.7	59.2	60.3	64.3	107	404
Slippage ratio (%)	3.8	3.8	3.6	3.2	6.0	3.9	3.7	2.8	-40	-93
Business Ratios (%)										
CASA	25.4	25.6	25.1	24.5	23.3	23.5	22.8	22.4	-214	-39
Loan/Deposit	81.6	81.5	84.3	85.0	82.6	81.8	83.5	82.7	-234	-84
Other income/Total Income	22.4	28.7	25.3	28.2	28.9	23.8	26.2	24.4	-377	-177
Cost to Income	67.9	64.3	62.7	60.7	60.0	61.2	61.8	60.5	-15	-131
Cost to Asset	2.9	2.9	2.8	2.7	2.8	2.6	0.0	0.0	-270	0
Tax Rate	25.8	25.8	25.7	25.7	25.7	24.4	25.7	24.7	-96	-103
Capitalisation Ratios (%)										
Tier-1 (incl profit)	14.0	13.7	13.5	14.3	14.2	14.0	13.5	14.3	-4	81
CAR (incl profit)	16.0	15.6	16.3	16.8	16.7	16.4	15.8	16.6	-22	71
RWA / Total Assets	53.0	51.0	49.4	49.4	49.3	49.1	49.9	49.1	-34	-77
LCR	124.3	119.7	119.4	125.9	NA	123.2	133.8	0.0	NA	NA
Profitability Ratios (%)										
Yield on loans	11.5	11.4	11.4	11.5	11.2	11.1	11.0	11.0	-56	0
Cost of funds	7.2	7.2	7.2	7.3	7.2	7.0	6.9	6.9	-45	-4
Margins	3.39	3.27	3.30	3.29	3.20	3.23	3.27	3.39	10	12
Others										
Branches	445	451	457	464	465	468	469	480	16	11



Highlights from the management commentary

Opening Remarks

- Deposits grew 21% YoY and 7% QoQ, while advances grew 18% YoY and 6% QoQ in 4QFY26. Management reiterated focus on ensuring deposit growth outpaces advances growth.
- Profit after tax stood at INR2.0b, the highest-ever quarterly profit and third consecutive quarter of record earnings.
- NIM expanded 12bp QoQ to 3.39%, the highest in seven quarters, driven by lower funding cost and better mix.
- Operating jaws remained positive with income growth of 16% YoY and opex growth of 11%.
- RoA stood at 0.97% and RoE at 13.53%; full-year RoA/RoE stood at 0.89%/12.72%.
- Cost-to-average assets stood at 2.4% in 4QFY26 vs 2.5% for FY26 despite the wage code impact.
- Management remains cautious on liquidity and continues to maintain excess a liquidity buffers.

Advances and deposits related

- The bank expects deposit repricing benefit to continue till late 2QFY27/early 3QFY27.
- Retail term deposits remain the key funding lever; current account growth remains the biggest priority area.
- Bulk deposits are being used selectively as liquidity buffer, with a focus on balancing granularity, tenor, and RoI.
- Top-20 deposit cost has moderated further, and management sees improved competitiveness versus peers.
- Mortgage growth in 4Q annualized implies ~16% run rate; management indicated a turnaround in the mortgage business after a strategic reset.
- The shift from DSA-led sourcing to branch-led sourcing in mortgages is progressing well, improving asset quality.
- Mortgage quarterly growth of 3.8% was largely branch-banking driven.
- The bank reiterated that mortgage growth can move toward 18%+ in the medium term.
- Co-lending book declined in absolute terms between 3Q and 4Q, and is now ~15% of advances.
- Gold co-lending transition to CLM-1 model is complete; normal growth has resumed.
- SME/business loan momentum is expected to improve from FY27 as new sourcing channels scale up.
- The bank indicated a high probability of crossing 500 branches during FY27.
- Employee count is likely to rise toward ~13,000 over time from current levels to support growth.

Income and cost related

- Fee income at INR1.98b was the highest ever, led by trade finance, TPP distribution, and processing fees.
- Core fee income remains healthy and repeatable; treasury gains were nil in 4Q.
- Fee income continues to be more liability-linked than loan-linked.
- Wage code impact for full year was INR732m; 4Q impact was limited.
- Cost discipline remains a focus despite planned investments in branches and manpower.

- Management expects operating leverage benefits to continue as productivity improves.

Yield and margins

- NIM expanded to 3.39% vs 3.27% in 3QFY26, aided by lower deposit cost and better loan mix.
- Cost of deposits declined to 6.84%; further moderation expected over the next few quarters.
- The mix's shift away from low-yield co-lending book toward higher-yield core assets supported margins.
- Lower funding costs are expected to offset part of repo transmission impact.
- Priority remains liability quality and pricing discipline rather than chasing high-cost deposits.

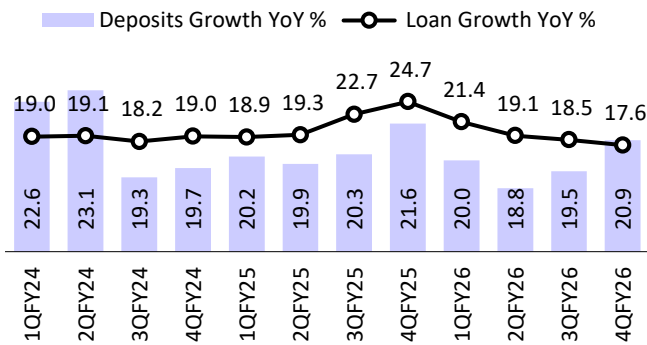
Asset quality

- Gross NPA ratio improved to 2.45%; NNPA declined to 0.89%, both at seven-year lows.
- Credit cost stood at 0.37% for FY26 vs prior guidance of 45-55bp.
- Slippage ratio improved to 2.28% from 3.08% in 3QFY26.
- Gold loan slippages were elevated (~5.3%) but operationally manageable due to the collateral nature.
- Ex-gold portfolio slippage ratio remains materially lower.
- Management expects portfolio quality to remain stable and remains focused on keeping NNPA below 1%.

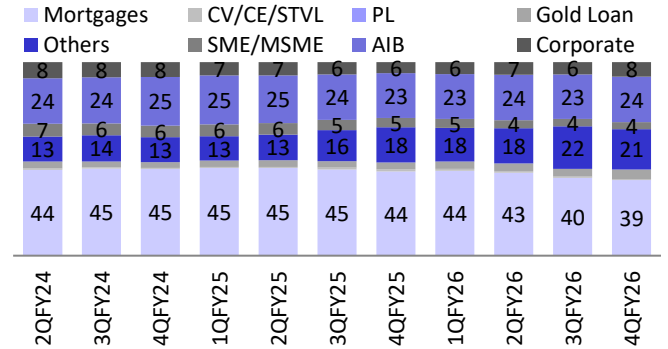
Guidance

- The bank remains confident of sustaining 18-20% growth in advances and deposits over the medium term.
- Internal target remains to double the balance sheet every 3-4 years.
- RoA trajectory remains toward 1%+ as margins, asset quality, and productivity improve.
- Capital raise enabling resolution has been taken proactively; actual timing will depend on growth pace and valuation.
- Management suggested capital may be considered over the next 2-4 quarters if growth sustains at the current pace.
- Current account growth, mortgage acceleration, and SME scaling are key operating priorities for FY27.

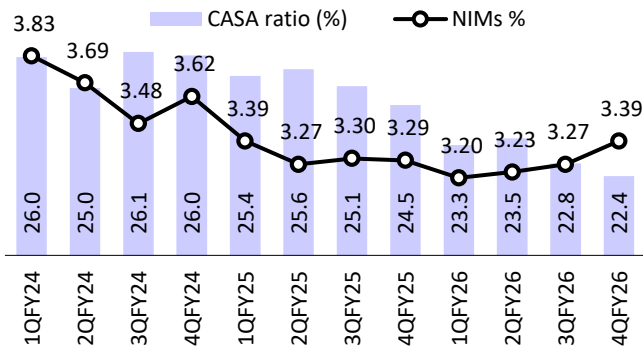
Story in charts

Exhibit 1: Loan/deposit books grew 17.6%/20.9% YoY


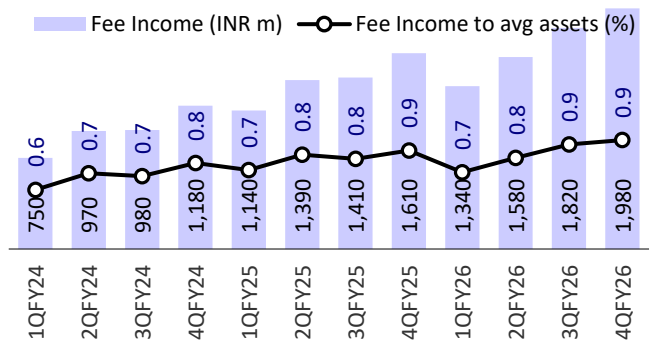
Source: MOFSL, Company

Exhibit 2: Trend in loan mix


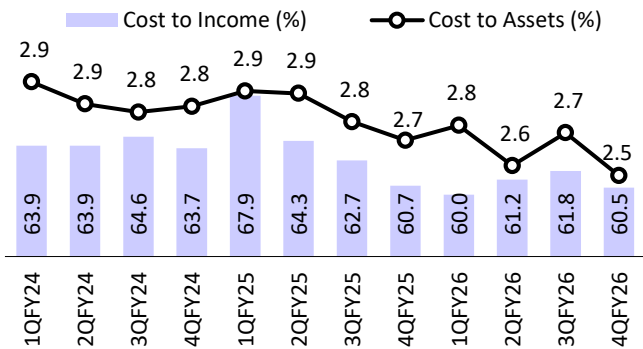
Source: MOFSL, Company

Exhibit 3: CASA ratio at 22.4%; NIMs expanded 12bp QoQ


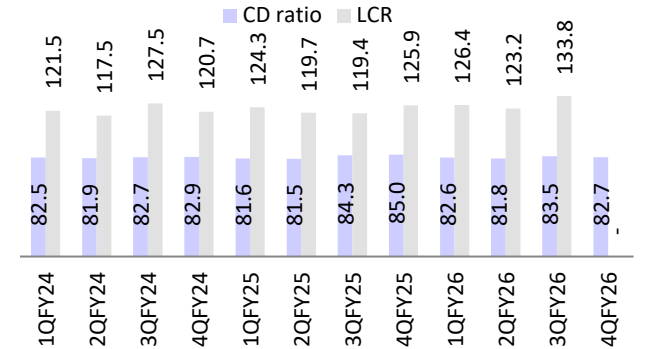
Source: MOFSL, Company

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


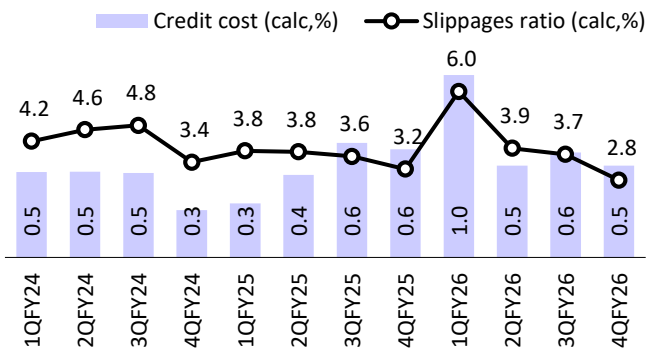
Source: MOFSL, Company

Exhibit 5: Cost-Income ratio declined to 60.5%


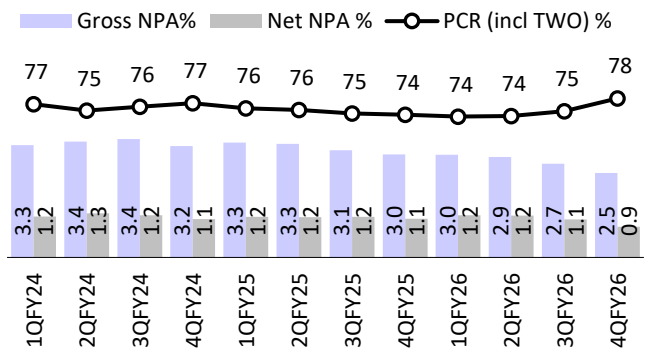
Source: MOFSL, Company

Exhibit 6: CD ratio declined to 82.7% during the quarter


Source: MOFSL, Company

Exhibit 7: Slippage ratio (calc) moderated to 2.8% in 4QFY26


Source: MOFSL, Company

Exhibit 8: GNPA/NNPA ratios stood at 2.5%/0.9%


Source: MOFSL, Company

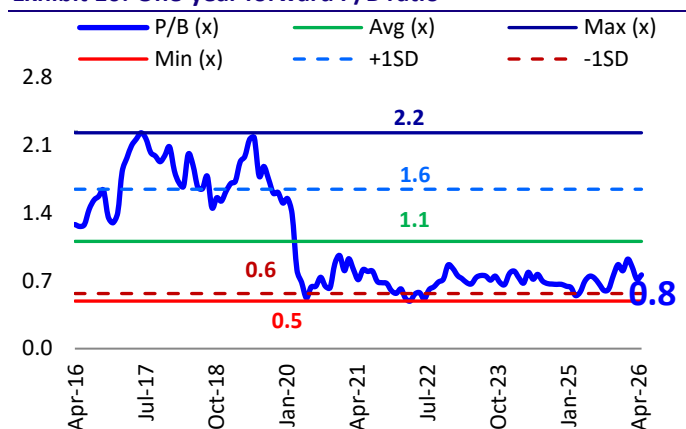
Valuation and view: Reiterate BUY with a TP of INR235

- DCBB reported an in-line performance, with both NII and PAT meeting expectations, while lower-than-expected provisions offset weaker other income.
- Margins expanded by 12bp QoQ, and management expects further expansion, driven by an improving asset mix and a decline in the cost of deposits, which is likely to continue until 2QFY27.
- Business growth remained healthy, supported by an increased focus on higher-yielding segments such as business loans and gold loans. Asset quality improved, with a decline in slippages leading to lower provisions.
- The bank expects growth to remain robust, guiding for asset growth of 18–20%, along with a 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 1.01%/15.1%. **Reiterate BUY with a TP of INR235 (based on 1.0x Sep'27E ABV).**

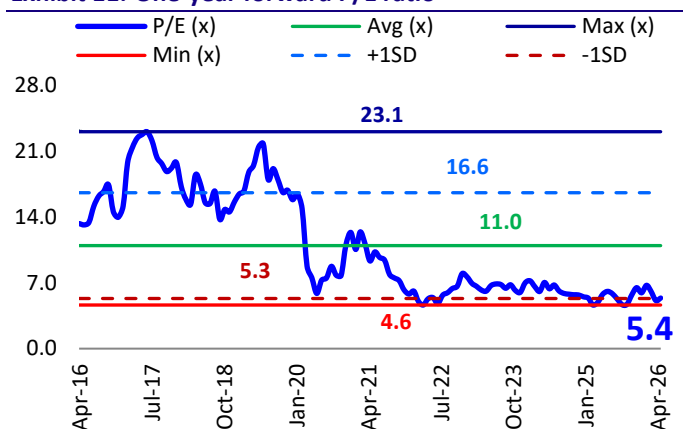
Exhibit 9: Summary of the changes to our earnings estimates

(INR b)	Old Estimates			Revised Estimates			Change (%/bp)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
NII	24.7	30.4	36.6	24.6	30.4	36.2	-0.5	0.0	-1.0
Other Income	8.7	10.1	11.8	8.6	10.0	11.8	-1.8	-0.5	-0.1
Total Income	33.4	40.5	48.4	33.1	40.4	48.0	-0.9	-0.1	-0.7
Operating Expenses	20.3	23.0	26.4	20.2	23.0	26.1	-0.7	-0.2	-0.9
Operating Profits	13.1	17.4	22.0	13.0	17.4	21.9	-1.2	0.1	-0.6
Provisions	3.3	4.1	5.2	3.2	4.1	5.1	-4.5	0.0	-2.6
PBT	9.8	13.3	16.8	9.8	13.3	16.8	0.0	0.1	0.0
Tax	2.5	3.4	4.3	2.5	3.4	4.3	-1.5	0.1	0.0
PAT	7.3	9.9	12.5	7.3	9.9	12.5	0.5	0.1	0.0
Loans	603	717	850	600	717	854	-0.4	0.0	0.5
Deposits	708	841	996	726	849	998	2.5	1.0	0.1
Margins (%)	3.2	3.3	3.3	3.2	3.4	3.4	4	13	10
Credit Cost (%)	0.6	0.6	0.7	0.6	0.6	0.6	-3	0	-2
RoA (%)	0.87	1.00	1.07	0.89	1.01	1.06	2	1	-1
RoE (%)	12.8	15.3	16.6	12.5	15.1	16.6	-20	-27	-1
BV	192	221	258	198	220	257	3.4	-0.4	-0.4
ABV	178	207	242	187	206	241	4.6	-0.5	-0.6
EPS	23	31	39	23	31	39	0.0	-0.4	-0.4

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 1.01% for FY27

DCB Bank	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	8.65	9.29	9.25	8.98	8.68	8.54
Interest Expended	5.11	5.95	6.24	6.00	5.59	5.48
Net interest Income	3.53	3.34	3.01	2.98	3.09	3.05
Fee income	0.82	0.77	0.86	0.92	0.91	0.89
Trading and others	0.02	0.06	0.22	0.12	0.11	0.10
Non-interest Income	0.84	0.82	1.07	1.04	1.02	1.00
Total Income	4.38	4.16	4.09	4.02	4.11	4.05
Operating expenses	2.76	2.66	2.60	2.45	2.33	2.20
Employees	1.43	1.38	1.32	1.25	1.18	1.11
Others	1.33	1.29	1.28	1.20	1.16	1.10
Operating profits	1.62	1.50	1.48	1.57	1.77	1.84
Core PPOP	1.60	1.44	1.27	1.45	1.66	1.74
Provisions	0.33	0.25	0.30	0.39	0.42	0.43
NPA	0.09	0.02	0.03	0.37	0.39	0.40
Others	0.24	0.23	0.27	0.02	0.03	0.03
PBT	1.29	1.25	1.19	1.19	1.35	1.42
Tax	0.33	0.32	0.31	0.30	0.35	0.36
ROA (%)	0.96	0.93	0.88	0.89	1.01	1.06
Leverage (x)	12.01	12.76	13.73	14.15	14.92	15.71
ROE (%)	11.51	11.85	12.09	12.56	15.06	16.60

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	85.5	101.3
Interest Expense	24.8	34.3	43.6	49.5	55.1	65.0
Net Interest Income	17.2	19.3	21.1	24.6	30.4	36.2
-growth (%)	26.5	12.3	9.3	16.6	23.7	19.2
Non Interest Income	4.1	4.7	7.5	8.6	10.0	11.8
Total Income	21.3	24.0	28.6	33.1	40.4	48.0
-growth (%)	17.5	13.0	18.9	15.9	22.1	18.8
Operating Expenses	13.4	15.4	18.2	20.2	23.0	26.1
Pre Provision Profits	7.9	8.6	10.4	13.0	17.4	21.9
-growth (%)	-1.3	9.9	20.0	25.0	34.7	25.4
Core PPOp	7.8	8.3	8.9	12.0	16.4	20.7
-growth (%)	8.3	7.2	6.5	35.0	36.8	26.3
Provisions	1.6	1.4	2.1	3.2	4.1	5.1
PBT	6.3	7.2	8.3	9.8	13.3	16.8
Tax	1.6	1.9	2.1	2.5	3.4	4.3
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	12.5
-growth (%)	61.9	15.1	14.8	18.9	35.8	26.1

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	69.2	81.1
Net Worth	45.6	50.7	56.9	65.3	72.4	84.3
Deposits	412.4	493.5	600.3	725.8	849.2	997.8
-growth (%)	18.9	19.7	21.6	20.9	17.0	17.5
of which CASA Dep	109.0	128.4	147.2	172.0	204.7	245.5
-growth (%)	17.4	17.9	14.6	16.9	19.0	19.9
Borrowings	41.2	62.2	91.2	60.9	133.4	161.7
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	1,088.8	1,283.7
Current Assets	23.7	30.7	27.0	42.2	37.6	42.1
Investments	125.8	162.1	201.5	203.8	241.1	284.5
-growth (%)	39.0	28.8	24.3	1.1	18.3	18.0
Loans	343.8	409.2	510.5	600.2	716.7	854.3
-growth (%)	18.2	19.0	24.7	17.6	19.4	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	82.7	91.3
Total Assets	523.7	630.4	768.1	880.7	1,088.8	1,283.7

ASSET QUALITY

GNPA	11.2	13.5	15.5	15.0	17.5	20.4
NNPA	3.6	4.5	5.7	5.3	6.5	7.4
GNPA Ratio (%)	3.21	3.25	3.00	2.45	2.41	2.35
NNPA Ratio (%)	1.04	1.11	1.12	0.89	0.90	0.87
Slippage Ratio (%)	5.4	4.0	3.3	3.5	3.0	3.0
Credit Cost (%)	0.50	0.38	0.45	0.57	0.6	0.6
PCR (Excl Tech. write off) (%)	56.0	55.0	51.9	64.3	63.0	63.6

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	9.3	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	6.2	6.1
Avg. Cost of Deposits	5.9	6.8	7.0	6.7	6.3	6.2
Interest Spread	3.3	3.0	2.7	2.6	3.1	3.2
Net Interest Margin	4.0	3.7	3.3	3.2	3.4	3.4
Profitability Ratios (%)						
CAR	17.6	16.6	16.8	16.2	15.1	14.3
Tier I	15.2	14.5	14.3	14.2	13.4	12.8
CET 1	15.2	14.5	14.3	13.4	12.6	12.6
Tier II	2.4	2.1	2.5	2.1	1.7	1.5
Business Ratio (%)						
Loans/Deposit Ratio	83.4	82.9	85.0	82.7	84.4	85.6
CASA Ratio	26.4	26.0	24.5	23.7	24.1	24.6
Cost/Assets	2.8	2.7	2.6	2.4	2.3	2.2
Cost/Income	63.0	64.0	63.7	60.9	56.8	54.4
Cost/ Core Income	63.3	64.9	67.3	62.8	58.4	55.8
Int. Expense/Int.Income	59.1	64.0	67.4	66.8	64.4	64.2
Fee Income/Net Income	18.7	18.4	21.0	22.8	22.2	22.1
Other Income/Net Income	19.3	19.7	26.3	25.8	24.9	24.6
Employee Cost/Operating Expense	51.7	51.7	50.7	51.1	50.4	50.3
Efficiency Ratios (INRm)						
Employee per branch (in nos)	23.2	25.6	23.8	23.7	23.9	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	358.4	398.5
Deposits per branch	867.3	965.8	1,116.6	1,293.8	1,512.2	1,653.5
Business per Employee	79.0	76.3	79.7	100.5	116.6	127.5
Profit per Employee	3.6	4.7	4.7	5.6	6.4	8.1

Profitability and Valuations Ratios

RoE	11.5	11.8	12.1	12.5	15.1	16.6
RoA	1.0	0.9	0.9	0.9	1.0	1.1
RoRWA	1.6	1.6	1.6	1.6	1.9	2.0
Book Value (INR)	141	157	176	198	220	257
-growth (%)	12.0	11.1	12.2	12.5	11.0	16.8
Price-BV (x)	1.4	1.2	1.1	1.0	0.9	0.8
Adjusted BV (INR)	133	147	163	187	206	241
Price-ABV (x)	1.5	1.3	1.2	1.0	0.9	0.8
EPS (INR)	14.9	17.1	19.6	22.7	30.9	38.9
-growth (%)	61.7	14.6	14.3	16.1	35.8	26.1
Price-Earnings (x)	13.0	11.3	9.9	8.5	6.3	5.0
Dividend Per Share (INR)	1.0	1.2	1.2	1.5	1.8	2.0
Dividend Yield (%)	0.5	0.6	0.6	0.8	0.9	1.0

E: MOFSL Estimates

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