

Suryoday Small Finance Bank

Balance Sheet Fortified, Growth Engine Reignited

Suryoday SFB delivered steady improvement across key segments, with CE strengthening in the MFI portfolio and management indicating confidence in a stronger 2HFY26 driven by both growth and asset quality gains. The Retail Assets (RA) segment maintained healthy traction, particularly in the CV and mortgage portfolios. The bank received the full Rs313cr (third instalment) under the CGFMU scheme and continues to maintain nearly 100% coverage on its unsecured portfolio. The proceeds were utilized to write off NPAs in the MFI segment (Rs432cr), thereby reinforcing the balance sheet - GNPA/NNPA at 5.9%/3.8% vs. 8.5%/5.6% in Q1. On asset quality trends, MFI gross slippages moderated sharply to Rs170cr (from Rs237cr in Q1), with management guiding a further reduction to ~Rs175cr in H2. Similarly, the RA portfolio saw gross slippages ease to Rs36cr (vs Rs42cr in Q1), though PAR 30+ witnessed a marginal seasonal uptick – 10bps. Management reiterated that credit costs in the RA book will remain contained owing to its secured nature. In terms of mix, RA now accounts for 55% of the overall portfolio and MFI 45%. Overall, the improving momentum—especially in MFI—along with stabilizing asset quality and expected recovery in profitability (RoE to reach 12-13%) going ahead, supported by lower credit costs, easing CoF, and operating leverage, positions the bank well. Against this backdrop, we revise our valuation multiple upward from 0.8x to 1.0x on 1-year forward P/ABV, leading to a higher Target Price of Rs226 (earlier Rs178), while maintaining our BUY rating.

Core earnings remain strong

Interest income came in at Rs5.2bn (up 4.9% QoQ), while interest expenses rose ~5.4% QoQ amid strong deposit accretion. Consequently, NII stood at Rs2.58bn (up 4.5% QoQ). However, non-interest income declined (Rs0.8bn vs Rs1.1bn in Q1) sequentially, mainly due to lower PSLC income. Resultantly, NTI for the quarter stood at Rs3.4bn (down 5.0% QoQ), similarly PPOP moderated to Rs792mn, constrained by higher operating costs as the bank continues to invest in Tech and Retail expansion. CTI increased sharply to 76.6% (up 720bps QoQ). The bank's PAT contracted 14% QoQ to Rs304mn, resulting in an ROA of around 0.8% and ROE of 6%. Going forward, operating leverage, recovery from written-off pools, and reduction in credit costs are expected to support gradual margin and return expansion.

GNPA declines sequentially; asset quality stabilizing

GNPA improved to 5.9% (vs 8.5% in Q1FY26), while NNPA stood at 3.8% (vs 5.6% in Q1FY26), reflecting benefits from the third CGFMU claim of Rs3.13bn received during the quarter. Of the Rs4.11bn NNPA, Rs3.78bn remains receivable under various CGFMU cohorts, indicating limited residual unsecured stress. Management guided that the bank is now fully provided on the unsecured book (including CGFMU cover), and going forward, asset quality pressure should remain contained with incremental provisioning largely for secured retail assets where performance continues to be stable.

Collection trends and portfolio mix improving

Collection efficiency in the current bucket remained stable at 98.6%, with the last 12-month originated portfolio at ~99.5%. Overall slippages eased sequentially from Rs2.8bn in Q1 to Rs2.1bn, led by improvement across both the unsecured and secured portfolios. Management highlighted that recoveries from the recent NPA pool and lower forward flows will drive credit cost moderation in H2FY26.

Financial and valuation summary

YE Mar (Rs mn)	2QFY26A	2QFY25A	YoY (%)	1QFY26A	QoQ (%)	FY26E	FY27E	FY28E
NII	2,582	3,000	(13.9)	2,471	4.5	11,440	15,159	18,176
PPoP	792	1,269	(37.6)	1,089	(27.3)	4,375	5,895	6,887
Provisions	399	668	(40.3)	621	(35.8)	2,076	1,823	2,279
Net profit	304	454	(33.0)	353	(13.8)	1,720	2,862	3,455
Loan growth (%)	22.7	31.0	(26.9)	27.0	(15.9)	25.0	25.0	25.0
NIM (%)	6.7	9.6	(30.7)	6.6	1.4	6.9	7.4	7.2
Cost/income (%)	76.6	63.5	20.7	69.4	10.4	70.7	69.0	69.9
GNPA (%)	5.9	2.9	101.8	8.4	(30.3)	6.1	5.2	5.9
RoA (%)	0.8	1.5	(45.8)	1.0	(17.5)	1.0	1.3	1.3
RoE (%)	6.2	10.1	(38.2)	7.4	(15.5)	8.5	12.8	13.5
P/ABV (x)	0.0	0.0	0.0	0.0	0.0	0.9	0.7	0.6

Source: Company, Centrum Broking

Result Update

India | BFSI

09 November, 2025

BUY

Price: Rs143

Target Price: Rs226

Forecast return: 58%

Market Data

Bloomberg:	SURYODAY IN
52 week H/L:	163/90
Market cap:	Rs15.2bn
Shares Outstanding:	106.3mn
Free float:	56.1%
Avg. daily vol. 3mth:	6,07,632
Source: Bloomberg	

Changes in the report

Rating:	BUY; Un-Changed
Target price:	Changed to 226 from 178
ABV:	FY26E Rs160.3 FY27E Rs211.3
Source: Centrum Broking	

Shareholding pattern

	Sep-25	Jun-25	Mar-25	Dec-24
Promoter	22.4	22.4	22.4	22.3
FIIIs	4.7	4.7	4.7	4.8
DIIIs	6.6	5.9	5.7	5.9
Public/other	66.3	67.0	67.2	67.0
Source: BSE				

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q2FY26	Actual Q2FY26	Variance (%)
NII	2,560	2,582	0.9%
PPOP	784	792	0.9%
Provision	408	399	-2.4%
PAT	283	304	7.4%

Source: Bloomberg, Centrum Broking



Shailesh Kanani

91-22-4215 9001

shailesh.kanani@centrum.co.in



Tanay Jain

91-22-4215 9867

tanay.jain@centrum.co.in

Thesis Snapshot

Estimate revision

YE Mar (Rs mn)	FY26E New	FY26E Old	% chg	FY27E New	FY27E Old	% chg
NII	11,440	11,440	-	15,159	15,159	-
PPoP	4,375	4,375	-	5,895	5,895	-
PAT	1,720	1,720	-	2,862	2,862	-

Source: Centrum Broking

SURYODAY versus NIFTY Mid Cap 100

	1m	6m	1 year
SURYODAY IN	(1.4)	12.5	(9.7)
NIFTY Midcap 100	2.7	10.2	4.8

Source: Bloomberg, NSE

Key assumptions

Y/E Mar	FY26E	FY27E
AUM Growth	24.0%	25.0%
NII growth	3.4%	32.5%
Other Inc./Assets	2.0%	1.8%
Opex/Assets	5.5%	5.6%
Provision Cost	1.9%	1.3%

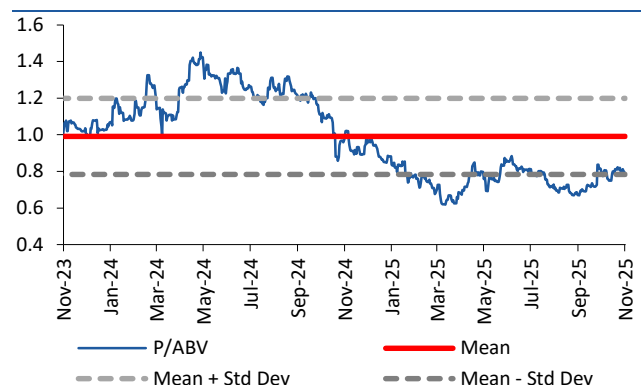
Source: Centrum Broking

Valuations

We revise our valuation multiple upward from 0.8x to 1.0x on 1-year forward P/ABV, leading to a higher target price of Rs226 (earlier Rs178), while maintaining our BUY rating.

Valuations	Rs/share
ABV/share (1H FY28E)	226
Ascribed P/BV (x)	1.0
Target Price (Rs)	226
Upside to CMP	58%

P/ABV mean and standard deviation



Source: Bloomberg, Centrum Broking

Peer comparison

	EPS (Rs)				ABVPS (Rs)				RoAA (%)				RoAE (%)			
Company	FY25E	FY26E	FY27E	FY28E	FY25E	FY26E	FY27E	FY28E	FY25E	FY26E	FY27E	FY28E	FY25E	FY26E	FY27E	FY28E
AUBANK	28.3	34.6	48.5	58.4	220.5	243.2	286.6	335.3	1.6	1.5	1.8	1.7	14.2	14.1	17.1	17.4
UJJIVANS	3.8	3.5	5.1	5.8	30.8	34.3	37.6	41.6	1.6	1.3	1.7	1.6	12.4	10.6	13.9	14.3
EQSFB	1.3	0.8	6.5	7.8	48.6	49.8	53.7	58.9	0.3	0.2	1.1	1.1	2.4	1.5	11.7	12.5
Average	11.1	13.0	20.1	24.0	100.0	109.1	126.0	145.3	1.2	1.0	1.5	1.5	9.7	8.7	14.2	14.7
SURYODAY	10.8	16.2	26.9	32.5	148.4	160.3	211.3	240.0	0.8	1.0	1.3	1.3	6.2	8.5	12.8	13.5

Company	CMP (Rs)	Rating	TP (Rs)	Mcap (Rsbn)	CAGR (FY25-28E)				P/E (x)				P/BV (x)			
					AUM	NII	Opex	PPoP	FY25E	FY26E	FY27E	FY28E	FY25E	FY26E	FY27E	FY28E
AUBANK	876	BUY	933	678.2	22.3	19.0	18.1	22.7	31.1	25.4	18.2	15.1	3.8	3.4	2.9	2.4
UJJIVANS	51	Buy	59	101.5	19.2	13.2	15.3	9.7	13.6	14.6	10.0	8.8	1.6	1.5	1.3	1.2
EQSFB	60	Buy	74	69.1	19.3	16.7	17.6	14.0	46.7	76.0	9.2	7.7	1.1	1.1	1.0	0.9
Average					12.9	10.0	11.1	8.0	30.5	38.7	12.5	10.5	2.2	2.0	1.7	1.5
SURYODAY	143	BUY	226	15.2	24.7	18.0	19.7	21.0	13.2	8.8	5.3	4.4	0.8	0.7	0.6	0.6

Source: Company, Centrum Broking

Exhibit 1: Key parameters

CoF (%)	Reported			Calculated		
	1QFY26	2QFY26	QoQ change (bps)	1QFY26	2QFY26	QoQ change (bps)
AUBANK	7.1	6.8	(25bps)	6.8	6.7	(07bps)
Ujjivan	7.6	7.3	(30bps)	7.4	7.3	(17bps)
Equitas	7.5	7.4	(10bps)	7.5	7.2	(35bps)
Suryoday	7.9	7.7	(20bps)	7.4	7.5	16bps

NIMs (%)	Reported			Calculated		
	1QFY26	2QFY26	QoQ change (bps)	1QFY26	2QFY26	QoQ change (bps)
AUBANK	5.4	5.5	10bps	5.3	5.4	(45bps)
Ujjivan	7.7	7.9	20bps	8.2	8.5	29bps
Equitas	6.6	6.3	(30bps)	8.3	8.1	(25bps)
Suryoday	7.2	6.9	(30bps)	6.6	6.7	09bps

B/S	LD Ratio	Dep. Growth (QoQ)	Borr/Liab
AUBANK	87.3	3.8	6.2
Ujjivan	86.2	1.5	6.0
Equitas	82.4	-0.6	6.2
Suryoday	90.1	6.0	13.0

Source: Centrum Broking

Exhibit 2: Key conference call takeaways and metrics

Centrum Quarterly Monitor	Q1FY26	Q2FY26	Our Comments
Margins and Profitability	Secured book RoA in positive territory with aspiration to clock 1.5% in 18months.	H2 NIMs are likely to improve as the share of the new book rises and the proportion of the non-earning book declines.	- We factor in sharp improvement in H2 in gross slippages as PAR 30+ subsidies and CE improve. - H2 is expected to post higher NIMs as MFI books pick up.
Asset quality	- GNPA to be lower in 2H due to CGFMU claim. - Slippages would decrease from 2Q onwards.	Q3 onwards slippages to come down substantially.	Credit cost to be lower YoY in line with management guidance.
Outlook and guidance	- FY26 guidance broadly maintained - Credit cost may be slightly higher	Advances growth to 30-35% - maintained. FY26 – 50-55% secured. IF book to be 10% growth.	- We bake in 25% growth lower than guidance. - We build in RoAs of 1.3% for FY27/28 on back of recovery in MFI cycle and respite on CoF coupled with growth recovery.

Source: Centrum Broking

Earnings concall KTAs

Opening remarks:

- Improved CE is witnessed in MFI business and bank is confident of better H2 in terms of Growth and AQ.
- RA – saw healthy momentum in both the CV and mortgage segments.
- CE and used Car business to be next growth drivers in secured business.
- The bank has received the full Rs313 crore (third instalment) claimed under CGFMU and continues to maintain ~100% coverage on its unsecured portfolio.

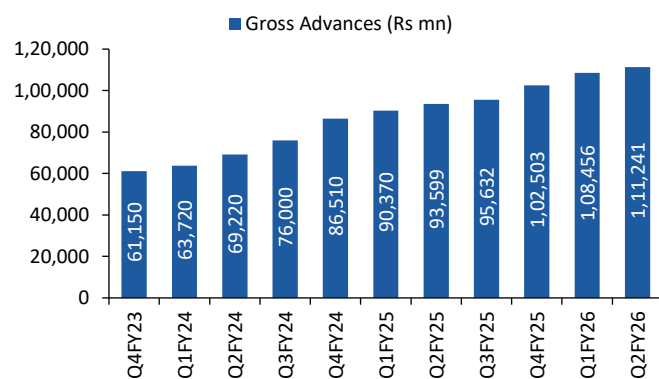
Guidance for FY26

- Advances growth to 30-35% - maintained. FY26 – 50-55% secured. IF book to be 10% growth.
- RoA (revised) – 1.2% (earlier RoA – 1.5-1.6%).
- RoE (revised) – 8-9% (earlier 11-12%).

Asset quality and margins

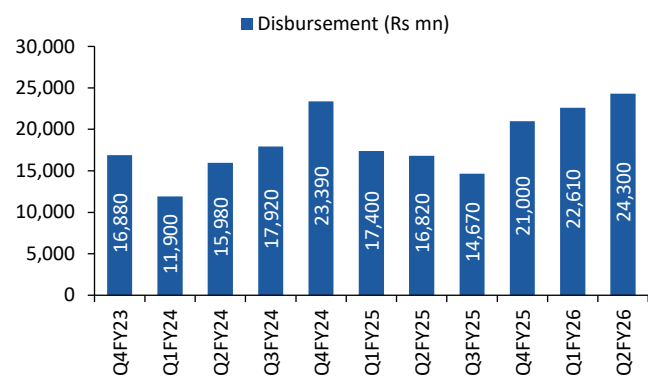
- CoF – Q2 saw a moderation in both term deposit and savings rates, with additional reductions currently being evaluated.
- H2 NIMs are likely to improve as the share of the new book rises and the proportion of the non-earning book declines.
- NIMs – 8% is target to reach by end of year.
- RA – witnessed mild stress in the CV segment, with a marginal uptick attributed to the monsoon impact.
- For mortgages, credit cost would be lower given its asset backed.
- CTI – Corporate costs have remained stable, and as the bank scales up, operating leverage is expected to drive a reduction in the CTI ratio.
- Target CTI – to touch 70% for FY26.
- Rejection rates – 25%-27% for MFI for new customers moved to 25% customers. KTK and TN are still facing challenges.
- 50,000 PayTM customers are in pre-approved list with Rs50cr of sanction list.
- Focus is on collection from recent NPAs and some portfolio in LAP segment.
- Q3 onwards slippages to come down substantially.
- MFI gross slippages stood at Rs170 cr versus Rs237 cr in Q1.
- The bank targets MFI gross slippages of Rs105 cr in Q3 and Rs75 cr in Q4.
- Write off was primarily unsecured book and Rs3cr in CV segment.

Exhibit 3: Gross Advances moderated due to high write offs



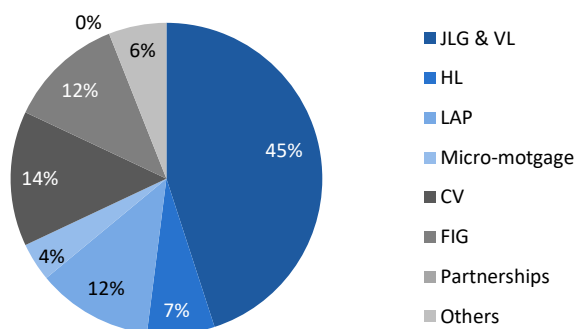
Source: Centrum Broking, Company Data

Exhibit 4: Disbursement trends remain strong



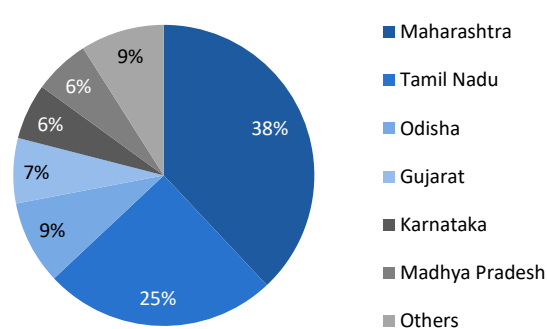
Source: Centrum Broking, Company Data

Exhibit 5: Secured vs. Unsecured – 55%-45%



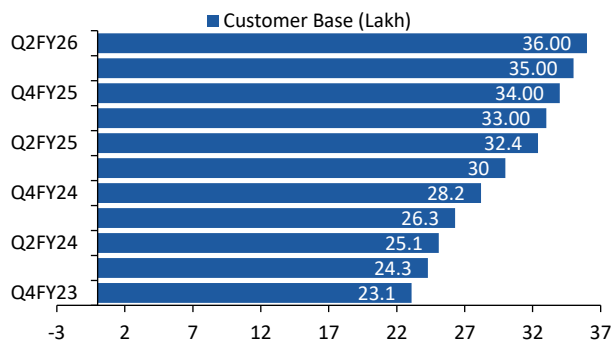
Source: Centrum Broking, Company Data

Exhibit 6: MH and TN continue to dominate



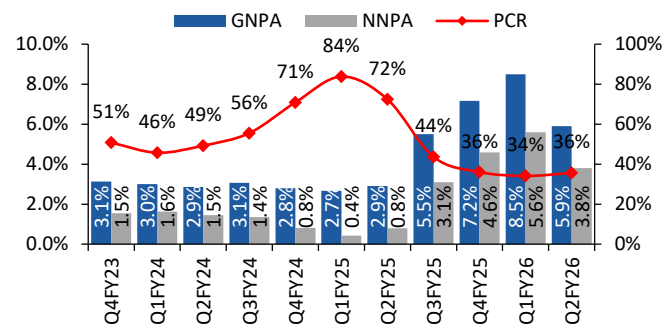
Source: Centrum Broking, Company Data

Exhibit 7: Growing customers base



Source: Centrum Broking, Company Data

Exhibit 8: GNPA and NNPA reduced thanks to CGFMU claim



Source: Centrum Broking, Company Data

Exhibit 9: Quarterly Financials

(Rs mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Income statement											
Interest earned	3,294	3,581	3,752	4,107	4,447	4,881	5,072	4,879	4,706	4,952	5,197
Interest expended	1,193	1,334	1,542	1,650	1,739	1,949	2,072	2,196	2,259	2,480	2,615
Net Interest Income	2,101	2,247	2,211	2,457	2,708	2,932	3,000	2,683	2,447	2,471	2,582
Other income	340	510	518	519	647	702	475	396	601	1,087	798
Total Income	2,441	2,757	2,728	2,976	3,355	3,634	3,474	3,078	3,048	3,558	3,381
Operating Expenses	1,424	1,587	1,785	1,834	2,072	2,191	2,205	2,365	2,581	2,469	2,589
Employees	731	752	839	933	1,085	1,136	1,098	1,051	1,158	1,153	1,264
Others	693	835	946	902	987	1,055	1,107	1,314	1,424	1,315	1,325
Operating profit	1,017	1,171	944	1,142	1,283	1,443	1,269	714	466	1,089	792
Provisions	515	537	267	379	482	516	668	336	934	621	399
Profit before tax	502	634	677	763	802	927	602	377	-468	468	393
Taxes	113	158	174	191	193	227	148	44	-130	116	89
Net Profit	389	476	503	572	608	701	454	333	-338	353	304
Balance sheet											
Shareholders' Funds	15,847	16,330	16,847	17,427	18,050	18,784	19,251	19,603	19,271	19,608	19,912
Borrowings	27,654	25,485	24,799	25,630	24,430	23,405	21,785	19,560	27,103	22,845	21,649
Deposits	51,667	57,216	63,884	64,841	77,773	81,373	88,508	97,076	1,05,796	1,13,122	1,19,913
Other liabilities	3,444	3,047	3,040	3,320	3,525	3,882	5,454	3,026	3,974	5,010	4,570
Total liabilities	98,612	1,02,078	1,08,570	1,11,217	1,23,777	1,27,444	1,34,997	1,39,265	1,56,144	1,60,586	1,66,042
Cash & bank	8,331	8,480	7,259	5,879	11,801	9,214	10,729	8,523	17,094	14,308	15,116
Advances	60,151	61,812	67,210	71,786	80,780	82,849	88,070	93,266	99,744	1,05,212	1,08,051
Investments	25,702	27,216	29,049	28,538	25,993	30,105	28,520	30,677	31,375	33,238	34,138
Fixed assets	1,645	1,581	1,622	1,649	1,688	1,814	2,779	2,871	2,901	2,859	2,902
Other assets	2,784	2,989	3,431	3,366	3,516	3,462	4,898	3,929	5,030	4,969	5,836
Total assets	98,612	1,02,078	1,08,570	1,11,217	1,23,777	1,27,444	1,34,997	1,39,265	1,56,144	1,60,586	1,66,042
Balance sheet (%)											
Loan growth	21%	24%	29%	41%	41%	42%	35%	26%	18.5%	20.0%	18.8%
Deposit growth	34%	42%	52%	38%	51%	42%	39%	50%	36%	39%	35%
Loans / Deposits	116%	108%	105%	111%	104%	102%	100%	96%	94%	93%	90%
Investment / Deposits	50%	48%	45%	44%	33%	37%	32%	32%	30%	29%	28%
Capital Adequacy											
Tier-1	30.8	30.2	28	25.7	26.5	25.7	23.5	25.3	25.3	23.5	22.4
Tier-2	2.9	2.5	2.3	2.1	1.9	1.6	1.4	1.6	1.6	1.1	1.0
CRAR	33.7%	32.7%	30.2%	27.8%	28.4%	27.3%	24.9%	26.9%	25.8%	24.6%	23.4%
Profitability (%)											
Yield on assets	15.0%	15.6%	16.0%	16.8%	16.7%	16.2%	16.3%	15.0%	13.4%	13.2%	13.4%
Cost of funds	6.7%	7.1%	8.0%	8.2%	7.7%	7.5%	7.7%	7.7%	7.2%	7.4%	7.5%
NIM	9.5%	9.8%	9.4%	10.0%	10.2%	9.7%	9.6%	8.3%	7.0%	6.6%	6.7%
Other income / Assets	0.4%	0.5%	0.5%	0.5%	0.6%	0.6%	0.4%	0.3%	0.4%	0.7%	0.5%
Cost / Income	58.3%	57.5%	65.4%	61.6%	61.7%	60.3%	63.5%	76.8%	84.7%	69.4%	76.6%
Employees	30%	27%	31%	31%	32%	31%	32%	34%	38%	32%	37%
Others	28%	30%	35%	30%	29%	29%	32%	43%	47%	37%	39%
Cost / Assets	1.5%	1.6%	1.7%	1.7%	1.8%	1.7%	1.7%	1.7%	1.7%	1.6%	1.6%
RoA	1.7%	1.9%	1.9%	2.1%	2.1%	2.2%	1.4%	1.0%	-0.9%	0.9%	0.7%
RoE	9.9%	11.8%	12.1%	13.4%	13.7%	15.2%	9.5%	6.9%	-7.0%	7.3%	6.2%
Asset quality (%)											
GNPA	3.1%	3.0%	2.9%	3.1%	2.8%	2.7%	2.9%	5.5%	5.5%	8.5%	5.9%
NNPA	1.5%	1.6%	1.5%	1.4%	0.8%	0.4%	0.8%	3.1%	3.0%	5.6%	3.8%
PCR	51.5%	46.6%	50.5%	54.3%	71.2%	83.9%	74.3%	44.7%	37.7%	35.4%	37.3%
Credit Cost	3.6%	3.4%	1.6%	2.1%	2.4%	2.3%	2.9%	1.4%	3.8%	2.4%	1.5%

Source: Company, Centrum Broking

Exhibit 10: ROAE Tree

ROAE Tree	FY20	FY21	FY22	FY23E	FY24	FY25	FY26E	FY27E	FY28E
Total Assets	53,645	67,120	81,802	98,612	1,23,777	1,56,144	1,91,208	2,35,231	2,90,565
Average total assets	45,630	60,383	74,461	90,207	1,11,195	1,39,960	1,73,676	2,13,220	2,62,898
Equity	10,662	15,969	15,051	15,847	18,050	19,271	20,991	23,853	27,308
Average equity	9,734	13,316	15,510	15,449	16,948	18,660	20,131	22,422	25,581
Interest Income	16.8%	12.9%	12.6%	13.1%	14.3%	14.0%	12.8%	13.3%	12.9%
Interest expense	6.1%	6.1%	4.8%	4.8%	5.6%	6.1%	6.2%	6.2%	6.0%
Net Interest Income	10.7%	6.8%	7.8%	8.3%	8.7%	7.9%	6.6%	7.1%	6.9%
Other Income	1.9%	1.3%	1.3%	1.1%	2.0%	1.6%	2.0%	1.8%	1.8%
Total Income	12.7%	8.1%	9.1%	9.4%	10.6%	9.5%	8.6%	8.9%	8.7%
Opex	6.0%	5.44%	5.55%	5.62%	6.54%	6.7%	6.1%	6.1%	6.1%
PPOP	6.7%	2.6%	3.6%	3.7%	4.1%	2.8%	2.5%	2.8%	2.6%
Provisions	2.5%	2.4%	4.1%	2.6%	1.5%	1.8%	1.2%	0.9%	0.9%
PBT	4.2%	0.2%	-0.5%	1.1%	2.6%	1.0%	1.3%	1.9%	1.8%
Tax	1.8%	0.0%	0.8%	0.3%	0.6%	0.2%	0.3%	0.6%	0.4%
PAT	2.4%	0.2%	-1.2%	0.9%	1.9%	0.82%	0.99%	1.34%	1.31%
Leverage	4.69	4.53	4.80	5.84	6.56	7.50	8.63	9.51	10.28
ROE	11.4%	0.9%	-6.0%	5.0%	12.7%	6.2%	8.5%	12.8%	13.5%
Avg Advances/Avg Assets	68.1%	62.2%	58.6%	59.7%	63.4%	64.5%	64.6%	65.8%	66.7%

Source: Centrum Broking

P&L					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Interest earned	15,887	19,537	22,156	28,287	33,884
Interest expended	6,265	8,476	10,716	13,128	15,708
Net Interest Income	9,622	11,061	11,440	15,159	18,176
Other income	2,194	2,173	3,508	3,838	4,732
Total Income	11,816	13,234	14,948	18,997	22,908
Operating Expenses	7,277	9,342	10,573	13,102	16,022
Employees	3,608	4,442	5,077	6,347	7,822
Others	3,669	4,900	5,496	6,756	8,200
PPoP	4,539	3,892	4,375	5,895	6,887
Provisions	1,663	2,454	2,076	1,823	2,279
Profit before tax	2,876	1,438	2,299	4,072	4,607
Taxes	716	289	579	1,210	1,152
Net Profit	2,160	1,150	1,720	2,862	3,455

Ratios					
YE Mar	FY24A	FY25A	FY26E	FY27E	FY28E
Growth (%)					
Loans	34.3	23.5	25.0	25.0	25.0
Deposits	50.5	36.0	25.0	25.0	25.0
RWA growth	35.0	36.2	26.9	23.0	23.5
NII	28.9	15.0	3.4	32.5	19.9
Other income	125.2	(1.0)	61.5	9.4	23.3
Opex	43.7	28.4	13.2	23.9	22.3
PPoP	34.5	(14.3)	12.4	34.7	16.8
Provisions	(29.7)	47.5	(15.4)	(12.2)	25.0
Net profit	177.9	(46.8)	49.6	66.4	20.7
Profitability (%)					
Yield on assets	14.9	14.6	13.4	13.9	13.4
Cost of funds	6.9	7.2	7.4	7.1	7.0
NIM	9.0	8.3	6.9	7.4	7.2
Other income / Total inc.	18.6	16.4	23.5	20.2	20.7
Other inc. / avg assets	2.0	1.6	2.0	1.8	1.8
Cost/Income	61.6	70.6	70.7	69.0	69.9
Employee	30.5	33.6	34.0	33.4	34.1
Other	31.0	37.0	36.8	35.6	35.8
Opex/ Avg assets	6.5	6.7	6.1	6.1	6.1
Provisioning cost	2.4	2.7	1.9	1.3	1.3
Tax rate	24.9	20.1	25.2	29.7	25.0
RoE	12.7	6.2	8.5	12.8	13.5
RoA	1.9	0.8	1.0	1.3	1.3
RoRWA	3.9	1.5	1.8	2.4	2.3
Du-pont (%)					
Interest income	14.3	14.0	12.8	13.3	12.9
Interest expenses	5.6	6.1	6.2	6.2	6.0
NII	8.7	7.9	6.6	7.1	6.9
Other income	2.0	1.6	2.0	1.8	1.8
Total income	10.6	9.5	8.6	8.9	8.7
Operating expenses	6.5	6.7	6.1	6.1	6.1
Employee	3.2	3.2	2.9	3.0	3.0
Other	3.3	3.5	3.2	3.2	3.1
PPoP	4.1	2.8	2.5	2.8	2.6
Provisions	1.5	1.8	1.2	0.9	0.9
PBT	2.6	1.0	1.3	1.9	1.8
Tax	0.6	0.2	0.3	0.6	0.4
RoA	1.9	0.8	1.0	1.3	1.3

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Share capital	1,062	1,063	1,063	1,063	1,063
Reserves & surplus	16,988	18,208	19,928	22,790	26,246
Deposits	77,773	1,05,796	1,32,245	1,65,306	2,06,633
Borrowings	24,430	27,103	32,523	39,028	46,834
Other Liabilities	3,525	3,974	5,449	7,044	9,790
Total liabilities	1,23,777	1,56,144	1,91,208	2,35,231	2,90,565
Cash balances with RBI	8,138	14,661	14,879	15,059	15,207
Balances with banks	3,663	2,432	2,488	2,546	2,604
Investments	25,993	31,375	40,473	52,211	67,352
Advances	80,780	99,744	1,24,679	1,55,849	1,94,812
Fixed Assets	1,688	2,901	3,482	4,178	5,014
Other Assets	3,516	5,030	5,206	5,389	5,577
Total assets	1,23,777	1,56,144	1,91,208	2,35,231	2,90,565

Ratios					
YE Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Balance Sheet (%)					
Loans / Deposits	103.9	94.3	94.3	94.3	94.3
Investments / Deposits	33.4	29.7	29.0	29.0	29.0
CASA	20.1	16.1	19.5	19.5	19.5
Assets/equity (x)	6.9	8.1	9.1	9.9	10.6
RWA / Total assets	51.0	55.0	57.0	57.0	57.0
Capital ratios (%)					
CET-1	28.4	25.0	21.3	19.4	17.8
Tier-1	28.4	25.0	21.3	19.4	17.8
Tier-2	1.6	1.6	1.4	1.2	1.1
CRAR	30.0	26.6	22.7	20.7	18.9
Asset quality ratios (%)					
GNPA (Rs mn)	2,423	7,343	7,549	8,149	11,563
NNPA (Rs mn)	698	4,663	5,277	1,864	2,401
GNPA	3.0	7.2	6.1	5.2	5.9
NNPA	0.9	4.6	4.2	1.2	1.2
PCR	71.2	37.7	30.1	77.1	79.2
Slippage	3.6	10.6	7.5	5.0	5.0
NNPA / Equity	3.9	24.2	25.1	7.8	8.8
Per share					
EPS	20.3	10.8	16.2	26.9	32.5
BVPS	170.0	181.3	197.5	224.4	256.9
ABVPS	165.0	148.4	160.3	211.3	240.0
Valuation (x)					
P/E	7.0	13.2	8.8	5.3	4.4
P/BV	0.8	0.8	0.7	0.6	0.6
P/ABV	0.9	1.0	0.9	0.7	0.6

Source: Company, Centrum Broking

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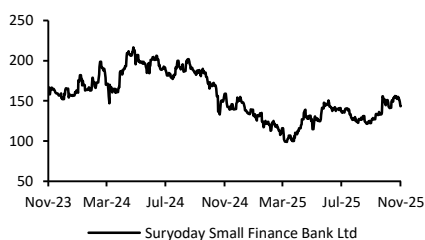
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Suryoday Small Finance Bank



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PORTFOLIO MANAGER

SEBI REGN NO.: INP000004383

Research Analyst

SEBI Registration No. INH000001469

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Website: www.centrumbroking.com**Investor Grievance Email ID:** investor.grievances@centrum.co.in**Compliance Officer Details:**

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(022) 4215 9000/9815; Email ID: compliance@centrum.co.in**Centrum Broking Ltd. (CIN :U67120MH1994PLC078125)****Registered and Corporate Office:**

Level -9, Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East) Mumbai – 400098
Tel.: - +91 22 4215 9000