ADD

Kotak Mahindra Bank

Steady performance

BFSI - Banks | Result Update | **July 19, 2026** | **CMP (Rs): 390 | TP (Rs): 430**

Kotak Bank reported a strong 8% earnings beat in 1Q, with PAT at Rs 41bn (2.1% ROA), largely led by higher other income and lower provisions. Credit growth moderated to 15.2% after sustaining 16% yoy growth over the last three quarters, largely aided by corporate, SME and credit substitutes. Retail growth remained steady, while unsecured loans like retail microcredit and overall PL reported double-digit growth. Deposit growth moderated to 11.7% yoy (vs ~15% over the past four quarters) on softer CASA accretion, resulting in a 294bps decline in CASA ratio to ~40%. Slippages increased to 1.2% of loans due to seasonal trends in CV and tractor segments, while the bank remained cautious on unsecured business loans amid SME-related challenges. The ECL impact remains manageable at ~2% of net worth, with an estimated 12–15bps rise in ongoing credit costs. The management expects loan growth to stay above system levels over the medium term, supported by organic and inorganic opportunities. The new MD and CEO appointment remains a key monitorable. We largely maintain our estimates and expect the bank to deliver a healthy 2% ROA over FY27-29E, led by better growth, operating leverage, and lower credit costs. We retain our ADD rating and value the standalone bank at 1.6x Jun-28E ABV and subs at Rs149/share, leading to a TP of Rs430.

Business growth moderates; NIM remains stable

KMB loan growth moderates to 15.2% yoy/3.3% qoq, driven by corporate, SME segments, and credit substitutes. Retail microcredit grew 10% yoy/5% qoq, while PL/BL/CDs grew 5% yoy, impacted by the run-down of the acquired StanC portfolio. The management stayed cautious on unsecured business loans amid SME-related challenges but expect overall PL growth to improve. Deposit growth also moderated to 11.7% yoy/flat qoq on lower CASA accretion, resulting in a 294bps decline in CASA ratio to 40.3%. NIM continues to remain stable at 4.53% (adjusting for the 4Q day-count anomaly). Going forward, the management expects loan growth to exceed system levels over the medium term through a mix of organic and inorganic opportunities.

Stable GNPA despite higher slippages; ECL impact to be negligible

Gross slippages increased to Rs13.2bn/1.2% of loans, primarily due to the seasonal trends in CV and tractor segments. However, better recoveries and write-offs led to a stable GNPA ratio of 1.2%. NNPA stayed sticky at 0.3%, and the bank steadily raised its specific PCR to a healthy 79%. The management indicated the one-time ECL impact is expected to be ~2% of net worth, with an ongoing credit cost impact of ~12–15bps.

We maintain ADD on Kotak Bank

We largely maintain our estimates and expect the bank to deliver a healthy 2% ROA over FY27-29E, led by better growth, operating leverage, and lower credit costs. We retain our ADD rating and value the standalone bank at 1.6x Jun-28E ABV and subs at Rs149/share, leading to a TP of Rs430. However, the new MD and CEO appointment remains a key monitorable.

Kotak Mahindra Bank: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profit	164,501	140,077	164,707	193,079	227,480
Loan growth (%)	13.5	16.2	18.5	20.0	20.0
NII growth (%)	9.0	5.9	12.9	17.6	18.6
NIM (%)	4.5	4.2	4.2	4.2	4.2
PPOP growth (%)	25.2	(10.0)	13.2	19.9	18.8
Adj. EPS (Rs)	16.5	14.1	16.6	19.4	22.9
Adj. EPS growth (%)	19.3	(14.9)	17.6	17.2	17.8
Adj. BV (INR)	113.6	131.7	147.2	165.3	186.7
Adj. BVPS growth (%)	22.9	16.0	11.8	12.3	13.0
RoA (%)	2.5	1.9	2.0	2.0	2.0
RoE (%)	15.4	11.1	11.5	12.0	12.6
P/E (x)	14.6	17.1	14.6	12.4	10.5
P/ABV (x)	2.1	1.8	1.6	1.5	1.3

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	10.3

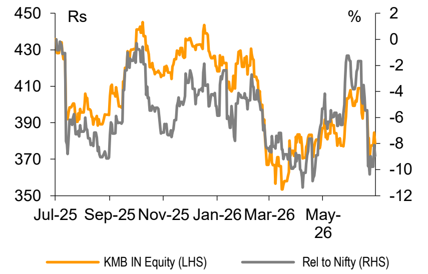
Stock Data	**KMB IN**
52-week High (Rs)	453
52-week Low (Rs)	345
Shares outstanding (mn)	9,947.4
Market-cap (Rs bn)	3,879
Market-cap (USD mn)	40,288
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	20.1
ADTV-3M (Rs mn)	7,370.4
ADTV-3M (USD mn)	76.6
Free float (%)	73.8
Nifty-50	24,334.3
INR/USD	96.3

Shareholding,Jun-26	
Promoters (%)	25.9
FPIs/MFs (%)	25.2/37.7

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	(3.6)	1.7	(10.2)
Rel. to Nifty	(4.6)	1.7	(7.3)

1-Year share price trend (Rs)



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Key takeaways from the concall

Outlook on loans, deposits, and NIM

- Combining organic growth with inorganic opportunities, the bank expects to deliver loan growth above the system average across both secured and unsecured lending over the medium term.
- The bank calibrated growth in lower-ROE businesses and segments impacted by geopolitical uncertainties, while benefiting from better corporate lending spreads and treasury market volatility.
- Personal loans, business loans, and consumer durable financing grew 5% yoy, with growth continuing to be impacted by the run-down of the acquired Standard Chartered portfolio. Excluding this portfolio, personal loan growth remained in double digits.
- The bank's PL strategy is focused primarily on internal sourcing, as it provides a more efficient cost structure and better customer acquisition economics. A significant portion of PL origination comes through the bank's digital platforms, including Kotak 811 and the app, along with a strong contribution from the branch network. The bank has also introduced a personal loan overdraft product.
- The bank adopted a more cautious stance on unsecured business loans during the quarter, given the challenging conditions in the SME segment observed over the past few months. The management indicated that overall personal loan growth has resumed and expects reported growth to improve in the coming quarters as the strong double-digit organic growth increasingly offsets the impact of the portfolio run-off.
- The management said it is comfortable with the current credit portfolio, noting that the clean-up of the credit card and personal loan portfolios over the past two years is largely complete, with asset quality now well within the bank's risk guardrails.
- In the CV segment, the management highlighted continued improvement in collections. While growth remained muted in 1Q due to seasonal softness compared with 4Q, the bank expects growth to improve going forward through better portfolio selection across vehicle segments.
- Tractor finance grew 11% yoy, enabling the bank to retain its position as the second-largest tractor financier in India. However, the management remains cautious about potential risks from adverse weather conditions, including the impact of El Niño.
- The bank has been an active participant in the Government's ECLGS scheme, extending nearly Rs30bn of credit to support MSMEs and businesses as of 30-June-26.
- Kotak recently entered into a definitive agreement to acquire Deutsche Bank India's retail banking, private banking, and wealth management businesses for Rs2.81bn. The management expects the transaction to be ROE accretive, create incremental cross-selling opportunities, and support above-system growth once completed. The transaction is expected to close by September 2027.
- Growth in credit substitutes was largely driven by short-term opportunities, particularly in the commercial paper market, where yields were more attractive compared with traditional bank lending.
- Average CASA balances increased 15.2% yoy, supported by healthy growth in trade and transaction balances during 1QFY27. However, CASA growth was partly affected by lower capital market activity, which resulted in a moderation in deal-related deposit balances during the quarter.
- The bank also witnessed healthy traction in the HNI and Solitaire segments. However, balances moderated during the quarter due to one-off fund reallocations by private banking clients from savings accounts to investment products.

- Reported NIM was 4.53% in 1QFY27, broadly stable qoq. The management noted that after adjusting for the 4Q day-count anomaly, adjusted 4Q NIM was 4.54%, indicating margins have been steady at 4.53–4.54% over the last three quarters.

Asset quality

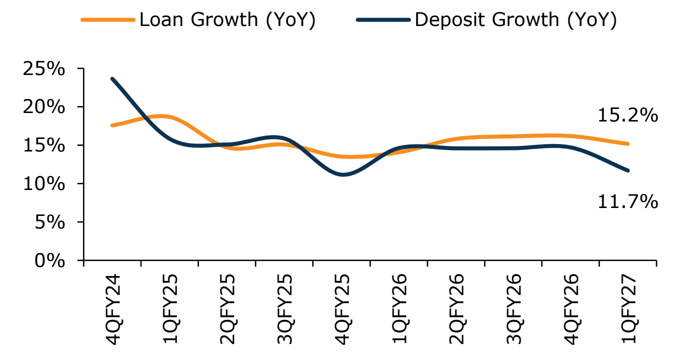
- While the unsecured portfolio continued to improve, the increase in credit costs and slippages was primarily driven by the CV and tractor finance portfolios, reflecting seasonal trends in line with the management's expectations.
- The ECL impact remains manageable at ~2% of net worth, with an estimated 12–15bps rise in ongoing credit costs

Other highlights

- The bank’s technology-related expenses accounting for ~13% of total operating costs.
- Customer decline was primarily driven by portfolio clean-up in the MFI business and the closure of dormant and inactive accounts—a preventive measure to mitigate mule account risks and improve overall customer base quality.
- The bank's group LCR increased to 143% in 1QFY27 from 134% in 4QFY26, supported by strong liquidity and the revised LCR norms effective 1 April, which added ~9–10% to the reported ratio. The standalone 1Q average will be around 134%.

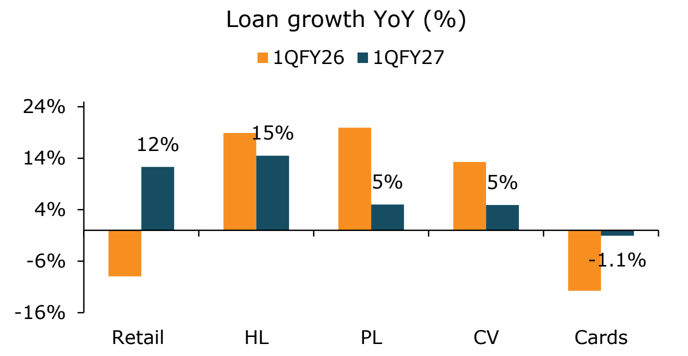
Story in charts

Exhibit 1: KMB's credit growth moderates, while deposit growth softens due to lower CASA accretion



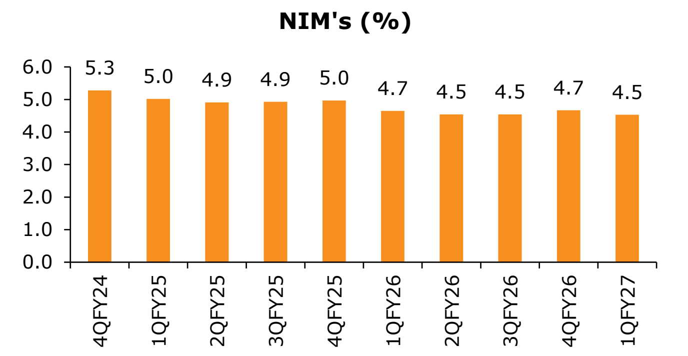
Source: Company, Emkay Research

Exhibit 2: Retail growth remains steady, while HL/PL/CV growth moderates



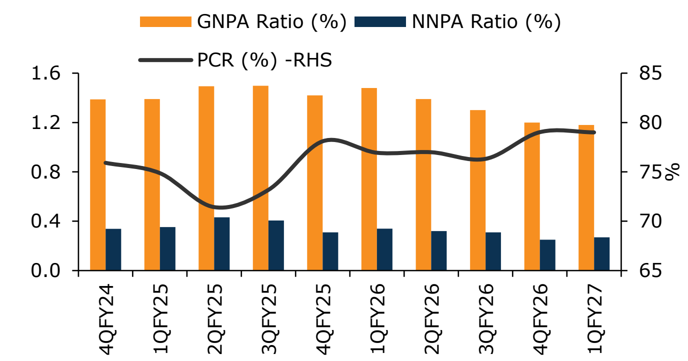
Source: Company, Emkay Research; Note: The bank has reclassified its loan mix in 1QFY27

Exhibit 3: Margins stable qoq



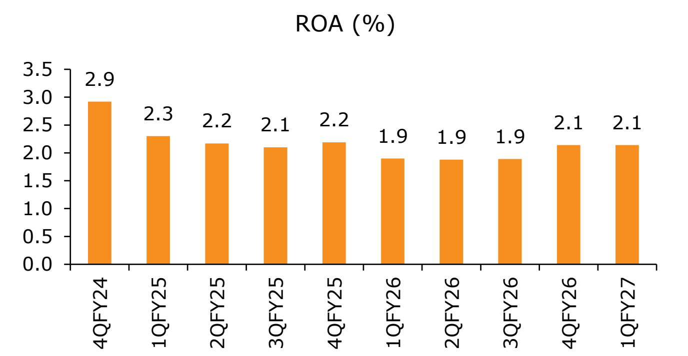
Source: Company, Emkay Research

Exhibit 4: Higher slippages, coupled with better recoveries/write-offs, led to a stable GNPA ratio



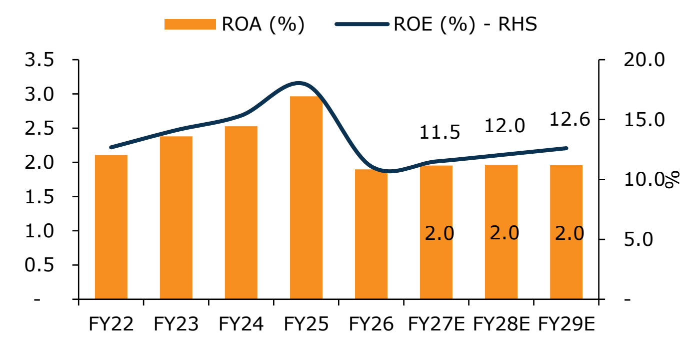
Source: Company, Emkay Research

Exhibit 5: ROA sustains at 2.1%, led by higher other income and lower provisions



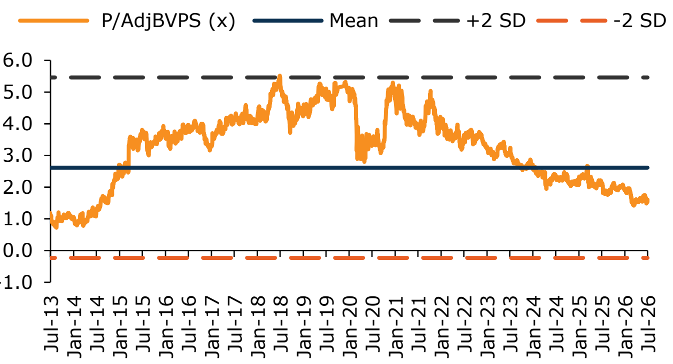
Source: Company, Emkay Research

Exhibit 6: ROA is expected to normalize to 2%, led by stable margin, contained opex, and normalized LLP



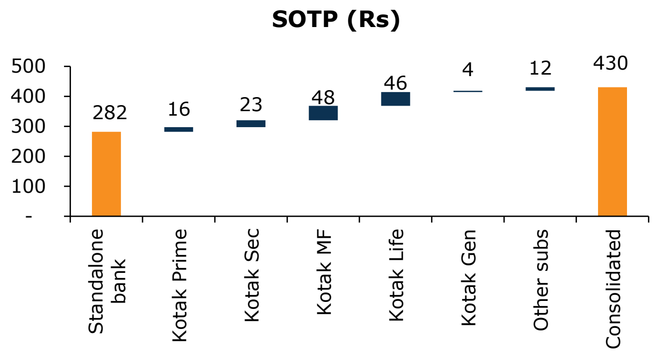
Source: Company, Emkay Research

Exhibit 7: The stock is currently trading below its mean valuation



Source: Bloomberg, Emkay Research

Exhibit 8: We maintain our TP of Rs430, on rolling forward to Jun-28E valuations



Source: Company, Emkay Research

Exhibit 9: Actuals vs estimates (1QFY27)

(Rs mn)	Actuals	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net income	112,666	108,997	109,901	3%	3%	Stable NII and higher other income led to a beat.
PPOP	61,314	58,853	60,155	4%	2%	Higher net income, partly offset by higher opex, led to a beat.
PAT	41,230	38,140	39,754	8%	4%	Higher PPoP, coupled with a sharp decline in provisions, led to a beat.

Source: Emkay Research

Exhibit 10: Quarterly summary

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26	FY27E	yoy (%)
Interest earned	138,365	136,494	139,033	141,748	144,775	4.6	2.1	555,640	607,166	9.3
Interest expenses	65,773	63,387	63,387	62,993	65,491	-0.4	4.0	255,539	268,326	5.0
Net interest income	72,593	73,107	75,646	78,755	79,284	9.2	0.7	300,101	338,840	12.9
Global NIM (reported)	4.7	4.5	4.5	4.7	4.5	-12bps	-14bps	4.2	4.2	-3bps
Non-interest income	30,800	25,892	28,378	31,163	33,382	8.4	7.1	116,233	124,044	6.7
Operating expenses	47,756	46,317	50,226	51,366	51,353	7.5	0.0	195,665	213,138	8.9
Pre-provisioning profit	55,637	52,683	53,798	58,552	61,314	10.2	4.7	220,669	249,745	13.2
Provisions and contingencies	12,078	9,474	8,096	5,164	6,681	-44.7	29.4	34,812	29,548	-15.1
PBT	43,559	43,209	45,702	53,388	54,632	25.4	2.3	185,857	220,197	18.5
Income tax expense (Gain)	10,743	10,675	11,241	13,122	13,403	24.8	2.1	45,780	55,490	21.2
Net Profit/(Loss)	32,817	32,533	34,461	40,266	41,230	25.6	2.4	140,077	164,707	17.6
Gross NPA (%)	1.5	1.4	1.3	1.2	1.2	-30bps	-2bps	1.2	1.3	-3bps
Net NPA (%)	0.3	0.3	0.3	0.3	0.3	-7bps	2bps	0.3	0.3	-1bps
Deposits (Rs bn)	5,128	5,288	5,426	5,725	5,728	11.7	0.1	5,725	6,663	16.4
Net advances (Rs bn)	4,448	4,627	4,807	4,960	5,122	15.2	3.3	4,960	5,879	18.5

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	465,463	462,884	-0.6%	540,038	544,761	0.9%	637,459	641,817	0.7%
PPOP	254,064	249,745	-1.7%	300,931	299,416	-0.5%	360,752	355,661	-1.4%
PAT	167,051	164,707	-1.4%	192,495	193,079	0.3%	226,651	227,480	0.4%
EPS (Rs)	16.8	16.6	-1.4%	19.4	19.4	0.3%	22.8	22.9	0.4%
BV (Rs)	152.4	151.8	-0.4%	170.6	170.4	-0.1%	192.1	192.3	0.1%

Source: Emkay Research

Exhibit 12: Key assumptions

(%)	FY26A	FY27E	FY28E	FY29E
Loan growth	16.2	18.5	20.0	20.0
Deposit growth	14.7	16.4	19.7	20.3
NIM	4.2	4.2	4.2	4.2
GNPA	1.2	1.2	1.2	1.2
Credit cost	0.8	0.5	0.6	0.7
Yield on advances	9.4	8.8	8.6	8.5
Cost of deposits	4.4	4.1	3.9	3.8

Source: Emkay Research

Exhibit 13: Key ratios and trends

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Loans (Rs bn)	**3,900**	**3,995**	**4,138**	**4,269**	**4,448**	**4,627**	**4,807**	**4,960**	**5,122**
yoy growth (%)	18.7	14.7	15.1	13.5	14.1	15.8	16.1	16.2	15.2
qoq growth (%)	3.7	2.5	3.6	3.2	4.2	4.0	3.9	3.2	3.3
Composition (%)									
- Corporate	24.0	23.2	23.4	21.7	23.1	23.6	23.5	22.8	23.8
- Retail and Agri	72.9	73.6	73.2	74.0	72.2	71.9	72.1	71.2	39.6
Liability profile and margins									
CASA (%)	43.4	43.6	42.3	43.0	40.9	42.3	41.3	43.3	40.3
CA (%)	15.7	15.5	15.8	16.6	15.9	17.0	15.8	17.8	15.4
SA (%)	27.7	28.2	26.5	26.4	24.9	25.3	25.5	25.5	24.9
NIM (%)	**5.0**	**4.9**	**4.9**	**5.0**	**4.7**	**4.5**	**4.5**	**4.7**	**4.5**
Branches	1,965	2,013	2,068	2,148	2,154	2,198	2,218	2,276	2,301
Asset quality (Rs mn)									
Gross NPA (opening balance)	52,748	54,772	60,332	62,663	61,339	66,377	64,796	63,198	60,178
GNPA	54,772	60,332	62,663	61,339	66,377	64,796	63,198	60,178	61,218
GNPA (%)	**1.4**	**1.5**	**1.5**	**1.4**	**1.5**	**1.4**	**1.3**	**1.2**	**1.2**
NPA	13,763	17,238	16,810	13,434	15,309	14,910	14,969	12,625	13,576
NNPA (%)	**0.4**	**0.4**	**0.4**	**0.3**	**0.3**	**0.3**	**0.3**	**0.3**	**0.3**
PCR (%)	74.6	71.1	72.9	78.2	77.0	77.0	76.2	79.2	77.1
Slippages (Rs mn)	13,580	18,750	16,570	14,880	18,120	16,290	16,050	10,180	13,210
Slippages (annualized)	1.7%	2.2%	1.8%	1.6%	1.9%	1.6%	1.6%	1.0%	1.2%
Capital adequacy (%)									
CAR	22.4	22.6	22.8	22.2	23.7	22.1	22.6	22.4	22.8
Tier I	21.3	21.5	21.7	21.1	22.7	20.9	21.5	21.3	22.4
RoE decomposition (%)									
NII	**4.5**	**4.6**	**4.6**	**4.4**	**4.2**	**4.2**	**4.2**	**4.2**	**4.1**
Other income (ex-treasury)	1.9	1.7	1.6	1.9	1.7	1.6	1.6	1.6	1.7
Treasury	0.1	0.1	0.0	0.0	0.1	-0.1	0.0	0.0	0.0
Opex	3.0	3.0	2.9	3.0	2.8	2.7	2.8	2.7	2.6
PPOP	**3.5**	**3.3**	**3.3**	**3.3**	**3.2**	**3.0**	**3.0**	**3.1**	**3.1**
Provisioning cost	0.4	0.4	0.5	0.5	0.7	0.5	0.5	0.3	0.3
PBT	**3.1**	**2.9**	**2.8**	**2.7**	**2.5**	**2.5**	**2.5**	**2.8**	**2.8**
RoA	**2.3**	**2.2**	**2.1**	**2.1**	**1.9**	**1.9**	**1.9**	**2.1**	**2.1**
RoE	**13.2**	**12.1**	**11.5**	**12.1**	**10.6**	**10.4**	**10.5**	**11.9**	**11.7**

Source: Emkay Research; Note: The bank has reclassified its loan mix in 1QFY27

Kotak Mahindra Bank: Standalone Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	529,197	555,640	607,166	699,631	818,302
Interest Expense	245,780	255,539	268,326	301,286	345,703
Net interest income	**283,418**	**300,101**	**338,840**	**398,345**	**472,599**
NII growth (%)	9.0	5.9	12.9	17.6	18.6
Other income	149,611	116,233	124,044	146,416	169,218
Total Income	**433,029**	**416,334**	**462,884**	**544,761**	**641,817**
Operating expenses	187,764	195,665	213,138	245,345	286,156
PPOP	**245,265**	**220,669**	**249,745**	**299,416**	**355,661**
PPOP growth (%)	25.2	(10.0)	13.2	19.9	18.8
Core PPOP	**200,219**	**225,158**	**245,257**	**294,703**	**350,712**
Provisions & contingencies	29,424	34,812	29,548	41,289	51,543
PBT	**215,841**	**185,857**	**220,197**	**258,127**	**304,117**
Extraordinary items	(27,302)	0	0	0	0
Tax expense	51,340	45,780	55,490	65,048	76,638
Minority interest	0	0	0	0	0
Income from JV/Associates	-	-	-	-	-
Reported PAT	**137,999**	**140,077**	**164,707**	**193,079**	**227,480**
PAT growth (%)	0.4	2.1	17.6	17.2	17.8
Adjusted PAT	**164,501**	**140,077**	**164,707**	**193,079**	**227,480**
Diluted EPS (Rs)	**16.5**	**14.1**	**16.6**	**19.4**	**22.9**
Diluted EPS growth (%)	19.3	(14.9)	17.6	17.2	17.8
DPS (Rs)	**4.0**	**0.7**	**0.8**	**0.9**	**1.0**
Dividend payout (%)	**2.1**	**4.6**	**4.5**	**4.4**	**4.2**
Effective tax rate (%)	23.8	24.6	25.2	25.2	25.2
Net interest margins (%)	4.5	4.2	4.2	4.2	4.2
Cost-income ratio (%)	43.4	47.0	46.0	45.0	44.6
Shares outstanding (mn)	9,941.1	9,946.5	9,946.5	9,946.5	9,946.5

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	9,941	9,946	9,946	9,946	9,946
Reserves & surplus	1,162,458	1,343,171	1,500,418	1,685,043	1,903,074
Net worth	**1,172,399**	**1,353,117**	**1,510,365**	**1,694,989**	**1,913,020**
Deposits	4,990,551	5,724,561	6,662,800	7,976,640	9,593,516
Borrowings	484,428	324,750	350,730	368,267	386,680
Interest bearing liab.	**5,474,979**	**6,049,311**	**7,013,530**	**8,344,907**	**9,980,196**
Other liabilities & prov.	**288,864**	**427,599**	**502,575**	**582,281**	**719,445**
Total liabilities & equity	**6,936,242**	**7,830,028**	**9,026,469**	**10,622,177**	**12,612,661**
Net advances	4,269,092	4,960,092	5,879,135	7,055,644	8,464,489
Investments	1,819,074	1,725,354	1,969,515	2,274,956	2,634,757
Cash, other balances	657,792	840,889	841,624	917,940	1,097,822
Interest earning assets	**6,745,958**	**7,526,335**	**8,690,273**	**10,248,540**	**12,197,067**
Fixed assets	23,589	23,883	26,334	29,542	33,126
Other assets	166,695	279,809	309,862	344,096	382,467
Total assets	**6,936,242**	**7,830,028**	**9,026,469**	**10,622,177**	**12,612,661**
BVPS (Rs)	114.6	132.7	148.3	166.7	188.4
Adj. BVPS (INR)	113.6	131.7	147.2	165.3	186.7
Gross advances	4,316,996	5,007,645	5,934,059	7,120,871	8,545,045
Credit to deposit (%)	85.5	86.6	88.2	88.5	88.2
CASA ratio (%)	43.0	43.3	43.0	43.8	44.9
Cost of deposits (%)	4.8	4.4	4.1	3.9	3.8
Loans-to-Assets (%)	61.5	63.3	65.1	66.4	67.1
Net advances growth (%)	13.5	16.2	18.5	20.0	20.0
Deposit growth (%)	11.2	14.7	16.4	19.7	20.3
Book value growth (%)	22.7	15.8	11.8	12.4	13.0

Source: Company, Emkay Research

Asset quality and other metrics

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
Gross NPLs	61,339	60,178	69,524	83,624	103,277
Net NPLs	13,434	12,625	14,600	18,397	22,721
GNPA ratio (%)	1.4	1.2	1.2	1.2	1.2
NNPA ratio (%)	0.3	0.3	0.2	0.3	0.3
Provision coverage (%)	78.1	79.0	79.0	78.0	78.0
Gross slippages	63,786	60,640	62,308	78,330	98,268
Gross slippage ratio (%)	1.5	1.2	1.1	1.1	1.2
LLP ratio (%)	0.7	0.8	0.5	0.6	0.7
NNPA to networth (%)	1.1	0.9	0.9	1.1	1.2
Capital adequacy					
Total CAR (%)	22.2	22.4	22.2	21.3	20.3
Tier-1 (%)	21.1	21.3	21.1	20.3	19.4
CET-1 (%)	21.1	21.3	21.1	20.3	19.4
RWA-to-Total Assets (%)	74.9	76.2	75.0	75.0	75.0
Miscellaneous					
Total income growth (%)	21.1	(1.0)	8.8	15.7	16.7
Opex growth (%)	12.6	4.2	8.9	15.1	16.6
Core PPOP growth (%)	7.3	12.5	8.9	20.2	19.0
PPOP margin (%)	36.1	32.8	34.2	35.4	36.0
PAT/PPOP (%)	67.1	63.5	66.0	64.5	64.0
LLP-to-Core PPOP (%)	14.7	15.5	12.0	14.0	14.7
Yield on advances (%)	10.2	9.4	8.8	8.6	8.5
Cost of funds (%)	4.8	4.4	4.1	3.9	3.8

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	14.6	17.1	14.6	12.4	10.5
P/B (x)	2.1	1.8	1.6	1.4	1.3
P/ABV (x)	2.1	1.8	1.6	1.5	1.3
P/PPOP (x)	15.8	17.6	15.5	13.0	10.9
Dividend yield (%)	1.0	0.2	0.2	0.2	0.2
DuPont-RoE split (%)					
NII/avg assets	4.4	4.1	4.0	4.1	4.1
Other income	2.3	1.6	1.5	1.5	1.5
Fee income	1.5	1.5	1.3	1.3	1.3
Opex	2.9	2.7	2.5	2.5	2.5
PPOP	**3.8**	**3.0**	**3.0**	**3.0**	**3.1**
Core PPOP	3.1	3.0	2.9	3.0	3.0
Provisions	0.5	0.5	0.4	0.4	0.4
Tax expense	0.8	0.6	0.7	0.7	0.7
RoA (%)	**2.5**	**1.9**	**2.0**	**2.0**	**2.0**
Leverage ratio (x)	6.0	5.8	5.9	6.1	6.4
RoE (%)	**15.4**	**11.1**	**11.5**	**12.0**	**12.6**

Quarterly data

Rs mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	72,593	73,107	75,646	78,755	79,284
NIM (%)	4.7	4.5	4.5	4.7	4.5
PPOP	55,637	52,683	53,798	58,552	61,314
PAT	32,817	32,533	34,461	40,266	41,230
EPS (Rs)	16.5	16.4	17.3	20.2	20.7

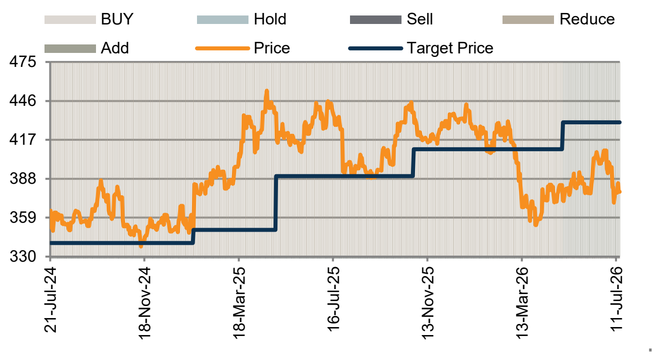
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
10-Jul-26	378	430	Add	Avinash Singh
05-Jun-26	377	430	Add	Seshadri Sen
04-May-26	372	430	Add	Anand Dama
25-Jan-26	423	410	Reduce	Anand Dama
26-Oct-25	437	410	Reduce	Anand Dama
27-Jul-25	425	390	Reduce	Anand Dama
15-Jun-25	421	390	Reduce	Anand Dama
04-May-25	437	390	Reduce	Anand Dama
09-Apr-25	411	350	Reduce	Anand Dama
13-Feb-25	395	350	Reduce	Anand Dama
19-Jan-25	352	350	Reduce	Anand Dama
20-Oct-24	374	340	Reduce	Anand Dama
21-Jul-24	364	340	Reduce	Anand Dama

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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REDUCE	5% upside to 15% downside
SELL	>15% downside

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