

State Bank of India (SBIN)

Banking | 3QFY26 Result Update

BUY

CMP: Rs1,066 | Target Price (TP): Rs1,291 | Upside: 21%

February 08, 2026

PAT beats estimates due to higher non-interest income

Key Points

- State Bank of India's 3QFY26 performance was in line with our expectations, but much above our expectations at the PPOP/PAT level by 23.4%/32.4%, mainly due to higher non-interest income (up 66.3% YoY/19.8% QoQ). PAT grew 24.5% YoY/4.3% QoQ to Rs210.3bn. NIM marginally improved by 2bps QoQ to 2.99%. Advances grew 15.1% YoY with broad-based growth across segments. However, deposits growth continued to be lower at 9% YoY. Asset quality was at a two decadal best with GNPA/NNPA at 1.57%/0.39%.
- We have estimated loan/earnings CAGR of 13.7%/9.8% over FY25-FY28E, which will lead to RoA/RoE of 1.1%/14.5% in FY28E. We have valued SBI's standalone business at 1.6x Dec-27E ABV (as against 1.5x Dec-27E earlier). Adding subsidiary value per share of Rs238.5, we derive our target price (TP) of Rs1,291 (as against Rs1,216 earlier). Our target multiple is at 8.9% premium to the 5-year average multiple of 1.47x. We are positive on SBI for the long term considering the bank's leadership position in corporate and retail (which enables it to choose the best quality credit), ample liquidity on balance sheet (providing stability to its margins), and pristine asset quality (standard provision buffer of 0.7% provides added comfort). We maintain our 'BUY' rating on the stock.

Snapshot of 3QFY26 performance: State Bank of India's 3QFY26 performance was in line with our expectations, but much above our expectations at the PPOP/PAT level by 23.4%/32.4%, mainly due to higher non-interest income. PAT grew 24.5% YoY/4.3% QoQ to Rs210.3bn. NII grew 9% YoY/5.1% QoQ to Rs451.9bn. NIM marginally improved by 2bps QoQ to 2.99%. Non-interest income grew 66.3% YoY/19.8% QoQ to Rs183.6bn mainly on the back of 174.7% YoY growth in treasury income, 3,074.3% YoY growth in forex income, and 103.6% YoY growth in miscellaneous income. PPOP grew 39.5% YoY/20.3% QoQ to Rs328.6bn. Cost-to-income ratio stood at 48.3% in 3QFY26 as against 49.3% in 2QFY26 and 55.1% in 3QFY25. Provisions grew 394.7% YoY but declined 16.5% QoQ to Rs45.1bn. RoA stood at 1.19%. CAR stood at 14.04% with CET-1 ratio at 11%. RWA-to-asset ratio stood low at 53.4%.

Robust loan growth: Advances grew 15.1% YoY to Rs46.8bn on the back of 15% YoY growth in retail, 16.6% YoY growth in agriculture advances, 21% YoY growth in SME, 13.4% YoY growth in corporate, and 13.4% YoY growth in foreign offices advances. Within retail, home loans grew 14.7% YoY, auto loans grew 10.1% YoY, Xpress credit grew 6% YoY, personal gold loans grew 96.4% YoY, and other personal segment loans grew 17.7% YoY. Deposits grew 9% YoY to Rs57tn. CASA ratio stood stable at 39.1%. Due to higher credit growth than deposit growth, C/D ratio increased from 78% in 2QFY26 to 81.2% in 3QFY26.

Est Change	Upwards
TP Change	Upwards
Rating	No Change

Company Data and Valuation Summary

Reuters	SBI.BO
Bloomberg	SBIN IN Equity
Mkt Cap (Rsbn/US\$bn)	9,843.5 / 107.1
52 Wk H / L (Rs)	1,090 / 680
ADTV-3M (mn) (Rs/US\$)	9,666.5 / 107.0
Stock performance (%) 1M/6M/1yr	4.7 / 32.4 / 41.8
Nifty 50 performance (%) 1M/6M/1yr	(2.1) / (0.0) / 9.1

Shareholding	1QFY26	2QFY26	3QFY26
Promoters	57.4	55.5	55.5
DII's	25.7	27.8	27.2
FII's	9.3	9.6	10.3
Others	7.6	7.1	7.0
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY25	FY26E	FY27E	FY28E
NII	1,669,651	1,764,278	2,049,737	2,273,206
% growth	4.4	5.7	16.2	10.9
NIM %	2.8	2.7	2.8	2.8
C/I Ratio %	51.6	50.3	50.0	50.1
Operating Profit	1,105,792	1,245,260	1,423,342	1,579,670
% growth	27.5	12.6	14.3	11.0
Adjusted PAT	709,006	792,141	849,686	939,212
% growth	16.1	11.7	7.3	10.5
ABVPS (Rs)	472	568	640	719
P/ABV	2.3	1.9	1.7	1.5
RoA (%)	1.1	1.1	1.1	1.1
Leverage (x)	15.7	15.2	13.5	13.4
RoE (%)	17.3	16.1	14.7	14.5

Source: Company, Bloomberg, Nirmal Bang Institutional Equities Research

[Key Links- Q3FY26 presentation](#)

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Asset quality at a two decadal best: GNPA/NNPA were at a two decadal low at 1.57%/0.39%. Slippage ratio stood at 0.54% in 3QFY26 as against 0.6% in 2QFY26 and 0.59% in 3QFY25. Credit cost stood at 0.39% in 3QFY26 as against 0.43% in 2QFY26 and 0.37% in 3QFY25. Non-specific provision buffer stood at Rs306.4bn forming 0.7% of the loan book. PCR without and with technical write-offs stood at 75.5% and 92.4%, respectively. The balance in AUCA as on 31-Dec-25 stood at Rs1,624.6bn. Of these, AUCA amounting to Rs237.5bn is more than 10 years old; Rs875.4bn is more than 5 years and up to 10 years old; and Rs511.8bn is up to 5 years old. SMA-1 and SMA-2 book stood at Rs22bn and Rs16.7bn, respectively.

Exhibit 1: Quarterly performance

Particulars (Rsmn)	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26E	3Q26E	FY25	FY26E	Variation (%)	YoY	QoQ
Net interest income	414,455	427,746	410,725	429,839	451,904	471,810	452,979	1,669,651	1,764,278	-0.2	9.0	5.1
YoY Change (%)	4.1	2.7	-0.1	3.3	9.0	10.3	9.3	4.4	5.7	-	-	-
<i>NIM (%)</i>	3.0	3.0	2.9	2.9	3.0	2.8	2.8	3.3	2.7	20bps	-6bps	2bps
Non-interest income	110,408	242,099	173,457	153,255	183,585	230,018	123,634	616,831	740,316	48.5	66.3	19.8
Net Revenue	524,863	669,845	584,182	583,095	635,489	701,828	576,613	2,286,482	2,504,594	10.2	21.1	9.0
Operating Expenses	289,355	356,985	278,737	309,987	306,865	363,745	310,328	1,180,690	1,259,334	-1.1	6.1	-1.0
Operating profit	235,508	312,860	305,445	273,108	328,624	338,083	266,285	1,105,792	1,245,260	23.4	39.5	20.3
YoY Change (%)	15.8	8.8	15.5	-6.8	39.5	8.1	13.1	27.5	12.6	-	-	-
Provisions	9,111	64,417	47,592	54,001	45,069	86,537	54,573.9	153,079	233,199	-17.4	394.7	-16.5
Exceptional Items	-	-	-	45,932	-	-	-	-	-	-	-	-
Profit before Tax	226,398	248,444	257,853	265,039	283,555	251,547	211,711	952,713	1,057,993	33.9	25.2	7.0
Tax	57,483	62,018	66,248	63,444	73,273	62,887	52,928	243,706	265,852	38.4	27.5	15.5
<i>ETR (%)</i>	25	25	26	24	26	25	25	26	25	-	-	-
Net Profit	168,914	186,426	191,604	201,595	210,282	188,660	158,783	709,006	792,141	32.4	24.5	4.3
YoY Change (%)	84.3	-9.9	12.5	10.0	24.5	1.2	-6.0	16.1	11.7	-	-	-
Business Metrics												
Loans (in bn)	40,046	41,633	41,962	43,617	46,277	47,897	45,253	41,633	47,897	2.3	15.6	6.1
YoY Change (%)	13.8	12.4	11.9	13.1	15.6	15.0	13.0	12.4	15.0	-	-	-
Deposits (in bn)	52,294	53,822	54,733	55,917	57,013	58,723	57,315	53,822	58,723	-0.5	9.0	2.0
YoY Change (%)	9.8	9.5	11.7	9.3	9.0	9.1	9.6	9.5	9.1	-	-	-
Asset Quality Metrics												
GNPA (%)	2.07	1.82	1.83	1.73	1.57	1.60	1.74	1.82	1.58	-17bps	-50bps	-16bps
NNPA (%)	0.53	0.47	0.47	0.42	0.39	0.39	0.44	0.47	0.39	-5bps	-14bps	-3bps
PCR (%)	74.66	74.42	74.49	75.79	75.54	75.79	74.99	74.42	75.79	55bps	88bps	-25bps

Source: Company, Nirmal Bang Institutional Equities Research

3QFY26 Analyst Meet Highlights

- The bank reported highest-ever quarterly net profit at Rs210.3bn, up 24.5% YoY, driven by strong operating performance and lower credit costs.
- Operating profit rose 39.5% YoY to Rs328.6bn.
- NII stood at Rs451.9bn, up 9% YoY.
- Credit cost remained low at 0.29%, supporting profitability.
- RoA sustained at >1%; ROE at 20.68% for 3QFY26.
- Domestic NIM stood at 3.12% in 3QFY26. Management reiterated exit FY26 NIM of ~3% and long-term NIM guidance of ~3% through cycles.
- Cost of funds is expected to remain largely stable in 4QFY26 with limited scope for further reduction.
- Total business crossed Rs103tn.
- Credit growth was at 15.14% YoY with broad-based traction. Corporate credit rebounded strongly, up 13.37% YoY, and is expected to remain in double digits in 4QFY26. RAM (Retail, Agri, MSME) continued to show robust growth.
- Domestic credit-deposit ratio improved to 72.98%, up 404bps YoY.
- Credit growth guidance for the near term is revised upwards to 13–15% (earlier 12–14%). Growth is expected to be balanced across corporate, retail, and MSME segments. Management indicated that full-year credit growth guidance for FY27 will be provided in 1QFY27, after assessing demand and system liquidity conditions.
- Total deposits grew 9.0% YoY. CASA ratio stood at 39.13%, despite a competitive environment. Current account deposits grew ~10% YoY. Retail term deposits were up 14.5% YoY.
- Management emphasized focus on retail and card-rate deposits, avoiding aggressive high-cost wholesale deposits.
- NPAs were at the lowest level in over two decades. Gross NPA was at 1.57%, improving by 50bps YoY. Net NPA was at 0.39%, improving by 14bps YoY. Provision Coverage Ratio (PCR) increased to 75.54%, up by 88bps YoY.
- Non-NPA provisions include: (1) Continuing Rs35bn COVID provisions. (2) Additional proactive, account-specific, and standard asset provisions. Management clarified these are not built for ECL, but to strengthen balance sheet resilience.
- Strong growth in fee-based income was led by: (1) Cross-sell and upsell (CVE income), (2) Government business, and (3) Processing fees and recoveries.
- CVE income benefited from higher life insurance sales, mutual fund trail income, and wider product availability via YONO.
- Dividend income included a one-off Rs22bn special dividend from SBI Mutual Fund.
- Interest on income tax refund was Rs7.7bn in 3QFY26 (vs Rs3.7bn in 2QFY26).
- YONO is at the centre of SBI's digital strategy. It has 96.5mn registered users. New YONO crossed 30mn registrations within one month of launch.
- SBI targets to scale YONO users to 200mn over 2-3 years, aiding operating leverage and RoA sustainability.
- There is continued focus on process simplification, branch productivity, and migration of routine transactions to digital channels.
- There was sharp growth in gold loans; the management highlighted: (1) Agri gold loan book was at Rs1.44tn. (2) Average LTV was at ~55% for agri gold loans and ~51% for personal gold loans. (3) Very low auction levels, indicating strong customer behaviour and portfolio resilience.
- Capital adequacy ratio improved to 14.04%, up by 101bps YoY, well above regulatory requirements. Strong internal capital generation supports future growth and CET1 accretion.
- CVE income target set at US\$1bn with confidence of achieving it over time.
- Overall recovery expectations from the written-off portfolio remain at ~6–8%, consistent with earlier commentary.
- Management reiterated confidence in sustaining RoA above 1%.

Quarterly Income Statement

(Rsmn)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
Interest Inc. on Advances	836,268	857,097	854,379	861,826	890,140	6.4	3.3
Interest Inc. on Investments	292,863	294,562	277,492	282,787	284,275	-2.9	0.5
Others	45,136	45,003	48,088	51,926	51,147	13.3	-1.5
Total Interest Inc.	1,174,266	1,196,662	1,179,959	1,196,539	1,225,561	4.4	2.4
Interest Expended	759,811	768,916	769,234	766,700	773,658	1.8	0.9
NII	414,455	427,746	410,725	429,839	451,904	9.0	5.1
CXB	72,670	98,960	76,770	85,730	84,040	15.6	-2.0
Total Non-interest Income	110,408	242,099	173,457	153,255	183,585	66.3	19.8
Total Net Income	524,863	669,845	584,182	583,095	635,489	21.1	9.0
Payments to / Prov. for employees	160,737	180,052	168,995	166,060	160,031	-0.4	-3.6
Other operating expenses	128,617	176,933	109,742	143,927	146,834	14.2	2.0
Total Operating Exp.	289,355	356,985	278,737	309,987	306,865	6.1	-1.0
Operating Profit	235,508	312,860	305,445	273,108	328,624	39.5	20.3
Total Provisions	9,111	64,417	47,592	54,001	45,069	394.7	-16.5
*PBT	226,398	248,444	257,853	265,039	283,555	25.2	7.0
Tax Provision	57,483	62,018	66,248	63,444	73,273	27.5	15.5
Net Profit	168,914	186,426	191,604	201,595	210,282	24.5	4.3
EPS (Rs)	18.9	20.9	21.5	21.8	22.8	20.4	4.3

*Q2FY26 PBT
includes
exceptional item
of Rs45.932mn

Key Ratios

(%)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (bps)	QoQ (bps)
Dom. NIM	3.15	3.15	3.02	3.05	3.08	-7 bps	4 bps
CAR	13.03	14.25	14.63	14.62	14.04	101 bps	-58 bps
Tier I	10.85	12.11	12.45	12.67	12.30	145 bps	-37 bps
ROA	1.04	1.12	1.14	1.17	1.19	15 bps	2 bps
CD Ratio	76.58	77.35	76.67	78.00	81.17	460 bps	317 bps

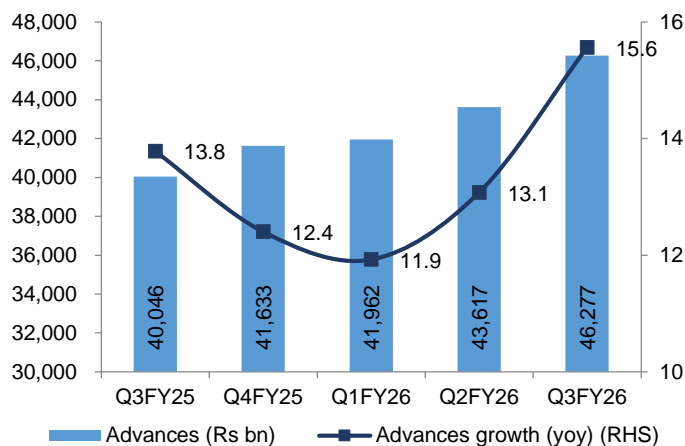
Asset Quality

(Rsmn)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
GNPA	843,600	768,802	780,397	762,430	736,368	-12.7	-3.4
NNPA	213,780	196,669	199,084	184,599	180,121	-15.7	-2.4
						YoY (bps)	QoQ (bps)
GNPA (in %)	2.07	1.82	1.83	1.73	1.57	-50 bps	-16 bps
NNPA (in %)	0.53	0.47	0.47	0.42	0.39	-14 bps	-3 bps
PCR (%) (Excl. Technical Write-offs)	74.66	74.42	74.49	75.79	75.54	89 bps	-25 bps

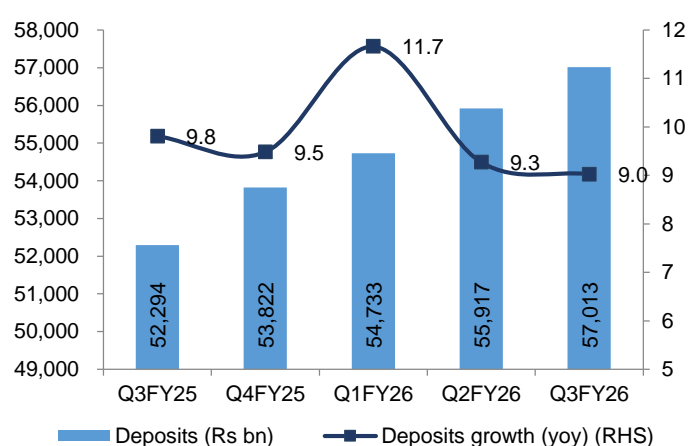
Balance Sheet Details

(Rsmn)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
Net Advances	40,045,669	41,633,121	41,962,051	43,617,370	46,277,341	15.6	6.1
Savings Deposits	16,802,240	17,005,680	17,468,130	17,960,360	18,252,920	8.6	1.6
Current Deposits	2,850,130	3,645,930	3,217,140	3,282,300	3,144,340	10.3	-4.2
CASA Deposits	19,652,370	20,651,610	20,685,270	21,242,660	21,397,260	8.9	0.7
Term Deposits	30,486,230	31,017,020	31,863,460	32,363,660	32,471,490	6.5	0.3
Total Deposits	52,293,845	53,821,895	54,732,537	55,917,004	57,013,090	9.0	2.0
CASA (%)	37.6	38.4	37.8	38.0	37.5	-6 bps	-46 bps

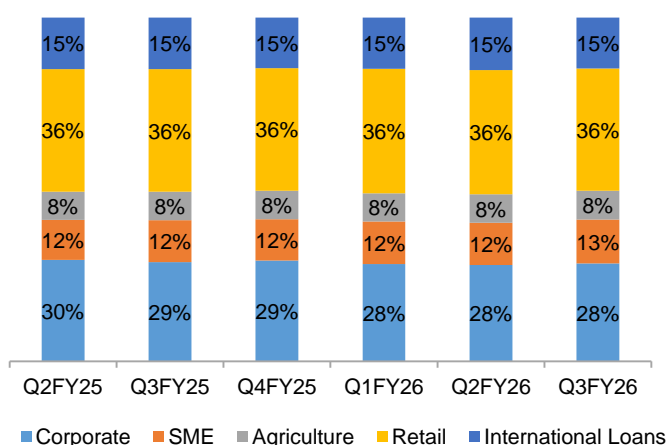
Quarterly Du-Pont (%)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
NII	2.6	2.6	2.4	2.5	2.6
Non-interest income	0.7	1.5	1.0	0.9	1.0
Total income	3.2	4.0	3.5	3.4	3.6
Opex	1.8	2.1	1.7	1.8	1.7
PPOP	1.5	1.9	1.8	1.6	1.9
Provision	(0.3)	0.0	(0.1)	(0.1)	(0.2)
PBT	1.8	1.9	1.9	1.9	2.0
Tax	0.4	0.4	0.4	0.4	0.4
ROA	1.4	1.5	1.5	1.5	1.6
Leverage (x)	11.3	11.4	11.0	10.6	9.9
ROE	15.8	17.0	16.8	16.3	15.9

Exhibit 2: Net advances growth (YoY)


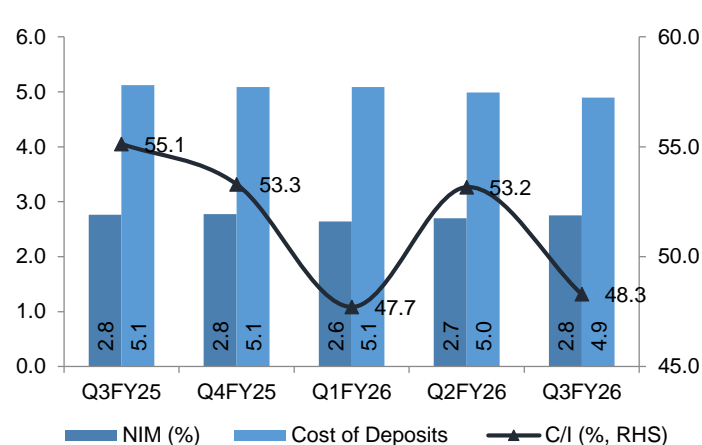
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: Deposits growth (YoY)


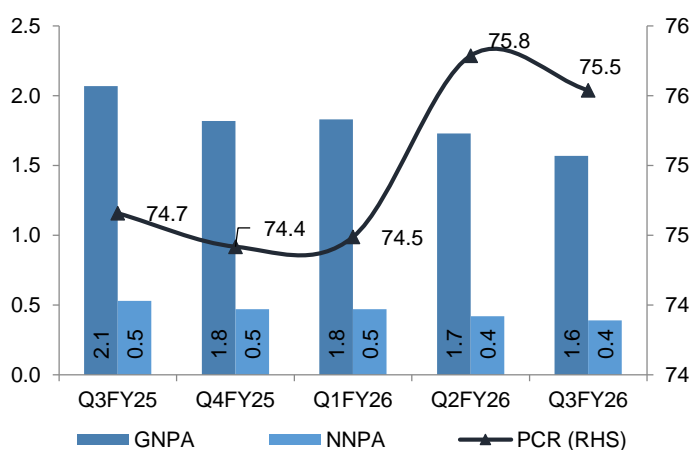
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Advances mix


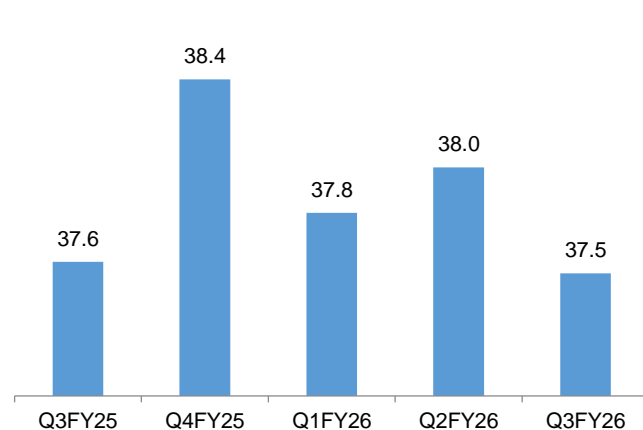
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: NIMs, cost of deposits, and cost/income


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Asset quality metrics


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 7: CASA ratio


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: SOTP valuation
Calculation of Dec-27E ABV

Dec-27E Networth (Rsmn)	6,786,519.0
Revaluation Reserves (Rsmn)	273,556.2
Dec-27E NNPA (Rsmn)	219,394.5
Cost of investment in subsidiaries	220,438.5
Dec-27E Adj. Networth	6,073,129.9
Dec-27E ABV (Rs)	657.9

Entity	Valuation Methodology	Holding	Value per share (Rs)
Standalone Bank	1.6x Dec-27E ABV		1,052.7
SBI Life Insurance	Current Mcap	55.4%	120.1
SBI Cards	Current Mcap	68.6%	53.5
SBI General Insurance	2.5x Sep-25 BV	69.1%	9.7
SBI Capital Markets	15.0x TTM EPS	100.0%	23.1
SBI AMC	30x TTM EPS	62.0%	60.9
Yes Bank	Current Mcap	10.8%	7.8
SBI Ventures	5x FY25 EPS	100.0%	0.2
SBI DFHI	10x FY25 EPS	69.0%	2.5
SBI Factors	5x FY25 EPS	100.0%	0.3
SBI Pension Funds	10x FY25 PAT	80.0%	0.6
SBI Payment Services	10x FY25 EPS	74.0%	1.1
SBI-SG Global Securities Services	5x FY25 EPS	65.0%	0.5
State Bank Operations Support Services	5x FY25 EPS	100.0%	0.1
Holding co. discount (%)			15%
Value of key subsidiaries (Rs)			238.5
Target Price (Rs)			1,291.1

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Financial summary

Y/E March (Rsmn)	FY24	FY25	FY26E	FY27E	FY28E
Net interest income	1,598,758	1,669,651	1,764,278	2,049,737	2,273,206
Operating profit	866,972	1,105,792	1,245,260	1,423,342	1,579,670
PAT	610,766	709,006	792,141	849,686	939,212
EPS (Rs)	68	79	86	92	102
BV (Rs)	423	494	588	662	743
P/E (x)	15.6	13.4	12.4	11.6	10.5
P/BV (x)	2.5	2.2	1.8	1.6	1.4
GNPAs (%)	2.2	1.8	1.6	1.6	1.6
NNPAs (%)	0.6	0.5	0.4	0.4	0.4
RoA (%)	1.0	1.1	1.1	1.1	1.1
RoE (%)	17.3	17.3	16.1	14.7	14.5

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: Actual performance vs our estimates

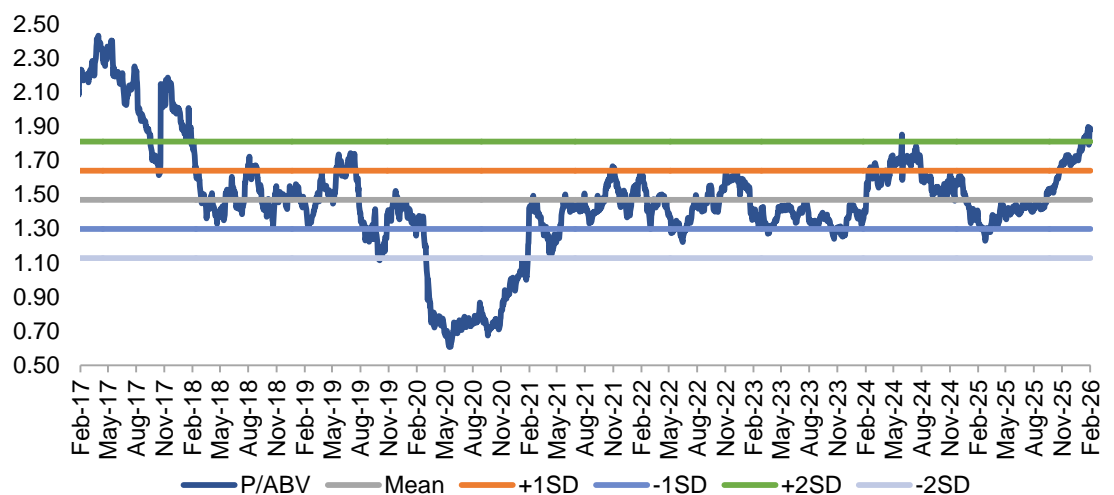
(Rsmn)	Q3FY26	Q3FY26E	Devi. (%)	Consensus estimates	Devi. (%)
Net interest income	451,904	452,979	(0.2)	449,700	0.5
Pre-provisioning Operating Profit	328,624	266,285	23.4	279,814	17.4
PAT	210,282	158,783	32.4	177,997	18.1

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Change in our estimates

	Revised Estimate			Earlier Estimate			% Revision		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Interest Income (Rsmn)	1,764,278	2,049,737	2,273,206	1,768,941	2,064,850	2,296,079	-0.3	-0.7	-1.0
NIM (%)	2.70	2.82	2.81	2.7	2.8	2.84	1bps	-1bps	-3bps
Operating Profit (Rsmn)	1,245,260	1,423,342	1,579,670	1,180,545	1,392,509	1,558,276	5.5	2.2	1.4
Profit after tax (Rsmn)	792,141	849,686	939,212	740,531	843,053	943,481	7.0	0.8	-0.5
Loan book (Rsbm)	47,897	54,155	61,230	47,063	52,700	59,013	1.8	2.8	3.8
ABVPS (Rs)	568	640	719	561	633	712	1.3	1.2	0.9

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: One-year forward P/ABV


Source: Company, Nirmal Bang Institutional Equities Research

Financials

Exhibit 13: Income statement

Y/E March (Rsmn)	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	4,151,307	4,624,894	4,854,090	5,472,279	6,144,438
Interest expense	2,552,548	2,955,242	3,089,812	3,422,541	3,871,232
Net interest income	1,598,758	1,669,651	1,764,278	2,049,737	2,273,206
Non-interest income	516,822	616,831	740,316	798,614	891,077
Net Revenue	2,115,580	2,286,482	2,504,594	2,848,351	3,164,283
Operating Expense	1,248,608	1,180,690	1,259,334	1,425,009	1,584,612
-Employee Exp	783,370	643,522	676,958	803,586	907,202
-Other Exp	465,238	537,168	582,376	621,423	677,410
Operating profit	866,972	1,105,792	1,245,260	1,423,342	1,579,670
Provisions	49,142	153,079	233,199	290,427	327,388
Exceptional Items	-	-	45,932	-	-
PBT	817,830	952,713	1,057,993	1,132,915	1,252,282
Taxes	207,063	243,706	265,852	283,229	313,071
PAT	610,766	709,006	792,141	849,686	939,212

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 15: Balance sheet

Y/E March (Rsmn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	8,925	8,925	9,231	9,231	9,231
Reserves & Surplus	3,763,541	4,402,697	5,421,203	6,100,952	6,852,322
Shareholder's Funds	3,772,465	4,411,621	5,430,434	6,110,183	6,861,552
Deposits	49,160,768	53,821,895	58,723,483	65,291,707	72,594,587
Borrowings	5,975,609	5,635,725	6,611,351	7,295,958	8,051,457
Other liabilities	2,888,097	2,891,291	3,112,999	3,696,501	4,400,658
Total liabilities	61,796,939	66,760,533	73,878,267	82,394,349	91,908,254
Cash/Equivalent	3,108,020	3,402,297	3,037,724	3,377,494	3,755,267
Advances	37,039,709	41,633,121	47,897,048	54,154,824	61,230,182
Investments	16,713,397	16,905,727	17,711,115	19,039,187	20,442,775
Fixed Assets	426,173	441,076	485,183	533,701	587,071
Other assets	4,509,642	4,378,312	4,747,197	5,289,143	5,892,959
Total assets	61,796,939	66,760,533	73,878,267	82,394,349	91,908,254

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 14: Key ratios

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Growth (%)					
NII growth	10.4	4.4	5.7	16.2	10.9
Pre-provision profit growth	3.6	27.5	12.6	14.3	11.0
PAT growth	21.6	16.1	11.7	7.3	10.5
Business (%)					
Deposit growth	11.1	9.5	9.1	11.2	11.2
Advance growth	15.8	12.4	15.0	13.1	13.1
CD	75.3	77.4	81.6	82.9	84.3
CASA	39.9	38.7	37.6	38.0	38.4
Operating efficiency (%)					
Cost-to-income	59.0	51.6	50.3	50.0	50.1
Cost-to-assets	2.1	1.8	1.8	1.8	1.8
Spreads (%)					
Yield on advances	8.3	8.4	7.9	8.0	8.0
Yield on investments	6.7	6.8	6.5	6.5	6.5
Cost of deposits	4.7	5.0	4.9	4.9	5.0
Yield on assets	7.7	7.8	7.4	7.5	7.6
Cost of funds	4.9	5.2	5.0	5.0	5.1
NIMs	3.0	2.8	2.7	2.8	2.8
Capital adequacy (%)					
Tier I	11.9	12.1	12.9	12.6	12.7
Tier II	2.4	2.1	2.5	2.2	2.0
Total CAR	14.3	14.3	15.5	14.9	14.7
Asset Quality (%)					
Gross NPA	2.2	1.8	1.6	1.6	1.6
Net NPA	0.6	0.5	0.4	0.4	0.4
Provision coverage	75.0	74.4	75.8	76.8	77.8
Slippage	0.5	0.5	0.5	0.6	0.6
Credit-cost	0.1	0.4	0.5	0.6	0.6
Return (%)					
ROE	17.3	17.3	16.1	14.7	14.5
ROA	1.0	1.1	1.1	1.1	1.1
RORWA	2.0	2.1	2.1	2.0	1.9
Per share					
EPS	68	79	86	92	102
BV	423	494	588	662	743
ABV	399	472	568	640	719
Valuation					
P/E	15.6	13.4	12.4	11.6	10.5
P/BV	2.5	2.2	1.8	1.6	1.4
P/ABV	2.7	2.3	1.9	1.7	1.5

Source: Company, Nirmal Bang Institutional Equities Research

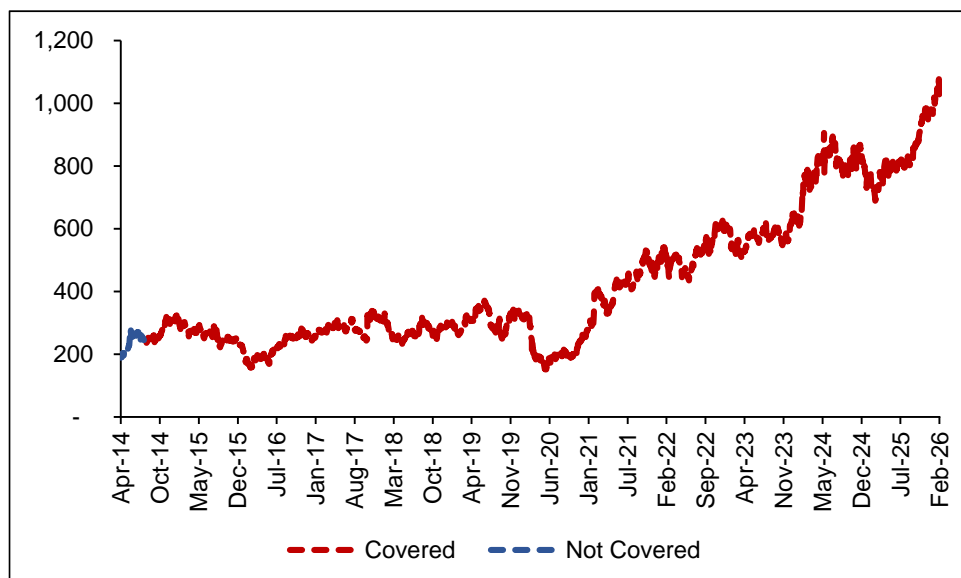
Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
14 August 2014	Buy	2,418	2,915
8 October 2014	Buy	2,411	2,915
17 November 2014	Buy	2,785	3,200
22 December 2014	Buy	304	363
8 January 2015	Buy	301	363
16 February 2015	Buy	308	375
25 May 2015	Buy	282	375
12 August 2015	Buy	268	375
9 November 2015	Buy	244	375
12 February 2016	Buy	155	220
30 May 2016	Buy	201	240
16 August 2016	Buy	244	280
15 November 2016	Buy	272	315
13 February 2017	Buy	275	315
14 February 2017	Buy	272	335
22 May 2017	Buy	309	355
14 August 2017	Buy	280	325
13 November 2017	Buy	333	386
12 February 2018	Buy	296	364
23 May 2018	Buy	254	331
13 August 2018	Buy	304	353
9 October 2018	Buy	266	329
6 November 2018	Buy	295	347
13 December 2018	Buy	285	344
4 February 2019	Buy	284	347
8 April 2019	Buy	317	366
13 May 2019	Buy	308	373
8 July 2019	Buy	371	430
5 August 2019	Buy	308	370
7 October 2019	Buy	250	354
29 October 2019	Buy	282	365
8 January 2020	Buy	320	377
1 February 2020	Buy	318	377
27 March 2020	Buy	192	315
9 April 2020	Buy	183	315
8 June 2020	Buy	189	274
9 July 2020	Buy	192	227
3 August 2020	Buy	196	326
23 September 2020	Buy	186	328
7 October 2020	Buy	192	324
5 November 2020	Buy	206	323
26 November 2020	Buy	243	348
08 January 2021	Buy	288	384
5 February 2021	Buy	355	423
21 February 2021	Buy	399	495
23 May 2021	Buy	404	519
05 August 2021	Buy	457	536
26 September 2021	Buy	441	574

03 November 2021	Buy	531	617
06 February 2022	Buy	529	639
15 May 2022	Buy	441	626
07 August 2022	Buy	532	678
19 September 2022	Buy	562	723
06 November 2022	Buy	594	718
05 February 2023	Buy	545	667
22 March 2023	Buy	523	680
19 May 2023	Buy	576	664
06 August 2023	Buy	573	698
06 November 2023	Buy	578	714
29 November 2023	Buy	560	709
05 February 2024	Buy	650	791
21 February 2024	Buy	760	862
10 May 2024	Buy	820	1,003
14 June 2024	Buy	844	1,003
07 July 2024	Buy	860	1,060
04 August 2024	Buy	848	1,060
10 October 2024	Buy	797	1,059
09 November 2024	Buy	843	1,065
6 December 2024	Buy	864	1,060
10 January 2025	Buy	743	1,055
7 February 2025	Buy	752	1,016
9 April 2025	Buy	769	1,005
4 May 2025	Buy	800	1,010
26 June 2025	Buy	800	1,013
10 July 2025	Buy	811	1,009
10 August 2025	Buy	804	1,001
14 September 2025	Buy	823	1,039
10 October 2025	Buy	862	1,040
5 November 2025	Buy	957	1,195
9 January 2026	Buy	1,001	1,216
8 February 2026	Buy	1,066	1,291

Coverage was transferred to Rati J Pandit with effect from 6-Aug-23

Rating track graph



DISCLOSURES

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BUY > 15%

HOLD -5% to 14%

SELL < -5%

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