

18 October 2026

India | Equity Research | Results Update

Axis Bank

Banking

Growth strong while slippages / AQ sustain improvement; NIM to look up

Axis Bank (Axis) reported Q2FY27 PAT of INR 70bn (~5% miss; RoA of 1.4%), led by a 5% rise in NII, partly offset by opex surge (up 11%) and lower-than-expected fee. Slippages and credit costs sustained improvement. Loan growth (9% QoQ) was aided by FCNR and ECLGS, while core retail growth, despite strong disbursement, remained soft at 3%. NIM ex-FCNR was stable but overall NIM dipped 10bps QoQ (in-line). Basis better mix (liability /assets) and tailwinds from rate cycle, we model an improving NIM trajectory, though we do not see material levers on fee and opex for FY28E. We raise our FY27E loan growth est. to ~20% but keep FY28E unchanged at ~15%, as we await more signs of retail growth pickup. We estimate unchanged ~1.5% RoA and ~14% RoE for FY27-28. Maintain **BUY** and a TP of INR 1,620, basis ~1.7x core banking book. Rise in stress is a key risk. Axis has also named Mr Rahul Shukla (ex-HDFCB) ([link](#)) as group head, Commercial and Bharat Banking.

Growth led by FCNR and ECLGS; core retail still soft at 3% QoQ

Loans grew 9% QoQ (23% YoY), led by FCNR loans (3.5%) and supported by SME and wholesale (up 8-9% each). The bank has sanctioned INR 120bn in ECLGS, equivalent to INR 107bn of loans, of which ~80% have been disbursed. Retail (ex-FCNR) growth was muted at 3%, though retail disbursement sustained 22% YoY growth. Deposits grew 6% QoQ (21% YoY), led by FCNR mobilisation of ~ INR 1trn.

Ex-FCNR margins stable, we expect 5/15bps NIM uptick

Calculated yield on advances was stable QoQ. CoD inched up 5bps QoQ to 4.80%, partly on lower CASA share. NIM shrank 10bps QoQ to 3.36% due to NIM-dilutive FCNR. NIM (ex-FCNR) was stable QoQ at 3.47%. Axis has shed ~9% bulk deposits and the full impact, along with efficient liquidity deployment and rate hike, could aid NIM, underpinning our estimate of 5/15bps QoQ uptick in NIM for the next two quarters. NII growth was healthy at 5% QoQ (1% beat). LCR was stable at 119%.

Core fee/treasury muted, opex jumps 11% QoQ

Core fee growth remained sluggish at 6% YoY, while treasury gains were muted. Opex surged 11% QoQ (off low base) and included a one-off impact of INR 2.5bn on account of labour code change and FCNR expenses. Adj. opex was up 6% QoQ.

Slippages/credit cost sustain improvement; outlook benign

Slippages declined to 1.4% (vs. 1.8% QoQ and 2% YoY). Retail slippages improved to a multi-quarter low of 2.3%. Net slippages, too, improved to 0.7%. Credit cost improved to 0.7% vs. 0.9% QoQ, while net credit costs eased to 0.45% vs. 0.6% QoQ. Net NPA moderated to 35bps, while PCR was stable at 70%. The bank mentioned improving trends in retail products.

Financial Summary

Y/E March	FY25A	FY26A	FY27E	FY28E
NII (INR bn)	543.5	560.5	640.4	766.3
Op. profit (INR bn)	421.0	428.2	495.2	599.0
Net Profit (INR bn)	263.7	244.6	306.2	361.2
EPS (INR)	85.3	78.8	98.5	116.2
EPS % change YoY	5.7	(7.6)	25.0	18.0
ABV (INR)	571.3	649.7	746.9	856.8
P/BV (x)	2.2	1.9	1.7	1.5
P/ABV (x)	2.1	1.8	1.6	1.3
Return on Assets (%)	1.7	1.4	1.5	1.5
Return on Equity (%)	15.9	12.7	13.9	14.3

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Market Data

Market Cap (INR)	4,017bn
Market Cap (USD)	42,296mn
Bloomberg Code	AXSB IN
Reuters Code	AXBK.BO
52-week Range (INR)	1,418 / 1,150
Free Float (%)	92.0
ADTV-3M (mn) (USD)	88.0

Price Performance (%)	3m	6m	12m
Absolute	(1.3)	(4.4)	7.8
Relative to Sensex	1.8	(0.2)	18.3

ESG Score	2025	2026	Change
ESG score	81.7	80.4	(1.3)
Environment	82.7	76.0	(6.7)
Social	74.3	75.0	0.7
Governance	86.5	86.5	0.0

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY27E	FY28E
EPS	0	1

Previous Reports

01-10-2026: [Banking Q2FY27 Preview](#)

19-07-2026: [Q1FY27 results review](#)

Exhibit 1: Q2FY27 result review

INR mn	Q2FY26	Q2FY27	YoY (%)	Q1FY27	QoQ (%)
Financial Highlights (INR mn)					
Interest Earned	3,09,702	3,64,188	17.6	3,39,856	7.2
Interest Expended	1,72,257	2,10,474	22.2	1,93,395	8.8
Net Interest Income	1,37,446	1,53,714	11.8	1,46,461	5.0
Other Income	66,246	65,306	(1.4)	67,354	(3.0)
Total Income	3,75,948	4,29,493	14.2	4,07,211	5.5
Total Net Income	2,03,691	2,19,020	7.5	2,13,815	2.4
Staff Expenses	31,176	33,144	6.3	30,580	8.4
Other operating expenses	68,390	75,045	9.7	66,644	12.6
Operating Profit	1,04,125	1,10,831	6.4	1,16,591	(4.9)
Provision & Contingencies	35,470	16,937	(52.2)	22,225	(23.8)
Provision for tax	17,759	23,861	34.4	23,226	2.7
Reported Profit	50,896	70,033	37.6	71,139	(1.6)
Advances (INR bn)	11,167	13,737	23.0	12,616	8.9
Deposits (INR bn)	12,035	14,521	20.7	13,729	5.8
Gross NPA	173	168	-3.1	171	-2.0
Gross NPA (%)	1.5	1.2	-30 bps	1.3	-12 bps
Net NPA	51	51	-1.2	52	-2.7
Net NPA (%)	0.4	0.4	-9 bps	0.4	-4 bps
Provision Coverage (%)	70.5	69.9	-58 bps	69.7	20 bps

Source: Company data, I-Sec research

Exhibit 2: Segment gross and net slippages

	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Gross slippages (INR mn)						
Retail	75,000	52,220	54,720	40,980	51,760	42,860
SME	4,030	2,650	3,700	2,970	2,660	2,870
Corporate	2,970	2,090	1,650	3,140	1,240	1,890
Total	82,000	56,960	60,070	47,090	55,660	47,620
Gross slippages (% of loans)						
Retail	4.8	3.3	3.4	2.4	3.1	2.3
SME	1.3	0.8	1.1	0.8	0.7	0.7
Corporate	0.4	0.2	0.2	0.3	0.1	0.2
Total	3.1	2.0	2.1	1.5	1.8	1.4
Net slippages (INR mn)						
Retail	57,260	25,900	30,510	17,080	32,040	20,420
SME	1,370	1,120	1,950	1,640	2,100	2,100
Corporate	1,900	1,060	(1,110)	1,410	260	1,310
Total	60,530	28,080	31,350	20,130	34,400	23,830
Net slippages (% of loans)						
Retail	3.7	1.6	1.9	1.0	1.9	1.1
SME	0.5	0.3	0.6	0.4	0.6	0.5
Corporate	0.2	0.1	-0.1	0.1	0.0	0.1
Total	2.3	1.0	1.1	0.7	1.1	0.7
Net slippages net of TWO recovery (INR mn)						
Retail	52,100	20,950	25,060	10,410	26,140	13,130
SME	860	400	1,090	930	1,360	980
Corporate	(1,470)	320	(2,800)	(3,190)	(2,710)	10
Total	51,490	21,670	23,350	8,150	24,790	14,120
Net slippages net of TWO (% of loans)						
Retail	3.3	1.3	1.6	0.6	1.5	0.7
SME	0.3	0.1	0.3	0.3	0.4	0.2
Corporate	-0.2	0.0	-0.3	-0.3	-0.2	0.0
Total	1.9	0.8	0.8	0.3	0.8	0.4

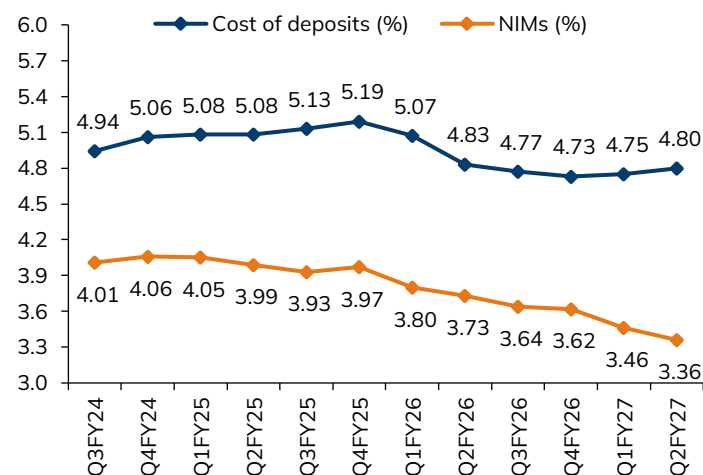
Source: I-Sec research, Company data

Exhibit 3: Deposit mix

Deposit mix	Q2FY26		Q3FY26		Q4FY26		Q1FY27		Q2FY27		YoY % chg	QoQ % chg
	INR bn	% of total	INR bn	% of total	INR bn	% of total	INR bn	% of total	INR bn	% of total		
Total Deposits	12,035	100%	12,608	100%	13,358	100%	13,729	100%	14,521	100%	18%	3%
CA	1,613	13%	1,720	14%	1,848	14%	1,734	13%	1,731	12%	6%	-6%
SA	3,177	26%	3,211	25%	3,441	26%	3,483	25%	3,565	25%	14%	1%
CASA	4,790	40%	4,931	39%	5,289	40%	5,217	38%	5,295	36%	11%	-1%
Term Deposits	7,245	60%	7,677	61%	8,069	60%	8,512	62%	9,225	64%	23%	5%

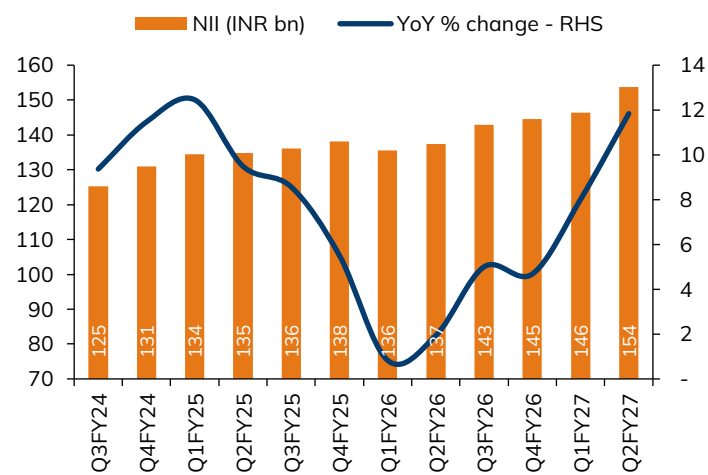
Source: Company data, I-Sec research

Exhibit 4: NIM shrinks 10bps QoQ



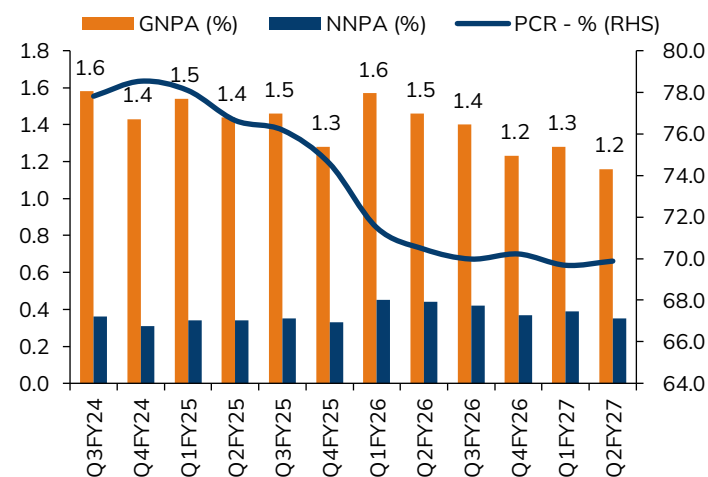
Source: Company data, I-Sec research

Exhibit 5: NII growth YoY picks up to double digit



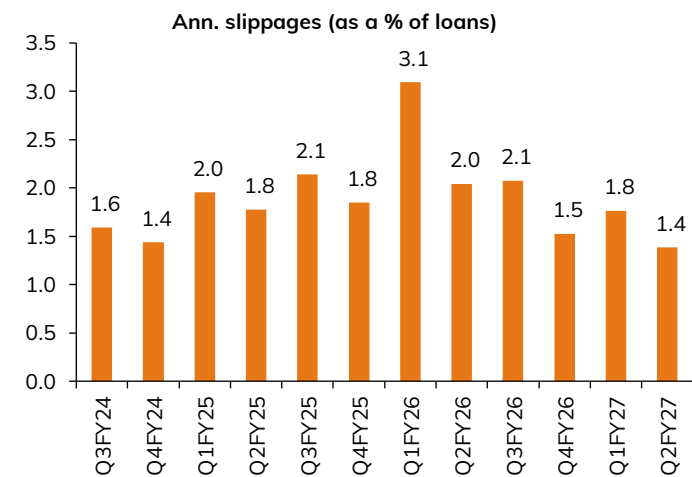
Source: Company data, I-Sec research

Exhibit 6: Headline GNPA ratio declines QoQ



Source: I-Sec research, Company data

Exhibit 7: Slippages decrease QoQ to 1.4%



Source: I-Sec research, Company data

Exhibit 8: Strong loan growth at 23% YoY, led by FCNR and ECLGS loans

(INR bn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27	YoY %	QoQ %	Mix (%)
Corporate Loans	2,910	2,908	2,946	2,994	3,159	3,497	3,751	4,129	4,344	4,692	34.2	8.0	34%
SME	1,040	1,105	1,141	1,185	1,209	1,315	1,393	1,472	1,516	1,646	25.2	8.6	12%
Retail	5,851	5,987	6,058	6,229	6,230	6,355	6,446	6,735	6,755	7,399	16.4	9.5	54%
Home Loans	1,654	1,677	1,676	1,671	1,660	1,657	1,707	1,736	1,738	1,753	5.8	0.8	13%
LAP	651	672	697	753	788	823	833	871	873	902	9.6	3.2	7%
Auto Loans	588	587	584	583	578	575	582	596	601	614	6.8	2.1	4%
Rural Lending	885	897	937	982	931	914	933	1,026	1,172	1,223	33.8	4.4	9%
PL+CC	1,161	1,192	1,192	1,204	1,206	1,257	1,246	1,269	1,283	1,304	3.7	1.6	9%
PL	736	754	760	773	771	787	801	820	828	850	7.9	2.6	6%
CC	425	437	432	431	435	470	444	449	455	454	(3.3)	(0.2)	3%
SBB	584	619	642	668	673	707	730	780	795	852	20.5	7.2	6%
Others	328	344	332	367	394	423	416	457	293	752	77.8	156.6	5%
Total Advances	9,801	10,000	10,146	10,408	10,597	11,167	11,590	12,336	12,615	13,737	23.0	8.9	100%

Source: Company data, I-Sec research

Exhibit 9: On YoY basis, growth improved, led by corporate & ECLGS

YoY % change	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Corporate Loans	6.6	2.8	3.3	7.6	8.6	20.3	27.3	37.9	37.5	34.2
SME	18.7	16.5	14.1	14.3	16.2	19.0	22.1	24.2	25.4	25.2
Retail	17.5	15.2	10.8	6.8	6.5	6.1	6.4	8.1	8.4	16.4
Home Loans	5.6	5.4	2.9	0.8	0.4	(1.2)	1.9	3.9	4.7	5.8
LAP	28.5	24.7	18.9	18.3	21.1	22.5	19.6	15.6	10.9	9.6
Auto Loans	9.9	5.6	0.8	(0.7)	(1.8)	(2.1)	(0.3)	2.2	4.1	6.8
Rural Lending	23.6	20.1	17.5	6.9	5.2	1.9	(0.4)	4.4	25.8	33.8
PL+CC	26.8	22.9	13.5	6.6	3.8	5.4	4.5	5.4	6.4	3.7
PL	29.4	23.3	16.7	8.0	4.7	4.3	5.5	6.1	7.4	7.9
CC	22.4	22.0	8.2	4.3	2.3	7.4	2.8	4.1	4.6	(3.3)
SBB	26.2	23.1	19.9	16.7	15.3	14.2	13.7	16.9	18.0	20.5
Others	19.4	17.9	13.0	11.4	19.9	23.0	25.5	24.4	(25.6)	77.8
Total Advances	14.2	11.4	8.8	7.8	8.1	11.7	14.2	18.5	19.0	23.0

Source: Company data, I-Sec research

Exhibit 10: On QoQ basis, growth was led by wholesale while core retail was soft

QoQ % change	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Corporate Loans	5.0	(0.1)	1.3	1.6	5.5	10.7	7.3	10.1	5.2	8.0
SME	(0.7)	6.2	3.3	3.9	2.0	8.8	5.9	5.7	3.0	8.6
Retail	0.3	2.3	1.2	2.8	0.0	2.0	1.4	4.5	0.3	9.5
Home Loans	(0.3)	1.4	(0.1)	(0.3)	(0.7)	(0.2)	3.0	1.7	0.1	0.8
LAP	2.2	3.3	3.7	8.1	4.6	4.4	1.2	4.6	0.3	3.2
Auto Loans	0.1	(0.2)	(0.6)	(0.1)	(1.0)	(0.5)	1.2	2.5	0.9	2.1
Rural Lending	(3.7)	1.3	4.5	4.9	(5.2)	(1.9)	2.1	10.0	14.3	4.4
PL+CC	2.9	2.6	0.0	1.0	0.2	4.2	(0.9)	1.9	1.1	1.6
PL	2.8	2.5	0.7	1.8	(0.3)	2.1	1.8	2.4	0.9	2.6
CC	2.9	2.8	(1.2)	(0.3)	1.0	7.9	(5.4)	1.0	1.5	(0.2)
SBB	2.0	6.0	3.7	4.0	0.9	4.9	3.3	6.9	1.9	7.2
Others	(0.3)	4.7	(3.5)	10.7	7.3	7.4	(1.5)	9.7	(35.8)	156.6
Total Advances	1.6	2.0	1.5	2.6	1.8	5.4	3.8	6.4	2.3	8.9

Source: Company data, I-Sec research

Exhibit 11: Loan mix

Mix (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Corporate Loans	29.7	29.1	29.0	28.8	29.8	31.3	32.4	33.5	34.4	34.2
SME	10.6	11.0	11.2	11.4	11.4	11.8	12.0	11.9	12.0	12.0
Retail	59.7	59.9	59.7	59.8	58.8	56.9	55.6	54.6	53.5	53.9
Home Loans	16.9	16.8	16.5	16.1	15.7	14.8	14.7	14.1	13.8	12.8
LAP	6.6	6.7	6.9	7.2	7.4	7.4	7.2	7.1	6.9	6.6
Auto Loans	6.0	5.9	5.8	5.6	5.5	5.1	5.0	4.8	4.8	4.5
Rural Lending	9.0	9.0	9.2	9.4	8.8	8.2	8.0	8.3	9.3	8.9
PL+CC	11.9	11.9	11.7	11.6	11.4	11.3	10.7	10.3	10.2	9.5
PL	7.5	7.5	7.5	7.4	7.3	7.0	6.9	6.7	6.6	6.2
CC	4.3	4.4	4.3	4.1	4.1	4.2	3.8	3.6	3.6	3.3
SBB	6.0	6.2	6.3	6.4	6.4	6.3	6.3	6.3	6.3	6.2
Others	3.4	3.4	3.3	3.5	3.7	3.8	3.6	3.7	2.3	5.5
Total Advances	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Company data, I-Sec research

Exhibit 12: Opex growth jumped 11% QoQ; adjusted opex was up 6% QoQ

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Staff cost	31,295	31,172	29,846	29,615	32,618	31,176	27,718	31,148	30,580	33,144
Non-staff cost	59,960	63,754	60,596	68,762	60,409	68,390	68,647	73,516	66,644	75,045
Total opex	91,255	94,926	90,442	98,377	93,027	99,566	96,365	1,04,663	97,224	1,08,189

YoY % change										
Staff cost	16.4	19.4	10.1	1.3	4.2	0.0	-7.1	5.2	-6.2	6.3
Non-staff cost	8.2	4.4	-2.8	7.5	0.7	7.3	13.3	6.9	10.3	9.7
Total opex	10.9	8.9	1.1	5.6	1.9	4.9	6.5	6.4	4.5	8.7

QoQ % change										
Staff cost	7.0	-0.4	-4.3	-0.8	10.1	-4.4	-11.1	12.4	-1.8	8.4
Non-staff cost	-6.2	6.3	-5.0	13.5	-12.1	13.2	0.4	7.1	-9.3	12.6
Total opex	-2.1	4.0	-4.7	8.8	-5.4	7.0	-3.2	8.6	-7.1	11.3

Source: Company data, I-Sec research

Exhibit 13: Key ratios and trends

	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Loans (INR mn)	99,99,792	1,01,45,641	1,04,08,113	1,05,97,244	1,11,67,030	1,15,90,517	1,23,35,699	1,26,15,567	1,37,37,268
Loans YoY %	11.4	8.8	7.8	8.1	11.7	14.2	18.5	19.0	23.0
Loans QoQ %	2.0	1.5	2.6	1.8	5.4	3.8	6.4	2.3	8.9
Composition %									
- Corporate	29.1	29.0	28.8	29.8	31.3	32.4	33.5	34.4	34.2
- SME/BB	11.0	11.2	11.4	11.4	11.8	12.0	11.9	12.0	12.0
- Retail	59.9	59.7	59.8	58.8	56.9	55.6	54.6	53.6	53.9
Liability Profile %									
CASA	40.6	39.5	40.8	40.3	39.8	39.1	39.6	38.0	36.5
CA	13.1	13.1	14.2	14.0	13.4	13.6	13.8	12.6	11.9
SA	27.5	26.4	26.5	26.3	26.4	25.5	25.8	25.4	24.5
Branch (No.)	5,577	5,706	5,876	5,879	5,976	6,110	6,275	6,295	6,414
Margins									
NIM %	3.99	3.39	3.97	3.80	3.73	3.64	3.62	3.46	3.36
NIM %- Domestic	4.06	4.06	4.08	3.91	3.82	3.75	3.73	3.60	3.55
Asset Quality									
GNPA %	1.5	1.5	1.4	1.7	1.5	1.5	1.3	1.3	1.2
NNPA %	0.3	0.4	0.3	0.5	0.4	0.4	0.4	0.4	0.4
PCR % - Specific	76.6	76.2	74.6	71.5	70.5	70.0	70.2	69.7	69.9
Restructured book (O/s % of loans)	0.1	0.1	0.1	0.1	0.1	0	0.1	0.1	0.1
Capital adequacy									
CAR %	16.6	17.0	17.1	16.9	16.6	16.6	16.4	16.7	16.3
Tier I %	14.5	15.0	15.1	15.1	14.8	14.9	14.8	15.4	15.0
ROE Decomposition % (on total assets)									
NII	4.0	4.0	3.9	3.8	3.7	3.7	3.6	3.4	3.5
Other Income (Ex Treasury)	1.7	1.6	1.9	1.6	1.7	1.6	1.6	1.5	1.4
Treasury	0.3	0.1	0.0	0.4	0.1	0.0	(0.1)	0.1	0.0
Opex	2.8	2.6	2.8	2.6	2.7	2.5	2.6	2.3	2.4
PPOP	3.2	3.1	3.1	3.2	2.8	2.8	2.5	2.7	2.5
Provisioning Cost	0.7	0.6	0.4	1.1	1.0	0.6	0.9	0.5	0.4
PBT	2.5	2.4	2.7	2.1	1.9	2.2	1.6	2.2	2.1
Tax	0.5	0.6	0.6	0.5	0.5	0.6	(0.1)	0.5	0.5
RoA	1.9	1.7	1.8	1.4	1.2	1.5	1.6	1.5	1.4
Leverage (x)	9.2	9	8.9	8.8	8.7	8.8	9.0	9.1	9.2
RoE	17.1	14.9	16.2	12.7	10.8	13.3	14.0	13.6	12.9

Source: Company data, I-Sec research

Exhibit 14: SoTP-based valuation

Name of the entity	Value of Business (INR Bn)	Stake (%)	Per share value (INR)	Comments
Axis Finance	161	95	49	2x Adj NW FY28E
Axis AMC	285	75	69	6% of FY28E AUM
Axis Securities	53	100	17	12x FY28E PAT
Axis Capital	38	100	12	12x FY28E PAT
Max Life	616	19	38	At implied market cap
Value of Subsidiaries			185	
Holding Co. discount (INR)			37	
Holding Co. discount (in %)			20	
Subs Value post Holdo Disc.			148	
Axis Bank Core bank			1,472	1.7x FY28 ABV
Target Price			1,620	

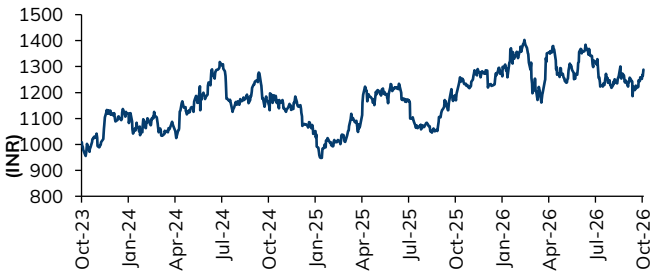
Source: I-Sec research, Company data

Exhibit 15: Shareholding pattern

%	Mar'26	Jun'26	Sep'26
Promoters	8.1	7.9	7.9
Institutional investors	85.5	85.7	85.8
MFs and others	38.4	37.5	39.2
Banks & FIs	0.1	0.1	0.2
Insurance Cos	4.9	5.1	5.2
FIIIs	42.1	43.0	41.2
Others	6.4	6.4	6.3

Source: Bloomberg, I-Sec research

Exhibit 16: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 17: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Interest income	12,26,770	12,70,322	14,90,089	17,71,905
Interest expense	6,83,292	7,09,842	8,49,661	10,05,612
Net interest income	5,43,478	5,60,480	6,40,429	7,66,293
Non-interest income	2,52,571	2,61,308	2,84,599	3,18,863
Operating income	7,96,049	8,21,789	9,25,028	10,85,156
Operating expense	3,75,000	3,93,621	4,29,867	4,86,126
Staff expense	1,21,928	1,22,659	1,34,925	1,52,465
Operating profit	4,21,049	4,28,168	4,95,162	5,99,030
Core operating profit	4,01,202	4,20,782	4,82,662	5,78,530
Provisions & Contingencies	77,584	1,32,628	85,774	1,16,110
Pre-tax profit	3,43,466	2,95,540	4,09,388	4,82,919
Tax (current + deferred)	79,731	50,973	1,03,166	1,21,696
Net Profit	2,63,735	2,44,567	3,06,222	3,61,224
Adjusted net profit	2,63,735	2,44,567	3,06,222	3,61,224

Source Company data, I-Sec research

Exhibit 18: Balance sheet

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Cash and balance with RBI/Banks	9,97,321	10,49,027	12,26,662	13,89,400
Investments	39,61,418	44,50,328	49,93,331	54,39,685
Advances	1,04,08,113	1,23,35,699	1,48,13,860	1,70,10,852
Fixed assets	62,917	65,494	71,954	78,910
Other assets	6,69,530	9,67,952	11,07,042	12,52,923
Total assets	1,60,99,299	1,88,68,498	2,22,12,848	2,51,71,768
Deposits	1,17,29,520	1,33,58,340	1,56,59,769	1,80,23,094
Borrowings	18,41,465	23,52,706	23,79,382	24,09,259
Other liabilities and provisions	7,31,062	11,02,089	18,18,236	20,29,954
Share capital	6,195	6,216	6,216	6,216
Reserve & surplus	17,91,057	20,49,148	23,49,246	27,03,245
Total equity & liabilities	1,60,99,299	1,88,68,498	2,22,12,848	2,51,71,768
% Growth	9.0	17.2	17.7	13.3

Source Company data, I-Sec research

Exhibit 19: Key ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
No. of shares and per share data				
No. of shares (mn)	3,097	3,108	3,108	3,108
Adjusted EPS	85.3	78.8	98.5	116.2
Book Value per share	580	661	758	872
Adjusted BVPS	571	650	747	857
Valuation ratio				
PER (x)	15.1	16.4	13.1	11.1
Price/ Book (x)	2.2	2.0	1.7	1.5
Price/ Adjusted book (x)	2.1	1.8	1.6	1.3
Dividend Yield (%)	0.1	0.1	0.2	0.2
Profitability ratios (%)				
Yield on advances	9.7	8.8	8.6	8.9
Yields on Assets	7.9	7.3	7.3	7.5
Cost of deposits	4.8	4.5	4.8	4.9
Cost of funds	4.4	4.1	4.1	4.2
NIMs	3.7	3.4	3.3	3.4
Cost/Income	47.1	47.9	46.5	44.8
Dupont Analysis (as % of Avg Assets)				
Interest Income	7.9	7.3	7.3	7.5
Interest expended	4.4	4.1	4.1	4.2
Net Interest Income	3.5	3.2	3.1	3.2
Non-interest income	1.6	1.5	1.4	1.3
Trading gains	0.1	0.0	0.1	0.1
Fee income	1.5	1.5	1.3	1.3
Total Income	5.2	4.7	4.5	4.6
Total Cost	2.4	2.3	2.1	2.1
Staff costs	0.8	0.7	0.7	0.6
Non-staff costs	1.6	1.5	1.4	1.4
Operating Profit	2.7	2.4	2.4	2.5
Core Operating Profit	2.6	2.4	2.3	2.4
Non-tax Provisions	0.5	0.8	0.4	0.5
PBT	2.2	1.7	2.0	2.0
Tax Provisions	0.5	0.3	0.5	0.5
Return on Assets (%)	1.7	1.4	1.5	1.5
Leverage (x)	9.3	9.1	9.3	9.4
Return on Equity (%)	15.9	12.7	13.9	14.3
Asset quality ratios (%)				
Gross NPA	1.3	1.2	1.1	1.3
Net NPA	0.4	0.4	0.3	0.4
PCR	73.6	69.0	72.0	72.0
Gross Slippages	2.0	2.3	1.7	1.6
LLP / Avg loans	0.8	0.8	0.9	0.9
Total provisions / Avg loans	0.8	1.2	0.6	0.7
Net NPA / Networth	2.1	2.3	1.9	2.3
Capitalisation ratios (%)				
Core Equity Tier 1	14.7	14.4	13.3	13.2
Tier 1 cap. adequacy	15.1	14.8	13.6	13.5
Total cap. adequacy	17.1	16.4	15.0	14.8

Source Company data, I-Sec research

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