

Rating: BUY | CMP: Rs804 | TP: Rs960

August 9, 2025

Q1FY26 Result Update

☐ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

Rating	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Target Price	BUY 960		BUY 960	
NII (Rs. m)	17,23,017	20,13,433	17,90,700	20,46,735
% Chng.	(3.8)	(1.6)		
Op. Profit (Rs. m)	10,76,160	12,43,818	11,05,764	12,25,595
% Chng.	(2.7)	1.5		
EPS (Rs.)	71.4	82.9	76.7	83.9
% Chng.	(6.9)	(1.2)		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
NII (Rs bn)	1,599	1,670	1,723	2,013
Op. Profit (Rs bn)	938	1,106	1,076	1,244
PAT (Rs bn)	663	709	659	765
EPS (Rs.)	74.3	79.4	71.4	82.9
Gr. (%)	30.5	6.9	(10.1)	16.0
DPS (Rs.)	13.7	15.9	14.3	16.6
Yield (%)	1.7	2.0	1.8	2.1
NIM (%)	3.0	2.8	2.6	2.8
RoAE (%)	20.4	18.6	14.7	14.9
RoAA (%)	1.1	1.1	0.9	1.0
P/BV (x)	2.1	1.7	1.5	1.4
P/ABV (x)	2.2	1.8	1.6	1.4
PE (x)	10.8	10.1	11.3	9.7
CAR (%)	14.3	14.3	15.2	15.0

Key Data

	SBI.BO SBIN IN
52-W High / Low	Rs.876 / Rs.680
Sensex / Nifty	79,858 / 24,363
Market Cap	Rs.7,424bn/ \$ 84,693m
Shares Outstanding	9,231m
3M Avg. Daily Value	Rs.9337.16m

Shareholding Pattern (%)

Promoter's	55.50
Foreign	9.98
Domestic Institution	27.22
Public & Others	7.30
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(1.0)	9.1	(0.5)
Relative	3.7	6.4	(1.7)

Gaurav Jani

gauravjani@plindia.com | 91-22-66322235

Harshada Gite

harshadagite@plindia.com | 91-22-66322237

Kush Mehta

kushmehta@plindia.com | 91-22-66322257

State Bank of India (SBIN IN)

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Earnings and asset quality remain strong

Quick Pointers:

- Core PPoP beat due to higher fees and lower opex.
- Asset quality was under control; outlook remains strong.

SBI saw a decent quarter as core PPoP beat PLe by ~4%. NII/NIM was a miss due to lower NIM that was offset by better opex/fees. Asset quality remains strong as net slippages were 20bps lower at 49bps despite Q1 generally seeing more stress. Bank is not seeing delinquencies in SME/unsecured. Loan growth was a bit muted at 0.8% QoQ due to de-growth in corporate that was led by higher prepayments and intense competition. Xpress growth although slower, is guided to pick up. We are factoring a 12.5% CAGR in credit over FY25-27E. NIM would see further pressure in Q2FY26 but may bottom out and pick-up from Q3FY26. While most banks surprised negatively on core earnings for Q1FY26, SBI delivered superior results. Stock is trading at 1.0x on Mar'27 core ABV; we keep multiple at 1.3x and SOTP-based TP at Rs960. Retain 'BUY'.

- NII miss was offset by better opex/fees; asset quality was better:** NII was lower at Rs410.7bn (PLe Rs425.9bn) due to miss on NIM (calc.) which was 2.76% (PLe 2.86%). Reported NIM declined 19bps QoQ to 2.9% owing to rise in deposit cost despite fall in yields. Loan growth was largely in-line at 11.9% YoY (PLe 12.2%) while deposit accretion was higher at 11.7% YoY (PLe 10.7%). CASA ratio fell to 37.8% (38.4% in Q4'25). LDR decreased to 76.7% (77.4% in Q4FY25). Other income was a tad lower at Rs173.5bn (PLe Rs177.8bn); fees were more at Rs93bn (PLe Rs87.2bn). Opex at Rs278.7bn was 8% below PLe led by lower other opex. Core PPoP at Rs242.2bn was 6% above PLe; PPoP was Rs305.4bn. Asset quality was better with GNPA at 1.83% (PLe 1.88%) owing to lower net slippages. Provisions came in at Rs47.6bn (PLe Rs45.1bn). Core PAT was 0.5% above PLe at Rs144.6bn while PAT was Rs191.6bn.

- Sequential loan growth was led by SME/retail:** Loan growth was soft at 0.8% QoQ mainly led by 3.0%/0.1% decline in corporate/agri. This was offset by retail/SME growth of 2.2%/4.4% QoQ. Corporate saw softer growth mainly due to unusual prepayments owing to benign interest rates and heightened liquidity. Corporate credit worth Rs160-180bn moved to the CP market while the bank did not renew Rs120bn of loans due to competitive pricing. Offtake in Xpress credit has been slower due to bank's cautious stance given over-leveraging seen in the low-income category in FY25. However, SBI is sanguine about the prospects of Xpress growth from Q2FY26; double digit YoY growth guidance in Xpress credit for FY26 has been maintained.

- Margins likely to bottom out in Q2FY26:** Despite of QoQ fall in yields reported cost of deposits remained elevated owing to i) mix shifting in favor of TD from CASA and (2) slower repricing of deposits following rate cuts. However, as the bank has cut TD/SA rates in-line with industry, CoF would moderate. Domestic NIM is likely to have a U-shaped trajectory with Q2FY26 witnessing some pressure and improvement is expected from Q3FY25 led by TD repricing and CRR cut (likely to free-up nearly Rs520bn).

Exhibit 1: PAT at Rs192bn driven by miss on NII offset by beat on opex/fees.

Financial Statement (Rs m)	Q1FY26	Q1FY25	YoY gr. (%)	Q1FY26E	% Var.	Q4FY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Interest income	11,79,959	11,15,260	5.8	11,78,077	0.2	11,96,662	(1.4)	48,32,794	46,24,894	4.5
Interest Expenses	7,69,234	7,04,005	9.3	7,52,154	2.3	7,68,916	0.0	31,09,777	29,55,242	5.2
Net interest income (NII)	4,10,725	4,11,255	(0.1)	4,25,923	(3.6)	4,27,746	(4.0)	17,23,017	16,69,651	3.2
Other income	1,73,457	1,11,619	55.4	1,77,823	(2.5)	2,42,099	(28.4)	6,01,985	6,16,831	(2.4)
-Fee Income	93,090	72,830	27.8	87,268	6.7	1,27,550	(27.0)	3,41,971	3,09,186	10.6
-Other non-interest income	80,367	38,789	107.2	90,555	(11.3)	1,14,549	(29.8)	2,60,014	3,07,644	(15.5)
Total income	5,84,182	5,22,873	11.7	6,03,746	(3.2)	6,69,845	(12.8)	23,25,003	22,86,482	1.7
Operating expenses	2,78,737	2,58,387	7.9	3,02,817	(8.0)	3,56,985	(21.9)	12,48,843	11,80,690	5.8
-Staff expenses	1,68,995	1,54,660	9.3	1,68,349	0.4	1,80,052	(6.1)	7,12,151	6,43,522	10.7
-Other expenses	1,09,742	1,03,728	5.8	1,34,469	(18.4)	1,76,933	(38.0)	5,36,692	5,37,168	(0.1)
Operating profit	3,05,445	2,64,486	15.5	3,00,929	1.5	3,12,860	(2.4)	10,76,160	11,05,792	(2.7)
Core operating profit	2,37,368	2,35,777	0.7	2,28,374	3.9	2,44,062	(2.7)	9,43,528	9,21,963	2.3
Total provisions	47,592	34,494	38.0	45,057	5.6	64,417	(26.1)	1,86,097	1,53,079	21.6
Profit before tax	2,57,853	2,29,992	12.1	2,55,872	0.8	2,48,444	3.8	8,90,063	9,52,713	(6.6)
Tax	66,248	59,640	11.1	60,108	10.2	62,018	6.8	2,30,623	2,43,706	(5.4)
Profit after tax	1,91,604	1,70,352	12.5	1,95,764	(2.1)	1,86,426	2.8	6,59,440	7,09,006	(7.0)
Balance Sheet (Rs mn)										
Deposits	5,47,32,537	4,90,17,259	11.7	5,42,57,358	0.9	5,38,21,895	1.7	6,01,46,340	5,38,21,895	11.8
Advances	4,19,62,051	3,74,91,389	11.9	4,20,49,452	(0.2)	4,16,33,121	0.8	4,66,13,414	4,16,33,121	12.0
Ratios (%)										
RoaA	1.2	1.2	2	1.2	(3)	1.2	2	0.9	1.1	(17)
RoeE	17.7	18.4	(70)	18.3	(66)	18.2	(56)	14.7	18.6	(385)
NIM	2.8	3.1	(30)	2.9	(11)	2.9	(12)	2.6	2.8	(18)
Yield on Advances	8.6	9.0	(41)	8.5	9	8.7	(11)	8.0	8.4	(45)
Cost of Funds	5.4	5.4	(5)	5.3	10	5.4	(2)	5.0	5.2	(20)
Asset Quality										
Gross NPL (Rs m)	7,80,397	8,42,260	(7.3)	8,02,079	(2.7)	7,68,802	1.5	7,83,629	7,68,802	1.9
Net NPL (Rs m)	1,99,084	2,15,547	(7.6)	2,00,520	(0.7)	1,96,669	1.2	1,95,907	1,96,669	(0.4)
Gross NPL ratio	1.8	2.2	(38)	1.9	(5)	1.8	1	1.7	1.8	(16)
Net NPL ratio	0.5	0.6	(10)	0.5	(0)	0.5	0	0.4	0.5	(5)
Coverage ratio	74.5	74.4	8	75.0	(51)	74.4	7	75.0	74.4	58
Business & Other Ratios										
Low-cost deposit mix	37.8	39.1	(126)	36.7	105	38.4	(58)	39.7	38.7	98
Cost-income ratio	47.7	49.4	(170)	50.2	(244)	53.3	(558)	53.7	51.6	208
Non int. inc / total income	29.7	21.3	835	29.5	24	36.1	(645)	25.9	27.0	(109)
Credit deposit ratio	76.7	76.5	18	77.5	(83)	77.4	(69)	77.5	77.4	15
CAR	14.6	13.9	77			14.3	38	15.2	14.3	92
Tier-I	12.5	11.8	67			12.1	34	13.3	12.1	121

Source: Company, PL

Q1FY26 Concall Highlights

Assets/Liabilities

- Corporate loan book impacted because of 1) prepayment of ~Rs120bn owing to rate change and 2) Business of ~Rs160bn to Rs180bn impacted as big corporates moved to CP.
- Xpress credit business had lower growth owing to 1) faster repayments and 2) bank undergoing system improvement, cutting its overleverage exposure to low-income groups 3) one of the customer segments included defense areas which could not be accessed due to disturbances
- Bank does not have significant exposure to sectors witnessing pressure from tariffs and hence impact of same is expected to be minimal. Challenges in renewable sector seen because of 1) faster churning of loans 2) competition from certain NBFCs.
- Segmental growth: Power is expected to fuel growth, good opportunities expected in CRE and premium residential segments. Corporate segment growth guided at 10-11% and growth in Auto/PL expected to pick up from H2FY26. Bank is comfortable growing SME between 19-21%.
- Book mix: MCLR – 30.7%, EBLR – 30.2%, Fixed – 22.6% Others – 15.9%.
- Bank has a strong pipeline of Rs7.2tn. Credit growth guided to be ~12% for FY26. Credit expansion to outpace nominal GDP growth and industry growth. If uncertainties do not persist there is an upside risk to credit growth at ~13%.
- Other retail mainly includes education, pension loans and loan against FDs.
- AFS Reserve stands at Rs.77bn as at Q1FY26. Wtd. avg SA rate was 2.68%.

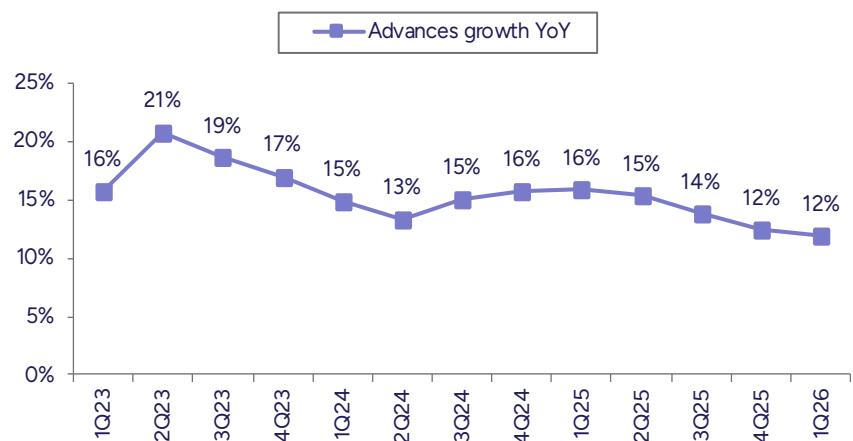
Fees/NIMs

- CoF remained elevated because of i) growth in fixed deposits ii) reduction in CASA. However, as the book is expected to get repriced in next few quarters, CoF is expected to moderate.
- Domestic NIM guided at 3% for FY26, it is likely to have a U-shaped trajectory with Q2FY26 witnessing some pressure. Improvement is expected from Q3FY25 owing to 1) TD repricing 2) CRR rate cut freeing nearly Rs520bn.
- Misc. income fell QoQ as Q4FY25 included inspection/folio charges which are collected at year end only. Attrition rate was below 1% for Q1FY26.
- Lower opex in Q1FY26 due to containment in overheads while in Q4FY25 there was front loading of expenses. Opex might be inch up going forward. Digital initiatives under consideration are not expected to alter C/I ratio.
- C/I guided at below 50% for FY26.

Asset Quality

- Most of the SME book is secured/backed by CGTMSE scheme.
- Slippage split: SME-Rs26.8bn, Agri-Rs24.6bn, PL-Rs26.0bn, CCG-Rs12.0bn. Slippage of Rs15.85bn has already been pulled back in Q2FY26.
- Recovery from AUCA guided between Rs70bn to 80bn for FY26.
- Slippage ratio guided to be below 0.6% for FY26. Bank does not see any concerns on slippages as significant pullback was observed in July.

Exhibit 2: Advances growth declined to 12.0% YoY



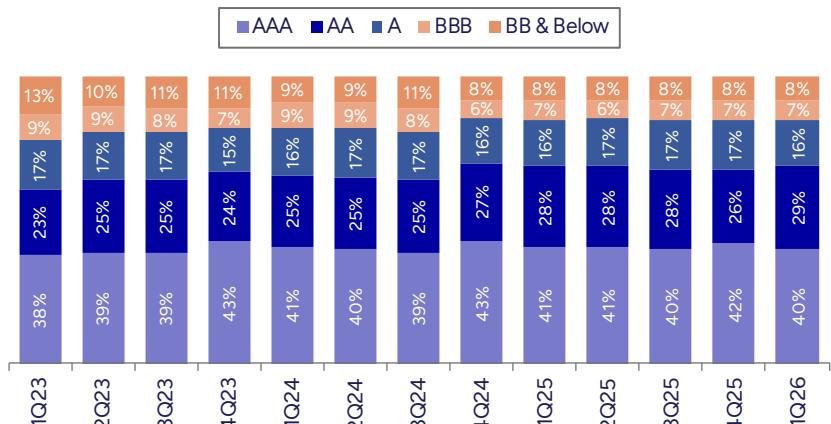
Source: Company, PL

Exhibit 3: Annual growth of 12.9% led by SME (22.0%) & retail (13.9%)

Loan break up (Rs bn)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Gross Advances	42,545	37,675	12.9	42,207	0.8
Large Corporates	12,034	11,382	5.7	12,406	(3.0)
SME	5,281	4,330	22.0	5,060	4.4
Agri	3,483	3,049	14.2	3,485	(0.1)
International	6,348	5,391	17.8	6,191	2.5
Retail	15,399	13,523	13.9	15,065	2.2
Home	8,509	7,258	17.2	8,308	2.4
Auto	1,271	1,165	9.1	1,271	0.0
Other Retail	5,619	5,099	10.2	5,486	2.4

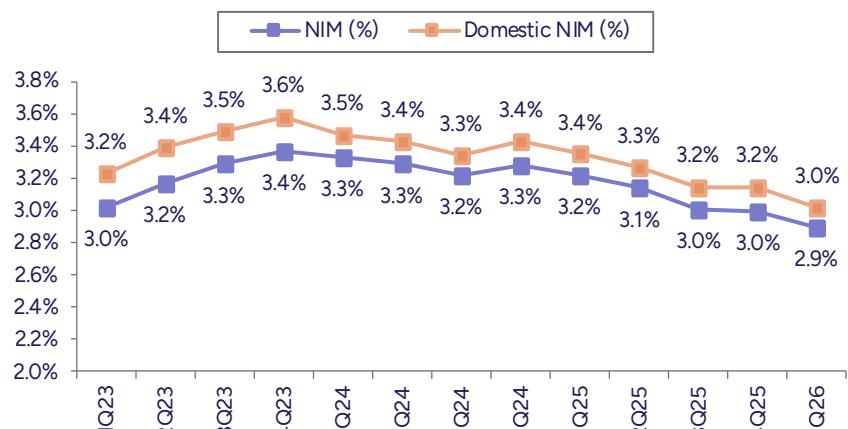
Source: Company, PL

Exhibit 4: Rating distribution of AAA & AA book steady at 69%



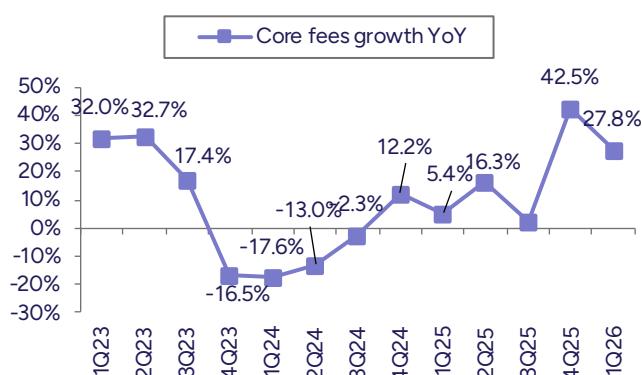
Source: PL, Company

Exhibit 5: Domestic NIM was lower at 3.0%, while global NIM came in at 2.9%



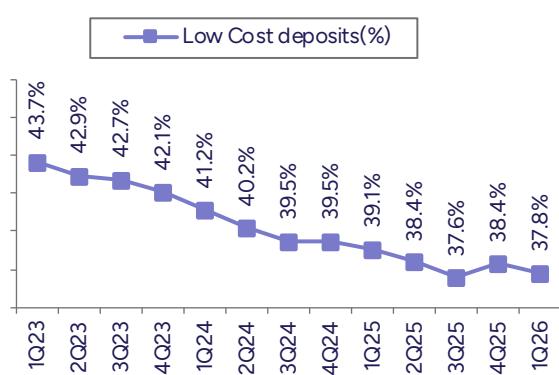
Source: Company, PL

Exhibit 6: Core fees grew 27.8%YoY



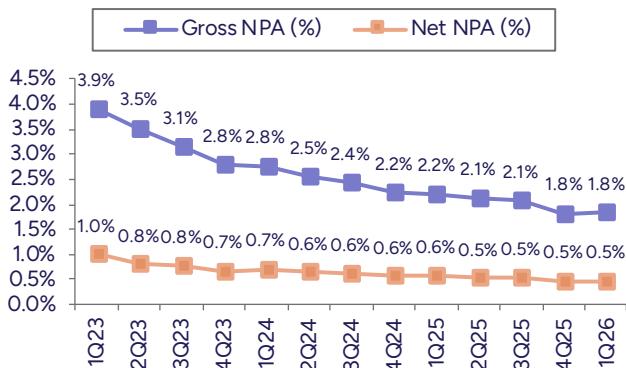
Source: Company, PL

Exhibit 7: CASA ratio declined to 37.8%



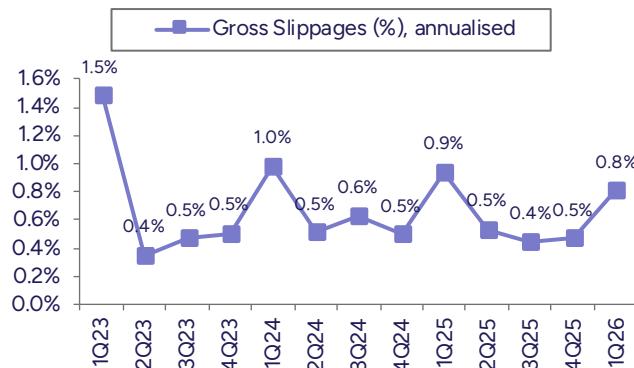
Source: Company, PL

Exhibit 8: GNPA/NNPA stable at 1.83%/0.47%



Source: Company, PL

Exhibit 9: Gross slippages increased to 0.8%



Source: Company, PL

Exhibit 10: Slippages came in at Rs83.9bn, while overall stress book is quite manageable at <1%

(Rs mn)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Additions	1,01,150	23,990	32,090	34,580	78,720	40,810	50,460	39,840	87,070	49,510	41,460	43,190	83,980
Slippages (%) - annualized	1.48%	0.35%	0.47%	0.51%	0.98%	0.51%	0.63%	0.50%	0.94%	0.53%	0.45%	0.47%	0.81%
Upgradation + Recovery	52,080	52,070	16,430	42,000	36,070	40,150	17,983	20,528	36,660	26,000	12,060	17,390	32,530
Write offs	36,587	36,596	1,00,236	66,767	38,649	44,198	34,730	44,037	50,913	32,078	19,492	100,602	39,855
Gross NPAs	11,32,717	10,68,041	9,83,465	9,09,278	9,13,278	8,69,741	8,67,488	8,42,763	8,42,260	8,33,692	8,43,604	768,802	7,80,397
Gross NPA Ratio	3.91%	3.52%	3.14%	2.78%	2.76%	2.55%	2.42%	2.24%	2.21%	2.13%	2.07%	1.82%	1.83%
Net NPAs	2,82,579	2,35,722	2,34,843	2,14,666	2,29,954	2,13,524	2,16,872	2,10,511	2,15,547	2,02,943	2,13,776	196,669	1,99,084
Net NPA Ratio	1.00%	0.80%	0.77%	0.67%	0.71%	0.64%	0.62%	0.57%	0.57%	0.53%	0.53%	0.47%	0.47%
Provision Coverage Ratio	75.1%	77.9%	76.1%	76.4%	74.8%	75.4%	75.0%	75.0%	74.4%	75.7%	74.7%	74.4%	74.5%
SMA 1 & SMA 2	69,830	84,970	47,470	32,600	72,210	39,640	41,270	33,010	46,360	1,37,310	95,520	33,330	50,250
% of Loans	0.28%	0.33%	0.18%	0.12%	0.26%	0.14%	0.14%	0.10%	0.14%	0.41%	0.28%	0.09%	0.14%
Restructuring/Resolution													
Standard	2,87,850	2,73,360	2,60,350	2,43,020	2,26,660	2,08,540	1,88,800	1,72,790	1,60,150	1,48,300	1,37,070	129,230	-*
% of Loans	1.02%	0.93%	0.85%	0.76%	0.70%	0.62%	0.54%	0.47%	0.43%	0.38%	0.34%	0.31%	0.00%
Net Stressed assets (% of loans)	2.03%	1.72%	1.62%	1.43%	1.41%	1.26%	1.15%	1.03%	1.00%	0.91%	0.88%	0.78%	0.47%

Source: Company, PL

*Not provided in Q1FY26 Investor presentation

Exhibit 11: Return ratios to remain between 14.5-15%

RoA decomposition (%)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Net Interest Income/Assets	2.6	2.6	2.5	2.8	2.7	2.6	2.4	2.6
Other Income/Assets	1.2	1.0	0.9	0.7	0.9	1.0	0.9	0.8
Net revenues/Assets	3.8	3.6	3.4	3.5	3.6	3.6	3.3	3.3
Operating Expense/Assets	2.0	1.9	2.0	1.9	2.0	1.8	1.8	1.7
Provisions/Assets	1.1	1.0	0.5	0.3	0.1	0.2	0.3	0.3
Taxes/Assets	0.3	0.2	0.2	0.3	0.4	0.4	0.3	0.3
ROA	0.4	0.5	0.7	1.0	1.1	1.1	0.9	1.0
ROE								
	7.2	9.3	13.0	18.3	20.4	18.6	14.7	14.9

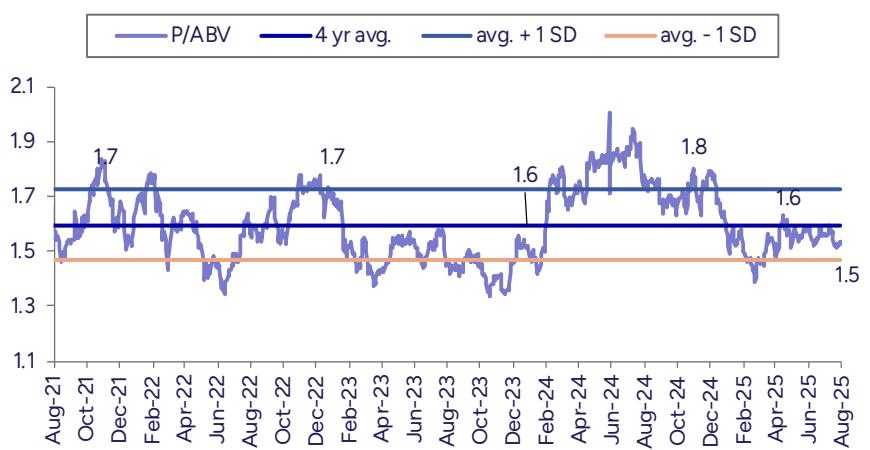
Source: Company, PL

Exhibit 12: SBIN's SOTP-based TP at Rs960 with subs value at Rs269

Particulars	Stake (%)	Rs p.s.	% of total	Valuation (x)	Method
Bank	100.0%	718	72.8	1.3	Mar'27 Core ABV
SBI Life	55.4%	114	11.6	1	Mkt Cap
SBI Cards	68.6%	57	5.8	1	Mkt Cap
SBI MF	62.1%	58	5.9	30	FY25 PAT
Yes Bank	10.8%	7	0.7	1	Mkt Cap
SBI Caps	100.0%	12	1.2	9	Mar'25 PAT
SBI Gen. Ins.	69.1%	12	1.2	30	Mar'25 PAT
UTI AMC	10.0%	8	0.8	16	Mar'27 core PAT
Total		987			
Holdco disc. 10%		27			
Target Price		960			

Source: Company, PL

Exhibit 13: One-year forward P/ABV trades at 1.5x



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Int. Earned from Adv.	28,97,838	33,06,270	35,10,509	37,93,195
Int. Earned from invt.	10,86,405	11,50,313	11,36,653	11,52,462
Others	1,16,161	1,24,150	1,18,417	1,18,417
Total Interest Income	41,51,307	46,24,894	48,32,794	51,30,250
Interest Expenses	25,52,548	29,55,242	31,09,777	31,16,817
Net Interest Income	15,98,758	16,69,651	17,23,017	20,13,433
Growth(%)	16.6	8.1	1.7	12.7
Non Interest Income	5,16,822	6,16,831	6,01,985	6,05,772
Net Total Income	21,15,580	22,86,482	23,25,003	26,19,205
Growth(%)	26.6	12.3	3.7	5.5
Employee Expenses	7,12,370	6,43,522	7,12,151	7,62,968
Other Expenses	4,31,719	5,01,879	5,36,692	6,12,419
Operating Expenses	11,77,608	11,80,690	12,48,843	13,75,387
Operating Profit	9,37,972	11,05,792	10,76,160	12,43,818
Growth(%)	12.0	17.9	(2.7)	15.6
NPA Provision	94,693	1,44,465	1,58,685	1,77,667
Total Provisions	49,142	1,53,079	1,86,097	2,09,929
PBT	8,88,830	9,52,713	8,90,063	10,33,890
Tax Provision	2,25,381	2,43,706	2,30,623	2,68,811
Effective tax rate (%)	25.4	25.6	25.9	26.0
PAT	6,63,448	7,09,006	6,59,440	7,65,078
Growth(%)	30.5	6.9	(7.0)	16.0

Quarterly Financials (Rs. m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Interest Income	11,38,706	11,74,266	11,96,662	11,79,959
Interest Expenses	7,22,510	7,59,811	7,68,916	7,69,234
Net Interest Income	4,16,195	4,14,455	4,27,746	4,10,725
YoY growth (%)	5.4	4.1	2.7	(0.1)
CEB	68,340	72,670	98,960	76,770
Treasury	-	-	-	-
Non Interest Income	1,52,706	1,10,408	2,42,099	1,73,457
Total Income	12,91,411	12,84,674	14,38,761	13,53,416
Employee Expenses	1,48,074	1,60,737	1,80,052	1,68,995
Other expenses	1,27,890	1,28,617	1,76,933	1,09,742
Operating Expenses	2,75,964	2,89,355	3,56,985	2,78,737
Operating Profit	2,92,937	2,35,508	3,12,860	3,05,445
YoY growth (%)	50.9	15.8	8.8	15.5
Core Operating Profits	2,46,527	2,23,568	2,44,070	2,42,185
NPA Provision	36,310	23,050	39,642	49,340
Others Provisions	45,057	9,111	64,417	47,592
Total Provisions	45,057	9,111	64,417	47,592
Profit Before Tax	2,47,880	2,26,398	2,48,444	2,57,853
Tax	64,566	57,483	62,018	66,248
PAT	1,83,314	1,68,914	1,86,426	1,91,604
YoY growth (%)	27.9	17.0	(9.9)	12.5
Deposits	5,11,72,849	5,22,93,845	5,38,21,895	5,47,32,537
YoY growth (%)	9.1	9.8	9.5	11.7
Advances	3,85,74,235	4,00,45,669	4,16,33,121	4,19,62,051
YoY growth (%)	15.3	13.8	12.4	11.9

Balance Sheet (Rs. m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Face value	1	1	1	1
No. of equity shares	8,925	8,925	9,231	9,231
Equity	8,925	8,925	9,231	9,231
Networth	37,72,465	44,11,621	50,95,869	57,29,059
Growth(%)	15.2	16.9	15.5	12.4
Adj. Networth to NNPAs	2,10,511	1,96,669	1,95,907	2,04,686
Deposits	4,91,60,768	5,38,21,895	6,01,46,340	6,75,03,283
Growth(%)	11.1	9.5	11.8	12.2
CASA Deposits	1,96,14,215	2,08,38,776	2,38,77,895	2,67,61,146
% of total deposits	39.9	38.7	39.7	39.6
Total Liabilities	6,17,96,939	6,67,60,533	7,43,16,563	8,31,65,125
Net Advances	3,70,39,709	4,16,33,121	4,66,13,414	5,26,52,561
Growth(%)	15.8	12.4	12.0	13.0
Investments	1,67,13,397	1,69,05,727	1,83,44,634	2,02,50,985
Total Assets	6,17,96,939	6,67,60,533	7,43,16,563	8,31,65,125
Growth (%)	12.0	8.0	11.3	11.9

Asset Quality

Y/e Mar	FY24	FY25	FY26E	FY27E
Gross NPAs (Rs m)	8,42,763	7,68,802	7,83,629	8,18,743
Net NPAs (Rs m)	2,10,511	1,96,669	1,95,907	2,04,686
Gr. NPAs to Gross Adv. (%)	2.2	1.8	1.7	1.5
Net NPAs to Net Adv. (%)	0.6	0.5	0.4	0.4
NPA Coverage %	75.0	74.4	75.0	75.0

Profitability (%)

Y/e Mar	FY24	FY25	FY26E	FY27E
NIM	3.0	2.8	2.6	2.8
RoAA	1.1	1.1	0.9	1.0
RoAE	20.4	18.6	14.7	14.9
Tier I	11.9	12.1	13.3	13.3
CRAR	14.3	14.3	15.2	15.0

Source: Company Data, PL Research

Key Ratios

Y/e Mar	FY24	FY25	FY26E	FY27E
CMP (Rs)	804	804	804	804
EPS (Rs)	74.3	79.4	71.4	82.9
Book Value (Rs)	392	464	522	591
Adj. BV (70%)(Rs)	368	442	501	569
P/E (x)	10.8	10.1	11.3	9.7
P/BV (x)	2.1	1.7	1.5	1.4
P/ABV (x)	2.2	1.8	1.6	1.4
DPS (Rs)	13.7	15.9	14.3	16.6
Dividend Payout Ratio (%)	18.4	20.0	20.0	20.0
Dividend Yield (%)	1.7	2.0	1.8	2.1

Efficiency

Y/e Mar	FY24	FY25	FY26E	FY27E
Cost-Income Ratio (%)	55.7	51.6	53.7	52.5
C-D Ratio (%)	75.3	77.4	77.5	78.0
Business per Emp. (Rs m)	371	404	459	524
Profit per Emp. (Rs lacs)	29	30	28	33
Business per Branch (Rs m)	3,784	4,162	4,630	5,184
Profit per Branch (Rs m)	29	31	29	33

Du-Pont

Y/e Mar	FY24	FY25	FY26E	FY27E
NII	2.73	2.60	2.44	2.56
Total Income	3.62	3.56	3.30	3.33
Operating Expenses	2.01	1.84	1.77	1.75
PPoP	1.60	1.72	1.53	1.58
Total provisions	0.08	0.24	0.26	0.27
RoAA	1.13	1.10	0.93	0.97
RoAE	20.43	18.57	14.72	14.89

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jul-25	BUY	960	807
2	23-Jun-25	BUY	960	796
3	04-May-25	BUY	960	800
4	08-Apr-25	BUY	900	747
5	07-Feb-25	BUY	900	754
6	08-Jan-25	BUY	1,025	779
7	09-Nov-24	BUY	1,025	843
8	07-Oct-24	BUY	960	797

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Accumulate	2,072	1,974
2	Axis Bank	BUY	1,375	1,161
3	Bank of Baroda	BUY	270	243
4	Can Fin Homes	BUY	875	813
5	City Union Bank	BUY	245	214
6	DCB Bank	BUY	155	142
7	Federal Bank	BUY	220	196
8	HDFC Asset Management Company	BUY	5,700	5,357
9	HDFC Bank	BUY	2,150	1,957
10	ICICI Bank	BUY	1,730	1,426
11	IndusInd Bank	Hold	780	808
12	Kotak Mahindra Bank	BUY	2,350	2,121
13	LIC Housing Finance	BUY	725	591
14	Nippon Life India Asset Management	BUY	860	794
15	State Bank of India	BUY	960	807
16	Union Bank of India	BUY	150	146
17	UTI Asset Management Company	BUY	1,300	1,329

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

