

BUY

TP: Rs 158 | ▲ 22%

CANARA BANK

| Banking

| 12 May 2026

Retail-led growth and improving AQ support outlook

- PAT below estimates due to Other income but partially offset by lower provisions. Advances growth largely led by RAM segment
- AQ improved, largely aided by higher write-offs. The ECL impact is estimated at ~Rs 100bn that will be absorbed over four years
- Maintain BUY with revised TP of Rs 158 (from Rs 175), set at 1.0x Mar'28E ABV (1.1x earlier)

PAT below estimates, largely due to other income: CBK reported PAT of Rs 45.1bn (-12.6% QoQ) in Q4FY26 and was 7% below our estimates. The decline in PAT was mainly owing to the decline in other income to Rs 48.2bn (-38.9% QoQ), given MTM losses of Rs 8bn in Q4FY26 and the absence of listing net gain from its subsidiaries of Rs 19.3bn reported in Q3FY26. This was partially offset by a significant decline in provisions to Rs 9.9bn (-58.9% QoQ). Provisions declined as SMA book (≥Rs 50mn) fell 31% QoQ to Rs 56.8bn in Mar'26. Further, NIMs improved to 2.54% (+9bps QoQ). CBK guided NIMs of 2.5-2.6% and CC of 75bps for FY27. CBK reported RoAA/RoE of 1.1%/21.15% in FY26 vs its guidance of 1.05%/19% in FY26. The bank guided RoAA/RoE of 1.01%-1.05%/16.5% for FY27.

AQ improved, largely on higher write-offs: AQ improved, with GNPA ratio declining 24bps QoQ to 1.84%. This was largely aided by higher write-offs at Rs 37.7bn in Q4FY26 vs Rs 31.2bn in Q3FY26. SMA-2 (Rs 50 mn and above) book moderated sharply to Rs 13.9bn (0.11% of advances) vs Rs 34.6bn (0.3%) in Q3FY26. Thus far, the bank has remained unscathed from any material stress emerging from the West Asia war. Management expects the ECL transition impact of ~Rs 100bn over four years to be comfortably absorbed through internal accruals. CBK is yet to create ECL provisions, though PCR remains healthy at 94.2%.

Healthy advances growth largely led by RAM book: Gross advances grew by 15.3% YoY, largely driven by Retail, Agri and MSME (RAM) segments, which were up by 19.7% YoY; while corporate was up 9.5% YoY. RAM growth mainly came on the back of retail credit (+32.9% YoY). As a result, share of RAM credit rose to 59% (Mar'26) vs 56.8% (Mar'25). CBK aims to maintain the loan mix at around 60% RAM and 40% corporate. Management guided for a loan growth of 11%-12% YoY for FY27 and expects to outperform the same.

Maintain BUY: Considering the bank's performance vs its guidance, along with improving AQ, we believe the bank has levers to perform well. We expect the bank to report RoA/RoE of 1-1.1%/16.2-16.5% in FY27-FY29E. We maintain BUY with revised TP of Rs 158 (earlier Rs 175), set at to 1.0x Mar'28E ABV (from 1.1x).

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Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	CBK IN/Rs 129
Market cap	US\$ 12.4bn
Free float	42%
3M ADV	US\$ 36.0mn
52wk high/low	Rs 163/Rs 100
Promoter/FPI/DII	63%/14%/11%

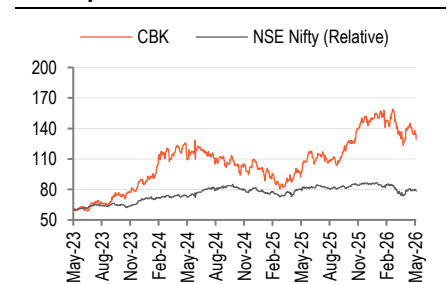
Source: NSE | Price as of 11 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
NII (Rs mn)	3,72,102	4,38,901	5,05,025
NII growth (%)	0.4	18.0	15.1
Adj. net profit (Rs mn)	1,91,867	1,96,848	2,25,130
EPS (Rs)	21.2	21.7	24.8
Consensus EPS (Rs)	21.2	21.2	23.6
P/E (x)	6.1	6.0	5.2
P/BV (x)	1.0	0.9	0.8
ROA (%)	1.1	1.0	1.0
ROE (%)	18.0	16.2	16.3

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

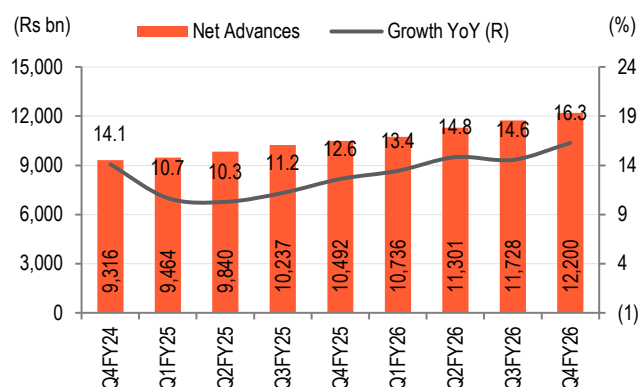
(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Income Statement							
Interest Income	2,28,077	2,26,183	2,30,811	2,35,969	2,39,513	5.0	1.5
Income on investments	62,719	61,932	63,069	63,032	63,185	0.7	0.2
Int. on bal. with RBI & inter-bank funds & Others	19,224	21,913	21,560	20,815	15,680	(18.4)	(24.7)
Interest income	3,10,020	3,10,028	3,15,439	3,19,816	3,18,379	2.7	(0.4)
Interest expense	2,15,601	2,19,941	2,24,027	2,27,293	2,20,299	2.2	(3.1)
Net interest income	94,419	90,088	91,412	92,523	98,080	3.9	6.0
Growth YoY (%)	(1.4)	(1.7)	(1.9)	1.1	3.9		
Fee Income	23,350	22,230	25,860	23,270	25,130	7.6	8.0
Trading gains/(losses)	7,110	16,170	12,170	25,900	(1,030)	(114.5)	(104.0)
Forex Income	2,760	3,760	3,270	4,140	3,540	28.3	(14.5)
Others	30,288	28,445	29,238	25,684	20,604	(32.0)	(19.8)
Non-interest income	63,508	70,605	70,538	78,994	48,244	(24.0)	(38.9)
Growth YoY (%)	21.7	32.7	41.6	36.1	(24.0)		
Total income	1,57,927	1,60,692	1,61,950	1,71,517	1,46,323	(7.3)	(14.7)
Growth YoY (%)	6.7	10.9	13.3	14.7	(7.3)		
Staff expenses	47,828	47,955	48,223	49,046	47,436	(0.8)	(3.3)
Other operating expenses	27,262	27,201	27,847	31,276	31,313	14.9	0.1
Operating expenses	75,090	75,157	76,069	80,322	78,750	4.9	(2.0)
Pre-Provisioning Profit (PPoP)	82,837	85,536	85,881	91,195	67,574	(18.4)	(25.9)
Growth YoY (%)	12.1	12.3	12.2	16.4	(18.4)		
Provisions	18,317	23,516	23,542	24,144	9,918	(45.9)	(58.9)
Growth YoY (%)	(26.2)	3.0	4.6	0.7	(45.9)		
PBT	64,520	62,020	62,340	67,051	57,656	(10.6)	(14.0)
Tax	14,493	14,500	14,600	15,500	12,600	(13.1)	(18.7)
PAT	50,027	47,520	47,740	51,551	45,056	(9.9)	(12.6)
Growth YoY (%)	33.1	21.7	18.9	25.6	(9.9)		
Per Share							
FV (Rs)	2	2	2	2	2		
EPS (Rs)	5.5	5.2	5.3	5.7	5.0	(10.0)	(12.5)
Book Value (Rs)	110	115	119	125	125	13.5	0.1

Source: BOBCAPS Research, Company

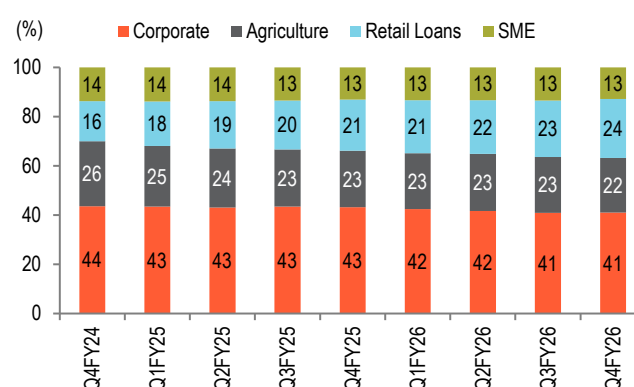
Fig 2 – Quarterly snapshot: Key balance sheet & other metrics

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Deposits	1,42,98,622	1,44,38,140	1,50,02,810	1,52,12,683	1,56,86,782	9.7	3.1
Growth YoY (%)	9.0	8.1	11.4	12.9	9.7		
Advances	1,04,91,550	1,07,35,762	1,13,01,139	1,17,28,157	1,22,00,175	16.3	4.0
Growth YoY (%)	12.6	13.4	14.8	14.6	16.3		
Investment	38,03,434	39,73,234	39,46,109	39,47,364	40,34,146	6.1	2.2
Equity	9,99,001	10,44,548	10,82,908	11,32,392	11,33,826	13.5	0.1
Assets	1,68,28,496	1,72,76,334	1,76,48,849	1,82,23,568	1,88,32,019	11.9	3.3
Growth YoY (%)	12.8	12.8	12.0	14.4	11.9		
Yield (%)							
Yield on Funds	7.8	7.5	7.4	7.3	7.1	(73bps)	(26bps)
Cost of Funds	5.7	5.6	5.6	5.5	5.2	(54bps)	(34bps)
Spread	2.1	1.9	1.9	1.8	1.9	(19bps)	7bps
Net Interest Margin	2.7	2.6	2.5	2.5	2.5	(19bps)	9bps
Ratios (%)							
Other Income / Net Income	40.2	43.9	43.6	46.1	33.0	(724bps)	(1309bps)
Cost to Income ratio	47.5	46.8	47.0	46.8	53.8	627bps	699bps
CASA ratio	29.0	27.4	28.5	27.1	27.3	(169bps)	23bps
C/D ratio	73.4	74.4	75.3	77.1	77.8	440bps	68bps
Investment to Assets	22.6	23.0	22.4	21.7	21.4	(118bps)	(24bps)
Asset Quality							
GNPA	3,15,300	2,95,184	2,70,403	2,48,326	22,740	(92.8)	(90.8)
NNPA	73,530	67,652	61,132	53,223	5,209	(92.9)	(90.2)
Provision	2,41,770	2,27,532	2,09,271	1,95,103	17,531	(92.7)	(91.0)
GNPA (%)	2.9	2.7	2.4	2.1	1.8	(110bps)	(24bps)
NNPA (%)	0.7	0.6	0.5	0.5	0.4	(27bps)	(2bps)
Provision (%)	76.7	77.1	77.4	78.6	77.1	41bps	(148bps)
Others (nos)							
Branches	9,849	9,865	9,952	10,070	10,101	140	482

Source: BOBCAPS Research, Company

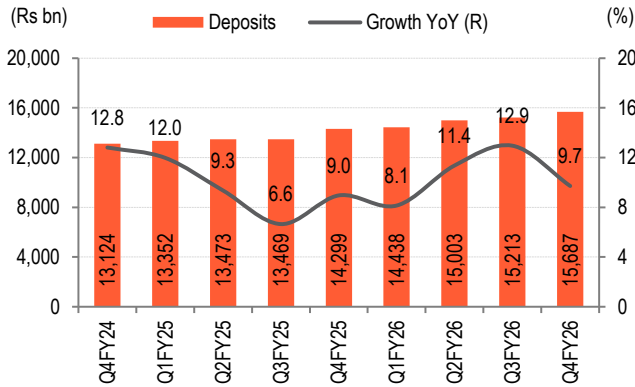
Fig 3 – Advances grew 16.3% YoY

Source: Company, BOBCAPS Research

Fig 4 – Loan mix – RAM consisted 59% of total loans

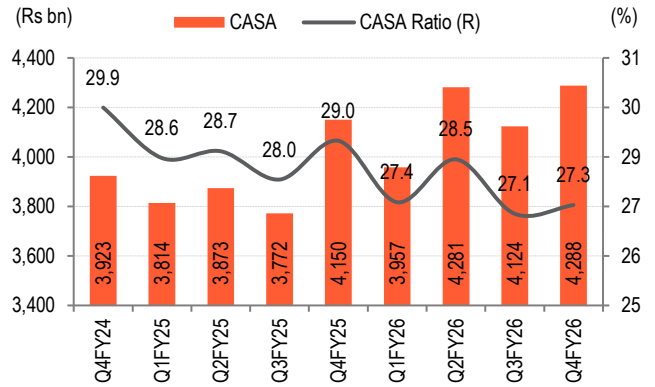
Source: Company, BOBCAPS Research

Fig 5 – Deposits grew 9.7% YoY, led by higher term deposits



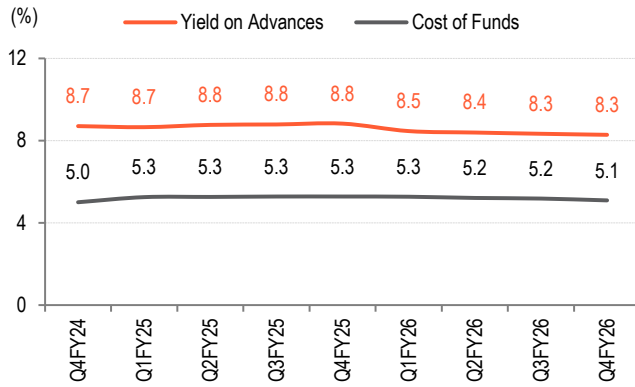
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio improved QoQ



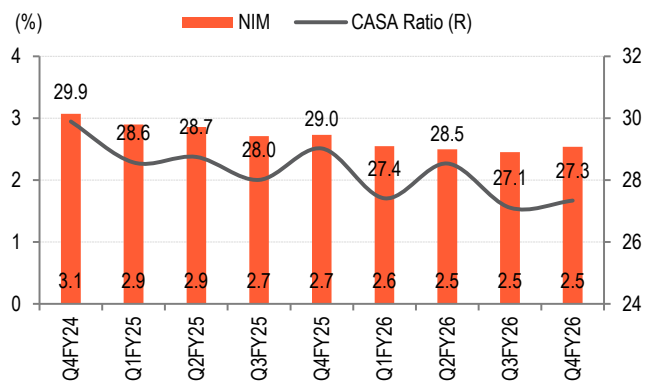
Source: Company, BOBCAPS Research

Fig 7 – CoF declined due to deposit pricing...



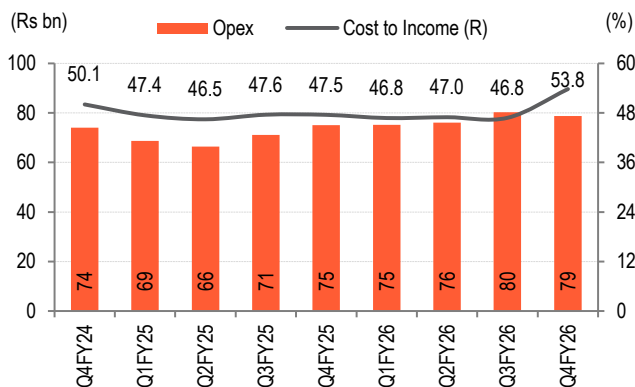
Source: Company, BOBCAPS Research

Fig 8 – ...resulting in improvement in NIMs



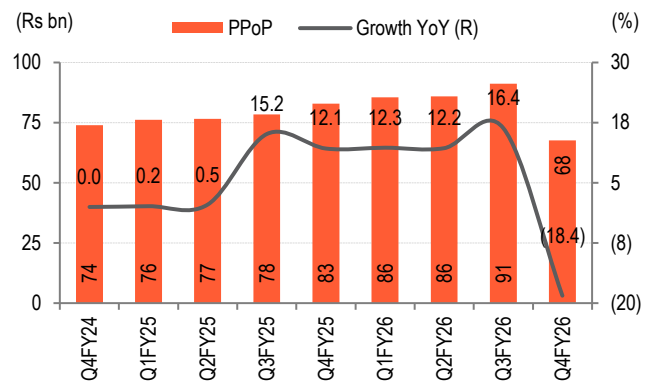
Source: Company, BOBCAPS Research

Fig 9 – C/I ratio moderated QoQ



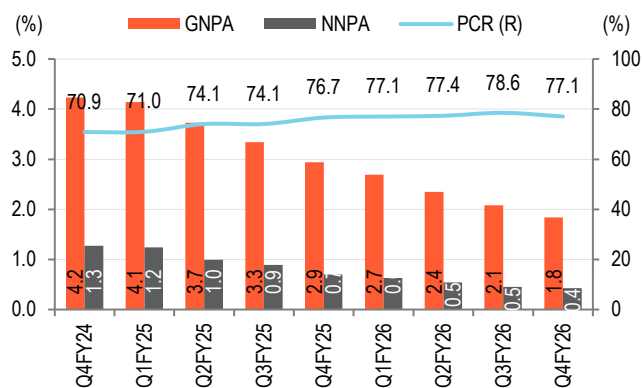
Source: Company, BOBCAPS Research

Fig 10 – PPOP growth declined QoQ on lower non-interest income



Source: Company, BOBCAPS Research

Fig 11 – Asset quality continues to improve



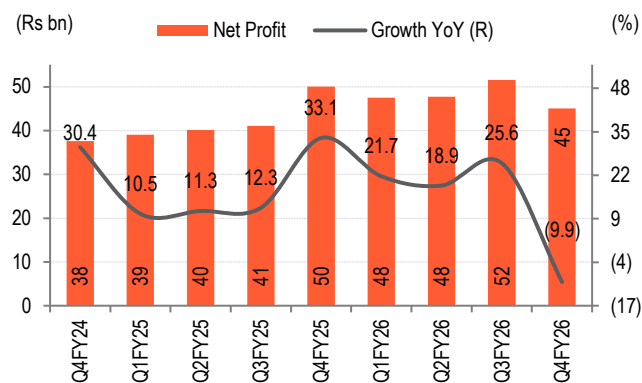
Source: Company, BOBCAPS Research

Fig 12 – Credit cost improved on QoQ basis



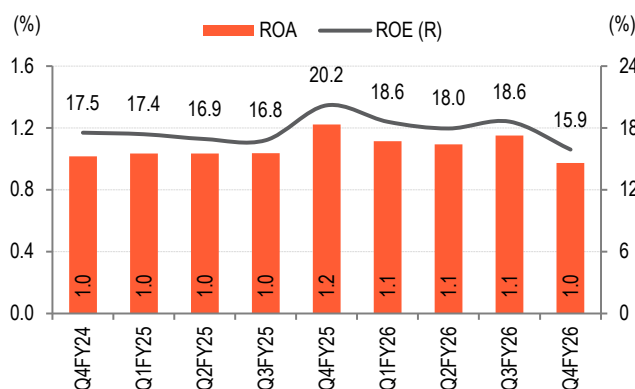
Source: Company, BOBCAPS Research

Fig 13 – PAT declined mainly on lower other income



Source: Company, BOBCAPS Research

Fig 14 – Return ratios remain healthy



Source: Company, BOBCAPS Research

Fig 15 – Loan book trend

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Retail Loans	22,33,660	23,54,180	25,11,900	27,33,950	29,69,120	32.9	8.6
- Housing Loans	10,61,670	10,94,900	11,46,150	12,11,720	12,47,990	17.5	3.0
- Vehicle Loans	2,06,370	2,16,200	2,33,670	2,50,980	2,60,700	26.3	3.9
- Other retail	9,65,620	10,43,080	11,32,080	12,71,250	14,60,430	51.2	14.9
Agriculture	24,69,040	24,88,360	26,61,740	27,00,100	27,57,770	11.7	2.1
SME	13,98,570	14,66,460	15,37,770	16,06,360	15,78,310	12.9	(1.7)
RAM	61,01,270	63,09,000	67,11,410	70,40,410	73,05,200	19.7	3.8
Corporate	46,32,050	46,54,290	47,99,000	48,82,850	50,70,280	9.5	3.8
Domestic Gross Advances	1,00,86,710	1,03,21,420	1,08,14,280	1,11,92,890	1,16,11,430	15.1	3.7
Overseas Gross Loan	6,46,610	6,41,870	6,96,130	7,30,370	7,64,050	18.2	4.6
Total Gross Loan	1,07,33,320	1,09,63,290	1,15,10,410	1,19,23,260	1,23,75,480	15.3	3.8

Source: Company, BOBCAPS Research

Fig 16 – Loan book distribution

(%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Retail Loans	20.8	21.5	21.8	22.9	24.0	318bps	106bps
- Housing Loans	9.9	10.0	10.0	10.2	10.1	19bps	(8bps)
- Vehicle Loans	1.9	2.0	2.0	2.1	2.1	18bps	0bps
- Other retail	9.0	9.5	9.8	10.7	11.8	280bps	114bps
Agriculture	23.0	22.7	23.1	22.6	22.3	(72bps)	(36bps)
SME	13.0	13.4	13.4	13.5	12.8	(28bps)	(72bps)
RAM	56.8	57.5	58.3	59.0	59.0	219bps	(2bps)
Corporate	43.2	42.5	41.7	41.0	41.0	(219bps)	2bps
Domestic advances	94.0	94.1	94.0	93.9	93.8	(15bps)	(5bps)
Overseas Loan	6.0	5.9	6.0	6.1	6.2	15bps	5bps
Total Gross Loan	100.0	100.0	100.0	100.0	100.0		

Source: Company, BOBCAPS Research

Fig 17 – Deposits trend

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
CASA Deposits	41,49,760	39,57,410	42,81,150	41,23,590	42,88,040	3.3	4.0
Term Deposits	1,01,48,862	1,04,80,730	1,07,21,660	1,10,89,093	1,13,98,742	12.3	2.8
Domestic Deposits	1,33,11,370	1,33,87,420	1,39,49,990	1,39,70,450	1,43,69,050	7.9	2.9
Overseas Deposits	9,87,252	10,50,720	10,52,820	12,42,233	13,17,732	33.5	6.1
Total Deposits	1,42,98,622	1,44,38,140	1,50,02,810	1,52,12,683	1,56,86,782	9.7	3.1

Source: Company, BOBCAPS Research

Fig 18 – Deposits distribution

(%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY	QoQ
Domestic CASA Deposits	31.2	29.6	30.7	29.5	29.8	(133bps)	33bps
CASA Deposits	29.0	27.4	28.5	27.1	27.3	(169bps)	23bps
Term Deposits	71.0	72.6	71.5	72.9	72.7	169bps	(23bps)
Domestic Deposits	93.1	92.7	93.0	91.8	91.6	(150bps)	(23bps)
Overseas Deposits	6.9	7.3	7.0	8.2	8.4	150bps	23bps
Total Deposits	100.0	100.0	100.0	100.0	100.0	0bps	0bps

Source: Company, BOBCAPS Research

Earnings Call Highlights

- Management guided for **11–12% loan growth**, **9–10% deposit growth**, and **10–11% overall business growth** for FY27, while remaining confident of outperforming the guidance, as seen in FY26.
- The bank expects **NIMs in the 2.5–2.6% range**, supported by a strong growth in RAM, calibrated pricing, and lower reliance on bulk deposits.
- Management guided for **RoA of 1.01–1.05%** and **RoE of ~16.5%** for FY27.
- AQ guidance remains strong, with **GNPA guided at 1.5%**, **NNPA at 0.4%**, and **PCR at 94.5%**.
- Management guided for **credit cost of 0.75%** and slippage ratio of **0.8%** for FY27.
- The bank estimated total **ECL impact at ~Rs 100bn**, which it believes can be comfortably absorbed given the annual profits of Rs 190–200bn.
- Management highlighted that the SMA book has declined materially YoY, supporting the confidence in stable slippages and credit costs, going ahead.
- Focus stays on maintaining a **60:40 mix between RAM and corporate loans**.
- Corporate pipeline remains healthy, with a ~Rs 200bn sanctioned pipeline and ~Rs 200bn undisbursed corporate loans.
- Retail gold loan growth remains strong, while moderation in agri gold loans is largely due to compliance with the revised RBI norms. Management stated that **gold loan (retail + agri) accounted for 20% of total loans**.
- Management expects **double-digit growth in gold loans** to continue, supported by its strong franchise in South India.
- **Focus remains on increasing retail term deposits** and reducing its dependence on bulk deposits to protect margins.
- Around **50% of advances are repo-linked**, limiting the impact of repo rate cuts on yields.
- Management highlighted strong digital traction, increasing digital transactions, and deeper customer cross-sell initiatives driven through a network of over 3,000 relationship managers.
- The bank **does not foresee any further stake dilution** in Canara HSBC or Canara Robeco.
- Management reiterated remaining adequately capitalised with CRAR at 17.04%.
- The bank has strengthened safeguards in the gold loan business through periodic reappraisal, dedicated officers, and enhanced branch-level security measures.

Valuation Methodology

Considering its performance vs its guidance, along with the improving AQ, we believe that Canara Bank has the levers to perform well. We expect CBK to report RoA/RoE of 1-1.1%/16.2-16.5% in FY27-FY29E. The bank is currently trading at 1YF P/ABV of ~1.0x. We maintain BUY and roll over valuation to 1.0x Mar'28E ABV (1.1x earlier), with revised TP of Rs 158 (from Rs 175).

Fig 19 – Actuals vs BOBCAPS estimates

(Rs mn)	Q4FY26A	Q4FY26E	Actual vs. Estimates
Loan	1,22,00,175	1,20,33,808	1.4
Deposits	1,56,86,782	1,58,14,276	(0.8)
Assets	1,88,32,019	1,87,69,897	0.3
NII	98,080	96,954	1.2
PPOP	67,574	85,453	(20.9)
Provision	9,918	22,279	(55.5)
PAT	45,056	48,570	(7.2)

Source: Company, BOBCAPS Research

Fig 20 – Revised estimates

Estimates Key Parameters (Rs mn)	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Loan	1,37,86,197	1,56,19,762	1,35,62,637	1,52,98,654	1.6	2.1
Deposits	1,72,86,833	1,91,53,811	1,73,64,075	1,92,74,123	(0.4)	(0.6)
Assets	2,09,38,974	2,32,89,081	2,11,85,781	2,35,16,038	(1.2)	(1.0)
NII	4,38,901	5,05,025	4,54,964	5,27,509	(3.5)	(4.3)
PPOP	3,61,086	4,05,922	3,81,582	4,32,420	(5.4)	(6.1)
Provision	96,150	1,02,921	1,05,765	1,18,331	(9.1)	(13.0)
PAT	1,96,848	2,25,130	2,04,932	2,33,368	(3.9)	(3.5)
ABV (Rs)	137	158	139	161	(1.6)	(1.9)

Source: Company, BOBCAPS Research

Fig 21 – Key operational assumptions

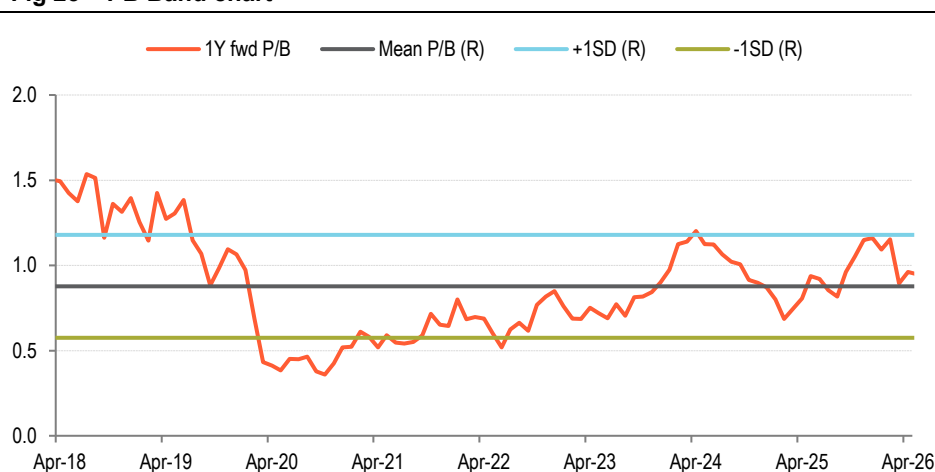
(%)	FY26A	FY27E	FY28E	FY29E
Advances Growth	16.3	13.0	13.3	13.5
Net Interest Income Growth	0.4	18.0	15.1	15.1
PPoP Growth	5.2	9.4	12.4	14.5
PAT Growth	12.7	2.6	14.4	16.6
NIM	2.5	2.6	2.7	2.8
GNPA	1.8	1.6	1.4	1.2
CAR	17.0	17.1	17.1	17.2

Source: Company, BOBCAPS Research

Fig 22 – Valuation assumptions

Gordon Growth Model	(%)
Return on Equity (RoE)	13.7
Cost of Equity (Ke)	14.2
Growth (Period 1)	12.3
Growth (Long Term)	4.8
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	10.0
Dividend Payout (Long Term)	65.0
Factor 1	0.9
Factor 2	6.1
Justified P/BV (x)	1.0

Source: BOBCAPS Research

Fig 23 – PB Band chart

Source: Company, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Any sudden delinquency in retail and SME segments, resulting in higher provision requirements
- Inability to manage CoF, which may drag NIM and the overall profitability.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	3,70,720	3,72,102	4,38,901	5,05,025	5,81,447
NilI growth (%)	1.4	0.4	18.0	15.1	15.1
Non-interest income	2,24,528	2,68,380	2,64,477	2,74,214	3,05,443
Total income	5,95,248	6,40,483	7,03,378	7,79,239	8,86,890
Operating expenses	2,81,345	3,10,297	3,42,292	3,73,317	4,21,933
PPOP	3,13,903	3,30,186	3,61,086	4,05,922	4,64,957
PPOP growth (%)	6.7	5.2	9.4	12.4	14.5
Provisions	87,636	81,119	96,150	1,02,921	1,11,716
PBT	2,26,267	2,49,067	2,64,937	3,03,001	3,53,241
Tax	56,000	57,200	68,089	77,871	90,783
Reported net profit	1,70,267	1,91,867	1,96,848	2,25,130	2,62,458
Adjustments	0	0	0	0	0
Adjusted net profit	1,70,267	1,91,867	1,96,848	2,25,130	2,62,458

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity capital	18,141	18,141	18,141	18,141	18,141
Reserves & surplus	9,80,860	11,15,685	12,74,147	14,58,754	16,79,218
Net worth	9,99,001	11,33,826	12,92,289	14,76,895	16,97,360
Deposits	1,42,98,622	1,56,86,782	1,72,86,833	1,91,53,811	2,13,18,192
Borrowings	11,66,861	15,52,877	17,85,808	20,50,108	23,51,474
Other liab. & provisions	3,82,372	4,58,535	5,74,044	6,08,267	6,08,954
Total liab. & equities	1,68,46,856	1,88,32,019	2,09,38,974	2,32,89,081	2,59,75,979
Cash & bank balance	20,53,402	20,63,033	23,17,382	25,73,961	28,67,243
Investments	38,21,794	40,34,146	42,76,590	44,74,300	46,94,232
Advances	1,04,91,550	1,22,00,175	1,37,86,197	1,56,19,762	1,77,28,429
Fixed & Other assets	4,80,110	5,34,665	5,58,804	6,21,059	6,86,074
Total assets	1,68,46,856	1,88,32,019	2,09,38,974	2,32,89,081	2,59,75,979
Deposit growth (%)	9.0	9.7	10.2	10.8	11.3
Advances growth (%)	12.6	16.3	13.0	13.3	13.5

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
EPS	18.8	21.2	21.7	24.8	28.9
Dividend per share	4.0	4.2	4.2	4.5	4.6
Book value per share	110.1	125.0	142.5	162.8	187.1

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	6.9	6.1	6.0	5.2	4.5
P/BV	1.2	1.0	0.9	0.8	0.7
Dividend yield (%)	3.1	3.2	3.3	3.5	3.6

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	2.3	2.1	2.2	2.3	2.4
Non-interest income	1.4	1.5	1.3	1.2	1.2
Operating expenses	1.8	1.7	1.7	1.7	1.7
Pre-provisioning profit	2.0	1.9	1.8	1.8	1.9
Provisions	0.6	0.5	0.5	0.5	0.5
PBT	1.4	1.4	1.3	1.4	1.4
Tax	0.4	0.3	0.3	0.4	0.4
ROA	1.1	1.1	1.0	1.0	1.1
Leverage (x)	17.0	16.7	16.4	16.0	15.5
ROE	18.2	18.0	16.2	16.3	16.5

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Net interest income	1.4	0.4	18.0	15.1	15.1
Pre-provisioning profit	6.7	5.2	9.4	12.4	14.5
EPS	484.9	12.7	2.6	14.4	16.6
Profitability & Return ratios (%)					
Net interest margin	2.8	2.5	2.6	2.7	2.8
Fees / Avg. assets	0.0	0.0	0.0	0.0	0.0
Cost-Income	47.3	48.4	48.7	47.9	47.6
ROE	18.2	18.0	16.2	16.3	16.5
ROA	1.1	1.1	1.0	1.0	1.1
Asset quality (%)					
GNPA	2.9	1.8	1.6	1.4	1.2
NNPA	0.7	0.4	0.4	0.3	0.3
Slippage ratio	0.9	0.9	0.8	0.8	0.7
Credit cost	0.9	0.8	0.7	0.7	0.7
Provision coverage	75.9	76.7	77.1	77.7	78.2
Ratios (%)					
Credit-Deposit	73.4	77.8	79.7	81.5	83.2
Investment-Deposit	26.7	25.7	24.7	23.4	22.0
CAR	16.3	17.0	17.1	17.1	17.2
Tier-1	14.4	14.6	14.6	14.7	14.8

Source: Company, BOBCAPS Research

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BUY – Expected return >+15%

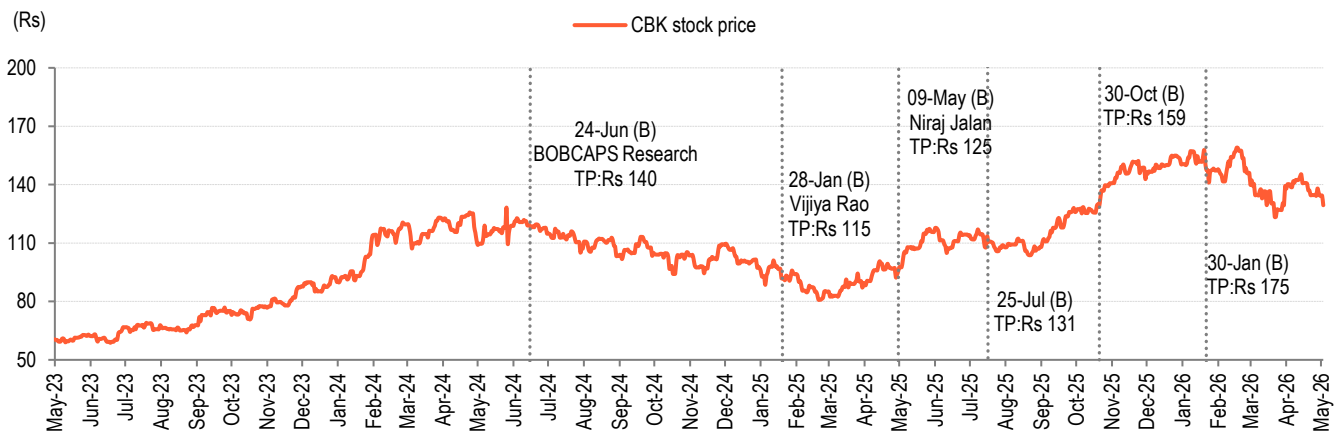
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SELL – Expected return <-6%

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