

HOLD

TP: Rs 292 | ▼ 3%

RBL BANK

| Banking

| 20 October 2025

Return metrics remain moderate

- ENBD to acquire upto 60% stake in RBK through preferential issue of ~USD 3bn, subject to shareholder and regulatory approvals
- Return ratios remain moderate; asset quality showing signs of improvement
- Maintain HOLD with TP of Rs 292 (from Rs 253), valuation of 0.9x Sep'27E ABV (0.8x earlier)

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ENBD to acquire up to 60% stake in RBK: Emirates NBD PJSC (ENBD) plans to acquire up to 60% stake in RBK by infusing ~USD 3bn through preferential issue. The deal is subject to shareholders and various regulatory approvals. This will also involve amalgamation of ENBD's India branches with RBK. It will augment RBK's capital position with net worth rising by 3x to Rs 420bn+. The bank's credit rating (CARE AA- (Stable)) might improve, which would lead to lower CoF and would influence its risk-reward choices. Also, this will enable the bank to scale up through branch expansion and improve digital capabilities.

Earnings impacted by high C/I ratio; secured retail products turned profitable while NIMs likely to improve: PPOp declined 20% YoY, due to high C/I ratio at 70.7% (64.2% in Q2FY25). NII was down 4% YoY to Rs 15.5bn in Q2FY26, mainly due to falling share of unsecured book (high-yield), coupled with a decline in yield on loans by 20bps QoQ to 12.3%, due to repo rate cuts. NIMs were stable on QoQ basis at 4.5% with the management expecting margins to improve by 10-15bps QoQ from Q3FY26 and exit NIMs would be ~4.75-4.8% by Q4FY26. Further, PAT was down 11% QoQ to Rs 1.8bn, given the rise in provisions to Rs 5bn (+13% QoQ). Return profile remains moderate with RoA/ RoE of 0.5%/ 4.4% in Q2FY26. Management stated that secured retail products, except for prime housing that was in the investment phase in the last 2 years, have turned PBT positive.

Asset quality showing signs of improvement: GNPA declined to 2.32% (-45bps QoQ), largely driven by a) improvement in the slippage ratio to 3.9% (Q2FY26) vs. 4.6% (Q1FY26) b) high w/off of Rs 10.4bn (+48% QoQ). Unsecured retail accounted for 85% of total slippage in Q2FY26. Also, total SMA book in JLG improved to 3.5% (Sep'25) vs 5.4% (Jun'25). Management expects slippage in CC and PL to normalise in the next couple of quarters.

Maintain HOLD: We believe lower growth in unsecured retail (high RoA) and high C/I will likely result in moderate return ratios. We maintain HOLD and roll over valuation at 0.9x Sep'27E ABV (0.8x earlier) vs 3Y average P/ABV of 0.8x with revised TP of Rs 292 (from Rs 253).

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	RBK IN/Rs 300
Market cap	US\$ 2.1bn
Free float	100%
3M ADV	US\$ 42.1mn
52wk high/low	Rs 308/Rs 146
Promoter/FPI/DII	0%/15%/35%

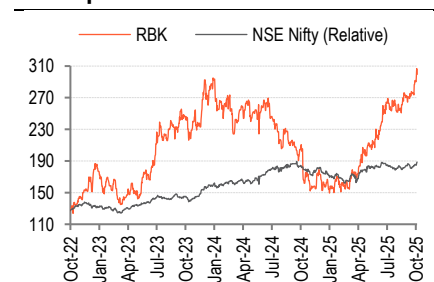
Source: NSE | Price as of 17 Oct 2025

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
NII (Rs mn)	64,630	69,677	83,220
NII growth (%)	7.0	7.8	19.4
Adj. net profit (Rs mn)	6,954	11,736	17,615
EPS (Rs)	11.5	19.3	29.0
Consensus EPS (Rs)	11.5	18.2	27.9
P/E (x)	26.1	15.5	10.3
P/BV (x)	1.2	1.1	1.0
ROA (%)	0.5	0.8	1.0
ROE (%)	4.6	7.3	10.1

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

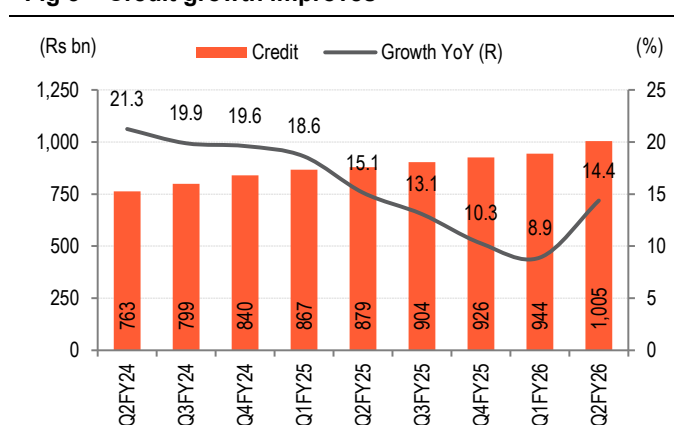
(Rs mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Income Statement							
Interest Income	28,291	28,461	27,995	27,725	28,678	1.4	3.4
Income on investments	5,274	5,332	5,637	5,480	5,208	(1.2)	(5.0)
Int. on bal. with RBI & inter-bank funds & Others	1,745	1,570	1,125	1,206	1,188	(31.9)	(1.5)
Interest income	35,309	35,363	34,756	34,411	35,075	(0.7)	1.9
Interest expense	19,160	19,513	19,126	19,604	19,568	2.1	(0.2)
Net interest income	16,150	15,851	15,630	14,807	15,507	(4.0)	4.7
Growth YoY (%)	9.5	2.5	(2.3)	(12.9)	(4.0)		
Non-interest income	9,274	10,733	10,000	10,695	9,327	0.6	(12.8)
Growth YoY (%)	31.6	38.0	14.2	32.8	0.6		
Net income	25,423	26,584	25,631	25,501	24,834	(2.3)	(2.6)
Growth YoY (%)	16.7	14.4	3.5	1.8	(2.3)		
Staff expenses	4,654	4,530	4,480	4,746	4,848	4.2	2.1
Other operating expenses	11,670	12,088	12,539	13,726	12,702	8.8	(7.5)
Operating expenses	16,324	16,618	17,019	18,472	17,550	7.5	(5.0)
Pre-Provisioning Profit (PPoP)	9,099	9,966	8,612	7,029	7,284	(19.9)	3.6
Growth YoY (%)	24.5	30.2	(2.9)	(18.2)	(19.9)		
Provisions	6,183	11,889	7,851	4,423	4,997	(19.2)	13.0
Growth YoY (%)	(3.4)	159.5	89.7	20.8	(19.2)		
PBT	2,916	(1,923)	760	2,606	2,287	(21.6)	(12.3)
Tax	690	(2,249)	74	603	502	(27.3)	(16.8)
PAT	2,225	326	687	2,003	1,785	(19.8)	(10.9)
Growth YoY (%)	(24.3)	(86.0)	(80.5)	(46.1)	(19.8)		
Per Share Data (Rs)							
FV	10	10	10	10	10	0.0	0.0
EPS	4	1	1	3	3	(20.4)	(11.2)
Book Value	244	243	246	249	248	1.5	(0.4)

Source: Company, BOBCAPS Research

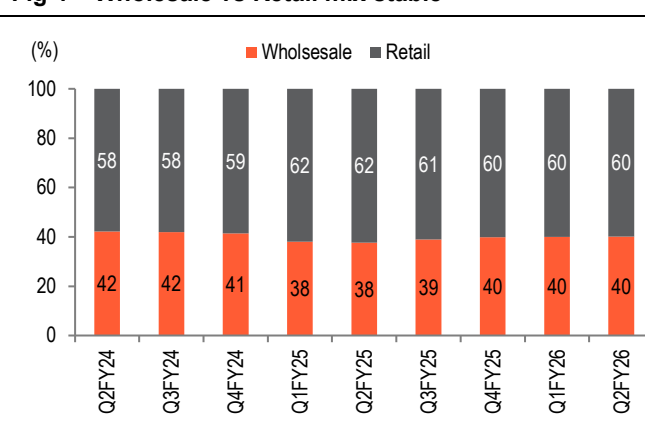
Fig 2 – Quarterly snapshot: Balance sheet & other metrics

(Rs mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Deposits	10,79,587	10,67,530	11,09,435	11,27,340	11,66,674	8.1	3.5
Growth YoY (%)	20.2	15.1	7.2	11.2	8.1		
Advances	8,78,820	9,04,120	9,26,183	9,44,310	10,05,286	14.4	6.5
Growth YoY (%)	15.1	13.1	10.3	8.9	14.4		
Investment	3,03,730	2,95,420	3,21,648	2,38,290	2,88,140	(5.1)	20.9
Equity	1,54,664	1,55,160	1,56,068	1,58,320	1,60,298	3.6	1.2
Assets	14,38,851	14,09,000	14,67,255	14,88,260	15,39,877	7.0	3.5
Growth YoY (%)	15.9	10.8	6.0	9.6	7.0		
Yield (%)							
Yield on Funds	10.90	10.67	10.34	9.95	9.90	(99bps)	(5bps)
Cost of Funds	6.45	6.45	6.26	6.22	6.03	(42bps)	(18bps)
Spread	4.44	4.22	4.07	3.74	3.87	(57bps)	14bps
Net Interest Margin (calc.)	4.98	4.78	4.65	4.28	4.38	(60bps)	10bps
Ratios (%)							
Other Income / Net Income	36.5	40.4	39.0	41.9	37.6	108bps	(438bps)
Cost to Income ratio	64.2	62.5	66.4	72.4	70.7	646bps	(177bps)
CASA ratio	33.6	32.8	34.1	32.5	31.9	(169bps)	(62bps)
C/D ratio	81.4	84.7	83.5	83.8	86.2	476bps	240bps
Investment to Assets	21.1	21.0	21.9	16.0	18.7	(240bps)	270bps
Assets Quality							
GNPA	25,811	27,010	24,655	26,859	23,776	(7.9)	(11.5)
NNPA	6,975	4,816	2,708	4,288	5,724	(17.9)	33.5
Provision	18,836	22,194	21,947	22,570	18,052	(4.2)	(20.0)
GNPA (%)	2.88	2.92	2.60	2.78	2.32	(56bps)	(46bps)
NNPA (%)	0.79	0.53	0.29	0.45	0.57	(22bps)	12bps
Provision Coverage Ratio (%)	73.0	82.2	89.0	84.0	75.9	295bps	(811bps)
Others (nos)							
Branches	550	558	561	562	564	14	2
ATMs	406	411	412	415	415	9	-
Employees	14,777	14,715	14,265	14,186	13,926	(851)	(260)

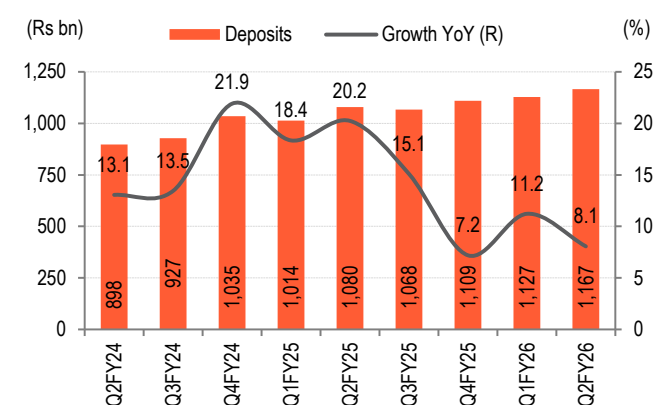
Source: BOBCAPS Research, Company

Fig 3 – Credit growth improves

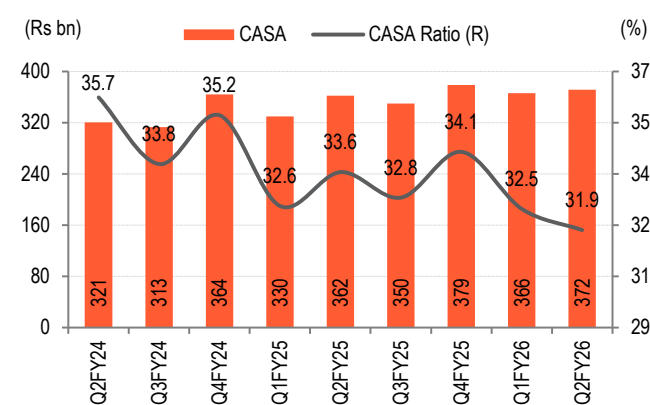
Source: Company, BOBCAPS Research

Fig 4 – Wholesale vs Retail mix stable

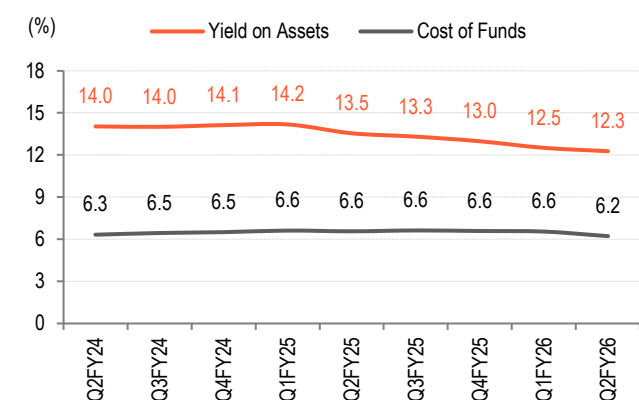
Source: Company, BOBCAPS Research

Fig 5 – Deposits grew 8.1% YoY: below system levels

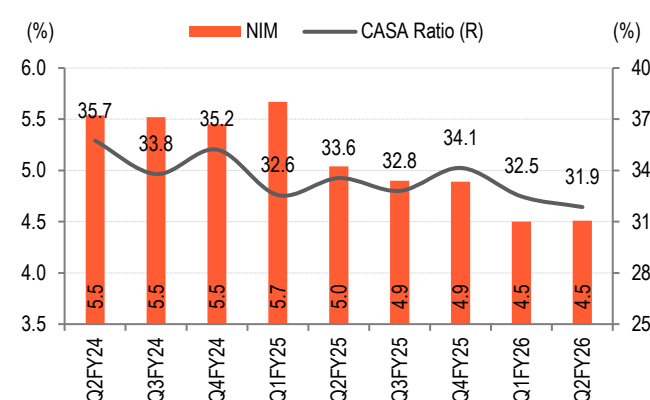
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio declines by 62bps

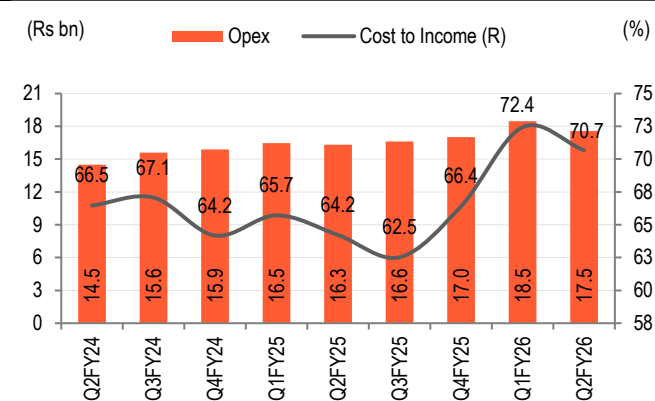
Source: Company, BOBCAPS Research

Fig 7 – Yield on assets decline with fall in share of unsecured book

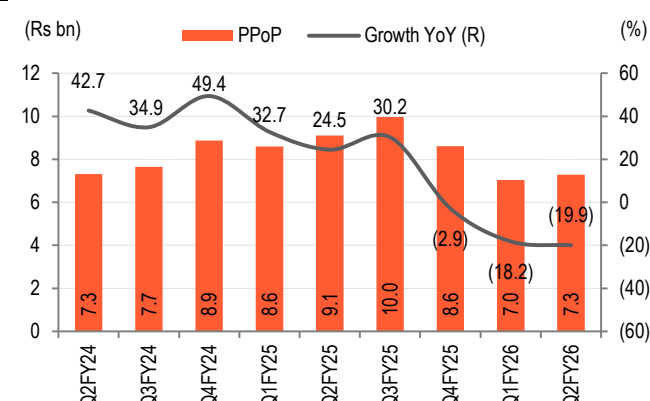
Source: Company, BOBCAPS Research

Fig 8 – ...but reduction in CoF aided NIMs

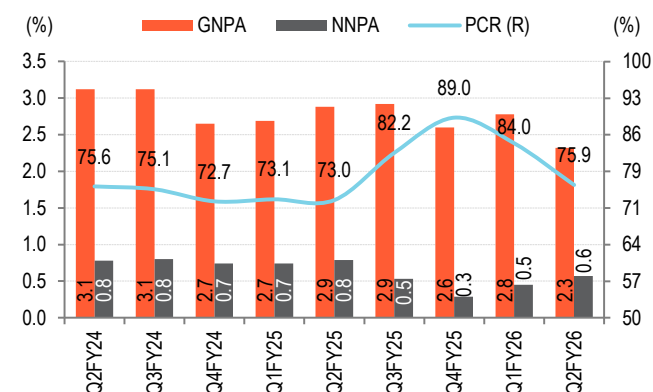
Source: Company, BOBCAPS Research

Fig 9 – Cost to income remains elevated

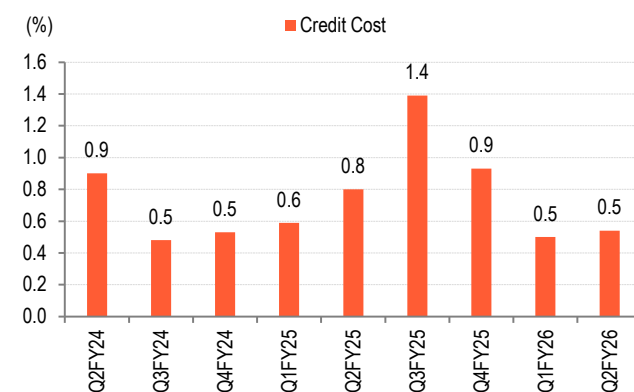
Source: Company, BOBCAPS Research

Fig 10 – PPOP growth declined, mainly driven by decline in loan yields on rate cuts and low share of unsecured

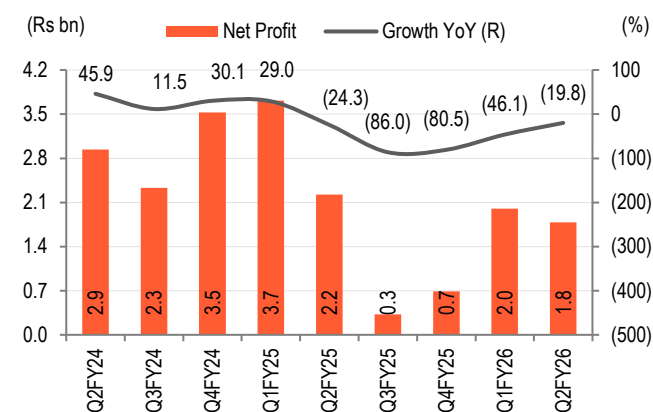
Source: Company, BOBCAPS Research

Fig 11 – Asset quality improved

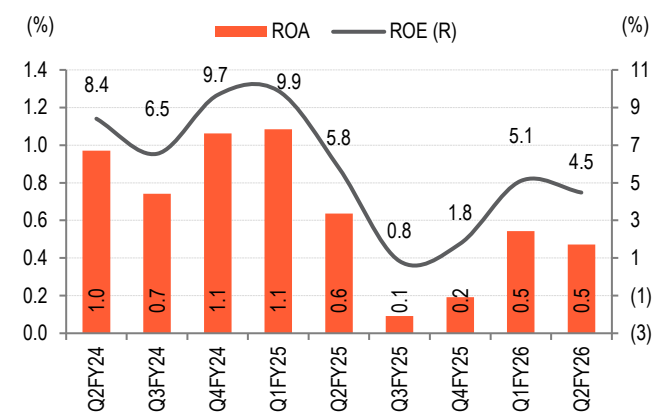
Source: Company, BOBCAPS Research

Fig 12 – Credit cost remains high

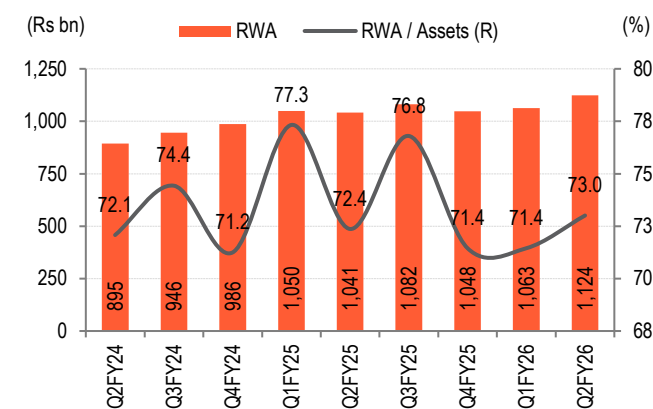
Source: Company, BOBCAPS Research

Fig 13 – PAT declined due to high C/I and high provisions...

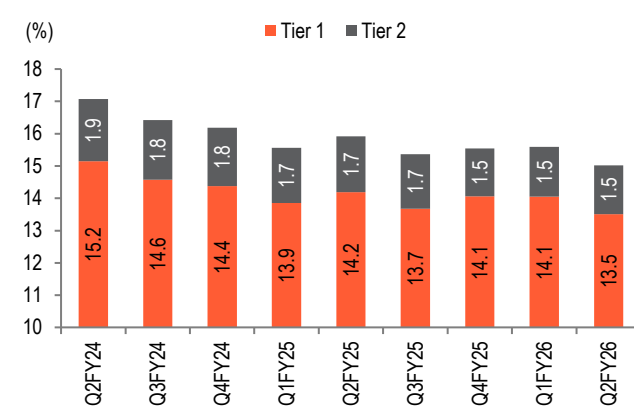
Source: Company, BOBCAPS Research

Fig 14 – ...leading to moderate return profile

Source: Company, BOBCAPS Research

Fig 15 – RWA/asset ratio increases

Source: Company, BOBCAPS Research | RWA: Risk-weighted assets

Fig 16 – Well capitalised to fund credit demand

Source: Company, BOBCAPS Research

Earnings call highlights

ENBD deal details:

- ENBD to acquire up to 60% stake through a preferential issue and open offer of up to 26% of expanded voting share capital. Preferential allotment of up to 95,90,45,636 shares will be at a price of Rs 280 per share.
- Actual size of the preferential allotment to be subject to available foreign ownership limit at the time of allotment. However, ENBD shall acquire a minimum of 51% aggregate stake as part of the transaction.
- Net worth associated with the deal is estimated to be Rs 420bn+. Capital injection is expected to be abundant, potentially avoiding the need for fresh capital for the next 5-7 years.
- The merged entity will continue to be listed on Indian stock exchanges.
- Regulatory approvals required include RBI, CCI, Government of India, and shareholders.
- The acquisition aims to provide scale, capital, global tie-ups, operational synergy, and access to India-Middle East trade corridor.
- Significant opportunities are expected in cross-border payment and transaction business and serving corporate clients operating internationally.
- The synergy is expected to enhance the remittance flow, particularly from the UAE and GCC regions.

Advances

- RBL Bank's total advances crossed Rs 1 trn, growing 14% YoY and 6% QoQ driven by steady expansion in secured retail and wholesale lending.
- Secured retail advances (36% of net advances) rose 30% YoY and 10% QoQ to Rs 342bn, reflecting strong focus on granular, low-risk products.
- Unsecured retail loans (26% of net advances) de-grew 9% YoY, but showed marginal 1% QoQ growth, due to conscious derisking to improve asset quality.
- Wholesale advances grew 22% YoY and 7% QoQ to Rs 404bn, supported by rapid growth in commercial banking segment at 34% YoY.
- Wholesale banking remains a key growth driver as it contributes to advances, low-cost deposits and profits.
- MFI portfolio is normalising; management expects it to return to pre-Covid levels of stability in the near term.

Deposits

- While deposits grew 8% YoY (3.5% QoQ) in Q2FY26, the decrease in CA balances (-1.9% QoQ), and SA balances (+4.7% QoQ) resulted in a 62bps sequential decline in CASA ratio to 31.9%. RBK also reported a robust 14% YoY growth in deposits below Rs 30mn, which now constitutes 51% of total deposits.

- The bank's average liquidity coverage ratio (LCR) stood at 127% in Q1FY26, vs 152% in Q1FY26.

Asset quality

- Provisions were at Rs 5bn from Rs 4.4bn in Q1FY26. Credit cost increased by 4bps to 54bps vs 50bps in Q1FY26.
- Slippages totalled Rs 9.2 bn vs Rs 10.6bn in Q1FY26, whereas upgrades and recovery stood at Rs 1.98bn vs Rs 1.42bn. Write-offs stood at Rs 10.3bn vs Rs 7bn in Q1. This led to a 46bps decline in GNPA to 2.32%, while NNPA increased to 0.57%, on lower provision. PCR, including technical write-off, stood at 92.74% vs 94.18% in Q1FY26.

Profitability

- NII de-grew 4% YoY and grew 5% QoQ on account of lower topline growth.
- NIMs remained flat QoQ in Q2FY26. The bank expects NIMs to improve by 10 to 15 bps every quarter and maintains target of 4.8% by Q4FY26.
- Operating expenses declined 5% QoQ due to disciplined cost control, leading to an improved cost-to-income ratio of 70.7% from 72.4% in Q1
- ROA declined to 0.48% from 0.56% Q1 & ROE declined to 4.4% from 5.1% in Q1.

Fig 17 – Loan book trend

(Rs mn)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Corporate Banking	2,57,250	2,35,780	2,33,950	2,44,280	2,51,870	2,53,880	2,72,820	16.6	7.5
CB	91,150	93,900	97,650	1,07,850	1,17,280	1,24,190	1,31,150	34.3	5.6
Wholesale	3,48,400	3,29,680	3,31,600	3,52,130	3,69,150	3,78,070	4,03,970	21.8	6.9
Housing Loan	62,600	66,960	74,470	78,850	81,770	83,100	84,540	13.5	1.7
Business Loan	81,610	81,820	88,370	98,590	1,11,620	1,16,560	1,34,910	52.7	15.7
Rural Vehicle Finance Loan	22,210	21,590	23,430	25,990	27,540	28,600	29,940	27.8	4.7
Personal Loan	38,880	39,880	39,170	37,220	32,450	30,530	28,610	(27.0)	(6.3)
Credit Card	1,70,380	1,73,940	1,74,330	1,72,880	1,71,330	1,71,910	1,71,970	(1.4)	0.0
MFIs	75,110	72,530	69,710	65,320	57,520	54,350	58,850	(15.6)	8.3
Others	23,470	66,050	63,080	58,770	59,720	65,890	77,600	23.0	17.8
Retail Agri	17,210	14,580	14,670	14,360	15,090	15,290	14,900	1.6	(2.6)
Retail	4,91,470	5,37,350	5,47,230	5,51,980	5,57,040	5,66,230	6,01,320	9.9	6.2
Total Loan	8,39,870	8,67,030	8,78,830	9,04,110	9,26,190	9,44,300	10,05,290	14.4	6.5

Source: Company, BOBCAPS Research | CB: Commercial Banking

Fig 18 – Loan book distribution

Segment (%)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (bps)	QoQ (bps)
Corporate Banking	30.6	27.2	26.6	27.0	27.2	26.9	27.1	52bps	25bps
CB	10.9	10.8	11.1	11.9	12.7	13.2	13.0	193bps	(11bps)
Wholesale	41.5	38.0	37.7	38.9	39.9	40.0	40.2	245bps	15bps
Housing Loan	7.5	7.7	8.5	8.7	8.8	8.8	8.4	(6bps)	(39bps)
Business Loan	9.7	9.4	10.1	10.9	12.1	12.3	13.4	336bps	108bps
Rural Vehicle Finance Loan	2.6	2.5	2.7	2.9	3.0	3.0	3.0	31bps	(5bps)
Personal Loan	4.6	4.6	4.5	4.1	3.5	3.2	2.8	(161bps)	(39bps)
Credit Card	20.3	20.1	19.8	19.1	18.5	18.2	17.1	(273bps)	(110bps)
MFIs	8.9	8.4	7.9	7.2	6.2	5.8	5.9	(208bps)	10bps
Others	2.8	7.6	7.2	6.5	6.4	7.0	7.7	54bps	74bps
Retail Agri	2.0	1.7	1.7	1.6	1.6	1.6	1.5	(19bps)	(14bps)
Retail	58.5	62.0	62.3	61.1	60.1	60.0	59.8	(245bps)	(15bps)
Total Loan	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

Source: Company, BOBCAPS Research | CB: Commercial Banking

Valuation Methodology

Maintain HOLD: We believe lower growth in unsecured retail (high RoA) and high C/I will likely result in moderate return ratios. We expect RBK to deliver RoA of 0.75-1.1% and RoE of 7.3-11.6% during FY26-28E. We maintain HOLD rating and roll over valuation at 0.9x Sep'27E ABV (0.8x earlier) vs. 3Y average P/ABV of 0.8x with revised TP of Rs 292 (from Rs 253).

Fig 19 – Actuals vs BOBCAP estimates

(Rs mn)	Q2FY26A	Q2FY26E	Variance (%)
Loan	10,05,286	10,03,030	0.22
Deposits	11,66,674	11,66,650	0.00
Assets	15,39,877	15,38,918	0.06
NII	15,507	15,093	2.74
PPOP	7,284	7,106	2.50
Provision	4,997	4,138	20.76
PAT	1,785	2,228	(19.88)

Source: Company, BOBCAPS Research

Fig 20 – Revised estimates

Key Parameters (Rs mn)	New			Old			Change (%)		
	FY26e	FY27e	FY28e	FY26e	FY27e	FY28e	FY26e	FY27e	FY28e
Loan	10,69,741	12,49,457	14,74,360	10,69,741	12,49,458	14,74,360	(0.0)	(0.0)	(0.0)
Deposits	12,73,632	14,71,045	17,18,180	12,73,632	14,71,045	17,18,180	0.0	0.0	0.0
Assets	16,50,857	18,77,997	21,45,259	16,67,276	19,22,540	22,26,015	(1.0)	(2.3)	(3.6)
NII	69,677	83,220	98,347	70,524	83,096	99,219	(1.2)	0.1	(0.9)
PPOP	36,233	43,041	52,209	36,701	43,301	52,169	(1.3)	(0.6)	0.1
Provision	20,458	19,365	22,199	20,957	20,293	23,152	(2.4)	(4.6)	(4.1)
PAT	11,736	17,615	22,327	11,714	17,118	21,589	0.2	2.9	3.4

Source: Company, BOBCAPS Research

Fig 21 – Key operational assumptions

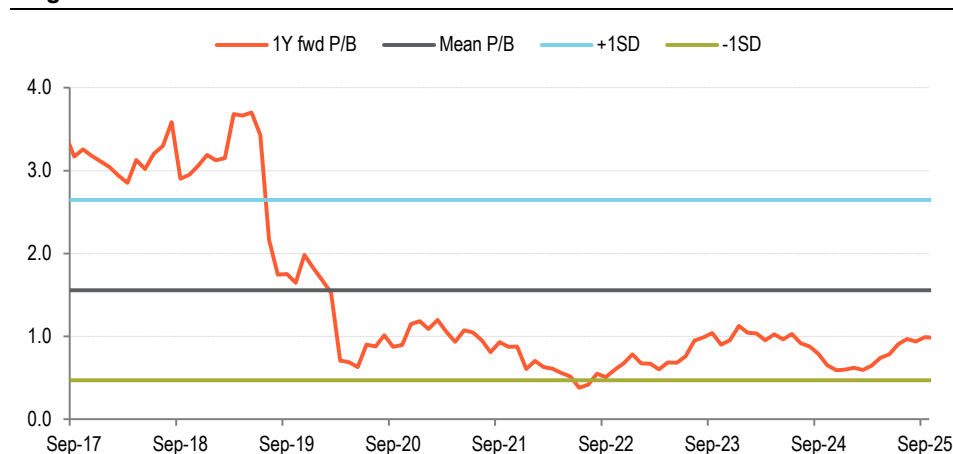
(%)	FY25A	FY26E	FY27E	FY28E
Advances Growth	10.3	15.5	16.8	18.0
NII Growth	7.0	7.8	19.4	18.2
PPoP Growth	19.7	(0.1)	18.8	21.3
PAT Growth	(40.5)	68.8	50.1	26.8
NIM	5.1	4.7	4.9	5.1
GNPA	2.6	2.5	2.3	2.2
CAR	15.6	14.9	14.2	13.8

Source: Company, BOBCAPS Research

Fig 22 – Key valuation assumptions

Gordon growth model	(%)
Return on Equity (RoE)	12.5
Cost of Equity (Ke)	13.1
Growth (Period 1)	10.0
Growth (Long Term)	5.0
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	60.0
Factor 1	1.7
Factor 2	5.8
Justified P/BV Multiple	0.9

Source: BOBCAPS Research

Fig 23 – PB band chart

Source: Company, BOBCAPS Research

Key risks

Key downside risks to our estimates:

- Rise in operating costs higher vs estimated levels, resulting in high C/I ratio
- Elevated stress in unsecured book to persist, resulting in higher credit cost, which would represent a key downside risk to our estimates.

Key upside risks to our estimates:

- Consummation of ENBD deal which would augment the capital base and allow for higher scaling up of business and other opportunities
- Improvement in C/I ratio and credit costs better than our estimates

Glossary

Glossary of Abbreviations			
AUCA	Advance Under Collection Account	LCR	Liquidity Coverage Ratio
ARC	Asset Reconstruction Company	MCLR	Marginal Cost of Funds-based Lending Rate
BRDS	Bills Rediscounting Scheme	MFI	Microfinance Institution
CASA	Current Account and Savings Account	MTM	Mark to Market
C&IB	Corporate and Institutional Banking	NII	Net Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CB	Commercial Banking	NNPA	Net Non-Performing Assets
CET1	Common Equity Tier 1	PCR	Provision Coverage Ratio
CD	Credit-Deposit Ratio	PPOP	Pre-Provision Operating Profit
C/I	Cost-Income Ratio	PSU	Public Sector Unit
EBLR	External Benchmark-based Lending Rate	RWA	Risk-Weighted Assets
ECL	Expected Credit Loss	SLR	Statutory Liquidity Ratio
GNPA	Gross Non-Performing Assets	SMA	Special Mention Account
IBPC	Interbank Participation Certificate	SME	Small and Medium-sized Enterprises
LAP	Loans against Property		

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Net interest income	60,429	64,630	69,677	83,220	98,347
NII growth (%)	35.8	7.0	7.8	19.4	18.2
Non-interest income	30,429	38,062	39,756	41,464	44,256
Total income	90,858	1,02,692	1,09,433	1,24,684	1,42,603
Operating expenses	60,550	66,424	73,199	81,643	90,394
PPOP	30,308	36,268	36,233	43,041	52,209
PPOP growth (%)	37.6	19.7	(0.1)	18.8	21.3
Provisions	17,785	29,587	20,458	19,365	22,199
PBT	12,523	6,681	15,775	23,676	30,010
Tax	844	(272)	4,038	6,061	7,682
Reported net profit	11,679	6,954	11,736	17,615	22,327
Adjustments	0	0	0	0	0
Adjusted net profit	11,679	6,954	11,736	17,615	22,327

Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Equity capital	6,051	6,079	6,079	6,079	6,079
Reserves & surplus	1,41,913	1,49,989	1,60,669	1,76,611	1,96,705
Net worth	1,47,964	1,56,068	1,66,748	1,82,689	2,02,784
Deposits	10,34,936	11,09,435	12,73,632	14,71,045	17,18,180
Borrowings	1,41,841	1,37,338	1,41,459	1,46,410	1,52,266
Other liab. & provisions	59,581	64,413	69,018	77,853	72,029
Total liab. & equities	13,84,322	14,67,255	16,50,857	18,77,997	21,45,259
Cash & bank balance	1,44,166	1,25,596	1,38,575	1,55,486	1,64,723
Investments	2,95,759	3,21,647	3,43,380	3,69,970	3,99,365
Advances	8,39,869	9,26,183	10,69,741	12,49,457	14,74,360
Fixed & Other assets	1,04,529	93,829	99,160	1,03,083	1,06,811
Total assets	13,84,322	14,67,255	16,50,857	18,77,997	21,45,259
Deposit growth (%)	21.9	7.2	14.8	15.5	16.8
Advances growth (%)	19.6	10.3	15.5	16.8	18.0

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
EPS	19.4	11.5	19.3	29.0	36.7
Dividend per share	1.5	1.0	1.7	2.8	3.7
Book value per share	244.5	256.7	274.3	300.5	333.6

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
P/E	15.4	26.1	15.5	10.3	8.2
P/BV	1.2	1.2	1.1	1.0	0.9
Dividend yield (%)	0.5	0.3	0.6	0.9	1.2

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Net interest income	4.8	4.5	4.5	4.7	4.9
Non-interest income	2.4	2.7	2.6	2.4	2.2
Operating expenses	4.8	4.7	4.7	4.6	4.5
Pre-provisioning profit	2.4	2.5	2.3	2.4	2.6
Provisions	1.4	2.1	1.3	1.1	1.1
PBT	1.0	0.5	1.0	1.3	1.5
Tax	0.1	0.0	0.3	0.3	0.4
ROA	0.9	0.5	0.8	1.0	1.1
Leverage (x)	9.0	9.4	9.7	10.1	10.4
ROE	8.2	4.6	7.3	10.1	11.6

Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Net interest income	35.8	7.0	7.8	19.4	18.2
Pre-provisioning profit	37.6	19.7	(0.1)	18.8	21.3
EPS	31.7	(40.9)	68.4	50.1	26.8
Profitability & Return ratios (%)					
Net interest margin	5.5	5.1	4.7	4.9	5.1
Fees / Avg. assets	0.5	0.5	0.5	0.5	0.5
Cost-Income	66.6	64.7	66.9	65.5	63.4
ROE	8.2	4.6	7.3	10.1	11.6
ROA	0.9	0.5	0.8	1.0	1.1
Asset quality (%)					
GNPA	2.7	2.6	2.5	2.3	2.2
NNPA	0.7	0.3	0.4	0.3	0.3
Slippage ratio	3.5	4.9	3.2	2.9	2.9
Credit cost	2.3	3.4	2.1	1.7	1.6
Provision coverage	72.2	88.8	85.7	86.7	87.8
Ratios (%)					
Credit-Deposit	81.2	83.5	84.0	84.9	85.8
Investment-Deposit	28.6	29.0	27.0	25.2	23.2
CAR	16.2	15.6	14.9	14.2	13.8
Tier-1	14.4	14.1	13.5	13.0	12.6

Source: Company, BOBCAPS Research

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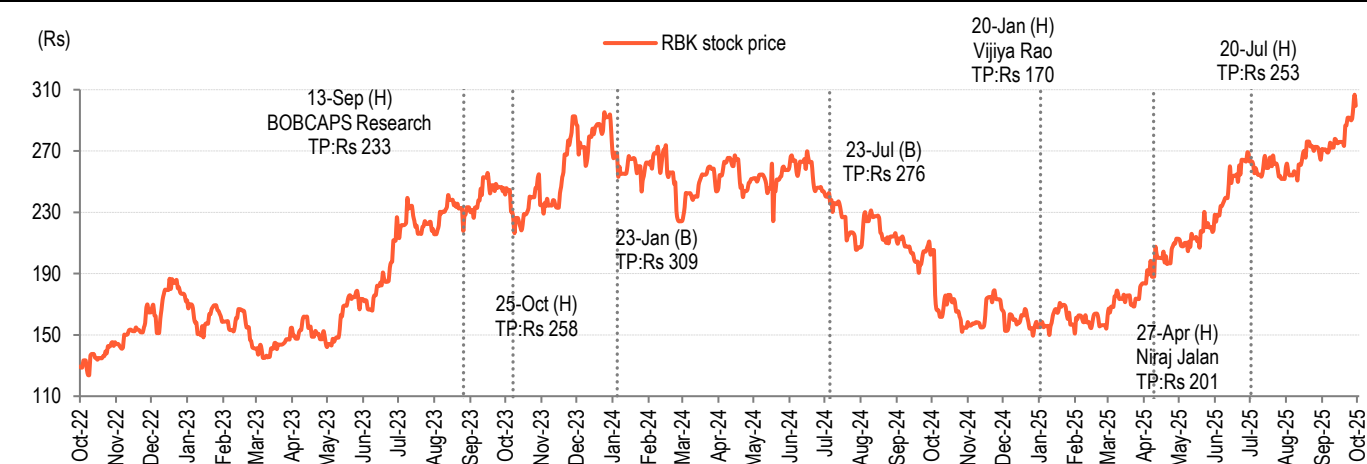
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