

HOLD

TP: Rs 339 | ▲ 4%

RBL BANK

| Banking

| 18 January 2026

Secured retail in focus; return profile remains moderate

- Earnings impacted by high provisions; return ratios likely to stay moderate in near term
- Credit growth improving with rising focus on secured retail lending; asset quality improved, but pain in CC to continue till H1FY27
- Maintain HOLD with TP of Rs 339 (from Rs 292), valuation of 1.0x Dec'27E ABV (0.9x earlier)

Niraj Jalan

Research Analyst

Vijiya Rao

Research Analyst

research@bobcaps.in

Earnings impacted by high provisions: RBK reported PAT of Rs 2.1bn (+19.8% QoQ) but was 12% lower vs our estimates, mainly due to high provisions of Rs 6.4bn (+27.9% QoQ) or 22% higher than our estimates. Rise in provision was largely from the credit card, which accounted for 77% of total credit cost. However, PPOP at Rs 9.1bn (+25% QoQ) was 9% above our estimates due to improvement in NIMs to 4.63% (+12bps QoQ) and lower C/I at 66.3% (-4.4% QoQ). RoA/RoE stayed moderate at 0.55%/5.25% in Q3FY26. Management stated that secured retail products, except for prime housing, have turned profitable at the operating level. With rise in scale, this operating leverage will result in improved performance.

Credit growth improving with rising focus on secured retail lending: Advances growth improved to 14% YoY in Q3FY26, driven by wholesale (+20.6% YoY) and retail book (+9.8% YoY; 58.8% of total loans). Within retail, RBK's focus was on secured retail segments (+24.4% YoY) while being cautious on unsecured (-4.9% YoY). Hence, share of unsecured retail (CC, JLG and PL) fell to 25.4% (Q3FY26) from 30.5% (Q3FY25). Management expects the share of unsecured book to be in the 23-25% range. Within unsecured, MFI book grew by 13.7% QoQ, due to the increase in disbursement to Rs 7bn per month in Q3FY26 vs Rs 5.5bn in Q2FY26. Share of secured retail lending grew to 33.4% of the total loans in Q3FY26 (30.6% in Q3FY25), mainly driven by business loans (+53.5% YoY). Management expects wholesale book to grow by 20%+ YoY, secured retail (25%+) and unsecured retail (10-15%).

Asset quality improved; but pain in CC to continue till H1FY27: AQ improved with GNPA ratio at 1.88% (-44bps QoQ) in Q3FY26, largely driven by a) improvement in the slippage ratio to 3.6% (-30bps QoQ), b) high w/offs of Rs 11.3bn (+9% QoQ). Around 80% of total slippage was from unsecured retail segment in Q3FY26. Management expects credit card slippages to normalise post H1FY27.

Maintain HOLD: A 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 1.0x Dec'27E ABV (0.9x earlier) with revised TP of Rs 339 (from Rs 292).

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	RBK IN/Rs 325
Market cap	US\$ 2.2bn
Free float	100%
3M ADV	US\$ 26.7mn
52wk high/low	Rs 332/Rs 146
Promoter/FPI/DII	0%/22%/40%

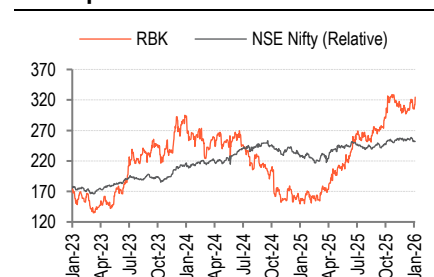
Source: NSE | Price as of 16 Jan 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
NII (Rs mn)	64,630	68,333	84,202
NII growth (%)	7.0	5.7	23.2
Adj. net profit (Rs mn)	6,954	11,716	18,397
EPS (Rs)	11.5	19.3	30.3
Consensus EPS (Rs)	11.5	16.0	22.9
P/E (x)	28.3	16.8	10.7
P/BV (x)	1.3	1.2	1.1
ROA (%)	0.5	0.8	1.0
ROE (%)	4.6	7.3	10.5

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

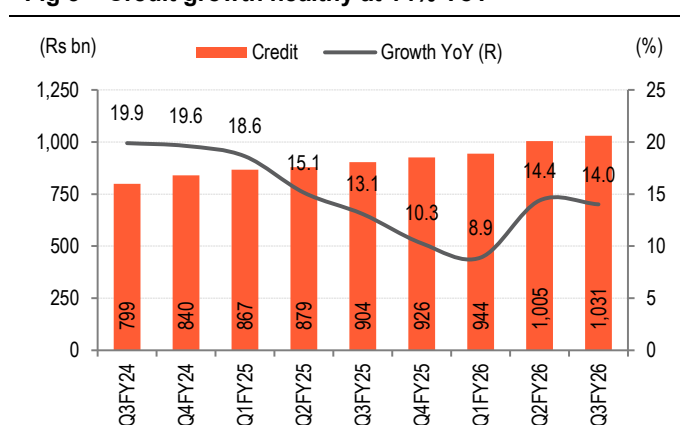
(Rs mn)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	YoY (%)	QoQ (%)
Income Statement							
Interest Income	28,461	27,995	27,725	28,678	30,102	5.8	5.0
Income on investments	5,332	5,637	5,480	5,208	5,216	(2.2)	0.2
Int. on bal. with RBI & inter-bank funds & Others	1,570	1,125	1,206	1,188	1,349	(14.1)	13.5
Interest income	35,363	34,756	34,411	35,075	36,667	3.7	4.5
Interest expense	19,513	19,126	19,604	19,568	20,095	3.0	2.7
Net interest income	15,851	15,630	14,807	15,507	16,572	4.6	6.9
Growth YoY (%)	7.5	1.1	(7.5)	(8.8)	4.6		
Non-interest income	10,733	10,000	10,695	9,327	10,503	(2.1)	12.6
Growth YoY (%)	52.4	28.6	22.2	15.8	(2.1)		
Net income	26,584	25,631	25,501	24,834	27,075	1.8	9.0
Growth YoY (%)	22.0	10.3	3.0	(0.9)	1.8		
Staff expenses	4,530	4,480	4,746	4,848	5,024	10.9	3.6
Other operating expenses	12,088	12,539	13,726	12,702	12,926	6.9	1.8
Operating expenses	16,618	17,019	18,472	17,550	17,951	8.0	2.3
Pre-Provisioning Profit (PPoP)	9,966	8,612	7,029	7,284	9,124	(8.4)	25.3
Growth YoY (%)	36.3	12.5	(20.8)	(15.2)	(8.4)		
Provisions	11,889	7,851	4,423	4,997	6,393	(46.2)	27.9
Growth YoY (%)	85.7	71.4	6.9	36.4	(46.2)		
PBT	(1,923)	760	2,606	2,287	2,732	(242.1)	19.4
Tax	(2,249)	74	603	502	593	(126.4)	18.2
PAT	326	687	2,003	1,785	2,139	555.5	19.8
Growth YoY (%)	(88.9)	(70.5)	(43.2)	(51.9)	555.5		
Per Share Data (Rs)							
FV	10.0	10.0	10.0	10.0	10.0	-	-
EPS	0.5	1.1	3.3	2.9	3.5	544.4	19.2
Book Value	243.4	245.6	248.9	247.9	254.9	4.7	2.8

Source: Company, BOBCAPS Research

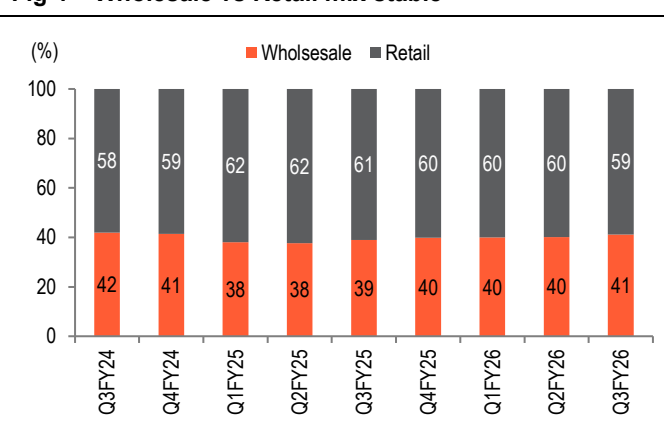
Fig 2 – Quarterly snapshot: Balance sheet & other metrics

(Rs mn)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	YoY (%)	QoQ (%)
Deposits	10,67,530	11,09,435	11,27,340	11,66,674	11,97,210	12.1	2.6
Growth YoY (%)	18.9	19.6	8.9	15.1	12.1		
Advances	9,04,120	9,26,183	9,44,310	10,05,286	10,30,860	14.0	2.5
Growth YoY (%)	18.5	15.8	12.4	15.9	14.0		
Investment	2,95,420	3,21,648	2,38,290	2,88,140	2,68,140	(9.2)	(6.9)
Equity	1,55,160	1,56,068	1,58,320	1,60,298	1,63,360	5.3	1.9
Assets	14,09,000	14,67,255	14,88,260	15,39,877	15,72,900	11.6	2.1
Growth YoY (%)	13.5	15.4	7.5	13.4	11.6		
Yield (%)							
Yield on Funds	10.67	10.34	9.95	9.90	10.06	(61bps)	15bps
Cost of Funds	6.45	6.26	6.22	6.03	6.03	(41bps)	(0bps)
Spread	4.22	4.07	3.74	3.87	4.02	(20bps)	15bps
Net Interest Margin (calc.)	4.78	4.65	4.28	4.38	4.54	(24bps)	17bps
Ratios (%)							
Other Income / Net Income	40.4	39.0	41.9	37.6	38.8	(158bps)	123bps
Cost to Income ratio	62.5	66.4	72.4	70.7	66.3	379bps	(437bps)
CASA ratio	32.8	34.1	32.5	31.9	30.9	(192bps)	(98bps)
C/D ratio	84.7	83.5	83.8	86.2	86.1	141bps	(6bps)
Investment to Assets	21.0	21.9	16.0	18.7	17.0	(392bps)	(166bps)
Assets Quality							
GNPA	27,010	24,655	26,859	23,776	19,615	(27.4)	(17.5)
NNPA	4,816	2,708	4,288	5,724	5,670	17.7	(0.9)
Provision	22,194	21,947	22,570	18,052	13,945	(37.2)	(22.8)
GNPA (%)	2.92	2.60	2.78	2.32	1.88	(104bps)	(44bps)
NNPA (%)	0.53	0.29	0.45	0.57	0.55	2bps	(2bps)
Provision Coverage Ratio (%)	82.2	89.0	84.0	75.9	71.1	(1,107bps)	(483bps)
Others (nos)							
Branches	558	561	562	564	580	22	16
ATMs	411	412	415	415	415	4	-
Employees	14,715	14,265	14,186	13,926	13,632	(1,083)	(294)

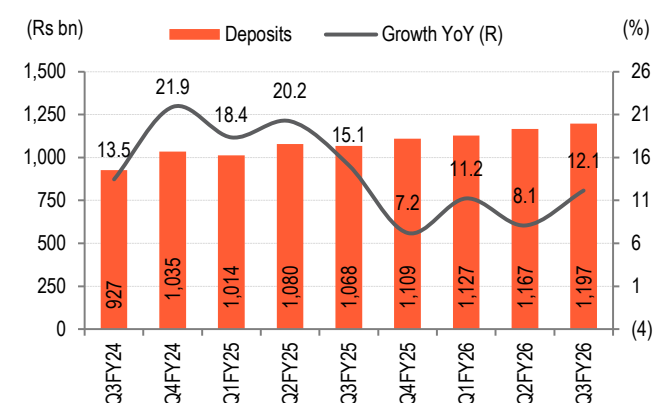
Source: BOBCAPS Research, Company

Fig 3 – Credit growth healthy at 14% YoY

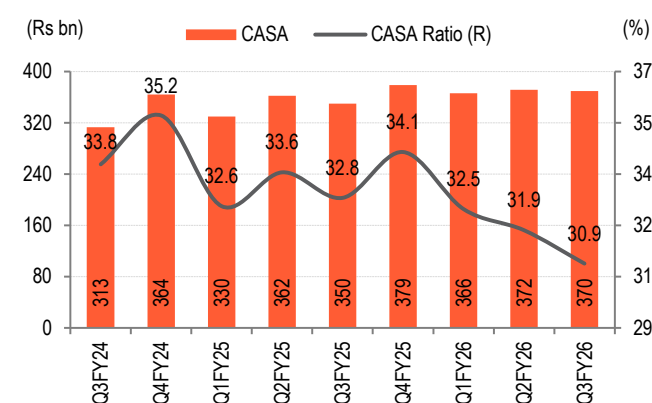
Source: Company, BOBCAPS Research

Fig 4 – Wholesale vs Retail mix stable

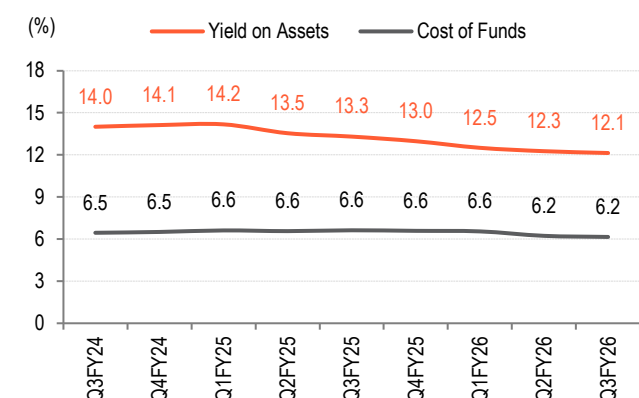
Source: Company, BOBCAPS Research

Fig 5 – Deposits grew 12% YoY

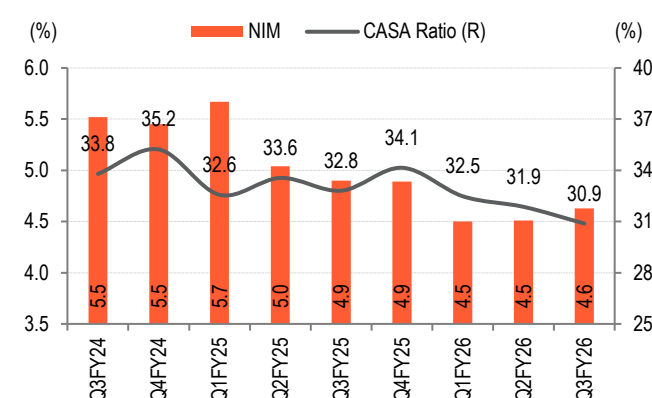
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio declines by 98bps QoQ

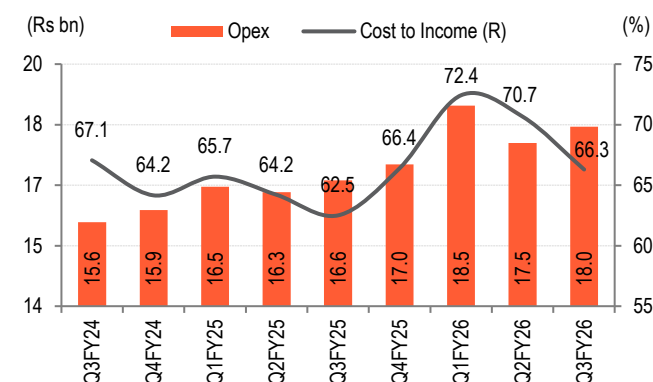
Source: Company, BOBCAPS Research

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

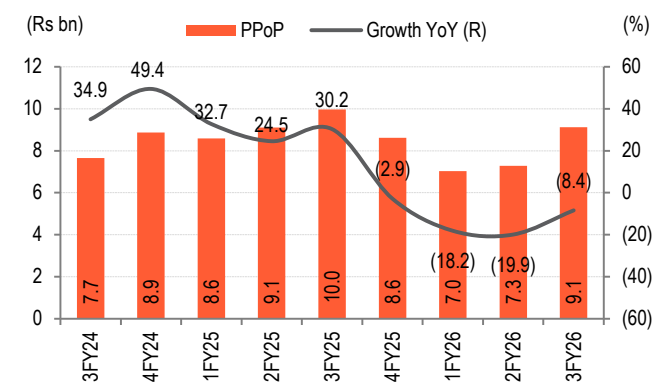
Source: Company, BOBCAPS Research

Fig 8 – ...but reduction in CoF and CRR cuts aided NIMs

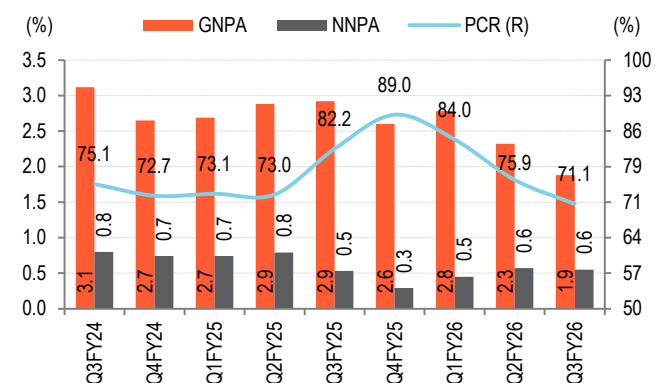
Source: Company, BOBCAPS Research

Fig 9 – Cost to income has improved but remains elevated

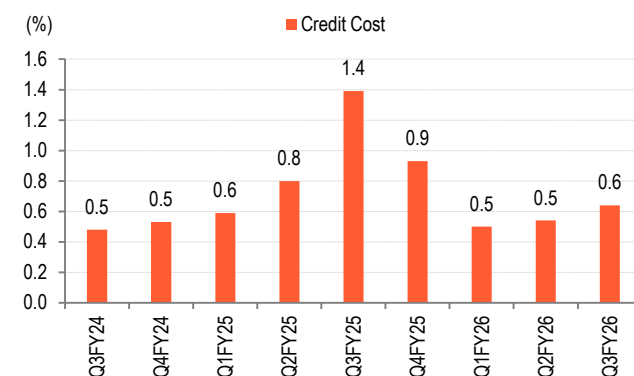
Source: Company, BOBCAPS Research

Fig 10 – PPOP improves on a sequential basis

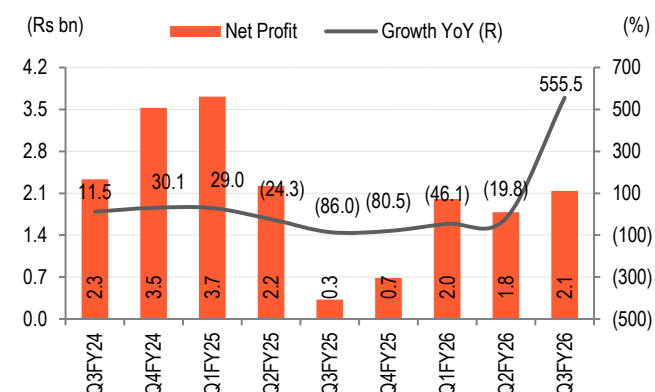
Source: Company, BOBCAPS Research

Fig 11 – Asset quality improved

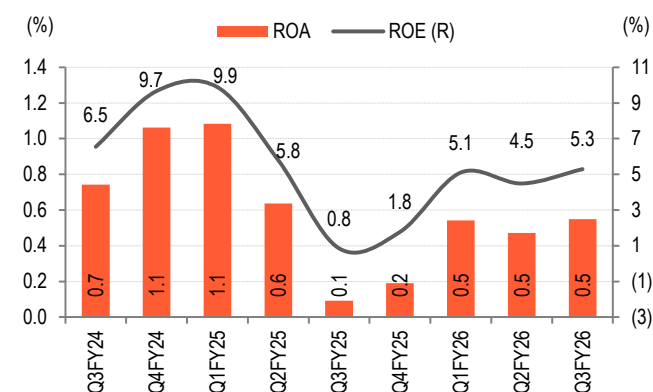
Source: Company, BOBCAPS Research

Fig 12 – Credit cost remains high

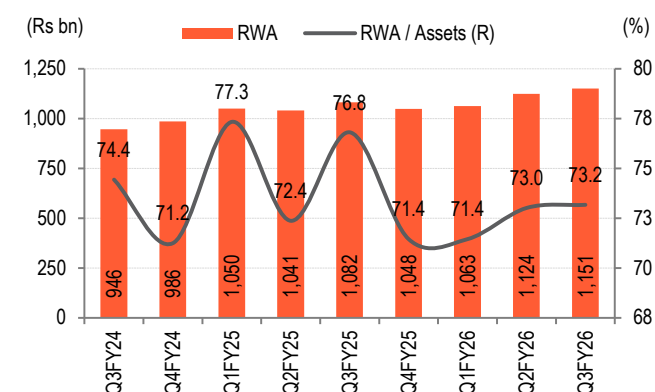
Source: Company, BOBCAPS Research

Fig 13 – PAT increased 20% QoQ

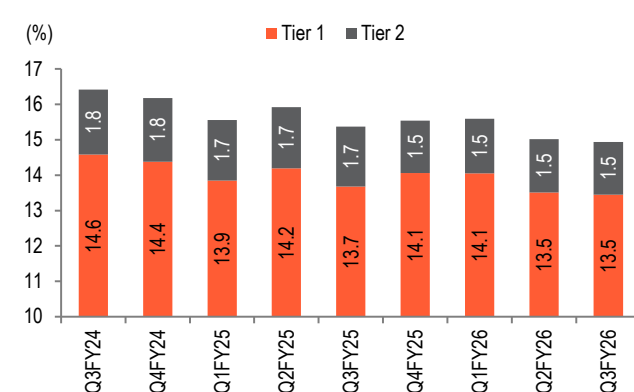
Source: Company, BOBCAPS Research

Fig 14 – 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 update:

- ENBD to acquire up to 60% stake via preferential issue and open offer of up to 26% of expanded voting share capital; preferential allotment of up to 95.9 crore shares at Rs 280/share. This will result in ~Rs 420+ bn net worth addition; provides abundant capital buffer, potentially eliminating fresh equity needs for 5-7 years. The deal is pending for approval from RBI, CCI, GoI, which is expected by Q1FY27.

Advances

- RBL Bank's total advances grew 14% YoY and 2.5% QoQ on the back of steady expansion in secured retail and commercial banking.
- Secured retail advances (33% of net advances) rose 24% YoY and 1% QoQ to Rs 344bn reflecting strong focus on granular, low-risk products.
- Retail secured businesses as a cohort have recently become profitable at the operating level, and the bank expects scale to further improve performance
- Unsecured retail loans (25% of net advances) de-grew 5% YoY, but showed marginal 1% QoQ growth, due to conscious derisking to improve asset quality.
- The bank is shifting its credit card strategy to focus on the top 100 to 150 locations and increasing the overlap between its savings account and card customers to drive multiproduct consumption.
- Wholesale advances grew 21% YoY and 4% QoQ to Rs 425bn, supported by rapid growth in commercial banking segment at 30% YoY and is guided to grow >20% in the near term and 25-30% in the long term.
- In wholesale banking, the bank prioritises commercial banking by strengthening relationship and credit teams, while selectively entering new geographies.
- Wholesale banking serves as a core growth engine, boosting advances, low-cost deposits, and profitability.

Deposits

- While deposits grew 12% YoY (2.6% QoQ) in Q3FY26, the decrease in CA balances (-5.1% QoQ), and moderate growth in SA balances (+3.5% QoQ) resulted in a 98bps sequential decline in CASA ratio to 30.9%.
- RBL also reported robust growth in deposits below Rs 30mn, which now constitutes 51.5% of total deposits.
- The bank's average liquidity coverage ratio (LCR) stood healthy at 125% in Q3FY26.
- The CD ratio stands at 86.1%, with the bank targeting a comfortable operating range of 83% to 87%.

Asset quality

- Provisions were at Rs 6.4bn from Rs 5bn in Q2FY26. Credit costs increased by 10bps to 64bps vs 54bps in Q2FY26.
- Slippages totaled Rs 9.09bn vs Rs 9.25bn in Q2FY26, whereas upgrades and recovery stood same at Rs 1.98bn QoQ. Write-offs stood at Rs 11.3bn vs Rs 10.3bn in Q2. This led to a 44bps decline in GNPA to 1.88%, NNPA improved to 0.55%. PCR, including technical write-off, stood at 93.21% vs 92.74% in Q2FY26.
- Total SMA book in JLG improved to 1.9% (Dec'25) vs 3.5% (Sep'25).
- Management indicated that they are typically comfortable with a PCR range of 75% to 78%, though it may fluctuate around 70%, based on the mix of secured vs unsecured stress.
- Around 80%+ of standard JLG portfolio is now covered by CGFMU scheme.
- Credit cards & PL contributed the most in slippage (63% of total slippage vs 59% last quarter) and are expected to be elevated in the coming quarters.
- Management expects credit card slippages to remain elevated and post H1FY27, get normalised

Profitability

- Management expects margins to be marginally better in Q4FY26, supported by improved disbursements in higher-yielding assets and further repricing of term deposits.
- Operating expenses rose moderately (2.3% QoQ), improving cost-to-income ratio to 66.3% (vs 70.7% in Q2). C/I likely to remain elevated, given that the bank plans to add 200 branches in FY27 and 100 branches in FY28.
- ROA improved to 0.55% from 0.48% in Q2FY26 & ROE improved to 5.25 % from 4.44% in Q2FY26.
- Net profit at Rs 2.1bn; impacted by one-off pre-tax expenses of Rs 32mn from New Labour Codes wage revision (effective Nov 21, 2025).

Fig 17 – Loan book trend

(Rs mn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	YoY (%)	QoQ (%)
Corporate Banking	2,35,780	2,33,950	2,44,280	2,51,870	2,53,880	2,72,820	2,84,600	16.5	4.3
CB	93,900	97,650	1,07,850	1,17,280	1,24,190	1,31,150	1,40,160	30.0	6.9
Wholesale	3,29,680	3,31,600	3,52,130	3,69,150	3,78,070	4,03,970	4,24,760	20.6	5.1
Housing Loan	66,960	74,470	78,850	81,770	83,100	84,540	86,190	9.3	2.0
Business Loan	81,820	88,370	98,590	1,11,620	1,16,560	1,34,910	1,51,370	53.5	12.2
Rural Vehicle Finance Loan	21,590	23,430	25,990	27,540	28,600	29,940	31,990	23.1	6.8
Personal Loan	39,880	39,170	37,220	32,450	30,530	28,610	28,220	(24.2)	(1.4)
Credit Card	1,73,940	1,74,330	1,72,880	1,71,330	1,71,910	1,71,970	1,66,900	(3.5)	(2.9)
MFIs	72,530	69,710	65,320	57,520	54,350	58,850	66,920	2.4	13.7
Others	66,050	63,080	58,770	59,720	65,890	77,600	59,430	1.1	(23.4)
Retail Agri	14,580	14,670	14,360	15,090	15,290	14,900	15,090	5.1	1.3
Retail	5,37,350	5,47,230	5,51,980	5,57,040	5,66,230	6,01,320	6,06,110	9.8	0.8
Total Loan	8,67,030	8,78,830	9,04,110	9,26,190	9,44,300	10,05,290	10,30,870	14.0	2.5

Source: Company, BOBCAPS Research | CB: Commercial Banking

Fig 18 – Loan book distribution

Segment (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	YoY (bps)	QoQ (bps)
Corporate Banking	27.2	26.6	27.0	27.2	26.9	27.1	27.6	59bps	47bps
CB	10.8	11.1	11.9	12.7	13.2	13.0	13.6	167bps	55bps
Wholesale	38.0	37.7	38.9	39.9	40.0	40.2	41.2	226bps	102bps
Housing Loan	7.7	8.5	8.7	8.8	8.8	8.4	8.4	(36bps)	(5bps)
Business Loan	9.4	10.1	10.9	12.1	12.3	13.4	14.7	378bps	126bps
Rural Vehicle Finance Loan	2.5	2.7	2.9	3.0	3.0	3.0	3.1	23bps	12bps
Personal Loan	4.6	4.5	4.1	3.5	3.2	2.8	2.7	(138bps)	(11bps)
Credit Card	20.1	19.8	19.1	18.5	18.2	17.1	16.2	(293bps)	(92bps)
MFIs	8.4	7.9	7.2	6.2	5.8	5.9	6.5	(73bps)	64bps
Others	7.6	7.2	6.5	6.4	7.0	7.7	5.8	(74bps)	(195bps)
Retail Agri	1.7	1.7	1.6	1.6	1.6	1.5	1.5	(12bps)	(2bps)
Retail	62.0	62.3	61.1	60.1	60.0	59.8	58.8	(226bps)	(102bps)
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 0.75-1.2% and RoE of 7.3-12.5% during FY26-28E. We maintain HOLD rating and roll over valuation at 1.0x Dec'27E ABV (0.9x earlier) vs. 3Y average P/ABV of 0.9x with revised TP of Rs 339 (from Rs 292).

Fig 19 – Actuals vs BOBCAP estimates

(Rs mn)	Q3FY26A	Q3FY26E	Variance (%)
Loan	10,30,860	10,21,656	0.9
Deposits	11,97,210	11,97,210	-
Assets	15,72,900	15,68,749	0.3
NII	16,572	16,310	1.6
PPOP	9,124	8,389	8.8
Provision	6,393	5,245	21.9
PAT	2,139	2,421	(11.7)

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	12,72,992	15,40,320	10,69,741	12,49,457	14,74,360	-	1.9	4.5
Deposits	12,73,632	14,77,413	17,58,121	12,73,632	14,71,045	17,18,180	-	0.4	2.3
Assets	16,50,857	19,03,686	22,22,349	16,50,857	18,77,997	21,45,259	-	1.4	3.6
NII	68,333	84,202	1,04,158	69,677	83,220	98,347	(1.9)	1.2	5.9
PPOP	37,230	45,812	55,741	36,233	43,041	52,209	2.8	6.4	6.8
Provision	21,482	21,085	22,928	20,458	19,365	22,199	5.0	8.9	3.3
PAT	11,716	18,397	24,412	11,736	17,615	22,327	(0.2)	4.4	9.3
ABV (Rs)	267	296	334	268	294	327	(0.5)	0.6	2.3

Source: Company, BOBCAPS Research

Fig 21 – Key operational assumptions

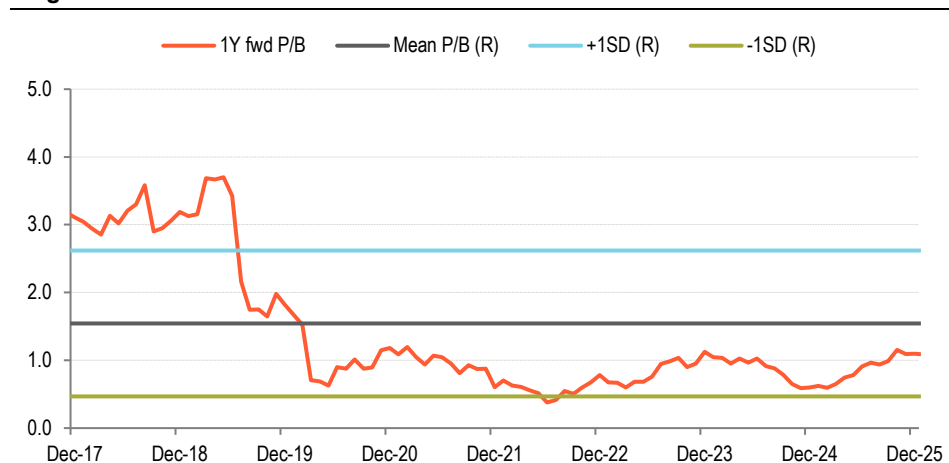
(%)	FY25A	FY26E	FY27E	FY28E
Advances Growth	10.3	15.5	19.0	21.0
NII Growth	7.0	5.7	23.2	23.7
PPoP Growth	19.7	2.7	23.1	21.7
PAT Growth	(40.5)	68.5	57.0	32.7
NIM	5.1	4.6	4.9	5.2
GNPA	2.6	1.4	1.2	1.0
CAR	15.6	14.9	14.2	13.6

Source: Company, BOBCAPS Research

Fig 22 – Key valuation assumptions

Gordon growth model	(%)
Return on Equity (RoE)	12.7
Cost of Equity (Ke)	12.8
Growth (Period 1)	10.2
Growth (Long Term)	5.1
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	60.0
Factor 1	1.8
Factor 2	6.5
Justified P/BV Multiple	1.0

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 resulting in an improvement in the return profile

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	68,333	84,202	1,04,158
NII growth (%)	35.8	7.0	5.7	23.2	23.7
Non-interest income	30,429	38,062	41,567	46,742	51,782
Total income	90,858	1,02,692	1,09,900	1,30,944	1,55,940
Operating expenses	60,550	66,424	72,670	85,133	1,00,199
PPOP	30,308	36,268	37,230	45,812	55,741
PPOP growth (%)	37.6	19.7	2.7	23.1	21.7
Provisions	17,785	29,587	21,482	21,085	22,928
PBT	12,523	6,681	15,748	24,727	32,812
Tax	844	(272)	4,031	6,330	8,400
Reported net profit	11,679	6,954	11,716	18,397	24,412
Adjustments	0	0	0	0	0
Adjusted net profit	11,679	6,954	11,716	18,397	24,412

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	1,60,768	1,78,061	2,01,253
Net worth	1,47,964	1,56,068	1,66,847	1,84,140	2,07,332
Deposits	10,34,936	11,09,435	12,73,632	14,77,413	17,58,121
Borrowings	1,41,841	1,37,338	1,41,459	1,46,410	1,52,266
Other liab. & provisions	59,581	64,413	68,920	95,723	1,04,630
Total liab. & equities	13,84,322	14,67,255	16,50,857	19,03,686	22,22,349
Cash & bank balance	1,44,166	1,25,596	1,38,575	1,55,847	1,67,115
Investments	2,95,759	3,21,647	3,43,380	3,70,747	4,04,667
Advances	8,39,869	9,26,183	10,69,741	12,72,992	15,40,320
Fixed & Other assets	1,04,529	93,829	99,160	1,04,100	1,10,247
Total assets	13,84,322	14,67,255	16,50,857	19,03,686	22,22,349
Deposit growth (%)	21.9	7.2	14.8	16.0	19.0
Advances growth (%)	19.6	10.3	15.5	19.0	21.0

Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
EPS	19.4	11.5	19.3	30.3	40.2
Dividend per share	1.5	1.0	1.5	1.8	2.0
Book value per share	244.5	256.7	274.5	302.9	341.1

Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
P/E	16.7	28.3	16.8	10.7	8.1
P/BV	1.3	1.3	1.2	1.1	1.0
Dividend yield (%)	0.5	0.3	0.5	0.6	0.6

DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Net interest income	4.8	4.5	4.4	4.7	5.0
Non-interest income	2.4	2.7	2.7	2.6	2.5
Operating expenses	4.8	4.7	4.7	4.8	4.9
Pre-provisioning profit	2.4	2.5	2.4	2.6	2.7
Provisions	1.4	2.1	1.4	1.2	1.1
PBT	1.0	0.5	1.0	1.4	1.6
Tax	0.1	0.0	0.3	0.4	0.4
ROA	0.9	0.5	0.8	1.0	1.2
Leverage (x)	9.0	9.4	9.7	10.1	10.5
ROE	8.2	4.6	7.3	10.5	12.5

Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
YoY growth (%)					
Net interest income	35.8	7.0	5.7	23.2	23.7
Pre-provisioning profit	37.6	19.7	2.7	23.1	21.7
EPS	31.7	(40.9)	68.1	57.0	32.7
Profitability & Return ratios (%)					
Net interest margin	5.5	5.1	4.6	4.9	5.2
Fees / Avg. assets	0.5	0.5	0.5	0.5	0.5
Cost-Income	66.6	64.7	66.1	65.0	64.3
ROE	8.2	4.6	7.3	10.5	12.5
ROA	0.9	0.5	0.8	1.0	1.2
Asset quality (%)					
GNPA	2.7	2.6	1.4	1.2	1.0
NNPA	0.7	0.3	0.4	0.3	0.3
Slippage ratio	3.5	4.9	4.0	3.5	3.0
Credit cost	2.3	3.4	2.2	1.8	1.6
Provision coverage	72.2	88.8	69.7	72.8	74.8
Ratios (%)					
Credit-Deposit	81.2	83.5	84.0	86.2	87.6
Investment-Deposit	28.6	29.0	27.0	25.1	23.0
CAR	16.2	15.6	14.9	14.2	13.6
Tier-1	14.4	14.1	13.5	12.9	12.5

Source: Company, BOBCAPS Research

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Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

Brand Name: **BOBCAPS**

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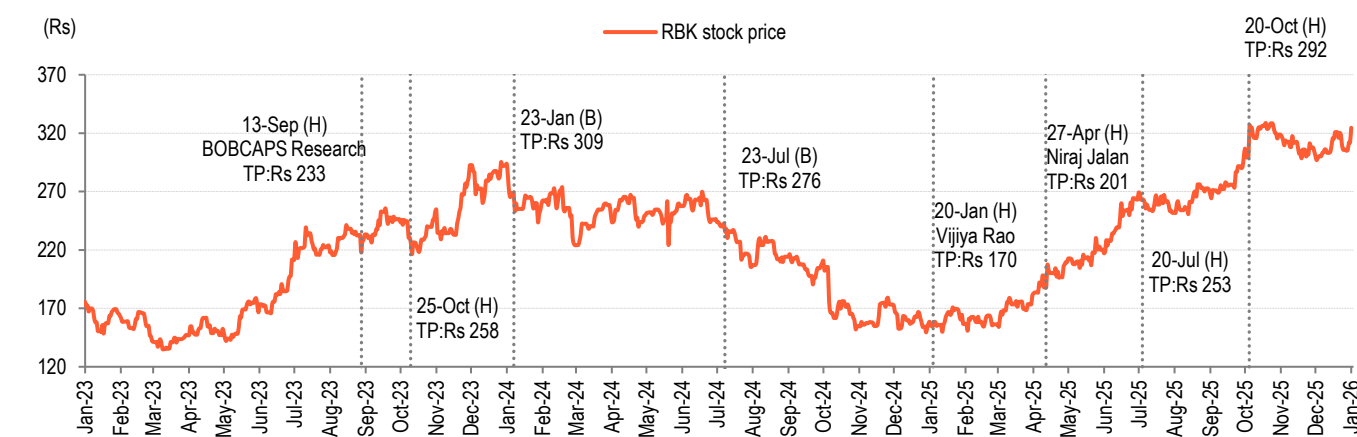
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