

BUY

TP: Rs 1,285 | ▲ 26%

STATE BANK OF INDIA

| Banking

| 10 May 2026

Niraj Jalan

Research Analyst

Vijiya Rao

Research Analyst

Kaustubh Shetye

Research Associate

research@bobcaps.in

Healthy growth and improving AQ support long-term outlook

- PAT marginally below estimates, mainly on lower NIMs and trading losses. Management guided for RoA of 1% through the cycles
- Credit growth above system levels, largely led by RAM segments. AQ improved with no broad-based stress on West Asia conflict
- We maintain BUY, on healthy growth and steady return profile; revise TP to Rs 1,285 (Rs 1,279 earlier), set at 1.5x Mar'28E ABV

PAT marginally below estimates, mainly on lower NIMs and trading losses:

SBIN reported PAT of Rs 197bn (+5.6% YoY) —marginally below our estimates by 1.9%. This was mainly supported by lower provisions of Rs 29bn (-55.4% YoY). However, PPOp declined to Rs 277bn (-11% YoY), owing to the decline in other income (-26.4% YoY), but was partially offset by modest growth in NII (+2.6% YoY). Other income was impacted by trading losses on investments of Rs 14.7bn (Q4FY26) vs trading profit of Rs 68.8bn (Q4FY25). The MTM loss was Rs 45.2bn in Q4FY26, due to a spike in yields — of which — ~Rs 30bn was adjusted in AFS reserves. Further, NIMs declined to 2.81% (-17bps QoQ) due to lower yields on advances following the 25bps rate cut impact on the EBLR/floating-rate book (49% share) and a 5bps cut in the MCLR book. However, management guided for domestic NIMs of >3% in FY27, aided by a shift towards MCLR-linked loans. Return ratios remain healthy with RoA/RoE of 1.12%/18.6% in FY27.

Credit growth above system, largely led by RAM segments: Gross advances grew by 16.9% YoY and were above the system growth. Loan growth was led by RAM segment (+17.1% YoY), along with a pickup in corporate (+14.8% YoY). Loan growth resulted in an increase in the CD ratio to 81.6% (+46bps QoQ). SBIN guided loan growth of 13-15% for FY27, largely led by RAM segments.

Asset quality improvement: Asset quality (AQ) improved, with GNPA ratio at 1.49% (-8bps QoQ) and NNPA at 0.39% (flat QoQ). The improvement was driven by negative net slippages of Rs 1.8bn in Q4FY26. Management stated that there is no broad-based stress as of now, due to the West Asia conflict. Further, bank has shifted largely to CGTMSE loans, wherein the coverage increased to 58% of eligible pool. Also, non-NPA provision of Rs 297.1bn (~158% of NNPA) provides a cushion against any sudden rise in stress.

Maintain BUY: Despite its size, SBIN continues to deliver healthy business growth, along with a steady return profile and improving asset quality. We expect the bank to deliver ROA/ROE of 1.16%/16.0% by FY29E. We revise our TP to Rs 1,285 (from Rs 1,279) and roll over valuation to 1.5x Mar'28E ABV (unchanged).

Key changes

Target	Rating
▲	◀▶

Ticker/Price	SBIN IN/Rs 1,019
Market cap	US\$ 99.6bn
Free float	42%
3M ADV	US\$ 210.4mn
52wk high/low	Rs 1,235/Rs 756
Promoter/FPI/DII	56%/11%/26%

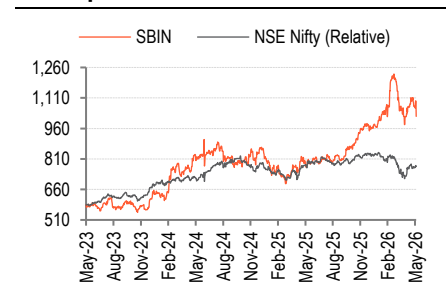
Source: NSE | Price as of 8 May 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
NII (Rs mn)	17,31,205	20,86,086	23,96,694
NII growth (%)	3.7	20.5	14.9
Adj. net profit (Rs mn)	8,00,320	8,78,328	10,23,915
EPS (Rs)	88.2	95.2	110.9
Consensus EPS (Rs)	88.2	93.4	106.7
P/E (x)	11.6	10.7	9.2
P/BV (x)	1.7	1.5	1.4
ROA (%)	1.1	1.1	1.1
ROE (%)	16.2	15.2	15.6

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	8,57,097	8,54,379	8,61,826	8,90,140	8,93,699	4.27	0.40
Income on investments	2,94,562	2,77,492	2,82,787	2,84,275	2,85,791	(2.98)	0.53
Int. on bal. with RBI & inter-bank funds & Others	45,003	48,088	51,926	51,147	46,423	3.15	(9.24)
Interest income	11,96,662	11,79,959	11,96,539	12,25,561	12,25,912	2.44	0.03
Interest expense	7,68,916	7,69,234	7,66,699	7,73,658	7,87,177	2.37	1.75
Net interest income	4,27,746	4,10,725	4,29,841	4,51,904	4,38,736	2.57	(2.91)
Growth YoY (%)	2.7	(0.1)	3.3	9.0	2.6		
Non-interest income	2,42,099	1,73,457	1,53,255	1,83,585	1,78,205	(26.4)	(2.9)
Growth YoY (%)	39.4	55.4	0.4	66.3	(26.4)		
Total income	6,69,845	5,84,182	5,83,096	6,35,489	6,16,941	(7.9)	(2.9)
Growth YoY (%)	13.5	11.7	2.5	21.1	(7.9)		
Staff expenses	1,80,052	1,68,995	1,66,060	1,60,031	1,62,153	(9.9)	1.3
Other operating expenses	1,76,933	1,09,742	1,43,927	1,46,834	1,77,747	0.5	21.1
Operating expenses	3,56,985	2,78,737	3,09,987	3,06,865	3,39,899	(4.8)	10.8
Pre-Provisioning Profit (PPoP)	3,12,860	3,05,445	2,73,109	3,28,624	2,77,042	(11.4)	(15.7)
Growth YoY (%)	8.8	15.5	(6.8)	39.5	(11.4)		
Provisions	64,417	47,592	54,001	45,069	28,722	(55.4)	(36.3)
Growth YoY (%)	300.2	38.0	19.9	394.7	(55.4)		
Exceptional Item	-	-	45,932	-	-	-	-
PBT	2,48,444	2,57,853	2,19,108	2,83,555	2,48,320	(0.0)	(12.4)
Tax	62,018	66,248	63,444	73,273	51,483	(17.0)	(29.7)
PAT	1,86,426	1,91,604	2,01,597	2,10,282	1,96,838	5.6	(6.4)
Growth YoY (%)	(9.9)	12.5	10.0	24.5	5.6		
Per Share							
FV (Rs)	1.0	1.0	1.0	1.0	1.0	-	-
EPS (Rs)	21	21	22	23	21	2.1	(6.4)
Book Value (Rs)	494	527	561	585	590	19.3	0.8

Source: Company, BOBCAPS Research

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

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Deposits	5,38,21,895	5,47,32,537	5,59,17,000	5,70,13,089	5,97,56,421	11.0	4.8
Growth YoY (%)	9.5	11.7	9.3	9.0	11.0		
Advances	4,16,33,121	4,19,62,051	4,36,17,370	4,62,77,341	4,87,78,948	17.2	5.4
Growth YoY (%)	12.4	11.9	13.1	15.6	17.2		
Investment	1,69,05,728	1,68,34,939	1,72,80,800	1,73,37,790	1,80,12,541	6.5	3.9
Equity	44,11,621	47,01,949	51,80,590	54,00,202	54,44,423	23.4	0.8
Assets	6,67,60,533	6,76,85,048	6,98,74,680	7,16,19,748	7,62,30,120	14.2	6.4
Growth YoY (%)	8.0	9.3	10.2	8.2	14.2		
Yield (%)							
Yield on Funds	7.8	7.6	7.5	7.5	7.1	(61bps)	(31bps)
Cost of Funds	5.2	5.1	5.0	4.9	4.8	(35bps)	(11bps)
Spread	2.6	2.4	2.5	2.5	2.3	(26bps)	(20bps)
Net Interest Margin (calc.)	3.0	2.9	3.0	3.0	2.8	(18bps)	(17bps)
Ratios (%)							
Other Income / Net Income	36.1	29.7	26.3	28.9	28.9	(726bps)	0bps
Cost to Income ratio	53.3	47.7	53.2	48.3	55.1	180bps	681bps
CASA ratio	38.4	37.8	38.0	37.5	37.9	(52bps)	32bps
C/D ratio	77.4	76.7	78.0	81.2	81.6	428bps	46bps
Investment to Assets	25.3	24.9	24.7	24.2	23.6	(169bps)	(58bps)
Asset Quality							
GNPA	7,68,800	7,80,397	7,62,430	7,36,368	7,34,525	(4.5)	(0.3)
NNPA	1,96,670	1,99,084	1,84,599	1,80,121	1,88,301	(4.3)	4.5
Provision	5,72,130	5,81,313	5,77,831	5,56,247	5,46,223	(4.5)	(1.8)
GNPA (%)	1.8	1.8	1.7	1.6	1.5	(33bps)	(8bps)
NNPA (%)	0.5	0.5	0.4	0.4	0.4	(8bps)	0bps
PCR (%)	74.4	74.5	75.8	75.5	74.4	(6bps)	(118bps)

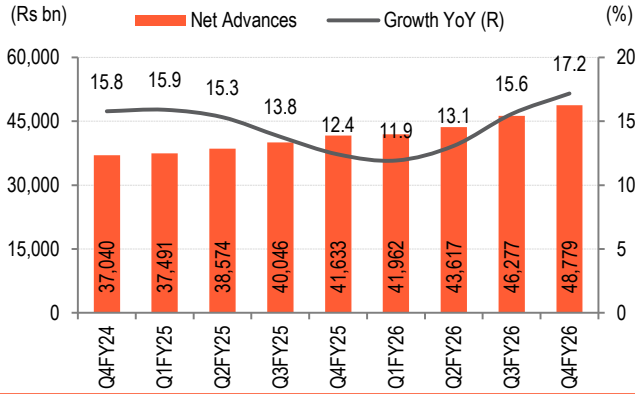
Source: Company, BOBCAPS Research

Fig 3 – Actual vs. Estimates

Key Parameters (Rs bn)	Q4FY26A	Q4FY26E	Actual vs. Estimates (%)
Loan	48,779	47,795	2.1
Deposits	59,756	59,096	1.1
Assets	76,230	74,265	2.6
NII	439	470	(6.6)
PPOP	277	312	(11.2)
Provision	29	42	(31.9)
PAT	197	201	(1.9)

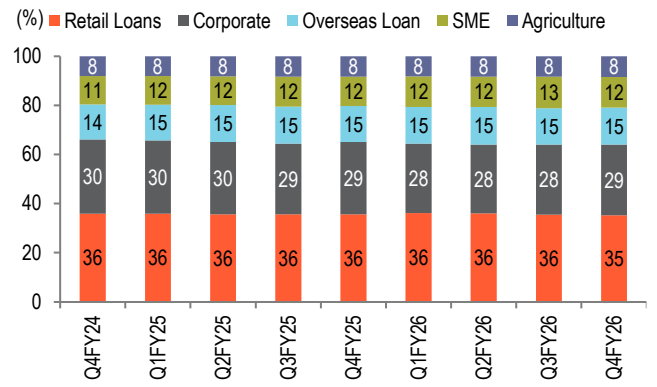
Source: Company, BOBCAPS Research

Fig 4 – Loan growth above system levels



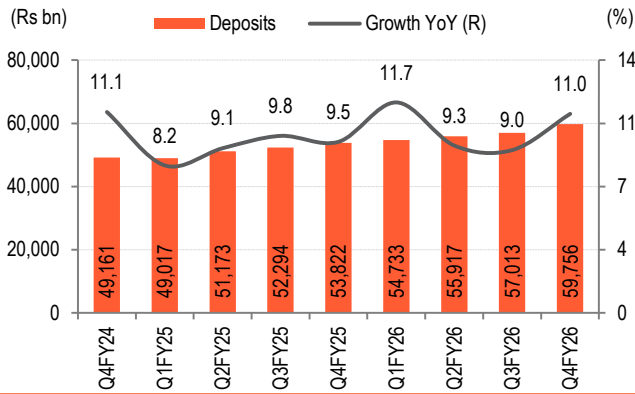
Source: Company, BOBCAPS Research

Fig 5 – RAM accounted for 56.1% of total loans



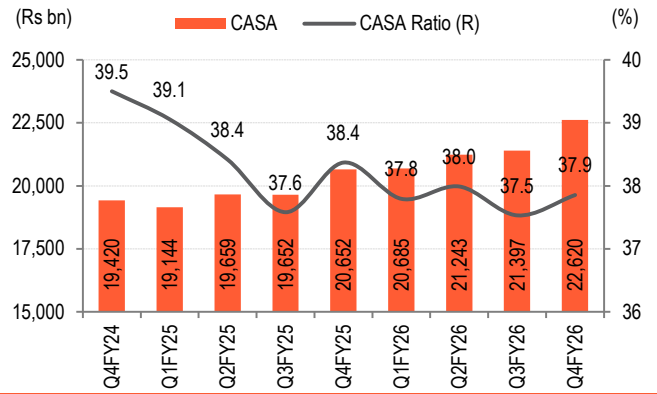
Source: Company, BOBCAPS Research

Fig 6 – Deposits grew 11% YoY



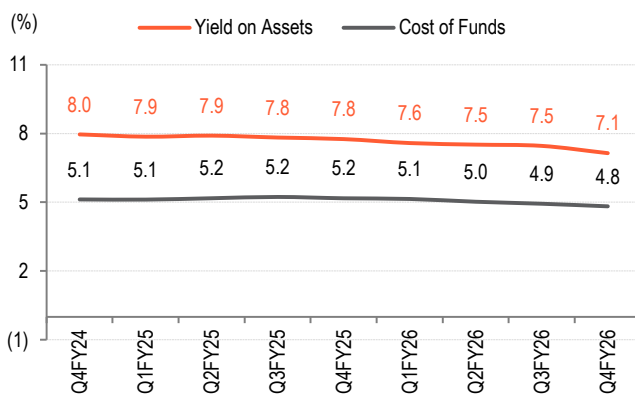
Source: Company, BOBCAPS Research

Fig 7 – CASA ratio improved to 37.9%



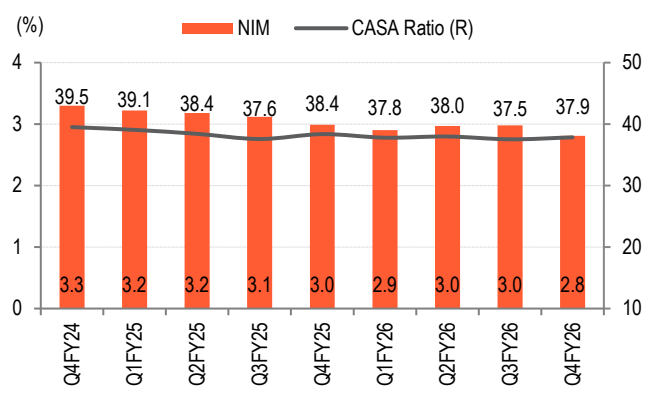
Source: Company, BOBCAPS Research

Fig 8 – Yields declined due to the impact of rate cuts



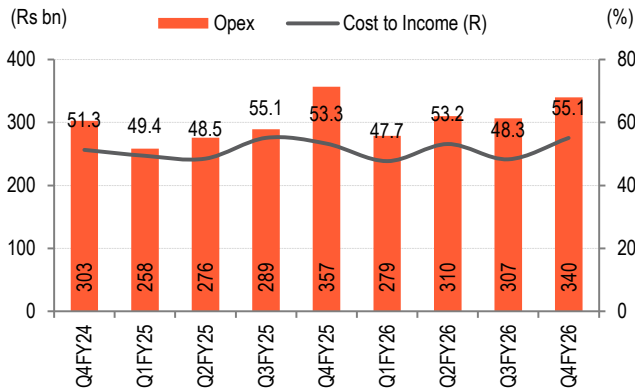
Source: Company, BOBCAPS Research

Fig 9 – Domestic NIMs expected to be >3% in FY27



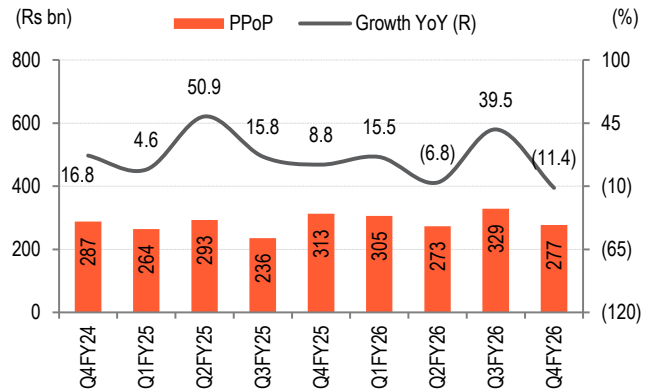
Source: Company, BOBCAPS Research

Fig 10 – Management expects CI ratio to stay below 50%



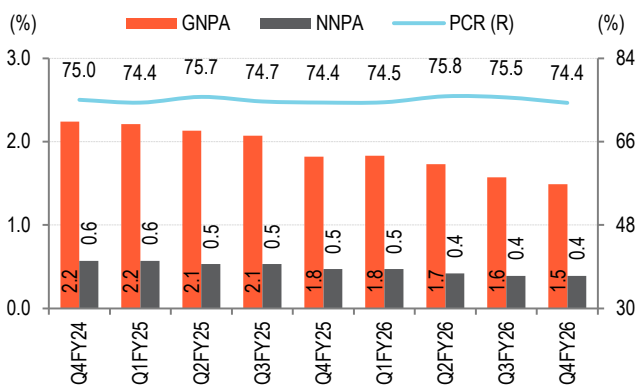
Source: Company, BOBCAPS Research

Fig 11 – PPOp declined mainly on trading losses



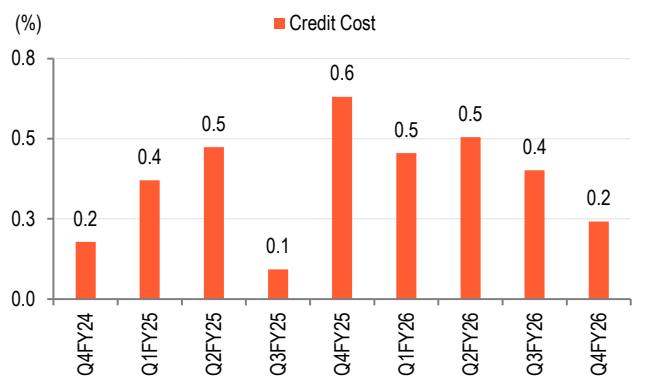
Source: Company, BOBCAPS Research

Fig 12 – Asset quality improved



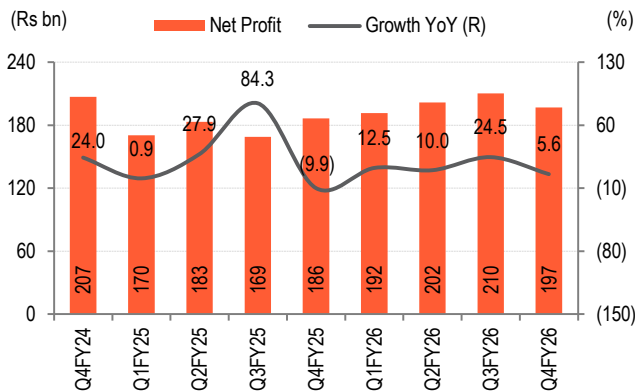
Source: Company, BOBCAPS Research

Fig 13 – CC improves on sequential basis



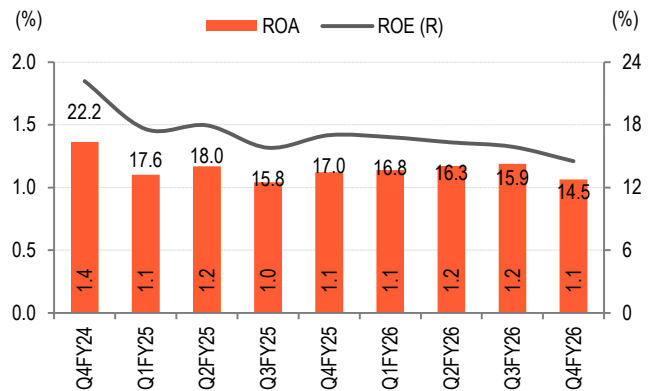
Source: Company, BOBCAPS Research

Fig 14 – PAT up, mainly aided by lower provisions and higher loan growth



Source: Company, BOBCAPS Research

Fig 15 – Return ratios remain healthy



Source: Company, BOBCAPS Research

Fig 16 – Loan book trend

(Rs bn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Retail Loans	15,065	15,399	15,934	16,638	17,358	15.2	4.3
-Home Loans	8,308	8,509	8,804	9,090	9,442	13.7	3.9
-Auto Loans	1,271	1,271	1,287	1,370	1,379	8.5	0.6
-Xpress Credit	3,501	3,468	3,524	3,654	3,760	7.4	2.9
-Personal Gold Loans	500	635	726	859	1,058	111.5	23.1
-Other Retail Loans	1,485	1,517	1,593	1,665	1,719	15.8	3.3
Agriculture	3,485	3,483	3,681	3,921	4,171	19.7	6.4
SME	5,060	5,281	5,422	6,007	6,122	21.0	1.9
Corporate	12,406	12,034	12,393	13,336	14,246	14.8	6.8
Domestic Advances	36,016	36,197	37,430	39,902	41,897	16.3	5.0
Overseas Loans	6,191	6,348	6,766	6,933	7,429	20.0	7.2
Gross Loans	42,207	42,545	44,197	46,835	49,326	16.9	5.3

Source: Company, BOBCAPS Research

Fig 17 – Loan book distribution

(%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY	QoQ
Retail Loans	35.7	36.2	36.1	35.5	35.2	(50bps)	(33bps)
-Home Loans	19.7	20.0	19.9	19.4	19.1	(54bps)	(27bps)
-Auto Loans	3.0	3.0	2.9	2.9	2.8	(22bps)	(13bps)
-Xpress Credit	8.3	8.2	8.0	7.8	7.6	(67bps)	(18bps)
-Personal Gold Loans	1.2	1.5	1.6	1.8	2.1	96bps	31bps
-Other Retail Loans	3.5	3.6	3.6	3.6	3.5	(3bps)	(7bps)
Agriculture	8.3	8.2	8.3	8.4	8.5	20bps	8bps
SME	12.0	12.4	12.3	12.8	12.4	42bps	(41bps)
Corporate	29.4	28.3	28.0	28.5	28.9	(51bps)	41bps
Domestic Advances	85.3	85.1	84.7	85.2	84.9	(39bps)	(26bps)
Overseas Loans	14.7	14.9	15.3	14.8	15.1	39bps	26bps
Gross Loans	100	100	100	100	100	0bps	0bps

Source: Company, BOBCAPS Research

Fig 18 – Deposit trend

(Rs bn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Current Deposits	3,646	3,217	3,282	3,144	3,811	4.5	21.2
Saving Deposits	17,006	17,468	17,960	18,253	18,809	10.6	3.0
CASA Deposits	20,652	20,685	21,243	21,397	22,620	9.5	5.7
Term Deposits	33,170	34,047	34,674	35,616	37,136	12.0	4.3
Domestic Deposits	51,669	52,549	53,606	54,679	57,330	11.0	4.8
Overseas Deposits	2,153	2,184	2,311	2,335	2,427	12.7	4.0
Total Deposits	53,822	54,733	55,917	57,013	59,756	11.0	4.8

Source: Company, BOBCAPS Research

Fig 19 – Deposit distribution

(%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Current Deposits	6.8	5.9	5.9	5.5	6.4	(40bps)	86bps
Saving Deposits	31.6	31.9	32.1	32.0	31.5	(12bps)	(54bps)
CASA Deposits	38.4	37.8	38.0	37.5	37.9	(52bps)	32bps
Term Deposits	61.6	62.2	62.0	62.5	62.1	52bps	(32bps)
Domestic Deposits	96.0	96.0	95.9	95.9	95.9	(6bps)	3bps
Overseas Deposits	4.0	4.0	4.1	4.1	4.1	6bps	(3bps)
Total Deposits	100.0	100.0	100.0	100.0	100.0	0bps	0bps

Source: Company, BOBCAPS Research

Earnings Call Highlights

FY27 Guidance & Outlook

- **Credit growth** guided at **13–15%**, while **deposit growth** is expected at **11–12%** in FY27.
- **Domestic NIM** likely to stay **above 3%**, supported by asset mix improvement and repricing initiatives.
- **Credit cost guidance** maintained at **~50bps**, reflecting confidence in stable asset quality.
- SBI aims to keep **RoA above 1%** and **RoE above 15%** across cycles, while keeping **cost-to-income ratio below 50%**.

Business & Margin Strategy

- Growth to remain driven by **RAM segments**, while corporate loan growth is guided at **12–13%**.
- SBI is shifting corporate loans back to **MCLR-linked pricing** to protect yields and stabilize margins.
- Focus remains on **relationship-led banking**, prioritizing fee income and overall profitability over pure NIM expansion.
- **Gold loans** remain a key focus area due to **zero risk weight, attractive yields, and healthy ROE accretion**.
- The bank continues to reduce reliance on **high-cost wholesale deposits** while strengthening the **CASA franchise**.

Operational & Digital Initiatives

- Under **Project Saral**, SBI is simplifying customer journeys and increasing branch focus on sales and relationship management.
- Digital continues to be a key growth driver, with **66% of new savings accounts sourced via YONO SBI**.
- SBI is retraining branch staff into sales roles; targeting an increase in the **products per customer (PPC) from 3x to 5x**.
- Fee income is growing on the back of **lower fee waivers and stronger processing fee collection**.

Capital & Strategic Focus

- SBI plans to maintain **LCR at 115–120%**, comfortably above regulatory requirements.
- Management expects a **smooth transition to ECL provisioning** from Apr'27.
- Listing of SBI Funds Management is planned for the current financial year that will likely support capital.

- Through the **Chakra initiative**, SBI is focusing on emerging sectors such as **green hydrogen, semiconductors, data centres, and battery storage**.

Macro Outlook

- Management remains constructive on the Indian economy and expects a **stable interest rate environment** in FY27.
- Bond yields are expected to remain in the **6.75%–6.9% range**, barring major macro or geopolitical disruptions.
- **System-wide banking growth** is expected at **13–14% credit growth** and **11–12% deposit growth** in FY27.

Valuation Methodology

We expect SBIN to deliver healthy credit growth, coupled with a strong liability franchise. The bank has demonstrated a stable performance, with healthy growth in the credit and deposits through business cycles. Despite its size, SBIN continues to deliver healthy business growth, along with a steady return profile and improving asset quality — all of which augur well. We expect the bank to deliver ROA/ROE of 1.16%/16.0% by FY29E. We revise our TP to Rs 1,285 (from Rs 1,279) and roll over valuation to 1.5x Mar'28E ABV (unchanged).

Fig 20 – Key operational assumptions

Parameter (%)	FY26A	FY27E	FY28E	FY29E
Advances Growth	17.2	14.0	13.8	13.5
Net Interest Income Growth	3.7	20.5	14.9	15.6
PPoP Growth	7.1	18.2	15.7	15.4
PAT Growth	12.9	9.7	16.6	16.2
NIM	2.9	3.0	3.0	3.1
GNPA	1.5	1.3	1.2	1.1
CAR	15.4	15.2	15.1	15.0

Source: Company, BOBCAPS Research

Fig 21 – Revised estimates

Estimates Key Parameters (Rs mn)	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Loan	5,56,08,001	6,32,81,905	5,43,43,713	6,20,60,520	2.3	2.0
Deposits	6,66,28,410	7,49,56,961	6,57,18,499	7,40,64,748	1.4	1.2
Assets	8,57,53,641	9,67,84,729	8,41,86,918	9,57,42,703	1.9	1.1
NII	20,86,086	23,96,694	21,00,465	24,16,407	(0.7)	(0.8)
PPOP	13,99,761	16,19,954	14,11,717	16,51,199	(0.8)	(1.9)
Provision	2,19,213	2,43,724	2,04,027	2,44,449	7.4	(0.3)
PAT	8,78,328	10,23,915	8,96,106	10,43,809	(2.0)	(1.9)
ABV (Rs)	646	734	648	737	(0.4)	(0.3)

Source: Company, BOBCAPS Research

Fig 22 – SOTP valuation summary

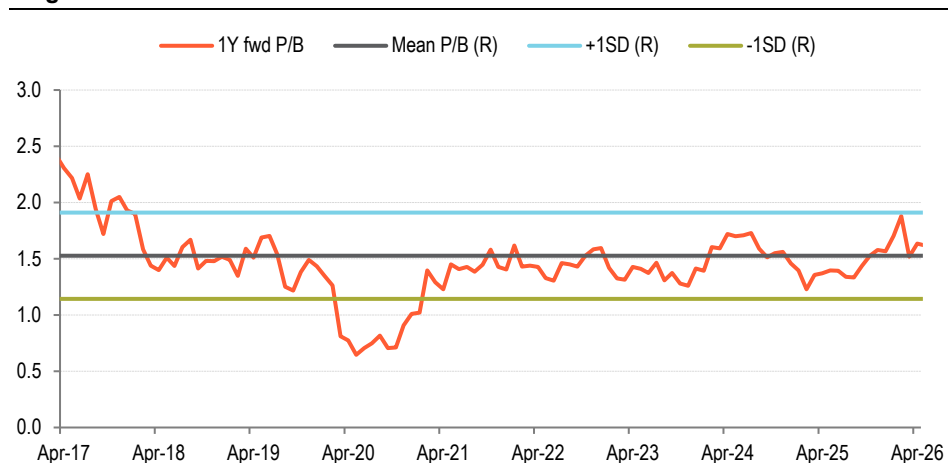
Business	Valuation method	Holdings (%)	Value (Rs/sh)
Bank	1.5x Mar'28e ABV	100	1,041
SBI Life	Market cap	55	113
SBI AMC	9% of AUM	62	75
SBI General	25x FY28e EPS	74	14
SBI Card	Market cap	69	46
SBI Capital	15x FY28e EPS	100	30
Yes Bank	Market cap	11	8
Holding Company Discount	15%		(43)
Total			1,285

Source: Company, BOBCAPS Research

Fig 23 – Valuation assumptions

Gordon Growth Model	(%)
Return on Equity (RoE)	14.1
Cost of Equity (Ke)	12.0
Growth (Period 1)	11.3
Growth (Long Term)	2.8
Initial High Growth Period (years)	10.0
Dividend Payout (Period 1)	20.0
Dividend Payout (Long Term)	80.0
Factor 1	1.9
Factor 2	8.4
Justified P/BV (x)	1.5

Source: BOBCAPS Research

Fig 24 – PB band chart

Source: Company, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

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

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	16,69,651	17,31,205	20,86,086	23,96,694	27,71,058
NilI growth (%)	4.4	3.7	20.5	14.9	15.6
Non-interest income	6,16,831	6,88,503	7,20,828	8,03,169	8,44,261
Total income	22,86,482	24,19,708	28,06,913	31,99,863	36,15,319
Operating expenses	11,80,690	12,35,488	14,07,152	15,79,909	17,46,480
PPOP	11,05,792	11,84,220	13,99,761	16,19,954	18,68,838
PPOP growth (%)	27.5	7.1	18.2	15.7	15.4
Provisions	1,53,079	1,75,384	2,19,213	2,43,724	2,70,214
PBT	9,52,713	10,54,768	11,80,548	13,76,230	15,98,624
Tax	2,43,706	2,54,448	3,02,220	3,52,315	4,09,248
Reported net profit	7,09,006	8,00,320	8,78,328	10,23,915	11,89,377
Adjustments	0	0	0	0	0
Adjusted net profit	7,09,006	8,00,320	8,78,328	10,23,915	11,89,377

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Equity capital	8,925	9,231	9,231	9,231	9,231
Reserves & surplus	44,02,697	54,35,192	61,37,855	69,56,987	79,08,488
Net worth	44,11,621	54,44,423	61,47,085	69,66,217	79,17,718
Deposits	5,38,21,895	5,97,56,421	6,66,28,410	7,49,56,961	8,46,26,409
Borrowings	56,35,725	73,12,538	80,43,792	90,09,047	99,54,997
Other liab. & provisions	28,91,291	37,16,738	49,34,354	58,52,505	66,33,444
Total liab. & equities	6,67,60,533	7,62,30,120	8,57,53,641	9,67,84,729	10,91,32,568
Cash & bank balance	34,02,297	38,45,598	43,41,319	48,63,457	54,81,689
Investments	1,69,05,727	1,80,12,541	1,96,31,151	2,17,33,435	2,39,81,346
Advances	4,16,33,121	4,87,78,948	5,56,08,001	6,32,81,905	7,18,24,962
Fixed & Other assets	48,19,387	55,93,033	61,73,170	69,05,932	78,44,571
Total assets	6,67,60,533	7,62,30,120	8,57,53,641	9,67,84,729	10,91,32,568
Deposit growth (%)	9.5	11.0	11.5	12.5	12.9
Advances growth (%)	12.4	17.2	14.0	13.8	13.5

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
EPS	79.4	88.2	95.2	110.9	128.9
Dividend per share	15.9	17.4	19.0	22.2	25.8
Book value per share	494.3	589.8	665.9	754.7	857.8

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
P/E	12.8	11.6	10.7	9.2	7.9
P/BV	2.1	1.7	1.5	1.4	1.2
Dividend yield (%)	1.6	1.7	1.9	2.2	2.5

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Net interest income	2.6	2.4	2.6	2.6	2.7
Non-interest income	1.0	1.0	0.9	0.9	0.8
Operating expenses	1.8	1.7	1.7	1.7	1.7
Pre-provisioning profit	1.7	1.7	1.7	1.8	1.8
Provisions	0.2	0.2	0.3	0.3	0.3
PBT	1.5	1.5	1.5	1.5	1.6
Tax	0.4	0.4	0.4	0.4	0.4
ROA	1.1	1.1	1.1	1.1	1.2
Leverage (x)	15.7	14.5	14.0	13.9	13.8
ROE	17.3	16.2	15.2	15.6	16.0

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Net interest income	4.4	3.7	20.5	14.9	15.6
Pre-provisioning profit	27.5	7.1	18.2	15.7	15.4
EPS	16.1	11.0	7.9	16.6	16.2
Profitability & Return ratios (%)					
Net interest margin	3.1	2.9	3.0	3.0	3.1
Fees / Avg. assets	0.1	0.1	0.1	0.1	0.1
Cost-Income	51.6	51.1	50.1	49.4	48.3
ROE	17.3	16.2	15.2	15.6	16.0
ROA	1.1	1.1	1.1	1.1	1.2
Asset quality (%)					
GNPA	1.8	1.5	1.3	1.2	1.1
NNPA	0.5	0.4	0.3	0.3	0.3
Slippage ratio	0.6	0.6	0.6	0.6	0.5
Credit cost	0.4	0.4	0.4	0.4	0.4
Provision coverage	73.9	74.0	74.7	75.2	75.7
Ratios (%)					
Credit-Deposit	77.4	81.6	83.5	84.4	84.9
Investment-Deposit	31.4	30.1	29.5	29.0	28.3
CAR	14.3	15.4	15.2	15.1	15.0
Tier-1	12.1	13.3	13.2	13.1	13.1

Source: Company, BOBCAPS Research

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

Disclaimer

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 (Perpetual)**

SEBI Stock Broker Registration No: **INZ000159332**

SEBI Depository Participant Registration No: **IN-DP-728-2022**

SEBI Merchant Banker Registration No: **INM000009926**

Phone: +91-22-61389300

Name of the Compliance Officer: Mr. Sameer Khobrekar

Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358

For any queries or grievances, you may contact the Grievance Officer.

Name of the Grievance Officer: Mr. Manoj Pawar

Email ID: head-customer@bobcaps.in; Phone no: 0+91-22-69417333

Brand Name: **BOBCAPS**

Website: <https://www.bobcaps.in/>

CIN: **U65999MH1996GOI098009**



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

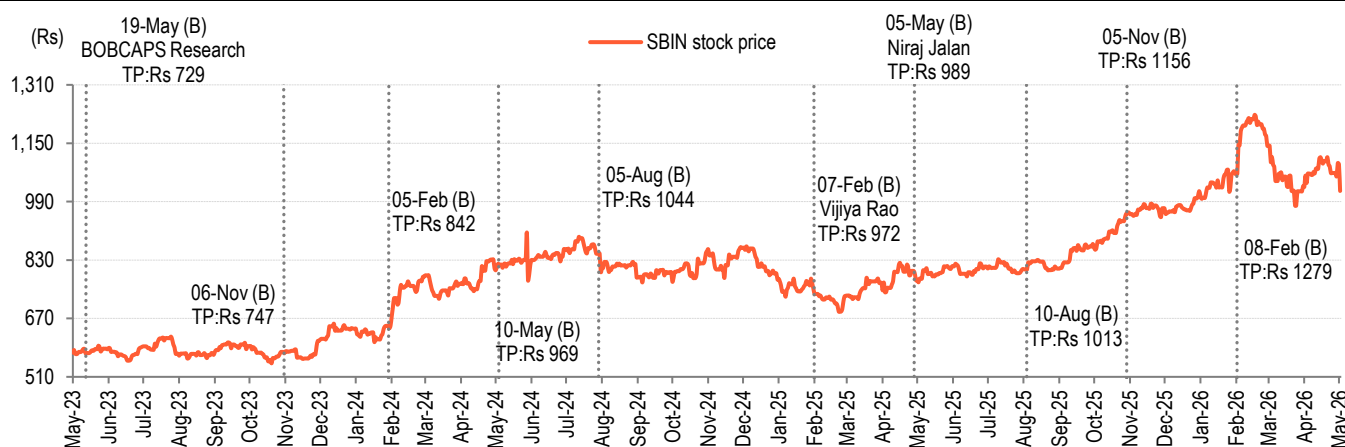
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Ratings and Target Price (3-year history): STATE BANK OF INDIA (SBIN IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have “long” or “short” positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

Other disclaimers

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an “as is” basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the “Losses”) which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

Distribution into the United Kingdom (“UK”):

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd (“MSL”) who is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom (MSL and its affiliates are collectively referred to as “MAYBANK”). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the “Order”), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as “relevant persons”).

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

No distribution into the US:

This report will not be distributed in the US and no US person may rely on this communication.

Other jurisdictions:

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.