

IndusInd Bank (IIB IN)

Q2FY27 Result Update

October 24, 2026

☒ Estimate Change | ☒ Target | ☒ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		ACCUMULATE	
Target Price	1,100		1,150	
NII (INR. mn)	219,029	252,581	213,120	242,151
% Chng.	2.8	4.3		
Op. Profit (INR mn)	124,309	150,538	131,102	155,576
% Chng.	(5.2)	(3.2)		
EPS (INR)	74.6	98.6	81.3	103.7
% Chng.	(8.2)	(4.9)		

Key Data

INBK.BO | IIB IN

BSE Code	532187
NSE Code	INDUSINDBK
52-W High / Low	INR 1,077 / INR 750
Face Value	10
Sensex / Nifty	73,124 / 22,600
Market Cap	INR 651 bn / \$ 6,852 mn
Shares Outstanding	779.14 mn
3M Avg. Daily Value	INR 2,122.81 mn

Shareholding Pattern (%)

Promoters	15.82
Foreign	30.47
Mutual Funds	29.42
Domestic Institution	11.87
Public & Others	12.42
Promoters Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(13.0)	(17.0)	(2.9)	9.9
Relative	(10.9)	(13.2)	3.1	27.1

Key Financials - Standalone

Y/e Mar	FY26	FY27E	FY28E	FY29E
NII (INR mn)	179,823	182,737	219,029	252,581
NIM (%)	3.6	3.5	3.6	3.7
Core PPOP (INR mn)	83,118	90,915	116,309	142,538
PAT (INR mn)	11,183	39,599	58,088	76,802
Core PAT (INR mn)	2,785	30,561	52,088	70,802
EPS (INR)	14.4	50.8	74.6	98.6
Gr. (%)	(57.7)	254.1	46.7	32.2
DPS (INR)	1.5	7.1	9.7	12.8
Yield (%)	0.2	0.8	1.2	1.5
RoAE (%)	1.7	5.9	8.1	9.8
Core RoAE (%)	0.4	4.6	7.3	9.0
RoAA (%)	0.2	0.7	0.9	1.0
Core RoAA (%)	0.1	0.5	0.8	1.0
P/BV (x)	1.0	0.9	0.9	0.8
P/ABV (x)	1.0	1.0	0.9	0.8
PE (x)	57.6	16.4	11.2	8.5
CAR (%)	17.5	16.5	16.2	16.2

Growth back in reckoning; CASA accretion a key

Quick Pointers

- Core PPOP beat due to better fee; NII/provisions were in-line
- Ex-FCNR, loan growth was healthy at 6.2% QoQ; LDR at 85%
- We raise loan/opex growth for FY28E; deposit growth a key

IIB saw good quarter as core PPOP was a 5.3% beat led by better fees; NII/NIM and loan were in-line. Fee income growth was granular and broad based across retail/wholesale. However, we are watchful of the likely effect of the IRDAI draft regulation. Bank is moving from a stability to growth phase; ex-FCNR loan growth was healthy at 6.2% QoQ led by corporate and rural. With LDR at ~85%, IIB could see loan growth of 22% YoY (ex-FCNR 16%) for FY27. We increase loan growth by 100bps in FY28E to 14% that is offset by higher opex. Bank aspires to reach RoA of 175-200bps over the medium term. We tweak multiple to 1.1x from 1.2x while we roll forward to Sep'28 ABV and trim TP to INR1,100 from INR1,150. Upgrade to 'BUY' from 'ACCUMULATE'.

Good quarter; core PPOP beat due to higher fees: NII was in-line at INR45.7bn with NIM (calc.) at 3.58% (PLe 3.57%). Reported NIM was down 10bps QoQ to 3.25% in-line with larger peers. Loan/deposit growth was 11.4%/10.1% YoY. CASA ratio fell to 27.9% (29.4% in Q1FY27). LDR was 84.6% (78.7% in Q1FY27). Other income was higher at INR22.5bn (PLe INR18.3bn) due to better fees/treasury. Opex at INR40.4bn was a 3.3% miss due to 6% miss in other opex. Core PPOP at INR24.2bn was a 5.5% beat; PPOP was INR27.8bn. GNPA was lower 2.7% (PLe 2.9%); gross slippage was INR14.6bn (PLe INR15.8bn) while recoveries were INR5.3bn (PLe INR4.75bn). Provisions as expected were INR12.2bn (PLe INR12.1bn). Core PAT was 10.6% above PLe at INR9.0bn; PAT was INR11.8bn.

Loan growth ex-FCNR was healthy: Loan growth was 11.3% QoQ and adjusted for FCNR, credit growth was strong 6.2% QoQ led by corporate (+9.8%) and rural (6.1%). Corporate growth was broad based with large, institutional & commercial banking showing healthy traction. VF disbursements picked up to INR120bn, up 10% QoQ; excluding tractors and 2W disbursement growth was stronger at 14% QoQ mainly driven by CV (+17%) and PV (+12%). Deposit growth adjusted for FCNR was down 4.7% QoQ as FCNR flows were partly used to replace higher-cost bulk funding, which brought down the share of CDs in deposits to 3.3% from 5.9% QoQ. CASA ratio decline was partly attributable to SA fall of 5% QoQ as certain NRE customers shifted SA balances to FCNR deposits.

Strong fee growth of 19% QoQ: Management suggested that fee improvement was broad-based and granular across retail and wholesale. Retail fee accretion was led by higher retail disbursements (processing fee), insurance distribution, locker fee & optimization of customer charges. Wholesale fee growth was supported by transaction banking, cash management, trade finance, capital market transactions and credit fees.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
NII (INR mn)	45,862	45,695	(0.4)	44,094	3.6
Margin (%)	3.6	3.6	0.01 bps	3.5	10 bps
Core PPOP (INR mn)	22,935	24,142	5.3	19,230	25.5
Core PAT (INR mn)	8,157	9,021	10.6	-5,233	(272.4)

Source: Company, PL

Gaurav Jani
gauravjani@plindia.com | +91-22-66322235

Harshada Gite
harshadagite@plindia.com | +91-22-66322237

Tarang Nandwana
tarangnandwana@plindia.com | +91-22-66322565

Q2FY27 Concall Highlights

Balance sheet

- Management attributed the YoY gap versus system growth partly to a base effect, as the loan book had de-grown in the two quarters of FY26. Following ~4–5% growth in Q1FY27 and stronger momentum in Q2FY27, it reiterated its expectation of growing in line with the market, with H1 momentum providing confidence.
- Average advances grew 6% QoQ excluding FCNR(B)-linked loans and 9% QoQ/11% YoY including them. Retail loan growth stood at 12% QoQ, moderating to ~4% QoQ excluding FCNR(B)-linked lending.
- ~45% of the loan book is floating, of which ~63% is repo-linked. The rest is MCLR and other EBLR.
- The microloan book returned to growth after ~8 quarters of decline. Growth is now consistent across the country, and ~89% of the portfolio is covered under CGFMU guarantee scheme.
- Festive demand and seasonality are expected to support growth in the second half, though the credit card segment has seen very muted growth across the system/industry.
- The bank raised USD 3.51bn under the RBI swap window, translating into a 2.75% market share versus its natural share of ~1.5% of industry deposits, equivalent to 6.3% of its Q2 average deposits.
- Deposit growth adjusted for FCNR was down 4.7% QoQ as FCNR flows were partly used to replace higher-cost bulk funding, which brought down the share of CDs in deposits to 3.3% from 5.9% QoQ.
- CASA ratio decline was partly attributable to SA fall of 5% QoQ as certain NRE customers shifted SA balances to FCNR deposits.
- CET1 declined by ~40bps during the quarter, primarily due to 5–6% balance sheet growth, including a ~13bps impact from higher market risk. RWA density remained stable at 73% of assets. Management has an enabling provision for a capital raise and will consider it at an appropriate time.
- Management plans to continue leveraging AI to enhance customer experience, productivity, and scalability.
- The bank plans to add approximately 100 new branches in the second half of the fiscal year.
- Management expanded its product suite by adding SIF offerings.

Profit & loss

- Management expects to recoup the NIM drop over the next 2 quarters, driven by higher retail growth in H2 and optimization on the liability side. About half of the 12bps normalised NIM decline came from FCNR(B)-related balance sheet expansion (around 7 to 8bps) and the rest from other balance sheet changes.
- Loan yields were down 25 bps QoQ, influenced by FCNR leverage and a faster growth in wholesale impacting the overall yield (Adjusted for FCNR leverage loan yield were down by 19bps).
- The cost of deposits marginally increased to 5.96% from 5.93% QoQ, primarily due to a lower CASA mix resulting from FCNR(B) mobilization.
- The 1.35% core fee yield is sustainable and primarily driven by higher client-based fee income, with no lending-related fees. One-offs included Rs 400-500mn from higher FX sales income linked to the old FCNR scheme and Rs 480-500mn from AFS/HTM sales (classified under trading and others).

- Fee income growth was broad-based across retail and wholesale, driven by processing fees, insurance, customer charges and transaction banking, trade finance and capital market activities.
- Bancassurance income stood at Rs 9.6bn in FY26. Management noted that draft IRDAI norms could have a material impact on bank assurance income, but it is too early to quantify the exact effect.
- Management strengthened its frontline capacity by adding approximately 4,300 employees, primarily in sourcing roles, to support future growth. The bank has strengthened its leadership team and invested in technology and operating capabilities over the past year.
- Opex rose 7% QoQ on higher volumes, growth-linked spend, and marketing and brand-building.
- The bank targets a 1% exit ROA in FY27. Of the ~80bps ROA improvement so far, ~50-60bps came from credit costs, 15-20bps from expenses and the rest from income.

Asset quality

- Recurring credit cost impact from ECL is projected to be 5 to 6 bps, with further opportunities for credit cost improvement, though not at the same scale as recent quarters.
- Management is monitoring drought-related risks in Karnataka, Maharashtra and Andhra Pradesh and will calibrate growth accordingly.

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
NII	44,007	(1.2)	45,695	3.6	46,204	1.3	46,831	7.1
Core PPOP	21,908	18.9	24,142	25.5	22,388	2.9	22,477	10.6
NIM (%)	3.5	-6.3 bps	3.6	6.3 bps	3.6	-6.1 bps	3.6	8.9 bps
Core PAT	6,350	707.1	9,021	(272.4)	7,578	1,083.9	7,618	90.5

Exhibit 2: PAT beat due to higher fee income and other non-interest income

Financial Statement (Rs mn)	Q2FY27	Q2FY26	YoY gr. (%)	Q2FY27E	% Var.	Q1FY27	QoQ gr. (%)
Interest Income	1,17,960	1,16,086	1.6	1,12,009	5.3	1,10,259	7.0
Interest Expense	72,265	71,993	0.4	66,147	9.2	66,252	9.1
Net interest income (NII)	45,695	44,094	3.6	45,862	-0.4	44,007	3.8
Other income	22,468	16,480	36.3	18,325	22.6	17,854	25.8
Fee income	18,830	15,430	22.0	16,183	16.4	15,770	19.4
Other Non-interest income	3,638	1,050	246.6	2,142	69.8	2,084	74.6
Total income	68,163	60,573	12.5	64,187	6.2	61,861	10.2
Operating expenses	40,382	40,293	0.2	39,110	3.3	37,869	6.6
-Staff expenses	13,754	12,671	8.5	13,981	-1.6	13,707	0.3
-Other expenses	26,628	27,622	-3.6	25,129	6.0	24,162	10.2
Operating profit	27,780	20,280	37.0	25,077	10.8	23,992	15.8
Core operating profit	24,142	19,230	25.5	22,935	5.3	21,908	10.2
Total provisions	12,162	26,224	-53.6	12,059	0.9	13,399	-9.2
Profit before tax	15,618	-5,944	-362.8	13,018	20.0	10,592	47.4
Tax	3,857	-1,496	-357.9	3,254	18.5	3,407	13.2
Profit after tax	11,761	-4,448	-364.4	9,763	20.5	7,185	63.7
Deposits (Rs bn)	4,290	3,898	10.1	4,290	0.0	4,148	3.4
Advances (Rs bn)	3,631	3,259	11.4	3,624	0.2	3,263	11.3
Profitability ratios							
Yield on IEA	9.2	9.3	-2 bps	8.7	52 bps	8.7	53 bps
Cost of Funds	6.3	6.5	-15 bps	5.7	57 bps	5.8	46 bps
NIM	3.6	3.5	6 bps	3.6	1 bps	3.5	10 bps
RoaA	0.9	-0.3	120 bps	0.7	17 bps	0.8	9 bps
RoaE	7.4	-2.7	1,005 bps	5.9	148 bps	6.3	111 bps
Yield on Advances	8.4	8.8	-40 bps	10.2	-188 bps	8.6	-27 bps
Cost of Deposits	6.0	6.2	-27 bps			6.0	1 bps
Asset Quality ratios							
Gross NPL (Rs m)	1,01,057	1,20,578	-16.2	1,05,990	-4.7	1,08,487	-6.8
Net NPL (Rs m)	30,124	33,994	-11.4	29,677	1.5	31,005	-2.8
Gross NPL ratio	2.73	3.60	-87 bps	2.86	-13 bps	3.25	-52 bps
Net NPL ratio	0.83	1.04	-21 bps	0.82	1 bps	0.95	-12 bps
Coverage ratio	70.19	71.81	-162 bps	72.00	-181 bps	71.42	-123 bps
Business & Other Ratios							
Low-cost deposit mix	27.9	30.7	-281 bps	28.0	-8 bps	29.4	-151 bps
Cost-income ratio	59.2	66.5	-728 bps	60.9	-169 bps	61.2	-197 bps
Non int. inc / total income	33.0	27.2	576 bps	28.5	441 bps	28.9	410 bps
Credit deposit ratio	84.6	83.6	103 bps	84.5	17 bps	78.7	597 bps
CAR	16.6	17.1	-51 bps			17.2	-56 bps
Tier-I	15.6	15.9	-33 bps			16.1	-55 bps

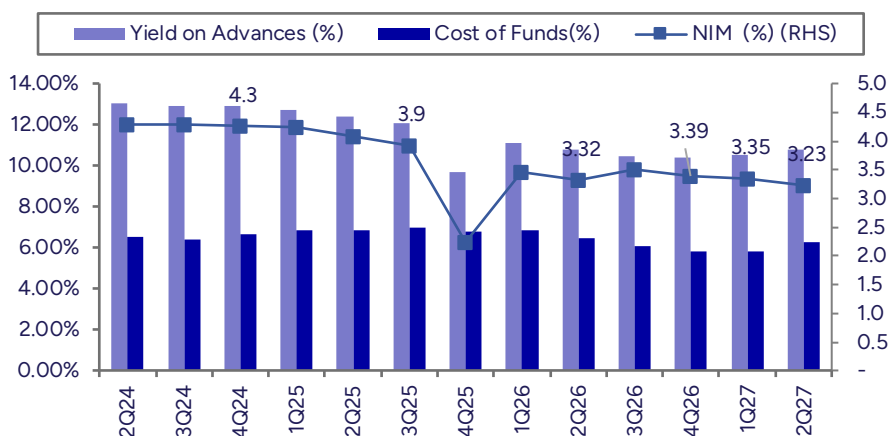
Source: Company, PL

Exhibit 3 : Loan growth across segments

Loan Book mix	Q2FY27	Q2FY26	YoY gr. (%)	Q1FY27	QoQ gr. (%)
Wholesale Banking	15,27,740	11,81,550	29.3	13,90,920	9.8
Large Corporates	5,86,310	5,55,329	5.6	5,41,870	8.2
Inst. + Govt. banking	3,71,970	3,30,834	12.4	3,46,010	7.5
Mid-market & others	5,69,470	2,95,388	92.8	3,14,390	81.1
Retail	21,03,300	16,26,900	29.3	16,27,520	29.2
MHCV	2,51,628	2,30,899	9.0	2,39,323	5.1
LCV	1,40,911	1,34,691	4.6	1,39,605	0.9
PV	3,32,148	2,98,245	11.4	3,19,098	4.1
CE	1,40,911	1,25,070	12.7	1,39,605	0.9
2W & SCV	80,521	96,208	-16.3	79,774	0.9
Tractor	70,456	76,966	-8.5	69,803	0.9
Rural Banking	3,33,380	3,53,830	-5.8	3,14,170	6.1
MFI	1,75,710	2,13,210	-17.6	1,63,050	7.8
Merchant loans	86,940	72,620	19.7	80,950	7.4
KCC & other rural	41,170	42,860	-3.9	41,280	-0.3
Affordable housing	29,550	25,140	17.5	28,890	2.3
Consumer banking	7,63,410	3,10,990	145.5	3,16,170	141.5
Home loans	77,330	55,470	39.4	68,890	12.3
Personal loans	1,00,950	1,08,040	-6.6	99,300	1.7
Credit cards	91,670	1,07,470	-14.7	94,180	-2.7
Other retail	2,44,140	40,010	510.2	53,810	353.7

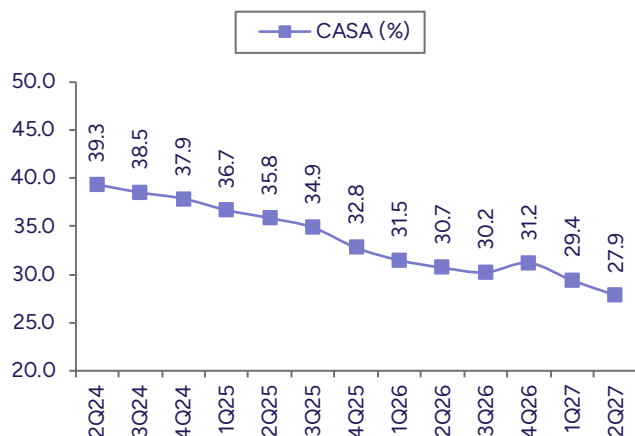
Source: Company, PL

Exhibit 3: Margins (calc) decreased to 3.23%



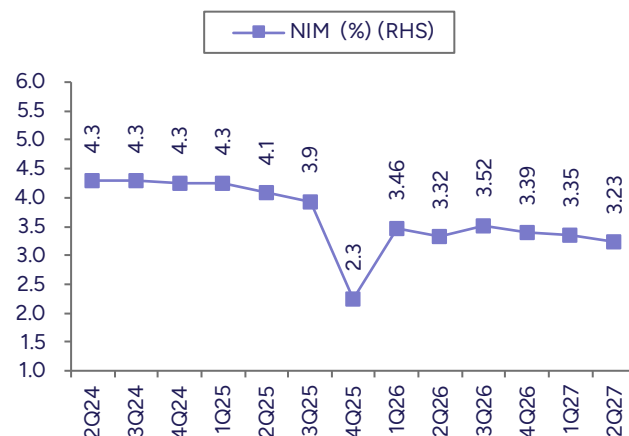
Source: Company, PL

Exhibit 4: CASA decreased to 27.9%



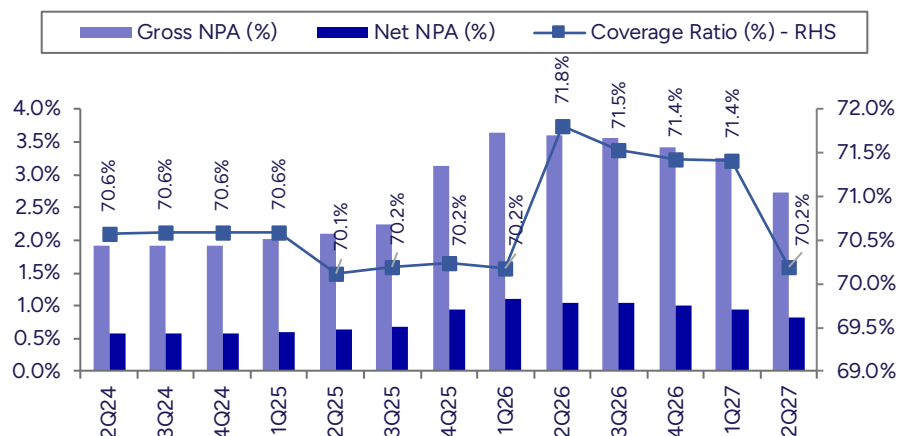
Source: Company, PL

Exhibit 5: NIM (rep.) decreased by 12bps QoQ



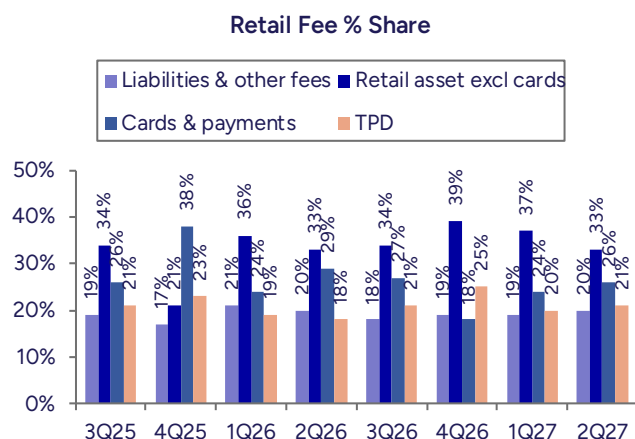
Source: Company, PL

Exhibit 6: GNPA/NNPA decreased to 2.73%/0.83%



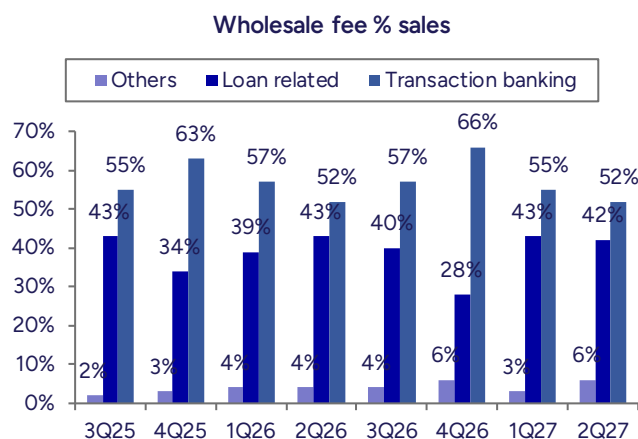
Source: Company, PL

Exhibit 7: Retail assets excl cards contributes highest to fees



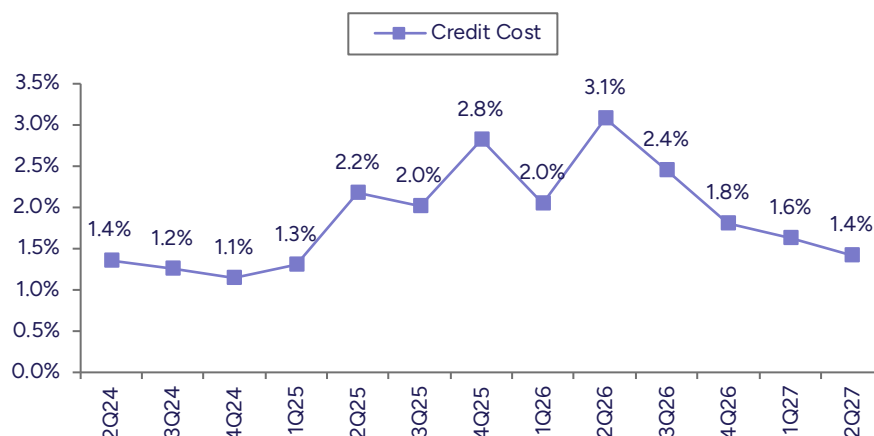
Source: Company, PL

Exhibit 8: Transaction banking share at 52% of wholesale fees



Source: Company, PL

Exhibit 9: Credit cost (calc) decreased to 1.4%



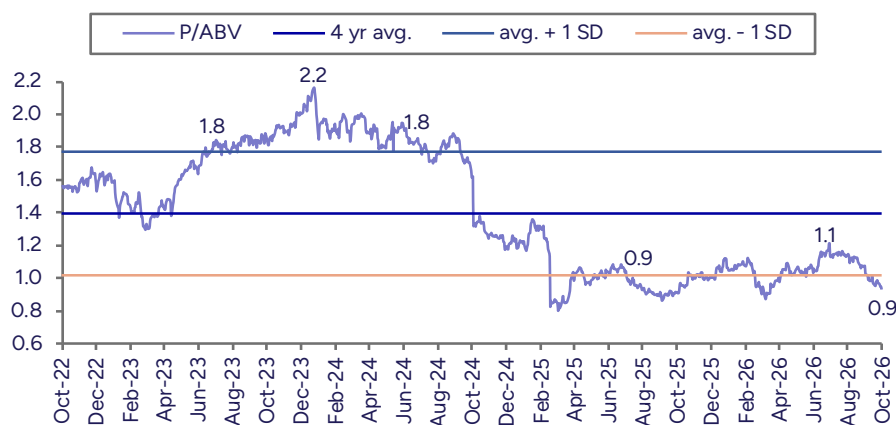
Source: Company, PL

Exhibit 10: Return ratios to normalize over the medium term

RoE decomposition (%)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Interest income	8.1	8.5	9.4	9.1	8.4	8.1	8.4	8.6
Interest expenses	4.1	4.4	5.2	5.5	5.2	5.0	5.1	5.2
Net interest income	3.9	4.1	4.2	3.6	3.3	3.2	3.3	3.4
Other Inc. from operations	1.9	1.9	1.9	1.4	1.3	1.4	1.3	1.3
Total income	5.9	6.0	6.2	5.0	4.6	4.6	4.6	4.7
Employee expenses	0.7	0.7	0.8	0.8	1.0	1.0	0.9	0.9
Other operating expenses	1.8	1.9	2.1	2.2	1.9	1.8	1.8	1.7
Operating profit	3.4	3.3	3.2	2.0	1.7	1.8	1.9	2.0
Tax	0.4	0.6	0.6	0.2	0.1	0.2	0.3	0.3
Loan loss provisions	1.7	1.0	0.8	1.3	1.4	0.9	0.7	0.6
RoAA	1.2	1.7	1.8	0.5	0.2	0.7	0.9	1.0
RoAE	10.2	14.5	15.3	4.2	1.7	5.9	8.1	9.8

Source: Company, PL

Exhibit 11: One year forward P/ABV of IIB trades at 0.9x



Source: Company, PL

Quarterly Financials

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Income Statement (INR m)								
Interest earned	128,008	106,339	120,789	116,086	113,729	110,054	110,259	117,960
Interest expended	75,727	75,855	76,241	71,993	68,112	66,339	66,252	72,265
Net Interest Income	52,281	30,483	44,548	44,094	45,617	43,715	44,007	45,695
Other income	23,502	7,088	21,562	16,480	17,065	17,064	17,854	22,468
Fees	21,230	23,050	15,320	15,430	15,750	15,240	15,770	18,830
Total Income	75,783	37,571	66,111	60,573	62,682	60,778	61,861	68,163
Operating Expenses	39,794	42,297	41,439	40,293	39,614	38,625	37,869	40,382
Employees	10,695	10,995	12,958	12,671	15,179	13,109	13,707	13,754
Others	29,099	31,302	28,481	27,622	24,435	25,516	24,162	26,628
Operating profit	35,989	(4,725)	26,522	20,280	23,068	22,153	26,832	27,780
Core PPOp	33,717	11,237	18,429	19,230	21,753	20,329	21,908	24,142
Provisions	17,436	24,166	17,378	26,224	20,886	14,843	13,399	12,162
Profit before tax	18,553	(28,891)	9,144	(5,944)	2,182	7,309	13,432	15,618
Taxes	4,540	(6,531)	2,301	(1,496)	570	1,982	3,407	3,857
Net Profit	14,013	(22,360)	6,843	(4,448)	1,612	5,327	10,025	11,761
Core PAT	12,296	(10,006)	787	(5,233)	640	3,998	6,350	9,021
Balance Sheet (INR m)								
Share capital	7,790	7,791	7,790	7,791	7,790	7,791	7,790	7,791
Reserves & surplus	663,270	637,135	647,360	640,083	643,950	646,614	660,490	667,427
Deposits	4,094,380	4,110,781	3,971,440	3,897,874	3,938,150	4,001,738	4,147,660	4,290,380
Borrowings	500,870	537,036	522,030	453,503	392,420	427,892	438,640	537,809
Other liabilities	228,680	247,442	246,900	274,379	273,640	350,156	294,670	296,012
Total liabilities	5,494,990	5,540,184	5,395,520	5,273,630	5,255,950	5,434,191	5,549,250	5,799,420
Cash & bank	314,630	591,658	629,720	396,271	409,660	487,895	666,010	627,762
Investments	1,188,510	1,144,968	1,091,470	1,240,475	1,228,980	1,250,470	1,148,020	1,064,311
Advances	3,668,890	3,450,186	3,336,940	3,258,807	3,175,360	3,158,714	3,262,740	3,631,043
Fixed assets	24,200	23,558	25,060	24,452	25,480	24,383	25,150	24,278
Other assets	298,760	329,814	312,330	353,626	416,470	512,729	447,330	452,025
Total assets	5,494,990	5,540,184	5,395,520	5,273,630	5,255,950	5,434,191	5,549,250	5,799,420
Balance sheet ratios (%)								
Loan growth	2.7	(6.0)	(3.3)	(2.3)	(2.6)	(0.5)	3.3	11.3
Deposit growth	(0.8)	0.4	(3.4)	(1.9)	1.0	1.6	3.6	3.4
LDR	89.6	83.9	84.0	83.6	80.6	78.9	78.7	84.6
CASA	34.9	32.8	31.5	30.7	30.2	31.2	29.4	27.9
Capital Adequacy (%)								
CET-1	15.2	15.1	15.5	15.9	15.7	16.2	16.1	15.6
Tier-2	1.3	1.1	1.2	1.2	1.2	1.3	1.1	1.0
CRAR	16.5	16.2	16.6	17.1	16.9	17.5	17.2	16.6
Profitability ratios (%)								
Yield on assets	10.5	8.5	9.6	9.3	9.1	8.7	8.7	9.2
Cost of funds	7.0	6.8	6.8	6.5	6.1	5.8	5.8	6.3
NIM	4.3	2.4	3.5	3.5	3.7	3.5	3.5	3.6
Fees/Assets	1.6	1.7	1.1	1.2	1.2	1.1	1.2	1.4
Cost/Income	52.5	112.6	62.7	66.5	63.2	63.6	61.2	59.2
Opex/avg assets	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7
RoA	1.1	(1.7)	0.5	(0.3)	0.1	0.4	0.7	0.8
Core RoA	1.2	0.7	0.1	(0.2)	(0.1)	-	0.1	0.4
RoE	8.8	(14.1)	4.2	(2.7)	1.0	3.3	6.1	7.1
Core RoE	9.9	5.7	0.5	(1.4)	(0.8)	-	0.9	2.8
EPS (INR)	14.4	(23.0)	7.0	(4.6)	1.7	5.5	10.3	12.1
BVPS (INR)	172.3	165.6	168.2	166.3	167.3	168.0	171.6	173.3
ABVPS (INR)	829.4	785.6	793.2	788.0	794.2	799.3	818.1	828.0
Asset quality ratios (%)								
GNPA	2.2	3.1	3.6	3.6	3.6	3.4	3.3	2.7
NNPA	0.7	1.0	1.1	1.0	1.0	1.0	1.0	0.8
Provision coverage	70.2	70.2	70.2	71.8	71.5	71.4	71.4	70.2
Provision costs	2.0	2.8	2.0	3.1	2.4	1.8	1.6	1.4
Slippage	2.6	5.8	3.0	2.9	3.0	2.1	2.1	1.8
NNPA/Equity	3.7	5.1	5.7	5.2	5.1	4.8	4.6	4.5

Source: Company, PL

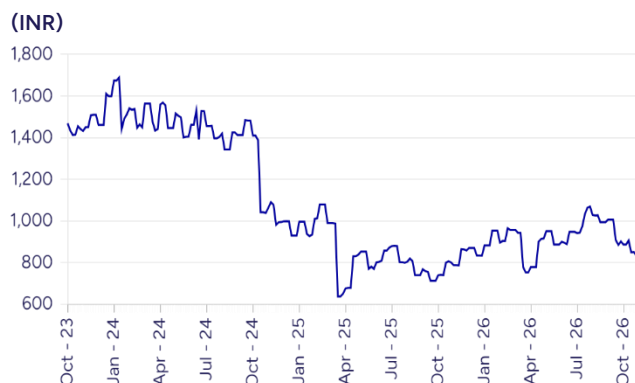
Financials

Y/e Mar	FY26	FY27E	FY28E	FY29E
Income Statement (INR m)				
Interest earned	462,508	469,799	551,490	639,973
Interest expended	282,685	287,062	332,462	387,392
Net Interest Income	179,823	182,737	219,029	252,581
Other income	72,171	83,322	83,791	94,513
Fees	56,466	58,749	62,688	71,650
Net Total Income	251,994	266,059	302,820	347,094
Operating Expenses	159,972	162,146	178,512	196,556
Employees	53,917	56,219	61,192	67,377
Others	106,055	105,927	117,320	129,179
Operating profit	93,872	103,913	124,309	150,538
Core PPOP	83,118	90,915	116,309	142,538
Provisions	79,331	50,164	46,858	48,135
Profit before tax	14,541	53,749	77,450	102,403
Taxes	3,358	14,149	19,363	25,601
Net Profit	11,183	39,599	58,088	76,802
Core PAT	2,785	30,561	52,088	70,802
Growth Ratios (%)				
Loans	(8.4)	22.0	14.0	14.0
Deposits	(2.7)	12.7	12.4	12.9
NII	(5.5)	1.6	19.9	15.3
Fees	(25.3)	4.0	6.7	14.3
Opex	(0.5)	1.4	10.1	10.1
Core PPOP	(10.2)	9.4	27.9	22.6
Provisions	12.8	(36.8)	(6.6)	2.7
Core PAT	(82.9)	997.4	70.4	35.9
Profitability Ratios (%)				
Yield on IEA	9.2	8.9	9.2	9.4
Cost of funds	6.2	6.0	6.0	6.2
NIM	3.6	3.5	3.6	3.7
Cost/Income	63.5	60.9	58.9	56.6
Provision cost	1.4	0.9	0.7	0.6
Tax rate	23.1	26.3	25.0	25.0
Core RoA	0.1	0.5	0.8	1.0
Core RoE	0.4	4.6	7.3	9.0
Du-pont (%)				
Interest income	8.4	8.1	8.4	8.6
Interest expenses	5.2	5.0	5.1	5.2
NII	3.3	3.2	3.3	3.4
Other income	1.3	1.4	1.3	1.3
Fees/avg assets	1.2	1.2	1.2	1.2
Total income	4.6	4.6	4.6	4.7
Opex/avg assets	2.9	2.8	2.7	2.6
Staff cost	1.0	1.0	0.9	0.9
Other opex	1.9	1.8	1.8	1.7
PPOP	1.7	1.8	1.9	2.0
Core PPOP/avg assets	2.5	2.6	2.8	3.0
Provisions	1.4	0.9	0.7	0.6
PBT	0.3	0.9	1.2	1.4
Tax	0.1	0.2	0.3	0.3
RoA	0.2	0.7	0.9	1.0
RoE	1.7	5.9	8.1	9.8

Source: Company, PL

Y/e Mar	FY26	FY27E	FY28E	FY29E
Balance Sheet (INR m)				
Equity	654,405	695,288	752,207	827,841
Share capital	7,791	7,791	7,791	7,791
Deposits	4,001,738	4,509,042	5,067,555	5,722,403
Borrowings	427,892	625,713	799,288	971,573
Other Liabilities	350,156	310,998	343,284	378,921
Total liabilities	5,434,191	6,141,040	6,962,334	7,900,737
Cash with RBI	298,754	190,871	214,827	241,789
Balance with banks	189,142	475,122	534,754	601,871
Investments	1,250,470	1,118,554	1,257,104	1,419,551
Advances	3,158,714	3,852,174	4,390,135	5,003,224
Fixed assets	24,383	24,766	25,772	26,818
Other assets	512,729	479,554	539,742	607,484
Total assets	5,434,191	6,141,040	6,962,334	7,900,737
Balance sheet ratios (%)				
LDR	78.9	85.4	86.6	87.4
CASA	31.3	28.9	29.0	29.0
Inv/NDTL	26.2	20.5	20.2	20.1
Borr/NDTL	9.0	11.5	12.9	13.7
Assets/equity (x)	8.3	8.8	9.3	9.5
RWA/Loans	124.6	114.4	110.4	106.6
RWA/Total assets	72.4	71.8	69.6	67.5
Capital ratios (%)				
CRAR	17.5	16.5	16.2	16.2
CET-1	16.2	15.5	15.2	15.2
AT-1	-	-	-	-
Tier-2	1.3	1.0	1.0	1.0
Asset quality ratios (%)				
GNPA (INR mn)	110,953	94,543	98,143	108,543
NNPA (INR mn)	31,694	25,526	25,516	28,220
GNPA	3.2	2.3	2.1	2.1
NNPA	1.0	0.6	0.6	0.5
PCR	71.4	73.0	74.0	74.0
Slippage	2.8	1.9	1.6	1.5
NNPA / Equity	4.8	3.7	3.4	3.4
Per share (INR)				
EPS	14.4	50.8	74.6	98.6
DPS	1.5	7.1	9.7	12.8
BVPS	836.5	888.9	962.0	1,059.0
ABVPS	795.8	856.1	929.2	1,022.8
Valuation (x)				
Price (INR)	826.3	835.0	835.0	835.0
P/E	57.6	16.4	11.2	8.5
P/BV	1.0	0.9	0.9	0.8
P/ABV	1.0	1.0	0.9	0.8

Source: Company, PL

Price Chart

Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Oct-26	Accumulate	1150	906
2	23-Jul-26	Accumulate	1150	1069
3	07-Jul-26	Accumulate	960	1022
4	25-Apr-26	Accumulate	960	848
5	10-Apr-26	Accumulate	960	815
6	25-Jan-26	Accumulate	960	892
7	08-Jan-26	Hold	840	898
8	19-Oct-25	Hold	840	751
9	07-Oct-25	Hold	780	749
10	29-Jul-25	Hold	780	808

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Aditya Birla Sun Life AMC	BUY	1200	950
2	Axis Bank	BUY	1600	1290
3	Bank of Baroda	Accumulate	280	233
4	Canara Bank	BUY	160	125
5	Canara Robeco Asset Management Company	HOLD	285	225
6	City Union Bank	BUY	250	224
7	DCB Bank	BUY	215	201
8	Federal Bank	BUY	400	338
9	HDFC Asset Management Company	BUY	2850	2415
10	HDFC Bank	BUY	950	729
11	ICICI Bank	BUY	1900	1397
12	ICICI Prudential Asset Management Company	BUY	3420	2969
13	Indian Bank	BUY	1000	835
14	IndusInd Bank	Accumulate	1150	906
15	Karur Vysya Bank	BUY	380	346
16	Kotak Mahindra Bank	BUY	500	432
17	Nippon Life India Asset Management	BUY	1200	976
18	Prudent Corporate Advisory Services	Accumulate	3175	3200
19	State Bank of India	BUY	1200	959
20	Union Bank of India	Accumulate	200	181
21	UTI Asset Management Company	HOLD	975	888

PL's Recommendation Nomenclature (Absolute Performance)

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

ANALYST CERTIFICATION

Indian Clients

We/I Mr. Gaurav Jani CA, Passed CFA Level II, Ms. Harshada Gite CA, Mr. Tarang Nandwana CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

US Clients

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

Prabhudas Lilladher Pvt. Ltd.

Corporate Office: 6th Floor, Tower 2B South Annex, One World Centre, 841, Senapati Bapat Marg, Lower Parel, Mumbai - 400013

Registered Office: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018

Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipients particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report.

PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report.

PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Gaurav Jani CA, Passed CFA Level II, Ms. Harshada Gite CA, Mr. Tarang Nandwana CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

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

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Digitally signed by AMNISH AGGARWAL
DN: c=IN, o=Personal, title=1443,
2.5.4.20=21151ea12dd366d1ac370cb42343e
e44b6e851c37bdbac5f86aa4ff3e6948487,
postalCode=400015, st=Maharashtra,
serialNumber=7a6f13691881d5a8af6353865a
61b48b7040e72f4a1bf53182e368b3ca14a5e
4, cn=AMNISH AGGARWAL
Date: 2026.10.24 18:45:49 +05'30'

AMNISH
AGGARWAL