RATING BUY | CMP INR 390 | TP INR 480

PL Capital PRABHUDAS LILLADHER

Kotak Mahindra Bank (KMB IN)

Q1FY27 Result Update

July 19, 2026

☑ Estimate Change | ■ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY		BUY	
Target Price	480		480	
NII (INR. mn)	335,369	384,072	338,220	388,090
% Chng.	*(0.8)*	*(1.0)*		
Op. Profit (INR mn)	270,623	293,160	253,625	294,006
% Chng.	*6.7*	*(0.3)*		
EPS (INR)	17.9	19.0	16.4	19.2
% Chng.	*9.1*	*(1.0)*		

Key Data KTKM.BO | KMB IN

BSE Code	532174
NSE Code	KOTAKBANK
52-W High / Low	INR 453 / INR 345
Face Value	1
Sensex / Nifty	78,151 / 24,334
Market Cap	INR 3,879 bn / $ 40,289 mn
Shares Outstanding	9947.37 mn
3M Avg. Daily Value	INR 7,370.37 mn

Shareholding Pattern (%)

Promoters	25.87
FIIs	25.21
Mutual Funds	24.50
Domestic Institution	13.21
Public & Others	11.21
Promoters Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	(3.6)	1.7	(6.8)	(10.2)
Relative	(4.8)	2.1	(0.3)	(5.5)

Key Financials - Standalone

Y/e Mar	FY25	FY26	FY27E	FY28E
NII (INR mn)	283,418	300,101	335,369	384,072
NIM (%)	*4.5*	*4.2*	*4.2*	*4.2*
Core PPOP (INR mn)	192,074	206,736	234,861	275,656
PAT (INR mn)	164,501	140,077	178,652	189,912
Core PAT (INR mn)	123,962	129,576	151,575	176,784
EPS (INR)	16.5	14.1	18.0	19.1
Gr. (%)	*19.3*	*(14.9)*	*27.5*	*6.3*
DPS (INR)	0.4	0.4	0.5	0.6
Yield (%)	*0.1*	*0.1*	*0.1*	*0.1*
RoAE (%)	*15.4*	*11.1*	*12.3*	*11.6*
Core RoAE (%)	*12.0*	*10.5*	*10.7*	*11.1*
RoAA (%)	*2.5*	*1.9*	*2.2*	*2.0*
Core RoAA (%)	*1.9*	*1.8*	*1.8*	*1.9*
P/BV (x)	2.7	2.7	2.5	2.2
P/ABV (x)	2.7	2.7	2.5	2.3
PE (x)	25.7	23.3	21.7	20.4
CAR (%)	*22.2*	*21.7*	*21.3*	*20.7*

Levers in place for growth; execution is key

Quick Pointers

- Stable quarter; lower fee offset by lesser opex/provisions
- Secured loan growth without diluting NIM may continue
- Our NIM estimates for FY27/28E are exposed to upside risks

KMB saw a steady quarter as NII and loan growth were largely in-line. Adjusted for day count, reported NIM at 4.5% was stable QoQ. Miss on fees was offset by lower opex and provisions leading to core PAT meeting PLe. There are upside risks to FY27/28E NIM as unsecured growth could pick-up while increasing repo rate cycle would benefit KMB due to higher EBLR share. Bank aims to deliver above industry credit growth in secured/unsecured; avg. LCR at 134% may provide additional balance sheet cushion. With continued investments in technology, better operating efficiency may sustain. We maintain multiple at 2.0x and keep TP at INR 480. Retain 'BUY'.

Steady quarter. Core PAT in-line; miss on fee offset by better opex/asset quality: NII was largely in-line at INR 79.3bn with loan growth (15.2% YoY) and NIM (calc.) at 4.47% meeting expectations; reported NIM adjusted for day count convention was flat QoQ at 4.53%. Deposit accretion was in-line at 11.7% YoY (PLe 11.7%). LDR increased to 89.4% (86.6% in 4Q'26). Other income was beat at INR 33.4bn (PLe INR 31.8bn) due to dividend and forex gains; fee at INR 25bn was 6.9% miss. Opex at INR 51.4bn was 2.4% below PLe due to lower other opex led by decrease in marketing spend. Core PPoP at INR 52.9bn was 2.3% below PLe; PPoP was INR 61.3bn. Asset quality improved; GNPA was a bit lower at 1.18% (PLe 1.21%) due to lesser slippages at INR 13.2bn (PLe INR 16.8bn) leading to lower provisions. Core PAT was a 1% beat at INR 34.9bn while PAT was INR 41.2bn.

Loan growth was led by corporate/SME: Credit growth was in-line at 3.3% QoQ mainly led by corporate (+4.8%) while SME grew by (2.6%) and retail growth was muted at 0.6%. Corporate growth was driven by granular WC lending, while maintaining prudent risk selection in large corporates. Mid-market business continued its momentum with strong customer acquisitions. SME growth was driven by healthy WC demand, new customer acquisitions and deeper wallet share with existing customers; ECLGS of INR 30bn was disbursed till Jun'26 end. KMB aims to deliver above industry credit growth in secured & unsecured segments. We see loan/deposit CAGR of 15.5/14.6% over FY26-28E.

Slippages in vehicle finance; ECL impact of 12-15bps on sustainable basis: Slippages were higher QoQ driven by delinquencies in CV/tractor finance portfolio; unsecured segment continues to witness improvement in asset quality. One-time ECL impact is expected at 1.5-2.0% of equity while sustainable credit costs may increase by 12-15bps. We are factoring provisions of 61/65bps in FY27/28E.

Quarter Summary

Y/e Mar	Q1'27E	Q1'27A	% Var.	Q1'26A	YoY gr. (%)
NII (INR mn)	79,918	79,284	-0.8	72,593	9.2
Margin (%)	*4.48*	*4.47*	*-1 bps*	*4.61*	*-14 bps*
Core PPoP (INR mn)	54,154	52,934	-2.3	47,327	11.8
Core PAT (INR mn)	34,543	34,905	1.0	26,556	31.4

Source: Company, PL

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

Adarsh Shetty
adarshshetty@plindia.com | +91-22-66322257

Tarang Nandwana
tarangnandwana@plindia.com | +91-22-66322222

Q1FY27 Conference Call Highlights

Balance sheet

- Overall advances grew by 3.3% QoQ (+15% YoY) to INR 5.1trn which was primarily driven by focus segments i.e. corporate (4.8% QoQ) and SME (2.6% QoQ); in retail, sequential growth was visible in CC/MFI segments. Bank aims to deliver above industry credit growth under both secured/unsecured segments.

- Corporate growth was driven by granular WC lending, while maintaining prudent risk selection in large corporates; mid-market business continued its momentum with strong customer acquisitions.

- SME growth was driven healthy WC demand, new customer acquisitions and deeper wallet share with existing customers; ECLGS of INR 30bn disbursed till Jun'26 end.

- Growth in PL, BL & cons. durable was impacted sequentially due to rundown of StanC's retail portfolio. Bank remains cautious on growth in unsecured segment while traction is expected to improve, supported by distribution initiative offering to solitaire and HNI customers.

- CV growth was muted QoQ due to seasonality, while industry conditions remain soft in CE (which improved in later part 1Q'27) that led to de-growth of 1.8% QoQ in CV/CE; recovery in CE depends on govt. spends.

- The bank retained its position as the 2nd largest tractor finance in India, with ~11% YoY growth; However, it remains watchful of any adverse weather condition impacted by El-Nino; CC strategically restacked around right product to right customer strategy.

- CA growth (-13% QoQ) was affected by moderation in capital market deals; bank continues to focus on increasing the granularity and stability of the deposit franchise.

Profit and loss

- NIM (reported) adjusted for day count remains stable QoQ at 4.53% supported by discipline on quality of both deposits and advances.

- Non-interest income benefited from subsidiary dividends and higher FX gains, partially offset by lower insurance distribution income relative to Q4. Corporate fee contributed 20% of total fees.

- Staff costs increased by 7.3% QoQ to INR 22bn due to impact of annual salary increment and reversal of Q4 benefit in retirement cost arising from movement in the discount rates.

- Other operating cost declined 5% QoQ as Q4'26 expenses were elevated due to marketing spends. Bank continues to invest in technology with tech cost at ~13% of other opex.

Asset quality

- Slippages increased QoQ from INR 10.2bn in Q4FY26 to INR 13.2bn in Q1FY27 driven by delinquencies in CV and tractor finance portfolio which also led to QoQ increase in credit cost (~7bps), which is seasonal.

- Unsecured portfolio continues to improve in terms of asset quality with decline in credit cost. MFI credit cost also declined due to risk-based underwriting and CGFMU coverage.

- One-time ECL impact is expected to be below 2% of net-worth, while credit cost is expected to increase by 12-15bps on sustainable basis.

Exhibit 1: Quarterly estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27E	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
NII	79,284	*9.2*	82,533	*12.9*	85,933	*13.6*	87,619	*11.3*
Core PPoP	52,934	*11.8*	57,226	*12.3*	60,380	*18.6*	61,823	*12.3*
NIM (%)	4.5	*-13.9 bps*	4.5	*-3.3 bps*	4.5	*-3.9 bps*	4.4	*-2.1 bps*
Core PAT	34,905	*31.4*	37,157	*19.0*	38,658	*19.8*	39,197	*4.2*

Source: Company, PL

Exhibit 2: Core PAT in-line; miss on fee offset by better opex/asset quality

Financial Statement (INR mn)	Q1FY27	Q1FY26	YoY gr. (%)	Q1FY27E	% Var.	Q4FY26	QoQ gr. (%)
Interest Income	1,44,775	1,38,365	*4.6*	1,44,785	*(0.0)*	1,41,748	*2.1*
Interest Expenses	65,491	65,773	*(0.4)*	64,867	*1.0*	62,993	*4.0*
Net interest income (NII)	**79,284**	**72,593**	***9.2***	**79,918**	***(0.8)***	**78,755**	***0.7***
Other income	33,382	30,800	*8.4*	31,841	*4.8*	31,163	*7.1*
Total income	1,12,666	1,03,393	*9.0*	1,11,759	*0.8*	1,09,918	*2.5*
Operating expenses	51,353	47,756	*7.5*	52,604	*(2.4)*	51,366	*(0.0)*
-Staff expenses	22,103	20,655	*7.0*	22,154	*(0.2)*	20,608	*7.3*
-Other expenses	29,250	27,101	*7.9*	30,451	*(3.9)*	30,758	*(4.9)*
Operating profit	**61,314**	**55,637**	***10.2***	**59,155**	***3.6***	**58,552**	***4.7***
Core operating profit	52,934	47,327	*11.8*	54,154	*(2.3)*	55,062	*(3.9)*
Total provisions	6,681	12,078	*(44.7)*	8,096	*(17.5)*	5,164	*29.4*
Profit before tax	**54,632**	**43,559**	***25.4***	**51,059**	***7.0***	**53,388**	***2.3***
Tax	13,403	10,743	*24.8*	12,765	*5.0*	13,122	*2.1*
Profit after tax	**41,230**	**32,817**	***25.6***	**38,294**	***7.7***	**40,266**	***2.4***
Balance sheet (INR mn)							
Deposits	57,28,200	51,28,380	*11.7*	57,28,220	*(0.0)*	57,24,561	*0.1*
Advances	51,22,490	44,48,230	*15.2*	51,21,710	*0.0*	49,60,092	*3.3*
Ratios (%)							
Profitability ratios							
NIM	4.5	4.6	*(14)*	4.5	*(1)*	4.7	*(20)*
RoaA	2.3	2.0	*22*	2.1	*17*	2.2	*7*
RoaE	12.5	11.4	*105*	11.7	*81*	12.8	*(28)*
Asset Quality							
Gross NPL	61,218	66,377	*(7.8)*	62,530	*(2.1)*	60,178	*1.7*
Net NPL	13,576	15,309	*(11.3)*	12,506	*8.6*	12,625	*7.5*
Gross NPL ratio	1.2	1.5	*(29)*	1.2	*(2)*	1.2	*(2)*
Net NPL ratio	0.3	0.3	*(8)*	0.2	*2*	0.3	*1*
Coverage ratio (Calc)	77.8	76.9	*89*	80.0	*(218)*	79.0	*(120)*
Business & Other Ratios							
Low-cost deposit mix	40.3	40.9	*(55)*	40.3	*(0)*	43.3	*(294)*
Cost-income ratio	45.6	46.2	*(61)*	47.1	*(149)*	46.7	*(115)*
Non int. inc / total income	29.6	29.8	*(16)*	28.5	*114*	28.4	*128*
Credit deposit ratio	89.4	86.7	*269*	89.4	*1*	86.6	*278*
CAR	22.8	23.0	*(22)*			22.4	*38*
Tier-I	22.4	21.8	*60*			21.3	*110*

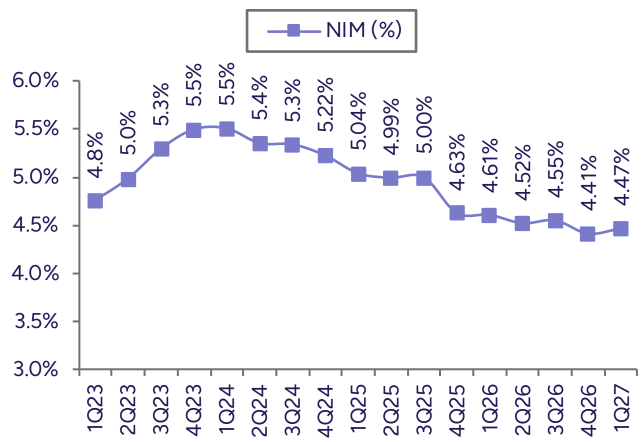
Source: Company, PL

Exhibit 3: Credit growth of 3.3% mainly led by corporate /SME by 4.8/2.6%

Loan Book (INR mn)	Q1FY27	Q1FY26	YoY gr. (%)	Q4FY26	QoQ gr. (%)
Corp Banking	12,18,750	10,55,250	15.5	11,63,120	4.8
SME	12,58,260	10,44,260	20.5	12,26,580	2.6
Home loans	15,09,030	13,17,920	14.5	15,09,450	(0.0)
CV/CE	4,50,810	4,29,720	4.9	4,59,060	(1.8)
PL, BL, Cons Durables	2,55,890	2,43,680	5.0	2,56,720	(0.3)
Credit Cards	1,27,880	1,29,240	(1.1)	1,22,940	4.0
Tractor Finance	1,97,920	1,78,740	10.7	2,00,840	(1.5)
Retail Micro Finance	64,840	59,010	9.9	61,880	4.8
Others	1,92,720	1,31,670	46.4	1,41,970	35.7
IBPC	-1,53,610	-1,41,270	8.7	-1,82,460	(15.8)
Total	**51,22,490**	**44,48,220**	**15.2**	**49,60,100**	**3.3**
Loan Book mix (%)					
Corp Banking	23.8	23.7	0.3	23.4	1.5
SME	24.6	23.5	4.6	24.7	(0.7)
Home loans	29.5	29.6	(0.6)	30.4	(3.2)
CV/CE	8.8	9.7	(8.9)	9.3	(4.9)
PL, BL, Cons Durables	5.0	5.5	(8.8)	5.2	(3.5)
Credit Cards	2.5	2.9	(14.1)	2.5	0.7
Tractor Finance	3.9	4.0	(3.8)	4.0	(4.6)
Retail Micro Finance	1.3	1.3	(4.6)	1.2	1.5
Others	3.8	3.0	27.1	2.9	31.4
IBPC	(3.0)	(3.2)	(5.6)	(3.7)	(18.5)

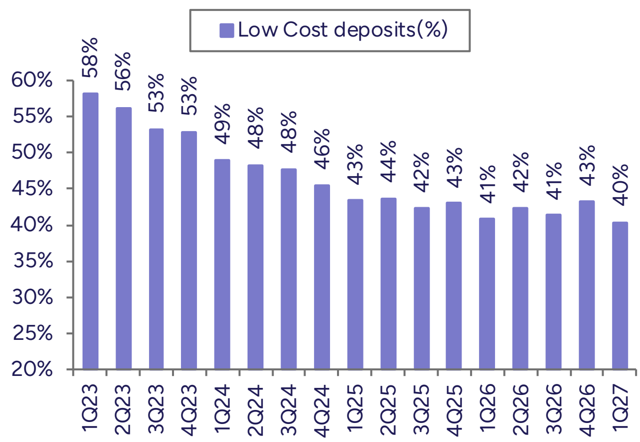
Source: Company, PL

Exhibit 4: NIMs (cal.) increased QoQ to 4.47%



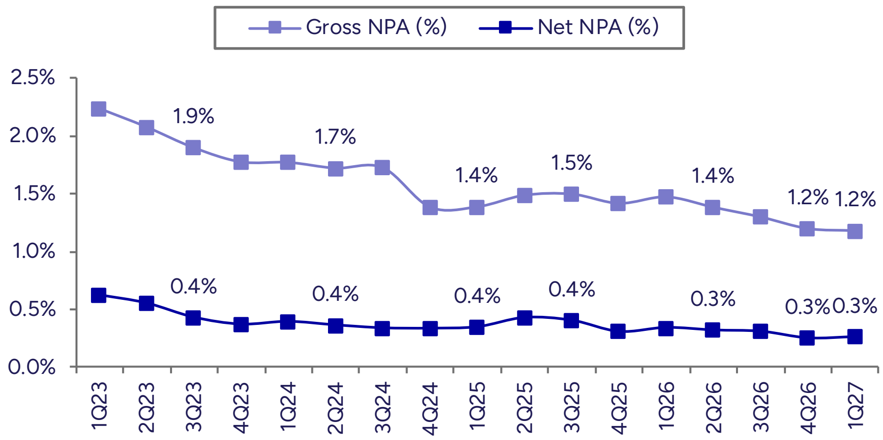
Source: Company, PL

Exhibit 5: CASA declined QoQ to 40% due to moderation capital market



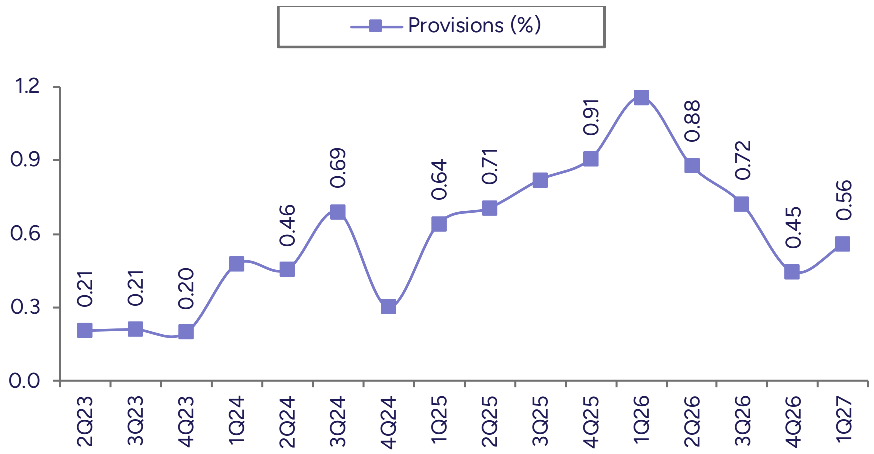
Source: Company, PL

Exhibit 6: GNPA/NNPA stable QoQ at 1.2%/0.27%



Source: Company, PL

Exhibit 7: Credit costs increased QoQ to 0.56% due to slippages in CV/tractor finance



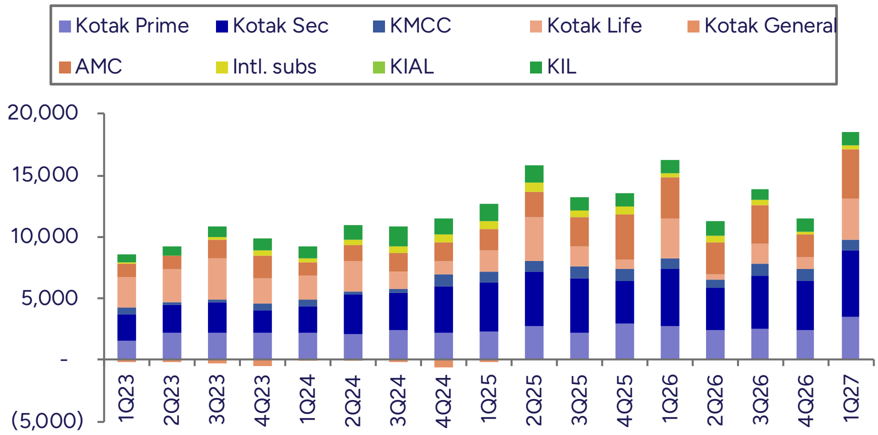
Source: Company, PL

Exhibit 8: Consolidated earnings increased QoQ to INR 54.8bn

Consolidated Financials (INR mn)	Q1FY27	Q1FY26	YoY gr. (%)	Q4FY26	QoQ gr. (%)
Standalone Bank	41,230	32,817	25.6	40,266	2.4
Kotak Prime	3,540	2,720	30.1	2,400	47.5
KMCC	890	890	0.0	1,030	-13.6
Kotak Securities	5,330	4,650	14.6	4,000	33.3
International subsidiaries	290	420	-31.0	200	45.0
Kotak AMC	3,990	3,260	22.4	1,840	116.8
Kotak Mahindra Investments	1,130	1,070	5.6	1,150	-1.7
Lending business	**44,770**	**35,537**	**26.0**	**42,666**	**4.9**
Flow business, Subsidiaries	11,630	10,290	13.0	8,220	41.5
Others	-4,940	-4,377	12.9	595	-930.9
Consolidated PAT (ex -insurance)	**51,460**	**41,450**	**24.1**	**51,480**	**0.0**
Insurance	3,360	3,270	2.8	900	273.3
Consolidated PAT	**54,820**	**44,720**	**22.6**	**52,380**	**4.7**

Source: Company, PL

Exhibit 9: Robust group earnings with 31% share from non-banking cos



Source: Company, PL

Exhibit 10: Return ratios to remain close to 11.5-12.5% over FY27E/28E

RoA decomposition	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net interest income	**4.1**	**4.7**	**4.8**	**4.4**	**4.1**	**4.1**	**4.1**
Other Inc. from operations	1.5	1.5	1.9	2.3	1.6	1.8	1.5
Total income	**5.6**	**6.2**	**6.7**	**6.7**	**5.6**	**5.8**	**5.6**
Employee expenses	1.1	1.2	1.3	1.2	1.1	1.1	1.1
Other operating expenses	1.5	1.8	1.8	1.7	1.5	1.5	1.4
Operating profit	**3.0**	**3.2**	**3.6**	**3.8**	**3.0**	**3.3**	**3.1**
Tax	0.7	0.7	0.8	0.8	0.6	0.7	0.7
Provisions	0.2	0.1	0.3	0.5	0.5	0.4	0.4
RoAA	**2.1**	**2.4**	**2.5**	**2.5**	**1.9**	**2.2**	**2.0**
RoAE	**12.6**	**14.0**	**15.3**	**15.4**	**11.1**	**12.3**	**11.6**

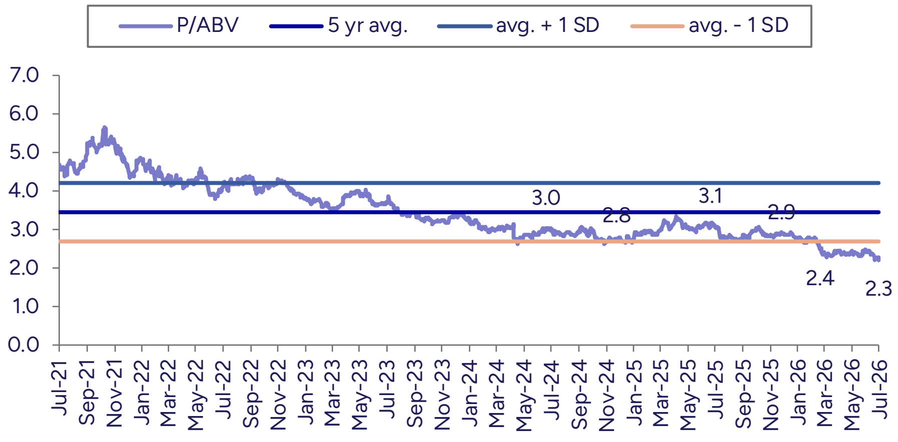
Source: Company, PL

Exhibit 11: SOTP-based TP of Rs 480 basis Mar'28E core ABV of bank

Particulars	Stake	Rs per share	% of total	Valuation (x)	Basis
Standalone bank	100%	329	64.4	2.0	Mar'28 core ABV
Kotak Sec	100%	66	12.9	40.0	FY26 PAT
Insurance	100%	35	6.8	1.8	Mar'26 EV
Kotak Prime	100%	32	6.3	3.0	Mar'26 ABV
Kotak AMC	100%	35	6.8	6.0%	Mar'26 MAAuM
KMCC	100%	5	1.0	15.0	Mar'26 PAT
Intl Subs	100%	3	0.5	1.0	Mar'26 BV
Others	100%	6	1.1	14.0	Mar'26 PAT
Total		**510**	**100**		
Holdco discount		30			
SOTP based TP		**480**			

Source: Company, PL

Exhibit 12: One-year forward P/ABV trades at 2.3x



Source: Company, PL

Quarterly Financials

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
Income Statement (INR m)								
Interest earned	132,163	134,276	135,298	138,365	136,494	139,033	141,748	144,775
Interest expended	61,967	62,313	62,462	65,773	63,387	63,387	62,993	65,491
Net Interest Income	**70,196**	**71,963**	**72,836**	**72,593**	**73,107**	**75,646**	**78,755**	**79,284**
Other income	26,842	26,228	31,825	30,800	25,892	28,378	31,163	33,382
Fees	**23,120**	**23,620**	**26,160**	**22,490**	**24,150**	**25,490**	**27,670**	**25,000**
Total Income	97,038	98,191	104,660	103,393	98,999	104,024	109,918	112,666
Operating Expenses	**46,046**	**46,380**	**49,938**	**47,756**	**46,317**	**50,226**	**51,366**	**51,353**
Employees	19,514	19,525	21,063	20,655	19,795	22,458	20,608	22,103
Others	26,532	26,856	28,876	27,101	26,521	27,768	30,758	29,250
Operating profit	50,993	51,810	54,722	55,637	52,683	53,798	58,552	61,314
Core PPoP	**47,273**	**49,200**	**49,062**	**47,327**	**50,943**	**50,908**	**55,062**	**52,934**
Provisions	**6,604**	**7,941**	**9,094**	**12,078**	**9,474**	**8,096**	**5,164**	**6,681**
Profit before tax	44,389	43,869	45,628	43,559	43,208	45,702	53,388	54,632
Taxes	10,951	10,821	10,111	10,743	10,675	11,241	13,122	13,403
Net Profit	33,437	33,048	35,517	32,817	32,533	34,461	40,266	41,230
Core PAT	**30,635**	**31,082**	**31,112**	**26,556**	**31,223**	**32,282**	**37,633**	**34,905**
Balance Sheet (INR m)								
Share capital	9,941	9,941	9,941	9,941	9,943	9,943	9,947	9,947
Reserves & surplus	1,097,558	1,138,759	1,162,458	1,224,339	1,242,633	1,299,687	1,343,171	1,399,293
Deposits	4,614,542	4,734,970	4,990,551	5,128,380	5,287,760	5,426,380	5,724,561	5,728,200
Borrowings	265,125	234,170	484,428	211,480	239,111	268,300	324,750	258,400
Other liabilities	244,919	252,190	288,864	315,950	290,222	300,550	427,599	354,890
Total liabilities	**6,232,084**	**6,370,030**	**6,936,242**	**6,890,090**	**7,069,669**	**7,304,860**	**7,830,028**	**7,750,730**
Cash & bank	325,876	411,150	657,792	430,800	497,917	428,730	840,889	446,200
Investments	1,755,320	1,638,190	1,819,075	1,822,920	1,729,942	1,871,490	1,725,354	1,918,520
Advances	3,995,216	4,138,390	4,269,092	4,448,230	4,626,876	4,806,730	4,960,092	5,122,490
Fixed assets	22,381	22,605	23,589	23,824	24,319	24,562	23,883	24,122
Other assets	133,291	159,695	166,695	164,316	190,614	173,348	279,809	239,398
Total assets	**6,232,084**	**6,370,030**	**6,936,242**	**6,890,090**	**7,069,669**	**7,304,860**	**7,830,028**	**7,750,730**
Balance sheet ratios (%)								
Loan growth	14.7	15.1	13.5	14.1	15.8	16.1	16.2	15.2
Deposit growth	15.1	15.9	11.2	14.6	14.6	14.6	14.7	11.7
LDR	86.6	87.4	85.5	86.7	87.5	88.6	86.6	89.4
CASA	43.6	42.3	43.0	40.9	42.3	41.3	43.3	40.3
Capital Adequacy (%)								
CET-1	21.5	21.7	21.1	21.8	20.9	21.5	21.3	22.4
Tier-2	1.1	1.1	1.1	1.2	1.9	1.1	1.1	0.4
CRAR	22.6	22.8	22.2	23.0	22.8	22.6	22.4	22.8
Profitability ratios (%)								
Yield on assets	9.1	9.1	8.4	8.8	8.5	8.3	7.8	8.2
Cost of funds	5.1	5.2	4.8	5.2	4.9	4.8	4.4	4.6
NIM	5.0	5.0	4.6	4.6	4.5	4.6	4.4	4.5
Fees/Assets	1.6	1.6	1.6	1.4	1.5	1.5	1.5	1.4
Cost/Income	47.5	47.2	47.7	46.2	46.8	48.3	46.7	45.6
Opex/avg assets	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.7
RoA	2.5	2.3	2.1	2.0	2.0	1.9	1.9	2.3
Core RoA	2.1	2.1	1.9	1.6	1.9	1.9	2.0	1.9
RoE	14.6	13.0	12.8	11.3	11.4	10.8	11.1	12.4
Core RoE	12.2	12.0	11.6	9.2	10.6	10.5	11.9	10.6
EPS (INR)	29.5	27.3	27.6	26.4	27.1	26.8	28.2	33.2
BVPS (INR)	222.8	231.1	235.9	248.3	252.0	263.4	272.1	283.4
ABVPS (INR)	-	-	-	-	-	-	-	-
Asset quality ratios (%)								
GNPA	1.5	2.0	1.4	1.5	1.4	1.3	1.2	1.2
NNPA	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3
Provision coverage	71.4	73.2	78.1	76.9	77.0	76.3	79.0	77.8
Provision costs	0.7	0.8	0.9	1.2	0.9	0.7	0.4	0.6
Slippage	2.0	1.8	1.6	1.7	1.5	1.5	1.0	1.1
NNPA/Equity	1.6	1.5	1.1	1.2	1.2	1.1	0.9	1.0

Source: Company, PL

Financials

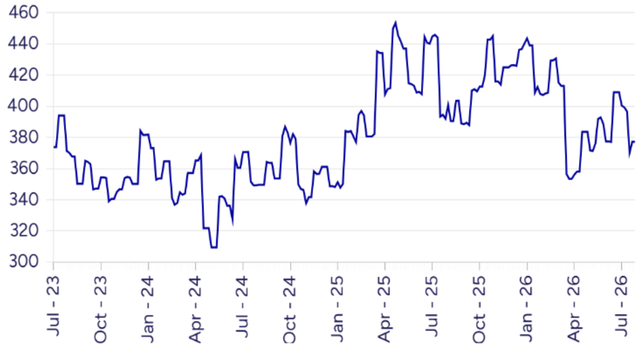
Y/e Mar	FY25	FY26	FY27E	FY28E
Income Statement (INR m)				
Interest earned	529,197	555,640	614,308	714,739
Interest expended	245,780	255,539	278,939	330,667
Net Interest Income	**283,418**	**300,101**	**335,369**	**384,072**
Other income	149,611	116,233	147,227	144,941
Fees	**79,443**	**82,819**	**89,094**	**102,435**
Net Total Income	433,029	416,334	482,596	529,013
Operating Expenses	**187,764**	**195,665**	**211,973**	**235,853**
Employees	79,183	83,517	91,237	101,373
Others	108,580.9	112,148.0	120,736.1	134,480.2
Operating profit	245,265	220,669	270,623	293,160
Core PPoP	**192,074**	**206,736**	**234,861**	**275,656**
Provisions	**29,424**	**34,812**	**32,762**	**39,944**
Profit before tax	215,841	185,857	237,862	253,216
Taxes	51,341.0	45,781.0	59,209.9	63,303.9
Net Profit	164,501	140,077	178,652	189,912
Core PAT	**123,962**	**129,576**	**151,575**	**176,784**
Growth Ratios (%)				
Loans	13.5	16.2	16.0	15.0
Deposits	11.2	14.7	13.5	15.8
NII	9.0	5.9	11.8	14.5
Fees	12.7	4.2	7.6	15.0
Opex	12.6	4.2	8.3	11.3
Core PPoP	6.3	7.6	13.6	17.4
Provisions	87.0	18.3	(5.9)	21.9
Core PAT	(1.8)	4.5	17.0	16.6
Profitability Ratios (%)				
Yield on IEA	8.4	7.8	7.7	7.9
Cost of funds	4.8	4.4	4.3	4.5
NIM	**4.5**	**4.2**	**4.2**	**4.2**
Cost/Income	43.4	47.0	43.9	44.6
Provision cost	**0.7**	**0.8**	**0.6**	**0.6**
Tax rate	23.8	24.6	24.9	25.0
Core RoA	**1.9**	**1.8**	**1.8**	**1.9**
Core RoE	**12.0**	**10.5**	**10.7**	**11.1**
Du-pont (%)				
Interest income	**8.2**	**7.5**	**7.4**	**7.6**
Interest expenses	**3.8**	**3.5**	**3.4**	**3.5**
NII	**4.4**	**4.1**	**4.1**	**4.1**
Other income	2.3	1.6	1.8	1.5
Fees/avg assets	**1.4**	**1.4**	**1.3**	**1.3**
Total income	**6.7**	**5.6**	**5.8**	**5.6**
Opex/avg assets	**2.9**	**2.7**	**2.6**	**2.5**
Staff cost	1.2	1.1	1.1	1.1
Other opex	1.7	1.5	1.5	1.4
PPOP	**3.8**	**3.0**	**3.3**	**3.1**
Core PPoP/avg assets	**3.0**	**2.8**	**2.8**	**2.9**
Provisions	0.5	0.5	0.4	0.4
PBT	**3.3**	**2.5**	**2.9**	**2.7**
Tax	0.8	0.6	0.7	0.7
RoA	**2.5**	**1.9**	**2.2**	**2.0**
RoE	**15.4**	**11.1**	**12.3**	**11.6**

Source: Company, PL

Y/e Mar	FY25	FY26	FY27E	FY28E
Balance Sheet (INR m)				
Equity	1,172,399	1,353,117	1,541,302	1,725,855
Share capital	9,941	9,947	9,947	9,947
Deposits	4,990,551	5,724,561	6,495,846	7,519,325
Borrowings	484,428	324,750	304,564	340,512
Other Liabilities	288,864	427,599	387,798	436,470
Total liabilities	**6,936,242**	**7,830,028**	**8,729,510**	**10,022,162**
Cash with RBI	416,992	512,395	335,944	349,585
Balance with banks	240,800	328,495	160,636	173,877
Investments	1,819,074	1,725,354	2,175,624	2,518,974
Advances	4,269,092	4,960,092	5,755,320	6,617,006
Fixed assets	23,589	23,883	24,853	25,862
Other assets	166,695	279,809	277,133	336,857
Total assets	**6,936,242**	**7,830,028**	**8,729,510**	**10,022,162**
Balance sheet ratios (%)				
LDR	85.5	86.6	89.0	88.0
CASA	43.0	43.3	41.2	41.2
Inv/NDTL	31.6	26.6	30.3	30.4
Borr/NDTL	8.4	5.0	4.2	4.1
Assets/equity (x)	5.9	5.8	5.7	5.8
RWA/Loans	121.7	120.5	119.4	119.4
RWA/Total assets	74.9	76.3	78.7	78.9
Capital ratios (%)				
CRAR	22.2	21.7	21.3	20.7
CET-1	21.1	20.6	20.4	19.9
AT-1	-	-	-	-
Tier-2	1.1	1.1	0.9	0.9
Asset quality ratios (%)				
GNPA (INR mn)	61,339	60,177	65,834	77,566
NNPA (INR mn)	13,434	12,625	13,167	15,513
GNPA	1.4	1.2	1.1	1.2
NNPA	0.3	0.3	0.2	0.2
PCR	78.1	79.0	80.0	80.0
Slippage	1.7	1.4	2.0	2.0
NNPA / Equity	1.1	0.9	0.9	0.9
Per share (INR)				
EPS	16.5	14.1	18.0	19.1
DPS	0.4	0.4	0.5	0.6
BVPS	117.9	136.0	155.0	173.5
ABVPS	116.6	134.8	153.6	172.0
Core BVPS	114.5	132.6	151.6	170.1
Core ABVPS	113.2	131.4	150.2	168.5
Valuation (x)				
Price (INR)	361.9	419.0	390.0	390.0
P/E	25.7	23.3	21.7	20.4
P/BV	2.7	2.7	2.5	2.2
P/ABV	2.7	2.7	2.5	2.3
P/core BV	1.7	1.7	1.6	1.4
P/core ABV	1.7	1.7	1.6	1.4

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	07-Jul-26	BUY	480	382
2	01-Jul-26	BUY	480	392
3	28-May-26	BUY	480	389
4	03-May-26	Buy	480	383
5	10-Apr-26	BUY	500	372
6	19-Feb-26	BUY	500	426
7	25-Jan-26	BUY	500	423
8	08-Jan-26	BUY	496	429
9	26-Oct-25	BUY	496	437
10	07-Oct-25	BUY	470	425

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Axis Bank	BUY	1600	1341
2	Bank of Baroda	Accumulate	290	248
3	Canara Bank	Accumulate	150	125
4	Canara Robeco Asset Management Company	HOLD	280	252
5	City Union Bank	BUY	310	228
6	DCB Bank	BUY	155	185
7	Federal Bank	Accumulate	300	332
8	HDFC Asset Management Company	BUY	3020	2773
9	HDFC Bank	BUY	1100	829
10	ICICI Bank	BUY	1825	1415
11	ICICI Prudential Asset Management Company	BUY	3550	3206
12	Indian Bank	BUY	1000	843
13	IndusInd Bank	Accumulate	960	1022
14	Karur Vysya Bank	BUY	345	314
15	Kotak Mahindra Bank	BUY	480	382
16	Nippon Life India Asset Management	BUY	1050	1208
17	Prudent Corporate Advisory Services	Accumulate	2875	3021
18	State Bank of India	BUY	1200	1038
19	Union Bank of India	Accumulate	200	161
20	UTI Asset Management Company	HOLD	975	992

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, Mr. Adarsh Shetty 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

AMNISH AGGARWAL

Digitally signed by AMNISH AGGARWAL
DN: c=IN, o=Personal, title=1443, 2.5.4.20=21151ea12dd366d1ac370cb42343ee44b6e851c37bdbac5f86aa4ff3e6948487, postalCode=400015, st=Maharashtra, serialNumber=7a6f13691881d5a8af6353865a61b48b7040e72f4a1bf53182e368b3ca14a5e4, cn=AMNISH AGGARWAL
Date: 2026.07.19 19:48:24 +05'30'

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, Mr. Adarsh Shetty 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.