AMP

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THE INVESTMENT TRUST OF INDIA

ANTIQUE

19 August 2026

FROM THE RESEARCH DESK

SECTOR REPORT

Indian Banking Sector

Prefer large private banks on favorable risk reward.

SECTOR UPDATE

NBFC: 1QFY27 Review

Growth momentum intact; Asset quality remains resilient

Cement

Price hike trails costs; downside risks to earnings

FMCG Brand-o-Meter ANTIQUE'S FMCG MONITOR!

FMCG

Price hikes continue; Offtake, inventory key monitors

Global News

- The Nasdaq slumped 355.20 points or 1.3 percent to 26,289.71, the S&P 500 slid 53.30 points or 0.7 percent to 7,691.76 and the Dow fell 116.38 points or 0.2 percent to 53,343.40.
- The Nikkei 225 Index dropped 2.54% to close at 67,461 on Tuesday, reversing the previous session's gains as global bond yields surged amid persistent concerns over inflation and massive government spending. Japan's benchmark 10-year government bond yield climbed to around 2.95%, its highest level in three decades on mounting fiscal concerns, as well as growing expectations of an imminent Bank of Japan interest rate hike. The Takaichi administration's plan to cut the consumption tax on food to 1% for two years has fueled market concerns, as the government has yet to identify an alternative revenue source. Notable declines came from technology and consumer stocks, including Kioxia (-7.6%), Taiyo Yuden (-11.5%), Murata (-9.6%), Fast Retailing (-2.3%) and Sony Group (-1.6%). In corporate news, Situational Awareness sold shares in Japan's Taiyo Yuden Co. to Citadel and other investors when it offloaded part of its stake this month, representing a significant reduction in its position.

Sector & Corporate News

- **Sigma Advanced Systems Bags INR 1.6 bn Home Ministry Contract for Anti-Drone Patrol Vehicles:** Sigma Advanced Systems, in partnership with Indrajaal Autonomous Defense Systems, has secured a INR 1.6 bn order from the Ministry of Home Affairs for the deployment of its Indrajaal Ranger mobile anti-drone patrol vehicles. This order represents a significant milestone in transitioning counter-drone security from static installations to active mobile patrolling.
- **Tata Steel gets CCI nod to acquire additional 23% stake in TM International Logistics:** The Competition Commission of India has approved Tata Steel's acquisition of an additional 23% stake in TM International Logistics from IQ Martrade. The transaction will raise Tata Steel's holding to 74%, making it the majority shareholder, while NYK Europe will retain 26%. IQ Martrade will exit the joint venture.

Market Snapshot

Global Indices	Closing	% Chg	% YTD
Dow Jones	53,343	(0.2)	11.0
NASDAQ	26,290	(1.3)	13.1
FTSE	10,728	0.1	8.0
CAC	8,509	(0.8)	4.4
DAX	26,128	(0.8)	6.7
Bovespa	1,66,335	(0.3)	3.2
Hang Seng	25,471	0.1	(0.6)
Shanghai Composite	3,990	0.2	0.5

Indian Indices	Closing	% Chg	% YTD
Sensex	77,235	(0.6)	(9.4)
Nifty	24,155	(0.5)	(7.6)
MSCI India	953	(0.5)	(9.7)
CNX Midcap	63,539	(0.4)	5.1
BSE Smallcap	58,067	0.4	12.7

Flows (USD mn)	Prev. Day	MTD
FII	431	(35)

Provisional flows	(USD mn)
FIIs	173
Locals	269

Volumes	USD bn	% Chg
Cash (NSE + BSE)	12.6	2.5

FII F&O	Stock Fut	Index Fut
Net ($ mn)	-	252
Open Int (%)	-	1.9

ADR/GDR Gainers	Last	% Chg
Infosys	11.8	1.8
ICICI Bank	29.6	0.8
Dr Reddy	12.2	0.3
HDFC	23.2	0.1

ADR/GDR Losers	Last	% Chg
SBI	110.6	(0.9)
Reliance	55.0	(0.4)

Sectoral indices

	Closing	% Chg	% MTD	% YTD
BSE Auto	64,561	0.1	2.1	3.2
BSE Bank	64,884	(0.5)	(0.1)	(2.8)
BSE Cap Goods	80,369	(0.5)	4.4	19.8
BSE Cons dur	64,881	(0.8)	(0.4)	8.1
BSE FMCG	18,027	(0.7)	(1.6)	(11.4)
BSE IT	29,106	(1.7)	(1.3)	(20.8)
BSE Health	50,814	0.2	0.0	16.0
BSE Metal	41,780	(0.5)	2.1	13.5
BSE Oil	26,238	(0.2)	(0.9)	(8.6)
BSE Power	7,600	(0.7)	(0.9)	16.9
BSE PSU	20,830	(0.4)	0.7	1.3
BSE Realty	7,003	(1.3)	(0.4)	2.9
BSE TECK	15,409	(1.6)	(1.4)	(16.8)

Nifty Outperformers

	Price	% Chg	% MTD	% YTD
Axis Bank Ltd	1,243	1.3	1.1	(2.1)
Max Healthcare Institute Ltd	1,014	1.1	(7.7)	(2.9)
Mahindra & Mahindra Ltd	3,422	0.9	0.7	(7.8)
Grasim Industries Ltd	3,279	0.9	5.7	15.9
Power Grid Corp Of India Ltd	268	0.7	(5.7)	1.3
Bajaj Finance Ltd	1,094	0.5	(4.1)	11.0
Reliance Industries Limited	1,322	0.5	1.1	(15.8)

Nifty Underperformers

	Price	% Chg	% MTD	% YTD
Unichem Laboratories Ltd	530	(2.5)	3.2	19.9
Tata Motors Passenger Vehicl	323	(2.2)	(5.0)	(12.1)
Asian Paints Ltd	2,628	(2.2)	(4.3)	(5.1)
Infosys Ltd	1,115	(2.2)	(1.3)	(31.0)
Hcl Technologies Ltd	1,298	(2.0)	(3.6)	(20.0)
Bharti Airtel Ltd	1,934	(1.8)	(1.9)	(8.1)
Jio Financial Services Ltd	246	(1.6)	(4.2)	(16.7)

Delivery Spike

Company	Volume	Spike (%)	Chg (%)
Colgate-Palmolive India Ltd	2,40,227	322%	-3.11%
HCL Technologies Ltd	21,32,318	243%	-2.04%
Bosch Ltd	39,343	205%	3.75%
Asian Paints Ltd	5,55,820	204%	-2.20%
DLF Ltd	27,06,862	156%	-0.78%
Sammaan Capital Ltd	72,97,794	106%	-2.02%
GAIL India Ltd	44,53,414	101%	0.81%
Britannia Industries Ltd	1,92,029	95%	-0.47%
REC Ltd	53,74,397	92%	-0.44%
UPL Ltd	12,96,314	91%	-1.24%

Derivatives Update

Long Build Up

Company	Last	% Chg	% Chg OI	OI (in 000)
BOSCHLTD	48,770.00	3.23	14.92	259
SONACOMS	827.50	2.33	14.23	17,078
APLAPOLLO	2,117.30	1.01	5.09	8,488
TIINDIA	2,968.20	7.52	4.74	2,456
LTF	325.85	3.30	4.70	47,805

Short Build Up

Company	Last	% Chg	% Chg OI	OI (in 000)
KFINTECH	947.85	(1.57)	15.32	6,400
VOLTAS	1,250.00	(1.07)	9.91	10,831
COLPAL	1,905.60	(3.26)	8.58	6,284
INOXWIND	74.96	(4.57)	7.74	1,31,961
DRREDDY	1,180.60	(0.35)	7.33	20,258

Short Covering

Company	Last	% Chg	% Chg OI	OI (in 000)
GRASIM	3,273.00	0.23	(3.70)	11,478
MFSL	1,580.10	0.95	(3.27)	9,856
PETRONET	284.90	0.48	(2.30)	30,154
DALBHARAT	1,848.00	0.04	(2.29)	3,263
M&M	3,417.20	0.16	(2.03)	13,907

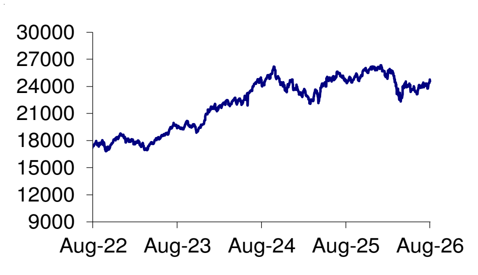
Long Unwinding

Company	Last	% Chg	% Chg OI	OI (in 000)
PATANJALI	350.15	-0.68	(2.56)	38,306
PIDILITIND	1,667.70	-0.61	(2.10)	6,235
HAVELLS	1,291.10	-1.14	(2.04)	8,407
EICHERMOT	8,057.00	-0.62	(1.78)	3,872
APOLLOHOSP	8,830.50	-0.28	(1.68)	2,676

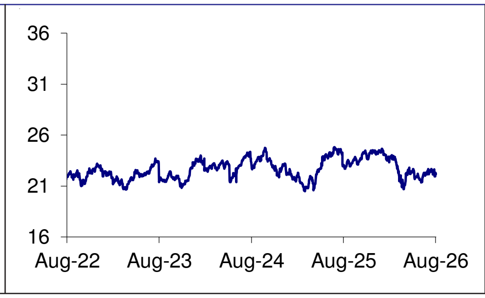
Bulk Deals

Security Name	Client Name	Buy/Sell	Qty	Price	Value (mn)
GROWW	Yc Holdings Ii, Llc	Sell	7,46,87,500	192.16	14,352
SHAMFOAM	Niraj Rajnikant Shah	Buy	5,00,000	104.00	52
PGFOILQ	Stone Colour Exim Private Ltd	Sell	2,50,000	195.90	49
SHAMFOAM	Manoj Agarwal	Buy	3,50,000	104.00	36
PGFOILQ	Foils India Laminates Private Ltd	Buy	1,50,000	195.65	29

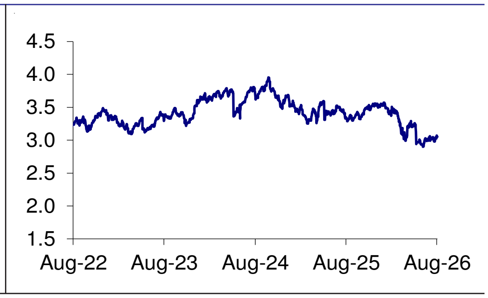
Nifty



Nifty P/E

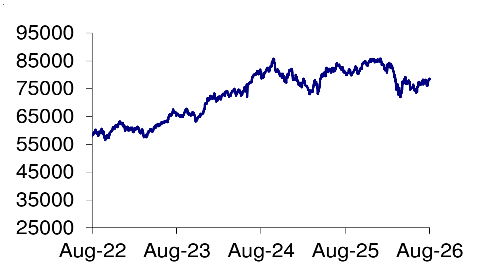


Nifty P/B

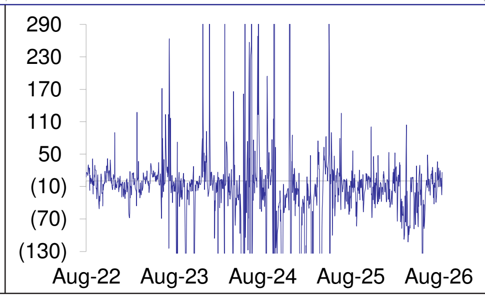


Source: Bloomberg

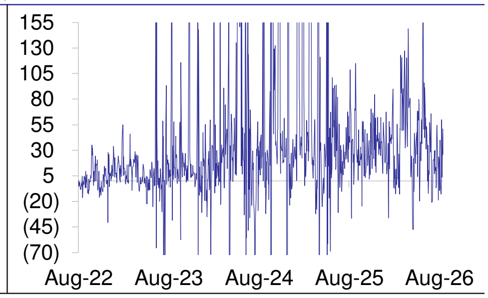
Sensex



FII Provisional Flows (INR bn)



DII Provisional Flows (INR bn)



Source: Bloomberg

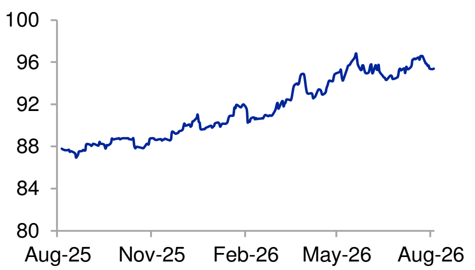
Commodities Update

Commodities	Last	% Chg	% MTD	% YTD
Gold ($/Ounce)	4,344	0.2	7.4	0.6
Crude Oil ($/Bl)	86	0.9	1.3	50.4
Aluminium ($/t)	3,207	(1.7)	(0.3)	8.0
Copper ($/t)	14,235	(2.5)	2.9	14.3
Zinc ($/t)	3,777	(1.9)	1.9	22.6
Lead ($/t)	1,838	(0.1)	0.3	(6.6)
Nickel ($/t)	16,554	(0.4)	(3.0)	0.3

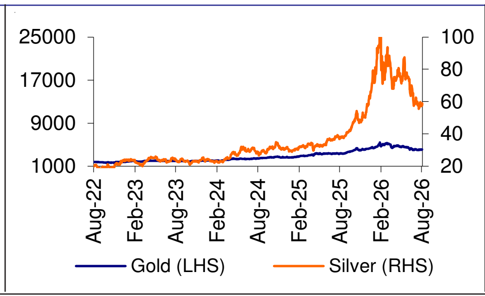
Economy, Money & Banking

Forex Rate	Last	% Chg	% MTD	% YTD
INR~USD	95.7	(0.1)	(0.3)	(6.1)
INR~EUR	110.8	0.1	(0.9)	(4.8)
INR~GBP	129.5	0.1	(0.9)	(6.7)

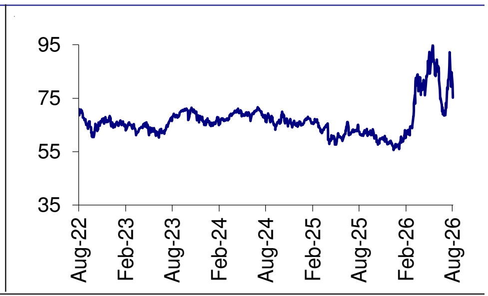
INR/USD



Gold and silver prices (USD/Tr.Oz)

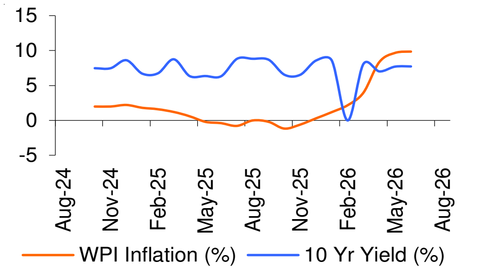


Crude prices (USD/barrel)

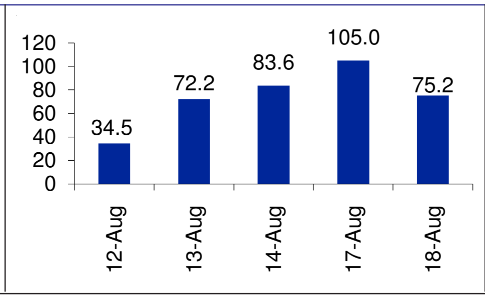


Source: Bloomberg

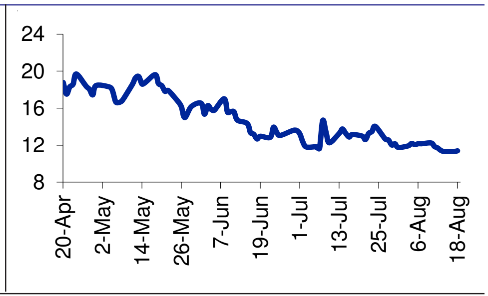
Inflation vs 10 year yield



Nifty premium/discount



NSE volatility index (%)



Source: Bloomberg

SECTOR REPORT

Indian Banking Sector

Prefer large private banks on favorable risk reward.

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PSU banks, as a pack, delivered better set of results vis-a-vis the private banks aided by rundown of bulk deposits, softening of the bond yields aiding treasury gains and benign credit costs. Despite the strong results of the PSU banks and undemanding valuations (most of them trading at 0.6-1.0x fwd PBV), we continue to prefer the large private banks and select mid-sized banks over PSU Banks due to (i) upcoming transition to ECL framework and (ii) possible wage revision provisions at PSU banks, effective from Nov 2027.

As highlighted, in our previous sector reports, the focus of this result season was on margins and FCNR(B) deposit mobilization. The FCNR(B) deposit scheme, started from 8-Jun'26, has delivered its expected outcome of c. $70bn inflow (expected by Aug end) along with stabilizing the INR-USD rates and softening the 10 year Gsec yields from above 7% to 6.8%. Post the initial euphoria around the FCNR (B) deposits, the bank shares prices have stabilized considering the greater sensitivity of bank earnings to NIMs vis-a-vis balance sheet growth. In our assessment, most of the private banks, which are providing their customers leverage options to fund the FCNR (B) deposits, are likely to see marginally dilutive impact on NIMs (3-15bps) based on assumptions around proportion of leveraged customers, funding from fixed/ floating overseas bond borrowings and proportion of the low-spread overseas advances portfolio. The clear beneficiaries of the softening of market rates, due to the FCNR (B) deposits, are the banks with weaker liability franchises like IndusInd, KVB, CUBK, IDFC First and also deposit constraint banks like HDFCB/Axis. Considering the recent run-up in the smaller private banks and our concerns around PSU bank profitability from FY28, our pecking order would be larger privates – ICICI, KMB and AXIS; within PSUs- SBI and within smaller privates – UJJIVAN, FEDERAL and DCB.

PSUs outperform on growth/margins but profitability impacted by higher provisions: Loan growth improved to 17.4% YoY/2.8% QoQ, with corporate and MSME growth improving across players, while retail growth remained weak for private banks, mainly due to weakness in home and auto loans. Unsecured credit growth improved marginally across large private banks. PSU banks continued to lose deposit market share (Pvt/PSU: 2%/ 0.7% QoQ, 14%/10% YoY). Margin outcome was weaker than expected for private banks due to lower loan yields amid higher corporate growth and seasonally higher interest reversals on KCC slippages, while PSU margins improved slightly more than expected, led by better RAM mix and lower funding costs. Treasury gains increased largely across the board, while opex/assets declined. While PPOP growth was weaker for private banks (+8% QoQ/-5% YoY) vs PSUs (+10% QoQ/+9% YoY) due to weaker margins, PAT growth was higher for private banks (+5% QoQ/+16% YoY). We expect loan growth to converge at 15% YoY over FY26-28E, but PSU banks face earnings risks from ECL and wage revision provisions. Despite earnings upgrades post results, PSU banks' earnings growth is expected to be lower at ~8% vs 16% for private banks over FY26-28E.

Valuations support preference for the larger privates: While overall banking sector valuations are above the mean levels, premium of large private bank to PSUs and mid-sized private banks has reduced to decadal lows. Our large cap private bank index continues to trade 2SD-below its LT avg. Whilst FCNR(B) deposits are expected to have a marginally dilutive impact (c.3-15bps), for the private banks, due to the build-up in the low-spread leverage portfolio built overseas, the impact is negated by the strong growth in the underlying balance sheet and potential cross-sell opportunities. Likely resolution of the management overhang at HDFCB/KMB should bring back focus on the underlying fundamentals of these banks and support stock prices. Whilst valuations of the mid-sized private banks are near peak levels, they too stand to benefit from the improvement in the liquidity and benign asset quality. We prefer a portfolio overweight on large privates like ICICI, KMB and AXIS, with a couple of smaller cap privates like UJJIVAN, FEDERAL and DCB and SBI within PSU banks.

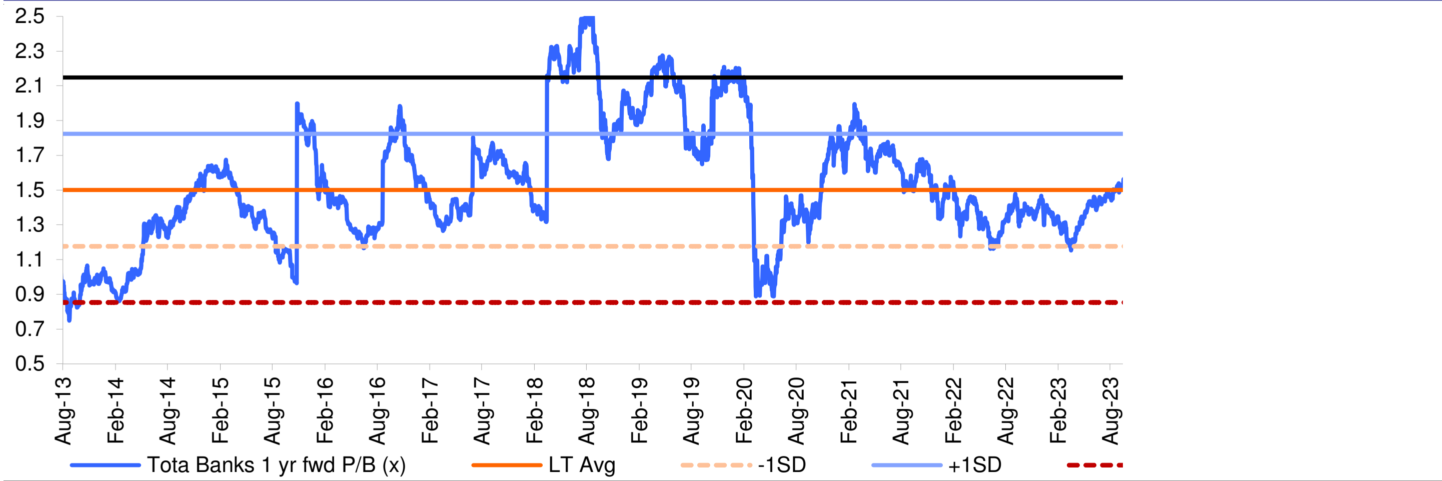
Banking coverage - rating and target price

Company	Rating	CMP (INR)	TP (INR)
AXSB	Buy	1,222	1,575
HDFCB	Buy	725	1,015
KMB	Buy	392	453
ICICI	Buy	1,407	1,732
IIB	Hold	1,025	1,130
CUB	HOLD	211	250
DCB	Buy	187	200
FB	Buy	352	400
KVB	Buy	336	365
SIB	Hold	46	50
Equitas SFB	Buy	76	87
Ujjivan SFB	Buy	71	83
BOB	Hold	248	303
CBK	Buy	132	165
PNB	Buy	118	133
SBI	Buy	1,083	1,255
UNBK	Buy	187	212

Source: Antique

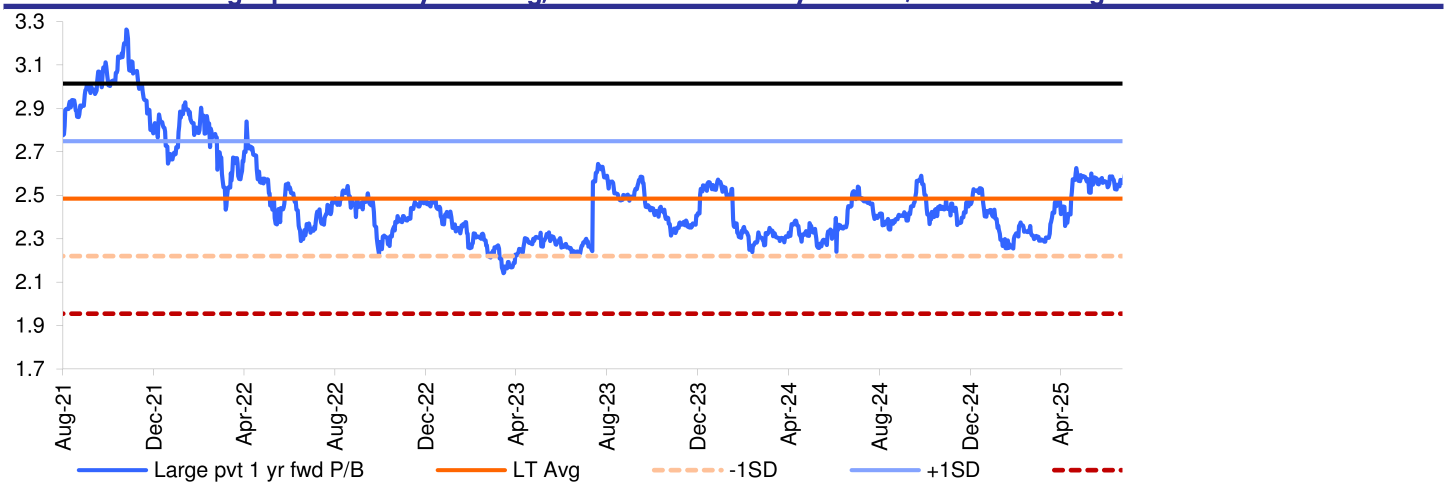
Valuations in favour of larger private banks.

Exhibit 1: Banking sector valuations closer to mean levels.



Source: Company, Antique Research

Exhibit 2: PBV of larger privates hit by FII selling, succession uncertainty at HDFC/Kotak and margin concerns at Axis.

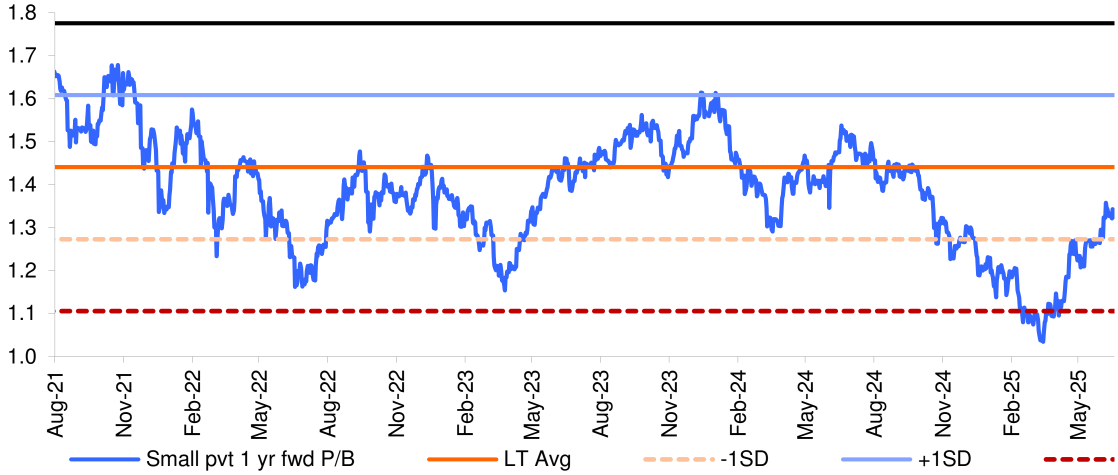


Source: Company, Antique Research

Exhibit 3: PBV of PSU banks, which had declined from peak levels since the start of the WA crisis, has started to inch up due to earnings upgrades on better-than-expected margins and sustained delivery on 1%+ RoA

Source: Company, Antique Research

Exhibit 4: PBV of smaller privates continues to inch up due to improved profitability outlook.



Source: Company, Antique Research

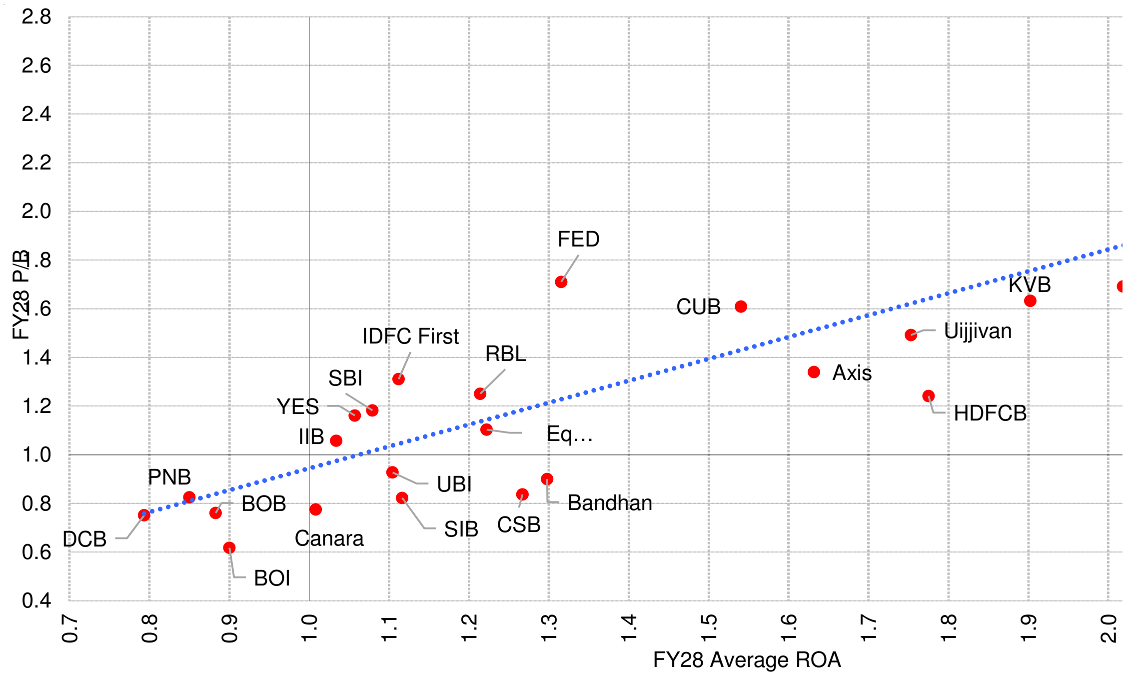
Table 1: Share price performance: PSU banks have outperformed private banks since results (last 1M).

	1 Week 11-Aug-26	15 D 03-Aug-26	1 M 19-Jul-26	3 M 18-May-26	6 M 17-Feb-26	1 Yr. 17-Aug-25	2 Yr. 17-Aug-24	3 Yr. 18-Aug-23
HDFC	-0.8	-4.0	-11.8	-5.9	-21.9	-27.4	-11.4	-9.1
ICICI	-1.2	-3.3	-2.2	12.9	0.3	-1.1	18.9	48.5
Axis	1.1	-2.3	-6.4	0.4	-8.4	16.4	6.5	31.8
Kotak	-1.3	-2.5	-0.6	-1.1	-8.7	-2.0	9.1	10.7
IIB	0.6	-1.4	-1.2	13.8	7.5	31.9	-25.6	-26.0
Federal	0.9	-3.7	2.5	26.0	23.9	82.7	75.7	166.7
RBL	-1.7	0.8	4.0	17.6	18.9	52.1	84.9	77.5
Bandhan	-2.0	-1.8	-20.0	-10.4	1.2	4.4	-11.0	-25.7
Yes	-1.3	-2.3	-4.9	3.0	6.5	19.6	-7.5	32.9
CSB	-2.3	-4.7	-14.0	-10.5	-19.5	-15.8	-0.5	0.4
CUB	4.0	8.6	-1.1	19.1	7.3	40.2	80.0	143.1
KVB	-0.1	-4.1	7.8	14.3	2.8	55.8	84.7	242.9
J&K bank	-4.2	-3.8	-17.8	17.8	43.7	44.4	37.4	73.9
Karnataka bank	2.6	7.4	13.8	28.0	49.5	82.9	44.4	36.5
Dhanlaxmi bank	-1.3	-1.3	-4.6	-2.6	33.7	20.9	-0.9	66.5
DCB	-1.0	-4.2	-3.6	3.0	-6.7	51.2	51.5	63.2
IDFC	0.6	-1.4	5.5	25.4	1.7	23.3	17.8	-4.7
AU	0.4	1.5	4.4	9.9	7.6	43.3	75.4	51.3
Equitas	1.8	-0.2	-2.1	14.1	10.3	43.8	-7.7	-7.8
Ujjivan	3.1	1.7	11.5	33.6	15.5	73.6	72.4	49.0
Utkarsh	0.1	-3.8	-6.5	5.3	2.0	-19.3	-65.7	
Jana	9.2	-1.7	16.6	24.4	45.6	24.6	3.9	
SIB	-1.6	-4.2	1.1	17.9	10.8	53.9	80.5	119.1
SBI	-1.2	0.8	0.8	12.1	-13.2	27.4	29.7	83.8
BOB	-0.9	-1.3	-1.1	-6.2	-19.5	0.5	0.2	27.3
Canara	-0.9	1.6	3.3	3.4	-13.4	18.2	20.0	96.6
BOI	-0.6	1.1	-0.7	2.8	-16.5	25.5	22.5	55.7
Indian	-0.1	3.6	5.1	8.0	-4.9	30.9	59.0	114.9
PNB	2.2	3.1	10.1	17.1	-6.7	9.6	3.1	85.5
Union	1.6	6.6	10.1	16.7	-1.8	37.6	57.8	96.3
IDBI	-1.6	-4.2	-6.8	16.7	-28.7	-7.1	-14.0	33.2
BOMH	2.0	1.2	0.7	3.5	19.6	48.0	31.6	109.3
Central bank	-0.5	-1.4	-2.0	-8.1	-18.2	-14.1	-46.6	-11.6
IOB	-2.7	-2.4	-1.7	-0.5	-7.3	-8.0	-45.4	5.5
Punjab & Sindh	-2.2	-2.3	-6.3	-0.8	-15.2	-17.3	-60.1	-34.8
BSE200	**-0.9**	**-1.1**	**0.3**	**3.8**	**-2.5**	**2.1**	**0.1**	**35.7**
SBE 500	**-0.8**	**-0.6**	**0.7**	**4.7**	**-0.4**	**3.2**	**0.9**	**38.2**
NSEBANK	**-0.3**	**-1.7**	**-2.2**	**7.0**	**-6.4**	**3.5**	**13.4**	**30.6**
NIFTY	**-1.3**	**-2.5**	**-0.7**	**2.1**	**-6.1**	**-1.9**	**-1.6**	**25.1**
SENSEX	**-1.2**	**-1.8**	**-1.2**	**2.5**	**-7.4**	**-4.2**	**-4.0**	**18.9**
BSE100	**-1.0**	**-1.2**	**0.2**	**3.6**	**-3.9**	**0.5**	**-0.3**	**31.6**
BANKEX	**-0.3**	**-0.8**	**-2.0**	**7.6**	**-5.5**	**5.3**	**12.6**	**31.8**
Private bank	**-0.5**	**-2.8**	**-4.4**	**4.2**	**-6.1**	**2.2**	**7.9**	**20.4**
PSU banks	**-0.3**	**1.6**	**2.8**	**9.5**	**-9.3**	**22.7**	**25.9**	**87.2**
	-2.1	**-2.3**	**-4.9**	**4.7**	**9.0**	**-2.8**	**-2.9**	**#N/A**

Source: Company, Antique

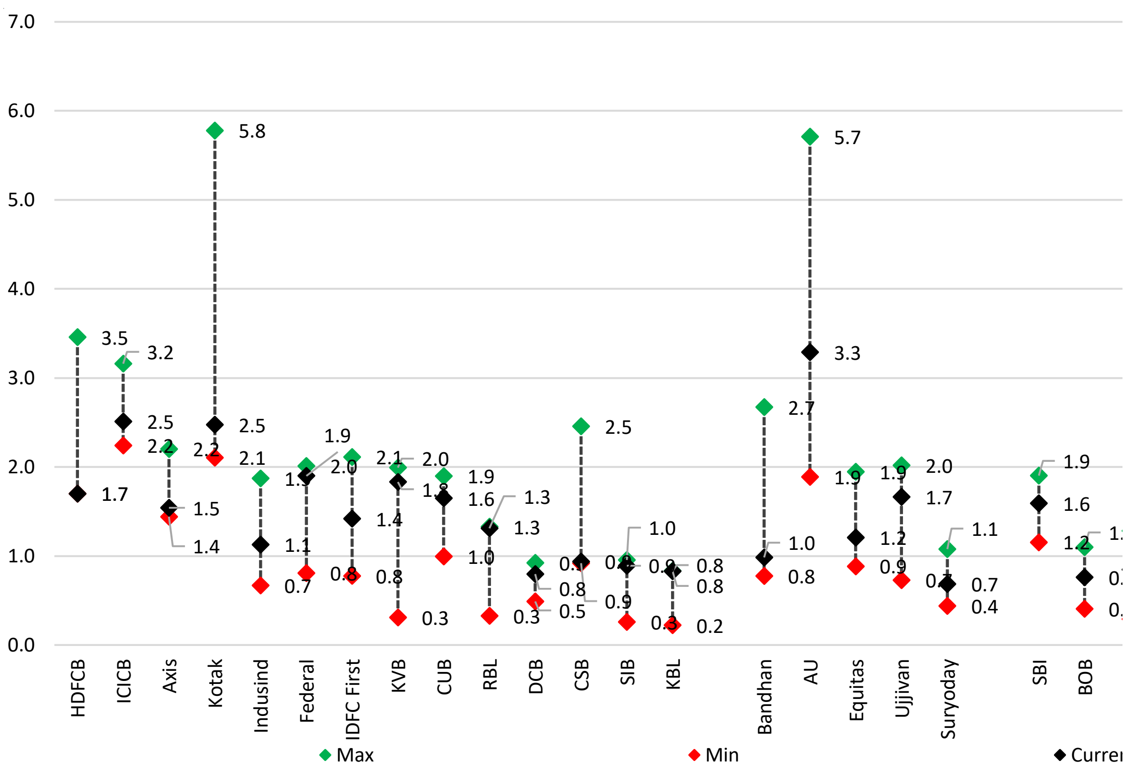
How does the relative valuation stack up?

Exhibit 5: Large private banks (ICICIB, HDFCB, Axis, KMB) along with Ujjivan, Bandhan, Canara bank are relatively inexpensive for their forecasted return ratios



Source: Company, Antique, Bloomberg estimates for uncovered names

Exhibit 6: Where they are trading now vs. the 5-year mean on 12-month fwd. P/B - Large privates near bottom end of range

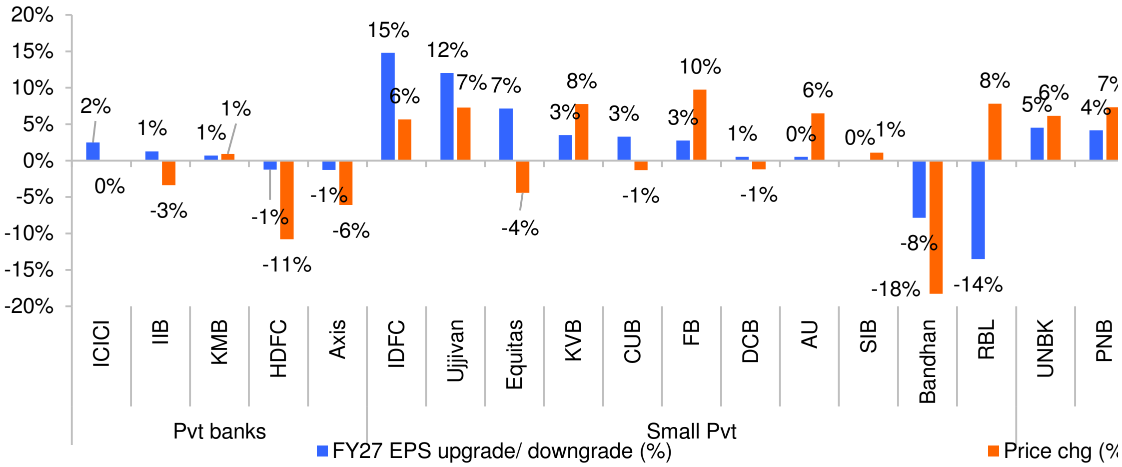


Source: Company, Antique *Max and Min are over the last 5 years.

Larger private banks like HDFC, ICICIB, Kotak, Axis are trading closer to their 5 year low multiples and provide a reasonable entry point given a relatively better earnings growth outlook and early signs of reversal of FII outflows in August.

We prefer ICICI, Axis, SBI, Federal, DCB, Ujjivan.

Exhibit 7: Price movements not commensurate with earnings upgrades/downgrades in HDFCB, SBI, IIB, CUB, Equitas and RBL



Source: Company, BBG Consensus estimates. *Price change from a day prior to results day until now.

Post results, price movements have not been commensurate with earnings upgrades downgrades in – 1) within larger privates, earnings upgrades were seen in ICICI on a better margin outcome despite a seasonally weak quarter, while the stock has remained largely flattish due to FII outflows in July, and 2) IIB has seen earnings upgrades on improved growth outlook, however the stock price has remained on a declining trend 3) Within smaller private banks CUB, Equitas have seen a share price decline despite earnings upgrades (on a strong 2Q) due to a weak margin outlook, 4) SBI being the worst performer within PSUs despite earnings upgrades on a better than expected margin outcome.

Table 2: We estimate FY26-28E earnings CAGR of 16%/ 8%/ 13% for Pvt/ PSU/ overall banks

	Loan Growth (%)			Deposit Growth (%)			NIM (%)			PAT growth (%)				RoA (%)			RoE (%)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28	FY26-28 CAGR	FY26	FY27	FY28	FY26	FY27	FY28
Large Pvt																			
HDFCB	12.1	15.0	13.5	14.4	15.0	13.0	3.29	3.23	3.29	11	8	15	**11**	1.8	1.7	1.8	14.0	13.6	13.6
ICICI	15.8	17.0	14.0	11.4	15.0	13.0	4.09	4.20	4.20	6	16	14	**15**	2.2	2.3	2.3	15.9	16.1	16.1
Axis	18.5	16.0	14.0	13.9	15.5	13.0	3.38	3.29	3.28	-7	27	20	**24**	1.4	1.5	1.6	12.8	14.2	14.8
Kotak	16.2	17.0	14.0	14.7	13.0	13.5	4.21	4.20	4.28	-15	17	16	**16**	1.9	2.0	2.0	11.1	11.5	11.9
IIB	-8.4	13.5	15.0	-2.7	11.0	13.5	3.57	3.66	3.80	-65	343	59	**165**	0.2	0.7	1.0	1.4	6.1	9.1
Large Private	13.2	15.7	13.8	12.5	14.7	13.1	3.59	3.57	3.62	3	16	17	**16**	1.7	1.8	1.9	13.4	13.7	14.1
Mid-size																			
Federal	12.7	14.9	14.0	10.7	13.5	12.5	3.05	3.15	3.27	2	23	22	**22**	1.1	1.2	1.3	11.4	12.3	12.7
KVB	16.9	16.8	15.3	13.3	15.5	15.0	3.98	4.05	3.87	29	21	7	**13**	2.0	2.1	1.9	19.3	19.6	17.6
CUB	26.5	17.5	16.6	23.3	17.7	16.6	3.36	3.43	3.43	18	23	15	**19**	1.5	1.6	1.5	13.2	14.5	14.6
DCB	17.6	18.0	18.0	20.9	19.0	19.0	3.10	3.12	3.06	19	6	15	**11**	0.9	0.8	0.8	12.0	11.3	11.7
SIB	15.8	16.0	14.0	14.7	15.0	14.0	2.68	2.94	2.93	12	22	9	**15**	1.1	1.2	1.1	13.5	14.5	13.9
Total Mid-Size	15.8	16.0	14.9	14.1	15.1	14.3	3.18	3.29	3.31	12	21	15	**18**	1.3	1.3	1.3	13.3	14.1	13.9
SFBs																			
Equitas	18.1	19.3	18.0	7.9	19.0	18.0	6.19	6.68	6.69	-30	659	21	**203**	0.2	1.2	1.2	1.7	12.0	12.8
Ujjivan	26.7	26.2	26.2	21.4	24.5	25.0	7.57	8.29	7.96	-5	77	14	**42**	1.3	1.9	1.8	10.7	16.5	16.0
PSU																			
SBI	17.2	15.5	15.0	11.0	11.6	11.0	2.61	2.65	2.68	13	9	12	**10**	1.1	1.1	1.1	16.2	15.0	14.9
BOB	16.5	13.5	13.5	12.0	11.0	11.0	2.60	2.56	2.58	2	-22	35	**2**	1.1	0.7	0.9	13.8	9.7	12.1
PNB	13.7	13.5	13.5	9.2	10.0	10.6	2.33	2.32	2.30	2	9	7	**8**	0.9	0.9	0.9	12.5	12.2	11.9
Canara	16.3	14.5	13.5	9.7	10.0	10.0	2.15	2.21	2.21	13	7	9	**8**	1.1	1.0	1.0	18.0	16.9	16.2
Union	10.5	14.0	14.0	2.7	11.0	12.0	2.51	2.54	2.56	4	3	5	**4**	1.2	1.2	1.1	15.5	14.2	13.4
Total PSU	15.8	14.7	14.3	9.8	11.0	10.9	2.50	2.53	2.54	9	4	13	**8**	1.1	1.0	1.0	15.5	14.0	14.1
Total Banks	13.4	15.8	13.9	12.6	14.7	13.2	3.56	3.55	3.59	3	16	16	**16**	1.7	1.8	1.8	13.4	13.8	14.1

Source: Company, Antique

Amongst the large private banks, we like **(1) ICICI** - while ICICI Bank has outperformed HDFC and Axis since results, we believe the current valuations still provide a reasonable entry point on the back of green shoots seen in the reversal of FII outflows in August MTD and other larger private banks facing management succession uncertainty and margin pressures. ICICI, on the other hand, has delivered resilient margins throughout the rate-cut cycle and in 1Q, despite seasonally higher KCC reversals. **(2) HDFCB** – while management succession uncertainty remains a key near-term overhang, the risk-reward remains favorable as 1.2x FY28 P/B is trading at a lower multiple to Axis and lower than some of the mid-sized banks like FB/KVB/CUB despite better return ratios and a superior liability franchise. **(3)** Amongst the smaller banks, we like **Federal** due to RoA improvement levers and better-than-expected execution on its liability franchise improvement. **(4) DCB** – we remain constructive on DCB's strategic direction, with management focused on enhancing operating leverage through industry-leading growth, which is expected to improve from 17-18% YoY growth levels seen in the last few quarters to +20% YoY, along with lower reliance on high-cost deposits as the recalibration of the loan book seems largely behind. While we have not factored in the improvement in return ratios in our numbers so far, we see upside risk to earnings and find the current valuations at FY28 P/B of 0.77x, the lowest among mid-sized banks, reasonably inexpensive. **(5)** Amongst the PSU banks, we like **SBI** due to a strong liability franchise, and the bank remains a key beneficiary of the FCNR (B) flows. Despite a better-than-expected margin recovery in 1Q, the stock has been the worst performer among PSU peers post results.

Table 3: Valuation table: We continue to prefer large banks, with ICICI, Axis, SBI, Federal, DCB, Ujjivan remaining our top picks.

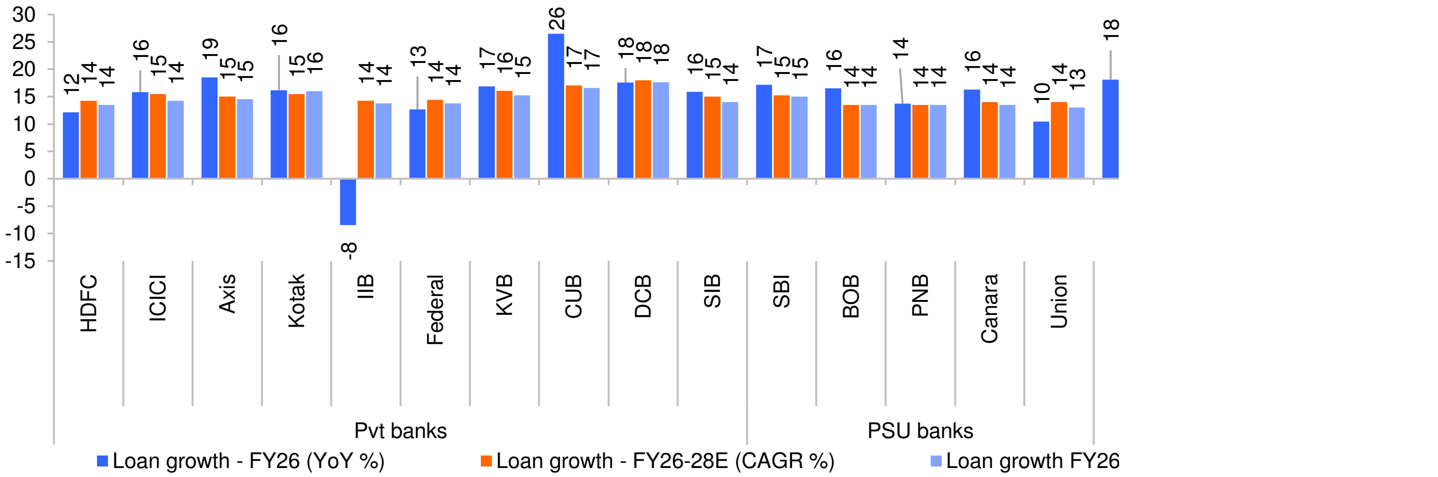
		Mkt Cap	CMP	TP	Upside	ROA (%)			ROE (%)			P/EPS (x)			P/BV (x)		
	Rating	(INR, bn)	(INR)	(INR)	(%)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Pvt																	
AXSB*	Buy	3,844	1,222	1,575	29	1.4	1.5	1.6	12.9	14.3	14.8	14.4	11.1	9.3	1.79	1.54	1.31
HDFCB*	Buy	11,526	725	1,015	40	1.8	1.7	1.8	14.4	13.9	13.9	12.7	11.1	9.3	1.74	1.52	1.24
KMB#	Buy	3,881	392	453	15	1.9	2.0	2.0	11.4	11.7	12.1	20.4	16.9	14.5	2.16	1.92	1.71
ICICIBC*	Buy	10,318	1,407	1,732	23	2.2	2.3	2.3	16.2	16.5	16.2	16.9	14.3	11.9	2.75	2.28	1.89
IIB	Hold	789	1,025	1,130	10	0.2	0.7	1.0	1.4	6.2	9.2	85.5	19.3	12.2	1.23	1.16	1.07
Mid-size																	
CUB	Buy	227	211	250	19	1.5	1.6	1.5	13.2	14.5	14.6	11.8	10.0	8.6	1.48	1.74	1.53
DCB	Buy	62	187	200	7	0.9	0.8	0.8	12.6	11.7	12.1	8.2	7.8	6.7	0.96	0.86	0.77
FB	Buy	887	352	400	13	1.1	1.2	1.3	11.4	12.3	12.7	21.1	16.6	14.7	2.24	1.92	1.68
KVB	Buy	329	336	365	9	2.0	2.1	1.9	19.3	19.6	17.6	12.9	12.2	10.9	2.30	1.93	1.64
SIB	Hold	122	46	50	10	1.1	1.2	1.1	14.0	14.9	14.3	8.2	6.7	6.2	1.08	0.94	0.83
SFBs																	
Equitas	Buy	84	76	87	14	0.2	1.2	1.2	1.7	12.0	12.8	84.1	10.7	9.3	1.41	1.25	1.10
Ujjivan	Buy	137	71	83	17	1.3	1.9	1.8	10.7	16.5	16.0	21.8	12.7	11.2	2.03	1.72	1.47
PSU																	
BOB	Hold	1,258	248	303	22	1.1	0.7	0.9	15.4	10.8	13.3	6.41	8.27	6.11	0.93	0.86	0.77
CBK	Buy	1,131	132	165	25	1.1	1.0	1.0	19.2	17.9	17.0	5.84	5.88	5.22	1.05	0.91	0.79
PNB	Buy	1,277	118	133	13	0.9	0.9	0.9	13.5	13.1	12.6	7.99	7.35	7.03	1.02	0.92	0.83
SBI *	Buy	9,357	1,083	1,255	16	1.1	1.1	1.1	18.1	16.7	16.4	10.09	9.02	7.74	1.72	1.46	1.22
UNBK	Buy	1,306	187	212	13	1.2	1.2	1.1	16.3	14.9	14.0	7.61	7.61	7.16	1.17	1.04	0.93
Not Rated																	
RBK	NR	575	387	397	2	0.5	0.9	1.2	5.1	6.4	7.1	29.4	25.7	18.4	1.4	1.3	1.3
BANDHAN	NR	280	176	206	17	0.6	1.2	1.3	4.9	9.7	11.3	23.2	11.0	8.5	1.1	1.0	0.9
CSBBANK	NR	58	324	413	28	1.2	1.2	1.3	13.5	14.8	16.4	8.9	7.4	5.8	1.1	1.0	0.9
AUSFB	NR	781	1,098	1,118	2	1.5	1.7	1.7	14.2	16.5	17.5	31.4	23.0	18.3	4.1	3.5	3.0
Utkarsh SFB	NR	26	14	22	54	(3.7)	NA	NA	NA	6.9	13.7	13.4	13.0	5.7	0.8	0.9	0.8
YESBK	NR	717	23	21	(8)	0.8	0.9	1.1	7.0	8.5	9.8	20.7	15.9	12.6	1.4	1.3	1.2
IDFCB	NR	733	87	91	5	0.4	0.9	1.1	3.8	8.3	10.9	45.3	18.4	12.8	1.6	1.5	1.3
BOI	NR	627	145	149	3	1.0	0.9	0.9	12.6	11.3	11.3	6.3	6.4	5.8	0.7	0.7	0.6
Indian	NR	1,115	897	1,011	13	1.3	1.3	1.3	16.5	16.7	16.3	9.9	9.1	8.2	1.5	1.4	1.3
BOMH	NR	621	82	99	21	1.8	1.7	1.6	22.8	21.3	20.0	9.0	8.1	7.3	1.9	1.6	1.4

Source: Company, Bloomberg consensus for companies not covered, Antique Research

Outlook going ahead

PSU and Private banks' credit outlook broadly converge..

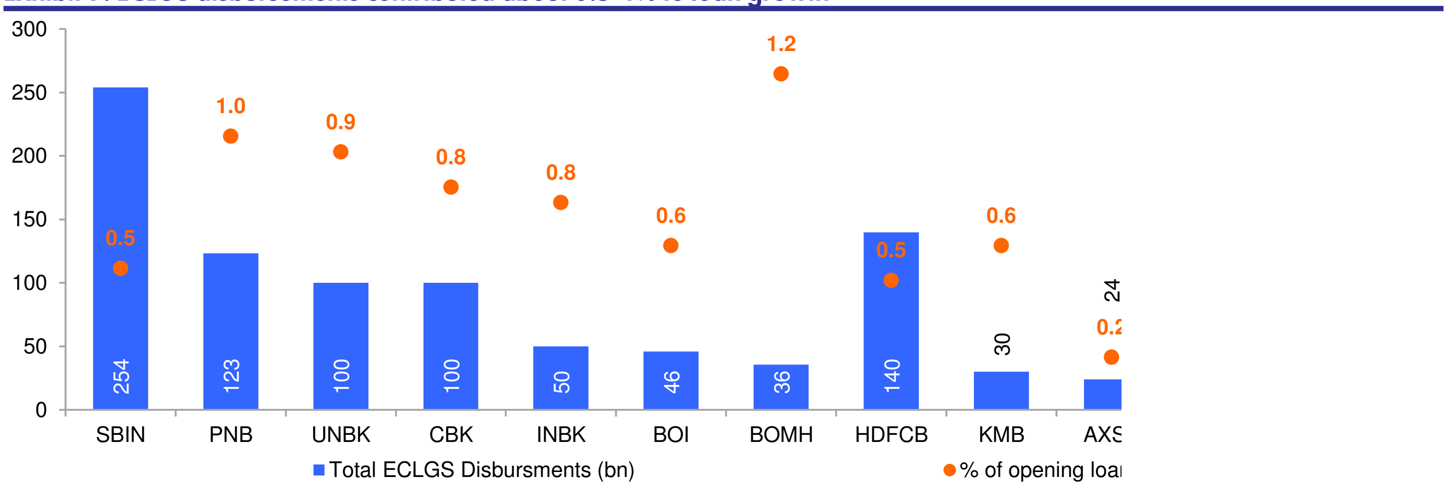
Exhibit 8: Bottom up assessment of loan growth CAGR (FY26-28E) points toward convergence of PSU and Private banks' credit growth



Source: Company, Antique Research

Loan growth for the banking sector improved from 15% YoY in 4QFY26 to 17% YoY in 1QFY27, led by the continuation of strong growth in corporate and SME. We have increased our loan growth estimates by 50-100bps for most private banks and Union and Canara within PSU banks. While in the near term credit growth is expected to be supported by improved liquidity, in the medium term intensifying competition in the deposit market leaves less scope to sustain a strong credit growth especially in the face of elevated LDRs and reducing LCRs for PSU banks. (LCR in the current quarter has increased due to implementation of new LCR guidelines in April 2026). Consequently, we expect PSU banks' credit growth to converge with that of private banks driven by growth pick up for HDFCB and IIB. Consequently, we now estimate FY26-28 loan growth CAGR of ~15% for both Pvt and PSU banks vs our earlier estimate of 14% CAGR. **Key risk to growth would be higher inflation resulting in higher interest rates and eventually dampening credit demand and credit growth.**

Exhibit 9: ECLGS disbursements contributed about 0.5-1% to loan growth



Source: Company, Antique Research

Table 4: 4Q growth driven by corporate segment with LDR elevated and limited LCR buffer remaining

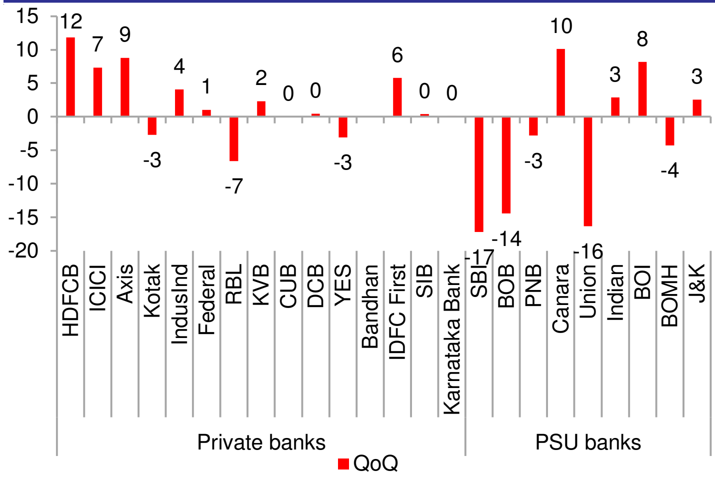
	Loan growth	RAM			Corporate			LDR		LCR		NIM	
	1QFY27	Mix (%)	QoQ (%)	YoY (%)	Mix (%)	QoQ (%)	YoY (%)	%	QoQ (bps)	4QFY26	1QFY27	%	QoQ (bps)
HDFC	16	73	3	14	27	4	19	95.8	120	114	115	3.23	-8
ICICI	20	77	4	19	23	8	22	89.0	238	124	122	4.23	4
Axis	19	66	1	11	34	5	38	91.9	-46	117	119	3.24	-10
Kotak	15	79	5	16	21	5	15	89.4	278	134	144	4.22	-8
IndusInd	-2	63	-1	-4	37	11	1	78.7	-27	118	127	3.76	16
Federal	15	64	3	13	36	4	14	86.7	240	120	117	3.17	14
RBL	23	70	-2	17	30	11	39	93.1	1093	130	133	3.84	-38
KVB	17	86	6	18	14	6	12	84.9	3	125	124	4.17	6
CUB	26	90	3	29	10	-12	1	84.3	17	121	150	3.48	-4
DCB	17	93	0	15	8	0	42	80.5	-220	123	130	3.22	1
YES	18	69	0	10	31	14	41	90.4	468	119	138	2.79	4
Bandhan	18	86	0	13	14	4	31	92.0	175	136	134	5.79	6
IDFC First	21	79	4	18	21	11	30	94.4	-80	114	116	6.11	10
SIB	19	60	2	20	40	8	12	82.1	165	120	132	2.97	26
PSU													
SBI	19	57	3	18	43	1	19	74.2	115	124	126	2.65	6
BOB	18	51	2	17	49	-3	18	83.3	-15	127	127	2.57	-8
PNB	14	54	2	13	46	0	13	72.1	-26	126	141	2.29	6
Canara	19	59	5	21	41	4	14	80.9	127	117	115	2.21	3
Union	13	55	2	12	45	2	14	82.7	303	114	121	2.74	12
Indian	15	61	3	15	39	2	12	78.7	43	123	127	3.06	4
BOI	20	49	2	20	51	4	18	81.7	-6	111	114	2.39	-6
BOMH	27	61	4	25	39	6	30	87.6	546	118	118	3.61	-9
J&K	27	62	-1	9	38	14	65	73.9	-25	NA	NA	3.41	-18
SFBs													
AU	26	90	3	26	10	6	-3	87.9	-10	119	119	5.67	-11
Equitas	29	96	4	24	4	-8	216	91.3	-54	161	178	6.85	-14
Suryoday	27	90	9	34	10	6	23	91.3	-77	NA	NA	6.74	-53
Ujjivan	29	92	5	30	8	10	18	87.2	16	NA	NA	8.26	6

Source: Company, Antique Research *For PSU banks, LDR is domestic LDR, ** QoQ change in asset mix represents increase /decrease in corporate mix. ** Red indicates high risk while Green indicates low risk to growth.

While corporate and MSME growth improved across players, retail growth remained weak for private banks mainly due to weakness in home loans and auto loans, where private banks registered a single digit YoY growth while PSU banks delivered mid-teens YoY growth. Margin outcome was weaker than expected for private banks due to decline in loan yields given higher corporate growth in the last 2 quarters, and seasonally higher interest reversals on KCC slippages. On the other hand, PSU banks delivered a margin improvement, slightly higher than expectations, mainly led by an improved RAM mix and lower funding costs. LCR in the current quarter has increased due to implementation of new LCR guidelines in April 2026.

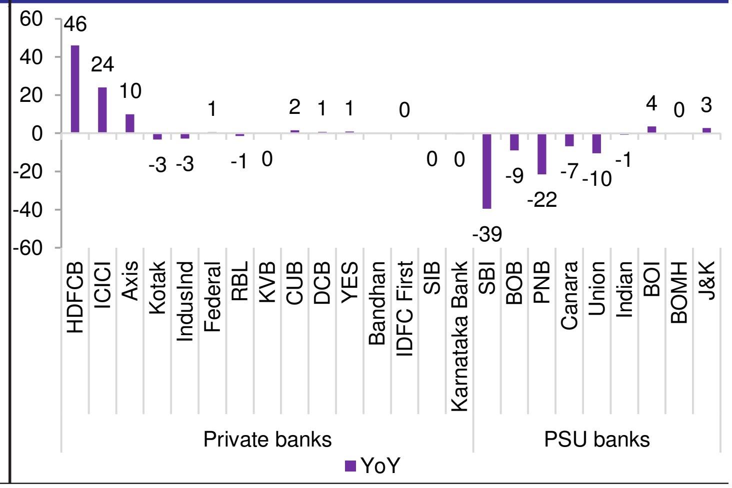
PSU banks continue to lose deposit market share, albeit 2Q to be supported by FCNR (B) flows.

Exhibit 10: PSU banks continued to lose market share in deposits



Source: Company, Antique Research

Exhibit 11: In the last 1 year, PSU banks have cumulatively lost ~30bps of deposit market share.



Source: Company, Antique Research

While 1Q was a seasonally weak quarter, PSU banks continued to lose deposit market share, and over the last 1 year, they have cumulatively lost ~30bps of deposit market share.

Table 5: Private banks to see higher contribution to deposit growth in 2Q as compared to PSU banks.

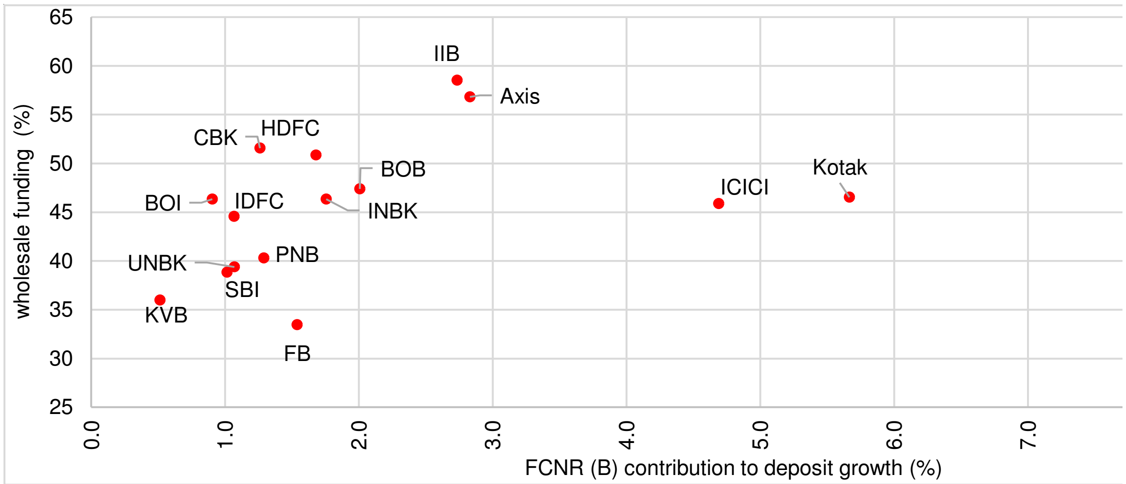
FCNR (B) - USD	05-Jun-26	30-Jul-26	Gross Chg ($, Mn)*	Bank's Target ($, Mn)	Target Estimate** ($, Mn)	1QFY27 deposits ($ Mn)	FCNR contribution to deposit growth in 2QFY27 (%) #
SBI	9,698	13,822	7,712	10,000	10,000	6,00,58,052	1.0
BOB	2,829	3,874	2,092	4000-5000	4,500	1,63,35,588	2.0
PNB	431	1,401	1,129	2,500	2,500	1,72,48,373	1.3
CBK	971	1,904	1,293	2,500	2,500	1,61,16,849	1.3
INBK	510	1,345	1,024	1500-2000	1,750	84,45,780	1.8
BOI	779	986	496	1,200	1,200	95,79,239	0.9
UNBK	823	951	433	1500-2000	1,750	1,28,33,658	1.1
ICICI	2,366	6,064	4,573		9,925	1,83,35,858	4.7
Kotak	685	2,344	1,913		3,669	57,28,200	5.7
Axis	3,081	4,667	2,726		5,229	1,37,29,357	2.8
HDFC	4,015	5,423	2,894		7,087	3,17,08,301	1.7
RBL	257	814	652		1,250	12,48,290	8.8
IIB	1,507	1,863	913		1,752	41,47,660	2.7
FB	777	910	420		806	32,01,180	1.5
IDFC	298	428	240		460	31,18,919	1.1
SIB	420	471	206	1,000	395	12,58,166	1.8
KVB	130	142	60	260-390	115	12,25,870	0.5
Private	**14,946**	**25,677**	**16,260**				
PSU	**16,749**	**25,589**	**15,037**				
Others	**863**	**9,283**	**8,739**				
Total	**32,559**	**60,549**	**40,037**		**76,800**		

Source: RBI, Company, Antique Research.;
*Gross change is o/s deposits as of 30-Jul-26 - 63% of o/s deposits as of 5-Jun-26 assuming 37% of the o/s deposits prior to the scheme are redeemed for the current scheme;
**Total FCNR (B) flows = 56.8bn mobilised until 13 Aug 2026 + Assume $20bn of mobilisation in rest of Aug vs 15bn mobilised in 1st half of August.;
FCNR contribution to deposit growth assuming out of the total FCNR (B) deposits mobilized, deposits replenishing the maturing deposits in the back-book are about 37% of the opening book.

While deposit flows in 2Q could be largely aided by higher FCNR (B) flows, private banks are likely to contribute more to sequential growth in 2Q than PSU banks. Our analysis in the above (Table 5) shows that key beneficiaries include ICICI, KMB, RBL, IIB, Federal.

Players with higher share of bulk deposits to benefit more due to substitution effect.

Exhibit 12: Players with a higher share of wholesale funding to benefit more due to substitution with FCNR deposits. Key beneficiaries include RBL, Kotak, Axis, IIB.



Source: Company, Antique Research *Wholesale funding = non-retail LCR deposits + borrowings

Table 6: FCNR Peak rates are lower than peak retail TD rates across most players.

	FCNR Peak rates			Retail FD rates			
	09-Jun-26	10 & 11 Jun'26	current	1-2Y	2-3Y	>3Y	Peak rates
SBI	3.35	6.00	6.00	6.25-6.45	6.45	6.05-6.30	6.45
BOB	3.35	6.00	6.50	6.25-6.75	6.25	5.5-6.3	6.75
PNB	3.24	6.10	6.50	6.25-6.6	6.30	6.00-6.35	6.60
Canara	3.70	6.50	6.50	6.25-6.6	6.25	6.25	6.60
Union	3.40	6.60	6.60	6.2-6.55	6.1-6.15	6.00	6.55
Indian	3.50	6.50	6.50	6.2-6.8	6.15-6.75	6-6.05	6.75
BOI	3.35	6.50	6.50	6.50	6.60	6-6.7	6.70
HDFCB	3.65	6.00	6.25	6.25-6.45	6.45	6.15-6.50	6.50
ICICIB	3.35	6.00	6.25	6.25-6.3	6.45	6.50	6.50
Axis	3.25	6.00	6.25	6.25-6.5	6.50	6.50	6.50
Kotak	3.40	6.15	6.25	6.35-6.55	6.80	6.25-6.40	6.80
Federal	3.75	6.25	6.25	6.25-6.6	6.40	6.4-6.7	6.70
DCB	3.50	7.13	7.50	6.90-7.1	6.9-7.5	7.0-7.5	7.50
CUB	3.25	7.10	7.10	6.5-7.25	6.50	6.25	7.25
KVB	2.88	7.00	7.10	6.55-7.20	6.55	6.25-6.55	7.20
YES	4.00	6.60	6.60	6.65-7.25	6.90-7.00	6.75-7	7.25
AU	4.45	7.10	7.40	7-7.1	7.1-7.4	6.75-7.00	7.40
RBL	4.55	6.35	6.35	7-7.2	7.20	6.7-7.00	7.20

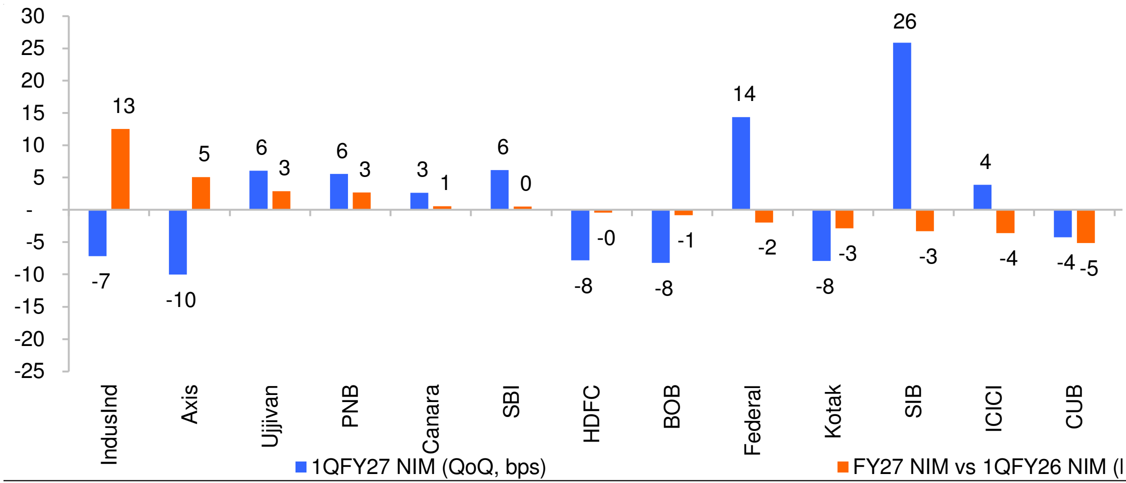
Source: Company, Antique Research *Wholesale funding = non-retail LCR deposits + borrowings

Players with a higher share of wholesale funding will benefit more due to substitution with FCNR deposits which are also exempt for CRR and SLR requirements which is expected to add around ~10 bps to spreads. Key beneficiaries include RBL, Kotak, Axis, IIB. On the other hand, players with a lower share of wholesale funding are likely to see near-term margin pressure due to limited scope available to offset yield pressures due to an increase in the share of overseas loans resulting from leveraged deposits. These include players like Federal, IDFC and ICICI.

Margins to remain under pressure due to headwinds on both liability and asset sides.

Considering the higher sensitivity of bank earnings to margins vis-a vi balance sheet growth, key variable to further earnings revision of the banks would be the profitability of the incremental FCNR B deposits. We expect margins to remain under pressure in FY27 due to **(i) liability-side headwinds** due to elevated competitive intensity resulting from **(a)** elevated system-wide CDR levels, **(b)** impact of the retail TD rates hikes taken in FY26/1QFY27 **(i) asset side headwinds** from **(a)** higher growth in lower-yielding corporate book in recent quarters, and the trend is expected to continue as incremental funds mobilized via FCNR (B) are likely to be largely deployed in corporate loans. **(b)** Increasing proportion of the lower margin overseas portfolio partially built to provide leverage to the FCNR B deposit holders.

Exhibit 13: Ex of the FCNR (B) impact, NIMs to reflect impact from lower yielding assets and transmission of the deposit rate hikes taken un 4QFY26.

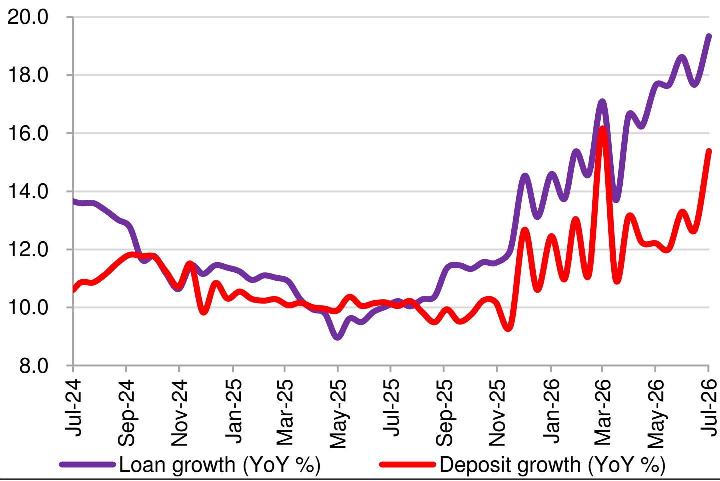


Source: Company, Antique Research

Going forward, we expect margins to remain range bound for PSU banks and large private banks and PSUs and margins to decline for the smaller privates, on increasing retail TD rates. Within large privates, margins are expected to be range bound with a 5-10bps of downside potential depending upon the level of overseas credit book built to fund the FCNR B deposits. For mid-sized private banks, we expect NIM to be decline over the rest of the quarters with IIB and Federal being relatively better placed due to (i) IIB – on lower interest reversals and pickup in MFI and overall loan growth, (ii) Federal to see a relatively lower margin decline than other mid-sized peers due to offsets available from continued asset and liability mix changes.

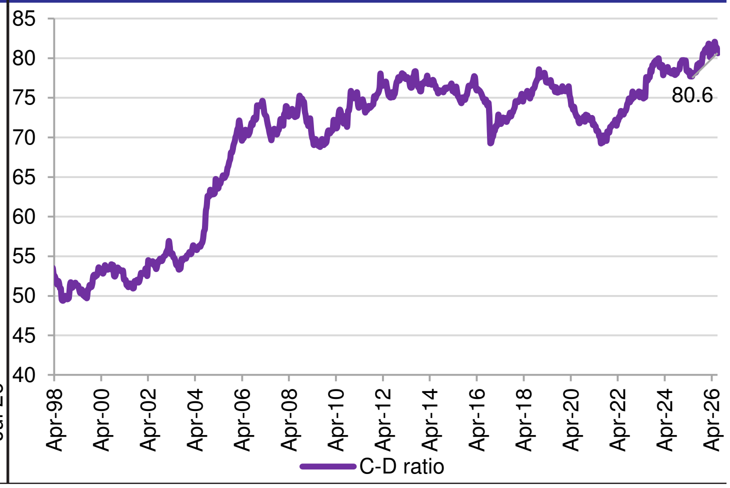
(A) System-wide C-D ratio at all-time high……

Exhibit 14: Loan growth has outpaced deposit growth consistently, resulting in



Source: Company, Antique Research

Exhibit 15: All-time high system-wide CDR

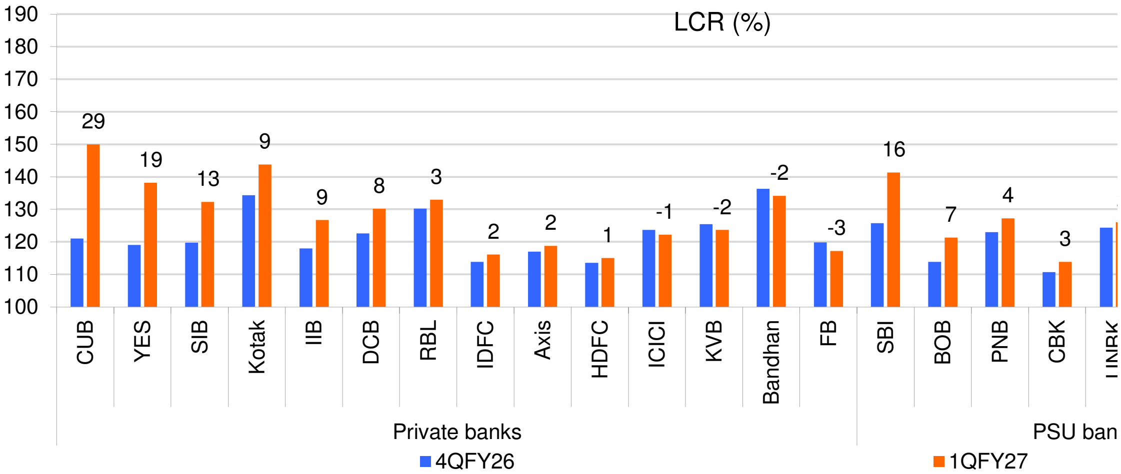


Source: Company, Antique Research

Loan growth has consistently outpaced deposit growth, which has resulted in the system-wide C-D ratio remaining elevated at 81% (as of 31-Jul'26). While we acknowledge that the focus on C-D ratios has reduced under the new RBI regime, the C-D ratio is unlikely to contribute materially towards margin management going forward.

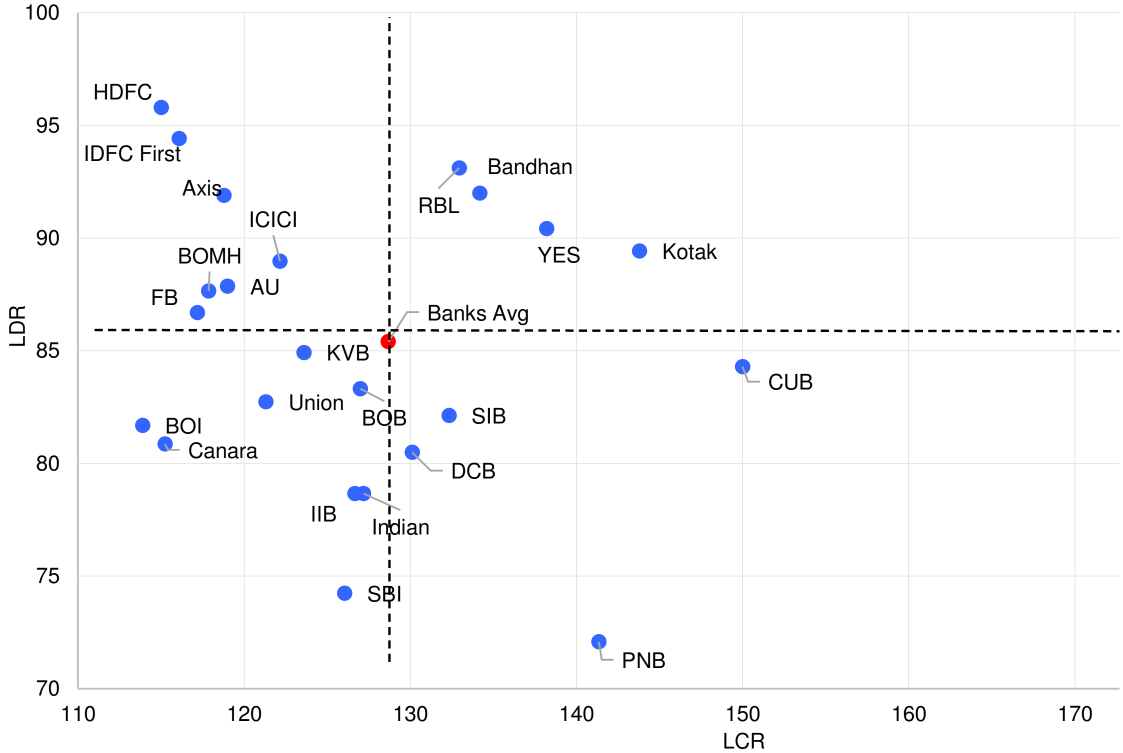
(B) ….along with lower LCR, especially for PSU banks.

Exhibit 16: New guidelines aided LCR expansion for KMB, IIB, CUBK, YES, SIB and PNB



Source: Company, Antique Research *Data labels indicate QoQ change in percentage points.

Exhibit 17: Within PSU banks, CBK, BOI, BOMH and within private banks HDFC, Axis, IDFC likely to face deposit mobilization pressures



Source: Company, Antique Research

LCR in the current quarter benefited from the implementation of new LCR guidelines. As such, (i) within PSU banks, SBI and PNB remain relatively better placed vs the other PSU banks given a relatively lower domestic LDR and LCR hovering around 125% levels, while BOI/BOMH are likely to face growth/margin risk given a high LDR of 82%/88% and lowest LCR of 111/118% respectively. (ii) Within private banks, ICICI, Kotak, and RBL remain relatively better placed, while HDFC, Axis, and IDFC are likely to face growth and margin constraints due to higher LDR and low LCR.

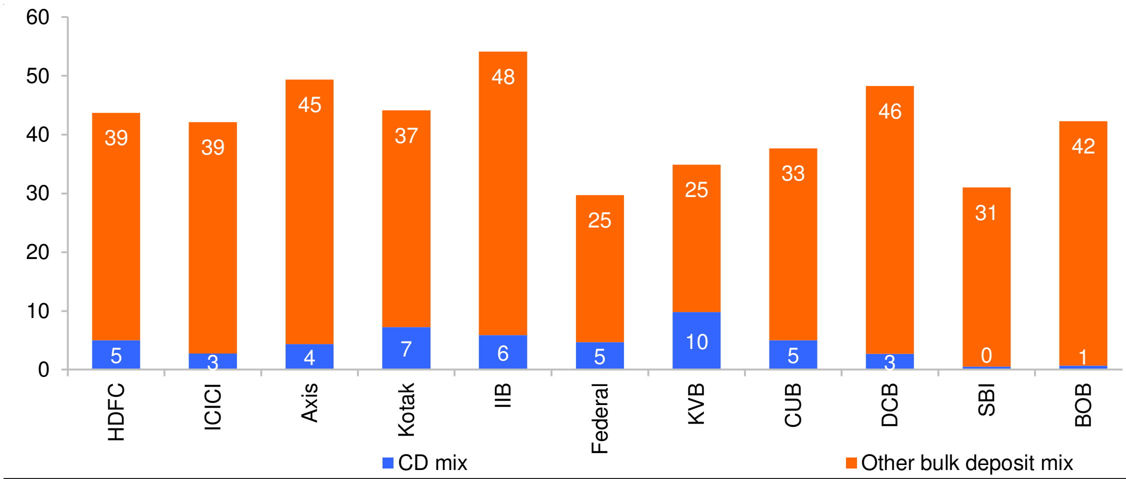
(C) Hardening of wholesale deposit rates to impact BoB, Canara, Axis, IIB, DCB.

Table 7: While CD rates have softened in the last 2 quarters, they still remain elevated as compared to rates 1 yr ago.

Weighted avg CD rates (%)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	YoY (bps)	QoQ (bps)	Last reported CD rates vs 2QFY26
HDFCB	7.3	7.3	7.4	7.5	6.2	6.1	6.1	7.2	6.9	6.8	74	-11	74
AXSB	7.4	7.6	7.4	7.6	6.3	6.1	6.3	7.1	7.2		-	-	112
ICICIBC		7.6	7.5	7.5		5.5	5.9	6.9	6.7		-	-	122
KMB	7.6	7.5	7.5	7.6	6.3	6.4	6.3	6.9			-	-	58
FB	7.3	7.7	7.5	7.8	6.5	5.6	6.2	7.1	6.7	6.9	129	25	129
KVB	7.4	7.5	7.4	7.7	6.2	6.0	6.2	7.1	7.1	6.7	63	-40	63
CUB						6.1	6.4	7.8	7.6	7.3	115	-32	115
DCB	7.7	7.7	7.8	7.9	6.5	6.4	6.5	7.6	7.5		-	-	117
AUBANK		7.7	7.9	7.9	7.1	6.7	6.8	7.5	7.8	7.4	69	-36	69
IDFCB	7.3	7.3	7.5	7.7	6.2	6.1	6.4	7.1	6.9	7.2	113	32	113
BOB	7.2	7.2	7.3	7.5	6.4	6.0	6.2	7.0	7.0	6.6	53	-43	53
CBK	7.2	7.3	7.5	7.5	6.1	5.9	6.2	7.1	6.9	6.8	96	-10	96
IIB	7.3	7.3		7.8	6.9	6.5	6.5	7.4	7.0		-	-	50
SBIN		7.2	7.1			5.5		6.0			-	-	50
PNB	7.2	7.3	7.3	7.5	6.2	5.8	5.9	7.0	6.5	6.4	62	-13	62
UNBK	7.2	7.2	7.3	7.5	6.0	5.9	6.2	7.0	6.7	6.8	91	6	91
BOI	7.4	7.3	7.4	7.6	6.2	5.8	6.1	7.1	6.4	6.1	30	-33	30
RBL	7.5	7.8	7.5	7.9		6.3	6.4	7.3	7.0		-	-	64
INBK	7.2	7.2	7.3	7.5	6.4	5.9	6.1	6.9	6.8	6.8	95	3	95

Source: Company, Antique Research

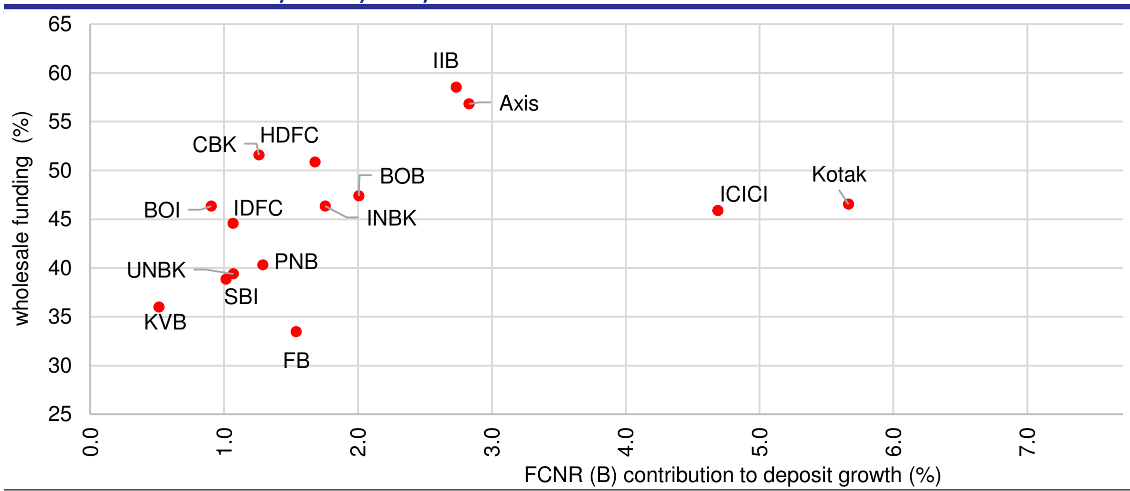
Exhibit 18: Increase in wholesale deposit rates to impact IIB, DCB, Axis, Canara, BOB, having higher bulk deposit mix.



Source: Antique Research *Other bulk deposits = Total deposits – LCR deposits - CDs

While CD rates have softened in the last 2 quarters, they remain elevated compared to rates 1 yr ago; consequently, other bulk/institutional deposit rates are also likely to remain elevated. **While banks are likely to reduce the bulk deposit share as a substitution effect from FCNR (B) flows takes place, repricing of the bulk deposit back-book (from 1yr ago) is likely to cause margin headwinds**. Consequently, banks like BOB and Canara among PSU banks, and Axis, IIB, and DCB among private banks, with Canara in PSU banks and Axis, IIB, and DCB in private banks having higher reliance on wholesale deposits, face margin risks. That said, Axis and IIB are also likely to benefit from higher FCNB (B) flows.

Exhibit 19: Players with a higher share of wholesale funding to benefit more due to substitution with FCNR deposits. Key beneficiaries include RBL, Kotak, Axis, IIB.



Source: Company, Antique Research *Wholesale funding = non-retail LCR deposits + borrowings

(D) Mid-size banks to face higher margin pressures from increase in retail TD rates in last 6M.

Table 8: Peak retail TD rates as of Aug'26

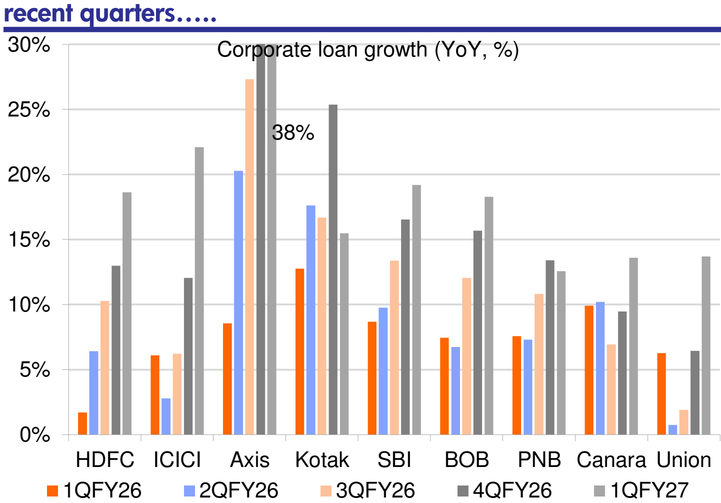
Peak TD rates (< 3 Cr)	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	1M	2 M	3 M	6 M	1 Y
SBI	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.45	0.00	0.00	0.00	0.00	0.00
BOB	6.60	6.60	6.60	6.60	6.60	6.60	6.45	6.45	6.45	6.45	6.45	6.45	6.75	6.75	0.00	0.30	0.30	0.30	0.15
BOI	6.70	6.50	6.50	6.50	6.50	6.50	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	0.00	0.00	0.00	0.00	0.20
Canara	6.60	6.50	6.50	6.50	6.50	6.15	6.50	6.50	6.60	6.60	6.60	6.60	6.60	6.60	0.00	0.00	0.00	0.10	0.10
PNB	6.70	6.60	6.60	6.60	6.60	6.50	6.40	6.40	6.60	6.60	6.60	6.60	6.60	6.60	0.00	0.00	0.00	0.20	0.00
Union	6.60	6.60	6.60	6.60	6.60	6.30	6.30	6.60	6.60	6.60	6.60	6.65	6.65	6.55	-0.10	-0.10	-0.05	-0.05	-0.05
ICICI	6.60	6.60	6.60	6.60	6.60	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	0.00	0.00	0.00	0.00	-0.10
Axis	6.60	6.60	6.60	6.60	6.60	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.50	6.50	0.00	0.05	0.05	0.05	-0.10
HDFC	6.60	6.60	6.60	6.60	6.60	6.45	6.45	6.45	6.45	6.45	6.45	6.45	6.50	6.50	0.00	0.05	0.05	0.05	-0.10
Kotak	6.60	6.60	6.60	6.60	6.60	6.70	6.70	6.70	6.70	6.80	6.80	6.80	6.80	6.80	0.00	0.00	0.00	0.10	0.20
IIB	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	0.00	0.00	0.00	0.00	0.00
Federal	6.70	6.70	6.70	6.70	6.70	6.75	6.75	6.75	6.75	6.75	6.75	6.80	6.80	6.70	-0.10	-0.10	-0.05	-0.05	0.00
IDFC	6.75	6.75	6.75	6.75	6.70	7.00	7.00	7.00	7.00	7.25	7.25	7.25	7.35	7.25	-0.10	0.00	0.00	0.25	0.50
AU	7.10	7.10	7.10	7.10	7.10	7.10	7.10	7.10	7.10	7.25	7.25	7.25	7.40	7.40	0.00	0.15	0.15	0.30	0.30
RBL	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	0.00	0.00	0.00	0.00	0.00
CUBK	6.75	6.75	6.75	6.75	6.75	6.75	7.00	7.00	7.00	7.00	7.00	7.25	7.25	7.25	0.00	0.00	0.25	0.25	0.50
KVB	6.80	6.65	6.65	6.65	6.80	6.80	6.80	6.80	6.80	7.20	7.20	7.20	7.20	7.20	0.00	0.00	0.00	0.40	0.55
DCBB	7.40	7.20	7.20	7.20	7.20	7.15	7.15	7.15	7.15	7.15	7.15	7.50	7.50	7.50	0.00	0.00	0.35	0.35	0.30
Equitas	7.80	7.60	7.60	7.40	7.30	7.30	7.20	7.20	7.20	7.40	7.40	7.40	8.00	8.00	0.00	0.60	0.60	0.80	0.40
Avg	**6.82**	**6.77**	**6.77**	**6.76**	**6.76**	**6.72**	**6.74**	**6.76**	**6.77**	**6.83**	**6.83**	**6.87**	**6.93**	**6.92**	**-0.02**	**0.05**	**0.09**	**0.16**	**0.15**

Source: Company, Antique Research *Red cells indicate a cut in peak rates, Green cells indicate an increase in peak rates

Retail TD rates have increased over the last 6 months mainly amongst the mid size banks like IDFC, CUB, KVB, DCB, AU, Equitas. While august has seen a slight softening of rates, the trend remains a key monitorable over the next few months.

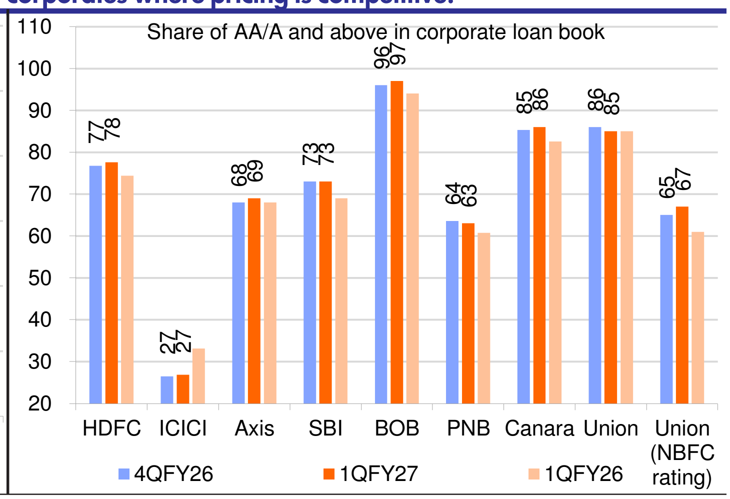
(E) Yield pressure resulting from higher growth in low yielding corporate loans.

Exhibit 20: Increase in corporate loan growth in the recent quarters.....



Source: Company, Antique Research *Corporate = domestic corporate + overseas loans

Exhibit 21: ......it was mainly led by credit to higher rated corporates where pricing is competitive.

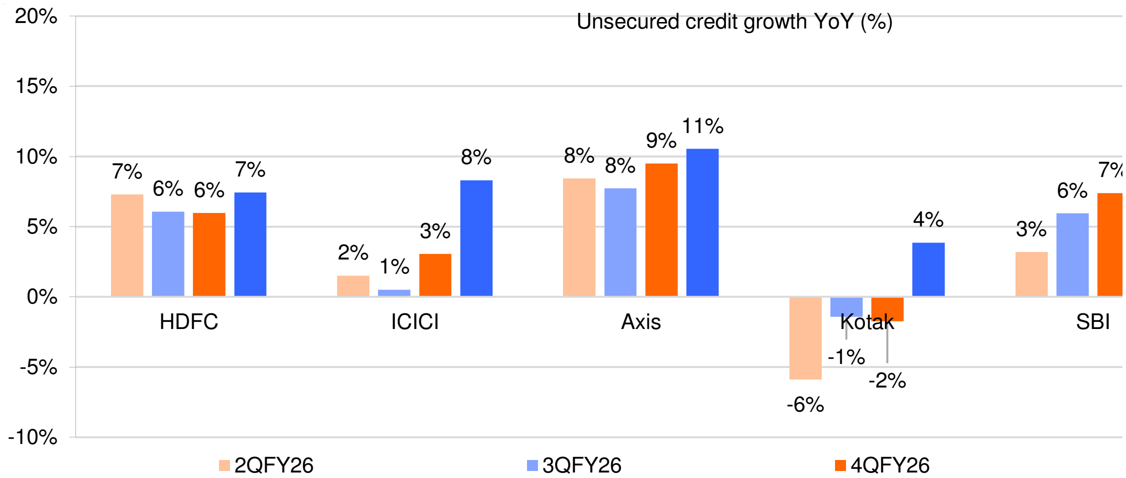


Source: Company, Antique Research *A and above for BoB, Canara, Union. **AAA for Union bank (NBFC rating)

In the recent quarters, corporate loan growth has increased across private and PSU banks, along with an increase in the share of low-yielding, higher-rate corporate loans (AA/AAA). While With the WA crisis ongoing, we expect the mix to continue to favor the better rated corporates with banks vary of going down the risk curve in search of yields. While the current quarter benefitted from the repricing of the shorter tenure T-bill linked loans due to an increase in T-Bill rates by 40-50bps from Apr'26 lows, the trend is unlikely to persist as rates have moved back to their Mar, Apr levels.

(F) Unsecured credit growth has picked up marginally across players

Exhibit 22: Unsecured credit growth has picked up marginally across players



Source: Company, Antique Research

High-yielding unsecured credit growth has picked up marginally across most players, providing margin offsets to deposit cost headwinds in 2H. The trend is likely to sustain given that asset quality in unsecured credit has improved materially across most players and credit costs are at 2 year lows with banks like Kotak attributing the reduction in credit costs to lower provisioning requirements in unsecured credit.

Microfinance: Gradual normalization continues with improving asset quality trends

The MFI sector continues to witness a gradual normalization in both growth and asset quality. Sequential loan growth for MFI industry moderated to 0.6% in Q1FY27 vs. 3.0% in Q4FY26, largely reflecting seasonal softness in the first quarter. Despite the slower growth, asset quality remained broadly stable, with collection efficiency holding steady across most lenders. PAR 1-30 DPD increased marginally by 10bps QoQ, in line with seasonal trends, while the overall stressed book continued to improve. PAR 31–90 DPD book remained stable at 0.8%, whereas PAR 91-180 DPD declined to 0.8% from 1.2% in Q4FY26. Importantly, borrower overleveraging continues to ease, with the share of borrowers having e"4+ lenders declining to 2.0% from 2.2% in Q4FY26 and 3.9% a year ago, indicating a sustained improvement in credit discipline. Overall, the sector appears to be moving towards a healthier growth trajectory, supported by improving asset quality and easing borrower leverage.

Table 9: AUM growth continues to increase sequentially for most lenders

		YoY (%)			QoQ (%)			Disburse-	YoY (%)			QoQ (%)		
Company	AUM (bn)	Q3FY26	Q4FY26	Q1FY27	Q3FY26	Q4FY26	Q1FY27	ments(bn)	Q3FY26	Q4FY26	Q1FY27	Q3FY26	Q4FY26	Q1FY27
IndusInd	163	-45.7	-45.7	-42.6	-17.1	-5.0	-2.8	52	-61.2	-41.7	-12.8	172.8	52.3	-4.6
RBL	83	2.4	33.9	52.5	13.7	15.1	7.6	25	144.8	219.7	109.8	22.3	21.1	0.0
Bandhan	526	-10.8	-4.7	-0.3	-3.2	7.6	-2.4	105	15.9	-0.4	-1.9	3.3	6.1	-30.2
Ujjivan	214	4.1	13.3	16.8	4.3	6.9	3.2	46	62.4	32.1	16.5	10.1	11.9	-12.7
Equitas	60	-3.9	27.1	70.1	52.1	11.6	4.6	13	2.4	325.9	404.9	72.0	28.9	-11.2
Suryoday SFB	64	5.2	17.2	23.5	7.0	11.2	7.1	—	76.3	88.3	—	9.0	24.3	—
Jana SFB	101	1.9	8.5	15.7	4.1	6.6	3.9	19	—	—	—	—	13.9	-23.0
Utkarsh SFB	73	-25.5	-23.3	-19.4	-9.4	-1.0	-1.3	16	-3.0	33.8	29.1	21.2	50.0	-25.2
CREDAG	303	7.1	14.0	16.4	2.6	11.4	2.5	61	13.4	28.4	11.9	8.4	44.1	-26.5

Source: Company

Table 10: Slippage ratio continues to improve.

	MFI Slippage ratio (%)				GNPA (%)				Credit cost (%)			
Bank	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY26	Q3FY26	Q4FY26	Q1FY27
IndusInd	13.1	12.6	6.5	2.7	22.1	22.9	19.9	16.3	3.2	2.6	1.9	1.7
RBL	13.0	8.6	5.0	3.4	17.5	10.7	6.2	3.7	2.1	2.5	2.5	2.1
Bandhan	7.5	6.7	4.9	4.6	9.5	6.0	5.8	5.9	3.5	3.4	2.1	1.8
Ujjivan	4.8	3.9	2.7	1.7	2.7	2.9	2.9	2.9	2.8	2.2	1.5	1.2
Equitas	—	—	—	—	7.0	6.6	6.3	3.4	2.3	2.0	1.2	1.4
Suryoday SFB	15.7	10.5	6.2	4.1	21.4	24.3	25.1	24.4	1.5	1.5	1.4	1.1
Jana SFB	—	—	—	—	7.1	6.5	6.8	6.7	2.8	3.5	2.4	2.1
Utkarsh SFB	11.9	10.8	6.3	3.0	—	—	—	—	10.6	10.6	5.6	2.4
CREDAG	—	—	—	—	3.7	4.1	3.2	3.2	8.3	5.4	4.8	2.9

Source: Company, Antique Research

1QFY27 banks' profitability impacted due to higher provisions.

Table 11: Overall banks: RoA declined sequentially due to higher provisions led by higher PLI provisions for PSU banks and seasonally higher slippages in the case of private banks.

INR bn	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Repo Rate	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	5.50	5.50	5.25	5.25	5.25
Net Advances	1,28,540	1,31,096	1,42,900	1,49,183	1,54,465	1,56,738	1,61,666	1,66,475	1,71,844	1,73,224	1,80,242	1,88,398	1,97,838	2,03,360
% QoQ	5%	2%	4%	4%	4%	1%	3%	3%	3%	1%	4%	5%	5%	3%
% YoY	18%	16%	16%	17%	16%	16%	14%	13%	12%	11%	12%	13%	16%	18%
Deposits	1,67,190	1,70,508	1,77,738	1,81,388	1,90,899	1,91,889	1,98,957	2,02,621	2,11,717	2,13,228	2,17,973	2,22,912	2,35,716	2,38,534
% QoQ	5%	2%	4%	2%	5%	0%	4%	2%	4%	1%	2%	2%	6%	1%
% YoY	12%	14%	15%	14%	14%	13%	12%	12%	11%	11%	10%	10%	11%	12%
Total Banks - P&L														
Interest income	3,764	3,972	4,347	4,536	4,699	4,797	4,908	5,037	5,094	5,112	5,108	5,193	5,253	5,440
Interest expenses	2,032	2,229	2,541	2,688	2,782	2,854	2,953	3,064	3,101	3,134	3,103	3,112	3,124	3,232
NII	**1,732**	**1,743**	**1,806**	**1,849**	**1,917**	**1,943**	**1,955**	**1,973**	**1,993**	**1,979**	**2,005**	**2,081**	**2,129**	**2,207**
Other income	664	623	634	634	776	674	797	716	924	971	872	865	832	841
Operating income	**2,396**	**2,366**	**2,440**	**2,482**	**2,694**	**2,617**	**2,752**	**2,689**	**2,918**	**2,950**	**2,877**	**2,946**	**2,961**	**3,048**
Operating expenses	1,162	1,122	1,210	1,314	1,337	1,242	1,290	1,308	1,443	1,348	1,389	1,424	1,456	1,412
PPOP	**1,234**	**1,244**	**1,230**	**1,168**	**1,357**	**1,375**	**1,463**	**1,381**	**1,474**	**1,602**	**1,488**	**1,521**	**1,504**	**1,637**
Provisions	294	257	220	214	218	252	274	228	293	428	298	265	238	307
Profit before tax	**940**	**987**	**1,010**	**954**	**1,139**	**1,123**	**1,188**	**1,153**	**1,181**	**1,174**	**1,190**	**1,256**	**1,266**	**1,329**
Taxes	229	267	256	230	266	287	292	284	284	299	283	298	256	322
Profit after tax	**711**	**719**	**754**	**724**	**873**	**835**	**896**	**869**	**897**	**875**	**907**	**958**	**1,010**	**1,007**
Key ratios														
C-D Ratio	77%	77%	80%	82%	81%	82%	81%	82%	81%	81%	83%	85%	84%	85%
CASA ratio	41%	40%	38%	38%	38%	37%	37%	36%	37%	36%	36%	36%	36%	35%
NIM (% IEA)	3.6%	3.5%	3.5%	3.4%	3.4%	3.4%	3.3%	3.3%	3.2%	3.1%	3.1%	3.1%	3.1%	3.1%
Cost to Income	48.5%	47.4%	49.6%	52.9%	49.6%	47.5%	46.9%	48.7%	49.5%	45.7%	48.3%	48.4%	49.2%	46.3%
Opex/Avg Assets	2.3%	2.1%	2.2%	2.3%	2.2%	2.0%	2.1%	2.0%	2.2%	2.0%	2.0%	2.0%	2.0%	1.9%
GNPA (%)	3.7%	3.6%	3.2%	2.9%	2.7%	2.6%	2.5%	2.4%	2.2%	2.2%	2.0%	1.9%	1.7%	1.7%
NPA (%)	0.9%	0.9%	0.8%	0.7%	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
PCR (%)	76.0%	76.5%	77.2%	77.2%	77.8%	77.7%	77.9%	77.4%	77.8%	77.2%	77.4%	77.0%	77.2%	76.6%
Credit costs (Prov. % Avg. Net Adv)	0.9%	0.8%	0.6%	0.6%	0.6%	0.6%	0.7%	0.6%	0.7%	0.7%	0.7%	0.6%	0.5%	0.6%
Dupont Ratio														
Interest income	7.4%	7.5%	7.8%	7.9%	7.9%	15.7%	7.9%	7.9%	7.7%	7.6%	7.4%	7.4%	7.2%	7.2%
Interest expenses	4.0%	4.2%	4.5%	4.7%	4.7%	9.4%	4.7%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.3%
NII	**3.4%**	**3.3%**	**3.2%**	**3.2%**	**3.2%**	**6.4%**	**3.1%**	**3.1%**	**3.0%**	**2.9%**	**2.9%**	**3.0%**	**2.9%**	**2.9%**
Other income	1.3%	1.2%	1.1%	1.1%	1.3%	2.2%	1.3%	1.1%	1.4%	1.4%	1.3%	1.2%	1.1%	1.1%
Operating income	**4.7%**	**4.5%**	**4.4%**	**4.3%**	**4.5%**	**8.6%**	**4.4%**	**4.2%**	**4.4%**	**4.4%**	**4.2%**	**4.2%**	**4.0%**	**4.0%**
Operating expenses	2.3%	2.1%	2.2%	2.3%	2.2%	4.1%	2.1%	2.0%	2.2%	2.0%	2.0%	2.0%	2.0%	1.9%
PPOP	**2.4%**	**2.4%**	**2.2%**	**2.0%**	**2.3%**	**4.5%**	**2.3%**	**2.2%**	**2.2%**	**2.4%**	**2.2%**	**2.2%**	**2.1%**	**2.2%**
Provisions	0.6%	0.5%	0.4%	0.4%	0.4%	0.8%	0.4%	0.4%	0.4%	0.6%	0.4%	0.4%	0.3%	0.4%
Profit before tax	**1.8%**	**1.9%**	**1.8%**	**1.7%**	**1.9%**	**3.7%**	**1.9%**	**1.8%**	**1.8%**	**1.7%**	**1.7%**	**1.8%**	**1.7%**	**1.7%**
Taxes	0.4%	0.5%	0.5%	0.4%	0.4%	0.9%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.4%
Profit after tax	**1.4%**	**1.4%**	**1.3%**	**1.3%**	**1.46%**	**2.74%**	**1.44%**	**1.36%**	**1.36%**	**1.30%**	**1.32%**	**1.36%**	**1.38%**	**1.33%**
Leverage	12	12	12	11	11	11	11	11	11	11	10	10	10	10
Return on equity	**16.7%**	**16.3%**	**15.6%**	**14.4%**	**16.4%**	**31.0%**	**15.6%**	**14.6%**	**14.4%**	**13.9%**	**13.7%**	**14.0%**	**13.9%**	**13.9%**

Source: Company, Antique

Table 12: Private banks: RoA was flat QoQ as the impact of lower margins was offset by lower opex.

INR bn	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Repo Rate	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	5.50	5.50	5.25	5.25	5.25
Net Advances	49,902	50,986	59,800	62,399	64,288	65,107	66,775	68,079	69,857	70,600	73,390	75,795	79,426	82,279
% QoQ	6%	2%	5%	4%	3%	1%	3%	2%	3%	1%	4%	3%	5%	4%
% YoY	18%	18%	32%	33%	29%	28%	12%	9%	9%	8%	10%	11%	14%	17%
Deposits	57,411	58,881	63,026	64,874	69,492	69,915	72,923	74,103	78,237	78,872	80,338	82,459	88,310	90,043
% QoQ	7%	3%	4%	3%	7%	1%	4%	2%	6%	1%	2%	3%	7%	2%
% YoY	16%	18%	22%	21%	21%	19%	16%	14%	13%	13%	10%	11%	13%	14%
Pvt Banks - P&L														
Interest income	1,502	1,608	1,854	1,941	2,006	2,067	2,109	2,155	2,160	2,188	2,163	2,191	2,218	2,303
Interest expenses	726	817	1,015	1,072	1,109	1,148	1,179	1,214	1,217	1,232	1,204	1,197	1,193	1,248
NII	**776**	**792**	**840**	**868**	**898**	**920**	**930**	**941**	**944**	**955**	**959**	**994**	**1,024**	**1,054**
Other income	286	300	317	335	355	350	372	371	379	512	404	395	392	412
Operating income	**1,062**	**1,092**	**1,157**	**1,203**	**1,253**	**1,270**	**1,302**	**1,313**	**1,322**	**1,467**	**1,363**	**1,389**	**1,416**	**1,466**
Operating expenses	474	504	533	555	592	581	593	598	622	619	634	653	667	658
PPOP	**588**	**588**	**624**	**649**	**661**	**689**	**709**	**714**	**700**	**848**	**729**	**736**	**749**	**809**
Provisions	85	90	83	105	94	102	124	139	133	276	159	144	119	120
Profit before tax	**503**	**498**	**542**	**544**	**567**	**587**	**585**	**576**	**567**	**571**	**570**	**591**	**630**	**689**
Taxes	121	123	119	115	117	142	134	136	135	117	137	138	127	162
Profit after tax	**381**	**375**	**422**	**428**	**450**	**445**	**451**	**439**	**432**	**455**	**434**	**453**	**504**	**527**
Key ratios														
C-D Ratio	87%	87%	95%	96%	93%	93%	92%	92%	89%	90%	91%	92%	90%	91%
CASA ratio	44%	42%	39%	39%	39%	38%	38%	37%	37%	37%	37%	36%	37%	35%
NIM (% IEA)	4.4%	4.3%	4.0%	4.0%	4.0%	4.0%	4.0%	3.9%	3.8%	3.7%	3.7%	3.8%	3.7%	3.7%
Cost to Income	44.6%	46.2%	46.1%	46.1%	47.3%	45.8%	45.5%	45.6%	47.1%	42.2%	46.5%	47.0%	47.1%	44.8%
Opex/Avg Assets	2.5%	2.6%	2.4%	2.4%	2.5%	2.4%	2.4%	2.3%	2.4%	2.3%	2.3%	2.3%	2.3%	2.2%
GNPA (%)	2.1%	2.1%	2.0%	1.9%	1.7%	1.8%	1.7%	1.8%	1.7%	1.8%	1.6%	1.5%	1.4%	1.4%
NPA (%)	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
PCR (%)	76.5%	75.2%	75.3%	74.9%	74.9%	74.0%	73.3%	72.9%	72.8%	71.8%	71.7%	71.3%	72.3%	71.5%
Credit costs (Prov. % Avg. Net Adv)	0.7%	0.7%	0.6%	0.7%	0.6%	0.6%	0.8%	0.8%	0.8%	1.0%	0.9%	0.8%	0.6%	0.6%
Dupont Ratio														
Interest income	8.0%	8.2%	8.4%	8.5%	8.4%	8.5%	8.5%	8.5%	8.2%	8.1%	7.9%	7.9%	7.6%	7.6%
Interest expenses	3.9%	4.2%	4.6%	4.7%	4.7%	4.7%	4.7%	4.8%	4.6%	4.6%	4.4%	4.3%	4.1%	4.1%
NII	**4.1%**	**4.0%**	**3.8%**	**3.8%**	**3.8%**	**3.8%**	**3.7%**	**3.7%**	**3.6%**	**3.5%**	**3.5%**	**3.6%**	**3.5%**	**3.5%**
Other income	1.5%	1.5%	1.4%	1.5%	1.5%	1.4%	1.5%	1.5%	1.4%	1.9%	1.5%	1.4%	1.3%	1.4%
Operating income	**5.6%**	**5.6%**	**5.2%**	**5.3%**	**5.3%**	**5.2%**	**5.2%**	**5.2%**	**5.0%**	**5.4%**	**5.0%**	**5.0%**	**4.9%**	**4.8%**
Opex	2.5%	2.6%	2.4%	2.4%	2.5%	2.4%	2.4%	2.3%	2.4%	2.3%	2.3%	2.3%	2.3%	2.2%
PPOP	**3.1%**	**3.0%**	**2.8%**	**2.8%**	**2.8%**	**2.8%**	**2.9%**	**2.8%**	**2.7%**	**3.1%**	**2.7%**	**2.6%**	**2.6%**	**2.7%**
Provisions	0.5%	0.5%	0.4%	0.5%	0.4%	0.4%	0.5%	0.5%	0.5%	1.0%	0.6%	0.5%	0.4%	0.4%
Profit before tax	**2.7%**	**2.5%**	**2.5%**	**2.4%**	**2.4%**	**2.4%**	**2.4%**	**2.3%**	**2.2%**	**2.1%**	**2.1%**	**2.1%**	**2.2%**	**2.3%**
Taxes	0.6%	0.6%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.4%	0.5%
Profit after tax	**2.0%**	**1.9%**	**1.9%**	**1.9%**	**1.9%**	**1.8%**	**1.8%**	**1.7%**	**1.6%**	**1.7%**	**1.6%**	**1.6%**	**1.7%**	**1.7%**

Source: Company, Antique

Table 13: PSU banks: RoA declined mainly due to higher provisions led by PLI provisions and one-offs.

INR bn	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Repo Rate	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	5.50	5.50	5.25	5.25	5.25
Net Advances	77,523	78,923	81,861	85,496	88,786	90,061	93,223	96,657	1,00,140	1,00,748	1,04,885	1,10,493	1,16,115	1,18,694
% QoQ	4%	2%	4%	4%	4%	1%	4%	4%	4%	1%	4%	5%	5%	2%
% YoY	17%	16%	14%	15%	15%	14%	14%	13%	13%	12%	13%	14%	16%	18%
Deposits	1,08,524	1,10,333	1,13,291	1,15,027	1,19,781	1,20,219	1,24,109	1,26,546	1,31,324	1,32,136	1,35,358	1,38,082	1,44,817	1,45,797
% QoQ	5%	2%	3%	2%	4%	0%	3%	2%	4%	1%	2%	2%	5%	1%
% YoY	10%	12%	11%	11%	10%	9%	10%	10%	10%	10%	9%	9%	10%	10%
PSU Banks - P&L														
Interest income	2,213	2,310	2,436	2,535	2,631	2,656	2,723	2,804	2,854	2,843	2,862	2914	2942	3,038
Interest expenses	1,285	1,389	1,500	1,587	1,644	1,672	1,738	1,812	1,846	1,859	1,857	1,873	1,887	1,937
NII	**928**	**922**	**935**	**948**	**987**	**984**	**985**	**992**	**1,009**	**984**	**1,005**	**1,042**	**1,055**	**1,101**
Other income	370	316	309	290	410	314	414	334	533	445	455	457	426	415
Operating income	**1,297**	**1,237**	**1,244**	**1,238**	**1,397**	**1,298**	**1,399**	**1,326**	**1,542**	**1,429**	**1,460**	**1,498**	**1,481**	**1,516**
Operating expenses	666	596	654	735	717	631	666	679	788	696	721	733	749	714
PPOP	**631**	**642**	**590**	**503**	**679**	**667**	**733**	**647**	**754**	**733**	**740**	**765**	**732**	**802**
Provisions	207	166	134	105	121	143	141	79	148	137	130	113	114	181
Profit before tax	**425**	**476**	**456**	**398**	**558**	**524**	**592**	**568**	**606**	**596**	**610**	**652**	**618**	**622**
Taxes	105	141	134	111	146	142	156	145	147	181	144	157	125	156
Profit after tax	**320**	**334**	**322**	**287**	**412**	**381**	**436**	**423**	**459**	**415**	**466**	**495**	**493**	**466**
Key ratios														
C-D Ratio	71%	72%	72%	74%	74%	75%	75%	76%	76%	76%	77%	80%	80%	81%
CASA ratio	40%	39%	38%	38%	38%	37%	36%	36%	36%	35%	36%	35%	36%	35%
NIM (% IEA)	3.1%	3.0%	3.0%	2.9%	3.0%	2.9%	2.8%	2.8%	2.7%	2.6%	2.6%	2.6%	2.6%	2.6%
Cost to Income	51.3%	48.1%	52.6%	59.3%	51.4%	48.6%	47.6%	51.2%	51.1%	48.7%	49.4%	48.9%	50.6%	47.1%
Opex/Avg Assets	2.1%	1.8%	2.0%	2.1%	2.0%	1.7%	1.8%	1.8%	2.0%	1.7%	1.8%	1.8%	1.7%	1.6%
GNPA (%)	4.8%	4.6%	4.1%	3.7%	3.4%	3.3%	3.1%	2.8%	2.6%	2.5%	2.3%	2.1%	1.9%	1.8%
NPA (%)	1.2%	1.1%	0.9%	0.8%	0.7%	0.7%	0.6%	0.6%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
PCR (%)	75.9%	76.9%	77.9%	78.1%	79.0%	79.2%	79.9%	79.6%	80.3%	80.2%	80.6%	80.3%	80.0%	79.5%
Credit costs (Prov. % Avg. Net Adv)	1.1%	0.8%	0.7%	0.5%	0.6%	0.6%	0.6%	0.3%	0.6%	0.5%	0.5%	0.4%	0.4%	0.6%
Dupont Ratio														
Interest income	6.9%	7.1%	7.3%	7.4%	7.4%	7.4%	7.4%	7.4%	7.3%	7.1%	7.0%	7.0%	6.8%	6.8%
Interest expenses	4.0%	4.3%	4.5%	4.6%	4.6%	4.6%	4.7%	4.8%	4.7%	4.7%	4.6%	4.5%	4.3%	4.3%
NII	**2.9%**	**2.8%**	**2.8%**	**2.8%**	**2.8%**	**2.7%**	**2.7%**	**2.6%**	**2.6%**	**2.5%**	**2.5%**	**2.5%**	**2.4%**	**2.5%**
Other income	1.2%	1.0%	0.9%	0.8%	1.2%	0.9%	1.1%	0.9%	1.4%	1.1%	1.1%	1.1%	1.0%	0.9%
Operating income	**4.1%**	**3.8%**	**3.7%**	**3.6%**	**3.9%**	**3.6%**	**3.8%**	**3.5%**	**3.9%**	**3.6%**	**3.6%**	**3.6%**	**3.4%**	**3.4%**
Operating expenses	2.1%	1.8%	2.0%	2.1%	2.0%	1.7%	1.8%	1.8%	2.0%	1.7%	1.8%	1.8%	1.7%	1.6%
PPOP	**2.0%**	**2.0%**	**1.8%**	**1.5%**	**1.9%**	**1.8%**	**2.0%**	**1.7%**	**1.9%**	**1.8%**	**1.8%**	**1.8%**	**1.7%**	**1.8%**
Provisions	0.6%	0.5%	0.4%	0.3%	0.3%	0.4%	0.4%	0.2%	0.4%	0.3%	0.3%	0.3%	0.3%	0.4%
Profit before tax	**1.3%**	**1.5%**	**1.4%**	**1.2%**	**1.6%**	**1.5%**	**1.6%**	**1.5%**	**1.5%**	**1.5%**	**1.5%**	**1.6%**	**1.4%**	**1.4%**
Taxes	0.3%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.4%	0.4%	0.3%	0.3%
Profit after tax	**1.0%**	**1.0%**	**1.0%**	**0.8%**	**1.2%**	**1.1%**	**1.2%**	**1.1%**	**1.2%**	**1.0%**	**1.1%**	**1.2%**	**1.1%**	**1.0%**

Source: Company, Antique

PSU banks continue to outperform private banks on credit growth

Table 14: PSU banks grew by 18% YoY/ 2% QoQ outperforming private banks which grew by 17% YoY/ 4% QoQ

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
	QoQ growth									YoY growth								
Total Banks	**1.4%**	**3.1%**	**3.0%**	**3.2%**	**0.8%**	**4.1%**	**4.5%**	**5.0%**	**2.8%**	**19.6%**	**13.1%**	**11.6%**	**11.2%**	**10.5%**	**11.5%**	**13.2%**	**15.1%**	**17.4%**
Private Banks	1.3%	2.6%	2.0%	2.6%	1.1%	4.0%	3.3%	4.8%	3.6%	27.7%	11.7%	9.1%	8.7%	8.4%	9.9%	11.3%	13.7%	16.5%
PSU Banks	1.4%	3.5%	3.7%	3.6%	0.6%	4.1%	5.3%	5.1%	2.2%	14.1%	13.9%	13.1%	12.8%	11.9%	12.5%	14.3%	16.0%	17.8%
Small Finance Banks	3.7%	6.2%	4.3%	6.2%	1.6%	4.8%	7.3%	8.8%	3.9%	32.2%	34.5%	35.1%	21.9%	19.5%	17.9%	21.3%	24.4%	27.2%
Private Banks																		
HDFCB	-0.9%	1.3%	0.9%	4.0%	0.3%	4.5%	2.7%	4.1%	3.4%	52.5%	7.0%	3.0%	5.4%	6.7%	10.1%	12.0%	12.1%	15.6%
ICICI	3.3%	4.4%	2.9%	2.1%	1.7%	3.2%	4.1%	6.0%	5.0%	15.7%	15.0%	13.9%	13.3%	11.5%	10.3%	11.5%	15.8%	19.6%
Axis	1.6%	2.0%	1.5%	2.6%	1.8%	5.4%	3.8%	6.4%	2.3%	14.2%	11.4%	8.8%	7.8%	8.1%	11.7%	14.2%	18.5%	19.0%
Kotak	3.7%	2.5%	3.6%	3.2%	4.2%	4.0%	3.8%	3.3%	3.3%	18.7%	14.7%	15.1%	13.5%	14.1%	15.8%	16.0%	16.2%	15.2%
IndusInd	1.3%	2.7%	2.7%	-6.0%	-3.3%	-2.3%	-2.6%	-0.5%	3.3%	15.5%	13.2%	12.3%	0.5%	-4.1%	-8.8%	-13.5%	-8.4%	-2.2%
Federal	5.4%	4.3%	0.0%	1.9%	2.7%	1.4%	4.5%	3.5%	4.9%	20.3%	19.4%	15.7%	12.1%	9.2%	6.2%	10.9%	12.7%	15.0%
RBL	3.2%	1.4%	2.9%	2.4%	2.0%	6.5%	2.5%	10.8%	1.7%	18.6%	15.1%	13.1%	10.3%	8.9%	14.4%	14.0%	23.3%	23.1%
KVB	4.5%	3.4%	3.4%	2.1%	5.9%	3.6%	4.7%	1.7%	6.0%	16.7%	14.5%	14.6%	14.0%	15.6%	15.8%	17.3%	16.9%	17.0%
CUB	0.2%	4.8%	3.4%	5.4%	1.8%	6.9%	5.9%	9.7%	1.5%	10.2%	12.0%	15.0%	14.4%	16.3%	18.7%	21.5%	26.5%	26.1%
DCB	3.1%	5.4%	7.5%	6.8%	0.3%	3.1%	7.2%	6.0%	-0.1%	18.9%	19.3%	22.7%	24.7%	21.4%	18.7%	18.5%	17.6%	17.1%
YES	0.8%	2.4%	4.1%	0.6%	-2.1%	3.8%	2.9%	6.2%	4.3%	14.7%	12.4%	12.6%	8.1%	5.0%	6.4%	5.2%	11.1%	18.3%
Bandhan	0.4%	3.7%	1.1%	3.6%	-2.6%	4.7%	4.8%	6.4%	1.1%	23.8%	23.6%	15.6%	9.0%	5.7%	6.8%	10.8%	13.7%	18.0%
IDFC First	4.1%	6.2%	3.7%	4.5%	4.5%	5.5%	5.0%	3.9%	5.0%	21.0%	23.0%	20.3%	19.8%	20.3%	19.5%	21.0%	20.3%	20.8%
SIB	2.6%	2.6%	2.7%	1.5%	1.6%	3.6%	5.0%	4.8%	4.1%	11.7%	13.2%	12.0%	9.8%	8.7%	9.8%	12.2%	15.8%	18.6%
PSU Banks																		
SBI	1.2%	2.9%	3.8%	4.0%	0.8%	3.9%	6.1%	5.4%	2.3%	15.9%	15.3%	13.8%	12.4%	11.9%	13.1%	15.6%	17.2%	19.0%
BOB	-1.7%	7.0%	2.7%	5.1%	-1.9%	6.0%	5.3%	6.3%	-0.9%	8.8%	12.3%	12.4%	13.5%	13.2%	12.2%	15.1%	16.5%	17.6%
PNB	5.3%	3.6%	4.9%	0.7%	1.3%	3.8%	5.5%	2.4%	1.3%	13.9%	14.6%	16.8%	15.3%	11.0%	11.2%	11.8%	13.7%	13.7%
Canara	1.6%	4.0%	4.0%	2.5%	2.3%	5.3%	3.8%	4.0%	4.7%	10.7%	10.3%	11.2%	12.6%	13.4%	14.8%	14.6%	16.3%	19.0%
Union	0.9%	2.1%	2.6%	3.6%	-0.8%	0.2%	4.5%	6.3%	1.8%	14.0%	11.6%	6.7%	9.5%	7.7%	5.7%	7.7%	10.5%	13.3%
Indian	1.2%	2.3%	1.7%	5.3%	2.3%	3.6%	3.4%	4.7%	2.8%	14.1%	13.2%	10.7%	10.9%	12.1%	13.6%	15.4%	14.7%	15.2%
Bank of India	2.7%	3.8%	5.5%	2.7%	1.2%	5.8%	4.6%	4.4%	3.6%	17.6%	15.6%	16.7%	15.4%	13.8%	15.9%	15.0%	17.0%	19.7%
BOMH	2.7%	4.1%	5.2%	4.9%	0.5%	5.4%	7.7%	6.9%	4.8%	19.5%	19.2%	21.5%	17.9%	15.4%	17.0%	19.8%	22.0%	27.2%
J&K	1.8%	0.7%	-0.2%	8.6%	-2.8%	3.9%	8.0%	8.0%	4.5%	13.0%	9.5%	7.0%	11.1%	6.1%	9.4%	18.3%	17.7%	26.6%
Small Finance Banks																		
AU Small Finance	4.8%	5.8%	5.0%	7.6%	2.6%	5.3%	6.7%	8.8%	3.2%	42.6%	47.8%	49.2%	25.2%	22.5%	22.0%	24.0%	25.4%	26.2%
Equitas	3.1%	6.4%	4.2%	2.3%	-4.1%	4.6%	9.6%	7.3%	4.6%	16.0%	18.1%	21.1%	16.9%	8.8%	7.0%	12.6%	18.1%	28.8%
Suryoday	2.6%	6.3%	5.9%	6.9%	5.5%	2.7%	6.6%	11.8%	3.7%	34.0%	31.0%	29.9%	23.5%	27.0%	22.7%	23.5%	29.1%	26.9%
Ujjivan	0.9%	7.6%	1.5%	6.0%	3.5%	4.0%	7.2%	9.8%	5.6%	22.3%	20.0%	15.6%	16.8%	19.9%	15.9%	22.3%	26.7%	29.2%
Jana	4.7%	2.7%	6.6%	2.4%	2.5%	6.9%	5.9%	7.4%	2.6%	31.0%	18.3%	20.7%	17.5%	14.9%	19.6%	18.8%	24.6%	24.7%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

PSU banks continue to lose market share on deposits.

Table 15: While PSU banks gained market share in advances, they continued to lose market share in deposits with growth of 10% YoY, 0.7% QoQ, lower than private banks' deposit growth of 14% YoY/ 2% QoQ

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
	QoQ growth									YoY growth								
Total Banks	0.5%	3.7%	1.8%	4.5%	0.7%	2.2%	2.3%	5.7%	1.2%	11.8%	11.9%	11.7%	10.8%	11.1%	9.6%	10.0%	11.3%	11.9%
Private Banks	0.6%	4.3%	1.6%	5.6%	0.8%	1.9%	2.6%	7.1%	2.0%	16.5%	15.7%	14.2%	12.6%	12.8%	10.2%	11.3%	12.9%	14.2%
PSU Banks	0.4%	3.2%	2.0%	3.8%	0.6%	2.4%	2.0%	4.9%	0.7%	9.0%	9.5%	10.0%	9.6%	9.9%	9.1%	9.1%	10.3%	10.3%
SFBs	1.4%	9.7%	2.5%	9.3%	3.0%	2.6%	4.1%	9.1%	4.1%	35.6%	35.4%	32.7%	24.6%	26.5%	18.4%	20.3%	20.1%	21.4%
Private Banks																		
HDFCB	0.0%	5.1%	2.5%	5.9%	1.8%	1.4%	2.1%	8.6%	2.1%	24.4%	15.1%	15.8%	14.1%	16.2%	12.1%	11.6%	14.4%	14.7%
ICICI	0.9%	5.0%	1.5%	5.9%	-0.1%	0.3%	2.9%	8.1%	2.2%	15.1%	15.7%	14.1%	14.0%	12.8%	7.7%	9.2%	11.4%	14.0%
Axis	-0.6%	2.3%	0.8%	7.0%	-1.0%	3.6%	4.8%	6.0%	2.8%	12.8%	13.7%	9.1%	9.8%	9.3%	10.7%	15.0%	13.9%	18.2%
Kotak	-0.3%	3.1%	2.6%	5.4%	2.8%	3.1%	2.6%	5.5%	0.1%	15.8%	15.1%	15.9%	11.2%	14.6%	14.6%	14.6%	14.7%	11.7%
IndusInd	3.6%	3.5%	-0.8%	0.4%	-3.4%	-1.9%	1.0%	1.6%	3.6%	14.9%	14.7%	11.0%	6.8%	-0.4%	-5.5%	-3.8%	-2.7%	4.4%
Federal	5.4%	1.1%	-1.0%	6.5%	1.3%	0.5%	3.1%	5.4%	2.0%	19.6%	15.6%	11.2%	12.3%	8.0%	7.4%	11.8%	10.7%	11.4%
RBL	-2.1%	6.5%	-1.1%	3.9%	1.6%	3.5%	2.6%	16.1%	-10.2%	18.4%	20.2%	15.1%	7.2%	11.2%	8.1%	12.1%	25.3%	10.7%
KVB	3.6%	3.8%	3.5%	2.9%	4.5%	3.6%	3.7%	0.9%	6.0%	14.4%	15.4%	15.7%	14.5%	15.5%	15.3%	15.6%	13.3%	14.9%
CUB	-1.4%	4.6%	1.0%	9.6%	3.5%	5.7%	1.5%	11.1%	1.3%	6.2%	8.8%	9.9%	14.1%	19.8%	21.1%	21.7%	23.3%	20.7%
DCB	4.7%	5.5%	3.9%	5.9%	3.3%	4.4%	4.6%	7.1%	2.6%	20.2%	19.9%	20.3%	21.6%	20.0%	18.8%	19.5%	20.9%	20.1%
YES	-0.5%	4.6%	0.0%	2.6%	-3.1%	7.4%	-1.3%	9.0%	-1.1%	20.8%	18.3%	14.6%	6.8%	4.1%	6.9%	5.5%	12.1%	14.3%
Bandhan	-1.5%	7.0%	-1.1%	7.2%	2.3%	2.2%	-0.9%	6.1%	-0.9%	22.8%	27.2%	20.1%	11.8%	16.1%	10.9%	11.1%	10.0%	6.6%
IDFC First	4.5%	6.6%	5.9%	6.4%	5.1%	4.5%	5.2%	1.1%	5.9%	35.8%	30.6%	29.8%	25.7%	26.4%	23.8%	22.9%	16.8%	17.7%
SIB	1.6%	1.9%	-0.1%	2.0%	5.0%	2.4%	2.2%	4.3%	2.0%	8.4%	8.6%	6.3%	5.5%	9.1%	9.7%	12.2%	14.7%	11.4%
PSU Banks																		
SBI	-0.3%	4.4%	2.2%	2.9%	1.7%	2.2%	2.0%	4.8%	0.5%	8.2%	9.1%	9.8%	9.5%	11.7%	9.3%	9.0%	11.0%	9.7%
BOB	-1.5%	4.3%	2.1%	5.7%	-2.5%	4.5%	3.1%	6.6%	-0.9%	8.9%	9.1%	11.8%	10.9%	9.8%	10.0%	11.1%	12.0%	13.8%
PNB	2.8%	3.6%	4.9%	2.4%	1.5%	1.7%	2.7%	3.1%	0.8%	8.5%	11.3%	15.6%	14.4%	12.9%	10.9%	8.5%	9.2%	8.5%
Canara	1.7%	0.9%	1.6%	4.4%	1.0%	3.9%	1.4%	3.1%	2.7%	12.0%	9.3%	8.4%	9.0%	8.1%	11.4%	11.1%	9.7%	11.6%
Union	0.2%	1.5%	-2.0%	4.6%	-2.5%	-0.4%	-1.0%	6.9%	-1.8%	8.5%	9.2%	3.8%	4.2%	1.3%	-0.6%	0.5%	2.7%	3.5%
Indian	-1.0%	1.8%	1.3%	5.0%	1.0%	4.4%	1.8%	4.7%	2.0%	9.6%	8.2%	7.4%	7.1%	9.3%	12.1%	12.6%	12.3%	13.5%
Bank of India	3.6%	1.4%	2.5%	2.7%	2.1%	2.4%	4.0%	4.5%	3.3%	9.7%	10.1%	12.3%	10.7%	9.1%	10.1%	11.6%	13.6%	14.9%
BOMH	-1.2%	3.3%	1.0%	10.1%	-0.7%	1.6%	3.8%	9.0%	-1.7%	9.4%	15.5%	13.5%	13.4%	14.1%	12.1%	15.3%	14.1%	12.9%
J&K	-1.6%	4.0%	2.2%	5.4%	0.0%	2.3%	2.5%	6.1%	4.9%	9.3%	8.9%	9.7%	10.2%	12.0%	10.2%	10.6%	11.3%	16.7%
SFBs																		
AU Small Finance	-0.4%	12.7%	2.3%	10.7%	2.8%	3.8%	4.5%	10.3%	3.3%	40.4%	44.8%	40.1%	27.2%	31.3%	20.8%	23.3%	22.8%	23.5%
Equitas	3.9%	6.2%	2.2%	5.8%	3.0%	-0.6%	-1.0%	6.6%	5.2%	35.4%	29.2%	25.8%	19.3%	18.3%	10.6%	7.2%	7.9%	10.4%
Suryoday	4.6%	8.8%	9.7%	9.0%	6.9%	6.0%	7.3%	8.8%	4.6%	42.2%	38.5%	49.7%	36.0%	39.0%	35.5%	32.5%	32.3%	29.4%
Ujjivan	3.3%	4.8%	1.2%	9.1%	2.6%	1.5%	7.7%	8.2%	5.4%	22.0%	16.9%	16.3%	19.6%	18.8%	15.1%	22.4%	21.4%	24.6%
Jana	5.0%	4.6%	4.3%	12.6%	1.1%	10.6%	3.7%	6.1%	-0.1%	41.1%	31.0%	24.4%	29.0%	24.1%	31.1%	30.4%	22.9%	21.5%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

C-D ratio increased across the board due to a seasonally weak deposit growth.

Table 16: C-D ratio increased across the board due to a seasonally weak deposit growth.

	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Total Banks	**75%**	**76%**	**77%**	**77%**	**77%**	**80%**	**82%**	**81%**	**82%**	**81%**	**82%**	**81%**	**81%**	**83%**	**85%**	**84%**	**85%**
Private Banks	87%	88%	88%	87%	87%	95%	96%	93%	93%	92%	92%	89%	90%	91%	92%	90%	91%
PSU Banks	69%	70%	72%	71%	72%	72%	74%	74%	75%	75%	76%	76%	76%	77%	80%	80%	81%
Small Finance Banks	93%	92%	92%	89%	92%	87%	87%	86%	89%	87%	88%	86%	85%	86%	89%	89%	89%
Private Banks																	
HDFC	87%	88%	87%	85%	84%	107%	110%	104%	104%	100%	98%	96%	95%	98%	99%	95%	96%
ICICI	85%	86%	87%	86%	85%	86%	87%	84%	86%	85%	86%	83%	85%	87%	88%	87%	89%
Axis	87%	90%	90%	89%	91%	94%	93%	90%	92%	92%	93%	89%	91%	93%	92%	92%	92%
Kotak	89%	90%	90%	88%	85%	87%	88%	84%	87%	87%	87%	86%	87%	88%	88%	87%	89%
IndusInd	82%	82%	84%	86%	87%	88%	89%	89%	87%	87%	90%	84%	84%	84%	81%	79%	79%
Federal	83%	85%	83%	82%	82%	83%	83%	83%	83%	86%	86%	83%	84%	85%	86%	84%	87%
RBL	76%	79%	82%	83%	85%	85%	86%	81%	86%	81%	85%	83%	84%	86%	86%	82%	93%
KVB	81%	82%	81%	82%	82%	84%	84%	83%	83%	83%	83%	82%	83%	83%	84%	85%	85%
CUB	82%	84%	84%	82%	80%	81%	82%	82%	83%	83%	85%	82%	81%	82%	85%	84%	84%
DCB	85%	85%	83%	83%	82%	82%	83%	83%	82%	82%	84%	85%	83%	82%	84%	83%	80%
YES	96%	96%	91%	93%	91%	89%	90%	86%	87%	85%	88%	87%	87%	84%	88%	86%	90%
Bandhan	98%	91%	90%	97%	91%	91%	94%	90%	91%	88%	90%	87%	83%	85%	90%	90%	92%
IDFC First	117%	109%	110%	105%	108%	102%	102%	97%	97%	96%	94%	92%	92%	93%	93%	95%	94%
SIB	71%	74%	75%	76%	75%	75%	76%	77%	77%	78%	80%	80%	77%	78%	80%	80%	82%
PSU Banks																	
SBI	70%	70%	73%	72%	71%	71%	74%	75%	76%	75%	77%	77%	77%	78%	81%	82%	83%
BOB	77%	77%	77%	78%	80%	80%	82%	80%	80%	82%	83%	82%	83%	84%	86%	85%	85%
PNB	65%	65%	66%	65%	67%	68%	69%	68%	70%	70%	70%	69%	69%	70%	72%	72%	72%
Canara	67%	70%	70%	70%	72%	72%	73%	71%	71%	73%	75%	73%	74%	75%	77%	78%	79%
Union	68%	70%	71%	68%	68%	71%	74%	71%	72%	72%	76%	75%	76%	77%	81%	81%	84%
Indian	68%	70%	71%	72%	73%	73%	75%	75%	76%	77%	77%	77%	78%	78%	79%	79%	80%
BOI	69%	71%	73%	73%	71%	74%	77%	76%	76%	77%	80%	80%	79%	82%	82%	82%	82%
BOMH	70%	74%	73%	73%	70%	75%	75%	74%	77%	77%	81%	77%	78%	81%	84%	82%	88%
J&K	64%	64%	66%	67%	70%	69%	70%	70%	72%	70%	68%	70%	68%	69%	73%	74%	74%
SFBs																	
AU Small Finance	89%	89%	91%	84%	91%	85%	83%	84%	92%	86%	89%	86%	86%	87%	89%	88%	88%
Equitas	100%	101%	100%	102%	99%	93%	90%	86%	85%	85%	87%	84%	78%	82%	91%	92%	91%
Suryoday	121%	121%	113%	116%	108%	105%	111%	104%	102%	100%	96%	94%	93%	90%	90%	92%	91%
Ujjivan	89%	85%	84%	83%	83%	83%	86%	85%	83%	86%	86%	83%	84%	86%	86%	87%	87%
Jana	102%	103%	106%	109%	110%	111%	106%	102%	102%	100%	103%	93%	95%	91%	93%	95%	97%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Bank spreads declined for private banks while they remained largely stable for PSU bansk.

Table 17: Spreads declined for private banks led by decline in loan yields due to higher corporate growth in the last few quarters, while spreads remained stable for PSU banks due to due to funding cost decline and increase in loan yields.

Interest spreads	1Q26	2Q26	3Q26	4Q26	1Q27	1Q26	2Q26	3Q26	4Q26	1Q27	1Q26	2Q26	3Q26	4Q26	1Q27
	Asset Yields					Cost of Funds					Spreads				
Private Banks															
HDFC	8.35%	8.17%	8.02%	7.67%	7.65%	5.63%	5.48%	5.28%	4.99%	5.07%	2.72%	2.68%	2.74%	2.67%	2.58%
ICICI	8.44%	8.19%	8.09%	7.90%	7.93%	4.93%	4.69%	4.58%	4.40%	4.39%	3.52%	3.50%	3.50%	3.50%	3.54%
Axis	8.13%	7.96%	7.90%	7.56%	7.52%	5.19%	5.02%	4.99%	4.79%	4.86%	2.94%	2.94%	2.90%	2.77%	2.66%
Kotak	8.23%	8.05%	7.96%	7.75%	7.71%	4.87%	4.67%	4.52%	4.29%	4.35%	3.37%	3.39%	3.44%	3.46%	3.36%
IndusInd	9.58%	9.33%	9.37%	9.07%	9.07%	6.67%	6.51%	6.28%	6.06%	5.88%	2.90%	2.82%	3.09%	3.01%	3.19%
Federal	8.02%	8.01%	7.99%	7.75%	7.80%	5.66%	5.53%	5.43%	5.21%	5.10%	2.35%	2.48%	2.56%	2.54%	2.70%
RBL	9.95%	9.90%	10.06%	9.39%	8.91%	6.22%	6.03%	6.03%	5.65%	6.02%	3.74%	3.87%	4.02%	3.74%	2.89%
KVB	8.66%	9.06%	8.68%	8.80%	8.95%	5.63%	5.59%	5.39%	5.24%	5.36%	3.04%	3.48%	3.28%	3.56%	3.59%
CUB	8.49%	8.38%	8.47%	8.32%	8.42%	5.89%	5.67%	5.48%	5.40%	5.54%	2.60%	2.71%	2.99%	2.92%	2.88%
DCB	9.79%	9.72%	9.62%	9.33%	9.34%	7.14%	7.02%	6.87%	6.59%	6.58%	2.66%	2.70%	2.75%	2.74%	2.76%
YES	8.61%	8.29%	8.23%	7.98%	8.04%	5.98%	5.80%	5.69%	5.42%	5.48%	2.63%	2.49%	2.54%	2.55%	2.56%
Bandhan	12.05%	11.65%	11.60%	11.12%	11.16%	6.73%	6.77%	6.59%	6.06%	6.04%	5.32%	4.88%	5.01%	5.06%	5.12%
IDFC	11.44%	11.20%	11.25%	11.18%	11.30%	6.29%	6.17%	6.09%	5.91%	5.94%	5.15%	5.03%	5.16%	5.27%	5.37%
SIB	7.79%	7.59%	7.61%	7.58%	7.61%	5.40%	5.40%	5.31%	5.23%	5.00%	2.39%	2.19%	2.31%	2.35%	2.62%
PSU Banks															
SBI	7.58%	7.52%	7.45%	7.18%	7.21%	5.15%	5.03%	4.94%	4.83%	4.80%	2.44%	2.49%	2.51%	2.35%	2.41%
BOB	7.29%	7.29%	7.08%	6.92%	6.81%	4.99%	4.91%	4.82%	4.63%	4.60%	2.30%	2.39%	2.26%	2.29%	2.21%
PNB	7.38%	7.24%	7.13%	6.92%	6.98%	5.17%	5.09%	5.03%	4.92%	4.91%	2.22%	2.15%	2.10%	2.01%	2.07%
Canara	7.49%	7.44%	7.34%	7.08%	7.12%	5.61%	5.59%	5.53%	5.19%	5.21%	1.88%	1.85%	1.81%	1.88%	1.90%
Union	7.62%	7.40%	7.53%	7.34%	7.41%	5.50%	5.33%	5.26%	5.07%	5.01%	2.12%	2.07%	2.28%	2.27%	2.40%
Indian	7.56%	7.50%	7.51%	7.41%	7.44%	5.04%	4.97%	4.92%	4.84%	4.82%	2.53%	2.53%	2.59%	2.57%	2.61%
BOI	7.19%	7.09%	7.15%	7.08%	6.98%	5.17%	5.17%	5.08%	5.00%	4.95%	2.02%	1.92%	2.08%	2.08%	2.03%
BOMH	7.86%	7.89%	7.86%	7.75%	7.70%	4.56%	4.68%	4.57%	4.39%	4.44%	3.30%	3.21%	3.29%	3.35%	3.26%
J&K	8.46%	8.48%	8.37%	7.91%	8.09%	4.78%	4.87%	4.67%	4.36%	4.73%	3.68%	3.61%	3.71%	3.54%	3.36%
Small Finance Banks															
AU Small Finance	11.26%	11.35%	11.42%	11.24%	11.15%	6.81%	6.73%	6.51%	6.15%	6.18%	4.45%	4.61%	4.91%	5.09%	4.97%
Equitas	12.84%	12.32%	12.65%	13.09%	13.04%	7.53%	7.18%	7.04%	6.83%	6.89%	5.30%	5.14%	5.61%	6.26%	6.15%
Suryoday	13.16%	13.40%	13.63%	13.81%	13.28%	7.38%	7.54%	7.44%	7.20%	7.13%	5.78%	5.86%	6.19%	6.60%	6.15%
Ujjivan	13.79%	14.06%	14.19%	14.10%	14.09%	7.43%	7.26%	6.93%	6.68%	6.61%	6.36%	6.81%	7.27%	7.42%	7.48%
Jana	13.18%	13.13%	13.19%	13.06%	13.18%	7.86%	7.84%	7.69%	7.20%	7.17%	5.32%	5.28%	5.50%	5.86%	6.01%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Table 18: Margins compressed for private banks and increased for PSU banks mainly due to yield on advances decline for privates due to higher corporate mix.

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Total Banks	**3.61%**	**3.61%**	**3.53%**	**3.43%**	**3.40%**	**3.41%**	**3.37%**	**3.33%**	**3.25%**	**3.18%**	**3.09%**	**3.09%**	**3.12%**	**3.06%**	**3.07%**
Private Banks	4.42%	4.40%	4.31%	4.03%	4.02%	4.00%	3.99%	3.96%	3.90%	3.79%	3.75%	3.72%	3.77%	3.71%	3.67%
PSU Banks	3.09%	3.10%	3.01%	2.98%	2.93%	2.97%	2.90%	2.84%	2.76%	2.71%	2.60%	2.61%	2.63%	2.56%	2.60%
Small Finance Banks	7.50%	7.39%	7.23%	7.00%	7.00%	6.84%	7.22%	7.04%	6.63%	6.30%	5.85%	5.96%	6.29%	6.51%	6.40%
Private Banks															
HDFC	4.32%	4.18%	4.06%	3.47%	3.48%	3.47%	3.53%	3.53%	3.49%	3.54%	3.39%	3.36%	3.41%	3.31%	3.23%
ICICI	4.65%	4.82%	4.76%	4.58%	4.50%	4.39%	4.35%	4.33%	4.26%	4.28%	4.25%	4.22%	4.23%	4.19%	4.23%
Axis	4.12%	3.95%	3.88%	3.96%	3.87%	3.82%	3.82%	3.80%	3.77%	3.70%	3.55%	3.53%	3.50%	3.34%	3.24%
Kotak	5.18%	5.29%	5.14%	4.97%	4.99%	4.95%	4.66%	4.69%	4.69%	4.51%	4.32%	4.31%	4.33%	4.30%	4.22%
IndusInd	4.44%	4.43%	4.47%	4.55%	4.65%	4.54%	4.38%	4.21%	4.05%	2.35%	3.62%	3.54%	3.76%	3.60%	3.76%
Federal	3.46%	3.23%	3.10%	3.15%	3.11%	3.10%	3.06%	3.02%	3.04%	2.90%	2.80%	2.97%	3.09%	3.03%	3.17%
RBL	5.08%	4.63%	5.23%	5.24%	5.32%	5.22%	5.36%	4.98%	4.78%	4.65%	4.28%	4.38%	4.54%	4.22%	3.84%
KVB	4.17%	4.13%	4.03%	3.92%	4.14%	3.98%	3.96%	3.97%	3.91%	3.82%	3.64%	4.07%	3.85%	4.12%	4.17%
CUB	3.56%	3.24%	3.31%	3.40%	3.19%	3.29%	3.22%	3.44%	3.42%	3.33%	3.31%	3.38%	3.63%	3.52%	3.48%
DCB	3.92%	4.04%	3.72%	3.58%	3.40%	3.47%	3.26%	3.20%	3.23%	3.13%	3.13%	3.18%	3.23%	3.21%	3.22%
YES	2.78%	2.88%	2.68%	2.54%	2.59%	2.64%	2.65%	2.55%	2.54%	2.57%	2.69%	2.59%	2.69%	2.75%	2.79%
Bandhan	6.37%	7.13%	6.95%	6.88%	6.99%	7.32%	7.32%	7.14%	6.66%	6.23%	6.07%	5.63%	5.74%	5.73%	5.79%
IDFC	6.42%	6.60%	6.46%	6.48%	6.75%	6.63%	6.53%	6.39%	6.27%	6.05%	5.85%	5.76%	5.93%	6.01%	6.11%
SIB	3.35%	3.44%	3.14%	3.15%	3.06%	3.19%	3.08%	3.10%	3.02%	2.95%	2.75%	2.55%	2.66%	2.71%	2.97%
PSU Banks															
SBI	3.14%	3.24%	3.06%	3.02%	2.93%	2.99%	2.90%	2.89%	2.76%	2.76%	2.64%	2.70%	2.74%	2.59%	2.65%
BOB	3.32%	3.37%	3.13%	3.01%	3.01%	3.13%	3.04%	2.98%	2.81%	2.72%	2.68%	2.77%	2.63%	2.65%	2.57%
PNB	2.82%	2.81%	2.74%	2.82%	2.89%	2.84%	2.78%	2.69%	2.69%	2.54%	2.44%	2.38%	2.33%	2.24%	2.29%
Canara	2.75%	2.70%	2.65%	2.64%	2.71%	2.69%	2.51%	2.49%	2.39%	2.38%	2.18%	2.16%	2.12%	2.18%	2.21%
Union	2.97%	2.76%	2.90%	2.95%	2.89%	2.89%	2.83%	2.69%	2.73%	2.73%	2.54%	2.49%	2.66%	2.61%	2.74%
Indian	3.38%	3.29%	3.33%	3.29%	3.21%	3.19%	3.21%	3.17%	3.23%	3.10%	2.95%	2.96%	3.03%	3.02%	3.06%
BOI	3.02%	2.90%	3.04%	2.88%	2.65%	2.78%	2.82%	2.58%	2.49%	2.42%	2.38%	2.28%	2.44%	2.45%	2.39%
BOMH	3.39%	3.52%	3.57%	3.67%	3.69%	3.63%	3.76%	3.71%	3.74%	3.66%	3.67%	3.60%	3.66%	3.70%	3.61%
J&K	4.31%	4.10%	4.10%	4.23%	4.00%	3.94%	4.03%	4.14%	4.18%	3.92%	3.79%	3.69%	3.76%	3.59%	3.41%
Small Finance Banks															
AU Small Finance	5.96%	5.83%	5.62%	5.46%	5.51%	5.21%	6.25%	6.13%	5.89%	5.70%	5.26%	5.39%	5.66%	5.78%	5.67%
Equitas	8.69%	8.77%	8.46%	8.14%	7.98%	7.51%	7.26%	7.04%	6.86%	6.64%	6.12%	5.89%	6.37%	6.98%	6.85%
Suryoday	8.94%	9.40%	9.38%	8.80%	9.37%	9.64%	9.74%	9.62%	8.26%	6.97%	6.57%	6.65%	6.94%	7.26%	6.74%
Ujjivan	10.09%	9.57%	9.62%	9.26%	9.08%	9.64%	9.43%	9.10%	8.24%	7.67%	7.29%	7.70%	8.11%	8.20%	8.26%
Jana	7.79%	7.76%	7.25%	7.87%	7.69%	7.69%	7.57%	7.30%	7.10%	6.65%	6.28%	6.22%	6.38%	6.65%	6.81%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Other income impacted by lower treasury gains.

Table 19: While treasury gains increased largely across the board, other income increased +5% QoQ/ -19% YoY for private banks and declined -3% QoQ/-7% YoY for PSU banks, mainly due to seasonally lower recoveries.

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
POSI (INR bn)	**15**	**5**	**23**	**15**	**26**	**91**	**18**	**30**	**17**	**0**	**158**	**37**	**16**	**5**	**20**
Private Banks	45	48	64	39	44	68	45	88	52	118	142	74	99	2	73
PSU Banks	0	0	1	0	1	0	1	1	1	2	5	1	1	0	0
Small Finance Banks	60	53	87	54	70	160	64	120	70	119	305	112	116	7	93
Total Banks	**15**	**5**	**23**	**15**	**26**	**91**	**18**	**30**	**17**	**0**	**158**	**37**	**16**	**5**	**20**
Other income as % of avg assets															
Total Banks	**1.2%**	**1.3%**	**1.2%**	**1.1%**	**1.1%**	**1.3%**	**1.1%**	**1.3%**	**1.1%**	**1.4%**	**1.4%**	**1.3%**	**1.2%**	**1.1%**	**1.1%**
Private Banks	1.5%	1.5%	1.5%	1.4%	1.5%	1.5%	1.4%	1.5%	1.5%	1.4%	1.9%	1.5%	1.4%	1.3%	1.4%
PSU Banks	1.0%	1.2%	1.0%	0.9%	0.8%	1.2%	0.9%	1.1%	0.9%	1.4%	1.1%	1.1%	1.1%	1.0%	0.9%
Small Finance Banks	1.7%	2.0%	1.7%	1.9%	1.9%	2.2%	1.8%	1.9%	1.7%	2.0%	2.1%	1.8%	1.9%	1.8%	1.6%
Private Banks															
HDFC	1.5%	1.5%	1.5%	1.3%	1.3%	1.2%	1.2%	1.3%	1.2%	1.3%	2.2%	1.4%	1.3%	1.2%	1.2%
ICICI	1.3%	1.3%	1.3%	1.4%	1.4%	1.2%	1.5%	1.5%	1.4%	1.4%	1.6%	1.4%	1.4%	1.3%	1.4%
Axis	1.5%	1.5%	1.6%	1.5%	1.6%	1.9%	1.6%	1.8%	1.6%	1.7%	1.8%	1.6%	1.5%	1.3%	1.4%
Kotak	1.7%	1.8%	2.1%	1.8%	1.7%	2.1%	1.9%	1.7%	1.7%	1.9%	1.8%	1.5%	1.6%	1.6%	1.7%
IndusInd	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%	1.9%	1.6%	1.7%	0.5%	1.6%	1.2%	1.3%	1.3%	1.3%
Federal	0.9%	1.1%	1.1%	1.0%	1.2%	1.0%	1.2%	1.2%	1.1%	1.2%	1.3%	1.2%	1.2%	1.2%	1.1%
RBL	2.3%	2.4%	2.3%	2.3%	2.5%	2.6%	2.3%	2.7%	3.0%	2.8%	2.9%	2.5%	2.7%	2.5%	2.1%
KVB	1.4%	1.8%	1.4%	1.4%	1.4%	2.4%	1.4%	1.7%	1.6%	1.7%	1.5%	1.6%	1.5%	1.8%	1.3%
CUB	1.4%	1.2%	1.2%	1.1%	1.1%	1.0%	1.1%	1.3%	1.3%	1.3%	1.2%	1.3%	1.1%	1.3%	1.0%
DCB	0.8%	1.0%	0.8%	0.8%	0.8%	0.9%	0.9%	1.2%	1.0%	1.2%	1.2%	1.0%	1.1%	1.0%	0.9%
YES	1.3%	1.2%	1.3%	1.3%	1.3%	1.6%	1.2%	1.4%	1.5%	1.7%	1.7%	1.6%	1.5%	1.5%	1.5%
Bandhan	2.9%	1.7%	1.0%	1.4%	1.4%	1.7%	1.2%	1.3%	2.4%	1.5%	1.5%	1.1%	1.4%	1.5%	1.1%
IDFC	2.1%	2.4%	2.3%	2.2%	2.3%	2.3%	2.1%	2.2%	2.2%	2.2%	2.5%	2.0%	2.2%	1.6%	2.3%
SIB	-0.1%	1.3%	1.3%	1.3%	1.6%	1.2%	1.4%	1.5%	1.4%	1.8%	1.9%	1.5%	1.4%	1.1%	1.1%
PSU Banks															
SBI	0.9%	1.0%	0.9%	0.8%	0.8%	1.1%	0.7%	1.0%	0.7%	1.5%	1.0%	1.2%	1.0%	0.9%	0.8%
BOB	1.0%	1.0%	0.9%	1.1%	0.7%	1.1%	0.6%	1.3%	0.9%	1.1%	1.1%	0.8%	0.8%	0.8%	0.7%
PNB	1.0%	1.0%	0.9%	0.8%	0.7%	1.1%	0.9%	1.1%	0.8%	1.1%	1.2%	0.9%	1.1%	0.9%	0.9%
Canara	1.2%	1.4%	1.4%	1.3%	1.2%	1.4%	1.4%	1.3%	1.5%	1.6%	1.7%	1.6%	1.8%	1.0%	1.4%
Union	1.1%	1.7%	1.2%	1.1%	1.1%	1.4%	1.3%	1.5%	1.3%	1.5%	1.2%	1.4%	1.2%	1.4%	1.2%
Indian	1.0%	1.1%	1.0%	1.1%	1.0%	1.2%	1.0%	1.2%	1.1%	1.3%	1.1%	1.1%	1.1%	1.0%	1.1%
BOI	0.7%	1.5%	0.7%	0.8%	0.6%	0.8%	0.6%	1.0%	0.7%	1.3%	0.8%	0.8%	0.8%	1.1%	0.9%
BOMH	1.1%	1.3%	0.9%	1.0%	1.0%	1.4%	1.2%	1.0%	1.0%	1.1%	0.9%	0.9%	1.0%	0.9%	1.0%
J&K	0.7%	0.5%	0.6%	0.5%	0.5%	0.6%	0.5%	0.8%	0.6%	1.0%	0.6%	0.4%	0.6%	0.6%	0.4%
Small Finance Banks															
AU Small Finance	1.5%	1.6%	1.4%	1.8%	1.8%	2.1%	1.6%	1.9%	1.8%	2.0%	2.0%	1.7%	1.7%	1.6%	1.4%
Equitas	2.0%	2.9%	1.9%	1.9%	2.0%	2.2%	1.8%	2.0%	1.9%	1.7%	2.2%	1.7%	2.1%	1.8%	1.6%
Suryoday	1.2%	1.4%	2.0%	2.0%	1.9%	2.2%	2.2%	1.4%	1.2%	1.6%	2.7%	2.0%	1.9%	2.0%	3.0%
Ujjivan	1.9%	2.2%	2.1%	2.1%	1.9%	2.4%	1.9%	1.9%	1.6%	2.3%	2.1%	2.1%	2.3%	2.2%	1.7%
Jana	2.9%	2.6%	2.9%	2.4%	1.9%	2.3%	2.3%	2.1%	2.1%	2.5%	2.7%	2.4%	2.3%	2.3%	1.9%

Source: Company, Antique   *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Opex growth remained controlled across the board.

Table 20: Opex declined for both private and PSU banks with opex/assets declining largely across the board.

	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
	Opex to avg. asset (%)						Cost to Income (%)					
Total Banks	2.2%	2.0%	2.0%	2.0%	2.0%	1.9%	49%	46%	48%	48%	49%	46%
Private Banks	2.4%	2.3%	2.3%	2.3%	2.3%	2.2%	47%	42%	47%	47%	47%	45%
PSU Banks	2.0%	1.7%	1.8%	1.8%	1.7%	1.6%	51%	49%	49%	49%	51%	47%
Small Finance Banks	5.1%	4.8%	4.9%	5.2%	5.1%	4.8%	62%	61%	64%	65%	63%	62%
Private Banks												
HDFC	1.83%	1.77%	1.81%	1.86%	1.75%	1.66%	40%	33%	39%	41%	40%	39%
ICICI	2.1%	2.1%	2.2%	2.2%	2.1%	2.1%	38%	38%	41%	41%	40%	38%
Axis	2.5%	2.3%	2.4%	2.2%	2.3%	2.0%	48%	45%	49%	47%	51%	45%
Kotak	3.0%	2.8%	2.7%	2.8%	2.7%	2.6%	48%	46%	47%	48%	47%	46%
IndusInd	3.1%	3.0%	3.0%	3.0%	2.9%	2.8%	113%	61%	67%	63%	64%	59%
Federal	2.2%	2.2%	2.2%	2.2%	2.2%	2.1%	57%	55%	54%	54%	47%	52%
RBL	4.7%	5.0%	4.6%	4.6%	4.2%	3.7%	66%	72%	71%	66%	65%	65%
KVB	2.6%	2.4%	2.4%	2.2%	2.1%	2.2%	48%	47%	43%	42%	37%	41%
CUB	2.2%	2.1%	2.2%	2.2%	2.1%	2.0%	48%	48%	49%	49%	46%	45%
DCB	2.5%	2.5%	2.4%	2.6%	2.5%	2.4%	61%	60%	61%	62%	61%	61%
YES	2.6%	2.7%	2.5%	2.7%	2.5%	2.5%	67%	67%	67%	70%	63%	63%
Bandhan	4.0%	3.8%	3.8%	4.0%	4.2%	4.1%	55%	52%	58%	57%	60%	61%
IDFC	5.9%	5.6%	5.5%	5.8%	6.3%	5.6%	73%	69%	73%	73%	86%	69%
SIB	2.4%	2.4%	2.3%	2.3%	2.1%	2.3%	53%	54%	60%	57%	55%	58%
PSU Banks												
SBI	2.1%	1.7%	1.8%	1.7%	1.8%	1.5%	53%	48%	49%	48%	55%	47%
BOB	1.9%	1.8%	1.8%	1.7%	1.5%	1.6%	50%	49%	51%	52%	45%	49%
PNB	1.9%	1.9%	1.6%	1.7%	1.4%	1.5%	56%	55%	51%	52%	48%	50%
Canara	1.8%	1.8%	1.7%	1.8%	1.7%	1.7%	48%	47%	47%	47%	54%	49%
Union	2.0%	1.8%	1.9%	1.9%	1.8%	1.7%	49%	49%	51%	50%	46%	45%
Indian	1.9%	1.8%	1.8%	1.9%	1.8%	1.8%	45%	46%	46%	47%	45%	45%
BOI	1.8%	1.6%	1.6%	1.7%	1.7%	1.5%	49%	51%	53%	52%	49%	46%
BOMH	1.8%	1.7%	1.6%	1.7%	1.7%	1.6%	38%	38%	37%	37%	37%	35%
J&K	2.6%	2.5%	2.3%	2.2%	1.8%	2.1%	58%	61%	61%	56%	48%	59%
Small Finance Banks												
AU Small Finance	4.2%	3.9%	4.0%	4.4%	4.3%	4.0%	55%	54%	58%	60%	59%	58%
Equitas	5.7%	5.7%	5.6%	6.0%	5.8%	5.6%	70%	71%	76%	73%	68%	68%
Suryoday	7.0%	6.2%	6.3%	6.4%	6.5%	6.5%	85%	69%	77%	75%	74%	70%
Ujjivan	6.7%	6.2%	6.3%	6.7%	6.4%	6.1%	68%	67%	66%	66%	63%	62%
Jana	5.9%	5.8%	5.8%	5.9%	5.9%	5.7%	65%	65%	68%	70%	67%	67%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

PPOP growth higher for private banks; PSU banks' PPOP declined due to weak operating income.

Table 21: Overall PPOP growth was higher for PSU banks as compared to private banks mainly supported by lower opex and stable margins.

	PPoP as % of avg. assets					PPoP growth (YoY %)					PPoP growth (QoQ %)				
	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Total Banks	**3.0%**	**2.7%**	**2.8%**	**3.0%**	**3.0%**	**17%**	**2%**	**10%**	**2%**	**2%**	**9%**	**-7%**	**2%**	**-1%**	**9%**
Private Banks	3.2%	2.7%	2.7%	2.6%	2.7%	23%	3%	3%	7%	-5%	21%	-14%	1%	2%	8%
PSU Banks	3.1%	2.6%	2.6%	2.5%	2.6%	10%	1%	18%	-3%	9%	-3%	1%	3%	-4%	10%
Small Finance Banks	1.8%	1.8%	1.8%	1.7%	1.8%	8%	-7%	4%	18%	21%	4%	-8%	7%	16%	6%
Private Banks															
HDFC	3.6%	2.8%	2.7%	2.6%	2.6%	50%	13%	8%	5%	-21%	35%	-22%	-3%	3%	1%
ICICI	3.5%	3.2%	3.2%	3.2%	3.4%	17%	3%	3%	3%	9%	6%	-8%	0%	5%	12%
Axis	2.9%	2.5%	2.5%	2.2%	2.4%	14%	-3%	3%	-7%	1%	7%	-10%	4%	-8%	16%
Kotak	3.2%	3.0%	3.0%	3.1%	3.1%	6%	3%	4%	7%	10%	2%	-5%	2%	9%	5%
IndusInd	1.9%	1.5%	1.8%	1.7%	2.0%	-32%	-44%	-36%	-569%	1%	-661%	-23.5%	14%	-4%	21%
Federal	1.8%	1.9%	1.9%	2.4%	1.9%	4%	5%	10%	55%	22%	6%	5.6%	5%	32%	-17%
RBL	1.9%	1.9%	2.3%	2.3%	2.0%	-18%	-20%	-8%	11%	31%	-18%	4%	25%	5%	-3%
KVB	2.6%	3.2%	3.0%	3.7%	3.1%	8%	25%	23%	49%	36%	-4%	26%	-1%	24%	-12%
CUB	2.3%	2.3%	2.4%	2.5%	2.4%	21%	10%	18%	31%	29%	2%	4%	9%	13%	0%
DCB	1.7%	1.6%	1.6%	1.6%	1.6%	59%	19%	19%	12%	5%	7%	-7%	6%	6%	1%
YES	1.3%	1.2%	1.2%	1.4%	1.5%	53%	33%	14%	23%	25%	3%	-5%	-5%	31%	5%
Bandhan	3.5%	2.7%	3.0%	2.8%	2.6%	-14%	-29%	-29%	-8%	-19%	6%	-21%	10%	0%	-6%
IDFC	2.5%	2.0%	2.1%	1.1%	2.5%	19%	-4%	16%	-42%	14%	24%	-16%	8%	-48%	141%
SIB	2.0%	1.6%	1.7%	1.7%	1.7%	32%	-3%	10%	-15%	-12%	-2%	-20%	9%	-1%	2%
PSU Banks															
SBI	1.8%	1.9%	1.9%	1.5%	1.8%	15%	9%	40%	-11%	10%	-2%	4%	3%	-16%	21%
BOB	1.9%	1.7%	1.6%	1.9%	1.6%	15%	-20%	-4%	12%	-1%	1%	-8%	-3%	23%	-10%
PNB	1.6%	1.6%	1.6%	1.5%	1.5%	8%	5%	13%	11%	6%	5%	2%	4%	0%	0%
Canara	2.0%	2.0%	2.0%	1.5%	1.8%	12%	12%	16%	-18%	1%	3%	0%	6%	-26%	28%
Union	1.9%	1.8%	1.9%	2.1%	2.1%	-11%	-16%	-7%	3%	16%	-10%	-1%	2%	15%	1%
Indian	2.2%	2.1%	2.2%	2.2%	2.2%	6%	2%	6%	5%	16%	-5%	1%	4%	5%	5%
BOI	1.5%	1.4%	1.5%	1.8%	1.7%	9%	-8%	13%	3%	26%	-18%	-5%	10%	20%	1%
BOMH	2.8%	2.8%	2.9%	2.9%	2.9%	12%	17%	19%	17%	21%	2%	0%	6%	8%	6%
J&K	1.6%	1.4%	1.8%	2.0%	1.4%	13%	-22%	4%	14%	5%	-16%	-9%	27%	17%	-23%
Small Finance Banks															
AU Small Finance	3.3%	3.0%	2.9%	3.0%	3.0%	38%	7%	1%	5%	9%	2%	-8%	0%	11%	6%
Equitas	2.4%	1.8%	2.2%	2.8%	2.6%	-8%	-31%	-8%	29%	29%	1%	-24%	28%	31%	1%
Suryoday	2.8%	1.9%	2.1%	2.3%	2.8%	-25%	-38%	25%	129%	27%	134%	-28%	13%	20%	30%
Ujjivan	3.0%	3.2%	3.5%	3.7%	3.7%	-29%	-14%	22%	43%	52%	0.2%	9.6%	11.3%	17%	7%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Asset quality remains stable with no significant signs of stress due to the West asia crisis

Table 22: Asset quality remains stable

	GNPA						NNPA						PCR					
	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27
Total Banks	**2.2%**	**2.2%**	**2.0%**	**1.9%**	**1.7%**	**1.7%**	**0.5%**	**0.5%**	**0.5%**	**0.4%**	**0.4%**	**0.4%**	**78%**	**77%**	**77%**	**77%**	**77%**	**77%**
Private Banks	1.7%	1.8%	1.6%	1.5%	1.4%	1.4%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	73%	72%	72%	71%	72%	71%
PSU Banks	2.6%	2.5%	2.3%	2.1%	1.9%	1.8%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	80%	80%	81%	80%	80%	80%
SFB	2.5%	2.8%	2.6%	2.6%	2.4%	2.4%	1.0%	1.1%	1.0%	1.0%	0.9%	0.7%	65%	62%	63%	62%	65%	71%
Private Banks																		
HDFC	1.3%	1.3%	1.2%	1.2%	1.1%	1.2%	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%	68%	67%	67%	66%	67%	66%
ICICI	1.8%	1.8%	1.7%	1.6%	1.5%	1.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	77%	76%	76%	76%	76%	75%
Axis	1.4%	1.7%	1.5%	1.5%	1.3%	1.3%	0.4%	0.5%	0.5%	0.4%	0.4%	0.4%	75%	71%	70%	70%	70%	70%
Kotak	1.4%	1.5%	1.4%	1.3%	1.2%	1.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	78%	77%	77%	76%	79%	78%
IndusInd	3.1%	3.6%	3.6%	3.6%	3.4%	3.2%	1.0%	1.1%	1.0%	1.0%	1.0%	1.0%	70%	70%	72%	72%	71%	71%
Federal	1.8%	1.9%	1.8%	1.7%	1.6%	1.5%	0.4%	0.5%	0.5%	0.4%	0.2%	0.2%	76%	75%	74%	76%	88%	88%
RBL	2.6%	2.8%	2.3%	1.9%	1.5%	1.3%	0.3%	0.5%	0.6%	0.6%	0.4%	0.4%	89%	84%	76%	71%	74%	72%
KVB	0.8%	0.7%	0.8%	0.7%	0.8%	0.7%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	74%	71%	75%	73%	75%	75%
CUB	3.1%	3.0%	2.4%	2.2%	1.9%	1.7%	1.3%	1.2%	0.9%	0.8%	0.7%	0.6%	60%	61%	63%	64%	65%	65%
DCB	3.0%	3.0%	3.0%	2.8%	2.5%	2.4%	1.1%	1.2%	1.2%	1.1%	0.9%	0.8%	63%	60%	59%	60%	64%	66%
YES	1.6%	1.6%	1.6%	1.5%	1.3%	1.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	80%	80%	81%	83%	82%	82%
Bandhan	4.7%	5.0%	5.1%	3.4%	3.3%	3.1%	1.3%	1.4%	1.4%	1.0%	1.0%	0.9%	74%	74%	74%	71%	71%	71%
IDFC First	1.8%	1.9%	1.8%	1.7%	1.6%	1.5%	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%	72%	72%	72%	69%	70%	71%
SIB	3.2%	3.1%	2.9%	2.7%	1.4%	1.4%	0.9%	0.7%	0.6%	0.4%	0.3%	0.3%	72%	79%	81%	84%	80%	81%
PSU Banks																		
SBI	1.8%	1.8%	1.7%	1.6%	1.5%	1.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	74%	74%	76%	76%	74%	74%
BOB	2.3%	2.3%	2.2%	2.0%	1.9%	2.0%	0.6%	0.6%	0.6%	0.6%	0.4%	0.5%	75%	74%	74%	72%	77%	75%
PNB	3.9%	3.8%	3.4%	3.2%	2.9%	2.8%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	90%	90%	90%	90%	90%	90%
Canara	2.9%	2.7%	2.3%	2.1%	1.8%	1.6%	0.7%	0.6%	0.5%	0.5%	0.4%	0.4%	77%	77%	77%	79%	77%	77%
Union	3.6%	3.5%	3.3%	3.1%	2.8%	2.7%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	83%	83%	84%	84%	83%	83%
Indian	3.1%	3.0%	2.6%	2.2%	2.0%	1.9%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	94%	94%	94%	93%	93%	92%
Bank of India	3.3%	2.9%	2.5%	2.3%	2.0%	1.8%	0.8%	0.8%	0.7%	0.6%	0.6%	0.5%	75%	75%	75%	74%	72%	72%
BOMH	1.7%	1.7%	1.7%	1.6%	1.5%	1.4%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	90%	90%	90%	91%	91%	91%
J&K	3.4%	3.5%	3.3%	3.0%	2.5%	2.4%	0.8%	0.8%	0.8%	0.7%	0.6%	0.6%	77%	77%	78%	78%	75%	75%
Small Finance Banks																		
AU SFB	2.1%	2.3%	2.3%	2.2%	2.0%	2.1%	0.7%	0.9%	0.9%	0.9%	0.7%	0.8%	68%	65%	64%	62%	64%	64%
Equitas	2.8%	2.8%	2.8%	2.6%	2.5%	2.4%	1.0%	1.0%	1.0%	0.9%	0.7%	0.7%	67%	67%	67%	67%	73%	71%
Suryoday	7.2%	8.5%	5.9%	6.7%	6.5%	6.6%	4.6%	5.6%	3.8%	4.3%	4.2%	1.3%	38%	35%	37%	37%	37%	82%
Ujjivan	2.2%	2.5%	2.4%	2.4%	2.3%	2.2%	0.5%	0.7%	0.7%	0.6%	0.4%	0.3%	78%	73%	73%	76%	81%	85%
Jana	2.7%	2.9%	2.9%	2.6%	2.5%	2.4%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	66%	68%	68%	64%	63%	63%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Table 23: On sequential basis, gross slippage rates inched up marginally for private banks due to seasonality. Credit costs remained largely stable for both private and PSU banks (ex one-offs).

Credit costs (%) - Annualized	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27
Total Banks	**1.3%**	**1.1%**	**1.1%**	**1.2%**	**0.9%**	**0.8%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.7%**	**0.6%**	**0.7%**	**0.7%**	**0.7%**	**0.6%**	**0.5%**	**0.6%**
Private Banks	0.8%	0.7%	0.9%	1.0%	0.7%	0.7%	0.6%	0.7%	0.6%	0.6%	0.8%	0.8%	0.8%	1.0%	0.9%	0.8%	0.6%	0.6%
PSU Banks	1.7%	1.3%	1.3%	1.3%	1.1%	0.8%	0.7%	0.5%	0.6%	0.6%	0.6%	0.3%	0.6%	0.5%	0.5%	0.4%	0.4%	0.6%
Small Finance Banks	1.8%	1.3%	0.9%	0.5%	0.8%	0.6%	0.8%	1.1%	1.1%	1.9%	2.3%	2.4%	2.8%	3.1%	2.0%	1.5%	1.1%	1.2%
Private Banks																		
HDFC	1.0%	0.9%	0.9%	0.8%	0.7%	0.7%	0.6%	0.7%	0.4%	0.4%	0.4%	0.5%	0.5%	0.6%	0.5%	0.4%	0.4%	0.4%
ICICI	0.5%	0.5%	0.7%	0.9%	0.6%	0.5%	0.2%	0.4%	0.2%	0.4%	0.4%	0.4%	0.3%	0.5%	0.3%	0.7%	0.0%	0.3%
Axis	0.6%	0.2%	0.3%	0.8%	0.2%	0.5%	0.4%	0.4%	0.5%	0.8%	0.9%	0.9%	0.5%	1.5%	1.3%	0.8%	1.2%	0.7%
Kotak	-0.5%	0.0%	0.2%	0.2%	0.2%	0.4%	0.4%	0.7%	0.3%	0.6%	0.7%	0.8%	0.9%	1.1%	0.8%	0.7%	0.4%	0.5%
IndusInd	2.5%	2.1%	1.8%	1.6%	1.5%	1.3%	1.3%	1.2%	1.1%	1.2%	2.1%	1.9%	2.7%	2.0%	3.2%	2.6%	1.9%	1.7%
Federal	0.2%	0.4%	0.7%	0.5%	0.3%	0.3%	0.1%	0.2%	-0.2%	0.3%	0.3%	0.5%	0.2%	0.7%	0.6%	0.5%	1.1%	0.5%
RBL	2.7%	1.7%	1.6%	1.8%	1.4%	1.5%	3.4%	2.3%	2.0%	1.7%	2.8%	5.3%	3.4%	1.9%	2.1%	2.5%	2.5%	2.1%
KVB	1.0%	1.1%	1.5%	2.4%	1.9%	1.0%	0.7%	0.8%	1.6%	0.7%	0.9%	0.7%	0.8%	0.5%	1.2%	0.4%	1.1%	0.4%
CUB	1.7%	1.5%	1.0%	2.1%	1.5%	1.4%	0.5%	0.4%	0.3%	0.3%	0.6%	0.6%	0.6%	0.5%	0.4%	0.7%	0.8%	0.5%
DCB	1.0%	0.5%	0.4%	0.5%	0.6%	0.4%	0.4%	0.4%	0.2%	0.3%	0.4%	0.6%	0.5%	0.9%	0.5%	0.5%	0.5%	0.4%
YES	0.6%	0.4%	1.2%	1.7%	1.2%	0.7%	1.0%	1.0%	0.8%	0.4%	0.5%	0.4%	0.5%	0.5%	0.7%	0.0%	0.3%	0.6%
Bandhan	0.0%	2.8%	5.7%	6.8%	3.0%	2.4%	2.5%	2.6%	6.1%	1.7%	2.0%	4.3%	3.9%	3.5%	3.5%	3.4%	1.9%	1.8%
IDFC	1.3%	1.0%	1.3%	1.3%	1.3%	1.2%	1.2%	1.5%	1.5%	2.0%	3.3%	2.4%	2.5%	2.8%	2.3%	2.1%	1.3%	1.6%
SIB	0.5%	0.9%	1.1%	0.2%	0.2%	1.1%	0.3%	0.3%	0.2%	0.6%	0.5%	0.3%	1.1%	1.1%	0.3%	0.3%	0.1%	0.3%
PSU Banks																		
SBI	1.1%	0.63%	0.4%	0.8%	0.4%	0.3%	0.0%	0.1%	0.2%	0.4%	0.5%	0.1%	0.6%	0.5%	0.5%	0.4%	0.2%	0.4%
BOB	2.0%	0.9%	0.8%	1.1%	0.6%	0.8%	0.9%	0.3%	0.5%	0.4%	0.9%	0.4%	0.5%	0.7%	0.4%	0.2%	0.9%	1.8%
PNB	2.7%	2.6%	2.6%	2.4%	1.9%	1.9%	1.6%	1.2%	0.7%	0.5%	0.1%	-0.1%	0.1%	0.1%	0.2%	0.4%	0.1%	0.2%
Canara	2.1%	2.0%	1.9%	1.6%	1.5%	1.3%	1.2%	0.8%	1.1%	1.0%	0.9%	1.0%	0.7%	0.9%	0.9%	0.8%	0.3%	0.7%
Union	2.3%	2.0%	2.3%	1.6%	1.9%	1.0%	0.9%	0.8%	0.6%	1.3%	0.8%	0.7%	0.7%	0.7%	0.6%	0.1%	0.4%	0.4%
Indian	2.0%	2.3%	2.0%	2.4%	2.3%	1.5%	1.3%	1.1%	1.0%	1.0%	0.8%	0.8%	0.6%	0.5%	0.5%	0.6%	0.8%	0.7%
BOI	1.5%	1.2%	1.7%	1.6%	1.7%	0.7%	0.6%	0.4%	1.3%	0.9%	0.7%	0.2%	0.8%	0.7%	0.3%	0.3%	0.5%	0.5%
BOMH	1.1%	1.6%	1.7%	1.6%	2.3%	1.8%	2.2%	2.1%	2.0%	1.9%	1.6%	1.5%	1.7%	1.5%	1.2%	1.1%	0.9%	1.1%
J&K	-0.3%	0.8%	0.4%	0.1%	-0.9%	0.4%	0.0%	0.0%	-0.7%	-0.1%	0.1%	0.0%	0.0%	0.1%	0.0%	-0.1%	0.2%	0.3%
SFB																		
AU Small Finance	0.9%	0.3%	0.3%	0.2%	0.3%	0.2%	0.7%	1.0%	0.8%	1.3%	1.6%	2.1%	2.5%	2.0%	1.7%	1.1%	0.8%	1.1%
Equitas	2.6%	2.8%	1.7%	0.9%	2.0%	0.9%	0.9%	1.2%	1.4%	3.9%	4.0%	2.8%	2.9%	6.9%	2.3%	2.0%	1.2%	1.5%
Suryoday	9.6%	5.8%	6.1%	3.0%	3.6%	3.5%	1.7%	2.2%	2.5%	2.5%	3.1%	1.5%	3.9%	2.4%	1.5%	1.5%	1.4%	1.1%
Ujjivan	1.1%	0.7%	-0.2%	0.0%	0.0%	0.5%	0.8%	1.0%	1.2%	1.6%	2.1%	3.0%	3.5%	2.8%	2.8%	2.2%	1.5%	1.2%
Jana	6.0%	5.8%	5.3%	4.3%	4.7%	4.0%	3.2%	3.0%	3.1%	3.3%	3.4%	2.7%	2.6%	2.9%	2.8%	3.5%	2.4%	2.1%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Overall banks' RoA remained stable.

Table 24: RoA (ex-one-offs) improved sequentially for PSU banks and was stable for private banks.

	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
	RoA						RoE					
Total Banks	**1.35%**	**1.33%**	**1.31%**	**1.35%**	**1.37%**	**1.32%**	**14.5%**	**14.1%**	**13.6%**	**13.9%**	**14.2%**	**13.7%**
Private Banks	**1.62%**	**1.66%**	**1.56%**	**1.60%**	**1.70%**	**1.71%**	**12.8%**	**13.0%**	**12.1%**	**12.4%**	**13.3%**	**13.3%**
PSU Banks	**1.17%**	**1.12%**	**1.15%**	**1.19%**	**1.13%**	**1.04%**	**16.7%**	**15.8%**	**15.5%**	**15.7%**	**15.3%**	**14.1%**
Small Finance Banks	**0.90%**	**0.72%**	**1.04%**	**1.34%**	**1.75%**	**1.63%**	**7.7%**	**6.3%**	**9.2%**	**11.9%**	**16.1%**	**15.3%**
Private Banks												
HDFC	1.8%	1.8%	1.9%	1.8%	1.8%	1.7%	14.3%	14.2%	14.3%	14.0%	13.9%	13.3%
ICICI	2.4%	2.4%	2.3%	2.1%	2.4%	2.5%	17.9%	17.1%	16.0%	14.3%	16.6%	17.1%
Axis	1.8%	1.4%	1.2%	1.5%	1.6%	1.5%	16.2%	12.7%	10.8%	13.3%	14.0%	13.6%
Kotak	2.1%	1.9%	1.9%	1.9%	2.1%	2.1%	12.2%	10.9%	10.5%	10.8%	12.1%	11.9%
IndusInd	-1.6%	0.5%	-0.3%	0.1%	0.4%	0.7%	-13.6%	4.2%	-2.7%	1.0%	3.3%	6.1%
Federal	1.2%	1.0%	1.1%	1.2%	1.3%	1.2%	12.5%	10.2%	11.0%	11.7%	13.5%	12.0%
RBL	0.2%	0.5%	0.5%	0.5%	0.5%	0.6%	1.8%	5.1%	4.5%	5.3%	5.6%	3.4%
KVB	1.7%	1.7%	1.8%	2.1%	2.1%	2.2%	17.6%	17.1%	18.2%	21.0%	21.0%	20.8%
CUB	1.5%	1.6%	1.6%	1.5%	1.6%	1.6%	12.4%	12.7%	13.3%	13.2%	13.8%	14.2%
DCB	1.0%	0.8%	0.9%	0.9%	1.0%	1.0%	12.7%	10.9%	12.5%	12.0%	12.8%	12.8%
YES	0.7%	0.8%	0.6%	0.9%	1.0%	0.9%	6.2%	6.6%	5.3%	7.7%	8.4%	8.3%
Bandhan	0.7%	0.8%	0.2%	0.4%	1.0%	1.0%	5.2%	6.0%	1.8%	3.3%	8.4%	7.8%
IDFC	0.4%	0.5%	0.4%	0.5%	0.3%	1.0%	3.2%	4.8%	3.6%	5.2%	3.3%	11.1%
SIB	1.1%	1.0%	1.0%	1.1%	1.2%	1.1%	13.8%	12.6%	13.3%	13.8%	14.5%	13.0%
PSU Banks												
SBI	1.1%	1.1%	1.2%	1.2%	1.1%	1.1%	17.0%	16.8%	16.3%	15.9%	14.5%	15.2%
BOB	1.2%	1.0%	1.1%	1.1%	1.2%	0.3%	15.1%	13.0%	13.3%	13.5%	14.7%	3.3%
PNB	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	14.4%	15.4%	14.7%	14.7%	14.7%	14.4%
Canara	1.2%	1.1%	1.1%	1.1%	1.0%	1.0%	20.2%	18.6%	18.0%	18.6%	15.9%	16.7%
Union	1.4%	1.1%	1.2%	1.4%	1.4%	1.4%	17.8%	14.3%	14.3%	16.2%	16.7%	16.2%
Indian	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	17.4%	16.8%	16.3%	16.0%	15.9%	16.3%
BOI	1.0%	0.9%	1.0%	1.0%	1.1%	1.0%	13.7%	11.4%	12.7%	13.0%	14.0%	13.9%
BOMH	1.7%	1.7%	1.8%	1.9%	2.0%	1.9%	21.3%	21.7%	21.1%	21.9%	24.3%	23.5%
J&K	1.4%	1.1%	1.1%	1.3%	1.7%	0.9%	16.7%	13.4%	13.0%	15.2%	19.6%	10.0%
Small Finance Banks												
AU Small Finance	1.3%	1.5%	1.4%	1.6%	1.8%	1.6%	11.9%	13.3%	12.4%	14.3%	17.0%	15.6%
Equitas	0.3%	-1.7%	0.2%	0.6%	1.5%	1.2%	2.8%	-15.0%	1.6%	6.1%	14.1%	11.8%
Suryoday	-0.9%	0.9%	0.7%	0.9%	1.1%	1.5%	-7.0%	7.3%	6.1%	7.3%	9.7%	14.2%
Ujjivan	0.7%	0.9%	1.0%	1.5%	2.1%	2.1%	5.5%	6.7%	7.8%	11.6%	16.9%	18.1%
Jana	1.3%	1.0%	0.7%	0.1%	1.2%	1.3%	12.2%	9.8%	7.0%	0.9%	12.7%	13.5%

Source: Company, Antique *JANA SFB and Karnataka Bank have been excluded from sector aggregate numbers.

Company Section

Private Banks

HDFC Bank (BUY): Margin miss weighs on earnings growth

Guidance: Management indicated CoF reduction remains a lever for margin improvement over the medium to long term through replacing high-cost borrowings and an improving liability mix.

What we like: Loan growth increased from 12% YoY in 4QFY26 to 15.6% YoY/3.4% QOQ in 1QFY27, led by corporate growth at 19% YoY/3.6% QoQ, while business banking growth remained strong at 23% YoY/5% QoQ.

Opex growth was lower at 4% YoY /-2% QoQ, and opex to assets declined from 1.75% to 1.66% QoQ, and its cost-to-income ratio declined from 39.9% to 39.2% QoQ.

Gold loan growth remains strong at 35% YoY/8% QoQ and its share in total loans stood at 1.6%.

What we don't like: Reported NIM declined by 12bps QoQ, higher than our expectation of range-bound NIM. Yields declined by 10bps QoQ, due to change in portfolio mix as the share of corporate loans increased by 1% in the last two quarters to 27%. CoF was stable QoQ.

Fee growth was lower at 6% YoY with fee/assets declining from from 1% to 0.9% QoQ.

Trading gain for the quarter was lower at INR 4.2bn vs. INR 8.2bn in 4Q.

Gross slippage ratio increased from 1% to 1.2% QoQ, which, adjusted for the agri book, stood stable QoQ at 0.92% (vs. 86bps in 4Q). Net slippage ratio also increased from 0.2% to 0.6% QoQ.

GNPL/NNPL ratio increased from 1.15%/0.38% to 1.17%/0.46% QoQ, respectively, and PCR declined from 67.2%% to 65.5% QoQ.

Retail growth was soft at 7% YoY/1% QoQ as mortgage book growth was muted at 8% YoY/ 0.7% QoQ.

Share of CASA ratio declined from 34% to 32.3% QoQ mainly due to seasonality in CA as CA share declined from 11.4% to 10.2% QoQ.

Table 1: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	3,12,70,000	2,78,19,000	12.4%	3,05,73,000	2.3%
Deposits	3,17,08,301	2,76,40,890	14.7%	3,10,52,505	2.1%
NII	**3,35,340**	**3,14,380**	**6.7%**	**3,30,816**	**1.4%**
Operating income	4,63,556	5,31,678	-12.8%	4,62,805	0.2%
PPOP	**2,81,681**	**3,57,340**	**-21.2%**	**2,78,029**	**1.3%**
PBT	2,51,083	2,12,923	17.9%	2,51,934	-0.3%
PAT	**1,90,597**	**1,81,552**	**5.0%**	**1,92,211**	**-0.8%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	32.3%	33.9%	-156 bp	34.1%	-181 bp
CD Ratio	95.8%	95.1%	70 bp	94.6%	120 bp
NIM % of IEA (reported)	3.4%	3.5%	-10 bp	3.5%	-13 bp
Cost to Income	39.2%	32.8%	644 bp	39.9%	-69 bp
Credit costs % advances (reported)	0.4%	0.6%	-16 bp	0.4%	5 bp
GNPA (%)	1.2%	1.4%	-23 bp	1.2%	2 bp
NNPA (%)	0.5%	0.5%	-1 bp	0.4%	8 bp
PCR (%)	65.5%	66.9%	-133 bp	67.2%	-168 bp

Source: Company, Antique

Table 2: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.2%**	**3.2%**	**3.2%**	**3.1%**	**3.1%**
Total income	5.4%	4.6%	4.5%	4.4%	4.2%
PPOP	**3.6%**	**2.8%**	**2.7%**	**2.6%**	**2.6%**
PBT	2.2%	2.5%	2.4%	2.4%	2.3%
PAT (RoAA)	**1.8%**	**1.9%**	**1.8%**	**1.8%**	**1.7%**
ROE	**14.2%**	**14.3%**	**14.0%**	**13.9%**	**13.3%**

Source: Company, Antique

ICICI Bank (BUY): Better than expected loan growth and margins.

Guidance: NIMs to remain broadly stable around current levels. On growth, the bank believes it is well-positioned to capitalise on growth opportunities and stated that the mortgage portfolio, which had been subdued, is now witnessing healthy growth. Opex growth is expected to remain below revenue growth, driving operating leverage gains.

What we like: Loan growth was better than expected at 5% QoQ/ 19.6% YoY (partly supported by a weak base), led by 6-7% QoQ in each of agri, business banking and corporate. Core NIM (4.28%,

ex IT refund) was largely stable QoQ despite the impact of seasonally higher KCC interest reversals, partly supported by absorption of year-end balance sheet liquidity. Average LCR (consolidated) remained healthy at 122.15% vs 123.62% in the previous quarter.

Core fee growth was also strong at 7.5% QoQ/ 23.5% YoY.

Credit costs inched up to 32bps vs 3bps QoQ due to seasonality, and adjusted for chunky NCLT recoveries, were in line with the 1Q average credit cost trend of 45-50bps.

Reported NIM of 4.36% improved by +4bps QoQ, supported by reported cost of deposits declining by -2bps QoQ and yields on funds increasing by +3bps QoQ on utilization of year-end balance sheet liquidity. Going forward, margins are expected to remain range-bound despite leveraged overseas lending to mobilise FCNR (B) flows. Management estimates FCNR (B) deposits to be the incremental source of funding over the next few weeks, with the all-in funding costs to be 6.3-6.4%, lower than wholesale rates.

What we don't like: Within unsecured credit, while PL growth was strong at 4% QoQ/ 13% YoY, credit cards continued to decline by -1.7% QoQ/ -2% YoY.

Gross slippage rate (ex-KCC slippages) increased to 1.41% vs 1.265 QoQ/ 1.79% YoY.

Table 3: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	1,63,12,597	1,36,41,571	20%	1,55,38,930	5.0%
Deposits	1,83,35,858	1,60,85,173	14%	1,79,46,250	2.2%
NII	**2,43,844**	**2,16,345**	**13%**	**2,29,791**	**6.1%**
Operating income	3,29,604	3,01,394	9%	3,02,881	8.8%
PPOP	**2,03,861**	**1,87,458**	**9%**	**1,81,991**	**12.0%**
PBT	1,91,256	1,69,313	13%	1,81,030	5.6%
PAT	**1,48,045**	**1,27,682**	**16%**	**1,37,017**	**8.0%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	39.5%	41.2%	-171 bp	41.4%	-193 bp
CD Ratio	89.0%	84.8%	416 bp	86.6%	238 bp
NIM (reported)	4.36%	4.34%	2 bp	4.32%	4 bp
Cost to Income	39.7%	41.4%	-168 bp	40.6%	-92 bp
Credit costs	0.32%	0.54%	-22 bp	0.03%	29 bp
GNPA (%)	1.38%	1.67%	-29 bp	1.40%	-2 bp
NNPA (%)	0.35%	0.41%	-6 bp	0.33%	2 bp
PCR (%)	75.2%	75.9%	-63 bp	76.3%	-109 bp

Source: Company, Antique

Table 4: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**4.1%**	**4.0%**	**4.1%**	**4.0%**	**4.1%**
Total income	5.7%	5.5%	5.4%	5.3%	5.5%
PPOP	3.5%	3.2%	3.2%	3.2%	3.4%
PBT	3.2%	3.1%	2.7%	3.2%	3.2%
PAT (RoAA)	**2.4%**	**2.3%**	**2.1%**	**2.4%**	**2.5%**
ROE	**17.1%**	**16.0%**	**14.3%**	**16.6%**	**17.1%**

Source: Company, Antique

Axis Bank (BUY): Miss on margins; PAT beat led by lower opex

Guidance: Bank's structural through-cycle NIM guidance remains unchanged at 3.8%. Reiterated its guidance to grow advances at ~300bps above industry growth over the medium term with increasing share of retail portfolio. Bank expects that with the FCNR (B) deposits, in the near term the bank will focus on growth and deployment of the additional liquidity raised through this route.

What we like: Loan growth remained strong at 19% YoY/2% QoQ, led by corporate growth of 38% YoY/5% QoQ, and the SME book grew 25% YoY/3% QoQ. Deposits grew 18% YoY/ 3% QoQ, and the LD ratio remained stable QoQ at 92%. Overall retail disbursements of the bank showed continuous improvement, as in 1QFY26 it grew 18% YoY vs 24% YoY in 4Q.

Opex growth was lower at 4.5% YoY/-7% QoQ, which, even after adjusting for a one-off staff cost benefit of INR 2.7 bn, grew 7% YoY/-4.5% QoQ. The bank continues to hold a one-time standard assets provision of INR 20 bn created during Q4FY26.

What we don't like: Retail growth remained soft at 8.4% YoY/0.3% QoQ. Within retail, home loans grew (5% YoY/flat QoQ) and unsecured credit (6% YoY/1% QoQ). NII growth of 8% YoY/1% QoQ was 1% lower than our estimate. Reported NIM declined by 16bps QoQ, while on a calculated basis, the NIM decline was lower at 10bps QoQ vs. the expectation of a 6bps QoQ decline. Management attributed the 16bps QoQ NIM decline to 9bps of loan repricing impact and the lagged impact of transmission of lower-yield corporate assets, 4bps attributable to a change in the asset-liability mix and the balance 3bps due to interest reversal on higher slippages. Fees growth was lower at 7% YoY and declined 6% QoQ as retail fees declined 14% QOQ/+2% YoY. Gross slippage ratio increased from 1.8% to 2.1% QoQ, and net slippage ratio increased from 0.8% to 1.3% QoQ. The increase in slippages was mainly due to seasonality in agri slippages. Given lower recoveries and write-offs, the GNPA/NNPA ratio increased from 1.23%/0.37% to 1.28%/0.39% QoQ, while PCR remained stable at 70%. Credit cost increased from 38bps to 67bps QoQ on higher slippages.

Table 5: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	1,26,15,567	1,05,97,244	19.0%	1,23,35,699	2.3%
Deposits	1,37,29,357	1,16,16,146	18.2%	1,33,58,340	2.8%
NII	**1,46,461**	**1,35,598**	**8.0%**	**1,44,572**	**1.3%**
Operating income	2,13,815	2,08,178	2.7%	2,04,797	4.4%
PPOP	**1,16,591**	**1,15,152**	**1.3%**	**1,00,134**	**16.4%**
PBT	94,366	75,675	24.7%	64,912	45.4%
PAT	**71,139**	**58,061**	**22.5%**	**70,713**	**0.6%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	38.0%	40.3%	-230	39.6%	-160
CD Ratio	91.9%	91.2%	66	92.3%	-46
NIM (reported)	3.24%	3.55%	-31	3.34%	-10
Cost to Income	45.5%	44.7%	79	51.1%	-563
Credit costs	0.63%	1.38%	-75	0.37%	26
GNPA (%)	1.28%	1.57%	-29	1.23%	5
NNPA (%)	0.39%	0.45%	-6	0.37%	2
PCR (%)	69.7%	71.5%	-181	70.2%	-54

Source: Company, Antique

Table 6: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.4%**	**3.4%**	**3.3%**	**3.2%**	**3.1%**
Total income	5.2%	5.0%	4.8%	4.5%	4.5%
PPOP	2.9%	2.5%	2.5%	2.2%	2.4%
PBT	1.9%	1.7%	2.0%	1.4%	2.0%
PAT (RoAA)	**1.4%**	**1.2%**	**1.5%**	**1.6%**	**1.5%**
ROE	**12.7%**	**10.8%**	**13.3%**	**14.0%**	**13.6%**

Source: Company, Antique

Kotak Mahindra Bank (BUY): NII in-line, PPOP beat led by lower opex.

Guidance: Management guided NIMs to moderate in 2HFY27 due to an increase in TD rates. Loan growth guidance: ~1.5-2x nominal GDP growth. Opex/assets to remain stable to declining. The impact of ECL on net worth is less than 2%, with no material increase in steady-state credit costs.

What we like: Loan growth was healthy at 3.3% QoQ/ 15% YoY, led by corporate and SME. Within unsecured credit, credit cards posted positive sequential growth of 4% QoQ / -1% YoY after 8 consecutive quarters of sequential decline. MFI growth was also strong at 5% QoQ (despite a higher base). PL growth (ex of the run-down in Standard Chartered book) was in double digits YoY.

Opex growth remained controlled at flat QoQ/ 7.5% YoY, despite annual wage increments.

While gross slippage rate increased sequentially to 1.19% vs 0.95% in 4Q due to seasonality, it has reduced materially in the last 2 quarters due to asset quality improvement in unsecured credit and retail CV. Credit costs increased seasonally to 46bps vs 39bps QoQ/ 93bps YoY.

What we don't like: Deposit growth was weak, flat QoQ/ 11.7% YoY, mainly due to seasonal decline in CASA of -7% QoQ/ 10% YoY due to moderation in capital market activities.

Reported NIM (ex 14bps day count benefit in the previous quarter) was stable QoQ at 4.53%. Calculated NIM decline of -9bps QoQ was broadly in-line with estimates.

While reported cost of funds was stable QoQ, cost of SA deposits increased by 6bps QoQ. 2H NIM to be under pressure due to elevated deposit competition. The bank has also hiked its peak TD rates by 10bps in the 2-3 yrs bucket in 1Q. Core fees declined seasonally by 10% QoQ/11% YoY.

ECL transition impact would be 2% of net worth, and steady-state credit cost could inch up by 12-15bps once implemented.

Table 7: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	51,22,490	44,48,230	15.2%	49,60,092	3.3%
Deposits	57,28,200	51,28,380	11.7%	57,24,561	0.1%
NII	**79,284**	**72,593**	**9.2%**	**78,755**	**0.7%**
Operating income	1,12,666	1,03,393	9.0%	1,09,918	2.5%
PPOP	**61,314**	**55,637**	**10.2%**	**58,552**	**4.7%**
PBT	54,632	43,559	25.4%	53,388	2.3%
PAT	**41,230**	**32,817**	**25.6%**	**40,266**	**2.4%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	40.3%	40.9%	-60	43.3%	-300
CD Ratio	89.4%	86.7%	269	86.6%	278
NIM (reported)	4.5%	4.7%	-12	4.7%	-14
Cost to Income	45.6%	46.2%	-61	46.7%	-115
Credit costs	0.5%	0.9%	-47	0.4%	7
GNPA (%)	1.2%	1.5%	-30	1.2%	-2
NNPA (%)	0.3%	0.3%	-7	0.3%	2
PCR (%)	77.8%	76.9%	89	79.0%	-120

Source: Company, Antique

Table 8: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**4.2%**	**4.2%**	**4.2%**	**4.2%**	**4.1%**
Total income	6.0%	5.7%	5.8%	5.8%	5.8%
PPOP	3.2%	3.0%	3.0%	3.1%	3.1%
PBT	2.5%	2.5%	2.5%	2.8%	2.8%
PAT (RoAA)	**1.9%**	**1.9%**	**1.9%**	**2.1%**	**2.1%**
ROE	**10.9%**	**10.5%**	**10.8%**	**12.1%**	**11.9%**

Source: Company, Antique

IndusInd Bank (HOLD): PAT beat led by one-off income and lower opex.

Guidance: Management expects FY27 loan growth to be in line with industry growth, with the retail segment expected to pick up in H2FY27 led by MFI and vehicle finance. NIM is expected to remain under pressure in Q2FY27, with recovery expected in H2FY27 as higher-yielding book growth starts picking up. FY27 exit RoA: 1%. ECL impact: 1%-1.5% of loans.

What we like: Slippage ratio (led by further decline in MFI) reduced from 2.1% to 2% QoQ and lower write-offs. MFI slippage ratio declined from 6.5% to 2.7% QoQ (vs. 10% in 1QFY25). Credit cost declined from 1.9% to 1.74% QoQ. Net slippage ratio of the bank also reduced from 1.6% to 1.4% QoQ. Write-offs for the quarter were lower at INR 14.3 bn as compared to INR 18.7 bn in 4Q.

Opex growth was significantly lower and declined 9% YoY/2% QoQ as other opex declined 15% YoY/5% QoQ. Decline in opex growth was driven by muted growth in retail segment. Opex growth is expected to inchup going ahead given the expected pick up in retail loan growth. Fees growth has increased sequentially by 3.5% QoQ given the improvement in loan growth. After several quarters of a declining trajectory, loan growth increased 3.3% QoQ, driven entirely by corporate growth of 11% QoQ, with its share increasing from 34% to 37% QoQ. Within corporate, large corporate grew sharply by 16% QoQ (17% of the overall loans) while the mid-corporate segment grew 7% QoQ.

Deposit growth has also seen a pickup as it has increased by 3.6% QoQ/4.4% YoY, led by retail deposits growth of 4% QoQ/5% YoY and its share stood at 45.8%. Share of CD in total deposits declined consistently, as it has declined from 6.2% to 5.9% QoQ (vs. 7.5% in 1QFY26). CoD declined by 12bps QoQ, within which the cost of SA declined by 17bps QoQ,

What we don't like: Core NIM (ex IT refund income of INR 2.84 bn) declined by 4bps QoQ vs. expectation of marginal increase. Yield on loans declined sharply by 19bps QoQ as growth in the current quarter was driven by the corporate segment, while retail growth was flat QoQ. Retail loan book declined 4% YoY/flat QoQ, with vehicle finance growth lower at 3.5% YoY/-0.2% QoQ. MFI book declined further by 3% QoQ.

Table 9: Quarterly performance

(INR mn)	Q1 2027	Q1 2026	YoY (%)	Q4 2026	QoQ (%)
Advances	32,62,740	33,36,940	-2.2%	31,58,714	3.3%
Deposits	41,47,660	39,71,440	4.4%	40,01,738	3.6%
NII	**46,847**	**46,398**	**1.0%**	**43,715**	**7.2%**
Operating income	64,701	67,961	-4.8%	60,778	6.5%
PPOP	**26,832**	**26,522**	**1.2%**	**22,152**	**21.1%**
PBT	13,432	9,144	46.9%	7,309	83.8%
PAT	**10,025**	**6,843**	**46.5%**	**5,327**	**88.2%**

Key Ratios (%)	Q1 2027	Q1 2026	YoY (bps)	Q4 2026	QoQ (bps)
CASA Ratio	29.4%	31.5%	-205	31.2%	-179
CD Ratio	78.7%	84.0%	-536	78.9%	-27
NIM (reported)	3.6%	3.5%	11	3.4%	18
Cost to Income	60.5%	67.1%	-666	65.5%	-504
Credit costs	1.7%	2.0%	-38	1.9%	-21
GNPA (%)	3.3%	3.6%	-39	3.4%	-18
NNPA (%)	1.0%	1.1%	-17	1.0%	-5
PCR (%)	71.4%	70.2%	124	71.4%	-1

Source: Company, Antique

Table 10: DuPont analysis

Du Pont (% of average assets)	Q12026	Q22026	Q32026	Q42026	Q12027
NII	**3.4%**	**3.3%**	**3.5%**	**3.3%**	**3.4%**
Total income	5.0%	4.6%	4.8%	4.5%	4.7%
PPOP	1.9%	1.5%	1.8%	1.7%	2.0%
PBT	0.7%	-0.4%	0.2%	0.5%	1.0%
PAT (RoAA)	**0.5%**	**-0.3%**	**0.1%**	**0.4%**	**0.7%**
ROE	**4.2%**	**-2.7%**	**1.0%**	**3.3%**	**6.1%**

Source: Company, Antique

Federal Bank (BUY): Core operating performance beat on better margins.

Guidance: Bank has guided for mid-teens overall loan growth for the next 2-3 quarters. The bank expects NIM to improve by 5-6bps on average per quarter in FY27.

What we like: Loan growth of 3.6% QoQ/ 13% YoY was led by medium-yielding segments of gold loans (8% QoQ/ 33% YoY) and commercial banking (5% QoQ/ 25% YoY). While the bank's medium-term strategy is to reduce its share of low-yielding advances (Corporate/ home loans), corporate growth was also strong in the quarter at 4% QoQ/ 14% YoY, led by higher short-term T-bill linked loans. Unsecured loan growth was also strong at 4% QoQ/ 15% YoY. Deposit growth was strong at 2% QoQ/ 11% YoY, led by sustained momentum in retail deposits with CA/SA/retail TD growth of 16%/19%/15% YoY. Going forward, the bank expects deposit growth to be funded by the highest FCNR (B) flows, easing of wholesale deposit rates as system rates ease, OFCCB and refinance. NIM (ex IT refund) improved by +11bps QoQ (vs expectation of 4-5bps improvement) mainly due to deposit repricing benefit, which is now largely behind. The bank expects NIM to improve by 5-6bps on average per quarter in FY27, supported by an improved mix on both the asset and liability sides. Core fee growth was also strong at 22% YoY. Credit costs of 40bps are trending below the guidance of 50-60bps, and management remains confident that FY27 credit costs will be at the bottom end of this range. Slippage rates improved sequentially across the board despite expectations of seasonally higher retail slippages in 1Q. The bank expects an ECL transition impact of 1.5-2% of net worth and does not expect steady-state credit costs to inch up materially.

What we don't like: Gold loan LTV increased to 60% vs 54% earlier. Employee costs increased by 19% QoQ/ 16% YoY, mainly led by annual wage revisions. However, the impact was offset by lower other opex -7% QoQ/ 7% YoY.

Table 11: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	27,74,980	24,12,040	15.0%	26,45,944	4.9%
Deposits	32,01,180	28,74,360	11.4%	31,39,094	2.0%
NII	**29,459**	**23,368**	**26.1%**	**31,726**	**-7.1%**
Operating income	39,943	34,498	15.8%	43,176	-7.5%
PPOP	**18,973**	**15,563**	**21.9%**	**22,764**	**-16.7%**
PBT	15,796	11,561	36.6%	15,354	2.9%
PAT	**11,769**	**8,618**	**36.6%**	**12,591**	**-6.5%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	32.2%	30.4%	188 bp	32.9%	-71 bp
CD Ratio	86.7%	83.9%	277 bp	84.3%	240 bp
NIM (reported)	3.33%	2.94%	39 bp	3.20%	13 bp
Cost to Income	52.5%	54.9%	-239 bp	47.3%	522 bp
Credit costs	0.40%	0.64%	-24 bp	0.46%	-5 bp
GNPA (%)	1.52%	1.91%	-39 bp	1.62%	-10 bp
NNPA (%)	0.18%	0.48%	-30 bp	0.20%	-2 bp
PCR (%)	88.2%	75.2%	1297 bp	87.8%	39 bp

Source: Company, Antique

Table 12: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.7%**	**2.8%**	**2.9%**	**3.4%**	**3.0%**
Total income	3.9%	4.0%	4.2%	4.6%	4.1%
PPOP	1.8%	1.9%	1.9%	2.4%	1.9%
PBT	1.3%	1.4%	1.5%	1.6%	1.6%
PAT (RoAA)	**1.0%**	**1.1%**	**1.2%**	**1.3%**	**1.2%**
ROE	**10.2%**	**11.0%**	**11.7%**	**13.5%**	**12.0%**

Source: Company, Antique

RBL (NOT RATED): NIM continued to decline; credit card stress persists.

Guidance: Loan growth is expected to be at 20%+ in FY27 with wholesale growth around 20-25%, MFI/unsecured growth around 15-20%. NIM to improve from 2Q onward (30-40bps improvement in 2Q), aided by capital infusion. Credit cost is expected to be at ~1.5% range by 2HFY27.

What we like: Loan growth was 1.8% QoQ/23% YoY, mainly led by wholesale growth of 10.4% QoQ/38% YoY, while retail growth (-4.3% QoQ/13% YoY) remained weak due to higher opportunities in better-rated large corporates following the capital infusion and rating upgrade. Post the INR 260bn capital infusion in Jun'26, management expects wholesale to continue driving credit growth over the next few quarters. NIM to improve by 30–40bps NIM in Q2FY27 from the capital infusion, with further gradual improvement thereafter led by (i) lower borrowing costs post AAA rating upgrade, (ii) retirement of ~INR 100bn of high-cost deposits/borrowings at 7.25% cost vs book cost of funds of 6%, (iii) discontinuation of the high-cost SA deposit scheme launched in 4Q. These benefits will be partly offset by a higher wholesale mix and a shift toward higher-rated corporates. Accordingly, the bank will optimize ROA/ROE rather than NIM, as better-quality assets will structurally lower yields over time. Opex/assets declined to 3.7% (-53bps QoQ), primarily driven by operating leverage and lower other operating expenses.

What we don't like: Deposits declined by 10% QoQ/ 11% YoY due to shedding of high-cost bulk deposits, given the liquidity with the bank post the preferential allotment to ENBD. Reported NIM (4.13%) declined by 28 bps QoQ (-50bps over the last 2 quarters), mainly due to a 43 bps decline in loan yields and +17bps increase in funding costs. These were led by (i) the full impact of the Dec'25 repo cut. (ii) interest reversals from higher credit card slippages, (iii) higher wholesale growth, (iv) elevated SA costs as the bank had temporarily increased SA rates in 4Q. Credit card gross slippage rate (% of lagged std advances) increased to 17%, while credit card credit costs remained elevated at around 11% vs overall credit costs of 2.07%. Slippages are expected to remain elevated in 2Q, with a meaningful decline expected only in 3Q.

Table 13: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	11,62,230	9,44,310	23.1%	11,42,319	1.7%
Deposits	12,48,290	11,27,340	10.7%	13,90,176	-10.2%
NII	**16,545**	**14,807**	**11.7%**	**16,710**	**-1.0%**
Operating income	26,139	25,501	2.5%	27,399	-4.6%
PPOP	**9,228**	**7,029**	**31.3%**	**9,554**	**-3.4%**
PBT	3,235	2,606	24.1%	2,771	16.8%
PAT	**2,537**	**2,003**	**26.7%**	**2,297**	**10.4%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	26.0%	32.5%	-650 bp	33.6%	-760 bp
CD Ratio	93.1%	83.8%	934 bp	82.2%	1093 bp
NIM (reported, post BC re-classification)	4.1%	4.5%	-37 bp	4.4%	-28 bp
Cost to Income (post BC re-classification)	64.7%	72.4%	-774 bp	65.1%	-43 bp
Credit costs	2.1%	1.9%	18 bp	2.5%	-45 bp
GNPA (%)	1.3%	2.8%	-148 bp	1.5%	-15 bp
NNPA (%)	0.4%	0.5%	-8 bp	0.4%	-2 bp
PCR (%)	72.0%	84.0%	-1204 bp	73.6%	-157 bp

Source: Company, Antique

Table 14: DuPont analysis

Du Pont (% of average assets)	1QFY26	3QFY26	3QFY26	4QFY26	1QFY27
NII	**4.0%**	**4.1%**	**4.3%**	**4.0%**	**3.6%**
Total income	6.9%	6.6%	7.0%	6.5%	5.7%
PPOP	1.9%	1.9%	2.3%	2.3%	2.0%
PBT	0.7%	0.6%	0.7%	0.7%	0.7%
PAT (RoAA)	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.6%**
ROE	**5.1%**	**4.5%**	**5.3%**	**5.6%**	**3.4%**

Source: Company, Antique

IDFC First (NOT RATED): Strong quarter

Guidance: NIM guidance revised up by 5 bps to 5.75-5.8% (vs. 5.9% in 1QFY27); RoA for full year FY27 expected to be at 1%+; credit cost guidance revised lower from 170-180 bps earlier to 150-160 bps for FY27; MFI book growth expected to be at 15% YoY.

What we like: Gross loans grew 21% YoY/5% QoQ, led by 19% YoY/4% QoQ growth in the retail book; the corporate book grew 30% YoY/9% QoQ. Within corporate, the large corporate book, which constitutes 71% of the corporate portfolio, grew 33% YoY/11.5% QoQ. Retail portfolio growth was led by wheels, which grew 26% YoY/2% QoQ, consumer loans grew 75% YoY/7% QoQ, while mortgage book grew 8% YoY/2% QoQ. MFI book stabilized QoQ after showing contraction earlier and bank targets MFI book to deliver around 15% YoY growth as the operating environment normalizes. Deposit growth was also strong at 18% YoY/6% QoQ, led by strong CASA growth of 25% YoY/8% QoQ, while TD grew 9% YoY/2% QoQ. CASA ratio increased from 49.8% to 50.8% QoQ. NIM, adjusted for day count benefit in the previous quarter and adjusted for IT refund in the current quarter, increased by 5bps from 5.85% in 4QFY26 to 5.90% in 1QFY27. Reported NIM increased from 5.93% to 5.96% QoQ as current quarter includes 6bps benefit from interest on IT refund. The bank has raised FY27 NIM guidance to ~5.8% (from 5.75% guided earlier). Fees growth was strong at 23% YoY/3% QoQ, led by loan origination fees growth of 38% YoY/12% QoQ; credit card & toll fees grew 23% YoY/3% QoQ. Opex growth was under control and grew 16% YoY/-8% QoQ, led by 13% decline in other opex while staff cost grew 13% YoY/6% QoQ. Cost/assets declined from 6.3% to 5.6% QoQ. Management reiterated its target of ~500bps positive jaws between income growth and opex growth. The annualized slippage ratio declined from 3.05% to 2.85% QoQ. The bank has received claims of INR 5.15 bn under the CGFMU scheme against the MFI portfolio. The bank has created a prudent contingency provision of INR 5.15 bn for macro and geopolitical uncertainty. Credit cost, adjusted for this, declined from 1.3% to 0.9% QoQ.

What we don't like: Share of CD increased from 3.4% to 4% QoQ.

Table 15: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	30,53,700	25,32,330	21%	29,02,780	5.2%
Deposits	31,18,919	26,49,713	18%	29,44,746	5.9%
NII	**59,724**	**49,331**	**21%**	**56,772**	**5.2%**
Operating income	82,818	71,599	16%	73,072	13.3%
PPOP	**25,526**	**22,394**	**14%**	**10,585**	**141.1%**
PBT	14,087	5,803	143%	1,893	644.2%
PAT	**10,750**	**4,626**	**132%**	**3,189**	**237.0%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	52.9%	49.5%	342 bp	51.6%	138 bp
CD Ratio	94.4%	92.0%	245 bp	95.2%	-80 bp
NIM (reported)	6.0%	5.7%	25 bp	5.9%	3 bp
Cost to Income	69.2%	68.7%	46 bp	85.5%	-1634 bp
Credit costs	1.6%	2.8%	-119 bp	1.3%	33 bp
GNPA (%)	1.5%	2.0%	-46 bp	1.6%	-10 bp
NNPA (%)	0.4%	0.6%	-11 bp	0.5%	-4 bp
PCR (%)	71.5%	72.3%	-87 bp	70.5%	102 bp

Source: Company, Antique

Table 16: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**5.6%**	**5.5%**	**5.7%**	**5.7%**	**5.8%**
Total income	8.1%	7.5%	7.9%	7.6%	8.1%
PPOP	2.5%	2.0%	2.1%	1.3%	2.5%
PBT	0.7%	0.5%	0.7%	0.5%	1.4%
PAT (RoAA)	**0.5%**	**0.4%**	**0.5%**	**0.6%**	**1.0%**
ROE	**4.8%**	**3.3%**	**4.3%**	**5.0%**	**9.0%**

Source: Company, Antique

Bandhan (NOT RATED): Lowered FY27 RoA guidance to 1.2-1.4%

Guidance: FY27 exit quarter RoA guidance revised lower from 1.6-1.8% to 1.2-1.4%. Loan growth expected to be at ~14%+ in FY27, with MFI portfolio growth guided to grow in the ~5-10% range, while non-MFI loan growth expected to be at 20%+. Management expects CoF pressure going ahead as its SA cost increased by 20-25 bps. OPEX/assets ratio guidance increased from 4% to 4.2%. Management expects technology-related costs to increase ahead. Credit cost guidance is 1.6-1.8%.

What we like: NIM was stable QoQ on a reported basis. Reported CoF declined by 10bps QoQ while yield on funds was stable QoQ. NII growth was strong sequentially at 4.5%.

Retail deposits share continues to see an inch-up as it increased from 68% to 74% in the last 1 year (vs. 73.7% in 4QFY26). The bank has been consistently focusing on reducing the share of bulk deposits. Despite a rise in slippages, credit cost reduced from 2.1% to 1.8% QoQ, and the bank is guiding it to be in the 1.6-1.8% range going ahead.

What we don't like: Management has given a weaker outlook on NIM going ahead. The bank expects the cost of funds to increase going ahead, which will put pressure on the NIM. The NIM is likely to remain range-bound vs. earlier guidance of 10-20 bps improvement. Fees declined by 28% QoQ, and fees/assets declined from 1.5% to 1.15% QoQ vs. 1.5% in 1QFY26. Opex growth was higher at 19.4% YoY/2% QoQ, led by an increase in staff cost at 21% YoY/17% QoQ, while other opex grew 17% YoY. Cost-to-income ratio increased from 59.6% to 61.5% QoQ, and cost-to-assets ratio stood at 4.1%. Management expects and guides for a cost-to-assets ratio of ~4.2%, as technology-related costs are expected to inch up going ahead. Loan growth was lower than industry growth, as AUM grew 15.7% YoY/1% QoQ vs. industry growth of ~18-19%. MFI book saw a further decline of 2% QoQ/flat YoY, while some of the peer MFI players have started reporting growth in this portfolio. Growth in the mortgage book was weak at 6% YoY/-1% QoQ. In terms of asset quality, gross slippage ratio increased from 3.1% to 3.4% QoQ. SMA pool in MFI (1-90 days) increased from 3.1% to 3.5% QoQ.

Table 17: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	15,16,800	12,85,100	18%	15,01,038	1.1%
Deposits	16,48,900	15,46,700	7%	16,63,444	-0.9%
NII	**29,206**	**27,572**	**6%**	**27,956**	**4.5%**
Operating income	35,244	34,831	1%	35,663	-1.2%
PPOP	**13,581**	**16,684**	**-19%**	**14,412**	**-5.8%**
PBT	6,755	5,215	30%	7,641	-11.6%
PAT	**5,017**	**3,720**	**35%**	**5,341**	**-6.1%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	29.4%	27.1%	234 bp	29.3%	9 bp
CD Ratio	92.0%	83.1%	890 bp	90.2%	175 bp
NIM (reported)	6.2%	6.4%	-20 bp	6.2%	0 bp
Cost to Income	61.5%	52.1%	937 bp	59.6%	188 bp
Credit costs	1.8%	3.5%	-170 bp	2.0%	-20 bp
GNPA (%)	3.2%	5.0%	-181 bp	3.3%	-12 bp
NNPA (%)	0.9%	1.4%	-43 bp	1.0%	-4 bp
PCR (%)	71.1%	73.7%	-259 bp	71.1%	1 bp

Source: Company, Antique

Table 18: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**5.8%**	**5.4%**	**5.5%**	**5.5%**	**5.6%**
Total income	7.3%	6.5%	6.9%	7.0%	6.7%
PPOP	3.5%	2.7%	3.0%	2.8%	2.6%
PBT	1.1%	0.3%	0.6%	1.5%	1.3%
PAT (RoAA)	**0.8%**	**0.2%**	**0.4%**	**1.0%**	**1.0%**
ROE	**6.0%**	**1.8%**	**3.3%**	**8.4%**	**7.8%**

Source: Company, Antique

KVB (BUY): Upgrade to BUY on reduced margin, asset quality concerns.

Guidance: Loan growth guided to be at 1-2% above industry growth, NIM: 3.75-3.8% (FY26: 3.97%), 2Q NIM of 4%, CoD to inch up by 5-10bps QoQ, loan yields to decline by -10bps QoQ. RoA: 1.7-1.8%, RAM: Corporate mix expected to be at 80:20, GNPA, NNPA, Slippage ratio: <1.5%, <1%, <1% respectively, LCR targeted range: 115-120%.

What we like: Gross loan growth of 6% QoQ/17% YoY was broad-based across gold loans (6.4% QoQ/26.5% YoY) and non-gold portfolios (5.8% QoQ/13.5% YoY). Within the non-gold portfolio, (i) growth remained healthy in MSME and corporate, around 6% QoQ/ 12-13% YoY. Management expects MSME growth to return to 18% YoY this year, post the cautious stance in 4Q. (ii) Retail growth of 6% QoQ/ 23% YoY was led by LAP (9% QoQ/ 53% YoY) and retail gold loans (12% QoQ/ 17.7% YoY)

Deposit growth was also seasonally strong at 6% QoQ/15% YoY, led by strong CA/SA growth of 19%/4% QoQ and 16/15% YoY.

Reported NIM was largely stable QoQ at around 4.26%, excluding one-time interest recovery of INR 246.3mn. This was mainly led by loan yields increasing by +13bps QoQ, investment yields increasing by +19bps QoQ, partly offset by a funding cost increase of +12bps QoQ due to peak TD rate hikes of +40bps in April'26. Going forward, the bank expects NIM to reduce to 4% in 2Q, led by (i) deposit costs to rise further by 5-10bps and (ii) loan yields to decline by -10bps QoQ in 2Q due to competition and customer retention. The bank has conservatively guided FY27 NIM to 3.7-3.8%, lower than FY26 NIM of 3.97%.

Asset quality improved sequentially, with the gross slippage rate reducing to 62bps vs 89bps QoQ/ 98bps YoY, and slippages declined sequentially across all key segments. Management indicated that the ECL transition impact should be manageable, given total provisions of 1.7% of advances.

What we don't like: Employee costs increased by 17% QoQ/ 9% YoY, mainly due to higher AS-15 provisions of INR 47mn, nearly reversing the entire gain of last quarter due to rate hardening.

Table 19: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	10,46,780	8,93,740	17.1%	9,87,540	6.0%
Deposits	12,25,870	10,66,500	14.9%	11,56,657	6.0%
NII	**14,228**	**10,794**	**31.8%**	**13,588**	**4.7%**
Operating income	18,645	15,266	22.1%	19,746	-5.6%
PPOP	**10,956**	**8,055**	**36.0%**	**12,468**	**-12.1%**
PBT	10,053	6,874	46.3%	9,891	1.6%
PAT	**7,557**	**5,215**	**44.9%**	**7,250**	**4.2%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	27.6%	27.5%	7 bp	26.9%	65 bp
CD Ratio	84.9%	83.4%	152 bp	84.9%	3 bp
NIM (reported)	4.3%	3.9%	40 bp	4.3%	1 bp
Cost to Income	41.2%	47.2%	-600 bp	36.9%	438 bp
Credit costs	0.3%	0.5%	-26 bp	0.5%	-21 bp
GNPA (%)	0.7%	0.7%	8 bp	0.8%	-1 bp
NNPA (%)	0.2%	0.2%	0 bp	0.2%	0 bp
PCR (%)	74.6%	71.3%	337 bp	75.0%	-33 bp

Source: Company, Antique

Table 20: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.5%**	**3.9%**	**3.7%**	**4.0%**	**4.1%**
Total income	5.0%	5.6%	5.3%	5.8%	5.3%
PPOP	2.6%	3.2%	3.0%	3.7%	3.1%
PBT	2.2%	2.3%	2.7%	2.9%	2.9%
PAT (RoAA)	**1.7%**	**1.8%**	**2.1%**	**2.1%**	**2.2%**
ROE	**17.1%**	**18.2%**	**21.0%**	**21.0%**	**20.8%**

Source: Company, Antique

City Union Bank (HOLD): Steady operating performance

Guidance: FY27 loan growth to be 2-3% above industry levels with MSME remaining a key focus segment. FY27 NIM expected to be at 3.65-3.7% (vs. 1QFY27 NIM of 3.78%), Exit quarter FY27 RoA: ~1.65%, cost-to-income ratio: 47-48%, Slippages: INR 700-750 cr, Credit cost: ~0.4%

What we like: Gross loans grew 25% YoY/1.4% QoQ led by strong growth in gold loans (31% of the loans), at 38% YoY/7% QoQ. Management stated that the share of gold loans is expected to remain at ~30-31%. The CRE portfolio grew 40% YoY / 1% YoY from a low base. The bank continues to guide for FY27 loan growth to be 2-3% above industry levels.

The annualized slippage ratio was stable QoQ at 1.5%, while higher recoveries/ upgrades led to a reduction in net slippages from 0.3% to 0.1% QoQ. With lower slippages and higher write-offs, the GNPA/NNPA ratio fell from 1.9%/0.7% to 1.7%/0.6% QoQ. Credit cost declined from 44bps to 36 bps QoQ. Management reiterated that the West Asia crisis had no material impact on the portfolio. Under ECLGS, the bank disbursed INR 8bn against an eligible pool of INR 20-25bn. Deposit growth was also at 20% YoY/1.3% QoQ, and the LD ratio remained stable QoQ at 84%.

Opex growth for the quarter was lower than expected at 15.5% YoY, while it declined 2.7% QoQ. The cost-to-income ratio of the bank declined from 46.2% to 45.4% QoQ. However, given the pick-up in business growth ahead, costs are expected to increase. Management guides cost-to-income ratio of ~47-48% for FY27. Fees grew 14% YoY, and treasury gain increased from INR 287 mn to INR 525 mn QoQ. RoA increased from 1.55% to 1.57% QoQ.

What we don't like: Reported NIM declined by 9bps QoQ as yield on funds increased by 9bps QoQ while cost of funds increased by 14bps QoQ. Yields on loans were flat QoQ. Management expects NIM to decline further given the pressure on the funding cost side. The bank has increased its peak TD rate by 50bps over the last 1 year.

On the MSME front, loan growth was flat sequentially (~15% YoY), which management attributed to MSME utilisation declining to ~70% in the current quarter (from 73-74% earlier). However, it is expected to pick up ahead as business activity picks up.The bank's SMA 2 portfolio increased from 0.72% to 0.9% QoQ.

Table 21: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	6,68,809	5,30,378	26.1%	6,58,752	1.5%
Deposits	7,93,423	6,57,345	20.7%	7,83,080	1.3%
NII	**8,201**	**6,253**	**31.2%**	**7,858**	**4.4%**
Operating income	10,637	8,692	22.4%	10,763	-1.2%
PPOP	**5,806**	**4,509**	**28.8%**	**5,796**	**0.2%**
PBT	5,026	3,809	31.9%	4,596	9.4%
PAT	**3,826**	**3,059**	**25.1%**	**3,596**	**6.4%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	26.6%	27.3%	-72 bp	27.6%	-105 bp
CD Ratio	84.3%	80.7%	361 bp	84.1%	17 bp
NIM (reported)	3.48%	3.31%	17 bp	3.52%	-4 bp
Cost to Income	45.4%	48.1%	-270 bp	46.2%	-73 bp
Credit costs	0.36%	0.53%	-17 bp	0.44%	-8 bp
GNPA (%)	1.73%	2.99%	-126 bp	1.91%	-18 bp
NNPA (%)	0.61%	1.20%	-59 bp	0.68%	-7 bp
PCR (%)	85.0%	79.0%	600 bp	84.0%	100 bp

Source: Company, Antique

Table 22: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.18**	**3.25**	**3.49**	**3.40**	**3.36**
Total income	3.80	3.90	4.20	4.15	3.93
PPOP	2.29	2.29	2.38	2.50	2.38
PBT	1.94	2.02	1.93	1.99	2.06
PAT (RoAA)	**1.55**	**1.60**	**1.54**	**1.55**	**1.57**
ROE	**12.72**	**13.35**	**13.16**	**13.81**	**14.18**

Source: Company, Antique

DCB (BUY): Key disappointment was weak loan growth.

Guidance: Loan growth guidance maintained at 18-20%, NIM is expected to be range-bound in FY27, RoA: 1% or above, RoE: 13.5% in FY27 and 14.5% in FY28, opex/assets: ~2.5%, Credit cost: 45-55 bps.

What we like: Calculated NIM was largely stable QoQ, in-line with expectations. Management expects NIM to improve from 2Q onwards, led by residual deposit repricing benefit (due to a longer duration of term deposits) and a higher share of mortgages as the recalibration of the book is largely behind. Core fee growth was strong at 31% YoY. Overall core PPOP growth of -2% QoQ/ 44% YoY was a beat on estimates, mainly due to stronger core fee income and lower opex

What we don't like: Loan growth was weak at flat QoQ, 17% YoY, in a benign credit environment and also lower vs. its guidance of 18-20% YoY growth in FY27. This was mainly due to (i) weak growth in mortgages (flattish QoQ/ 4.2% YoY) on seasonality and recalibration of book mix from HL to BL, (ii) decline in co-lending (-11% QoQ/ -5.3% YoY). Co-lending mix reduced to 12.3% vs 13.8% QoQ/ 15.2% YoY. Growth in 1Q was mainly led by gold loans (48% QoQ/ 128% YoY) and agri loans (3.3% QoQ/ 23% YoY). That said, the bank expects growth to improve from here on, led by a pickup in MSME and mortgages.

Opex/assets reduced to 2.43% vs 2.47% QoQ despite annual wage increments, led by productivity gains. However, management expects opex/assets to rise from here, with a gradual increase in headcount and FY27 opex/assets to around 2.45%.

Reported gross slippage rate increased to 2.69% vs 2.28% QoQ/ 4.59% YoY, mainly led by an increase in gold loan slippages, as slippage rate (ex gold loans) increased only marginally to 1.52% vs 1.47% QoQ/ 3.1% YoY. Over the last 2 quarters, GNPA/NNPA (2.43%/0.84% as of 30-Jun'26) has remained below its target of less than 2.5%/1% respectively, and the bank targets to maintain that for the rest of the quarters

Table 23: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	5,99,510	5,12,150	17.1%	6,00,218	-0.1%
Deposits	7,44,820	6,20,390	20.1%	7,25,833	2.6%
NII	**6,840**	**5,804**	**17.8%**	**6,552**	**4.4%**
Operating income	8,803	8,166	7.8%	8,667	1.6%
PPOP	**3,440**	**3,269**	**5.2%**	**3,420**	**0.6%**
PBT	2,870	2,118	35.5%	2,730	5.1%
PAT	**2,132**	**1,573**	**35.6%**	**2,056**	**3.7%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	21.7%	23.3%	-167 bp	22.4%	-73 bp
CD Ratio	80.5%	82.6%	-206 bp	82.7%	-220 bp
NIM (reported)	3.4%	3.2%	15 bp	3.4%	-4 bp
Cost to Income	60.9%	60.0%	95 bp	60.5%	38 bp
Credit costs	0.4%	0.9%	-52 bp	0.5%	-9 bp
GNPA (%)	2.4%	3.0%	-55 bp	2.5%	-2 bp
NNPA (%)	0.8%	1.2%	-38 bp	0.9%	-5 bp
PCR (%)	66.0%	59.7%	622 bp	64.3%	166 bp

Source: Company, Antique

Table 24: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.0%**	**3.1%**	**3.1%**	**3.1%**	**3.1%**
Total income	4.2%	4.0%	4.2%	4.1%	4.0%
PPOP	1.7%	1.6%	1.6%	1.6%	1.6%
PBT	1.1%	1.2%	1.2%	1.3%	1.3%
PAT (RoAA)	**0.8%**	**0.9%**	**0.9%**	**1.0%**	**1.0%**
ROE	**10.9%**	**12.5%**	**12.0%**	**12.8%**	**12.8%**

Source: Company, Antique

South Indian Bank (HOLD): Better than expected margins on improved liability management

Guidance: FY27 loan growth 15-16%, corporate book share to be about 1/3rd of total book in the medium term, 60-65% of total deposits to be repriced in FY27, of which a large part has been repriced in 1Q.

What we like: MSME loan book grew 4% QoQ/ 14% YoY, and the bank expects growth to improve from here on in this segment. Gold loans, which form 24% of the book, also saw a weak sequential growth of 0.8% QoQ/ 43% YoY due to the impact of the RBI circular effective 1 April '26.

While deposit growth was relatively weak at 2% QoQ/ 11% YoY, CASA growth remained reasonably strong at 5% QoQ/ 15% YoY.

Reported NIM (3.23%) improved by 28bps QoQ, led by (i) reduction in cost of deposits by -31bps QoQ driven by downward repricing of high cost deposits by 40-60bps, (ii) reduction in bulk deposits by -53% QoQ/ -58% YoY, (iii) a 5bps QoQ increase in lending yields, as a large proportion of the corporate portfolio is linked to short-term T-bills where rates have inched up considerably. With most deposit repricing already behind it, margins are expected to remain range-bound in the coming year. Core operating profit growth of 1% QoQ/ 64% YoY was a beat to estimates, mainly led by strong NII growth of 12% QoQ/ 23% YoY.

Gross slippage rate improved to 59bps vs 69bps QoQ/ 91bps YoY despite 1Q being seasonally weak. The bank expects slippages to remain in the 5-7bn range in FY27, similar to FY26. Credit costs were also contained around 33bps despite an inch up in PCR to 81.4% vs 80% QoQ.

What we don't like: While gross loan growth momentum remained strong at 4% QoQ/ 17% YoY, it was led by low-yielding ST corporate loans (7.8% QoQ/ 12% YoY) given higher balance sheet liquidity. That said, pricing in the ST T-bill-linked loans has improved due to a steep rise in T-bill rates. The bank further expects corporate growth to remain strong for a couple more quarters.

Table 25: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	10,43,680	8,91,980	17.0%	10,02,740	4.1%
Deposits	12,58,166	11,29,216	11.4%	12,33,463	2.0%
NII	**10,247**	**8,326**	23.1%	**9,153**	12.0%
Operating Income	14,042	14,545	-3.5%	13,012	7.9%
PPOP	**5,918**	**6,722**	-12.0%	**5,813**	1.8%
PBT	5,075	4,329	17.2%	5,469	-7.2%
PAT	**3,776**	**3,220**	17.3%	**4,075**	-7.3%

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	33.0%	32.1%	92	32.1%	86
CD Ratio	83.0%	79.0%	396	81.3%	166
NIM (reported)	3.2%	3.03%	20	2.95%	28
Cost to Income	57.9%	53.8%	407	55.3%	252
Credit costs	0.3%	1.15%	-83	0.06%	27
GNPA (%)	1.4%	3.15%	-177	1.43%	-5
NNPA (%)	0.3%	0.68%	-42	0.29%	-3
PCR (%)	94.5%	88.8%	568	94.1%	40

Source: Company, Antique

Table 26: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.5%**	**2.4%**	**2.6%**	**2.6%**	**2.9%**
Total income	4.4%	3.9%	4.0%	3.7%	3.9%
PPOP	**2.0%**	**1.6%**	**1.7%**	**1.7%**	**1.7%**
PBT	1.3%	1.4%	1.5%	1.6%	1.4%
PAT (RoAA)	**1.0%**	**1.0%**	**1.1%**	**1.2%**	**1.1%**
ROE	**12.0%**	**13.1%**	**13.8%**	**14.5%**	**13.0%**

Source: Company, Antique

Small Finance Banks

AU SFB (NOT RATED): Asset quality improves, margin outcome weak

Guidance: Management aims to sustain RoA at ~1.8% in FY27. Sustainable loan growth target of ~2.0-2.5x India's GDP growth. MFI share to be capped at 10% of the loan book.

What we like: While reported credit costs (including CGFMU) increased seasonally to 0.8% vs 0.6% QoQ, management expects further improvement in credit costs from here on driven by improvement in asset quality in unsecured businesses. NPA in digital unsecured (credit cards) reduced to 3.5% (-70bps QoQ). Management expects ECL transition impact to be limited, supported by low LGDs due to a predominantly secured portfolio and conservative provisioning policy. The bank strengthened provisioning norms across unsecured products (credit cards, PL and MFI), resulting in a one-time additional provision of INR 230mn during the quarter. Core fees grew strongly by 33% YoY, driven by higher business volumes, strong credit card issuances, and strong transaction banking and forex income (46% YoY) on the back of strong commercial banking growth. Core/fees improved to 1.4% vs 1.3% YoY, and the bank expects to improve further from here on.

What we don't like: Reported credit costs (including CGFMU) increased to 0.8% vs 0.6% QoQ. Loan growth of 3% QoQ/ 23% YoY was led by commercial banking asset growth of 6% QoQ/ 34% YoY while growth remained relatively soft at 4% QoQ/ 22.4% YoY mainly due to weakness in mortgages which grew by 2% QoQ/ 12% YoY. Commercial Banking saw a seasonal uptick in Q1 NPAs, mainly from the SME/business banking portfolio. Reported NIM (5.89%) declined by -7bps QoQ mainly due to decline in yields by -10bps QoQ which in turn was led by decline in commercial banking yields along with an increase in mix of commercial banking assets to 22.6% vs 22% QoQ. Cost of funds remained broadly stable at 6.48% as higher costs on savings accounts and wholesale funding were offset by retail TD repricing. However, the bank indicated that the cost of funds has largely bottomed out and will increase from here on.

Table 27: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	13,85,720	10,98,340	26.2%	13,42,756	3.2%
Deposits	15,77,270	12,76,960	23.5%	15,26,612	3.3%
NII	**26,955**	**20,447**	**31.8%**	**25,823**	**4.4%**
Operating income	33,847	28,553	18.5%	33,133	2.2%
PPOP	**14,355**	**13,122**	**9.4%**	**13,515**	**6.2%**
PBT	10,640	7,789	36.6%	10,821	-1.7%
PAT	**7,960**	**5,809**	**37.0%**	**8,319**	**-4.3%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	28.8%	29.1%	-35	28.4%	35
CD Ratio	87.9%	86.0%	184	88.0%	-10
NIM (reported)	5.9%	5.4%	49	6.0%	-7
Cost to Income	57.6%	54.0%	355	59.2%	-162
Credit costs	1.09%	1.97%	-88	0.84%	25
GNPA (%)	2.10%	2.47%	-37.0	2.03%	7.0
NNPA (%)	0.76%	0.88%	-12	0.74%	2
PCR (%)	64.1%	64.7%	-64	64.1%	-2

Source: Company, Antique

Table 28: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**5.1%**	**5.3%**	**5.5%**	**5.6%**	**5.5%**
Total income	7.2%	7.0%	7.2%	7.2%	7.0%
PPOP	3.3%	3.0%	2.9%	3.0%	3.0%
PBT	2.0%	1.8%	2.1%	2.4%	2.2%
PAT (RoAA)	**1.5%**	**1.4%**	**1.6%**	**1.8%**	**1.6%**
ROE	**13.3%**	**12.4%**	**14.3%**	**17.0%**	**15.6%**

Source: Company, Antique

Ujjivan SFB (BUY): Earnings beat on lower credit costs

Guidance: FY27 advances growth: ~25%, secured mix 56%. NIM is expected to remain broadly in line with the FY26 exit quarter level of 8.5%. Credit cost (% of avg total assets) guidance reduced to 0.9-1% (vs 1.4-1.5% of avg loans given earlier which translates to around 1-1.1% of avg total assets). RoA guidance increased to 1.8-2% from 1.6% given earlier, due to reduction in credit costs and opex estimates. Opex-to-assets to increase in FY27 (6.21% in FY26), led by branch additions.

What we like: RoA guidance increased to 1.8-2% from 1.6% given earlier due to reduction in credit costs and opex estimates. Gross loan grew 5.5% QoQ/ 29% YoY led by non-micro banking growth of 8% QoQ/ 44% YoY and MFI growth was strong at 3.2% QoQ/ 17% YoY (on a low base YoY). Reported NIM of 8.5% was stable QoQ as lower cost of funds (-10bps QoQ) was offset by lower yields (-10bps QoQ), mainly led by a decline in non-micro banking yields. Going forward, with deposit repricing largely behind, NIM is likely to be stable, with the impact of increasing secured mix to be offset via (i) improved product mix in terms of higher-yielding segments like gold loans, 2-wheelers, used cars and micro mortgages, (ii) higher refinance and securitization. Gross slippage rate reduced to 2.1% vs 2.8% QoQ, mainly due to a reduction in MFI slippage rate to 1.72% vs 2.68% QoQ. Further, IL/GL PAR 0-90dpd also reduced to 1%/1.2%, -20bps/ stable QoQ. Hence, the bank reduced its credit cost guidance to 0.9-1% (as % of avg total assets) from ~1% earlier (1.4-1.5% gross loans earlier)

What we don't like: While deposit growth was also strong at 5.4% QoQ/ 25% YoY, it was led by wholesale deposit growth of 14% QoQ. 40% YoY.Opex/assets also reduced to 6.06% vs 6.45% QoQ despite annual wage increments, mainly due to a reduction in other opex as the bank deferred the branch expansion plan due to on-ground uncertainty. However, going forward, the bank has resumed its branch expansion and business investment plan by the end of 1Q and has earmarked INR 2.5bn of additional opex for the same. Consequently, opex/assets is expected to increase from here on, with FY27 guidance of 6.4%

Table 29: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	4,19,800	3,25,010	29.2%	3,97,606	5.6%
Deposits	4,81,290	3,86,190	24.6%	4,56,683	5.4%
NII	**11,874**	**8,560**	**38.7%**	**10,929**	**8.6%**
Total Net Income	14,434	11,049	30.6%	13,996	3.1%
PPOP	**5,481**	**3,605**	**52.0%**	**5,146**	**6.5%**
PBT	4,207	1,355	210.4%	3,708	13.5%
PAT	**3,165**	**1,032**	**206.7%**	**2,820**	**12.3%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	26.9%	24.3%	257	28.6%	-173
CD Ratio	87.2%	84.2%	307	87.1%	16
NIM (reported)	8.50%	7.70%	80	8.50%	0
Cost to Income	62.0%	67.4%	-535	63.2%	-120
Credit costs	1.25%	2.82%	-157	1.51%	-27
GNPA (%)	2.16%	2.52%	-36	2.26%	-10
NNPA (%)	0.34%	0.70%	-36	0.43%	-9
PCR (%)	84.7%	72.9%	1176	81.4%	326

Source: Company, Antique

Table 30: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**7.1%**	**7.5%**	**7.9%**	**8.0%**	**8.0%**
Total income	7.8%	8.2%	8.8%	8.8%	8.7%
PPOP	**3.0%**	**3.2%**	**3.5%**	**3.7%**	**3.7%**
PBT	1.1%	1.3%	1.9%	2.7%	2.8%
PAT (RoAA)	**0.9%**	**1.0%**	**1.5%**	**2.1%**	**2.1%**
RoE	**6.7%**	**7.8%**	**11.6%**	**16.9%**	**18.1%**

Source: Company, Antique

Equitas SFB (BUY): In-line operating performance

Guidance: AUM growth of ~20%+ for FY27, with MFI share expected to remain capped around 10%. Credit cost to remain below ~1.4% for FY27. FY27 RoA of ~1.2%+ with exit quarter RoA at ~1.5%. NIM to moderate from 7.24% in 1QFY27 to ~7% by the end of FY27 given the rise in CoF.

What we like: Overall AUM growth picked up to 27% YoY/3% QoQ; adjusted for DA, growth stood at 24% YoY/4% QoQ. The bank's MFI DA book stood at INR 8.4 bn (vs. INR 13.4 bn in 3QFY26), which management expects to run down to INR 1.5 bn by the end of FY27.

MFI book (ex-DA) grew 11% QoQ. Non-MFI AUM grew 22% YoY/3% QoQ, driven by small business loans growth of 15% YoY/4% QoQ and 15% YoY/3% QoQ growth in vehicle finance. Management reiterated guidance of ~20% AUM growth in FY27. Total disbursements increased 93% YoY but declined 8% sequentially due to seasonality. MFI disbursements for the quarter stood at INR 13.4 bn (vs. INR 15.1 bn in 1QFY26). It is expected to pick up ahead given the stabilized asset quality in MFI. The bank's C bucket CE in microfinance remained stable QoQ at ~99.7%. MFI segment 1-90 DPD pool declined from 1.3% to 1.1% QoQ.

Loan yield on gross loans increased from 15.65% to 15.86% QoQ, mainly due to an increase in microfinance yield from 23.2% to 23.9% QoQ, while non-MFI yield increased marginally from 14.85% to 14.9% QoQ. Management expects yield to remain largely stable going ahead.

What we don't like: NIM on a calculated basis declined by 13bps QoQ, which was in line with our expectations. The decline was primarily due to 11bps QoQ increase in CoF reported by the bank. Management expects NIM to decline further due to a further increase in funding cost. Q1FY27, cost of SA increased by 19bps QoQ while cost of TD for the current quarter declined by 8bps QoQ. However, given the increase in deposit rates taken by the bank, the cost of TD is expected to inch up. Accordingly, FY27 NIM is guided to moderate from 7.24% to ~7.1% range by FY27.

Gross slippage ratio increased sequentially from 3.8% to 4.6% QoQ, which was mainly due to an increase in the non-MFI portfolio. Management has stated that this rise in slippages was largely due to seasonality and it is expected to normalize going ahead. 1-90 DPD pool in non-MFI book increased from 7.4% to 8.1% QoQ.

Table 31: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	4,47,330	3,47,410	28.8%	4,27,513	4.6%
Deposits	4,89,760	4,43,790	10.4%	4,65,331	5.2%
NII	**10,296**	**7,857**	**31.0%**	**9,801**	**5.0%**
Operating income	12,847	10,774	19.2%	12,436	3.3%
PPOP	**4,047**	**3,148**	**28.6%**	**4,025**	**0.6%**
PBT	2,441	(2,975)	-182.0%	2,783	-12.3%
PAT	**1,836**	**(2,238)**	**-182.1%**	**2,127**	**-13.7%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	25.1%	29.3%	-421	26.2%	-108
CD Ratio	91.3%	78.3%	1305	91.9%	-54
NIM (reported)	7.07%	6.55%	52	7.29%	-22
Cost to Income	68.5%	70.8%	-229	67.6%	86
Credit costs	1.47%	6.90%	-543	1.20%	27
GNPA (%)	2.42%	2.92%	-50	2.60%	-18
NNPA (%)	0.71%	0.98%	-27	0.72%	-1
PCR (%)	71.0%	67.0%	399	73.0%	-201

Source: Company, Antique

Table 32: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**5.9%**	**5.7%**	**6.1%**	**6.7%**	**6.6%**
Total income	7.1%	7.0%	7.9%	8.5%	8.0%
PPOP	**1.4%**	**1.5%**	**1.9%**	**2.8%**	**2.4%**
PBT	-2.2%	0.2%	0.8%	1.9%	1.6%
PAT (RoAA)	**-1.7%**	**0.2%**	**0.6%**	**1.5%**	**1.2%**
ROE	**-15.0%**	**1.6%**	**6.1%**	**14.1%**	**11.8%**

Source: Company, Antique

PSU Banks

SBI (BUY): Core performance beat led by better margins and lower provisions

Guidance: Bank has guided for a loan growth of 14-15% YoY for FY27. FY27 domestic NIM to be at ~3% (FY26: 3.03%), credit cost guidance unchanged ~50bps, including any impact from WA crisis.

What we like: Calculated NIM improved by +6bps QoQ, higher than expectation of 1-2bps QoQ improvement mainly led by increase in loan yields by +10bps QoQ supported by migration of T-bill linked loans to MCLR and upwards renegotiation of T-bill linked loans. Overall, on reported basis, domestic NIM and is expected to remain around the current level of 3% for FY27. The bank does not expect any major benefit or impact due to FCNR (B) mobilization. Loan growth of 2.3% QoQ/ 19% YoY was in-line with expectations with FY27 guidance of 14-15% YoY. Growth was led by SME (5.5% QoQ/ 22% YoY) and agri (5% QoQ/ 25% YoY) while corporate growth was flattish QoQ/ 18% YoY due to churn in the T-bill linked advances book. Retail growth of 2% QoQ/ 15% YoY was led by gold loans (19% QoQ/ 98% YoY) and other retail loans (3% QoQ/ 16% YoY). Unsecured Xpress credit growth was weak at flat QoQ/ 8% YoY due to preference for gold loans over unsecured credit. Other income benefited from INR43bn treasury gains vs. INR14bn loss in 4QFY26. Gross slippage ratio was seasonally higher at 0.7% vs 0.53% QoQ/ 0.9% YoY. However, GNPA remained on a stable to declining trend across most key segments. Despite seasonality, credit costs remained low at 27bps vs 26bps QoQ/ 0.47bps YoY.

What we don't like: Deposit growth (flat QoQ/ 10% YoY) was weak as compared to peers, however, the bank expects $10bn of FCNR (B) mobilization in 2Q ($6bn mobilized QTD) which is expected to contribute ~1.6% to QoQ deposit growth in 2Q. Core fee growth was strong at 21% YoY, partly supported by higher government fees due to a change in accounting treatment to an accrual basis from an actual basis.

Table 33: Quarterly performance

(INR mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)
Advances	4,99,20,037	4,19,62,051	19.0%	4,87,78,948	2.3%
Deposits	6,00,58,052	5,47,32,537	9.7%	5,97,56,421	0.5%
NII	**4,69,924**	**4,10,725**	**14.4%**	**4,43,800**	**5.9%**
Operating income	6,29,151	5,84,182	7.7%	6,16,941	2.0%
PPOP	**3,35,292**	**3,05,445**	**9.8%**	**2,77,042**	**21.0%**
PBT	2,84,824	2,57,853	10.5%	2,48,320	14.7%
PAT	**2,11,212**	**1,91,604**	**10.2%**	**1,96,838**	**7.3%**

Key Ratios (%)	Q1FY27	Q1FY26	YoY (bps)	Q4FY26	QoQ (bps)
Domestic CASA Ratio	39.2%	39.4%	-12	39.5%	-22
CD Ratio	83.1%	76.7%	645	81.6%	149
NIM (reported)	2.9%	2.9%	-4	2.8%	5
Cost to Income	46.7%	47.7%	-101	55.1%	-839
Credit costs	0.3%	0.5%	-20	0.4%	-10
GNPA (%)	1.5%	1.8%	-36	1.5%	-2
NNPA (%)	0.4%	0.5%	-9	0.4%	-1
PCR (%)	74.2%	74.5%	-28	74.4%	-16

Source: Company, Antique

Table 34: DuPont analysis

Du Pont (% of average assets)	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	**2.4%**	**2.5%**	**2.5%**	**2.4%**	**2.5%**
Total income	3.5%	3.7%	3.6%	3.3%	3.3%
PPOP	**1.8%**	**1.9%**	**1.9%**	**1.5%**	**1.8%**
PBT	**1.5%**	**1.5%**	**1.6%**	**1.3%**	**1.5%**
PAT (RoAA)	**1.1%**	**1.2%**	**1.2%**	**1.1%**	**1.1%**
ROE	**16.8%**	**16.3%**	**15.9%**	**14.5%**	**15.2%**

Source: Company, Antique

BOB (HOLD): Profitability impacted by one-off

Guidance: Loan growth guidance unchanged at 12-14%, Deposits growth: 10-12%, NIM guidance for FY27 continues to be at 2.75-2.95%, RoA for Q2/Q3/Q4FY26 expected to be at 1%+.

What we like: Gross advances growth remained strong at 17.4% YoY but declined 1% QoQ as the bank has run down the low-yielding corporate book, which led to a decline in the corporate book of -6.5% QoQ/+15% YoY. Management has stated that, corporate loan repricing remains a focus, with the bank migrating non-MCLR corporate loans towards MCLR and letting low-yield corporate exposures run down. RAM book grew 19% YoY/1.8% QOQ with MSME growth at 20% YoY/2% QoQ, Retail grew 18% YoY/2% QoQ, while agri book grew 19% YoY/0.7% QoQ.

SMA 1 & 2 (>INR 50 mn) declined from 18 bps to 7bps QoQ.

Core credit cost for the quarter remained stable QoQ at 30bps, well within the guidance of <60bps.

What we don't like: The bank has reported a one-time out-of-court settlement charge of INR 56.8 bn related to the settlement of the legacy NMC Group litigation, which significantly impacted the profitability of the bank. PAT declined by 72% YoY/77% QoQ which resulted into RoA decline of 1.15% vs. 0.25% QoQ.

NIM on a reported basis declined by 12bps QoQ to 2.77%. Yield on loans declined 7bps QoQ, while CoD decreased 12bps. Management attributed the NIM decline primarily to lower IT refund in the current quarter. Fees growth for the quarter was weak at -4% YoY/-27% QoQ, and fees to assets declined from 0.44% to 0.31% QoQ (vs. 0.37% in 1QFY26). Treasury gain for the quarter declined from INR 3.7 bn to INR 2.7 bn QoQ.

Fresh slippages increased from INR 29.4 bn to INR 31.83 bn QoQ and write-offs for the quarter was lower at INR 6.4 bn (vs. INR 15.2 bn in 4QFY26). This, along with lower recoveries of INR 8.8 bn (vs. INR 13.8 bn in 4QFY26), has resulted in the GNPA/NNPA ratio increasing from 1.89%/0.45% to 1.99%/0.50% QoQ. The bank's PCR declined from 76.7% to 75.1% QoQ.

Table 35: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	1,39,57,269	1,18,65,855	18%	1,40,90,941	-0.9%
Deposits	1,63,35,588	1,43,56,343	14%	1,64,84,872	-0.9%
NII	**1,25,251**	**1,14,348**	**10%**	**1,24,937**	**0.3%**
Total Net Income	1,59,955	1,61,093	-1%	1,64,606	-2.8%
PPOP	**81,273**	**82,365**	**-1%**	**90,694**	**-10.4%**
PBT	18,040	62,695	-71%	59,190	-69.5%
PAT	**12,784**	**45,414**	**-72%**	**56,157**	**-77.2%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
Domestic CASA Ratio	37.7%	39.3%	-161	38.9%	-117
CD Ratio	85.4%	82.7%	279	85.5%	-4
NIM (reported)	2.8%	2.9%	-14	2.9%	-12
Cost to Income	49.2%	48.9%	32	44.9%	429
Credit costs	0.30%	0.6%	-27	0.75%	-45
GNPA (%)	2.0%	2.3%	-29	1.9%	10
NNPA (%)	0.5%	0.6%	-10	0.5%	5
PCR (%)	75.1%	74.0%	103	76.7%	-159

Source: Company, Antique

Table 36: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.6%**	**2.7%**	**2.5%**	**2.6%**	**2.5%**
Total income	1.1%	0.8%	0.8%	0.8%	0.7%
PPOP	3.6%	3.5%	3.3%	3.4%	3.2%
PBT	1.9%	1.7%	1.6%	1.9%	1.6%
PAT (RoAA)	**1.4%**	**1.4%**	**1.4%**	**1.2%**	**0.4%**
ROE	**1.0%**	**1.1%**	**1.1%**	**1.2%**	**0.3%**

Source: Company, Antique

PNB (HOLD): Earnings beat on strong margins and lower provisions

Guidance: FY27 loan growth guided at 12%-13%. Deposit growth at 9%-10%, NIM guidance 2.6-2.7%, GNPA < 2.5%, NNPA < 0.3%, credit cost < 0.4%, RoA > 1%, Total recovery: INR 130bn, NII growth 7% YoY, PPOP growth 9-10% YoY.

What we like: While deposit growth remained weak at 0.8% QoQ/ 9% YoY. However, the bank targets ~$2.5bn in FCNR (B) mobilization in 2Q, which is estimated to contribute ~1.4% to overall deposit growth.

Calculated NIM improved by +6bps QoQ vs the expectation of +1bps improvement, mainly led by higher asset yields on the back of the bank's loan book recalibration towards higher-yielding segments. C-D ratio at 72% still remains lower than most other PSU banks. Over the last 2 quarters, the cost-to-income has reduced to 50% vs 55% a year ago, and the bank expects to achieve a cost-to-income of 47-48% by exit FY27 led by reduced PSLC costs given strong growth in gold loans.

Asset quality remained benign with gross slippage ratio improving to 0.76% vs 1% QoQ/ 0.77% YoY led by reduction in slippages in agri and MSME. The bank had a provision reversal of INR 6.4bn, which it partly utilized to create an additional floating provision of INR 3.9bn, likely to be utilized for ECL transition. The bank estimates the one-time ECL transition impact of INR 95-100bn, of which it currently has an outstanding floating provision buffer of INR 24.4bn. Steady-state credit costs are expected to increase by 10-12bps.

What we don't like: Gross loan growth of 1.2% QoQ/ 13% YoY was led by overseas loan growth of 5.6% QoQ/ 36% YoY, while domestic credit growth remained weak at 0.9% QoQ/ 12% YoY. Weak domestic credit growth was mainly due to a weak growth in (i) retail credit (1.8% QoQ/ 9% YoY) as the bank shed low yielding IBPC advances and (ii) corporate credit (flattish QoQ/ 10% YoY) due to the bank's loan book recalibration towards replacing low yielding short term corporate loan book (<7% yield) with higher yielding loans. MSME growth was strong at 4% QoQ/ 20% YoY, and the bank expects further acceleration in loan growth from here on.

Table 37: Quarterly performance

(INR mn)	Q1 2027	Q1 2026	YoY (%)	Q4 2026	QoQ (%)
Advances	1,27,31,320	1,12,98,980	12.7%	1,25,85,590	1.2%
Deposits	1,72,48,373	1,58,93,786	8.5%	1,71,11,263	0.8%
NII	**1,07,984**	**1,05,781**	**2.1%**	**1,03,803**	**4.0%**
Operating income	1,51,318	1,58,459	-4.5%	1,45,423	4.1%
PPOP	**75,192**	**70,814**	**6.2%**	**75,004**	**0.3%**
PBT	69,780	67,583	3.3%	70,766	-1.4%
PAT	**52,533**	**16,750**	**213.6%**	**52,251**	**0.5%**

Key Ratios (%)	Q1 2027	Q1 2026	YoY (bps)	Q4 2026	QoQ (bps)
CASA Ratio	35.5%	35.8%	-23 bp	35.6%	-8 bp
CD Ratio	72.0%	68.7%	327 bp	71.6%	36 bp
NIM (reported)	0.0%	2.7%	-270 bp	2.6%	-257 bp
Cost to Income	50.3%	55.3%	-500 bp	48.4%	188 bp
Credit costs	0.3%	0.1%	11 bp	0.2%	5 bp
GNPA (%)	2.8%	3.8%	-100 bp	3.0%	-17 bp
NNPA (%)	0.3%	0.4%	-10 bp	0.3%	-1 bp
PCR (%)	90.3%	90.3%	-2 bp	90.3%	2 bp

Source: Company, Antique

Table 38: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.3%**	**2.3%**	**2.2%**	**2.1%**	**2.2%**
Total income	3.5%	3.2%	3.3%	3.0%	3.0%
PPOP	1.6%	1.6%	1.6%	1.5%	1.5%
PBT	1.5%	1.4%	1.3%	1.4%	1.4%
PAT (RoAA)	**0.4%**	**1.1%**	**1.1%**	**1.1%**	**1.1%**
ROE	**5.2%**	**14.7%**	**14.7%**	**14.7%**	**14.4%**

Source: Company, Antique

Canara Bank (Buy): In line NII; PAT beat led by higher non-core gains

Guidance: FY27 Loan growth guided at 11-12%, Deposit growth at 10-11%, FY27 NIM: 2.5-2.6%. Credit cost <75bps, slippage ratio: 0.8%, RoA: 1.01-1.05%

What we like: Gross advances grew strongly at 18% YoY/4.5% QoQ, led by an increase in RAM credit, which grew 21% YoY/4.7% QoQ, while corporate credit grew to 14% YoY/ 4% QoQ. Within RAM, retail/SME credit grew strongly at 8%/7% QoQ and 36%/15% YoY, while Agri was flat sequentially. Management has conservatively guided for loan growth of 11-12% for FY27.

Gold loan growth remained strong at 33% YoY/6% QoQ, and it constitutes ~20% of the total book.

Deposit growth was healthy at 11.6% YoY/2.7% QoQ, led by CASA growth of 11% YoY/2% QoQ, while TD grew 10% YoY/3% QoQ.

Calculated NIM increased by 3bps QoQ vs. the expectation of a 1 bps increase, while reported NIM declined by 2bps QoQ. The bank has given NIM guidance of 2.5-2.6% for the full year of FY27 (vs. 2.52% in 1QFY27).

The bank has reported strong growth of 90% QoQ in non-core income, supported by a PSLC gain of INR 19.5 bn. Treasury gain for the quarter stood at INR 6.5 bn vs. loss of INR 1 bn in 4QFY26.

Gross slippage decreased from INR 28 bn to INR 18 bn QoQ, and the slippage ratio reduced from 1.07% to 0.67% QoQ. Recoveries/upgrades trends were healthy, which resulted in the net slippage ratio declining from 64bps to 24bps QoQ.

GNPA/NNPA ratio declined from 1.84%/0.43% to 1.57%/0.36% QoQ, with stable PCR QoQ at 77%.

What we don't like: Opex growth was higher at 11% YoY/6% QoQ, led by a staff cost increase of 6% YoY, while other opex grew 18% YoY. Opex/assets ratio increased from 1.7% to 1.74% QoQ.

Fees growth was weak at 5% YoY/-7% QoQ. Fee/assets ratio declined from 54bps to 49bps QoQ.

On ECL implementation, management indicated a total impact of INR 120-130 bn, equivalent to ~10-11% of current net worth. SMA-2 book increased to 27bps (vs. 11bps QoQ), which management attributed to 2-3 large government-guaranteed consortium accounts.

Table 39: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	1,29,33,810	1,09,63,290	18.0%	1,23,75,480	4.5%
Deposits	1,61,16,849	1,44,38,140	11.6%	1,56,86,782	2.7%
NII	**1,02,153**	**90,088**	13.4%	**98,080**	4.2%
Operating income	1,69,425	1,60,692	5.4%	1,46,323	15.8%
PPOP	**86,359**	**85,536**	1.0%	**67,574**	27.8%
PBT	65,558	62,020	5.7%	57,656	13.7%
PAT	**48,558**	**47,520**	2.2%	**45,056**	7.8%

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	29.7%	29.6%	14 bp	29.8%	-14 bp
CD Ratio	79.3%	74.4%	492 bp	77.8%	150 bp
NIM (calculated)	2.2%	2.2%	3 bp	2.2%	3 bp
Cost to Income	49.0%	46.8%	226 bp	53.8%	-479 bp
Credit costs (reported)	0.5%	0.7%	-23 bp	0.6%	-10 bp
GNPA (%)	1.6%	2.7%	-112 bp	1.8%	-27 bp
NNPA (%)	0.4%	0.6%	-27 bp	0.4%	-7 bp
PCR (%)	77.1%	77.1%	8 bp	77.1%	5 bp

Source: Company, Antique

Table 40: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.1%**	**2.1%**	**2.1%**	**2.1%**	**2.1%**
Total income	3.8%	3.7%	3.8%	3.2%	3.6%
PPOP	2.0%	2.0%	2.0%	1.5%	1.8%
PBT	1.5%	1.4%	1.5%	1.2%	1.4%
PAT (RoAA)	**1.1%**	**1.1%**	**1.1%**	**1.0%**	**1.0%**
ROE	**18.6%**	**18.0%**	**18.6%**	**15.9%**	**16.7%**

Source: Company, Antique

Union Bank (BUY): Balance sheet optimization drives earnings

Guidance: Loan growth is expected to be 1% above industry. Deposit growth to be 2% lower than credit growth. The bank expects to defend the NIM at current levels with an upward bias. FY27 recoveries INR 45-55bn.

What we like: Lower opex growth of -1% YoY on lower staff cost -3% YoY and other opex +3% YoY.

Calculated NIM increased by +12bps QoQ on a low base supported by (i) +19bps increase in investment yields, (ii) balance sheet liquidity utilization as cash as a % of NDTL declined to 3.8% from 6.9% QoQ, (iii) funding cost decline of +6bps QoQ as bulk deposit mix reduced to 19.6% vs 21.2% QoQ. Management aims to sustain current NIM with an upward bias, with gradual improvement driven by liability mix optimization and a gradual reduction in the share of lower-yielding corporate loans. Bank intends to remain a net IBPC seller.

Gross slippage rate remained stable QoQ at 0.9% vs 0.88% QoQ while credit cost normalized at 0.4% (vs. 0.2% in 4Q). The bank also made buffer provisions of INR 1bn (taking the total at INR 8 bn in last 2 quarters), to be utilized towards ECL. Total ECL requirement is estimated at INR 113 bn of which INR 55bn is already covered, leaving INR 60 bn to be provided over time. TWO recoveries reduced to INR 7.43bn vs 15.7bn in 4Q as 4Q had a large one-off recovery.

What we don't like: Loan growth was muted at 1.8% QoQ/13% YoY vs. industry growth of 2.7% QoQ, and the bank has guided for 1% above system credit growth in FY27. Growth was led by corporate (2% QoQ/14% YoY) and MSME (3.9% QoQ/ 16.5% YoY). Corporate mix remained stable QoQ at 45%. RAM growth was lower at 1.6% QoQ/12% YoY was led primarily by MSME, while the Agri book was flat QoQ and retail credit grew 1.4% QoQ.

Deposit growth was weak at -2% QoQ/ 3.5% YoY/-2% QoQ, leading to the LD ratio inching up to 83.6% (vs. 80.6% in 4Q). The bank expects total FCNR deposit flows of $1.5-2bn, which is expected to contribute 1.1-1.5% of the QoQ deposit growth in 2Q.

Reported yield on advances declined by -8bp QoQ on top of the -29bps decline in the previous quarter. Treasury gain for the quarter stood at INR 6.5 bn (vs. INR 14.2 bn in 1QFY26 and flat QoQ).

Table 41: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	1,07,22,552	94,60,521	13%	1,05,32,775	1.8%
Deposits	1,28,33,658	1,23,99,326	4%	1,30,68,914	-1.8%
NII	**1,00,372**	**91,126**	**10%**	**94,060**	**6.7%**
Operating income	1,46,402	1,35,983	8%	1,48,181	-1.2%
PPOP	**80,026**	**69,087**	**16%**	**79,553**	**0.6%**
PBT	70,232	52,442	34%	69,003	1.8%
PAT	**53,323**	**41,155**	**30%**	**53,158**	**0.3%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	35.1%	32.5%	258 bp	35.2%	-11 bp
CD Ratio	83.6%	76.3%	725 bp	80.6%	296 bp
NIM (reported)	2.8%	2.8%	4 bp	2.6%	16 bp
Cost to Income	45.3%	49.2%	-386 bp	46.3%	-98 bp
Credit costs	0.38%	0.49%	-10 bp	0.17%	22 bp
GNPA (%)	2.65%	3.52%	-87 bp	2.82%	-17 bp
NNPA (%)	0.47%	0.62%	-15 bp	0.45%	2 bp
PCR (%)	82.76%	82.88%	-13 bp	83.33%	-58 bp

Source: Company, Antique

Table 42: DuPont analysis

Du Pont (% of average assets)	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
NII	**2.4%**	**2.4%**	**2.5%**	**2.5%**	**2.6%**
Total income	3.6%	3.7%	3.8%	3.9%	3.8%
PPOP	1.9%	1.8%	1.9%	2.1%	2.1%
PBT	1.4%	1.5%	1.8%	1.8%	1.8%
PAT (RoAA)	**1.1%**	**1.2%**	**1.4%**	**1.4%**	**1.4%**
ROE	**15.0%**	**15.0%**	**17.0%**	**17.5%**	**17.0%**

Source: Company, Antique

Indian Bank (NOT RATED): Stable operating performance

Guidance: Gold loan growth expected to be around 15-16% (vs. 26-28% in FY26). NIM for FY27 is expected to remain stable. FY27 treasury profit expected to be at INR 6-7 bn (vs. INR 2.6 bn in 1QFY26). CASA ratio: ~40%, GNPA: 1.5-1.6%, Credit cost expected to be range-bound barring Q4 seasonality. Total recovery guidance: INR 45-55 bn.

What we like: Gross loan growth was healthy at 13.9% YoY/2.6% QoQ. The growth was broad-based across segments, led by Retail (18.7% YoY/3.8% QoQ), followed by MSME (17.0% YoY/2% QoQ), RAM (14.8% YoY/3.2% QoQ) and Corporate (11.5% YoY/1% QoQ), while Agriculture advances grew by 10.0% YoY/3.5% QoQ. Share of RAM increased from 65.4% to 66% QoQ.

Deposit growth was healthy at 13.5% YoY/2% QoQ, led by CASA growth of 15% YoY/2% QoQ, while TD grew 12% YoY/1.7% QoQ. CASA ratio was stable at 37.8%.

Going forward, management reiterated its guidance to maintain ~40% CASA.

NIM increased by 6bps both on YoY/QoQ basis. The improvement was driven by prudent asset-side pricing and selective deployment of borrowings instead of high-cost bulk deposits. Management highlighted that it consciously avoided participating in elevated bulk deposit pricing, while benefiting from the repricing of deposits, which contributed ~1–2 bps to margins. Reported yield on funds increased by 5bps QoQ while cost of funds declined by 5bps QoQ. Going forward, management expects NIM for FY27 to remain broadly stable.

Fees growth was strong at 19% YoY, while due to seasonality it declined 11% on a QoQ basis. Treasury gain for the quarter increased from INR 60 mn to INR 2.3 bn QoQ. Management expects FY27 treasury profit of INR 6-7bn.

Gross slippage ratio declined from 0.98% to 0.89% QoQ and credit cost also declined materially from 47bps to 23bps QoQ.

What we don't like: SMA 2 increased marginally from 14bps to 17bps QoQ due to one corporate account. The estimated ECL transition impact is expected to be INR 30-35 bn, of which INR 15-20 bn is to be provided in FY27. Steady-state credit cost is expected to increase by 12bps due to ECL.

Table 43: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	67,29,030	58,41,160	15%	65,48,882	2.8%
Deposits	84,45,780	74,42,890	13%	82,77,263	2.0%
NII	**74,348**	**63,589**	**17%**	**71,095**	**4.6%**
Total Net Income	1,00,682	87,975	14%	96,092	4.8%
PPOP	**55,573**	**47,703**	**16%**	**52,857**	**5.1%**
PBT	43,616	40,793	7%	40,600	7.4%
PAT	**32,731**	**29,728**	**10%**	**31,031**	**5.5%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	37.8%	37.2%	60	37.9%	-5
CD Ratio	79.7%	78.5%	119	79.1%	55
NIM (reported)	3.29%	3.2%	6	3.2%	6
Cost to Income	44.8%	45.8%	-97	45.0%	-19
Credit costs (reported)	0.2%	0.3%	-5	0.5%	-24
GNPA (%)	1.9%	3.0%	-115	2.0%	-12
NNPA (%)	0.2%	0.2%	-3	0.2%	0
PCR (%)	92.2%	94.3%	-206	92.7%	-48

Source: Company, Antique

Table 44: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**2.88%**	**2.88%**	**2.95%**	**2.94%**	**2.98%**
Total income	3.98%	3.98%	4.05%	3.97%	4.04%
PPOP	2.16%	2.13%	2.15%	2.19%	2.23%
PBT	1.84%	1.80%	1.78%	1.68%	1.75%
PAT (RoAA)	**1.34%**	**1.33%**	**1.31%**	**1.28%**	**1.31%**
ROE	**16.75%**	**16.32%**	**15.95%**	**15.86%**	**16.33%**

Source: Company, Antique

Bank of Maharashtra (NOT RATED): Margins, a key disappointment.

Guidance: Advances growth guided to grow 18% YoY, Deposits at +14-15% Yoy, CASA at ~50%, RAM at +18% YoY, RAM corporate mix at 60-40 ±2%, FY27 NIM > 3.75%, and Non-interest income growth will be 10% YoY. GNPA <2%, NNPA <0.25%, slippage <1%, credit cost ~1%, PCR 98%, RoA 1.8%, RoE >20%. CIR < 40%, branch additions: 200, tax rate of 16-17%

What we like: Loan growth was strong at 5% QoQ/ 27% YoY, led by broad-based growth, 25-30% YoY growth in each of retail, agri, MSME and corporate.

The bank stands to benefit from the Maharashtra farm loan waiver scheme on two fronts: (i) of the Rs 35bn eligible debt waiver amount, it expects to receive Rs 27.5bn from the government. The estimated haircut of Rs 4.5–5bn is well covered by provisions of Rs 17bn (including Rs 11bn for TWO accounts), with any future recoveries providing an upside to profitability. (ii) The Maharashtra government will also provide Rs 50K per eligible farmer into savings accounts, supporting SA balances. The bank has received RBI, board and shareholder approvals for its Rs 50bn capital raise and is awaiting government approval. Opex/assets declined 8bps QoQ, aided by operating leverage

What we don't like: Deposit growth was weak at -1.7% QoQ/13% YoY, driven by seasonal CA outflows (-34% QoQ/-8% YoY), although SA growth remained healthy at 16% YoY. Around 50% of deposits mobilized were sourced outside Maharashtra. The C-D ratio rose to an all-time high of 89% (+553bps QoQ), the highest among PSU banks. Reported NIM (3.79%) declined -12bps QoQ due to lower asset yields (-15bps QoQ) from MCLR resets and a higher IBU mix, while funding costs increased 6bps QoQ due to a lower CASA ratio (-407bps QoQ) and deposits mobilized via special deposit schemes launched in 4Q. Going forward, NIM is expected to be supported by recent 15bps MCLR hikes, along with branch staff KRAs aligned with incremental business profitability. The bank expects an ECL transition impact of Rs 25bn, of which Rs 2.55bn has already been provided, with an incremental provision of ~Rs 1.25bn per quarter.

Table 45: Quarterly performance

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)
Advances	30,19,343	23,73,261	27.2%	28,81,043	4.8%
Deposits	34,44,930	30,50,455	12.9%	35,05,644	-1.7%
NII	**37,700**	**32,917**	**14.5%**	**37,025**	**1.8%**
Operating Income	47,986	41,166	16.6%	46,404	3.4%
PPOP	**31,172**	**25,699**	**21.3%**	**29,461**	**5.8%**
PBT	22,768	17,025	33.7%	23,291	-2.2%
PAT	**20,202**	**15,928**	**26.8%**	**20,141**	**0.3%**

Key Ratios (%)	1QFY27	1QFY26	YoY (bps)	4QFY26	QoQ (bps)
CASA Ratio	48.4%	50.1%	-163	52.5%	-407
CD Ratio	88.8%	79.0%	978	83.3%	553
NIM (reported)	3.8%	4.0%	-16	3.9%	-12
Cost to Income	35.0%	37.6%	-253	36.5%	-147
Credit costs	1.0%	1.2%	-19	1.0%	7
GNPA (%)	1.5%	1.7%	-29	1.5%	0
NNPA (%)	0.1%	0.2%	-5	0.1%	0
PCR (%)	90.9%	89.7%	120	91.0%	-9

Source: Company, Antique

Table 46: DuPont analysis

Du Pont (% of average assets)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
NII	**3.6%**	**3.5%**	**3.6%**	**3.6%**	**3.5%**
Total income	4.5%	4.4%	4.5%	4.5%	4.5%
PPOP	2.8%	2.8%	2.9%	2.9%	2.9%
PBT	1.8%	2.0%	2.1%	2.3%	2.1%
PAT (RoAA)	**1.7%**	**1.8%**	**1.9%**	**2.0%**	**1.9%**
ROE	**21.7%**	**21.1%**	**21.9%**	**24.3%**	**23.5%**

Source: Company, Antique

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NBFC Coverage universe

Company	CMP	TP	Reco.
BAF	1093	1,240	Buy
CIFC	1873	1,850	Buy
SHFL	1110	1,220	Buy
L&T Finance	325	385	Buy
MMFS	386	420	Buy
Aadhar	487	620	Buy
APTUS	257	310	Buy
AAVAS	1371	1,530	Hold
HomeFirst	1181	1,510	Buy
Indiashelter	670	900	Buy

Source: Company, Antique; *CMP as on Aug 18,2026

SECTOR UPDATE

NBFC: 1QFY27 Review

Growth momentum intact; Asset quality remains resilient

NBFCs delivered a strong 1QFY27, with our coverage universe reporting 38% YoY/8% QoQ PAT growth, led by strong AUM growth of 20% YoY/5% QoQ (except India Shelter due to change in disbursement recognition method). However, margins and asset quality outcomes were mixed due to an inch-up in the cost of borrowings from banks (+9bps QoQ). Despite this, NIMs were largely maintained with only 10-20bps moderation. Q1 being a seasonally weak quarter, all except LTF and Home First reported slight deterioration in early delinquencies, while Stage-3 remained largely steady for most (+2bps QoQ for our coverage universe). Despite reporting strong numbers across the board, management commentary across NBFCs largely remained steady, with no change in guidance due to uncertainty from West Asia conflict and El-Nino. However, with an improving liquidity scenario backed by FCNR(B) inflows, we expect margins to benefit positively, and thereby we maintain our constructive stance on NBFCs, which have also undergone a strong recovery in asset quality over the past couple of years. Our preferred sub-segments in the space are diversified NBFCs followed by AHFCs and our preferred picks are SHFL, Aadhar and IndiaShelter.

Growth momentum sustains

1QFY27 continued strong growth with healthy disbursement momentum, leading to AUM growth of 20% YoY, and 5% QoQ across our coverage universe. Within this, AHFCs grew 20% YoY/3% QoQ, diversified financiers grew 24% YoY/7% QoQ, while vehicle financiers grew 17% YoY/4% QoQ. The AHFC growth was, however, mainly impacted by subdued growth in IndiaShelter and Aadhar due to change in its disbursement recognition method, while CIFC also underwent the same change. This accounting change will thus result in higher growth in Q2. Vehicle financiers also improved their growth outlook, led by volumes pick-up in Apr-26 and Mar-26 (Refer table 2), while diversified players' growth outlook remained stable with a boost from gold loans. Despite robust growth momentum, management retained its existing guidance, preferring to await Q2 performance before reassessing the outlook, given ongoing uncertainties around monsoon trends and potential inflationary pressures from the West Asia conflict. We build in an AUM CAGR of ~21% over FY26-29E for our coverage universe, led by diversified financiers at ~23%, AHFCs at ~21%, and vehicle financiers at ~19%.

Healthy spreads maintained

In line with our expectation of limited CoF benefits, all companies under our coverage except IndiaShelter reported a CoF hike of ~6-40 bps. Management commentary across the space suggests CoF largely remain range-bound with a slight upward bias in FY27, while repo hike may lead to a slight inch up going ahead. To counter the impact of higher CoFs, yields for most were also increased to maintain spreads within guidance. Aadhar and Aavas were impacted due to PLR cuts, while Aptus also showed slight decline led by lower <700k book. Overall, margins remained largely steady sequentially.

Mixed asset quality performance

With 1Q being a seasonally weak quarter, asset quality surprisingly remained steady for most players, with BAF, LTF, MMFS, SHFL, and HFFC showing largely stable GS2+3. Overall, across our coverage, GS3 moved up 10bps QoQ and GS2 up 19bps QoQ, mainly coming in from IndiaShelter and Aptus; however, no meaningful uptick in credit costs was observed. Credit costs across our coverage universe moved up 7bps QoQ. Currently, there is no visible impact from Middle East-related disruptions yet. However, management commentary across the companies was sceptical for the near-term view.

Outlook: Positive

With liquidity infusion expected from FCNR(B) deposits in banks, followed by pass-on to NBFCs and strong recovery observed in the space over the past couple of years, we maintain our constructive view on the sector. Our preferred sub-segments in the space are diversified NBFCs, followed by AHFCs, and our preferred picks are SHFL, Aadhar and IndiaShelter.

Table 1: Result Snapshot

	AHFCs					Diversified Players		Vehicle Financiers		
1QFY27	Aadhar Housing	Aavas Financiers	Home First Finance	Aptus Value Housing	India Shelter	Bajaj Finance	LTF	CIFC	SHFL	MMFS
AUM (INR mn)	**3,13,640**	**2,39,306**	**1,69,379**	**1,36,480**	**1,07,728**	**54,69,440**	**12,96,340**	**23,35,860**	**31,37,984**	**13,74,490**
QoQ	2.6%	2.0%	6.7%	4.1%	2.4%	7.2%	6.5%	4.1%	3.8%	2.5%
YoY	18%	15%	26%	21%	24%	24%	27%	22%	15%	13%
Disbursements (INR mn)	**20,358**	**16,139**	**16,284**	**10,530**	**6,408**	**NA**	**2,38,520**	**2,96,120**	**4,99,710**	**1,55,640**
QoQ	-34.0%	-31.3%	3.6%	-15.2%	-38.4%	na	-1.1%	-10.0%	-1.9%	-9.4%
YoY	3%	41%	31%	36%	-28%	na	23.1%	22%	20%	22%
Yield (on AUM)	**14.09%**	**11.41%**	**12.15%**	**17.29%**	**14.74%**	**15.53%**	**14.81%**	**14.05%**	**16.93%**	**14.65%**
QoQ	-6bps	-43bps	1bps	-22bps	12bps	10bps	25bps	6bps	45bps	5bps
YoY	-43bps	-18bps	-65bps	-83bps	-47bps	-46bps	6bps	-7bps	9bps	2bps
CoFs	**7.77%**	**7.37%**	**7.79%**	**8.41%**	**7.64%**	**6.94%**	**6.98%**	**7.43%**	**8.61%**	**7.24%**
QoQ	21bps	24bps	17bps	8bps	-11bps	6bps	42bps	9bps	12bps	9bps
YoY	-23bps	-30bps	-60bps	-77bps	-72bps	-43bps	-5bps	-36bps	-44bps	-57bps
NIM	**6.59%**	**5.47%**	**6.18%**	**10.75%**	**8.83%**	**9.51%**	**8.54%**	**7.05%**	**10.17%**	**8.14%**
QoQ	-26bps	-14bps	4bps	-34bps	9bps	4bps	-10bps	-4bps	88bps	-16bps
YoY	1bps	7bps	25bps	-42bps	35bps	-2bps	33bps	29bps	140bps	59bps
Opex/AAUM	**2.91%**	**3.10%**	**2.63%**	**2.70%**	**4.24%**	**3.85%**	**4.03%**	**3.12%**	**2.76%**	**2.98%**
QoQ	-33bps	-47bps	7bps	-10bps	10bps	-1bps	-4bps	-20bps	24bps	-12bps
YoY	3bps	-13bps	2bps	4bps	1bps	1bps	-16bps	4bps	-16bps	-11bps
Credit cost	**0.41%**	**0.22%**	**0.39%**	**0.64%**	**0.50%**	**1.51%**	**2.55%**	**1.61%**	**1.90%**	**1.68%**
QoQ	27bps	10bps	-2bps	14bps	19bps	-11bps	-6bps	5bps	0bps	-3bps
YoY	0bps	0bps	3bps	26bps	2bps	-33bps	32bps	-26bps	-2bps	-51bps
Stage 3	**1.32%**	**1.11%**	**1.77%**	**1.70%**	**1.55%**	**0.96%**	**2.48%**	**3.29%**	**4.64%**	**3.45%**
QoQ	22bps	7bps	-5bps	17bps	30bps	-5bps	-2bps	24bps	6bps	4bps
YoY	-7bps	-10bps	-6bps	21bps	31bps	-7bps	-45bps	13bps	11bps	-40bps
Stage 2	**3.27%**	**1.40%**	**1.43%**	**5.17%**	**4.07%**	**0.91%**	**1.58%**	**2.72%**	**6.96%**	**4.87%**
QoQ	26bps	12bps	2bps	49bps	73bps	-3bps	-13bps	25bps	5bps	10bps
YoY	-39bps	-17bps	-18bps	21bps	64bps	-39bps	-81bps	-33bps	-33bps	-98bps
PCR Stage 3	**34.1%**	**36.8%**	**23.4%**	**25.0%**	**25.7%**	**59.7%**	**69.6%**	**45.7%**	**51.0%**	**58.1%**
QoQ	-159bps	83bps	-49bps	-2bps	31bps	-5bps	175bps	-156bps	65bps	-50bps
YoY	165bps	524bps	140bps	-1bps	121bps	774bps	-264bps	202bps	667bps	663bps
RoA %	**4.0%**	**3.2%**	**4.2%**	**7.8%**	**5.8%**	**4.2%**	**2.5%**	**2.6%**	**3.9%**	**2.4%**
RoE %	**14.7%**	**13.3%**	**14.5%**	**20.4%**	**17.5%**	**20.5%**	**12.8%**	**21.2%**	**12.8%**	**14.3%**

Source: Company, Antique

Table 2: FADA monthly data

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
2W	17,15,581	15,08,378	14,17,767	13,73,675	12,87,735	31,49,846	25,46,184	13,16,891	18,52,870	17,00,505	19,51,006	19,87,881	18,44,947	18,41,460	18,18,289
YoY Growth	11.4%	9.2%	-2.2%	2.2%	6.5%	51.8%	-3.1%	9.5%	20.8%	25.0%	28.7%	17.2%	7.5%	22.1%	28.3%
3W	1,07,688	1,04,035	1,15,166	1,03,105	98,866	1,29,517	1,33,951	1,27,772	1,27,134	1,17,130	1,09,777	1,10,104	1,11,526	1,25,158	1,33,778
YoY Growth	9.6%	10.3%	4.2%	-2.3%	-7.2%	5.4%	23.7%	36.1%	18.8%	24.4%	10.5%	10.4%	3.6%	20.3%	16.2%
PV	3,26,656	3,19,412	3,49,674	3,23,256	2,99,369	5,54,228	3,96,483	3,79,671	5,13,475	3,94,768	4,40,144	4,28,734	4,02,591	4,23,677	4,16,555
YoY Growth	4.7%	9.9%	5.6%	0.9%	5.8%	10.7%	20.4%	26.6%	7.2%	26.1%	21.5%	18.1%	23.2%	32.6%	19.1%
TRAC	74,744	80,456	91,604	85,215	64,785	73,577	1,26,033	1,15,001	1,14,759	89,418	82,080	78,420	83,092	1,04,687	1,17,349
YoY Growth	6.7%	13.2%	14.6%	30.1%	3.6%	14.2%	56.5%	15.8%	22.9%	36.4%	10.9%	28.7%	11.2%	30.1%	28.1%
CE	6,168	8,879	3,766	3,704	4,458	5,769	5,577	5,820	6,834	6,721	6,906	6,602	5,088	5,308	5,501
YoY Growth	-2.1%	60.8%	-28.4%	-26.4%	-19.0%	-30.5%	-16.5%	-18.5%	-21.1%	-1.2%	-16.2%	1.7%	-17.5%	-40.2%	46.1%
CV	74,744	77,836	80,348	75,592	72,124	1,10,986	92,604	83,666	1,07,486	1,00,820	1,02,536	1,02,641	83,823	94,972	99,666
YoY Growth	-4.8%	13.1%	5.4%	8.6%	2.7%	21.1%	17.0%	24.6%	15.1%	28.9%	15.1%	18.8%	12.1%	22.0%	24.0%
LCV	46,766	47,096	48,284	46,156	44,392	75,959	56,637	49,251	65,505	57,547	59,379	58,055	50,348	59,549	61,634
YoY Growth	2.0%	15.2%	6.0%	8.2%	6.0%	35.2%	13.9%	22.4%	14.9%	24.4%	12.0%	22.2%	7.7%	26.4%	27.6%
MCV	7,287	8,316	7,940	6,970	6,257	7,246	7,234	6,411	7,648	8,089	8,326	9,453	7,630	10,532	9,925
YoY Growth	14.6%	29.6%	18.3%	21.4%	11.7%	20.9%	45.3%	52.1%	18.9%	39.5%	25.5%	30.9%	4.7%	26.6%	25.0%
HCV	25,510	22,336	24,048	22,412	21,410	27,750	28,659	27,941	34,287	35,127	34,775	35,089	25,797	24,840	28,070
YoY Growth	-2.8%	4.0%	0.6%	5.9%	-5.7%	-5.5%	17.6%	23.4%	14.6%	34.7%	18.6%	11.2%	1.1%	11.2%	16.7%
Others	51	88	76	54	65	31	74	63	46	57	56	44	48	51	37
YoY Growth	-23.9%	39.7%	5.6%	-12.9%	-25.3%	-63.5%	15.6%	-11.3%	-34.3%	-36.0%	-29.1%	-32.3%	-5.9%	-42.0%	-51.3%
Total	23,05,581	20,98,996	20,58,325	19,64,547	18,27,337	40,23,923	33,00,832	20,28,821	27,22,558	24,09,362	26,92,449	27,14,382	25,31,067	25,95,262	25,91,138
YoY Growth	5.6%	6.0%	-3.3%	-0.8%	1.1%	36.2%	-0.3%	10.4%	13.0%	20.7%	20.3%	13.2%	9.8%	23.6%	25.9%

Source: Company, Antique

Table 3: 1QFY27 company wise re-view summary

AADHAR Housing Finance

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	265	306	314	18.2%	2.6%	Calc.NIMs declined ~26 bps QoQ, led by a 6 bps QoQ decline in yields due to a 15 bps PLR cut in Feb'26, and a 21bps QoQ increase in CoF. Disbursements came in lower at INR 20bn (~3% YoY/ -34% QoQ) due to change in disbursement recognition method, which led to slower AUM growth of 18.2% YoY, 2.6% QoQ; adjusting for which, AUM growth would have been 19.6% YoY/ 3.8% QoQ growth. Management maintains guidance of (1) ~20% YoY AUM growth, (2) ~18% YoY disbursement growth, and (3) ~20% YoY PAT growth in FY27.
NII	4,282	5,081	5,103	19.2%	0.4%	
Total Income	5,194	6,492	6,208	19.5%	-4.4%	
PPoP	3,319	4,084	3,953	19.1%	-3.2%	
PAT	2,373	3,109	2,824	19.0%	-9.2%	
Credit cost (on AUM)	0.5%	0.2%	0.5%	-1bps	33bps	
NIM	6.6%	6.8%	6.6%	1bps	-26bps	
RoA	4.0%	4.7%	4.0%	2bps	-68bps	

APTUS Value Housing

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	113	131	136	21.1%	4.1%	Inline PAT with margins outcome as anticipated with 34bps QoQ decline led by 33bps QoQ decline in yields. Seasonal asset quality deterioration with GS3/NS3 up by 17bps/13bps QoQ and GS2 also up 48bps QoQ led to higher credit costs of 64bps. However, guidance remains at ~50bps. Management is evaluating new lending products outside home loans/SME (to be housed within the NBFC entity) which marks an emerging strategic direction worth monitoring, with further specifics expected next quarter.
NII	3,091	3,526	3,595	16.3%	2.0%	
Total Income	3,697	4,326	4,410	19.3%	1.9%	
PPoP	2,961	3,435	3,506	18.4%	2.1%	
PAT	2,193	2,610	2,609	19.0%	0.0%	
NIM	11.2%	11.1%	10.7%	-42bps	-34bps	
Credit cost (on AUM)	0.4%	0.5%	0.7%	31bps	16bps	
RoA	7.7%	8.2%	7.8%	16bps	-36bps	

AAVAS Financiers

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	207	235	239	15.4%	2.0%	A soft quarter with PAT missing our estimates by 10% led mainly by lower DA income. NIMs declined 14bps QoQ with managmeent indicating to durther decline this due to change in mix moving more towards pure HL mix. Asset quality continues to be a relative strength for Aavas, with GS3/NS3 at 1.1%/0.7% (down 7bps/3bps QoQ) Managment has guided for an AUM growth of ~17-18%+, spread of ~5% (may go below this with change in mix) and a credit cost of < 25 bps.
NII	2,776	3,199	3,238	16.7%	1.2%	
Total Income	3,566	4,414	4,165	16.8%	-5.6%	
PPoP	1,904	2,374	2,329	22.3%	-1.9%	
PAT	1,392	1,817	1,713	23.0%	-5.7%	
NIM	5.4%	5.6%	5.5%	7bps	-14bps	
Credit cost (on AUM)	0.3%	0.1%	0.3%	0bps	13bps	
RoA	2.9%	3.5%	3.2%	25bps	-32bps	

HOMEFIRST

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	135	159	169	25.7%	6.7%	Strong and inline performance with marginal PAT beat of ~2.6%, driven by ~4bps QoQ rise in NIMs and spreads held steady at 5.3%. Disbursements came in healthy (+31% YoY/+3.6% QoQ), driving AUM growth of ~26% YoY/7% QoQ. Asset quality surprised as GS2+3 remained largely flat despite seasonal weakness. Management remains confident on its medium-term AUM growth guidance of 25%+, while maintaining spread guidance of 5-5.25%. Opex is expected to remain range-bound at 2.6-2.7% and credit costs at 30-40bps. With easing concerns around US tariff-related disruptions and currently no impact of war on collections, management sees asset quality continuing its improving trend.
NII	1,941	2,364	2,535	30.6%	7.2%	
Total Income	2,550	3,094	3,314	30.0%	7.1%	
PPoP	1,682	2,110	2,235	32.9%	6.0%	
PAT	1,189	1,494	1,599	34.5%	7.0%	
NIM	5.9%	6.1%	6.2%	25bps	4bps	
Credit cost (on AUM)	0.4%	0.5%	0.5%	4bps	-3bps	
RoA	3.7%	4.1%	4.2%	49bps	10bps	

Table 3: 1QFY27 company wise re-view summary (continue...)

INDIASHL

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	87	105	108	23.6%	2.4%	Steady quarter (PAT beat of 4.7% above our estimate) but seasonal weakness in asset quality
NII	1,792	2,220	2,349	31.1%	5.8%	lead higher credit costs of 50bps, though guidance was maintained at 40-50bps.GS3/NS3
Total Income	2,546	2,955	3,113	22.3%	5.4%	moved up 30bps/22bps QoQ"to ~1.5%/~1.1%, while GS2 also rose 73bps QoQ, driven by
PPoP	1,652	1,904	1,986	20.2%	4.3%	seasonal stress in the self-employed, smaller-ticket cohort. AUM growth lowerd due to change in
PAT	1,192	1,401	1,430	19.9%	2.1%	disbursement recognition method.
NIM	8.5%	8.7%	8.8%	35bps	9bps	Growth guidance maintained at ~25-30%, while guiding for spreads of 6%+ and disbursement
Credit cost (on AUM)	0.6%	0.4%	0.6%	4bps	24bps	growth of 18-20%. Asset quality is expected to remain steady over Q2 and to improve in
RoA	6.0%	6.0%	5.8%	-14bps	-20bps	2HFY27.

BAF

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	4,415	5,100	5,469	23.9%	7.2%	Strong PAT beat of ~6% versus our estimates, driven by a lower-than-expected credit costs to
NII	1,02,278	1,17,806	1,25,706	22.9%	6.7%	~1.5%. Book growth also came in healthy, led by strong traction in Rural B2C, Rural B2B, gold
Total Income	1,24,596	1,42,082	1,52,243	22.2%	7.2%	loans, and MFI. Margins also improved 4bps QoQ led by 10bps increase in yields. GS3/ NS3
PPoP	83,358	94,072	1,01,373	21.6%	7.8%	remained largely stable at 0.96%/ 0.39% (-5bps/-2bps QoQ), led by broad-based improvement
PAT	47,653	55,533	60,806	27.6%	9.5%	across key segments.
NIM	9.5%	9.5%	9.5%	-2bps	4bps	Management has guided for ~22-24% AUM growth with NIM to compress 10-15bps in FY27,
Credit cost (on AUM)	1.9%	1.6%	1.5%	-33bps	-11bps	with a reassessment expected after 2QFY27.
RoA	4.0%	4.1%	4.2%	22bps	14bps	

LTF

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	1,023	1,217	1,296	26.7%	6.5%	Strong quarter with 8% beat in our PAT led by lower-than-anticipated credit costs.Healthy NII
NII	20,540	25,490	26,840	30.7%	5.3%	growth despite a marginal ~10 bps QoQ decline in NIMs was driven by a ~42bps sequential
Total Income	25,470	30,410	32,890	29.1%	8.2%	rise in CoFs, partly offset by a ~25 bps increase in yield. Credit costs declined 6bps QoQ to
PPoP	14,980	18,400	20,220	35.0%	9.9%	2.55% with GS3/GS2 improvement of 5bps/13bps QoQ, which was a positive surprise given
PAT	7,010	8,070	9,020	28.7%	11.8%	the seasonally weak quarter.
NIM	8.2%	8.6%	8.5%	33bps	-10bps	Management aims for opex ratio to remain in the range of 3.75-4% by 2031 (vs 4% in
Credit cost (on AUM)	2.3%	2.7%	2.6%	32bps	-6bps	Q1FY27) led by continued investments in tech and new product branches (micro loans, micro-
RoA	2.3%	2.5%	2.5%	18bps	-9bps	LAP and gold branches). It aims to deliver a loan growth of 20%+ and achieve RoA/RoE of 3-
						3.2%/16-18% by FY31.

CIFC

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	1,921	2,243	2,336	21.6%	4.1%	PAT beat of ~3% versus our estimates while AUM growth momentum was intact (33% YoY/ 4%
NII	31,838	38,551	40,368	26.8%	4.7%	QoQ) driven by robust traction in new businesses and vehicle finance both. Asset quality
Total Income	38,645	47,892	49,298	27.6%	2.9%	deteriorated sequentially, led by seasonality, with GS3/ NS3 moving up 24/18bps QoQ to
PPoP	24,117	29,838	31,423	30.3%	5.3%	~3.3%/1.8%, which came mainly from the SBPL and SME book. GS2 also inched up 25bps
PAT	11,359	16,407	16,536	45.6%	0.8%	QoQ. Stage-3 PCR declined by ~156 bps QoQ to ~45.7%, primarily due to write-offs in the
NIM	6.8%	7.1%	7.1%	29bps	-4bps	VF portfolio, which had already been fully provided for
Credit cost (on AUM)	1.9%	1.6%	1.7%	-25bps	6bps	Management maintained its guidance of 20-23% AUM growth with conservative PBT-RoA of
RoA	2.2%	2.8%	2.6%	43bps	-13bps	3.5% in FY27E as it already achieved PBT-RoA of 3.7% in the current quarter.

Table 3: 1QFY27 company wise re-view summary (continue...)

SHFL

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	2,722	3,023	3,138	15.3%	3.8%	Strong PAT beat of ~13% versus our estimates, primarily driven by 43bps QoQ expansion in reported NIMs led by investment income from MFs. Credit costs were well under the guided range of 1.9% (<2% guidance maintained). AUM growth was strong at ~15% YoY/ 3.8% QoQ, driven by CV, PV, farm equipment and GL. Asset quality remained broadly stable with GS3/ NS3 at ~4.6%/~2.4%. Management guided ~17-18% growth for FY27; however, it indicated that both growth and provisioning guidance will be reassessed post 2QFY27, factoring in any shifts in borrower behaviour amid evolving geopolitical developments and weak monsoon.
NII	58,721	68,987	78,330	33.4%	13.5%	
Total Income	61,410	71,922	82,078	33.7%	14.1%	
PPoP	41,924	53,250	60,854	45.2%	14.3%	
PAT	21,557	30,136	34,446	59.8%	14.3%	
NIM	8.8%	9.3%	10.2%	140bps	88bps	
Credit cost (on AUM)	2.1%	2.0%	2.0%	-3bps	0bps	
RoA	2.9%	3.8%	4.1%	124bps	35bps	

MMFS

INR mn	1QFY26	4QFY26	1QFY27	YoY	QoQ	Comments
AUM (INR bn)	1,220	1,341	1,374	12.7%	2.5%	Healthy beat of ~12% versus our estimates. The earnings outperformance was led by i) largely in-line NII of INR 27.6bn (22% YoY, 1.3% QoQ) with NIMs declining 26bps QoQ mainly due to PLR cuts, ii) lower opex ratio of 3% (vs 3.1% in Q4FY26), and iii) lower credit cost of 1.7% despite a seasonally weak quarter. GS3/NS3 moved up only 4bps/3bps QoQ, despite seasonality. AUM growth was moderate QoQ at 2.5%; however, YoY growth showed a healthy uptick from 12.1% YoY in Q4FY26 to 12.7% in Q1FY27, backed by strong disbursal growth of 22% YoY. Mgmt reiterated its growth guidance of 16-18% AUM growth with a higher focus on the non-VF segment.
NII	22,670	27,292	27,640	21.9%	1.3%	
Total Income	22,853	27,393	27,658	21.0%	1.0%	
PPoP	13,530	17,216	17,559	29.8%	2.0%	
PAT	6,597	5,603	5,697	-13.6%	1.7%	
NIM	7.5%	8.3%	8.1%	64bps	-16bps	
Credit cost (on AUM)	2.3%	1.8%	1.7%	-52bps	-3bps	
RoA	1.6%	2.4%	2.4%	80bps	-4bps	

Source: Company, Antique

Table 4: Change in our estimates post 1QFY27 results

	EPS							BVPS									
Company	FY27E, Old	FY27E, New	Change	FY28E, Old	FY28E, New	Change	FY29E, New	FY27E, Old	FY27E, New	Change	FY28E, Old	FY28E, New	Change	FY29E, New	Old TP	New TP	% change
BAF	42	42	0.4%	53	53	0.0%	67	217	217	0.1%	259	260	0.1%	316	1135	1,240	9%
LTF	15	16	5.5%	20	21	4.9%	26	123	124	0.5%	138	139	1.0%	159	365	385	5%
CIFC	81	83	2.2%	104	107	2.9%	127	440	442	0.4%	553	557	0.8%	692	1920	1,920	0%
SHFL	56	60	6.3%	72	73	2.2%	86	491	492	0.3%	546	547	0.2%	611	1185	1,220	3%
MMFS	27	28	4.1%	29	31	7.9%	37	193	194	0.4%	212	214	1.0%	239	325	420	29%
Aadhar	31	31	-0.7%	38	38	-0.6%	45	205	205	-0.1%	243	242	-0.2%	288	620	620	0%
APTUS	23	23	0.1%	28	28	-0.8%	34	119	119	0.0%	141	141	-0.1%	168	330	310	-6%
AAVAS	104	96	-8.3%	126	119	-5.1%	139	741	733	-1.2%	867	852	-1.7%	991	1570	1,530	-3%
HomeFirst	66	66	1.2%	78	79	0.4%	92	477	477	0.1%	547	548	0.2%	631	1,450	1,510	4%
Indiashelter	58	58	-1.1%	76	72	-4.9%	89	341	340	-0.1%	401	398	-0.9%	469	980	900	-8%

Source: Company, Antique

Table 5: Valuation Summary – Coverage universe

Name	Reco.	CMP (INR)	TP (INR)	P/B FY27E	P/B FY28E	P/B FY29E	P/E FY27E	P/E FY28E	P/E FY29E	RoA (%) FY27E	RoA (%) FY28E	RoA (%) FY29E	RoE (%) FY27E	RoE (%) FY28E	RoE (%) FY29E
Diversified Players															
Bajaj Finance	Buy	1,093	1,240	5.0	4.2	3.5	26.1	20.6	16.4	4.1%	4.2%	4.2%	20.9%	22.2%	23.1%
LTF	Buy	325	385	2.6	2.3	2.0	19.9	15.7	12.5	2.6%	2.8%	3.0%	13.8%	15.7%	17.4%
Vehicle Financiers															
Cholamandalam Inv	Buy	1,873	1,920	4.2	3.4	2.7	22.6	17.6	14.8	2.6%	2.8%	2.8%	20.8%	21.3%	20.3%
Shriram Finance	Buy	1,110	1,220	2.3	2.0	1.8	18.5	15.1	12.9	4.0%	4.2%	4.2%	15.5%	14.1%	14.8%
MMFS	Buy	386	420	2.0	1.8	1.6	14.0	12.4	10.3	2.4%	2.4%	2.5%	14.8%	15.1%	16.3%
Housing Financiers (HFCs)															
Aadhar	Buy	487	620	2.4	2.0	1.7	15.9	13.0	10.7	4.4%	4.5%	4.5%	16.1%	16.8%	17.1%
Aptus	Buy	257	310	2.2	1.8	1.5	11.3	9.3	7.6	8.0%	8.0%	8.0%	20.7%	21.2%	21.9%
Aavas	Hold	1,371	1,530	1.9	1.6	1.4	14.3	11.5	9.8	3.3%	3.5%	3.5%	14.0%	15.1%	15.1%
HomeFirst	Buy	1,181	1,510	2.5	2.2	1.9	17.8	15.0	12.8	4.1%	3.9%	3.7%	14.8%	15.3%	15.7%
Indiashelter	Buy	670	900	2.0	1.7	1.4	11.6	9.3	7.6	5.8%	5.8%	5.8%	18.2%	19.5%	20.5%

Source: Company, Antique * CMP as on closing of Aug 18, 2026

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SECTOR UPDATE

Cement

Price hike trails costs; downside risks to earnings

Our channel checks indicate that cement demand likely grew in low double-digits in Jul'26 across most regions, barring the West, where heavy rains restricted volume growth. Average prices have broadly remained stable MoM across regions, barring minor corrections in the South and East. Cost inflation is likely to remain elevated in 2QFY27, with management commentaries indicating a ~INR100-150/t QoQ rise in variable costs, led by fuel and diesel price hikes, alongside the negative impact of operating leverage. On a YoY basis, average pan-India prices are barely up 1-2% YoY, while total costs/ ton would be up 3-4% YoY. Accordingly, EBITDA/t for our coverage universe could decline by >INR200/ton QoQ and ~INR100/ton YoY in 2Q FY27. Our FY27-28E EBITDA estimates (ex-UTCEM and SRCM) are ~6%-7% below consensus as we expect margins to remain under pressure for the rest of FY27 as new supply of 30-35mtpa kicks in H2FY27.

Industry demand likely grew low double-digits in Jul'26

Industry demand likely grew in low double digits YoY to ~42-43mn MT in Jul'26, supported by resilient infrastructure and housing demand. North / central region continued the momentum with likely more than mid-teens YoY growth, while South / East regions likely saw low double-digit volume growth. However, heavy rains restricted volume growth in the Gujarat / West region. Companies expect demand to grow 6-8% YoY during FY27.

Average pan-India prices stable QoQ / up 1-2%YoY

The East region witnessed some price correction (INR 5-7/bag), driven by heavy rains and a slower pick-up in construction activity as the new government transitions in (West Bengal). Current pan-India average realizations are down 0.5-1% QoQ versus the 1Q average. However, monsoon-led demand slowdown amid intensifying competition for market share may put downward pressure on prices through 2QFY27. On a YoY basis, average pan-India realizations are likely up 1-2% YoY, led by a ~3% YoY rise in North, West and East regions and largely flat in Central and South regions.

EBITDA/t could decline >INR200/tonQoQ and ~INR100/tonYoY in 2QFY27

Current imported fuel prices are ~35% above the 6M average but broadly flat vs 3M, implying a lagged impact of up to ~INR 100/t in 2QFY27, depending on the fuel mix. Including the diesel price hike impact and negative operating leverage, total costs/ton may inch up >INR200/ton QoQ in 2QFY27. On a YoY basis, average pan-India prices are barely up 1-2% YoY, while total costs/ton would be up 3-4% YoY. Accordingly, EBITDA/t for our coverage universe could decline by >INR200/ton QoQ and ~INR100/ton YoY to INR825/t in 2Q FY27.

Our View: Remain selective

Overall, we expect the average EBITDA/ton of our coverage universe to remain largely flat YoY in FY27 at ~INR1,000/ton and rise further to INR1,070 in FY27 and INR1,100 in FY28, led by cost efficiencies and higher realization. EBITDA/t (coverage universe ex-UTCEM) may fall from INR915 in FY26 to INR855 in FY27 before rising to INR935 in FY28 and INR960 in FY29. **We remain selective with UTCEM and JKCE as our preferred picks. We also like SRCM. Key risks:** Lower demand/ prices and higher cost escalations.

Table 1: Our FY27-28E EBITDA estimates (ex-UTCEM and SRCM) are ~6%-7% below consensus

	Consensus		Antique		Variance	
INR Mn	**FY27E**	**FY28E**	**FY27E**	**FY28E**	**FY27E**	**FY28E**
UTCEM	1,95,444	2,34,099	1,93,982	2,28,958	-1%	-2%
ACEM	71,099	89,305	66,733	80,375	-6%	-10%
SRCM	48,533	55,616	49,761	57,581	3%	4%
JKCE	26,379	32,535	25,457	30,969	-3%	-5%
DALBHARA	32,703	39,067	29,505	37,060	-10%	-5%
ACC	24,725	31,600	27,008	31,540	9%	0%
TRCL	14,681	19,104	14,557	19,313	-1%	1%
NUVOCO	20,116	22,737	18,623	20,241	-7%	-11%
STRCEM	9,082	10,317	9,557	10,545	5%	2%
JKLC	10,233	12,429	8,650	11,007	-15%	-11%
BCORP	14,413	16,179	14,541	15,995	1%	-1%
HEIM	3,044	3,621	2,886	3,325	-5%	-8%
GRASIM	25,956	32,953	23,681	30,345	-9%	-8%
Total	**4,45,728**	**5,35,008**	**4,34,253**	**5,15,367**	**-3%**	**-4%**
Total ex. UTCEM/ SRCM	**2,01,751**	**2,45,293**	**1,90,509**	**2,28,829**	**-6%**	**-7%**

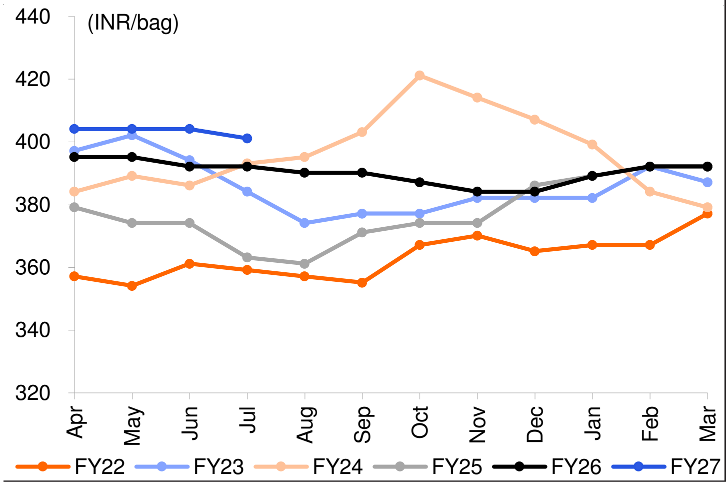
Source: Company, Antique

Table 2: Valuation Summary

	Mcap		TP	P/E (x)			EV/EBITDA (x)			EV/te (US$)		
Company	**(US$bn)**	**Rating**	**(INR)**	**FY27E**	**FY28E**	**FY29E**	**FY27E**	**FY28E**	**FY29E**	**FY27E**	**FY28E**	**FY29E**
UTCEM	38.3	BUY	14,750	37.0	29.7	25.5	18.6	15.6	13.7	172	158	146
ACEM	11.5	HOLD	450	59.0	70.3	43.1	19.3	15.3	13.9	115	103	98
SRCM	10.5	BUY	30,800	46.0	36.3	30.0	16.9	14.6	12.8	128	118	108
JKCE	4.7	BUY	6,550	37.5	30.4	26.1	18.0	15.2	13.6	151	127	119
DALBHARA	3.7	HOLD	2,100	31.5	32.3	27.5	11.6	10.7	9.8	67	64	64
ACC	2.8	HOLD	1,350	25.2	19.4	22.8	10.1	8.3	7.7	64	59	60
TRCL	2.4	HOLD	1,050	154.1	96.9	41.2	18.2	13.8	11.9	100	87	86
NUVOCO	1.3	HOLD	380	29.9	19.1	22.1	8.3	7.8	7.2	73	60	51
STRCEM	0.9	HOLD	230	20.4	21.1	18.1	9.2	8.8	9.0	91	81	87
JKLC	0.8	HOLD	650	16.4	18.7	13.5	9.5	8.4	7.9	53	57	47
BCORP	0.8	BUY	1,180	22.1	13.1	15.2	6.5	6.8	6.6	48	47	51
HEIM	0.5	HOLD	171	32.9	24.7	27.1	10.8	11.3	8.7	52	48	45
ORCMNT	0.3	HOLD	156	8.0	10.5	9.7	6.2	6.3	6.3	40	48	44

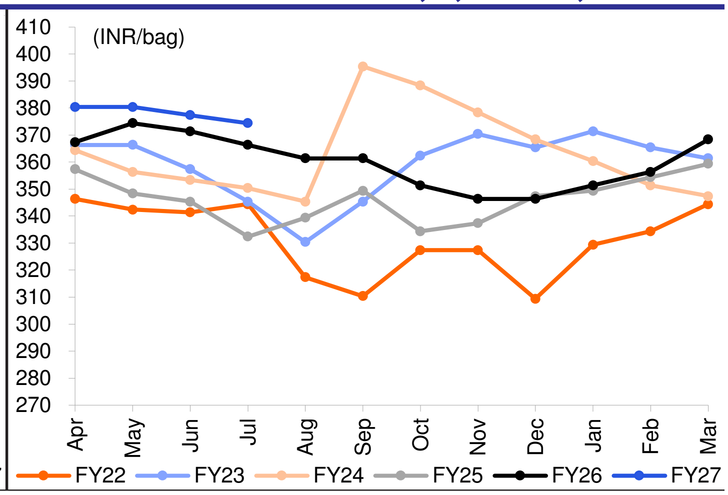
Source: Company, Antique

Exhibit 1: North: Prices down ~0.7% QoQ in YTD 2QFY27



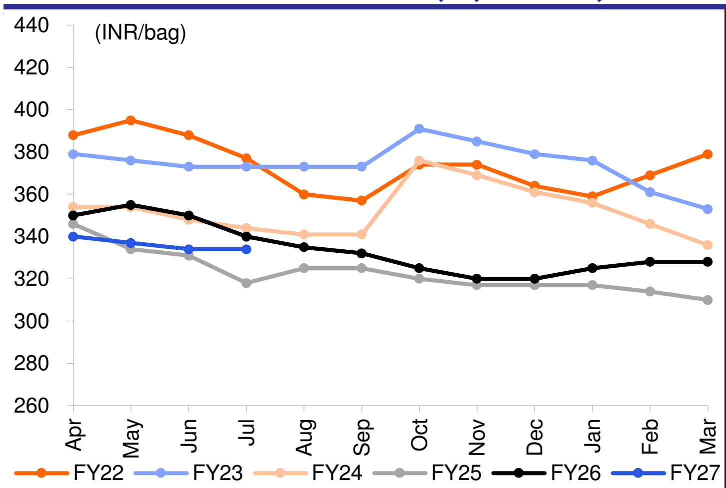
Source: Company, Antique

Exhibit 2: East: Prices down ~1.3% QoQ in YTD 2QFY27



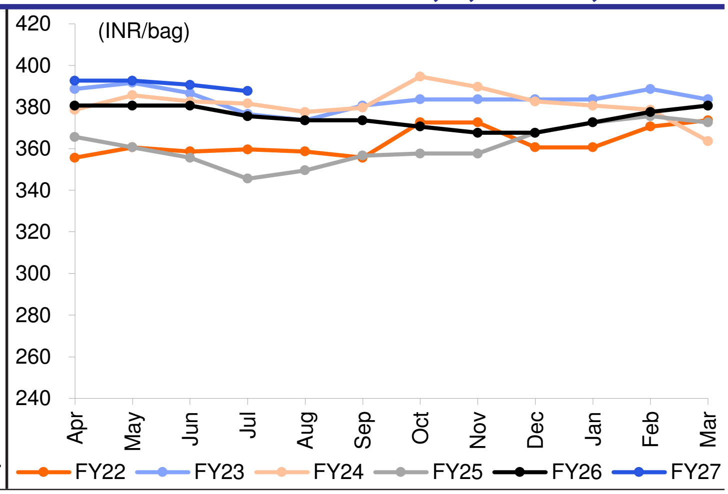
Source: Company, Antique

Exhibit 3: South: Prices down ~0.9% QoQ in YTD 2QFY27



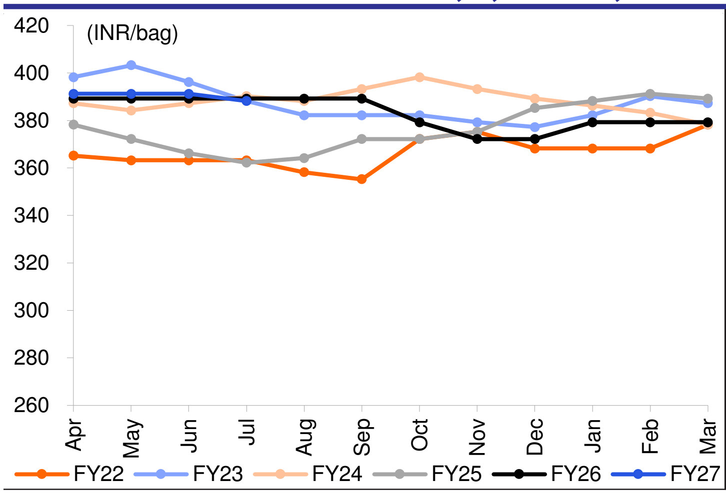
Source: Company, Antique

Exhibit 4: West: Prices down ~1.1% QoQ in YTD 2QFY27



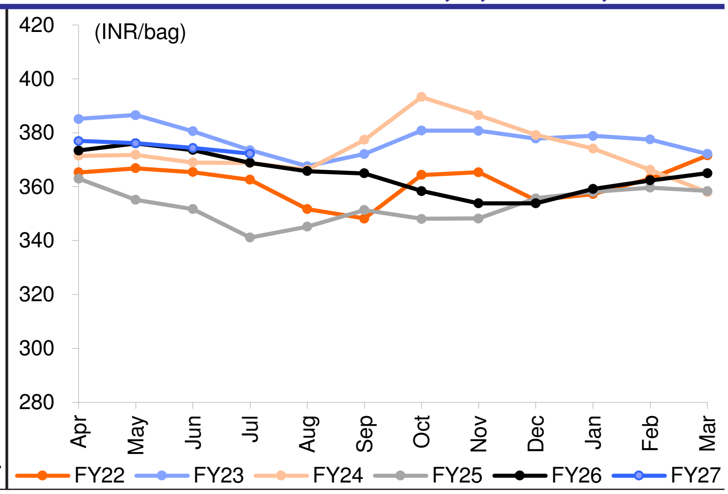
Source: Company, Antique

Exhibit 5: Central: Prices down ~0.9% QoQ in YTD 2QFY27



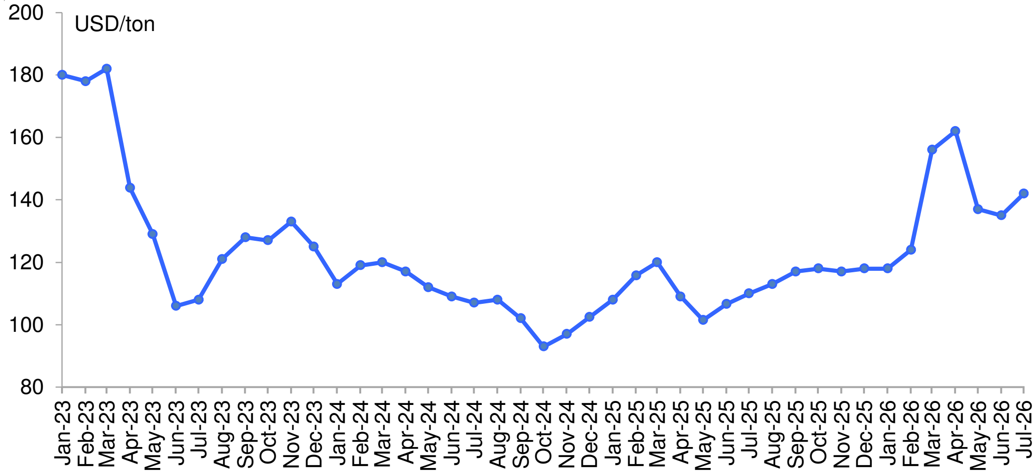
Source: Company, Antique

Exhibit 6: All India: Prices down ~1% QoQ in YTD 2QFY27



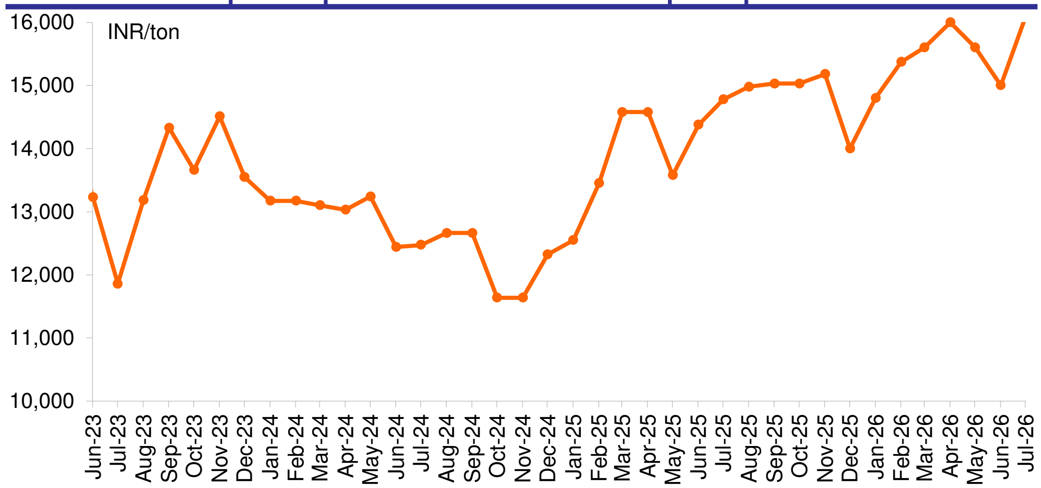
Source: Company, Antique

Exhibit 7: Current Imported fuel prices up ~35% surge vs 6M average



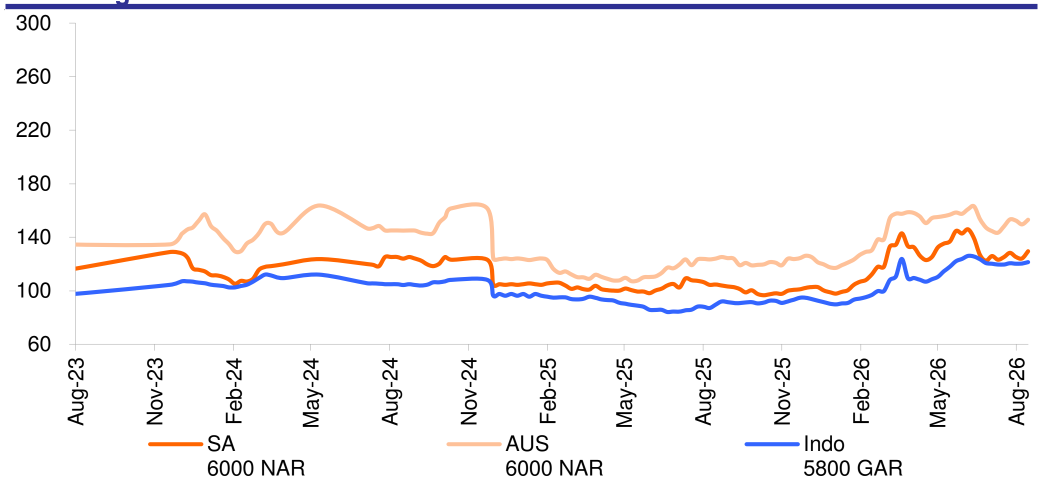
Source: Company, Antique

Exhibit 9: Domestic petcoke prices mirror the international price uptick



Source: Company, Antique

Exhibit 8: Current average imported coal prices up ~35% vs trailing 6m average /flat vs 3M average



Source: Company, Antique

Table 3: Key Assumptions

Volumes	Total Volumes (mn MT)				Growth YoY (%)				
	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	CAGR 26-29E
UTCEM	154	170	186	203	13.5	10.2	9.8	8.8	9.6%
ACEM - consol.	76	72	79	84	15.8	(4.6)	9.4	6.3	3.5%
SRCM	36	41	45	48	1.7	14.0	8.0	8.0	10.0%
JKCE	23	27	30	33	15.6	17.0	10.8	9.8	12.5%
DALBHARA	30	33	37	41	2.2	11.0	11.0	10.0	10.7%
ACC	49	46	50	53	17.0	(6.0)	8.0	6.0	2.5%
TRCL	19	20	23	25	1.8	9.0	10.0	10.0	9.7%
JSWCEMEN	14	16	17	20	10.1	15.7	11.8	11.8	13.1%
NUVOCO	20	22	23	25	5.1	8.1	6.4	6.6	7.0%
STRCEM	5	6	6	7	16.3	8.0	8.0	8.0	8.0%
JKLC	13	14	15	16	10.0	6.0	6.0	8.0	6.7%
BCORP	19	20	21	22	3.4	6.6	3.7	4.1	4.8%
HEIM	5	5	5	5	8.8	3.5	2.0	2.0	2.5%
ORCMNT	7	7	7	8	31.8	(6.0)	7.0	6.0	2.2%
SGC	6	7	7	8	10.8	10.8	10.8	10.8	10.8%
Total	**408**	**438**	**478**	**516**	**10.6**	**7.4**	**9.0**	**8.1**	**8.1%**

Realisation	Realisation/te				Growth YoY (%)				
	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	CAGR 26-29E
UTCEM	5,669	5,851	5,962	6,090	2.8	3.2	1.9	2.2	2.4%
ACEM	5,329	5,389	5,425	5,453	3.6	1.1	0.7	0.5	0.8%
SRCM	4,690	4,903	4,924	4,943	5.6	4.5	0.4	0.4	1.8%
JKCE	5,723	5,929	5,983	6,033	0.8	3.6	0.9	0.8	1.8%
DALBHARA	4,935	5,009	5,034	5,059	3.6	1.5	0.5	0.5	0.8%
ACC	5,231	5,426	5,531	5,655	6.0	3.7	1.9	2.2	2.6%
TRCL	4,801	4,945	5,019	5,044	4.2	3.0	1.5	0.5	1.7%
NUVOCO	5,019	5,222	5,236	5,264	4.2	4.0	0.3	0.5	1.6%
STRCEM	6,874	6,909	6,944	6,945	2.7	0.5	0.5	0.0	0.3%
JKLC	5,067	5,270	5,323	5,376	(0.8)	4.0	1.0	1.0	2.0%
BCORP	5,161	5,242	5,287	5,331	1.4	1.6	0.9	0.8	1.1%
HEIM	4,743	4,838	4,886	4,920	(0.4)	2.0	1.0	0.7	1.2%
ORCMNT	3,928	3,811	3,887	3,965	(21.8)	(3.0)	2.0	2.0	0.3%
Weighted average	**5,327**	**5,477**	**5,546**	**5,618**	**2.9**	**2.8**	**1.3**	**1.3**	**1.8%**

EBITDA/ton	EBITDA/te				Growth YoY (%)				
	FY26	FY27E	FY28E	FY29E	FY26	FY27E	FY28E	FY29E	CAGR 26-29E
UTCEM	1,104	1,146	1,233	1,274	19.4	3.8	7.6	3.3	4.9%
ACEM	856	823	955	995	11.5	(3.9)	16.1	4.2	5.1%
SRCM	1,171	1,029	1,104	1,155	7.2	(12.2)	7.3	4.6	-0.5%
JKCE	1,015	990	1,077	1,103	1.3	(2.4)	8.8	2.4	2.8%
DALBHARA	1,028	965	982	1,002	25.3	(6.1)	1.8	2.0	-0.8%
ACC	599	532	606	616	4.0	(11.2)	13.9	1.6	0.9%
TRCL	764	690	823	870	14.5	(9.6)	19.3	5.8	4.5%
NUVOCO	912	948	926	929	28.8	4.0	(2.3)	0.3	0.6%
STRCEM	1,704	1,537	1,597	1,540	39.1	(9.8)	3.9	(3.6)	-3.3%
JKLC	757	661	764	792	6.2	(12.7)	15.5	3.7	1.5%
BCORP	777	698	757	760	15.6	(10.2)	8.4	0.4	-0.7%
HEIM	584	524	632	668	10.1	(10.2)	20.5	5.8	4.6%
Weighted average	**998**	**984**	**1,069**	**1,105**	**16.1**	**(1.4)**	**8.7**	**3.3**	**3.4%**

Source: Company, Antique

FMCG Brand-o-Meter
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SECTOR UPDATE

FMCG

Price hikes continue; Offtake, inventory key monitors

Our July channel checks suggest that pricing actions continued across categories, with companies increasingly relying on price hikes and trade interventions to protect growth amid varying demand trends. Secondary offtake and elevated inventory were a challenge for select companies. Company-wise highlights were: a) Britannia: East India posted recovery in off-take and biscuits and cakes witnessed improved traction, b) Nestle: Healthy broad based offtake witnessed across categories, c) Marico: Sequential improvement with encouraging response to new launches, d) Emami: Sales traction seen in the summer portfolio, e) Hindustan Unilever (HUL): Price hikes coupled with higher trade incentives on skin cleansing brands, f) GCPL: Godrej Expert Rich Creme and Colour Shampoo saw healthy offtake, while House insecticide portfolio witnessed some inventory pile up, and g) JYL: Distributor inventory remained elevated, while price hikes and rising market credit added further pressure. Price hikes taken in 1QFY27 will be fully reflected in 2QFY27, with the impact on demand and volumes being a key monitorable. During our store visit to Dmart, we observed a) increased visibility of Patanjali Doodh Biscuits, b) Parle's biscuit packs were not "oddly priced", c) 4700bc's offtakes accelerated with higher replenishments, d) Godrej Spic was spotted on the counter and e) private labels gained traction, particularly in Indian sweets under the 'Royal' brand. We currently prefer Marico, Britannia and Bajaj Consumer in consumer staples.

Key highlights of our channel interactions

HUL: The company increased trade incentives to drive growth in the skin cleansing portfolio. The focus seems to be on INR 15 pack products in Dove and Lifebuoy. Price increases were taken across categories, including Bodywash (250-300g: +4-7%), Dove (100-400g: +3-10%), Lifebuoy (100-500g: +5-11%), Lux (75-450g: +3-11%) and Pears (50-375g: +2-9%).

Nestle: Nestle had another strong month in July, with distributors meeting their targets. As per distributors, nutrition continues to witness better traction, while prepared dishes & foods, chocolates & beverages reported robust offtake. Trade incentives were maintained during the month, while distributor inventory levels remained healthy. Overall, increased marketing investments and deeper rural penetration, continue to drive growth across brands.

ITC: As per our interactions with distributors and dealers, 2Q began with a stable off-take. Cigarette off-take during July, witnessed lower-than-expected impact from the phased price increases. Foods performed well, led by Aashirvaad Atta, supported by the new scheme, and Sunfeast. Incense sticks continued to see strong offtake. ITC has entered the carbonated soft-drinks market with the launch of B Natural Coconut Cola, a premium sugar-free tender-coconut beverage being piloted on quick-commerce platforms. Further pricing actions in cigarettes remain a key monitorable.

Britannia Industries: Britannia witnessed sequential improvement in July, with distributors achieving their targets. Marie, Good Day and Cream Cracker led the business, while the Creams category picked up and Cakes returned to growth. Dairy improved, albeit performance was mix across products. Central and South continued to outperform other regions, while East witnessed a significant improvement after several months. Distributor inventory remained under control, while MT and e-commerce added healthy volumes.

Dabur: July was challenging, with the company under pressure to achieve secondary targets in some GT regions, while E-commerce and MT performed well. Rural demand remained supportive, particularly for Hajmola sachets, Lal Tail and Red Paste. Health Care performed well overall, although rains impacted Glucose-D. Home & Personal Care supported primary sales, while GT productivity continued to improve through a focus on secondary sales, sales enablers and field-force incentives. The company increased promotional activity through in-pack offers on Vatika, Glucose-D and Hajmola, while taking price hikes across most SKUs, excluding INR 1 and INR 5 packs.

Godrej Consumer Products: Secondary offtake was soft during July, leading to a rise in inventory levels. We believe that the inventory pile-up has been primarily in the household insecticides business and partially due to soaps. This resulted in slightly higher inventory days during July. Godrej Expert Rich Creme and Colour Shampoo saw healthy offtake.

Colgate India: Distributors indicated higher inventory levels. CDC, Cibaca, the Max range, Purple White and Colgate brushes witnessed some traction. Price hikes were taken on select SKUs, including Salt 200g (INR 142!INR 150), Salt 100g (INR 75!INR 79), CDC 200g (INR 130!INR 135) and Flexi Brush (INR 18!INR 20). Recent price hikes across select SKUs could increase competitive intensity and provide competitors with an opportunity to gain share in Colgate's key segments.

Marico: As per our channel checks, July was a strong month for Marico, with healthy sequential growth. Hair & Care shampoo sachets performed well. Soya continued to deliver strong growth, while Oats achieved its monthly target, although larger packs declined amid competition. Parachute Almond Shampoo received an encouraging response, particularly in Uttar Pradesh and Bihar. Saffola Gold remained under pressure due to increased competition and pricing. The company raised prices for Oats and edible oil. Inventory remained well controlled, with the company focusing firmly on secondary sales over primary.

Emami: Distributors indicated that the summer portfolio continued to perform well in July, with Navratna oil and Dermicool leading growth. The Dermicool 60g free with 150g pack continued to see good traction, while Zandu Balm and Mentho Plus remained in line with plans. Kesh King and 7 Oils-in-One performed well in rural markets, where summer demand remained more consistent than in urban markets. A ~5% price hike was taken across family packs, while competitive intensity remained high across categories.

Jyothy Labs: As per our channel checks, JYL remained under pressure in July, although it broadly achieved its monthly targets. Margo, Maxo, Exo and Morelight supported the performance, while Ujjala Young & Fresh Fabric Conditioner saw a sudden pick-up in offtake. Price hikes were taken across several SKUs, including Ujjala 250g (INR 85!INR 90), Ujjala 70g (INR 37!INR 40), Morelight 1kg (INR 76!INR 84) and 500g (INR 37!INR 39), Maxo Oil (INR 75!INR 80), Maya Dhup (INR 50!INR 55) and Henko 1kg (INR 130!INR 140). JYL relaunched Maxo Agarbatti during July to compete with GCPL, while rising market credit remained a key concern for distributors.

Dmart: During our DMart store visit, we observed increased presence of Patanjali Doodh Biscuits. Parle's products were not "oddly priced" at INR 4.9 or INR 9.5, etc. For 4700BC, the Hawaiian Barbeque flavor is witnessing high replenishments with increased stock-outs, while Butter flavor's visibility has increased. The brand also increased its visibility with placements between aisles. Godrej Spic was spotted on the counter during our visit at competitive pricing. Private labels continued to gain traction, particularly in Indian sweets under the 'Royal' brand. In the G&A section, DMart has introduced the dedicated Raksha Bandhan counter with a seasonal assortment.

Exhibit 1: Snapshots from our DMart store visit (daily essentials section)

Source: Company, Antique

Exhibit 2: Rakhi counter with prices starting from INR 10

Source: Company, Antique

Table 1: HUL pricing grammage changes in Jul'26

			Current Status			Final Status		
Brand	Pack Description	Format	Current Gram	Current MRP	MRP PPG	Revised Gram	Revised MRP	Rev MRP PPG
Bodywash	Pears BW Pure & Gentle 250ML	Bodywash	250	140	0.56	250	150	0.60
Bodywash	Dove BW Deeply Nourishing 190ML	Bodywash	300	185	0.62	300	195	0.65
Bodywash	Dove BW Fresh Nourishing 190ML	Bodywash	300	225	0.75	300	235	0.78
Bodywash	Dove BW Gen XFOL 190ML	Bodywash	300	225	0.75	300	235	0.78
Bodywash	LIRIL BW Lemon & Tea Tree 250ML	Bodywash	250	199	0.80	250	210	0.84
Bodywash	LIRIL BW Cooling Mint 250ML	Bodywash	250	199	0.80	250	210	0.84
Dove	Dove Single	Singles	100	60	0.60	100	62	0.62
Dove	Dove Care & Protect MLP 100g B3G1	Large MLP	400	315	0.79	400	346	0.87
Hamam	Hamam 100 Gms	Singles	100	38	0.38	100	40	0.40
Lifebuoy	Lifebuoy Lemon Fresh 60G	INR 10	44	10	0.23	40	10	0.25
Lifebuoy	Lifebuoy Lemon Fresh 4*125 gms	Large MLP	500	120	0.24	500	130	0.26
Lifebuoy	Lifebuoy Total 10 125g	Singles	125	38	0.30	125	40	0.32
Lifebuoy	Lifebuoy soap Neem 125g	Singles	100	38	0.38	100	42	0.42
Lifebuoy	Lifebuoy soap Turmeric 125g	Singles	100	38	0.38	100	42	0.42
Lux	Lux International Soap 75 Gms	Singles	80	38	0.48	80	42	0.53
Lux	Lux Strawberry and Cream 90 gms	Singles	100	38	0.38	100	40	0.40
Lux	Lux Fresh 90 gms	Singles	100	41	0.41	100	45	0.45
Lux	Lux Peach And Cream 3*150 Gms	Large MLP	450	179	0.40	450	185	0.41
Lux	Lux Strawberry And Cream 3*150 Gms	Large MLP	450	179	0.40	450	185	0.41
Lux	Lux 75gm Pink	Bridge Pack	300	93	0.31	300	100	0.33
Lux	LUX Bright Glow 100 GMS	Singles	100	38	0.38	100	40	0.40
Lux	Lux Pink - Single 75g	Bridge Pack	75	17	0.23	75	18	0.24
Lux	Lux Velvet Glow - Single (75g)	Bridge Pack	75	17	0.23	75	18	0.24
Lux	Lux Velvet Glow - MLP (4 X 75g)	Bridge Pack	300	93	0.31	300	100	0.33
Lux	Lux Sandal 100g	Singles	100	40	0.40	100	44	0.44
Lux	Lux Sandal 4x100g	Large MLP	400	125	0.31	400	135	0.34
Pears	Pears Amber Soap 45g	Minis	60	20	0.33	57	20	0.35
Pears	Pears Pure & gentle Mpk 3x125g	Large MLP	375	203	0.54	375	211	0.56
Pears	Pears Germ Shield 125Gm	Singles	125	88	0.70	125	90	0.72
Pears	Pears Soft & Fresh Soap 50g	Minis	50	25	0.50	50	27	0.54
Pears	Pears Pure and Gentle 75 gms	Bridge Pack	75	35	0.47	75	38	0.51

Source: Company, Antique

Table 2: Valuation summary

Companies	Year	TP (INR)	CMP	Up-side (%)	Reco	Sales (INR mn)	Sales growth (YoY %)	EBITDA (INR mn)	EBITDA growth (YoY %)	EBITDA margin (%)	Adj. PAT (INR mn)	Adj. PAT growth (YoY %)	Adj. PAT margin (%)	Adj. EPS (INR)	EV/ EBITDA (x)	P/E (x)	RoE %	RoCE %
	FY23	2,214	2,055	8	Hold	5,24,460		1,28,570		24.5	89,180		17.0	38	36	54	18	22
	FY24					6,18,960	18	1,46,630	14	23.7	1,02,760	15	16.6	44	32	47	20	25
	FY25					6,13,280	(1)	1,47,060	0	24.0	1,03,990	1	17.0	44	32	46	21	25
HUVR	FY26					6,44,680	5	1,51,670	3	23.5	1,03,090	(1)	16.0	44	31	47	21	26
	FY27e					7,05,833	9	1,63,186	8	23.1	1,13,707	10	16.1	48	29	42	24	28
	FY28e					7,67,793	9	1,78,372	9	23.2	1,24,690	10	16.2	53	26	39	27	32
	FY23	570	407	40	Buy	1,15,299		21,641		18.8	17,072		14.8	10	35	42	20	23
	FY24					1,24,040	8	24,002	11	19.4	18,427	8	14.9	10	31	39	20	22
	FY25					1,25,631	1	23,163	(3)	18.4	17,676	(4)	14.1	10	32	41	17	20
DABUR	FY26					1,31,926	5	24,518	6	18.6	19,101	8	14.5	11	30	38	17	21
	FY27e					1,48,743	13	27,186	11	18.3	21,099	10	14.2	12	26	34	18	21
	FY28e					1,64,469	11	31,832	17	19.4	25,121	19	15.3	14	22	29	19	23
	FY23	377	273	38	Buy	6,60,433		2,39,445		36.3	1,86,804		28.3	15	14	18	29	37
	FY24					6,26,281	(5)	2,34,940	(2)	37.5	1,99,102	7	31.8	16	14	17	28	36
	FY25					6,93,256	11	2,40,256	2	34.7	1,95,653	(2)	28.2	16	14	17	28	36
ITC	FY26					7,19,838	4	2,52,082	5	35.0	2,04,703	5	28.4	16	13	17	30	37
	FY27e					7,25,221	1	2,20,628	(12)	30.4	1,82,683	(11)	25.2	15	15	19	25	31
	FY28e					7,88,057	9	2,41,892	10	30.7	2,00,230	10	25.4	16	13	17	26	33
	FY23	1,748	1,470	19	BUY	1,68,970		38,145		22.6	24,925		14.8	13	75	114	110	152
	FY24					2,43,939	44	59,087	55	24.2	40,174	61	16.5	21	49	71	139	188
	FY25					2,02,016	(17)	47,696	(19)	23.6	30,237	(25)	15.0	16	60	94	81	103
NEST	FY26					2,31,546	15	53,061	11	22.9	34,238	13	14.8	18	54	83	73	90
	FY27e					2,72,443	18	66,932	26	24.6	43,455	27	15.9	23	43	65	73	99
	FY28e					3,15,366	16	78,860	18	25.0	51,811	19	16.4	27	36	55	71	95
	FY23	2,150	1,964	9	Hold	52,262		15,470		29.6	10,584		20.3	39	34	50	61	84
	FY24					56,804	9	19,008	23	33.5	13,432	27	23.6	49	27	40	75	103
	FY25					60,402	6	19,581	3	32.4	13,804	3	22.9	51	27	39	78	110
CLGT	FY26					60,350	(0)	18,697	(5)	31.0	13,503	(2)	22.4	50	28	40	83	117
	FY27e					65,920	9	19,794	6	30.0	14,319	6	21.7	53	26	37	85	119
	FY28e					72,009	9	22,105	12	30.7	16,062	12	22.3	59	23	33	81	113
	FY23	1,470	928	58	Buy	1,33,160		25,392		19.1	17,460		13.1	17	40	54	14	19
	FY24					1,40,961	6	30,703	21	21.8	20,160	15	14.3	20	34	47	15	21
	FY25					1,39,965	(1)	30,031	(2)	21.5	19,155	(5)	13.7	19	35	50	16	19
GCPL	FY26					1,51,779	8	31,562	5	20.8	20,946	9	13.8	20	33	45	17	19
	FY27e					1,76,489	16	37,485	19	21.2	25,186	20	14.3	25	28	38	19	21
	FY28e					1,97,992	12	44,070	18	22.3	30,312	20	15.3	30	23	31	21	23
	FY23	1,038	852	22	Buy	97,640		18,100		18.5	12,808		13.1	10	62	86	36	43
	FY24					96,530	(1)	20,260	12	21.0	14,810	16	15.3	11	56	74	39	44
	FY25					1,08,310	12	21,390	6	19.7	15,870	7	14.7	12	52	69	41	44
MRCO	FY26					1,34,780	24	23,280	9	17.3	17,620	11	13.1	14	48	62	43	47
	FY27e					1,62,004	20	29,154	25	18.0	22,535	28	13.9	17	38	49	47	50
	FY28e					1,84,370	14	35,243	21	19.1	27,491	22	14.9	21	31	40	45	49
	FY23	3,827	2,688	42	Buy	3,44,886		62,598		18.2	41,553		12.0	43	42	62	28	33
	FY24					3,54,947	3	75,850	21	21.4	54,602	31	15.4	57	35	47	31	36
	FY25					3,39,056	(4)	60,062	(21)	17.7	40,303	(26)	11.9	42	44	64	21	25
APNT	FY26					3,55,835	5	66,959	11	18.8	44,830	11	12.6	47	40	58	22	25
	FY27e					4,08,248	15	80,207	20	19.6	53,480	19	13.1	56	33	48	24	27
	FY28e					4,64,859	14	93,497	17	20.1	61,723	15	13.3	64	28	42	24	28

Source: Company, Antique

Table 2: Valuation summary (Continued.....)

Companies	Year	TP (INR)	CMP	Up-side (%)	Reco	Sales (INR mn)	Sales growth (YoY %)	EBITDA (INR mn)	EBITDA growth (YoY %)	EBITDA margin (%)	Adj. PAT (INR mn)	Adj. PAT growth (YoY %)	Adj. PAT margin (%)	Adj. EPS (INR)	EV/ EBITDA (x)	P/E (x)	RoE %	RoCE %
	FY23	316	206	53	Buy	75,427		8,180		10.8	4,734		6.3	6	19	35	11	15
	FY24					78,014	3	10,278	26	13.2	6,874	45	8.8	9	15	24	13	18
	FY25					78,230	0	9,423	(8)	12.0	6,705	(2)	8.6	8	15	25	11	15
KNPL	FY26					80,519	3	9,746	3	12.1	6,351	(5)	7.9	8	14	26	10	14
	FY27e					89,360	11	11,058	13	12.4	7,144	12	8.0	9	13	23	10	15
	FY28e					97,402	9	12,488	13	12.8	8,039	13	8.3	10	11	21	11	16
	FY23	1,993	1,545	29	Buy	1,03,737		14,187		13.7	8,808		8.5	12	72	127	16	23
	FY24					1,06,920	3	17,080	20	16.0	12,540	42	11.7	17	59	90	19	27
	FY25					1,15,730	8	20,580	20	17.8	15,230	21	13.2	21	49	74	21	29
UNITDSPR	FY26					1,24,480	8	22,960	12	18.4	19,210	26	15.4	26	44	58	23	32
	FY27e					1,39,181	12	26,700	16	19.2	20,196	5	14.5	28	38	56	22	32
	FY28e					1,57,101	13	31,284	17	19.9	23,599	17	15.0	32	32	48	24	34
	FY23	5,222	4,693	11	Buy	31,428		3,584		11.4	2,044		6.5	15	165	307	10	11
	FY24					41,185	31	5,061	41	12.3	2,558	25	6.2	19	117	245	11	13
	FY25					48,512	18	6,737	33	13.9	3,452	35	7.1	26	88	182	14	16
RDCK	FY26					60,504	25	10,215	52	16.9	6,191	79	10.2	46	57	101	21	25
	FY27e					68,682	14	13,663	34	19.9	8,925	44	13.0	67	43	70	25	30
	FY28e					80,699	17	16,864	23	20.9	11,329	27	14.0	85	34	55	25	32
	FY23	535	405	32	Buy	34,057		8,628		25.3	7,801		22.9	18	20	23	36	31
	FY24					35,781	5	9,495	10	26.5	8,148	4	22.8	19	18	22	34	33
	FY25					38,092	6	10,251	8	26.9	8,897	9	23.4	20	17	20	35	35
HMN	FY26					37,795	(1)	9,637	(6)	25.5	8,665	(3)	22.9	20	18	20	31	30
	FY27e					43,410	15	11,136	16	25.7	8,146	(6)	18.8	19	15	22	27	32
	FY28e					47,305	9	12,510	12	26.4	9,126	12	19.3	21	13	19	27	33
	FY23	181	214	(15)	Hold	24,860		3,159		12.7	2,327		9.4	6	22	34	16	21
	FY24					27,569	11	4,798	52	17.4	3,695	59	13.4	10	15	21	22	30
	FY25					28,470	3	4,996	4	17.5	3,747	1	13.2	10	13	21	19	27
JYL	FY26					29,443	3	4,499	(10)	15.3	3,332	(11)	11.3	9	14	24	18	25
	FY27e					30,546	4	3,790	(16)	12.4	2,848	(15)	9.3	8	17	28	17	23
	FY28e					33,215	9	4,175	10	12.6	3,153	11	9.5	9	15	25	17	23
	FY24	870	481	81	Buy	9,841		1,553		15.8	1,554		15.8	11	57	44	19	23
	FY25					9,648	(2)	1,274	(18)	13.2	1,253	(19)	13.0	9	70	53	16	19
	FY26					11,647	21	2,209	73	19.0	1,902	52	16.3	14	41	35	25	31
BAJAJCON	FY27e					14,063	21	3,058	38	21.7	2,609	37	18.5	19	29	25	30	37
	FY28e					16,460	17	3,635	19	22.1	3,095	19	18.8	23	24	21	28	35
	FY29e					19,352	18	4,372	20	22.6	3,715	20	19.2	27	19	18	27	33
	FY23	490	354	39	Buy	3,15,247		12,806		4.1	8,864		2.8	8	30	43	11	13
	FY24					3,17,418	1	12,990	1	4.1	7,651	(14)	2.4	7	29	50	8	11
	FY25					3,37,583	6	19,466	50	5.8	13,013	70	3.9	12	20	30	12	16
PATANJAL	FY26					4,01,696	19	17,533	(10)	4.4	12,257	(6)	3.1	11	23	31	10	12
	FY27e					4,80,172	20	24,990	43	5.2	17,120	40	3.6	16	16	22	13	15
	FY28e					5,02,427	5	29,245	17	5.8	20,500	20	4.1	19	14	19	14	17
	FY23	616	482	28	Buy	14,927		228		1.5	37		0.2	0	671	1,760	1	3
	FY24					19,199	29	1,371	502	7.1	1,118	2,896	5.8	3	108	140	13	18
	FY25					20,669	8	685	(50)	3.3	727	(35)	3.5	2	218	215	6	9
HONASA	FY26					23,919	16	2,362	245	9.9	1,999	175	8.4	6	64	78	15	21
	FY27e					29,560	24	3,358	42	11.4	2,763	38	9.3	8	44	57	18	25
	FY28e					34,464	17	4,212	25	12.2	3,297	19	9.6	10	35	48	18	25

Source: Company, Antique

Table 2: Valuation summary (Continued.....)

Companies	Year	TP (INR)	CMP	Up-side (%)	Reco	Sales (INR mn)	Sales growth (YoY %)	EBITDA (INR mn)	EBITDA growth (YoY %)	EBITDA margin (%)	Adj. PAT (INR mn)	Adj. PAT growth (YoY %)	Adj. PAT margin (%)	Adj. EPS (INR)	EV/ EBITDA (x)	P/E (x)	RoE %	RoCE %
	FY23	822	611	35	Buy	31,466		1,850		5.9	16		0.1	0	98	9,316	0	12
	FY24					33,279	6	2,421	31	7.3	68	326	0.2	0	75	2,187	2	16
	FY25					35,199	6	4,306	78	12.2	1,839	2,598	5.2	7	42	93	19	21
ABDL	FY26					39,228	11	5,418	26	13.8	2,766	50	7.1	10	34	62	17	19
	FY27e					44,157	13	6,273	16	14.2	3,425	24	7.8	12	29	50	20	19
	FY28e					49,955	13	8,011	28	16.0	4,641	35	9.3	17	23	37	24	23
	FY23	563	434	30	Buy	1,31,731		27,881		21.2	14,974		11.4	5	53	94	33	26
	FY24					1,60,426	22	36,095	29	22.5	20,559	37	12.8	6	42	69	34	28
	FY25					2,00,077	25	47,111	31	23.5	25,946	26	13.0	8	31	57	22	24
VBL	FY26e					2,16,854	8	50,494	7	23.3	29,365	13	13.5	9	29	50	16	19
	FY27e					2,60,102	20	58,130	15	22.3	32,209	10	12.4	10	25	46	15	19
	FY28e					295,218	14	67,011	15	22.7	38,095	18	12.9	11	22	39	16	19
	FY23	3,042	2,218	37	Buy	12,119		1,867		15.4	1,029		8.5	17	74	131	35	35
	FY24					15,371	27	2,727	46	17.7	1,597	55	10.4	26	51	84	28	31
	FY25					19,126	24	3,484	28	18.2	2,135	34	11.2	35	40	63	24	26
DOMS	FY26					23,264	22	4,026	16	17.3	2,396	12	10.3	39	34	56	22	24
	FY27e					28,288	22	4,211	5	14.9	2,497	4	8.8	41	33	54	19	22
	FY28e					34,444	22	5,603	33	16.3	3,274	31	9.5	54	24	41	21	25
	FY23	6,998	5,521	27	Buy	1,59,801		28,261		17.7	19,414		12.1	81	47	68	64	49
	FY24					1,65,462	4	31,698	12	19.2	21,427	10	12.9	89	42	62	57	49
	FY25					1,75,350	6	31,872	1	18.2	22,035	3	12.6	91	42	60	53	53
BRIT	FY26					1,88,582	8	35,444	11	18.8	24,381	11	12.9	101	37	55	52	57
	FY27e					2,12,320	13	39,264	11	18.5	27,680	14	13.0	115	33	48	51	57
	FY28e					2,37,534	12	44,187	13	18.6	31,468	14	13.2	131	30	42	53	59
	FY23	450	255	76	Buy	9,427		1,835		19.5	1,170		12.4	11	15	23	31	33
	FY24					9,787	4	1,912	4	19.5	1,185	1	12.1	11	14	23	18	22
	FY25					10,799	10	1,847	(3)	17.1	1,191	1	11.0	11	14	23	12	16
FLAIR	FY26					12,501	16	2,245	22	18.0	1,413	19	11.3	13	11	19	13	17
	FY27e					14,445	16	2,553	14	17.7	1,558	10	10.8	15	10	17	13	17
	FY28e					16,852	17	3,243	27	19.2	2,056	32	12.2	20	7	13	15	19
	FY23	425	271	57	Buy	13,947		1,962		14.1	1,124		8.1	9	18	28	48	43
	FY24					14,025	1	1,684	(14)	12.0	996	(11)	7.1	8	21	32	29	32
	FY25					14,680	5	1,052	(38)	7.2	555	(44)	3.8	4	33	57	14	17
GOPAL	FY26					15,082	3	1,013	(4)	6.7	450	(19)	3.0	4	35	71	10	12
	FY27e					18,619	23	1,467	45	7.9	750	67	4.0	6	24	42	14	16
	FY28e					22,584	21	2,481	69	11.0	1,510	101	6.7	12	14	21	24	26

Source: Company, Antique

Valuation Guide

		CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
Company	Reco	(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY27	FY28	FY29	FY27	FY28	FY29	FY27	FY28	FY29	FY27	FY28	FY29	FY28	FY28	FY28	1m	12m
ASSET MANAGEMENT COMPANY																							
Aditya Birla Sun Life AMC	Buy	1,013	1,160	15	293.1	3.1	10.7	12.2	13.7	37.1	42.3	47.5	27.3	23.9	21.3	-	-	-	6.1	25.4	NA	-12	13
HDFC Asset Management	Buy	2,525	3,270	29	1,082.7	11.3	32.4	37.8	44.2	75.8	88.4	103.4	33.3	28.6	24.4	-	-	-	10.6	33.4	NA	-5	-12
ICICI Prudential AMC	Buy	3,106	3,725	20	1,535.2	16.0	39.6	47.0	55.2	80.0	95.0	111.8	38.8	32.7	27.8	-	-	-	30.9	86.6	NA	-2	
Nippon Life India AMC	Buy	1,171	1,360	16	748.9	7.8	19.2	22.7	26.4	30.3	35.8	41.7	38.7	32.7	28.1	-	-	-	15.4	40.4	NA	-1	36
UTI Asset Management	Hold	895	1,065	19	115.0	1.2	8.0	8.7	9.7	63.0	68.8	76.4	14.2	13.0	11.7	-	-	-	2.4	17.2	NA	-5	-36
AUTO																							
Ashok Leyland	Hold	176	175	(1)	1,035.9	10.8	41.3	47.9	52.7	7.0	8.1	9.0	25.1	21.6	19.6	15.7	13.6	12.2	6.7	27.2	24.6	14	32
Bajaj Auto	Buy	11,607	12,275	6	3,244.1	33.9	120.2	134.8	148.2	437.4	490.4	548.5	26.5	23.7	21.2	20.3	17.9	16.1	9.0	31.5	30.7	11	32
Eicher Motors	Buy	8,019	9,665	21	2,201.3	23.0	56.1	68.2	81.3	204.6	248.5	296.3	39.2	32.3	27.1	33.1	27.1	22.9	8.5	23.5	22.5	6	35
Hero MotoCorp	Hold	5,746	6,210	8	1,149.9	12.0	58.9	63.6	68.5	295.0	318.1	343.0	19.5	18.1	16.7	15.5	14.0	12.7	4.8	24.0	23.5	17	12
Maruti Suzuki	Buy	13,691	15,710	15	4,304.5	44.9	139.9	176.8	203.1	445.0	562.3	646.0	30.8	24.3	21.2	17.8	13.7	11.3	3.8	12.8	16.8	-1	-4
Sansera Engineering	Buy	4,003	4,330	8	249.8	2.6	4.1	5.3	7.1	66.5	84.6	113.9	60.2	47.3	35.2	31.1	24.7	19.5	7.2	11.7	14.9	24	198
Studds Accessories	Buy	449	670	49	17.7	0.2	0.7	1.1	1.3	17.5	28.0	32.8	25.6	16.0	13.7	16.0	10.5	8.8	3.1	12.5	13.9	0	
TVS Motor	Buy	4,357	4,270	(2)	2,069.9	21.6	46.1	55.8	61.7	96.9	117.4	129.9	45.0	37.1	33.6	28.0	23.3	20.7	13.7	34.0	27.7	20	34
AGROCHEMICAL, CHEMICAL AND FERTILIZER																							
Bayer Cropscience	Hold	4,106	4,570	11	184.5	1.9	8.0	8.8	9.8	178.5	196.3	219.0	23.0	20.9	18.7	16.7	15.3	13.7	6.1	26.9	35.1	-3	-26
Coromandel Intl.	Buy	2,063	2,250	9	608.5	6.4	25.2	27.9	32.2	85.6	94.7	109.3	24.1	21.8	18.9	13.7	11.9	10.1	4.1	18.5	25.5	1	-13
Dhanuka Agritech	Buy	996	1,260	26	44.4	0.5	2.8	3.3	3.6	62.7	75.1	81.7	15.9	13.3	12.2	10.2	8.5	7.3	2.4	16.0	21.6	-2	-39
Paradeep Phosphates	Buy	148	170	15	153.5	1.6	9.1	11.4	12.5	8.8	11.0	12.1	16.9	13.5	12.2	9.7	8.7	8.6	2.0	12.7	12.8	5	-29
PI Industries	Hold	2,515	2,520	0	381.6	4.0	11.1	13.0	14.4	73.2	85.5	94.6	34.4	29.4	26.6	21.0	17.7	15.6	3.2	9.5	12.5	-4	-33
Rallis India	Hold	213	260	22	41.5	0.4	2.5	3.0	3.6	13.1	15.7	18.6	16.3	13.6	11.5	8.2	6.7	5.5	1.9	11.9	16.3	-9	-43
Sharda Cropchem	Buy	771	1,210	57	69.6	0.7	6.5	6.8	7.7	72.3	75.8	85.4	10.7	10.2	9.0	5.4	4.7	3.8	1.9	19.2	23.3	-14	-19
SRF Ltd	Buy	2,630	3,060	16	779.6	8.1	25.0	25.3	33.7	84.1	85.0	113.4	31.3	30.9	23.2	18.2	17.8	14.1	4.8	16.5	17.2	-9	-10
Sumitomo Chemical India	Buy	563	600	7	281.1	2.9	6.5	7.3	8.5	12.6	14.6	17.1	44.7	38.5	33.0	36.8	32.2	28.0	7.1	17.6	23.2	5	-4
UPL	Buy	560	690	23	472.8	4.9	25.7	32.4	40.9	30.4	38.3	48.4	18.4	14.6	11.6	5.8	5.1	4.4	1.3	7.2	11.9	-9	-21
BUILDING MATERIALS																							
Apollo Pipes	Hold	551	430	(22)	24.3	0.3	0.3	0.5	0.7	6.3	12.3	16.3	87.8	44.9	33.9	24.5	17.4	14.3	2.9	3.3	4.8	10	39
Astral	Buy	1,520	1,760	16	408.3	4.3	6.7	8.9	10.1	25.0	33.0	37.5	60.7	46.1	40.6	32.8	25.6	22.3	8.8	15.5	20.8	10	11
Cera Sanitaryware	Buy	5,792	7,290	26	74.7	0.8	2.5	3.0	3.3	197.1	229.6	256.2	29.4	25.2	22.6	19.9	16.7	14.7	4.6	16.4	22.3	-4	-11
Finolex Industries	Hold	158	180	14	98.2	1.0	5.8	6.4	7.3	9.3	10.4	11.9	17.0	15.2	13.3	12.1	10.8	9.3	1.5	9.1	10.5	-4	-23
Greenlam Industries	Buy	256	290	13	65.2	0.7	1.5	2.9	3.1	5.9	11.3	12.2	43.3	22.6	21.0	16.7	11.7	11.0	4.9	12.0	13.2	3	13
Greenpanel Industries	Buy	166	250	50	20.4	0.2	0.7	1.7	2.2	6.0	13.7	17.6	27.7	12.1	9.5	10.1	5.9	4.5	1.4	5.2	4.8	-15	-39
Kajaria Ceramics	Buy	1,226	1,530	25	195.3	2.0	6.5	7.4	8.7	41.6	47.1	55.1	29.5	26.0	22.2	18.5	16.3	13.9	6.0	20.9	26.8	-1	-5
Prince Pipes and Fittings	Buy	290	390	35	32.0	0.3	1.2	1.5	1.9	11.2	14.0	17.2	25.8	20.7	16.8	10.3	8.6	7.0	1.8	7.3	9.5	8	-13
Somany Ceramics	Buy	512	660	29	21.0	0.2	1.3	1.5	1.8	32.3	37.1	45.1	15.9	13.8	11.4	6.7	5.0	4.2	2.2	14.7	18.4	-2	0
Supreme Industries	Buy	3,604	4,200	17	457.8	4.8	11.1	12.8	14.4	87.7	100.6	113.5	41.1	35.8	31.8	24.8	21.7	19.3	6.9	17.3	20.7	5	-22
CEMENT																							
ACC	Hold	1,304	1,350	4	244.8	2.6	11.1	14.5	15.4	59.1	77.2	81.8	22.0	16.9	15.9	9.8	8.0	7.4	1.1	5.3	7.2	-5	-30
Ambuja Cement	Hold	412	450	9	1,024.7	10.7	19.3	30.3	36.0	6.9	10.8	12.8	60.0	38.2	32.2	19.4	15.5	13.8	1.7	3.2	4.0	-6	-30
Birla Corp	Buy	896	1,180	32	69.0	0.7	4.7	5.9	5.9	61.2	76.2	76.7	14.6	11.8	11.7	6.6	6.4	6.8	0.9	6.2	7.6	-12	-31
Dalmia Bharat	Hold	1,837	2,100	14	344.6	3.6	10.9	10.6	12.4	57.1	55.8	65.5	32.2	32.9	28.0	12.0	11.1	10.1	1.9	6.0	7.2	1	-22
Grasim Industries	Buy	3,279	3,670	12	2,231.4	23.3	39.1	29.9	36.4	57.5	43.9	53.4	57.0	74.7	61.4	61.4	53.0	45.9	3.8	6.9	8.6	5	16
Heidelberg	Hold	160	171	7	36.3	0.4	1.3	1.8	2.0	5.7	7.9	9.0	28.0	20.3	17.9	11.8	9.1	7.9	2.7	9.6	11.8	2	-27
JK Cement	Buy	5,376	6,550	22	415.4	4.3	11.1	13.6	15.8	143.0	176.3	205.1	37.6	30.5	26.2	17.9	15.1	13.6	5.2	14.7	13.4	0	-27
JK Lakshmi Cement	Hold	556	650	17	69.0	0.7	3.8	5.2	5.3	30.4	42.0	43.1	18.3	13.2	12.9	9.4	8.3	7.7	1.7	9.3	9.9	-3	-41
Nuvoco Vistas	Hold	326	380	16	116.6	1.2	5.6	4.4	5.4	15.7	12.3	15.2	20.9	26.5	21.4	8.0	7.7	7.1	1.1	5.3	6.5	-6	-29
Orient Cement	Hold	131	156	19	26.8	0.3	2.6	2.8	3.2	12.7	13.8	15.5	10.3	9.5	8.4	6.0	6.2	6.2	1.1	11.6	13.5	-5	-45
Shree Cements	Buy	24,725	30,800	25	892.1	9.3	21.0	26.6	32.2	582.1	738.6	892.3	42.5	33.5	27.7	15.5	13.4	11.6	3.6	8.8	12.3	-7	-20
Star Cement	Hold	199	230	16	80.4	0.8	3.9	4.5	4.5	9.6	11.2	11.0	20.7	17.7	18.0	9.0	8.6	8.9	2.2	11.5	14.5	-3	-32
Ramco Cement	Hold	910	1,050	15	215.0	2.2	2.3	5.4	7.3	9.8	23.0	31.0	92.9	39.5	29.3	17.6	13.3	11.4	2.6	2.8	5.1	-1	-16
UltraTech Cement	Buy	11,499	14,750	28	3,388.5	35.4	95.1	118.5	138.1	322.8	402.3	468.7	35.6	28.6	24.5	17.9	15.1	13.2	4.1	12.2	14.0	0	-9
EMS																							
Avalon Technologies	Hold	2,197	1,213	(45)	146.8	1.5	1.3	1.8		19.4	27.0		113.2	81.5	-	66.5	51.5	-	17.2	16.5	20.2	27	154
Cyient DLM	Buy	736	707	(4)	58.4	0.6	1.0	1.4		12.1	17.0		60.9	43.2	-	31.0	24.0	-	5.3	9.0	12.4	27	66
Kaynes Technology India	Hold	3,644	3,553	(2)	244.3	2.6	5.6	7.4		83.4	111.0		43.7	32.8	-	28.3	22.6	-	4.6	11.1	13.7	8	-42
Syrma SGS Technology	Buy	1,500	1,601	7	289.3	3.0	4.3	5.6		22.3	29.1		67.2	51.5	-	42.4	31.5	-	8.8	14.0	17.0	10	107
FMCG																							
Allied Blenders and Distillers	Buy	613	822	34	171.4	1.8	3.4	4.6	5.6	12.2	16.6	19.9	50.0	36.9	30.7	28.8	22.7	19.6	9.3	19.6	19.1	-1	16
Asian Paints	Buy	2,628	3,827	46	2,521.2	26.3	53.5	61.7	71.8	55.8	64.3	74.8	47.1	40.8	35.1	31.6	27.0	22.9	10.5	23.6	26.7	-2	2
Britannia Industries	Buy	5,495	6,998	27	1,323.6	13.8	27.7	31.5	36.0	114.9	130.6	149.3	47.8	42.1	36.8	33.4	29.5	25.8	23.4	51.4	56.6	2	0
Bajaj Consumer Care	Buy	484	870	80	63.5	0.7	2.6	3.1	3.7	19.0	22.6	27.1	25.4	21.4	17.9	19.4	15.7	12.5	6.9	30.4	37.2	-8	111
Colgate Palmolive	Hold	1,903	2,150	13	517.6	5.4	14.3	16.1	17.4	52.6	59.1	63.8	36.1	32.2	29.8	25.2	22.3	20.5	28.9	84.9	119.5	-7	-16
Dabur India	Buy	404	570	41	715.8	7.5	21.1	25.1	29.3	11.9	14.2	16.6	33.8	28.4	24.3	24.3	20.2	16.9	5.8	17.7	21.3	-6	-23
DOMS Industries	Buy	2,219	3,042	37	134.6	1.4	2.5	3.3	4.1	41.1	54.0	67.8	53.9	41.1	32.7	32.2	24.0	19.2	9.4	18.8	22.4	-2	-10
Emami	Buy	400	535	34	174.6	1.8	8.1	9.1	10.3	18.7	20.9	23.7	21.4	19.1	16.9	14.7	12.7	10.7	5.5	26.6	32.0	-2	-34
Flair Writing Industries	Buy	252	450	79	26.6	0.3	1.6	2.1	2.7	14.8	19.5	25.5	17.1	12.9	9.9	9.6	7.0	5.0	2.1	12.8	16.7	-3	-18
Godrej Consumer	Buy	931	1,470	58	952.7	9.9	25.2	30.3	35.0	24.6	29.7	34.3	37.8	31.4	27.2	25.3	21.2	18.3	7.0	19.2	20.8	-13	-24
Gopal Snacks	Buy	274	425	55	34.2	0.4	0.8	1.5	2.0	6.0	12.1	16.2	45.6	22.6	16.9	23.7	13.6	10.3	6.0	14.3	15.7	3	-24
Hindustan Unilever	Hold	2,035	2,214	9	4,781.4	49.9	113.7	124.7	135.4	48.4	53.1	57.6	42.1	38.3	35.3	28.9	26.4	24.2	10.1	23.7	28.2	-5	-21
Honasa Consumer	Buy	475	616	30	154.7	1.6	2.8	3.3	4.0	8.5	10.1	12.3	55.9	46.8	38.7	44.0	34.5	27.1	9.1	17.8	24.7	2	66
ITC	Buy	270	377	40	3,383.0	35.3	182.7	200.2	223.2	14.6	16.0	17.8	18.5	16.9	15.2	14.2	12.9	11.5	4.5	25.5	31.5	-4	-34
Jyothy Labs	Hold	211	181	(14)	77.4	0.8	2.8	3.2	3.5	7.8	8.6	9.5	27.2	24.5	22.2	17.9	15.7	13.7	4.4	17.1	23.0	5	-37
Kansai Nerolac	Buy	201	316	57	162.6	1.7	7.1	8.0	9.0	8.8	9.9	11.1	22.7	20.2	18.1	12.3	10.8	9.4	2.3	10.4	14.6	0	-17
Marico	Buy	842	1,038	23	1,092.7	11.4	22.5	27.5	32.1	17.5	21.3	24.8	48.2	39.5	33.9	36.3	29.5	25.2	20.3	47.2	50.3	0	16
Nestle	BUY	1,463	1,748	20	2,820.2	29.4	43.5	51.8	60.5	22.5	26.9	31.4	64.9	54.4	46.6	42.0	35.5	30.5	42.9	73.2	98.7	2	26
Patanjali Foods	Buy	352	490	39	382.6	4.0	17.1	20.5	22.2	15.7	18.8	20.4	22.3	18.7	17.3	16.3	13.5	12.3	2.7	12.6	14.9	4	-41
Radico Khaitan	Buy	4,733	5,222	10	634.1	6.6	8.9	11.3	14.0	66.8	84.8	105.1	70.8	55.8	45.0	46.2	37.0	30.1	15.8	24.6	30.3	15	68
United Spirits	Buy	1,521	1,993	31	1,106.2	11.5	20.2	23.6	27.7	27.8	32.5	38.1	54.7	46.8	39.9	40.4	34.4	29.2	11.7	22.3	31.6	11	14
Varun Beverages	Buy	439	563	28	1,485.9	15.5	32.2	38.1	45.1	9.5	11.3	13.3	46.1	39.0	33.0	-	-	-	6.8	15.5	18.6	-5	-13

Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	Net profit (INR bn) FY27	FY28	FY29	EPS (INR) FY27	FY28	FY29	P/E (x) FY27	FY28	FY29	EV/EBITDA (x) FY27	FY28	FY29	P/BV (x) FY28	RoE (%) FY28	RoCE (%) FY28	Absolute (%) 1m	12m
RETAIL																							
Aditya Birla Fashion & Retail	Hold	55	58	6	67.1	0.7	-7.3	-7.0	-6.9	-6.0	-5.8	-5.7	-9.2	-9.6	-9.7	9.1	8.5	8.0	1.3	-13.4	-4.5	-5	-29
Aditya Birla Lifestyle Brands	Buy	89	151	71	108.3	1.1	2.8	3.5	4.5	2.3	2.8	3.7	38.9	31.2	23.9	7.2	6.1	5.1	6.4	18.0	19.9	-6	-38
Arvind Fashions	Buy	438	709	62	58.7	0.6	1.5	2.1	2.6	11.4	15.5	19.6	38.4	28.2	22.4	7.3	5.8	4.5	5.3	13.9	19.9	-6	-15
Avenue Supermarts	Hold	3,981	4,182	5	2,596.6	27.1	37.7	44.9	54.9	57.8	68.8	84.2	68.9	57.8	47.3	41.8	35.2	32.0	8.9	12.9	16.3	1	-14
Devyani International	Hold	142	123	(14)	175.2	1.8	0.6	1.8	3.9	0.5	1.4	3.2	308.8	99.1	44.9	16.9	13.6	11.4	11.0	3.6	11.2	27	-15
Jubilant Foodworks	Buy	501	602	20	330.3	3.4	2.8	4.2	5.1	4.3	6.4	7.7	116.9	78.5	64.9	22.4	18.3	15.8	13.5	11.6	26.0	20	-21
Kewal Kiran	Buy	515	820	59	31.7	0.3	1.8	2.2	2.6	29.3	35.1	41.9	17.6	14.7	12.3	9.6	7.7	6.1	2.9	16.6	18.5	4	2
Restaurant Brands Asia	Buy	106	117	10	75.7	0.8	0.1	0.8	1.5	0.2	1.3	2.6	668.3	81.6	40.1	14.2	11.1	8.8	2.0	0.4	7.1	60	33
Sapphire Foods India	Hold	232	188	(19)	74.6	0.8	-0.1	-0.1	0.0	-0.2	-0.5	0.0	-1,211.6	-501.1	5,646.2	13.6	12.2	10.4	5.3	-0.4	10.3	27	-29
Senco Gold	Buy	337	661	96	55.2	0.6	5.2	6.2	8.2	32.1	37.8	50.4	10.5	8.9	6.7	8.2	7.6	6.2	1.8	17.4	15.4	-8	-10
Shoppers Stop	Buy	430	485	13	47.3	0.5	-0.3	-0.2	0.0	-2.7	-1.4	-0.4	-159.5	-306.1	-1,132.5	6.3	5.5	4.7	17.5	-11.0	7.6	10	-21
Titan Co	Buy	5,049	5,694	13	4,482.1	46.8	67.0	83.8	100.0	75.4	94.4	112.7	66.9	53.5	44.8	43.8	36.0	30.4	21.0	36.1	19.3	9	41
Trent	Buy	2,942	4,455	51	1,568.8	16.4	24.0	30.7	38.4	45.0	57.6	72.1	65.4	51.1	40.8	33.6	26.2	20.7	16.0	24.5	25.7	4	-20
Vedant Fashion	Hold	537	427	(20)	130.5	1.4	4.3	4.8	5.5	17.7	19.9	22.5	30.4	27.0	23.8	17.4	15.1	12.9	5.9	20.6	28.2	34	-30
V-Mart Retail	Buy	809	943	17	64.4	0.7	1.9	2.6	3.4	24.0	33.3	42.8	33.7	24.3	18.9	9.0	6.9	5.4	5.6	18.2	15.9	8	4
Westlife Foodworld	Hold	588	533	(9)	91.7	1.0	0.0	0.4	0.8	0.2	2.5	5.4	2,582.8	233.7	109.3	23.9	18.7	15.4	14.9	0.6	20.8	28	-15
INDUSTRIALS																							
ABB	Hold	7,546	7,203	(5)	1,599.1	16.7	18.8	22.4	26.5	88.6	105.6	124.9	85.2	71.5	60.4	68.2	57.2	48.3	17.5	22.1	29.9	2	51
Apar Industries	Buy	17,214	15,625	(9)	720.8	7.5	13.8	17.0	20.5	343.4	422.0	510.7	50.1	40.8	33.7	29.3	24.8	20.8	11.0	24.0	33.9	24	104
Bajel Projects	Buy	183	279	52	21.2	0.2	1.0	1.7	2.3	8.3	15.0	19.9	22.1	12.2	9.2	12.4	7.5	5.9	2.7	13.2	14.0	3	-14
BHEL	Buy	425	527	24	1,479.9	15.4	31.2	48.1	66.5	9.0	13.8	19.1	47.4	30.7	22.3	34.4	23.0	16.9	5.2	11.4	28.1	1	93
Cummins India	Buy	5,350	6,604	23	1,483.0	15.5	25.3	29.6	33.5	91.3	106.9	120.9	58.6	50.1	44.3	51.5	43.4	37.9	18.5	31.8	41.5	-2	43
Engineers India	Buy	245	284	16	137.6	1.4	5.3	6.3	7.6	8.4	10.0	12.0	29.0	24.6	20.3	22.7	17.8	14.1	4.1	16.6	18.6	8	25
GE Vernova T&D	Buy	4,195	5,243	25	1,074.1	11.2	15.6	19.3	23.3	60.8	75.3	91.1	69.0	55.7	46.0	50.9	40.6	33.1	26.1	45.7	66.4	-4	49
Hitachi Energy	Hold	35,275	35,289	0	1,572.3	16.4	14.0	20.4	25.9	314.5	456.3	581.6	112.2	77.3	60.7	81.7	54.9	42.4	25.5	24.8	33.9	10	79
Honeywell Automation	Hold	36,400	39,125	7	321.8	3.4	6.3	7.1	8.2	714.7	811.6	927.3	50.9	44.9	39.3	39.1	34.0	29.2	6.4	13.3	13.8	-7	-4
Precision Wires India	Buy	458	492	7	83.8	0.9	1.7	2.8	3.2	9.6	15.4	17.3	47.9	29.7	26.4	27.1	18.1	15.6	9.1	20.6	27.4	27	162
KEC International	Buy	429	562	31	114.1	1.2	7.2	10.4	14.5	27.2	39.1	54.5	15.8	11.0	7.9	8.6	6.4	4.9	1.7	11.2	14.9	-13	-48
Kirloskar Pneumatic	Buy	760	1,824	140	98.8	1.0	2.8	3.2	3.7	43.8	49.9	57.4	17.3	15.2	13.2	24.8	21.1	17.4	3.4	20.8	18.7	-10	19
Kirloskar Oil Engines	Buy	2,126	2,476	16	309.3	3.2	5.8	7.2	8.7	40.1	49.5	59.8	53.1	42.9	35.6	33.1	26.9	21.7	8.2	16.3	21.5	-6	121
LMW	Hold	19,748	15,198	(23)	211.0	2.2	2.4	4.0	5.2	226.4	377.6	490.8	87.2	52.3	40.2	65.0	37.5	28.7	6.7	7.9	10.4	23	31
Linde India	Hold	6,726	7,251	8	573.6	6.0	6.0	7.2	8.5	70.4	84.7	99.3	95.5	79.4	67.7	59.2	50.2	43.2	12.2	13.5	16.5	-5	5
Larsen & Toubro	Buy	4,064	4,736	17	5,591.9	58.4	205.9	276.0	324.8	147.1	197.1	232.0	27.6	20.6	17.5	18.3	14.5	12.3	4.3	17.0	13.5	7	12
Siemens	Buy	3,957	4,748	20	1,409.2	14.7	19.5	24.4	29.2	54.8	68.6	82.1	72.2	57.7	48.2	55.5	43.5	35.8	9.3	13.4	18.4	8	26
Siemens Energy India	Buy	3,593	4,235	18	1,279.6	13.4	16.6	20.9	26.0	46.6	58.7	73.0	77.2	61.2	49.2	56.8	45.4	36.5	26.2	35.8	51.4	6	12
Thermax	Hold	4,080	4,262	4	486.1	5.1	7.0	9.4	11.4	61.8	83.8	101.5	66.0	48.7	40.2	43.5	33.0	27.2	7.5	12.0	14.7	-12	24
Transformers & Rectifiers India	Buy	298	447	50	89.3	0.9	3.1	3.9	5.0	10.3	13.0	16.8	28.8	22.8	17.7	19.7	15.1	11.7	5.0	18.7	21.6	-11	-41
DEFENCE AND AEROSPACE																							
Bharat Dynamics	Buy	1,393	1,597	15	510.6	5.3	9.9	11.9	14.0	27.1	32.4	38.3	51.5	43.0	36.4	49.9	40.3	33.1	10.1	21.3	21.8	11	-10
Bharat Electronics	Buy	412	532	29	3,011.6	31.4	68.5	80.9	91.6	9.4	11.1	12.5	44.0	37.2	32.9	31.7	26.5	23.1	10.8	26.6	25.5	1	8
BEML	Buy	1,966	2,291	17	163.7	1.7	4.3	5.8	6.9	52.0	70.0	82.8	37.8	28.1	23.7	23.8	18.4	15.5	5.0	14.0	13.9	8	-5
Cochin Shipyard	Hold	1,485	1,671	13	390.7	4.1	9.3	12.3	14.5	35.3	46.7	55.2	42.1	31.8	26.9	33.0	25.2	20.0	6.0	15.0	17.7	6	-13
Garden Reach Shipbuilders	Buy	2,677	2,990	12	306.7	3.2	9.4	10.0	10.7	82.4	87.6	93.8	32.5	30.6	28.5	26.2	24.4	24.5	9.3	31.9	42.7	4	3
Hindustan Aeronautics	Buy	5,099	6,026	18	3,410.1	35.6	100.0	117.0	134.9	149.5	175.0	201.7	34.1	29.1	25.3	26.6	21.9	19.3	7.2	22.6	23.2	13	15
Mazagon Dock Shipbuilders	Buy	2,587	3,275	27	1,043.5	10.9	28.9	33.6	36.8	71.7	83.3	91.3	36.1	31.1	28.3	29.7	24.1	19.0	9.6	29.3	34.0	10	-6
PTC Industries	Buy	19,791	24,415	23	296.7	3.1	2.3	4.9	8.1	152.6	326.6	542.5	129.7	60.6	36.5	88.2	42.5	25.9	17.1	14.1	16.8	10	48
Raymond	Buy	625	727	16	41.6	0.4	1.0	1.5	1.7	15.8	22.7	25.6	39.7	27.5	24.4	14.5	10.8	9.2	1.3	5.0	6.5	3	-5
Solar Industries	Buy	20,280	23,197	14	1,835.1	19.2	27.4	32.8	40.9	302.7	362.1	451.9	67.0	56.0	44.9	43.8	36.3	29.3	20.6	36.0	41.4	10	38
Zen Technologies	Buy	1,982	2,000	1	179.0	1.9	3.4	5.1	6.1	38.1	56.7	67.8	52.0	35.0	29.2	40.0	26.1	21.3	7.7	16.1	23.5	12	39
CONSUMER DURABLES																							
Bajaj Elec.	Hold	356	331	(7)	41.0	0.4	1.0	1.5		8.4	12.7		42.2	27.9	-	13.5	10.9	-	2.5	6.0	8.7	7	-40
Blue Star	Hold	1,493	1,697	14	307.0	3.2	7.2	9.8		34.9	47.7		42.8	31.3	-	26.0	19.6	-	7.7	19.4	23.1	-11	-23
Crompton Consumer	Buy	245	340	39	157.6	1.6	6.5	7.8		10.1	12.2		24.3	20.1	-	14.7	11.9	-	4.7	20.6	24.3	-5	-26
Eureka Forbes	Buy	432	633	47	83.5	0.9	2.4	3.1		12.4	15.8		34.9	27.3	-	21.3	16.7	-	1.7	5.1	5.9	-6	-20
Havells India	Buy	1,300	1,523	17	815.6	8.5	18.0	22.2		28.7	35.4		45.3	36.7	-	28.7	22.8	-	7.5	17.7	23.1	9	-17
LG Electronics	Buy	1,649	1,703	3	1,119.6	11.7	22.4	27.5		33.0	40.5		50.0	40.7	-	33.3	26.7	-	11.8	26.2	34.8	4	
Voltas	Hold	1,253	1,371	9	414.6	4.3	7.9	12.0		23.9	36.3		52.4	34.5	-	35.6	25.2	-	6.0	11.9	16.8	-7	-9
RAILWAYS																							
IRCON International	Hold	124	159	29	116.3	1.2	8.1	8.6		8.6	9.2		14.3	13.5	-	14.9	13.3	-	1.6	11.6	15.3	-4	-28
Jupiter Wagons	Hold	251	264	5	107.1	1.1	3.0	4.2		7.2	10.2		34.8	24.7	-	23.3	17.6	-	3.2	9.5	11.3	-1	-24
RITES	Hold	218	280	28	105.0	1.1	5.0	5.8		10.4	12.0		21.0	18.2	-	10.4	8.6	-	3.9	18.7	25.2	0	-15
Rail Vikas Nigam	Sell	225	204	(9)	469.1	4.9	13.7	14.1		6.6	6.8		34.3	33.2	-	41.1	37.7	-	4.1	12.5	13.2	0	-31
Titagarh Rail Systems	Buy	841	987	17	113.3	1.2	3.4	5.5		25.3	41.1		33.3	20.5	-	20.7	13.0	-	4.1	13.0	15.5	-2	2

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Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	Net profit (INR bn) FY27	Net profit (INR bn) FY28	Net profit (INR bn) FY29	EPS (INR) FY27	EPS (INR) FY28	EPS (INR) FY29	P/E (x) FY27	P/E (x) FY28	P/E (x) FY29	EV/EBITDA (x) FY27	EV/EBITDA (x) FY28	EV/EBITDA (x) FY29	P/BV (x) FY28	RoE (%) FY28	RoCE (%) FY28	Absolute (%) 1m	Absolute (%) 12m
IT																							
Cyient	Buy	859	1,125	31	95.4	1.0	6.8	7.8	8.4	60.5	70.5	76.4	14.2	12.2	11.2	6.7	5.8	5.3	1.7	12.1	14.1	1	-29
Birlasoft	Hold	306	330	8	85.4	0.9	6.0	6.5	6.8	21.7	23.4	24.5	14.1	13.0	12.5	9.3	8.2	7.3	1.9	14.0	19.0	6	-18
FirstSource Sol.	Buy	264	330	25	184.0	1.9	9.8	11.0	12.4	12.8	15.6	17.5	20.6	17.0	15.1	11.2	9.7	8.3	3.8	21.1	14.6	-1	-28
HCL Tech	Hold	1,298	1,225	(6)	3,522.3	36.8	207.8	221.3	230.6	75.5	80.0	83.0	17.2	16.2	15.6	10.2	9.5	9.0	4.9	28.9	38.6	8	-12
Infosys	Hold	1,115	1,115	-	4,524.7	47.2	306.5	320.1	333.7	74.4	77.3	80.5	15.0	14.4	13.8	9.2	8.4	7.7	4.5	31.4	40.1	2	-23
LTM	Buy	4,562	5,025	10	1,353.2	14.1	62.8	68.6	72.7	212.0	231.7	245.7	21.5	19.7	18.6	15.1	13.7	12.4	4.9	24.3	33.9	12	-11
L&T Technology Services	Hold	3,510	3,700	5	372.3	3.9	15.3	17.7	19.3	144.2	167.3	182.4	24.3	21.0	19.2	14.7	12.8	11.4	5.3	22.7	27.8	3	-16
Mphasis	Buy	2,432	2,925	20	464.2	4.8	21.9	23.8	27.0	114.7	124.7	141.1	21.2	19.5	17.2	12.5	11.3	9.8	4.0	19.7	24.5	2	-11
Coforge	Buy	1,773	2,000	13	785.3	8.2	24.5	31.4	36.9	56.1	70.8	83.4	31.6	25.0	21.3	13.2	11.1	9.6	3.7	15.9	20.2	18	7
Persistent Sys	Hold	5,443	5,550	2	858.6	9.0	23.3	27.5	30.6	148.6	175.7	195.4	36.6	31.0	27.8	23.9	20.4	17.9	9.1	27.0	36.0	5	4
Quess Corp	Buy	337	345	2	50.3	0.5	2.9	3.3	3.7	19.2	21.7	24.7	17.6	15.5	13.7	12.9	11.0	9.6	4.0	23.7	23.5	16	26
TCS	Hold	2,280	2,385	5	8,249.2	86.1	576.0	604.5	628.1	157.4	167.1	173.6	14.5	13.6	13.1	10.0	9.4	9.0	6.6	49.1	59.3	0	-23
TeamLease	Buy	1,247	1,775	42	20.9	0.2	1.6	1.9	2.1	96.4	112.5	126.0	12.9	11.1	9.9	8.4	6.5	5.2	1.7	14.4	16.2	-13	-31
Tech Mahindra	Hold	1,592	1,475	(7)	1,560.4	16.3	70.7	74.2	82.3	79.8	83.7	92.8	20.0	19.0	17.1	13.1	12.5	11.3	4.8	24.0	36.2	1	6
Wipro	Hold	178	190	7	1,763.6	18.4	141.1	148.9	159.2	13.4	14.2	15.2	13.2	12.6	11.7	6.9	6.4	5.7	2.0	15.6	18.8	1	-28
Zensar Technologies	Hold	485	570	18	110.3	1.2	7.8	9.1	9.7	33.8	39.4	42.0	14.3	12.3	11.5	8.8	7.2	6.1	2.2	15.7	21.1	-6	-40
METALS & MINING																							
Adani Ports & SEZ	Buy	1,682	2,013	20	3,876.2	40.5	140.4	174.7	198.8	60.9	75.8	86.3	27.6	22.2	19.5	16.8	14.4	12.8	3.6	13.7	12.2	-8	23
APL Apollo Tubes	Buy	2,115	2,285	8	587.2	6.1	14.4	18.4	21.3	51.8	66.2	76.7	40.9	32.0	27.6	27.9	22.3	19.2	9.0	24.4	30.2	18	30
Hindalco Industries	Hold	1,042	1,134	9	2,340.7	24.4	214.3	238.5	249.7	96.3	107.3	112.3	10.8	9.7	9.3	7.7	7.0	6.5	1.5	14.7	13.4	10	47
Hindustan Zinc	Buy	558	659	18	2,357.7	24.6	174.7	195.5	199.7	41.3	46.3	47.3	13.5	12.1	11.8	8.3	7.3	6.9	7.3	63.7	60.1	8	30
Hi-Tech Pipes	Buy	78	109	40	15.8	0.2	1.0	1.3	1.7	4.8	6.2	8.4	16.3	12.6	9.3	8.5	7.2	6.0	1.1	7.0	11.2	-9	-13
Indian Hume Pipe	Buy	360	460	28	19.0	0.2	1.1	1.2	1.4	21.5	23.3	27.1	16.8	15.5	13.3	8.8	8.2	6.8	1.2	7.4	10.3	-10	-8
Jindal Steel	Buy	1,102	1,303	18	1,123.6	11.7	72.3	101.4	113.9	71.0	99.7	111.9	15.5	11.1	9.8	8.8	6.6	5.9	1.7	12.3	12.7	7	10
JSW Steel	Hold	1,268	1,129	(11)	3,099.9	32.4	83.0	102.0	127.2	33.9	41.7	52.0	37.4	30.4	24.4	11.5	10.4	9.3	3.0	8.2	10.5	2	18
JTL Industries	Buy	75	131	75	29.4	0.3	1.8	2.5	3.3	4.6	6.3	8.5	16.2	11.8	8.8	12.1	8.8	6.8	1.8	11.6	13.3	0	4
Kirloskar Ferrous	Buy	436	566	30	71.9	0.8	4.6	6.2	6.9	27.7	37.6	41.9	15.7	11.6	10.4	8.4	6.8	6.2	1.7	11.3	13.8	-7	-22
MOIL	Buy	257	363	41	52.3	0.5	4.7	6.5	6.9	23.0	31.8	33.9	11.2	8.1	7.6	5.7	3.9	3.6	1.7	16.2	22.0	-5	-22
NALCO	Buy	388	480	24	712.6	7.4	74.8	85.3	83.9	40.7	46.4	45.7	9.5	8.4	8.5	5.8	4.8	4.8	2.6	30.5	40.0	14	103
NMDC	Buy	84	102	21	740.2	7.7	79.5	97.9	101.7	9.0	11.1	11.6	9.3	7.6	7.3	6.6	5.5	5.3	1.9	22.0	25.9	1	19
SAIL	Hold	170	165	(3)	702.9	7.3	64.3	61.3	58.9	15.6	14.8	14.3	10.9	11.5	11.9	7.0	7.2	7.2	1.1	10.2	9.8	4	38
Tata Steel	Buy	186	235	27	2,315.8	24.2	164.6	199.2	209.5	13.2	16.0	16.8	14.1	11.6	11.0	7.7	6.7	6.3	2.0	15.1	13.7	0	16
Venus Pipes	Buy	1,572	1,800	14	32.6	0.3	1.4	1.9	2.3	69.6	92.5	113.2	22.6	17.0	13.9	14.3	11.3	9.5	4.0	19.5	22.5	-8	18
OIL & GAS																							
BPCL	Buy	310	490	58	1,346.2	14.1	146.4	193.5	175.2	33.7	44.6	40.4	9.2	7.0	7.7	5.8	4.9	5.4	1.3	14.6	16.5	-2	-3
GAIL	Hold	174	180	4	1,140.8	11.9	94.2	91.9	99.1	14.3	14.0	15.1	12.1	12.4	11.5	8.9	8.8	7.9	1.4	12.3	13.0	1	-1
Gujarat Energy Ltd	Buy	269	345	28	252.8	2.6	30.0	23.0	25.6	32.0	24.5	27.3	8.4	11.0	9.9	6.7	7.0	6.3	1.2	15.3	17.4	-4	-28
HPCL	Buy	366	660	80	778.8	8.1	11.5	139.9	135.0	5.4	65.7	63.4	67.6	5.6	5.8	15.2	5.2	5.4	1.4	2.0	3.9	-9	-7
IGL	Hold	149	165	10	209.1	2.2	11.0	14.9	14.4	7.9	10.7	10.3	19.0	14.0	14.5	29.4	26.1	-	2.0	10.7	13.6	-2	-27
Indian Oil Corp	Buy	138	230	67	1,945.9	20.3	223.9	288.8	288.4	15.9	20.5	20.4	8.7	6.7	6.7	6.8	5.3	5.1	0.9	10.5	10.3	-3	-3
Mahanagar Gas	Hold	1,111	1,035	(7)	109.8	1.1	7.2	8.1	8.3	73.4	81.7	83.9	15.1	13.6	13.2	8.9	8.2	7.9	1.6	10.8	13.3	1	-17
Oil India	Buy	481	645	34	781.6	8.2	90.9	77.2	88.5	55.9	47.5	54.4	8.6	10.1	8.8	6.4	7.3	6.4	1.4	17.7	18.6	10	18
ONGC	Buy	240	343	43	3,016.4	31.5	475.4	331.3	342.2	37.8	26.3	27.2	6.3	9.1	8.8	3.2	3.9	3.5	0.8	13.7	16.4	-3	1
Petronet LNG	Buy	286	355	24	429.4	4.5	38.1	44.9	50.1	25.4	29.9	33.4	11.3	9.6	8.6	7.6	7.2	6.9	1.8	16.6	20.2	5	1
Reliance Industries	Buy	1,322	1,695	28	17,890.6	186.8	987.9	1,019.3	1,085.5	73.0	75.3	80.2	18.1	17.6	16.5	9.1	8.4	7.3	1.8	10.3	10.6	0	-7
PHARMA & HEALTHCARE																							
Apollo Hospitals	Buy	8,817	10,720	22	1,267.7	13.2	23.2	30.7	37.8	161.2	213.4	262.9	54.7	41.3	33.5	28.8	23.0	19.0	10.8	21.9	19.1	0	13
Artemis Medicare Services	Buy	312	370	18	49.4	0.5	1.3	2.0	2.6	8.7	12.7	16.6	35.9	24.6	18.8	20.3	14.8	11.9	4.7	13.5	15.7	16	30
CIPLA	Hold	1,431	1,470	3	1,156.1	12.1	43.3	51.6	58.4	53.8	64.1	72.6	26.6	22.3	19.7	17.9	14.6	12.7	6.2	12.1	16.8	1	-8
Concord Biotech	Buy	1,566	1,700	9	163.8	1.7	3.5	5.0	6.1	33.8	48.0	58.6	46.3	32.6	26.7	33.7	23.9	18.7	7.3	16.6	21.4	17	-5
Dr. Lal Pathlabs	Buy	1,901	2,100	10	319.1	3.3	6.2	7.4	8.8	36.7	44.2	52.3	51.8	43.0	36.4	34.9	29.0	24.4	10.9	22.7	28.8	13	12
Dr Reddys	Hold	1,179	1,160	(2)	983.9	10.3	33.2	44.7	59.6	39.8	53.6	71.5	29.6	22.0	16.5	17.9	13.2	9.8	12.6	8.6	7.8	-3	-5
Healthcare Global	Buy	714	900	26	106.5	1.1	1.5	2.4	3.6	10.0	16.2	24.3	71.0	44.0	29.4	20.4	16.0	13.1	7.1	10.6	10.0	9	8
Lupin	Hold	2,232	2,600	16	1,020.5	10.7	42.3	45.7	55.4	92.5	100.0	121.3	24.1	22.3	18.4	13.3	12.5	10.6	3.9	17.4	20.6	-9	13
Max Healthcare	Buy	1,014	1,230	21	987.3	10.3	19.9	24.3	28.6	20.4	25.0	29.4	49.6	40.5	34.5	31.4	25.7	21.6	7.1	15.3	16.7	-7	-17
Medanta	Buy	1,443	1,640	14	387.9	4.0	7.2	8.8	10.2	26.8	32.8	38.1	53.7	44.0	37.8	31.8	26.0	22.4	8.3	16.7	19.0	10	5
Metropolis Healthcare	Hold	552	630	14	114.5	1.2	2.6	3.1	3.7	12.6	15.0	17.6	44.0	36.8	31.3	22.3	18.4	15.4	6.5	15.9	19.0	1	3
Shilpa Medicare	Buy	810	870	7	158.4	1.7	3.2	4.4	6.0	16.4	22.3	30.9	49.3	36.4	26.2	27.1	21.1	15.8	5.4	11.6	14.6	31	87
Torrent Pharma	Buy	4,971	5,600	13	1,890.8	19.7	27.1	37.0	47.2	80.0	109.2	139.5	62.1	45.5	35.6	29.8	24.1	20.3	83.9	29.4	14.4	4	36
Vijaya Diagnostic Centre	Buy	1,497	1,570	5	154.2	1.6	2.2	3.0	3.7	21.8	29.3	36.7	68.8	51.1	40.8	37.0	29.3	23.8	13.1	20.8	22.4	12	42
Zydus Lifesciences	Buy	1,116	1,380	24	1,112.8	11.6	43.0	56.3	63.0	42.7	55.9	62.6	26.1	19.9	17.8	14.7	11.7	10.3	3.7	15.0	14.1	-2	13

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Valuation Guide

		CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
Company	Reco	(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY27	FY28	FY29	FY27	FY28	FY29	FY27	FY28	FY29	FY27	FY28	FY29	FY28	FY28	FY28	1m	12m
REALTY																							
Aditya Birla Real Estate	Buy	1,391	1,755	26	155.3	1.6	-0.1	4.9	2.0	-1.2	43.8	17.5	-1,197.7	31.7	79.4	174.8	28.3	23.9	2.2	-0.2	1.1	-4	-25
Brigade Enterprise	Buy	589	701	19	192.1	2.0	11.9	18.9	11.2	51.2	66.4	76.0	11.5	8.9	7.7	11.0	7.4	10.3	12.1	16.2	13.9	4	-18
DLF	Buy	666	870	31	1,647.9	17.2	47.7	63.6	64.1	19.3	25.7	25.9	34.6	25.9	25.7	60.0	37.4	36.8	3.4	10.2	8.1	0	-14
Godrej Properties	Hold	1,997	2,146	7	601.7	6.3	22.1	37.7	53.2	73.5	125.3	176.8	27.2	15.9	11.3	231.9	34.8	22.8	2.9	11.0	8.7	-5	-1
Prestige Estates	Buy	1,590	1,852	16	684.9	7.1	11.3	16.2	21.3	26.2	37.7	49.4	60.7	42.2	32.2	19.6	16.6	14.6	4.0	6.5	10.4	-6	-3
Sobha	Buy	1,308	1,855	42	139.9	1.5	5.0	7.7	7.2	57.3	81.1	99.3	22.9	16.1	13.2	17.3	12.9	12.6	2.7	10.0	13.5	-11	-13
TELECOM																							
Bharti Airtel	Buy	1,934	2,400	24	12,070.0	126.0	416.9	567.3	694.8	69.3	94.3	115.5	27.9	20.5	16.7	9.1	7.3	6.0	6.6	25.4	22.4	1	1
TEXTILE																							
Nitin Spinners	Buy	607	740	22	34.1	0.4	2.1	2.6	3.8	38.2	46.4	68.0	15.9	13.1	8.9	9.6	7.4	5.6	2.0	13.7	12.4	10	74
Vardhman Textile	Hold	599	630	5	173.4	1.8	10.6	13.1	14.5	37.4	46.0	50.9	16.0	13.0	11.8	10.9	9.2	8.1	1.5	9.7	11.1	-6	38
Welspun Living	Buy	178	190	7	168.0	1.8	5.2	8.0	10.3	5.4	8.3	10.7	32.7	21.3	16.6	15.5	12.0	9.9	3.3	10.1	11.3	8	46
UTILITIES																							
Adani Power	Buy	206	282	37	3,964.5	41.4	121.2	133.3	151.4	6.3	6.9	7.9	32.7	29.7	26.2	18.7	16.6	14.4	5.1	17.1	16.1	-4	70
Acme Solar Holdings	Buy	372	426	15	262.8	2.7	7.7	16.3	23.4	10.9	23.1	33.2	34.2	16.1	11.2	16.3	11.1	8.5	4.5	14.1	9.7	-4	31
CESC	Buy	168	206	23	222.7	2.3	18.0	20.5	23.7	13.6	15.4	17.8	12.4	10.9	9.4	8.3	7.2	6.8	1.7	13.8	10.7	2	2
Clean Max Enviro Energy Sol.	Buy	1,245	1,711	38	146.2	1.5	1.1	3.6	4.4	9.1	31.0	38.0	136.8	40.1	32.8	16.4	12.2	10.9	3.1	2.3	7.2	-1	
Indian Energy Exchange	Hold	124	141	13	110.9	1.2	5.3	5.4	5.6	5.9	6.0	6.3	21.0	20.7	19.9	15.8	15.7	15.0	7.5	37.8	48.9	1	-12
JSW Energy	Buy	548	664	21	1,004.9	10.5	29.0	35.3	41.7	16.6	20.2	23.9	33.0	27.1	23.0	13.4	12.2	11.3	2.5	8.3	8.4	1	3
NTPC	Buy	337	431	28	3,268.7	34.1	211.1	227.7	243.4	21.8	23.5	25.1	15.5	14.4	13.4	10.1	9.6	9.1	1.7	11.7	10.1	-1	1
Power Grid	Hold	268	308	15	2,492.6	26.0	169.7	182.8	198.8	18.2	19.7	21.4	14.7	13.6	12.5	8.8	8.5	8.1	2.3	16.3	13.2	-5	-7
TRAVEL & LEISURE																							
Indian Hotels	Hold	719	750	4	1,023.4	10.7	21.8	26.6	30.0	15.3	18.7	21.1	46.9	38.4	34.1	27.2	22.8	19.9	6.9	15.6	17.0	-1	-7
Chalet Hotels	Buy	834	1,170	40	182.7	1.9	5.5	7.5	8.9	25.3	34.4	40.8	33.0	24.2	20.4	18.5	14.2	11.9	4.1	13.4	13.4	0	0
Samhi Hotels	Buy	160	220	37	35.6	0.4	0.9	2.0		7.2	12.1		22.1	13.2	-	10.5	8.0	-	1.6	4.2	9.5	0	0
Yatra Online	Buy	116	160	39	18.1	0.2	0.7	0.9	1.1	4.5	5.9	7.1	25.9	19.5	16.3	16.2	12.3	9.6	2.0	8.1	9.7	6	-22
Lenskart	Hold	628	600	(5)	1,093.0	11.4	8.0	12.2		4.6	7.0		136.7	89.5	-	45.3	34.1	-	11.4	8.7	13.7	17	
Le Travenues Technology	Hold	172	200	16	76.0	0.8	1.3	1.9	2.3	3.0	4.3	5.3	57.7	39.7	32.6	49.9	31.9	23.1	3.5	6.2	8.0	-14	-38
MIDCAP DIVERSIFIED																							
CCL Products	Buy	1,132	1,280	13	151.2	1.6	4.8	6.4	7.2	36.0	47.9	54.0	31.5	23.6	21.0	18.9	15.8	14.4	5.5	18.9	18.1	-5	23
EPL	Buy	245	300	22	78.5	0.8	5.1	5.7	6.8	15.9	17.9	21.3	15.4	13.7	11.5	7.0	6.3	5.4	2.5	17.0	21.0	2	4
Ganesha Ecosphere	Buy	1,102	1,460	33	29.5	0.3	1.1	1.7	2.2	40.4	64.6	81.3	27.3	17.1	13.6	14.5	10.4	8.2	2.2	8.2	9.5	-8	-19
Gravita India	BUY	1,814	1,980	9	133.9	1.4	4.1	5.4	7.8	55.7	73.8	105.5	32.6	24.6	17.2	22.8	17.1	12.5	4.8	15.6	16.7	0	4
Manorama Industries	0	1,901	2,080	9	120.0	1.3	2.9	3.2	5.2	46.2	50.9	83.1	41.2	37.4	22.9	27.5	24.5	15.2	8.2	19.8	20.2	19	35
Mold-Tek Packaging	Buy	679	780	15	22.6	0.2	1.0	1.1	1.4	28.6	33.9	43.3	23.7	20.0	15.7	11.5	9.9	8.2	2.9	13.0	11.5	-2	-15

Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M. Cap (INR bn)	M. Cap (USD bn)	Net profit (INR bn) FY27	FY28	FY29	BVPS (INR) FY27	FY28	FY29	P/BV (x)* FY27	FY28	FY29	NNPA Ratio (%) FY27	FY28	FY29	P/E (x) FY28	RoE (%) FY28	RoA (%) FY28	Absolute (%) 1m	12m
FINANCIALS																							
Axis Bank	Buy	1,243	1,575	27	3,869.2	40.4	311.3	373.9	425.0	727.7	844.3	976.8	1.6	1.3	1.1	0.4	0.4	0.4	10.3	15.3	1.6	-6	15
Bank of Baroda	Hold	244	275	13	1,261.8	13.2	155.3	210.1	230.1	289.0	320.7	355.3	0.8	0.8	0.7	0.5	0.5	0.4	6.0	13.3	0.9	-1	-1
Canara Bank	Buy	129	160	24	1,171.0	12.2	206.1	225.1	255.3	136.0	155.9	178.5	0.9	0.8	0.7	0.3	0.3	0.3	5.2	17.0	1.0	3	16
City Union Bank	Hold	222	250	12	220.1	2.3	16.3	18.7	21.5	121.1	138.0	157.7	1.8	1.6	1.4	0.5	0.5	0.5	11.8	14.6	1.5	-1	39
DCB Bank	Buy	183	220	20	59.0	0.6	7.8	8.9	10.3	216.5	242.2	272.0	0.8	0.8	0.7	0.8	0.8	0.8	6.6	12.1	0.8	-4	48
Equitas SFB	Buy	76	87	14	87.1	0.9	7.8	9.5	11.4	60.5	68.8	78.9	1.3	1.1	1.0	0.6	0.6	0.5	9.2	12.8	1.2	-2	39
Federal Bank	Buy	358	400	12	884.1	9.2	50.5	61.6	74.2	176.1	201.4	211.1	2.0	1.8	1.7	0.2	0.2	0.2	15.5	12.7	1.3	3	79
HDFC Bank	Buy	723	1,015	40	11,142.2	116.3	804.3	923.6	1,081.8	394.8	466.8	547.6	1.5	1.2	1.0	0.3	0.3	0.3	12.0	13.9	1.8	-12	-27
ICICI Bank	Buy	1,412	1,732	23	10,133.1	105.8	582.5	665.8	759.3	530.5	608.4	696.8	2.2	1.8	1.5	0.3	0.3	0.3	15.2	16.2	2.3	-2	-2
IndusInd Bank	Hold	1,015	1,130	11	790.8	8.3	41.3	65.6	91.2	882.9	956.5	1,059.0	1.1	1.1	1.0	0.8	0.7	0.7	12.1	9.2	1.0	-1	29
Karur Vysya Bank	Buy	334	365	9	322.7	3.4	30.3	32.3	37.1	174.4	204.5	239.6	1.9	1.6	1.4	0.2	0.2	0.2	10.0	17.6	1.9	8	52
Kotak Mahindra Bank	Buy	388	453	17	3,856.1	40.3	163.8	189.3	217.0	148.1	166.1	186.8	1.8	1.5	1.2	0.3	0.3	0.3	20.4	12.1	2.0	-1	-5
Punjab National Bank	Buy	117	133	14	1,338.9	14.0	183.5	195.8	214.9	127.9	141.5	156.5	0.9	0.8	0.7	0.2	0.2	0.2	6.8	12.6	0.9	10	8
State Bank of India	Buy	1,053	1,315	25	9,719.8	101.5	869.1	974.5	1,106.9	582.9	667.4	763.3	1.4	1.2	1.0	0.3	0.3	0.3	10.0	16.4	1.1	1	27
South Indian Bank	Hold	45	50	11	118.1	1.2	17.7	19.3	21.0	48.3	54.9	62.0	0.9	0.8	0.7	0.3	0.3	0.3	6.1	14.3	1.1	1	51
Ujjivan Small Bank	Buy	72	83	15	140.9	1.5	12.3	14.0	16.6	41.4	48.6	57.1	1.7	1.5	1.3	0.3	0.3	0.3	10.1	16.0	1.8	11	68
Union Bank of India	Buy	186	212	14	1,416.0	14.8	193.4	203.6	225.8	179.5	200.7	224.2	1.0	0.9	0.8	0.4	0.4	0.3	7.0	14.0	1.1	10	35

**Adjusted for subsidiaries*

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M. Cap (INR bn)	M. Cap (USD bn)	Net profit (INR bn) FY27	FY28	FY29	BVPS (INR) FY27	FY28	FY29	P/BV (x)* FY27	FY28	FY29	NNPA Ratio (%) FY27	FY28	FY29	P/E (x) FY28	RoE (%) FY28	RoA (%) FY28	Absolute (%) 1m	12m
NBFCs																							
Aadhar Housing Finance	Buy	487	620	27	213.4	2.2	9.3	11.7	15.1	204.7	242.2	287.7	2.4	2.0	1.7	0.7	0.7	0.8	13.0	16.8	4.5	-6	-3
Aavas Financiers	Hold	1,388	1,530	10	110.1	1.1	7.6	9.5	11.1	732.7	852.1	991.4	1.9	1.6	1.4	0.6	0.6	0.6	11.6	15.1	3.5	-6	-18
Aptus Value Housing	Buy	257	310	21	128.7	1.3	11.4	13.8	17.0	119.2	141.3	168.4	2.2	1.8	1.5	1.2	1.2	1.2	9.3	21.2	8.0	-16	-28
Bajaj Finance	Buy	1,094	1,240	13	6,813.1	71.1	260.5	329.7	414.2	217.0	259.6	316.4	5.0	4.2	3.5	0.4	0.4	0.4	20.6	22.2	4.2	4	21
Cholamandalam Invest.	Buy	1,868	2,030	9	1,595.5	16.7	71.1	91.5	108.9	442.2	557.3	692.1	4.2	3.4	2.7	1.7	1.6	1.6	17.5	21.3	2.8	3	22
Home First Finance	Buy	1,177	1,510	28	123.0	1.3	6.9	8.2	9.6	477.2	547.9	631.3	2.5	2.1	1.9	1.3	1.2	1.3	15.0	15.3	3.9	-5	-7
India Shelter Finance	Buy	669	900	35	72.9	0.8	6.3	7.8	9.6	340.3	397.8	468.7	2.0	1.7	1.4	1.0	1.1	1.1	9.3	19.5	5.8	-18	-27
Larsen & Tubro Finance	Buy	325	385	18	814.7	8.5	40.8	51.9	65.2	124.0	139.5	159.0	2.6	2.3	2.0	0.8	0.7	0.6	15.7	15.7	2.8	5	50
Mahindra Financial Services	Hold	386	420	9	536.8	5.6	38.4	43.4	51.8	194.2	214.4	238.7	2.0	1.8	1.6	1.4	1.3	1.3	12.4	15.1	2.4	19	47
Shriram Finance	Buy	1,108	1,220	10	2,608.0	27.2	140.8	172.4	202.1	492.2	546.8	610.7	2.3	2.0	1.8	2.3	2.2	2.2	15.1	14.1	4.2	7	77

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M. Cap (INR bn)	M. Cap (USD bn)	VNB (INR bn) FY27	FY28	FY29	EVPS (INR) FY27	FY28	FY29	P/EV (x) FY27	FY28	FY29	P/VNB (x) FY27	FY28	FY29	RoEV (%) FY28	Absolute (%) 1m	12m
Insurance																					
Canara HSBC Life Insurance	Buy	149	200	34	141.8	1.5	7.5	8.9	10.6	89.9	106.2	125.3	1.7	1.4	1.2	7.9	4.9	2.4	18.6	0	
HDFC Life Insurance	Buy	538	740	37	1,169.3	12.2	47.0	54.8	63.0	320.3	366.6	419.4	1.7	1.5	1.3	9.5	6.2	3.6	15.4	-5	-32
ICICI Prudential Life Insurance	Buy	498	730	47	722.8	7.5	31.2	35.2	39.5	416.5	470.2	530.7	1.2	1.1	0.9	3.9	1.3	-1.0	13.1	0	-21
LIC of India	Buy	410	530	29	5,186.5	54.1	176.9	194.1	209.6	670.2	717.2	764.8	0.6	0.6	0.5	NA	NA	NA	11.5	-5	-8
Max Life Insurance*	Buy	1,585	2,050	29	546.8	5.7	31.9	37.5	43.4	836.6	996.4	1,184.2	3.0	2.5	2.1	10.2	6.9	4.2	18.8	3	-3
SBI Life Insurance	Buy	1,778	2,400	35	1,783.8	18.6	77.1	87.4	101.5	948.2	1,110.8	1,299.4	1.9	1.6	1.4	11.8	8.6	5.5	17.4	-3	-4

**Valuations after factoring 20% holdco discount*

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