KOTAK MAHINDRA BANK LIMITED | Banking

Credit growth rate best among peers; superlative NIMs

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LKP Securities Limited

Result and Price Analysis

Kotak Mahindra Bank (KMB) reported strong 3QFY23 results with the key pointers being: a) Strong NII (up 30.4% YoY and 10.9% QoQ) and seasonally higher provisions, b) GNPA/ NNPA ratio moderation to 1.9%/0.43%, c) restructured pool inched down to ₹7.6bn (25bps of advances) v/s ₹9.9bn in the previous quarter, d) credit off-take best among large private banks with growth of 23% YoY and 5.7% sequentially, e) covid provision held at ₹4bn as of 3QFY23, provision write-back worth ₹380mn, f) the total contingent provisioning (covid + Standard + Specific) stood 0.19% of net advances, h) Total PCR (including covid, general and specific provision) stood ~87 of NPL amount, g) Headline NIM inched up 30bps QoQ to 5.47%. Moreover, stable Opex (C/I at 50.3% v/s 49.4% in 2QFY23) led to superior ROA of 2.5%. We believe the bank to further soar its profitability driven by higher growth, healthy margins, robust non-interest income and lower provisioning. We recommend BUY factoring a best in class ROA of more than 2%.

Gazing the core

NPA ratio improved further; covid provision write-back continues: The 3QFY23 witnessed a better asset quality performance as GNPA/NNPA/PCR/SMA2 stood at 1.90%/0.43%/78%/0.06% against 2.08%/0.55%/74%/0.04% in the previous quarter. The GNPA/NNPA ratio decreased because of sequentially on the back of lower slippages (₹7.4bn v/s ₹9.8bn in 2QFY23). However, upgrades and recoveries were down to ₹8.7bn (against ₹9.5bn in the previous quarter). The absolute GNPA (₹59.9bn) decreased sequentially by 3.5%. The SMA2 book stable at ₹1.9bn (6bps of loans). The total restructuring amount (covid + MSME) moderated to ₹7.7bn (0.25%) against ₹9.9bn (0.34%) in 2QFY23 out of which covid related restructuring is ~₹2.8bn and rest is MSME restructuring. The provisioning expenses stood at 1.48bn v/s ₹1.37bn in the previous quarter. Nevertheless, the bank has utilize covid provision worth ₹380mn in this quarter. covid provision continued to be held at ₹4bn and total provisions (excluding PCR) stood 0.19% of net loans.

Key Financials (₹ mn)	FY20	FY21	FY22	FY23E	FY24E
NII	1,34,997	1,53,396	1,68,179	2,06,620	2,47,168
Operating Profit	1,00,208	1,22,147	1,20,509	1,53,405	1,81,546
Reported Profits	59,472	69,648	85,727	1,09,868	1,29,969
Net Worth	4,85,153	6,32,270	7,19,565	8,29,440	9,59,409
Loan & Advances	21,97,482	22,36,886	27,12,536	33,09,294	40,70,432
Int. Bearing Liabilities	30,13,138	30,42,507	33,81,512	38,03,527	44,93,529

Key Ratios (%)	FY20	FY21	FY22	FY23E	FY24E
NIM's	4.2	4.3	4.3	4.7	4.9
C/I Ratio	46.9	41.3	48.0	45.2	45.3
Gross NPA Ratio	2.3	3.3	2.3	1.8	1.8
Tier 1 Ratio	19.2	22.6	16.9	17.6	17.2
Adj. RoA Ratio	1.8	1.9	2.1	2.4	2.5
Adj. RoE Ratio	13.1	12.5	12.7	14.2	14.5

Rating	BUY
Current Market Price (₹)	1,763
12 M Price Target (₹)	2,046
Potential upside (%)	16

Stock Data	
FV (₹) :	5
Market Cap Full (₹ bn) :	3,498
Market Cap Free Float (₹ bn) :	2,556
52-Week High / Low (₹) :	1,998 / 1,631
2-Year High / Low (₹) :	2,253 / 1,626
1 Yr Avg. Dly Traded Volume (in lakh)	32
BSE Code / NSE Symbol	500247 / KOTAKBANK
Bloomberg :	KMB IN

Shareholding Pattern

(%)	Dec-22	Sep-22	Jun-22	Mar-22
Promoter	25.95	25.96	25.97	25.98
FPIs	39.24	39.26	40.55	40.86
MFs	9.83	9.93	8.99	9.26
Insurance	8.56	8.43	8.06	7.05
Others	16.42	16.42	16.43	16.85

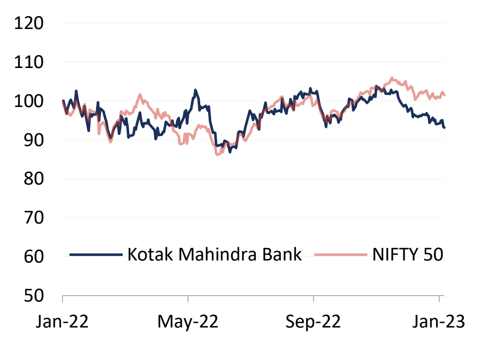
Source: BSE

Price Performance (%)

(%)	1M	3M	6M	1YR
Kotak Bank	-4.6%	-5.4%	-3.6%	-6.9%
Nifty 50	-1.9%	2.6%	9.1%	1.5%

** To date / current date : January 20, 2023*

Kotak Bank vs Nifty 50



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Credit growth best among peers: The economic (nominal) recovery led to growth rejuvenation as the bank's net advances (~₹3.1tn) grew by 23% YoY and 5.7% sequentially. It's highest among large private sector banks reported result this quarter. Home loan & LAP (29.2% of book) will continue to be focus area and grew 3.8% sequentially. SME (7.6% of book) has grew by 4% QoQ. The bank's deposit stood at ~₹3.5tn grew by 13% YOY and 6% sequentially; CASA ratio moderated sequentially by 310bps and stood at 53.3%. The management believes the bank is structurally growing and the unsecured pocket will grow with proper underwriting process. CRAR stood at 19.66% with Tier 1 of 18.56%.

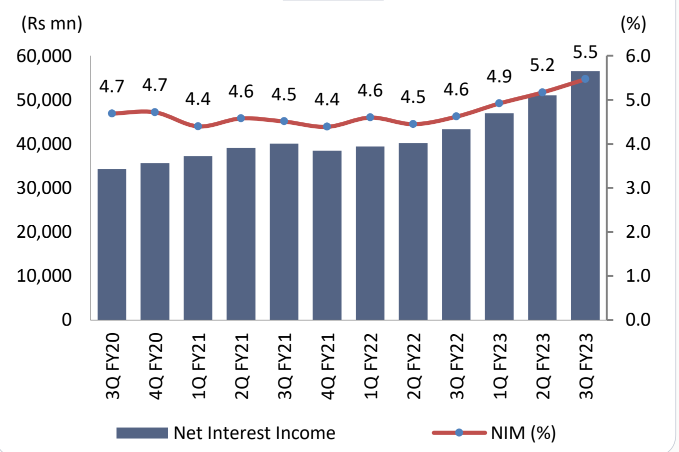
Headline NIMs up; other income grew sequentially: NIMs improvement of 30bps sequentially led to NII growth of 30.4% YoY and 10.9% QoQ. Moreover, the other income witnessed growth of 7.5% QoQ led by treasury income of ₹2.5bn. Fixed and Floating rate loans have proportion of 31% and 69% respectively. The C/I ratio stayed stable at 50.3% v/s 49.4% in the previous quarter. Healthy NII growth and stable Opex led to PPOP growth of 8% sequentially. Moreover, a higher provision has resulted in 31% YoY and 8% sequential jump in PAT. The bank reported ROA/ROE at 2.5%/14.1%.

Outlook & Valuations

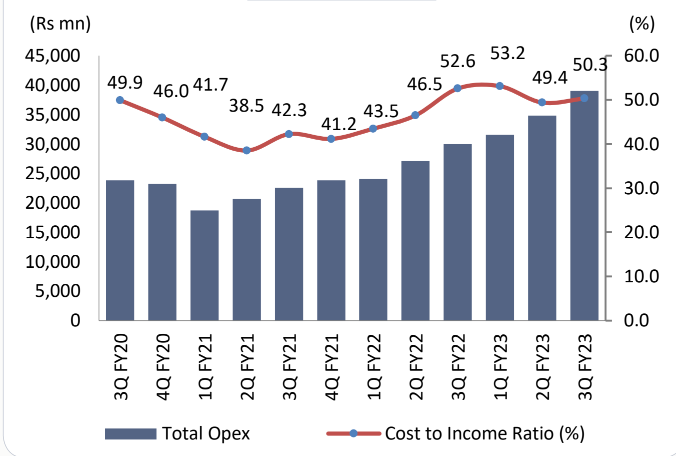
We expect KMB's loan book to grow at CAGR of ~22% over FY22-24E. At CMP of ₹1763, the stock is available at 3.7(x) standalone FY24E Adj. BVPS of ₹479. Valuing the standalone entity with 4.1xFY24E BVPS and subsidiaries valuation at ₹84; we arrive at a target price of ₹2,046. We recommend BUY with a potential upside of 16%.

Quarterly story in charts

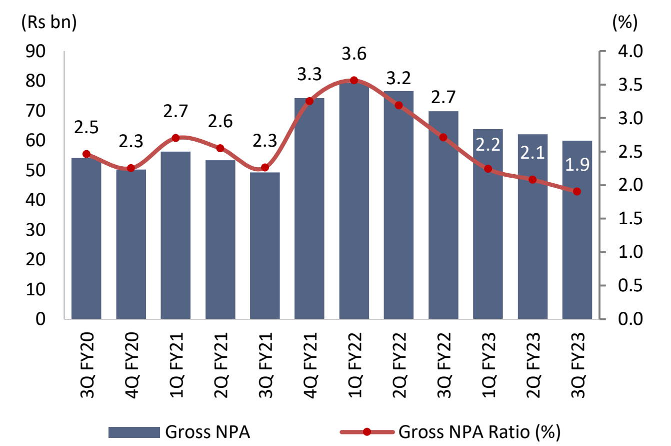
NII Trend



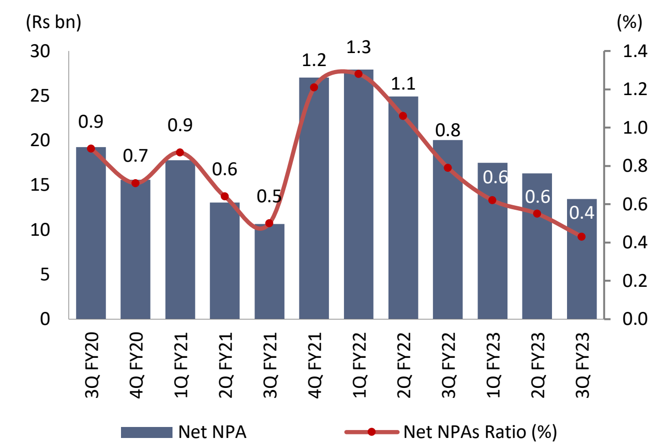
Total OPEX Trend



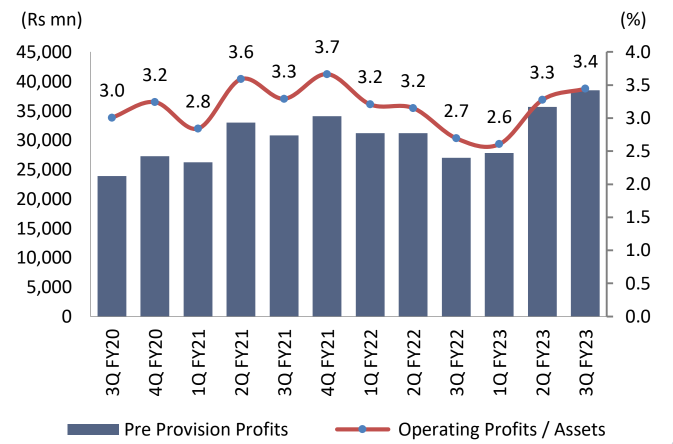
Gross NPA Trend



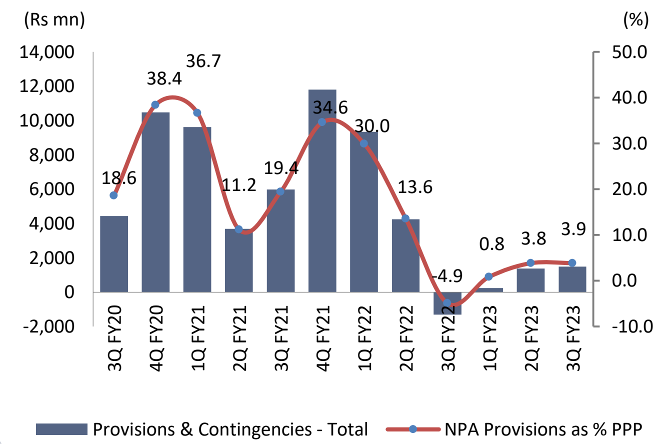
Net NPA Trend

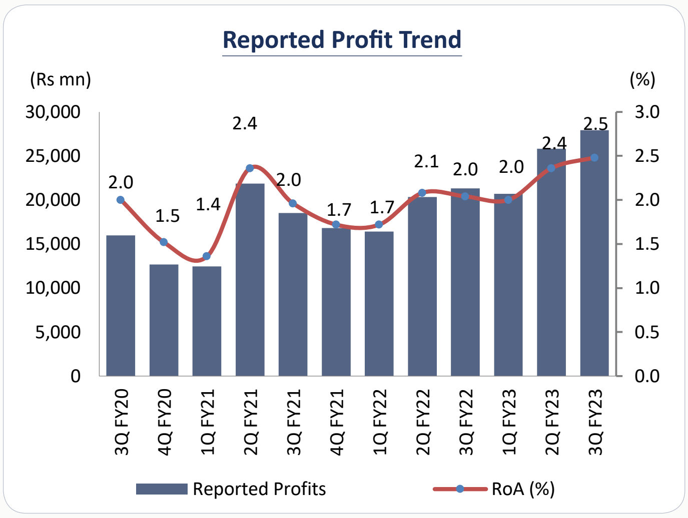


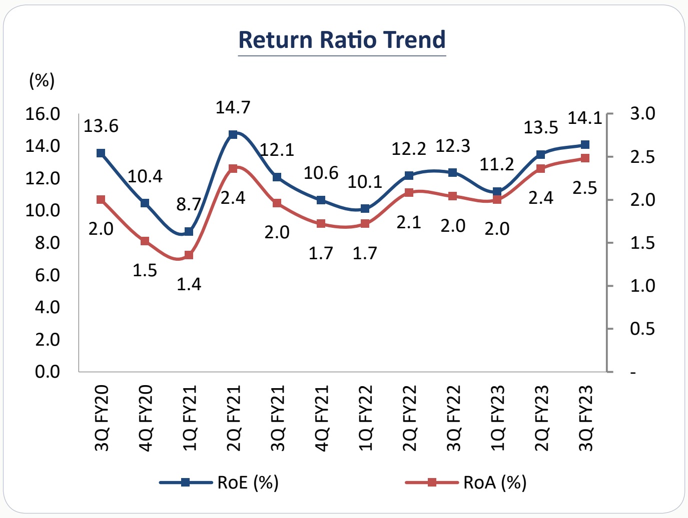
Pre Provision Profit Trend

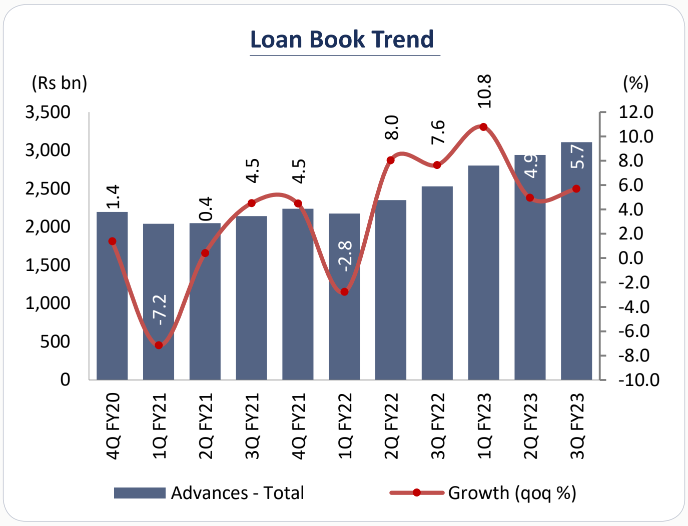


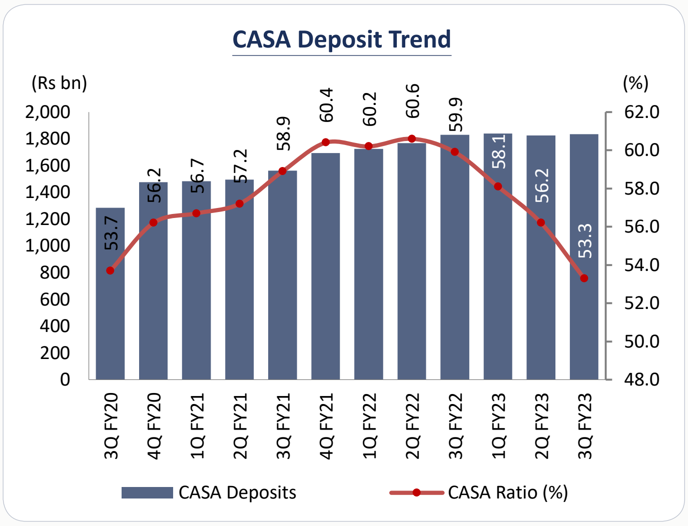
Provision Expenses Trend

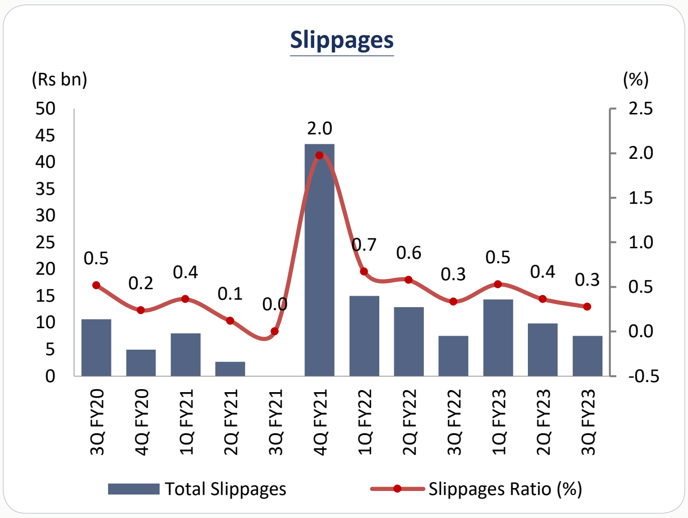



Reported Profit Trend
(Rs mn)
(%)
2.0
1.5
1.4
2.4
2.0
1.7
1.7
2.1
2.0
2.0
2.4
2.5
3Q FY20
4Q FY20
1Q FY21
2Q FY21
3Q FY21
4Q FY21
1Q FY22
2Q FY22
3Q FY22
1Q FY23
2Q FY23
3Q FY23
Reported Profits
RoA (%)


Return Ratio Trend
(%)
13.6
10.4
8.7
14.7
12.1
10.6
10.1
12.2
12.3
11.2
13.5
14.1
2.0
1.5
1.4
2.4
2.0
1.7
1.7
2.1
2.0
2.0
2.4
2.5
RoE (%)
RoA (%)


Loan Book Trend
(Rs bn)
(%)
1.4
-7.2
0.4
4.5
4.5
-2.8
8.0
7.6
10.8
4.9
5.7
4Q FY20
1Q FY21
2Q FY21
3Q FY21
4Q FY21
1Q FY22
2Q FY22
3Q FY22
1Q FY23
2Q FY23
3Q FY23
Advances - Total
Growth (qoq %)


CASA Deposit Trend
(Rs bn)
(%)
53.7
56.2
56.7
57.2
58.9
60.4
60.2
60.6
59.9
58.1
56.2
53.3
CASA Deposits
CASA Ratio (%)


Slippages
(Rs bn)
(%)
0.5
0.2
0.4
0.1
0.0
2.0
0.7
0.6
0.3
0.5
0.4
0.3
Total Slippages
Slippages Ratio (%)

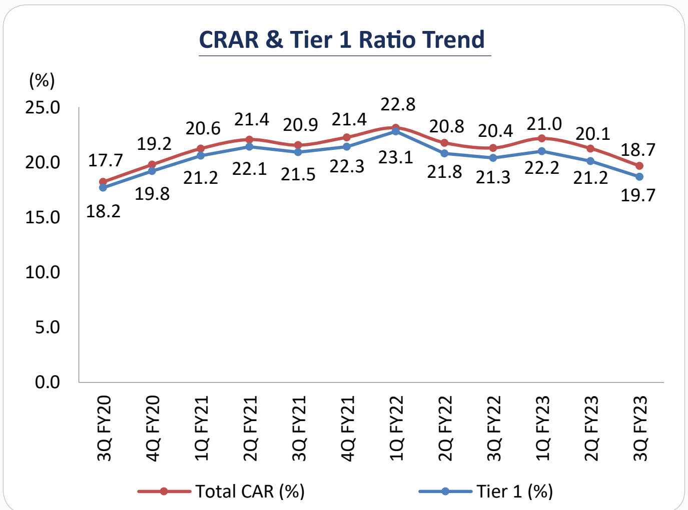

CRAR & Tier 1 Ratio Trend
(%)
17.7
19.2
20.6
21.4
20.9
21.4
22.8
20.8
20.4
21.0
20.1
18.7
18.2
19.8
21.2
22.1
21.5
22.3
23.1
21.8
21.3
22.2
21.2
19.7
Total CAR (%)
Tier 1 (%)

Exhibit 1 : Income Statement Analysis

(₹ mn)	3Q FY23	3Q FY22	% yoy / bps	2Q FY23	% qoq / bps	FY22	FY21	% yoy / bps
Interest Inc.	89,986	68,968	30.5	80,928	11.2	2,70,388	2,68,403	0.7
Interest Expenses	33,457	25,625	30.6	29,934	11.8	1,02,209	1,15,006	(11.1)
Net Interest Income	56,529	43,343	30.4	50,994	10.9	1,68,179	1,53,396	9.6
NII to Net Operative Income	72.9	76.1	(315)	72.3	62	72.6	73.8	(117)
NIM (%)	5.47	4.6	85	5.2	30	4.3	4.4	(12)
Other Income - Total	21,000	13,637	54.0	19,542	7.5	63,544	54,592	16.4
Other Inc to Net Oper. Income (%)	27.1	23.9	315	27.7	(62)	27.4	26.2	117
Net Operating Revenue	77,529	56,980	36.1	70,536	9.9	2,31,723	2,07,988	11.4
Employee Expenses	14,778	11,998	23.2	14,147	4.5	45,824	37,654	21.7
Other Opex	24,253	17,971	35.0	20,714	17.1	65,390	48,187	35.7
Total Opex	39,031	29,970	30.2	34,861	12.0	1,11,214	85,841	29.6
Cost to Income Ratio (%)	50.3	52.6	(225)	49.4	92	48.0	41.3	672
Pre Provision Profits	38,498	27,010	42.5	35,675	7.9	1,20,509	1,22,147	(1.3)
Provisions & Contingencies - Total	1,488	(1,317)	(213.0)	1,370	8.6	6,896	29,117	(76.3)
NPA Provisions as % PPP	3.9	(4.9)	874	3.8	3	5.7	23.8	(1,812)
Profit Before Tax	37,010	28,327	30.7	34,305	7.9	1,13,613	93,030	22.1
Tax	9,091	7,014	29.6	8,498	7.0	27,886	23,382	19.3
Effective Tax Rate (%)	24.6	24.8	(20)	24.8	(21)	24.5	25.1	(59)
Reported Profits	27,919	21,314	31.0	25,807	8.2	85,727	69,648	23.1
RoA (%)	2.5	2.0	44	2.4	12	2.1	-	-
RoE (%)	14.1	12.3	172	13.5	58	12.7	-	-

Source: Company, LKP Research

Exhibit 2 : Balance Sheet Analysis

(₹ mn)	2Q FY22	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	QoQ % / bps	YoY % / bps
Net Worth	6,68,762	6,91,170	7,19,565	7,41,520	7,65,759	7,94,360	3.7	14.9
RoE (%)	12.2	12.3	15.4	11.2	13.5	14.1	58	172
Tier 1 (%)	20.8	20.4	21.7	21.0	20.1	18.7	(144)	(174)
Total CAR (%)	21.8	21.3	22.7	22.2	21.2	19.7	(158)	(163)
Advances - Total	23,49,650	25,29,350	27,12,536	28,01,710	29,40,232	31,07,340	5.7	22.9
Investments	11,08,979	10,58,440	10,05,802	8,91,830	9,88,624	11,22,190	13.5	6.0
Total Assets	40,84,316	41,81,470	42,94,284	42,47,680	44,19,951	46,47,840	5.2	11.2
RoA (%)	2.08	2.04	2.68	2.00	2.36	2.48	12	44
Deposits	29,17,111	30,52,860	31,16,841	31,64,830	32,52,032	34,46,660	6.0	12.9
CASA Deposits	17,67,590	18,29,180	18,91,340	18,38,910	18,26,100	18,35,790	0.5	0.4
CASA Ratio (%)	60.6	59.9	60.7	58.1	56.2	53.3	(290)	(660)
Interest Bearing Liabilities - Total	32,50,488	33,33,460	33,81,512	33,23,730	34,43,633	36,66,940	6.5	10.0

Source: Company, LKP Research

Exhibit 3: Funding Profile Analysis

(₹ mn)	2Q FY22	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	QoQ % / bps	YoY % / bps
Interest Bearing Liabilities - Total	**32,50,488**	**33,33,460**	**33,81,512**	**33,23,730**	**34,43,633**	**36,66,940**	***6.5***	***10.0***
Deposits	29,17,111	30,52,860	31,16,841	31,64,830	32,52,032	34,46,660	*6.0*	*12.9*
CASA Deposits	17,67,590	18,29,180	18,91,340	18,38,910	18,26,100	18,35,790	*0.5*	*0.4*
Saving Deposit	12,34,790	12,58,210	12,44,720	12,68,290	12,24,480	11,99,780	*(2.0)*	*(4.6)*
Current Deposit	5,32,800	5,70,970	6,46,620	5,70,620	6,01,620	6,36,010	*5.7*	*11.4*
Term Deposits	11,49,521	12,23,680	12,25,501	13,25,920	14,25,932	16,10,870	*13.0*	*31.6*
Borrowings	3,28,377	2,75,600	2,59,671	1,53,900	1,86,601	2,15,280	*15.4*	*(21.9)*

Source: Company, LKP Research

Exhibit 4: Assets Quality Analysis

(₹ mn)	2Q FY22	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	QoQ % / bps	YoY % / bps
Total Slippages	12,900	7,500	7,360	14,350	9,830	7,480	*(23.9)*	*(0.3)*
Slippages Ratio (%)	*0.58*	*0.34*	*0.33*	*0.53*	*0.36*	*0.28*	*(9)*	*(6)*
Gross NPA	76,580	69,828	64,697	63,786	62,102	59,946	*(3.5)*	*(14.2)*
Gross NPAs Ratio (%)	*3.19*	*2.71*	*2.34*	*2.24*	*2.08*	*1.90*	*(18)*	*(81)*
PCR - Calculated (%)	*67.5*	*71.3*	*73.2*	*72.6*	*73.7*	*77.6*	*382*	*626*
Net NPA	24,914	20,035	17,367	17,493	16,304	13,448	*(17.5)*	*(32.9)*
Net NPAs Ratio (%)	*1.06*	*0.79*	*0.64*	*0.62*	*0.55*	*0.43*	*(12)*	*(36)*
Standard Restructured	12,620	13,640	12,050	10,760	9,940	7,650	*(23.0)*	*(43.9)*
Std. Rest. Adv. as % of Advances	*0.5*	*0.5*	*0.44*	*0.38*	*0.34*	*0.25*	*(9)*	*(29)*

Source: Company, LKP Research

Annual Projections

Exhibit 5: Profit and Loss Statement

(₹ mn)	FY20	FY21	FY22	FY23E	FY24E
Int. Income	2,69,296	2,68,403	2,70,388	3,28,156	3,87,545
Interest Expenses	1,34,299	1,15,006	1,02,209	1,21,536	1,40,377
Net Interest Income	1,34,997	1,53,396	1,68,179	2,06,620	2,47,168
NIM (%)	*4.16*	*4.28*	*4.29*	*4.72*	*4.93*
Other Income - Total	53,721	54,592	63,544	73,440	84,912
Net Operating Revenue	1,88,718	2,07,988	2,31,723	2,80,060	3,32,080
Employee Exp.	39,111	37,654	45,824	54,072	64,886
Other Opex	49,398	48,187	65,390	72,583	85,648
Total Opex	88,509	85,841	1,11,214	1,26,655	1,50,534
C/I Ratio (%)	*46.90*	*41.27*	*47.99*	*45.22*	*45.33*
Pre Provision Profits	1,00,208	1,22,147	1,20,509	1,53,405	1,81,546
PPP Growth (yoy %)	*20.0*	*21.9*	*(1.3)*	*27.3*	*18.3*
Provisions & Contingencies - Total	22,162	29,117	6,896	7,797	9,299
Credit Cost (As % of Op. AUM)	*1.03*	*1.14*	*0.27*	*0.25*	*0.25*
Profit Before Tax	78,047	93,030	1,13,613	1,45,608	1,72,247
Tax	18,575	23,382	27,886	35,739	42,278
Effective Tax Rate (%)	*23.8*	*25.1*	*24.5*	*24.5*	*24.5*
Reported Profits	59,472	69,648	85,727	1,09,868	1,29,969
PAT Growth (yoy %)	*22.2*	*17.1*	*23.1*	*28.2*	*18.3*

Source: Company, LKP Research

Exhibit 6: Balance Sheet

(₹ mn)	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	9,565	9,909	9,923	9,930	9,930
Reserves (ex Revel. Reserve)	4,75,588	6,22,361	7,09,641	8,19,510	9,49,479
Net Worth - Ex Revaluation	4,85,153	6,32,270	7,19,565	8,29,440	9,59,409
Deposits	26,28,205	28,01,000	31,16,841	35,05,825	41,41,820
Borrowings	3,79,933	2,36,506	2,59,671	2,92,702	3,46,709
Interest Bearing Liabilities (₹ mn)	30,13,138	30,42,507	33,81,512	38,03,527	44,93,529
Other Lia. & Prov.	1,04,197	1,60,088	1,92,894	1,46,840	1,82,124
Total Liabilities	**36,02,517**	**38,34,886**	**42,94,284**	**47,80,120**	**56,35,375**
Assets					
Cash & Cash Equivalent	5,32,923	3,96,265	4,29,239	2,81,135	3,31,269
Investments	7,50,515	10,50,992	10,05,802	10,15,860	10,26,019
Loan & Advances (₹ mn)	21,97,482	22,36,886	27,12,536	33,09,294	40,70,432
Growth (yoy %)	*6.8*	*1.8*	*21.3*	*22.0*	*23.0*
Fixed Assets	16,231	15,353	16,437	17,508	20,068
Other Assets	1,05,365	1,35,390	1,30,269	1,56,323	1,87,588
Total Assets	**36,02,517**	**38,34,886**	**42,94,284**	**47,80,120**	**56,35,375**

Source: Company, LKP Research

Exhibit 7: Per share data

Y/E Mar	FY20	FY21	FY22	FY23E	FY24E
Face Value (₹)	*5*	*5*	*5*	*5*	*5*
Adjusted Share O/S (mn)	*1,913*	*1,982*	*1,985*	*1,986*	*1,986*
Earnings Per Share (₹)	*31.1*	*35.1*	*43.2*	*55.3*	*65.4*
EPS (% YoY)	*22.0*	*13.0*	*22.9*	*28.1*	*18.3*
P/E (x)	*56.7*	*50.2*	*40.8*	*31.9*	*26.9*
Book Value (₹)	*253.6*	*319.0*	*362.6*	*417.6*	*483.1*
BVPS (% YoY)	*14.2*	*25.8*	*13.6*	*15.2*	*15.7*
P/BV (x)	*7.0*	*5.5*	*4.9*	*4.2*	*3.7*
Adj. BV (₹)	*249.5*	*312.2*	*358.2*	*413.3*	*478.7*
Adj. BV (% YoY)	*14.4*	*25.1*	*14.7*	*15.4*	*15.8*
P/ABV (x)	*7.1*	*5.6*	*4.9*	*4.3*	*3.7*

Source: Company, LKP Research

Exhibit 8: Detailed ROA Tree

Y/E Mar	FY20	FY21	FY22	FY23E	FY24E
Yields / Margins					
Yield on Advance	9.9	8.4	7.8	8.4	8.5
Yield on Funds	8.3	7.5	6.9	7.5	7.7
Cost of Funds (CoF)	4.8	3.8	3.2	3.4	3.4
Interest Spread	3.5	3.7	3.7	4.1	4.3
NIM's	4.2	4.3	4.3	4.7	4.9
Interest Income / Assets	8.0	7.2	6.7	7.2	7.4
Interest Exp. / Assets	4.0	3.1	2.5	2.7	2.7
NII / Assets	4.0	4.1	4.1	4.6	4.7
Fee Income / Assets	1.1	0.9	1.0	1.0	1.0
Other Non Core Income / Assets	0.2	0.1	0.1	0.1	0.1
Other Income / Assets	1.6	1.5	1.6	1.6	1.6
Net Operating Income / Assets	5.6	5.6	5.7	6.2	6.4
Operating Ratios					
NII to Net Operative Income	71.5	73.8	72.6	73.8	74.4
Other Income to Net Operative Income	28.5	26.2	27.4	26.2	25.6
Empl. Cost/Oper. Exps.	44.2	43.9	41.2	42.7	43.1
Other Op. Exps./Oper. Exps.	55.8	56.1	58.8	57.3	56.9
C/I Ratio (%)	46.9	41.3	48.0	45.2	45.3
Provisions as % PPP	11.7	14.0	3.0	2.8	2.8
Credit Cost (As % of Op. AUM)	1.0	1.1	0.3	0.3	0.3
Effective Tax Rate (%)	23.8	25.1	24.5	24.5	24.5
Employee Exp. / Assets	1.2	1.0	1.1	1.2	1.2
Other Opex/ Assets	1.5	1.3	1.6	1.6	1.6
Total Opex / Assets	2.6	2.3	2.7	2.8	2.9
Operating Profits / Assets	3.0	3.3	3.0	3.4	3.5
Exceptional Items / Assets	-	-	-	-	-
Op Profit ex Except Items / Assets	3.0	3.3	3.0	3.4	3.5
Provisions / Assets	0.7	0.8	0.2	0.2	0.2
Profit Before Tax / Assets	2.3	2.5	2.8	3.2	3.3
Tax Expenses / Assets	0.6	0.6	0.7	0.8	0.8
RoA	1.8	1.9	2.1	2.4	2.5
Leverage (x)	7.4	6.1	6.0	5.8	5.9
RoE	13.1	12.5	12.7	14.2	14.5
Adj. RoA	1.8	1.9	2.1	2.4	2.5
Adj. RoE	13.1	12.5	12.7	14.2	14.5

Source: Company, LKP Research

Exhibit 9: Balance Sheet Ratios

Y/E Mar	FY20	FY21	FY22	FY23E	FY24E
Credit / Deposit Ratio	*83.6*	*79.9*	*87.0*	*94.4*	*98.3*
Incremental C/D Ratio	*38.0*	*22.8*	*150.6*	*153.4*	*119.7*
Investment Deposit Ratio	*28.6*	*37.5*	*32.3*	*29.0*	*24.8*
Dom. SLR Investment / Deposits	*23.4*	*30.5*	*26.2*	*23.5*	*20.1*
CASA Ratio	*56.2*	*60.5*	*60.7*	*60.7*	*60.7*

Source: Company, LKP Research

Exhibit 10: Credit Quality

Y/E Mar	FY20	FY21	FY22	FY23E	FY24E
Slippage Ratio (%)	*1.7*	*2.5*	*1.9*	*1.4*	*1.3*
Gross NPA	50,269	74,255	64,697	59,652	72,145
Gross NPAs Ratio (%)	*2.3*	*3.3*	*2.3*	*1.8*	*1.8*
PCR (%)	*69.0*	*63.6*	*73.2*	*77.3*	*82.4*
Net NPA	15,579	27,052	17,367	13,534	12,700
Net NPAs Ratio (%)	*0.7*	*1.2*	*0.6*	*0.4*	*0.3*
Total Impaired Loans	50,269	74,255	64,697	59,652	72,145
Impaired Loan as % of Loan / AUM	*2.2*	*3.1*	*2.3*	*1.7*	*1.7*
Total Risk Reserves	34,690	47,203	47,330	46,118	59,445
Total Risk As % of Loan Book	*1.5*	*2.0*	*1.7*	*1.3*	*1.4*

Source: Company, LKP Research

Exhibit 11: Key Assumptions & Forecasts

Y/E Mar	FY20	FY21	FY22	FY23E	FY24E
Loan & Advances (₹ mn)	21,97,482	22,36,886	27,12,536	33,09,294	40,70,432
Growth (yoy %)		*1.8*	*21.3*	*22.0*	*23.0*
Interest Bearing Liabilities (₹ mn)	30,13,138	30,42,507	33,81,512	38,03,527	44,93,529
Growth (yoy %)		*1.0*	*11.1*	*12.5*	*18.1*
Yield on Funds	*8.3*	*7.5*	*6.9*	*7.5*	*7.7*
Cost of Funds (CoF)	*4.8*	*3.8*	*3.2*	*3.4*	*3.4*
Interest Spread	*3.5*	*3.7*	*3.7*	*4.1*	*4.3*
NIM's	*4.2*	*4.3*	*4.3*	*4.7*	*4.9*
Other Income Growth	*16.7*	*1.6*	*16.4*	*15.6*	*15.6*
C/I Ratio (%)	*46.9*	*41.3*	*48.0*	*45.2*	*45.3*
Effective Tax Rate (%)	*23.8*	*25.1*	*24.5*	*24.5*	*24.5*
Return Ratios					
Adj. RoA	*1.8*	*1.9*	*2.1*	*2.4*	*2.5*
Adj. RoE	*13.1*	*12.5*	*12.7*	*14.2*	*14.5*
Asset Quality Metrics					
Credit Cost (As % of Op. AUM)	*1.0*	*1.1*	*0.3*	*0.3*	*0.3*
Gross NPAs Ratio (%)	*2.3*	*3.3*	*2.3*	*1.8*	*1.8*
Net NPAs Ratio (%)	*0.7*	*1.2*	*0.6*	*0.4*	*0.3*

Source: Company, LKP Research

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