

AXIS BANK LIMITED | Banking

One off from Citi acquisition led to quarterly loss; Growth and Asset quality strong

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Result and Price Analysis:

Along with Citi acquisition, Axis bank has reported a decent result and positive takeaways are 1) Accomplishing the aspiration ROE of more than 18% (excluding the extraordinary loss) for FY23, 2) deposit growth (15.2% YoY, 11.6% QoQ) led by higher COD (4.31%). 2) NII growth stable at 33% YoY and 2.5% QoQ, on the back of flat NIMs. 3) Disbursement in wholesale and SME loans up, 4) Strong contingent provision buffer (1.41% of gross loans), 5) NPA (GNPA/NNPA ratio 2.02%/0.39%) numbers came down sequentially on the back of lower slippages and higher recoveries. 6) restructuring (24bps of GCA) squeezed further and at manageable level with 22% coverage, However negatives are 1) Sequential de-growth in PPOP, and huge one-off (₹125bn) because of Citi acquisition. We believe the negatives are well provided and growth shall continue hereon.

NPA ratio declined; restructuring narrowed down further: Axis Bank's total slippages came lower at ₹37.7bn (₹3.9bn GNPA acquired from Citi) v/s ₹38.1bn in the previous quarter. The up-gradation & recovery stood higher at ₹27bn v/s ₹20.8bn in 3QFY23. The write-offs were ~₹24.3bn. A strong asset quality show resulted in 6.8% sequential decline in GNPA amount. GNPA/NNPA/PCR stood at 2.02%/0.39%/94% against 2.38%/0.47%/81% in the previous quarter. GNPA ratio stable across segments. Retail GNPA at 1.4%, where SME and corporate GNPA ratio is at 3.2% and 1.1% respectively. The restructured pool reported lower meaningfully at ₹20.5bn (24bps of GCA) largely from retail book, v/s ₹24.8bn in the previous quarter. The bank carries a provision of ~22% on restructured loans, which is in excess of regulatory limits. Around 96% of retail restructured book is secured (with LTV of 40% - 70%) and 100% provision made on unsecured retail restructured book. BB & below rated pool down by 15bps to 0.38% of gross customer assets. Fund based BB & below outstanding down by 22% sequentially, Moreover, Non fund based outstanding in BB & below pool inched down significantly. 100% of restructured corporate book classified as BB & Below.

Key Financials (₹ mn)	FY21	FY22	FY23	FY24E	FY25E
NII	2,92,391	3,31,322	4,29,458	4,85,274	5,67,390
Operating Profit	2,57,022	2,47,420	1,95,585	3,57,402	4,17,814
Reported Profits	65,885	1,30,255	95,797	2,45,207	2,87,569
Net Worth	10,16,030	11,50,255	12,49,932	14,95,139	17,82,708
Loan & Advances	62,37,202	70,76,960	84,53,028	99,74,574	1,18,69,742
Int. Bearing Liabilities	85,01,792	1,00,68,548	1,13,32,453	1,29,30,373	1,48,94,327

Key Ratios (%)	FY21	FY22	FY23	FY24E	FY25E
NIM's	3.4	3.3	3.7	3.6	3.7
C/I Ratio	41.7	48.8	46.1	46.2	45.1
Gross NPA Ratio	3.7	2.8	2.0	1.9	1.7
PCR (%)	72.4	74.7	80.9	78.5	77.3
Adj. RoA Ratio	0.7	1.2	(1.2)	1.7	1.8
Adj. RoE Ratio	7.1	12.0	(12.8)	17.9	17.5

Rating	Buy
Current Market Price (₹)	860
12 M Price Target (₹)	1,032
Potential upside (%)	20

Stock Data

FV (₹) :	2
Market Cap Full (₹ bn) :	2,647
Market Cap Free Float (₹ bn) :	2,355
52-Week High / Low (₹) :	970 / 618
1 Yr Avg. Dly Traded Volume (in lakh)	105
BSE Code / NSE Symbol	532215 / AXISBANK
Bloomberg :	AXSB:IN

Shareholding Pattern

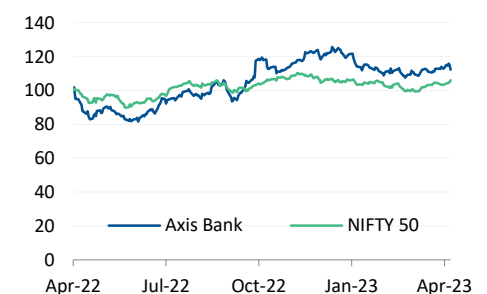
(%)	Mar-23	Dec-22	Sep-22	Jun-22
Promoter	8.16	8.19	9.69	9.70
FPIs	49.05	49.45	46.11	46.58
MFs	23.63	23.22	23.69	23.22
Insurance	5.35	5.47	5.70	2.05
Others	13.81	13.67	14.81	18.45

Source: BSE

Price Performance (%)

(%)	1M	3M	6M	1YR
Axis Bank	3.3%	-1.6%	-4.8%	10.3%
Nifty 50	6.6%	2.6%	1.6%	4.8%

* To date / current date : April 28, 2023

Axis Bank vs Nifty 50

The provision expenses were sequentially higher at ₹3.1bn (v/s ₹14.4bn in the previous quarter). The bank's PCR stood higher sequentially at 81%. PCR (including tech. write offs) stood at 94% and Aggregate PCR (Specific provision + COVID provision + General Provision + Contingency Provision) stood at 145% of reported GNPLs and the contingent provisioning (COVID + standard asset) stood 1.4% of the net loans.

A strong deposit traction: A rise on COD (4.31% v/s 3.94% in 3QFY23) led to strong deposit traction. The bank's deposit stood at ₹9.5tn and grew at 15.2% YoY and 11.6% QoQ. The CASA stood at 47.2%. The bank's advances stood at ~₹8.4tn (post acquisition); 19.4% YoY and 11% sequentially. Corporate book (31.3% of book) grew healthy by 5.8% QoQ. Retail book (57.7% of book) growth was at 13.6% sequentially mainly because of Citi acquisition. SME book (11% of book) grew strongly by 13.6% QoQ. The bank's CRAR stood at 17.6% with CET 1 of 14%. Additionally LCR of 129% with excess SLR of ₹750bn. The RWA to asset sequentially flat at 65%. The bank is operating at a higher CDR of 89.3% where retail term deposit share of total deposit (LCR eligible fund) stood at 27%.

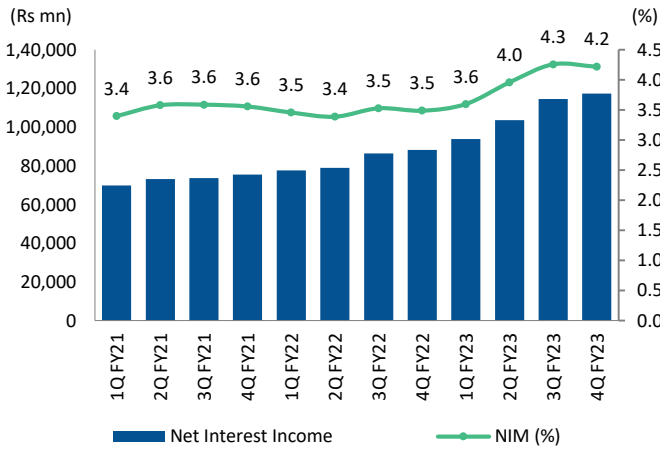
One-off led to quarterly loss: The bank's NII stood at ₹117.4bn; grew by 33% YoY & 2.5% QoQ. The bank's NIMs contracted by 4bps to 4.22% on the back of higher cost of fund (4.75%) and cost of deposit (4.31%). Non – interest income grew by 4.9% QoQ. Management hopes to achieve stable NIM going forward, owing to i) improvement in mix of loans versus investments on the assets side, ii) higher share of low cost deposits and iii) reduction in RIDF bonds (which have negative spread) as incremental allocations have stopped as the bank is PSL compliant. A strong stable growth and higher opex (C/I ratio: 45% v/s 42.5% in the previous quarter) led to PPOP sequential de-growth of 1.2%. Additionally, an exceptional loss (₹125bn) and sequentially lower provisioning expenses (₹3.1bn v/s ₹14.4bn) has resulted in net loss of ₹57.3bn.

Outlook & Valuations

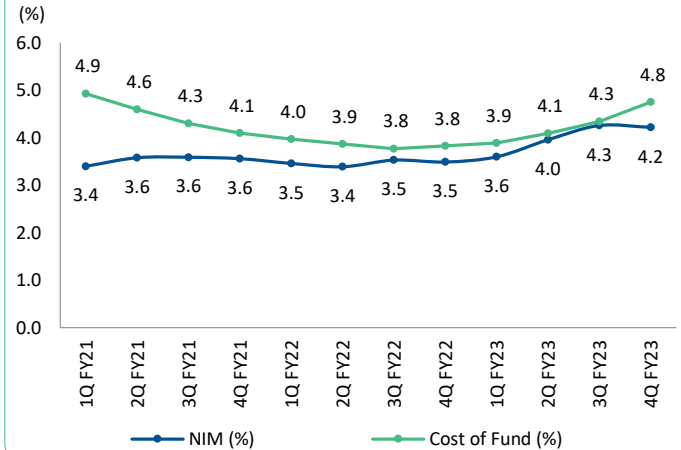
We value the standalone bank at PBV of 1.8x FY25E Adj. BVPS of ₹574 and arrive at a price target of ₹1032. We recommend BUY with potential upside of 20%.

Quarterly story in charts

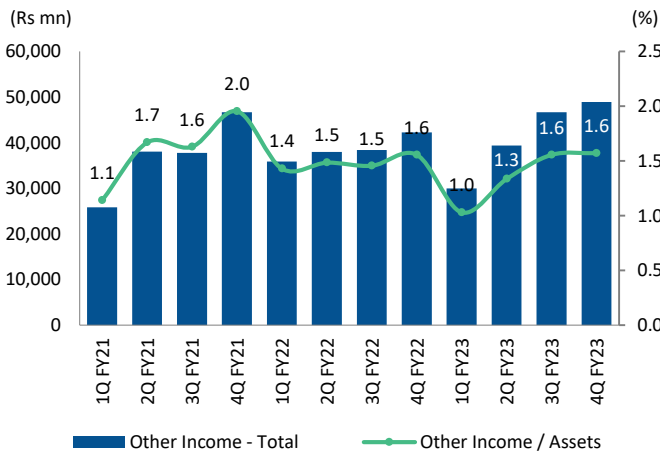
NII Trend



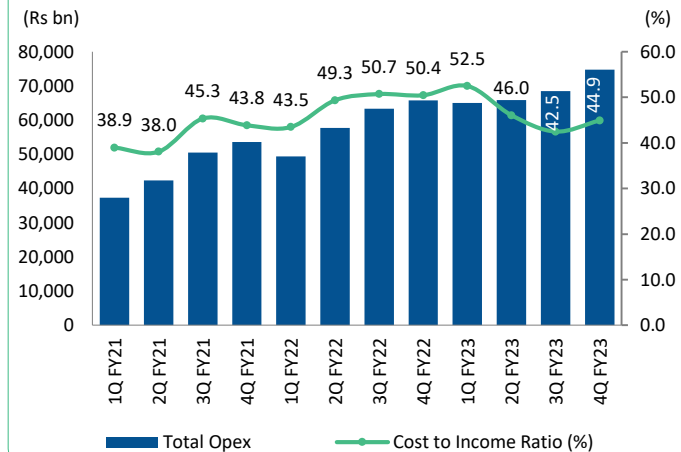
Yields and Margin Trend



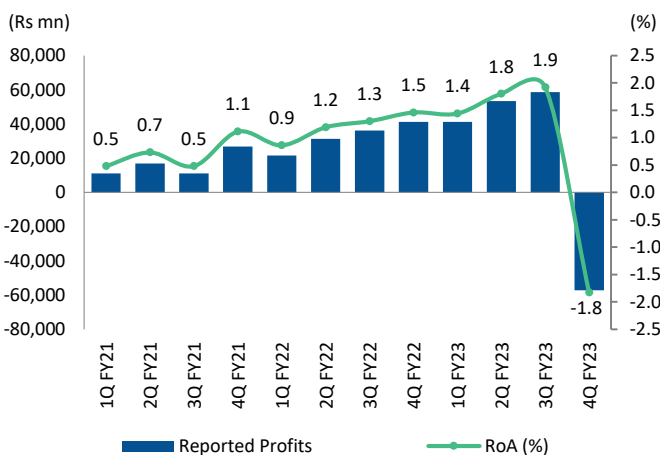
Other Income Trend



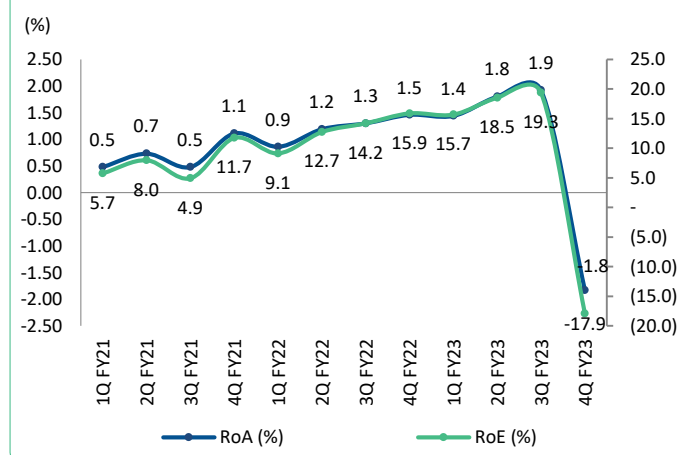
Total OPEX Trend



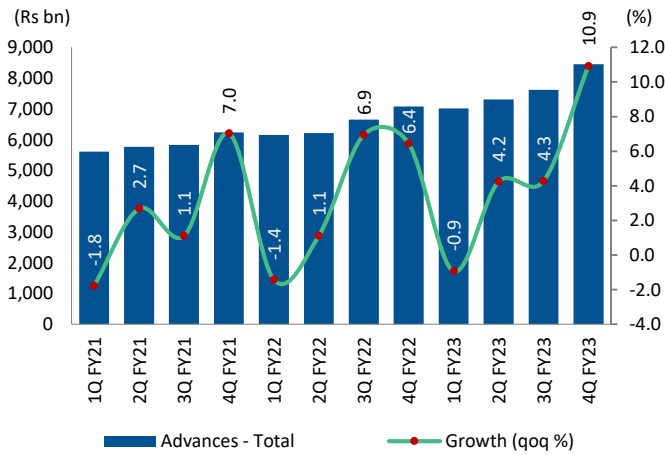
Reported Profit Trend



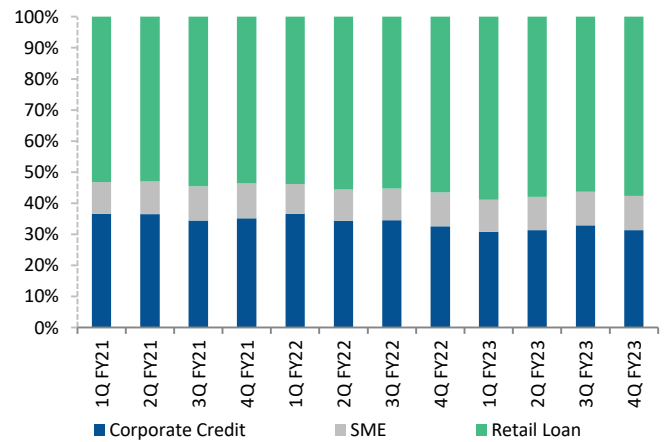
Return Ratio Trend



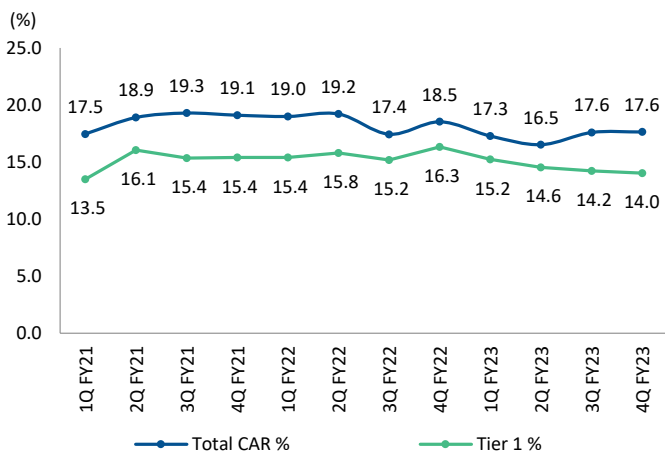
Loan Book Trend



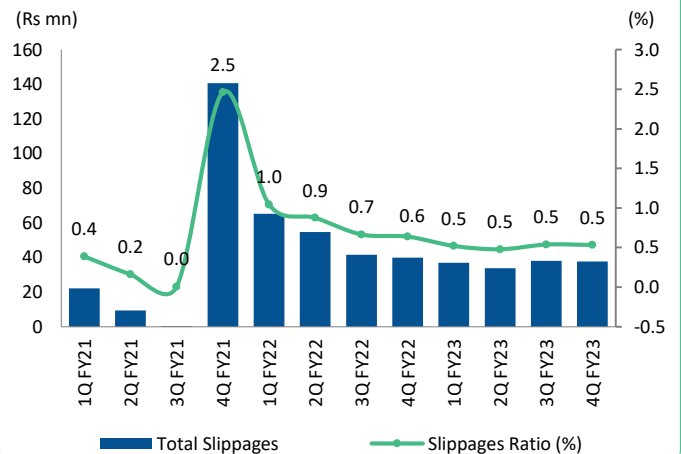
Loan Book Mix



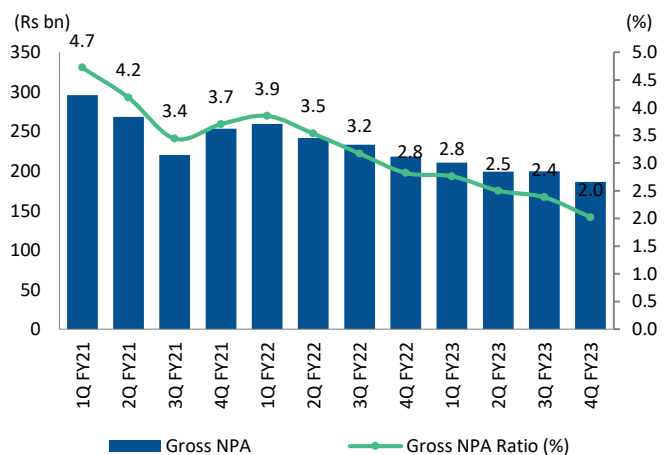
CRAR & Tier 1 Ratio Trend



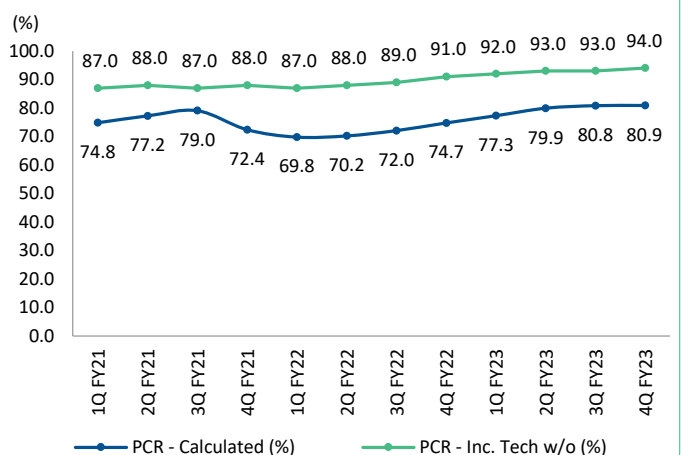
Slippages



Gross NPA Trend



PCR Trend



Recent Performance at a glance

Exhibit 1 : Income Statement Analysis

(₹ mn)	4Q FY23	4Q FY22	% yoy / bps	3Q FY23	% qoq / bps	FY23	FY22	% yoy / bps
Interest Inc.	2,39,698	1,77,762	34.8	2,22,264	7.8	8,51,638	6,73,768	26.4
Interest Expenses	1,22,276	89,571	36.5	1,07,671	13.6	4,22,180	3,42,446	23.3
Net Interest Income	1,17,422	88,191	33.1	1,14,593	2.5	4,29,458	3,31,322	29.6
NII to Net Operative Income	70.6	67.6	296	71.1	(49)	72.2	68.5	372
NIM (%)	4.22	3.5	73	4.3	(4)	3.7	3.3	38
Other Income - Total	48,953	42,233	15.9	46,654	4.9	1,65,009	1,52,205	8.4
Other Income to Net Operative Income	29.4	32.4	(296)	28.9	49	27.8	31.5	(372)
Net Operating Revenue	1,66,375	1,30,425	27.6	1,61,248	3.2	5,94,466	4,83,528	22.9
Employee Expenses	21,636	18,865	14.7	22,811	(5.1)	87,974	76,126	15.6
Other Opex	53,063	46,900	13.1	45,662	16.2	1,86,009	1,59,982	16.3
Total Opex	74,699	65,765	13.6	68,473	9.1	2,73,983	2,36,108	16.0
Cost to Income Ratio (%)	44.9	50.4	(553)	42.5	243	46.1	48.8	(274)
Pre Provision Profits	91,676	64,660	41.8	92,775	(1.2)	3,20,483	2,47,420	29.5
Provisions & Contingencies - Total	3,058	9,872	(69.0)	14,377	(78.7)	26,526	73,595	(64.0)
NPA Provisions as % Operating Income	(9.2)	15.3	(2,447)	15.5	(2,470)	13.6	29.7	(1,618)
Profit Before Tax	(36,280)	54,788	(166.2)	78,398	(146.3)	1,69,059	1,73,826	(2.7)
Tax	21,004	13,610	54.3	19,867	5.7	73,262	43,571	68.1
Effective Tax Rate (%)	(57.9)	24.8	(8,274)	25.3	(8,324)	43.3	25.1	1,827
Reported Profits	(57,284)	41,178	(239.1)	58,531	(197.9)	95,797	1,30,255	(26.5)
RoA (%)	(1.8)	1.5	(329)	1.9	(375)	0.8	1.2	(43)
RoE (%)	(17.9)	15.9	(3,380)	19.3	(3,727)	8.0	12.0	(404)

Source: Company, LKP Research

Exhibit 2 : Balance Sheet Analysis

(₹ mn)	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	4Q FY23	QoQ % / bps	YoY % / bps
Net Worth	11,07,457	11,50,255	11,93,778	12,45,642	13,06,449	12,49,932	(4.3)	8.7
RoE (%)	14.2	15.9	15.7	18.5	19.3	(17.9)	(3,727)	(3,380)
Tier 1 %	15.2	16.3	15.2	14.6	14.2	14.0	(22)	(232)
Total CAR %	17.4	18.5	17.3	16.5	17.6	17.6	4	(90)
RWA - Total	70,12,313	75,21,140	74,91,772	78,22,798	79,52,808	85,62,616	7.7	13.8
Advances - Total	66,48,656	70,76,960	70,11,299	73,08,748	76,20,755	84,53,028	10.9	19.4
Investments	26,64,187	27,55,972	29,77,655	28,76,207	30,51,031	28,88,148	(5.3)	4.8
Total Assets	1,11,30,655	1,17,51,781	1,15,25,803	1,18,52,725	1,22,35,089	1,31,73,255	7.7	12.1
RoA (%)	1.30	1.46	1.44	1.80	1.92	(1.83)	(375)	(329)
Deposits	77,16,702	82,17,209	80,35,717	81,08,067	84,81,733	94,69,452	11.6	15.2
CASA Deposits	34,48,780	36,97,550	35,11,930	37,46,380	37,77,130	44,65,360	18.2	20.8
CASA Ratio (%)	44.7	45.0	43.7	46.2	44.5	47.2	270	220
Interest Bearing Liabilities - Total	95,05,677	1,00,68,548	97,41,769	99,22,067	1,03,09,181	1,13,32,453	9.9	12.6

Source: Company, LKP Research

Exhibit 3: Funding Profile Analysis

(₹ mn)	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	4Q FY23	QoQ % / bps	YoY % / bps
Interest Bearing Liabilities - Total	95,05,677	1,00,68,548	97,41,769	99,22,067	1,03,09,181	1,13,32,453	9.9	12.6
Deposits	77,16,702	82,17,209	80,35,717	81,08,067	84,81,733	94,69,452	11.6	15.2
CASA Deposits	34,48,780	36,97,550	35,11,930	37,46,380	37,77,130	44,65,360	18.2	20.8
Saving Deposit	22,81,660	24,24,490	24,30,930	25,22,440	25,13,920	29,74,160	18.3	22.7
Current Deposit	11,67,120	12,73,060	10,81,000	12,23,940	12,63,210	14,91,200	18.0	17.1
Term Deposits	42,67,922	45,19,659	45,23,787	43,61,687	47,04,603	50,04,092	6.4	10.7
Borrowings	17,88,975	18,51,339	17,06,052	18,14,000	18,27,448	18,63,000	1.9	0.6

Source: Company, LKP Research

Exhibit 4: Assets Quality Analysis

(₹ mn)	3Q FY22	4Q FY22	1Q FY23	2Q FY23	3Q FY23	4Q FY23	QoQ % / bps	YoY % / bps
Total Slippages	41,470	39,810	36,840	33,830	38,070	37,710	(0.9)	(5.3)
Slippages Ratio (%)	0.66	0.64	0.52	0.48	0.54	0.53	(1)	(11)
Gross NPA	2,33,012	2,18,223	2,10,368	1,98,937	1,99,610	1,86,042	(6.8)	(14.7)
Gross NPAs Ratio (%)	3.17	2.82	2.76	2.50	2.38	2.02	(36)	(80)
PCR - Calculated (%)	72.0	74.7	77.3	79.9	80.8	80.9	6	613
Net NPA	65,131	55,122	47,806	39,955	38,301	35,589	(7.1)	(35.4)
Net NPAs Ratio (%)	0.91	0.73	0.64	0.51	0.47	0.39	(8)	(34)
Standard Restructured	46,430	40,290	34,020	29,960	24,820	20,470	(17.5)	(49.2)
Std. Rest. Adv. as % of Advances	0.6	0.5	0.49	0.41	0.33	0.24	(8)	(28)

Source: Company, LKP Research

Annual Projections

Exhibit 5: Profit and Loss Statement

(₹ mn)	FY21	FY22	FY23	FY24E	FY25E
Int. Income	6,36,453	6,73,768	8,51,638	9,82,032	11,37,075
Interest Expenses	3,44,062	3,42,446	4,22,180	4,96,758	5,69,684
Net Interest Income	2,92,391	3,31,322	4,29,458	4,85,274	5,67,390
<i>NIM (%)</i>	3.37	3.30	3.68	3.65	3.70
Other Income - Total	1,48,382	1,52,205	1,65,009	1,78,889	1,93,937
Net Operating Revenue	4,40,773	4,83,528	5,94,466	6,64,162	7,61,327
Employee Exp.	61,640	76,126	87,974	1,00,290	1,14,331
Other Opex	1,22,111	1,59,982	1,86,009	2,06,470	2,29,182
Total Opex	1,83,751	2,36,108	2,73,983	3,06,760	3,43,513
<i>C/I Ratio</i>	41.69	48.83	46.09	46.19	45.12
Pre Provision Profits	2,57,022	2,47,420	3,20,483	3,57,402	4,17,814
<i>PPP Growth (yoy %)</i>	9.7	(3.7)	29.5	11.5	16.9
Provisions & Contingencies - Total	1,68,963	73,595	26,526	30,023	33,877
<i>Credit Cost (As % of Op. AUM)</i>	2.14	1.15	0.36	0.32	0.32
Profit Before Tax	88,059	1,73,826	1,69,059	3,27,379	3,83,937
Tax	22,174	43,571	73,262	82,172	96,368
<i>Effective Tax Rate</i>	25.2	25.1	165.9	25.1	25.1
Reported Profits	65,885	1,30,255	95,797	2,45,207	2,87,569
<i>PAT Growth (yoy %)</i>	304.9	97.7	(26.5)	156.0	17.3

Source: Company, LKP Research

Exhibit 6: Balance Sheet

(₹ mn)	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	6,127	6,140	6,154	6,154	6,154
Reserves (ex Revel. Reserve)	10,09,903	11,44,115	12,43,779	14,88,985	17,76,554
Net Worth - Ex Revaluation	10,16,030	11,50,255	12,49,932	14,95,139	17,82,708
Deposits	70,73,061	82,17,209	94,69,452	1,08,04,682	1,24,45,771
Borrowings	14,28,732	18,51,339	18,63,000	21,25,691	24,48,555
Interest Bearing Liabilities	85,01,792	1,00,68,548	1,13,32,453	1,29,30,373	1,48,94,327
Other Lia. & Prov.	4,43,362	5,31,493	5,86,636	6,39,968	7,07,981
Total Liabilities	99,61,184	1,17,51,781	1,31,73,255	1,50,69,714	1,73,89,249
Assets					
Cash & Cash Equivalent	6,17,298	11,09,871	10,64,108	12,19,867	14,11,304
Investments	22,61,196	27,55,972	28,88,148	30,26,664	31,71,822
Loan & Advances	62,37,202	70,76,960	84,53,028	99,74,574	1,18,69,742
<i>Growth (yoy %)</i>	9.2	13.5	19.4	18.0	19.0
Fixed Assets	42,450	45,724	47,339	55,915	64,415
Other Assets	8,03,038	7,63,255	7,20,632	7,92,695	8,71,965
Total Assets	99,61,184	1,17,51,781	1,31,73,255	1,50,69,714	1,73,89,249

Source: Company, LKP Research

Exhibit 7: Per share data

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
Face Value	2	2	2	2	2
Adjusted Share O/S (mn)	3,064	3,070	3,077	3,077	3,077
Earnings Per Share	21.5	42.4	31.1	79.7	93.5
<i>EPS (% YoY)</i>	272.9	97.3	(26.6)	156.0	17.3
P/E (x)	40.0	20.3	27.6	10.8	9.2
Book Value	331.6	374.7	406.2	485.9	579.4
<i>BVPS (% YoY)</i>	10.2	13.0	8.4	19.6	19.2
P/BV (x)	2.6	2.3	2.1	1.8	1.5
Adj. BV	331.6	365.7	400.5	480.1	573.6
<i>Adj. BV (% YoY)</i>	10.2	10.3	9.5	19.9	19.5
P/ABV (x)	2.6	2.4	2.1	1.8	1.5

Source: Company, LKP Research

Exhibit 8: Detailed ROA Tree

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
Yields / Margins					
<i>Yield on Advance</i>	8.0	7.5	8.3	8.3	8.3
<i>Yield on Funds</i>	7.3	6.7	7.3	7.4	7.4
<i>Cost of Funds (CoF)</i>	4.2	3.7	3.9	4.1	4.1
<i>Interest Spread</i>	3.1	3.0	3.3	3.3	3.3
<i>NIM's</i>	3.4	3.3	3.7	3.6	3.7
<i>Interest Income / Assets</i>	6.7	6.2	6.8	7.0	7.0
<i>Interest Exp. / Assets</i>	3.6	3.2	3.4	3.5	3.5
<i>NII / Assets</i>	3.1	3.1	3.4	3.4	3.5
<i>Fee Income / Assets</i>	1.0	1.0	1.0	0.9	0.9
<i>Other Non Core Income / Assets</i>	-	-	-	-	-
<i>Other Income / Assets</i>	1.6	1.4	1.3	1.3	1.2
<i>Net Operating Income / Assets</i>	4.6	4.5	4.8	4.7	4.7
Operating Ratios					
<i>NII to Net Operative Income</i>	66.3	68.5	72.2	73.1	74.5
<i>Other Income to Net Operative Income</i>	33.7	31.5	27.8	26.9	25.5
<i>Empl. Cost/Oper. Exps.</i>	33.5	32.2	32.1	32.7	33.3
<i>Other Op. Exps./Oper. Exps.</i>	66.5	67.8	67.9	67.3	66.7
<i>C/I Ratio</i>	41.7	48.8	46.1	46.2	45.1
<i>Provisions as % PPP</i>	38.3	15.2	4.5	4.5	4.4
<i>Credit Cost (As % of Op. AUM)</i>	2.1	1.1	0.4	0.3	0.3
<i>Effective Tax Rate</i>	25.2	25.1	165.9	25.1	25.1
<i>Employee Exp. / Assets</i>	0.6	0.7	0.7	0.7	0.7
<i>Other Opex/ Assets</i>	1.3	1.5	1.5	1.5	1.4
<i>Total Opex / Assets</i>	1.9	2.2	2.2	2.2	2.1
<i>Operating Profits / Assets</i>	2.7	2.3	2.6	2.5	2.6
<i>Exceptional Items / Assets</i>	-	-	(1.0)	-	-
<i>Op Profit ex Except Items / Assets</i>	2.7	2.3	1.6	2.5	2.6
<i>Provisions / Assets</i>	1.8	0.7	0.2	0.2	0.2
<i>Profit Before Tax / Assets</i>	0.9	1.6	1.4	2.3	2.4
<i>Tax Expenses / Assets</i>	0.2	0.4	0.6	0.6	0.6
<i>RoA</i>	0.7	1.2	0.8	1.7	1.8
<i>Leverage (x)</i>	9.8	10.2	10.5	10.1	9.8
<i>RoE</i>	7.1	12.0	8.0	17.9	17.5
<i>Adj. RoA</i>	0.7	1.2	(1.2)	1.7	1.8
<i>Adj. RoE</i>	7.1	12.0	(12.8)	17.9	17.5

Source: Company, LKP Research

Exhibit 9: Balance Sheet Ratios

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
<i>Credit / Deposit Ratio</i>	88.2	86.1	89.3	92.3	95.4
<i>Incremental C/D Ratio</i>	77.8	73.4	109.9	114.0	115.5
<i>Investment Deposit Ratio</i>	32.0	33.5	30.5	28.0	25.5
<i>Dom. SLR Investment / Deposits</i>	25.6	26.7	24.3	22.3	20.3
<i>CASA Ratio</i>	45.1	45.1	47.3	47.3	47.3

Source: Company, LKP Research

Exhibit 10: Credit Quality

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
<i>Slippage Ratio</i>	3.0	3.2	2.1	2.0	2.0
Gross NPA (Cl Bal)	2,53,148	2,18,223	1,86,042	1,85,535	2,06,980
<i>Gross NPAs Ratio (%)</i>	3.7	2.8	2.0	1.9	1.7
<i>PCR (%)</i>	72.4	74.7	80.9	78.5	77.3
Net NPA (Cl. Bal.)	69,935	55,122	35,589	39,851	47,028
<i>Net NPAs Ratio (%)</i>	1.1	0.7	1.7	0.4	0.4
Total Impaired Loans	2,53,148	2,18,223	1,86,042	1,85,535	2,06,980
<i>Impaired Loan as % of Loan / AUM</i>	3.8	2.9	2.1	1.8	1.7
Total Risk Reserves	1,83,246	1,63,102	1,50,453	1,45,684	1,59,952
Total Risk As % of Loan Book	2.8	2.2	1.7	1.4	1.3

Source: Company, LKP Research

Exhibit 11: Key Assumptions & Forecasts

Y/E Mar	FY21	FY22	FY23	FY24E	FY25E
Loan & Advances	62,37,202	70,76,960	84,53,028	99,74,574	1,18,69,742
<i>Growth (yoy %)</i>		13.5	19.4	18.0	19.0
Interest Bearing Liabilities	85,01,792	1,00,68,548	1,13,32,453	1,29,30,373	1,48,94,327
<i>Growth (yoy %)</i>		18.4	12.6	14.1	15.2
Yield on Funds	7.3	6.7	7.3	7.4	7.4
Cost of Funds (CoF)	4.2	3.7	3.9	4.1	4.1
Interest Spread	3.1	3.0	3.3	3.3	3.3
NIM's	3.4	3.3	3.7	3.6	3.7
Other Income Growth	(4.5)	2.6	8.4	8.4	8.4
C/I Ratio	41.7	48.8	46.1	46.2	45.1
Effective Tax Rate	25.2	25.1	165.9	25.1	25.1
Return Ratios					
Adj. RoA	0.7	1.2	(1.2)	1.7	1.8
Adj. RoE	7.1	12.0	(12.8)	17.9	17.5
Asset Quality Metrics					
<i>Credit Cost (As % of Op. AUM)</i>	2.1	1.1	0.4	0.3	0.3
<i>Gross NPAs Ratio (%)</i>	3.7	2.8	2.0	1.9	1.7
<i>Net NPAs Ratio (%)</i>	1.1	0.7	1.7	0.4	0.4

Source: Company, LKP Research

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