

21 January 2026

India | Equity Research | Results update

AU Small Finance Bank

Financials

Credit cost downward trajectory continues; shifting focus towards growth

AUSFB reported strong PAT growth of 19% QoQ during Q3FY26, benefitting from NIM expansion and sustained improvement in asset quality, especially in MFI and credit card. As a result, RoA crossed 1.5% after three quarters and management sounded upbeat about sustaining the improving trajectory in profitability in the near term. NIM expanded for second consecutive quarter at 5.7%, driven by 22bps QoQ reduction in cost of funds. Incremental stressed asset formation had moderated in Q2FY26 with the gross slippage ratio dipping to <3% (compared with average 3.2% during past four quarters); this improvement sustained in Q3FY26 as the slippage ratio further moderated to <2.5%. Similarly, credit cost fell to 0.8% in Q3FY26 from the peak of 2.3% in Q4FY25.

Credit growth remained strong at 19% YoY (but still lower than pre-merger run-rate of >20%) with broad-based growth; management sounded confident about further accelerating growth in coming quarters. While universal bank conversion would expand customer segment and markets, AUSFB highlighted that its focus area would continue to be high-yielding mortgage and wheels. It is now focusing on expanding distribution to pan-India with a special focus on Southern states like Andhra Pradesh, Karnataka, Tamil Nadu, Telangana, and Uttar Pradesh / West Bengal. We model >30% PAT CAGR over FY26-28E, RoA at 1.8% and 18% RoE by FY28E. However, we believe that most positives are already factored in at CMP as the stock is trading at 3.2x FY27E PBV. Hence, we downgrade to **HOLD** (from *Buy*) with a revised TP of INR 1,010 (from INR 925), as we roll over to Mar'27E and assign a 3.25x P/BV.

Credit cost <1% led by moderation in unsecured credit cost

Net credit cost moderated to INR 3.3bn, down 31% QoQ and came in at 78bps, which was lower by 41bps QoQ. Overall, for 9MFY26, annualised credit cost stood at 1.1% of average assets (vs. management guidance of 1% for FY26). This implies credit cost in Q4 is likely to remain lower than 9M annualised credit cost, which is likely to be aided by stabilising unsecured book and better recoveries in secured segments. In terms of segment-wise non-annualised credit cost, inclusive banking credit cost saw a steep decline to 33bps vs. 189bps/206bps in Q2FY26/Q1FY26 and digital unsecured credit cost moderated to 141bps vs. 242bps/468bps in Q2FY26/Q1FY26 respectively.

Financial Summary

Y/E March	FY25A	FY26E	FY27E	FY28E
NII (INR bn)	80.1	90.9	114.1	140.5
Op. profit (INR bn)	45.8	52.1	66.8	84.6
Net Profit (INR bn)	21.1	24.4	35.0	45.0
EPS (INR)	28.3	32.7	47.0	60.4
EPS % change YoY	4.8	15.8	43.5	28.6
P/E (x)	35.4	30.6	21.3	16.6
P/BV (x)	4.3	3.8	3.2	2.7
GNPA (%)	2.3	2.2	2.1	2.1
RoA (%)	1.5	1.4	1.8	1.8
RoE (%)	13.1	13.3	16.4	17.7

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Market Data

Market Cap (INR)	748bn
Market Cap (USD)	8,225mn
Bloomberg Code	AUBANK IN
Reuters Code	AUFI BO
52-week Range (INR)	1,030 /478
Free Float (%)	75.0
ADTV-3M (mn) (USD)	27.6

Price Performance (%)	3m	6m	12m
Absolute	15.7	26.0	65.2
Relative to Sensex	18.3	25.4	58.6

ESG Score	2024	2025	Change
ESG score	79.5	80.4	0.9
Environment	58.9	65.7	6.8
Social	77.9	76.6	(1.3)
Governance	90.7	90.5	(0.2)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E
PAT	1	11

Previous Reports

04-01-2026: [NBFCs Q3FY26 preview](#)

18-10-2025: [Q2FY26 results review](#)

Q3FY26 financial performance - strong performance led by higher margins and lower credit cost

AUSFB reported PAT of INR 6.68bn, up 19% QoQ and 26% YoY, translating into RoA/RoE of 1.6%/14.3%, respectively. Asset quality saw strong improvement with 41bps sequential decline in credit cost to 0.78%, aided by normalisation in unsecured businesses and seasonal recovery in secured assets. Overall, GNPA fell 11bps QoQ to 2.30%, while NNPA was flat QoQ at 0.88% and PCR stood at 62%.

NII was up 9% QoQ and 16% YoY to INR 23.4bn as margin inched up 25bps QoQ to 5.7% aided by 22bps decline in cost of funds to 6.61% in addition to the benefit from CRR cut and lower surplus liquidity.

Loan growth came in at 5.7% QoQ and 19.3% YoY, while deposit growth came in at 4.5% QoQ and 23.3% YoY. As a result, CD ratio rose to 89% vs. 87% QoQ.

Total opex was at INR 18.5bn, up 12% QoQ and 29% YoY driven by higher business volumes, ongoing investment in manpower, distribution expansion and marketing/promotions spends, in addition to impact of new labour code. Opex includes INR 200mn, on account of the implementation of the New Labour Code.

Slippages fall to 6-quarter low aiding GNPA decline of 11bps QoQ

Asset quality trends sustained improvement with GNPA falling further 11bps QoQ to 2.30% (vs. 2.41% QoQ) and NNPA was steady at 0.88%. PCR stood at 62% and including write-offs, it remained strong at 83%. Slippages declined 13% QoQ to INR 7.9bn (12% QoQ decline in Q2), led by lower slippages across most verticals. Slippage ratio fell below 2.5%, lowest in past six quarters.

In terms of segment-wise GNPA, there was an all-round improvement across segments with unsecured seeing sharp improvement in GNPA on a sequential basis. Inclusive Banking GNPA fell 40bps QoQ to 4.1%, Digital and unsecured GNPA fell 90bps QoQ to 4.8% and lastly Commercial Banking as well as Retail secured assets GNPA also fell 20bps/10bps QoQ to 0.8%/2.6% respectively.

Bulk of the reduction in MFI credit cost happened due to lower slippages, improvement in CE and 100% of new disbursements covered under guarantee schemes which incrementally give high coverage and minimal stress. Management reiterated its FY26 credit cost guidance at $\leq 1\%$ of average total assets, suggesting further improvement in credit cost, particularly from unsecured portfolio in Q4.

Growth acceleration on the cards as unsecured business' asset quality headwinds recede gradually

Advances grew 6% QoQ / 19% YoY, despite 11% YoY decline in inclusive banking and 28% YoY decline in digital unsecured, implying underlying business momentum is strong. AUSFB aspires for loan growth equivalent of 2-2.5x of nominal GDP growth.

With early signs of revival in credit card and MFI (two largest unsecured portfolios), management highlighted that it would now incrementally focus on leveraging its strong distribution network and accelerating credit growth in coming quarters. Q3FY26 credit growth was led by its core secured segments, namely retail secured assets being up 21% YoY and commercial banking being up 26% YoY. Mortgage business growth is expected to be 17-18% in FY27 and ~20% in the long term. Also, management is confident of growing at 25% in wheels business

Unsecured business was down 17% YoY, but has started to turnaround and was up 1% QoQ, aided by growth in MFI portfolio. It is seeing green shoots in MFI business and is hopeful that MFI portfolio growth would be better in FY27. 83% of the current MFI book is covered under CGFMU scheme and AUSFB expects it to take this to 90-95% by Q4, which gives comfort on asset quality going ahead.

Margin inches up 25bps QoQ as cost of funds benefit comes into play

Margin inched up 25bps QoQ to 5.7%, benefitting from 22bps QoQ decline in cost of funds in addition to benefit from CRR cut and lower surplus liquidity (due to strong loan growth). For AUSFB, the tenure of TD with peak rates prior to rate cut cycle used to be 12-18 months, and hence, repricing of deposits is expected to continue for another two quarters.

Yields contracted ~10bps QoQ to 13.8% due to repricing on account of repo rate cut, but it does not expect yields to moderate much going ahead, since ~70% of its book is fixed rated on asset side.

Key risks: 1) Credit cost coming in above guided levels; and 2) loan growth coming in lower than expectations.

Q3FY26 earnings call takeaways

Guidance

- Management expects loan growth of 20-22% (2-2.5x of nominal GDP) going forward
- **For FY26, credit cost should be ~1% of average assets.**

Management update

- **Mr. Uttam Tibrewal, Executive Director and Deputy CEO, upon completion of his current tenure as WTD on 18 Apr'26, will continue in his capacity as Deputy CEO and remain responsible for leading AUSFB's key business verticals including Retail Assets and Liabilities.**
- Mr. Vivek Tripathi, Chief Credit Officer, will be appointed as WTD (Executive Director) with effect from 19 Apr'26, subject to regulatory approvals.
- Inducted three new Non-executive Independent Directors - Mr. N. S. Venkatesh, Mr. Satyajit Dwivedi and Mr. Phani Shankar.

Asset quality

- **Annualised credit cost declined by 41bps QoQ to reach 78bps of average assets for Q3 led by normalisation in unsecured businesses and seasonal recovery in secured assets; 9M annualised credit cost stood at 1.1% of average assets.**
- GNPA fell 11bps QoQ and NNPA was flat QoQ.
- Large reduction in MFI credit cost happened due to lower slippages, improvement in CE and 100% of the new disbursements covered under guarantee schemes which incrementally give high coverage
- Marginal amount of previous provisioning has been utilised as things are normalising in MFI book.

Universal bank

- Transitioning to universal bank is once-in-a-lifetime opportunity.
- Completed 35 quarters of banking journey in Q3FY26.

Margins

- **Margin up 25bps QoQ to 5.7%, benefitting from 22bps QoQ decline in cost of funds led by benefits from CRR cut and lower surplus liquidity due to strong loan growth.**
- Asset yields have come down by 10bps QoQ to 13.8%.
- **Tenure of TD rates with peak TD rate prior to rate cut was 12-18 months. Hence, repricing of deposits is ongoing and it will continue for another 2 quarters.**
- Do not see yields going down; yields holding up in vehicle, gold loan and commercial banking businesses.
- 30% of the book is floating which will have an impact due to repo rate cut of 25bps in Dec'25.

- Dec'25 rate cut impact will be passed on over four months so Q4 will be impacted.

Deposits

- Deposits environment remains competitive. Amidst this environment, AUSFB continues to report strong deposit growth at 1.8x of system growth (23% YoY) and amongst the highest.
- New acquisition of CASA accounts is growing at robust pace; 100k accounts opened in Dec'25 for the first time.

Unsecured business

- **Unsecured business was down 17% YoY, but has started to turnaround and was up 1% QoQ, led by MFI.**
- 83% of MFI book covered under CGFMU guarantee scheme and this coverage is improving MoM.
- Credit cards - 48k cards issued in Q3 vs. 27k in Q2 and AUSFB expects this book to return to growth in FY27.
- **Seeing green shoots in MFI business and is hopeful that MFI growth would be better going forward,**
- **MFI book would be <10% of overall book going ahead.**
- 83% of the MFI book covered under CGFMU guarantee scheme; expect 90-95% of the book covered under guarantee scheme by Mar'26.
- 50% provision has been made at 90+DPD; post that every month 15% is provided so 100% is provided at 180 +DPD.
- Provisioning is 100% on uncovered part of the portfolio.
- Correlation of gold loan and MFI is very low so there is minimal overlap between both the customers.
- Gold loan business was acquired from Fincare and was not AUSFB's own business.

Secured assets

- Retail secured segment would be the main beneficiary.
- Mortgage business growth is expected to be 17-18% in FY27; in the longer run, it would be ~20%.
- Management is confident of ~25% growth in wheels business.

Opex

- **INR 200mn impact due to new labour codes.**
- Opex to stay at similar levels in next 12-18 months; AUSFB is looking to use AI tools to minimise cost and will give more information in Apr'26.
- Hired sales and collection people intensively this year
- No specific guidance on opex but would be less than ~4.3% of opex to assets and <60% of cost to income ratio.

Guarantee schemes

- Fees and premium terms are well defined.
- 100% of new MFI disbursements are covered by government guarantee schemes.

Miscellaneous

- Credit card business will take another one year to settle down.
- PL book will become substantial in overall mix.
- **70% of the book is fixed rate book.**
- Business model to remain same in next 2-3 years.
- Received approval from the Government of India for increase in foreign investment limit in the paid-up capital of the bank from 49% to maximum permissible limit.
- Onboarded Mr. Ranbir Kapoor and Ms. Rashmika Mandanna as brand ambassadors.

Q2FY26 earnings call takeaways

Margins

- NIM uptick was earlier-than-expected, primarily due to decline in cost of funds by 25bps
- Impact of repo rate cut on yields is done
- Assuming no more rate cuts, it would see deposit repricing for couple of quarters
- Generally, it takes 12-15 months for entire deposit repricing, while it is just 4-6 months into the cycle so far
- Moreover, it would see some change in loan mix with resumption of growth in unsecured
- Overall, NIMs should continue to expand in next couple of quarters
- Cost of SA should move below 5% in the ensuing quarters

ECL

- Too early to comment on the impact of ECL discussion paper guidelines
- LGD for wheels portfolio is not more than ~50% for the entire product portfolio, against PCR of ~70%
- LGD have always been lower vs. PCR and hence expect some benefit to flow due to ECL related transition

Asset quality

- ~1.2% annualised credit cost for H1
- Credit cost guidance unchanged at less than 1% for FY26
- Expect continued recovery in unsecured and seasonal recovery in secured
- Rajasthan and MP both have a very different credit culture. There is no significant difference in credit quality currently vs. 12-18 months back in Rajasthan and MP.

Opex and cost to income

- Opex to total assets at 4% for H1FY26
- Opex to assets shall increase in H2, due to expected rise in business momentum
- Despite rise in opex, it would look to keep opex to assets below 4.3% and C/I ratio below 60%
- Increased ESOP programme this year with ESOP award increasing 75% YoY

Universal bank

- AUSFB incorporated as SFB in Apr'17 and expects to start its 11th year as a universal bank
- No plans to go above a level in commercial banking or becoming a wholesale lender
- It is more comfortable in lending towards retail assets, despite becoming Universal Bank
- It has no plans or strategy of making a steep change in loan mix towards large ticket wholesale loans
- It is not looking to make any significant change in ticket size for its products
- Idea is to have loan growth at ~2.5x of nominal GDP growth
- Any expense that AUSFB chooses to incur on migration to universal bank would be discretionary in nature and not mandatory

- Additional expense for universal bank transition would largely be towards marketing expenses

Microfinance

- 5% of GLP, Down 1% QoQ
- **Expect book to grow from this quarter onwards**
- **Most of incremental disbursements are being covered under CGFMU**
- **69% CGFMU coverage at portfolio level**
- **MFI credit cost expected to come down substantially in H2**

Unsecured loans

- **Unsecured de-growth would stop from Q3 onwards**
- 2.4% of total portfolio; credit cards at INR 22bn, down 3% QoQ/31% YoY
- **Expect book to report normalised credit cost by end of FY26**
- **Impact of new sourcing strategy to reflect in new book in 1-2 quarters**

Mortgages

- Endeavour is to increase growth to 20% by increasing penetration
- Credit cost and slippages improved QoQ in mortgage
- **South-based mortgage portfolio has seen improvement in asset quality and is not a concern**
- **On mortgage, majority collateral is towards residential**

Gold loans

- **16% yield, ~3% RoA**
- 2% of book currently and 19% QoQ growth
- No RWA for gold loans
- **Expect to take this portfolio to a sizeable level in the coming years**

Commercial Banking

- Growth in commercial banking book is largely driven by increase in economic activity
- Established good track record with 30% CAGR and stable asset quality
- Significant proportion of this book is self-funded
- Asset quality remains in-line with estimate

Customer profile

- **Commercial banking self-funding is ~40%**
- Most of its asset customers are self-employed
- Most of its retail assets customers are in semi-urban and rural areas; hence it generates yield of ~14%. Thus, self-funding in retail secured assets would be quite low

Non-interest income

- Built insurance partnerships with more than 15 partners
- Entire wealth management is showing good traction
- AD1 license business is also picking up

Exhibit 1: Q3FY26 result review- P&L account

Standalone (INR mn)	Q3FY25	Q2FY26	Q3FY26	QoQ (%)	YoY (%)
Interest Income	41,135	45,113	47,275	4.8	14.9
Interest Expense	20,908	23,669	23,862	0.8	14.1
Net Interest Income (NII)	20,227	21,444	23,413	9.2	15.7
Other Income	6,184	7,126	7,238	1.6	17.0
Total Income	26,411	28,570	30,651	7.3	16.1
Employee Expenses	7,547	9,187	10,190	10.9	35.0
Other Operating Expenses (incl. depreciation)	6,815	7,286	8,307	14.0	21.9
Total Operating Expenses	14,362	16,473	18,498	12.3	28.8
Pre-Provisioning Operating Profit (PPoP)	12,049	12,097	12,153	0.5	0.9
Provisions and write offs	5,017	4,808	3,311	-31.1	-34.0
Exceptional items	0	0	0		
Profit Before Tax	7,032	7,289	8,842	21.3	25.7
Tax Expenses	1,748	1,680	2,165	28.9	23.9
Tax Rate	24.9	23.1	24.5	6.2	-1.5
Profit / (Loss) - Total Operations	5,284	5,609	6,677	19.0	26.3

Source: Company data, I-Sec research

Exhibit 2: Q3FY26 result review – balance sheet

Particulars (INR mn)	Q3FY25	Q2FY26	Q3FY26	QoQ (%)	YoY (%)
Shareholders Funds	1,66,020	1,83,160	1,90,850	4.2	15.0
Borrowings	99,880	1,03,190	1,20,220	16.5	20.4
Deposits	11,22,600	13,25,090	13,84,150	4.5	23.3
Other Liabilities & Provisions	41,950	43,970	45,300	3.0	8.0
Total Sources Of Funds	14,30,450	16,55,410	17,40,520	5.1	21.7
Fixed Assets	9,140	13,220	13,780	4.2	50.8
Investments	3,36,130	3,83,820	3,97,930	3.7	18.4
Cash & Bank	62,310	73,050	65,760	-10.0	5.5
Other Assets (Incl Deferred tax Assets)	27,270	28,280	28,860	2.1	5.8
Loans Outstanding	9,95,590	11,57,050	12,34,200	6.7	24.0
Total Utilisation Of Funds	14,30,450	16,55,410	17,40,520	5.1	21.7

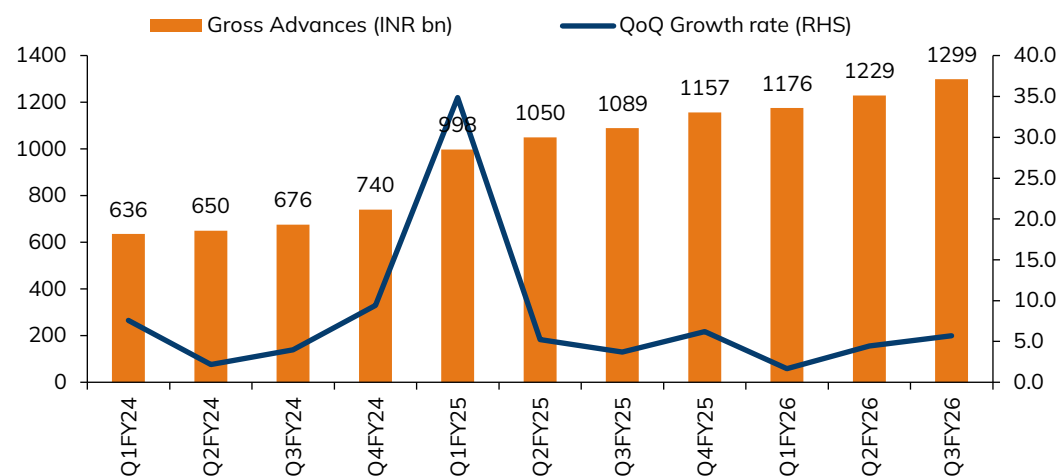
Source: Company data, I-Sec research

Exhibit 3: Q3FY26 result review – key operating metrics

INR mn, unless otherwise mentioned	Q3FY25	Q2FY26	Q3FY26	QoQ (%)	YoY (%)
Loan AUM	10,89,210	12,28,770	12,98,970	5.7	19.3
Retail Secured	7,25,340	8,27,350	8,77,730	6.1	21.0
Commercial Banking	2,21,080	2,54,460	2,77,430	9.0	25.5
Inclusive Banking	74,260	64,580	66,060	2.3	-11.0
Digital Unsecured	39,100	29,070	28,350	-2.5	-27.5
Others & SME	29,420	53,310	49,400	-7.3	67.9
Yields on loans (%)	14.4	13.9	13.8	-10 bps	-60 bps
Cost of funds (%)	7.1	6.8	6.6	-22 bps	-45 bps
NIM on interest earning assets(%)	5.9	5.5	5.7	20 bps	-20 bps
Total deposits (ex CD)	11,22,600	13,25,090	13,84,150	4.5	23.3
-CASA Ratio (%)	31.0	29.4	29.0	-40 bps	-200 bps
Gross NPA - on gross loans (%)	2.3	2.4	2.3	-11 bps	-2 bps
Net NPA - on gross loans (%)	0.9	0.9	0.9	0 bps	-3 bps
Provision coverage ratio (%)	60.6	63.5	61.7	-175 bps	113 bps
Cost to Income (%)	54.4	57.7	60.3	269 bps	597 bps
RoA (%) - annualised	1.5	1.4	1.6	20 bps	12 bps
RoE (%) - annualised	13.0	12.4	14.3	190 bps	130 bps
CRAR (%)	19.9	20.0	19.0	-100 bps	-90 bps
-Tier 1 (%)	18.8	18.1	17.1	-100 bps	-170 bps
-Tier 2 (%)	1.1	1.9	1.9	0 bps	80 bps
Branches (including asset centres)	2,400	2,626	2,726	3.8	13.6
Employees	49,100	57,786	59,872	3.6	21.9

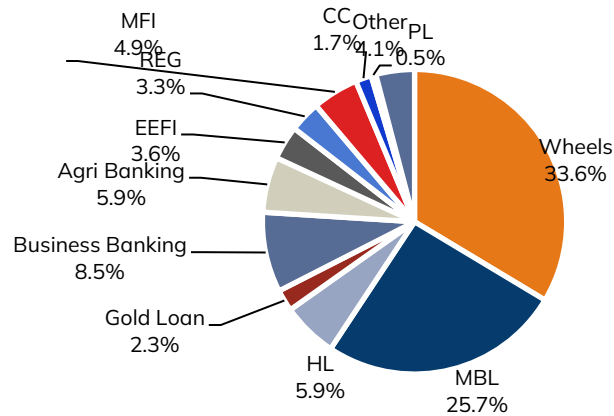
Source: Company data, I-Sec research

Exhibit 4: Growth momentum sustained despite slowdown in unsecured business



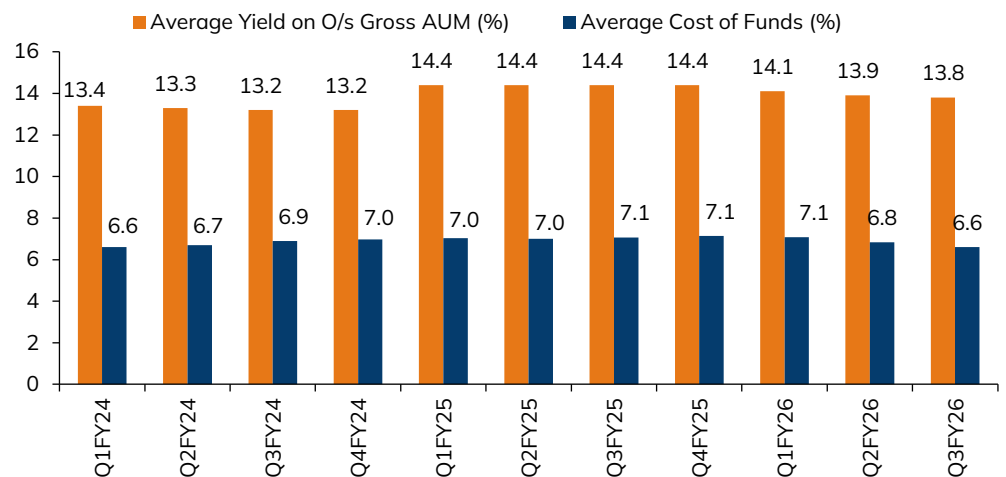
Source: Company data, I-Sec research

Exhibit 5: Mix continues to be dominated by wheels and MBL



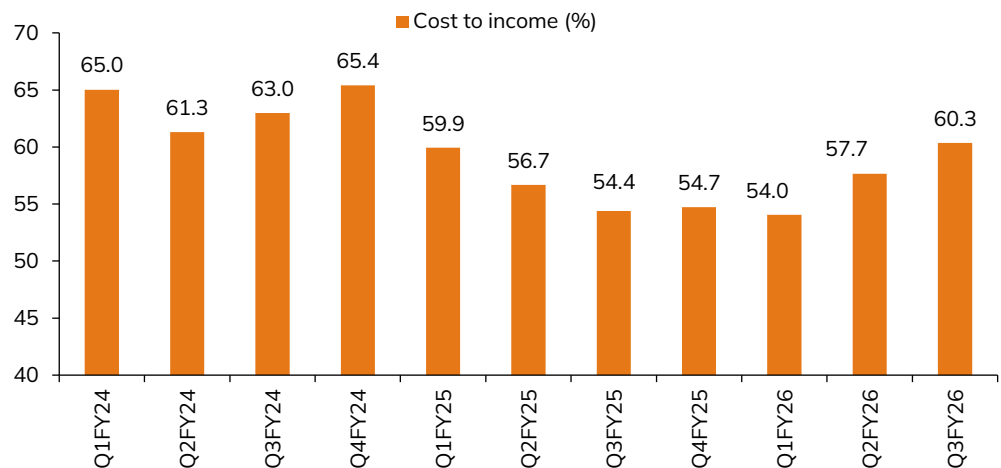
Source: Company data, I-Sec research

Exhibit 6: Asset yield stabilising at current level of 13.8-14%; cost of funds benefit expected in Q4 as well



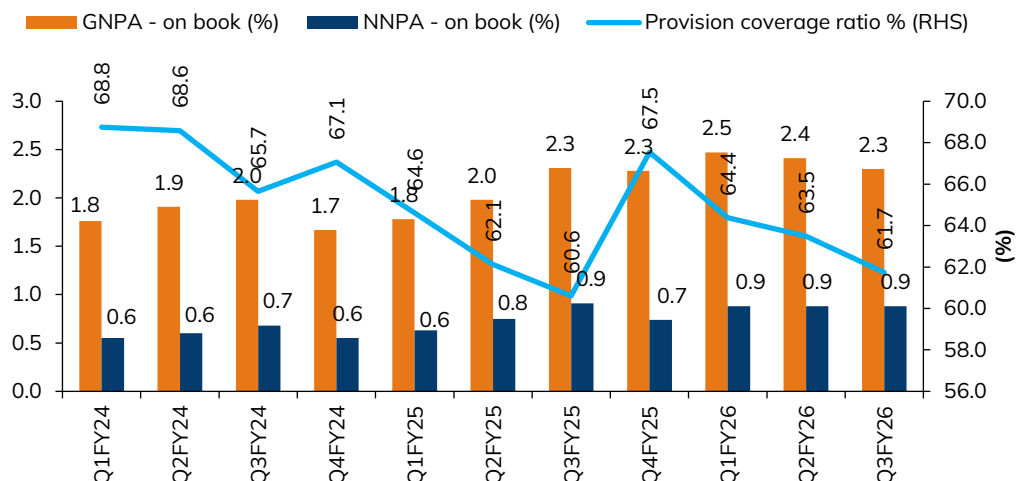
Source: Company data, I-Sec research

Exhibit 7: C/I ratio inched up in Q3FY26, impacted by higher business promotion expenses and new labour code impact



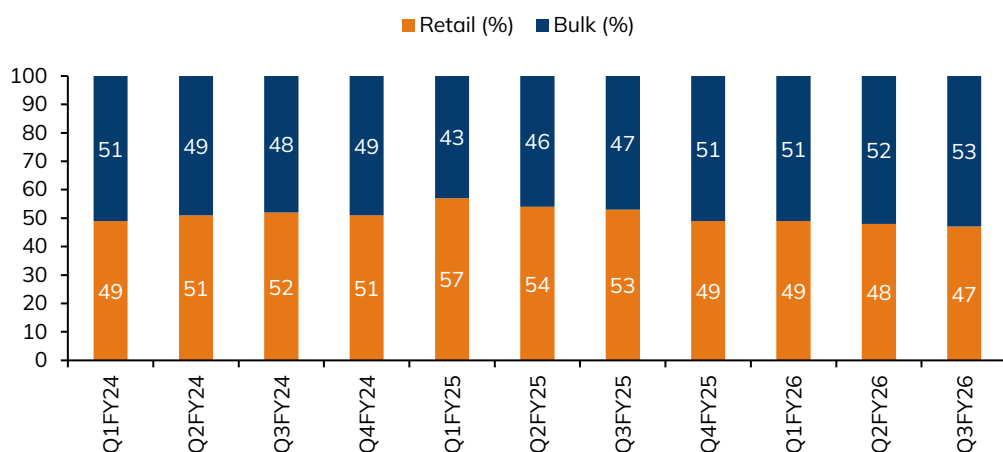
Source: Company data, I-Sec research

Exhibit 8: GNPA improved 11bps QoQ, while NNPA was stable



Source: Company data, I-Sec research

Exhibit 9: Both retail as well as bulk TD share hovering around 50% since the past few quarters



Source: Company data, I-Sec research

Exhibit 10: Shareholding pattern (%)

%	Jun'25	Sep'25	Dec'25
Promoters	22.9	22.8	22.8
Institutional investors	66.6	66.4	67.7
MFs and other	20.6	23.0	22.6
Banks/ FIs	0.2	0.5	0.5
Insurance Cos.	5.8	6.3	6.8
FIs	40.0	36.6	37.8
Others	10.5	10.8	9.5

Source: Bloomberg, I-Sec research

Exhibit 11: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 12: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Interest income	160,637	182,014	226,069	278,645
Interest expense	(80,521)	(91,160)	(111,925)	(138,147)
Net interest income	80,116	90,854	114,144	140,498
Non interest income	25,263	30,488	35,145	42,716
Operating income	105,379	121,342	149,289	183,214
Operating expense	(59,572)	(69,275)	(82,525)	(98,591)
- Staff expense	(31,478)	(35,306)	(41,384)	(48,491)
Pre-provisions profit	45,807	52,067	66,764	84,623
Core operating profit	45,807	52,067	66,764	84,623
Provisions & Contingencies	(17,926)	(19,792)	(20,439)	(25,046)
Pre-tax profit	27,881	32,275	46,325	59,577
Tax (current + deferred)	(6,821)	(7,896)	(11,334)	(14,576)
Net Profit	21,059	24,378	34,991	45,001
% Growth	4.8	15.8	43.5	28.6

Source Company data, I-Sec research

Exhibit 13: Balance sheet

(INR mn, year ending March)

	FY25A	FY26E	FY27E	FY28E
Capital	7,445	7,445	7,445	7,445
Reserve & surplus	164,218	188,596	223,587	268,587
Deposits	1,242,690	1,503,655	1,819,422	2,219,695
Borrowings	116,600	41,433	93,827	121,772
Other liabilities	47,510	52,261	52,261	52,261
Total liabilities	1,578,463	1,793,390	2,196,543	2,669,761
Cash and Bank balance	94,660	75,183	90,971	110,985
Investments	378,480	375,914	454,856	554,924
Advances	1,070,920	1,306,522	1,613,370	1,964,696
Fixed assets	9,120	10,488	12,061	13,870
Other assets	25,283	25,284	25,285	25,286
Total assets	1,578,463	1,793,390	2,196,543	2,669,761
% Growth	24.6	13.6	22.5	21.5

Source Company data, I-Sec research

Exhibit 14: Key ratios

(Year ending March)

	FY25A	FY26E	FY27E	FY28E
No. of shares and per share data				
No. of shares (mn)	745	745	745	745
Adjusted EPS (Rs)	28.3	32.7	47.0	60.4
Nominal Book Value per share (Rs)	231	263	310	371
Adjusted BVPS (Rs)	223	255	300	358
Subs Value per share (Rs)	-	-	-	-
Valuation ratio				
PER (x)	35.4	30.6	21.3	16.6
Price/ Nominal Book (x)	4.3	3.8	3.2	2.7
Price/ Adjusted book (x)	-	-	-	-
Dividend Yield (%)	-	-	-	-
Profitability ratio				
Yield on advances (%)	13.9	13.3	13.5	13.6
Yields on Assets	11.6	11.0	11.5	11.6
Cost of deposits (%)	7.3	6.6	6.7	6.8
Cost of funds	6.6	6.3	6.5	6.5
NIMs (%)	5.8	5.5	5.8	5.9
Cost/Income (%)	56.5	57.1	55.3	53.8
Dupont Analysis (as % of Avg Assets)				
Interest Income	11.3	10.8	11.3	11.5
Interest expended	(5.7)	(5.4)	(5.6)	(5.7)
Net Interest Income	5.6	5.4	5.7	5.8
Non-interest income	1.8	1.8	1.8	1.8
Total Income	7.4	7.2	7.5	7.5
Staff costs	(2.2)	(2.1)	(2.1)	(2.0)
Non-staff costs	-	-	-	-
Total Cost	(4.2)	(4.1)	(4.1)	(4.1)
PPoP	3.2	3.1	3.3	3.5
Non-tax Provisions	(1.3)	(1.2)	(1.0)	(1.0)
PBT	2.0	1.9	2.3	2.4
Tax Provisions	(0.5)	(0.5)	(0.6)	(0.6)
ROA (%)	1.5	1.4	1.8	1.8
Leverage (x)	9.2	9.1	9.5	9.7
ROE (%)	13.6	13.2	16.7	17.9
Asset quality ratios				
Gross NPLs (%)	2.3	2.2	2.1	2.1
Net NPLs (%)	0.7	0.7	0.6	0.6
PCR (%)	68.1	70.0	70.0	70.0
Gross Slippages (% of PY loans)	3.7	2.6	2.5	2.4
Total provisions/ Avg loans (%)	1.9	1.7	1.4	1.4
Net NPLs / Networth (%)	4.6	4.4	4.4	4.5
Capitalisation ratios				
Core Equity Capital (%)	-	-	-	-
Tier I cap.adequacy (%)	18.1	18.6	17.9	17.6
Total cap.adequacy (%)	20.1	21.3	20.6	20.3

Source Company data, I-Sec research

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