Kotak Mahindra Bank

24 January 2026

Robust advances growth, stable margins and better asset quality

RESULT UPDATE

Sector: Banks	Rating: BUY
CMP: Rs 424	Target Price: Rs 510

Stock Info

Nifty	25,040
Bloomberg Code	KMB IN
Equity shares	9,941mn
52-wk High/Low	Rs 460/ 372
Face value	Rs 5
M-Cap	Rs 4,201bn/ USD 45.7bn
3-m Avg volume	Rs. 6.3bn

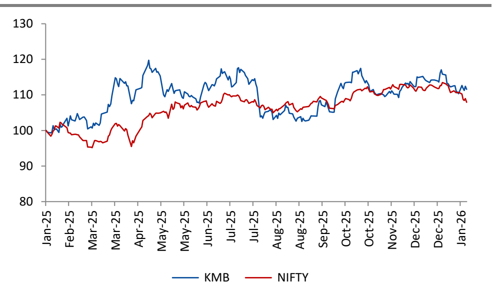
Financial Snapshot (Rs bn)

Y/E March	FY26E	FY27E	FY28E
NII	300	347	403
PPP	220	261	312
PAT	137	171	205
EPS (Rs)	14	17	21
EPS Gr. (%)	-17	24	20
BV/Sh (Rs)	131	148	168
Adj. BV/Sh (Rs)	130	146	166
Ratios			
NIM (%)	4.6	4.7	4.8
C/I ratio (%)	47.2	46.5	45.4
RoA (%)	1.9	2.1	2.2
RoE (%)	11.1	12.3	13.1
Valuations			
P/E (x)	19.2	15.5	12.9
P/BV (x)	2.0	1.8	1.6
P/ABV (x)	2.0	1.8	1.6

Shareholding pattern (%)

	Jun'25	Sept'25	Dec'25
Promoter	25.9	25.9	25.9
–Pledged	-	-	-
FII	32.3	29.8	29.4
DII	29.6	32.0	32.9
Others	12.2	12.4	11.9

Stock Performance



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Kotak Mahindra Bank reported 3QFY26 PAT of Rs. 34.5bn up by 5.9% QoQ (0.4% above our estimates) and by 4.3% YoY. The sequential improvement was mainly driven by (i) Higher Net Interest Income (NII) (ii) Higher Non-Interest Income (iii) Lower provisions. The Net Interest Margins (NIMs) came in at 4.54% for 3Q, stable QoQ but down by -39bps YoY. The NIMs were supported by lower cost of funds (CoF) (down -16bps QoQ) combined with the benefits of CRR cuts despite the bank absorbing the full impact of 50 bps rate cut in 3Q. The benefit of term deposits (TD) repricing is expected to continue flowing through until the end of 1QFY27 while the yields in 4Q are expected to be further impacted by the 25-bps rate cut in Dec'25. Based on these factors and due to the number of days impact the management expects the NIMs to moderately improve in 4Q. The annualised Gross Slippage ratio stood at 1.3%, down by -7bps QoQ and by -27bps YoY. The credit costs stood at 0.7%, down by -15bps QoQ and by -9bps YoY. The credit costs pertaining to Microfinance and personal loans continued to be on a downward trajectory. The management is hopeful that the credit costs pertaining to credit card and retail CV portfolio will plateau in 4Q. The bank continues to remain cautious in the retail CV portfolio. On the ECL transition the management expects the impact to be limited to 2% of the bank's net worth. The net advances grew by 3.9% QoQ (+16.1% YoY) in 3Q and going forward the management has guided to grow at 1.5x to 2.0x the nominal GDP growth. The deposits grew correspondingly by 2.6% QoQ (+14.6% YoY) led by growth in TD (up 4.4% QoQ) while the CASA deposits grew by 0.2% QoQ. The CASA ratio moderated by -100 bps QoQ to 41.3%. The bank has made provisions amounting to ~Rs. 0.96bn towards the new labour codes. We have revised our target price to Rs. 510 for KMB (Rs. 484 earlier) and maintain a BUY rating on Kotak Mahindra Bank. We have moved our valuation to FY28E and are valuing the standalone bank at 2.1x on its FY28E book value per share of Rs. 168. Further, we assign Rs 159 per share value to its subsidiaries and associates.

Net interest margin remained stable sequentially: KMB reported NIM of 4.54% in Q3FY26, stable QoQ but down by -39bps YoY. The bank deployed the short-term funds it received towards IPO proceedings in lower yielding treasury assets which mathematically dragged down the average NIMs. The NIMs would have come in at 4.58% (+4 bps QoQ) barring this. The bank absorbed the full impact of the 50-bps rate cut which was offset by a decline in CoF (-16 bps QoQ) combined with the benefit of CRR cuts. The benefit of TD repricing continued to flow through, and the management expects the TDs to fully reprice by the end of 1QFY27. Despite the recent declining trend in the CoF, the management noted hardening of yields which leaves little margin for further deposit rate cuts. Further, the yields are expected to be impacted adversely in 4Q by the 25 bps rate cut in Dec'25. However, the bank will have an advantage in 4Q margins due to the 'February kicker' impact where it pays interest on deposits for 28 days but receives interest on advances for 30 days. Considering these factors, the management has guided for the NIMs to marginally improve in 4Q before normalising and stablising 1QFY27 onwards barring any further rate cuts.

Credit cost on a downward trend: KMB in 3QFY26 has reported fresh slippages of Rs. 16.1bn, down by -1.5% QoQ and by -3.1% YoY. The annualised gross slippage ratio during the quarter came in at 1.3%, down by -7bps QoQ and by -27bps YoY. The recoveries and upgrades were higher at ~Rs. 7.8bn, up by 13.1% QoQ and by 2.1%

Investors are advised to refer disclosures made at the end of the research report.

YoY. Hence, the net slippages for the quarter have declined by -12.1% QoQ and -7.6% YoY to Rs. 8.3bn. The net slippage ratio came in at 0.7%, down by -13bps QoQ and -18bps YoY. The management pointed that ~Rs. 2.6bn of fresh slippages during 3Q were upgraded during the quarter. The credit costs pertaining to MFI and Personal Loan segment continued to remain on a downward trajectory during 3Q. The collection efficiency in the tractor finance segment was impacted to an extent by cash flow hiccups but the bank expects it to normalise in 4Q. Further, the management expects the credit costs pertaining to credit cards and retail CV to plateau in 4Q. While the credit costs are expected to continue declining in the near term, the management has guided that on a steady state basis, it could be higher than the pre-covid ~0.40%-0.45% range, once the share of unsecured advances is higher. The GNPA declined by -9bps QoQ and -20bps YoY to 1.3%. while the NNPA was stable sequentially at 0.3% (down -9 bps YoY). On the ECL transition front, the management has estimated the impact to be limited to 2% of the bank's net worth.

Advances and deposits growth momentum remains strong: In Q3FY26, net advances increased by 3.9% QoQ and 16.1% YoY to Rs. 4,807bn. The share of unsecured advances declined to 8.9%, down -30bps QoQ but the unsecured retail advances in absolute terms increased by ~Rs. 5.2bn during 3Q. The sequential growth in advances was driven by HL and business banking loans (+5% QoQ respectively) while the agri finance portfolio grew by 8% QoQ on a smaller base. HL are being used as an "anchor product" to deepen relationships with affluent customers. On the Personal Loan (PL) front, the organic disbursements remained healthy while the book acquired from Standard Chartered continued to run down. Going forward, the bank expects the PL book to grow as the organic disbursements outpace the run-down rate. The tractor portfolio grew by 5% QoQ while the bank continued to remain cautious in the retail CV segment. The management intends to gradually improve the mix of unsecured mix to support yields going forward. On overall advances growth the management has guided to grow at 1.5x-2.0x the nominal GDP growth. The deposits grew by 2.6% QoQ to Rs. 5,426bn driven by growth in TD (+4.4% QoQ). The period end SA deposits grew by 3.3% QoQ while the CA deposits de-grew by -4.4%. The CASA ratio moderated by -100bps QoQ to 41.3%. The bank is aiming to further reduce the MIBOR linked SA book while focusing on mobilization of fixed rated SA deposits in a bid to granularize its deposit franchise.

Improved operating performance: KMB reporting a Pre-provisioning operating profit (PPoP) of ~Rs. 53.8bn (-2.1% below our estimates) driven by higher NII (+3.5% QoQ). The fee income grew by 5.5% QoQ to Rs. 25.5bn while the total non-interest income grew by 9.6% QoQ. The total operating expense was Rs. 50.2bn, up by 8.4% QoQ. The employee expenses increased by 13.5% QoQ to ~Rs. 22.5bn despite the actual overall CTC remaining stable. The bank made provisions amounting to ~Rs. 0.96bn towards the new labour codes along with higher provisions for stock appreciation expenses. Further, the bank saw reversal in the temporary savings in retirement related provisions in 3Q. The other opex grew by 4.7% QoQ driven by higher marketing along with higher commission paid on the tractor finance disbursements due to increased volume. The management expects the cost to assets ratio to start declining and then to maintain it in the range of ~2.5-2.6%.

Valuation and recommendation: We have revised our estimates to factor in better advances growth and other business aspects. Based on our revised estimates we have revised our target price to Rs. 510 (Rs. 484 earlier) and maintain our BUY rating on Kotka Mahindra Bank. We have moved our valuation to FY28E and are valuing the standalone bank at 2.1x on its FY28E book value per share of Rs. 168 for a RoE profile of 11.1%/12.3%/13.1% for FY26E/FY27E/FY28E. Further, we assign Rs 159 per share value to its subsidiaries and associates

Key takeaways from 3QFY26 earnings call:

Margins

- NIM stood at 4.54% in Q3FY26, flat QoQ but declined -39 bps YoY, driven by higher base, competitive deposit pricing and treasury deployment of short-duration IPO-related funds.
- Sequential margin stability suggests peak margin compression is likely behind, aided by moderation in cost of funds and ongoing repricing of high-cost term deposits.
- Short-duration IPO-related surplus liquidity was deployed in low-yield treasuries, mechanically diluting reported NIM in Q3.
- Management guided that yield on advances will face ~25 bps headwind from the December rate cut, partially offset by continued term deposit repricing (9–12 month maturity profile) and Full-quarter benefit of CRR cuts expected in Q4
- Bond yield hardening limits further aggressive deposit repricing; TD repricing benefits expected to flow through till end of Q1FY27.
- Management reiterated focus on pricing discipline and portfolio mix optimisation, with margins expected to sustain around current levels near term.

Operating Expenses

- Payroll costs (60–65% of employee expenses) remained flat, indicating cost escalation is largely non-recurring.
- The bank provided ~Rs. 0.96bn towards new labour codes (~Rs. 1.28bn at group level pre-tax).
- Normalisation of retirement cost savings seen in Q2 and higher share-based payment provisions also weighed on employee expenses.
- Other opex was elevated due to:
    - Higher marketing spends during festive season
    - Increased commissions linked to higher tractor finance disbursements
    - Higher volume-related costs from elevated ‘811’ customer acquisition
- Management expects cost-to-assets ratio to trend down over time, targeting ~2.5–2.6%, as operating leverage kicks in with normalising growth.

Asset Quality & Provisions

- Gross NPA ratio improved to 1.3%, down -9 bps QoQ and -20 bps YoY, supported by benign slippages and healthy recoveries.
- Gross slippages were at 16.0bn, down by -1.5% QoQ and by -3.1% YoY. Slippages included ~Rs. 2.6bn of upgrades within the same quarter.
- Stress was largely observed in rural and CV portfolios, while unsecured retail slippages continued to trend down.
- Specific credit cost stood at 63 bps.

- Credit costs in MFI and personal loans have started moderating and credit card credit costs remained stable
- CV credit costs expected to flatten from Q4FY26
- Management indicated ECL transition impact of ~2% of net worth.
- Asset quality trajectory continues to remain best-in-class among private sector banks, with no visible systemic stress.

Advances

- Advances grew 3.9% QoQ and 16.1% YoY to Rs. 4,806bn, broadly in line with guidance of 1.5–2x nominal GDP growth.
    - Tractor finance: +16% YoY / +5% QoQ; leadership position retained. Collection efficiency dipped marginally due to rural cash flow pressures, expected to improve ahead.
    - Microfinance: De-grew 0.3% QoQ / -30% YoY due to run-down of outplaced disbursements; CGMFU coverage initiated to de-risk portfolio.
    - Agri SME: +8% QoQ / +12% YoY driven by NTB acquisition and higher WC utilisation; focus remains on holistic solutions.
    - Wholesale banking: +17% YoY / +3% QoQ; credit substitute book flat QoQ.
    - Corporate SME: +26% YoY / +7% QoQ; remains a key growth engine though pricing pressure persists in large-ticket long-tenor loans.
    - Housing loans: +18.5% YoY / +4.5% QoQ; positioned as relationship anchor for affluent customers amid price-sensitive market.
    - Personal loans: Organic salaried PLs driving unsecured growth; Standard Chartered-acquired PL book performing better than expected despite faster run-down in Q3.
    - CV segment: Industry growth aided by GST reduction and pre-buying ahead of Jan-26 price hikes; stress persists, prompting tighter underwriting and lower disbursements.

Deposits

- Deposits grew 2.6% QoQ and 14.6% YoY to Rs. 5,426.4bn.
- Average current account balances rose 8% QoQ, while fixed-rate savings balances increased 4% QoQ.
- Reduced reliance on MIBOR-linked savings accounts has aided lowering incremental cost of funds.
- While system-wide CASA pressure persists, franchise strength and brand equity continue to support deposit mobilisation.

Exhibit 1: Quarterly performance

P&L (INR, mn)	Q3 FY26	Q2 FY26	% qoq	Q3 FY25	% yoy
Interest Earned	1,39,033	1,36,494	1.9	1,34,276	3.5
Interest Expended	(63,387)	(63,387)	0.0	(62,313)	1.7
Net Interest Income	**75,646**	**73,107**	**3.5**	**71,963**	**5.1**
Fee income	25,490	24,150	5.5	23,620	7.9
Non-fee Income	2,888	1,742	65.8	2,608	10.7
Other Income	**28,378**	**25,892**	**9.6**	**26,228**	**8.2**
Total Net Income	**1,04,024**	**98,999**	**5.1**	**98,191**	**5.9**
Employee Expense	(22,458)	(19,795)	13.5	(19,525)	15.0
Other operating expense	(27,768)	(26,521)	4.7	(26,856)	3.4
Operating expenses	**(50,226)**	**(46,317)**	**8.4**	**(46,380)**	**8.3**
PPOP	**53,798**	**52,683**	**2.1**	**51,810**	**3.8**
Core PPOP	**50,910**	**50,941**	**(0.1)**	**49,202**	**3.5**
Provisions	(8,096)	(9,474)	(14.5)	(7,941)	1.9
Exceptional Items	-	-	NA	-	NA
PBT	**45,702**	**43,209**	**5.8**	**43,869**	**4.2**
Tax	(11,241)	(10,675)	5.3	(10,821)	3.9
PAT	**34,461**	**32,533**	**5.9**	**33,048**	**4.3**
Key Ratios (%)	**Q3 FY26**	**Q2 FY26**	**chg qoq**	**Q3 FY25**	**chg yoy**
Net interest margin	4.54	4.54	0bps	4.93	-39bps
Cost of SA	2.86	2.89	-3bps	3.92	-106bps
CASA ratio	41.3	42.3	-100bps	42.3	-100bps
Loan to Deposit Ratio	88.6	87.5	108bps	87.4	118bps
Fee Income to Avg. Total Assets	1.4	1.4	3bps	1.5	-8bps
Non-int. income / Total Income	27.3	26.2	113bps	26.7	57bps
Cost to Income	48.3	46.8	150bps	47.2	105bps
Opex to Avg. Total Assets	2.8	2.7	14bps	2.9	-15bps
Annualised Slippage Ratio	1.3	1.4	-7bps	1.6	-27bps
Credit Cost	0.7	0.8	-15bps	0.8	-9bps
Gross NPA	1.3	1.4	-9bps	1.5	-20bps
PCR excl. TWO	76.0	77.0	-100bps	73.0	300bps
Net NPA	0.3	0.3	0bps	0.4	-9bps
RoA	1.9	1.9	4bps	2.1	-20bps
RoE	10.8	10.5	29bps	11.7	-96bps
Capital adequacy ratio	22.6	22.1	58bps	22.8	-16bps
Common Equity Tier 1 ratio	21.5	21.8	-30bps	21.7	-20bps
Capital adequacy ratio*	23.3	23.0	30bps	22.8	51bps
Common Equity Tier 1 ratio*	22.4	22.7	-30bps	22.5	-10bps

*Source: Company, Systematix Research, *Consolidated*

Exhibit 2: Advances and Deposits break-up

Particulars (Rs mn)	Q3 FY26	Q2 FY26	% qoq	Q3 FY25	% yoy
Advances	48,06,730	46,26,880	3.9	41,38,390	16.1
Home Loans & LAP	14,41,560	13,78,930	4.5	12,17,000	18.5
Consumer Bank WC (Secured)	5,03,060	4,78,250	5.2	4,16,870	20.7
PL, BL and Consumer Durables	2,49,280	2,42,720	2.7	2,12,980	17.0
Credit Cards	1,23,220	1,24,440	(1.0)	1,41,170	(12.7)
CV/CE	4,45,170	4,36,760	1.9	4,07,560	9.2
Agriculture Division	2,63,480	2,43,300	8.3	2,75,640	(4.4)
Tractor Finance	1,94,100	1,84,390	5.3	1,70,000	14.2
Retail Micro Finance	57,080	57,250	(0.3)	82,250	(30.6)
Corporate Banking	11,27,870	10,92,400	3.2	9,66,490	16.7
SME	3,96,230	3,71,930	6.5	3,37,380	17.4
Others	1,89,080	1,78,720	5.8	1,06,520	77.5
IBPC & BRDS	-1,83,400	-1,62,210	13.1	-1,95,470	(6.2)
Deposits	54,26,380	52,87,760	2.6	47,34,970	14.6
CA deposits	8,59,340	8,98,870	(4.4)	7,48,990	14.7
SA deposits	13,82,650	13,39,040	3.3	12,55,120	10.2
Term deposits	31,84,390	30,49,850	4.4	27,30,860	16.6

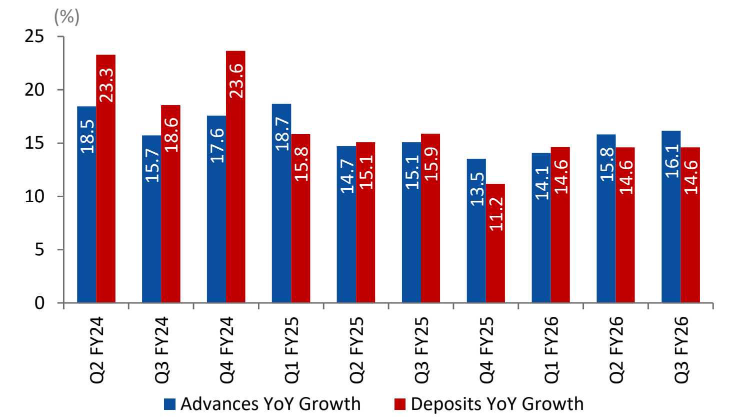
Source: Company, Systematix Research

Exhibit 3: Actuals Vs Expectation

Q3FY26 (Rs. mn)	Actuals	Estimates	Variance
Net Interest Income	75,646	75,163	0.6
Pre-Prov. Operating Profit	53,798	54,944	(2.1)
Profit After Tax	34,461	34,320	0.4

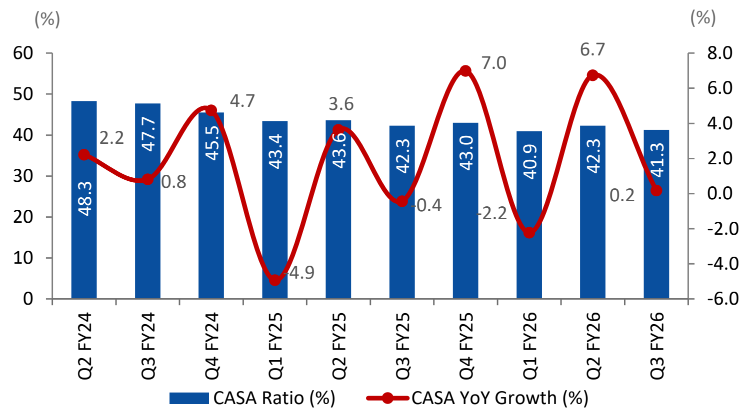
Source: Company, Systematix Research

Exhibit 4: Advances and Deposits YoY Growth (%)



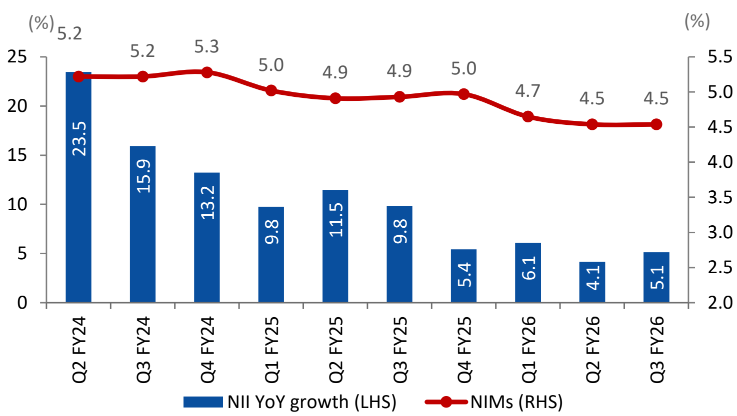
Source: Company, Systematix Research

Exhibit 5: CASA Ratio and CASA YoY Growth (%)



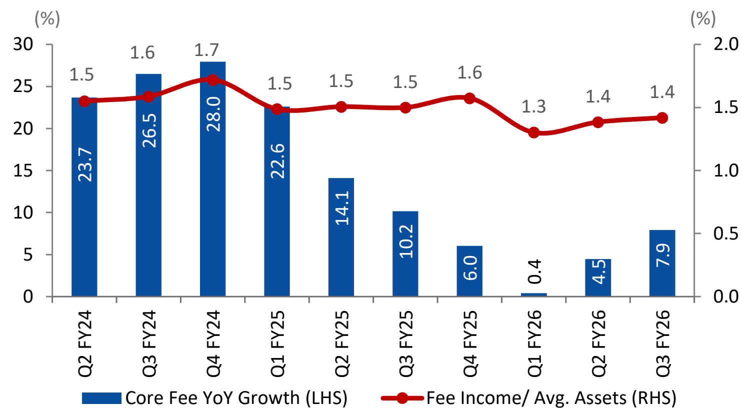
Source: Company, Systematix Research

Exhibit 6: NII YoY Growth and NIM (%)



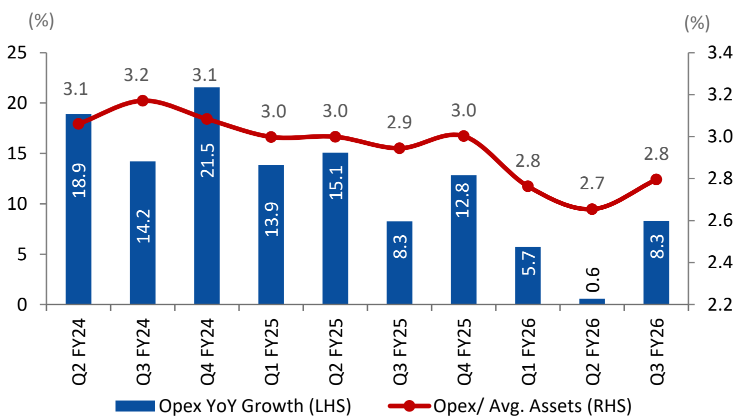
Source: Company, Systematix Research

Exhibit 7: Fee Income YoY Growth and as % of average assets (%)



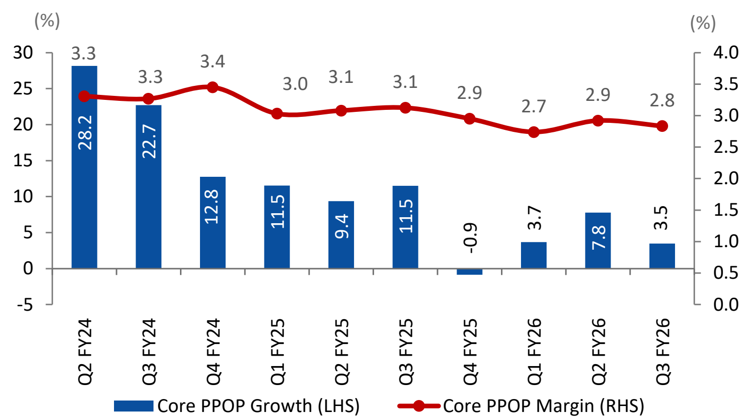
Source: Company, Systematix Research

Exhibit 8: Opex YoY growth and as % of average assets (%)



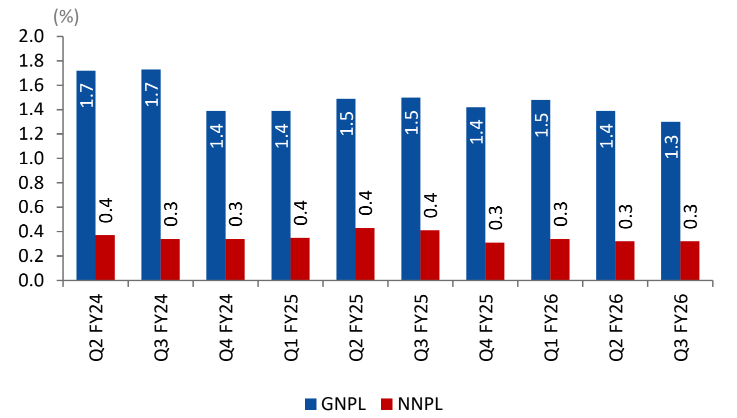
Source: Company, Systematix Research

Exhibit 9: Core PPOP YoY Growth and Margin (%)



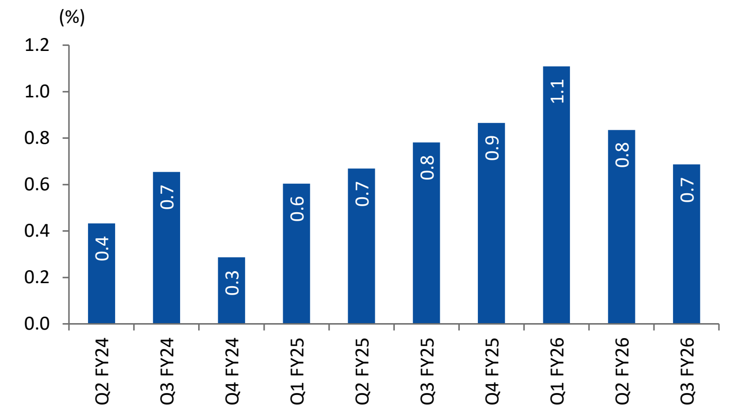
Source: Company, Systematix Research

Exhibit 10: GNPA and NNPA Ratio (%)



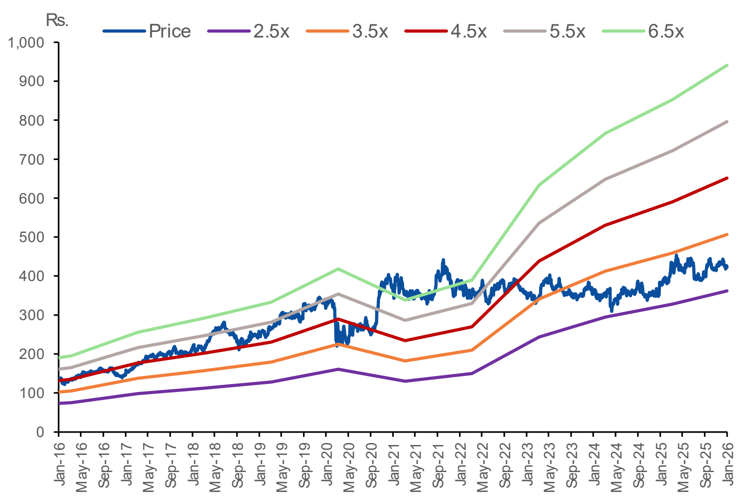
Source: Company, Systematix Research

Exhibit 11: Credit Cost (%)



Source: Company, Systematix Research

Exhibit 12: 1-year forward P/BV (x) trajectory



Source: Company, Systematix Research

Exhibit 13: 1-year forward P/BV (x) near long term average

Source: Company, Systematix Research

Exhibit 14: Revised vs earlier estimates

Particulars (Rs mn)	Revised Estimate			Earlier Estimate			*% Revision*		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Interest Income	2,99,517	3,46,895	4,02,603	2,99,686	3,46,098	4,04,612	(0.1)	0.2	(0.5)
Pre-Prov. Operating Profit	2,20,266	2,60,595	3,11,802	2,19,561	2,57,511	3,05,111	0.3	1.2	2.2
Profit after tax	1,37,256	1,70,502	2,04,832	1,35,982	1,68,510	2,00,303	0.9	1.2	2.3

Source: Company, Systematix Research

Exhibit 15: SOTP

Subsidiary	Value (Rs mn)	Valuation metric	Metric value (Rs mn)	Multiple	Stake (%)	Stake value (Rs mn)	Per share (Rs)
Kotak Life Insurance	5,28,360	EV	1,76,120	3.0	100%	5,28,360	53.1
Kotak Prime	2,60,538	BV	1,30,269	2.0	100%	2,60,538	26.2
Kotak Securities	2,10,492	BV	84,197	2.5	100%	2,10,492	21.2
Kotak Capital	72,200	PAT	3,610	20	100%	72,200	7.3
Kotak AMC	4,82,537	AAUM	48,25,371	10%	100%	4,82,537	48.5
Kotak General	79,430	GWP	20,358	3.9	30%	23,829	2.4
Value of Subsidiaries						**15,77,956**	**159**

Source: Company, Systematix Research

FINANCIALS

Profit & Loss Statement

YE: Mar (Rs bn)	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	458	529	557	629	725
Interest expense	(198)	(246)	(258)	(282)	(323)
Net interest income	**260**	**283**	**300**	**347**	**403**
Fee Income	85	95	102	118	144
Other Income	18	54	16	21	24
Total Non-interest income	103	150	118	140	168
Total income	363	433	417	487	571
Operating expenses	(167)	(188)	(197)	(226)	(259)
PPoP	**196**	**245**	**220**	**261**	**312**
Core PPOP	178	191	204	239	288
Provisions	(16)	(29)	(38)	(35)	(41)
Profit before tax	180	216	182	226	271
Taxes	(42)	(51)	(45)	(55)	(66)
Net profit	**138**	**165**	**137**	**171**	**205**

Source: Company, Systematix Research

Balance Sheet

YE: Mar (Rs bn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	10	10	10	10	10
Reserves & surplus	957	1,162	1,294	1,459	1,659
Net worth	**967**	**1,172**	**1,304**	**1,469**	**1,669**
Deposits	4,490	4,991	5,716	6,545	7,491
Borrowings	284	484	308	349	397
Other liabilities	263	289	250	251	313
Total liabilities	**6,004**	**6,936**	**7,579**	**8,615**	**9,870**
Total cash & equ.	528	658	547	562	608
Investments	1,554	1,819	1,857	2,047	2,288
Advances	3,761	4,269	4,973	5,794	6,750
Fixed assets	22	24	26	29	31
Other assets	139	167	175	184	193
Total assets	**6,004**	**6,936**	**7,579**	**8,615**	**9,870**

Source: Company, Systematix Research

Dupont

YE: Mar (%)	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	8.4	8.2	7.7	7.8	7.8
Interest expense	(3.6)	(3.8)	(3.5)	(3.5)	(3.5)
Net interest income	4.8	4.4	4.1	4.3	4.4
Non-interest income	1.9	2.3	1.6	1.7	1.8
Total income	6.7	6.7	5.8	6.0	6.2
Operating expenses	(3.1)	(2.9)	(2.7)	(2.8)	(2.8)
PPoP	3.6	3.8	3.0	3.2	3.4
Provisions	(0.3)	(0.5)	(0.5)	(0.4)	(0.4)
Profit before tax	3.3	3.3	2.5	2.8	2.9
Taxes	(0.8)	(0.8)	(0.6)	(0.7)	(0.7)
Net profit	2.5	2.5	1.9	2.1	2.2

Source: Company, Systematix Research

Ratios

YE: Mar	FY24	FY25	FY26E	FY27E	FY28E
Growth Trend (%)					
Net interest income	20.6	9.0	5.7	15.8	16.1
Total Income	26.7	19.4	(3.6)	16.6	17.2
PPoP	31.9	25.2	(10.2)	18.3	19.6
Net profit	26.0	19.4	(16.6)	24.2	20.1
Advances	17.6	13.5	16.5	16.5	16.5
Deposits	23.6	11.2	14.5	14.5	14.5
Return Ratios (%)					
Return on Average Equity	15.3	15.4	11.1	12.3	13.1
Return on Average Assets	2.5	2.5	1.9	2.1	2.2
Per share data (Rs)					
EPS	14	17	14	17	21
BVPS	97	118	131	148	168
ABVPS	96	117	130	146	166
Valuation multiples (x)					
P/E	19.1	16.0	19.2	15.5	12.9
P/BV	2.7	2.3	2.0	1.8	1.6
P/ABV	2.8	2.3	2.0	1.8	1.6
Spread Analysis (%)					
Net interest margin	5.3	5.0	4.6	4.7	4.8
Yield on loans	10.2	10.1	9.3	9.3	9.3
Cost of deposits	4.5	4.8	4.4	4.3	4.3
Loan-deposit ratio	83.8	85.5	87.0	88.5	90.1
Opex control (%)					
Cost/Income ratio	46.0	43.4	47.2	46.5	45.4
Cost to average assets	3.1	2.9	2.7	2.8	2.8
Asset quality (%)					
Gross NPL ratio	1.4	1.4	1.3	1.3	1.3
Gross Slippage ratio	1.4	1.6	1.4	1.3	1.3
Total Credit Cost	0.5	0.7	0.8	0.6	0.6
Net NPA ratio	0.3	0.3	0.3	0.3	0.3

Source: Company, Systematix Research

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