

27 April 2025

India | Equity Research | Results update

IDFC FIRST Bank

Banking

Muted quarter but RoA has bottomed out; well placed on growth and rate cycle

IDFC First Bank (IDFCFB) reported muted Q4FY25 PAT of INR 3.04bn with RoA of 0.36%, impacted by elevated provisioning. Funded assets growth remained strong at ~20% YoY (5% QoQ). Deposits growth, too, was strong at 26% YoY (6% QoQ) with CASA growth of ~25% YoY. Reported NIM declined 9bps QoQ to 5.95% due to adverse loan mix, while cost of deposits was stable. MFI slippages, as expected, jumped but overall slippages were stable on improvement in non-MFI slippages (key positive). Net NPA (53bps) and PCR (72%) were broadly stable QoQ. MFI slippages jumped but seem to have peaked out as SMA 0 improved sharply and collection efficiency for Mar'25 increased to >99% along with stable trends in Apr'25. Overall, we believe RoA has bottomed out and expect 1% RoA by exit FY26E. Maintain **BUY**. Key risks: Higher-than-expected slippages and slower-than-expected operating leverage.

MFI stress peaked; ex-MFI asset quality showing stable trends

MFI share also reduced to 4%. Ex-MFI slippages improved to 2.9% vs 3.3% QoQ. SMA 1+2 proportion for retail, rural and MSME loans (ex MFI) was broadly stable at 87bps (vs 82bps QoQ and 85bps in Q2FY25). Product-wise, SMA1+2 ratio improved in MSME and vehicles but moved up 8bps QoQ in consumer loans and 21bps in credit card. While the rise is not worrisome, we would monitor the trajectory closely. We are modelling in net slippages at ~2.0% for FY26E vs 2.4% in FY25 (and 1.4-1.5% in FY23-24) as assets quality ex-MFI has been broadly stable. We see overall credit costs improving to ~1.9/1.8% for FY26/27E vs ~2.5% in FY25. Overall, we see RoA rising from 48bps in FY25 to ~85bps in FY26E and further to ~115bps for FY27E.

Well placed on growth and rate cycle; pro forma CET1 at ~15.9%; maintain BUY

As highlighted in our recent upgrade report ([refer link](#)), we are enthused with proposed large capital infusion (INR 75bn), which would further elongate current strong growth/operating leverage trajectory without any book value dilution. Including the proposed dividend of INR 0.25bps (7bps impact), the pro forma CET1 would stand tall at 15.9%. While near-term NIM could decline due to policy rate actions and deceleration in MFI book, IDFCFB appears well placed to stage a rebound with >60% share of fixed rate loans and high-cost saving deposits. We maintain **BUY** with TP revised to INR 80 (vs INR 75 earlier), valuing the stock at ~1.3x FY27E ABV (~1.2x earlier).

Financial Summary

Y/E March	FY24A	FY25A	FY26E	FY27E
NII (INR bn)	164.5	192.9	222.1	274.6
Op. profit (INR bn)	62.4	74.1	91.7	128.9
Net Profit (INR bn)	29.6	15.2	32.6	53.8
EPS (INR)	4.2	2.1	4.4	7.3
EPS % change YoY	13.6	(50.2)	113.5	65.2
ABV (INR)	44.3	50.7	54.5	60.8
P/BV (x)	1.5	1.3	1.2	1.0
P/ABV (x)	1.5	1.3	1.2	1.1
Return on Assets (%)	1.1	0.5	0.9	1.2
Return on Equity (%)	10.2	4.3	8.2	12.3

Jai Prakash Mundhra

jai.mundhra@icicisecurities.com

+91 22 6807 7572

Hardik Shah

hardik.shah@icicisecurities.com

Market Data

Market Cap (INR)	484bn
Market Cap (USD)	5,665mn
Bloomberg Code	IDFCFB IN
Reuters Code	IDFB BO
52-week Range (INR)	86 /52
Free Float (%)	84.0
ADTV-3M (mn) (USD)	31.0

Price Performance (%)	3m	6m	12m
Absolute	6.1	0.9	(20.8)
Relative to Sensex	2.2	1.1	(27.3)

ESG Score	2023	2024	Change
ESG score	77.6	79.6	2.0
Environment	62.3	67.0	4.7
Social	74.0	75.8	1.8
Governance	86.9	88.5	1.6

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

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E
EPS	(3)	(2)

Previous Reports

19-04-2025: [Company Update](#)04-04-2025: [Quarterly results preview](#)

Loan growth remains strong at ~20% led by LAP, credit card and wholesale while MFI drag continues

Funded assets growth sustained strong trajectory at ~5% QoQ (up 20.4% YoY). Growth was led by retail (up 5% QoQ; 19% YoY), within which, LAP grew 10% QoQ (up 17% YoY). Credit card growth was strong at 9% QoQ and 35% YoY. Consumer loans growth, however, moderated to 12% YoY (1% QoQ). MFI loans remained under pressure and growth declined 28% YoY and 13% QoQ. The share of MFI loans has come down to 4% vs 4.8% QoQ and 6.6% YoY. The bank expects further dip in the share due to calibrated growth.

Corporate loans (up 7% QoQ/33% YoY) and business banking (up 8% QoQ/32% YoY) also supported strong overall growth. The bank maintains its guidance of 20-22% loan growth in the medium term. We also model our growth, broadly in line with management guidance.

Deposit growth healthy; NIM down 9bps to 5.95% on adverse mix

Deposit growth was healthy at ~6% QoQ/26% YoY. CASA growth was strong at ~5% QoQ/up 25% YoY. CASA ratio declined QoQ but remained strong at 46.9%. Loan to deposits ratio has come down to 94% vs 98% YoY with incremental ratio at 76%. With LDR at slightly comfortable range, the ask rate for deposits growth has come down in our view. The bank continues to shed legacy borrowings, which now stands at INR 48bn, of which INR 45bn would be maturing in FY26.

Cost of deposits was flat sequentially at 6.38%. Cost of fund was also stable at 6.51% vs 6.49% QoQ. NIM, however, declined 9bps QoQ to 5.95%, due to adverse mix. Overall NII grew 10% YoY but was flat sequentially.

The bank has ~61% share of the loans as fixed rate. It has also cut savings rate in select buckets; full impact should be visible in Q1FY26. However, adverse loan mix and policy rate change could weigh on NIM in near term. The bank guides for NIM at ~10bps lower than exit FY25. We believe the bank can positively surprise on NIM as it has still significant scope to cut savings rate.

Opex growth contained; confident of improving operating leverage

Fee income growth was soft at 6% YoY. Operating income grew 11% YoY, with some contribution from treasury gains. Branch count has now crossed 1k mark and stood at 1,002 vs 970 QoQ. Staff costs were higher but overall opex growth moderated sharply to 12% YoY (vs 16-30% YoY range earlier) and 2% QoQ. Cost to income was 73.4% vs 73.7%. The bank remains confident of keeping opex growth at 12-13% YoY, a shade lower than revenue growth and thus driving operating leverage. The bank has given further details on FY25 as follows: Staff costs contributed 30%, IT expenses contributed 10%, while channel sourcing and volume-linked expenses contributed 20-22% of overall opex each. Management expects improvement in cost to income led by operating leverage benefits across some verticals, especially in credit cards, which achieved operational breakeven in Q4FY25.

MFI slippages rise but overall slippages stable; net NPA stable QoQ

As expected, MFI slippages increased from INR 4.4bn (16% annualized) in Q3FY25 to INR 5.7bn (or 24% annualised on reducing loan base). Positively, ex-MFI slippages improved QoQ to INR 16bn vs INR 17.6bn QoQ. Slippages rate in ex-MFI book improved to 2.9% vs 3.3% QoQ. Overall net slippages were stable at INR 15bn or 2.6% annualised. Headline GNPA ratio improved to 1.87% vs 1.94% QoQ. Net NPA was stable at 0.53% vs 0.52% QoQ. PCR declined marginally to 72.3%.

MFI stress has peaked; collection efficiency now at >99%

SMA (1+2) loans in MFI segment increased to 5.1% vs 4.56% QoQ as the book de-grew. On absolute basis, it declined marginally from INR 5bn to INR 4.9bn QoQ. Importantly, SMA-0 has witnessed ~45% QoQ decline to INR 1.5bn, suggesting limited fresh stress formation. Collection efficiency has been steadily rising and has reached 99.2% for Mar'25 vs 98.4% in Feb'25 and 97% in Dec'24. Ex-Karnataka collection efficiency stood at 99.4%. The bank mentioned that collection efficiency trends in Apr'25 have been broadly stable. Further, the bank has been taking CGFMU insurance for incremental disbursements from Jan'24. As of Q4FY25, around 66% of MFI book is now insured. The bank continues to carry INR 3.15bn as contingent provisions.

Proposes dividend (7bps impact on CET1); pro forma CET1 at 15.9%

The Board has approved dividend of INR 0.25 per share for FY25. We calculate that proposed dividend (INR 1.8bn) would impact CET1 by just 7bps. Reported CET1 and CAR, which includes the impact of the proposed dividend, stood at 13.17% and 15.48%, respectively.

Post the proposed capital raise, pro forma CET1 would be 15.89% and CAR would be 18.2%. We believe the bank is sufficiently capitalised for the next 2 years, if not higher.

Q4FY25 earnings call takeaways

Asset quality

- Restructured book at 18bps of funded assets.
- Ex-MFI, SMA 1 + 2 proportion was stable at 87bps vs 82bps QoQ. MFI SMA increased due to reduced loan base. In value terms, there is a decline QoQ in MFI SMA. MFI SMA 0 has come down 45% QoQ.
- MFI collection efficiency improved to 99.2% in Mar'25. Ex- Karnataka CE at 99.4%. Apr'25 collection efficiency has broadly held up.
- Credit costs have peaked and should start moderating. It would release the contingent provisions once it sees full normalisation. Current stock at ~INR 3.15bn.
- FY26 reported credit cost was 2.46% and included high credit cost on MFI and toll exposure. Ex-MFI and toll exposure, credit cost was 1.76% for FY25. For FY26, the bank guides for ~1.9% credit cost.
- MFI PCR at 72% on GNPA + SMA book. MFI credit cost for FY25 was 10.5%.
- SMA 1+2 uptick in consumer loans to 1.07% vs 99bps (rise of 7bps) is normal BAU and there is nothing alarming.

Advances

- Advances growth guidance of ~20% YoY remains intact.
- MFI share should further come down from 4% currently to 3-3.5% in FY26 as MFI growth would be lower than overall growth.

NIM and deposits

- CA share at 7-8% of customer deposits and SA is the rest. CA growth was 21-22% YoY.
- 61% of the book is fixed. Of the balance 39%, 30% book is linked to repo rate.
- Bank aspires to bring down its FD rates broadly in line with large banks (there is ~70bps differential currently).
- Blended cost of SA was 5.9% in Q4FY25. It would improve further as full impact of Feb'25 rate cut is yet to come. Bank will look to further reduce its SA rates going ahead.
- Incremental CD ratio at 76% for FY25.
- Term deposits average maturity would be 13-15 months.

LCR and NIM

- LCR at 117% vs 114% QoQ.
- The bank would endeavour to maintain LCR at ~115% levels. It expects adverse impact of 1-2% on LCR as it has the higher proportion of retail deposits.
- Moderation of 9bps QoQ in NIM to 5.95%, due to MFI advances decline in growth.

- The bank expects 2 more rate cuts in this cycle. It would cushion the yields by cutting term deposits rates. It has cut savings rate in Feb'25 in initial bucket and INR 0.5-1mn bucket to 5% (vs 7.25%). It would look to cut savings rate starting with higher bucket (for example INR 1bn).
- NIM guidance for FY26 stands at 5.85%, which is 10bps lower than Q4FY25.
- Bank will aspire to achieve 1% RoA by Q4FY26.

Opex and other income

- Opex growth will moderate to 12-13% vs ~16% in FY25. Every segment will see operating leverage benefit. Credit cards business will be a major contributor.
- Fee growth to be around 14-15% in FY26.
- Bank achieved operational breakeven in credit card business in FY25. By FY28-29, credit card business will start making good profits.
- FY27 cost to income guidance remains unchanged at 65%.

Capital and dividend

- CET 1 stands at 13.17%.
- The bank has announced INR 0.25 dividend per share for FY25.
- Post the proposed capital raise, proforma CET 1 would be 15.89%.

Q3FY25 Conference call highlights

Broad guidance for FY26

- Loan growth: 20%; deposit growth: 22–24%
- Income growth could moderate to 14–14.5% YoY but would also contain opex to 13% YoY
- Credit costs for current year (FY25) may see marginal uptick vs. earlier estimated
- All products, except MFI, are exhibiting stable trends on GNPA and SMA 1+2

Mirco finance

- MFI slippages came in at INR 4.37bn vs. INR 2.94bn
- MFI provisioning is conservative. It provides 75% on 90dpd and 100% by 120dpd.
- SMA 1+2 for MFI stood at 4.56% vs. 2.54% QoQ.
- Bank has consciously slowed down disbursements in MFI and incremental disbursements have CGFMU cover
- CGFMU claims will likely start from FY27; the bank can potentially recoup up to 70% of the losses
- No other products are sold to MFI customers
- Contingent provisions for MFI SMA1+2 loans remain intact. PCR on MFI GNPA+SMA1+2 is strong at 70%
- Collection efficiency in MFI has been rising and has reached 98.6% for the month of Dec'24 vs. 94.1% in Oct'24. As of now, the bank estimates that MFI stress should be peaking in Q4FY25 and should improve thereafter
- IDFCB would follow tighter guardrails in-line with industry standards. The bank has been following its own updated customer scorecard which gives them comfort
- The bank is closely monitoring the recent development in Karnataka. It could be too early to comment on the implications. MFI exposure in Karnataka is ~9%
- MFI growth shall be subdued in the near term. In the next 1–2 years, MFI book's share would reduce to ~4% (vs. 4.8% of funded assets, as of Q3FY25). Most of that would be insured.

Asset quality

- Restructured book reduced to 0.2% of funded assets. ~80% PCR on this book
- Bank has not utilised any contingent provisions
- 2.3% credit cost for the quarter. Ex-MFI, credit cost was 1.8% (stable QoQ)
- Except MFI, there are 25 products. All of them are behaving well
- PL and CC, both are behaving well. Credit card credit cost is marginally lower than last quarter and the declining trend should continue

Deposits

- 30%/32% YoY growth in retail deposits/CASA balances
- LCR is at 114%
- INR 10bn worth high-cost borrowings repaid

- Customers of assets products such as consumer loans do not contribute meaningfully to liabilities

NIM, other income and opex

- Opex grew by 8% QoQ. Heightened activity due to festive season led to its spike
- The bank expects opex growth to moderate from its current 18% YoY to 13% level through multiple initiatives and transformation projects
- Operating leverage is playing out in a lot of businesses and opex growth should be lower than business growth
- Retail liabilities business is showing improving trends on profitability. The losses for 9MFY25 were 1.3% annualised of avg. retail deposits (calculated as fee income generated minus the interest expended). This number was 1.7% in FY24
- Cost to income for 9M in retail liabilities stood at 178%
- For cards, cost to income has reached 100% in 9MFY25). Cards business is near breakeven
- For FY26, the bank expects loan growth to be 20% YoY and deposits growth at 23–24% YoY. However, soft MFI growth would result in overall income growth of 14–14.5% YoY
- Has done a lot of front-loading of investments
- Branch addition of 75–100 annually, going ahead
- H2FY26 onwards, the bank should see an upward trajectory in profitability

Exhibit 1: Q4FY25 result review

	Q4FY24	Q4FY25	YoY (%)	Q3FY25	QoQ (%)
Financial Highlights (INR mn)					
Interest Earned	82,192	94,129	14.5	93,430	0.7
Interest Expended	37,503	45,058	20.1	44,410	1.5
Net Interest Income	44,689	49,072	9.8	49,021	0.1
Other Income	16,420	18,954	15.4	17,799	6.5
Total Income	98,612	1,13,084	14.7	1,11,229	1.7
Total Net Income	61,109	68,026	11.3	66,819	1.8
Staff Expenses	13,280	15,282	15.1	14,203	7.6
Other operating expenses	31,190	34,628	11.0	35,026	(1.1)
Operating Profit	16,639	18,116	8.9	17,589	3.0
Provision & Contingencies	7,223	14,505	100.8	13,379	8.4
Provision for tax	2,173	571	(73.7)	816	(30.1)
Reported Profit	7,243	3,041	(58.0)	3,394	(10.4)
Other Highlights (INR bn)					
Loans	1,946	2,331	19.8	2,231	4.5
Deposits	2,006	2,521	25.7	2,369	6.4
Gross NPA	37	44.3	19.2	44.0	0.8
Gross NPA (%)	1.9	1.9	-1 bps	1.9	-7 bps
Net NPA	12	12.3	6.0	11.6	5.8
Net NPA (%)	0.6	0.5	-7 bps	0.5	1 bps
Provision Coverage (%)	68.8	72.3	347 bps	73.6	-133 bps

Source: Company data, I-Sec research

Exhibit 2: Total funded assets mix

(INR mn)	Q4FY24	Q3FY25	Q4FY25	YoY %	QoQ %	Mix (%)
Consumer finance (Personal finance)	11,91,310	13,49,500	14,14,060	19%	5%	58%
Home loan	2,23,250	2,62,950	2,71,910	22%	3%	11%
LAP	2,42,470	2,57,820	2,83,770	17%	10%	12%
Wheels	2,08,270	2,52,090	2,63,030	26%	4%	11%
Consumer Loans	2,64,990	2,93,450	2,96,740	12%	1%	12%
Digital, Gold and others	1,96,870	2,14,010	2,23,440	13%	4%	9%
Credit Card	55,460	69,180	75,170	36%	9%	3%
Rural Finance	2,38,820	2,52,340	2,47,570	4%	-2%	10%
SME & corporate finance (Business finance)	5,51,220	6,83,450	7,37,760	34%	8%	30%
Corporate	3,03,060	3,93,890	4,20,100	39%	7%	17%
CV/CE	62,860	72,660	75,250	20%	4%	3%
Business Banking	74,050	90,490	97,570	32%	8%	4%
Others	1,11,250	1,26,410	1,44,840	30%	15%	6%
Infrastructure	28,300	25,460	23,480	-17%	-8%	1%
Total Funded Assets	20,09,650	23,10,750	24,22,870	21%	5%	100%

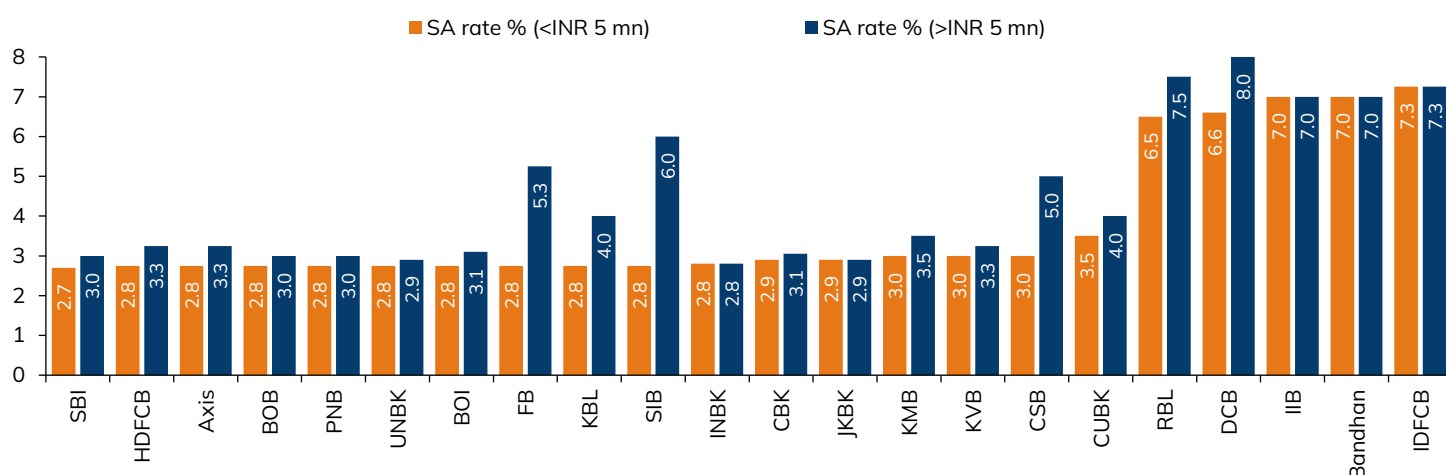
Source: Company data, I-Sec research

Exhibit 3: IDFCB has cut SA rate in one bucket by 225bps recently. We highlight that it has huge scope to rationalise the card rate further

Current SA rate (%)	Jan-25	Feb-25	Mar-25	Apr-25
Upto INR 0.1mn	3.00	3.00	3.00	3.00
INR 0.1mn - INR 0.5mn	3.00	3.00	3.00	3.00
INR 0.5mn - INR 1mn	7.25	5.00	5.00	5.00
INR 1mn - INR 5mn	7.25	7.25	7.25	7.25
INR 5mn - INR 10mn	7.25	7.25	7.25	7.25
INR 10mn - INR100 mn	7.25	7.25	7.25	7.25
INR 100mn - INR500 mn	7.25	7.25	7.25	7.25
INR 500mn - INR 1bn	7.25	7.25	7.25	7.25
INR 1bn - INR 2bn	4.50	4.50	4.50	4.50
Above INR 2bn	3.50	3.50	3.50	3.50

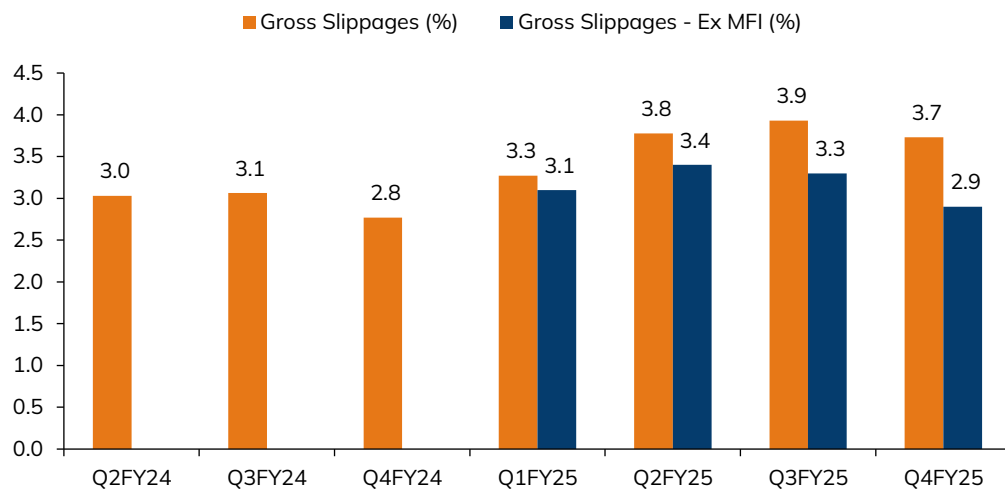
Source: Company data, I-Sec research

Exhibit 4: We reckon mid-private banks such as IDFCB, Bandhan, IIB, RBL etc. have higher scope to cut savings rate while still maintaining superior offerings



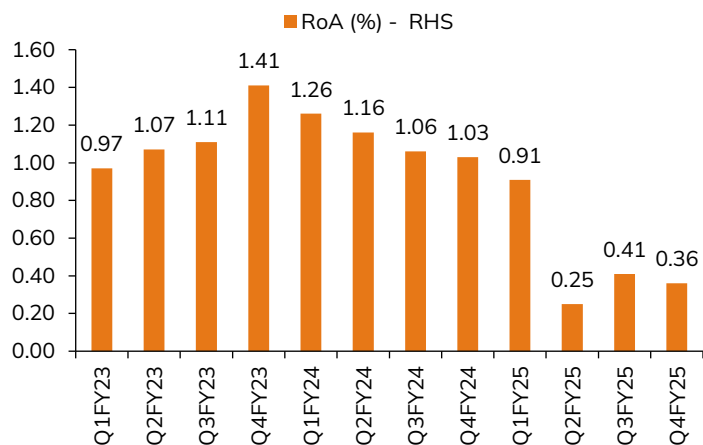
Source: I-Sec research, Company data

Exhibit 5: Gross slippages (ex-MFI) have been broadly stable while MFI share has been declining.



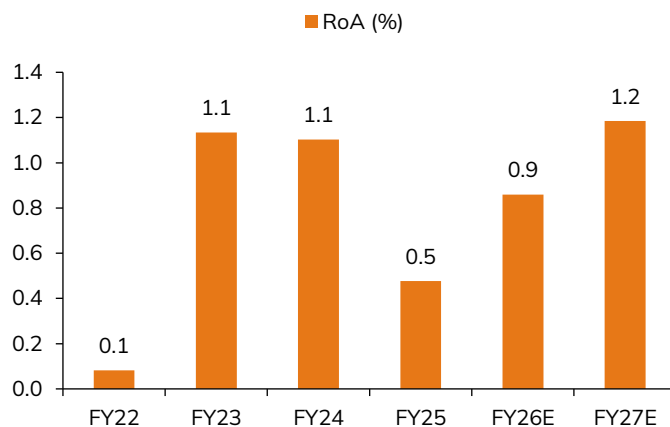
Source: I-Sec research, Company data

Exhibit 6: RoA has declined sharply from >1% to 0.3-0.4% due to adverse condition in MFI loans

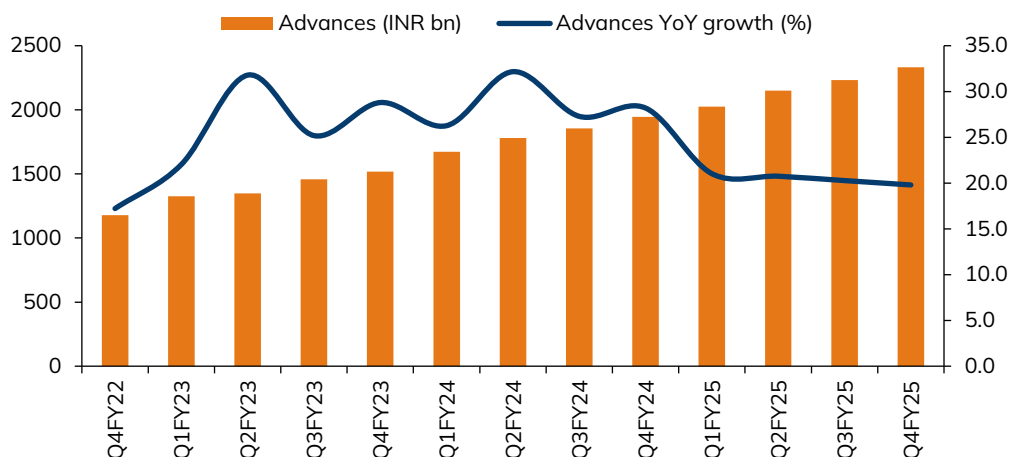


Source: Company data, I-Sec research

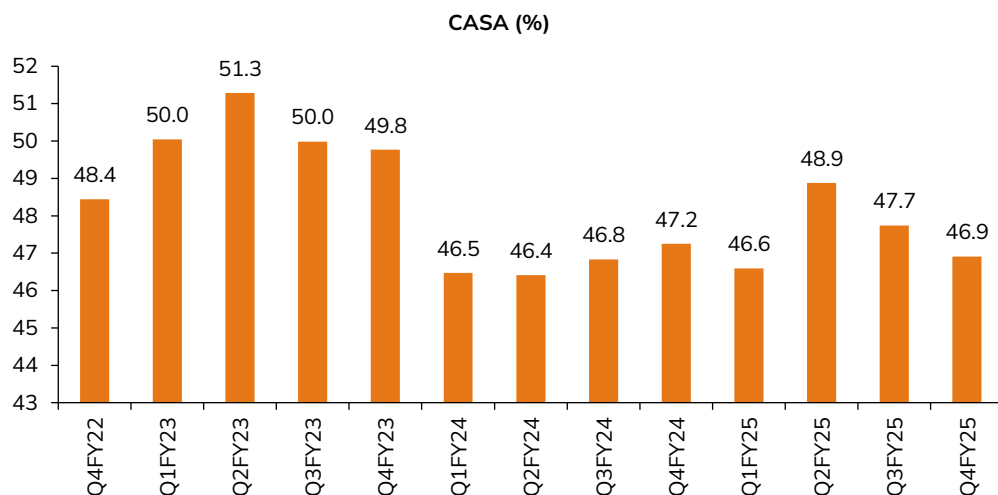
Exhibit 7: RoA have bottomed-out in FY25 and should inch-up towards ~1% by exit Q4FY26 and >1% for FY27E



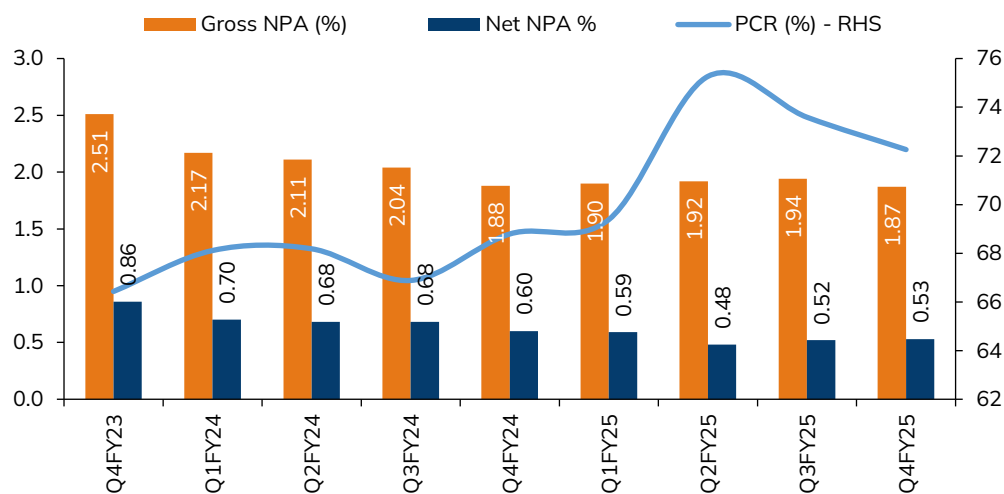
Source: Company data, I-Sec research

Exhibit 8: Advances growing at steady pace

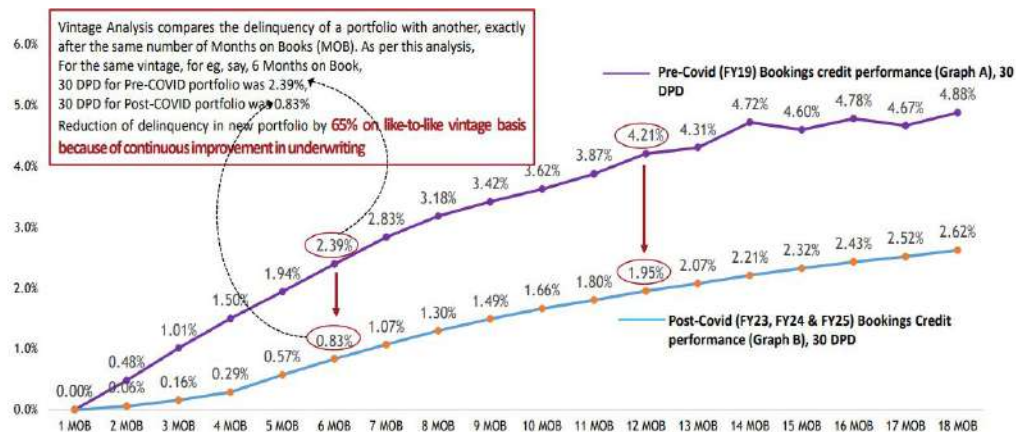
Source: Company data, I-Sec research

Exhibit 9: CASA ratio remains strong

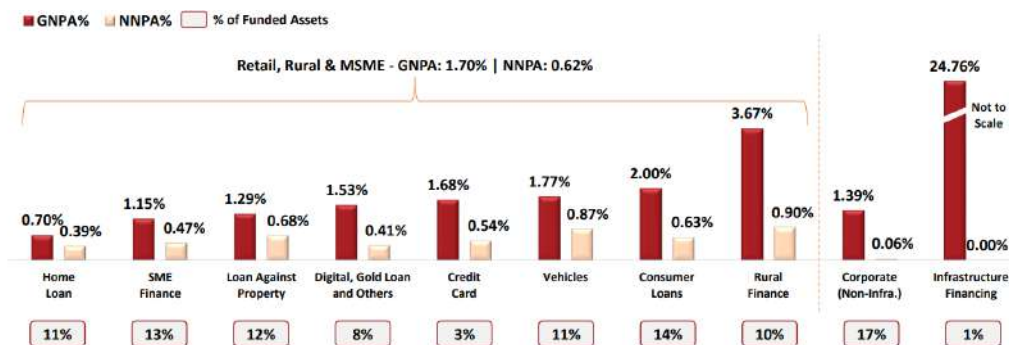
Source: Company data, I-Sec research

Exhibit 10: Gross NPA improves QoQ

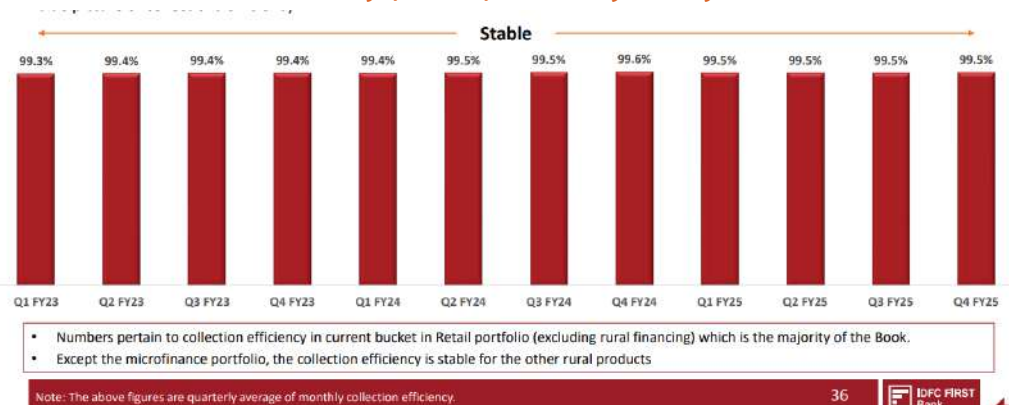
Source: Company data, I-Sec research

Exhibit 11: Vintage analysis – retail, rural and SME book, 30 DPD (excluding JLG)


Source: Company data, I-Sec research

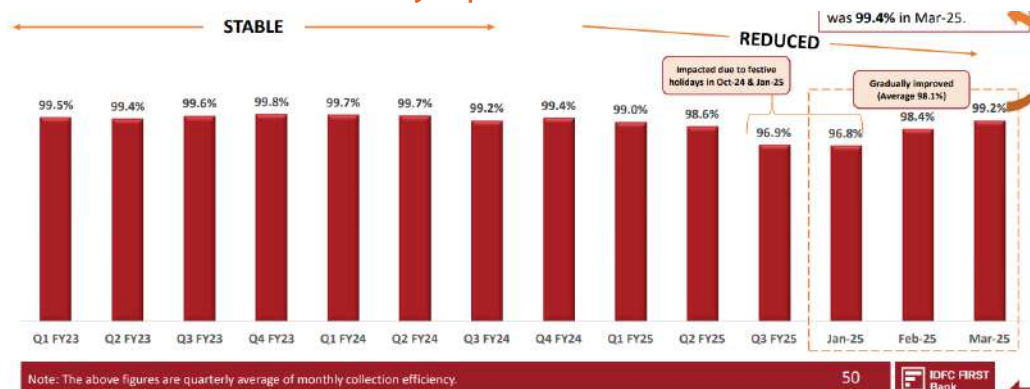
Exhibit 12: Product-wise GNPA and NNPA


Source: Company data, I-Sec research

Exhibit 13: Collection efficiency (ex-MFI) is broadly steady


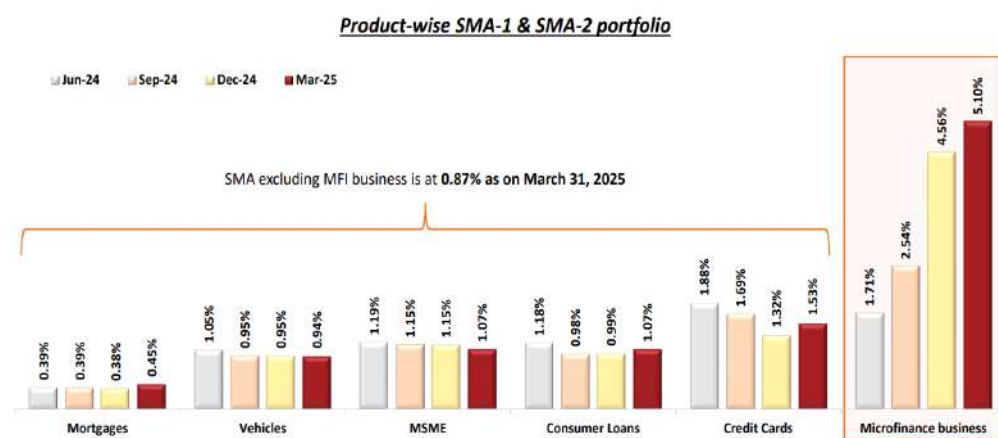
Source: Company data, I-Sec research

Exhibit 14: MFI collection efficiency improved in Mar'25



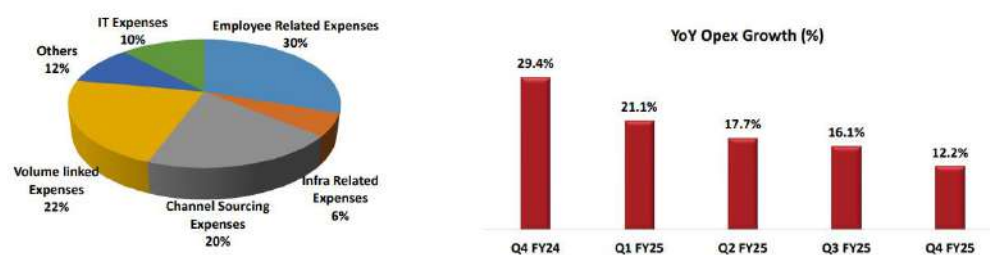
Source: Company data, I-Sec research

Exhibit 15: SMA stable for most products excluding MFI



Source: Company data, I-Sec research

Exhibit 16: Composition of opex



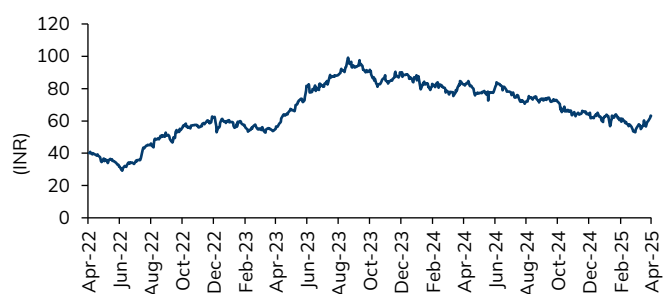
Source: Company data, I-Sec research

Exhibit 17: Shareholding pattern

%	Oct'24	Dec'24	Mar'25
Promoters	0.0	0.0	0.0
Institutional investors	43.5	43.3	45.0
MFs and other	5.0	4.6	7.6
FIs/ Banks	0.6	0.7	0.3
Insurance Cos.	10.6	10.9	11.4
FIIIs	27.3	27.1	25.7
Others	56.5	56.7	55.0

Source: Bloomberg, I-Sec research

Exhibit 18: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 19: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Interest income	3,03,225	3,65,015	4,23,711	5,11,744
Interest expense	1,38,717	1,72,095	2,01,623	2,37,134
Net interest income	1,64,508	1,92,920	2,22,088	2,74,611
Non-interest income	60,020	70,217	82,838	97,757
Operating income	2,24,527	2,63,137	3,04,926	3,72,368
Operating expense	1,62,158	1,88,988	2,13,179	2,43,496
Staff expense	48,925	57,099	63,380	70,985
Operating profit	62,370	74,149	91,746	1,28,873
Core operating profit	60,343	70,649	86,746	1,23,373
Provisions & Contingencies	23,817	55,147	48,901	57,166
Pre-tax profit	38,553	19,001	42,846	71,707
Tax (current + deferred)	8,988	3,753	10,283	17,927
Net Profit	29,565	15,249	32,563	53,780
Adjusted net profit	29,565	15,249	32,563	53,780

Source Company data, I-Sec research

Exhibit 20: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Cash and balance with RBI/Banks	1,24,802	1,50,974	2,26,787	2,72,891
Investments	7,47,104	8,07,155	9,25,602	10,64,489
Advances	19,45,924	23,31,125	28,15,439	34,05,219
Fixed assets	26,194	26,627	30,364	34,570
Other assets	1,17,127	1,22,306	1,40,853	1,62,350
Total assets	29,61,151	34,38,187	41,39,045	49,39,519
Deposits	20,05,763	25,20,653	31,10,667	38,30,763
Borrowings	5,09,356	3,89,748	3,78,363	3,67,564
Other liabilities and provisions	1,24,419	1,47,006	2,38,868	2,79,195
Share capital	70,699	73,221	73,221	73,221
Reserve & surplus	2,50,914	3,07,559	3,37,925	3,88,776
Total equity & liabilities	29,61,151	34,38,187	41,39,045	49,39,519
% Growth	23.4	16.1	20.4	19.3

Source Company data, I-Sec research

Exhibit 21: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
No. of shares and per share data				
No. of shares (mn)	7,070	7,322	7,322	7,322
Adjusted EPS	4.2	2.1	4.4	7.3
Book Value per share	45	52	56	63
Adjusted BVPS	44	51	54	61
Valuation ratio				
PER (x)	15.8	31.7	14.9	9.0
Price/ Book (x)	1.5	1.3	1.2	1.0
Price/ Adjusted book (x)	1.5	1.3	1.2	1.1
Dividend Yield (%)	-	0.4	0.5	0.6
Profitability ratios (%)				
Yield on advances	15.0	14.4	14.0	14.1
Yields on Assets	11.3	11.4	11.2	11.3
Cost of deposits	5.9	6.3	6.1	6.0
Cost of funds	5.2	5.4	5.3	5.2
NIMs	6.5	6.3	6.1	6.3
Cost/Income	72.2	71.8	69.9	65.4
Dupont Analysis (as % of Avg Assets)				
Interest Income	11.3	11.4	11.2	11.3
Interest expended	5.2	5.4	5.3	5.2
Net Interest Income	6.1	6.0	5.9	6.0
Non-interest income	2.2	2.2	2.2	2.2
Trading gains	0.1	0.1	0.1	0.1
Fee income	2.2	2.1	2.1	2.0
Total Income	8.4	8.2	8.0	8.2
Total Cost	6.1	5.9	5.6	5.4
Staff costs	1.8	1.8	1.7	1.6
Non-staff costs	4.2	4.1	4.0	3.8
Operating Profit	2.3	2.3	2.4	2.8
Core Operating Profit	2.3	2.2	2.3	2.7
Non-tax Provisions	0.9	1.7	1.3	1.3
PBT	1.4	0.6	1.1	1.6
Tax Provisions	0.3	0.1	0.3	0.4
Return on Assets (%)	1.1	0.5	0.9	1.2
Leverage (x)	9.3	9.1	9.6	10.4
Return on Equity (%)	10.2	4.3	8.2	12.3
Asset quality ratios (%)				
Gross NPA	1.9	1.9	2.1	2.5
Net NPA	0.6	0.5	0.6	0.6
PCR	68.8	72.3	73.0	75.0
Gross Slippages	3.5	4.1	3.6	3.3
LLP / Avg loans	1.5	2.5	2.0	1.9
Total provisions / Avg loans	1.4	2.6	1.9	1.8
Net NPA / Networth	3.6	3.2	4.0	4.8
Capitalisation ratios (%)				
Core Equity Tier 1	13.3	13.2	12.2	11.6
Tier 1 cap. adequacy	13.4	13.2	12.2	11.6
Total cap. adequacy	16.1	15.5	14.7	14.1

Source Company data, I-Sec research

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: [Mr. Bhavesh Soni](#) Email address: headservicequality@icicidirect.com Contact Number: 18601231122
