

# Kotak Mahindra Bank

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	KMB IN
Equity Shares (m)	9941
M.Cap.(INRb)/(USD\$)	4205 / 45.7
52-Week Range (INR)	460 / 372
1, 6, 12 Rel. Per (%)	2/-2/4
12M Avg Val (INR M)	7863

## Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
NII	283.4	301.9	348.8
OP	245.3	224.7	261.0
NP	164.5	140.4	165.6
Cons. NP	221.3	209.0	248.8
NIM (%)	4.8	4.5	4.5
EPS (INR)	16.5	14.1	16.7
EPS Gr. (%)	19.3	(14.7)	18.0
ABV. (INR)	114	120	135
Cons. BV. (INR)	158	174	199

## Ratios

RoA (%)	2.5	1.9	2.0
RoE (%)	15.4	11.7	12.6
Cons. RoE (%)	14.1	12.1	12.6

## Valuations

P/BV (X) (Cons.)	2.7	2.4	2.1
P/ABV (X) (Adj)	2.3	2.2	1.9
P/E(X) (Adj)	15.6	18.2	15.5

## Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	25.9	25.9	25.9
DII	32.9	32.0	30.4
FII	29.4	29.8	30.8
Others	11.9	12.4	12.9

FII Includes depository receipts

**CMP: INR423**

**TP: INR500 (+18%)**

**Buy**

## In-line earnings; healthy, broad-based growth

### NIMs flat QoQ

- Kotak Mahindra Bank (KMB) posted a standalone 3QFY26 PAT of ~INR34.5b (in line; up 4.3% YoY/5.9% QoQ). Consol PAT stood at INR49.2b (up 5% YoY/10% QoQ).
- NII grew 5.1% YoY/3.5% QoQ to INR75.6b (in line). NIMs stood flat QoQ at 4.54% (4bp impact due to short-term fund deployed in treasuries).
- Advances growth was robust at 16.1% YoY/3.9% QoQ to INR4.81t, aided by broad-based growth in HL, BB, SME and corporate advances. Credit card declined 1% QoQ. Deposits grew by 14.6% YoY/ 2.6% QoQ, while CA book declined by 4% QoQ. Thus, CASA ratio declined by 100bp QoQ to 41.3%.
- Slippages declined marginally by 1.5% QoQ to INR16.1b (INR18.1b in 1QFY26/INR16.3b in 2QFY26). Credit cost has been declining, and the bank expects it to improve in 4QFY26 and 1QFY27. GNPA ratio declined 9bp QoQ to 1.3%, while NNPA declined 1bp QoQ to 0.31%.
- We maintain our earnings estimates and expect RoA/RoE of 2%/12.5% by FY27. Reiterate BUY with a TP of INR500 (2.3x Sep'27E ABV).**

### Slippages largely flat QoQ; NIMs to improve in 4Q and stabilize in 1Q

- KMB reported a standalone PAT of INR34.5b (up 4.3% YoY/5.9% QoQ) as NII and other income stood largely in line with our estimates. The bank reported slightly higher opex (INR955.3m related to new labor code). Consol PAT stood at INR49.2b (up 5% YoY/10% QoQ).
- NII grew 5.1% YoY/3.5% QoQ to INR75.6b (in line). NIMs were stable QoQ at 4.54%, with 4bp impact due to short-term fund deployed in treasuries.
- Other income grew 8.2% YoY/9.6% QoQ (in line), owing to the absence of treasury income in 3QFY26.
- Opex rose 8.3% YoY/8.4% QoQ to INR50.2b (3% above est.; INR955.3m related to new labor code). PPOp grew by 3.8% YoY/2.1% QoQ to INR53.8b (4% miss).
- Loan growth was robust at 16.1% YoY/3.9% QoQ to INR4.8t, driven by healthy growth in HL (5% QoQ), BB (5% QoQ), Corporate (3% QoQ), and SME (7% QoQ). MFI was flat QoQ and CC book fell 1% QoQ.
- Deposits grew by 14.6% YoY/2.6% QoQ. CASA deposits were flat QoQ. As a result, CASA ratio declined to 41.3% (down 1% QoQ). TD witnessed a faster growth at 16.6% YoY/4.4% QoQ.
- Fresh slippages declined marginally to INR16.1b (down 3% YoY/1.5% QoQ) as stress eased in the unsecured segment. GNPA ratio declined 9bp QoQ to 1.3%, and NNPA ratio declined 1bp QoQ to 0.31%. PCR was largely stable at 76%. KMB remains cautious in the Retail CV segment. SMA-2 loans stood at INR2.8b/6bp of loans. CAR/CET-1 ratios stood at 21.5%/22.6%.
- Performance of subsidiaries:** Kotak Prime's net earnings grew 15% YoY/ 1.6% QoQ, while Kotak Life's PAT jumped 231% QoQ to INR1.6b. For Kotak Securities, reported PAT grew 25% QoQ to INR4.3b. Kotak AMC reported a 22% QoQ decline in PAT to INR3.2b.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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### Highlights from the management commentary

- Going forward, a 25bp rate cut will pass through fully in 4Q, while TD repricing will continue in 4Q at a slower pace. A CRR cut will provide a full-quarter benefit in 4Q. Assuming no further rate cuts, the bank expects moderate improvement and stability in NIMs from 1QFY27 onward.
- Yields were impacted by the 50bp rate cut in Jun'25; however, this was largely offset by the CRR reduction and deposit repricing during the quarter.
- KMB witnessed inflows of IPO-related short-term funds, which were temporarily deployed in treasury instruments, resulting in a drag on reported NIMs. On an adjusted basis, excluding this impact, NIMs would have been 4.58%.
- Unsecured lending showed gradual growth, in line with management's stated approach, while the bank remained cautious on the retail CV book.

### Valuation and view: Reiterate BUY with a revised TP of INR500

KMB reported an in-line quarter, with NII and PAT largely meeting expectations. Operating expenses came in higher than anticipated, while provisions were lower than estimates. Slippages declined marginally on a QoQ basis, and PCR remained broadly stable at 76%. NIMs were flat QoQ, affected by a ~4bp drag from the deployment of excess liquidity into treasury instruments. Management expects NIMs to improve going forward, supported by ongoing deposit repricing. The decline in the unsecured portfolio has now been arrested, and the bank has reiterated its guidance for stronger growth in the coming quarters, which should also support margins. Overall loan growth is guided at 1.5-2.0x nominal GDP, driven by stable momentum in retail and unsecured segments. Given the continued growth traction, we believe the bank is well positioned to deliver a healthy ~16% loan CAGR over FY26-28E. **We maintain our earnings estimates and expect RoA/RoE of 2%/12.5% by FY27. Reiterate BUY with a TP of INR500 (2.3x Sep'27E ABV).**

## Quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	V/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			2QE	Our Est
<b>Net Interest Income</b>	<b>68.4</b>	<b>70.2</b>	<b>72.0</b>	<b>72.8</b>	<b>72.6</b>	<b>73.1</b>	<b>76.1</b>	<b>79.5</b>	<b>283.4</b>	<b>301.3</b>	<b>73.1</b>	<b>0%</b>
% Change (Y-o-Y)	9.8	11.5	9.8	5.4	6.1	4.1	5.7	9.2	9.0	6.3	4.2	
Other Income	29.3	26.8	26.2	31.8	30.8	25.9	29.6	34.9	149.6	121.2	30.1	-14%
<b>Total Income</b>	<b>97.7</b>	<b>97.0</b>	<b>98.2</b>	<b>104.7</b>	<b>103.4</b>	<b>99.0</b>	<b>105.6</b>	<b>114.4</b>	<b>433.0</b>	<b>422.5</b>	<b>103.2</b>	<b>-4%</b>
Operating Expenses	45.2	46.0	46.4	49.9	47.8	46.3	49.1	53.3	187.8	196.5	49.9	-7%
<b>Operating Profit</b>	<b>52.5</b>	<b>51.0</b>	<b>51.8</b>	<b>54.7</b>	<b>55.6</b>	<b>52.7</b>	<b>56.5</b>	<b>61.1</b>	<b>245.3</b>	<b>226.0</b>	<b>53.3</b>	<b>-1%</b>
% Change (Y-o-Y)	6.2	10.6	13.5	0.2	5.9	3.3	9.1	11.7	25.2	-7.9	4.5	
Provisions	5.8	6.6	7.9	9.1	12.1	9.5	8.9	9.0	29.4	39.5	9.9	-5%
<b>Profit before Tax</b>	<b>46.8</b>	<b>44.4</b>	<b>43.9</b>	<b>45.6</b>	<b>43.6</b>	<b>43.2</b>	<b>47.6</b>	<b>52.2</b>	<b>215.8</b>	<b>186.5</b>	<b>43.3</b>	<b>0%</b>
Tax	11.6	11.0	10.8	10.1	10.7	10.7	11.7	12.8	51.3	45.9	10.7	0%
<b>Net Profit</b>	<b>35.2</b>	<b>33.4</b>	<b>33.0</b>	<b>35.5</b>	<b>32.8</b>	<b>32.5</b>	<b>35.9</b>	<b>39.4</b>	<b>164.5</b>	<b>140.6</b>	<b>32.7</b>	<b>0%</b>
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.7	8.6	10.9	19.4	-14.5	-2.3	
Exceptional item	27.3				0.0				27.3	0.0		
<b>PAT including exceptionals</b>	<b>62.5</b>	<b>33.4</b>	<b>33.0</b>	<b>35.5</b>	<b>32.8</b>	<b>32.5</b>	<b>35.9</b>	<b>39.4</b>	<b>164.5</b>	<b>140.6</b>	<b>33</b>	
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.7	8.6	10.9	19.4	-14.5	-2.3	
Deposits (INRb)	4,474	4,615	4,735	4,991	5,128	5,288	5,473	5,679	4,991	5,679	5,280	
Loans (INRb)	3,900	3,995	4,138	4,269	4,448	4,627	4,755	4,944	4,269	4,944	4,579	
Deposit growth (%)	15.8	15.1	15.9	11.2	14.6	14.6	15.6	13.8	11.2	13.8	14.4	
Loan growth (%)	18.7	14.7	15.1	13.5	14.1	15.8	14.9	15.8	13.5	15.8	14.6	
<b>Asset Quality</b>												
Gross NPA (%)	1.39	1.49	1.50	1.42	1.48	1.39	1.37	1.35	1.42	1.35	1.43	
Net NPA (%)	0.35	0.43	0.41	0.31	0.34	0.32	0.32	0.29	0.31	0.29	0.34	
PCR (%)	74.9	71.4	73.2	78.1	76.9	77.0	76.7	78.6	78.1	78.6	76.2	

## Quarterly snapshot

Profit and Loss (INRb)	FY25				FY26			Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
<b>Net Interest Income</b>	<b>68.4</b>	<b>70.2</b>	<b>72.0</b>	<b>72.8</b>	<b>72.6</b>	<b>73.1</b>	<b>75.6</b>	<b>5.1</b>	<b>3.5</b>
Other Income	29.3	26.8	26.2	31.8	30.8	25.9	28.4	8.2	9.6
<b>Total Income</b>	<b>97.7</b>	<b>97.0</b>	<b>98.2</b>	<b>104.7</b>	<b>103.4</b>	<b>99.0</b>	<b>104.0</b>	<b>5.9</b>	<b>5.1</b>
<b>Operating Expenses</b>	<b>45.2</b>	<b>46.0</b>	<b>46.4</b>	<b>49.9</b>	<b>47.8</b>	<b>46.3</b>	<b>50.2</b>	<b>8.3</b>	<b>8.4</b>
Employee	18.7	19.5	19.5	21.1	20.7	19.8	22.5	15.0	13.5
Others	26.5	26.5	26.9	28.9	27.1	26.5	27.8	3.4	4.7
<b>Operating Profits</b>	<b>52.5</b>	<b>51.0</b>	<b>51.8</b>	<b>54.7</b>	<b>55.6</b>	<b>52.7</b>	<b>53.8</b>	<b>3.8</b>	<b>2.1</b>
<b>Core PPOp</b>	<b>51.5</b>	<b>50.1</b>	<b>51.5</b>	<b>54.5</b>	<b>53.7</b>	<b>54.0</b>	<b>53.8</b>	<b>4.5</b>	<b>-0.3</b>
Provisions	5.8	6.6	7.9	9.1	12.1	9.5	8.1	1.9	-14.5
<b>PBT</b>	<b>46.8</b>	<b>44.4</b>	<b>43.9</b>	<b>45.6</b>	<b>43.6</b>	<b>43.2</b>	<b>45.7</b>	<b>4.2</b>	<b>5.8</b>
Taxes	11.6	11.0	10.8	10.1	10.7	10.7	11.2	3.9	5.3
<b>PAT</b>	<b>35.2</b>	<b>33.4</b>	<b>33.0</b>	<b>35.5</b>	<b>32.8</b>	<b>32.5</b>	<b>34.5</b>	<b>4.3</b>	<b>5.9</b>
Exceptional item	27.3				0.0				
<b>Total PAT</b>	<b>62.5</b>	<b>33.4</b>	<b>33.0</b>	<b>35.5</b>	<b>32.8</b>	<b>32.5</b>	<b>34.5</b>	<b>4.3</b>	<b>5.9</b>
<b>Balance Sheet (INR b)</b>									
<b>Loans</b>	<b>3,900</b>	<b>3,995</b>	<b>4,138</b>	<b>4,269</b>	<b>4,448</b>	<b>4,627</b>	<b>4,807</b>	<b>16.1</b>	<b>3.9</b>
<b>Deposits</b>	<b>4,474</b>	<b>4,615</b>	<b>4,735</b>	<b>4,991</b>	<b>5,128</b>	<b>5,288</b>	<b>5,426</b>	<b>14.6</b>	<b>2.6</b>
CASA Deposits	1,942	2,013	2,004	2,144	2,096	2,238	2,242	11.9	0.2
-Savings	1,241	1,300	1,255	1,316	1,279	1,339	1,383	10.2	3.3
-Current	701	713	749	829	817	899	859	14.7	-4.4
<b>Loan Mix (%)</b>									
Retail	54.5	53.9	55.3	65.9	55.8	55.6	55.4	8	-21
- HL	27.3	27.2	28.1	28.6	28.7	28.8	28.9	81	10
- PL, BL and CD	5.0	4.9	4.9	5.6	5.3	5.1	5.0	8	-7
Business banking	6.9	7.5	7.8	3.0	7.6	7.8	7.9	16	17
Agri	9.3	12.3	9.3	28.6	9.4	8.9	9.2	-14	24
Corporate	23.1	21.7	22.3	20.9	22.4	22.8	22.6	30	-21
Others	3.6	2.3	3.4	3.6	3.5	3.7	3.8	34	6
<b>Asset Quality (INR b)</b>									
GNPA	54.8	60.3	62.7	61.3	66.4	64.8	63.2	0.9	-2.5
NNPA	13.8	17.2	16.8	13.4	15.3	14.9	15.0	-11.0	0.4
Slippages	13.6	18.8	16.6	14.9	18.1	16.3	16.1	-3.1	-1.5
<b>Asset Quality Ratios (%)</b>									
GNPA	1.4	1.5	1.5	1.4	1.5	1.4	1.3	-20	-9
NNPA	0.4	0.4	0.4	0.3	0.3	0.3	0.3	-10	-1
Slippage	1.5	2.0	1.7	1.5	1.7	1.5	1.4	-28	-8
PCR (Exc TWO)	74.9	71.4	73.2	78.1	76.9	77.0	76.3	314	-67
Credit Cost	0.6	0.7	0.8	0.9	1.2	0.9	0.7	-10	-16
<b>Business Ratios (%)</b>									
CASA	43.4	43.6	42.3	43.0	40.9	42.3	41.3	-100	-100
Loan / Deposit	87.2	86.6	87.4	85.5	86.7	87.5	88.6	118	108
Cost to Income	46.2	47.5	47.2	47.7	46.2	46.8	48.3	105	150
Cost to Assets	3.2	3.2	3.1	3.1	3.0	2.8	2.9	-19	11
Other income/Total Income	30.0	27.7	26.7	30.4	29.8	26.2	27.3	57	113
Tax Rate	24.7	24.7	24.7	22.2	24.7	24.7	24.6	-7	-11
<b>Capitalisation Ratios (%)</b>									
Tier-1 (inc profit)	21.3	21.5	21.7	21.1	21.8	20.9	21.5	-20	60
- CET 1 (inc profit)	21.3	21.5	21.7	21.1	21.8	20.9	21.5	-20	60
CAR (inc profit)	22.4	22.6	22.8	22.2	23.0	22.1	22.6	-20	50
LCR	139.2	135.9	132.3	135.5	138.4	132.2	0.0	-13,230	-13,220
<b>Profitability Ratios (%)</b>									
Yield on loans	10.9	10.8	10.7	10.4	10.2	9.8	9.7	-102	-16
Yield On Investments	7.2	7.3	7.0	6.5	6.7	6.1	6.0	-105	-13
Yield on Funds	10.1	10.1	9.9	9.5	9.4	9.0	8.9	-99	-9
Cost of funds	5.1	5.2	5.1	5.1	5.0	4.7	4.5	-52	-16
Margins	5.0	4.9	4.9	5.0	4.7	4.5	4.5	-39	0
<b>Other Details</b>									
Branches	1,965	2,013	2,068	2,148	2,154	2,198	2,218	150	20
ATM	3,279	3,329	3,337	3,295	2,927	2,758	2,749	-588	-9

Source: Company, MOFSL

## Consolidated earnings snapshot (INR m)

Y/E March	FY25				FY26		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Kotak Bank	35,200	33,440	33,050	35,520	32,820	32,530	34,460
Kotak Prime	2,320	2,690	2,180	2,970	2,720	2,460	2,500
Kotak Securities	4,000	4,440	4,480	3,480	4,650	3,450	4,310
KMCC	810	900	940	960	890	600	980
Kotak Life	1,740	3,600	1,640	730	3,270	490	1,620
AMC & Trustee	1,750	1,970	2,400	3,640	3,260	2,580	3,150
Intl. subs	680	760	470	640	420	480	450
KIL	1,380	1,410	1,070	1,160	1,070	1,200	870
Others	340	650	(80)	240	570	990	650
<b>Kotak Consol.</b>	<b>48,220</b>	<b>49,860</b>	<b>46,150</b>	<b>49,340</b>	<b>49,670</b>	<b>44,780</b>	<b>48,990</b>
Minority/associate adjustments	(3,870)	580	860	(10)	(4,950)	(100)	250
PAT on KGI investment	30,130						
<b>Kotak Cons. Reported PAT</b>	<b>74,480</b>	<b>50,440</b>	<b>47,010</b>	<b>49,330</b>	<b>44,720</b>	<b>44,680</b>	<b>49,240</b>
<b>Contribution of the bank in total profits</b>	<b>47%</b>	<b>66%</b>	<b>70%</b>	<b>72%</b>	<b>73%</b>	<b>32,530</b>	<b>34,460</b>

Source: Company, MOFSL



## Highlights from the management commentary

### Opening remarks

- Within the banking system, overall credit growth remains healthy, although financial market flows are creating pressure on deposit mobilization.
- The bank remains focused on scaling growth responsibly in line with its long-term strategy. Net advances grew by 16% YoY, in line with the targeted 1.5-2x system growth, with consistent ~4% QoQ growth over the last three quarters.
- On the Kotak-IDBI deal, the bank said that it evaluates every transaction available in the marketplace. Its assessment framework focuses on three aspects: whether the transaction adds strategic value, whether the valuation is appropriate, and whether it is value-accretive for the group from a strategic and financial perspective.
- Deposits grew by 15% YoY, with continued emphasis on CASA accretion.
- Asset quality trends have continued to improve, with credit costs trending down, aided by better collection efficiency and tighter underwriting standards.
- Credit costs declined from 93bp to 79bp and further to 63bp over the past three quarters. That said, retail CV remains under close watch.
- KMB continues to focus on four core segments: HNI, Core India, SME, and Institutional.
- Private banking witnessed healthy growth across businesses, with Solitaire, the affluent offering, gaining strong traction within retail assets.
- Within Core India, the 811 Banking platform continued to acquire customers, while the recently launched 811 Super offering is gaining traction among youth.
- The SME segment, regarded as a backbone business, reported 17% YoY growth in the loan book.
- In the Institutional segment, investment banking and AIF businesses delivered a strong quarter.
- On the technology front, the bank made progress in automation and digitization across sales offices, branches, and digital channels.

### Asset quality

- Asset quality improved sequentially, with GNPA declining to 1.30% from 1.39% QoQ and NNPA coming down to 0.21% from 0.20% QoQ.

- Credit cost in 3Q stood at 63bp, down 16bp QoQ, reflecting improvement in the unsecured retail portfolio.
- Credit costs in the Retail CV segment are trending down, with the bank remaining cautious and expecting them to come down by 4QFY26. The unsecured credit cost cycle is largely behind, leading to a reduction in overall credit costs, with a gradual decline expected in 4Q.
- Slippages amounted to INR16b, of which INR2.57b were upgraded within the same quarter, with slippage ratio declining to 1.34% from 1.41% in 2QFY26.

### Advances and deposits

- SME advances, sourced across three separate verticals, grew 17% YoY on a combined basis.
- Unsecured lending showed gradual growth, in line with management's stated approach, while the bank remained cautious on the retail CV book.
- Deposits grew by 15% YoY, reflecting healthy traction in low-cost CASA, with CA and fixed-rate SA growing 15% YoY.
- Average CASA balances also improved, with average CA balances rising 8% QoQ. The bank continued to reduce reliance on MIBOR-linked SA, with the CASA ratio standing at 41.3%.
- The deposit strategy continues to focus on three key levers: consumption, investment and asset-led sourcing.
- The bank is increasingly leveraging demat and trading accounts to build CASA, while liability opportunities from asset relationships are being tapped to acquire NTB customers.
- Average current account balances grew by 14% YoY, driven largely by a focus on the self-employed segment. Kotak Solitaire, launched in 1Q, has seen encouraging traction, with an uplift in affluent customers across both deposits and investments.
- Kotak 811 continued to accelerate customer acquisition, with super SA gaining traction among younger customers. Term deposits grew by 17% YoY and 4% QoQ.
- Average TD maturity period is 9-12 months, and TD repricing is expected to be largely completed by 1QFY26.

### Consumer loans

- Demand remains durable, supported by stable economic activity. The portfolio grew 16% YoY and 4% QoQ, led by the MSME segment, with a continued focus on asset quality.
- Mortgage loans, including home loans and LAP, grew 18% YoY and 5% QoQ. Home loans remain price-sensitive, while relationship-led sourcing in the affluent segment is driving steady traction and improving wallet share through cross-selling of liabilities.
- LAP, serving large MSME customers, continues to witness strong momentum, with the bank maintaining a strong position through ongoing investments.
- Overall mortgage asset quality remains robust.

### Business banking

- Demand for WC loans remained stable, in line with consumption trends. Secured BBG, including micro and SME loans, grew 32% YoY and 5% QoQ, supported by the festive season.



- Growth was steady in unsecured business loans, with continued focus on asset quality, alongside traction in secured and unsecured BBG segments.

### Unsecured lending

- Within unsecured lending, personal loans continue to be driven by organic retail sourcing, with strong disbursements led by the salaried segment and stable credit quality. Rapid expansion of digital channels continues to support growth.
- Credit cards, a key part of the core strategy, saw Kotak Solitaire continue to perform well, with moderating delinquencies during the quarter.
- The bank has completely revamped its credit card proposition, and expects card accretion to improve. The newly launched Kotak Solitaire has performed well and is expected to reflect in numbers in the near term.
- Overall, the unsecured portfolio improved, supported by better flow rates and collections, with the bank increasingly using analytics and machine-learning.

### Commercial banking

- CV portfolio – the industry recorded sales growth of 22% YoY and 21.5% QoQ, with broad-based growth across verticals, supported by GST rate cuts and OEM price hikes, effective from 1st Jan'26. Within this, retail CV segment continued to witness stress; accordingly, the bank has tightened underwriting standards and reduced disbursements. The portfolio built during the last growth quarter is performing well.
- CE segment: Industry sales declined 14% YoY and 10% in 9MFY26, impacted by slower infrastructure activity. Disbursements to small contractors and first-time buyers remained broadly in line with industry trends. Budget remains a key monitorable for growth to revive in this segment.
- Tractor segment saw industry growth of 22% YoY and 19% QoQ, led by GST rate cuts, government subsidy support, and a good monsoon. Agri commodity prices had some impact on cash flows; however, disbursements remained broadly in line with industry trends.
- MFI portfolio has been declining since 2QFY25, though disbursements picked up in recent months. Retail microcredit remained flat QoQ, with portfolio quality under the new underwriting performing well. Disbursements are expected to increase from 4Q onward, and the bank is opting for CGFMU.
- Agri MSME segment grew 8% QoQ, led by a pickup in working capital demand. Asset quality remains good, and the bank continues to focus on new customer acquisition.

### Wholesale banking

- Wholesale banking grew 17% YoY and 3% QoQ, while credit substitutes remained flat QoQ, highlighting granular growth through SME and mid-market segments.
- SME book grew 16% YoY and 7% QoQ and remains a core focus area, supported by ongoing investments in technology.
- Mid-market segment continues to see a substantial proportion of flows from working capital and flow-based lending.
- In larger corporates, pricing challenges persist, particularly in the project finance business.
- Trade finance remains a priority, though overall growth in the trade book stayed muted due to pricing pressures; however, the cross-border trade book at GIFT City recorded good growth.

- Asset quality in this segment remains robust.

### NIMs

- Yields were impacted by the 50bp rate cut in Jun'25; however, this was largely offset by the CRR reduction and deposit repricing during the quarter.
- The bank witnessed inflows of IPO-related short-term funds, which were temporarily deployed in treasury instruments, resulting in a drag on reported NIMs. On an adjusted basis, excluding this impact, NIMs would have been 4.58%.
- Unsecured loan growth remains gradual and broadly in line with expectations, while NIMs remain healthy at 4.54%, steady QoQ, supported by a low cost of funds.
- Going forward, a 25bp rate cut will have an impact on NIMs, while TD repricing will continue in 4Q at a slower pace. CRR cut will provide a full-quarter benefit in 4Q. Assuming no further rate cuts, the bank expects moderate improvement and stability in NIMs from 1QFY27 onward.

### Capital and Opex

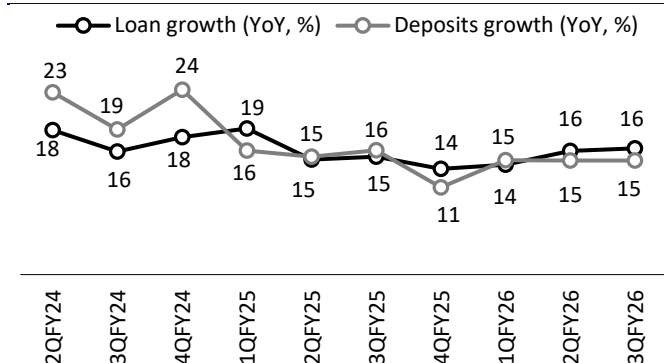
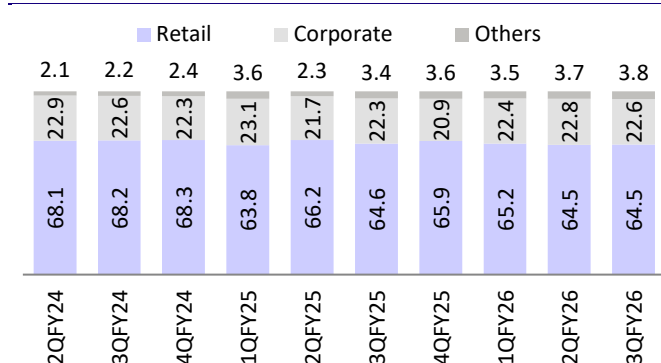
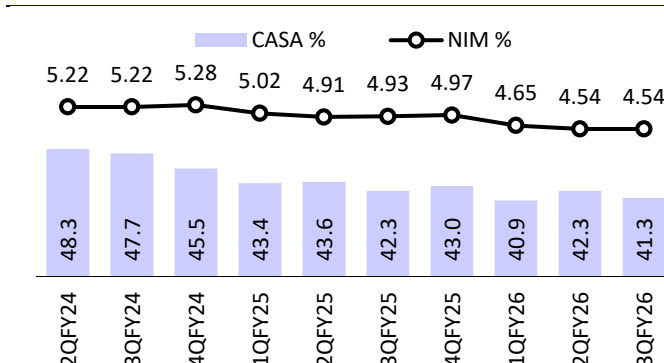
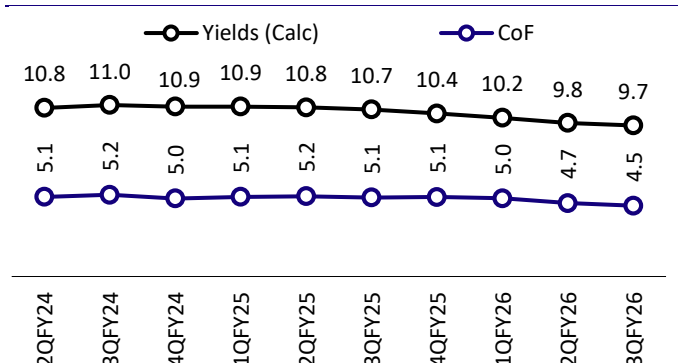
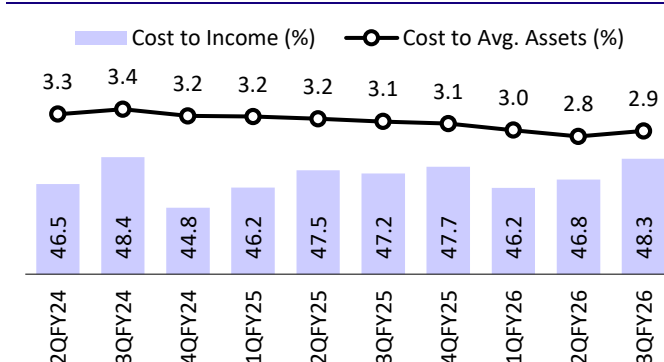
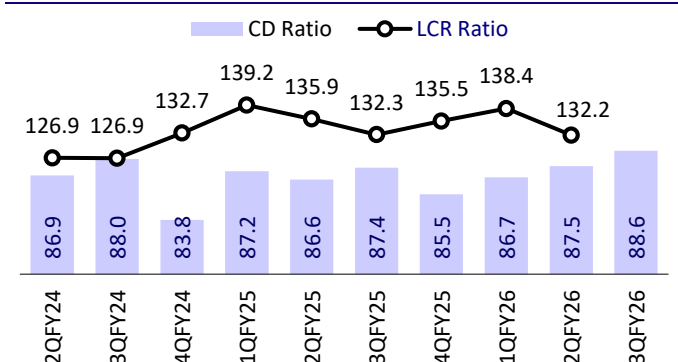
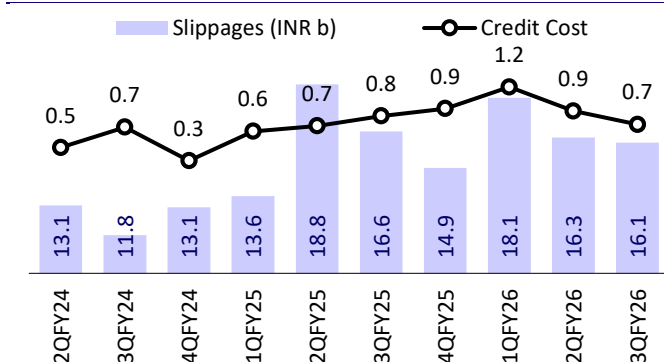
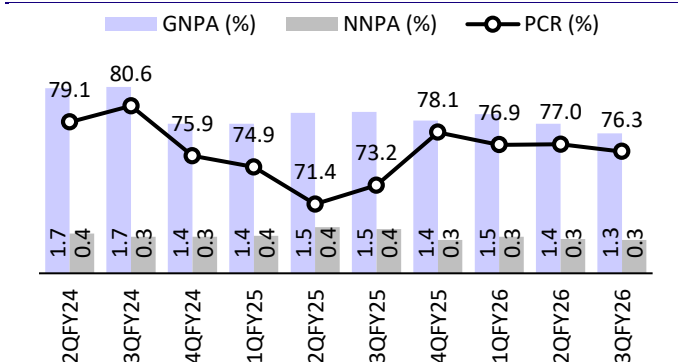
- Net worth increased, including an unrealized gain of INR20b on MCX and KFin, which has been accounted for under AFS reserves.
- ROE, computed including AFS, stood at 11.29%; adjusted for excess equity, ROE stood at 14%.
- CRAR stood at 22.6%, with CET-1 at 21.5%.
- Higher short-term liquidity was maintained in treasury assets; adjusted for this, NIM would have been 4.58%, up 4bp QoQ. Cost of funds declined by 16bp, as term deposit repricing played out.
- Employee costs included INR0.96b related to the labor code, while CTC costs remained flat QoQ.
- Other operating expenses increased 5% QoQ, driven by branch proportion expenses, higher brokerage related to tractor finance disbursements, and acquisition costs across 811 products.
- Agri PSL: The bank has not taken any provisions. As per RBI audit norms, details remain confidential; however, management clarified that no provisions have been made.

### Subs

- Subsidiaries contributed ~30% of consolidated profit, growing 11% YoY, while consolidated BVPS increased by 15% YoY. Within subsidiaries, the capital markets business recorded growth in volumes and market share.
- The insurance business, which had been impacted by GST-related changes, normalized during the quarter.
- Kotak Mahindra Prime, the auto finance subsidiary, reported customer assets growth of 13% YoY.
- DCM volumes were robust led by corporates, real estate and infrastructure, thereby garnering healthy fees.
- The bank saw a strong quarter in terms of capital market – Investment banking divisions managed 11 IPOs and 3 QIPs in 3QFY26.



## Story in charts

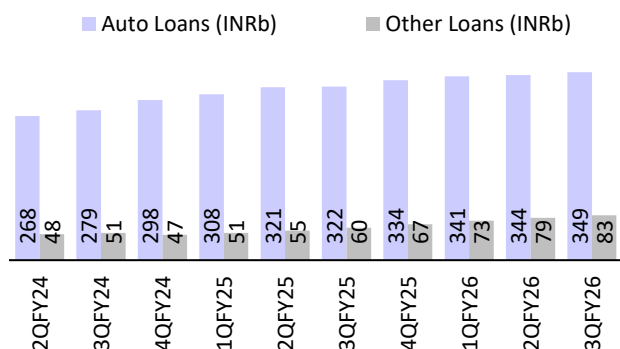
**Exhibit 1: Advances/deposits grew 16%/15% YoY**

**Exhibit 2: Retail loan mix stood at 64.5% in 3QFY26**

**Exhibit 3: NIMs stood flat QoQ at 4.54%**

**Exhibit 4: Yields/CoF declined to 9.7%/4.5% in 3QFY26**

**Exhibit 5: C/I ratio increased 150bp QoQ to 48.3%**

**Exhibit 6: C/D ratio rose to 88.6% vs. 87.5% in 2QFY26**

**Exhibit 7: Slippages declined to INR16.1b; credit costs to 0.7%**

**Exhibit 8: GNPA/NNPA ratios declined to 1.3%/0.31%**


Source: MOFSL, Company

Source: MOFSL, Company

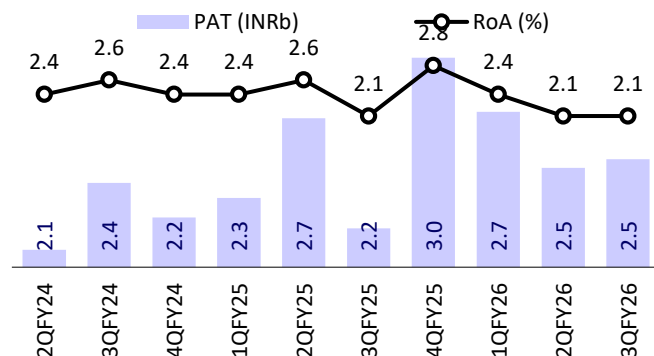
## Subsidiaries' performances and consolidated earnings snapshot

**Exhibit 9: Kotak Prime: Auto loans up 8.2% YoY/1.4% QoQ**



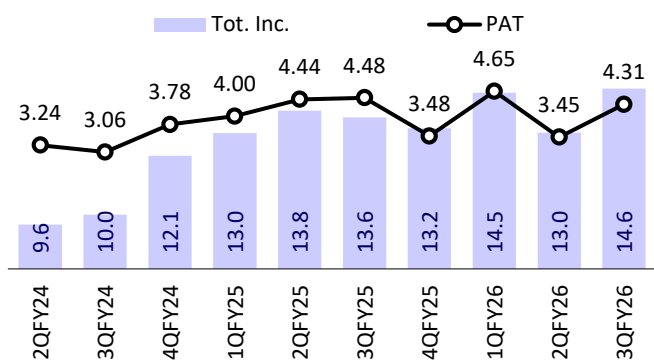
Source: MOFSL, Company

**Exhibit 10: Kotak Prime: PAT was flat at INR2.5b in 3QFY26**



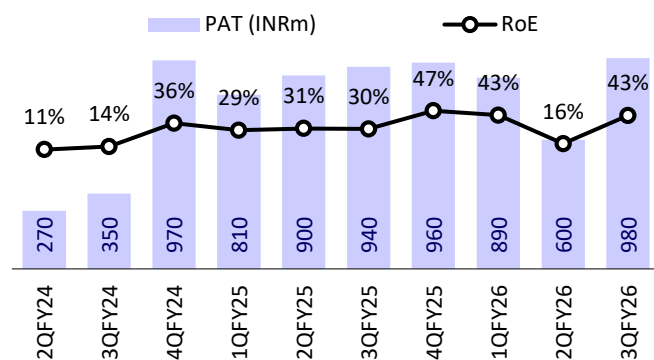
Source: MOFSL, Company

**Exhibit 11: Kotak Securities: PAT rose 25% QoQ to INR4.3b**



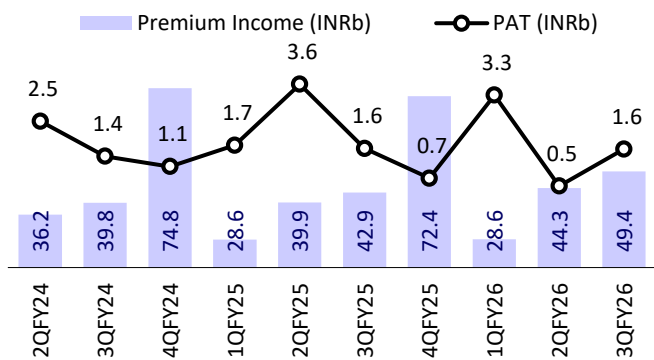
Source: MOFSL, Company

**Exhibit 12: Investment Banking: PAT grew to INR980m**



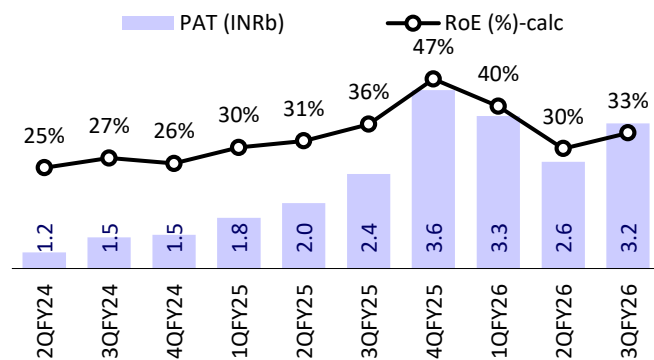
Source: MOFSL, Company

**Exhibit 13: Kotak Life Insurance: PAT increased to INR1.6b**



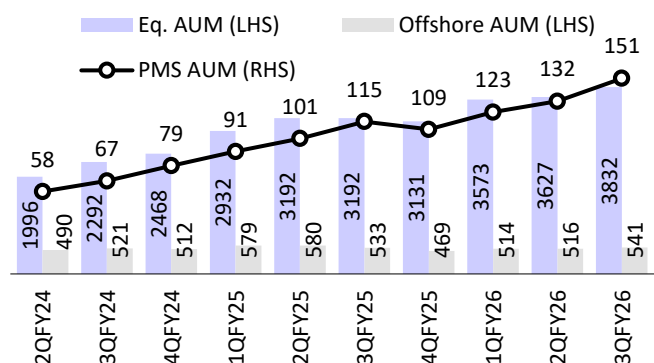
Source: MOFSL, Company

**Exhibit 14: Kotak AMC: PAT stood at INR3.2b; RoE at 33%**



Source: MOFSL, Company

**Exhibit 15: Kotak AMC: AUM mix (INR b)**



Source: MOFSL, Company

**Exhibit 16: KMB: Consol. PAT details**

KMB Group:	3QFY2	3QFY2	YoY	2QFY2	QoQ
Qtrly. Performance	6	5		6	
Kotak Bank	34.5	33.1	4.3	32.5	5.9
Kotak Prime	2.5	2.2	14.7	2.5	1.6
Kotak Securities	4.3	4.5	(3.8)	3.5	24.9
KMCC	1.0	0.9	4.3	0.6	63.3
Kotak Life	1.6	1.6	(1.2)	0.5	230.6
AMC & Trustee	3.2	2.4	31.3	2.6	22.1
Intl. subs	0.5	0.5	(4.3)	0.5	(6.2)
KIL	0.9	1.1	(18.7)	1.2	(27.5)
<b>Kotak Consol</b>	<b>49.0</b>	<b>46.2</b>	<b>6.2</b>	<b>44.8</b>	<b>9.4</b>
Minority adjustments	0.3	0.9	(70.9)	-0.1	
<b>Consol PAT (after MI)</b>	<b>49.2</b>	<b>47.0</b>	<b>4.7</b>	<b>44.7</b>	<b>10.2</b>

Source: MOFSL, Company

### Valuation and view

- KMB reported an in-line quarter, with NII and PAT largely meeting expectations. Operating expenses came in higher than anticipated, while provisions were lower than estimates. Slippages declined marginally on a QoQ basis, and the PCR remained broadly stable at 76%.
- NIMs were flat QoQ, affected by a ~4bp drag from the deployment of excess liquidity into treasury instruments. Management expects NIMs to improve going forward, supported by ongoing deposit repricing.
- The decline in the unsecured portfolio has now been arrested, and the bank has reiterated its guidance for stronger growth in the coming quarters, which should also support margins. Overall loan growth is guided at 1.5-2.0x nominal GDP, driven by stable momentum in retail and unsecured segments. Given the continued growth traction, we believe the bank is well positioned to deliver a healthy ~16% loan CAGR over FY26-28E.
- **We maintain our earnings estimates and expect RoA/RoE at 2%/ 12.5% by FY27. Reiterate BUY with a TP of INR500 (2.3x Sep'27E ABV).**

**Exhibit 17: We maintain our earnings estimates and expect KMB to deliver FY27E RoA/ RoE of 2%/12.5%**

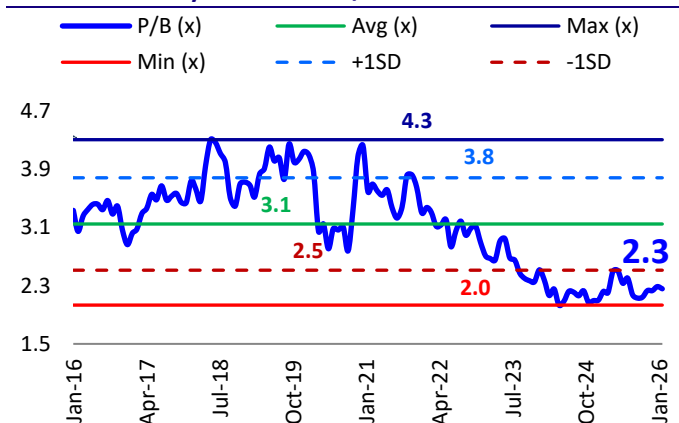
INR b	Old Est.			Revised Est.			Change (%) /bps		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Net Interest Income	301.9	348.8	415.0	301.0	349.0	418.2	-0.3	0.1	0.8
Other Income	116.7	133.0	152.6	117.9	134.4	154.2	1.0	1.0	1.0
<b>Total Income</b>	<b>418.6</b>	<b>481.8</b>	<b>567.6</b>	<b>418.9</b>	<b>483.4</b>	<b>572.3</b>	<b>0.1</b>	<b>0.3</b>	<b>0.8</b>
Operating Expenses	193.9	220.8	253.4	196.8	224.1	257.1	1.5	1.5	1.5
<b>Operating Profits</b>	<b>224.7</b>	<b>261.0</b>	<b>314.2</b>	<b>222.1</b>	<b>259.3</b>	<b>315.2</b>	<b>-1.2</b>	<b>-0.6</b>	<b>0.3</b>
Provisions	38.5	41.6	49.0	38.3	42.0	49.3	-0.6	0.8	0.8
<b>PBT</b>	<b>186.2</b>	<b>219.4</b>	<b>265.3</b>	<b>183.8</b>	<b>217.4</b>	<b>265.9</b>	<b>-1.3</b>	<b>-0.9</b>	<b>0.2</b>
Tax	45.8	53.8	65.0	45.2	53.3	65.1	-1.3	-0.9	0.2
<b>Standalone PAT</b>	<b>140.4</b>	<b>165.6</b>	<b>200.3</b>	<b>138.6</b>	<b>164.1</b>	<b>200.7</b>	<b>-1.3</b>	<b>-0.9</b>	<b>0.2</b>
Loans	4,944	5,735	6,681	4,973	5,784	6,733	0.6	0.9	0.8
Deposits	5,679	6,503	7,485	5,654	6,474	7,452	-0.4	-0.4	-0.4
<b>Margins (%)</b>	<b>4.47</b>	<b>4.52</b>	<b>4.66</b>	<b>4.47</b>	<b>4.53</b>	<b>4.70</b>	<b>(0)</b>	<b>2</b>	<b>4</b>
<b>RoA (%)</b>	<b>1.91</b>	<b>2.00</b>	<b>2.11</b>	<b>1.89</b>	<b>1.99</b>	<b>2.12</b>	<b>(2)</b>	<b>(1)</b>	<b>2</b>
<b>Core RoE (%)</b>	<b>11.7</b>	<b>12.6</b>	<b>13.4</b>	<b>11.5</b>	<b>12.5</b>	<b>13.4</b>	<b>(14)</b>	<b>(9)</b>	<b>6</b>
<b>EPS</b>	<b>14.1</b>	<b>16.7</b>	<b>20.1</b>	<b>13.9</b>	<b>16.5</b>	<b>20.2</b>	<b>-1.3</b>	<b>-1.0</b>	<b>0.2</b>
<b>BV</b>	<b>124.6</b>	<b>140.9</b>	<b>160.6</b>	<b>124.3</b>	<b>140.5</b>	<b>160.3</b>	<b>-0.2</b>	<b>-0.3</b>	<b>-0.2</b>
<b>Consol BV</b>	<b>173.8</b>	<b>198.6</b>	<b>228.6</b>	<b>173.6</b>	<b>198.2</b>	<b>228.2</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.1</b>

Source: MOFSL, Company

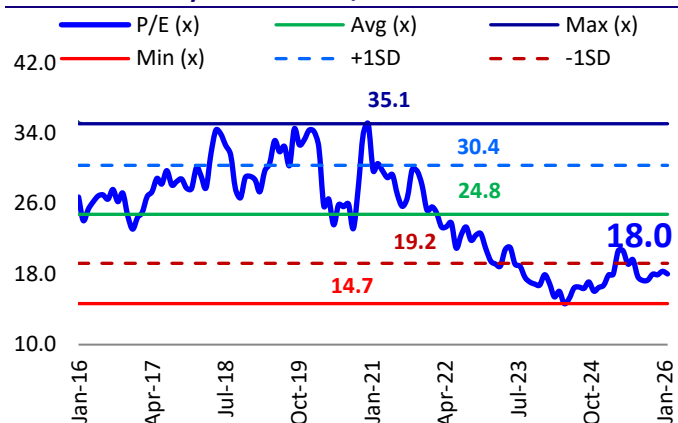
**Exhibit 18: KMB – SoTP valuation based on Sep'27E**

	Stake (%)	Attributed Value (INR b)	Value (USD B)	INR per share	% to total	Rationale
<b>Lending Business</b>		<b>3,753</b>	<b>45.0</b>	<b>377</b>	<b>75</b>	
Kotak Mahindra Bank		3,319	39.8	334	67	❖ 2.3x Sep'27E NW
Kotak Prime (Car and other loans)	100%	308	3.7	31	6	❖ 2.3x Sep'27E NW
Kotak Investment Company (LAS)	100%	126	1.5	13	3	❖ 2.3x Sep'27E NW
<b>Asset Management Business</b>		<b>445</b>	<b>5.3</b>	<b>45</b>	<b>9</b>	❖ 5.5% of Sep'27E AUMs
Domestic Mutual Fund	100%	347	4.2	35	7	
Alternative Assets	100%	44	0.5	4	1	
Offshore Funds	100%	54	0.6	5	1	
<b>Capital Markets related Business</b>		<b>497</b>	<b>6.0</b>	<b>50</b>	<b>10</b>	
Kotak Securities	100%	432	5.2	43	9	❖ 16x Sep'27E PAT
Kotak Investment Banking (KMCC)	100%	65	0.8	7	1	❖ 2.2x Sep'27E NW
<b>Kotak Life Insurance</b>	100%	<b>678</b>	<b>8.1</b>	<b>68</b>	<b>14</b>	❖ 2.2x Sep'27E EV
<b>Subs value @ 20% discount</b>		<b>1,644</b>	<b>19.7</b>	<b>166</b>	<b>33</b>	
<b>Target Value (Post 20% holding discount)</b>		<b>4,962</b>	<b>59.6</b>	<b>500</b>	<b>100</b>	
<b>- contribution of subs/associates to total PT</b>				<b>33%</b>		

Source: Company, MOFSL

**Exhibit 19: One-year forward P/B ratio**


Source: MOFSL, Company

**Exhibit 20: One-year forward P/E ratio**


Source: MOFSL, Company

**Exhibit 21: DuPont Analysis – We estimate KMB to report an FY27 RoA/RoE of ~2%/12.5%**

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	7.45	8.40	8.18	7.64	7.73	7.85
Interest Expense	2.76	3.63	3.80	3.52	3.50	3.43
<b>Net Interest Income</b>	<b>4.69</b>	<b>4.77</b>	<b>4.38</b>	<b>4.11</b>	<b>4.23</b>	<b>4.42</b>
Fee income	1.75	1.72	1.62	1.40	1.38	1.35
Trading and others	-0.21	0.17	0.70	0.21	0.25	0.28
<b>Non Interest income</b>	<b>1.54</b>	<b>1.88</b>	<b>2.31</b>	<b>1.61</b>	<b>1.63</b>	<b>1.63</b>
<b>Total Income</b>	<b>6.23</b>	<b>6.65</b>	<b>6.69</b>	<b>5.72</b>	<b>5.86</b>	<b>6.06</b>
<b>Operating Expenses</b>	<b>3.00</b>	<b>3.06</b>	<b>2.90</b>	<b>2.69</b>	<b>2.72</b>	<b>2.72</b>
Employee cost	1.21	1.26	1.22	1.17	1.17	1.18
Others	1.79	1.80	1.68	1.52	1.54	1.54
<b>Operating Profits</b>	<b>3.23</b>	<b>3.59</b>	<b>3.79</b>	<b>3.03</b>	<b>3.14</b>	<b>3.34</b>
<b>Core operating Profits</b>	<b>3.44</b>	<b>3.42</b>	<b>3.09</b>	<b>2.82</b>	<b>2.90</b>	<b>3.06</b>
<b>Provisions</b>	<b>0.10</b>	<b>0.29</b>	<b>0.45</b>	<b>0.52</b>	<b>0.51</b>	<b>0.52</b>
NPA	0.11	0.27	0.40	0.49	0.48	0.49
Others	-0.01	0.02	0.06	0.04	0.03	0.03
<b>PBT</b>	<b>3.13</b>	<b>3.30</b>	<b>3.34</b>	<b>2.51</b>	<b>2.63</b>	<b>2.81</b>
Tax	0.75	0.78	0.79	0.62	0.65	0.69
<b>RoA</b>	<b>2.38</b>	<b>2.53</b>	<b>2.54</b>	<b>1.89</b>	<b>1.99</b>	<b>2.12</b>
Leverage (x)	5.9	6.0	6.0	6.1	6.3	6.3
<b>RoE</b>	<b>14.0</b>	<b>15.3</b>	<b>15.4</b>	<b>11.5</b>	<b>12.5</b>	<b>13.4</b>

Source: Company, MOFSL

## Financials and valuations

### Income Statement

	(INRb)					
Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	342.5	458.0	529.2	559.0	637.5	742.3
Interest Expense	127.0	198.1	245.8	258.0	288.5	324.1
<b>Net Interest Income</b>	<b>215.5</b>	<b>259.9</b>	<b>283.4</b>	<b>301.0</b>	<b>349.0</b>	<b>418.2</b>
-growth (%)	28.1	20.6	9.0	6.2	15.9	19.8
Non Interest Income	70.8	102.7	149.6	117.9	134.4	154.2
<b>Total Income</b>	<b>286.3</b>	<b>362.7</b>	<b>433.0</b>	<b>418.9</b>	<b>483.4</b>	<b>572.3</b>
-growth (%)	25.6	26.7	19.4	-3.3	15.4	18.4
Operating Expenses	137.9	166.8	187.8	196.8	224.1	257.1
<b>Pre Provision Profits</b>	<b>148.5</b>	<b>195.9</b>	<b>245.3</b>	<b>222.1</b>	<b>259.3</b>	<b>315.2</b>
-growth (%)	23.2	31.9	25.2	-9.4	16.8	21.6
<b>Core PPOp</b>	<b>158.2</b>	<b>186.7</b>	<b>200.2</b>	<b>206.5</b>	<b>239.1</b>	<b>288.9</b>
-growth (%)	21.9	18.0	7.3	3.1	15.8	20.8
Provisions	4.6	15.7	29.4	38.3	42.0	49.3
<b>PBT</b>	<b>143.9</b>	<b>180.1</b>	<b>215.8</b>	<b>183.8</b>	<b>217.4</b>	<b>265.9</b>
Tax	34.5	42.3	51.3	45.2	53.3	65.1
Tax Rate (%)	24.0	23.5	23.8	24.6	24.5	24.5
<b>PAT</b>	<b>109.4</b>	<b>137.8</b>	<b>164.5</b>	<b>138.6</b>	<b>164.1</b>	<b>200.7</b>
-growth (%)	27.6	26.0	19.4	-15.7	18.4	22.3
<b>Adjusted PAT</b>	<b>109.4</b>	<b>137.8</b>	<b>164.5</b>	<b>138.6</b>	<b>164.1</b>	<b>200.7</b>
Change (%)	27.6	26.0	19.4	-15.7	18.4	22.3
<b>Consolidated PAT</b>	<b>149.3</b>	<b>182.1</b>	<b>221.3</b>	<b>207.2</b>	<b>247.2</b>	<b>301.6</b>
-growth (%)	27.3	22.0	21.5	-6.3	19.3	22.0

### Balance Sheet

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	9.9	9.9	9.9	9.9	9.9	9.9
Reserves & Surplus	820.3	957.2	1,162.5	1,226.5	1,387.0	1,584.1
<b>Net Worth</b>	<b>835.2</b>	<b>967.2</b>	<b>1,172.4</b>	<b>1,236.4</b>	<b>1,397.0</b>	<b>1,594.1</b>
- Equity Networth	830.2	967.2	1,172.4	1,236.4	1,397.0	1,594.1
<b>Deposits</b>	<b>3,631.0</b>	<b>4,489.5</b>	<b>4,990.6</b>	<b>5,654.3</b>	<b>6,474.2</b>	<b>7,451.8</b>
-growth (%)	16.5	23.6	11.2	13.3	14.5	15.1
<b>- CASA Dep</b>	<b>1,918.2</b>	<b>2,043.0</b>	<b>2,144.2</b>	<b>2,363.5</b>	<b>2,745.0</b>	<b>3,226.6</b>
-growth (%)	1.4	6.5	4.9	10.2	16.1	17.5
Borrowings	234.2	283.7	484.4	485.1	548.2	620.2
Other Liabilities & Prov.	198.3	263.2	288.9	326.4	378.6	439.2
<b>Total Liabilities</b>	<b>4,898.6</b>	<b>6,003.6</b>	<b>6,936.2</b>	<b>7,702.2</b>	<b>8,797.9</b>	<b>10,105.3</b>
Current Assets	325.4	527.9	657.8	478.9	540.7	621.5
<b>Investments</b>	<b>1,214.0</b>	<b>1,554.0</b>	<b>1,819.1</b>	<b>2,010.1</b>	<b>2,281.4</b>	<b>2,600.8</b>
-growth (%)	20.7	28.0	17.1	10.5	13.5	14.0
<b>Loans</b>	<b>3,198.6</b>	<b>3,760.8</b>	<b>4,269.1</b>	<b>4,973.5</b>	<b>5,784.2</b>	<b>6,732.8</b>
-growth (%)	17.9	17.6	13.5	16.5	16.3	16.4
Fixed Assets	19.2	21.6	23.6	27.3	31.1	35.4
Other Assets	141.3	139.3	166.7	212.5	160.5	114.7
<b>Total Assets</b>	<b>4,898.6</b>	<b>6,003.6</b>	<b>6,936.2</b>	<b>7,702.2</b>	<b>8,797.9</b>	<b>10,105.3</b>

### Asset Quality

Y/E MARCH	FY23	FY24	FY25	FY26E	FY27E	FY28E
GNPA	57.7	52.7	61.3	64.1	75.8	85.5
NNPA	11.9	12.7	13.4	15.1	18.4	20.2
GNPA Ratio (%)	1.78	1.39	1.42	1.28	1.30	1.26
NNPA Ratio (%)	0.37	0.34	0.31	0.30	0.32	0.30
Slippage Ratio (%)	1.20	1.27	1.39	1.60	1.60	1.56
Credit Cost (%)	0.17	0.43	0.64	0.77	0.74	0.74
PCR (Excl Tech. write off) (%)	79.3	75.9	78.1	76.4	75.8	76.3

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Yield and Cost Ratios (%)</b>						
<b>Avg. Yield-Earning Assets</b>	<b>8.0</b>	<b>9.1</b>	<b>9.0</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>
Avg. Yield on loans	9.1	10.2	10.1	9.2	9.1	9.2
Avg. Yield on Investments	6.1	6.7	6.7	6.8	6.7	6.7
<b>Avg. Cost-Int. Bear. Liab.</b>	<b>3.5</b>	<b>4.6</b>	<b>4.8</b>	<b>4.4</b>	<b>4.4</b>	<b>4.3</b>
Avg. Cost of Deposits	3.5	4.5	4.8	4.5	4.4	4.3
<b>Interest Spread</b>	<b>5.6</b>	<b>5.7</b>	<b>5.4</b>	<b>4.7</b>	<b>4.7</b>	<b>4.9</b>
<b>Net Interest Margin</b>	<b>5.1</b>	<b>5.2</b>	<b>4.8</b>	<b>4.5</b>	<b>4.5</b>	<b>4.7</b>
<b>Capitalisation Ratios (%)</b>						
CAR	21.8	20.5	22.3	21.8	20.5	19.6
CET-1	20.6	19.2	21.1	20.8	19.6	18.8
Tier I	20.6	19.2	21.1	20.8	19.6	18.8
Tier II	1.2	1.3	1.2	1.0	0.9	0.8
<b>Business Ratios (%)</b>						
Loans/Deposit Ratio	88.1	83.8	85.5	88.0	89.3	90.4
CASA Ratio	52.8	45.5	43.0	41.8	42.4	43.3
Cost/Assets	2.8	2.8	2.7	2.6	2.5	2.5
Cost/Total Income	48.1	46.0	43.4	47.0	46.4	44.9
Cost/Core Income	46.6	47.2	48.4	48.8	48.4	47.1
Int. Expense/Int.Income	37.1	43.2	46.4	46.2	45.3	43.7
Fee Income/Total Income	28.1	25.8	24.1	24.4	23.6	22.3
Non Int. Inc./Total Income	24.7	28.3	34.5	28.1	27.8	26.9
Empl. Cost/Total Expenses	40.2	41.3	42.2	43.5	43.1	43.2
<b>Efficiency Ratios (INRm)</b>						
Employee per branch (in nos)	37.3	40.0	35.1	42.4	43.6	44.9
Staff cost per employee (INR m)	0.8	0.9	1.1	1.0	1.0	1.1
CASA per branch	1,078	1,049	998	1,123	1,254	1,417
Deposits per branch	2,040	2,305	2,323	2,686	2,957	3,273
Business per Employee	103	106	123	119	128	139
Profit per Employee	1.6	1.8	2.2	1.6	1.7	2.0

### Profitability Ratios and Valuation

RoE (%)	14.1	15.3	15.4	11.5	12.5	13.4
RoA (%)	2.4	2.5	2.5	1.9	2.0	2.1
Consolidated ROE (%)	13.3	14.0	14.1	12.0	12.5	13.3
Consolidated ROA (%)	2.6	2.6	2.7	2.3	2.4	2.5
RoRWA (%)	2.4	2.4	2.6	1.8	1.9	2.0
Book Value (INR)	84	97	118	124	140	160
-growth (%)	15.2	16.4	21.2	5.4	13.0	14.1
Price-BV (x)	3.1	2.6	2.2	2.1	1.8	1.6
Adjusted BV (INR)	80	92	114	120	135	154
-growth (%)	16.4	16.3	22.9	5.2	12.9	14.2
Price-ABV (x)	3.2	2.8	2.3	2.1	1.9	1.7
EPS (INR)	11.0	13.9	16.5	13.9	16.5	20.2
-growth (%)	27.5	25.9	19.3	-15.8	18.4	22.3
Price-Earnings (x)	23.3	18.5	15.5	18.4	15.5	12.7
Consolidated EPS (INR)	15.0	18.3	22.3	20.8	24.9	30.3
Change (%)	27.2	21.9	21.5	-6.4	19.3	22.0
Price-Consolidated Earnings (x)	28.2	23.1	19.0	20.3	17.0	13.9
Dividend Per Share (INR)	0.3	0.3	0.4	0.3	0.4	0.4
Dividend Yield (%)	0.1	0.0	0.0	0.1	0.1	0.1

E: MOFSL Estimates

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