

Shriram Finance

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,011 TP: INR1,200 (+19%) Buy

Resilient quarter but for minor deterioration in asset quality

FY26 AUM rose 15% YoY; trends in 1H FY27 need to be closely monitored

- Shriram Finance's (SHFL) 4QFY26 PAT rose ~41% YoY to ~INR30.1b (8% beat). FY26 PAT grew 21% YoY to ~INR100b. 4Q NII grew ~21% YoY to INR67.5b (in line). Other income declined ~34% YoY to INR4.4b (12% lower than est.).
- Opex declined ~2% YoY to INR18.7b (13% lower than est.), largely due to sequentially lower employee expenses (3Q had one-time impact from labor code). Transaction costs in the nature of DSA commissions in the 2W loans are now not treated as upfront expenditure and have been amortized at EIR over the loan tenure for loans granted from Jan'26 onward. Consequently, fees and commission expenses were lower by INR515m for the quarter. SHFL guided for a CI ratio of ~26-27%, with operating costs expected to grow at ~10-12% over the medium term.
- 4Q PPOP grew 23% YoY to ~INR53.3b (in line). FY26 PPOP grew ~15% YoY to INR186.3b. Credit costs in 4Q stood at ~INR14.1b (~4% lower than est.), translating into annualized credit costs of ~1.9% (PQ: 1.8% and PY: 2.4%).
- SHFL is targeting 18% AUM growth in FY27, supported by strong capital position and steady demand across key segments. Growth is expected to be led by PV (~20%+) and gold loans (~30%), while CV (~15-18%) and MSME (~13-15%) are likely to witness steady traction, contingent on macro conditions.
- Increasing share of new vehicle financing, alongside continued strength in used vehicles and rising penetration in PL, should support disbursements. Gold loans are set to scale up with distribution expansion, while MSME growth remains calibrated amid external uncertainties.
- Asset quality remained largely stable with no immediate signs of stress, despite a marginal rise in slippages, driven by temporary cash flow mismatches. However, management remains comfortable with the overall risk outlook and expects normalization in slippages, supported by the secured nature of lending and adequate provisioning buffers.
- SHFL delivered a strong FY26 performance with healthy AUM and earnings growth, stable asset quality, and controlled operating costs. Growth visibility remains reasonably robust across key segments, even though risks to growth from macro sensitivity (impact on consumption and economic growth from the West Asia conflict) persist.
- We expect SHFL to deliver a CAGR of ~17%/~26% in AUM/PAT over FY26-28E, along with RoA/RoE of ~3.8%/13.1% by FY28. **Reiterate BUY with a TP of INR1,200 (premised on 2.2x FY28E BVPS).**

Margin expansion supported by cost efficiency tailwinds

- Reported NIM rose ~3bp QoQ to ~8.6%. Yields (calc.) declined QoQ by ~25bp to 16.3%, while CoB declined ~15bp QoQ to 8.5%, resulting in spreads of ~7.8% (PQ: 7.9%).

	SHFL IN
Bloomberg	SHFL IN
Equity Shares (m)	1881
M.Cap.(INRb)/(USDb)	2379.3 / 25.2
52-Week Range (INR)	1108 / 566
1, 6, 12 Rel. Per (%)	8/49/47
12M Avg Val (INR M)	5908

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total Income	267	328	392
PPOP	186	237	288
PAT	100.0	127.3	159.9
EPS (INR)	53.1	54.1	68.0
EPS Gr. (%)	21	2	26
Standalone BV (INR)	349	491	547

Metrics

NIM on assets (%)	8.2	8.8	9.0
C/I ratio (%)	30.1	27.7	26.4
RoAA (%)	3.3	3.6	3.8
RoE (%)	16.4	14.0	13.1
Div. Payout (%)	22.5	22.7	22.5

Valuations

P/E (x)	19.0	18.7	14.9
P/BV (x)	2.9	2.1	1.8
Div. Yield (%)	1.2	1.2	1.5

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	25.4	25.4	25.4
DII	23.3	21.3	15.3
FII	45.2	47.2	53.6
Others	6.2	6.1	5.7

FII Includes depository receipts

- SHFL's NIMs improved, supported by lower CoF and favorable repricing of borrowings. Going forward, margins are expected to remain steady with gradual spread expansion and stable yields, even as part of the funding cost benefit is selectively passed on to retain customers.
- The credit rating upgrade is expected to further aid borrowing cost reduction, with management guiding for overall CoB to decline by ~1pp over the next 2-3 years. We expect SHFL to deliver NIM (calc.) of 8.8%/9% for FY27E/ FY28E.

Minor deterioration in asset quality but risks contained for now

- GS3 rose ~4bp QoQ to 4.6% (in the seasonally strongest quarter), while NS3 improved ~5bp QoQ to 2.3%. Net slippages increased ~45bp QoQ to 1.8% (PY: 2.4% and PQ: 1.3%). Stage 2 assets rose ~13bp QoQ to 6.9% (PQ: 6.8% and PY: 6.9%). 30+ dpd rose ~17bp QoQ.
- PCR on Stage 3 rose ~160bp QoQ to ~50% (PQ: ~49% and PY: ~43%). While PCR on S1 was largely stable, PCR on S2 declined ~25bp QoQ to 8%.
- Management indicated that a clearer assessment of the impact from ongoing macro uncertainties will be possible after 1QFY27, as the current environment remains fluid. We build in credit costs (as % of assets) of ~1.9%/1.8% for SHFL for FY27E/FY28E.

Highlights from the management commentary

- Fleet utilization remains healthy, and no immediate concerns are visible; however, a slowdown in consumption could impact utilization and resale values in the coming quarters.
- Demand for used vehicles is expected to remain strong, while tractor demand may soften due to potential monsoon-related concerns.

Valuation and view

- SHFL delivered a resilient operating performance, supported by steady demand across key lending segments and a strong capital base following the MUFG equity infusion, which provides strong headroom to capture growth opportunities. This is further complemented by disciplined cost control and stable credit metrics, aiding profitability and operational efficiency. While the outlook remains constructive, the evolving macro environment warrants close monitoring, with Apr-Jun'26 quarter expected to offer greater clarity on credit trends and underlying demand conditions.
- The stock is currently trading at 2.1x FY27E P/B. We expect SHFL to deliver a CAGR of ~17%/~26% in AUM/PAT over FY26-28E, along with RoA/RoE of ~3.8%/13.1% by FY28. **Reiterate BUY with a TP of INR1,200 (premised on 2.2x FY28E BVPS).**

Quarterly Performance

(INR M)

Y/E March	FY25				FY26E				FY25	FY26	4QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	93,628	98,145	1,03,408	1,07,895	1,11,732	1,15,506	1,18,331	1,20,871	4,03,076	4,66,440	1,21,848	-1
Interest Expenses	41,289	43,504	47,513	52,240	54,008	55,248	52,591	53,358	1,84,546	2,15,204	54,066	-1
Net Interest Income	52,339	54,641	55,896	55,655	57,725	60,258	65,740	67,514	2,18,531	2,51,236	67,782	0
YoY Growth (%)	24.6	18.9	13.8	9.4	10.3	10.3	17.6	21.3	16.3	15.0	21.8	
Other Income	2,343	2,805	3,646	6,707	3,685	3,643	3,584	4,408	15,518	15,339	5,007	-12
Total Income	54,682	57,446	59,542	62,363	61,410	63,901	69,325	71,922	2,34,049	2,66,576	72,789	-1
YoY Growth (%)	21.1	16.2	14.1	13.2	12.3	11.2	16.4	15.3	15.9	13.9	16.7	
Operating Expenses	16,140	17,597	18,692	19,010	19,486	19,486	22,620	18,671	71,440	80,262	21,344	-13
Operating Profit	38,541	39,848	40,850	43,353	41,924	44,415	46,705	53,250	1,62,609	1,86,313	51,445	4
YoY Growth (%)	23.3	14.5	10.7	11.0	8.8	11.5	14.3	22.8	14.5	14.6	18.7	
Provisions & Loan Losses	11,876	12,350	13,258	15,633	12,857	13,333	13,103	14,097	53,117	53,391	14,655	-4
Profit before Tax	26,666	27,498	27,592	27,720	29,067	31,082	33,602	39,153	1,09,493	1,32,923	36,790	6
Tax Provisions	6,860	6,803	6,788	6,326	7,510	8,028	8,385	9,017	26,776	32,941	8,973	0
Net Profit	19,806	20,696	20,804	21,394	21,557	23,053	25,217	30,136	82,716	99,982	27,817	8
YoY Growth (%)	18.2	18.2	14.4	9.9	8.8	11.4	21.2	40.9	15.0	20.9	30.0	
Exceptional gain (Post tax)			14,894						14,894	0		
PAT (including exceptional gains/loss)			35,698						97,610	99,982		
Key Parameters (Calc., %)												
Yield on loans	16.3	16.5	16.6	16.7	16.7	16.7	16.5	16.3				
Cost of funds	8.7	8.7	8.8	9.1	9.1	9.3	8.7	8.5				
Spread	7.6	7.8	7.8	7.5	7.6	7.4	7.9	7.8				
NIM	9.14	9.17	8.99	8.6	8.62	8.71	9.18	9.1				
C/I ratio	29.5	30.6	31.4	30.5	31.7	30.5	32.6	26.0				
Credit cost	2.1	2.1	2.1	2.4	1.9	1.9	1.8	1.9				
Tax rate	25.7	24.7	24.6	22.8	25.8	25.8	25.0	23.0				
Balance Sheet Parameters												
Disbursements (INR b)	377	400	438	448	418	430	486	509				
Growth (%)	23.8	15.5	15.8	14.0	10.9	7.6	11.1	13.6				
AUM (INR b)	2,334	2,430	2,545	2,632	2,722	2,813	2,917	3,023				
Growth (%)	20.8	19.9	18.8	17.0	16.6	15.7	14.6	14.8				
Borrowings (INR b)	1,917	2,078	2,235	2,342	2,429	2,343	2,517	2,507				
Growth (%)	18.4	25.7	25.9	26.0	26.7	12.7	12.7	7.0				
Asset Quality Parameters												
GS 3 (INR B)	124.1	127.6	135.2	118.4	122.0	127.4	131.2	137.4				
GS 3 (%)	5.39	5.32	5.38	4.55	4.53	4.57	4.54	4.58				
NS 3 (INR B)	60.62	61.66	65.39	67.1	67.93	67.88	67.25	68.3				
NS 3 (%)	2.71	2.64	2.68	2.64	2.57	2.49	2.38	2.33				
PCR (%)	51.15	51.70	51.64	43.3	44.31	46.70	48.77	50.3				

E: MOFSL estimates



Highlights from the management commentary

Guidance

- SHFL targets AUM growth of ~18%, supported by fresh equity infusion and steady momentum across segments. Management indicated that future guidance will be reassessed based on evolving macro conditions such as the impact of the West Asia conflict, fuel prices and monsoon trends.
- NIMs are expected to remain in the range of ~8.5-9.0%, aided by a gradual reduction in CoF.
- CoF is anticipated to decline by ~1pp over the next 2-3 years, with incremental borrowings already being repriced lower. Spread is expected to improve from ~8.2% to ~8.4-8.5% next year.
- The company guided for CI ratio of ~26-27%, while operating expenses are expected to grow at ~10-12% YoY over the medium term.
- Credit costs are not seen as a major concern currently and will be revisited after assessing the impact of macro variables such as inflation and fuel prices after 1QFY27.
- Segment-wise AUM growth expectations: 15-18% growth for CVs, ~20% growth in PVs, 30%+ growth in gold loans, and 12-15% growth in MSME, subject to macro stability.

Opening remarks

- The company delivered a strong performance during the year, despite facing challenging external conditions, with steady margins, controlled borrowing costs, and stable asset quality.
- A transformational milestone was achieved when MUFGBank acquired a 20% equity stake in SHFL at a price of INR840.93, significantly strengthening capital adequacy and enabling long-term expansion.
- The board declared a total dividend of INR10.8 per share.
- Liquidity buffers have been optimized to ~two months, owing to the capital infusion.
- Cost of borrowings declined to ~8.59% in 4QFY26 (from ~8.69% in 3QFY26) and ~8.96% YoY, while the incremental borrowing cost stood at ~7.2%.
- Capital adequacy stood at ~20% and is expected to rise to ~34% after equity infusion, with a leverage ratio of 3.2x.
- Liquidity coverage ratio remains strong at 323%, indicating adequate liquidity resilience.

Growth and segmental performance

- Vehicle sales have been broad-based across segments, with 10-20% growth in various sub-segments.
- PV financing is expected to grow the fastest, while commercial vehicles are also projected to see healthy growth. The company continues to see strong demand in both new and used vehicle financing, with used vehicles remaining a key strength (SHFL being the largest player in the segment).
- New vehicle financing is steadily increasing and currently contributes ~15% in the disbursement mix; expected to further inch up to 20-25%.

- Gold loan disbursements have accelerated significantly, supported by branch expansion and increased focus.
- MSME growth remains moderate due to external challenges (USA tariff issue in Aug'25 and West Asia crisis currently), with the company maintaining a cautious stance.
- Personal loans (PL) are expected to grow in line with the 2W segment, where financing penetration is increasing and ticket sizes are ~INR100k.
- Electric vehicle adoption is expected to accelerate, with a significant shift in transportation anticipated over the next five years.

Asset quality and risk outlook

- Asset quality remained stable throughout the year, and management does not foresee any near-term stress, particularly for the upcoming quarter.
- Slippages have increased marginally due to cash flow mismatches, primarily in the MSME segment, but remain manageable.
- Stage 2 and Stage 3 increases in various sub-segments are attributed to temporary cash flow mismatches in retail segments, with accounts expected to normalize in the subsequent quarters.
- Loans in the MSME segment are largely secured against property, providing comfort on recoverability.
- SHFL has marginally increased provisioning buffers, maintaining a prudent stance amid uncertainties.

Margins, cost of fund and profitability

- NIMs have improved due to a reduction in borrowing costs and are expected to remain stable going forward.
- Customer retention remains in focus, as acquiring new customers involves higher costs and risk compared to existing relationships.
- The company intends to partially pass on the benefit of lower funding costs to customers in order to improve customer retention. Despite increasing competition, SHFL has maintained yields without compromising margins.
- Pricing flexibility is provided at the branch level (to the branch manager), allowing selective rate reductions of ~1-2% to retain customers.

MSME segment and industry challenges

- The MSME segment continues to face challenges due to rising input costs, supply chain disruptions, and weak demand in certain export markets, particularly the Middle East.
- The company remains cautious in MSME lending due to uncertainties stemming from global trade conditions and geopolitical tensions.
- Growth in MSME is expected at 13-15%, supported by relatively lower competition as the number of active lenders has declined. However, growth is expected to accelerate once there is a clarity on the macro uncertainties.
- Government infrastructure spending, particularly at the state level, has slowed, impacting demand for MSME-linked activities.

Macroeconomic environment and external factors

- Economic growth is projected at ~6.5%, supported by resilient domestic consumption and investments, though risks from high oil prices and geopolitical tensions persist.
- Retail inflation has inched up to ~3.4%, primarily driven by food prices linked to global disruptions.
- Fuel price increases, if implemented, could impact transportation costs, inflation, and overall demand, with effects likely to be gradual over six months.
- Monsoon outlook remains a key variable, though strong reservoir levels mitigate near-term risks for the kharif season.
- Fertilizer availability may pose challenges due to global supply constraints, though price increases are unlikely due to government intervention.

Operational strategy and efficiency

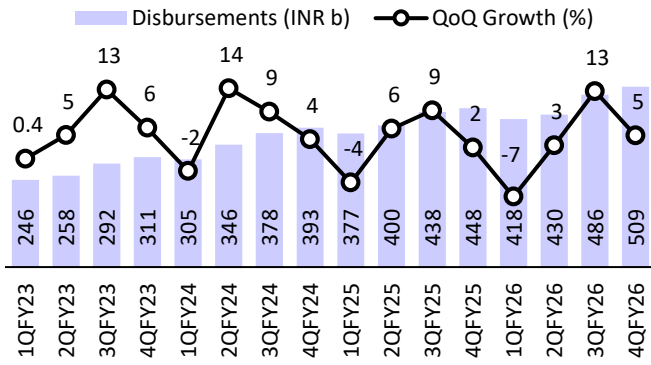
- The company plans to increase its workforce to ~80,000 employees over the next few quarters, particularly to support gold loan expansion.
- Operating efficiency improved due to lower branding expenses, reduced headcount during the quarter, and changes in accounting for certain costs.
- The company is not in a hurry to raise additional borrowings in the near term due to comfortable liquidity levels and will reassess borrowing requirements after 4-5 months.
- Fleet utilization remains healthy, and no immediate concerns are visible; however, a slowdown in consumption could impact utilization and resale values over time.

Industry trends and demand outlook

- Automotive industry performance remained strong, with CVs, PVs, and 3Ws recording robust growth in 4QFY26.
- Demand for used vehicles is expected to remain strong, while tractor demand may soften due to potential monsoon-related concerns.
- Transporters typically pass on increases in fuel costs to end customers, which limits any immediate impact on their profitability/earnings. As a result, there is no direct or immediate effect on credit costs or the financial health of transport operators. The real impact emerges only if economic activity slows down, leading to lower fleet utilization and subdued growth.
- Financing penetration continues to rise across segments, particularly in two-wheelers, where cash purchases are declining.
- Competitive intensity remains high in segments like gold loans, with banks increasingly entering the market.

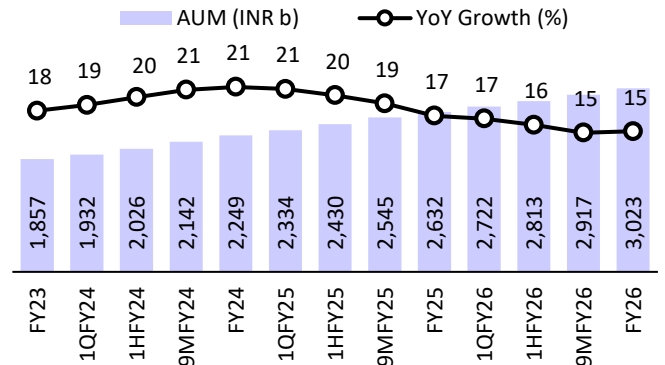
Key exhibits

Exhibit 1: Disbursements grew 14% YoY/ 5% QoQ...



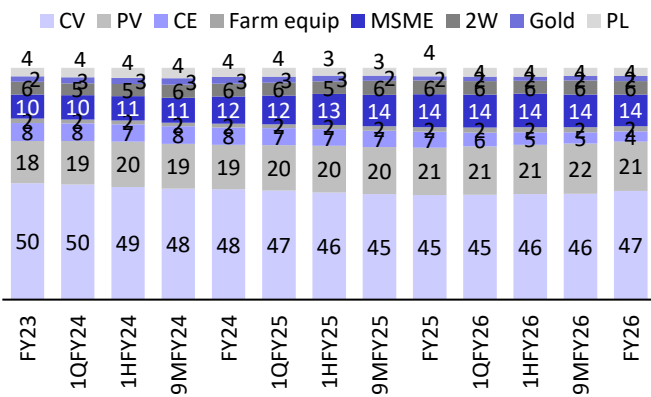
Source: MOFSL, Company

Exhibit 2: ...leading to AUM growth of 15% YoY/4% QoQ



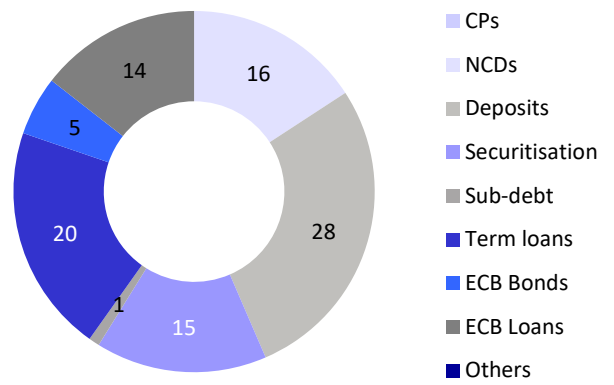
Source: MOFSL, Company

Exhibit 3: AUM mix largely stable (%)



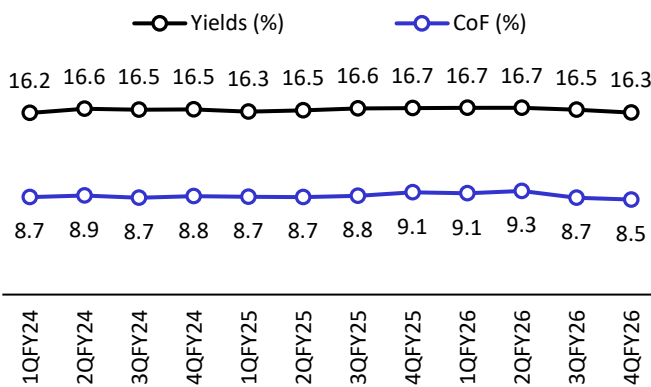
Source: MOFSL, Company

Exhibit 4: Borrowing mix as of Mar'26 (%)



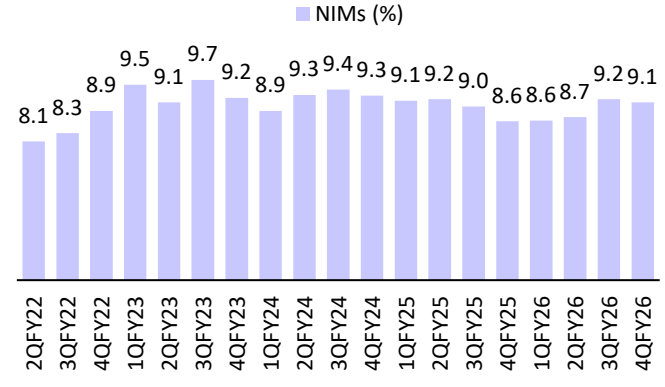
Source: MOFSL, Company

Exhibit 5: CoF (calc.) declined ~16bp QoQ (%)



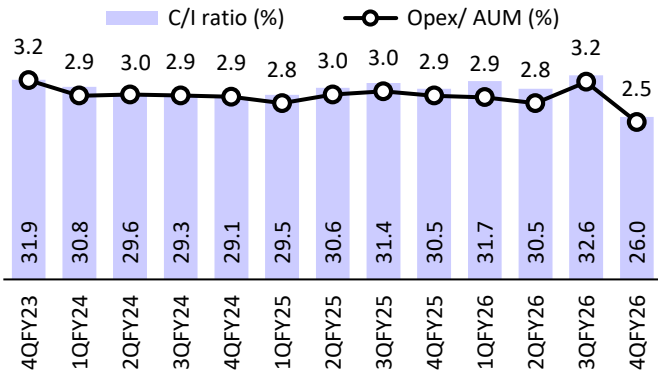
Source: MOFSL, Company

Exhibit 6: NIM (calc.) declined ~9bp QoQ (%)



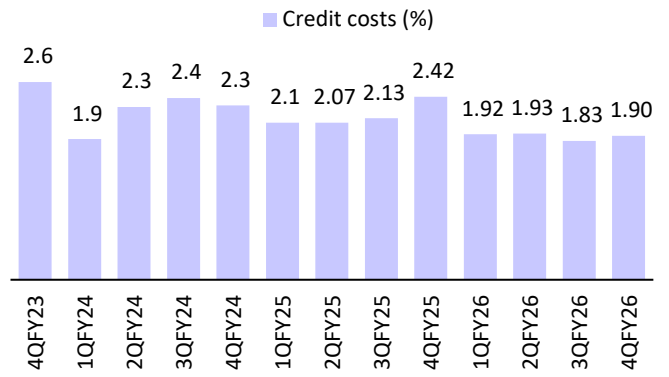
Source: MOFSL, Company

Exhibit 7: Cost-to-income declined by ~6.6pp QoQ



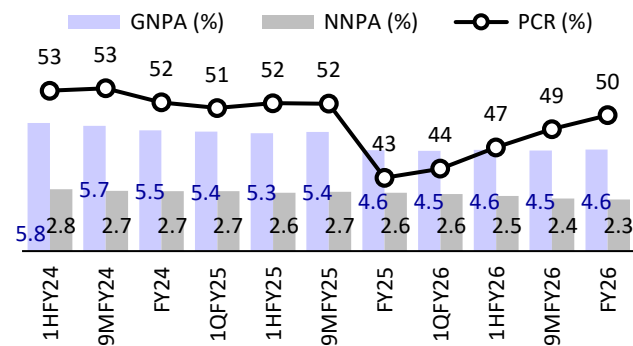
Source: MOFSL, Company

Exhibit 8: Credit costs (calc.) increased ~7bp QoQ



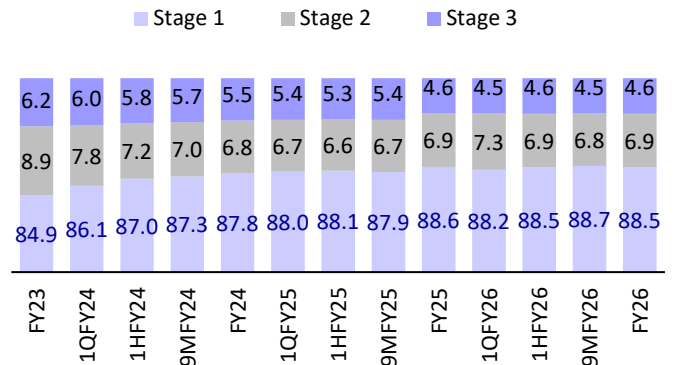
Source: MOFSL, Company

Exhibit 9: GNPA remained largely stable QoQ



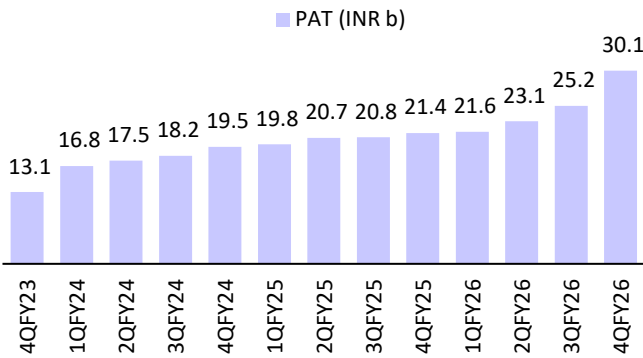
Source: MOFSL, Company

Exhibit 10: Stage 2 increased ~10bp QoQ (%)



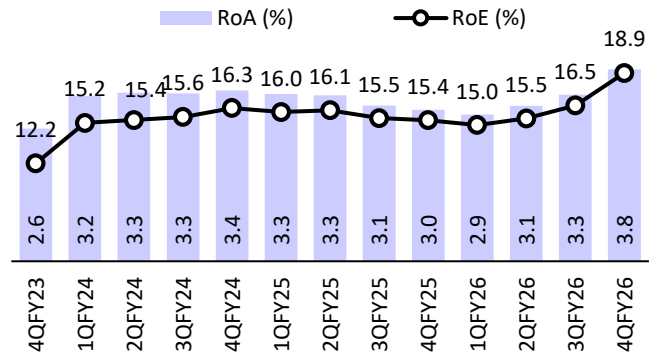
Source: MOFSL, Company

Exhibit 11: PAT grew ~41% YoY/~20% QoQ to ~INR30.1b

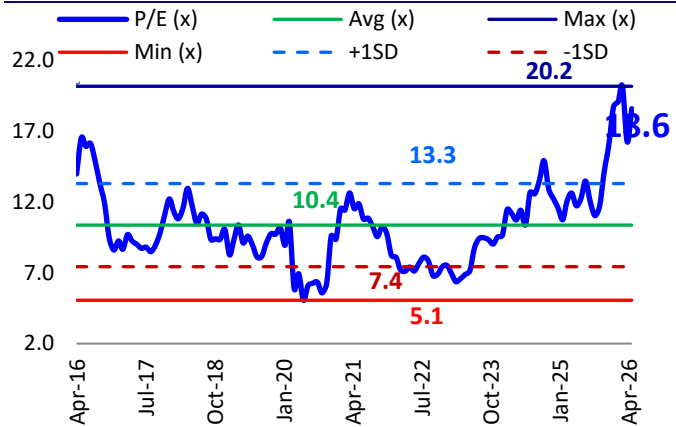


Source: MOFSL, Company

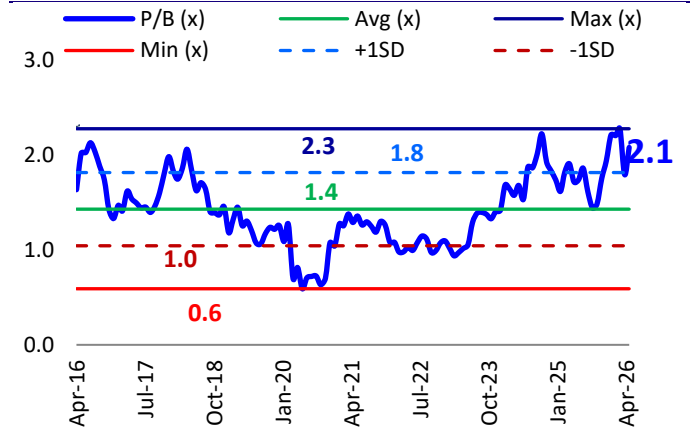
Exhibit 12: RoA rose to ~3.8% in 4QFY26



Source: MOFSL, Company

Exhibit 13: One-year forward P/E


Source: MOFSL, Company

Exhibit 14: One-year forward P/B


Source: MOFSL, Company

Exhibit 15: We keep our estimates largely unchanged

INR B	Old Est.			New Est.			Change (%)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
NII (incl. assignments)	251.5	313.1	379.9	251.2	311.0	373.9	-0.1	-0.7	-1.6
Other Income	15.9	17.3	18.7	15.3	16.5	17.7	-3.6	-4.2	-5.2
Total Income	267.4	330.3	398.6	266.6	327.5	391.6	-0.3	-0.9	-1.8
Operating Expenses	82.9	94.5	107.2	80.3	90.6	103.2	-3.2	-4.2	-3.8
Operating Profits	184.5	235.8	291.3	186.3	236.9	288.4	1.0	0.5	-1.0
Provisions	53.9	67.0	75.4	53.4	66.7	74.6	-1.0	-0.5	-1.0
PBT	130.5	168.8	216.0	132.9	170.2	213.8	1.8	0.9	-1.0
Tax	32.9	42.5	54.4	32.9	42.9	53.9	0.1	0.9	-1.0
PAT	97.6	126.2	161.5	100.0	127.3	159.9	2.4	0.9	-1.0
AUM	3,032	3,590	4,224	3,023	3,521	4,129	-0.3	-1.9	-2.2
Loans	2,835	3,373	3,981	2,825	3,295	3,876	-0.4	-2.3	-2.6
Borrowings	2,532	2,675	3,198	2,507	2,630	3,126	-1.0	-1.6	-2.2
NIM	8.9	9.5	9.7	8.9	9.5	9.8			
Credit Cost (%)	2.0	2.2	2.1	2.0	2.2	2.1			
RoA	3.2	3.6	3.9	3.3	3.6	3.8			
RoE	16.2	14.1	13.4	16.4	14.0	13.1			

Exhibit 16: DuPont Analysis

Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	15.7	14.7	14.4	14.8	15.2	15.2	15.2	15.1	14.8
Interest Expended	7.4	7.2	7.1	6.5	6.7	7.0	7.0	6.2	5.8
Net Interest Income	8.3	7.5	7.3	8.3	8.5	8.2	8.2	8.8	9.0
Non-interest income	0.4	0.3	0.5	0.6	0.6	0.6	0.5	0.5	0.4
Net Total Income	8.6	7.8	7.8	8.9	9.2	8.8	8.7	9.3	9.4
Operating Expenses	2.6	2.2	2.2	2.5	2.7	2.7	2.6	2.6	2.5
- Employee expenses	1.3	1.1	1.1	1.3	1.5	1.4	1.3	1.3	1.3
- Other expenses	1.2	1.1	1.0	1.2	1.3	1.3	1.3	1.3	1.2
PPoP	6.1	5.6	5.6	6.4	6.4	6.1	6.1	6.7	6.9
Provisions/write offs	2.6	2.6	2.7	2.2	2.0	2.0	1.7	1.9	1.8
PBT	3.4	3.0	2.9	4.2	4.4	4.1	4.3	4.8	5.1
Tax	0.9	0.8	0.7	1.1	1.1	1.0	1.1	1.2	1.3
RoA	2.5	2.3	2.2	3.1	3.3	3.1	3.3	3.6	3.8
Avg. Leverage	5.9	5.7	5.4	4.9	4.8	5.1	5.0	3.9	3.4
RoE	14.9	12.8	11.8	15.3	15.7	15.8	16.4	14.0	13.1

Financials and valuation

Income Statement							(INR M)		
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	2,19,646	2,26,997	2,48,605	2,86,074	3,35,997	4,03,076	4,66,440	5,30,584	6,13,897
Interest Expenses	1,04,105	1,11,881	1,22,668	1,25,458	1,48,061	1,84,546	2,15,204	2,19,621	2,40,031
Net Interest Income	1,15,541	1,15,116	1,25,936	1,60,616	1,87,935	2,18,531	2,51,236	3,10,963	3,73,867
Change (%)	0.1	-0.4	9.4	27.5	17.0	16.3	15.0	23.8	20.2
Other Operating Income	4,748	4,514	9,214	11,648	13,648	15,268	14,739	15,918	17,032
Other Income	235	237	227	307	332	251	601	631	662
Total Income	1,20,524	1,19,867	1,35,378	1,72,571	2,01,915	2,34,049	2,66,576	3,27,512	3,91,561
Change (%)	1.9	-0.5	12.9	27.5	17.0	15.9	13.9	22.9	19.6
Total Operating Expenses	35,803	33,500	37,805	49,131	59,895	71,440	80,262	90,575	1,03,187
Change (%)	6.3	-6.4	12.8	30.0	21.9	19.3	12.3	12.8	13.9
Employee Expenses	18,585	16,699	19,695	25,061	32,156	36,512	41,260	46,327	53,739
Depreciation	2,232	2,172	2,137	5,242	5,688	6,453	6,988	7,431	7,844
Other Operating Expenses	14,986	14,629	15,973	18,828	22,051	28,475	32,015	36,817	41,603
Operating Profit	84,721	86,367	97,573	1,23,441	1,42,020	1,62,609	1,86,313	2,36,937	2,88,374
Change (%)	0.1	1.9	13.0	26.5	15.1	14.5	14.6	27.2	21.7
Total Provisions	36,786	39,693	47,485	41,592	45,183	53,117	53,391	66,706	74,586
% Loan loss provisions to Avg loans ratio	2.7	2.8	3.1	2.4	2.2	2.3	2.0	2.2	2.1
PBT	47,935	46,674	50,088	81,849	96,836	1,09,493	1,32,923	1,70,232	2,13,789
Tax Provisions	12,913	11,692	12,164	22,056	24,932	26,776	32,941	42,898	53,875
Tax Rate (%)	26.9	25.1	24.3	26.9	25.7	24.5	24.8	25.2	25.2
PAT	35,022	34,982	37,925	59,793	71,905	82,716	99,982	1,27,333	1,59,914
Change (%)	-1.4	-0.1	8.4	57.7	20.3	15.0	20.9	27.4	25.6
PAT (including exceptional gains)	35,022	34,982	37,925	59,793	71,905	97,610	99,982	1,27,333	1,59,914
Balance Sheet							(INR M)		
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	2,929	3,191	3,371	3,744	3,758	3,761	3,763	4,705	4,705
Reserves & Surplus	2,47,288	2,91,764	3,43,760	4,29,322	4,81,926	5,59,045	6,53,286	11,51,533	12,81,366
Net Worth	2,50,217	2,94,954	3,47,132	4,33,066	4,85,684	5,62,806	6,57,049	11,56,239	12,86,072
Borrowings	11,75,376	13,17,617	14,51,285	15,79,063	18,58,411	23,41,973	25,06,899	26,30,441	31,25,690
Change (%)	6.4	12.1	10.1	8.8	17.7	26.0	7.0	4.9	18.8
Other liabilities	25,436	26,317	23,320	24,509	28,665	30,551	47,604	52,364	57,600
Total Liabilities	14,51,029	16,38,888	18,21,754	20,36,639	23,72,760	29,35,329	32,11,552	38,39,043	44,69,362
Cash and bank balances	1,03,773	2,16,562	2,29,679	1,58,174	1,08,126	2,13,657	79,384	2,23,254	2,47,098
Investments	35,326	42,152	86,455	85,651	1,06,566	1,55,987	1,47,828	1,40,436	1,47,458
Loans	12,88,442	13,57,232	14,76,890	17,19,846	20,79,294	24,53,928	28,24,524	32,95,249	38,76,449
Change (%)	4.1	5.3	8.8	16.5	20.9	18.0	15.1	16.7	17.6
Fixed Assets	7,181	6,599	6,467	6,997	8,458	10,257	11,088	11,642	12,224
Deferred tax Assets	694	6,964	9,109	17,439	28,840	36,949	42,633	34,107	27,285
Goodwill				14,067	14,067	11,895	11,895	11,895	11,895
Other Assets	15,613	9,379	13,137	34,465	27,408	52,657	94,201	1,22,461	1,46,953
Total Assets	14,51,029	16,38,888	18,21,737	20,36,639	23,72,760	29,35,329	32,11,552	38,39,043	44,69,362

E: MOFSL Estimates

Financials and valuation

									(INR M)
AUM Mix (%)									
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
AUM	13,88,342	14,68,128	15,77,122	18,56,829	22,48,620	26,31,903	30,22,738	35,21,340	41,29,049
Change (%)	4	6	7	18	21	17	15	16	17
Disbursements	7,05,733	5,21,985	8,62,135	11,06,899	14,21,675	16,62,981	18,44,290	21,53,772	25,17,616
Change (%)	-3	-26	65	28	28	17	11	17	17

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									(INR M)
Ratios									
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Spreads Analysis (%)									
Avg. Yield on Loans	17.4	17.2	17.5	17.9	17.7	17.8	17.67	17.34	17.1
Avg Cost of Funds	9.1	9.0	8.9	8.3	8.6	8.8	8.88	8.55	8.3
Spread of loans	8.3	8.2	8.7	9.6	9.1	9.0	8.80	8.79	8.8
NIM (on assets)	8.3	7.5	7.3	8.3	8.5	8.2	8.2	8.8	9.0
C/I ratio	29.7	27.9	27.9	28.5	29.7	30.5	30.1	27.7	26.4
Profitability Ratios (%)									
RoE	14.9	12.8	11.8	15.3	15.7	15.8	16.4	14.0	13.1
RoA	2.5	2.3	2.2	3.1	3.3	3.1	3.3	3.6	3.8
Int. Expended / Int. Earned	47.4	49.3	49.3	43.9	44.1	45.8	46.1	41.4	39.1
Other Inc. / Net Income	4.1	4.0	7.0	6.9	6.9	6.6	5.8	5.1	4.5
Efficiency Ratios (%)									
Op. Exps. / Net Income	29.7	27.9	27.9	28.5	29.7	30.5	30.1	27.7	26.4
Empl. Cost/Op. Exps.	51.9	49.8	52.1	51.0	53.7	51.1	51.4	51.1	52.1
Asset-Liability Profile (%)									
Loans/Borrowings Ratio	1.1	1.0	1.0	1.1	1.1	1.0	1.1	1.3	1.2
Assets/Equity	5.8	5.6	5.2	4.7	4.9	5.2	4.9	3.3	3.5
Asset quality (%)									
GNPA	1,14,400	1,01,688	1,09,762	1,13,822	1,20,812	1,18,388	1,37,433	1,55,446	1,76,320
NNPA	66,256	51,523	49,731	56,749	58,245	67,145	68,255	85,495	96,976
GNPA ratio	8.3	6.9	6.9	6.2	5.5	4.6	4.6	4.5	4.3
NNPA ratio	5.0	3.6	3.3	3.2	2.7	2.6	2.3	2.5	2.4
PCR	42.1	49.3	54.7	50.1	51.8	43.3	50.3	45.0	45.0
Credit Costs (% of loans)	2.7	2.8	3.1	2.4	2.2	2.3	2.0	2.2	2.1

Valuations	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Book Value (INR)	171	185	206	231	258	299	349	491	547
BV Growth (%)	14	8	11	12	12	16	17	41	11
P/BV	5.9	5.5	4.9	4.4	3.9	3.4	2.9	2.1	1.8
EPS (INR)	24	22	22	32	38	44	53	54	68
EPS Growth (%)	-1.4	-8.3	2.6	42.0	19.8	14.9	20.8	1.9	25.6
P/E	42.3	46.1	44.9	31.7	26.4	23.0	19.0	18.7	14.9
DPS	1.0	4.2	4.7	7.0	9.0	9.9	12	12	15
Dividend Yield (%)	0.1	0.4	0.5	0.7	0.9	1.0	1.2	1.2	1.5

E: MOFSL Estimates

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