

October 28, 2022

Q2FY23 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	1,013		1,087	
NII (Rs.)	56,964	83,139	56,964	76,722
% Chng.	-	8.4		
PPoP (Rs.)	62,832	74,825	63,172	67,931
% Chng.	(0.5)	10.1		
EPS (Rs.)	33.2	37.3	35.4	39.5
% Chng.	(6.2)	(5.7)		

Key Financials - Consolidated

Y/e Mar	FY22	FY23E	FY24E	FY25E
Net Int.Inc. (Rs m)	38,387	45,037	56,964	83,139
Growth (%)	(1.2)	17.3	26.5	45.9
Op. Profit (Rs m)	44,280	53,882	62,832	74,825
PAT (Rs m)	16,161	24,597	31,295	42,099
EPS (Rs.)	17.1	26.1	33.2	37.3
Gr. (%)	63.7	52.2	27.2	12.3
DPS (Rs.)	2.0	3.3	4.1	4.7
Yield (%)	0.2	0.4	0.5	0.5
Margin (%)	13.6	13.0	13.2	13.3
RoAE (%)	23.0	27.9	27.8	29.4
RoAA (%)	5.2	6.1	6.8	7.5
PE (x)	50.1	32.9	25.9	23.0
P/BV (x)	10.4	8.2	6.4	5.9
P/ABV (x)	10.8	8.4	6.7	6.3

Key Data

SBIC.BO | SBICARD IN

52-W High / Low	Rs.1,157 / Rs.656
Sensex / Nifty	59,757 / 17,737
Market Cap	Rs.810bn/ \$ 9,812m
Shares Outstanding	943m
3M Avg. Daily Value	Rs.1412.97m

Shareholding Pattern (%)

Promoter's	69.41
Foreign	8.82
Domestic Institution	17.04
Public & Others	4.73
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.1)	3.8	(24.5)
Relative	(9.3)	(0.4)	(22.5)

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Receivables Growth Strong, Revolver Mix Falling again a Dampener

Quick Pointers:

- Receivables up 41% YoY; GNPA at 2.1% vs 2.24% (Q1FY23)

SBICARD reported average set of Q2'23 numbers (PAT at Rs 5.2bn down 16.2%QoQ up 52.4%YoY) below our estimate of Rs6.7bn due to higher than expected provisions and opex. Receivables at Rs377bn (PLe: Rs355bn) grew healthy 13.6%QoQ/41.4%YoY, opex increased by 10.3%QoQ and rose by 32.6%YoY leading to cost-income rising to 59.4% from 56.3% in Q1'23. Yields fell (decreased to 16.4% from 17.1% in Q1'23) as higher yielding revolver mix decreased to 24% from 26% in Q1'23 of overall receivables. Asset quality improved marginally with GNPA's at 2.1% vs 2.24% in Q1FY23. Credit costs rose sequentially to 5.6% vs 5.0% in Q1'23 as impairments and losses increased sequentially by 21% to Rs5.46bn. Retail spends continue to stay robust came in at Rs 508.95bn up by 11.9% on a QoQ basis. Corporate spends saw a 19.5% fall sequentially and came in at Rs114.11bn as company decided to review its corporate spend strategy and exited certain low margin accounts. Management has stated that share of corporate spends will improve to historical range but in a recalibrated manner.

Going forward, we believe credit costs pressures are expected to recede (4-4.5% from current 5.6%) as recoveries improve post festive season. Operating expenses are expected to rise as sourcing costs go up with increased competition (200-300bps rise in cost-income over FY22-24 to 60%). We foresee strong fees traction (20%CAGR between FY22-24) due to increased retail spends thanks to festive season. Improving asset quality trends leading to lower credit costs to compensate for growing cost pressures especially led by competition & regulatory hindrances. After incorporating above thesis our FY23 and FY24 EPS estimates stand below by 7.5% and 6.2% respectively. We maintain 'ACUMULATE' rating on the stock as SBICARD maintains high return profile (5.4%+RoA/ 24%RoE) with 39% EPS CAGR over FY22-24. Our valuation multiple at 34x PE Sep'24E results into TP of Rs1,013 from earlier target price of Rs1,087

- Receivables strong, NIM drops as revolve mix falls:** Receivables at INR 377.3bn grew strongly by 13.6% QoQ/41.1%YoY. Transactor share in overall loans inches higher to 41% vs 38% (Q1FY23), revolver share dropped to 24% vs 26% last quarter and EMI share remained constant at 35%. Revolver mix dropping to 24% a negative and can affect margins going forward as borrowing costs are also going up. CoF rose to 5.4% vs 5.1% in Q1'23 marginally translating into NIM's falling to a low of 12.3% vs 13.2% in Q1'23. Competition continues to be high as company lost market share in spends down to 18% from 19.2% in FY22 but cards in force share has risen to 19.1% from 18.7% in FY22.

PAT at Rs 5.2bn down 16.2% QoQ but up 52.4% YoY below our estimates [PLe: Rs 6.7bn] due to higher provisions and opex

NII increased 3.5%QoQ/21.5%YoY to Rs 11.1bn and below our estimates [PLe of Rs 11.7bn] largely on account of lower yields as yields fell to 16.4% from 17.1% in Q1'23 as the high yielding revolver mix seems fell after rising in the last quarter (down to 24% vs 26% in Q1'23). CoF increased to 5.4% vs 5.1% in Q1FY23 translating NIMs falling to 12.3% from 13.2% in Q1'23.

Other income saw a strong growth of 5.0% on a QoQ to Rs 19.6bn basis as spends increased by 4.4% on a QoQ basis.

Receivables at INR 377.3bn grew strongly by 13.6% QoQ/41.4%YoY. Transactor share in overall loans inched higher to 41% vs 38% (Q1FY23) , revovler share decreased to 24% vs 26% last quarter and EMI share remained constant at 35%.

PPoP at Rs12.5bn stood below our estimates [vs. PLe of Rs13.6bn] increased 18.3%YoY but decreased 3.1% QoQ due to higher opex and lower NII due to lower yields.

Provisions saw a rise and came in at Rs5.4bn up 21.3%on a QoQ basis. Credit costs as reported came in at 5.6% vs 5.0% in Q1FY23.

Asset quality improved with GNPA/NNPA coming in at 2.1%/0.78% respectively vs 2.24%/0.79% and 3.4%/0.9% in Q1'23 and Q2'22 respectively.

Exhibit 1: Higher Provisions dent PAT; Lower revolver mix affects NIM

Y/e March	Q2FY23	Q2FY22	YoY gr.	Q1FY23	QoQ gr.
Interest Income	14,845	11,732	26.5%	13,873	7.0%
Interest Expenses	3,677	2,541	44.7%	3,084	19.2%
Net Interest Income	11,168	9,190	21.5%	10,789	3.5%
Other Income	19,689	15,223	29.3%	18,755	5.0%
Total Income	30,856	24,413	26.4%	29,545	4.4%
Total Operating Expenses	18,340	13,833	32.6%	16,633	10.3%
Operating Profit (PPP)	12,517	10,580	18.3%	12,912	-3.1%
Provisions & Write Offs	5,460	5,939	-8.1%	4,503	21.3%
PBT	7,057	4,641	52.0%	8,409	-16.1%
Tax Expense	1,800	1,192	51.0%	2,140	-15.9%
Reported Profit	5,257	3,449	52.4%	6,269	-16.2%
Asset Quality					
Gross NPAs	8,074	8,985	-10.1%	7,440	8.5%
Net NPAs	2,355	2,224	5.9%	2,624	-10.3%
Gross NPA (%)	2.1%	3.4%	-122	2.24%	-10
Net NPA (%)	0.78%	0.9%	-13	0.79%	-1
Yields	16.4%	18.0%	-160	17.1%	-70
CoF	5.4%	5.5%	-10	5.1%	30
NIM %	12.3%	14.1%	-180	13.2%	-90
Cost to Income	59.4%	56.7%	277	56.3%	314
ROE %	5.4%	4.9%	50	7.0%	-160
ROA %	24.1%	20.1%	400	30.8%	-670
Cards Outstanding (Units mn)	14.80	12.60	17.5%	14.30	3.5%
Total spends	623060	435600	43.0%	596710	4.4%
Gross Loans	377300	267410	41.1%	332150	13.6%

Source: Company, PL

Conference Call Highlights

Industry Update:

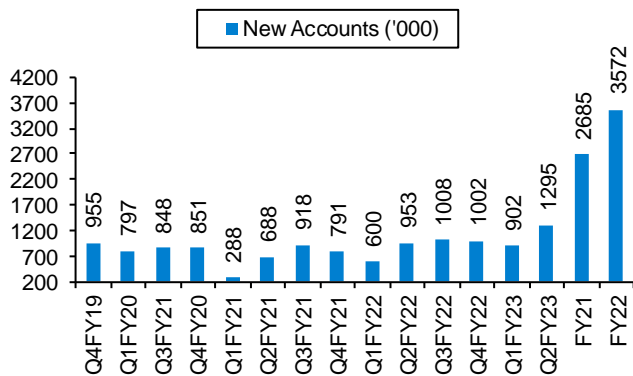
- Credit card spends have crossed Rs.1t for straight 6 months with September'22 witnessed highest spends due to early festive season and robust festive demand.
- Effect of new RBI guidelines on inactive cards is limited as around 95% of cards are in compliance with the order.
- Linking of RuPay credit card with UPI will help expand use case of credit cards and will give customers more option to spend.

Business Update:

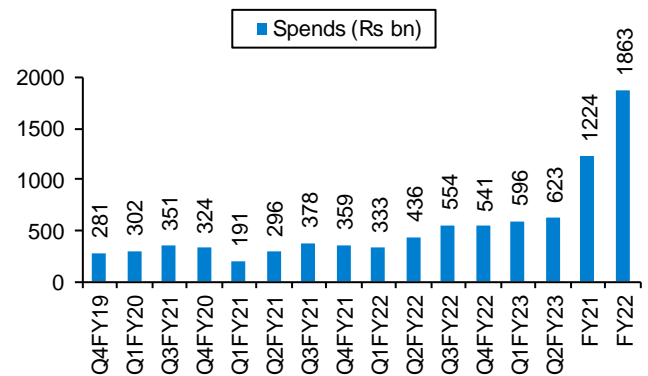
- Corporate spends significantly reduced as the company decided to review its corporate spend strategy and exited certain low margin accounts. Management has stated that share of corporate spends will improve to historical range but in a recalibrated manner.
- Revolver mix share has risen in absolute numbers but rise in festive spends during the last 10 days of the quarter has moderated the share of revolver mix.
- % of spends converting to EMI is higher than earlier stated 10% due to festive spends starting in late September.
- Credit costs have increased due to provisioning in Stage 1 assets. However, company expects this to improve as recoveries will flow post festive season.
- Cost of Funds is likely to increase by another 50-60bps, which will be over and above the full impact of Q2 borrowing done in last week.
- NIMs guidance is expected to remain stable at around 12% and management is confident of passing the effect of higher CoFs.
- Operating expenses were higher due to increasing in direct sourcing expenses and festive offers. Opex is expected to remain elevated during festive season and more product launches.
- Company continues to maintain target of net issuance of 300k cards monthly.

SBI Cashback Cards:

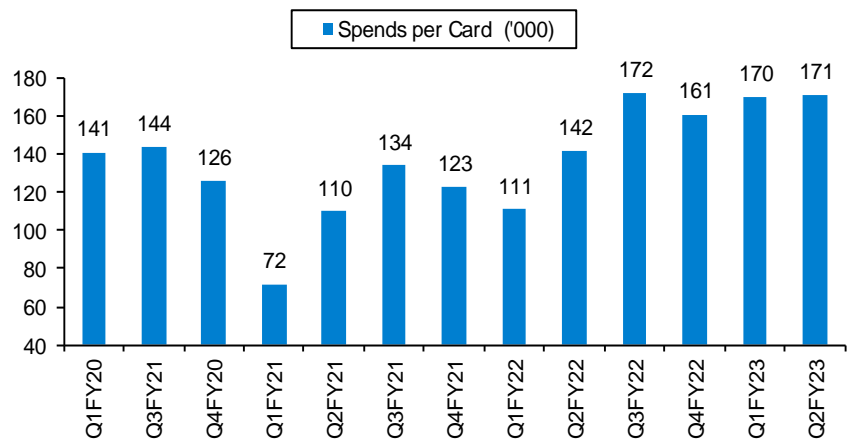
- Launched in Q2, this is at a very early stage and currently for users through digital channel only. Most customers are new.
- Monthly active rate is higher than other categories at around 70% and spends are also higher.

Exhibit 2: Account addition run rate sees rise


Source: Company, PL

Exhibit 3: Retail spends rises/corporate spends falls


Source: Company, PL

Exhibit 4: Spends per card saw QoQ rise


Source: Company, PL

Exhibit 5: NIM's fall as revolve mix reduction leads to fall in yields

Revenue (Rs mn)	Q2FY23	Q2FY22	YoY gr.	Q1FY23	QoQ gr.
Revenue from Operations	32,971	25,762	20.3%	31,003	6.3%
Other Income	1,562	1,192	36.3%	1,626	-3.9%
Total Income	30,856	24,413	21.0%	29,545	4.4%
Finance Costs	3,677	2,541	21.3%	3,084	19.2%
Net Revenue	27,179	21,872	21.0%	26,461	2.7%
Interest Income Yield	16.4%	18.0%	-90	17.1%	-70
Cost of Funds	5.4%	5.5%	-40	5.1%	30
<i>Net Interest Margin</i>	<i>12.3%</i>	<i>14.1%</i>	<i>-90</i>	<i>13.2%</i>	<i>-90</i>

Source: Company, PL

Exhibit 6: Credit costs sequentially see uptick

Asset Quality (Rs mn)	Q2FY23	Q2FY22	YoY gr.	Q1FY23	QoQ gr.
Impairment and losses	5,460	5,940	-8%	4,500	21.3%
Gross Credit Costs	5,460	5,930	-8%	4,480	21.9%
Recoveries	(1,370)	(1,180)	16%	(1,480)	-7.4%
Net Credit Costs	4,100	4,750	-14%	3,000	36.7%
Gross Credit Cost %	6.2%	9.3%	-310	5.6%	60
Net Credit Cost %	4.6%	7.4%	-280	3.7%	90
ECL (%)	3.3%	5.0%	-170	3.4%	-10
GNPA (%)	2.1%	3.4%	-130	2.2%	-14
NNPA (%)	0.8%	0.9%	-10	0.8%	1
PCR	64.0%	73.7%	-970	65.1%	-110

Source: Company, PL

Exhibit 7: Quarterly Business Parameters for SBICARD

Biz Parameters	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Cards In Force (unit mn)	11.0	11.5	11.8	12.0	12.6	13.2	13.8	14.3	14.8
Growth YoY	15.8%	9.5%	11.5%	9.1%	14.5%	14.8%	16.8%	19.2%	17.5%
Growth QoQ	3.8%	4.5%	2.8%	1.5%	5.0%	4.8%	4.5%	3.6%	3.5%
Receivable Mix (%)									
Transactor	30.0%	33.0%	35.0%	33.0%	37.0%	38.0%	40.0%	38.0%	41.0%
Revolver	34.0%	29.0%	28.0%	29.0%	27.0%	27.0%	25.0%	26.0%	24.0%
EMI	27.0%	29.0%	29.0%	32.0%	32.0%	33.0%	34.0%	35.0%	35.0%
RBI RE	9.0%	9.0%	8.0%	6.0%	4.0%	2.0%	1.0%	0.0%	0.0%
30 day activity rate	47.0%	51.0%	49.0%	46.0%	49.9%	52.0%	50.0%	50.0%	50.0%
Loans per Card (Rs)	21781	22409	21244	20290	21223	22133	22667	23227	25493
Growth YoY	-10.6%	-2.1%	-3.5%	-6.8%	-2.6%	-1.2%	6.7%	14.5%	20.1%
Growth QoQ	-1.0%	2.9%	-5.2%	-4.5%	4.6%	4.3%	2.4%	2.5%	9.8%
Spend per Cards (Rs)	110	134	123	111	142	172	161	170	171
Growth YoY	24.1%	6.3%	70.8%	0.9%	29.1%	28.4%	30.9%	53.2%	20.4%
Growth QoQ	52.8%	21.8%	-8.2%	-9.8%	27.9%	21.1%	-6.4%	5.6%	0.6%
New Accounts Sourcing ('000)	688	918	791	609	953	1008	1002	902	1295
Growth YoY	24.6%	7.9%	174.7%	-11.5%	38.5%	9.8%	26.7%	48.1%	35.9%
Growth QoQ	138.9%	33.4%	-13.8%	-23.0%	56.5%	5.8%	-0.6%	-10.0%	43.6%
New Accounts Sourcing by Channel									
SBI Sourcing	58.0%	52.0%	54.0%	62.0%	52.2%	49%	54%	68%	70%
OM Sourcing	42.0%	48.0%	46.0%	38.0%	47.8%	51%	46%	32%	30%
Sourcing by City Tier (%)									
Tier 1	40.0%	42.0%	38.0%	42.0%	40.0%	46.0%	45.0%	44.0%	43.0%
Tier 2	32.0%	31.0%	31.0%	32.0%	33.0%	26.0%	25.0%	25.0%	24.0%
Tier 3	11.0%	12.0%	10.0%	10.0%	12.0%	16.0%	17.0%	18.0%	19.0%
Others	16.0%	15.0%	21.0%	16.0%	16.0%	12.0%	13.0%	13.0%	14.0%
Retail Spends (Rs mn)	248630	310790	298630	270980	350700	424170	418720	454880	508950
Growth QoQ	49.7%	25.0%	-3.9%	-9.3%	29.4%	20.9%	-1.3%	8.6%	11.9%
Corporate Spends (Rs mn)	47280	67180	60800	61620	84910	129800	122630	141830	114110
Growth QoQ	90.9%	42.1%	-9.5%	1.3%	37.8%	52.9%	-5.5%	15.7%	-19.5%
Yields	21.4%	18.6%	17.1%	18.5%	18.0%	17.9%	16.8%	17.1%	16.4%
Cost of Funds	6.6%	6.1%	5.5%	5.2%	5.5%	5.4%	4.9%	5.1%	5.4%
Cost to Income	49.3%	59.1%	57.8%	52.5%	56.7%	60.0%	57.4%	56.3%	59.5%
Gross NPA	4.3%	4.5%	5.0%	3.9%	3.4%	2.4%	2.2%	2.2%	2.1%
ROAA	3.4%	3.3%	2.6%	4.5%	4.9%	5.0%	7.0%	7.0%	5.4%
ROAE	14.1%	13.8%	11.2%	18.7%	20.1%	21.2%	30.4%	30.8%	24.1%
ECL %	8.6%	8.0%	6.6%	5.7%	5.0%	4.0%	3.5%	3.4%	3.3%

Source: Company, PL

Exhibit 8: Stage 2, Stage 3 assets on declining trend

Stage Wise NEA	Q2FY22	Q1FY23	Q2FY23
Stage 1	85.4%	89.5%	90.5%
Stage 2	11.2%	8.3%	7.4%
Stage 3	3.4%	2.2%	2.1%

Source: Company, PL

Exhibit 9: Change in Estimates – FY23 EPS and FY24 EPS downgraded factoring in higher opex due to higher sourcing costs; TP reduced to 1,013

Rs mn	Old			Revised			Change in Estimates		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Net Interest Income	45,037	56,964	76,722	45,037	56,964	83,139	0.0%	0.0%	8.4%
Operating Profit	54,123	63,172	67,931	53,882	62,832	74,825	-0.4%	-0.5%	10.1%
Net Profit	26,597	33,368	36,931	24,597	31,295	42,099	-7.5%	-6.2%	14.0%
EPS (Rs)	28.2	35.4	39.5	26.1	33.2	37.3	-7.5%	-6.2%	-5.7%
Price Target (Rs)	1,087			1,013			-6.8%		
Reco	Accumulate			Accumulate					

Source: PL



Income Statement (Rs. m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Int. Inc. / Opt. Inc.	48,660	58,392	72,990	1,10,547
Interest Expenses	10,273	13,355	16,026	27,408
Net interest income	38,387	45,037	56,964	83,139
Growth(%)	(1.2)	17.3	26.5	45.9
Non-interest income	64,361	81,930	93,571	1,02,928
Growth(%)	34.5	27.3	14.2	10.0
Net operating income	1,02,748	1,26,967	1,50,535	1,86,066
Expenditures				
Employees	4,727	5,374	6,044	6,649
Other Expenses	52,256	66,104	79,704	1,02,443
Depreciation	1,486	1,608	1,954	2,149
Operating Expenses	58,468	73,086	87,703	1,11,241
PPP	44,280	53,882	62,832	74,825
Growth(%)	11.8	21.7	16.6	19.1
Provisions	22,558	21,011	21,011	21,011
Profit Before Tax	21,722	32,871	41,821	53,814
Tax	5,560	8,274	10,526	11,715
Effective Tax rate(%)	25.6	25.2	25.2	21.8
PAT	16,161	24,597	31,295	42,099
Growth(%)	64.2	52.2	27.2	34.5

Balance Sheet (Rs. m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Source of funds				
Equity	-	-	-	-
Reserves and Surplus	68,095	89,500	1,16,765	1,51,905
Networth	77,527	98,932	1,26,197	1,61,337
Growth (%)	23.0	27.6	27.6	27.8
Loan funds	2,29,825	2,76,693	3,37,565	3,98,327
Growth (%)	27.2	20.4	22.0	18.0
Deferred Tax Liability	-	-	-	-
Other Current Liabilities	23,406	30,645	34,240	41,803
Other Liabilities	15,727	15,727	15,727	15,727
Total Liabilities	3,46,484	4,21,996	5,13,729	6,17,194
Application of funds				
Net fixed assets	4,537	4,077	4,214	4,658
Advances	3,01,873	4,12,021	4,91,320	5,75,731
Growth (%)	28.7	36.5	19.2	17.2
Investments	12,972	12,972	16,972	20,972
Current Assets	11,064	9,471	10,127	5,975
Net current assets	(12,342)	(21,174)	(24,113)	(35,828)
Other Assets	16,039	9,120	23,177	48,954
Total Assets	3,46,484	4,47,661	5,45,811	6,56,291
Growth (%)	28.3	29.2	21.9	20.2
Business Mix				
AUM	3,01,873	4,12,021	4,91,320	5,75,731
Growth (%)	28.7	36.5	19.2	17.2
On Balance Sheet	-	-	-	-
% of AUM	-	-	-	-
Off Balance Sheet	-	-	-	-
% of AUM	-	-	-	-

Profitability & Capital (%)

Y/e Mar	FY22	FY23E	FY24E	FY25E
NIM	13.6	13.0	13.2	13.3
ROAA	5.2	6.1	6.8	7.5
ROAE	23.0	27.9	27.8	29.4

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Int. Inc. / Operating Inc.	12,733	12,661	13,873	14,845
Income from securitization	16,161	15,842	17,130	18,126
Interest Expenses	2,768	2,674	3,084	3,677
Net Interest Income	26,127	25,829	27,919	29,294
Growth (%)	22.0	25.1	30.9	26.2
Non-Interest Income	2,502	1,658	1,626	1,562
Net Operating Income	28,629	27,487	29,545	30,856
Growth (%)	25.6	23.6	33.0	26.4
Operating expenditure	16,819	15,376	16,241	17,954
PPP	11,440	11,720	12,912	12,517
Growth (%)	18.4	14.9	20.0	(3.1)
Provision	6,255	3,928	4,503	5,460
Exchange Gain / (Loss)	-	-	-	-
Profit before tax	5,185	7,792	8,409	7,057
Tax	1,327	1,984	2,140	1,800
Prov. for deferred tax liability	-	-	-	-
Effective Tax Rate	25.6	25.5	25.4	25.5
PAT	3,858	5,809	6,269	5,257
Growth	84	231	106	52
AUM	2,91,290	3,12,810	3,32,150	3,77,300
YoY growth (%)	13.1	24.6	35.9	41.1
Borrowing	2,01,644	2,17,775	-	-
YoY growth (%)	11.1	21.7	-	-

Key Ratios

Y/e Mar	FY22	FY23E	FY24E	FY25E
CMP (Rs)	858	858	858	858
EPS (Rs)	17.1	26.1	33.2	37.3
Book value (Rs)	82.2	104.9	133.8	144.6
Adj. BV(Rs)	79.7	102.3	128.1	135.3
P/E(x)	50.1	32.9	25.9	23.0
P/BV(x)	10.4	8.2	6.4	5.9
P/ABV(x)	10.8	8.4	6.7	6.3
DPS (Rs)	2.0	3.3	4.1	4.7
Dividend Payout Ratio(%)	11.8	12.5	12.5	0.0
Dividend Yield(%)	0.2	0.4	0.5	0.5

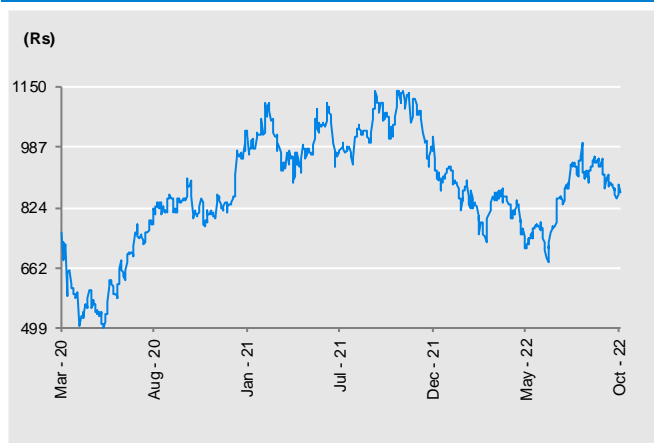
Asset Quality

Y/e Mar	FY22	FY23E	FY24E	FY25E
Gross NPAs(Rs m)	6,702	8,240	10,318	12,666
Net NPA(Rs m)	2,355	2,472	5,405	6,909
Gross NPAs to Gross Adv.(%)	2.2	2.0	2.1	-
Net NPAs to net Adv.(%)	0.8	0.6	1.1	1.2
NPA coverage(%)	64.9	70.0	47.6	45.5

Du-Pont as a % of AUM

Y/e Mar	FY22	FY23E	FY24E	FY25E
NII	12.5	11.2	12.5	12.7
NII INCI. Securitization	31.3	30.1	31.5	31.6
Total income	33.3	31.7	32.9	32.8
Operating Expenses	19.5	16.7	17.6	18.2
PPOP	14.4	13.4	13.7	14.0
Total Provisions	7.3	5.2	4.6	4.0
RoAA	5.2	6.1	6.8	7.5
Avg. Assets/Avg. net worth	23.3	21.4	22.9	26.0
RoAE	23.0	27.9	27.8	29.4

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	06-Oct-22	Accumulate	1,087	892
2	29-Jul-22	Accumulate	1,087	929
3	07-Jul-22	Accumulate	1,001	850
4	01-May-22	Accumulate	1,027	831
5	12-Apr-22	Accumulate	1,027	852
6	24-Jan-22	Accumulate	1,162	815
7	11-Jan-22	Accumulate	1,162	905
8	29-Oct-21	Accumulate	1,199	1,126

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Bajaj Finance	BUY	8,953	7,432
2	Cholamandalam Investment and Finance Company	BUY	792	736
3	L&T Finance Holdings	BUY	88	80
4	Mahindra & Mahindra Financial Services	Hold	200	201
5	Manappuram Finance	BUY	126	99
6	Muthoot Finance	BUY	1,431	1,042
7	SBI Cards and Payment Services	Accumulate	1,087	892
8	Shriram Transport Finance	BUY	1,521	1,198

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly



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