

# Piramal Enterprises

Bloomberg	PIEL IN
Equity Shares (m)	225
M.Cap.(INRb)/(USD\$)	235.5 / 2.8
52-Week Range (INR)	1144 / 737
1, 6, 12 Rel. Per (%)	3/12/-19
12M Avg Val (INR M)	1396

## Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
PPOP	12.0	15.3	19.6
PAT	-16.8	8.8	12.9
PAT (ex-exceptional)	-15.4	0.3	6.9
EPS	-75	39	57
EPS Gr. (%)	-	-	46
BV/Sh. (INR)	1,182	1,211	1,253
RoA (%)	-2.0	1.0	1.3
RoE (%)	-5.8	3.3	4.7

## Valuation

P/E (x)	-13.9	26.7	18.2
P/BV (x)	0.9	0.9	0.8
Dividend yield (%)	1.0	1.5	1.4

## Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	46.0	46.2	43.5
DII	13.4	13.2	11.9
FII	16.7	17.5	26.5
Others	23.9	23.2	18.1

FII Includes depository receipts

**CMP: INR1,044 TP: INR1,015 (-3%) Neutral**

## Strong retail loan growth; credit costs higher QoQ

### Opex ratio continues to improve; asset quality deteriorates

- Piramal Enterprises (PIEL) reported a 2QFY25 net profit of ~INR1.6b (PQ: ~INR1.8b). This included an exceptional gain of ~INR770m from recoveries in the AIF portfolio. NII rose ~17% YoY and 9% QoQ to ~INR8.8b. PPOP at ~INR4b grew ~58% YoY. In 1HFY25, PAT declined 38% YoY to INR3.4b.
- Total AUM grew 12% YoY and 6% QoQ. Wholesale 2.0 AUM grew 12% QoQ to INR78.9b while Wholesale 1.0 AUM declined ~49% YoY/7% QoQ to INR121b. Retail AUM grew ~42% YoY to INR547b, with its share in the loan book increasing to ~73% (PQ: 72%).
- GS3/NS3 rose ~40bp each to 3.1%/1.5%. Stage 3 PCR declined by ~6pp QoQ to ~53.5%. Retail 90+ DPD was broadly stable at 0.7%. Total ECL/EAD remained stable QoQ at ~4.4% of the AUM.
- Management reiterated its target to reduce legacy AUM to <10% of total AUM by Mar'25E. **We still believe that this will entail elevated credit costs in 2HFY25, but the same will be mitigated with AIF recoveries and other monetization tools.** PIEL expects AIF recoveries of ~INR10b in 2HFY25. It also stated that it has made internal progress on some of the monetization opportunities available at the company's disposal.
- We estimate a total AUM CAGR of ~21% and a ~29% CAGR in Retail AUM over FY24-FY27. While its growth business (excluding one-off gains and exceptional items) is showing signs of improvement, it will still take at least 9-12 months for it to mitigate the earnings and credit costs impact of an accelerated decline in the legacy AUM.
- Pockets of opportunity, which we earlier thought would be utilized for some inorganic acquisition in retail businesses or for strengthening the balance sheet, will be utilized to run down the stressed legacy AUM. In the near term, we do not see catalysts for any meaningful improvement in the core earnings trajectory of the company. **We reiterate our Neutral rating with a revised TP of INR1,015 (based on Sep'26E SOTP).**

## Unsecured retail showing signs of stress; credit costs could inch up in the near term

- The first two quarters of the current fiscal have been challenging, with the company modestly hit by shifts in the environment. However, PIEL has long been prepared for this normalization in asset quality.
- Management noted that the retail segment has experienced an unusually benign cycle over the last 4-5 years. It expects stress in the retail space to continue for a few more quarters. It is difficult to conclude whether credit costs and asset quality stress have peaked, and there is a possibility that retail credit costs could rise further in the third and fourth quarters.

## Highlights from the management commentary

- Retail AUM grew by 42% YoY, but as the legacy AUM run-off completes, retail growth is expected to moderate. While the retail asset quality remained stable, rising credit costs and challenges in certain segments like unsecured business loans and digital loans suggest potential stress in the retail portfolio for the next few quarters.

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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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- In new origination, the asset quality has been dramatically different, and PIEL has been able to achieve that without yield reduction. Approval rates are meaningfully lower (relative to the industry) at 15-17%. Within unsecured, older originations are ~12% of the AUM at present, and as it runs down, the company will see an improvement in asset quality.

#### Valuation and view

- Our earnings estimates for FY25 and FY26 only factor in exceptional gains from the AIF exposures and low tax outgo in the foreseeable future. Because of the uncertainty and unpredictability around the timing of the monetization of the stake in Shriram Life and General Insurance, we have not factored it in our estimates yet. It will, however, provide one-off gains, which can help offset the credit costs required to dispose of the stressed legacy AUM.
- We expect PIEL to deliver ~1.3% RoA and ~5% RoE in FY26E. We value the lending business at 0.6x Sep'26E P/BV and **reiterate our Neutral rating on the stock with a revised TP of INR1,015 (premised on Sep'26E SOTP).**

#### Quarterly Performance

(INR m)

Y/E March	FY24				FY25		FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q		
Interest Income	17,251	17,783	19,307	19,009	19,285	20,804	73,349	90,036
Interest Expenses	10,439	10,500	11,178	11,887	12,047	13,050	44,004	53,331
<b>Net Interest Income</b>	<b>6,812</b>	<b>7,283</b>	<b>8,129</b>	<b>7,121</b>	<b>7,238</b>	<b>7,754</b>	<b>29,345</b>	<b>36,705</b>
YoY Growth (%)	-31.0	-12.3	-21.3	-22.3	6.3	6.5		
Other operating income	11,739	4,150	5,450	5,724	1,943	2,075	27,064	7,493
Other Income	208	119	706	549	226	870	1,581	2,371
<b>Total Income</b>	<b>18,759</b>	<b>11,552</b>	<b>14,284</b>	<b>13,394</b>	<b>9,407</b>	<b>10,700</b>	<b>57,989</b>	<b>46,570</b>
YoY Growth (%)	75.4	22.5	-38.3	53.9	-49.9	-7.4		
Operating Expenses	9,061	6,641	6,970	14,451	7,034	7,534	37,123	31,280
<b>Operating Profit</b>	<b>9,698</b>	<b>4,911</b>	<b>7,314</b>	<b>-1,057</b>	<b>2,373</b>	<b>3,166</b>	<b>20,867</b>	<b>15,290</b>
YoY Growth (%)	54.5	22.1	-58.3	-153.7	-75.5	-35.5		
Provisions & Loan Losses	3,090	4,385	5,995	20,852	1,007	2,376	34,322	16,016
<b>Profit before Tax</b>	<b>6,609</b>	<b>526</b>	<b>1,319</b>	<b>-21,909</b>	<b>1,366</b>	<b>790</b>	<b>-13,455</b>	<b>-726</b>
Tax Provisions	1,732	107	-9,575	-8,212	664	272	-15,949	-102
<b>PAT (before associate income)</b>	<b>4,877</b>	<b>419</b>	<b>10,894</b>	<b>-13,696</b>	<b>702</b>	<b>518</b>	<b>2,493</b>	<b>-625</b>
Associate Income	211	707	728	-108	76	343	1,537	924
<b>PAT (before exceptional)</b>	<b>5,088</b>	<b>1,125</b>	<b>11,622</b>	<b>-13,805</b>	<b>778</b>	<b>860</b>	<b>4,031</b>	<b>299</b>
Exceptional items	0	-643	-35,398	15,176	1,037	769	-20,866	8,500
Profit from Discontinued operations							-	-
<b>PAT (after exceptional)</b>	<b>5,088</b>	<b>482</b>	<b>-23,776</b>	<b>1,371</b>	<b>1,815</b>	<b>1,630</b>	<b>-16,835</b>	<b>8,799</b>

#### Strong growth in retail; mix improved to ~73%

- Retail AUM grew ~42% YoY to INR547b with its share in the loan book increasing to ~73% (PQ: 72%). The company reiterated that it expects to bring the share of legacy AUM down to <10% of the total AUM by Mar'25. Digital loan disbursements declined to ~INR5.6b (PQ: INR8.4b and PY: INR11.2b)
- Retail disbursements grew ~29% YoY to INR81b. Management highlighted that the use of digital channels in origination has played a transformative role.

#### Asset quality deteriorates; credit costs higher sequentially

- GS3/NS3 increased ~40bp each to 3.1%/1.5%. Stage 3 PCR declined by ~6pp QoQ to ~53.5%. Retail 90+ DPD was broadly stable at 0.7%.
- Growth business gross credit costs rose ~20bp QoQ to 1.8% (PQ: 1.6% and PY: 1.9%).

## Exhibit 1: Key products with average ticket size and disbursement yields

## Multi-product retail lending platform across the risk-reward spectrum – Q2 FY25



Product Segments	Products	Average disbursement ticket size (INR lakh)	Disbursement yield	Share in disbursements	AUM yield*	Share in AUM^
Housing	Affordable housing	22.2	11.6%	31.1%	11.8%	43.8%
	Mass affluent housing					
	Budget housing					
Secured MSME (LAP)	Secured business loan	23.3	12.9%	26.6%	13.0%	23.8%
	Loan against property (LAP)					
	LAP plus					
Used car loans	Pre-owned car loans	6.8	15.1%	9.3%	15.0%	5.6%
Business loan	Microfinance loans	0.6	18.9%	5.8%	17.7%	2.7%
	Business loans	8.8	20.3%	8.5%	20.3%	6.9%
	Merchant BNPL					
Salaried PL	Salaried personal loans	4.4	17.5%	11.8%	17.5%	7.5%
Digital loan	Digital purchase finance	0.5	16.4%	7.0%	18.0%	5.6%
	Digital personal loans					
Total / weighted average		15.1	14.1%		13.7%	

Source: Company, MOFSL



## Highlights from the management commentary

### Outlook on retail loan growth

- Overall AUM grew 12% YoY. As the decline of legacy AUM runs its course and as it finishes its re-calibration, management expects to see more modest loan growth in Retail. By the time Wholesale run-down happens, it would have moderated its Retail AUM growth.

### Asset quality and credit costs

- The first two quarters of the current fiscal have been challenging, with the company modestly hit by shifts in the environment. However, PIEL has long been prepared for this normalization in asset quality.
- Management noted that the retail segment has experienced an unusually benign cycle over the last 4-5 years. It expects stress in the retail space to continue for a few more quarters. It is difficult to conclude whether credit costs and asset quality stress have peaked, and there is a possibility that retail credit costs could rise further in the third and fourth quarters.
- Growth businesses contributed ~INR2.23b of credit costs in the total credit costs of ~INR3.2b in 2QFY25.
- Write-offs stood at ~INR1.1b and it was entirely from the Legacy AUM
- In unsecured business loans, it makes PCR of ~75% on 90dpd and ~100% on 120dpd.
- In new origination, the quality has been dramatically different and it has been able to do that without yield reduction. Approval rates are meaningfully lower at 15-17% (compared to the industry). Within unsecured, older originations are ~12% of the AUM today and as it runs down, it will see an improvement in asset quality.

### AIF recoveries and monetization opportunities

- AIF constitutes four assets and it has been working on resolution of these assets for the last two quarters. It expects actual recoveries from the AIF and continued to guide AIF recoveries of ~INR12b in FY25. In 2HFY25, it expects recoveries of ~INR10b from the AIF exposures.
- Developments have been made internally on monetization of stakes in the life insurance business and stakes in Shriram Life and General Insurance business.
- Lands and Receivables: PIEL is exploring strategic MOU with various developers and will look to monetize it soon.

### Medium-term guidance

- Continued to guide ~26% Retail CAGR over FY24-28E. It will look to scale up the total AUM to ~INR1.5t (~21% CAGR over FY24-28E). Retail and Wholesale Mix of 75:25 by Mar'28.
- Long-term RoA of >3% by FY28E
- There are levers on Opex (could decline by ~100bp) and fee Income (increase of ~60-70bp). Room for some NIM expansion from any credit rating Upgrade.

### Growth AUM

- Growth AUM was up 45% YoY and now accounts for 84% of its total AUM

- With Growth business, Retail AUM grew 8% QoQ and 42% YoY and now forms 73% of the total AUM
- Growth business accounted for PAT of ~INR1.3b and legacy business gave PAT of ~INR330m
- Opex to AUM was down 10bp QoQ and 80bp YoY to 4.5%. Further reduction in this ratio will drive better operating profit in the coming quarters.
- Net Credit costs stood at 1.6% (PQ: 1.3%)
- PBT to AUM for growth business stood at 1.2%

### Retail business

- Retail AUM grew 42% YoY to INR548b
- Disbursements yields were stable at 14.1%
- Mortgage grew 37% YoY and now accounts for 68% of the Retail AUM
- Opex to AUM declined to 4.7% (v/s 4.9%) in the Retail business. Aims to continue this trend of reduction in Opex to AUM with medium term guidance of 3.5%-4.0%
- 90+dpd is ~0.5% in Housing business
- Used Car Loans up 145% YoY and Business Loans up 55% YoY.
- Digital Loans disbursements declined to ~INR5.6b (PQ: INR8.4b and PY: INR11.2b)
- Use of digital channel in origination has played a transformative role.
- Monthly Active Users (MAU) have more than doubled on its App
- Received formal approval from RBI to launch its prepaid payment instrument - Piramal Pay

### Retail asset quality

- Retail Asset Quality remained healthy - 30+dpd and 90+dpd have been flat YoY but slightly up QoQ
- Digital loans GS3 have remained elevated from a risk stand-point.
- Business loans (also includes small MFI loans) - 90+dpd has been trending up - portfolio is seasoning and in addition what is going on in the MFI environment as well
- Total Exposure to <INR50K Loans is <INR7.5b

### Legacy AUM

- Legacy AUM stood at INR120b which is 16% of the total AUM. Reduction of ~INR25.1b in 1HFY25.
- Reiterated that it expects to bring it down to <10% of the total AUM by Mar'25. Fair line of sight that it will be able to reduce Legacy Loans, AIF and SR assets, through organic cash flows, refinancing, and accelerated repayments.
- Rundown in the Legacy AUM will be net-worth neutral or better. Credit costs might inch up but will be mitigated with AIF recoveries and other monetization tools.

### Wholesale 2.0

- Disbursed grew 17% QoQ to ~INR18.4b in Wholesale 2.0. AUM grew 12% QoQ to INR79b.
- Pre-payments were more pronounced in the CMML segment.

- Not experienced any delinquencies in the portfolio.
- Encouraged by this performance and market tailwinds it will continue to build a granular, high -quality wholesale AUM 2.0.

### Financial performance

- In 2QFY25, it reported consol. PAT of INR1.63b led by growth business reporting a profit of ~INR1.3b
- Net Credit Costs was 1.6% (v/s 0.9% YoY)
- Tax was NIL at PCHFL because of assessed carry forward losses. Effective Tax rate was 14% (given that there is no taxation at the PCHFL level)
- CoB stood at 9.1%
- Fixed to Floating mix stood at 54:46 and is expected to improve further in the coming quarters

### Others

- Other income of INR1.23b, included a property sale which contributed ~INR400m during the course of the quarter and also included DA income.
- NIM expanded because the Legacy AUM which contributes negative NIM has been declining.
- Merger between PEL and PCHFL - Scheme has been filed with the stock exchanges - next steps include approval from stock exchanges, SEBI, RBI, and NCLT
- 27 DA and 2 co-lending live programs with Axis Bank and Central Bank of India.
- Customer Franchise grew 27% YoY to 4.2m
- Aim is to expand to 600 branches in the medium term. Pace of branch openings have moderated to 10-15 branches in a quarter (v/s 20-30 branches earlier)

### Valuation and view

- Our earnings estimates for FY25 and FY26 only factor in exceptional gains from the AIF exposures and low tax outgo in the foreseeable future. Because of the uncertainty and unpredictability around the timing of the monetization of the stake in Shriram Life and General Insurance, we have not factored it in our estimates yet. It will, however, provide one-off gains, which can help offset the credit costs required to dispose of the stressed legacy AUM.
- We expect PIEL to deliver ~1.3% RoA and ~5% RoE in FY26E. We value the lending business at 0.6x Sep'26E P/BV and **maintain our Neutral rating on the stock with a revised TP of INR1,015 (premised on Sep'26E SOTP).**

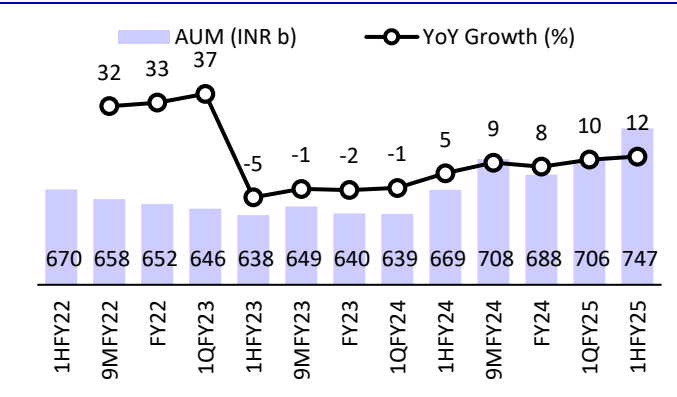
#### Exhibit 2: SOTP valuation – Sep'26E

	Value (INR B)	Value (USD B)	INR per share	% To Total	Rationale
Lending Business	185	2.2	821	81	❖ 0.6x Sep'26E PBV
Shriram Group	34	0.4	151	15	❖ Based on its stake in Shriram Life/General Insurance Businesses
Life Insurance	4	0.1	19	2	
Alternatives	5	0.1	23	2	
<b>Target Value</b>	<b>228</b>	<b>2.7</b>	<b>1,015</b>	<b>100</b>	

Source: MOFSL, Company

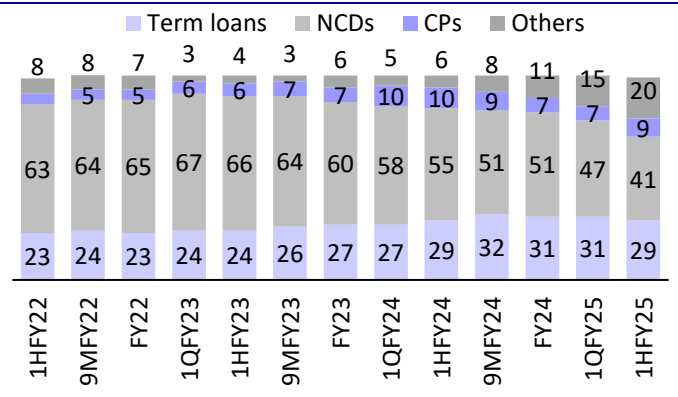
Key exhibits

Exhibit 3: AUM grew 12% YoY (%)



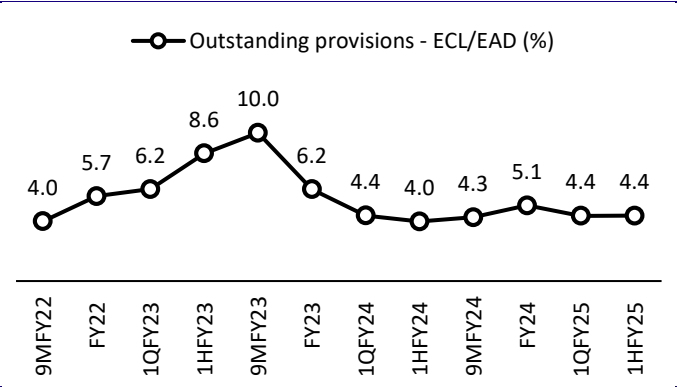
Source: MOFSL, Company

Exhibit 4: Borrowing mix (%)



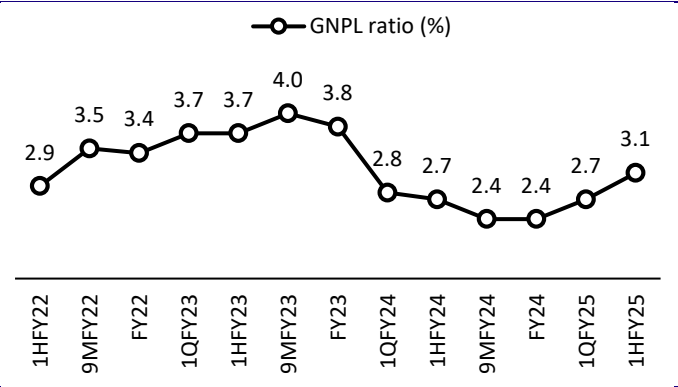
Source: MOFSL, Company

Exhibit 5: ECL/EAD remained stable QoQ (%)



Source: MOFSL, Company

Exhibit 6: GNPA ratio rose ~40bp QoQ (%)



Source: MOFSL, Company



## Financials and valuations

Income statement							INR m
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	69,260	75,228	77,986	74,230	90,036	1,07,054	1,29,323
Interest Expended	41,580	42,251	40,412	44,004	53,331	61,455	72,122
<b>Net Interest Income</b>	<b>27,680</b>	<b>32,977</b>	<b>37,574</b>	<b>30,226</b>	<b>36,705</b>	<b>45,599</b>	<b>57,200</b>
Change (%)		19.1	13.9	-19.6	21.4	24.2	25.4
Other Income	1,150	3,881	12,881	9,480	9,865	10,448	11,575
<b>Net Income</b>	<b>28,830</b>	<b>36,858</b>	<b>50,456</b>	<b>39,706</b>	<b>46,570</b>	<b>56,048</b>	<b>68,776</b>
Change (%)		27.8	36.9	-21.3	17.3	20.4	22.7
Operating Expenses	6,360	12,284	22,148	27,740	31,280	36,481	41,744
<b>PPoP</b>	<b>22,470</b>	<b>24,574</b>	<b>28,307</b>	<b>11,966</b>	<b>15,290</b>	<b>19,567</b>	<b>27,032</b>
Change (%)		9.4	15.2	-57.7	27.8	28.0	38.2
Provisions/write offs	10	8,299	54,101	39,900	16,016	12,742	16,805
<b>PBT</b>	<b>22,460</b>	<b>16,275</b>	<b>-25,793</b>	<b>-27,934</b>	<b>-726</b>	<b>6,825</b>	<b>10,227</b>
Tax	5,790	4,062	-39,781	-11,030	-102	955	1,432
Tax Rate (%)	25.8	19.0	0.0	0.0	14.0	14.0	14.0
<b>PAT (before associate income)</b>	<b>16,670</b>	<b>12,213</b>	<b>13,987</b>	<b>-16,904</b>	<b>-625</b>	<b>5,869</b>	<b>8,795</b>
Associate Income	0	5,939	3,886	1,540	924	1,016	1,118
<b>PAT (before exceptional)</b>	<b>16,670</b>	<b>18,152</b>	<b>17,873</b>	<b>-15,364</b>	<b>299</b>	<b>6,886</b>	<b>9,913</b>
Exceptional items	0	-1,529	80,663	-1,480	8,500	6,000	7,000
<b>PAT (after exceptional)</b>	<b>16,670</b>	<b>16,622</b>	<b>98,536</b>	<b>-16,844</b>	<b>8,799</b>	<b>12,886</b>	<b>16,913</b>
Profit from discontinued Operations	0	3,365	0	0	0	0	0
<b>Reported net profit/loss</b>	<b>16,670</b>	<b>19,988</b>	<b>98,536</b>	<b>-16,844</b>	<b>8,799</b>	<b>12,886</b>	<b>16,913</b>

Balance sheet							
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Capital	451	477	477	449	449	449	449
Reserves & Surplus	1,80,279	3,54,414	3,10,114	2,65,121	2,71,674	2,81,040	2,94,732
<b>Net Worth</b>	<b>1,80,730</b>	<b>3,68,369</b>	<b>3,10,591</b>	<b>2,65,571</b>	<b>2,72,123</b>	<b>2,81,489</b>	<b>2,95,181</b>
Borrowings	3,75,564	5,54,510	4,95,828	5,34,020	6,25,345	7,40,324	9,17,659
Change (%)	0	48	-11	8	17	18	24
Other liabilities	5,086	39,549	23,891	24,274	27,915	32,102	36,917
<b>Total Liabilities</b>	<b>5,61,380</b>	<b>9,98,729</b>	<b>8,37,522</b>	<b>8,26,050</b>	<b>9,25,383</b>	<b>10,53,915</b>	<b>12,49,757</b>
<b>Loans and advances</b>	<b>4,61,680</b>	<b>4,93,180</b>	<b>4,63,946</b>	<b>5,49,434</b>	<b>7,31,085</b>	<b>9,06,800</b>	<b>11,40,811</b>
Change (%)	0	7	-6	18	33	24	26
<b>Investments</b>		<b>2,48,565</b>	<b>2,23,318</b>	<b>1,25,130</b>	<b>68,822</b>	<b>55,057</b>	<b>44,046</b>
Net Fixed Assets	1,200	86,715	7,385	6,232	6,856	7,541	8,295
Cash and Cash equivalents	38,500	71,872	46,491	44,468	50,000	30,000	30,000
Deferred tax assets		13,679	18,472	28,756	14,378	7,189	3,594
Other assets	60,000	71,366	77,910	72,030	54,242	47,327	23,010
<b>Total Assets</b>	<b>5,61,380</b>	<b>9,98,729</b>	<b>8,37,522</b>	<b>8,26,050</b>	<b>9,25,383</b>	<b>10,53,915</b>	<b>12,49,757</b>

E: MOFSL Estimates



## Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Spreads Analysis (%)</b>							
Yield on loans	14.5	14.4	13.0	11.6	12.0	11.9	11.7
Cost of funds	10.6	9.1	7.7	8.5	9.2	9.0	8.7
Spread	3.8	5.3	5.3	3.0	2.8	2.9	3.0
Net Interest Margin	5.8	6.3	6.3	4.7	4.9	5.1	5.2
<b>Profitability Ratios (%)</b>							
RoE	9.9	6.6	5.3	-5.8	3.3	4.7	5.9
RoA	3.1	2.3	1.9	-2.0	1.0	1.3	1.5
C/I ratio	22.1	33.3	43.9	69.9	67.2	65.1	60.7
<b>Asset Quality (%)</b>							
Gross NPA	20,180	22,270	20,550	14,300	16,243	15,794	18,353
Gross NPA (% of AUM)	4.1	3.6	3.3	2.2	2.0	1.6	1.5
Net NPA	9,870	9,980	10,380	4,960	4,873	5,054	6,424
Net NPA (% of AUM)	2.1	1.7	1.8	0.8	0.6	0.5	0.5
PCR (%)	51.1	55.2	49.5	65.3	70.0	68.0	65.0

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY26E
<b>AUM (INR m)</b>							
AUM (INR m)	4,88,910	6,51,850	6,39,890	6,88,460	8,12,136	9,87,099	12,23,545
YoY growth (%)	-5	33	-2	8	18	22	24
<b>AUM Mix (%)</b>							
Wholesale	89.2	69.6	49.8	30.4	20.6	16.1	14.9
Retail	10.8	33.1	50.2	69.6	79.4	83.9	85.1
<b>Total</b>	<b>100.0</b>	<b>102.6</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Wholesale Loans (INR m)	3,93,650	3,84,620	2,74,960	2,09,190	1,67,352	1,58,984	1,82,832
YoY growth (%)	-13.3	-2.3	-28.5	-23.9	-20.0	-5.0	15.0
Retail Loans (INR m)	53,030	2,15,520	3,21,440	4,79,270	6,44,784	8,28,114	10,40,713
YoY growth (%)	-4.2	306.4	49.1	49.1	34.5	28.4	25.7
<b>Total Loan Book</b>	<b>4,46,680</b>	<b>6,00,140</b>	<b>5,96,400</b>	<b>6,88,460</b>	<b>8,12,136</b>	<b>9,87,099</b>	<b>12,23,545</b>
YoY growth (%)	-12.4	34.4	-0.6	15.4	18.0	21.5	24.0

VALUATION	FY21	FY22	FY23	FY24	FY25E	FY26E	FY26E
Book Value (INR)	801	1,544	1,301	1,182	1,211	1,253	1,314
<b>Price-BV (x)</b>		<b>0.7</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>
EPS (INR)	73.9	69.7	74.9	-75.0	39.2	57.4	75.3
EPS Growth YoY		-6	8	-200	-152	46	31
<b>Price-Earnings (x)</b>		<b>15.0</b>	<b>14.0</b>	<b>-13.9</b>	<b>26.7</b>	<b>18.2</b>	<b>13.9</b>
Dividend per share (INR)			31.0	10.0	15.7	14.3	18.8
<b>Dividend yield (%)</b>			<b>3.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.4</b>	<b>1.8</b>

E: MOFSL Estimates

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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