

Repc Home Finance

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USD\$)	26.2 / 0.3
52-Week Range (INR)	524 / 308
1, 6, 12 Rel. Per (%)	4/-2/-19
12M Avg Val (INR M)	95
Free float (%)	62.9

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	6.8	7.6	8.4
PPP	5.5	5.8	6.5
PAT	4.4	4.4	4.7
EPS (INR)	70.2	70.4	75.0
EPS Gr. (%)	11	0	7
BV/Sh. (INR)	530	594	664

Ratios

NIM (%)	5.0	5.0	5.0
C/I ratio (%)	27.5	29.1	28.7
RoAA (%)	3.1	2.9	2.7
RoE (%)	14.2	12.5	11.9
Payout (%)	5.7	8.5	6.7

Valuation

P/E (x)	6.0	5.9	5.6
P/BV (x)	0.8	0.7	0.6
P/ABV (x)	0.8	0.7	0.6
Div. Yield (%)	1.0	1.4	1.2

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	37.1	37.1	37.1
DII	22.7	23.3	19.9
FII	11.9	11.2	12.9
Others	28.3	28.5	30.1

FII includes depository receipts

CMP: INR418 **TP: INR465 (+11%)** **Neutral**

Disbursements gain momentum; loan growth to gain traction

Asset quality improves, but a sharp decline in Stage 3 PCR due to write-offs

- Repco Home Finance's (Repc) 2QFY26 PAT declined 5% YoY to INR1.07b (in line). NII in 2QFY26 grew ~14% YoY to ~INR1.9b (in line). Other income declined ~46% YoY to INR123m (vs. our est. of INR200m). Opex rose ~17% YoY to INR603m (in line).
- PPOP grew ~3% YoY to INR1.4b (in line). Provision writebacks stood at INR15m, translating into 2QFY26 annualized credit costs of -4bp (PY: -46bp and PQ: -7bp). Repco reported an RoA/RoE of 2.9%/14% in 2QFY26.
- Management highlighted that the disbursement momentum improved in the quarter, supported by sustained traction in the housing finance segment. The company guided for the loan book to scale up to ~INR162b by Mar'26, with disbursements targeted at INR11–11.5b in 3Q and at INR13.5–14.0b in 4QFY26. Further, the management has also set an ambitious target of scaling up its loan book of ~INR250b by FY28, including some portfolio purchases.
- The rise in opex was attributed to several factors, including: 1) realignment of the incentive policy, 2) elevation of employees to higher positions, 3) recruitment of experienced personnel in sales and collections, 4) Silver Jubilee celebrations leading to some one-time expenses, and 5) branch expansion over the last 3 years, resulting in higher employee costs.
- GNPA declined ~15bp QoQ to ~3.15%, while NNPA rose ~35bp QoQ to ~1.55%. The company reduced the PCR on S3 loans by ~12pp QoQ to ~53%. For the new book (originated post Apr'22), GS2 stood at 5% (vs. 8.8% for the overall book) and GS3 stood at 1.1% (vs. 3.3% for the overall book).
- Capital adequacy ratio (CRAR) was ~37%. Management shared that it has instituted a dedicated special team to monitor recoveries and targets an additional INR80–90m in recoveries in 2HFY26. Further, Repco did not have a concentrated exposure to the textile sector, and it maintained a well-diversified portfolio across TN. This mitigated the risk from sector-specific tariff issues.
- Repco's valuations remain attractive, but we maintain a cautious stance due to concerns over the company's ability to sustain the disbursement momentum and potential risks surrounding the quality of customer loans that may be added through inorganic growth initiatives.
- We broadly retain our earnings estimates and model a loan/PAT CAGR of ~12%/6% over FY25-FY28E. For an RoA/RoE of 2.7%/12% in FY28E, **we reiterate our Neutral rating** on the stock with a revised TP of INR465 (based on 0.7x Sep'27E BVPS).

Disbursements rise ~23% YoY; momentum to remain strong in 2HFY26

- Disbursements grew ~23% YoY to INR10.7b in 2QFY26. The loan book grew ~8% YoY to ~INR150b. Run-offs were higher, with repayment rates increasing ~2pp YoY to ~19.8% (PY: ~17.6%).

- The disbursements also benefited from the branch expansions over the last two years, with 30-32 new branches contributing meaningfully to growth. Additionally, the management has guided for disbursements between INR11–11.5b in 3Q and INR13.5–14b in 4QFY26, reflecting continued business momentum.
- As of Sep'25, the proportion of non-salaried customers remained broadly stable at ~53%, while loans for the salaried segment accounted for a 47% share. Housing loans accounted for 71% of the loan book, while home equity accounted for 29%.

Yields improve ~10bp QoQ; diversification of funds to optimize costs

- Reported yields improved ~10bp QoQ to ~12.1%, whereas CoB declined 10bp QoQ to ~8.6%. This led to spreads improving ~10bp QoQ to ~3.4%. Reported NIM improved ~10bp QoQ to 5.5%.
- The cost-to-income ratio improved ~3pp QoQ to ~30.0%. (PY: ~27.4% and PQ: ~26.9%).
- Repco lowered its benchmark lending rate (PLR) by ~10bp, effective 1st Jul'25. Repco has also initiated diversification of its borrowing profile and continues to engage with its banking partners to secure more favorable interest rates.

Key highlights from the management commentary

- Systematic measures have been implemented to reduce GNPA, including appointing general managers exclusively for TN branches and for branches outside TN, strengthening the recovery review mechanism, and conducting focused meetings on NPA recovery.
- Underwriting standards have improved substantially over the last 6–7 quarters, with a dedicated credit review cell ensuring proper checks.
- DSA sourcing has contributed to growth momentum, and an internal team is being built to complement this channel. DSA accounts for ~48% of sourcing, with the remaining ~52% from other channels.

Valuation and view

- Repco's quarterly performance was hit by subdued loan growth, despite a healthy growth in disbursements. The asset quality continued to strengthen, underscoring the company's commitment to building a high-quality portfolio.
- We will continue to focus on management's ability to deliver on the guided metrics of disbursement growth and profitability. Similar to the previous fiscal year, we expect credit costs to remain benign due to recoveries from NPA and the written-off pool in 2HFY26.
- Although the risk-reward appears favorable at the current valuation of ~0.6x FY27E P/BV, we believe the company will have to start delivering stronger and sustained loan growth to command higher valuations. We reiterate our **Neutral rating with a TP of INR465 (based on 0.7x Sep'27E BVPS)**.

Quarterly performance

(INR M)

Y/E March	FY25				FY26E				FY25	FY26	2Q FY26E	Act v/s est(%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	4,007	4,051	4,258	4,166	4,257	4,334	4,428	4,544	16,482	17,563	4,308	1
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,444	2,510	2,580	9,659	9,975	2,465	-1
Net Income	1,677	1,656	1,783	1,708	1,816	1,890	1,918	1,963	6,823	7,588	1,843	3
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	14.2	7.6	15.0	4.9	11.2	11.3	
Other income	155	229	196	184	150	123	150	173	764	596	200	-39
Total Income	1,833	1,884	1,978	1,892	1,966	2,013	2,068	2,136	7,587	8,184	2,043	-1
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	6.8	4.6	12.9	9.1	7.9	8.4	
Operating Expenses	452	517	535	584	530	603	591	656	2,088	2,380	572	5
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	16.7	10.6	12.4	22.1	14.0	10.7	
Operating Profits	1,380	1,367	1,443	1,308	1,436	1,410	1,477	1,480	5,499	5,803	1,470	-4
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	3.1	2.4	13.1	4.9	5.5	7.5	
Provisions	14	-160	3	-233	-27	-15	-10	-29	-376	-81	19	-179
Profit before Tax	1,366	1,528	1,440	1,541	1,463	1,424	1,487	1,509	5,875	5,884	1,452	-2
Tax Provisions	312	403	375	392	384	355	387	357	1,481	1,483	363	-2
Profit after tax	1,054	1,125	1,066	1,149	1,080	1,069	1,101	1,152	4,394	4,401	1,089	-2
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-5.0	3.3	0.2	11.3	0.2	-3.2	
Loan growth (%)	8.3	8.1	7.4	7.2	7.2	7.7	8.6	9.9	8.2	11.2	7.4	
Cost to Income Ratio (%)	24.7	27.4	27.0	30.9	26.9	30.0	28.6	30.7	27.5	29.1	28.0	
Tax Rate (%)	22.8	26.3	26.0	25.4	26.2	24.9	26.0	23.7	25.2	25.2	25.0	
Key Parameters (%)												
Yield on loans (Cal)	11.8	11.7	12.1	11.6	11.7	11.7			12.1	11.8		
Cost of funds (Cal)	8.6	8.6	8.8	8.8	8.8	8.7			8.8	8.5		
Spreads (Cal)	3.2	3.1	3.3	2.8	2.9	3.0			3.3	3.3		
NIMs (Reported)	5.1	5.1	5.5	5.2	5.4	5.5			5.0	5.0		
Credit Cost	0.04	-0.46	0.01	-0.65	-0.07	-0.04			-0.3	-0.1		
Cost to Income Ratio	24.7	27.4	27.0	30.9	26.9	30.0			27.5	29.1		
Tax Rate	22.8	26.3	26.0	25.4	26.2	24.9			25.2	25.2		
Balance Sheet												
AUM (INR B)	137.0	139.6	141.6	144.9	146.9	150.3			144.9	159.3		
Change YoY (%)	8.3	8.1	7.4	7.2	7.2	7.7			7.2	9.9		
AUM Mix (%)												
Non-Salaried	51.6	51.8	52.1	52.2	52.3	53.0			51.0	51.3		
Salaried	48.4	48.2	47.9	47.8	47.7	47.0			49.0	48.7		
AUM Mix (%)												
Home loans	74.3	73.8	74.0	73.0	72.4	71.0			73.0	72.0		
LAP	25.7	26.2	26.0	27.0	27.6	29.0			27.0	28.0		
Disbursements (INR B)	6.8	8.7	7.6	9.8	8.3	10.7			32.8	41.9		
Change YoY (%)	-0.6	8.8	0.3	9.0	21.8	23.3			4.8	27.5		
Borrowings (INR B)	109.1	114.6	110.8	111.5	110.7	115.0			111.4	123.6		
Change YoY (%)	10.2	14.1	6.9	4.2	1.5	0.3			4.1	11.0		
Loans/Borrowings (%)	125.5	121.8	127.8	130.0	132.6	130.8			130.1	128.9		
Borrowings Mix (%)												
Banks	79.8	81.4	82.2	82.9	82.1	84.8			75.6	77.7		
NHB	10.6	9.5	8.5	7.9	8.4	7.0			13.1	12.0		
Repco Bank	9.6	9.1	9.3	9.2	8.2	7.0			11.4	10.3		
NCD	0.0	0.0	0.0	0.0	0.0	0.0			0.0	0.0		
CP	0.0	0.0	0.0	0.0	1.3	1.2			0.0	0.0		
Asset Quality												
GS 3 (INR B)	5.8	5.5	5.5	4.7	4.9	4.8			4.7	4.7		
Gross Stage 3 (% on Assets)	4.25	3.96	3.86	3.26	3.30	3.16			3.3	3.0		
NS 3 (INR B)	2.23	2.17	2.09	1.91	1.72	2.25			1.9	2.3		
Net Stage 3 (% on Assets)	1.69	1.6	1.53	1.36	1.20	1.5			1.4	1.5		
PCR (%)	61.8	60.7	61.8	59.6	64.7	52.5			59.6	51.0		
Return Ratios (%)												
ROA (Rep)	3.1	3.3	3.1	3.3	2.9	2.9			3.1	2.9		
ROE (Rep)	16.3	16.0	14.6	15.1	14.0	13.5			14.2	12.5		



Highlights from the management commentary

Guidance

- Repco is confident of achieving an AUM of INR162b by Mar'26, with December quarter disbursements between INR11–11.5b and March quarter disbursements expected at INR13.5–14b.
- The company targets an AUM of INR250b by FY28, inclusive of both organic and inorganic growth, supported by aggressive growth plans and selective book purchases to meet the guidance.
- ROA is expected to reach 2.95% in Dec'25, with full-year FY26 RoA guidance at 2.9-3.0%.
- The company guided more write-offs in 3Q/4QFY26

Opening Remarks

- Growth momentum continued in the quarter, reflecting positive trends in the housing finance segment.
- Quarterly disbursements reached the highest levels in the company's history, and grew ~23% YoY to INR10.7b in 2QFY26, while the loan book grew ~8% YoY to INR150b.
- As of Sep'25, the non-salaried segment accounted for ~53% of loans and ~47% to salaried borrowers, with housing loans constituting ~71% of the portfolio and home equity loans ~29%.
- Reported yields improved QoQ to 12.1%, while the cost of borrowings declined to 8.6%, resulting in spreads improving QoQ to 3.4% and NIM expanding to ~5.5%.
- GS3 assets declined to 3.2%, whereas NS3 assets increased QoQ to 1.6%. PCR on S3 loans was reduced by ~12pp QoQ to 52.5%.
- Geographic performance saw TN contributing 57%, Karnataka 12% and Telangana 5%, with notable improvements in Gujarat, Rajasthan, and MP.
- The company initiated diversification of its borrowing profile, receiving a positive response from banks and mutual funds for CP and NCDs, and continues to engage with banking partners to reduce interest rates.

Disbursements

- Disbursements benefited from new branch additions over the last 24 months, with the 30-32 new branches contributing significantly to growth.
- Disbursements are expected to increase further, along with a simultaneous increase in AUM.

Cost of Funds

- The company witnessed a marginal reduction in CoF, lowering the benchmark lending rate from ~10.1% to ~10% effective July 1, 2025.
- Since assets are repriced quarterly, the benefits of the MCLR cut have been passed on to all borrowers, who are now benefiting from the rate reduction.
- Out of total bank borrowings, ~INR60b are due for reset in the next three months.

Operating Expenses

- Employee costs increased due to realignment of the incentive policy, in line with industry practices, aimed at motivating higher sales, disbursement, and collection efforts.
- Incentive adjustments, coupled with promotions and elevation of employees to higher positions after 2.0–2.5 years, contributed to higher salary costs.
- The company also recruited experienced personnel in sales and collections, expecting improvements in growth and collection efficiency.
- Silver Jubilee celebrations led to one-time expenditure in the form of gifts to honor loyal employees
- Expansion over the last 3 years, with 40–45 new branches and additional manpower, further contributed to the rise in employee costs.

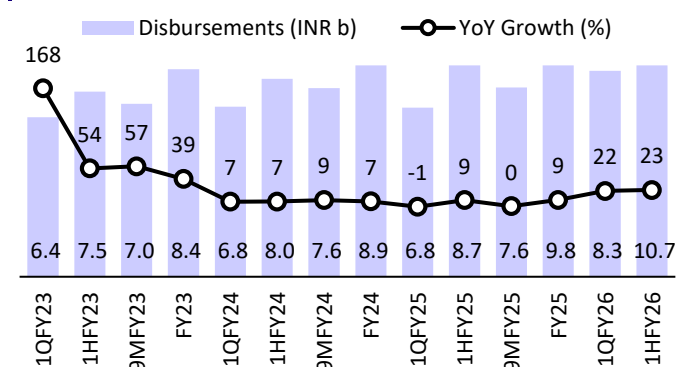
Asset Quality

- INR60m has been recovered from written-off accounts this year, and a dedicated special cell has been established to monitor recoveries, targeting an additional INR80–90m in 2HFY26.
- Systematic measures have been implemented to reduce GNPA, including appointing general managers exclusively for TN branches and for branches outside TN, strengthening the recovery review mechanism, and conducting focused meetings on NPA recovery.
- Underwriting standards have improved substantially over the last 6–7 quarters, with a dedicated credit review cell ensuring proper checks before disbursement approval.
- Total provisions stand at INR3.75b, with a PCR of 52.54% on S3 assets. GNPA is expected to reduce from INR4.75b to INR4.5b by Dec’25, with S2 assets expected to decline to ~INR12.8b.
- The company does not have concentrated industry-wide exposure (textile) and is geographically diversified across TN, mitigating risk from sector-specific issues such as tariffs.

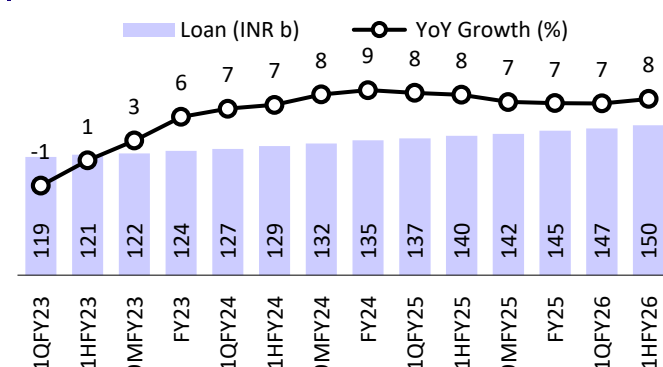
Other Highlights

- BT outs remain under control, consistent with previous quarters.
- ESOP and Dividend payouts are currently being reviewed at the Board level.
- DSA sourcing has contributed to growth momentum, and an internal team is being built to complement this channel. DSA accounts for ~48% of sourcing, with the remaining ~52% from other channels.
- The incentive structure for housing loans (HL) and loan against property (LAP) is uniform, with incremental yields at 11.17% for HL and 13.55% for non-housing loans.
- The company plans to open 10–15 branches in FY26, including 5 in the west, 2–3 in Karnataka, Maharashtra, and the remainder in TN.
- Fresh proposals have been submitted to NHB for INR5b–INR7.5b, while discussions with Repco Bank are in progress to reduce exposures and CoF.
- Marginal decline in RoA in 2QFY26 was owing to the increase in other operating expenses.

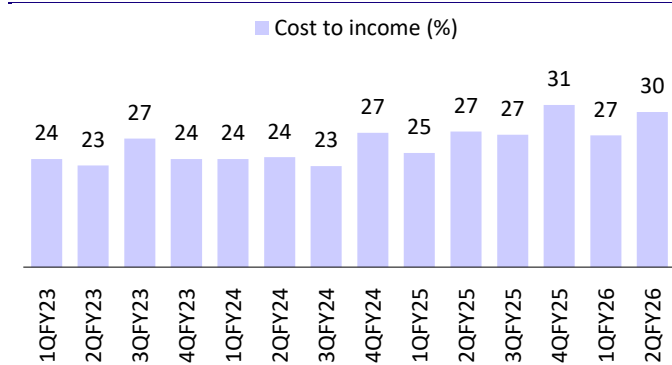
Key exhibits

Exhibit 1: Disbursements grew ~23% YoY


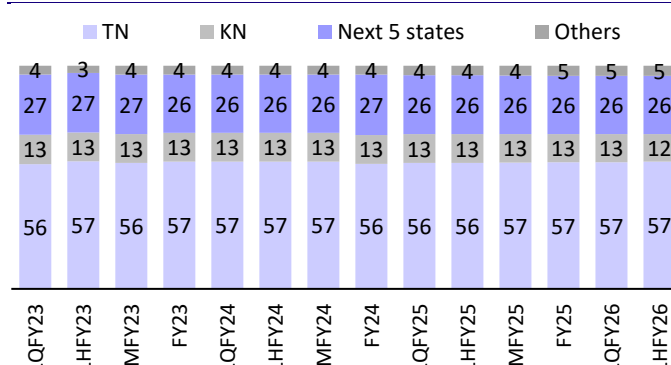
Source: MOFSL, Company

Exhibit 2: Loan book grew 8% YoY


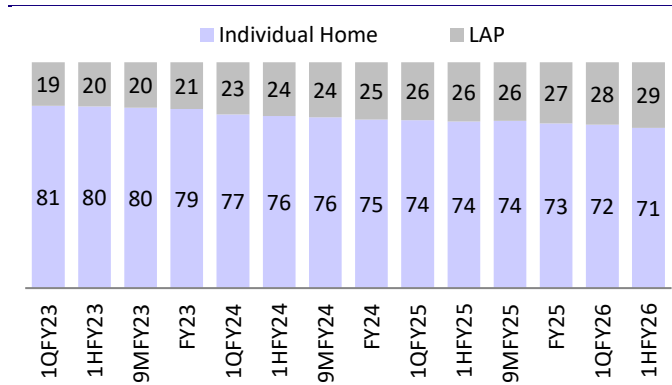
Source: MOFSL, Company;

Exhibit 3: C/I ratio rose ~3pp QoQ


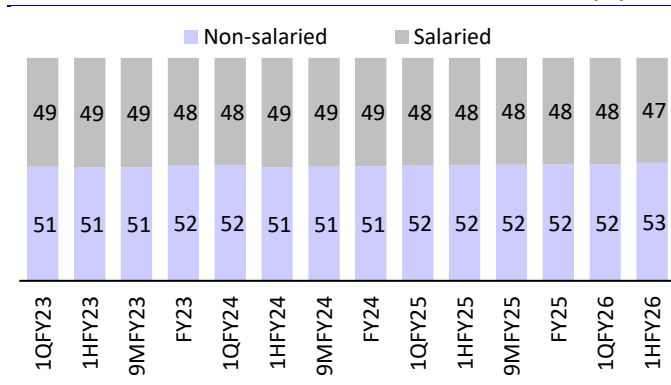
Source: MOFSL, Company

Exhibit 4: Geographical loan mix (%)


Source: MOFSL, Company

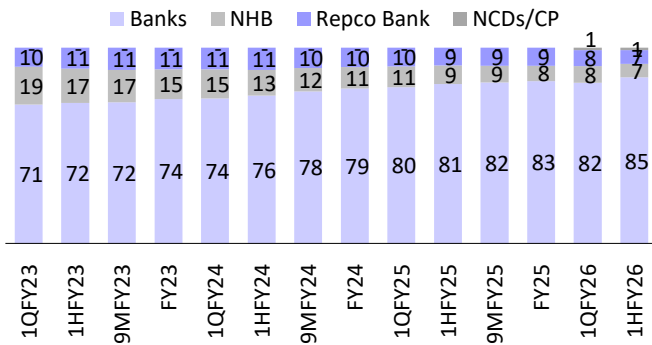
Exhibit 5: Share of home loans declined QoQ


Source: MOFSL, Company

Exhibit 6: Share of salaried customers declined QoQ (%)


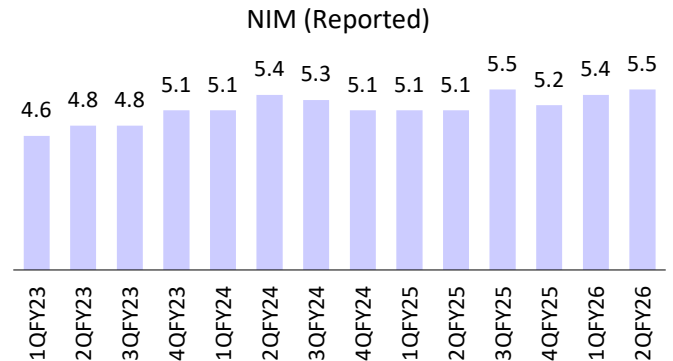
Source: MOFSL, Company

Exhibit 7: Bank borrowings in the mix rose ~3pp QoQ (%)



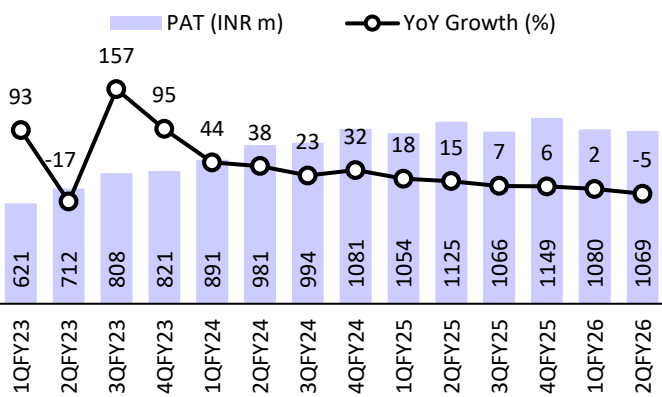
Source: MOFSL, Company

Exhibit 8: Reported NIM rose ~10bp QoQ to ~5.5%



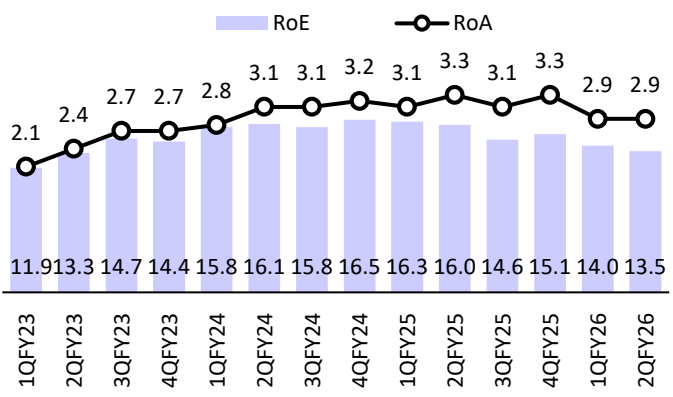
Source: MOFSL, Company, Reported

Exhibit 9: PAT declined ~5% YoY to INR1.07b



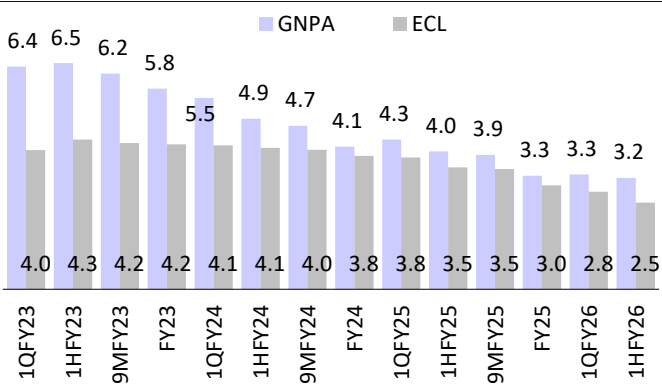
Source: MOFSL, Company

Exhibit 10: RoE/RoA trends (%)



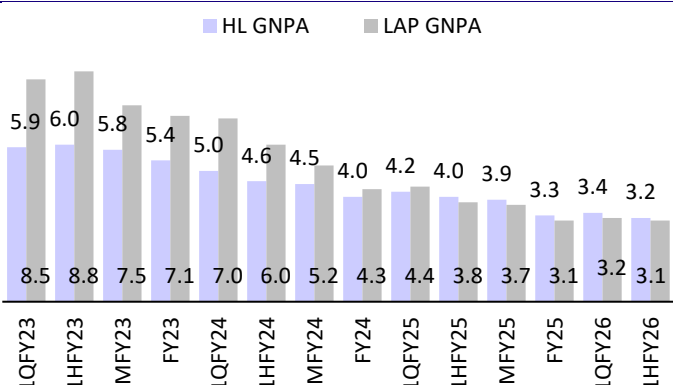
Source: MOFSL, Company

Exhibit 11: GNPA declined QoQ to 3.2%, ECL/EAD also declined to ~2.5%



Source: MOFSL, Company;

Exhibit 12: GNPA in the LAP segment dipped ~10bp QoQ (%)



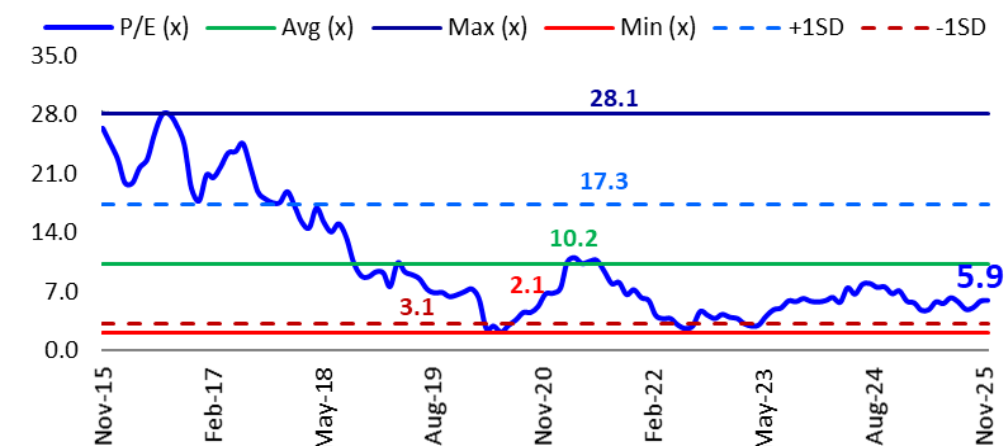
Source: MOFSL, Company;

Exhibit 13: Our earnings estimates are largely unchanged

INR b	Old Est.			New Est.			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
NII	7.4	8.0	8.9	7.6	8.4	9.4	2.8	5.5	5.3
Other Income	0.9	1.0	1.2	0.6	0.7	0.8	-32.2	-32.2	-32.2
Total Income	8.3	9.0	10.1	8.2	9.1	10.2	-0.9	1.3	0.9
Operating Expenses	2.4	2.6	2.8	2.4	2.6	2.8	0.0	2.1	2.7
Operating Profits	5.9	6.4	7.3	5.8	6.5	7.3	-1.3	0.9	0.3
Provisions	0.0	0.3	0.3	-0.1	0.2	0.3	-	-	1.0
PBT	5.8	6.2	7.1	5.9	6.3	7.1	0.6	1.9	0.2
Tax	1.5	1.6	1.8	1.5	1.6	1.8	0.6	1.9	0.2
PAT	4.4	4.6	5.3	4.4	4.7	5.3	0.6	1.9	0.2
Loan book	154	170	188	157	177	198	1.5	3.8	5.7
NIM (%)	4.9	4.9	4.9	5.0	5.0	5.0			
Spreads (%)	3.2	3.1	3.2	3.3	3.3	3.3			
ROAA (%)	2.9	2.7	2.8	2.9	2.7	2.7			
RoAE (%)	12.4	11.7	12.0	12.5	11.9	12.0			

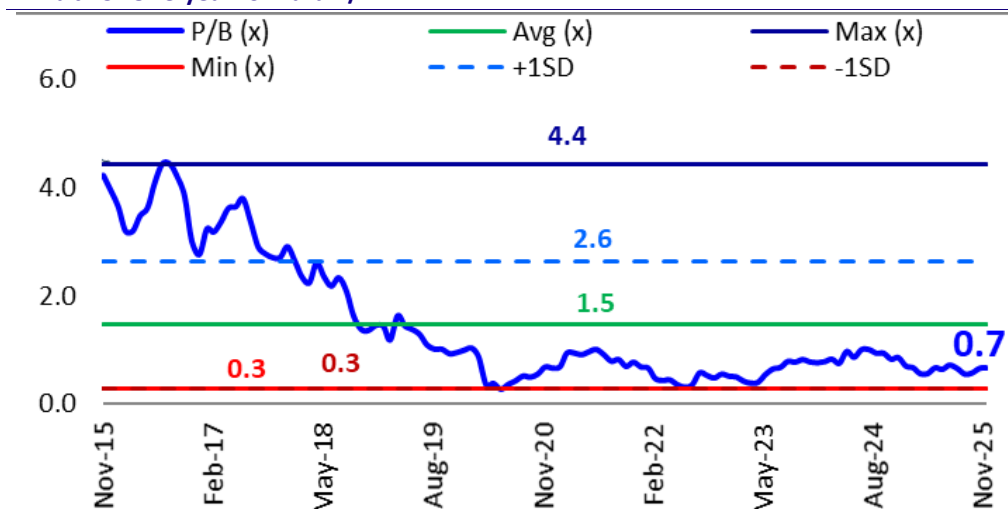
Source: MOFSL, Company

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Exhibit 15: One-year forward P/B



Source: MOFSL, Company

Financials and valuations

Income statement										(INR M)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	11,634	13,174	13,518	12,804	12,570	14,960	16,482	17,563	19,372	21,558
Interest Expended	7,200	8,250	8,072	6,899	7,011	8,456	9,659	9,975	10,926	12,159
Net Interest Income	4,434	4,924	5,446	5,905	5,560	6,504	6,823	7,588	8,446	9,399
Change (%)	1.7	11.0	10.6	8.4	-5.8	17.0	4.9	11.2	11.3	11.3
Other Operating Income	318	337	404	262	421	448	764	596	685	788
Net Income	4,752	5,261	5,850	6,166	5,981	6,952	7,587	8,184	9,131	10,187
Change (%)	3.1	10.7	11.2	5.4	-3.0	16.2	9.1	7.9	11.6	11.6
Operating Expenses	984	1,065	1,144	1,241	1,458	1,710	2,088	2,380	2,624	2,849
Operating Income	3,768	4,196	4,706	4,926	4,523	5,242	5,499	5,803	6,507	7,338
Change (%)	-1.4	11.4	12.1	4.7	-8.2	15.9	4.9	5.5	12.1	12.8
Provisions/write offs	170	594	808	2,331	516	-5	-376	-81	233	262
PBT	3,598	3,602	3,898	2,595	4,008	5,247	5,875	5,884	6,275	7,075
Extraordinary Items	0	0	0	0	0	0	0	0	0	0
PBT after EO	3,598	3,602	3,898	2,595	4,008	5,247	5,875	5,884	6,275	7,075
Tax	1,252	798	1,022	680	1,047	1,300	1,481	1,483	1,581	1,783
Tax Rate (%)	34.8	22.2	26.2	26.2	26.1	24.8	25.2	25.2	25.2	25.2
DTL on Special Reserve										
PAT	2,346	2,804	2,876	1,915	2,961	3,947	4,394	4,401	4,693	5,292
Change (%)	16.7	19.5	2.6	-33.4	54.6	33.3	11.3	0.2	6.6	12.8
PAT adjusted for EO	2,346	2,804	2,876	1,915	2,961	3,947	4,394	4,401	4,693	5,292
Change (%)	16.7	19.5	2.6	-33.4	54.6	33.3	11.3	0.2	6.6	12.8
Proposed Dividend	181	181	156	157	169	188	250	375	313	344

Balance sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Capital	626	626	626	626	626	626	626	626	626	626
Reserves & Surplus	14,648	17,243	19,967	21,730	24,536	28,314	32,510	36,536	40,916	45,864
Net Worth	15,274	17,869	20,593	22,356	25,162	28,940	33,136	37,161	41,542	46,490
Loans from Banks	0	0	0	0	0	0	0	0	0	0
Bonds/Debentures	0	0	0	0	0	0	0	0	0	0
Borrowings	92,774	1,01,090	1,01,974	96,920	99,241	1,07,010	1,11,391	1,23,595	1,39,673	1,56,891
Borrowings	92,774	1,01,090	1,01,974	96,920	99,241	1,07,010	1,11,391	1,23,595	1,39,673	1,56,891
Change (%)	14.1	9.0	0.9	-5.0	2.4	7.8	4.1	11.0	13.0	12.3
Other liabilities	1,522	987	1,093	698	832	1,103	1,496	1,870	2,244	2,693
Total Liabilities	1,09,570	1,19,946	1,23,659	1,19,974	1,25,234	1,37,053	1,46,022	1,62,626	1,83,459	2,06,074
Loans	1,08,379	1,15,884	1,18,356	1,12,918	1,19,622	1,30,371	1,41,092	1,56,847	1,76,578	1,98,345
Change (%)	12.3	6.9	2.1	-4.6	5.9	9.0	8.2	11.2	12.6	12.3
Investments	363	321	345	440	477	494	2,112	1,901	1,806	1,716
Change (%)	51.5	-11.6	7.4	27.7	8.4	3.4	328.0	-10.0	-5.0	-5.0
Net Fixed Assets	155	372	314	353	396	576	807	1,009	1,211	1,453
Other assets	673	3,369	4,645	6,263	4,740	5,612	2,011	2,870	3,864	4,560
Total Assets	1,09,570	1,19,946	1,23,659	1,19,974	1,25,234	1,37,053	1,46,022	1,62,626	1,83,459	2,06,074

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Spreads Analysis (%)										
Avg Yield on Loans	11.4	11.7	11.5	11.1	10.8	12.0	12.1	11.8	11.6	11.5
Avg. Cost of Borrowings	8.3	8.5	8.0	6.9	7.1	8.2	8.8	8.5	8.3	8.2
Interest Spread	3.1	3.2	3.6	4.1	3.6	3.7	3.2	3.1	3.2	3.2
Net Interest Margin	4.3	4.4	4.6	5.1	4.8	5.2	5.0	5.0	5.0	5.0
Profitability Ratios (%)										
RoE	16.5	16.9	15.0	8.9	12.5	14.6	14.2	12.5	11.9	12.0
RoA	2.3	2.4	2.4	1.6	2.4	3.0	3.1	2.9	2.7	2.7
Int. Expended/Int.Earned	61.9	62.6	59.7	53.9	55.8	56.5	58.6	56.8	56.4	56.4
Other Inc./Net Income	6.7	6.4	6.9	4.2	7.0	6.4	10.1	7.3	7.5	7.7
Efficiency Ratios (%)										
Op. Exps./Net Income	20.7	20.2	19.6	20.1	24.4	24.6	27.5	29.1	28.7	28.0
Empl. Cost/Op. Exps.	59.5	62.4	62.3	63.4	60.3	59.7	57.4	58.4	59.9	61.2
Asset Quality (%)										
Gross NPAs	3,258	5,117	4,485	8,198	7,187	5,516	4,729	4,729	4,729	4,729
Gross NPAs to Adv.	3.0	4.3	3.7	7.0	5.8	4.1	3.3	3.0	2.6	2.4
Net NPAs	1,507	3,287	2,714	5,587	3,621	1,919	1,910	2,317	2,223	2,128
Net NPAs to Adv.	1.4	2.8	2.3	4.9	3.0	1.5	1.4	1.5	1.3	1.1
VALUATION										
Book Value (INR)	244.1	285.6	329.2	357.1	402.2	462.6	529.7	594.0	664.0	743.1
Price-BV (x)		1.5	1.3	1.2	1.0	0.9	0.8	0.7	0.6	0.6
EPS (INR)	37.5	44.8	46.0	30.6	47.3	63.1	70.2	70.4	75.0	84.6
EPS Growth YoY	16.7	19.5	2.6	-33.4	54.7	33.3	11.3	0.2	6.6	12.8
Price-Earnings (x)		9.3	9.1	13.7	8.8	6.6	6.0	5.9	5.6	4.9
Dividend per share (INR)	2.5	2.5	2.5	2.5	2.7	3.0	4.0	6.0	5.0	5.5
Dividend yield (%)		0.6	0.6	0.6	0.6	0.7	1.0	1.4	1.2	1.3

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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