

Manappuram Finance

Estimate change



TP change



Rating change



Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USD\$)	251.3 / 2.7
52-Week Range (INR)	322 / 169
1, 6, 12 Rel. Per (%)	-2/12/39
12M Avg Val (INR M)	1850

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	54.5	69.4	84.9
PPP	27.5	40.1	52.7
PAT	9.7	22.0	30.9
EPS (INR)	10.3	21.3	29.9
EPS Gr. (%)	-27.7	107.6	40.0
BV/Sh.(INR)	168	186	210

Ratios

NIM (%)	11.0	10.8	10.8
C/I ratio (%)	52.5	45.2	40.8
RoA (%)	1.7	3.1	3.6
RoE (%)	6.8	12.6	15.1
Payout (%)	35.0	20.8	20.0

Valuations

P/E (x)	28.9	13.9	9.9
P/BV (x)	1.8	1.6	1.4
Div. Yld. (%)	1.2	1.5	2.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	35.3	35.3	35.3
DII	9.2	8.6	11.0
FII	30.2	29.7	30.4
Others	25.4	26.4	23.4

FII Includes depository receipts

CMP: INR297

TP: INR330 (+11%)

Neutral

Strong gold loan growth; NIM likely to bottom out in 4Q

Asset quality weakens in non-gold segments; yields expected to now stabilize

- MGFL consol. PAT declined 14% YoY to INR2.4b in 3QFY26 (in line). NII declined ~18% YoY to ~INR13b (in line) and PPOp declined ~29% YoY to ~INR6.6b (~5% beat).
- Opex grew 7% YoY to ~INR7.6b (in line). This included one-time provisions of INR19m on account of the new labor codes. Consol. credit costs stood at ~INR3.5b (vs. est. of ~INR2.9b). Annualized credit costs for the quarter declined ~40bp QoQ to 2.9% (PQ: ~3.3%).
- Consol. total AUM rose ~18% YoY and ~14% QoQ. Gold AUM grew ~23% QoQ and ~58% YoY to ~INR387b.
- Gold loan yields declined to ~18.3% (PQ: 19.7%) in 3QFY26. Net yields on the standalone business fell ~120bp QoQ to 18.5%, while standalone CoB declined ~30bp QoQ to 8.8%, resulting in a ~90bp contraction in spreads. Consol. NIM (calc.) declined ~160bp QoQ to ~10.8%.
- **MGFL management shared that RBI approval for Bain's joint controlling stake is in the final stages, with all the required clarifications already submitted to the regulator. The company expects to receive RBI approval for the Bain transaction next month.**
- The company indicated that gold loans will continue to be the main growth driver over the next two years, supported by strong structural tailwinds and improved market competitiveness, while the non-gold businesses are expected to resume growth from 1Q/2QFY27, driven by a more disciplined underwriting approach and a calibrated risk framework.
- MGFL highlighted that yield on incremental gold loan disbursements stands at ~18%, broadly aligned with market leaders, with no meaningful compression expected ahead.
- Standalone (Gold + Vehicle + On-lending + MSME) GNPA and NNPA declined ~40bp each QoQ to 2.6% and 2.2%, respectively. Asset quality in the non-gold segments remained under pressure, prompting the company to significantly scale down these businesses and reduce exposure across select geographies, including MSME and vehicle loans. As part of this portfolio reset, new car, used car and farm loans have been paused, while underwriting standards have been strengthened, collection efforts tightened, and operating processes streamlined to improve risk discipline.
- We raise our FY27/FY28 EPS estimates by 7%/8% to factor in higher gold loan growth. Over FY25-28, we estimate a CAGR of 40%/26% in gold/consolidated AUM and ~37% in consolidated PAT, with consolidated RoA/RoE of ~3.6%/15% in FY28. **Reiterate our Neutral rating on the stock with a TP of INR330 (based on 1.6x Dec'27E consolidated BVPS).**

Strong gold loan growth of 58% YoY; Gold tonnage rose 3% QoQ

- Gold AUM grew ~23% QoQ and ~58% YoY to ~INR387b. Gold tonnage rose ~3% QoQ to ~59 tons. Within gold loans, LTV was stable QoQ at ~56%, while the average ticket size (ATS) in gold loans rose to INR101k (PQ: INR83k). Consolidated gold loan customer base grew 1% QoQ and YoY to ~2.63m.
- MGFL noted that the strong gold loan growth rebound in 3Q marks the first phase of a new growth cycle, driven by more competitive pricing and higher gold prices that have helped win back customers who had earlier migrated out. The second phase is expected to be led by rising business volumes, improved branch morale, and stronger market positioning, translating into higher new customer acquisition.

Asirvad MFI: AUM declines ~39% YoY; credit costs remain elevated

- MFI GNPA rose ~10bp QoQ to 4.9%, while NNPA declined ~20bp QoQ to ~1.8% and credit costs stood at ~INR2.2b (PQ: ~INR2.5b).
- Asirvad AUM declined ~39% YoY and ~1% QoQ to ~INR61b. Asirvad reported 3QFY26 loss of INR1.56b (vs. loss of INR1.68b in 2QFY26).
- Management shared that MFI New book X-bucket collection efficiency is 99.8% and now forms ~1/3rd of the book; the new book is expected to rise to ~2/3rd of the AUM over the next two quarters.

Highlights from the management commentary

- Management shared a new Group CFO, Group Compliance Officer, and Group General Counsel have already joined and are actively leading the transformation. The company is also onboarding group heads for technology, risk, internal audit, operations, and HR, and two group business heads, along with staffing at lower levels where required.
- Branch infrastructure for gold loans is being upgraded, with a new branch design in the final stage of vendor negotiations, which will materially improve customer service, operating efficiency, and branch experience over the next year.

Valuation and view

- MGFL reported a mixed quarter, with asset quality weakening across the non-gold business and profitability remaining under pressure from persistent NIM compression. The bright spot was the strong growth in the gold loan portfolio, even as this was tempered by significant yield compression. Asirvad MFI's net loss declined sequentially, driven by slightly lower credit costs. The company expects the MFI book to return to growth from FY27 onward.
- MGFL trades at 1.6x FY27E P/BV. Gold loan is expected to exhibit healthy growth with an AUM CAGR of ~40% over FY25-28, aided by higher gold prices and the company's strategy to align its lending rates in line with other gold loan NBFC peers. **Reiterate our Neutral rating on the stock with a TP of INR330 (based on 1.6x Dec'27E consolidated BVPS).**

MGFL - Quarterly Performance (Consolidated)

(InR M)

Y/E March	FY25				FY26E				FY25	FY26E	3QFY26E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	23,861	25,411	25,163	23,062	22,357	22,512	22,441	24,449	97,997	91,758	22,692	-1
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,756	9,452	10,480	35,747	37,241	9,089	4
Net Interest Income	15,378	16,354	15,909	14,446	13,804	13,756	12,989	13,969	62,250	54,518	13,603	-4.5
YoY Growth (%)	19.4	20.8	9.54	-3.3	-10.2	-15.9	-18.36	-3.3	10.7	-12.4	-14.5	
Other income	1,259	961	464	230	293	241	1,148	490	2,752	3,529	417	175
Net Income	16,636	17,314	16,373	14,676	14,097	13,997	14,137	14,459	65,002	58,046	14,020	1
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,285	7,568	8,162	28,718	30,502	7,773	-3
Operating Profits	9,814	10,331	9,307	6,833	6,609	6,712	6,569	6,297	36,285	27,544	6,247	5.2
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-35.0	-29.4	-7.8	2.6	-24.1	-32.9	
Provisions	2,286	2,604	5,546	9,192	5,594	3,692	3,541	3,078	19,628	15,904	2,910	22
PBT	7,528	7,727	3,761	-2,359	1,015	3,020	3,029	3,220	16,656	11,640	3,338	-9
Tax Provisions	1,963	2,006	976	-327	-310	847	643	798	4,618	1,979	901	-29
PAT	5,565	5,721	2,785	-2,032	1,325	2,173	2,385	2,421	12,039	9,661	2,437	-2
YoY Growth (%)	12	2	-52	-136	-76	-62	-14	-219	-45	-20	-12	
Key Ratios (%)												
Yield on loans	22.5	22.9	22.8	21.5	20.8	20.2	18.6	18.1	23.6	18.5		
Cost of funds (Cal)	9.4	9.4	9.8	9.5	9.4	9.3	9.0	9.0	10.4	9.0		
Spreads (Cal)	13.08	13.51	13.0	11.99	11.41	10.92	9.6	9.1	13.2	9.5		
NIMs (Cal)	14.50	14.75	14.42	13.47	12.85	12.37	10.76	10.3	15.0	11.0		
C/I ratio	41.0	40.3	43.2	53.4	53.1	52.0	53.5	56.4	44.2	52.5		
Credit Cost	2.10	2.30	4.9	8.43	5.12	3.27	2.9	2.2	4.7	3.2		
Tax Rate	26.1	26.0	26.0	13.9	-30.5	28.0	21.2	24.8	27.7	17.0		
Balance Sheet Parameters												
Consol. AUM (INR b)	449	457	442	430	443	459	522	579				
Change YoY (%)	21.2	17.4	9.5	2.3	-1.4	0.4	18.1	34.5				
Gold loans (INR b)	236	244	245	256	288	315	388	448				
Change YoY (%)	14.8	17.1	18.0	19.0	21.8	29.3	58.2	75.0				
Gold stock (tonnes)	60	60	57	56	57	57	59	0				
Gold loans/branch (INR m)	58	60	61	63	71	78	96	0				
Consol. Borrowings (INR b)	385	385	370	354	374	377	463	472				
Change YoY (%)	34.8	19.4	15.9	5.2	-2.8	-1.9	25.0	33.2				
Borrowings Mix (%)												
Debentures	12.3	12.1	11.3	10.6	10.1	9.0	9.5					
CPs	2.3	1.5	0.8	0.8	3.4	5.3	8.3					
WC/CC	20.5	19.1	20.6	20.5	21.1	19.2	18.2					
TL	54.3	47.7	53.5	52.7	51.3	47.3	47.4					
ECB	10.0	19.0	13.4	14.8	13.9	19.0	16.4					
Others	0.6	0.7	0.4	0.5	0.3	0.2	0.1					
Debt/Equity (x)	1.6											
Asset Quality Parameters (%)												
GNPL ratio (Standalone)	2.0	2.4	2.5	2.8	3.0	3.0	2.6					
NNPL ratio (Standalone)	1.7	2.1	2.3	2.5	2.6	2.6	2.2					
Return Ratios (%)												
RoA (Rep)	4.8	4.4	2.2	-1.6	1.1	1.7	1.7					
RoE (Rep)	16.7	18.6	8.9	-6.4	4.3	6.9	7.4					

E: MOFSL estimates



Highlights from the management commentary

Guidance and Outlook

- Gold loan business is expected to remain the primary growth engine over the next two years, supported by structural tailwinds and improving competitiveness.
- Non-gold businesses will return to growth from 1Q/2QFY27, but with disciplined underwriting and calibrated risk.
- Asirvad is expected to grow strongly from FY27, with new, better-quality book representing the majority of the portfolio. The company expects the new book to form 57-60% of overall book after two quarters.
- MGFL targets to improve profitability, with standalone ROA expected to reach 4.25-4.5% by 2HFY27.
- The company is progressing well across all strategic priorities and will provide a full strategic roadmap and formal guidance from the next financial year onwards.

Strategic priorities and roadmap

- Gold lending is the top priority, with AUM growth momentum having rebounded strongly, supported by multiple customer pricing schemes.
- Branch infrastructure for gold is being upgraded, with a new branch design in the final stage of vendor negotiations, which will materially improve customer service, operating efficiency, and branch experience over the next year.
- The company is moving toward paperless customer acquisition, which is expected to improve portfolio quality, operational controls, and turnaround time.
- AI-based systems are being rolled out across branches to strengthen decision-making, monitoring, and customer servicing.
- Co-lending has emerged as a major strategic priority, with the platform going live this week, which should meaningfully improve the subsidiary's scale, balance sheet efficiency, and market profile. The company is working with at least three co-lending partners, including Asirvad, and all are expected to be operational within 1-3 weeks. Co-lending will provide growth, capital efficiency and improved risk sharing across products.

Gold loan business

- Gold loans remain MGFL's largest retail lending asset and primary growth engine.
- Structural tailwinds include regulatory support for secured lending, rising gold prices, and increasing customer preference for gold loans.
- Yield on incremental gold loan disbursements is ~18% and is aligned with market leaders, with no major compression in yields expected going forward.
- MGFL has moved from being priced above market earlier to now being largely in line with competition after running extensive pricing experiments across geographies and customer cohorts. Management shared that yield on gold loans will be in line with what the competitors are charging.

- Online gold loan app and digital payment systems give MGFL a structural advantage in maintaining regulatory compliance and improving customer experience.
- Growth rebound in 3Q reflects the first phase of a new growth cycle, as improved pricing and rising gold prices brought back customers who had earlier migrated out.
- Management expects the second phase of growth to be driven by higher business volumes, stronger branch morale, and better market positioning, leading to better new customer acquisition.
- Auctions during the quarter stood at INR320m.

Non-gold businesses

- A consolidated growth strategy is being implemented across non-gold businesses with a strong focus on improving credit quality and profitability.
- The company has significantly scaled down non-gold businesses and reduced exposure across select geographies, including MSME and vehicle loans.
- New car, used car, and farm loans have been paused as part of this portfolio reset.
- Underwriting standards have been strengthened, collections have been tightened, and operational processes have been streamlined.
- Management expects non-gold businesses to return to growth mode from 1QFY27 after this clean-up phase.
- Vehicle finance AUM rose only ~INR400m QoQ due to residual slowdown. Provision coverage in vehicle finance remains at ~25-27%, and accounts are written off 100% after 730dpd.
- In MSME and unsecured loans, most digital PL and weak unsecured books have been written off fully, while secured MSME portfolios carry low LTVs with credit loss of only 5-6% over five years.

Asirvad MFI

- Asirvad continues to operate in a challenging environment, though the broader MFI sector is showing signs of stabilization.
- Asirvad AUM stood at INR61b, including gold loan AUM of INR16b, down ~39% YoY.
- Credit costs remain elevated, reflecting a cautious stance and old book stress.
- Collection efforts on NPAs continue, including the use of external recovery agencies, though recoveries beyond 90dpd remain difficult in MFI.
- The new book now constitutes ~1/3rd of Asirvad's portfolio and is performing extremely well, with management guiding that this will rise to 55-60% by Sep'26
- Degrowth is largely behind, and Asirvad is expected to return to growth from here, with portfolio quality improving into FY27.
- MFI New book X-bucket collection efficiency is 99.8% and now forms ~1/3rd of the book and the new book is expected to rise to ~2/3rd of the AUM over the next two quarters.
- The old book collection efficiency is improving ~2% every quarter, with dedicated collection teams ensuring limited fresh slippages.

Housing Business

- In housing and vehicle business, the focus is on stabilizing asset quality and risk-adjusted returns rather than aggressive expansion.
- The housing finance subsidiary is a strategic priority for the group, with strong long-term plans in place.
- A high-quality leadership team for the housing finance business is being onboarded and is expected to be in place by Jun'26.
- Until the new team is fully in place, the housing finance business is expected to see low to moderate growth.
- The company sees housing finance as a key medium-term growth driver once the new platform and leadership are in place.

Organizational effectiveness and leadership build-out

- The new organizational structure is already showing improved operating rigor and stronger ownership across teams.
- Management is highly encouraged by the positive adaptation of teams to this structure, which provides confidence in meeting future growth aspirations.
- A comprehensive overhaul of people and HR practices will be rolled out shortly to further strengthen the performance culture.
- A new Group CFO, Group Compliance Officer, and Group General Counsel have already joined and are actively leading the transformation.
- The company is onboarding group heads for technology, risk, internal audit, operations, HR, and two group business heads, along with staffing at lower levels where required.
- All processes are being re-mapped to become simpler, more efficient, and more scalable, while work on the new technology stack and product strategy is ongoing, to be shared in 1QFY27.

Bain Capital transaction

- RBI approval for Bain's controlling stake is in the final stages, with clarifications already submitted. Management expects approval within one month.
- Bain is aligned with all RBI conditions, including any requirements related to controlling stakes in two NBFCs.
- Branch expansion approvals are also expected after the RBI approves the Bain transaction.

Macro and opening remarks

- The Indian economy remains resilient, supported by strong domestic consumption, healthy GST collections, PMAY momentum, and stable vehicle demand despite global geopolitical and tariff-related uncertainties.
- GDP growth for India is expected at ~7.2%, supported by growth-friendly policies and improving macro stability.
- Consumption, rural demand and broader economic activity showed gradual improvement through the quarter.
- The lending environment remains competitive and tightly regulated, especially across unsecured and semi-secured
- Gold loans continued to show resilience, supported by elevated gold prices and regulatory preference toward secured credit.

Standalone and Consolidated financial highlights

- Consolidated AUM stood at INR522b, up 13.8% QoQ and 17.9% YoY, driven primarily by strong expansion in gold loans.
- Consolidated gold loan AUM rose to INR287b, up 23% QoQ and 58% YoY, supported by higher customer demand and rising gold prices.
- Gold tonnage increased to 58.9 tons, up 3.2% QoQ and 2.8% YoY.
- Consolidated PAT for 3QFY26 was INR2.4b, up ~10% QoQ and declined 14% YoY.
- Liquidity buffers and high provision coverage provide comfort.
- Standalone AUM stood at INR442b, up 17% QoQ and 36% YoY, driven primarily by gold loan growth.
- Standalone PAT was INR3.8b, up 1.4% QoQ but down 16% YoY.
- Gold loan growth was driven by larger ticket sizes and competitive pricing rather than sharp growth in customer numbers.
- LTV remained stable at ~56-57% despite the rise in gold prices, reflecting conservative underwriting.

Technology & Digital Strategy

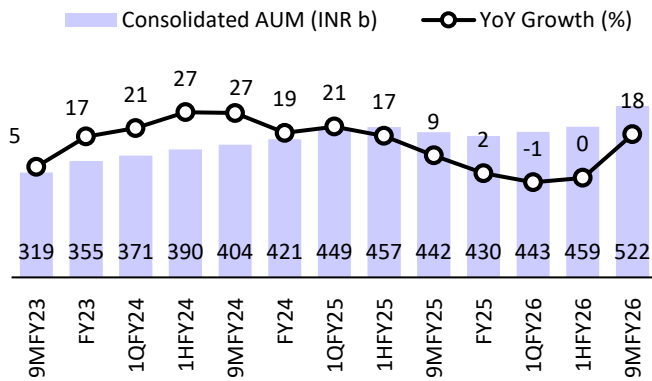
- MGFL is evaluating a future-ready tech architecture designed for the next 8-10 years of growth.
- The technology stack will be product-specific, with different LMS and workflows for each asset class to improve flexibility, risk control and scalability.
- Technology will enhance efficiency and controls but will not significantly reduce manpower as the company is planning for a much larger AUM and footprint.
- Paperless onboarding, AI-enabled branch operations and digital KYC are key near-term priorities.

Others

- Borrowings are elevated as the company drew down a lot of sanctioned lines at the fag end of the quarter, which resulted in higher borrowing growth.
- Interim dividend of INR0.5/share was declared.

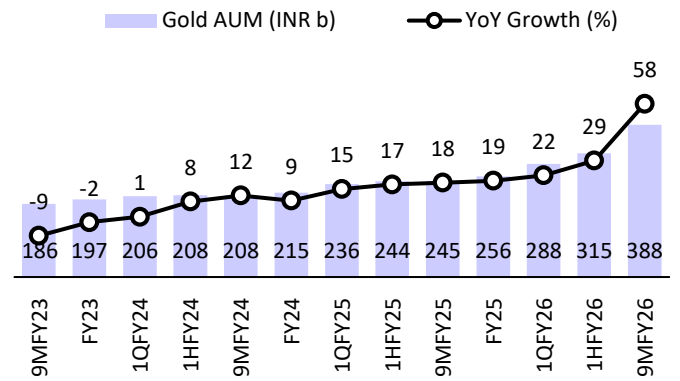
Key Exhibits

Exhibit 1: Consolidated AUM grew 18% YoY



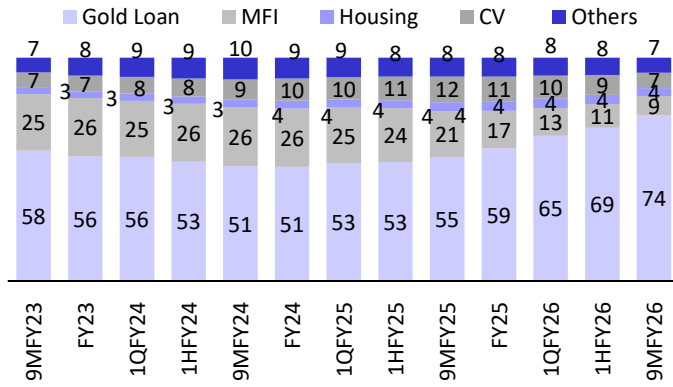
Source: MOFSL, Company

Exhibit 2: Gold AUM grew 58% YoY



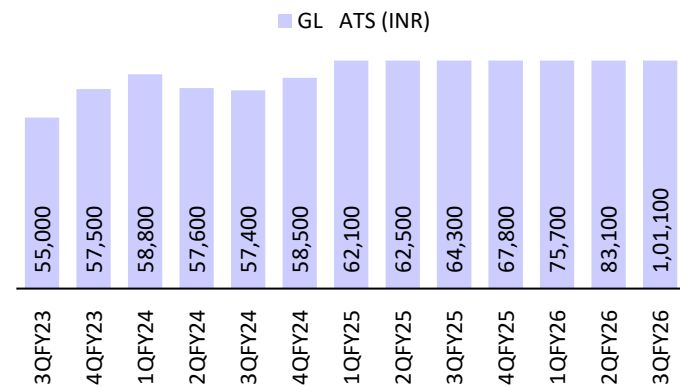
Source: MOFSL, Company

Exhibit 3: Share of gold loans rose ~5pp QoQ (%)



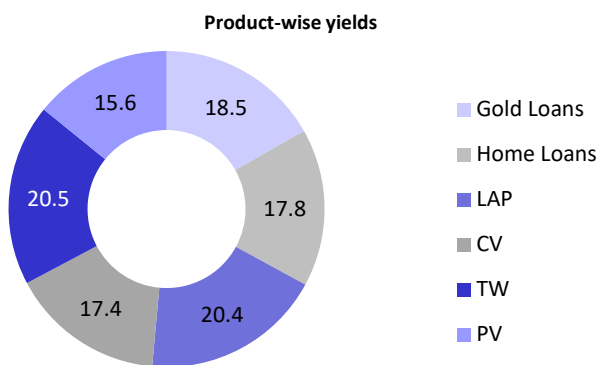
Source: MOFSL, Company

Exhibit 4: ATS in gold loans rose to ~INR101k



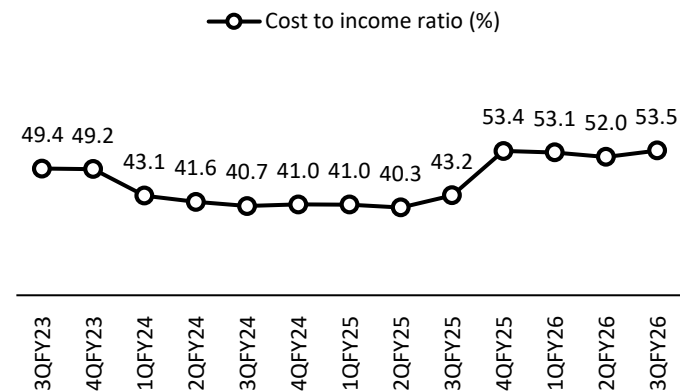
Source: MOFSL, Company

Exhibit 5: Gold loan declined to ~18.5% as of Dec'25



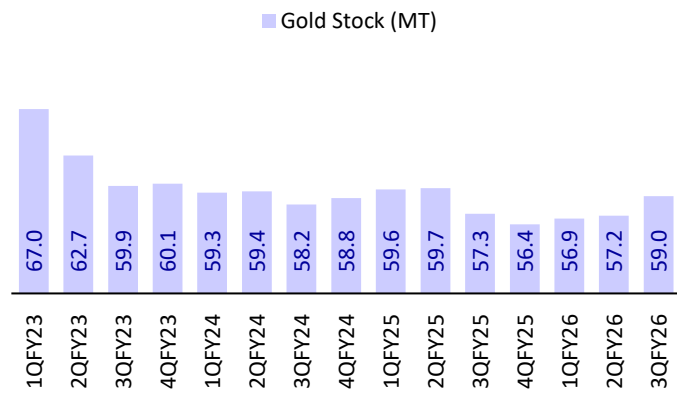
Source: MOFSL, Company

Exhibit 6: C/I ratio rose ~150bp to 53.5%



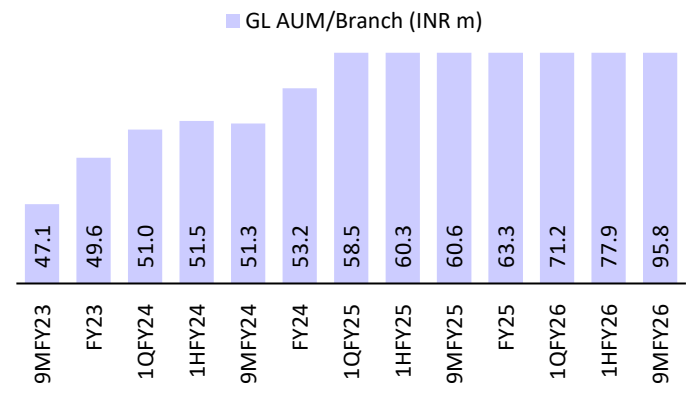
Source: MOFSL, Company

Exhibit 7: Gold tonnage stood at 59 tons as of Dec'25



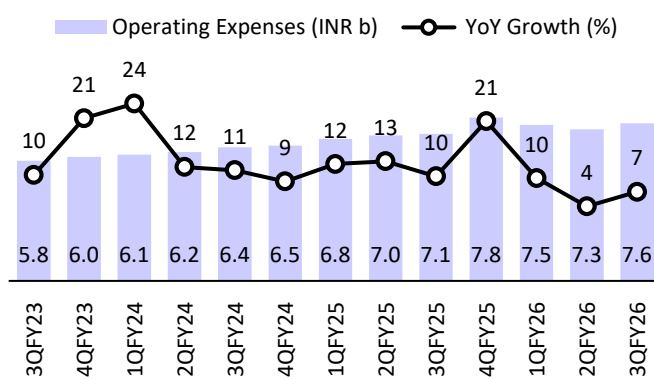
Source: MOFSL, Company

Exhibit 8: Branch productivity improved QoQ



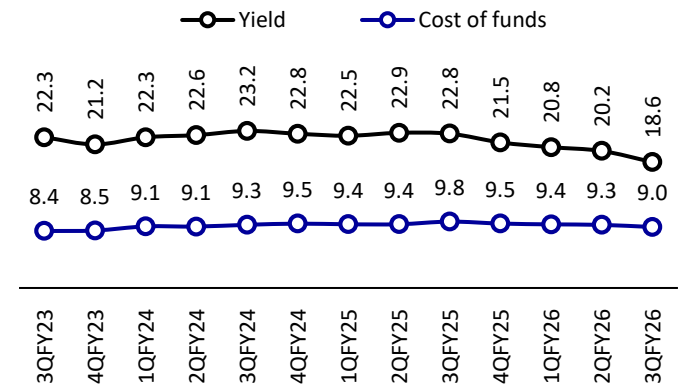
Source: MOFSL, Company

Exhibit 9: Opex grew ~7% YoY



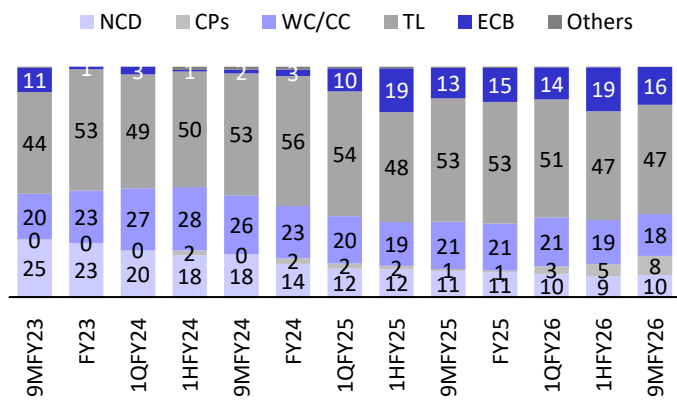
Source: MOFSL, Company

Exhibit 10: Consolidated spreads declined ~130bp QoQ (%)



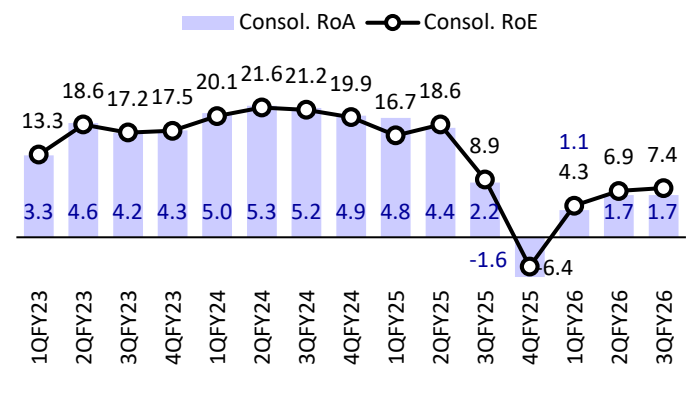
Source: MOFSL, Company

Exhibit 11: Consolidated borrowing mix (%)



Source: MOFSL, Company

Exhibit 12: Consol. RoA/RoE stood at ~1.7%/7.4% in 3QFY26



Source: MOFSL, Company

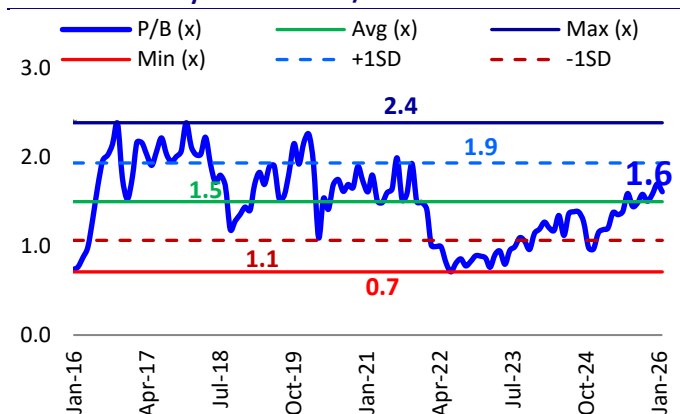
Valuation and view

- MGFL reported a mixed quarter, with asset quality weakening across the non-gold business and profitability remaining under pressure from persistent NIM compression. The bright spot was the strong growth in the gold loan portfolio, even as this was tempered by significant yield compression. Asirvad MFI's net loss declined sequentially, driven by slightly lower credit costs. The company expects the MFI book to return to growth from FY27 onward.
- MGFL trades at 1.6x FY27E P/BV. Gold loan is expected to exhibit healthy growth with an AUM CAGR of ~40% over FY25-28, aided by higher gold prices and the company's strategy to align its lending rates in line with other gold loan NBFC peers. **Reiterate our Neutral rating on the stock with a TP of INR330 (based on 1.6x Dec'27E consolidated BVPS).**

Exhibit 13: We raise our FY27/FY28 EPS estimates by 7%/8% to factor in higher gold loan growth

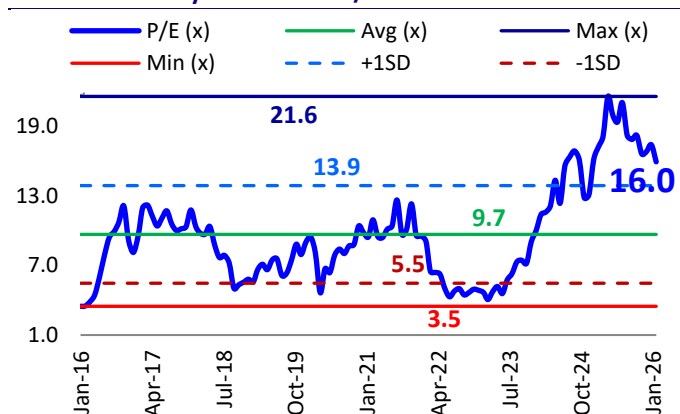
INR B	Old Est.			New Est.			Change (%)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
NII	55.5	67.4	81.8	54.5	69.4	84.9	-1.7	2.9	3.8
Other Income	2.8	3.0	3.2	3.5	3.8	4.0	27.7	27.0	26.4
Net Income	58.2	70.3	85.0	58.0	73.1	88.9	-0.3	4.0	4.6
Operating Expenses	30.7	33.3	36.5	30.5	33.1	36.3	-0.7	-0.7	-0.7
Operating Profits	27.5	37.0	48.5	27.5	40.1	52.7	0.1	8.1	8.6
Provisions	14.9	9.1	10.0	15.9	10.3	11.0	7.0	12.5	9.6
PBT	12.6	27.9	38.5	11.6	29.8	41.7	-7.9	6.7	8.4
Tax	2.5	7.3	10.0	2.0	7.7	10.8	-21.7	6.7	8.4
PAT	10.1	20.7	28.5	9.7	22.0	30.9	-4.5	6.7	8.4
Loans	536	657	773	568	716	852	6.0	8.9	10.2
Borrowings	442	522	621	472	582	695			
RoA (%)	1.8	3.1	3.6	1.7	3.1	3.6			
RoE (%)	7.2	11.8	14.1	6.8	12.6	15.1			

Exhibit 14: One-year forward P/B



Source: MOFSL, Company

Exhibit 15: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

INCOME STATEMENT									(INR M)
Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	52,805	61,896	58,397	64,404	84,885	97,997	91,758	1,16,252	1,41,127
Interest Expense	18,322	22,190	20,114	21,878	28,657	35,747	37,241	46,900	56,218
Net Interest Income	34,483	39,706	38,284	42,526	56,228	62,250	54,518	69,352	84,909
Change (%)	27.7	15.1	-3.6	11.1	32.2	10.7	-12.4	27.2	22.4
Other operating income	1,848	1,410	2,213	2,436	3,595	2,411	3,358	3,594	3,848
Total Income	36,331	41,116	40,496	44,963	59,823	64,660	57,876	72,946	88,756
Change (%)	28.2	13.2	-1.5	11.0	33.1	8.1	-10.5	26.0	21.7
Other income	859	441	653	659	721	342	171	179	188
Net Income	37,190	41,557	41,149	45,622	60,544	65,002	58,046	73,125	88,945
Change (%)	28.4	11.7	-1.0	10.9	32.7	7.4	-10.7	26.0	21.6
Operating Expenses	14,741	13,996	18,453	22,140	25,165	28,718	30,502	33,068	36,272
Operating Profits	22,449	27,561	22,697	23,482	35,378	36,285	27,544	40,058	52,673
Change (%)	48.5	22.8	-17.6	3.5	50.7	2.6	-24.1	45.4	31.5
Provisions	2,376	4,401	4,862	3,071	5,783	19,628	15,904	10,276	10,977
PBT	20,073	23,160	17,835	20,410	29,595	16,656	11,640	29,781	41,697
Tax	5,270	5,911	4,548	5,409	7,621	4,618	1,979	7,743	10,841
Tax Rate (%)	26.3	25.5	25.5	26.5	25.8	27.7	17.0	26.0	26.0
PAT	14,803	17,250	13,287	15,002	21,974	12,039	9,661	22,038	30,855
Change (%)	56.1	16.5	-23.0	12.9	46.5	-45.2	-19.7	128.1	40.0
Dividend (Excl Tax)	2,372	1,777	2,539	2,539	3,005	2,963	3,381	4,584	6,171

BALANCE SHEET									
Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	1,690	1,693	1,693	1,693	1,693	1,693	1,879	2,065	2,065
Reserves & Surplus	55,771	71,382	81,991	94,756	1,13,788	1,22,629	1,56,129	1,89,841	2,14,525
Networth (Post OCI)	57,461	73,074	83,683	96,449	1,15,481	1,24,322	1,58,008	1,91,905	2,16,590
Non-Controlling Interest	583	472	161	203	289	167	192	217	242
Borrowings	2,25,735	2,27,163	2,41,185	2,84,830	3,36,535	3,54,040	4,71,699	5,82,245	6,95,438
Change (%)	47.6	0.6	6.2	18.1	18.2	5.2	33.2	23.4	19.4
Other liabilities	11,572	12,669	13,076	13,559	15,175	13,518	14,870	16,357	17,993
Change (%)	97.4	9.5	3.2	3.7	11.9	-10.9	10.0	10.0	10.0
Total Liabilities	2,95,351	3,13,378	3,38,106	3,95,041	4,67,479	4,92,047	6,44,768	7,90,724	9,30,262
Loans	2,42,971	2,65,076	2,89,710	3,41,945	4,09,476	4,22,516	5,68,397	7,16,161	8,51,912
Change (%)	36.4	9.1	9.3	18.0	19.7	3.2	34.5	26.0	19.0
Investments	905	3,380	4,207	5,340	7,263	7,877	8,665	9,532	10,485
Change (%)	-47.9	273.6	24.5	26.9	36.0	8.5	10.0	10.0	10.0
Goodwill	356	356	356	356	356	356	356	356	356
Net Fixed Assets	7,705	8,980	10,295	10,748	10,677	10,569	11,626	12,789	14,067
Other assets	43,414	35,586	33,538	36,652	39,708	50,730	55,725	51,887	53,443
Total Assets	2,95,351	3,13,378	3,38,106	3,95,041	4,67,479	4,92,047	6,44,768	7,90,724	9,30,262

E: MOFSL Estimates

Financials and valuations

RATIOS

Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Spreads Analysis (%)									
Avg Yield on loans	25.1	24.4	21.1	20.4	22.6	23.6	18.5	18.1	18.0
Avg Cost of funds	9.7	9.8	8.6	8.3	9.2	10.4	9.0	8.9	8.8
Spreads	15.4	14.6	12.5	12.1	13.4	13.2	9.5	9.2	9.2
Net Interest Margins	16.4	15.6	13.8	13.5	15.0	15.0	11.0	10.8	10.8

Profitability Ratios (%)

RoAE	28.8	26.4	17.0	16.7	20.7	10.0	6.8	12.6	15.1
RoAA	5.9	5.7	4.1	4.1	5.1	2.5	1.7	3.1	3.6
Cost to Income	39.6	33.7	44.8	48.5	41.6	44.2	52.5	45.2	40.8
Empl. Cost/Op. Exps.	56.3	60.2	61.0	66.4	63.5	64.1	63.4	63.2	63.3

Asset Quality

GNPL (INR m)	1,677	3,951	6,623	3,211	5,467	8,906	8,526	10,742	11,927
GNPL ratio (%)	0.9	1.9	2.9	1.3	1.8	2.6	1.5	1.5	1.4
NNPL (INR m)	1,092	2,092	5,674	2,554	4,553	7,528	6,991	8,809	9,661
NNPL ratio (%)	0.6	0.8	2.0	0.7	1.1	1.8	1.2	1.2	1.1
PCR (%)	34.9	47.1	14.3	20.4	16.7	15.5	18.0	18.0	19.0

Valuations	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Book Value (INR)	68	86	99	114	136	147	168	186	210
Price-BV (x)	4.4	3.4	3.0	2.6	2.2	2.0	1.8	1.6	1.4
EPS (INR)	17.5	20.4	15.7	17.7	26.0	14.2	10.3	21.3	29.9
Change YoY (%)	55.7	16.3	-23.0	12.9	46.5	-45.2	-27.7	107.6	40.0
Price-Earnings (x)	17.0	14.6	18.9	16.8	11.4	20.9	28.9	13.9	9.9
Dividend	2.8	2.1	3.0	3.0	3.6	3.5	3.6	4.4	6.0
Dividend Payout (%)	19.3	10.3	19.1	16.9	13.7	24.6	35.0	20.8	20.0
Dividend Yield (%)	0.9	0.7	1.0	1.0	1.2	1.2	1.2	1.5	2.0

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

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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
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

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