motilal oswal
Financial Services

25 July 2026
1QFY27 Results Update | Sector: Financials

CreditAccess Grameen

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	CREDAG IN
Equity Shares (m)	160
M.Cap.(INRb)/(USDb)	243.3 / 2.5
52-Week Range (INR)	1609 / 1113
1, 6, 12 Rel. Per (%)	5/14/16
12M Avg Val (INR M)	792

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	38.6	48.7	57.0
Total Income	41.6	51.4	59.3
PPoP	28.1	35.8	41.1
PAT	7.8	19.9	22.0
EPS (INR)	48.5	124.4	138
EPS Gr. (%)	46	156	11
BV (INR)	490	614	751
Ratios (%)			
NIM	14.8	15.5	14.9
C/I ratio	32.5	30.4	30.7
Credit cost	6.5	2.8	3.0
RoA	2.6	5.6	5.1
RoE	10.5	22.6	20.1
Valuations			
P/E (x)	31.3	12.2	11.0
P/BV (x)	3.1	2.5	2.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	66.2	66.2	66.4
DII	12.7	12.6	12.8
FII	13.5	12.9	12.1
Others	7.6	8.2	8.7

FII includes depository receipts

CMP: INR1,518 TP: INR1,880 (+24%) Buy

Strong quarter reinforces confidence; credit costs now normalized

NIM expands ~20bp QoQ; Retail Finance now forms ~21% of the GLP mix

- CreditAccess Grameen (CREDAG)'s 1QFY27 PAT grew ~45% QoQ to INR4.9b (~11% beat). NII grew 29% YoY to ~INR11.6b (inline). PPOP grew ~34% YoY to INR8.7b (~6% beat).
- Opex grew ~10% YoY to INR3.6b (inline). The Cost-to-income ratio declined ~110bp QoQ to ~29.3% (PQ: ~30.4% and PY: ~33.5%). Annualized credit costs declined to ~2.8% (PQ: ~4.8%). Considering the ongoing West Asia crisis, the company has created additional provisions of ~INR410m. Its RoA/RoE stood at 5.9%/24.4% in 1QFY27.
- Management reiterated its medium-term AUM target of ~INR500b by CY28, with borrower additions and retail portfolio expansion likely to remain the key growth drivers. The company aims to scale borrower additions to ~100k per month, supported by its expanding branch network. Growth will also be driven by the graduation of seasoned MFI customers into higher-ticket retail products, with Retail Finance now forming ~20.6% of AUM. Its Grameen Mahi platform is anticipated to further support customer acquisition, cross-sell opportunities, and digital engagement.
- CREDAG remains well-positioned for sustainable growth, supported by its deep rural presence, strong customer franchise and ability to graduate existing MFI customers into higher-ticket individual loans, enabling portfolio diversification. Stable margins, improving asset quality and prudent risk management further provide confidence in the medium-term outlook.
- We raise our FY27E/FY28E EPS by ~13%/ ~6% to factor in higher NIM, lower credit costs, and higher fee income. We estimate a CAGR of 21%/68% in AUM/PAT over FY26-28E, leading to RoA/RoE of ~5.1%/20% in FY28. CREDAG trades at 2.5x FY27E P/BV, and given its superior execution, we expect its premium valuations over its MFI peers to be sustained. **Reiterate BUY with a revised TP of INR1,880 (based on 2.5x Mar'28E P/BV).**

Disbursements grow ~12% YoY; the borrower base remains flat QoQ

- Disbursements rose ~12% YoY to ~INR61b. AUM grew ~16% YoY and 2.5% QoQ to ~INR303b. The borrower base was flat QoQ at ~4.5m (PQ: ~4.4m).
- CREDAG opened ~42 new branches during the quarter to reach 2,276 branches. The number of loan officers was broadly unchanged, and CREDAG employed ~14.5k loan officers as of Jun'26. We expect the company to deliver an AUM CAGR of ~21% over FY26-28E.

Asset quality continues to improve with strong provisioning buffers

- GNPA declined ~1pp QoQ to 2.2%, while NNPA declined ~35bp QoQ to ~0.8%. S3 PCR was stable QoQ at ~65.4%.
- Collection efficiency (including arrears) in 1QFY27 improved to 97.7% (PQ: 96.7%). CE (excluding arrears) increased to 97.4% (PQ: 96.3%). Monthly PAR 15+ accretion stood at 16bp in Jun-26 (vs. 7bp in Mar'26). PAR 0+ declined to 2.2% as of Jun'26 (vs. 3% as of Mar'26).

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- Management guided for FY27 credit costs of ~3-4%, with the potential to trend towards the lower end of this range, aided by improving collection trends and limited incremental stress.
- Asset quality will continue improving, supported by stronger underwriting, better borrower profiles, and increasing graduation of seasoned MFI customers into retail and secured lending products. Stronger provisioning buffers, including management overlays and relatively high Stage 1 PCR, provide additional protection against external risks. We model credit costs of ~2.8%/3% for FY27E/FY28E.

NIM improves ~20bp QoQ; CoB to remain stable within a range

- CREDAG expects margins to remain calibrated (in line with the credit cost trajectory), with any lending rate reductions likely to be gradual and dependent on sustained improvement in asset quality.
- The cost of borrowings is also expected to remain stable at ~9.3-9.4% despite a higher mix of ECBs and NCDs, with the impact of higher borrowing costs limited to ~10-15bp. NIM in 1QFY27 was strong at ~14.4% (PQ: 14.2%), aided by improving yields, lower interest reversals, and stable borrowing costs. Going forward, the margin profile is likely to remain resilient, driven by portfolio diversification towards retail finance products, which offer yields comparable to MFI while benefiting from lower opex and credit costs.

Highlights from the management commentary

- The company continues to refine its business rule engine (BRE) by incorporating product-specific, customer-specific, and geography-specific underwriting parameters, allowing continuous calibration of credit policies.
- The Grameen Mahi customer application continued to witness strong traction, with ~400k customers onboarded in the quarter.

Valuation and view

- CREDAG delivered a strong quarter, supported by healthy AUM growth, improving asset quality, and resilient operating performance. PAR trends have continued to improve, while the absence of any visible impact from external factors, such as the West Asia crisis or El Niño, provides further comfort on growth prospects and asset quality. With credit costs expected to trend towards the lower end of guidance if the macro environment remains stable, continued focus on borrower additions, retail portfolio expansion, and prudent risk management should boost sustainable growth.
- We estimate a CAGR of 21%/68% in AUM/PAT over FY26-28E, leading to RoA/RoE of ~5.1%/20% in FY28E. CREDAG trades at 2.5x FY27E P/BV, and given its superior execution, we expect its premium valuations over its MFI peers to sustain. **We reiterate our BUY rating with a revised TP of INR1,880 (based on 2.5x Mar'28E P/BV).**

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	1QFY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	13,881	14,141	14,350	15,254	17,141	17,603	18,085	19,416	57,626	72,245	16,469	4
Interest Expenses	4,822	4,795	4,593	4,781	5,501	5,715	5,944	6,379	18,991	23,538	5,211	6
Net Interest Income	**9,060**	**9,346**	**9,756**	**10,474**	**11,641**	**11,888**	**12,141**	**13,037**	**38,636**	**48,707**	**11,258**	**3**
YoY Growth (%)	*-2.3*	*0.2*	*13.1*	*19.5*	*28.5*	*27.2*	*24.4*	*24.5*	*7.3*	*26.1*	*24.3*	
Other Income	755	949	563	732	703	625	593	791	2,999	2,712	545	29
Total Income	**9,815**	**10,295**	**10,320**	**11,205**	**12,344**	**12,513**	**12,734**	**13,828**	**41,635**	**51,419**	**11,803**	**5**
YoY Growth (%)	*-2.1*	*6.2*	*13.8*	*20.5*	*25.8*	*21.5*	*23.4*	*23.4*	*9.3*	*23.5*	*20.3*	
Operating Expenses	3,285	3,347	3,515	3,402	3,618	3,802	3,977	4,224	13,549	15,616	3,610	0
Operating Profit	**6,530**	**6,948**	**6,805**	**7,803**	**8,725**	**8,712**	**8,757**	**9,604**	**28,086**	**35,804**	**8,193**	**6**
YoY Growth (%)	*-8*	*3*	*9*	*23*	*34*	*25*	*29*	*23*	*6*	*27*	*25*	
Provisions & Loan Losses	5,719	5,257	3,426	3,353	2,125	2,104	2,272	2,727	17,754	9,228	2,213	-4
Profit before Tax	**811**	**1,692**	**3,379**	**4,450**	**6,600**	**6,608**	**6,485**	**6,877**	**10,332**	**26,576**	**5,980**	**10**
Tax Provisions	209	434	858	1,055	1,666	1,678	1,647	1,652	2,556	6,644	1,519	10
Net Profit	**602**	**1,258**	**2,521**	**3,396**	**4,934**	**4,930**	**4,838**	**5,225**	**7,776**	**19,932**	**4,461**	**11**
YoY Growth (%)	*-84.9*	*-32.4*	*-353.3*	*619.2*	*719.7*	*291.8*	*91.9*	*53.9*	*46.3*	*156.3*	*641.2*	
AUM Growth (%)	-0.9	3.1	7.1	14.0	16.4	20.8	23.0	22.4	15.0	24.4	16.4	
NIM (%)	13.9	14.4	14.9	14.9	15.5	15.4	15.2	15.1	14.8	15.5	15.0	
Cost to Income Ratio (%)	33.5	32.5	34.1	30.4	29.3	30.4	31.2	30.5	32.5	30.4	30.6	
Tax Rate (%)	25.8	25.6	25.4	23.7	25.4	25.4	25.4	25.4	24.7	25.0	25.4	
Key Parameters (%)												
Yield on loans	20.3	20.7	21.0	21.2	21.8							
Cost of funds	9.7	9.6	9.4	9.2	9.2							
Spread	10.6	11.1	11.6	12.0	12.6							
NIM	12.8	13.3	13.9	14.2	14.4							
Credit cost	8.9	8.1	5.2	4.8	2.8							
Cost to Income Ratio (%)	33.5	32.5	34.1	30.4	29.3							
Tax Rate (%)	25.8	25.6	25.4	23.7	25.4							
Performance ratios (%)												
GLP/Branch (INR m)	123	117	120	132	133							
GLP/Loan Officer (INR m)	18.2	17.9	18.4	20.4	21.0							
Borrowers/Branch	2,158	2,010	1,981	1,976	1,956							
Borrowers/Loan Officer	318	306	304	305	308							
Balance Sheet Parameters												
Gross loan portfolio (INR B)	**260.6**	**259.0**	**265.7**	**295.9**	**303.2**	**312.9**	**326.7**	**362.1**				
Change YoY (%)	-0.9	3.1	7.1	14.0	16.4	20.8	23.0	22.4				
Disbursements (INR B)	**54.6**	**53.2**	**57.7**	**83.1**	**61.1**	**65.5**	**72.1**	**97.2**				
Change YoY (%)	21.9	33.0	13.4	28.4	11.9	23.0	25.0	16.9				
Borrowings (INR B)	**200.8**	**201.0**	**206.8**	**236.4**	**251.5**	**253.7**	**266.3**	**289.0**				
Change YoY (%)	-1.5	4.3	2.2	15.6	25.3	26.2	28.8	22.2				
Borrowings/Loans (%)	82.6	83.4	83.3	84.7	87.0							
Debt/Equity (x)	2.9	2.8	2.8	3.0	3.0							
Asset Quality (%)												
GS 3 (INR M)	**12,080**	**9,261**	**10,581**	**9,275**	**6,556**							
G3 %	4.7	3.7	4.0	3.2	2.2							
NS 3 (INR M)	4,445	3,121	3,471	3,209	2,268							
NS3 %	1.8	1.3	1.4	1.1	0.8							
PCR (%)	**63.2**	**66.3**	**67.2**	**65.4**	**65.4**							
ECL (%)	4.7	4.1	4.3	3.8	3.2							
Return Ratios - YTD (%)												
ROA (Rep)	0.9	1.8	3.7	4.4	5.9							
ROE (Rep)	3.4	7.1	14.6	17.8	24.4							

E: MOFSL Estimates

CONFERENCE CALL

Key highlights from the management commentary

Guidance

- CREDAG reiterated its medium-term AUM target of ~INR500b by CY28.
- Management expects the current borrower addition run rate to improve further, targeting an average addition of ~100k borrowers per month, which should remain the primary driver of MFI growth.
- The retail finance portfolio is expected to continue scaling through the graduation of high-quality, seasoned MFI customers into higher-ticket retail products.
- Management indicated that NIM will be calibrated in line with the credit cost trajectory. If annualized credit costs stabilize closer to ~3%, lending rates may be reduced gradually from 3QFY27 onwards by passing on a part of the benefit to customers. Any reduction in lending rates will be phased and will remain contingent on the sustainability of lower credit costs. If credit costs rise again, the company may defer any pricing cuts.
- The company expects write-offs to moderate in the coming quarters as they primarily relate to the stress witnessed during 2QFY26, while asset quality has been improving since Nov'25.
- Management reiterated its credit cost guidance of ~3-4% but indicated that credit costs could be at the lower end of this range if there are no adverse developments from geopolitical events or the progression of monsoon.
- It does not expect any incremental capital requirement to support its growth plans and believes internal accruals are sufficient to fund the targeted expansion.

Business Updates

- 1QFY27 was one of the strongest first quarters in CREDAG's history, supported by robust portfolio growth, normalized asset quality and profitability that reflects the underlying strength and resilience of the franchise.
- The company continues to maintain a comfortable liquidity position amid the ongoing West Asia crisis. However, management highlighted that there has been no discernible impact on business operations so far. Management also indicated that there are currently no visible signs of stress arising from El Niño or any other macro factors.
- CREDAG added ~250k new borrowers during 1QFY27, of which around ~35% were new-to-credit customers.
- Retail finance portfolio increased to ~20.6% of AUM (vs 18.1% in 4QFY26), reflecting the deliberate graduation of high-quality, seasoned MFI customers into retail lending products.
- The company opened ~42 new branches during the quarter, taking the total branch network to 2,276 branches across 457 districts.
- The Grameen Mahi customer application continued to witness strong traction, with ~400k customers onboarded in 1Q. As customer adoption of the Mahi platform increases, management expects it to evolve into a unified digital ecosystem enabling instant loan eligibility checks, small-ticket loan disbursements, new customer lead generation, retail product cross-sell and cashless collections.

Customer Franchise

- The current set of borrowers exhibits a significantly more diversified income and credit profile than in the past, with a meaningful proportion already having

exposure to retail credit products such as business loans, gold loans and other secured lending products.
- Management believes portfolio quality will continue to improve as the company retains long-tenured customers and graduates them into retail lending products.
- In the retail finance portfolio, the average customer vintage stands at ~7 years, providing better underwriting visibility.

Retail Finance

- Most non-MFI lending products are profitable and accretive to RoE, with two-wheeler loans being the only exception.
- Lending rates across retail finance products remain healthy. Loans against property-backed business loans are currently originated at an average lending rate of ~20.5%, while benefiting from significantly lower operating expenses and credit costs than MFI.
- Management expects the non-microfinance portfolio to demonstrate better resilience than the MFI portfolio, supported by longer customer relationships and deeper knowledge of borrower behavior.
- All retail products, except mortgages, are currently offered only to existing customers, supporting better portfolio quality and cross-sell opportunities.
- New retail products are sourced entirely through the company's branch employees and customer referrals via the Mahi app. Two-wheeler loans are additionally sourced through dealership partnerships while remaining branch-led.

Margins and Borrowings

- NIM remained strong at ~14.4% in 1QFY27, supported by improving yields, lower interest reversals and a stable cost of borrowings.
- The company plans to increase the share of ECBs and NCDs with longer maturities. While these borrowings carry slightly higher pricing, the overall impact on cost of borrowings is expected to be limited to ~10-15bp, with the average CoB likely to remain at ~9.4%.

Credit Underwriting and Asset Quality

- CREDAG continues to refine its business rule engine (BRE) by incorporating product-specific, customer-specific and geography-specific underwriting parameters, allowing continuous calibration of credit policies.
- Management expects credit costs to remain well contained as industry-wide underwriting discipline has improved, customer quality has strengthened, and borrowers continue to graduate towards individual and mortgage loans.
- The company follows a conservative asset recognition policy by classifying accounts into Stage 2 after 15 days past due and Stage 3 after 60 days, enabling earlier risk recognition and timely corrective actions.

Provisions and Credit Costs

- CREDAG may increase the provisioning coverage ratio depending on external developments, including geopolitical events and weather-related risks.
- The company has already created a management overlay of ~INR410m, with additional overlays remaining possible if macro risks materialize during the coming quarters.
- Management highlighted that the company maintains one of the highest Stage 1 PCR in the industry (~1.63%), which has been notably strengthened over the past three to four quarters and provides a meaningful buffer against unforeseen stress.

Key exhibits

Exhibit 1: Disbursements grew ~12% YoY

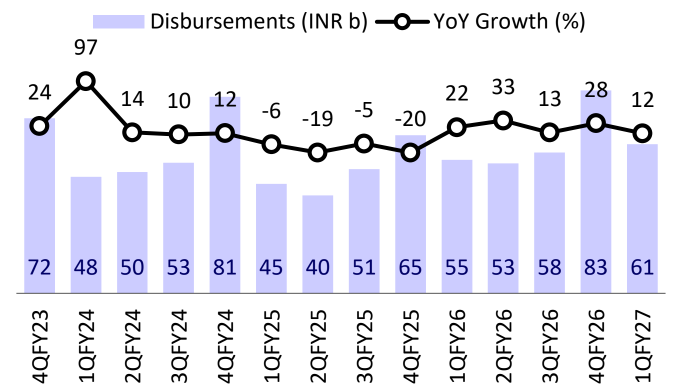


Exhibit 2: GLP grew ~16% YoY to INR303b

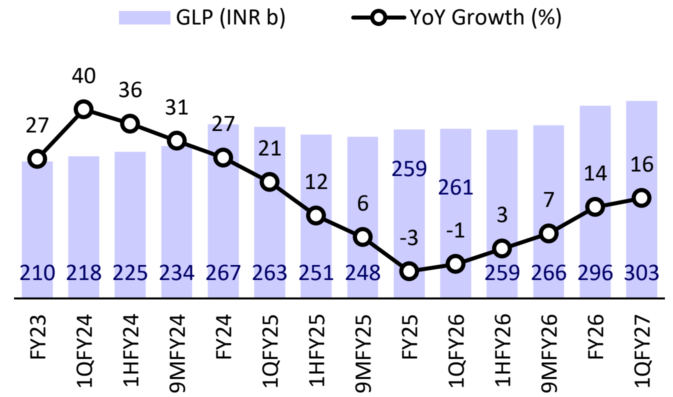


Exhibit 3: State-wise GL AUM exposure (%)

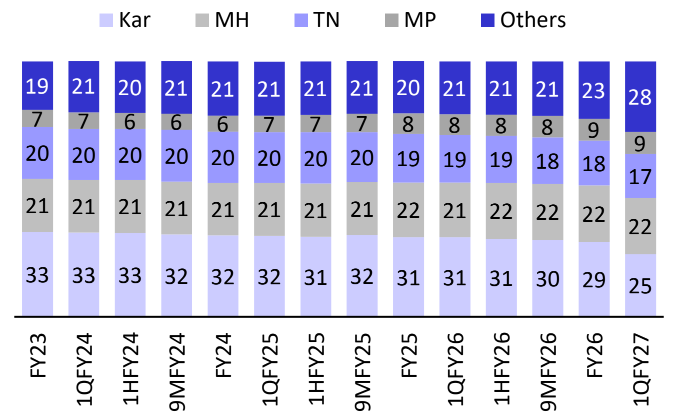


Exhibit 4: Proportion of bank borrowings rose QoQ (%)

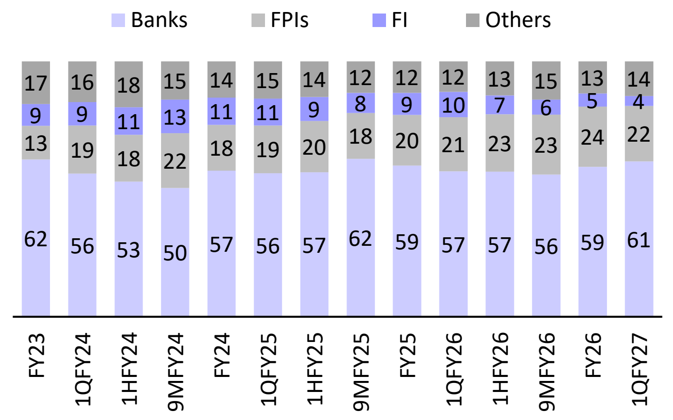


Exhibit 5: Reported NIM improved 20bp QoQ (%)

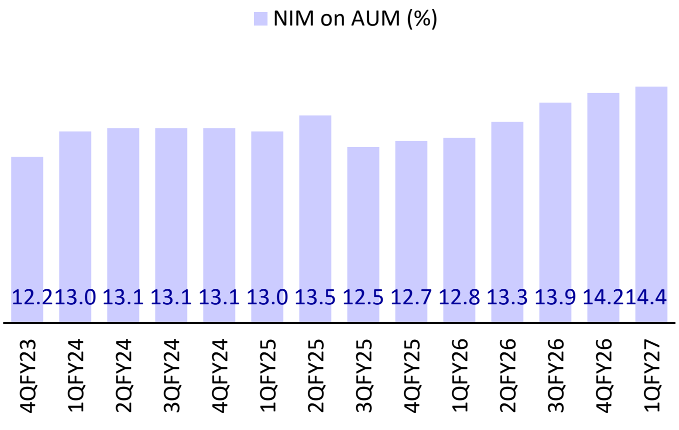


Exhibit 6: Opex/GLP ratio remained stable QoQ

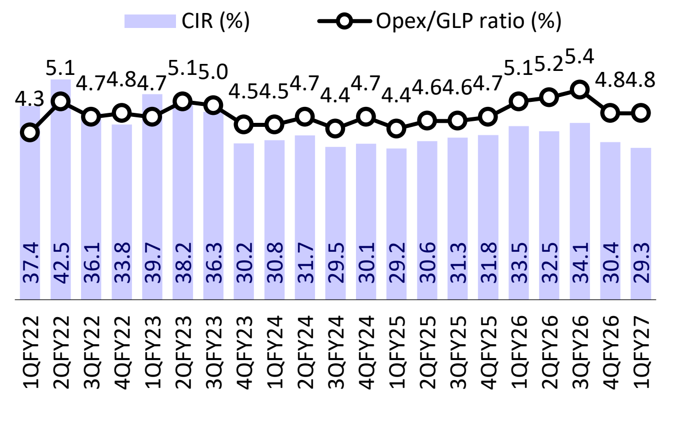
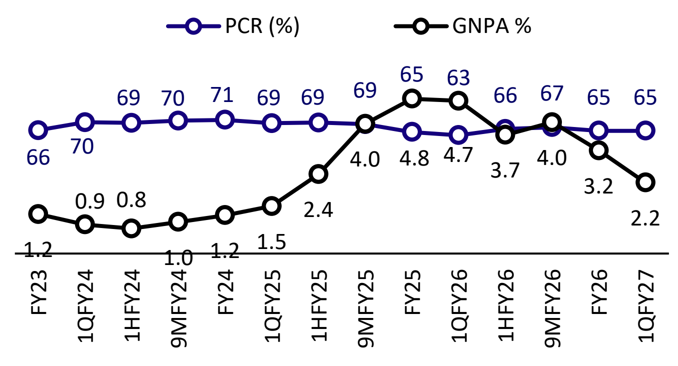
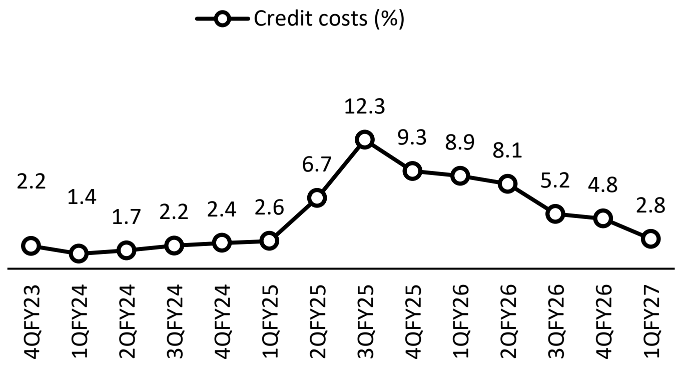


Exhibit 7: GNPA declined to ~2.2% as of Jun'26



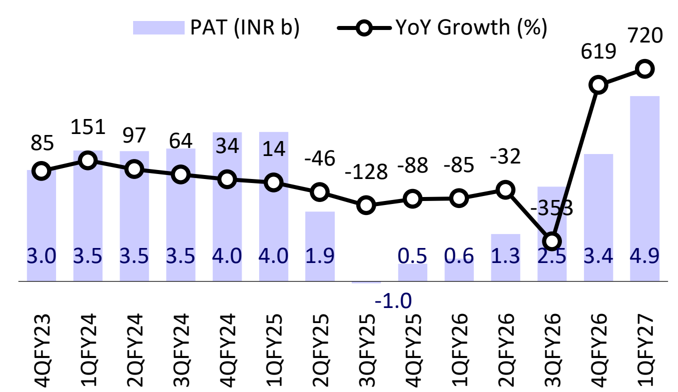
Sources: MOFSL, Company

Exhibit 8: Credit costs improved by 200bp to ~2.8%



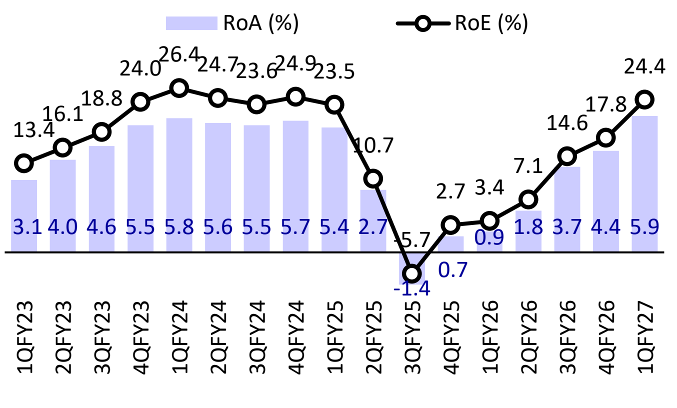
Sources: MOFSL, Company

Exhibit 9: Reported PAT rose to INR4.9b in 1QFY27...



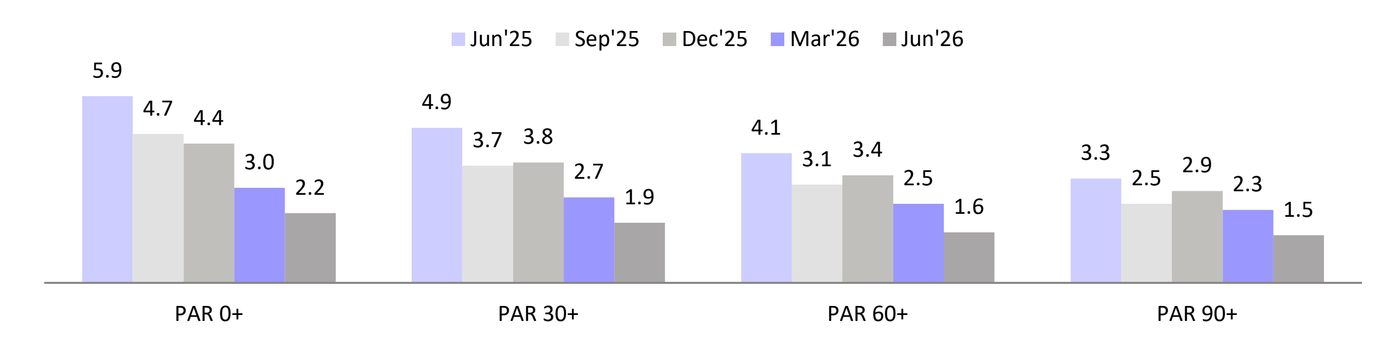
Sources: MOFSL, Company

Exhibit 10: ...eventually improving RoA/RoE to 5.9%/24.4%



Sources: MOFSL, Company

Exhibit 11: Trends in PAR rates (%)

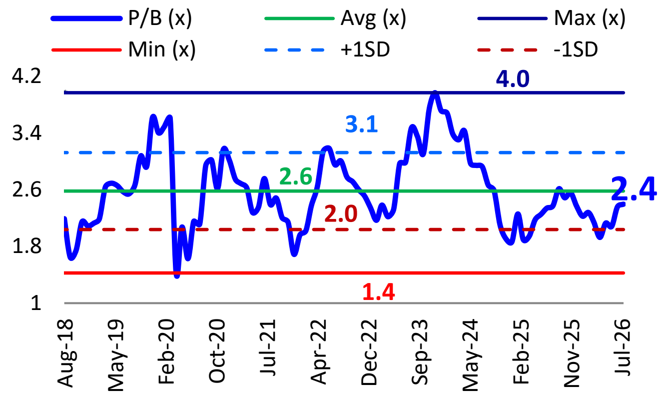


Source: MOFSL, Company

Exhibit 12: We raise our FY27/FY28 EPS estimates by ~13%/ ~6% to factor in lower provisions and higher fee income

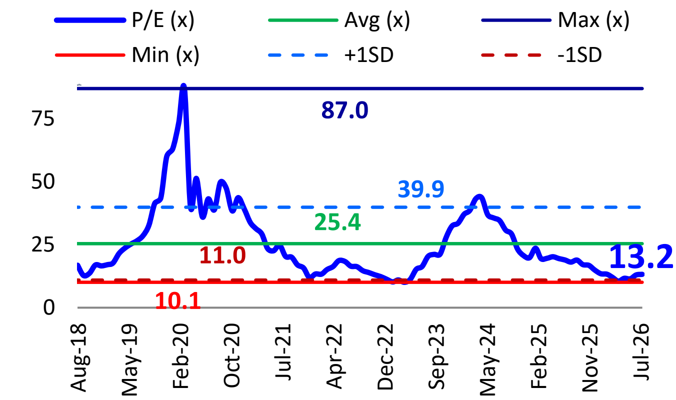
INR b	Old Est.		New Est.		% change	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	47.0	55.9	48.7	57.0	3.6	2.1
Other Income	2.2	1.8	2.7	2.3	22.5	24.5
Total Income	**49.2**	**57.7**	**51.4**	**59.3**	**4.4**	**2.8**
Operating Expenses	15.6	18.2	15.6	18.2	-0.1	-0.1
Operating Profits	**33.6**	**39.5**	**35.8**	**41.1**	**6.5**	**4.1**
Provisions	10.2	11.9	9.2	11.8	-9.2	-1.2
PBT	**23.4**	**27.6**	**26.6**	**29.4**	**13.4**	**6.4**
Tax	5.9	6.9	6.6	7.3	13.4	6.4
PAT	**17.6**	**20.7**	**19.9**	**22.0**	**13.4**	**6.4**
AUM	361	432	362	432		
Borrowings	286	339	289	342		
RoA	5.0	4.9	5.6	5.1		
RoE	20.2	19.5	22.6	20.1		

Exhibit 13: One-year forward P/B



Source: MOFSL, Company

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	22,900	25,673	33,271	49,001	55,468	57,626	72,245	85,741
Interest Expended	9,287	9,841	12,129	17,324	19,476	18,991	23,538	28,694
Net Interest Income	**13,613**	**15,832**	**21,143**	**31,677**	**35,992**	**38,636**	**48,707**	**57,047**
Change (%)	29.0	16.3	33.5	49.8	13.6	7.3	26.1	17.1
Other Income	1,760	1,825	2,237	2,725	2,094	2,999	2,712	2,277
Net Income	**15,373**	**17,657**	**23,379**	**34,402**	**38,086**	**41,635**	**51,419**	**59,324**
Change (%)	36.4	14.9	32.4	47.1	10.7	9.3	23.5	15.4
Operating Expenses	5,856	6,885	8,315	10,493	11,702	13,549	15,616	18,186
Operating Income	**9,517**	**10,772**	**15,064**	**23,910**	**26,384**	**28,086**	**35,804**	**41,138**
Change (%)	36.2	13.2	39.8	58.7	10.3	6.5	27.5	14.9
Provisions and W/Offs	7,714	5,968	4,010	4,518	19,295	17,754	9,228	11,758
PBT	**1,803**	**4,805**	**11,054**	**19,392**	**7,089**	**10,332**	**26,576**	**29,379**
Tax	490	1,237	2,794	4,933	1,775	2,556	6,644	7,345
Tax Rate (%)	27.2	25.7	25.3	25.4	25.0	24.7	25.0	25.0
PAT	**1,313**	**3,568**	**8,261**	**14,459**	**5,314**	**7,776**	**19,932**	**22,035**
Change (%)	-60.9	171.7	131.5	75.0	-63.2	46.3	156.3	10.6
Proposed Dividend (Incl Tax)	0	0	0	1,594	0	0	0	0

Balance Sheet (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	1,556	1,559	1,589	1,594	1,597	1,602	1,602	1,602
Reserves & Surplus	35,360	38,218	49,481	64,106	67,963	76,821	96,752	1,18,787
Net Worth	**36,916**	**39,777**	**51,070**	**65,700**	**69,560**	**78,423**	**98,354**	**1,20,389**
Borrowings	**1,09,413**	**1,29,207**	**1,63,123**	**2,18,410**	**2,04,458**	**2,36,411**	**2,88,988**	**3,41,647**
Change (%)	14.7	18.1	26.2	33.9	-6.4	15.6	22.2	18.2
Other liabilities	4,264	4,964	4,389	4,352	4,005	4,469	4,730	5,008
Total Liabilities	**1,50,592**	**1,73,948**	**2,18,581**	**2,88,462**	**2,78,022**	**3,19,302**	**3,92,072**	**4,67,044**
Cash and bank balances	24,844	17,614	14,364	13,139	14,428	13,270	18,280	22,251
Loans and Advances	**1,17,205**	**1,47,653**	**1,90,433**	**2,51,050**	**2,42,745**	**2,79,227**	**3,47,342**	**4,16,642**
Change (%)	5.6	26.0	29.0	31.8	-3.3	15.0	24.4	20.0
Fixed Assets	5,734	5,739	968	1,214	1,307	1,312	1,509	1,736
Investments	5	5	4,545	14,389	8,930	10,753	11,291	11,856
Intangible Assets	0	4,673	5,061	4,923	4,764	4,564	4,564	4,564
Other Assets	2,804	2,937	3,208	3,747	5,849	10,175	9,086	9,995
Total Assets	**1,50,587**	**1,73,942**	**2,18,581**	**2,88,462**	**2,78,022**	**3,19,302**	**3,92,072**	**4,67,044**

E: MOFSL Estimates

Financials and valuations

Ratios (%)

AUM and Disbursements (INR m)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
AUM	**1,35,870**	**1,65,990**	**2,10,320**	**2,67,140**	**2,59,480**	**2,95,900**	**3,62,116**	**4,32,371**
YoY growth (%)	13.3	22.2	26.7	27.0	-2.9	14.0	22.4	19.4
Disbursements	**1,10,104**	**1,54,670**	**1,88,090**	**2,31,340**	**2,00,360**	**2,48,600**	**2,95,834**	**3,49,084**
YoY growth (%)	1.9	40.5	21.6	23.0	-13.4	24.1	19.0	18.0

Ratios (%)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Spreads Analysis (%)								
Yield on Portfolio	19.8	19.2	19.4	21.8	22.0	21.8	22.8	22.2
Cost of Borrowings	9.1	8.2	8.3	9.1	9.2	8.6	9.0	9.1
Interest Spread	10.7	11.0	11.1	12.7	12.8	13.2	13.8	13.1
Net Interest Margin	11.9	12.0	12.5	14.4	14.6	14.8	15.5	14.9
Profitability Ratios (%)								
RoE	4.1	9.3	18.2	24.8	7.9	10.5	22.6	20.1
RoA (on balance sheet)	0.9	2.2	4.2	5.7	1.9	2.6	5.6	5.1
Debt: Equity (x)	3.0	3.2	3.2	3.3	2.9	3.0	2.9	2.8
Leverage (x)	4.3	4.2	4.3	4.4	4.0	4.1	4.0	3.9
Efficiency Ratios (%)								
Int. Expended/Int.Earned	40.6	38.3	36.5	35.4	35.1	33.0	32.6	33.5
Op. Exps./Net Income	38.1	39.0	35.6	30.5	30.7	32.5	30.4	30.7
Empl. Cost/Op. Exps.	64.9	63.6	62.0	63.8	62.4	64.9	65.9	66.7
Other Income/Net Income	11.5	10.3	9.6	7.9	5.5	7.2	5.3	3.8
Asset quality								
GNPA	5,487	5,587	2,364	3,026	12,256	9,275	7,327	6,982
NNPA	1,686	1,974	808	877	4,287	3,208	2,491	2,304
GNPA %	4.5	3.7	1.2	1.2	4.8	3.2	2.0	1.6
NNPA %	1.4	1.3	0.4	0.3	1.7	1.1	0.7	0.5
PCR %	69.3	64.7	65.8	71.0	65.0	65.4	66.0	67.0

Valuation	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Book Value (INR)	237	255	321	412	436	490	614	751
BV Growth (%)	25.0	7.5	25.9	28.3	5.6	12.4	25.4	22.4
Price-BV (x)	**6.4**	**5.9**	**4.7**	**3.7**	**3.5**	**3.1**	**2.5**	**2.0**
EPS (INR)	8.4	22.9	52.0	90.7	33.3	48.5	124.4	137.5
EPS Growth (%)	-63.8	171.2	127.1	74.5	-63.3	45.9	156.3	10.6
Price-Earnings (x)	**179.7**	**66.3**	**29.2**	**16.7**	**45.6**	**31.3**	**12.2**	**11.0**
Dividend per share	0.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

E: MOFSL Estimates

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