Bajaj Housing Finance

Estimate changes	↑
TP change	↔
Rating change	↔

Bloomberg	BAJAJHFL IN
Equity Shares (m)	8332
M.Cap.(INRb)/(USDb)	911.4 / 10.3
52-Week Range (INR)	148 / 103
1, 6, 12 Rel. Per (%)	-4/-12/-25
12M Avg Val (INR M)	1220

Financials Snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	30.1	39.4	46.5
PPP	28.5	36.2	43.2
PAT	21.6	26.8	31.9
EPS (INR)	2.6	3.2	3.8
EPS Gr. (%)	0.7	24	19
BV/Sh. (INR)	24	27	31
Ratios (%)			
NIM	3.3	3.5	3.3
C/I ratio	20.8	19.7	19.2
RoA	2.3	2.3	2.2
RoE	13.4	12.6	13.2
Valuation			
P/E (x)	42.0	33.9	28.5
P/BV (x)	4.6	4.0	3.5
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	88.7	88.7	88.8
DII	0.6	0.6	1.9
FII	0.9	1.1	1.7
Others	9.8	9.6	7.6

FII Includes depository receipts

CMP: INR109 TP: INR120 (+10%) Neutral

Strong growth despite competitive pressure; margins stable

AUM grows 24% YoY; credit costs inch up QoQ but still remain benign

- Bajaj Housing (BHFL) delivered a broadly in-line performance in 2QFY26, marked by healthy AUM growth of ~24% YoY, stable NIMs and stable asset quality.
- BHFL's 2QFY26 PAT grew 18% YoY to ~INR6.4b (in line). NII rose 34% YoY to ~INR9.6b (in line). Other income declined 23% YoY to ~INR1.4b (in line). NTI grew ~22% to INR11b (in line). Opex rose ~17% YoY to INR2.1b (in line) and PPoP grew 24% YoY to INR8.8b (in line).
- Management expects to achieve its medium-term AUM growth guidance from FY27 onward, supported by strong disbursement momentum and easing portfolio attrition pressure. The company evolves its strategy continuously by deepening its presence across markets and expanding its customer base to sustain growth. However, BT-OUTs increased YoY, owing to competitive pricing from PSUs and large private banks.
- Margins are expected to remain broadly stable at around ~4%, with a potential ~10bp improvement in CoF in the remainder of FY26.
- We continue to believe in our thesis of BHFL and in management's ability to drive profitability improvement, supported by a healthy AUM CAGR of 22% over FY25-28E; broadly steady NIMs; and benign credit costs. We expect BHFL to continue disbursement growth, although rising competition from PSU banks and higher BT-OUTs may push BHFL to cut its lending rates, which could exert pressure on margins.
- We expect BHFL to post a CAGR of 22%/22% in loans/PAT over FY25-28E and RoA/RoE of ~2.3%/14.2% in FY28E. **Maintain Neutral with a TP of INR120 (based on 3.6x Sep'27E BVPS).**

Healthy AUM growth of 24% YoY; disbursements up ~33% YoY

- AUM grew 24% YoY to ~INR1.3t, while disbursements rose ~33% YoY to ~INR159b. Total on-book loans grew ~26% YoY/7% QoQ to ~INR1.1t.
- The non-prime portfolio (including affordable housing) accounts for ~14% of total home loans, while ~86% are prime home loans. Management highlighted that the affordable housing segment is now ready to scale up with increased confidence and operating team in place and expects strong growth in this segment from next year onward.
- LRD also remains a profitable segment for the company owing to its low-risk portfolio and steady returns with minimal operating costs.

Reported NIMs stable at ~4% QoQ; minor improvement in spreads

- Reported yields declined ~20bp QoQ to ~9.3% and CoB declined ~30bp to ~7.4%, leading to ~10bp QoQ rise in spreads to ~1.9%. Reported NIM in 2QFY26 was stable QoQ at ~4.0%.
- Management does not want to indulge in broad-based price cuts but instead has chosen to optimize the pricing on the basis of market demand.

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Asset quality stable; credit costs remain benign

- Net credit costs increased sequentially to INR497m, which translated into an annualized credit cost of ~18bp (PQ: ~16bp and PY: ~2bp).
- Asset quality was largely stable with GS3/NS3 at 0.3%/0.1%. PCR declined ~50bp QoQ to ~55.7%. (PQ: ~56.2%).
- Reported RoA/RoE in 2QFY26 stood at ~2.3%/12.2% (1QFY26 RoA/RoE: 2.3%/11.6%). Leverage stood at 5.5x and CRAR stood at ~26.1% as of Sep’25.
- Reported credit cost stood at 18bp in 2QFY26 (vs. 2bp in 2QFY25), with the prior year aided by Covid overlay releases. The company continues to follow a disciplined risk framework focused on medium-risk, medium-return segments.

Highlights from the management commentary

- Fee income increased during the quarter, primarily driven by higher insurance income. Additional income streams such as foreclosure charges and scheme switching charges also contributed to the higher fee income. Insurance income remains the key growth driver for non-interest income and is aligned with business volumes.
- Product-wise yields in HL stood at ~8.6%, LAP at ~10.3%, LRD at ~8.1-8.2%, and developer finance at ~11.5% and the yield differential between prime and non-prime portfolios (including the affordable segment) remained at ~1.25-1.5%.
- The company reiterated that increasing the DSA payouts was not a sustainable way to gain market share, as home loan payout structures are largely commoditized across the industry.

Valuation and view

- BHFL delivered a strong performance in 2QFY26 with strong AUM and disbursement growth across products, despite heightened competition. The company was successful in maintaining its margins, despite a declining interest rate environment, while maintaining pristine asset quality.
- We believe BHFL is a strong franchise that is well-positioned to navigate rising competition and a declining interest rate environment while sustaining healthy growth and profitability. Maintain Neutral with a TP of INR120 (based on 3.6x Sep’27E BVPS).
- Key risks: a) slowdown in the overall growth and demand environment, b) inability to drive NIM expansion amid competitive pricing, c) deterioration in the asset quality while scaling up the non-prime segments.

Quarterly performance

INR m

Particulars	FY25				FY26E				FY25	FY26E	2Q FY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	20,635	22,269	23,220	23,737	24,926	26,144	27,556	28,795	89,862	1,07,422	26,023	0
Interest expense	13,988	15,137	15,159	15,509	16,060	16,580	17,293	18,076	59,793	68,007	16,654	0
Net interest income	**6,648**	**7,133**	**8,060**	**8,228**	**8,866**	**9,565**	**10,264**	**10,720**	**30,069**	**39,414**	**9,369**	**2**
Growth YoY (%)	9.7	13.0	24.9	30.9	33.4	34.1	27.3	30.3	19.7	31.1	31.3	
Other operating income	1,452	1,833	1,270	1,343	1,259	1,406	1,504	1,559	5,898	5,727	1,332	5
Net total income	**8,100**	**8,966**	**9,331**	**9,571**	**10,125**	**10,970**	**11,768**	**12,279**	**35,967**	**45,141**	**10,701**	**3**
Growth YoY (%)	15.3	17.9	25.1	33.4	25.0	22.4	26.1	28.3	23.0	25.5	19.4	
Operating expenses	1,701	1,840	1,846	2,078	2,145	2,147	2,238	2,369	7,464	8,898	2,233	-4
Operating profits	**6,399**	**7,126**	**7,485**	**7,493**	**7,980**	**8,823**	**9,529**	**9,910**	**28,503**	**36,243**	**8,468**	**4**
Growth YoY (%)	20.1	20.1	30.8	43.1	24.7	23.8	27.3	32.3	28.3	27.2	18.8	
Provisions	100	50	355	296	411	497	520	585	801	2,012	463	7
Profit before tax	**6,299**	**7,076**	**7,130**	**7,198**	**7,569**	**8,327**	**9,009**	**9,325**	**27,702**	**34,231**	**8,005**	**4**
Tax expenses	1,473	1,620	1,650	1,331	1,736	1,897	2,027	1,802	6,073	7,462	1,801	5
Net profit	**4,826**	**5,456**	**5,480**	**5,867**	**5,833**	**6,430**	**6,982**	**7,524**	**21,629**	**26,768**	**6,204**	**4**
Growth YoY (%)	4.5	20.9	25.4	53.8	20.9	17.8	27.4	28.2	24.9	23.8	13.7	
Key Parameters (%)												
Reported Yields	9.8	9.9	9.80	9.70	9.50	9.3						
Reported Cost of funds	7.9	7.9	7.90	7.90	7.70	7.4						
Spread	1.9	1.9	1.90	1.80	1.80	1.9						
Reported NIMs	3.9	4.1	4.0	4.0	4.0	4.0						
Credit cost on loans	0.0	0.02	0.15	0.12	0.16	0.18						
Cost to Income Ratio (%)	21.0	20.5	19.8	21.7	21.2	19.6						
Tax Rate (%)	23.4	22.9	23.1	18.5	22.9	22.8						
Balance Sheet Parameters												
AUM (INR B)	**971**	**1,026**	**1,083**	**1,147**	**1,204**	**1,267**						
Change YoY (%)	31.0	26.3	26.1	25.5	24.1	23.6						
Loans (INR B)	**853**	**899**	**956**	**995**	**1,059**	**1,131**						
% of AUM	87.9	87.6	88.2	86.8	88.0	89.2						
Disbursements (INR B)	**120**	**120**	**126**	**143**	**147**	**159**						
Change YoY (%)	15.6	-1.2	17.2	25.1	22.1	32.5						
Borrowings (INR B)	**733**	**745**	**792**	**820**	**885**	**941**						
Change YoY (%)	25.3	19.3	24.3	18.6	20.7	26.4						
Asset Quality (%)												
GS 3 (INR M)	**2,360**	**2,580**	**2,810**	**2,870**	**3,150**	**2,980**						
G3 %	0.3	0.3	0.3	0.3	0.3	0.3						
NS 3 (INR M)	**960**	1,090	**1,250**	**1,140**	**1,380**	1,320						
NS3 %	0.1	0.1	0.1	0.1	0.1	0.1						
PCR (%)	59.3	**57.8**	55.5	60.3	56.2	**55.7**						
ECL (%)	0.6	0.6	0.6	0.6	0.6	0.6						
Return Ratios - YTD (%)												
ROA (Rep)	2.3	2.5	2.4	2.4	2.3	2.3						
ROE (Rep)	14.3	13.0	11.5	12.1	11.6	12.2						

E: MOFSL Estimates

CONFERENCE CALL

Highlights from the management commentary

Guidance

- Management expects AUM growth to reach its medium-term guidance by next year, supported by sustained disbursement momentum and easing attrition pressure.
- For FY26, management has retained its margin guidance in the range of ~4%.
- In the next 3-4 years, management has guided for the opex-to-NTI ratio in the range of ~14-15%.
- The gearing ratio is expected to increase to ~7.5x over the next 2-3 years.

Opening remarks

- The segment-wise growth remained strong, with home loans growing ~19%, LAP by ~29%, LRD by ~35%, and developer finance by ~25%. The portfolio remains well-diversified, with home loans at ~55%, LAP at 10%, LRD above 21%, and developer finance slightly below 12%.
- 2Q RoE was lower at ~12.2% due to the capital raise in FY25, no overlay release against last year's overlay release of INR250m, and lower income from derecognized loans.
- The company's network spans 176 locations with 220 branches.

AUM

- AUM grew by ~24% YoY, reflecting consistent momentum despite heightened competition and a declining interest rate environment.
- Disbursements grew ~32% YoY to INR159b in 2QFY26.

BT-In/BT-Out

- BT-in accounted for 15% of total housing acquisitions (in line with the industry).
- BT-out rate stood at ~21-22% (annualized) vs. 15-16% last year, mainly due to competitive pricing pressure from PSU and large private banks.

Margins

- Margins are expected to remain at ~4%, supported by stable spreads and improved funding costs, though pricing pressure persists due to competition from PSU banks and new loans being booked at lower rates.
- The company does not resort to aggressive rate cuts but optimizes pricing based on market demand.
- Considering potential rate cuts ahead, management expects an additional ~10bp benefit in CoF in FY26.

Credit cost and asset quality

- Reported credit cost was 18bp in 2QFY26 (vs. 2bp in 2QFY25), though last year benefited from an overlay release of Covid provisions.
- The company continues to operate with a disciplined risk model focused on medium-risk and medium-return segments, primarily in non-prime and construction finance portfolios.

Affordable Housing Segment

- The non-prime portfolio (including affordable housing) accounts for ~14% of total home loans, while ~86% are prime home loans.
- The slowdown in affordable housing is attributed to external factors, not asset quality or demand compression concerns.
- The company launched the affordable housing finance business 15-18 months ago and has now fully on-boarded the operating team, with confidence in scaling up the segment. Management expects good growth traction in this segment over the coming year.

Lease rental discounting (LRD)

- Competition in the LRD space remains high due to strong participation from large banks, as it is a niche product not typically offered by other HFCs.
- LRD remains an accretive and low-risk business, offering steady returns with low opex. The company intends to continue expanding LRD as it fits its strategy of focusing on scalable, low-risk, and medium-return segments.

Fee income

- Fee income increased during the quarter, primarily driven by higher insurance income.
- Additional income streams such as bond charges, foreclosure charges, and switch charges also contributed, though insurance income remains the key growth driver aligned with business expansion.

Competition

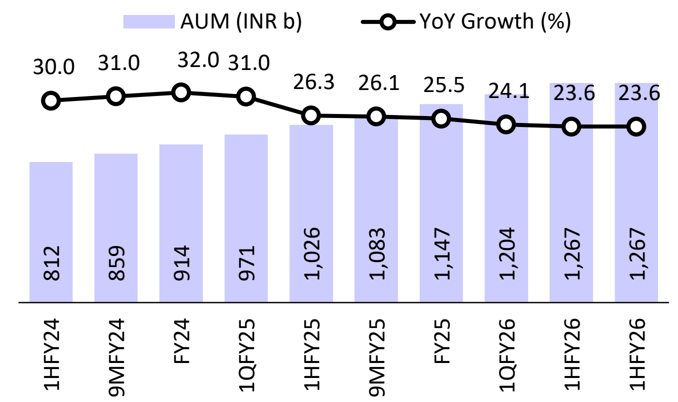
- Management views competition in the housing finance space as normal but dynamic, particularly from players focused on prime mortgages.
- The company adapts its strategy continuously by deepening presence across micro-markets, expanding customer segmentation, and refining offerings to sustain disbursement growth and maintain profitability.

Other highlights

- Digital initiatives continue to scale strongly, with e-agreement penetration at 94% and online customer on-boarding at 93% as of Sep'25.
- Product-wise yields: HL at ~8.6%, LAP at ~10.3%, LRD at ~8.1-8.2%, and developer finance at ~11.5%.
- The yield differential between prime and non-prime portfolios (including the affordable segment) remains at ~1.25-1.5%.
- The company reiterated that increasing the DSA payouts is not a sustainable way to gain market share, as home loan payout structures are largely commoditized across the industry.
- Management indicated that any future capital raise would be evaluated and approved by the board, with the parent company's decision guiding the timing and size.
- As per management, in developer finance, competition primarily comes from select HFCs and private credit funds.
- In construction finance, management believes competition is limited and risk-driven rather than price-driven.

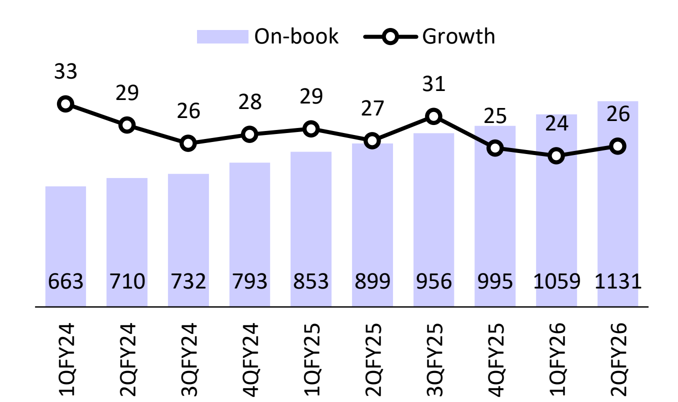
Key exhibits

Exhibit 1: AUM grew 24% YoY….



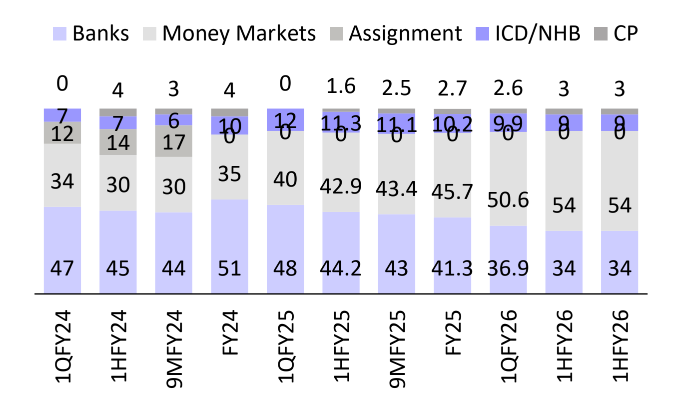
Source: MOFSL, Company

Exhibit 2: …while on-book loans grew 26% YoY



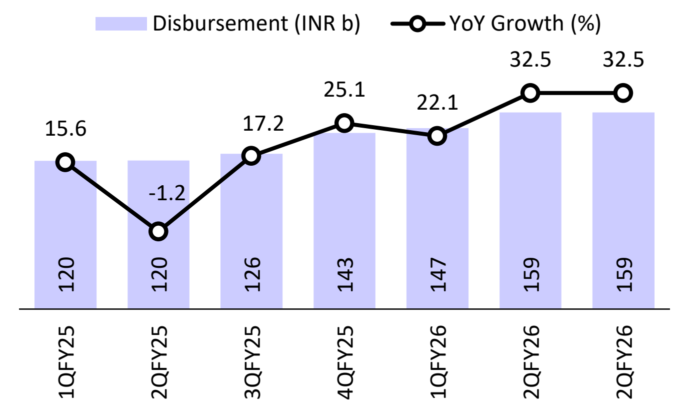
Source: MOFSL, Company

Exhibit 3: Borrowing mix (%)



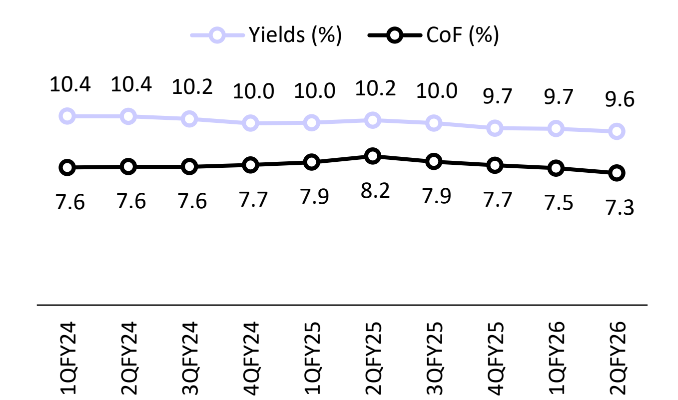
Source: MOFSL, Company

Exhibit 4: Disbursements in 2QFY26 grew ~33% YoY



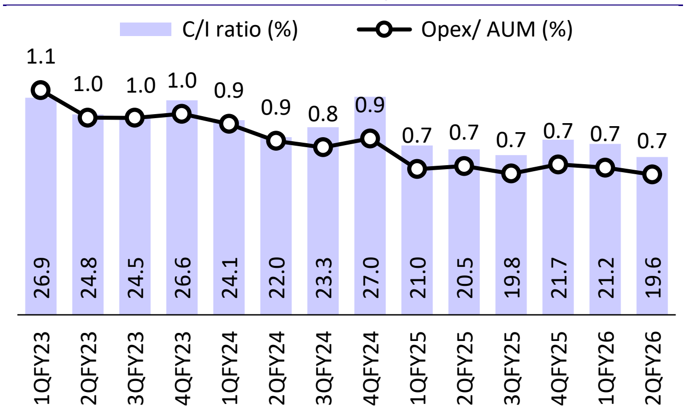
Source: MOFSL, Company

Exhibit 5: Reported spread was broadly stable QoQ (%)



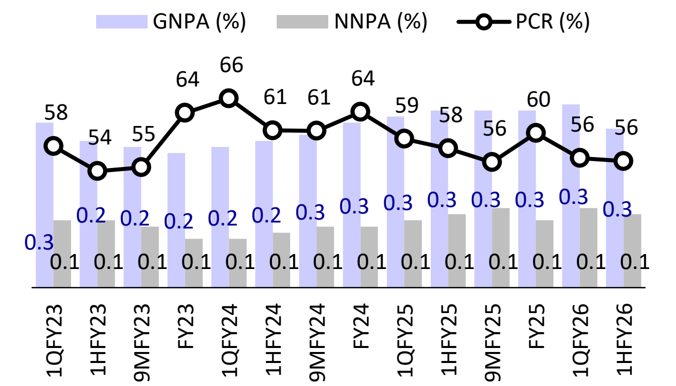
Source: MOFSL, Company, Calculated

Exhibit 6: C/I ratio declined ~160bp QoQ (%)



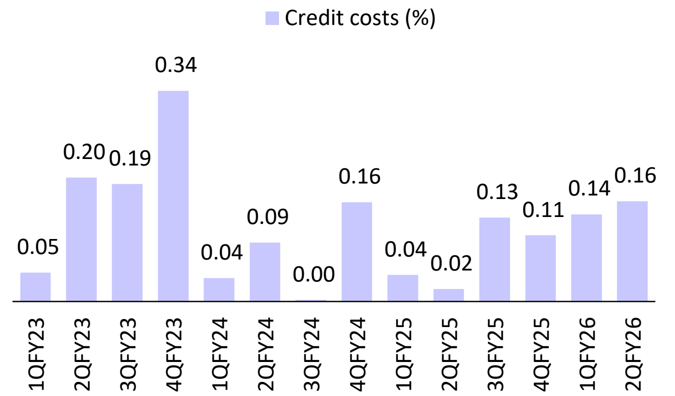
Source: MOFSL, Company, Calculated

Exhibit 7: GNPA/NNPA remained stable QoQ



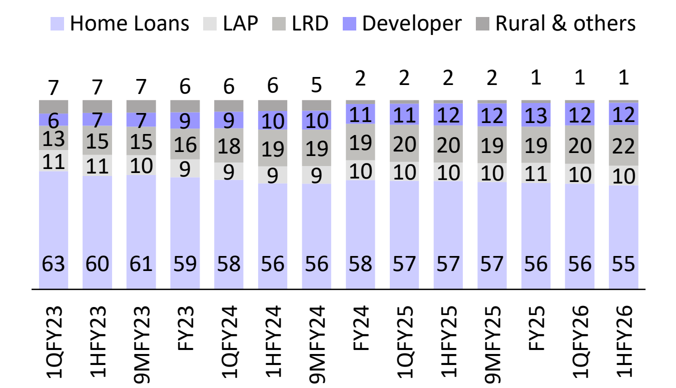
Source: MOFSL, Company

Exhibit 8: Credit cost rose marginally by ~2bp QoQ



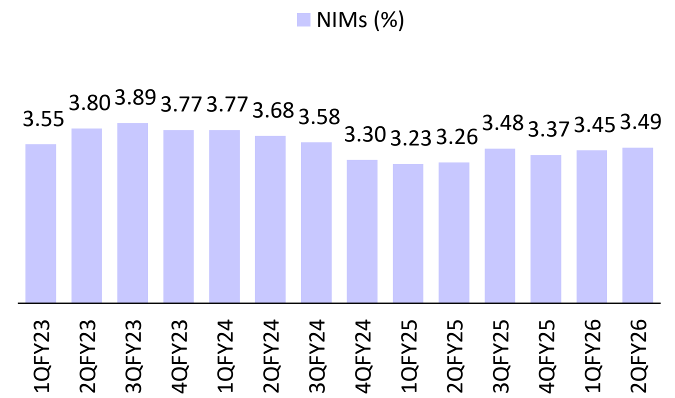
Source: MOFSL, Company

Exhibit 9: AUM mix (%)



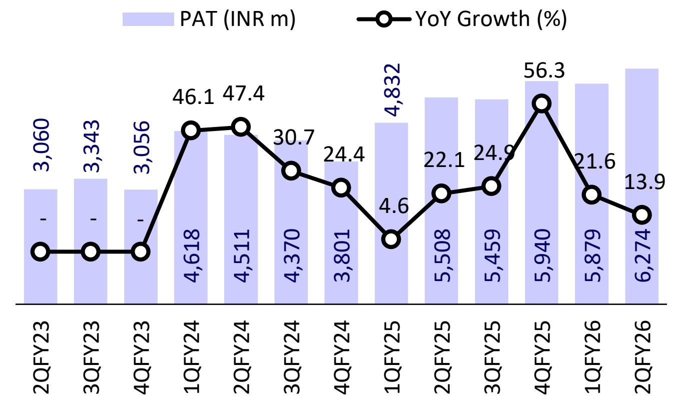
Source: MOFSL, Company

Exhibit 10: NIMs remained steady sequentially



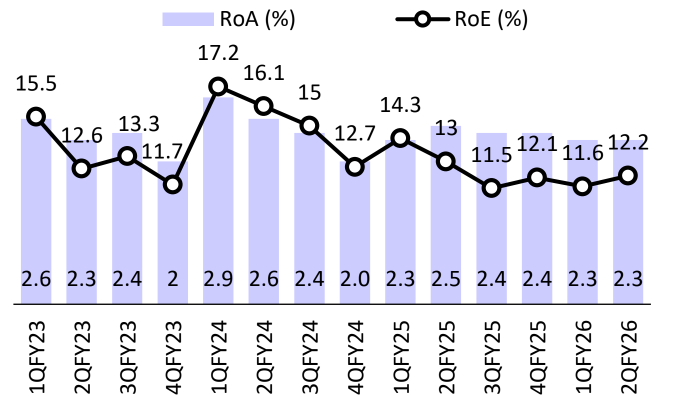
Source: MOFSL, Company

Exhibit 11: PAT grew ~14% YoY



Source: MOFSL, Company

Exhibit 12: ROA/ROE stood at 2.3%/12.2%



Source: MOFSL, Company

Exhibit 13: We increase our FY26 EPS estimates by 4% to factor in slightly higher loan growth and higher non-interest income

INR b	Old Estimates			New Estimates			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
NII	106.1	129.3	157.3	107.4	130.0	158.4	1.3	0.5	0.7
Other Income	5.7	7.0	8.2	5.7	6.9	8.2	1.2	-0.6	-0.5
Total Income	**111.7**	**136.3**	**165.5**	**113.1**	**137.0**	**166.6**	**1.3**	**0.5**	**0.7**
Operating Expenses	8.8	10.0	11.4	8.9	10.2	11.7	1.1	2.2	3.0
Operating Profits	**34.9**	**42.8**	**52.6**	**36.2**	**43.2**	**53.3**	**3.7**	**0.9**	**1.3**
Provisions	2.0	2.4	2.9	2.0	2.5	3.0	-1.0	2.8	3.2
PBT	**32.9**	**40.4**	**49.7**	**34.2**	**40.7**	**50.3**	**4.0**	**0.8**	**1.2**
Tax	7.2	8.8	10.8	7.5	8.8	10.9	4.0	0.8	1.2
PAT	**25.7**	**31.6**	**38.9**	**26.8**	**31.9**	**39.4**	**4.0**	**0.8**	**1.2**
AUM	1,400	1,724	2,091	1,405	1,736	2,108	0.4	0.7	0.8
Borrowings	1,037	1,299	1,581	1,040	1,297	1,584	0.3	-0.1	0.2
NIM (%)	3.4	3.3	3.3	3.5	3.3	3.4			
ROA (%)	2.2	2.2	2.3	2.3	2.2	2.3			
RoE (%)	12.1	13.1	14.1	12.6	13.2	14.2			

Source: MOFSL estimates

Financials and Valuation

Income Statement

INR m

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	23,031	28,774	34,818	52,692	72,024	89,862	1,07,422	1,30,024	1,58,430
Interest Expenses	16,160	19,659	21,553	32,113	46,926	59,793	68,007	83,545	1,01,560
Net Interest Income	**6,871**	**9,116**	**13,264**	**20,579**	**25,098**	**30,069**	**39,414**	**46,479**	**56,870**
Change (%)	119.4	32.7	45.5	55.1	22.0	19.8	31.1	17.9	22.4
Other Income	3,432	2,779	2,854	3,962	4,154	5,898	5,727	6,934	8,174
Total Income	**10,302**	**11,894**	**16,118**	**24,541**	**29,251**	**35,967**	**45,141**	**53,413**	**65,044**
Change (%)	121.7	15.5	35.5	52.3	19.2	23.0	25.5	18.3	21.8
Total Operating Expenses	**3,384**	**3,290**	**4,709**	**6,306**	**7,029**	**7,464**	**8,898**	**10,248**	**11,711**
Change (%)	13.8	-2.8	43.1	33.9	11.5	6.2	19.2	15.2	14.3
Employee Expenses	2,485	2,458	3,488	4,351	4,656	4,836	5,610	6,396	7,227
Depreciation	231	218	258	334	396	412	473	544	626
Other Operating Expenses	668	615	963	1,620	1,977	2,216	2,815	3,309	3,858
Operating Profit	**6,918**	**8,604**	**11,409**	**18,236**	**22,222**	**28,503**	**36,243**	**43,165**	**53,332**
Change (%)	313.3	24.4	32.6	59.8	21.9	28.3	27.2	19.1	23.6
Total Provisions	**1,243**	**2,472**	**1,811**	**1,235**	**609**	**801**	**2,012**	**2,453**	**3,000**
% Loan loss provisions to Avg loans ratio	0.5	0.8	0.5	0.2	0.1	0.1	0.2	0.2	0.2
PBT	**5,675**	**6,132**	**9,599**	**17,001**	**21,613**	**27,702**	**34,231**	**40,712**	**50,332**
Tax Provisions	1,461	1,600	2,500	4,423	4,301	6,073	7,462	8,834	10,922
Tax Rate (%)	25.8	26.1	26.0	26.0	19.9	21.9	21.8	21.7	21.7
PAT	**4,213**	**4,532**	**7,098**	**12,578**	**17,312**	**21,629**	**26,768**	**31,877**	**39,410**
Change (%)	307	8	57	77	38	25	24	19	24

Balance Sheet

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	48,833	48,833	48,833	67,122	67,122	83,282	83,282	83,282	83,282
Reserves & Surplus	7,018	11,489	18,580	37,910	55,213	1,16,187	1,42,955	1,74,832	2,14,242
Net Worth	**55,851**	**60,322**	**67,414**	**1,05,032**	**1,22,335**	**1,99,468**	**2,26,236**	**2,58,114**	**2,97,524**
Borrowings	**2,56,004**	**3,16,006**	**4,14,923**	**5,37,454**	**6,91,293**	**8,20,719**	**10,39,944**	**12,96,983**	**15,84,139**
Change (%)	68.0	23.4	31.3	29.5	28.6	18.7	26.7	24.7	22.1
Other liabilities	1,869	2,256	2,934	4,056	4,643	7,900	9,123	10,452	11,978
Total Liabilities	**3,13,724**	**3,78,584**	**4,85,271**	**6,46,541**	**8,18,271**	**10,28,088**	**12,75,303**	**15,65,548**	**18,93,640**
Investments	25,080	32,660	12,483	20,009	19,386	25,333	26,600	27,930	29,326
Loans	**2,79,754**	**3,34,189**	**4,64,821**	**6,21,139**	**7,93,008**	**9,95,129**	**12,36,557**	**15,24,069**	**18,48,470**
Change (%)	61.4	19.5	39.1	33.6	27.7	25.5	24.3	23.3	21.3
Other assets	8,890	11,734	7,967	5,393	5,878	7,626	12,147	13,549	15,844
Total Assets	**3,13,724**	**3,78,584**	**4,85,271**	**6,46,541**	**8,18,271**	**10,28,088**	**12,75,303**	**15,65,548**	**18,93,640**

E: MOFSL Estimates

Financials and Valuation

AUM Mix	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
AUM	**3,27,050**	**3,88,710**	**5,33,220**	**6,92,280**	**9,13,700**	**11,46,840**	**14,05,354**	**17,35,938**	**21,07,719**
Change (%)	86	19	37	30	32	26	23	24	21
On Books AUM	**2,79,754**	**3,34,189**	**4,64,821**	**6,21,139**	**7,93,008**	**9,95,129**	**12,36,557**	**15,24,069**	**18,48,470**
% of AUM	86	86	87	90	87	87	88	88	88
Off Books AUM	**47,296**	**54,521**	**68,399**	**71,141**	**1,20,693**	**1,51,711**	**1,68,798**	**2,11,869**	**2,59,249**
% of AUM	14	14	13	10	13	13	12	12	12
Disbursements	**0**	**0**	**2,61,752**	**3,43,336**	**4,46,562**	**4,98,800**	**6,48,440**	**7,52,190**	**8,66,523**
Growth YoY (%)		0	0	31	30	12	30	16	15

Ratios (%)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Spreads Analysis (%)									
Avg. Yield on Loans	10.1	9.2	8.7	9.6	10.0	9.8	9.5	9.2	9.2
Avg Cost of Funds	7.9	6.9	5.9	6.7	7.6	7.9	7.3	7.2	7.1
Spread of loans	2.2	2.4	2.8	2.9	2.4	1.9	2.1	2.1	2.2
NIM (on loans)	3.0	3.0	3.3	3.8	3.5	3.3	3.5	3.3	3.4
Profitability Ratios (%)									
RoE	9.1	7.8	11.1	14.6	15.2	13.4	12.6	13.2	14.2
RoA	1.7	1.3	1.6	2.2	2.4	2.3	2.3	2.2	2.3
Cost/Income	32.8	27.7	29.2	25.7	24.0	20.8	19.7	19.2	18.01
Opex to avg. assets	1.3	1.0	1.1	1.1	1.0	0.8	0.8	0.7	0.7

Asset quality	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
GNPA (INR m)	233	1,191	1,464	1,373	2,156	2,870	3,899	5,010	6,246
GNPA (%)	0.08	0.35	0.31	0.22	0.27	0.29	0.31	0.33	0.34
NNPA (INR m)	143	739	669	500	782	1,140	1,677	2,205	2,748
NNPA (%)	0.05	0.22	0.14	0.08	0.10	0.11	0.13	0.14	0.15
PCR (%)	38.66	37.95	54.30	63.61	63.75	60.28	57.00	56.00	56.00
Credit costs	0.49	0.69	0.39	0.20	0.08	0.08	0.16	0.16	0.16

Valuation	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
No.of Shares (m)	**4,883**	**4,883**	**4,883**	**6,712**	**6,712**	**8,328**	**8,328**	**8,328**	**8,328**
EPS	0.9	0.9	1.5	1.9	2.6	2.6	3.2	3.8	4.7
EPS Growth (%)	196.2	7.6	56.6	28.9	37.6	0.7	23.8	19.1	23.6
Price-Earnings (x)	**126**	**117**	**75**	**58**	**42**	**42**	**34**	**28**	**23**
Book Value (INR)	11	12	14	16	18	24	27	31	36
BVPS Growth (%)		-27	47	14	23	91	-57	5	8
Price-BV (x)	**9.5**	**8.8**	**7.9**	**7.0**	**6.0**	**4.6**	**4.0**	**3.5**	**3.1**
DPS (INR)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

E: MOFSL Estimates

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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