

CreditAccess Grameen

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	CREDAG IN
Equity Shares (m)	160
M.Cap.(INRb)/(USDb)	204.4 / 2.4
52-Week Range (INR)	1355 / 750
1, 6, 12 Rel. Per (%)	15/25/-1
12M Avg Val (INR M)	1200

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	36.0	38.8	45.2
Total Income	38.1	41.9	48.6
PPoP	26.4	28.0	32.8
PAT	5.3	9.1	16.9
EPS (INR)	33	57	106
EPS Gr. (%)	-63	70	87
BV (INR)	436	492	598

Ratios (%)

NIM	14.6	15.0	14.7
C/I ratio	30.7	33.1	32.4
Credit cost	7.5	5.8	3.2
RoA	1.9	3.1	4.9
RoE	7.9	12.2	19.5

Valuations

P/E (x)	38.5	22.6	12.1
P/BV (x)	2.9	2.6	2.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	66.4	66.4	66.6
DII	12.8	12.7	16.3
FII	12.1	11.4	10.9
Others	8.7	9.5	6.3

FII Includes depository receipts

CMP: INR1,280 TP: INR1,500 (+17%) Buy

Profitability set to improve in 2H

Broad-based improvement in new PAR accretion

- CreditAccess Grameen's (CREDAG) 1QFY26 PAT stood at INR602m (vs. est. INR842m). NII declined ~2% YoY to ~INR9b (in line). PPOP fell ~8% YoY to INR6.5b (in line). Cost-income ratio rose ~160bp QoQ to ~33.5% (PY: ~29% and PQ: ~32%).
- Reported yields declined ~10bp QoQ to ~20.3% and CoF was down ~10bp QoQ at 9.7%. Reported NIM rose ~10bp QoQ to ~12.8%. We model NIM (calc.) of 15%/14.7% in FY26/FY27 (vs. ~14.6% in FY25).
- Disbursements rose ~22% YoY to ~INR55b. AUM was flat QoQ but down ~1% YoY at ~INR261b (PY: ~INR263b). The borrower base declined ~5% QoQ to ~4.56m (PQ: ~4.7m). CREDAG added 51 branches during the quarter to reach 2,114 branches.
- Management indicated a broad-based improvement in PAR accretion across all key geographies, including Karnataka, reflecting enhanced on-ground execution and borrower discipline. The company highlighted that credit costs are expected to remain at similar levels in 2QFY26 due to accelerated write-offs, with a sharp decline anticipated from 3Q onward. It remains focused on balance sheet normalization, with conservative provisioning and continued portfolio clean-up through write-offs.
- The company plans to open 200 new branches in FY26, with a majority of them expected to be operational by 1HFY26. While this front-loaded expansion is expected to temporarily push up the opex ratios, management remains confident that operating leverage and improved productivity from 2HFY26 onward will drive efficiencies. As a result, CREDAG expects to bring down opex/avg. AUM to <5% by end-FY26.
- We cut our FY26E PAT by ~2% to factor in slightly higher credit costs, while we keep our FY27E EPS unchanged. We estimate a CAGR of 19%/79% in AUM/PAT over FY25-27E, leading to RoA/RoE of ~4.9%/19.5% in FY27E.
- We do acknowledge that the residual stress from Karnataka slippages and incremental stress from the implementation of MFIN guardrails 2.0 will have to be provided for, which will keep credit costs elevated in 2QFY26 as well. However, we believe that there is a trend reversal on the horizon in the microfinance sector, which will play itself out over the next one-two quarters and get the sector to **near-normalization (operationally) in 2HFY26**. That said, we strongly believe that the coming three months present an opportunity to separate high-quality franchises from weaker ones, with performance divergence across the MFI sector expected to be increasingly evident.
- CREDAG trades at 2.1x FY27E P/BV and its premium valuations over its MFI peers should be sustained, given its ability to bounce back to normalcy, much ahead of its peers. Reiterate BUY with an unchanged TP of INR1,500 (based on 2.5x Mar'27E P/BV).

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Asset quality broadly stable; credit costs remain elevated

- GNPA declined ~5bp QoQ to 4.7%, while NNPA rose ~5bp QoQ to ~1.8%. Stage 3 PCR declined ~160bp QoQ to ~63.2%. Annualized credit costs declined to ~8.9% (PQ: ~9.3% and PY: ~2.6%).
- Total write-offs in 1Q stood at INR6.9b (including INR6b of accelerated write-offs). The company highlighted that credit costs arising from new PAR accretion have moderated, while overall credit costs have remained elevated primarily due to accelerated write-offs taken by the company.
- Collection efficiency, including arrears, rose to 93.4% in 1Q (PQ: 92.2%) and to 94.1% in Jun'25. Collection efficiency, excluding arrears, increased to 93.2% (PQ: 91.9%) in 1Q and to ~93.5% in Jun'25.
- CREDAG has guided for credit costs of ~5.5-6.0% in FY26 and expects it to normalize to 3.0-3.5% from FY27 onward. We model credit costs of ~5.8%/3.2% (as % of loan assets) in FY26/FY27.

Highlights from the management commentary

- The company had moderated disbursements in Bihar owing to elevated credit costs, primarily driven by higher employee attrition. With a strengthened people strategy and increased manpower deployment, the company expects an improved growth trajectory in the region going forward.
- Management highlighted that collections in Jul'25 have improved, and the company expects this momentum to sustain through Aug'25 and Sept'25. Notably, collections are also improving in Karnataka.
- The company's retail finance portfolio is currently skewed toward unsecured loans, which constitute ~70% of the mix, with the balance being secured. Over the medium term, the company aims to achieve a more balanced mix of 50:50 between secured and unsecured loans. Additionally, it plans to increase the contribution of retail finance in the overall GLP to ~12-15% by FY28.

Valuation and view

- CREDAG has successfully navigated a period of industry-wide challenges, demonstrating remarkable resilience and a return to normal operational efficiency. New stress formation (including in Karnataka) has normalized, supported by robust internal processes, including rigorous daily collection monitoring, detailed audit reports, and consistent tracking of center attendance.
- The company will continue to prioritize balance sheet normalization through accelerated write-offs and prudent provisioning. With structural levers such as branch network expansion and strengthening collection efficiency across key geographies (including Karnataka) firmly in motion, it is well-positioned to deliver a strong improvement in loan growth and profitability from 2HFY26 onward.
- CREDAG trades at 2.1x FY27 P/BV. With a strong capital position (Tier-1 of ~25%), it will embark on a strong loan growth trajectory once there are signs of further normalization in the delinquency trends. **Reiterate BUY with an unchanged TP of INR1,500 (based on 2.5x Mar'27E P/BV).**

CRETAG: Quarterly Performance
(INR M)

Y/E March	FY25				FY26E				FY25	FY26E	1Q FY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	14,372	14,177	13,376	13,543	13,881	14,122	14,660	15,908	55,468	58,571	13,858	0
Interest Expenses	5,103	4,846	4,749	4,778	4,822	4,826	4,933	5,154	19,476	19,735	4,811	0
Net Interest Income	9,268	9,331	8,628	8,765	9,060	9,295	9,727	10,754	35,992	38,836	9,047	0
YoY Growth (%)	28.7	22.2	7.5	-0.5	-2.3	-0.4	12.7	22.7	13.6	7.9	-2.4	
Other Income	754	362	443	535	755	814	877	640	2,094	3,087	725	4
Total Income	10,023	9,693	9,071	9,299	9,815	10,110	10,605	11,394	38,086	41,923	9,772	0
YoY Growth (%)	27.5	17.7	6.2	-4.8	-2.1	4.3	16.9	22.5	10.7	10.1	-2.5	
Operating Expenses	2,929	2,972	2,841	2,959	3,285	3,423	3,495	3,700	11,702	13,893	3,222	2
Operating Profit	7,093	6,721	6,229	6,340	6,530	6,687	7,110	7,694	26,384	28,030	6,550	0
YoY Growth (%)	30	19	4	-7	-8	-1	14	21	10	6	-8	
Provisions & Loan Losses	1,746	4,202	7,519	5,829	5,719	5,318	2,659	2,262	19,295	15,958	5,421	5
Profit before Tax	5,347	2,520	-1,289	511	811	1,369	4,451	5,432	7,089	12,072	1,129	-28
Tax Provisions	1,371	659	-294	39	209	348	1,131	1,331	1,775	3,018	287	-27
Net Profit	3,977	1,861	-995	472	602	1,021	3,320	4,101	5,314	9,054	842	-29
YoY Growth (%)	14.1	-46.4	-128.2	-88.1	-84.9	-45.1	-433.6	768.7	-63.2	70.4	-78.8	
AUM Growth (%)	20.6	11.8	6.1	-2.9	-0.9	4.8	12.0	16.2	(3.3)	14.0	(0.9)	
NIM (%)	14.0	14.5	13.8	13.8	13.9	14.2	14.4	14.8	14.6	15.0	13.9	
Cost to Income Ratio (%)	29.2	30.7	31.3	31.8	33.5	33.9	33.0	32.5	30.7	33.1	33.0	
Tax Rate (%)	25.6	26.2	22.8	7.6	25.4	25.4	25.4	25.4	25.0	25.0	25.4	
Key Parameters (%)												
Yield on loans	21.0	21.1	20.2	20.4	20.3							
Cost of funds	9.8	9.8	9.8	9.8	9.7							
Spread	11.2	11.3	10.4	10.6	10.6							
NIM	13.0	13.5	12.5	12.7	12.8							
Credit cost	2.6	6.7	12.3	9.3	8.9							
Cost to Income Ratio (%)	29.2	30.7	31.3	31.8	33.5							
Tax Rate (%)	25.6	26.2	22.8	7.6	25.4							
Performance ratios (%)												
GLP/Branch (INR m)	133	124	120	126	123							
GLP/Loan Officer (INR m)	19.6	18.8	19.3	18.4	18.2							
Borrowers/Branch	2,522	2,429	2,334	2,275	2,158							
Borrowers/Loan Officer	372	369	374	333	318							
Balance Sheet Parameters		-4.5										
Gross loan portfolio (INR B)	263.0	251.3	248.1	259.5	260.6							
Change YoY (%)	20.6	11.8	6.1	-2.9	-0.9							
Disbursements (INR B)	44.8	44.0	50.9	64.7	54.6							
Change YoY (%)	-6.2	-11.3	-4.8	-19.6	21.9							
Borrowings (INR B)	203.9	192.7	202.3	204.5	200.8							
Change YoY (%)	21.2	8.6	6.0	-6.8	-1.5							
Borrowings/Loans (%)	82.7	81.9	87.7	84.2	82.6							
Debt/Equity (x)	2.9	2.8	2.9	2.9	2.9							
Asset Quality (%)												
GS 3 (INR M)	3,710	6,002	9,780	12,291	12,080							
G3 %	1.5	2.4	4.0	4.8	4.7							
NS 3 (INR M)	1,144	1,832	3,061	4,326	4,445							
NS3 %	0.5	0.8	1.3	1.8	1.8							
PCR (%)	69.2	69.5	68.7	64.8	63.2							
ECL (%)	2.3	3.5	5.1	5.1	4.7							
Return Ratios - YTD (%)												
ROA (Rep)	5.4	2.7	-1.4	0.7	0.9							
ROE (Rep)	23.5	10.7	-5.7	2.7	3.4							

E: MOFSL Estimates



Highlights from the management commentary

Opening remarks

- The company posted its highest-ever first-quarter disbursements, setting a positive tone for the year.
- CREDAG witnessed broad-based improvement in asset quality across geographies. PAR 15+ accretion declined to 0.46% in Jun'25 vs. 1.3% in Nov'24.
- Karnataka is showing signs of stabilization with PAR 15+ accretion down to 0.58% in Jun'25 (from a peak of 2% in Feb'25).
- The company highlighted that the FY26 outlook remains encouraging, with strong monsoon forecasts and strengthening rural sentiment. Strong business momentum and stabilizing asset quality augur well for CREDAG to deliver robust profitability in 2H.

Branch expansion and customer additions

- CREDAG added ~216k borrowers during the quarter, of which ~43% were new-to-credit customers.
- The company opened ~51 branches during the quarter. The share of retail finance business increased from 2.9% in FY24 to 6.8% of total GLP as of Jun'25.
- Strengthened market position with a 70bp increase in MFI market share to 6.9%.
- ~100k new customers are expected to be added per month in the rest of FY26. Customer addition growth would accelerate in 2HFY26.
- The company expects normalized MFI growth at 13-15%; and with retail scaling, overall AUM growth is targeted at 20-25%.

Asset quality

- GNPA stood at 4.7% and PAR 90 at 3.29%. Write-offs stood at INR6.9b in 1QFY26 (including INR6b of accelerated write-offs). Management highlighted that delinquencies have largely crystalized in case of borrowers with greater than 3 lenders.
- Credit cost due to new PAR accretion has consistently come down and elevated credit cost is mainly due to write-offs, including accelerated write-offs. The company remains focused on balance sheet normalization through conservative provisioning and accelerated write-offs.
- Recovery trajectory is strong with monthly and weekly improvement in new PAR accretion. The company expects further moderation in 2Q.
- 180k customers written-off in 1Q, with interest income reversal at INR880m.
- 2QFY26 is expected to show similar trends in terms of credit costs, with improvement from 3Q onward.
- Collection efficiency (ex-arrears) improved to 93.2% in 1QFY26 (Jun'25: 93.5%; PQ: 91.9%).
- Centre meeting attendance improving, though post-9am sessions are slightly weaker.
- Monthly PAR trends show steady improvement, supported by strong on-ground collections and tighter sourcing quality.
- Jul'25 collections are improving and the company expects the same to remain strong in Aug-Sep'25 as well. Collections are also improving in KAR.

Liabilities and cost of borrowings

- CoB declined by ~8bp QoQ to 9.7%.
- Raised USD100m via multi-currency social loans (JPY & USD), which were priced lower than domestic borrowing rates.

- NIM steady at 12.8%; cost-to-income stood at 33.5%.
- Liquidity remained comfortable at INR20b (~7.3% of assets).
- The benefits of repo rate cuts on term loans comes with a lag of at least 2 quarters. The company expects major benefits to come in by FY26 end or in 1QFY27.

Retail Finance

- Retail finance book comprises unsecured business loans (GLP: INR13b) to graduated MFI customers across core geographies, secured business loans (GLP: INR2.5b) and affordable home loans (INR1b). Unsecured business loans are 3-year loans.
- The unsecured business loan PAR 30 increased by 75-80bp (primarily due to exposure in Karnataka), but expected to improve as recoveries stabilize.
- The company plans to expand retail finance loans to 735 branches during FY26 (vs. 400-500 in FY25).
- Currently, in retail finance, ~70% of total loans are unsecured, while the balance are secured. The company targets medium-term mix of 50:50 between secured and unsecured retail loans.
- CREDAG will look to increase retail finance in GLP mix to 12%-15% by FY28.

Opex

- The company plans to open 200 branches in FY26. It will open the majority of branches by 1HFY26, which will lead to higher cost-to-income ratio. Further, its employee base will also increase due to branch additions, with each branch having a minimum of six employees.
- Operating leverage benefits to kick in from 2HFY26; management confident of bringing opex-to-AUM below 5% by end-FY26.

Others

- Tamil Nadu and Karnataka: normalized customer acquisition and employee attrition trends.
- Bihar: The company slowed down disbursements in Bihar due to higher credit costs, mainly due to higher attrition. The company has added more manpower with improved people strategy. This will result in improved growth outlook going forward.

FY26 Guidance

- AUM growth of 14-18% in FY26. The company expects group lending growth of 8.0%-12.0%, partially offset by potential loan write-offs during 1HFY26. It also expects strong growth in retail finance.
- NIMs to remain in the range of ~12.6%-12.8%.
- Cost-to-income ratio of ~32%-34%
- Credit costs of 5.5%-6% in FY26. Credit cost to remain elevated in 1HFY26.
 - - 1.0% - 1.25%: additional credit cost due to elevated delinquencies in Karnataka
 - - 1.0% - 1.25%: residual credit cost on account of write-off of existing delinquencies as on Mar'25
 - - 3.0% - 3.5%: expected credit cost as the industry recovers from the existent asset quality stress and aligns with the MFIN guardrails 2.0
 - RoA of 2.9%-3.4%.
 - FY26 RoE of 11.8%-13.3% | 3Q/4Q: Steady state ROEs of >18%

Key exhibits

Exhibit 1: Disbursements grew ~22% YoY...

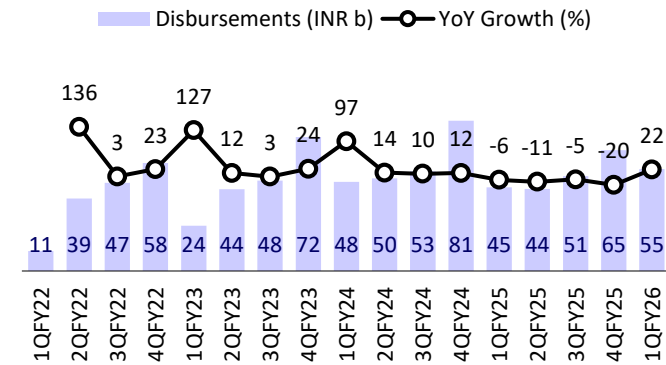


Exhibit 2: GLP declined ~1% YoY to INR261b

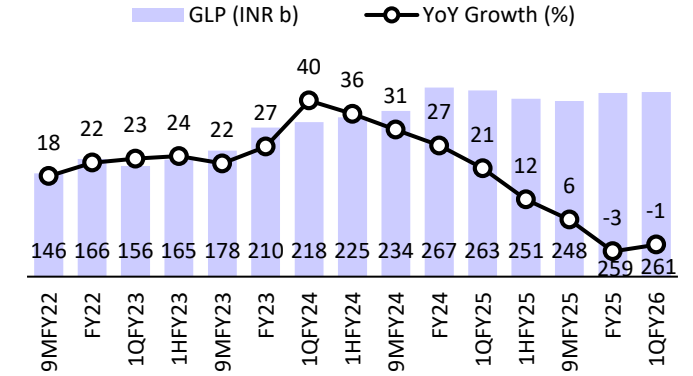


Exhibit 3: Share of Karnataka in total AUM mix remained stable sequentially (%)

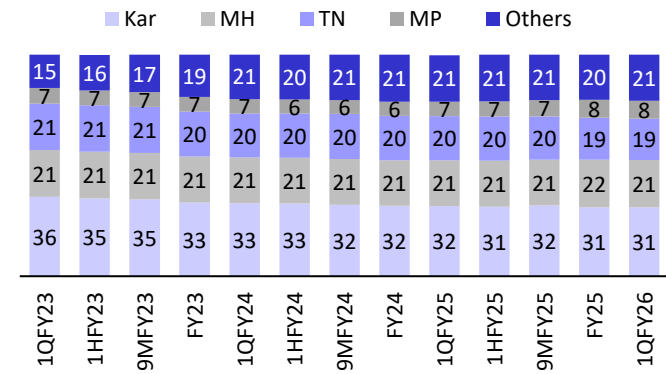


Exhibit 4: Proportion of bank borrowings declines QoQ (%)

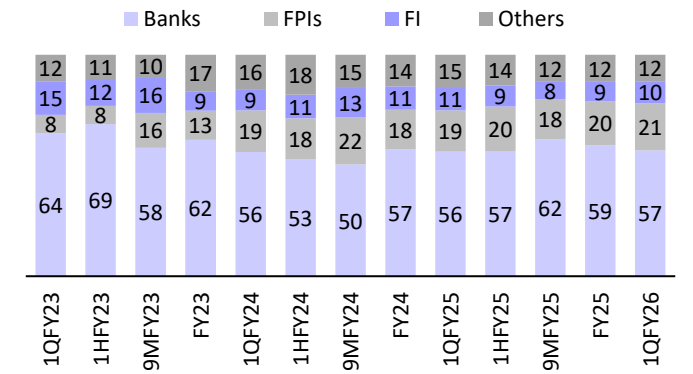


Exhibit 5: Reported NIM rose 10bp QoQ (%)

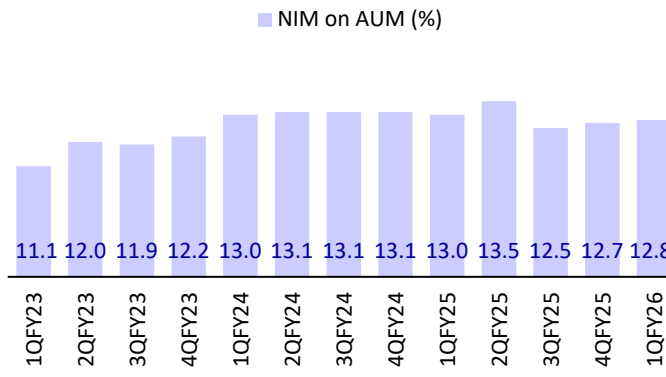


Exhibit 6: C/I ratio increased ~160bp QoQ to ~33.5%

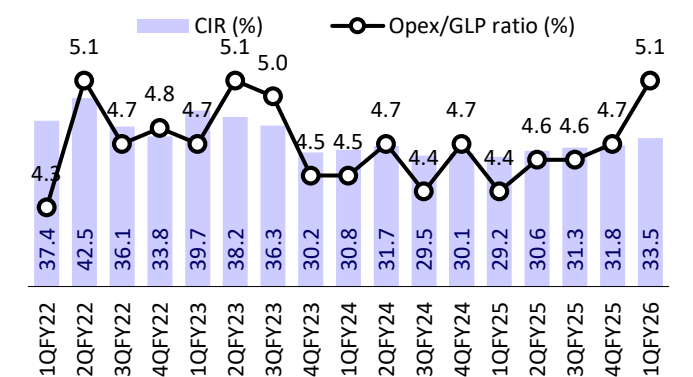
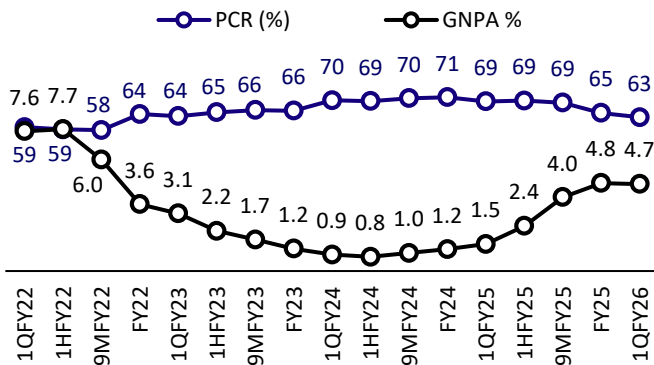
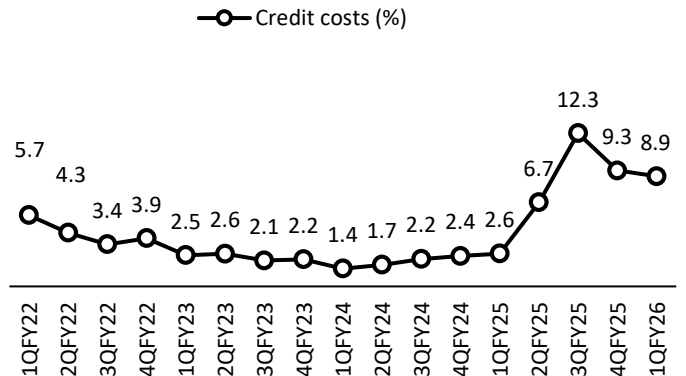


Exhibit 7: GNPA stood at ~4.7% as of Jun'25 (%)



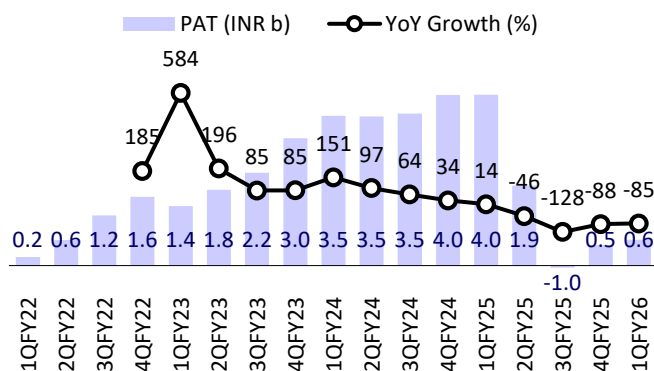
Sources: MOFSL, Company

Exhibit 8: Credit costs declined ~40bp QoQ to ~8.9%



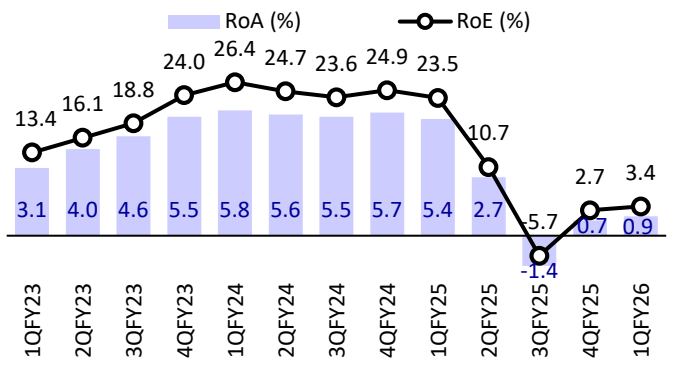
Sources: MOFSL, Company

Exhibit 9: Reported PAT stood at INR602m in 1QFY26



Sources: MOFSL, Company

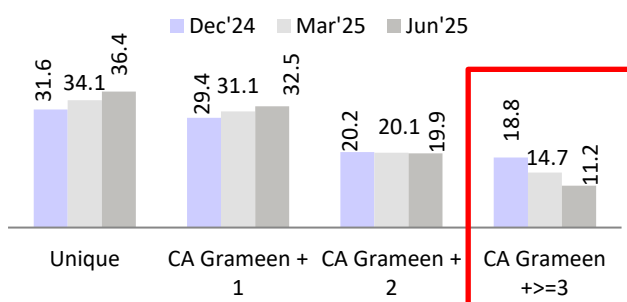
Exhibit 10: RoA/RoE stood at 0.9%/3.4% in 1QFY26



Sources: MOFSL, Company

Exhibit 11: ~11.7% (Mar'25: 14.7%) of borrowers have loans from CREDAG +>=3 lenders as of Jun'25

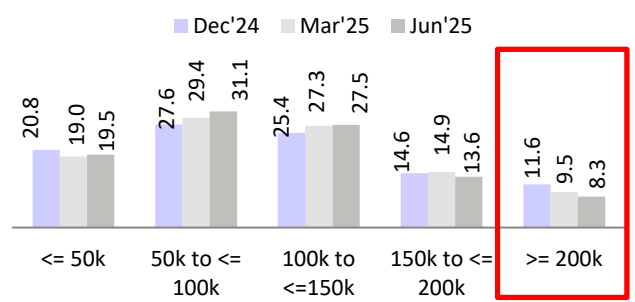
Lender Overlap % (Basis Portfolio GLP)



Sources: MOFSL, Company

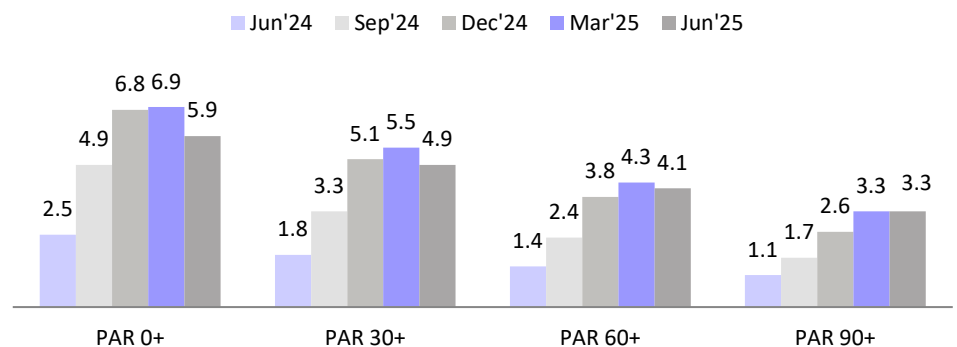
Exhibit 12: ~8.3% (Mar'25: 9.5%) of borrowers have total MFI indebtedness of more than INR200k as of Jun'25

Borrowers % (based on total MFI Indebtedness)



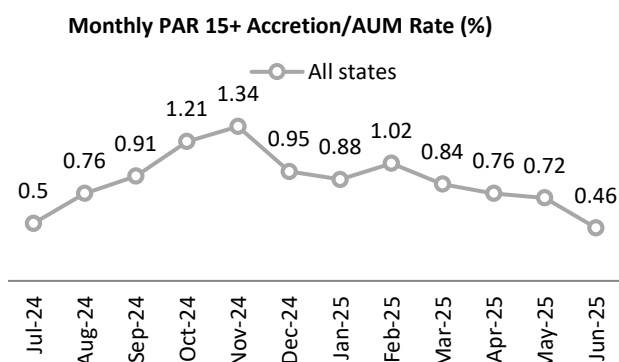
Sources: MOFSL, Company

Exhibit 13: Trends in PAR rates (%)



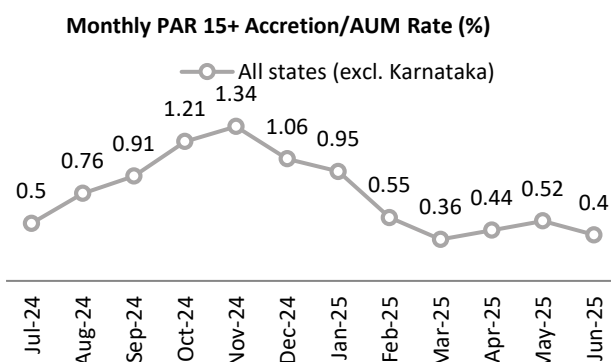
Source: MOFSL, Company

Exhibit 14: Monthly PAR 15+ accretion/AUM rate for all states (incl. Karnataka)



Sources: MOFSL, Company

Exhibit 15: Monthly PAR 15+ accretion/AUM rate for all states (ex-Karnataka)



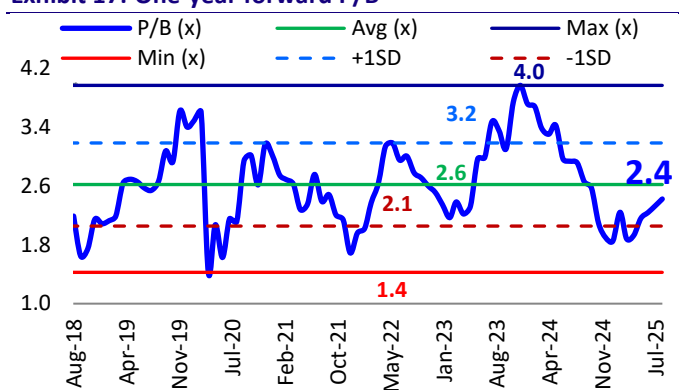
Sources: MOFSL, Company

Exhibit 16: We cut our FY26 EPS by ~2% to factor in slightly higher credit costs and keep our FY27 estimates largely unchanged

INR B	Old Est.		New Est.		% change	
	FY26	FY27	FY26	FY27	FY26	FY27
NII	38.5	44.5	38.8	45.2	0.8	1.5
Other Income	3.1	3.4	3.1	3.4	0.0	0.0
Total Income	41.6	47.9	41.9	48.6	0.8	1.4
Operating Expenses	13.5	15.3	13.9	15.8	3.3	3.0
Operating Profits	28.1	32.6	28.0	32.8	-0.4	0.6
Provisions	15.8	10.2	16.0	10.2	1.1	0.1
PBT	12.4	22.4	12.1	22.6	-2.4	0.9
Tax	3.1	5.6	3.0	5.6	-2.4	0.9
PAT	9.3	16.8	9.1	16.9	-2.4	0.9
AUM	301	368	301	368		
Borrowings	230	277	231	277		
RoA	3.1	4.9	3.1	4.9		
RoE	12.5	19.3	12.2	19.5		

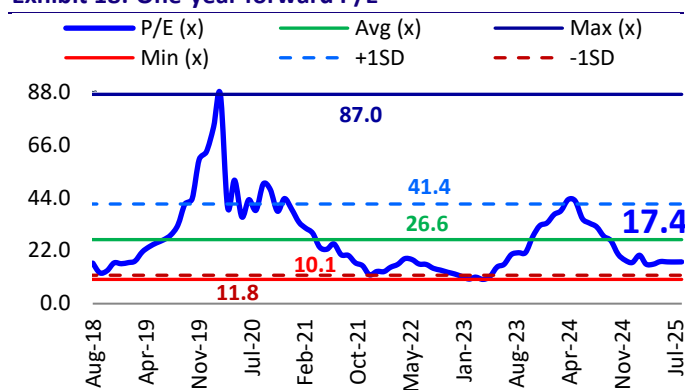
Sources: MOFSL, Company

Exhibit 17: One-year forward P/B



Source: MOFSL, Company

Exhibit 18: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement									(INR M)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Interest Income	12,183	16,334	22,900	25,673	33,271	49,001	55,468	58,571	67,516
Interest Expended	4,168	5,783	9,287	9,841	12,129	17,324	19,476	19,735	22,354
Net Interest Income	8,016	10,551	13,613	15,832	21,143	31,677	35,992	38,836	45,161
Change (%)	58.4	31.6	29.0	16.3	33.5	49.8	13.6	7.9	16.3
Other Income	650	721	1,760	1,825	2,237	2,725	2,094	3,087	3,442
Net Income	8,666	11,271	15,373	17,657	23,379	34,402	38,086	41,923	48,603
Change (%)	67.3	30.1	36.4	14.9	32.4	47.1	10.7	10.1	15.9
Operating Expenses	2,940	4,283	5,856	6,885	8,315	10,493	11,702	13,893	15,767
Operating Income	5,726	6,989	9,517	10,772	15,064	23,910	26,384	28,030	32,836
Change (%)	81.9	22.1	36.2	13.2	39.8	58.7	10.3	6.2	17.1
Provisions and W/Offs	749	2,373	7,714	5,968	4,010	4,518	19,295	15,958	10,239
PBT	4,977	4,616	1,803	4,805	11,054	19,392	7,089	12,072	22,597
Tax	1,760	1,261	490	1,237	2,794	4,933	1,775	3,018	5,649
Tax Rate (%)	35.4	27.3	27.2	25.7	25.3	25.4	25.0	25.0	25.0
PAT	3,218	3,355	1,313	3,568	8,261	14,459	5,314	9,054	16,948
Change (%)	51.4	4.3	-60.9	171.7	131.5	75.0	-63.2	70.4	87.2

Balance Sheet									(INR M)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	1,436	1,440	1,556	1,559	1,589	1,594	1,597	1,597	1,597
Reserves & Surplus	22,215	25,902	35,360	38,218	49,481	64,106	67,963	77,017	93,965
Net Worth	23,651	27,342	36,916	39,777	51,070	65,700	69,560	78,614	95,562
Borrowings	48,666	95,397	1,09,413	1,29,207	1,63,123	2,18,410	2,04,458	2,30,704	2,77,352
Change (%)	34.3	96.0	14.7	18.1	26.2	33.9	-6.4	12.8	20.2
Other liabilities	1,257	3,163	4,264	4,964	4,389	4,352	4,007	4,237	4,481
Total Liabilities	73,574	1,25,902	1,50,592	1,73,948	2,18,581	2,88,462	2,78,025	3,13,555	3,77,395
Cash and bank balances	6,156	7,176	24,844	17,614	14,364	13,139	14,430	14,676	16,174
Loans and Advances	66,028	1,10,989	1,17,205	1,47,653	1,90,433	2,51,050	2,42,745	2,76,623	3,37,412
Change (%)	34.9	68.1	5.6	26.0	29.0	31.8	-3.3	14.0	22.0
Fixed Assets	187	5,793	5,734	5,739	968	1,214	1,307	1,438	1,653
Investments	2	456	5	5	4,545	14,389	8,930	9,377	9,845
Intangible Assets		0	0	4,673	5,061	4,923	4,764	4,764	4,764
Other Assets	1,200	1,488	2,804	2,937	3,208	3,747	5,850	6,677	7,547
Total Assets	73,572	1,25,447	1,50,587	1,73,942	2,18,581	2,88,462	2,78,025	3,13,555	3,77,395

E: MOSL Estimates

Financials and valuations

Ratios								(%)	
AUM and Disbursements (INR m)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
AUM	71,590	1,19,960	1,35,870	1,65,990	2,10,320	2,67,140	2,59,480	3,01,455	3,67,970
YoY growth (%)	43.9	67.6	13.3	22.2	26.7	27.0	-2.9	16.2	22.1
Disbursements	82,212	1,08,040	1,10,104	1,54,670	1,88,090	2,31,340	2,04,370	2,51,375	3,01,650
YoY growth (%)	35.2	31.4	1.9	40.5	21.6	23.0	-11.7	23.0	20.0

Ratios								(%)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Spreads Analysis (%)									
Yield on Portfolio	20.1	18.1	19.8	19.2	19.4	21.8	22.0	22.1	21.5
Cost of Borrowings	9.8	8.0	9.1	8.2	8.3	9.1	9.2	9.1	8.8
Interest Spread	10.3	10.1	10.7	11.0	11.1	12.7	12.8	13.0	12.7
Net Interest Margin	13.9	11.9	11.9	12.0	12.5	14.4	14.6	15.0	14.7
Profitability Ratios (%)									
RoE	16.9	13.2	4.1	9.3	18.2	24.8	7.9	12.2	19.5
RoA (on balance sheet)	5.2	3.4	0.9	2.2	4.2	5.7	1.9	3.1	4.9
Debt: Equity (x)	2.1	3.5	3.0	3.2	3.2	3.3	2.9	2.9	2.9
Leverage (x)	3.3	3.9	4.3	4.2	4.3	4.4	4.0	4.0	3.9
Efficiency Ratios (%)									
Int. Expended/Int.Earned	34.2	35.4	40.6	38.3	36.5	35.4	35.1	33.7	33.1
Op. Exps./Net Income	33.9	38.0	38.1	39.0	35.6	30.5	30.7	33.1	32.4
Empl. Cost/Op. Exps.	63.3	61.2	64.9	63.6	62.0	63.8	62.4	64.1	64.4
Other Income/Net Income	7.5	6.4	11.5	10.3	9.6	7.9	5.5	7.4	7.1
Asset quality									
GNPA	385	1,738	5,487	5,587	2,364	3,026	12,291	10,961	9,377
NNPA	109	458	1,686	1,974	808	877	4,326	3,617	3,001
GNPA %	0.6	1.5	4.5	3.7	1.2	1.2	4.8	3.8	2.7
NNPA %	0.2	0.4	1.4	1.3	0.4	0.3	1.8	1.3	0.9
PCR %	71.7	73.6	69.3	64.7	65.8	71.0	64.8	67.0	68.0

Valuation	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Book Value (INR)	165	190	237	255	321	412	436	492	598
BV Growth (%)	47.2	15.3	25.0	7.5	25.9	28.3	5.6	13.0	21.6
Price-BV (x)		6.7	5.4	5.0	4.0	3.1	2.9	2.6	2.1
EPS (INR)	22.4	23.3	8.4	22.9	52.0	90.7	33.3	56.7	106.1
EPS Growth (%)	35.5	3.9	-63.8	171.2	127.1	74.5	-63.3	70.4	87.2
Price-Earnings (x)		54.9	151.6	55.9	24.6	14.1	38.5	22.6	12.1
Dividend per share		0.0	0.0	0.0	0.0	10.0	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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