

SHFL logged a steady performance in Q4, in terms of profitability, margins, and operating efficiency, while AUM grew ~15% YoY. The management indicated that while underlying demand is stable, industry vehicle sales growth could be muted in FY27. However, it is confident of sustaining ~17–18% growth via higher penetration, customer retention, and stronger growth in non-vehicle segments like Gold, while staying cautious in the SME segment amid the ongoing West Asia conflict. Overall margin is maintained at ~8.61%, led by moderation in cost of funds (~10bps QoQ); the mgmt expects margins to be broadly steady with marginal improvement, while passing on some CoF benefit to accelerate growth. Q4 credit cost at 1.9% was above our estimate on account of higher PCR, while asset quality was broadly stable, with the mgmt guiding for gradual improvement as the portfolio mix evolves. The mgmt indicated that the MUFG capital infusion significantly strengthens capital adequacy (~34% pro forma) and provides a strong growth runway. Factoring in the Q4 performance and management commentary, we marginally tweak our FY27–28 estimates which results in 1-6% increase in EPS. We maintain BUY on SHFL while raising our TP by ~5% to Rs1,150 (from Rs1,100), implying FY28E P/B of 2.1x.

Stable quarter led by strong opex control; growth steady

SHFL reported a stable Q4, with a PAT beat on our estimates, primarily driven by lower-than-expected opex; AUM growth remained slightly soft at ~14.8% YoY (Rs3.02trn), as the management stayed watchful in the MSME segment. Disbursements for the quarter stood at Rs509bn, growing 13.6% YoY and 4.7% QoQ. Margins were broadly stable, while opex moderated sharply with cost-to-income at ~26% versus the normal 30–31% range; this was largely due to a change in the accounting policy for DSA payouts in the TWL segment. Credit cost came in at ~1.9%, almost 10bps higher than our estimates, driven by higher PCR on Stage 3 assets. Overall asset quality was stable with GS3/NS3 at ~4.6%/2.3%, while RoA expanded by ~45bps QoQ, leading to RoE of ~19.1% in Q4FY26.

Reiterates growth outlook while staying mindful of macro uncertainties

The management reiterated confidence in sustaining ~17–18% growth, driven by higher penetration, customer retention, and stronger traction in non-vehicle segments like Gold, while remaining cautious on MSME amid external uncertainties and muted industry trends. It also indicated that Q1FY27 could be relatively soft due to seasonal and macro factors. Margins are expected to be broadly stable with marginal improvement, supported by easing cost of funds and active liability management, with some benefit passed on to customers. Opex, which was lower this quarter due to accounting changes, is expected to normalize toward the 26–27% cost-to-income range. The mgmt remains confident of improving asset quality, which is likely to result in credit cost moderation ahead.

We retain BUY while nudging up Mar-27E TP to Rs1,150

Factoring in the recent performance and outlook, we tweak our FY27-28 estimates (Exhibit 2); retain BUY; raise Mar-27E TP by ~5% to Rs1,150 implying FY28E P/B of 2.1x.

Shriram Finance: Financial Snapshot (Standalone)

Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profits	97,610	99,982	146,621	182,888	216,486
AUM growth (%)	17.0	14.8	17.0	17.9	18.3
NII growth (%)	16.3	15.0	34.2	20.8	17.7
NIMs (%)	9.0	8.9	10.3	10.6	10.5
PPOP growth (%)	14.5	14.6	38.9	22.0	18.1
Adj. EPS (Rs)	44.0	53.1	62.3	77.7	92.0
Adj. EPS growth (%)	14.9	20.8	17.3	24.7	18.4
Adj. BV (INR)	299.3	349.2	497.3	559.3	632.6
Adj. BVPS growth (%)	15.7	16.7	42.4	12.5	13.1
RoA (%)	3.5	3.3	4.2	4.5	4.5
RoE (%)	17.8	16.4	13.2	14.7	15.4
P/E (x)	23.0	19.0	16.2	13.0	11.0
P/ABV (x)	3.4	2.9	2.0	1.8	1.6

Source: Company, Emkay Research

Target Price – 12M	Mar-27
Change in TP (%)	4.5
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	13.7

Stock Data	SHFL IN
52-week High (Rs)	1,108
52-week Low (Rs)	566
Shares outstanding (mn)	2,352.7
Market-cap (Rs bn)	2,379
Market-cap (USD mn)	25,243
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	8.4
ADTV-3M (Rs mn)	7,817.0
ADTV-3M (USD mn)	82.9
Free float (%)	74.2
Nifty-50	23,897.9
INR/USD	94.3

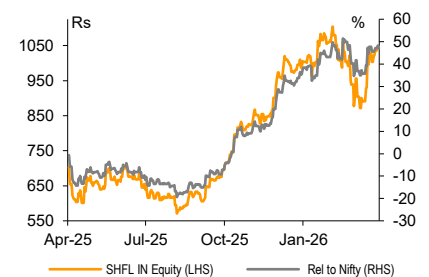
Shareholding, Apr-26

Promoters (%)	20.3
FPIs/MFs (%)	56.1/18.6

Price Performance

(%)	1M	3M	12M
Absolute	11.9	0.8	45.2
Rel. to Nifty	7.3	5.6	47.3

1-Year share price trend (Rs)



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Exhibit 1: Actual vs Estimates

SHFL - Q4FY26 (Rs mn)						Change		Emkay			
	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	QoQ	YoY	Estimate	Variation	Consensus	Variation
NII	55,655	57,725	60,258	65,740	67,514	2.7%	21.3%	68,126	-0.9%		
Total Income	62,364	61,410	63,919	69,325	71,922	3.7%	15.3%	72,531	-0.8%	71,522	0.6%
Opex	19,010	19,486	19,486	22,620	18,671	-17.5%	-1.8%	21,578	-13.5%	20,948	-10.9%
PPoP	43,354	41,924	44,434	46,705	53,250	14.0%	22.8%	50,953	4.5%	50,574	5.3%
Provision	15,633	12,857	13,333	13,103	14,097	7.6%	-9.8%	13,423	5.0%	14,001	0.7%
PBT	27,721	29,067	31,100	33,602	39,153	16.5%	41.2%	37,530	4.3%	36,573	7.1%
PAT (Adj)	21,394	21,557	23,072	25,217	30,136	19.5%	40.9%	27,649	9.0%	27,120	11.1%
PAT	21,395	21,557	23,072	25,217	30,136	19.5%	40.9%	27,649	9.0%	27,120	11.1%
AUM	2,631,903	2,722,490	2,813,095	2,917,090	3,022,738	3.6%	14.8%	3,055,843	-1.1%	3,049,844	-0.9%
Credit cost	2.42%	1.92%	1.93%	1.83%	1.90%	7bps	-52bps	1.80%	10bps	1.88%	2bps
GS3	4.55%	4.53%	4.57%	4.54%	4.58%	4bps	2bps	4.50%	8bps		
NS3	2.64%	2.57%	2.49%	2.38%	2.33%	-5bps	-31bps	2.39%	-6bps		

Source: Company, Emkay Research

Exhibit 2: Change in estimates

Y/E Mar (Rs mn)	FY27E			FY28E			FY29E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
Disbursement	2,179,281	2,186,520	0.3%	2,597,358	2,638,260	1.6%	NA	3,115,914	NA
AUM	3,520,965	3,537,169	0.5%	4,160,880	4,168,868	0.2%	NA	4,933,034	NA
Net Interest Income	340,110	337,267	-0.8%	402,845	407,357	1.1%	NA	479,644	NA
Operating expenses	99,375	98,296	-1.1%	115,744	114,852	-0.8%	NA	134,206	NA
PPOP	258,911	258,875	0.0%	308,143	315,906	2.5%	NA	373,042	NA
Provision	63,947	63,947	0.0%	75,399	72,761	-3.5%	NA	85,231	NA
PBT	194,964	194,928	0.0%	232,744	243,145	4.5%	NA	287,812	NA
PAT	144,768	146,621	1.3%	172,821	182,888	5.8%	NA	216,486	NA
Adj PAT	144,768	146,621	1.3%	172,821	182,888	5.8%	NA	216,486	NA
Adj EPS (Rs)	61.6	62.3	1.2%	73.5	77.7	5.8%	NA	92.0	NA
BV (Rs)	490	497	1.4%	549	559	1.9%	NA	633	NA
Networkth	1,152,796	1,170,050	1.5%	1,291,053	1,315,767	1.9%	NA	1,488,253	NA
Disbursement growth	18.5%	18.6%	9bps	19.2%	20.7%	148bps	NA	18.1%	NA
AUM growth	15.2%	17.0%	180bps	18.2%	17.9%	-32bps	NA	18.3%	NA
Yield	16.3%	16.4%	9bps	16.2%	16.2%	-6bps	NA	16.1%	NA
CoFs	7.99%	8.0%	1bps	7.8%	7.8%	1bps	NA	7.6%	NA
NIM	10.3%	10.3%	-6bps	10.5%	10.6%	8bps	NA	10.5%	NA
NIM+Fees	10.9%	10.9%	-1bps	11.0%	11.2%	14bps	NA	11.1%	NA
Opex-to-AUM	3.0%	3.0%	-3bps	3.0%	3.0%	-3bps	NA	2.9%	NA
Cost-to-Income	27.7%	27.5%	-22bps	27.3%	26.7%	-64bps	NA	26.5%	NA
Credit Cost	1.94%	1.95%	1bps	1.96%	1.89%	-7bps	NA	1.87%	NA
GS3	4.50%	4.50%	0bps	4.50%	4.45%	-5bps	NA	4.40%	NA
NS3	2.39%	2.30%	-9bps	2.39%	2.37%	-2bps	NA	2.43%	NA
PCR on stage 3	50.00%	52.00%	200bps	50.00%	50.00%	0bps	NA	48.00%	NA
ROA	3.90%	4.22%	32bps	4.23%	4.51%	28bps	NA	4.54%	NA
ROE	13.22%	13.19%	-3bps	14.14%	14.71%	57bps	NA	15.44%	NA

Source: Company, Emkay Research

Exhibit 3: Valuation matrix

	CMP/TP (Rs)	Upside	Mkt Cap (Rs bn)	P/BV (x)			P/E (x)			RoA (%)			RoE (%)			Book Value (Rs/sh)			Adj EPS (Rs)		
				FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
At current market price	1,011	13.7%	2,379.3	2.0	1.8	1.6	16.2	13.0	11.0	4.24	4.52	4.56	13.2	14.7	15.4	497	559	633	62.3	77.7	92.0
At target price	1,150			2.3	2.1	1.8	18.5	14.8	12.5	4.24	4.52	4.56	13.2	14.7	15.4	497	559	633	62.3	77.7	92.0

Source: Company, Emkay Research

Exhibit 4: Quarterly earnings snapshot

(Rs mn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY chg	QoQ chg
Net Interest Income	55,791	57,725	60,258	65,740	67,514	21.0%	2.7%
Other Income	6,572	3,685	3,662	3,584	4,408	-32.9%	23.0%
Total Income	62,364	61,410	63,919	69,325	71,922	15.3%	3.7%
Operating Expenses	19,010	19,486	19,486	22,620	18,671	-1.8%	-17.5%
Operating Profit	43,354	41,924	44,434	46,705	53,250	22.8%	14.0%
Provisions	15,633	12,857	13,333	13,103	14,097	-9.8%	7.6%
Credit costs	2.42%	1.92%	1.93%	1.83%	1.90%	-52bps	7bps
PBT	27,721	29,067	31,100	33,602	39,153	41.2%	16.5%
Tax	6,326	7,510	8,028	8,385	9,017	42.5%	7.5%
Tax rate	22.8%	25.8%	25.8%	25.0%	23.0%		
PAT	21,395	21,557	23,072	25,217	30,136	40.9%	19.5%
Adj PAT	21,394	21,557	23,072	25,217	30,136	40.9%	19.5%
Total AUM	2,631,903	2,722,490	2,813,095	2,917,090	3,022,738	14.8%	3.6%
Disbursement	448,480	418,130	430,180	486,450	-	-100.0%	-100.0%
Net worth	562,806	584,755	604,040	620,929	657,049	16.7%	5.8%
ROA	2.87%	2.76%	2.89%	3.09%	3.63%	76bps	54bps
ROE	15.59%	15.07%	15.40%	16.33%	19.13%	354bps	280bps
GS3	4.55%	4.53%	4.57%	4.54%	4.58%	2bps	4bps
NS3	2.64%	2.57%	2.49%	2.38%	2.33%	-31bps	-5bps
PCR	43.3%	44.3%	46.7%	48.8%	50.3%	705bps	156bps

Source: Company, Emkay Research

Exhibit 5: AUM trend

AUM trend (Rs bn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
CV	1,096.8	1,121.9	1,157.7	1,185.6	1,231.3	1,281.4	1,331.7	1,416.7
PV	459.8	490.0	518.8	541.0	566.3	595.5	632.2	644.1
CE	170.4	176.4	178.6	178.8	165.4	153.7	142.2	133.1
FE/tractor	39.8	44.7	47.8	52.1	58.3	61.8	65.7	68.9
MSME	288.0	323.0	346.3	374.1	388.2	406.3	410.8	412.4
2 Wheeler	129.1	130.9	154.1	155.8	158.6	155.5	173.7	174.1
Gold	61.2	60.8	54.9	48.4	51.5	53.4	56.4	66.2
PL	89.3	82.7	86.5	96.1	102.8	105.5	104.4	107.2
Total	2,334	2,430	2,545	2,632	2,722	2,813	2,917	3,023
Growth QoQ	3.8%	4.1%	4.7%	3.4%	3.4%	3.3%	3.7%	3.6%
Growth YoY	20.8%	19.9%	18.8%	17.0%	16.6%	15.7%	14.6%	14.8%

Source: Company, Emkay Research

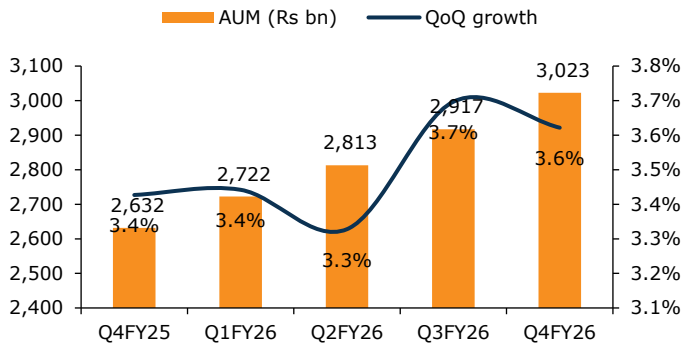
Exhibit 6: Disbursement trend

Disbursement trend (Rs bn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
CV	140.2	150.0	155.4	167.8	169.2	173.3	185.6	226.9
PV	74.1	76.0	80.3	82.6	81.6	86.7	99.9	79.0
CE	18.5	22.7	20.7	21.8	5.3	6.0	7.1	9.3
FE/tractor	8.2	9.0	9.3	10.6	12.7	9.6	11.3	10.3
MSME	62.1	68.8	75.3	76.6	63.6	69.1	64.8	65.1
2 Wheeler	27.3	25.6	48.3	29.2	30.8	26.1	48.4	32.9
Gold	26.5	27.0	25.7	31.1	32.9	35.2	48.5	64.1
PL	20.1	20.8	22.8	28.9	22.1	24.3	20.9	21.8
Total	377.1	399.7	437.6	448.5	418.1	430.2	486.5	509.4
Growth QoQ	-4.1%	6.0%	9.5%	2.5%	-6.8%	2.9%	13.1%	4.7%
Growth YoY	23.8%	15.5%	15.8%	14.0%	10.9%	7.6%	11.2%	13.6%

Source: Company, Emkay Research

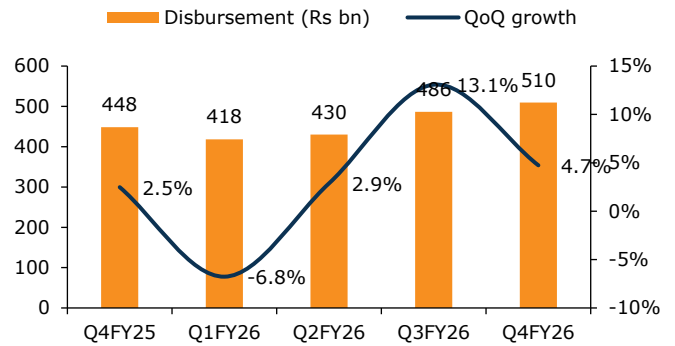
Results in charts

Exhibit 7: Stable AUM growth; maintains guidance of 17-18% growth in FY27



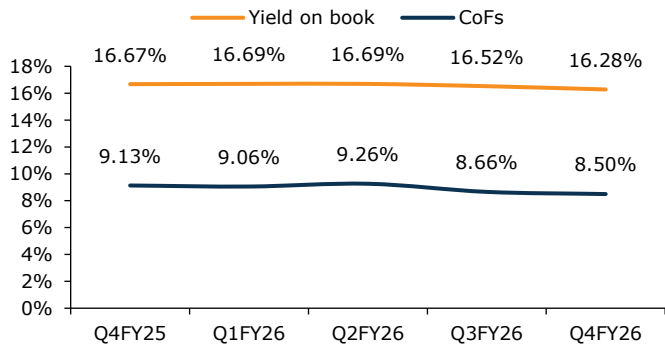
Source: Company, Emkay Research

Exhibit 8: Healthy disbursement, though remains cautious in MSME



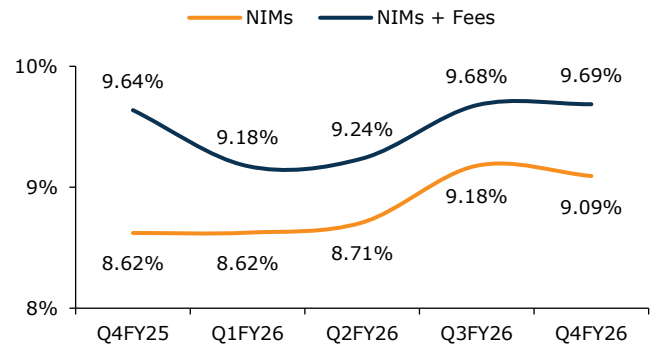
Source: Company, Emkay Research

Exhibit 9: Incremental borrowings stand at ~7.2%



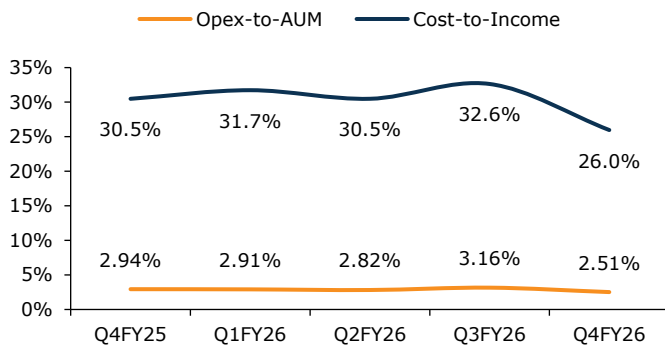
Source: Company, Emkay Research

Exhibit 10: Margin expansion led by moderating CoFs and improvement in fee income



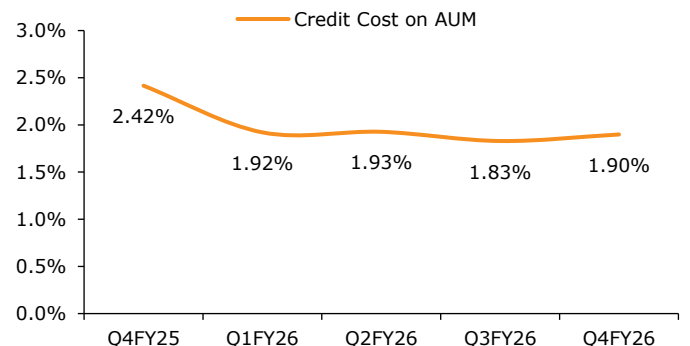
Source: Company, Emkay Research

Exhibit 11: Opex moderation led by change in the accounting policy for DSA payout recognition



Source: Company, Emkay Research

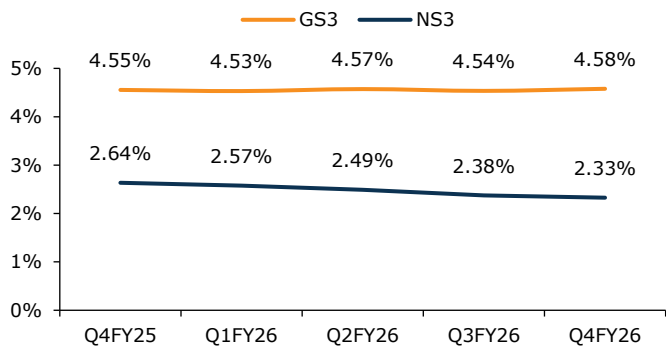
Exhibit 12: Credit cost remains range-bound



Source: Company, Emkay Research

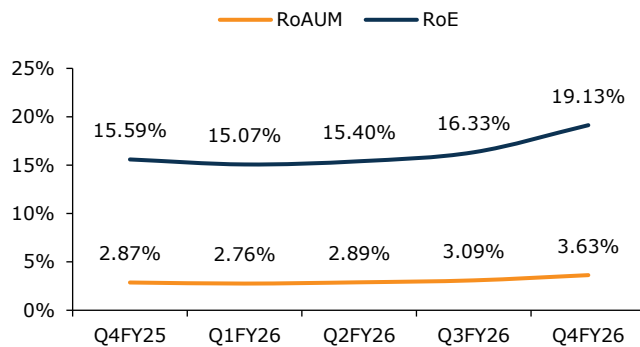
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Exhibit 13: Asset quality stable



Source: Company, Emkay Research

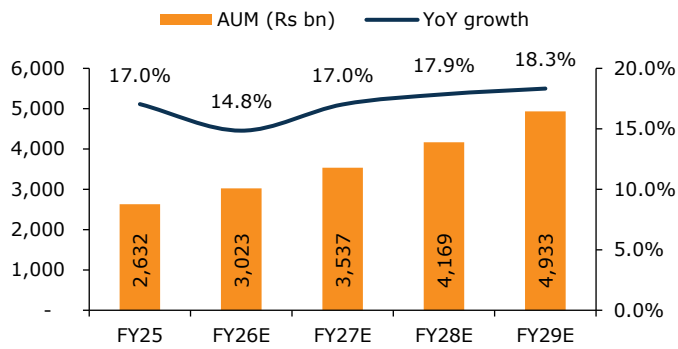
Exhibit 14: RoA/RoE expansion on account of improved margins and moderating opex



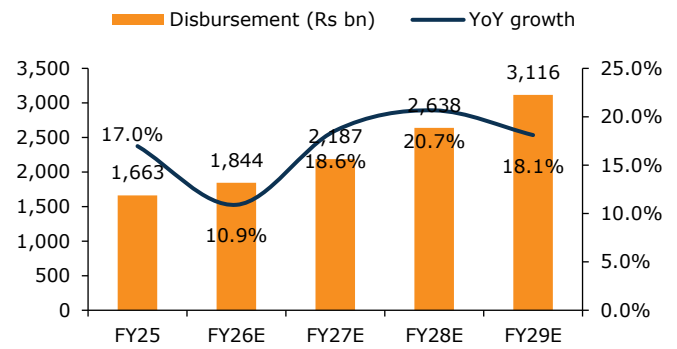
Source: Company, Emkay Research

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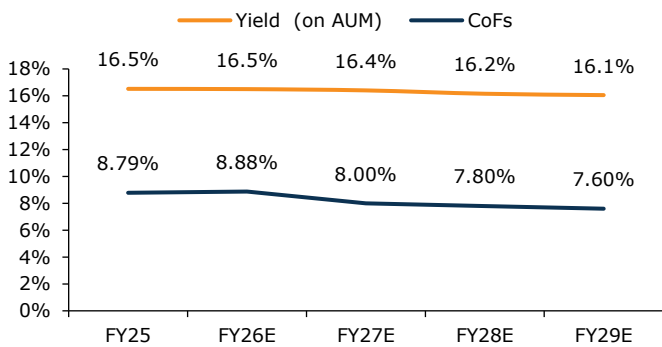
Story in charts

Exhibit 15: AUM expected to grow ~18% over FY27-29E


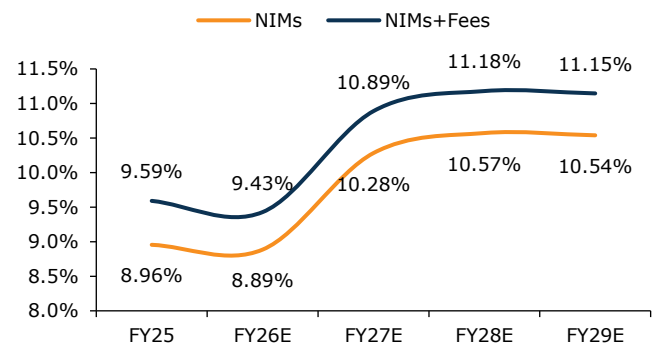
Source: Company, Emkay Research

Exhibit 16: Disbursement to improve across the product segment


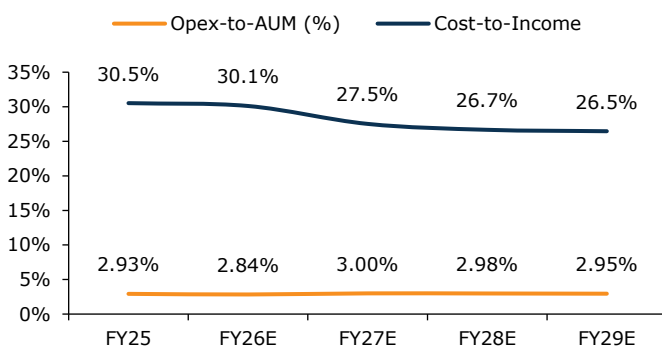
Source: Company, Emkay Research

Exhibit 17: CoF moderation-led active liability management


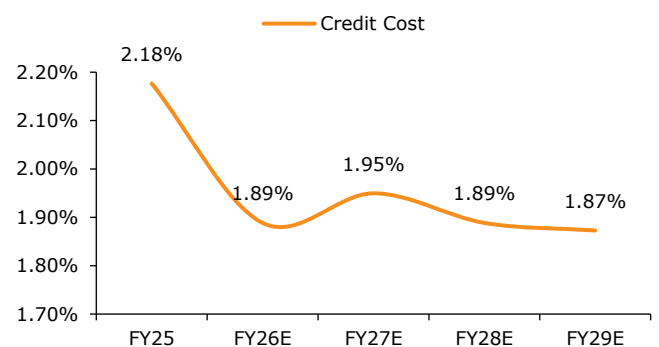
Source: Company, Emkay Research

Exhibit 18: Margin to improve as CoF moderates


Source: Company, Emkay Research

Exhibit 19: Opex to remain range-bound and in line with the management guidance


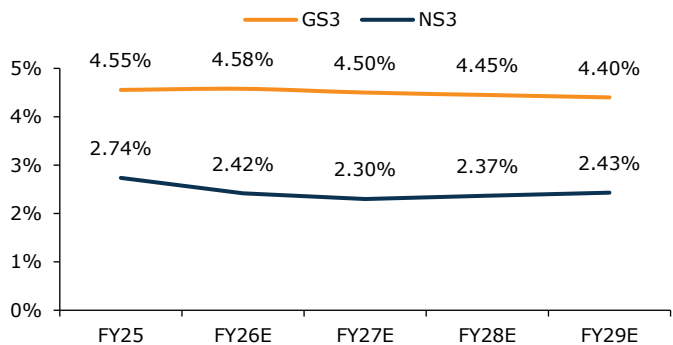
Source: Company, Emkay Research

Exhibit 20: We expect credit cost to be contained at <2% on AUM


Source: Company, Emkay Research

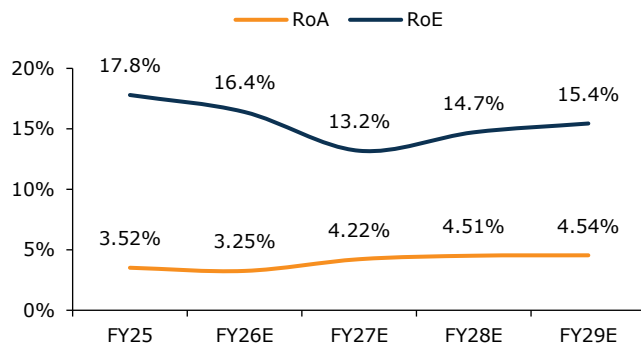
This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 21: Asset quality broadly stable



Source: Company, Emkay Research

Exhibit 22: Improving margins and contained credit costs aiding profitability



Source: Company, Emkay Research

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Earnings call highlights

- The management indicated that operating conditions in Q4FY26 remained broadly resilient, supported by steady domestic consumption and healthy freight activity. However, macro risks such as elevated crude prices, geopolitical tensions (West Asia), and a potentially weaker monsoon could weigh on rural demand and near-term growth visibility.
- Industry trends remained supportive in Q4, with strong growth across CVs, PVs, two-wheelers, and tractors, reflecting healthy end-demand and GST-led tailwinds; however, the management highlighted that such momentum may not sustain, with industry vehicle sales expected to remain relatively muted in FY27.
- Disbursements grew ~14.9% YoY to Rs509bn, reflecting balanced growth across segments; however, the management emphasized that growth is increasingly being driven by penetration gains and customer retention rather than underlying industry expansion.
- Segment-wise, the company is witnessing steady demand in used vehicles and improving traction in new vehicle financing, enabling it to retain customers earlier lost to banks/NBFCs on pricing; however, it remains cautious on MSME, given evolving macro conditions.
- AUM grew ~14.8% YoY and ~3.6% QoQ to Rs3.02trn, reflecting steady expansion, with the management emphasizing growth of 17-18% in FY27 and driven by higher penetration, customer retention, and incremental contribution from non-vehicle segments.
- NIM improved marginally to ~8.61%, supported by a decline in cost of funds (~10bps QoQ), with the management indicating that margins are likely to be broadly stable as benefits from liability repricing are partly offset by competitive intensity and selective pass-through to customers.
- Asset quality was stable, with GS3/NS3 at ~4.58%/2.33%, with no signs of incremental stress; the management emphasized that portfolio performance remains robust despite macro uncertainties, supported by strong collections and disciplined underwriting.
- Operating efficiency improved sharply in Q4, with cost-to-income declining to ~26%, driven by lower opex (partly due to accounting changes related to DSA payouts); however, the management indicated that underlying opex levels are likely to be rangebound at 26–27%.
- On the liability front, borrowing activity remained muted during the quarter, which helped avoid locking in higher-cost funds, while overall funding profile continues to improve, supporting stability in margins and return ratios.
- The MUFG transaction is a key strategic enabler, significantly strengthening capital adequacy, with CRAR improving to ~20.4% currently and expected to rise to ~34% post equity infusion, providing a strong buffer for growth and balance sheet expansion.
- The management highlighted that the company maintains a comfortable liquidity buffer of Rs130bn, which is sufficient to cover over two months of liability repayments, thus providing strong near-term balance sheet resilience.
- Leverage stood at ~3.82x as of Q4FY26, and is expected to improve meaningfully following the recent capital infusion (to ~2.4x), thus strengthening the company's ability to support growth while maintaining balance sheet discipline.
- Outlook remains constructive, with the management confident of sustaining ~17–18% growth driven by penetration gains, customer retention, and mix diversification rather than industry growth, while indicating that Q1FY27 could be relatively softer due to seasonality and macro uncertainties before growth normalizes over the year.
- Guidance
 - AUM growth of ~17–18%, driven by penetration and competitive gains
 - NIM to be broadly stable with marginal improvement, supported by gradual CoF easing
 - Cost-to-income stable at 26-27%

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions.com)

Shriram Finance: Standalone Financials and Valuations

Profit & Loss					
Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	403,076	466,440	537,998	622,363	730,547
Interest Expense	184,546	215,204	200,732	215,006	250,903
Net interest income	218,531	251,236	337,267	407,357	479,644
NII growth (%)	16.3	15.0	34.2	20.8	17.7
Non interest income	15,518	15,339	19,904	23,401	27,604
Total income	234,049	266,576	357,171	430,758	507,248
Operating expenses	71,440	80,262	98,296	114,852	134,206
PPOP	162,609	186,313	258,875	315,906	373,042
PPOP growth (%)	14.5	14.6	38.9	22.0	18.1
Provisions & contingencies	53,117	53,391	63,947	72,761	85,231
PBT	109,493	132,923	194,928	243,145	287,812
Extraordinary items	14,894	0	0	0	0
Tax expense	28,450	32,941	48,307	60,257	71,326
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	97,610	99,982	146,621	182,888	216,486
PAT growth (%)	35.7	2.4	46.6	24.7	18.4
Adjusted PAT	82,716	99,982	146,621	182,888	216,486
Diluted EPS (Rs)	44.0	53.1	62.3	77.7	92.0
Diluted EPS growth (%)	14.9	20.8	17.3	24.7	18.4
DPS (Rs)	9.9	10.8	12.7	15.8	18.7
Dividend payout (%)	19.1	20.3	20.3	20.3	20.3
Effective tax rate (%)	26.0	24.8	24.8	24.8	24.8
Net interest margins (%)	9.0	8.9	10.3	10.6	10.5
Cost-income ratio (%)	30.5	30.1	27.5	26.7	26.5
PAT/PPOP (%)	60.0	53.7	56.6	57.9	58.0
Shares outstanding (mn)	1,880.4	1,881.6	2,352.7	2,352.7	2,352.7

Source: Company, Emkay Research

Asset quality and other metrics					
Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
GNPL - Stage 3	118,388	137,433	158,089	184,252	215,576
NNPL - Stage 3	67,145	68,255	75,883	92,126	112,100
GNPL ratio - Stage 3 (%)	4.6	4.6	4.5	4.5	4.4
NNPL ratio - Stage 3 (%)	2.7	2.4	2.3	2.4	2.4
ECL coverage - Stage 3 (%)	43.3	50.3	52.0	50.0	48.0
ECL coverage - 1 & 2 (%)	3.8	3.8	3.9	3.9	3.9
Gross slippage - Stage 3	-	-	-	-	-
Gross slippage ratio (%)	-	-	-	-	-
Write-off ratio (%)	21.4	19.7	21.0	24.0	25.0
Total credit costs (%)	2.2	1.9	1.9	1.9	1.9
NNPA to networth (%)	11.9	10.3	6.5	7.0	7.5
Capital adequacy					
Total CAR (%)	-	-	-	-	-
Tier-1 (%)	-	-	-	-	-
Miscellaneous					
Total income growth (%)	15.9	13.9	34.0	20.6	17.8
Opex growth (%)	19.3	12.3	22.5	16.8	16.9
PPOP margin (%)	6.7	6.6	7.9	8.2	8.2
Credit costs-to-PPOP (%)	32.7	28.7	24.7	23.0	22.8
Loan-to-Assets (%)	83.6	87.9	88.4	89.0	89.5
Yield on loans (%)	16.5	16.5	16.4	16.2	16.1
Cost of funds (%)	8.6	8.6	8.6	8.6	8.6
Spread (%)	7.9	7.9	7.8	7.6	7.5

Source: Company, Emkay Research

Balance Sheet					
Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	3,761	3,763	4,705	4,705	4,705
Reserves & surplus	559,045	659,418	1,165,344	1,311,062	1,483,548
Net worth	562,806	663,181	1,170,050	1,315,767	1,488,253
Borrowings	2,341,973	2,506,899	2,511,390	3,001,585	3,601,115
Other liabilities & prov.	30,551	47,604	52,364	57,600	63,360
Total liabilities & equity	2,935,329	3,217,684	3,733,804	4,374,952	5,152,728
Net loans	2,453,928	2,824,524	3,300,369	3,892,948	4,612,745
Investments	155,987	147,828	162,610	178,871	196,759
Cash, other balances	213,657	79,384	96,216	112,253	134,446
Interest earning assets	2,823,572	3,051,736	3,559,195	4,184,073	4,943,950
Fixed assets	-	-	-	-	-
Other assets	111,757	159,816	174,608	190,880	208,778
Total assets	2,935,329	3,217,684	3,733,804	4,374,952	5,152,728
BVPS (Rs)	299.3	349.2	497.3	559.3	632.6
Adj. BVPS (INR)	299.3	349.2	497.3	559.3	632.6
Gross loans	2,599,159	3,002,164	3,513,094	4,140,493	4,899,458
Total AUM	2,631,903	3,022,738	3,537,169	4,168,868	4,933,034
On balance sheet	2,599,159	3,002,164	3,513,094	4,140,493	4,899,458
Off balance sheet	32,744	20,574	24,075	28,375	33,576
Disbursements	1,662,920	1,844,160	2,186,520	2,638,260	3,115,914
Disbursements growth (%)	17.0	10.9	18.6	20.7	18.1
Loan growth (%)	18.0	15.1	16.8	18.0	18.5
AUM growth (%)	17.0	14.8	17.0	17.9	18.3
Borrowings growth (%)	26.0	7.0	0.2	19.5	20.0
Book value growth (%)	15.7	16.7	42.4	12.5	13.1

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E 2025	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	23.0	19.0	16.2	13.0	11.0
P/B (x)	3.4	2.9	2.0	1.8	1.6
P/ABV (x)	3.4	2.9	2.0	1.8	1.6
P/PPOP (x)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	1.0	1.1	1.3	1.6	1.8
Dupont-RoE split (%)					
NII/avg AUM	9.0	8.9	10.3	10.6	10.5
Other income	0.6	0.5	0.6	0.6	0.6
Securitization income	0.1	0	0	0	0
Opex	1.4	1.4	1.4	1.4	1.4
Employee expense	1.5	1.5	1.6	1.6	1.6
PPOP	6.7	6.6	7.9	8.2	8.2
Provisions	2.2	1.9	1.9	1.9	1.9
Tax expense	1.1	1.1	1.4	1.4	1.4
RoAUM (%)	3.8	3.5	4.5	4.7	4.8
Leverage ratio (x)	4.7	4.6	3.0	3.1	3.2
RoE (%)	17.8	16.4	13.2	14.7	15.4

Quarterly data				
Rs mn, Y/E Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
NII	57,725	60,258	65,740	67,514
NIM (%)	8.6	8.7	9.2	9.1
PPOP	41,924	44,434	46,705	53,250
PAT	21,557	23,072	25,217	30,136
EPS (Rs)	11.46	12.27	13.41	16.03

Source: Company, Emkay Research

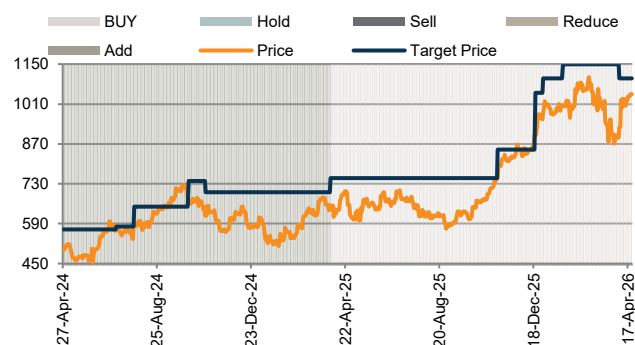
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RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
06-Apr-26	928	1,100	Buy	Avinash Singh
17-Mar-26	1,005	1,150	Buy	Avinash Singh
24-Jan-26	1,004	1,150	Buy	Avinash Singh
06-Jan-26	1,003	1,100	Buy	Avinash Singh
30-Dec-25	979	1,100	Buy	Avinash Singh
20-Dec-25	902	1,050	Buy	Avinash Singh
02-Nov-25	749	850	Buy	Avinash Singh
06-Oct-25	671	750	Buy	Avinash Singh
27-Jul-25	616	750	Buy	Avinash Singh
07-Jul-25	671	750	Buy	Avinash Singh
20-Jun-25	666	750	Buy	Avinash Singh
05-Jun-25	651	750	Buy	Avinash Singh
26-Apr-25	655	750	Buy	Avinash Singh
10-Apr-25	625	750	Buy	Avinash Singh
03-Apr-25	654	750	Buy	Avinash Singh
27-Feb-25	607	700	Add	Avinash Singh
26-Jan-25	527	700	Add	Avinash Singh
06-Jan-25	594	700	Add	Avinash Singh
05-Dec-24	625	700	Add	Avinash Singh
26-Oct-24	619	700	Add	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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