

Power Finance Corporation

Estimate change	↔
TP change	↓
Rating change	↔

CMP: INR374

TP: INR475 (+27%)

Buy

Weak loan growth due to lower disbursements; earnings in line

Asset quality broadly stable; reported NIMs rose ~8bp QoQ

Bloomberg	POWF IN
Equity Shares (m)	3300
M.Cap.(INRb)/(USD\$)	1233.7 / 14.2
52-Week Range (INR)	580 / 352
1, 6, 12 Rel. Per (%)	-6/-19/-18
12M Avg Val (INR M)	6583

- Power Finance Corporation (PFC)'s 3QFY25 PAT grew ~23% YoY to INR41.5b (in line). NII grew ~13% YoY to ~INR46.9b (in line). Other income grew ~2% YoY to ~INR6b, which included dividend income of INR5.9b (PY: INR5b).
- Opex rose ~67% YoY to ~INR1.8b (~28% higher than MOFSLe), mainly driven by CSR expense of ~INR650m. The cost-income ratio stood at ~3.9% (PQ: 5.3% and PY: ~2.6%).
- Reported yields and CoB declined ~4bp and ~3bp QoQ to ~10.07% and ~7.47%, respectively, resulting in flat spreads QoQ at ~2.6%. Reported NIMs rose ~8bp QoQ to ~3.65%.
- GS3 improved ~3bp QoQ to ~2.68% and NS3 was largely stable QoQ at ~0.7%. PCR on Stage 3 remained healthy at ~73%. Provisions stood at INR745m, which translated into annualized credit costs of 1bp (PY: 6bp and PQ: -3bp).
- PFC management shared that its disbursements typically accelerate in the last quarter and reiterated its guidance of achieving loan growth similar to that in the previous year.
- Two projects with a total exposure of ~INR16.6b (Shiga Energy with an outstanding of INR5.2b and TRN Energy with an outstanding of INR11.4b) are in advanced stages of resolution. The company shared that it expects both these stressed exposures to be resolved in 4QFY25. It expects more than ~100% recovery on the Shiga Energy exposure.
- We estimate a CAGR of 18%/13%/12% in disbursement/advances/PAT over FY24- FY27, RoA/RoE of 3%/18% and a dividend yield of ~4.9% in FY27E.

Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	182	201	227
PPP	203	225	255
PAT	168	186	200
EPS (INR)	50.8	56.3	60.7
EPS Gr. (%)	17	11	8
BV/Sh. (INR)	276	315	357
ABV/Sh. (INR)	232	271	313
RoAA (%)	3.2	3.1	3.0
RoAE (%)	19.7	19.1	18.0
Div Payout (%)	30.0	30.0	30.0

Valuations			
P/E (x)	7.3	6.6	6.1
P/BV (x)	1.4	1.2	1.0
Core P/E (x)	4.8	4.3	4.0
Core P/BV (x)	1.0	0.9	0.8
Div. Yld (%)	4.1	4.5	4.9

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	56.0	56.0	56.0
DII	17.2	17.5	17.5
FII	18.0	17.7	17.9
Others	8.8	8.8	8.6

FII Includes depository receipts

Key highlights from the management commentary

- The forex market has been volatile since Jan'25, particularly with respect to USD/INR exchange rate movement. The company shared that for every INR1 depreciation, there will be a loss of INR450m in the P&L in 4QFY25. If the same depreciation trends continue, there can be some impact on the profitability in 4QFY25. However, PFC expects provision write-backs from stressed asset resolution, which will offset any currency translation losses.
- The company is not seeing any slowdown in renewable energy and it has sanctioned INR900b during 9MFY25 with ~50% of that in 3QFY25. PFC has disbursed ~INR60b toward RE projects in 3QFY25 and ~INR160b in 9MFY25.

Valuation and view

- PFC (standalone) trades at 0.8x FY27E P/BV and 4x FY27 P/E, and we believe that the risk-reward is attractive considering decent visibility on loan growth, earnings growth, stressed asset resolutions, and healthy return ratios.
- We reiterate our **BUY** rating with an SoTP (Sep'26E)-based TP of INR475 (based on 1x target multiple for the PFC standalone business and INR184/share for PFC's stake in REC after a hold-co discount of 20%).
- **Key risks:** 1) rise in exposure to private infrastructure projects as these loans fall outside PFC's core expertise of lending to power projects; 2) increase in exposure to power projects without PPAs, 3) compression in spreads and margins due to aggressive competitive landscape, and 4) a slowdown in the offtake of renewable energy projects, driven by weak power demand.

Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25E	v/s Est.
Particulars	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	1,01,241	1,06,921	1,13,313	1,14,937	1,18,270	1,19,090	1,24,172	1,28,339	4,36,411	4,89,872	1,23,853	0
Interest Expenses	66,207	69,631	71,735	72,564	74,990	75,007	77,231	80,713	2,80,138	3,07,940	78,307	-1
Net Interest Income	35,034	37,289	41,578	42,373	43,280	44,083	46,942	47,627	1,56,274	1,81,932	45,546	3
YoY Gr %	1.0	-3.1	16.4	21.9	23.5	18.2	12.9	12.4	8.8	16.4	9.5	
Other Income	-2,111	11,904	5,875	7,165	3,160	14,655	5,971	6,725	22,832	30,512	5,301	13
Net Operational Income	32,923	49,193	47,452	49,538	46,440	58,738	52,913	54,352	1,79,106	2,12,444	50,847	4
YoY Gr %	-8.9	7.6	20.6	14.3	41.1	19.4	11.5	9.7	8.9	18.6	7.2	
Exchange gain/(loss)	4,827	-1,188	-2,231	723	589	-3,100	457	354	2,131	-1,700	-2,000	-123
Total Net Income	37,750	48,005	45,221	50,261	47,029	55,639	53,370	54,706	1,81,237	2,10,744	48,847	9
YoY Gr %	32.6	22.5	23.2	24.3	24.6	15.9	18.0	8.8	25.2	16.3	8.0	
Operating Expenses	1,018	1,143	1,100	3,431	1,016	2,355	1,832	2,166	6,691	7,369	1,430	28
Operating Profit	36,732	46,863	44,121	46,830	46,013	53,284	51,538	52,540	1,74,545	2,03,375	47,418	9
YoY Gr %	35.5	22.6	24.1	23.7	25.3	13.7	16.8	12.2	25.8	16.5	7.5	
Provisions	22	-989	2,626	-3,370	620	-1,241	745	-2,845	-1,712	-2,721	-1,500	-150
PBT	36,710	47,852	41,495	50,200	45,393	54,525	50,793	55,385	1,76,257	2,06,096	48,918	4
Tax	6,641	9,377	7,723	8,845	8,214	10,821	9,244	10,262	32,587	38,540	9,294	-1
Tax Rate %	18.1	19.6	18.6	17.6	18.1	19.8	18.2	18.5	18.5	18.7	19.0	
PAT	30,069	38,474	33,772	41,355	37,179	43,704	41,549	45,123	1,43,670	1,67,556	39,623	5
YoY Gr %	42.5	28.3	12.4	18.4	23.6	13.6	23.0	9.1	23.5	16.8	17.3	

Key Parameters (Calc., %)

Yield on loans	9.5	9.7	10.0	9.8	9.9	9.8	10.0
Cost of funds	7.3	7.4	7.4	7.2	7.4	7.3	7.4
Spread	2.2	2.3	2.6	2.6	2.5	2.5	2.6
NIM	3.4	3.5	3.8	3.7	3.6	3.6	3.8
C/I ratio	2.9	3.1	2.6	8.1	2.3	5.3	3.9
Credit cost	0.0	(0.02)	0.06	(0.1)	0.01	(0.03)	0.01

Balance Sheet Parameters

Disbursements (INR b)	228	328	235	486	195	467	342
Growth YoY (%)	391	91	(7)	25	(15)	42	45
AUM (INR b)	4,313	4,495	4,570	4,815	4,750	4,934	5,038
Growth YoY (%)	17	19	16	14	10	10	10

Asset Quality Parameters

GS 3 (INR B)	165.0	165	161	160.7	161	134	135
GS 3 (%)	3.8	3.7	3.5	3.3	3.4	2.7	2.7
NS 3 (INR B)	45.0	44.8	41.1	41.1	41.1	35.3	35.9
NS 3 (%)	1.0	1.0	0.9	0.9	0.9	0.7	0.7
PCR (%)	72.7	72.8	74.4	74.4	74.4	73.6	73.4

E: MOSL Estimates

PFC: SOTP - Sep 2026

	Stake	Target Multiple	Value (INR B)	INR per share	% To Total	Rationale
PFC Standalone	100	1.0	964	291	61	1.0x Sep'26 PBV
REC Stake (Pre-holdCo)	53	1.4	762	231		1.4x Sep'26 PBV
Hold Co Discount (20%)			152			
REC Stake (Post Hold-CO)			610	184	39	
Target Value			1,574	475	100	

Weak disbursement growth; loan book grew ~10% YoY

- Loan book stood at INR5.04t and grew 10% YoY/2% QoQ. Disbursements during the quarter rose ~45% YoY to ~INR342b.
- In 3QFY25, the share of infrastructure in the total disbursements stood at ~4%. The renewables segment in the loan mix increased to 14% (PQ: 13%).
- Management shared that its disbursements typically accelerate in the last quarter. The company reiterated its loan growth guidance and aims to achieve loan growth similar to the previous year. We model a loan book CAGR of ~13% over FY24-FY27E.

Asset quality broadly stable; expect provision write-backs in 4Q

- GS3 improved ~3bp QoQ to ~2.68% and NS3 was largely stable QoQ at ~0.7%. PCR on Stage 3 remained healthy at ~73%. A waste-to-energy project with an outstanding amount of INR1.3b has slipped into Stage 3 during the quarter due to technological issues in the project.
- PFC has ~20 projects that are classified as NPAs. Resolutions in ~11 NPA projects (PCR: 78%) are being pursued under NCLT, and the remaining ~9 NPA projects (PCR: 48%) are being pursued outside NCLT. PFC expects the resolution of Shiga Energy and TRN Energy in 4QFY25, with expected provision write-backs.

Progress in stressed asset resolutions

- **Shiga Energy and TRN energy:** These two projects with an exposure of ~INR5.2b and ~INR11.4b, respectively, are in advanced stages of resolution. The company expects to resolve these projects in 4QFY25. PFC expects ~100% recovery from the Shiga Energy project based on the bids received.
- **KSK Mahanadi:** PFC's total outstanding exposure is ~INR33b. The resolution plan submitted by JSW Energy has been approved by COC and filed into NCLT on 17th Jan'25. Based on received bids, PFC expects more than ~100% recovery. The company has maintained ~55% provisions on this project.



Highlights from the management commentary

Opening remarks

- Consolidated PAT stood at INR222b for 9MFY25, up ~17% YoY.
- Loan book stood at INR10.7t as of Dec'24, growth of ~12% YoY
- GNPA is below ~3% and stood at ~2.30% and NNPA stood at ~0.73% as of Dec'24.

Standalone

- PAT stood at INR122b for 9MFY25, up 20% YoY.
- The company has declared a third interim dividend of INR3.5/share. The cumulative dividend stands at INR10.25/share in FY25-YTD.
- Yields stood at ~10.07%, while COB stood at ~7.47%. Spreads and NIMs remained range bound at ~2.6% and 3.65%, respectively.
- The forex market has been facing volatility since Jan'25, particularly with respect to USD/INR exchange rate movement. If the same depreciation trends continue, there can be some impact on the profitability in 4QFY25; however, the company expects some provision write-backs from stressed asset resolutions, which will offset some impact of exchange rate.
- GNPA stood at ~2.68% and NNPA at ~0.71%, with healthy PCR of ~73%.

Guidance:

- Guided for loan growth of similar levels as seen in the previous year (i.e., ~14%).

Disbursements and loan growth

- PFC disbursements generally ramp up in the last quarter of the financial year; hence, the company maintains its guidance and targets to achieve similar growth levels as the last financial year.
- The renewable energy book has been growing steadily. The company continues to have the largest renewable energy book in the country.
- PFC has entered into the largest green loan agreement of JPY20b.
- The company has not funded any projects in the renewable front wherein some capacity is not supported by PPA.
- The company has a good pipeline and expects decent disbursements in FY25 in the distribution, renewable and even on the conventional side.
- In RDSS scheme, most of the sanctions are already being done and ~94% of the sanctions are toward the loss reduction work and ~90% of the work under smart meters has been already awarded. Hence, PFC expects the same now to pick up as execution will happen.
- The reductions in the transmission book are due to the repayments in the normal course of business. One loan has been prepaid, and hence the transmission book has decreased slightly.
- PFC has disbursed INR25b toward RDSS scheme in 9MFY25 and INR6b in the current quarter.
- The repayments were lower in 3QFY25. Generally repayments of INR240b-250b are received on a quarterly basis; however, in this quarter the company received INR180b-190b.
- The company is not seeing any slowdown in renewable energy and has sanctioned INR900b during 9MFY25, out of which ~50% was in this quarter. The company has disbursed INR60b in the current quarter and INR160b during the financial year.
- BML on infra side- The company has not sanctioned any loan and the company has just entered into MOU.

Asset quality (stressed asset resolutions)

- There have been no upgrades in the current quarter. The company has filed a final resolution plan in Jan'25 for KSK Mahanadi, whereas Shiga and TRN are in advanced stages of resolution. The company expects Shiga and TRN to get resolved in 4QFY25.
- All the lenders are also going to get a ~26% equity share in the KSK Mahanadi project; however, it is difficult to predict the value of the shares. PFC has funded ~12% of the entire project.
- A waste-to-energy project has slipped into Stage 3 and it has an outstanding amount of INR1.3b. There has been some technological issue in the project because of which it has slipped into Stage 3. The company is not seeing any other project that is going to get impacted by such issues and it is unique to this project.
- The company is envisaging resolutions in three projects worth INR49.6b.
- **KSK Mahanadi:** With exposure of INR33b (partially commissioned project), the resolutions plan submitted by JSW Energy has been approved by COC and filed into NCLT on 17th Jan'25. The company expects more than 100% recovery against this project based on the current bids received. The company has maintained ~55% provisions on this project.
- **Shiga Energy** (with exposure of INR5.2b) and TRN Energy (with exposure of INR11.4b): Both these projects are being resolved outside NCLT. There has been some delays in these resolutions; however, the company expects to resolve these assets in this quarter.
- The company is expecting ~100% recovery on Shiga Energy based on the resolution plans.

Borrowings:

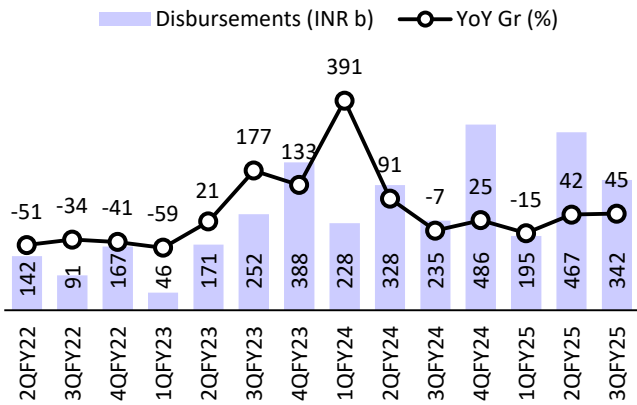
- There will be an impact of INR450m for each INR1 depreciation, which will impact the P&L in 4QFY25.
- The company has taken cost-effective options on hedging and there is an upper limit on the benefits received by the company.
- On a broad figure, if the INR reaches INR88 against USD, then there can be an impact of INR4b-5b in the P&L account.
- The company will complete its rating upgrade exercise in the next 10-15 days and will come out with the information on the same.
- There is around INR50b of the borrowings, which are linked to the repo rate, and the same will get repriced on a monthly or quarterly basis and there are no assets linked to the repo rate.

Yields

- For renewable energy, the interest rate are starting at 9% for PFC and depending on the risk profile of the project, it may increase slightly.
- The mix of the company is being changed from conventional generation to renewable energy.
- NIMs and spreads in the renewable energy projects are slightly lower. However, if the loan growth continues at the same pace, PFC can maintain NIMs in the current range.

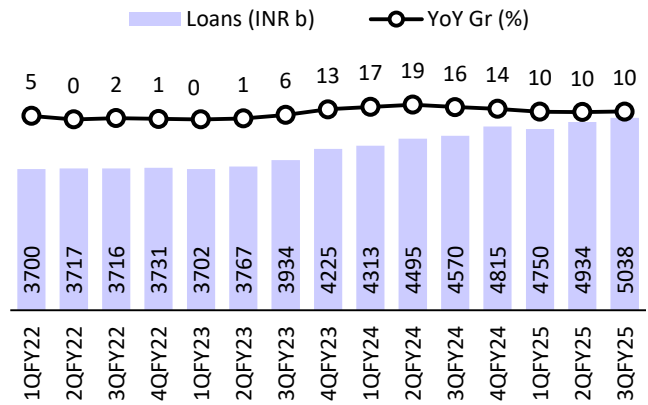
Key exhibits

Exhibit 1: Disbursements grew ~45% YoY



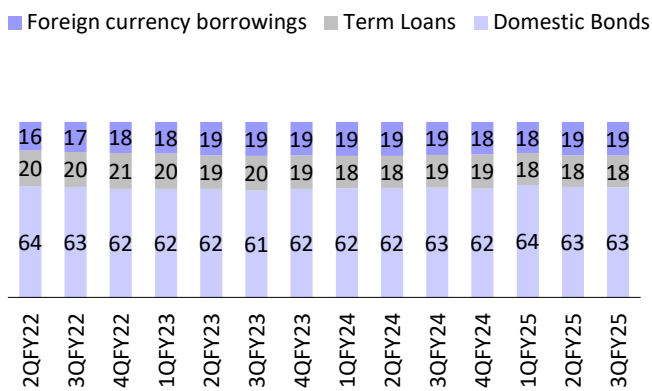
Source: MOFSL, Company

Exhibit 2: Loan book grew 10% YoY



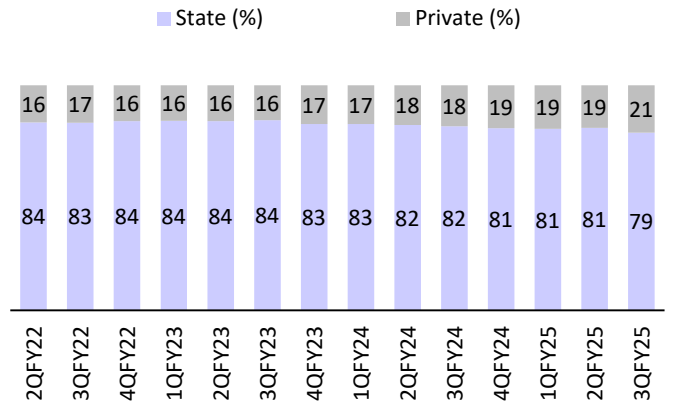
Source: MOFSL, Company

Exhibit 3: Borrowing mix (%)



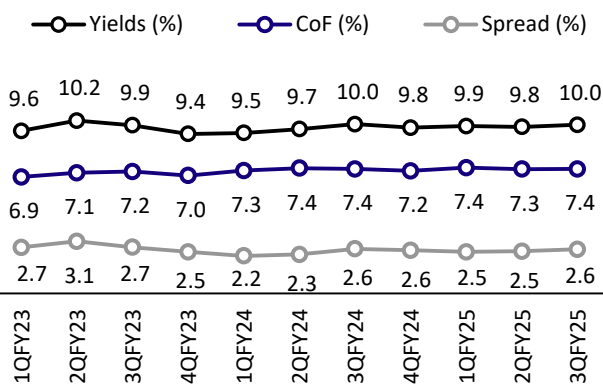
Source: MOFSL, Company

Exhibit 4: ~21% of loans are given to private players (%)



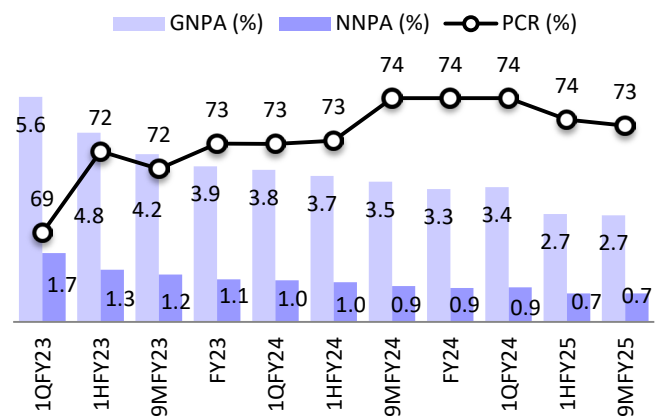
Source: MOFSL, Company

Exhibit 5: Spreads (Calc.) rose ~10bp QoQ



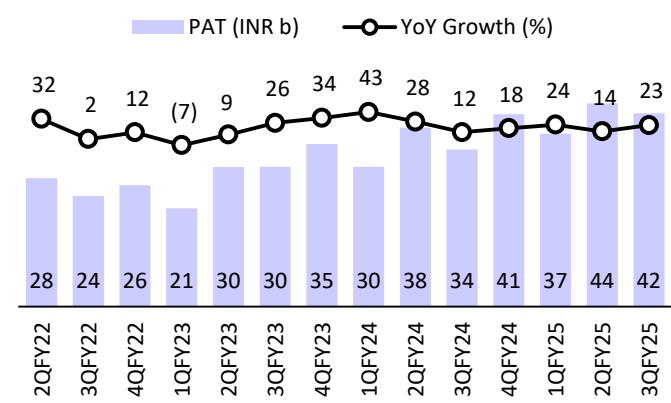
Source: MOFSL, Company,

Exhibit 6: Asset quality broadly stable QoQ



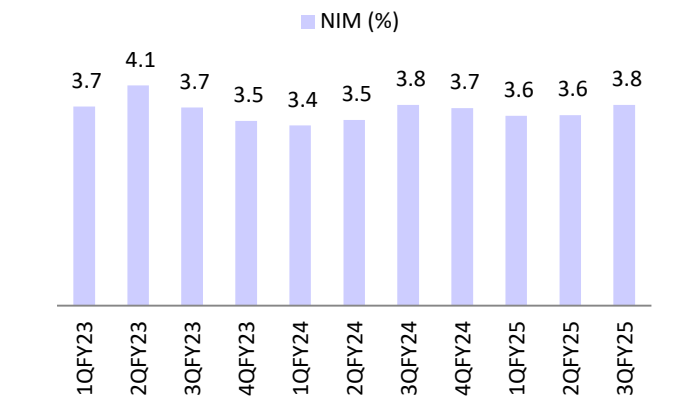
Source: MOFSL, Company

Exhibit 7: PAT grew ~23% YoY



Source: MOFSL, Company,

Exhibit 8: NIMs (Calc.) rose ~20bp QoQ (%)



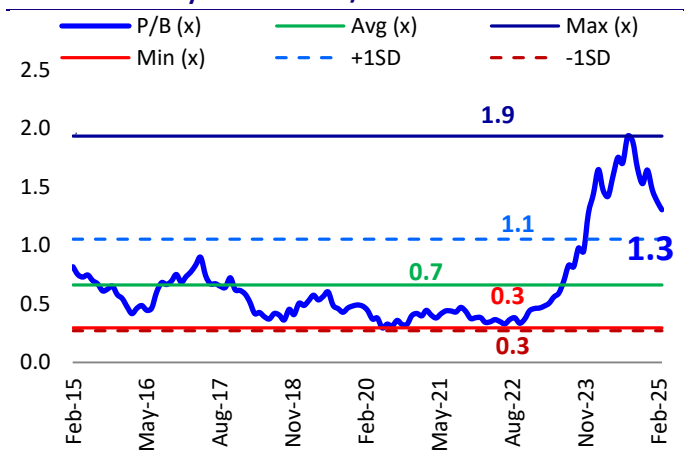
Source: MOFSL, Company

Exhibit 9: We broadly maintain our FY25/FY26/FY27 earnings estimates

INR B	Old Est.			New Est.			% Change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
NII	180.7	201.8	229.3	181.9	200.9	226.7	0.7	-0.4	-1.1
Other Income	24.4	31.8	34.3	28.8	32.6	37.4	17.9	2.7	8.9
Net Income	205.1	233.5	263.6	210.7	233.6	264.1	2.8	0.0	0.2
Operating Expenses	7.4	8.0	8.8	7.4	8.1	9.0	0.0	1.1	2.3
Operating Profits	197.7	225.5	254.8	203.4	225.4	255.1	2.9	0.0	0.1
Provisions	-4.1	-3.7	3.8	(2.7)	(2.6)	9.5	-	-	151
PBT	201.9	229.2	251.0	206.1	228.0	245.7	2.1	-0.5	-2.1
Tax	37.7	42.4	46.4	38.5	42.2	45.4	2.1	-0.5	-2.1
PAT	164.1	186.8	204.6	167.6	185.8	200.2	2.1	-0.5	-2.1
Loans	5,440	6,256	7,200	5,393	6,137	7,000			
RoAA (%)	3.1	3.1	2.9	3.2	3.1	3.0			

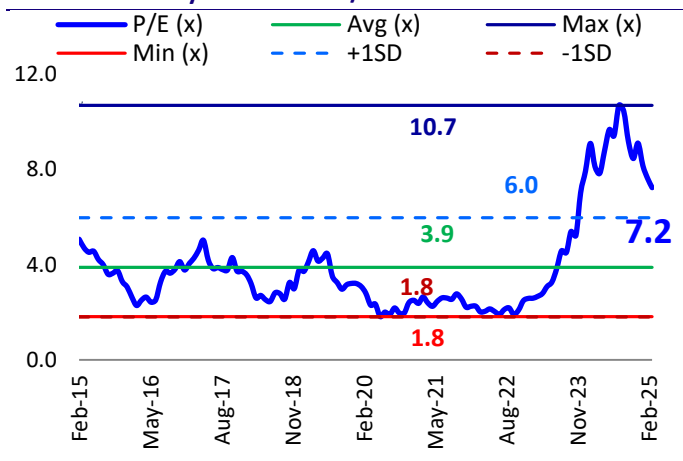
Source: MOFSL, Company

Exhibit 10: One year forward P/B



Source: MOFSL, Company,

Exhibit 11: One year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement									
(INR b)									
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest on loans	284	320	361	367	376	436	490	539	607
Interest exp & other charges	190	219	232	227	233	280	308	339	380
Net Interest Income	94	101	130	140	144	156	182	201	227
Change (%)	7.8	6.9	28.3	8.3	2.4	8.8	16.4	10.4	12.8
Other operating income	4	21	11	19	21	23	30	33	36
Exchg Gain/(loss) on Forex loans	-5	-26	2	-9	-20	2	-2	-1	1
Other Income	0	0	0	0	0	0	0	0	1
Net Income	93	96	142	150	145	181	211	234	264
Change (%)	-9.5	2.6	48.4	5.7	-3.6	25.2	16.3	10.8	13.1
Employee Cost	2	2	2	2	2	2	3	3	3
Administrative Exp	2	2	3	3	4	4	5	5	6
Depreciation	0	0	0	0	0	0	0	0	0
Operating Income	89	92	137	144	139	175	203	225	255
Change (%)	-10.2	2.7	49.2	5.4	-4.0	25.8	16.5	10.9	13.2
Total Provisions	-9	10	35	22	-3	-2	-3	-3	9
% to operating income	-9.7	10.8	25.5	15.4	-2.1	-1.0	-1.3	-1.1	3.7
PBT	98	82	102	122	142	176	206	228	246
Prior period Adjustments	0	0	0	0	0	0	0	0	0
PBT (post prior period adj)	98	82	102	122	142	176.3	206	228	246
Tax (Incl Deferred tax)	29	25	18	22	26	33	39	42	45
Tax Rate (%)	29.2	31.0	17.3	18.0	18.1	18.5	18.7	18.5	18.5
PAT	70	57	84	100	116	144	168	186	200
Change (%)	4.2	-18.7	49.3	18.7	15.8	23.8	16.6	10.9	7.7
Extra-ordinary item	0	0	0	0	0	0	0	0	0
Reported PAT	70	57	84	100	116	144	168	186	200
Adjusted PAT (Excluding REC Dividend)	73	53	82	98	113	139	163	181	194
Change (%)	12.4	-28.2	56.7	18.7	15.4	23.5	16.8	10.9	7.5
Proposed Dividend (Incl Tax)	0	25	26	32	35	45	50	56	60

Balance Sheet									
(INR b)									
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Capital	26	26	26	26	26	33	33	33	33
Reserves & Surplus	406	425	498	567	656	759	876	1,006	1,147
Net Worth	433	452	524	594	682	792	909	1,039	1,180
Deferred Tax Liability	0	0	0	0	0	0	0	0	0
Net worth (incl DTL)	433	452	524	594	682	792	909	1,039	1,180
Interest subsidy from GoI	0	0	0	0	0	0	0	0	0
Borrowings	2,952	3,103	3,330	3,274	3,704	4,164	4,560	5,182	5,908
Change (%)	24.7	5.1	7.3	-1.7	13.1	12.4	9.5	13.7	14.0
Total Liabilities	3,385	3,554	3,854	3,868	4,386	4,956	5,469	6,221	7,087
Investments	166	165	160	161	173	202	222	234	245
Change (%)	558.2	-0.7	-3.0	0.7	7.6	16.9	10.0	5.0	5.0
Loans	3,032	3,341	3,601	3,609	4,108	4,699	5,247	5,991	6,846
Change (%)	14.0	10.2	7.8	0.2	13.8	14.4	11.7	14.2	14.3
Forex monetary reserves	0	0	0	0	0	0	0	0	0
Net Fixed Assets	0	1	1	1	1	1	1	1	1
Net Current Assets	142	2	48	40	16	2	-3	1	8
Total Assets	3,340	3,509	3,809	3,811	4,298	4,905	5,468	6,227	7,100

E: MOFSL Estimates

Financials and valuations

Loans and Disbursements	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Gross Loans (INR b)	3,147	3,449	3,708	3,731	4,225	4,815	5,393	6,137	7,000
YoY Growth (%)	13	10	7	1	13	14	12	14	14
Disbursements (INR b)	677	680	883	512	858	1,277	1,608	1,850	2,090
YoY Growth (%)	5	0	30	-42	67	49	26	15	13
Ratios									
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Spreads Analysis (%)									
Avg. Yields	10.0	10.0	10.4	10.2	9.8	9.9	9.9	9.6	9.5
Avg Cost of funds	7.1	7.2	7.2	6.9	6.7	7.1	7.1	7.0	6.9
Interest Spread	2.9	2.8	3.2	3.3	3.1	2.79	2.79	2.65	2.60
NIM	3.1	2.3	3.8	3.6	3.2	3.6	3.6	3.6	3.5
Profitability Ratios (%)									
RoE	17.3	12.8	17.3	17.9	18.2	19.5	19.7	19.1	18.05
RoA	2.2	1.6	2.2	2.5	2.8	3.0	3.2	3.1	3.0
Efficiency Ratios (%)									
Int. Expended/Int.Earned	66.8	68.4	64.2	61.8	61.8	64.2	62.9	62.8	62.6
Other operating Inc./Net Inc.	4.3	22.0	7.6	12.3	14.3	12.5	14.3	14.2	13.6
Other Income/Net Income	0.2	0.1	0.2	0.3	0.1	0.1	0.1	0.2	0.2
Op. Exps./Net Income	4.3	4.2	3.6	3.8	4.2	3.7	3.5	3.5	3.4
Empl. Cost/Op. Exps.	43.5	48.5	37.9	37.1	36.3	36.3	35.2	34.2	33.4
Asset-Liability Profile (%)									
Loans/Borrowings Ratio (x)	103	108	108	110	111	113	115	116	116
Assets/Networth (x)	7.7	7.8	7.3	6.4	6.3	6.2	6.0	6.0	6.0
Debt/Equity (x)	6.8	6.9	6.4	5.5	5.4	5.3	5.0	5.0	5.0
Asset Quality (%)									
Gross Stage 3	9.4	8.1	5.7	5.6	3.9	3.3	2.6	2.1	1.8
Net Stage 3	4.6	3.8	2.1	1.8	1.1	0.9	0.7	0.6	0.5
PCR	51.5	47.1	63.4	68.6	72.7	74.4	73.0	71.0	71.0
Credit costs	-0.31	0.31	1.01	0.62	-0.08	-0.04	-0.05	-0.05	0.15
Valuations									
Book Value (INR)	164	171	198	225	258	240	276	315	357
BV Growth (%)	17.1	4.3	16.0	13.3	14.9	-7.1	14.8	14.3	13.5
Price-BV (x)	2.3	2.2	1.9	1.7	1.4	1.6	1.4	1.2	1.0
Adjusted Book Value (INR)	150	116	144	170	203	196	232	271	313
ABV Growth (%)	24.8	-22.8	23.6	18.4	19.7	-3.6	18.1	17.0	15.7
Price-ABV (x)	1.6	2.0	1.6	1.4	1.2	1.2	1.0	0.9	0.8
EPS (INR)	26.3	21.4	32.0	38.0	44.0	43.5	50.8	56.3	60.7
EPS Growth (%)	4.2	-18.7	49.3	18.7	15.8	-1.0	16.6	10.9	7.7
Price-Earnings (x)	14.2	17.4	11.7	9.8	8.5	8.6	7.3	6.6	6.1
Core EPS (INR)	27.7	19.9	31.2	37.0	42.8	42.3	49.4	54.7	58.8
Adj Core EPS Growth (%)	12.4	-28.2	56.7	18.7	15.4	-1.2	16.8	10.9	7.5
Adj. Price-Core EPS (x)	8.5	11.8	7.6	6.4	5.5	5.6	4.8	4.3	4.0
DPS	0.0	9.5	10.0	12.0	13.3	13.5	15.2	16.9	18.2
Dividend Yield (%)	0.0	2.5	2.7	3.2	3.6	3.6	4.1	4.5	4.9
E: MOFSL Estimates									

Du Pont Analysis %	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest income	9.1	9.0	9.6	9.3	9.0	9.2	9.2	9.1	8.9
Interest expenses	6.1	6.2	6.2	5.8	5.5	5.9	5.8	5.7	5.6
Net Interest Income	3.0	2.9	3.4	3.6	3.4	3.3	3.4	3.4	3.3
Other Operating Income	0.1	0.6	0.3	0.5	0.5	0.5	0.6	0.6	0.5
Other Income	-0.2	-0.7	0.0	-0.2	-0.5	0.0	0.0	0.0	0.0
Total Income	3.0	2.7	3.8	3.8	3.5	3.8	4.0	3.9	3.9
Operating expenses	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Operating profits	2.9	2.6	3.6	3.7	3.3	3.7	3.8	3.8	3.8
Provisions	-0.3	0.3	0.9	0.6	-0.1	0.0	-0.1	0.0	0.1
PBT	3.1	2.3	2.7	3.1	3.4	3.7	3.9	3.8	3.6
Taxation	0.9	0.7	0.5	0.6	0.6	0.7	0.7	0.7	0.7
RoA	2.2	1.6	2.2	2.5	2.8	3.0	3.2	3.1	3.0
Leverage (x)	7.8	8.0	7.7	7.0	6.6	6.4	6.3	6.1	6.1
RoE	17.3	12.8	17.3	17.9	18.2	19.5	19.7	19.1	18.0

E: MOFSL Estimates

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