Home First Finance

BSE SENSEX	S&P CNX
76,887	23,996

Bloomberg	HOMEFIRS IN
Equity Shares (m)	104
M.Cap.(INRb)/(USDb)	117.2 / 1.2
52-Week Range (INR)	1519 / 894
1, 6, 12 Rel. Per (%)	16/1/-8
12M Avg Val (INR M)	479

Financials &Valuations (INR b)

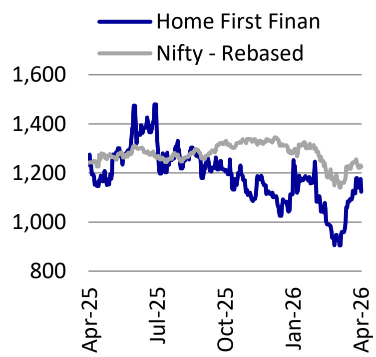
Y/E March	FY26E	FY27E	FY28E
NII	8.8	10.9	13.0
PPoP	7.7	9.0	10.6
PAT	5.4	6.4	7.5
EPS (INR)	52.5	62.3	73.2
EPS Gr. (%)	23.6	18.7	17.5
BV/Sh. (INR)	414	472	541
ABV/Sh. (INR)	400	454	519
Ratios			
NIM (%)	6.2	6.1	5.9
C/I ratio (%)	32.2	33.0	33.4
RoAA (%)	4.0	3.9	3.8
RoAE (%)	15.9	14.1	14.4
Valuations			
P/E (x)	21.4	18.0	15.3
P/BV (x)	2.7	2.4	2.1
P/ABV (x)	2.8	2.5	2.2
Div. yield (%)	0.4	0.4	0.4

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	7.0	12.4	14.3
DII	27.5	27.6	19.8
FII	45.7	40.8	36.0
Others	19.8	19.2	29.9

FII Includes depository receipts

Stock performance (one-year)



CMP: INR1,123 TP: INR1,350 (+20%) Buy

Early delinquencies improve; easing BT-out to support growth

Prudent opex management and healthy AUM growth to anchor earnings stability

- **Affordable HFCs have historically delivered robust growth, driven by strong penetration in low-tier cities, expertise in lending to informal income profiles, and relatively benign competitive intensity. However, in recent times, growth in the segment has moderated due to multiple factors such as a) increased participation from banks and other financial institutions, particularly in higher-yield secured lending segments; b) risks of MFI stress spilling over to affordable housing demand; c) weakness in the MSME segment; and d) government-related disruptions in the southern markets.**
- **Against this backdrop, HOMEFIRST continues to strengthen its positioning as a focused affordable housing financier. With a strong presence in the low- to middle-income segment, the company has built a granular loan book anchored by first-time homebuyers. While growth has moderated in the near term due to external disruptions and prudent underwriting, underlying business fundamentals remain intact, thereby positioning the company for a gradual recovery, supported by favorable demand dynamics and structural growth levers.**
- **HOMEFIRST reported AUM growth of ~25% YoY to ~INR149b in 3QFY26, despite relatively modest disbursement growth of ~11% YoY. However, management has highlighted early signs of recovery, with disbursement momentum expected to improve from 4QFY26 onward, indicating that the recent slowdown is largely cyclical. Simultaneously, easing competitive intensity, evident in lower BT-out rates (~6.6% in 3QFY26 vs. ~7.6% in 2QFY26), is expected to support a pickup in growth. Over the medium term, branch expansion, deeper penetration in affordable housing, and scale-up of co-lending initiatives should continue to drive growth, with the company guiding for ~25% AUM growth in FY27.**
- **Margins remain stable, supported by disciplined pricing, a predominantly floating-rate loan book, and the inherently high-yield nature of affordable housing loans. In addition, a diversified funding mix, along with an increasing share of PSU bank borrowings, continues to support cost efficiency. We expect HOMEFIRST to deliver NIMs of ~6.1%/~5.9% in FY27/28E.**
- **Asset quality is showing clear signs of stabilization, with 1+ DPD improving to ~5.3% (down by ~20bp in 3QFY26) as stress eases across geographies. While pockets of weakness persist, particularly in Tamil Nadu, normalization is expected from 4QFY26 onward. Strong underwriting and technology-led collections continue to support resilience. We expect credit costs to moderate to ~40bp over FY27/28E, reflecting gradual normalization.**
- **As growth rates gradually recover, HOMEFIRST is well positioned to be a key beneficiary of this uptrend, supported by its focused business model and execution capabilities. We estimate the company to deliver ~23% AUM CAGR over FY26-FY28E, along with stable NIM (as percentage of average AUM) of 6.1%/5.9% in FY27/FY28E. Accordingly, we recommend a BUY rating on the stock with a TP of INR1,350, premised on 2.5x FY28E BVPS.**

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Cyclical moderation eases; growth visibility strengthens

- HOMEFIRST has delivered steady growth, with AUM growing ~25% YoY to ~INR149b in 3QFY26, despite temporary headwinds.
- The recent slowdown appears cyclical, with early signs of recovery already visible in origination and disbursement momentum entering 4QFY26. Competitive intensity is also easing, reflected in declining BT-outs, while initiatives such as branch expansion and co-lending are enhancing growth visibility.
- With ~83% of AUM concentrated in the housing segment (ATS of ~INR1.2m), HOMEFIRST is well positioned to benefit from steady demand from first-time and new-to-credit borrowers, supporting management's confidence in delivering ~25% AUM growth in FY27. We estimate an AUM CAGR of ~23% over FY26-28E.

Stable margins supported by prudent pricing and funding mix

- HOMEFIRST maintains stable margins through disciplined pricing and a predominantly floating-rate loan book, enabling effective repricing across interest rate cycles. Its focus on small-ticket, high-yield loans supports superior spreads relative to traditional mortgage players.
- On the liability side, a diversified funding mix, comprising banks (~57%), NHB refinance (~15%), and off-balance-sheet avenues such as co-lending (~5%) and DA (~16%), ensures both flexibility and cost efficiency.
- Improved access to bank funding, particularly from PSUs, has further optimized borrowing costs. As a result, spreads remain stable at ~5%, with NIMs expected at ~6.1%/~5.9% in FY27/ FY28E.

Calibrated expansion and technology to drive operating efficiency

- Operationally, the company is executing a calibrated expansion strategy, with a steady increase in branch presence across both core and emerging markets. This is complemented by a technology-driven operating model featuring centralized underwriting, data science capabilities, and API-based verification, enabling faster loan approvals (~90% loans approved within 48 hours) and consistent credit assessment.
- While operating expenses reflect continued investment in distribution and talent, they remain well controlled, with operating leverage expected to improve as scale and branch productivity increase.
- The cost-to-income ratio is projected to remain stable at ~33% over the medium term.

Asset quality stabilizes; credit costs set to normalize

- Asset quality is showing signs of stabilization, with early delinquency indicators improving sequentially. While some localized stress persists, particularly in select geographies, the overall portfolio remains resilient, supported by a secured and granular lending book.
- Strong underwriting practices and a technology-enabled collection framework have helped contain credit risk, with GNPA levels remaining stable. As macro conditions normalize, credit costs are expected to remain controlled, supporting a gradual improvement in asset quality metrics from FY27 onward.

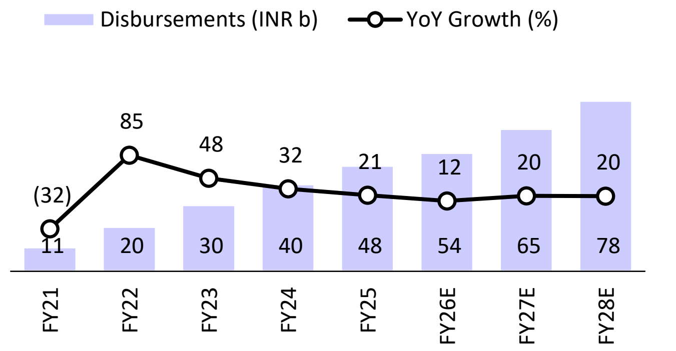
- We expect credit costs to remain contained at ~39bp/36bp in FY27/FY28E, with a gradual normalization trajectory as asset quality stabilizes.

Valuation and view

- HOMEFIRST remains well placed to navigate near-term headwinds, supported by its resilient business model, granular loan book, and disciplined execution. With early signs of recovery in disbursements, easing competitive intensity, and stabilizing asset quality, growth is expected to gradually normalize. Backed by structural drivers such as branch expansion, deeper segment penetration, and co-lending, the company is well positioned to deliver steady performance over the medium term.
- We estimate the company to deliver ~23% AUM CAGR over FY26-FY28E, along with stable NIM (as a percentage of average AUM) of 6.1%/5.9% in FY27/FY28E. Accordingly, we recommend a BUY rating on the stock with a TP of INR1,350, premised on 2.5x FY28E P/BV.

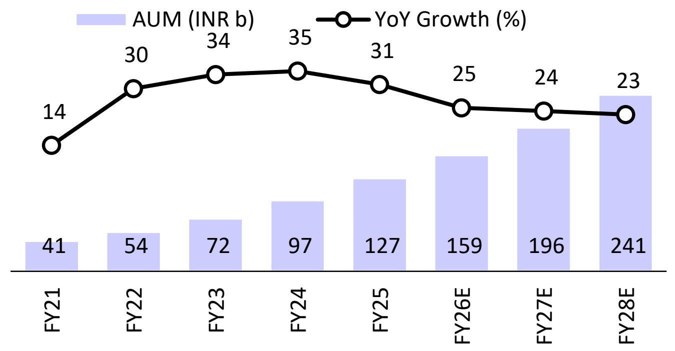
Story in Chart

Exhibit 1: Expect disbursement CAGR of 20% over FY26-28E



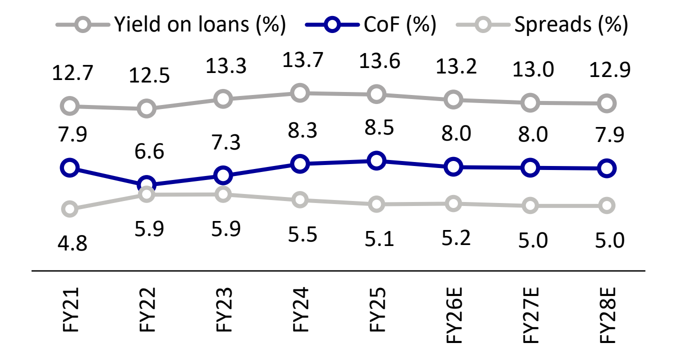
Source: MOFSL, Company

Exhibit 2: Estimate AUM CAGR of ~23% over FY26-28E



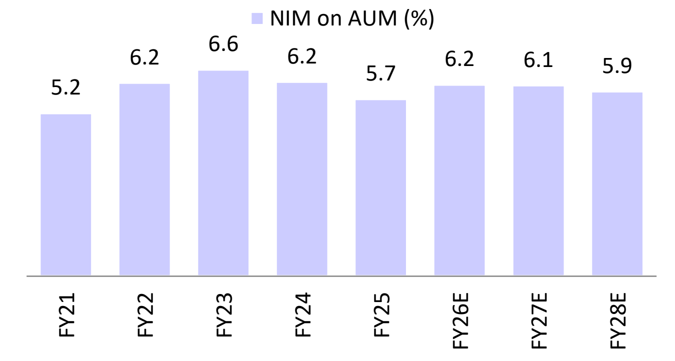
Source: MOFSL, Company

Exhibit 3: Spreads to remain stable at ~5% over FY27-28E



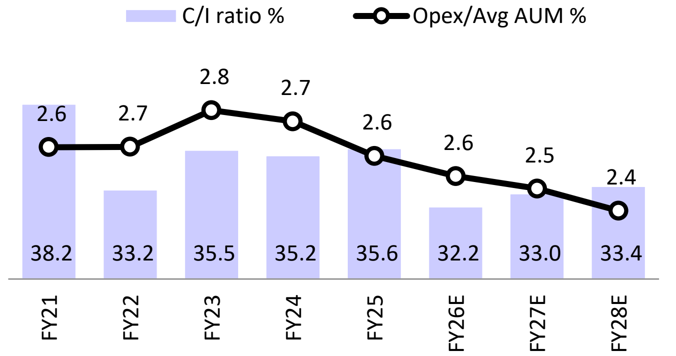
Source: MOFSL, Company

Exhibit 4: NIMs expected to decline to ~5.9% by FY28E



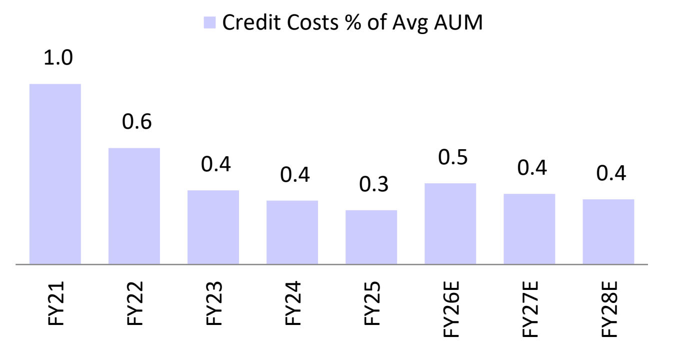
Source: MOFSL, Company

Exhibit 5: Opex/Avg AUM to decline over the next two years



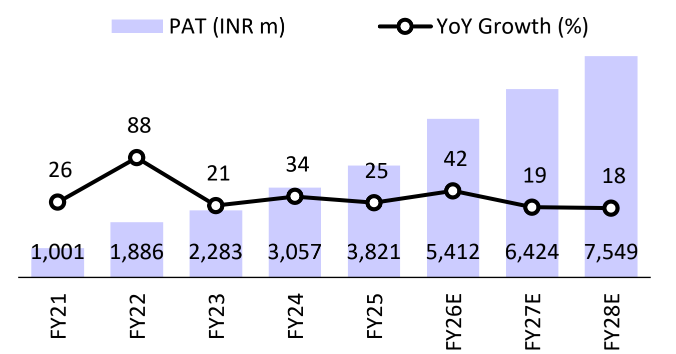
Source: MOFSL, Company

Exhibit 6: Credit costs to moderate in FY27/FY28



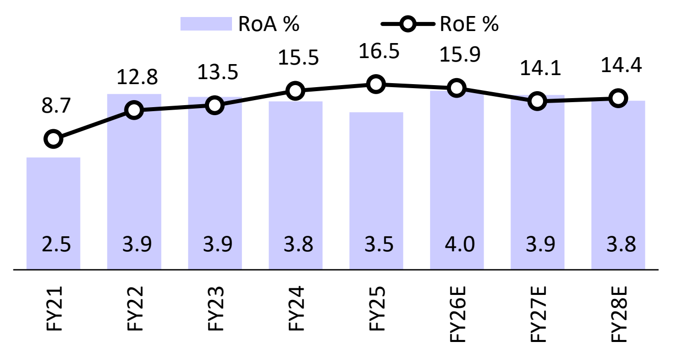
Source: MOFSL, Company

Exhibit 7: Expect PAT CAGR of ~18% over FY26-28E



Source: MOFSL, Company

Exhibit 8: RoA/RoE of ~3.8%/14.4% in FY28E

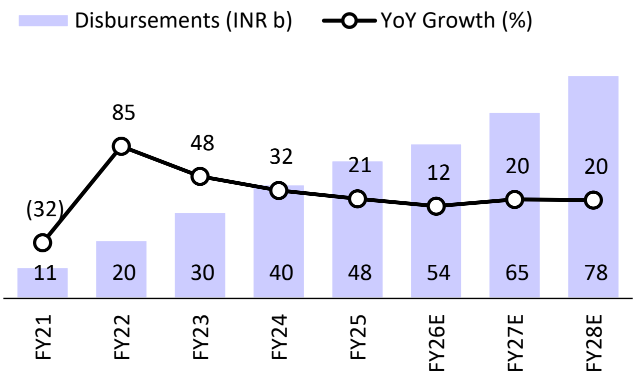


Source: MOFSL, Company

Positioned for a strong, sustainable growth rebound

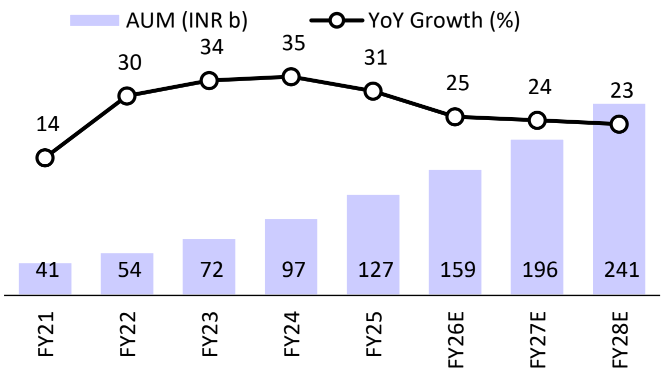
- HOMEFIRST has demonstrated resilient growth momentum, with AUM growing ~25% YoY to ~INR149b in ~3QFY26 supported by disbursement growth of ~11% YoY despite a temporary slowdown due to macro disruptions and cautious underwriting.
- The recent moderation in growth has been largely cyclical in nature, and the company is already witnessing early signs of recovery in origination and disbursement trends in early 4QFY26, reinforcing the view that the softness was temporary and that the business is positioned for stronger sequential growth as macro conditions stabilize.
- HOMEFIRST is witnessing improving competitive dynamics, reflected in a decline in BT-out rates to 6.6% (vs. ~7.6% in 2QFY26). This, along with structural growth levers such as branch expansion and deeper penetration in the core affordable housing segment, strengthens growth visibility. Co-lending is emerging as a scalable driver with a medium-term target of 10% of disbursements, enabling incremental growth without significant balance sheet strain.
- Management remains confident of sustaining ~25% AUM growth in FY27, underpinned by steady demand from first-time homebuyers in the housing segment (~83% of AUM). Its focus on low-to-middle income salaried and self-employed borrowers (70%+ customers with annual household income level less than INR0.6m comprising 60% of AUM), including a significant share of new-to-credit customers (18% customers are new-to-credit contributing to 13% of AUM), provides a long runway for penetration-led growth.
- With stabilizing macros, improving execution, and strong positioning in an underpenetrated segment, the company appears well-placed to transition back to a steady compounding trajectory from FY27 onward. We expect HOMEFIRST to deliver an AUM CAGR of ~23% over FY26-28E.

Exhibit 9: Expect disbursement CAGR of 20% over FY26-28E



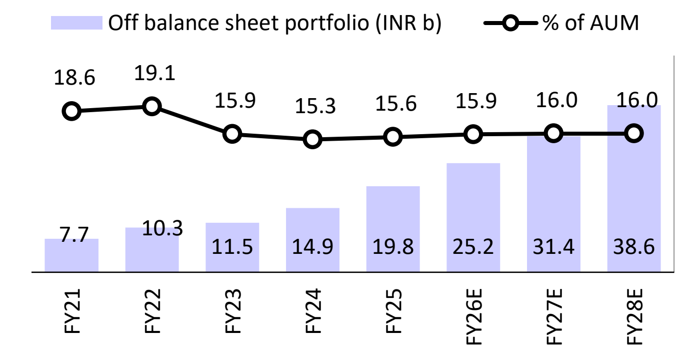
Source: MOFSL, Company

Exhibit 10: Estimate AUM CAGR of ~23% over FY26-28E



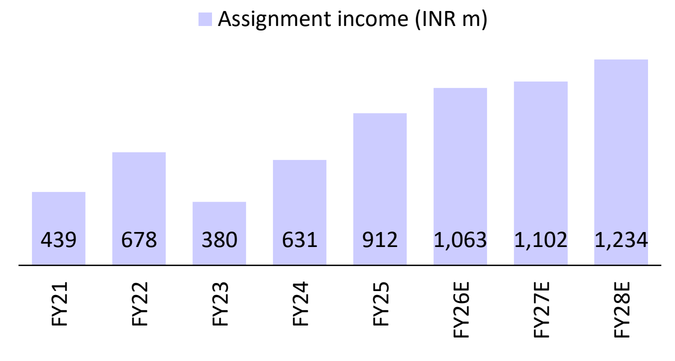
Source: MOFSL, Company

Exhibit 11: Off-balance sheet portfolio to post ~24% CAGR over FY26-28E



Source: MOFSL, Company

Exhibit 12: Assignment income expected to touch ~INR1.2b by FY28E

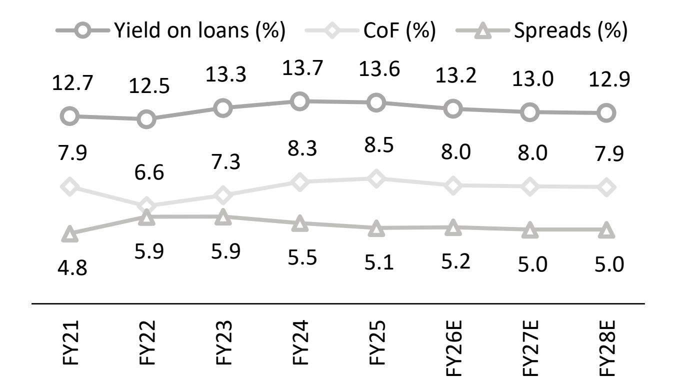


Source: MOFSL, Company

Disciplined pricing and funding drive resilient margin profile

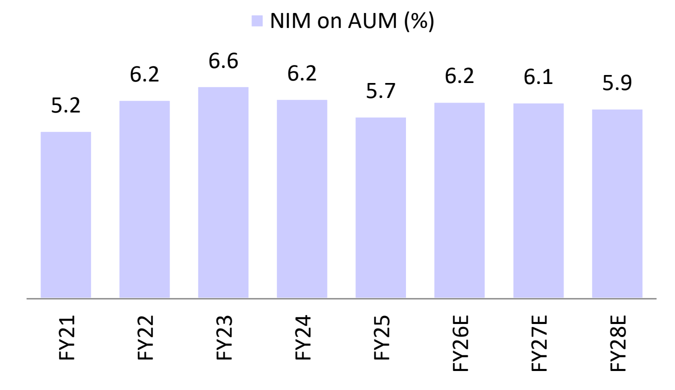
- HOMEFIRST maintains a disciplined pricing approach, selectively passing on rate movements while protecting spreads, supported by a largely floating-rate book that enables rapid repricing across rate cycles and provides structural margin resilience.
- Margins are also underpinned by the company's focus on granular, high-yield affordable housing loans, where smaller ticket sizes enable effective risk-based pricing and sustain yields above traditional mortgage players.
- On the liability side, a diversified funding profile across banks (private banks ~23%, PSU banks ~34%), NHB refinance (~15%), and off-balance-sheet mechanisms such as direct assignment (~16%) and co-lending (~5%) provides both flexibility and cost efficiency. The improving mix, particularly the increasing share of bank borrowings led by public sector banks (~34% as of Dec'25), has enhanced funding access and pricing advantages, further supporting cost control as the balance sheet scales.
- Owing to these factors, HOMEFIRST continues to demonstrate stable and resilient margins, with yields at ~13.3% and CoF at ~8.1%, resulting in spreads of ~5.2%, broadly in line with the guided range of 5.0-5.2%. NIMs expanded sequentially, driven by lower borrowing costs and an improving liability mix, with ~40-50bp benefit from earlier rate cuts flowing through via policy transmission. We expect HOMEFIRST to deliver NIMs of 6.1%/5.9% in FY27/28E.

Exhibit 13: Spreads to remain stable at ~5% over FY27-28E



Source: MOFSL, Company

Exhibit 14: NIMs are expected to touch ~5.9% by FY28E

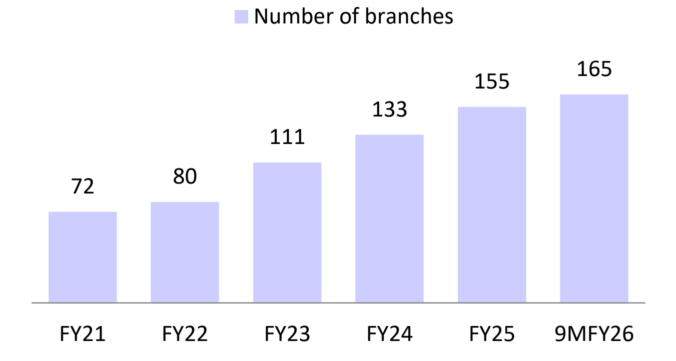


Source: MOFSL, Company

Calibrated expansion and tech enablement to drive operating leverage

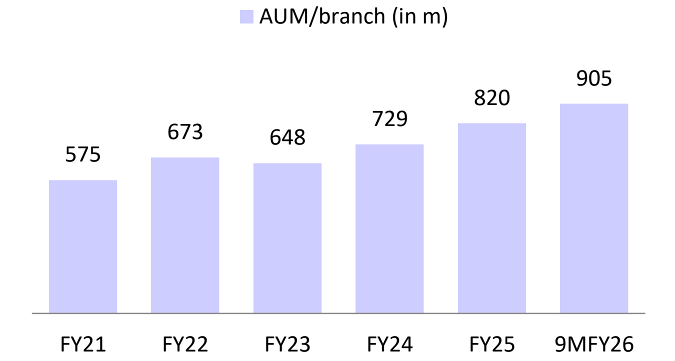
- HOMEFIRST continues to demonstrate strong operational execution, supported by a steady and disciplined expansion of its distribution network. The company added two branches in 3QFY26 (one each in Karnataka and MP), with ~6-8 additional branches planned in 4Q and ~25-30 branches targeted in FY27.
- Expansion is being undertaken in a calibrated manner across both core and emerging markets, with selective focus on newer regions such as MP, AP, TN, Maharashtra, which are expected to become meaningful contributors over the medium term as penetration deepens.
- This growth is complemented by a technology-led operating model, with a centralized underwriting framework driven by data science, alternative data inputs, and API-based verification. This has materially enhanced efficiency, enabling a significant share of loan approvals (~90%) within 48 hours while ensuring underwriting consistency across geographies.
- Operating expenses remain aligned with ongoing investments in distribution and talent, particularly in newer markets, but remain well controlled relative to growth given the calibrated expansion strategy. As branch productivity improves and scale builds, the company is expected to deliver operating leverage over the medium term, supporting earnings growth without a commensurate rise in costs. We expect the CI ratio for HOMEFIRST to remain ~33% for FY27/28E.

Exhibit 15: No. of branches expected to improve gradually



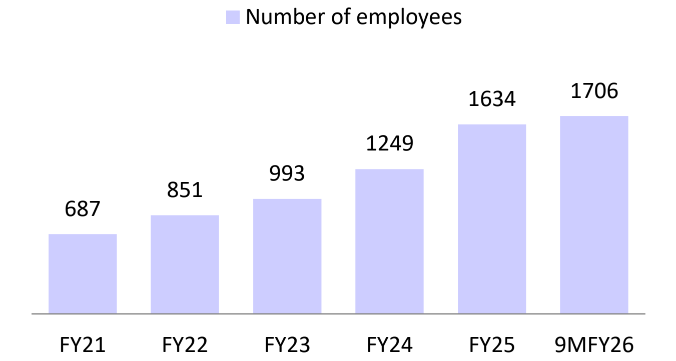
Source: MOFSL, Company

Exhibit 16: AUM/Branch set to increase going forward (in m)



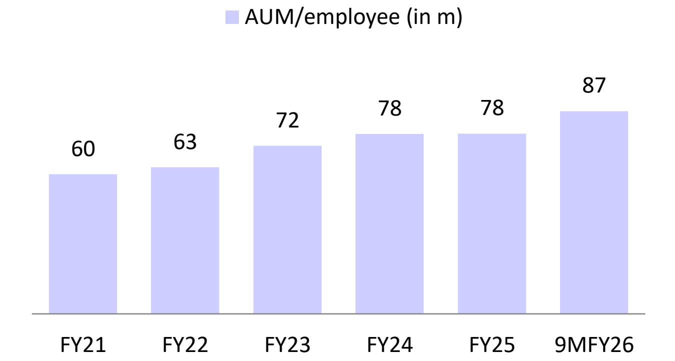
Source: MOFSL, Company

Exhibit 17: Number of employees



Source: MOFSL, Company

Exhibit 18: AUM/ employee (in m)



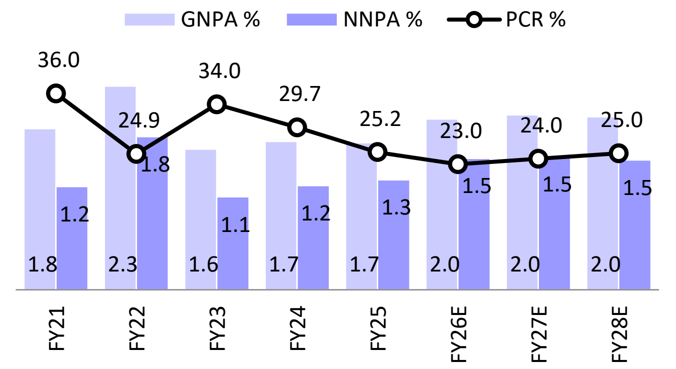
Source: MOFSL, Company

Stabilizing asset quality with contained credit costs

- Asset quality trends indicate a clear phase of stabilization, with early delinquency indicators improving sequentially despite some lagged impact on headline metrics. 1+ DPD has declined ~20bp QoQ to ~5.3%, while bounce rates have seen a marginal uptick of ~20bp, but remain largely behavioural in nature, as customers continue to service obligations through alternate channels, limiting incremental credit risk.

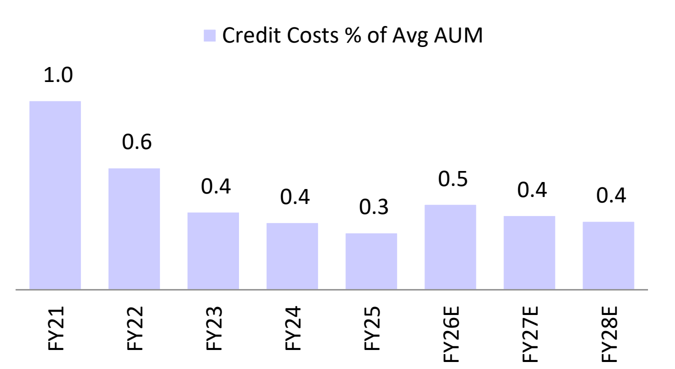
- The earlier asset quality pressure, driven by localized disruptions, MFI spill-overs, and tariff-related stress in select pockets, is now gradually easing, with recovery trends visible across key markets. Stress remains largely contained within specific geographies, including Tamil Nadu, where normalization is expected to play out over the coming quarters. Management expects Stage 3 to peak out and begin improving from 4QFY26 onwards, supported by improving early bucket performance, stronger collections, and geographic normalization.
- Importantly, the portfolio continues to demonstrate structural resilience, supported by a historically stable secured lending book, with gross NPAs broadly ranging around ~1.7-2.0% over recent periods, reflecting disciplined underwriting and a granular borrower profile. This is further reinforced by a technology-led collections framework, which enables early identification of stress and targeted recovery actions through centralized monitoring systems and digital repayment channels, thereby improving collection efficiency.
- We expect credit costs to remain contained at ~40bp/35bp for FY27E/FY28E, with a gradual normalization trajectory as asset quality stabilizes.

Exhibit 19: Asset quality to remain stable over FY26-28E



Source: MOFSL, Company

Exhibit 20: Credit costs to improve marginally in FY27E

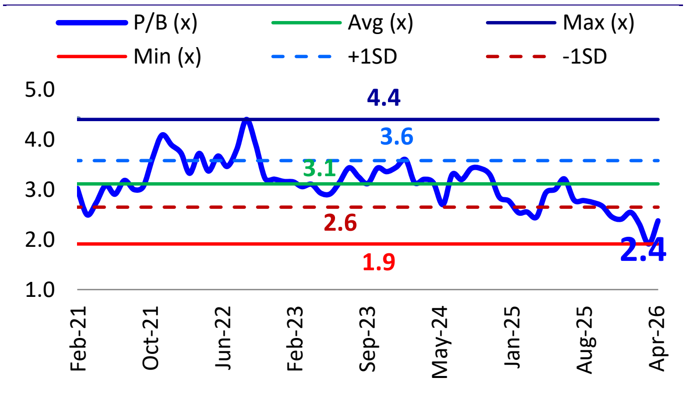


Source: MOFSL, Company

Valuation and View

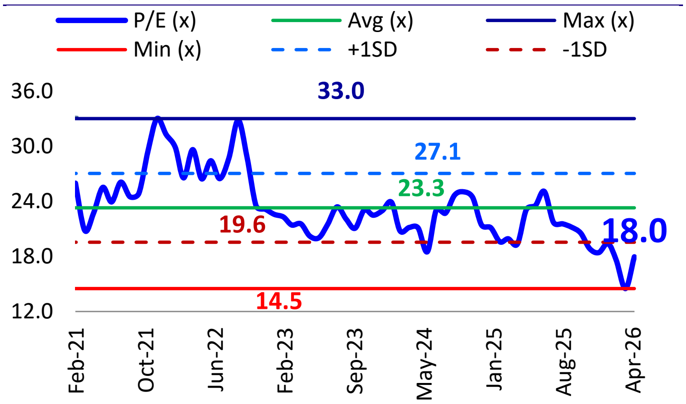
- As growth rates recover gradually, HOMEFIRST is well-positioned to be a key beneficiary of this uptrend, supported by its focused business model and execution capabilities.
- We estimate the company to deliver ~23% AUM CAGR over FY26-FY28E, along with stable NIM (as a percentage of average AUM) of 6.1%/5.9% in FY27/FY28E. Accordingly, we recommend a BUY rating on the stock with a TP of INR1,350, premised on 2.5x FY28E P/BV.

Exhibit 21: One-year forward P/B



Source: MOFSL, Company

Exhibit 22: One-year forward P/E



Source: MOFSL, Company

Financials and Valuation

Income statement									(INR M)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	3,548	4,237	5,117	7,222	10,277	13,540	16,816	20,207	24,547
Interest Expenses	1,938	2,202	2,157	3,043	4,999	7,153	8,014	9,321	11,539
Net Interest Income	**1,610**	**2,035**	**2,960**	**4,179**	**5,278**	**6,388**	**8,802**	**10,886**	**13,008**
Change (%)	52.6	26.4	45.4	41.2	26.3	21.0	37.8	23.7	19.5
Gain on Direct assignment	371	439	678	380	631	912	1,063	1,102	1,234
Fee and Commissions	38	35	13	104	99	453	847	909	1,010
Other Income	239	180	148	249	558	486	599	596	672
Total Income (net of interest expenses)	**2,258**	**2,690**	**3,800**	**4,913**	**6,567**	**8,239**	**11,311**	**13,492**	**15,925**
Change (%)	56.3	19.1	41.3	29.3	33.7	25.5	37.3	19.3	18.0
Employee Expenses	611	661	808	1,070	1,483	1,944	2,466	2,967	3,519
Depreciation	72	76	75	91	117	155	191	231	277
Other Operating Expenses	337	291	379	585	712	836	987	1,253	1,525
Operating Expenses	**1,020**	**1,028**	**1,262**	**1,746**	**2,313**	**2,936**	**3,644**	**4,451**	**5,322**
PPoP	**1,238**	**1,662**	**2,538**	**3,167**	**4,254**	**5,304**	**7,667**	**9,042**	**10,603**
Change (%)	70.6	34.2	52.7	24.8	34.3	24.7	44.6	17.9	17.3
Provisions/write offs	165	322	250	215	254	288	545	588	670
PBT	**1,073**	**1,340**	**2,288**	**2,952**	**4,000**	**5,016**	**7,121**	**8,453**	**9,933**
Tax	278	339	402	669	942	1,195	1,709	2,029	2,384
Tax Rate (%)	25.9	25.3	17.6	22.7	23.6	23.8	24.0	24.0	24.0
PAT	**796**	**1,001**	**1,886**	**2,283**	**3,057**	**3,821**	**5,412**	**6,424**	**7,549**
Change (%)	74	26	88	21	34	25	42	19	18

Balance sheet									
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Capital	157	175	175	176	177	180	206	206	206
Reserves & Surplus	9,178	13,631	15,562	17,997	21,038	25,033	42,538	48,498	55,583
Net Worth	**9,334**	**13,805**	**15,737**	**18,173**	**21,215**	**25,213**	**42,744**	**48,705**	**55,789**
Borrowings	**24,938**	**30,537**	**34,668**	**48,135**	**73,021**	**95,507**	**1,04,584**	**1,29,913**	**1,62,204**
Change (%)	29.5	22.5	13.5	38.8	51.7	30.8	9.5	24.2	24.9
Other liabilities	530	759	764	1,062	1,104	1,397	1,606	1,847	2,125
Total Liabilities	**34,802**	**45,102**	**51,169**	**67,370**	**95,340**	**1,22,117**	**1,48,935**	**1,80,465**	**2,20,118**
E: MOFSL Estimates									
Loans	**30,139**	**33,265**	**43,049**	**59,957**	**81,434**	**1,06,487**	**1,32,217**	**1,63,413**	**2,00,748**
Change (%)	41.2	10.4	29.4	39.3	35.8	30.8	24.2	23.6	22.8
Investments	**1,456**	**3,750**	**0**	**2,808**	**3,788**	**3,602**	**3,062**	**3,368**	**3,705**
Change (%)	41.4	157.6	-100.0		34.9	-4.9	-15.0	10.0	10.0
Fixed Assets	210	167	202	257	302	461	530	610	701
Cash and cash equivalents	2,221	6,799	6,678	2,984	8,215	9,382	10,723	10,432	12,057
Other assets	777	1,121	1,239	1,364	1,600	2,184	2,402	2,642	2,907
Total Assets	**34,802**	**45,102**	**51,169**	**67,370**	**95,340**	**1,22,117**	**1,48,935**	**1,80,465**	**2,20,118**

E: MOFSL Estimates

Financials and Valuation

AUM and Disbursements (in INR m)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
AUM	36,184	41,411	53,800	71,980	96,978	1,27,127	1,58,565	1,96,290	2,41,172
On-book Loans	30,407	33,718	43,515	60,521	82,126	1,07,308	1,33,353	1,64,883	2,02,584
Off-book Loans	5,777	7,693	10,285	11,459	14,852	19,819	25,212	31,406	38,588
Disbursements	16,183	10,966	20,304	30,127	39,632	48,052	53,934	64,898	77,707

Ratios

Growth %	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
AUM	48.1	14.4	29.9	33.8	34.7	31.1	24.73	23.8	22.9
Disbursements	2.9	-32.2	85.2	48.4	31.6	21.2	12.2	20.3	19.7
Loan book (on balance sheet)	41.6	10.9	29.1	39.1	35.7	30.7	24.3	23.6	22.9
Total Assets	40.2	29.6	13.5	31.7	41.5	28.1	22.0	21.2	22.0
NII	52.6	26.4	45.4	41.2	26.3	21.0	37.8	23.7	19.5
PPOP	70.6	34.2	52.7	24.8	34.3	24.7	44.6	17.9	17.3
PAT	74.0	25.8	88.4	21.1	33.9	25.0	41.7	18.7	17.5
EPS	40.7	12.7	87.9	20.5	33.2	22.8	23.6	18.7	17.5
Spreads and margin (%)									
Avg yield on loans	13.3	12.7	12.5	13.3	13.7	13.6	13.2	13.0	12.9
Avg. cost of funds	8.8	7.9	6.6	7.3	8.3	8.5	8.0	8.0	7.9
Interest Spread	4.5	4.8	5.9	5.9	5.5	5.1	5.2	5.0	5.0
NIM on AUM	5.3	5.2	6.2	6.6	6.2	5.7	6.2	6.1	5.9
Capital Structure & Profitability Ratios (%)	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Debt-Equity ratio	2.7	2.2	2.2	2.6	3.4	3.8	2.4	2.7	2.9
CAR	49.0	56.2	58.6	49.4	39.5	33.2	48.2	45.3	42.6
Tier-I	47.7	55.2	58.1	48.9	39.1	32.8	47.8	45.0	42.2
Leverage	3.7	3.3	3.3	3.7	4.5	4.8	3.5	3.7	3.9
RoAA	2.7	2.5	3.9	3.9	3.8	3.5	4.0	3.9	3.8
RoAE	10.9	8.7	12.8	13.5	15.5	16.5	15.9	14.1	14.4
ROAAUM	2.6	2.6	4.0	3.6	3.6	3.4	3.8	3.6	3.5
Int. Expended/Int.Earned	54.6	52.0	42.1	42.1	48.6	52.8	47.7	46.1	47.0
Other Inc./Net Income	10.6	6.7	3.9	5.1	8.5	5.9	5.3	4.4	4.2
Cost/Productivity Ratios (%)									
Cost/Income	45.2	38.2	33.2	35.5	35.2	35.6	32.2	33.0	33.4
Op. Exps./Avg Assets	3.4	2.6	2.6	2.9	2.8	2.7	2.7	2.7	2.7
Op. Exps./Avg AUM	3.4	2.6	2.7	2.8	2.7	2.6	2.6	2.5	2.4
Non-interest income as % of Total income	10.6	6.7	3.9	5.1	8.5	5.9	5.3	4.4	4.2
AUM/employee (INR m)	52	60	63	72	78	78	89	100	114
AUM/ branch (INR m)	532	575	673	648	729	820	906	1,017	1,154
Empl. Cost/Op. Exps. (%)	60	64	64	61	64	66	68	67	66
Asset Quality (INR m)									
Gross NPA	315	622	1,015	974	1,393	1,808	2,608	3,301	4,010
GNPA %	1.0	1.8	2.3	1.6	1.7	1.7	2.0	2.0	2.0
Net NPA	234	398	763	643	979	1,353	2,008	2,508	3,007
NNPA %	0.8	1.2	1.8	1.1	1.2	1.3	1.5	1.5	1.5
PCR %	25.8	36.0	24.9	34.0	29.7	25.2	23.0	24.0	25.0
Credit cost % of avg loans (bps)	64	100	65	41	36	30	45	39	36
Valuation									
No.of Shares (m)	**78.3**	**87.4**	**87.6**	**88.0**	**88.5**	**90.1**	**103.2**	**103.2**	**103.2**
EPS	10.2	11.5	21.5	25.9	34.5	42.4	52.5	62.3	73.2
P/E (x)	**110.5**	**98.1**	**52.2**	**43.3**	**32.5**	**26.5**	**21.4**	**18.0**	**15.3**
BV (INR)	119	158	180	206	240	280	414	472	541
Price-BV (x)	**9.4**	**7.1**	**6.3**	**5.4**	**4.7**	**4.0**	**2.7**	**2.4**	**2.1**
Adjusted BV (INR)	117	155	173	201	231	269	400	454	519
Price-ABV (x)	**9.8**	**7.4**	**6.6**	**5.7**	**5.0**	**4.3**	**2.9**	**2.5**	**2.2**
DPS (INR)	0.0	0.0	0.0	2.6	3.4	3.7	4.0	4.5	4.5
Dividend yield (%)	**0.0**	**0.0**	**0.0**	**0.2**	**0.3**	**0.3**	**0.4**	**0.4**	**0.4**

E: MOFSL Estimates

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