

IIFL Finance

Estimate changes



TP change



Rating change



Bloomberg	IIFL IN
Equity Shares (m)	425
M.Cap.(INRb)/(USDb)	190.1 / 2
52-Week Range (INR)	675 / 337
1, 6, 12 Rel. Per (%)	-6/-7/23
12M Avg Val (INR M)	1021

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
NII	60.4	78.5	97.5
Total Income	76.6	97.0	118.3
PPoP	41.5	51.5	64.0
PAT (pre-NCI)	18.2	24.2	32.8
PAT (post-NCI)	16.6	22.4	30.8
EPS (INR)	39.1	52.6	72.3
EPS Gr. (%)	338	35	37
BV (INR)	327	376	442

Ratios (%)

NIM	6.5	6.5	6.7
C/I ratio	45.8	46.9	45.9
Credit cost	2.8	2.4	2.2
RoA	2.3	2.4	2.7
RoE	12.6	15.0	17.7

Valuations

P/E (x)	11.4	8.5	6.2
P/BV (x)	1.4	1.2	1.0

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	24.9	24.9	24.9
DII	7.1	9.2	5.5
FII	28.2	27.8	28.0
Others	39.9	38.2	41.5

FII includes depository receipts

CMP: INR447

TP: INR600 (+34%)

Buy

Healthy quarter; off-book strategy gaining traction

Strong gold loan growth; sequential improvement in asset quality

- IIFL Finance (IIFL)'s NII in 4QFY26 grew 31% YoY to ~INR17.2b (inline). Other income stood at ~INR3.7b (14% miss) compared to INR4.1b in 3QFY26. This included assignment income of ~INR2.1b (PQ: INR2.8b).
- Net total income (NTI) in 4QFY26 grew ~50% YoY to ~INR20.9b (in line). Opex grew ~26% YoY to INR9.3b (in line) with the cost-income ratio declining to ~45% (PQ: 47% and PY: 53%). PPop stood at INR11.6b and grew ~76% YoY (inline). PAT (post NCI) in 4QFY26 stood at INR5.9b (~10% beat). FY26 PAT (post-NCI) stood at INR16.6b (vs. INR3.8b in FY25).
- Calculated NIM contracted ~5bp QoQ to 6.7%. Credit costs stood at INR3.3b (~12% lower than MOSLe). This translated into annualized credit costs of ~1.9% (PQ: ~2.6% and PY: ~2.7%).
- Management indicated that income tax assessment orders for group entities have begun to come through, with the order for IIFL Finance expected over the next few days. The company does not anticipate any material adverse financial impact from these proceedings and maintains that there was no tax liability or evasion, and any adverse tax demand will be appropriately challenged by the company through the appellate forum.
- We raise our FY27 EPS by ~6% to factor in higher other income due to assignments/co-lending and slightly higher AUM growth. **We have a BUY rating on the stock with a TP of INR600 (based on Mar'28E SoTP).**

Consol. AUM rises ~38% YoY; strong 21% QoQ growth in gold loans

- Consol. AUM grew 38% YoY and ~10% QoQ to INR1.08t. On-book loans grew ~28% YoY. Off-book formed ~35% of the AUM mix.
- Sequential growth in AUM was primarily led by Gold loans (up 21% QoQ), which stood at INR526b, and MFI (up ~9% QoQ). Home loans grew just ~1% QoQ, while discontinued business AUM declined to INR26b (PQ: INR31b).
- Management highlighted that the business is now anchored around three core pillars: secured lending (primarily gold loans and mortgages) as the backbone of the portfolio; capital-efficient growth driven through co-lending and off-book partnerships with banks; and an AI-led operating model focused on enhancing productivity and strengthening risk control.
- The company shared that momentum in the gold loans has remained strong, with expectations of 20–25% gold loan growth, contingent on gold prices sustaining at current levels.
- Additionally, the housing business is at an inflection point, supported by a cleaner portfolio mix, with the company guiding for ~18-20% AUM growth and ~25-27% disbursement growth in this segment. We estimate gold loans/consolidated AUM to grow ~28%/~22% YoY in FY27 and a consolidated AUM CAGR of ~21% over FY26-28E.

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GS3 declines ~15bp QoQ; sequential moderation in credit costs

- GS3 declined ~15bp QoQ to ~1.45%, while NS3 declined ~7bp QoQ to ~0.73%. PCR declined ~3pp QoQ to ~50.3%.
- Management shared that the company has consciously scaled down high-risk segments and strengthened its balance sheet, indicating a shift towards stable and controlled growth. The company expects credit costs to meaningfully decline in FY27 and has guided for credit costs of 1.5-1.7%. We model credit costs of 2.4%/2.2% for FY27/FY28 (vs. 2.8% in FY26).
- IIFL (Standalone) CRAR stood at ~17.8% as of Mar'26.

Highlights from the management commentary

- The company has fully complied with the revised gold loan guidelines, particularly for loans above INR250k, where detailed credit assessment and ongoing monitoring are mandated. It has implemented robust systems to conduct comprehensive credit evaluation for such loans.
- The MFI segment is showing improved collection efficiency and stabilizing asset quality, though growth remains calibrated with a focus on asset quality and stability.

Valuation and view

- IIFL reported a healthy quarter, driven by strong momentum in the gold loan segment amid robust demand and supportive gold prices, while the MFI business showed recovery with an improving growth trajectory alongside better asset quality. Asset quality improved across all segments, including MFI, and the company's exit from riskier segments such as micro-LAP and personal loans led to a sequential decline in credit costs.
- We raise our FY27 EPS by ~6% to factor in higher other income from assignments and co-lending and slightly higher AUM growth. The stock trades at 1.2x FY27E P/BV and ~8x P/E for an estimated RoA/RoE of 2.7%/18% in FY28.

We have a BUY rating on the stock with a TP of INR600 (based on SoTP valuation; refer to the table below).

IIFL: SoTP – Mar'28

Particulars	Stake	Value (INR b)	Value (USD b)	INR per share	% To Total	Target Multiple(x)	Basis
IIFL Finance (Standalone)	100	147	1.7	347	58	1.5	PBV
IIFL Home Finance (HFC)	80	82	1.0	193	32	1.3	PBV
IIFL Samasta Finance (MFI)	100	25	0.3	60	10	0.9	PBV
Target Value		255	3.0	600	100		

IIFL Finance (Consolidated): Quarterly Performance

(INR M)

Y/E March	FY25				FY26				FY25	FY26	4QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	24,721	23,181	22,308	24,833	25,835	28,209	30,193	33,300	95,043	1,17,537	32,658	2
Interest Expenses	10,340	9,788	9,957	11,694	12,888	13,819	14,370	16,096	41,695	57,174	16,027	0
Net Interest Income	14,381	13,394	12,352	13,139	12,947	14,390	15,822	17,204	53,348	60,364	16,630	3
YoY Growth (%)	9.7	-6.0	-21.6	-20.2	-10.0	7.4	28.1	30.9	-10.4	13.2	26.6	
Other Income	-43	2,467	1,051	810	3,758	4,882	4,135	3,696	4,202	16,201	4,277	-14
Total Income	14,338	15,861	13,402	13,949	16,705	19,272	19,958	20,900	57,550	76,565	20,907	0
YoY Growth (%)	-1	-2	-21	-10	17	22	49	50	-8.5	33.0	49.9	
Operating Expenses	7,461	7,329	7,478	7,367	8,017	8,702	9,332	9,317	29,634	35,097	9,574	-3
Operating Profit	6,878	8,531	5,925	6,582	8,688	10,570	10,626	11,584	27,916	41,468	11,333	2
YoY Growth (%)	-14.9	-8.9	-38.2	-16.6	26.3	23.9	79.3	76.0	-19.9	48.5	72.2	
Provisions & Loan Losses	2,516	4,063	4,914	3,487	5,125	5,003	3,997	3,257	14,980	17,382	3,714	-12
Profit before Tax	4,362	4,468	1,011	3,095	3,563	5,567	6,629	8,327	7,070	24,086	7,619	9
Exceptional items		-5,865				0						
Tax Provisions	980	-466	193	581	821	1,388	1,616	2,094	1,289	5,919	1,925	9
PAT (Pre NCI)	3,382	-931	818	2,514	2,742	4,179	5,014	6,233	5,782	18,167	5,694	9
NCI	501	646	410	437	408	416	371	364	1,994	1,559	355	3
PAT (Post NCI)	2,881	-1,577	408	2,077	2,334	3,763	4,643	5,868	3,788	16,608	5,339	10
YoY Growth (%)	-32	-133	-92	-44	-19	-339	1,038	183	-79	338	157	
Key Parameters (%)												
Yield on AUM	13.3	13.6	12.9	13.27	12.7	13.0	12.8	12.90				
Cost of funds	9.5	9.7	9.5	9.74	9.8	9.9	9.7	10.01				
Spread	3.8	3.9	3.4	3.5	3.0	3.1	3.1	2.9				
NIM (on AUM)	7.7	7.8	7.1	7.0	6.4	6.6	6.7	6.7				
Credit cost	2.09	3.61	4.17	2.67	3.65	3.42	2.59	1.95				
Cost to Income Ratio (%)	52.0	46.2	55.8	52.8	48.0	45.2	46.8	44.6				
Tax Rate (%)	22.5	-10.4	19.1	18.8	23.1	24.9	24.4	25.1				
Balance Sheet Parameters	-11.8	-3.8										
Consol. AUM (INR B)	696	670	714	783	839	901	983	1,082				
Change YoY (%)	2	-8	-8	-1	21	35	38	38				
Disbursements - Core (INR B)	43	73	176	197	191	235	308	321				
Change YoY (%)	-71	-54	6	21	345	223	75	63				
Borrowings (INR B)	414	391	451	509	545	574	606	680				
Change YoY (%)	8	-3	5	11	32	47	34	33				
Borrowings/AUM (%)	59.5	58.4	63.2	65.0	65.0	63.7	61.7	62.9				
Debt/Equity (x)	3.4	3.3	3.7	4.1	4.3	4.5	4.6	5.0				
Asset Quality (%)												
GS 3 (INR M)	10,231	10,687	12,028	12,253	13,170	12,534	10,206	10,514				
G3 %	2.25	2.40	2.42	2.23	2.34	2.14	1.60	1.45				
NS 3 (INR M)	4,982	4,756	4,956	5,685	6,295	5,916	4,776	5,225				
NS3 %	1.1	1.1	1.0	1.05	1.1	1.0	0.8	0.73				
PCR (%)	51.3	55.5	58.8	53.6	52.3	52.8	53.2	50.3				
ECL (%)	2.9	3.2	2.8	2.2	2.1	1.9	1.5	1.4				
Return Ratios - YTD (%)												
ROA (Rep)	2.3	0.8	0.8	0.9	1.6	1.9	2.1	2.4				
ROE (Rep)	10.3	2.3	2.0	3.4	7.6	9.8	11.3	13.1				

E: MOFSL Estimates



Key highlights from the management commentary

Guidance

- The gold loan segment is expected to grow at ~20-25%, subject to stable gold prices.
- Housing finance segment expected to deliver ~18-20% AUM growth and ~25-27% disbursement growth.
- Credit costs guided at 1.5-1.7% for the next year, with a meaningful decline from current elevated levels.
- RoA expected at 3-3.5%, driven by lower credit costs and improved operating efficiency.
- Off-book portfolio targeted to increase to ~40%, supporting capital efficiency and growth.

Opening remarks and strategy

- The company has consciously scaled down high-risk segments and strengthened its balance sheet, indicating a shift towards stability and controlled growth.
- The business is now anchored on three core pillars:
- Secured lending (primarily gold loans and mortgages) forms the backbone of the portfolio
- Capital-efficient growth through co-lending and off-book partnerships with banks
- AI-led operating model aimed at improving productivity and tightening risk control
- Early outcomes of this strategy are visible, with AI investments translating into better productivity, improved operating efficiency, and lower credit costs.
- The last few quarters were focused on rebuilding the franchise, and the company is now transitioning towards a more sustainable growth trajectory.

Business performance

- Consolidated AUM crossed the INR1t milestone, reflecting scale-up in core businesses.
- AUM grew 38% YoY and 10% QoQ, largely driven by gold loans, which saw 21% QoQ growth supported by strong tonnage expansion.
- Core product AUM grew 45% YoY and 11% QoQ, indicating strong traction in focus segments.
- Gold loans remain the primary growth engine, delivering robust growth with stable yields.
- The MFI segment is showing improved collection efficiency and stabilizing asset quality, though growth remains calibrated with a focus on asset quality and stability.
- The company continues to remain cautious on the MSME and MFI segments despite visible recovery trends.

Co-lending and off-book

- Assigned loan book grew sharply to INR237b, up 85% YoY, reflecting increasing off-book traction.
- Co-lending book grew 36% YoY and 9% QoQ, with smooth implementation of the revised co-lending model with partner banks.
- Off-book portfolio stands at ~34-35%, with a target to increase this to ~40% over time, supporting capital-efficient growth.

- Cost of borrowings declined by 25 bps QoQ to 9.16%, with further reduction expected contingent on credit rating improvement.

Housing finance business

- Profitability in the housing business was impacted due to stress in the legacy micro-LAP portfolio, though this segment has now been exited. The business is at an inflection point, with expectations of an improved trajectory driven by a cleaner portfolio mix. Provisioning remains strong, and the balance sheet is well-positioned to absorb stress.
- The company is repositioning its housing finance strategy towards affordable and emerging segments, while scaling down exposure to prime/luxury housing.
- Focus is shifting towards higher-yielding segments, including LAP within the housing ecosystem.
- Current mix: ~80% home loans, ~18% LAP, ~2% construction finance, with LAP expected to increase.
- Micro-LAP has been discontinued due to past stress.
- Branch expansion is planned (100 branches in affordable housing) to support growth.
- After a period of muted growth (post equity raise), the company is targeting acceleration in disbursements and AUM.
- A potential IPO is being evaluated for the housing finance subsidiary, driven by private equity investor exit requirements.

MFI segment

- The company aims to return to FY24 AUM levels by FY27 in the MFI business.
- Growth strategy is focused on existing customers and geographies, ensuring better control over asset quality.
- Collection efficiency is improving, and asset quality is stabilizing.
- The company will focus on the MFI segment and micro-LAP segment in IIFL Samasta in FY27

Gold loans guidelines

- The company has fully complied with the revised gold loan guidelines, particularly for loans above INR250k, where detailed credit assessment and ongoing monitoring are mandated.
- It has implemented robust systems to conduct comprehensive credit evaluation for such loans.
- A majority of loans above INR250k are extended for MSME purposes and are accordingly classified as income-assessed loans.

Special IT Audit

- Income tax assessment orders for group entities have started coming in, with the company expecting the order for IIFL Finance in the next few days.
- Management maintains that there is no tax liability or evasion; any adverse order will be contested through appeals.
- The company does not expect any material adverse financial impact from these proceedings.

Capital allocation

- Strategy remains focused on growing co-lending and off-book exposure to optimize capital usage.

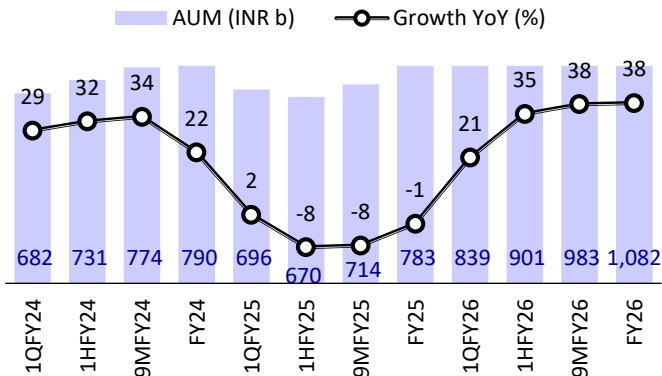
- Equity raise will be considered at an appropriate time, depending on growth requirements.
- Potential demerger of businesses is under consideration, especially in the context of the housing finance IPO and investor exit.

Competitive dynamics

- Affordable housing remains a large and underpenetrated opportunity, with limited strong competitors (~7–8 active players).
- Growth in affordable housing is structurally higher than in prime housing.
- Customer retention challenges in affordable housing are improving, aided by interest subsidy schemes.
- Competitive intensity remains manageable, especially in target segments like affordable and emerging housing.

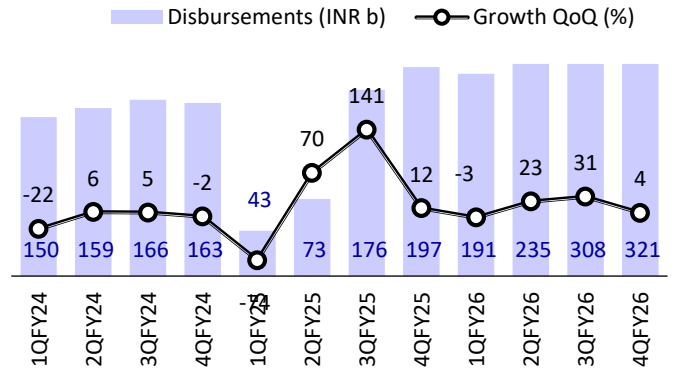
Key exhibits

Exhibit 1: Consol. AUM grew ~38% YoY



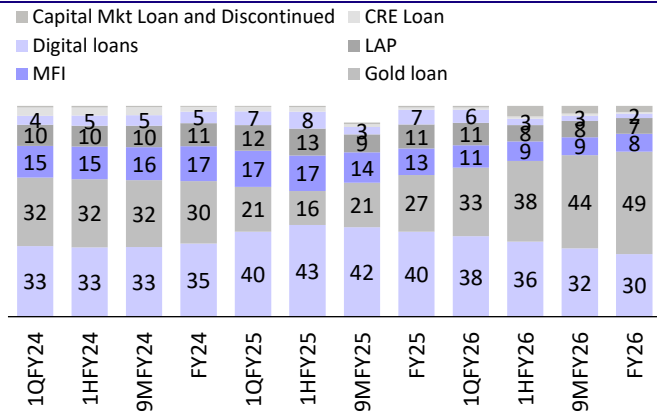
Source: MOFSL, Company

Exhibit 2: Disbursements grew ~4% QoQ



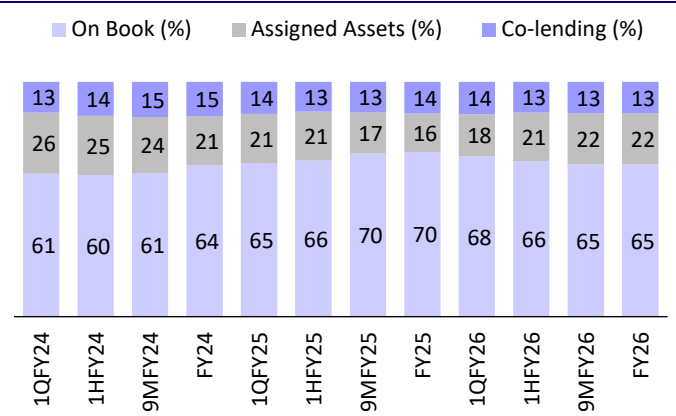
Source: MOFSL, Company

Exhibit 3: Share of gold loans continued to rise (%)



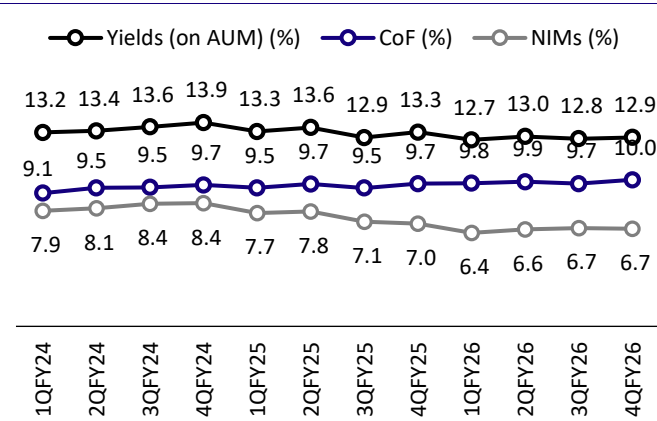
Source: MOFSL, Company

Exhibit 4: Off-book loans formed 35% of the AUM mix (%)



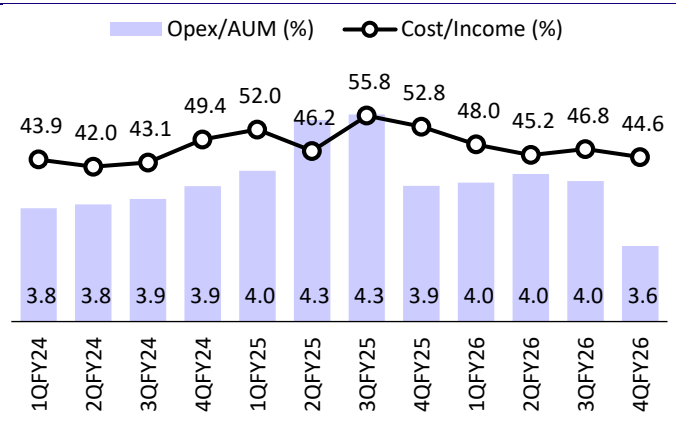
Source: MOFSL, Company

Exhibit 5: Yields rose ~10bp QoQ (%)

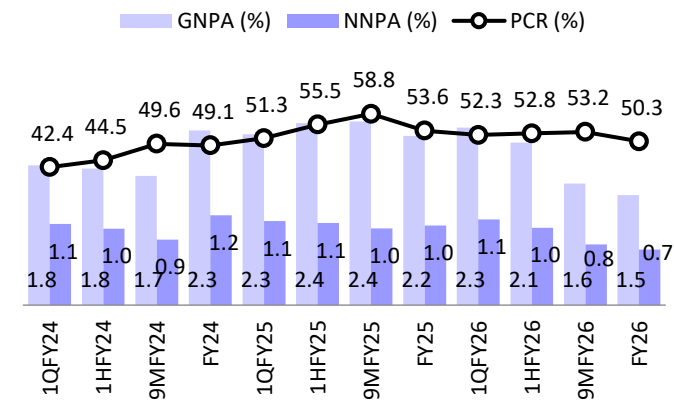


Source: MOFSL, Company

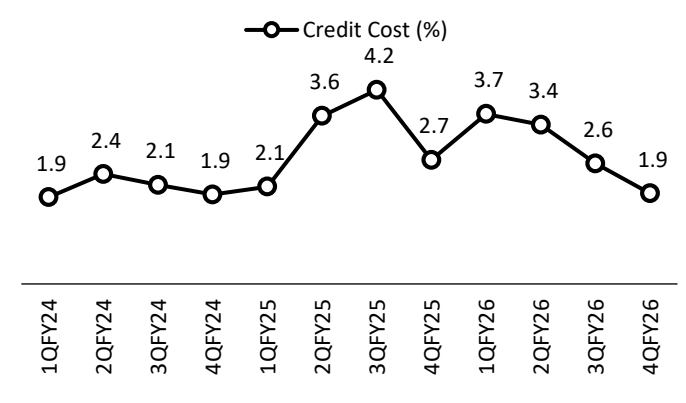
Exhibit 6: Cost/Income ratio declined to 44.6%



Source: MOFSL, Company

Exhibit 7: GS3/NS3 declined ~15bp/7bp QoQ


Source: MOFSL, Company

Exhibit 8: Credit costs declined to ~1.9%


Source: MOFSL, Company

Exhibit 9: We raise our FY27/FY28 EPS by ~6%/13% to factor in higher other income and slightly higher AUM growth

INR M	Old Est.		New Est.		% change	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	76,429	92,843	78,487	97,491	2.7	5.0
Other Income	16,864	18,927	18,473	20,813	9.5	10.0
Total Income	93,292	1,11,770	96,960	1,18,303	3.9	5.8
Operating Expenses	43,939	51,973	45,445	54,276	3.4	4.4
Operating Profits	49,353	59,797	51,515	64,027	4.4	7.1
Provisions	19,107	21,938	19,682	22,517	3.0	2.6
PBT	30,246	37,859	31,833	41,510	5.2	9.6
Exceptional items	-	-	-	-	-	-
Tax	7,272	8,520	7,654	8,749	5.2	2.7
PAT (pre-NCI)	22,974	29,339	24,179	32,761	5.2	11.7
NCI	1,800	2,000	1,800	2,000	0.0	0.0
PAT (post-NCI)	21,174	27,339	22,379	30,761	5.7	12.5
AUM	12,84,573	15,41,297	13,17,588	15,75,342	2.6	2.2
Borrowings	8,31,077	10,32,004	8,49,096	10,53,748	2.2	2.1
RoA	2.4	2.5	2.4	2.7	3.6	7.1
RoE	14.3	16.1	15.0	17.7	4.6	9.9

Exhibit 10: Du-Pont (% of avg. assets)

	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	14.4	14.2	14.9	17.0	14.6	15.0	15.1	15.2
Interest Expended	7.0	6.9	6.5	6.7	6.4	7.3	7.1	7.1
NIM	7.5	7.3	8.4	10.3	8.2	7.7	7.9	8.1
Other income	1.5	2.1	2.2	0.6	0.6	2.1	1.9	1.7
Total income	9.0	9.3	10.6	10.9	8.8	9.8	9.8	9.8
Operating cost	3.2	3.7	4.5	4.9	4.6	4.5	4.6	4.5
PPOP	5.8	5.6	6.0	6.0	4.3	5.3	5.2	5.3
Provision	3.1	2.1	1.8	1.6	2.3	2.2	2.0	1.9
PBT	2.7	3.5	4.3	4.5	2.0	3.1	3.2	3.4
Tax	0.7	0.8	1.0	1.0	0.2	0.8	0.8	0.7
ROA (pre-NCI)	2.0	2.7	3.3	3.4	1.8	2.3	2.4	2.7
NCI	0.0	0.0	0.2	0.4	0.3	0.2	0.2	0.2
ROA (post-NCI)	2.0	2.7	3.0	3.1	1.5	2.1	2.3	2.5
Avg. leverage (x)	7.4	7.3	6.4	5.9	5.6	6.0	6.6	6.9
RoE	15.0	20.0	19.4	18.0	8.4	12.6	15.0	17.7

Financials and Valuation

Income Statement								(INR M)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	54,212	61,345	73,693	98,386	95,043	1,17,537	1,48,837	1,83,835
Interest Expenses	26,258	29,910	32,218	38,829	41,695	57,174	70,351	86,344
Net Interest Income	27,954	31,435	41,474	59,557	53,348	60,364	78,487	97,491
Change (%)	26	12	32	44	-10	13	30	24
-NII on on-book	20,934	23,713	30,183	41,538	39,876	43,038	56,771	73,800
-NII on off-book	7,020	7,722	11,291	18,019	13,390	17,325	21,716	23,690
Other Operating Income	4,186	7,202	8,896	931	3,941	15,971	17,590	19,753
Other Income	1,499	1,689	1,883	2,410	262	230	883	1,059
Total Income	33,639	40,326	52,253	62,899	57,550	76,565	96,960	1,18,303
Change (%)	37	20	30	20	-9	33	27	22
Total Operating Expenses	11,904	15,918	22,466	28,067	29,634	35,097	45,445	54,276
Change (%)	-6	34	41	25	6	18	29	19
Employee Expenses	7,231	9,307	13,295	16,849	18,888	21,105	26,234	30,685
Depreciation	1,057	1,217	1,526	1,808	1,886	2,106	2,471	2,825
Other Operating Expenses	3,617	5,394	7,645	9,410	8,861	11,886	16,740	20,766
Operating Profit	21,734	24,408	29,787	34,832	27,916	41,468	51,515	64,027
Change (%)	82	12	22	17	-20	49	24	24
Provisions and write-offs	11,686	9,048	8,661	9,113	14,980	17,382	19,682	22,517
PBT	10,048	15,359	21,125	25,719	12,935	24,086	31,833	41,510
Exceptional Items					-5,865	0	0	0
Tax Provisions	2,440	3,477	5,050	5,977	1,289	5,919	7,654	8,749
Tax Rate (%)	24.3	22.6	23.9	23.2	10.0	24.6	24.0	21.1
PAT (pre-NCI)	7,608	11,882	16,076	19,742	5,782	18,167	24,179	32,761
Change (%)	51	56	35	23	-71	214	33	35
Non-Controlling Interest (NCI)	-7	-4	-1,072	-2,107	-1,994	-1,559	-1,800	-2,000
PAT (post-NCI)	7,601	11,879	15,003	17,635	3,788	16,608	22,379	30,761
Change (%)	51	56	26	18	-79	338	35	37
Balance Sheet								(INR M)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	758	759	761	763	849	851	851	851
Reserves & Surplus	53,177	63,879	89,160	1,05,607	1,23,273	1,38,349	1,59,027	1,87,236
Non-controlling interest		59.0	12,101	14,195	15,428	16,991	18,791	20,791
Net Worth	53,934	64,697	1,02,021	1,20,564	1,39,550	1,56,191	1,78,669	2,08,878
Borrowings	3,22,645	3,57,255	3,96,040	4,66,992	5,10,680	6,91,759	8,49,096	10,53,748
Change (%)	16.4	10.7	10.9	17.9	9.4	35.5	22.7	24.1
Other Liabilities	30,090	37,150	31,951	36,655	26,212	42,641	58,534	67,437
Total Liabilities	4,06,669	4,59,102	5,30,012	6,24,212	6,76,442	8,90,590	10,86,299	13,30,063
Cash and Bank	47,841	81,569	58,390	42,457	41,918	63,735	63,566	75,296
Investments	316	11,922	35,110	40,590	44,380	60,925	59,839	68,118
Loans	3,35,332	3,36,929	4,00,011	5,09,523	5,53,643	7,09,111	9,05,413	11,20,129
Change (%)	17.5	0.5	18.7	27.4	8.7	28.1	27.7	23.7
Fixed Assets	4,102	4,777	5,708	6,569	6,315	6,489	7,626	8,582
Other Assets	19,079	23,908	30,794	25,072	30,187	50,331	49,856	57,937
Total Assets	4,06,669	4,59,104	5,30,013	6,24,212	6,76,442	8,90,590	10,86,299	13,30,063

E: MOFSL Estimates

Financials and Valuation

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
AUM	4,46,891	5,12,097	6,46,376	7,89,599	7,83,413	10,81,790	13,17,588	15,75,342
Change (%)	18	15	26	22	-1	38	22	20
On-book/Off-book Mix (%)								
On-book AUM (%)	75	67	62	64	70	65	68	70
Assignments (%)	25	28	26	21	16	22	20	18
Co-lending (%)	0	6	12	15	14	13	12	12
Total (%)	100	100	100	100	100	100	100	100
Disbursements	2,78,300	3,83,090	5,59,630	6,38,263	4,88,325	10,50,493	12,78,028	15,01,966
Change (%)		38	46	14	-23	115	22	18
Ratios								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Spreads Analysis (%)								
Avg. Yield on Loans	17.5	18.3	20.0	21.6	17.9	18.6	18.4	18.2
Avg Cost of Funds	8.8	8.8	8.6	9.0	8.5	9.5	9.1	9.1
Spread of loans	8.7	9.5	11.4	12.6	9.3	9.1	9.3	9.1
NIM (as % of total AUM)	6.8	6.6	7.2	8.3	6.8	6.5	6.5	6.7
On-book NIM (% of on-book AUM)	6.8	7.0	8.1	9.1	7.5	6.9	7.1	7.4
Profitability Ratios (%)								
RoE	15.0	20.0	19.4	18.0	3.3	12.6	15.0	17.7
RoA	2.0	2.7	3.3	3.4	0.9	2.3	2.4	2.7
Int. Expended / Int.Earned	48.4	48.8	43.7	39.5	43.9	48.6	47.3	47.0
Other Inc. / Net Income	16.9	22.0	20.6	5.3	7.3	21.2	19.1	17.6
Efficiency Ratios (%)								
Op. Exps. / Avg AUM	2.9	3.3	3.9	3.9	3.8	3.8	3.8	3.8
Op. Exps. / Net Income	35	39	43	45	51	46	47	46
Empl. Cost/Op. Exps.	61	58	59	60	64	60	58	57
Asset-Liability Profile (%)								
Debt-Equity Ratio	6.0	5.5	4.4	4.4	4.1	5.0	5.3	5.6
Assets/Equity	7.5	7.1	5.9	5.9	5.4	6.4	6.8	7.1
Asset Quality (%)								
GNPA (INR m)	6,620	10,740	7,380	11,692	12,253	10,514	13,018	13,632
GNPA (%)	2.1	3.2	1.8	2.3	2.2	1.5	1.5	1.2
NNPA (INR m)	2,986	6,218	3,771	5,951	5,685	5,225	6,013	6,428
NNPA (%)	1.0	1.8	1.1	1.2	1.0	0.7	0.7	0.6
PCR (%)	55	42	49	49	54	50	54	53
Credit costs	3.8	2.7	2.4	2.0	2.8	2.8	2.4	2.2
Valuations								
Book Value (INR)	142	170	236	279	292	327	376	442
BV Growth (%)	13	20	39	18	5	12	15	18
P/BV	3.1	2.6	1.9	1.6	1.5	1.4	1.2	1.0
EPS (INR)	20	31	39	46	9	39	53	72
EPS Growth (%)	51	56	26	17	-81	338	35	37
P/E	22.3	14.3	11.3	9.7	50.1	11.4	8.5	6.2
Dividend	3.0	3.5	4.0	4.0	4.0	4.0	6.0	6.0
Dividend yield	0.7	0.8	0.9	0.9	0.9	0.9	1.3	1.3

E: MOFSL Estimates

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