

BAF reported a good quarter in terms of growth, profitability, and credit cost, with PAT of Rs54.6bn (attributable to shareholders), above our estimates and broadly in line with street estimates. This was largely due to lower credit cost at 1.6%, which the management expects will further improve on the back of better trends across the 3MOB, 6MOB, and 9MOB cohorts. The management indicated it is entering FY27 with improving operating momentum, backed by better credit performance, calibrated portfolio actions, and operating efficiency gains. The company has guided for AUM growth of ~22-24%, with PAT growing slightly ahead of AUM, driven by stable margins, improving opex efficiency (25–40bps improvement in opex/net total income (NTI)), and a more benign credit cost environment. Credit cost guidance was revised to 1.45-1.60% from 1.65-1.75% due to presentation change. Factoring in the Q4 performance and management commentary, we adjust our FY27-28 estimates which results in a 4-8% increase in EPS. We reiterate REDUCE while increasing Mar-27E TP by ~6% to Rs950 from Rs900, implying SA FY28E P/B of 4.2x.

#### Good finish to FY26 with improving asset quality

BAF ended FY26 with a strong PAT, asset quality, and credit cost. AUM grew ~22.5% to Rs5.1trn. Credit costs improved significantly, as delinquency and collection trends across the 3MOB, 6MOB, and 9MOB cohorts improved, while asset quality improved sequentially with GS3 down by 21bps QoQ to 1.01%. Additionally, BAF has started netting off recoveries from provisions (earlier recognized in 'other income') which further reduced the credit cost by 10bps QoQ. The company maintains a healthy PCR and has increased coverage on standard assets.

#### Balanced growth with stronger credit outlook

The management expects FY27 AUM growth at ~22-24%, with near-term growth reflecting continued normalization in MSME (reverting to double-digit growth by Q2-Q3) and the ongoing run-down of the captive 2W/3W book (~1% of AUM, disproportionate GNPA/credit cost contribution), while gold loans, tractor finance, and MFI are likely to grow faster than the portfolio. Margin is expected to see slight moderation (contingent on how interest rates evolve), though the mgmt has guided for PAT growth to log slightly above AUM growth supported by operating leverage and ~25-40bps improvement in opex/NTI – opex will be aided by scale benefits and increasing AI-led efficiencies. Credit cost guidance is ~1.45-1.60%, with improving delinquency trends across buckets providing confidence on normalization, while asset quality is expected to be stable (GNPA: <1.4%; NNPA: <0.5%). Overall, BAF expects RoA of ~4.4-4.6% and RoE of ~19-20%, with continued focus on delivering profit growth ahead of AUM growth through a combination of cost discipline, portfolio mix stability, and calibrated risk management.

#### We maintain REDUCE; revise TP upward by >5% to Rs950

Based on the Q4FY26 performance and management commentary, we adjust our FY27-28 estimates which results in EPS increasing 4-9%. We maintain REDUCE while revising up Mar-27E TP by ~6% to Rs950 from Rs900, implying standalone FY28E P/B of ~4.2x.

#### Bajaj Finance: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profits	166,378	190,174	240,867	300,021	359,113
AUM growth (%)	26.0	22.4	22.0	23.0	24.0
NII growth (%)	23.0	21.2	20.0	22.3	22.5
NIMs (%)	9.7	9.5	9.4	9.3	9.3
PPOP growth (%)	25.5	17.5	18.4	22.2	20.4
Adj. EPS (Rs)	26.8	30.6	38.7	48.3	57.8
Adj. EPS growth (%)	13.4	14.1	26.7	24.6	19.7
Adj. BV (INR)	155.7	183.3	215.1	254.8	302.2
Adj. BVPS growth (%)	25.5	17.7	17.3	18.4	18.6
RoA (%)	4.0	3.8	4.0	4.1	4.0
RoE (%)	19.3	18.3	19.8	20.9	21.1
P/E (x)	34.7	30.4	24.0	19.3	16.1
P/ABV (x)	6.0	5.1	4.3	3.7	3.1

Source: Company, Emkay Research

Target Price – 12M	Mar-27
Change in TP (%)	5.6
Current Reco.	REDUCE
Previous Reco.	REDUCE
Upside/(Downside) (%)	2.2

Stock Data	BAF IN
52-week High (Rs)	1,103
52-week Low (Rs)	788
Shares outstanding (mn)	6,226.0
Market-cap (Rs bn)	5,790
Market-cap (USD mn)	61,045
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	8.7
ADTV-3M (Rs mn)	9,293.3
ADTV-3M (USD mn)	98.0
Free float (%)	0.0
Nifty-50	24,177.7
INR/USD	94.8

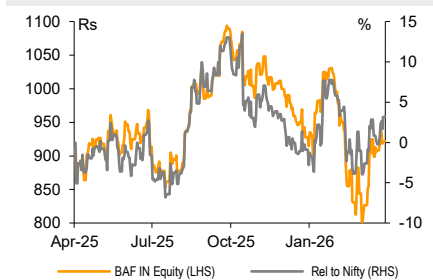
#### Shareholding, Mar-26

Promoters (%)	54.7
FPIs/MFs (%)	19.2/17.3

#### Price Performance

(%)	1M	3M	12M
Absolute	10.2	(0.6)	2.4
Rel. to Nifty	4.0	4.6	3.1

#### 1-Year share price trend (Rs)



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## Exhibit 1: Actual vs estimates

BAF- Q4FY26								Emkay		Consensus	
	Result Snapshot (Rs mn)	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	QoQ	YoY	Estimates	Variation	Estimate
AUM	4,166,610	4,414,500	4,622,610	4,844,770	5,099,750	5.3%	22.4%	5,100,000	0.0%	5,100,000	0.0%
NII	98,072	102,270	107,847	113,178	117,806	4%	20%	114,553	2.8%		
Total Income	119,168	126,101	131,695	138,758	142,082	2%	19%	140,397	1.2%	141,429	0.5%
PPoP	79,675	84,871	88,736	90,543	94,072	4%	18%	92,723	1.5%	98,016	-4.0%
Provision	23,289	21,202	22,688	36,255	20,075	-45%	-14%	25,171	-20.2%	20,744	-3.2%
PBT	56,474	63,676	66,081	54,310	74,098	36%	31%	67,589	9.6%	77,272	-4.1%
PAT	45,456	47,653	49,478	40,659	55,533	37%	22%	49,191	12.9%	55,110	0.8%
PAT (SH)	44,796	46,996	48,754	39,778	54,646	37%	22%	47,971	13.9%		
Credit Cost	2.29%	1.98%	2.01%	3.06%	1.61%	-145bps	-67bps	2.02%	-41bps	1.63%	-1bps
GS3	0.96%	1.03%	1.24%	1.21%	1.01%	-21bps	5bps	1.18%	-17bps		
NS3	0.45%	0.50%	0.61%	0.48%	0.41%	-7bps	-4bps	0.47%	-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
AUM	6,222,000	6,221,695	0.0%	7,653,060	7,652,685	0.0%	NA	9,489,329	NA
Networth	1,333,254	1,337,775	0.3%	1,568,890	1,584,133	1.0%	NA	1,879,169	NA
AUM growth	22.0%	22.0%	0bps	23.0%	23.0%	0bps	NA	24.0%	NA
Net interest income	531,521	529,522	-0.4%	639,212	647,362	1.3%	NA	793,065	NA
Total Income	642,243	631,631	-1.7%	771,074	769,550	-0.2%	NA	937,740	NA
Opex	220,107	214,015	-2.8%	269,541	259,381	-3.8%	NA	323,506	NA
PPOP	422,137	417,616	-1.1%	501,532	510,169	1.7%	NA	614,234	NA
Provisions	105,127	91,049	-13.4%	124,139	103,402	-16.7%	NA	127,106	NA
PBT	317,134	326,773	3.0%	377,550	407,025	7.8%	NA	487,450	NA
PAT	235,631	245,080	4.0%	280,520	305,269	8.8%	NA	365,587	NA
PAT (attributed to shareholders)	231,143	240,867	4.2%	275,407	300,021	8.9%	NA	359,113	NA
EPS (Rs)	37.2	38.7	4.0%	44.4	48.3	8.8%	NA	57.8	NA
BV (Rs)	215	215	0.2%	253	255	0.8%	NA	302	NA
NIM+Fees	11.3%	11.2%	-19bps	11.1%	11.1%	-2bps	NA	10.9%	NA
Cost-to-income ratio	34.3%	33.9%	-39bps	35.0%	33.7%	-125bps	NA	34.5%	NA
Opex-to-AUM	3.9%	3.8%	-11bps	3.9%	3.7%	-15bps	NA	3.8%	NA
Credit costs	1.86%	1.61%	-25bps	1.79%	1.49%	-30bps	NA	1.48%	NA
GS3	0.79%	0.89%	10bps	0.79%	0.85%	7bps	NA	0.85%	NA
NS3	0.32%	0.36%	4bps	0.33%	0.36%	3bps	NA	0.36%	NA
ROA	3.8%	4.0%	15bps	3.7%	4.1%	38bps	NA	4.0%	NA
ROE	19.1%	19.8%	69bps	19.3%	20.9%	156bps	NA	21.1%	NA

Source: Company, Emkay Research

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

## Exhibit 3: SOTP-based valuation

	CMP (Rs)	No of shares (mn)	Market Cap (Rs bn)	BAF's stake	BAF's stake value (Rs bn)	Holdco discount	Value (Rs bn)
Bajaj Housing	88	8,358.5	735.6	86.39%	636	25%	477
<b>At current market price</b>							
Bajaj Finance	930	6,209	5,774	100%	5,774	0%	5,774
Implied BAF Standalone							<b>5,297</b>
<b>At Target price</b>							
Bajaj Finance	950	6209	5,898	100%	5,898	0%	5,898
Implied BAF Standalone							<b>5,421</b>
<b>BAF - Standalone</b>							
	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>				
Adjusted Net Worth (Rs bn)	1,098	1,305	1,553				
Implied P/B at CMP	4.8	4.1	3.4				
Implied P/B at TP	4.9	4.2	3.5				

Source: Company, Emkay Research

## Exhibit 4: Valuation metrics

	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	930	2.2%	5,790	4.32	3.65	3.08	24.0	19.3	16.1	4.0	4.1	4.0	21.1	21.1	21.1	215	255	302	38.7	48.3	57.8
At target price	950			4.42	3.73	3.14	24.5	19.7	16.4	4.0	4.1	4.0	21.1	21.1	21.1	215	255	302	38.7	48.3	57.8

Source: Company, Emkay Research

## Exhibit 5: Quarterly earnings snapshot

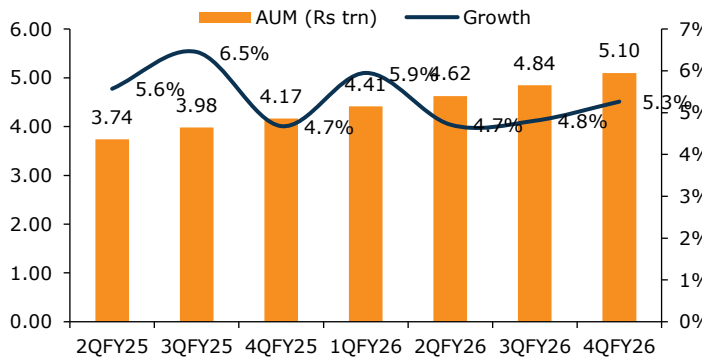
(Rs mn)	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	QoQ chg	QoQ chg
Net interest income	98,072	102,270	107,847	113,178	117,806	4.1%	20.1%
Non-interest income	21,096	23,831	23,848	25,580	24,276	-5.1%	15.1%
<b>Total Income</b>	<b>119,168</b>	<b>126,101</b>	<b>131,695</b>	<b>138,758</b>	<b>142,082</b>	2.4%	19.2%
Operating expenses	39,493	41,230	42,959	48,215	48,011	-0.4%	21.6%
<b>PPoP</b>	<b>79,675</b>	<b>84,871</b>	<b>88,736</b>	<b>90,543</b>	<b>94,072</b>	3.9%	18.1%
Provisions and Loan loss	23,289	21,202	22,688	36,255	20,075	-44.6%	-13.8%
Others/Exceptional	88	7	33	22	102		
<b>PBT</b>	<b>56,474</b>	<b>63,676</b>	<b>66,081</b>	<b>54,310</b>	<b>74,098</b>	36.4%	31.2%
Taxes	11,018	16,023	16,604	13,651	18,565	36.0%	68.5%
<i>Tax Rate</i>	<i>19.5%</i>	<i>25.2%</i>	<i>25.1%</i>	<i>25.1%</i>	<i>25.1%</i>		
<b>PAT</b>	<b>45,456</b>	<b>47,653</b>	<b>49,478</b>	<b>40,659</b>	<b>55,533</b>	36.6%	22.2%
<b>PAT (shareholder)</b>	<b>44,796</b>	<b>46,996</b>	<b>48,754</b>	<b>39,778</b>	<b>54,646</b>	37.4%	22.0%
Networth	966,929	1,014,582	1,032,135	1,072,795	1,139,990	6.3%	17.9%
BV	158	166	166	176	186	5.6%	17.9%
EPS - Reported basic (Rs)	7	8	8	7	9	36.5%	22.0%
Total AUM	4,166,610	4,414,500	4,622,610	4,844,770	5,099,750	5.3%	22.4%
Consolidated Borrowings	3,572,900	3,717,520	3,908,710	4,049,650	4,265,220	5.3%	19.4%
NIM (as % of AUM) - calculated	9.6%	9.5%	9.5%	9.6%	9.5%	-9bps	-15bps
Cost-to-income	33.1%	32.7%	32.6%	34.7%	33.8%	-96bps	65bps
Credit Cost	2.29%	1.98%	2.01%	3.06%	1.61%	-145bps	-67bps
RoAUM (AUM)	4.5%	4.4%	4.4%	3.4%	4.5%	103bps	0bps
RoAE	19.3%	19.2%	19.3%	15.5%	20.1%	462bps	73bps
Gross NPA	0.96%	1.03%	1.24%	1.21%	1.01%	-21bps	5bps
Net NPA	0.45%	0.50%	0.61%	0.48%	0.41%	-7bps	-4bps
Provision coverage ratio - Stage 3	53.7%	51.9%	51.8%	61.3%	59.7%	-162bps	600bps

Source: Company, Emkay Research

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

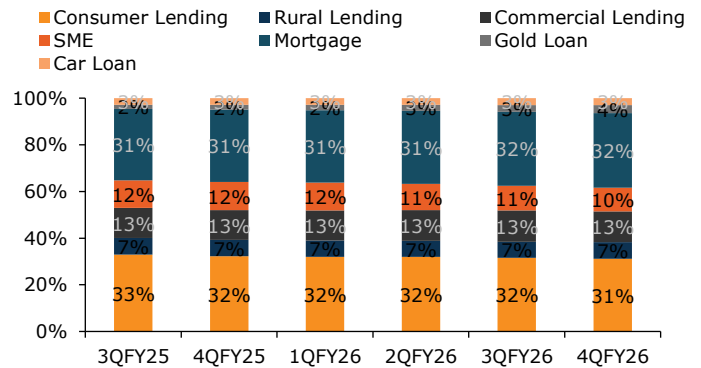
## Result in charts

**Exhibit 6: AUM grew ~22% YoY**



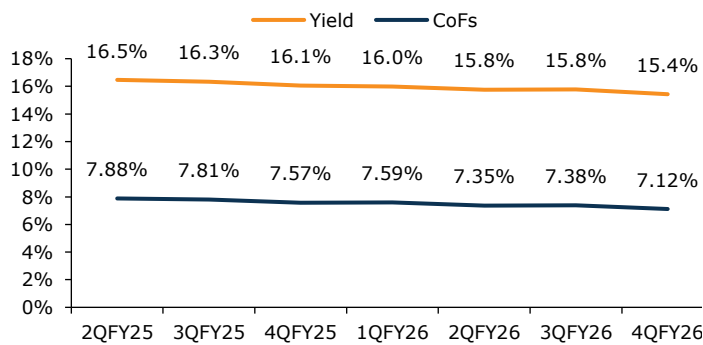
Source: Company, Emkay Research

**Exhibit 7: Diverse product offerings**



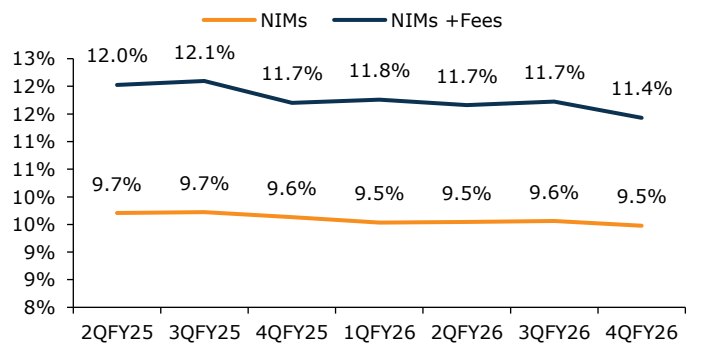
Source: Company, Emkay Research

**Exhibit 8: Yield moderated marginally, while COFs were stable QoQ**



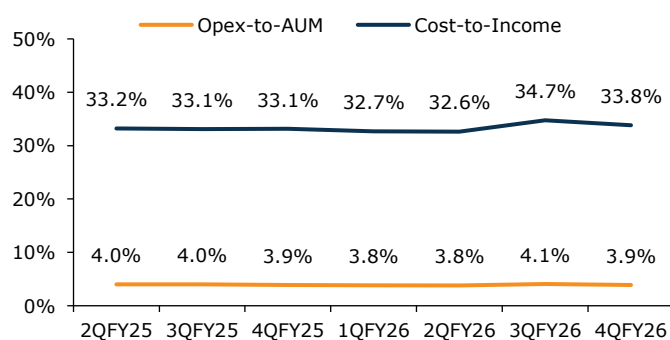
Source: Company, Emkay Research

**Exhibit 9: Presentation change resulted in lower other income**



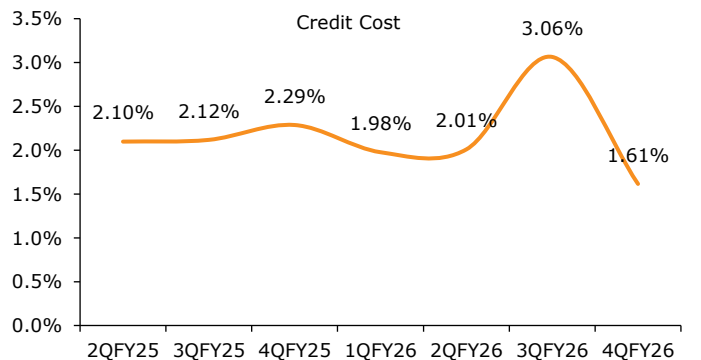
Source: Company, Emkay Research

**Exhibit 10: Opex ratio range-bound**



Source: Company, Emkay Research

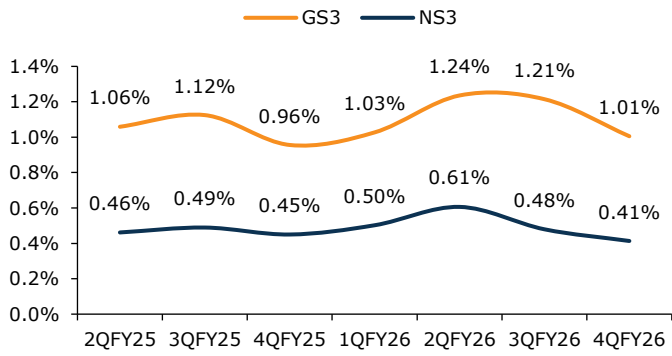
**Exhibit 11: Recoveries now being adjusted with provisions**



Source: Company, Emkay Research

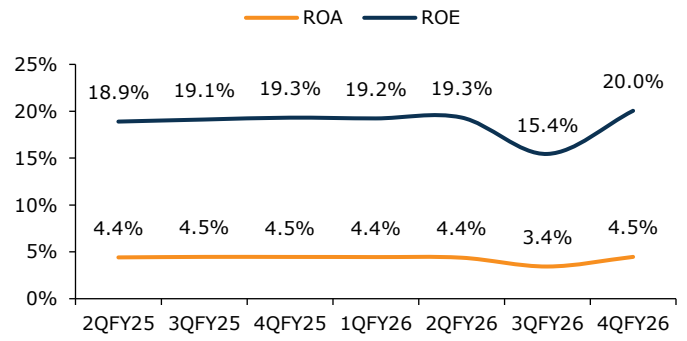
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**Exhibit 12: Best-in-industry asset quality**



Source: Company, Emkay Research

**Exhibit 13: RoA/RoE, adjusted for the one-off, stood at 4.5%/19.1%, respectively**

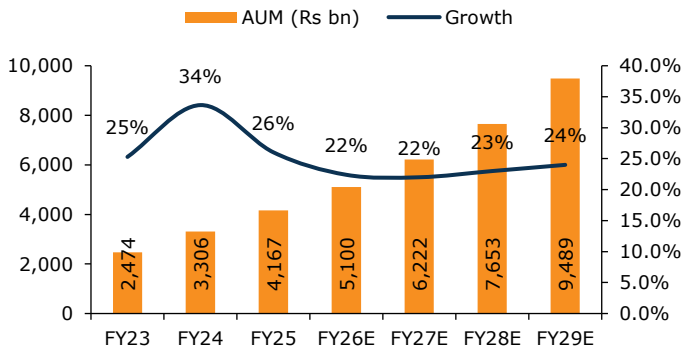


Source: Company, Emkay Research

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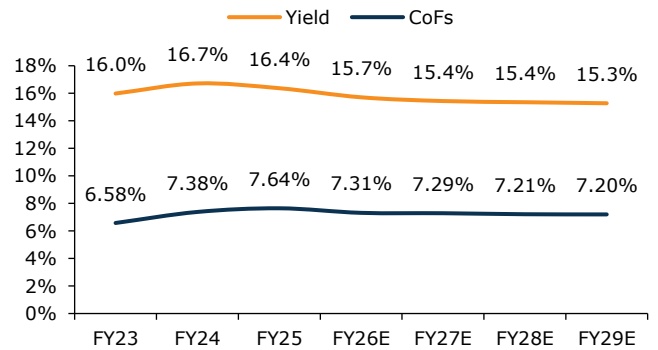
## Story in charts

**Exhibit 14: Strong AUM growth in years to come**



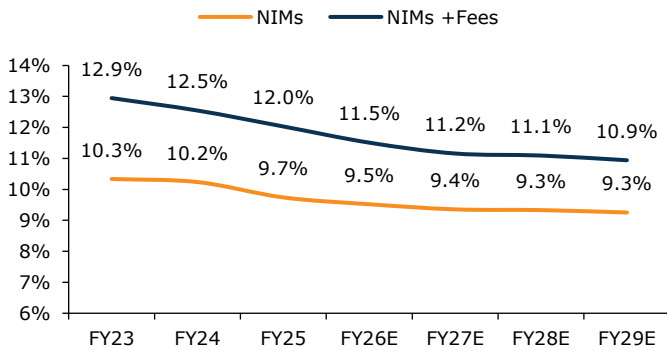
Source: Company, Emkay Research

**Exhibit 15: Healthy and stable spread in a rate-cut environment**



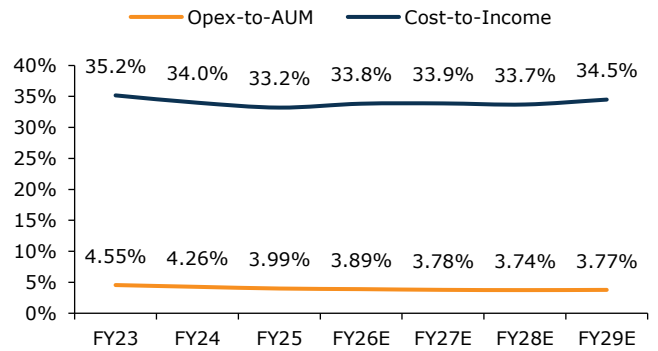
Source: Company, Emkay Research

**Exhibit 16: Margin moderation on account of presentation change**



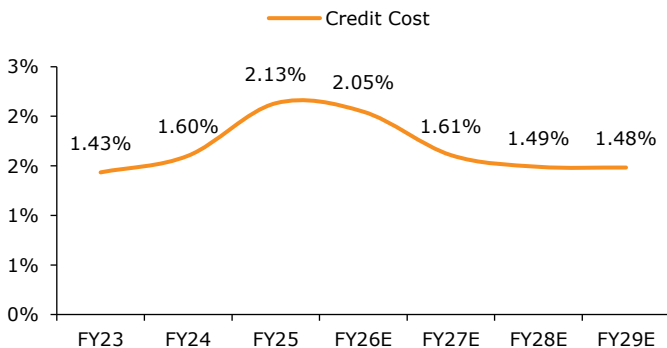
Source: Company, Emkay Research

**Exhibit 17: FINAI benefit yet to start reflecting in the opex, as it is still in the implementation phase**



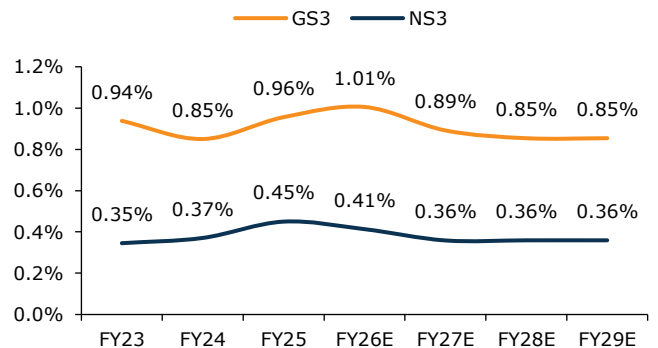
Source: Company, Emkay Research

**Exhibit 18: The management gave guidance for credit cost ranging at 1.4-1.6% in FY27**



Source: Company, Emkay Research

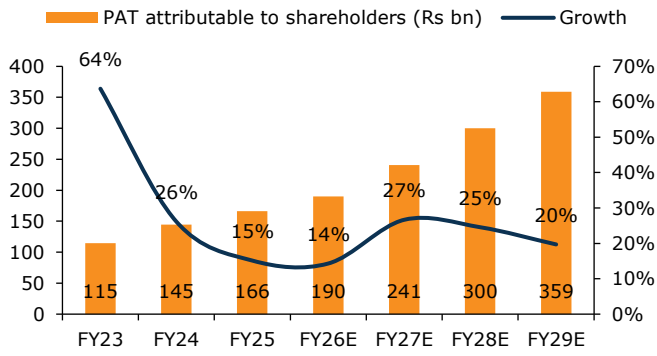
**Exhibit 19: Robust asset quality**



Source: Company, Emkay Research

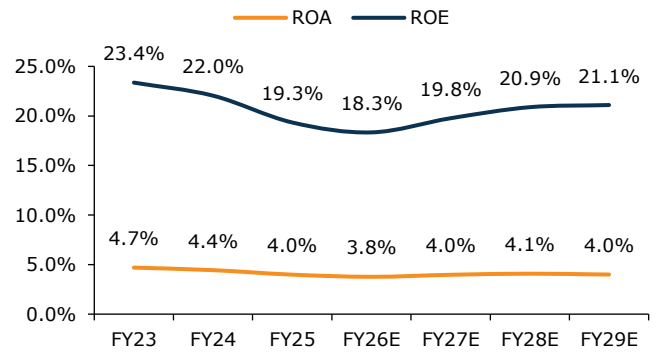
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**Exhibit 20: Healthy PAT growth over FY27-29E**



Source: Company, Emkay Research

**Exhibit 21: RoA/RoE expansion led by moderating credit cost and opex**



Source: Company, Emkay Research

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## Earnings Call Highlights

- The management highlighted that the business is entering FY27 with strong tailwinds, supported by improving asset quality, calibrated growth actions taken over the past year, and operating leverage benefits starting to reflect in the P&L. The company expects both growth and profitability to improve from hereon.
- FY27 guidance implies AUM growth of 22–24%, with profitability expected to grow slightly ahead of AUM, driven by stable margins, lower credit costs, and improving operating efficiency.
- Growth in FY26 was impacted by calibrated actions in key segments, with MSME growth at ~6% vs 25-30% earlier, while the captive 2W/3W portfolio saw ~Rs65bn attrition (~60% decline). The management indicated that MSME should return to double-digit growth during Q2–Q3FY27, while the impact of captive runoff will be significantly lower going forward.
- NIMs are expected to see marginal moderation, contingent on how interest rates evolve.
- The company continues to focus on deepening its customer franchise rather than geographical expansion, with target to add ~15–17mn customers in FY27, supported by strong cross-sell and wallet share expansion.
- Operating efficiency remains a key lever, with opex/NTI expected to improve by ~25–40bps, supported by scale benefits and increasing deployment of AI-led productivity tools across functions.
- Credit cost guidance for FY27 stands at 1.45–1.60%, with management indicating confidence in achieving this range even under moderate macro stress, supported by improving vintage performance across the 3MOB, 6MOB, and 9MOB cohorts.
- The company expects RoA of 4.4–4.6% and RoE of 19–20% in FY27, with long-term aspiration of sustaining ~20–22% RoE and delivering profit growth ahead of AUM growth.
- The captive 2Ws and 3Ws account for 1% of AUM and form ~13% of GNPA while contributing to ~5% of the credit cost. The loan book will significantly run down by Sep-26.
- In terms of segmental outlook, gold loans, tractor finance, and microfinance are expected to grow faster than overall AUM, and Gold AUM is expected to reach ~5% by end-FY27, while the company maintains a broadly stable portfolio mix.
- The company emphasized that a large proportion of new businesses is driven by existing customers (ETB), with ~50% in 2Ws and ~40-45% in car finance, indicating strong cross-sell capability and wallet share expansion.
- AI transformation (FINAI) is now moving from experimentation to scaled deployment across the full customer lifecycle, driving measurable benefits in sourcing, underwriting, servicing, and collections, while improving cost efficiency and customer experience.
- The company plans to significantly scale up AI capabilities, including deployment of hundreds of autonomous agents across functions and deeper integration into customer journeys, with continued investments in technology, security, and compliance.
- **Guidance**
  - AUM growth of 22–24% in FY27; 23-25% over the medium term
  - Profit growth in the corridor of 23%-24%
  - Credit cost of 1.45–1.60%
  - Opex/NTI improvement of 25–40 bps
  - RoA of 4.4–4.6% in FY27
  - RoE of 19–20% in FY27 and 19-21% over the medium term.
  - GNPA at <1.4% and NNPA at <0.5%

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## Bajaj Finance: Consolidated Financials and Valuations

Profit & Loss					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	611,636	727,760	873,771	1,065,018	1,309,269
Interest Expense	247,708	286,660	344,249	417,656	516,203
<b>Net interest income</b>	<b>363,928</b>	<b>441,101</b>	<b>529,522</b>	<b>647,362</b>	<b>793,065</b>
NII growth (%)	23.0	21.2	20.0	22.3	22.5
Non interest income	85,612	92,135	102,109	122,188	144,674
<b>Total income</b>	<b>449,540</b>	<b>533,236</b>	<b>631,631</b>	<b>769,550</b>	<b>937,740</b>
Operating expenses	149,261	180,415	214,015	259,381	323,506
<b>PPOP</b>	<b>300,279</b>	<b>352,820</b>	<b>417,616</b>	<b>510,169</b>	<b>614,234</b>
PPOP growth (%)	25.5	17.5	18.4	22.2	20.4
Provisions & contingencies	79,660	94,819	91,049	103,402	127,106
<b>PBT</b>	<b>220,618</b>	<b>258,002</b>	<b>326,567</b>	<b>406,768</b>	<b>487,128</b>
Extraordinary items	-	-	-	-	-
Tax expense	53,002	64,843	81,693	101,756	121,862
Minority interest	1,417	3,150	4,212	5,247	6,475
Income from JV/Associates	-	-	-	-	-
<b>Reported PAT</b>	<b>166,378</b>	<b>190,174</b>	<b>240,867</b>	<b>300,021</b>	<b>359,113</b>
PAT growth (%)	15.2	14.3	26.7	24.6	19.7
<b>Adjusted PAT</b>	<b>166,378</b>	<b>190,174</b>	<b>240,867</b>	<b>300,021</b>	<b>359,113</b>
<b>Diluted EPS (Rs)</b>	<b>26.8</b>	<b>30.5</b>	<b>38.7</b>	<b>48.3</b>	<b>57.8</b>
Diluted EPS growth (%)	13.7	13.8	27.0	24.6	19.7
<b>DPS (Rs)</b>	<b>4.4</b>	<b>6.0</b>	<b>7.6</b>	<b>9.5</b>	<b>11.3</b>
<b>Dividend payout (%)</b>	<b>16.3</b>	<b>19.3</b>	<b>19.3</b>	<b>19.3</b>	<b>19.3</b>
Effective tax rate (%)	24.0	25.1	25.0	25.0	25.0
Net interest margins (%)	9.7	9.5	9.4	9.3	9.3
Cost-income ratio (%)	33.2	33.8	33.9	33.7	34.5
PAT/PPOP (%)	55.9	54.8	58.7	59.8	59.5
Shares outstanding (mn)	620.9	3,109.0	3,109.0	3,109.0	3,109.0

Source: Company, Emkay Research

Asset quality and other metrics					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
<b>Asset quality</b>					
GNPL - Stage 3	39,650	51,190	53,705	63,278	78,465
NNPL - Stage 3	18,350	20,620	21,494	26,493	32,852
GNPL ratio - Stage 3 (%)	1.0	1.0	0.9	0.9	0.9
NNPL ratio - Stage 3 (%)	0.4	0.4	0.4	0.4	0.4
ECL coverage - Stage 3 (%)	53.7	59.7	60.0	58.1	58.1
ECL coverage - 1 & 2 (%)	1.2	1.4	1.0	1.0	0.9
Gross slippage - Stage 3	-	-	-	-	-
Gross slippage ratio (%)	-	-	-	-	-
Write-off ratio (%)	1.8	1.5	1.6	1.5	1.5
Total credit costs (%)	2.1	2.0	1.6	1.5	1.5
NNPA to networth (%)	1.9	1.8	1.6	1.7	1.7
<b>Capital adequacy</b>					
Total CAR (%)	21.9	21.6	21.1	20.5	19.8
Tier-1 (%)	21.1	20.7	20.2	19.6	18.9
<b>Miscellaneous</b>					
Total income growth (%)	24.0	18.6	18.5	21.8	21.9
Opex growth (%)	21.1	20.9	18.6	21.2	24.7
PPOP margin (%)	8.0	7.6	7.4	7.4	7.2
Credit costs-to-PPOP (%)	26.5	26.9	21.8	20.3	20.7
Loan-to-Assets (%)	87.5	89.1	88.0	88.8	89.8
Yield on loans (%)	16.4	15.7	15.4	15.4	15.3
Cost of funds (%)	7.6	7.3	7.3	7.2	7.2
Spread (%)	8.7	8.4	8.1	8.1	8.1

Source: Company, Emkay Research

Balance Sheet					
Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	1,242	6,218	6,218	6,218	6,218
Reserves & surplus	965,687	1,133,772	1,331,557	1,577,915	1,872,951
<b>Net worth</b>	<b>966,929</b>	<b>1,139,990</b>	<b>1,337,775</b>	<b>1,584,133</b>	<b>1,879,169</b>
<b>Borrowings</b>	<b>3,572,900</b>	<b>4,265,220</b>	<b>5,183,994</b>	<b>6,396,261</b>	<b>7,945,169</b>
<b>Other liabilities &amp; prov.</b>	<b>98,999</b>	<b>164,448</b>	<b>215,759</b>	<b>239,095</b>	<b>265,468</b>
<b>Total liabilities &amp; equity</b>	<b>4,638,828</b>	<b>5,569,658</b>	<b>6,737,528</b>	<b>8,219,489</b>	<b>10,089,807</b>
Net loans	4,078,441	4,989,435	5,930,479	7,300,040	9,058,870
Investments	344,408	305,778	382,223	477,778	597,223
Cash, other balances	135,435	157,553	173,309	190,639	209,703
<b>Interest earning assets</b>	<b>4,558,285</b>	<b>5,452,767</b>	<b>6,486,010</b>	<b>7,968,457</b>	<b>9,865,796</b>
Fixed assets	26,889	28,511	35,638	44,548	55,685
Other assets	76,094	118,246	215,879	206,484	168,326
<b>Total assets</b>	<b>4,661,268</b>	<b>5,599,524</b>	<b>6,737,528</b>	<b>8,219,489</b>	<b>10,089,807</b>
BVPS (Rs)	155.7	183.3	215.1	254.8	302.2
Adj. BVPS (INR)	155.7	183.3	215.1	254.8	302.2
Gross loans	4,148,270	5,092,440	6,025,319	7,411,143	9,189,817
<b>Total AUM</b>	<b>4,166,610</b>	<b>5,099,750</b>	<b>6,221,695</b>	<b>7,652,685</b>	<b>9,489,329</b>
On balance sheet	4,148,270	5,092,440	6,025,319	7,411,143	9,189,817
Off balance sheet	18,340	7,310	196,376	241,542	299,512
Disbursements	-	-	-	-	-
Disbursements growth (%)	0	0	0	0	0
Loan growth (%)	25.0	22.3	18.9	23.1	24.1
AUM growth (%)	26.0	22.4	22.0	23.0	24.0
Borrowings growth (%)	22.9	19.4	21.5	23.4	24.2
Book value growth (%)	25.5	17.7	17.3	18.4	18.6

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	34.7	30.4	24.0	19.3	16.1
P/B (x)	6.0	5.1	4.3	3.7	3.1
P/ABV (x)	6.0	5.1	4.3	3.7	3.1
P/PPOP (x)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0.5	0.6	0.8	1.0	1.2
<b>Dupont-RoE split (%)</b>					
NII/avg AUM	9.7	9.5	9.4	9.3	9.3
Other income	2.3	2.0	1.8	1.8	1.7
Securitization income	-	-	-	-	-
Opex	2.0	1.9	1.9	1.9	1.9
Employee expense	2.0	2.0	1.9	1.9	1.9
<b>PPOP</b>	<b>8.0</b>	<b>7.6</b>	<b>7.4</b>	<b>7.4</b>	<b>7.2</b>
Provisions	2.1	2.0	1.6	1.5	1.5
Tax expense	1.4	1.4	1.4	1.5	1.4
<b>RoAUM (%)</b>	<b>4.5</b>	<b>4.2</b>	<b>4.3</b>	<b>4.4</b>	<b>4.3</b>
Leverage ratio (x)	4.3	4.4	4.6	4.7	4.9
<b>RoE (%)</b>	<b>19.3</b>	<b>18.3</b>	<b>19.8</b>	<b>20.9</b>	<b>21.1</b>

Quarterly data				
Rs mn, Y/E Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26
NII	102,270	107,847	113,178	117,806
NIM (%)	9.5	9.5	9.6	9.5
PPOP	84,871	88,736	90,543	94,072
PAT	47,653	49,478	40,659	55,533
EPS (Rs)	7.67	7.84	6.54	8.93

Source: Company, Emkay Research

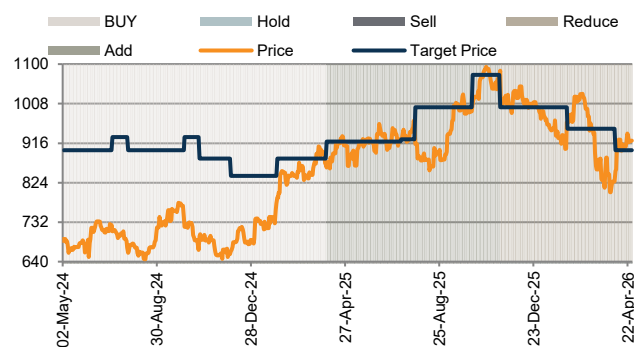
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**RECOMMENDATION HISTORY - DETAILS**

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
06-Apr-26	851	900	Reduce	Avinash Singh
17-Mar-26	869	950	Reduce	Avinash Singh
04-Feb-26	963	950	Reduce	Avinash Singh
06-Jan-26	977	1,000	Reduce	Avinash Singh
10-Nov-25	1,085	1,000	Reduce	Avinash Singh
06-Oct-25	1,009	1,075	Add	Avinash Singh
10-Sep-25	968	1,000	Add	Avinash Singh
25-Jul-25	914	1,000	Add	Avinash Singh
21-Jul-25	948	925	Add	Avinash Singh
07-Jul-25	925	925	Add	Avinash Singh
20-Jun-25	905	920	Add	Avinash Singh
05-Jun-25	893	920	Add	Avinash Singh
30-Apr-25	863	920	Add	Avinash Singh
10-Apr-25	874	920	Add	Avinash Singh
03-Apr-25	859	920	Add	Avinash Singh
27-Feb-25	871	880	Buy	Avinash Singh
30-Jan-25	790	880	Buy	Avinash Singh
06-Jan-25	735	840	Buy	Avinash Singh
05-Dec-24	685	840	Buy	Avinash Singh
02-Dec-24	665	840	Buy	Avinash Singh

Source: Company, Emkay Research

**RECOMMENDATION HISTORY - TREND**



Source: Company, Bloomberg, Emkay Research

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