

MAS Financial Services

BSE SENSEX 84,673
S&P CNX 25,910

Motilal Oswal values your support in the EXTEL POLL 2025 for India Research, Sales, Corporate Access and Trading team. We request your ballot.

EXTEL POLL
2025



Bloomberg	MASFIN IN
Equity Shares (m)	181
M.Cap.(INRb)/(USDb)	57.6 / 0.7
52-Week Range (INR)	350 / 220
1, 6, 12 Rel. Per (%)	6/12/0
12M Avg Val (INR M)	51

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	8.0	10.1	12.5
PPP	5.4	6.4	8.1
PAT	3.1	3.6	4.5
EPS (INR)	16.9	20.0	24.8
EPS Gr. (%)	11.6	18.7	24.0
BV/Sh. (INR)	140	158	181

Ratios

NIM (%)	7.1	6.6	6.6
C/I ratio (%)	32.8	36.0	35.5
RoAA (%)	2.9	2.7	2.9
RoE (%)	14.4	13.4	14.6
Payout (%)	10.0	9.2	9.0

Valuation

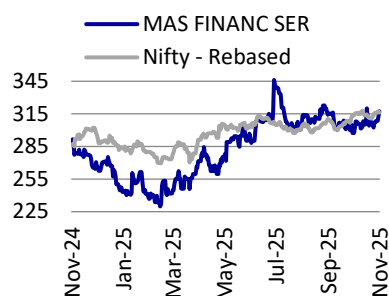
P/E (x)	19	16	13
P/BV (x)	2.3	2.0	1.8
Div. Yield (%)	0.5	0.6	0.7

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	66.6	66.6	66.6
DII	20.2	20.0	20.2
FII	3.2	3.1	2.7
Others	10.0	10.3	10.4

FII includes depository receipts

Stock performance (one-year)



CMP: INR317

TP: INR380 (+20%)

Buy

Resilient through cycles; positioned for steady compounding

Multi-product NBFC with risk-calibrated growth and improving operating leverage

- MAS Financial (MAS) navigated 1HFY26 with prudence amid macro moderation and sectoral stress. It maintained a strong focus on both portfolio quality and profitability. With improving economic conditions, better borrower cash flows driven by festive demand, and lower rejection rates, the business momentum and AUM growth are likely to rebound in 2H.
- The company's diversified, multi-product model targets the credit needs of underserved low- and middle-income segments, providing a long runway for scalable growth. MAS is also building a 'mini-NBFCs within NBFC' structure, appointing dedicated heads and teams for each segment to enhance agility, accountability, and execution focus.
- MAS plans to maintain its MSME exposure at ~55–60%, while scaling up the Wheels business (a key focus area) and piloting new segments such as used-car financing and embedded finance. Management targets to scale up the AUM to ~INR250–300b over the next 3–4 years.
- Enhancing operational efficiency remains a key priority for MAS, with a strong emphasis on leveraging technology, optimizing talent deployment, and strengthening distribution. The company is expanding its in-house tech team and is targeting a direct retail distribution share of ~70–75%.
- MAS's asset quality remains resilient, supported by stronger borrower profiles, lower rejection rates, and over-collateralized fintech exposures, resulting in benign credit costs and sustaining healthy RoA and RoE.
- MAS has consistently demonstrated well-calibrated operational resilience, supported by disciplined execution across business cycles. Its diversified portfolio mix, prudent risk management, and focused growth strategy continue to reinforce stability and profitability. The company also benefits from strong business fundamentals and robust corporate governance, underpinned by a stable management team and a significantly high promoter holding. With steady margins, a clearly defined growth trajectory, and sustained asset quality, MAS is well-positioned to remain a reliable long-term compounder. **We estimate ~21% PAT CAGR over FY25-28, with an RoA/RoE of ~2.9%/15.5% in FY28. We reiterate our BUY rating on the stock with a TP of INR380 (based on 2x Sep'27E BV).**

Focused expansion and distribution depth powering the next phase

- MAS continues to operate in a stabilizing macro environment with a risk-calibrated growth approach that prioritizes portfolio quality and profitability. While AUM growth was modest in 1HFY26 due to eligibility constraints and sectoral stress, improving borrower cash flows, festive demand, and lower rejection rates are likely to accelerate momentum in 2H.

- MAS's multi-product, diversified model is centered on serving the credit needs of underserved low- and middle-income segments. To strengthen focus and agility, the company is establishing a 'Micro-NBFCs within NBFC' structure, with dedicated segment heads and teams to drive experimentation and scalable growth in each vertical.
- Management intends to maintain an MSME mix of 55–60% while scaling up the Wheels business and piloting the used-car and embedded finance segments. MAS is targeting an AUM of ~INR250–300b over the next 3–4 years, implying a ~20–25% CAGR.
- MAS's network of 208 branches and 15.5k customer touchpoints – supported by intermediaries and senior regional hires to strengthen presence in the North and South – continues to enhance market reach and support long-term growth. Management has articulated a long-term AUM aspiration of ~INR1t over the next decade. We model an AUM CAGR of ~19% over FY25–28E.

Strengthening the funding engine for steady and risk-calibrated growth

- MAS has maintained stable margins despite a softening rate environment owing to rising direct distribution share, growing wheels portfolio, and collateral-backed SME lending.
- The CoF is likely to improve further due to MCLR-linked borrowings and upgradation in ratings from CARE. MAS also plans to diversify its borrowing mix further by increasing the share of NCDs to ~25% and ECBs to 10%.
- A strong liquidity buffer, well-managed ALM across a 2-5 year tenure, and an optimal leverage strategy underscore MAS' disciplined approach to risk-adjusted and long-term growth.

Tech-led efficiency and segment-focused execution boosting operating leverage

- MAS is strengthening overall efficiency through a combined focus on technology, talent, and distribution. It aims to increase direct retail distribution from ~65% to ~70–75%, supported by investments in infrastructure and staffing to deepen penetration in existing markets.
- To enhance technological capabilities, MAS is expanding its in-house tech team (currently ~100–120 employees), reducing dependence on external service providers. Management noted that full-scale deployment will follow thorough in-system validation.
- The company is also building dedicated teams for each product segment, operating as separate verticals for sharper focus and execution. MAS has guided for an opex-to-assets ratio of ~2.5%–3% and a cost-to-income ratio of ~35–38%.

Resilient asset quality; prudent risk management amid sectoral stress

- MAS continues to maintain stable asset quality, supported by disciplined underwriting and a conservative growth approach. Stress in the CV and MSME segments was primarily due to customer over-leveraging and aggressive lending by lending institutions. The company also managed its credit costs well by rationing incremental lending to segments that are vulnerable to the US tariffs.
- The loan portfolio is showing early signs of stabilization, with improved borrower quality and lower rejection rates. Fintech-sourced loans are further secured through corporate guarantees and over-collateralization, helping to contain credit costs.

Subsidiaries

MAS Rural Housing and Mortgage Finance Company (MRHMFL)

- MRHMFL continues to strengthen its presence in the rural and semi-urban regions, offering various loan products in the affordable housing segment with a strong presence across Maharashtra, Gujarat, Rajasthan, and MP.
- The housing subsidiary exhibited resilient performance with AUM growth of ~24% YoY, despite stress in the affordable housing space.
- The management will plan to list its housing finance subsidiary once the AUM in this business scales up to ~INR40-50b.

MAS Fin Insurance Broking Private Limited

- MAS Fin Insurance, a subsidiary of MAS Financial Services Limited, received IRDAI registration to operate as a Direct Insurance Broker (Life & General).
- MAS invested INR3.5m in the subsidiary, and the shareholding of the company in MAS Fin Insurance Broking stands at ~69.5%.

Valuation and view

- MAS has consistently demonstrated well-calibrated operational resilience, supported by disciplined execution across business cycles. Its diversified portfolio mix, prudent risk management, and focused growth strategy continue to underpin stability and profitability. The company effectively leverages its strengths on both the business and governance fronts, backed by a stable management team and a significantly high promoter holding. With steady margins, a clearly defined growth trajectory, and sustained asset quality, MAS is well-positioned to remain a steady long-term compounder.
- We model a FY25–28E CAGR of 19% in standalone AUM and 21% in PAT, with RoA/RoE expected at 2.9%/15.5% by FY28E. Earnings quality remains strong, supported by risk-calibrated AUM growth despite stress in the MSME ecosystem. **We reiterate our BUY rating on the stock with a TP of INR380 (based on 2x Sep'27E BV).** Key risk: a macroeconomic slowdown that could weaken loan growth and asset quality.

Exhibit 1: Valuation metrics

Val summary	Rating	CMP (INR)	TP (INR)	MCap (INRb)	EPS (INR)		BV (INR)		RoA (%)		RoE (%)		P/E (x)		P/BV (x)	
					FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
MAS Financial	Buy	317	380	57	20.0	24.8	158	181	2.7	2.8	13.4	14.6	15.9	12.8	2.0	1.8
BAF	Neutral	1,014	1,160	6,373	32.7	41.4	183	218	3.9	4.0	19.3	20.6	31.0	24.5	5.5	4.6
Poonawalla	Buy	465	605	363	8.7	21.8	128	148	1.5	2.5	7.6	15.8	53.5	21.4	3.6	3.1
ABCL	Buy	333	380	874	15.2	19.5	129	145	0.0	0.0	12.3	14.2	21.9	17.1	2.6	2.3
LTFH	Buy	296	330	747	11.9	16.1	112	125	2.3	2.6	11.1	13.6	24.8	18.4	2.7	2.4
Piramal Finance	Buy	1,642	1,460	352	63.7	106.8	1,255	1,346	1.4	1.9	5.2	8.2	25.8	15.4	1.3	1.2
IIFL Finance	Buy	565	635	238	34.7	47.0	323	365	2.1	2.3	11.3	13.6	16.3	12.0	1.7	1.5
HDB Financial	Neutral	744	800	614	31.4	40.8	252	293	2.3	2.5	14.2	15.0	23.7	18.2	2.9	2.5

Story in Charts

Exhibit 2: Disbursements CAGR of ~17% over FY25-28

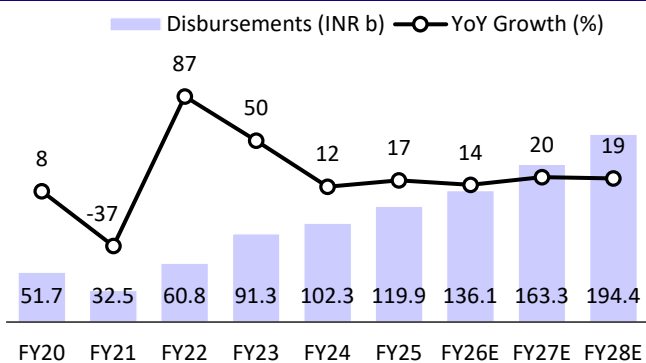


Exhibit 3: AUM CAGR of ~19% over FY25-28

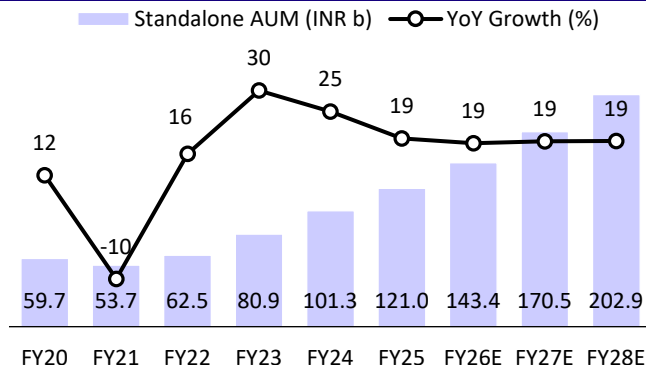


Exhibit 4: Exhibit 3: Well-diversified product mix (%)

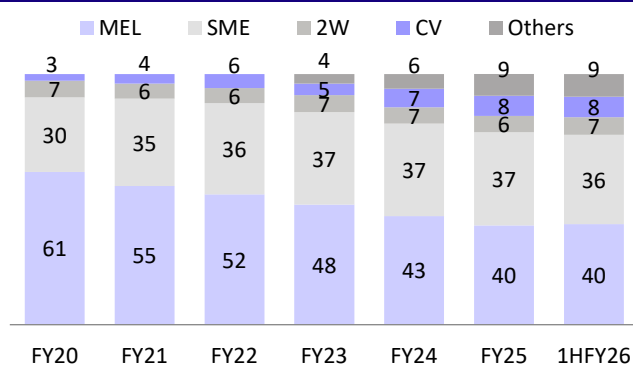


Exhibit 5: NIMs to gradually expand in FY27/FY28E

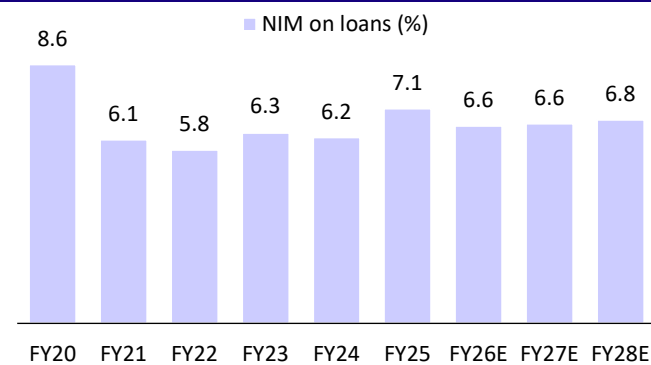


Exhibit 6: Opex to inch up slightly driven by direct Retail

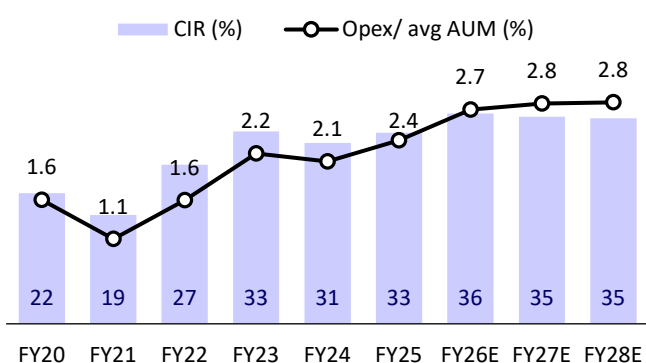


Exhibit 7: Asset quality to remain largely stable

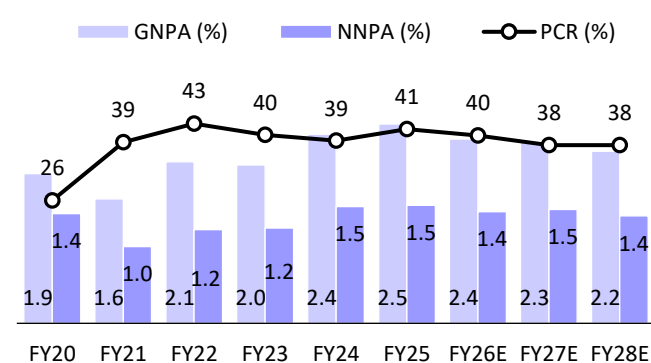


Exhibit 8: PAT CAGR of ~21% over FY25-FY28E

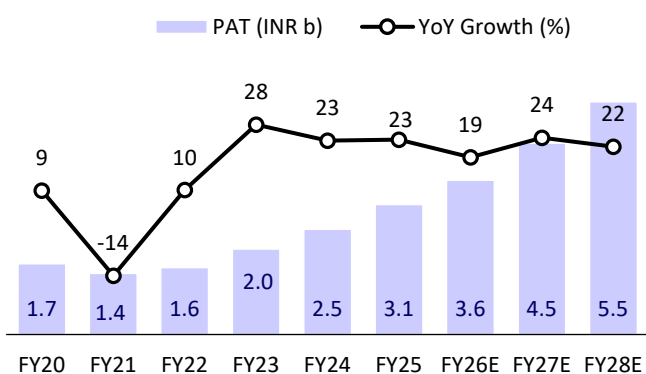
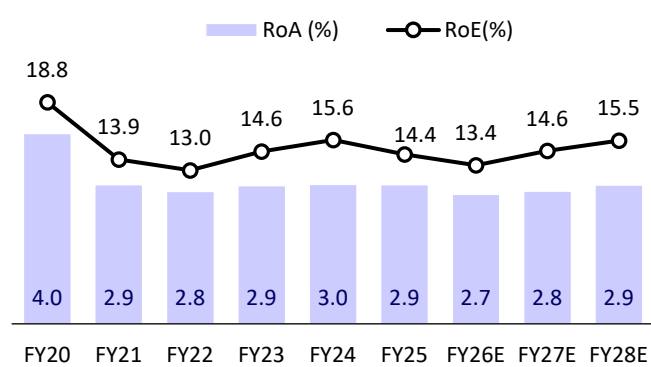


Exhibit 9: RoA/RoE of 2.9%/16% in FY28E



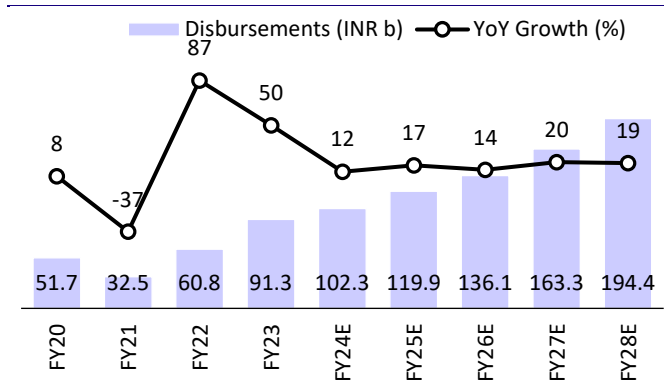
Source: MOFSL, Company

Source: MOFSL, Company

Steady growth with strategic prudence and diversified strength

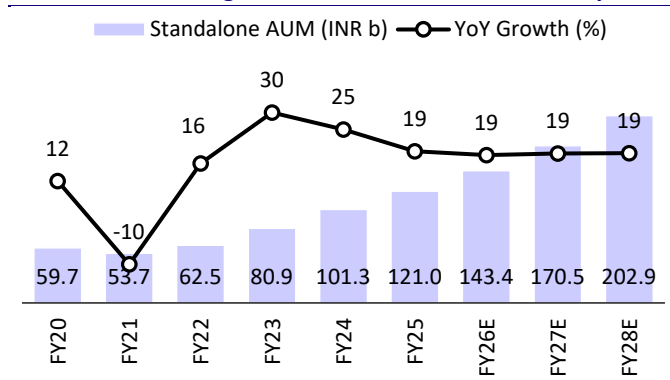
- MAS continued to navigate a gradually stabilizing macro environment in 1HFY26 with a risk-calibrated growth approach. By prioritizing portfolio quality and consistent profitability, the company delivered modest AUM growth as disbursements moderated due to eligibility-related constraints and sectoral stress.
- With borrower cash flows and inquiry levels showing signs of recovery, growth momentum is expected to strengthen in 2HFY26. Management anticipates a pickup driven by festive demand, improving economic sentiment, a larger pool of eligible borrowers, and lower rejection rates.
- MAS' diversified business model, with a balanced mix across industries and products, remains focused on serving the credit needs of underserved low- and middle-income segments. Rising financialization and continued underpenetration provide strong long-term growth opportunities at the grassroots level.
- MAS believes its multi-product structure helps offset cyclicity across segments, ensuring performance stability through cycles. The 'Micro-NBFC within MAS' model—with dedicated heads and branches for each segment—supports agility, experimentation, and the gradual scaling of high-potential products.

Exhibit 10: Disbursements CAGR of ~17% over FY25-28E...



Source: MOFSL, Company

Exhibit 11: ...leading to AUM CAGR of ~19% over the period



Source: MOFSL, Company

- The company plans to maintain its MSME mix at ~55–60% while scaling other business lines. It is targeting an AUM of ~INR250–300b over the next 3–4 years, implying 20–25% growth. This calibrated pace allows MAS to strengthen products, expand geography, and enhance operations without compromising asset quality or execution capability.
- Management focuses on organic growth with tight cost control and does not intend to enter new categories such as gold or education loans. Instead, it aims to deepen and scale its existing businesses—particularly SME and Wheels, which are expected to form ~20% of the portfolio at an AUM of ~INR250–300b. The company has also launched pilots in used-car financing and embedded finance (AUM of ~INR1.5–2b), further broadening its product suite and supporting its diversification strategy.

Exhibit 12: Well-diversified product portfolio (%)

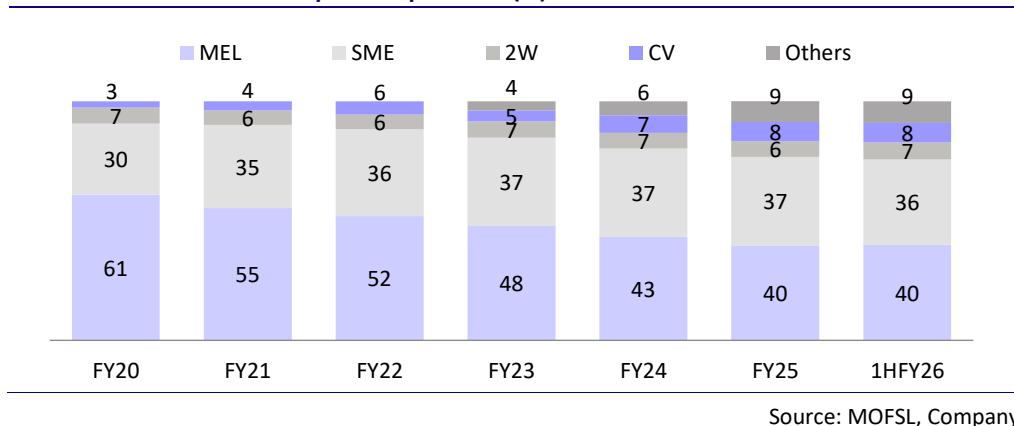
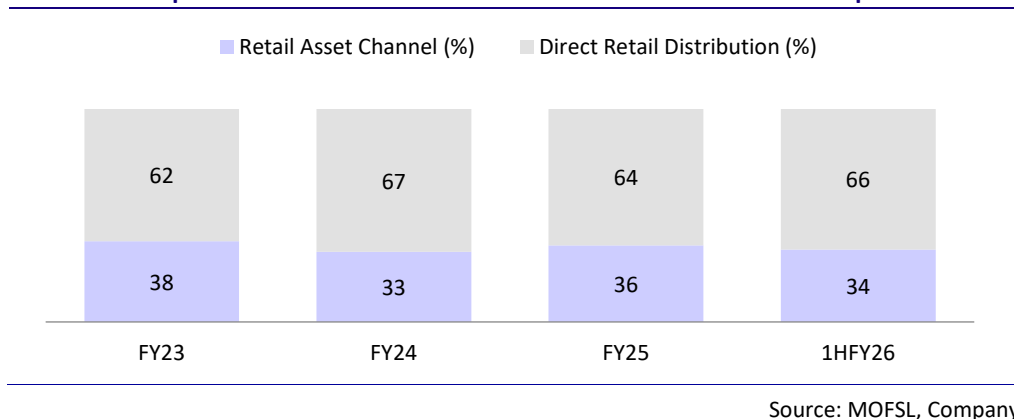


Exhibit 13: Proportion of AUM from direct retail distribution continues to improve



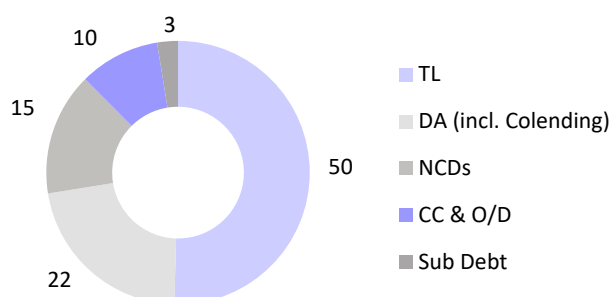
- MAS continues to build a strong and extensive distribution network across 13 states, comprising 208 branches, 211 partners, and ~15.5k customer touchpoints. This is further complemented by 135 two-wheeler sourcing intermediaries and 579 CV intermediaries, strengthening its presence in key markets. Growth in newer regions, particularly the North and South, is expected to be driven by MAS's long-standing partnerships and the addition of senior hires focused on regional expansion.
- Management aims to scale the franchise to an AUM of ~INR1t over the next decade, supported by consistent quarterly performance. MAS continues to guide for 20–25% AUM growth, reflecting a balanced and sustainable expansion strategy that avoids undue risk-taking or structural shifts. We expect MAS to deliver an AUM CAGR of ~19% over FY25-28E.

Diversified funding and strong liquidity to aid in margin sustenance

- MAS continues to strengthen its balance sheet through a disciplined and diversified approach. Despite a declining rate environment, it has largely maintained margins, aided by a higher share of direct distribution, growth in the Wheels portfolio, and collateral-backed SME lending.

Exhibit 14: Diversified borrowing mix

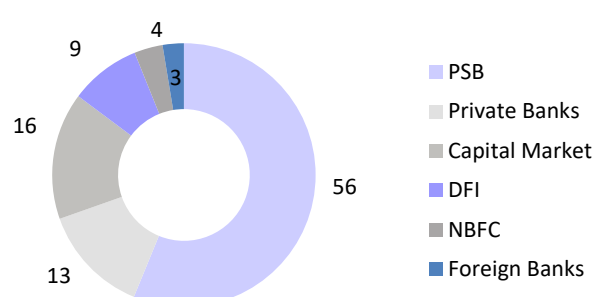
Instrument Wise (as of Sep'25) (%)



Source: MOFSL, Company

Exhibit 15: PSB accounts for largest share in overall borrowings

Lender Type Wise (as of Sep'25) (%)

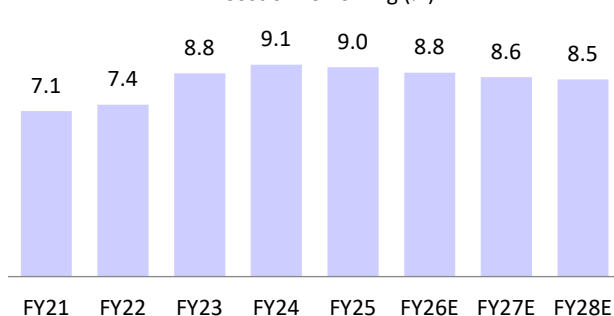


Note: Data as of 2QFY26; Source: MOFSL, Company

- Around 75% of MAS's borrowings are MCLR-linked, with reset cycles of 3-9 months. This should benefit margins by ~25-30bp in FY26. The company has also secured AAA ratings for Series A PTCs and an A rating for Equity Tranche PTCs from CARE, which should help optimize its cost of funds.
- MAS plans to further diversify its borrowing profile by raising the share of NCDs to ~25% and introducing ECB loans up to 10% of total borrowings. It also maintains strong liquidity, supported by a CC limit of ~INR14b across 13 banks.

Exhibit 16: Decline in cost of borrowings...

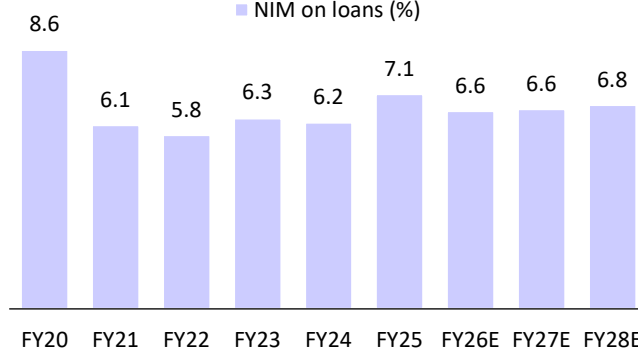
Cost of Borrowing (%)



Source: MOFSL, Company

Exhibit 17: ...aiding a gradual improvement in NIM

NIM on loans (%)



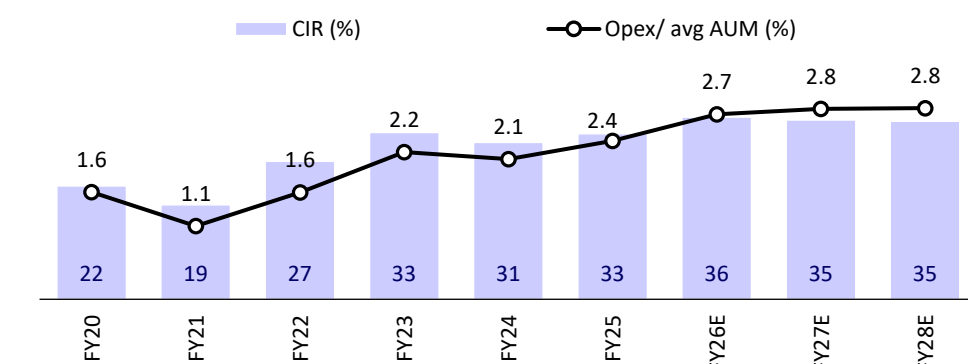
Source: MOFSL, Company

- Management plans to raise term loans and debentures with tenors of 2–5 years and gradually increase its leverage ratio from 3.4x to a more optimal level. The company aims to balance growth ambitions with prudent capital management, with future expansion expected to be funded broadly through internal accruals.

Leveraging lateral talent and technology for sustainable growth

- MAS is focused on increasing the share of direct retail distribution to ~70–75% (from ~65% currently), supported by sustained investments in retail infrastructure and staffing in recent quarters. While branch expansion was modest in 1HFY26, management expects renewed momentum from 3QFY26, with a strategy centered on deeper penetration within existing geographies rather than entering new ones, thereby enhancing operational efficiency.

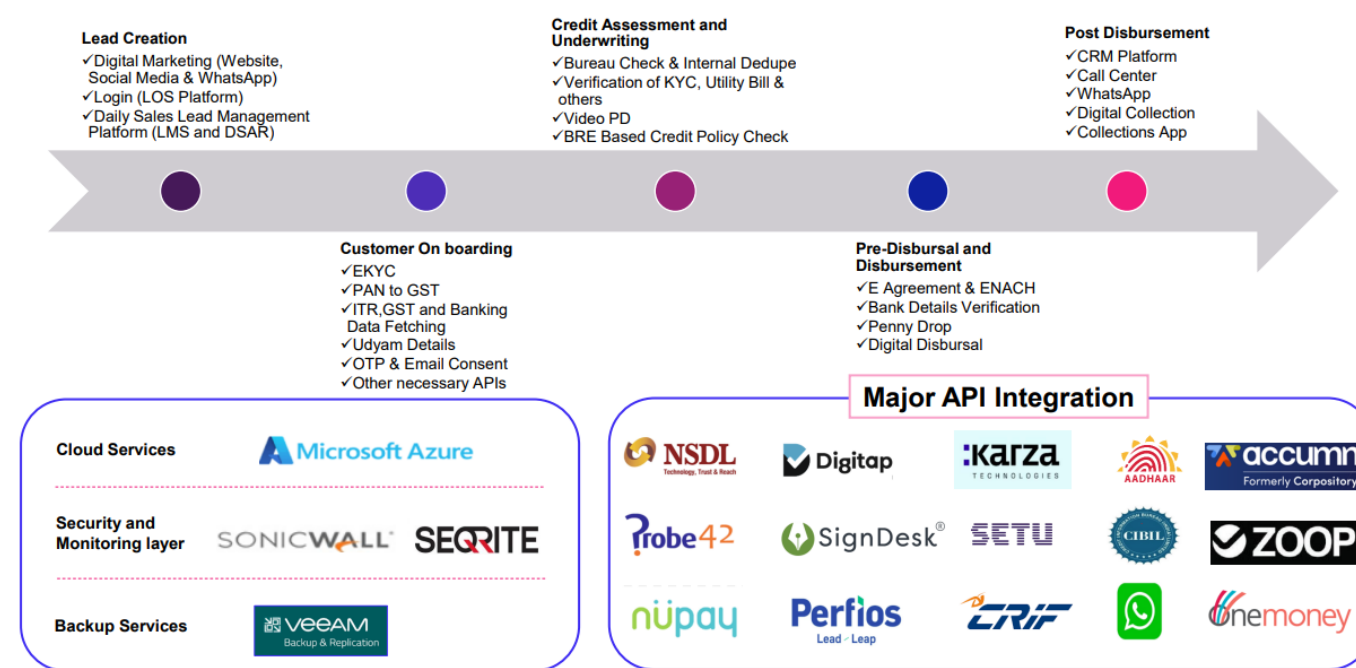
Exhibit 18: Controlled opex to support growth amid branch expansion



Source: MOFSL, Company

- The increase in operating cost ratios in 1HFY26 was led by lower disbursements, higher rejection rates, interest spreads paid to fintech partners, and additional staffing at distribution points. MAS remains committed to prudent cost management while sustaining healthy RoA and RoE, with incremental yields from direct lending helping to offset the impact of higher operating expenses.

Exhibit 19: Technology landscape



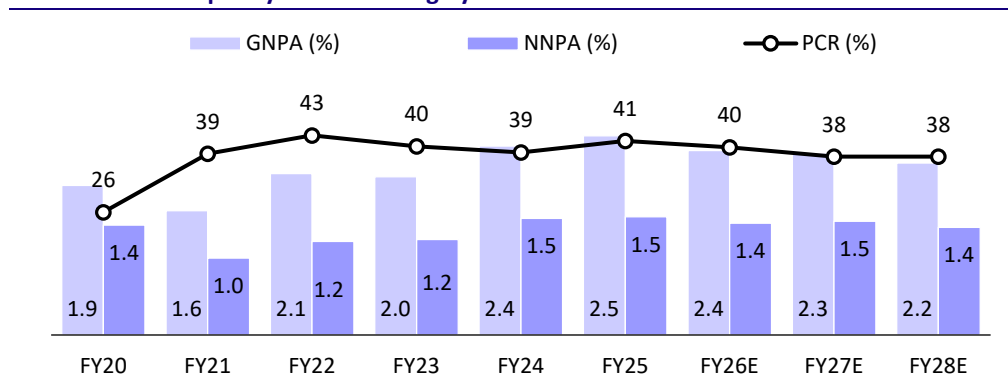
Source: MOFSL, Company

- The company utilizes BRE-enabled origination, decision-making, disbursement, and collection systems that support centralized onboarding, eKYC, income and fraud checks, and paperless documentation, ensuring faster and more reliable credit assessment. These measures have led to a significant reduction in TAT, particularly for housing and MSME products, while also improving operational efficiency and optimizing cost.
- MAS leverages BRE-enabled systems for origination, decision-making, disbursement, and collections, supporting centralized onboarding, eKYC, income and fraud checks, and paperless documentation. These measures have reduced turnaround times, particularly for housing and MSME products, while enhancing operational efficiency and optimizing costs.
- The company is expanding its tech team (~100-120 employees) to build internal capabilities over reliance on external providers, enabling long-term control, adaptability, and efficient AI integration. Full-scale implementation will follow system maturity and feedback from borrowers and employees.
- On the talent front, MAS is strengthening its third- and fourth-line leadership, focusing on long-term retention and developing high-quality regional leaders to support growth.
- Separate specialized teams are being created for each product segment (2W, CV, and others), with branches reorganized and manpower restructured top-to-bottom to ensure segment-level accountability.
- Through this integrated approach of technology-driven processes and strategic talent development, MAS aims for sustainable growth while maintaining operational efficiency. Management guides an opex-to-assets ratio of ~2.5-3.0% and a cost-to-income ratio of ~35-38%.

Stable asset quality; credit costs to remain benign

- MAS's asset quality has exhibited signs of stabilization, underpinned by prudent underwriting and a disciplined approach. The decline in slippages, loan originations, and approval ratios has now been arrested, indicating recovery in both borrower performance and lending quality.

Exhibit 20: Asset quality to remain largely stable



- The CV portfolio experienced stress in 1QFY26, resulting in higher slippages and flat disbursements. The MSME segment, which had been affected by customer over-leveraging and aggressive lending by financial institutions, is now showing early signs of stabilization. Additionally, the company has taken a cautious approach to incremental lending for customers exposed to tariff-sensitive

sectors such as textiles, though it had previously noted that overall tariff-related pressures have been immaterial.

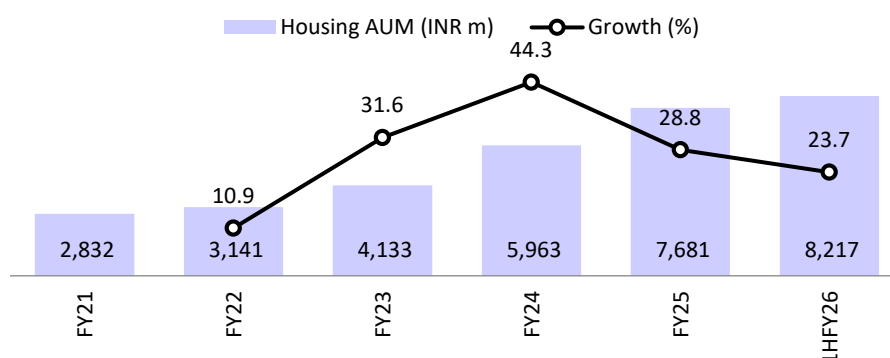
- Business is gaining momentum, driven by declining rejection rates and a higher proportion of eligible borrowers in the month of Sep-Oct'25. Festive demand (during Diwali), the GST rate cut, and the seasonal uptick in 2H, combined with improved borrower cash flows, are expected to support growth while maintaining sustainable asset quality.
- Loans sourced through fintech partners are backed with corporate guarantees and are overcollateralized, resulting in lower credit costs. The credit costs are expected to remain benign going forward, and we expect credit costs for MAS to be in the range of ~1.2-1.3% for FY26-28E.

Subsidiaries

MAS Rural Housing & Mortgage Finance Limited (MRHMFL)

- MRHMFL provides housing finance solutions across rural and semi-urban regions to salaried and self-employed individuals in Maharashtra, Gujarat, Rajasthan, and Madhya Pradesh. The loan offerings include financing for home purchases, construction and improvement, and affordable housing loans, sourced through 101 branches and 132 intermediaries (project developers and property agents).

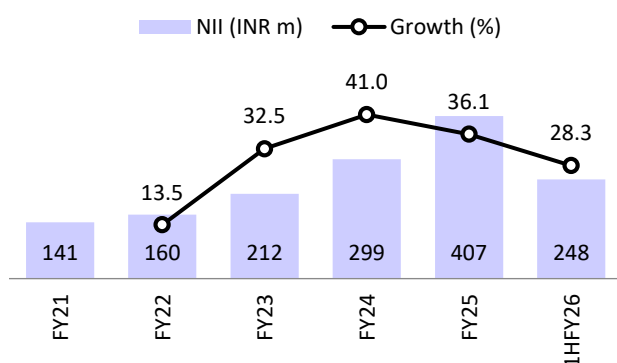
Exhibit 21: AUM growth set to improve



Source: MOFSL, Company

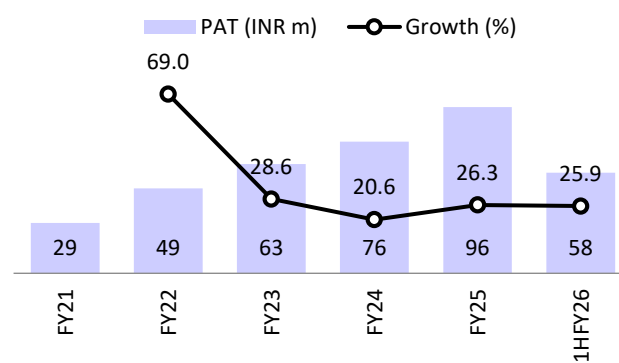
- AUM grew ~25% YoY as of 1HFY26, despite stress in the affordable housing finance segment. However, management remains confident of achieving an AUM of ~INR10b by FY26, and it plans to list the subsidiary once the Housing Subsidiary AUM scales up to ~INR40-50b.

Exhibit 22: NII growth continues to remain strong...



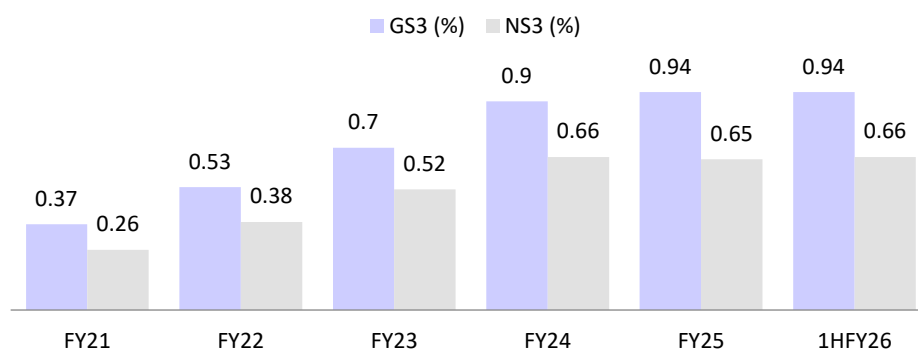
Source: MOFSL, Company

Exhibit 23: ...aiding robust profitability



Source: MOFSL, Company

Exhibit 24: GS3/NS3 inching up because of portfolio seasoning but remain well-managed



- Recently, the parent company increased its stake, increasing its stake from ~62% to ~62.5% through the subscription of 6% Non-Cumulative Optionally Convertible Preference Shares (OCPS).
- The subsidiary also receives funding from NHB (currently at ~2% of the borrowings), providing scope for further optimization of CoF and access to long-term funding.

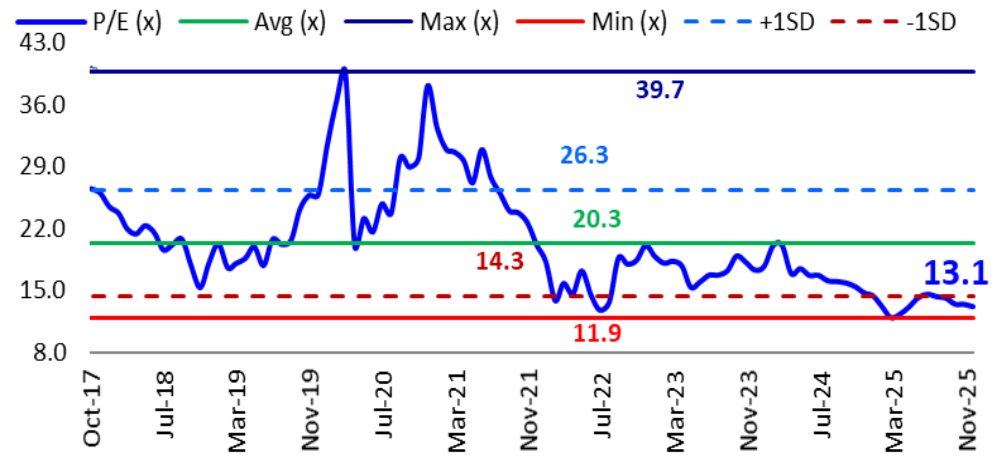
MAS Fin Insurance Broking Private Limited

- MAS Fin Insurance, a subsidiary of MAS, received IRDAI registration to operate as a Direct Insurance Broker (Life & General)
- MAS invested INR3.5m in the subsidiary, and the shareholding of the company in MAS Fin Insurance Broking stands at 69.5%.

Valuation and view

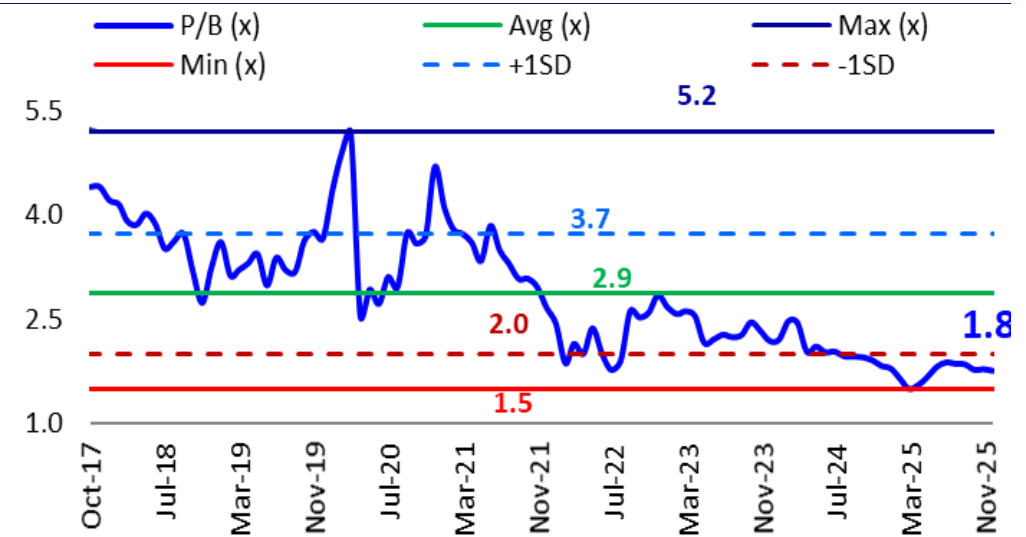
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- We model a FY25–28E CAGR of 19% in standalone AUM and 21% in PAT, with RoA/RoE expected at 2.9%/15.5% by FY28E. Earnings quality remains strong, supported by risk-calibrated AUM growth despite stress in the MSME ecosystem. **We reiterate our BUY rating on the stock with a TP of INR380 (based on 2x Sep'27E BV).** Key risk: a macroeconomic slowdown that could weaken loan growth and asset quality.

Exhibit 25: One-year forward P/E



Source: MOFSL, Company

Exhibit 26: One-year forward P/B



Source: MOFSL, Company

Financials and Valuation

INCOME STATEMENT									INR m
Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	5,551	4,831	5,611	8,066	10,223	12,896	15,482	19,061	22,544
Interest Expense	2,722	2,645	3,195	4,748	6,142	7,224	8,883	10,730	12,421
Net Financing income	2,829	2,186	2,416	3,318	4,081	5,673	6,598	8,331	10,123
Change (%)	9.7	-22.7	10.5	37.3	23.0	39.0	16.3	26.3	21.5
Gains on Assignment	1,012	806	639	680	1,170	1,431	2,146	2,576	3,091
NII incl assignment income	3,841	2,992	3,054	3,998	5,251	7,104	8,745	10,907	13,214
Change (%)	9.1	-22.1	2.1	30.9	31.3	35.3	23.1	24.7	21.2
Fees and Others	165	302	321	745	853	877	1,323	1,587	1,832
Total Income	4,005	3,294	3,375	4,743	6,104	7,981	10,067	12,494	15,046
Change (%)	9.5	-17.8	2.5	40.5	28.7	30.7	26.1	24.1	20.4
Operating Expenses	899	616	921	1,566	1,894	2,615	3,628	4,434	5,299
Change (%)	16.0	-31.4	49.5	69.9	21.0	38.0	38.7	22.2	19.5
Operating Profits	3,106	2,678	2,454	3,177	4,210	5,366	6,439	8,060	9,747
Change (%)	7.7	-13.8	-8.4	29.5	32.5	27.5	20.0	25.2	20.9
Total Provisions	825	749	341	530	896	1,261	1,586	2,040	2,427
% to operating income	26.5	28.0	13.9	16.7	21.3	23.5	24.6	25.3	24.9
PBT	2,282	1,929	2,113	2,647	3,314	4,104	4,853	6,020	7,320
Tax	616	494	538	637	837	1,045	1,223	1,517	1,845
Tax Rate (%)	27.0	25.6	25.5	24.1	25.2	25.5	25.2	25.2	25.2
PAT	1,666	1,435	1,575	2,010	2,478	3,059	3,630	4,503	5,475
Change (%)	9.5	-13.8	9.7	27.6	23.3	23.5	18.7	24.0	21.6
Proposed Dividend	437	82	164	197	248	306	335	407	465

BALANCE SHEET									INR m
Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	547	547	547	547	1,640	1,815	1,815	1,815	1,815
Reserves & Surplus (Ex OCI)	8,807	10,724	12,404	14,056	15,595	23,588	26,883	30,979	35,989
Networth (Ex OCI)	9,354	11,271	12,951	14,602	17,234	25,403	28,698	32,793	37,803
OCI	455	455	455	455	455	455	455	455	455
Networth (Incl OCI)	9,809	11,726	13,406	15,057	17,690	25,858	29,153	33,248	38,258
Change (%)	10.7	19.5	14.3	12.3	17.5	46.2	12.7	14.0	15.1
Minority Interest	0	1	0	0	0	0	0	0	0
Other Capital Instruments	0	0	0	0	0	0	0	0	0
Borrowings	34,870	39,264	46,896	61,432	73,026	87,018	1,14,880	1,34,654	1,57,599
Change (%)	27.1	12.6	19.4	31.0	18.9	19.2	32.0	17.2	17.0
Other liabilities	1,038	786	341	291	377	3,769	4,146	4,560	5,017
Change (%)	41.0	-24.3	-56.7	-14.6	29.6	899.7	10.0	10.0	10.0
Total Liabilities	45,718	51,775	60,642	76,780	91,092	1,16,645	1,48,178	1,72,463	2,00,874
Loans	33,485	38,051	45,538	59,102	72,648	86,139	1,14,535	1,36,270	1,62,327
Change (%)	4.0	13.6	19.7	29.8	22.9	18.6	33.0	19.0	19.1
Investments	375	2,350	5,381	8,261	7,877	15,938	15,938	15,938	15,938
Net Fixed Assets	603	609	647	730	897	1,160	1,253	1,353	1,420
Other assets	11,255	10,765	9,077	8,687	9,670	13,409	16,453	18,902	21,188
Total Assets	45,718	51,776	60,642	76,780	91,092	1,16,645	1,48,178	1,72,463	2,00,874

E: MOFSL Estimates

Assumptions	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
AUM (INR M)	59,663	53,724	62,468	80,926	1,01,257	1,20,998	1,43,384	1,70,518	2,02,911
Change (%)	11.8	-10.0	16.3	29.5	25.1	19.5	18.5	18.9	19.0
On Balance Sheet	55.7	75.4	81.4	81.0	77.8	80.4	81.3	81.3	81.3
Off Balance Sheet	44.3	24.6	18.6	19.0	22.2	19.6	20.1	20.1	20.0

E: MOSL Estimates

Financials and Valuation

RATIOS	(%)								
Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Spreads Analysis (%)									
Yield on loans	16.9	13.5	13.4	15.4	15.5	16.2	15.4	15.2	15.1
Cost of Funds	8.7	7.1	7.4	8.8	9.1	9.0	8.8	8.6	8.5
Spreads (On books)	8.2	6.4	6.0	6.6	6.4	7.2	6.6	6.6	6.6
NIMs (On Books)	8.6	6.1	5.8	6.3	6.2	7.1	6.6	6.6	6.8
Profitability Ratios (%)									
RoE	18.8	13.9	13.0	14.6	15.6	14.4	13.4	14.6	15.5
RoA	4.0	2.9	2.8	2.9	3.0	2.9	2.7	2.8	2.9
RoA (on AUM)	2.9	2.5	2.7	2.8	2.7	2.8	2.7	2.9	2.9
Op. Exps./Net Income	22.4	18.7	27.3	33.0	31.0	32.8	36.0	35.5	35.2
Empl. Cost/Op. Exps.	58.3	48.2	45.8	39.9	46.0	43.9	40.5	41.8	42.6
Asset-Liability Profile (%)									
Net NPAs to Adv.	1.4	1.0	1.2	1.2	1.5	1.5	1.4	1.5	1.4
Debt/Equity (x) - On BS	3.7	3.5	3.6	4.2	4.2	3.4	4.0	4.1	4.2
Average leverage	3.5	3.6	3.6	3.9	4.2	3.8	3.7	4.1	4.1
CAR	31.0	26.9	26.4	25.3	24.1	24.7	28.2	27.1	26.2
Valuations									
Book Value (INR)	57	69	79	89	105	140	158	181	208
Price-BV (x)	5.6	4.6	4.0	3.6	3.0	2.3	2.0	1.8	1.5
Adjusted BV (INR)	55	67	76	86	100	134	150	171	197.7
Price-ABV (x)	5.8	4.7	4.1	3.7	3.2	2.4	2.1	1.9	1.6
EPS (INR)	10.2	8.8	9.6	12.3	15.1	16.9	20.0	24.8	30.2
EPS Growth (%)	9	-14	10	28	23	12	19	24	22
Price-Earnings (x)	31	36	33	26	21	19	16	13	11
Dividend per share	8.0	1.5	3.0	3.0	1.5	1.7	1.8	2.2	2.6
Dividend yield (%)	0.8	0.2	0.3	0.3	0.5	0.5	0.6	0.7	0.8

E: MOFSL Estimates

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