1 November 2025
2QFY26 Results Update | Sector: Financials

Spandana Sphoorty

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	SPANDANA IN
Equity Shares (m)	71
M.Cap.(INRb)/(USDb)	20.2 / 0.2
52-Week Range (INR)	494 / 184
1, 6, 12 Rel. Per (%)	-4/-9/-41
12M Avg Val (INR M)	204

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	12.6	4.7	7.3
Total Income	14.9	6.5	10.8
PPoP	6.1	-0.9	4.6
PAT	-10.4	-6.9	2.4
EPS (INR)	-145	-87	27
EPS Gr. (%)	-	-	-
BV (INR)	369	241	291
Ratios (%)			
NIM	15.1	9.1	13.7
C/I ratio	59.3	113.3	57.5
Credit cost	23.8	16.2	4.0
RoA	-9.5	-9.1	3.2
RoE	-33.0	-29.0	10.2
Valuations			
P/E (x)	-	-	9.3
P/BV (x)	0.7	1.1	0.9

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	48.2	48.1	55.8
DII	6.1	5.7	7.3
FIIFIIFII	20.3	19.8	22.6
Others	25.5	26.4	14.2

FII Includes depository receipts

CMP: INR253 TP: INR280 (+11%) Neutral

Loss narrows QoQ; early signs of stabilization

Sequential decline in credit costs; reported NIM expands ~20bp QoQ

- Spandana Sphoorty (SPANDANA)'s 2QFY26 loss stood at ~INR2.5b (vs. MOFSLe loss of INR2.4b). NII dipped 70% YoY to ~INR1.05b (in line). Opex declined ~14% YoY to ~INR1.9b (in line). Operating loss stood at INR690m (PQ: operating loss of ~INR590m). Total borrower count declined ~18% QoQ to 2m.
- Credit costs declined to ~INR2.6b, resulting in annualized credit costs of ~27% (PQ: ~34% and PY: ~21%). This included an additional credit cost of INR860m in 2QFY26 due to accelerated technical write-offs. Excluding this, the credit costs would have been INR1.7b.
- Management expects stronger disbursement momentum in the subsequent quarters, supported by ~1m customers who are eligible for MFI loans and a corresponding ~INR55–60b lending opportunity to such customers.
- X-bucket CE has been on an improving trajectory, with positive trends observed across the company's top 5 states. Additionally, slippages declined to ~INR4b in 2QFY26 from ~INR5.5b in 1Q, driven by lower flow rates. The company shared that the new loan book (being built under stringent guardrails) will gradually become a dominant proportion of the loan mix and will help in further improving the flow rates in the subsequent quarters.
- **Management shared that the appointment of the new MD & CEO is expected within the next 30 days.** Management further shared that FY26 will be a year of rebuilding for the company, with process enhancements aimed at improving efficiency and reducing operating costs.
- We model an AUM decline of ~23% YoY to ~INR53b in FY26 and expect the company to get back to profits from 4QFY26 onwards. SPANDANA has stepped up recovery efforts in its 90+ dpd pool through frequent SMS alerts, demand notices, and selective legal action, which have yielded encouraging results. Elevated credit costs from the stressed pool, along with a sharp run-down in the AUM, suggest that a meaningful earnings expansion will be more back-ended and visible only after 3-4 quarters. Given this delayed recovery trajectory and muted near-term catalysts, **we reiterate our Neutral rating** on the stock with a TP of INR280 (based on 0.9x Sep'27E P/BV).

AUM dips ~61% YoY; disbursements down ~38% YoY

- AUM declined ~61% YoY and ~18% QoQ to ~INR41b. Disbursement declined ~38% YoY to INR9.3b. Disbursements in Sep'25 stood at INR4.2b, but SPANDANA shared that it expects disbursements of ~INR3.5b in Oct'25 because of a lesser number of working days and festivities across the country. With the flow rate stabilizing, disbursements are expected to now pick up pace. Management has guided further improvement in the disbursement momentum in 2HFY26.
- Loan officers (net) declined by ~850 during the quarter. SPANDANA currently employs ~8,000 loan officers.

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Reported NIM improves ~20bp QoQ; Yields rise ~20bp QoQ

- Reported yields improved ~20bp QoQ to ~19.6%, while CoF declined ~10bp QoQ to ~12.2%, resulting in ~30bp QoQ improvement in spreads to 7.4%.
- Reported NIM rose ~20bp QoQ to ~8.4%.
- The company shared that it has revised its lending rate to 23%–26% (previously 19.75%–24.75%), effective from 1st Oct'25, along with a corresponding increase in the processing fees as well.

GNPA broadly stable at 5.6%; credit costs decline sequentially

- GNPA/NNPA increased marginally by ~10bp/5bp QoQ to ~5.6%/1.2%. S3 PCR was broadly stable QoQ at ~80%. Stage 2 declined ~4pp QoQ to ~3.9%.
- Gross collection efficiency (including arrears) improved to 92.9% (PQ: 91.1%), and net collection efficiency improved to 92.4% (PQ: 90.6%). The **X-bucket collection efficiency stood at 98.8% in Sep'25 vs. 98.0% in Jun'25.**
- Customers having loans from SPANDANA +>= 3 lenders as of Sep'25 declined to ~17% (v/s ~21% in Jul'25).
- Slippages declined to ~INR4b in 2Q from ~INR5.5b in 1QFY26, aided by a reduction in flow rates. The new loan book built under stringent guardrails and higher credit filters is likely to have lower credit costs going forward.
- CRAR stood at ~47% as of Sep'25.

Key highlights from the management commentary

- Criss Financials, the subsidiary company, offers LAP and unsecured individual loans, with a total portfolio of INR6.7b. The unsecured individual loan segment is facing stress due to floods in Andhra Pradesh and Telangana. However, the micro-LAP book continues to perform well, with minimal slippages and NPAs below 1%. The company plans to increase the share of secured loans from ~39% currently to 50–55% by the end of FY26.
- The successful closure of the rights issue has strengthened the company's capital position. Management is evaluating CGFMU to enhance credit protection, but has not made any firm decision as yet.
- Despite upcoming state elections in Bihar, this state has performed very well for SPANDANA with an X-bucket CE of 98.8%.

Valuation and view

- SPANDANA reported a minor sequential improvement in the disbursement momentum and expects this to be sustained in the subsequent quarters. The flow rates have reduced, and with its new (and stricter) underwriting standards, we expect the sequential moderation in credit costs to continue over the next few quarters till it attains steady-state normalized credit costs of 3.5%-4.0%. While FY26 is a phase of rebuilding, SPANDANA will rebound to decent profitability from FY27.
- We estimate SPANDANA to deliver RoA/RoE of 3.2%/10% in FY27E. Elevated credit costs from the stressed pool, along with a sharp run-down in the AUM, suggest that a meaningful earnings expansion will be more back-ended and visible only after 3-4 quarters. Given this delayed recovery trajectory and muted near-term catalysts, we maintain our Neutral rating on the stock with a TP of INR280 (based on 0.9x Sep'27E P/BV).

Quarterly Performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E	2QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	6,935	6,071	5,029	3,907	2,837	2,246	2,134	2,630	21,943	9,847	2,327	-3
Interest Expenses	2,594	2,584	2,290	1,855	1,538	1,199	1,109	1,295	9,323	5,140	1,261	-5
Net Interest Income	**4,342**	**3,487**	**2,739**	**2,052**	**1,300**	**1,048**	**1,025**	**1,335**	**12,621**	**4,708**	**1,066**	**-2**
YoY Growth (%)	*48.0*	*10.4*	*-13.4*	*-46.8*	*-70.1*	*-70.0*	*-62.6*	*-35.0*	*-3.8*	*-62.7*	*-69.4*	
Other Income	435	994	697	282	204	149	391	1,095	2,298	1,839	316	-53
Total Income	**4,776**	**4,481**	**3,436**	**2,335**	**1,504**	**1,196**	**1,416**	**2,430**	**14,918**	**6,547**	**1,382**	**-13**
YoY Growth (%)	*45.7*	*8.6*	*-15.5*	*-49.3*	*-68.5*	*-73.3*	*-58.8*	*4.1*	*-5.8*	*-56.1*	*-69.2*	
Operating Expenses	1,908	2,203	2,651	2,083	2,091	1,886	1,745	1,696	8,843	7,417	1,947	-3
Operating Profit	**2,869**	**2,278**	**784**	**251**	**-587**	**-690**	**-328**	**735**	**6,075**	**-871**	**-565**	**22**
YoY Growth (%)	*51.7*	*-11.6*	*-67.4*	*-90.5*	*-120.5*	*-130.3*	*-141.8*	*192.2*	*-34.7*	*-114.3*	*-124.8*	
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,222	2,582	1,033	540	19,863	8,376	2,660	-3
Profit before Tax	**751**	**-2,886**	**-5,876**	**-5,776**	**-4,809**	**-3,271**	**-1,361**	**194**	**-13,788**	**-9,247**	**-3,225**	**1**
Tax Provisions	193	-723	-1,474	-1,433	-1,207	-780	-340	6	-3,436	-2,321	-806	-3
Net Profit	**557**	**-2,163**	**-4,402**	**-4,343**	**-3,602**	**-2,492**	**-1,021**	**189**	**-10,352**	**-6,926**	**-2,419**	**-3**
YoY Growth (%)	*-53*	*-273*	*-446*	*-438*	*-747*	*15*	*-77*	*-104*	*-307*	*-33*	*12*	
Key Parameters (%)												
Yield on loans	25.4	24.4	24.0	23.4	23.0	23.2						
Cost of funds	11.4	12.4	12.6	12.0	12.3	12.6						
Spread	14.1	12.0	11.5	11.5	10.6	10.6						
NIM	15.9	14.0	13.1	12.3	10.5	10.8						
Credit cost	7.8	20.7	31.8	36.2	34.2	26.7						
Cost to Income Ratio (%)	39.9	49.2	77.2	89.2	139.1	157.6						
Tax Rate (%)	25.8	25.0	25.1	24.8	25.1	23.8						
Performance ratios (%)												
AUM/Branch (INR m)	0	69	54	38	29	0						
AUM/Loan Officer (INR m)	11.9	9.5	7.1	5.7	5.6	5.1						
Borrowers/Branch	2,048	2,022	1,669	1,380	1,186	910						
Borrowers/Loan Officer	219	191	149	135	131	116						
Balance Sheet Parameters												
AUM (INR B)	**117.2**	**105.4**	**89.4**	**68.2**	**49.6**	**40.9**						
Change YoY (%)	32.5	7.7	-14.1	-43.0	-57.7	-61.2						
Disbursements (INR B)	**22.8**	**15.1**	**14.4**	**3.7**	**2.8**	**9.3**						
Change YoY (%)	37.2	-39.8	-43.3	-90.8	-87.7	-38.3						
Borrowings (INR B)	**90.4**	**78.5**	**67.5**	**56.6**	**43.1**	**32.9**						
Change YoY (%)	42.6	1.1	-15.3	-40.0	-52.4	-58.1						
Borrowings/Loans (%)	77.1	74.5	75.5	82.9	86.8	80.5						
Debt/Equity (x)	2.4	2.2	2.2	2.1	1.9	1.5						
Asset Quality (%)												
GS 3 (INR M)	**2,920**	**4,770**	**4,000**	**3,540**	**2,510**	**2,170**						
G3 %	2.6	4.9	4.8	5.6	5.5	5.6						
NS 3 (INR M)	**590**	**970**	**810**	**750**	**530**	**450**						
NS3 %	0.5	1.1	1.1	1.3	1.3	1.3						
PCR (%)	**79.8**	**79.7**	**79.8**	**78.8**	**78.9**	**79.3**						
ECL (%)	4.4	7.5	8.5	9.6	9.0	7.5						
Return Ratios - YTD (%)												
ROA (Rep)	1.7	-7.1	-16.3	-18.7	-18.9	-16.1						
ROE (Rep)	6.1	-24.0	-53.5	-60.8	-58.6	-44.1						

E: MOFSL Estimates

CONFERENCE CALL

Key highlights from the management commentary

Guidance
- FY26 will be a rebuilding year, with a focus on process improvements for higher efficiency and lower operating costs.
- The growth in AUM is expected to remain flat for FY26.
- The company expects to disburse around INR7b monthly starting from the next quarter.
- Going forward, in FY27, management is targeting AUM growth of ~20% and credit costs in the range of ~2.5–3.0%

Management Commentary
- Over-leveraged borrowers across the industry are coming down, and there has been a visible improvement across most lead parameters.
- Improvement has been particularly strong in Karnataka, tending closer to the national average.

Customer Acquisition
- The borrower count is expected to increase as the company resumes active customer acquisition. However, the industry continues to face challenges in acquiring new customers.
- The management highlighted that the onboarding process has been made more stringent, with only customers showing zero delinquency being onboarded, while even 1+ dpd customers are rejected.
- ~22% of the loans were given to new customers in 2QFY26, compared to ~15% in 1QFY26, and the company plans to further increase this proportion.
- There is a huge opportunity for growth, with ~1m potential customers,43% of the existing customer base, eligible for future disbursements.

Disbursements
- Management plans to focus on growing disbursements to rebuild the balance sheet, supported by adequate capital and resources.
- Disbursements picked up pace, reaching INR9.3b in 2QFY26 compared to INR2.8b in 1QFY26. The company expects disbursements of ~3.5b in Oct'25 and further improvement in November and December. October disbursements were slightly lower due to fewer working days and festive holidays, but the company is confident of regaining pace in the coming months.
- Disbursement momentum has improved in line with better portfolio quality.
- ~98.2% of customers were in the current bucket at the time of disbursement, with only ~1.8% in the 1–30 dpd range.
- Disbursements were also supported by a partly paid issue that enhanced liquidity.

Interest Rates
- The company has revised its interest rate range to 23–26% (previously 19.75–24.75%), effective from 1st Oct'25.
- Loan processing fees were revised upward to 1.5% (from 1%), effective from 1st Sep'25.

Productivity

- Productivity has improved, with disbursements per loan officer per day increasing steadily.
- The company expects further improvement in cost structure and operational efficiency in the coming quarters.

Collection Efficiency

- The X-bucket collection efficiency improved in September compared to June. Collection efficiency stood at ~98.7% in Sept'25 and ~98.5% in Oct'25, with a slight dip due to the festive season, fewer working days, and floods in certain regions.
- The portfolio originated under new credit rules, continues to perform strongly, maintaining 99.9% net collection efficiency, and the number of branches with X-bucket efficiency greater than 99% rose to 60% in Sep'25 from 32% in Jun'25.
- The company has implemented several initiatives to improve collections through legal avenues, starting in Aug'25, and digital channels are being enhanced to drive borrower engagement and support remote collections.
- The top five states have shown notable improvement in collection efficiency. The collection efficiency in Madhya Pradesh remains strong, with the company increasing its portfolio share in the state from 12% to 14%.
- Improvement in Andhra Pradesh is expected, but it still trails the national average.

Credit Costs

- As a prudent measure, an additional cost of INR860m was recognized in 2QFY26 due to technical write-offs. Excluding this, impairment costs would have been INR1.7b.
- Slippages declined from INR5.5b in 1QFY26 to INR4.0b in 2QFY26, and flow rates reduced from 2.5%–3% earlier to ~1.5% currently. As the new loan book continues to build, flow rates are expected to come down significantly.
- The loan book built under the new credit rules is expected to have lower credit costs going forward.
- Customers with a higher number of concurrent loans have shown relatively higher delinquency across buckets.

Criss Financial

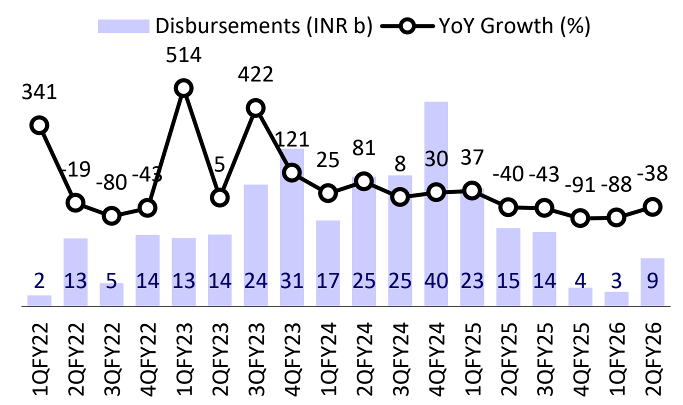
- The subsidiary company offers LAP and unsecured individual loans, with a total portfolio of INR6.7b, of which INR2.9b is in LAP.
- Unsecured loans are primarily offered in rural areas of Andhra Pradesh and Telangana, while LAP loans are available in six states.
- The unsecured individual loan segment is facing stress due to floods in Andhra Pradesh and Telangana. However, the micro-LAP book continues to perform well, with minimal slippages and NPAs below 1%.
- The company plans to increase the share of secured loans from 39% currently to 50–55% by year-end, with the LAP portfolio expected to grow faster than unsecured individual loans.

Other

- The successful closure of the rights issue has strengthened the company's capital position.
- The management has initiated work on the CGFMU route to enhance credit protection.
- Bihar has performed strongly with an X-bucket collection efficiency of 98.8%.
- As GNPA pressure eases in the next quarter, the management expects the company to turn profitable at the PPoP level.
- The company is expected to make a formal CEO announcement within the next 30 days.

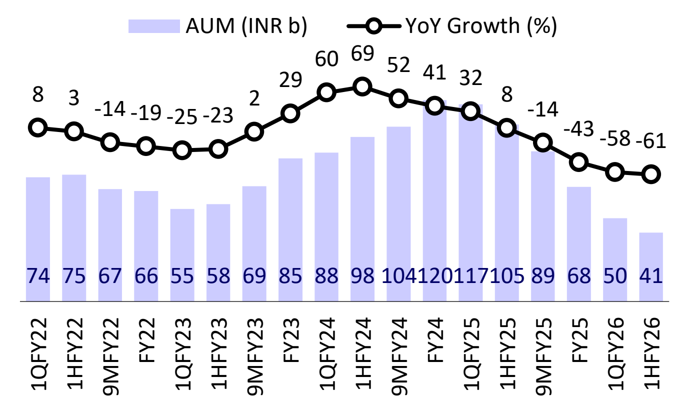
Story in charts

Exhibit 1: Disbursements declined ~38% YoY…



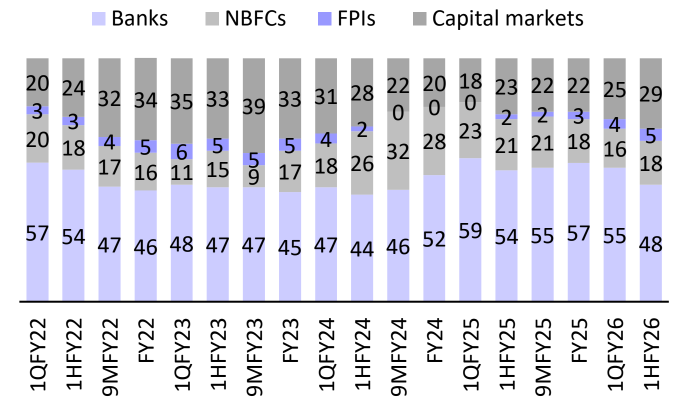
Source: MOFSL, Company

Exhibit 2: …resulting in ~61% YoY decline in AUM



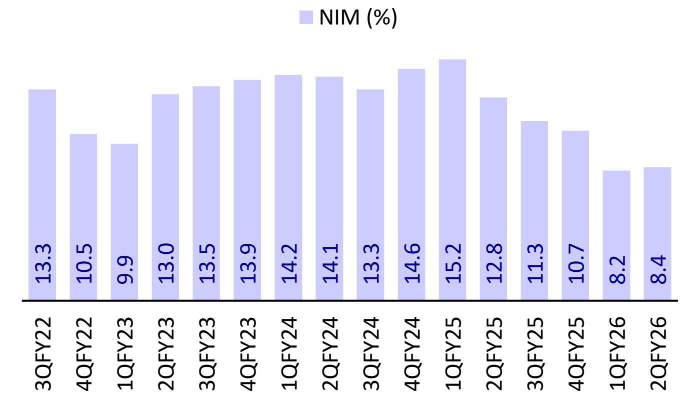
Source: MOFSL, Company

Exhibit 3: Share of banks declined in the borrowing mix (%)



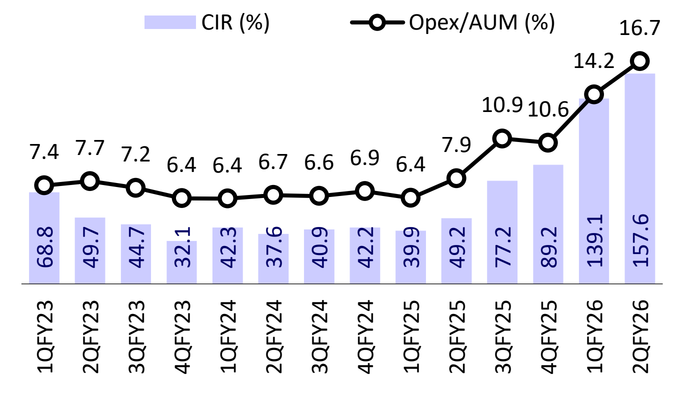
Source: MOFSL, Company

Exhibit 4: Reported NIM improved ~20bp QoQ (%)



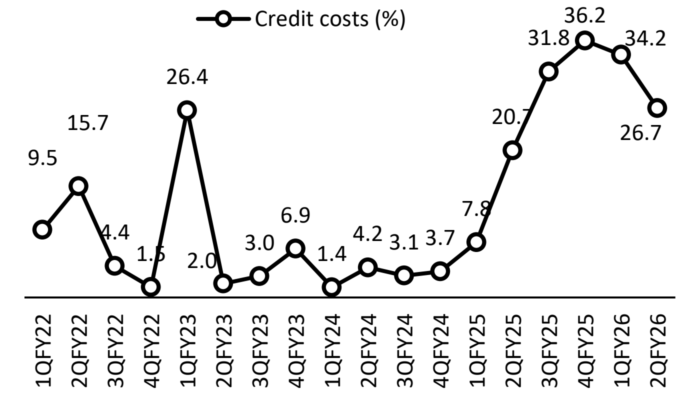
Source: MOFSL, Company

Exhibit 5: Opex/AUM rose ~250bp QoQ (%)



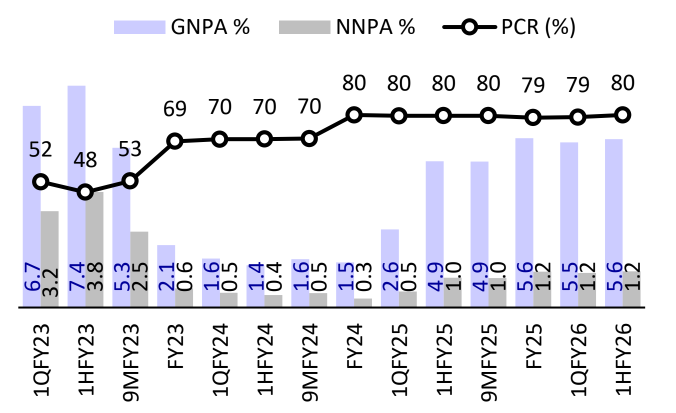
Source: MOFSL, Company

Exhibit 6: Annualized credit costs declined to ~27%



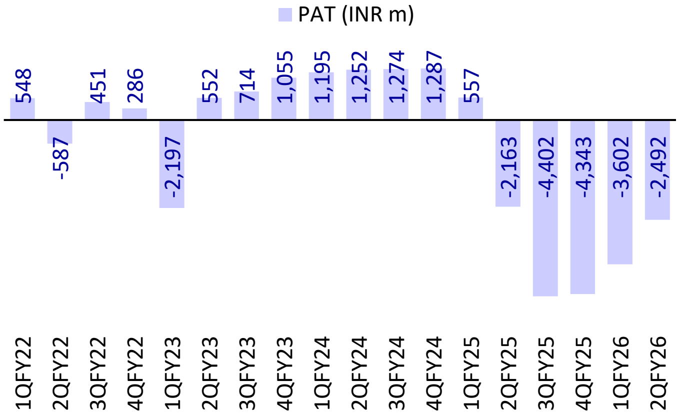
Source: MOFSL, Company

Exhibit 7: GS3 inched up ~10bp QoQ



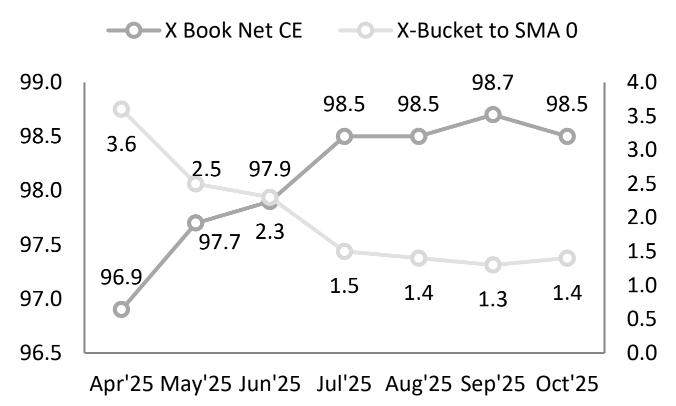
Source: MOFSL, Company

Exhibit 8: 2QFY26 loss stood at ~INR2.5b



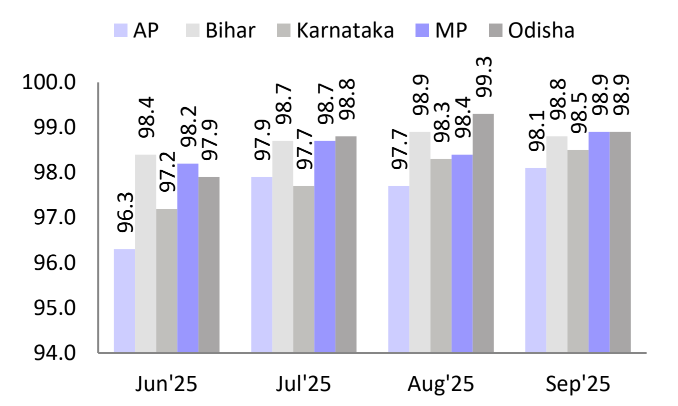
Source: MOFSL, Company

Exhibit 9: X-book Net CE



Source: MOFSL, Company

Exhibit 10: X-bucket CE of key states

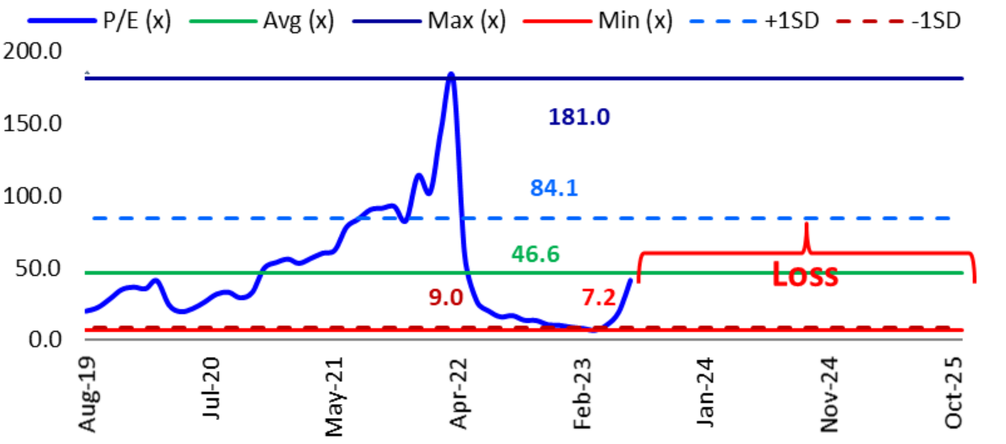


Source: MOFSL, Company

We cut our FY26/FY27/FY28 EPS estimates to factor in lower NII and slightly higher credit costs

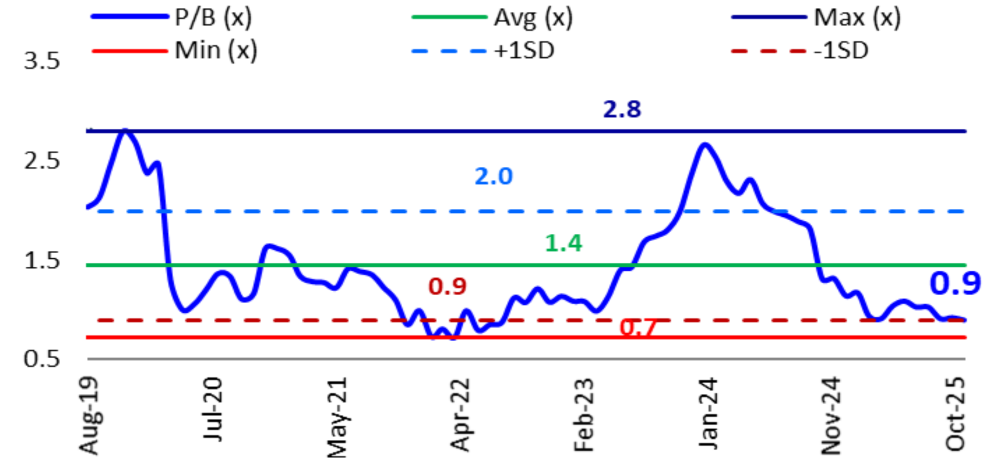
INR B	Old Est.			New Est.			% change		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
NII	5.0	7.9	10.0	4.7	7.3	9.6	-5.6	-7.0	-3.8
Other Income	1.8	3.3	3.2	1.8	3.5	3.5	0.0	6.2	10.0
Total Income	**6.8**	**11.1**	**13.2**	**6.5**	**10.8**	**13.2**	**-4.1**	**-3.1**	**-0.5**
Operating Expenses	7.5	6.3	6.6	7.4	6.2	6.5	-1.7	-1.6	-1.6
Operating Profits	**-0.7**	**4.8**	**6.6**	**-0.9**	**4.6**	**6.6**	**-**	**-5.1**	**0.7**
Provisions	8.2	2.2	2.3	8.4	2.2	2.6	2.6	0.3	13.2
PBT	**-8.9**	**2.7**	**4.3**	**-9.2**	**2.4**	**4.1**	**-**	**-9.5**	**-5.9**
Tax	-2.2	0.0	0.0	-2.3	0.0	0.0	4.1	-	-
PAT	**-6.7**	**2.7**	**4.3**	**-6.9**	**2.4**	**4.1**	**-**	**-9.5**	**-5.9**
AUM	60	75	92	53	68	85	-12.2	-8.8	-7.6
Borrowings	52	65	79	45	56	68	-14.2	-13.4	-13.4
RoA	-8.3	3.2	4.2	-9.1	3.2	4.4	9.3	0.6	4.5
RoE	-27.7	11.1	15.1	-29.0	10.2	14.6	4.7	-7.9	-3.7

Exhibit 11: One year forward P/E



Source: MOFSL, Company

Exhibit 12: One year forward P/B



Source: MOFSL, Company

Financials and valuations

Income Statement										(INR M)
Y/E March	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Interest Income	9,979	11,692	13,627	13,365	12,775	22,381	21,943	9,847	12,878	16,288
Interest Expenses	3,579	3,563	4,232	5,401	4,579	9,268	9,323	5,140	5,545	6,656
Net Interest Income	**6,400**	**8,129**	**9,395**	**7,964**	**8,196**	**13,113**	**12,621**	**4,708**	**7,334**	**9,632**
Change (%)	87.5	27.0	15.6	-15.2	2.9	60.0	-3.8	-62.7	55.8	31.3
Other Operating Income	452	2,661	1,199	1,263	1,233	1,625	1,608	1,253	2,749	2,754
Other Income	54	342	230	172	763	1,102	689	586	703	773
Total Income	**6,907**	**11,132**	**10,824**	**9,399**	**10,192**	**15,840**	**14,918**	**6,547**	**10,786**	**13,159**
Change (%)	94.1	61.2	-2.8	-13.2	8.4	55.4	-5.8	-56.1	64.7	22.0
Total Operating Expenses	**1,719**	**2,211**	**2,369**	**3,625**	**4,570**	**6,540**	**8,843**	**7,417**	**6,204**	**6,522**
Change (%)	58.5	28.7	7.1	53.0	26.1	43.1	35.2	-16.1	-16.4	5.1
Employee Expenses	1,310	1,707	1,715	2,284	3,057	4,732	6,318	5,117	4,196	4,406
Depreciation	70	88	76	92	109	204	227	232	250	270
Other Operating Expenses	339	416	577	1,249	1,404	1,604	2,298	2,068	1,758	1,846
Operating Profit	**5,188**	**8,920**	**8,456**	**5,774**	**5,621**	**9,300**	**6,075**	**-871**	**4,581**	**6,637**
Change (%)	109.8	71.9	-5.2	-31.7	-2.6	65.4	-34.7	-114.3	-626.2	44.9
Total Provisions	**453**	**2,736**	**6,451**	**4,806**	**5,443**	**2,594**	**19,863**	**8,376**	**2,161**	**2,575**
% Loan loss provisions to Avg loans ratio	1.2	5.9	10.8	7.7	8.2	2.8	23.8	16.2	4.0	3.8
PBT	**4,735**	**6,185**	**2,004**	**969**	**178**	**6,706**	**-13,788**	**-9,247**	**2,421**	**4,062**
Tax Provisions	1,616	2,666	550	270	54	1,699	-3,436	-2,321	0	0
Tax Rate (%)	34.1	43.1	27.4	27.9	30.5	25.3	24.9	25.1	0.0	0.0
PAT	**3,119**	**3,518**	**1,455**	**698**	**124**	**5,007**	**-10,352**	**-6,926**	**2,421**	**4,062**
Change (%)	66.0	12.8	-58.7	-52.0	-82.3	3,940.0	-306.7	-33.1	-	67.8

Balance Sheet										(INR M)
Y/E March	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Equity Share Capital	596	643	643	691	710	713	713	800	887	887
Reserves & Surplus	18,298	25,616	26,848	30,185	30,280	35,733	25,617	20,605	24,938	29,000
Non-controlling interest	9	13	20	24	2	3	2	2	2	2
Net Worth	**18,904**	**26,272**	**27,511**	**30,899**	**30,992**	**36,449**	**26,333**	**21,407**	**25,828**	**29,889**
Borrowings	**29,677**	**30,253**	**53,733**	**37,721**	**60,743**	**94,246**	**56,556**	**44,524**	**56,286**	**68,125**
Change (%)	27.3	1.9	77.6	-29.8	61.0	55.2	-40.0	-21.3	26.4	21.0
Other Liabilities	736	3,248	4,526	2,143	2,091	3,130	2,046	2,146	2,355	2,585
Total Liabilities	**49,317**	**59,774**	**85,769**	**70,763**	**93,826**	**1,33,825**	**84,935**	**68,077**	**84,469**	**1,00,600**
Cash and Bank	3,518	2,571	13,810	12,022	10,045	18,941	18,438	12,368	13,312	14,238
Investments	1	4,875	23	24	1,894	1,118	1,098	890	901	1,158
Loans	**42,678**	**49,767**	**69,330**	**55,184**	**77,598**	**1,10,143**	**57,084**	**46,139**	**61,181**	**75,695**
Change (%)	38.1	16.6	39.3	-20.4	40.6	41.9	-48.2	-19.2	32.6	23.7
Fixed Assets	268	339	380	313	249	300	342	383	425	468
Other Assets	2,853	2,221	2,225	3,220	4,040	3,323	7,974	8,296	8,651	9,041
Total Assets	**49,317**	**59,774**	**85,769**	**70,763**	**93,826**	**1,33,825**	**84,935**	**68,077**	**84,469**	**1,00,600**

E: MOFSL Estimates

Financials and valuations

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
AUM	**43,720**	**68,290**	**81,570**	**65,810**	**85,110**	**1,19,730**	**68,190**	**52,757**	**68,419**	**84,764**
Change (%)	**38**	**56**	**19**	**-19**	**29**	**41**	**-43**	**-23**	**30**	**24**
Disbursements	**49,157**	**77,222**	**60,990**	**33,740**	**81,320**	**1,06,900**	**56,050**	**47,643**	**60,506**	**73,817**
Change (%)	**27**	**57**	**-21**	**-45**	**141**	**31**	**-48**	**-15**	**27**	**22**

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Spreads Analysis (%)										
Avg. Yield on Loans	27.1	25.3	22.9	21.5	19.2	23.8	26.2	19.1	24.0	23.8
Avg Cost of Funds	13.5	11.9	10.1	11.8	9.3	12.0	12.4	10.2	11.0	10.7
Spread of loans	13.6	13.4	12.8	9.7	9.9	11.9	13.9	8.9	13.0	13.1
NIM (on loans)	17.4	17.6	15.8	12.8	12.3	14.0	15.1	9.1	13.7	14.1
Profitability Ratios (%)										
RoE	19.0	15.6	5.4	2.4	0.4	14.8	-33.0	-29.0	10.2	14.6
RoA	7.2	6.5	2.0	0.9	0.2	4.4	-9.5	-9.1	3.2	4.4
Int. Expended / Int.Earned	35.9	30.5	31.1	40.4	35.8	41.4	42.5	52.2	43.1	40.9
Other Inc. / Net Income	7.3	27.0	13.2	15.3	19.6	17.2	15.4	28.1	32.0	26.8
Efficiency Ratios (%)										
Op. Exps. / Net Income	24.9	19.9	21.9	38.6	44.8	41.3	59.3	113.3	57.5	49.6
Empl. Cost/Op. Exps.	76.2	77.2	72.4	63.0	66.9	72.4	71.4	69.0	67.6	67.6
Asset-Liability Profile (%)										
Loans/Borrowings Ratio	1.4	1.6	1.3	1.5	1.3	1.2	1.0	1.0	1.1	1.1
Assets/Equity	2.6	2.3	3.1	2.3	3.0	3.7	3.2	3.2	3.3	3.4
Asset Quality (%)										
GNPA (INR m)	3,628	180	4,095	11,489	1,775	1,905	3,915	2,187	1,650	1,607
GNPA (%)	7.8	0.4	5.6	18.7	2.2	1.7	6.2	4.4	2.6	2.0
NNPA (INR m)	5.5	34.6	2,193.8	6,442.7	549.1	385.1	827.1	393.7	395.9	401.9
NNPA (%)	0.0	0.1	3.1	11.4	0.7	0.3	1.4	0.8	0.6	0.5
PCR (%)	99.8	80.8	46.4	43.9	69.1	79.8	78.9	82.0	76.0	75.0
Credit costs	1.2	5.9	10.8	7.7	8.2	2.8	23.8	16.2	4.03	3.76

Valuations	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Book Value (INR)	317	408	427	447	437	511	369	241	291	337
BV Growth (%)	-32	29	5	5	-2	17	-28	-35	21	16
P/BV	**0.8**	**0.6**	**0.6**	**0.6**	**0.6**	**0.5**	**0.7**	**1.1**	**0.9**	**0.8**
EPS (INR)	52.3	54.7	22.6	10.1	1.7	70.2	-145.2	-86.6	27.3	45.8
EPS Growth (%)	-17	5	-59	-55	-83	3,922	-307	-40	-132	68
P/E	**4.9**	**4.7**	**11.3**	**25.2**	**146.0**	**3.6**	**-1.8**	**-2.9**	**9.3**	**5.6**
Dividend	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend yield	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

E: MOFSL Estimates

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