

UGRO reported muted performance in Q1, with AUM growing 2% QoQ (36% YoY) to Rs92bn due to weak disbursements of Rs11.4bn (-26% QoQ/-10% YoY), strategic rundown of its supply chain portfolio, and higher BT outs. The management indicated that overall disbursement was impacted owing to heat waves and elections till mid-May, whereas June disbursement has been good and is expected to cover the Q1 shortfall in Q2, on account of a good start to this quarter. In its investor meet, the management maintained its growth guidance of >35% in the short term and 30% over the medium term. The focus will be on building a more granular book with strong focus on its micro secured loan book. The management aspires to grow its micro secured loan book to 40% in the medium term, which offers higher yield and would support its ambition of delivering 4% ROA on sustainable basis. To incorporate the Q1 developments and the management's commentary and aspiration, we adjust our FY25-27 estimates. We reiterate our BUY rating with a downward revised TP of Rs390/share (implying FY26E P/B of 1.7x).

UGRO Capital: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Net profits	398	1,193	1,598	2,768	4,567
AUM growths (%)	104.8	48.8	33.8	31.5	28.2
NII growths (%)	40.7	39.7	51.0	53.4	35.0
NIMs (%)	12.5	14.8	14.9	16.7	17.6
PPOP growth (%)	183.6	109.8	27.7	50.7	52.9
Adj. EPS (Rs)	5.7	13.4	17.4	23.7	32.2
Adj. EPS growth (%)	176.2	135.3	30.3	36.0	35.8
Adj. BV (INR)	142.0	157.0	174.5	224.3	256.6
Adj. BVPS growth (%)	3.6	10.6	11.1	28.6	14.4
RoA (%)	1.1	2.3	2.3	3.1	4.1
RoE (%)	4.1	9.9	9.1	11.6	13.4
P/E (x)	43.1	18.3	14.1	10.3	7.6
P/ABV (x)	1.7	1.5	1.4	1.1	0.9

Source: Company, Emkay Research; Note: #BV in FY25 is adjusted for warrant proceeds

Seasonality and rundown of supply chain finance affects Q1 performance

UGRO reported a soft Q1, with PAT of Rs304mn declining ~3% sequentially (~20% YoY growth). The overall growth was impacted on account of: 1) seasonally-weak quarter, 2) low disbursement due to election and heat wave in April and May, 3) conscious decision of running down its supply chain book, and 4) Higher-than-expected BT-out. Despite some softness in Q1FY25, the management is confident of achieving its FY25 guided growth number on the back of improved efficiency and network expansion. The management also highlighted that margins in the quarter were impacted on account of low securitization and co-lending in Q1 (general trend), and it expects the same to increase in the coming quarters. Ugro intends to expand its branch network to ~300 by the end of FY25, which would increase opex, but this expansion comes at a lower cost. The management expects cost-to-income to see improvement on account of improved productivity. Credit cost for the quarter came in at 1.45% on total AUM (2.6% on BS), witnessing sequential improvement of ~43bps. The improvement was led by lower provisioning on its Stage 1 and Stag 2 assets due to a portion of the portfolio being secured under CGTMSE scheme (Exhibit 1).

The management is confident of delivering on its medium-term guidance

In its investor meet, the management maintained its long-term guidance of AUM growth (30% CAGR) and aspired to deliver ROA of 4% by end-FY26, on the back of improved asset mix, expanding distribution reach, and moderating opex. The management plans to increase the share of its higher yield product (Micro secure loan) to 40% in the next 8-10 quarters. Driven by product mix changes and loan-book seasoning, the management expects AUM-level credit cost to rise from the current 1.5% levels, but stay under the 2% mark. On opex, the branch expansion should not have material impact, as the accretion of higher yield assets and lean branch cost setup mean that the cost growth is well in line or below the revenue growth. With the acquisition of 'MyShubhLife' and its expanding branch network, UGRO expects to improve its customer acquisition engine and leverage its digital capability for better customer selection.

We adjust our estimates and reiterate BUY on UGRO

To reflect the Q1 developments and the management's commentary, we have adjusted our FY25-27 estimates. We reiterate our BUY rating on the stock with our revised downwards Jun-25E TP of Rs390/share (from Rs410/share earlier) implying a P/B multiple of 1.7x (Exhibits - 2 and 3).

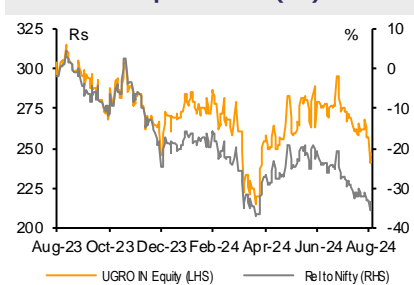
Target Price - 12M	Jun-25
Change in TP (%)	(4.9)
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	58.9
CMP (07-Aug-24) (Rs)	245.5

Stock Data	Ticker
52-week High (Rs)	320
52-week Low (Rs)	213
Shares outstanding (mn)	92.9
Market-cap (Rs bn)	23
Market-cap (USD mn)	272
Net-debt, FY25E (Rs mn)	1,104
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	142.0
ADTV-3M (USD mn)	1.7
Free float (%)	-
Nifty-50	24,298
INR/USD	84.0
Shareholding, Jun-24	
Promoters (%)	2.2
FPIs/MFs (%)	20.3/2.6

Price Performance

(%)	1M	3M	12M
Absolute	(11.0)	(6.9)	(15.0)
Rel. to Nifty	(10.9)	(14.5)	(31.4)

1-Year share price trend (Rs)



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Investor meet KTA:

- The management informed that its focus is more toward improving profitability, while building a more granular portfolio with expected AUM CAGR of 30% over the medium term.
- UGRO maintains FY25 growth guidance owing to increased branch network and efficiency.
- Branch network to increase to ~300 branches by end-FY25 and company will continue to add micro branches in FY26.
- The management expects to deliver 4% ROA by FY26 on the back of improved profitability and moderating opex.
- AUM mix to see some shift with increasing share of micro secured loans to 40% by FY26, whereas the off-book, on-book mix should reach 50% each.
- Monthly disbursement to reach Rs5-7bn once new branches are added and the old ones reach breakeven.
- Income in the quarter was impacted on account of low DA, securitization, and co-lending.
- The management has consciously slowed down its supply chain finance business and will be focusing on retailer financing, which generates higher yield. Higher GNPA in this segment was on account of an accelerated rundown.
- The management expects margins to increase on account of improving asset mix, moderating CoFs, and opex. It guided for Cost to Income of 45%.
- Credit cost is expected to remain range bound at 2%, and the management indicated that it has a strict policy with regards to concentrated lending – will never take exposure to any client exceeding 1% of its net worth.

Exhibit 1: Quarterly result snapshot

UGRO Result (Rs mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	QoQ change	YoY Change
NII	688	665	661	622	958	54%	39%
NIMs (%)	7.4	6.6	6.0	5.2	7.6	241bps	26bps
NII + Fees	1,257	1,482	1,626	2,008	1,654	-18%	32%
NIMs + Fees (%)	13.4	14.8	14.8	16.8	13.1	-365bps	-29bps
Cost of Borrowing (%)	11.42	11.81	11.71	11.62	11.90	28bps	48bps
Opex-to-AUM (%)	4.30	4.61	4.34	4.84	3.92	-92bps	-38bps
PPoP	566	654	761	956	760	-20%	34%
Credit cost on AUM (%)	1.30	1.37	1.49	1.89	1.45	-43bps	15bps
Credit cost on on-book AUM (%)	2.24	2.45	2.71	3.43	2.64	-79bps	41bps
PAT	252	289	325	313	304	-3%	20%
Networth	13,373	13,710	14,049	14,384	19,172	33%	43%
AUM	67,770	75,920	83,640	90,470	92,180	2%	36%
Disbursement	12,790	14,770	15,520	15,540	11,450	-26%	-10%
GS3 (%) - Reported	2.67	2.85	3.15	3.09	2.90	-19bps	23bps
NS3 (%) - Reported	1.5	1.5	1.7	1.6	2	-5bps	14bps
GNPA (%), GS3 on Total AUM	1.80	1.92	2.04	2.02	2.03	1bps	23bps
NNPA (%), NS3 on Total AUM	1.0	1.0	1.1	1.1	1.1	2bps	9bps
ROA (%) - Reported	2.20	2.30	2.40	2.20	1.90	-30bps	-30bps
ROE (%) - Reported	8.70	8.50	9.40	9.20	7.70	-150bps	-100bps
PCR (%)	48.0	49.0	49.0	48.0	47.0	-100bps	-100bps

Source: Company, Emkay Research

Exhibit 2: Change in estimates

Y/E March (Rs mn)	FY25E			FY26E			FY27E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
Disbursement	77,765	73,674	-5.3%	100,231	92,896	-7.3%	128,609	116,605	-9.3%
AUM	128,185	121,065	-5.6%	172,945	159,173	-8.0%	226,585	204,006	-10.0%
Net Interest Income	4,034	4,001	-0.8%	6,005	6,138	2.2%	8,073	8,284	2.6%
Other operating Income	5,018	4,470	-10.9%	6,744	6,120	-9.3%	9,132	8,139	-10.9%
Total Income	9,053	8,471	-6.4%	12,749	12,258	-3.8%	17,205	16,424	-4.5%
Operating expenses	4,976	4,705	-5.5%	6,198	6,581	6.2%	7,517	7,746	3.0%
PPOP	4,076	3,766	-7.6%	6,552	5,677	-13.3%	9,689	8,678	-10.4%
Provisions	1,563	1,616	3.4%	2,019	1,952	-3.3%	2,590	2,532	-2.3%
PAT	1,868	1,598	-14.4%	3,367	2,768	-17.8%	5,274	4,567	-13.4%
EPS (Rs)	20	17	-14.4%	29	24	-17.8%	37	32	-13.4%
BV	206	174	-15.3%	230	224	-2.7%	268	257	-4.2%
Networth	18,879	18,609	-1.4%	32,656	31,787	-2.7%	37,931	36,353	-4.2%
Disbursement growth	32.5%	25.6%	(697)	28.9%	26.1%	(280)	28.3%	25.5%	(279)
AUM growth	41.7%	33.8%	(787)	34.9%	31.5%	(344)	31.0%	28.2%	(285)
Total PCR as a % of AUM	51%	50.00%	(100)	53%	50.00%	(250)	53%	50.00%	(250)
NIM	7.1%	7.0%	-6bps	8.0%	8.4%	38bps	8.1%	8.9%	79bps
NIMs + Fees	15.9%	14.9%	-103bps	16.9%	16.7%	-25bps	17.2%	17.6%	36bps
Opex-to-AUM ratio	4.6%	4.4%	-10bps	4.1%	4.7%	58bps	3.8%	4.3%	50bps
Cost-to-Income ratio	55.0%	55.5%	57bps	48.6%	53.7%	508bps	43.7%	47.2%	347bps
Credit Cost	2.7%	2.8%	9bps	2.7%	2.7%	-2bps	2.6%	2.7%	12bps
ROA	2.7%	2.3%	-40bps	3.7%	3.1%	-57bps	4.3%	4.1%	-24bps
ROE	10.6%	9.1%	-146bps	14.3%	11.6%	-269bps	14.9%	13.4%	-154bps

Source: Company, Emkay Research

Exhibit 3: Valuation matrix

	CMP/TP (Rs/sh)	Upside	Mkt Cap (Rs bn)	P/BV (x)			P/E (x)			RoA (%)			RoE (%)			Book Value (Rs/sh)			EPS (Rs)		
				FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
At current market price	245	59%	22.8	1.41	1.09	0.96	14.07	10.34	7.62	2.3	2.3	3.1	9.1	11.6	13.4	174	224	257	17	24	32
At target price	390		22.8	2.24	1.74	1.52	22.36	16.44	12.10	2.3	2.3	3.1	9.1	11.6	13.4	174.5	224.3	256.6	17.4	23.7	32.2

Source: Company, Emkay Research; Note: #BV in FY25 is adjusted for warrant proceeds

Exhibit 4: AUM trend

	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
AUM (Rs bn)	25.89	29.69	36.57	43.75	50.96	60.81	67.77	75.92	83.64	90.47	92.18
QoQ growth	34%	15%	23%	20%	16%	19%	11%	12%	10%	8%	2%

Source: Company, Emkay Research

Exhibit 5: AUM mix – On-balance sheet: Off-balance sheet

AUM Mix (Rs mn)	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
On Book	24,078	24,910	28,750	31,030	33,210	36,390	38,480	41,756	46,002	49,690	51,040
Off Book	1,812	4,780	7,820	12,720	17,750	24,420	29,290	34,164	37,638	40,780	41,140
Total AUM	25,890	29,690	36,570	43,750	50,960	60,810	67,770	75,920	83,640	90,470	92,180
On Book	93%	84%	79%	71%	65%	60%	57%	55%	55%	55%	55%
Off Book	7%	16%	21%	29%	35%	40%	43%	45%	45%	45%	45%

Source: Company, Emkay Research

Exhibit 6: Product mix

AUM Mix (product wise)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Prime - Secured Loans	31.4%	29.6%	28.7%	28.4%	29.3%	28.5%	26.9%	26.4%	26.6%
Prime - Unsecured Loans	27.3%	28.8%	30.0%	31.2%	31.1%	31.3%	31.9%	32.5%	33.3%
Micro Enterprise Loan	4.6%	5.5%	6.6%	7.8%	8.1%	8.4%	8.6%	9.0%	9.7%
Supply Chain Financing	9.7%	9.1%	9.0%	9.3%	8.6%	8.8%	8.6%	7.0%	4.8%
Machinery Loan	9.9%	10.6%	11.1%	11.5%	11.8%	11.8%	12.4%	12.9%	13.6%
Partnerships & Alliances	17.0%	16.4%	14.6%	11.8%	11.1%	11.2%	11.6%	12.3%	12.0%

Source: Company, Emkay Research

Exhibit 7: Disbursement trend

	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Net Disbursement (Rs bn)	8.17	6.12	9.16	11.01	11.64	14.59	12.79	14.77	15.52	15.54	11.45
QoQ growth	27%	-25%	50%	20%	6%	25%	-12%	15%	5%	0%	-26%

Source: Company, Emkay Research

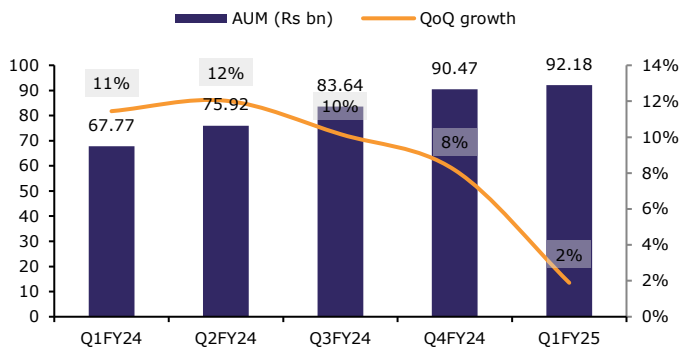
Exhibit 8: Product-wise disbursement mix

Disbursement Mix	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Prime - Secured Loans	21.0%	22.8%	25.3%	24.7%	28.4%	20.6%	15.7%	17.0%	19.2%
Prime - Unsecured Loans	33.3%	32.1%	33.2%	28.6%	33.5%	35.5%	38.0%	40.3%	48.0%
Micro Enterprise Loan	9.9%	10.9%	11.7%	14.1%	11.8%	12.7%	11.6%	13.1%	18.8%
Supply Chain Financing (Net)	7.2%	5.3%	5.6%	7.5%	0.9%	5.8%	3.4%	-5.7%	-17.0%
Machinery Loan	13.0%	11.4%	11.5%	11.9%	12.0%	11.3%	14.5%	14.6%	16.2%
Partnerships & Alliances	15.6%	17.5%	12.7%	13.2%	13.4%	14.2%	16.8%	20.7%	14.8%

Source: Company, Emkay Research

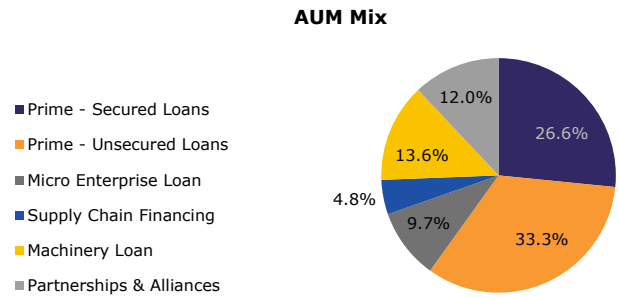
Result in charts

Exhibit 9: Growth impacted due to strategic rundown of supply chain portfolio



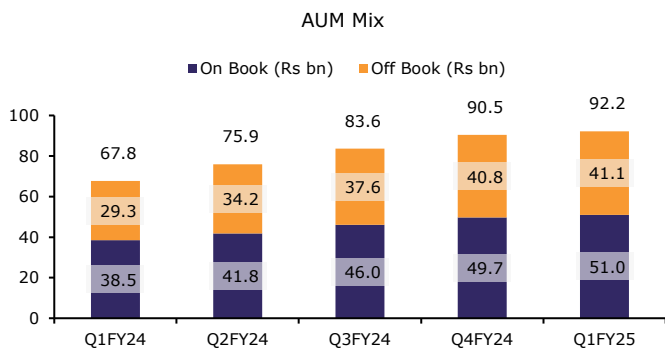
Source: Company, Emkay Research

Exhibit 10: AUM mix



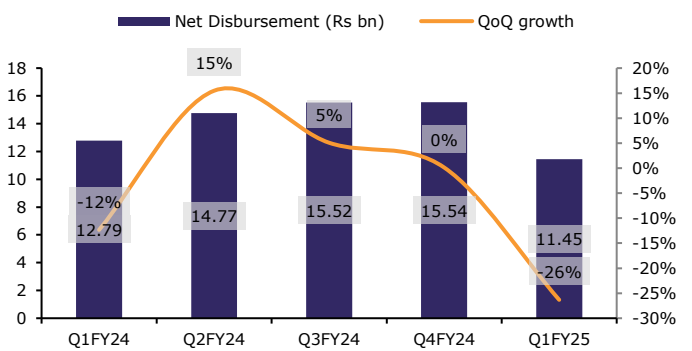
Source: Company, Emkay Research

Exhibit 11: Off-book portfolio to reach 50% in the medium term



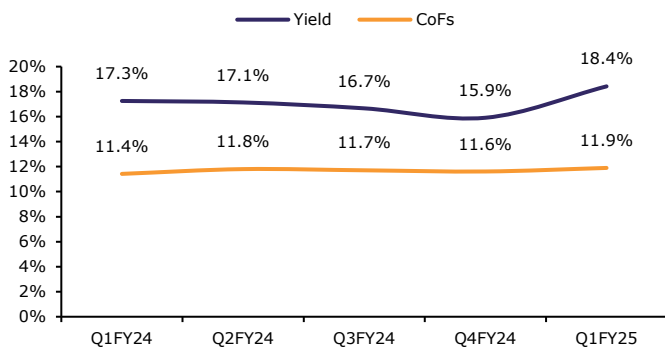
Source: Company, Emkay Research

Exhibit 12: Moderate disbursement on account of weak Q1



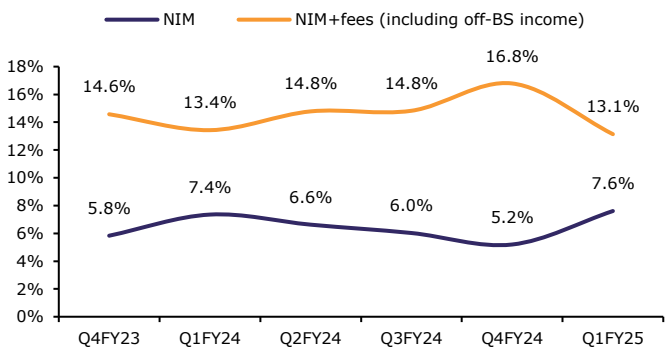
Source: Company, Emkay Research

Exhibit 13: CoFs to marginally improve on account of rating upgrade and optimizing of funding mix



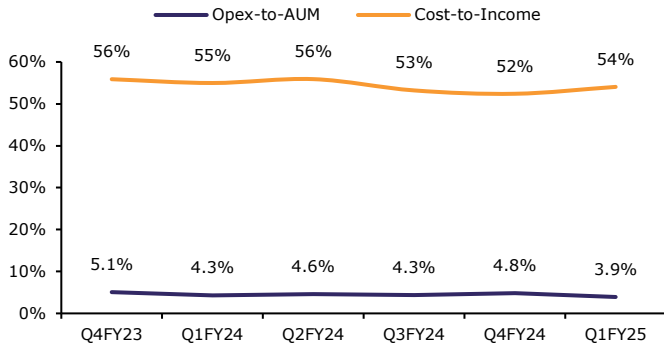
Source: Company, Emkay Research

Exhibit 14: Low-securitization income in Q1 is impacting overall NIMs+fees



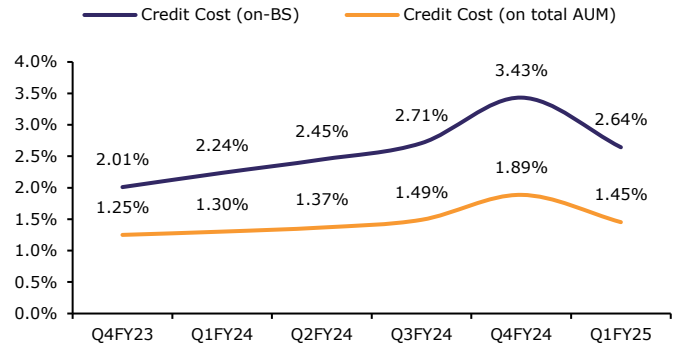
Source: Company, Emkay Research

Exhibit 15: Opex-to-AUM remains broadly stable



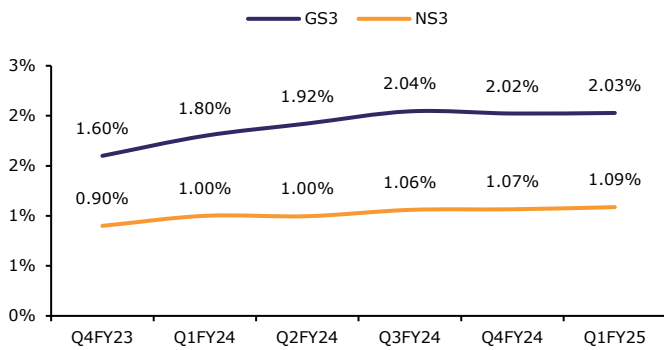
Source: Company, Emkay Research

Exhibit 16: Overall credit cost improvement on account of lower provision on USL covered under guarantee scheme



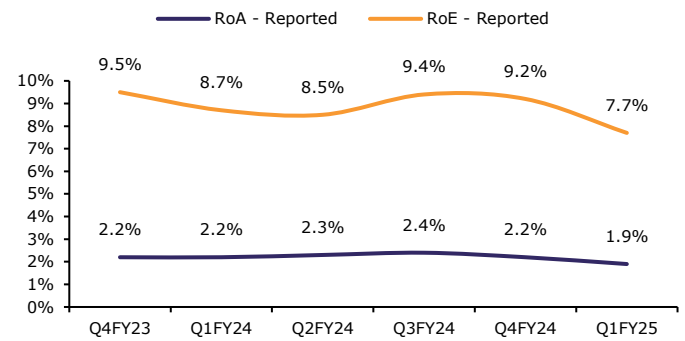
Source: Company, Emkay Research

Exhibit 17: Asset quality remains stable



Source: Company, Emkay Research

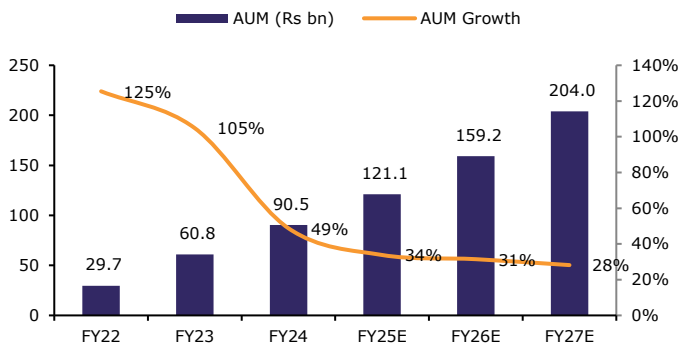
Exhibit 18: ROA/ROE



Source: Company, Emkay Research

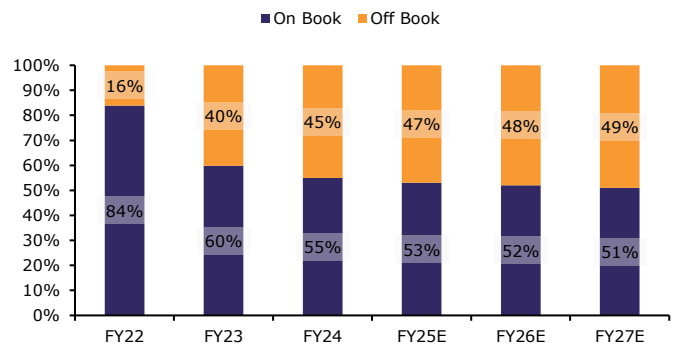
Story in charts

Exhibit 19: We expect AUM CAGR of 31% over our forecast period



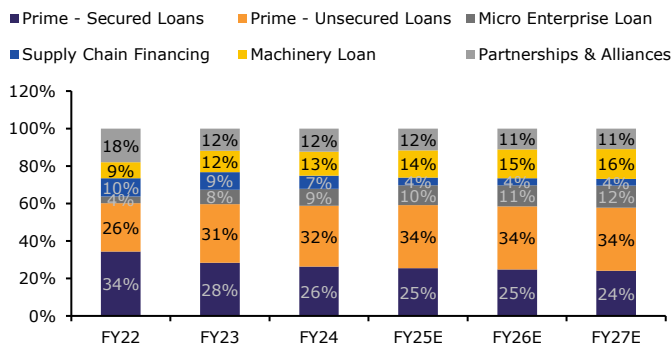
Source: Company, Emkay Research

Exhibit 20: The management guided for an On Book: Off Book of 50% each



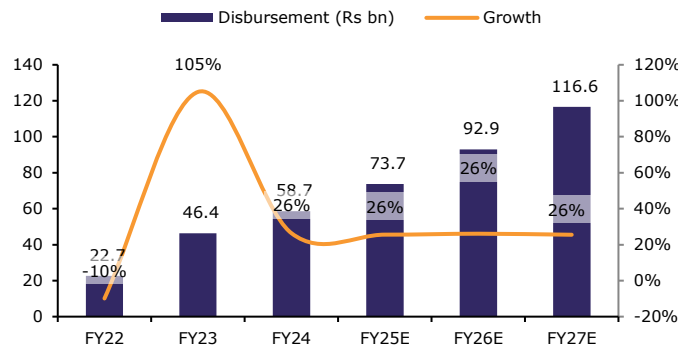
Source: Company, Emkay Research

Exhibit 21: Portfolio mix



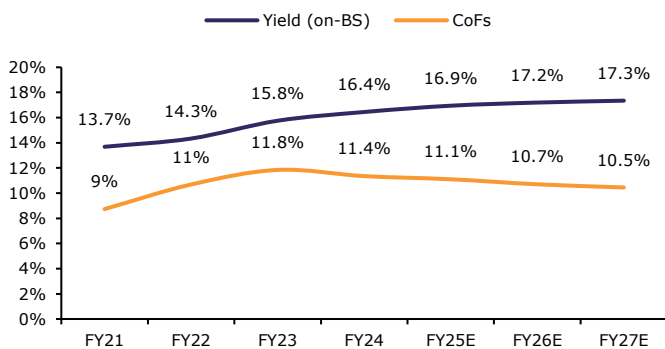
Source: Company, Emkay Research

Exhibit 22: Robust disbursement to drive overall growth



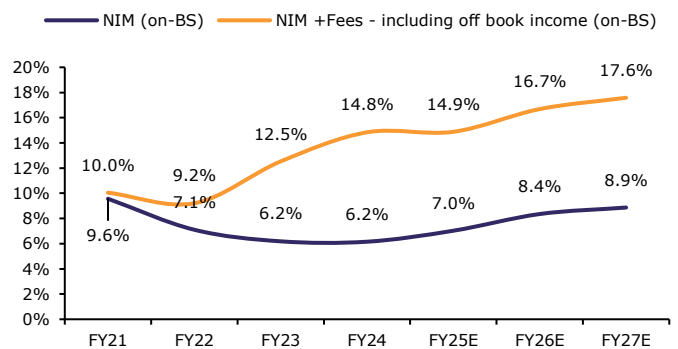
Source: Company, Emkay Research

Exhibit 23: Yield improvement is led by improving asset mix



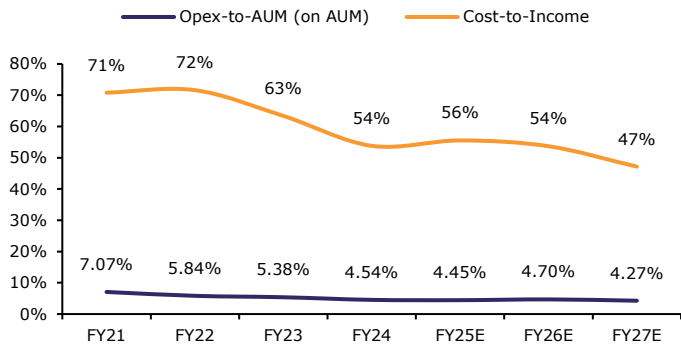
Source: Company, Emkay Research

Exhibit 24: Overall margin to improve on account of better yield and stable CoFs



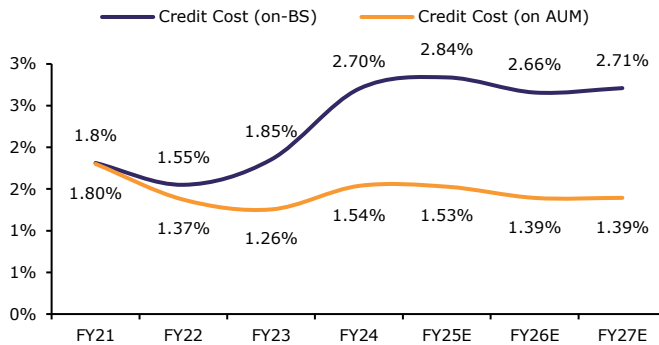
Source: Company, Emkay Research

Exhibit 25: Opex moderation on account of improvement in branch productivity and efficiency



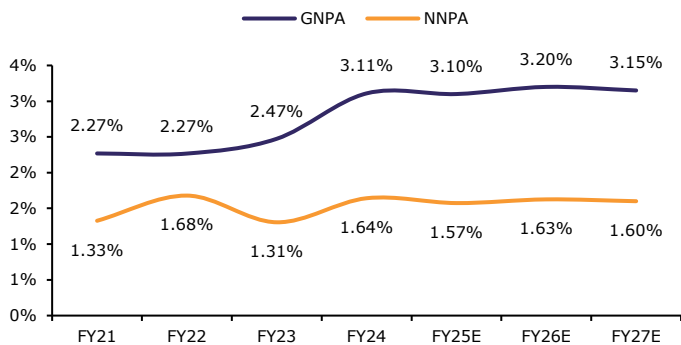
Source: Company, Emkay Research

Exhibit 26: Credit cost remains range bound



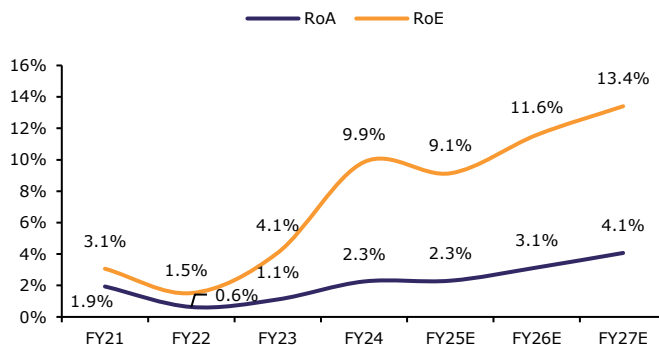
Source: Company, Emkay Research

Exhibit 27: Asset quality to remain robust



Source: Company, Emkay Research

Exhibit 28: ROA/ROE expansion on account of improved productivity and margins



Source: Company, Emkay Research

UGRO Capital: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	4,829	7,079	9,648	12,635	16,205
Interest Expense	2,933	4,429	5,647	6,497	7,920
Net interest income	1,896	2,650	4,001	6,138	8,284
NII growth (%)	40.7	39.7	51.0	53.4	35.0
Non interest income	1,944	3,737	4,470	6,120	8,139
Total income	3,841	6,387	8,471	12,258	16,424
Operating expenses	2,435	3,437	4,705	6,581	7,746
PPOP	1,406	2,950	3,766	5,677	8,678
PPOP growth (%)	183.6	109.8	27.7	50.7	52.9
Provisions & contingencies	568	1,163	1,616	1,952	2,532
PBT	838	1,788	2,150	3,725	6,146
Extraordinary items	0	0	0	0	0
Tax expense	441	594	553	957	1,580
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	398	1,193	1,598	2,768	4,567
PAT growth (%)	173.4	200.0	33.9	73.2	65.0
Adjusted PAT	398	1,193	1,598	2,768	4,567
Diluted EPS (Rs)	5.7	13.4	17.4	23.7	32.2
Diluted EPS growth (%)	176.2	135.3	30.3	36.0	35.8
DPS (Rs)	0.0	0.0	0.0	0.0	0.0
Dividend payout (%)	0.0	0.0	0.0	0.0	0.0
Effective tax rate (%)	52.6	33.2	25.7	25.7	25.7
Net interest margins (%)	12.5	14.8	14.9	16.7	17.6
Cost-income ratio (%)	63.4	53.8	55.5	53.7	47.2
PAT/PPOP (%)	28.3	40.5	42.4	48.7	52.6
Shares outstanding (mn)	69.3	91.6	91.6	141.7	141.7

Source: Company, Emkay Research

Asset quality and other metrics					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Asset quality					
GNPL - Stage 3	957	1,715	2,208	2,940	3,637
NNPL - Stage 3	499	892	1,104	1,470	1,819
GNPL ratio - Stage 3 (%)	2.5	3.1	3.1	3.2	3.2
NNPL ratio - Stage 3 (%)	1.3	1.7	1.6	1.7	1.6
ECL coverage - Stage 3 (%)	49.0	48.0	50.0	50.0	50.0
ECL coverage - 1 & 2 (%)	1.1	0.7	1.1	1.2	1.4
Gross slippage - Stage 3	0	0	0	0	0
Gross slippage ratio (%)	0.0	0.0	0.0	0.0	0.0
Write-off ratio (%)	0.1	1.2	1.5	1.6	1.7
Total credit costs (%)	1.9	2.7	2.8	2.7	2.7
NNPA to networth (%)	5.1	6.2	5.9	4.6	5.0
Capital adequacy					
Total CAR (%)	20.2	20.8	26.0	29.9	26.0
Tier-1 (%)	19.6	19.5	25.0	29.1	25.5
Miscellaneous					
Total income growth (%)	119.9	66.3	32.6	44.7	34.0
Opex growth (%)	94.6	41.2	36.9	39.9	17.7
PPOP margin (%)	4.6	6.9	6.6	7.7	9.3
Credit costs-to-PPOP (%)	40.4	39.4	42.9	34.4	29.2
Loan-to-Assets (%)	88.4	86.5	90.2	87.8	88.9
Yield on loans (%)	15.8	16.4	16.9	17.2	17.3
Cost of funds (%)	11.8	11.4	11.1	10.7	10.5
Spread (%)	3.9	5.1	5.8	6.5	6.9

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	693	916	916	1,417	1,417
Reserves & surplus	9,147	13,468	17,693	30,370	34,937
Net worth	9,840	14,384	18,609	31,787	36,353
Borrowings	31,489	46,532	55,182	66,216	85,315
Other liabilities & prov.	1,726	1,884	2,065	2,271	2,499
Total liabilities & equity	43,056	62,800	75,856	100,274	124,167
Net loans	38,064	54,322	68,422	88,033	110,363
Investments	601	592	569	2,005	2,483
Cash, other balances	2,118	4,549	4,114	7,140	7,835
Interest earning assets	40,783	59,463	73,105	97,178	120,681
Fixed assets	38	45	54	65	78
Other assets	2,235	3,292	2,697	3,031	3,408
Total assets	43,056	62,800	75,856	100,274	124,167
BVPS (Rs)	142.0	157.0	174.5	224.3	256.6
Adj. BVPS (INR)	142.0	157.0	174.5	224.3	256.6
Gross loans	38,677	55,148	71,213	91,862	115,472
Total AUM	60,810	90,470	121,065	159,173	204,006
On balance sheet	36,390	49,690	64,165	82,770	104,043
Off balance sheet	24,420	40,780	56,901	76,403	99,963
Disbursements	46,410	58,670	73,674	92,896	116,605
Disbursements growth (%)	104.9	26.4	25.6	26.1	25.5
Loan growth (%)	55.3	42.7	26.0	28.7	25.4
AUM growth (%)	104.8	48.8	33.8	31.5	28.2
Borrowings growth (%)	74.7	47.8	18.6	20.0	28.8
Book value growth (%)	3.6	10.6	11.1	28.6	14.4

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	43.1	18.3	14.1	10.3	7.6
P/B (x)	1.7	1.6	1.4	1.1	1.0
P/ABV (x)	1.7	1.5	1.4	1.1	0.9
P/PPOP (x)	12.0	7.3	5.8	4.9	3.9
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Dupont-RoE split (%)					
NII/avg AUM	6.2	6.2	7.0	8.4	8.9
Other income	6.3	8.7	7.9	8.3	8.7
Securitization income	0.0	0.0	0.0	0.0	0.0
Opex	3.4	3.7	3.6	3.5	3.4
Employee expense	4.6	4.2	4.6	5.4	4.9
PPOP	4.6	6.9	6.6	7.7	9.3
Provisions	1.9	2.7	2.8	2.7	2.7
Tax expense	1.4	1.4	1.0	1.3	1.7
RoAUM (%)	1.3	2.8	2.8	3.8	4.9
Leverage ratio (x)	3.1	3.6	3.3	3.1	2.7
RoE (%)	4.1	9.9	9.1	11.6	13.4

Quarterly data

Rs mn, Y/E Mar	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
NII	688	665	661	622	958
NIM(%)	13.4	14.8	14.8	16.8	13.1
PPOP	566	654	761	956	760
PAT	252	289	325	313	304
EPS (Rs)	3.06	3.17	3.56	3.57	3.31

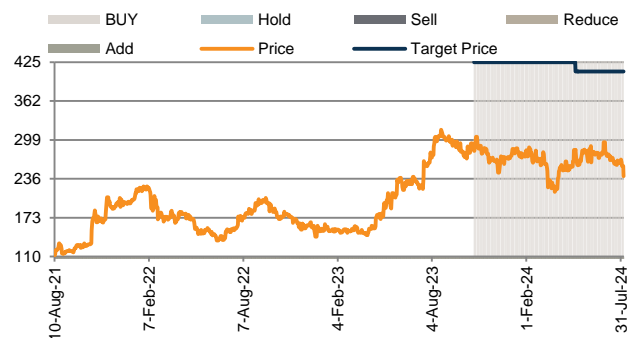
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
05-Jun-24	278	410	Buy	Avinash Singh
05-May-24	283	410	Buy	Avinash Singh
03-May-24	283	425	Buy	Avinash Singh
30-Nov-23	266	425	Buy	Avinash Singh
28-Oct-23	304	425	Buy	Avinash Singh
23-Oct-23	282	425	Buy	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

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