Repco Home Finance

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USDb)	23 / 0.2
52-Week Range (INR)	456 / 334
1, 6, 12 Rel. Per (%)	-11/-5/-4
12M Avg Val (INR M)	69
Free float (%)	62.9

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	7.7	8.3	9.2
PPP	5.5	6.2	6.9
PAT	4.5	4.6	4.9
EPS (INR)	72.4	73.5	79.1
EPS Gr. (%)	1	2	8
BV/Sh. (INR)	624	693	767
Ratios			
NIM (%)	5.1	5.0	4.9
C/I ratio (%)	31.8	30.2	29.4
RoAA (%)	2.9	2.7	2.6
RoE (%)	12.2	11.2	10.8
Payout (%)	4.1	6.2	6.2
Valuation			
P/E (x)	5.1	5.0	4.7
P/BV (x)	0.6	0.5	0.5
P/ABV (x)	0.6	0.5	0.5
Div. Yield (%)	0.8	1.2	1.3

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	37.1	37.1	37.1
DII	26.1	24.3	23.3
FII	12.4	13.4	11.2
Others	24.4	25.2	28.5

FII Includes depository receipts

CMP: INR367 TP: INR415 (+13%) Neutral

Earnings in line but new business momentum muted

Exhibiting openness to trade-off some spreads for better loan growth

- Repco Home Finance's (Repco) 1QFY27 PAT grew ~6% YoY to INR1.14b (in line). NII in 1QFY27 grew ~13% YoY to ~INR2.1b (in line). Other income declined ~27% YoY to INR110m (~8% miss). Opex rose ~12% YoY to INR592m (~12% lower than est.).
- PPOP grew ~10% YoY to INR1.6b (~9% beat). Credit costs were higher than estimates at INR97m and translated into annualized credit costs of 25bp (PY: -7bp and PQ: -29bp).
- Repco's 1QFY27 disbursements were impacted by employee transfers and promotion exercise during April-May, which temporarily disrupted business momentum as employees transitioned into new roles. With the organizational changes now largely settled, business momentum has improved, with encouraging trends in Jun'26 and Jul'26 and Aug'26 progressing as expected. Management shared that the moderation in business volumes in the quarter was transitory and expressed confidence in achieving its FY27 disbursement target of ~INR50b.
- Repco targets a 13-14% AUM growth in FY27, supported by deeper penetration in its non-core geographies and stronger origination capabilities. The company is broadening its geographic presence, with a focus on Karnataka, Telangana, and AP, while also building teams across Maharashtra, Rajasthan, Gujarat, and MP. The company plans to add 12-13 new branches in FY27. A wider sourcing network through DSAs, DSTs, and connectors, alongside improved operational efficiency and faster loan processing, should support higher origination volumes. Management expects the newer markets to gain meaningful traction over FY27-FY28 and increasingly contribute to overall loan growth.
- We believe Repco is taking several steps to accelerate growth, including strengthening its sourcing network, improving operational efficiencies, and expanding into newer geographies. Maintaining asset-quality discipline alongside growth remains a key positive, supported by strengthened recovery and collection efforts. However, execution across newer markets and the ability to deliver the targeted ~13-14% AUM growth will remain the key monitorables.
- We model a Loan/PAT CAGR of ~12%/5% over FY26-FY28E with an RoA/RoE of 2.6%/11% in FY28E. **Reiterate our Neutral rating** on the stock with a TP of INR415 (based on 0.5x FY28E BVPS).

Transitory impact on disbursements due to internal reorganization

- Disbursements grew ~2% YoY to INR8.4b in 1QFY27. Loan book grew ~9% YoY/0.7% QoQ to ~INR160b. Repayment rates rose ~110bp YoY to ~18.5% (PY: ~17.4% and PQ: 18.2%).
- As of Jun'26, loans to the non-salaried segment accounted for ~54% of the outstanding loan book and loans for the salaried segment accounted for ~46%.

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- Housing loans accounted for ~71% of loans, while Home Equity accounted for ~29% of the loan book.
- Management has guided for disbursements of ~INR50b in FY27. We estimate loan/disbursement CAGR of ~12%/ ~13% over FY26-28.

Spreads expected to moderate, driven by efforts to accelerate growth

- Reported yields declined ~30bp QoQ to ~11.7%, whereas CoB declined 10bp QoQ to ~8.3%. This led to spreads declining ~20bp QoQ to ~3.4%. Reported NIM contracted ~10bp QoQ to 5.4%.
- We expect near-term moderation in NIM as Repco makes a trade-off between spreads and better loan growth. Cost of borrowings, which stood at ~8.3-8.35%, is expected to remain broadly stable, supported by NHB funding and efforts to reduce borrowing costs. The company might see some yield compression in the near term, driven by efforts to retain good customers and accelerate business momentum. Consequently, spreads could decline by ~10bp in the near term, as selective pricing concessions to retain quality customers weigh on yields. We expect Repco to deliver an NIM of 4.9-5.0% over FY27E/FY28.

Asset quality exhibits mild deterioration; recovery efforts to continue

- GS3 increased ~10bp QoQ to ~2.7%, while NS3 rose ~5bp QoQ to ~1.25%. PCR on S3 loans declined ~40bp QoQ to ~54.5%. Stage 2 rose ~20bp QoQ to ~7.2% as of Jun'26. For the book originated from Apr'22 onwards, GS2 stood at 4.3% (vs 7.2% for the overall book), and GS3 stood at 1.1% (vs 2.6% for the overall book).
- Asset quality remains a key focus, with GNPA at ~2.7% as of Jun'26 and management targeting GS3 of <2% by Mar'27. The company has strengthened recovery mechanisms through tighter monitoring, revised agency timelines and payout structures, systematic follow-ups, legal action, and SARFAESI. While Stage 2 increased marginally to ~7.2%, the newer book continues to exhibit healthy asset quality. We expect Repco's credit costs to remain benign at ~2bp/~20bp for FY27/FY28.

Valuation and view

- Repco reported in-line earnings, aided by better cost control, despite pressure on margins due to softer yields and higher than estimated credit costs. With the company's internal reorganization now largely complete, disbursement momentum should improve in the subsequent quarters, supported by the company's expansion and sourcing initiatives. There could be some near-term pressure on spreads as the company makes efforts to accelerate business momentum. Asset quality should continue to strengthen on the back of focused recovery measures. The key monitorable remains the pace at which these initiatives translate into sustained disbursement and AUM growth, particularly across newer markets.
- The company currently trades at ~0.5x FY27E P/B. We model a loan/PAT CAGR of ~12%/5% over FY26-FY28E, with an RoA/RoE of 2.6%/11% in FY28E. **Reiterate our Neutral rating** on the stock with a TP of INR415 (based on 0.5x FY28E BVPS).

Quarterly performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	1Q	Act v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			FY27E	est(%)
Interest Income	4,257	4,334	4,453	4,441	4,569	4,616	4,737	4,871	17,501	18,793	4,535	1
Interest Expenses	2,441	2,444	2,489	2,468	2,513	2,543	2,644	2,763	9,842	10,462	2,542	-1
Net Income	**1,816**	**1,890**	**1,964**	**1,974**	**2,056**	**2,073**	**2,093**	**2,109**	**7,660**	**8,331**	**1,993**	**3**
YoY Growth (%)	8.3	14.2	10.2	15.5	13.2	9.7	6.6	6.9	9.0	8.8	9.7	
Other income	150	123	118	100	110	130	135	148	476	523	120	-8
Total Income	**1,966**	**2,013**	**2,082**	**2,074**	**2,166**	**2,203**	**2,228**	**2,257**	**8,135**	**8,854**	**2,113**	**3**
YoY Growth (%)	7.3	6.8	5.3	9.6	10.2	9.4	7.0	8.8	8.6	8.8	7.5	
Operating Expenses	530	603	748	704	592	645	697	744	2,585	2,677	669	-12
YoY Growth (%)	17.2	16.7	39.9	20.6	11.7	7.0	-6.9	5.6	23.8	3.6	26.3	
Operating Profits	**1,436**	**1,410**	**1,334**	**1,370**	**1,574**	**1,557**	**1,532**	**1,513**	**5,550**	**6,177**	**1,444**	**9**
YoY Growth (%)	4.1	3.1	-7.6	4.7	9.6	10.5	14.8	10.5	2.7	11.3	0.5	
Provisions	-27	-15	-156	-114	97	-16	8	-59	-311	30	-8	-
Profit before Tax	**1,463**	**1,424**	**1,490**	**1,483**	**1,477**	**1,574**	**1,523**	**1,572**	**5,860**	**6,146**	**1,452**	**2**
Tax Provisions	384	355	402	192	336	397	384	433	1,333	1,549	366	-8
Profit after tax	**1,080**	**1,069**	**1,088**	**1,291**	**1,142**	**1,177**	**1,139**	**1,139**	**4,528**	**4,597**	**1,086**	**5**
YoY Growth (%)	2.4	-5.0	2.1	12.3	5.7	10.1	4.8	-11.8	0.8	1.5	0.6	
Loan growth (%)	7.2	7.7	8.8	9.6	8.9	9.6	10.1	10.8	10.6	11.5		
Cost to Income Ratio (%)	26.9	30.0	35.9	34.0	27.3	29.3	31.3	33.0	31.8	30.2		
Tax Rate (%)	26.2	24.9	27.0	12.9	22.7	25.2	25.2	27.5	22.7	25.2		
Key Parameters (%)												
Yield on loans (Cal)	11.7	11.7	11.7	11.4	11.5	11.4	11.3	11.3	11.8	11.4		
Cost of funds (Cal)	8.8	8.7	8.6	8.2	8.3	8.2	8.3	8.3	8.4	8.1		
Spreads (Cal)	2.9	3.0	3.1	3.1	3.2	3.1	3.1	3.0	3.4	3.3		
NIMs (Reported)	5.4	5.5	5.6	5.5	5.4	0.0	0.0	0.0	5.1	5.0		
Credit Cost	-0.07	-0.04	-0.41	-0.29	0.24	-0.04	0.02	-0.14	-0.2	0.0		
Cost to Income Ratio	26.9	30.0	35.9	34.0	27.3	29.3	31.3	33.0	31.8	30.2		
Tax Rate	26.2	24.9	27.0	12.9	22.7	25.2	25.2	27.5	22.7	25.2		
Balance Sheet												
AUM (INR B)	146.9	150.3	153.9	158.8	159.9	164.8	169.5	176.0	158.8	176.0		
Change YoY (%)	7.2	7.7	8.8	9.6	8.9	9.6	10.1	10.8	9.6	10.8		
AUM Mix (%)												
Non-Salaried	52.3	53.0	53.0	53.0	53.5				51.3	51.4		
Salaried	47.7	47.0	47.0	47.0	46.5				48.7	48.6		
AUM Mix (%)												
Home loans	72.4	71.0	71.0	71.0	70.8				71.0	70.0		
LAP	27.6	29.0	29.0	29.0	29.2				29.0	30.0		
Disbursements (INR B)	8.3	10.7	10.6	11.9	8.4	12.1	12.0	14.2	41.5	46.7		
Change YoY (%)	21.8	23.3	39.8	21.6	1.7	13.0	12.5	19.6	26.3	12.5		
Borrowings (INR B)	110.7	115.0	117.7	122.2	120.8	125.8	130.4	136.6	122.1	136.6		
Change YoY (%)	1.5	0.3	6.2	9.6	9.1	9.4	10.8	11.8	9.6	11.9		
Loans/Borrowings (%)	132.6	130.8	130.8	130.0	132.4				130.1	128.9		
Borrowings Mix (%)												
Banks	82.1	84.8	84.1	85.5	86.7				77.7	79.2		
NHB	8.4	7.0	7.0	6.2	6.2				12.0	10.8		
Repco Bank	8.2	7.0	6.9	5.4	4.8				10.3	10.0		
NCD	0.0	0.0	0.0	1.0	1.0							
CP	1.3	1.2	1.2	1.2	0.6							
Asset Quality												
GS 3 (INR B)	4.9	4.8	4.5	4.1	4.3				4.1	3.7		
Gross Stage 3 (% on Assets)	3.30	3.16	2.92	2.55	2.67				2.6	2.1		
NS 3 (INR B)	1.72	2.25	2.13	1.82	1.94				1.8	1.7		
Net Stage 3 (% on Assets)	1.2	1.54	1.42	1.17	1.2				1.2	1.0		
PCR (%)	64.7	52.5	52.7	55.1	54.6				55.1	54.0		
Return Ratios (%)												
ROA (Rep)	2.9	2.9	2.9	3.4	2.9				2.9	2.7		
ROE (Rep)	14.0	13.5	13.3	14.9	12.7				12.2	11.2		

E: MOFSL Estimates

Highlights from the management commentary

Guidance

- Repco reiterated its FY27 guidance of INR50b in disbursements, 13-14% AUM growth and a INR400m reduction in NPAs. For 2QFY27, the company is targeting disbursements of INR12b-12.5b.
- The company targets GNPA of less than ~2% by Mar'27, supported by strengthened recovery efforts and tighter monitoring.
- Management expects disbursements to accelerate going forward, while maintaining asset quality discipline and improving operating efficiency.
- The company does not plan to diversify into other lines of business and will remain focused on the home finance segment.

Business updates and opening remarks

- Sanctions stood at INR9.4b, while disbursements grew ~2% YoY to INR8.4b in 1QFY27; the loan book grew ~9% YoY and 0.7% QoQ to ~INR160b.
- Disbursements in 1QFY27 were impacted by employee transfers and promotions undertaken in April and May; with employees now settled into their new roles, disbursement momentum has improved, with June and July tracking well and August progressing as expected, keeping the company on track to achieve its FY27 disbursement target.
- The company has not seen any significant shift in the mix between salaried and non-salaried customers. As of Jun'26, non-salaried customers accounted for ~54% of the loan book, while salaried customers contributed ~46%; housing loans formed ~71% and Home Equity ~29% of the portfolio.

Yields, spreads and cost of funds

- Reported yields declined ~30bp QoQ to ~11.7%, while cost of borrowings declined 10bp QoQ to ~8.3%, resulting in spreads contracting ~20bp QoQ to ~3.4%.
- Reported NIM contracted ~10bp QoQ to 5.4% in 1QFY27.
- The company does not expect any significant increase in cost of funds and expects it to remain broadly stable, supported by available NHB funding.
- The average cost of funds is ~8.3-8.35%, limiting the scope to price loans at PSU bank rates, given the company's customer profile, which is largely concentrated in the informal and unorganized sectors. Customer lending rates range from 8.75%, with the average lending rate at ~10.5%; pricing is determined based on customer income, CIBIL score, risk profile, and the prevailing cost of funds.
- Maintaining the current spread level could be challenging, and spreads may decline modestly as the company prioritizes disbursement growth and retention of quality customers.
- The company is also working with bankers to reduce borrowing rates and expects spreads to decline by ~10-12bp in the next quarter before stabilizing thereafter. To retain customers with a strong 24-month repayment track record and reduce balance transfers, the company has offered selective rate concessions and incentives, which will result in moderation of spreads.

Funding

- Repco received ~INR6b of financial support from NHB, of which INR1.06b has been utilized; the remaining amount will be drawn as and when required.
- The company plans to further diversify its funding sources going forward.

Asset Quality

- Repco continues to maintain a strong focus on asset quality, with GNPA at ~2.7% as of Jun'26. Asset quality has improved significantly YoY, with absolute NPAs declining and a substantial reduction in the NPA balance compared with the previous year.
- Stage 2 increased ~20bp QoQ to ~7.2%, although the new loan book continues to exhibit strong asset quality.
- Recoveries are taking place across Stage 2 and Stage 3 accounts, including penal interest and other charges; however, the quantum of recoveries remains insufficient in some cases for accounts to upgrade to the standard category.
- The marginal increase in GNPA was partly attributable to the employee transfer and promotion exercise, which has since been resolved; management noted that June performance was better and the sequential increase was also seen in the corresponding period last year.
- Recovery agencies have been strengthened through revised timelines and payout structures, while legal action and SARFAESI proceedings are also being pursued to accelerate recoveries. Systematic follow-ups and continued recovery efforts are expected to support a reduction in NPAs going forward.

Branch expansion and geographic growth

- Repco currently operates 242 branches and did not add any branches during 1QFY27.
- Management plans to add 12-13 branches across Andhra Pradesh, Karnataka, and Telangana during FY27.
- The company has strengthened its presence beyond Tamil Nadu, with a focus on Karnataka, Telangana, and Andhra Pradesh, while also building teams across Maharashtra, Rajasthan, Gujarat, and Madhya Pradesh.
- Management expects meaningful traction from these non-Tamil Nadu markets over FY27 and FY28, while continuing to grow in Tamil Nadu as well.
- The company remains confident of growing despite competition and expects to expand across markets irrespective of competitive intensity.

Operational Transformation

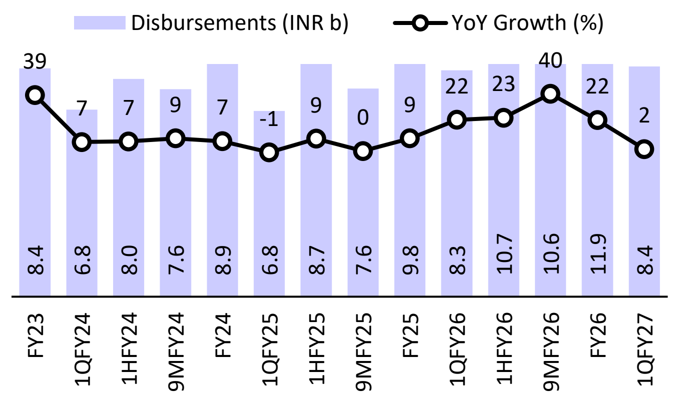
- The company has completed its operational transformation in two phases, including the rollout of applications that have improved turnaround time for loan sanctions and enabled integration with platforms such as CIBIL.
- The sourcing network has also been broadened through DSAs, DSTs and connectors, supporting the recent improvement in disbursement momentum.
- Following the initial verticalization exercise last year, the company now sees greater consistency across operations and has moved into a more aggressive growth mode.
- The company has undertaken various measures to reduce costs sequentially and YoY, with the cost-to-income ratio at 26%.

Portfolio strategy and pricing

- Repco remains focused on home finance and intends to be more aggressive in the housing finance business.
- Management expects a substantial improvement in disbursement momentum, with recent trends indicating a recovery in business volumes.
- The company has shifted to a handover-date approach, with interest calculated from the date of handover and disbursements recognized after encashment; this practice has been followed for the past 3-4 quarters.
- The company has not made any major changes to its credit policy or organizational structure, while only marginally realigning sourcing channels.

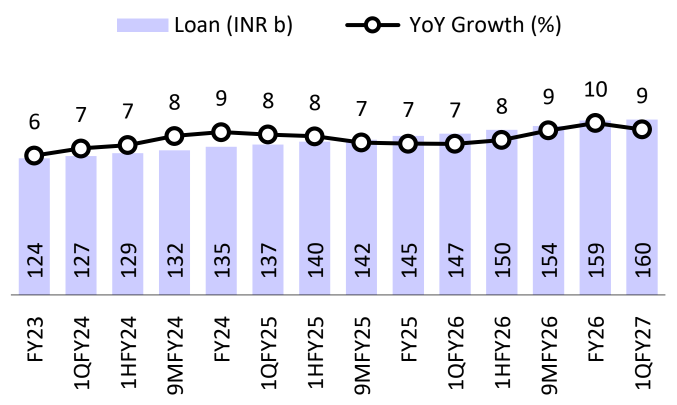
Key exhibits

Exhibit 1: Disbursements grew ~2% YoY



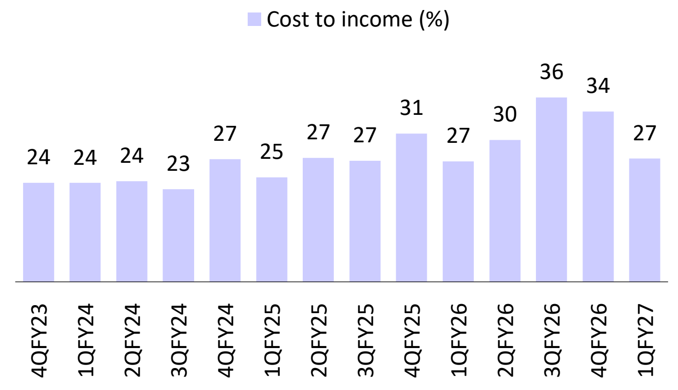
Source: MOFSL, Company

Exhibit 2: Loan book grew 9% YoY



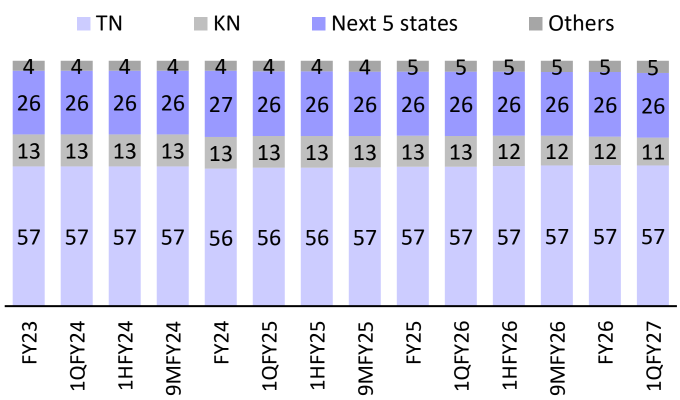
Source: MOFSL, Company;

Exhibit 3: C/I ratio declined ~7pp QoQ



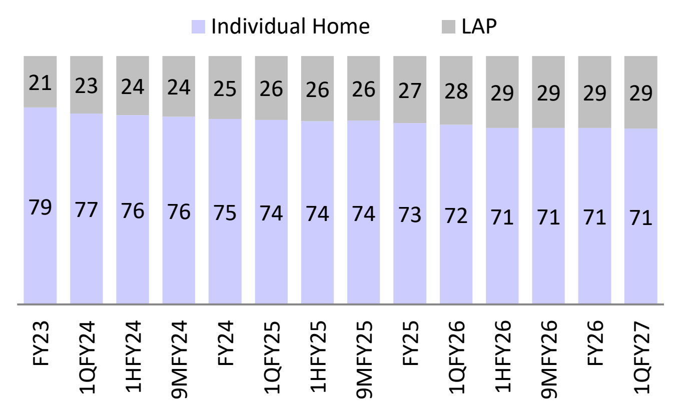
Source: MOFSL, Company

Exhibit 4: Geographical loan mix (%)



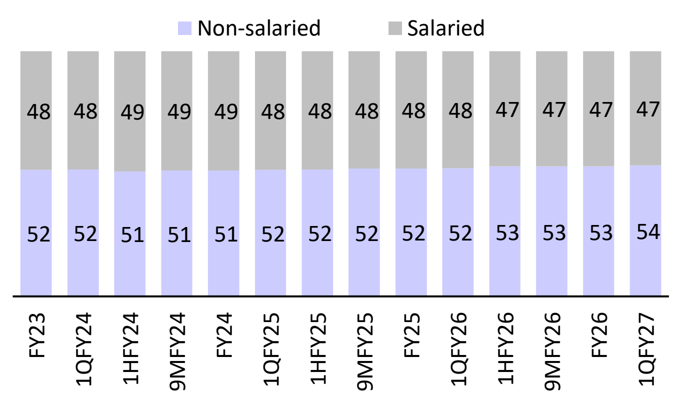
Source: MOFSL, Company

Exhibit 5: Share of home loans remains stable QoQ (%)



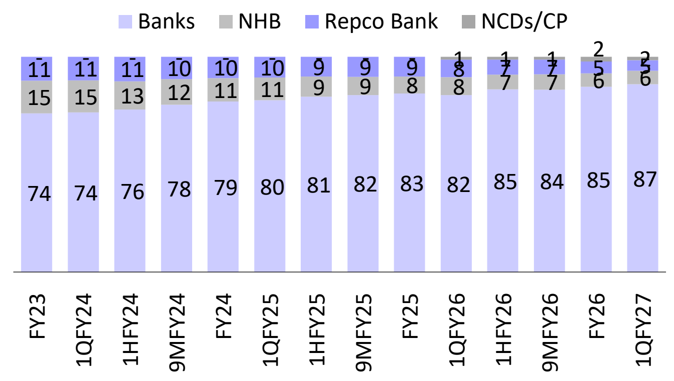
Source: MOFSL, Company

Exhibit 6: Share of salaried segment remained stable QoQ (%)



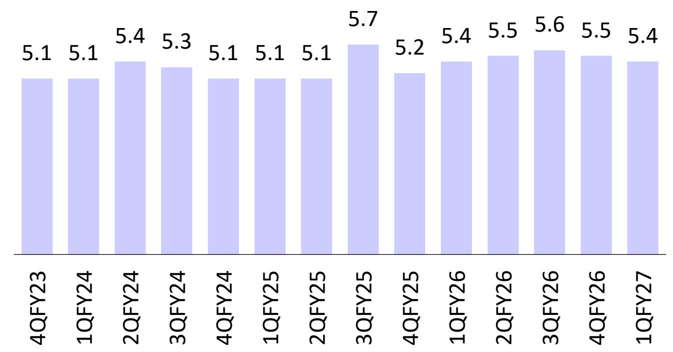
Source: MOFSL, Company

Exhibit 7: Bank borrowings increased ~125bp QoQ (%)



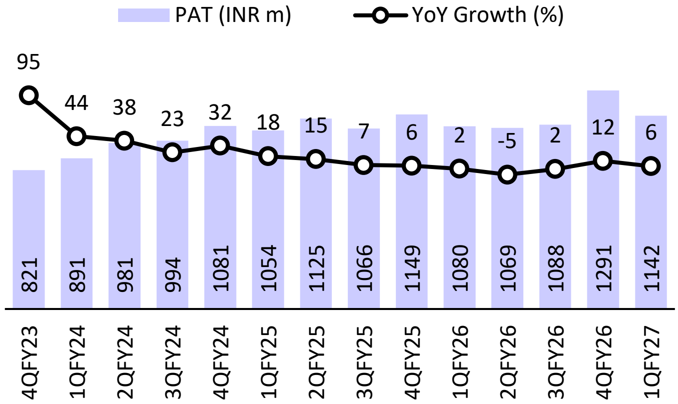
Source: MOFSL, Company

Exhibit 8: Reported NIMs declined~10bp QoQ to ~5.4%



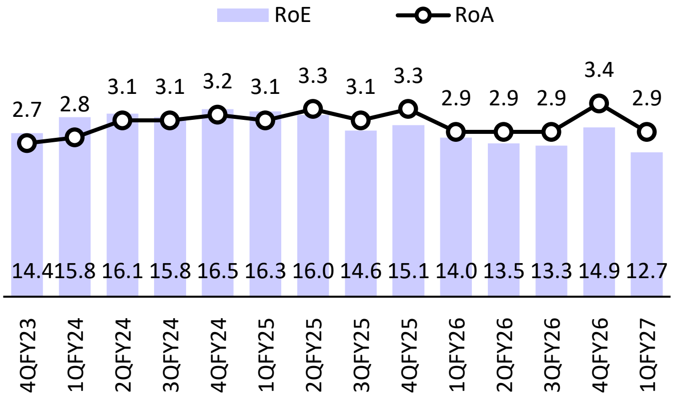
Source: MOFSL, Company

Exhibit 9: PAT grew ~6% YoY to ~INR1.1b



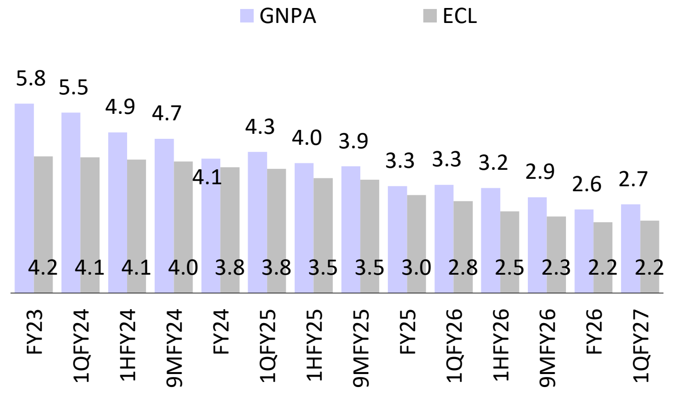
Source: MOFSL, Company

Exhibit 10: RoE/RoA trends (%)



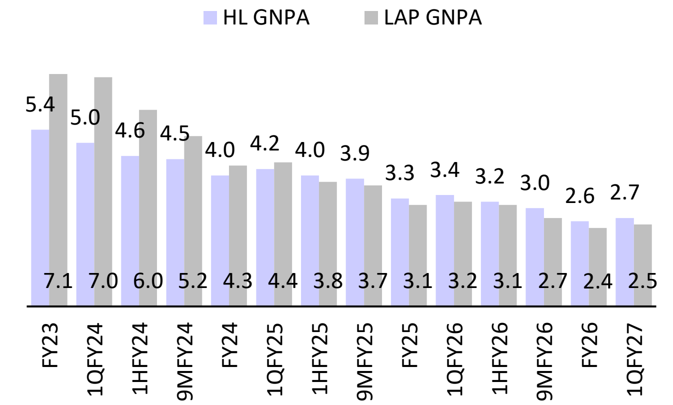
Source: MOFSL, Company

Exhibit 11: Minor deterioration in asset quality (%)



Source: MOFSL, Company

Exhibit 12: GNPA in the HL segment increased ~10bp QoQ



Source: MOFSL, Company;

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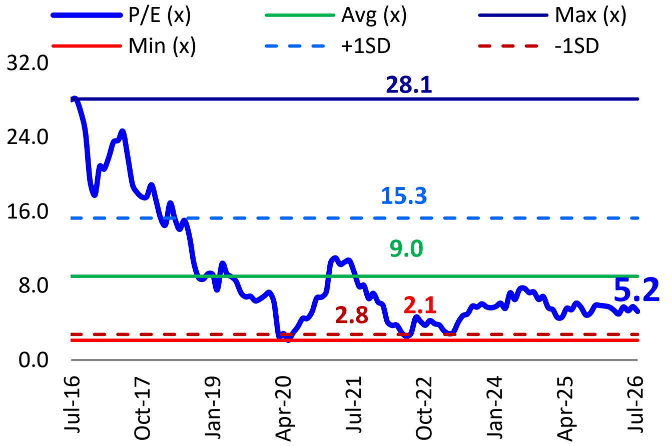
Exhibit 13: We raise our FY27 estimates by ~4% to factor in lower opex

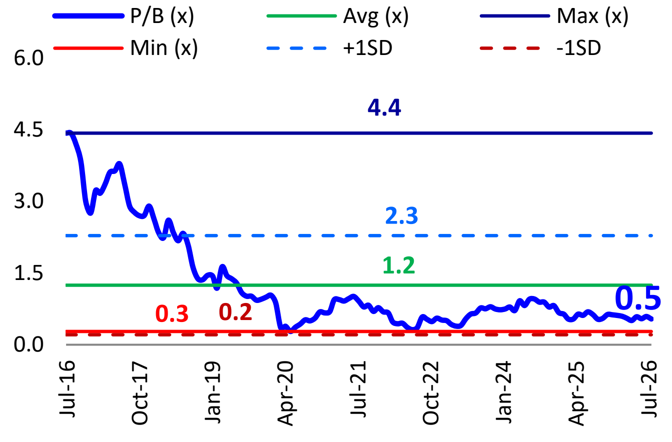
INR b	Old Est.		New Est.		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
NII	8.2	9.4	8.3	9.2	1.5	-2.2
Other Income	0.5	0.6	0.5	0.6	0.0	0.0
Total Income	**8.7**	**10.0**	**8.9**	**9.8**	**1.4**	**-2.1**
Operating Expenses	2.8	3.0	2.7	2.9	-4.5	-4.6
Operating Profits	**5.9**	**7.0**	**6.2**	**6.9**	**4.2**	**-1.0**
Provisions	0.0	0.3	0.0	0.3	-	-1.5
PBT	**5.9**	**6.7**	**6.1**	**6.6**	**4.3**	**-1.0**
Tax	1.5	1.7	1.5	1.7	4.3	-1.0
PAT	**4.4**	**5.0**	**4.6**	**4.9**	**4.3**	**-1.0**
Loan book	175	197	174	196	-0.4	-0.6
NIM (%)	4.9	5.0	5.0	4.9		
Spreads (%)	3.2	3.3	3.3	3.2		
ROAA (%)	**2.5**	**2.6**	**2.7**	**2.6**		
RoAE (%)	**10.7**	**11.0**	**11.2**	**10.8**		

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Exhibit 15: 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	FY26	FY27E	FY28E
Interest Income	11,634	13,174	13,518	12,804	12,570	14,960	16,687	17,501	18,793	21,001
Interest Expended	7,200	8,250	8,072	6,899	7,011	8,456	9,659	9,842	10,462	11,831
Net Interest Income	**4,434**	**4,924**	**5,446**	**5,905**	**5,560**	**6,504**	**7,028**	**7,660**	**8,331**	**9,170**
Change (%)	1.7	11.0	10.6	8.4	-5.8	17.0	8.1	9.0	8.8	10.1
Other Operating Income	318	337	404	262	421	448	462	476	523	602
Net Income	**4,752**	**5,261**	**5,850**	**6,166**	**5,981**	**6,952**	**7,490**	**8,135**	**8,854**	**9,771**
Change (%)	3.1	10.7	11.2	5.4	-3.0	16.2	7.7	8.6	8.8	10.4
Operating Expenses	984	1,065	1,144	1,241	1,458	1,710	2,088	2,585	2,677	2,872
Operating Income	**3,768**	**4,196**	**4,706**	**4,926**	**4,523**	**5,242**	**5,403**	**5,550**	**6,177**	**6,899**
Change (%)	-1.4	11.4	12.1	4.7	-8.2	15.9	3.1	2.7	11.3	11.7
Provisions/write offs	170	594	808	2,331	516	-5	-376	-311	30	283
PBT	**3,598**	**3,602**	**3,898**	**2,595**	**4,008**	**5,247**	**5,778**	**5,860**	**6,146**	**6,617**
Extraordinary Items	0	0	0	0	0	0	0	0	0	0
PBT after EO	**3,598**	**3,602**	**3,898**	**2,595**	**4,008**	**5,247**	**5,778**	**5,860**	**6,146**	**6,617**
Tax	1,252	798	1,022	680	1,047	1,300	1,286	1,333	1,549	1,667
Tax Rate (%)	34.8	22.2	26.2	26.2	26.1	24.8	22.3	22.7	25.2	25.2
DTL on Special Reserve										
PAT	**2,346**	**2,804**	**2,876**	**1,915**	**2,961**	**3,947**	**4,492**	**4,528**	**4,597**	**4,949**
Change (%)	16.7	19.5	2.6	-33.4	54.6	33.3	13.8	0.8	1.5	7.7
PAT adjusted for EO	**2,346**	**2,804**	**2,876**	**1,915**	**2,961**	**3,947**	**4,492**	**4,528**	**4,597**	**4,949**
Change (%)	16.7	19.5	2.6	-33.4	54.6	33.3	13.8	0.8	1.5	7.7
Proposed Dividend	181	181	156	157	169	188	250	188	285	306

Balance sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Capital	626	626	626	626	626	626	626	626	626	626
Reserves & Surplus	14,648	17,243	19,967	21,730	24,536	28,314	34,443	38,423	42,736	47,379
Net Worth	**15,274**	**17,869**	**20,593**	**22,356**	**25,162**	**28,940**	**35,069**	**39,049**	**43,361**	**48,004**
Loans from Banks	0	0	0	0	0	0	0	0	0	0
Bonds/Debentures	0	0	0	0	0	0	0	0	0	0
Borrowings	92,774	1,01,090	1,01,974	96,920	99,241	1,07,010	1,11,391	1,22,060	1,36,581	1,53,758
Borrowings	**92,774**	**1,01,090**	**1,01,974**	**96,920**	**99,241**	**1,07,010**	**1,11,391**	**1,22,060**	**1,36,581**	**1,53,758**
Change (%)	14.1	9.0	0.9	-5.0	2.4	7.8	4.1	9.6	11.9	12.6
Other liabilities	1,522	987	1,093	698	832	1,103	815	1,975	2,370	2,845
Total Liabilities	**1,09,570**	**1,19,946**	**1,23,659**	**1,19,974**	**1,25,234**	**1,37,053**	**1,47,275**	**1,63,085**	**1,82,313**	**2,04,607**
Loans	**1,08,379**	**1,15,884**	**1,18,356**	**1,12,918**	**1,19,622**	**1,30,371**	**1,41,025**	**1,56,000**	**1,73,989**	**1,95,746**
Change (%)	12.3	6.9	2.1	-4.6	5.9	9.0	8.2	10.6	11.5	12.5
Investments	**363**	**321**	**345**	**440**	**477**	**494**	**2,112**	**1,366**	**1,298**	**1,233**
Change (%)	51.5	-11.6	7.4	27.7	8.4	3.4	328.0	-35.3	-5.0	-5.0
Net Fixed Assets	155	372	314	353	396	576	807	999	1,199	1,438
Other assets	673	3,369	4,645	6,263	4,740	5,612	3,331	4,720	5,827	6,190
Total Assets	**1,09,570**	**1,19,946**	**1,23,659**	**1,19,974**	**1,25,234**	**1,37,053**	**1,47,275**	**1,63,085**	**1,82,313**	**2,04,607**

E: MOFSL Estimates

Financials and valuations

Ratios										
Y/E March	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Spreads Analysis (%)										
Avg Yield on Loans	11.4	11.7	11.5	11.1	10.8	12.0	12.3	11.8	11.4	11.4
Avg. Cost of Borrowings	8.3	8.5	8.0	6.9	7.1	8.2	8.8	8.4	8.1	8.2
Interest Spread	3.1	3.2	3.6	4.1	3.6	3.7	3.3	3.2	3.2	3.1
Net Interest Margin	4.3	4.4	4.6	5.1	4.8	5.2	5.1	5.1	5.0	4.9
Profitability Ratios (%)										
RoE	16.5	16.9	15.0	8.9	12.5	14.6	14.0	12.2	11.2	10.8
RoA	2.3	2.4	2.4	1.6	2.4	3.0	3.2	2.9	2.7	2.6
Int. Expended/Int.Earned	61.9	62.6	59.7	53.9	55.8	56.5	57.9	56.2	55.7	56.3
Other Inc./Net Income	6.7	6.4	6.9	4.2	7.0	6.4	6.2	5.8	5.9	6.2
Efficiency Ratios (%)										
Op. Exps./Net Income	20.7	20.2	19.6	20.1	24.4	24.6	27.9	31.8	30.2	29.4
Empl. Cost/Op. Exps.	59.5	62.4	62.3	63.4	60.3	59.7	57.4	57.4	56.6	57.5
Asset Quality (%)										
Gross NPAs	3,258	5,117	4,485	8,198	7,187	5,516	4,729	4,050	3,738	3,912
Gross NPAs to Adv.	3.0	4.3	3.7	7.0	5.8	4.1	3.3	2.6	2.1	2.0
Net NPAs	1,507	3,287	2,714	5,587	3,621	1,919	1,910	1,820	1,719	1,839
Net NPAs to Adv.	1.4	2.8	2.3	4.9	3.0	1.5	1.4	1.2	1.0	0.9

VALUATION	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Book Value (INR)	244.1	285.6	329.2	357.1	402.2	462.6	560.6	624.2	693.1	767.3
Price-BV (x)		**1.3**	**1.1**	**1.0**	**0.9**	**0.8**	**0.7**	**0.6**	**0.5**	**0.5**
EPS (INR)	37.5	44.8	46.0	30.6	47.3	63.1	71.8	72.4	73.5	79.1
EPS Growth YoY	16.7	19.5	2.6	-33.4	54.7	33.3	13.8	0.8	1.5	7.7
Price-Earnings (x)		**8.2**	**8.0**	**12.0**	**7.8**	**5.8**	**5.1**	**5.1**	**5.0**	**4.7**
Dividend per share (INR)	2.5	2.5	2.5	2.5	2.7	3.0	4.0	3.0	4.6	4.9
Dividend yield (%)		**0.7**	**0.7**	**0.7**	**0.7**	**0.8**	**1.1**	**0.8**	**1.2**	**1.3**

E: MOFSL Estimates

N O T E S

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