ADD Piramal Finance

Marching on the guided path

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BFSI - NBFCs ▸ Result Update ▸ **July 17, 2026**

CMP (Rs): 2,187 | TP (Rs): 2,250

Piramal Finance posted largely in-line 1QFY27 results, with AUM growth (~25% yoy of total; 32% yoy of Piramal 2.0), margin/ROA, and asset quality/credit cost tracking Management guidance on growth, profitability, and predictability. With legacy AUM reduced to Rs25bn (~2% of total AUM) and achieving credit rating upgrade to AA+ by multiple rating agencies, the company is well positioned to sustain growth momentum with improving profitability, driven by operating leverage and improved COF in its preferred retail and wholesale segments. The value unlocking potential from some existing investments, including stake in Shriram General, and the large pool of carried forward losses making the company tax free for the next 4-5 years, act as a top-up to shareholder value. Also, the Board approved capital-raise of up to Rs40bn via equity/convertible debt, for funding growth in the business. To reflect the 1Q developments and management commentary, we tweak our FY27-29 estimates; this leads to minor changes in AUM and earnings; we reiterate ADD on the stock while revising up Jun-27E TP by 12.5% to Rs2,250 from Rs2,000, valuing it at Jun-28E PBV of 1.4x.

Sustained growth and stable asset quality

Piramal Finance delivered robust 1QFY27 results, with growth AUM rising 32% yoy to comprise ~98% of total portfolio, while consolidated AUM grew 25% yoy to ~Rs1.07trn. Consol NIM was stable at 6.5%, while continued operating efficiency caused retail opex-to-AUM to reduce to 3.5%, supporting growth ROAUM of 1.9%. The legacy book further reduced to ~2% of AUM (~Rs24.5bn) and asset quality was stable, with growth credit cost at 1.6%, GNPA/NNPA at 2.4%/1.6%, and retail 90+ DPD in tight control at 0.7%.

Capital raise to support growth

Despite leverage (AUM-to-equity) at a modest 3.7x, the company's regulatory Tier 1 capital ratio is 18.85%; this led to the Board approving capital-raise to support the strong growth. The lower regulatory capital versus net-worth is owing to various factors, including 1) investments in Insurance (Pramerica Life and Shriram General) and other financial entities being taken off the list during calculations of Tier 1 capital; 2) deferred tax assets removed from the list; 3) upfront income from DA and Co-lending being taken off the list. Some of these strains are likely to gradually reduce; also, we believe organic capital accrual will improve on account of improving profitability and the company will generate capital from some divestments, including Shriram General and Fibe. Hence, capital-raise of Rs 40bn will be sufficient to fund growth for coming ~3 years, in our view.

We reiterate ADD; revise up TP by 12.5% to Rs2,250

To reflect the 1Q developments and management commentary, we tweak our FY27-29 estimates; this results in ~1-2% increase in AUM along with ~5% cut in FY27E EPS with FY28E/29E EPS unchanged. We build in capital-raise of Rs40bn by FY27-end at current prices. Overall, Piramal Finance is on the guided path in terms of growth, profitability, and predictability. With the operating leverage and rating upgrade play continuing to drive improvement in profitability, investors should look at the profitability ratios in FY28 and beyond. We reiterate ADD on the stock while raising Jun-27E TP of Rs2,250, valuing the company at 1.4x Jun-28E PBV.

Piramal Finance: Financial Snapshot (Consolidated)

Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Net profits	4,853	15,061	24,543	37,829	48,567
AUM growth (%)	17.2	25.5	24.6	23.9	23.5
NII growth (%)	18.9	31.7	42.0	33.8	25.2
NIMs (%)	4.2	4.7	5.6	6.2	6.4
PPOP growth (%)	32.4	45.0	77.8	43.4	27.4
Adj. EPS (Rs)	21.5	66.8	108.8	154.7	198.6
Adj. EPS growth (%)	0	210.3	62.9	42.1	28.4
Adj. BV (INR)	1,201.6	1,250.2	1,411.2	1,545.5	1,717.7
Adj. BVPS growth (%)	1.6	4.0	12.9	9.5	11.1
RoA (%)	0.6	1.5	2.1	2.6	2.8
RoE (%)	1.8	5.4	7.8	10.5	12.2
P/E (x)	101.6	32.7	20.1	14.1	11.0
P/ABV (x)	1.8	1.7	1.5	1.4	1.3

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	**12.5**
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	2.9

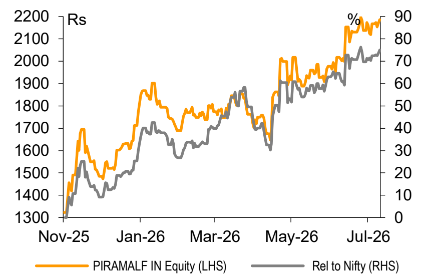
Stock Data	**PIRAMALF IN**
52-week High (Rs)	2,220
52-week Low (Rs)	1,235
Shares outstanding (mn)	226.7
Market-cap (Rs bn)	496
Market-cap (USD mn)	5,144
Net-debt, FY27E (Rs mn)	NA
ADTV-3M (mn shares)	0.5
ADTV-3M (Rs mn)	1,262.7
ADTV-3M (USD mn)	13.1
Free float (%)	52.8
Nifty-50	24,072.8
INR/USD	96.3

Shareholding,Mar-26	
Promoters (%)	46.2
FPIs/MFs (%)	14.6/18.8

Price Performance

(%)	1M	3M	12M
Absolute	9.2	28.6	0.0
Rel. to Nifty	8.8	29.3	0.0

1-Year share price trend (Rs)



Avinash Singh
avinash.singh@emkayglobal.com
+91-22-66121327

Kishan Rungta
kishan.rungta@emkayglobal.com
+91-22-66242490

Exhibit 1: Piramal Finance – Quarterly earnings snapshot

(Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy chg	qoq chg
Net Interest Income	10,100	11,319	12,274	13,619	14,423	42.8%	5.9%
Other Income	2,274	1,964	2,525	1,940	2,508	10.3%	29.3%
Total Income	12,374	13,283	14,798	15,559	16,931	36.8%	8.8%
Operating Expenses	8,122	8,129	8,205	8,621	8,894	9.5%	3.2%
Operating Profit	4,252	5,153	6,593	6,938	8,037	89.0%	15.8%
Provisions	2,025	2,481	3,703	17,872	4,596	127.0%	-74.3%
Credit cost	1.4%	1.7%	1.6%	1.5%	1.6%	19bps	11bps
PBT	3,010	2,494	3,279	5,048	4,430	47.2%	-12.2%
Tax	247	(776)	(731)	30	(180)	-172.9%	-702.6%
PAT	2,764	3,270	4,010	5,018	4,610	66.8%	-8.1%
Disbursements (retail)	87,180	109,540	104,980	131,010	125,270	43.7%	-4.4%
Total AUM	857,563	914,470	966,898	1,012,296	1,069,396	24.7%	5.6%
Networth	271,743	274,474	278,716	281,915	289,062	6.4%	2.5%
GS3	2.80%	2.55%	2.60%	2.30%	2.37%	-43bps	7bps
NS3	2.00%	1.81%	1.90%	1.60%	1.64%	-36bps	4bps
PCR	29.33%	29.43%	27.86%	29.61%	31.49%	215bps	187bps

Source: Company, Emkay Research

Exhibit 2: Movement in the legacy book

Legacy AUM	FY22	FY23	FY24	FY25	FY26	1QFY27
Mix						
Stage-1:						
Loans	324,691	134,804	40,001	19,942	8,805	1,996
AIF	38,359	42,292	10,672	3,917	2,121	2,121
Land & receivables	13,350	29,524	19,624	13,388	3,701	3,701
Security Receipts (SRs)	-	20,170	32,683	19,548	8,539	6,231
Stage-2 loans	35,420	48,440	34,750	3,785	1,477	7,038
Stage-3 loans	19,930	15,300	7,990	8,619	3,427	3,436
Total Legacy	**431,750**	**290,530**	**145,720**	**69,199**	**28,070**	**24,524**
Growth		-33%	-50%	-53%	-59%	-13%

Source: Company, Emkay Research

Exhibit 3: SOTP-based valuation

Business unit	Valuation methodology	Multiple (x)	Stake	Factor value (Rs mn)	Holdco discount	Value (Rs mn)	Value per share (Rs)	Contribution to TP
Financial Services Business	Price-to-book (Jun-28E)	1.4	100%	388,472	0%	551,630	2,250	100%
Shriram Insurance*	Fair Value	0.0	100.0%	34,192	25%	0	0	0%
AIF	Book value of equity allocated	0.0	JV	7,300	0%	0	0	0%
Insurance	Book value of equity allocated	0.0	50%	9,532	0%	0	0	0%
Unallocated NW		1.0	100%	0	0%	0	0	0%
SOTP-based value						**551,630**	**2,250**	

Source: Company, Emkay Research

Exhibit 4: AUM mix

AUM mix (Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy chg	qoq chg
Retail AUM	**690,046**	**747,040**	**794,125**	**858,846**	**912,493**	32.2%	6.2%
Housing loans	280,340	295,496	306,500	318,538	330,789	18.0%	3.8%
LAP	190,672	212,846	233,082	259,828	281,205	47.5%	8.2%
Used car loans	43,565	47,971	50,816	55,376	57,598	32.2%	4.0%
Digital loans	31,382	34,253	37,405	44,089	52,358	66.8%	18.8%
Business loans (ex-Microfinance)	52,636	55,640	56,947	60,807	62,489	18.7%	2.8%
Microfinance	7,702	8,939	11,439	13,845	15,466	100.8%	11.7%
Salaried PL	56,150	64,340	70,079	77,438	83,809	49.3%	8.2%
Loan against Mutual Funds	10,635	11,848	12,763	14,548	15,138	42.3%	4.1%
Other	16,962	15,706	15,094	14,377	13,640	-19.6%	-5.1%
Wholesale 2.0 AUM:	**104,252**	**112,953**	**120,474**	**125,380**	**132,378**	27.0%	5.6%
Real estate	77,639	86,084	88,910	91,906	92,157	18.7%	0.3%
CMML	26,612	26,869	31,564	33,474	40,221	51.1%	20.2%
Legacy AUM	**63,265**	**54,477**	**52,299**	**28,070**	**24,524**	-61.2%	-12.6%
Total AUM	**857,563**	**914,470**	**966,898**	**1,012,296**	**1,069,396**	24.7%	5.6%

Source: Company, Emkay Research

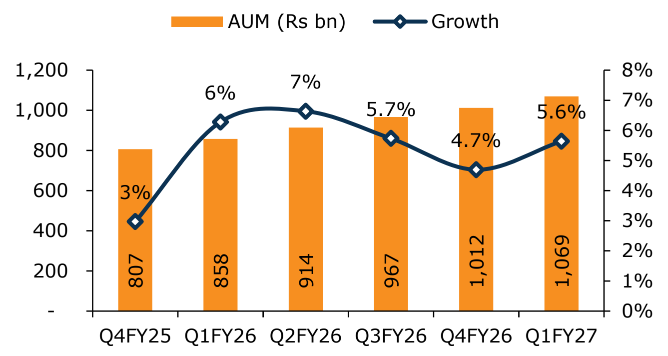
Exhibit 5: Change in estimates

Y/e Mar (Rs mn)	FY27E			FY28E			FY29E		
	Earlier	Revised	Change	Earlier	Revised	Change	Earlier	Revised	Change
AUM	1,252,798	1,261,820	0.7%	1,546,679	1,562,910	1.0%	1,889,597	1,930,336	2.2%
Loan book growth	23.8%	24.6%	89bps	23.5%	23.9%	40bps	22.2%	23.5%	134bps
Net interest income	68,521	67,166	-2.0%	87,835	89,874	2.3%	107,959	112,513	4.2%
Total Income	79,924	77,829	-2.6%	102,873	103,427	0.5%	126,602	129,533	2.3%
Opex	36,641	37,054	1.1%	45,438	44,947	-1.1%	55,022	55,038	0.0%
PPOP	44,077	40,775	-7.5%	58,495	58,479	0.0%	72,641	74,495	2.6%
Provisions	18,155	18,301	0.8%	23,080	22,539	-2.3%	28,208	27,817	-1.4%
PBT	25,922	24,363	-6.0%	35,415	37,829	6.8%	44,433	48,567	9.3%
PAT	25,922	24,543	-5.3%	35,415	37,829	6.8%	44,433	48,567	9.3%
Adj EPS (Rs)	115.0	108.8	-5.3%	157.0	154.7	-1.5%	197.0	198.6	0.8%
BVPS (Rs)	1,343	1,411	5.1%	1,484	1,545	4.1%	1,661	1,718	3.4%
Networth	302,751	345,094	14.0%	334,624	377,942	12.9%	374,614	420,061	12.1%
NIM + Fees	7.3%	7.1%	-24bps	7.6%	7.5%	-5bps	7.4%	7.4%	5bps
Cost-to-income	45.8%	47.6%	177bps	44.2%	43.5%	-71bps	43.5%	42.5%	-97bps
Opex-to-AUM	3.35%	3.36%	1bps	3.3%	3.3%	-7bps	3.2%	3.2%	-5bps
Credit costs (bps)	1.66%	1.66%	0bps	1.70%	1.64%	-6bps	1.64%	1.6%	-5bps
ROAUM	2.30%	2.23%	-7bps	2.52%	2.75%	22bps	2.52%	2.8%	26bps
ROE	8.6%	7.8%	-77bps	10.78%	10.46%	-32bps	12.23%	12.2%	-6bps

Source: Company, Emkay Research

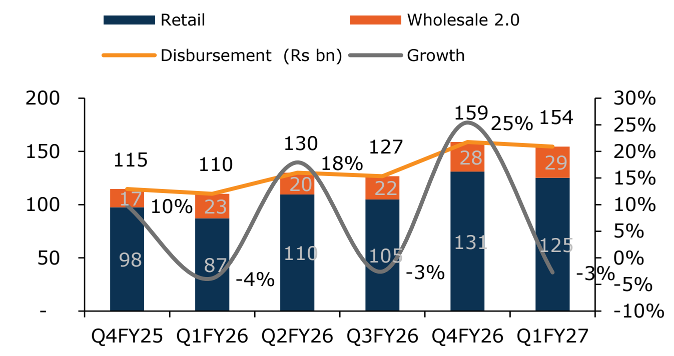
Result in charts

Exhibit 6: Strong AUM growth led by robust disbursement



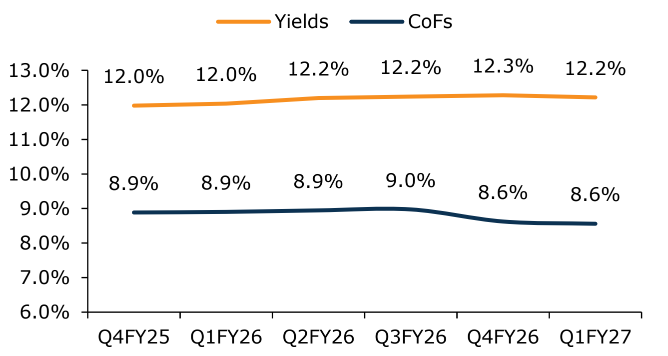
Source: Company, Emkay Research

Exhibit 7: Disbursement remains strong in the retail segment



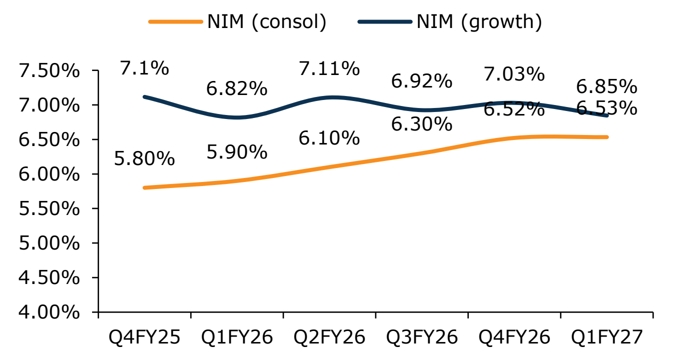
Source: Company, Emkay Research

Exhibit 8: Reported COFs declined by ~4bps qoq



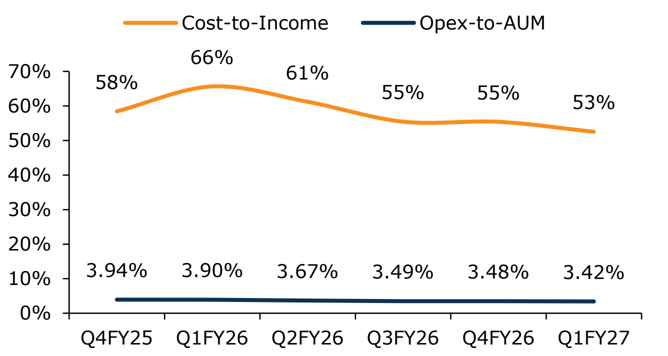
Source: Company, Emkay Research

Exhibit 9: NIM moderation on account of lower DA in the quarter



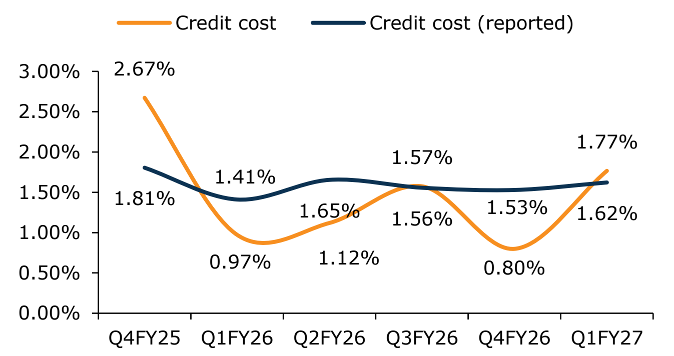
Source: Company, Emkay Research

Exhibit 10: Opex moderation led by improving productivity



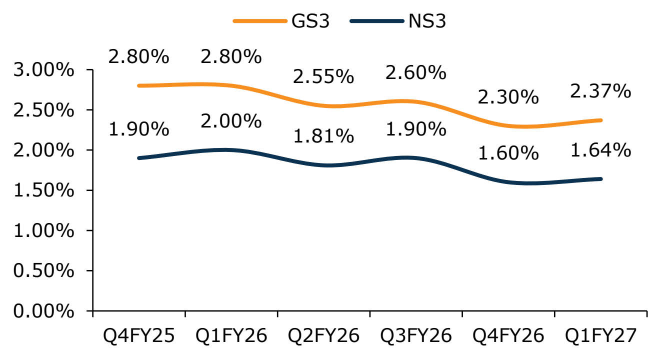
Source: Company, Emkay Research

Exhibit 11: Credit cost remains well controlled



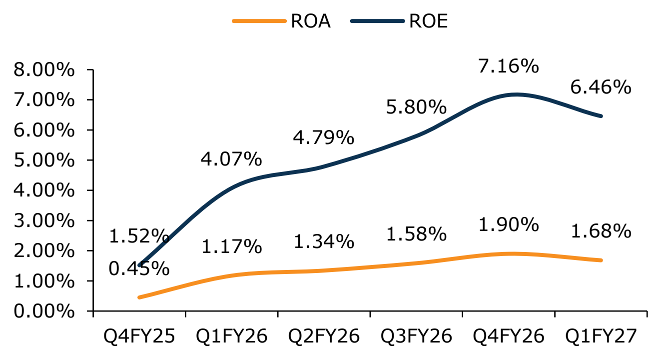
Source: Company, Emkay Research

Exhibit 12: Asset quality remains strong



Source: Company, Emkay Research

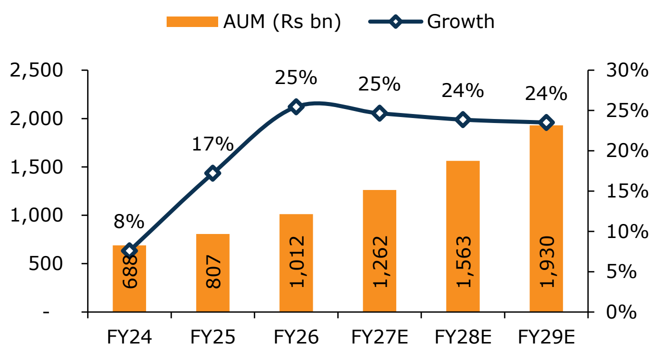
Exhibit 13: Reported ROAAUM for the quarter was ~1.9%



Source: Company, Emkay Research

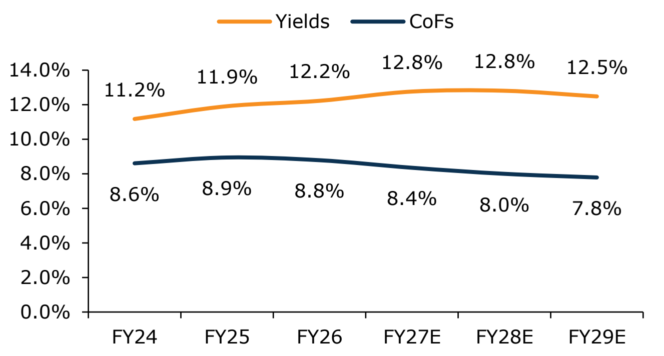
Story in charts

Exhibit 14: AUM expected to reach ~Rs1.5trn by end-FY28E



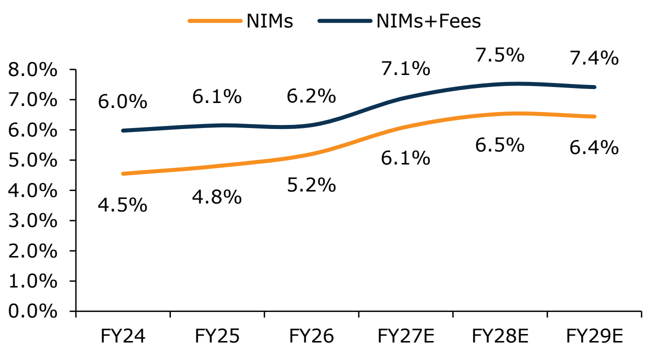
Source: Company, Emkay Research

Exhibit 15: COF to moderate on account of rating upgrade to AA+



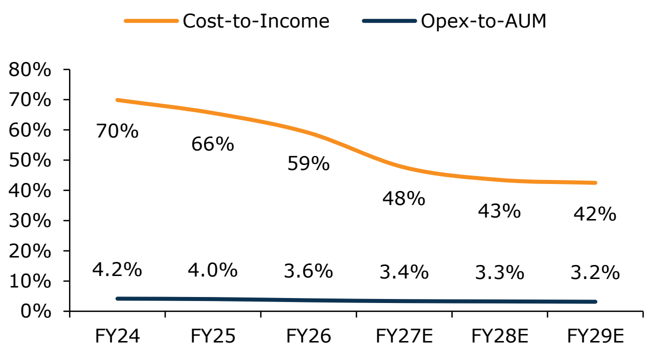
Source: Company, Emkay Research

Exhibit 16: Margin expansion led by COF moderation, improved productivity, and higher cross-sell



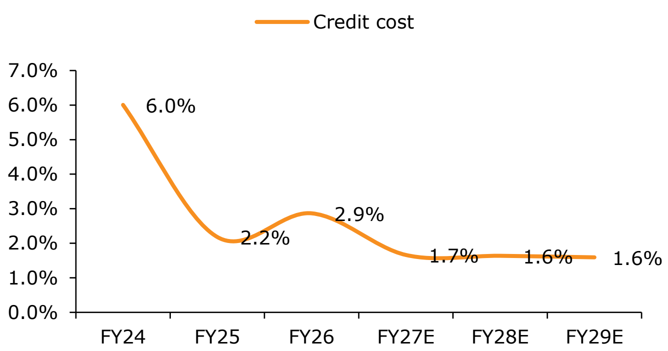
Source: Company, Emkay Research

Exhibit 17: Opex to moderate as AUM scales up



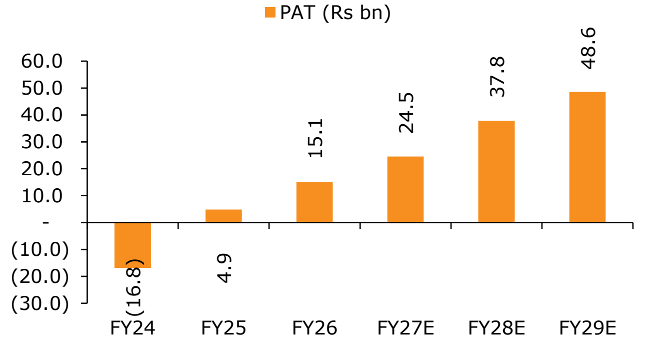
Source: Company, Emkay Research

Exhibit 18: Credit cost to be range-bound



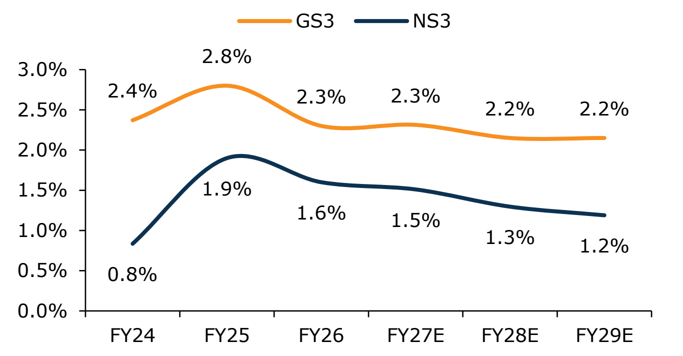
Source: Company, Emkay Research

Exhibit 19: PAT to improve as drag from the legacy book eases



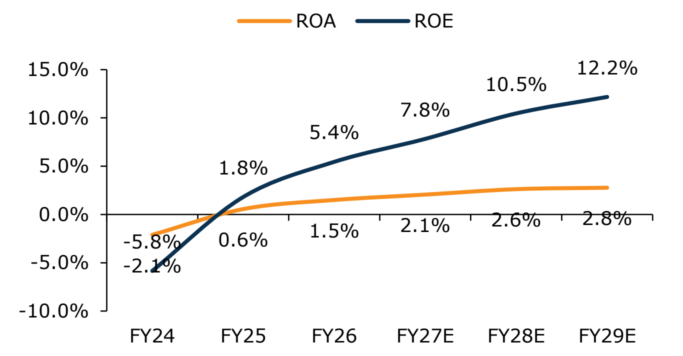
Source: Company, Emkay Research

Exhibit 20: Asset quality to be stable ahead



Source: Company, Emkay Research

Exhibit 21: ROE/ROA to expand over FY27-29E



Source: Company, Emkay Research

Earnings call highlights

- The company saw a strong start to FY27, reporting consolidated AUM growth of 25% yoy to ~Rs1.07trn. Consolidated PAT came in at Rs4.61bn, up 67% yoy. Notably, this performance was achieved alongside consistent profitability, stable asset quality, and healthy balance sheet strength.
- The AUM mix transition is now nearly complete, with the legacy book reduced to Rs24.52bn (~2% of total AUM). Growth AUM, which excludes the discontinued legacy business, now forms ~98% of the total AUM.
- Growth remains strong and broad-based. Growth AUM rose 32% yoy. Retail AUM also grew, by 32% yoy to Rs912.49bn, now forming ~85% of the total AUM. Wholesale AUM grew 27% yoy to Rs132.38bn, indicating balanced momentum across segments.
- Mortgages continue to anchor the portfolio, accounting for ~57% of the total AUM and ~67% of the retail AUM. Housing loans and LAP grew 30% yoy to Rs611.99bn. Unsecured product categories (personal loans, unsecured business loans, digital loans, and rural micro-lending) showed strong momentum, growing 45% yoy to Rs214.12bn.
- Retail disbursements picked up strongly in 1Q, growing 44% yoy to ~Rs131.01bn. The retail customer franchise expanded 24% yoy to ~6mn. Cross-sell contributed ~28% of unsecured disbursements, supporting both low-opex growth and credit quality.

  Distribution expansion was focused on gold loans and micro-lending during the quarter. The company saw net addition of 79 branches, taking the total network to 780 branches. The management outlined scale-up plans—to reach 200 gold loan branches by FY27—and expanded the rural branch network to 178.
- Wholesale lending continues to scale steadily, given the disciplined approach. AUM reached ~Rs132.38bn, with a 70:30 mix of real estate to mid-market lending (CMML), an average ticket size of ~Rs560mn, and marginally moderated yields of ~14.2% due to favorable shift in rating mix, particularly in the CMML book. Asset quality remains pristine, with Stage 2 and Stage 3 assets below 0.2%. High prepayments (repayments were 74% of disbursed amounts in 1Q) act as a growth headwind, but highlight robust portfolio performance.
- Profitability metrics continue to improve steadily. Growth business ROAUM expanded to 1.9% in 1Q (vs 1.5% in 1QFY26). Leverage increased to ~3.7x, with the management moving toward its medium-term target of 4.5–5.0x.
- Margins were stable, with consolidated NIM flat qoq (up by 47bps yoy) at 6.5%, and the gap between growth and consolidated NIM converging. Growth business NIM was 6.8%, with slight qoq moderation driven primarily by a strategic choice to execute fewer direct assignments. Cost of borrowing declined by 4bps qoq to 8.80%, with ample liquidity and future tailwinds expected from the recent AA+ rating upgrade.
- Operating efficiency continues to improve significantly, with retail opex-to-AUM declining by 10bps qoq to 3.5%, maintaining its presence in the guided target range. The company's cost-to-income fell to 53% in 1QFY27 (from 66% in 1QFY26), demonstrating strong productivity gains as the business scales.
- AI and technology are key structural enablers for growth and productivity. The company reported massive scaling in Gen-AI usage, with token volumes hitting 320bn in 1Q (up from 63bn in 1QFY26), while keeping token costs flat by shifting to homegrown SLMs and open-source models. To enhance external engagement, the company launched an AI-powered investor assistant named 'Pia'. Separately, the integration of AI tools has significantly advanced credit underwriting, driving a 50% increase in credit staff productivity over the last two years.
- Asset quality trends are stable. Total GNPA and NNPA stood at 2.4% and 1.6%, respectively. Retail 90+ DPD were in tight control at 0.7%. Unsecured and microfinance risk showed strong improvement. However, the management noted a mild idiosyncratic uptick in LAP, and is closely monitoring early signs of stress in the IT salaried segment in southern India.

- The Board approved an enabling resolution to raise up to Rs40bn in capital. The management clarified that this capital-raise is intended to support robust ongoing growth and to maintain regulatory capital adequacy (currently at 18.85%) comfortably above their 18% preference, rather than for any imminent inorganic acquisitions.
- On the outlook, the management expressed confidence in meeting its original FY27 guidance for AUM growth, profit growth, and an exit ROAUM expected at ~2.5% by 4QFY27, driven by operating leverage from a larger book and consistent opex management.

Piramal Finance: Consolidated Financials and Valuations

Profit & Loss

Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	89,086	111,213	140,584	176,372	218,011
Interest Expense	53,174	63,902	73,417	86,498	105,498
Net interest income	**35,912**	**47,311**	**67,166**	**89,874**	**112,513**
NII growth (%)	18.9	31.7	42.0	33.8	25.2
Non interest income	10,050	8,702	10,663	13,553	17,019
Total income	**45,962**	**56,013**	**77,829**	**103,427**	**129,533**
Operating expenses	30,143	33,078	37,054	44,947	55,038
PPOP	**15,819**	**22,936**	**40,775**	**58,479**	**74,495**
PPOP growth (%)	32.4	45.0	77.8	43.4	27.4
Provisions & contingencies	16,303	26,080	18,301	22,539	27,817
PBT	**(484)**	**(3,144)**	**22,474**	**35,940**	**46,678**
Extraordinary items	0	(810)	0	0	0
Tax expense	1,595	(1,231)	(180)	0	0
Minority interest	-	-	-	-	-
Income from JV/Associates	1,366	1,889	1,889	1,889	1,889
Reported PAT	**4,853**	**15,061**	**24,543**	**37,829**	**48,567**
PAT growth (%)	0	210.3	62.9	54.1	28.4
Adjusted PAT	**4,853**	**15,871**	**24,543**	**37,829**	**48,567**
Diluted EPS (Rs)	**21.5**	**66.8**	**108.8**	**154.7**	**198.6**
Diluted EPS growth (%)	0	210.3	62.9	42.1	28.4
DPS (Rs)	**-**	**-**	**-**	**-**	**-**
Dividend payout (%)	**-**	**-**	**-**	**-**	**-**
Effective tax rate (%)	(329.4)	39.1	(0.8)	0	0
Net interest margins (%)	4.2	4.7	5.6	6.2	6.4
Cost-income ratio (%)	65.6	59.1	47.6	43.5	42.5
PAT/PPOP (%)	30.7	65.7	60.2	64.7	65.2
Shares outstanding (mn)	225.5	225.5	244.5	244.5	244.5

Source: Company, Emkay Research

Balance Sheet

Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	451	451	489	489	489
Reserves & surplus	270,508	281,464	344,605	377,453	419,572
Net worth	**270,959**	**281,915**	**345,094**	**377,942**	**420,061**
Borrowings	**654,840**	**799,448**	**958,983**	**1,203,440**	**1,505,662**
Other liabilities & prov.	**0**	**0**	**0**	**0**	**0**
Total liabilities & equity	**925,799**	**1,081,363**	**1,304,078**	**1,581,382**	**1,925,723**
Net loans	716,421	881,755	1,100,343	1,363,588	1,685,310
Investments	51,135	47,048	44,767	43,767	42,767
Cash, other balances	100,836	86,402	82,027	80,505	83,969
Interest earning assets	**868,392**	**1,015,205**	**1,227,137**	**1,487,860**	**1,812,046**
Fixed assets	26,355	24,682	28,479	34,617	42,077
Other assets	31,053	41,476	48,462	58,905	71,600
Total assets	**925,799**	**1,081,363**	**1,304,078**	**1,581,382**	**1,925,723**
BVPS (Rs)	1,201.6	1,250.2	1,411.2	1,545.5	1,717.7
Adj. BVPS (INR)	1,201.6	1,250.2	1,411.2	1,545.5	1,717.7
Gross loans	736,846	900,185	1,125,299	1,393,813	1,721,486
Total AUM	**806,892**	**1,012,296**	**1,261,820**	**1,562,910**	**1,930,336**
On balance sheet	736,846	900,185	1,125,299	1,393,813	1,721,486
Off balance sheet	70,047	112,111	136,521	169,097	208,850
Disbursements	391,650	519,810	614,760	733,649	903,115
Disbursements growth (%)	16.5	32.7	18.3	19.3	23.1
Loan growth (%)	12.3	23.1	24.8	23.9	23.6
AUM growth (%)	17.2	25.5	24.6	23.9	23.5
Borrowings growth (%)	22.6	22.1	20.0	25.5	25.1
Book value growth (%)	1.6	4.0	12.9	9.5	11.1

Source: Company, Emkay Research

Asset quality and other metrics

Y/E 2025 (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Asset quality					
GNPL - Stage 3	19,508	19,699	26,029	29,967	37,012
NNPL - Stage 3	12,539	13,866	16,857	17,909	20,269
GNPL ratio - Stage 3 (%)	2.8	2.3	2.3	2.2	2.2
NNPL ratio - Stage 3 (%)	1.9	1.6	1.5	1.3	1.2
ECL coverage - Stage 3 (%)	35.7	29.6	35.2	40.2	45.2
ECL coverage - 1 & 2 (%)	1.9	1.4	1.4	1.3	1.2
Gross slippage - Stage 3	-	-	-	-	-
Gross slippage ratio (%)	-	-	-	-	-
Write-off ratio (%)	-	-	-	-	-
Total credit costs (%)	1.4	1.1	1.7	1.6	1.6
NNPA to networth (%)	4.6	4.9	4.9	4.7	4.8
Capital adequacy					
Total CAR (%)	23.6	19.8	20.8	19.6	18.7
Tier-1 (%)	22.4	19.8	19.6	18.4	17.5
Miscellaneous					
Total income growth (%)	15.8	21.9	38.9	32.9	25.2
Opex growth (%)	8.7	9.7	12.0	21.3	22.4
PPOP margin (%)	2.1	2.5	3.6	4.1	4.3
Credit costs-to-PPOP (%)	103.1	113.7	44.9	38.5	37.3
Loan-to-Assets (%)	77.4	81.5	84.4	86.2	87.5
Yield on loans (%)	11.9	12.2	12.8	12.8	12.5
Cost of funds (%)	8.7	8.7	8.6	8.3	8.1
Spread (%)	3.2	3.6	4.2	4.5	4.4

Source: Company, Emkay Research

Valuations and key Ratios

Y/E 2025	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	101.6	32.7	20.1	14.1	11.0
P/B (x)	1.8	1.7	1.5	1.4	1.3
P/ABV (x)	1.8	1.7	1.5	1.4	1.3
P/PPOP (x)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0	0	0	0	0
Dupont-RoE split (%)					
NII/avg AUM	4.8	5.2	6.1	6.5	6.4
Other income	1.3	1.0	1.0	1.0	1.0
Securitization income	-	-	-	-	-
Opex	1.9	1.5	1.3	1.4	1.4
Employee expense	2.2	2.2	2.1	1.9	1.7
PPOP	**2.1**	**2.5**	**3.7**	**4.2**	**4.3**
Provisions	1.4	1.1	1.7	1.6	1.6
Tax expense	99.8	100.1	100.0	100.0	100.0
RoAUM (%)	**0.6**	**1.7**	**2.2**	**2.7**	**2.8**
Leverage ratio (x)	1.8	5.4	7.8	10.5	12.2
RoE (%)	**1.8**	**5.4**	**7.8**	**10.5**	**12.2**

Quarterly data

Rs mn, Y/E Mar	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27
NII	10,100	11,319	12,274	13,619	14,423
NIM (%)	4.9	5.1	5.2	5.5	5.5
PPOP	4,252	5,153	6,593	6,938	8,037
PAT	2,764	3,270	4,010	5,018	4,610
EPS (Rs)	12.22	14.46	17.69	22.13	20.33

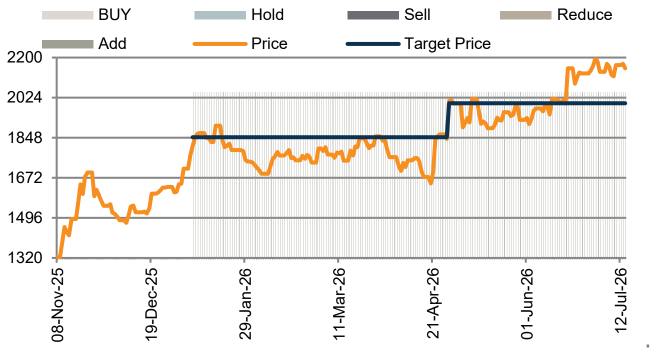
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
05-Jul-26	2,138	2,000	Add	Avinash Singh
28-Apr-26	2,009	2,000	Add	Avinash Singh
06-Apr-26	1,723	1,850	Add	Avinash Singh
17-Mar-26	1,769	1,850	Add	Avinash Singh
24-Jan-26	1,794	1,850	Add	Avinash Singh
06-Jan-26	1,811	1,850	Add	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.
CIN - L67120MH1995PLC084899
7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

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