

# CreditAccess Grameen

Estimate change

TP change

Rating change



Bloomberg	CREDAG IN
Equity Shares (m)	159
M.Cap.(INRb)/(USD\$)	221.1 / 2.7
52-Week Range (INR)	1502 / 834
1, 6, 12 Rel. Per (%)	5/29/32
12M Avg Val (INR M)	338

## Financials & Valuations (INR b)

Y/E March	FY24E	FY25E	FY26E
NII	31.2	38.8	46.8
Total Income	34.6	42.5	51.1
PPoP	23.6	29.0	34.8
PAT	14.8	17.9	21.4
EPS (INR)	93	113	135
EPS Gr. (%)	80	21	20
BV (INR)	415	528	662

## Ratios (%)

NIM	14.4	14.2	14.0
C/I ratio	31.8	31.9	31.9
Credit cost	1.7	1.8	1.8
RoA	5.9	5.6	5.4
RoE	25.4	23.9	22.7

## Valuations

P/E (x)	14.9	12.3	10.3
P/BV (x)	3.4	2.6	2.1

Please refer our thematic  
report on MFI:

Unlocking growth; empowering lives!



CMP: INR1,390

TP: INR1,670 (+20%)

Buy

## Another healthy quarter with further NIM improvement

### Increases FY24 guidance for NIM, RoA and RoE

- CREADAG delivered a healthy operational performance in 2QFY24, with ~97% YoY in PAT to ~INR3.5b. NII grew 53% YoY to ~INR7.6b, driven by a ~10bp QoQ expansion in reported NIM to ~13.1%.
- PPop grew 68% YoY to ~INR5.6b, with scale benefits and opex efficiencies resulting in a cost-income ratio (CIR) of ~32% (PY: ~38%). The management has revised its FY24 guidance for NIM to 12.7-12.8% and CIR to 31-33%. We model NIM (calc.) and CIR of ~14% and ~32%, respectively, in FY24E.
- The company acquired 336k new customers in 2QFY24, with ~40% of them originating from outside its top three states. It plans to further deepen its distribution network in relatively newer states to drive overall growth and strengthen its resilience. To that end, CREADAG has entered Telangana and AP through its expansion strategy in contiguous districts.
- We estimate a CAGR of 24%/37% in AUM/PAT over FY23-FY26, leading to RoA/RoE of ~5.4%/23% in FY26. **We increase our FY24/25 EPS estimates by 6%/5% to factor in higher insurance distribution income.**
- Despite cyclical tailwinds, the upcoming state elections later this year and general elections next year are near-term risks for the sector. We strongly believe that the magnitude and frequency of loan waivers (if any) will be much lower than in the past.
- While the current valuation of 2.3x Sep'25E P/BV is not inexpensive, CREADAG will continue to deliver robust return ratios, aided by a strong underlying business model. We reiterate our BUY rating with a revised TP of INR1,670 (based on target multiple of 2.8x Sep'25E P/BV).

### Highlights from the management commentary

- CREADAG guided for broadly stable yields (as large part of the portfolio has been repriced already) and borrowing costs to increase by 10-20bp. As leverage increases over the course of the year, NIM will moderate.
- In the medium to long term, it should be able to maintain steady state RoA of 5.4%-5.6% and RoE of 24-25%.

### Valuation and view

- CREADAG is primed to dominate the segment by: a) providing the lowest-cost organized financing, b) improving operational efficiency through continuous technology enhancement, and c) integrating risk management in every process to drive superior asset quality and lower credit costs.
- CREADAG's robust execution has been vindicated by its resilience across various credit cycles and external disturbances. With a strong capital position (Tier-1 of ~24%), the company can very well navigate any potential disruptions in the future and also capitalize on the growth opportunity over the medium term. Reiterate our BUY rating on the stock with a revised TP of INR1,670 (based on 2.8x Sep'25 P/BV).

## CREDAG: Quarterly Performance

(INR M)

Y/E March	FY23				FY24				FY23	FY24E	2QFY24E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	7,363	7,713	8,548	9,648	11,052	11,874	12,579	13,526	33,271	49,031	11,553	3
Interest Expenses	2,798	2,732	3,142	3,456	3,849	4,239	4,641	5,060	12,129	17,790	4,157	2
<b>Net Interest Income</b>	<b>4,565</b>	<b>4,981</b>	<b>5,406</b>	<b>6,192</b>	<b>7,203</b>	<b>7,635</b>	<b>7,937</b>	<b>8,466</b>	<b>21,143</b>	<b>31,241</b>	<b>7,396</b>	<b>3</b>
YoY Growth (%)	35.1	35.1	31.2	34.2	57.8	53.3	46.8	36.7	33.5	47.8	48.5	
Other Income	233	434	540	1,015	656	602	856	1,259	2,237	3,372	361	66
<b>Total Income</b>	<b>4,798</b>	<b>5,415</b>	<b>5,946</b>	<b>7,206</b>	<b>7,858</b>	<b>8,237</b>	<b>8,793</b>	<b>9,724</b>	<b>23,379</b>	<b>34,613</b>	<b>7,758</b>	<b>6</b>
YoY Growth (%)	30.4	38.9	32.0	29.3	63.8	52.1	47.9	34.9	32.4	48.1	43.3	
Operating Expenses	1,909	2,067	2,160	2,177	2,420	2,611	2,849	3,169	8,315	11,015	2,563	2
<b>Operating Profit</b>	<b>2,889</b>	<b>3,348</b>	<b>3,785</b>	<b>5,029</b>	<b>5,438</b>	<b>5,626</b>	<b>5,944</b>	<b>6,556</b>	<b>15,064</b>	<b>23,598</b>	<b>5,195</b>	<b>8</b>
YoY Growth (%)	33.5	53.2	38.4	36.4	88.3	68.1	57.0	30.4	39.8	56.6	55.2	12.9
Provisions & Loan Losses	1,009	1,054	894	1,053	764	959	1,035	914	4,010	3,671	772	24
<b>Profit before Tax</b>	<b>1,880</b>	<b>2,294</b>	<b>2,891</b>	<b>3,976</b>	<b>4,674</b>	<b>4,668</b>	<b>4,909</b>	<b>5,642</b>	<b>11,054</b>	<b>19,926</b>	<b>4,424</b>	<b>6</b>
Tax Provisions	493	529	733	1,010	1,189	1,197	1,252	1,443	2,794	5,081	1,124	7
<b>Net Profit</b>	<b>1,387</b>	<b>1,766</b>	<b>2,158</b>	<b>2,966</b>	<b>3,485</b>	<b>3,470</b>	<b>3,657</b>	<b>4,199</b>	<b>8,261</b>	<b>14,845</b>	<b>3,300</b>	<b>5</b>
YoY Growth (%)	583.6	196.5	84.5	85.3	151.3	96.6	69.5	41.6	131.5	79.7	86.9	
AUM Growth (%)	23.3	24.0	21.9	26.7	39.7	36.0	32.6	26.2	29.0	27.8	36.3	
NIM (%)	11.3	12.4	12.6	12.8	13.4	13.8	13.8	13.5	12.5	14.4	13.3	
Cost to Income Ratio (%)	39.8	38.2	36.3	30.2	30.8	31.7	32.4	32.6	35.6	31.8	33.0	
Tax Rate (%)	26.2	23.0	25.3	25.4	25.4	25.7	25.5	25.6	25.3	25.5	25.4	
<b>Key Parameters (%)</b>												
Yield on loans	18.4	19.1	19.6	19.7	20.7	21.1						
Cost of funds	9.1	9.2	9.6	9.5	9.6	9.8						
Spread	9.3	9.9	10.0	10.2	11.1	11.3						
NIM	11.1	12.0	11.9	12.2	13.0	13.1						
Credit cost	2.5	2.6	2.1	2.2	1.4	1.7						
Cost to Income Ratio (%)	39.8	38.2	36.3	30.2	30.8	31.7						
Tax Rate (%)	26.2	23.0	25.3	25.4	25.4	25.7						
<b>Performance ratios (%)</b>												
GLP/Branch (INR m)	93	98	103	118	119	120						
GLP/Loan Officer (INR m)	14.8	15.3	15.0	18.3	18.1	16.9						
Borrowers/Branch	2,195	2,255	2,281	2,387	2,422	2,452						
Borrowers/Loan Officer	349	351	333	371	367	345						
<b>Balance Sheet Parameters</b>												
<b>Gross loan portfolio (INR B)</b>	<b>156.2</b>	<b>165.4</b>	<b>177.9</b>	<b>210.3</b>	<b>218.1</b>	<b>224.9</b>	<b>235.8</b>	<b>265.4</b>	<b>210.3</b>	<b>265.4</b>		
Change YoY (%)	23.3	24.0	21.9	26.7	39.7	36.0	32.6	26.2	26.7	26.2		
<b>Disbursements (INR B)</b>	<b>24.2</b>	<b>43.8</b>	<b>48.5</b>	<b>71.7</b>	<b>47.7</b>	<b>49.7</b>	<b>57.6</b>	<b>80.1</b>	<b>188.1</b>	<b>235.1</b>		
Change YoY (%)	126.9	12.5	2.7	23.8	97.5	13.5	18.8	11.8	21.6	25.0		
<b>Borrowings (INR B)</b>	<b>118.8</b>	<b>123.1</b>	<b>135.7</b>	<b>164.1</b>	<b>168.2</b>	<b>176.7</b>	<b>190.1</b>	<b>211.8</b>	<b>164.1</b>	<b>211.8</b>		
Change YoY (%)	21.5	22.4	18.5	27.0	41.6	43.6	40.0	29.1	27.0	29.1		
Borrowings/Loans (%)	84.0	81.0	82.8	86.2	84.9	84.6	87.6	88.3	86.2	88.3		
Debt/Equity (x)	2.9	2.8	3.0	3.2	3.1	3.0	3.1	3.2	3.2	3.2		
<b>Asset Quality (%)</b>												
<b>GS 3 (INR M)</b>	<b>4,584</b>	<b>3,400</b>	<b>2,887</b>	<b>2,368</b>	<b>1,817</b>	<b>1,657</b>						
G3 %	3.1	2.2	1.7	1.2	0.9	0.8						
NS 3 (INR M)	1,667	1,187	985	812	552	509						
NS3 %	1.2	0.8	0.6	0.4	0.3	0.2						
<b>PCR (%)</b>	<b>63.6</b>	<b>65.1</b>	<b>65.9</b>	<b>65.7</b>	<b>69.6</b>	<b>69.3</b>						
ECL (%)	3.0	2.3	1.9	0.0	1.6	1.6						
<b>Return Ratios - YTD (%)</b>												
ROA (Rep)	3.1	4.0	4.6	5.5	5.8	5.6						
ROE (Rep)	13.4	16.1	18.8	24.0	26.4	24.7						

E: MOFSL Estimates

**Disbursements at similar levels as 1Q but will accelerate in 2HFY24**

- 2QFY24 disbursements grew 14% YoY to INR49.6b (PY: INR44b; PQ: ~INR48b).
- GLP grew 36% YoY and ~3% QoQ to ~INR224b. We model ~26% YoY growth in GLP to ~INR265b by Mar'24.
- CREDAG remains focused on new customer acquisitions with ~21% YoY in the borrower base to 4.6m (PY: 3.8m). In 2QFY24, the company added ~50 new branches, out of which 30 branches were added outside its top three states. The number of total loan officers also grew ~11% QoQ to ~13.3K, resulting in borrower per loan officer declining to 345 (PQ: 367).

**Spread expansion of ~20bp QoQ, driven by re-pricing leading to higher yields**

- Reported blended yields increased ~40bp QoQ to 21.1%, while CoF increased ~20bp to 9.8%, leading to ~20bp improvement in spreads to ~11.3%.
- We expect NIMs to remain broadly stable at current levels in 3QFY24 and further moderate in 4QFY24 as leverage on the balance sheet increases in 2HFY24.

**Asset quality improved but credit costs higher QoQ**

- Asset quality improved QoQ, with GS3/NS3 improving by ~12bp/3bp to ~0.8%/0.2% and ECL/ EAD remaining stable ~1.6%. PAR 90+ at 0.6% improved ~10bp QoQ (PQ: 0.7%).
- Credit costs stood at ~INR960m, out of which ~INR37m was related to the management overlay carried by the company on the legacy book of MMFL of INR340m (0.2% of GLP). Annualized credit costs increased by ~30bp QoQ to 1.8% (PQ: 1.5% and PY: 2.8%). This included bad debt recovery of ~INR117m in 2QFY24.
- Gross collection efficiency (excluding arrears) remained stable QoQ at 98.7%.

**Actively investing in branch and manpower to drive expansion**

- The CIR increased ~1pp QoQ to ~32%. CREDAG now guides for FY24 CIR of 31-33% (relative to 35-36% earlier) due to improved total income profile. We estimate CIR of ~32% in each of FY24E/FY25E/FY26E.
- As on Sep'23, the capital adequacy ratio stood at ~25% (Tier I: 24%). The management has guided that the internal accruals should support the growth trajectory and that it does not foresee the need to raise equity capital in the near future.



## Highlights from the management commentary

### Business operations

- Despite 2Q being a historically weaker quarter, customer additions were good during the quarter. It added 336k new customers, out of which 40% came from outside the top 3 states.
- The customer base grew 21% YoY to 4.6m, while AUM increased by 36% YoY.
- It forayed into AP and Telangana with a contiguous district-based approach.
- 1HFY24 RoA and RoE stood at 5.7 and 25.5%, respectively.
- CRAR stood at 25% as on Sep'23.
- In the medium to long term, it should be able to maintain steady-state RoA of 5.4%-5.6% and RoE of 24-25%.

### Margin

- NIM stood at 13.1% in 2QFY24. The minor increase was driven by a) lower interest income reversals aided by better asset quality; b) strong control over the cost of borrowings; and c) higher share of portfolio growth supported by internal accruals.
- Not much scope for increase in yields; as more borrowings get used up for GLP growth, NIM would moderate.
- NIM will not go up further because a large part of the portfolio has already been repriced. CoB will go up by 10-20bp and the portfolio yield will not change too much. As it uses more borrowings over the next two quarters, NIM will moderate.

### Asset Quality

- CE (excl. Arrears) stood at 98.5%.
- PAR 90 was at 0.6% (maintains best-in-class asset quality).
- Expects bad debt recoveries of INR40-50m per month.

### Liabilities

- Looking to expand the liability franchise beyond banks and domestic NCDs; Building positive ALM so that it is not vulnerable to any liquidity tightening.
- Non-conventional public NCD route; diversifying its liability sources
- Liability Mix: Banks: 53% | Public NCDs: 8% | ECB: ~15% | DA & Securitization: 7% | Non-bank DFI: 11%

### Insurance distribution income

- Insurance distribution Income stood at INR300m in 2QFY24 and this should be the quarterly steady state. Earlier, there was IRDAI cap of 5% on the commissions paid by insurers. Now that the insurers are allowed by IRDAI and they are paying higher commission of ~12-13%, the insurance distribution income has improved.

### New businesses/initiatives

- LAP business has been shaping up well. Home loan pilots will start this year.
- Gold loan pilots are still continuing but not quite sure if it wants to build the gold loan business.

- Disbursements under new initiatives stood at INR1.74b; Retail Finance makes up ~1.5% of the total portfolio and the company targets to reach INR60-70b in secured business (12-15%).

#### **Capital Raise**

- CREDAG is not looking for any capital raise in the near future since internal accruals are sufficient to support 24-25% GLP growth.

#### **Borrower Attrition**

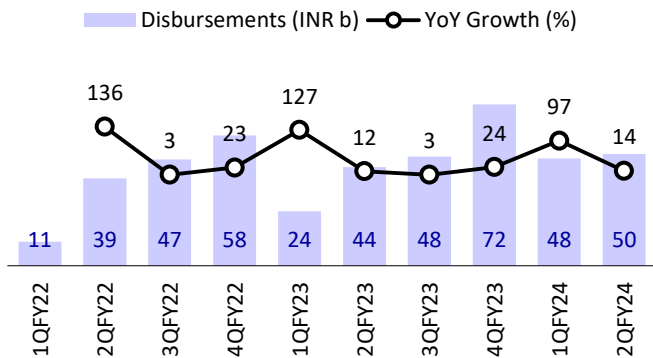
- Key reasons behind borrower attrition: a) customers moving up, b) customers do not want to renew their loan with CAGL; and c) customers do not want any further loans

#### **Others**

- Hiring was slow in the last quarter since CREDAG was busy with the integration of Madura. Now that it is settled, it has started hiring again.
- Individual loan amount is not more than INR200k per client; it will start giving disclosures from next quarter.
- In TN, Madura branches have become a part of CREADAG and the branch productivity is lower in TN; CREADAG will look to improve the branch productivity in such branches in TN.
- It is strengthening its operations now given that the environment is favorable.
- Employee attrition stood at 28-29% (including loan management and mid management), while the field officer attrition is 33-34%.
- Customer attrition is >25% for the industry, while it is at 13-14% for CREDAG.

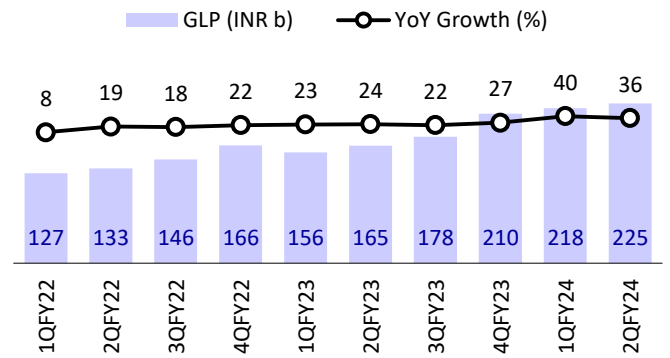
## Key exhibits

**Exhibit 1: Disbursements grew 14% YoY...**



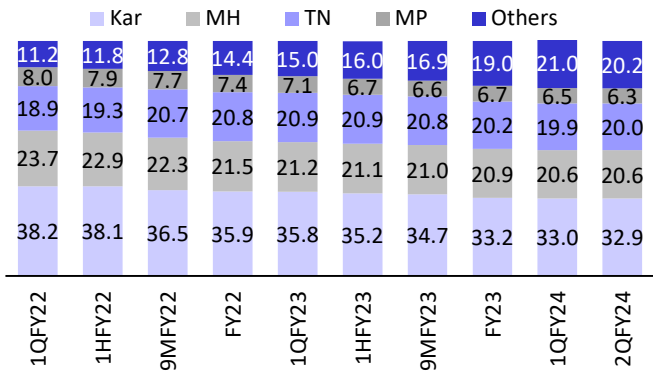
Sources: MOFSL, Company

**Exhibit 2: ...driving GLP growth of 36% over the past year**



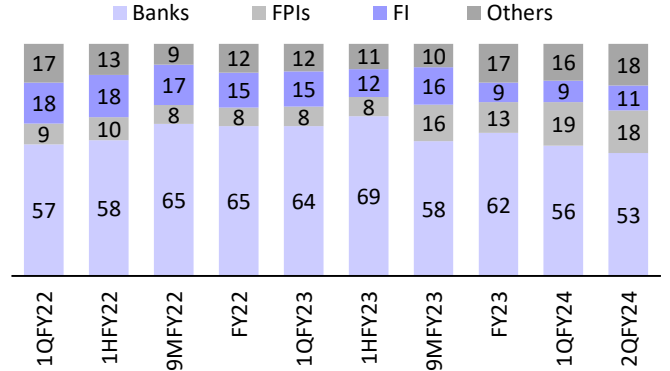
Sources: MOFSL, Company

**Exhibit 3: Concentration of the top three states in AUM remained stable**



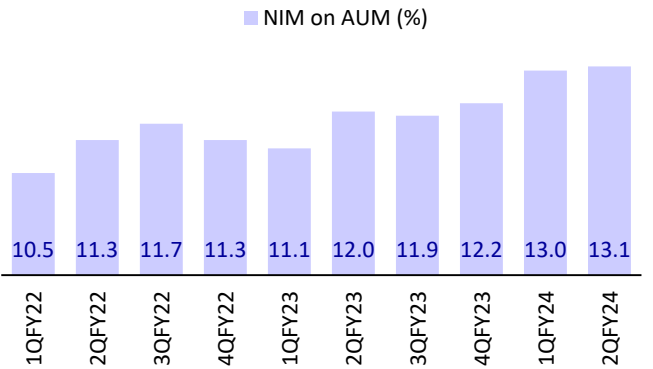
Sources: MOFSL, Company

**Exhibit 4: Proportion of foreign borrowings has risen, while it declined for bank term loans**



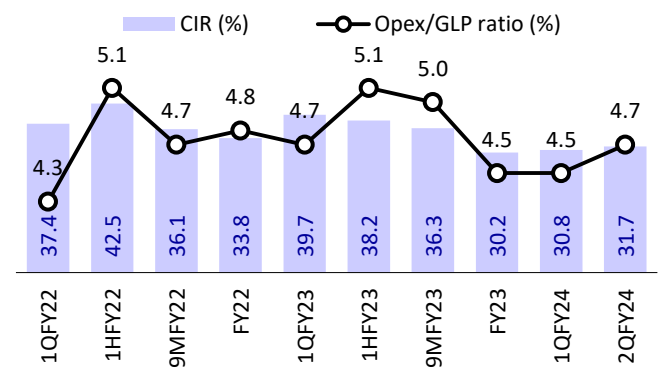
Sources: MOFSL, Company

**Exhibit 5: Reported margins improved by ~10bp QoQ, driven by expansion in yields**



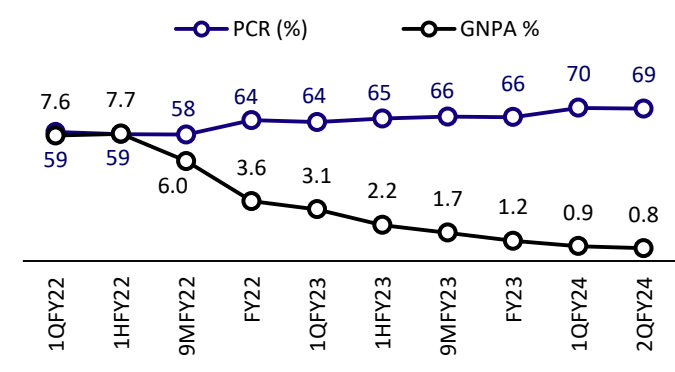
Sources: MOFSL, Company

**Exhibit 6: C/I ratio increased sequentially to ~32%**



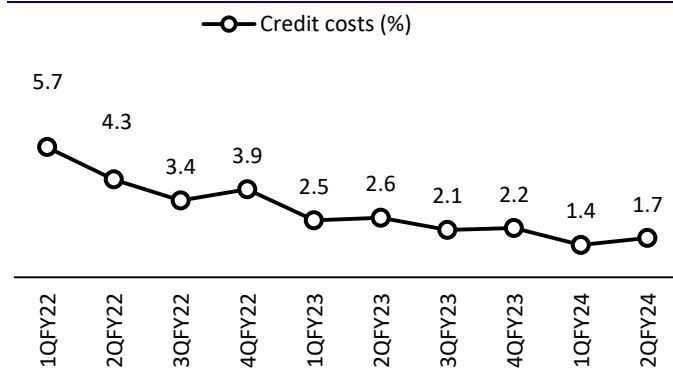
Sources: MOFSL, Company

Exhibit 7: Asset quality continued to improve



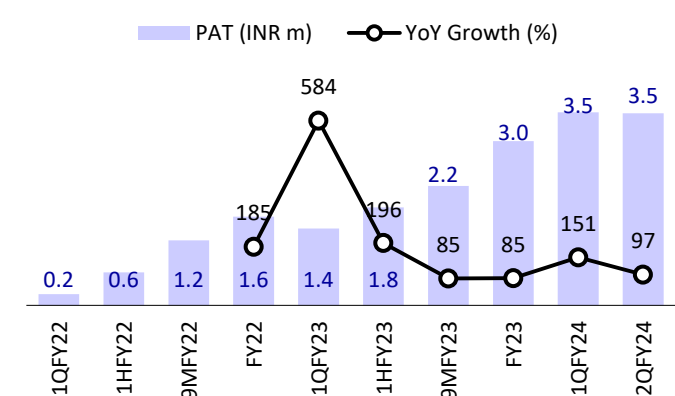
Sources: MOFSL, Company

Exhibit 8: Credit cost increased sequentially by ~30bp



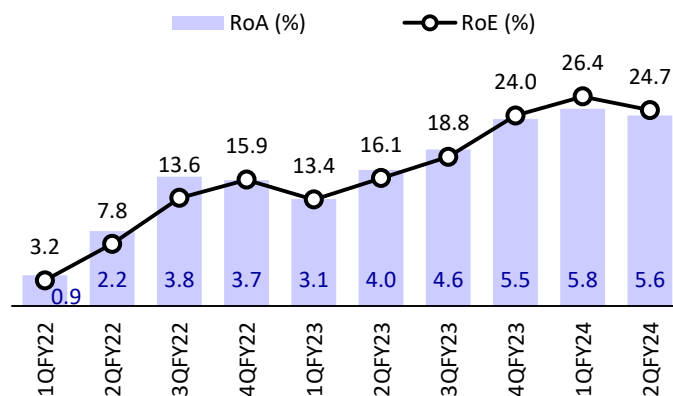
Sources: MOFSL, Company

Exhibit 9: PAT grew ~97% YoY in 2QFY24



Sources: MOFSL, Company

Exhibit 10: RoA/RoE in 2QFY24 stood at 5.6%/24.7%



Sources: MOFSL, Company

Exhibit 11: Increase our FY24/25 EPS estimates by 6%/5% to factor in higher insurance distribution income

INR B	Old Est.		New Est.		% change	
	FY24	FY25	FY24	FY25	FY24	FY25
NII	30.7	38.3	31.2	38.8	1.8	1.1
Other Income	2.6	2.9	3.4	3.7	29.0	31.0
<b>Total Income</b>	<b>33.3</b>	<b>41.2</b>	<b>34.6</b>	<b>42.5</b>	<b>3.9</b>	<b>3.2</b>
Operating Expenses	10.9	13.3	11.0	13.5	1.0	2.0
<b>Operating Profits</b>	<b>22.4</b>	<b>27.9</b>	<b>23.6</b>	<b>29.0</b>	<b>5.4</b>	<b>3.7</b>
Provisions	3.6	5.1	3.7	4.9	3.3	-3.6
<b>PBT</b>	<b>18.8</b>	<b>22.8</b>	<b>19.9</b>	<b>24.0</b>	<b>5.8</b>	<b>5.3</b>
Tax	4.8	5.8	5.1	6.1	5.8	5.3
<b>PAT</b>	<b>14.0</b>	<b>17.0</b>	<b>14.8</b>	<b>17.9</b>	<b>5.8</b>	<b>5.3</b>
AUM	264	325	265	330	0.5	1.4
Borrowings	207	250	212	266	2.5	6.3
RoA	5.7	5.5	5.9	5.6	4.5	1.5
RoE	24.2	23.1	25.4	23.9	5.0	3.6

Sources: MOFSL, Company



## Financials and valuations

Income Statement									(INR M)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	8,597	12,183	16,334	22,900	25,673	33,271	49,031	61,201	74,447
Interest Expended	3,537	4,168	5,783	9,287	9,841	12,129	17,790	22,443	27,612
<b>Net Interest Income</b>	<b>5,060</b>	<b>8,016</b>	<b>10,551</b>	<b>13,613</b>	<b>15,832</b>	<b>21,143</b>	<b>31,241</b>	<b>38,758</b>	<b>46,835</b>
Change (%)	46.3	58.4	31.6	29.0	16.3	33.5	47.8	24.1	20.8
Other Income	118	650	721	1,760	1,825	2,237	3,372	3,742	4,242
<b>Net Income</b>	<b>5,179</b>	<b>8,666</b>	<b>11,271</b>	<b>15,373</b>	<b>17,657</b>	<b>23,379</b>	<b>34,613</b>	<b>42,500</b>	<b>51,077</b>
Change (%)	34.5	67.3	30.1	36.4	14.9	32.4	48.1	22.8	20.2
Operating Expenses	2,031	2,940	4,283	5,856	6,885	8,315	11,015	13,542	16,308
<b>Operating Income</b>	<b>3,148</b>	<b>5,726</b>	<b>6,989</b>	<b>9,517</b>	<b>10,772</b>	<b>15,064</b>	<b>23,598</b>	<b>28,958</b>	<b>34,769</b>
Change (%)	39.8	81.9	22.1	36.2	13.2	39.8	56.6	22.7	20.1
Provisions and W/Offs	-134	749	2,373	7,714	5,968	4,010	3,671	4,915	5,994
<b>PBT</b>	<b>3,282</b>	<b>4,977</b>	<b>4,616</b>	<b>1,803</b>	<b>4,805</b>	<b>11,054</b>	<b>19,926</b>	<b>24,043</b>	<b>28,775</b>
Tax	1,157	1,760	1,261	490	1,237	2,794	5,081	6,131	7,338
Tax Rate (%)	35.3	35.4	27.3	27.2	25.7	25.3	25.5	25.5	25.5
<b>PAT</b>	<b>2,125</b>	<b>3,218</b>	<b>3,355</b>	<b>1,313</b>	<b>3,568</b>	<b>8,261</b>	<b>14,845</b>	<b>17,912</b>	<b>21,437</b>
Change (%)	182.2	51.4	4.3	-60.9	171.7	131.5	79.7	20.7	19.7
Proposed Dividend (Incl Tax)	0	0	0	0	0	0	0	0	0

Balance Sheet									(INR M)
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	1,284	1,436	1,440	1,556	1,559	1,589	1,589	1,589	1,589
Reserves & Surplus	13,091	22,215	25,902	35,360	38,218	49,481	64,326	82,238	1,03,675
<b>Net Worth</b>	<b>14,375</b>	<b>23,651</b>	<b>27,342</b>	<b>36,916</b>	<b>39,777</b>	<b>51,070</b>	<b>65,915</b>	<b>83,827</b>	<b>1,05,264</b>
<b>Borrowings</b>	<b>36,235</b>	<b>48,666</b>	<b>95,397</b>	<b>1,09,413</b>	<b>1,29,207</b>	<b>1,63,123</b>	<b>2,11,791</b>	<b>2,65,716</b>	<b>3,21,764</b>
Change (%)	34.9	34.3	96.0	14.7	18.1	26.2	29.8	25.5	21.1
Other liabilities	526	1,257	3,163	4,264	4,964	4,389	5,230	6,235	7,438
<b>Total Liabilities</b>	<b>51,136</b>	<b>73,574</b>	<b>1,25,902</b>	<b>1,50,592</b>	<b>1,73,948</b>	<b>2,18,581</b>	<b>2,82,936</b>	<b>3,55,778</b>	<b>4,34,466</b>
Cash and bank balances	1,431	6,156	7,176	24,844	17,614	14,364	23,342	34,638	45,666
<b>Loans and Advances</b>	<b>48,955</b>	<b>66,028</b>	<b>1,10,989</b>	<b>1,17,205</b>	<b>1,47,653</b>	<b>1,90,433</b>	<b>2,43,438</b>	<b>3,01,950</b>	<b>3,65,641</b>
Change (%)	72.4	34.9	68.1	5.6	26.0	29.0	27.8	24.0	21.1
Fixed Assets	95	187	5,793	5,734	5,739	968	1,162	1,394	1,673
Investments	2	2	456	5	5	4,545	5,909	7,681	9,986
Intangible Assets			0	0	4,673	5,061	5,061	5,061	5,061
Other Assets	653	1,200	1,488	2,804	2,937	3,208	4,023	5,054	6,439
<b>Total Assets</b>	<b>51,134</b>	<b>73,572</b>	<b>1,25,447</b>	<b>1,50,587</b>	<b>1,73,942</b>	<b>2,18,581</b>	<b>2,82,936</b>	<b>3,55,778</b>	<b>4,34,466</b>

E: MOFSL Estimates



## Financials and valuations

Ratios	(%)								
AUM and Disbursements (INR m)	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>AUM</b>	<b>49,750</b>	<b>71,590</b>	<b>1,19,960</b>	<b>1,35,870</b>	<b>1,65,990</b>	<b>2,10,320</b>	<b>2,65,399</b>	<b>3,29,604</b>	<b>4,03,557</b>
YoY growth (%)	61.8	43.9	67.6	13.3	22.2	26.7	26.2	24.2	22.4
<b>Disbursements</b>	<b>60,817</b>	<b>82,212</b>	<b>1,08,040</b>	<b>1,10,104</b>	<b>1,54,670</b>	<b>1,88,090</b>	<b>2,35,113</b>	<b>2,84,486</b>	<b>3,44,228</b>
YoY growth (%)		35.2	31.4	1.9	40.5	21.6	25.0	21.0	21.0
Ratios	(%)								
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Spreads Analysis (%)</b>									
Yield on Portfolio	22.1	20.1	18.1	19.8	19.2	19.4	22.2	22.1	22.0
Cost of Borrowings	11.2	9.8	8.0	9.1	8.2	8.3	9.5	9.4	9.4
Interest Spread	10.8	10.3	10.1	10.7	11.0	11.1	12.7	12.7	12.6
Net Interest Margin	13.1	13.9	11.9	11.9	12.0	12.5	14.4	14.2	14.0
<b>Profitability Ratios (%)</b>									
RoE	20.7	16.9	13.2	4.1	9.3	18.2	25.4	23.9	22.7
RoA (on balance sheet)	5.0	5.2	3.4	0.9	2.2	4.2	5.9	5.6	5.4
Debt: Equity (x)	2.5	2.1	3.5	3.0	3.2	3.2	3.2	3.2	3.1
Leverage (x)	4.1	3.3	3.9	4.3	4.2	4.3	4.3	4.2	4.1
<b>Efficiency Ratios (%)</b>									
Int. Expended/Int.Earned	41.1	34.2	35.4	40.6	38.3	36.5	36.3	36.7	37.1
Op. Exps./Net Income	39.2	33.9	38.0	38.1	39.0	35.6	31.8	31.9	31.9
Empl. Cost/Op. Exps.	64.2	63.3	61.2	64.9	63.6	62.0	62.2	61.7	61.5
Other Income/Net Income	2.3	7.5	6.4	11.5	10.3	9.6	9.7	8.8	8.3
<b>Asset quality</b>									
GNPA	374	385	1,738	5,487	5,587	2,368	1,613	1,652	2,055
NNPA	16	109	458	1,686	1,974	812	403	364	411
GNPA %	0.8	0.6	1.5	4.5	3.7	1.2	0.7	0.5	0.6
NNPA %	0.0	0.2	0.4	1.4	1.3	0.4	0.2	0.1	0.1
PCR %	95.7	71.7	73.6	69.3	64.7	65.7	75.0	78.0	80.0
<b>Valuation</b>									
Book Value (INR)	112	165	190	237	255	321	415	528	662
BV Growth (%)	56.4	47.2	15.3	25.0	7.5	25.9	29.1	27.2	25.6
<b>Price-BV (x)</b>			<b>7.3</b>	<b>5.9</b>	<b>5.4</b>	<b>4.3</b>	<b>3.4</b>	<b>2.6</b>	<b>2.1</b>
EPS (INR)	16.5	22.4	23.3	8.4	22.9	52.0	93.4	112.7	134.9
EPS Growth (%)	88.2	35.5	3.9	-63.8	171.2	127.1	79.7	20.7	19.7
<b>Price-Earnings (x)</b>			<b>59.7</b>	<b>164.7</b>	<b>60.7</b>	<b>26.7</b>	<b>14.9</b>	<b>12.3</b>	<b>10.3</b>
Dividend per share			0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Dividend Yield (%)</b>			<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

E: MOFSL Estimates

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UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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