

# Piramal Enterprises

Bloomberg	PIEL IN
Equity Shares (m)	239
M.Cap.(INRb)/(USD\$)	235.4 / 2.8
52-Week Range (INR)	1140 / 630
1, 6, 12 Rel. Per (%)	-5/27/4
12M Avg Val (INR M)	1580

## Financials & Valuations (INR b)

Y/E March	FY24E	FY25E	FY26E
PPOP	24.9	39.4	52.4
PAT	12.8	17.5	23.9
PAT (ex-exceptional)	12.8	17.5	23.9
EPS	57	78	106
EPS Gr. (%)	-24	37	36
BV/Sh. (INR)	1,329	1,376	1,450
RoA (%)	1.5	1.9	2.1
RoE (%)	4.2	5.8	7.5

## Valuation

P/E (x)	17.4	12.6	9.3
P/BV (x)	0.7	0.7	0.7
Dividend yield (%)	3.1	3.2	3.5

## Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	46.2	43.5	43.5
DII	12.1	11.9	7.9
FII	20.2	26.5	32.6
Others	21.6	18.1	16.1

FII Includes depository receipts

**CMP: INR986**

**TP: INR1,200 (+22%)**

**Buy**

## Steady quarter and muted earnings without any big ticket one-offs

### Retail AUM grew 55% YoY with retail mix improving to ~58%

- PIEL reported 2QFY24 net profit of ~INR480m (PQ: ~INR5.1b). Reported PAT includes exceptional loss of ~INR640m due to the refund/return of principal amounts to all investors of IndiaReit PMS as a one-time payment.
- NII grew 10% QoQ (but declined 9% YoY) to INR7.5b because of improvement in the retail mix, despite continued rundown in Wholesale 1.0.
- Reported PPOP at ~INR2.5b declined 38% YoY. Cost-to-income ratio rose to 73% (PQ: 70%), driven by investments in retail.
- Annualized net Credit Cost stood at 1.2% in 2QFY24 (PQ: 1.1%). Total ECL provisions declined ~40bp QoQ to 4.0% of the AUM (PQ: 4.4%).
- Total AUM grew 4% YoY and 5% QoQ to ~INR669b; Wholesale 1.0 AUM declined 8% QoQ to ~INR238b, while Wholesale 2.0 AUM grew 48% QoQ to ~INR45b.
- Total SRs declined ~9% QoQ to INR49b, while Wholesale SRs reduced 13% QoQ to INR33b. As resolution processes continue, SR portfolio will continue to reduce in the near term.
- PIEL has now embarked on the resolution phase in its stressed wholesale portfolio and aims to make progress in the coming quarters through increased ARC sales. Continued successful resolutions in the wholesale segment during the next few quarters would further enhance confidence in the normalization of credit costs.
- PIEL has already partially deployed the proceeds from the Shriram Stake sale for a share buyback of ~INR17.5b. We believe that PIEL might further deploy the excess capitalization on its balance sheet for some M&A activities in retail product segments.
- We estimate a ~27% AUM CAGR over FY23-26, including further moderation in the Wholesale 1.0 book and a 42% CAGR in Retail AUM over the same period. **We reiterate our BUY rating on the stock with a revised TP of INR1,200 (based on Sep'25E SoTP).**

## Highlights from the management commentary

- Improved product mix has positively impacted overall yields, despite the QoQ decline in retail disbursement yields. In 2QFY24, no new NPA were formed, resulting in lower (or no) interest income reversals.
- Within unsecured loans, ~50% of PIEL's loans have FLDG arrangements, 20% have no FLDG, but some credit enhancement from partners, and 30% are originated directly by PIEL.

## Valuation and view

- Over the past two years, PIEL has strengthened its balance sheet by running down its Wholesale loan book; improved texture of its borrowings (driving lower cost of borrowings); and fortified itself against contingencies with ECL provisions at 4.0% of AUM.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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- PIEL is cognizant of the sectoral stress in personal loans and calibrated its disbursements in unsecured loans during the last two quarters. Over the next two years, we expect the company to make meaningful inroads into Retail, led by mortgages/LAP and complemented by a good mix of unsecured loans. Product diversification within Retail will help PIEL deliver strong growth and reduce concentration risks. We expect PIEL to deliver ~2.1% RoA and 7.5% RoE in FY26E. We acknowledge that PIEL possesses pockets of value: a) deferred tax assets relating to the time of DHFL acquisition, b) recoveries from written-off exposures, and c) fee income levers that it can leverage to enhance profitability.
- We have a target multiple of 0.8x Sep'25 P/BV for the lending business. **We reiterate our BUY rating on the stock with a revised TP of INR1,200 (premised on Sep'25 SoTP).**

## Quarterly Performance

(INR m)

Y/E March	FY23				FY24		FY23	FY24E
	1Q	2Q	3Q	4Q	1Q	2Q		
Interest Income	20,392	18,437	20,062	19,206	17,251	17,783	78,097	74,955
Interest Expenses	10,514	10,129	9,733	10,035	10,439	10,500	40,412	43,837
<b>Net Interest Income</b>	<b>9,878</b>	<b>8,307</b>	<b>10,329</b>	<b>9,171</b>	<b>6,812</b>	<b>7,283</b>	<b>37,685</b>	<b>31,119</b>
YoY Growth (%)	65.6	34.2	13.7	-17.9	-31.0	-12.3		
Other operating income	585	500	12,254	-582	11,739	4,150	12,757	23,911
Other Income	231	625	555	113	208	119	1,524	1,501
<b>Total Income</b>	<b>10,694</b>	<b>9,433</b>	<b>23,138</b>	<b>8,702</b>	<b>18,759</b>	<b>11,552</b>	<b>51,966</b>	<b>56,532</b>
YoY Growth (%)	58.6	37.4	130.2	-31.1	75.4	22.5		
Operating Expenses	4,415	5,411	5,587	6,735	9,061	6,641	22,148	30,048
<b>Operating Profit</b>	<b>6,278</b>	<b>4,022</b>	<b>17,551</b>	<b>1,967</b>	<b>9,698</b>	<b>4,911</b>	<b>29,818</b>	<b>26,483</b>
YoY Growth (%)	35.1	-15.7	152.4	-76.0	54.5	22.1		
Provisions & Loan Losses	902	32,567	16,958	4,035	3,090	4,385	54,461	56,649
<b>Profit before Tax</b>	<b>5,376</b>	<b>-28,545</b>	<b>594</b>	<b>-2,068</b>	<b>6,609</b>	<b>526</b>	<b>-24,643</b>	<b>-30,166</b>
Tax Provisions	1,454	-6,938	-34,319	22	1,732	107	-39,781	1,253
<b>PAT (before associate income)</b>	<b>3,922</b>	<b>-21,608</b>	<b>34,913</b>	<b>-2,090</b>	<b>4,877</b>	<b>419</b>	<b>15,137</b>	<b>-31,418</b>
Associate Income	1,493	1,721	541	131	211	707	3,886	500
<b>PAT (before exceptional)</b>	<b>5,415</b>	<b>-19,887</b>	<b>35,454</b>	<b>-1,959</b>	<b>5,088</b>	<b>1,125</b>	<b>19,023</b>	<b>-30,918</b>
Exceptional items	76,140	4,523	0	0	0	-643	80,663	0
<b>PAT (after exceptional)</b>	<b>81,555</b>	<b>-15,364</b>	<b>35,454</b>	<b>-1,959</b>	<b>5,088</b>	<b>482</b>	<b>99,686</b>	<b>-30,918</b>
YoY Growth (%)								
<b>Key Parameters (Calc., %)</b>								
Yield on loans	11.7	10.9	12.4	11.9	10.6	11.0	13	11
Cost of funds	8.8	8.8	8.4	8.7	8.6	8.6	7.7	8.5
Spread	2.9	2.1	4.0	3.2	2.0	2.4	5.3	2.5
NIM	4.6	4.6	6.5	5.8	4.3	4.7	6.3	4.6
C/I ratio	41	57	24	77	48	57	43	53
Tax rate	27	24			26	20	161	-4
<b>Balance Sheet Parameters</b>								
<b>Retail Disbursements (INR m)</b>	24,590	39,730	51,110	68,280	57,070	62,460	1,83,710	2,77,001
<b>Total AUM (INR b)</b>	646	638	649	640	639	669	640	0
Growth (%)	39	-3	7	0	8	11	0	5,85,040
<b>AUM mix (%)</b>								
Wholesale	66	61	57	57	66	66	50	50
Retail	34	39	43	43	34	34	50	50
<b>Asset Quality Parameters</b>								
GS 3 (INR m)	23,620	22,100	42,640	20,550	14,840	15,290	20,550	
GS 3 (%)	3.7	3.7	4.0	3.8	2.8	2.7	3.8	
NS 3 (INR m)	10,800	7,350	13,970	10,380	7,720	8,170	10,380	
NS 3 (%)	1.8	1.3	1.7	1.9	1.5	1.5	1.9	
PCR (%)	54.3	66.7	67.2	49.5	48.0	46.6	49.5	
Total ECL (%)	6.2	8.6	10.0	6.2	4.4	4.0	6.2	

**Strong growth in retail and mix improved to 58%**

- Retail AUM grew ~55% YoY to ~INR386b, with the retail mix improving to 58% (PQ: 55%). The retail engine (across Home Loans, LAP, Pre-owned Cars)) is scaling up well, with a strong focus on risk management and aggressive provisioning on 90+dpd unsecured loans.
- PIEL's 2QFY24 retail disbursements rose 57% YoY to ~INR62.5b, driven by growth across both digital and phygital products.
- Disbursement yields for retail loans with > 1-year duration moderated to 14.2% in 2QFY24 (PQ: 14.7%). Unsecured loans (including microfinance) contributed 40% to the total retail disbursements in 2QFY24 and 23% to retail AUM mix.

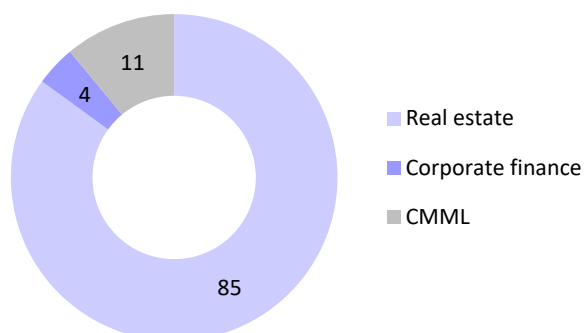
**Minor improvement in Asset Quality**

- GS3 improved ~10bp QoQ, while NS3 was flat QoQ at 2.7%/1.5% respectively. PCR declined ~1pp QoQ to 47%.
- Wholesale Stage 2 + 3 remained stable at ~15%, suggestive of no fresh slippages or resolutions during the quarter. With higher focus on recoveries/monetization, Wholesale 1.0 will continue to moderate in 2HFY24.
- In Wholesale 2.0, the company is building a granular lending book across real estate and Corporate Mid-Market (CMML). This portfolio is performing well, in line with or ahead of expectations. In Wholesale 2.0, the company received pre-payments worth INR9.7b over the last six quarters. It disbursed ~INR18.2b in 2QFY24, of which INR11.2b was disbursed in the month of Sep'23.

## Texture on Wholesale Book

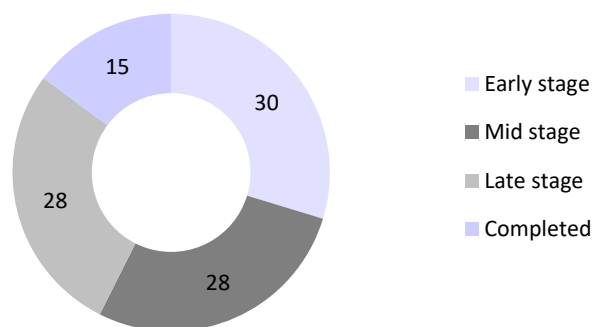
The company has shared valuable insights on its wholesale book.

**Exhibit 1: Real estate lending forms a majority of wholesale book (%)**



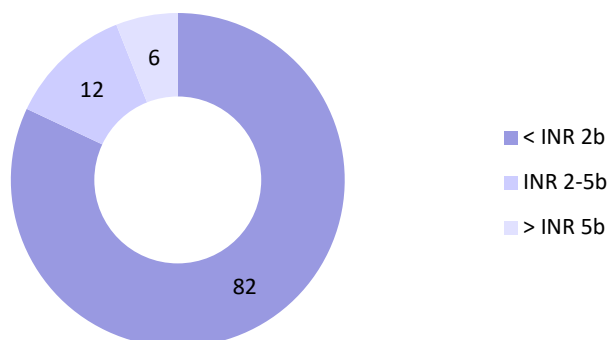
Source: MOFSL, Company

**Exhibit 2: Basis stage of construction (%)**



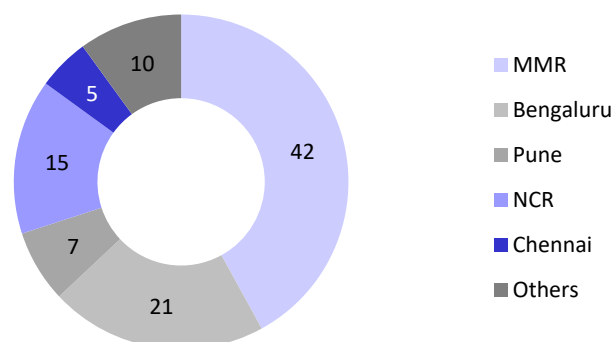
Source: MOFSL, Company; Note: For Real Estate Book only

**Exhibit 3: 82% of the loans are below INR2b**



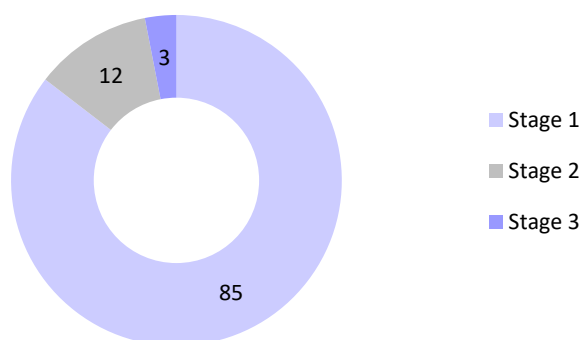
Source: MOFSL, Company;

**Exhibit 4: City-wise Stage 1 loan mix (%) -**



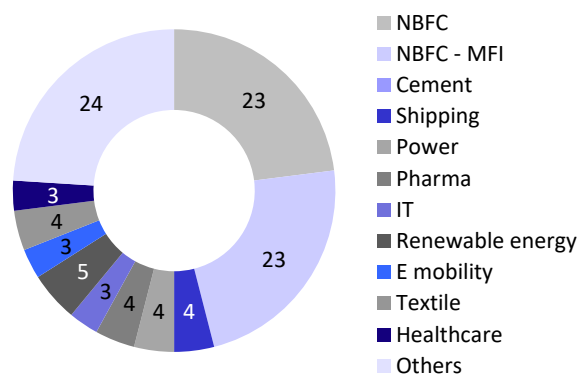
Source: MOFSL, Company;

**Exhibit 5: Wholesale – Stage-wise loan mix (%)**



Source: MOFSL, Company

**Exhibit 6: Industry-wise loan mix**

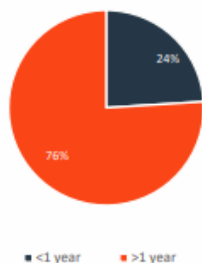


Source: MOFSL, Company

## Exhibit 7: Scaling up partnerships with Fintech and Consumer Tech companies

## Digital embedded finance: scaling-up partnerships with fintech and consumer tech firms

Digital loans duration  
% AUM



## Key Capabilities:

- ✓ Highly modular, in-house developed loan origination & rule engine
- ✓ Generic API stack for easy integration
- ✓ Agile squads for rapid go-to-market and scale up
- ✓ Proprietary fraud and underwriting models
- ✓ Deep in-house collections capabilities

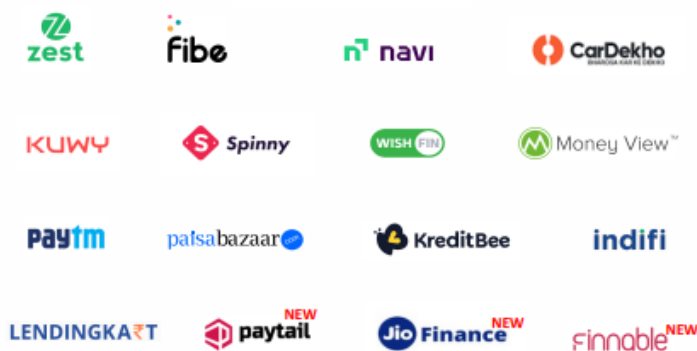
## Key highlights:

- 25 programs launched
- 11,05,581 customers served
- 36 seconds least time taken for disbursed loan
- 99% loans with zero-manual intervention

## 25 programs live across 16 partners

Fintech NBFCs	Transaction platforms	Service providers	Edtechs / Education institutes
MSME platforms	OEMs	Gold collateral companies	Product manufacturers

## Our live partners



Source: Company, MOFSL

## Exhibit 8: Key products with average ticket size and disbursement yields

## Multi-product retail lending platform across the risk-reward spectrum – Q2 FY24

Product Segments	Products	Average disbursement ticket size (INR lakh)	Disbursement yield (%)	Share in disbursements (%)	AUM yield <sup>1</sup> (%)	Share in AUM (%)
Housing	Affordable housing	18.1	11.2%	37.0%	11.4%	51.5%
	Mass affluent housing					
	Budget housing					
Secured MSME (LAP)	Secured business loan	21.7	12.8%	16.4%	12.8%	21.9%
	Loan against property (LAP)					
	LAP plus					
Other secured	Pre-owned car loans	6.5	14.8%	6.3%	15.0%	3.5%
Unsecured	Salaried personal loans	3.4	18.5%	9.0%	17.9%	4.5%
	Microfinance loans	0.3	18.9%	5.9%	18.8%	3.0%
	Unsecured business loans	7.8	20.1%	7.4%	19.8%	6.2%
	Merchant BNPL					
	Digital purchase finance	0.5	18.0%	18.0%	17.5%	9.4%
	Digital personal loans					
Total / weighted average		11.7	14.3%	100%	13.2%	100%

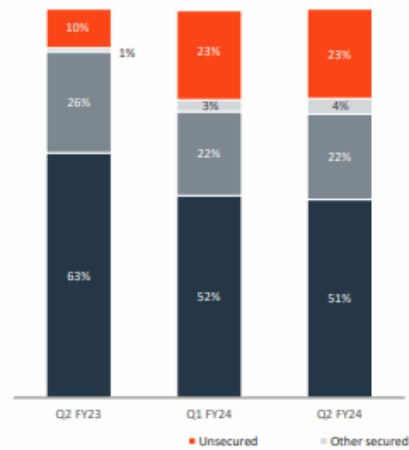
Note: (1) Weightage average yield excludes POCI and pertains to all customers outstanding as of 30<sup>th</sup> September 2023

Source: Company, MOFSL

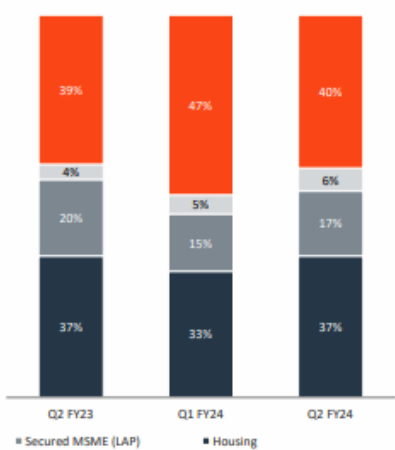
Exhibit 9: Disbursement yields improving with a change in the product mix

Aligned with desired product mix – yields now in a range after a large mix driven shift

Retail AUM by product family  
based on value for retail loans

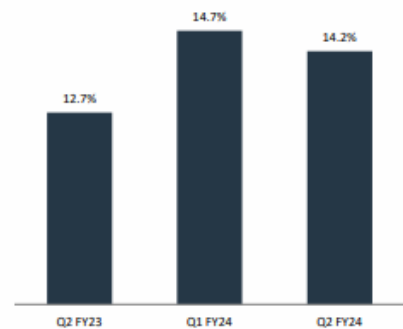


Disbursements by product family  
based on value for retail loans



Disbursement yields<sup>1</sup>  
for retail loans (loans >1 year duration)

- QoQ decrease on account of:
- Decrease in % share of unsecured disbursement
  - Change in commercials for key partners due to new RBI digital lending guidelines



Note: (1) Disbursements of <1 yr. duration (3% for Q2 FY24) having higher average yield (15.8% for Q2 FY24) not included in the above calculation

Source: Company, MOFSL



## Highlights from the management commentary

### Retail

- 77% of the Retail AUM is made up of secured loans; 90+ delinquency in all retail products are stable to down;
- Over the last two quarters, PIEL has reduced disbursement volumes in unsecured credit to tighten credit standards.
- 90+ delinquency in the unsecured segment has declined to 1.4% (PQ: 1.6%)
- Fee income is improving and opex ratio is flat QoQ. Asset quality continues to be benign.
- Will continue to Invest in manpower, branches, technology, and analytics. It added 19 new branches in 2QFY24 and 99 branches in the last 12 months.

### Wholesale 1.0

- Stage 1 AUM of INR173.8b has an average yield of 12%. The non-yielding part of the wholesale book includes SRs and land.
- Stage 2+3 assets reduced by 63% YoY to INR41.3b and has a PCR of 32%.
- Total SRs reduced by 9% QoQ to INR49b; Wholesale SRs reduced by ~13% QoQ to INR33b. As resolution processes continue, SR portfolio will continue to reduce in the near term, while a few more ARC sales are expected over the next two quarters.
- Material proportion of the reduction in Wholesale 1.0 has come from recoveries from partners.

### Wholesale 2.0

- The portfolio is performing well, in line with or ahead of expectations.
- Received pre-payments worth INR9.7b over the last six quarters.
- Disbursed ~INR18.2b in 2QFY24, of which INR11.2b was disbursed in the month of Sep'23.

### Financial Performance

- 2QFY24 NIM expanded 38bp QoQ, supporting the NII growth of 10% QoQ. Fee income grew 39% QoQ.
- PPoP (ex-dividend income) grew 21% QoQ to INR2.37b. Credit costs stood at 1.2% (PQ: 1.1%), which is in line with its expected range of credit costs.
- Piramal Fund Management has agreed to refund/return the principal amounts to all investors of Indiareit PMS as a one-time payment without admission of any liability and without prejudice basis. This led to an exceptional loss of INR640m.

### Yields

- The improvement in product mix has resulted in higher overall yields, even though there was a QoQ decline in retail disbursement yields. Additionally, in this quarter, there were no new NPA formations, leading to lower (or no) interest income reversals.

### Credit Costs

- Recoveries are coming from FLDG arrangements - a two-digit number
- Retail credit are still very small - most of the credit costs today are predominantly from the wholesale segment, adjusted for recoveries.
- Net credit costs (net of bad-debt recoveries) stood at INR1.98b (adjusted for recoveries of INR1.8b).
- Net loss on de-recognition of financial instruments are instruments which have been moved out of the balance sheet because of write-offs.

**Unsecured Loans**

- 50% of the loans have FLDG arrangements, 20% do not have FLDG but receive some credit enhancement from partners, and 30% are originated directly by PIEL.

**Valuation and view**

- Over the past two years, PIEL has strengthened its balance sheet by running down its Wholesale loan book; improved the texture of its borrowings (driving lower cost of borrowings); and fortified itself against contingencies with ECL provisions at 4.0% of AUM.
- PIEL is cognizant of the sectoral stress in personal loans and calibrated its disbursements in unsecured loans during the last two quarters. Over the next two years, we expect the company to make meaningful inroads into Retail, led by mortgages/LAP and complemented by a good mix of unsecured loans. Product diversification within Retail will help PIEL deliver strong growth and reduce concentration risks. We expect PIEL to deliver ~2.1% RoA and 7.5% RoE in FY26E. We acknowledge that PIEL possesses pockets of value: a) deferred tax assets relating to the time of DHFL acquisition, b) recoveries from written-off exposures, and c) fee income levers that it can leverage to enhance profitability.
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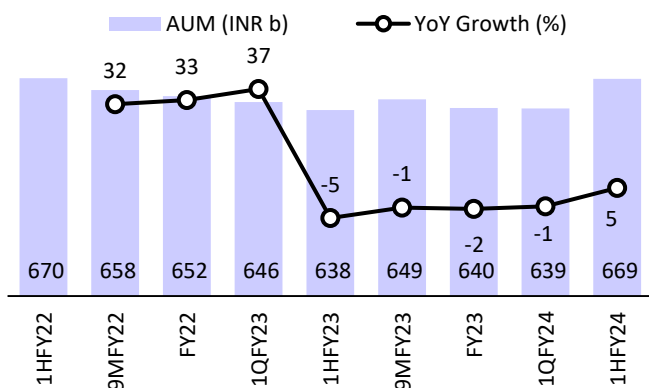
**Exhibit 10: SOTP valuation (Sep'25E-based)**

	Value (INR B)	Value (USD B)	INR per share	% To Total	Rationale
Lending Business	232	2.8	1,030	86	❖ 0.8x Sep'25E PBV
Shriram Group	30	0.4	134	11	❖ Based on its stake in Shriram Life/General Insurance Businesses
Life Insurance	4	0.0	17	1	❖ 0.4x FY23 EV
Alternatives	5	0.1	20	2	❖ 0.4x FY23 Equity
<b>Target Value</b>	<b>270</b>	<b>3.2</b>	<b>1,200</b>	<b>100</b>	

Source: MOFSL, Company

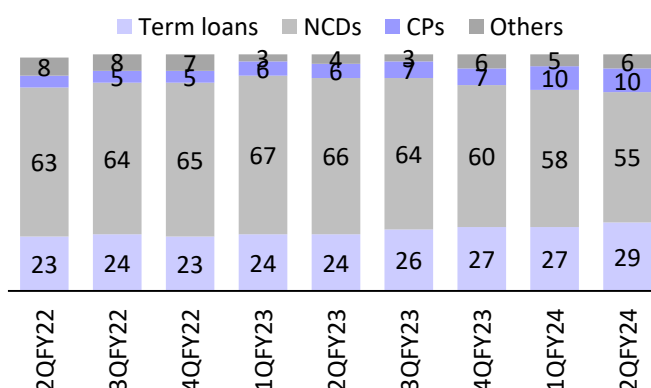
## Key exhibits

Exhibit 11: AUM grew 5% YoY (%)



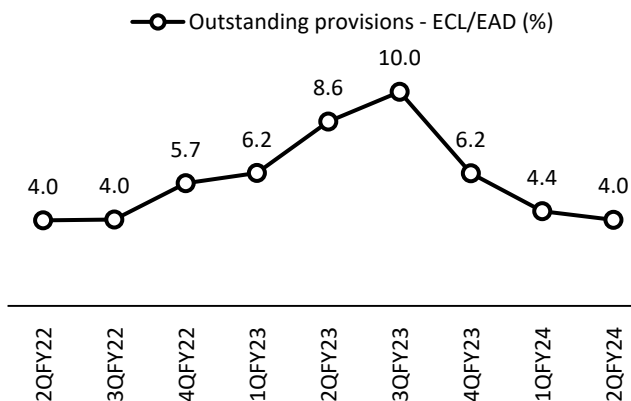
Source: MOFSL, Company

Exhibit 12: Borrowing mix (%)



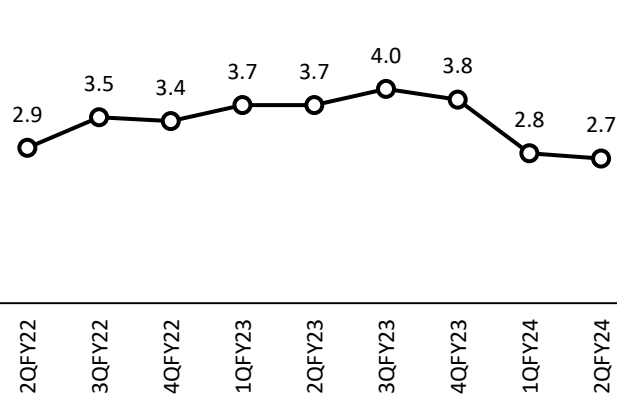
Source: MOFSL, Company

Exhibit 13: ECL/EAD declined ~40bp QoQ (%)



Source: MOSL, Company

Exhibit 14: GNPA ratio improved QoQ (%)



Source: MOSL, Company

## Financials and valuations

Income statement					INR m
Y/E March	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	75,228	77,986	74,886	1,11,611	1,44,217
Interest Expended	42,251	40,412	43,837	54,175	71,703
<b>Net Interest Income</b>	<b>32,977</b>	<b>37,574</b>	<b>31,050</b>	<b>57,435</b>	<b>72,514</b>
Change (%)	19.1	13.9	-17.4	85.0	26.3
Other Income	3,881	12,881	23,931	12,890	14,510
<b>Net Income</b>	<b>36,858</b>	<b>50,456</b>	<b>54,981</b>	<b>70,326</b>	<b>87,024</b>
Change (%)	27.8	36.9	9.0	27.9	23.7
Operating Expenses	12,284	22,148	30,048	30,967	34,584
<b>PPoP</b>	<b>24,574</b>	<b>28,307</b>	<b>24,933</b>	<b>39,359</b>	<b>52,441</b>
Change (%)	9.4	15.2	-11.9	57.9	33.2
Provisions/write offs	8,299	54,101	11,422	16,770	21,487
<b>PBT</b>	<b>16,275</b>	<b>-25,793</b>	<b>13,511</b>	<b>22,589</b>	<b>30,954</b>
Tax	4,062	-39,781	1,253	5,647	7,738
Tax Rate (%)	19.0	-	25.0	25.0	25.0
<b>PAT (before associate income)</b>	<b>12,213</b>	<b>13,987</b>	<b>12,258</b>	<b>16,942</b>	<b>23,215</b>
Associate Income	5,939	3,886	500	575	661
<b>PAT (before exceptional)</b>	<b>18,152</b>	<b>17,873</b>	<b>12,758</b>	<b>17,517</b>	<b>23,876</b>
Exceptional items	-1,529	80,663	0	0	0
<b>PAT (after exceptional)</b>	<b>16,622</b>	<b>98,536</b>	<b>12,758</b>	<b>17,517</b>	<b>23,876</b>
Profit from discontinued Operations	3,365	0	0	0	0
<b>Reported net profit/loss</b>	<b>19,988</b>	<b>98,536</b>	<b>12,758</b>	<b>17,517</b>	<b>23,876</b>

### Balance sheet

Y/E March	FY22	FY23	FY24E	FY25E	FY26E
Capital	477	477	449	449	449
Reserves & Surplus	3,54,414	3,10,114	2,98,000	3,08,563	3,25,258
<b>Net Worth</b>	<b>3,68,369</b>	<b>3,10,591</b>	<b>2,98,449</b>	<b>3,09,012</b>	<b>3,25,707</b>
Borrowings	5,54,510	4,95,828	5,35,621	7,24,274	9,43,239
Change (%)	48	-11	8	35	30
Other liabilities	39,549	23,891	14,335	11,468	9,174
<b>Total Liabilities</b>	<b>9,98,729</b>	<b>8,37,522</b>	<b>8,48,404</b>	<b>10,44,754</b>	<b>12,78,120</b>
<b>Loans and advances</b>	<b>4,93,180</b>	<b>4,63,946</b>	<b>7,33,183</b>	<b>9,41,323</b>	<b>12,28,128</b>
Change (%)	7	-6	58	28	30
<b>Investments</b>	<b>2,48,565</b>	<b>2,23,318</b>	<b>89,327</b>	<b>71,462</b>	<b>57,169</b>
Net Fixed Assets	86,715	7,385	7,016	7,717	8,489
Cash and Cash equivalents	71,872	46,491	35,000	50,000	50,000
Deferred tax assets	13,679	18,472	9,236	4,618	2,309
Other assets	71,366	77,910	-25,357	-30,367	-67,976
<b>Total Assets</b>	<b>9,98,729</b>	<b>8,37,522</b>	<b>8,48,404</b>	<b>10,44,754</b>	<b>12,78,120</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	FY22	FY23	FY24E	FY25E	FY26E
<b>Spreads Analysis (%)</b>					
Yield on loans	14.4	13.0	11.0	12.8	12.8
Cost of funds	9.1	7.7	8.5	8.6	8.6
Spread	5.3	5.3	2.5	4.2	4.2
Net Interest Margin	6.3	6.3	4.6	6.6	6.4

### Profitability Ratios (%)

RoE	6.6	5.3	4.2	5.8	7.5
RoA	2.3	1.9	1.5	1.9	2.1
C/I ratio	33.3	43.9	54.7	44.0	39.7

### Asset Quality (%)

Gross NPA	22,270	20,550	19,879	23,086	27,293
Gross NPA (% of AUM)	3.6	3.3	2.5	2.3	2.1
Net NPA	9,980	10,380	10,536	12,697	15,830
Net NPA (% of AUM)	1.7	1.8	1.4	1.3	1.3
PCR (%)	55.2	49.5	47.0	45.0	42.0

Y/E March	FY22	FY23	FY24E	FY25E	FY26E
<b>AUM (INR m)</b>	<b>6,51,850</b>	<b>6,39,890</b>	<b>7,95,173</b>	<b>10,03,748</b>	<b>12,99,647</b>
YoY growth (%)		-2	24	26	29
<b>AUM Mix (%)</b>					
Wholesale	69.6	49.8	40.1	32.7	28.7
Retail	33.1	50.2	59.9	67.3	71.3
<b>Total</b>	<b>102.6</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Wholesale Loans (INR m)	3,84,620	2,74,960	2,88,708	3,03,143	3,48,615
YoY growth (%)	-2.3	-28.5	5.0	5.0	15.0
Retail Loans (INR m)	2,15,520	3,21,440	4,76,465	6,75,605	9,26,032
YoY growth (%)	306.4	49.1	48.2	41.8	37.1
<b>Total Loan Book</b>	<b>6,00,140</b>	<b>5,96,400</b>	<b>7,65,173</b>	<b>9,78,748</b>	<b>12,74,647</b>
YoY growth (%)	34.4	-0.6	28.3	27.9	30.2

Valuation	FY22	FY23E	FY24E	FY25E	FY25E
Book Value (INR)	1,544	1,301	1,329	1,376	1,450
<b>Price-BV (x)</b>	<b>0.6</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
EPS (INR)	69.7	74.9	56.8	78.0	106.3
EPS Growth YoY	-6	8	-24	37	36
<b>Price-Earnings (x)</b>	<b>14.2</b>	<b>13.2</b>	<b>17.4</b>	<b>12.6</b>	<b>9.3</b>
Dividend per share (INR)		31.0	31.0	32.0	35.0
<b>Dividend yield (%)</b>		<b>3.1</b>	<b>3.1</b>	<b>3.2</b>	<b>3.5</b>

E: MOFSL Estimates

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NOTES

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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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