

360ONE WAM

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	360ONE IN
Equity Shares (m)	388
M.Cap.(INRb)/(USDb)	416.6 / 4.9
52-Week Range (INR)	1318 / 691
1, 6, 12 Rel. Per (%)	8/6/30
12M Avg Val (INR M)	894

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Net Revenues	24.5	27.6	30.7
Opex	12.2	13.5	14.8
Core PBT	12.3	14.0	16.0
PAT	10.2	12.9	14.7
EPS	25.8	32.8	37.3
EPS Grw (%)	15.3	26.9	13.9
BV	179.7	192.8	200.3

Ratios

RoE (%)	19.3	17.6	19.0
Div. Payout (%)	23.2	60.0	80.0

Valuations

P/E (x)	37.1	29.2	25.7
P/BV (x)	5.3	5.0	4.8
Div. Yield (%)	0.6	2.1	3.1

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	14.2	14.8	17.8
DII	8.5	9.7	8.3
FII	67.2	66.2	63.2
Others	10.1	9.4	10.7

FII Includes depository receipts

CMP: INR1060

TP: INR1300 (+23%)

Buy

Healthy ARR trends; strategy execution remains key

- 360 One WAM (360ONE) reported operating revenue of INR6.5b (11% beat), reflecting growth of 14% YoY, largely due to a 41% YoY growth in recurring revenue. For FY25, revenue grew 32% YoY to INR24.5b.
- Total AUM rose 25% YoY to INR5.8t (in line), driven by a 23% YoY growth in ARR AUM to INR2.5t (in line) and 26% YoY growth in TBR AUM to INR3.3t (in line) during the quarter.
- Opex grew 11% YoY to ~INR3.3b (in-line), reflecting a cost-to-income ratio of 51.3% in 4QFY25 (vs. our estimate of 54.6%). Strong growth in revenue resulted in 7% beat in PAT at INR2.5b (+4% YoY). For FY25, PAT grew 27% YoY to ~INR10.2b.
- Management aims to achieve an annual ARR flow growth of 12-15% and an MTM growth of 8-10%, targeting an overall AUM growth of 20-25%. This is expected to translate into revenue growth of 15-20% and PAT growth of 20-25%.
- The strategic collaboration with UBS will support 360ONE's global business, enhance its domestic wealth proposition, and provide global distribution opportunities for its AMC products.
- We adopt an SOTP approach to build in the optionality of inorganic initiatives such as B&K acquisition and UBS collaboration. Additionally, we build in potential profits from the utilization of funds raised through the warrants issued to UBS as part of the arrangement. We assume full-scale utilization by FY29, and hence, the PAT is discounted to FY27 using a 13% discounting rate. **We reiterate our BUY rating with a one-year TP of INR1,300.**

Multiple synergies from strategic collaboration with UBS

- 360ONE has entered into an exclusive collaboration with UBS AG, benefiting Indian and global clients of both companies.
- The transaction involves: 1) strategic collaboration between both institutions, providing clients with access to onshore and offshore wealth management solutions; 2) acquisition of 4.95% stake by UBS for INR2.1b via the issue of warrants; and 3) acquisition of UBS India onshore wealth management business for a consideration of INR3.1b.
- This collaboration will unfold global investment opportunities for 360ONE clients through UBS, while offering UBS clients access to India's domestic ecosystem. 360ONE AMC's products will benefit from global distribution through UBS' platform.

PAT beat driven by better-than-expected ARR yields

- 360ONE's ARR AUM at INR2.5t (in line) grew 23% YoY, driven by net ARR inflows of INR40b in 4QFY25. While wealth management ARR net flows declined 42% YoY due to outflows in the distribution business, AMC net flows grew 256% YoY, largely contributed by AIF and MF products.
- Wealth Management ARR AUM grew 27% YoY to INR1.62t, driven by 39%/19%/36% YoY growth in 360 One Plus/ Distribution/ Lending AUM.

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- Wealth management ARR retention grew to 80bp (76bp in 4QFY24), driven by an improvement in discretionary and non-discretionary yields, the activation of previously non-active AUM, and stable lending yields.
- Asset management AUM grew 17% YoY to INR844b, driven by 29%/9%/20% YoY growth in discretionary/AIF/MF AUM.
- Asset management yields improved significantly to 90bp (74bp in 4QFY24), driven by carry income (INR497m in 4QFY25) and an improvement in AIF yields.
- The significant improvement in yields resulted in a 41% YoY growth in ARR income to ~INR5.0b (17% beat). During FY25, recurring revenue grew 28% YoY to INR17b, with yield improvement to 76bp (72bp in FY24).
- TBR income declined 31% YoY to INR1.5b (5% miss) owing to a slowdown in market activity. However, fixed income and real estate transactions helped mitigate the decline in transactional income. For FY25, TBR income grew 44% YoY to INR7.4b.
- Employee costs grew 13% YoY to INR2.5b (11% higher than estimate) and other admin costs grew 7% YoY to INR804m (13% below our estimate).
- Other income came in at INR65m.

Highlights from the management commentary

- 360ONE recorded its highest-ever annual PAT, with a cost-to-income ratio improvement to 45.9% for FY25. Management anticipates a gradual improvement in this ratio over the coming quarters as new business initiatives become more productive.
- The inbound wealth management opportunity through UBS is substantial, according to the management. 360ONE's own NRI book exceeds USD2b, despite not having an NRI sourcing office. The inward bound market is large, particularly for the alternates segment, and with growing awareness of GIFT City, the potential of achieving 3x growth in AUM in the coming years is high.
- Of the INR21b proceeds from the stake sale to UBS, INR3-3.5b is expected to be utilized for the UBS collaboration, INR2-2.5b for enhancing B&K capabilities, INR8-9b toward lending book, and the remaining amount directed toward addition to the alternates business.

Valuation and view

- 360ONE maintains a strong position in the industry, reflected by robust flows and consistent performance. The company's plans to diversify across client segments (mass affluent) and geography (lower-tier cities) are gaining traction, while the global business is expected to boost performance on the back of UBS collaboration. With investments focused on new business segments, the improvement in productivity will bode well for the company's profitability. While we have not factored in incremental revenue from the B&K acquisition and UBS collaboration, both transactions are likely to be value-accretive.
- We adopt an SOTP approach to build in the optionality of inorganic initiatives, such as B&K acquisition and UBS collaboration. Additionally, we build in potential profits from the utilization of funds raised through the warrants issued to UBS as part of the arrangement. We assume full-scale utilization in FY29, and hence, the PAT is discounted to FY27 using a 13% discounting rate. We are positive on the overall wealth management space in India. As a leading player, 360ONE is well-placed to benefit from industry tailwinds. However, with multiple projects underway—including mid-segment HNI business expansion, global business growth, ET Money acquisition, B&K acquisition, and UBS collaboration—execution will be crucial. **We reiterate our BUY rating with a one-year TP of INR1,300.**

Quarterly performance

													INR m	
Y/E March	FY24				FY25				FY24	FY25	4Q FY25E	Act. Vs Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Net Revenues	4,055	4,275	4,395	5,731	6,002	5,886	6,050	6,518	18,456	24,456	5,859	11.3	14%	8%
YoY Change (%)	8.2	11.8	5.9	45.8	48.0	37.7	37.7	13.7	17.9	32.5	2.2			
ARR Assets Income	3,217	3,108	3,377	3,568	3,756	3,973	4,262	5,022	13,270	17,011	4,288	17.1	41%	18%
TBR Assets Income	839	1,166	1,018	2,163	2,247	1,913	1,788	1,497	5,185	7,445	1,571	-4.7	-31%	-16%
Operating Expenses	2,103	2,144	2,315	3,002	2,649	2,992	3,193	3,341	9,565	12,175	3,200	4.4	11%	5%
YoY Change (%)	25.9	19.5	24.3	62.3	25.9	39.5	37.9	11.3	33.3	27.3	6.6			
Cost to Income Ratio (%)	51.9	50.2	52.7	52.4	44.1	50.8	52.8	51.3	51.8	49.8	54.6	-336bps	-113bps	-153bps
Operating Profits	1,952	2,130	2,080	2,729	3,354	2,893	2,856	3,177	8,891	12,281	2,659	19.5	16%	11%
YoY Change (%)	-6.0	4.9	-9.0	31.3	71.8	35.8	37.4	16.4	4.9	38.1	-2.6			
Other Income	287	137	271	500	969	298	732	65	1,195	2,063	337	-80.6	-87%	-91%
Profit Before Tax	2,239	2,268	2,350	3,229	4,323	3,191	3,588	3,243	10,085	14,344	2,996	8.3	0%	-10%
YoY Change (%)	11.0	0.5	5.3	61.4	93.1	40.7	52.7	0.4	18.6	42.2	-7.2			
PBT (after exceptional item)	2,239	2,268	2,350	3,229	3,447	3,191	3,588	3,243	10,085	13,468	2,996	8.3	0%	-10%
Tax	426	415	410	817	1,011	719	839	744	2,068	3,313	669			
Tax Rate (%)	19.0	18.3	17.4	25.3	23.4	22.5	23.4	23.0	20.5	23.1	22.3	63bps	-235bps	-41bps
PAT	1,813	1,853	1,940	2,412	2,435	2,472	2,749	2,498	8,018	10,155	2,327	7.4	4%	-9%
YoY Change (%)	15.6	6.3	13.1	55.2	34.3	33.4	41.7	3.6	21.8	26.7	-3.5			
PAT Margins (%)	44.7	43.3	44.1	42.1	40.6	42.0	45.4	38.3	43.4	41.5	39.7	-139bps	-376bps	-712bps
Key Operating Parameters (%)														
AUM (INR b)	3,827	4,125	4,539	4,669	5,212	5,694	5,792	5,815	4,669	5,815	5,805	0.2	25%	0%
YoY Change (%)	21.6	23.8	31.7	37.0	36.2	38.0	27.6	24.5	37.0	24.5	24.3			
ARR Assets	1,657	1,725	1,867	2,004	2,213	2,426	2,480	2,468	2,004	2,468	2,480	-0.5	23%	0%
TBR Assets	2,170	2,400	2,672	2,665	2,999	3,268	3,312	3,347	2,665	3,347	3,326	0.6	26%	1%
Yield on AUM - Calculated (%)	0.45	0.43	0.41	0.50	0.49	0.43	0.42	0.45	0.46	0.47	0.40			
ARR Assets	0.77	0.74	0.75	0.74	0.71	0.69	0.69	0.81	0.72	0.76	0.69			
TBR Assets	0.17	0.20	0.16	0.32	0.32	0.24	0.22	0.18	0.24	0.25	0.19			

Change in our estimates

INR b Y/E March	New estimates		Old estimates		Change	
	2026E	2027E	2026E	2027E	2026E	2027E
Net Revenues	27.6	30.7	26.2	30.1	5.1%	2.1%
Opex	13.5	14.8	12.9	14.5	5.3%	2.0%
Core PBT	14.0	16.0	13.4	15.6	5.0%	2.3%
PAT	12.9	14.7	12.6	14.7	2.1%	-0.1%
EPS	32.8	37.3	32.5	37.8	0.9%	-1.3%
EPS Grw (%)	26.9	13.9	21.3	16.4		
BV	192.8	200.3	175.9	183.5		
Ratios						
PBT margin (bp)	30.1	30.1	30.1	30.5		
PAT margin (bp)	27.6	27.6	28.4	28.7		
RoE (%)	17.6	19.0	19.2	21.0	-158bp	-205bp
Div. Payout (%)	60.0	80.0	60.0	80.0	0bp	0bp
Valuations						
P/E (x)	32.4	28.4	29.5	25.3		
P/BV (x)	5.5	5.3	5.4	5.2		
Div. Yield (%)	1.9	2.8	2.0	3.2		

Exhibit 1: Forecasts for B&K

INR m	FY25	FY26E	FY27E
Revenue	2,810	3,091	3,400
% YoY		10	10
Costs	1,450	1,566	1,691
% YoY		8	8
PBT	1,360	1,525	1,709
Tax rate	25%	25%	25%
PAT	1,020	1,144	1,282
% YoY		12	12

Source: MOFSL, Company

Exhibit 2: Forecasts for UBS

INR m	Current	FY26E	FY27E
AUM	2,60,000	2,99,000	3,43,850
% YoY		15	15
Yield	0.21%	0.30%	0.40%
Revenue	546	897	1,375
% YoY		64	53
Cost to income	50%	48%	46%
Cost	273	431	633
% YoY		58	47
PBT	273	466	743
Tax	25%	25%	25%
PAT	205	350	557
% YoY		71	59

Source: MOFSL, Company

Exhibit 3: Utilization of funds raised via warrants from UBS – assuming FY29 as full-scale utilization

	INR m	Lending book	B&K Sec MTF	AIFs
Warrants	21,000	NBFC 9,000	Fund raise 2,500	Fund raise 6,500
UBS	3,000	Leverage 3	Leverage 2	AUM multiplier 12
B&K	2,500	Borrowings 27,000	Borrowings 5,000	AUM 78,000
NBFC	9,000	Total loans 36,000	Total MTF book 7,500	Yield 0.5%
Alternates	6,500	Interest rate 12%	Interest rate 15%	Revenue 390
		Revenue 4,320	Revenue 1,125	Tax rate 25%
		Interest cost 9%	Borrowing rate 9%	PAT 293
		Interest cost 2,430	Interest expense 450	
		PBT 1,890	Net interest 675	
		Tax 25%	Tax rate 25%	
		PAT 1,418	PAT 506	

Source: MOFSL, Company

Exhibit 4: SOTP valuation

Segment	Valuation method	Value (INR)
Core business	32x FY27P/E	1,104
B&K	15x FY27P/E	45
UBS Wealth	32 xFY27P/E	42
Earnings from funds raised via warrants	FY29 PAT discounted to FY27 at 13%, 20x FY27 discounted PAT	82
Total		1,273
Target		1,300
CMP		1,060
Upside		22.6

Source: MOFSL, Company



Highlights from the management commentary

FY26 outlook

- 360ONE witnessed the highest-ever annual PAT, with a cost-to-income ratio improvement to 45.9% for FY25. Management expects gradual improvement in this ratio over the coming quarters, as new business initiatives become more productive.
- The company is focusing on: 1) maintaining a strong position in the wealth and alternates spaces; 2) penetrating deeper into the country, targeting the mass affluent space; 3) expanding its global presence with the UBS collaboration; and 4) making significant strides in the capital markets space with the B&K acquisition.
- Management aims to achieve an annual ARR AUM growth of 12-15%, with MTM growth of 8-10%, targeting an overall AUM growth of 20-25%. This is expected to translate into revenue growth of 15-20% and PAT growth of 20-25%.
- The company remains focused on maintaining a 75:25 ratio for ARR:TBR. Out of the INR6b TBR, only INR750m comes from equity brokerage, presenting significant opportunity for growth in TBR with the B&K acquisition. The company expects equity brokerage to contribute 8-10% of overall revenue, complemented by merchant banking services.
- 1/3 of TBR is expected to come from equity brokerage, 1/3 from yield+ (REITs, INVITs, commercial assets etc.), and the remaining from unlisted transactions.

UBS collaboration

- The collaboration includes three key aspects: 1) business collaboration across geographies; 2) UBS' stake in 360ONE; and 3) integration of UBS' India Wealth business to 360ONE. The company has formed a joint apex committee with senior leaders to look into potential growth opportunities.
- The UBS India Wealth business mirrors 360ONE, with similar distribution, broking, lending, discretionary, and non-discretionary PMS business segments. The business has recurring revenue of INR450-500m, with a similar cost-to-income ratio as 360ONE WAM and AUM of INR260b.
- An exclusive arrangement with UBS implies that UBS will be an exclusive partner of 360ONE for global banking services. While open architecture distribution will continue in asset management, clients will also have access to AMC products and global discretionary mandates of UBS. 360ONE can distribute its products globally through the UBS distribution channel.
- Synergies include inbound referrals, outbound access to products, ability to capture the dollar portfolio of clients, and its own ability to distribute asset management products globally.
- The UBS India Wealth business has a strong and experienced team of 10 senior RMs and 3-4 junior RMs, along with 30 professionals on the RM-facing side and 10-15 individuals on business support.
- 30-40% of ARR AUM from UBS' total AUM is expected to result in a blended yield of 50-55bp.
- The senior leadership of 360ONE is working closely with UBS' senior leaders to ensure coordination and collaboration. No significant opex is expected for the

execution of this collaboration. The companies have identified 13-14 collaboration areas to work on.

- The inbound wealth management opportunity through UBS is substantial, according to management. 360ONE's own NRI book exceeds USD2b, despite not having an NRI sourcing office. The inward bound market is large, particularly for the alternates segment, and with awareness of GIFT City, chances of achieving 3x growth in AUM over the next few years are high.

Key business highlights

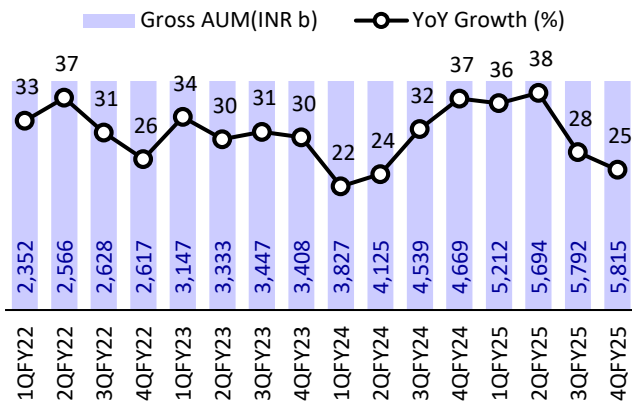
- Regulatory approvals for the B&K acquisition are underway and the transaction is expected to be completed in 1QFY26.
- All requisite approvals for ET Money have been received in 4QFY25 and the company is fully under 360ONE. An AUM of INR330b was added to TBR and INR17.5b to ARR. ET Money reported eight-week revenue of INR60m, with costs accounted for the full quarter, resulting in a reported loss of INR10m.
- Out of the INR21b proceeds from the stake sale to UBS, INR3-3.5b is expected to be utilized for the UBS collaboration, INR2-2.5b for enhancing B&K capabilities, INR8-9b toward lending book, and the remaining to be allocated toward addition to the alternates business.
- 1/3 of the revenue is expected to come from equity brokerage, 1/3 from yield+ (REITs, INVITs, commercial assets etc.), and the remaining from unlisted transactions.
- The Board declared its first interim dividend of INR6/ share.

Wealth management

- Net flows were slightly impacted by attrition, as 360ONE lost 8-10 senior employees across the country, resulting in INR23-24b of outflows on the ARR AUM side.
- The quarter saw a low transactional activity due to volatile markets, which was offset by fixed income and real estate transactions.
- Sequential improvement in retention was due to the stabilization of advisory fees and activation of previously non-active AUM. The carry income on wealth and asset management also contributed to this improvement. NIM has contributed positively to the overall ARR AUM, driven by new funds raised. However, retention at a stable state is expected to be closer to the average of 1Q to 4Q retentions.
- The launch of the mid-market business was delayed, but AUM has started to grow with strong execution. The first 5-6 B2B presentations took place last month, generating good traction.
- Collaboration agreements for global business with UBS will take some time, as 3-4 months are needed for regulatory approvals. Execution is expected to be completed by 3QFY26.

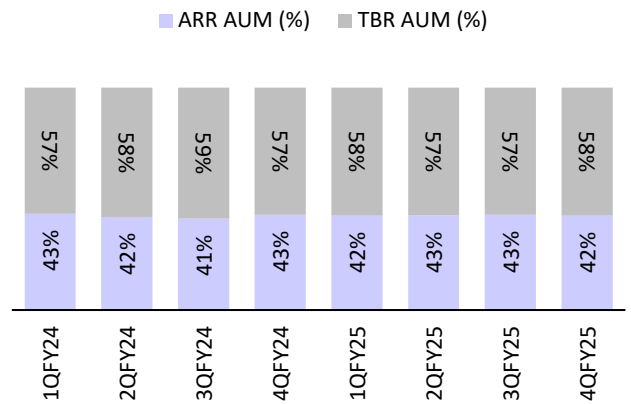
Key exhibits

Exhibit 5: Total AUM grew 25% YoY



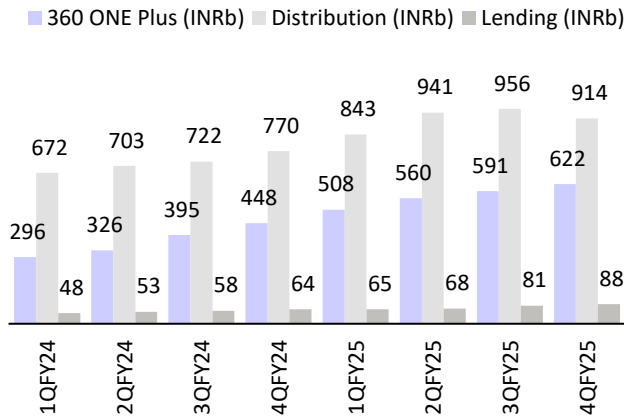
Source: MOFSL, Company

Exhibit 6: ARR AUM mix largely stable at ~42%



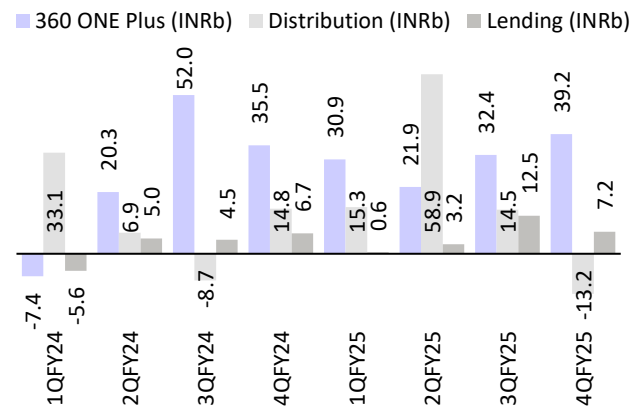
Source: MOFSL, Company

Exhibit 7: Wealth Management - ARR AUM



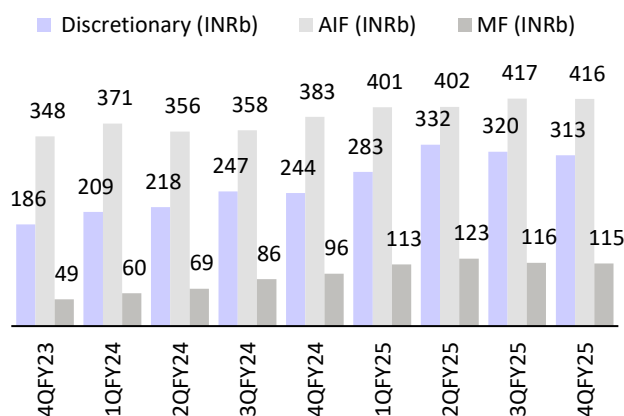
Source: MOFSL, Company

Exhibit 8: Wealth Management - ARR flows



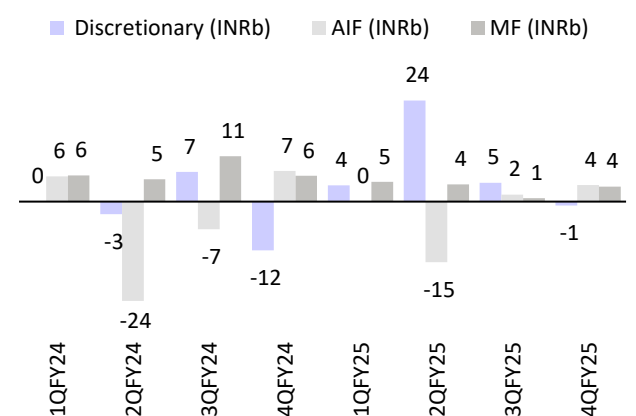
Source: MOFSL, Company

Exhibit 9: Asset Management - ARR AUM



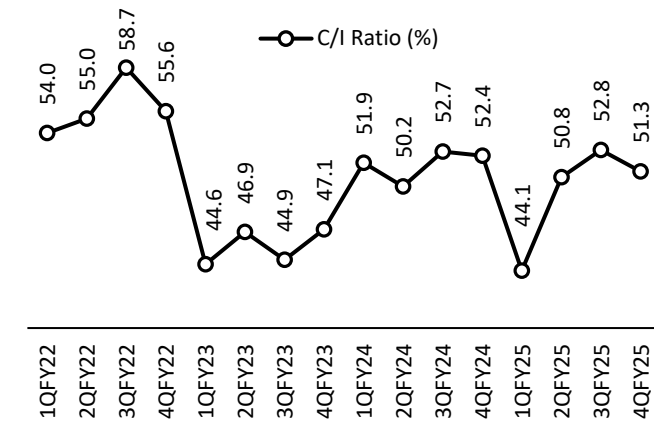
Source: MOFSL, Company

Exhibit 10: Asset Management - ARR flows



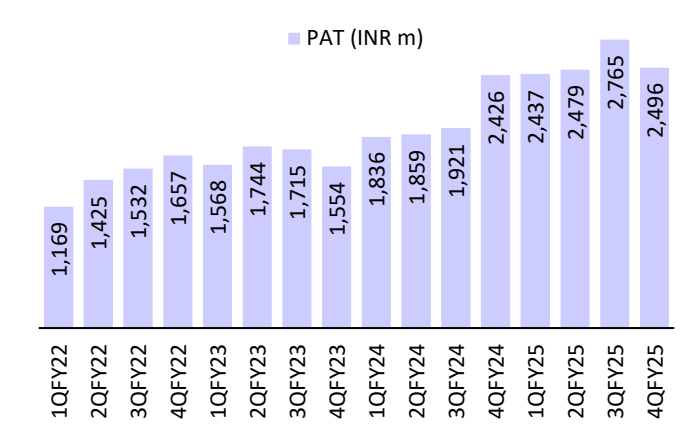
Source: MOFSL, Company

Exhibit 11: Cost-to-income ratio improved to ~51%



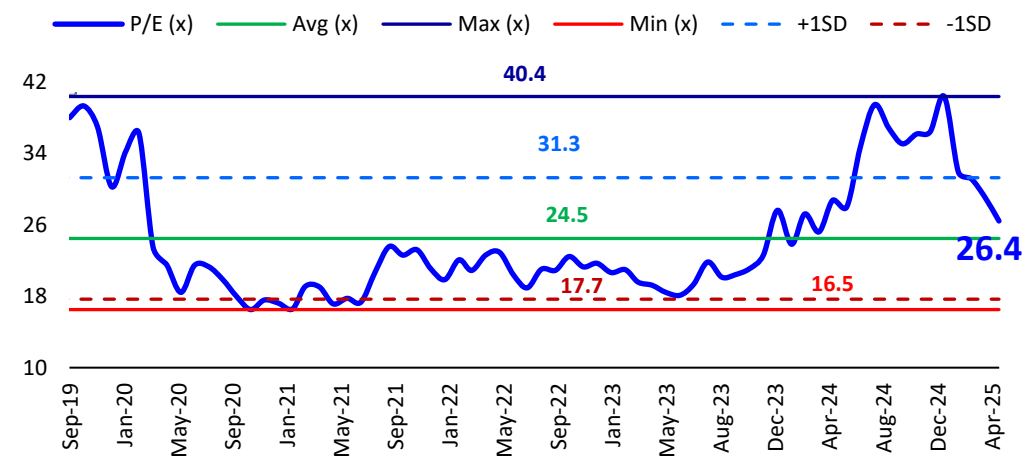
Source: MOFSL, Company

Exhibit 12: Trend in consolidated PAT



Source: MOFSL, Company

Exhibit 13: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement								(INR m)
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Annual Recurring Revenues Assets	5,345	5,800	9,209	11,653	13,270	17,011	20,124	23,287
Transactional/Broking Revenues Assets	3,855	3,355	4,773	3,997	5,185	7,445	7,445	7,445
Net Revenues	9,200	9,155	13,982	15,650	18,455	24,456	27,569	30,732
Change (%)	-10.1	-0.5	52.7	11.9	17.9	32.5	12.7	11.5
Operating Expenses	5,645	5,679	7,841	7,184	9,565	12,175	13,534	14,778
Core Profit Before Tax	3,555	3,476	6,141	8,466	8,891	12,281	14,034	15,954
Change (%)	-28.0	-2.2	76.7	37.9	5.0	38.1	14.3	13.7
Other Income	-691	1,375	1,372	37	1,195	2,063	2,476	2,847
Profit Before Tax	2,864	4,850	7,513	8,503	10,085	14,345	16,510	18,802
Change (%)	-46.8	69.4	54.9	13.2	18.6	42.2	15.1	13.9
PBT after exceptional items	2,864	4,850	7,513	8,503	10,085	13,465	16,510	18,802
Change (%)	525.4	69.4	54.9	13.2	18.6	33.5	22.6	13.9
Tax	853	1,157	1,736	1,924	2,043	3,313	3,632	4,136
Tax Rate (%)	29.8	23.9	23.1	22.6	20.3	23.1	22.0	22.0
PAT	2,011	3,693	5,777	6,579	8,042	10,152	12,878	14,665
Change (%)	-46.3	83.6	56.4	13.9	22.2	26.2	26.9	13.9
Proposed Dividend	2,018	6,153	4,858	4,418	6,023	2,359	7,727	11,732

Balance Sheet								(INR m)
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Equity Share Capital	174	176	177	356	359	393	393	393
Reserves & Surplus	29,741	28,102	29,798	30,685	34,138	70,258	75,409	78,342
Net Worth	29,915	28,278	29,976	31,041	34,497	70,651	75,802	78,736
Borrowings	88,381	47,116	58,075	67,473	94,111	1,10,947	1,10,979	1,32,693
Other Liabilities	11,967	12,006	19,345	13,406	22,581	16,088	17,697	19,467
Total Liabilities	1,30,263	87,400	1,07,396	1,11,921	1,51,189	1,97,687	2,04,479	2,30,895
Cash and Investments	76,911	33,010	49,566	43,347	65,859	86,997	78,608	92,458
Change (%)	131.0	-57.1	50.2	-12.5	51.9	32.1	-9.6	17.6
Loans	36,319	37,206	40,549	49,101	63,687	83,974	96,504	1,06,154
Net Fixed Assets	5,754	8,153	8,163	8,798	9,397	12,814	14,095	15,504
Net Current Assets	11,278	9,030	9,117	10,675	12,246	13,903	15,272	16,778
Total Assets	1,30,263	87,400	1,07,396	1,11,921	1,51,189	1,97,687	2,04,479	2,30,895

E: MOFSL Estimates

Cash Flow (INR m)								
	2020	2021	2022	2023	2024	2025	2026E	2027E
PAT	2,011	3,693	5,777	6,579	8,042	10,152	12,878	14,665
Dep	410	430	417	463	486	511	536	563
Changes in working capital	-1,541	2,248	-87	-1,558	-1,571	-1,657	-1,370	-1,506
Op Cash flow	881	6,371	6,108	5,484	6,957	9,005	12,045	13,722
Capex	-1,064	-2,828	-427	-1,098	-1,086	-3,927	-1,817	-1,972
Loans	13,346	-887	-3,344	-8,551	-14,586	-20,287	-12,530	-9,650
Changes in equity	817	822	779	-1,095	1,436	28,361	-	-
Debt	31,650	-41,226	18,298	3,459	35,812	10,345	1,641	23,483
Dividend	-2,018	-6,153	-4,858	-4,418	-6,023	-2,359	-7,727	-11,732
Cash generation	43,612	-43,901	16,556	-6,219	22,512	21,138	-8,389	13,850
Op Cash	33,300	76,911	33,010	49,566	43,347	65,859	86,997	78,608
CI Cash	76,911	33,010	49,566	43,347	65,859	86,997	78,608	92,458
FCFF	-183	3,542	5,681	4,386	5,872	5,079	10,227	11,750

Financials and valuations

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
AUM (Ex Custody assets) (INR b)	1,569	2,461	3,272	2,743	3,391	4,357	4,958	5,654
Change (%)	0.9	56.8	33.0	-16.2	23.6	28.5	13.8	14.0
Annual Recurring Revenue Assets	626	1,020	1,444	1,540	2,004	2,468	2,918	3,450
Transactional/Brokerage Assets	943	1,441	1,828	1,203	1,387	1,889	2,040	2,203

E: MOFSL Estimates

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
As a percentage of Net Revenues								
ARR Income	58.1	63.4	65.9	74.5	71.9	69.6	73.0	75.8
TRB Income	41.9	36.6	34.1	25.5	28.1	30.4	27.0	24.2
Total Cost (Cost to Income Ratio)	61.4	62.0	56.1	45.9	51.8	49.8	49.1	48.1
Employee Cost	40.5	44.7	43.0	33.2	38.4	37.3	37.0	37.2
PBT	38.6	38.0	43.9	54.1	48.2	50.2	50.9	51.9
Profitability Ratios (%)								
RoE	6.8	12.7	19.8	21.6	24.5	19.3	17.6	19.0
Dividend Payout Ratio	100.3	166.6	84.1	67.2	74.9	23.2	60.0	80.0

Dupont Analysis (Bps of AAAUM)

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Operating Income	58.9	45.4	48.8	52.0	60.2	63.1	59.2	57.9
Operating Expenses	36.1	28.2	27.4	23.9	31.2	31.4	29.1	27.9
Core Profit Before Tax	22.8	17.2	21.4	28.1	29.0	31.7	30.1	30.1
Other Income	-4.4	6.8	4.8	0.1	3.9	5.3	5.3	5.4
Profit Before Tax	18.3	24.1	26.2	28.3	32.9	37.0	35.4	35.4
Tax	5.5	5.7	6.1	6.4	6.7	8.6	7.8	7.8
ROAAAUM	12.9	18.3	20.2	21.9	26.2	28.5	27.6	27.6

Valuations	2020	2021	2022	2023	2024	2025	2026E	2027E
BVPS (INR)	86	80	84	87	96	180	193	200
Change (%)	-0.4	-6.3	5.0	3.2	10.3	87.0	7.3	3.9
Price-BV (x)	12.5	13.4	12.7	12.4	11.2	5.3	5.0	4.8
EPS (INR)	6	11	16	18	22	26	33	37
Change (%)	-47.9	82.1	55.0	13.5	21.3	15.3	26.9	13.9
Price-Earnings (x)	186.6	102.5	66.1	58.3	48.1	37.1	29.2	25.7
DPS (INR)	5	18	14	12	17	6	20	30
Dividend Yield (%)	0.5	1.6	1.3	1.2	1.6	0.6	2.1	3.1

E: MOFSL Estimates

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