

SBI Cards

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	SBICARD IN
Equity Shares (m)	951
M.Cap.(INRb)/(USDb)	881.5 / 10.3
52-Week Range (INR)	931 / 648
1, 6, 12 Rel. Per (%)	6/31/15
12M Avg Val (INR M)	1230

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
NII	59.8	72.3	87.9
OP	74.5	91.3	110.6
NP	19.2	31.3	42.9
NIM (%)	11.1	11.7	12.1
EPS (INR)	20.2	32.9	45.1
EPS Gr. (%)	(20.5)	63.2	36.9
BV/Sh. (INR)	145	175	217
ABV/Sh. (INR)	139	169	211

Ratios

RoA (%)	3.1	4.4	5.0
RoE (%)	14.8	20.6	23.0

Valuations

P/E(X)	45.8	28.0	20.5
P/BV (X)	6.4	5.3	4.3
P/ABV (X)	6.6	5.5	4.4

Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	68.6	68.6	68.6
DII	17.2	16.5	16.7
FII	9.9	9.5	8.6
Others	4.3	5.4	6.1

FII includes depository receipts

CMP: INR927 **TP: INR975 (+5%)** **Neutral**

NII in line; high provisions drive earnings miss

Revolver mix remains stable at ~24%

- SBI Cards (SBICARD) reported a 5% miss on PAT, which stood at INR5.3b in 4QFY25.
- The share of the revolver mix was flat at 24% and management expects the revolver mix to have a downward bias toward 23%. NIMs improved to 11.2%.
- Spends grew 2.6% QoQ (up 11% YoY), led by 15% YoY growth in retail spends, while corporate spends declined 17% YoY (up 63% QoQ).
- GNPA ratio improved to 3.08% (down 16bp QoQ), while NNPA ratio increased by 28bp QoQ to 1.46% as SBICARD made changes in ECL-3 classification, resulting in a decline in PCR to 53.5% (down 1,089bp QoQ).
- We raise our FY26E/FY27E EPS by 7.4%/9.9%, factoring in improvement in credit cost, rate cuts and improvement in margins. **Reiterate Neutral with a revised TP of INR975 (22x FY27E EPS).**

Margins to see a calibrated expansion from declining rate cycle

- SBICARD reported 4QFY25 PAT of INR5.37b (down 19% YoY, 5% miss vs. MOFSLe) amid high provisions (8% higher than est.). Gross credit cost for FY25 stood at 9%.
- NII grew 14.5% YoY/3.1% QoQ to INR16.2b (in line). NIMs improved by 60bp QoQ to 11.2%. However, SBICARD guides for calibrated NIM expansion as the benefit of CoF should come at a lag, while the decline in yields shall be passed on marginally. CoF declined by 20bp QoQ to 7.2% amid a decline in the benchmark rate.
- The revolver mix was sticky at 24%, and SBICARD expects to have a slight downward bias amid new vintages having a tilt toward transacting customers. Transactor share increased to 41%, while EMI share declined to 35%.
- Fee income as a proportion of total income stood stable at 52%. PPOp grew 7.2% YoY/7.3% QoQ to INR19.6b (largely in line). The C/I ratio decreased to 51.4% vs. 53.5% in 3QFY25.
- Cards-in-force rose 10.1% YoY/3% QoQ to 20.8m. New card sourcing was largely flat QoQ at 1.11m, with new sourcing tilting highly toward the banca channel at 63% vs. 55% in 3Q and 38% in 2Q, while on O/S basis, sourcing stood at 42% for banca channel.
- Spends grew 2.6% QoQ (up 11% YoY), led by 15% YoY growth in retail spends, while corporate spends declined 17% YoY (up 63% QoQ). SBICARD expects corporate spends to gain pace over the next few quarters.
- GNPA ratio decreased to 3.08% (down by 16bp QoQ), while NNPA ratio increased by 28bp QoQ to 1.46% as SBICARD made changes in ECL-3 reporting, resulting in a decline in PCR to 53.5% (down 1,089bp QoQ).

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Highlights from the management commentary

- NIMs are influenced by two key factors — yields and interest rates. With rates trending lower, NIMs will see a calibrated expansion.
- The shift in ECL is primarily driven by changes in Stage 1 and Stage 2 assets, while Stage 3 changes are attributed to recoveries — all contributing to the ECL reduction.
- Receivables grew 10% last year and are expected to grow by 12-14% YoY this year.
- The mix of revolvers and EMI remains largely unchanged, with a slight downward bias in revolvers for new customers. As newer vintages are added, the revolver mix is likely to lean closer to 23%, given a stronger tilt towards transactors in the new portfolio.

Valuation and view

SBICARD reported a broadly in-line quarter, though provisions were higher, with management expecting further easing in the coming quarters. The revolver mix is likely to see a downward trend, and EMI yields remain under pressure. However, spends growth is expected to pick up, supported by a recovery in corporate spends and sustained traction in retail spends. Asset quality is projected to improve, aided by a reduction in forward flows. NIMs are expected to improve in a calibrated manner as the benefit from lower cost of funds will get partially offset by the yield pressure. We raise our FY26E/FY27E EPS by 7.4%/9.9%, factoring in improvement in credit cost, contained opex growth and improvement in margins. **Reiterate Neutral with a revised TP of INR975 (22x FY27E EPS).**

Quarterly performance

(INR b)

	FY24				FY25				FY25	FY26E	FY25E	V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est
Net Interest Income	12.3	13.0	13.9	14.1	14.8	15.0	15.7	16.2	59.8	72.3	15.9	2%
% Change (Y-o-Y)	14.3	16.1	21.2	21.4	19.7	15.8	13.2	14.5	16.1	20.9	12.4	
Other Income	22.4	23.2	26.6	23.4	22.4	22.7	23.7	24.2	94.8	112.7	23.9	1%
Total Income	34.8	36.2	40.5	37.5	37.2	37.7	39.4	40.4	154.6	185.0	39.8	1%
Operating Expenses	19.6	20.7	24.3	19.2	18.2	20.1	21.1	20.7	80.1	93.7	20.8	0%
Operating Profit	15.2	15.5	16.2	18.3	19.0	17.6	18.3	19.6	74.5	91.3	19.1	3%
% Change (Y-o-Y)	17.3	23.9	33.1	28.2	25.4	13.3	13.0	7.2	14.3	22.5	4.0	
Provisions	7.2	7.4	8.8	9.4	11.0	12.1	13.1	12.5	48.7	49.2	11.5	8%
Profit before Tax	8.0	8.1	7.4	8.9	8.0	5.5	5.2	7.2	25.8	42.1	7.5	-5%
Tax	2.0	2.1	1.9	2.3	2.0	1.4	1.3	1.8	6.6	10.7	1.9	-3%
Net Profit	5.9	6.0	5.5	6.6	5.9	4.0	3.8	5.3	19.2	31.3	5.6	-5%
% Change (Y-o-Y)	-5.4	14.7	7.8	11.0	0.2	-32.9	-30.2	-19.4	-20.2	63.2	-14.9	
Operating Parameters												
Loan (INRb)	418.1	435.6	471.6	490.8	508.1	536.0	528.1	539.3	539.3	627.3	552.6	
Loan Growth (%)	30.3	19.3	26.3	24.7	21.5	23.0	12.0	9.9	9.9	16.3	12.6	
Borrowings (INRb)	329.6	340.8	380.1	398.9	408.7	432.2	439.1	449.5	430.7	499.6	458.3	
Borrowing Growth (%)	32.9	20.9	29.3	28.2	24.0	26.8	15.5	12.7	8.0	16.0	15	
Asset Quality												
Gross NPA (%)	2.4	2.4	2.6	2.8	3.1	3.3	3.2	3.1	3.1	3.1	3.1	
Net NPA (%)	0.9	0.9	1.0	1.0	1.1	1.2	1.2	1.5	1.5	1.4	1.1	
PCR (%)	63.8	64.1	64.1	64.9	64.4	64.4	64.4	53.5	53.5	57.3	64.6	

Source: Company, MOFSL

Quarterly snapshot

Profit and Loss (INR b)	FY24				FY25E				Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
Interest Income	18.0	19.0	20.8	21.4	22.4	22.9	24.0	24.2	13	1
Interest Expenses	5.7	6.0	7.0	7.2	7.7	7.9	8.3	8.0	10	-4
Net Interest Income	12.3	13.0	13.9	14.1	14.8	15.0	15.7	16.2	14	3
Other Income	22.4	23.2	26.6	23.4	22.4	22.7	23.7	24.2	3	2
Fee Income	19.0	19.7	22.9	20.0	19.3	19.6	20.2	20.9	5	3
Others	3.4	3.5	3.7	3.4	3.1	3.1	3.4	3.2	-4	-5
Total Income	34.8	36.2	40.5	37.5	37.2	37.7	39.4	40.4	8	3
Operating Expenses	19.6	20.7	24.3	19.2	18.2	20.1	21.1	20.7	8	-2
Employee	1.5	1.5	1.4	1.3	1.3	1.5	1.5	1.5	17	1
Others	18.1	19.2	22.8	17.9	16.8	18.6	19.5	19.2	7	-2
Operating Profits	15.2	15.5	16.2	18.3	19.0	17.6	18.3	19.6	7	7
Provisions	7.2	7.4	8.8	9.4	11.0	12.1	13.1	12.5	32	-5
PBT	8.0	8.1	7.4	8.9	8.0	5.5	5.2	7.2	-19	39
Taxes	2.0	2.1	1.9	2.3	2.0	1.4	1.3	1.8	-18	37
PAT	5.9	6.0	5.5	6.6	5.9	4.0	3.8	5.3	-19	39
Balance Sheet										
Loans	418.1	435.6	471.6	490.8	508.1	536.0	528.1	539.3	10	2
Borrowings	329.6	340.8	380.1	398.9	408.7	432.2	439.1	449.5	13	2
Receivable Mix (%)										
Transactor	38.0	38.0	38.0	39.0	38.0	40.0	40.0	41.0	200	100
Revolver	24.0	24.0	23.0	24.0	24.0	23.0	24.0	24.0	0	0
EMI	38.0	38.0	38.0	37.0	38.0	37.0	36.0	35.0	-200	-100
Asset Quality (INR b)										
GNPA	10.4	11.0	12.9	14.0	16.1	18.2	17.7	17.2	23	-3
NNPA	3.8	3.9	4.6	4.9	5.7	6.5	6.3	8.0	62	27
Asset Quality Ratios (%)										
GNPA	2.41	2.43	2.64	2.76	3.06	3.27	3.24	3.08	32	-16
NNPA	0.89	0.89	0.96	0.99	1.11	1.19	1.18	1.46	47	28
PCR (Calc.)	63.8	64.1	64.1	64.9	64.4	64.4	64.4	53.5	-1,143	-1,089
Credit Cost	6.9	6.8	7.5	7.7	8.7	9.0	9.9	9.2	154	-71
ECL	3.4	3.4	3.5	3.5	3.6	3.6	3.6	3.4	-10	-20
Business Ratios (%)										
Fees to Total Income	54.6	54.6	56.7	53.3	51.9	51.9	51.4	51.8	-147	43
Cost to Income	56.4	57.1	59.9	51.1	48.9	53.4	53.5	51.4	21	-216
Sourcing channel Mix (%)										
SBI	54.0	51.0	49.0	44.0	42.0	38.0	55.0	63.0	1,900	800
Open Market	46.0	49.0	51.0	56.0	58.0	62.0	45.0	37.0	-1,900	-800
Spend Mix (%)										
Corporate Spends	21.1	22.4	24.1	13.1	6.8	6.7	6.2	9.8	-334	364
Retail Spends	78.9	77.6	75.9	86.9	93.2	93.3	93.8	90.2	334	-364
Profitability Ratios (%)										
Yield on loans	16.9	16.8	17.2	16.7	16.8	16.4	16.5	17.0	30	50
Cost of borrowings	7.1	7.1	7.6	7.4	7.5	7.4	7.4	7.2	-20	-20
Spreads	9.8	9.7	9.6	9.3	9.3	9.0	9.1	9.8	50	70
Margins	11.5	11.3	11.3	10.9	10.9	10.6	10.6	11.2	30	60
RoA	5.1	4.9	4.1	4.7	4.1	2.7	2.4	3.4	-130	100
RoE	23.3	22.3	19.2	22.2	19.1	12.5	11.5	15.5	-670	400
Other Details										
New accounts added (000)	1,097	1,142	1,096	1,029	904.0	904	1,175	1,109	8	-6
O/S Cards (Mn)	17.3	17.9	18.5	18.9	19.2	19.6	20.2	20.8	10	3
Spends (INRb)	739.1	791.6	968.6	796.5	771.3	818.9	860.9	883.7	11	3
- Retail Spends (INRb)	583.5	614.5	735.2	691.9	718.8	764.0	807.9	797.1	15	-1
- Corporate Spends (INRb)	155.7	177.2	233.4	104.6	52.5	55.0	53.0	86.6	-17	63
-Spends market share (%)	17.8	17.9	18.3	17.8	15.9	15.8	15.6	15.6	-220	0
-O/S cards market share (%)	19.6	19.2	18.9	18.6	18.5	18.5	18.7	18.9	30	20

Source: Company, MOFSL



Highlights from the management commentary

Opening remarks

- SBICARD continues to play a key role in the expanding payment ecosystem.
- With 109m cards-in-force, the credit card industry is witnessing strong growth in new additions.
- SBICARD remains the largest standalone credit card issuer.
- The focus is on growing the co-branded card portfolio, with ongoing efforts to strengthen partnerships.
- To offer a diversified product suite, new cards like SBI Miles have been launched.
- The BPCL fuel card partnership has crossed 4m SBI Cards.
- The risk management framework has been updated to align with both market practices and regulatory guidelines.
- A dividend of INR2.5/per share has been declared.
- SBICARD is the second-largest card issuer in India, consistently adding 1m cards every quarter. In FY25, 4m new accounts were added.
- Market share in card spends stands at 15.6%, with retail spends growing 15% year-on-year.
- Corporate spending is recovering; the strategy to diversify the corporate segment is proving successful and remains a focus area.
- Strong spending has been seen in consumer durables and jewelry segments.
- UPI-based credit card acceptance is boosting overall spending growth.
- Strong business momentum has supported solid financial performance in 4Q.
- The cost of funds is expected to decline due to the RBI's rate actions, helping to maintain stable NIMs.
- Asset quality is under pressure due to ongoing macroeconomic headwinds.
- Gross credit cost improved by 40bp, marking the first decline after several quarters of increase.
- Delinquencies in the 30-day and 90+ day buckets are now on a declining trend.
- Credit costs are expected to moderate, influenced by the state of unsecured lending and broader macro conditions.

Asset Quality

- The overall ECL rate has declined from 3.6% to 3.4%, remaining largely stable over recent quarters.
- SBICARD follows an ECL model that is reviewed by external auditors and various stakeholders.
- The shift in ECL is primarily driven by changes in Stage 1 and Stage 2 assets, while Stage 3 changes are attributed to recoveries — all contributing to the ECL reduction.
- Asset quality has been improving, indicating a downward trend in credit costs going forward.
- The gross write-off pool remains elevated.
- Stage 2 ECL has increased, mainly due to early provisioning and a reduction in Stage 3 provisions.
- Early delinquencies among new customers continue to decline.

- Write-offs have reduced, reflecting an improvement in delinquencies and overall flow rates.
- Flow rates have been consistently decreasing over the past few months.
- Gross slippages have come down from 2.2% to 2.1% in 4Q.
- The previous quarter also showed a positive trend, with improved flow rates and reduced write-offs.

Opex and other income

- Operating expenses have declined due to lower cashback-related spends in the previous quarter, following the festive-heavy 3Q.
- The C/I ratio is expected to remain in the 55–57% range.

NIMs, cost and yields

- NIMs are influenced by two key factors — yields and interest rates. With rates trending lower, NIMs will see a calibrated expansion.
- The company's loan book is on a fixed-rate structure, while borrowings have short terms. The impact of the Feb'25 rate cut should reflect in 1Q, though with a lag.
- On the yield side, rate benefits can be passed on to customers, supporting efforts to maintain stable NIMs.
- While rate cuts will provide relief over time, yields on the EMI portfolio may face slight pricing adjustments due to benchmark shifts. NIMs are likely to stay stable, with a slight upward bias.
- There is no regulatory cap on lending yields, providing flexibility in pricing.

Spends; loans and receivables

- The corporate card strategy aims to boost corporate spending, with 4Q expected to benefit from seasonal growth.
- Growth will continue in a calibrated manner given economic uncertainties, with new additions projected at 1.1m per quarter.
- Receivables grew 10% last year and are expected to rise by 12-14% YoY this year.
- Industry-wide spend growth has slowed, including in the corporate segment for SBICARD. FY26 is projected to see a similar growth trend as FY25, at 18-19% YoY.
- Market share was impacted by weaker corporate spends, but it is expected to recover as corporate activity picks up.
- Attrition rates in cards stand at 10-13%, with some exits being voluntary, while write-offs are involuntary.
- The drop in corporate spends was due to RBI regulations, which led the company to adjust its corporate portfolio strategy.
- Rental spends have moderated following the implementation of certain fee charges.
- New acquisitions gained momentum in 2HFY25, which is expected to push the cost-to-income ratio higher.

Sourcing

- The Rupay card portfolio now accounts for 20% of the total, with UPI-based spends nearing double digits as a share of overall spends.
- The banca channel mix rose to 63% in 4QFY25 and averaged 51% for the full year. The aim is to maintain a balanced 50-55% contribution from both Banca and open market channels.

Revolver mix and receivables

- The mix of revolvers and EMI remains largely unchanged, with a slight downward bias in revolvers for new customers.
- Over the next 3-4 quarters, the revolver mix is expected to range around 23-25%, with the last six quarters averaging around 24%.
- As newer vintages are added, the revolver mix is likely to lean closer to 23%, given a stronger tilt toward transactors in the new portfolio.

Story in charts

Exhibit 1: Spends increased 10.9% YoY (up 2.6% QoQ)

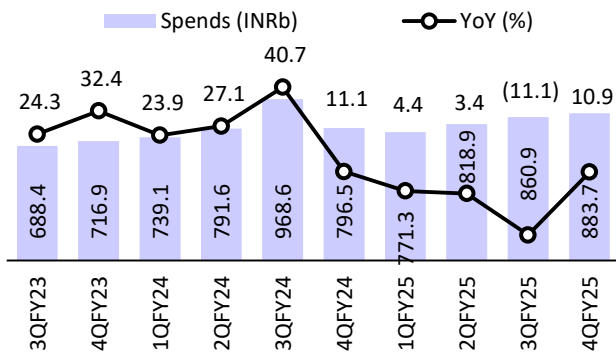


Exhibit 2: Mix of retail spending, declined to 90% from 94% in 3QFY25

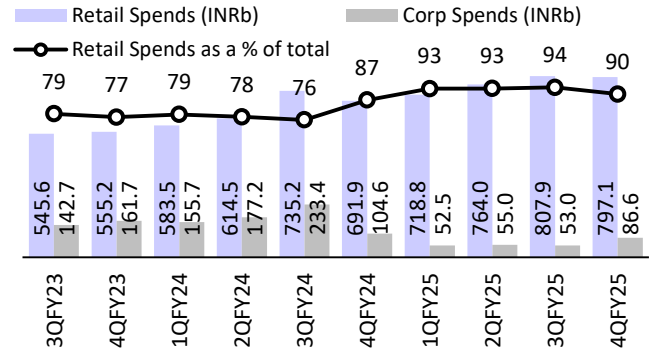


Exhibit 3: O/s cards increased ~10.1% YoY to 20.8m

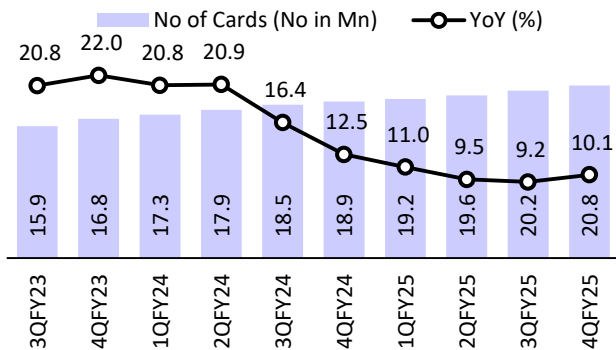


Exhibit 4: Margins increased to 11.2% in 4QFY25

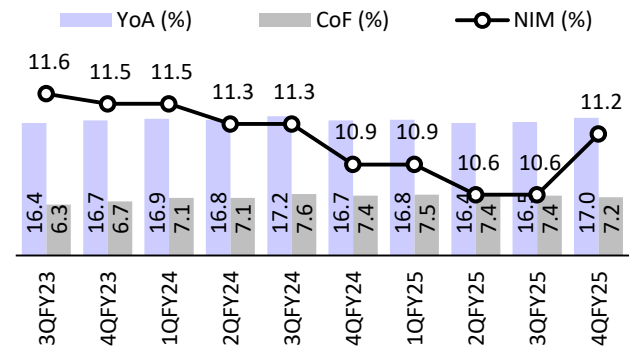


Exhibit 5: Revolver mix stood flat at 24%

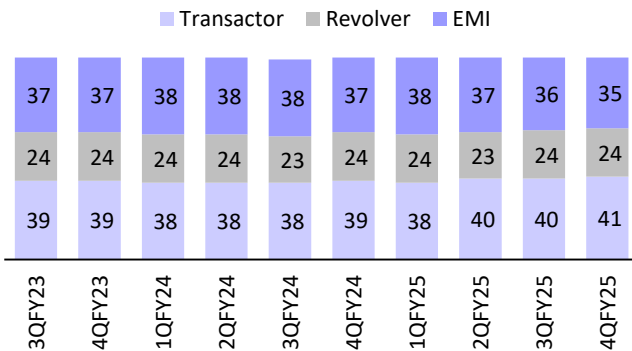


Exhibit 6: New cards sourcing mix: SBI sourcing increased sharply to 63%

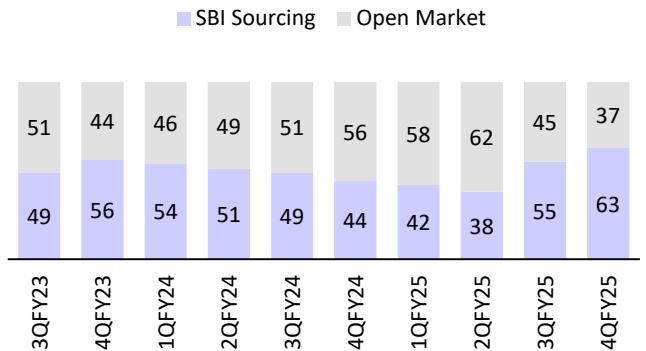


Exhibit 7: Credit cost stood elevated at 9%; ECL declined to 3.4%

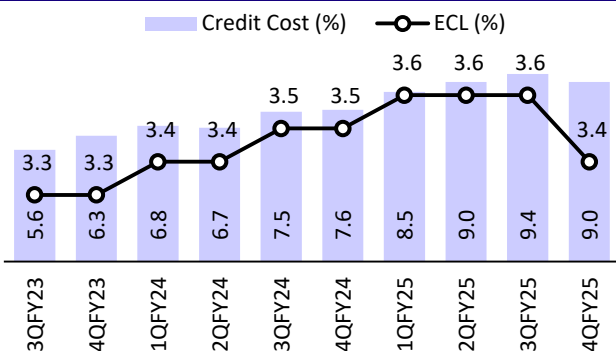
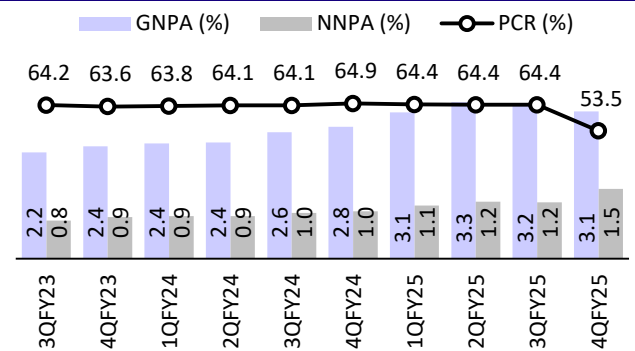


Exhibit 8: GNPA ratio decreased 16bp; NNPA ratio increased by 28bp QoQ; PCR declined sharply to 53.5%



Source: MOFSL, Company

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Valuation and view: Reiterate Neutral with a revised TP of INR975

- SBICARD reported a broadly in-line quarter, though provisions were higher, with management expecting further easing in the coming quarters. The revolver mix is likely to see a downward trend, and EMI yields remain under pressure. However, spends growth is expected to pick up, supported by a recovery in corporate spends and sustained traction in retail spends.
- Asset quality is projected to improve, aided by a reduction in forward flows. NIMs are expected to improve in a calibrated manner as the benefit from lower cost of funds will get partially offset by the yield pressure.
- We raise our FY26E/FY27E EPS by 7.4%/9.9%, factoring in improvement in credit cost, contained opex growth and improvement in margins. **Reiterate Neutral with a revised TP of INR975 (22x FY27E EPS).**

Exhibit 9: Changes to our estimates

INR b	Old Estimates			New Estimates			Change (%/bps)		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
Net Interest Income	61.4	71.7	84.9	59.8	72.3	87.9	-2.6	0.8	3.5
Other Income	92.7	110.8	132.1	94.8	112.7	134.3	2.3	1.8	1.7
Total Income	154.1	182.5	217.0	154.6	185.0	222.2	0.3	1.4	2.4
Operating Expenses	80.1	94.4	111.7	80.1	93.7	111.6	-0.1	-0.7	-0.1
Operating Profits	73.9	88.1	105.3	74.5	91.3	110.6	0.8	3.6	5.0
Provisions	47.8	48.9	52.9	48.7	49.2	53.0	2.0	0.6	0.2
PBT	26.2	39.2	52.4	25.8	42.1	57.6	-1.3	7.4	9.9
Tax	6.7	10.0	13.4	6.6	10.7	14.7	-1.3	7.4	9.9
PAT	19.5	29.2	39.0	19.2	31.3	42.9	-1.3	7.4	9.9
Loans	553	636	744	539	627	740	-2.4	-1.3	-0.5
Margins (%)	11.4	11.7	11.9	11.1	11.7	12.1	-29	3	22
Credit Cost (%)	8.84	7.95	7.40	8.84	7.95	7.30	0	0	-10
RoA (%)	3.15	4.15	4.77	3.10	4.37	5.03	-5	22	26
RoE (%)	15.0	19.3	21.3	14.8	20.6	23.0	-18	132	163
EPS	20	31	41	20	33	45	-1.3	7.4	9.9
BV	145	173	211	145	175	217	-0.3	1.1	2.8
ABV	141	168	206	139	169	211	-1.2	0.3	2.1

Source: Company, MOFSL

Exhibit 10: DuPont analysis – estimate return ratios to be broadly range-bound

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Interest Income	15.6	15.1	14.9	14.8	14.6	14.6
Interest Expense	3.3	4.1	5.0	5.1	4.5	4.3
Net Interest Income	12.3	11.0	9.9	9.7	10.1	10.3
Fee Income	17.0	16.5	15.7	12.9	13.4	13.4
Trading and others	4.1	4.1	3.0	2.4	2.3	2.3
Non-Interest income	21.0	20.5	18.8	15.3	15.7	15.7
Total Income	33.3	31.5	28.7	25.0	25.8	26.1
Operating Expenses	19.0	18.6	16.1	12.9	13.1	13.1
-Employee cost	1.5	1.4	1.1	1.0	0.9	0.9
-Others	17.4	17.2	15.0	12.0	12.1	12.2
Operating Profits	14.4	12.9	12.6	12.0	12.7	13.0
Provisions	7.3	5.4	6.3	7.9	6.9	6.2
PBT	7.0	7.6	6.2	4.2	5.9	6.8
Tax	1.8	1.9	1.6	1.1	1.5	1.7
RoA	5.2	5.6	4.6	3.1	4.4	5.0
Leverage (x)	4.4	4.6	4.7	4.8	4.7	4.6
RoE	23.0	25.7	22.0	14.8	20.6	23.0

Financials and valuations

Income Statement						(INR b)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Interest Income	48.2	60.5	77.4	91.6	104.6	124.4
Interest Expense	10.3	16.5	26.0	31.8	32.3	36.5
Net Interest Income	37.9	44.0	51.5	59.8	72.3	87.9
-growth (%)	-2.3	16.0	17.0	16.1	20.9	21.5
Non-Interest Income	64.8	82.4	97.4	94.8	112.7	134.3
Total Income	102.7	126.4	148.9	154.6	185.0	222.2
-growth (%)	18.5	23.0	17.8	3.8	19.7	20.1
Operating Expenses	58.5	74.5	83.7	80.1	93.7	111.6
Pre Provision Profits	44.3	51.9	65.2	74.5	91.3	110.6
-growth (%)	11.8	17.2	25.6	14.3	22.5	21.1
Provisions (excl tax)	22.6	21.6	32.9	48.7	49.2	53.0
PBT	21.7	30.3	32.3	25.8	42.1	57.6
Tax	5.6	7.7	8.2	6.6	10.7	14.7
- Tax Rate (%)	25.6	25.5	25.5	25.6	25.5	25.5
PAT	16.2	22.6	24.1	19.2	31.3	42.9
-growth (%)	64.2	39.7	6.6	-20.2	63.2	36.9
Total Comprehensive Income	16.3	22.6	24.1	19.2	31.3	42.9
-growth (%)	63.1	38.7	6.7	-20.2	63.2	36.9

Balance Sheet						
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Share Capital	0.01	0.01	0.01	0.01	0.01	0.01
Reserves & Surplus	68.10	88.84	111.33	128.30	157.21	197.26
Net Worth	68.1	88.8	111.3	128.3	157.2	197.3
Borrowings	229.8	311.1	398.9	430.7	499.6	574.5
-growth (%)	28.4	35.4	28.2	8.0	16.0	15.0
Other Liabilities & Prov.	39.1	46.1	62.0	87.0	113.1	144.7
Total Liabilities	337.1	446.0	572.2	646.0	769.9	916.5
Current Assets	11.1	13.5	27.3	27.4	33.1	40.4
Investments	13.0	21.4	35.2	62.4	82.3	102.1
-growth (%)	35.5	64.9	64.5	77.2	32.0	24.0
Loans	301.9	393.6	490.8	539.3	627.3	740.2
-growth (%)	28.7	30.4	24.7	9.9	16.3	18.0
Fixed Assets	4.5	5.7	5.6	3.3	6.5	7.2
Other Assets	16.0	21.2	22.8	23.1	30.2	36.2
Total Assets	346.5	455.5	581.7	655.5	779.4	926.0

Asset Quality						
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
GNPA (INR b)	6.9	9.6	14.0	17.2	20.0	20.3
NNPA (INR b)	2.4	3.5	4.9	8.0	8.5	9.0
GNPA Ratio	2.2	2.4	2.8	3.1	3.1	2.7
NNPA Ratio	0.8	0.9	1.0	1.5	1.4	1.2
Slippage Ratio	8.0	6.0	7.3	7.5	6.7	6.1
Credit Cost	8.0	6.0	7.2	8.8	8.0	7.3
PCR (Excl Tech. write off)	65.3	63.6	64.9	53.5	57.3	55.6

Financials and valuations

Business Metrics

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Total No of Cards (Nos in Mn)	13.8	16.8	18.9	21.2	24.3	28.5
Total spends (INR b)	1,863.5	2,625.0	3,295.9	3,262.9	3,817.6	4,543.0
Spends per card (INR k)	135.4	156.2	174.4	154.1	156.8	159.5
Loans per card (INR)	22	23	26	25	26	26
Fee income earned per card	3,796	3,931	4,320	3,781	3,941	4,022

52

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Yield & Cost Ratios (%)						
Avg. Yield on loans	17.1	16.8	16.9	16.9	16.9	17.1
Avg. Cost of Borrowings	5.0	6.1	7.3	7.7	7.0	6.8
Interest Spread	12.1	10.7	9.6	9.3	10.0	10.3
Net Interest Margin	13.5	12.2	11.2	11.1	11.7	12.1
Capitalisation Ratios (%)						
CAR	23.8	23.1	20.5	22.3	22.6	22.9
Tier I	21.0	20.4	16.5	16.8	17.6	18.4
CET 1		20.4	16.5	16.6	17.0	17.5
Tier II	2.8	2.7	4.0	5.5	5.0	4.5
Business ratios (%)						
Cost/Assets	19.0	18.6	16.1	12.9	13.1	13.1
Cost/Total Income	56.9	58.9	56.2	51.8	50.7	50.2
Int. Expense/Int.Income	21.3	27.2	33.5	34.7	30.9	29.4
Other income/Total Income	63.1	65.2	65.4	61.3	60.9	60.4
Empl. Cost/Total Expense	8.1	7.5	6.8	7.4	7.2	6.9

Valuation

RoE	23.0	25.7	22.0	14.8	20.6	23.0
RoA	5.2	5.6	4.6	3.1	4.4	5.0
RoRWA	5.8	6.2	4.6	2.8	4.0	4.5
Book Value (INR)	82	104	127	145	175	217
-growth (%)	22.7	26.4	22.3	14.0	21.0	24.0
Price-BV (x)	11.2	8.9	7.3	6.4	5.3	4.3
Adjusted BV (INR)	80	101	123	139	169	211
Price-ABV (x)	11.5	9.1	7.5	6.6	5.5	4.4
EPS (INR)	17.2	23.9	25.4	20.2	32.9	45.1
-growth (%)	63.8	39.3	6.2	-20.5	63.2	36.9
Price-Earnings (x)	53.8	38.7	36.4	45.8	28.0	20.5

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