28 October 2025

2QFY26 Results Update | Sector: Financials

# KFin Technologies

| | |
|---|---|
| Estimate change | ↑ |
| TP change | ↑ |
| Rating change | ↔ |

| | |
|---|---|
| Bloomberg | KFINTECH IN |
| Equity Shares (m) | 172 |
| M.Cap.(INRb)/(USDb) | 202.4 / 2.3 |
| 52-Week Range (INR) | 1641 / 784 |
| 1, 6, 12 Rel. Per (%) | 5/-12/15 |
| 12M Avg Val (INR M) | 1823 |

**Financials & Valuations (INR b)**

| Y/E March | 2026E | 2027E | 2028E |
|---|---|---|---|
| Revenue | 12.4 | 14.4 | 16.9 |
| EBITDA | 5.4 | 6.3 | 7.5 |
| PAT | 3.7 | 4.5 | 5.4 |
| EPS | 21.8 | 26.4 | 31.6 |
| EPS Grw. (%) | 12.0 | 21.0 | 19.8 |
| BVPS | 84.2 | 96.6 | 116.2 |
| RoE (%) | 27.4 | 29.2 | 29.7 |
| Div. Pay out (%) | 60.0 | 60.0 | 60.0 |
| **Valuations** | | | |
| P/E (x) | 53.8 | 44.5 | 37.1 |
| P/BV (x) | 14.0 | 12.2 | 10.1 |
| Div. Yield (%) | 1.1 | 1.3 | 1.6 |

**Shareholding Pattern (%)**

| As of | Sep-25 | Jun-25 | Sep-24 |
|---|---|---|---|
| Promoter | 22.9 | 22.9 | 33.0 |
| DII | 24.8 | 23.7 | 20.6 |
| FII | 25.5 | 27.8 | 24.6 |
| Others | 26.8 | 25.6 | 21.7 |

FII includes depository receipts

**CMP: INR1,175 TP: INR1,300 (+11%) Neutral**

## Steady performance during the quarter

- **KFin Technologies (KFin) reported a 10% YoY growth in operating revenue to INR3.1b in 2QFY26 (in line). The revenue was driven by 10%/16%/33% YoY growth in domestic MF solutions/issuer solutions/international solutions segments.**
- **Total operating costs rose 13% YoY to INR1.7b (in line), with employee expenses rising 12% YoY to INR1.1b (in line) and other expenses growing 14% YoY to INR595m (in line). The cost-to-income ratio was at 56.1% (vs. 54.9% in 2QFY25).**
- **KFin's EBITDA grew 7% YoY to INR1.4b, with EBITDA margin at 43.9% (vs. 45.1% in 2QFY25). It posted a net profit of INR933m, up 4% YoY (in line), with a PAT margin of 30.2% (vs. 31.8% in 2QFY25). For 1HFY26, it reported a PAT of INR1.7b (+8% YoY).**
- **Yields are likely to dip 3.5-4.0% annually due to the impact of telescopic pricing. Major renegotiations are done, with only two contracts pending renewal over the next two years. Ascent will be merged from 3QFY26.**
- **We raise our earnings estimates for FY26/FY27/FY28 by 3%/5%/4%, considering the higher growth in international business. While expenses are broadly retained, we expect lower growth in issuer solutions. We expect KFin's revenue/EBITDA/PAT to post a CAGR of 16%/16%/18% over FY25-28. We reiterate our Neutral rating on the stock with a one-year TP of INR1,300, premised on a P/E multiple of 45x on Sep'27E earnings.**

### Equity AAUM share stable; yields dip

- KFin's total MF AAUM serviced during the quarter rose 17% YoY to INR25t. Equity AAUM, at 58% of total MF AAUM, grew 14% YoY to INR14.6t, reflecting a market share of 33% (33.4% in 2QFY25).
- Strong net flows with stable market share offset by a slight decline in yield to 3.5bp in 2QFY26 (vs 3.7bp in 2QFY25) resulted in a 10% YoY growth in revenue from the domestic MF business to INR2.2b (in line). This segment contributed 70% to the overall revenue in 2QFY26 (71% in 2QFY25).
- In the issuer services business, the main board IPO market share (basis issue size) rose YoY to 43.8% in 2QFY26 (34.4% in 2QFY25 and 18% in 1QFY26). KFin handled 18 IPOs during the quarter (vs. five in 2QFY25), resulting in a 16% YoY revenue growth to INR483m. The segment contributed 16% to the overall revenue (15% in 2QFY25 and 12% in 1QFY26).
- In the international investor solutions business, the number of clients reached 93, taking the total AUM serviced to INR934b. Revenue from this segment rose 33% YoY to INR431m, contributing 14% to overall revenue (12% in 2QFY25).
- In the alternates and wealth business, KFin's market share stood at 39% with an AUM of INR1.8t. NPS market share continues to rise at 10.3% in 2QFY26 (8.9% in 2QFY25), with an AUM of INR602b.
- The non-domestic mutual fund revenue contributed 30% to the overall revenue, flat on a YoY basis. The value-added services contributed ~9.3% to its revenue vs 7.9% in 2QFY25.
- Other income grew 2% YoY/7% QoQ to INR108m (in line).

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## Key takeaways from the management commentary

- The domestic mutual fund revenue share continues to decline gradually and is likely to fall below 55% post-Ascent consolidation, from the current ~62% level. Over the longer term, the share of MF will reduce below 50%.
- The wealth platform (at a nascent stage) is now live with several clients and is fully multi-currency, multi-asset, and multi-geography ready. Advanced discussions are underway in Singapore and the Philippines, providing greater expansion opportunities.
- Ascent is now EBITDA positive across all geographies; the business is projected to turn fully neutral in FY26 and become EPS accretive from FY27 onward. Over the next 3-5 years, Ascent's margin profile is expected to converge with KFin's.

## Valuation and view

- Structural tailwinds in the MF industry are expected to drive absolute growth in KFin's MF revenue. With its differentiated 'platform-as-a-service' model offering, technology-driven, asset-light model, growing contribution from non-MF segments, and integration of global fund administration capabilities through Ascent, KFin is well-positioned to capitalize on strong growth opportunities in both Indian and global markets.
- We raise our earnings estimates for FY26/FY27/FY28 by 3%/5%/4%, considering the higher growth in international business. While expenses are broadly maintained, we expect lower growth in issuer solutions. We expect KFin's revenue/EBITDA/PAT to post a CAGR of 16%/16%/18% over FY25-28E. **We reiterate our Neutral rating on the stock with a one-year TP of INR1,300, premised on a P/E multiple of 45x on Sep'27E earnings.**
- We have not built the Ascent acquisition into our model yet, and we shall incorporate the same post-3QFY26 results. We provide below a pro forma table of the merged financials.

**Quarterly Performance** (INR m)

| Y/E March | FY25 | | | | FY26 | | | | FY25 | FY26E | 2Q FY26E | Act v/s Est. (%) | YoY | QoQ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | | | | | |
| Revenue from Operations | 2,376 | 2,805 | 2,900 | 2,827 | 2,741 | 3,092 | 3,223 | 3,304 | 10,908 | 12,360 | 3,041 | 1.7 | 10% | 13% |
| Change YoY (%) | 30.9 | 34.2 | 32.6 | 23.8 | 15.4 | 10.3 | 11.1 | 16.9 | 30.2 | 13.3 | 8.4 | | | |
| Employee expenses | 958 | 1,018 | 1,040 | 1,017 | 1,117 | 1,140 | 1,196 | 1,225 | 4,033 | 4,678 | 1,170 | -2.6 | 12% | 2% |
| Other Expenses | 421 | 522 | 555 | 588 | 485 | 595 | 610 | 624 | 2,085 | 2,314 | 574 | 3.7 | 14% | 23% |
| Total Operating Expenses | 1,379 | 1,539 | 1,595 | 1,604 | 1,602 | 1,735 | 1,806 | 1,849 | 6,118 | 6,992 | 1,744 | -0.5 | 13% | 8% |
| Change YoY (%) | 24.1 | 33.5 | 32.0 | 29.7 | 16.2 | 12.7 | 13.3 | 15.2 | | | 13.3 | | | |
| **EBITDA** | **997** | **1,265** | **1,306** | **1,223** | **1,139** | **1,357** | **1,417** | **1,456** | **4,790** | **5,368** | **1,296** | 4.7 | 7% | 19% |
| Other Income | 81 | 105 | 91 | 100 | 100 | 108 | 115 | 122 | 377 | 445 | 110 | -2.1 | 2% | 7% |
| Depreciation | 148 | 165 | 164 | 167 | 176 | 184 | 186 | 188 | 645 | 735 | 180 | 2.3 | 11% | 4% |
| Finance Cost | 12 | 11 | 11 | 13 | 11 | 11 | 13 | 14 | 47 | 45 | 13 | -15.7 | 1% | 0% |
| **PBT** | **918** | **1,195** | **1,221** | **1,142** | **1,052** | **1,270** | **1,333** | **1,376** | **4,476** | **5,034** | **1,214** | 4.6 | 6% | 21% |
| Change YoY (%) | 52.1 | 41.9 | 36.0 | 19.6 | 14.5 | 6.3 | 9.2 | 20.5 | 35.7 | 12.5 | 1.6 | | | |
| Tax Provisions | 237 | 301 | 319 | 292 | 276 | 336 | 343 | 353 | 1,150 | 1,309 | 303 | 10.9 | 12% | 22% |
| **Net Profit** | **681** | **893** | **902** | **851** | **773** | **933** | **990** | **1,022** | **3,326** | **3,725** | **910** | 2.5 | 4% | 21% |
| Change YoY (%) | 56.9 | 45.5 | 34.9 | 14.2 | 13.5 | 4.5 | 9.8 | 20.2 | 35.2 | 12.0 | 1.9 | | | |
| **Key Operating Parameters (%)** | | | | | | | | | | | | | | |
| Cost to Operating Income Ratio | 58.0 | 54.9 | 55.0 | 56.8 | 58.5 | 56.1 | 56.0 | 55.9 | 56.1 | 56.6 | 57.4 | -125bp | 123bp | -234bp |
| EBITDA Margin | 42.0 | 45.1 | 45.0 | 43.2 | 41.5 | 43.9 | 44.0 | 44.1 | 43.9 | 43.4 | 42.6 | 125bp | -123bp | 234bp |
| PBT Margin | 38.6 | 42.6 | 42.1 | 40.4 | 38.4 | 41.1 | 41.4 | 41.6 | 41.0 | 40.7 | 39.9 | 115bp | -153bp | 269bp |
| Tax Rate | 25.9 | 25.2 | 26.1 | 25.5 | 26.3 | 26.5 | 25.7 | 25.7 | 25.7 | 26.0 | 25.0 | 148bp | 125bp | 19bp |
| PAT Margin | 28.7 | 31.8 | 31.1 | 30.1 | 28.2 | 30.2 | 30.7 | 30.9 | 30.5 | 30.1 | 29.9 | 24bp | -167bp | 199bp |
| **Opex Mix (%)** | | | | | | | | | | | | | | |
| Employee expenses | 69.5 | 66.1 | 65.2 | 63.4 | 69.7 | 65.7 | 66.2 | 66.3 | 65.9 | 66.9 | 67.1 | -140bp | -41bp | -405bp |
| Other Expenses | 30.5 | 33.9 | 34.8 | 36.6 | 30.3 | 34.3 | 33.8 | 33.7 | 34.1 | 33.1 | 32.9 | 140bp | 41bp | 405bp |

**Pro forma financials of KFin + Ascent**

| INR m | FY26E | FY27E | FY28E |
|---|---|---|---|
| Revenue | | | |
| KFin | 12,360 | 14,425 | 16,879 |
| Ascent | 929 | 2,336 | 3,037 |
| Total | 13,289 | 16,762 | 19,917 |
| Total expense | | | |
| KFin | 6,992 | 8,112 | 9,416 |
| Ascent | 883 | 2,103 | 2,582 |
| Total | 7,875 | 10,215 | 11,998 |
| EBITDA | | | |
| KFin | 5,368 | 6,313 | 7,463 |
| Ascent | 47 | 234 | 456 |
| Total | 5,415 | 6,547 | 7,918 |
| EBITDA Margin | | | |
| KFin | 43.4 | 43.8 | 44.2 |
| Ascent | 5.0 | 10.0 | 15.0 |
| Total | 40.7 | 39.1 | 39.8 |

CONFERENCE CALL

## Key takeaways from the management commentary

**Financials:**

- Revenue growth: robust across segments; margins were temporarily hit by M&A and one-offs, but remain well within the guidance. Management expects to maintain current levels post-integration of recent acquisitions as well.
- Domestic mutual fund revenue share continues to gradually dip, with guidance to get below 55%, post-Ascent consolidation from current levels of ~70%
- Revenue breakup for 2QFY26: Domestic MF/International business/Global Fund solutions/Pension/AIF & PMS/Hexagram at 10.2%/7.1%/14%/21%/28%/54%.
- Revenue breakup for 1HFY26: Domestic MF/International business/Global Fund solutions/Pension/AIF & PMS/Hexagram at 13.5%/3.8%/12.7%/26%/29%/87%.
- Technology investment remains at ~18% of revenue.
- AUM Trend: Muted growth due to market softness; expected to improve with market recovery.
- The Cash and Cash Equivalence stood at INR6.9b as of Sep'25

**Mutual Fund Solutions**

- Yields are expected to compress by 3.5-4.0% per year due to telescopic pricing impact. Major renegotiations completed in the past 6–9 months. Only two contracts are pending renewal (one in the next FY, another in the FY after that).
- Net-flows continue to remain positive in Q2FY26 with ~31% share in industry net flows.
- The Value-added services as a part of MF revenue constitute ~5.2%, up from 4.8% in Q1FY26, showing steady progress.
- Secured four out of four new mutual fund mandates launched in India (including new AMC – Lakshya Asset Management), plus one transition mandate.
- These new launches are expected to contribute meaningfully over 3–4 years post sign-up.
- Won SIF mandates from three existing AMC clients. The pricing is expected to be in line with the equity schemes, but the cost in the earlier stage can be slightly higher, which will be offset in the near term.
- Recently launched Ignite, which has reached distributors across India. Alongside, introduced IRIS, a new platform ecosystem designed for financial intermediaries to serve clients across multiple financial needs — from mutual funds and pensions to loans and credit cards — all on one platform.

**Issuer Solutions Business**

- The margins saw a temporary dip during the quarter due to a cost reset on account of 1) a surge in new IPOs and 2) professional fees linked to unclaimed securities. This elevated costs temporarily and is expected to normalize over the next few quarters.
- Added 597 new corporate clients during the quarter, taking the total client base to 9,464, expanding beyond mainboard IPOs to include unlisted and SME issuances.
- KFin successfully managed India's largest IPO (LG Electronics). It transitioned a large mandate like BPCL recently. Further, it will be handling 2-3 IPOs per week; this pace is expected to continue until Dec'25.

- Retail folio growth due to expected stable market conditions ahead and a strong IPO pipeline to support margin recovery and top-line expansion.

**International Business:**

- International business is growing faster than domestic (30%+ vs. mid-teens), with recent acquisitions and mandates expected to drive future growth; management expects international operations to eventually surpass domestic business.
- Yields: Range between 6–7bp.
- Expect closure of significant contracts in the coming quarter.
- Onboarded eight new AIF clients in GIFT City

**Wealth Segment:**

- The platform has gone live with several clients, now fully multi-currency, multi-asset, and multi-geography ready.
- Live with several clients; advanced discussions underway in Singapore and the Philippines, where regulatory flexibility offers promising growth opportunities.
- This segment, though nascent, is among the most promising growth engines for the future

**NPS Platform:**

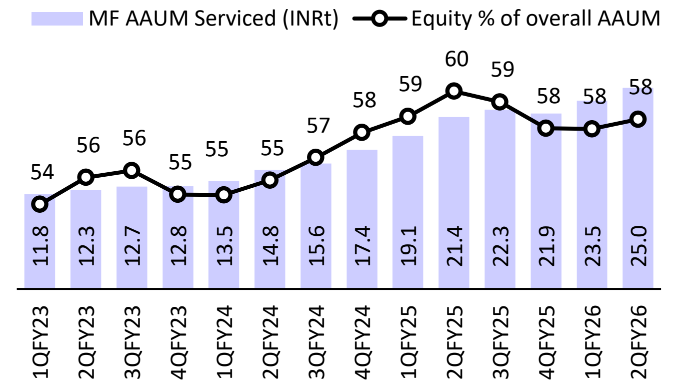
- Grew three times faster than the industry, commanding a 10.3% market share overall.
- Added 0.12m subscribers during 2QFY26; overall subscriber base stood at 1.8m.
- Added 540 corporate clients during 2Q, with the overall corporate client base at 4,360.

**Ascent Acquisition**

- Realizations currently range between 6bp and 8bp of average AUM, at ~6.5bp. Management expects these levels to continue.
- Ascent has become EBITDA positive across geographies. Ascent business to turn fully neutral in FY26 and become EPS accretive from FY27 onward.
- Over the next 3–5 years, Ascent’s margin profile should converge with that of KFin’s business.
- On overall growth, there was a one-time cost impact of $2.8m this quarter: including $2.1m related to staff retention bonuses and $0.7m related to transaction expenses.
- Excluding these one-offs, profitability is in line with expectations and is close to breakeven to slightly profitable at the subsidiary level.

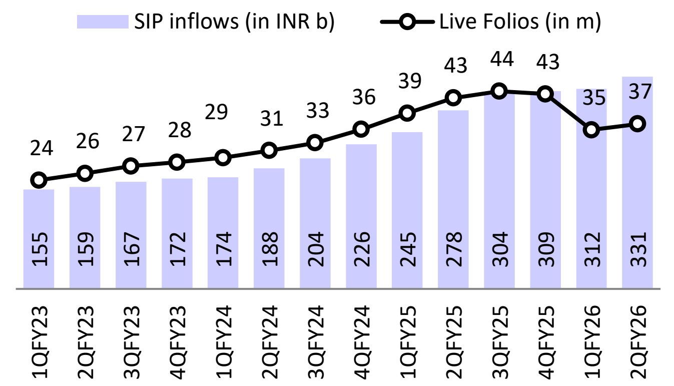
## Story in charts

**Exhibit 1: Equity mix remained steady on a YoY basis**



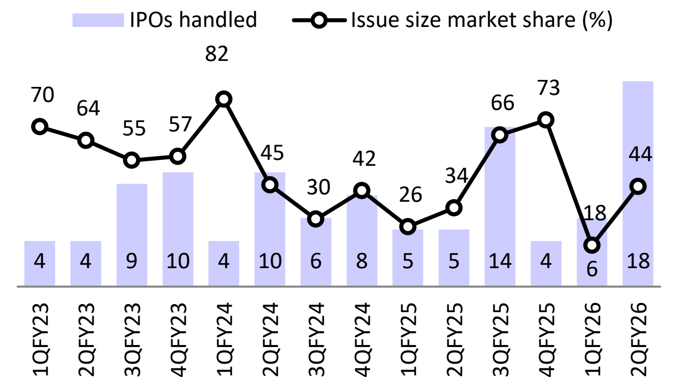

Source: Company, MOFSL

**Exhibit 2: SIP inflows on the rise**



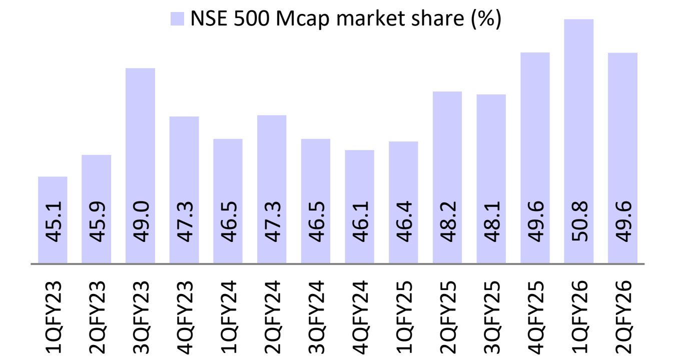

Source: Company, MOFSL

**Exhibit 3: IPO market share rose in 2QFY26**



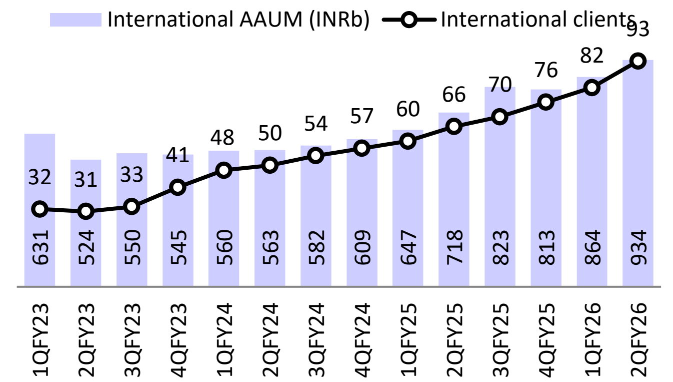

Source: Company, MOFSL

**Exhibit 4: NSE 500 market share declined sequentially**



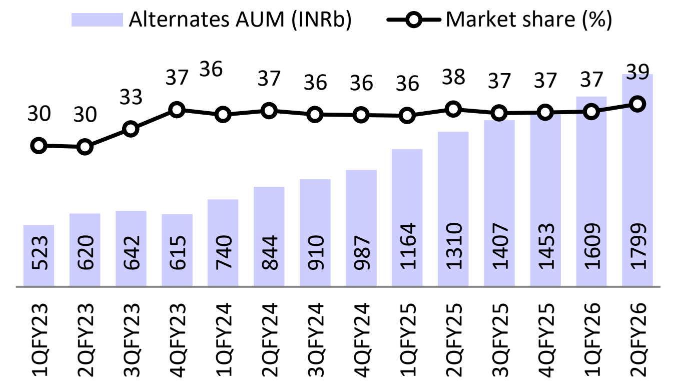

Source: Company, MOFSL

**Exhibit 5: International business growing gradually**



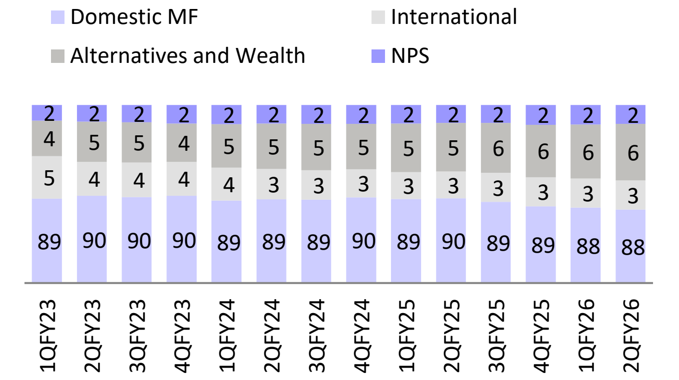

Source: Company, MOFSL

**Exhibit 6: Alternates market share rose in 2QFY26**

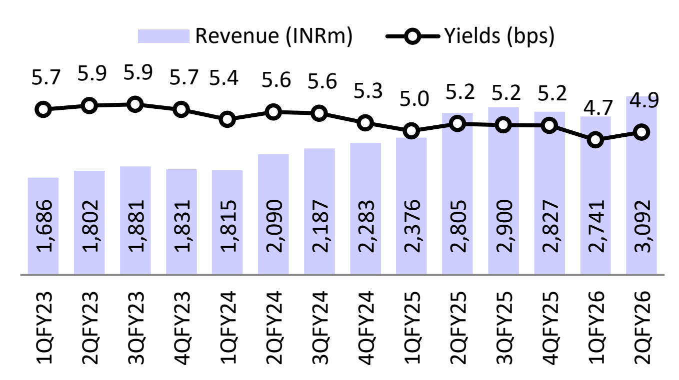



Source: Company, MOFSL

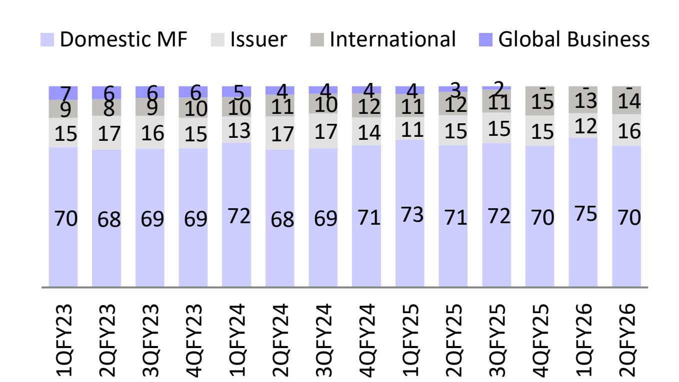
### Exhibit 7: AUM mix dominated by MF (%)



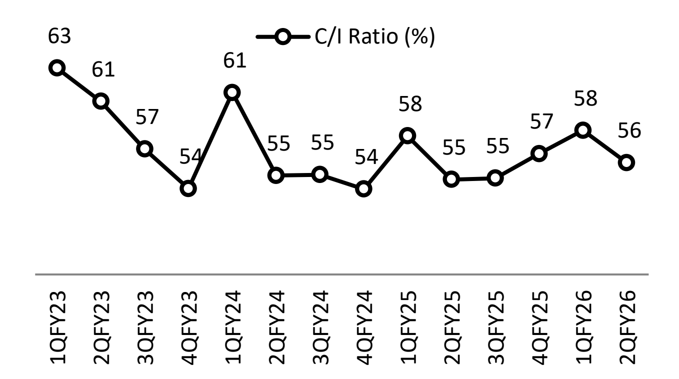

### Exhibit 8: Yields rose sequentially in 2QFY26



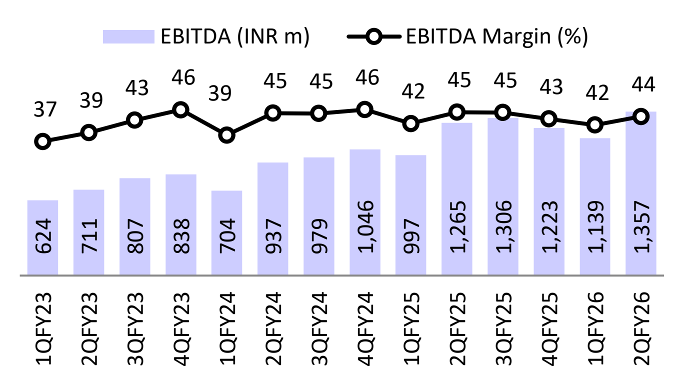

### Exhibit 9: MF business dominated the revenue mix (%)




### Exhibit 10: C/I ratio stood at 56% in 2QFY26

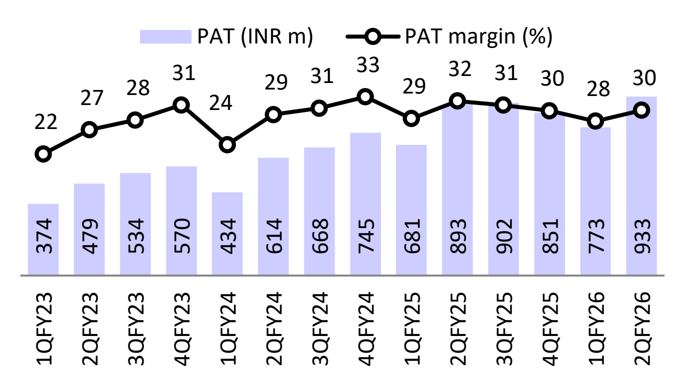



### Exhibit 11: EBITDA margin stood at 44% in 2QFY26



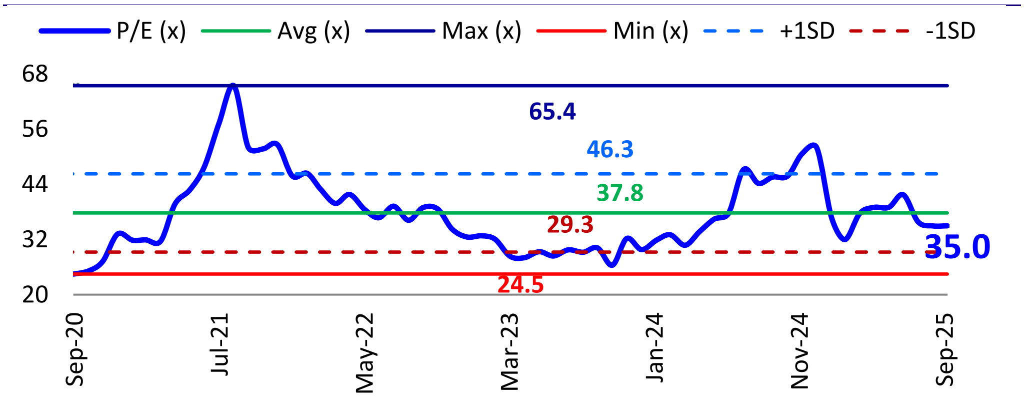

Source: MOFSL, Company

### Exhibit 12: PAT trend




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 | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| Revenue | 4,499 | 4,811 | 6,395 | 7,200 | 8,375 | 10,908 | 12,360 | 14,425 | 16,879 |
| Change (%) | 177 | 7 | 33 | 13 | 16 | 30 | 13 | 17 | 17 |
| Employee expense | 1,940 | 1,886 | 2,325 | 2,894 | 3,197 | 4,033 | 4,678 | 5,520 | 6,514 |
| Other expenses | 973 | 801 | 1,192 | 1,326 | 1,513 | 2,085 | 2,314 | 2,592 | 2,903 |
| Operating Expenses | 2,912 | 2,687 | 3,517 | 4,220 | 4,709 | 6,118 | 6,992 | 8,112 | 9,416 |
| **EBITDA** | **1,586** | **2,124** | **2,879** | **2,980** | **3,666** | **4,790** | **5,368** | **6,313** | **7,463** |
| Change (%) | 142 | 34 | 36 | 4 | 23 | 31 | 12 | 18 | 18 |
| Depreciation/Interest | 1,455 | 1,499 | 899 | 573 | 615 | 691 | 779 | 814 | 850 |
| Other Income | 54 | 51 | 61 | 175 | 247 | 377 | 445 | 512 | 589 |
| **PBT** | **185** | **675** | **2,040** | **2,582** | **3,298** | **4,476** | **5,034** | **6,012** | **7,201** |
| Change (%) | 33 | 265 | 202 | 27 | 28 | 36 | 12 | 19 | 20 |
| Tax | 140 | 1,320 | 555 | 625 | 813 | 1,150 | 1,309 | 1,503 | 1,800 |
| Tax Rate (%) | 185 | 844 | -58 | 13 | 30 | 41 | 14 | 15 | 20 |
| **PAT** | **45** | **-645** | **1,486** | **1,957** | **2,485** | **3,326** | **3,725** | **4,509** | **5,401** |
| Change (%) | -49 | -1,526 | -330 | 32 | 27 | 34 | 12 | 21 | 20 |
| Dividend | | | | | 983 | 1,291 | 1,710 | 2,052 | 2,052 |

**Balance Sheet**

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| Equity | 1,508 | 1,508 | 1,676 | 1,692 | 1,710 | 1,721 | 1,710 | 1,710 | 1,710 |
| Reserves | 2,587 | 1,956 | 4,768 | 7,010 | 8,717 | 11,067 | 12,663 | 14,777 | 18,126 |
| **Net Worth** | **4,096** | **3,464** | **6,443** | **8,702** | **10,427** | **12,788** | **14,373** | **16,487** | **19,836** |
| Borrowings | 4,132 | 3,825 | 1,597 | 1,599 | 487 | 465 | 488 | 513 | 539 |
| Other Liabilities | 456 | 1,937 | 2,224 | 2,212 | 3,274 | 4,256 | 4,823 | 5,321 | 5,484 |
| **Total Liabilities** | **8,683** | **9,226** | **10,264** | **12,514** | **14,187** | **17,509** | **19,684** | **22,321** | **25,859** |
| Cash and Bank balance | 178 | 235 | 452 | 870 | 2,517 | 1,704 | 1,650 | 1,726 | 1,711 |
| Investments | 135 | 949 | 931 | 2,286 | 1,498 | 4,617 | 5,309 | 6,105 | 7,326 |
| Net Fixed Assets | 6,915 | 6,321 | 7,031 | 7,311 | 8,010 | 8,324 | 9,573 | 11,009 | 12,660 |
| Current Assets | 1,063 | 1,305 | 1,406 | 1,667 | 1,940 | 2,634 | 2,888 | 3,176 | 3,812 |
| Other non-current assets | 392 | 416 | 444 | 379 | 221 | 230 | 265 | 304 | 350 |
| **Total Assets** | **8,684** | **9,226** | **10,264** | **12,513** | **14,187** | **17,509** | **19,684** | **22,321** | **25,859** |

E: MOFSL Estimates

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| **AAAUM (INR b)** | **7,233** | **9,105** | **11,067** | **12,408** | **15,330** | **21,178** | **25,202** | **29,739** | **35,092** |
| Change (%) | 12% | 26% | 22% | 12% | 24% | 38% | 19% | 18% | 18% |
| Equity | **3,433** | **4,471** | **5,842** | **6,838** | **8,618** | **9,567** | **11,098** | **13,317** | **15,980** |
| Non-Equity | 3,800 | 4,634 | 5,226 | 5,570 | 6,712 | 11,612 | 14,105 | 16,422 | 19,111 |

# Financials and valuations

**Cashflow Statement**

| Y/E March | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| PAT | 45 | -645 | 1,486 | 1,957 | 2,460 | 3,326 | 3,725 | 4,509 | 5,401 |
| Change in Accumulated Depreciation | 922 | 980 | 370 | 467 | 530 | 645 | 735 | 771 | 810 |
| Finance cost | 533 | 520 | 529 | 106 | 84 | 47 | 45 | 42 | 40 |
| Other Income | -54 | -51 | -61 | -175 | -247 | -377 | -445 | -512 | -589 |
| **Change in Working Capital** | **-436** | **1,214** | **157** | **-209** | **-36** | **-29** | **-140** | **-173** | **-518** |
| **Cashflow from Operation** | **1,011** | **2,018** | **2,481** | **2,147** | **2,792** | **3,611** | **3,919** | **4,638** | **5,145** |
| Other Income | 54 | 51 | 61 | 175 | 247 | **377** | **445** | **512** | **589** |
| Change in Investments | 980 | -814 | 18 | -1,355 | 787 | -3,118 | -692 | -796 | -1,221 |
| Change in Loans | -218 | -306 | -2,227 | 3 | -1,112 | -21 | 23 | 24 | 26 |
| Change in Fixed Asset | -510 | -386 | -1,081 | -747 | -1,230 | **-958** | **-1,983** | **-2,207** | **-2,461** |
| **Cashflow from Investing** | **306** | **-1,455** | **-3,228** | **-1,923** | **-1,308** | **-3,720** | **-2,207** | **-2,467** | **-3,068** |
| Change in Reserves | -1,142 | 13 | 1,494 | 301 | 1,230 | 633 | -11 | 0 | 0 |
| Interest Expense | -533 | -520 | -529 | -106 | -84 | **-47** | **-45** | **-42** | **-40** |
| Dividend Expense | 0 | 0 | 0 | 0 | -983 | **-1,291** | **-1,710** | **-2,052** | **-2,052** |
| **Cashflow from Financing** | **-1,675** | **-506** | **965** | **195** | **163** | **-705** | **-1,765** | **-2,094** | **-2,092** |
| Net Cashflow | -359 | 57 | 218 | 419 | 1,647 | -814 | -54 | 76 | -15 |
| Opening Cash | 536 | 178 | 235 | 452 | 870 | 2,517 | 1,704 | 1,650 | 1,726 |
| **Closing Cash** | **178** | **235** | **452** | **870** | **2,517** | **1,704** | **1,650** | **1,726** | **1,711** |

| Valuations | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|---|---|
| BVPS (INR) | 24 | 20 | 38 | 51 | 61 | 75 | 84 | 97 | 116 |
| Change (%) | -21.1 | -15.4 | 86.0 | 35.1 | 19.8 | 22.6 | 12.4 | 14.7 | 20.3 |
| Price-BV (x) | **49.0** | **57.9** | **31.1** | **23.0** | **19.2** | **15.7** | **14.0** | **12.2** | **10.1** |
| EPS (INR) | 0.3 | -3.8 | 8.7 | 11.5 | 14.6 | 19.5 | 21.8 | 26.4 | 31.6 |
| Change (%) | | | | 31.8 | 26.9 | 33.9 | 12.0 | 21.0 | 19.8 |
| Price-Earnings (x) | | | **135.0** | **102.5** | **80.7** | **60.3** | **53.8** | **44.5** | **37.1** |
| DPS (INR) | | | | | 5.8 | 8.8 | 13.1 | 15.8 | 19.0 |
| Dividend Yield (%) | | | | | **0.5** | **0.7** | **1.1** | **1.3** | **1.6** |

E: MOFSL Estimates

# N O T E S

| Explanation of Investment Rating | |
|---|---|
| **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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