18 October 2025

2QFY26 Results Update | Sector: Financials

UTI AMC

Estimate change	↓
TP change	↑
Rating change	↔

Bloomberg	UTIAM IN
Equity Shares (m)	128
M.Cap.(INRb)/(USDb)	180.4 / 2.1
52-Week Range (INR)	1472 / 891
1, 6, 12 Rel. Per (%)	2/29/4
12M Avg Val (INR M)	302

Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
AAUM	3,363	3,820	4,500
MF Yield (bp)	34.2	32.9	32.1
Rev from Ops	14.5	15.7	18.1
Core PAT	4.9	3.9	6.6
PAT	8.1	7.0	9.9
PAT (bp as AAUM)	24	18	22
Core EPS	39	30	52
EPS	64	55	78
EPS Grw. (%)	1	-14	43
BVPS	405	422	445
RoE (%)	16	13	18
Div. Payout (%)	74	70	70
Valuations			
Mcap/AUM (%)	5.3	4.7	4.0
P/E (x)	22.0	25.6	17.9
P/BV (x)	3.5	3.3	3.1
Div. Yield (%)	3.4	2.7	3.9

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	59.5	59.7	60.7
FII	7.7	7.9	6.3
Others	32.8	32.4	33.1

FII includes depository receipts

CMP: INR1,407 TP: INR1,700 (+21%) Buy

PAT below est. due to a one-off; VRS to impact 2HFY26 PAT

- UTI AMC's 2QFY26 operating revenue came in at INR 3.9b (in-line), reflecting growth of 5% YoY/3% QoQ. Yield on management fees came in at 41.2bp in 2QFY26 vs. 43.6bp in 2QFY25 (42bp in 1QFY26). For 1HFY26, operating revenue grew 8% YoY to INR7.7b.
- Total opex came in at INR2.4b, registering a growth of 27% YoY (14% above estimates), driven by 38% YoY growth in employee expenses. EBITDA stood at INR1.5b (17% miss) in 2QFY26 (-19% YoY/-14% QoQ), while EBITDA margin was 38.1% in 2QFY26 vs. 49% in 2QFY25.
- A one-time impact on employee expenses and a 55% miss in other income resulted in a 27% miss on PAT, which stood at INR1.3b in 2QFY26 (-50% YoY), and core PAT at INR1.1b. Excluding the one-time impact, core PAT was at INR1.3b. For 1HFY26, PAT declined 28% YoY to INR3.9b.
- Assuming 50% adoption for the VRS scheme, we expect FY26 employee costs to rise 47% YoY and then dip 28% YoY in FY27. Conversely, the assumption on the tax rate has increased from 23% earlier to 26% and 27% in FY26 and FY27, respectively.
- Considering a gradual improvement in the flow momentum and adjusting for VRS as well as higher taxation, we expect UTI AMC to report a CAGR of 26%/20%/27% in AUM/revenue/core PAT over FY25-28. **Reiterate BUY with a one-year TP of INR1,700 (based on 30x core Sep'27E EPS).**

MF yields continue to dip

- Total MF QAAUM grew 10% YoY/ 5% QoQ to INR3.8t. Equity/ETFs/Index/ Debt funds saw a YoY growth of 1%/9%/22%/21% for the quarter.
- Equity QAAUM contributed 26% to the mix in 2QFY26 vs. 29% in 2QFY25. The debt/liquid schemes contributed 7%/14% to the mix in 1QFY26 (6%/14% in 2QFY25), while hybrid schemes contributed 7% to the mix (6% in 2QFY25). ETFs contributed 32% to the mix (32.5% in 2QFY25).
- The MF segment yield dipped to 33bp (35bp in 2QFY25), as the contribution in equity declined. Going forward, the same is expected to improve, backed by improving fund performance of equity schemes and a higher equity SIP book, driving the equity AUM contribution upwards.
- Overall net inflows for UTI were INR57b vs. INR35b in 2QFY25 and INR99b in 1QFY26. Equity/ETFs & Index/Liquid schemes garnered inflows of INR5b/ INR49b/INR24b while income schemes witnessed outflows of INR21b.
- Gross inflows mobilized through SIPs stood at INR23.4b in 2QFY26, with the SIP AUM increasing to INR422.7b (+6% YoY). Live folios increased slightly to 13.6m as of the end of Sep'25.
- The overall MF AAUM market share declined to 4.9% from 5.2% in Sep'24. UTI AMC's market share in Passive/NPS AUM was stable at 13%/25%. The market share in Equity/Hybrid/Cash & Arbitrage/Debt Funds stood at 3%/ 4%/4%/3% in Sep'25.

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- The distribution mix in QAAUM remained largely stable in 2Q, with the direct channel dominating the mix with a 69% share, followed by MFDs at 23% and BND at 7%. However, with respect to equity AUM, MFDs contributed 56% to the distribution mix.
- As bp of QAAUM, the cost increased YoY to 25.5bp in 2QFY26 (vs. 22.2bp in 2QFY25), and the cost-to-income ratio increased to 62% (from 51% in 2QFY25). This was mainly driven by 38% YoY growth in employee expenses to INR1.6b (22% higher than estimates) and 10% YoY growth in other expenses to INR817m (in line).
- Other income at INR314m (55% miss) witnessed a decline of 81% YoY. Total investments as of Sep’25 dipped sequentially to INR38.6b (INR43.3b in 1QFY26), with 68%/17%/9%/7% being segregated into MFs/Offshore/Venture Funds/G-Sec/Bonds.
- The number of digital transactions during the quarter grew 18% YoY to 5.3m, while online gross sales were at ~90%.

Yields improve in the UTI International and UTI Capital segments

- Total Group AUM stood at INR22.4t, up 11% YoY, of which MF AUM stood at INR3.8t, up 10% YoY. Non-MF AUM grew 11% YoY to INR18.6t, with PMS AUM growing 11% YoY to INR14.5t, and UTI Pension AUM growing 16% YoY to INR3.9t. UTI International/ UTI Capital AUM declined 7%/21% YoY to INR28b/INR236b.
- Yields on PMS/Pension businesses largely remained stable YoY, while yields improved YoY for International/Capital businesses to 58bp/75bp.

Key takeaways from the management commentary

- The Board has approved the appointment of Vetri Subramaniam (currently CIO, associated since 2017) as the MD & CEO effective 1st Feb’26. The current CEO will transition to an advisor role until 12th Jun’26 to ensure a seamless handover.
- Steady growth was witnessed in both liquid and non-liquid categories. Value-oriented schemes have delivered strong three-year and five-year performances, while growth-oriented schemes have improved over the past year.
- SIF has been identified as a potential differentiator. However, distribution remains a challenge due to certification requirements for partners. The company is building in-house certified teams and a dedicated SIF branch to prepare for launch, and will time the launch once distribution architecture and market understanding mature.

VRS to hit FY26 earnings

- UTI AMC is implementing a VRS scheme for its employees, and of its 1,400 employees, ~476 are eligible for the same. The average payout for each employee is ~INR6.5m, while the average salary for the eligible employees is INR3m.
- We assume a 50% adoption, and accordingly, the gross hit for 3QFY26 would be INR1,547m. Assuming that the exits happen in the middle of the quarter, the salary cost savings for these employees would be INR89m, while from 4QFY26, the benefit would be INR178m per quarter (highlighted in Exhibit 1).

- Further, the company has guided for an increase in the tax rate, as the amortization of the VRS costs has to be over a period of five years for tax computation. For FY26, we are assuming 26%, and for FY27, we are assuming a 27% tax rate. Resultantly, our earnings for FY26 are being cut by 20%, while FY27/FY28 estimates broadly remain unchanged as a higher tax rate is offset by employee cost savings.

Valuation and view:

- UTI AMC continues to deliver a steady and broad-based performance across its mutual fund, pension, and international businesses. The core AMC operations have seen consistent growth in AUM, supported by a diversified product mix with a strong tilt toward equity, healthy SIP inflows, and robust retail traction.
- Going forward, improving the performance of equity schemes will be key for a rise in contributions from equity schemes, resulting in yield improvement. While earnings of FY26 will be impacted by VRS implementation and a higher tax rate, the same will result in cost savings from FY27 onwards on the employee expense front.
- Considering gradual improvement in flow momentum and adjusting for VRS as well as higher taxation, we expect UTI to report a CAGR of 26%/20%/27% in AUM/revenue/core PAT over FY25-28E. **We reiterate our BUY rating with a one-year TP of INR1,700 (based on 30x core Sep'27E EPS).**

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E	2Q FY26E	Act vs. Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Revenue from Operations	3,368	3,730	3,754	3,602	3,793	3,900	3,979	4,073	14,453	15,745	3,916	0	4.6	2.8
Change YoY (%)	19.1	27.9	29.4	13.4	12.6	4.6	6.0	13.1	22.3	8.9	5.0			
Fees & Commission	6	6	7	8	8	8	10	13	26	38	9	-14	24.2	0.0
Employee Expenses	1,137	1,153	1,128	1,162	1,292	1,588	2,736	1,093	4,580	6,709	1,305	22	37.7	23.0
Other expenses	638	742	714	899	770	817	768	765	2,992	3,121	801	2	10.2	6.1
Total Operating Expenses	1,781	1,901	1,848	2,068	2,069	2,413	3,514	1,871	7,598	9,868	2,114	14	26.9	16.6
Change YoY (%)	6.0	10.2	4.9	10.2	16.2	26.9	90.2	-9.5	7.9	29.9	11.2			
EBITDA	**1,587**	**1,829**	**1,906**	**1,534**	**1,724**	**1,487**	**465**	**2,202**	**6,856**	**5,877**	**1,802**	**-17**	**-18.7**	**-13.7**
EBITDA margin (%)	47.1	49.0	50.8	42.6	45.4	38.1	11.7	54.1	47.4	37.3	46	-787bp	-1090bp	-731bp
Other Income	1,970	1,671	451	158	1,693	314	1,000	1,158	4,249	4,166	700	-55.1	-81.2	-81.4
Depreciation	112	112	113	118	123	127	130	130	455	510	125	1.6	13.0	3.5
Finance Cost	32	31	32	33	34	33	33	27	127	127	34	-2.1	8.5	-2.1
PBT	**3,413**	**3,357**	**2,212**	**1,540**	**3,260**	**1,641**	**1,302**	**3,202**	**10,522**	**9,406**	**2,343**	**-30**	**-51.1**	**-49.7**
Tax Provisions	670	726	476	520	722	319	404	1,001	2,392	2,446	539	-41	-56.0	-55.8
Net Profit	**2,743**	**2,631**	**1,736**	**1,020**	**2,539**	**1,322**	**898**	**2,201**	**8,130**	**6,960**	**1,804**	**-27**	**-49.7**	**-47.9**
Change YoY (%)	17.0	43.9	-14.6	-43.8	-7.5	-49.7	-48.2	115.8	1.4	-14.4	-31.4			
Core PAT	**1,160**	**1,321**	**1,382**	**916**	**1,220**	**1,069**	**208**	**1,405**	**4,779**	**3,903**	**1,265**	**-15**	**-19.1**	**-12.4**
Change YoY (%)	39.1	50.1	76.3	-4.6	5.2	-19.1	-84.9	53.5	38.2	-18.3	-4.3			

Key Operating Parameters (%)	1Q FY25	2Q FY25	3Q FY25	4Q FY25	1Q FY26	2Q FY26	3Q FY26	4Q FY26	FY25	FY26E	2Q FY26E	Act vs. Est. (%)	YoY	QoQ
Revenue / AUM (bp)	43.4	43.6	42.6	42.4	42.0	41.2	40.9	40.7	46.5	43.6	42	47bp	-233bp	-82bp
Opex / AUM (bp)	22.9	22.2	21.0	24.3	22.9	25.5	36.1	18.7	24.5	27.3	22	49bp	331bp	257bp
PAT / AUM (bp)	35.3	30.7	19.7	12.0	28.1	14.0	9.2	22.0	26.2	19.3	19	899bp	-1675bp	-1416bp
Cost to Operating Income Ratio	52.9	51.0	49.2	57.4	54.6	61.9	88.3	45.9	52.6	62.7	54.0	56bp	1090bp	731bp
EBITDA Margin	47.1	49.0	50.8	42.6	45.4	38.1	11.7	54.1	47.4	37.3	46.0	-56bp	-1090bp	-731bp
Tax Rate	19.6	21.6	21.5	33.8	22.1	19.4	31.0	31.3	22.7	26.0	23.0	-87bp	-218bp	-269bp
PAT Margin	81.4	70.5	46.2	28.3	66.9	33.9	22.6	54.0	56.2	44.2	46.1	2086bp	-3664bp	-3303bp
Core PAT Margin	34.4	35.4	36.8	25.4	32.2	27.4	5.2	34.5	33.1	24.8	32.3	-13bp	-802bp	-476bp

Financials & Valuation (INR b)	New Estimates			Old Estimates			Change in estimates		
Y/E March	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
AAUM (INRb)	3,820	4,500	5,304	3,807	4,485	5,285	0%	0%	0%
MF Yield (bp)	32.9	32.1	31.3	33.4	32.6	31.8	-5bp	-5bp	-5bp
Rev from Ops	15.7	18.1	20.8	15.8	18.2	20.9	0%	0%	0%
Core PAT	3.9	6.6	8.0	5.1	6.5	8.1	-24%	2%	-2%
PAT	7.0	9.9	11.5	8.7	10.1	11.9	-20%	-1%	-3%
PAT(bp as AAUM)	18	22	22	23	22	23	-46bp	-4bp	-8bp
Core EPS	30	52	62	40	51	64	-24%	2%	-2%
EPS	55	78	90	68	79	94	-20.0%	-1.3%	-3.4%
EPS Grw.	-14	43	16	7	16	18			
BVPS	422	445	472	426	450	478	-1%	-1%	-1%
RoE (%)	13	18	20	16	18	20	-32bp	-1bp	-5bp
Div. Payout (%)	70	70	70	70	70	70	0bp	0bp	0bp
Valuations									
Mcap/AUM (%)	4.7	4.0	3.4	4.4	3.7	3.2			
P/E (x)	25.6	17.9	15.5	19.2	16.6	14.0			
P/BV (x)	3.3	3.1	3.0	3.1	2.9	2.8			
Div. Yield (%)	2.7	3.9	4.5	3.6	4.2	5.0			

Exhibit 1: VRS to result in an additional hit of INR1.5b in 3QFY26; this is adjusted for cost savings owing to 50% employees exercising VRS

VRS working	
Eligible employees (nos)	476
Avg VRS amount (INR m)	6.5
Adoption	50%
VRS Hit (INR m)	1,547
Avg salary (INR m)	3
Cost savings for one quarter's salary	89
Net additional hit in 3QFY26	1,458

Source: MOFSL, Company

CONFERENCE CALL

Key takeaways from the management commentary

Management Change

- The Board has approved the appointment of Vetri Subramaniam (currently CIO, associated since 2017) as the MD & CEO effective 1st Feb'26.
- The current CEO will transition to an advisor role until 12th Jun'26 to ensure a seamless handover.

Business Overview

- Expanded presence across both B30 and Top 30 markets; B30 cities contribute ~80% of AUM and continue to be the key growth driver.
- UTI Multi Cap Fund, launched in May 2025, has achieved an AUM of INR15.8b.
- Steady growth was witnessed in both liquid and non-liquid categories. Value-oriented schemes have delivered strong three-year and five-year performances, while growth-oriented schemes have improved over the past year.
- Continued investment in technology infrastructure, leveraging AI/ML with a strong focus on cybersecurity. Partnered with ONDC, making UTI AMC's offerings accessible on its platform.
- Hybrid and multi-asset schemes will remain central to growth strategy.
- SIF has been identified as a potential differentiator. However, distribution remains a challenge due to certification requirements for partners. The company is building in-house certified teams and a dedicated SIF branch to prepare for launch, and will time the launch once distribution architecture and market understanding mature.
- Fintech partnerships are being developed to enhance digital distribution and customer experience.

Product & Distribution

- Hybrid category flows moderated to INR4b in 1HFY26. The company remains focused on multi-asset and aggressive hybrid strategies, expecting better traction in 2H on improved distributor engagement.
- Balanced Advantage Fund is gaining traction despite being a newer offering; management expects stronger acceptance once the three-year track record is established.
- 75% of SIPs sourced through digital channels; MFDs contribute ~50% of total SIP flows.
- Focused on financial literacy and deeper engagement with distributors to strengthen market share.
- Conservative stance in sectoral/thematic schemes impacted short-term flows, but management expects improvement in core equity performance to drive long-term SIP market share recovery.
- Historically, flows pick up meaningfully in the second year after sustained improvement in 3-year performance — similar to the 2021–2022 trend.

Financial Performance

- 476 employees (one-third of the total workforce) are eligible under VRS; of these, 351 are in sales. VRS cost of INR250m was provided for in 2QFY26.

Average VRS payout is INR0.6–0.65m per employee. The eligible employees have an average existing payout of INR0.28–0.3m.

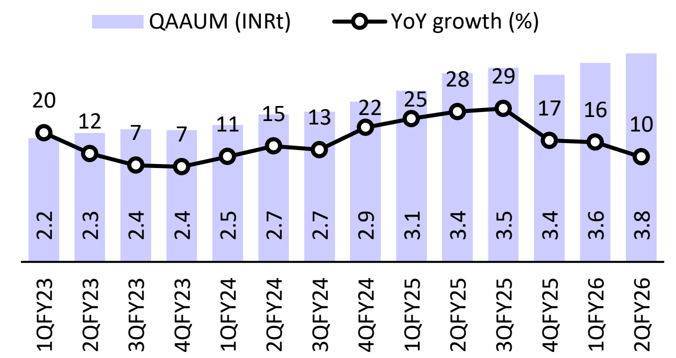
- The entire VRS cost would be booked in 3QFY26, and the same will be amortized over five years, leading to an increase in tax rate to 26-27% for FY26.
- Employee cost bump-up also includes INR65m actuarial impact due to salary revisions.
- Excluding VRS, cost growth remains normal; normalization is expected over the remaining year.
- Increase in other expenses due to CSR expense (cash basis); overall, other expenses are expected to grow at 7–8%.
- Efficiency measures include branch rationalization — 75 new branches opened without overall cost escalation. Focus remains on cost optimization and redeployment of savings toward new business initiatives.
- Equity yield: 75bp, ETF yield: 8bp, Debt yield: 18–19bp (temporarily moderated due to higher shorter-duration schemes). Yields expected to improve as equity SIP book scales up.

Non-Mutual Fund Businesses

- UTI Pension Fund is on its way to expanding its footprint from 31 to 40 branches. Filed four new schemes (equity and dynamic) in Tier 1 and Tier 2 categories.
- UTI International has rebranded to UTI Investment and made senior hires across regions for expansion. AUM decline due to scheme maturities, redemptions, and MTM losses; growth schemes performing better, expected to attract inflows as sentiment improves. India-focused products are yet to see large global allocations, but sales efforts are ongoing to capitalize when flows return.
- UTI Alternates, exited SDOC-1 and launched SDOC-4 (₹15bn) in 2QFY26. SDOC-2 and 3 remain in the investment phase. Exploring opportunities to leverage domestic fund management capabilities for offshore mandates, especially in the Alternates business.

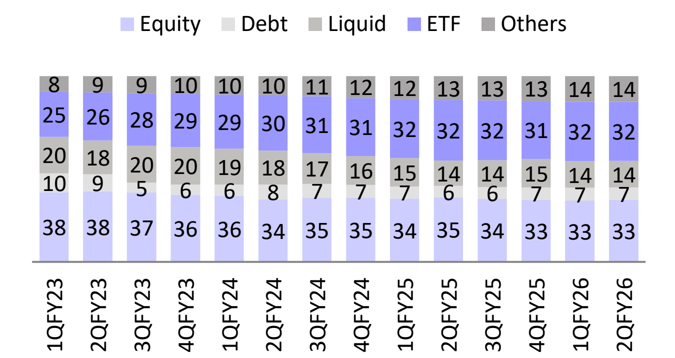
Key exhibits

Exhibit 2: AUM growth at 10% YoY



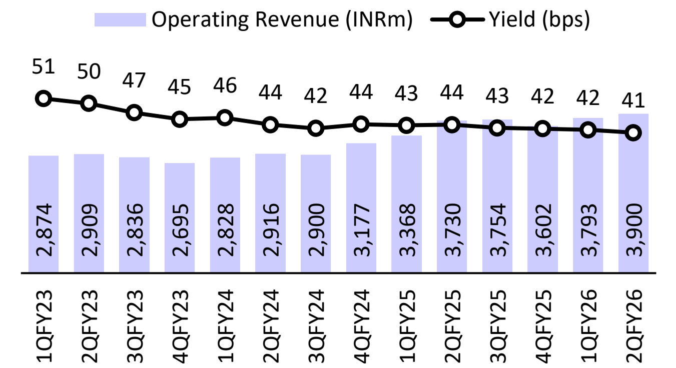
Source: MOFSL, Company

Exhibit 3: AUM mix (%)



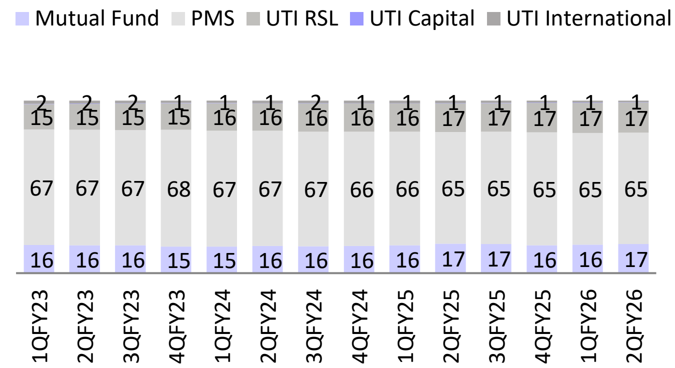
Source: MOFSL, Company

Exhibit 4: Yields decline sequentially



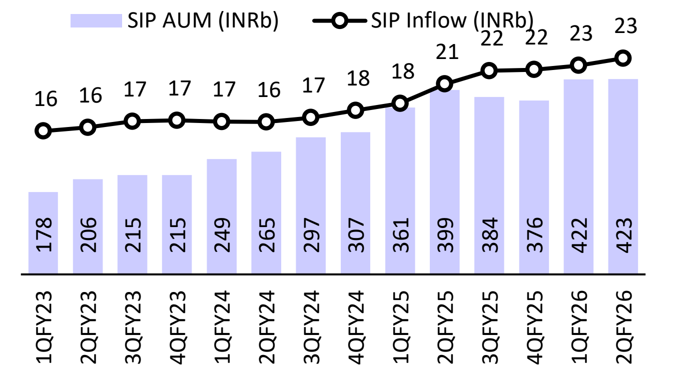
Source: MOFSL, Company

Exhibit 5: Overall AUM mix segment-wise (%)



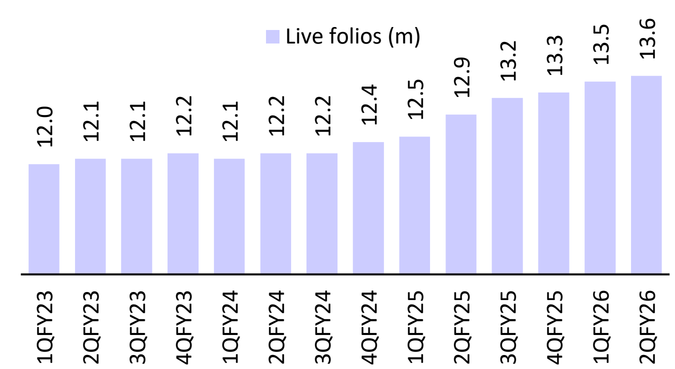
Source: MOFSL, Company

Exhibit 6: SIP flows rose sequentially



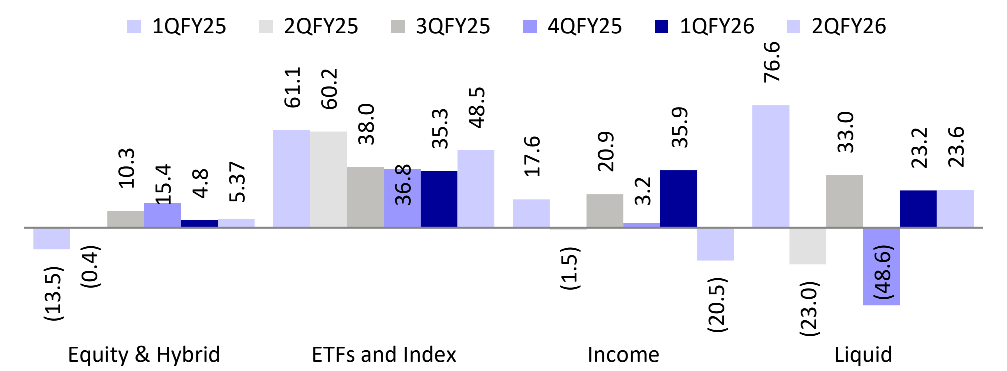
Source: MOFSL, Company

Exhibit 7: Live folios rising



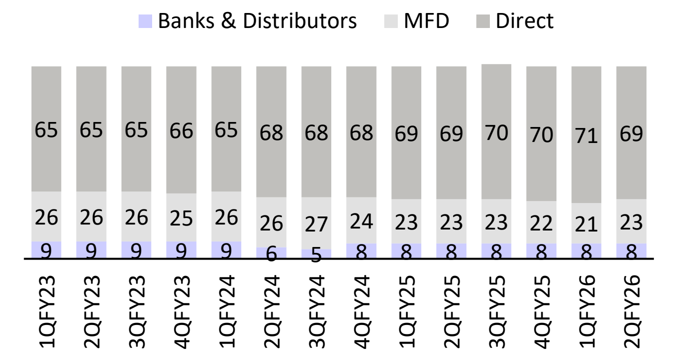
Source: MOFSL, Company

Exhibit 8: Net equity inflows remain positive in 2QFY26 (INR b)



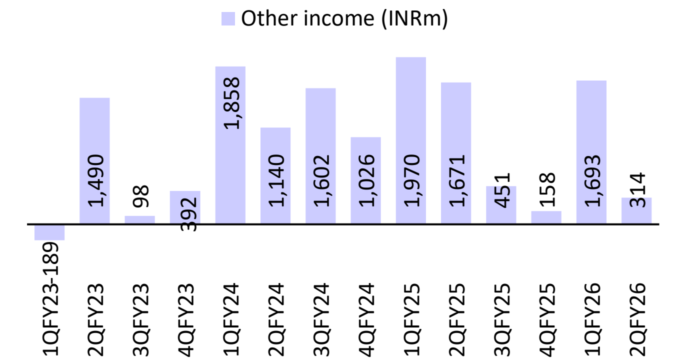
Source: MOFSL, Company

Exhibit 9: Distribution mix (%)



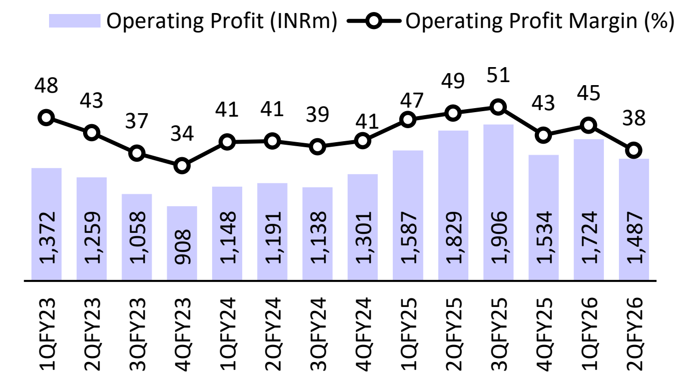
Source: MOFSL, Company

Exhibit 10: Other income declined in 2QFY26 to INR314m



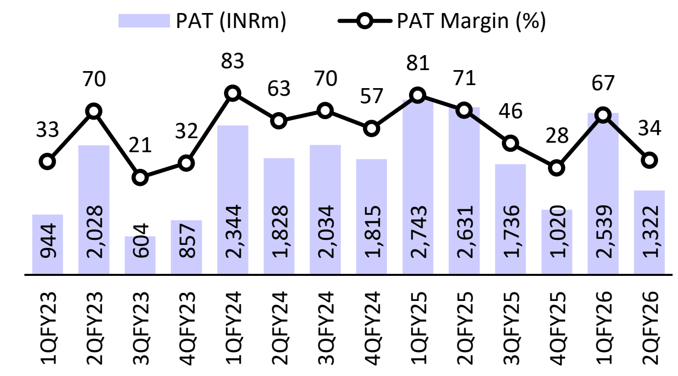
Source: MOFSL, Company

Exhibit 11: Trend in operating profit



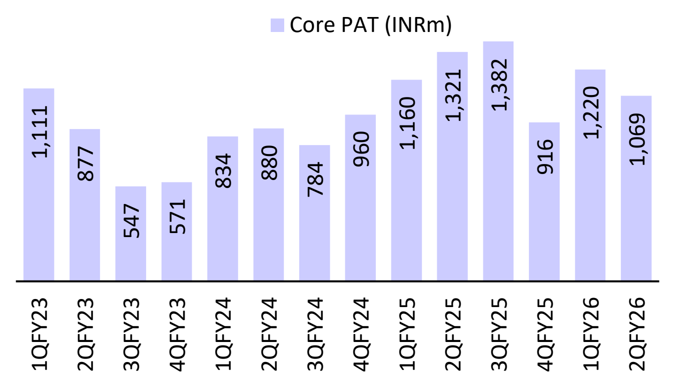
Source: MOFSL, Company

Exhibit 12: PAT margin stood at 34% in 2QFY26



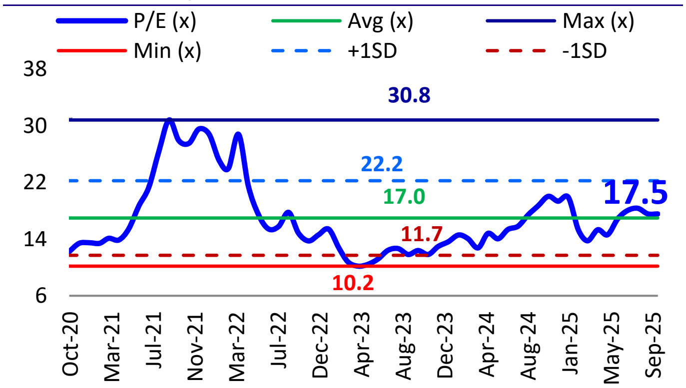
Source: MOFSL, Company

Exhibit 13: Trend in core PAT



Source: MOFSL, Company

Exhibit 14: 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
Investment management fees	7,879	8,066	11,189	11,314	11,821	14,453	15,745	18,085	20,771
Change (%)	-11.5	2.4	38.7	1.1	4.5	22.3	8.9	14.9	14.9
Operating Expenses	5,057	5,253	6,211	6,550	7,036	7,495	9,868	8,246	9,006
Core Operating Profits	**2,822**	**2,812**	**4,978**	**4,764**	**4,785**	**6,958**	**5,877**	**9,839**	**11,764**
Change (%)	-16.6	-0.3	77.0	-4.3	0.4	45.4	-15.5	67.4	19.6
Dep/Interest/Provisions	398	438	460	495	535	583	637	678	722
Core PBT	**2,424**	**2,374**	**4,518**	**4,269**	**4,250**	**6,375**	**5,240**	**9,161**	**11,042**
Change (%)	-19.5	-2.1	90.3	-5.5	-0.5	50.0	-17.8	74.8	20.5
Other Income	1,031	3,663	2,084	1,587	5,619	4,146	4,166	4,654	4,944
PBT	**3,454**	**6,036**	**6,602**	**5,856**	**9,868**	**10,522**	**9,406**	**13,815**	**15,986**
Change (%)	-29.7	74.7	9.4	-11.3	68.5	6.6	-10.6	46.9	15.7
Tax	690	1,087	1,257	1,459	1,848	2,392	2,446	3,868	4,476
Tax Rate (%)	20.0	18.0	19.0	24.9	18.7	22.7	26.0	28.0	28.0
PAT before non-controlling interest	**2,765**	**4,949**	**5,346**	**4,397**	**8,020**	**8,130**	**6,960**	**9,947**	**11,510**
Change (%)	-20.5	79.0	8.0	-17.7	82.4	1.4	-14.4	42.9	15.7
Less: Non-controlling interest	35	0	0	0	0	0	0	0	0
PAT	**2,730**	**4,949**	**5,346**	**4,397**	**8,020**	**8,130**	**6,960**	**9,947**	**11,510**
Change (%)	-22.6	81.3	8.0	-17.7	82.4	1.4	-14.4	42.9	15.7
Core PAT	1,905	**1,946**	**3,658**	**3,206**	**3,454**	**4,926**	**3,878**	**6,596**	**7,950**
Change (%)	-12.6	2.1	88.0	-12.4	7.7	42.6	-21.3	70.1	20.5
Dividend (incl. tax)	888	2,155	2,666	2,794	5,983	6,143	4,872	6,963	8,057

Balance Sheet									INR m
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Equity Share Capital	1,268	1,268	1,270	1,270	1,273	1,280	1,280	1,280	1,280
Reserves & Surplus	26,465	31,102	34,907	37,409	48,460	50,324	52,412	55,396	58,849
Net Worth	**27,733**	**32,370**	**36,177**	**38,678**	**49,732**	**51,603**	**53,691**	**56,675**	**60,128**
Borrowings	0	0	0	0	0	0	0	0	0
Other Liabilities	3,816	4,279	3,701	3,071	3,678	4,981	5,337	6,004	6,792
Total Liabilities	**31,549**	**36,649**	**39,877**	**41,749**	**53,411**	**56,584**	**59,028**	**62,679**	**66,921**
Cash and Investments	24,857	29,631	33,862	36,143	48,744	51,843	53,916	56,957	60,545
Change (%)	3.7	19.2	14.3	6.7	34.9	6.4	4.0	5.6	6.3
Loans	**374**	**252**	**136**	**115**	**86**	**74**	**81**	**93**	**106**
Change (%)	32.9	-32.8	-46.0	-15.7	-25.0	-14.0	8.9	14.9	14.9
Net Fixed Assets	3,529	3,545	3,560	3,683	2,886	2,971	3,184	3,508	3,833
Net Current Assets	2,789	3,221	2,320	1,809	1,694	1,696	1,847	2,122	2,437
Total Assets	**31,549**	**36,649**	**39,877**	**41,749**	**53,410**	**56,584**	**59,028**	**62,679**	**66,921**

E: MOFSL Estimates

									(INR m)
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
AAAUM (INR B)	**1,552**	**1,593**	**2,112**	**2,344**	**2,699**	**3,363**	**3,820**	**4,500**	**5,304**
Change (%)	-2.5	2.6	32.6	11.0	15.1	24.6	13.6	17.8	17.9
Equity (Including Hybrid)	34.3	34.9	38.7	37.2	34.6	34.0	33.3	33.4	33.4
Debt	18.0	17.3	12.9	7.5	7.1	6.5	6.7	6.5	6.3
Liquid	28.7	22.6	18.5	19.4	17.3	14.6	14.2	13.5	12.8
Others	18.9	25.2	30.0	35.8	41.0	44.9	45.8	46.6	47.5

E: MOFSL Estimates

Financials and valuations

Cash Flow Statement									INR m
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Cash flow from operations	**2,922**	**5,879**	**6,110**	**4,803**	**8,832**	**9,187**	**7,693**	**10,886**	**12,553**
PBT	3,454	6,036	6,602	5,856	9,868	10,522	9,406	13,815	15,986
Depreciation and amortization	313	358	368	399	423	455	510	551	595
Tax Paid	(690)	(1,087)	(1,257)	(1,459)	(1,848)	(2,392)	(2,446)	(3,868)	(4,476)
Deferred tax	83	519	(723)	(134)	255	295	(70)	(63)	(57)
Interest, dividend income (post-tax)	(144)	(74)	(79)	(178)	(281)	(317)	-	-	-
Interest expense (post-tax)	68	66	74	72	92	98	94	92	92
Working capital	(163)	61	1,123	246	324	526	199	360	414
Cash from investments	**(1,362)**	**(4,347)**	**(2,464)**	**(3,112)**	**(12,316)**	**(1,377)**	**(2,991)**	**(3,680)**	**(4,269)**
Capex	(434)	(374)	(383)	(522)	374	(541)	(723)	(875)	(919)
Interest, dividend income (post-tax)	144	74	79	178	281	317	-	-	-
Investments	(1,073)	(4,047)	(2,160)	(2,768)	(12,972)	(1,154)	(2,268)	(2,805)	(3,350)
Cash from financing	**(1,609)**	**(665)**	**(1,722)**	**(2,102)**	**3,112**	**(5,965)**	**(4,838)**	**(6,864)**	**(7,923)**
Equity	(264)	3	4	(114)	5,854	(232)	-	-	-
Debt	(93)	(286)	(108)	(134)	170	392	128	190	225
Interest costs	(68)	(66)	(74)	(72)	(92)	(98)	(94)	(92)	(92)
Dividend paid	(888)	(2,155)	(2,666)	(2,794)	(5,983)	(6,143)	(4,872)	(6,963)	(8,057)
Others	(296)	1,840	1,123	1,012	3,163	116	-	-	-
Change of cash	**(49)**	**867**	**1,924**	**(411)**	**(372)**	**1,845**	**(136)**	**343**	**361**
Cash start	1,242	1,193	2,060	3,983	3,572	3,200	5,045	4,908	5,251
Cash end	1,193	2,060	3,983	3,572	3,200	5,045	4,908	5,251	5,612
FCFF	**2,488**	**5,505**	**5,727**	**4,280**	**9,206**	**8,646**	**6,970**	**10,011**	**11,634**

Valuations	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
BVPS (INR)	218	254	284	304	391	405	422	445	472
Change (%)	5.0	16.7	11.8	6.9	28.6	3.8	4.0	5.6	6.1
Price-BV (x)	**6.4**	**5.5**	**4.9**	**4.6**	**3.6**	**3.5**	**3.3**	**3.1**	**3.0**
EPS (INR)	21.7	38.9	42.0	34.5	63.0	63.9	54.7	78.1	90.4
Change (%)	-20.5	79.0	8.0	-17.7	82.4	1.4	-14.4	42.9	15.7
Price-Earnings (x)	**64.5**	**36.1**	**33.4**	**40.6**	**22.3**	**22.0**	**25.6**	**17.9**	**15.5**
Core EPS (INR)	15.0	15.3	28.7	25.2	27.1	38.7	30.5	51.8	62.5
Change (%)	-12.6	2.1	88.0	-12.4	7.7	42.6	-21.3	70.1	20.5
Core Price-Earnings (x)	**93.7**	**91.7**	**48.8**	**55.7**	**51.7**	**36.2**	**46.0**	**27.1**	**22.4**
DPS (INR)	7.0	17.0	21.0	22.0	47.0	48.0	38.1	54.4	63.0
Dividend Yield (%)	**0.5**	**1.2**	**1.5**	**1.6**	**3.4**	**3.4**	**2.7**	**3.9**	**4.5**

E: MOFSL Estimates

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