

Financials - NBFCs

Result Preview



Company

Aavas Financiers
Bajaj Finance
Bajaj Housing
Can Fin Homes
Chola Inv. & Fin.
CreditAccess Grameen
Five Star Business Finance
Fusion Microfinance
HomeFirst
HDB Financial
IIFL Finance
Jio financial services Limited
L&T Finance Holdings
LIC Housing Finance
M&M Financial Services
Manappuram Finance
MAS Financial Services
Muthoot Finance
Northern Arc Capital Limited
PNB Housing Finance
Poonawalla Fincorp
Power finance Corporation
Repco Home Finance
Rural Electrification Corporation
Shriram Finance
Spandana Sphoorty

No visible impact of war but acid test from Apr/May'26 onward

Loan growth and asset quality healthy; CoB to remain sideways amid hardening yields

- Seasonally strong demand trends in 4QFY26:** We expect ~10% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs. Vehicle financiers are projected to report ~16% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~50% YoY growth. NBFC-MFIs are estimated to post AUM growth of 10% QoQ, while diversified lenders are expected to deliver ~27% YoY growth in AUM. For our NBFC coverage universe, we estimate loan growth of ~16% YoY/~4.8% QoQ as of Mar'26.
- Loan growth remained strong during the quarter, supported by the seasonality and a recovery in demand following GST cuts. Gold financiers are expected to deliver another quarter of robust loan growth, while disbursements in the vehicle finance segment are likely to remain strong (but for some, early signs of weakness in CV in the last 10 days of the quarter), driven by steady demand momentum. Disbursements in unsecured segments, including personal and business loans, also regained traction during the quarter. MFIs witnessed a pickup in disbursements, resulting in AUM growth after 4-6 quarters of contraction, although growth is expected to remain risk-calibrated and disciplined. Disbursements for both large HFCs and AHFCs remained healthy; however, competitive intensity from banks, particularly PSU banks, persisted during the quarter.
- Limited benefit on CoF; NIMs to remain range-bound:** Interest rates in debt markets have increased, which could impact the NIM trajectory for NBFCs in the coming quarters. Further, borrowing costs for most NBFCs are expected to remain stable, contrary to earlier expectations of a decline, due to hardening bond yields and the lack of MCLR transmission by banks. In some cases, banks are even demanding higher interest rates, citing macroeconomic uncertainties.
- Asset quality improves across segments; MFIs see further improvement in PAR accretion:** Asset quality improved across product segments during the quarter, supported by typical seasonal trends. However, companies remain cautious given the ongoing war and its potential implications. The conflict could lead to a spike in oil prices, driving higher inflation, and may also impact export-oriented MSMEs. These factors could, in turn, affect borrower cash flows and pose risks to asset quality going forward. The real acid test in collections will come from Apr-May'26 onward, and a few NBFCs might choose to calibrate their disbursements/loan growth in line with the evolving asset quality.
- Earnings growth of ~30% YoY for our coverage universe:** We estimate ~15%/16% YoY growth in NII/PPoP in 4QFY26 for our NBFC coverage universe and PAT is expected to grow ~30% YoY. Excluding NBFC-MFIs, we estimate ~26% YoY growth in PAT for our coverage universe. Stock price performance of vehicle financiers could exhibit higher volatility given the risk on growth and asset quality from higher crude prices amid the ongoing war. We prefer diversified lenders and our top picks in the sector are SHFL, ABCL, LTF and PNBHF.

HFCs: Healthy disbursements and AUM growth; asset quality improves

- Disbursement momentum remained healthy for both large HFCs and AHFCs during the quarter, supported in part by the 4Q seasonality. However, large HFCs continued to face heightened competitive intensity, with banks becoming increasingly aggressive over the past 2-3 quarters by offering home loans at significantly lower rates. As a result, large HFCs are likely to witness pressure on NIMs, driven by yield compression amid intensifying competition in the prime segment, along with the pass-through of PLR cuts to borrowers, leading to margin compression.
- Affordable HFCs have also announced PLR cuts, effective from 4QFY26, to pass on the benefit of lower funding costs. Competitive intensity has been rising in this segment as well, which could weigh on new business yields in the affordable housing segment.
- Asset quality improved during the quarter for both large and AHFCs and hence credit costs are expected to remain benign during the quarter.
- For LICHF, we expect credit costs at ~17bp (vs. ~20bp in 3QFY26). Margins are expected to decline ~5bp QoQ. We expect LICHF to report 4% YoY growth in loans. We expect BHFL to report AUM growth of 23% YoY. We expect margins for BHFL to remain stable QoQ.
- We forecast HomeFirst to report ~21% YoY growth in disbursements, leading to AUM growth of ~25% YoY. Asset quality is expected to improve for both HomeFirst and Aavas. Aavas reported disbursements and AUM growth of 16% and 15%, respectively.
- We estimate PNBHF to deliver ~15% YoY growth in total loan book as of Mar'26. For PNBHF, we expect NIM to contract ~5bp QoQ. Asset quality improvement and recoveries from the written-off pool in both Retail/Corporate could potentially again result in provision write-backs (like in the prior quarters).
- For Five Star, loan growth and disbursements remain subdued, as the company has consciously chosen to adopt a cautious stance amid ongoing deterioration in asset quality. We expect disbursements to decline 17% YoY and grow 25% QoQ, translating into ~12% YoY growth in AUM. We expect credit costs to increase to ~1.6% from ~1.5% in 3QFY26.

Vehicle finance: Demand momentum sustains; asset quality improves

- MMFS reported disbursements of ~INR172b in 4QFY26 (up ~11% YoY), leading to ~12% YoY growth in business assets. For MMFS, we expect credit costs at ~1.4% in 4QFY26 (vs. 1.5% in 3Q).
- For CIFIC and SHTF, we expect disbursement growth of 20%/13% YoY, which should translate into ~21%/15% YoY growth in AUM for CIFIC/SHTF in FY26.
- Disbursement momentum in the vehicle finance segment remained intact, with demand remaining strong in 4Q after picking up in 3Q following GST cuts and festive tailwinds. Demand was healthy across segments, including PVs and two-wheelers, with the tractor segment continuing to outperform. There were some early signs of weakness in CV in the last 10 days of the quarter, potentially driven by supply chain disruptions from the ongoing war.
- After nearly 2-3 quarters, asset quality in the vehicle finance segment is showing signs of improvement, which is expected to lead to a moderation in credit costs during the quarter.

Gold finance: Strong growth in gold loans; Volatile prices leading to calibration

- We expect gold loan financiers to deliver robust growth in 4QFY26. While we expect MGFL in its standalone entity to have delivered strong gold loan growth, the non-gold segment is expected to remain subdued due to ongoing asset quality challenges. We expect ~95%/52% YoY gold loan growth for MGFL/MUTH.
- MGFL is likely to witness margin compression as it has been targeting high-ticket gold loans and has cut its gold loan rates in line with its stated strategy. We expect margins to contract ~40bp YoY for MUTH and ~30bp QoQ for MGFL.
- Credit costs for both Asirvad and Belstar appear to have peaked around two quarters ago and are expected to moderate further in 4QFY26, with more meaningful normalization likely from FY27 onward.

MFIs: Disbursements pick up; asset quality continues to improve

- Disbursement momentum has picked up for MFI lenders, leading to sequential AUM growth after several quarters of portfolio rundown. However, lenders continue to follow a more risk-calibrated approach to disbursements, with strict adherence to MFIN guardrails and overall risk discipline. We expect QoQ AUM growth of ~11%/6%/12.5% for CREDAG/Fusion/Spandana in 4QFY26.
- Asset quality in the MFI segment continued to improve during the quarter, with a corresponding improvement in PAR levels. Additionally, there was no impact from the MFI Bill in Bihar, with collection efficiencies remaining strong in Feb-Mar'26. Overall, asset quality and collection efficiencies for MFI companies are holding up well, with no further signs of deterioration.
- We expect a sequential decline in credit costs for MFIs. We estimate annualized credit costs of ~4.8%/~3.8%/1.1% for CREDAG/Fusion/Spandana in this quarter.

Diversified financiers: Healthy growth with unsecured loans regaining momentum; asset quality improves

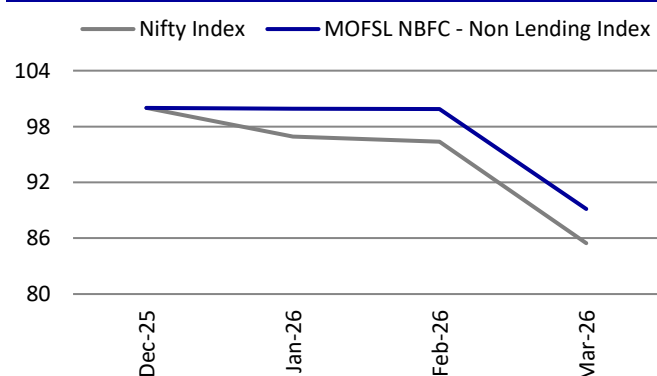
- BAF delivered AUM growth of ~22% YoY/5.3% QoQ. We estimate margins to decline 5bp QoQ for BAF, with credit costs at ~190bp (vs. 230bp in 4QFY25).
- We expect JIOFIN to deliver an AUM growth of 145% YoY in FY26 in its lending business. Operational metrics across all its businesses (particularly in Jio Credit) will improve. We estimate consolidated PAT to grow 30% YoY to INR4.1b.
- For HDBFIN, we expect disbursements to grow ~10% YoY and expect loan growth of 11% YoY. We expect NIM to remain stable QoQ. Credit cost is likely to decline 20bp QoQ to 2.3%.
- LTF reported loan growth of ~26% YoY/6.5% QoQ in retail loans. Since the company is not growing its wholesale segments (such as real estate and infrastructure), we expect consolidated loan book to grow by ~6% QoQ in 4QFY26. We estimate credit costs to decline ~10bp QoQ to 2.6%.
- Poonawalla is expected to report AUM growth of ~77% YoY/14.5% QoQ with total AUM at INR630b. We expect credit costs to decline ~10bp QoQ to ~2.6%.
- For IIFL Finance, we expect the strong growth in gold loan AUM to sustain in 4QFY26. We expect MFI AUM to grow 8% QoQ and expect consolidated AUM growth of 37% YoY. We estimate PAT (post MI) of ~INR5.34b in 4Q (vs. INR4.64b in 3QFY26).
- Northern Arc is expected to report AUM growth of ~22% YoY/10% QoQ with total AUM at INR166b. We expect credit costs to decline ~130bp QoQ to ~2.4%.

Power financiers: Muted loan growth; asset quality improves, driven by stressed asset resolutions

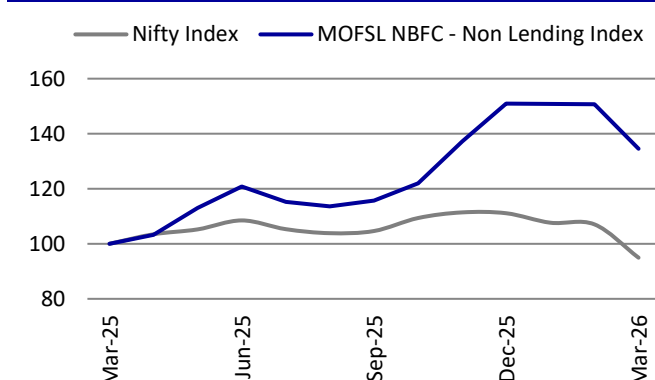
- Disbursements and AUM growth among power financiers were muted during the quarter. REC's disbursements are expected to decline 2% YoY, leading to muted AUM growth of 3% YoY. Asset quality is expected to improve, driven by resolution of stressed assets (i.e., Sinnar thermal) and could result in provision write-backs for both PFC and REC in 4QFY26.
- For PFC, we expect disbursements to decline 12% YoY, leading to loan book growth of ~10% YoY.

Exhibit 1: Quarterly performance

Name	CMP (INR)	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
			Mar-26	Variance YoY (%)	Variance QoQ (%)	Mar -26	Variance YoY (%)	Variance QoQ (%)	Mar -26	Variance YoY (%)	Variance QoQ (%)
AAVAS Financiers	1,138	Neutral	3,126	15.5	4.4	2,370	18.0	4.3	1,840	19.7	8.2
Bajaj Finance	826	Neutral	1,18,326	20.7	4.5	96,884	21.6	7.0	56,331	23.9	38.5
Bajaj Housing	78	Neutral	9,923	20.6	3.0	9,047	20.7	-1.8	6,948	18.4	4.5
Can Fin Homes	822	Neutral	4,324	24.1	2.7	3,652	24.0	4.0	2,949	26.1	11.4
Chola. Inv & Fin.	1,357	Buy	38,663	26.5	8.0	29,085	24.7	10.0	15,241	20.3	18.4
CreditAccess	1,180	Buy	10,612	21.1	8.8	7,764	22.5	14.1	3,323	-	31.8
Five-Star Business	361	Buy	6,023	7.7	-0.8	4,214	6.3	-1.1	2,676	-4.1	-3.4
Fusion Finance	148	Buy	2,350	-12.7	-1.8	1,269	40.8	35.6	691	-	391.9
HDB Financial	579	Neutral	2,449	41.9	4.3	2,130	46.3	8.1	1,503	43.6	7.2
Home First Fin.	961	Buy	23,674	20.0	3.6	17,096	27.8	8.7	7,578	42.7	17.7
IIFL Finance	435	Buy	16,630	26.6	5.1	11,333	72.2	6.6	5,339	157.1	15.0
Jio Financial Services	230	Buy	4,323	61.3	48.2	4,854	29.9	37.2	4,123	30.4	53.3
L&T Finance	240	Buy	26,670	24.0	5.1	18,009	26.5	3.3	7,944	24.9	7.6
LIC Housing Fin	517	Neutral	20,952	-3.3	-0.3	18,951	0.9	-0.1	13,584	-0.7	-1.8
M & M Financial	285	Buy	22,982	19.2	-0.3	16,187	33.5	5.1	8,418	49.5	3.9
Manappuram Finance	255	Neutral	14,222	-1.6	9.5	6,411	-6.2	-2.4	2,567	-	7.6
MAS Financial	291	Buy	1,680	3.4	-1.2	1,671	10.3	3.0	961	18.9	6.4
Muthoot Finance	3,178	Neutral	48,670	67.6	9.0	40,392	88.1	9.4	28,377	88.2	6.8
Northern ARC	220	Buy	4,023	14.7	1.2	2,427	5.9	-8.1	1,173	205.7	15.4
PNB Housing	784	Buy	7,863	8.0	2.6	6,715	3.9	6.9	5,770	4.8	10.9
PFC	493	Buy	56,360	-4.6	0.5	65,501	0.1	9.9	57,967	13.5	21.7
Poonawalla Fincorp	393	Buy	10,917	78.9	18.5	7,000	110.3	32.7	2,512	303.1	67.2
REC	324	Buy	53,475	-13.3	1.4	49,690	-19.4	-4.9	43,856	3.5	8.5
Repco Home Fin	364	Neutral	1,951	14.2	-0.7	1,403	7.2	5.1	1,179	2.5	8.4
Shriram Finance	892	Buy	67,782	21.8	3.1	51,445	18.7	10.1	27,817	30.0	10.3
Spandana Sphoorty	199	Neutral	1,342	-34.6	15.2	-74	-129.5	-88.9	-86	-	-
NBFC			5,79,311	15.4	4.3	4,75,424	15.7	6.5	3,10,559	30.1	17.0

Exhibit 2: Relative performance — three months (%)


Source: Bloomberg, MOFSL

Exhibit 3: Relative performance — one year (%)


Source: Bloomberg, MOFSL

Exhibit 4: Changes in EPS estimates for FY26/FY27/FY28

Company	Old Estimates			New Estimates			Change (%)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
AAVAS	83.0	97.3	115.9	83.0	95.9	114.7	-	-1.5	-1.0
BAF	31.3	41.0	51.5	31.3	40.0	50.3	-0.3	-2.4	-2.2
Bajaj Housing	3.1	3.9	4.7	3.1	3.8	4.6	-0.9	-1.9	-3.1
CANF	77.3	80.7	93.5	77.7	78.8	92.2	0.5	-2.4	-1.3
CIFC	60.2	76.9	97.3	60.0	73.4	94.2	-0.4	-4.6	-3.2
CRE DAG	49.0	92.0	110.5	48.4	92.6	112.8	-1.4	0.7	2.0
Five Star Business	37.8	42.8	49.8	37.3	41.0	47.7	-1.4	-4.2	-4.2
FUSION	-1.9	19.3	24.0	-1.9	18.7	22.7	-	-3.5	-5.4
HomeFirst	52.8	63.2	75.4	52.5	62.3	73.2	-0.6	-1.5	-3.0
HDB Financial	30.8	38.4	46.6	30.7	36.4	44.4	-0.2	-5.1	-4.8
IIFL Fin	37.9	51.7	66.4	37.9	49.9	64.4	0.1	-3.5	-2.9
Jio Financials	2.6	3.6	5.4	2.6	3.6	5.4	-	-	-
LTFH	11.7	15.9	20.3	11.5	15.5	19.6	-1.6	-2.3	-3.5
LIC HF	99.5	102.3	109.6	99.1	102.3	109.6	-0.4	-	-
MMFSL	20.1	24.1	28.4	19.8	23.3	27.9	-1.5	-3.6	-1.7
MASFIN	20.0	25.0	30.2	19.8	24.4	29.4	-0.7	-2.2	-2.5
Muthoot	245.2	283.2	316.5	246.2	282.6	318.6	0.4	-0.2	0.7
MGFL	10.3	21.3	29.9	10.4	19.5	26.8	1.5	-8.5	-10.5
Northern Arc	23.9	33.1	43.1	24.1	32.5	43.9	0.5	-1.6	1.7
PNBHF	84.7	90.4	109.4	85.1	90.3	107.5	0.4	-0.1	-1.7
PFC	59.0	60.9	68.3	59.2	60.1	67.2	0.3	-1.4	-1.7
PFL	6.7	18.0	30.5	6.7	17.5	29.8	-	-2.7	-2.4
REC	63.4	68.1	75.8	61.9	69.7	77.3	-2.4	2.4	2.1
REPCO	70.1	74.5	83.7	70.6	72.8	81.6	0.6	-2.3	-2.5
SHFL	52.4	55.3	70.1	51.9	53.7	68.7	-0.9	-3.0	-2.0
SPANDANA	-87.3	18.9	42.2	-89.1	18.6	41.5	-	-1.6	-1.6

Exhibit 5: Margin trends for MOFSL coverage universe

Name of the company	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26E	YoY (bp)	QoQ (bp)
AAVAS	6.9	6.8	7.0	7.1	7.0	13	-6
BAF	9.6	9.5	9.5	9.6	9.5	-11	-4
Bajaj Housing	3.5	3.4	3.5	3.5	3.3	-13	-15
CANF	3.7	3.8	4.1	4.2	4.2	48	-1
CIFC	6.8	6.8	6.9	7.0	7.1	32	14
Credag	13.8	13.9	14.4	14.9	15.2	134	28
Five Star	19.4	19.0	18.8	18.8	18.4	-106	-47
Fusion	12.2	14.4	14.7	15.5	15.5	326	1
HomeFirst	5.1	5.2	5.4	6.0	6.1	99	8
HDB Financial	7.6	7.7	7.9	8.1	8.1	55	2
IIFL Fin	7.0	6.4	6.6	6.7	6.5	-55	-25
Jio financial	4.5	4.3	4.2	3.9	-	-	-391
LTHF	10.0	10.5	10.3	10.4	10.3	26	-8
LIC HF	2.9	2.7	2.6	2.7	2.6	-22	-5
MMFSL	6.6	6.7	6.8	7.2	7.0	43	-20
MGFL	13.5	12.8	12.4	10.8	10.5	-300	-29
MASFIN	7.6	7.7	7.7	7.8	7.6	-5	-29
Muthoot	11.7	12.6	13.2	13.2	12.8	113	-39
Northern Arc	11.5	10.7	11.0	11.4	10.7	-77	-70
PNBHF	3.7	3.7	3.6	3.6	3.6	-15	-6
PFC	4.5	3.9	3.7	3.9	3.8	-72	-10
PFL	7.8	7.7	7.7	7.6	7.7	-11	10
REC	4.3	3.8	3.7	3.6	3.6	-70	3
REPCO	5.3	5.4	5.4	5.5	5.4	13	-6
SFL	8.6	8.6	8.7	9.2	9.1	51	-6
Spandana	12.3	10.5	10.8	13.1	13.9	162	81

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Aavas Financiers Neutral

CMP: INR1,138 | TP: INR1,240 (+9%)
EPS CHANGE (%): FY26|27|28: -|-1.5|-1.0

- AUM/disbursements grew ~15%/16% YoY.
- We expect NIMs to decline by ~5bp QoQ. Upfront assignment income is estimated at ~INR730m.
- Asset quality improved, and credit costs are likely to remain benign.
- Commentaries on loan growth and margin trajectory are the key monitorables.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	4,797	4,906	5,121	5,353	5,489	5,636	5,738	5,972	20,177	22,836
Interest Expenses	2,352	2,489	2,587	2,647	2,713	2,755	2,745	2,846	10,075	11,060
Net Income	2,446	2,418	2,533	2,705	2,776	2,881	2,993	3,126	10,102	11,776
YoY Growth (%)	8	9	15	14	14	19	18	16	11	17
Other income	628	898	859	1,022	790	1,038	1,008	1,126	3,407	3,962
Total Income	3,074	3,316	3,392	3,728	3,566	3,919	4,001	4,252	13,509	15,738
YoY Growth (%)	10	13	16	15	16	18	18	14	13	16
Operating Expenses	1,379	1,368	1,447	1,719	1,662	1,727	1,730	1,881	5,912	7,000
YoY Growth (%)	3	5	7	20	21	26	19	9	9	18
Operating Profits	1,695	1,948	1,945	2,009	1,904	2,192	2,272	2,370	7,597	8,738
YoY Growth (%)	16	19	23	10	12	12	17	18	17.1	15.0
Provisions	86	48	61	76	113	80	78	63	271	333
Profit before Tax	1,609	1,900	1,884	1,932	1,791	2,112	2,193	2,308	7,326	8,404
Tax Provisions	348	421	420	395	399	473	493	468	1,585	1,832
Profit after tax	1,261	1,479	1,464	1,537	1,392	1,639	1,700	1,840	5,741	6,572
YoY Growth (%)	15	22	26	8	10	11	16	20	17.0	14.5

Bajaj Finance Neutral

CMP INR826 | TP: INR900 (+9%)
EPS CHANGE (%): FY26|27|28: -0.3|-2.4|-2.2

- BAF delivered AUM growth of 22% YoY/5% QoQ.
- Margin is likely to decline ~5bp QoQ to ~9.5%.
- Credit costs (as % of AUM) may decline to ~1.9%.
- Commentaries on NIM trajectory and credit costs are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	1,40,492	1,49,870	1,57,682	1,63,591	1,71,447	1,77,960	1,86,565	1,95,751	6,11,636	7,31,722
Interest expenses	56,839	61,493	63,856	65,520	69,177	70,113	73,387	77,425	2,47,708	2,90,102
Net Interest Income	83,653	88,377	93,826	98,072	1,02,270	1,07,847	1,13,178	1,18,326	3,63,928	4,41,621
YoY Growth (%)	24.5	22.8	22.6	22.4	22.3	22.0	20.6	20.7	23.0	21.3
Other Operating Income	20,531	21,084	22,901	21,096	23,831	23,848	25,581	25,478	85,612	98,738
Net Income	1,04,185	1,09,461	1,16,727	1,19,168	1,26,101	1,31,695	1,38,759	1,43,805	4,49,540	5,40,359
YoY Growth (%)	24.1	23.8	25.5	22.7	21.0	20.3	18.9	20.7	24.0	20.2
Operating Expenses	34,709	36,390	38,670	39,493	41,230	42,959	48,215	46,921	1,49,261	1,79,325
Operating Profit	69,475	73,071	78,057	79,675	84,871	88,736	90,543	96,884	3,00,279	3,61,033
YoY Growth (%)	25.3	25.2	27.1	24.3	22.2	21.4	16.0	21.6	25.5	20.2
Provisions and Cont.	16,847	19,091	20,433	23,289	21,202	22,688	36,255	21,474	79,660	1,01,618
Profit before Tax	52,654	54,015	57,624	56,474	63,676	66,081	54,311	75,410	2,20,796	2,59,416
Tax Provisions	13,534	13,877	14,572	11,018	16,023	16,604	13,651	19,095	53,002	65,373
Net Profit	39,120	40,137	43,052	45,456	47,653	49,478	40,660	56,315	1,67,795	1,94,043
YoY Growth (%)	13.8	13.0	18.3	18.9	21.8	23.3	-5.6	23.9	16.0	15.8

Bajaj Housing Finance

Neutral
CMP INR78 | TP: INR88 (+13%)
EPS CHANGE (%): FY26|27|28: -0.9|-1.9|-3.1

- BHFL reported AUM growth of 23% YoY/5.5% QoQ.
- Margins are expected to decline ~10bp QoQ to ~3.25%.
- Credit costs are expected to remain benign at 15bp in 4Q.
- Commentaries on NIM trajectory and loan growth are the key monitorables.

Quarterly performance

Particulars	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	20,635	22,269	23,220	23,737	24,926	26,144	26,973	27,892	89,862	1,05,935
Interest expense	13,988	15,137	15,159	15,509	16,060	16,580	17,335	17,968	59,793	67,943
Net interest income	6,648	7,133	8,060	8,228	8,866	9,565	9,638	9,923	30,069	37,992
Growth YoY (%)	9.7	13.0	24.9	30.9	33.4	34.1	19.6	20.6	19.7	26.4
Other operating income	1,452	1,833	1,270	1,343	1,259	1,406	1,887	1,455	5,898	6,006
Net total income	8,100	8,966	9,331	9,571	10,125	10,970	11,525	11,378	35,967	43,998
Growth YoY (%)	15.3	17.9	25.1	33.4	25.0	22.4	23.5	18.9	23.0	22.3
Operating expenses	1,701	1,840	1,846	2,078	2,145	2,147	2,316	2,331	7,464	8,939
Operating profits	6,399	7,126	7,485	7,493	7,980	8,823	9,209	9,047	28,503	35,060
Growth YoY (%)	20.1	20.1	30.8	43.1	24.7	23.8	23.0	20.7	28.3	23.0
Provisions	100	50	355	296	411	497	564	520	801	1,991
Profit before tax	6,299	7,076	7,130	7,198	7,569	8,327	8,645	8,528	27,702	33,069
Tax expenses	1,473	1,620	1,650	1,331	1,736	1,897	1,997	1,579	6,073	7,209
Net profit	4,826	5,456	5,480	5,867	5,833	6,430	6,649	6,948	21,629	25,860
Growth YoY (%)	4.5	20.9	25.4	53.8	20.9	17.8	21.3	18.4	24.9	19.6

Can Fin Homes

Neutral
CMP INR822 | TP: INR915 (+11%)
EPS CHANGE (%): FY26|27|28: 0.5|-2.4|-1.3

- Estimate loan book to grow ~10% YoY.
- Spreads are expected to remain stable QoQ at ~3.55%.
- Margin is expected to remain stable QoQ at 4.2%.
- Commentaries on loan growth and outlook on NIM in a declining rate environment are the key monitorables.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	9,242	9,553	9,803	9,829	10,111	10,432	10,631	10,891	38,426	42,065
Interest Expenses	6,027	6,155	6,356	6,343	6,483	6,386	6,422	6,567	24,882	25,858
Net Interest Income	3,214	3,398	3,447	3,485	3,628	4,046	4,210	4,324	13,544	16,207
YoY Growth (%)	12.7	7.3	4.8	6.3	12.9	19.1	22.1	24.1	7.6	19.7
Other income	70	74	58	168	93	63	100	176	370	432
Total Income	3,284	3,472	3,506	3,653	3,721	4,109	4,310	4,500	13,915	16,639
YoY Growth (%)	12.8	7.6	4.4	6.3	13.3	18.3	22.9	23.2	7.6	19.6
Operating Expenses	488	594	593	707	682	762	799	848	2,382	3,091
YoY Growth (%)	12.3	13.3	20.0	-1.7	39.7	28.4	34.7	19.9	9.6	29.8
Operating Profits	2,796	2,878	2,913	2,946	3,039	3,346	3,511	3,652	11,532	13,548
YoY Growth (%)	12.9	6.5	1.7	8.4	8.7	16.3	20.5	24.0	7.2	17.5
Provisions	245	137	221	154	263	31	97	-10	758	381
Profit before Tax	2,551	2,741	2,691	2,792	2,776	3,316	3,414	3,662	10,775	13,167
Tax Provisions	555	626	570	452	538	801	766	713	2,203	2,818
Profit after tax	1,996	2,115	2,121	2,339	2,239	2,514	2,648	2,949	8,572	10,350
YoY Growth (%)	8.8	33.8	6.0	11.9	12.1	18.9	24.8	26.1	14.2	20.7

Cholamandalam Inv. & Fin.

Buy
CMP INR1,357 | TP: INR1,715 (+26%)
EPS CHANGE (%): FY26|27|28: -0.4|-4.6|-3.2

- Estimate business AUM to grow at ~21% YoY.
- Margin is likely to expand ~15bp QoQ to 7.15%.
- Credit costs are expected to decline ~20bp QoQ to ~1.6%.
- Guidance on margins, loan growth, and asset quality of new businesses is expected to be closely monitored.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	53,695	57,680	61,587	64,180	66,501	68,942	72,238	76,111	2,37,200	2,83,791
Interest Expenses	27,957	30,551	32,718	33,623	34,663	35,155	36,430	37,447	1,24,849	1,43,695
Net Interest Income	25,738	27,128	28,869	30,557	31,838	33,787	35,808	38,663	1,12,351	1,40,096
YoY Growth (%)	39.7	34.6	33.0	29.77	23.7	24.5	24.0	26.53	34.0	24.7
Other Income	4,595	5,248	6,537	7,027	6,807	6,959	7,616	8,577	23,348	29,959
Total Income	30,333	32,376	35,406	37,584	38,645	40,746	43,423	47,240	1,35,699	1,70,055
YoY Growth (%)	42.6	36.8	37.2	29.0	27.4	25.9	22.6	25.7	35.9	25.3
Operating Expenses	11,834	13,155	14,130	14,269	14,528	16,169	16,991	18,155	53,388	65,843
Operating Profit	18,499	19,221	21,276	23,315	24,117	24,578	26,432	29,085	82,311	1,04,212
YoY Growth (%)	38.1	35.3	40.4	43.2	30.4	27.9	24.2	24.7	39.4	26.6
Provisions & Loan Losses	5,814	6,235	6,640	6,253	8,821	8,970	9,103	8,573	24,943	35,467
Profit before Tax	12,685	12,986	14,636	17,062	15,296	15,608	17,329	20,512	57,369	68,745
Tax Provisions	3,263	3,355	3,771	4,395	3,937	4,054	4,452	5,271	14,783	17,715
Net Profit	9,422	9,631	10,865	12,667	11,359	11,553	12,877	15,241	42,585	51,030
YoY Growth (%)	29.8	26.3	24.0	19.7	20.6	20.0	18.5	20.3	24.4	19.8

CreditAccess Grameen

Buy
CMP INR1,180 | TP: INR1,515 (+28%)
EPS CHANGE (%): FY26|27|28: -1.4|0.7|2.0

- CRETAG is expected to report AUM growth of 14% YoY/11% QoQ in 4QFY26.
- Margin is likely to expand ~30bp QoQ to 15.2%.
- Credit costs are projected to decline ~40bp QoQ to ~4.8%.
- Guidance on credit costs and GLP growth to be keenly monitored.

CRETAG: Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	14,372	14,177	13,376	13,543	13,881	14,141	14,350	15,626	55,468	57,998
Interest Expenses	5,103	4,846	4,749	4,778	4,822	4,795	4,593	5,013	19,476	19,223
Net Interest Income	9,268	9,331	8,628	8,765	9,060	9,346	9,756	10,612	35,992	38,775
YoY Growth (%)	28.7	22.2	7.5	-0.5	-2.3	0.2	13.1	21.1	13.6	7.7
Other Income	754	362	443	535	755	949	563	662	2,094	2,929
Total Income	10,023	9,693	9,071	9,299	9,815	10,295	10,320	11,274	38,086	41,704
YoY Growth (%)	27.5	17.7	6.2	-4.8	-2.1	6.2	13.8	21.2	10.7	9.5
Operating Expenses	2,929	2,972	2,841	2,959	3,285	3,347	3,515	3,510	11,702	13,636
Operating Profit	7,093	6,721	6,229	6,340	6,530	6,948	6,805	7,764	26,384	28,068
YoY Growth (%)	30	19	4	-7	-8	3	9	22	10	6
Provisions & Loan Losses	1,746	4,202	7,519	5,829	5,719	5,257	3,426	3,368	19,295	17,769
Profit before Tax	5,347	2,520	-1,289	511	811	1,692	3,379	4,396	7,089	10,299
Tax Provisions	1,371	659	-294	39	209	434	858	1,074	1,775	2,575
Net Profit	3,977	1,861	-995	472	602	1,258	2,521	3,323	5,314	7,724
YoY Growth (%)	14.1	-46.4	-128.2	-88.1	-84.9	-32.4	-353.3	603.8	-63.2	45.4

Five Star Business Finance

Buy
CMP INR361 | TP: INR500 (+39%)
EPS CHANGE (%): FY26|27|28: -1.4|-4.2|-4.2

- Estimate AUM growth of ~12% YoY.
- Margin is likely to contract ~50bp QoQ to 18.35%.
- Credit costs are projected to rise ~10bp QoQ to ~1.6%.
- Outlook on asset quality, guidance on loan growth, and credit costs are expected to be closely monitored.

FIVE STAR BUSINESS: Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	6,411	6,793	7,112	7,347	7,647	7,731	7,959	7,866	27,663	31,203
Interest Expenses	1,582	1,631	1,714	1,753	1,873	1,800	1,885	1,843	6,680	7,401
Net Interest Income	4,829	5,161	5,399	5,594	5,774	5,931	6,073	6,023	20,983	23,801
YoY Growth (%)	31.4	29.6	28.3	21.2	19.6	14.9	12.5	7.7	27.3	13.4
Other Income	283	266	198	250	265	334	264	295	997	1,158
Total Income	5,112	5,427	5,597	5,844	6,039	6,265	6,337	6,318	21,980	24,959
YoY Growth (%)	32.0	30.3	26.8	21.4	18.1	15.4	13.2	8.1	27.3	13.6
Operating Expenses	1,565	1,627	1,713	1,880	2,012	1,936	2,078	2,104	6,785	8,129
Operating Profit	3,547	3,800	3,884	3,964	4,027	4,330	4,259	4,214	15,196	16,830
YoY Growth (%)	35.9	36.9	29.4	19.2	13.5	13.9	9.7	6.3	29.7	10.8
Provisions & Loan Losses	185	218	233	254	478	510	571	624	890	2,183
Profit before Tax	3,362	3,582	3,651	3,711	3,550	3,819	3,688	3,590	14,306	14,647
Tax Provisions	846	903	913	919	886	958	918	914	3,581	3,676
Net Profit	2,516	2,679	2,739	2,791	2,663	2,861	2,770	2,676	10,725	10,970
YoY Growth (%)	37	34	26	18	6	7	1	-4	28.3	2.3

Fusion Microfinance

Buy
CMP INR148 | TP: INR190 (+28%)
EPS CHANGE (%): FY26|27|28: -|-3.5|-5.4

- Estimate AUM to decline ~19% YoY and grow ~6% QoQ.
- Margin is likely to remain stable QoQ at ~15.5%.
- Annualized credit costs are projected at ~3.8% in 4QFY26.
- Guidance on credit costs, margins, and disbursement trajectory is expected to be closely monitored.

Fusion: Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	6,213	6,261	4,382	4,487	4,219	3,808	3,629	3,632	21,342	15,287
Interest Expenses	2,234	2,274	2,137	1,794	1,489	1,343	1,235	1,282	8,439	5,348
Net Interest Income	3,979	3,987	2,245	2,693	2,730	2,465	2,394	2,350	12,904	9,939
YoY Growth (%)	34.6	30.4	-33.7	-25.4	-31.4	-38.2	6.6	-12.7	-0.8	-23.0
Other Income	854	776	443	273	237	519	612	947	2,347	2,315
Total Income	4,833	4,764	2,688	2,966	2,967	2,984	3,006	3,296	15,250	12,254
YoY Growth (%)	30.9	25.3	-34.7	-35.6	-38.6	-37.4	11.8	11.1	-6.0	-19.6
Operating Expenses	1,855	1,925	2,041	2,065	2,101	2,094	2,071	2,028	7,886	8,293
Operating Profit	2,978	2,838	648	901	866	890	936	1,269	7,365	3,961
YoY Growth (%)	26.5	17.4	-75.1	-69.0	-70.9	-68.6	44.5	40.8	-28.4	-46.2
Provisions & Loan Losses	3,485	6,941	5,723	2,547	1,789	1,112	795	578	18,695	4,273
Profit before Tax	-507	-4,102	-5,075	-1,646	-923	-221	141	691	-11,330	-312
Tax Provisions	-151	-1,052	2,118	0	0	0	0	0	915	0
Net Profit	-356	-3,050	-7,193	-1,646	-923	-221	141	691	-12,245	-312
YoY Growth (%)	-130	-343	-669	-224	159	-93	-102	-142	-342	-97.5

Home First Finance Company

Buy
CMP INR961 | TP: INR1,170 (+22%)
EPS CHANGE (%): FY26|27|28 : -0.6|-1.5|-3.0

- Estimate AUM growth of ~25% YoY/6% QoQ.
- Margin is projected to decline by ~8bp QoQ in 4QFY26.
- Cost-to-income ratio to improve ~70bp QoQ to ~31.3%.
- The outlook on margins and credit costs is a key monitorable.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	3,032	3,322	3,558	3,629	3,944	4,091	4,288	4,493	13,540	16,816
Interest expenses	1,568	1,756	1,926	1,903	2,003	2,026	1,941	2,044	7,153	8,014
Net Interest Income	1,464	1,566	1,631	1,726	1,941	2,065	2,347	2,449	6,388	8,802
YoY Growth (%)	17.5	18.6	21.4	26.2	32.6	31.8	43.9	41.9	21.0	37.8
Other Income	382	421	517	533	609	699	549	652	1,852	2,509
Net Income	1,846	1,987	2,148	2,259	2,550	2,764	2,896	3,101	8,239	11,311
YoY Growth (%)	20.6	23.4	25.8	31.4	38.2	39.1	34.8	37.3	25.5	37.3
Operating Expenses	655	726	752	803	868	879	926	971	2,936	3,644
Operating Profit	1,191	1,261	1,396	1,456	1,682	1,885	1,970	2,130	5,304	7,667
YoY Growth (%)	21.9	20.7	27.2	28.3	41.2	49.5	41.1	46.3	24.7	44.6
Provisions and Cont.	56	57	98	77	117	152	142	135	288	545
Profit before Tax	1,135	1,204	1,298	1,379	1,565	1,732	1,828	1,996	5,016	7,121
Tax Provisions	258	281	324	332	376	414	426	493	1,195	1,709
Net Profit	878	922	974	1,047	1,189	1,318	1,402	1,503	3,821	5,412
YoY Growth (%)	27.0	24.1	23.5	25.4	35.5	43.0	44.0	43.6	25.0	41.7

HDB Financial services limited

Neutral
CMP INR579 | TP: INR650 (+12%)
EPS CHANGE (%): FY26|27|28: -0.2|-5.2|-4.9

- Estimate AUM growth of ~11% YoY/3.9% QoQ.
- Margin is projected to remain stable QoQ in 4QFY26.
- Credit cost is expected to decline ~20bp QoQ to 2.3%.
- The outlook on disbursements and loan growth and credit costs is a key monitorable.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	32,646	34,310	35,169	36,233	38,315	38,865	39,890	40,756	1,38,358	1,57,826
Interest Expenses	14,964	15,985	16,448	16,505	17,397	16,940	17,040	17,082	63,902	68,459
Net Interest Income	17,682	18,325	18,721	19,728	20,918	21,925	22,850	23,674	74,456	89,367
YoY Growth (%)	17.8	21.2	17.1	17.3	18.3	19.6	22.1	20.0	18.3	20.0
Other Income	6,192	5,758	6,267	6,428	6,339	6,589	6,845	7,127	12,478	14,514
Total Income	23,874	24,083	24,988	26,156	27,257	28,514	29,695	30,800	86,934	1,03,880
YoY Growth (%)	3.2	2.2	6.5	14.2	14.2	18.4	18.8	17.8	18.2	19.5
Operating Expenses	11,912	11,782	12,223	12,776	13,235	13,209	13,970	13,704	37,239	42,332
Operating Profit	11,962	12,301	12,765	13,380	14,022	15,305	15,725	17,096	49,695	61,548
YoY Growth (%)	16.5	13.6	12.1	19.1	17.2	24.4	23.2	27.8	17.9	23.9
Provisions & Loan Losses	4,125	4,310	6,357	6,338	6,697	7,483	7,122	6,835	21,130	28,137
Profit before Tax	7,837	7,991	6,408	7,042	7,325	7,822	8,603	10,261	28,565	33,411
Tax Provisions	2,020	2,081	1,685	1,733	1,648	2,008	2,164	2,683	7,519	8,503
Net Profit	5,817	5,910	4,723	5,309	5,677	5,814	6,439	7,578	21,046	24,908
YoY Growth (%)	2.6	-1.6	-25.8	-19.1	-2.4	-1.6	36.3	42.7	-8.6	18.4

IIFL Finance

Buy
CMP INR435 | TP: INR570 (+31%)
EPS CHANGE (%): FY26|27|28: 0.1| -3.5| -2.9

- Estimate consol. AUM growth of ~37% YoY to INR1.07t.
- Credit costs are expected to decline ~50bp QoQ to ~2.1%.
- Cost ratios may decline to ~45.8% (PQ: ~46.8%).
- Outlook on the gold loan business, loan growth, and margins is the key monitorable.

IIFL Finance (Consolidated): Quarterly Performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	24,721	23,181	22,308	24,833	25,835	28,209	30,193	32,658	95,043	1,16,895
Interest Expenses	10,340	9,788	9,957	11,694	12,888	13,819	14,370	16,027	41,695	57,105
Net Interest Income	14,381	13,394	12,352	13,139	12,947	14,390	15,822	16,630	53,348	59,790
YoY Growth (%)	9.7	-6.0	-21.6	-20.2	-10.0	7.4	28.1	26.6	-10.4	12.1
Other Income	-43	2,467	1,051	810	3,758	4,882	4,135	4,277	4,202	17,052
Total Income	14,338	15,861	13,402	13,949	16,705	19,272	19,958	20,907	57,550	76,842
YoY Growth (%)	-1	-2	-21	-10	17	22	49	50	-8.5	33.5
Operating Expenses	7,461	7,329	7,478	7,367	8,017	8,702	9,332	9,574	29,634	35,625
Operating Profit	6,878	8,531	5,925	6,582	8,688	10,570	10,626	11,333	27,916	41,217
YoY Growth (%)	-14.9	-8.9	-38.2	-16.6	26.3	23.9	79.3	72.2	-19.9	47.6
Provisions & Loan Losses	2,516	4,063	4,914	3,487	5,125	5,003	3,997	3,714	14,980	17,838
Profit before Tax	4,362	4,468	1,011	3,095	3,563	5,567	6,629	7,619	7,070	23,378
Exceptional items		-5,865				0				
Tax Provisions	980	-466	193	581	821	1,388	1,616	1,925	1,289	5,750
PAT (Pre NCI)	3,382	-931	818	2,514	2,742	4,179	5,014	5,694	5,782	17,629
NCI	501	646	410	437	408	416	371	355	1,994	1,550
PAT (Post NCI)	2,881	-1,577	408	2,077	2,334	3,763	4,643	5,339	3,788	16,079
YoY Growth (%)	-32	-133	-92	-44	-19	-339	1,038	157	-79	325

Jio financial Services

Buy
CMP INR230| TP: INR320 (+39%)
EPS CHANGE (%): FY26|27|28: -|-|-

- Expect Jio Credit to report AUM growth of ~30% QoQ.
- Credit costs in Jio credit should remain benign.
- Expect interest income to improve, driven by strong AUM growth in Jio credit
- Commentary on NBFC growth outlook and progress in other businesses to be key monitorable.

Jio financial Consolidated Quarterly performance

JIOFIN - Consolidated P&L Statement (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	1,617	2,050	2,101	2,757	3,629	3,924	5,041	7,204	8,525	19,797
Interest Expenses	0	0	0	77	988	1,358	2,124	2,880	77	7,350
Net Interest Income	1,617	2,050	2,101	2,681	2,641	2,566	2,918	4,323	8,449	12,447
YoY growth (%)	-16	10	-22	-5	63	25	39	61	-9	47
Other Income	2,561	4,889	2,388	2,426	2,566	6,100	3,969	3,844	12,264	16,480
Total Income	4,178	6,939	4,489	5,107	5,207	8,666	6,887	8,167	20,713	28,927
Operating Expenses	790	1,423	1,184	1,371	1,547	2,874	3,350	3,313	4,768	11,085
YoY growth (%)	81	99	20	35	96	102	183	142	51	132
Operating Profit	3,388	5,515	3,305	3,736	3,659	5,791	3,537	4,854	15,944	17,842
YoY growth (%)	-6	3	5	18	8	5	7	30	4	12
Provisions & Loan Losses	3	38	123	239	70	132	186	326	404	714
Share of profit of JV & Associate	619	2,257	591	461	315	2,172	360	690	3,928	3,535
Profit before Tax	4,004	7,735	3,772	3,958	3,904	7,831	3,711	5,218	19,469	20,663
Tax Provisions	878	844	824	797	943	880	1,021	1,095	3,343	3,939
Net Profit	3,126	6,891	2,948	3,161	2,961	6,950	2,690	4,123	16,126	16,724
YoY growth (%)		3	0	2	-5	1	-9	30	1	4

L&T Finance

Buy
CMP INR240 | TP: INR310 (+29%)
EPS CHANGE (%): FY26|27|28: -1.6 | -2.3 | -3.5

- LTF reported retail loan growth of ~26% YoY.
- Anticipate credit costs to decline ~10bp QoQ to ~2.6% (annualized) in 4QFY26.
- NIM is expected to decline ~10bp QoQ to ~10.3%.
- Outlook on the MFI business and credit costs is the key monitorable.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	34,526	36,544	38,064	37,499	39,145	40,374	42,401	44,712	1,46,633	1,66,632
Interest Expenses	13,514	14,763	15,692	15,998	16,357	16,343	17,030	18,043	59,968	67,773
Net Interest Income	21,012	21,781	22,371	21,501	22,788	24,031	25,371	26,670	86,665	98,859
Change YoY (%)	19.9	18.1	14.6	8.2	8.4	10.3	13.4	24.0	15.0	14.1
Other Operating Income	3,318	3,649	2,912	2,730	3,451	2,983	3,382	3,684	12,610	12,548
Net Operating Income	24,330	25,431	25,283	24,231	26,238	27,015	28,753	30,353	99,275	1,11,407
Change YoY (%)	30.8	34.6	16.0	3.7	7.8	6.2	13.7	25.3	21.0	12.2
Other income	2	47	76	43	0	0	32	51	167	84
Total Income	24,332	25,477	25,359	24,274	26,239	27,015	28,785	30,404	99,442	1,11,491
Change YoY (%)	20.9	18.1	13.8	3.6	7.8	6.0	13.5	25.3	14.6	12.1
Operating Expenses	9,656	9,578	10,578	10,034	10,486	10,680	11,350	12,396	39,846	44,912
Change YoY (%)	24.1	11.4	18.9	2.4	8.6	11.5	7.3	23.5	13.6	12.7
Operating Profits	14,676	15,899	14,781	14,240	15,753	16,335	17,435	18,009	59,597	66,579
Change YoY (%)	18.9	22.5	10.5	4.6	7.3	2.7	18.0	26.5	15.3	11.7
Provisions	5,453	6,504	6,542	6,185	6,320	6,446	7,513	7,685	24,684	27,964
Profit before Tax	9,223	9,396	8,239	8,055	9,432	9,889	9,922	10,324	34,913	38,615
Tax Provisions	2,370	2,429	1,983	1,697	2,424	2,540	2,542	2,380	8,478	9,885
Profit after tax	6,855	6,967	6,257	6,358	7,008	7,349	7,380	7,944	26,434	28,729
Change YoY (%)	29	17	-2	15	2	5	18	25	14	9

LIC Housing Finance

Neutral
CMP INR517 | TP: INR570 (+10%)
EPS CHANGE (%): FY26|27|28: -0.4 | - | -

- Expect loan growth of ~4% YoY with a fairly stable mix.
- Estimate annualized credit costs of ~17bp in 4QFY26.
- Yields and margins may decline on a sequential basis.
- Commentaries on mortgage demand and guidance on margins and loan growth are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	67,391	68,534	69,516	71,173	71,131	70,335	70,439	70,632	2,76,615	2,82,537
Interest Expenses	47,501	48,796	49,515	49,508	50,473	49,951	49,421	49,680	1,95,320	1,99,525
Net Interest Income	19,891	19,739	20,001	21,664	20,658	20,385	21,017	20,952	81,295	83,012
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	3.3	5.1	-3.3	-6.0	2.1
Fees and other income	446	784	1,057	1,661	1,201	1,362	1,431	1,534	3,948	5,528
Net Income	20,337	20,522	21,059	23,326	21,859	21,747	22,449	22,487	85,243	88,540
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	6.0	6.6	-3.6	-3.6	3.9
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,018	3,488	3,535	13,826	12,979
Operating Profit	17,715	17,417	17,495	18,790	18,920	18,729	18,961	18,951	71,416	75,561
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	7.5	8.4	0.9	-7.2	5.8
Provisions and Cont.	1,431	773	-440	1,094	1,929	1,682	1,536	1,350	2,858	6,496
Profit before Tax	16,285	16,644	17,934	17,696	16,992	17,047	17,425	17,601	68,558	69,065
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,508	3,586	4,017	14,268	14,504
Net Profit	13,002	13,289	14,320	13,680	13,599	13,539	13,840	13,584	54,290	54,561
YoY Growth (%)	-2	12	23	25	5	2	-3	-1	14	0

Mahindra Financial Services

Buy
CMP INR285 | TP: INR350 (+23%)
EPS CHANGE (%): FY26|27|28: -1.5|-3.6|-1.7

- MMFS reported disbursements of ~INR172b, leading to AUM of ~INR1.34t (up 12% YoY/ ~3.8% QoQ).
- We expect margins to decline ~20bp QoQ to 7%.
- Estimate credit costs to decline to ~1.4% in 4QFY26.
- Commentaries on margins, credit costs, and loan growth are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest income	36,122	37,448	39,572	40,172	41,646	41,779	44,071	44,479	1,53,314	1,71,975
Interest Expenses	18,286	19,343	20,459	20,896	21,524	20,663	21,026	21,497	78,983	84,710
NII	17,836	18,106	19,113	19,276	20,122	21,116	23,045	22,982	74,331	87,265
YoY Growth (%)	12.6	14.1	12.5	6.4	12.8	16.6	20.6	19.2	11.2	17.4
Other income	1,480	1,802	1,872	2,279	2,732	3,113	3,561	4,047	7,433	13,453
Net Total Income	19,316	19,908	20,985	21,555	22,853	24,230	26,606	27,029	81,764	1,00,718
YoY Growth (%)	15.3	18.9	15.6	9.4	18.3	21.7	26.8	25.4	14.6	23.2
Operating Expenses	7,970	7,947	8,768	9,427	9,323	9,240	11,203	10,842	34,113	40,608
Operating Profit	11,345	11,961	12,217	12,128	13,530	14,989	15,403	16,187	47,651	60,110
YoY Growth (%)	13.5	26.9	15.0	3.4	19.3	25.3	26.1	33.5	14.0	26.1
Provisions	4,482	7,035	91	4,571	6,597	7,514	4,699	4,619	16,179	23,428
Profit before Tax	6,864	4,927	12,126	7,557	6,933	7,475	10,704	11,568	31,473	36,681
Tax Provisions	1,734	1,232	3,131	1,925	1,638	1,782	2,600	3,150	8,022	9,170
Net Profit	5,130	3,695	8,995	5,631	5,295	5,693	8,104	8,418	23,450	27,511
YoY Growth (%)	45.5	57.1	62.7	-9.0	3.2	54.1	-9.9	49.5	33.3	17.3

Manappuram Finance

Neutral
CMP INR255 | TP: INR290 (+14%)
EPS CHANGE (%): FY26|27|28: 1.5|-8.5|-10.5

- Expect strong gold loan growth of 95% YoY/29% QoQ, while MFI and CV AUM would continue to decline QoQ.
- Expect margin to contract ~30bp QoQ in the consolidated loan book.
- Expect credit costs to decline ~70bp QoQ to ~2.2%.
- Commentaries on gold loan growth and asset quality in the MFI and PL segments are the key monitorables.

MGFL - Quarterly Performance (Consolidated, INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	23,861	25,411	25,163	23,062	22,357	22,512	22,441	24,802	97,997	92,112
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,756	9,452	10,580	35,747	37,341
Net Interest Income	15,378	16,354	15,909	14,446	13,804	13,756	12,989	14,222	62,250	54,771
YoY Growth (%)	19.4	20.8	9.5	-3.32	-10.2	-15.9	-18.4	-1.55	10.7	-12.0
Other income	1,259	961	464	230	293	241	1,148	490	2,752	3,529
Net Income	16,636	17,314	16,373	14,676	14,097	13,997	14,137	14,713	65,002	58,300
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,285	7,568	8,302	28,718	30,642
Operating Profits	9,814	10,331	9,307	6,833	6,609	6,712	6,569	6,411	36,285	27,658
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-35.0	-29.4	-6.2	2.6	-23.8
Provisions	2,286	2,604	5,546	9,192	5,594	3,692	3,541	3,156	19,628	15,983
PBT	7,528	7,727	3,761	-2,359	1,015	3,020	3,029	3,255	16,656	11,675
Tax Provisions	1,963	2,006	976	-327	-310	847	643	688	4,618	1,868
PAT	5,565	5,721	2,785	-2,032	1,325	2,173	2,385	2,567	12,039	9,807
YoY Growth (%)	12	2	-52	-136	-76	-62	-14	-226	-45	-19

MAS Financial

Buy
CMP INR291 | TP: INR370 (+27%)
EPS CHANGE (%): FY26|27|28: -0.7|-2.2|-2.5

- Standalone AUM may grow ~4.5% QoQ/~19% YoY.
- We expect credit costs to remain largely stable QoQ at ~1.2%.
- Margin is expected to decline ~30bp QoQ to ~7.55%.
- Commentary on branch expansions and an increase in the direct business are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue from Operations	3,465	3,670	3,901	4,169	4,438	4,586	4,816	5,070	15,205	18,910
Interest Income	2,952	3,078	3,332	3,535	3,687	3,760	3,892	4,090	12,896	15,429
Gain on assignments	304	375	356	396	430	534	597	628	1,431	2,189
Other operating Income	210	217	213	239	320	292	327	352	877	1,291
Interest expenses	1,714	1,754	1,845	1,910	2,062	2,116	2,191	2,410	7,224	8,778
Total income	1,751	1,916	2,056	2,259	2,376	2,471	2,625	2,660	7,981	10,131
<i>Growth Y-o-Y (%)</i>	27	26	31	34	36	29	28	18	31	27
Operating Expenses	567	632	673	744	827	897	1,002	989	2,615	3,715
Operating Profits	1,183	1,284	1,383	1,516	1,549	1,574	1,623	1,671	5,366	6,416
<i>Growth Y-o-Y (%)</i>	25	24	25	35	31	23	17	10	27	20
Provisions	239	263	332	427	424	371	393	415	1,261	1,603
Profit before tax	944	1,021	1,051	1,089	1,124	1,202	1,230	1,256	4,104	4,813
<i>Growth Y-o-Y (%)</i>	25	28	24	20	19	18	17	15	24	17
Tax Provisions	240	255	270	281	285	305	327	295	1,045	1,213
Net Profit	704	766	781	808	839	897	903	961	3,059	3,600
<i>Growth Y-o-Y (%)</i>	23	28	25	19	19	17	16	19	23	18

Muthoot Finance

Neutral
CMP INR 3,178 | TP: INR3,600 (+13%)
EPS CHANGE (%): FY26|27|28: 0.4|-0.2|0.7

- Estimate gold AUM growth of ~52% YoY.
- Margin is likely to contract QoQ to ~12.8%.
- We expect credit costs of ~40bp in 4QFY26.
- Commentaries on gold loan growth and margin guidance are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	36,560	40,685	43,690	47,836	55,923	63,044	71,138	78,718	1,68,770	2,68,822
Other operating income	478	489	545	708	1,110	1,279	1,290	1,385	2,221	5,063
Total Operating income	37,038	41,174	44,235	48,544	57,033	64,322	72,428	80,103	1,70,991	2,73,886
<i>YoY Growth (%)</i>	23.5	34.6	39.6	42.4	54.0	56.2	63.7	65.0	35.3	60.2
Other income	63	88	77	341	167	286	202	6	569	660
Total Income	37,101	41,262	44,312	48,885	57,200	64,608	72,629	80,108	1,71,560	2,74,546
<i>YoY Growth (%)</i>	22.6	34.2	39.5	43.0	54.2	56.6	63.9	63.9	35.1	60.0
Interest Expenses	13,511	15,505	16,476	18,797	21,191	23,126	26,467	30,048	64,288	1,00,832
Net Income	23,590	25,758	27,836	30,088	36,009	41,482	46,163	50,060	1,07,271	1,73,714
Operating Expenses	6,437	6,608	7,243	8,610	8,121	8,827	9,237	9,668	28,898	35,853
Operating Profit	17,153	19,150	20,593	21,478	27,887	32,655	36,925	40,392	78,373	1,37,860
<i>YoY Growth (%)</i>	22.5	42.7	47.7	42.3	62.6	70.5	79.3	88.1	38.8	75.9
Provisions	2,236	2,070	2,088	1,274	433	1,141	1,109	1,589	7,667	4,271
Profit before Tax	14,917	17,080	18,505	20,204	27,455	31,514	35,817	38,804	70,706	1,33,589
Tax Provisions	4,130	4,568	4,874	5,126	6,992	8,063	9,252	10,426	18,698	34,733
Net Profit	10,787	12,511	13,631	15,078	20,463	23,452	26,564	28,377	52,008	98,856
<i>YoY Growth (%)</i>	10.6	26.3	32.7	42.7	89.7	87.4	94.9	88.2	28.4	90.1

Northern Arc Capital

Buy
CMP INR215 | TP: INR315 (+46%)
EPS CHANGE (%): FY26|27|28: 0.5|-1.6|1.7

- AUM growth is expected to be at ~22% YoY.
- Expect credit costs of 2.4% in 4QFY26 (vs. 3.7% in 3QFY26).
- NIM is expected to contract ~70bp QoQ.
- Commentaries on the asset quality of the loan book, and credit costs are the key monitorables.

Quarterly performance

Particulars	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	5,491	5,528	5,234	5,508	5,580	5,656	6,287	6,579	21,761	24,102
Interest expense	2,093	2,053	2,137	2,001	2,163	2,082	2,312	2,556	8,284	9,113
Net interest income	3,398	3,476	3,097	3,507	3,417	3,574	3,975	4,023	13,477	14,989
Growth YoY (%)		59.0	12.1	19.0	0.6	2.8	28.4	14.7	70.7	11.2
Other operating income	333	331	573	560	497	631	956	830	870	1,823
Net total income	3,731	3,806	3,670	4,067	3,914	4,205	4,931	4,853	15,274	17,902
Growth YoY (%)		43.6	17.3	12.9	4.9	10.5	34.4	19.3	29.5	17.2
Operating expenses	1,978	1,681	1,910	1,775	1,845	2,042	2,291	2,426	7,344	8,604
Operating profits	1,753	2,125	1,760	2,292	2,068	2,163	2,640	2,427	7,929	9,297
Growth YoY (%)		75.3	8.7	67.2	18.0	1.8	50.0	5.9	45.9	17.3
Provisions	514	784	815	1,937	1,022	924	1,300	908	4,048	4,155
Share of loss from associates	-5	-6	-5	-5	-3	-28	7	24		
Profit before tax	1,235	1,336	940	350	1,044	1,210	1,347	1,543	3,861	5,142
Tax expenses	298	374	209	-34	261	300	330	369	848	1,260
Net profit	936	961	732	384	782	910	1,017	1,173	3,013	3,883
Growth YoY (%)		21.1	-10.8	-55.1	-16.4	-5.4	39.0	205.7	-5.2	28.9

PNB Housing Finance

Buy
CMP INR784 | TP: INR1,050 (+34%)
EPS CHANGE (%): FY26|27|28: 0.4|-0.1|-1.7

- Loan growth is expected to be ~15% YoY.
- Expect provision write-backs from recoveries in both Retail and Corporate written-off pools.
- NIM is expected to contract ~5bp QoQ.
- Commentaries on the asset quality of the retail loan book, NIM, and credit costs are the key monitorables.

Quarterly performance (INR m)

Particulars	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	17,391	17,803	18,484	19,059	19,804	20,175	20,194	21,053	72,737	81,225
Interest Expenses	10,969	11,185	11,579	11,781	12,344	12,670	12,528	13,191	45,514	50,732
Net Interest Income	6,421	6,618	6,905	7,279	7,460	7,505	7,666	7,863	27,223	30,493
YoY Growth (%)	3.7	2.5	16.5	16.8	16.2	13.4	11.0	8.0	9.7	12.0
Other income	930	994	947	1,309	1,015	1,132	1,013	1,156	4,179	4,315
Total Income	7,352	7,612	7,852	8,587	8,475	8,636	8,678	9,019	31,402	34,809
YoY Growth (%)	11.3	5.4	17.3	15.4	15.3	13.5	10.5	5.0	12.3	10.8
Operating Expenses	1,929	2,020	2,057	2,124	2,158	2,172	2,399	2,304	8,130	9,033
YoY Growth (%)	26.1	18.7	21.0	19.4	11.9	7.5	16.7	8.5	21.2	11.1
Operating Profits	5,422	5,591	5,795	6,464	6,317	6,465	6,279	6,715	23,272	25,775
YoY Growth (%)	6.9	1.3	16.0	14.1	16.5	15.6	8.4	3.9	9.5	10.8
Provisions	-120	-456	-361	-648	-562	-1,132	-405	-490	-1,585	-2,589
Profit before Tax	5,542	6,047	6,157	7,112	6,879	7,596	6,684	7,205	24,858	28,365
Tax Provisions	1,214	1,351	1,324	1,608	1,544	1,781	1,481	1,435	5,496	6,240
Profit after tax	4,328	4,697	4,833	5,504	5,335	5,816	5,204	5,770	19,361	22,124
YoY Growth (%)	24.6	22.6	42.8	25.3	23.3	23.8	7.7	4.8	28.4	14.3

Power Finance Corporation

Buy
CMP INR403 | TP: INR495 (+23%)
EPS CHANGE (%): FY26|27|28: 0.3|-1.4|-1.7

- Expect disbursements to decline ~12% YoY and expect AUM growth of ~10% YoY.
- Expect credit costs to remain benign.
- Expect margins to decline ~10bp QoQ in 4QFY26.
- Commentaries on growth in the loan book, margins, and asset quality/credit costs are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	1,18,270	1,19,090	1,24,172	1,37,215	1,37,389	1,34,728	1,39,359	1,41,239	4,98,747	5,52,715
Interest Expenses	74,990	75,007	77,231	78,109	82,697	81,835	83,294	84,880	3,05,380	3,32,706
Net Interest Income	43,280	44,083	46,942	59,106	54,692	52,893	56,065	56,360	1,93,367	2,20,009
YoY Gr %	23.5	18.2	12.9	39.5	26.4	20.0	19.4	-4.6	23.7	13.8
Other Income	3,160	14,655	5,971	11,309	2,016	11,829	6,827	12,896	35,096	33,568
Net Operational Income	46,440	58,738	52,913	70,415	56,708	64,722	62,892	69,256	2,28,463	2,53,577
YoY Gr %	41.1	19.4	11.5	42.1	22.1	10.2	18.9	-1.6	27.6	11.0
Exchange gain/(loss)	589	-3,100	457	-2,614	-6,546	-4,972	-1,276	-1,406	-4,668	-14,200
Total Net Income	47,029	55,639	53,370	67,801	50,162	59,750	61,616	67,850	2,23,795	2,39,377
YoY Gr %	24.6	15.9	18.0	34.9	6.7	7.4	15.4	0.1	23.5	7.0
Operating Expenses	1,016	2,355	1,832	2,341	1,848	1,932	1,991	2,349	7,500	8,120
Operating Profit	46,013	53,284	51,538	65,460	48,313	57,819	59,625	65,501	2,16,295	2,31,258
YoY Gr %	25.3	13.7	16.8	39.8	5.0	8.5	15.7	0.1	23.9	6.9
Provisions	620	-1,241	745	4,447	-6,818	2,420	52	-3,069	4,571	-7,416
PBT	45,393	54,525	50,793	61,013	55,132	55,399	59,573	68,570	2,11,724	2,38,674
Tax	8,214	10,821	9,244	9,924	10,117	10,780	11,940	10,602	38,202	43,439
Tax Rate %	18.1	19.8	18.2	16.3	18.3	19.5	20.0	15.5	18.0	18.2
PAT	37,179	43,704	41,549	51,090	45,015	44,619	47,633	57,967	1,73,522	1,95,235
YoY Gr %	23.6	13.6	23.0	23.5	21.1	2.1	14.6	13.5	20.6	12.8

Poonawalla Fincorp

Buy
CMP INR393 | TP: INR530 (+35%)
EPS CHANGE (%): FY26|27|28: -|-2.7|-2.4

- PFL to report AUM growth of ~77% YoY/14.5% QoQ.
- Expect cost-to-income ratio to decline QoQ to 45.3% in 4QFY26 (PQ: ~51.1% and PY: ~53.4%).
- Expect credit costs to decline ~10bp QoQ to 2.6%.
- Commentaries on growth in personal loans, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (Standalone)

(INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	8,962	9,107	9,991	10,685	11,853	14,022	16,597	19,758	38,745	62,230
Interest Expenses	3,201	3,516	3,850	4,584	5,461	6,378	7,387	8,841	15,151	28,067
Net Interest Income	5,761	5,592	6,141	6,101	6,393	7,644	9,209	10,917	23,594	34,163
YoY Growth (%)	36.8	17.8	25.1	8.5	11.0	36.7	50.0	78.9	21.1	44.8
Other Income	997	858	581	1,048	1,287	1,405	1,588	1,882	3,346	6,163
Total Income	6,758	6,449	6,722	7,149	7,679	9,050	10,798	12,799	26,940	40,326
YoY Growth (%)	35.1	22.0	22.2	11.6	33.9	40.3	60.6	79.0	22.6	49.7
Operating Expenses	2,436	3,610	2,908	3,821	4,434	5,184	5,520	5,799	13,713	20,937
Operating Profit	4,321	2,839	3,814	3,328	3,245	3,866	5,277	7,000	13,228	19,389
YoY Growth (%)	46.9	-15.4	8.9	-18.71	-24.9	36.1	38.4	110.34	-4.8	46.6
Provisions & Loan Losses	425	9,144	3,562	2,526	2,411	2,877	3,275	3,649	14,582	12,212
Profit before Tax	3,897	-6,305	252	802	834	989	2,002	3,351	-1,354	7,177
Tax Provisions	980	-1,594	65	179	208	247	500	839	-371	1,794
PAT (excl. exceptional)	2,916	-4,710	187	623	626	742	1,502	2,512	-983	5,383
PAT (incl. exceptional)	2,916	-4,710	187	623	626	742	1,502	2,512	-983	5,383
YoY Growth (%)	46	-	-93	-81	-79	-116	702	303	-112	-647

Rural Electrification Corporation

Buy
CMP INR324 | TP: INR440 (23%)
EPS CHANGE (%): FY26|27|28: -2.4|2.4|2.1

- Expect disbursements to decline ~2% YoY, leading to AUM growth of ~3% YoY.
- Expect credit costs to remain benign.
- Expect asset quality to improve in 4QFY26.
- Commentaries around margins and guidance on disbursements/AUM growth are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	1,26,904	1,34,744	1,39,704	1,49,350	1,45,022	1,45,771	1,45,184	1,42,152	5,50,701	5,78,129
Interest Expenses	80,212	85,065	88,373	87,699	89,351	91,316	92,429	88,677	3,41,350	3,61,774
Net Interest Income	46,692	49,678	51,331	61,651	55,671	54,455	52,755	53,475	2,09,351	2,16,356
YoY Gr (%)	28.3	22.9	19.6	37.4	19.2	9.6	2.8	-13.3	27	3
Other Operational Income	469	483	757	2,228	1,442	4,738	3,925	0	8,410	(8,831)
Net Operational Income	47,161	50,161	52,088	63,879	57,113	59,192	56,680	53,475	2,15,680	2,04,925
YoY Gr (%)	28.9	22.4	19.9	39.5	21.1	18.0	8.8	-16.3	27	(5)
Other Income	2,998	731	1,266	163	-4,891	-149	-2,223	-814	685	754
Total Net Income	50,159	50,892	53,354	64,042	52,222	59,043	54,457	52,661	2,16,365	2,05,679
YoY Gr (%)	28.1	20.0	22.7	34.9	4.1	16.0	2.1	-17.8	27	(5)
Operating Expenses	2,175	1,936	3,147	2,396	1,919	2,169	2,183	2,971	7,436	6,641
YoY Gr (%)	50.6	-0.1	78.2	-23.1	-11.8	12.0	-30.7	24.0	13	(11)
% to Income	4.3	3.8	5.9	3.7	3.7	3.7	4.0	5.6	3	3
Operating Profit	47,984	48,955	50,206	61,646	50,303	56,875	52,274	49,690	2,08,929	1,99,037
YoY Gr %	27.3	21.0	20.4	39.0	4.8	16.2	4.1	-19.4	27	(5)
Provisions	4,726	-1,441	-890	7,800	-6,166	1,347	1,110	-3,782	10,194	(7,492)
PBT	43,258	50,396	51,097	53,847	56,469	55,528	51,164	53,472	1,98,734	2,06,529
YoY Gr (%)	16.5	4.8	24.2	4.6	30.5	10.2	0.1	-0.7	12	4
Tax	8,834	10,342	10,806	11,485	11,959	11,269	10,733	9,616	41,466	43,578
Tax Rate (%)	20.4	20.5	21.1	21.3	21.2	20.3	21.0	18.0	21	21
PAT	34,425	40,055	40,291	42,362	44,510	44,259	40,431	43,856	1,57,269	1,62,951
YoY Gr (%)	16.3	6.2	23.2	5.5	29.3	10.5	0.3	3.5	12.2	3.6

Repc Home Finance

Neutral
CMP INR364 | TP: INR410 (+13%)
EPS CHANGE (%): FY26|27|28: 0.6|-2.3|-2.5

- Disbursements/AUM expected to grow ~19%/9% YoY.
- Expect further improvement in asset quality, resulting in benign credit costs.
- Margins are expected to decline 5bp QoQ to ~5.4%.
- Commentaries around asset quality and guidance on disbursements/AUM growth are the key monitorables.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	4,007	4,051	4,258	4,166	4,257	4,334	4,453	4,504	16,482	17,549
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,444	2,489	2,553	9,659	9,927
Net Income	1,677	1,656	1,783	1,708	1,816	1,890	1,964	1,951	6,823	7,621
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	14.2	10.2	14.2	4.9	11.7
Other income	155	229	196	184	150	123	118	159	764	550
Total Income	1,833	1,884	1,978	1,892	1,966	2,013	2,082	2,110	7,587	8,171
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	6.8	5.3	11.5	9.1	7.7
Operating Expenses	452	517	535	584	530	603	748	707	2,088	2,588
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	16.7	39.9	21.1	22.1	24.0
Operating Profits	1,380	1,367	1,443	1,308	1,436	1,410	1,334	1,403	5,499	5,583
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	3.1	-7.6	7.2	4.9	1.5
Provisions	14	-160	3	-233	-27	-15	-156	-139	-376	-336
Profit before Tax	1,366	1,528	1,440	1,541	1,463	1,424	1,490	1,541	5,875	5,919
Tax Provisions	312	403	375	392	384	355	402	363	1,481	1,503
Profit after tax	1,054	1,125	1,066	1,149	1,080	1,069	1,088	1,179	4,394	4,415
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-5.0	2.1	2.5	11.3	0.5

Shriram Finance Ltd

Buy
CMP INR892 | TP: INR1,110 (+24%)
EPS CHANGE (%): FY26|27|28: -0.9|-3.0|-2.0

- Estimate disbursements of ~INR507b, leading to AUM of ~INR3.03t (up 15% YoY/ ~4% QoQ).
- Margin is expected to decline ~5bp QoQ to 9.1%.
- Credit cost is likely to increase ~15bp QoQ to 2%.
- Commentaries on loan growth in CV and asset quality in the 2W and PL segments are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	93,628	98,145	1,03,408	1,07,895	1,11,732	1,15,506	1,18,331	1,21,848	4,03,076	4,67,417
Interest Expenses	41,289	43,504	47,513	52,240	54,008	55,248	52,591	54,066	1,84,546	2,15,912
Net Interest Income	52,339	54,641	55,896	55,655	57,725	60,258	65,740	67,782	2,18,531	2,51,505
YoY Growth (%)	24.6	18.9	13.8	9.4	10.3	10.3	17.6	21.8	16.3	15.1
Other Income	2,343	2,805	3,646	6,707	3,685	3,643	3,584	5,007	15,518	15,920
Total Income	54,682	57,446	59,542	62,363	61,410	63,901	69,325	72,789	2,34,049	2,67,424
YoY Growth (%)	21.1	16.2	14.1	13.2	12.3	11.2	16.4	16.7	15.9	14.3
Operating Expenses	16,140	17,597	18,692	19,010	19,486	19,486	22,620	21,344	71,440	82,935
Operating Profit	38,541	39,848	40,850	43,353	41,924	44,415	46,705	51,445	1,62,609	1,84,489
YoY Growth (%)	23.3	14.5	10.7	11.0	8.8	11.5	14.3	18.7	14.5	13.5
Provisions & Loan Losses	11,876	12,350	13,258	15,633	12,857	13,333	13,103	14,655	53,117	53,948
Profit before Tax	26,666	27,498	27,592	27,720	29,067	31,082	33,602	36,790	1,09,493	1,30,541
Tax Provisions	6,860	6,803	6,788	6,326	7,510	8,028	8,385	8,973	26,776	32,896
Net Profit	19,806	20,696	20,804	21,394	21,557	23,053	25,217	27,817	82,716	97,645
YoY Growth (%)	18.2	18.2	14.4	9.9	8.8	11.4	21.2	30.0	15.0	18.0
Exceptional gain (Post tax)			14,894						14,894	0
PAT (including exceptional gains/loss)			35,698						97,610	97,645

Spandana Sphoorty

Neutral
CMP INR199 | TP: INR225 (+13%)
EPS CHANGE (%): FY26|27|28: -|-1.6|-1.6

- Estimate disbursements of ~INR15b, leading to AUM of ~INR44.4b (AUM down ~35% YoY and up 12.5% QoQ).
- Margin is likely to expand ~80bp QoQ to ~13.9% primarily due to decline in interest income reversals
- Annualized credit costs to decline to 1.1% (PQ: 6.6%).
- Guidance on credit costs, margins, and AUM growth to be closely monitored.

SPANDANA: Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	6,935	6,071	5,029	3,907	2,837	2,246	2,252	2,507	21,943	9,842
Interest Expenses	2,594	2,584	2,290	1,855	1,538	1,199	1,087	1,165	9,323	4,989
Net Interest Income	4,342	3,487	2,739	2,052	1,300	1,048	1,164	1,342	12,621	4,853
YoY Growth (%)	48.0	10.4	-13.4	-46.8	-70.1	-70.0	-57.5	-34.6	-3.8	-61.5
Other Income	435	994	697	282	204	149	204	518	2,298	1,075
Total Income	4,776	4,481	3,436	2,335	1,504	1,196	1,368	1,859	14,918	5,928
YoY Growth (%)	45.7	8.6	-15.5	-49.3	-68.5	-73.3	-60.2	-20.4	-5.8	-60.3
Operating Expenses	1,908	2,203	2,651	2,083	2,091	1,886	2,038	1,934	8,843	7,949
Operating Profit	2,869	2,278	784	251	-587	-690	-670	-74	6,075	-2,021
YoY Growth (%)	51.7	-11.6	-67.4	-90.5	-120.5	-130.3	-185.4	-129.5	-34.7	-133.3
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,222	2,582	584	110	19,863	7,498
Profit before Tax	751	-2,886	-5,876	-5,776	-4,809	-3,271	-1,255	-184	-13,788	-9,519
Tax Provisions	193	-723	-1,474	-1,433	-1,207	-780	-305	-98	-3,436	-2,389
Net Profit	557	-2,163	-4,402	-4,343	-3,602	-2,492	-950	-86	-10,352	-7,130
YoY Growth (%)	-53	-273	-446	-438	-747	15	-78	-98	-307	-31

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