

LIC Housing Finance

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR560 TP: INR630 (+12%) Neutral

High repayments weigh on loan growth; credit costs benign

Making efforts to accelerate disbursements and stem BT-OUTs

- LIC Housing Finance's (LICHF) 4QFY26 PAT grew ~9% YoY to ~INR15b (~10% beat). FY26 PAT rose 3% YoY to ~INR56b. 4Q NII grew ~3% YoY to ~INR22.2b (~6% beat). Fee and other income grew 12% YoY to INR1.9b.
- Opex declined ~12% YoY to INR4b (~13% above est.) and cost-income ratio declined ~3pp YoY to ~16.6% (PY: ~19.4% and PQ: ~15.5%). PPop grew ~7% YoY to ~INR20b (~6% beat).
- Credit costs stood at ~INR740m (vs. est. INR1.4b), translating into annualized credit costs of ~9bp (PY: 14bp and PQ: 20bp).
- LICHF's growth is expected to be driven by a calibrated expansion strategy, supported by improvement of non-housing in the loan mix, deeper distribution reach, and improved operational efficiency. Management guided for loan growth of ~10-12% in FY27, supported by stronger disbursement momentum and improved sourcing through co-lending, DA structures, and partnerships with business aggregators.
- The introduction of a dedicated affordable housing vertical, along with a strong focus on LAP and LRD products, is expected to improve product mix and yield profile. Further support is likely to come from higher customer retention initiatives, and technology-led straight-through processing (STP).
- LICHF guided for FY27 NIM of 2.5-2.7%. Over the medium term, margin support is expected from a gradual portfolio shift toward higher-yielding LAP and LRD segments (mix improving from ~12% in FY25 to ~15% in FY26), which are being steadily scaled up and are likely to contribute to yield expansion.
- LICHF reported a healthy sequential acceleration in disbursements, though overall loan growth remained muted (up ~4% YoY) due to high repayments. Management remains optimistic about FY27, expecting seasonally stronger trends, supported by a recovery in disbursement momentum. NIMs are likely to remain stable, as the company continues to prioritize margin protection over aggressive growth. Asset quality remains steady and is expected to improve further, aided by recoveries, ARC sales, and continued resolution of stressed wholesale loans.
- We estimate a CAGR of ~8%/6% in advances/PAT over FY26-28E and RoA/RoE of 1.7%/13% by FY28E. With no near-term catalyst, **we reiterate our Neutral rating on the stock with a TP of INR630 (based on 0.7x FY28E P/BV).**

Higher repayments limit loan growth; disbursements gain momentum

- Loan disbursements in individual home loans grew ~8% YoY, while non-housing individual disbursements rose 25% YoY. Non-housing commercial disbursements declined ~32% YoY. Builder/project loan disbursements declined ~3% YoY.

Bloomberg	LICHF IN
Equity Shares (m)	550
M.Cap.(INRb)/(USDb)	308.2 / 3.2
52-Week Range (INR)	647 / 459
1, 6, 12 Rel. Per (%)	8/7/-5
12M Avg Val (INR M)	970

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	84.2	86.8	95.2
PPP	76.3	78.7	86.5
PAT	56.0	57.0	62.7
EPS (INR)	101.7	103.6	114.0
EPS Gr. (%)	3.1	1.9	10.0
BV/Sh (INR)	751	834	926

Ratios

NIM (%)	2.7	2.7	2.7
C/I ratio (%)	15.1	15.7	15.5
RoAA (%)	1.8	1.7	1.7
RoE (%)	14.4	13.1	12.9
Payout (%)	9.8	10.1	9.7

Valuations

P/E (x)	5.5	5.4	4.9
P/BV (x)	0.7	0.7	0.6
Div. Yield (%)	1.8	1.9	2.0

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	45.2	45.2	45.2
DII	20.9	21.8	21.3
FII	21.4	20.4	21.6
Others	12.5	12.6	11.9

FII Includes depository receipts

- Total disbursements grew ~10% YoY/30% QoQ to ~INR210b. Repayments were elevated at 18.6% (PY: 14% and PQ: 17.5%).
- Overall loan book grew ~4% YoY to INR3.2t. Home loans grew ~4% YoY, while non-housing individual book grew ~14% YoY. We expect LICHF to deliver a loan CAGR of ~8% over FY26-28.

NIM expands as focus remains on margins over growth

- 4Q NIM improved ~10bp QoQ to ~2.8%. Reported yields as of FY26 stood at ~9.2% (9MFY26: 9.3%), while CoB as of Mar'26 was broadly stable at ~7.3% (9MFY26: ~7.3%). This resulted in spreads declining ~10bp QoQ to ~1.94%.
- Given that the company has prioritized NIM protection over growth, we expect LICHF to sustain NIMs of ~2.7% each for FY27E/FY28E.

Asset quality improves further; credit costs benign

- GS3 declined ~30bp QoQ to ~2.2%, while NS3 remained largely stable QoQ at ~1.1%. Stage 3 PCR declined ~5pp QoQ to ~50% (PQ: ~54.5%) and Stage 2 PCR improved ~190bp QoQ to ~5% (PQ: 3.2%).
- LICHF has not witnessed any major fresh stress settlements recently, while resolution activity in large legacy accounts is progressing, with one significant corporate exposure already resolved and its impact is expected to reflect after the regulatory cooling period.
- We estimate LICHF to deliver a steady improvement in asset quality, with GNPA/NNPA ratios declining to 1.7%/0.9% by Mar'28.

Highlights from the management commentary

- LICHF has historically focused on organic sourcing of housing loans; however, it has now finalized its co-lending and direct assignment policies, which will support incremental growth. The company is also engaging with large business aggregators such as Andromeda to strengthen sourcing capabilities and expects this channel to contribute meaningfully to incremental volumes (~INR40-50b worth of business expected in the first year).
- A dedicated affordable housing vertical will be established with exclusive sourcing, underwriting, collections and recovery teams.

Valuation and view

- LICHF will have to navigate a competitive and uncertain macro environment with measured steps rather than sharp acceleration. While growth recovery, margin stability, and asset quality improvement are gradually building, external pressures and structural competition from banks may continue to weigh on near-term performance, leading to a more gradual earnings trajectory.
- LICHF's valuation of ~0.7x FY27E P/BV reflects the inability of the franchise to deliver a respectable double-digit loan growth. We estimate a CAGR of ~8%/6% in advances/PAT over FY26-28E and RoA/RoE of 1.7%/13% by FY28E. **With no near-term catalysts, we reiterate our Neutral rating on the stock with a TP of INR630 (based on 0.7x FY28E P/BV).**

Quarterly Performance

(INR M)

Y/E March	FY25				FY26				FY25	FY26	4QFY26E	Act. v/s est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	67,391	68,534	69,516	71,173	71,131	70,335	70,439	70,093	2,76,615	2,81,997	70,632	-1
Interest Expenses	47,501	48,796	49,515	49,508	50,473	49,951	49,421	47,875	1,95,320	1,97,752	49,680	-4
Net Interest Income	19,891	19,739	20,001	21,664	20,658	20,385	21,017	22,218	81,295	84,245	20,952	6
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	3.3	5.1	2.6	-6.0	3.6	-3.3	
Fees and other income	446	784	1,057	1,661	1,201	1,362	1,431	1,853	3,948	5,720	1,534	21
Net Income	20,337	20,522	21,059	23,326	21,859	21,747	22,449	24,070	85,243	89,965	22,487	7
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	6.0	6.6	3.2	-3.6	5.5	-3.6	
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,018	3,488	3,987	13,826	13,618	3,535	13
Operating Profit	17,715	17,417	17,495	18,790	18,920	18,729	18,961	20,084	71,416	76,347	18,951	6
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	7.5	8.4	6.9	-7.2	6.9	0.9	
Provisions and Cont.	1,431	773	-440	1,094	1,929	1,682	1,536	741	2,858	5,540	1,350	-45
Profit before Tax	16,285	16,644	17,934	17,696	16,992	17,047	17,425	19,342	68,558	70,806	17,601	10
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,508	3,586	4,368	14,268	14,855	4,017	9
Net Profit	13,002	13,289	14,320	13,680	13,599	13,539	13,840	14,974	54,290	55,952	13,584	10
YoY Growth (%)	-2	12	23	25	5	2	-3	9	14	3	-1	
Key Operating Parameters (%)												
Yield on loans (Cal)	9.37	9.40	9.37	9.38	9.22	9.06	9.00	8.83	9.5	9.1		
Cost of funds (Cal)	7.50	7.64	7.62	7.43	7.46	7.35	7.26	6.97	7.5	7.2		
Spreads (Cal)	1.87	1.76	1.75	1.95	1.76	1.70	1.74	1.86	2.0	1.9		
Margins (Cal)	2.76	2.71	2.69	2.86	2.68	2.62	2.69	2.80	2.7	2.7		
Credit Cost (Cal)	0.20	0.11	-0.06	0.14	0.25	0.22	0.20	0.09	0.1	0.2		
Cost to Income Ratio	12.9	15.1	16.9	19.4	13.4	13.9	15.5	16.6	16.2	15.1		
Tax Rate	20.2	20.2	20.2	22.7	20.0	20.6	20.6	22.6	20.8	21.0		
Balance Sheet Parameters												
Loans (INR B)	2,887	2,946	2,991	3,077	3,096	3,118	3,143	3,207	3028	3162		
Change YoY (%)	4.4	6.0	6.4	7.3	7.2	5.8	5.1	4.2	7.9	4.4		
Indiv. Disb. (INR B)	124	151	145	183	130	159	155	202	602	646		
Change YoY (%)	16.9	6.0	-2.1	9.3	4.6	5.7	7.0	10.3	6.9	7.2		
Borrowings (INR B)	2,537	2,574	2,626	2,706	2,709	2,725	2,721	2,775	2706	2774		
Change YoY (%)	5.1	5.7	7.1	7.0	6.8	5.8	3.6	2.5	7.2	2.5		
Loans/Borrowings (%)	113.8	114.4	113.9	113.7	114.3	114.4	115.5	115.6	111.9	114.0		
Asset Quality Parameters												
GS 3 (INR B)	95.3	90.1	82.3	76.0	81.1	78.3	77.0	69.3	76.0	69.3		
Gross Stage 3 (% on Assets)	3.30	3.06	2.75	2.47	2.62	2.51	2.45	2.16	2.5	2.2		
NS 3 (INR B)	48.0	45.7	43.2	37.1	39.9	36.7	35.0	34.6	37.1	34.6		
Net Stage 3 (% on Assets)	1.69	1.58	1.47	1.22	1.31	1.20	1.13	1.10	1.2	1.1		
PCR (%)	49.6	49.3	47.5	51.2	50.8	53.1	54.5	50.0	51.2	50.0		
ECL (%)	1.96	1.85	1.66	1.59	1.63	1.63	1.62	1.42				
Loan Mix (%)												
Home loans	85.3	85.2	85.1	85.0	84.8	84.7	84.6	84.5				
LAP	12.7	12.9	13.2	13.3	13.6	13.7	13.8	14.2				
Non Individual loans	2.0	1.9	1.7	1.7	1.6	1.6	1.6	1.3				
Borrowing Mix (%)												
Banks	34.0	34.0	33.0	32.0	31.0	35.0	38.0	39.0				
NCD	54.0	54.0	54.0	55.0	55.0	53.0	50.0	46.0				
Sub Debt	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0				
Deposits	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0				
NHB	4.0	4.0	5.0	4.0	5.0	4.0	5.0	7.0				
CP	4.0	4.0	4.0	5.0	5.0	4.0	3.0	4.0				

E: MOFSL Estimates



Highlights from the management commentary

Guidance

- LICHF targets loan book growth of ~10-12% in FY27. Guided for disbursements of ~INR780-790b in FY27, consisting of ~INR740b in Individual/Commercial segments and ~INR45b in Construction Finance.
- Management guides for NIMs of ~2.6-2.7% in 1QFY27 and expects FY27 margins to remain in the range of ~2.5-2.7%, assuming macro conditions remain stable.
- The company targets RoA of ~1.75-1.8% in FY27 (while its board has given it a target of 2%).
- Asset quality is expected to improve further in FY27, aided by recoveries, settlements and resolution of a large corporate account (expected in May'26).
- LICHF intends to gradually increase the contribution of LAP and LRD over the next two years to support margins and improve it further.
- Affordable housing will be scaled in a calibrated manner through a separate dedicated vertical, while the company will monitor its portfolio performance closely.
- The pace of growth in the LAP segment is expected to accelerate gradually as distribution teams gain comfort with the product.

Macro and industry outlook

- Global economic conditions remain uncertain due to the evolving geopolitical situation in the Middle East, resulting in volatility across crude oil prices, currencies, and global financial markets.
- Elevated crude oil prices have increased concerns around imported inflation, pressure on INR and global interest rate expectations.
- Domestic mortgage demand remains resilient, driven by structural factors such as urbanization, rising income levels, favorable demographics and increasing aspiration for home ownership.
- LICHF indicated that its current customer segment, comprising largely salaried middle-class borrowers with average ticket size of ~INR3.2m, has not yet witnessed any meaningful stress from macro uncertainties. However, management remains cautious on the potential long-term impact of AI-led disruption on employment trends, particularly in IT-employment heavy cities such as Bengaluru, Chennai, Hyderabad, Pune, and Gurgaon, which form a significant part of the company's business base.
- The company also acknowledged that few developers have started witnessing relatively lower customer footfalls amid rising uncertainty.

Growth strategy and business initiatives

- Disbursement momentum has improved, with April disbursements growing ~20.9% YoY, indicating gradual recovery in business growth.
- LICHF has historically focused on organic sourcing of housing loans; however, it has now finalized its co-lending and direct assignment policies, which will support incremental growth.
- The company is also engaging with large business aggregators such as Andromeda to strengthen sourcing capabilities and expects this channel to

contribute meaningfully to incremental volumes (~INR40-50b worth of business expected in the first year).

- A separate affordable housing vertical will be established with dedicated sourcing, underwriting, collections and recovery teams. The company plans to onboard experienced professionals externally for this business.
- The company received approval to onboard ~200 employees (feet on street) in the marketing vertical, with the hiring process expected to be completed by the end of 1QFY27.
- A dedicated business retention department has been created to reduce BT-outs and improve customer retention through competitive pricing and focused engagement. Management indicated that retaining existing customers remains more cost-efficient than sourcing new customers. LICHF will look to retain customers even at the cost of slightly lower yields.

Margins, borrowing costs and liability profile

- The company continues to operate predominantly in the prime housing finance segment with ~82% of the individual housing loan portfolio comprising customers with strong CIBIL and above, resulting in intense competition with banks.
- LICHF highlighted that banks continue to enjoy a structural advantage in the cost of funds despite large HFCs having a AAA credit rating. Incremental borrowing costs for LICHF stood at ~6.9%, compared with estimated borrowing costs of ~5-5.5% for banks (due to CASA benefits).
- Borrowing conditions were favorable during Jan-Feb'26, with borrowing costs declining to ~6.8%; however, funding costs increased again in March due to the escalation in the West Asia crisis. CoB remained elevated in April'26 as well.
- The company expects margins to remain stable in 1QFY27 despite high borrowing costs.
- Segment-wise cumulative yields: IHL – 9.03%; NHI – 10.05%; NHC and Project Loans – 10.56%; Overall cumulative yields – 9.21%.

Product mix and yield strategy

- LICHF is diversifying toward LAP and LRD products to offset margin pressure in the core housing finance business. The share of LAP and LRD rose to ~15% of the loan mix in FY26 (from ~12% in FY25).
- Management believes higher commissions and better yields in LAP and LRD are gradually improving distributor traction toward these products.
- Housing loan yields start at ~7.15% for top-rated customers with CIBIL scores above 800, while LRD yields start at ~9.25%. LAP yields remain lower than LRD yields, although both products continue to provide relatively better spreads compared with prime housing loans.
- The transition toward LAP is expected to remain gradual given the company's long operating history in traditional individual housing loans.

Asset quality and recoveries

- Asset quality improved sequentially during FY26, with both GNPA and NNPA ratios declining.

- LICHF did not witness any major one-time settlements during the year, although several large accounts are undergoing the resolution process.
- One large corporate account was resolved in May'25; however, as per RBI guidelines, the benefit from the settlement can only be recognized after the mandatory one-year curing period, which will conclude in May'26. Management expects the resolution of this account to materially reduce NPAs and result in some provision write-backs in FY27.
- Corporate NPA resolution continues to remain time-consuming due to legal complexities and prolonged negotiations.
- Several borrowers undergoing NCLT proceedings are showing willingness to settle, and the company expects incremental recoveries once mutually acceptable settlement terms are achieved.
- The company sold a stressed asset to an ARC for a cash consideration of ~INR700m in Mar'25.
- Management is revisiting its ARC sale policy and intends to take a more accommodative approach toward offloading difficult retail and corporate NPAs.
- The combination of settlements, ARC sales and recoveries is expected to support meaningful improvement in asset quality and credit costs going forward.
- Segment-wise Stage 3: IHL: 1.03% | NHI: 3.51% | NHC and Project Loans: 21.02%

Management Transition

- Mr. Sandeep Kumar has joined the company as COO and will take over as the new MD & CEO from 31st Aug'26 as part of the leadership transition process.

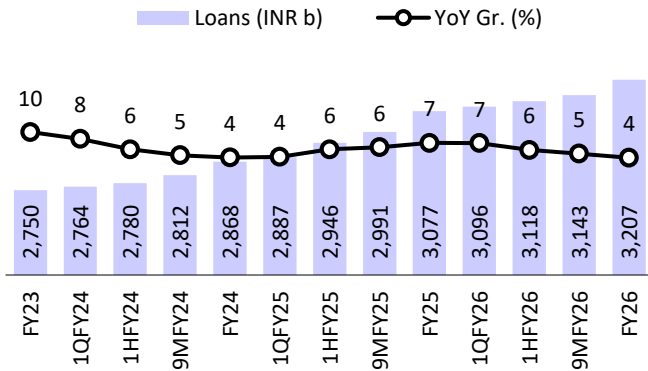
Exhibit 1: Segment-wise split of Stage 3

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Individual home loans (IHL)	1.4	1.3	1.2	1.1	1.2	1.2	1.1	1.0
Non-housing individual (NHI)	5.4	5.0	4.6	3.9	4.3	4.0	3.8	3.5
Non-housing commercial (NHC)	33.1	30.1	27.0	24.5	24.8	22.9	24.9	21.0
Project loans								

*NHC includes project loans

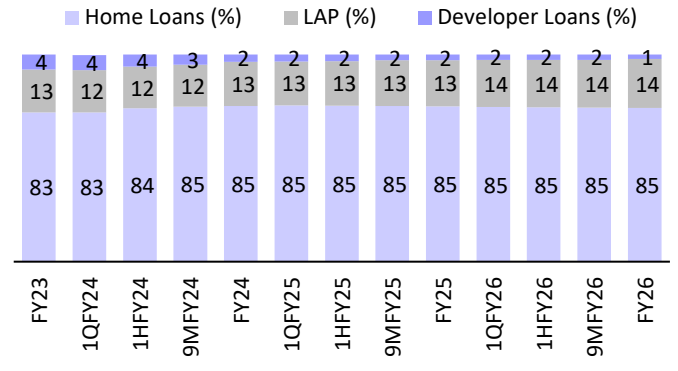
Story in charts

Exhibit 2: Loan book grew ~4% YoY



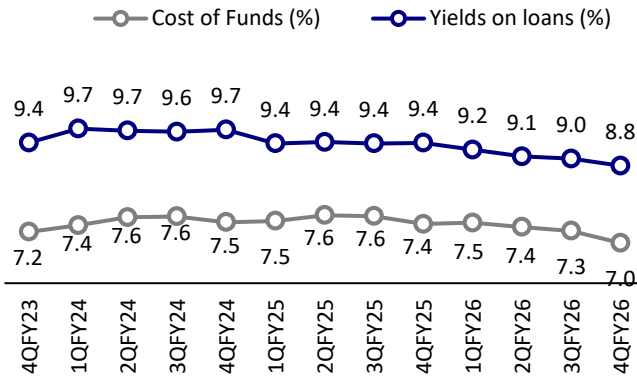
Source: MOFSL, Company

Exhibit 3: Loan mix stable QoQ (%)



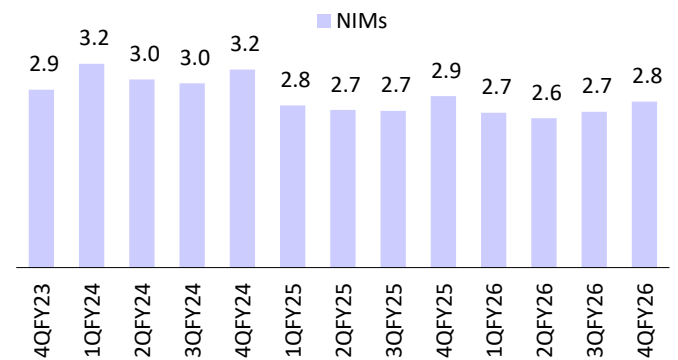
Source: MOFSL, Company

Exhibit 4: Calculated yields declined ~15bp QoQ



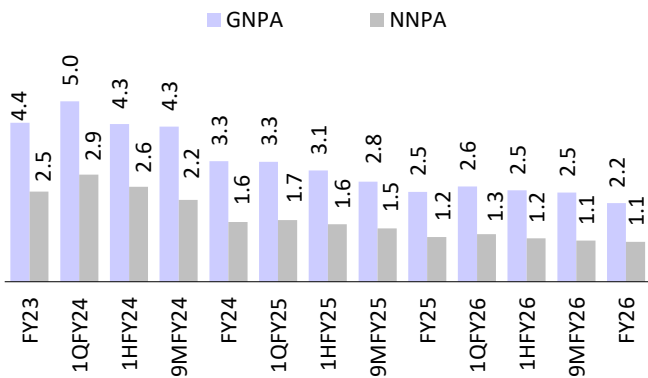
Source: MOFSL, Company

Exhibit 5: NIMs improved ~10bp QoQ (%)



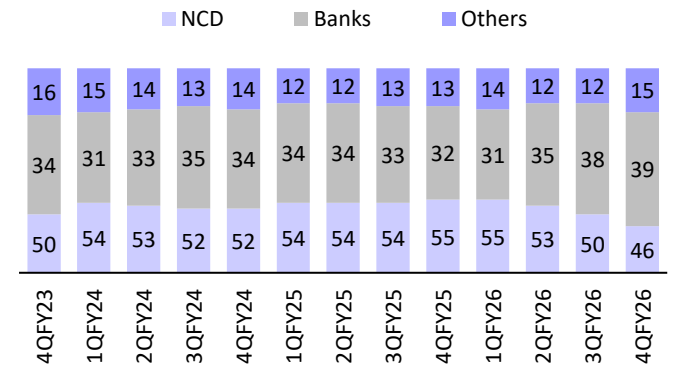
Source: MOFSL, Company

Exhibit 6: GS3 remained declined ~30bp QoQ to ~2.2% (%)



Source: MOFSL, Company

Exhibit 7: Share of bank borrowings rose QoQ (%)

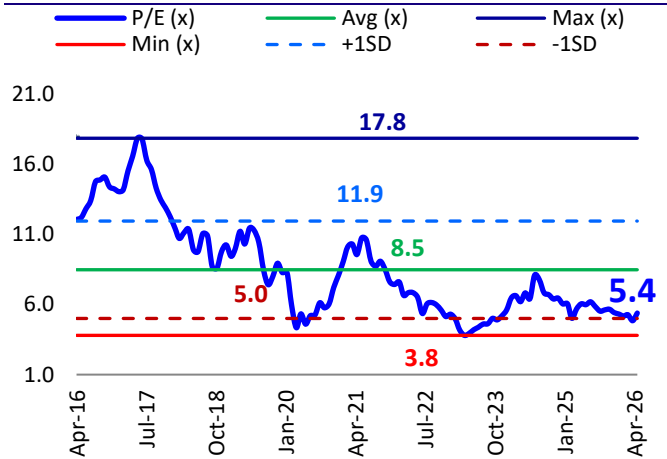


Source: MOFSL, Company

Exhibit 8: We increase our FY27E/FY28E EPS by ~1%/~4%, to factor in higher non-interest income and lower credit costs

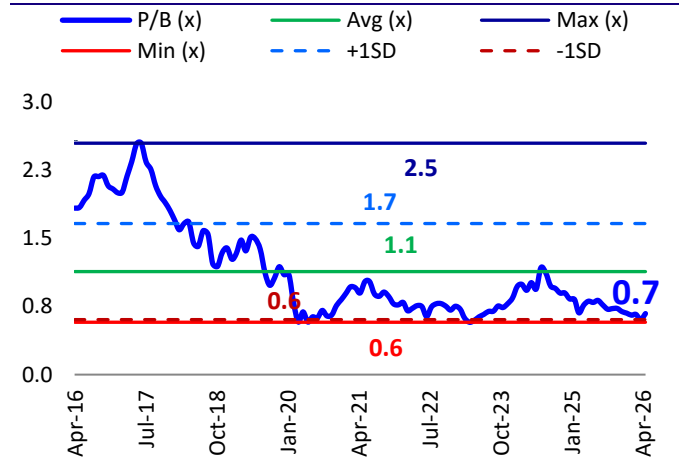
INR B	Old Est.		New Est.		% Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
NII	88.3	95.5	86.8	95.2	-1.7	-0.3
Other Income	5.3	5.1	6.5	7.2	23.4	41.2
Net Income	93.6	100.6	93.3	102.4	-0.3	1.8
Operating Expenses	14.1	15.4	14.6	15.9	3.3	3.1
Operating Profits	79.5	85.1	78.7	86.5	-0.9	1.6
Provisions	8.2	8.8	6.5	7.1	-19.8	-19.4
PBT	71.3	76.4	72.2	79.4	1.3	4.0
Tax	15.0	16.0	15.2	16.7	1.3	4.0
PAT	56.3	60.3	57.0	62.7	1.3	4.0
Loans	3,377	3,634	3,388	3,674	0.3	1.1
Borrowings	2,982	3,198	2,965	3,208	-0.6	0.3
Spreads (%)	1.90	1.91	1.76	1.78		
RoAA (%)	1.7	1.7	1.7	1.7		
RoAE (%)	13.2	12.7	13.1	12.9		

Exhibit 9: One-year forward P/E



Source: MOFSL, Company

Exhibit 10: One-year forward P/B



Source: MOFSL, Company

Financials and valuations

Income Statement										(INR M)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	1,71,628	1,96,054	1,96,971	1,96,885	2,25,162	2,70,416	2,76,615	2,81,997	2,94,279	3,18,949
Interest Expense	1,28,915	1,47,839	1,44,526	1,41,537	1,61,860	1,83,907	1,95,320	1,97,752	2,07,488	2,23,778
Net Interest Income	42,713	48,215	52,445	55,348	63,303	86,509	81,295	84,245	86,791	95,171
Change (%)	21.3	12.9	8.8	5.5	14.4	36.7	-6.0	3.6	3.0	9.7
Fee Income	348	394	788	982	448	491	371	788	876	957
Other Income	1,669	250	718	1,664	1,132	1,440	3,577	4,932	5,672	6,239
Net Income	44,730	48,859	53,951	57,994	64,882	88,440	85,243	89,965	93,340	1,02,367
Change (%)	21.0	9.2	10.4	7.5	11.9	36.3	-3.6	5.5	3.8	9.7
Operating Expenses	4,754	6,167	7,015	9,994	9,883	11,463	13,826	13,618	14,608	15,897
Operating Profits	39,976	42,692	46,936	48,000	55,000	76,976	71,416	76,347	78,732	86,469
Change (%)	22.7	6.8	9.9	2.3	14.6	40.0	-7.2	6.9	3.1	9.8
Provisions/write offs	6,181	10,002	13,450	20,218	19,430	16,437	2,858	5,540	6,550	7,062
PBT	33,796	32,690	33,486	27,782	35,570	60,539	68,558	70,806	72,182	79,407
Tax	9,486	8,672	6,142	4,909	6,660	12,885	14,268	14,855	15,158	16,675
Tax Rate (%)	28.1	26.5	18.3	17.7	18.7	21.3	20.8	21.0	21.0	21.0
PAT	24,310	24,018	27,343	22,873	28,910	47,654	54,290	55,952	57,024	62,731
Change (%)	21.4	-1.2	13.8	-16.3	26.4	64.8	13.9	3.1	1.9	10.0
Adjusted PAT	24,310	24,018	27,343	22,873	28,910	47,654	54,290	55,952	57,024	62,731
Change (%)	21.4	-1.2	13.8	-16.3	26.4	64.8	13.9	3.1	1.9	10.0
Proposed Dividend	4,471	4,040	4,292	4,678	4,678	4,954	5,504	5,504	5,777	6,054

Balance Sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Capital	1,010	1,010	1,010	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Reserves & Surplus	1,61,583	1,80,921	2,04,203	2,45,618	2,69,903	3,12,846	3,61,467	4,12,155	4,57,898	5,08,799
Net Worth	1,62,593	1,81,931	2,05,213	2,46,718	2,71,003	3,13,946	3,62,568	4,13,255	4,58,999	5,09,900
Borrowings	17,06,670	19,13,317	20,78,615	22,36,582	24,47,742	25,24,968	27,05,972	27,74,225	29,65,407	32,07,790
Change (%)	17.5	12.1	8.6	7.6	9.4	3.2	7.2	2.5	6.9	8.2
Other liabilities	1,36,572	72,808	72,505	62,375	65,374	73,132	70,726	63,577	60,398	63,418
Total Liabilities	20,05,835	21,68,056	23,56,333	25,45,675	27,84,120	29,12,046	31,39,266	32,51,057	34,84,804	37,81,108
Investments	35,951	54,964	46,357	61,986	69,764	62,770	71,421	50,503	55,554	61,109
Change (%)	82.3	52.9	-15.7	33.7	12.5	-10.0	13.8	-29.3	10.0	10.0
Loans	19,29,927	20,79,880	22,81,143	24,52,963	26,78,348	28,05,898	30,28,458	31,61,678	33,87,875	36,74,445
Change (%)	16.1	7.8	9.7	7.5	9.2	4.8	7.9	4.4	7.2	8.5
Net Fixed Assets	1,359	2,544	2,469	2,876	3,570	3,609	3,781	3,456	3,629	3,811
Other assets	38,598	30,669	26,364	27,849	32,439	39,770	35,605	35,419	37,746	41,744
Total Assets	20,05,835	21,68,056	23,56,333	25,45,675	27,84,120	29,12,046	31,39,266	32,51,057	34,84,804	37,81,108

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Spreads Analysis (%)										
Yield on loans	9.6	9.8	9.0	8.3	8.8	9.9	9.5	9.1	9.0	9.0
Cost of funds	8.2	8.2	7.2	6.6	6.9	7.4	7.5	7.2	7.2	7.3
Spreads Analysis (%)	1.4	1.6	1.8	1.76	1.87	2.46	2.01	1.89	1.76	1.78
Margins	2.4	2.4	2.4	2.3	2.5	3.2	2.8	2.7	2.7	2.7

Profitability Ratios (%)

Adj RoAE	15.9	13.9	14.1	10.1	11.2	16.3	16.0	14.4	13.1	12.9
Adj RoAA	1.3	1.2	1.2	0.9	1.1	1.7	1.8	1.8	1.7	1.7
Int. Expended/Int.Earned	75.1	75.4	73.4	71.9	71.9	68.0	70.6	70.1	70.5	70.2
Other Inc./Net Income	3.7	0.5	1.3	2.9	1.7	1.6	4.2	5.5	6.1	6.1

Efficiency Ratios (%)

Fees/Operating income	0.2	0.2	0.4	0.5	0.2	0.2	0.1	0.3	0.3	0.3
Op. Exps./Net Income	10.6	12.6	13.0	17.2	15.2	13.0	16.2	15.1	15.7	15.5
Empl. Cost/Op. Exps.	52.1	48.5	41.8	56.4	47.9	53.2	50.8	47.1	47.4	47.9

Asset-Liability Profile (%)

Loans/Borrowings Ratio	113.1	108.7	109.7	109.7	109.4	111.1	111.9	114.0	114.2	114.5
Debt/Equity (x)	10.5	10.5	10.1	9.1	9.0	8.0	7.5	6.7	6.5	6.3
Gross NPAs (Rs m)	30,754	59,594	95,585	1,16,520	1,20,196	94,945	76,010	69,273	66,111	62,723
Gross NPAs to Adv.	1.6	2.8	4.1	4.6	4.4	3.3	2.5	2.2	1.9	1.7
Net NPAs (Rs m)	15,514	33,474	57,414	66,314	66,383	46,178	37,071	34,649	33,056	31,362
Net NPAs to Adv.	0.8	1.6	2.5	2.7	2.5	1.6	1.2	1.1	1.0	0.9

Valuation

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Book Value (INR)	322	360	406	448	492	570	659	751	834	926
Growth (%)	14.2	11.9	12.8	10.3	9.8	15.8	15.5	14.0	11.1	11.1
Price-BV (x)	1.7	1.6	1.4	1.2	1.1	1.0	0.9	0.7	0.7	0.6
Adjusted BV (INR)	313.7	342.4	375.7	415.7	459.8	547.7	640.6	733.8	817.7	911.0
Price-ABV (x)	1.7	1.6	1.4	1.2	1.1	1.0	0.9	0.7	0.7	0.6
OPS (INR)	79.2	84.5	93.0	87.2	99.9	139.9	129.8	138.7	143.0	157.1
Growth (%)	22.7	6.8	9.9	-6.2	14.6	40.0	-7.2	6.9	3.1	9.8
Price-OP (x)	7.1	6.6	6.0	6.4	5.6	4.0	4.3	4.0	3.9	3.6
EPS (INR)	48.1	47.6	54.2	41.6	52.5	86.6	98.6	101.7	103.6	114.0
Growth (%)	21.4	-1.2	13.8	-23.3	26.4	64.8	13.9	3.1	1.9	10.0
Price-Earnings (x)	11.6	11.8	10.3	13.5	10.7	6.5	5.7	5.5	5.4	4.9
Adj. EPS (INR)	48.1	47.6	54.2	41.6	52.5	86.6	98.6	101.7	103.6	114.0
Growth (%)	21.4	-1.2	13.8	-23.3	26.4	64.8	13.9	3.1	1.9	10.0
Price-Earnings (x)	11.6	11.8	10.3	13.5	10.7	6.5	5.7	5.5	5.4	4.9
Dividend Per Share	7.6	8.0	8.5	8.5	8.5	9.0	10.0	10.0	10.5	11.0
Dividend Yield (%)	1.4	1.4	1.5	1.5	1.5	1.6	1.8	1.8	1.9	2.0

E: MOFSL Estimates

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