22 October 2026
2QFY27 Results Update | Sector: Financials

CreditAccess Grameen

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	CREDAG IN
Equity Shares (m)	161
M.Cap.(INRb)/(USDb)	174.8 / 1.8
52-Week Range (INR)	1634 / 1061
1, 6, 12 Rel. Per (%)	-17/-7/-4
12M Avg Val (INR M)	812

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	38.6	50.2	58.0
Total Income	41.6	54.2	60.9
PPoP	28.1	38.7	43.2
PAT	7.8	20.5	23.2
EPS (INR)	48.5	128.1	145
EPS Gr. (%)	46	164	13
BV (INR)	490	618	762
Ratios (%)			
NIM	14.8	16.1	15.3
C/I ratio	32.5	28.5	29.1
Credit cost	6.5	3.5	3.1
RoA	2.6	5.8	5.5
RoE	10.5	23.1	21.0
Valuations			
P/E (x)	22.5	8.5	7.5
P/BV (x)	2.2	1.8	1.4

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	63.8	66.2	66.4
DII	13.8	12.7	13.3
FII	14.7	13.5	12.3
Others	7.7	7.6	8.0

FII includes depository receipts

CMP: INR1,089 TP: INR1,450 (+33%) Buy

AUM growth to accelerate but credit costs to remain high in 2H

Asset quality improves, though monthly PAR accretion inches up due to floods

- CreditAccess (CREDAG)'s 2QFY27 PAT grew ~300% YoY (on a lower base) and 2% QoQ to INR5b (in line). NII grew 34% YoY to ~INR12.5b (in line).
- Opex grew ~14% YoY to INR3.8b (in line). Cost-income ratio declined ~110bp QoQ to ~28.2% (PQ: ~29.3% and PY: ~32.5%). PPOP grew ~40% YoY to INR9.7b (~6% beat). Total credit costs stood at INR3b in 2QFY27, which led to annualized credit costs of ~3.9% (PQ: ~2.8% and PY: ~8.1%).
- CREDAG's lending rate strategy focuses preserving risk-adjusted NIM, with future pricing actions contingent on the trajectory of credit costs and CoB. The ~50bp rate cut implemented in 3QFY27 is expected to be fully reflected across the portfolio over the next four to six quarters, while the previously indicated cuts for 4QFY27 and 1QFY28 remain conditional. Management indicated that further reductions could be considered if credit costs stabilize around ~3%, enabling CREDAG to pass on the pricing benefits while maintaining margins.
- CREDAG is well-positioned to sustain growth and improve profitability, supported by its 20-25% AUM growth guidance, higher NIM outlook and faster expansion in retail finance. Improving customer acquisition, graduation of vintage borrowers to retail finance products and stronger retention should support business momentum over the coming quarters. Disciplined underwriting and strengthened collections are expected to keep credit costs within the guided range.
- We estimate a CAGR of 21%/73% in AUM/PAT over FY26-28E, leading to RoA/RoE of ~5.5%/21% in FY28. CREDAG trades at 1.4x FY28E P/BV, and given its superior execution, we expect CREDAG to sustain its premium valuations over its MFI peers. **Maintain BUY with a TP of INR1,450 (based on 1.7x Sep'28E P/BV).**

Retail finance expansion and customer graduation to support growth

- Disbursements rose ~19% YoY/4% QoQ to ~INR64b. AUM grew ~20% YoY and 2% QoQ to ~INR309b. Borrower base remained broadly flat YoY and QoQ at ~4.5m (PQ: ~4.5m) and CREDAG opened ~60 new branches during the quarter to reach 2,326 branches.
- CREDAG expects AUM growth of 20-25%, supported by faster retail finance expansion, improving group loan momentum and customer graduation. Retail finance is likely to outpace MFI, which is expected to grow at 10-12%. The company is strengthening customer retention and graduating seasoned borrowers to individual and secured business loans while expanding its branch network and streamlining acquisition processes. Monthly customer additions are targeted to exceed ~100k over the next two quarters, up from the current run rate of ~80k. We expect CREDAG to deliver an AUM CAGR of ~21% over FY26-28E.

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Credit costs to remain elevated but within the guided range of 3-4%

- GNPA declined ~40bp QoQ to 1.8%, while NNPA declined ~15bp QoQ to ~0.6%. S3 PCR improved ~160bp QoQ to ~67%.
- Collection efficiency (including arrears) in 2QFY27 improved to 98.1% (PQ: 97.7%). CE (excluding arrears) increased to 97.9% (PQ: 97.4%).Monthly PAR 15+ accretion stood at 0.26% in Sep'26 vs. 0.16% in Jun'26.
- CREDAG expects credit costs to remain around 3-4%, despite weather-related disruptions in select geographies. Temporary flooding-related collection pressure and drought challenges in Maharashtra are being addressed through stronger collection efforts and a focus on existing borrowers for new disbursements. District-level exposure caps, borrower-level assessments and disciplined underwriting are expected to contain credit risk. We expect CREDAG to maintain credit costs of ~3.5%/3.1% in FY27E/FY28E.

Strong NIM expansion driven by yield improvement and lower CoF

- Reported yields improved ~50bp QoQ to ~22.3% and CoF declined ~10bp QoQ to ~9.1%. Reported NIM rose ~70bp QoQ to ~15.1%.
- CREDAG's NIM expanded to 15.1% in 2QFY27 from 14.4% in 1QFY27, driven by lower interest reversals in group loans, a higher share of individual business loans, stable borrowing costs and a stronger capital position. We model NIMs of ~16.1%/ 15.3% for FY27E/FY28E.

Highlights from the management commentary

- Collection capabilities have been strengthened through additional resources across teams, supporting near-term recovery efforts. In the affected districts of Maharashtra, the company intends to prioritize lending to existing customers over fresh sourcing.
- If the consultation paper on insurance distribution commissions is implemented in its current form, it will have an impact of ~25-30bp on the RoA of the company.

Valuation and view

- CREDAG delivered a constructive quarter, with NIM expanding to 15.1% and an upward revision in FY27 profitability guidance reflecting improving earnings potential. The company's focus on graduating vintaged borrowers into higher-value retail products, alongside improving retention and collection infrastructure, provides a foundation for more sustainable growth. While weather-related disruptions (particularly in districts hit by drought) warrant closer monitoring in 2H, management remains confident of containing credit costs within its guided range of 3-4%.
- We estimate a CAGR of 21%/73% in AUM/PAT over FY26-28E, leading to RoA/RoE of ~5.5%/21% in FY28. Maintain BUY with a TP of INR1,450 (based on 1.7x Sep'28E P/BV).

CREDAG: Quarterly Performance **(INR M)**

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	13,881	14,141	14,350	15,254	17,141	18,006	18,418	19,543	57,626	73,109	17,708	2
Interest Expenses	4,822	4,795	4,593	4,781	5,501	5,530	5,724	6,149	18,991	22,903	5,666	-2
Net Interest Income	**9,060**	**9,346**	**9,756**	**10,474**	**11,641**	**12,476**	**12,694**	**13,395**	**38,636**	**50,205**	**12,043**	**4**
YoY Growth (%)	*-2.3*	*0.2*	*13.1*	*19.5*	*28.5*	*33.5*	*30.1*	*27.9*	*7.3*	*29.9*	*28.9*	
Other Income	755	949	563	732	703	1,042	1,123	1,126	2,999	3,994	833	25
Total Income	**9,815**	**10,295**	**10,320**	**11,205**	**12,344**	**13,518**	**13,817**	**14,521**	**41,635**	**54,199**	**12,876**	**5**
YoY Growth (%)	*-2.1*	*6.2*	*13.8*	*20.5*	*25.8*	*31.3*	*33.9*	*29.6*	*9.3*	*30.2*	*25.1*	
Operating Expenses	3,285	3,347	3,515	3,402	3,618	3,816	3,945	4,099	13,549	15,462	3,726	2
Operating Profit	**6,530**	**6,948**	**6,805**	**7,803**	**8,725**	**9,702**	**9,872**	**10,422**	**28,086**	**38,737**	**9,150**	**6**
YoY Growth (%)	*-8*	*3*	*9*	*23*	*34*	*40*	*45*	*34*	*6*	*38*	*32*	
Provisions & Loan Losses	5,719	5,257	3,426	3,353	2,125	2,992	3,052	3,199	17,754	11,369	2,401	25
Profit before Tax	**811**	**1,692**	**3,379**	**4,450**	**6,600**	**6,710**	**6,820**	**7,223**	**10,332**	**27,369**	**6,748**	**-1**
Tax Provisions	209	434	858	1,055	1,666	1,694	1,732	1,750	2,556	6,842	1,714	-1
Net Profit	**602**	**1,258**	**2,521**	**3,396**	**4,934**	**5,016**	**5,088**	**5,473**	**7,776**	**20,526**	**5,034**	**0**
YoY Growth (%)	*-84.9*	*-32.4*	*-353.3*	*619.2*	*719.7*	*298.7*	*101.8*	*61.2*	*46.3*	*164.0*	*300.1*	
AUM Growth (%)	-0.9	3.1	7.1	14.0	16.4	19.5	21.9	21.7	15.0	23.4	20.0	
NIM (%)	13.9	14.4	14.9	14.9	15.5	16.3	16.0	15.7	14.8	16.1	15.7	
Cost to Income Ratio (%)	33.5	32.5	34.1	30.4	29.3	28.2	28.6	28.2	32.5	28.5	28.9	
Tax Rate (%)	25.8	25.6	25.4	23.7	25.2	25.2	25.4	25.4	24.7	25.0	25.4	
Key Parameters (%)												
Yield on loans	20.3	20.7	21.0	21.2	21.8	22.3						
Cost of funds	9.7	9.6	9.4	9.2	9.2	9.1						
Spread	10.6	11.1	11.6	12.0	12.6	13.2						
NIM	12.8	13.3	13.9	14.2	14.4	15.1						
Credit cost	8.9	8.1	5.2	4.8	2.8	3.9						
Cost to Income Ratio (%)	33.5	32.5	34.1	30.4	29.3	28.2						
Tax Rate (%)	25.8	25.6	25.4	23.7	25.2	25.2						
Performance ratios (%)												
GLP/Branch (INR m)	123	117	120	132	133	133						
GLP/Loan Officer (INR m)	18.2	17.9	18.4	20.4	21.0	20.5						
Borrowers/Branch	2,158	2,010	1,981	1,976	1,956	1,934						
Borrowers/Loan Officer	318	306	304	305	308	298						
Balance Sheet Parameters		-0.6				2.1						
Gross loan portfolio (INR B)	**260.6**	**259.0**	**265.7**	**295.9**	**303.2**	**309.5**	**323.9**	**360.2**				
Change YoY (%)	-0.9	3.1	7.1	14.0	16.4	19.5	21.9	21.7				
Disbursements (INR B)	**54.6**	**53.2**	**57.7**	**83.1**	**61.1**	**63.6**	**72.1**	**96.6**				
Change YoY (%)	21.9	33.0	13.4	28.4	11.9	19.4	25.0	16.3				
Borrowings (INR B)	**200.8**	**201.0**	**206.8**	**236.4**	**251.5**	**251.3**	**262.7**	**283.5**				
Change YoY (%)	-1.5	4.3	2.2	15.6	25.3	25.0	27.0	19.9				
Borrowings/Loans (%)	82.6	83.4	83.3	84.7	87.0	85.8						
Debt/Equity (x)	2.9	2.8	2.8	3.0	3.0	2.8						
Asset Quality (%)												
GS 3 (INR M)	**12,080**	**9,261**	**10,581**	**9,275**	**6,556**	**5,468**						
G3 %	4.7	3.7	4.0	3.2	2.2	1.8						
NS 3 (INR M)	4,445	3,121	3,471	3,209	2,268	1,777						
NS3 %	1.8	1.3	1.4	1.1	0.8	0.6						
PCR (%)	**63.2**	**66.3**	**67.2**	**65.4**	**65.4**	**67.5**						
ECL (%)	4.7	4.1	4.3	3.8	3.2	3.3						
Return Ratios - YTD (%)												
ROA (Rep)	0.9	1.8	3.7	4.4	5.9	5.8						
ROE (Rep)	3.4	7.1	14.6	17.8	24.4	23.2						

E: MOSL Estimates



Key highlights from the management commentary

Guidance

- CREDAG raised its FY27 profitability guidance, with RoA now expected at ~5.2-5.8% (vs. ~4-4.8% earlier) and RoE at ~21-24% (vs ~16-20% previously).
- The company has retained its AUM growth guidance of ~20-25%, supported by continued momentum in retail finance. Microfinance growth is expected to remain range-bound at ~10-12%, while retail finance is likely to grow faster.
- NIM guidance has been raised to ~14.4-14.7% (from 12.8-13.2%), driven by healthy asset quality, disciplined borrowing costs and a stronger capital position. The CI ratio is expected to remain at ~29-30%.
- Credit cost guidance remains unchanged at ~3-4%, and management does not expect credit costs to exceed this range despite emerging drought-related challenges in select districts of Maharashtra
- The company expects its cost of borrowings to remain in the ~9.2-9.3% range over the near term.
- CREDAG has implemented a ~50bp lending rate cut in 3QFY27. Any further reductions, including the previously indicated cuts for 4QFY27 and 1QFY28, will depend on credit cost trends, borrowing costs and the risk-adjusted NIM the company intends to maintain.
- Management expects the full impact of the ~50bp lending rate cut to flow through the portfolio over four-six quarters. Further rate reductions would be considered if credit costs remain around ~3%.
- The company expects customer acquisition momentum to improve in 3QFY27 and 4QFY27, with a target of onboarding more than 100k customers per month versus the current run rate of ~80k.

Business updates

- CREDAG added 230k borrowers during the quarter, of whom 35% were new to credit, and opened 62 branches, taking its network to 2,326 branches across 460 districts.
- Digital collections increased to ~26.3% from ~18.1% a year ago, while borrower retention improved to 88% in 1HFY27 from ~85% in FY26.
- The company's strategy is centered on retaining high-quality, seasoned borrowers and graduating them from microfinance to individual and secured business loans as their financial profiles and borrowing requirements improve.
- The secured retail portfolio, comprising secured business loans, affordable housing loans and two-wheeler finance, grew ~61% YoY.
- CREDAG is strengthening its collections infrastructure through a dedicated team of more than 500 employees across operating geographies.
- The company remains among the lowest-priced lenders in the microfinance industry, reducing the likelihood of customers migrating solely for lower interest rates. Improved retention also supports the strategy of deepening relationships with existing borrowers.

Financial performance and insurance commission impact

- NIM expanded to ~15.1% in 2QFY27 from 14.4% in 1QFY27, supported by lower interest reversals in the group loan portfolio, a higher share of individual business loans, stable borrowing costs and a stronger capital position.

- The impact of the insurance commission regulations is expected to be ~25-30bp to RoA.

Asset quality and collection trends

- CREDAG witnessed a temporary increase in monthly PAR additions during August and September, primarily due to excess rainfall and flooding in parts of Bihar, Uttar Pradesh, Chhattisgarh and Madhya Pradesh, alongside seasonal festivities in select geographies. The impact of flooding has been temporary, with operating conditions typically normalizing within two to three weeks.
- Drought-related challenges have emerged in few districts of central Maharashtra, where some borrowers have requested additional time for repayment, including restructuring options.
- Management does not anticipate credit costs exceeding the guided ~3-4% range, with the existing guidance expected to absorb potential volatility arising from weather-related disruptions.
- Collection capabilities have been strengthened through additional resources across teams, supporting near-term recovery efforts. In the affected districts of Maharashtra, the company intends to prioritize existing customers over fresh sourcing.
- The company follows a disciplined risk management framework, limiting exposure to any single district to no more than ~2% and calibrating lending limits based on local per-capita income, repayment trends and historical credit costs.
- Product-level and borrower-level controls also determine lending limits and pricing based on customer vintage and credit performance, helping contain concentration risk and maintain underwriting discipline.

Group loans and customer acquisition

- CREDAG expects group loan growth momentum to improve over the next two quarters, with better customer acquisition numbers likely to emerge in 3QFY27 and 4QFY27.
- The company is streamlining customer graduation, product offerings, processes and technology to improve acquisition and retention.
- Management focuses on retaining seasoned borrowers and deepening relationships with existing customers while continuing to acquire a mix of experienced borrowers and new-to-credit customers as the branch network expands.
- The broader five-year strategy is to retain good-quality borrowers for longer by moving them through a structured graduation pathway, beginning with microfinance and progressing to individual business loans and secured business loans as their credit profiles improve.

Retail finance and customer graduation

- Individual business loans serve as a graduation product for seasoned customers with stronger credit profiles and higher credit scores. For instance, borrowers under the Unnati product have an average relationship vintage exceeding seven years and an average credit score above 730.
- Underwriting standards become more stringent as borrowers graduate from microfinance to retail finance. Dedicated credit teams conduct detailed

assessments of customer profiles and cash flows, while credit scores and repayment histories inform larger lending decisions.
- Management noted that borrowers with retail finance exposure have performed better than pure microfinance customers in the past 12-14 months, supporting the company's strategy of expanding graduation-led lending.
- CREDAG remains positive about the mortgage business, with NPAs within tolerable levels. Retail finance is expected to grow faster than microfinance and contribute an increasing share of overall growth.

Lending rates, margins and pricing

- CREDAG has implemented a 50bp lending rate reduction in 3QFY27, with the cut applying across all its lending products other than mortgages and two-wheeler loans.
- The company's lending rates are determined by its pricing policy, which factors in credit costs and borrowing costs. Further reductions are not automatic and will depend on the evolution of these variables and the risk-adjusted NIM, which the company seeks to maintain.
- Marginal borrowing costs have increased slightly due to the funding mix, including longer-tenure funds and recent NCD issuances. However, the new USD175m ECB loan replaces an existing USD200m ECB facility maturing in October at a lower interest rate, while expected drawdowns and repayments over the next six months are broadly matched on pricing.
- Liability Mix: ~30% of borrowings are fixed-rate, ~45% are linked to MCLR, and the remaining borrowings are linked to other benchmarks, including repo rates.

Risk management and regulatory developments

- CREDAG has applied for enrolment under the microfinance guarantee scheme. Management expects the scheme to open for enrolment within one to two weeks, after which the company intends to participate.
- The company maintains product-specific, customer-level and district-level lending controls, with higher lending limits reserved for seasoned borrowers who demonstrate stronger repayment behavior and cash flows.
- The graduation process incorporates detailed customer assessments, including credit scores, vintage, cash flows and repayment history, before extending larger loans. This supports controlled expansion into retail finance while limiting incremental credit risk.

Strategic investor update

- Promoters of CREDAG are in active discussions for bringing in a potential strategic investor at the HoldCo Level. Management expects some developments over the next couple of quarters.

Key exhibits

Exhibit 1: Disbursements grew ~19% YoY

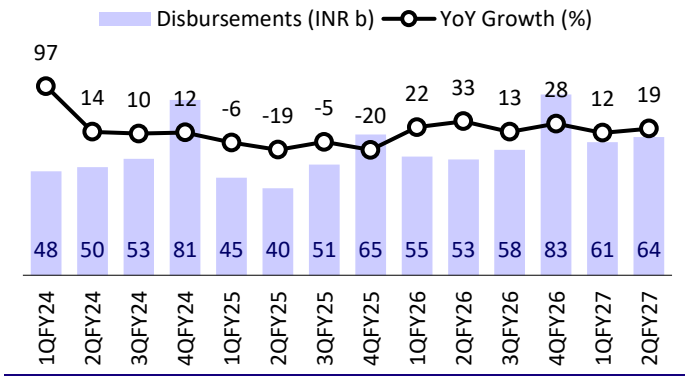


Exhibit 2: GLP grew ~19% YoY to INR309b

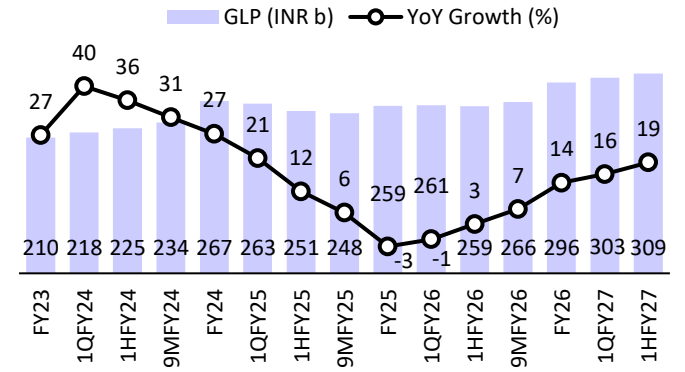


Exhibit 3: State-wise GL AUM exposure (%)

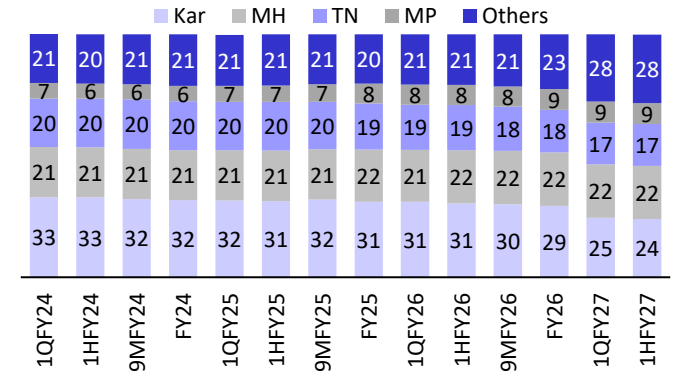


Exhibit 4: Proportion of bank borrowings rose QoQ (%)

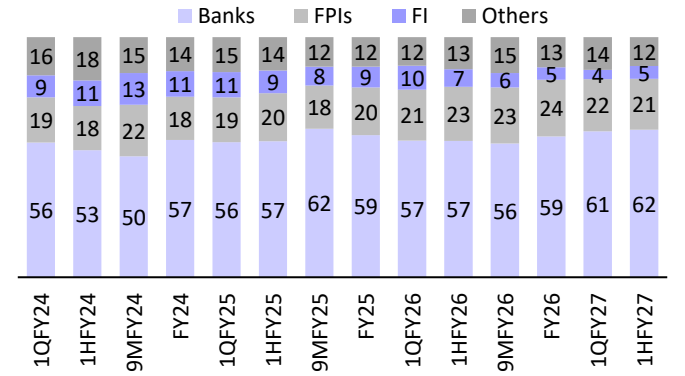


Exhibit 5: Reported NIM improved ~70bp QoQ (%)

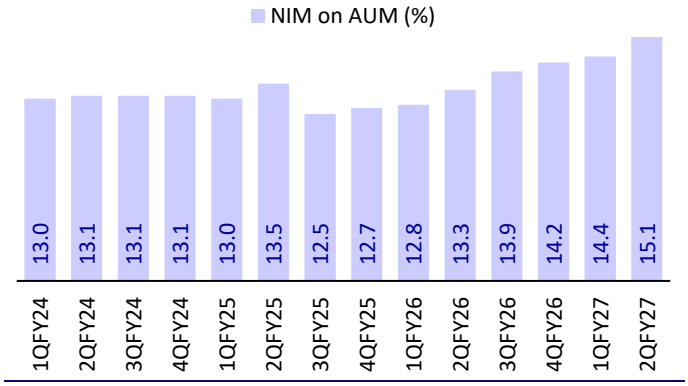


Exhibit 6: CI ratio declined QoQ

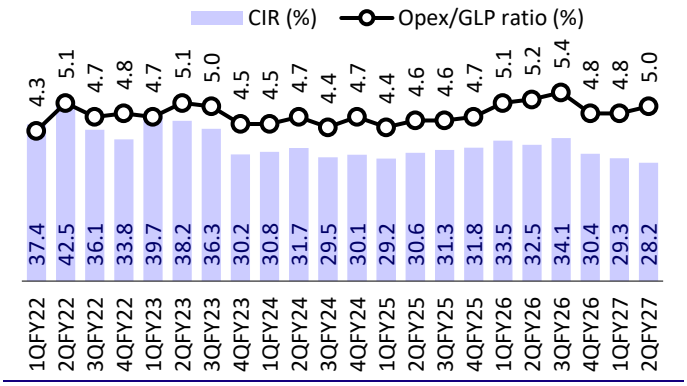


Exhibit 7: GNPA declined to ~1.8% as of Sep'26

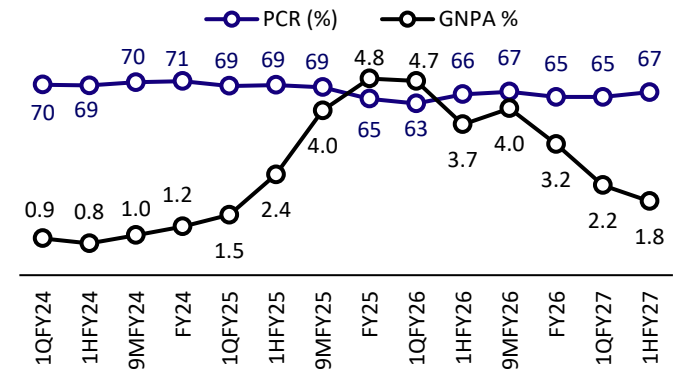
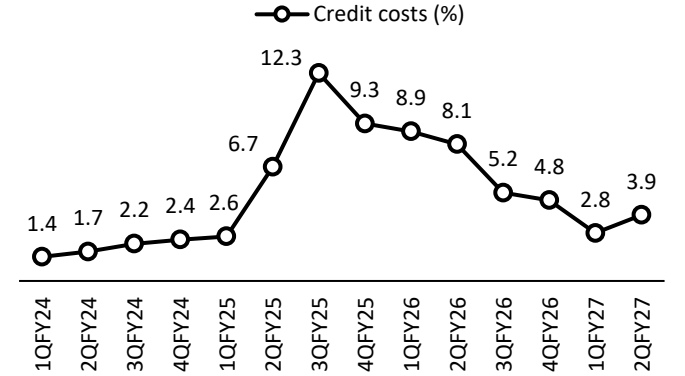


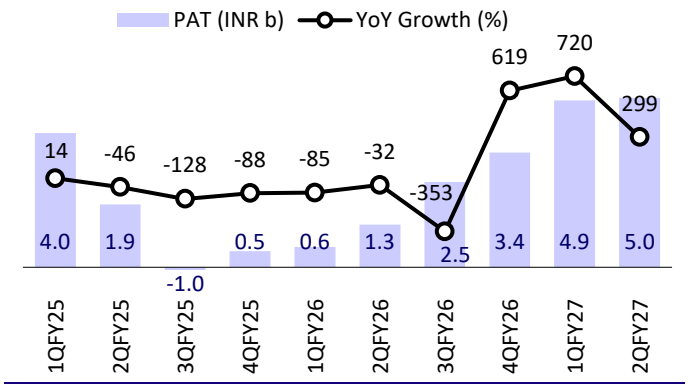
Exhibit 8: Credit costs increased ~110bp QoQ



Sources: MOFSL, Company

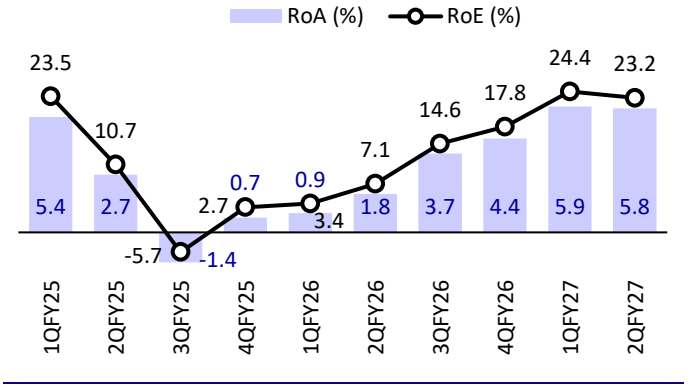
Sources: MOFSL, Company

Exhibit 9: Reported PAT rose to INR5b in 2QFY27



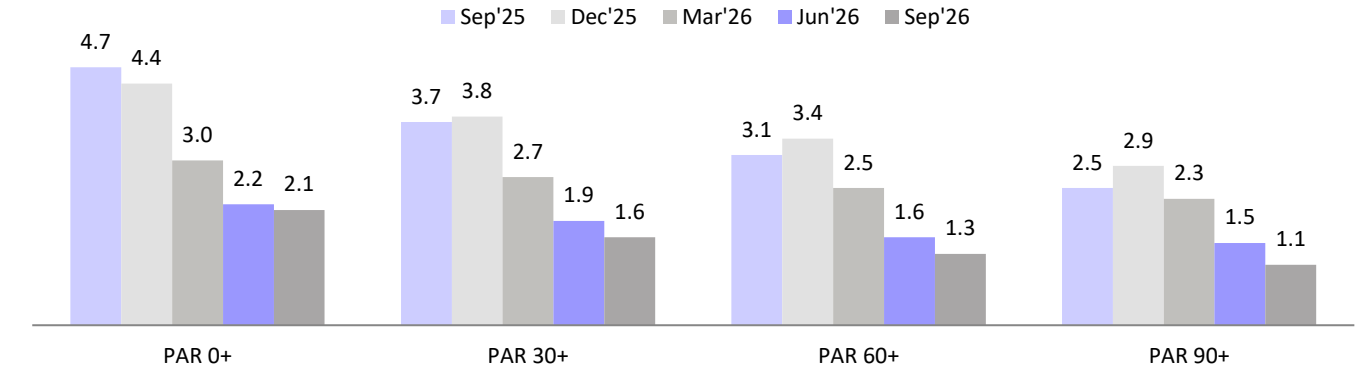
Sources: MOFSL, Company

Exhibit 10: RoA remained stable QoQ at ~5.8%



Sources: MOFSL, Company

Exhibit 11: Trends in PAR rates (%)

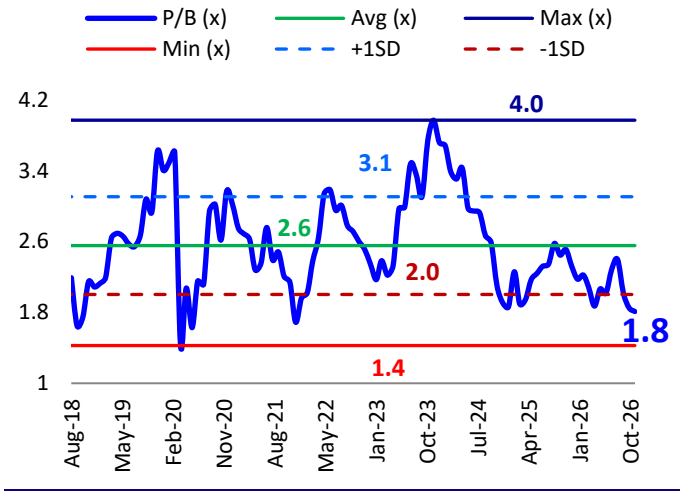


Source: MOFSL, Company

Exhibit 12: We keep our FY27 EPS largely unchanged, and increase our FY28 EPS by 3% to factor in higher assignment income

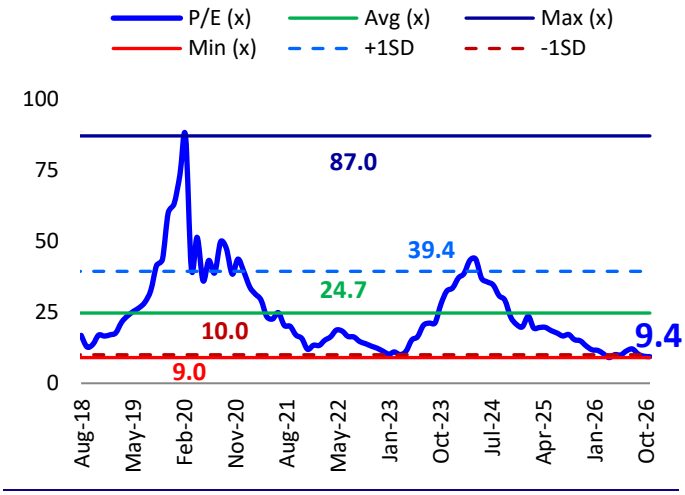
INR B	Old Est.		New Est.		% change	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	49.0	57.1	50.2	58.0	2.5	1.6
Other Income	3.1	2.5	4.0	2.9	27.1	18.5
Total Income	**52.1**	**59.5**	**54.2**	**60.9**	**4.0**	**2.3**
Operating Expenses	15.4	18.0	15.5	17.7	0.3	-1.3
Operating Profits	**36.7**	**41.6**	**38.7**	**43.2**	**5.6**	**3.9**
Provisions	9.4	11.7	11.4	12.3	21.1	5.3
PBT	**27.3**	**29.9**	**27.4**	**30.9**	**0.2**	**3.4**
Tax	6.8	7.5	6.8	7.7	0.2	3.4
PAT	**20.5**	**22.4**	**20.5**	**23.2**	**0.2**	**3.4**
AUM	360	429	360	433		
Borrowings	288	339	284	336		
RoA	5.8	5.2	5.8	5.5		
RoE	23.1	20.4	23.1	21.0		

Exhibit 13: One-year forward P/B



Source: MOFSL, Company

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Interest Income	22,900	25,673	33,271	49,001	55,468	57,626	73,109	86,822	1,01,799
Interest Expended	9,287	9,841	12,129	17,324	19,476	18,991	22,903	28,822	34,336
Net Interest Income	**13,613**	**15,832**	**21,143**	**31,677**	**35,992**	**38,636**	**50,205**	**58,000**	**67,463**
Change (%)	29.0	16.3	33.5	49.8	13.6	7.3	29.9	15.5	16.3
Other Income	1,760	1,825	2,237	2,725	2,094	2,999	3,994	2,936	2,252
Net Income	**15,373**	**17,657**	**23,379**	**34,402**	**38,086**	**41,635**	**54,199**	**60,936**	**69,715**
Change (%)	36.4	14.9	32.4	47.1	10.7	9.3	30.2	12.4	14.4
Operating Expenses	5,856	6,885	8,315	10,493	11,702	13,549	15,462	17,714	20,537
Operating Income	**9,517**	**10,772**	**15,064**	**23,910**	**26,384**	**28,086**	**38,737**	**43,222**	**49,178**
Change (%)	36.2	13.2	39.8	58.7	10.3	6.5	37.9	11.6	13.8
Provisions and W/Offs	7,714	5,968	4,010	4,518	19,295	17,754	11,369	12,291	14,027
PBT	**1,803**	**4,805**	**11,054**	**19,392**	**7,089**	**10,332**	**27,369**	**30,931**	**35,151**
Tax	490	1,237	2,794	4,933	1,775	2,556	6,842	7,733	8,788
Tax Rate (%)	27.2	25.7	25.3	25.4	25.0	24.7	25.0	25.0	25.0
PAT	**1,313**	**3,568**	**8,261**	**14,459**	**5,314**	**7,776**	**20,526**	**23,198**	**26,363**
Change (%)	-60.9	171.7	131.5	75.0	-63.2	46.3	164.0	13.0	13.6
Proposed Dividend (Incl Tax)	0	0	0	1,594	0	0	0	0	0

Balance Sheet (INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E
Equity Share Capital	1,556	1,559	1,589	1,594	1,597	1,602	1,602	1,602	1,602
Reserves & Surplus	35,360	38,218	49,481	64,106	67,963	76,821	97,347	1,20,545	1,46,908
Net Worth	**36,916**	**39,777**	**51,070**	**65,700**	**69,560**	**78,423**	**98,949**	**1,22,147**	**1,48,510**
Borrowings	**1,09,413**	**1,29,207**	**1,63,123**	**2,18,410**	**2,04,458**	**2,36,411**	**2,83,530**	**3,36,301**	**3,94,252**
Change (%)	14.7	18.1	26.2	33.9	-6.4	15.6	19.9	18.6	17.2
Other liabilities	4,264	4,964	4,389	4,352	4,005	4,469	4,730	5,008	5,304
Total Liabilities	**1,50,592**	**1,73,948**	**2,18,581**	**2,88,462**	**2,78,022**	**3,19,302**	**3,87,208**	**4,63,456**	**5,48,067**
Cash and bank balances	24,844	17,614	14,364	13,139	14,428	13,270	16,250	20,120	22,150
Loans and Advances	**1,17,205**	**1,47,653**	**1,90,433**	**2,51,050**	**2,42,745**	**2,79,227**	**3,44,507**	**4,15,186**	**4,95,914**
Change (%)	5.6	26.0	29.0	31.8	-3.3	15.0	23.4	20.5	19.4
Fixed Assets	5,734	5,739	968	1,214	1,307	1,312	1,509	1,736	1,996
Investments	5	5	4,545	14,389	8,930	10,753	11,291	11,856	12,448
Intangible Assets	0	4,673	5,061	4,923	4,764	4,564	4,564	4,564	4,564
Other Assets	2,804	2,937	3,208	3,747	5,849	10,175	9,086	9,995	10,994
Total Assets	**1,50,587**	**1,73,942**	**2,18,581**	**2,88,462**	**2,78,022**	**3,19,302**	**3,87,208**	**4,63,456**	**5,48,067**

E: MOSL Estimates

Financials and valuations

Ratios									(%)
AUM and Disbursements (INR m)	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
AUM	**1,35,870**	**1,65,990**	**2,10,320**	**2,67,140**	**2,59,480**	**2,95,900**	**3,60,221**	**4,32,604**	**5,15,744**
YoY growth (%)	13.3	22.2	26.7	27.0	-2.9	14.0	21.7	20.1	19.2
Disbursements	**1,10,104**	**1,54,670**	**1,88,090**	**2,31,340**	**2,00,360**	**2,48,600**	**2,93,348**	**3,46,151**	**4,11,919**
YoY growth (%)	1.9	40.5	21.6	23.0	-13.4	24.1	18.0	18.0	19.0

Ratios							(%)	(%)	
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Spreads Analysis (%)									
Yield on Portfolio	19.8	19.2	19.4	21.8	22.0	21.8	23.2	22.6	22.1
Cost of Borrowings	9.1	8.2	8.3	9.1	9.2	8.6	8.8	9.3	9.4
Interest Spread	10.7	11.0	11.1	12.7	12.8	13.2	14.4	13.3	12.7
Net Interest Margin	11.9	12.0	12.5	14.4	14.6	14.8	16.1	15.3	14.8
Profitability Ratios (%)									
RoE	4.1	9.3	18.2	24.8	7.9	10.5	23.1	21.0	19.5
RoA (on balance sheet)	0.9	2.2	4.2	5.7	1.9	2.6	5.8	5.5	5.2
Debt: Equity (x)	3.0	3.2	3.2	3.3	2.9	3.0	2.9	2.8	2.7
Leverage (x)	4.3	4.2	4.3	4.4	4.0	4.1	3.9	3.8	3.7
Efficiency Ratios (%)									
Int. Expended/Int.Earned	40.6	38.3	36.5	35.4	35.1	33.0	31.3	33.2	33.7
Op. Exps./Net Income	38.1	39.0	35.6	30.5	30.7	32.5	28.5	29.1	29.5
Empl. Cost/Op. Exps.	64.9	63.6	62.0	63.8	62.4	64.9	66.2	67.1	68.3
Other Income/Net Income	11.5	10.3	9.6	7.9	5.5	7.2	7.4	4.8	3.2
Asset quality									
GNPA	5,487	5,587	2,364	3,026	12,256	9,275	6,914	6,862	8,170
NNPA	1,686	1,974	808	877	4,287	3,208	2,143	2,196	2,533
GNPA %	4.5	3.7	1.2	1.2	4.8	3.2	1.9	1.6	1.6
NNPA %	1.4	1.3	0.4	0.3	1.7	1.1	0.6	0.5	0.5
PCR %	69.3	64.7	65.8	71.0	65.0	65.4	69.0	68.0	69.0

Valuation	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Book Value (INR)	237	255	321	412	436	490	618	762	927
BV Growth (%)	25.0	7.5	25.9	28.3	5.6	12.4	26.2	23.4	21.6
Price-BV (x)	**4.6**	**4.3**	**3.4**	**2.6**	**2.5**	**2.2**	**1.8**	**1.4**	**1.2**
EPS (INR)	8.4	22.9	52.0	90.7	33.3	48.5	128.1	144.8	164.6
EPS Growth (%)	-63.8	171.2	127.1	74.5	-63.3	45.9	164.0	13.0	13.6
Price-Earnings (x)	**129.1**	**47.6**	**21.0**	**12.0**	**32.8**	**22.5**	**8.5**	**7.5**	**6.6**
Dividend per share	0.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0.0
Dividend Yield (%)	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

E: MOSL Estimates

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Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.