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
Piramal Finance
Power finance Corporation
Repco Home Finance
Rural Electrification Corporation
Shriram Finance
Spandana Sphoorty
Tata Capital

Steady quarter despite macro headwinds and rising CoF

Demand trends healthy and asset quality stable; NIM pressure due to higher CoF

- **Demand trends remained strong:** We expect ~12% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs, in 2QFY27. Vehicle financers are projected to report ~18% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~42% YoY growth. NBFC-MFIs are estimated to post AUM growth of 20% YoY, while diversified lenders are expected to deliver ~27% YoY growth in AUM. For our NBFC coverage universe, we estimate loan growth of ~17% YoY/4.3% QoQ as of Sep'26.
- **Healthy growth and broadly stable asset quality:** NBFCs are expected to deliver a steady operating performance in 2QFY27, supported by sustained loan growth and stable asset quality. Growth momentum was broad-based across most lending segments (excluding power finance), with housing finance, vehicle finance, gold loans and unsecured retail maintaining healthy demand. Gold loan growth remained robust, albeit moderating from the exceptionally strong momentum seen last year. MFIs are expected to report steady disbursement momentum, although sequential growth could be slightly lower than anticipated, primarily because of floods in certain parts of the country.
- **Rising incremental CoF continues to weigh on NIMs:** Incremental CoF for NBFCs continued to inch up in 2QFY27, particularly for lenders with greater reliance on market borrowings, as bond yields remained elevated amid geopolitical uncertainties. Going forward, evolving inflation dynamics, driven by food inflation, weak monsoons and geopolitical developments, could prompt the RBI to hike the repo rate in the upcoming MPCs, potentially exerting further pressure on the cost of borrowings for NBFCs. Consequently, we expect NIM to remain under pressure in the near term. However, HFCs are relatively better placed given their floating-rate loan books, which enable faster repricing of assets. Diversified lenders could partly mitigate margin pressure by increasing the share of higher-yielding unsecured loans in their portfolio, thereby supporting overall yields.
- **Asset quality broadly stable; 2HFY27 trajectory remains watchful:** Asset quality remained broadly stable across most lending segments during the quarter. Collections were marginally lower in the tractor portfolio, primarily due to weak monsoons, while housing, vehicle (excluding tractors), gold, MFI and diversified finance portfolios continued to report stable asset quality. Importantly, high crude oil prices and the West Asia conflict did not result in any deterioration in portfolio quality. Going forward, asset quality is a key monitorable in 2H, as weak monsoons and El Niño conditions, which have led to drought-like situations across few states, could weigh on rural cash flows and impact repayment ability of borrowers.
- **Earnings to remain healthy:** For our NBFC coverage universe, we estimate ~20%/18% YoY growth in NII/PPoP and ~24% YoY growth in PAT in 2QFY27. We prefer diversified lenders and mortgage players, and our top picks in the sector are BAF, SHFL, PNBHF and Five Star.

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HFCs: Heathy disbursement and AUM growth; NIMs trends mixed

- Disbursement momentum was healthy across HFCs during the quarter. While competition remains elevated, pricing is rational, with BT-outflows also stabilizing across HFCs. Margins for both large HFCs and affordable HFCs are likely to remain under modest pressure due to a marginal increase in incremental CoF.
- Asset quality is expected to remain broadly stable across HFCs during the quarter, supporting benign credit costs.
- For LICHF, we expect credit costs (net of recoveries) at -5bp (vs. -14bp in 1QFY27). NIM is expected to decline ~7bp QoQ. We expect LICHF to report 5% YoY growth in loans and 12% YoY growth in disbursements. We expect BHFL to report AUM growth of 25% YoY and NTI to decline ~10bp QoQ.
- We forecast HomeFirst to report ~33% YoY growth in disbursements, leading to AUM growth of ~27% YoY. Asset quality is expected to remain broadly stable for both HomeFirst and Aavas. Aavas is expected to report disbursement and AUM growth of 21% and 16% YoY, respectively. Disbursements for CANF were impacted during the quarter due to teething issues following the implementation of its new technology platform across ~175-180 branches.
- We estimate PNBHF to deliver ~18.5% YoY growth in total loan book as of Sep'26. For PNBHF, we expect NIM to expand ~3bp 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 are expected to rebound. We expect disbursements to grow 69% YoY and 35% QoQ, translating into ~14% YoY growth in AUM. We expect credit costs to remain broadly stable QoQ at ~1.8%.

Vehicle finance: Stable disbursement momentum; asset quality stable

- MMFS reported disbursements of ~INR165b in 2QFY27 (up ~22% YoY), leading to ~15% YoY growth in business assets. We expect credit costs for MMFS to be at ~1.8% in 2QFY27 (vs. ~1.7% in 1QFY27).
- For CIFC/SHFL, we expect disbursement growth of 30%/22% YoY, which should translate into ~23%/16% YoY growth in AUM in 2QFY27.
- Disbursement momentum in the vehicle finance segment remained healthy, sustaining its strong trajectory in 2QFY27. Demand was robust across key segments, including PVs, CVs and 2Ws. However, the tractor finance portfolio witnessed a marginal slowdown, primarily due to weak monsoons and drought-like conditions in few states.
- Asset quality was broadly stable during the quarter, with no material stress observed across segments despite the West Asia conflict and weak monsoons. However, the tractor portfolio of VFs is expected to exhibit minor asset quality deterioration, reflecting some impact from weaker monsoons.
- Margin trends were divergent across vehicle financiers, with SHFL expected to report margin expansion, while CIFC and MMFS are likely to report margin contraction due to higher incremental CoF during the quarter.

Gold finance: Strong growth continues, albeit at a relatively slower pace; expect NIM to contract due to sequential decline in yields

- Gold lenders are expected to deliver healthy growth in 2QFY27; however, the pace is likely to moderate relative to the exceptionally strong growth in FY26. MGFL and IIFL are likely to exhibit sequential improvement in gold tonnage.
- We expect NIMs to contract for gold financiers, driven by lower yields following the launch of lower interest-rate schemes toward the end of Aug'26. The impact on yields is likely to be more pronounced in 3QFY27, resulting in further NIM compression. MGFL is expected to report broadly stable margins in 2QFY27, with yields having largely stabilized. In contrast, MUTH may witness margin contraction due to lower yields. We expect MUTH margins to decline, while MGFL's margins are likely to remain stable QoQ.
- We expect MGFL in its standalone entity to deliver strong gold loan growth. Further, MFI book is also expected to grow, driven by pick-up in disbursements. We expect gold loan growth of ~5% QoQ for MUTH and ~6% QoQ for MGFL.
- Business momentum and asset quality continue to improve across the MFI businesses of Asirvad and Belstar, which is expected to support higher disbursements and moderation in credit costs during the quarter.

MFIs: Steady business momentum; fresh PAR accretion stable

- Business momentum across MFI lenders remained steady; however, sequential disbursement growth was slightly weaker (with the exception of Spandana) than earlier anticipated. Despite slightly softer disbursement momentum, AUM growth remained steady, albeit on a low base. We expect QoQ AUM growth of ~2.5%/4%/11.5% for CREDAG/Fusion/Spandana in 2QFY27.
- Asset quality in the MFI segment was stable during the quarter, supported by stable PAR levels and controlled fresh flow-forwards. Fresh PAR accretion was in the range of 18-20bp for most lenders, indicating healthy collection efficiency. However, weaker monsoons this year have resulted in drought-like conditions across few states, making asset quality trends a key monitorable in 2HFY27, particularly given the potential impact on rural cash flows.
- We estimate annualized credit costs of ~3.1%/2.4%/0.5% for CREDAG/Fusion/ Spandana in this quarter. Margins are expected to improve for MFIs, supported by lower interest income reversals and the impact of price hikes implemented earlier.

Diversified financiers: Healthy AUM growth with unsecured loans regaining momentum

- BAF is expected to deliver AUM growth of ~25% YoY/5.6% QoQ. We estimate margins to decline 10bp QoQ, with credit costs at ~155bp (vs. 154bp in 1QFY27).
- For HDBFIN, we expect disbursements growth of ~19% YoY and loan growth of 12% YoY. We expect NIM to decline ~10bp QoQ to 8.25%. Credit cost is likely to remain broadly stable QoQ at 2.35% (compared to 2.32% in 1QFY27).
- LTF is expected to report loan growth of ~27% YoY/4.5% QoQ. We estimate credit costs to remain broadly stable QoQ at 2.43%.
- Poonawalla is expected to report AUM growth of ~55% YoY/10% QoQ, with total AUM at INR738b. We expect credit costs to decline ~15bp QoQ to ~2.2% (vs. 2.35% in 1QFY27).

- IIFL Finance is expected to sustain strong growth in gold loan AUM in 2QFY27. We expect consolidated AUM growth of 37% YoY. We estimate PAT (post MI) of ~INR7.4b in 2Q (vs. INR6.7b in 1QFY27).
- Northern Arc is expected to report AUM growth of ~33% YoY/11.5% QoQ with total AUM at INR188b. We expect credit costs to decline ~10bp QoQ to ~2.5% (vs. 2.6% in 1QFY27).
- For Piramal Finance, we expect consolidated AUM growth of ~24% YoY in 2QFY27. We expect margins to expand by ~15bp QoQ to 5.4% and expect credit costs at 1.7% (PY: 1.8%).
- For Tata Capital, we expect ~24% YoY consolidated AUM growth (including motor finance) in 2QFY27. We expect margins to remain broadly stable QoQ and expect credit costs at 0.9% (PY: 0.95%).

Power Financiers: Muted loan growth continues; credit costs to stay benign

- Disbursement and AUM growth among power financiers remained muted during the quarter. There were no new stressed asset resolutions in the quarter. Resolution of Hiranmaye Energy is expected in 2HFY27.
- REC's disbursements are expected to decline 1% YoY and grow 64% QoQ, leading to muted AUM growth of 5% YoY and ~4% QoQ. For PFC, we expect disbursements to decline 15% YoY, leading to loan book growth of ~4% YoY and ~2% QoQ. We expect forex losses to moderate during the quarter, providing support to earnings.

Exhibit 1: Quarterly performance

Name	CMP (INR)	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
			Sep-26	Variance	Variance	Sep-26	Variance	Variance	Sep-26	Variance	Variance
AAVAS Financiers	1,193	Neutral	3,293	14.3	1.7	2,429	10.8	4.3	1,802	9.9	5.2
Bajaj Finance	949	Buy	1,32,104	22.5	5.1	1,06,433	19.9	5.0	63,715	28.8	4.8
Bajaj Housing	83	Neutral	10,142	6.0	4.8	9,760	10.6	3.3	7,294	13.5	2.0
Can Fin Homes	709	Neutral	4,343	7.3	1.6	3,547	6.0	0.9	2,731	8.6	2.0
Chola. Inv & Fin.	1,583	Buy	41,903	24.0	3.8	30,978	26.0	-1.4	15,852	37.2	-4.1
CreditAccess	1,239	Buy	12,043	28.9	3.5	9,150	31.7	4.9	5,034	300.1	2.0
Five-Star Business	506	Buy	6,668	12.4	4.8	4,540	4.8	7.1	2,930	2.4	8.0
Fusion Finance	172	Buy	2,587	4.9	6.7	1,189	33.6	16.5	789	-	26.3
HDB Financial	618	Neutral	25,429	16.0	1.4	17,957	17.3	2.5	8,052	38.5	2.5
Home First Fin.	1,125	Buy	2,689	30.2	6.1	2,375	26.0	6.3	1,699	28.9	6.3
IIFL Finance	584	Buy	21,134	46.9	5.5	13,312	25.9	8.9	7,429	97.4	10.1
Jio Financial Services	212	Buy	5,779	125.3	6.4	6,707	15.8	-33.8	4,673	-32.8	-43.7
L&T Finance	265	Buy	30,562	27.2	4.5	21,247	30.1	5.9	9,923	35.0	8.3
LIC Housing Fin	511	Neutral	20,335	-0.2	-2.0	18,514	-1.1	4.2	15,131	11.8	1.7
M & M Financial	320	Buy	24,012	13.7	-0.5	17,455	16.5	-0.6	8,226	44.5	-8.5
Manappuram Finance	308	Neutral	18,182	32.2	5.5	10,820	61.2	7.4	6,604	203.9	12.9
MAS Financial	273	Buy	2,455	49.3	5.0	2,111	34.1	5.1	1,107	23.4	5.8
Muthoot Finance	2,701	Neutral	44,700	12.0	2.5	35,584	9.0	2.4	25,547	8.9	0.2
Northern Arc	289	Buy	5,024	40.6	1.6	2,770	28.1	5.4	1,243	36.6	8.9
PFC	318	Buy	52,047	-1.6	-0.5	61,427	6.2	14.7	49,386	10.7	4.1
PNB Housing	1,090	Buy	8,376	11.6	4.7	7,343	13.6	6.5	6,008	3.3	7.8
Poonawalla Fincorp	433	Buy	13,358	74.7	11.6	8,803	127.7	12.2	3,708	399.7	20.5
Piramal Finance	2,024	Buy	14,767	44.8	8.8	9,415	82.7	17.1	5,522	68.9	19.8
REC	289	Buy	55,164	1.3	1.4	50,635	-11.0	19.2	39,300	-11.2	-5.3
Repco Home Fin	336	Neutral	2,073	9.7	0.8	1,575	11.7	0.1	1,156	8.1	1.3
Shriram Finance	943	Buy	81,408	35.1	5.6	63,753	43.5	4.8	35,960	56.0	4.4
Spandana Sphoorty	217	Neutral	1,775	69.4	19.8	393	-157.0	141.7	180	-107.2	51.1
Tata Capital	319	Neutral	37,022	23.2	3.7	29,621	30.1	4.5	17,130	53.1	5.2
NBFC			**6,79,375**	**19.8**	**3.6**	**5,49,840**	**18.3**	**6.0**	**3,31,002**	**23.6**	**1.5**

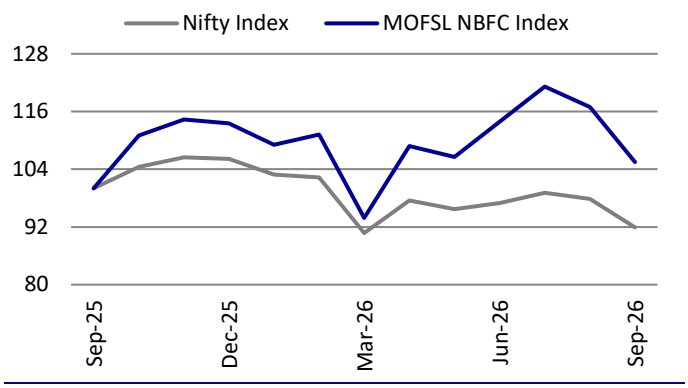
Exhibit 2: EPS estimate changes for FY27/FY28

	Old Estimates		New Estimates		Change (%)	
Company	FY27	FY28	FY27	FY28	FY27	FY28
AAVAS	96.0	112.0	96.6	114.2	*0.6*	*2.0*
BAF	42.5	52.6	42.3	51.1	*-0.7*	*-2.9*
Bajaj Housing	3.6	4.4	3.6	4.5	*0.1*	*1.0*
CANF	83.4	93.6	84.0	93.1	*0.7*	*-0.5*
CIFC	83.7	98.1	80.8	96.1	*-3.5*	*-2.0*
CREDAG	124.4	137.5	127.9	140.0	*2.8*	*1.8*
Five Star Business	40.7	49.1	40.9	49.2	*0.3*	*0.1*
FUSION	19.6	28.4	20.6	28.2	*5.4*	*-0.9*
HomeFirst	66.4	76.1	67.6	78.3	*1.8*	*2.9*
HDB Financial	39.8	47.6	39.6	46.8	*-0.6*	*-1.7*
IIFL Fin	65.1	80.9	71.6	88.6	*10.1*	*9.5*
Jio Financials	3.1	4.7	3.4	5.0	*7.4*	*6.0*
LTFH	15.7	20.0	15.7	19.1	-	*-4.8*
LICHF	103.2	108.7	104.8	111.0	*1.6*	*2.0*
MMFSL	26.1	30.1	25.7	28.1	*-1.6*	*-6.7*
MASFIN	25.3	29.1	25.4	29.2	*0.2*	*0.4*
Muthoot	263.5	316.0	260.4	319.7	*-1.2*	*1.2*
MGFL	24.1	29.5	25.1	29.9	*4.2*	*1.4*
Northern Arc	34.9	44.7	34.3	44.8	*-1.5*	*0.4*
PNBHF	95.4	111.6	95.9	108.8	*0.5*	*-2.6*
PFC	61.1	63.4	58.7	62.2	*-4.0*	*-1.9*
PFL	17.7	29.3	18.0	29.4	*1.5*	*0.3*
REC	63.2	65.9	62.4	66.7	*-1.3*	*1.2*
REPCO	73.5	79.1	74.2	80.3	*1.0*	*1.5*
SHFL	60.1	71.1	61.9	71.3	*3.1*	*0.3*
SPANDANA	14.8	33.5	15.9	33.8	*7.4*	*0.9*
Tata Capital	16.0	21.2	16.0	21.0	*0.2*	*-0.9*

Exhibit 3: Margin trends for MOFSL Coverage Universe

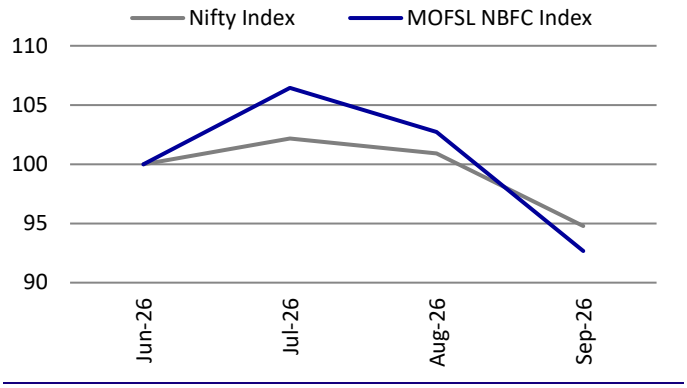
Name of the company	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	YoY (bp)	QoQ (bp)
AAVAS	7.0	7.1	7.2	7.0	6.9	-10	-8
BAF	9.5	9.6	9.5	9.5	9.4	-15	-12
Bajaj Housing	3.5	3.5	3.3	3.1	3.0	-42	-10
CANF	4.1	4.2	4.1	4.0	4.0	-12	-1
CIFC	6.9	7.0	7.1	7.1	7.0	11	-4
Credag	14.4	14.9	14.9	15.5	15.7	130	15
Five Star	18.8	18.8	18.8	18.9	18.8	5	-8
Fusion	14.7	15.5	15.0	15.0	15.3	57	23
HomeFirst	5.4	6.0	5.9	6.0	6.2	80	20
HDB Financial	7.9	8.1	8.2	8.4	8.2	29	-11
IIFL Fin	6.6	6.7	6.7	7.2	7.1	46	-9
Jio financial	4.2	3.9	3.6	3.7	-	-	-
LTHF	10.3	10.4	10.3	10.3	10.3	1	1
LICHF	2.6	2.7	2.8	2.6	2.5	-12	-8
MMFSL	6.8	7.2	7.3	7.1	6.8	-0	-33
MGFL	12.4	10.8	9.8	10.4	10.4	-199	-6
MASFIN	7.7	7.8	8.4	8.3	8.4	62	2
Muthoot	13.2	13.2	13.7	10.6	10.4	-275	-24
Northern Arc	11.0	11.4	11.7	12.3	11.8	84	-55
PNBHF	3.6	3.6	3.7	3.5	3.5	-11	3
PFC	3.7	3.9	3.8	3.7	3.5	-22	-17
PFL	7.7	7.6	7.5	7.5	7.6	-14	4
Piramal Finance	4.6	4.6	5.0	5.2	5.4	76	15
REC	3.7	3.6	3.5	3.1	3.4	-28	31
REPCO	5.4	5.5	5.3	5.4	5.4	2	-0
SFL	8.7	9.2	9.1	10.0	10.2	147	17
Spandana	10.8	13.1	11.5	14.3	15.2	442	91
Tata Capital	5.0	5.3	5.2	5.0	5.0	0	-4

Exhibit 4: Relative performance — three months (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance — one year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Full year performance

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
NBFC						**16.6**	**14.8**	**12.5**	**2.0**	**1.8**	**1.6**	**12.2**	**12.3**	**12.7**
AAVAS Financiers	1,193	Neutral	82.6	96.6	114.2	13.1	12.3	10.4	1.7	1.6	1.4	13.9	14.1	14.4
Aditya Birla Cap	375	Buy	14.5	18.5	23.6	20.2	20.3	15.9	2.2	2.4	2.1	11.7	13.1	14.2
Bajaj Finance	949	Buy	31.1	42.3	51.1	25.8	22.5	18.6	4.3	4.2	3.6	18.1	20.5	20.9
Bajaj Finserv	1,730	Buy	61.3	73.7	87.9	26.6	23.5	19.7	1.9	1.7	1.4	13.0	14.1	14.6
Bajaj Housing	83	Neutral	3.1	3.6	4.5	23.8	22.9	18.5	2.7	2.7	2.4	12.1	12.5	13.6
Can Fin Homes	709	Neutral	81.5	84.0	93.1	9.7	8.4	7.6	1.8	1.4	1.2	19.7	17.3	16.7
Chola. Inv & Fin.	1,583	Buy	61.2	80.8	96.1	22.1	19.6	16.5	3.8	3.6	3.0	19.3	20.3	19.7
CreditAccess	1,239	Buy	48.5	127.9	140.0	23.8	9.7	8.8	2.4	2.0	1.6	10.5	23.1	20.4
Five-Star Business	506	Buy	37.2	40.9	49.2	9.5	12.4	10.3	1.4	1.8	1.5	16.1	15.2	15.7
Fusion Finance	172	Buy	0.9	20.6	28.2	160.8	8.3	6.1	0.9	1.0	0.9	0.7	12.7	15.1
HDB Financial	618	Neutral	30.6	39.6	46.8	18.3	15.6	13.2	2.3	2.1	1.8	13.9	14.7	15.0
Home First Fin.	1,125	Buy	51.8	67.6	78.3	17.4	16.7	14.4	2.2	2.3	2.0	15.7	15.0	15.1
IIFL Finance	584	Buy	39.1	71.6	88.6	11.0	8.2	6.6	1.3	1.5	1.2	12.6	19.8	20.3
Indostar Capital	205	Buy	8.1	12.4	20.7	23.5	16.5	9.9	0.8	0.8	0.8	3.6	5.2	8.1
Jio Financial	212	Buy	2.4	3.4	5.0	92.9	63.2	42.4	1.1	0.9	0.8	4.0	3.7	6.2
L&T Finance	265	Buy	11.9	15.9	19.1	20.2	16.7	13.9	2.1	2.1	1.9	11.1	13.5	14.4
LIC Housing Fin	511	Neutral	101.7	104.8	111.0	4.9	4.9	4.6	0.7	0.6	0.6	14.4	13.2	12.6
M & M Financial	320	Buy	20.0	25.7	28.1	14.3	12.5	11.4	1.6	1.6	1.5	12.5	13.7	13.6
Manappuram Finance	308	Neutral	10.6	25.1	29.9	23.7	12.3	10.3	1.5	1.6	1.4	7.0	14.5	14.7
MAS Financial	273	Buy	20.0	25.4	29.2	14.0	10.8	9.4	1.7	1.5	1.3	13.4	14.8	14.9
Muthoot Finance	2,701	Neutral	252.4	260.4	319.7	12.5	10.4	8.4	3.4	2.3	1.9	30.6	24.8	24.6
Northern ARC	289	Buy	25.0	34.3	44.8	8.3	8.4	6.4	0.9	1.0	0.9	11.0	13.3	15.0
PFC	318	Buy	60.8	58.7	62.2	6.2	5.4	5.1	1.2	0.9	0.8	20.7	17.7	16.7
Piramal Finance	2,024	Buy	73.8	99.7	163.9	24.8	20.3	12.4	1.5	1.5	1.3	6.0	7.8	11.4
PNB Housing	1,090	Buy	87.9	95.9	108.8	8.6	11.4	10.0	1.0	1.3	1.2	12.7	12.3	12.4
Poonawalla Fincorp	433	Buy	6.7	18.0	29.4	54.9	24.1	14.7	2.9	2.6	2.3	5.9	12.8	16.5
REC	289	Buy	61.8	62.4	66.7	4.9	4.6	4.3	1.0	0.8	0.7	20.1	18.2	17.3
Repco Home Fin	336	Neutral	72.4	74.2	80.3	4.8	4.5	4.2	0.6	0.5	0.4	12.2	11.3	11.0
Shriram Finance	943	Buy	53.1	61.9	71.3	16.4	15.2	13.2	2.5	1.9	1.7	16.4	15.9	13.5
Spandana Sphoorty	217	Neutral	-87.4	15.9	33.8	-2.1	13.7	6.4	0.8	0.8	0.7	-29.4	6.1	11.4
Tata Capital	319	Neutral	11.6	16.0	21.0	26.3	20.0	15.2	2.8	2.6	2.2	12.4	13.7	15.5

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: INR1,193| TP: INR1,330 (+11%) — **EPS CHANGE (%): FY27|28: 0.6|2.0**

- AUM/disbursements grew ~16%/21% YoY.
- We expect NIMs to decline by ~10bp QoQ. Upfront assignment income is estimated at ~INR704m.
- Asset quality is broadly stable, and credit costs are likely to remain benign.
- Commentaries on loan growth and margin trajectory are the key monitorables.

Quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	5,489	5,636	5,738	5,934	6,165	6,319	6,610	7,038	22,798	26,131
Interest Expenses	2,713	2,755	2,745	2,735	2,926	3,026	3,192	3,383	10,948	12,527
Net Income	**2,776**	**2,881**	**2,993**	**3,199**	**3,238**	**3,293**	**3,417**	**3,655**	**11,849**	**13,603**
YoY Growth (%)	14	19	18	18	17	14	14	14	17	15
Other income	790	1,038	1,008	1,214	926	1,064	1,168	1,474	4,051	4,632
Total Income	**3,566**	**3,919**	**4,001**	**4,414**	**4,165**	**4,357**	**4,585**	**5,129**	**15,900**	**18,236**
YoY Growth (%)	16	18	18	18	17	11	15	16	18	15
Operating Expenses	1,662	1,727	1,730	2,040	1,836	1,929	1,992	2,263	7,158	8,020
YoY Growth (%)	21	26	19	19	10	12	15	11	21	12
Operating Profits	**1,904**	**2,192**	**2,272**	**2,374**	**2,329**	**2,429**	**2,593**	**2,865**	**8,742**	**10,216**
YoY Growth (%)	12	12	17	18	22	11	14	21	15.1	16.9
Provisions	113	80	78	67	128	115	104	65	337	412
Profit before Tax	**1,791**	**2,112**	**2,193**	**2,308**	**2,201**	**2,313**	**2,489**	**2,801**	**8,404**	**9,804**
Tax Provisions	399	473	493	491	488	511	550	597	1,856	2,147
Profit after tax	**1,392**	**1,639**	**1,700**	**1,817**	**1,713**	**1,802**	**1,939**	**2,203**	**6,549**	**7,657**
YoY Growth (%)	10	11	16	18	23	10	14	21	14.1	16.9

Bajaj Finance — Buy

CMP INR949| TP: INR1,250 (+32%) — **EPS CHANGE (%): FY27|28: -0.7|-2.9**

- Expect BAF to deliver AUM growth of 25% YoY/5.6% QoQ.
- Margin is likely decline ~10bp QoQ to ~9.4%.
- Credit costs (as % of AUM) to remain stable QoQ at 1.55%
- Commentaries on NIM trajectory and credit costs are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	171.4	178.0	186.6	191.8	205.1	217.6	230.3	242.6	728	895.6
Interest expenses	69.2	70.1	73.4	74.0	79.4	85.5	91.8	98.2	287	354.9
Net Interest Income	**102.3**	**107.8**	**113.2**	**117.8**	**125.7**	**132.1**	**138.5**	**144.4**	**441**	**540.7**
YoY Growth (%)	22.3	22.0	20.6	20.1	22.9	22.5	22.4	22.6	21.2	22.6
Other Operating Income	23.8	23.8	25.6	24.3	26.5	27.3	28.9	28.4	92	111.1
Net Income	**126.1**	**131.7**	**138.8**	**142.1**	**152.2**	**159.4**	**167.3**	**172.8**	**533**	**651.7**
YoY Growth (%)	21.0	20.3	18.9	19.2	20.7	21.0	20.6	21.6	18.6	22.2
Operating Expenses	41.2	43.0	48.2	48.0	50.9	53.0	55.2	56.7	178	215.7
Operating Profit	**84.9**	**88.7**	**90.5**	**94.1**	**101.4**	**106.4**	**112.1**	**116.1**	**355**	**436.0**
YoY Growth (%)	22.2	21.4	16.0	18.1	19.4	19.9	23.8	23.4	18.4	22.7
Provisions and Cont.	21.2	22.7	36.3	20.1	19.9	21.4	22.3	21.1	95	84.7
Profit before Tax	**63.7**	**66.1**	**54.3**	**74.1**	**81.5**	**85.1**	**89.8**	**95.0**	**258**	**351.3**
Tax Provisions	16.0	16.6	13.7	18.6	20.7	21.4	22.5	24.0	65	88.5
Net Profit	**47.7**	**49.5**	**40.7**	**55.5**	**60.8**	**63.7**	**67.3**	**71.0**	**193**	**262.8**
YoY Growth (%)	21.8	23.3	-5.6	22.2	27.6	28.8	65.4	27.9	15.2	35.9

Bajaj Housing Finance — Neutral

CMP INR83| TP: INR95 (+14%) — **EPS CHANGE (%): FY27|28: 0.1|1.0**

- Expect BHFL to report AUM growth of 25% YoY/5.6% QoQ.
- Margins are expected to decline ~10bp QoQ to ~3%.
- Credit costs are expected to remain benign at 10bp.
- Commentaries on NIM trajectory and loan growth are the key monitorables.

Quarterly performance (INR m)

Particulars	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	24,926	26,144	26,973	27,073	28,561	30,160	31,909	33,585	1,05,116	1,24,215
Interest expense	16,060	16,580	17,335	17,620	18,885	20,018	21,259	22,427	67,594	82,589
Net interest income	**8,866**	**9,565**	**9,638**	**9,453**	**9,676**	**10,142**	**10,650**	**11,158**	**37,522**	**41,626**
Growth YoY (%)	*33.4*	*34.1*	*19.6*	*14.9*	*9.1*	*6.0*	*10.5*	*18.0*	*24.8*	*10.9*
Other operating income	1,259	1,406	1,887	1,954	2,070	1,946	1,965	2,704	6,387	8,684
Net total income	**10,125**	**10,970**	**11,525**	**11,407**	**11,746**	**12,088**	**12,615**	**13,862**	**43,909**	**50,310**
Growth YoY (%)	*25.0*	*22.4*	*23.5*	*19.2*	*16.0*	*10.2*	*9.5*	*21.5*	*22.1*	*14.6*
Operating expenses	2,145	2,147	2,316	2,194	2,297	2,327	2,403	2,613	8,671	9,640
Operating profits	**7,980**	**8,823**	**9,209**	**9,214**	**9,448**	**9,760**	**10,212**	**11,249**	**35,238**	**40,670**
Growth YoY (%)	*24.7*	*23.8*	*23.0*	*23.0*	*18.4*	*10.6*	*10.9*	*22.1*	*23.6*	*15.4*
Provisions	411	497	564	555	161	385	609	794	1,907	1,949
Profit before tax	**7,569**	**8,327**	**8,645**	**8,659**	**9,287**	**9,376**	**9,603**	**10,455**	**33,200**	**38,721**
Tax expenses	1,736	1,897	1,997	1,967	2,135	2,081	2,084	2,296	7,597	8,596
Net profit	**5,833**	**6,430**	**6,649**	**6,692**	**7,153**	**7,294**	**7,519**	**8,159**	**25,603**	**30,125**
Growth YoY (%)	*20.9*	*17.8*	*21.3*	*14.1*	*22.6*	*13.5*	*13.1*	*21.9*	*18.4*	*17.7*

Can Fin Homes — Neutral

CMP INR709 | TP: INR795 (+12%) — **EPS CHANGE (%): FY27|28: 0.7|-0.5**

- Estimate loan book to grow ~10% YoY.
- Spreads are expected to remain stable QoQ at ~3.35%.
- Margin is expected to remain broadly stable QoQ at 4%.
- Commentaries on loan growth and outlook on NIM in a declining rate environment are the key monitorables.

Quarterly performance

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	10,111	10,432	10,631	10,565	10,870	11,082	11,415	11,932	41,739	45,300
Interest Expenses	6,483	6,386	6,422	6,342	6,595	6,740	7,023	7,348	25,632	27,705
Net Interest Income	**3,628**	**4,046**	**4,210**	**4,223**	**4,276**	**4,343**	**4,392**	**4,584**	**16,106**	**17,594**
YoY Growth (%)	12.9	19.1	22.1	21.2	17.9	7.3	4.3	8.5	18.9	9.2
Other income	93	63	100	187	93	101	121	195	444	509
Total Income	**3,721**	**4,109**	**4,310**	**4,411**	**4,369**	**4,443**	**4,513**	**4,779**	**16,550**	**18,104**
YoY Growth (%)	13.3	18.3	22.9	20.7	17.4	8.1	4.7	8.4	18.9	9.4
Operating Expenses	682	762	799	875	853	897	948	1,004	3,118	3,702
YoY Growth (%)	39.7	28.4	34.7	23.7	25.1	17.6	18.7	14.8	30.9	18.7
Operating Profits	**3,039**	**3,346**	**3,511**	**3,535**	**3,516**	**3,547**	**3,564**	**3,775**	**13,432**	**14,402**
YoY Growth (%)	8.7	16.3	20.5	20.0	15.7	6.0	1.5	6.8	16.5	7.2
Provisions	263	31	97	6	131	90	70	46	396	337
Profit before Tax	**2,776**	**3,316**	**3,414**	**3,530**	**3,385**	**3,457**	**3,494**	**3,729**	**13,036**	**14,065**
Tax Provisions	538	801	766	73	707	726	748	703	2,178	2,883
Profit after tax	**2,239**	**2,514**	**2,648**	**3,457**	**2,678**	**2,731**	**2,747**	**3,026**	**10,858**	**11,182**
YoY Growth (%)	12.1	18.9	24.8	47.8	19.6	8.6	3.7	-12.5	26.7	3.0

Cholamandalam Inv. & Fin. — Buy

CMP INR1,583| | TP: INR1,980 (+25%) — **EPS CHANGE (%): FY27|28: -3.5| -2.0**

- Estimate business AUM to grow ~23% YoY.
- Margin is likely to decline ~5bp QoQ to 7.05%.
- Credit costs may remain broadly stable QoQ at ~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	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	66,501	68,942	72,238	76,046	80,399	83,776	87,797	92,872	2,83,726	3,44,844
Interest Expenses	34,663	35,155	36,430	37,494	40,031	41,873	43,841	46,307	1,43,742	1,72,052
Net Interest Income	**31,838**	**33,787**	**35,808**	**38,551**	**40,368**	**41,903**	**43,956**	**46,565**	**1,39,984**	**1,72,792**
YoY Growth (%)	*23.7*	*24.55*	*24.0*	*26.2*	*26.8*	*24.02*	*22.8*	*20.8*	*24.6*	*23.4*
Other Income	6,807	6,959	7,616	9,340	8,930	8,477	9,690	11,535	30,722	38,632
Total Income	**38,645**	**40,746**	**43,423**	**47,892**	**49,298**	**50,380**	**53,647**	**58,100**	**1,70,706**	**2,11,425**
YoY Growth (%)	*27.4*	*25.9*	*22.6*	*27.4*	*27.6*	*23.6*	*23.5*	*21.3*	*25.8*	*23.9*
Operating Expenses	14,528	16,169	16,991	18,054	17,875	19,402	20,475	22,432	65,742	80,184
Operating Profit	**24,117**	**24,578**	**26,432**	**29,838**	**31,423**	**30,978**	**33,172**	**35,668**	**1,04,965**	**1,31,241**
YoY Growth (%)	*30.4*	*27.9*	*24.2*	*28.0*	*30.3*	*26.0*	*25.5*	*19.5*	*27.5*	*25.0*
Provisions & Loan Losses	8,821	8,970	9,103	8,464	9,219	9,700	10,000	9,639	35,358	38,557
Profit before Tax	**15,296**	**15,608**	**17,329**	**21,374**	**22,205**	**21,278**	**23,172**	**26,029**	**69,607**	**92,684**
Tax Provisions	3,937	4,054	4,452	4,967	5,669	5,426	5,839	6,515	17,411	23,449
Net Profit	**11,359**	**11,553**	**12,877**	**16,407**	**16,536**	**15,852**	**17,333**	**19,514**	**52,196**	**69,235**
YoY Growth (%)	*20.6*	*20.0*	*18.5*	*29.5*	*45.6*	*37.2*	*34.6*	*18.9*	*22.6*	*32.6*

CreditAccess Grameen Ltd. — Buy

CMP INR1,293| TP: INR1,650 (+28%) — **EPS CHANGE (%): FY27|28: 2.8|1.8**

- CREDAG is expected to report AUM growth of 20% YoY/2.5% QoQ in 2QFY27.
- Margin is likely to expand ~20bp QoQ to 15.7%.
- Credit costs are projected to rise ~30bp QoQ to ~3.1%.
- Guidance on credit costs and GLP growth to be keenly monitored.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	13,881	14,141	14,350	15,254	17,141	17,708	18,212	19,205	57,626	72,265
Interest Expenses	4,822	4,795	4,593	4,781	5,501	5,666	5,864	6,260	18,991	23,290
Net Interest Income	**9,060**	**9,346**	**9,756**	**10,474**	**11,641**	**12,043**	**12,348**	**12,945**	**38,636**	**48,976**
YoY Growth (%)	*-2.3*	*0.2*	*13.1*	*19.5*	*28.5*	*28.9*	*26.6*	*23.6*	*7.3*	*26.8*
Other Income	755	949	563	732	703	833	819	788	2,999	3,143
Total Income	**9,815**	**10,295**	**10,320**	**11,205**	**12,344**	**12,876**	**13,167**	**13,733**	**41,635**	**52,119**
YoY Growth (%)	*-2.1*	*6.2*	*13.8*	*20.5*	*25.8*	*25.1*	*27.6*	*22.6*	*9.3*	*25.2*
Operating Expenses	3,285	3,347	3,515	3,402	3,618	3,726	3,883	4,198	13,549	15,419
Operating Profit	**6,530**	**6,948**	**6,805**	**7,803**	**8,725**	**9,150**	**9,285**	**9,535**	**28,086**	**36,700**
YoY Growth (%)	*-8*	*3*	*9*	*23*	*34*	*32*	*36*	*22*	*6*	*31*
Provisions & Loan Losses	5,719	5,257	3,426	3,353	2,125	2,401	2,473	2,387	17,754	9,386
Profit before Tax	**811**	**1,692**	**3,379**	**4,450**	**6,600**	**6,748**	**6,811**	**7,148**	**10,332**	**27,314**
Tax Provisions	209	434	858	1,055	1,666	1,714	1,730	1,718	2,556	6,828
Net Profit	**602**	**1,258**	**2,521**	**3,396**	**4,934**	**5,034**	**5,081**	**5,430**	**7,776**	**20,485**
YoY Growth (%)	*-84.9*	*-32.4*	*-353.3*	*619.2*	*719.7*	*300.1*	*101.6*	*59.9*	*46.3*	*163.4*

Five Star Business Finance — Buy

CMP INR506| | TP: INR670 (+32%) — **EPS CHANGE (%): FY27|28: 0.3|0.1**

- Estimate AUM growth of ~14% YoY/6.7% QoQ.
- Margin is likely to contract ~10bp QoQ to 18.8%.
- Credit costs are expected to remain stable QoQ at ~1.8%.
- Outlook on asset quality, guidance on loan growth, and credit costs are expected to be closely monitored.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	7,647	7,731	7,959	7,955	8,076	8,439	8,959	9,571	31,291	35,045
Interest Expenses	1,873	1,800	1,885	1,814	1,715	1,772	1,974	2,221	7,372	7,681
Net Interest Income	**5,774**	**5,931**	**6,073**	**6,141**	**6,361**	**6,668**	**6,985**	**7,350**	**23,919**	**27,364**
YoY Growth (%)	*19.6*	*14.9*	*12.5*	*9.8*	*10.2*	*12.4*	*15.0*	*19.7*	*14.0*	*14.4*
Other Income	265	334	264	306	311	361	394	437	1,168	1,504
Total Income	**6,039**	**6,265**	**6,337**	**6,447**	**6,672**	**7,029**	**7,379**	**7,787**	**25,088**	**28,868**
YoY Growth (%)	*18.1*	*15.4*	*13.2*	*10.3*	*10.5*	*12.2*	*16.4*	*20.8*	*14.1*	*15.1*
Operating Expenses	2,012	1,936	2,078	2,271	2,435	2,490	2,534	2,667	8,296	10,126
Operating Profit	**4,027**	**4,330**	**4,259**	**4,175**	**4,238**	**4,540**	**4,844**	**5,120**	**16,792**	**18,742**
YoY Growth (%)	*13.5*	*13.9*	*9.7*	*5.3*	*5.2*	*4.8*	*13.7*	*22.6*	*10.5*	*11.6*
Provisions & Loan Losses	478	510	571	604	618	643	680	722	2,163	2,663
Profit before Tax	**3,550**	**3,819**	**3,688**	**3,571**	**3,620**	**3,897**	**4,164**	**4,398**	**14,629**	**16,079**
Tax Provisions	886	958	918	879	905	966	1,033	1,115	3,641	4,020
Net Profit	**2,663**	**2,861**	**2,770**	**2,693**	**2,714**	**2,930**	**3,131**	**3,283**	**10,988**	**12,059**
YoY Growth (%)	6	7	1	-4	2	2	13	22	*2.5*	*9.7*

Fusion Microfinance — Buy

CMP INR172| TP: INR235 (+37%) — **EPS CHANGE (%): FY27|28: 5.4|-0.9**

- Estimate disbursements to grow ~40% YoY and 2% QoQ and AUM to grow ~4% QoQ.
- Margin is likely to expand ~30bp QoQ to ~15.3%.
- Annualized credit costs are projected at ~2.4% in 2QFY27.
- Guidance on credit costs, margins, and disbursement trajectory is expected to be closely monitored.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	4,219	3,808	3,629	3,625	3,922	4,138	4,345	4,654	15,325	17,060
Interest Expenses	1,489	1,343	1,235	1,321	1,498	1,551	1,600	1,705	5,387	6,355
Net Interest Income	**2,730**	**2,465**	**2,394**	**2,304**	**2,424**	**2,587**	**2,745**	**2,949**	**9,938**	**10,705**
YoY Growth (%)	*-31.4*	*-38.2*	*6.6*	*-14.4*	*-11.2*	*4.9*	*14.6*	*28.0*	*-23.0*	*7.7*
Other Income	237	519	612	677	661	692	690	829	2,000	2,872
Total Income	**2,967**	**2,984**	**3,006**	**2,980**	**3,085**	**3,279**	**3,434**	**3,779**	**11,938**	**13,577**
YoY Growth (%)	*-38.6*	*-37.4*	*11.8*	*0.5*	*4.0*	*9.9*	*14.2*	*26.8*	*-21.7*	*13.7*
Operating Expenses	2,101	2,094	2,071	2,050	2,064	2,090	2,112	2,140	8,315	8,406
Operating Profit	**866**	**890**	**936**	**931**	**1,021**	**1,189**	**1,323**	**1,639**	**3,622**	**5,171**
YoY Growth (%)	*-70.9*	*-68.6*	*44.5*	*3.3*	*17.9*	*33.6*	*41.3*	*76.1*	*-50.8*	*42.8*
Provisions & Loan Losses	1,789	1,112	795	556	397	401	433	606	4,252	1,837
Profit before Tax	**-923**	**-221**	**141**	**374**	**624**	**789**	**890**	**1,032**	**-629**	**3,335**
Tax Provisions	0	0	0	-768	0	0	0	0	-768	0
Net Profit	**-923**	**-221**	**141**	**1,142**	**624**	**789**	**890**	**1,032**	**139**	**3,335**
YoY Growth (%)	*159*	*-93*	*-102*	*-169*	*-168*	*-456*	*533*	*-10*	*-101*	*2,307.8*

Home First Finance Company — Buy

CMP INR1,125| TP: INR1,400 (+24%) — **EPS CHANGE (%): FY27|28 : 1.8|2.9**

- Estimate AUM growth of ~27% YoY/6.2% QoQ.
- Margin is projected to remain broadly stable QoQ in 2QFY27.
- Cost/income ratio may decline by ~90bp QoQ to ~31.6%.
- The outlook on margins and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	3,944	4,091	4,288	4,317	4,620	4,865	5,201	5,542	16,640	20,228
Interest expenses	2,003	2,026	1,941	1,953	2,084	2,176	2,326	2,540	7,923	9,127
Net Interest Income	**1,941**	**2,065**	**2,347**	**2,364**	**2,535**	**2,689**	**2,874**	**3,003**	**8,717**	**11,101**
YoY Growth (%)	32.6	31.8	43.9	37.0	30.6	30.2	22.5	27.0	36.5	27.3
Other Income	609	699	549	730	779	785	800	907	2,587	3,271
Net Income	**2,550**	**2,764**	**2,896**	**3,094**	**3,314**	**3,474**	**3,674**	**3,910**	**11,304**	**14,372**
YoY Growth (%)	38.2	39.1	34.8	37.0	30.0	25.7	26.9	26.4	37.2	27.1
Operating Expenses	868	879	926	984	1,079	1,098	1,152	1,188	3,658	4,516
Operating Profit	**1,682**	**1,885**	**1,970**	**2,110**	**2,235**	**2,375**	**2,523**	**2,722**	**7,646**	**9,855**
YoY Growth (%)	41.2	49.5	41.1	44.9	32.9	26.0	28.0	29.0	44.2	28.9
Provisions and Cont.	117	152	142	158	159	154	160	168	569	640
Profit before Tax	**1,565**	**1,732**	**1,828**	**1,952**	**2,076**	**2,221**	**2,363**	**2,554**	**7,078**	**9,215**
Tax Provisions	376	414	426	457	478	522	555	610	1,674	2,165
Net Profit	**1,189**	**1,318**	**1,402**	**1,494**	**1,599**	**1,699**	**1,807**	**1,944**	**5,404**	**7,049**
YoY Growth (%)	35.5	43.0	44.0	42.7	34.5	28.9	28.9	30.1	41.4	30.4

HDB Financial services limited — Neutral

CMP INR618| TP: INR685 (+11%) — **EPS CHANGE (%): FY27|28: -0.6|-1.7**

- Estimate AUM growth of ~12% YoY/2.6% QoQ.
- Margin is projected to decline ~10bp QoQ in 2QFY27.
- Credit costs is expected to remain stable QoQ at 2.35%.
- The outlook on disbursements and loan growth and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	38,315	38,865	39,890	40,813	42,620	43,558	45,126	46,713	1,57,883	1,78,016
Interest Expenses	17,397	16,940	17,040	16,825	17,533	18,129	18,782	19,271	68,202	73,715
Net Interest Income	**20,918**	**21,925**	**22,850**	**23,988**	**25,087**	**25,429**	**26,344**	**27,442**	**89,681**	**1,04,301**
YoY Growth (%)	*18.3*	*19.6*	*22.1*	*21.6*	*19.9*	*16.0*	*15.3*	*14.4*	*20.4*	*16.3*
Other Income	6,339	6,589	6,845	6,641	6,759	6,989	7,268	7,570	14,175	16,347
Total Income	**27,257**	**28,514**	**29,695**	**30,629**	**31,846**	**32,417**	**33,612**	**35,011**	**1,03,856**	**1,20,648**
YoY Growth (%)	*14.2*	*18.4*	*18.8*	*17.1*	*16.8*	*13.7*	*13.2*	*14.3*	*19.5*	*16.2*
Operating Expenses	13,235	13,209	13,970	13,671	14,324	14,461	15,085	15,671	42,655	48,052
Operating Profit	**14,022**	**15,305**	**15,725**	**16,958**	**17,522**	**17,957**	**18,527**	**19,340**	**61,201**	**72,596**
YoY Growth (%)	*17.2*	*24.4*	*23.2*	*26.7*	*25.0*	*17.3*	*17.8*	*14.0*	*23.2*	*18.6*
Provisions & Loan Losses	6,697	7,483	7,122	6,846	6,971	7,221	7,486	7,740	28,148	29,417
Profit before Tax	**7,325**	**7,822**	**8,603**	**10,112**	**10,551**	**10,736**	**11,041**	**11,601**	**33,863**	**43,929**
Tax Provisions	1,648	2,008	2,164	2,606	2,699	2,684	2,760	2,927	8,425	11,070
Net Profit	**5,677**	**5,814**	**6,439**	**7,506**	**7,852**	**8,052**	**8,281**	**8,674**	**25,438**	**32,859**
YoY Growth (%)	*-2.4*	*-1.6*	*36.3*	*41.4*	*38.3*	*38.5*	*28.6*	*15.6*	*16.9*	*29.2*

IIFL Finance — Buy

CMP INR584 | TP: INR750 (+28%) — **EPS CHANGE (%): FY27|28: 10.1|9.5**

- Estimate consol. AUM growth of ~37% YoY to INR1.23t.
- Credit costs are expected to decline ~10bp QoQ to ~1.5%.
- C/I ratio is expected to decline to ~44.1%. (PQ: ~44.5%).
- Outlook on the gold loan business, loan growth, and margins is the key monitorable.

Consolidated: Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	25,835	28,209	30,193	33,300	37,234	39,468	41,836	43,316	1,17,537	1,61,853
Interest Expenses	12,888	13,819	14,370	16,096	17,195	18,742	19,492	17,995	57,174	73,424
Net Interest Income	**12,947**	**14,390**	**15,822**	**17,204**	**20,039**	**20,725**	**22,344**	**25,321**	**60,364**	**88,430**
YoY Growth (%)	*-10.0*	*7.4*	*28.1*	*30.9*	*54.8*	*44.0*	*41.2*	*47.2*	*13.2*	*46.5*
Other Income	3,758	4,882	4,135	3,696	1,985	2,698	2,699	3,358	16,201	10,741
Total Income	**16,705**	**19,272**	**19,958**	**20,900**	**22,024**	**23,424**	**25,043**	**28,680**	**76,565**	**99,171**
YoY Growth (%)	*17*	*22*	*49*	*50*	*32*	*22*	*25*	*37*	*33.0*	*29.5*
Operating Expenses	8,017	8,702	9,332	9,317	9,796	10,520	11,193	12,078	35,097	43,587
Operating Profit	**8,688**	**10,570**	**10,626**	**11,584**	**12,228**	**13,312**	**14,791**	**15,252**	**41,468**	**55,584**
YoY Growth (%)	*26.3*	*23.9*	*79.3*	*76.0*	*40.8*	*25.9*	*39.2*	*31.7*	*48.5*	*34.0*
Provisions & Loan Losses	5,125	5,003	3,997	3,257	2,942	3,001	3,751	3,441	17,382	13,134
Profit before Tax	**3,563**	**5,567**	**6,629**	**8,327**	**9,286**	**10,311**	**11,040**	**11,811**	**24,086**	**42,449**
Exceptional items		0				0				
Tax Provisions	821	1,388	1,616	2,094	2,155	2,475	2,650	2,900	5,919	10,179
PAT (Pre NCI)	**2,742**	**4,179**	**5,014**	**6,233**	**7,131**	**7,837**	**8,391**	**8,911**	**18,167**	**32,270**
NCI	408	416	371	364	381	407	436	576	1,559	1,800
PAT (Post NCI)	**2,334**	**3,763**	**4,643**	**5,868**	**6,751**	**7,429**	**7,955**	**8,335**	**16,608**	**30,470**
YoY Growth (%)	*-19*	*-339*	*1,038*	*183*	*189*	*97*	*71*	*42*	*338*	*83*

Jio Financial Services — Buy

CMP INR212| TP: INR300 (+42%) — **EPS CHANGE (%): FY27|28: 7.4|6.0**

- Expect Jio Credit to report AUM growth of ~16% QoQ.
- Credit costs in Jio credit may remain benign.
- Expect interest income to improve, driven by strong AUM growth in Jio Credit.
- Commentory on NBFC growth outlook and progress in other businesses is the key monitorable.

Quarterly performance (INR m)

	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	3,629	3,924	5,041	6,425	9,616	10,674	11,954	14,292	19,019	46,536
Interest Expenses	988	1,358	2,124	2,981	4,183	4,894	5,775	7,874	7,451	22,728
Net Interest Income	**2,641**	**2,566**	**2,918**	**3,444**	**5,433**	**5,779**	**6,179**	**6,418**	**11,568**	**23,808**
YoY growth (%)	*63*	*25*	*39*	*28*	*106*	*125*	*112*	*86*	*37*	*106*
Other Income	2,566	6,100	3,969	3,772	10,430	5,739	6,151	7,132	16,407	29,452
Total Income	**5,207**	**8,666**	**6,887**	**7,216**	**15,862**	**11,518**	**12,330**	**13,550**	**27,975**	**53,260**
Operating Expenses	1,547	2,874	3,350	3,945	5,729	4,811	5,141	5,986	11,717	21,666
YoY growth (%)	*96*	*102*	*183*	*188*	*270*	*67*	*53*	*52*	*146*	*85*
Operating Profit	**3,659**	**5,791**	**3,537**	**3,271**	**10,134**	**6,707**	**7,189**	**7,564**	**16,259**	**31,593**
YoY growth (%)	*8*	*5*	*7*	*-12*	*177*	*16*	*103*	*131*	*2*	*94*
Provisions & Loan Losses	70	132	186	274	246	296	340	300	662	1,181
Share of profit of JV & Associate	315	2,172	360	388	-191	-181	-172	-183	3,234	-727
Profit before Tax	**3,904**	**7,831**	**3,711**	**3,385**	**9,697**	**6,231**	**6,677**	**7,081**	**19,117**	**29,971**
Tax Provisions	943	880	1,021	663	1,394	1,558	1,669	2,069	3,508	6,691
Net Profit	**2,961**	**6,950**	**2,690**	**2,722**	**8,303**	**4,673**	**5,008**	**5,012**	**15,609**	**23,281**
YoY growth (%)	-5	1	-9	-14	180	-33	86	84	-3	47

L&T Finance — Buy

CMP INR265| TP: INR335 (+26%) — **EPS CHANGE (%): FY27|28: 0|-4.8**

- Loan growth is estimated at ~27% YoY and 4.5% QoQ.
- Credit costs to remain broadly stable QoQ at ~2.43% (annualized) in 2QFY27.
- NIM is expected to remain stable QoQ at ~10.3%.
- Outlook on margins and credit costs is the key monitorable.

Quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	39,145	40,374	42,401	44,240	48,949	51,543	54,121	57,001	1,66,160	2,11,614
Interest Expenses	16,357	16,343	17,030	17,470	19,701	20,981	22,429	23,914	67,201	87,025
Net Interest Income	**22,788**	**24,031**	**25,371**	**26,770**	**29,248**	**30,562**	**31,692**	**33,087**	**98,959**	**1,24,589**
Change YoY (%)	8.4	10.3	13.4	24.5	28.4	27.2	24.9	23.6	14.2	25.9
Other Operating Income	3,451	2,983	3,382	3,470	3,180	3,670	3,930	4,425	12,977	15,205
Net Operating Income	**26,238**	**27,015**	**28,753**	**30,240**	**32,429**	**34,232**	**35,622**	**37,512**	**1,11,936**	**1,39,794**
Change YoY (%)	7.8	6.2	13.7	24.8	23.6	26.7	23.9	24.0	12.8	24.9
Other income	0	0	32	1	304	152	76	6	34	538
Total Income	**26,239**	**27,015**	**28,785**	**30,241**	**32,732**	**34,384**	**35,698**	**37,518**	**1,11,970**	**1,40,332**
Change YoY (%)	7.8	6.0	13.5	24.6	24.7	27.3	24.0	24.1	12.6	25.3
Operating Expenses	10,486	10,680	11,350	12,013	12,668	13,137	13,507	14,131	44,529	53,442
Change YoY (%)	8.6	11.5	7.3	19.7	20.8	23.0	19.0	17.6	11.8	20.0
Operating Profits	**15,753**	**16,335**	**17,435**	**18,228**	**20,064**	**21,247**	**22,191**	**23,387**	**67,440**	**86,889**
Change YoY (%)	7.3	2.7	18.0	28.0	27.4	30.1	27.3	28.3	13.2	28.8
Provisions	6,320	6,446	7,513	7,489	7,701	8,052	8,232	8,691	27,459	32,678
Profit before Tax	**9,432**	**9,889**	**9,922**	**10,739**	**12,363**	**13,195**	**13,959**	**14,695**	**39,982**	**54,212**
Tax Provisions	2,424	2,540	2,542	2,648	3,203	3,272	3,490	3,588	10,153	13,553
Profit after tax (Pre-NCI)	**7,008**	**7,349**	**7,380**	**8,092**	**9,160**	**9,923**	**10,469**	**11,107**	**29,829**	**40,659**
NCI	-3	0	-6	25	135	160	220	285	17	800
Profit after tax (Post-NCI)	**7,011**	**7,348**	**7,386**	**8,066**	**9,025**	**9,763**	**10,249**	**10,822**	**29,812**	**39,859**
Change YoY (%)	2	6	18	27	29	33	39	34	13	34

LIC Housing Finance — Neutral

CMP INR511 | TP: INR565 (+11%) — **EPS CHANGE (%): FY27|28: 1.6|2.0**

- Expect loan growth of ~5% YoY with a fairly stable mix.
- Estimate annualized credit costs (net of recoveries) of -5bp in 2QFY27.
- Yields and margins are expected to decline QoQ.
- Commentaries on mortgage demand and guidance on margins and loan growth are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	71,131	70,335	70,439	70,093	70,236	70,657	71,576	74,217	2,81,997	2,86,685
Interest Expenses	50,484	49,951	49,421	47,875	49,481	50,322	51,630	53,179	1,97,752	2,04,612
Net Interest Income	**20,647**	**20,385**	**21,017**	**22,218**	**20,755**	**20,335**	**19,946**	**21,037**	**84,245**	**82,074**
YoY Growth (%)	3.8	3.3	5.1	2.6	0.5	-0.2	-5.1	-5.3	3.6	-2.6
Fees and other income	564	1,362	1,431	677	420	1,648	1,689	2,797	5,720	6,554
Net Income	**21,211**	**21,747**	**22,449**	**22,895**	**21,175**	**21,983**	**21,635**	**23,835**	**89,965**	**88,627**
YoY Growth (%)	4.3	6.0	6.6	-1.8	-0.2	1.1	-3.6	4.1	5.5	-1.5
Operating Expenses	2,928	3,018	3,488	3,889	3,401	3,469	3,643	4,095	13,618	14,608
Operating Profit	**18,284**	**18,729**	**18,961**	**19,006**	**17,774**	**18,514**	**17,992**	**19,740**	**76,347**	**74,020**
YoY Growth (%)	3.2	7.5	8.4	1.1	-2.8	-1.1	-5.1	3.9	6.9	-3.0
Provisions and Cont.	1,292	1,682	1,536	-337	-1,111	-400	1,130	1,359	5,540	978
Profit before Tax	**16,992**	**17,047**	**17,425**	**19,342**	**18,884**	**18,914**	**16,862**	**18,381**	**70,806**	**73,041**
Tax Provisions	3,392	3,508	3,586	4,368	4,001	3,783	3,541	4,014	14,855	15,339
Net Profit	**13,599**	**13,539**	**13,840**	**14,974**	**14,883**	**15,131**	**13,321**	**14,367**	**55,952**	**57,702**
YoY Growth (%)	5	2	-3	9	9	12	-4	-4	3	3

Mahindra Financial Services — Buy

CMP INR320| TP: INR390 (+22%) — **EPS CHANGE (%): FY27|28: -1.6|-6.7**

- MMFS reported disbursements of ~INR165b, leading to AUM of ~INR1.46t (up 15% YoY/ ~6.2% QoQ).
- We expect margins to decline ~30bp QoQ to 6.8%.
- Estimate credit costs to rise ~10bp QoQ to ~1.8% in 2Q.
- Commentaries on margins, credit costs, and loan growth are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest income	41,646	41,779	44,071	44,621	46,209	47,595	49,880	51,199	1,72,117	1,94,882
Interest Expenses	21,524	20,663	21,026	20,707	22,081	23,583	24,267	24,667	83,921	94,597
NII	**20,122**	**21,116**	**23,045**	**23,913**	**24,128**	**24,012**	**25,613**	**26,532**	**88,196**	**1,00,285**
YoY Growth (%)	12.8	16.6	20.6	24.1	19.9	13.7	11.1	11.0	18.7	13.7
Other income	2,732	3,113	3,561	3,480	3,531	3,884	4,173	4,451	12,886	16,039
Net Total Income	**22,853**	**24,230**	**26,606**	**27,393**	**27,658**	**27,897**	**29,786**	**30,983**	**1,01,082**	**1,16,324**
YoY Growth (%)	18.3	21.7	26.8	27.1	21.0	15.1	12.0	13.1	23.6	15.1
Operating Expenses	9,323	9,240	11,203	10,177	10,099	10,442	11,203	11,760	38,771	43,504
Operating Profit	**13,530**	**14,989**	**15,403**	**17,216**	**17,559**	**17,455**	**18,583**	**19,223**	**62,312**	**72,820**
YoY Growth (%)	19.3	25.3	26.1	42.0	29.8	16.5	20.6	11.7	30.8	16.9
Provisions	6,597	7,514	4,699	5,603	5,697	6,413	6,624	6,209	24,412	24,943
Profit before Tax	**6,933**	**7,475**	**10,704**	**11,613**	**11,862**	**11,042**	**11,960**	**13,014**	**37,900**	**47,878**
Tax Provisions	1,638	1,782	2,600	2,884	2,876	2,816	3,050	3,468	8,904	12,209
Net Profit	**5,295**	**5,693**	**8,104**	**8,730**	**8,987**	**8,226**	**8,910**	**9,546**	**27,822**	**35,669**
YoY Growth (%)	3.2	54.1	-9.9	55.0	69.7	44.5	9.9	9.4	18.6	28.2

Manappuram Finance — Neutral

CMP INR308 | TP: INR345 (+12%) — **EPS CHANGE (%): FY27|28: 4.2|1.4**

- Expect strong gold loan growth of 91% YoY/5.8% QoQ and MFI AUM growth of ~4% QoQ.
- Expect margin to remain broadly stable QoQ in the consolidated loan book.
- Expect credit costs to rise ~25bp QoQ to ~1.1%.
- Commentaries on gold loan growth and asset quality in the MFI and PL segments are the key monitorables.

Quarterly Performance (Consolidated, INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	22,357	22,512	22,441	25,130	29,977	31,686	32,763	34,600	92,506	1,29,026
Interest Expenses	8,553	8,756	9,452	11,095	12,740	13,504	14,287	15,012	37,856	55,543
Net Interest Income	**13,804**	**13,756**	**12,989**	**14,035**	**17,237**	**18,182**	**18,476**	**19,588**	**54,650**	**73,483**
YoY Growth (%)	-10.2	-15.88	-18.4	-2.8	24.9	32.17	42.2	39.6	-12.2	34.5
Other income	293	241	1,148	1,126	426	433	452	412	2,741	2,150
Net Income	**14,097**	**13,997**	**14,137**	**15,161**	**17,664**	**18,615**	**18,928**	**20,000**	**57,391**	**75,633**
Operating Expenses	7,488	7,285	7,568	7,367	7,591	7,795	8,173	8,320	29,129	31,879
Operating Profits	**6,609**	**6,712**	**6,569**	**7,794**	**10,073**	**10,820**	**10,755**	**11,680**	**28,262**	**43,754**
YoY Growth (%)	-32.7	-35.0	-29.4	14.1	52.4	61.2	63.7	49.9	-22.1	54.8
Provisions	5,594	3,692	3,541	2,156	2,255	1,967	2,247	2,775	15,560	9,244
PBT	**1,015**	**3,020**	**3,029**	**5,638**	**7,818**	**8,853**	**8,508**	**8,905**	**12,702**	**34,510**
Tax Provisions	-310	847	643	1,590	1,971	2,249	2,161	2,247	2,771	8,628
PAT	**1,325**	**2,173**	**2,385**	**4,048**	**5,848**	**6,604**	**6,347**	**6,657**	**9,931**	**25,883**
YoY Growth (%)	-76	-62	-14	-299	341	204	166	64	-18	161

MAS Financial — Buy

CMP INR273 | TP: INR350 (+28%) — **EPS CHANGE (%): FY27|28: 0.2|0.4**

- Standalone AUM is likely to grow 5.3% QoQ/23% YoY.
- We expect credit costs to remain stable QoQ at ~1.6%.
- Margin is expected to remain stable QoQ at ~8.35%.
- Commentary on branch expansions and an increase in the direct business are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	**4,438**	**4,586**	**4,816**	**5,164**	**5,303**	**5,587**	**5,838**	**6,695**	**19,003**	**23,424**
Interest Income	3,687	3,760	3,892	4,242	4,563	4,791	4,983	4,924	15,581	19,260
Gain on assignments	430	534	597	709	545	561	595	1,023	2,270	2,724
Other operating Income	320	292	327	213	196	235	261	749	1,152	1,440
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,336	2,441	2,873	8,587	9,874
Total income	**2,376**	**2,471**	**2,625**	**2,945**	**3,079**	**3,252**	**3,398**	**3,823**	**10,417**	**13,551**
Growth Y-o-Y (%)	*36*	*29*	*28*	*30*	*30*	*32*	*29*	*30*	*31*	*30*
Operating Expenses	827	897	1,002	1,039	1,071	1,141	1,204	1,390	3,723	4,806
Operating Profits	**1,549**	**1,574**	**1,623**	**1,906**	**2,007**	**2,111**	**2,194**	**2,433**	**6,694**	**8,745**
Growth Y-o-Y (%)	*31*	*23*	*17*	*26*	*30*	*34*	*35*	*28*	*25*	*31*
Provisions	424	371	393	575	605	635	641	707	1,763	2,588
Profit before tax	**1,124**	**1,202**	**1,230**	**1,331**	**1,403**	**1,476**	**1,552**	**1,726**	**4,888**	**6,156**
Growth Y-o-Y (%)	*19*	*18*	*17*	*22*	*25*	*23*	*26*	*30*	*19*	*26*
Tax Provisions	285	305	327	334	357	369	388	438	1,252	1,551
Net Profit	**839**	**897**	**903**	**997**	**1,046**	**1,107**	**1,164**	**1,288**	**3,637**	**4,605**
Growth Y-o-Y (%)	*19*	*17*	*16*	*23*	*25*	*23*	*29*	*29*	*19*	*27*

Muthoot Finance — Neutral

CMP INR 2,701| TP: INR2,850 (+6%) — **EPS CHANGE (%): FY27|28: -1.2|1.2**

- Estimate gold AUM growth of ~36% YoY/4.7% QoQ.
- Margin is likely to contract ~20bp QoQ to ~10.4%.
- We expect credit costs of 30bp in 2QFY27.
- Commentaries on gold loan growth and margin guidance are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26E				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	55,923	63,044	71,138	80,560	75,060	78,062	80,950	85,564	2,70,665	3,19,636
Other operating income	1,110	1,279	1,290	1,239	829	959	967	1,179	4,918	3,934
Total Operating income	**57,033**	**64,322**	**72,428**	**81,799**	**75,889**	**79,021**	**81,918**	**86,743**	**2,75,582**	**3,23,570**
YoY Growth (%)	54.0	56.2	63.7	68.5	33.1	22.9	13.1	6.0	61.2	17.4
Other income	167	286	105	140	142	149	134	175	416	600
Total Income	**57,200**	**64,608**	**72,533**	**81,939**	**76,030**	**79,170**	**82,052**	**86,917**	**2,75,999**	**3,24,170**
YoY Growth (%)	54.2	56.6	63.7	68.1	32.9	22.5	13.1	6.1	61.1	17.5
Interest Expenses	21,191	23,126	26,467	28,626	31,459	33,362	34,830	36,738	99,410	1,36,388
Net Income	**36,009**	**41,482**	**46,066**	**53,314**	**44,572**	**45,808**	**47,222**	**50,179**	**1,76,589**	**1,87,782**
Operating Expenses	8,121	8,827	9,237	9,250	9,832	10,225	10,736	11,374	35,435	42,167
Operating Profit	**27,887**	**32,655**	**36,829**	**44,064**	**34,740**	**35,584**	**36,486**	**38,805**	**1,41,153**	**1,45,615**
YoY Growth (%)	62.6	70.5	78.8	106.5	24.6	9.0	-0.9	-11.9	80.1	3.2
Provisions	433	1,141	1,012	2,395	510	1,200	1,100	2,099	4,698	4,909
Profit before Tax	**27,455**	**31,514**	**35,817**	**41,669**	**34,230**	**34,384**	**35,386**	**36,707**	**1,36,455**	**1,40,706**
Tax Provisions	6,992	8,063	9,252	10,807	8,725	8,837	9,094	9,505	35,114	36,162
Net Profit	**20,463**	**23,452**	**26,564**	**30,862**	**25,505**	**25,547**	**26,292**	**27,201**	**1,01,341**	**1,04,545**
YoY Growth (%)	89.7	87.4	94.9	104.7	24.6	8.9	-1.0	-11.9	94.9	3.2

Northern Arc Capital — Buy

CMP INR289| TP: INR375 (+30%) — **EPS CHANGE (%): FY27|28: -1.5|0.4**

- AUM growth is likely to be strong at 33% YoY/11.5% QoQ.
- Expect credit costs of 2.5% in 2QFY27 (vs. 2.6% in 1QFY27).
- NIM is expected to contract ~55bp QoQ.
- Commentaries on the asset quality of the loan book, and credit costs are the key monitorables.

Quarterly performance (INR m)

Particulars	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	5,580	5,656	6,287	6,802	7,541	7,843	8,470	8,943	24,326	32,798
Interest expense	2,163	2,082	2,312	2,391	2,598	2,819	3,101	3,298	8,948	11,817
Net interest income	**3,417**	**3,574**	**3,975**	**4,411**	**4,943**	**5,024**	**5,369**	**5,645**	**15,377**	**20,981**
Growth YoY (%)	*0.6*	*2.8*	*28.4*	*25.8*	*44.7*	*40.6*	*35.1*	*28.0*	*14.1*	*36.4*
Other operating income	497	631	956	649	287	439	684	1,144	1,703	1,426
Net total income	**3,914**	**4,205**	**4,931**	**5,060**	**5,230**	**5,463**	**6,053**	**6,789**	**18,055**	**23,536**
Growth YoY (%)	*4.9*	*10.5*	*34.4*	*24.4*	*33.6*	*29.9*	*22.8*	*34.2*	*18.2*	*30.4*
Operating expenses	1,845	2,042	2,291	2,371	2,601	2,694	2,860	3,130	8,495	11,223
Operating profits	**2,068**	**2,163**	**2,640**	**2,690**	**2,629**	**2,770**	**3,193**	**3,659**	**9,560**	**12,312**
Growth YoY (%)	*18.0*	*1.8*	*50.0*	*17.4*	*27.1*	*28.1*	*21.0*	*36.1*	*20.6*	*28.8*
Provisions	1,022	924	1,300	872	1,103	1,123	1,282	1,455	4,119	4,963
Share of loss from associates	-3	-28	7	-62	3	0	0	0		
Profit before tax	**1,044**	**1,210**	**1,347**	**1,756**	**1,529**	**1,647**	**1,911**	**2,205**	**5,356**	**7,349**
Tax expenses	261	300	330	429	388	403	468	541	1,320	1,801
Net profit	**782**	**910**	**1,017**	**1,327**	**1,141**	**1,243**	**1,443**	**1,664**	**4,036**	**5,549**
Growth YoY (%)	*-16.4*	*-5.4*	*39.0*	*245.7*	*45.8*	*36.6*	*41.9*	*25.4*	*33.9*	*37.5*

PNB Housing Finance — Buy

CMP INR1,090 | TP: INR1,360 (+25%) — **EPS CHANGE (%): FY27|28: 0.5|-2.6**

- Loan growth is expected to be ~18.5% YoY.
- Expect provision write-backs from recoveries in both Retail and Corporate written-off pools.
- Expect NIMs to expand by ~3bp QoQ.
- Commentaries on the asset quality of the retail loan book, NIM, and credit costs are the key monitorables.

Quarterly performance (INR m)

	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	19,804	20,175	20,194	20,540	21,384	22,539	23,959	25,636	80,712	93,518
Interest Expenses	12,344	12,670	12,528	12,461	13,386	14,163	15,197	16,304	50,002	59,050
Net Interest Income	**7,460**	**7,505**	**7,666**	**8,079**	**7,998**	**8,376**	**8,762**	**9,332**	**30,709**	**34,468**
YoY Growth (%)	16.2	13.4	11.0	11.0	7.2	11.6	14.3	15.5	12.8	12.2
Other income	1,015	1,132	1,013	1,179	1,269	1,460	1,649	1,793	4,339	6,171
Total Income	**8,475**	**8,636**	**8,678**	**9,258**	**9,267**	**9,836**	**10,412**	**11,124**	**35,048**	**40,639**
YoY Growth (%)	15.3	13.5	10.5	7.8	9.3	13.9	20.0	20.2	11.6	16.0
Operating Expenses	2,158	2,172	2,399	2,474	2,374	2,493	2,643	2,739	9,203	10,248
YoY Growth (%)	11.9	7.5	16.7	16.5	10.0	14.8	10.1	10.7	13.2	11.4
Operating Profits	**6,317**	**6,465**	**6,279**	**6,784**	**6,893**	**7,343**	**7,769**	**8,386**	**25,845**	**30,391**
YoY Growth (%)	16.5	15.6	8.4	5.0	9.1	13.6	23.7	23.6	11.1	17.6
Provisions	-562	-1,132	-405	-1,762	-291	-379	-386	-581	-3,862	-1,638
Profit before Tax	**6,879**	**7,596**	**6,684**	**8,546**	**7,184**	**7,722**	**8,156**	**8,967**	**29,706**	**32,029**
Tax Provisions	1,544	1,781	1,481	1,988	1,611	1,714	1,811	1,911	6,794	7,046
Profit after tax	**5,335**	**5,816**	**5,204**	**6,558**	**5,573**	**6,008**	**6,345**	**7,056**	**22,912**	**24,983**
YoY Growth (%)	23.3	23.8	7.7	19.2	4.5	3.3	21.9	7.6	18.3	9.0

Power Finance Corporation — Buy

CMP INR318| TP: INR400 (+26%) — **EPS CHANGE (%): FY27|28: -4.0|-1.9**

- Expect disbursements to decline ~15% YoY and expect AUM growth of ~4% YoY and 2.3% QoQ.
- Expect credit costs to remain benign.
- Expect margins to decline ~20bp QoQ in 2QFY27.
- Commentaries on growth in the loan book, margins, and asset quality/credit costs are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
Particulars	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	1,37,389	1,34,728	1,39,359	1,39,253	1,37,364	1,37,501	1,39,564	1,42,799	5,50,728	5,57,228
Interest Expenses	82,697	81,835	83,294	84,028	85,029	85,454	86,992	89,647	3,31,769	3,47,122
Net Interest Income	**54,692**	**52,893**	**56,065**	**55,225**	**52,335**	**52,047**	**52,572**	**53,152**	**2,18,959**	**2,10,106**
YoY Gr %	26.4	20.0	19.4	-6.6	-4.3	-1.6	-6.2	-3.8	13.2	-4.0
Other Income	**2,016**	**11,829**	**6,827**	**13,910**	**2,817**	**12,620**	**7,232**	**14,625**	34,494	**37,294**
Net Operational Income	**56,708**	**64,722**	**62,892**	**69,135**	**55,152**	**64,667**	**59,804**	**67,777**	**2,53,452**	**2,47,400**
YoY Gr %	22.1	10.2	18.9	-1.8	-2.7	-0.1	-4.9	-2.0	10.9	-2.4
Exchange gain/(loss)	-6,546	-4,972	-1,276	-3,089	752	-1,000	-2,000	-2,252	-15,883	-4,500
Total Net Income	**50,162**	**59,750**	**61,616**	**66,046**	**55,904**	**63,667**	**57,804**	**65,525**	**2,37,569**	**2,42,900**
YoY Gr %	6.7	7.4	15.4	-2.6	11.4	6.6	-6.2	-0.8	6.2	2.2
Operating Expenses	1,848	1,932	1,991	2,222	2,333	2,241	2,190	2,176	7,989	8,939
Operating Profit	**48,313**	**57,819**	**59,625**	**63,824**	**53,571**	**61,427**	**55,614**	**63,350**	**2,29,581**	**2,33,962**
YoY Gr %	5.0	8.5	15.7	-2.5	10.9	6.2	-6.7	-0.7	6.1	1.9
Provisions	-6,818	2,420	52	-13,817	-5,560	1,200	1,500	130	-18,164	-2,730
PBT	**55,132**	**55,399**	**59,573**	**77,640**	**59,131**	**60,227**	**54,114**	**63,220**	**2,47,744**	**2,36,692**
Tax	10,117	10,780	11,940	14,395	11,677	10,841	9,741	10,820	47,231	43,078
Tax Rate %	18.3	19.5	20.0	18.5	19.7	18.0	18.0	17.1	19.1	18.2
PAT	**45,015**	**44,619**	**47,633**	**63,246**	**47,454**	**49,386**	**44,374**	**52,400**	**2,00,513**	**1,93,614**
YoY Gr %	21.1	2.1	14.6	23.8	5.4	10.7	-6.8	-17.1	15.9	-3.7

Piramal Finance — Buy

CMP INR2,024| TP: INR2,585 (+28%) — **EPS CHANGE (%): FY27|28: -|-**

- PFL is likely to report AUM growth of 24% YoY/6% QoQ.
- Expect cost-to-income ratio to decline ~330bp QoQ to 49.2% in 2QFY27 (PQ: ~52.5%).
- Expect NIMs to expand ~15bp QoQ to 5.4%.
- Commentaries on growth, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	24,038	25,894	27,430	29,176	30,934	32,790	34,856	37,126	1,06,537	1,35,706
Interest Expenses	14,940	15,698	16,505	16,759	17,363	18,023	18,780	19,862	63,902	74,027
Net Interest Income	**9,098**	**10,197**	**10,924**	**12,416**	**13,571**	**14,767**	**16,076**	**17,264**	**42,635**	**61,679**
YoY Growth (%)	*21.4*	*30.4*	*30.0*	*45.8*	*49.2*	*44.8*	*47.2*	*39.0*	*32.3*	*44.7*
Other income	3,276	3,086	3,874	3,142	3,360	3,764	4,086	4,036	13,379	15,246
Total Income	**12,374**	**13,283**	**14,798**	**15,559**	**16,931**	**18,532**	**20,162**	**21,300**	**56,013**	**76,925**
YoY Growth (%)	*27.1*	*16.8*	*29.3*	*16.1*	*36.8*	*39.5*	*36.2*	*36.9*	*21.9*	*37.3*
Operating Expenses	8,122	8,129	8,205	8,621	8,894	9,116	9,399	9,660	33,078	37,069
Operating Profit	**4,252**	**5,154**	**6,593**	**6,938**	**8,037**	**9,415**	**10,763**	**11,641**	**22,936**	**39,856**
YoY Growth (%)	*57.5*	*30.0*	*83.9*	*24.5*	*89.0*	*82.7*	*63.2*	*67.8*	*45.0*	*73.8*
Provisions & Loan Losses	2,025	2,481	3,703	17,872	4,596	4,734	5,065	4,355	26,080	18,750
Profit before Tax	**2,227**	**2,673**	**2,891**	**-10,934**	**3,441**	**4,681**	**5,697**	**7,286**	**-3,144**	**21,106**
Tax Provisions	247	-776	-731	30	-180	0	0	0	-1,231	0
PAT (before associate income)	**1,980**	**3,449**	**3,622**	**-10,964**	**3,621**	**4,681**	**5,697**	**7,286**	**-1,913**	**21,106**
Associate Income	784	631	389	86	989	840	672	144	1,889	2,645
PAT (before exceptional)	**2,764**	**4,080**	**4,010**	**-10,877**	**4,610**	**5,522**	**6,370**	**7,430**	**-24**	**23,751**
Exceptional items	0	-810	0	15,895	0	0	0	0	16,705	0
PAT (after exceptional)	**2,764**	**3,270**	**4,010**	**5,018**	**4,610**	**5,522**	**6,370**	**7,430**	**16,681**	**23,751**
YoY Growth (%)	52.3	100.7	940.0	389.4	66.8	68.9	58.8	48.1	244	42

Poonawalla Fincorp — Buy

CMP INR433| TP: INR540 (+25%) — **EPS CHANGE (%): FY27|28: 1.5|0.3**

- PFL should report AUM growth of 55% YoY/10% QoQ.
- Expect cost-to-income ratio to decline ~50bp QoQ to 44.1% in 2QFY27 (PQ: ~44.6% and PY: ~57.3%).
- Expect credit costs to decline ~15bp QoQ to 2.2%.
- Commentaries on growth, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (Standalone) — **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	11,853	14,022	16,597	18,936	21,184	23,726	26,455	29,472	61,408	1,00,837
Interest Expenses	5,461	6,378	7,387	8,441	9,217	10,369	11,903	13,189	27,667	44,677
Net Interest Income	**6,393**	**7,644**	**9,209**	**10,495**	**11,968**	**13,358**	**14,551**	**16,283**	**33,741**	**56,160**
YoY Growth (%)	*11.0*	*36.7*	*50.0*	*72.0*	*87.2*	*74.7*	*58.0*	*55.1*	*43.0*	*66.4*
Other Income	1,287	1,405	1,588	2,268	2,185	2,383	2,733	2,981	6,548	10,282
Total Income	**7,679**	**9,050**	**10,798**	**12,763**	**14,153**	**15,740**	**17,284**	**19,264**	**40,290**	**66,441**
YoY Growth (%)	*33.9*	*40.3*	*60.6*	*78.5*	*84.3*	*73.9*	*60.1*	*50.9*	*49.6*	*64.9*
Operating Expenses	4,434	5,184	5,520	5,816	6,307	6,937	7,631	8,920	20,955	29,795
Operating Profit	**3,245**	**3,866**	**5,277**	**6,947**	**7,846**	**8,803**	**9,653**	**10,344**	**19,335**	**36,646**
YoY Growth (%)	*-24.9*	*36.15*	*38.4*	*108.7*	*141.8*	*127.72*	*82.9*	*48.9*	*36.4*	*89.5*
Provisions & Loan Losses	2,411	2,877	3,275	3,537	3,733	3,845	3,884	4,201	12,099	15,663
Profit before Tax	**834**	**989**	**2,002**	**3,411**	**4,113**	**4,957**	**5,769**	**6,143**	**7,236**	**20,982**
Tax Provisions	208	247	500	863	1,036	1,249	1,442	1,519	1,818	5,246
PAT (excl. exceptional)	**626**	**742**	**1,502**	**2,548**	**3,077**	**3,708**	**4,327**	**4,625**	**5,418**	**15,737**
PAT (incl. exceptional)	**626**	**742**	**1,502**	**2,548**	**3,077**	**3,708**	**4,327**	**4,625**	**5,418**	**15,737**
YoY Growth (%)	-79	-116	702	309	392	400	188	82	-651	190

Rural Electrification Corporation — Buy

CMP INR289| TP: INR355 (23%) — **EPS CHANGE (%): FY27|28: -1.3|1.2**

- Expect disbursements to decline ~1% YoY and grow 64% QoQ, leading to AUM growth of ~5.4% YoY and ~4% QoQ.
- Expect credit costs to remain benign.
- Expect NIMs to expand ~30bp QoQ in 2QFY27.
- Commentaries around margins and guidance on disbursements/AUM growth are the key monitorables.

Quarterly Performance — **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	1,45,022	1,45,771	1,45,184	1,41,016	1,41,867	1,43,961	1,47,576	1,54,815	5,78,118	5,88,219
Interest Expenses	89,351	91,316	92,429	89,317	87,484	88,796	91,727	97,049	3,62,413	3,65,057
Net Interest Income	**55,671**	**54,455**	**52,755**	**51,699**	**54,383**	**55,164**	**55,849**	**57,765**	**2,15,705**	**2,23,162**
YoY Gr (%)	19.2	9.6	2.8	-16.1	-2.3	1.3	5.9	11.7	3	3
Other Operational Income	1,442	4,738	3,925	2,545	1,091	1,200	1,320	1,448	3,657	5,060
Net Operational Income	**57,113**	**59,192**	**56,680**	**54,244**	**55,474**	**56,365**	**57,169**	**59,213**	**2,16,636**	**2,28,222**
YoY Gr (%)	21.1	18.0	8.8	-15.1	-2.9	-4.8	0.9	9.2	0	5
Other Income	-5,406	-943	-2,698	-1,074	-11,753	-4,150	0	-1,077	473	(16,980)
Total Net Income	**51,707**	**58,249**	**53,982**	**53,171**	**43,721**	**52,215**	**57,169**	**58,136**	**2,17,109**	**2,11,242**
YoY Gr (%)	3.1	14.5	1.2	-17.0	-15.4	-10.4	5.9	9.3	0	(3)
Operating Expenses	**1,404**	**1,374**	**1,708**	**3,479**	**1,253**	**1,580**	**1,964**	**3,879**	**7,965**	**8,676**
YoY Gr (%)	-35.4	-29.0	-45.7	45.2	-10.8	15.0	15.0	11.5	7	9
% to Income	2.7	2.4	3.2	6.5	2.9	3.0	3.4	6.7	4	4
Operating Profit	**50,303**	**56,875**	**52,274**	**49,692**	**42,468**	**50,635**	**55,206**	**54,257**	**2,09,144**	**2,02,565**
YoY Gr %	4.8	16.2	4.1	-19.4	-15.6	-11.0	5.6	9.2	0	(3)
Provisions	-6,166	1,347	1,110	5,721	-9,625	1,200	1,750	1,820	2,012	(4,856)
PBT	**56,469**	**55,528**	**51,164**	**43,971**	**52,093**	**49,435**	**53,456**	**52,437**	**2,07,132**	**2,07,421**
YoY Gr (%)	30.5	10.2	0.1	-18.3	-7.7	-11.0	4.5	19.3	4	0
Tax	**11,959**	**11,269**	**10,733**	**10,348**	**10,599**	**10,134**	**11,493**	**10,918**	**44,309**	**43,144**
Tax Rate (%)	21.2	20.3	21.0	23.5	20.3	20.5	21.5	20.8	21	21
PAT	**44,510**	**44,259**	**40,431**	**33,623**	**41,495**	**39,300**	**41,963**	**41,519**	**1,62,823**	**1,64,277**
YoY Gr (%)	29.3	10.5	0.3	-20.6	-6.8	-11.2	3.8	23.5	3.5	0.9

Repco Home Finance — Neutral

CMP INR336| TP: INR375 (+12%) — **EPS CHANGE (%): FY27|28: 1.0|1.5**

- Disbursements/AUM expected to grow ~10%/9% YoY.
- Expect further improvement in asset quality, resulting in benign credit costs.
- Margins are expected to remain stable QoQ at ~5.4%.
- Commentaries around asset quality and guidance on disbursements/AUM growth are the key monitorables.

Quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	4,257	4,334	4,453	4,441	4,569	4,633	4,784	4,967	17,501	18,953
Interest Expenses	2,441	2,444	2,489	2,468	2,513	2,561	2,676	2,803	9,842	10,552
Net Income	**1,816**	**1,890**	**1,964**	**1,974**	**2,056**	**2,073**	**2,108**	**2,165**	**7,660**	**8,401**
YoY Growth (%)	8.3	14.2	10.2	15.5	13.2	9.7	7.3	9.7	9.0	9.7
Other income	150	123	118	100	110	130	135	148	476	523
Total Income	**1,966**	**2,013**	**2,082**	**2,074**	**2,166**	**2,203**	**2,243**	**2,313**	**8,135**	**8,924**
YoY Growth (%)	7.3	6.8	5.3	9.6	10.2	9.4	7.7	11.5	8.6	9.7
Operating Expenses	530	603	748	704	592	627	665	727	2,585	2,611
YoY Growth (%)	17.2	16.7	39.9	20.6	11.7	4.0	-11.1	3.1	23.8	1.0
Operating Profits	**1,436**	**1,410**	**1,334**	**1,370**	**1,574**	**1,575**	**1,578**	**1,586**	**5,550**	**6,314**
YoY Growth (%)	4.1	3.1	-7.6	4.7	9.6	11.7	18.3	15.8	2.7	13.8
Provisions	-27	-15	-156	-114	97	30	20	-40	-311	107
Profit before Tax	**1,463**	**1,424**	**1,490**	**1,483**	**1,477**	**1,545**	**1,558**	**1,626**	**5,860**	**6,207**
Tax Provisions	384	355	402	192	336	389	393	446	1,333	1,564
Profit after tax	**1,080**	**1,069**	**1,088**	**1,291**	**1,142**	**1,156**	**1,165**	**1,180**	**4,528**	**4,643**
YoY Growth (%)	2.4	-5.0	2.1	12.3	5.7	8.1	7.1	-8.6	0.8	2.5

Shriram Finance — Buy

CMP INR943| TP: INR1,200 (+27%) — **EPS CHANGE (%): FY27|28: 3.1|0.3**

- Estimate disbursements of ~INR525b, leading to AUM of ~INR3.26t (up 16% YoY/ ~4% QoQ).
- Margin is expected to expand by ~20bp QoQ to 10.2%.
- Credit cost is likely increase ~5bp QoQ to 1.95%.
- 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	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	1,11,732	1,15,506	1,18,331	1,20,871	1,29,100	1,31,682	1,36,949	1,42,808	4,66,440	5,40,538
Interest Expenses	54,008	55,248	52,591	53,358	52,043	50,273	52,033	56,130	2,15,204	2,10,480
Net Interest Income	**57,725**	**60,258**	**65,740**	**67,514**	**77,057**	**81,408**	**84,916**	**86,678**	**2,51,236**	**3,30,059**
YoY Growth (%)	*10.3*	*10.3*	*17.6*	*21.3*	*33.5*	*35.1*	*29.2*	*28.4*	*15.0*	*31.4*
Other Income	3,685	3,643	3,584	4,408	5,021	4,559	4,063	4,734	15,339	18,377
Total Income	**61,410**	**63,901**	**69,325**	**71,922**	**82,078**	**85,967**	**88,979**	**91,412**	**2,66,576**	**3,48,436**
YoY Growth (%)	*12.3*	*11.2*	*16.4*	*15.3*	*33.7*	*34.5*	*28.4*	*27.1*	*13.9*	*30.7*
Operating Expenses	19,486	19,486	22,620	18,671	21,225	22,214	22,846	23,433	80,262	89,717
Operating Profit	**41,924**	**44,415**	**46,705**	**53,250**	**60,854**	**63,753**	**66,133**	**67,979**	**1,86,313**	**2,58,719**
YoY Growth (%)	*8.8*	*11.5*	*14.3*	*22.8*	*45.2*	*43.5*	*41.6*	*27.7*	*14.6*	*38.9*
Provisions & Loan Losses	12,857	13,333	13,103	14,097	14,633	15,678	16,510	17,061	53,391	63,882
Profit before Tax	**29,067**	**31,082**	**33,602**	**39,153**	**46,221**	**48,075**	**49,623**	**50,918**	**1,32,923**	**1,94,837**
Tax Provisions	7,510	8,028	8,385	9,017	11,776	12,115	12,505	12,704	32,941	49,099
Net Profit	**21,557**	**23,053**	**25,217**	**30,136**	**34,446**	**35,960**	**37,118**	**38,214**	**99,982**	**1,45,738**
YoY Growth (%)	*8.8*	*11.4*	*21.2*	*40.9*	*59.8*	*56.0*	*47.2*	*26.8*	*20.9*	*45.8*
Exceptional gain (Post tax)									0	0
PAT (including exceptional gains/loss)									**99,982**	**1,45,738**

Spandana Sphoorty — Neutral

CMP INR217 | TP: INR240 (+10%) — **EPS CHANGE (%): FY27|28: 7.4|0.9**

- Estimate disbursements of ~INR14.9b, leading to AUM of ~INR55b (AUM growth of ~33% YoY and 11.5% QoQ).
- Margin is likely to expand ~100bp QoQ to ~13.7%, primarily due to a decline in interest income reversals.
- Benign credit costs of 0.5% due to recoveries from written-off pool.
- Guidance on credit costs, margins, and AUM growth to be closely monitored.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	2,837	2,246	2,252	2,318	2,802	3,195	3,514	4,021	9,653	13,533
Interest Expenses	1,538	1,199	1,087	1,260	1,321	1,420	1,562	1,741	5,084	6,043
Net Interest Income	**1,300**	**1,048**	**1,164**	**1,058**	**1,482**	**1,775**	**1,952**	**2,281**	**4,569**	**7,490**
YoY Growth (%)	*-70.1*	*-70.0*	*-57.5*	*-48.5*	*14.0*	*69.4*	*67.7*	*115.6*	*-63.8*	*63.9*
Other Income	204	149	204	453	230	228	516	788	1,010	1,761
Total Income	**1,504**	**1,196**	**1,368**	**1,511**	**1,711**	**2,003**	**2,468**	**3,069**	**5,580**	**9,251**
YoY Growth (%)	*-68.5*	*-73.3*	*-60.2*	*-35.3*	*13.8*	*67.4*	*80.4*	*103.0*	*-62.6*	*65.8*
Operating Expenses	2,091	1,886	2,038	1,612	1,549	1,610	1,769	1,912	7,627	6,840
Operating Profit	**-587**	**-690**	**-670**	**-100**	**163**	**393**	**699**	**1,156**	**-2,048**	**2,411**
YoY Growth (%)	*-120.5*	*-130.3*	*-185.4*	*-139.9*	*-127.7*	*-157.0*	*-204.3*	*-1,251.8*	*-133.7*	*-217.7*
Provisions & Loan Losses	4,222	2,582	584	-181	-13	60	180	309	7,207	536
Profit before Tax	**-4,809**	**-3,271**	**-1,255**	**80**	**176**	**333**	**519**	**847**	**-9,255**	**1,875**
Tax Provisions	-1,207	-780	-305	28	57	153	130	129	-2,263	469
Net Profit	**-3,602**	**-2,492**	**-950**	**53**	**119**	**180**	**389**	**718**	**-6,992**	**1,406**
YoY Growth (%)	*-747*	*15*	*-78*	*-101*	*-103*	*-107*	*-141*	*1,263*	*-32*	*-120*

Tata Capital — Neutral

CMP INR319| TP: INR360 (+13%) — **EPS CHANGE (%): FY27|28: 0.2|-0.9**

- Estimate consolidated AUM growth of ~24% YoY/4.2% QoQ in 2QFY27.
- Margin is likely to remain broadly stable QoQ at ~5%.
- Annualized credit costs to decline 5bp QoQ to 0.9% (PQ: 0.95%).
- Guidance on credit costs, margins, and AUM growth to be closely monitored.

Quarterly Performance

Y/E March	FY26				FY27				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Interest Income	69,318	69,795	72,424	74,940	79,409	83,300	88,547	94,972	2,86,522	3,46,228
Interest Expenses	40,656	39,756	39,276	40,165	43,699	46,277	49,285	53,137	1,59,853	1,92,399
Net Interest Income	**28,662**	**30,040**	**33,148**	**34,775**	**35,710**	**37,022**	**39,262**	**41,835**	**1,26,669**	**1,53,829**
YoY Growth (%)	*16.8*	*17.3*	*20.5*	*18.8*	*24.6*	*23.2*	*18.4*	*20.3*	*18.4*	*21.4*
Other Income	7,598	7,701	7,362	6,683	8,845	9,175	8,741	8,064	29,304	34,826
Total Income	**36,260**	**37,741**	**40,510**	**41,458**	**44,555**	**46,197**	**48,003**	**49,900**	**1,55,973**	**1,88,655**
YoY Growth (%)	*20.2*	*7.9*	*23.7*	*16.8*	*22.9*	*22.4*	*18.5*	*20.4*	*16.9*	*21.0*
Operating Expenses	13,347	14,974	15,546	15,861	16,206	16,577	16,957	17,487	59,729	67,226
Operating Profit	**22,913**	**22,767**	**24,965**	**25,597**	**28,349**	**29,621**	**31,047**	**32,413**	**96,244**	**1,21,429**
YoY Growth (%)	*42.8*	*12.3*	*29.7*	*16.8*	*23.7*	*30.1*	*24.4*	*26.6*	*24.2*	*26.2*
Provisions & Loan Losses	9,086	7,732	7,589	5,822	6,764	6,672	7,327	7,720	30,229	28,482
Profit before Tax	**13,827**	**15,035**	**17,376**	**19,775**	**21,585**	**22,949**	**23,720**	**24,693**	**66,016**	**92,947**
Share of Profit/Loss from Associate	-6	35	9	10	6	10	10	32	49	58
Profit before Tax (post income from Associates)	**13,822**	**15,070**	**17,385**	**19,785**	**21,591**	**22,959**	**23,730**	**24,725**	**65,624**	**93,005**
Tax Provisions	3,413	3,881	4,300	5,122	5,309	5,829	6,025	6,352	16,715	23,516
Profit After Tax (incl. minority interest)	**10,409**	**11,190**	**13,085**	**14,663**	**16,282**	**17,130**	**17,705**	**18,373**	48,909	69,489
Non-controlling interest (MI)	510	217	79	-358	808	450	400	342	448	2,000
PAT (post MI)	**9,899**	**10,973**	**13,007**	**15,020**	**15,474**	**16,680**	**17,305**	**18,031**	**48,461**	**67,489**
YoY Growth (%)	*109.6*	*-3.1*	*23.8*	*50.2*	*56.3*	*52.0*	*33.0*	*20.0*	*32.6*	*39.3*

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