24 October 2026
2QFY27 Results Update | Sector: Financials

SBI Cards

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	SBICARD IN
Equity Shares (m)	952
M.Cap.(INRb)/(USDb)	518.6 / 5.5
52-Week Range (INR)	965 / 525
1, 6, 12 Rel. Per (%)	-11/-13/-29
12M Avg Val (INR M)	1124

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
NII	64.1	69.8	80.3
OP	78.8	77.0	89.7
NP	21.7	30.9	37.3
NIM (%)	11.4	11.5	11.5
EPS (INR)	22.8	32.4	39.2
EPS Gr. (%)	13.0	42.5	20.7
BV/Sh. (INR)	165	195	231
ABV/Sh. (INR)	161	192	228
Ratios			
RoA (%)	3.3	4.3	4.5
RoE (%)	14.7	18.0	18.4
Valuations			
P/E(X)	24.3	17.1	14.1
P/BV (X)	3.4	2.8	2.4
P/ABV (X)	3.4	2.9	2.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	68.9	68.9	68.6
DII	20.2	18.1	17.8
FII	7.1	9.0	10.1
Others	3.8	4.0	3.6

FII includes depository receipts

CMP: INR546 **TP: INR625 (+14%)** **Neutral**

Business growth tepid; credit cost improves further

NIMs broadly stable QoQ

- SBI Cards (SBICARD) reported 2QFY27 PAT of INR7.8b (up 75% YoY/17% QoQ, 9% beat), led by lower-than-expected provisions.
- NIM contracted 1bp QoQ to 10.8% (vs 10.7% MOFSLe), while NII growth of 3% QoQ was in line with MOFSLe. SBICARD expects NIM to remain broadly stable despite upward pressure on borrowing costs from the recent repo rate hike.
- Credit cost further improved to 5.6% from 6.5% in 1QFY27. SBICARD has made an additional INR0.3b provision to address heightened macro uncertainty, taking the total management overlay to INR1b.
- Spends grew 3% YoY/declined 7% QoQ as corporate spends declined 12% YoY/declined 37% QoQ, while growth in retail spends rose 6% YoY/1% QoQ.
- Corporate spends stood at ~13.9% of total spends vs. 20.6% in 1QFY27.
- GNPA ratio improved 14bp QoQ to 1.9%, while NNPA ratio improved 6bp QoQ to 0.77%. ECL declined 10bp QoQ to 3.0%. PCR declined 8bp QoQ to 59.8%.
- **We raise our FY27/28E earnings by 5-6% and estimate SBICARD to report FY28E RoA/RoE of 4.5%/18.4%. Reiterate Neutral with a revised TP of INR625 (16x FY28E EPS).**

Revolver mix remains low at 22%; credit cost guidance at ~6%

- 2Q PAT grew 75% YoY/17% QoQ to INR7.8b (9% beat), aided by lower provisions.
- NII was flat YoY/rose 3% QoQ to INR17.2b (in line). NIM contracted 1bp QoQ to 10.8%, as 16bp QoQ increase in yields was offset by 8bp QoQ rise in CoF. Management expects NIMs to remain broadly stable, as a gradual shift toward a larger EMI-based portfolio offsets the potential increase in the cost of funds.
- The Transactor, Revolver, and EMI mix remained flat at 45%, 22%, and 33%, respectively. Other income stood flat QoQ (up 5% YoY), while C/I ratio also held flat QoQ at 58.7%.
- Total number of cards in force (CIF) grew 8% YoY/3% QoQ to 23.2m. New card sourcing remained in a guided range of 1.1m QoQ. Around 51% of sourcing came from the open market.
- Spends grew 3% YoY/declined 7% QoQ, driven by a decline in corporate spending by 37% QoQ, while retail spends grew 6% YoY/1% QoQ. Receivables declined 2% YoY/remained flat QoQ at INR565.3b as the transactor mix remains elevated.
- GNPA ratio improved 14bp QoQ to 1.9%, while NNPA ratio improved 6bp QoQ to 0.77%. ECL declined 10bp QoQ to 3.0%, while PCR declined 8bp QoQ to 59.8%.

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Highlights from the management commentary

- NIM is likely to remain broadly stable despite upward pressure on borrowing costs from the recent repo rate hike and the possibility of a further ~50bp increase.
- Management reiterated gross credit cost guidance of ~6% for FY27 and remains comfortable with credit costs in the 5.5–6.0% range, reflecting stabilization in the portfolio performance.
- The company created an additional provision of INR0.3b during the quarter to address heightened macroeconomic uncertainty, taking the total management overlay to INR1b.
- Corporate spends are expected to remain below 20% of overall spends, with management prioritizing profitability and margins over incremental corporate volumes.

Valuation and view

SBICARD reported a healthy quarter, led by in line operating performance and lower provisioning. Lower provisions and an improving credit cost trajectory offset relatively muted receivables growth, which continues to be impacted by a higher share of transactors. Credit cost moderated to 5.6%, while the company created an additional provision of INR0.3b during the quarter to address heightened macroeconomic uncertainty, taking the total management overlay to INR1b. Management expects NIMs to remain broadly stable going forward, as the rise in cost of funds is likely to get offset by repo rate hike. Corporate spends have moderated, with management expecting the mix to remain below 20% of total spends. Asset quality metrics are expected to remain range bound as the management guides for credit cost to remain around 6%. **We raise our earnings estimates by 5-6% and expect SBICARD to deliver FY28E RoA/RoE of 4.5%/18.4%. Reiterate Neutral with a revised TP of INR625 (16x FY28E EPS).**

Quarterly performance **(INR b)**

	FY26				FY27E				FY26	FY27E	FY27E	V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Est
Net Interest Income	**16.8**	**17.3**	**17.5**	**16.7**	**16.8**	**17.2**	**17.6**	**18.2**	**64.1**	**69.8**	**17.0**	**1%**
% Change (Y-o-Y)	13.8	15.2	11.5	3.0	-0.3	-0.4	0.5	9.3	8.9	8.9	-1.5	
Other Income	25.4	26.5	28.2	28.1	27.8	27.9	29.6	29.4	112.2	114.8	28.7	-3%
Total Income	**42.2**	**43.8**	**45.7**	**44.7**	**44.6**	**45.1**	**47.2**	**47.7**	**176.4**	**184.6**	**45.7**	**-1%**
Operating Expenses	21.2	24.8	26.0	25.6	26.2	26.5	27.5	27.4	97.6	107.6	27.3	-3%
Operating Profit	**21.0**	**18.9**	**19.7**	**19.1**	**18.4**	**18.7**	**19.7**	**20.3**	**78.8**	**77.0**	**18.4**	**2%**
% Change (Y-o-Y)	10.5	7.7	7.7	-2.6	-12.3	-1.4	-0.3	5.9	5.7	-2.3	-2.9	
Provisions	13.5	12.9	12.2	11.0	9.5	8.2	8.9	9.0	49.6	35.5	8.8	-7%
Profit before Tax	**7.5**	**6.0**	**7.5**	**8.2**	**8.9**	**10.5**	**10.8**	**11.3**	**29.1**	**41.4**	**9.5**	**10%**
Tax	1.9	1.6	1.9	2.1	2.3	2.7	2.7	2.9	7.5	10.6	2.4	10%
Net Profit	**5.6**	**4.4**	**5.6**	**6.1**	**6.6**	**7.8**	**8.0**	**8.4**	**21.7**	**30.9**	**7.1**	**9%**
% Change (Y-o-Y)	-6.5	10.0	45.2	14.1	19.5	74.8	43.9	38.5	13.1	42.5	59.7	
Operating Parameters												
Loan (INRb)	546.3	578.6	552.2	549.8	563.9	565.3	594.1	623.5	549.8	623.5	582.3	
Loan Growth (%)	7.5	7.9	4.6	1.9	3.2	-2.3	7.6	13.4	1.9	13.4	0.6	
Borrowings (INRb)	461.8	492.3	462.2	440.6	471.8	478.5	488.2	520.0	440.6	520.0	484.3	
Borrowing Growth (%)	13.0	13.9	5.3	-2.0	2.2	-2.8	5.6	18.0	-2.0	18.0	-2	
Asset Quality												
Gross NPA (%)	3.1	2.9	2.9	2.4	2.0	1.9	1.9	1.8	2.4	1.8	5.4	
Net NPA (%)	1.4	1.3	1.3	1.0	0.8	0.8	0.7	0.7	1.0	0.7	2.1	
PCR (%)	54.3	55.4	56.1	57.6	59.9	59.8	60.4	61.2	57.6	61.2	61.4	

E: MOFSL Estimates

Quarterly snapshot

	FY26				FY27		Change (%)	
Profit and Loss (INR b)	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**YoY**	**QoQ**
Interest Income	24.9	24.9	25.4	23.8	24.2	25.1	0.8	3.7
Interest Expenses	8.1	7.6	7.9	7.1	7.4	7.9	3.6	5.7
Net Interest Income	**16.8**	**17.3**	**17.5**	**16.7**	**16.8**	**17.2**	**-0.4**	**2.8**
Other Income	**25.4**	**26.5**	**28.2**	**28.1**	**27.8**	**27.9**	**5.4**	**0.2**
Fee Income	21.9	22.7	23.7	23.4	24.1	24.3	7.4	1.2
Others	3.5	3.8	4.5	4.6	3.8	3.6	-6.4	-5.9
Total Income	**42.2**	**43.8**	**45.7**	**44.7**	**44.6**	**45.1**	**3.2**	**1.2**
Operating Expenses	**21.2**	**24.8**	**26.0**	**25.6**	**26.2**	**26.5**	**6.7**	**1.1**
Employee	1.6	1.6	1.8	1.6	2.1	1.8	14.6	-12.6
Others	19.6	23.3	24.1	24.0	24.1	24.7	6.1	2.3
Operating Profits	**21.0**	**18.9**	**19.7**	**19.1**	**18.4**	**18.7**	**-1.4**	**1.3**
Provisions	13.5	12.9	12.2	11.0	9.5	8.2	-36.6	-13.5
PBT	**7.5**	**6.0**	**7.5**	**8.2**	**8.9**	**10.5**	**74.4**	**17.1**
Taxes	1.9	1.6	1.9	2.1	2.3	2.7	73.0	17.2
PAT	**5.6**	**4.4**	**5.6**	**6.1**	**6.6**	**7.8**	**74.8**	**17.0**
Balance Sheet								
Loans	546.3	578.6	552.2	549.8	563.9	565.3	-2.3	0.2
Borrowings	461.8	492.3	462.2	440.6	471.8	478.5	-2.8	1.4
Receivable Mix (%)								
Transactor	40.0	44.0	44.0	46.0	45.0	45.0	100.0	0.0
Revolver	24.0	22.0	22.5	22.0	22.0	22.0	0.0	0.0
EMI	36.0	34.0	33.5	32.0	33.0	33.0	-100.0	0.0
Asset Quality (INR b)								
GNPA	17.4	17.1	16.4	13.7	11.9	11.1	-35.0	-6.7
NNPA	7.9	7.6	7.2	5.8	4.8	4.5	-41.4	-6.5
Asset Quality Ratios (%)	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**YoY (bp)**	**QoQ (bp)**
GNPA	3.07	2.85	2.86	2.41	2.04	1.90	-95.0	-14.0
NNPA	1.42	1.29	1.28	1.04	0.83	0.77	-52.0	-6.0
PCR (Calc.)	54.3	55.4	56.1	57.6	59.9	59.8	440.0	-8.0
Credit Cost	9.9	8.9	8.9	8.0	6.7	5.8	-314.0	-92.5
ECL	3.5	3.3	3.3	3.0	3.1	3.0	-30.0	-10.0
Business Ratios (%)								
Fees to Total Income	51.9	51.8	51.8	52.4	53.9	53.9	215.3	-0.9
Cost to Income	50.3	56.8	56.8	57.2	58.7	58.7	192.9	-4.8
Sourcing channel Mix (%)								
SBI	56.0	50.0	44.0	46.0	47.0	49.0	-100.0	200.0
Open Market	44.0	50.0	56.0	54.0	53.0	51.0	100.0	-200.0
Spend Mix (%)								
Corporate Spends	11.6	16.3	19.8	22.2	20.6	13.9	-239.7	-672.7
Retail Spends	88.4	83.7	80.2	77.8	79.4	86.1	239.7	672.7
Profitability Ratios (%)								
Yield on loans	17.0	16.5	16.3	16.2	16.0	16.1	-34.0	16.0
Cost of borrowings	7.1	6.4	6.5	6.4	6.5	6.6	18.0	8.0
Spreads	9.9	10.1	9.8	9.8	9.5	9.5	-60.0	0.0
Margins	11.2	11.2	11.0	11.1	10.8	10.8	-41.0	-1.0
RoA	3.4	2.6	3.2	3.6	3.9	4.4	180.0	50.0
RoE	15.8	12.1	14.7	15.6	16.5	18.4	630.0	190.0
Other Details							**Change (%)**	
New accounts added (000)	873	936	864	917	1,023	1,106	18.2	8.1
O/S Cards (Mn)	21.2	21.5	21.8	22.1	22.6	23.2	7.9	2.7
Spends (INRb)	932.4	1,070.6	1,147.0	1,153.5	1,184.8	1,106.9	3.4	-6.6
- Retail Spends (INRb)	824.0	896.1	919.6	897.9	940.3	953.0	6.3	1.3
- Corporate Spends (INRb)	108.4	174.5	227.4	255.6	244.4	153.9	-11.8	-37.0
-Spends market share (%)	16.6	16.8	17.7	18.1	19.5	19.0	220.0	-50.0
-O/S cards market share (%)	19.1	19.0	18.8	18.6	18.6	18.5	-50.0	-10.0

Source: Company, MOFSL



Highlights from the management commentary

Opening remarks

- Indian economy is expected to grow at 7.1% in FY27, supported by resilient domestic demand and strong services activity, providing a favorable environment for digital financial services.
- Digital payments ecosystem continues to expand, with UPI transaction volumes growing 27% YoY to ~145b during 1HFY27.
- Credit cards in force across the industry grew ~10.5% YoY to over 125m as of Aug'26. Nearly 50% of first-time credit card users are aged below 30, while ~46% of new users originate from Tier 2/3 and rural markets.
- New account sourcing remains balanced, with 49% from the banca channel and 51% from the open market.
- CIF grew 8% YoY, with new card additions of ~1.1m during the quarter.
- Spend market share stood at ~19%, with total spends of INR1,106.9b (+3% YoY). Online spends contributed ~62.8% of retail spends.
- Receivables stood at INR583.8b, with interest-earning assets accounting for ~55% of the portfolio and revolvers at ~22%.
- The company created an additional provision of INR0.3b during the quarter to address heightened macroeconomic uncertainty, taking the total management overlay to INR1b.
- Management maintained its FY27 gross credit cost guidance at ~6%.
- Strategic priorities include expanding into Tier 2/3 markets, strengthening banca sourcing, premiumization, improving spends per card, optimizing credit costs, and maintaining cost discipline.

Credit cost and asset quality

- Management reiterated gross credit cost guidance of ~6% for FY27 and remains comfortable with credit costs in the 5.5–6.0% range, reflecting stabilization in portfolio performance.
- Stage 2 assets increased marginally during the quarter, although the combined Stage 2 and Stage 3 pool remained broadly stable, indicating no material deterioration in the overall portfolio quality.
- The company continues to refine acquisition strategies based on customer behavior and risk indicators, supporting improved portfolio quality and credit cost optimization.
- Revolver rates among newly acquired customers remain relatively lower, although the overall revolver mix has remained stable despite expectations of a marginal downward bias.

NIMs, cost of funds, and yields

- Management expects NIMs to remain broadly stable despite upward pressure on borrowing costs from the recent repo rate hike and the possibility of a further ~50bp increase.
- Borrowing costs increased ~18bp during the quarter, as liabilities are linked to both repo-linked rates and treasury bill yields.
- The liability book typically reprices with a lag, implying that the full impact of any additional rate hikes may not be reflected in FY27.
- Management continues to optimize its borrowing mix across working capital loans, term loans, and NCDs. Working capital borrowings are currently ~70–80bp cheaper than commercial paper, making them relatively more attractive.
- The company has started increasing yields on incremental EMI loans by ~50bp, from 16.5% to 17%, to partly offset the higher cost of funds.

- Higher conversion of transactor balances into EMI loans remains a key margin lever, as transactor balances generate limited interest income while EMI loans support incremental portfolio yields.

Spends, loans, and receivables

- The company expects a pickup in retail spends and receivables during 2HFY27, supported by the festive season and improved customer engagement.
- Retail spends are expected to grow in the mid-to-high teens during FY27, reiterating its earlier guidance.
- The company continues to focus on converting transactor spends into EMI receivables, which should support asset growth and improve the overall yield profile.
- Revolver balances have remained broadly stable despite a marginal downward bias, while EMI offtake continues to gain traction through targeted campaigns.
- Corporate spends are expected to remain below 20% of overall spends, with management prioritizing profitability and margins over incremental corporate volumes.
- RuPay credit cards linked to UPI continue to witness healthy traction, particularly in Tier 2/3 markets, supported by expanding merchant acceptance and increasing transaction frequency.
- RuPay linked credit cards stand at more than 1/3rd of CIF.
- Customer acquisition has improved over the past two quarters, with the benefit expected to flow through to spends and receivables with a lag.

Opex and other income

- Operating expenses remained broadly flat QoQ despite moderation in corporate spends, reflecting continued investments in business growth, and customer acquisition.
- Opex is expected to increase in 3QFY27 as festive activity and business volumes pick up, while maintaining FY27 cost-to-income ratio guidance of 57–59%.
- Interchange income is expected to grow broadly in line with spends, supported by marginally improving interchange rate structure.
- Management indicated that interchange yields have improved following rate revisions by certain card networks, although quarterly seasonality may persist.

Customer acquisition and co-branded partnerships

- SBICARDS continues to strengthen its digital customer acquisition strategy through partnerships with Tata Neu, PhonePe, Google Pay, Flipkart, and Eternal.
- Management indicated that earlier co-branding opportunities were selectively avoided due to profitability considerations. New partnerships are being evaluated based on customer value proposition and sustainable profitability.
- The company remains focused on profitable customer acquisition rather than pursuing market share at the expense of margins.
- It continues to see a healthy pool of eligible customers and remains comfortable with its acquisition run rate of over 1m cards per quarter.
- A refinement in channel classification was undertaken during the quarter, resulting in reclassification of certain accounts between banca and open-market sourcing. Management clarified that applying the revised classification to the previous quarter would not materially alter the channel mix.

Story in charts

Exhibit 1: Spends increased 3.4% YoY/declined 6.6% QoQ

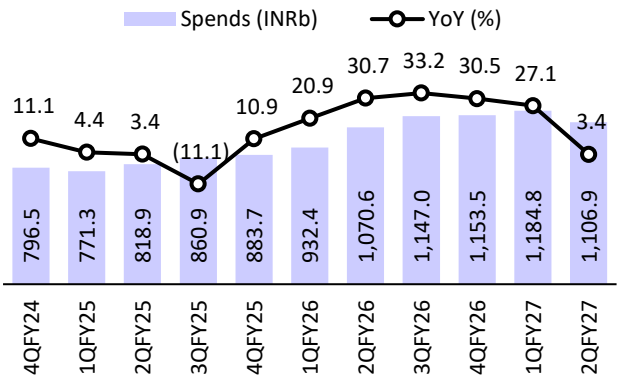


Exhibit 2: Retail mix rose to 86.1%; corporate at 13.9%

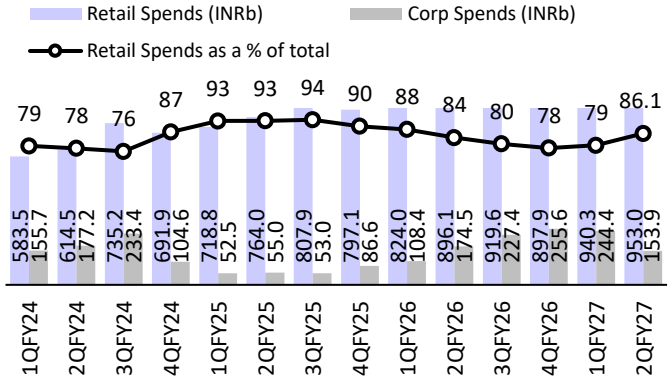


Exhibit 3: O/S cards increased ~7.9% YoY to 23.2m

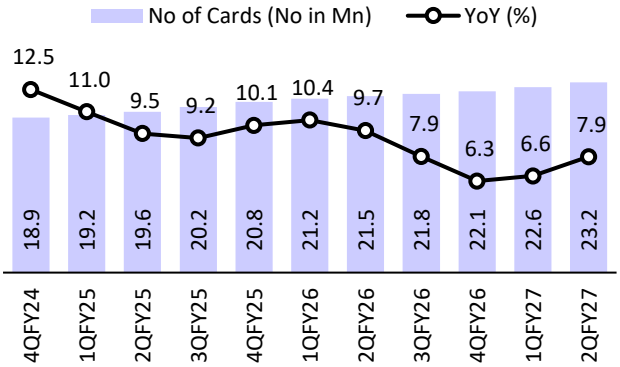


Exhibit 4: Margins remained flat at 10.8% in 2QFY27

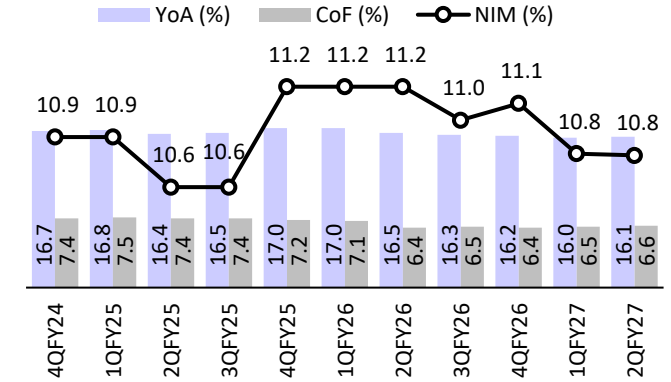


Exhibit 5: Revolver mix sticky at 22%; EMI mix at 33%

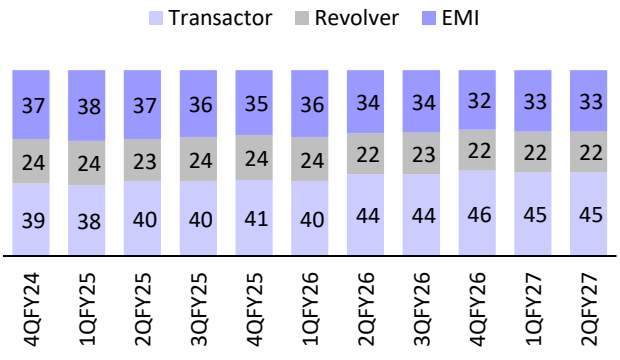


Exhibit 6: New cards sourcing mix: SBI sourcing stood at 49%

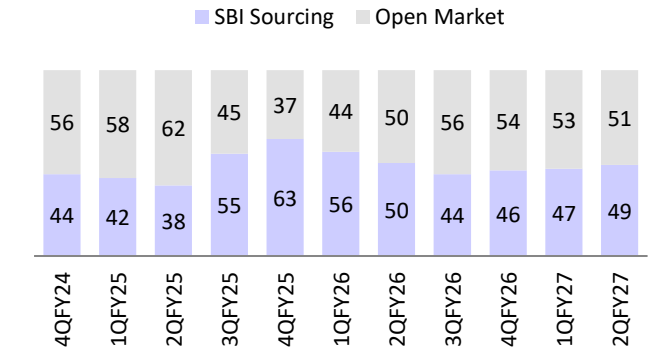
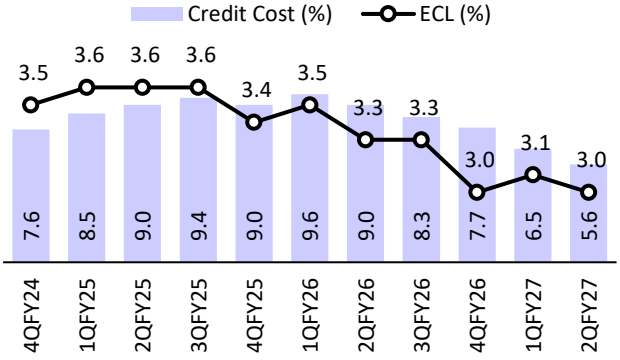
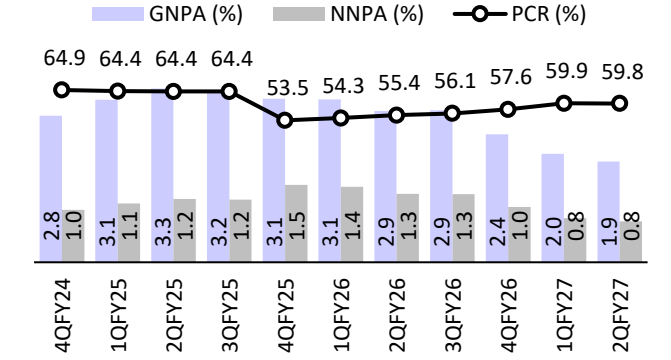


Exhibit 7: Credit costs declined to 5.6%; ECL declined to 3.0%



Source: MOFSL, Company

Exhibit 8: GNPA ratio declined 14bp; NNPA ratio decreased 6bp QoQ; PCR decreased to 59.8%



Source: MOFSL, Company

Valuation and view – We reiterate our Neutral rating with a TP of INR625

- SBICARD reported a healthy quarter, led by in-line operating performance and lower provisioning. Lower provisions and an improving credit cost trajectory offset relatively muted receivables growth, which continues to be impacted by a higher share of transactors.
- Credit cost moderated to 5.6%, while the company created an additional provision of INR0.3b during the quarter to address heightened macroeconomic uncertainty, taking the total management overlay to INR1b.
- Management expects NIMs to remain broadly stable going forward, as the rise in cost of funds is likely to get offset by repo rate hike. Corporate spends have moderated, with management expecting the mix to remain below 20% of total spends. Asset quality metrics are expected to remain range bound as the management guides for credit costs to remain around 6%.
- **We raise our earnings estimates by 5-6% and expect SBICARD to report RoA/RoE of 4.5%/18.4% by FY28E. Reiterate Neutral with a revised TP of INR625 (16x FY28E EPS).**

Exhibit 9: We increased our earnings of FY27/28E by ~5/6%, respectively

(INR b)	Old Estimates		New Estimates		Change (%/bps)	
	FY27	FY28	FY27	FY28	FY27	FY28
Net Interest Income	70.1	80.3	69.8	80.3	-0.4	0.0
Other Income	118.0	136.1	114.8	133.8	-2.8	-1.7
Total Income	**188.1**	**216.4**	**184.6**	**214.0**	**-1.9**	**-1.1**
Operating Expenses	110.5	128.2	107.6	124.3	-2.6	-3.0
Operating Profits	**77.6**	**88.2**	**77.0**	**89.7**	**-0.8**	**1.7**
Provisions	38.3	41.1	35.5	39.7	-7.1	-3.4
PBT	**39.3**	**47.1**	**41.4**	**50.0**	**5.3**	**6.2**
Tax	10.0	12.0	10.6	12.8	5.3	6.2
PAT	**29.3**	**35.1**	**30.9**	**37.3**	**5.3**	**6.2**
Loans	624	722	624	722	0.0	0.0
Margins (%)	11.5	11.5	11.5	11.5	-5	0
Credit Cost (%)	6.30	5.90	5.85	5.70	-45	-20
RoA (%)	**4.11**	**4.23**	**4.33**	**4.48**	**21**	**25**
RoE (%)	**17.2**	**17.5**	**18.0**	**18.4**	**83**	**84**
EPS	31	37	32	39	5.3	6.2
BV	193	227	195	231	0.8	1.7
ABV	189	223	192	228	1.3	2.0

Source: Company, MOFSL

Exhibit 10: DuPont analysis – estimate return ratios to improve

Y/E March	FY23	FY24	FY25	FY26	FY27E	FY28E
Interest Income	15.1	14.9	14.7	14.4	14.7	14.6
Interest Expense	4.1	5.0	5.1	4.7	4.9	4.9
Net Interest Income	**11.0**	**9.9**	**9.5**	**9.7**	**9.8**	**9.7**
Fee Income	16.5	15.7	12.9	13.9	13.6	13.6
Trading and others	4.1	3.0	2.5	3.1	2.5	2.5
Non Interest income	**20.5**	**18.8**	**15.5**	**17.0**	**16.1**	**16.1**
Total Income	**31.5**	**28.7**	**25.0**	**26.7**	**25.9**	**25.7**
Operating Expenses	**18.6**	**16.1**	**12.9**	**14.8**	**15.1**	**14.9**
-Employee cost	1.4	1.1	1.0	1.0	1.0	1.0
-Others	17.2	15.0	12.0	13.8	14.1	14.0
Operating Profits	**12.9**	**12.6**	**12.0**	**11.9**	**10.8**	**10.8**
Provisions	**5.4**	**6.3**	**7.9**	**7.5**	**5.0**	**4.8**
PBT	**7.6**	**6.2**	**4.2**	**4.4**	**5.8**	**6.0**
Tax	1.9	1.6	1.1	1.1	1.5	1.5
RoA	**5.6**	**4.6**	**3.1**	**3.3**	**4.3**	**4.5**
Leverage (x)	4.6	4.7	4.8	4.5	4.2	4.1
RoE	**25.7**	**22.0**	**14.8**	**14.7**	**18.0**	**18.4**

Financials and valuations

Income Statement

(INR b)

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Interest Income	77.4	90.7	94.9	104.9	121.1
Interest Expense	26.0	31.8	30.7	35.1	40.8
Net Interest Income	**51.5**	**58.9**	**64.1**	**69.8**	**80.3**
-growth (%)	17.0	14.4	8.9	8.9	14.9
Non Interest Income	97.4	95.7	112.2	114.8	133.8
Total Income	**148.9**	**154.6**	**176.4**	**184.6**	**214.0**
-growth (%)	17.8	3.8	14.1	4.7	15.9
Operating Expenses	83.7	80.1	97.6	107.6	124.3
Pre Provision Profits	**65.2**	**74.5**	**78.8**	**77.0**	**89.7**
-growth (%)	25.6	14.3	5.7	-2.3	16.6
Provisions (excl tax)	32.9	48.7	49.6	35.5	39.7
PBT	**32.3**	**25.8**	**29.1**	**41.4**	**50.0**
Tax	8.2	6.6	7.5	10.6	12.8
- Tax Rate (%)	25.5	25.7	25.6	25.5	25.5
PAT	**24.1**	**19.2**	**21.7**	**30.9**	**37.3**
-growth (%)	6.6	-20.4	13.1	42.5	20.7
Total Comprehensive Income	**24.1**	**19.2**	**21.7**	**30.9**	**37.3**
-growth (%)	6.7	-20.3	13.3	42.0	20.7

Balance Sheet

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Share Capital	9.51	9.51	9.52	9.52	9.52
Reserves & Surplus	111.33	128.30	147.74	175.95	210.46
Net Worth	**120.8**	**137.8**	**157.3**	**185.5**	**220.0**
Borrowings	398.9	449.5	440.6	520.0	613.5
-growth (%)	28.2	12.7	-2.0	18.0	18.0
Other Liabilities & Prov.	62.0	68.2	65.4	58.8	65.3
Total Liabilities	**581.7**	**655.5**	**663.3**	**764.3**	**898.8**
Current Assets	27.3	27.4	23.2	28.3	34.5
Investments	**35.2**	**62.4**	**63.7**	**73.3**	**84.3**
-growth (%)	64.5	77.2	2.2	15.0	15.0
Loans	**490.8**	**539.3**	**549.8**	**623.5**	**722.0**
-growth (%)	24.7	9.9	1.9	13.4	15.8
Fixed Assets	5.6	3.3	2.3	5.7	6.3
Other Assets	22.8	23.1	24.2	33.5	51.6
Total Assets	**581.7**	**655.5**	**663.3**	**764.3**	**898.8**

Asset Quality

Y/E March	FY24	FY25	FY26	FY27E	FY28E
GNPA (INR b)	14.0	17.2	13.7	11.4	12.5
NNPA (INR b)	4.9	8.0	5.8	4.4	4.6
GNPA Ratio	2.8	3.1	2.4	1.8	1.7
NNPA Ratio	1.0	1.4	1.0	0.7	0.6
Slippage Ratio	7.3	9.5	8.1	5.6	5.4
Credit Cost	7.2	9.1	8.8	5.9	5.7
PCR (Excl Tech. write off)	64.9	53.5	57.6	61.2	63.5

E: MOFSL Estimates

Financials and valuations

Business Metrics

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Total No of Cards (Nos in Mn)	18.9	20.8	22.1	25.9	30.1
Total spends (INR b)	3,295.9	3,334.8	4,303.6	5,121.3	6,043.1
Spends per card (INR k)	174.4	160.3	194.7	198.1	200.6
Loans per card (INR)	26	26	25	24	24
Fee income earned per card	4,320	3,848	4,148	3,743	3,754

Ratios

Y/E March	FY24	FY25	FY26	FY27E	FY28E
Yield & Cost Ratios (%)					
Avg. Yield on loans	16.9	17.0	16.8	17.3	17.4
Avg. Cost of Borrowings	7.3	7.5	6.9	7.3	7.2
Interest Spread	**9.6**	**9.5**	**9.9**	**10.0**	**10.2**
Net Interest Margin	**11.2**	**11.0**	**11.4**	**11.5**	**11.5**
Capitalisation Ratios (%)					
CAR	20.5	22.9	25.5	27.5	27.2
Tier I	16.5	17.5	20.0	20.8	21.2
CET 1	16.5	17.5	20.0	17.5	17.5
Tier II	4.0	5.4	5.5	6.7	6.0
Business ratios (%)					
Cost/Assets	16.1	12.9	14.8	15.1	14.9
Cost/Total Income	56.2	51.8	55.3	58.3	58.1
Int. Expense/Int.Income	33.5	35.0	32.4	33.5	33.7
Other income/Total Income	65.4	61.9	63.6	62.2	62.5
Empl. Cost/Total Expense	6.8	7.4	6.8	6.8	6.7

Valuation

RoE	22.0	14.8	14.7	18.0	18.4
RoA	4.6	3.1	3.3	4.3	4.5
RoRWA	4.6	2.9	3.1	4.1	4.2
Book Value (INR)	127	145	165	195	231
-growth (%)	22.3	14.0	14.1	17.9	18.6
Price-BV (x)	**4.3**	**3.8**	**3.3**	**2.8**	**2.4**
Adjusted BV (INR)	123	139	161	192	228
Price-ABV (x)	**4.4**	**3.9**	**3.4**	**2.8**	**2.4**
EPS (INR)	25.4	20.1	22.8	32.4	39.2
-growth (%)	6.2	-20.6	13.0	42.5	20.7
Price-Earnings (x)	**21.5**	**27.1**	**24.0**	**16.8**	**13.9**

E: MOFSL Estimates

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