

06 May 2026

India | Equity Research | Results update

Poonawalla Fincorp

NBFCs

Strong quarter – robust AUM growth, opex moderation catapult RoA past 1.8% mark

Poonawalla Fincorp (Poonawalla) reported another strong quarter with PAT at INR 2.6bn, or 1.8% RoA (up 61bps QoQ/105bps YoY). AUM growth was robust at 10% QoQ/69% YoY, amongst the highest AUM growth within India's listed NBFC space. New products contributed 24% of disbursements in Q4, giving confidence on sustenance of high AUM growth. Credit cost has been in the range of 2.5–2.7% since the past four quarters, while GNPA/NNPA has been ebbing since the past three quarters. Importantly, opex to AUM moderated 28bps QoQ to 4.1%, as its investments made in branches, technology and building network are enabling robust AUM growth alongside improved productivity.

Given the brighter AUM growth prospects, along with improving headline asset quality ratios, diversified portfolio offerings, expected moderation in opex to AUM, and thereby, an improving RoA trajectory, we maintain BUY. However, post the recent capital raise of INR 25bn in Apr'26, RoE may hover ~12–13% until FY28E (vs. ~10% in Q4FY26); hence, we revise our TP to INR 520 (earlier INR 600) as we cut our target multiple to 3.2x FY27E BV (earlier: 4.1x).

PAT likely to more than double in FY27 aided by strong operating performance as well as steady asset quality

For FY27E, Poonawalla is likely to report PAT of ~INR 14bn vs. INR 5.4bn in FY26, aided by strong AUM growth and opex contraction coupled with steady margins and credit cost. After >60% CAGR in operating expense over the past two years, we expect opex CAGR to be ~20% over FY26–28E vs. AUM growth of ~35%, which should be a key RoA driver for Poonawalla.

Moreover, post the robust traction in AUM growth in FY26 aided by traction in new product disbursements, we forecast a ~35% AUM CAGR over FY26–28E. Poonawalla has invested heavily in expanding its network as well as technology in FY26. This could aid the company in delivering 35–40% on a sustainable basis.

Financial Summary

Y/E March (INR mn)	FY25A	FY26A	FY27E	FY28E
Net Interest Income	23,594	33,741	49,386	67,225
PAT	(983)	5,418	13,913	18,917
EPS (INR)	(1.3)	6.7	15.9	21.6
BVPS (INR)	106	128	163	184
P/E (x)	(345.0)	65.5	27.6	20.3
P/BV (x)	4.2	3.4	2.7	2.4
Gross Stage - 3 (%)	1.8	1.4	1.6	1.7
Dividend Yield (%)	-	-	-	-
RoA (%)	(0.3)	1.1	2.0	2.0
RoE (%)	(1.2)	5.8	11.3	12.5

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Market Data

Market Cap (INR)	386bn
Market Cap (USD)	4,060mn
Bloomberg Code	POONAWAL IN
Reuters Code	POON BO
52-week Range (INR)	570 /361
Free Float (%)	40.0
ADTV-3M (mn) (USD)	9.7

Price Performance (%)	3m	6m	12m
Absolute	7.1	(7.1)	13.2
Relative to Sensex	14.6	0.6	17.9

ESG Score	2024	2025	Change
ESG score	74.7	79.0	4.3
Environment	55.0	59.7	4.7
Social	77.2	81.8	4.6
Governance	79.9	83.7	3.8

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY27E	FY28E
PAT	-	-

Previous Reports

04-04-2026: [Q4FY26 NBFCs Preview](#)

18-01-2026: [Q3FY26 results review](#)

Investments in branches and technology aiding robust AUM growth; new products disbursements share at ~24% in Q4FY26

Poonawalla had strong AUM growth of 10% QoQ/70% YoY, surpassing the INR 600bn AUM mark with healthy momentum across all products. New products contributed 14% to its AUM in Q4FY26 while disbursements' share for these new products have inched up to ~24%. In terms of its AUM mix, contribution from LAP was highest at 28%, followed by instant customer loans at 19% and then mid-market at 14%. Secured share in the overall portfolio stood at 54% vs. 56% QoQ and unsecured share is at 44%.

Poonawalla has a multi-pronged strategy, wherein the company has diversified its portfolio for >10 products, alongside a blend of secured as well as unsecured products. Given a couple of new product launches over the past one year, business momentum is likely to sustain for the next few quarters as well. Management has provided guidance of 35–40% AUM growth for FY27 with commensurate disbursements.

Credit cost dips sequentially; asset quality improves across all stages

Asset quality improved with a 7bps QoQ decline in GNPA to 1.44% and a 6bps fall in NNPA to 0.74% in Q4FY26, reflecting consistent improvement across Stage 1, 2 and 3. Provision coverage ratio stood at 49% at end-Q4FY26. Stage 1 composition strengthened further to 97.5% vs. 97.4% QoQ and 96.3% YoY. Credit cost moderated sequentially to ~2.5%, from ~2.6% in Q3FY26 and ~3.1% in Q4FY25, with management expressing confidence that the declining trajectory will likely continue hereon.

6 MOB 30+ as of Q4FY26 is 1.05% vs. 1.34% QoQ. Notably, management indicated that 12 MOB 90+, for cohorts originated post-Sep'24, has improved more than 50% compared to cohorts originated 12 months prior. Also, no accelerated write-offs were undertaken during Q4.

Poonawalla is undergoing a fundamental strategic pivot towards a future-ready portfolio by gradually shifting its asset mix towards higher velocity, low probability of default segments such as LAP, PL to salaried profiles of top corporates, gold loans, and education loans to insulate the book from cyclical volatility.

Opex:AUM structurally better; operating leverage firmly in harvest phase

Opex to average AUM declined meaningfully to 4.13% in Q4FY26 vs 4.41% QoQ vs 4.76% YoY, driven by productivity gains across new businesses and maturation of technology investments. Cost-to-income ratio also improved sharply to 45.6% in Q4FY26, from 51.1% in Q3FY26. Management characterised this as a structural shift rather than a one-off; noting, that the bulk of planned investments in new products, physical infrastructure, technology and human capital made over prior quarters are now yielding operating leverage.

PL Prime has transitioned to a scaling digital model where AUM is growing without a commensurate increase in headcount, as the company is not adding any underwriters. The AI hiring platform has improved hiring capacity by 68%, with an 81% reduction in operational costs. Gold loan branches, while creating an upfront investment phase, are expected to act as localised profit engines once at scale.

Management has set an internal benchmark to close FY27 at a lower opex to AUM ratio than current levels, acknowledging potential quarterly fluctuations of 10–25bps due to branch clustering and investment trajectory. The improved operating leverage, alongside NIM expansion and a rising disbursement yield (up 40bps in Q4 to ~15.96%), provides a strong foundation for an RoA uptick from its current 1.81% baseline.

Capital raise bolsters balance sheet; provides headroom for growth

Poonawalla raised INR25bn through the QIP route in Apr'26. Post the capital raise, on a pro forma basis (basis Mar'26 balance sheet), debt-to-equity stands at 3.78x vs. 4.67x as of Q4FY26. Pro forma capital adequacy ratio, post-raise, is 20.74%; thus, providing sufficient headroom to support the guided AUM growth of 35–40% over the next couple of years. Liquidity, as of Mar'26, stood at INR 75.9bn in the form of cash, cash equivalents and undrawn bank lines.

Key risk: 1) Credit cost settling higher-than-anticipated on account of elevated slippages; and 2) Rise in opex to AUM ratio due to higher other opex.

Exhibit 1: Q4FY26 result review – income statement

Income Statement (INR mn)	Q4FY25	Q3FY26	Q4FY26	YoY %	QoQ %
Interest Income	10,685	16,597	18,936	77	14
Interest Expense	4,584	7,387	8,441	84	14
Net Interest Income	6,101	9,210	10,495	72	14
Non-interest income	705	1,588	2,219	215	40
Total Operating Income	6,805	10,798	12,714	87	18
Other Income	70	1	49	-30	8,067
Net Total Income	6,876	10,798	12,763	86	18
Employee expenses	1,734	2,849	2,631	52	-8
Non employee cost	1,813	2,992	3,623	100	21
Total operating expenses	3,548	5,841	6,254	76	7
Pre-provision operating profit	3,328	4,957	6,510	96	31
Credit cost	2,526	2,955	3,099	23	5
Profit before tax	802	2,003	3,411	325	70
Tax	179	500	863	382	73
Profit after tax	623	1,503	2,548	309	70
EPS	0.81	1.86	3.15	289	69

Source: I-Sec research, Company data

Exhibit 2: Q4FY26 result review – balance sheet

Balance Sheet (INR mn)	Q4FY25	Q3FY26	Q4FY26	YoY %	QoQ %
Cash and Bank balance	320	3,060	2,940	819	(4)
Receivables	190	420	380	100	(10)
Loans	3,26,950	5,11,070	5,59,510	71	9
Investments	13,410	14,560	24,900	86	71
Other financial assets	1,850	4,060	6,770	266	67
Non financial assets	7,070	8,760	7,700	9	(12)
Total Assets	3,49,790	5,41,930	6,02,200	72	11
Share capital	1,550	1,620	1,620	5	-
Reserves and surplus	79,690	98,240	1,01,360	27	3
Net worth	81,240	99,860	1,02,980	27	3
Borrowings	2,58,810	4,24,980	4,80,980	86	13
Other liabilities	9,740	16,990	18,250	87	7
Total Liabilities	3,49,790	5,41,930	6,02,200	72	11

Source: Company data, I-Sec research

Exhibit 3: Q4FY26 result review – key financial metrics

Key ratios and metrics	Q4FY25	Q3FY26	Q4FY26	YoY %	QoQ %
AUM (INR mn)	3,56,310	5,50,170	6,03,480	69	10
RoA (%)	0.8	1.2	1.8	101 bps	59 bps
RoE (%)	3.1	6.1	10.0	696 bps	397 bps
Calc. credit cost (% of avg AUM)	3.0	2.3	2.1	-89 bps	-16 bps
CRAR (%)	22.9	18.2	16.8	-611 bps	-134 bps
Cost of borrowings (%)	8.1	7.7	7.6	-44 bps	-3 bps
Calculated NIM on loans (%)	8.0	7.8	7.8	-21 bps	8 bps

Asset quality	Q4FY25	Q3FY26	Q4FY26	YoY %	QoQ %
Gross Stage 3 (INR mn)	6,190	7,850	8,180	32	4
Net Stage 3 (INR mn)	2,820	4,100	4,170	48	2
Provisions (INR mn)	3,370	3,750	4,010	19	7
GS3 (%)	1.84	1.51	1.44	-40 bps	-8 bps
NS3 (%)	0.85	0.80	0.74	-11 bps	-7 bps
PCR (%)	54	48	49	-547 bps	125 bps

Source: Company data, I-Sec research

Q4FY26 earnings conference call takeaways
Asset quality

- Exposure within well-defined limits; the company conducts a lot of stress tests
- Stage-3 slippage ratio improved 11% in Q4FY26 vs. Q3FY26
- It is focusing on stabilising credit cost at lower levels on sustained basis
- Focus in now on enhancing CE
- 6 MOB 30+ percentage has been on a declining trend
- Seasoning of portfolio is as per company satisfaction so far
- Making substantial investments in collection and hoping to keep it robust

Margins

- Disbursement yield in Q4 up 40bps; portfolio yield should gradually catch up
- ~15.56% disbursement yield in Q3 and ~15.96% disbursement yield in Q4

Capital adequacy

- D/E is 4.67x before capital raise of INR 25bn which was done in Apr'26
- Post capital raise, pro forma D/E would be 3.78x
- 15.90% is Tier 1 of total CRAR of 16.83%

AI and ML

- Focus on continuous enrichment of in-house proprietary models
- AI is aiding enhanced decision-making and predictive accuracy
- Not building dependency on any single model provider for AI
- It is driving technology adoption across frontline teams
- 30% of entire business is fully digital
- 19 new AI projects added this quarter, bringing the total to 76 cutting-edge AI projects; of which, 42 projects have been successfully implemented

Liquidity

- LCR at 181% is comfortable
- INR 76bn surplus liquidity

AUM

- LAP is done only for ticket size above INR 5mn
- Expect RoA to gain hereon

Q3FY26 earnings conference call takeaways

Capital

- INR 55bn QIP to support future growth aspirations (12-month approval)
- Expects to grow at 35-40% over the next couple of years

Consumer business

- Over the past few quarters, new business has scaled meaningfully
- Prime PL launched in Aug'24 continues to gain strong traction
- PL prime had average INR 4.3bn disbursements per month in Q3
- **>70% of customers have bureau score of >750 for PL prime**
- **28% of PL prime customers were 100% digital without any human intervention**
- Consumer durables continue to scale efficiently
- During Oct'25, INR 1.18bn disbursed to 118k customers for consumer durable
- OEM partnerships are expanding at a very rapid pace
- CV - average monthly disbursements at INR 1bn, up 35% QoQ
- Operate across 55 locations in CV
- Education loans – 16k files across 325 consultants/partners and expect this network to cross 500 by March 2026

Commercial business

- Focus has been on people, distribution and infra (process, policy and products)
- 72% of commercial business AUM is secured in nature
- **As share of direct channel increases in overall mix, it will likely lead to further improvement in cost**
- **Enhancing product suite in medical equipment loans as well**
- Products
 - LAP
 - Business loans
 - Laos to professionals
 - Medical equipment loans
 - Shopkeeper loans
 - Mid-market finance

Asset quality

- **Sequential improvement in Stage2/3 over the past 3 quarters**
- **Expect credit cost to decline steadily across products in the coming years**
- Change in product mix is resulting in decline in PCR at the company level
- Current duration of entire loan book is 2.5-3 years
- **As share of new products increase, it will lead to improvement in credit cost**
- **Write-off policy**
 - Unsecured 180 DPD
 - Vehicle 365 DPD
 - LAP 730 DPD

Digital initiatives

- Deepening digital partner ecosystem
- Driving cost efficiencies through tech-led innovation
- Improved website performance through lesser low time
- Market stack now has AI across all channels
- Contextual and AI-led investments
- **Launching next generational conversational AI platform, which will resolve 80% of customer queries**

Opex

- Opex to AUM at 4.41%, down 40bps QoQ due to improved productivity and efficiency
- Every year, directionally, it should see moderation in opex to assets
- 5,264 employees, as of Q3FY25-end
- 320 branches, as of date, for gold loans
- 320 branches are largely gold loan dedicated, but it would not completely rule out cross-sell opportunities.

Exhibit 4: New product characteristics

Products	AUM (₹ crore)	% of AUM	Ticket size range	Tenure	Disb. yield range	Customer segment	Sourcing channel
Prime Personal Loan	4,802	8%	₹1L- ₹75L	12 - 84M	13-16%	Salaried customers of top corporates	Omni-channel - Physical + Digital distribution
Gold Loan	1,299	2%	₹25K - ₹1Cr	<=36M	11-28%	Tier II/ III households	Dedicated Gold Loan Branches
Education Loan	876	1%	₹1L - ₹3Cr	<=15Y	10.5-13%	Domestic students for international UG and PG courses	Consultant Partnerships
Consumer Durable Loan	382	1%	₹5K - ₹5L	Upto 36M	Up to 35%	Tier II/ III households (white goods)	Dealer network
Commercial Vehicle Loan	939	2%	₹75K - ₹2.5Cr	12 - 72M	10-20%	Small fleet operators in Tier II/ III cities; focused on used CVs	Channel partners/ Direct channel/ Digital on-boarding
Shopkeeper Loan	1	0%	₹1L - ₹15L	6- 48M	18-22%	Self Employed, MSME Customers	Direct channel

Note: All values are as of Mar 31, 2026

Source: Company data, I-Sec research

Exhibit 5: Existing product characteristics












Products	AUM (₹ crore)	% of AUM	Ticket size range	Tenure	Disb. yield range	Customer segment	Sourcing channel
Instant Consumer Loan	11,197	19%	₹50K - ₹5L	6- 36M	22-29%	Salaried & Self-employed customers	Digital partnership/ Organic led
Loan against Property	16,935	28%	₹51L - ₹25Cr	3 - 15Y	9.75-12%	Self-employed, MSMEs	DSA led, Direct channel
Pre-owned Car Loan	5,392	9%	₹2L - ₹1Cr	12 - 72M	14-16%	Primarily repurchase customers	Dealer network / DSA led
Business Loan	7,303	12%	₹5L - ₹1Cr	6 - 60M	17-22%	Self-employed, MSMEs	DSA led / Direct channel
Mid-market*	9,245	15%	₹20Cr - ₹50Cr	Upto 36M	10-12%	Well rated Corporates and NBFCs	Direct and other lending relationships
Machinery & Medical Equip. Loan	783	1%	₹2L - ₹10Cr	12 - 84M	9.5-14%	SMEs	DSA led, OEMs, Direct channel
Professional Loan	787	1%	₹5L - ₹75L	12 - 60M	12-14%	Doctors and CAs	Digital partnership, DSA led and Direct channel

Note: All values are as of March 31, 2026. (Balance is discontinued book)

*Mid Market includes Supply Chain Finance and NBFC loan. Mid Market AUM has increased to 6% in Q4FY26 from 1% in Q4FY25, whereas NBFC AUM has come down to 8% in Q4FY26 from 13% in Q4FY25 and SCR AUM has come down to 1% in Q4FY26 from 3% in Q4FY25

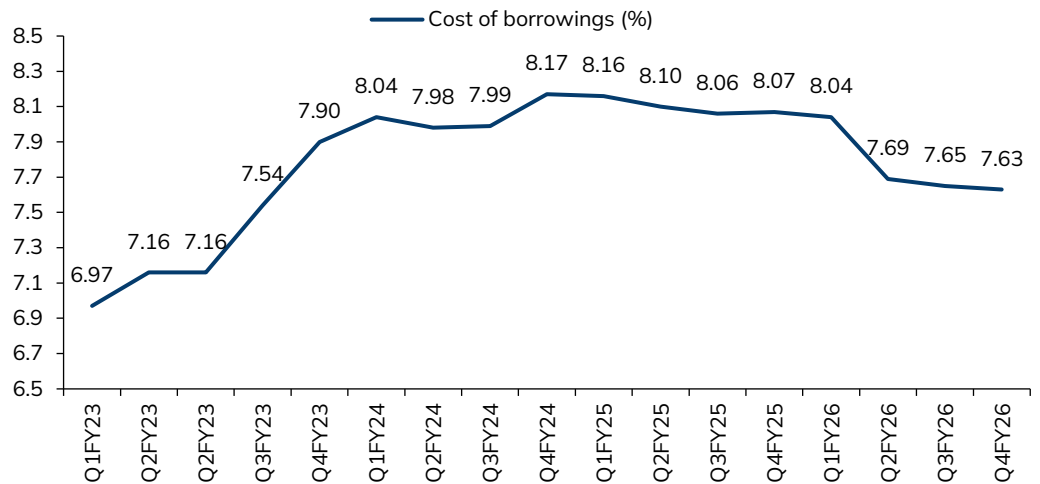
Source: Company data, I-Sec research

Exhibit 6: Seasoned and well experienced management team

 Arvind Kapil <i>MD & CEO</i> 27+ yrs	 Vikas Pandey <i>ED & CBO – Consumer Business</i> 33+ yrs	 Sunil Samdani <i>ED</i> 23+ yrs	 Sanjay Miranka <i>CFO</i> 30+ yrs	 Shriram Iyer <i>Chief Credit & Analytics Officer</i> 30+ yrs	 Veeraraghavan Iyer <i>CBO – Commercial Business</i> 25+ yrs	 Harsh Kumar <i>CHRO & Head AI</i> 26+ yrs	 Bhaskar Pandey <i>Chief Risk Officer</i> 24+ yrs	 Bholananda Behera <i>Chief Compliance Officer</i> 27+ yrs	 Nitin Sane <i>Chief Internal Auditor</i> 25+ yrs	 Salil Hajarnis <i>CTO</i> 30+ yrs
<ul style="list-style-type: none"> The Managing Director has over 27 years of experience, including more than 25 years at HDFC Bank, where he last served as Senior Group Head He played a key leadership role in the landmark merger of HDFC Ltd with HDFC Bank, the largest and most complex housing finance merger in India's financial services history. He headed retail lending for over a decade, delivering scalable growth while maintaining industry-leading asset quality Known for his prudent risk management, deep distribution expertise, and innovation-led execution, he pioneered instant "10-second" loan approvals Having reported directly to Mr. Aditya Puri for nearly a decade, he brings with him a strong legacy of governance, customer-centricity, and long-term value creation, positioning the company for sustainable, technology-driven growth and superior capital efficiency 	<ul style="list-style-type: none"> Spent 22 years at HDFC Bank, last serving as Business Head for Auto Loans Led major retail lending and liability businesses at HDFC 	<ul style="list-style-type: none"> Drove Bandhan Bank's formation, IPO, and the landmark acquisition of GRUH Finance 	<ul style="list-style-type: none"> Served as CFO of Aditya Birla Finance for nearly 6 years Managed Capital Market Lending and held multiple leadership roles during the tenure 	<ul style="list-style-type: none"> Three decades of leadership in consumer lending Previously held senior risk and credit roles at HDFC Bank and Citicorp 	<ul style="list-style-type: none"> Served as CEO of HDFC Sales Pvt. Ltd Drove SME and Mortgage business with over two decades of experience 	<ul style="list-style-type: none"> Previously served as CHRO at CSB Bank Held senior HR and management roles at HDFC Bank 	<ul style="list-style-type: none"> Spent 21 years in various senior credit and risk roles at HDFC Bank Deep experience in managing credit policy for leading banks / NBFCs 	<ul style="list-style-type: none"> 27 years of leadership in banking, with deep expertise in regulatory compliance and credit risk 	<ul style="list-style-type: none"> Held senior audit and banking roles at HDFC Bank, Citibank, and Axis Bank Joined from De Lage Landen-Rabobank Group 	<ul style="list-style-type: none"> Headed India technology operations and key AI initiatives at Fiserv Led digital transformation programs while at Capgemini
Education AMP-Harvard Business School, Masters - IIM-B	Education Executive Program – Haas School, Masters – ITM Mumbai	Education CA-ICAI, Executive Development Program - ISB	Education CA-ICAI, CS - ICSI	Education Masters – Pune University, MDP – IIM A, Senior Exec. Program - LBS	Education Masters – Mumbai University, Bachelors – Nagpur Univ.	Education Masters – TAPMI Manipal, Bachelors – Madras University	Education Masters – IME Pune, Leadership program – IIM-A	Education Masters – HRM Pondicherry, Bachelors – OUAT Bhubaneswar	Education Masters – University of Leicester, PG Diploma – SIBM Pune	Education PG Diploma – Pune University, Bachelors – Pune University

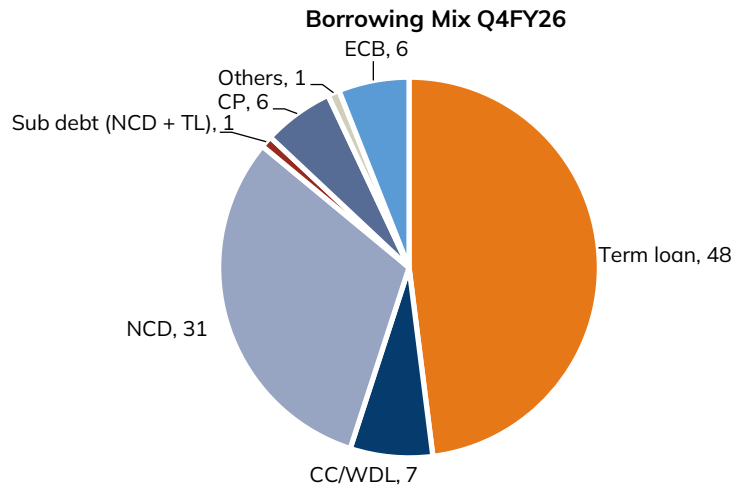
Source: Company data, I-Sec research

Exhibit 7: Cost of borrowings marginally declined 2bps QoQ to 7.63%



Source: Company data, I-Sec research

Exhibit 8: Well-diversified borrowing base with share of NCDs rising



Source: Company data, I-Sec research

Exhibit 9: Shareholding pattern

%	Sep'25	Dec'25	Apr'26
Promoters	64.0	64.0	59.0
Institutional investors	22.9	21.9	27.9
MFs and others	6.0	6.2	11.5
FIs/Banks	1.0	0.1	0.2
Insurance	5.2	5.0	4.9
FIIIs	10.7	10.6	11.3
Others	13.1	14.1	13.1

Source: Bloomberg

Exhibit 10: Price chart



Source: Bloomberg

Financial Summary

Exhibit 11: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Interest Income	38,745	61,408	91,782	1,25,895
Net gain on fair value changes	924	2,211	2,766	3,460
Interest Expenses	(15,151)	(27,667)	(42,396)	(58,670)
Net Interest Income (NII)	23,594	33,741	49,386	67,225
Other Income	331	55	71	92
Total Income (net of interest expenses)	11,789	12,623	15,394	19,346
Employee benefit expenses	(6,362)	(10,175)	(12,210)	(15,263)
Depreciation and amortization	(651)	(941)	(1,036)	(1,243)
Other operating expenses	(5,755)	(9,838)	(11,313)	(13,576)
Total Operating Expense	(12,769)	(20,955)	(24,559)	(30,082)
Pre Provisioning Profits (PPoP)	14,172	19,335	33,231	47,934
Provisions and write offs	(15,526)	(12,099)	(14,649)	(22,669)
Profit before tax (PBT)	(1,354)	7,236	18,582	25,265
Total tax expenses	371	(1,818)	(4,669)	(6,348)
Profit after tax (PAT)	(983)	5,418	13,913	18,917

Source Company data, I-Sec research

Exhibit 12: Balance sheet

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Share capital	1,546	1,616	1,751	1,751
Reserves & surplus	80,201	1,01,867	1,40,644	1,59,561
Shareholders' funds	81,747	1,03,482	1,42,395	1,61,312
Borrowings	2,60,812	4,80,980	6,40,705	8,91,257
Provisions & Other Liabilities	7,740	18,253	19,166	20,124
Total Liabilities and Stakeholder's Equity	3,50,299	6,02,716	8,02,266	10,72,693
Cash and balance with RBI	323	2,937	3,084	3,238
Fixed assets	2,542	4,272	4,913	5,650
Loans	3,26,950	5,59,515	7,55,924	10,22,933
Investments	13,416	24,905	26,150	27,457
Other Assets	7,069	11,087	12,196	13,415
Total Assets	3,50,299	6,02,716	8,02,266	10,72,693

Source Company data, I-Sec research

Exhibit 13: Key Ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
AUM and Disbursements (INR mn)				
AUM	3,56,310	6,03,480	7,99,833	10,61,523
On-book Loans	3,26,950	5,59,515	7,55,924	10,22,933
Off-book Loans	29,360	43,965	43,909	38,591
Disbursements	3,99,468	4,79,362	5,89,615	7,42,915
Repayments	2,93,188	2,32,192	3,93,261	4,81,225
Growth (%):				
Total AUM (%)	42.5	69.4	32.5	32.7
Disbursements (%)	20.0	20.0	23.0	26.0
Repayments (%)	20.0	(20.8)	69.4	22.4
Loan book (on balance sheet) (%)	48.3	71.1	35.1	35.3
Total Assets (%)	45.4	72.1	33.1	33.7
Net Interest Income (NII) (%)	21.0	43.0	46.4	36.1
Non-interest income (%)	76.7	79.1	30.0	30.0
Total Income (net of interest expenses) (%)	(5.4)	7.1	21.9	25.7
Operating Expenses (%)	58.2	64.1	17.2	22.5
Employee Cost (%)	43.2	59.9	20.0	25.0
Non-Employee Cost (%)	89.5	70.9	15.0	20.0
Pre provisioning operating profits (PPoP) (%)	2.0	36.4	71.9	44.2
Provisions (%)	2,055.8	(22.1)	21.1	54.7
PBT (%)	(110.3)	(634.4)	156.8	36.0
PAT (%)	(111.8)	(650.9)	156.8	36.0
EPS (%)	(111.7)	(627.0)	137.0	36.0
Yields, interest costs and spreads (%)				
NIM on loan assets (%)	7.2	6.0	6.5	6.6
NIM on IEA (%)	7.7	7.0	7.0	7.2
NIM on AUM (%)	7.8	7.0	7.0	7.2
Yield on loan assets (%)	11.9	11.0	12.1	12.3
Yield on IEA (%)	12.7	12.8	13.0	13.5
Yield on AUM (%)	12.8	12.8	13.1	13.5
Cost of borrowings (%)	7.3	7.5	7.6	7.7
Interest Spreads (%)	4.5	3.5	4.6	4.6
Operating efficiencies				
Non interest income as % of total income	0.9	0.8	0.9	0.9
Cost to income ratio	47.4	52.0	42.5	38.6
Op.costs/avg assets (%)	4.3	4.4	3.5	3.2
Op.costs/avg AUM (%)	4.2	4.4	3.5	3.2
Salaries as % of non-interest costs (%)	49.8	48.6	49.7	50.7
AUM/ branch (INR mn)	3,239.2	1,207.0	888.7	1,061.5
Capital Structure				
Average gearing ratio (x)	3.2	4.6	4.5	5.5
Leverage (x)	4.4	5.8	5.6	6.6
CAR (%)	22.9	16.8	22.0	19.9
Tier 1 CAR (%)	21.4	15.3	20.4	18.4
Tier 2 CAR (%)	1.5	1.5	1.5	1.5

Source Company data, I-Sec research

	FY25A	FY26A	FY27E	FY28E
Asset quality and provisioning				
GNPA (%)	1.8	1.4	1.6	1.7
NNPA (%)	0.9	0.7	0.8	0.8
GNPA (INR mn)	6,190	8,180	12,178	18,148
NNPA (INR mn)	2,820	4,170	5,967	8,530
Coverage ratio (%)	53.1	48.2	50.2	52.1
Credit Costs as a % of avg AUM (bps)	512	252	209	244
Credit Costs as a % of avg on book loans (bps)	567	273	223	255
Return ratios				
RoAA (%)	(0.3)	1.1	2.0	2.0
RoAE (%)	(1.2)	5.8	11.3	12.5
ROAAUM (%)	(0.3)	1.1	2.0	2.0
Dividend Payout ratio (%)	-	-	-	-
Valuation Ratios				
No of shares	773	808	875	875
No of shares (fully diluted)	773	808	875	875
EPS (INR)	(1.3)	6.7	15.9	21.6
EPS fully diluted (INR)	(1.3)	6.7	15.9	21.6
Price to Earnings (x)	(345.0)	65.5	27.6	20.3
Price to Earnings (fully diluted) (x)	(345.0)	65.5	27.6	20.3
Book Value (fully diluted)	106	128	163	184
Adjusted book value	102	123	156	175
Price to Book	4.2	3.4	2.7	2.4
Price to Adjusted Book	4.3	3.6	2.8	2.5
DPS (INR)	-	-	-	-
Dividend yield (%)	-	-	-	-

Source Company data, I-Sec research

Exhibit 14: Key Metrics

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
DuPont Analysis				
Average Assets (INR mn)	2,95,584	4,76,508	7,02,491	9,37,480
Average Loans (INR mn)	2,73,707	4,43,232	6,57,719	8,89,428
Average Equity (INR mn)	81,709	92,615	1,22,939	1,51,853
Interest earned (%)	13.1	12.9	13.1	13.4
Net gain on fair value changes (%)	0.3	0.5	0.4	0.4
Interest expended (%)	5.1	5.8	6.0	6.3
Gross Interest Spread (%)	8.0	7.1	7.0	7.2
Credit cost (%)	5.3	2.5	2.1	2.4
Net Interest Spread (%)	2.7	4.5	4.9	4.8
Operating cost (%)	4.3	4.4	3.5	3.2
Lending spread (%)	(1.6)	0.1	1.4	1.5
Non interest income (%)	0.8	0.9	0.8	0.8
Operating Spread (%)	(0.8)	1.1	2.3	2.3
Tax rate (%)	27.4	25.1	25.1	25.1
ROAA (%)	(0.3)	1.1	2.0	2.0
Effective leverage (AA/ AE)	3.6	5.1	5.7	6.2
RoAE (%)	(1.2)	5.8	11.3	12.5

Source Company data, I-Sec research

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