

LIC Housing Finance

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	LICHF IN
Equity Shares (m)	550
M.Cap.(INRb)/(USD\$)	273 / 3
52-Week Range (INR)	647 / 484
1, 6, 12 Rel. Per (%)	-4/-15/-22
12M Avg Val (INR M)	935

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	83.3	88.3	95.5
PPP	75.8	79.5	85.1
PAT	54.8	56.3	60.3
EPS (INR)	99.5	102.3	109.6
EPS Gr. (%)	0.9	2.8	7.1
BV/Sh (INR)	738	818	906

Ratios

NIM (%)	2.7	2.7	2.7
C/I ratio (%)	14.6	15.1	15.3
RoAA (%)	1.7	1.7	1.7
RoE (%)	14.3	13.2	12.7
Payout (%)	10.8	10.4	10.5

Valuations

P/E (x)	5.0	4.9	4.5
P/BV (x)	0.7	0.6	0.5
Div. Yield (%)	2.2	2.1	2.3

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	45.2	45.2	45.2
DII	21.8	22.2	21.5
FII	20.4	20.2	21.2
Others	12.6	12.5	12.1

FII Includes depository receipts

CMP: INR496 TP: INR550 (+11%) Neutral

Heightened competition constrains loan growth visibility

NIM protection prioritized over growth; slight improvement in asset quality

- LIC Housing Finance's (LICHF) 3QFY26 PAT declined ~3% YoY to ~INR13.8b (in line). NII grew ~5% YoY to ~INR21b (in line). Fee and other income rose 35% YoY to INR1.4b.
- Opex declined ~2% YoY to INR3.5b (~5% higher than est.) and cost-income ratio rose ~160bp YoY to ~15.5% (PY: ~17% and PQ: ~14%). The company stated that there was no material impact of the new Labor codes. PPop grew ~8% YoY to ~INR19b (in line).
- Credit costs declined QoQ to ~INR1.5b (~11% higher than est.), translating into annualized credit costs of 20bp (PY: -6bp and PQ: 22bp).
- LICHF, primarily catering to salaried customers in the IHL segment, witnessed softer disbursements amid intensified competition from banks. Management remained focused on margin protection, adopting a calibrated approach to growth rather than pursuing volume-driven expansion.
- Going forward, the company expects growth to be driven by the affordable housing segment and self-employed borrowers, and has been gradually expanding its presence in affordable housing. Internally, LICHF is reviewing its organizational and marketing structures, engaging leading consulting firms to benchmark peer practices and identify structural enhancements to support sustainable growth.
- Management remains confident of sustaining NIMs at ~2.7%. The share of higher-yielding products, such as LAP and LRD (offering ~150bp higher yields than IHL), is expected to rise to ~18–20% of the portfolio over the next few years and will provide margin support. Further, the company is gradually transitioning toward floating-rate borrowings to capitalize on potential rate cuts while preserving a diversified borrowing profile.
- **LICHF's** performance remained subdued during the quarter, impacted by weak disbursements and muted loan growth in a competitive environment. However, management expects seasonally strong trends in 4QFY26 to support a recovery in disbursements. Focus on NIM sustainability and profitability remains intact, while stable asset quality with marginal improvement offers comfort on downside risks. We estimate a CAGR of ~7%/5% in advances/PAT over FY26-28 and RoA/RoE of 1.7%/13% by FY28. With no near-term catalyst, **we reiterate our NEUTRAL rating on the stock with a TP of INR550 (based on 0.6x Dec'27E P/BV).**

Disbursements remain muted; rate reduction expected to drive traction

- Loan disbursements in individual home loans (IHL) grew ~7% YoY, while non-housing individual disbursements rose 10% YoY. Non-housing commercial disbursements declined ~23% YoY. Builder/project loan disbursements fell ~41% YoY. Total disbursements rose ~4% YoY and declined 1% QoQ at ~INR161b.

- Loan growth was sluggish due to weak disbursements and high repayments. Total loan book grew ~5% YoY and ~1% QoQ to INR3.14t. Home loans grew ~4% YoY, and non-housing individual book grew ~12% YoY.
- Management highlighted that home loan customers, particularly prime borrowers, remain highly rate-sensitive, and the company's recent reduction in home loan rates (on new loans) to ~7.15% has begun to show traction. We expect LICHF to deliver a loan growth of ~7% over FY26-28.

NIM and spreads expand QoQ, driven by a decline in the CoB

- 3Q NIM expanded ~7bp QoQ to ~2.7%. Reported yields for 9MFY26 declined ~7bp QoQ to ~9.3%, and CoB declined ~15bp QoQ to ~7.3%, resulting in spreads improving ~7bp QoQ to ~2.1%.
- Given that the company has prioritized NIM protection over growth, we expect LICHF to sustain margins and model NIMs of ~2.7% for FY27-28.

Stage 3 assets decline QoQ; PCR shows improvement

- GS3/NS3 declined ~5bp each QoQ to ~2.5%/1.1%. Stage 3 PCR improved ~140bp QoQ to ~54.5% (PQ: ~53%) and Stage 2 PCR declined ~70bp QoQ to ~3.2% (PQ: 3.9%).
- We estimate LICHF to deliver a sustained improvement in asset quality, reaching GNPA/NNPA of 2%/1% by FY28E.

Highlights from the management commentary

- Engagement with LIC is underway to better leverage LIC branches and agents for home loan distribution. LIC agents are expected to actively market home loans, supporting loan growth in FY27. LICHF is, however, facing the challenge that LIC managers are concerned employees might neglect their insurance sales if they start distributing home loans.
- There is no material update on NCLT cases, as large corporate borrowers continue to delay proceedings. However, meaningful progress has been made on several large accounts. Management expects 2-3 large resolutions, potentially in 4Q or early FY27, though timelines remain uncertain.

Valuation and view

- We believe that the declining interest rate environment, along with heightened competition from banks in the home loan segment, is likely to constrain LICHF's loan growth. Additionally, while consultant-led recommendations aim to improve efficiency, the implementation is typically prolonged and outcomes remain uncertain.
- LICHF's valuation of ~0.6x FY27E P/BV reflects the inability of the franchise to deliver a respectable, stronger loan growth. **We estimate a CAGR of ~7%/5% in advances/PAT over FY26-28 and RoA/RoE of 1.7%/13% by FY28. With no near-term catalyst, we reiterate our Neutral rating on the stock with a TP of INR550 (based on 0.6x Dec'27E P/BV).**

Quarterly Performance

(INR M)

Y/E March	FY25				FY26				FY25	FY26	3Q FY26E	Act. v/s est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Interest Income	67,391	68,534	69,516	71,173	71,131	70,335	70,439	70,632	2,76,615	2,82,537	70,617	0
Interest Expenses	47,501	48,796	49,515	49,508	50,473	49,951	49,421	49,405	1,95,320	1,99,250	50,251	-2
Net Interest Income	19,891	19,739	20,001	21,664	20,658	20,385	21,017	21,228	81,295	83,287	20,366	3
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	3.3	5.1	-2.0	-6.0	2.5	1.8	
Fees and other income	446	784	1,057	1,661	1,201	1,362	1,431	1,534	3,948	5,528	1,480	-3
Net Income	20,337	20,522	21,059	23,326	21,859	21,747	22,449	22,762	85,243	88,815	21,847	3
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	6.0	6.6	-2.4	-3.6	4.2	3.7	
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,018	3,488	3,535	13,826	12,979	3,315	5
Operating Profit	17,715	17,417	17,495	18,790	18,920	18,729	18,961	19,227	71,416	75,836	18,532	2
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	7.5	8.4	2.3	-7.2	6.2	5.9	
Provisions and Cont.	1,431	773	-440	1,094	1,929	1,682	1,536	1,350	2,858	6,496	1,379	11
Profit before Tax	16,285	16,644	17,934	17,696	16,992	17,047	17,425	17,877	68,558	69,340	17,153	2
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,508	3,586	4,075	14,268	14,561	3,551	1
Net Profit	13,002	13,289	14,320	13,680	13,599	13,539	13,840	13,801	54,290	54,779	13,602	2
YoY Growth (%)	-2	12	23	25	5	2	-3	1	14	1	-5	

Key Operating Parameters (%)

Yield on loans (Cal)	9.37	9.40	9.37	9.38	9.22	9.06	9.00	8.90	9.5	9.1	
Cost of funds (Cal)	7.50	7.64	7.62	7.43	7.46	7.35	7.26	7.16	7.5	7.2	
Spreads (Cal)	1.87	1.76	1.75	1.95	1.76	1.70	1.74	1.74	2.0	1.9	
Margins (Cal)	2.76	2.71	2.69	2.86	2.68	2.62	2.69	2.68	2.7	2.6	
Credit Cost (Cal)	0.20	0.11	-0.06	0.14	0.25	0.22	0.20	0.17	0.1	0.2	
Cost to Income Ratio	12.9	15.1	16.9	19.4	13.4	13.9	15.5	15.5	16.2	14.6	
Tax Rate	20.2	20.2	20.2	22.7	20.0	20.6	20.6	22.8	20.8	21.0	

Balance Sheet Parameters

Loans (INR B)	2,887	2,946	2,991	3,077	3,096	3,118	3,143	3,206	3028	3158	
Change YoY (%)	4.4	6.0	6.4	7.3	7.2	5.8	5.1	4.2	7.9	4.3	
Indiv. Disb. (INR B)	124	151	145	183	130	159	155	185	602	630	
Change YoY (%)	16.9	6.0	-2.1	9.3	4.6	5.7	7.0	1.5	6.9	4.5	
Borrowings (INR B)	2,537	2,574	2,626	2,706	2,709	2,725	2,721	2,798	2706	2798	
Change YoY (%)	5.1	5.7	7.1	7.0	6.8	5.8	3.6	3.4	7.2	3.4	
Loans/Borrowings (%)	113.8	114.4	113.9	113.7	114.3	114.4	115.5	114.6	111.9	112.9	

Asset Quality Parameters

GS 3 (INR B)	95.3	90.1	82.3	76.0	81.1	78.3			76.0	71.5	
Gross Stage 3 (% on Assets)	3.30	3.06	2.75	2.47	2.62	2.51			2.5	2.2	
NS 3 (INR B)	48.0	45.7	43.2	37.1	39.9	36.7			37.1	35.0	
Net Stage 3 (% on Assets)	1.69	1.58	1.47	1.22	1.31	1.20			1.2	1.1	
PCR (%)	49.6	49.3	47.5	51.2	50.8	53.1			51.2	51.0	
ECL (%)	1.96	1.85	1.66	1.59	1.63	1.63					

Loan Mix (%)

Home loans	85.3	85.2	85.1	85.0	84.8	84.7					
LAP	12.7	12.9	13.2	13.3	13.6	13.7					
Non Individual loans	2.0	1.9	1.7	1.7	1.6	1.6					

Borrowing Mix (%)

Banks	34.0	34.0	33.0	32.0	31.0	35.0					
NCD	54.0	54.0	54.0	55.0	55.0	53.0					
Sub Debt	1.0	1.0	1.0	1.0	0.0	0.0					
Deposits	3.0	3.0	3.0	3.0	4.0	4.0					
NHB	4.0	4.0	5.0	4.0	5.0	4.0					
CP	4.0	4.0	4.0	5.0	5.0	4.0					

E: MOFSL Estimates



Highlights from the management commentary

Guidance

- Management remains confident of retaining NIM between ~2.70–2.72% in 4QFY26.
- Jan'26 disbursements stood at ~INR60b. For 4QFY26, management expects ~INR200b in retail disbursements and ~INR15–20b in project finance.

Opening & Macro Remarks

- The RBI reduced the repo rate by ~25bp in the December MPC, supported by a benign inflation outlook.
- The company reduced lending rates on new home loans effective 22nd Dec'25. New individual home loans are now offered at ~7.15% onwards, among the lowest in the industry.
- Liquidity conditions were comfortable at the start of 3Q due to RBI's ~75bp CRR reduction. Along with this, RBI announced multiple liquidity measures, including enhanced VRR operations and USD/ INR buy/sell swap interventions, to ensure smooth liquidity transmission.

Business Update & Portfolio Mix

- The total loan book continues to be dominated by individual home loans, which account for ~85% of the portfolio.
- Outlook for the coming quarter remains positive, as Jan-Mar is seasonally strong, contributing ~30% of annual business.
- Management expects the performance for FY26 to remain healthy, supported by improving traction in disbursements in 4QFY26.

Growth Environment & Competitive Landscape

- The housing finance market remains highly competitive, with intense rate competition from banks. The company's portfolio largely comprises salaried individual home loans, a segment facing the most pricing pressure.
- Management has consciously prioritized margin protection over aggressive growth in this rate-war phase.
- Indian home loan customers remain highly rate-sensitive, especially prime borrowers. The recent reduction in home loan rates to ~7.15% has started showing traction, particularly in January.
- Disbursements are expected to pick up meaningfully in Feb-Mar, which are typically the strongest months.

Disbursement Outlook

- Demand for housing loans remains normal and not structurally compressed, with rate cuts improving customer sentiment.
- PMAY 2.0 is expected to support demand in 4QFY26 and FY27, especially in the affordable housing segment.

Product Strategy & Diversification

- Historically, the company is focused on salaried individual home loans. However, over the last two years, the company has expanded into LAP and self-employed segments.
- Other Home Loans (LAP & LRD) are expected to rise to 17-18% of the loan mix over a period of time, aiding diversification. These products offer ~150bp higher yields than IHL and will support margins.

Margin & Funding Strategy

- LICHF did not reduce PLR aggressively earlier.
- A rewriting facility was introduced, allowing customers to reset rates at new home loan lending rate + 50bp, which the company considers to be competitive.
- Funding mix is being consciously shifted toward floating-rate borrowings with Dec'25 borrowings at 50% fixed and 50% floating.
- Borrowings are increasingly sourced from banks linked to repo rates to benefit from future rate cuts. However, banks are reluctant to lend at lower rates, considering pressure on their margins.
- Fixed-rate borrowings will gradually roll off and be replaced by floating-rate borrowings, while maintaining diversification. ~INR78b of NCDs priced at ~8% are expected to mature by Mar'26.
- Management expects ~5-7bp benefit in funding cost in 4QFY26.
- PLR was last reduced by 25bp in Apr'25.
- The company does not expect NIM contraction, despite competitive pricing.

Asset Quality

- Total Stage 3 assets stood at INR77b as of Dec'25, down from INR78.3b in Sep'25 reflecting a QoQ reduction of ~INR1.25b in Stage 3, reflecting improving trends. Stage 3 breakup: IHL: ~INR30b, NHI: ~INR13.1b and NHC + Builder loans: ~INR34.5b
- GNPA improved ~6bp QoQ, indicating gradual asset quality recovery.
- Majority of stress is in legacy project loans, some of which are at advanced stages of resolution.

BT Trends

- Lower new home loan rates have led to an increase in BT-IN. Net BT-out has reduced over the last two quarters. Management expects further moderation in net BT-out in 4Q, supported by competitive repricing.

Credit Underwriting

- Credit underwriting SOPs are dynamic and market-aligned, not rigid. Over the last six months, underwriting norms have been adjusted by LICHF to remain competitive with banks. Banks are adopting aggressive credit strategies to boost growth, requiring calibrated responses.
- Underwriting changes have been made while maintaining risk discipline.

Organizational Review & Consultants

- LICHF has engaged external consultants (including a Big 4) for a comprehensive review. Scope includes organizational structure, marketing, credit and

operations, compensation structure with higher performance linkage and technology, digitization, and peer benchmarking.

- The report is expected in 3-4 months, post which the Board will prioritize actions.
- The management structure is largely derived from LIC (promoter), and any changes will require promoter engagement.

Other Highlights & Capital Position

- Dividend payout decisions will be taken by the Board; profits are expected to grow ~7% YoY.
- Engagement with LIC is underway to better leverage LIC branches and agents for home loan distribution.
- LIC agents are expected to actively market home loans, supporting growth in FY27. LICHF is facing the challenge that LIC managers believe if employees start distributing home loans, they will neglect their insurance sales.
- No capital infusion is required for the next ~2- 3 years. If needed, LIC can provide capital support, avoiding the need for new partners.

NCLT & Resolution Update

- There is no material update on NCLT cases, as large corporate borrowers continue to delay proceedings. However, meaningful progress has been made on several large accounts.
- Management expects 2- 3 large resolutions, potentially in 4Q or early FY27, though timelines remain uncertain.

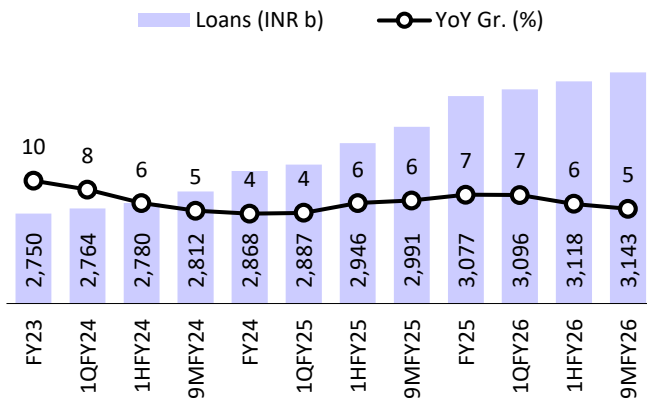
Exhibit 1: Segment-wise split of Stage 3

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Individual home loans (IHL)	1.5	1.4	1.3	1.2	1.1	1.2	1.2	1.1
Non-housing individual (NHI)	5.5	5.4	5.0	4.6	3.9	4.3	4.0	3.8
Non-housing commercial (NHC)								
Project loans	30.7	33.1	30.1	27.0	24.5	24.8	22.9	24.9

*NHC includes project loans

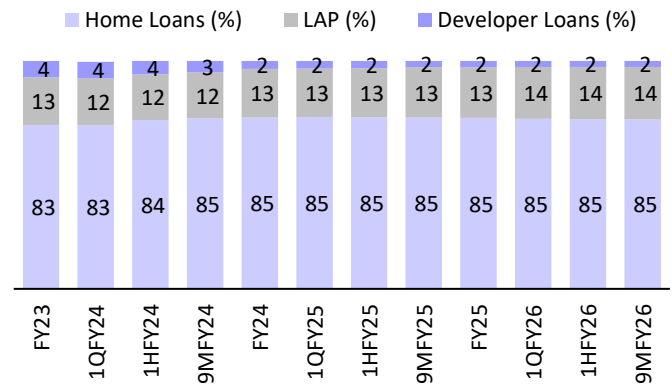
Story in charts

Exhibit 2: Loan book grew 5% YoY



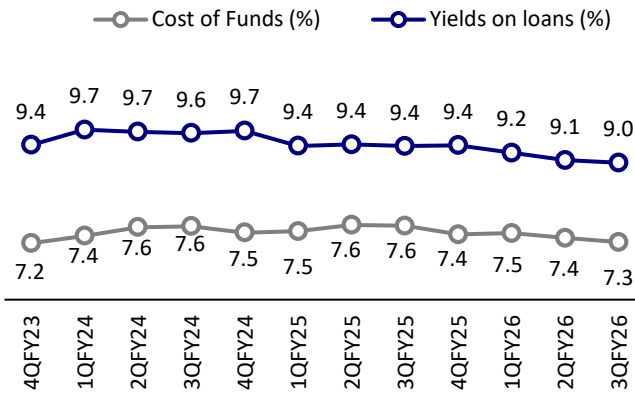
Source: MOFSL, Company

Exhibit 3: Loan mix stable QoQ (%)



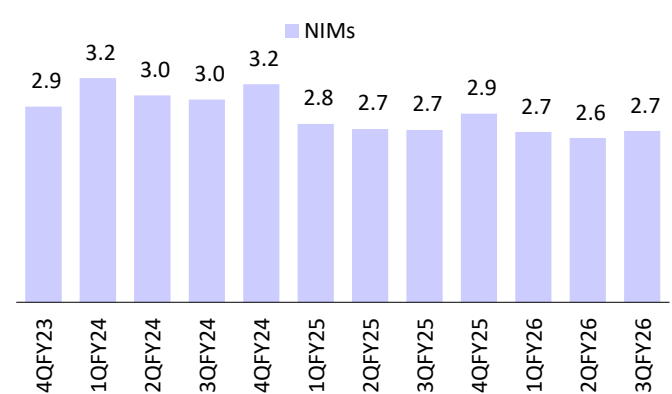
Source: MOFSL, Company

Exhibit 4: Calculated yields declined ~6bp QoQ



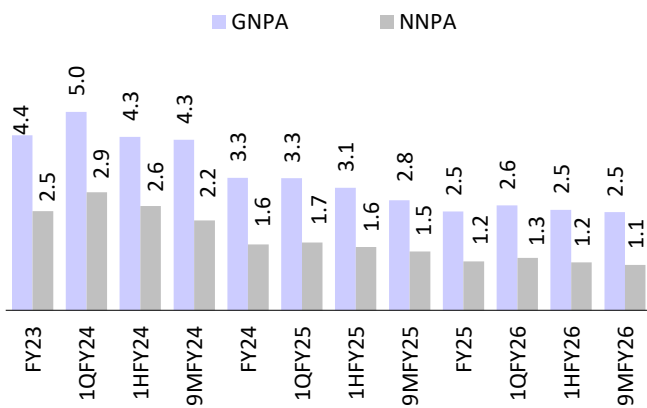
Source: MOFSL, Company

Exhibit 5: NIMs improved ~7bp QoQ (%)



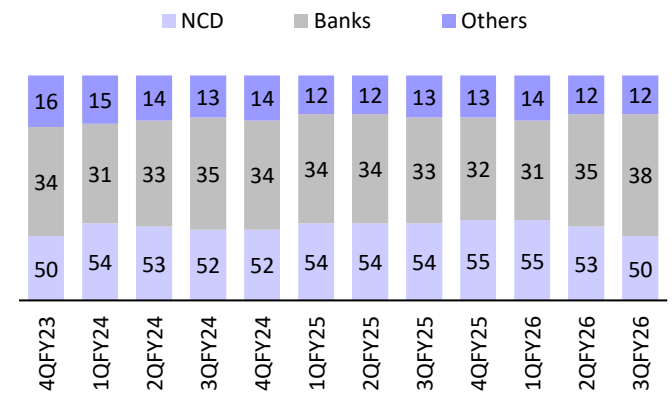
Source: MOFSL, Company

Exhibit 6: GS3 remained stable QoQ at ~2.5% (%)



Source: MOFSL, Company

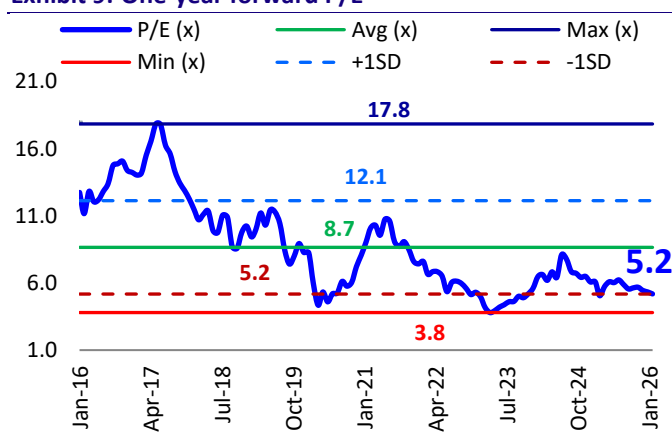
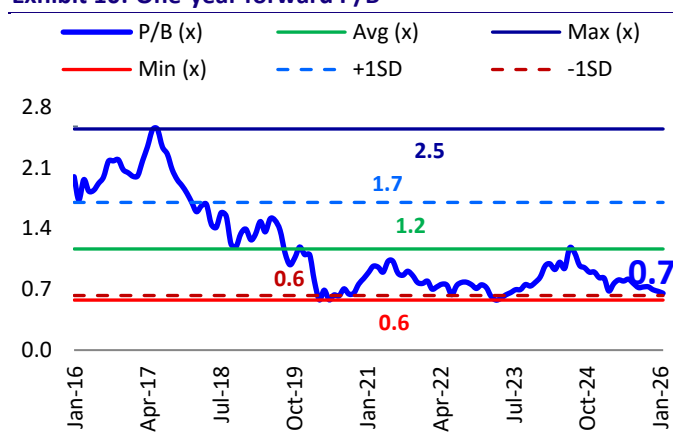
Exhibit 7: Share of bank borrowings rose QoQ (%)



Source: MOFSL, Company

Exhibit 8: Our estimates are largely unchanged

INR B	Old Est.			New Est.			% Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
NII	81.8	88.4	96.1	83.3	88.3	95.5	1.8	-0.1	-0.6
Other Income	5.4	5.2	5.0	5.5	5.3	5.1	2.5	2.4	2.3
Net Income	87.2	93.6	101.0	88.8	93.6	100.6	1.8	0.0	-0.5
Operating Expenses	12.9	14.1	15.4	13.0	14.1	15.4	0.3	0.3	0.3
Operating Profits	74.3	79.5	85.7	75.8	79.5	85.1	2.1	0.0	-0.6
Provisions	5.8	8.3	9.0	6.5	8.2	8.8	12.7	-1.7	-2.5
PBT	68.5	71.2	76.7	69.3	71.3	76.4	1.2	0.2	-0.4
Tax	14.4	14.9	16.1	14.6	15.0	16.0	1.2	0.2	-0.4
PAT	54.1	56.2	60.6	54.8	56.3	60.3	1.2	0.2	-0.4
Loans	3,201	3,450	3,740	3,158	3,377	3,634	-1.3	-2.1	-2.8
Borrowings	2,843	3,053	3,301	2,798	2,982	3,198	-1.6	-2.3	-3.1
Spreads (%)	1.83	1.87	1.87	1.89	1.90	1.91			
RoAA (%)	1.7	1.6	1.6	1.7	1.7	1.7			
RoAE (%)	14.1	13.1	12.8	14.3	13.2	12.7			

Exhibit 9: One-year forward P/E

Exhibit 10: One-year forward P/B


Financials and valuations

Income Statement

(INR M)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	1,71,628	1,96,054	1,96,971	1,96,885	2,25,162	2,70,416	2,76,615	2,82,537	2,90,023	3,08,044
Interest Expense	1,28,915	1,47,839	1,44,526	1,41,537	1,61,860	1,83,907	1,95,320	1,99,250	2,01,730	2,12,584
Net Interest Income	42,713	48,215	52,445	55,348	63,303	86,509	81,295	83,287	88,292	95,459
Change (%)	21.3	12.9	8.8	5.5	14.4	36.7	-6.0	2.5	6.0	8.1
Fee Income	348	394	788	982	448	491	371	378	412	449
Other Income	1,669	250	718	1,664	1,132	1,440	3,577	5,150	4,893	4,648
Net Income	44,730	48,859	53,951	57,994	64,882	88,440	85,243	88,815	93,598	1,00,557
Change (%)	21.0	9.2	10.4	7.5	11.9	36.3	-3.6	4.2	5.4	7.4
Operating Expenses	4,754	6,167	7,015	9,994	9,883	11,463	13,826	12,979	14,144	15,414
Operating Profits	39,976	42,692	46,936	48,000	55,000	76,976	71,416	75,836	79,454	85,143
Change (%)	22.7	6.8	9.9	2.3	14.6	40.0	-7.2	6.2	4.8	7.2
Provisions/write offs	6,181	10,002	13,450	20,218	19,430	16,437	2,858	6,496	8,169	8,764
PBT	33,796	32,690	33,486	27,782	35,570	60,539	68,558	69,340	71,285	76,379
Tax	9,486	8,672	6,142	4,909	6,660	12,885	14,268	14,561	14,970	16,040
Tax Rate (%)	28.1	26.5	18.3	17.7	18.7	21.3	20.8	21.0	21.0	21.0
PAT	24,310	24,018	27,343	22,873	28,910	47,654	54,290	54,779	56,315	60,340
Change (%)	21.4	-1.2	13.8	-16.3	26.4	64.8	13.9	0.9	2.8	7.1
Adjusted PAT	24,310	24,018	27,343	22,873	28,910	47,654	54,290	54,779	56,315	60,340
Change (%)	21.4	-1.2	13.8	-16.3	26.4	64.8	13.9	0.9	2.8	7.1
Proposed Dividend	4,471	4,040	4,292	4,678	4,678	4,954	5,504	5,905	5,868	6,339

Balance Sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Capital	1,010	1,010	1,010	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Reserves & Surplus	1,61,583	1,80,921	2,04,203	2,45,618	2,69,903	3,12,846	3,61,467	4,04,837	4,49,378	4,97,511
Net Worth	1,62,593	1,81,931	2,05,213	2,46,718	2,71,003	3,13,946	3,62,568	4,05,937	4,50,479	4,98,612
Borrowings	17,06,670	19,13,317	20,78,615	22,36,582	24,47,742	25,24,968	27,05,972	27,98,163	29,82,069	31,97,710
Change (%)	17.5	12.1	8.6	7.6	9.4	3.2	7.2	3.4	6.6	7.2
Other liabilities	1,36,572	72,808	72,505	62,375	65,374	73,132	70,726	74,262	77,975	81,874
Total Liabilities	20,05,835	21,68,056	23,56,333	25,45,675	27,84,120	29,12,046	31,39,266	32,78,363	35,10,523	37,78,196
Investments	35,951	54,964	46,357	61,986	69,764	62,770	71,421	78,564	86,420	95,062
Change (%)	82.3	52.9	-15.7	33.7	12.5	-10.0	13.8	10.0	10.0	10.0
Loans	19,29,927	20,79,880	22,81,143	24,52,963	26,78,348	28,05,898	30,28,458	31,58,198	33,77,202	36,33,761
Change (%)	16.1	7.8	9.7	7.5	9.2	4.8	7.9	4.3	6.9	7.6
Net Fixed Assets	1,359	2,544	2,469	2,876	3,570	3,609	3,781	3,970	4,168	4,376
Other assets	38,598	30,669	26,364	27,849	32,439	39,770	35,605	37,632	42,734	44,996
Total Assets	20,05,835	21,68,056	23,56,333	25,45,675	27,84,120	29,12,046	31,39,266	32,78,363	35,10,523	37,78,196

E: MOFSL Estimates

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Spreads Analysis (%)										
Yield on loans	9.6	9.8	9.0	8.3	8.8	9.9	9.5	9.1	8.9	8.8
Cost of funds	8.2	8.2	7.2	6.6	6.9	7.4	7.5	7.2	7.0	6.9
Spreads Analysis (%)	1.4	1.6	1.8	1.76	1.87	2.46	2.01	1.89	1.90	1.91
Margins										
	2.4	2.4	2.4	2.3	2.5	3.2	2.8	2.7	2.7	2.7
Profitability Ratios (%)										
Adj RoAE	15.9	13.9	14.1	10.1	11.2	16.3	16.0	14.3	13.2	12.7
Adj RoAA	1.3	1.2	1.2	0.9	1.1	1.7	1.8	1.7	1.7	1.7
Int. Expended/Int.Earned	75.1	75.4	73.4	71.9	71.9	68.0	70.6	70.5	69.6	69.0
Other Inc./Net Income	3.7	0.5	1.3	2.9	1.7	1.6	4.2	5.8	5.2	4.6
Efficiency Ratios (%)										
Fees/Operating income	0.2	0.2	0.4	0.5	0.2	0.2	0.1	0.1	0.1	0.1
Op. Exps./Net Income	10.6	12.6	13.0	17.2	15.2	13.0	16.2	14.6	15.1	15.3
Empl. Cost/Op. Exps.	52.1	48.5	41.8	56.4	47.9	53.2	50.8	50.2	50.7	51.2
Asset-Liability Profile (%)										
Loans/Borrowings Ratio	113.1	108.7	109.7	109.7	109.4	111.1	111.9	112.9	113.3	113.6
Debt/Equity (x)	10.5	10.5	10.1	9.1	9.0	8.0	7.5	6.9	6.6	6.4
Gross NPAs (Rs m)	30,754	59,594	95,585	1,16,520	1,20,196	94,945	76,010	71,467	69,888	71,577
Gross NPAs to Adv.	1.6	2.8	4.1	4.6	4.4	3.3	2.5	2.2	2.0	2.0
Net NPAs (Rs m)	15,514	33,474	57,414	66,314	66,383	46,178	37,071	35,019	34,944	35,788
Net NPAs to Adv.	0.8	1.6	2.5	2.7	2.5	1.6	1.2	1.1	1.0	1.0
Valuation										
Book Value (INR)	322	360	406	448	492	570	659	738	818	906
Growth (%)	14.2	11.9	12.8	10.3	9.8	15.8	15.5	12.0	11.0	10.7
Price-BV (x)										
	1.5	1.4	1.2	1.1	1.0	0.9	0.8	0.7	0.6	0.5
Adjusted BV (INR)	313.7	342.4	375.7	415.7	459.8	547.7	640.6	720.4	801.3	888.4
Price-ABV (x)										
	1.5	1.4	1.2	1.1	1.0	0.9	0.8	0.7	0.6	0.5
OPS (INR)	79.2	84.5	93.0	87.2	99.9	139.9	129.8	137.8	144.4	154.7
Growth (%)	22.7	6.8	9.9	-6.2	14.6	40.0	-7.2	6.2	4.8	7.2
Price-OP (x)	6.3	5.9	5.3	5.7	5.0	3.6	3.8	3.6	3.4	3.2
EPS (INR)	48.1	47.6	54.2	41.6	52.5	86.6	98.6	99.5	102.3	109.6
Growth (%)	21.4	-1.2	13.8	-23.3	26.4	64.8	13.9	0.9	2.8	7.1
Price-Earnings (x)										
	10.3	10.4	9.2	12.0	9.5	5.7	5.0	5.0	4.9	4.5
Adj. EPS (INR)	48.1	47.6	54.2	41.6	52.5	86.6	98.6	99.5	102.3	109.6
Growth (%)	21.4	-1.2	13.8	-23.3	26.4	64.8	13.9	0.9	2.8	7.1
Price-Earnings (x)										
	10.3	10.4	9.2	12.0	9.5	5.7	5.0	5.0	4.9	4.5
Dividend Per Share	7.6	8.0	8.5	8.5	8.5	9.0	10.0	10.7	10.7	11.5
Dividend Yield (%)										
	1.5	1.6	1.7	1.7	1.7	1.8	2.0	2.2	2.1	2.3

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

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