30 July 2026

1QFY27 Results Update | Sector: Financials

MAS Financial Services

Estimate change	↑
TP change	⟷
Rating change	⟷

Bloomberg	MASFIN IN
Equity Shares (m)	181
M.Cap.(INRb)/(USDb)	57.5 / 0.6
52-Week Range (INR)	359 / 276
1, 6, 12 Rel. Per (%)	0/2/5
12M Avg Val (INR M)	46

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total income	10.4	13.5	16.3
PPP	6.7	8.7	10.4
PAT	3.6	4.6	5.3
EPS (INR)	20.0	25.3	29.1
EPS Gr. (%)	18.9	26.3	14.8
BVPS (INR)	160	183	209
Ratios (%)			
NIM	7.3	8.1	8.0
C/I ratio	35.7	35.5	36.3
RoA	2.9	3.2	3.1
RoE	13.4	14.8	14.8
Payout	10.0	10.0	10.0
Valuations			
P/E (x)	16	13	11
P/BV (x)	2.0	1.7	1.5
Div. yield (%)	0.6	0.8	0.9

Shareholding pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter (%)	66.7	66.7	66.6
DII (%)	19.7	20.0	20.0
FII (%)	3.7	3.5	3.1
Others (%)	10.0	9.9	10.3

FII includes depository receipts

CMP: INR317 TP: INR385 (+21%) Buy

Balancing growth ambitions with a strong profitability framework

Healthy AUM growth; resilient asset quality amid macro challenges

- MAS Financial (MASFIN)'s 1QFY27 PAT grew ~25% YoY to INR1.05b (in line). Net total income grew 30% YoY to INR3.1b (in line). Opex rose ~29% YoY to INR1.1b (in line).
- PPoP stood at INR2b (in line) and grew 30% YoY. Credit costs rose ~43% YoY to ~INR605m (in line), translating into annualized credit costs of 1.6% (PQ:1.6% and PY: 1.4%).
- MASFIN is confident of maintaining a strong growth trajectory, targeting ~20-25% AUM growth with an ambition to move towards the higher end of the range. Growth is expected to be led by its core MSME franchise, supported by healthy demand and stable portfolio performance, while diversification across housing finance, two-wheeler loans, commercial vehicles, and salaried loans gains momentum.
- The company's calibrated underwriting approach prioritizes sustainable portfolio quality over aggressive growth. Despite near-term pressure on conversions, improving branch productivity, increasing direct sourcing, and technology-led efficiencies are expected to drive scalability and support its long-term aspiration of doubling AUM every 3.0-3.5 years.
- MASFIN has demonstrated resilience in navigating external challenges through calibrated underwriting, particularly in segments impacted by higher energy costs and operating pressures. Going forward, MASFIN is focused on proactive risk management by closely monitoring sectoral and geographical trends and adjusting lending practices accordingly. Healthy borrower behavior and collection efficiency reinforce portfolio resilience, supporting management's expectation of maintaining credit costs at ~1.5-1.75% while balancing growth with asset quality.
- MASFIN remains confident of delivering sustainable, profitable growth, underpinned by its disciplined lending philosophy, diversified portfolio, and continued investments in distribution and technology. It continued to guide an RoA of ~2.75-3.25%, reflecting confidence in its profitability framework. The planned rise in the share of direct distribution to ~75% over the medium term is likely to enhance sourcing efficiency, strengthen customer relationships, and further aid margins and overall operating performance.
- We estimate an AUM/PAT CAGR of 22%/20% over FY26-28, with an RoA/RoE of ~3.1%/15% in FY28. **Reiterate BUY with a TP of INR385 (based on 1.8x FY28E BV).**

MSME-led growth continues to drive AUM expansion

- Standalone AUM stood at ~INR151b, up ~21% YoY/6% QoQ. Within this, AUM of micro-enterprise/SME/2W/CV loans grew 23%/21%/19%/13% YoY. Salaried PL grew ~21% YoY to ~INR13.7b.

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- Around ~67% of the underlying assets in the standalone AUM came through direct distribution. The MSME segment contributed 80% to the YoY AUM growth. Avg. ticket size of micro-enterprise loans stood at ~INR82k (PQ: ~INR80k), while SME loans increased marginally to ~INR2.9m (PQ: ~INR2.8m).
- We expect MAS to deliver an AUM CAGR of ~22% over FY26-28.

Spreads expand sequentially; margin outlook remains stable

- Yields (calc.) rose ~30bp QoQ to 15.3%, while CoF (calc) declined ~30bp QoQ to ~8.9%. This resulted in ~60bp QoQ expansion in spreads to ~6.4%. NIM (calc.) remained stable QoQ at ~8.3%.
- Management expects margins to remain stable, with spreads of ~7.0-7.5% and NIMs of ~8.0-8.5%, supported by a favorable asset mix. Near-term CoB is likely to remain at ~9.2-9.3%, with funding costs projected to dip over the medium term, supported by favorable macro conditions and a potential credit rating upgrade. We expect MASFIN to deliver an NIM of ~8.0-8.1% for FY27E/FY28E.

Stable asset quality with adequate provisioning buffer

- Asset quality for the standalone entity remained stable QoQ, with GS3/NS3 at 2.6%/1.7%. The company continues to carry a management overlay of ~INR176m as of Jun’26 (~0.14% of the on-book assets).
- We model credit costs of ~1.6/ ~1.7% for FY27E/FY28E.

Other highlights – HFC subsidiary

- MAS Housing reported an AUM of ~INR9.8b, up ~23% YoY.
- GNPA/NNPA in the housing segment remained stable QoQ at 0.98%/0.68%.
- Housing finance remains a key growth opportunity, with management aspiring to achieve ~35% CAGR growth over the medium term. The company is focused on scaling the segment through branch expansion, improving productivity, and strengthening distribution, particularly across southern markets.

Key highlights from the management commentary

- MASFIN guided the direct distribution to increase to ~70% (of the AUM mix) over the next 12-18 months and further to ~75% over the next 8-12 quarters.
- Average yield in the housing finance business is expected at ~14%, with average credit costs around ~0.5%.

Valuation and view

- MASFIN delivered a steady 1QFY27 performance, supported by healthy AUM growth, stable asset quality, and strong profitability. The company remains focused on sustaining growth through its core MSME franchise, portfolio diversification, and scaling up of the housing finance business. With a focus on maintaining an RoA of ~2.75-3.25%, disciplined underwriting, a strong capital position, and stable margins, the company is well positioned to deliver sustainable growth over the medium term.
- We estimate an AUM/PAT CAGR of 22%/20% over FY26-28, with an RoA/RoE of ~3.1%/15% in FY28. **Reiterate BUY with a TP of INR385 (premised on 1.8x FY28E BV).**

Quarterly Performance (INR M)

Y/E	FY26				FY27E				FY26	FY27E	1QFY27E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	**4,438**	**4,586**	**4,816**	**5,164**	**5,303**	**5,593**	**5,838**	**6,647**	**19,003**	**23,381**	**5,341**	**-1**
Interest Income	3,687	3,760	3,892	4,242	4,563	4,791	4,983	4,881	15,581	19,217	4,391	4
Gain on assignments	430	534	597	709	545	566	595	1,018	2,270	2,724	659	-17
Other operating Income	320	292	327	213	196	235	261	749	1,152	1,440	291	-33
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,336	2,441	2,851	8,587	9,852	2,281	-2
Total income	**2,376**	**2,471**	**2,625**	**2,945**	**3,079**	**3,257**	**3,398**	**3,796**	**10,417**	**13,530**	**3,060**	1
Growth Y-o-Y (%)	*36*	*29*	*28*	*30*	*30*	*32*	*29*	*29*	*31*	*30*	*29*	
Operating Expenses	827	897	1,002	1,039	1,071	1,141	1,204	1,390	3,723	4,806	1,091	-2
Operating Profits	**1,549**	**1,574**	**1,623**	**1,906**	**2,007**	**2,116**	**2,194**	**2,406**	**6,694**	**8,724**	**1,969**	**2**
Growth Y-o-Y (%)	*31*	*23*	*17*	*26*	*30*	*34*	*35*	*26*	*25*	*30*	*27*	
Provisions	424	371	393	575	605	635	641	701	1,763	2,583	587	3
Profit before tax	**1,124**	**1,202**	**1,230**	**1,331**	**1,403**	**1,481**	**1,552**	**1,705**	**4,888**	**6,141**	**1,383**	**1**
Growth Y-o-Y (%)	*19*	*18*	*17*	*22*	*25*	*23*	*26*	*28*	*19*	*26*	*23*	
Tax Provisions	285	305	327	334	357	370	388	433	1,252	1,548	346	3
Net Profit	**839**	**897**	**903**	**997**	**1,046**	**1,111**	**1,164**	**1,273**	**3,637**	**4,594**	**1,037**	**1**
Growth Y-o-Y (%)	*19*	*17*	*16*	*23*	*25*	*24*	*29*	*28*	*19*	*26*	*24*	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.85	14.56	14.35	14.98	15.27	15.22	15.25	14.26				
Cost of funds (Cal)	9.32	9.18	9.20	9.16	8.87	8.91	8.95	9.89				
Spreads (Cal)	5.5	5.4	5.2	5.8	6.4	6.3	6.3	4.4				
NIM on AUM (Cal)	7.73	7.75	7.84	8.37	8.35	8.39	8.34	8.88				
Credit Cost (%)	1.4	1.2	1.2	1.6	1.6	1.6	1.6	1.6				
Cost to Income Ratio	34.8	36.3	38.2	35.3	34.8	35.0	35.4	36.6				
Tax Rate	25.4	25.4	26.6	25.1	25.4	25.0	25.0	25.0				
Balance Sheet Parameters												
Standalone AUM (INR B)	**125.0**	**130.0**	**137.8**	**143.6**	**151.5**	**159.0**	**166.7**	**175.2**				
Change YoY (%)	20.4	18.0	18.0	18.7	21.1	22.3	21.0	22.0				
Disbursements (INR B)	**31.9**	**32.0**	**36.0**	**41.6**	**44.6**	**45.7**	**47.1**	**50.6**				
Change YoY (%)	17.1	5.8	13.9	34.6	39.8	43.0	31.0	21.8				
Borrowings (INR B)	**89.9**	**94.5**	**96.1**	**97.6**	**103.1**	**106.5**	**111.7**	**118.9**				
Change YoY (%)	25.1	21.3	19.3	12.2	14.7	12.7	16.2	21.8				
Debt/Equity (x)												
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	40.1	40.1	40.6	39.9	40.6							
SME loans	36.2	35.6	35.7	36.3	36.2							
2W loans	7.0	7.1	7.4	7.4	6.9							
CV loans	7.7	8.1	7.7	7.6	7.2							
Borrowings Mix (%)												
Direct Assignment	21.2	22.0	22.0	22.8	20.7							
Cash Credit	10.1	9.9	9.7	11.0	14.1							
Term Loan	51.6	50.5	49.3	48.4	44.8							
NCD	14.4	15.1	16.1	15.0	17.8							
Sub Debt	2.7	2.6	2.5	2.4	2.4							
Asset Quality Parameters (%)												
GS 3 (INR m)	2,620	2,663	2,891	2,976	3,213							
GS 3 (%)	2.49	2.53	2.56	2.57	2.58							
NS 3 (INR m)	1,541	1,563	1,736	1,730	1,884							
NS 3 (%)	1.63	1.69	1.72	1.70	1.70							
PCR (%)	41.2	41.3	39.9	41.9	41.4							
Return Ratios (%)	*1.0*				*-0.5*							
ROA	2.8	2.9	2.9	3.1	3.1							
Tier I ratio	23.2	22.7	21.5	21.5	21.9							

E: MOFSL estimates

CONFERENCE CALL

Highlights from the management commentary

Guidance and outlook

- MAS remains confident of sustaining strong growth momentum and continues to target ~20-25% AUM growth, with aspiration to grow towards the higher end of this range.
- The company is on track to double its AUM every 3-3.5 years, supported by a diversified asset mix and calibrated expansion strategy.
- Management expects the Housing finance business to scale up meaningfully and aspires to achieve ~35% CAGR growth over the medium term.
- The company aims to maintain RoA in the range of ~2.75-3.25%, with profitability expected to be driven by disciplined underwriting, product mix, and operating efficiency.
- Credit costs are expected to remain in the range of ~1.25-1.75%, depending on product mix.
- The company expects spreads to remain at ~7.0-7.5%, translating into NIM of ~8.0%-8.5%, supported by the asset composition.
- Cost of borrowings is expected to remain around ~9.2-9.3%, although a potential credit rating upgrade could provide further benefits.
- Company guided for direct distribution to increase to ~70% (of the AUM mix) over the next 1.0-1.5 years and further to ~75% over the next 8-12 quarters.
- The company remains focused on maintaining asset quality over aggressive growth and will continue to expand lending only where risk-adjusted returns remain attractive.

Business updates and opening remarks

- MAS delivered strong profitability along with stable asset quality and crossed INR160b in AUM during the quarter.
- Portfolio growth was supported by continued focus on the MSME segment, with Micro Enterprise Loans (MEL) and MSME portfolios witnessing steady growth and stable credit performance.
- The company continues to diversify its portfolio through products such as two-wheeler loans, commercial vehicle loans, and salaried loans.
- Despite potential macro headwinds, including geopolitical uncertainties and sector-specific challenges, the company maintained a strong asset quality profile due to proactive risk management.

Asset quality and credit outlook

- MAS maintained strong asset quality despite anticipated stress from external factors and remains confident about portfolio resilience. During periods of uncertainty, the company proactively tightened credit filters, particularly for energy-dependent segments such as restaurants and select manufacturing businesses.
- Borrowers have remained resilient, while cautious underwriting helped the company avoid significant portfolio stress.
- The company does not expect any material asset quality impact from floods in Gujarat, although temporary operational disruptions were witnessed. Normalcy is expected to return gradually.
- Collection efficiency remains healthy, and the company does not see any significant risk to portfolio quality.

- The company continues to monitor geographies and sectors closely through inputs from sales and collection teams and adjusts underwriting filters accordingly.

MSME and lending strategy

- MAS continues to prioritize MSME lending as the core growth driver, supported by stable portfolio performance.
- Demand remains healthy; however, eligible demand has moderated due to tighter screening standards and a calibrated lending approach. The company witnessed some decline in login-to-disbursement conversion due to stricter filters, which has since stabilized.
- The company continues to balance demand opportunities with underwriting discipline amid rising input costs and increased working capital requirements for businesses.
- Growth in commercial vehicle financing is expected to take another two quarters as the company remains cautious and does not intend to aggressively scale the segment. In the commercial vehicle segment, the company is recalibrating distribution and product processes to achieve desired portfolio quality before accelerating growth.

Housing finance business

- The housing finance business remains a strategic growth opportunity, with the company prioritizing risk-adjusted returns and profitability over aggressive expansion.
- The housing finance portfolio is fully secured, providing a strong foundation for sustainable growth. The company is actively working on improving productivity, expanding branches, and strengthening the distribution network in the housing finance segment. Expansion has started in southern markets such as Tamil Nadu and Karnataka, with meaningful contribution expected from these geographies from 3QFY27 and 4QFY27 onwards.
- The company expects housing finance AUM growth to accelerate as branch productivity improves.
- Average yield in the housing finance business is expected at ~14%, with average credit costs around ~0.5%.
- The company believes the housing finance business is on a strong footing and is expected to become value accretive for the parent over time.

Liabilities, liquidity, and cost of funds

- Capital adequacy remained strong, with CAR at 23%, providing a strong base to raise liabilities and maintain liquidity at competitive rates. The company continues to maintain a diversified borrowing profile across banks, mutual funds, term loans, NCDs, and direct assignment transactions.
- Incremental borrowing cost stood at 9.2-9.25%, with expectations to remain around ~9.2-9.3% going forward.
- The company aspires to bring cost of borrowings below 9% over time, supported by favorable macro conditions and potential credit rating upgrades.
- The company aims to maintain 20-25% of AUM through direct assignment and other off-book transactions.

Technology and digital initiatives

- MAS follows a build-and-operate model with an in-house technology team of around 100 employees, including business analysts and software engineers.
- The company has implemented complete LOS and LMS platforms and continues to leverage technology to improve underwriting, operations, collections, and origination processes. AI initiatives are expected to drive further efficiency improvements across various functions during FY27.

Organization and human resources

- The company is strengthening the middle management layer and expects further evolution in senior leadership and management structures. The reduction in employee count reflects increasing technology adoption and operational efficiencies.
- The company continues to prioritize human resources as a key capability and remains focused on attracting and retaining quality talent.

Branch expansion and operating efficiency

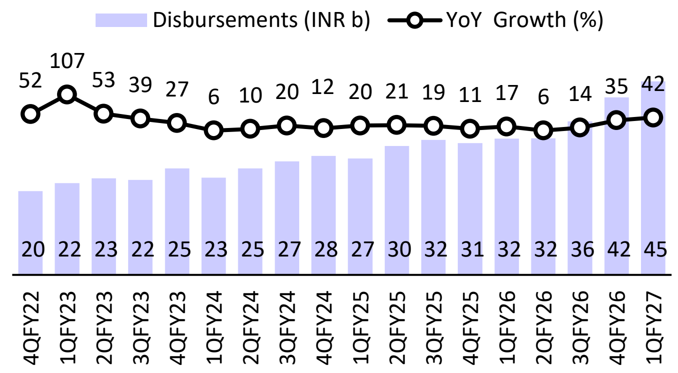
- The company expects branches to reach optimal productivity levels by FY27-28 or earlier.
- Cost-to-income ratio is expected to stabilize or improve over time as productivity gains from technology and scale benefits emerge.
- Given the company's diversified business model, profitability focus remains centered around RoA rather than standalone cost ratios.

Other highlights

- Two-wheeler demand remains seasonally strong during 3Q and 4Q due to festive demand, while 1Q typically witnesses moderation.
- The company continues to monitor regional conditions, including weather-related disruptions, and adjusts credit filters accordingly.

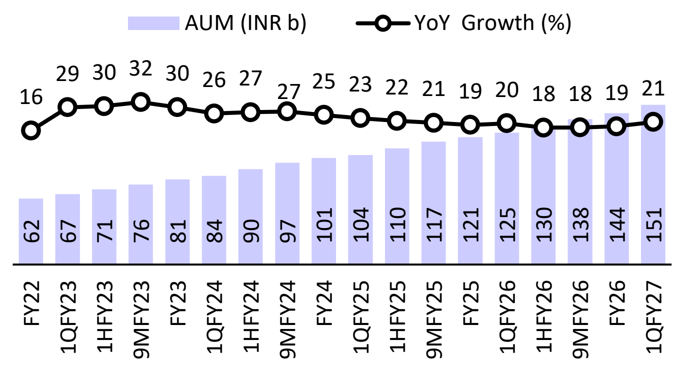
Key exhibits

Exhibit 1: Disbursements grew ~42% YoY…



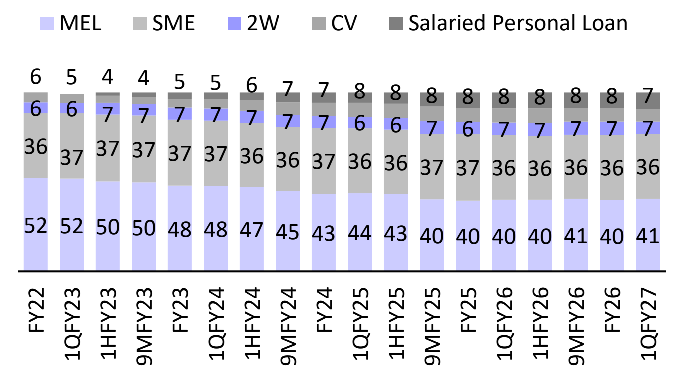
Source: MOFSL, Company

Exhibit 2: …leading to an AUM growth of ~21% YoY



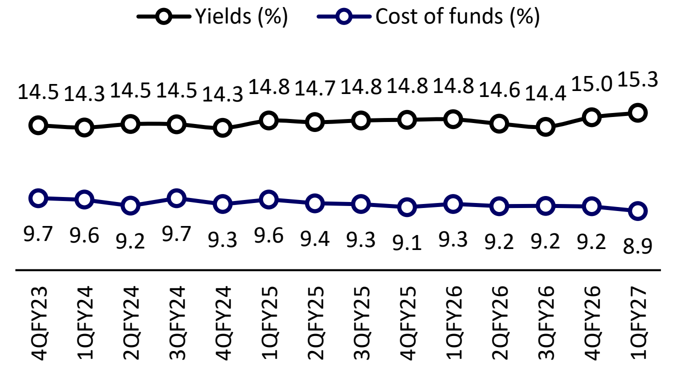
Source: MOFSL, Company

Exhibit 3: Share of MEL increased ~70bp QoQ



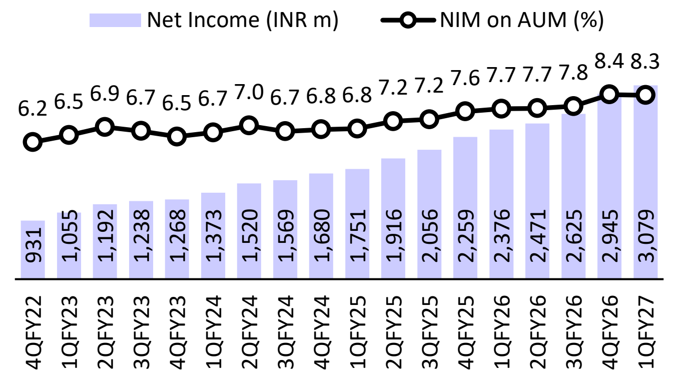
Source: MOFSL, Company

Exhibit 4: Spreads (calc.) improved ~60bp QoQ (%)



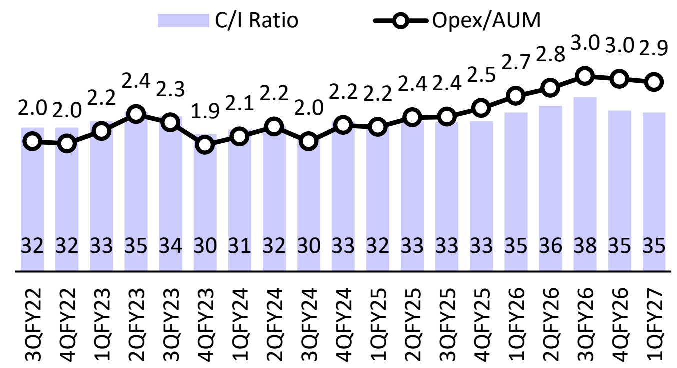
Source: MOFSL, Company

Exhibit 5: NIM remained largely stable QoQ



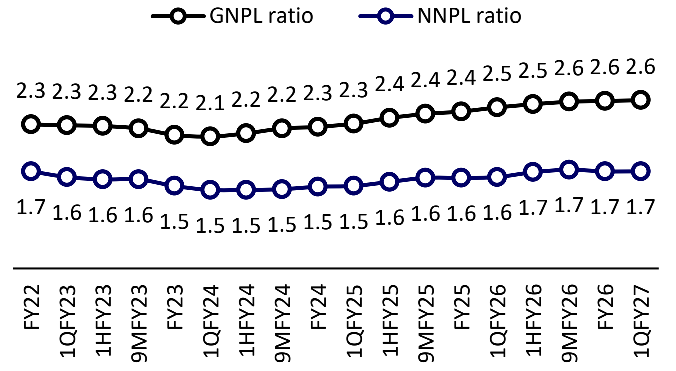
Source: MOFSL, Company; Note: Including upfront assignment income

Exhibit 6: Opex-to-AUM ratio improved QoQ



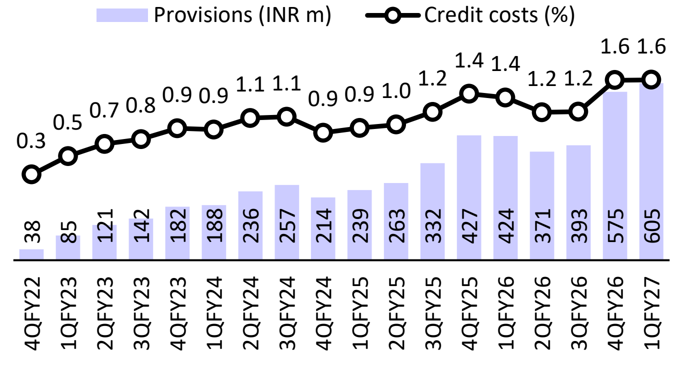
Source: MOFSL, Company

Exhibit 7: GNPL/NNPL remained stable QoQ (%)



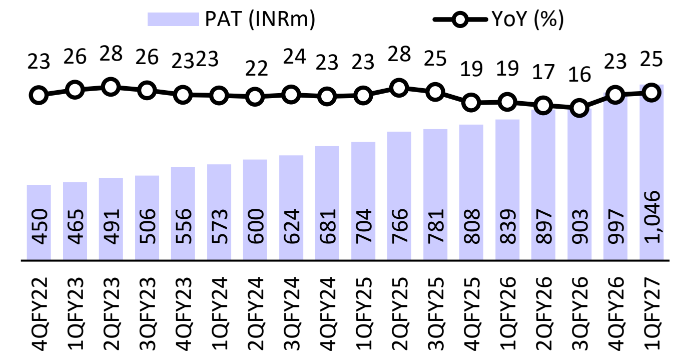
Source: MOFSL, Company

Exhibit 8: Credit costs remained stable QoQ



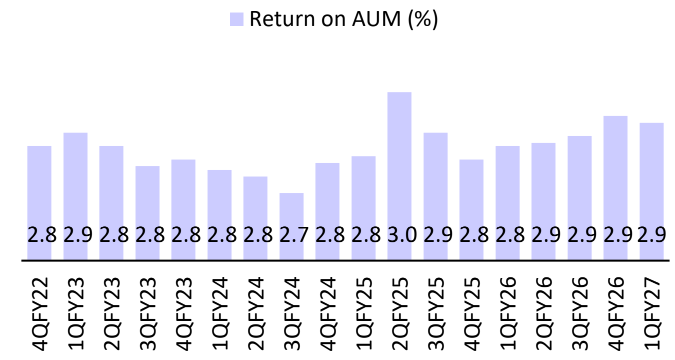
Source: MOFSL, Company

Exhibit 9: PAT rose 25% YoY



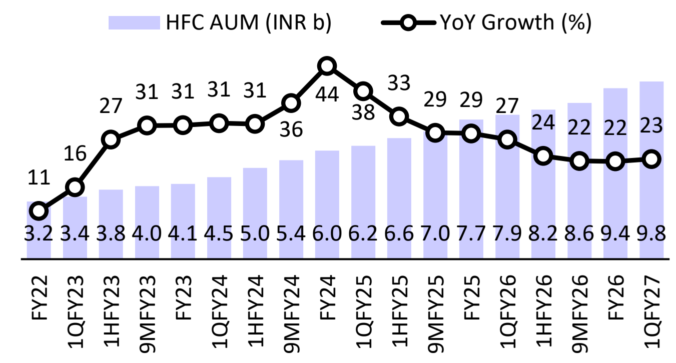
Source: MOFSL, Company

Exhibit 10: Return on AUM (%)



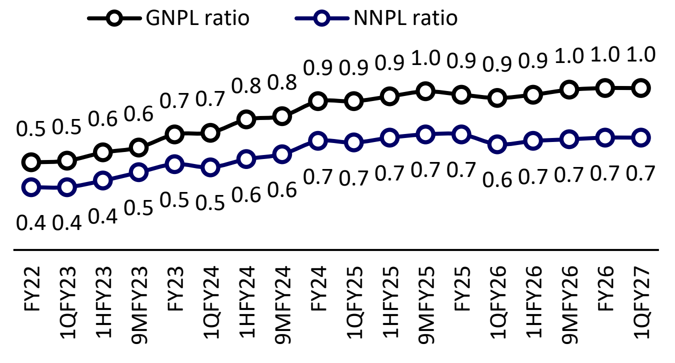
Source: MOFSL, Company. Reported RoA

Exhibit 11: HFC subsidiary's AUM grew ~23% YoY



Source: MOFSL, Company

Exhibit 12: Asset quality broadly stable (%)

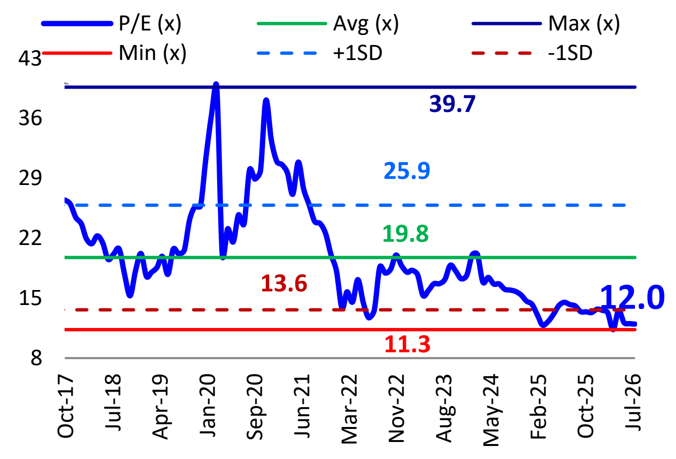


Source: MOFSL, Company

Exhibit 13: We increase our FY27 EPS estimates by 2% to factor in slightly higher AUM growth

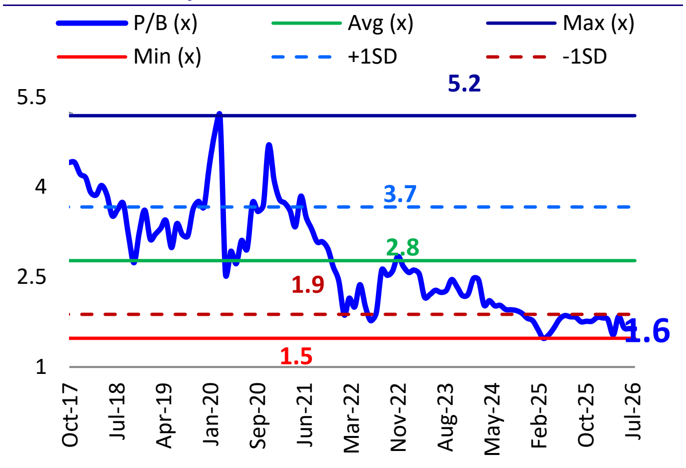
INR b	Old Est.		New Est.		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
NII	9.0	10.5	9.4	11.3	4.0	7.8
Other Income	4.2	4.9	4.2	4.9	0.1	0.1
Total Income	**13.2**	**15.4**	**13.5**	**16.3**	**2.8**	5.4
Operating Expenses	4.8	5.8	4.8	5.9	0.0	2.0
Operating Profits	**8.4**	**9.6**	**8.7**	**10.4**	**4.4**	7.4
Provisions	2.4	2.6	2.6	3.3	9.4	26.1
PBT	**6.0**	**7.0**	**6.1**	**7.0**	**2.4**	0.4
Tax	1.5	1.8	1.5	1.8	2.4	0.4
PAT	**4.5**	**5.3**	**4.6**	**5.3**	**2.4**	0.4
AUM	171	203	175	213	2.3	5.1
NIM (%)	5.7	5.6	5.9	5.8		
ROAA (%)	**3.1**	**3.1**	**3.2**	**3.1**		
RoAE (%)	**14.4**	**14.8**	**14.8**	**14.8**		

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Exhibit 15: One-year forward P/B



Source: MOFSL, Company

Financials and valuations

INCOME STATEMENT								INR m
Y/E MARCH	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Interest Income	4,831	5,611	8,066	10,223	12,896	15,581	19,217	23,612
Interest Expense	2,645	3,195	4,748	6,142	7,224	8,587	9,852	12,281
Net Financing income	**2,186**	**2,416**	**3,318**	**4,081**	**5,673**	**6,995**	**9,366**	**11,331**
Change (%)	-22.7	10.5	37.3	23.0	39.0	23.3	33.9	21.0
Gains on Assignment	806	639	680	1,170	1,431	2,270	2,724	3,269
NII incl assignment income	**2,992**	**3,054**	**3,998**	**5,251**	**7,104**	**9,264**	**12,089**	**14,599**
Change (%)	-22.1	2.1	30.9	31.3	35.3	30.4	30.5	20.8
Fees and Others	302	321	745	853	877	1,152	1,440	1,661
Total Income	**3,294**	**3,375**	**4,743**	**6,104**	**7,981**	**10,417**	**13,530**	**16,260**
Change (%)	-17.8	2.5	40.5	28.7	30.7	30.5	29.9	20.2
Operating Expenses	**616**	**921**	**1,566**	**1,894**	**2,615**	**3,723**	**4,806**	**5,909**
Change (%)	-31.4	49.5	69.9	21.0	38.0	42.3	29.1	23.0
Operating Profits	**2,678**	**2,454**	**3,177**	**4,210**	**5,366**	**6,694**	**8,724**	**10,351**
Change (%)	-13.8	-8.4	29.5	32.5	27.5	24.8	30.3	18.7
Total Provisions	**749**	**341**	**530**	**896**	**1,261**	**1,763**	**2,583**	**3,302**
% to operating income	28.0	13.9	16.7	21.3	23.5	26.3	29.6	31.9
PBT	**1,929**	**2,113**	**2,647**	**3,314**	**4,104**	**4,888**	**6,141**	**7,049**
Tax	494	538	637	837	1,045	1,252	1,548	1,776
Tax Rate (%)	25.6	25.5	24.1	25.2	25.5	25.6	25.2	25.2
PAT	**1,435**	**1,575**	**2,010**	**2,478**	**3,059**	**3,637**	**4,594**	**5,273**
Change (%)	-13.8	9.7	27.6	23.3	23.5	18.9	26.3	14.8
Proposed Dividend	82	164	197	248	308	363	458	525

BALANCE SHEET								INR m
Y/E MARCH	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Equity Share Capital	547	547	547	1,640	1,815	1,815	1,815	1,815
Reserves & Surplus (Ex OCI)	10,724	12,404	14,056	15,595	23,588	27,257	31,393	36,141
Networth (Ex OCI)	**11,271**	**12,951**	**14,602**	**17234**	**25403**	**29071**	**33207**	**37955**
OCI	455	455	455	455	455	455	455	455
Networth (Incl OCI)	**11,726**	**13,406**	**15,057**	**17,690**	**25,858**	**29,526**	**33,662**	**38,411**
Change (%)	19.5	14.3	12.3	17.5	46.2	14.2	14.0	14.1
Minority Interest	1	0	0	0	0	0	0	0
Other Capital Instruments	0	0	0	0	0	0	0	0
Borrowings	**39,264**	**46,896**	**61,432**	**73,026**	**87,018**	**97,624**	**1,18,895**	**1,45,218**
Change (%)	12.6	19.4	31.0	18.9	19.2	12.2	21.8	22.1
Other liabilities	**786**	**341**	**291**	**377**	**3,769**	**3,863**	**4,250**	**4,675**
Change (%)	-24.3	-56.7	-14.6	29.6	899.7	2.5	10.0	10.0
Total Liabilities	**51,775**	**60,642**	**76,780**	**91,092**	**1,16,645**	**1,31,014**	**1,56,807**	**1,88,303**
Loans	**38,051**	**45,538**	**59,102**	**72,648**	**86,139**	**1,04,333**	**1,26,504**	**1,55,093**
Change (%)	13.6	19.7	29.8	22.9	18.6	21.1	21.3	22.6
Investments	**2,350**	**5,381**	**8,261**	**7,877**	**15,938**	**10,583**	**10,583**	**10,583**
Net Fixed Assets	609	647	730	897	1,160	1,978	2,472	2,966
Other assets	10,765	9,077	8,687	9,670	13,409	14,121	17,248	19,662
Total Assets	**51,776**	**60,642**	**76,780**	**91,092**	**1,16,645**	**1,31,014**	**1,56,807**	**1,88,303**

E: MOFSL Estimates

Assumptions	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
AUM (INR M)	**53,724**	**62,468**	**80,926**	**1,01,257**	**1,20,998**	**1,43,637**	**1,75,198**	**2,13,228**
Change (%)	-10.0	16.3	29.5	25.1	19.5	18.7	22.0	21.7
On Balance Sheet	70.8	72.9	73.0	71.7	71.2	72.6	73.5	74.0
Off Balance Sheet	29.2	27.1	27.0	28.3	28.8	27.4	27.8	27.3

E: MOFSL Estimates

Financials and valuations

RATIOS								(%)
Y/E MARCH	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Spreads Analysis (%)								
Yield on loans	13.5	13.4	15.4	15.5	16.2	16.4	16.7	16.8
Cost of Funds	7.1	7.4	8.8	9.1	9.0	9.3	9.1	9.3
Spreads (On books)	6.4	6.0	6.6	6.4	7.2	7.1	7.6	7.5
NIMs (On Books)	6.1	5.8	6.3	6.2	7.1	7.3	8.1	8.0
Profitability Ratios (%)								
RoE	13.9	13.0	14.6	15.6	14.4	13.4	14.8	14.8
RoA	2.9	2.8	2.9	3.0	2.9	2.9	3.2	3.1
RoA (on AUM)	2.5	2.7	2.8	2.7	2.8	2.7	2.9	2.7
Op. Exps./Net Income	18.7	27.3	33.0	31.0	32.8	35.7	35.5	36.3
Empl. Cost/Op. Exps.	48.2	45.8	39.9	46.0	43.9	39.3	38.7	39.3
Asset-Liability Profile (%)								
Net NPAs to Adv.	1.0	1.3	1.4	1.6	1.7	1.2	1.3	1.3
Debt/Equity (x) - On BS	3.5	3.6	4.2	4.2	3.4	3.4	3.6	3.8
Average leverage	3.6	3.6	3.9	4.2	3.8	3.4	3.5	3.7
CAR	26.9	26.4	25.3	24.1	24.7	22.8	26.7	25.0

Valuations	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Book Value (INR)	69	79	89	105	140	160	183	209
Price-BV (x)	4.7	4.1	3.6	3.0	2.3	2.0	1.7	1.5
Adjusted BV (INR)	67	76	86	100	134	154	174	198.8
Price-ABV (x)	4.8	4.2	3.7	3.2	2.4	2.1	1.8	1.6
EPS (INR)	8.8	9.6	12.3	15.1	16.9	20.0	25.3	29.1
EPS Growth (%)	-14	10	28	23	12	19	26	15
Price-Earnings (x)	37	33	26	21	19	16	13	11
Dividend per share	1.5	3.0	3.0	1.5	1.7	2.0	2.5	2.9
Dividend yield (%)	0.2	0.3	0.3	0.5	0.5	0.6	0.8	0.9

E: MOFSL Estimates

N O T E S

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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