13 November 2026
2QFY27 Results Update | Sector: Financials

Manappuram Finance

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR320 **TP: INR360 (+13%)** **Neutral**

Motilal Oswal values your support in the EXTEL POLL 2026 for India Research, Sales, Corporate Access and Trading team.
We request your ballot.



Bloomberg	MGFL IN
Equity Shares (m)	939
M.Cap.(INRb)/(USDb)	300.5 / 3.2
52-Week Range (INR)	382 / 245
1, 6, 12 Rel. Per (%)	-13/1/19
12M Avg Val (INR M)	1556

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	54.7	76.6	90.0
PPP	28.3	47.1	56.3
PAT	9.9	28.4	32.4
EPS (INR)	10.6	27.5	31.4
EPS Gr. (%)	-25.7	160.6	14.0
BV/Sh.(INR)	171	195	222
Ratios			
NIM (%)	10.4	10.8	10.3
C/I ratio (%)	50.8	40.2	39.0
RoA (%)	1.6	3.4	3.3
RoE (%)	7.0	15.7	15.1
Payout (%)	18.9	15.0	15.0
Valuations			
P/E (x)	30.3	11.6	10.2
P/BV (x)	1.9	1.6	1.4
Div. Yld. (%)	0.6	1.3	1.5

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	41.7	41.7	35.3
DII	17.6	14.9	9.2
FII	21.0	22.3	30.2
Others	19.8	21.2	25.4

FII Includes depository receipts

Sustained gold loan growth and NIM expansion drive earnings beat

Gold loan tonnage and yields continue to improve; Stage 2 warrants monitoring

- Manappuram Finance's (MGFL) consol. PAT in 2QFY27 rose ~220% YoY and 20% QoQ to ~INR7b in 2QFY27 (~6% beat). NII in 2QFY27 grew ~42% YoY to ~INR19.6b (~8% beat).
- Operating expenses grew 4% YoY to ~INR7.6b (in line). PPoP grew ~84% YoY to ~INR12.3b (~14% beat). Consol. credit costs stood at ~INR2.9b (vs. est. of ~INR2b). Annualized credit costs rose ~30bp QoQ to 1.6% (PQ: ~1.35%).
- The company reported a ~6% QoQ growth in consolidated gold AUM to ~INR606b, with management indicating healthy momentum in loan growth, customer additions, and gold tonnage growth. The company reiterated its FY27 gold loan growth guidance of 30%. We model a gold loan CAGR of ~27% over FY26-FY28E.
- Management reiterated its focus on maintaining competitive yet disciplined pricing rather than engaging in a price war. Gold loan yields are expected to stabilize at 17–18% over the medium term, depending on borrowing costs, regulatory changes, and competitive intensity. We model NIM of 10.8%/10.3% in FY27/FY28E (vs. ~10.4% in FY26).
- **MGFL shared that Gold Loan Stage 2 increased to ~5% as of Sep'26 (from ~0.5% as of Jun'26). The increase was largely due to behavioral adjustments following revised regulations in Apr'26 and the introduction of EMI-based, monthly-interest repayment, and shorter-tenor gold loan products. The company expects Stage 2 to normalize over the next couple of quarters as customers adapt to newer gold loan variants.**
- **We raise our FY27/FY28 EPS estimates by ~10%/5% to factor in higher NIM and slightly lower operating cost ratios.** The stock trades at 1.4x FY28E P/B. Over FY26-28, we estimate a CAGR of 27%/23% in gold/consolidated AUM and ~81% in consolidated PAT, with consolidated RoA/RoE of ~3.3%/15% in FY28. **Reiterate our Neutral rating on the stock with a TP of INR360 (based on 1.5x Sep'28 consol. BVPS).**

Strong gold loans growth of ~6% QoQ; gold tonnage rises ~4% QoQ

- Consol. gold AUM grew ~6.4% QoQ and ~92% YoY to ~INR606b. Gold tonnage grew ~4% QoQ to ~70 tons. Consol. total AUM rose ~60% YoY and ~5% QoQ to ~INR735b.
- Within gold loans, LTV declined ~1pp QoQ to ~64.5% (PQ: 65.6%), while the average ticket size (ATS) in gold loans rose to INR138k (PQ: INR133k). Gold loan customer base grew ~3% QoQ to ~3m.
- Management shared that the company is gradually shifting from 3M gold loan products toward 6M and 12M tenures. Short-tenor loans will continue to be offered to customers with clearly defined short-term requirements, while customers without certainty on near-term repayment will be encouraged to opt for longer-tenor products.

Abhijit Tibrewal - Research Analyst (Abhijit.Tibrewal@MotilalOswal.com) | **Raghav Khemani** (Raghav.Khemani@MotilalOswal.com)
Research Analyst: Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com) | **Pranav Nawale** (Pranav.Nawale@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Yields and margins expand sequentially; standalone CoB stable QoQ

- **Consol. NIM (calc.) rose ~60bp QoQ to ~11%**. Standalone CoB was broadly stable QoQ at ~8.75% during the quarter. Consolidated CoB declined ~3bp QoQ to 8.9%.
- **Gold loan yields in 2QFY27 rose to ~18% (PQ: 17.7%).**

Asirvad MFI: AUM grows ~10% QoQ; GNPA declines sequentially

- Asirvad reported 2QFY27 profit of INR320m (vs. PAT of INR210m in 1QFY27).
- Asirvad AUM (including gold loans) grew ~28% YoY and ~10% QoQ to ~INR79b, while Asirvad MFI AUM rose 12% QoQ to ~INR54b.
- MFI GNPA declined ~20bp QoQ to 4.6%, while NNPA declined ~30bp QoQ to ~1.1%. Asirvad credit costs stood at ~INR700m (PQ: ~INR660m).

Highlights from the management commentary

- Standalone borrowing costs declined marginally, despite volatile market conditions and the recent 25bp repo rate hike. Management expects borrowing costs to increase 25-30bp by end-FY27, rising ~9%.
- Management indicated that ~70-80bp of the reported credit cost represents overlay provisions. These overlays are reviewed every quarter and are not a recent practice, with buffers built in earlier periods as well as during FY27, depending on the prevailing risk environment.

Valuation and view

- MGFL delivered a steady performance, supported by sustained growth in the gold loan portfolio and improved yields, driving margin expansion. The MFI business also reported healthy growth alongside continued improvement in MFI asset quality. However, growth across other segments remained subdued as the company continued to prioritize portfolio stabilization and asset quality over aggressive expansion. Going forward, trends in Stage 2 in gold loans and the competitive intensity in the sector will remain an important monitorable.
- **The stock trades at 1.4x FY28E P/B. Over FY26-28, we estimate a CAGR of 27%/23% in gold/consolidated AUM and ~81% in consolidated PAT, with consolidated RoA/RoE of ~3.3%/15% in FY28. Reiterate our Neutral rating on the stock with a TP of INR360 (based on 1.5x Sep'28E consolidated BVPS).**

MGFL - Quarterly Performance (Consolidated) **(INR M)**

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	22,357	22,512	22,441	25,130	29,977	33,391	34,459	35,525	92,506	1,33,352	31,686	5
Interest Expenses	8,553	8,756	9,452	11,095	12,740	13,803	14,769	15,420	37,856	56,732	13,504	2
Net Interest Income	**13,804**	**13,756**	**12,989**	**14,035**	**17,237**	**19,587**	**19,690**	**20,106**	**54,650**	**76,620**	**18,182**	**8**
YoY Growth (%)	-10.2	-15.88	-18.4	-2.8	24.9	42.39	51.6	43.3	-12.2	40.2	32.2	
Other income	293	241	1,148	1,126	426	330	286	681	2,741	2,150	433	-24
Net Income	**14,097**	**13,997**	**14,137**	**15,161**	**17,664**	**19,917**	**19,976**	**20,787**	**57,391**	**78,770**	**18,615**	**7**
Operating Expenses	7,488	7,285	7,568	7,367	7,591	7,600	8,135	8,368	29,129	31,694	7,795	-2
Operating Profits	**6,609**	**6,712**	**6,569**	**7,794**	**10,073**	**12,317**	**11,841**	**12,419**	**28,262**	**47,077**	**10,820**	**14**
YoY Growth (%)	-32.7	-35.0	-29.4	14.1	52.4	83.5	80.2	59.3	-22.1	66.6	61.2	
Provisions	5,594	3,692	3,541	2,156	2,255	2,942	1,882	2,082	15,560	9,160	1,967	50
PBT	**1,015**	**3,020**	**3,029**	**5,638**	**7,818**	**9,376**	**9,959**	**10,337**	**12,702**	**37,917**	**8,853**	**6**
Tax Provisions	-310	847	643	1,590	1,971	2,363	2,530	2,616	2,771	9,479	2,249	5
PAT	**1,325**	**2,173**	**2,385**	**4,048**	**5,848**	**7,013**	**7,429**	**7,721**	**9,931**	**28,437**	**6,604**	**6**
YoY Growth (%)	-76	-62	-14	-299	341	223	211	91	-18	186	204	
Key Ratios (%)												
Yield on loans	20.8	20.2	18.6	17.6	18.2	18.7	18.5	18.3	17.6	18.8		
Cost of funds (Cal)	9.4	9.3	9.0	8.6	8.7	8.8	8.9	9.0	8.2	9.0		
Spreads (Cal)	11.41	10.9	9.60	9.04	9.48	9.9	9.5	9.3	9.4	9.8		
NIMs (Cal)	12.8	12.37	10.76	9.8	10.4	11.0	10.6	10.4	10.4	10.8		
C/I ratio	53.1	52.0	53.5	48.6	43.0	38.2	40.7	40.3	50.8	40.2		
Credit Cost	5.12	3.3	2.89	1.48	1.34	1.6	1.00	1.05	3.0	1.3		
Tax Rate	-30.5	28.0	21.2	28.2	25.2	25.2	25.4	25.3	21.8	25.0		
Balance Sheet Parameters												
Consol. AUM (INR b)	**443**	**459**	**522**	**646**	**700**	**735**	**771**	**818**				
Change YoY (%)	-1.4	0.4	18.1	50.1	58.0	60.1	47.6	26.6				
Gold loans (INR b)	**288**	**315**	**388**	**510**	**570**	**606**	**643**	**688**				
Change YoY (%)	21.8	29.3	58.2	99.1	97.9	92.5	65.9	35.0				
Gold stock (tonnes)	57	57	59	63	67	70	0	0				
Gold loans/branch (INR m)	71	78	96	126								
Consol. Borrowings (INR b)	**374**	**377**	**463**	**572**	**602**	**652**	**670**	**694**				
Change YoY (%)	-2.8	-1.9	25.0	61.7	60.9	72.7	44.9	21.2				
Borrowings Mix (%)												
Debentures	10.1	9.0	9.5	7.1	9.0	7.1						
CPs	3.4	5.3	8.3	6.8	7.4	6.2						
WC/CC	21.1	19.2	18.2	17.0	17.1	16.6						
TL	51.3	47.3	47.4	46.7	45.6	48.6						
ECB	13.9	19.0	16.4	22.3	20.7	19.3						
Others	0.3	0.2	0.1	0.2	0.2	2.2						
Debt/Equity (x)												
Asset Quality Parameters (%)												
GNPL ratio (Standalone)	3.0	3.0	2.6	1.8	1.6	1.8						
NNPL ratio (Standalone)	2.6	2.6	2.2	1.5	1.1	1.2						
Return Ratios (%)												
RoA (Rep)	1.1	1.7	1.7	2.8	3.1	3.5						
RoE (Rep)	4.3	6.9	7.4	12.3	14.4	16.7						

E: MOFSL estimates



Highlights from the management commentary

Guidance

- Management reiterated its FY27 Gold Loan AUM growth guidance of 25-30%, supported by branch expansion, digital sourcing, continued customer acquisition, and higher collateral values.
- The company remains confident of adding ~500 branches during FY27.
- Management expects Gold Loan yields to settle at 17-18% over the medium term.
- RoA and RoE targets remain unchanged at 3.5-4% and 15-18%, respectively, despite competitive pricing.
- Cost of borrowings is expected to increase 25-30bp by 4QFY27-end to ~9%.
- Gold Loan Stage 2 is expected to normalize over the next couple of quarters as customers adapt to the revised repayment structures.
- Asirvad is expected to maintain steady, calibrated growth broadly in line with the levels witnessed over the last two quarters, with no compromise on underwriting standards.

Business updates

- Consolidated AUM growth remains primarily driven by the Gold Loan business, which now contributes 83% of consolidated AUM. Management continues to prioritize quality growth, disciplined underwriting, collections, and efficient capital utilization over aggressive expansion.
- Gold Loan demand remains healthy, supported by higher collateral values and increasing preference for organized credit. Management expects growth to be supported by customer acquisitions, branch expansion, and digital sourcing.
- The company plans to add ~500 branches during FY27 to its existing network of 5,375 branches. Work on another ~250 branches is underway, with openings expected over the next couple of months.
- Management remains confident of sustaining growth while maintaining prudent LTVs, gold valuation practices, and robust custody standards. It does not intend to pursue aggressive pricing or market-share expansion at the cost of returns.
- Gold Loan AUM stood at INR606b, up 6.4% QoQ and 92.5% YoY, contributing 83% of consolidated AUM versus 69% in 2QFY26. The company added 315k customers during the quarter.
- Average LTV remained comfortable at 64.5% versus 65.6% in 1QFY27, which management believes is among the lowest in the industry. Online sourcing accounted for ~91% of the Gold Loan portfolio.
- Management reiterated its focus on competitive but disciplined pricing, rather than engaging in a price war. Gross yields on EMI-based and traditional bullet products are expected to remain broadly similar at 17.5-18.5%.
- Gold Loan yields are expected to settle around 17-18% over the medium term, depending on borrowing costs, policy changes, and competitive intensity.
- The company is gradually shifting from 3-month products toward 6-month and 1-year tenures. Short-tenor loans will continue to be offered to customers with clearly defined short-term requirements, while customers without certainty on near-term repayment will be encouraged to opt for longer-tenor products.

- Management reiterated its target RoA of 3.5-4% and RoE of 15-18%, despite competitive pricing.
- Gold auctions stood at ~INR1b during 2QFY27 and ~INR1.25b in 1HFY27.

Gold Loan Asset Quality

- Average LTV of ~65% provides a comfortable collateral cushion. Management believes its four-decade-long experience in managing gold loans across different gold-price cycles provides an advantage over newer industry entrants.
- Gold Loan Stage 2 increased sharply to ~5% of AUM in 2QFY27 from ~0.5% in 1QFY27 and less than 0.5% in 2QFY26. Management attributed the increase largely to behavioral adjustments following revised regulations in Apr'26 and the introduction of EMI-based and shorter-tenor products.
- Over 90% of the Gold Loan book continues to comprise traditional bullet-repayment products, while EMI-based and other monthly/quarterly repayment schemes account for a relatively small share. These newer products contribute ~8-10% of incremental disbursements.
- Collections have improved from Sept'26 levels, with several customers regularizing their dues through full or partial repayments. However, fresh inflows into Stage 2 continue, making it difficult to estimate the normalized level at this stage.
- Management is increasing customer outreach and education around repayment requirements, with overdue customers being contacted to regularize interest dues and restore LTVs to prevailing levels. It expects Stage 2 levels to normalize over the next couple of quarters as customers adapt to the newer products.
- Around 60-65% of customers voluntarily service interest promptly even under traditional bullet products, with no material change in this behavior.

Asirvad MFI and other segments

- Asirvad's AUM stood at INR79b, including a gold Loan portfolio of INR25b. Disbursements increased to INR14.6b from INR10.5b in 1QFY27, while the share of the new MFI book improved to 79% from 68% in 1QFY27 and 23% in 2QFY26.
- PAT improved to INR320m in 2QFY27 from INR210m in 1QFY27, compared with a loss of INR1.7b in 2QFY26. Net NPA improved to 1.1% from 1.4% in the previous quarter.
- Management indicated that the earlier trend of portfolio run-down has reversed, with the book growing steadily over the last two quarters. However, the focus remains on calibrated disbursements and strengthening underwriting rather than pursuing aggressive growth.
- Management expects the recent trend of steady growth to continue, with growth broadly in line with the levels witnessed over the last two quarters. The company will prioritize collections and asset quality while gradually rebuilding the portfolio.
- Vehicle Finance AUM declined 15.3% QoQ and 46.5% YoY to INR21.7b, reflecting continued portfolio run-down and focus on collections. GNPA increased to 16.9% from 13.4% in 1QFY27, indicating continued stress.

- MSME and allied business AUM stood at INR33.6b, with disbursements improving to INR2.4b from INR1.9b in the previous quarter. GNPA increased marginally to 6.4% from 5.9%.
- Home Loan AUM stood at INR18.1b, declining 1.7% QoQ and 4.5% YoY, while disbursements improved to INR1.2b from INR1.03b in 1QFY27.
- Across the non-Gold Loan businesses, management remains focused on improving collections, disciplined underwriting, and sustainable risk-adjusted returns rather than aggressive portfolio expansion.

Financial highlights

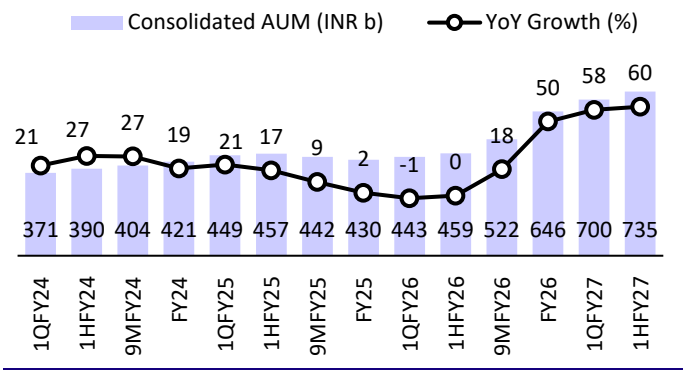
- Standalone borrowing costs declined marginally by a few basis points QoQ, despite volatile market conditions and the recent 25bp repo rate hike. Management expects borrowing costs to increase 25-30bp by 4QFY27-end, reaching around 9%.
- Despite the planned addition of ~500 branches, management does not expect a meaningful increase in employee costs. With ~91% of the Gold Loan book sourced digitally, existing branches can scale business without a proportionate increase in manpower.
- Technology-led processes and higher digital adoption have enabled manpower rationalization at branches without affecting customer service. Management expects employee costs as a percentage of AUM to decline, with operating leverage from digital sourcing offsetting incremental branch-expansion costs.
- Consolidated AUM stood at INR733b, up 5.3% QoQ and 60% YoY, with Gold Loans contributing 83% of the portfolio.
- Management indicated that around 70–80bp of the reported credit cost represents overlay provisions. These overlays are reviewed every quarter and are not a recent practice, with buffers built in earlier periods as well as during FY27, depending on the prevailing risk environment.
- Standalone GNPA increased to 1.79% from 1.56% in 1QFY27, while standalone credit cost stood at 1.4%. Standalone provisioning was INR2.2b during the quarter, largely driven by the Gold Loan business and prudent management overlays.

Others

- The earlier CEO resigned due to personal and health reasons, with the new CEO expected to take charge from 1 Jan'27.
- The CTO resigned due to health-related reasons. The company is in the process of finalizing a replacement with relevant industry experience and capabilities in technology transformation.

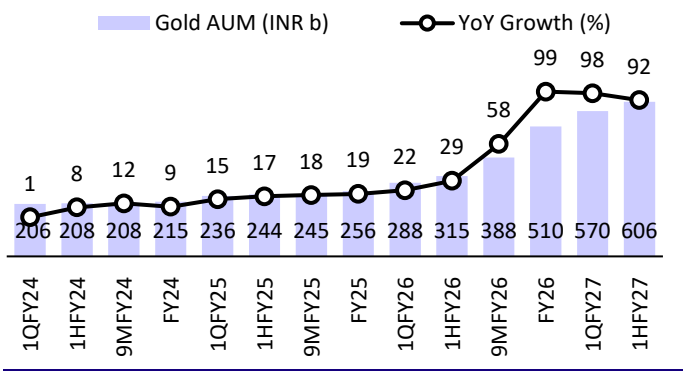
Key Exhibits

Exhibit 1: Consolidated AUM grew 60% YoY



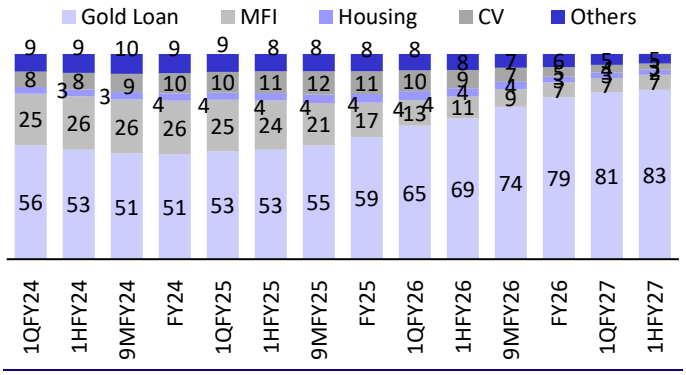
Source: MOFSL, Company

Exhibit 2: Gold AUM rose 92% YoY



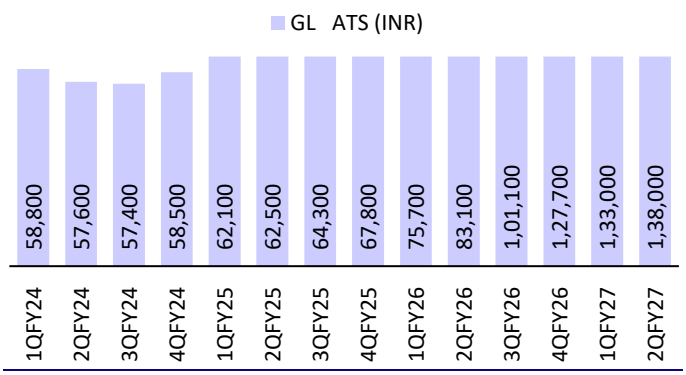
Source: MOFSL, Company

Exhibit 3: Share of gold loans rose ~2pp QoQ (%)



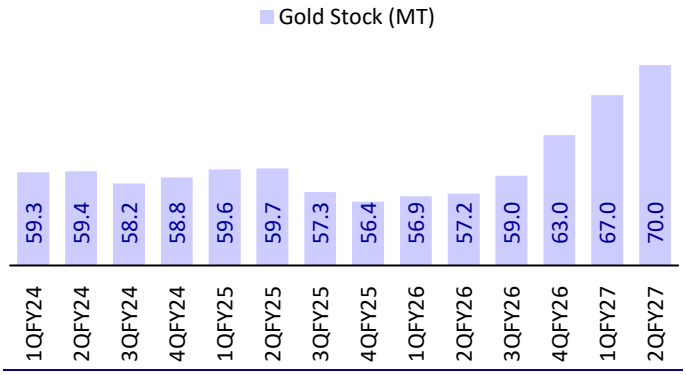
Source: MOFSL, Company

Exhibit 4: ATS in gold loans rose to ~INR138k



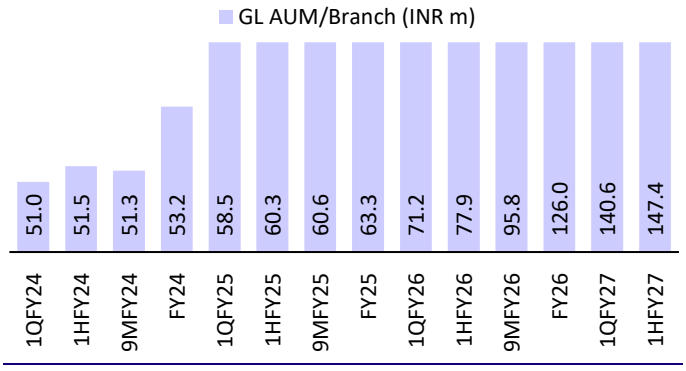
Source: MOFSL, Company

Exhibit 5: Gold tonnage stood at 70 tons as of Sep'26



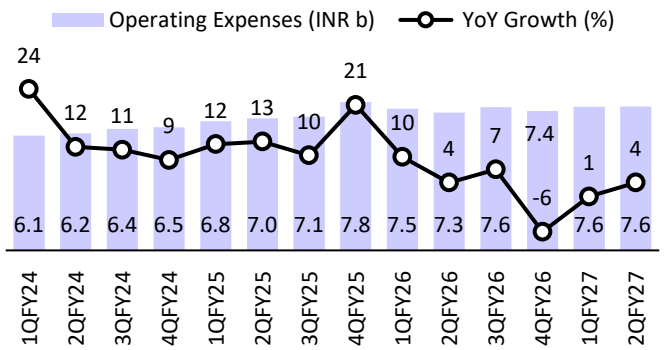
Source: MOFSL, Company

Exhibit 6: Branch productivity improved QoQ



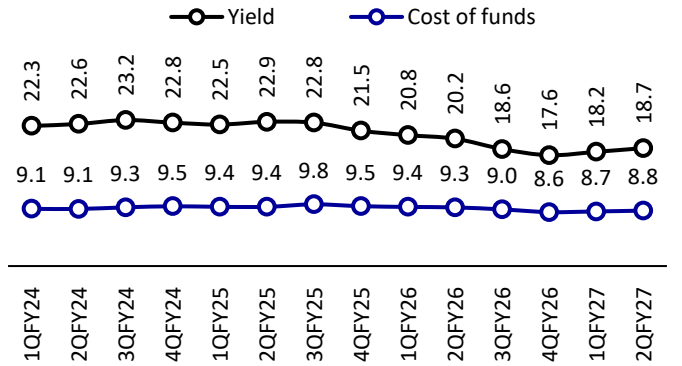
Source: MOFSL, Company

Exhibit 7: Opex rose grew ~4% YoY with a decline in CI ratio



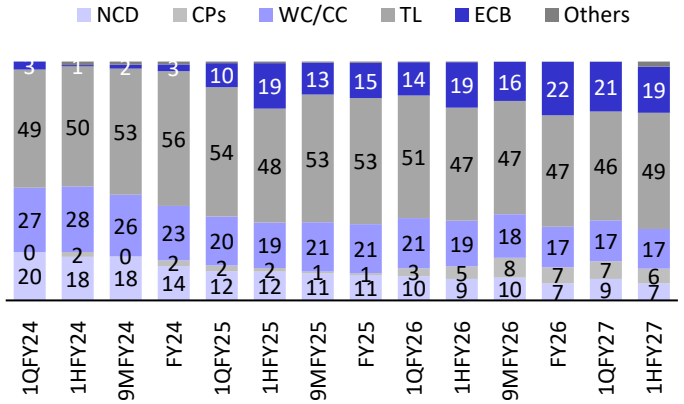
Source: MOFSL, Company

Exhibit 8: Consolidated spreads rose ~45bp QoQ (%)



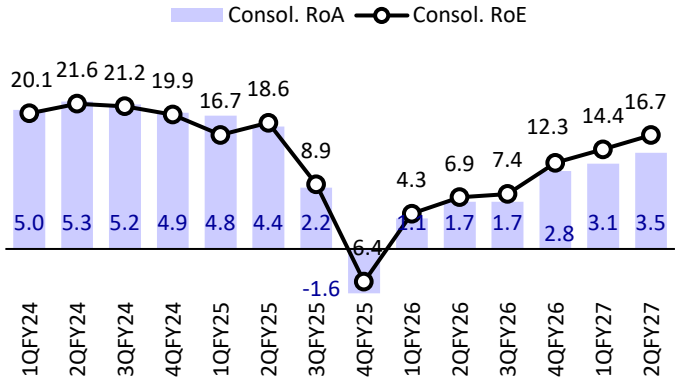
Source: MOFSL, Company

Exhibit 9: Consolidated borrowing mix (%)



Source: MOFSL, Company

Exhibit 10: Consol. RoA/RoE stood at ~3.5%/16.7% in 2QFY27

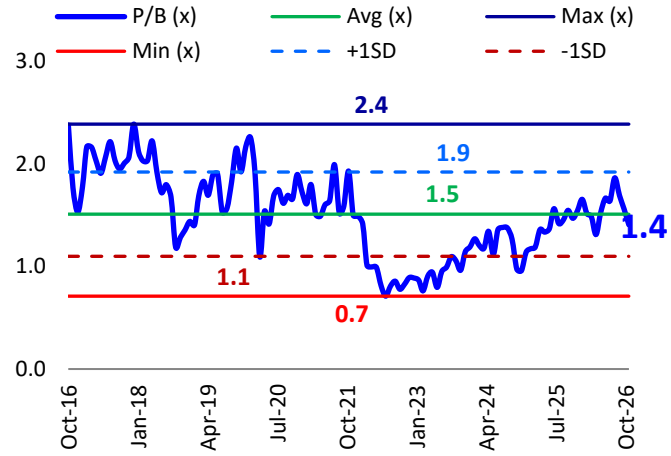


Source: MOFSL, Company

Exhibit 11: We raise our FY27/FY28 EPS estimates by ~10%/5% to factor in higher NIMs and slightly lower cost ratios

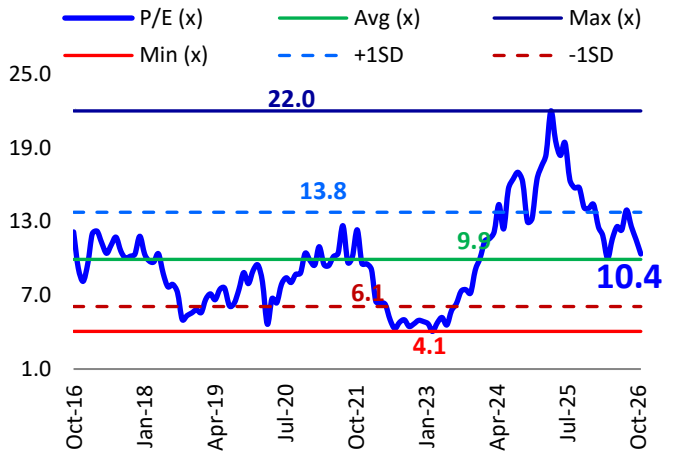
INR B	Old Est.		New Est.		Change (%)	
	FY27	FY28	FY27	FY28	FY27	FY28
NII	73.5	88.5	76.6	90.0	4.3	1.7
Other Income	2.2	2.2	2.2	2.2	0.0	0.0
Net Income	**75.6**	**90.7**	**78.8**	**92.3**	**4.1**	**1.7**
Operating Expenses	31.9	36.5	31.7	36.0	-0.6	-1.3
Operating Profits	**43.8**	**54.2**	**47.1**	**56.3**	**7.6**	**3.7**
Provisions	9.2	13.1	9.2	13.0	-0.9	0.0
PBT	**34.5**	**41.2**	**37.9**	**43.2**	**9.9**	**4.9**
Tax	8.6	10.3	9.5	10.8	9.9	4.9
PAT	**25.9**	**30.9**	**28.4**	**32.4**	**9.9**	**4.9**
Loans	794	947	792	948	-0.3	0.2
Borrowings	696	839	694	841		
RoA (%)	3.1	3.1	3.4	3.3		
RoE (%)	14.5	14.7	15.7	15.1		

Exhibit 12: One-year forward P/B



Source: MOFSL, Company

Exhibit 13: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

INCOME STATEMENT										(INR M)
Y/E MARCH	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Interest Income	52,805	61,896	58,397	64,404	84,885	97,997	92,506	1,33,352	1,60,076	1,88,285
Interest Expense	18,322	22,190	20,114	21,878	28,657	35,747	37,856	56,732	70,051	84,151
Net Interest Income	**34,483**	**39,706**	**38,284**	**42,526**	**56,228**	**62,250**	**54,650**	**76,620**	**90,025**	**1,04,134**
Change (%)	27.7	15.1	-3.6	11.1	32.2	10.7	-12.2	40.2	17.5	15.7
Other operating income	1,848	1,410	2,213	2,436	3,595	2,411	2,588	1,967	2,044	2,124
Total Income	**36,331**	**41,116**	**40,496**	**44,963**	**59,823**	**64,660**	**57,238**	**78,587**	**92,069**	**1,06,259**
Change (%)	28.2	13.2	-1.5	11.0	33.1	8.1	-11.5	37.3	17.2	15.4
Other income	859	441	653	659	721	342	153	183	193	202
Net Income	**37,190**	**41,557**	**41,149**	**45,622**	**60,544**	**65,002**	**57,391**	**78,770**	**92,261**	**1,06,461**
Change (%)	28.4	11.7	-1.0	10.9	32.7	7.4	-11.7	37.3	17.1	15.4
Operating Expenses	14,741	13,996	18,453	22,140	25,165	28,718	29,129	31,694	36,005	41,220
Operating Profits	**22,449**	**27,561**	**22,697**	**23,482**	**35,378**	**36,285**	**28,262**	**47,077**	**56,257**	**65,241**
Change (%)	48.5	22.8	-17.6	3.5	50.7	2.6	-22.1	66.6	19.5	16.0
Provisions	2,376	4,401	4,862	3,071	5,783	19,628	15,560	9,160	13,050	13,449
PBT	**20,073**	**23,160**	**17,835**	**20,410**	**29,595**	**16,656**	**12,702**	**37,917**	**43,207**	**51,792**
Tax	5,270	5,911	4,548	5,409	7,621	4,618	2,771	9,479	10,802	12,948
Tax Rate (%)	26.3	25.5	25.5	26.5	25.8	27.7	21.8	25.0	25.0	25.0
PAT	**14,803**	**17,250**	**13,287**	**15,002**	**21,974**	**12,039**	**9,931**	**28,437**	**32,405**	**38,844**
Change (%)	56.1	16.5	-23.0	12.9	46.5	-45.2	-17.5	186.3	14.0	19.9
Dividend (Excl Tax)	**2,372**	**1,777**	**2,539**	**2,539**	**3,005**	**2,963**	**1,879**	**4,266**	**4,861**	**5,827**

BALANCE SHEET										
Y/E MARCH	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Equity Share Capital	1,690	1,693	1,693	1,693	1,693	1,693	1,879	2,065	2,065	2,065
Reserves & Surplus	55,771	71,382	81,991	94,756	1,13,788	1,22,629	1,58,629	1,99,058	2,26,603	2,59,620
Networth (Post OCI)	**57,461**	**73,074**	**83,683**	**96,449**	**1,15,481**	**1,24,322**	**1,60,507**	**2,01,123**	**2,28,667**	**2,61,685**
Non Controlling Interest	583	472	161	203	289	167	65	90	115	140
Borrowings	**2,25,735**	**2,27,163**	**2,41,185**	**2,84,830**	**3,36,535**	**3,54,040**	**5,72,462**	**6,93,876**	**8,40,641**	**10,00,739**
Change (%)	47.6	0.6	6.2	18.1	18.2	5.2	61.7	21.2	21.2	19.0
Other liabilities	**11,572**	**12,669**	**13,076**	**13,559**	**15,175**	**13,518**	**12,559**	**13,815**	**15,197**	**16,717**
Change (%)	97.4	9.5	3.2	3.7	11.9	-10.9	-7.1	10.0	10.0	10.0
Total Liabilities	**2,95,351**	**3,13,378**	**3,38,106**	**3,95,041**	**4,67,479**	**4,92,047**	**7,45,593**	**9,08,904**	**10,84,620**	**12,79,280**
Loans	**2,42,971**	**2,65,076**	**2,89,710**	**3,41,945**	**4,09,476**	**4,22,516**	**6,28,436**	**7,91,713**	**9,48,243**	**11,20,828**
Change (%)	36.4	9.1	9.3	18.0	19.7	3.2	48.7	26.0	19.8	18.2
Investments	**905**	**3,380**	**4,207**	**5,340**	**7,263**	**7,877**	**20,513**	**22,564**	**24,820**	**27,302**
Change (%)	-47.9	273.6	24.5	26.9	36.0	8.5	160.4	10.0	10.0	10.0
Goodwill	356	356	356	356	356	356	356	356	356	356
Net Fixed Assets	7,705	8,980	10,295	10,748	10,677	10,569	9,966	10,962	12,059	13,264
Other assets	43,414	35,586	33,538	36,652	39,708	50,730	86,323	83,310	99,142	1,17,530
Total Assets	**2,95,351**	**3,13,378**	**3,38,106**	**3,95,041**	**4,67,479**	**4,92,047**	**7,45,593**	**9,08,904**	**10,84,620**	**12,79,280**

E: MOFSL Estimates

Financials and valuations

RATIOS

Y/E MARCH	FY20	FY21	FY22	FY23	FY24	FY25E	FY26	FY27E	FY28E	FY29E
Spreads Analysis (%)										
Avg Yield on loans	25.1	24.4	21.1	20.4	22.6	23.6	17.6	18.8	18.4	18.2
Avg Cost of funds	9.7	9.8	8.6	8.3	9.2	10.4	8.2	9.0	9.1	9.1
Spreads	15.4	14.6	12.5	12.1	13.4	13.2	9.4	9.8	9.3	9.1
Net Interest Margins	16.4	15.6	13.8	13.5	15.0	15.0	10.4	10.8	10.3	10.1
Profitability Ratios (%)										
RoAE	28.8	26.4	17.0	16.7	20.7	10.0	7.0	15.7	15.1	15.8
RoAA	5.9	5.7	4.1	4.1	5.1	2.5	1.6	3.4	3.3	3.3
Cost to Income	39.6	33.7	44.8	48.5	41.6	44.2	50.8	40.2	39.0	38.7
Empl. Cost/Op. Exps.	56.3	60.2	61.0	66.4	63.5	64.1	63.6	63.7	63.9	64.2
Asset Quality										
GNPL (INR m)	1,677	3,951	6,623	3,211	5,467	8,906	9,910	11,876	13,275	15,692
GNPL ratio (%)	0.9	1.9	2.9	1.3	1.8	2.6	1.7	1.5	1.4	1.4
NNPL (INR m)	1,092	2,092	5,674	2,554	4,553	7,528	8,433	9,738	10,753	12,710
NNPL ratio (%)	0.6	0.8	2.0	0.7	1.1	1.8	1.3	1.2	1.1	1.1
PCR (%)	34.9	47.1	14.3	20.4	16.7	15.5	14.9	18.0	19.0	19.0
Valuations	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25E**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Book Value (INR)	68	86	99	114	136	147	171	195	222	254
Price-BV (x)	**4.7**	**3.7**	**3.2**	**2.8**	**2.3**	**2.2**	**1.9**	**1.6**	**1.4**	**1.3**
EPS (INR)	17.5	20.4	15.7	17.7	26.0	14.2	10.6	27.5	31.4	37.6
Change YoY (%)	55.7	16.3	-23.0	12.9	46.5	-45.2	-25.7	160.6	14.0	19.9
Price-Earnings (x)	**18.3**	**15.7**	**20.4**	**18.1**	**12.3**	**22.5**	**30.3**	**11.6**	**10.2**	**8.5**
Dividend	2.8	2.1	3.0	3.0	3.6	3.5	2.0	4.1	4.7	5.6
Dividend Payout (%)	19.3	10.3	19.1	16.9	13.7	24.6	18.9	15.0	15.0	15.0
Dividend Yield (%)	**0.9**	**0.7**	**0.9**	**0.9**	**1.1**	**1.1**	**0.6**	**1.3**	**1.5**	**1.8**

E: MOFSL Estimates

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

.

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.

5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

****

The associates of MOFSL may have:
financial interest in the subject company
actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
received compensation/other benefits from the subject company in the past 12 months
any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
Served subject company as its clients during twelve months preceding the date of distribution of the research report.
The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

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

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.