21 April 2026

4QFY26 Result Update| Sector: NBFCs

PNB Housing

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	PNBHOUSI IN
Equity Shares (m)	261
M.Cap.(INRb)/(USDb)	255.1 / 2.7
52-Week Range (INR)	1142 / 730
1, 6, 12 Rel. Per (%)	17/17/-5
12M Avg Val (INR M)	1534

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
NII	30.7	36.8	44.3
PPP	25.8	32.2	39.6
PAT	22.9	24.6	29.1
EPS (INR)	88	95	112
EPS Gr. (%)	18	8	18
BV/Sh. (INR)	738	824	925
Ratios			
NIM (%)	3.8	3.9	3.9
C/I ratio (%)	26.3	24.6	23.2
RoAA (%)	2.6	2.4	2.4
RoE (%)	12.7	12.1	12.8
Valuations			
P/E (x)	11.1	10.4	8.8
P/BV (x)	1.3	1.2	1.1
Div. Yield (%)	0.8	1.1	1.2

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	28.0	28.0	28.1
DII	43.1	40.7	26.9
FII	17.2	18.6	24.3
Others	11.7	12.7	20.7

FII Includes depository receipts

CMP: INR979 TP: INR1,260 (+29%) Buy

Disbursement momentum accelerates; retail loan growth healthy

NIM expands ~6bp QoQ; benign credit costs lead to big earnings beat

- PNB Housing's (PNBHF) 4QFY26 PAT grew ~19% YoY to ~INR6.6b (14% beat). FY26 PAT grew 18% YoY to INR22.9b. 4Q NII rose ~11% YoY to ~INR8.1b (in line). Other income declined ~10% YoY to ~INR1.2b. Opex rose ~17% YoY to ~INR2.5b (~7% higher than MOFSLe).
- 4Q PPoP grew ~5% YoY to INR6.8b (in line) and FY26 PPoP grew ~11% YoY to INR25.8b. Credit costs (net of recoveries) resulted in a provision write-back of ~INR1.8b (vs. est. ~INR490m). This resulted in net credit costs of -83bp (PQ: -20bp and PY: -35bp).
- Loan growth for PNBHF is being led by the affordable and emerging market segments, which together are expected to form ~50% (currently ~40%) of the loan mix over the medium term. These segments continue to benefit from strong demand visibility, particularly in Tier-2 and 3 cities, where infrastructure development and economic activity remain supportive.
- Management guided for overall loan book growth of ~18-20%, primarily led by the retail segment. While corporate lending is anticipated to remain selective and limited in scale (not exceeding 3% in FY27 and 5-6% by FY28), it is expected to gradually stabilize and contribute in a calibrated manner, focused on high-quality developers in key urban markets. Digital and distribution enhancements, along with deeper partner engagement, are expected to further support scalable growth.
- Margins are expected to remain stable, supported by a shift toward higher-yielding segments and continued improvement in funding costs. Yields have likely bottomed out following earlier rate-driven moderation and are expected to gradually improve with a higher share of affordable and emerging segment disbursements. Improvement in CoF, aided by stronger credit positioning and funding diversification, is expected to provide additional support to spreads.
- Asset quality trends remain stable, with delinquency indicators showing no fresh stress build-up despite geopolitical uncertainties. Credit costs are expected to remain contained, aided by sustained recoveries from written-off pools and improved portfolio seasoning.
- PNBHF reported a healthy quarter with improvement across key parameters. Disbursement growth saw an uptick, and margins expanded slightly as CoF declined, even though yields moderated. The BT-out rate also declined, aided by the unchanged repo rate environment. Asset quality remains robust, resulting in continued provision write-backs. Overall, 4QFY26 reflected steady progress with improving underlying operational metrics.
- We increase our EPS estimates for FY27/FY28 by 5%/4% to factor in higher other income, lower credit costs and slightly higher loan growth. We estimate PNBHF to deliver a CAGR of 19%/13% in loans/PAT over FY26-28E and RoA/RoE of ~2.4%/12.8% in FY28E. **Reiterate BUY with a revised TP of INR1,260 (based on 1.4x FY28E BVPS).**

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Highlights from the management commentary

- PNBHF commenced corporate lending with wholesale disbursements at ~INR3.4b in 4QFY26, with a deliberate focus on quality developers and select geographies such as Mumbai, Pune, Hyderabad, Delhi, Chennai and Bangalore.
- About ~35 branches were added during the year, taking the total network to 393 branches. Affordable and emerging segments now account for ~80% of the branch network, reinforcing its strategic focus on high-growth geographies.

Valuation and view

- PNBHF is expected to sustain healthy loan growth going forward, supported by a strategic shift toward affordable and emerging segments, along with continued focus on disciplined margin management. The resumption of corporate segment is expected to provide incremental support to margins, although it will remain a relatively small part of the overall portfolio. Additionally, ongoing enhancements in digital capabilities and distribution are likely to further support efficient growth. Credit costs are expected to remain benign, with provision write-backs and recoveries likely to sustain in FY27 as well.
- The company's operating trajectory reflects improving growth visibility and stable profitability drivers. PNBHF currently trades at 1.2x FY27E P/BV. We expect PNBHF to post a CAGR of 19%/13% in loans/PAT over FY26-28E and RoA/RoE of ~2.4%/12.8% in FY28E. **Reiterate BUY with a revised TP of INR1,260 (based on 1.4x FY28E BVPS).**
- **Key risks:** (a) limited NIM expansion in FY27 due to high competitive intensity in the mortgage segment; and (b) asset quality deterioration and elevated credit costs arising from seasoning in the affordable, emerging, and corporate portfolios.

Quarterly performance (INR M)

	FY25				FY26				FY25	FY26	4Q FY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	17,391	17,803	18,484	19,059	19,804	20,175	20,194	20,540	72,737	80,712	21,053	-2
Interest Expenses	10,969	11,185	11,579	11,781	12,344	12,670	12,528	12,461	45,514	50,002	13,191	-6
Net Interest Income	**6,421**	**6,618**	**6,905**	**7,279**	**7,460**	**7,505**	**7,666**	**8,079**	**27,223**	**30,709**	**7,863**	**3**
YoY Growth (%)	3.7	2.5	16.5	16.8	16.2	13.4	11.0	11.0	9.7	12.8	8.0	
Other income	930	994	947	1,309	1,015	1,132	1,013	1,179	4,179	4,339	1,156	2
Total Income	**7,352**	**7,612**	**7,852**	**8,587**	**8,475**	**8,636**	**8,678**	**9,258**	**31,402**	**35,048**	**9,019**	**3**
YoY Growth (%)	11.3	5.4	17.3	15.4	15.3	13.5	10.5	7.8	12.3	11.6	5.0	
Operating Expenses	1,929	2,020	2,057	2,124	2,158	2,172	2,399	2,474	8,130	9,203	2,304	7
YoY Growth (%)	26.1	18.7	21.0	19.4	11.9	7.5	16.7	16.5	21.2	13.2	8.5	
Operating Profits	**5,422**	**5,591**	**5,795**	**6,464**	**6,317**	**6,465**	**6,279**	**6,784**	**23,272**	**25,845**	**6,715**	**1**
YoY Growth (%)	6.9	1.3	16.0	14.1	16.5	15.6	8.4	5.0	9.5	11.1	3.9	
Provisions	-120	-456	-361	-648	-562	-1,132	-405	-1,762	-1,585	-3,862	-490	260
Profit before Tax	**5,542**	**6,047**	**6,157**	**7,112**	**6,879**	**7,596**	**6,684**	**8,546**	**24,858**	**29,706**	**7,205**	**19**
Tax Provisions	1,214	1,351	1,324	1,608	1,544	1,781	1,481	1,988	5,496	6,794	1,435	39
Profit after tax	**4,328**	**4,697**	**4,833**	**5,504**	**5,335**	**5,816**	**5,204**	**6,558**	**19,361**	**22,912**	**5,770**	**14**
YoY Growth (%)	24.6	22.6	42.8	25.3	23.3	23.8	7.7	19.2	28.4	18.3	4.8	
Key Operating Parameters (%)												
Rep. Yield on loans	10.03	10.05	10.12	10.03	9.99	9.95	9.72	9.47				
Rep. Cost of funds	7.92	7.84	7.83	7.84	7.76	7.69	7.50	7.35				
Spreads	2.11	2.21	2.29	2.19	2.23	2.26	2.22	2.12				
Net Interest Margins	3.65	3.68	3.70	3.75	3.74	3.67	3.63	3.69				
Cost to Income Ratio	26.2	26.5	26.2	24.7	25.5	25.1	27.6	26.7				
Credit Cost	-0.07	-0.27	-0.20	-0.35	-0.29	-0.57	-0.20	-0.83				
Tax Rate	21.9	22.3	21.5	22.6	22.4	23.4	22.2	23.3				
Balance Sheet Parameters												
Loans (INR B)	670	695	719	758	777	798	822	873				
Change YoY (%)	15.1	14.2	15.4	15.9	16.0	14.8	14.3	15.3				
AUM (INR B)	725	747	768	804	821	839	860	909				
Change YoY (%)	11.0	10.8	12.1	12.8	13.2	12.3	12.0	13.1				
Borrowings (Ex Assgn.) (INR B)	557	570	599	623	648	652	671	712				
Change YoY (%)	8.2	6.5	12.8	13.2	16.3	14.3	12.0	14.3				
Loans /Borrowings (%)	120.2	121.9	120.1	121.6	119.9	122.4	122.5	122.7				
Off BS loans/AUM (%)	10.7	7.0	6.4	5.8	5.3	4.9	4.5	3.9				
Debt/Equity (x)	3.6	3.6	3.7	3.7	3.7	3.6	3.6	3.7				
Asset Quality Parameters (%)												
GS 3 (INR Mn)	9,060	8,650	8,570	8,160	8,250	8,300	8,550	8,090				
Gross Stage 3 (% on loans)	1.35	1.24	1.19	1.08	1.06	1.04	1.04	0.93				
NS 3 (INR Mn)	6,120	5,820	5,720	5,220	5,330	5,460	5,580	4,990				
Net Stage 3 (% on loans)	0.92	0.84	0.80	0.69	0.69	0.69	0.68	0.57				
PCR (%)	32.5	32.7	33.3	36.03	35.4	34.2	34.7	38.32				

E: MOFSL Estimates

Retail to support 18-20% loan growth; targets AUM of INR1t by FY27

- Total loan book grew ~15% YoY/6% QoQ to ~INR873b. Retail loans grew ~16% YoY/6% QoQ to INR869b as of Mar'26. 4Q retail disbursements grew 32% YoY to ~INR90.2b. Corporate disbursements stood at INR3.4b during the quarter. Affordable and emerging market segments contributed ~47% to total retail disbursements. Disbursements in the affordable segment declined ~3% YoY to ~INR12.5b.
- Repayments (annualized) remained elevated at ~20.5% (PY: ~17%), primarily due to high competitive intensity from banks. The affordable and emerging loans form ~40% of retail loan assets. As of Mar'26, the affordable book grew to ~INR81.5b, up ~61% YoY.
- Management guided for loan book growth of 18-20%, driven primarily by sustained retail expansion, with the overall portfolio projected to cross INR1t in FY27. We expect PNBHF to deliver an AUM CAGR of ~19% over FY26-28E.

Yields moderate; reported NIM exhibits sequential expansion

- Reported NIM in 4Q expanded ~6bp QoQ to 3.69%. Portfolio CoB improved ~15bp QoQ to 7.35% (PQ: 7.5%). Yields moderated by ~25bp QoQ to ~9.5%.
- Margins are expected to remain stable with a gradual upward bias, supported by a better product mix. The company guided for NIM in the range of ~3.55-3.65%. We expect PNBHF to deliver margins (calc.) of ~3.9% for FY27/28E.

Asset quality improves; credit costs remain benign, driven by recoveries

- Total GNPA/NNPA ratios improved to ~0.93%/0.57% from 1.04%/ 0.68% QoQ. Retail GNPA ratio improved QoQ to 0.93%, while Corporate GNPA ratio was NIL (corporate segment disbursements have been resumed in this quarter).
- The company recovered INR1.7b in 4Q and INR3.3b in FY26 from the total written-off pool. Asset quality is expected to remain stable, with low GNPA and contained credit costs, supported by disciplined underwriting. Management expects strong recoveries from the written-off pool, with inflows of INR2-2.5b in FY27, and we estimate credit costs of ~7bp/20bp for FY27/FY28E.

CONFERENCE CALL

Highlights from the management commentary

Guidance

- PNBHF targets loan book growth of 18-20%, anchored to its 'growth with quality' strategy.
- Loan book is projected to cross the INR1t mark by FY27, supported by sustained retail expansion. Retail loan book growth is expected to remain in the ~18-20% range, with affordable and emerging segments driving overall expansion.
- Affordable and emerging markets are expected to form ~50% of the portfolio over the next 2-3 years.
- Corporate lending would remain calibrated, not exceeding ~3% of the overall book in FY27, with a focus on high-quality developers in the top 8-10 cities.
- NIM is expected to remain in the range of 3.55-3.65%, supported by stable yields and improving cost efficiencies.
- Credit costs are expected to remain benign, aided by strong recoveries from the written-off pool.
- RoA is expected to remain in the range of 2.4-2.5%.

Opening remarks

- FY26 has been a pivotal year for the housing finance sector, supported by strong structural drivers such as rising urbanization, improving affordability, and a sustained shift toward home ownership across income segments.
- Tier-2 and tier-3 cities continue to emerge as strong demand centers, supported by infrastructure development and improving economic activity. Government-led initiatives and regulatory support for affordable housing have further strengthened sectoral momentum.
- The housing finance industry remains on a strong growth trajectory, with affordable and emerging market segments offering significant long-term potential.
- Despite geopolitical uncertainties, any impact on growth and inflation is expected to be moderate and transient, with underlying housing demand remaining structurally resilient.
- The broader economic environment remains supportive for credit growth, aided by steady domestic activity and improving housing demand fundamentals.
- High crude oil prices and geopolitical developments may keep inflation and interest rates slightly higher, though the overall impact is expected to remain manageable.
- Geopolitical developments have not had any material impact on business performance or borrower behavior. Bounce rates remained stable with no meaningful deterioration observed in April compared to March, indicating stable customer behavior trends.

Business growth and segment performance

- Retail loan assets grew ~16% YoY to INR869b, driven by strong traction in affordable and emerging market segments.
- Affordable and emerging markets contributed ~40% of the portfolio and ~47% of retail disbursements.
- Emerging markets continued to outperform with ~34% YoY growth in disbursements, while the prime segment delivered ~43% YoY growth. Affordable

segment has returned to a strong growth path, with expectations of continued momentum in the coming periods.

- Corporate disbursements commenced at ~INR3.4b in 4QFY26, with a deliberate focus on quality developers and select geographies such as Mumbai, Pune, Hyderabad, Delhi, Chennai and Bangalore.
- Corporate loan growth is expected to remain moderate in the near term, with a gradual rise to 5-6% over two years and 8-9% over three years.
- Micro LAP and micro housing are being introduced as part of product expansion, targeting a 14-16% yield segment starting 1QFY27.

Yields, pricing and margin dynamics

- Portfolio yields moderated to ~9.47% in 4QFY26, driven by lower incremental yields and higher runoff. Yields are believed to have bottomed out and are expected to gradually improve from 1QFY27 onward, supported by a higher mix of affordable and emerging segments.
- Yield trajectory is expected to remain largely range-bound with a mild upward bias of 5-10bp over time.
- Rate cuts initially impacted yields, but improving CoF has helped sustain overall margin stability. NIMs are expected to remain stable, supported by declining borrowing costs and improving portfolio mix.

Asset quality and recoveries

- GNPA improved to below the 1% mark, standing at ~0.93%, reflecting strengthened collection infrastructure and portfolio discipline.
- Improvement in asset quality has been driven by stronger recoveries across both retail and corporate portfolios. Recovery from the written-off pool remains strong, with expected inflows of INR2-2.5b in FY27. Credit cost remains contained due to sustained recoveries and improved portfolio quality trends.
- Bounce rates have remained stable, including in early April, indicating no fresh stress build-up due to current geopolitical tension.
- Behavioural delinquency patterns, including government employee-linked cases, have largely normalised through timely repayments.

Distribution, branch expansion and market presence

- ~35 branches were added during the year, taking the total network to 393 branches. Affordable and emerging segments now account for ~80% of the branch network, reinforcing strategic focus on high-growth geographies.
- Strong pan-India presence, particularly across tier-2 and tier-3 cities, continues to support growth momentum.
- PNBHF believes that distribution expansion remains a key lever for growth, supported by deeper engagement with housing finance partners and channel networks.
- Branch productivity and effectiveness are being enhanced to improve conversion efficiency and customer reach.

Digital, technology and operational efficiency

- Digital channels now contribute ~15% of total leads, reflecting increasing digital adoption across sourcing channels.
- End-to-end digital onboarding has been strengthened through the launch of an in-house developed application, enabling paperless workflows and faster TAT.
- AI-enabled calling solutions have been deployed for pre-disbursement engagement, covering a significant portion of the sanctioned pool.
- Multiple AI use cases are under pilot, including KYC automation and pre-delinquency management to improve operational efficiency.
- Technology-led transformation is focused on reducing processing time, improving customer experience, and enhancing operating leverage.

Funding, liquidity and cost of borrowings

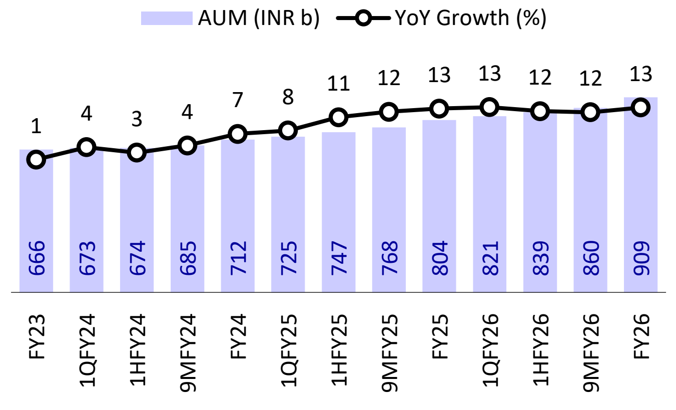
- Borrowing costs are expected to moderate further, supported by lower incremental funding rates and ongoing credit rating engagements.
- Efforts are underway to further diversify funding sources through additional banking relationships and debt market access.
- Liquidity position remains adequate with sufficient coverage buffers supporting operational stability.

Corporate strategy and distribution philosophy

- Retail lending remains anchored to strong distribution engagement, which continues to be a core success driver for the business.
- Strengthening partnerships and on-ground engagement are viewed as critical to sustaining retail growth momentum.
- The strategic focus remains on scaling affordable and emerging housing while maintaining disciplined underwriting standards.

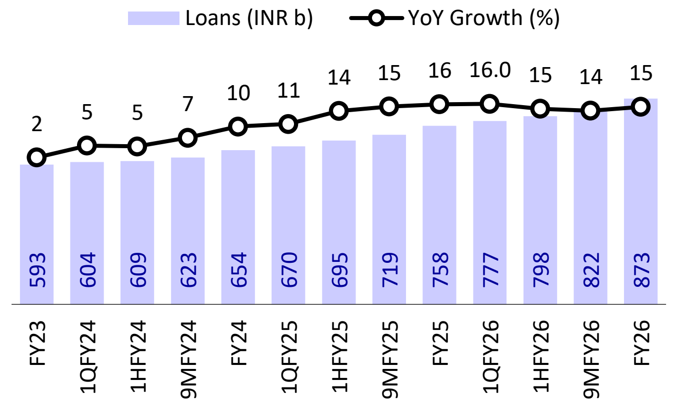
Key exhibits

Exhibit 1: AUM grew 13% YoY…



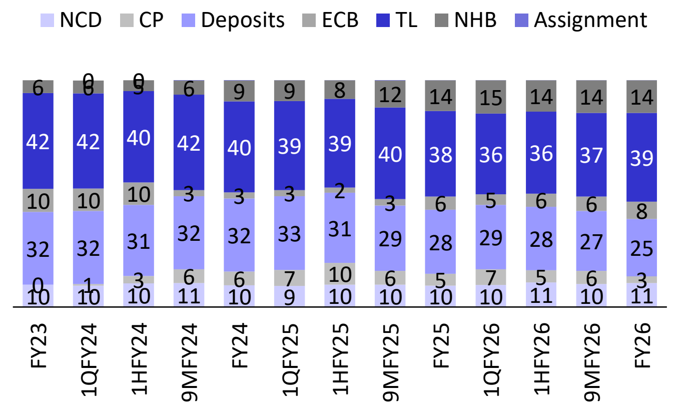
Source: MOFSL, Company

Exhibit 2: …while on-book loans grew 15% YoY



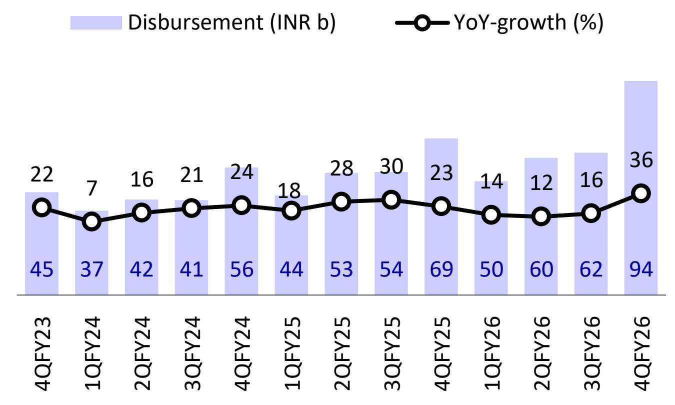
Source: MOFSL, Company

Exhibit 3: Borrowing mix (%)



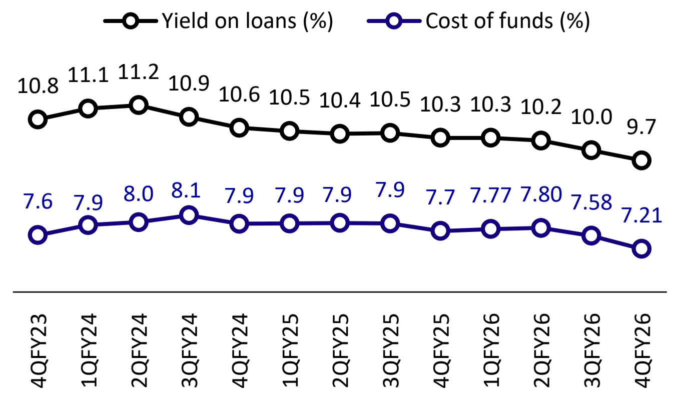
Source: MOFSL, Company

Exhibit 4: Disbursements in 4QFY26 grew ~36% YoY



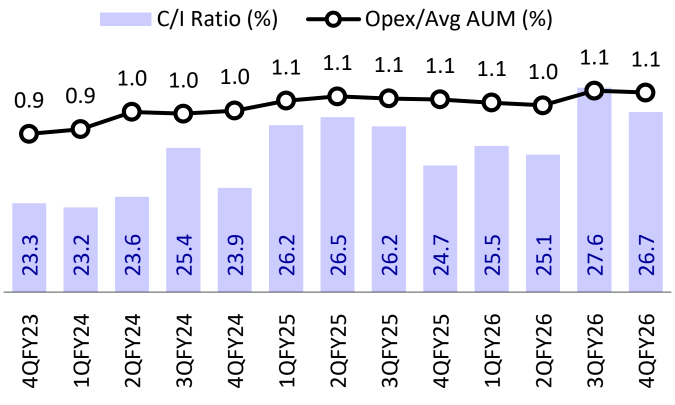
Source: MOFSL, Company

Exhibit 5: Yields moderated ~30bp QoQ



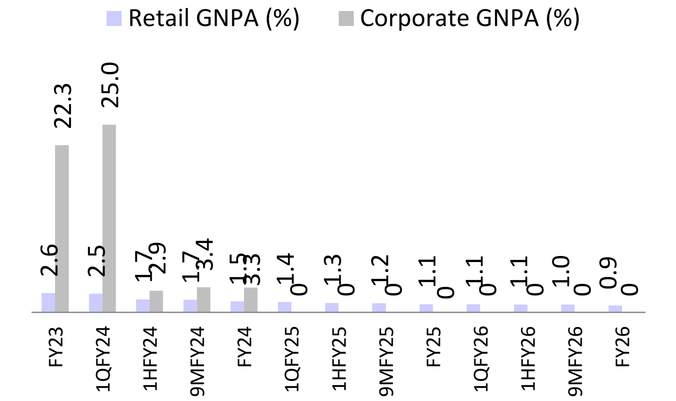
Source: MOFSL, Company, Calculated

Exhibit 6: C/I ratio declined ~90bp QoQ to 26.7%



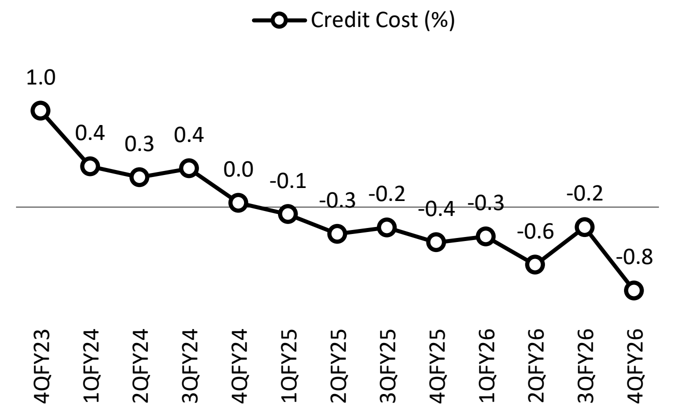
Source: MOFSL, Company, Calculated

Exhibit 7: Retail GNPA improved marginally QoQ



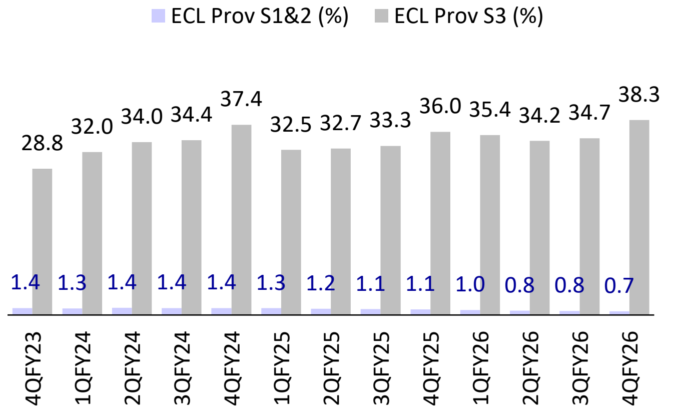
Source: MOFSL, Company

Exhibit 8: PNBHF took provision write-backs of INR1.8b in 4Q



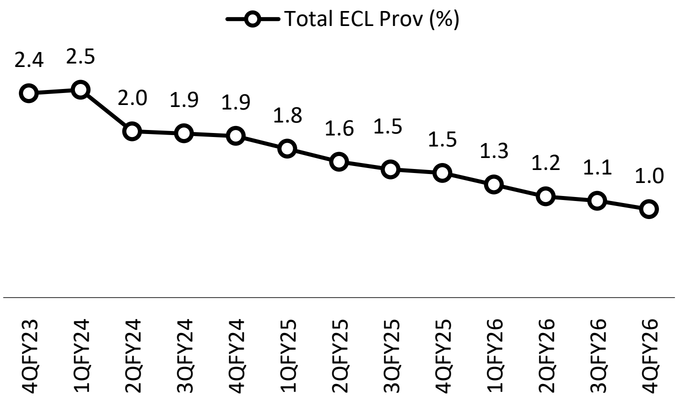
Source: MOFSL, Company

Exhibit 9: Stage 3 PCR improved ~360bp QoQ…



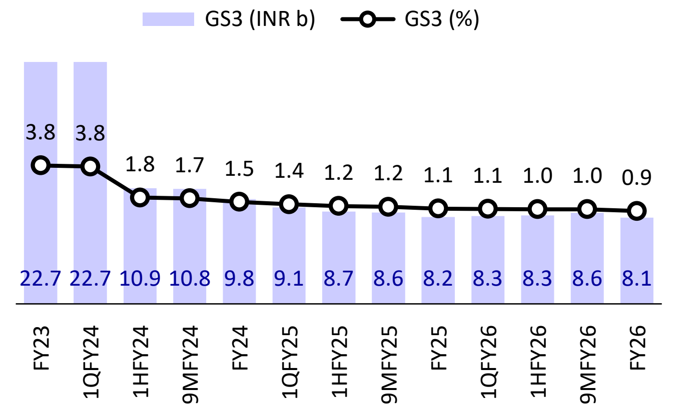
Source: MOFSL, Company

Exhibit 10: …while ECL/EAD declined to ~1.0%



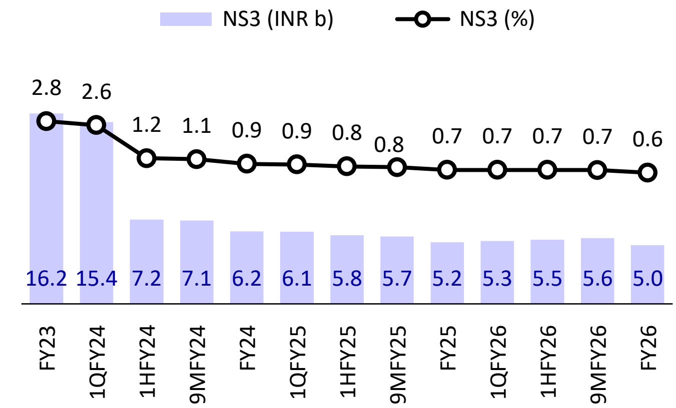
Source: MOFSL, Company

Exhibit 11: GS3 improved ~10bp QoQ



Source: MOFSL, Company

Exhibit 12: NS3 declined ~10bp QoQ

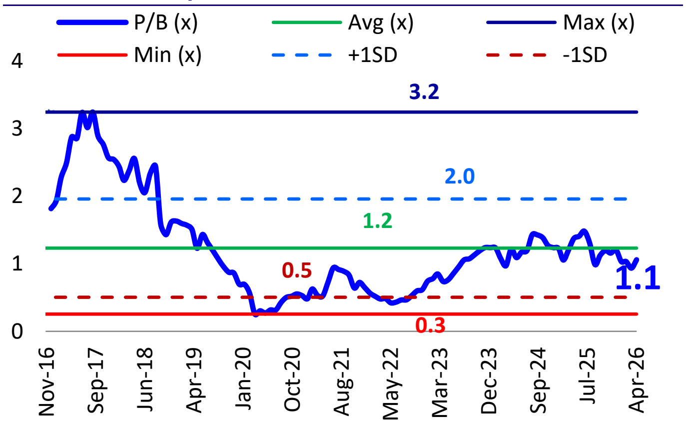


Source: MOFSL, Company

We increase our EPS estimates for FY27/FY28 by 5%/4% to factor in higher other income, lower provisions, and slightly higher loan growth

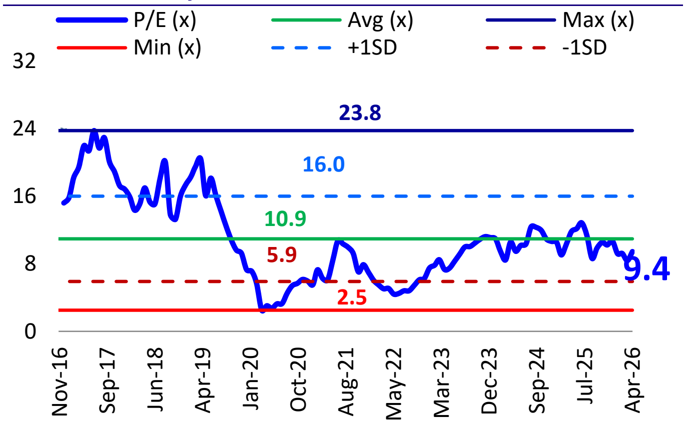
INR b	Old Est.			New Est.			Change (%)		
	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
NII	30.5	35.7	42.9	30.7	36.8	44.3	0.7	3.1	3.2
Other Income	4.3	5.7	7.0	4.3	6.0	7.4	0.5	5.2	5.4
Total Income	**34.8**	**41.4**	**49.8**	**35.0**	**42.8**	**51.6**	**0.7**	**3.4**	3.5
Operating Expenses	9.0	10.3	11.8	9.2	10.5	12.0	1.9	1.9	1.9
Operating Profits	**25.8**	**31.0**	**38.1**	**25.8**	**32.2**	**39.6**	**0.3**	**3.9**	4.1
Provisions	-2.6	0.9	2.2	-3.9	0.7	2.3	49.1	-29.6	2.1
PBT	**28.4**	**30.1**	**35.8**	**29.7**	**31.6**	**37.3**	**4.7**	**4.9**	4.2
Tax	6.2	6.6	7.9	6.8	6.9	8.2	8.9	4.9	4.2
PAT	**22.1**	**23.5**	**27.9**	**22.9**	**24.6**	**29.1**	**3.6**	**4.9**	4.2
Loan book	872	1,025	1,217	864	1,043	1,245	-0.9	1.8	2.3
NIM (%)	3.8	3.8	3.8	3.8	3.9	3.9			
Spreads (%)	2.5	2.6	2.7	2.5	2.6	2.8			
ROAA (%)	2.5	2.3	2.3	2.6	2.4	2.4			
RoAE (%)	12.4	11.7	12.5	12.7	12.1	12.8			

Exhibit 13: One-year forward P/B



Source: MOFSL, Company

Exhibit 14: One-year forward P/E



Source: MOFSL, Company

Financials and Valuation

Income statement									(INR M)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Interest Income	76,882	71,898	58,220	61,991	67,422	72,737	80,712	94,196	1,14,520
Interest Expended	58,750	50,998	40,645	38,985	42,611	45,514	50,002	57,369	70,259
Net Interest Income	**18,133**	**20,901**	**17,575**	**23,006**	**24,811**	**27,223**	**30,709**	**36,827**	**44,261**
Change (%)	11.5	15.3	-15.9	30.9	7.8	9.7	12.8	19.9	20.2
Other Operating Income	8,013	4,343	3,787	3,306	3,149	4,179	4,339	5,951	7,353
Net Income	**26,146**	**25,243**	**21,363**	**26,311**	**27,960**	**31,402**	**35,048**	**42,778**	**51,614**
Change (%)	3.9	-3.5	-15.4	23.2	6.3	12.3	11.6	22.1	20.7
Operating Expenses	5,522	4,554	4,760	5,313	6,710	8,130	9,203	10,529	11,997
PPoP	**20,624**	**20,689**	**16,603**	**20,998**	**21,250**	**23,272**	**25,845**	**32,249**	**39,617**
Change (%)	7.2	0.3	-19.7	26.5	1.2	9.5	11.1	24.8	22.8
Provisions/write offs	12,514	8,619	5,764	7,389	1,711	-1,585	-3,862	668	2,288
PBT	**8,110**	**12,070**	**10,840**	**13,609**	**19,539**	**24,858**	**29,706**	**31,581**	**37,329**
Extraordinary Items	0	0	0	0	0	0	0	0	0
Reported PBT	**8,110**	**12,070**	**10,840**	**13,609**	**19,539**	**24,858**	**29,706**	**31,581**	**37,329**
Tax	2,201	2,978	2,475	3,149	4,459	5,496	6,794	6,948	8,212
Tax Rate (%)	27.1	24.7	22.8	23.1	22.8	22.1	22.9	22.0	22.0
DTL on Special Reserve									
Reported PAT	**5,909**	**9,092**	**8,365**	**10,460**	**15,080**	**19,361**	**22,912**	**24,633**	**29,116**
Change (%)	-50.4	53.9	-8.0	25.0	44.2	28.4	18.3	7.5	18.2
PAT adjusted for EO	**5,909**	**9,092**	**8,365**	**10,460**	**15,080**	**19,361**	**22,912**	**24,633**	**29,116**
Change (%)	-50.4	53.9	-8.0	25.0	44.2	28.4	18.3	7.5	18.2
Proposed Dividend	0	0	0	0	0	1,300	2,084	2,833	2,999

Balance sheet									(INR M)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Capital	1,682	1,683	1,686	1,689	2,597	2,599	2,606	2,606	2,606
Reserves & Surplus	78,296	87,548	97,030	1,08,448	1,47,147	1,66,032	1,89,586	2,12,135	2,38,418
Net Worth	**79,978**	**89,230**	**98,716**	**1,10,137**	**1,49,744**	**1,68,631**	**1,92,191**	**2,14,740**	**2,41,024**
Borrowings	**6,77,351**	**5,93,925**	**5,30,050**	**5,36,211**	**5,50,166**	**6,23,096**	**7,11,986**	**8,77,196**	**10,58,304**
Change (%)	-5.7	-12.3	-10.8	1.2	2.6	13.3	14.3	23.2	20.6
Other liabilities	31,969	30,767	28,530	15,795	24,138	33,481	30,943	32,491	34,115
Total Liabilities	**7,89,297**	**7,13,922**	**6,57,296**	**6,62,143**	**7,24,049**	**8,25,208**	**9,35,121**	**11,24,426**	**13,33,443**
Loans	**6,66,280**	**6,06,447**	**5,53,359**	**5,78,398**	**6,41,082**	**7,46,453**	**8,64,334**	**10,43,039**	**12,45,063**
Change (%)	-10.3	-9.0	-8.8	4.5	10.8	16.4	15.8	20.7	19.4
Investments	**20,757**	**20,448**	**34,827**	**31,963**	**43,460**	**33,809**	**27,788**	**29,178**	**30,636**
Change (%)	-54.5	-1.5	70.3	-8.2	36.0	-22.2	-17.8	5.0	5.0
Net Fixed Assets	1,353	1,056	935	839	989	1,227	1,222	1,283	1,347
Other assets	1,00,906	85,971	68,175	50,943	38,517	43,719	41,777	50,928	56,396
Total Assets	**7,89,297**	**7,13,922**	**6,57,296**	**6,62,143**	**7,24,049**	**8,25,208**	**9,35,121**	**11,24,426**	**13,33,443**

E: MOFSL Estimates

Financials and Valuation

Ratios									(%)
Y/E March	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Spreads Analysis (%)									
Avg yield on loans	10.6	10.9	9.7	10.6	10.7	10.5	10.0	9.8	10.0
Avg. cost of funds	8.4	8.0	7.2	7.3	7.8	7.8	7.5	7.2	7.3
Interest Spread	2.1	2.9	2.4	3.3	2.9	2.7	2.5	2.6	2.8
NIM on loans	2.6	3.3	3.0	4.1	4.1	3.9	3.81	3.86	3.87
Profitability Ratios (%)									
RoE	7.6	10.7	8.9	10.0	11.6	12.2	12.7	12.1	12.8
RoA	0.7	1.2	1.2	1.6	2.2	2.5	2.6	2.4	2.4
Int. Expended/Int.Earned	76.4	70.9	69.8	62.9	63.2	62.6	62.0	60.9	61.4
Other Inc./Net Income	30.6	17.2	17.7	12.6	11.3	13.3	12.4	13.9	14.2
Efficiency Ratios (%)									
Op. Exps./Net Income	21.1	18.0	22.3	20.2	24.0	25.9	26.3	24.6	23.2
Empl. Cost/Op. Exps.	42.2	46.4	45.5	50.1	50.3	51.8	52.9	53.6	54.1
Asset Quality (INR m)									
Gross NPA	18,562	29,990	47,062	22,714	9,840	8,160	9,653	11,382	13,468
GNPA ratio	2.8	4.8	8.2	3.9	1.5	1.1	1.1	1.1	1.1
Net NPA	11,838	17,500	29,312	16,184	6,160	5,220	5,985	7,057	8,350
NNPA ratio	1.8	2.9	5.3	2.8	1.0	0.7	0.7	0.7	0.7
CAR	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0

VALUATION	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Book Value (INR)	476	530	586	652	577	649	738	824	925
BVPS Growth YoY	5.6	11.5	10.4	11.4	-11.6	12.5	13.7	11.7	12.2
Price-BV (x)		**1.8**	**1.7**	**1.5**	**1.7**	**1.5**	**1.3**	**1.2**	**1.1**
EPS (INR)	35.1	54.0	49.6	61.9	58.1	74.5	87.9	94.5	111.7
EPS Growth YoY	-50.6	53.8	-8.2	24.9	-6.3	28.3	18.1	7.5	18.2
Price-Earnings (x)	**27.9**	**18.1**	**19.7**	**15.8**	**16.9**	**13.1**	**11.1**	**10.4**	**8.8**
Dividend per share (INR)	0.0	0.0	0.0	0.0	0.0	5.0	8.0	10.9	11.5
Dividend yield (%)		**0.0**	**0.0**	**0.0**	**0.0**	**0.5**	**0.8**	**1.1**	**1.2**

E: MOFSL Estimates

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

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