

SBI Cards

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	SBICARD IN
Equity Shares (m)	952
M.Cap.(INRb)/(USDb)	744.5 / 8.1
52-Week Range (INR)	1027 / 712
1, 6, 12 Rel. Per (%)	-7/-9/-7
12M Avg Val (INR M)	1181

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
NII	58.9	68.3	76.3
OP	74.5	79.1	89.1
NP	19.2	21.3	30.4
NIM (%)	11.0	11.8	11.9
EPS (INR)	20.1	22.4	32.0
EPS Gr. (%)	(20.6)	11.2	42.7
BV/Sh. (INR)	145	164	194
ABV/Sh. (INR)	139	159	188

Ratios

RoA (%)	3.1	3.1	3.8
RoE (%)	14.8	14.5	17.9

Valuations

P/E(X)	39.0	35.0	24.6
P/BV (X)	5.4	4.8	4.1
P/ABV (X)	5.6	4.9	4.2

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	68.6	68.6	68.6
DII	17.9	17.8	16.5
FII	10.2	10.1	9.5
Others	3.4	3.6	5.4

FII includes depository receipts

CMP: INR782

TP: INR875 (+12%)

Neutral

In-line quarter; credit costs show signs of easing

NIMs contract 20bp QoQ

- SBI Cards (SBICARD) reported a 3QFY26 PAT of INR5.6b (up 45% YoY/ 25% QoQ, in line).
- NIMs contracted 20bp QoQ to 11%, as most of the benefit from the lower cost of funds has already been realized, while yields carry a mild near-term downside bias, which could keep margins under check.
- Opex grew 23% YoY/5% QoQ (3% higher than MOFSLe), amid the labor code impact of INR120m.
- Credit cost stood at 8.3% (there was a write-back of INR1.21b, which was not realized in P&L; otherwise, this would have reduced credit costs by an additional 50-60bp on a calculated basis).
- Spends growth stood healthy at 33% YoY/7% QoQ, led by robust growth in corporate spends (up 329% YoY/30% QoQ). Retail spends rose 14% YoY/2.6% QoQ. The company expects corporate : retail spends to be at 20% : 80%.
- GNPA ratio increased 1bp QoQ to 2.86%, while NNPA ratio declined 1bp QoQ to 1.28%. ECL declined 6bp QoQ to 3.3%, while PCR rose 64bp QoQ to 56.1%.
- **We reduce our earnings estimates by 4%/6.5% for FY26/FY27, considering a contraction in margins and a decline in receivables, while credit costs are likely to witness a modest decline. We expect SBICARD to post an RoA/RoE of 3.85%/17.9% by FY27. Reiterate Neutral with a revised TP of INR875 (24x Sep'27E EPS).**

Loan growth tepid; revolver mix to remain subdued

- 3Q PAT was up 45% YoY/up 25% QoQ at INR5.6b (in line), aided by in-line NII as well as in-line provisions.
- NII grew 11.5% YoY/1.2% QoQ to INR17.5b (in line). NIMs contracted 20bp QoQ at 11% and are expected to remain curtailed, led by a steady CoF and slight negative bias in yields.
- The transactor mix stood stable at 44% (amid higher transactor volume), while revolve mix remained at 23% (management expects the revolve rate to remain under check). The EMI mix stood stable at 34%.
- Other income grew 19% YoY/6.4% QoQ, and the bank witnessed a PIDF reversal of INR510m, while INR190m was adjusted against opex. C/I ratio, thus, stood flat QoQ at 56.8%.
- CIF grew 8% YoY/1.4% QoQ to 21.8m. New card sourcing stood at 864k, although lower vs the aspiration of 0.9-1m. About 56% of the sourcing was from the open market in 3QFY26.
- Spends witnessed strong growth of 33% YoY/7% QoQ, led by corporate spends (up 329% YoY/30% QoQ), while retail spends grew slower at 14% YoY/3% QoQ. Amid higher transactors, spends grew healthy while receivables declined 4%.
- GNPA ratio increased 1bp QoQ to 2.86%, while NNPA ratio declined 1bp QoQ to 1.28%. ECL declined 6bp QoQ to 3.3%, while PCR rose 64bp QoQ to 56.1%.

Nitin Aggarwal - Research Analyst (Nitin.Aggarwal@MotilalOswal.com)

Research Analyst: Dixit Sankharva (Dixit.Sankharva@MotilalOswal.com) | **Disha Singhal** (Disha.Singhal@MotilalOswal.com)

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Highlights from the management commentary

- The company witnessed a reversal of provisions of INR1.21b; however, the same has not been written back in P&L in 3QFY26.
- C/I ratio is guided to remain within the 55–57% range, supported by higher spend levels in the current year. Next year, opex may rise moderately as the card base expands.
- NIMs are influenced by two factors: 1) yields, which are witnessing a gradual decline due to a lower share of revolving balances, and 2) cost of funds, which is expected to remain stable in the absence of rate cuts.
- Corporate spends accounted for 20% of total spends and are expected to maintain a similar mix going forward.

Valuation and view

SBICARD reported a mixed performance in 3Q, marked by lower provisions and an improving credit cost outlook, even as receivables declined due to a higher transactor mix. Credit costs stood at 8.3% (which would have been lower by ~50–60bp had the INR1.21b write-back been realized in P&L), with the trajectory turning more favorable going forward. NIMs are expected to remain under pressure as yields carry a negative bias, while the cost of funds is likely to stay range-bound. Corporate spends, which supported growth during the quarter, are expected to be maintained at around 20% of the overall mix. Asset quality is anticipated to improve further, aided by lower forward flows and a supportive macro environment. **We reduce our earnings estimates by 4%/6.5% for FY26/FY27, considering a contraction in margins and a decline in receivables, while credit costs are likely to witness a modest decline. We expect SBICARD to post an RoA/RoE of 3.85%/17.9% by FY27E. Reiterate Neutral with a revised TP of INR875 (24x Sep'27E EPS).**

Quarterly performance

(INR b)											
	FY25				FY26E				FY25	FY26E	FY26E V/s our
	1Q	2Q	3Q	4Q	1Q	2Q	3QA	4QE			3QE Est
Net Interest Income	14.8	15.0	15.7	16.2	16.8	17.3	17.5	16.7	58.9	68.3	17.9
% Change (Y-o-Y)	19.7	15.8	13.2	14.5	13.8	15.2	11.5	3.1	14.4	16.0	13.7
Other Income	22.4	22.7	23.7	24.2	25.4	26.5	28.2	28.6	95.7	108.7	27.2
Total Income	37.2	37.7	39.4	40.4	42.2	43.8	45.7	45.3	154.6	177.0	45.0
Operating Expenses	18.2	20.1	21.1	20.7	21.2	24.8	26.0	25.9	80.1	97.9	25.2
Operating Profit	19.0	17.6	18.3	19.6	21.0	18.9	19.7	19.4	74.5	79.1	19.9
% Change (Y-o-Y)	25.4	13.3	13.0	7.2	10.5	7.7	7.7	-1.0	14.3	6.1	8.6
Provisions	11.0	12.1	13.1	12.5	13.5	12.9	12.2	11.7	48.7	50.4	12.6
Profit before Tax	8.0	5.5	5.2	7.2	7.5	6.0	7.5	7.7	25.8	28.7	7.3
Tax	2.0	1.4	1.3	1.8	1.9	1.6	1.9	2.0	6.6	7.4	1.9
Net Profit	5.9	4.0	3.8	5.3	5.6	4.4	5.6	5.7	19.2	21.3	5.4
% Change (Y-o-Y)	0.2	-32.9	-30.2	-19.4	-6.5	10.0	45.2	7.4	-20.4	11.2	41.0
Operating Parameters											
Loan (INRb)	508.1	536.0	528.1	539.3	546.3	578.6	552.2	579.8	539.3	579.8	569.6
Loan Growth (%)	21.5	23.0	12.0	9.9	7.5	7.9	4.6	7.5	9.9	7.5	7.9
Borrowings (INRb)	408.7	432.2	439.1	449.5	461.8	492.3	462.2	484.1	449.5	484.1	468.5
Borrowing Growth (%)	24.0	26.8	15.5	12.7	13.0	13.9	5.3	7.7	12.7	7.7	7
Asset Quality											
Gross NPA (%)	3.1	3.3	3.2	3.1	3.1	2.9	2.9	2.8	3.1	2.7	3.1
Net NPA (%)	1.1	1.2	1.2	1.5	1.4	1.3	1.3	1.2	1.4	1.2	1.3
PCR (%)	64.4	64.4	64.4	53.5	54.3	55.4	56.1	57.0	53.5	57.0	56.3

Source: Company, MOFSL

Quarterly snapshot

Profit and Loss (INR b)	FY25				FY26			Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
Interest Income	22.4	22.9	24.0	24.2	24.9	24.9	25.4	6	2
Interest Expenses	7.7	7.9	8.3	8.0	8.1	7.6	7.9	-5	3
Net Interest Income	14.8	15.0	15.7	16.2	16.8	17.3	17.5	12	1
Other Income	22.4	22.7	23.7	24.2	25.4	26.5	28.2	19	6
Fee Income	19.3	19.6	20.2	20.9	21.9	22.7	23.7	17	4
Others	3.1	3.1	3.4	3.2	3.5	3.8	4.5	31	18
Total Income	37.2	37.7	39.4	40.4	42.2	43.8	45.7	16	4
Operating Expenses	18.2	20.1	21.1	20.7	21.2	24.8	26.0	23	5
Employee	1.3	1.5	1.5	1.5	1.6	1.6	1.8	21	17
Others	16.8	18.6	19.5	19.2	19.6	23.3	24.1	23	4
Operating Profits	19.0	17.6	18.3	19.6	21.0	18.9	19.7	8	4
Provisions	11.0	12.1	13.1	12.5	13.5	12.9	12.2	-7	-5
PBT	8.0	5.5	5.2	7.2	7.5	6.0	7.5	45	25
Taxes	2.0	1.4	1.3	1.8	1.9	1.6	1.9	43	24
PAT	5.9	4.0	3.8	5.3	5.6	4.4	5.6	45	25
Balance Sheet									
Loans	508.1	536.0	528.1	539.3	546.3	578.6	552.2	5	-5
Borrowings	408.7	432.2	439.1	449.5	461.8	492.3	462.2	5	-6
Receivable Mix (%)									
Transactor	38.0	40.0	40.0	41.0	40.0	44.0	44.0	400	0
Revolver	24.0	23.0	24.0	24.0	24.0	22.0	22.5	-150	50
EMI	38.0	37.0	36.0	35.0	36.0	34.0	33.5	-250	-50
Asset Quality (INR b)									
GNPA	16.1	18.2	17.7	17.2	17.4	17.1	16.4	-8	-4
NNPA	5.7	6.5	6.3	8.0	7.9	7.6	7.2	14	-5
Asset Quality Ratios (%)									
GNPA	3.06	3.27	3.24	3.08	3.07	2.85	2.86	-38	1
NNPA	1.11	1.19	1.18	1.46	1.42	1.29	1.28	10	-1
PCR (Calc.)	64.4	64.4	64.4	53.5	54.3	55.4	56.1	-829	66
Credit Cost	8.7	9.0	9.9	9.2	9.9	8.9	8.9	-109	-9
ECL	3.6	3.6	3.6	3.4	3.5	3.3	3.3	-30	0
Business Ratios (%)									
Fees to Total Income	51.9	51.9	51.4	51.8	51.9	51.8	51.8	39	4
Cost to Income	48.9	53.4	53.5	51.4	50.3	56.8	56.8	334	9
Sourcing channel Mix (%)									
SBI	42.0	38.0	55.0	63.0	56.0	50.0	44.0	-1,100	-600
Open Market	58.0	62.0	45.0	37.0	44.0	50.0	56.0	1,100	600
Spend Mix (%)									
Corporate Spends	6.8	6.7	6.2	9.8	11.6	16.3	19.8	1,367	352
Retail Spends	93.2	93.3	93.8	90.2	88.4	83.7	80.2	-1,367	-352
Profitability Ratios (%)									
Yield on loans	16.8	16.4	16.5	17.0	17.0	16.5	16.3	-20	-20
Cost of borrowings	7.5	7.4	7.4	7.2	7.1	6.4	6.5	-90	10
Spreads	9.3	9.0	9.1	9.8	9.9	10.1	9.8	70	-30
Margins	10.9	10.6	10.6	11.2	11.2	11.2	11.0	40	-20
RoA	4.1	2.7	2.4	3.4	3.4	2.6	3.2	80	60
RoE	19.1	12.5	11.5	15.5	15.8	12.1	14.7	320	260
Other Details									
New accounts added (000)	904	904	1,175	1,109	873	936	864	-26	-8
O/S Cards (Mn)	19.2	19.6	20.2	20.8	21.2	21.5	21.8	8	1
Spends (INRb)	771.3	818.9	860.9	883.7	932.4	1,070.6	1,147.0	33	7
- Retail Spends (INRb)	718.8	764.0	807.9	797.1	824.0	896.1	919.6	14	3
- Corporate Spends (INRb)	52.5	55.0	53.0	86.6	108.4	174.5	227.4	329	30
-Spends market share (%)	15.9	15.8	15.6	15.6	16.6	16.8	17.7	210	90
-O/S cards market share (%)	18.5	18.5	18.7	18.9	19.1	19.0	18.8	10	-20

Source: Company, MOFSL



Highlights from the management commentary

Opening Remarks

- India continues to progress towards becoming the world's third-largest economy, with GDP currently at USD4.18t.
- Industry-wide credit card spends reached INR17.67t, while transaction volumes grew 26% YoY.
- The company continues to enter strategic partnerships with leading brands; a recent partnership with Apple (iPhone 17) helped drive higher spends.
- CIF increased 8% YoY, with sourcing split at 56% from open market and 44% via bancassurance.
- SBICARD remains the second-largest player, with a 17.7% market share in spends and 18.8% CIF market share in 3QFY26.
- Online transactions accounted for 62% of retail spends during the quarter, while corporate spends recorded strong growth.
- UPI-linked credit card usage grew 20% QoQ across key metrics.
- Operating expenses rose, primarily due to higher corporate spends.
- A one-time expense of INR120m was recognized in line with the new labor code implementation.
- A higher share of transactors impacted yields, which stood at 16.3% in 3QFY26.
- CoF is expected to remain stable going forward.
- Asset quality has improved over recent quarters, resulting in a healthier portfolio mix; gross credit cost declined to 8.3% from 9%.
- Lower Stage 2 and Stage 3 assets led to improved slippages.
- Capital adequacy remained strong at 24.4%. RoA improved 79bp YoY and 59bp QoQ to 3.2%, while RoE rose 322bp YoY and 262bp QoQ to 14.7%.

Credit Cost and ECL

- The company has seen reversal of provisions of INR1.21b; however, the same has not been written-back in P&L in 3QFY26.
- Given the volatility in gross credit costs, management chose not to write back provisions to smooth earnings.
- The ECL release was driven by the adoption of new data, which led to a decline in balances across Stage 1, 2, and 3, resulting in partial provision releases, while management overlays were maintained.
- The company remains focused on reducing gross credit costs over the coming quarters, noting that credit costs had been as low as 6-7% in earlier years.
- Collection efficiencies continue to improve, supported by increased collection intensity.
- For UPI-linked credit cards, two additional entities (TSCs and PSCs) are involved and are required to receive their share of MDR.

Opex and Other Income related

- The company targets card acquisitions of 0.9-1.0m per quarter; while this elevates opex in the near term, it is viewed as a long-term investment. From 4Q onwards, management does not expect a sharp rise in corporate-related expenses.
- C/I ratio is guided to remain within the 55–57% range, supported by higher spend levels in the current year. Next year, opex may rise moderately as the card base expands.

NIMs, Cost and Yields

- NIMs are influenced by two factors: 1) yields, which are witnessing a gradual decline due to a lower share of revolving balances, and 2) cost of funds, which is expected to remain stable in the absence of rate cuts.
- With yields stabilizing, management expects CoF to stay largely unchanged going forward.

Spends; Loans and Receivables

- AUM growth is not viewed as a structural concern, as retail payment volumes and transaction counts continue to grow steadily. Spends growth of 15% trails transaction growth, indicating increased usage of credit cards for smaller-ticket transactions.
- The company has tightened new customer acquisition to contain credit costs, leading to a marginal downward bias in revolving balances. Focus remains on installment-based assets, given the stickiness of revolvers. Growth will be pursued selectively where opportunities exist.
- The third quarter exhibits seasonality; however, spend quality has improved and spends per card have increased.
- SBICARD continues to see ample growth opportunities and plans to scale through new initiatives.
- Management is targeting customer acquisitions of ~1m per quarter going forward.
- While growth opportunities remain strong, the company will prioritize customer quality in expansion.
- Category-wise, online spends such as travel and entertainment witnessed a notable uptick.
- The company aims to add ~1m accounts per quarter, with bancassurance contributing 50–55% and the balance from open market sourcing. New co-branded partnerships have been launched to support customer acquisition.
- Corporate spends accounted for 20% of total spends and are expected to maintain a similar mix going forward.
- New customer vintages are showing a lower revolving mix, a trend expected to persist in coming quarters. While application volumes continue to rise, underwriting standards remain selective.
- Asset growth is expected to trail spend growth next year, as customers increasingly act as transactors rather than revolvers.

Others

- The company had earlier contributed to the PIDF and subsequently received regulatory clarification that further payments were not required. Consequently, PIDF contributions made between June 2024 and June 2025 were reversed, totaling INR700m, of which INR510m was recognized under other income and INR190m was adjusted against opex.
- Capital adequacy improved further, supported by profit accretion and a reduction in risk-weighted assets.

Story in charts

Exhibit 1: Spends increased 33.2% YoY (up 7.1% QoQ)

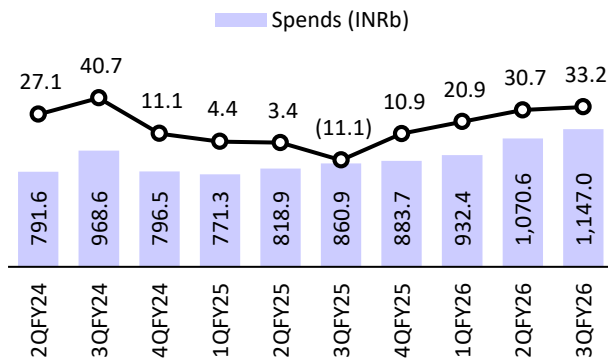


Exhibit 2: Mix of retail spending declined to 80% from 94% in 3QFY25, as corporate spends picked up pace

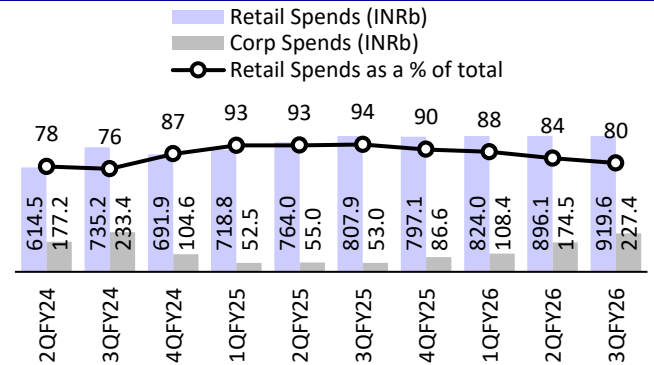


Exhibit 3: O/S cards increased ~7.9% YoY to 21.8m

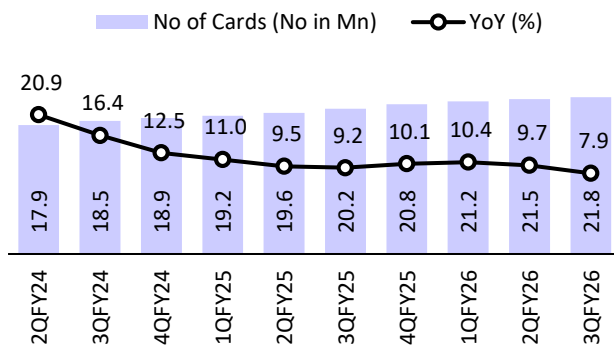


Exhibit 4: Margins contracted to 11% in 3QFY26

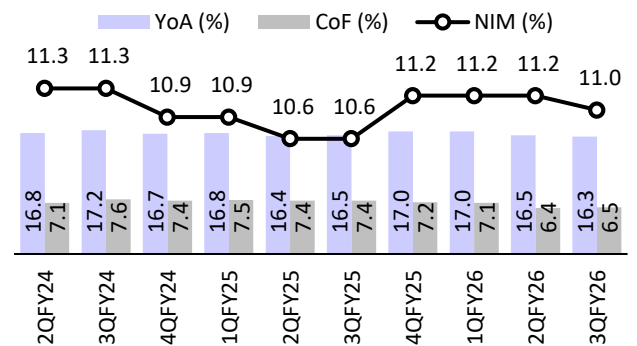


Exhibit 5: Revolver mix stood at 23% amid higher transactors

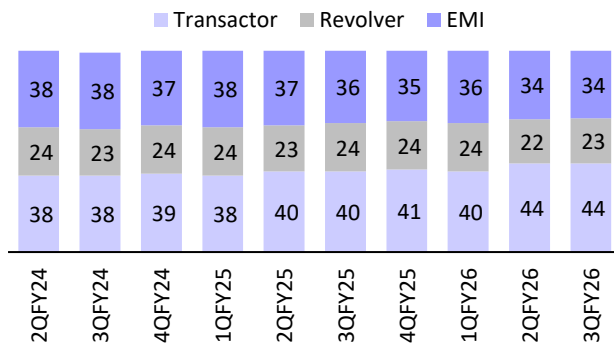


Exhibit 6: New cards sourcing mix: SBI sourcing stood at 44%

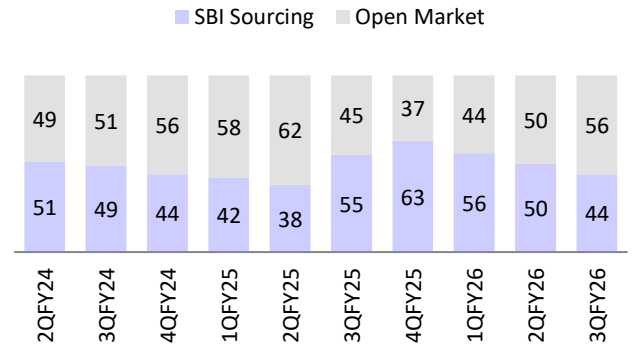


Exhibit 7: Credit cost declined to 8.3%; ECL flat at 3.3%

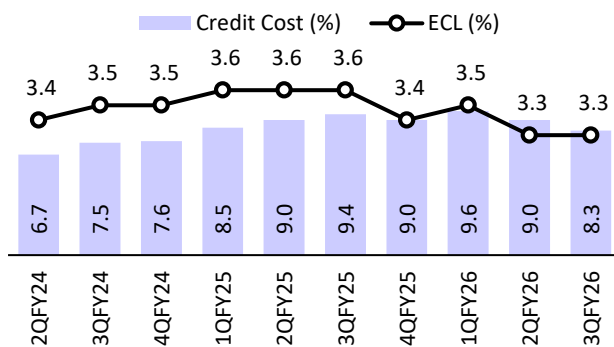
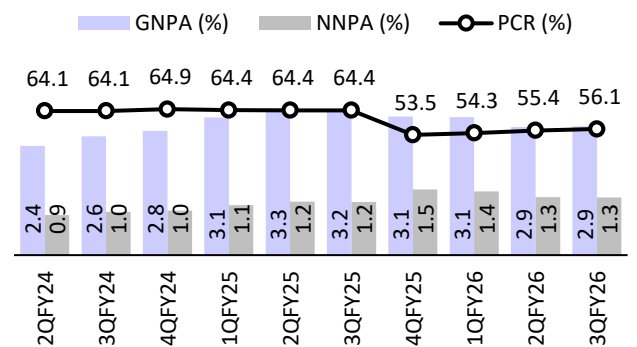


Exhibit 8: GNPA ratio increased 1bp; NNPA ratio decreased by 1bp QoQ; PCR increased to 56.1%



Source: MOFSL, Company

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Valuation and view

- SBICARD reported a mixed performance in 3Q, marked by lower provisions and an improving credit cost outlook, even as receivables declined due to a higher transactor mix.
- Credit cost stood at 8.3% (which would have been lower by ~50–60bps had the INR1.21b write-back been realized in P&L), with the trajectory turning more favorable going forward.
- NIMs are expected to remain under pressure as yields carry a negative bias, while the cost of funds is likely to stay range-bound. Corporate spends, which supported growth during the quarter, are expected to be maintained at around 20% of the overall mix.
- Asset quality is anticipated to improve further, aided by lower forward flows and a supportive macro environment.
- **We reduce our earnings estimates by 4%/6.5% for FY26/FY27, considering a contraction in margins and a decline in receivable, while credit costs are likely to witness a modest decline. We expect SBICARD to post an RoA/RoE of 3.85%/17.9% by FY27E. Reiterate Neutral with a revised TP of INR875 (24x Sep'27E EPS).**

Exhibit 9: We reduce our earnings estimate by 4%/6.5%/1.8% for FY26E/27E/28E

INR b	Old Estimates			New Estimates			Change (%/bps)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Net Interest Income	70.0	80.4	94.0	68.3	76.3	90.2	-2.4	-5.1	-4.1
Other Income	106.9	125.3	147.0	108.7	125.7	147.5	1.7	0.3	0.3
Total Income	176.9	205.7	241.0	177.0	202.0	237.7	0.1	-1.8	-1.4
Operating Expenses	96.0	111.2	130.5	97.9	112.9	132.5	2.0	1.5	1.5
Operating Profits	80.9	94.5	110.5	79.1	89.1	105.2	-2.2	-5.7	-4.8
Provisions	51.1	50.8	57.3	50.4	48.3	52.9	-1.3	-5.0	-7.7
PBT	29.8	43.7	53.2	28.7	40.8	52.3	-3.9	-6.5	-1.8
Tax	7.7	11.1	13.6	7.4	10.4	13.3	-3.9	-6.5	-1.8
PAT	22.2	32.5	39.7	21.3	30.4	39.0	-3.9	-6.5	-1.8
Loans	594	681	795	580	664	775	-2.5	-2.5	-2.5
Margins (%)	11.9	12.2	12.3	11.8	11.9	12.1	-14	-33	-21
Credit Cost (%)	8.70	7.70	7.50	8.70	7.50	7.10	0	-20	-40
RoA (%)	3.17	4.07	4.28	3.06	3.85	4.25	-11	-23	-3
RoE (%)	15.0	18.9	19.3	14.5	17.9	19.3	-54	-102	-3
EPS	23	34	42	22	32	41	-3.9	-6.5	-1.8
BV	165	197	236	164	194	232	-0.5	-1.6	-1.6
ABV	160	192	231	159	188	227	-0.3	-2.0	-1.7

Source: Company, MOFSL

Exhibit 10: DuPont analysis – estimate return ratios to be broadly range-bound

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	15.1	14.9	14.7	14.2	13.8	14.0
Interest Expense	4.1	5.0	5.1	4.4	4.2	4.2
Net Interest Income	11.0	9.9	9.5	9.8	9.6	9.8
Fee Income	16.5	15.7	12.9	13.3	13.6	13.8
Trading and others	4.1	3.0	2.5	2.3	2.3	2.3
Non Interest income	20.5	18.8	15.5	15.6	15.9	16.1
Total Income	31.5	28.7	25.0	25.4	25.5	25.9
Operating Expenses	18.6	16.1	12.9	14.1	14.3	14.4
-Employee cost	1.4	1.1	1.0	1.0	1.0	1.0
-Others	17.2	15.0	12.0	13.1	13.3	13.5
Operating Profits	12.9	12.6	12.0	11.4	11.3	11.5
Provisions	5.4	6.3	7.9	7.2	6.1	5.8
PBT	7.6	6.2	4.2	4.1	5.2	5.7
Tax	1.9	1.6	1.1	1.1	1.3	1.5
RoA	5.6	4.6	3.1	3.1	3.8	4.3
Leverage (x)	4.6	4.7	4.8	4.7	4.6	4.5
RoE	25.7	22.0	14.8	14.5	17.9	19.3

Financials and valuations

Income Statement						(INR b)
Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	60.5	77.4	90.7	98.9	109.4	128.4
Interest Expense	16.5	26.0	31.8	30.6	33.1	38.2
Net Interest Income	44.0	51.5	58.9	68.3	76.3	90.2
-growth (%)	16.0	17.0	14.4	16.0	11.7	18.2
Non Interest Income	82.4	97.4	95.7	108.7	125.7	147.5
Total Income	126.4	148.9	154.6	177.0	202.0	237.7
-growth (%)	23.0	17.8	3.8	14.5	14.1	17.6
Operating Expenses	74.5	83.7	80.1	97.9	112.9	132.5
Pre Provision Profits	51.9	65.2	74.5	79.1	89.1	105.2
-growth (%)	17.2	25.6	14.3	6.1	12.7	18.1
Provisions (excl tax)	21.6	32.9	48.7	50.4	48.3	52.9
PBT	30.3	32.3	25.8	28.7	40.8	52.3
Tax	7.7	8.2	6.6	7.4	10.4	13.3
- Tax Rate (%)	25.5	25.5	25.7	25.7	25.5	25.5
PAT	22.6	24.1	19.2	21.3	30.4	39.0
-growth (%)	39.7	6.6	-20.4	11.2	42.7	28.1
Total Comprehensive Income	22.6	24.1	19.2	21.3	30.4	39.0
-growth (%)	38.7	6.7	-20.3	11.1	42.7	28.1

Balance Sheet

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	9.46	9.51	9.51	9.51	9.51	9.51
Reserves & Surplus	88.84	111.33	128.30	146.95	174.71	210.92
Net Worth	98.3	120.8	137.8	156.5	184.2	220.4
Borrowings	311.1	398.9	449.5	484.1	547.0	629.1
-growth (%)	35.4	28.2	12.7	7.7	13.0	15.0
Other Liabilities & Prov.	46.1	62.0	68.2	95.4	114.5	138.6
Total Liabilities	455.5	581.7	655.5	736.0	845.8	988.1
Current Assets	13.5	27.3	27.4	33.1	40.4	49.3
Investments	21.4	35.2	62.4	79.2	91.1	104.7
-growth (%)	64.9	64.5	77.2	27.0	15.0	15.0
Loans	393.6	490.8	539.3	579.8	663.9	775.4
-growth (%)	30.4	24.7	9.9	7.5	14.5	16.8
Fixed Assets	5.7	5.6	3.3	5.1	5.7	6.3
Other Assets	21.2	22.8	23.1	38.7	44.7	52.3
Total Assets	455.5	581.7	655.5	736.0	845.8	988.1

Asset Quality

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
GNPA (INR b)	9.6	14.0	17.2	16.2	19.9	19.6
NNPA (INR b)	3.5	4.9	8.0	7.0	7.8	6.7
GNPA Ratio	2.4	2.8	3.1	2.7	2.9	2.5
NNPA Ratio	0.9	1.0	1.4	1.2	1.2	0.9
Slippage Ratio	6.0	7.3	9.5	6.5	6.1	6.1
Credit Cost	6.0	7.2	9.1	8.7	7.5	7.1
PCR (Excl Tech. write off)	63.6	64.9	53.5	57.0	60.7	65.7

E: MOFSL Estimates

Financials and valuations

Business Metrics

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total No of Cards (Nos in Mn)	16.8	18.9	20.8	23.9	28.0	32.6
Total spends (INR b)	2,625.0	3,295.9	3,334.8	3,901.7	4,643.0	5,478.8
Spends per card (INR k)	156.2	174.4	160.3	163.1	165.9	168.0
Loans per card (INR)	23	26	26	24	24	24
Fee income earned per card	3,931	4,320	3,848	3,880	3,838	3,876

Ratios

Y/E March	FY23	FY24	FY25	FY26E	FY27E	FY28E
Yield & Cost Ratios (%)						
Avg. Yield on loans	16.8	16.9	17.0	17.1	17.0	17.2
Avg. Cost of Borrowings	6.1	7.3	7.5	6.6	6.4	6.5
Interest Spread	10.7	9.6	9.5	10.5	10.6	10.7
Net Interest Margin	12.2	11.2	11.0	11.8	11.9	12.1
Capitalisation Ratios (%)						
CAR	23.1	20.5	22.9	25.2	25.0	24.7
Tier I	20.4	16.5	17.5	18.4	18.9	19.2
CET 1	20.4	16.5	17.5	17.0	17.5	17.5
Tier II	2.7	4.0	5.4	6.9	6.2	5.5
Business ratios (%)						
Cost/Assets	18.6	16.1	12.9	14.1	14.3	14.4
Cost/Total Income	58.9	56.2	51.8	55.3	55.9	55.7
Int. Expense/Int.Income	27.2	33.5	35.0	30.9	30.3	29.8
Other income/Total Income	65.2	65.4	61.9	61.4	62.2	62.1
Empl. Cost/Total Expense	7.5	6.8	7.4	6.9	6.9	6.7

Valuation

RoE	25.7	22.0	14.8	14.5	17.9	19.3
RoA	5.6	4.6	3.1	3.1	3.8	4.3
RoRWA	6.2	4.6	2.9	2.9	3.7	4.0
Book Value (INR)	104	127	145	164	194	232
-growth (%)	26.4	22.3	14.0	13.5	17.7	19.7
Price-BV (x)	7.6	6.2	5.4	4.8	4.1	3.4
Adjusted BV (INR)	101	123	139	159	188	227
Price-ABV (x)	7.7	6.4	5.6	4.9	4.2	3.5
EPS (INR)	23.9	25.4	20.1	22.4	32.0	41.0
-growth (%)	39.3	6.2	-20.6	11.2	42.7	28.1
Price-Earnings (x)	32.8	30.9	39.0	35.0	24.6	19.2

E: MOFSL Estimates

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Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

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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

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