

LIC Housing Finance

Estimate change

TP change

Rating change



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Bloomberg	LICHF IN
Equity Shares (m)	505
M.Cap.(INRb)/(USDb)	207.2 / 2.8
52-Week Range (INR)	542 / 256
1, 6, 12 Rel. Per (%)	-13/-10/16
12M Avg Val (INR M)	2174

Financials & Valuations (INR b)

Y/E March	2021	2022E	2023E
NII	52.4	52.4	58.9
PPP	46.9	45.1	52.4
PAT	27.3	19.6	29.0
EPS (INR)	54.2	35.6	52.7
EPS Gr. (%)	13.8	-34.3	48.1
BV/Sh (INR)	398	436	479

Ratios

NIM (%)	2.4	2.2	2.2
C/I ratio (%)	13.0	15.8	13.0
RoAA (%)	1.2	0.8	1.1
RoE (%)	14.4	8.9	11.5
Payout (%)	15.7	17.5	17.5

Valuations

P/E (x)	7.6	11.5	7.8
P/BV (x)	1.0	0.9	0.9
Div. Yield (%)	2.1	1.3	1.9

Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	40.3	40.3	40.3
DII	15.6	16.8	10.6
FII	28.8	28.2	34.3
Others	15.3	14.7	14.8

FII Includes depository receipts

CMP: INR410
TP: INR525 (+28%)
Buy

Miss across the board; asset quality surprises negatively

- PAT declined by 81% YoY (78% miss) to INR1.5b in 1QFY22. Higher than estimated finance costs of INR36b led to a 13% miss on our NII estimate. Elevated credit costs of INR8.3b (est. INR4.5b) added to the large PAT miss. Large wage revisions undertaken in 1QFY22 have led to a spike in operating expenses, leading to a weak operating performance (PPOP miss of 23% at INR10.3b. Adjusted for wage revision, it was a 13% miss).
- It delivered a healthy loan growth in Home loans. However, LAP and developer book growth has slowed down. Collection efficiency improved to 98% in Jun'21.
- Asset quality surprised negatively, with a sharp rise (+44% QoQ) in GS3 to INR138b. GS3 rose to 5.9% v/s 4.1% QoQ. The GS3 coverage ratio declined by 650bp QoQ to ~33%. Total restructured pool stood at INR53.5b (2.3% of loans), of which a large part (INR47b) is Builder loans.
- While asset quality pain has been pronounced, we draw comfort from LICHF's ability to source low-cost liabilities (due to its strong parentage), favorable Housing Finance cycle, and 11-12% RoE. Valuation at 0.9x FY23E P/BV is attractive. Even though LICHF is still working with the stock exchanges to resolve issues around the capital raise, we have it factored into our estimates. We reiterate our BUY rating with a TP of INR525/share (1.1x FY23E BVPS).

Second COVID wave impacts business activity; disbursements impacted

- Home loan/LAP/Builder loan disbursements stood at INR76.5b/INR7.65b/INR2.4b and were 40%/35%/20% of 4QFY21 levels.
- Total loan book was flat QoQ at INR2.32t (up 11% YoY). Loan mix in 1QFY22 was tilted slightly in favor of Home loans ~78.3%.
- The share of disbursements from cities other than the top seven continues to decline at 56% v/s 61%/58% in 3Q/4QFY21.

Big surprise on credit cost, Stage 3 PCR fell sharply to 33%

- The sharp spike in GS3 assets at INR138b (up 44% QoQ) has led to a higher provisioning charge. Stage 3 PCR fell to 33% v/s 40% QoQ.
- There was a sharp deterioration in asset quality across product segments. Developer/Project GNPA deteriorated to 24.4% (down 640bp QoQ). Our estimates suggest that in addition GS3, its Developer/Project book has at least 25% of restructured advances and ~16% in Stage 2.
- Total restructured advances stood at INR53.5b (of which ~88% were loans to Corporate/Developers). Against this, LICHF has made additional provisions of INR5b. Around INR1.5b of COVID-related provisions were booked in 1QFY22. There were no write-offs in the quarter.

Research Analyst: Alpesh Mehta (Alpesh.Mehta@MotilalOswal.com) | Abhijit Tibrewal (Abhijit.Tibrewal@MotilalOswal.com)

Research Analyst: Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com) | Divya Maheshwari (Divya.Maheshwari@MotilalOswal.com)

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Spreads under pressure

- Yields (calculated) declined by ~36bp QoQ/118bp YoY to 8.3%, while cost of funds inched up 13bp QoQ to 6.9% (down 108bp YoY). As a result, spreads compressed by 48bp QoQ to 1.45% (up 10bp YoY).
- Finance charges of INR36b (up 5% QoQ) booked in 1QFY22 surprised us, as the incremental cost of funds raised at 5% is down 12bp QoQ. The share of CP borrowings fell 200bp down to 4%, offset by a 100bp gain each in the share of bank/NCD borrowings at 26%/55%.

Highlights from the management commentary

- The management expects a higher disbursement volume run-rate in 2QFY22 (similar to 4QFY21).
- Once every four years, there is a wage revision. LICHF has paid INR1.3b in arrears in 1QFY22. It expects a 15% YoY rise in employee expenses in FY22.

Valuation and view

- We expect the capitalization/leverage concerns for LICHF to be ironed out once they are able to resolve the stalemate on the equity capital raise with the exchanges. However, asset quality has surprised us negatively. Given its parentage, it has been able to raise debt capital at low rates, which should keep margin healthy in a highly competitive environment.
- We cut our FY22E EPS estimate by ~40% to factor in higher opex (because of the one-time impact from wage revisions) and elevated credit costs. While we expect FY22E to be impacted, we estimate ~1.1%/12% RoA/RoE in FY23E, after having penciled in the likely impact of the preferential allotment of fresh equity shares to the promoter. **We maintain our Buy rating with a TP of INR525/share (1.1x FY23E BVPS).**

Quarterly performance (INR m)

Y/E March	FY21				FY22				FY21	FY22E	FY22E 1QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	49,851	49,382	48,761	48,978	48,253	48,776	49,751	51,711	1,96,971	1,98,490	47,859	1
Interest Expenses	37,645	37,002	35,951	33,929	35,500	35,855	36,572	38,192	1,44,526	1,46,119	33,250	7
Net Interest Income	12,206	12,380	12,810	15,049	12,753	12,921	13,179	13,518	52,445	52,371	14,609	-13
YoY Growth (%)	3.3	-1.1	2.2	32.7	4.5	4.4	2.9	-10.2	8.8	-0.1	19.7	
Fees and other income	-76	437	479	666	338	250	275	337	1,506	1,200	390	-13
Net Income	12,130	12,817	13,289	15,715	13,091	13,171	13,454	13,856	53,951	53,571	14,999	-13
YoY Growth (%)	0.7	0.3	3.7	40.0	7.9	2.8	1.2	-11.8	10.4	-0.7	23.7	
Operating Expenses	1,367	1,615	1,686	2,347	2,815	1,696	1,813	2,131	7,015	8,455	1,640	72
Operating Profit	10,763	11,202	11,603	13,368	10,276	11,475	11,641	11,724	46,936	45,117	13,359	-23
YoY Growth (%)	-2.0	-1.2	1.5	49.5	-4.5	2.4	0.3	-12.3	9.9	-3.9	24.1	
Provisions and Cont.	587	1,109	1,907	9,848	8,346	5,500	3,500	3,069	13,450	20,415	4,500	85
Profit before Tax	10,177	10,093	9,696	3,520	1,929	5,975	8,141	8,656	33,486	24,702	8,859	-78
Tax Provisions	2,002	2,184	2,426	-469	395	1,240	1,689	1,802	6,142	5,126	1,860	-79
Net Profit	8,175	7,909	7,270	3,989	1,534	4,735	6,452	6,854	27,343	19,576	6,999	-78
YoY Growth (%)	33.9	2.4	21.7	-5.3	-81.2	-40.1	-11.3	71.8	13.8	-28.4	-14.4	
Key Operating Parameters (%)												
Yield on loans (Cal.)	9.49	9.34	9.00	8.66	8.31	8.32	8.28	8.27	9.03	8.26		
Cost of funds (Cal.)	7.94	7.82	7.45	6.73	6.86	6.89	6.86	6.89	7.24	6.72		
Spreads (Cal.)	1.55	1.52	1.54	1.93	1.45	1.43	1.42	1.38	1.79	1.54		
Margin (Cal.)	2.32	2.34	2.36	2.66	2.20	2.20	2.19	2.16	2.33	2.13		
Credit Cost (Cal.)	0.11	0.21	0.35	1.74	1.44	0.94	0.58	0.49	0.62	0.85		
Cost-to-Income Ratio	11.3	12.6	12.7	14.9	21.5	12.9	13.5	15.4	13.0	15.8		
Tax Rate	19.7	21.6	25.0	-13.3	20.5	20.8	20.8	20.8	18.3	20.8		
Balance Sheet Parameters												
Loans (INR b)	2,098	2,133	2,202	2,320	2,325	2,364	2,440	2,561	2,281	2,522		
Change YoY (%)	6.1	5.1	5.7	10.2	10.8	10.8	10.8	10.4	9.7	10.6		
Indiv. Disb. (INR b)	34	116	160	212	84	120	160	210	522	574		
Change YoY (%)	-63.9	-0.8	30.7	94.0	147.4	3.1	0.0	-0.7	17.8	10.0		
Borrowings (INR b)	1,883	1,903	1,955	2,076	2,064	2,097	2,165	2,270	2,079	2,270		
Change YoY (%)	8.8	6.4	5.7	8.6	9.6	10.2	10.7	9.4	8.6	9.2		
Loans/Borrowings (%)	111.5	112.1	112.6	111.8	112.7	112.7	112.7	112.8	109.7	111.1		
Asset Quality Parameters												
GS 3 (INR b)	59.4	59.5	59.0	95.6	137.9				95.6	133.4		
Gross Stage 3 (% on Assets)	2.8	2.8	2.7	4.1	5.9				4.1	5.2		
NS 3 (INR b)	32.7	31.8	29.5	57.4	91.8				57.4	74.7		
Net Stage 3 (% on Assets)	1.6	1.5	1.4	2.5	4.0				2.5	3.0		
PCR (%)	44.9	46.6	49.9	39.9	33.5				39.9	44.0		
ECL (%)	1.27	1.30	1.34	1.71	2.03				1.71	2.03		
Loan Mix (%)												
Home loans	76.8	76.5	77.0	77.9	78.3				77.9	78.3		
LAP	16.2	16.3	15.8	15.3	15.0				15.3	15.0		
Non-Individual loans	7.0	7.2	7.2	6.8	6.7				6.8	6.7		
Borrowing Mix (%)												
Banks	20.0	22.8	24.5	25.0	26.0				25.0	26.0		
NCD	62.0	59.9	56.7	54.0	55.0				54.0	55.0		
Subsidiary Debt	1.0	0.5	0.5	1.0	1.0				1.0	1.0		
Deposits	8.0	8.6	8.7	9.0	9.0				9.0	9.0		
NHB	5.0	5.0	4.7	5.0	5.0				5.0	5.0		
CP	4.0	3.1	4.8	6.0	4.0				6.0	4.0		

E: MOFSL estimates



Highlights from the management commentary

Business updates

- Since Jun'21 there has been an improvement in the economic activity.
- The Individual Housing Loan portfolio was up 13% YoY. Individual Home loans comprise ~78% of the total loan book.
- Disbursements in Project loans stood at INR2.37b in 1QFY22.
- LTV across products stood at 44%/33%/34% in Individual Home loans/LAP/Non-Housing Commercial loans.
- Interest expenses appear to be higher on a sequential basis, but this is off a low base. In 4QFY21, there was some impact of contingent liabilities, which led to lower interest expenses.
- Overall INR4.5b of ECLGS loans have been disbursed, of which INR1.4b were undertaken in 1QFY22. Of the total disbursements in 1QFY22, INR80m were in the Retail segment (total Retail segment sanctions stand at INR650m).

Asset quality

- GS3 stood at 5.93% (up 180bp QoQ). There was a resolution of a LAP Corporate account, which was in NCLT. LICHF has recovered INR1b. There were no write-offs in 1QFY22.
- In T2/T3 cities, where its footprint is very high, it saw some delinquencies. In Jun'21, there was a good recovery in collections.

Restructuring

- It restructured INR23.5b in 1QFY22. The total restructured pool stands at INR53.5b. Provisions were made as per IRAC norms.
- Restructured assets are all classified under Stage 1 and 2, and the majority of these assets will be in Stage 1.
- **It expects additional restructuring under RBI OTR 2.0, but the same generally picks up towards the end of the restructuring window.**
- In 4QFY21, INR2.8b was taken as an appropriation only to the extent of the difference between the RBI prescribed restructuring of 10% and ECL provisions. This impairment reserve stood at INR3.5b in 1QFY22.
- **Non-Retail restructured pool | 4QFY21: INR17b; 1QFY22: INR21b; Total non-Retail restructured pool stood at INR47b. It received INR7b-8b of restructuring requests from the LRD book in 4QFY21 and 1QFY22.**
- Collection efficiency (in volume terms) at 30% in NPL accounts. These customers are making some part payment. Monthly collection efficiency stands at 98% in regular accounts.

Segmental Stage 3

- Individual Housing Loans: 2.6% (v/s 1.9% in 4QFY21) (Stage 3: INR47.27b).
- Individual non-Housing (LAP): 10.99% (Stage 3: INR22.53b).
- Non-Individual non-Housing: 18.91% (Stage 3: INR277b).
- Developer GNPA: 24.4% (Stage 2/Stage 3 of INR24.9b/INR38.89b).
- Overall ratio is at 4.57% (Stage 3: INR135.77b).
- Part of the LRD is in the Project book and the remaining will be in the non-Individual non-Housing book.

Operating expenses

- Once every four years, there is a wage revision. LICHF has paid INR1.3b in arrears in 1QFY22. It expects a 15% YoY rise in employee expenses in FY22.

Guidance

- The management expects a higher disbursement volume run-rate in 2QFY22 (similar to 4QFY21).

Capital raise

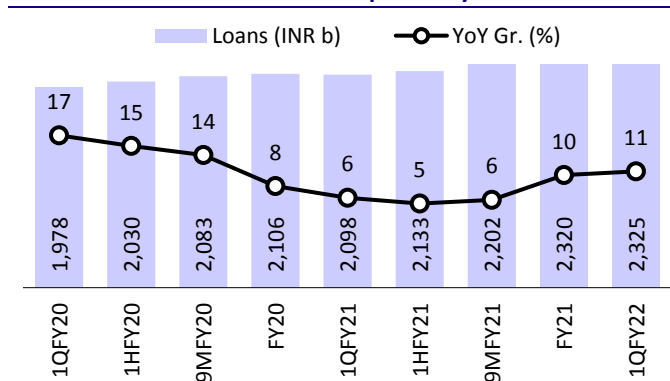
- It has been working on instructions from the stock exchanges and said it would not like to comment on this matter.
- **The management has not filed any appeal with SAT nor has it heard from SEBI.**
- Stock exchanges have asked it to withhold the results of the e-voting, and LICHF has complied with the same.

Others

- **Top 10 developer accounts: INR20b.**
- **The total LRD book stood at INR90b.**
- LICHF is offering Home loans at 6.66% under a festive scheme.
- It launched Project RED in association with the BCG group. Video KYC and video PD have already been rolled out.
- Out of the customers who were NPLs, ~50% have been making some kind of payment.
- **Interest reversal is not at a very high proportion in 1QFY22 since it is allowed to accrue interest even on NPAs under Ind AS.**

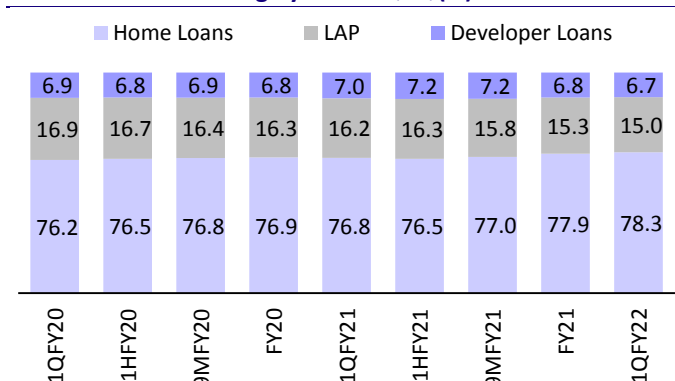
Key exhibits

Exhibit 1: Loan book was flat sequentially



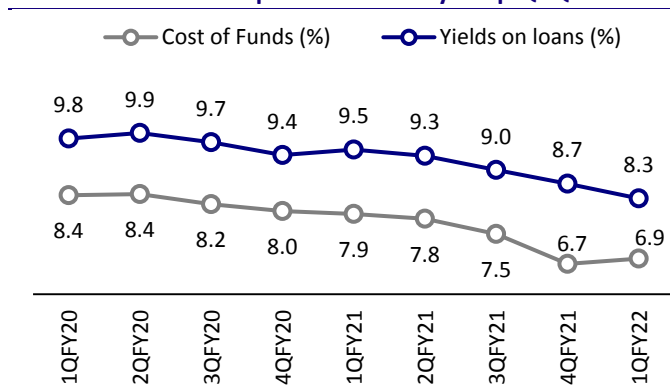
Source: MOFSL, Company

Exhibit 2: Loan mix largely stable QoQ (%)



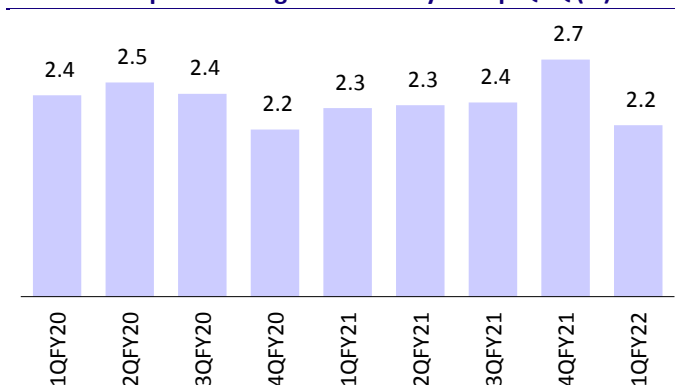
Source: MOFSL, Company

Exhibit 3: Calculated spreads decline by 48bp QoQ to 1.45%



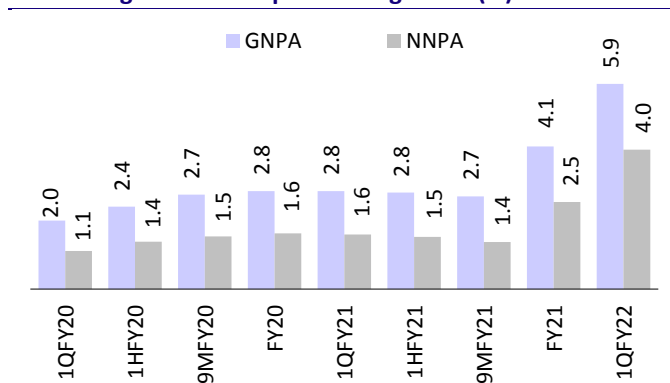
Source: MOFSL, Company

Exhibit 4: Reported margin declines by ~45bp QoQ (%)



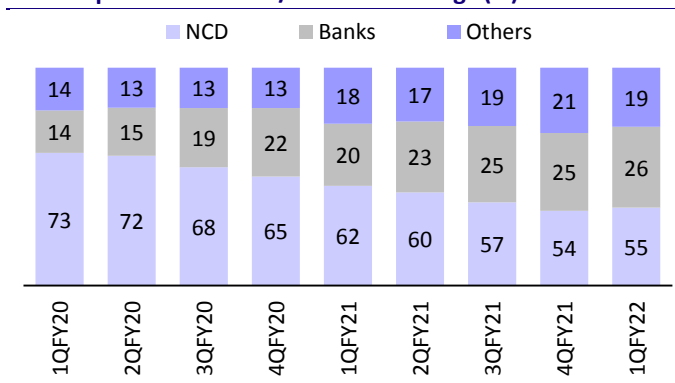
Source: MOFSL, Company

Exhibit 5: GS3 deteriorates by ~180bp QoQ, with the weakening seen across product segments (%)



Source: MOFSL, Company; Note: Including SC dispensation for 9MFY21

Exhibit 6: Share of CP borrowings down 200bp QoQ and were replaced with NCD/bank borrowings (%)



Source: MOFSL, Company, CP share at 4%

Valuation and view

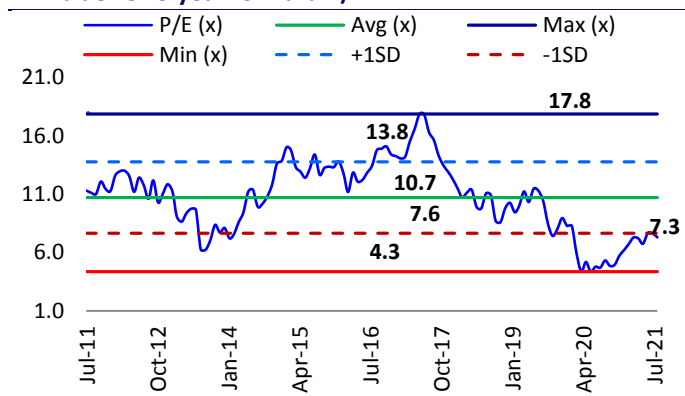
- **LICHF's incremental cost of funds stood ~5% in 1QFY22.** With a decline in the cost of funds, the company should be able to keep spreads stable in the wake of pricing pressure from Banks.
- **While collection efficiency of 98% in Jun'21 is encouraging,** the sharp rise in Stage 3 loans is concerning. As highlighted earlier, this has only got exacerbated due to the impact of the second COVID wave. We now estimate ~85bp/60bp credit costs in FY22E/FY23E.
- While loan growth was muted in 1Q (flat QoQ), we expect healthy growth in disbursements for the remainder of FY22, given the encouraging trends being seen in 2Q. **We expect 11% loan book CAGR over FY21-24E.**
- While asset quality pain has been pronounced, we draw comfort from LICHF's ability to source low-cost liabilities (due to strong parentage), favorable Housing Finance cycle, and healthy RoE (12%) in FY23E. Valuation at 0.9x FY23E P/BV are undemanding, especially in the context of this strong franchise.
- We cut our FY22E EPS estimate by ~40% to factor in lower loan growth, and higher opex and credit costs. We maintain our Buy rating with a TP of INR525/share (1.1x FY23E BVPS).

Exhibit 7: Cut our FY22E EPS estimate by ~40% to factor in lower NII, and higher opex and credit cost

INR b	Old estimate			New estimate			Change (%)		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
NII	60.7	68.8	77.7	52.4	58.9	66.6	-13.8	-14.3	-14.2
Other Income	1.7	1.9	2.1	1.2	1.3	1.4			
Net Income	62.4	70.6	79.8	53.6	60.3	68.0	-14.2	-14.7	-14.7
Operating Expenses	7.6	8.3	9.1	8.5	7.8	8.6	10.6	-6.1	-6.4
Operating Profit	54.8	62.3	70.7	45.1	52.4	59.5	-17.6	-15.9	-15.8
Provisions	13.3	14.9	16.7	20.4	16.0	17.8	53.6	7.3	6.4
PBT	41.5	47.4	54.0	24.7	36.5	41.7	-40.4	-23.1	-22.7
Tax	8.7	10.0	11.3	5.1	7.5	8.6			
PAT	32.8	37.5	42.6	19.6	29.0	33.2	-40.3	-22.6	-22.2
Loans	2,552	2,854	3,217	2,522	2,794	3,128	-1.2	-2.1	-2.8
Borrowings	2,297	2,568	2,895	2,270	2,515	2,815	-1.2	-2.1	-2.8
Spreads (%)	1.94	1.91	1.92	1.54	1.52	1.52			
RoAA (%)	1.3	1.3	1.4	0.8	1.1	1.1			
RoAE (%)	14.5	14.1	14.2	8.9	11.5	12.0			

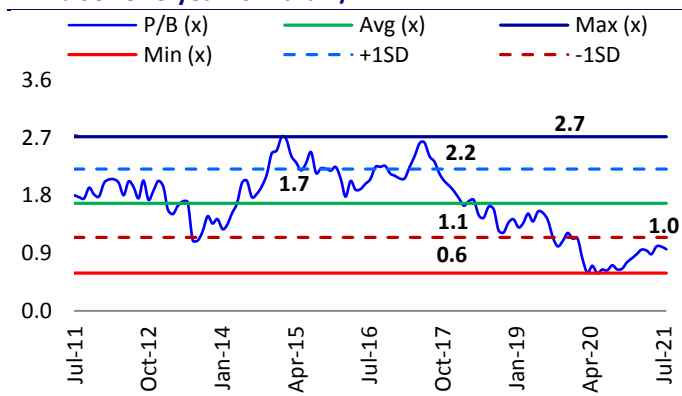
Source: MOFSL, Company

Exhibit 8: One-year forward P/E



Source: MOFSL, Company

Exhibit 9: One-year forward P/B



Source: MOFSL, Company

Financials and valuations

Income Statement									(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Interest Income	1,22,509	1,38,767	1,46,662	1,71,628	1,96,054	1,96,971	1,98,490	2,26,422	2,59,814
Interest Expense	93,068	1,02,315	1,11,439	1,28,915	1,47,839	1,44,526	1,46,119	1,67,478	1,93,208
Net Interest Income	29,441	36,452	35,223	42,713	48,215	52,445	52,371	58,943	66,606
Change (%)	31.6	23.8	-3.4	21.3	12.9	8.8	-0.1	12.5	13.0
Fee Income	1,453	1,102	356	348	394	788	1,000	1,100	1,200
Other Income	893	934	1,388	1,669	250	718	200	220	242
Net Income	31,787	38,489	36,968	44,730	48,859	53,951	53,571	60,263	68,048
Change (%)	27.7	21.1	-4.0	21.0	9.2	10.4	-0.7	12.5	12.9
Operating Expenses	4,687	6,118	4,396	4,754	6,167	7,015	8,455	7,843	8,556
Operating Profit	27,100	32,371	32,572	39,976	42,692	46,936	45,117	52,420	59,491
Change (%)	28.5	19.4	0.6	22.7	6.8	9.9	-3.9	16.2	13.5
Provisions/write-offs	1,465	2,813	4,917	6,181	10,002	13,450	20,415	15,950	17,766
PBT	25,636	29,558	27,655	33,796	32,690	33,486	24,702	36,470	41,725
Tax	9,028	10,247	7,630	9,486	8,672	6,142	5,126	7,476	8,554
Tax Rate (%)	35.2	34.7	27.6	28.1	26.5	18.3	20.8	20.5	20.5
PAT	16,608	19,311	20,025	24,310	24,018	27,343	19,576	28,994	33,171
Change (%)	19.8	16.3	3.7	21.4	-1.2	13.8	-28.4	48.1	14.4
Proposed Dividend	3,333	3,759	3,998	4,471	4,040	4,292	3,421	5,067	5,797

Balance Sheet									(INR m)
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Capital	1,010	1,010	1,010	1,010	1,010	1,010	1,101	1,101	1,101
Reserves and Surplus	90,450	1,21,351	1,37,404	1,57,112	1,76,881	1,99,911	2,38,676	2,62,603	2,89,977
Net Worth	91,460	1,22,361	1,38,413	1,58,122	1,77,891	2,00,921	2,39,776	2,63,703	2,91,078
Borrowings	11,09,310	12,63,170	14,53,099	17,06,670	19,13,317	20,78,615	22,70,155	25,14,940	28,14,937
Change (%)	14.9	13.9	15.0	17.5	12.1	8.6	9.2	10.8	11.9
Other liabilities	0	1,19,285	1,19,385	1,41,043	76,848	76,797	88,317	1,01,564	1,16,799
Total Liabilities	12,00,769	15,04,816	17,10,898	20,05,835	21,68,056	23,56,333	25,98,248	28,80,207	32,22,814
Investments	2,768	33,694	19,722	35,951	54,964	46,356	46,356	50,992	56,091
Change (%)	16.7	1,117.1	-41.5	82.3	52.9	-15.7	0.0	10.0	10.0
Loans	12,51,730	14,47,167	16,61,623	19,29,927	20,79,880	22,81,143	25,22,395	27,94,377	31,27,707
Change (%)	15.5	15.6	14.8	16.1	7.8	9.7	10.6	10.8	11.9
Net Fixed Assets	920	965	971	1,359	2,544	2,470	2,841	3,267	3,757
Other assets	-54,649	22,990	28,582	38,598	30,669	26,364	26,657	31,571	35,259
Total Assets	12,00,769	15,04,816	17,10,898	20,05,835	21,68,056	23,56,333	25,98,248	28,80,207	32,22,814

E: MOFSL estimates

Financials and valuations

Ratios	(%)								
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Spreads Analysis (%)									
Yield on loans	10.5	10.3	9.4	9.6	9.8	9.0	8.3	8.5	8.8
Cost of funds	9.0	8.6	8.2	8.2	8.2	7.2	6.7	7.0	7.3
Spreads Analysis (%)	1.52	1.7	1.2	1.4	1.6	1.8	1.5	1.5	1.5
Margin	2.5	2.7	2.3	2.4	2.4	2.4	2.2	2.2	2.2
Profitability Ratios (%)									
Adj. RoAE	19.6	18.1	15.4	16.4	14.3	14.4	8.9	11.5	12.0
Adj. RoAA	1.5	1.4	1.2	1.3	1.2	1.2	0.8	1.1	1.1
Int. Expended/Int. Earned	76.0	73.7	76.0	75.1	75.4	73.4	73.6	74.0	74.4
Other Inc./Net Income	2.8	2.4	3.8	3.7	0.5	1.3	0.4	0.4	0.4
Efficiency Ratios (%)									
Fees/Operating income	1.2	0.8	0.2	0.2	0.2	0.4	0.5	0.5	0.5
Op. Exps./Net Income	14.7	15.9	11.9	10.6	12.6	13.0	15.8	13.0	12.6
Empl. Cost/Op. Exps.	32.1	40.2	50.8	52.1	48.5	41.8	49.5	43.0	45.3
Asset-Liability Profile (%)									
Loans/Borrowings Ratio	112.8	114.6	114.4	113.1	108.7	109.7	111.1	111.1	111.1
Debt/Equity (x)	12.1	10.3	10.5	10.8	10.8	10.3	9.5	9.5	9.7
Gross NPAs (INR m)	5,678	6,271	13,036	30,754	59,594	95,585	1,33,421	1,47,393	1,63,031
Gross NPAs to Adv.	0.5	0.4	0.8	1.6	2.8	4.1	5.2	5.1	5.1
Net NPAs (INR m)	2,705	2,053	7,117	15,514	33,474	57,414	74,680	72,841	70,866
Net NPAs to Adv.	0.2	0.1	0.4	0.8	1.6	2.5	3.0	2.6	2.3
Valuation									
Book Value (INR)	181.1	242.3	274.1	313.1	352.3	397.9	435.7	479.2	528.9
Growth (%)	17.0	33.8	13.1	14.2	12.5	12.9	9.5	10.0	10.4
Price-to-BV (x)	2.3	1.7	1.5	1.3	1.2	1.0	0.9	0.9	0.8
EPS (INR)	32.9	38.2	39.7	48.1	47.6	54.2	35.6	52.7	60.3
Growth (%)	19.8	16.3	3.7	21.4	-1.2	13.8	-34.3	48.1	14.4
Price-to-Earnings (x)	12.6	10.8	10.4	8.6	8.7	7.6	11.5	7.8	6.8
Adj. EPS (INR)	32.9	38.2	39.7	48.1	47.6	54.2	35.6	52.7	60.3
Growth (%)	23.3	16.3	3.7	21.4	-1.2	13.8	-34.3	48.1	14.4
Price-to-Earnings (x)	12.6	10.8	10.4	8.6	8.7	7.6	11.5	7.8	6.8
Dividend Per Share	5.5	6.2	6.8	7.6	8.0	8.5	5.3	7.9	9.0
Dividend Yield (%)	1.3	1.5	1.6	1.8	1.9	2.1	1.3	1.9	2.2

E: MOFSL estimates

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

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