

Piramal Enterprises

Bloomberg	PIEL IN
Equity Shares (m)	239
M.Cap.(INRb)/(USDb)	175.5 / 2.1
52-Week Range (INR)	1142 / 630
1, 6, 12 Rel. Per (%)	5/-17/-42
12M Avg Val (INR M)	1426

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
PPOP	28.3	30.6	39.8
PAT	98.5	15.7	19.5
PAT (ex-exceptional)	17.9	15.7	19.5
EPS	-	66	82
EPS Gr. (%)	-	-	24.0
BV/Sh. (INR)	1,301	1,336	1,386
RoA (%)	1.9	1.8	2.0
RoE (%)	5.3	5.0	6.0

Valuation

P/E (x)	1.8	11.2	9.0
P/BV (x)	0.6	0.6	0.5
Dividend yield (%)	4.2	4.4	4.9

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	43.5	43.5	43.5
DII	9.6	8.1	8.4
FII	29.2	31.7	35.4
Others	17.8	16.7	12.7
FII Includes depository receipts			

CMP: INR736
TP: INR1,000 (+36%)
Buy

Stressed asset resolutions and normalization in credit costs

Healthy growth in retail to offset the rundown in wholesale AUM

- PIEL reported a net loss of ~INR2b in 4QFY23 (PY: Net loss of ~INR450m) on account of 1) MtM loss of ~INR3.8b on Shriram investments and 2) a 52% YoY jump in opex to ~INR6.7b. FY23 PAT grew 5% YoY to INR19b (excluding exceptional gain of ~INR80b pertaining to demerger).
 - NII declined 18% YoY/11% QoQ to INR9.2b because of lower interest income accretion, driven by the rundown in the wholesale book.
 - Reported credit costs declined to ~INR3b in 4QFY23 (PQ: ~INR15.4b). Write-offs in 4QFY23 stood at INR6.44b (PQ: INR7.7b). Total ECL provisions declined by ~380bp QoQ to 6.2% of AUM (PQ: 10%).
 - Wholesale AUM declined 16% YoY to ~INR319b, while Wholesale 1.0 AUM declined 33% YoY to ~INR291b. The management seemed committed to running down the stressed wholesale exposures through monetization of exposures, one-time settlements and portfolio sales to ARCs for cash or security receipts (SRs). More importantly, the management sounded confident that the realization from resolution of stressed exposures should not result in any significant additional credit costs in the quarters ahead.
 - Retail AUM grew ~50% YoY to ~INR321b, with the retail mix improving to 50% (PQ: 43%). The retail engine (across Home Loans, LAP, Pre-owned Cars and all other unsecured products) is scaling up well, with a strong focus on risk management and aggressive provisioning on 90+dpd unsecured loans.
 - We believe that PIEL has already travelled through stressed asset recognition and the corresponding provisioning phase. It is now embarking on the resolution phase and this quarter was a testament to that. A few more quarters of successful resolutions in wholesale would bring greater conviction in the normalization of credit costs and can trigger a potential rerating in the stock.
 - We estimate a ~19% AUM CAGR over FY23-25, including further moderation in the Wholesale book and a 42% CAGR in Retail AUM over the same period. With a high capital adequacy of 31% and proceeds from a potential stake sale in Shriram Finance later this year, PIEL will have its task cut out to decide whether to utilize the excess capital on the balance sheet for any inorganic opportunities or find means to return it to shareholders.
- Retain BUY with a TP of INR1,000 (premised on Mar'25E SoTP).**

Moderation in credit costs suggests normalization in quarters ahead

- GNPA (IRAC) improved by ~20bp QoQ to 3.8%, while NNPA deteriorated ~20bp to 1.9% of AUM. PCR on S3 loans declined by ~17pp QoQ to ~50%.
- PIEL exited Mytrah Energy, having an outstanding exposure of INR19.1b (PCR of ~78%), leading to a sharp reduction in Stage 3. Including this, PIEL concluded four stressed asset monetization transactions during the quarter using a combination of asset sales and ARC sales.
- Annualized credit costs stood at 1.9% in 4QFY23 (9MFY23: 10.3%).

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- Wholesale Stage 2 + 3 declined ~40% QoQ, driven by resolutions of stressed exposures. With higher focus on recoveries/monetization, Wholesale 1.0 will continue to moderate in FY24. In Wholesale 2.0, it is building a granular lending book across real estate and Corporate Mid-Market (CMML).

Retail disbursement yields improve led by better product mix

- PIEL's 4QFY23 retail disbursements rose 34% QoQ to ~INR68.3b, driven by growth across both digital and phygital products.
- Disbursement yields for retail loans with > 1 year duration improved to 14.2% in 4QFY23 (PY: 12.5%), driven by a better product mix. Unsecured loans (including microfinance) contributed 46% to the total retail disbursements in 4QFY23 and 20% to retail AUM.

NIM should improve aided by higher yields; opex will remain elevated

- Average CoB declined ~100bp YoY to 8.6% in FY23, despite a rising interest rate environment. NIM (as a % of AUM) expanded ~50bp YoY to 5.8%.
- The FY23 cost-to-income ratio was high at ~53% because of investments in scaling up retail in terms of manpower, branches and technology infrastructure. The management has guided for an opex-to-average assets ratio of 3.0%, after it has sufficiently scaled up the retail business.

Highlights from the management commentary

- The company targets to achieve a 3% RoA and mid-teens RoE, supported by mid to high-teen AUM growth.
- PIEL is also focused on building a diversified and granular Wholesale 2.0 book, backed by cash flows and assets. It will offer credit to well-capitalized companies across multiple sectors and geographies.
- PIEL received a total consideration of INR46.2b for the sale of underlying assets in FY23. Against this, PIEL received cash receipts of ~INR7b and SRs of ~INR39.2b. SRs were issued at 63% mark-down to face value of underlying assets.

Valuation and view

- Over the past two years, PIEL has strengthened its balance sheet by running down its Wholesale loan book; improved texture of its borrowings (driving lower cost of borrowings); and fortified itself against contingencies with ECL provisions at 6.2% of AUM.
- Over the next two years, we expect the company to make meaningful inroads into Retail, led by mortgages/LAP and complemented by a good mix of unsecured loans. Product diversification within Retail will help PIEL deliver strong growth and reduce concentration risks. We expect PIEL to deliver ~2.0% RoA and 6% RoE in the near term. We would also acknowledge that PIEL has some pockets of value: a) deferred tax assets relating to fair value adjustments at the time of DHFL acquisition, b) recoveries from written-off exposures, and c) fee income levers, which it can leverage for better profitability.
- We have a target multiple at 0.7x P/BV for the lending business. **Retain BUY with a TP of INR1,000 (premised on Mar'25 SoTP).**

Quarterly Performance

(INR m)

Y/E March	FY22				FY23				FY22	FY23
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	15,397	15,330	21,578	22,923	20,392	18,437	20,062	19,206	75,228	78,097
Interest Expenses	9,432	9,140	12,493	11,752	10,514	10,129	9,733	10,035	42,251	40,412
Net Interest Income	5,965	6,190	9,085	11,171	9,878	8,307	10,329	9,171	32,977	37,685
YoY Growth (%)					65.6	34.2	13.7	-17.9		
Other operating income	548	407	528	545	585	500	12,254	-582	2,027	12,757
Other Income	227	271	440	916	231	625	555	113	1,854	1,524
Total Income	6,741	6,868	10,052	12,631	10,694	9,433	23,138	8,702	36,858	51,966
YoY Growth (%)					58.6	37.4	130.2	-31.1		
Operating Expenses	2,094	2,094	3,099	4,429	4,415	5,411	5,587	6,735	12,284	22,148
Operating Profit	4,646	4,773	6,953	8,202	6,278	4,022	17,551	1,967	24,574	29,818
YoY Growth (%)					35.1	-15.7	152.4	-76.0		
Provisions & Loan Losses	-760	-683	-970	10,713	902	32,567	16,958	4,035	8,299	54,461
Profit before Tax	5,407	5,456	7,923	-2,511	5,376	-28,545	594	-2,068	16,275	-24,643
Tax Provisions	1,341	984	2,108	-371	1,454	-6,938	-34,319	22	4,062	-39,781
PAT (before associate income)	4,066	4,473	5,815	-2,140	3,922	-21,608	34,913	-2,090	12,213	15,137
Associate Income	1,509	1,002	1,739	1,689	1,493	1,721	541	131	5,939	3,886
PAT (before exceptional)	5,574	5,474	7,554	-451	5,415	-19,887	35,454	-1,959	18,152	19,023
Exceptional items	0	-1,529	0	0	76,140	4,523	0	0	-1,529	80,663
Profit from Discontinued operations	-236	320	1,326	1,956					3,365	-
PAT (after exceptional)	5,338	4,265	8,880	1,505	81,555	-15,364	35,454	-1,959	19,988	99,686
YoY Growth (%)										
Key Parameters (Calc., %)										
Yield on loans	13.4	13.6	11.4	11.6	11.7	10.9	12.4	12.8	14	13
Cost of funds	10.1	9.5	9.1	9.1	8.8	8.8	8.4	0.0	9.1	7.7
Spread	3.3	4.1	2.3	2.5	2.9	2.1	4.0	12.8	5.3	5.3
NIM	4.5	3.8	3.5	3.2	4.6	4.6	6.5	0.0	6.3	6.3
C/I ratio	31	30	31	35	41	57	24	77	33	43
Tax rate	25	18	27	15	27	24			25	161
Balance Sheet Parameters										
Retail Disbursements (INR m)	1,950	5,130	7,370	14,800	24,590	39,730	51,110	68,280	29,250	1,83,710
Total AUM (INR b)	472	670	658	652	646	638	649	640	652	640
Growth (%)	-17	21	31	34	39	-3	7	0	34	0
AUM mix (%)										
Wholesale	89	67	67	67	66	61	57	57	67	50
Retail	11	33	33	33	34	39	43	43	33	50
Asset Quality Parameters										
GS 3 (INR m)	20,280	19,500	21,580	22,270	23,620	22,100	42,640	20,550	22,270	20,550
GS 3 (%)	4.3	2.9	3.5	3.4	3.7	3.7	4.0	3.8	3.4	3.8
NS 3 (INR m)	9,900	9,490	11,220	9,980	10,800	7,350	13,970	10,380	9,980	10,380
NS 3 (%)	2.2	1.5	1.9	1.6	1.8	1.3	1.7	1.9	1.6	1.9
PCR (%)	51.2	51.3	48.0	55.2	54.3	66.7	67.2	49.5	55.2	49.5
Total ECL (%)	5.8	4.0	4.0	5.7	6.2	8.6	10.0	6.2	5.7	6.2

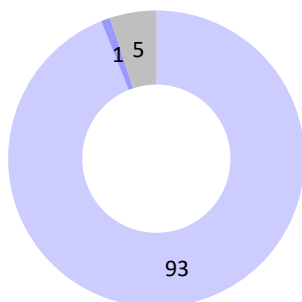
E: MOFSL estimates

Texture on Wholesale Book

The company has shared valuable insights on its wholesale book.

Exhibit 1: Real estate lending forms a majority of wholesale book (%)

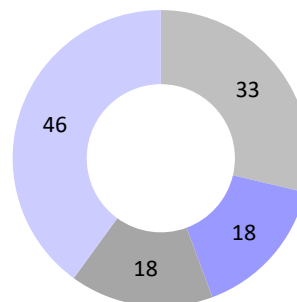
Real estate Corporate finance CMML



Note: Excludes development right of INR13.4b and DHFL's wholesale loans of ~INR6.5b
Source: MOFSL, Company

Exhibit 2: Basis stage of construction (%)

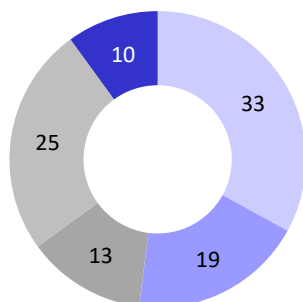
Early stage Mid stage Late stage Completed



Source: MOFSL, Company;

Exhibit 3: 10% of loans have ticket size of over INR5b (%)

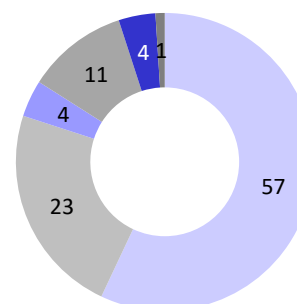
<INR500m INR500m-INR1b INR1b-INR2b
INR2b-INR5b >INR5b



Source: MOFSL, Company;

City-wise loan mix (%)

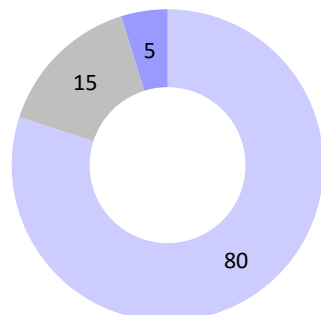
MMR Bengaluru Pune NCR Chennai Others



Source: MOFSL, Company;

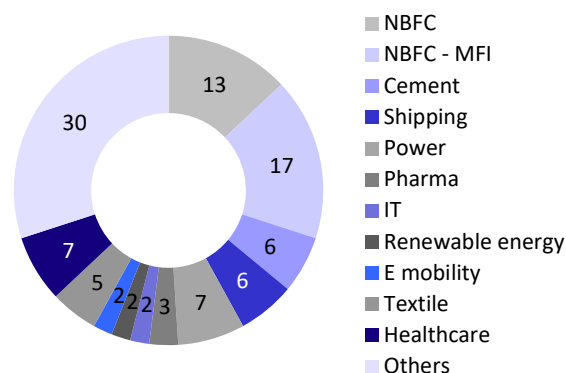
Exhibit 4: Wholesale – Stage-wise loan mix (%)

Stage 1 Stage 2 Stage 3



Source: MOFSL, Company

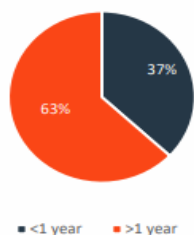
Exhibit 5: Industry-wise loan mix



Source: MOFSL, Company

Exhibit 6: Scaling up partnerships with Fintech and Consumer Tech companies

Digital Embedded Finance: Scaling-up Partnerships With Fintech And Consumer Tech Firms

Digital Loans Duration
% AUM

Key Highlights:

20
programs launched~880,000
customers served36 seconds
least time taken for
disbursed loan98%
loans with zero-manual
intervention

Key Capabilities:

- ✓ Highly modular, in-house developed loan origination & rule engine
- ✓ Generic API stack for easy integration
- ✓ Agile squads for rapid go-to-market and scale up
- ✓ Proprietary fraud and underwriting models
- ✓ Deep in-house collections capabilities

20 programs live across 18 partners

Fintech NBFCs	Transaction Platforms	Service Providers	Edtechs / Education Institutes
MSME Platforms	OEMs	Gold Collateral Companies	Product Manufacturers

Our Partners



Source: Company, MOFSL

Exhibit 7: Key products with average ticket size and disbursement yields

Multi-Product Retail Lending Platform Across The Risk-Reward Spectrum – Q4FY23

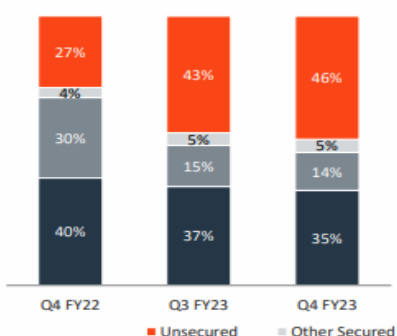
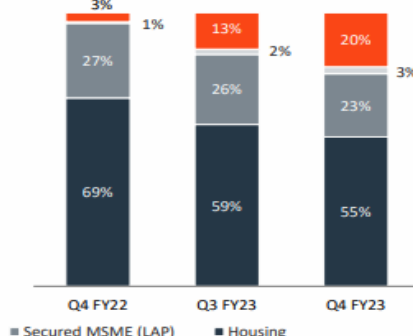
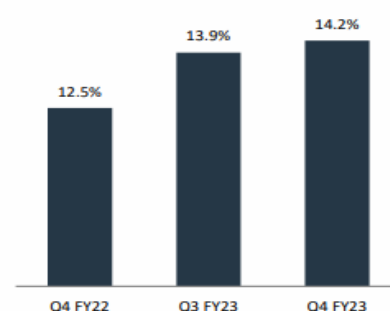
Product Segments	Products	Avg. Disbursement Ticket Size (INR Lakh)	Disbursement Yield (%)	Share in Disbursements (%)	AUM ¹ Yield (%)	Share in AUM ¹ (%)
Housing	Affordable Housing	18.3	10.9%	35.3%	11.2%	54.6%
	Mass Affluent Housing					
	Budget Housing					
Secured MSME (LAP)	Secured Business Loan	20.9	12.5%	14.1%	12.5%	23.0%
	Loan Against Property (LAP)					
	LAP Plus					
Other Secured	Pre-owned Car Loans	6.0	16.1%	4.9%	15.9%	2.6%
Unsecured	Salaried Personal Loans	4.5	17.6%	5.9%	18.2%	2.7%
	Microfinance Loans	0.3	18.8%	6.3%	18.8%	2.9%
	Unsecured Business Loans	6.2	19.3%	7.6%	19.4%	5.2%
	Merchant BNPL					
	Digital Purchase Finance	0.9	19.3%	25.9%	18.2%	9.0%
	Digital Personal Loans					
Weighted Avg. / Total		11.1	14.7%	100%	12.8%	100%

Note: (1) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)

Source: Company, MOFSL

Exhibit 8: Disbursement yields improving with a change in the mix

Moving Towards Target Product Mix, Improving Yields

Disbursements by product family
%, based on value for retail loansRetail AUM¹ by product family
%, based on value for retail loansDisbursement yields
%, for retail loans (loans >1 year duration)Disbursements by duration²
%, based on value for retail loansRetail AUM¹ by duration²
%, based on value for retail loans

Notes: (1) Retail AUM excludes Security Receipts (SRs) & Pass-through certificates (PTC)
(2) Duration refers to Contractual Tenure

Improvement in disbursement yield driven by change in product mix

Source: Company, MOFSL



Highlights from the management commentary

Performance update

- Historical asset quality issues have been fully accounted for.
- Retail AUM is now 50% of the overall AUM (PY: 43%). It has achieved the near-term target of 50% of retail AUM and will now work toward achieving the medium-term target of 66-67% of the retail AUM in the mix.
- PAT for FY23 grew 5% year-on-year to INR19b (excluding exceptional gain of ~INR80b pertaining to the demerger of the pharma business).
- 4QFY23 PAT was a net loss of ~INR2b due to an MTM loss of ~INR3.8b on investments in Shriram. Excluding the impact of the MTM loss, PAT would have been ~INR1.4b for the quarter. As of 5th May'23, the MTM loss has been reversed by INR2.2b.
- Over the last one year, it has added 95 new disbursement active branches. Overall, the company operates a network of 404 conventional branches and 120 microfinance active branches.
- The company operates in 515 districts in 26 states and has a customer franchise of 3m customers with more than 1m active customers.
- Net debt-to equity of 1.3x and consolidated CRAR of 31%.

Mid-term strategy

- It targets mid to high-teen AUM growth and an AUM mix of 2/3rd retail and 1/3rd Wholesale.
- PIEL will endeavor to build a new granular wholesale business under Wholesale 2.0.
- PIEL plans to extensively leverage technology and analytics to achieve growth.
- It targets 3% RoA and mid-teens RoE.
- Guided for steady state cost-to-assets ratio of 3%.

CoF and yields

- On the liability side, ~59% of liabilities are fixed in nature, offering the company a cushion in the rising interest rate cycle.
- The management expects the CoF to rise in 1QFY24, plateau from 2Q onward and then moderate by 4Q in FY24. However, it expects the margins to remain stable since the increase in CoF will be offset by a rise in yields.
- The disbursement yield in 4QFY23 improved to 14.2% (PQ: 13.9% and PY: 12.5%) for loans of >1 year duration.

Products

- The company is consciously pivoting toward a multi-product strategy where the competition from banks is low.
- The major products that the company presently offers are housing, secured MSME, LAP, other secured loans, used car loans and unsecured loans.
- Secured products, i.e., housing, secured MSME, LAP and other secured products, form 80% of retail AUM. These products have 50% of originations from Tier II and III cities with customers having an average CIBIL score of >735.
- The company is witnessing strong growth from multiple channels in the used car and unsecured loan segments.
- PIEL offers home loans at yields of ~12% to customers with an average CIBIL score of >750, which has led to higher BT-Outs in the housing loan segment. BT-OUTs tend to be seasonally higher in 4Q but should again moderate significantly from 1Q onward.

Wholesale Book

- Management shared that the provisioning cycle vis-à-vis wholesale 1.0 stressed exposures is now over.
- PIEL is focusing on resolutions through sell-downs and ARC sales of Stage 2 and 3 assets to further moderate the Wholesale 1.0 book.
- A dedicated team is involved in monitoring and executing the resolution for complex recoveries and the company has employed the following methods for resolution of stressed assets – 1) Monetization of underlying assets, 2) One-time settlements, 3) Enforcement via IBC or other means, and 4) Portfolio sales to ARC for cash and/or SRs.
- The ARC sales are undertaken at post-provisioning/marked down valuations. The company concluded four stressed asset monetization transactions during the quarter through a combination of asset sales and ARC sales.
- PIEL generated over INR125b of cash realization through accelerated repayment and resolution proceeds of the Wholesale 1.0 portfolio.
- The company exited Mytrah Energy, having an outstanding exposure of INR19.1b (PCR of ~70%), leading to a sharp reduction in Stage 3 in a single transaction.
- The company sold assets worth INR46.2b in FY23, against which it received cash receipts of ~INR7b and SRs of ~INR39.2b. SRs were issued at 63% mark-down to face value of underlying assets sold in FY23.
- As of FY23, the company has an outstanding SR portfolio of ~INR32.6b, out of which 44% have retail loans as underlying assets.
- In the wholesale book, 30+ dpd declined to 20% (PQ: 28%). PEIL has reduced the provision cover on 30+dpd by ~160bp QoQ to 8.2% (PQ: 9.8%).

Wholesale 2.0 book

- PIEL is focusing on building a diversified and granular Wholesale 2.0 AUM, backed by cash flows and assets.
- It will offer credit to well-capitalized companies across multiple sectors and geographies.
- It has already built a Wholesale 2.0 AUM of ~INR28b. It will grow this book in a calibrated manner while capitalizing on the market gap.
- ATS in this book is around INR2.2b for real estate loans and INR550m for CMML loans.

Valuation and view

- Over the past two years, PIEL has strengthened its balance sheet by running down its Wholesale loan book; improved texture of its borrowings (driving lower cost of borrowings); and fortified itself against contingencies, with ECL provisions at 6.2% of AUM.
- Over the next two years, we expect the company to make meaningful inroads into Retail, led by mortgages/LAP and complemented by a good mix of unsecured loans. Product diversification within Retail will help PIEL deliver strong growth and reduce concentration risks. We expect PIEL to deliver ~2.0% RoA and 6% RoE in the near term. We would also acknowledge that PIEL has some pockets of value: a) deferred tax assets relating to fair value adjustments at the time of DHFL acquisition, b) recoveries from written-off exposures, and c) fee income levers, which it can leverage for better profitability.
- We have a target multiple at 0.7x P/BV for the lending business. **Retain BUY with a TP of INR1,000 (premised on Mar'25 SoTP).**

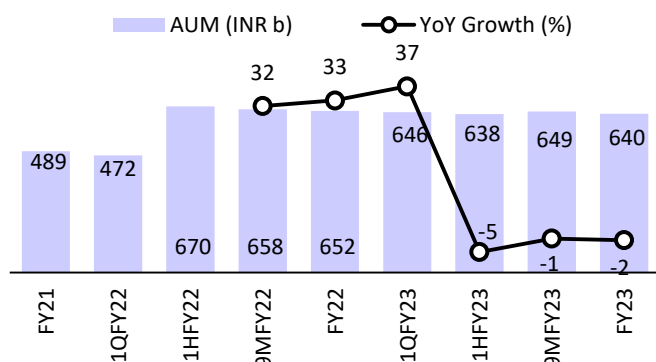
Exhibit 9: SOTP valuation (FY25E-based)

	Value (INR B)	Value (USD B)	INR per share	% To Total	Rationale
Lending Business	164	2.0	690	69	0.7x FY25E PBV
Shriram Group	67	0.8	282	28	Based on its stake in SHFL and Shriram Life/General Insurance Businesses
Life Insurance	3	0.0	11	1	0.3x FY22 EV
Alternatives	4	0.1	17	2	0.3x FY22 Equity
Target Value	238	2.9	1,000	100	

Source: MOFSL, Company

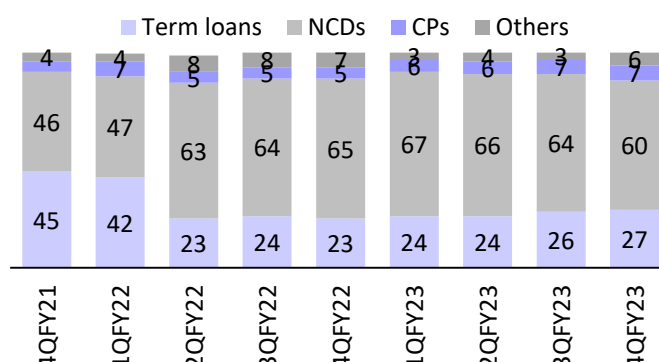
Key exhibits

Exhibit 10: AUM declined 7% YoY (%)



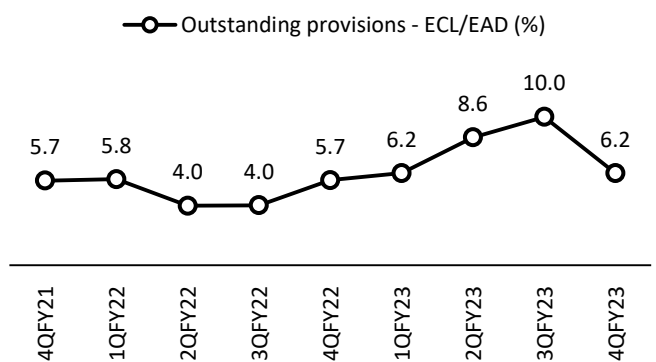
Source: MOFSL, Company

Exhibit 11: Borrowing mix (%)



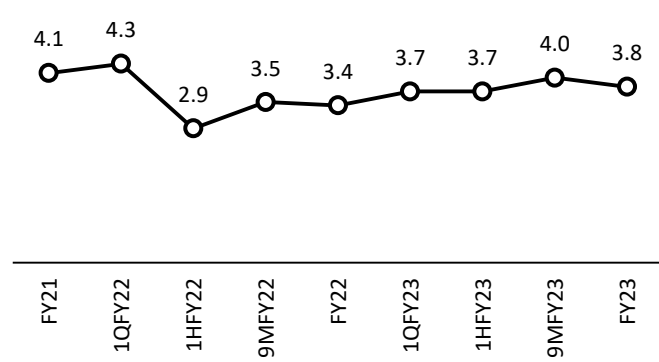
Source: MOFSL, Company

Exhibit 12: ECL/ EAD declined ~380bp QoQ (%)



Source: MOSL, Company

Exhibit 13: GNPA ratio improved QoQ (%)



Source: MOSL, Company

Financials and valuations

Income statement

	INR m			
Y/E March	FY22	FY23	FY24E	FY25E
Interest Income	75,228	77,986	90,027	1,09,695
Interest Expended	42,251	40,412	45,687	54,557
Net Interest Income	32,977	37,574	44,339	55,137
Change (%)	19.1	13.9	18.0	24.4
Other Income	3,881	12,881	11,179	12,103
Net Income	36,858	50,456	55,518	67,241
Change (%)	27.8	36.9	10.0	21.1
Operating Expenses	12,284	22,148	24,921	27,421
PPoP	24,574	28,307	30,597	39,820
Change (%)	9.4	15.2	8.1	30.1
Provisions/write offs	8,299	54,101	10,461	14,782
PBT	16,275	-25,793	20,136	25,037
Tax	4,062	-39,781	5,034	6,259
Tax Rate (%)	19.0	-	25.0	25.0
PAT (before associate income)	12,213	13,987	15,102	18,778
Associate Income	5,939	3,886	600	690
PAT (before exceptional)	18,152	17,873	15,702	19,468
Exceptional items	-1,529	80,663	0	0
PAT (after exceptional)	16,622	98,536	15,702	19,468
Profit from discontinued Operations	3,365	0	0	0
Reported net profit/loss	19,988	98,536	15,702	19,468

Balance sheet

	INR m			
Y/E March	FY22	FY23	FY24E	FY25E
Capital	477	477	477	477
Reserves & Surplus	3,54,414	3,10,114	3,18,416	3,30,190
Net Worth	3,68,369	3,10,591	3,18,893	3,30,667
Borrowings	5,54,510	4,95,828	5,66,666	6,87,529
Change (%)	48	-11	14	21
Other liabilities	39,549	23,891	14,335	11,468
Total Liabilities	9,98,729	8,37,522	8,99,894	10,29,663
Loans and advances	4,93,180	4,63,946	6,71,942	8,42,992
Change (%)	7	-6	45	25
Investments	2,48,565	2,23,318	1,22,825	81,064
Net Fixed Assets	86,715	7,385	8,124	8,936
Cash and Cash equivalents	71,872	46,491	40,000	50,000
Deferred tax assets	13,679	18,472	9,236	4,618
Other assets	71,366	77,910	47,768	42,053
Total Assets	9,98,729	8,37,522	8,99,894	10,29,663

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24E	FY25E
Spreads Analysis (%)				
Yield on loans	14.4	13.0	13.8	13.8
Cost of funds	9.1	7.7	8.6	8.7
Spread	5.3	5.3	5.2	5.1
Net Interest Margin	6.3	6.3	6.8	6.9

Profitability Ratios (%)

RoE	6.6	5.3	5.0	6.0
RoA	2.3	1.9	1.8	2.0
C/I ratio	33.3	43.9	44.9	40.8

Asset Quality (%)

Gross NPA	22,270	20,550	22,360	25,521
Gross NPA (% of AUM)	3.6	3.3	3.0	2.8
Net NPA	9,980	10,380	12,522	15,312
Net NPA (% of AUM)	1.7	1.8	1.8	1.8
PCR (%)	55.2	49.5	44.0	40.0

			INR m	
Y/E March	FY22	FY23	FY24E	FY25E
AUM (INR m)				
YoY growth (%)	6,51,850	6,39,890	7,45,332	9,11,447
AUM Mix (%)				
Wholesale	69.6	49.8	38.2	29.1
Retail	33.1	50.2	61.8	70.9
Total	102.6	100.0	100.0	100.0
Wholesale Loans (INR m)	3,84,620	2,74,960	2,47,464	2,35,091
YoY growth (%)	-2.3	-28.5	-10.0	-5.0
Retail Loans (INR m)	2,15,520	3,21,440	4,60,868	6,46,356
YoY growth (%)	306.4	49.1	43.4	40.2
Total Loan Book	6,00,140	5,96,400	7,08,332	8,81,447
YoY growth (%)	34.4	-0.6	18.8	24.4

VALUATION	FY22	FY23E	FY24E	FY25E
Book Value (INR)	1,544	1,301	1,336	1,386
Price-BV (x)	0.5	0.6	0.6	0.5
EPS (INR)	69.7	412.9	65.8	81.6
EPS Growth YoY	-6	493	-84	24
Price-Earnings (x)	10.6	1.8	11.2	9.0
Dividend per share (INR)		31.0	32.2	35.7
Dividend yield (%)		4.2	4.4	4.9

E: MOFSL Estimates

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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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