

India

**Overweight** (no change)**Highlighted Companies****Aavas Financiers Ltd****HOLD, TP Rs1650, Rs1653 close**

Aavas Financiers' management has indicated AUM growth of ~22-25% with RoE likely at ~15% by FY25F-26F.

**Home First Finance Company****ADD, TP Rs1050, Rs834 close**

Home First Finance Company's AUM growth of 30% is driven by entry into new states and deepening market penetration.

**NBFC****Affordable Housing- A crowded market**

- We believe the healthy demand for affordable housing loans will continue in 2QFY24F, despite high interest rates, uneven monsoon & intense competition.
- Bajaj Finance & IDFC First Bank among big lenders, AU, Ujjivan among SFBs & Chola, Shriram among NBFCs to remain outliers in growth and competition.
- Among HFCs, we continue to prefer Home First Finance over Aavas Financiers due to superior growth, improving return ratios & stable management pedigree.

**Rising competitive intensity is beyond rates & processing charges**

We recently interacted with company managements as well as branches of affordable housing loan companies to understand the current market scenario. Though the demand environment for new houses continues to remain healthy, the competitive intensity is equally elevated, especially from banks, including small finance banks as well as other non-banking finance companies or NBFCs. Apart from being traditionally competitive on lending rates and processing charges, the lenders are linear on loan-to-value (LTV), cross-sales of unsecured products as well as providing a flexible payment structure (flexi loans), etc.

**Banks dominate salaried segment, BAF, IDFC an outlier**

The trend in competitive intensity differs for each region as the dominance of each player differs based on geography. Our findings suggest that banks, along with Bajaj Finance (BFL), remain focused on salaried customers whereas the self-employed segment is crowded with small banks and NBFCs including affordable housing loan players like Aavas Financiers (AFL), Home First Finance Company, PNB Housing, CanFin Homes, etc. We observe that private banks enrol customers with a liability franchise (creating the deposit first) whereas public sector banks prefer either public sector undertaking or PSU employees or the co-origination mode for building their affordable housing loan portfolio. BFL offers the highest LTV among peers, which generally attracts young salaried customers. IDFC First Bank has also been aggressive in the urban housing market.

**AU & Ujjivan SFBs, Chola, Shriram aggressive among self-employed**

Self-employed customers remain a focus area for most affordable housing finance companies or HFCs, but it remains a crowded market. The competition differs for each region, but most lenders are trying to enter new geographies. Our channel check indicates AU SFB & Ujjivan SFB, along with Cholamandalam Investment and Finance Co., Shriram Finance and Sundaram Finance have been aggressive in the western and southern states.

**Asset quality trend steady; elevated employee attrition is a problem**

We have not observed any major surge in delinquencies among housing finance companies or HFCs, despite the volatile monsoon season across India. We expect most HFCs to report steady asset quality in 2QFY24F, with lower credit costs. However, we are concerned about the increased employee attrition amid fierce competition among lenders. Despite various technology advancements, the lending business remains an employee-driven model, at least in semi-urban and rural India. Thus, lenders need to spend a higher amount to manage the attrition rate, which will keep their overall operating expenses higher.

**We continue to prefer Home First Finance over Aavas Financiers**

We prefer HFFCL (ADD, TP Rs1,050 or ~3.5x Sep 2025F BV) over AFL (HOLD, TP Rs1,650 or ~2.8x Sep 2025F BV) due to their superior growth, improving return ratios and stable management pedigree. We downgraded AFL after the sudden change in its top management, along with a rise in employee attrition across management levels. We prefer to see execution and delivery capabilities from the new management. During our recent interaction, AFL's management indicated AUM growth of ~22-25% with a RoE outlook of ~15% by FY25F-26F. HFFCL, on the contrary, is aiming at ~30% AUM growth driven by diversification into new geographies as well as deepening penetration in existing states. The company has already delivered ~15% RoE in 1QFY24, and we expect a further improvement backed by rising leverage and improvement in operating efficiency.

**Analyst(s)****Jignesh SHIAL**

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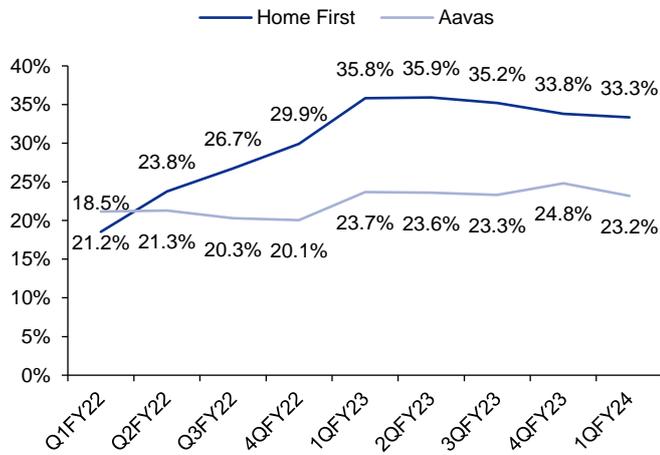
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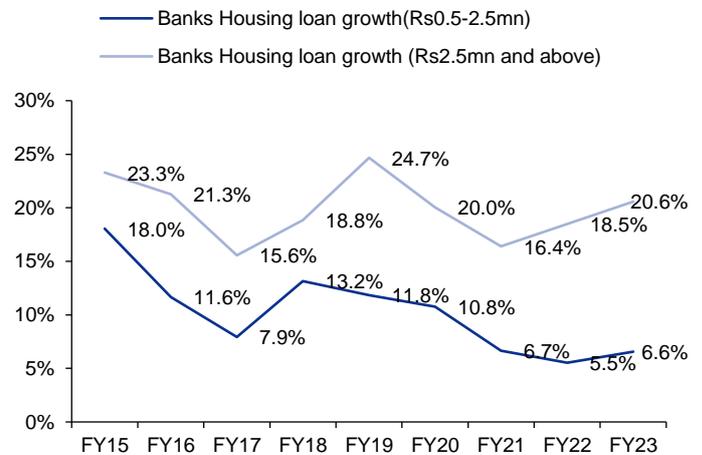
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**Figure 1: Aavas Financiers and Home First Finance Company continue to report strong assets under management or AUM growth**



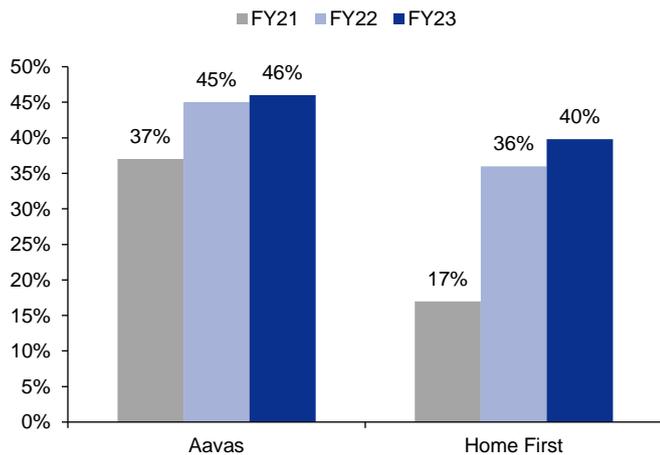
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 2: Banks' focus remain on housing loans above Rs2.5m ticket size**



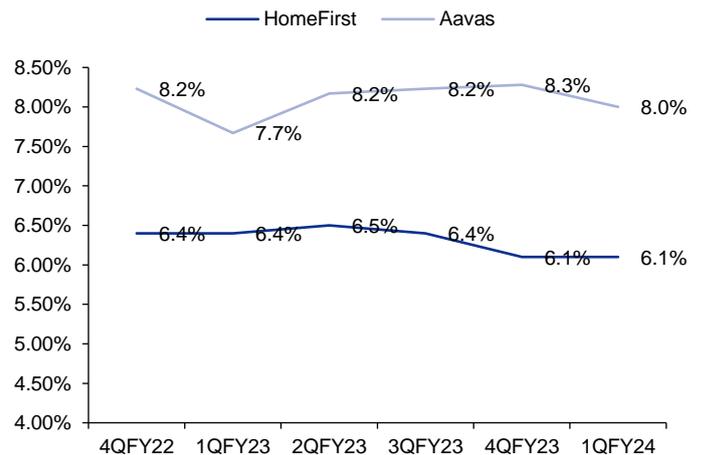
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 3: Industry is facing a higher employee attrition rate due to rising competition**



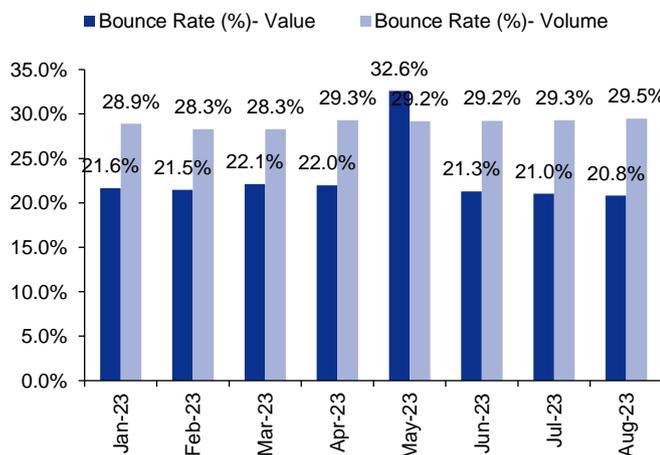
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 4: NIM remains largely stable despite steep rate hikes**



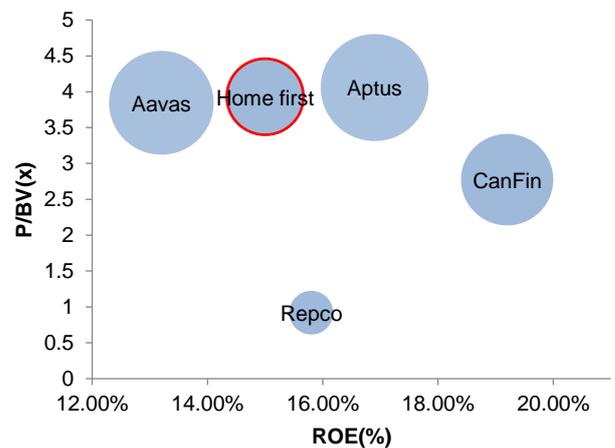
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 5: Equated monthly instalment or EMI bounce rate remains stable**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 6: Valuation of affordable housing players**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

India

**ADD** (no change)

Consensus ratings\*: Buy 20 Hold 0 Sell 1

Current price:	Rs834
Target price:	Rs1,050
Previous target:	Rs1,050
Up/downside:	25.9%
InCred Research / Consensus:	6.4%

Reuters:	
Bloomberg:	HOMEFIRS IN
Market cap:	US\$1,013m
	Rs73,524m
Average daily turnover:	US\$2.6m
	Rs187.4m
Current shares o/s:	87.6m
Free float:	38.0%

\*Source: Bloomberg

**Key changes in this note**

- AUM growth to remain at 30%, driven by new geographies and deepening market penetration.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(3.5)	10.4	(4.2)
Relative (%)	(5.2)	5.3	(15.7)

Major shareholders	% held
True North	20.2
Orange Clove Investments B.V.	28.8
Aether(Mauritius) ltd	13.4

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# Home First Finance company

## Strong growth and better RoE profile

- Home First Finance reiterated its guidance of a 30% AUM growth, driven by diversifying into new states as well as deepening penetration in existing states.
- The company has a strategy of grabbing market share in developing markets through technological advancements & faster connect, which ensures growth.
- We prefer Home First Finance due to strong growth visibility and better RoE profile. Retain ADD rating with a new TP of Rs1,050, or ~3.5x Sep 2025F BV.

### Strong demand and deeper market penetration to drive growth

Home First Finance Company or HFFCL's management indicated strong loan demand, despite higher interest rates and a rise in property prices, in the affordable housing space. Unlike banks, which have seen a lower growth in loan ticket size of Rs0.5-2.5m, affordable housing finance companies have witnessed strong growth. However, intense competition has emerged in the past few quarters which, we believe, will restrict higher pricing. Despite competition, HFFCL will continue its strong AUM growth of 30%, driven by deepening penetration in existing geographies and setting up of branches in the new geographies of Tamil Nadu and Karnataka.

### Branch expansion in regions with a proof of business

HFFCL analyses data from credit bureaus & other databases to identify the regions where there is proof of business for home loans in the ticket size of Rs0.5-2.0m, have sufficient market for growth, low default rate & industrial development. HFFCL avoids the areas where there is no history of home loans, or there are defaults. HFFCL first opens a satellite branch and once it gets a strong hold over the geography, it then sets up a full-fledged branch office there. HFFCL has entered Tamil Nadu, Telangana & Andhra Pradesh, which will be growth drivers.

### Focus on Improving technology despite being ahead of the curve

HFFCL is the only affordable housing player who implemented the Salesforce platform a few years ago, along with other tech integrations, which led to a lower turnaround time. HFFCL is now well connected to government and other private data portals which, in real time, verify the data submitted by its clients. HFFCL, in order to maintain its tech leadership, is working on lead management, improving the turnaround time and managing collections.

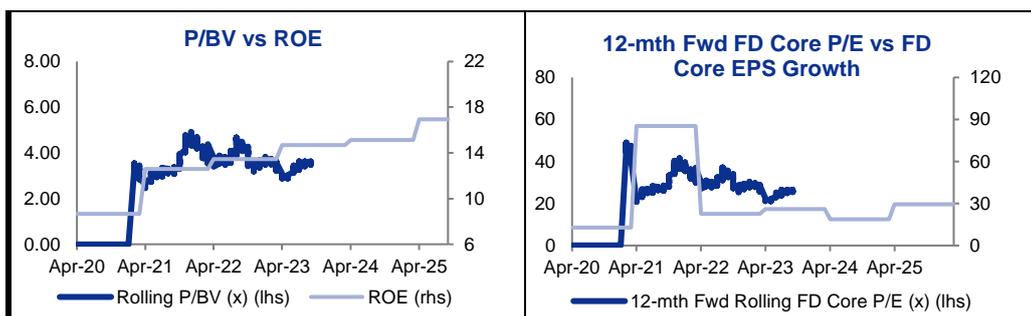
### Home First Finance is our preferred pick in affordable housing space

HFFCL has shown strong execution in its focus segment of urban low-income customers and is a benchmark for tech and process innovation. HFFCL is aiming at ~30% AUM growth, driven by diversification into new geographies as well as deepening penetration in existing states. HFFCL has posted ~15% RoE in 1QFY24, and we expect a further improvement backed by rising leverage. Retain ADD rating on HFFCL with a higher target price of Rs1,050, or ~3.5x Sep 2025F BV (Rs950 earlier), due to its superior growth and improving return ratios. Downside risk: Lower growth going ahead.

Financial Summary	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Net Interest Income (Rsm)	2,960	4,179	5,518	6,945	8,907
Total Non-Interest Income (Rsm)	840	734	862	1,043	1,256
Operating Revenue (Rsm)	3,800	4,913	6,380	7,988	10,163
Total Provision Charges (Rsm)	(250)	(215)	(343)	(444)	(630)
Net Profit (Rsm)	1,861	2,283	2,877	3,416	4,419
Core EPS (Rs)	21.24	26.05	32.83	38.99	50.42
Core EPS Growth	85%	23%	26%	19%	29%
FD Core P/E (x)	39.27	32.01	25.41	21.39	16.54
DPS (Rs)	0.00	0.00	0.00	0.00	0.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%
BVPS (Rs)	179.6	207.4	240.2	275.3	320.7
P/BV (x)	4.64	4.02	3.47	3.03	2.60
ROE	12.6%	13.5%	14.7%	15.1%	16.9%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS**



**Profit & Loss**

(Rsm)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Net Interest Income	2,960	4,179	5,518	6,945	8,907
<b>Total Non-Interest Income</b>	<b>840</b>	<b>734</b>	<b>862</b>	<b>1,043</b>	<b>1,256</b>
Operating Revenue	3,800	4,913	6,380	7,988	10,163
<b>Total Non-Interest Expenses</b>	<b>(1,212)</b>	<b>(1,655)</b>	<b>(2,170)</b>	<b>(2,952)</b>	<b>(3,594)</b>
Pre-provision Operating Profit	2,513	3,168	4,210	5,036	6,569
<b>Total Provision Charges</b>	<b>(250)</b>	<b>(215)</b>	<b>(343)</b>	<b>(444)</b>	<b>(630)</b>
Operating Profit After Provisions	2,263	2,952	3,867	4,592	5,939
<b>Pretax Income/(Loss) from Assoc.</b>					
Operating EBIT (incl Associates)	2,263	2,952	3,867	4,592	5,939
<b>Non-Operating Income/(Expense)</b>					
Profit Before Tax (pre-EI)	1,423	2,218	3,005	3,549	4,683
<b>Exceptional Items</b>					
Pre-tax Profit	2,263	2,952	3,867	4,592	5,939
Taxation	(402)	(669)	(990)	(1,176)	(1,520)
Consolidation Adjustments & Others					
<b>Exceptional Income - post-tax</b>					
Profit After Tax	1,861	2,283	2,877	3,416	4,419
Minority Interests					
Prof. & Special Div					
<b>FX And Other Adj.</b>					
Net Profit	1,861	2,283	2,877	3,416	4,419
Recurring Net Profit					

**Balance Sheet Employment**

(Rsm)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Gross Loans/Cust Deposits					
Avg Loans/Avg Deposits					
Avg Liquid Assets/Avg Assets	14.0%	8.2%	4.5%	3.3%	1.8%
<b>Avg Liquid Assets/Avg IEAs</b>	<b>17.7%</b>	<b>9.4%</b>	<b>4.9%</b>	<b>3.5%</b>	<b>1.9%</b>
Net Cust Loans/Assets	84.1%	89.0%	93.1%	95.7%	97.0%
<b>Net Cust Loans/Broad Deposits</b>					
Equity & Provns/Gross Cust Loans	36.6%	30.3%	27.2%	24.1%	21.8%
Asset Risk Weighting					
<b>Provision Charge/Avg Cust Loans</b>					
<b>Provision Charge/Avg Assets</b>					
Total Write Offs/Average Assets					

SOURCES: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rsm)</b>	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
<b>Total Gross Loans</b>	<b>43,049</b>	<b>59,957</b>	<b>77,294</b>	<b>100,126</b>	<b>128,821</b>
Liquid Assets & Invst. (Current)					
Other Int. Earning Assets					
Total Gross Int. Earning Assets	43,049	59,957	77,294	100,126	128,821
<b>Total Provisions/Loan Loss Reserve</b>					
Total Net Interest Earning Assets	43,049	59,957	77,294	100,126	128,821
Intangible Assets					
<b>Other Non-Interest Earning Assets</b>	<b>1,239</b>	<b>1,368</b>	<b>1,231</b>	<b>1,108</b>	<b>997</b>
<b>Total Non-Interest Earning Assets</b>	<b>1,442</b>	<b>1,621</b>	<b>1,535</b>	<b>1,473</b>	<b>1,435</b>
Cash And Marketable Securities	6,678	2,984	3,723	2,504	1,884
<b>Long-term Investments</b>		<b>2,808</b>	<b>500</b>	<b>550</b>	<b>605</b>
Total Assets	51,169	67,370	83,052	104,653	132,746
Customer Interest-Bearing Liabilities					
Bank Deposits					
Interest Bearing Liabilities: Others	34,668	48,134	60,341	78,443	101,976
Total Interest-Bearing Liabilities	34,668	48,134	60,341	78,443	101,976
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	764	1,063	1,661	2,086	2,668
Total Liabilities	35,432	49,197	62,002	80,528	104,644
Shareholders Equity	15,737	18,173	21,050	24,125	28,102
<b>Minority Interests</b>					
Total Equity	15,737	18,173	21,050	24,125	28,102

<b>Key Ratios</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Total Income Growth	45.4%	41.2%	32.0%	25.9%	28.2%
Operating Profit Growth	48.9%	25.9%	29.2%	19.6%	30.4%
Pretax Profit Growth	69%	30%	31%	19%	29%
Net Interest To Total Income	77.9%	85.1%	86.5%	86.9%	87.6%
Cost Of Funds	6.62%	7.35%	8.30%	8.40%	8.40%
Return On Interest Earning Assets	13.4%	14.0%	14.6%	14.4%	14.4%
Net Interest Spread	6.80%	6.67%	6.30%	6.00%	6.00%
Net Interest Margin (Avg Deposits)					
Net Interest Margin (Avg RWA)					
Provisions to Pre Prov. Operating Profit	10%	7%	8%	9%	10%
Interest Return On Average Assets	6.15%	7.05%	7.34%	7.40%	7.50%
Effective Tax Rate	17.8%	22.7%	25.6%	25.6%	25.6%
Net Dividend Payout Ratio					
Return On Average Assets	3.87%	3.85%	3.83%	3.64%	3.72%

SOURCES: INCRED RESEARCH, COMPANY REPORTS

India

**HOLD** (no change)

Consensus ratings\*: Buy 10 Hold 7 Sell 3

Current price: Rs1,653  
 Target price:  Rs1,650  
 Previous target: Rs1,650  
 Up/downside: 0.2%  
 InCred Research / Consensus: -2.1%

Reuters:  
 Bloomberg: AAVAS IN  
 Market cap: US\$1,802m  
 Rs130,828m  
 Average daily turnover: US\$7.3m  
 Rs531.5m  
 Current shares o/s: 79.0m  
 Free float: 55.0%

\*Source: Bloomberg

**Key changes in this note**

- Disbursements are back on track, after a disruption due to implementation of the Salesforce platform.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	4.5	18.6	(24.0)
Relative (%)	2.7	13.2	(33.1)

Major shareholders	% held
Lake Districts	23.0
Partners Group	15.0
Small cap World Fund	8.0

**Analyst(s)**

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# Aavas Financiers Ltd

## Execution remains key

- Our recent discussions with Aavas Financiers’ management indicates that disbursements are back on track, after a disruption in 1QFY24.
- Management reiterated its growth guidance of 22-25%, mostly driven by new geographies and RoE outlook of 15% by FY25F to FY26F.
- We prefer to see execution and delivery capabilities from the new management. Retain HOLD rating with a TP of Rs1,650, or ~3x FY25F BV.

### Disbursements back on track; new geographies to be growth drivers

Aavas Financiers reported a disbursement decline of 32.5% qoq/2.3% yoy, which its management attributed to implementation of the Salesforce platform in May-Jun 2023. However, it stated that disbursements have been back to the normal level from Jul 2023 and further technology changes will not impact disbursement growth. Aavas Financiers has entered Uttar Pradesh, Karnataka & Haryana in the last few years and increased its presence in its existing states comprising Rajasthan, Gujarat, Madhya Pradesh & Maharashtra. Rajasthan, its home state, now accounts for 35% of AUM & 28% in disbursements. However, most of the growth to now come from other states.

### Employees of Aavas Financiers remain in demand

Management indicated that the industry employee attrition rate remains elevated due to rising competition. Aavas Financiers’ employees remain more in demand due to their superior understanding of affordable housing finance. Management focuses on retaining talent by providing growth opportunities, skill development and employee stock option plans or ESOPs. We believe that due to the rise in attrition, the employee cost of Aavas Financiers (30% of revenue) will increase, leading to higher operating expenses.

### Technology transition to support scalability

Aavas Financiers’ technology transition in order to support scalability, efficiency and sustainability will be complete in the next one year. While the critical Salesforce platform implementation has been completed, account aggregator integration will be done by the next one month. Overall, all technology transitions, which the company has been focusing on since the last few quarters, will be completed in the next one year. This will benefit Aavas Financiers by way of lower turnaround time and operational efficiency.

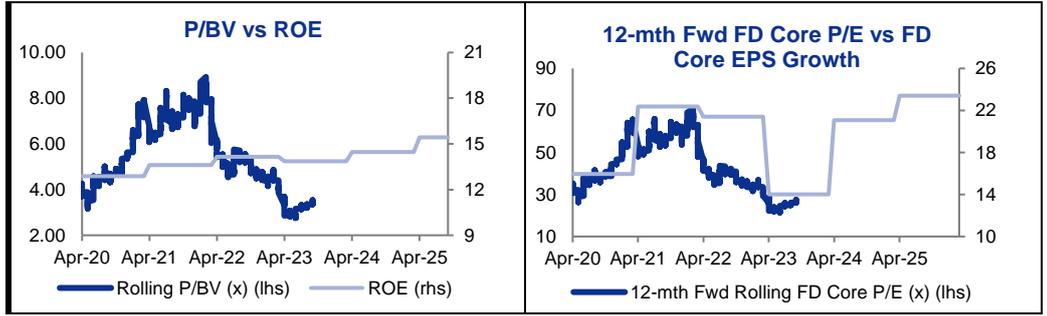
### Valuation remains expensive

Aavas Financiers has strong capabilities in sourcing, underwriting and collection in semi-urban and rural geographies, which are hard to replicate and necessary for affordable housing finance in these regions. However, management has indicated AUM growth of 22-25% due to the base of Rs150bn AUM with a ROE outlook of 15% by FY26F, considering which, at 3x FY25F P/BV, the stock’s valuation looks expensive. Retain our HOLD rating with a target price of Rs1,650. Upside risks: Better AUM growth and RoE guidance. Downside risks: Attrition rising at the top management level and growth slowdown.

Financial Summary	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Net Interest Income (Rsm)	6,487	7,971	9,867	12,438	14,806
Total Non-Interest Income (Rsm)	1,768	2,220	2,873	2,979	3,650
Operating Revenue (Rsm)	8,255	10,191	12,740	15,416	18,455
Total Provision Charges (Rsm)	(226)	(124)	(765)	(937)	(1,144)
Net Profit (Rsm)	3,542	4,301	4,903	5,936	7,325
Core EPS (Rs)	45.12	54.78	62.45	75.61	93.30
Core EPS Growth	22%	21%	14%	21%	23%
FD Core P/E (x)	36.64	30.18	26.48	21.87	17.72
DPS (Rs)	0.00	0.00	0.00	0.00	0.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%
BVPS (Rs)	357.8	416.5	485.3	559.7	650.1
P/BV (x)	4.62	3.97	3.41	2.95	2.54
ROE	13.6%	14.2%	13.9%	14.5%	15.4%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS**



**Profit & Loss**

(Rsm)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Net Interest Income	6,487	7,971	9,867	12,438	14,806
<b>Total Non-Interest Income</b>	<b>1,768</b>	<b>2,220</b>	<b>2,873</b>	<b>2,979</b>	<b>3,650</b>
Operating Revenue	8,255	10,191	12,740	15,416	18,455
<b>Total Non-Interest Expenses</b>	<b>(3,506)</b>	<b>(4,577)</b>	<b>(5,385)</b>	<b>(6,502)</b>	<b>(7,466)</b>
Pre-provision Operating Profit	4,749	5,614	7,355	8,915	10,989
<b>Total Provision Charges</b>	<b>(226)</b>	<b>(124)</b>	<b>(765)</b>	<b>(937)</b>	<b>(1,144)</b>
Operating Profit After Provisions	4,523	5,490	6,590	7,978	9,845
<b>Pretax Income/(Loss) from Assoc.</b>					
Operating EBIT (incl Associates)	4,523	5,490	6,590	7,978	9,845
<b>Non-Operating Income/(Expense)</b>					
Profit Before Tax (pre-EI)	4,523	5,490	6,590	7,978	9,845
<b>Exceptional Items</b>					
Pre-tax Profit	4,523	5,490	6,590	7,978	9,845
Taxation	(981)	(1,189)	(1,687)	(2,042)	(2,520)
Consolidation Adjustments & Others					
<b>Exceptional Income - post-tax</b>					
Profit After Tax	3,542	4,301	4,903	5,936	7,325
Minority Interests					
Pref. & Special Div					
<b>FX And Other Adj.</b>					
Net Profit	3,542	4,301	4,903	5,936	7,325
Recurring Net Profit					

**Balance Sheet Employment**

(Rsm)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Gross Loans/Cust Deposits					
Avg Loans/Avg Deposits					
Avg Liquid Assets/Avg Assets	96.2%	96.0%	96.1%	96.4%	96.6%
<b>Avg Liquid Assets/Avg IEAs</b>	<b>116.2%</b>	<b>114.4%</b>	<b>111.6%</b>	<b>110.4%</b>	<b>109.4%</b>
Net Cust Loans/Assets					
<b>Net Cust Loans/Broad Deposits</b>					
Equity & Provns/Gross Cust Loans					
Asset Risk Weighting					
<b>Provision Charge/Avg Cust Loans</b>					
<b>Provision Charge/Avg Assets</b>					
Total Write Offs/Average Assets					

SOURCES: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rsm)</b>	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
<b>Total Gross Loans</b>	<b>90,534</b>	<b>114,763</b>	<b>140,248</b>	<b>172,030</b>	<b>209,310</b>
Liquid Assets & Invst. (Current)					
Other Int. Earning Assets					
Total Gross Int. Earning Assets	90,534	114,763	140,248	172,030	209,310
<b>Total Provisions/Loan Loss Reserve</b>					
Total Net Interest Earning Assets	90,534	114,763	140,248	172,030	209,310
Intangible Assets					
<b>Other Non-Interest Earning Assets</b>	<b>3,365</b>	<b>3,734</b>	<b>3,921</b>	<b>4,313</b>	<b>4,744</b>
<b>Total Non-Interest Earning Assets</b>	<b>3,692</b>	<b>4,295</b>	<b>4,594</b>	<b>5,121</b>	<b>5,714</b>
Cash And Marketable Securities	15,669	13,816	15,656	16,670	19,346
<b>Long-term Investments</b>	<b>675</b>	<b>1,231</b>	<b>1,477</b>	<b>1,772</b>	<b>2,127</b>
Total Assets	110,570	134,105	161,976	195,593	236,497
Customer Interest-Bearing Liabilities					
Bank Deposits					
Interest Bearing Liabilities: Others	80,120	98,873	120,625	147,162	179,538
Total Interest-Bearing Liabilities	80,120	98,873	120,625	147,162	179,538
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	2,360	2,536	3,252	4,489	5,926
Total Liabilities	82,480	101,408	123,876	151,652	185,464
Shareholders Equity	28,086	32,697	38,099	43,941	51,034
<b>Minority Interests</b>					
Total Equity	28,086	32,697	38,099	43,941	51,034

<b>Key Ratios</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Total Income Growth	25.2%	22.9%	23.8%	26.1%	19.0%
Operating Profit Growth	21.6%	18.2%	31.0%	21.2%	23.3%
Pretax Profit Growth	28%	21%	20%	21%	23%
Net Interest To Total Income	78.6%	78.2%	77.4%	80.7%	80.2%
Cost Of Funds	6.64%	6.60%	7.50%	7.00%	7.00%
Return On Interest Earning Assets	13.6%	13.5%	14.2%	14.0%	13.8%
Net Interest Spread	6.95%	6.92%	6.69%	6.97%	6.76%
Net Interest Margin (Avg Deposits)					
Net Interest Margin (Avg RWA)					
Provisions to Pre Prov. Operating Profit	5%	2%	10%	11%	10%
Interest Return On Average Assets	6.48%	6.52%	6.66%	6.96%	6.85%
Effective Tax Rate	21.7%	21.7%	25.6%	25.6%	25.6%
Net Dividend Payout Ratio					
Return On Average Assets	3.54%	3.52%	3.31%	3.32%	3.39%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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