

Shriram Finance

Estimate change 

TP change 

Rating change 

CMP: INR1,813 TP: INR2,100 (+16%)

Buy

Operational miss driven by NIM compression and higher opex

Earnings in line, aided by annualized credit costs at <2%

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Bloomberg	SHFL IN
Equity Shares (m)	227
M.Cap.(INRb)/(USDb)	679.9 / 8.3
52-Week Range (INR)	1868 / 1147
1, 6, 12 Rel. Per (%)	3/34/7
12M Avg Val (INR M)	1597

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Total Income	173	193	221
PPOP	123	136	159
PAT	59.8	70.3	79.6
EPS (INR)	160	188	213
EPS Gr. (%)	42	18	13
Standalone BV (INR)	1,157	1,306	1,476
Valuations			
NIM on AUM (%)	9.4	9.0	8.9
C/I ratio (%)	28.5	29.4	28.2
RoAA (%)	3.1	3.2	3.1
RoE (%)	15.3	15.2	15.3
Div. Payout (%)	21.9	21.6	21.2
Valuations			
P/E (x)	11.4	9.7	8.5
P/BV (x)	1.6	1.4	1.2
Div. Yield (%)	1.9	2.2	2.5

Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	25.5	25.5	29.3
DII	14.7	14.4	15.2
FII	55.4	47.1	50.0
Others	4.5	13.0	5.5

FII Includes depository receipts

- Shriram Finance's (SHFL) 1QFY24 PAT grew 25% YoY to ~INR16.7b (in line) with annualized credit costs at ~1.9%. NII grew 7% YoY to INR42b. Reported NIM contracted ~25bp QoQ to 8.3% because of a decline in yields and an increase in the cost of borrowings.
- The Cost-Income ratio stood at ~31% (PY: ~27%) because of a) ~33% YoY increase in employee expenses, which was a result of salary rationalization across the erstwhile SHTF and SCUF employees and b) an impact of ~INR750 due to the impairment of intangibles
- SHFL operates in a benign competitive landscape and gives it the pricing power to pass on its higher cost of borrowings to customers on new loans disbursed. We expect a gradual expansion in NIM over the next three quarters and estimate NIM compression of ~40bp in FY24. The NIM compression could be marginally lower than our estimates. This is due to the positive impact on NII, resulting from fair valuation under merger accounting.
- Higher cross-selling opportunities for non-vehicle products and improved distribution of investment and insurance offerings should translate into an AUM/PAT CAGR of 16%/15% over FY23-25. This should further result in an RoA/RoE of ~3.1%/~15% in FY25.
- As a merged entity, SHFL has strategically positioned itself to capitalize on a) a diversified AUM mix; b) improved access to liabilities; and c) enhanced cross-selling opportunities. We reiterate our BUY rating with a TP of INR2,100 (based on 1.4x FY25E BVPS).

AUM grew 19% YoY; stronger growth in PV, Gold, and Personal Loans

- Disbursements grew 24% YoY to ~INR305b. Disbursements had a relatively higher proportion of new vehicles and construction equipment, which led to a sequential decline in the yields. AUM grew ~19% YoY to INR1.93t.
- Sequential AUM growth of ~4% was driven by strong growth in Passenger Vehicles (up 7% QoQ), MSME (up 5% QoQ), Gold (up 11% QoQ), and Personal Loans (up 19% QoQ)

Asset quality improvement in a seasonally weak quarter

- GS3/NS3 improved ~20/35bp sequentially to 6.0/3.1%. PCR on Stage 3 loans increased ~240bp QoQ to ~52%.
- Annualized credit costs moderated ~1pp YoY to 1.9% (PQ: 2.9%). SHFL utilized management overlay of ~INR990m in 1QFY24. Aggregate Covid provisions stood at ~INR10b (~50bp of EAD). The company guided that it will either utilize the overlay provisions or take write-backs by Mar'24.
- Management guided for credit costs of <2.0% in FY24. Our credit cost estimates are marginally higher at ~2.1% for FY24E.

Abhijit Tibrewal - Research Analyst (Abhijit.Tibrewal@MotilalOswal.com)

Research Analyst: Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com) | Parth Desai (Parth.Desai@MotilalOswal.com)

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Valuation and View

- SHFL should be able to maintain or improve upon its NIM trajectory along with relatively benign credit costs. The increase in vehicles prices, improved utilization of vehicles, and reduced idling have contributed to lower vehicle repossessions and, consequently, better asset quality.
- With an expanded geographical presence and a larger workforce, SHFL can leverage cross-selling opportunities to reach new customers, introduce new products leading to improved operating metrics and a solid foundation for sustained growth. The current valuation of 1.2x FY25E P/BV is attractive for a ~15% PAT CAGR over FY23-25 and RoA/RoE of ~3.1%/15% in FY24 and FY25. We reiterate **our BUY rating with a TP of INR2,100 (based on 1.4x FY25E BVPS)**.

Quarterly Performance

(INR M)

Y/E March	FY23				FY24E				FY23	FY24E	1Q FY24E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	67,796	70,024	73,099	74,232	76,880	80,570	84,598	88,352	286,074	330,399	78,240	-2
Interest Expenses	29,516	32,249	31,178	32,422	34,875	36,619	38,560	40,173	125,458	150,227	35,145	-1
Net Interest Income	38,280	37,775	41,921	41,810	42,004	43,951	46,038	48,179	160,616	180,172	43,095	-3
YoY Growth (%)	33.8	24.2	30.8	19.9	9.7	16.3	9.8	15.2	27.5	12.2	10.2	
Other Income	2,237	4,162	3,022	3,460	3,167	3,212	3,176	3,322	11,955	12,876	2,907	
Total Income	40,517	41,937	44,944	45,270	45,171	47,162	49,214	51,500	172,571	193,047	46,002	-2
YoY Growth (%)	31.8	29.6	28.9	21.1	11.5	12.5	9.5	13.8	27.5	11.9	13.8	
Operating Expenses	10,841	11,999	11,928	14,459	13,908	14,028	14,265	14,500	49,131	56,701	12,249	14
Operating Profit	29,676	29,938	33,016	30,810	31,262	33,134	34,949	37,000	123,441	136,346	33,753	-7
YoY Growth (%)	32.3	30.4	31.4	13.9	5.3	10.7	5.9	20.1	26.5	10.5	13.7	
Provisions & Loan Losses	11,597	8,976	9,173	11,846	8,786	10,342	11,257	11,638	41,592	42,024	11,819	-26
Profit before Tax	18,079	20,962	23,844	18,964	22,476	22,792	23,692	25,362	81,849	94,322	21,933	2
Tax Provisions	4,690	5,411	6,074	5,881	5,722	5,812	6,042	6,477	22,056	24,052	5,703	0
Net Profit	13,390	15,551	17,770	13,083	16,754	16,980	17,651	18,885	59,793	70,270	16,231	3
YoY Growth (%)	254.3	47.6	82.6	-5.8	25.1	9.2	-0.7	44.3	57.7	17.5	21.2	
Key Parameters (Calc., %)												
Yield on loans	16.9	16.9	16.9	16.4	16.2	16.4	16.5	16.6				
Cost of funds	7.9	8.3	8.0	8.3	8.7	8.8	8.9	8.9				
Spread	9.0	8.5	8.9	8.0	7.5	7.5	7.6	7.8				
NIM	9.5	9.1	9.7	9.2	8.9	8.9	9.0	9.1				
C/I ratio	26.8	28.6	26.5	31.9	30.8	29.7	29.0	28.2				
Credit cost	2.9	2.2	2.1	2.6	1.9	2.1	2.2	2.2				
Tax rate	25.9	25.8	25.5	31.0	25.5	25.5	25.5	25.5				
Balance Sheet Parameters												
Disbursements (INR b)	246	258	292	311	305	315	331	348				
Growth (%)	42.3	21.1	26.5	26.7	23.8	22.2	13.2	12.0				
AUM (INR b)	1,630	1,694	1,775	1,857	1,932	2,008	2,086	2,169				
Growth (%)	9.4	11.4	13.2	17.7	18.6	18.5	17.5	16.8				
Borrowings (INR b)	1,521	1,582	1,533	1,579	1,619	1,697	1,773	1,855				
Growth (%)	15.7	17.1	7.7	8.8	6.4	7.2	15.6	17.5				
Asset Quality Parameters												
GS 3 (INR B)	101.3	105.8	110.6	113.8	115.1							
GS 3 (%)	6.3	6.3	6.3	6.2	6.0							
NS 3 (INR B)	52.1	53.9	54.5	56.7	54.6							
NS 3 (%)	3.4	3.4	3.3	3.3	3.1							
PCR (%)	48.6	49.1	50.7	50.1	52.5							

E: MOFSL estimates



Highlights from the management commentary

Performance Update

- Disbursements grew 24% YoY to INR305b (PQ: INR310b).
- Business environment is quite positive and is expected to remain buoyant for the rest of this year as well.
- HCV demand has improved, but the demand for LCVs has declined. PVs are down ~19% YoY and 2W sales are up 11% YoY.
- Consumer demand and appetite is good; tractor sales are up 19% YoY.
- MSME Credit demand is on the rise; individuals who previously borrowed from money-lenders are now turning to NBFCs for their financing needs. While MSME lending was primarily concentrated in the Southern regions, there has been an expansion, and now STFC branches are also actively sourcing MSME loans.

Guidance

- Retained the guidance of ~15% AUM growth and will revisit the guidance after one more quarter.
- Expects the credit cost to reduce to below 2% for the full year;
- NIM can see a very minor compression, but will broadly remain at current levels.
- FY23 operating expenses stood at INR47.74b, the company has provided a guidance of 20% YoY increase in FY24.
- The company has guided for a cost-income-ratio of 27%-28% and RoE of 15%-16% in FY24.

Impact on NII

- Positive impact on NII is INR730m (PQ: INR1.45b).

Personal Loans

- Earlier, personal loans were exclusively offered by the former SCUF team. However, currently, even employees of STFC have begun sourcing personal loans.
- Personal Loans is still a cross-sell product to the existing customers.

Operating Expenses

- Opex was elevated because a) of the addition of ~3300 employees during the quarter, b) rationalization of salaries for the erstwhile SCUF employees, and c) annual increments of ~10%.
- Over the last quarter, the company added 240 gold loan branches. These branches are still in the process of building up their loan volumes.
- Over the last one year, STFC expanded its services, with 498 branches now offering gold loans. The company had recruited an additional 1500 employees for the operations. To ensure quality service, a quality check team has been established for the gold loan segment. In total, 1750 employees have been hired to support the growth in gold loans over the last year.

Asset Quality

- Total management overlay stood at INR10.08b as on and ~INR990m has been consumed in this quarter. The entire overlay will be utilized or will be written back to the P&L by Mar'24.
- Farm Equipment will have a higher GNPA, but the credit costs are not as high. The financing of the tractors follows the EMI model.

What led to a strong 1Q despite it being a seasonally weak quarter?

- Freight rates have been firm and remunerative; increased government spending in infrastructure; wage bill increased across sectors
- Within the used CV segment, Utilization levels have increased notably. Better Road infrastructure is allowing truck drivers to cover longer distances, contributing to enhanced utilization rates.
- Idling of the vehicles has reduced - Vehicles are now running for 25-26 days every month (vs. 19-20 days earlier)

Liabilities and liquidity

- CoF (on the balance sheet) has gone up by 7bp QoQ. Due to maturing lower-cost liabilities, the company had to replace them with higher-cost borrowings.
- SHFL does not expect any further increase in the CoB. It could increase by 5-7bp because of repricing of the older maturities.
- There has been a slight change in the asset mix - Onboarding of customers on the new vehicle platform. During this quarter, the company disbursed a higher quantum of new vehicles and construction equipment loans, resulting in lower yields. For these customers, the pricing offered was slightly lower than the pricing for used vehicles.
- Borrowing costs on Capital market borrowings have slightly increased; deposit rates have increased slightly; bank term loans have been flat.
- The company has started borrowing through commercial papers (CPs) because of a higher proportion of gold loans/personal loans.
- Securitization will continue to remain ~15% of the liabilities.

PayTM Partnership

- Start with lending to merchants on the PayTM platform. ~700K merchants on the PayTM platform have been active on the platform for more than a year.
- Extend working capital to merchants based on their financials as a term loan of ticket sizes up to INR200K.
- No credit risk sharing; they will share leads with SHFL and it is up to the company to lend to them.
- For any credit extension exceeding 180 days, SHFL employs field visits to the customer's location as a standard practice.
- Repayments will be on a weekly, fortnightly, or monthly basis and it will have an escrow with the bank.
- Also engaging with Airtel Payments Bank for tie-ups.
- Net yields of 15-18% (excluding the fee/commission paid to PayTM)
- Idea is to get into MSME lending across the country by creating a wider reach.

Others

- Over the last two/three years, higher vehicle prices forced employees to postpone their purchases. New vehicles are also being added in the aggregator segment. Aggregator buying of vehicles has almost doubled over the last year.
- Cross-selling: Increase in Gold loans and PL is because of the increase in manpower and network from STFC.

LGD stood at 42.27%

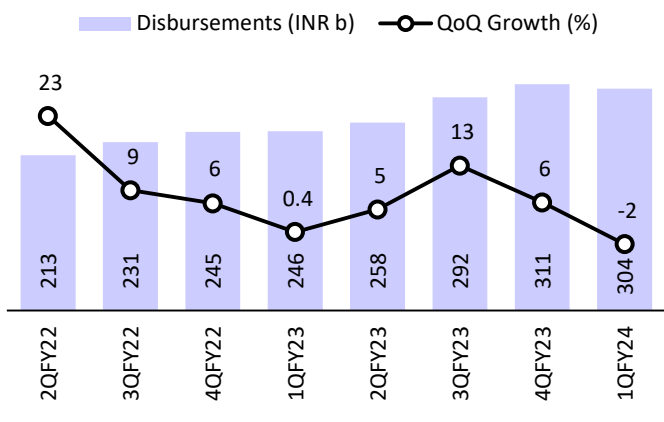
	EAD (%)	PCR (%)	PD (%)
Stage 1	86.1	2.9	8.05
Stage 2	7.8	7.0	18.9
Stage 3	6.0	52.5	

Disbursement mix

Product	INR b	%
CV	120.2	39.5
PV	59.3	19.5
CE	17.0	5.6
Farm equipment	4.5	1.5
MSME	30.5	10.0
2W	21.9	7.2
Gold Loans	28.4	9.3
PL	22.7	7.5
Total	304.5	100

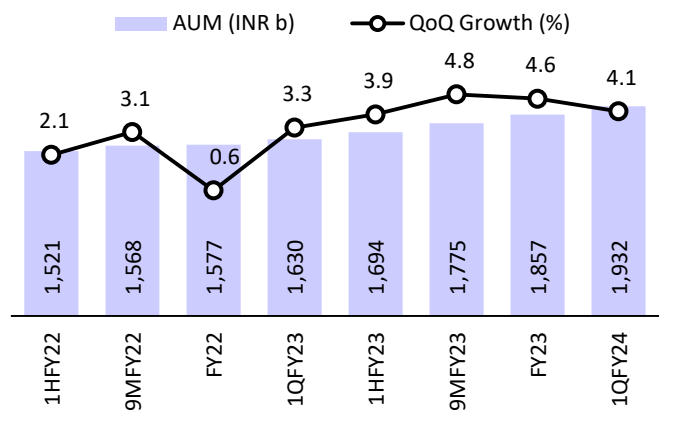
Key exhibits

Exhibit 1: Disbursements grew 24% YoY...



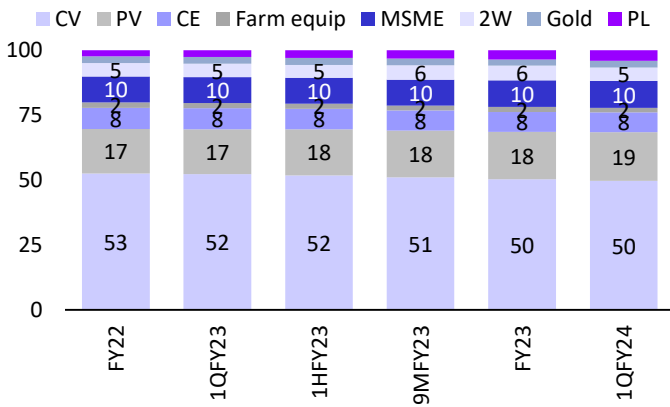
Source: MOFSL, Company

Exhibit 2: ...leading to AUM growth of 19% YoY



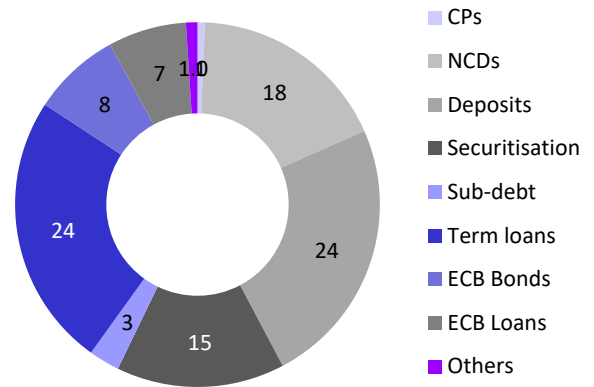
Source: MOFSL, Company

Exhibit 3: Non-CV contributes 22% to the AUM mix (%)



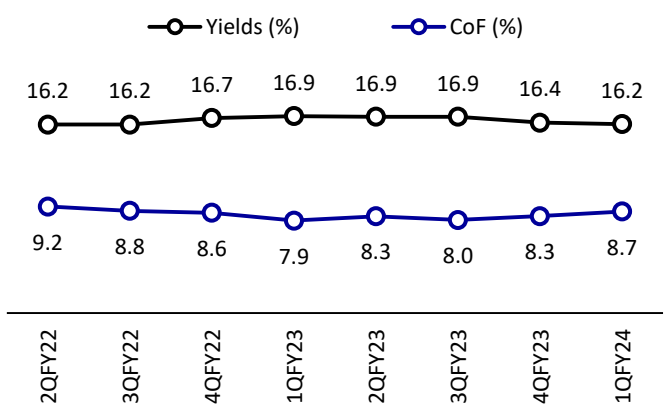
Source: MOFSL, Company

Exhibit 4: Borrowing mix (%)



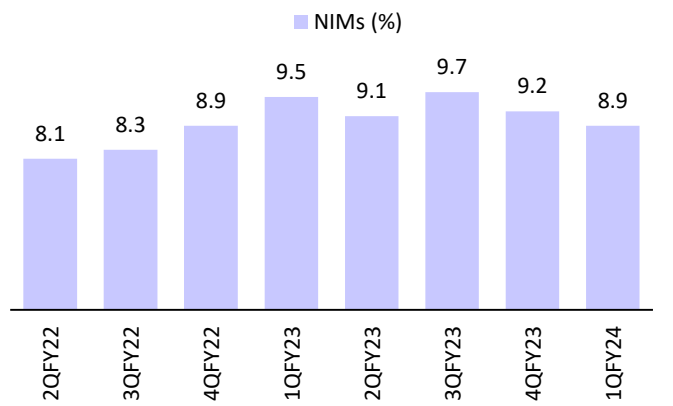
Source: MOFSL, Company

Exhibit 5: CoF (calc.) increased ~40bp sequentially...



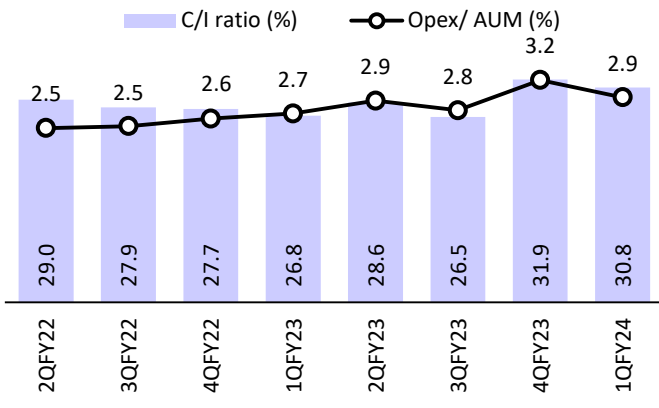
Source: MOFSL, Company

Exhibit 6: NIM compression driven by higher CoF and lower yields



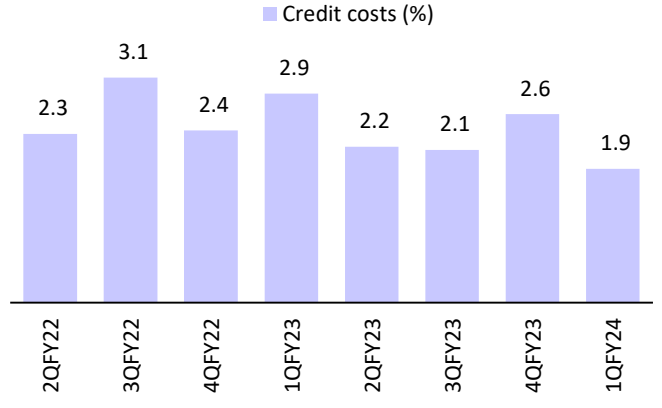
Source: MOFSL, Company

Exhibit 7: Cost-Income ratio remained elevated at ~31%



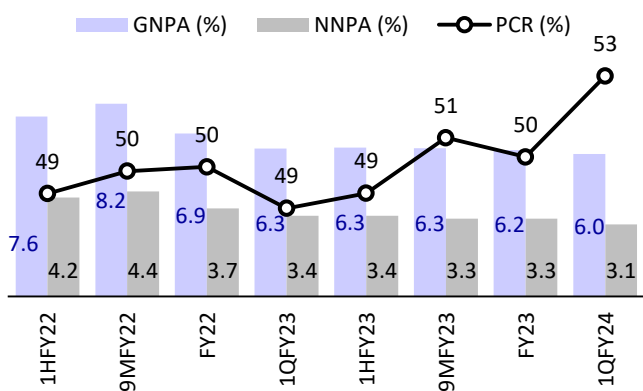
Source: MOFSL, Company

Exhibit 8: Credit costs moderated ~70bp QoQ



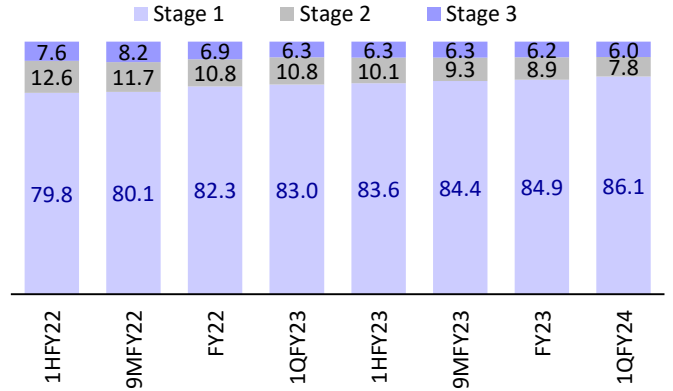
Source: MOFSL, Company

Exhibit 9: Asset quality improved sequentially



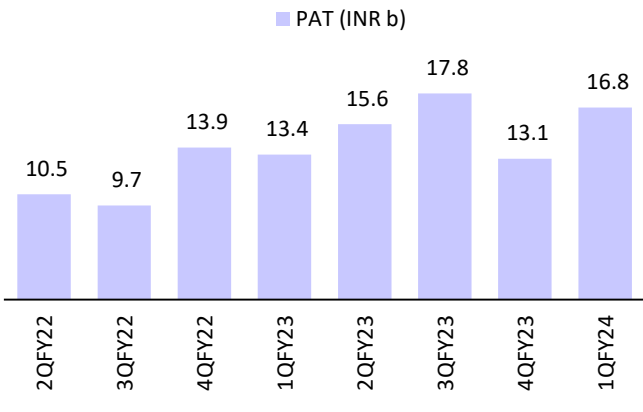
Source: MOFSL, Company

Exhibit 10: Gradual decline in Stage 3 assets (%)



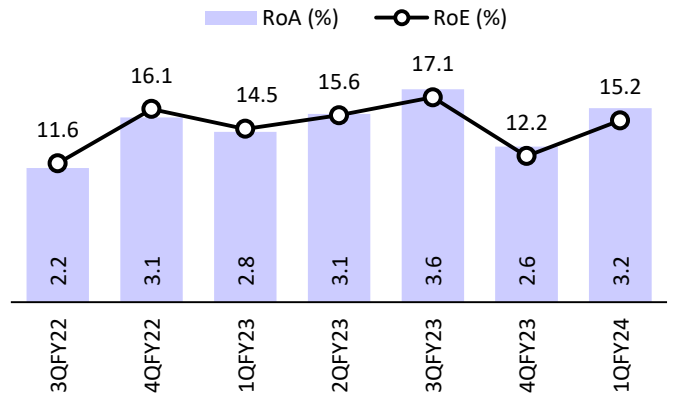
Source: MOFSL, Company

Exhibit 11: PAT grew 25% YoY



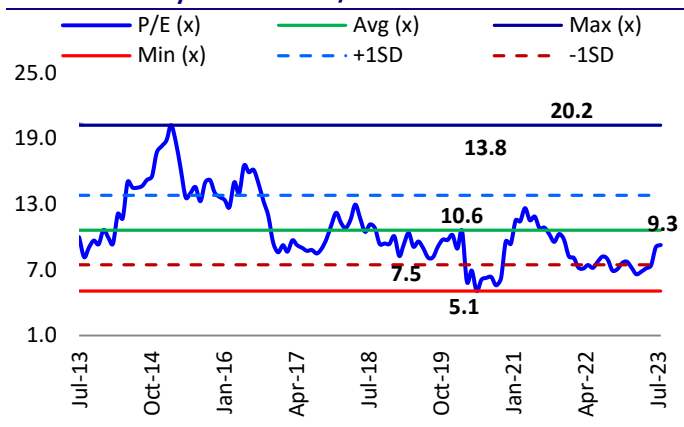
Source: MOFSL, Company

Exhibit 12: 1QFY24 RoE stood at ~15%



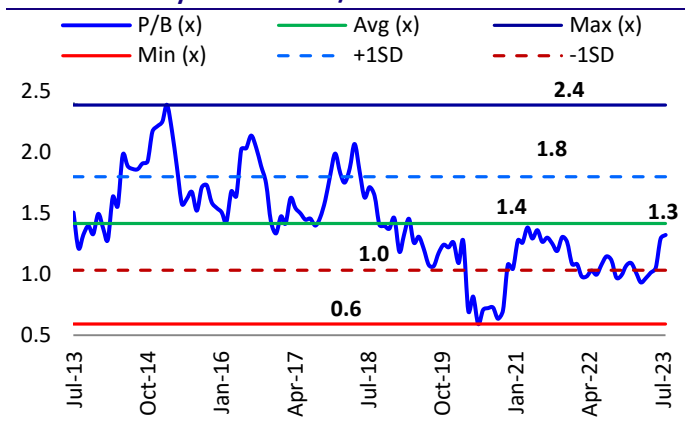
Source: MOFSL, Company, Reported

Exhibit 1: One-year forward P/B



Source: MOSL, Company

Exhibit 2: One-year forward P/E



Source: MOSL, Company

Exhibit 3: Increase our FY24 estimates by ~2% to factor in lower credit costs (INR b)

	Old Est.		New Est.		Change (%)	
	FY24	FY25	FY24	FY25	FY24	FY25
NII (incl. assignments)	182.4	205.5	180.2	207.5	-1.2	1.0
Other Income	12.7	13.5	12.9	13.7	1.3	1.3
Total Income	195.1	219.0	193.0	221.1	-1.0	1.0
Operating Expenses	54.3	59.5	56.7	62.3	4.5	4.7
Operating Profits	140.8	159.5	136.3	158.8	-3.2	-0.4
Provisions	46.3	50.9	42.0	51.9	-9.2	2.1
PBT	94.5	108.6	94.3	106.9	-0.2	-1.6
Tax	25.4	29.2	24.1	27.3	-5.4	-6.7
PAT	69.1	79.4	70.3	79.6	1.7	0.3
AUM	2,136	2,428	2,169	2,485	1.5	2.3
Loans	1,983	2,257	2,016	2,312	1.6	2.5
Borrowings	1,848	2,112	1,855	2,162	0.4	2.3
NIM	9.1	9.0	9.0	8.9		
Credit Cost (%)	2.5	2.4	2.3	2.4		
RoA	3.1	3.1	3.2	3.1		
RoE	15.0	15.3	15.2	15.3		

Sources: MOFSL, Company

Financials and valuations

Income Statement							(INR M)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	182,776	210,407	219,646	226,997	248,605	286,074	330,399	385,179
Interest Expenses	80,329	94,975	104,105	111,881	122,668	125,458	150,227	177,721
Net Interest Income	102,447	115,432	115,541	115,116	125,936	160,616	180,172	207,458
Change (%)	38.6	12.7	0.1	-0.4	9.4	27.5	12.2	15.1
Other Operating Income	1,628	2,605	4,748	4,514	9,214	11,648	12,522	13,281
Other Income	2,195	258	235	237	227	307	353	406
Total Income	106,270	118,295	120,524	119,867	135,378	172,571	193,047	221,145
Change (%)	25.1	11.3	1.9	-0.5	12.9	27.5	11.9	14.6
Total Operating Expenses	29,912	33,666	35,803	33,500	37,805	49,131	56,701	62,335
Change (%)	26.5	12.6	6.3	-6.4	12.8	30.0	15.4	9.9
Employee Expenses	14,195	17,210	18,585	16,699	19,695	25,061	32,078	36,248
Depreciation	694	742	2,232	2,172	2,137	5,242	5,419	5,538
Other Operating Expenses	15,023	15,715	14,986	14,629	15,973	18,828	19,204	20,549
Operating Profit	76,357	84,629	84,721	86,367	97,573	123,441	136,346	158,809
Change (%)		10.8	0.1	1.9	13.0	26.5	10.5	16.5
Total Provisions	27,455	31,643	36,786	39,693	47,485	41,592	42,024	51,934
% Loan loss prov. to Avg loans ratio	2.5	2.5	2.7	2.8	3.1	2.4	2.3	2.4
PBT	48,903	52,986	47,935	46,674	50,088	81,849	94,322	106,875
Tax Provisions	17,188	17,457	12,913	11,692	12,164	22,056	24,052	27,253
Tax Rate (%)	35.1	32.9	26.9	25.1	24.3	26.9	25.5	25.5
PAT	31,715	35,529	35,022	34,982	37,925	59,793	70,270	79,622
Change (%)		12.0	-1.4	-0.1	8.4	57.7	17.5	13.3

Balance Sheet							(INR M)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	2,929	2,929	2,929	3,191	3,371	3,744	3,744	3,744
Reserves & Surplus	186,732	217,432	247,288	291,764	343,760	429,322	485,364	549,094
Net Worth	189,660	220,361	250,217	294,954	347,132	433,066	489,108	552,838
Borrowings	1,035,319	1,104,851	1,175,376	1,317,617	1,451,285	1,579,063	1,854,704	2,161,594
Change (%)	19.2	6.7	6.4	12.1	10.1	8.8	17.5	16.5
Other liabilities	20,727	21,865	25,436	26,317	23,320	24,509	26,960	29,656
Total Liabilities	1,245,707	1,347,077	1,451,029	1,638,888	1,821,754	2,036,639	2,370,773	2,744,088
Cash and bank balances	42,095	52,657	103,773	216,562	229,679	158,174	188,457	252,010
Investments	30,770	48,653	35,326	42,152	86,455	85,651	84,537	86,228
Loans	1,165,329	1,237,406	1,288,442	1,357,232	1,476,890	1,719,846	2,015,587	2,312,264
Change (%)	21.8	6.2	4.1	5.3	8.8	16.5	17.2	14.7
Fixed Assets	2,010	2,283	7,181	6,599	6,467	19,834	20,826	21,867
Deferred tax Assets	1,246	1,241	694	6,964	9,109	17,439	19,183	21,101
Goodwill						14,067	14,067	14,067
Other Assets	4,257	4,838	15,613	9,379	13,137	21,627	28,115	36,550
Total Assets	1,245,707	1,347,077	1,451,029	1,638,888	1,821,737	2,036,639	2,370,773	2,744,088

E: MOFSL Estimates

Financials and valuations

AUM Mix (%)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
AUM	1,238,426	1,340,643	1,388,342	1,468,128	1,577,122	1,856,829	2,169,245	2,484,591
Change (%)	21.5	8.3	3.6	5.7	7.4	17.7	16.8	14.5
Disbursements	766,170	728,076	705,733	521,985	862,135	1,106,899	1,298,392	1,454,199
Change (%)	24.7	-5.0	-3.1	-26.0	65.2	28.4	17.3	12.0

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Spreads Analysis (%)								
Avg. Yield on Loans	17.2	17.5	17.4	17.2	17.5	17.9	17.7	17.8
Avg Cost of Funds	8.4	8.9	9.1	9.0	8.9	8.3	8.8	8.9
Spread of loans	8.8	8.6	8.3	8.2	8.7	9.6	8.9	9.0
NIM (on loans)	9.7	9.6	9.1	8.7	8.9	10.0	9.6	9.6
NIM (on AUM)	9.1	9.0	8.5	8.1	8.3	9.4	9.0	8.9
C/I ratio	28.1	28.5	29.7	27.9	27.9	28.5	29.4	28.2

Profitability Ratios (%)

RoE	18.0	17.3	14.9	12.8	11.8	15.3	15.2	15.3
RoA	2.8	2.7	2.5	2.3	2.2	3.1	3.2	3.1
Int. Expended / Int.Earned	43.9	45.1	47.4	49.3	49.3	43.9	45.5	46.1
Other Inc. / Net Income	3.6	2.4	4.1	4.0	7.0	6.9	6.7	6.2

Efficiency Ratios (%)

Op. Exps. / Net Income	28.1	28.5	29.7	27.9	27.9	28.5	29.4	28.2
Empl. Cost/Op. Exps.	47.5	51.1	51.9	49.8	52.1	51.0	56.6	58.2

Asset-Liability Profile (%)

Loans/Borrowings Ratio	1.1	1.1	1.1	1.0	1.0	1.1	1.1	1.1
Assets/Equity	6.6	6.1	5.8	5.6	5.2	4.7	4.8	5.0

Asset quality (%)

GNPA	113,983	111,930	114,400	101,688	109,762	113,822	119,322	125,732
NNPA	62,464	65,678	66,256	51,523	49,731	56,749	59,661	62,866
GNPA ratio	9.2	8.5	8.3	6.9	6.9	6.2	5.6	5.2
NNPA ratio	5.0	5.0	4.8	3.5	3.1	3.1	2.8	2.6
PCR	45.2	41.3	42.1	49.3	54.7	50.1	50.0	50.0
Credit Costs (% of loans)	2.5	2.5	2.7	2.8	3.1	2.4	2.3	2.4

Valuations

	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Book Value (INR)	648	752	854	924	1,030	1,157	1,306	1,476
BV Growth (%)	17	16	14	8	11	12	13	13
P/BV	2.8	2.4	2.1	2.0	1.8	1.6	1.4	1.2
EPS (INR)	108	121	120	110	112	160	188	213
EPS Growth (%)		12.0	-1.4	-8.3	2.6	42.0	17.5	13.3
P/E	16.7	14.9	15.2	16.5	16.1	11.4	9.7	8.5
DPS	12.6	14.3	5.2	21.1	23.4	35.0	40.0	45.0
Dividend Yield (%)	0.7	0.8	0.3	1.2	1.3	1.9	2.2	2.5

E: MOFSL Estimates

Du-Pont (% of average assets)	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	15.9	16.2	15.7	14.7	14.4	14.8	15.0	15.1
Interest Expended	7.0	7.3	7.4	7.2	7.1	6.5	6.8	6.9
Net Interest Income	8.9	8.9	8.3	7.5	7.3	8.3	8.2	8.1
Non-interest income	0.3	0.2	0.4	0.3	0.5	0.6	0.6	0.5
Net Total Income	9.3	9.1	8.6	7.8	7.8	8.9	8.8	8.6
Operating Expenses	2.6	2.6	2.6	2.2	2.2	2.5	2.6	2.4
- Employee expenses	1.2	1.3	1.3	1.1	1.1	1.3	1.5	1.4
- Other expenses	1.4	1.3	1.2	1.1	1.0	1.2	1.1	1.0
PPoP	6.7	6.5	6.1	5.6	5.6	6.4	6.2	6.2
Provisions/write offs	2.4	2.4	2.6	2.6	2.7	2.2	1.9	2.0
PBT	4.3	4.1	3.4	3.0	2.9	4.2	4.3	4.2
Tax	1.5	1.3	0.9	0.8	0.7	1.1	1.1	1.1
RoA	2.8	2.7	2.5	2.3	2.2	3.1	3.2	3.1
Avg. Leverage	6.5	6.3	5.9	5.7	5.4	4.9	4.8	4.9
RoE	18.0	17.3	14.9	12.8	11.8	15.3	15.2	15.3

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NOTES

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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

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