



INDIA DIV. FINANCIALS

	RATING	TARGET PRICE	EPS 25e	EPS 26e
Bajaj Finance	(+)	INR1,180	-	↘ -4%
Fedbank Financial Services	(=)	INR153	-	-
HDB Financial Services Ltd	(=)	INR840 ↗ 4%	-	↗ 5%
SBI Cards & Payment Services Ltd	(-)	INR800 ↗ 5%	↘ -4%	↗ 1%

Underwhelming reportage, overplayed theme – 2QFY26 NBFC review

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2QFY26 marks the second consecutive quarter of mild disappointment

In direct contrast to the mostly positive surprises delivered by banks, NBFCs under our coverage disappointed in 2QFY26 for the most part. We note that that margin sensitivity in NBFCs (as opposed to large HFCs) from a rate cut cycle was a vastly overhyped theme. We highlight that a 10-20bps easing in borrowing costs on businesses with 700-1000bps NIMs, cannot be a primary driver of earnings growth in the manner that an asset (quality/growth) cycle can be. Large NBFCs in our coverage (BAF, HDB, and SBI Cards; primarily dealing with bank-adjacent customer demographics) as well as the small-cap FedFina all delivered negative surprises in 2QFY26 with SBI Cards delivering the largest miss (on credit costs) and BAF showing the largest negative market reaction (presumably from lowered growth guidance). We also note that the more 'bottom-of-the-pyramid' old-school asset finance NBFCs like Shriram Finance (NC), Cholamandalam Investment (NC) and Mahindra Finance (NC) all delivered positive surprises on asset cycle outcomes.

We tweak our estimates, while maintaining our target multiples and rating

We tweak our earnings estimates, with no major changes (of >5%). We keep our target multiples and rating unchanged. TP changes are mainly on account of rolling over to 2QFY28E.

Valuations support our banks over NBFC stance within lenders

Banks continue to trade at steep discounts to their long-term valuations, despite healthy balance sheets and expected earnings growth revival from margin stabilisation. On the other hand, NBFCs trade at the upper end of their historical valuation range. The expected swing in earnings growth in banks from negative to mid-teens territory is more dramatic than the likely steady compounding in our NBFC coverage. Thus, on a relative basis, we continue to prefer our large bank picks (HDFC, ICICI, AXSB – in that order) over NBFCs. Within NBFCs, BAF remains our top O/P, while SBI Cards remains the highest conviction U/P.

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Bajaj Finance (+)

	Key metrics**	03/25	03/26e	03/27e	03/28e
14 Nov 2025	BAF.IN EPS restated (INR)	26.8	32.8	40.3	50.5
Closing Price*	INR1,019 EPS GAAP (INR)	26.8	32.8	40.3	50.5
Target Price	INR1,180 P/E (x)	27.1	31.0	25.3	20.2
Upside	16% P/BVPS (x)	4.56	5.54	4.63	3.84
Mkt cap	6,331.2bn P/Tangible BVPS (x)	4.61	5.60	4.68	3.88
ESG Rating	- High (x)	5.76	6.01	-	-
Country	India - Low (x)	4.09	4.69	-	-
Sub sector	Net yield (%)	0.8	0.5	0.6	0.7
	ROTE, adjusted (%)	19.2	19.3	20.2	21.0

Fedbank (=)

	Key metrics**	03/25	03/26e	03/27e	03/28e
14 Nov 2025	FEDFINA.IN EPS restated (INR)	6.04	10.92	15.18	16.12
Closing Price*	INR145.4 EPS GAAP (INR)	6.04	10.92	15.18	16.12
Target Price	INR153 P/E (x)	18.5	13.3	9.6	9.0
Upside	5% P/BVPS (x)	1.63	1.83	1.53	1.31
Mkt cap	54.4bn P/Tangible BVPS (x)	1.74	1.93	1.60	1.36
ESG Rating	- High (x)	2.04	2.16	-	-
Country	India - Low (x)	1.29	1.12	-	-
Sub sector	Net yield (%)	0.0	0.0	0.0	0.0
	ROTE, adjusted (%)	9.9	15.9	18.5	16.5

* Closing prices at 14 November - Historical periods use average historical prices

HDB Financial S (=)

	Key metrics**	03/25	03/26e	03/27e	03/28e
14 Nov 2025	HDBFS.IN EPS restated (INR)	27.3	32.0	43.7	51.7
Closing Price*	INR731.1 EPS GAAP (INR)	27.3	32.0	43.7	51.7
Target Price	INR840 P/E (x)	-	22.9	16.7	14.1
Upside	15% P/BVPS (x)	-	2.95	2.55	2.20
Mkt cap	607.7bn P/Tangible BVPS (x)	-	2.96	2.56	2.21
ESG Rating	- High (x)	-	3.50	-	-
Country	India - Low (x)	-	2.88	-	-
Sub sector	Net yield (%)	-	0.4	0.5	0.6
	ROTE, adjusted (%)	14.7	14.7	16.5	16.8

SBI Cards & Pay (-)

	Key metrics**	03/25	03/26e	03/27e	03/28e
14 Nov 2025	SBICARD.IN EPS restated (INR)	20.1	25.8	36.9	43.8
Closing Price*	INR875.0 EPS GAAP (INR)	20.1	25.8	36.9	43.8
Target Price	INR800 P/E (x)	36.9	34.0	23.7	20.0
Downside	9% P/BVPS (x)	5.13	5.22	4.34	3.61
Mkt cap	832.6bn P/Tangible BVPS (x)	5.17	5.25	4.36	3.63
ESG Rating	- High (x)	6.13	6.10	-	-
Country	India - Low (x)	4.62	4.72	-	-
Sub sector	Net yield (%)	0.4	0.4	0.5	0.6
	ROTE, adjusted (%)	15.0	16.6	20.1	19.8

** All valuation metrics based on adjusted figures

See page 14 for Analyst Certification, Important Disclosures, Non-US Research Analyst disclosures and BNP Paribas Group Corporate Social Responsibility ("CSR") policies. BNP Paribas has adopted strict CSR policies that govern financing and investment in certain sectors. For time of dissemination, please refer to the Cube.

Figure 1: Quarterly highlights

Company name	EPS vs BBG Consensus (adj. for extraordinaries)	Market reaction*	2QFY26 result highlights	Key outlook/management commentary
BAF	-	(7.0)	2QFY26 PAT of cINR49.5b (+23.3% y-y, +3.8% q-q) was in line with the BBG consensus and below our estimates by 3%. NIM (on AUM) was flat q-q at 9.52% despite a 27bps reduction in reported cost of funds (partly impacted by slippage). There was, however, a positive surprise in operating economies as the cost-to-income ratio fell 62bps/8 bps y-y/q-q.	The company now expects 22-23% growth in FY26 vs 24-25% guided earlier (mainly because of MSME growth guidance, which moderated to 10-12%).
SBI Cards	(24.0)	(3.0)	SBICARD's 2QFY26 PAT of cINR4.45b (+10% y-y, -20% q-q) missed the BBG consensus by c24% and ours by c20%, mainly from higher-than-expected credit cost, which came c6% above BBG consensus and c5% above our estimates. GS-3 and GS-2 levels were stable and may help reduce credit cost down the line as segment health improves.	Management guided for credit costs to improve.
FedFina	(1.1)	(2.3)	AUM grew 13.5%/2.8% y-y/q-q owing to higher disbursements of gold loans (up c70% y-y). The annualised credit cost (calculated) inched up to 79bps (from 71bps in 1QFY26) but was 37bps lower y-y. NIM (on avg. AUM) improved by 58bps q-q to 7.4%. The cost-to-income ratio declined 75bps q-q to 56.9%, which led to an 8.4% q-q higher PPOP.	The growth in gold loan portfolio will be a key monitorable in the coming quarters.
HDBFS	(6.7)	(0.5)	HDBFS's 2QFY26 PAT of cINR5.8b (-1.6% y-y, +2.4% q-q) was 6.7% lower than BBG consensus. The annualised credit cost (calculated) inched up to 271bps (from 248bps in 1QFY26) and was 94bps higher y-y. 2QFY26 AUM grew 13.0% y-y, 1.9% q-q owing to healthy growth of consumer finance (c17% y-y, 2.3% q-q). Cost-to-income ratio declined 223bps q-q to 46.3%, which led to a 9.1% q-q increase in PPOP.	The company maintained its long-term credit cost guidance of 2.2%. Management reiterated that as asset quality pressures (concentrated in CV, unsecured business loans, MFI) ease, they expect to return to a healthy growth trajectory in the coming quarters.
Chola (Not Covered)	3.8	1.2	Chola's 2QFY26 PAT of cINR11.6b (+20% y-y, 1.7% q-q) was 3.8% above BBGe. The AUM growth was sound at 21% y-y. NIM for the quarter improved to 7.9% (+40bps y-y). However, GS3 increased 19bps to 3.35%	The company maintained pre-tax ROA guidance of c3% in 2QFY26. HCV segment will be closely monitored as the disbursement was slow. Management expects the growth to improve in 2HFY26. On LCV front, disbursement was healthy and growth momentum is expected to continue.
Shriram (Not Covered)	5.0	1.4	AUM growth was 15.74% y-y, 3.3% q-q. PV and farm equipment witnessed strong growth of 21.5% y-y and 38.4% y-y respectively. The company's PAT of INR23.1b beat the BBG consensus by 5%.	Management expects credit demand to improve in 2HFY26. Management also expects the MSME segment growth to continue with stable asset quality
M&MF (Not Covered)	(5.8)	5.9	AUM growth was stable at 13% y-y, whereas PAT up 54% y-y (missed BBGe by 5.8%). GS3 inched up marginally to 3.9%.	Management expects credit cost to moderate with improvement in asset quality. Moreover, AUM growth is likely to pick up further in 2HFY26
L&T Finance (Not Covered)	(1.8)	10.3	The company's ROA (2.41% for 2QFY26) was 4bps higher q-q despite higher credit cost. PAT of INR7.35bn (+6% y-y, +5% q-q) was 1.8% below BBGe.	Management reiterated the focus on retail finance growth. In 2QFY26, retail book grew by 18% y-y and retail disbursement was up 25% y-y.

*Market reaction is based on the closing price of result day or the next day if results were declared post market hours.

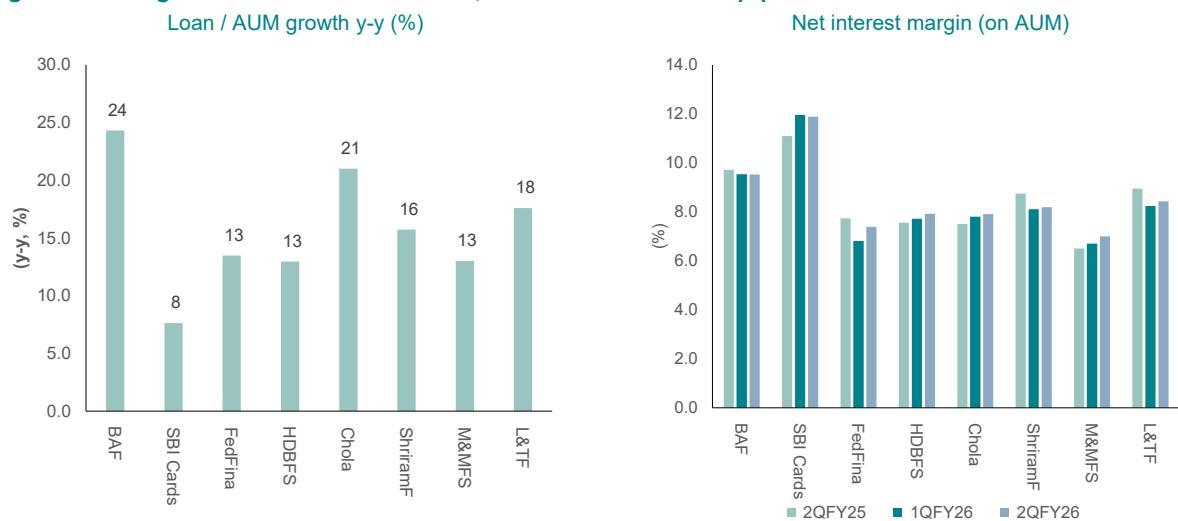
Source: BNP Paribas Exane estimates

Figure 2: Variation vs BBG consensus

	FY26E					FY27E				
	NII	Opex	PPOP	Credit cost	PAT	NII	Opex	PPOP	Credit cost	PAT
BAF	(0.7)	(1.3)	(0.5)	(4.6)	0.4	(1.2)	0.6	(2.2)	(7.2)	(1.5)
SBICARDS	(0.8)	(1.2)	2.7	1.1	4.6	1.2	2.3	(0.1)	(6.1)	6.9
FedFina	4.3	2.4	6.8	(14.2)	12.4	7.5	2.8	13.6	2.7	15.8
HDBFS	NA	NA	NA	NA	NA	NA	NA	NA	NA	28.0

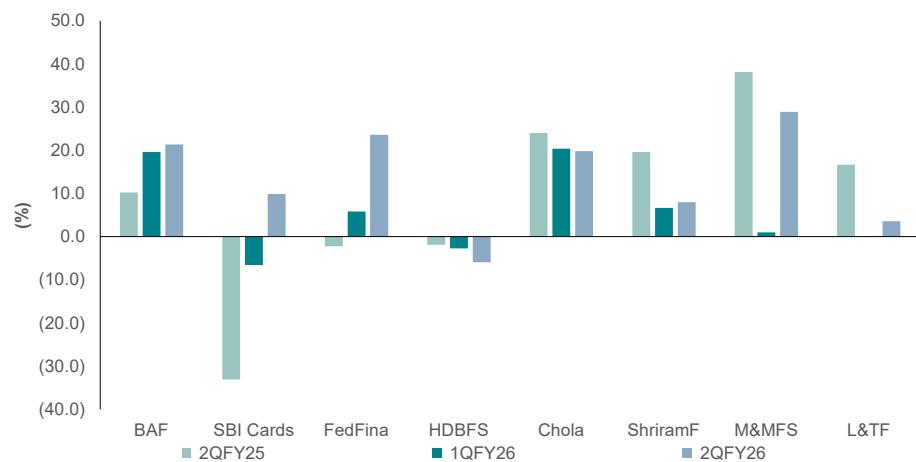
Source: BNP Paribas Exane estimates

Figure 3: AUM growth muted for SBI Cards; NIM remained stable q-q



Source: Companies, BNP Paribas Exane

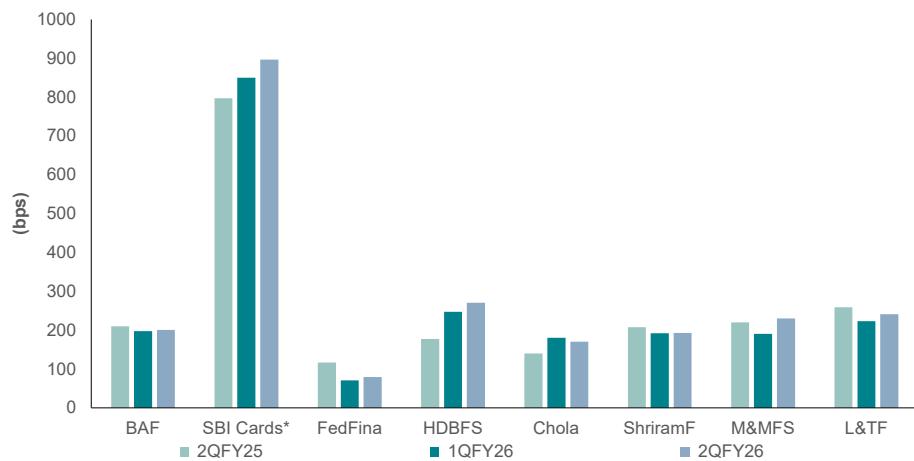
Figure 4: EPS growth stable for BAF and FedFina amongst coverage companies
EPS growth (%)



Source: Companies, BNP Paribas Exane

Figure 5: Credit cost inched up q-q

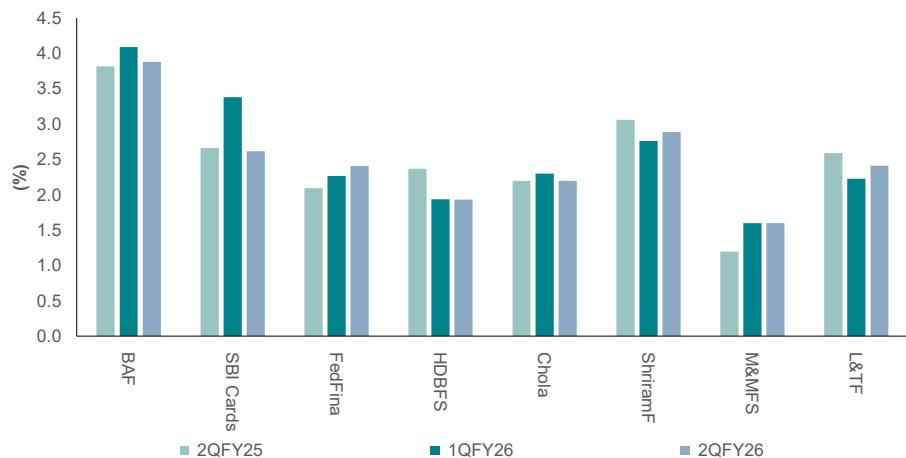
Credit cost (bps)



Note: *Net credit cost/ Average AUM
Source: BNP Paribas Exane

Figure 6: ROA remained stable q-q except for a small drop in BAF and a much steeper one in SBI Cards

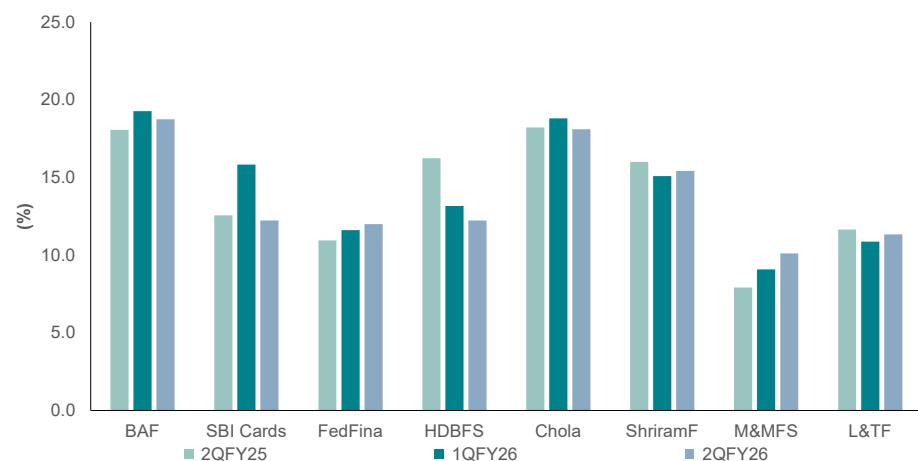
ROA (%)



Source: BNP Paribas Exane estimates

Figure 7: ROE declined marginally q-q for all coverage NBFCs, except for FedFina

ROE (%)



Source: BNP Paribas Exane

Limited change in estimates; target multiples unchanged

BAF – Change in estimates

Figure 8: Change in estimates- BAF

Parameters		FY26E	FY27E	FY28E
AUM (INR b)	New	5,119	6,368	7,927
	Old	5,192	6,529	8,221
	Var (%)	(1)	(2)	(4)
NIM on AUM (%)	New	9.6	9.5	9.5
	Old	9.8	9.9	9.8
	Var (bps)	(28)	(41)	(39)
Credit cost (bps)	New	189	179	179
	Old	185	179	179
	Var (bps)	4	0	(0)
C/I (%)	New	32.6	32.7	32.0
	Old	33.6	34.0	34.3
	Var (bps)	(103)	(136.89)	(229.67)
NII (INR b)	New	444	546	676
	Old	460	581	725
	Var (%)	(3.6)	(6.0)	(6.9)
PPOP (INR b)	New	366	446	558
	Old	371	462	575
	Var (%)	(1.5)	(3.4)	(3.0)
PAT (adj. for minority) (INR b)	New	204	251	314
	Old	208	261	324
	Var (%)	(2.1)	(3.8)	(3.0)
BVPS (adj. for minority, INR)	New	178	213	256
	Old	185	219	261
	Var (%)	(3.7)	(3.0)	(2.0)

Source: BNP Paribas Exane estimates

HDBFS – Change in estimates

Figure 9: Change in estimates – HDBFS

Parameters		FY26E	FY27E	FY28E
Loan Growth (%)	New	15.1	18.0	19.0
	Old	17.0	18.7	20.1
	Var (bps)	(187)	(65)	(114)
NIM on AUM (%)	New	7.7	7.8	7.7
	Old	7.4	7.5	7.5
	Var (bps)	29	28	20
Credit cost (bps)	New	227	179	177
	Old	205	179	176
	Var (bps)	22	0	0
C/I (%)	New	47	47	47
	Old	48	48	47
	Var (bps)	(134)	(103)	(67)
NII (INR b)	New	89	105	123
	Old	87	103	124
	Var (%)	3.0	1.7	(0.1)
PPOP (INR b)	New	62	73	86
	Old	59	71	86
	Var (%)	4.3	2.4	0.2
PAT (INR b)	New	27	37	43
	Old	27	35	43
	Var (%)	0.4	4.6	1.6
BVPS (INR)	New	245	284	330
	Old	248	286	334
	Var (%)	(1.1)	(0.7)	(1.0)

Source: BNP Paribas Exane estimates

SBI Cards – Change in estimates

Figure 10: Change in estimates – SBI Cards

Parameters		FY26E	FY27E	FY28E
Receivables Growth (%)	New	18.4	22.2	21.1
	Old	17.9	22.4	22.5
	Var (bps)	53	(21)	(136)
Credit cost (bps)	New	757	589	590
	Old	750	589	588
	Var (bps)	7	0	2
C/I (%)	New	53.2	54.2	54.5
	Old	52.2	54.4	54.6
	Var (bps)	96	(12)	(10)
NII (INR b)	New	70	82	98
	Old	69	81	98
	Var (%)	1.4	1.0	0.1
Non interest income (INR b)	New	107	125	151
	Old	106	124	152
	Var (%)	1.2	0.3	(0.7)
PPOP (INR b)	New	83	94	113
	Old	84	94	114
	Var (%)	(0.8)	0.9	(0.1)
PAT (INR b)	New	25	35	42
	Old	25	35	42
	Var (%)	(3.8)	1.4	0.3
BVPS (INR)	New	168	202	242
	Old	169	202	243
	Var (%)	(0.6)	(0.2)	(0.2)

Source: BNP Paribas Exane estimates

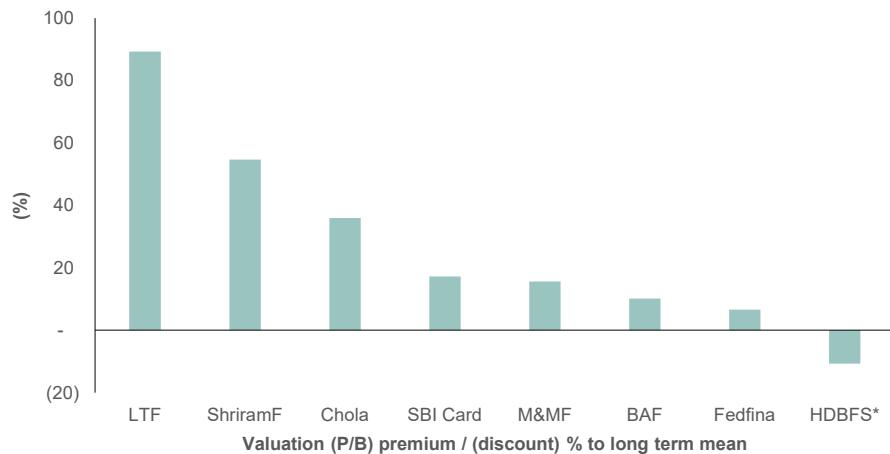
Figure 11: TP changes from one quarter rolling forward; target multiple unchanged

Companies	Old TP (INR)	New TP (INR)	Variance (%)	CMP* (INR)	Upside (%)	Old multiple (x)	New multiple (x)	Basis
BAF	1,180	1,180	-	1,005	17.4	5.0x	Unchanged	Price to Core BVPS
SBI Cards	760	800	5.3	877	(-8.8)	20.0x	Unchanged	Price to EPS
HDBFS	810	840	3.7	732	14.8	2.7x	Unchanged	Price to BVPS

Source: BNP Paribas Exane estimates

Valuations are at a premium to historical baseline, supports our banking preference

Figure 12: Valuation (P/B) premium / discount – NBFCs trading at premium to their long term baseline

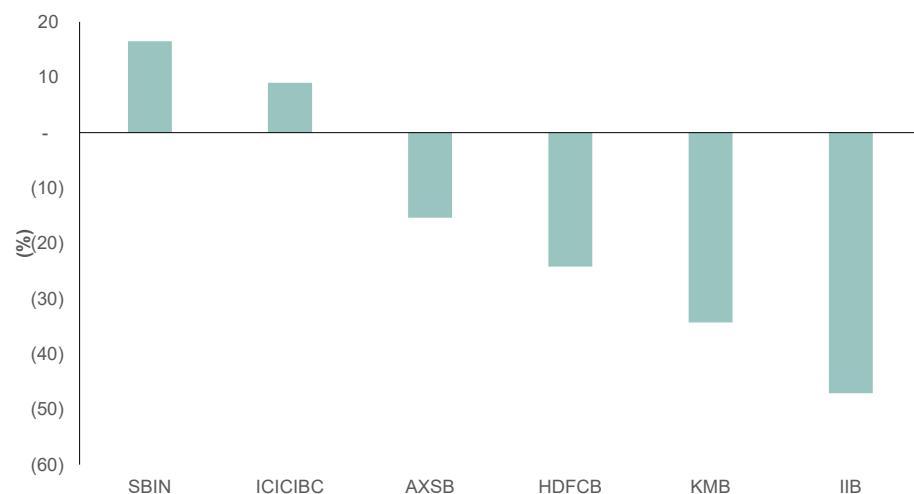


Note: 1) HDBFS has a very short trading history; 2) We do not cover Chola, Shriram, Mahindra Finance and L&T Finance and use Bloomberg consensus estimates for non-covered companies.

Source: BNP Paribas Exane estimates, Bloomberg consensus estimates

Figure 13: Valuation premium/discount (P/B) for our large bank coverage – diametrically opposite to NBFCs

Valuation premium/discount of our large bank coverage to their respective long-term median (%)



Source: Bloomberg, BNP Paribas Exane estimates

Banks over NBFCs – our continued counter-consensus sub-sector preference

The generally accepted wisdom of preferring NBFCs to banks during rate cuts, while not absent merit, tends to be grossly overplayed in significance, in our view. Asset finance NBFCs (in stark contrast to mass-mortgage HFCs) have margins totalling 800-1,000bps, so a c25bps benefit to their bank borrowings totalling 10-15bps benefits to cost of funds is not a major delta to their earnings capacity. Similarly, as we pointed out earlier, barring the initial jolt to NIMs amounting to 25-30% of the cut, rate cuts set the stage for benign margin expansion and earnings improvement for banks.

Based on this perspective, once one overlays the relative valuation observation that our preferred banks (except ICICI Bank) continue to trade at valuation discounts while NBFCs' valuations, as demonstrated above, appear fuller, in a historical context (including our NBFC top pick, Bajaj Finance), the relative attractiveness of banking sector opportunities becomes clear to us.

Figure 14: Valuation matrix - NBFCs

Companies	Rating	Potential		P/BV				P/E				ROE				ROA				EPS Growth				
		TP	CMP	Upside	FY25A	FY26E	FY27E	FY28E	FY25P	FY26E	FY27E	FY28E	FY25P	FY26E	FY27E	FY28E	FY25P	FY26E	FY27E	FY28E	FY25P	FY26E	FY27E	FY28E
		(INR)	(INR)	(%)	(x)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)							
Bajaj Finance	+	1,180	1,005	17.4	6.3	5.3	4.4	3.7	37.2	29.5	23.6	19.0	19.1	19.4	20.4	21.2	4.0	4.0	4.0	4.0	14.1	25.9	25.2	24.1
Fedbank Financial services	=	153	138	11.3	2.0	1.8	1.5	1.2	22.8	12.6	9.1	8.5	9.4	15.0	17.6	15.8	1.8	2.9	3.2	2.7	(8.9)	80.8	39.0	6.2
SBI Cards	-	800	877	(8.8)	6.1	5.2	4.3	3.6	43.6	32.7	24.1	20.1	14.8	17.1	19.6	19.6	3.1	3.6	4.2	4.2	(20.7)	33.0	35.7	20.0
HDB Financial services	=	840	732	14.8	3.7	2.9	2.6	2.2	26.7	22.8	17.4	14.3	14.7	14.6	15.6	16.4	2.2	2.1	2.3	2.3	(11.8)	17.1	30.9	21.6
Muthoot Finance	NC	NA	3,391	NA	4.6	4.0	3.3	2.8	25.5	18.3	15.4	16.1	19.6	23.2	22.0	22.1	4.7	5.4	5.3	4.9	23.3	39.7	18.3	-4.1
Manappuram Finance	NC	NA	274	NA	1.9	1.7	1.5	1.4	19.2	19.1	11.9	13.5	10.1	10.7	13.4	14.2	2.5	2.7	3.6	3.6	(45.2)	0.7	60.3	-11.5
Shriram Finance	NC	NA	814	NA	2.7	2.4	2.1	1.8	13.8	16.1	13.4	11.6	18.1	15.8	16.5	16.4	3.5	3.0	3.2	3.2	50.9	-14.3	19.9	15.0
Mahindra Finance	NC	NA	310	NA	1.8	1.6	1.5	1.3	17.4	15.0	12.6	11.0	10.9	11.4	12.1	12.5	1.7	1.7	1.9	1.9	17.0	16.1	18.8	14.7
Cholamandalam Investment & Finance	NC	NA	1,711	NA	6.1	4.9	4.0	3.3	33.8	28.0	22.0	17.8	19.7	20.1	20.6	20.6	2.4	2.4	2.5	2.5	23.0	20.8	27.6	23.5
L&T Finance	NC	NA	292	NA	2.9	2.6	2.4	2.1	27.7	24.2	19.1	15.4	10.8	11.3	12.9	14.4	2.4	2.3	2.5	2.7	13.2	14.4	26.6	24.4
PNB Housing	NC	NA	913	NA	1.4	1.3	1.1	1.0	12.3	10.7	10.0	8.5	12.2	12.3	11.9	12.4	2.5	2.5	2.3	2.3	27.6	15.0	7.4	17.2
LIC Housing Finance	NC	NA	568	NA	0.9	0.8	0.7	0.6	5.8	5.8	5.6	5.1	16.1	13.9	13.0	12.8	1.8	1.6	1.6	1.6	13.9	-1.5	4.8	8.7

Note: Prices as of market close on 13 November 2025

Sources: BNP Paribas Exane estimates for covered companies; Bloomberg consensus estimates for non-covered companies

Investment case, valuation and risks

Bajaj Finance (Outperform, Target Price INR1,180)

Investment case

BAF is India's largest NBFC by AUM with a retail/MSME product suite focussed on the mass affluent and above demographics. BAF's innovative initial customer funnel, built from upselling to an appropriate subset of its consumer durable financing customers, has now transformed into a full-service credit, payment, and distribution play with a 'phygital' seamless omnichannel distribution. We think BAF is well positioned to deliver a loan/EPS CAGR of c24%/23% while maintaining RoE at c20% over FY26-28E.

Our analysis of current household indebtedness, loan service capability and system-wise static pool performance of personal loans suggests that the only early sign of marginal asset quality worsening is for small ticket loans (<INR50k) from fintechs, and it poses no threat to BAF's growth momentum in its loan products.

Valuation methodology

Given that growth runway till 2030 appears to remain in the high twenties, we expect EPS compounding should be along these lines or similarly ahead. We see at least two dilutions till 2030 before growth normalisation could even be on the anvil, based on our analysis. Accordingly, we will tend to value BAF between 5-6x depending on where it is in the growth-capital raise cycle.

Given the recent capital raise, we use a target multiple of 5x 2QFY28E P/BVPS (which translates into a 2QFY28E P/E of 22x, similar to the multiple the company is currently trading at in FY25 terms). This leads to a target price of INR1,180.

Risks

To the upside:

Key risks to the upside stem from positive surprises in asset growth. Also, all the new distribution/payments initiatives seeded by the company could also create new business lines as the shape of the financial services landscape evolves.

To the downside:

We think the fundamental risk to the BAF investment thesis relates to the asset risks inherent in such rapid expansion. The fact that the company needs to replicate its success on a larger base ensures that every successive iteration is a greater achievement than the previous. The structural change in India's data richness and a relatively open field to truly tech-enabled underwriting/ opportunity finding is making this growth possible. But any slowdown will raise a question mark on the multiple and slow down asset/earnings growth. Even if this is temporary, the market impact on multiples and earnings estimate downgrades could have a meaningful stock price impact.

Fedbank Financial Services (Neutral, Target Price INR153)

Investment case

FEDFINA is a retail-focussed NBFC with a track record of high AUM growth that we expect to sustain (FY20-25 AUM CAGR of 32.7%, FY25-28E AUM CAGR of 22.5%).

About c40% of its AUM comprises retail gold loans, which we think has low-risk and acts as a countercyclical hedge to its other new business extensions. We think FEDFINA's gold loan business, of an optimal AUM/branch scale (key to healthy profitability) at a branch count that is an order of magnitude lower than the sector leader, is the proverbial cherry on top. It is the bulwark segment for risk taking, in our view, which also turns out to be a high growth and profitability segment.

Its mortgage businesses are key drivers of growth (c18.4% FY25-28E AUM CAGR), with disbursement from already-installed branch capacity capable of bearing the bulk of the incremental disbursement load.

We expect consequent operating leverage to improve RoAs to 2.9% in FY26 from 1.8% in FY25. Given that we expect leverage (AUM/Equity) to touch the dilution threshold of 6.7x by end-FY27, we see the potential for a capital raise that could boost BVPS by 5-10%. This is likely to be a recurring feature if the growth story sustains its momentum over a longer period. Therein lies the potential for high sustained compounding.

Valuation methodology

As an early-stage NBFC with a steady-state RoE of 15-16%, we use a target multiple of c1.5x, which when applied to 1HFY28E BVPS leads to a target price of INR153.

Risks

To the upside:

Most upside risks in this business relate to an even higher-than-estimated AUM growth trajectory. Significantly higher levels of securitisation/co-lending opportunities could lead to positive surprises on profitability.

To the downside:

Key risks relating to the business stem from the execution of the company's ambitious growth aspirations. Delving a little deeper into the composition of the growth plan provides a clearer picture of key risks to our investment outlook.

1. In our view, the small-ticket LAP business has been the heart of the company's business expansion over the last few years. This is because it is the highest entry-barrier segment and has rewards commensurate with this status. This is also one of the most challenging segments and the performance of this segment will define FEDFINA's success or failure, in our opinion.
2. In the medium-ticket LAP business, risks increase/decrease based on the competitive cycle. An early cyclical positioning and a loan pricing discipline driven by credit exposure screen will be key to managing this risk.

HDB Financial Services Ltd (Neutral, Target Price INR840)

Investment case

We expect an overall loan CAGR of 18.6% over FY25-28 - healthy but 140bps below company's long-term guidance. Growth execution without asset quality accidents is key and we draw confidence from its FY11-25 track record of c19% BVPS CAGR and an implied net worth IRR of c15%.

With a mild margin tailwind and some normalisation of credit costs starting 2HFY26, we expect RoE to cross the 15%/16% threshold in FY27/FY28 and an EPS CAGR of 23.1% over FY25-28. Our TP of INR840 (2.7x 2QFY28E BVPS) implies a 12M upside that places it towards the middle of our NBFC coverage, motivating our Neutral recommendation.

Valuation methodology

In line with our banking valuation framework, to insulate ourselves from the vagaries of the earnings cycle, for lending businesses, we base our valuation judgment on P/B multiples in the context of both history as well as our prognosis of sustainable capital productivity. Our target P/B multiples are based off the sustainable RoEs that we expect. For every 350-400bps spread over cost of equity for the mid-point of our estimated sustainable RoE range, we accord 1x P/B premium to BV.

If this was a late lifecycle NBFC with a steady-state RoE of 16-18% and growth at or lower than the same, we would have used a target multiple of c2.0-2.6x 1-year forward P/B, implicitly assuming a cost of equity of c12.5%. Given the 'higher growth than accrual' dynamic discussed last page, we see at least one more dilution till 2030 before AUM

growth normalisation could even be on the anvil. This makes the case for a 10-15% premium over this base multiple range. Accordingly, we believe a target multiple range of 2.3x -2.9x appears reasonable, depending on what stage of the capital raise cycle the company is in (higher valuation as we get closer to next raise). Accordingly, given the recent raise, we choose the middle of this valuation range at 2.7x 2-yr forward P/B to set our 12M target price.

Risks

To the upside:

Quick resolution of asset quality issues in unsecured small business loans, CV and MFI will go a long way in providing greater fillip to earnings through both accelerated growth and lower credit cost. Further monetary easing will also aid with profitability and boost earnings growth.

To the downside:

Any delay in resolution in current patches of asset quality stress and any deepening of the problem will hobble loan growth appetite, with concurrent negative effects of operating leverage.

SBI Cards & Payment Services Ltd (Underperform, Target Price INR800)

Investment case

SBI Cards (SBICARD) is a pure-play credit card issuer, with exclusive rights to do so for SBI and six other banks. Poised to deliver a 20%/29.5% loan/EPS CAGR over FY25-28E, it continues to be a fee-dominant low-twenties RoE business, in our view.

We think regulatory intervention on MDRs (Merchant Discount Rates) could potentially erode 500-600bps of SBICARD's steady-state 22-23% RoE, if proposals are implemented as is, a probability that cannot be ruled out as minuscule. We see the deep derating (from 70x+ to 25x NTM P/E) since its FY20 IPO as a legitimate consequence of both a profitability drop from a reduction in the revolver proportion as well as the overhang of regulatory uncertainty. Our analysis suggests that a full 100bps increase in revolver proportion boosts ROE by c70bps, making a sustainable return to the earlier capital productivity of high twenties unlikely.

Valuation methodology

We would have argued for a P/E to long-term earnings growth of 1x, but the regulatory overhang ensures that we use a target multiple of 20x 2QFY28E P/E, a 10% haircut that pegs the multiple squarely in the middle of current/bear case regulatory scenarios.

Risks

To the upside:

The most potent upside trigger for SBI Card will be the removal of the regulatory overhang on MDR quantum. Also, any structural change within consumer credit that materially increases the proportion of revolvers, will be a significant boost to profitability and capital productivity.

To the downside:

SBICARD's overall profitability is sensitive to MDR regulation (our scenario analysis suggests a potential erosion of 500-600bps of SBICARD's steady state 22-23% RoE if regulatory proposals, on which public comments were sought, are implemented as is). Fundamentally, the regulator seems keen to bring down what it sees as 'cost friction' in the payments' ecosystem. This increases the possibility of adverse regulatory positions that can meaningfully alter the attractiveness of the business model.

Non-credit card payments are also gaining traction, especially in smaller ticket sizes and merchant working capital/daily repay product structures are being offered by some payment companies. These are product substitutes for credit cards and reduce the opportunity space for the product. If these business models develop a wider array of products, with or without regulatory support, they have the potential to disrupt the credit card business model.

ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES

Analyst Certification

I, **Santanu Chakrabarti**, hereby certify that all of the views expressed in this report accurately reflect my personal view(s) about the company or companies and securities discussed in this report. No part of my compensation was, is, or will be, directly, or indirectly, related to the specific recommendations or views expressed in this research report.

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Santanu Chakrabarti BNP Paribas Securities India Private Limited

Research Analyst Compensation

The research analyst(s) responsible for the preparation of this report receive(s) compensation based upon various factors including overall firm revenues, which include revenues from investment banking activities and/or sales and trading activities.

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Company/ies	Ticker/s	Relevant Disclosures
Axis Bank	AXSB IN	7; 9; 10; 11- Net long position
Fedbank Financial Services	FEDFINA IN	2; 3; 8
HDB Financial Services Ltd	HDBFS IN	2; 3; 4; 7; 8- BNP Paribas is mandated as Book Running Lead Manager for HDB Financial Services Ltd's IPO which was announced on 30 Oct 2024.; 9; 10
HDFC Bank	HDFCB IN	3; 4; 7; 8; 9; 10
ICICI Bank	ICICIBC IN	3; 4; 7; 8; 9; 10
IndusInd Bank	IIB IN	7; 9; 10; 11- Net long position
Kotak Mahindra Bank	KMB IN	7; 9; 10
Mahindra and Mahindra	MM IN	2; 3; 4; 7; 8; 9; 10
State Bank of India	SBIN IN	2; 3; 4; 7; 8; 9; 10
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Rating System

Our coverage analysts use a rating system in which they rate stocks as Outperform, Neutral, or Underperform (as defined below) relative to other companies covered by the analyst or the analyst's team, over a 12-month investment horizon.

Prior to 23 September 2024, BNPP ratings were relative ratings defined against the performance of the relevant MSCI sector index, at either the country or regional level over a 12-month investment horizon.

Outperform (O/P): The stock is expected to outperform the average total return of all companies covered by the analyst or the analyst's team, over a 12-month investment horizon.

Neutral: The stock is expected to perform in line with the average total return of all companies covered by the analyst or the analyst's team, over a 12-month investment horizon.

Underperform (U/P): The stock is expected to underperform the average total return of all companies covered by the analyst or the analyst's team, over a 12-month investment horizon.

Under review: The rating of the stock has been placed under review after significant news. Any possible change will be confirmed as soon as possible in the form of a new broadly disseminated report.

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Not Rated (NR): The stock is covered by BNPP but there is no Rating and no Target Price at this time.

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As of 23 September 2024, TEB Investment has changed the recommendation rating structure for Turkish stock coverage from Buy, Hold and Reduce to Outperform, Neutral and Underperform. Ratings and target prices for dates prior to 23 September 2024 used an absolute rating structure whereby the upside or downside to target price relative to the current share price determined the recommendation. TEB Investment now uses a relative recommendation structure whereby the applied rating is based on the stock's expected performance as compared to the average total return of all companies covered by the analyst or the analyst's team in Turkish stock coverage over a 12-month investment horizon. TEB Investment research reports with ratings and target prices for dates prior to 11 August 2025 were prepared and distributed without involvement of a FINRA member firm.

ESG Rating Explanation and Methodology

ESG integration methodology: The BNP Paribas approach offers an alternative to mechanistic ESG scores and leverages the in-depth knowledge of our industry equity research teams by combining quantitative and qualitative factors. There are three steps to our framework; firstly, our teams build a materiality map to assess which ESG topics are most relevant to their respective industries. Secondly, for the chosen topics, companies are assessed relative to sector peers. The assessment can be based on metrics and qualitative judgements. Each company is given a one to five score per topic, with five being the best. Thirdly, based on the topic scores, and any other significant ESG factors, we identify companies in the sector as ESG Leaders, ESG Laggards or ESG Average. The definition of the ratings is shown below; they are not based on the average topic score as some topic scores can be more material than others.

ESG Leader: Relative to sector peers an ESG Leader is better positioned on the chosen ESG topics, or other relevant ESG considerations.

ESG Average: A company rated as ESG Average may have strong or poor performance on an individual ESG topic, but overall has an average exposure to ESG risks and opportunities.

ESG Laggard: Relative to sector peers an ESG Laggard is poorly positioned on the chosen ESG topics, or other relevant ESG considerations for the stock.

Distribution of BNP Paribas' Equity Recommendations

As at 01 September 2025 BNP Paribas covered 1213 companies. The companies that, for regulatory reasons, are not accorded a rating by BNPP are excluded from these statistics. For regulatory reasons, our ratings of Outperform, Neutral and Underperform correspond respectively to Buy, Hold and Sell; the underlying signification is, however, different as our ratings are relative to the sector.

Ratings	Stocks coverage		Investment Banking Services Within the previous 12 months	
	Counts	%*	Counts	%
Outperform (Buy)	592	49	189	32
Neutral (Hold)	427	35	104	24
Underperform (Sell)	194	16	37	19

* Please note that the percentages might not add up to 100% because of rounding.

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Sustainability is core to BNP Paribas' company purpose: "we are engaged with our clients to create a better future".

In line with the United Nations Sustainable Development Goals, the BNP Paribas Group has thus pledged to act as a catalyst in the energy transition, and to contribute to a responsible and sustainable economy. As a bank, we are required to finance a number of industries, some of which can pose major environmental, social and governance (ESG) challenges. That's why, since 2010, BNP Paribas has adopted and regularly reviewed sector policies laying down strict ESG criteria meant to govern our financing and investments in these sensitive areas. They aim to support our customers in their transitions towards sustainable practices. For more details, please refer to: Financing and investment policies - BNP Paribas (<https://group.bnpparibas/en/our-commitments/transitions/financing-and-investment-policies>).

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The company-specific disclosures, history of recommendations, valuation methodologies and investment case risks for companies covered by this report are available on <https://cube.cib.bnpparibas/slink/sk6EkewJR6bj4GU3>.

For material information about the proprietary models used, please see summary of financials in company-specific research reports and the relevant company page on <http://cube.cib.bnpparibas>.

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Price at 14 Nov. 25 / 12m Target Price
INR1,019 / INR1,180 +16%

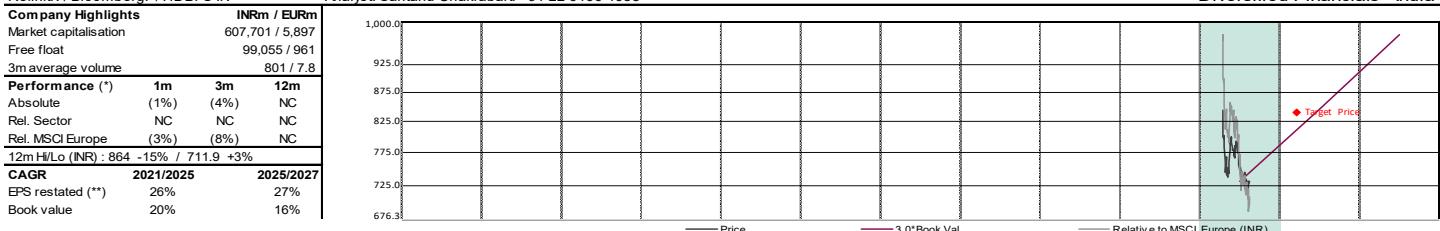
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Analyst: Santanu Chakrabarti +91 22 6196 4055

BAJAJ FINANCE (Outperform)

Diversified Financials - India

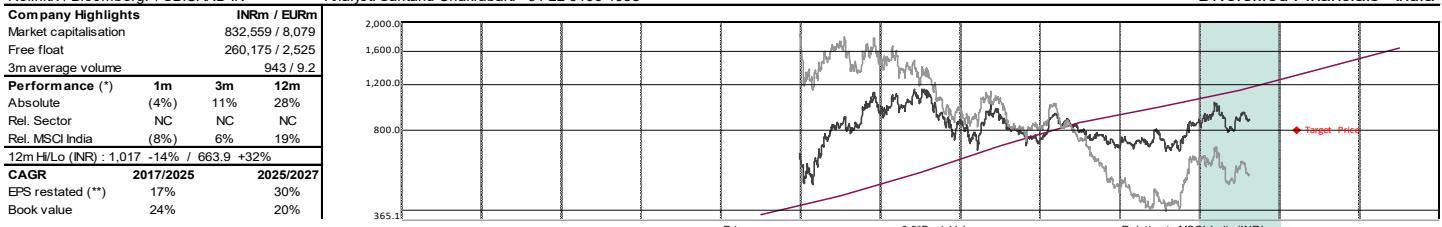
Company Highlights INRm / EURm											
Market capitalisation											6,331,198 / 61,434
Free float											2,859,802 / 27,750
3m average volume											7,630 / 74
Performance (*)											
1m											12m
Absolute	(0%)	18%	56%								
Rel. Sector	NC	NC	NC								
Rel. MSCI Europe	(2%)	12%	16%								
12m Hi/Lo (INR) : 1,094 -7% / 645.7 +58%											
CAGR 2015/2025 2025/2027											
EPS restated (**)	30%	24%									
Book value	29%	20%									
Price (yearly avg from Mar. 15 to Mar. 25)											
PER SHARE DATA (INR)											
Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26
No of shares year end, basic, (m)	5,000.00	5,355.00	5,468.50	5,751.50	5,768.50	5,999.50	6,016.00	6,033.00	6,044.50	6,180.00	6,208.50
No of shares (avg), diluted, restated for treasury stoc	5,052.82	5,353.38	5,454.38	5,683.65	5,810.50	5,909.70	6,054.96	6,069.66	6,070.45	6,123.83	6,214.44
EPS GAAP	1.78	2.39	3.37	4.39	6.88	8.91	7.30	11.58	18.96	23.60	26.77
EPS company definition	1.78	2.39	3.37	4.39	6.88	8.91	7.30	11.58	18.96	23.60	27.00
EPS restated	1.78	2.39	3.37	4.39	6.88	8.91	7.30	11.58	18.96	23.60	26.77
% change	NC	34.4%	41.0%	30.5%	56.5%	29.5%	(18.0%)	58.6%	63.7%	24.5%	13.5%
Book value (BVPS)	9.60	13.87	16.55	27.55	34.15	53.88	61.37	72.46	89.95	124.10	159.36
Tangible BVPS	9.53	13.78	16.41	27.34	33.85	53.51	60.83	71.68	88.78	122.59	157.53
Net dividend	0.36	0.50	0.36	0.40	0.60	1.00	0.00	1.00	2.00	3.00	5.60
STOCK MARKET RATIOS (x)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
P/E Adjusted	15.9	22.3	27.7	37.0	35.2	41.6	51.9	57.6	34.3	30.1	27.1
P/E Relative to MSCI Europe (%)	90%	146%	154%	234%	228%	302%	216%	439%	255%	203%	176%
P/BVPS	2.94	3.84	5.64	5.89	7.09	6.88	6.17	9.20	7.22	5.72	4.56
P/Tangible BVPS	2.96	3.87	5.69	5.94	7.15	6.93	6.23	9.30	7.32	5.79	5.60
High (x)	4.59	5.02	7.27	7.17	8.92	9.11	9.49	11.05	8.68	6.65	5.76
Low (x)	1.82	2.89	4.15	4.29	5.36	4.14	3.00	6.24	5.94	4.66	4.69
Net yield (%)	1.3%	0.9%	0.4%	0.2%	0.2%	0.3%	0.0%	0.1%	0.3%	0.4%	0.8%
Payout (%)	20.3%	20.9%	10.7%	9.1%	8.7%	11.2%	8.6%	10.6%	12.7%	20.9%	15.2%
P & L HIGHLIGHTS (INRm)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
Net interest income	28,037	38,398	51,829	69,716	97,252	134,972	138,894	175,235	229,903	295,819	363,928
Net fees and commissions	2,669	4,261	7,842	8,082	16,819	25,910	24,524	30,673	43,429	52,672	59,828
Trading profit	439	779	1,658	2,146	2,979	5,375	5,912	3,277	3,343	3,083	5,390
Other income	555	630	556	1,485	1,717	2,868	3,361	9,758	11,783	11,005	20,394
Total Revenues	31,700	44,067	61,885	81,429	118,766	169,125	172,691	218,944	288,458	362,578	449,540
Personnel costs	(4,507)	(6,296)	(9,317)	(14,336)	(19,385)	(25,480)	(24,987)	(35,924)	(50,591)	(63,960)	(75,083)
Other operating costs	(9,778)	(12,696)	(16,355)	(18,354)	(22,576)	(31,129)	(28,095)	(39,947)	(50,708)	(59,292)	(74,178)
Total costs	(14,285)	(18,992)	(25,672)	(32,690)	(41,961)	(56,608)	(53,082)	(75,872)	(101,300)	(123,252)	(149,261)
Operating profit before provisions	17,415	25,075	36,213	48,739	76,805	112,516	119,608	143,072	187,158	239,326	300,279
Bad debt charge	(3,846)	(5,429)	(8,039)	(10,305)	(15,014)	(39,295)	(59,686)	(48,034)	(31,897)	(46,307)	(79,660)
Other operating items											
Associates	0	0	0	0	0	0	0	0	17	76	178
Profit before tax and exceptional	13,570	19,647	28,174	38,434	61,792	73,222	59,923	95,038	155,279	193,096	220,796
Non-recurring costs											
Other non-recurring items											
Profit before tax	13,570	19,647	28,174	38,434	61,792	73,222	59,923	95,038	155,279	193,096	220,796
Tax	(4,591)	(6,861)	(9,810)	(13,471)	(21,842)	(20,584)	(15,724)	(24,756)	(40,202)	(48,584)	(53,002)
Minorities	0	0	0	0	0	0	0	0	0	(1,417)	(2,989)
Net profit	8,979	12,786	18,364	24,964	39,950	52,638	44,198	70,282	115,077	144,512	166,378
Hybrid coupon (where taken to equity)											
Net profit post hybrid coupon	8,979	12,786	18,364	24,964	39,950	52,638	44,198	70,282	115,077	144,512	166,378
BNPP adjusted net profit post hybrid coupons	8,979	12,786	18,364	24,964	39,950	52,638	44,198	70,282	115,077	144,512	166,378
BALANCE SHEET HIGHLIGHTS (INRm)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
Customer Loans	311,995	432,722	554,459	791,025	1,125,128	1,413,761	1,466,869	1,914,233	2,422,689	3,262,933	4,078,441
Intangibles	342	473	785	1,241	1,683	2,237	3,251	4,679	7,109	9,350	11,326
Other assets	15,461	36,535	64,160	55,717	115,514	227,914	244,585	206,148	322,489	485,133	571,501
Total assets	327,798	469,731	619,403	847,983	1,242,325	1,643,911	1,714,704	2,125,059	2,752,287	3,757,416	4,661,268
Customer Deposits	9,834	22,432	42,721	77,929	131,930	214,272	258,034	307,991	446,656	601,509	714,031
Shareholder's funds	47,997	74,268	90,528	158,478	196,970	323,276	363,184	437,127	543,720	766,954	989,369
Tangible Book Value	47,655	73,794	89,743	157,237	195,287	321,039	365,933	432,448	536,611	757,603	978,043
KEY DATA (INRm)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
Leverage Exposure	554,459	791,025	1,125,128	1,413,761	1,466,869	1,914,233	2,422,689	3,262,933	4,078,441	5,016,471	6,240,986
Risk weighted assets (Basel 3 fully loaded)	624,448	839,141	1,189,306	1,573,677	1,588,872	1,899,586	2,447,919	3,725,017	4,601,695	5,707,650	7,098,996
Tier one capital	86,104	163,840	206,524	341,933	386,589	450,399	563,368	796,534	1,016,900	1,128,549	1,351,055
Equity tier 1 capital (Basel 3 fully loaded)	86,104	163,840	206,524	341,933	386,589	450,399	563,368	796,534	1,016,900	1,128,549	1,351,055
NPL (Non Performing Loans)	4,844	5,386	9,820	11,640	18,040	23,640	27,310	31,330	21,755	26,004	39,650
Employees (year end)	5,058	7,394	11,479	15,266	20,163	26,969	28,546	35,425	43,147	53,812	59,812
YOY GROWTH (%)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
Net interest income	NC	37%	35%	35%	39%	39%	3%	26%	31%	29%	23%
Revenues	NC	39%	40%	32%	46%	42%	2%	27%	32%	26%	21%
Costs	NC	33%	35%	27%	28%	35%	(6%)	43%	34%	22%	18%
Operating profit bef prov.	NC	44%	44%	35%	58%	46%	6%	20%	31%	28%	22%
Adjusted net profit	NC	42%	44%	36%	60%	32%	(16%)	59%	64%	26%	23%
Customer Loans	NC	39%	28%	43%	42%	26%	4%	30%	27%	35%	23%
Customer Deposits	NC	128%	90%	82%	69%	62%	20%	19%	45%	35%	19%
RWA	NC	0%	NC	34%	42%	32%	1%	20%	29%	52%	24%
FINANCIAL RATIOS (%)	Mar. 15	Mar. 16	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25
Net interest margin (avg. loans)	10.31%	10.50%	10.36%	10.15%	10.63%	9.64%	10.37%	10.60%	10.41%	9.91%	9.76%
Net interest margin (avg. loans + deposits)	NC	9.88%	9.85%	9.51%	9.15%	9.36%	8.28%	8.88%	9.03%	8.79%	8.41%
Costs / Income ratio	45.1%	43.1%	41.5%	40.1%	35.3%	33.5%	30.7%	34.7%	35.1%	34.0%	33.2%
Costs / avg. tang. assets	NC	4.77%	4.72%	4.46%	4.02%	3.93%	3.17%	3.96%	4.16%	3.80%	3.55%
Bad debt charge / average outstanding loans	1.23%	1.46%	1.63%	1.53%	1.57%	3.10%	4.14%	2.84%	1.47%	1.63%	2.17%
Bad debt charge / RWA											
Tax rate	33.8%	34.9%	34.8%	35.0%	35.3%	28.1%	26.2%	26.0%	25.9%	25.2%	24.0%
ROE adjusted	18.7%	20.9%	22.3%	20.1%	22.5%	20.2%	12.8%	17.4%	23.5%	22.1%	18.9%
ROTE adjusted				21.1%	22.5%	20.2%	22.7%	20.4%	12.9%	17.6%	22.3%
RORVA adjusted											
ROTA											
Leverage ratio											
Tier one Ratio											



PER SHARE DATA (INR)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
No of shares year end, basic, (m)	789.19	790.44	791.40	793.08	795.78	831.27	832.94	834.61
No of shares (avg), diluted, restated for treasury stock	788.35	789.94	791.49	792.84	796.35	837.96	837.96	837.96
EPS GAAP	4.97	12.80	24.76	31.04	27.32	31.96	43.70	51.67
EPS company definition	4.97	12.80	24.76	31.04	27.32	32.19	43.92	51.84
EPS restated	4.97	12.80	24.76	31.04	27.32	31.96	43.70	51.67
% change	NC	157.8%	93.3%	25.4%	(12.0%)	17.0%	36.7%	18.3%
Book value (BVPS)	107.02	120.69	144.52	173.28	198.80	247.45	286.13	331.82
Tangible BVPS	106.92	120.54	144.26	173.00	198.39	247.08	285.74	331.40
Net dividend	0.00	0.00	2.00	2.96	3.00	3.00	4.00	4.70
STOCK MARKET RATIOS (x)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
P / E adjusted						22.9	16.7	14.1
P / E relative to MSCI Europe (%)						141%	115%	108%
P / BVPS						2.95	2.55	2.20
P / Tangible BVPS						2.96	2.56	2.21
High (x)						3.50		
Low (x)						2.88		
Net yield (%)						0.4%	0.5%	0.6%
Payout (%)						9.4%	9.2%	9.1%
P & L HIGHLIGHTS (INRm)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
Net interest income	46,050	50,375	54,159	62,924	74,456	89,222	104,601	123,447
Net fees and commissions	20,204	23,634	26,339	19,496	12,167	12,980	15,156	17,986
Trading profit	400	165	851	1,137	549	624	541	642
Other income	3,964	5,634	7,561	9,512	11,929	13,522	16,239	19,270
Total Revenues	70,619	79,808	88,910	93,068	99,101	116,347	136,537	161,345
Personnel costs	(29,556)	(35,004)	(40,576)	(38,508)	(36,196)	(39,792)	(47,785)	(58,082)
Other operating costs	(5,368)	(6,671)	(8,756)	(10,840)	(12,497)	(14,828)	(15,835)	(17,338)
Total costs	(34,924)	(41,675)	(49,332)	(49,347)	(48,693)	(54,620)	(63,619)	(75,421)
Operating profit before provisions	35,695	38,133	39,578	43,721	50,409	61,727	72,918	85,925
Bad debt charge	(30,688)	(24,657)	(13,304)	(10,674)	(21,131)	(26,192)	(24,094)	(28,190)
Other operating items								
Associates								
Profit before tax and exceptional	5,007	13,476	26,274	33,047	29,278	35,535	48,824	57,735
Non-recurring costs								
Other non-recurring items								
Profit before tax	5,007	13,476	26,274	33,047	29,278	35,535	48,824	57,735
Tax	(1,092)	(3,362)	(6,681)	(8,438)	(7,519)	(8,753)	(12,206)	(14,434)
Minorities								
Net profit	3,915	10,114	19,594	24,608	21,759	26,782	36,618	43,301
Hybrid coupon (where taken to equity)								
Net profit post hybrid coupon	3,915	10,114	19,594	24,608	21,759	26,782	36,618	43,301
BNPP adjusted net profit post hybrid coupons	3,915	10,114	19,594	24,608	21,759	26,782	36,618	43,301
BALANCE SHEET HIGHLIGHTS (INRm)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
Customer Loans	586,014	571,625	663,827	867,213	1,033,430	1,214,174	1,433,985	1,706,352
Intangibles	80	120	204	222	323	303	328	355
Other assets	40,316	48,515	36,473	58,131	52,879	72,677	78,668	85,153
Total assets	626,411	620,259	700,504	925,565	1,086,633	1,287,154	1,512,981	1,791,859
Customer Deposits	0	0	0	0	0	0	0	0
Shareholder's funds	84,462	95,397	114,370	137,427	158,198	205,697	238,333	276,944
Tangible Book Value	84,383	95,277	114,166	137,206	157,875	205,394	238,006	276,589
KEY DATA (INRm)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
Leverage Exposure	571,625	663,827	867,213	1,033,430	1,214,174	1,433,985	1,706,352	
Risk weighted assets (Basel 3 fully loaded)	591,998	691,033	949,915	1,180,624	1,335,592	1,577,383	1,876,987	
Tier one capital	90,102	109,943	134,128	173,198	220,697	253,333	291,944	
Equity tier 1 capital (Basel 3 fully loaded)	90,102	109,943	134,128	173,198	220,697	253,333	291,944	
NPL (Non Performing Loans)	27,609	30,588	19,149	17,118	24,137	28,284	31,934	38,000
Employees (year end)	104,960	121,595	117,162	88,824	89,943	94,000	99,000	104,000
YOY GROWTH (%)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
Net interest income	NC	9%	8%	16%	18%	20%	17%	18%
Revenues	NC	13%	11%	5%	6%	17%	17%	18%
Costs	NC	19%	18%	0%	(1%)	12%	16%	19%
Operating profit bef prov.	NC	7%	4%	10%	15%	22%	18%	18%
Adjusted net profit	NC	158%	94%	26%	(12%)	23%	37%	18%
Customer Loans	NC	(2%)	16%	31%	19%	17%	18%	19%
Customer Deposits	NC	0%	0%	0%	0%	0%	0%	0%
RWA	NC	NC	17%	37%	24%	13%	18%	19%
FINANCIAL RATIOS (%)	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
Net interest margin (avg. loans)	8.70%	8.77%	8.22%	7.83%	7.94%	7.90%	7.86%	
Net interest margin (avg. loans + deposits)	NC	8.70%	8.77%	8.22%	7.83%	7.94%	7.90%	7.86%
Costs / Income ratio	49.5%	52.2%	55.5%	53.0%	49.1%	46.9%	46.6%	46.7%
Costs / avg. tang. assets	NC	6.69%	7.47%	6.07%	4.84%	4.60%	4.55%	4.57%
Bad debt charge / average outstanding loans	5.24%	4.26%	2.15%	1.39%	2.22%	2.33%	1.82%	1.80%
Bad debt charge / RWA								
Tax rate	21.8%	24.9%	25.4%	25.5%	25.7%	24.6%	25.0%	25.0%
ROE adjusted	4.6%	11.2%	18.7%	19.5%	14.7%	14.7%	16.5%	16.8%
ROTE adjusted		11.3%	18.7%	19.6%	14.7%	14.7%	16.5%	16.8%
RORVA adjusted								
ROTA			1.62%	2.97%	3.03%	2.16%	2.26%	2.62%
Leverage ratio			15.8%	16.6%	15.5%	16.8%	18.2%	17.1%
Tier one Ratio			15.2%	15.9%	14.1%	14.7%	16.5%	16.1%
Equity tier 1 ratio (Basel 3 fully loaded)			15.2%	15.9%	14.1%	14.7%	16.5%	15.6%
Loans / Deposits	NC							
RWA / Loans								
Loans / Assets	94%	92%	95%	94%	95%	94%	95%	95%
NPL / Outstanding loans (Gross)	5%	5%	3%	2%	2%	2%	2%	2%

Latest Model update: 17 Nov. 25

(*) In listing currency, with div. reinvested



Price (yearly avg from Mar. 20 to Mar. 25)

PER SHARE DATA (INR)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
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No of shares year end, basic, (m)

No of shares (avg.), diluted, restated for treasury stock

EPS GAAP

EPS company definition

EPS restated

% change

Book value (BVPS)

Tangible BVPS

Net dividend

STOCK MARKET RATIOS (x)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
--	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------

P/E adjusted

P/E relative to MSCI SMID (%)

P/BPS

P/Tangible BVPS

High (x)

Low (x)

Net yield (%)

Payout (%)

P & L HIGHLIGHTS (INRm)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
--	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------

Net interest income

Net fees and commissions

Trading profit

Other income

Total Revenues

Personnel costs

Other operating costs

Total costs

Operating profit before provisions

Bad debt charge

Other operating items

Associates

Profit before tax and exceptional

Non-recurring costs

Other non-recurring items

Profit before tax

Tax

Minorities

Net profit

Hybrid coupon (where taken to equity)

Net profit post hybrid coupon

BNPP adjusted net profit post hybrid coupons

BALANCE SHEET HIGHLIGHTS (INRm)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
--	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------

Customer Loans

Intangibles

Other assets

Total assets

Customer Deposits

Shareholder's funds

Tangible Book Value

KEY DATA (INRm)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
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Leverage Exposure

Risk weighted assets (Basel 3 fully loaded)

Tier one capital

Equity tier 1 capital (Basel 3 fully loaded)

NPL (Non Performing Loans)

Employees (year end)

YOY GROWTH (%)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
--	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------

Net interest income

Revenues

Costs

Operating profit bef prov.

Adjusted net profit

Customer Loans

Customer Deposits

RWA

FINANCIAL RATIOS (%)

	Mar. 17	Mar. 18	Mar. 19	Mar. 20	Mar. 21	Mar. 22	Mar. 23	Mar. 24	Mar. 25	Mar. 26e	Mar. 27e	Mar. 28e
--	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	----------	----------

Net interest margin (avg. loans)

Net interest margin (avg. loans + deposits)

Costs / Income ratio

Costs / avg. tang. assets

Bad debt charge / average outstanding loans

Bad debt charge / RWA

Tax rate

ROE adjusted

ROTE adjusted

RORWA adjusted

ROTA

Leverage ratio

Tier one Ratio

Equity tier 1 ratio (Basel 3 fully loaded)

Loans / Deposits

RWA / Loans

Loans / Assets

NPL / Outstanding loans (Gross)

Latest Model update: 17 Nov. 25

(*) in listing currency, with div. reinvested

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