

IIFL Finance

Estimate changes	↔
TP change	↓
Rating change	↔

Bloomberg	IIFL IN
Equity Shares (m)	424
M.Cap.(INRb)/(USD\$b)	140.7 / 1.6
52-Week Range (INR)	616 / 304
1, 6, 12 Rel. Per (%)	-15/-14/-47
12M Avg Val (INR M)	1171

Financials Snapshot (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	51.8	63.8	75.1
Total Income	57.6	76.1	90.0
PPoP	27.7	43.0	51.4
PAT (pre-NCI)	4.8	22.9	28.8
PAT (post-NCI)	2.1	19.7	25.0
EPS (INR)	4.9	46.5	59.0
EPS Gr. (%)	-89	851	27
BV (INR)	280	322	376

Ratios (%)

NIM	6.5	7.3	7.2
C/I ratio	52.0	43.5	42.8
Credit cost	3.1	2.2	2.0
RoA	0.8	3.2	3.4
RoE	1.8	15.4	16.9

Valuations

P/E (x)	67.7	7.1	5.6
P/BV (x)	1.2	1.0	0.9

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	24.9	24.9	24.8
DII	4.5	6.3	8.3
FII	27.8	29.6	31.3
Others	42.8	39.2	35.7

FII Includes depository receipts

CMP: INR331

TP: INR415 (+25%)

Buy

Earnings miss; asset quality weakness in unsecured and micro-LAP

Healthy ~40% QoQ growth in gold loans; calc. NIM dips ~70bp QoQ

- IIFL Finance (IIFL)'s 3QFY25 PAT declined ~85% YoY to INR817m. NII declined 22% YoY and ~8% QoQ to ~INR12.4b (~7% miss). Other income stood at ~INR1.1b (PY: INR1.1b). This was lower than our estimates because of lower assignment income and lower gain on fair value changes.
- Opex grew 3% YoY to INR7.5b (in line) with the cost-income ratio at 56% (PY: 43%). PPoP declined ~38% YoY (~28% miss) to INR6b for the quarter.
- Credit costs rose to ~4.2% (PQ: ~3.6% and PY: ~2.1%) primarily because of higher stress in MFI and MSME segments. The company witnessed asset quality stress in its MFI, unsecured personal/business loans, and small-ticket LAP during the quarter, which was reflective of weak macro trends.

Consol. AUM declines ~8% YoY; Gold loan AUM rises ~40% QoQ

- Consol. AUM declined 8% YoY while it grew ~7% QoQ to INR714b. On-book loans grew ~5% YoY. Off-book formed ~30% of the AUM mix, including co-lending forming ~13% of the AUM mix.
- IIFL's YoY AUM dip was led by Wholesale CRE book (-69%) and Microfinance (-14%). Home loans rose ~19% YoY, and MSME loans grew ~31% YoY.
- Gold loan AUM stood at ~INR150b and rose ~39% QoQ. The management shared that while the gold loan volume growth will remain strong; it is likely to scale up its gold loan AUM to INR220-230b by Mar'25. The company expects gold loan growth to come at the expense of yields but expects to recoup the yield in the following financial year.

MFI stress keeps credit costs elevated; credit cost guidance at 8.0-8.5%

- Management shared that MFI in the AUM mix will decline below ~10% within the next two years, and it aims to reduce its unsecured loan portfolio to below 15% of the total portfolio.
- The microfinance sector is facing challenging conditions amid concerns over over-leveraging. However, inflows into the zero bucket have been gradually declining since late Nov'24 and Dec'24, with improvements sustaining in Jan'25 as well. The company guided MFI credit costs at 8.0-8.5% in FY25.
- We estimate consolidated AUM to grow ~1% YoY in FY25 and ~20% YoY in FY26, resulting in consol. AUM CAGR of ~13% over FY24-27E.

NIM contracts ~70bp QoQ due to a ~70bp QoQ decline in yields

- Consolidated yields and CoB declined ~70bp and 25bp QoQ to ~12.9% and ~9.5%, respectively. Calculated NIM contracted ~70bp QoQ.
- The gold loan portfolio yields remained under pressure as IIFL was working to regain customers.

Minor deterioration in asset quality; credit costs elevated

- GS3 rose ~2bp QoQ to ~2.42%, while NS3 declined ~5bp QoQ to ~1%, driven by a ~330bp increase in S3 PCR to 59%. The company posted a deterioration in its MFI asset quality, with MFI GS3 increasing to 5.1% (PQ: 3.4%).

- The stock trades at 0.9x FY27E P/BV and ~6x P/E for a PAT CAGR of ~13% over FY24-FY27E. We estimate RoA/RoE to decline to 0.8%/2% in FY25 but recover to 3.4%/17% in FY27. **We have a BUY rating on the stock** and a TP of INR415 (based on SoTP valuation; refer to the table below).
- Credit costs rose to ~4.2% (PQ: ~3.6% and PY: ~2.1%), primarily because of the stress in the MFI and MSME segments.
- We expect consolidated credit costs to increase to ~3.1% in FY25 and then gradually decline to ~2.2%/2.0% in FY26/FY27.

Update on IT raids across offices of IIFL and group companies

- There were Income Tax (IT) raids on all the office premises of IIFL and its group companies and also at the residence of a few key employees, including Mr. Nirmal Jain.
- IT raids were conducted under Section 132. Under this, the IT team checked documents and took data and statements from various employees. The IT team was trying to investigate undisclosed income and unreported profits.
- The company cooperated with the IT team and shared all data and statements that were asked for. IIFL continues to uphold the highest standards of governance.
- The IT raid started on 28th Jan'25 and concluded on 3rd Feb'25. The IT team will make an appraisal report (which can take three months), which will then go to the assessing officer. Subsequently, IIFL will be required to reply to the observations/demands made in the appraisal report.

Highlights from the management commentary

- Within the MSME segment, secured loans are expected to grow at a faster pace. The company has already discontinued personal loans offered through partnerships.
- Home loans and gold loans will each constitute 1/3rd of the total portfolio, while MSME loans will account for 20-25%, with a composition of 70% secured and 30% unsecured loans.

Valuation and view

- IIFL reported a weak quarter, marked by elevated credit costs and a slight deterioration in asset quality due to a cyclical slowdown in the economy. While consolidated AUM declined YoY, the company resumed strong growth in its gold loan portfolio, which grew by ~40% QoQ.
- IIFL's management shared that with the embargo on the gold lending business now lifted, the company is well-positioned for the next phase of high-quality growth in secured products like gold loans and LAP.

IIFL: SoTP – Sep'26

Particulars	Stake	Value (INR b)	Value (USD b)	INR per share	% To Total	Target Multiple(x)	Basis
IIFL Finance (Standalone)	100	74	0.9	176	43	1.0	PBV
IIFL Home Finance (HFC)	80	91	1.1	215	52	1.5	PBV
IIFL Samasta Finance (MFI)	100	10	0.1	23	5	0.5	PBV
Target Value		175	2.1	415	100		
Current market cap.		140	1.7	331			
Upside (%)		25	25	25			

IIFL (Consolidated): Quarterly Performance (INR m)

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	21,989	23,576	25,630	27,200	24,721	23,181	22,308	22,517	98,386	92,727	23,413	-5
Interest Expenses	8,878	9,321	9,885	10,744	10,340	9,788	9,957	10,822	38,829	40,906	10,081	-1
Net Interest Income	13,111	14,255	15,745	16,456	14,381	13,394	12,352	11,694	59,557	51,821	13,332	-7
YoY Growth (%)	48.9	44.7	44.7	38.9	9.7	-6.0	-21.6	-28.9	43.6	-13.0	-15.3	
Other Income	1,306	1,878	1,120	-873	-43	2,467	1,051	2,334	3,342	5,808	2,352	-55
Total Income	14,417	16,134	16,865	15,584	14,338	15,861	13,402	14,028	62,899	57,629	15,683	-15
YoY Growth (%)	20	26	26	10	-1	-2	-21	-10	20.4	-8.4	-7.0	
Operating Expenses	6,332	6,772	7,272	7,691	7,461	7,329	7,478	7,705	28,067	29,972	7,679	-3
Operating Profit	8,085	9,361	9,593	7,893	6,877	8,532	5,925	6,322	34,832	27,657	8,209	-28
YoY Growth (%)	18.4	29.0	24.9	-1.6	-14.9	-8.9	-38.2	-19.9	16.9	-20.6	-14.4	
Provisions & Loan Losses	1,901	2,526	2,430	2,356	2,516	4,063	4,914	4,344	9,113	15,837	4,673	5
Profit before Tax	6,184	6,835	7,163	5,537	4,362	4,468	1,011	1,978	25,719	5,955	3,537	-71
Exceptional items		0					-5,865					
Tax Provisions	1,455	1,580	1,711	1,231	980	-466	193	474	5,977	1,181	813	-76
PAT (Pre NCI)	4,729	5,255	5,452	4,306	3,382	-931	818	1,504	19,742	4,773	2,723	-70
NCI	475	513	548	572	501	646	410	1,143	2,107	2,700	711	-42
PAT (Post NCI)	4,254	4,743	4,904	3,734	2,881	-1,577	408	361	17,635	2,073	2,013	-80
YoY Growth (%)	29	25	30	-10	-32	-133	-92	-90	18	-88	-59	
Key Parameters (%)												
Yield on AUM	13.2	13.4	13.62	13.9	13.31	13.6	12.90					
Cost of funds	9.1	9.5	9.49	9.7	9.46	9.7	9.45					
Spread	4.1	3.9	4.1	4.3	3.8	3.9	3.4					
NIM (on AUM)	7.9	8.1	8.4	8.4	7.7	7.8	7.1					
Credit cost	1.9	2.4	2.1	1.9	2.1	3.6	4.2					
Cost to Income Ratio (%)	43.9	42.0	43.1	49.4	52.0	46.2	55.8					
Tax Rate (%)	23.5	23.1	23.9	22.2	22.5	-10.4	19.1					
Balance Sheet Parameters				2.0	-11.8	-3.8						
Consol. AUM (INR B)	682	731	774	790	696	670	714					
Change YoY (%)	29	32	34	22	2	-8	-8					
Disbursements - Core (INR B)	150	159	166	163	43	73	143					
Change YoY (%)	30	32	27	-15	-71	-54	-14					
Borrowings (INR B)	385	404	430	460	414	391	451					
Change YoY (%)	11	16	19	16	8	-3	5					
Borrowings/AUM (%)	56.4	55.3	55.5	58.2	59.5	58.4	63.2					
Debt/Equity (x)	4.1	4.1	4.1	4.4	3.4	3.3	3.8					
Asset Quality (%)												
GS 3 (INR M)	7,639	7,931	8,026	11,692	10,231	10,687	12,028					
G3 %	1.8	1.8	1.70	2.30	2.25	2.40	2.42					
NS 3 (INR M)	4,400	4,402	4,045	5,951	4,982	4,756	4,956					
NS3 %	1.1	1.0	0.86	1.18	1.11	1.1	1.01					
PCR (%)	42.4	44.5	49.6	49.1	51.3	55.5	58.8					
ECL (%)	2.9	2.9	2.6	2.4	2.9	3.2	2.8					
Return Ratios - YTD (%)												
ROA (Rep)	3.6	3.9	3.8	3.4	2.3	0.8	0.8					
ROE (Rep)	19.1	20.1	19.7	18.4	10.3	2.3	2.0					

E: MOFSL Estimates



Highlights from the management commentary

Opening Remarks

- The long-term structural growth outlook remains intact but there is a cyclical slowdown which has also impacted the markets and macro-economy
- A slowdown in IIP further signals the weaker economic momentum.

Financial Performance

- For 3QFY25, PAT (pre-NCI) stood at INR820m. PPOP stood at INR5.34b, down 29% QoQ and down 35% YoY
- Consol. AUM was up 7% QoQ; Core Product Loan AUM was also up 7% QoQ. This segment now constitutes ~98% of the AUM mix.
- Assigned AUM declined because of lower assignable assets
- In 3QFY25, raised ~INR99.64b through term loans, bonds, and Commercial Papers
- 3QFY25 RoA/RoE stood at 0.6%/1.4%
- CRAR for the NBFC stood at 22%, HFC at 46% and Samasta at 32.2%

Gold Loans

- Gold loan volume growth is there but the yields are down by ~2%.
- Gold volume growth will be stronger and it will fall short of the gold loan guidance. But this growth will come at the cost of yields and the company will make up for it in the next year. Out of this, it expects ~1% yields to be recovered in 1QFY26 itself.
- Guided that the company can scale up its gold loan AUM to ~INR220-230b by Mar'25
- Loan growth will be faster since it is recouping its customers, but then subsequently the gold loan growth should normalize.

Microfinance

- When MFI customers do not get a new loan, they stop repaying as well.
- Most of the States are showing improvement in collections
- The Karnataka ordinance clearly says that it does not apply to regulated entities. Expect a slight disturbance for a month or so. Management guided credit costs of 8.0-8.5% in FY25.
- Flow into the zero bucket has been slowly coming down from the latter part of Nov'24 and Dec'24. This improvement was sustained in Jan'25 as well.
- The MFI industry has undergone a fundamental change in the context of the MFIN guardrails which has been put in place.
- MFI in the AUM mix will decline below ~10% within the next 2 years

Housing

- In the last quarter, there was a very significant interest-strip income (assignment income)
- YoY decline in PAT is because of a) Marginal increase in the CoF and b) Increase in the credit costs. There has been some stress in the micro LAP portfolio and a slight increase in credit costs has come from this portfolio.

- ADIA is a long-term investor (they have invested for at least 7 years) and they are in no hurry to monetize their investment in IIFL Home Finance.

Asset quality and credit costs

- Asset quality weakness was seen in MFI, Unsecured lending, and small-ticket LAP, and reflects the overall sluggishness in the Indian economy. Unsecured loans and micro LAP have been very badly impacted.
- Samasta-sourced micro LAP loans have suffered the most since those loans were given to the same MFI customers.
- In the case of a secured loan, the company's experience has been that the ultimate losses will be lower in the micro LAP segment.

Income Tax raids

- There were Income Tax (IT) raids on all the office premises of IIFL and its group companies and also at the residence of a few key employees, including Mr. Nirmal Jain.
- IT raids were conducted under Section 132. Under this, the IT team checked documents and took data and statements from various employees. The IT team was trying to investigate undisclosed income and unreported profits.
- The IT raid started on 28th Jan'25 and concluded on 3rd Feb'25. The IT team will make an appraisal report (which can take three months), which will then go to the assessing officer.

Liquidity and borrowing costs

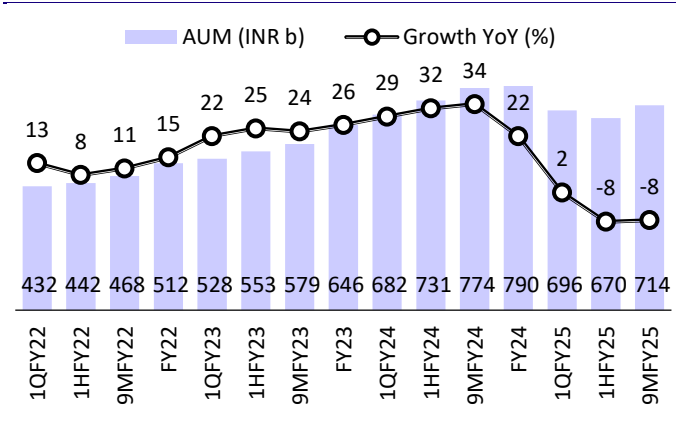
- Dollar Bonds that it has raised in the month of Jan'25, came at a significantly higher cost (almost ~10%) on a hedged basis. This will increase the blended CoB for the company.
- Availability of funds is not an issue since it can raise funds from banks, mutual funds, and foreign markets.

Others

- Within the MSME segment, secured loans are expected to grow at a faster pace. The company has already discontinued personal loans offered through partnerships.
- Home loans and gold loans will each constitute 1/3rd of the total portfolio, while MSME loans will account for 20-25%, with a composition of 70% secured and 30% unsecured loans. The target is to bring unsecured to lower than 15% of the total portfolio.
- Construction finance is done only for projects which have received all the approvals. Funding is only for construction finance and not for land acquisition or securing approvals.

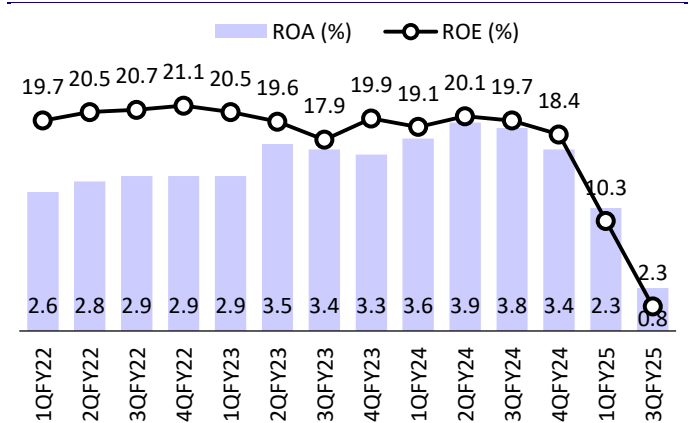
Key exhibits

Exhibit 1: Consol. AUM declined ~8% YoY



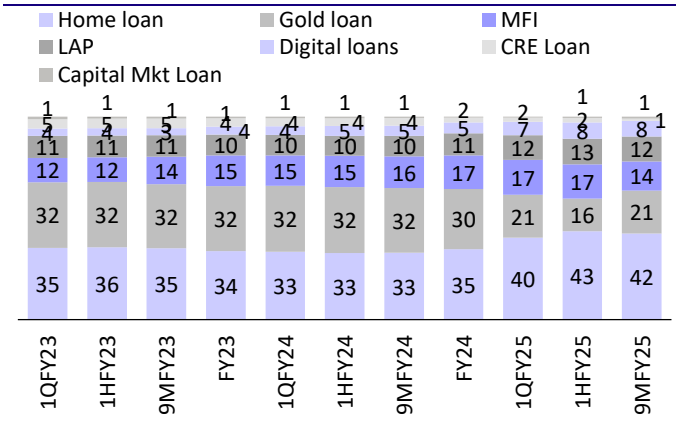
Source: MOFSL, Company

Exhibit 2: Return ratios declined QoQ (%)



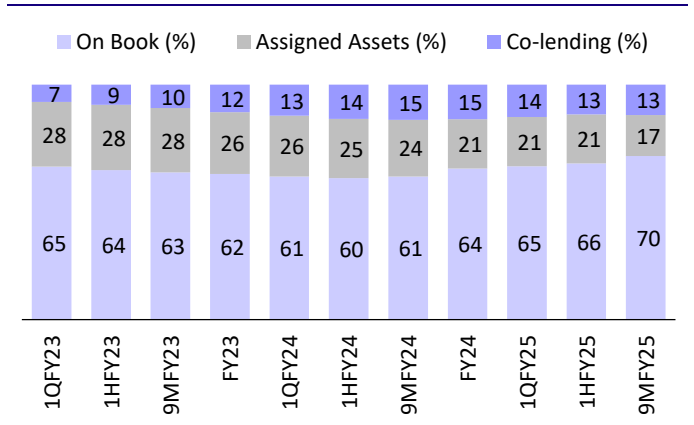
Source: MOFSL, Company

Exhibit 3: Gold loan AUM grew sequentially (%)



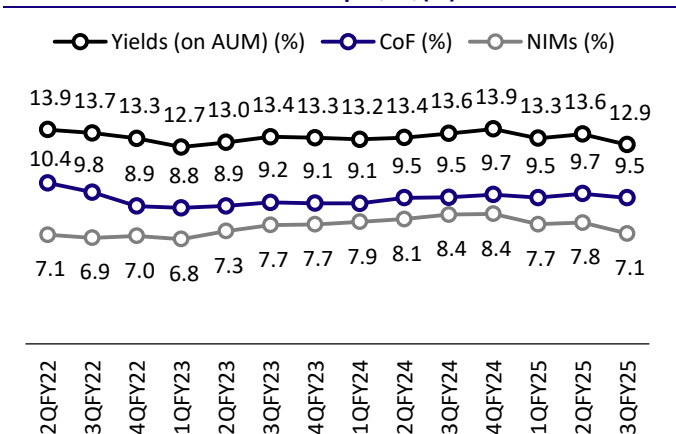
Source: MOFSL, Company

Exhibit 4: Off-book loans formed 30% of the AUM mix (%)



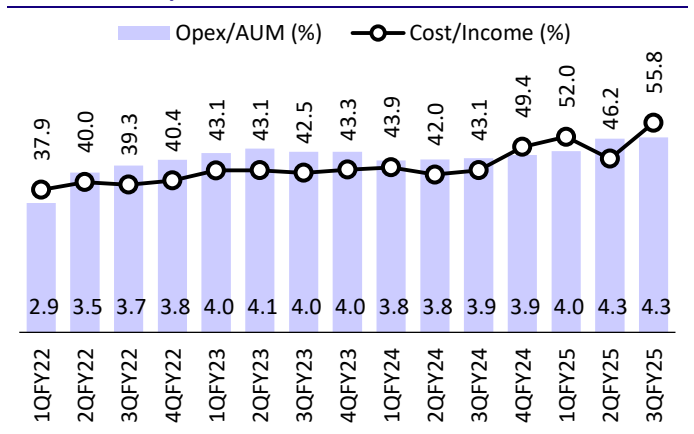
Source: MOFSL, Company

Exhibit 5: Yields declined ~70bp QoQ (%)



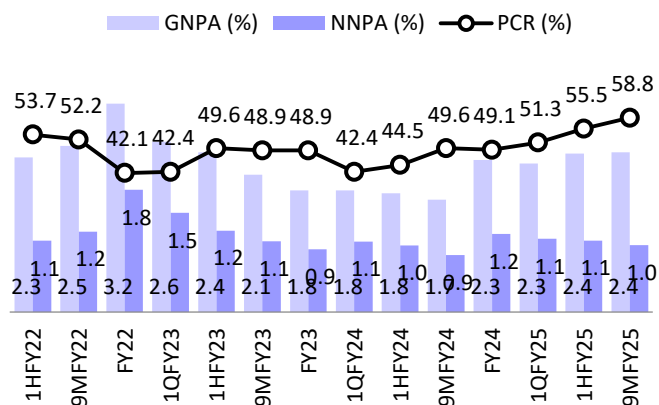
Source: MOFSL, Company

Exhibit 6: Cost/Income ratio rose to 56%



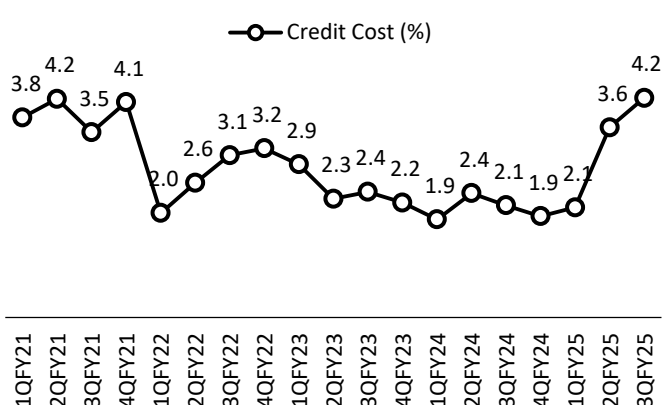
Source: MOFSL, Company

Exhibit 7: Minor deterioration in asset quality (%)



Source: MOFSL, Company

Exhibit 8: Credit costs were elevated and rose to ~4.2%



Source: MOFSL, Company

Exhibit 9: We cut our FY25 EPS estimates by ~63% to factor in lower other income and keep our FY26/FY27 EPS estimates largely unchanged

INR m	Old Est.			New Est.			% change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
NII	54,898	63,990	75,627	51,821	63,818	75,119	-5.6	-0.3	-0.7
Other Income	7,750	12,010	14,093	5,808	12,243	14,857	-25.1	1.9	5.4
Total Income	62,648	76,000	89,720	57,629	76,061	89,975	-8.0	0.1	0.3
Operating Expenses	30,261	33,219	38,832	29,972	33,064	38,549	-1.0	-0.5	-0.7
Operating Profits	32,387	42,781	50,888	27,657	42,997	51,426	-14.6	0.5	1.1
Provisions	15,660	12,405	13,650	15,837	12,701	13,872	1.1	2.4	1.6
PBT	16,727	30,376	37,238	11,820	30,296	37,555	-29.3	-0.3	0.9
Exceptional items	-5865	0	0	-5,865	-	-			
Tax	2,541	7,392	8,679	1,181	7,370	8,749	-53.5	-0.3	0.8
PAT (pre-NCI)	8,321	22,984	28,558	4,773	22,925	28,806	-42.6	-0.3	0.9
NCI	2,700	3,200	3,800	2,700	3,200	3,800	0.0	0.0	0.0
PAT (post-NCI)	5,621	19,784	24,758	2,073	19,725	25,006	-63.1	-0.3	1.0
AUM	7,89,037	9,44,703	11,22,240	7,97,280	9,58,026	11,32,369	1.0	1.4	0.9
Borrowings	4,65,761	5,76,212	6,87,211	4,63,770	5,78,164	6,86,524	-0.4	0.3	-0.1
RoA	1.3	3.2	3.3	0.8	3.2	3.4	-42.4	0.2	1.2
RoE	4.9	15.1	16.3	1.8	15.4	16.9	-62.5	2.5	3.4

Financials and Valuation

Income Statement							(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	54,212	61,345	73,693	98,386	92,727	1,09,510	1,30,138
Interest Expenses	26,258	29,910	32,218	38,829	40,906	45,691	55,019
Net Interest Income	27,954	31,435	41,474	59,557	51,821	63,818	75,119
Change (%)	26	12	32	44	-13	23	18
-NII on on-book	20,934	23,713	30,183	41,538	38,923	50,463	58,360
-NII on off-book	7,020	7,722	11,291	18,019	12,897	13,356	16,758
Other Operating Income	4,186	7,202	8,896	931	4,521	10,172	11,419
Other Income	1,499	1,689	1,883	2,410	1,287	2,071	3,437
Total Income	33,639	40,326	52,253	62,899	57,629	76,061	89,975
Change (%)	37	20	30	20	-8	32	18
Total Operating Expenses	11,904	15,918	22,466	28,067	29,972	33,064	38,549
Change (%)	-6	34	41	25	7	10	17
Employee Expenses	7,231	9,307	13,295	16,849	19,117	21,156	24,893
Depreciation	1,057	1,217	1,526	1,808	1,887	2,155	2,556
Other Operating Expenses	3,617	5,394	7,645	9,410	8,968	9,753	11,100
Operating Profit	21,734	24,408	29,787	34,832	27,657	42,997	51,426
Change (%)	82	12	22	17	-21	55	20
Provisions and write-offs	11,686	9,048	8,661	9,113	15,837	12,701	13,872
PBT	10,048	15,359	21,125	25,719	11,820	30,296	37,555
Exceptional Items					-5,865	0	0
Tax Provisions	2,440	3,477	5,050	5,977	1,181	7,370	8,749
Tax Rate (%)	24.3	22.6	23.9	23.2	10.0	24.3	23.3
PAT (pre-NCI)	7,608	11,882	16,076	19,742	4,773	22,925	28,806
Change (%)	51	56	35	23	-76	380	26
Non-Controlling Interest (NCI)	-7	-4	-1,072	-2,107	-2,700	-3,200	-3,800
PAT (post-NCI)	7,601	11,879	15,003	17,635	2,073	19,725	25,006
Change (%)	51	56	26	18	-88	851	27
Balance Sheet							(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	758	759	761	763	848	848	848
Reserves & Surplus	53,177	63,879	89,160	1,05,607	1,18,024	1,35,842	1,58,728
Non-controlling interest		59.0	12,101	14,195	16,895	20,095	23,895
Net Worth	53,934	64,697	1,02,021	1,20,564	1,35,767	1,56,784	1,83,470
Borrowings	3,22,645	3,57,255	3,96,040	4,66,992	4,63,770	5,78,164	6,86,524
Change (%)	16.4	10.7	10.9	17.9	-0.7	24.7	18.7
Other Liabilities	30,090	37,150	31,951	36,655	43,775	50,983	59,599
Total Liabilities	4,06,669	4,59,102	5,30,012	6,24,212	6,43,312	7,85,932	9,29,593
Cash and Bank	47,841	81,569	58,390	42,457	29,746	36,792	45,193
Investments	316	11,922	35,110	40,590	48,320	55,317	63,090
Loans	3,35,332	3,36,929	4,00,011	5,09,523	5,28,291	6,50,414	7,68,680
Change (%)	17.5	0.5	18.7	27.4	3.7	23.1	18.2
Fixed Assets	4,102	4,777	5,708	6,569	7,450	8,689	10,176
Other Assets	19,079	23,908	30,794	25,072	29,505	34,719	42,453
Total Assets	4,06,669	4,59,104	5,30,013	6,24,212	6,43,312	7,85,932	9,29,593

E: MOFSL Estimates

Financials and Valuation

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Spreads Analysis (%)							
Avg. Yield on Loans	17.5	18.3	20.0	21.6	17.9	18.6	18.3
Avg Cost of Funds	8.8	8.8	8.6	9.0	8.8	8.8	8.7
Spread of loans	8.7	9.5	11.4	12.6	9.1	9.8	9.6
NIM (as % of total AUM)	6.8	6.6	7.2	8.3	6.5	7.3	7.2
On-book NIM (% of on-book AUM)	6.8	7.0	8.1	9.1	7.3	8.3	8.2
Profitability Ratios (%)							
RoE	15.0	20.0	19.4	18.0	1.8	15.4	16.9
RoA	2.0	2.7	3.3	3.4	0.8	3.2	3.4
Int. Expended / Int.Earned	48.4	48.8	43.7	39.5	44.1	41.7	42.3
Other Inc. / Net Income	16.9	22.0	20.6	5.3	10.1	16.1	16.5
Efficiency Ratios (%)							
Op. Exps. / Avg AUM	2.9	3.3	3.9	3.9	3.8	3.8	3.7
Op. Exps. / Net Income	35	39	43	45	52	43	43
Empl. Cost/Op. Exps.	61	58	59	60	64	64	65
Asset-Liability Profile (%)							
Debt-Equity Ratio	6.0	5.5	4.4	4.4	3.9	4.2	4.3
Assets/Equity	7.5	7.1	5.9	5.9	5.4	5.7	5.8
Asset Quality (%)							
GNPA (INR m)	6,620	10,740	7,380	11,692	14,214	14,877	15,652
GNPA (%)	2.1	3.2	1.8	2.3	2.5	2.3	2.1
NNPA (INR m)	2,986	6,218	3,771	5,951	6,652	6,858	7,160
NNPA (%)	1.0	1.8	1.1	1.2	1.2	1.1	1.0
PCR (%)	55	42	49	49	53	54	54
Credit costs	3.8	2.7	2.4	2.0	3.1	2.2	2.0

Valuations	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Book Value (INR)	142	170	236	279	280	322	376
BV Growth (%)	13	20	39	18	1	15	17
P/BV	2.3	1.9	1.4	1.2	1.2	1.0	0.9
EPS (INR)	20	31	39	46	5	47	59
EPS Growth (%)	51	56	26	17	-89	851	27
P/E	16.5	10.6	8.4	7.2	67.7	7.1	5.6
Dividend	3.0	3.5	4.0	4.0	4.5	5.0	6.0
Dividend yield	0.9	1.1	1.2	1.2	1.4	1.5	1.8

E: MOFSL Estimates

Du-Pont (% of avg. assets)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	14.4	14.2	14.9	17.0	14.6	15.3	15.2
Interest Expended	7.0	6.9	6.5	6.7	6.5	6.4	6.4
NIM	7.5	7.3	8.4	10.3	8.2	8.9	8.8
Other income	1.5	2.1	2.2	0.6	0.9	1.7	1.7
Total income	9.0	9.3	10.6	10.9	9.1	10.6	10.5
Operating cost	3.2	3.7	4.5	4.9	4.7	4.6	4.5
PPOP	5.8	5.6	6.0	6.0	4.4	6.0	6.0
Provision	3.1	2.1	1.8	1.6	2.5	1.8	1.6
PBT	2.7	3.5	4.3	4.5	1.9	4.2	4.4
Tax	0.7	0.8	1.0	1.0	0.2	1.0	1.0
ROA (pre-NCI)	2.0	2.7	3.3	3.4	1.7	3.2	3.4
NCI	0.0	0.0	0.2	0.4	0.4	0.4	0.4
ROA (post-NCI)	2.0	2.7	3.0	3.1	1.3	2.8	2.9
Avg. leverage (x)	7.4	7.3	6.4	5.9	5.6	5.6	5.8
RoE	15.0	20.0	19.4	18.0	7.0	15.4	16.9

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