

Can Fin Homes

Estimate change



TP change



Rating change



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| Bloomberg | CANF IN |
|-----------------------|------------|
| Equity Shares (m) | 133 |
| M.Cap.(INRb)/(USD) | 71.7 / 0.9 |
| 52-Week Range (INR) | 721 / 408 |
| 1, 6, 12 Rel. Per (%) | 19/-4/-7 |
| 12M Avg Val (INR M) | 666 |

Financials & Valuations (INR b)

| Y/E March | FY22 | FY23E | FY24E |
|-------------------|------|-------|-------|
| NII | 8.2 | 9.9 | 11.2 |
| PPP | 6.8 | 8.4 | 9.5 |
| PAT | 4.7 | 5.8 | 6.5 |
| EPS (INR) | 35.4 | 43.4 | 48.9 |
| EPS Growth (%) | 3.3 | 22.8 | 12.7 |
| BVPS (INR) | 230 | 272 | 318 |
| Ratios (%) | | | |
| NIM | 3.4 | 3.5 | 3.3 |
| C/I ratio | 18.3 | 17.3 | 17.5 |
| RoAA | 1.9 | 1.9 | 1.8 |
| RoE | 16.6 | 17.3 | 16.6 |
| Payout | 5.7 | 5.1 | 4.5 |
| Valuation | | | |
| P/E (x) | 15.2 | 12.4 | 11.0 |
| P/BV (x) | 2.3 | 2.0 | 1.7 |
| Div. Yield (%) | 0.4 | 0.4 | 0.4 |

Shareholding pattern (%)

| As On | Jun-22 | Mar-22 | Jun-21 |
|----------|--------|--------|--------|
| Promoter | 30.0 | 30.0 | 30.0 |
| DII | 24.8 | 24.7 | 17.3 |
| FII | 0.0 | 0.0 | 0.0 |
| Others | 45.2 | 45.3 | 52.7 |

FII Includes depository receipts

CMP: INR538
TP: INR640 (+19%)
Buy

Outcome of branch audits benign; provision write-backs drive earnings

CANF said the audit of all its branches has been completed. The same was initiated after a few fraudulent accounts came to light. The outcome of the investigation has been covered in greater detail inside. While disbursements in 1QFY23 were arguably below our expectations, the same will gather pace in subsequent quarters. We model in an AUM/disbursement CAGR of 16%/9% over FY22-24. Based on the above development, we expect a credit costs of ~22bp and upgrade our FY23 EPS estimate by ~7%. Valuations can get re-rated to 2x P/BV, if the management can continue to deliver the same pristine asset quality over the next few quarters. We maintain our **Buy rating**.

Audit of branches did not identify any outsized fraudulent accounts

- An audit of all of CANF's 200 branches has been completed. Around 25% of branches were audited by the internal team and the balance by the statutory auditors of respective branches. Irregularities were identified across four branches.
- In 1QFY23, the company identified ~INR24m of fraudulent accounts, which have been fully provided for. It identified fraudulent accounts of ~INR39m in 4QFY22, and the same has declined to INR25m.

Asset quality pristine, with significant provision write-backs

- Asset quality remains pristine and was largely stable, with GS3/NS3 at 0.65%/0.3% and PCR on Stage 3 loans improving by ~170bp QoQ to ~54%.
- Provisions write-backs of INR37m came across as a positive surprise.** This was driven by provision write-backs of ~INR117m and a decline in PCR (including OTR provisions) on standard loans to 0.63 (v/s 0.7% QoQ).

Strong YoY growth in disbursements, albeit on a lower base

- Disbursements rose 93% YoY (on a low COVID-impacted base) to INR17.2b. There was a QoQ decline of ~INR10b in absolute disbursements.
- Advances grew 24% YoY and 3% QoQ to INR275b. The run-off in the loan book was meaningfully lower than our estimate, suggesting that CANF was very successful in stemming balance transfers in 1QFY23.

Highlights from the management commentary

- The management guided at a loan growth of 18%, GS3 stable at 0.6-0.75%, credit cost at 0.2-0.24%, and a cost-to-income ratio of 18-19% in FY23.
- CANF expects ~5% of the restructured pool to slip into NPA. There could be provision write-backs of INR350m from the OTR pool.

Valuation and view

- We model in a NII/PPOP/PAT CAGR of 12%/11%/18% over FY22-24 for a RoA/RoE of 1.9%/17% over FY23-24.
- Its ability to maintain stable margin is a key monitorable as CANF continues its healthy loan growth trajectory.
- CANF is a franchise with moats on the liability side and strong asset quality. We maintain our Buy rating with a TP of INR640 per share (premised on 2x FY24E BVPS).

Quarterly performance

INR m

| Y/E March | FY22 | | | | FY23 | | | | FY22 | FY23E | FY23E 1QE | Var. (%) |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|-------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2QE | 3QE | 4QE | | | | |
| Interest Income | 4,492 | 4,626 | 5,020 | 5,558 | 6,065 | 6,368 | 6,623 | 6,815 | 19,697 | 25,871 | 5,825 | 4 |
| Interest Expenses | 2,680 | 2,708 | 2,961 | 3,185 | 3,561 | 3,846 | 4,115 | 4,323 | 11,535 | 15,846 | 3,408 | 4 |
| Net Interest Income | 1,812 | 1,918 | 2,059 | 2,373 | 2,504 | 2,522 | 2,508 | 2,491 | 8,162 | 10,026 | 2,417 | 4 |
| Growth (YoY %) | -5.3 | -8.9 | -2.1 | 27.7 | 38.2 | 31.5 | 21.8 | 5.0 | 2.3 | 22.8 | 33.4 | |
| Other income | 16 | 53 | 64 | 55 | 51 | 61 | 66 | 56 | 188 | 234 | 51 | 0 |
| Total Income | 1,828 | 1,971 | 2,124 | 2,428 | 2,555 | 2,583 | 2,574 | 2,548 | 8,350 | 10,259 | 2,468 | 4 |
| Growth (YoY %) | -4.6 | -7.2 | -0.6 | 26.1 | 39.8 | 31.1 | 21.2 | 5.0 | 3.1 | 22.9 | 35.0 | |
| Operating Expenses | 303 | 342 | 403 | 482 | 405 | 420 | 436 | 497 | 1,530 | 1,758 | 400 | 1 |
| Growth (YoY %) | 40.8 | 35.8 | 17.1 | 12.4 | 33.8 | 22.7 | 8.1 | 3.1 | 23.4 | 14.9 | 32.1 | |
| Operating Profit | 1,526 | 1,628 | 1,720 | 1,946 | 2,150 | 2,163 | 2,138 | 2,051 | 6,820 | 8,502 | 2,068 | 4 |
| Growth (YoY %) | -10.4 | -13.0 | -4.0 | 30.0 | 40.9 | 32.8 | 24.3 | 5.4 | -0.6 | 24.7 | 35.6 | |
| Provisions | 65 | -62 | 164 | 302 | -37 | 200 | 250 | 233 | 469 | 646 | 181 | -120 |
| Profit before Tax | 1,460 | 1,690 | 1,557 | 1,643 | 2,187 | 1,963 | 1,888 | 1,818 | 6,351 | 7,856 | 1,886 | 16 |
| Tax Provisions | 372 | 454 | 400 | 414 | 565 | 499 | 479 | 460 | 1,640 | 2,003 | 479 | 18 |
| Profit after tax | 1,088 | 1,236 | 1,157 | 1,229 | 1,622 | 1,464 | 1,408 | 1,358 | 4,711 | 5,853 | 1,407 | 15 |
| Growth (YoY %) | 16.8 | -3.7 | -12.3 | 19.8 | 49.0 | 18.4 | 21.7 | 10.5 | 3.3 | 24.2 | 29.3 | |
| Key Parameters (%) | | | | | | | | | | | | |
| Yield on loans | 8.1 | 8.1 | 8.3 | 8.6 | 8.9 | | | | | | | |
| Cost of funds | 5.6 | 5.4 | 5.4 | 5.3 | 5.7 | | | | | | | |
| Spread | 2.5 | 2.7 | 2.9 | 3.3 | 3.2 | | | | | | | |
| NIM | 3.3 | 3.3 | 3.4 | 3.7 | 3.7 | | | | | | | |
| Credit cost | 0.1 | -0.1 | 0.3 | 0.5 | -0.1 | | | | | | | |
| Cost-to-Income Ratio (%) | 16.5 | 17.4 | 19.0 | 19.8 | 15.8 | | | | | | | |
| Tax Rate (%) | 25.4 | 26.9 | 25.7 | 25.2 | 25.8 | | | | | | | |
| Balance Sheet Parameters | | | | | | | | | | | | |
| Loans (INR b) | 222.2 | 235.8 | 250.9 | 267.1 | 275.4 | | | | | | | |
| Growth (%) | 6.6 | 13.2 | 19.5 | 20.8 | 23.9 | | | | | | | |
| AUM mix (%) | | | | | | | | | | | | |
| Home loans | 90.5 | 90.3 | 89.9 | 89.6 | 89.6 | | | | | | | |
| Non-housing loans | 9.5 | 9.7 | 10.1 | 10.4 | 10.4 | | | | | | | |
| Salaried customers | 73.3 | 74.0 | 74.2 | 74.3 | 74.3 | | | | | | | |
| Self-employed customers | 26.7 | 25.9 | 25.7 | 25.7 | 25.7 | | | | | | | |
| Disbursements (INR b) | 8.9 | 22.1 | 24.7 | 27.1 | 17.2 | | | | | | | |
| Growth (YoY %) | 122.9 | 167.6 | 123.5 | 35.2 | 92.6 | | | | | | | |
| Borrowing mix (%) | | | | | | | | | | | | |
| Banks | 47.0 | 50.0 | 53.0 | 51.0 | 54.0 | | | | | | | |
| NHB | 25.0 | 24.0 | 23.0 | 22.0 | 22.0 | | | | | | | |
| Market borrowings | 26.0 | 24.0 | 22.0 | 25.0 | 22.0 | | | | | | | |
| Deposits | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | | | | | | | |
| Asset Quality | | | | | | | | | | | | |
| GNPL (INR m) | 2,000 | 1,851 | 1,772 | 1,706 | 1,798 | | | | | | | |
| NNPL (INR m) | 1,265 | 1,103 | 970 | 807 | 819 | | | | | | | |
| GNPL ratio (%) | 0.90 | 0.78 | 0.71 | 0.64 | 0.65 | | | | | | | |
| GNPL ratio (%) | 0.57 | 0.47 | 0.39 | 0.30 | 0.30 | | | | | | | |
| PCR (%) | 37 | 40 | 45 | 53 | 54 | | | | | | | |
| Return Ratios (%) | | | | | | | | | | | | |
| RoA (Rep.) | 2.0 | 2.1 | 2.0 | 2.1 | 2.4 | | | | | | | |
| RoE (Rep.) | 16.0 | 16.4 | 15.8 | 16.0 | 20.0 | | | | | | | |

E: MOFSL estimates



Highlights from the management commentary

Yields and spreads

- NIM declined to 3.6% (v/s 4.07% in 4QFY22). Reported NIM includes interest income, other income, and income on investments. The latter fell in 1QFY23.
- Portfolio WAC stood at 5.8%. Incremental CoF stood at 5.67%. Around 21%/22%/7% of liabilities are linked to repo/T-bill/MCLR. External benchmark linked borrowings are re-priced every quarter.
- Portfolio yields stood at 8.46%. Incremental yields stood at 8.21% in 1QFY23 v/s 8.07% in 4QFY22.

Outcome of the audit and investigation of CANF branches

- An audit of all of CANF's 200 branches has been completed and all observations have been rectified. Around 25% of branches were audited by the internal team and the balance by the statutory auditors of respective branches.
- Irregularities (forging of financial documents and deficiency in the property) were identified across four branches.
- In 4QFY22, it had identified fraudulent accounts of INR39.3m, of which INR14m has been closed and that book has declined to INR25m. Incrementally, it identified INR24.3m of fraudulent accounts in 1QFY23, which has also been fully provided for.
- Deputations to CAN from CBK still continue in the usual course of business.

Asset quality

- The total restructured book declined by INR450m to INR6.64b from INR7.09b earlier. No account from the restructured pool has slipped into NPA. Most accounts have not resumed repayments. The same will resume after two quarters. Of the restructured book, 17-18% of customers have started repaying, even though repayments are not due. It expects ~5% of the restructured pool to slip into NPA.
- It expects provision write-backs of ~INR350m from the OTR pool by Mar'23. The company also expects recoveries of INR4-4.5b from the NPA pool.
- Stage 2 loans stood ~INR4.7b.

Guidance

- The management has guided at a loan growth of 18% and spreads of 2.4%. It aims to protect its NIM threshold of 3%.
- GS3 stable at 0.6-0.75%. It is targeting credit cost at 0.2-0.24% in FY23.
- It expects a cost-to-income ratio of 18-19% in FY23.
- The management guided at a 70:30 mix between salaried and self-employed customers. It is targeting an opening of 210 branches by the end of FY23.

Equity capital raise

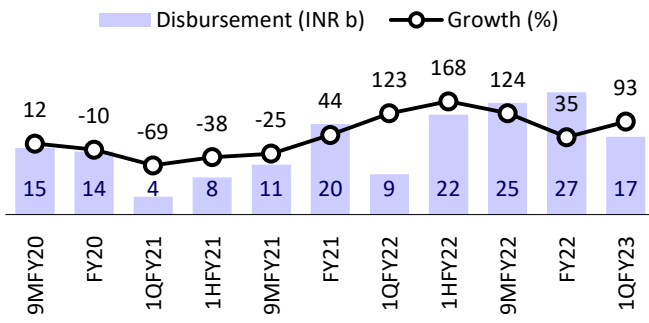
- The company is planning to raise Tier I capital in FY23.

Others

- The management is focusing on Cat-B customers, and within that it will be equally split between government and public employees. Income/salary is in the range of INR38-40k per month.
- Bengaluru contributes ~20% of the loan book.
- On the asset side, all loans are floating, and the re-pricing happens after every 12 months.
- BT-OUT was ~INR1b in 1QFY23.

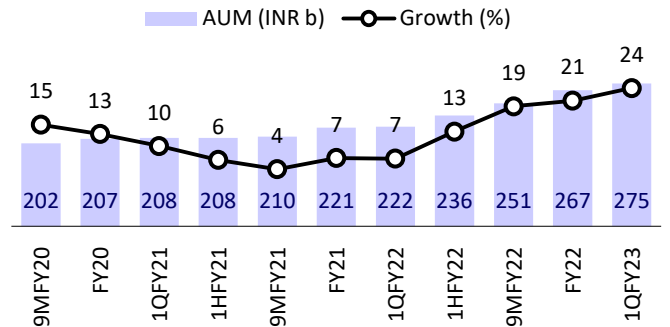
Key exhibits

Exhibit 1: Disbursements grew 93% YoY (though on a lower COVID-impacted base)



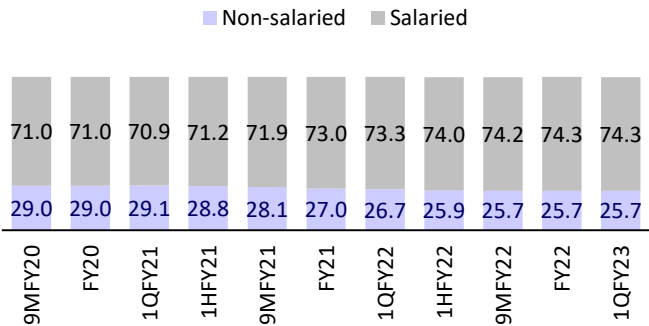
Source: MOFSL, Company

Exhibit 2: AUM grew 24% YoY



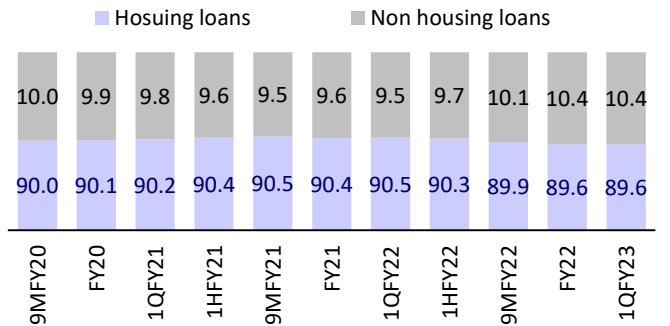
Source: MOFSL, Company

Exhibit 3: Share of Salaried customers stable ~74%



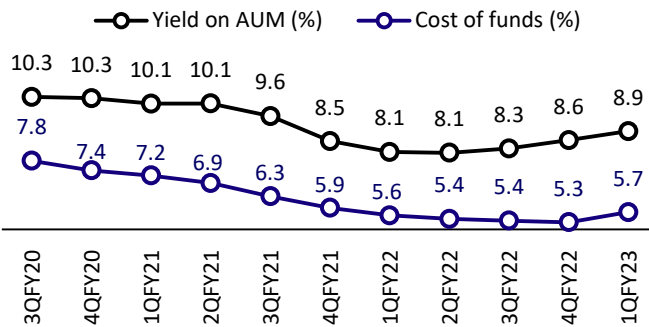
Source: MOFSL, Company

Exhibit 4: Share of Housing loans stable ~90%



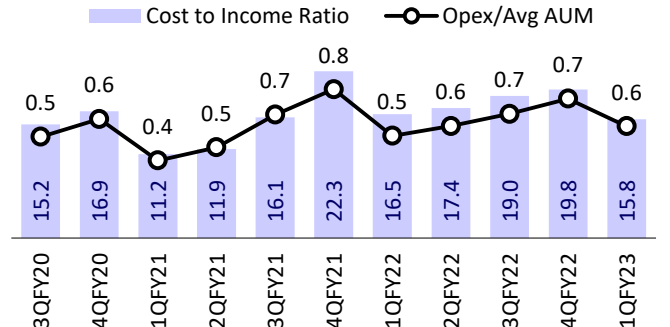
Source: MOFSL, Company

Exhibit 5: Calculated spreads decline by ~5bp QoQ



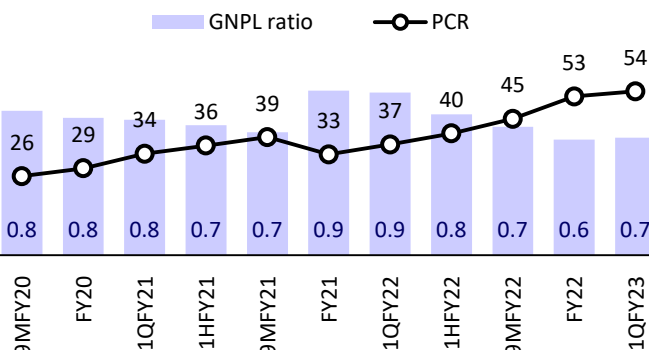
Source: MOFSL, Company

Exhibit 6: C/I ratio falls 70bp YoY



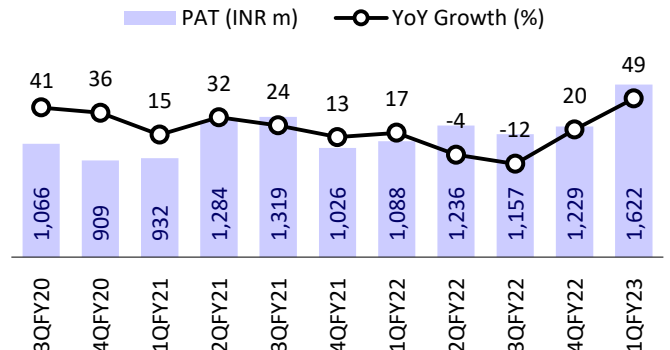
Source: MOFSL, Company

Exhibit 7: PCR up ~1pp QoQ, with a sequentially stable GNPA



Source: MOFSL, Company

Exhibit 8: PAT grew by ~32% QoQ and ~50% YoY



Source: MOFSL, Company

Valuation and view

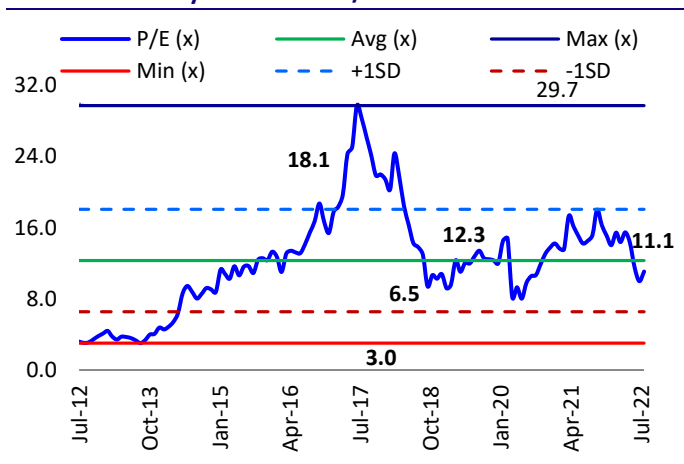
- We model in a NII/PPOP/PAT CAGR of 12%/11%/18% over FY22-24 for a RoA/RoE of 1.9%/17% over FY23-24.
- Its ability to maintain stable margin is a key monitorable as CANF continues its healthy loan growth trajectory.
- CANF is a franchise with moats on the liability side and strong asset quality. We maintain our Buy rating with a TP of INR640 per share (premised on 2x FY24E BVPS).

Exhibit 9: Raise our FY23 EPS estimate by ~7% to factor in lower credit costs and higher NII

| INR b | Old estimate | | New estimate | | Change (%) | |
|-------------------------|--------------|-------------|--------------|-------------|------------|------------|
| | FY23E | FY24E | FY23E | FY24E | FY23E | FY24E |
| NII | 9.6 | 11.0 | 9.9 | 11.2 | 3.0 | 2.4 |
| Other Income | 0.2 | 0.2 | 0.2 | 0.3 | | |
| Total Income | 9.9 | 11.2 | 10.2 | 11.5 | 3.1 | 2.6 |
| Operating Expenses | 1.7 | 1.9 | 1.8 | 2.0 | 3.2 | 8.0 |
| Operating Profit | 8.2 | 9.3 | 8.4 | 9.5 | 3.1 | 1.5 |
| Provisions | 0.9 | 0.7 | 0.6 | 0.7 | -25.5 | 8.5 |
| PBT | 7.3 | 8.7 | 7.8 | 8.7 | 6.5 | 0.9 |
| Tax | 1.9 | 2.2 | 2.0 | 2.2 | 6.5 | 0.9 |
| PAT | 5.4 | 6.5 | 5.8 | 6.5 | 6.5 | 0.9 |
| AUM | 314 | 363 | 314 | 362 | -0.1 | -0.1 |
| Borrowings | 286 | 327 | 289 | 330 | 1.0 | 1.0 |
| NIM (%) | 3.4 | 3.3 | 3.5 | 3.3 | | |
| RoA (%) | 1.8 | 1.9 | 1.9 | 1.8 | | |
| RoE (%) | 16.3 | 16.6 | 17.3 | 16.6 | | |

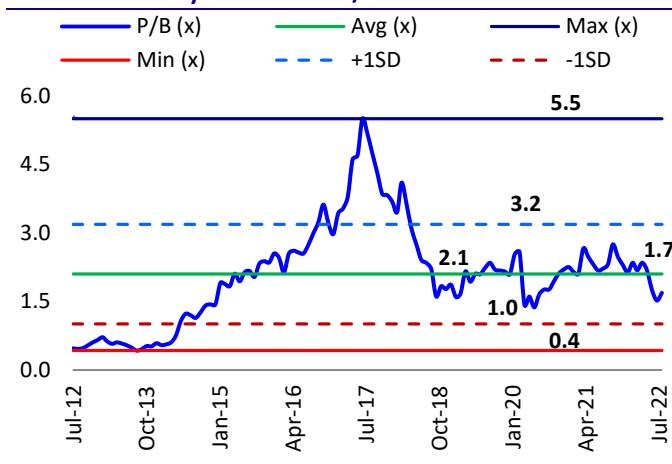
Source: MOFSL, Company

Exhibit 10: One-year forward P/E ratio



Source: MOFSL, Company

Exhibit 11: One-year forward P/B ratio



Source: MOFSL, Company

Financials and valuations

| Income statement | | | | | | | | INR m | |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Y/E March | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23E | FY24E |
| Interest Income | 10,444 | 13,060 | 14,906 | 17,134 | 20,189 | 20,064 | 19,697 | 25,871 | 30,887 |
| Interest Expended | 7,435 | 8,840 | 9,810 | 11,693 | 13,442 | 12,083 | 11,535 | 15,938 | 19,669 |
| Net Interest Income | 3,009 | 4,220 | 5,096 | 5,441 | 6,747 | 7,980 | 8,162 | 9,933 | 11,219 |
| Change (%) | 69.4 | 40.2 | 20.8 | 6.8 | 24.0 | 18.3 | 2.3 | 21.7 | 12.9 |
| Other Income | 391 | 471 | 314 | 179 | 115 | 121 | 188 | 234 | 268 |
| Net Income | 3,401 | 4,691 | 5,410 | 5,621 | 6,862 | 8,101 | 8,350 | 10,167 | 11,486 |
| Change (%) | 64.5 | 37.9 | 15.3 | 3.9 | 22.1 | 18.0 | 3.1 | 21.8 | 13.0 |
| Operating Expenses | 668 | 807 | 878 | 915 | 1,076 | 1,240 | 1,530 | 1,758 | 2,014 |
| Operating Income | 2,733 | 3,884 | 4,532 | 4,706 | 5,786 | 6,861 | 6,820 | 8,409 | 9,472 |
| Change (%) | 80.1 | 42.1 | 16.7 | 3.8 | 23.0 | 18.6 | -0.6 | 23.3 | 12.6 |
| Provisions/write-offs | 194 | 188 | 221 | 11 | 603 | 685 | 469 | 646 | 726 |
| PBT | 2,539 | 3,696 | 4,311 | 4,695 | 5,183 | 6,176 | 6,351 | 7,763 | 8,746 |
| Tax | 968 | 1,349 | 1,449 | 1,728 | 1,422 | 1,615 | 1,640 | 1,980 | 2,230 |
| Tax Rate (%) | 38.1 | 36.5 | 33.6 | 36.8 | 27.4 | 26.2 | 25.8 | 25.5 | 25.5 |
| Reported PAT | 1,571 | 2,347 | 2,862 | 2,967 | 3,761 | 4,561 | 4,711 | 5,784 | 6,516 |
| Change (%) | 82.2 | 49.4 | 22.0 | 3.7 | 26.8 | 21.3 | 3.3 | 22.8 | 12.7 |
| Proposed Dividend (incl. tax) | 321 | 321 | 321 | 321 | 321 | 266 | 266 | 293 | 293 |

Balance sheet

| Y/E March | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23E | FY24E |
|--------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Capital | 266 | 266 | 266 | 266 | 266 | 266 | 266 | 266 | 266 |
| Reserves and Surplus | 8,514 | 11,771 | 14,604 | 17,556 | 21,234 | 25,832 | 30,400 | 35,891 | 42,114 |
| Net Worth | 8,780 | 12,037 | 14,870 | 17,822 | 21,501 | 26,098 | 30,666 | 36,157 | 42,380 |
| Borrowings | 90,740 | 1,18,675 | 1,39,210 | 1,67,974 | 1,87,484 | 1,92,929 | 2,46,477 | 2,89,257 | 3,30,231 |
| Change (%) | 23.0 | 30.8 | 17.3 | 20.7 | 11.6 | 2.9 | 27.8 | 17.4 | 14.2 |
| Other liabilities | 8,040 | 2,168 | 3,215 | 1,500 | 1,451 | 1,710 | 2,300 | 2,876 | 3,594 |
| Total Liabilities | 1,07,560 | 1,32,880 | 1,57,295 | 1,87,295 | 2,10,436 | 2,20,737 | 2,79,443 | 3,28,290 | 3,76,205 |
| Loans | 1,07,146 | 1,32,241 | 1,56,440 | 1,82,342 | 2,05,257 | 2,18,915 | 2,63,781 | 3,11,029 | 3,58,947 |
| Change (%) | 29.1 | 23.4 | 18.3 | 16.6 | 12.6 | 6.7 | 20.5 | 17.9 | 15.4 |
| Investments | 149 | 160 | 160 | 163 | 243 | 496 | 11,260 | 12,949 | 14,891 |
| Change (%) | 0.0 | 7.1 | 0.0 | 1.9 | 49.1 | 104.1 | 2,169.9 | 15.0 | 15.0 |
| Net Fixed Assets | 89 | 102 | 96 | 99 | 379 | 378 | 346 | 317 | 290 |
| Other assets | 175 | 377 | 600 | 4,692 | 4,557 | 948 | 4,057 | 3,995 | 2,078 |
| Total Assets | 1,07,560 | 1,32,880 | 1,57,295 | 1,87,295 | 2,10,436 | 2,20,737 | 2,79,443 | 3,28,290 | 3,76,205 |

E: MOFSL estimates

Financials and valuations

| Ratios | (%) | | | | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Y/E March | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23E | FY24E |
| Yield on loans | 11.0 | 10.9 | 10.3 | 10.1 | 10.4 | 9.44 | 8.14 | 9.0 | 9.2 |
| Cost of funds | 9.0 | 8.4 | 7.6 | 7.6 | 7.6 | 6.35 | 5.25 | 6.0 | 6.4 |
| Spread | 1.9 | 2.5 | 2.7 | 2.5 | 2.8 | 3.1 | 2.9 | 3.0 | 2.9 |
| Net Interest Margin | 3.2 | 3.5 | 3.5 | 3.2 | 3.5 | 3.8 | 3.4 | 3.5 | 3.3 |
| Profitability Ratios (%) | | | | | | | | | |
| RoE | 19.0 | 22.5 | 21.3 | 18.2 | 19.1 | 19.2 | 16.6 | 17.3 | 16.6 |
| RoA | 1.6 | 2.0 | 2.0 | 1.7 | 1.9 | 2.1 | 1.9 | 1.9 | 1.8 |
| C/I ratio | 19.6 | 17.2 | 16.2 | 16.3 | 15.7 | 15.3 | 18.3 | 17.3 | 17.5 |
| Asset Quality (%) | | | | | | | | | |
| Gross NPAs | 198 | 279 | 675 | 1,135 | 1,571 | 2,019 | 1,706 | 2,318 | 2,916 |
| Gross NPAs to Adv. | 0.2 | 0.2 | 0.4 | 0.6 | 0.8 | 0.9 | 0.6 | 0.7 | 0.8 |
| Net NPAs | 0 | 0 | 316 | 795 | 1,118 | 1,343 | 807 | 1,089 | 1,429 |
| Net NPAs to Adv. | 0.0 | 0.0 | 0.2 | 0.4 | 0.5 | 0.6 | 0.3 | 0.4 | 0.4 |
| PCR | 100.0 | 100.0 | 53.2 | 30.0 | 28.8 | 33.5 | 52.7 | 53.0 | 51.0 |
| Valuation | | | | | | | | | |
| Book Value (INR) | 66 | 90 | 112 | 134 | 161 | 196 | 230 | 272 | 318 |
| Price-to-BV (x) | 8.2 | 5.9 | 4.8 | 4.0 | 3.3 | 2.7 | 2.3 | 2.0 | 1.7 |
| EPS (INR) | 11.8 | 17.6 | 21.5 | 22.3 | 28.2 | 34.2 | 35.4 | 43.4 | 48.9 |
| EPS Growth YoY | 82.2 | 49.4 | 21.9 | 3.7 | 26.8 | 21.3 | 3.3 | 22.8 | 12.7 |
| Price-to-Earnings (x) | 45.6 | 30.5 | 25.0 | 24.1 | 19.0 | 15.7 | 15.2 | 12.4 | 11.0 |
| Dividend per share (INR) | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.2 | 2.2 |
| Dividend yield (%) | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |

E: MOFSL estimates

NOTES

| Explanation of Investment Rating | |
|----------------------------------|--|
| Investment Rating | Expected return (over 12-month) |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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