GIC Housing Finance Ltd. (GICHFL)

No. of shares (m)	53.9
Mkt cap (Rs crs/$m)	2988/464.5
Current price (Rs/$)	555/8.6
Price target (Rs/$)	628/9.8
52 W H/L (Rs.)	623/251
Book Value (Rs/$)	150/2.3
Beta	1.7
Daily volume (avg. monthly)	159130
P/BV (FY18e/19e)	3.1/2.7
P/E (FY18e/19e)	16.7/13.7
Cost to Income (FY17/FY18e/19e)	22.0/20.6/19.5
EPS growth (FY17/18e/19e)	18.7/20.8/21.9
NIM (FY17/18e/19e)	3.6/3.7/3.8
ROE (FY17/18e/19e)	19.2/20.3/21.0
ROA(FY17/18e/19e)	1.7/1.7/1.8
D/E ratio (FY17/18e/19e)	10.2/10.2/10.2
BSE Code	511676
NSE Code	GICHSGFIN
Bloomberg	GICHF IN
Reuters	GICH.BO

Shareholding pattern	%
Promoters	42.2
MFs / Banks / FIs/ Others	13.3
Foreign Portfolio Investors	3.1
Govt. Holding	0.0
Public & Others	41.5
Total	**100.0**

As on June 30, 2017

Recommendation

ACCUMULATE

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Quarterly Highlights

- With 65 offices across the country and marketing of its products through direct sales, direct selling agents and tie up with builders, GICHFC managed to grow its total loan book at 17.2% (y-o-y) to Rs 9276.89 crs ($1430.8m) in the last fiscal from Rs 7912.25 crs ($1192.8m) in FY16. The retail loan portfolio grew at 17.3% to Rs 9271 crs ($1429.9m) and loan disbursement registered a growth of 10% (y-o-y) to Rs 2761.16 crs ($425.9m).
- Housing loans of the company increased to Rs 7867.02 crs ($1213.3m) in FY17 from Rs 6627.58 crs ($999.1m) in FY16, registering a growth of 18.7%. The company faced some stress in the LAP portfolio in FY17 and chose to focus less on that segment - 15% of the total portfolio in the last fiscal as against 16.1% in FY16, with a growth rate of only 9.7% compared to growth rate of 29.4% in the preceding year.
- GICHFL's NIM grew marginally in the last fiscal, thanks to its ability of procuring funds at lower cost which declined by 62 bps to 8.8% (y-o-y) coupled with rise in interest income by 14.3% (y-o-y). De growth in operating expenses by 6.7% (Q3) and 4.7% (Q4) of FY17 supported the decline in cost to income ratio to 22.0% (25.0% in FY16).
- GNPA of the company increased by 55.3% to Rs 216.29 crs in the last fiscal compared to Rs 139.26 crs at the end of FY16. Net NPA which was NIL since FY12 increased to 0.3%. Provisions created during the year grew more than two folds and amounted to Rs 33.4 crs/$5.0m (Rs 15.76 crs/$2.4m in FY16), restricting net profit growth to 18.7% to Rs 147.73 crs ($22.0m) as against Rs 124.5 crs ($19.0m) a year before.
- The stock currently trades at 3.1x FY18e BV (16.7x FY18e EPS of Rs 33.14) and 2.7x FY19e BV (13.7x FY19e EPS of Rs 40.40). GIC's declining cost of funds thanks to its access to more efficient source of funds (~43% share), wide distribution network (65 branches; 5 added last fiscal), robust demand in affordable housing due to rapidly rising urban population, India's low mortgage penetration, favorable funding scenario coupled with government's initiative for 'Housing For All by 2022' are doubtlessly tantalizing. Yet, its deteriorating asset quality- GNPA of 2.3% from 1.8% in FY16 and Net NPA of 0.3% from nil in FY16 cannot be sorely undermined either. Nevertheless, impressive growth in the loan book (CAGR: 18.1%) should help its earnings to rise at a CAGR of ~21.4% over the next two years. On balance, we assign 'accumulate' rating on the stock with target price of Rs 628 (previous target Rs 405) based on 3x FY19e BV over a period of 9-12 months.

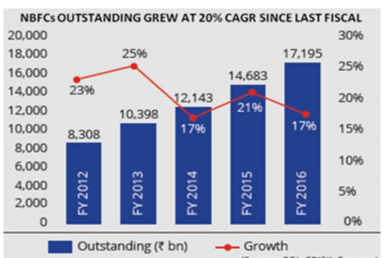
(Rs crs)	FY15	FY16	FY17	FY18e	FY19e
Net Interest Income	207.05	256.63	312.20	377.90	453.23
Non Interest Income	16.76	19.09	21.70	24.75	28.96
Pre-Provision Profits	165.98	206.87	260.50	319.78	388.11
Net profit	102.96	124.50	147.73	178.47	217.55
EPS(Rs)	19.12	23.12	27.43	33.14	40.40
EPS growth (%)	5.5	20.9	18.7	20.8	21.9

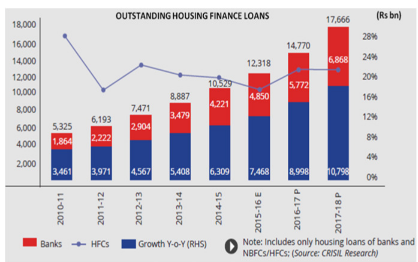
Outlook & Recommendation

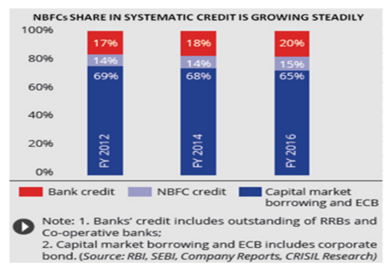
Industry Overview

India's affordable housing finance industry is at a very exciting stage and has the potential to reach a market size of Rs 6.25 trillion believes ICRA, thanks to the policies and initiatives undertaken by the GOI. The allocation under the PMAY was increased by 39% to Rs 290 billion for 2017-18. The infrastructure status granted to affordable housing will usher resource allocation for the sector and attract many developers to create a supply of affordable houses. These proposals along with Real Estate Regulatory Act (RERA) to bring in transparency and enhance disclosures of project information shall boost the confidence level of new home buyers and act as a catalyst to meet the GOI's objective of 'Housing For All by 2022' over the medium to long term.

ICRA believes that the affordable housing segment in India is likely to grow at ~30% over the medium to long term; out spacing the industry's overall housing credit growth of 16-18% and NBFCs retail credit which stood at Rs 5.6 trillion as on December 2016, is likely to grow by 16-18% in the current fiscal. Increasing competitive pressures from banks offering finer pricing and slower growth rate in some key asset classes like LAP and microfinance would offset the lower cost of funds for NBFCs and moderate its profitability in the current fiscal with ROE of 10.5-11.5% (Source:ICRA).





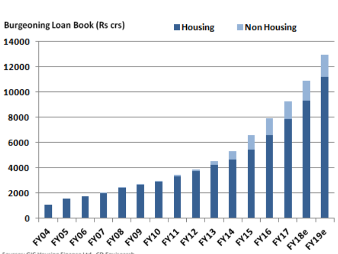


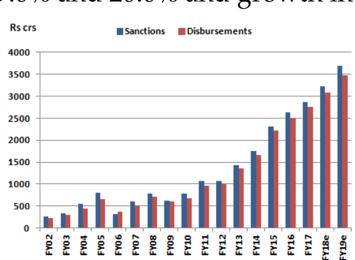
The rating agency posits that HFCs will require around Rs 16,000- Rs 27,500 crores of external capital (30-50% of their existing net worth) to grow at a CAGR of 18-20% over the next three years at internal capital generation levels of 15-16% and at gearing levels of 8.5-9 times. Gross NPAs for HFCs are expected to remain in the range of 0.9-1.3% over the medium term.

Loan Portfolio

GICHFC reported a growth in its absolute loan book value of 17.2% at the end of the last fiscal to Rs 9276.89 crs ($1430.8m). New loans approved during the year amounted to Rs 2868.83 crs ($442.5m) as against Rs 2635.75 crs ($397.4m) in FY16. The loan book has been predominantly led by housing loans comprising of 84.8% of the total loan book in FY17 (growth of 18.7% y-o-y). With the company's main thrust on individual loans (85% of the total loan book), exposure to the high yielding LAP portfolio declined to 15% from 16.1% in the last fiscal, thereby resulting in only a scant improvement in margins of 9bps to 3.6%.

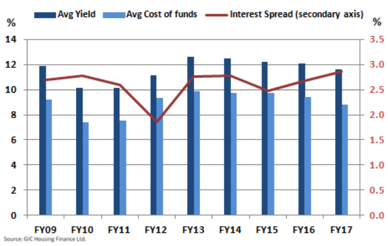
Various initiatives undertaken by the GOI to boost the housing finance industry coupled with the company's relentless focus on qualitative growth and profitability should translate into a loan book growth of 17.6% and 18.6% in FY18 and FY19 with growth in individual loans of 19.0% and 20.0% and growth in LAP portfolio of 10% in both the years respectively.

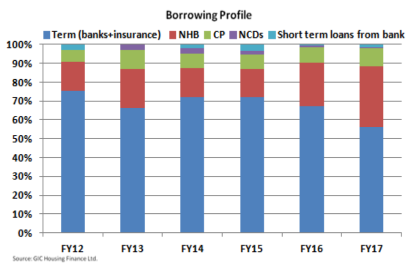




Optimizing cost of funds

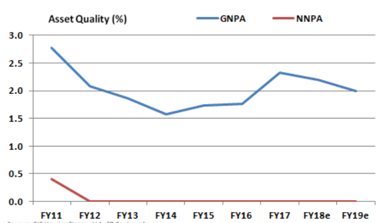
GICHF has been consistently reducing its share of term loans from banks and insurance companies which was 67.2% (Rs 4707.69 crs/$709.7m) of its borrowing profile in FY16 and has come down to 56% (Rs 4611.34 crs/711.2m) in FY17. The company has scaled up its dependence on cheaper source of borrowings like NCDs and CPs from 8.7% in FY16 to 10.2% in the last fiscal. It availed refinancing of Rs 1400 crs ($208.7m) in FY17 as against Rs 1000 crs ($152.8 m) from NHB in the preceding year, bringing up its share of the total fund mix from 23.3% to 32.6%. All this helped the housing finance company to reduce its overall cost of funds by 62 bps to 8.8% in FY17 (9.4% in FY16), increasing its interest spread by 19 bps to 2.9%. Reliance on such cheaper source of funds and its ability to mix its borrowing basket well should help the company curtail its cost of funds.

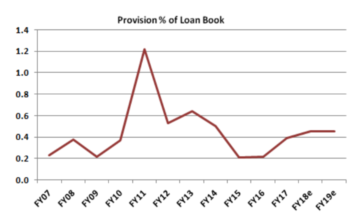




Asset Quality

GICHFL reported deterioration of its asset quality in the last fiscal. According to ICRA, asset quality of housing finance companies remained comfortable in FY17 with GNPA's of 0.84%. However, the GNPA ratio of GICHFL stood at 2.3% (vs 1.8% in FY16), while the Net NPA ratio, which was nil since FY12, increased to 0.3%. Provisions shot up to Rs 33.40 crs ($5.0m) in the last year as against Rs 15.76 crs ($2.4m) in FY16 with 3.7% created on non-housing loans and 2.4% created on housing loans as against 2.9% and 2.5% in FY16 respectively. Even though exposure to riskier products like LAP declined in the last fiscal, vulnerability of portfolio still remains because of increasing focus on lower income group customers.

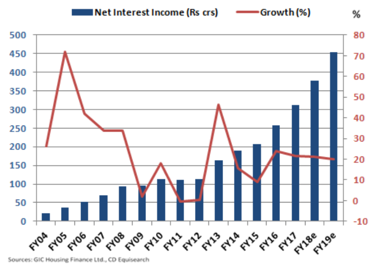


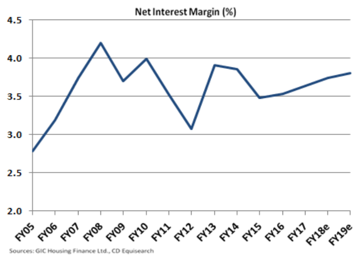


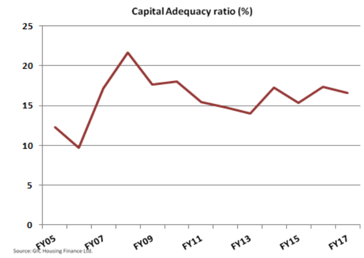
Financials &Valuation

GICHFL reported net interest income of Rs 312.20 crs ($46.5m) in the last fiscal as against Rs 256.63 crs ($39.2m) in FY16, registering a growth of 21.7% y-o-y. Its consistent ability to diversify its borrowing basket and tap the appropriate source of funding to minimize the weighted average cost of funds has helped it to slow down the increase in its interest expenses to 11.2% in FY17 compared to 18.0% rise in FY16 and improve its NIM by 9 bps to 3.6% y-o-y. Going ahead, we expect NIM to improve to 3.7% and 3.8% in the next two years supported by growth in NII by 21.0% and 19.9% in FY18 and FY19 respectively.

Although stringent control on operating expenses over the years has helped in containing cost to income ratio at 22.0% in FY17, an improvement of 3% over the previous year, it still stands high compared to its peers like Gruh Finance (15.9%) and Repco (16.9%). However, we expect that the growth in loan book size at a CAGR of 18.1% by FY19 with housing and non-housing loans growing at a CAGR of 19.3% and 11.3% will help in reducing the ratio at 20.6% and 19.5% in the next two years.



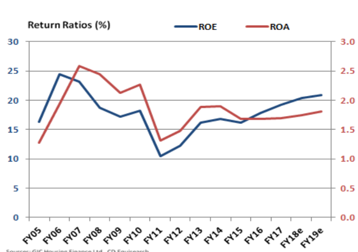


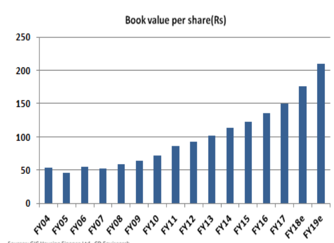


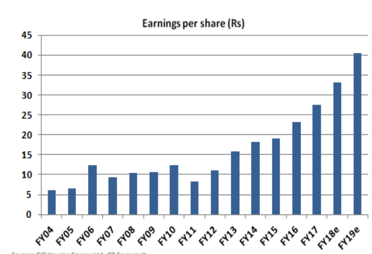
Increase in provision by 2.1x in the last fiscal slowed the bottom line growth to 18.7% (20.9% growth in FY16). Even though CAR of the company is above the minimum required level prescribed by NHB at 12%, it declined by 80 bps and stood at 16.6% in FY17 vs 17.4% in the previous year. Yet, owing to the profitability of GICHFL, ROE increased to 19.2% last fiscal (vs 17.9% in FY16) while ROA was sustained at 1.7%. Going ahead, we expect profits to grow by 20.8% and 21.9% in FY18 and FY19 with ROE of 20.3% and 21.0% respectively.

To compete with the best rates prevailing in the market, HFCs have come up with new products in the last fiscal. Can Fin introduced 'New Gruhalakshmi Rural Housing Scheme' and 'New Loan For Urban Housing' to provide loans at concessional rate (8.25% fixed for 3 years irrespective of risk taking for loans value not exceeding Rs 20 lacs and Rs 10 lacs respectively). Similarly, LICHF offered a new home loan product 'Griha Siddhi' to match SBI's recent move to cut interest rate on home loans in the affordable housing segment by upto 25bps - LICHFL has created a special segment for women borrowers under this product for loans up to Rs 25 lacs at an interest rate of 8.35% p.a.; for other borrowers, the interest rate will be 8.40%. For home loans up to Rs 1cr, the interest rate will be 8.50%). GIC's individual housing loans starts from 10.25%, mortgage loans from 13.25% and commercial loans 15% onwards. It resorts to aggressive marketing with DSAs, ease of sanction, value added services like free accident and home policies and develop partnership with local bodies and institutions to procure business.

GIC's loan book should see a boost over the coming years because of falling interest rate environment, declining inflation and most importantly, fiscal stimulus announced by the GOI, which will spur demand for housing activities across the country, specifically affordable housing. GIC's focus on lower income group (LIG) and lower middle class income (LMI) group coupled with low average ticket size match well with the government's parameters laid down for affordable housing. However, lower interest rates might restrain margins to expand much in the near term. Even though the company has a wide distribution network of over 65 branches, it drives most of its business from western part of India, while LICHFL boasts of strong pan-India network. The stock currently trades at 3.1x FY18e BV (16.7x FY18e EPS of Rs 33.14) and 2.7x FY19e BV (13.7x FY19e EPS of Rs 40.40). We assign 'accumulate' rating on the stock with target price of Rs 628 (previous target Rs 405) based on 3.0x FY19e BV over a period of 9-12 months. For more info, refer to our October report







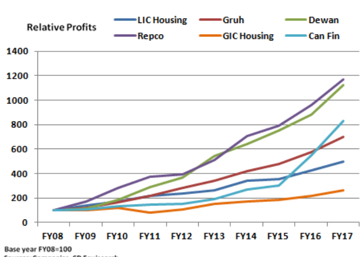
Cross Sectional Analysis

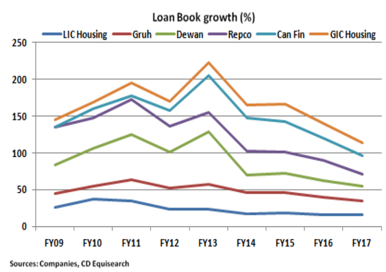
Company	Equity*	CMP	Mcap*	NII*	Profit*	NIMs (%)	Loan Book growth(%)	ROE (%)	ROA (%)	P/E	P/BV
LICHF	100.9	750	37872	3676	1931	2.7	15.5	19.5	1.4	19.6	3.5
Gruh	73.0	490	17886	563	309	4.5	18.6	31.5	2.3	57.9	16.8
Dewan	313.2	469	14695	2000	927	2.6	20.2	17.0	1.2	15.3	1.9
Repco	62.6	813	5087	368	182	4.4	16.2	17.5	2.2	27.9	4.5
GICHF	53.9	555	2988	312	148	3.6	17.2	19.2	1.7	20.2	3.7
Can Fin	26.6	3183	8473	422	235	3.5	25.1	24.5	1.9	36.0	8.1

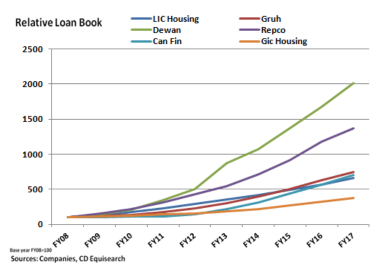
*figures in crores; calculations on ttm basis;

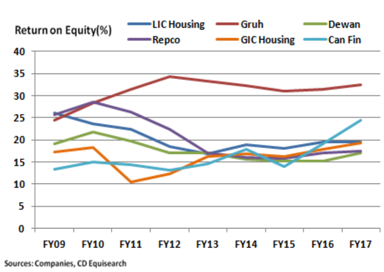
Despite challenging economic scenario, performance of HFCs improved towards the end of last financial year. Can Fin recorded the highest loan book growth of 25.1% thanks to its cost effective and tailor made products. Dewan registered a robust growth in loan disbursements of 17.8% because of deeper penetration into the existing markets and strong marketing and distribution network across the country. Average cost of funds was the highest for Gruh (9.2%), while it was the lowest for Can Fin (8.4%) as it increased its market borrowings to 51% in FY17 as against 34% in FY16.

Last fiscal, Gruh and Can Fin noted the best quality of assets with 100% provision coverage against 0.31% and 0.21% of gross NPAs respectively. Even though LIC recorded a lower loan book growth than GIC in the last fiscal (see table above), it reported better asset quality – Net NPA of 0.2% as compared to GIC with NPA of 0.3%. LAP was 15% of GIC's total portfolio in FY17 whereas it was only 12.6% of total loan book of LIC in the last financial year. Repco achieved the highest NIM among its peers with net interest income growing at a CAGR of 29% over the past five years. Various initiatives like Pradhan Mantri Awas Yojna (PMAY), Indira Awas Yojana (IAY) and favorable provisions introduced in the Union Budget 2017 to boost the housing sector in India will have a positive impact on the housing finance sector. But with banks now shifting to a new loan pricing regime- the marginal cost of funds based lending rate (MCLR), the fall in the home loan rate will be a challenge for such companies.









Financials

Quarterly Results

Figures in Rs crs

	Q4FY17	Q4FY16	% chg.	FY17	FY16	% chg.
Net Interest Income	99.76*	77.89*	28.1	312.20	256.63	21.7
Non Interest Income	0.61	0.38	60.5	21.70	19.09	13.7
Total Income	**100.37**	**78.27**	**28.2**	**333.90**	**275.72**	**21.1**
Operating Expenses	20.08	21.06	-4.7	73.40	68.85	6.6
Pre-Provision Profits	**80.29**	**57.21**	**40.3**	**260.50**	**206.87**	**25.9**
Provision	8.88	2.23	298.2	33.40	15.76	111.9
PBT	**71.41**	**54.98**	**29.9**	**227.10**	**191.11**	**18.8**
Tax	24.80	19.11	29.8	79.37	66.61	19.2
PAT	**46.61**	**35.87**	**29.9**	**147.73**	**124.50**	**18.7**
Basic EPS (F.V.10)	8.66	6.66	29.9	27.43	23.12	18.7
Equity	53.85	53.85	-	53.85	53.85	-

*Includes processing & other charges

Income Statement

Figures in Rs crs

	FY15	FY16	FY17	FY18e	FY19e
Net Interest Income	207.05	256.63	312.20	377.90	453.23
Non Interest Income	16.76	19.09	21.70	24.75	28.96
Total Income	**223.81**	**275.72**	**333.90**	**402.65**	**482.20**
Operating Expenses	57.83	68.85	73.40	82.87	94.08
Pre-Provision Profits	**165.98**	**206.87**	**260.50**	**319.78**	**388.11**
Provision	12.28	15.76	33.40	45.43	53.67
PBT	**153.70**	**191.11**	**227.10**	**274.35**	**334.44**
Tax	50.74	66.61	79.37	95.89	116.89
PAT	**102.96**	**124.50**	**147.73**	**178.47**	**217.55**
Basic EPS (F.V.10)	19.12	23.12	27.43	33.14	40.40
Equity	53.85	53.85	53.85	53.85	53.85

Balance Sheet

Figures in Rs crs

	FY15	FY16	FY17	FY18e	FY19e
Sources Of Funds	**6720.67**	**8021.38**	**9371.59**	**11027.91**	**13079.81**
Shareholders Funds	**660.37**	**731.80**	**838.22**	**984.28**	**1166.19**
Share Capital	53.88	53.88	53.88	53.88	53.88
Reserves and Surplus	606.49	677.92	784.34	930.40	1112.31
Non Current Liabilities	**4560.65**	**5728.89**	**6733.18**	**7928.66**	**9419.17**
Long Term Borrowings	4359.05	5510.75	6481.61	7630.60	9066.11
Long Term Provisions	201.60	218.14	251.57	298.06	353.05
Current Liabilities	**1499.65**	**1560.69**	**1800.19**	**2114.98**	**2494.46**
Short Term Borrowings	644.75	618.56	897.38	1163.50	1495.68
Trade Payables	4.66	6.67	5.77	6.55	7.77
Other Current Liabilities	813.68	897.30	887.61	933.89	978.28
Short Term Provisions	36.56	38.16	9.43	11.04	12.74
Application of Funds	**6720.67**	**8021.38**	**9371.59**	**11027.91**	**13079.81**
Non- Current Assets	**6366.26**	**7611.77**	**8901.54**	**10490.47**	**12462.77**
Tangible Assets	2.62	2.16	2.30	2.63	3.07
Capital Work in Progress	-	-	-	-	-
Non-Current Investments	9.83	9.80	26.47	27.32	28.21
Long Term Loans and Advances	6314.77	7588.37	8905.67	10496.42	12470.39
Other Non Current Assets	1.44	-	-	-	-
Deferred tax asset (net)	37.60	11.44	-32.90	-35.90	-38.90
Current Assets	**354.41**	**409.61**	**470.05**	**537.44**	**617.05**
Trade Receivables	9.41	12.13	13.27	16.37	20.71
Cash and Cash Equivalents	41.57	52.34	62.11	81.32	101.14
Short term loans and advances	303.43	345.14	394.67	439.76	495.20
Other Current Assets	-	-	-	-	-

Cash Flow Statement

Figures in Rs crs

	FY15	FY16	FY17	FY18e	FY19e
Net Profit (a)	**102.96**	**124.50**	**147.73**	**178.47**	**217.55**
Non cash expenses & others (b)	**16.42**	**20.14**	**35.61**	**47.64**	**55.94**
Depreciation	3.51	0.82	0.70	0.73	0.78
Provision for NPA	12.28	15.76	33.40	45.43	53.67
(Profit)/Loss on sale of investments	-1.52	-1.93	-1.51	-1.51	-1.51
Net Deferred tax asset	2.14	5.50	3.03	3.00	3.00
Others	0.01	-0.01	-0.01	-	-
Adjustments in NWC & others (c)	**-1222.00**	**-1311.45**	**-1361.13**	**-1630.93**	**-2026.84**
Trade receivables	0.26	-2.72	-1.14	-3.10	-4.34
Loans and advances	-1285.86	-1315.31	-1366.83	-1635.84	-2029.41
Other assets	9.23	1.44	-	-	-
Bank deposits (maturity more than 3 months)	51.11	-1.59	-0.17	2.14	-
Trade payables	-0.49	2.01	-0.90	0.78	1.22
Provisions	3.86	2.39	3.70	2.67	3.02
Other liabilities	-0.11	2.33	4.21	2.42	2.67
Net Cash flow from Operations (a+b+c)	**-1102.62**	**-1166.81**	**-1177.79**	**-1404.82**	**-1753.35**
Purchase of fixed assets	-0.95	-0.36	-0.88	-1.06	-1.21
Sale of fixed assets	0.03	-	0.06	-	-
Net Investments	1.62	1.96	-15.16	0.66	0.62
Net Cash Flow from Investing activities (d)	**0.70**	**1.60**	**-15.98**	**-0.39**	**-0.60**
Net borrowings	1142.50	1206.80	1235.78	1458.96	1809.42
Dividends paid(including CDT)	-37.80	-32.41	-32.41	-32.41	-35.65
Net Cash flow from Financing activities (e)	**1104.70**	**1174.39**	**1203.37**	**1426.56**	**1773.77**
Net change (a+b+c+d+e)	**2.78**	**9.18**	**9.60**	**21.35**	**19.83**

Key Financial Ratios

	FY15	FY16	FY17	FY18e	FY19e
Growth Ratios (%)					
Net Interest Income	9.1	23.9	21.7	21.0	19.9
Total Income	8.8	23.2	21.1	20.6	19.8
Pre Provision Profits	5.0	24.6	25.9	22.8	21.4
Net Profit	5.5	20.9	18.7	20.8	21.9
EPS	5.5	20.9	18.7	20.8	21.9
Loan Book	24.2	19.9	17.2	17.6	18.6
Return Ratios (%)					
ROE	16.2	17.9	19.2	20.3	21.0
ROA	1.7	1.7	1.7	1.7	1.8
Return on loan assets	1.7	1.7	1.7	1.8	1.8
Margins (%)					
Cost To Income Ratio	25.8	25.0	22.0	20.6	19.5
NIM	3.5	3.5	3.6	3.7	3.8
Asset Quality (%)					
Gross NPA	1.7	1.8	2.3	2.2	2.0
Net NPA	-	-	0.3	0.3	0.2
Provision on Housing loans	3.2	2.5	2.4	2.4	2.4
Provision on Non housing loans	1.2	2.9	3.7	3.8	4.0
Valuation Ratios					
P/BV	1.8	1.8	2.4	3.1	2.7
P/E	11.6	10.7	13.3	16.7	13.7
Other Ratios					
Debt / Equity	8.8	9.6	10.2	10.2	10.2
Current Ratio	0.2	0.3	0.3	0.2	0.2
Dividend payout Ratio	31.5	26.0	21.9	20.0	17.9

Cumulative Financial Data

Rs crs	FY08-10	FY11-13	FY14-16	FY17-19e
NII	301	388	653	1143
Pre-provision profits	272	334	531	968
PBT	248	249	478	836
PAT	181	189	325	544
Dividends	79	94	103	107
Loan Book*	2932	4539	7912	12942
Total debt*	2627	3973	7001	11505
NII growth (%)	89.7	29.0	68.3	75.0
Pre-provision profit growth (%)	109.3	22.9	58.9	82.4
Loan Book growth (%)	46.5	54.8	74.3	63.6
Cost to Income (%)	16.3	23.0	24.7	20.5
NIM (%)	4.1	3.5	3.5	3.7
ROE (%)	17.9	13.4	16.9	19.5
ROA (%)	2.3	1.6	1.7	1.7
Debt-equity*	6.8	7.2	9.6	10.2
Dividend payout ratio (%)	43.5	36.5	31.6	19.7

FY11-13 implies three year period ending fiscal 13;*as on terminal year.

Positive outlook of the housing finance industry and strong growth opportunities for HFCs should help GICHFL to grow its loan book fourfold to Rs 12942 crs ($2012m) in FY19 from Rs 2932 crs ($649.5m) in FY10, with its continuous focus on maintaining the housing share of its portfolio. Cumulative NII should see a rise of 75.0% in FY17-19e period because of rising interest spread, compared to that in previous three year period, coupled with increase in cumulative profits of 67.4% from 72.0% in the previous three years.

Growth in cumulative NII was the least in FY11-13 period (29%), thanks to the sharp rise in interest expenses by 44.9% in FY12, increasing the average cost of funds to 9.3% and 9.9% in FY12 and FY13 respectively (7.5% in FY11). A rise of 21.4% in operating expenses in FY15 largely explains the increase in cost to income ratio to 24.7% in FY14-16 period. Diversification to cheaper source of funds like NHB, NCDs and CPs from 33.5% in FY13 to 42.8% in FY17 and simultaneous reduction in bank borrowings (66.5% in FY13 vs 56% in FY17) has lowered its cost of funds from 9.9% to 8.8% in the last fiscal. Exposure to riskier, but higher yielding products like LAP should further help the company improve its margins (see table above).

Financial Summary- US$ denominated

million $	FY15	FY16	FY17	FY18e	FY19e
Equity capital	8.6	8.1	8.3	8.4	8.4
Shareholders funds	105.5	110.3	124.3	147.5	175.3
Total debt	925.7	1055.4	1270.4	1507.4	1788.7
Total loans and advances	1057.4	1196.0	1434.4	1700.2	2015.8
Investments	1.6	1.5	4.1	4.2	4.4
Net current assets	-183.0	-173.5	-210.1	-250.8	-297.9
Total assets	1073.7	1209.3	1445.4	1714.5	2033.5
Net Interest Income	33.9	39.2	46.5	58.8	70.5
Pre-provision Profits	27.1	31.6	38.8	49.7	60.3
PBT	25.1	29.2	33.9	42.7	52.0
PAT	16.8	19.0	22.0	27.7	33.8
EPS($)	0.31	0.35	0.41	0.52	0.63
Book value ($)	1.96	2.05	2.31	2.74	3.25
Operating cash flow	-176.2	-175.9	-181.6	-218.4	-272.6
Investing cash flow	0.1	0.2	-2.5	-0.1	-0.1
Financing cash flow	176.5	177.0	185.6	221.8	275.8

Income statement figures translated at average rates; balance sheet at year end rates; projections at current rates (Rs 64.32/$).
All dollar denominated figures are adjusted for extraordinary items.

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buy: >20%	accumulate: >10% to ≤20%	hold: ≥-10% to ≤10%	reduce: ≥-20% to <-10%	sell: <-20%

Exchange Rates Used- Indicative

Rs/$	FY14	FY15	FY16	FY17
Average	60.5	61.15	65.46	67.09
Year end	60.1	62.59	66.33	64.84

All $ values mentioned in the write-up translated at the average rate of the respective quarter/ year as applicable. Projections converted at current exchange rate. Cumulative dollar figure is the sum of respective yearly dollar value.