motilal oswal Financial Services

15 July 2026

1QFY27 Results Update | Sector: Financials – Non Lending

HDFC AMC

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	HDFCAMC IN
Equity Shares (m)	428
M.Cap.(INRb)/(USDb)	1169.9 / 12.2
52-Week Range (INR)	2967 / 2206
1, 6, 12 Rel. Per (%)	3/13/-44
12M Avg Val (INR M)	2799

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
AAUM	8,906	10,097	11,774
MF Yield (bps)	46.1	46.7	45.7
Rev from Ops	41.2	47.3	54.1
Core PAT	24.7	27.8	32.4
PAT	28.6	33.2	38.0
PAT (bps as AAUM)	32	33	32
Core EPS	58	65	76
EPS	67	78	89
EPS Grw. (%)	16	16	14
BVPS	215	235	257
RoE (%)	33	34	36
Div. Payout (%)	81	75	75
Valuations			
Mcap/AUM (%)	13.1	11.6	9.9
P/E (x)	40.9	35.2	30.8
P/BV (x)	12.7	11.6	10.6
Div. Yield (%)	2.0	2.1	2.4

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	52.4	52.4	52.5
DII	14.4	14.9	18.0
FII	24.5	24.0	20.5
Others	8.8	8.7	9.0

FII includes depository receipts

CMP: INR2,729 TP: INR3,300 (+21%) Buy

Higher MTM gains lead to 9% PAT beat

- HDFC AMC's operating revenue grew 14% YoY/5% QoQ to ~INR11b (in line) in 1QFY27. Yields came in at 47bp vs. 46.7bp in 1QFY26 and 45.4bp in 4QFY26.
- Total opex at INR2.5b grew 28% YoY/21% QoQ. Employee costs at INR1.4b rose 32% YoY/15% QoQ, while other expenses at INR1b were up 22% YoY/ 31% QoQ. EBITDA came in at INR8.5b (in line), up 10% YoY but flat QoQ. Margin stood at 77.3% vs. 79.8% in 1QFY26 and 80.4% in 4QFY26.
- PAT stood at INR8.4b (9% beat on high other income), up 12% YoY and 34% QoQ. PAT margin was 76.1% vs. 77.2% in 1QFY26 and 59.2% in 4QFY26.
- Margins improved to 47bp in 1Q (vs. 46.7bp in 1QFY26 and 45.4bp in 4QFY26), primarily driven by the accounting treatment change from TER to BER. Underlying margin pressure was mitigated through commission optimization, disciplined cost control, and improved operating efficiency, leading to no impact on the overall profitability.
- We have raised our FY27/FY28 earnings estimates to factor in higher yield assumptions and other income, partially offset by higher employee costs. We expect a ~15% CAGR in revenue, EBITDA, and PAT each, alongside ~15% AUM growth over FY26-28. **We reiterate our BUY rating with a TP of INR3,300, based on 44x FY28E core EPS.**

Market share impacted by MTM movements

- QAAUM at INR9.4t grew 13% YoY but was flat QoQ, driven by 20%/7%/ 115%/19% YoY growth in equity/hybrid/ETFs/index funds. Liquid funds remained flat YoY and debt funds declined 6% YoY on account of redemptions and a shift toward liquid and overnight funds.
- On a QAAUM basis, the equity mix stood at 65.7% in 1QFY27, way ahead of the industry mix at 56.6% as of Jun'26. The closing AUM for 1QFY27 stood at INR9.3t, up 9% YoY and 10% QoQ.
- On a closing AUM basis, the company's overall market share in total AUM declined YoY to 11.3% vs. 11.5% in Jun'25. However, ex-ETFs, the market share was 12.6% vs. 12.8% in Jun'25. Actively managed equity/debt/liquid AUM market share stood at 12.8%/12.9%/10.7% as of Jun'26.
- Individual monthly AAUM rose 9% YoY/6% QoQ to INR6.5t (contributing 69.2% of total AUM vs. industry share at 60.7%). The number of live individual accounts grew 28% YoY (higher than industry growth of 15% YoY) to 31.1m.
- SIP AUM increased 16% YoY/QoQ to INR2.3t as of Jun'26. Systematic transactions remained resilient despite market volatility, with the company outpacing industry growth and gaining market share. However, the average ticket size moderated to INR2.8k from INR3.0k in 4QFY26.
- The company continues to expand its product bouquet as part of its long-term strategy to build a full-spectrum investment platform spanning mutual funds, ETFs, PMS, SIFs, private equity and private credit, catering to investors across asset classes, life stages and risk profiles.

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- Based on the overall AUM, the direct channel accounted for the largest share at 44.5%, followed by IFAs (23.3%) and national distributors (22.6%). Within equity AUM, direct and IFAs led the distribution with a 31.4% and 29.6% share, respectively, while the national distributor channel contributed 27.3%.
- As bp of AUM, opex was at 10.7bp vs. 9.4bp in 1QFY26 and 8.9bp in 4QFY26.
- Employee costs increased 32% YoY/15% QoQ, driven by annual salary increments, variable compensation, actuarial valuation of employee benefit obligations and expansion of investment and distribution team.
- In 1QFY27, non-cash charge stood at INR227m (vs. INR57m in 1QFY26 and INR220m in 4QFY26). ESOP guidance FY27/FY28/FY29/FY30: INR790-800m/ INR630m/INR410m/INR110m.
- Increase in other expenses is mainly on account of increase in CSR expenses, technology spend and general business-related expenses.
- Other income primarily comprises mark-to-market (MTM) gains on the company's treasury investments across equity and debt. Only a small portion represents realized gains from investment sales.

Key takeaways from the management commentary

- Debt AUM declined amid investor redemptions driven by volatility in interest rates, currency markets, and crude oil prices. However, flows shifted to liquid and overnight funds, where the company maintained a healthy market share. Recent SEBI product categorization changes, including lifecycle funds, are expected to enhance the attractiveness of debt products.
- Management has mitigated margin pressure through: commission optimization, tight cost control and operating efficiency, broadly maintaining the overall profitability.
- Product platform continues to expand with Category III PMS fundraising underway, VC Fund approval received, private credit scaling up, and the first SIF strategy (Equity Top 100 Long-Short Fund) approved for launch.

Valuation and view

- HDFC AMC continues to deliver a healthy operating performance, supported by resilient equity inflows, sustained SIP momentum and a superior equity-oriented AUM mix.
- While market share was impacted by MTM movements and debt fund redemptions in the near term, the company continues to outpace the industry in individual investor additions and systematic flows. We believe the expanding product bouquet across mutual funds, ETFs, PMS, SIFs and alternative investments, coupled with continued distribution expansion, positions the company well to capture long-term growth opportunities.
- We have raised our FY27/FY28 earnings estimates to factor in higher yield assumptions and other income, partially offset by higher employee costs. We expect a ~15% CAGR in revenue, EBITDA, and PAT each, alongside ~15% AUM growth over FY26-28. **We reiterate our BUY rating with a TP of INR3,300, based on 44x FY28E core EPS.**

Quarterly Performance **(INR m)**

Y/E March	FY26				FY27									
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY26	FY27E	1QFY27E	Act v/s Est. (%)	YoY	QoQ
Revenue from Operations	9,682	10,274	10,751	10,515	10,997	11,540	12,115	12,689	41,222	47,341	10,650	3.3	13.6	4.6
Change YoY (%)	24.9	15.8	15.0	16.7	13.6	12.3	12.7	20.7	17.8	14.8	10.0			
Fees & Commission	16	19	21	27	30.2	32.0	35.0	34.8	82	132	30.0	0.7	94.8	14.0
Employee Expenses	1,092	1,238	1,236	1,254	1,436	1,380	1,380	1,388	4,821	5,584	1,280	12.2	31.5	14.5
Other expenses	844	1,009	730	783	1,027	960	979	1,005	3,365	3,971	822	24.9	21.7	31.2
Total Operating Expenses	1,951	2,266	1,987	2,064	2,493	2,372	2,394	2,428	8,268	9,687	2,132	17	27.8	20.8
Change YoY (%)	7.9	23.3	16.4	20.6	27.8	4.7	20.5	17.7	17.0	17.2	9.3	200.0		
EBITDA	7,730	8,008	8,764	8,452	8,504	9,168	9,720	10,261	32,953	37,654	8,518	-0.2	10.0	0.6
EBITDA Margin (%)	79.8	77.9	81.5	80.4	77.3	79.4	80.2	80.9	79.9	79.5	80.0	-265bps	-251bps	-304bps
Other Income	2,330	962	1,593	116	2,628	1,500	1,500	1,480	5,000	7,108	1,800	46.0	12.8	2,175.7
Depreciation	173	178	184	194	205	215	225	231	729	876	200	2.6	18.8	5.7
Finance Cost	31	32	34	37	37	42	45	51	133	175	40	-7.0	21.2	0.5
PBT	**9,857**	**8,760**	**10,139**	**8,336**	**10,890**	**10,411**	**10,950**	**11,459**	**37,092**	**43,711**	**10,078**	**8.1**	10.5	30.6
Tax Provisions	2,381	1,575	2,445	2,109	2,519	2,499	2,628	2,845	8,511	10,491	2,419	4.1	5.8	19.4
Net Profit	**7,476**	**7,184**	**7,694**	**6,227**	**8,371**	**7,913**	**8,322**	**8,614**	**28,581**	**33,220**	**7,659**	**9.3**	12.0	34.4
Change YoY (%)	23.8	24.6	20.0	-2.5	12.0	10.1	8.2	38.3	16.2	16.2	2.5			
Core PAT	5,708	6,395	6,485	6,140	6,351	6,773	7,182	7,502	24,728	27,818	6,291	**0.9**		
Change YoY (%)	22.9	38.5	13.7	13.0	11.3	5.9	10.7	22.2	21.2	12.5	10.2			

Key Operating Parameters (%)

	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY26	FY27E	1QFY27E	Act v/s Est. (%)	YoY	QoQ
Revenue / AUM (bps)	46.7	46.6	46.5	45.4	47.0	46.9	46.8	46.8	46.3	46.9	45.2	181bps	31bps	169bps
Opex / AUM (bps)	9.4	10.3	8.6	8.9	10.7	9.6	9.2	9.0	9.3	9.6	9.1	161bps	124bps	176bps
PAT / AUM (bps)	36.1	32.6	33.3	26.9	35.8	32.2	32.2	31.8	32.1	32.9	32.5	328bps	-28bps	895bps
Cost to Operating Income Ratio	20.2	22.1	18.5	19.6	22.7	20.6	19.8	19.1	20.1	20.5	20.0	265bps	251bps	304bps
EBITDA Margin	79.8	77.9	81.5	80.4	77.3	79.4	80.2	80.9	79.9	79.5	80.0	-265bps	-251bps	-304bps
Tax Rate	24.2	18.0	24.1	25.3	23.1	24.0	24.0	24.8	22.9	24.0	24.0	-87bps	-103bps	-217bps
PAT Margin	77.2	69.9	71.6	59.2	76.1	68.6	68.7	67.9	69.3	70.2	71.9	420bps	-109bps	1691bps
Core PAT Margin	59.0	62.2	60.3	58.4	57.7	58.7	59.3	59.1	60.0	58.8	59.1	-132bps	-121bps	-65bps
Opex Mix (%)														
Fees & Commission	0.8	0.8	1.0	1.3	1.2	1.3	1.5	1.4	1.0	1.4	1.4	-20bps	42bps	-7bps
Employee Expenses	56.0	54.6	62.2	60.8	57.6	0.0	0.0	0.0	58.3	57.6	0.0	5761bps	163bps	-318bps
Others	43.2	44.5	36.7	37.9	41.2	0.0	0.0	0.0	40.7	41.0	0.0	4118bps	-205bps	325bps
Key Parameters														
QAUM (INR b)	8,286	8,814	9,249	9,275	9,351	9,838	10,354	10,844	8,906	10,097	9,418	-0.7	12.9	0.8

Exhibit 1: Our revised estimates

Financials & Valuation (INR b)	New Estimates		Old estimates		Change in estimates	
Y/E March	2027E	2028E	2027E	2028E	2027E	2028E
AAUM	10,097	11,774	10,175	11,860	-1%	-1%
MF Yield (bps)	46.7	45.7	44.9	43.9	18bps	18bps
Rev from Ops	47.3	54.1	45.9	52.3	3%	3%
Core PAT	27.8	32.4	27.2	31.5	2%	3%
PAT	33.2	38.0	32.0	36.7	4%	3%
PAT (bps as AAUM)	33	32	31	31	14bps	13bps
Core EPS	65	76	64	74	2%	3%
EPS	78	89	75	86	3.7%	3.5%
EPS Grw. (%)	16	14	12	15		
BVPS	235	257	234	256	0%	1%
RoE (%)	34	36	33	35	12bps	11bps
Div. Pay-out (%)	75	75	75	75		

CONFERENCE CALL

Key takeaways from the management commentary

Business

- Equity-oriented assets constituted 65.7% of AUM, vs. industry average of 56.6%, reflecting a structurally superior equity mix.
- Debt AUM declined due to investor redemptions amid volatility in interest rates, currency rates and crude oil prices. However, flows migrated to liquid and overnight funds, where the company maintained healthy market share.
- Recent SEBI product categorization changes (including lifecycle funds) provide opportunities to make debt products more attractive.
- Hybrid products such as Balanced Advantage Funds, Multi Asset Funds, Equity Savings Funds continue to emerge as preferred vehicles for investors seeking fixed-income exposure.
- Sequential decline in active equity market share (12.8% vs. 13% in 4QFY26) was primarily driven by MTM movements rather than weaker flows. However, it remained broadly stable on a YoY basis at ~12.8%.
- Systematic transactions (SIP + STP) continued to witness healthy growth despite market volatility. The company maintains a healthy share of industry systematic flows and has consistently grown faster than the industry over recent quarters, resulting in market share gains.
- Management sees a significant long-term opportunity under alternatives in: Private Equity, Venture Capital, Private Credit, Segregated institutional mandates, and Customized family office solutions.
- Focus remains on individual investors growth, B30 market expansion, increasing wallet share among existing investors, and maintaining industry-leading profitability.
- Added 0.46m unique investors during the quarter vs. 0.53m added by the industry. Total unique investor base increased to 17.1m, taking industry penetration to 28% from 25% a year ago.
- Current investment team comprises 40+ investment professionals in Mutual Funds, six professionals in Private Equity/Venture Capital, six professionals in Private Credit and eight professionals across PMS
- Investor folios grew 28% YoY vs. 15% for the industry and at a 37% CAGR over the last three years, compared to a 23% CAGR for the industry.

Product launches

- Product bouquet has been significantly expanded across active funds, passive funds, ETFs, smart-beta strategies, sector/thematic funds and PMS offerings over the past two years.
- Category III PMS fundraising is underway.
- Venture Capital Fund approval has been received, while the private credit platform continues to scale up.
- Recent SEBI product categorization changes (including lifecycle funds) create opportunities to strengthen debt fund offerings.
- A senior resource has been hired for the SIF business. The board approved the launch of its first SIF strategy — Equity X Top 100 Long-Short Fund, with launch expected shortly.

- Long-term strategy is to build a full-spectrum investment platform spanning mutual funds, ETFs, PMS, CIFs, private equity and private credit, serving investors across asset classes, life stages and risk profiles.

Distribution mix

- Banks continue to grow in absolute terms and maintain a higher share of overall flows. However, fintechs have grown significantly faster over the last five years, leading to lower relative bank contribution.
- HDFC AMC partnered with fintech platforms early and continues to benefit from strong incremental retail acquisition.

Yields:

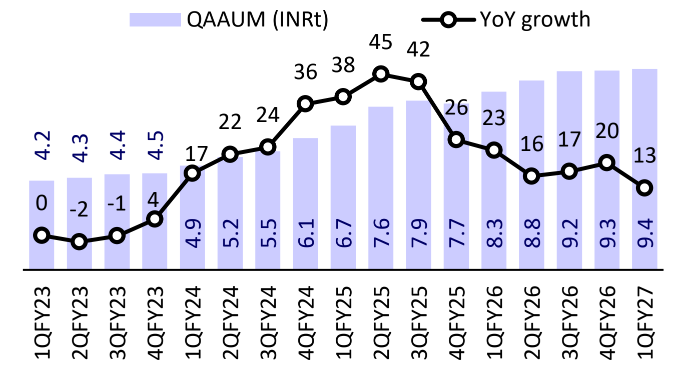
- Yields – Equity/Active Equity/Debt/Liquid: 58bp/61bp/28bp/13bp
- Management has mitigated margin pressure through: commission optimization, tight cost control and operating efficiency broadly maintaining the overall profitability.
- Alternatives remain a relatively small contributor to revenue but offer superior economics vs. MFs. Typical AIF fee yields remain around 80-90bp, depending on product strategy.
- Discretionary PMS margins are broadly comparable to equity mutual funds. Non-discretionary PMS continues to operate under significantly tighter economics.

Financials:

- Aims to maintain the net operating margins at 33-35bp of AUM while continuing to invest for future growth.
- Other income primarily comprises MTM gains on the company's treasury investments across equity and debt. Only a small portion represents realized gains from investment sales.
- Treasury surplus remains conservatively invested, predominantly in debt instruments.
- Employee costs increased 32% YoY/15% QoQ, driven by annual salary increments, variable compensation, actuarial valuation of employee benefit obligations and expansion of investment and distribution team; ESOP expense was disclosed separately.
- In 1QFY27, non-cash charge stood at INR227m (vs. INR57m in 1QFY26 and INR220m in 4QFY26).
- ESOP guidance FY27/FY28/FY29/FY30: INR790-800m/INR630m/INR410m/ INR110m.
- The increase in other expenses is mainly on account of an increase in CSR expenses, technology spend and general business-related expenses. CSR spending timing depends on partner funding requirements and is not evenly distributed across quarters.

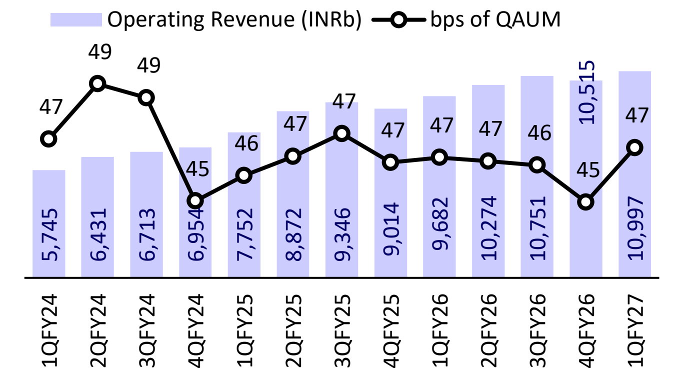
Key exhibits

Exhibit 1: QAUM grew 13% YoY in 1QFY27



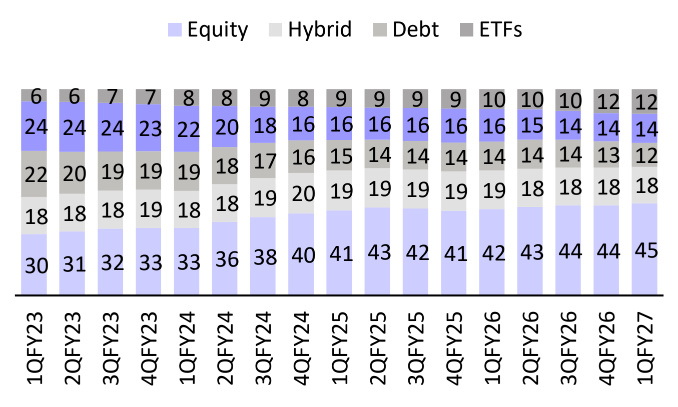
Source: MOFSL, Company

Exhibit 2: Yields improved on a sequential basis in 1Q



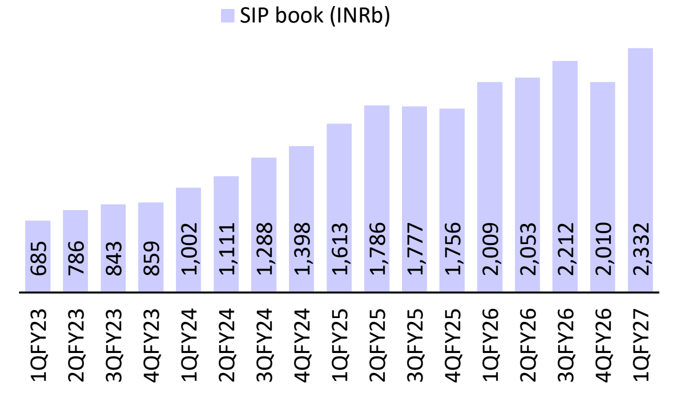
Source: MOFSL, Company

Exhibit 3: Share of equity in QAUM grew marginally



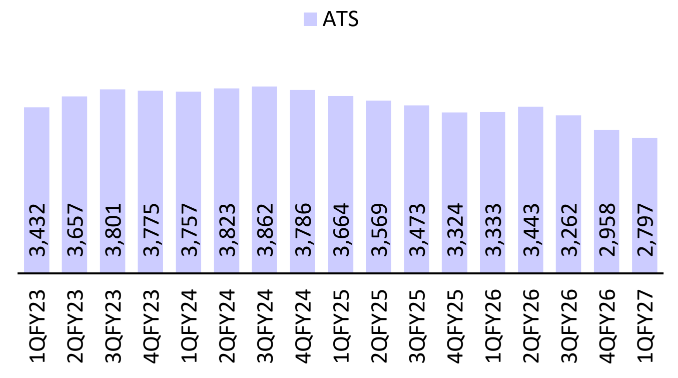
Source: MOFSL, Company

Exhibit 4: SIP book (incl. STP) improved sequentially



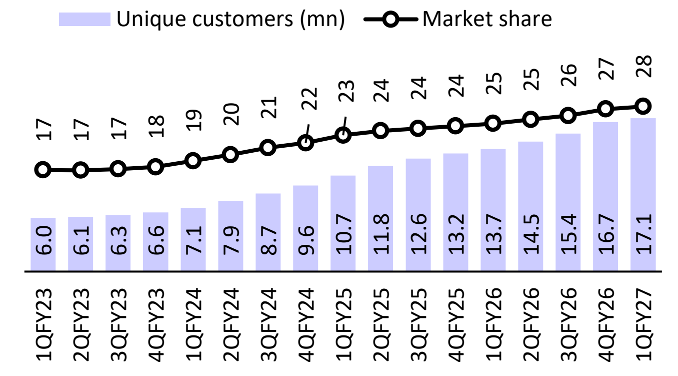
Source: MOFSL, Company

Exhibit 5: Average ticket size declined sequentially in 1Q



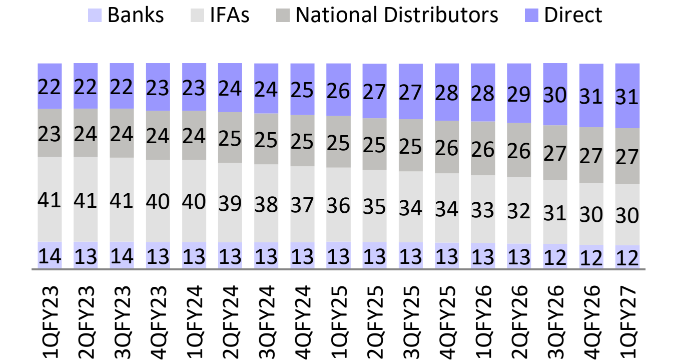
Source: MOFSL, Company

Exhibit 6: Unique customers' market share improved



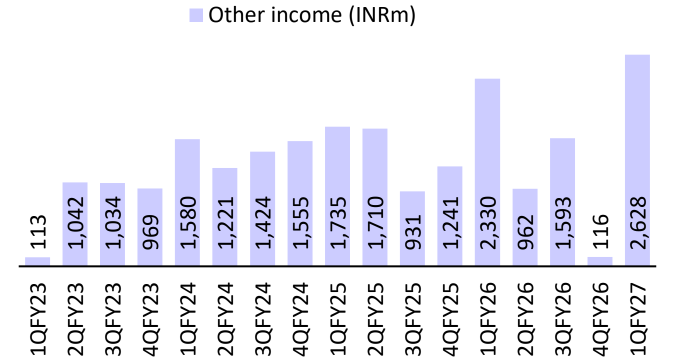
Source: MOFSL, Company

Exhibit 7: Diverse distribution mix (%)



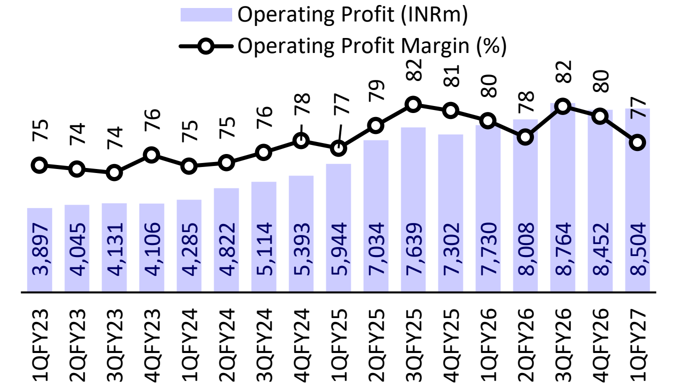
Source: MOFSL, Company

Exhibit 8: Other income surged in 1Q



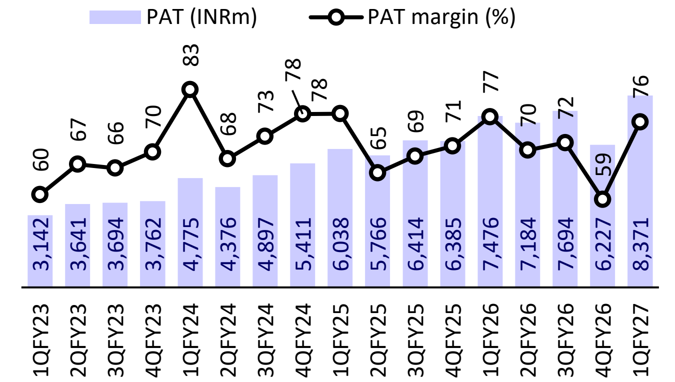
Source: MOFSL, Company

Exhibit 9: Operating margins dipped in 1Q



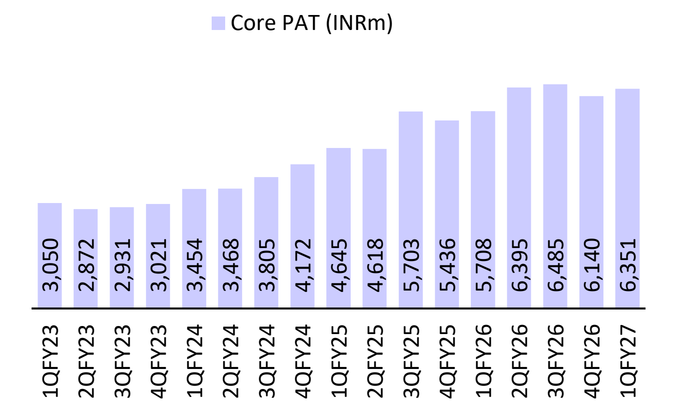
Source: MOFSL, Company

Exhibit 10: PAT growth aided by high other income



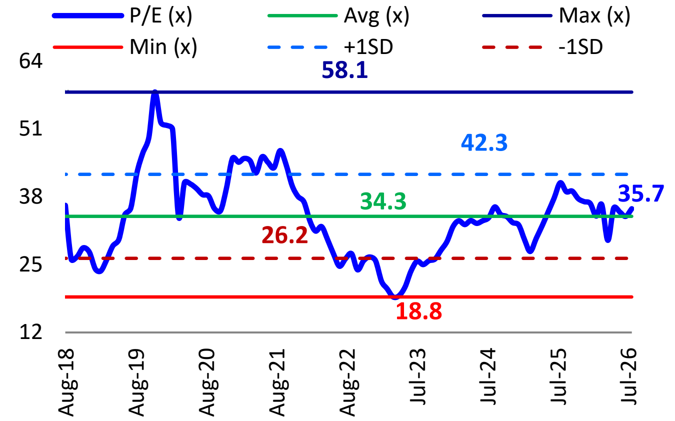
Source: MOFSL, Company

Exhibit 11: Core PAT trend in INRm



Source: MOFSL, Company

Exhibit 12: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement									INR m
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Investment management fees	20,033	18,525	21,154	21,668	25,844	34,984	41,222	47,341	54,050
Change (%)	4.6	-7.5	14.2	2.4	19.3	35.4	17.8	14.8	14.2
Operating Expenses	4,310	3,884	5,154	5,489	6,270	7,066	8,268	9,687	10,338
Core Operating Profits	**15,722**	**14,641**	**15,999**	**16,179**	**19,574**	**27,919**	**32,953**	**37,654**	**43,712**
Change (%)	26.2	-6.9	9.3	1.1	21.0	42.6	18.0	14.3	16.1
Dep/Interest/Provisions	594	644	625	630	614	680	862	1,051	1,116
Core PBT	**15,129**	**13,997**	**15,375**	**15,549**	**18,960**	**27,239**	**32,091**	**36,603**	**42,596**
Change (%)	26.8	-7.5	9.8	1.1	21.9	43.7	17.8	14.1	16.4
Other Income	1,402	3,492	3,178	3,158	5,790	5,617	5,000	7,108	7,369
PBT	**16,531**	**17,490**	**18,553**	**18,706**	**24,750**	**32,856**	**37,092**	**43,711**	**49,965**
Change (%)	20.2	5.8	6.1	0.8	32.3	32.7	12.9	17.8	14.3
Tax	3,906	4,232	4,622	4,467	5,323	8,254	8,511	10,491	11,992
Tax Rate (%)	23.6	24.2	24.9	23.9	21.5	25.1	22.9	24.0	24.0
PAT	**12,624**	**13,258**	**13,931**	**14,239**	**19,427**	**24,602**	**28,581**	**33,220**	**37,973**
Change (%)	35.7	5.0	5.1	2.2	36.4	26.6	16.2	16.2	14.3
Core PAT	11,554	10,610	11,545	11,836	14,882	20,396	24,728	27,818	32,373
Change (%)	43.1	-8.2	8.8	2.5	25.7	37.1	21.2	12.5	16.4
Dividend	7,183	7,241	8,954	10,244	14,944	19,242	23,134	24,915	28,480

Balance Sheet									INR m
Y/E March	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Equity Share Capital	1,064	1,065	1,066	1,067	1,067	1,069	2,142	2,142	2,142
Reserves & Surplus	39,229	46,697	54,235	60,017	69,683	80,231	90,145	98,450	1,07,943
Net Worth	**40,293**	**47,762**	**55,301**	**61,084**	**70,750**	**81,300**	**92,287**	**1,00,592**	**1,10,085**
Borrowings	0	0	0	0	0	0	0	0	0
Other Liabilities	2,793	3,185	3,503	4,281	4,788	6,207	7,627	7,915	8,220
Total Liabilities	**43,086**	**50,947**	**58,804**	**65,365**	**75,539**	**87,507**	**99,914**	**1,08,507**	**1,18,305**
Cash and Investments	39,716	47,556	55,783	60,832	71,961	82,966	94,167	1,01,922	1,10,561
Change (%)	33.9	19.7	17.3	9.1	18.3	15.3	13.5	8.2	8.5
Loans	**217**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net Fixed Assets	1,567	1,532	1,351	1,505	1,526	1,983	2,726	2,826	2,926
Current Assets	1,586	1,859	1,670	3,029	2,052	2,557	3,021	3,759	4,818
Total Assets	**43,086**	**50,947**	**58,804**	**65,365**	**75,539**	**87,507**	**99,914**	**1,08,507**	**1,18,305**

E: MOSL Estimates

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
AAAUM (INR B)	**3,729**	**3,842**	**4,337**	**4,348**	**5,440**	**7,480**	**8,906**	**10,097**	**11,774**
Change (%)	15.5	3.0	12.9	0.2	25.1	37.5	19.1	13.4	16.6
Equity (Including Hybrid)	44.6	39.1	44.0	49.8	54.1	60.9	61.5	61.8	62.6
Debt	23.6	27.4	26.9	20.0	17.3	14.1	13.6	12.1	11.6
Liquid	30.0	30.6	24.7	23.7	18.8	16.0	14.5	14.1	13.3
Others	1.7	2.9	4.5	6.5	9.8	9.0	10.4	12.0	12.5

E: MOFSL Estimates

Financials and valuations

Cash Flow Statement

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Cashflow from operations	**13,908**	**13,813**	**14,416**	**14,189**	**21,299**	**26,039**	**30,087**	**33,475**	**37,965**
PBT	16,531	17,490	18,553	18,706	24,750	32,856	37,092	43,711	49,965
Depreciation and amortization	504	554	539	533	523	585	729	876	936
Tax Paid	-3,906	-4,232	-4,622	-4,467	-5,323	-8,254	-8,511	-10,491	-11,992
Deferred tax	-28	321	432	254	148	952	448	0	0
Interest, dividend income (post-tax)	-915	-243	-234	-220	-221	-164	-318	-356	-384
Interest expense (post-tax)	69	68	65	74	71	70	103	133	137
Working capital	1,655	-145	-317	-692	1,351	-7	546	-399	-697
Cash from investments	**-10,849**	**-8,204**	**-7,901**	**-5,699**	**-11,108**	**-11,898**	**-12,262**	**-8,172**	**-9,009**
Capex	-1,688	-485	-350	-704	-532	-1,037	-1,486	-976	-1,036
Interest, dividend income (post-tax)	915	243	234	220	221	164	318	356	384
Others	-10,076	-7,962	-7,786	-5,215	-10,797	-11,026	-11,094	-7,552	-8,357
Cash from financing	**-3,107**	**-5,856**	**-6,457**	**-8,529**	**-9,832**	**-14,121**	**-16,623**	**-25,048**	**-28,617**
Equity	0	0	0	1	0	2	1,073	0	0
Debt	0	0	0	0	0	0	0	0	0
Interest costs	-69	-68	-65	-74	-71	-70	-103	-133	-137
Dividends Paid	-7,183	-7,241	-8,954	-10,244	-14,944	-19,242	-23,134	-24,915	-28,480
Others	4,144	1,452	2,562	1,788	5,183	5,190	5,540	0	0
Change of cash	**-49**	**-248**	**57**	**-39**	**360**	**20**	**1,202**	**255**	**340**
Cash start	320	271	23	81	40	400	418	547	802
Cash end	271	23	81	40	400	418	547	802	1,141
FCFF	**12,220**	**13,328**	**14,065**	**13,485**	**20,767**	**25,002**	**28,601**	**32,498**	**36,929**

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Margins Analysis (%)									
Operating income to total income	93.5	84.1	86.9	87.3	81.7	86.2	89.2	86.9	88.0
Cost to Core Income Ratio	**21.5**	**21.0**	**24.4**	**25.3**	**24.3**	**20.2**	**20.1**	**20.5**	**19.1**
EBITDA Margins	78.5	79.0	75.6	74.7	75.7	79.8	79.9	79.5	80.9
Core PBT Margins	**75.5**	**75.6**	**72.7**	**71.8**	**73.4**	**77.9**	**77.9**	**77.3**	**78.8**
PBT Margins (On total income)	77.1	79.4	76.2	75.4	78.2	80.9	80.2	80.3	81.4
Profitability Ratios (%)									
RoE	35.6	30.1	27.0	24.5	29.5	32.4	32.9	34.4	36.0
Dividend Payout Ratio	47.2	54.6	64.3	71.9	76.9	78.2	80.9	75.0	75.0

Valuations	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
BVPS (INR)	94	111	129	143	165	190	215	235	257
Change (%)	31.2	18.5	15.8	10.5	15.8	14.9	13.5	9.0	9.4
Price-BV (x)	**29.0**	**24.5**	**21.1**	**19.1**	**16.5**	**14.4**	**12.7**	**11.6**	**10.6**
EPS (INR)	29.5	30.9	32.5	33.2	45.3	57.4	66.7	77.5	88.6
Change (%)	35.7	5.0	5.1	2.2	36.4	26.6	16.2	16.2	14.3
Price-Earnings (x)	**92.6**	**88.2**	**83.9**	**82.1**	**60.2**	**47.5**	**40.9**	**35.2**	**30.8**
Core EPS (INR)	27.0	24.8	26.9	27.6	34.7	47.6	57.7	64.9	75.6
Change (%)	-28.7	-8.2	8.8	2.5	25.7	37.1	21.2	12.5	16.4
Core Price-Earnings (x)	**101.2**	**110.2**	**101.3**	**98.8**	**78.6**	**57.3**	**47.3**	**42.0**	**36.1**
DPS (INR)	14.0	17.0	21.0	24.0	35.0	45.0	54.0	58.2	66.5
Dividend Yield (%)	**0.5**	**0.6**	**0.8**	**0.9**	**1.3**	**1.6**	**2.0**	**2.1**	**2.4**

E: MOFSL Estimates

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