10 June 2025

India | Equity Research | Sector Update

Gold Loan

Current positive cycle for gold loan NBFCs may continue; valuations factoring in the same

Over the years, gold loan NBFCs (Muthoot/Manappuram for this report) have gone through several cycles which have been well documented. However, recent times may be characterised by relative stability of yields, robust growth aided by strong gold prices and perhaps additional tailwinds from comparative restrictions in unsecured lending. The traction is further supported by data of increasing tonnage and number of accounts. While investors scout for structural levers among these, recent regulations on gold loan lay down uniform guidelines which may help in alignment of business practices. We, however, highlight that decline in gold prices does pose a risk, considering the elevated multiples. Maintain **ADD** on Muthoot but downgrade Manappuram to **HOLD** (from *Buy)*.

Muthoot Finance: Maintain ADD with revised TP of INR 2,670—higher gold loan growth, higher multiple

We factor in CAGR of 16.2% (earlier ~13% CAGR) in standalone gold AUM and 7.5% in MFI (Belstar) AUM between FY25-27E. Consolidated RoE stands at average ~22% between FY26-27E and our valuation is based on 2.5x P/B for standalone and ~1.1x for remaining businesses. This turns to 2.3x FY27E P/B on a consolidated basis vs. its historical average of ~2x and peak of 3.3x in FY22.

Manappuram Finance: Downgrade to HOLD (from *Buy*) with unchanged TP of INR 260---implied gold business multiple higher considering decline in MFI

We factor in CAGR of 14% in standalone gold AUM and -3.6% in MFI (Asirvad) AUM. Consolidated RoE stands at average 16.7% between FY25-27E and our valuation is based on 1.5x P/B for standalone and ~1x for remaining businesses. This turns to 1.4x FY27E P/B on a consolidated basis (at historical averages of 1.4x). We have downgraded the stock from Buy to Hold, as current valuation captures possible growth (stock is up 39% in CY25). The possible rerating post capital infusion from private equity may take time depending on the approvals.

Reiterating growth in tonnage in recent times

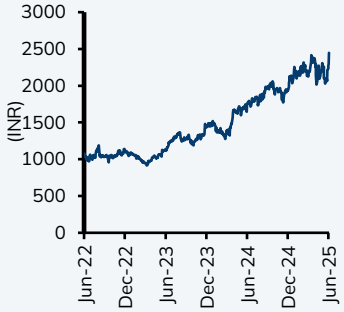
For Muthoot, gold tonnage as of Mar'25 stood at 208 tonnes, with growth of ~11% YoY in FY25 (vs 4% YoY growth in FY24). While for Manappuram, there was decline of 4% YoY in FY25 (vs decline of 2% in FY24). During FY22, tonnage growth was 4%/9% for Manappuram/Muthoot, while in FY23, there was a decline of 12%/4%, respectively (refer Exhibits 3-4).

Reiterating growth in customer count in recent times

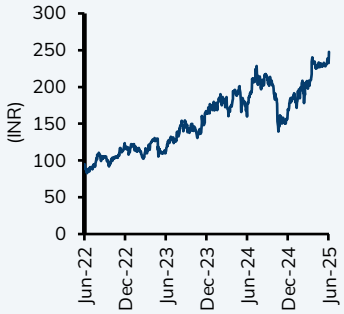
For Muthoot, new customer additions remained strong in FY25, with growth of 12% YoY (vs 7% YoY growth in FY24). While for Manappuram, growth was lower at 3% YoY (vs 5% YoY growth in FY24) (refer Exhibits 5-6). For Muthoot, number of loan accounts reported a growth of 17% YoY in FY25 (vs 7.2% YoY in FY24).

Ansuman Deb
ansuman.deb@icicisecurities.com
+91 22 6807 7312
Shubham Prajapati
shubham.prajapati@icicisecurities.com
Sanil Desai
sanil.desai@icicisecurities.com

Muthoot Finance (ADD)



Manappuram Finance (HOLD)



Impact of gold prices on gold NBFCs: AUMs typically enjoy strong correlation with gold prices

Given the recent surge in gold prices (~25% increase on average monthly gold prices in CY25-TD), we analyse the correlation of gold price movement with Muthoot/Manappuram's gold AUM over time.

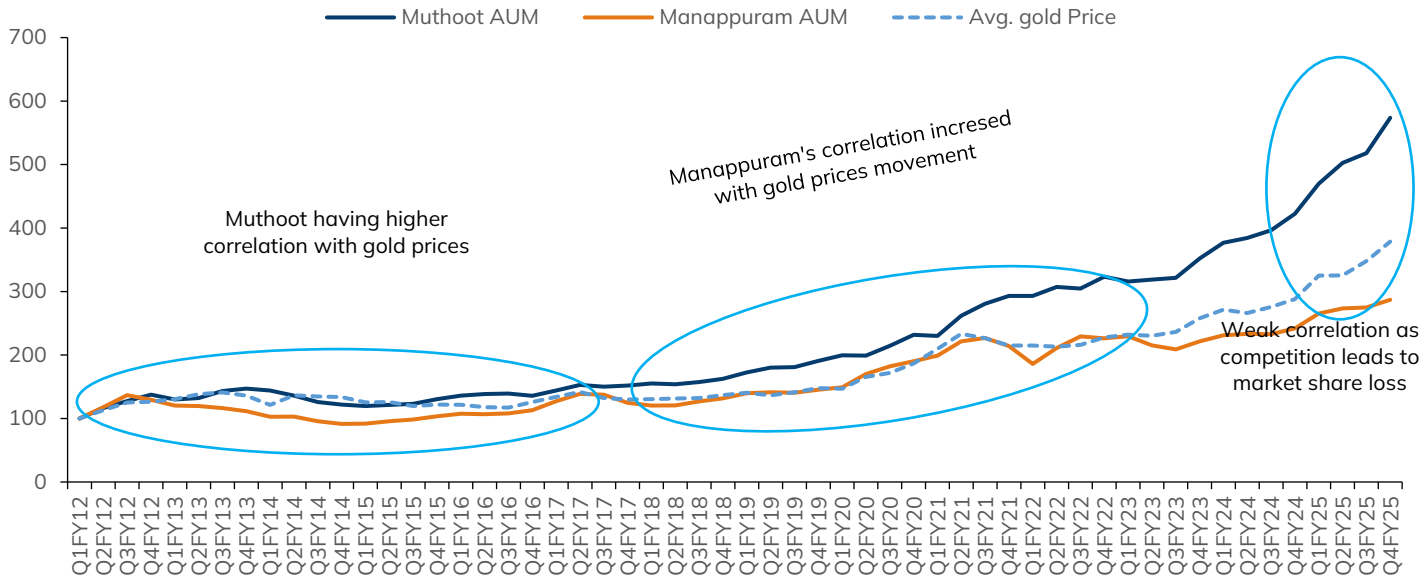
Both Muthoot (0.99) and Manappuram's (0.96) AUMs have strong correlation with gold prices.

- Muthoot had higher correlation till FY16 whereas Manappuram's correlation was better during FY17 to FY21.
- Correlation in the recent past has slipped a bit. This could be attributed to stiff competition in the gold loan segment and diversification efforts by these companies away from gold.

Trend of indexed (Q1FY12) gold prices and Muthoot and Manappuram's gold AUM

Method: We have indexed average monthly gold prices, Muthoot and Manappuram's gold AUM with Q1FY12 as base. After indexing, we have seen the relationship in movement as per the growth to better gauge the correlation. Correlation has been calculated on indexed data.

Exhibit 1: Indexed gold prices and indexed Muthoot and Manappuram gold AUM movement



Source: Company data, I-Sec research

Detail of latest RBI circular dated 6 Jun'25 on gold loan

Loan to Value (LTV) ratio on a day means the ratio of the outstanding loan amount to the value of the pledged eligible collateral as on that day. In case of bullet repayment loans, however, LTV calculation shall take into account total amount repayable at maturity.

RBI issued directions on gold loan under **RBI (Lending Against Gold and Silver Collateral) Directions, 2025 (link).** The regulatory objectives behind these revised directions are to (i) put in place a harmonised regulatory framework for such loans applicable across various regulated entities, (ii) address the concerns observed relating to some of the lending practices being followed and provide necessary clarity on certain aspects and (iii) strengthen the conduct-related aspects.

Credit assessment: As required in terms of the extant guidelines, a lender may decide on a suitable approach for lending against eligible collateral as part of its credit risk management framework, consistent, inter alia, with the principle of proportionality and ease of access for small ticket loans. **However, detailed credit assessment, including assessment of borrower's repayment capacity shall be undertaken in case total loan amount against eligible collateral is above INR 0.25mn to a borrower.**

Renewal: A lender may renew an existing loan or sanction a top-up loan upon a formal request from the borrower and subject to a credit assessment. Such renewal or top-up shall be permitted only within the permissible LTV, and provided the loan is classified as standard. Further, **renewal of bullet repayment loan shall be allowed only after payment of accrued interest, if any**.

Restrictions and ceilings: A lender shall not avail loans by re-pledging gold or silver pledged to it by its borrowers and extend loans to other lenders, entities or individuals by accepting gold or silver collateral pledged to such lenders, entities, or individuals by their borrowers as collateral. **Tenor of consumption loans in the nature of bullet repayment loans shall be capped at 12 months, which may be renewed.** Loans against ornaments and coins shall be subject to the following:

- aggregate weight of ornaments pledged for all loans to a borrower shall not exceed 1 kilogram for gold ornaments, and 10 kilograms for silver ornaments.
- aggregate weight of coin(s) pledged for all loans to a borrower shall not exceed 50 grams in case of gold coins, and 500 grams in case of silver coins.

Valuation and assaying of gold and silver collateral

For the purpose of valuation, only intrinsic value of gold or silver contained in eligible collateral shall be reckoned and no other cost elements such as precious stones or gems, shall be added thereto.

Loan to Value Ratio (LTV)

Exhibit 2: New LTV limits based on consumption loan amount per borrower

Total consumption loan amount per borrower	Maximum LTV ratio
≤ INR 0.25mn	85%
> INR 0.25mn & ≤ INR 0.5mn	80%
> INR 0.5mn	75%

Source: RBI

Prescribed LTV ratio shall be maintained on an ongoing basis throughout the tenor of the loan.

Standardisation of procedure for assaying and valuation of gold and silver collateral

- A lender shall ensure that a standardised procedure is put in place to assay the purity of gold and silver collateral, its weight (gross as well as net), etc. This procedure shall be adopted uniformly across all its branches for all assaying procedures without any deviation.

- A lender shall display on its website the methodology adopted by it for determination of net weight of the gold and silver content of the eligible collateral and the price used to value the gold and silver content of the eligible collateral for determination of LTV ratio.
- A lender shall ensure presence of the borrower(s) while assaying the collateral at the time of sanctioning the loan. The deductions relating to stone weight, fastenings, etc., as part of the assaying procedure shall be explained to the borrower(s) and details incorporated in the certificate to be issued.
- Post pledging, cases involving loss of gold or silver collateral and any deterioration or discrepancy in quantity or purity observed during internal audit or otherwise including at the time of return or auction of collateral shall be recorded and communicated promptly to the borrower(s)/ legal heir(s). The process for making reimbursement or compensation as per the policy or SOP shall also be communicated to the borrower(s)/ legal heir(s).

Standardisation of documents and communication

- Documentation shall be standardised across all branches of a lender.
- The loan agreement shall cover the description of the eligible collateral taken as security, value of such collateral, details of auction procedure and the circumstances leading to the auction of the eligible collateral, the notice period which shall be allowed to the borrower for repayment or settlement of loan before the auction is conducted, timelines for release of pledged eligible collateral upon full repayment or settlement of loan, refund of surplus, if any, from the auction of the pledged eligible collateral and other necessary details. All applicable charges payable by the borrower, including those related to assaying, auction, etc., shall be clearly included in the loan agreement and Key Fact Statement (KFS).
- All communication with the borrower, especially, the terms and conditions of the loan, or other important communication which affects the interest of the borrower or the lender, shall be in the language of the region or in a language as chosen by the borrower. For an illiterate borrower, important terms and conditions shall be explained in the presence of a witness, who shall not be an employee of the lender.

Handling and storage of collateral

- A lender shall ensure that necessary infrastructure and facilities are put in place and appropriate security measures taken in each of its branches where loans are sanctioned against gold or silver collateral.
- A lender shall ensure that the gold and/ or silver collateral is handled only in its branches and only by its employees.
- A lender shall store the collateral only in its branches which are manned by its employees and having safe deposit vaults fit for storing gold and silver. Normally, such loans shall not be extended by branches that do not have appropriate secured facility for storage of the pledged eligible collateral.
- A lender shall periodically review the adequacy of systems for storage of the eligible collateral, conduct training of the concerned staff and carry out internal audit of all procedures to ensure that these are strictly adhered to.
- As part of internal audit, a lender shall carry out periodic surprise verification of the gold and silver collateral pledged with it and shall maintain a record thereof. A clause in the loan agreement shall be included for obtaining consent of the borrower(s) to carry out surprise verification including assay of the pledged eligible

collateral even in their absence during the tenor of the loan. This aspect shall be specifically communicated to the borrower at the time of sanctioning the loan.

Release of collateral after repayment

- A lender shall release or return the pledged eligible collateral held as security to the borrower(s)/ legal heir(s) on the same day but in any case, not exceeding a maximum period of seven working days upon full repayment or settlement of the loan.
- At the time of release of pledged eligible collateral to the borrower(s)/ legal heir(s), the collateral shall be verified for correctness as per details in the certificate to the borrowers' satisfaction.

Transparency in auction procedure

- A lender shall give adequate notice to the borrower(s)/ legal heir(s), as applicable, through available means of communication to repay or settle the loan dues prior to initiating the auction procedure. A copy of the notice and acknowledgement thereof shall be kept on record in both scenarios. In case the lender is unable to locate the borrower(s)/ legal heir(s) despite best efforts and even after issuance of a public notice, it may proceed with the auction, provided that a period of one month has lapsed from the date of the public notice.
- A lender shall implement a transparent auction procedure, which shall include, *inter alia,* announcement of the auction to the public by issue of advertisements in at least two newspapers, one in the regional language and another in a national daily.
- The pledged eligible collateral shall be auctioned by a lender only through its employee having necessary experience and/ or training or an auctioneer empanelled by the lender as per its policy.
- In cases where auctions are conducted by a lender through their employees, necessary safeguards such as surprise visits by regional/ controlling officials on periodic basis, coverage under internal audit, etc., shall be put in place.
- A lender shall declare a reserve price for the gold and silver collateral at the time of auction, which shall not be less than 90% of its current value-- Provided that in case auctions fail twice, a reserve price not less than 85% of its current value shall be adopted.
- The first auction shall be conducted physically in the same district in which the lending branch is located. However, in case of failure of first auction, a lender may conduct the auction in an adjoining district or conduct online auction. As a matter of policy, the lender or its related parties shall not participate in the auctions to ensure that there is no potential conflict of interest.
- After the auction, the lender shall mandatorily provide full details of the value fetched at the auction and the dues adjusted to the borrower(s)/ legal heir(s). The surplus, if any, from the auction of the gold or silver collateral, shall be refunded to the borrower(s)/ legal heir(s) within a maximum period of seven working days from the date of receipt of the full auction proceeds. The lender may recover shortfall, if any, as per terms of the loan agreement.

Compensation

- In case of any damage to the pledged eligible collateral by the lender during the tenor of loan, the cost of repair shall be borne by the lender.
- In case of loss of the pledged eligible collateral and/ or any loss emanating from deterioration or discrepancy in quantity or purity observed during internal audit or

otherwise including at the time of return or auction of collateral, lenders shall suitably compensate the borrower(s)/ legal heir(s).

- In case of delay in release of the pledged collateral after full repayment or settlement of loan by the borrower, where reasons for delay are attributable to the lender, the lender shall compensate the borrower(s)/ legal heir(s) at the rate of INR 5,000 for each day of delay beyond the timeline. If the delay is not attributable to the lender, it shall communicate reasons for such delay to the borrower(s)/ legal heir(s). Further, where the borrower(s)/ legal heir(s) has not approached the lender for release of pledged eligible collateral after full repayment or settlement of loan, the lender shall issue periodic reminders to borrower(s)/ legal heir(s) through letters, email or SMS if the email and mobile number are registered with the lender.

Other Instructions

- A lender shall generally disburse loans into borrower's bank accounts. All lenders shall comply with the Master Direction – Know Your Customer (KYC) Directions, 2016 as updated from time to time. Provisions of Sections 269 SS and 269 T of the Income Tax Act, 1961, (neither payment nor repayment of deposits or loans can be made in cash if the sum of amounts exceeds INR 20,000.) and associated rules shall be complied with, as may be applicable.
- In case of bank transfers, the lender shall ensure that loan disbursals are made to the borrower's account and not to a third-party account and Loan servicing, repayment, etc. is executed by the borrower directly in the lenders' bank account without any pass-through account or pool account of any third party.
- Running multiple loans simultaneously to a single borrower or a group of related borrowers may be prone to misuse and susceptible to fraud. Consequently, such practices shall be subject to stricter internal audit and supervisory examination.

This regulation has repealed 31 existing circulars/notifications relating to gold loan.

Ticket size breakup of AUM

Muthoot (Q4FY25)

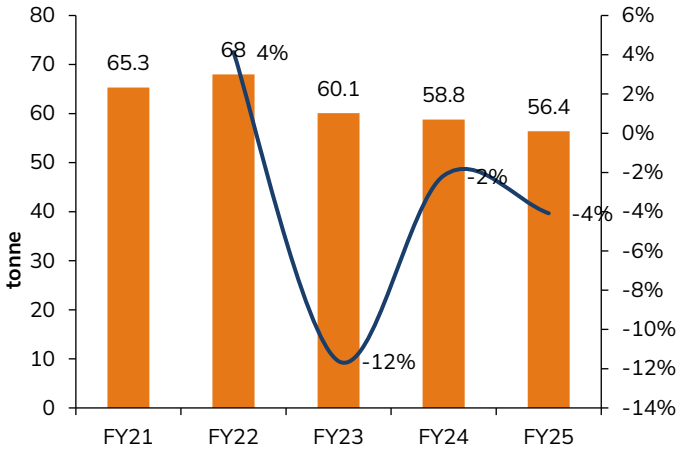
- Above INR 0.3mn is 38%
- INR 0.1mn to INR 0.3mn is 35%
- INR 50k to INR 0.1mn is 15%
- Balance below INR 50k is 13%.

Manappuram (Q3FY25)

- Up to INR 0.1mn is 41.7%
- INR 0.1 to INR 0.2mn is 22.1%
- INR 0.2 to INR 0.3mn is 11.5%
- Above INR 0.3mn is 24.7%.

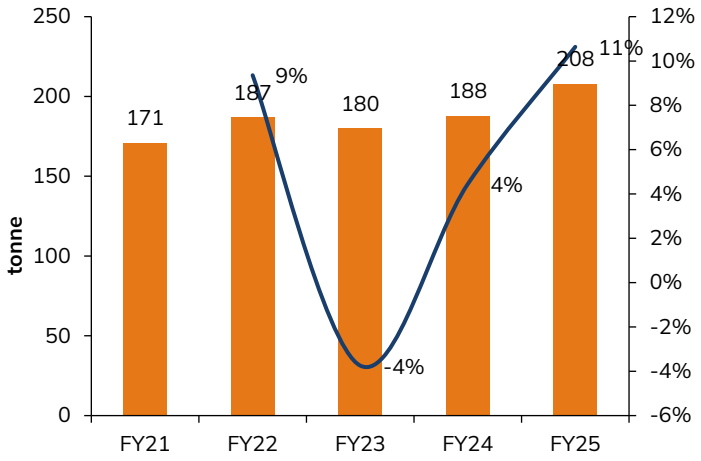
In Q4FY25, management mentioned that they are focusing on higher ticket size and above INR 0.5mn ticket size has increased to 16% vs earlier level of 14%.

Exhibit 3: Manappuram's tonnage has declined over the years...



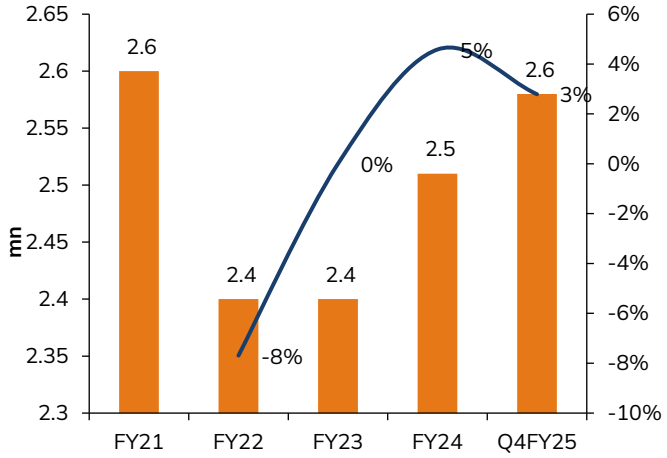
Source: I-Sec research, Company data

Exhibit 4: ...but Muthoot is showing strong growth



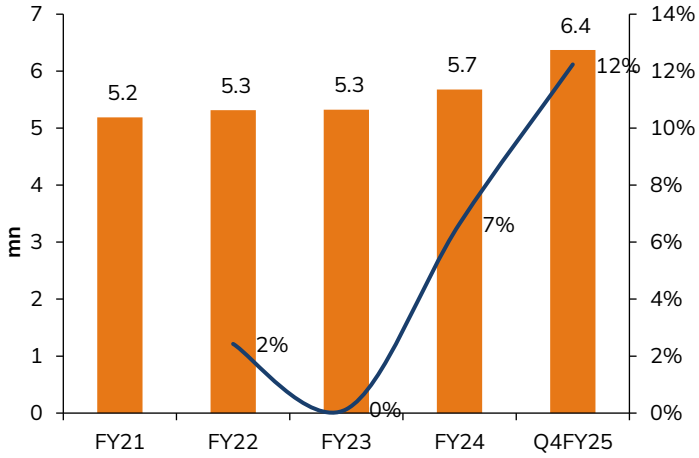
Source: I-Sec research, Company data

Exhibit 5: Manappuram's customer base is steadily increasing after FY21



Source: I-Sec research, Company data

Exhibit 6: Muthoot's customer base is growing at higher rate compared to Manappuram



Source: I-Sec research, Company data

Financial Summary – Muthoot Finance

Exhibit 7: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Interest Income	1,45,457	1,96,629	2,39,514	2,68,520
Net gain on fair value changes	-	-	-	-
Interest Expenses	-54,301	-74,123	-88,861	-96,489
Net Interest Income (NII)	**91,156**	**1,22,506**	**1,50,652**	**1,72,030**
Other Income	6,170	6,616	9,616	10,868
Total Income (net of interest expenses)	**97,327**	**1,29,122**	**1,60,268**	**1,82,898**
Employee benefit expenses	-18,282	-23,250	-27,674	-31,234
Depreciation and amortization	-921	-1160	-1179	-1269
Other operating expenses	-12,620	-15,703	-21,496	-24,832
Total Operating Expense	**-31,823**	**-40,112**	**-50,349**	**-57,335**
Pre Provisioning Profits (PPoP)	**65,503**	**89,010**	**1,09,919**	**1,25,563**
Provisions and write offs	-5,538	-16,350	-15,954	-8,842
Profit before tax (PBT)	**59,965**	**72,660**	**93,965**	**1,16,721**
Total tax expenses	-15,289	-19,136	-24,032	-29,884
Profit after tax (PAT)	**44,676**	**53,524**	**69,933**	**86,837**

Source Company data, I-Sec research

Exhibit 8: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Share capital	4,015	4,015	4,015	4,015
Reserves & surplus	2,47,057	2,89,652	3,44,917	4,13,565
Shareholders' funds	**2,51,072**	**2,93,666**	**3,48,931**	**4,17,579**
Minority Interest	6,468	6,266	7,673	9,419
Borrowings	6,82,610	9,93,688	11,30,438	12,54,807
Provisions & Other Liabilities	24,544	34,851	42,237	44,001
Deferred tax liabilities (net)	-	-	-	-
Current Liabilities and short-term provisions	-	-	-	-
Total Liabilities and Stakeholder's Equity	**9,64,694**	**13,28,471**	**15,29,279**	**17,25,807**
Cash and balance with RBI	62,720	83,460	68,303	49,525
Fixed assets	5,288	6,644	8,110	8,500
Loans	**8,81,872**	**12,05,779**	**14,25,862**	**16,38,501**
Investments	7,125	24,007	13,829	14,936
Deferred tax assets (net)	808	1764	2817	3105
Current Assets including cash and bank	-	-	-	-
Other Assets	6,882	6,816	10,358	11,240
Total Assets	**9,64,694**	**13,28,471**	**15,29,279**	**17,25,807**

Source Company data, I-Sec research

Exhibit 9: Key Ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Valuations				
EPS	108	133	171	212
BVPS	625	731	869	1,040
Yields, Interest income & spreads (%)				
Yield on AUM	18.1	18.6	18.1	17.6
Cost of funding	8.8	8.8	8.4	8.1
NIM on AUM	11.4	11.6	11.4	11.3
Other income on AUM	0.8	0.6	0.7	0.7
Operating efficiency				
Cost to income	32.7	31.1	31.4	31.3
Opex to AUM	4.0	3.8	3.8	3.8
AUM per branch (INR Mn)	15,622	22,379	22,602	23,054
Asset Quality				
GNPA	3.2	3.4	3.1	3.1
NNPA	2.8	3.0	2.7	2.7
Credit cost on AUM (Consolidated)	1.6	5.0	3.0	2.0
Profitability				
ROAA	5.1	4.7	4.9	5.3
ROE	18.7	19.7	21.8	22.7
Capital (%)				
Tier 1	29.6	24.9	26.8	28.4
Tier 2	0.8	-	-	-
RWA/ Total Assets	92.5	96.5	90.0	88.2

Source Company data, I-Sec research

Exhibit 10: Key Metrics

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
DuPont Analysis				
Gross AUM (INR Mn)	8,91,123	12,02,643	14,18,678	16,25,625
Interest Income (%)	16.5	17.1	16.8	16.5
Interest Expense (%)	6.1	6.5	6.2	5.9
Net Interest Income (%)	**10.3**	**10.7**	**10.5**	**10.6**
Other Income (%)	0.7	0.6	0.7	0.7
Total Net Income (%)	**11.0**	**11.3**	**11.2**	**11.2**
Operating Expenses (%)	3.6	3.5	3.5	3.5
Pre Provision Operating Profit (%)	**7.4**	**7.8**	**7.7**	**7.7**
Provisions (%)	0.6	1.4	1.1	0.5
PBT (%)	**6.8**	**6.3**	**6.6**	**7.2**
Tax (%)	1.7	1.7	1.7	1.8
Reported PAT (%)	**5.1**	**4.7**	**4.9**	**5.3**
Leverage (average assets/average equity)	3.7	4.2	4.4	4.2
RoE (%)	**18.7**	**19.7**	**21.8**	**22.7**

Source Company data, I-Sec research

Financial Summary – Manappuram Finance

Exhibit 11: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Interest Income	84,546	97,997	96,274	1,08,568
Net gain on fair value changes	-	-	-	-
Interest Expenses	-28,657	-35,747	-34,276	-37,462
Net Interest Income (NII)	**55,889**	**62,250**	**61,997**	**71,106**
Other Income	4,655	2,752	1,172	1,281
Total Income (net of interest expenses)	**60,544**	**65,002**	**63,170**	**72,387**
Employee benefit expenses	-15,973	-18,418	-17,872	-19,336
Depreciation and amortization	-2,465	-2,674	-2,364	-2,725
Fee and commission expenses	-	-	-	-
Other operating expenses	-6,728	-7,626	-7,595	-8,346
Total Operating Expense	**-25,165**	**-28,718**	**-27,832**	**-30,407**
Pre Provisioning Profits (PPoP)	**35,379**	**36,285**	**35,338**	**41,980**
Provisions and write offs	-5,783	-19,628	-8,198	-4,983
Profit before tax (PBT)	**29,595**	**16,657**	**27,140**	**36,997**
Total tax expenses	-7,620	-4,618	-7,007	-9,544
Profit after tax (PAT)	**21,887**	**11,991**	**20,033**	**27,316**

Source Company data, I-Sec research

Exhibit 12: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Share capital	1,693	1,693	1,693	1,693
Reserves & surplus	1,13,788	1,22,629	1,38,066	1,59,766
Shareholders' funds	**1,15,481**	**1,24,322**	**1,39,759**	**1,61,459**
Minority Interest	289	167	268	405
Borrowings	3,36,535	3,54,040	4,05,871	4,61,145
Provisions & Other Liabilities	15,175	13,518	13,797	15,602
Deferred tax liabilities (net)	-	-	-	-
Current Liabilities and short-term provisions	-	-	-	-
Total Liabilities and Stakeholder's Equity	**4,67,479**	**4,92,047**	**5,59,695**	**6,38,611**
Cash and balance with RBI	31,813	38,077	54,226	59,617
Fixed assets	5,091	10,983	8,090	9,700
Loans	**4,09,491**	**4,22,516**	**4,72,935**	**5,40,940**
Investments	7,263	7,877	4,481	4,402
Deferred tax assets (net)	2,015	3,754	4,758	5,892
Current Assets including cash and bank	-	-	-	-
Other Assets	11,806	8,841	15,205	18,060
Total Assets	**4,67,479**	**4,92,047**	**5,59,695**	**6,38,611**

Source Company data, I-Sec research

Exhibit 13: Key Ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Valuations				
EPS	25.9	14.2	23.7	32.3
BVPS	136.4	146.9	165.1	190.7
Yields, Interest income & spreads(%)				
Yield on AUM	21.8	23.0	21.1	21.1
Cost of funding	9.2	10.4	9.0	8.6
NIM on AUM	14.4	14.6	13.6	13.8
Other income on AUM	1.2	0.6	0.3	0.2
Operating efficiency				
Cost to income	41.6	44.2	44.1	42.0
Opex to AUM	6.5	6.7	6.1	5.9
AUM per branch (INR Mn)	78.3	90.5	102.3	112.5
Asset Quality				
GNPA	1.90	2.58	2.30	1.79
NNPA	1.59	2.06	1.85	1.43
Credit cost on AUM (Consolidated)	0.41	0.85	0.51	0.39
Profitability				
ROAA	5.1	2.5	3.8	4.6
ROE	20.7	10.0	15.2	18.2
Capital (%)				
Tier 1	31	30	29	29
Tier 2	-	-	-	-
RWA/ Total Assets	96	96	96	96

Source Company data, I-Sec research

Exhibit 14: Key Metrics

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
DuPont Analysis				
Gross AUM (INR Mn)	4,20,691	4,30,340	5,07,633	5,71,254
Interest Income (%)	19.6	20.4	18.3	18.1
Interest Expense (%)	6.6	7.5	6.5	6.3
Net Interest Income (%)	**13.0**	**13.0**	**11.8**	**11.9**
Other Income (%)	1.1	0.6	0.2	0.2
Total Net Income (%)	**14.0**	**13.5**	**12.0**	**12.1**
Operating Expenses (%)	5.8	6.0	5.3	5.1
Pre Provision Operating Profit (%)	**8.2**	**7.6**	**6.7**	**7.0**
Provisions (%)	1.3	4.1	1.6	0.8
PBT (%)	**6.9**	**3.5**	**5.2**	**6.2**
Tax (%)	1.8	1.0	1.3	1.6
Reported PAT (%)	**5.1**	**2.5**	**3.8**	**4.6**
Leverage (average assets/average equity)	4.1	4.0	4.0	4.0
RoE (%)	**20.7**	**10.0**	**15.2**	**18.2**

Source Company data, I-Sec research

"In case of industry/sector reports or a report containing multiple stocks, the rating/recommendation for a particular stock may be based on the last released stock specific report for that company."

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com and Kadambari_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refer to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION

I/We, Ansuman Deb, MBA, BE; Shubham Prajapati, CA; Sanil Desai, MBA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Bhavesh Soni Email address: headservicequality@icicidirect.com Contact Number: 18601231122