

# Manappuram Finance

Estimate change 

TP change 

Rating change 

Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USDb)	118.8 / 1.4
52-Week Range (INR)	157 / 101
1, 6, 12 Rel. Per (%)	-2/21/23
12M Avg Val (INR M)	1436

## Financials & Valuations (INR b)

Y/E March	FY24E	FY25E	FY26E
NII	55.5	65.8	78.4
PPP	34.6	40.7	48.7
PAT	22.5	26.0	31.0
EPS (INR)	26.6	30.8	36.7
EPS Gr. (%)	49.9	15.7	19.3
BV/Sh.(INR)	137	163	195

## Ratios

NIM (%)	14.6	14.4	14.4
C/I ratio (%)	42.4	42.1	41.1
RoA (%)	5.1	5.0	5.0
RoE (%)	21.2	20.5	20.5
Payout (%)	14.2	13.0	13.7

## Valuations

P/E (x)	5.3	4.6	3.8
P/BV (x)	1.0	0.9	0.7
Div. Yld. (%)	2.7	2.8	3.6

## Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	35.2	35.2	35.2
DII	12.3	10.7	12.2
FII	27.1	30.7	28.4
Others	25.5	23.4	24.3

FII Includes depository receipts

**CMP: INR140**

**TP: INR180 (+28%)**

**Buy**

## Earnings beat driven by higher other income; Gold loan growth muted

### NIM up ~15bp QoQ aided by expansion in yields; Consol AUM grew 5% QoQ

- Manappuram Finance's (MGFL) consol. PAT grew ~37% YoY to ~INR5.6b (8% beat) in 2QFY24, aided by high other income. NII grew 25% YoY to ~INR13.5b and PPOP rose ~37% YoY to ~INR8.7b (10% beat). Annualized credit cost for the quarter was stable QoQ at 1.3% (vs. 1.0% in 2QFY23).
- Gold AUM increased by ~1% QoQ and 8% YoY to ~INR208b. Gold tonnage was largely stable QoQ at 59.4t.
- Gold loan yields in 2QFY24 improved by 50bp to ~22.1% (vs. 21.6% in 1QFY24). Consolidated NIM expanded ~15bp QoQ to ~15%, aided by expansion in yields and sequentially stable borrowing costs. We expect gold loan yields to stabilize now.
- To mitigate the cyclicity in the gold loan segment, MGFL has been actively diversifying into non-gold segments, with the share of non-gold products in the company's AUM mix at 47% (vs. 37% in 2QFY23). We believe MGFL should tread carefully in the non-gold segments as it is yet to exhibit any clear 'right to win' in these segments.
- We raise our FY24E/FY25E EPS by ~5%/6% to factor in stronger growth in the non-gold segments and higher other income. We estimate a 10%/20% AUM CAGR in gold/consolidated book over FY23-26. We model a consolidated PAT CAGR of ~27% over the same period to arrive at consolidated RoA/RoE of ~5.0%/20% in FY26. **Reiterate BUY with a TP of INR180 (based on 1.0x Sep'25E consolidated BVPS).**

### Gold AUM growth muted QoQ but likely to improve in 2HFY24

- Gold AUM grew ~1% QoQ and 8% YoY to ~INR208b. Gold tonnage was largely stable QoQ at 59.4t.
- LTV in gold loans increased by ~2pp QoQ to 66%, while the average ticket size in gold loans declined to INR57.6k (vs. INR58.8k in 1QFY24). Gold loan customer base was stable at 2.3m during the quarter.

## Highlights from the management commentary

- MGFL has guided for gold loan growth of 8-10% YoY in FY24 and expects to maintain pricing discipline in gold loans despite high competition.
- Growth momentum in microfinance will remain strong; MGFL is sufficiently capitalized for growth in FY24.

## Valuation and view

- The management has demonstrated stated that it will not pursue loan growth at the cost of a compression in spreads, which we believe will continue to be a driver for higher profitability. MGFL trades at 0.8x Sep'25E P/BV and we believe that there is a scope for a re-rating in valuation multiples for a franchise that can deliver a sustainable RoE of ~20%. Risk-reward for MGFL is favorable and **we maintain our BUY rating with a TP of INR180 (based on 1.0x Sep'25E consolidated BVPS).**

- For a stronger re-rating in the valuation multiples based on business fundamentals, MGFL will have to demonstrate the sustainability of sustain decent gold loan growth without the associated trade-offs with margin/spreads.

**MGFL - Quarterly Performance (Consolidated)****(INR M)**

Y/E March	FY23				FY24E				FY23	FY24E	2QFY24E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	14,612	16,078	16,574	17,141	19,363	20,438	21,623	23,019	64,404	84,443	20,428	0
Interest Expenses	5,046	5,284	5,657	5,891	6,484	6,894	7,536	7,981	21,878	28,895	6,938	-1
<b>Net Interest Income</b>	<b>9,566</b>	<b>10,795</b>	<b>10,917</b>	<b>11,250</b>	<b>12,879</b>	<b>13,543</b>	<b>14,088</b>	<b>15,038</b>	<b>42,526</b>	<b>55,548</b>	<b>13,490</b>	<b>0</b>
YoY Growth (%)	-7.0	9.4	19.3	25.2	34.6	25.5	29.0	33.7	11.1	30.6	25.0	
Other income	416	1,063	772	845	1,209	1,303	1,155	932	3,095	4,598	769	69
<b>Net Income</b>	<b>9,981</b>	<b>11,858</b>	<b>11,688</b>	<b>12,095</b>	<b>14,088</b>	<b>14,846</b>	<b>15,242</b>	<b>15,970</b>	<b>45,622</b>	<b>60,146</b>	<b>14,259</b>	<b>4</b>
Operating Expenses	4,890	5,525	5,769	5,955	6,068	6,182	6,404	6,845	22,140	25,498	6,354	-3
<b>Operating Profits</b>	<b>5,091</b>	<b>6,333</b>	<b>5,919</b>	<b>6,139</b>	<b>8,020</b>	<b>8,664</b>	<b>8,839</b>	<b>9,125</b>	<b>23,482</b>	<b>34,648</b>	<b>7,905</b>	<b>10</b>
YoY Growth (%)	-28.2	5.1	30.7	21.5	57.5	36.8	49.3	48.6	3.5	47.6	24.8	
Provisions	1,283	805	509	474	1,212	1,197	998	771	3,071	4,178	825	45
<b>PBT</b>	<b>3,808</b>	<b>5,527</b>	<b>5,410</b>	<b>5,666</b>	<b>6,808</b>	<b>7,467</b>	<b>7,840</b>	<b>8,354</b>	<b>20,410</b>	<b>30,469</b>	<b>7,080</b>	<b>5</b>
Tax Provisions	989	1,433	1,475	1,513	1,828	1,861	2,038	2,256	5,409	7,983	1,876	-1
<b>PAT</b>	<b>2,819</b>	<b>4,095</b>	<b>3,935</b>	<b>4,153</b>	<b>4,980</b>	<b>5,607</b>	<b>5,802</b>	<b>6,098</b>	<b>15,002</b>	<b>22,486</b>	<b>5,204</b>	<b>8</b>
YoY Growth (%)	-35.5	10.7	50.8	59.1	76.7	36.9	47.4	46.8	12.9	49.9	27.1	
<b>Key Ratios (%)</b>												
Yield on loans	20.0	21.9	22.3	21.2	22.3	22.6	22.7	22.7	20.4	22.2		
Cost of funds (Cal)	8.4	8.3	8.4	8.5	9.1	9.1	9.2	9.3	8.3	9.1		
Spreads (Cal)	11.6	13.6	13.9	12.7	13.2	13.5	13.5	13.4	12.1	13.1		
NIMs (Cal)	13.1	14.7	14.7	13.9	14.8	15.0	14.8	14.8	13.5	14.6		
C/I ratio	49.0	46.6	49.4	49.2	43.1	41.6	42.0	42.9	48.5	42.4		
Credit Cost	1.7	1.0	0.65	0.6	1.3	1.3	1.00	0.7	1.0	1.1		
Tax Rate	26.0	25.9	27.3	26.7	26.9	24.9	26.0	27.0	26.5	26.2		
<b>Balance Sheet Parameters</b>												
<b>Consol. AUM (INR b)</b>	<b>308</b>	<b>307</b>	<b>319</b>	<b>355</b>	<b>371</b>	<b>390</b>	<b>409</b>	<b>435</b>				
Change YoY (%)	24.3	7.9	4.9	17.2	20.6	27.0	28.3	22.8				
<b>Gold loans (INR b)</b>	<b>205</b>	<b>192</b>	<b>186</b>	<b>197</b>	<b>206</b>	<b>208</b>	<b>211</b>	<b>217</b>				
Change YoY (%)	23.8	2.5	-9.0	-2.1	0.6	8.4	13.2	10.0				
Gold stock (tonnes)	67	63	60	60	59	59						
Gold loans/branch (INR m)	53	49	47	50	51	51						
<b>Consol. Borrowings (INR b)</b>	<b>240</b>	<b>268</b>	<b>270</b>	<b>285</b>	<b>285</b>	<b>322</b>	<b>335</b>	<b>348</b>				
Change YoY (%)	21.4	6.9	12.2	18.1	19.0	20.5	24.2	22.2				
<b>Borrowings Mix (%)</b>												
Debentures	25.4	25.4	24.9	23.4	20.3	18.6						
CPs	0.9	2.5	0.2	0.0	0.0	0.0						
WC/CC	31.3	23.1	19.8	22.9	27.0	28.1						
TL	30.5	38.5	44.2	52.6	49.5	51.3						
ECB	11.9	10.4	10.6	1.1	3.3	2.1						
Others	0.0	0.0	0.4	0.0	0.0	0.0						
Debt/Equity (x)	1.4	1.5	1.4	3.0	1.4	1.5						
<b>Asset Quality Parameters (%)</b>												
GNPL ratio (Standalone)	1.4	2.0	1.6	1.3	1.4	1.6						
NNPL ratio (Standalone)	1.3	1.8	1.4	1.1	1.2	1.4						
<b>Return Ratios (%)</b>												
RoA (Rep)	3.3	4.6	4.2	4.3	5.0	5.3						
RoE (Rep)	13.3	18.6	17.2	17.5	20.1	21.6						

E: MOFSL estimates



## Highlights from the management commentary

### Business Update

- Consolidated AUM grew ~5% QoQ and 27% YoY to INR390b, with leverage of 3x. Gold loans grew ~8% YoY and ~1% QoQ. It has maintained the pricing discipline in a very competitive environment.
- Consolidated PAT grew 37% YoY to INR5.6b, driven by profitability in gold loans and microfinance.
- Standalone CoB rose ~21bp during 2QFY24.
- Standalone PAT of INR4.2b rose ~20% YoY.
- GS3 in standalone business stood at 1.56%.
- The board has declared an interim dividend of INR0.85 for the quarter.

### Guidance

- Guided for gold loan growth of 8-10% YoY in FY24; it will continue to maintain pricing discipline
- Growth momentum in MFI will remain strong; it is sufficiently capitalized for growth in FY24.

### Opex

- Employee expenses have some correlation with loan growth and asset quality. Decline in employee expenses is also because of reduction in incentives.

### Yields and Margins

- MGFL wants to maintain the price discipline in gold loans. Funding cost is going up and the trend will not reverse now. It expects the coming quarters to remain good as far as gold loans are concerned.

### Gold Loans

- Gold AUM stood at INR208b, up 1% QoQ and ~8% YoY.
- Gold loan portfolio LTV of ~66%
- Gold loan live customer base stood at 2.46m; added 403k new gold loan customers in 2Q.
- Gold auction of ~INR150m in 2QFY24
- Auction surplus in gold loans declined to INR300m (PQ: INR380m).
- Maintaining the price discipline at ~22% in gold loans; 2H is generally good for gold loans
- Acquiring ~5,000 new customers every day; expects same gold loan growth momentum in 2H

Gold loan Ticket Size	% mix
<INR100K	44%
INR100K-500K	41%
>INR500K	15%
<b>Total</b>	<b>100%</b>

**MFI**

- Asirvad AUM grew 43% YoY and PAT grew 109% YoY.
- Collection efficiency in 2Q was similar to that of 1QFY24.
- Sufficiently capitalized for growth in MFI for FY24 and expects no slowdown in growth momentum
- Credit cost in Asirvad was primarily driven by a) provisions on pool sold to ARC, b) higher standard asset provisioning, and c) improvement in the asset quality of the existing book
- South: Non-South AUM mix :: 65% : 35%
- Referral fee for cross-selling some household equipment - pressure cooker, gas stove, solar lights -
- 1Q MFI disbursements was slow, so there was some pent-up demand in 2Q. Fee income will sustain in the coming quarters as well.
- Consumer durable loan portfolio stood at INR3.5b in Asirvad MFI
- Net gain on fair value changes stood at INR270m in 2Q and INR550m in 1Q

**Vehicle Finance**

- AUM grew 13% QoQ and 67% YoY to INR31.4b
- GNPA declined to 2.5% (PQ: 2.9%)

**MSME and PL**

- AUM grew to INR26.4b;
- GNPA increased to 1.9% (PQ: 1.8%) and collection efficiency stood at ~96%
- Wants to increase presence by increasing the number of branches. Strategy of diversifying into other segments has worked well and non-gold AUM stood at ~47% in the AUM mix. Guided for a 50:50 mix between gold and non-gold segments.

**On-lending**

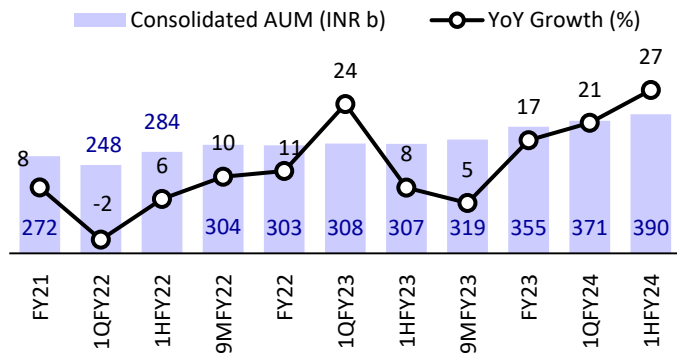
- AUM grew to INR9.2b with RoA at 5%

**Secured PL**

- Collateral is mortgage where it gives LTV of ~50%. Here the tenors are longer than gold loans.

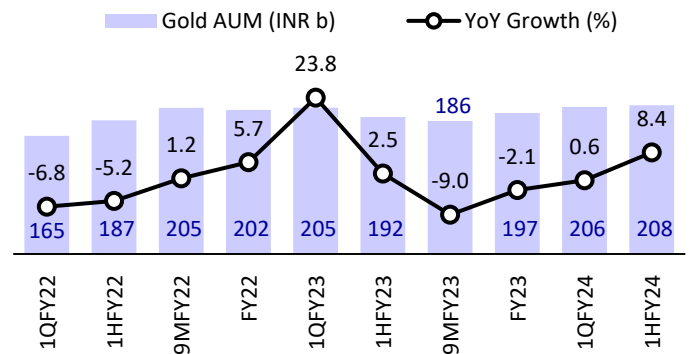
## Key Exhibits

**Exhibit 1: Consolidated AUM grew 5% QoQ...**



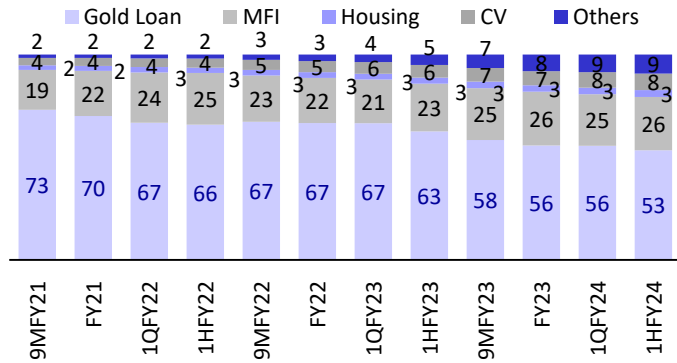
Source: MOFSL, Company

**Exhibit 2: ...while Gold AUM grew ~1% QoQ**



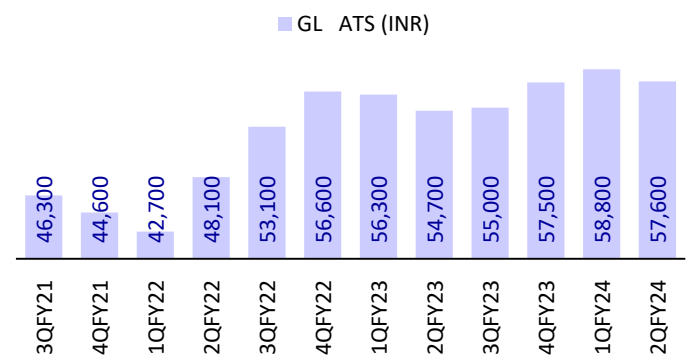
Source: MOFSL, Company

**Exhibit 3: Share of non-Gold loans increased QoQ (%)**



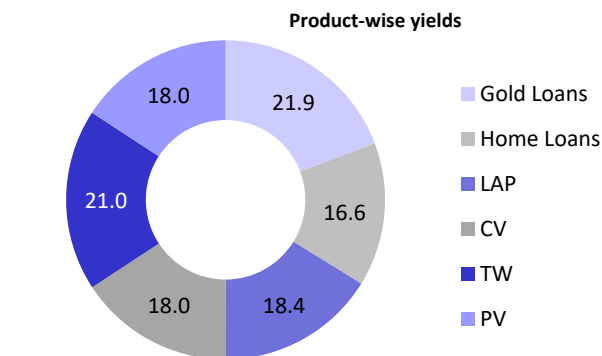
Source: MOFSL, Company

**Exhibit 4: ATS in Gold loans declined QoQ to INR57.6k**



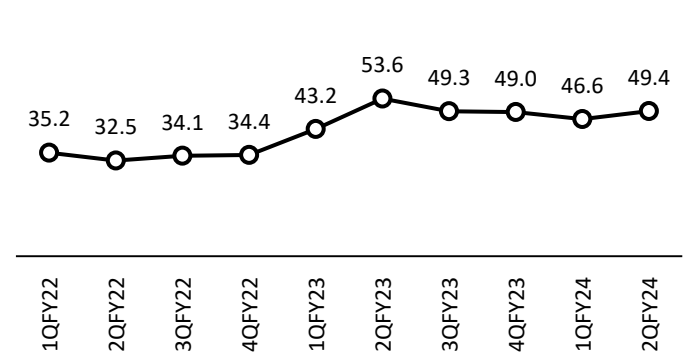
Source: MOFSL, Company

**Exhibit 5: Consol. yield was at ~22.5% as of 2QFY24**

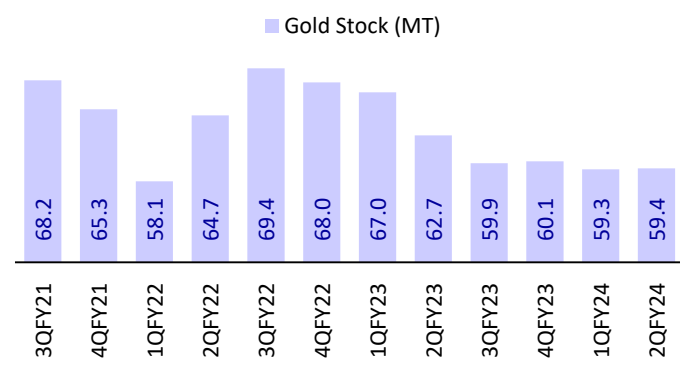


Source: MOFSL, Company

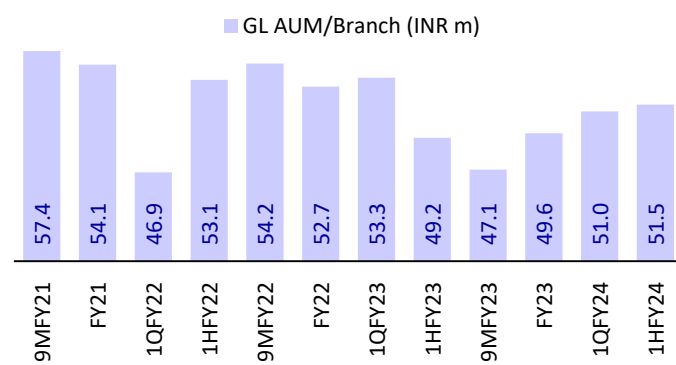
**Exhibit 6: C/I ratio rose to ~49%**



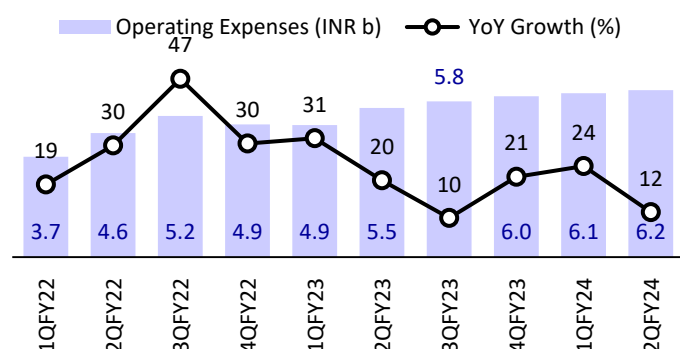
Source: MOFSL, Company

**Exhibit 7: Gold tonnage remained stable QoQ**

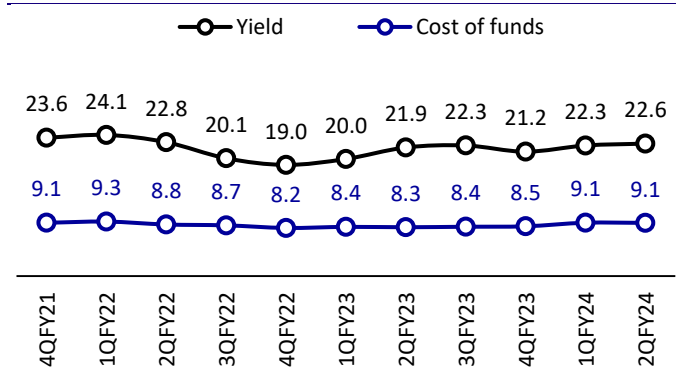
Source: MOFSL, Company

**Exhibit 8: Branch productivity remained largely stable**

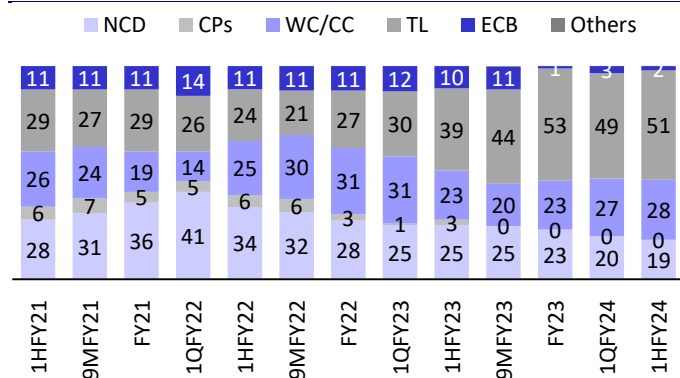
Source: MOFSL, Company

**Exhibit 9: Opex grew ~12% YoY**

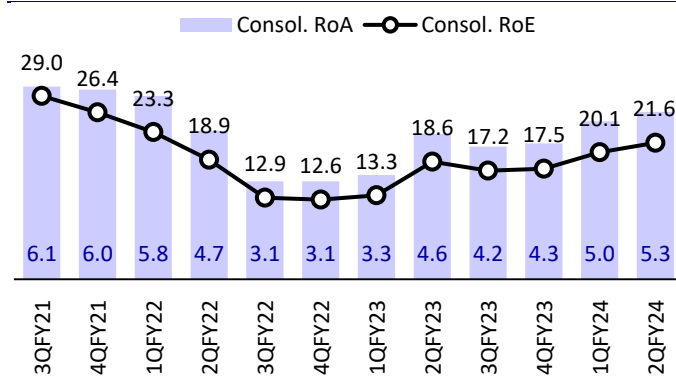
Source: MOFSL, Company

**Exhibit 10: Consolidated spreads expanded ~35bp QoQ primarily driven by increase in gold loan yields (%)**

Source: MOFSL, Company

**Exhibit 11: Consolidated borrowing mix (%)**

Source: MOFSL, Company

**Exhibit 12: Sequential expansion in RoA/RoE (%)**

Source: MOFSL, Company

### Valuation and view

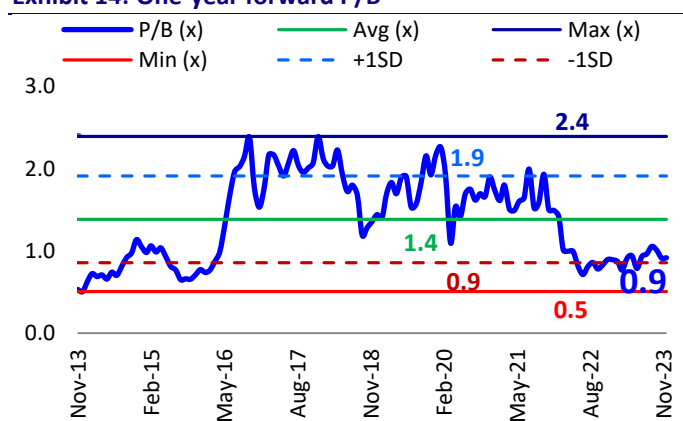
- Management has demonstrated that it will not pursue loan growth at the cost of a compression in spreads and this we believe will continue to be a driver for higher profitability. MGFL trades at 0.8x Sep'25E P/BV and we believe that there is a scope for a re-rating in valuation multiples for a franchise that can deliver a sustainable RoE of ~20%. Risk-reward for MGFL is favorable and **we maintain our BUY rating with a TP of INR180 (based on 1.0x Sep'25E consolidated BVPS).**
- For a stronger re-rating in the valuation multiples based on business fundamentals, MGFL will have to demonstrate the sustainability of decent gold loan growth without the associated trade-offs with margin/spreads.

#### Exhibit 13: Increase our FY24/FY25 EPS by ~5%/6% to factor in higher growth in non-gold segments and higher other income

INR B	Old Est.		New Est.		% Change	
	FY24	FY25	FY24	FY25	FY24	FY25
NII	55.4	65.4	55.5	65.8	0.2	0.6
Other Income	3.2	3.4	4.6	4.5	43.7	29.5
<b>Net Income</b>	<b>58.6</b>	<b>68.9</b>	<b>60.1</b>	<b>70.3</b>	<b>2.6</b>	<b>2.0</b>
Operating Expenses	26.0	30.5	25.5	29.6	-2.1	-3.2
<b>Operating Profits</b>	<b>32.6</b>	<b>38.3</b>	<b>34.6</b>	<b>40.7</b>	<b>6.3</b>	<b>6.2</b>
Provisions	3.5	5.0	4.2	5.5	18.6	9.8
<b>PBT</b>	<b>29.1</b>	<b>33.4</b>	<b>30.5</b>	<b>35.3</b>	<b>4.9</b>	<b>5.7</b>
Tax	7.6	8.7	8.0	9.2	4.9	5.7
<b>PAT</b>	<b>21.4</b>	<b>24.6</b>	<b>22.5</b>	<b>26.0</b>	<b>4.9</b>	<b>5.7</b>
Loans	416	488	418	500	0.4	2.4
Borrowings	347	407	348	416		
RoA (%)	4.9	4.8	5.1	5.0		
RoE (%)	20.3	19.6	21.2	20.5		

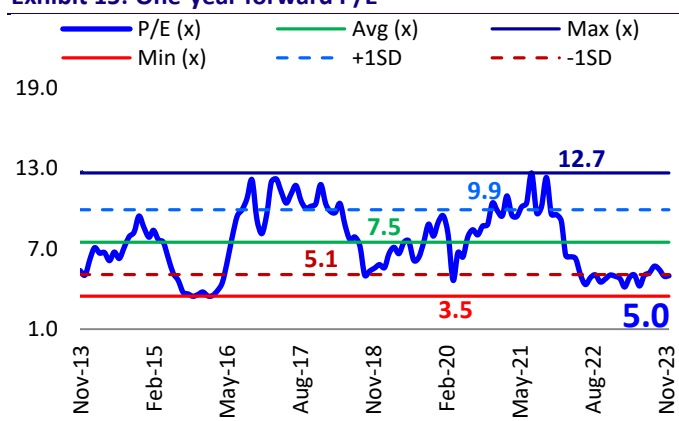
Source: MOFSL, Company

#### Exhibit 14: One-year forward P/B



Source: MOFSL, Company

#### Exhibit 15: One-year forward P/E



Source: MOFSL, Company

## Financials and valuations

Income Statement										(INR M)
Y/E MARCH	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	33,762	33,540	40,461	52,805	61,896	58,397	64,404	84,443	1,01,380	1,20,469
Interest Expense	11,687	10,304	13,449	18,322	22,190	20,114	21,878	28,895	35,552	42,057
Net Interest Income	22,075	23,235	27,012	34,483	39,706	38,284	42,526	55,548	65,828	78,412
Change (%)	57.5	5.3	16.3	27.7	15.1	-3.6	11.1	30.6	18.5	19.1
Other operating income	92	668	1,334	1,848	1,410	2,213	2,436	3,775	3,586	3,406
Total Income	22,167	23,903	28,346	36,331	41,116	40,496	44,963	59,322	69,414	81,818
Change (%)	56.9	7.8	18.6	28.2	13.2	-1.5	11.0	31.9	17.0	17.9
Other income	235	584	625	859	441	653	659	824	865	908
Net Income	22,402	24,487	28,971	37,190	41,557	41,149	45,622	60,146	70,279	82,727
Change (%)	57.0	9.3	18.3	28.4	11.7	-1.0	10.9	31.8	16.8	17.7
Operating Expenses	9,653	12,345	13,858	14,741	13,996	18,453	22,140	25,498	29,554	34,010
Operating Profits	12,749	12,142	15,113	22,449	27,561	22,697	23,482	34,648	40,726	48,716
Change (%)	115.8	-4.8	24.5	48.5	22.8	-17.6	3.5	47.6	17.5	19.6
Provisions	1,092	1,773	547	2,376	4,401	4,862	3,071	4,178	5,459	6,650
PBT	11,657	10,369	14,566	20,073	23,160	17,835	20,410	30,469	35,267	42,066
Tax	4,072	3,609	5,080	5,270	5,911	4,548	5,409	7,983	9,240	11,021
Tax Rate (%)	34.9	34.8	34.9	26.3	25.5	25.5	26.5	26.2	26.2	26.2
PAT	7,585	6,760	9,486	14,803	17,250	13,287	15,002	22,486	26,027	31,045
Change (%)	113.6	-10.9	40.3	56.1	16.5	-23.0	12.9	49.9	15.7	19.3
Dividend (Excl Tax)	1,263	1,684	1,812	2,372	1,777	2,539	2,539	3,193	3,383	4,253
Balance Sheet										
Y/E MARCH	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	1,684	1,685	1,686	1,690	1,693	1,693	1,693	1,693	1,693	1,693
Reserves & Surplus	31,949	36,447	43,561	55,771	71,382	81,991	94,756	1,14,049	1,36,693	1,63,484
Networth (Post OCI)	33,633	38,132	45,247	57,461	73,074	83,683	96,449	1,15,742	1,38,386	1,65,177
Non-Controlling Interest	212	292	459	583	472	161	203	228	253	278
Borrowings	1,09,867	1,26,071	1,52,972	2,25,735	2,27,163	2,41,185	2,84,830	3,48,146	4,16,410	4,88,034
Change (%)	14.0	14.7	21.3	47.6	0.6	6.2	18.1	22.2	19.6	17.2
Other liabilities	6,120	5,802	5,862	11,572	12,669	13,076	13,559	14,915	16,407	18,048
Change (%)	45.0	-5.2	1.0	97.4	9.5	3.2	3.7	10.0	10.0	10.0
Total Liabilities	1,49,832	1,70,296	2,04,540	2,95,351	3,13,378	3,38,106	3,95,041	4,79,032	5,71,455	6,71,537
Loans	1,34,057	1,52,439	1,78,119	2,42,971	2,65,076	2,89,710	3,41,945	4,17,775	4,99,692	5,90,522
Change (%)	17.7	13.7	16.8	36.4	9.1	9.3	18.0	22.2	19.6	18.2
Investments	49	49	1,738	905	3,380	4,207	5,340	5,874	6,462	7,108
Change (%)	-90.0	0.4	3,428.0	-47.9	273.6	24.5	26.9	10.0	10.0	10.0
Goodwill	356	356	356	356	356	356	356	356	356	356
Net Fixed Assets	1,869	2,746	3,319	7,705	8,980	10,295	10,748	11,823	13,006	14,306
Other assets	13,501	14,707	21,009	43,414	35,586	33,538	36,652	43,204	51,941	59,246
Total Assets	1,49,832	1,70,296	2,04,540	2,95,351	3,13,378	3,38,106	3,95,041	4,79,032	5,71,455	6,71,537

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E MARCH	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Spreads Analysis (%)</b>										
Avg Yield on loans	27.2	23.4	24.5	25.1	24.4	21.1	20.4	22.2	22.1	22.1
Avg Cost of funds	11.3	8.7	9.6	9.7	9.8	8.6	8.3	9.1	9.3	9.3
Spreads	15.9	14.7	14.8	15.4	14.6	12.5	12.1	13.1	12.8	12.8
Net Interest Margins	17.8	16.2	16.3	16.4	15.6	13.8	13.5	14.6	14.4	14.4

### Profitability Ratios (%)

RoAE	24.8	18.8	22.8	28.8	26.4	17.0	16.7	21.2	20.5	20.5
RoAA	5.5	4.2	5.1	5.9	5.7	4.1	4.1	5.1	5.0	5.0
Cost to Income	43.1	50.4	47.8	39.6	33.7	44.8	48.5	42.4	42.1	41.1
Empl. Cost/Op. Exps.	52.1	50.7	52.0	56.3	60.2	61.0	66.4	67.4	68.6	69.8

### Asset Quality

GNPL (INR m)	2,338	695	826	1,677	3,951	6,623	3,211	5,849	6,996	8,267
GNPL ratio (%)	2.0	0.5	0.5	0.9	1.9	2.9	1.3	1.4	1.4	1.4
NNPL (INR m)	1,972	427	481	1,092	2,092	5,674	2,554	3,802	4,547	5,374
NNPL ratio (%)	1.7	0.3	0.3	0.6	0.8	2.0	0.7	0.9	0.9	0.9
PCR (%)	15.6	38.5	41.7	34.9	47.1	14.3	20.4	35.0	35.0	35.0

### Valuations

Book Value (INR)	40	45	54	68	86	99	114	137	163	195
<b>Price-BV (x)</b>	<b>3.5</b>	<b>3.1</b>	<b>2.6</b>	<b>2.1</b>	<b>1.6</b>	<b>1.4</b>	<b>1.2</b>	<b>1.0</b>	<b>0.9</b>	<b>0.7</b>
EPS (INR)	9.0	8.0	11.3	17.5	20.4	15.7	17.7	26.6	30.8	36.7
Change YoY (%)	113.4	-10.9	40.3	55.7	16.3	-23.0	12.9	49.9	15.7	19.3
<b>Price-Earnings (x)</b>	<b>15.7</b>	<b>17.6</b>	<b>12.5</b>	<b>8.0</b>	<b>6.9</b>	<b>9.0</b>	<b>8.0</b>	<b>5.3</b>	<b>4.6</b>	<b>3.8</b>
Dividend	1.5	2.0	2.1	2.8	2.1	3.0	3.0	3.8	4.0	5.0
Dividend Payout (%)	20.0	30.0	23.0	19.3	10.3	19.1	16.9	14.2	13.0	13.7
<b>Dividend Yield (%)</b>	<b>1.1</b>	<b>1.4</b>	<b>1.5</b>	<b>2.0</b>	<b>1.5</b>	<b>2.1</b>	<b>2.1</b>	<b>2.7</b>	<b>2.8</b>	<b>3.6</b>

E: MOFSL Estimates

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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 be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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