

25 July 2025

India | Equity Research | Results update

REC

NBFCs

Healthy quarter with 3% QoQ loan growth and 22.6% RoE aided by negative credit cost

REC reported a healthy Q1 with its loan assets growing 3% QoQ despite a seasonally weak quarter. Calculated credit cost (annualised) was negative 43bps with the restructuring of the TRN Energy account, which led to an ECL reversal of INR 2.7bn. NIMs and spreads were higher in Q1 vs. FY25 levels. Overall, PAT came in at INR 44.5bn, up 5% QoQ and 29% YoY, translating into RoE of 22.6%. Going ahead, steady margins, healthy asset quality, stable growth outlook and resolution pipeline position REC on a strong footing to deliver RoE of >20% for FY26E/FY27E. With the stock trading at 1.2x / 1.0x FY26E/FY27E, we maintain **BUY** at an unchanged TP of INR 540, valuing the stock at 1.6x FY26E BV.

Q1FY26 performance: Loan assets up 3% QoQ/10% YoY; PAT up 5% QoQ/29% YoY aided by provision write-back

REC's loan assets were up 3% QoQ/10% YoY at INR 5.84trn. The stressed pool resolution of INR 76.6bn (1.3% of loan assets) over the past 12 months had an impact on YoY loan asset growth.

During Q1, one stressed asset (i.e. TRN Energy Pvt. Ltd.) having o/s loan of INR 15bn has been restructured under the RBI Resolution Framework, 2019. Accordingly, an amount of INR 3.92bn has been written-off with a corresponding ECL reversal of INR 2.7bn. Post this resolution, now REC has *nil* assets for resolution outside NCLT while 11 assets, totalling to INR 61.5bn exposure, are poised for resolution under NCLT.

PCR on Stage-1 and 2 assets combined stood at 87bps (95bps QoQ) and PCR on Stage-3 improved to 77% (72% QoQ). Overall, ECL provisions as a percentage of total loans, came in at 1.67% vs. 1.90% QoQ.

On the profitability front, NII came in at INR 52.6bn, lower 10% QoQ, but up 17% YoY. NII, in Q4, had a positive delta of KSK Mahanadi interest recovery; hence, a sequential decline was expected. Overall, PAT came in at INR 44.5bn, up 5% QoQ/29% YoY, largely on the back of provision write-back from TRN restructuring and this translated into RoE of 22.6%.

Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Interest Income	1,64,558	2,09,351	2,37,775	2,58,845
PAT	1,40,192	1,57,132	1,75,980	1,91,151
EPS (INR)	53.1	59.5	66.8	72.6
% Chg YoY	26.9	12.1	12.2	8.6
P/E (x)	7.6	6.8	6.1	5.6
P/BV (x)	1.6	1.4	1.2	1.0
Gross Stage - 3 (%)	2.7	1.4	1.4	1.3
Dividend Yield (%)	4.0	4.4	4.8	5.1
RoA (%)	2.8	2.7	2.7	2.5
RoE (%)	22.2	21.5	21.0	19.7

Chintan Shah

chintan.shah@icicisecurities.com
+91 22 6807 7658

Renish Bhuva

renish.bhuva@icicisecurities.com

Gaurav Toshniwal

gaurav.toshniwal@icicisecurities.com

Market Data

Market Cap (INR)	1,066bn
Market Cap (USD)	12,336mn
Bloomberg Code	RECL IN
Reuters Code	RECM.BO
52-week Range (INR)	651 /357
Free Float (%)	47.0
ADTV-3M (mn) (USD)	41.8

Price Performance (%)	3m	6m	12m
Absolute	(8.0)	(9.3)	(33.0)
Relative to Sensex	(11.0)	(17.1)	(35.6)

ESG Score	2023	2024	Change
ESG score	75.0	76.3	1.3
Environment	49.5	59.4	9.9
Social	81.2	84.0	2.8
Governance	76.9	76.0	(0.9)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

09-05-2025: [Q4FY25 results review](#)

10-02-2025: [Q3FY25 results review](#)

Loan book up 3% QoQ/10% YoY due to decline in stress pool and elevated repayment; disbursements at record high

Loan book was up 3% QoQ/10% YoY. Sequential growth appears to be strong, given that Q1 is usually a seasonally weak quarter. This was aided by its highest-ever disbursements, at INR 595bn, up >30% QoQ as well as YoY. Sanctions also crossed INR 1trn mark, up 54% QoQ, but down 11% YoY.

However, REC has resolved accounts worth INR 76.6bn during the past 12 months, which has impacted loan growth by ~1.3% on a YoY basis. Moreover, repayments (as a % of opening balance) continue to be elevated at ~7.3%, down YoY from 7.9% (off a high base), but higher than ~4.5% a year ago. Higher repayments seem to be largely on account of heightened competition from banks and other financial institutions. Given the steep 100bps repo rate cut in the past four months and limited benefit to REC due to the rate cuts, banks seem to be eating into REC's market share. Overall, we believe, given the healthy sanction pipeline, lower stress pool, sustained loan assets momentum in Q1 and some expected respite on repayments, REC will likely be able to deliver 13–14% loan assets growth for FY26E.

GNPA and NNPA at multi-year low aided by sustained decline in stress pool; stage-3 PCR also at multi-year high of 77%

GNPA as well as NNPA were at their lowest levels in more than 5 years, aided by a sustained decline in stress pool. GNPA came in at 1.05% and NNPA was at 0.24%, leading to PCR of 77% vs. 72% QoQ and 69% YoY. Overall, ECL provisions, as a percentage, of total loans came in at 1.67% vs. 1.90% QoQ.

During Q1, one stressed asset (i.e. TRN Energy Pvt. Ltd.) having o/s loan of INR 15bn has been restructured under the RBI Resolution Framework. 2019. Accordingly, an amount of INR 3.92bn has been written-off with a corresponding ECL reversal of INR 2.72bn. This led to an overall negative credit cost of INR 6.2bn or 43bps annualised (best in 5 quarters) vs. positive credit cost of 56bps/37bps QoQ/YoY. Post this, REC now has nil projects outside NCLT; the resolution pipeline stands at INR 61.5bn (~1% of book), comprising 11 projects that are all under NCLT.

Margins as well as spreads higher in Q1 vs. FY25 levels

Yield on loan assets came in higher at 10.08% vs. 10.05% for FY25, while cost of funds also was higher at 7.12% vs. 7.11%. As a result, spreads were higher at 2.96% for Q1 vs. 2.94% for FY25, aided by better yields. On the margins front, it improved to 3.74% vs. 3.63% for FY25. We expect FY26 calculated margins to be similar to FY25 levels.

REC loan book, typically, has an interest rate reset of 1-3 years; hence, rate cut is unlikely to have an impact on the outstanding portfolio in the near term. That said, it may have some bearing on incremental yields. Similarly, its borrowings are of a longer tenure and have an annual reset, which would imply that benefit on cost of borrowings, if any, shall emerge only by Q3/Q4 of this FY.

Key risks: Pressure on asset quality driven by macroeconomic concerns or company-specific issues or regulatory change may result in higher NPA/credit cost and lower-than-expected growth due to higher repayments/slowdown in GDP; and thereby, overall demand.

Q4FY25 conference call takeaways

AUM

- Loan growth should be 12% for FY26 (+/- 1%)
- Estimate overall loan book at INR 10trn by 2030, implying a 12% CAGR
- Estimate RE book at INR 3trn by 2030
- It has INR 200bn of repayments in Q4, in addition to INR 150bn in 9MFY25. Excluding repayments, growth would have been 18%.
- Forayed into infra sector in 2022
- Expect disbursements to touch INR 2-2.1trn in FY26
- Adani has made repayments of INR 18bn
- Acme made some repayments, due to mandate as per their public issue towards repayments
- REC takes funding of the project, only when PPA is signed
- There are sectoral limits where banks have limitations. Hence, banks cannot go beyond a certain limit for power sector lending, which is where dedicated power financiers come into play.
- Its card rate is fixed by the board itself
- Generation projects will contribute to growth as well as margins
- Believe that in FY26, there will be substantial disbursements towards thermal capex towards the sanctions done in FY25
- INR 800-900bn RBF disbursements target in FY26
- Acme and Adani repayments were expected in Q4. However, in Q1, there is no expected repayment pipeline as of now, which is unusual

Asset quality

- No new NPA has been happened in Q4
- Alakananda rating was downgraded which led to higher provisions in Stage-1/2
- Teestha Urja ownership has been transferred towards private sector and hence led to some elevated provisions in Stage1/2
- ~50% of government loans are backed by state government guarantees
- >90% of known capex loans are guaranteed by state government

Margins

- Estimate spreads in the range of 250-300bps for FY26
- Estimate margins in the range of 350-375bps for FY26
- Generation rates are in the range of 10-11.15%
- Government sector projects rates start from 8.9%, which is quite competitive as compared to PSU banks. Similarly, private renewable rates start from 9.2%, which is also quite competitive when compared to PSU banks.
- 99% of the portfolio is hedged and it is as per the RBI regulations

Borrowings

- Raised USD 500mn at 127.5bps over the US treasury
- INR 170bn borrowings repaid to bankers and raised funds from elsewhere at lower rates
- Tapped domestic zero-coupon bond market in FY25
- It is resorting to some cheaper source of borrowings

Q3FY25 conference call takeaways

Loans

- **REC is confident of sustaining loan growth of 15-17% in the medium-term and expect AUM to reach ~INR 10trn by 2030**
- *Pre-payment from Acme of around INR 20bn, which is additional over the regular repayments. This was because the company got listed and hence it had a requirement to repay loan proceeds.*
- **INR 70bn loan sanctioned to prepaid smart meter operators so far and this is likely to pick up in the next 2 years**

Renewables

- ~80% of renewables are towards private sector
- **All of its renewable's lending is PPA backed and REC provides finance, only after signing of PPA**
- *Repayments are typically higher in renewables as risk is only till then time of commissioning*
- *Refinancing is very active in renewables space*

Project-wise resolution status

- KSK Mahanadi
 - Bidding already completed
 - 154% principal recovery
 - Provision reversal of INR 9.08bn (INR 3.51bn already done)
 - INR 3.51bn provisions reversal already done in Q3. This was because INR 15bn has already been distributed to lenders as allowed by NCLT.
 - Total recovery of INR 26bn
- Sinnar Thermal Plant in Nasik
 - 52.65% principal recovery
 - Provision reversal of INR 7.61bn
- Hiranmayee Energy
 - 82.75% principal recovery
 - Provision reversal of INR 4.4bn
- Bhadreshwar
 - Provision reversal of INR 0.43bn
- **Total provision reversal of ~INR 22bn expected from the above 4 projects of which INR 3.51bn has already been done in Q3.**
- **NCLT order may take time, but by December 2025, management expects provision reversal for all these 4 projects.**

Asset quality

- Lanco Amarkantak, Nagai Power and Linux were the 3 projects resolved in 9MFY25 totalling to INR 27.78bn resolution (outside NCLT)
- PCR now stands at 62% vs. 68% as of FY24-end, due to the above 3 resolutions

- Out of 13 projects under NLCT, 7 are heading under liquidation (which are 100% provided) and for remaining 6 projects, bidding is under progress
- There is no NPA in state sector till Q3FY25
- ***Adani Power Plant in Jharkhand - Repayments are happening on time and don't see any concerns on repayments from this account***

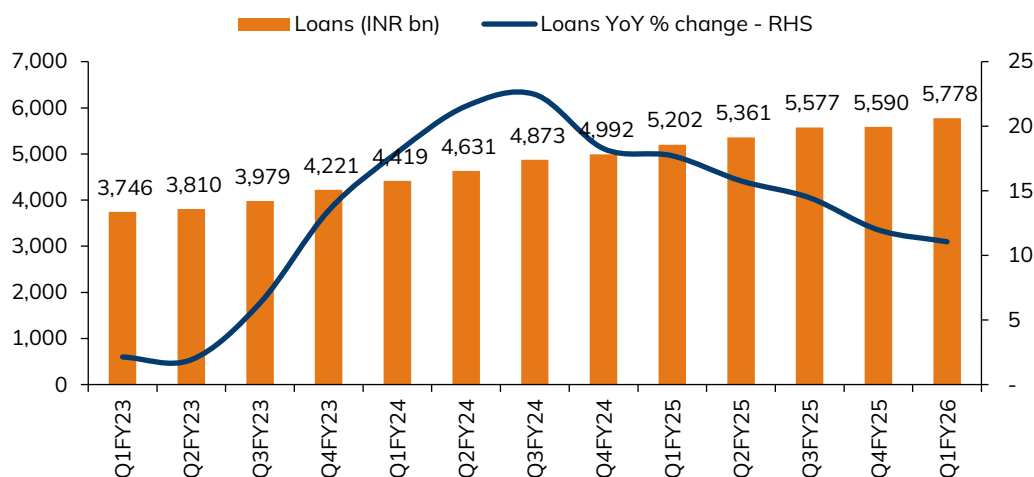
Provisions

- Provision reversal was lower in Q3, due to change in PD and LGD and provisions on incremental disbursements. Also, there was reversal on Stage-3 accounts and change in Stage-2 to 0.5% from 1.0%.
- **It holds 0.73% provision on standard assets and 62% PCR on Stage-3**

Miscellaneous

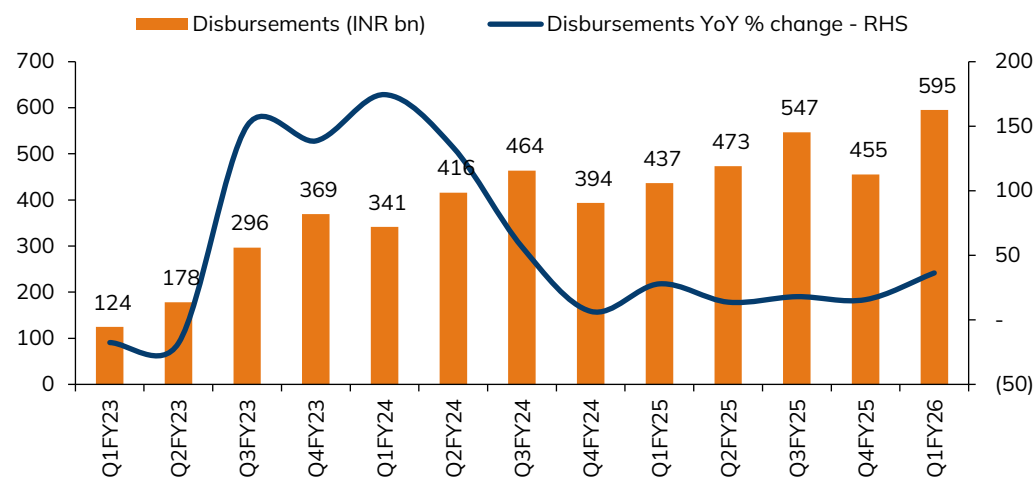
- 99% of forex loans have already been hedged
- Discoms health has been improving due to RDSS. They have been making efforts to improve their financial performance.

Exhibit 1: Good start to the year with 3% QoQ loan growth



Source: Company data, I-Sec research

Exhibit 2: Disbursements strong, despite a seasonally weak quarter

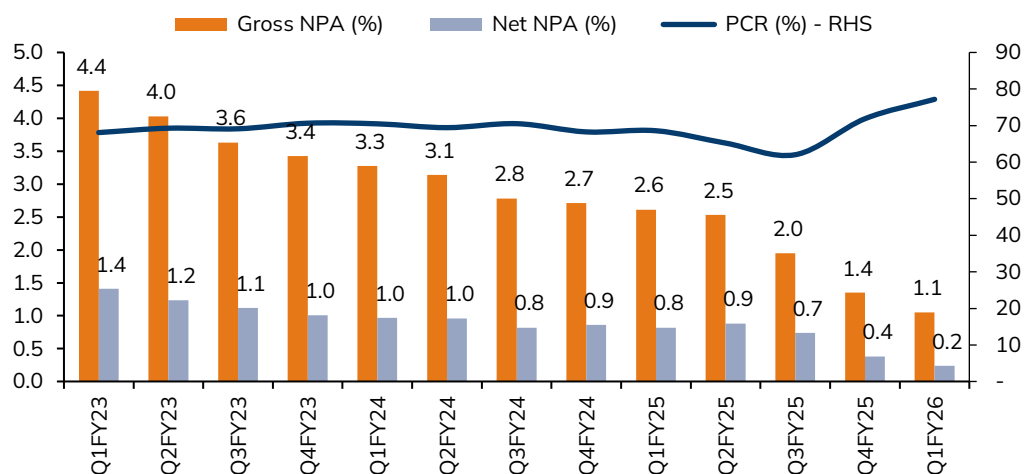


Source: Company data, I-Sec research

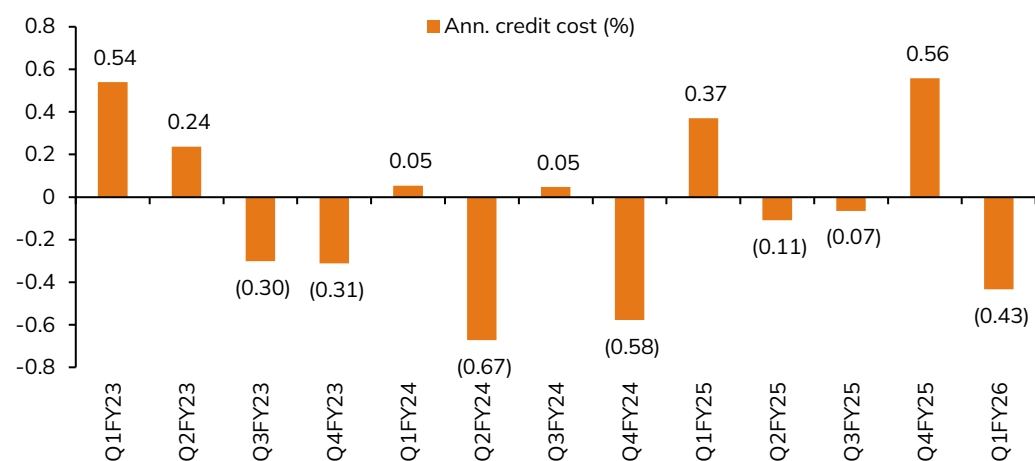
Exhibit 3: Q1FY26 result review

Income Statement (INR mn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY %	QoQ %
Interest Income	1,25,004	1,31,869	1,36,920	1,46,471	1,41,923	14	-3
Interest Expense	80,212	85,065	88,373	87,699	89,351	11	2
Net Interest Income	44,792	46,804	48,547	58,772	52,572	17	-11
Total Non-Interest income	5,367	4,088	4,807	5,270	-350	-107	-107
Total Income	50,159	50,892	53,354	64,042	52,222	4	-18
Employee Cost	566	592	653	608	568	0	-7
Other expenses	999	937	1,903	1,314	837	-16	-36
Total Operating Expenses	1,566	1,529	2,556	1,923	1,404	-10	-27
Pre-provision operating profit	48,593	49,363	50,798	62,120	50,818	5	-18
Provisions for doubtful debts	4,726	-1,441	-890	7,800	-6,166	-230	-179
PBT	43,868	50,804	51,688	54,320	56,984	30	5
Non-operating expenses losses / (gains)	610	408	591	473	515	-16	9
PBT (after forex)	43,258	50,396	51,097	53,847	56,469	31	5
Tax	8,834	10,342	10,806	11,485	11,959	35	4
PAT (Pre-Extraordinaries)	34,425	40,055	40,291	42,362	44,510	29	5
Extraordinaries (Net of Tax)	0	0	0	0	0	NA	NA
Reported Profit	34,425	40,055	40,291	42,362	44,510	29	5
Balance Sheet (INR bn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY %	QoQ %
Loans	5,202	5,361	5,577	5,590	5,778	11	3
Disbursements	437	473	547	455	595	36	31
Sanctions	1,128	762	848	654	1,006	-11	54
Borrowings	4,603	4,837	4,896	4,963	5,065	10	2
Total Assets	5,734	5,944	6,116	6,136	6,344	11	3
Net Worth	724	729	765	776	797	10	3
Asset Quality (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY bps	QoQ bps
Gross NPA (%)	2.61	2.53	1.95	1.35	1.05	-156 bps	-30 bps
Net NPA (%)	0.82	0.88	0.74	0.38	0.24	-58 bps	-14 bps
Coverage Ratio (%)	69	65	62	72	77	856 bps	529 bps
Credit cost (%)	0.37	(0.11)	(0.07)	0.56	(0.43)	-81 bps	-100 bps
Key Ratios (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY bps	QoQ bps
Borrowings as a % of loans	88	90	88	89	88	-84 bps	-113 bps
Cost to Income	3.1	3.0	4.8	3.0	2.7	-44 bps	-32 bps
Tier I	24	23	23	24	22	-233 bps	-182 bps
CAR	27	25	25	26	24	-279 bps	-201 bps
DuPont Analysis (%)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY bps	QoQ bps
NII / Assets	3.2	3.2	3.2	3.8	3.4	17 bps	-47 bps
Non-Interest Income / Assets	0.4	0.3	0.3	0.3	0.0	-41 bps	-37 bps
Operating cost / Assets	0.1	0.1	0.2	0.1	0.1	-3 bps	-4 bps
PPoP / Assets	3.5	3.4	3.4	4.1	3.3	-22 bps	-80 bps
Provisions / Assets	0.3	-0.1	-0.1	0.5	-0.4	-74 bps	-91 bps
Reported RoA	2.5	2.7	2.7	2.8	2.9	39 bps	8 bps
Reported RoE	19.5	22.1	21.6	22.0	22.6	312 bps	64 bps
YTD Yield, Cost and Margins (Reported %)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	YoY bps	QoQ bps
Yield on Loans	9.99	10.16	10.13	10.05	10.08	8 bps	2 bps
Cost of Borrowings	7.05	7.18	7.18	7.11	7.12	7 bps	0 bps
Spreads	2.94	2.98	2.95	2.94	2.96	2 bps	2 bps
NIMs	3.64	3.66	3.66	3.63	3.74	10 bps	11 bps

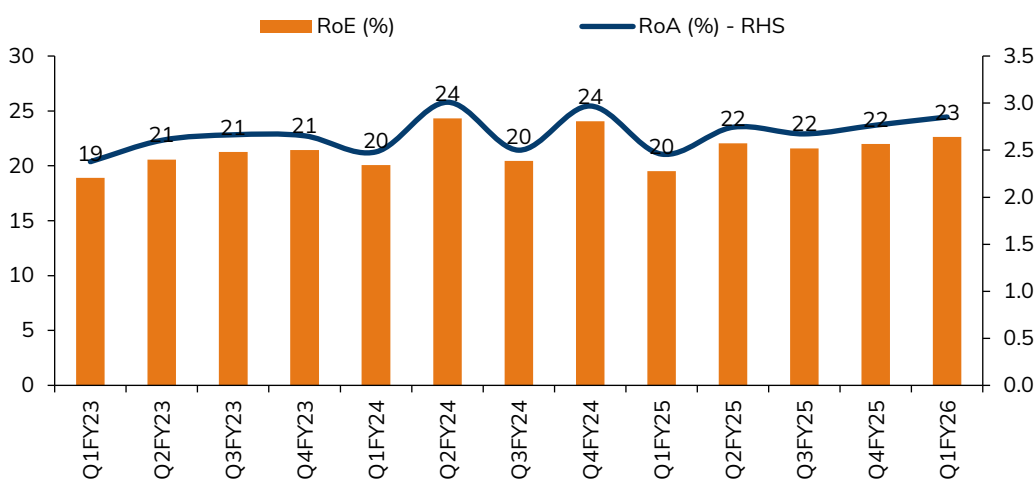
Source: Company data, I-Sec research

Exhibit 4: PCR strong above 75%

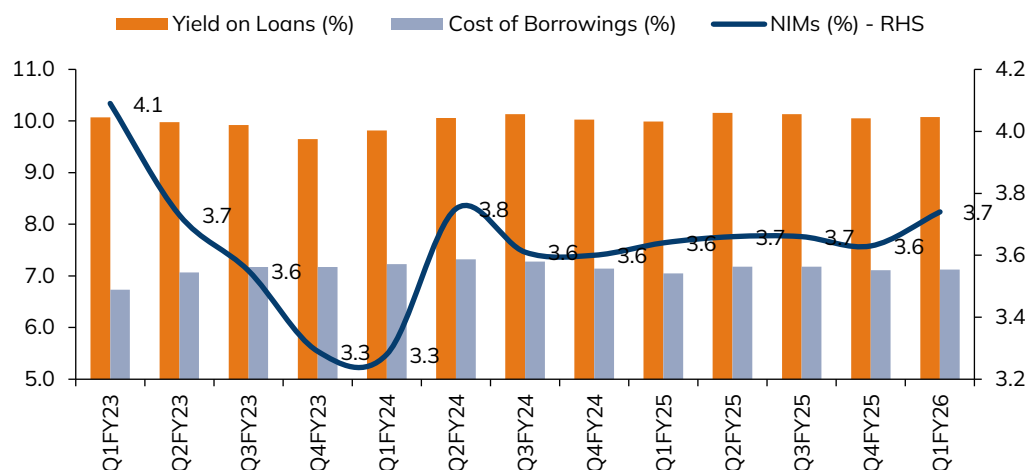
Source: Company data, I-Sec research

Exhibit 5: Credit cost back in negative, aided by write-backs

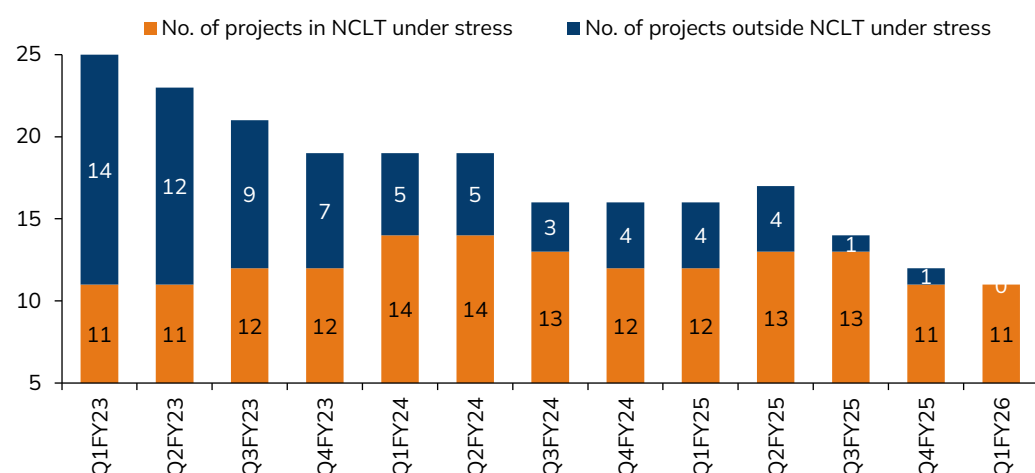
Source: Company data, I-Sec research

Exhibit 6: RoE intact above 20%

Source: Company data, I-Sec research

Exhibit 7: Margins inch up a tad QoQ


Source: Company data, I-Sec research

Exhibit 8: Consistent decline in stressed assets baggage


Source: Company data, I-Sec research

Exhibit 9: Target multiple of 1.6x FY26E BV gives a TP of INR 540, implying >30% upside

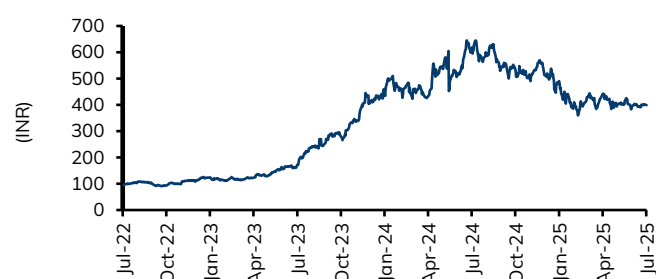
Particulars	INR/share
FY26E book value	342
FY26E P/B target multiple (x)	1.6
Target price	540
Current market price	405
Upside / (downside) - %	33%

Source: Company data, I-Sec research

Exhibit 10: Shareholding pattern

%	Dec'24	Mar'25	Jun'25
Promoters	52.6	52.6	52.6
Institutional investors	35.3	35.4	34.3
MFs and others	8.5	8.9	9.7
FIs/Banks	1.0	1.1	1.4
Insurance	4.1	4.5	4.3
FIIIs	21.7	20.9	18.9
Others	12.1	12.0	13.1

Source: Bloomberg, I-Sec research

Exhibit 11: Price chart


Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 12: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Interest Income	4,64,051	5,50,701	6,16,438	7,02,281
Interest Expenses	(2,99,493)	(3,41,350)	(3,78,663)	(4,43,436)
Net Interest Income (NII)	1,64,558	2,09,351	2,37,775	2,58,845
Other Income	5,731	6,442	7,067	7,715
Total Income (net of interest expenses)	3,37,207	4,27,798	4,84,549	5,27,493
Employee benefit expenses	(2,138)	(2,448)	(2,793)	(3,180)
Other operating expenses	(6,288)	(7,207)	(5,684)	(6,306)
Total Operating Expense	(8,426)	(9,655)	(8,477)	(9,486)
Pre Provisioning Profits (PPoP)	1,64,223	2,08,792	2,38,297	2,59,162
Provisions and write offs	13,584	(10,194)	(12,796)	(11,478)
Profit before tax (PBT)	1,77,806	1,98,598	2,25,501	2,47,684
Total tax expenses	(37,614)	(41,466)	(49,521)	(56,533)
Profit after tax (PAT)	1,40,192	1,57,132	1,75,980	1,91,151

Source Company data, I-Sec research

Exhibit 13: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Share capital	26,332	26,332	26,332	26,332
Reserves & surplus	6,61,499	7,50,048	8,75,065	10,11,530
Shareholders' funds	6,87,832	7,76,380	9,01,397	10,37,863
Borrowings	44,56,142	49,62,893	58,43,677	67,62,876
Provisions & Other Liabilities	3,30,431	3,96,283	2,81,045	3,25,031
Total Liabilities and Stakeholder's Equity	54,74,404	61,35,555	70,26,119	81,25,770
Cash and balance with RBI	24,987	17,498	27,262	30,173
Fixed assets	6,543	6,560	8,398	9,712
Loans	49,91,921	55,90,881	63,67,907	72,90,125
Investments	53,203	66,416	63,619	79,044
Deferred tax assets (net)	24,855	28,528	31,900	36,892
Other Assets	3,72,896	4,25,672	5,27,033	6,79,824
Total Assets	54,74,404	61,35,555	70,26,119	81,25,770

Source Company data, I-Sec research

Exhibit 14: Key Ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
AUM and Disbursements (INR mn)				
AUM	49,91,921	55,90,881	63,67,907	72,90,125
On-book Loans	49,91,921	55,90,881	63,67,907	72,90,125
Disbursements	16,12,650	19,11,850	22,47,444	25,96,996
Growth (%):				
Total AUM (%)	18.3	12.0	13.9	14.5
Disbursements (%)	68.4	18.6	17.6	15.6
Loan book (on balance sheet) (%)	18.3	12.0	13.9	14.5
Total Assets (%)	17.8	12.1	14.5	15.7
Net Interest Income (NII) (%)	9.0	27.2	13.6	8.9
Non-interest income (%)	92.6	12.4	(1.1)	8.9
Total Income (net of interest expenses) (%)	10.2	26.9	13.3	8.9
Operating Expenses (%)	(49.3)	14.6	(12.2)	11.9
Employee Cost (%)	17.7	14.5	14.1	13.9
Non-Employee Cost (%)	(57.5)	14.6	(21.1)	10.9
Pre provisioning operating profits (PPoP) (%)	18.5	27.1	14.1	8.8
Provisions (%)	(1,282.1)	(175.0)	25.5	(10.3)
PBT (%)	29.4	11.7	13.5	9.8
PAT (%)	26.8	12.1	12.0	8.6
EPS (%)	26.9	12.1	12.2	8.6
Yields, interest costs and spreads (%)				
NIM on IEA (%)	3.5	3.9	3.9	3.7
Yield on loan assets (%)	9.9	10.2	10.2	10.2
Cost of borrowings (%)	7.2	7.2	7.0	7.0
Operating efficiencies				
Non interest income as % of total income	1.0	1.0	1.0	1.0
Cost to income ratio	4.9	4.4	3.4	3.5
Op.costs/avg assets (%)	0.2	0.2	0.1	0.1
Op.costs/avg AUM (%)	0.2	0.2	0.1	0.1
Salaries as % of non-interest costs (%)	25.4	25.4	32.9	33.5
Capital Structure				
Leverage (x)	7.3	7.2	7.1	7.0

Source Company data, I-Sec research

	FY24A	FY25A	FY26E	FY27E
Asset quality and provisioning				
GNPA (%)	2.7	1.4	1.4	1.3
NNPA (%)	0.9	0.4	0.4	0.3
GNPA (INR mn)	1,38,103	75,466	92,306	95,370
NNPA (INR mn)	43,565	21,630	27,272	25,316
Coverage ratio (%)	68.5	71.3	70.5	73.5
Credit Costs as a % of avg AUM (bps)	(29)	19	21	17
Credit Costs as a % of avg on book loans (bps)	(29)	19	21	17
Return ratios				
RoAA (%)	2.8	2.7	2.7	2.5
RoAE (%)	22.2	21.5	21.0	19.7
ROAAUM (%)	-	-	-	-
Dividend Payout ratio (%)	26.8	26.4	28.1	29.6
Valuation Ratios				
No of shares	2,633	2,633	2,633	2,633
No of shares (fully diluted)	2,633	2,633	2,633	2,633
ESOP Outstanding	-	-	-	-
EPS (INR)	53.1	59.5	66.8	72.6
EPS fully diluted (INR)	16.0	18.0	19.4	20.8
Price to Earnings (x)	7.6	6.8	6.1	5.6
Price to Earnings (fully diluted) (x)	25.3	22.5	20.9	19.5
Book Value (fully diluted)	261	295	342	394
Price to Book	1.6	1.4	1.2	1.0
DPS (INR)	16.0	18.0	19.4	20.8
Dividend yield (%)	4.0	4.4	4.8	5.1

Source Company data, I-Sec research

Exhibit 15: Key Metrics

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
DuPont Analysis				
Average Assets (INR mn)	50,61,588	58,04,980	65,80,837	75,75,944
Average Loans (INR mn)	46,06,380	52,91,401	59,79,394	68,29,016
Average Equity (INR mn)	6,32,314	7,32,106	8,38,888	9,69,630
Interest earned (%)	9.2	9.5	9.4	9.3
Net gain on fair value changes (%)	-	-	-	-
Interest expended (%)	5.9	5.9	5.8	5.9
Gross Interest Spread (%)	3.3	3.6	3.6	3.4
Credit cost (%)	(0.3)	0.2	0.2	0.2
Net Interest Spread (%)	3.5	3.4	3.4	3.3
Operating cost (%)	0.2	0.2	0.1	0.1
Lending spread (%)	3.4	3.3	3.3	3.1
Non interest income (%)	0.2	0.2	0.1	0.1
Operating Spread (%)	3.5	3.4	3.4	3.3
Tax rate (%)	(21.2)	(20.9)	(22.0)	(22.8)
ROAA (%)	2.8	2.7	2.7	2.5
Effective leverage (AA/ AE)	8.0	7.9	7.8	7.8
RoAE (%)	22.2	21.5	21.0	19.7

Source Company data, I-Sec research

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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
