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GOLD LOANS ARE A BIG BUSINESS

India's formal gold loan market is growing at 30 to 40% annually. Thousands of gold loan offices are mushrooming across India

\$50-\$60 bn
Or ₹ 2.23 to 2.67 lakh crore
The estimated value of India's gold loan market

10% The share Indians hold in the global gold supply, much of it in jewellery.

FERMENT AT THE BOTTOM

- The market is dominated by unorganised firms.
- Organised firms control only one-quarter of the market.

MAJOR PLAYERS

- Muthoot Finance
- Manappuram General Finance and Leasing
- Muthoot Fincorp
- Reliance Capital
- M&M Financial Services
- Karvy Finance

GLOBAL INTEREST

- Abu Dhabi Investment Authority and a Goldman Sachs fund are among investors in Muthoot Finance, India's largest specialist gold lender, which starts trading on Friday after a \$200 million IPO.
- Muthoot Finance's gold loans stood at \$2.9 billion (₹ 12,900 crore) in November and it added more than 1,000 branches in less than a year to 2,611 by February.

REGULATION RISKS

- In February, the RBI removed priority sector status for gold lending.
- Like microfinance, it could suffer if regulation increases

HT GRAPHIC; SOURCE: REUTERS