

Bandhan Bank Ltd.



Bandhan Bank Ltd.

A hiccup in a positive quarter

CMP INR 286	Target INR 385	Potential Upside 34.4%	Market Cap (INR Mn) INR 4,61,088	Recommendation BUY	Sector BFSI
-----------------------	--------------------------	----------------------------------	--	------------------------------	-----------------------

Result Highlights of Q1FY23

- Bandhan bank's loan book grew by 21.6% yoy at INR 908.8Bn as against INR 747.7Bn as on Jun'21. Deposits grew by 20.3% yoy at INR 930.6Bn as against INR 773.4Bn as on Jun'21. There was a ~3% qoq de-growth of in loan book and deposits each in Q1FY23.
- Net Interest income grew by +18.9% yoy at INR 25,144Mn with a nominal sequential de-growth (our Q1 NII estimate: INR 24,478Mn; +1% up). It has observed major de-growth in non-Interest income at INR 3,297Mn (-38.2% YoY / -65.8% QoQ) due to decline in treasury income, PSLC income and impact of MTM losses worth INR 790Mn. Net banking income stood at INR 28,441Mn (+7.4% yoy / -18.8% qoq) and Pre-provision profit (PPOP) reported at INR 18,206Mn (-2.7% yoy / -27.8% qoq).
- Net profit reported at INR 8,865Mn (+137.6% yoy / -53.4% qoq) on account of 2.7% of credit costs in Q1FY23 as against near to zero and 7.2% credit costs in Q4FY22 / Q1FY22, respectively.

MARKET DATA

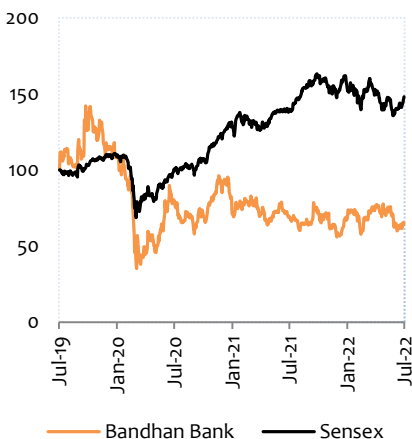
Shares outs (Mn)	1,611
Equity Cap (INR Mn)	16,108
Mkt Cap (INR Mn)	4,61,088
52 Wk H/L (INR)	349.5/229.65
Volume Avg (3m K)	7,291
Face Value (INR)	10
Bloomberg Code	1,611

Key Financials

INR millions	FY20	FY21	FY22	FY23E	FY24E
NII	63,239	75,634	87,140	1,04,868	1,27,186
PPOP	54,466	68,553	80,134	85,425	1,06,520
PAT	30,237	22,055	1,258	48,070	58,439
EPS (Rs.)	18.8	13.7	0.8	29.8	36.3
BVPS (Rs.)	94.4	108.1	107.9	137.8	174.0
ABVPS (Rs.)	83.2	90.1	78.0	122.6	167.1
P/E (x)	10.8x	23.0x	366.2x	9.6x	7.9x
P/ABV (x)	2.4x	3.5x	3.7x	2.3x	1.7x

Source: Company data, KRChoksey Research

SHARE PRICE PERFORMANCE



MARKET INFO

SENSEX	56,072
NIFTY	16,719

SHARE HOLDING PATTERN (%)

Particulars	Jun 22	Mar 22	Dec 21
Promoters	39.9	39.9	39.9
FIIIs	35.6	34.3	34.6
DIIIs	7.1	4.6	1.9
Others	17.3	21.1	23.5
Total	100.0	100.0	100.0

Weak business growth led by degrowth in deposits and delayed disbursements

Overall business stood at INR 1,897Bn as on Jun'22. During the quarter, Housing loan book grew by 27.2% YoY at INR 246Bn and commercial banking book grew by 81.1% to INR 121Bn. Diverse loan book of EEB Group / EEB Individual / Housing / Commercial Banking / Retail book contributed at 44% / 16% / 25% / 13% / 2%, respectively.

Overall disbursements dropped during Q1FY23 at INR 212Bn (-63% QoQ) as against INR 571Bn in Q4FY22 due to seasonality factor observed historically in the H1 of financial year, alignment with RBI's new MFI guidelines and Assam floods curtailed MFI disbursements. Housing loan disbursements stood at INR 19Bn (Q4FY22: INR 24Bn).

The deposits reported at INR 931Bn (+20.3% yoy / -3.4% qoq). CASA ratio improved at 43.2% as against 41.6% as on Jun'22 on account of sequential de-growth of 6% term deposits. Retail deposits formed 78% of total deposits.

Assam floods and restructured book moved up NPA levels

Bank's GNPA / NNPA escalated at 7.30% / 1.90% as against 6.50% / 1.66% in Q4FY22, respectively. The rise in NPA levels was largely due to decline in Assam collections from 93% in Q4FY22 to 78% in Q1FY23 due to floods in the state. Gross NPA stood at INR 63.8Bn as on Jun'22. EEB GNPA stood at INR 53.3Bn (9.2%); Housing NPA stood at INR 8.7Bn (3.5%) which has ; Commercial Banking NPA stood at INR 7.4Bn (6.1%) and Retail NPA stood at INR 0.2Bn (1.1%). There was no restructuring of loans and write off during the quarter. Provision coverage ratio stood at 74.9%. Bank's overall collections (including arrears) stood at 110% in Q1FY23 as compared to 150% for Q4FY22.

NIMs to sustain in the range of 7.75% to 8.25%; capital adequacy dropped

NIMs de-grew by 50bps yoy and 70bps qoq at 8.0% in Q1FY23 which is expected to be in the range of 8.0% to 8.2% in FY23. Bank's capital adequacy declined by 540bps yoy and 70bps qoq at 19.4% (above regulatory requirements).

Valuation

The bank is currently trading at P/ABV multiple of 2.3x / 1.7x to ABV/share of INR 122.6 / INR 167.1 for FY23E/24E, respectively. Diverse loan book growth with major focus on geographic expansion plan in FY23. The credit costs for the quarter were in line with guidance. There is a temporary rise in NPA levels due to Assam floods in the month Jun'22 which is expected to have limited impact on collections in the coming quarters. We expect CAGR in NII at 18.9%, PPOP at 15.8%, and PAT at 38.4% over FY21-24E. The bank is expected to observe rise in overall demand for loans. **We maintain our target price of INR 385 and revise our recommendation from 'ACCUMULATE' to 'BUY' (34.4% upside).**

Bandhan Bank Ltd.

Key Con-call Highlights

Loan Book and disbursements

- During the quarter, non interest income experienced a major de-growth on account of MTM losses worth INR 790Mn (reversal of INR 860Mn was done in Q1FY22) and pending for approval PSL of INR 1300Mn. Bank's PSCL income can come down up to INR 1,500-2,000 Mn in a worst case scenario based on the impact of RBI's observation.
- Bank's operating expenses are expected to grow at 20% in FY23 and it expects opex to assets ratio stable at 2.8%.

Asset quality assessment and provisions

- During the quarter, there was no restructuring of loans and write off by the bank. In FY22, it has written off loans worth INR 3,243Cr.
- There was an increase in DPD positions, 1-30 days overdue rose from 3.0% to 4.7% as on Jun'22. Bank's 31-60 days overdue up from 1.6% to 2.4% as on Jun'22 and 61-90 days overdue up from 1.9% to 5.6% as on Jun'22. This was largely on account of restructured book and Assam floods which is expected to normalize in the near term.
- Overall restructured book stood at 5,800 Cr as on Jun'22 as against INR 6,150Cr as on Mar'22. EEB restructured book reduced from INR 4,900Cr as on Mar'22 to INR 4,661Cr as on Jun'22. ~INR 300Cr worth loans were recovered during Q1FY23. In housing segment, restructured book stood at INR 1,171Cr as on Jun'22.
- Total provisions on the balance sheet stood at INR 8,847Cr in Q1FY23 compared to INR 8197Cr in Q4FY22 with a provision coverage ratio of 74.9%. During the quarter, it has provided provision of INR 642Cr which includes additional provisions of INR 332Cr. Credit costs stood at 2.7% in line with the management guidance.
- The bank is expected to claim CGFMU claim in October 2022, as it can be claimed once a year.

Collections

- Full paying customers decreased from 96% for the month of Mar'22 to 94% in Jun'22 due to lower collections in the state of Assam on account of floods in the month of June.
- Collection efficiency (incl. arrears) of West Bengal and Assam dropped from 97% / 93% for Q4FY22 to 94% / 78% in Q1FY23, respectively.

Other Key points

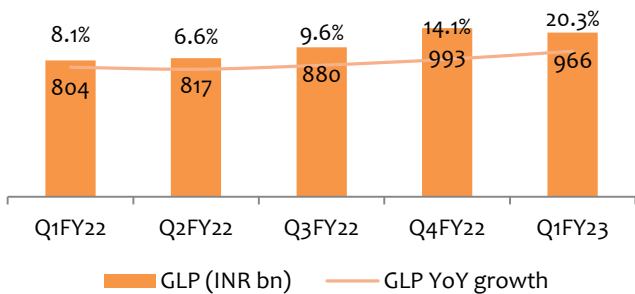
- The bank has added 6 lakh new customers across segments which has supported the overall business growth.
- RIDF Investments stood at INR 5,632Cr that had 20-25bps impact on bank's margins.

Key Risks:

- RBI's observation with regards to PSL recognition in the agri portfolio is key monitorable which is likely to impact bank's Non interest income for the upcoming years.
- Any kind of severe natural calamity may have an impact on bank's asset quality.

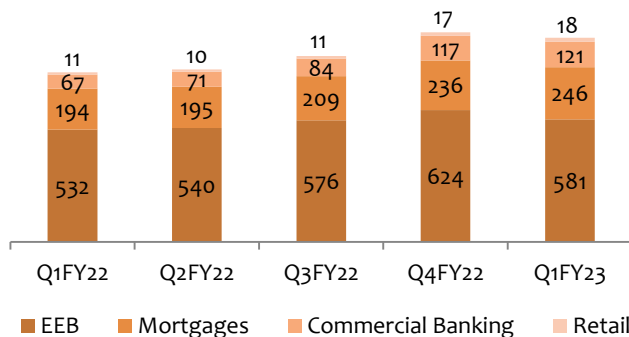
Bandhan Bank Ltd.

GLP grew by 20% yoy which observed sequential de-growth



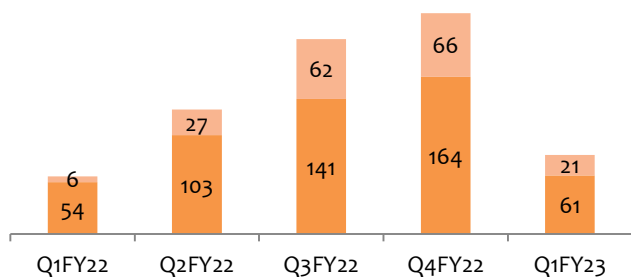
Source: Company data, KRChoksey Research

EEB individual loans growth stood at -4.2% qoq / +141.8% yoy



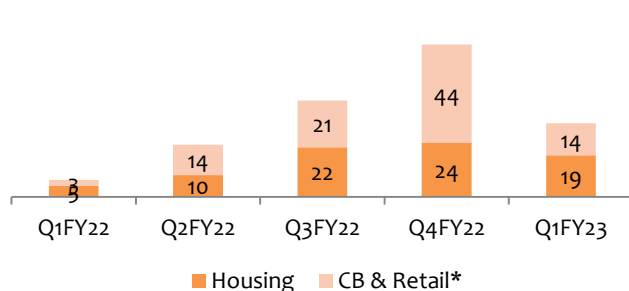
Subdued growth in Q1FY23 EEB disbursements due to new RBI regulations and Assam floods

EEB Disbursements (INR bn)

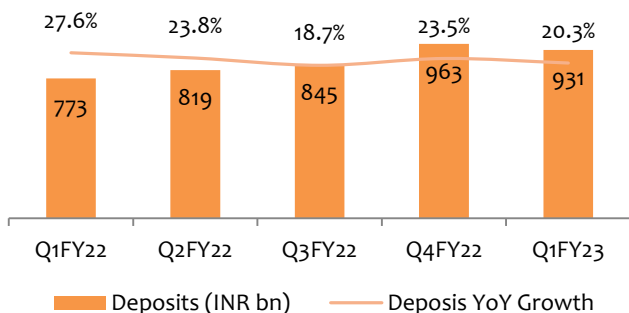


Source: Company data, KRChoksey Research

Disbursements - Other Segments

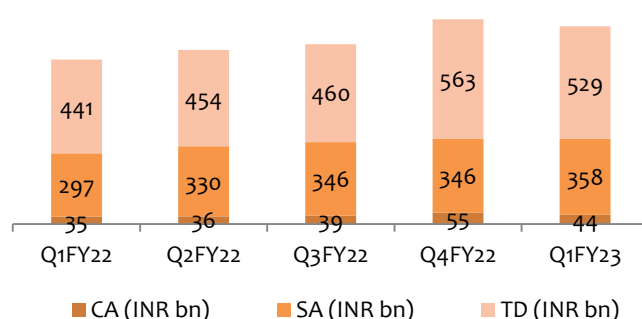


Deposits have shown steady growth

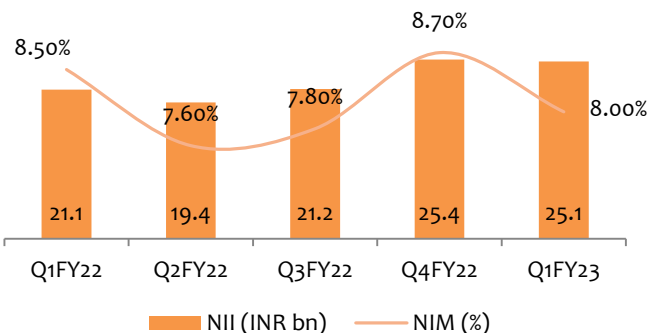


Source: Company data, KRChoksey Research

CASA ratio stood at 43.2% from 41.6% in Q4FY22

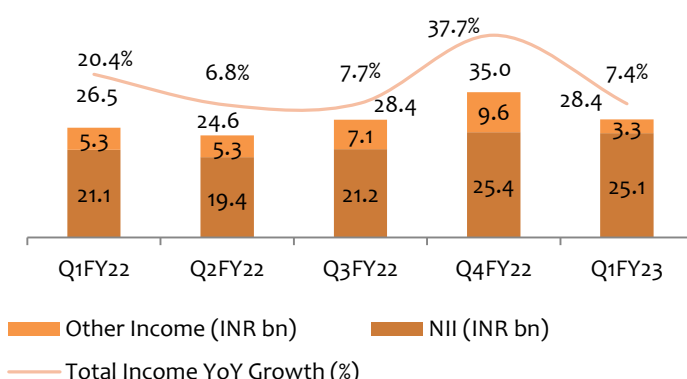


NII grew by 19% yoy; NIMs stood at 8%



Source: Company data, KRChoksey Research

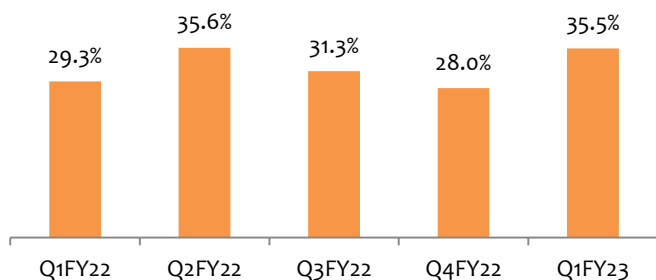
Topline impacted due to lower other income during Q1FY23



Bandhan Bank Ltd.

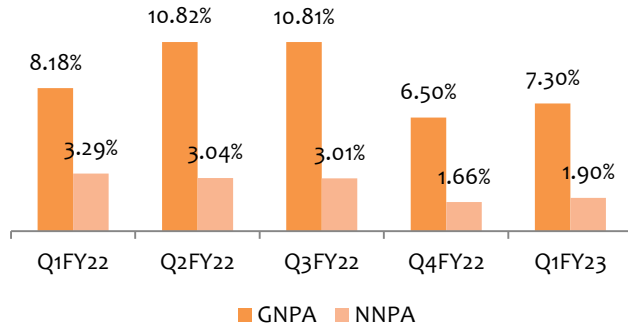
Operating efficiency impacted due to flat growth in topline

Cost to Income Ratio

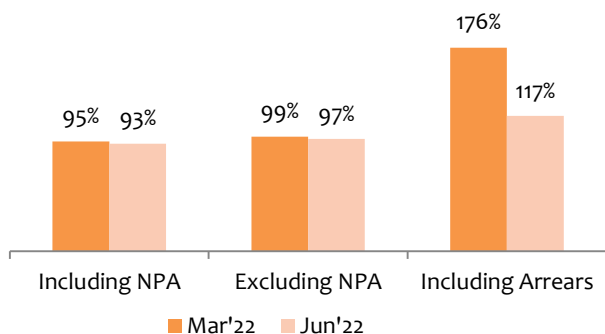


Source: Company data, KRChoksey Research

Asset Quality Levels: GNPA levels rose to 7.3% in Q1FY23

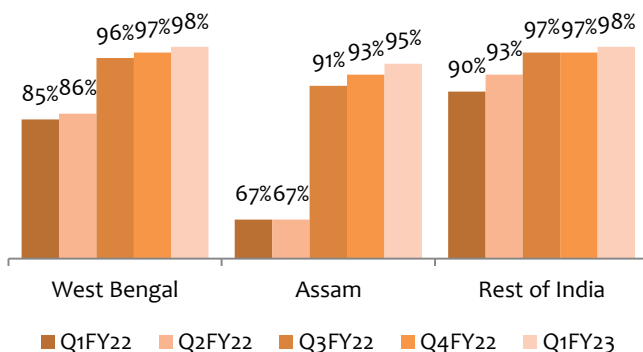


Steady EEB collections impacted due to Assam floods

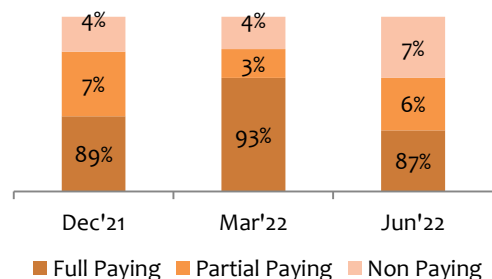


Source: Company data, KRChoksey Research

Region wise: Collection Efficiency Improved

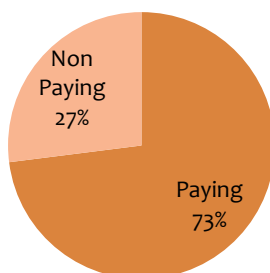


EEB Segment – Month wise Customer Paying Profile

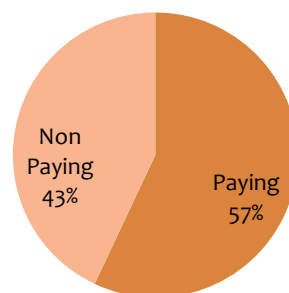


Source: Company data, KRChoksey Research

Q1FY23 - EEB Segment NPA customers payment pattern

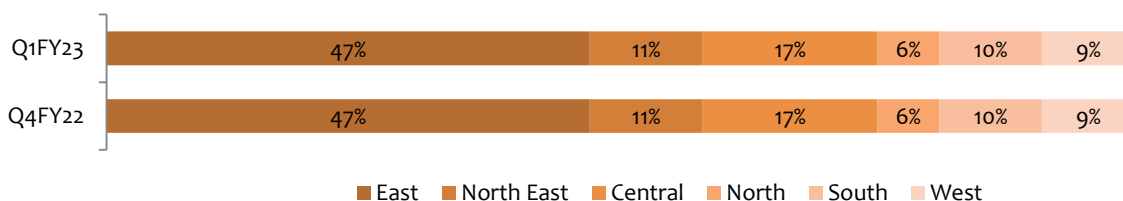


Q1FY23 - EEB Segment Restructured customers payment pattern



Diversified Regional Network – gradual shift to other regions

Regional presence



Source: Company data, KRChoksey Research

Bandhan Bank Ltd.

AUM: Quarterly Performance

Loan book-segment wise (INR bn)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	QoQ (%)	YoY (%)
EEB Group Based	469	463	455	465	429	-7.8%	-8.5%
EEB Individual	63	78	121	159	152	-4.2%	141.8%
EEB	532	540	576	624	581	-6.8%	9.2%
Housing	166	168	180	203	208	2.6%	25.1%
LAP	23	23	26	30	35	18.8%	55.3%
Construction	4	4	3	3	3	-10.3%	-40.9%
Mortgages	194	195	209	236	246	4.5%	27.2%
NBFC	24	27	32	50	52	4.8%	121.1%
SME	43	44	51	67	68	1.8%	59.1%
Commercial Banking	67	71	84	117	121	3.1%	81.1%
Gold	4	4	4	5	5	6.0%	32.5%
TD-OD	6	5	5	8	7	-12.0%	8.2%
Others	1	1	2	4	6	51.2%	463.6%
Retail	11	10	11	17	18	9.0%	61.6%

Source: Company data, KRChoksey Research

Disbursements: Quarterly Trend

Disbursements (INR bn)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	QoQ (%)	YoY (%)
EEB	60	130	203	230	82	-64.2%	37.5%
Housing	5	10	22	24	19	-23.5%	264.7%
Retail	1	2	2	4	4	10.5%	320.0%
CB	2	12	19	40	10	-74.8%	573.3%
CB & Retail*	3	14	21	44	14	-67.4%	472.0%

Source: Company data, KRChoksey Research

* Term loan disbursements only, NA: Not Available

Deposits: Quarterly Performance

Deposits (INR bn)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	QoQ (%)	YoY (%)
CA	35	36	39	55	44	-20.0%	25.2%
SA	297	330	346	346	358	3.5%	20.6%
TD	441	454	460	563	529	-6.0%	19.8%
Total Deposits	773	819	845	963	931	-3.4%	20.3%
Ratios							
Retail to total deposits (%)	83.0%	84.0%	85.0%	77.0%	78.0%	100bps	-500bps
CASA (%)	42.9%	44.6%	45.6%	41.6%	43.2%	160bps	30bps
Average SA per Balance (INR '000)							
General	57.7	60.8	64.0	60.3	61.9	2.7%	7.3%
EEB	1.1	1.4	1.6	2.0	1.8	-10.0%	63.6%

Source: Company data, KRChoksey Research

Bandhan Bank Ltd.

Q1FY23 Result Analysis

Income Statement (INR Millions)	Q1FY23	Q1FY22	Q4FY22	Y-o-Y	Q-o-Q
Interest income	40,554	34,100	38,716	18.9%	4.7%
Interest expense	15,409	12,959	13,317	18.9%	15.7%
Net interest income	25,144	21,141	25,398	18.9%	-1.0%
Non interest income	3,297	5,334	9,644	-38.2%	-65.8%
Operating income	28,441	26,474	35,042	7.4%	-18.8%
- Employee cost	6,346	4,998	5,704	27.0%	11.3%
- Other operating expenses	3,888	2,766	4,125	40.6%	-5.7%
Operating expenses	10,235	7,763	9,829	31.8%	4.1%
Pre-provision profits	18,206	18,711	25,214	-2.7%	-27.8%
Provisions	6,424	13,749	47	-53.3%	13516.7%
Profit before tax	11,782	4,962	25,167	137.4%	-53.2%
Tax expense	2,917	1,231	6,143	136.9%	-52.5%
Net profit	8,865	3,731	19,023	137.6%	-53.4%

Source: Company data, KRChoksey Research

Ratio Analysis	Q1FY23	Q1FY22	Q4FY22	Y-o-Y	Q-o-Q
Spread Analysis					
Yield (%)	12.9%	13.7%	13.3%	-80 bps	-40 bps
Cost of funds (%)	5.3%	5.7%	5.1%	-40 bps	20 bps
Spread (%)	7.6%	8.0%	8.2%	-40 bps	-60 bps
NIM (%)	8.0%	8.5%	8.7%	-50 bps	-70 bps
Key ratios					
Cost to income ratio (%)	36.0%	29.3%	28.0%	666 bps	794 bps
C/D ratio (%)	97.7%	96.7%	97.6%	99 bps	11 bps

Source: Company data, KRChoksey Research

(INR Millions)	As on Jun-22	As on Jun-21	As on Mar-22	Y-o-Y	Q-o-Q
Balance sheet analysis					
Deposits	9,30,570	7,73,360	9,63,306	20.3%	-3.4%
CASA Deposits	4,01,900	3,32,000	4,00,800	21.1%	0.3%
CASA (%)	43.2%	42.9%	41.6%	29 bps	158 bps
Borrowings	2,45,440	1,19,100	1,99,212	106.1%	23.2%
Investments	3,22,040	2,21,390	2,90,787	45.5%	10.7%
Advances	9,08,830	7,47,660	9,39,749	21.6%	-3.3%
Total Assets	14,12,350	11,03,990	13,88,665	27.9%	1.7%
Capital adequacy ratio (%)	19.4%	24.8%	20.1%	-540 bps	-70 bps
Asset quality					
Gross NPA	69,675	64,404	63,800	8.2%	9.2%
Net NPA	17,491	24,579	15,642	-28.8%	11.8%
GNPA (%)	7.3%	8.2%	6.5%	-88 bps	80 bps
NNPA (%)	1.90%	3.3%	1.66%	-139 bps	24 bps
PCR (%)	74.9%	61.8%	75.5%	1306 bps	-58 bps

Source: Company data, KRChoksey Research

Bandhan Bank Ltd.

Exhibit 6: Financial Statements

PROFIT & LOSS ACCOUNT (INR Millions)	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E
Interest income	1,08,855	1,25,242	1,38,711	1,72,731	2,07,914
Interest expense	45,616	49,609	51,571	67,863	80,728
Net interest income	63,239	75,634	87,140	1,04,868	1,27,186
Non interest income	15,492	21,091	28,228	27,578	33,516
Operating income	78,731	96,724	1,15,368	1,32,446	1,60,702
Operating expense	24,265	28,172	35,234	47,021	54,182
PPOP	54,466	68,553	80,134	85,425	1,06,520
Provisions	13,932	39,066	78,848	36,273	46,766
PBT	40,534	29,487	1,286	49,152	59,754
Tax expense	10,297	7,432	28	1,081	1,315
PAT	30,237	22,055	1,258	48,070	58,439

Source: Company data, KRChoksey Research

BALANCE SHEET (INR Millions)	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E
SOURCES OF FUNDS					
Share capital	16,102	16,106	16,108	16,108	16,108
Reserves & surplus	1,35,852	1,57,976	1,57,704	2,05,774	2,64,213
Shareholders' funds	1,51,955	1,74,082	1,73,812	2,21,882	2,80,321
Borrowings	1,63,792	1,69,604	1,99,212	2,23,118	2,61,048
Deposits	5,70,815	7,79,722	9,63,306	11,75,233	14,45,537
Other liabilities & provisions	30,617	26,523	52,336	57,569	63,326
TOTAL LIABILITIES & EQUITY	9,17,178	11,49,931	13,88,665	16,77,802	20,50,232
USES OF FUNDS					
Cash and cash equivalent	83,529	61,929	93,214	1,30,122	1,56,864
Investments	1,53,518	2,51,554	2,90,787	3,17,313	4,04,750
Advances	6,66,299	8,16,129	9,39,749	11,39,032	13,64,166
Fixed & other assets	13,832	20,318	64,916	89,096	1,22,657
TOTAL ASSETS	9,17,178	11,49,931	13,88,665	16,75,564	20,48,437

Source: Company data, KRChoksey Research

ROA Tree	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E
Interest income	14.7%	12.1%	10.9%	11.1%	11.0%
Net interest income	8.5%	7.3%	6.9%	6.7%	6.7%
Operating income	10.6%	9.4%	9.0%	8.5%	8.5%
Operating expense	3.3%	2.7%	2.8%	3.1%	2.9%
PPOP	7.4%	6.6%	6.2%	5.4%	5.5%
Provisions	1.9%	3.8%	6.1%	2.4%	2.3%
PBT	5.5%	2.9%	0.1%	3.1%	3.2%
PAT	4.1%	2.1%	0.1%	3.0%	3.1%
Average total assets (INR Bn)	740.8	1033.6	1269.3	1532.1	1850.1
Leverage (x)	5.6x	6.3x	7.3x	7.8x	7.4x
RoE (%)	22.9%	13.5%	0.7%	23.3%	23.3%

Source: Company data, KRChoksey Research

Bandhan Bank Ltd.

KEY RATIOS	FY 2020	FY 2021	FY 2022	FY 2023E	FY 2024E
Growth rates					
Advances (%)	68.1%	22.5%	15.1%	21.2%	19.8%
Deposits (%)	32.0%	36.6%	23.5%	22.0%	23.0%
Total assets (%)	62.5%	25.4%	20.8%	20.7%	22.3%
NII (%)	40.7%	19.6%	15.2%	20.3%	21.3%
Pre-provisioning profit (%)	45.3%	25.9%	16.9%	6.6%	24.7%
PAT (%)	54.9%	-27.1%	-94.3%	NA	21.6%
Balance sheet ratios					
Credit/Deposit (%)	116.7%	104.7%	97.6%	96.9%	94.4%
Advances/Total assets (%)	72.6%	71.0%	67.7%	68.0%	66.6%
Leverage (x)	5.6x	6.3x	7.3x	7.7x	7.4x
Operating efficiency					
Cost/income (%)	30.8%	29.1%	30.5%	35.5%	33.7%
Opex/total assets (%)	3.3%	2.7%	2.8%	3.1%	2.9%
Opex/total interest earning assets (%)	29.6%	26.4%	28.6%	32.3%	30.6%
Profitability					
NIM (%)	7.7%	7.1%	7.1%	7.2%	7.2%
RoA (%)	4.1%	2.1%	0.1%	3.1%	3.1%
RoE (%)	22.9%	13.5%	0.7%	24.3%	23.3%
Per share data / Valuation					
EPS (INR)	18.8	13.7	0.8	29.8	36.3
BV (INR)	94.4	108.1	107.9	137.8	174.0
ABV (INR)	83.2	90.1	78.0	122.6	167.1
P/E (x)	10.8x	23.0x	366.2x	9.6x	7.9x
P/BV (x)	2.2x	2.9x	2.7x	2.1x	1.6x
P/ABV (x)	2.4x	3.5x	3.7x	2.3x	1.7x

Source: Company data, KRChoksey Research
 NM – Not Meaningful

Bandhan Bank Ltd.

Bandhan Bank Ltd.				Rating Legend (Expected over a 12-month period)	
Date	CMP (INR)	TP (INR)	Recommendation	Our Rating	Upside
25-Jul-22	286	385	BUY	Buy	More than 15%
17-May-22	339	385	ACCUMULATE		
21-Jan-22	295	329	ACCUMULATE	Accumulate	5% – 15%
01-Nov-21	291	307	HOLD		
31-Jul-21	291	307	HOLD	Hold	0 – 5%
09-May-21	297	307	HOLD		
22-Jan-21	315	457	BUY	Reduce	-5% – 0
03-Nov-20	301	431	BUY		
16-Jul-20	349	431	BUY	Sell	Less than – 5%
14-May-20	252	307	BUY		

ANALYST CERTIFICATION:

I, Priyanka Baliga [M.Com, BMS (Finance)], Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I 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.

Terms & Conditions and other disclosures:

KRChoksey Shares and Securities Pvt. Ltd. (hereinafter referred to as KRCSPL) is a registered member of National Stock Exchange of India Limited and Bombay Stock Exchange Limited. KRCSPL is a registered Research Entity vide SEBI Registration No. INH00001295 under SEBI (Research Analyst) Regulations, 2014.

We submit that no material disciplinary action has been taken on KRCSPL and its associates (Group Companies) by any Regulatory Authority impacting Equity Research Analysis activities.

KRCSPL prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analyst covers. The information and opinions in this report have been prepared by KRCSPL 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 KRCSPL. While we would endeavor to update the information herein on a reasonable basis, KRCSPL is not under any obligation to update the information. Also, there may be regulatory, compliance or other reasons that may prevent KRCSPL 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 KRCSPL policies, in circumstances where KRCSPL 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. KRCSPL 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. KRCSPL 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. Our employees in sales and marketing team, dealers and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

Associates (Group Companies) of KRCSPL might have received any commission/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 brokerage services or specific transaction or for products and services other than brokerage services.

KRCSPL or its Associates (Group Companies) have not managed or co-managed public offering of securities for the subject company in the past twelve months.

KRCSPL encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. KRCSPL 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 KRCSPL nor Research Analysts have any material conflict of interest at the time of publication of this report.

It is confirmed that, Priyanka Baliga (M.Com, BMS (Finance)), Research Analyst, of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific brokerage service transactions.

KRCSPL or its associates (Group Companies) collectively or its research analyst do not hold any financial interest/beneficial ownership of more than 1% (at the end of the month immediately preceding the date of publication of the research report) in the company covered by Analyst, and has not been engaged in market making activity of the company covered by research analyst.

It is confirmed that, Priyanka Baliga (M.Com, BMS (Finance)), Research Analyst, do not serve as an officer, director or employee of the companies mentioned in the report.

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 KRCSPL 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 them of and to observe such restriction.

Please send your feedback to research.insti@krchoksey.com
Visit us at www.krchoksey.com

KRChoksey Shares and Securities Pvt. Ltd.

Registered Office:

1102, Stock Exchange Tower, Dalal Street, Fort, Mumbai – 400 001.

Phone: +91-22-6633 5000; Fax: +91-22-6633 8060.

Corporate Office:

ABHISHEK, 5th Floor, Link Road, Andheri (W), Mumbai – 400 053.

Phone: +91-22-6696 5555; Fax: +91-22-6691 9576.