

Estimate change	↓
TP change	↔
Rating change	↓

Bloomberg	RBK IN
Equity Shares (m)	600
M.Cap.(INRb)/(USDb)	97 / 1.2
52-Week Range (INR)	189 / 74
1, 6, 12 Rel. Per (%)	13/16/29
12M Avg Val (INR M)	2248

## Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
NII	44.5	52.3	60.4
OP	22.0	26.5	32.8
NP	8.8	11.2	14.2
NIM (%)	4.3	4.5	4.5
EPS (INR)	14.7	18.6	23.6
EPS Gr. (%)	NM	26.7	26.7
BV/Sh. (INR)	226	241	259
ABV/Sh. (INR)	217	233	250

## Ratios

RoE (%)	6.7	8.0	9.5
RoA (%)	0.8	0.9	1.0

## Valuations

P/E(X)	11.0	8.7	6.8
P/BV (X)	0.7	0.7	0.6
P/ABV (X)	0.7	0.7	0.6

## Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	0.0	0.0	0.0
DII	22.6	22.3	21.8
FII	22.3	26.9	28.2
Others	55.1	50.8	50.0

FII Includes depository receipts

**CMP: INR162 TP: INR185 (+14%) Downgrade to Neutral**

**Business growth recovering; downgrade to Neutral on modest return ratios**

## Cost ratios to remain elevated

- RBK reported a beat in 4QFY23 earnings, driven by lower provisions as the operating performance was in line with estimates. Business growth saw healthy trends across segments. Margin expanded by 27bp QoQ to 5.01%, aided by the utilization of excess liquidity. Deposit growth was modest, though CASA saw a QoQ increase.
- Fresh slippages increased to INR6.8b (4.5% annualized). However, higher recoveries and upgrades resulted in a 24bp/8bp QoQ improvement in GNPA/NNPA ratios to 3.4%/1.1%. PCR stood stable at ~68%.
- We marginally cut our earnings estimates to factor in higher opex and elevated credit costs (guidance of ~1.5% vs 29bp for 4Q23), which will limit the expansion in RoA. We thus estimate RBK to deliver FY25 RoA/RoE of 1.0%/9.5%. **Downgrade our rating to Neutral with a TP of INR185 (premised on 0.8x Sep'24E ABV).**

## Margin up 27bp QoQ to 5.01%; asset quality improves

- RBK reported a PAT of INR2.7b (+37% YoY; significant beat), driven by lower provision (down 20% QoQ). NII grew 7% YoY (in line), supported by margin expansion of 27bp QoQ to 5.01%. Margin was aided by the utilization of excess liquidity as the LCR ratio declined 18% QoQ to 126%.
- Other income grew 32% YoY, led by a 28% YoY increase in fee income. Treasury gains came in at INR135m. Opex rose 31% YoY, fueled by investments in building the franchise. Thus, the C/I ratio increased to 68.5%. PPop declined 10% YoY to INR5.9b (in line). For FY23, NII grew 10.5% YoY, while PPop declined 20% YoY. PAT increased to INR8.8b v/s loss in FY22.
- Advances grew 17% YoY (+5% QoQ) to INR702b, driven by ~21% YoY growth in retail loans and 13% YoY growth in wholesale advances. Within Retail, rural vehicle finance grew 32% QoQ, while the MFI book increased 19% QoQ. Credit cards book grew at a steady pace of 7% QoQ. The share of Credit Cards thus stands at 24% of loans.
- Deposits grew 7% YoY, led by CASA deposits (4% YoY/6% QoQ). The CASA ratio thus increased 80bp QoQ to 37.4%.
- Fresh slippages increased to INR6.8b (4.5% annualized); however, higher recoveries and upgrades led to an improvement in asset quality ratios. GNPA/NNPA ratios improved by 24bp/8bp QoQ to 3.4%/1.1%. PCR remained stable at ~68%. Restructuring book too moderated to 1.2% of loans v/s 1.4% in 3QFY23.

**Highlights from the management commentary**

- RBK is planning to add ~50-75 branches every year.
- The bank expects a credit cost of 1.5% for FY24 and expects RoA/RoE to increase by 10-20bp/100-150bp every year until FY26.
- It expects a 20%+ CAGR in advances and deposits, with the mix of Housing, Wheels, Gold and Small Business loans increasing to 30% by FY26.
- RBK aims to increase the mix of retail deposits by ~3% every year to reach 50% by FY26. It expects to increase the average CASA ratio by 1-2% every year.

**Valuation and view**

RBK reported a beat in 4QFY23 earnings, driven by lower provisions, while margins improved by 27bp QoQ. Business growth is recovering and the management expects the trend to remain healthy, led by retail loans. Asset quality and restructured book witnessed improvements, though slippages remained elevated. We marginally cut our earnings estimates to factor in higher opex as RBK continues to invest in new areas of business and branch expansion. Moreover, we believe there are limited levers to improve NIM further as the bank has already benefitted from the deployment of surplus liquidity. This will limit overall PPOP growth, which, along with an elevated credit cost (guidance of ~1.5% v/s 29bp for 4QFY23), will limit the overall expansion in RoA. **We estimate RBK to deliver FY25 RoA/RoE of 1.0%/9.5%. Downgrade our rating to Neutral with a TP of INR185 (premised on 0.8x Sep'24E ABV).**

**Quarterly performance**

(INR m)

	FY22				FY23				FY22	FY23E	FY23E V/s our 4QE Est (%).	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Net Interest Income</b>	9,695	9,155	10,104	11,313	10,277	10,644	11,482	12,112	40,267	44,515	12,128	0
% Change (Y-o-Y)	-6.9	-1.8	11.3	24.9	6.0	16.3	13.6	7.1	6.3	10.5	7.2	
Other Income	6,534	5,929	5,830	5,114	6,136	5,833	6,184	6,741	23,405	24,894	6,188	9
<b>Total Income</b>	<b>16,229</b>	<b>15,083</b>	<b>15,934</b>	<b>16,427</b>	<b>16,413</b>	<b>16,477</b>	<b>17,666</b>	<b>18,853</b>	<b>63,673</b>	<b>69,409</b>	<b>18,317</b>	<b>3</b>
Operating Expenses	8,567	8,174	9,626	9,853	11,122	11,354	11,994	12,915	36,220	47,384	12,246	5
<b>Operating Profit</b>	<b>7,661</b>	<b>6,910</b>	<b>6,308</b>	<b>6,574</b>	<b>5,291</b>	<b>5,124</b>	<b>5,672</b>	<b>5,938</b>	<b>27,453</b>	<b>22,025</b>	<b>6,070</b>	<b>-2</b>
% Change (Y-o-Y)	11.1	1.4	-21.2	-10.8	-30.9	-25.9	-10.1	-9.7	-5.9	-19.8	-7.7	
Provisions	13,844	6,515	4,239	4,007	2,530	2,415	2,927	2,347	28,604	10,219	3,164	-26
<b>Profit before Tax</b>	<b>-6,182</b>	<b>395</b>	<b>2,069</b>	<b>2,568</b>	<b>2,761</b>	<b>2,709</b>	<b>2,745</b>	<b>3,591</b>	<b>-1,151</b>	<b>11,805</b>	<b>2,907</b>	<b>24</b>
Tax	-1,588	87	508	589	750	693	655	880	-404	2,978	702	25
<b>Net Profit</b>	<b>-4,595</b>	<b>308</b>	<b>1,561</b>	<b>1,978</b>	<b>2,012</b>	<b>2,016</b>	<b>2,090</b>	<b>2,711</b>	<b>-747</b>	<b>8,827</b>	<b>2,205</b>	<b>23</b>
% Change (Y-o-Y)	NM	-78.6	6.1	162.6	NM	NM	33.9	37.0	NM	NM	11.5	
<b>Operating Parameters</b>												
Deposit (INR b)	744.7	755.9	736.4	790.1	792.2	794.0	817.5	848.9	790.1	848.9	848.8	0
Loan (INR b)	565.3	560.1	581.4	600.2	602.7	629.4	666.8	702.1	600.2	702.1	692.7	1
Deposit Growth (%)	20.6	17.2	9.6	8.0	6.4	5.0	11.0	7.4	8.0	7.4	7.4	1
Loan Growth (%)	-0.3	-0.3	3.0	2.4	6.6	12.4	14.7	17.0	2.4	17.0	15.4	157
<b>Asset Quality</b>												
Gross NPA (%)	5.0	5.4	4.8	4.4	4.1	3.8	3.6	3.4	4.4	3.4	3.4	-5
Net NPA (%)	2.0	2.1	1.9	1.3	1.2	1.3	1.2	1.1	1.3	1.1	1.1	0
PCR (%)	60.9	61.7	62.9	70.4	72.5	67.8	68.0	68.1	70.4	68.1	68.6	-53

## Quarterly snapshot

Profit and Loss INR m	FY21				FY22				FY23				Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	YoY	QoQ
<b>Interest Income</b>	<b>22,594</b>	<b>20,967</b>	<b>20,076</b>	<b>19,654</b>	<b>20,258</b>	<b>19,748</b>	<b>20,442</b>	<b>21,310</b>	<b>20,893</b>	<b>21,757</b>	<b>23,686</b>	<b>24,962</b>	<b>17</b>	<b>5</b>
Loans	17,991	16,471	15,644	15,131	15,706	15,154	15,769	16,540	16,012	16,768	18,829	19,707	19	5
Investment	3,329	3,347	3,526	3,430	3,475	3,360	3,295	3,345	3,588	4,176	4,044	4,448	33	10
Others	1,274	1,149	906	1,092	1,077	1,234	1,378	1,424	1,293	813	813	807	-43	-1
<b>Interest Expenses</b>	<b>12,181</b>	<b>11,646</b>	<b>10,994</b>	<b>10,594</b>	<b>10,563</b>	<b>10,593</b>	<b>10,338</b>	<b>9,996</b>	<b>10,616</b>	<b>11,113</b>	<b>12,205</b>	<b>12,850</b>	<b>29</b>	<b>5</b>
<b>Net Interest Income</b>	<b>10,413</b>	<b>9,321</b>	<b>9,082</b>	<b>9,060</b>	<b>9,695</b>	<b>9,155</b>	<b>10,104</b>	<b>11,313</b>	<b>10,277</b>	<b>10,644</b>	<b>11,482</b>	<b>12,112</b>	<b>7</b>	<b>5</b>
<b>Other Income</b>	<b>3,333</b>	<b>4,182</b>	<b>5,759</b>	<b>5,488</b>	<b>6,534</b>	<b>5,929</b>	<b>5,830</b>	<b>5,114</b>	<b>6,136</b>	<b>5,833</b>	<b>6,184</b>	<b>6,741</b>	<b>32</b>	<b>9</b>
Trading profits	967	711	979	110	1,568	889	233	-51	798	408	309	135	-364	-56
Fee Income	2,367	3,471	4,780	5,378	4,966	5,039	5,597	5,165	5,338	5,425	5,875	6,606	28	12
<b>Total Income</b>	<b>13,746</b>	<b>13,503</b>	<b>14,841</b>	<b>14,549</b>	<b>16,229</b>	<b>15,083</b>	<b>15,934</b>	<b>16,427</b>	<b>16,413</b>	<b>16,477</b>	<b>17,666</b>	<b>18,853</b>	<b>15</b>	<b>7</b>
<b>Operating Expenses</b>	<b>6,849</b>	<b>6,685</b>	<b>6,832</b>	<b>7,179</b>	<b>8,567</b>	<b>8,174</b>	<b>9,626</b>	<b>9,853</b>	<b>11,122</b>	<b>11,354</b>	<b>11,994</b>	<b>12,915</b>	<b>31</b>	<b>8</b>
Employee	2,124	2,153	2,107	2,070	2,315	2,376	2,534	2,790	3,090	3,410	3,329	3,574	28	7
Others	4,725	4,532	4,725	5,110	6,252	5,797	7,092	7,063	8,032	7,944	8,664	9,341	32	8
<b>Operating Profits</b>	<b>6,897</b>	<b>6,818</b>	<b>8,008</b>	<b>7,369</b>	<b>7,661</b>	<b>6,910</b>	<b>6,308</b>	<b>6,574</b>	<b>5,291</b>	<b>5,124</b>	<b>5,672</b>	<b>5,938</b>	<b>-10</b>	<b>5</b>
<b>Core PPoP</b>	<b>5,931</b>	<b>6,107</b>	<b>7,029</b>	<b>7,259</b>	<b>6,093</b>	<b>6,021</b>	<b>6,075</b>	<b>6,625</b>	<b>4,494</b>	<b>4,715</b>	<b>5,363</b>	<b>5,803</b>	<b>-12</b>	<b>8</b>
Provisions	5,002	4,876	6,058	6,266	13,844	6,515	4,239	4,007	2,530	2,415	2,927	2,347	-41	-20
<b>PBT</b>	<b>1,896</b>	<b>1,942</b>	<b>1,951</b>	<b>1,103</b>	<b>-6,182</b>	<b>395</b>	<b>2,069</b>	<b>2,568</b>	<b>2,761</b>	<b>2,709</b>	<b>2,745</b>	<b>3,591</b>	<b>40</b>	<b>31</b>
Taxes	483	500	480	349	-1,588	87	508	589	750	693	655	880	49	34
<b>PAT</b>	<b>1,412</b>	<b>1,442</b>	<b>1,471</b>	<b>753</b>	<b>-4,595</b>	<b>308</b>	<b>1,561</b>	<b>1,978</b>	<b>2,012</b>	<b>2,016</b>	<b>2,090</b>	<b>2,711</b>	<b>37</b>	<b>30</b>
<b>Balance Sheet</b>														
Deposits (INR b)	617	645	672	731	745	756	736	790	792	794	817	849	7	4
Loans (INR b)	567	562	564	586	565	560	581	600	603	629	667	702	17	5
<b>Asset Quality</b>														
<b>GNPA</b>	<b>19,921</b>	<b>19,117</b>	<b>10,502</b>	<b>26,015</b>	<b>29,113</b>	<b>31,309</b>	<b>29,019</b>	<b>27,284</b>	<b>25,369</b>	<b>24,566</b>	<b>24,687</b>	<b>24,199</b>	<b>-11</b>	<b>-2</b>
<b>NNPA</b>	<b>9,327</b>	<b>7,758</b>	<b>4,025</b>	<b>12,414</b>	<b>11,372</b>	<b>12,004</b>	<b>10,755</b>	<b>8,066</b>	<b>6,971</b>	<b>7,902</b>	<b>7,899</b>	<b>7,725</b>	<b>-4</b>	<b>-2</b>
Slippages	50	1,450	0	29,980	13,420	12,170	7,660	6,190	6,530	8,120	6,080	6,810	10	12
<b>Ratios (%)</b>														
FY21				FY22				FY23				Change (bp)		
<b>Asset Quality Ratios</b>	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>	<b>YoY</b>	<b>QoQ</b>
GNPA	3.5	3.3	1.8	4.3	5.0	5.4	4.8	4.4	4.1	3.8	3.6	3.4	-103	-24
NNPA	1.7	1.4	0.7	2.1	2.0	2.1	1.9	1.3	1.2	1.3	1.2	1.1	-24	-8
PCR (Calc.)	53	59	62	52	61	62	63	70	73	68	68	68	-236	7
<b>PCR (Reported)</b>	<b>70</b>	<b>75</b>	<b>86</b>	<b>72</b>	<b>76</b>	<b>77</b>	<b>79</b>	<b>83</b>	<b>85</b>	<b>84</b>	<b>85</b>	<b>85</b>	<b>160</b>	<b>30</b>
<b>Business Ratios</b>														
Fees to Total Inc.	17.2	25.7	32.2	37.0	30.6	33.4	35.1	31.4	32.5	32.9	33.3	35.0	360	178
Cost to Core Income	53.6	52.3	49.3	49.7	58.4	57.6	61.3	59.8	71.2	70.7	69.1	69.0	920	-10
Tax Rate	25.5	25.8	24.6	31.7	25.7	22.0	24.5	22.9	27.1	25.6	23.9	24.5	157	65
CASA mix	30.1	31.1	31.0	31.8	33.6	35.3	34.4	35.3	36.0	36.2	36.6	37.4	210	80
Loan/Deposit	91.8	87.1	84.0	80.2	75.9	74.1	79.0	76.0	76.1	79.3	81.6	82.7	674	114
RWA / Assets (%)	74.3	74.8	74.5	73.5	73.4	73.3	131.6	71.5	72.6	74.7	76.1	73.5	200	-261
<b>Profitability Ratios</b>														
Yield on loans	13.0	12.3	11.5	11.2	11.6	11.3	11.3	12.2	11.2	11.5	12.0	12.6	38	64
Yield On Inv.	7.3	6.5	6.4	6.6	6.2	6.2	5.5	5.9	5.4	7.0	6.5	7.0	108	45
Yield on Funds	11.5	10.3	9.7	9.4	9.9	9.8	9.6	9.7	9.5	10.0	10.5	10.6	89	16
Cost of funds	6.3	6.0	5.8	5.5	5.3	5.1	4.8	4.8	4.9	5.2	5.6	5.9	104	30
<b>Margins</b>	<b>5.3</b>	<b>4.6</b>	<b>4.4</b>	<b>4.3</b>	<b>4.7</b>	<b>4.5</b>	<b>4.8</b>	<b>5.2</b>	<b>4.7</b>	<b>4.9</b>	<b>5.1</b>	<b>5.2</b>	<b>-1</b>	<b>8</b>
RoA	0.6	0.6	0.6	0.3	-1.9	0.1	0.6	0.8	0.8	0.8	0.8	1.0	23	22
RoE	5.2	5.2	4.8	2.4	-14.5	1.0	5.0	6.4	6.3	6.1	6.3	8.1	176	186
<b>Distribution reach</b>														
Branches	392	398	403	429	435	445	500	502	502	507	516	517	15	1
ATMS's	389	402	412	412	380	386	407	414	417	413	413	414	0	1



## Highlights from the management commentary

### P&L and balance sheet

- Disbursals other than the Cards business amounted to INR44b in 4QFY23, wherein the MFI book saw a monthly disbursal rate of INR8b.
- Housing and Vehicle book also saw an increase in disbursements to INR9b and INR3b, respectively.
- The Retail and Small Business deposits stood at 42.8% as on 4QFY23.
- Deposits below INR20m grew by 19% YoY.
- The bank has reported its highest-ever profit and has achieved full normalcy in business. It expects the operating profits to improve further.
- NIMs expanded due to optimum utilization of excess LCR deposits and improvement in yields due to interest rate changes v/s a lag in re-pricing the cost of deposits.
- The LCR ratio declined to 126% from 144% in 3QFY23 and the bank expects to maintain the LCR at the same level.
- The bank aims to continue to grow in the Commercial Banking, Credit Card and MFI business.
- RBK plans to add 50-75 branches every year.
- It has 821 distribution points of RBL Finserv and 517 bank branches, which are focused on a single product. RBL Finserv focuses on MFI lending, while the bank branches focus on liability and third-party income.
- As the bank acquires new customers, it expects the revolver rates to improve by 100-200bp, while the EMI base is expected to remain stable.
- Spends in cards grew by 24-25% in FY23 and are expected to grow ~20-22% going ahead.

### Asset quality

- Slippages for the Wholesale/Cards book amounted to INR1.2b/INR2.4b, while recoveries amounted to INR1.3b/INR2.4b.
- Net restructured advances stood at 1.2% of the total advances.
- The bank expects a credit cost of 1.5% for FY24.

### Guidance for FY24-26

- RBK expects a 20%+ CAGR in advances and deposits.
- The bank aims to increase the share of Housing, Wheels, Gold and Small Business loans to 30% of total loans by FY26 from 8% in FY23. Growth in these businesses will account for half of deposit growth.
- It targets to increase the mix of retail deposits by ~3% each year to reach 50% by FY26 from 43% in FY23. The average CASA ratio is expected to increase by 1-2% every year.
- RBK expects ROA and ROE to increase by 10-20bp and 100-150bp each year until FY26.

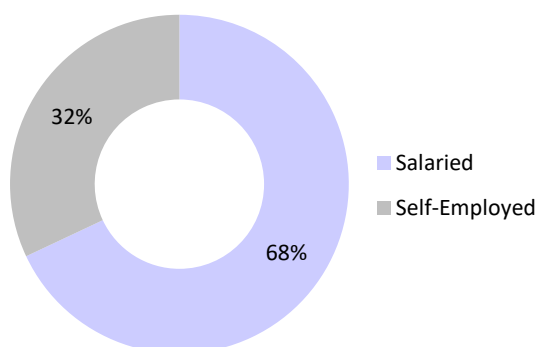
## Key exhibits

### Exhibit 1: Credit Cards constitute ~24% of its total loan portfolio

INR m	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	YoY	QoQ
Total spends	122,760	131,610	141,290	158,210	165,620	34.9%	4.7%
Credit Card book	135,750	142,810	149,080	157,340	168,520	24.1%	7.1%
As a percentage of total book	22.6%	23.7%	23.7%	23.6%	24.0%		

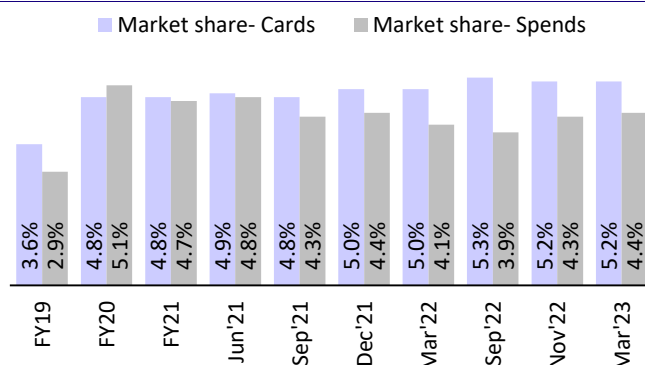
Source: MOFSL, Company

### Exhibit 2: Salaried segment constitutes 68% of total Credit Card base



Source: MOFSL, Company

### Exhibit 3: RBK's market share in spends has risen, while it remains stable in o/s cards



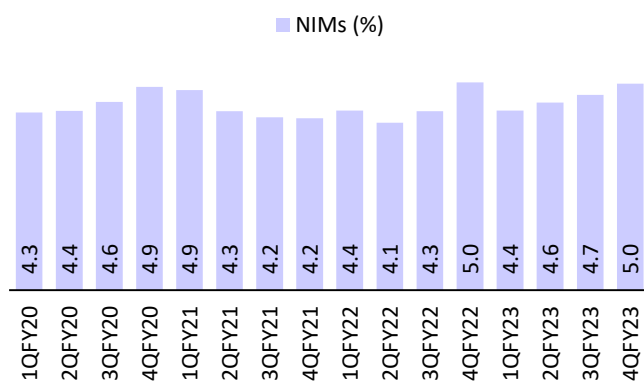
Source: MOFSL, Company

## Valuation and view

- RBK witnessed an improvement in its asset quality ratio, with GNPA/NNPA ratios moderating 24bp/8bp QoQ to 3.4%/1.1%, led by healthy recoveries and upgrades. PCR stood stable at ~68%. Restructured book too declined to 1.21% from 1.44% in 3QFY23, which should keep asset quality under control. We expect slippages to remain elevated at 3.2-3.4% over FY23-25 and estimate a credit cost of 1.45-1.5% over FY23-25.
- Growth momentum is likely to be fueled by Retail advances, as the management has guided for a steady improvement. The business mix will thus move in favor of Retail, which currently stands at ~54%; the target is to increase it to 60-65%. Wholesale book is likely to grow in a calibrated manner. Nevertheless, we expect margins to remain range-bound and expect a 22% CAGR in PPOP over FY23-25.
- **Downgrade to Neutral with a TP of INR185:** RBK reported a beat in 4QFY23 earnings, driven by lower provisions, while margins improved by 27bp QoQ. Business growth is recovering and the management expects the trend to remain healthy, led by retail loans. Asset quality and restructured book witnessed improvements, though slippages remained elevated. We marginally cut our earnings estimates to factor in higher opex as RBK continues to invest in new areas of business and branch expansion. Moreover, we believe there are limited levers to improve NIM further as the bank has already benefitted from the deployment of surplus liquidity. This will limit overall PPOP growth, which, along with an elevated credit cost (guidance of ~1.5% vs 29bp for 4QFY23), will limit the overall expansion in RoA. **We estimate RBK to deliver FY25 RoA/RoE of 1.0%/9.5%. Downgrade our rating to Neutral with a TP of INR185 (premised on 0.8x Sep'24E ABV).**

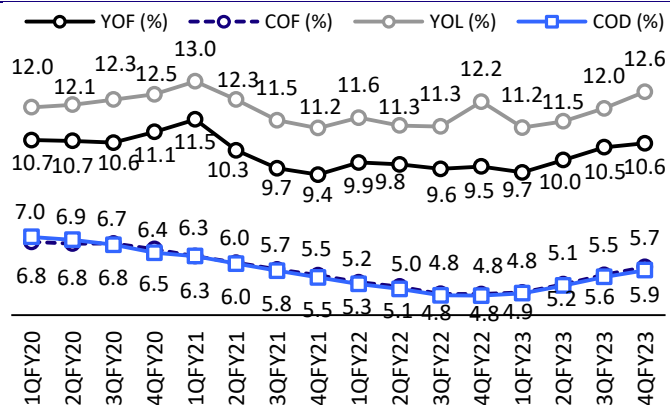
## Story in charts

**Exhibit 4: NIM expands 27bp QoQ to 5.01%**



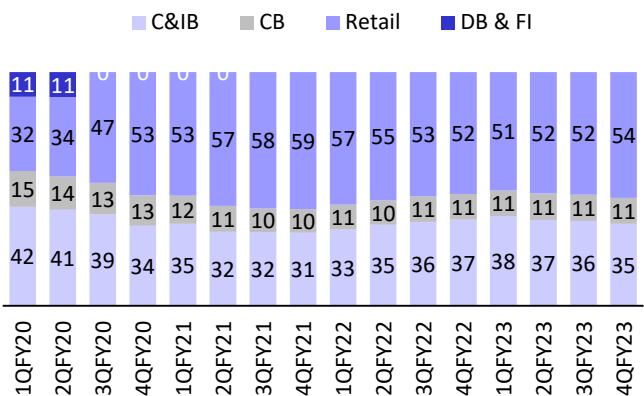
Source: MOFSL, Company

**Exhibit 5: Cost of deposits increases 26bp QoQ to ~5.7%**



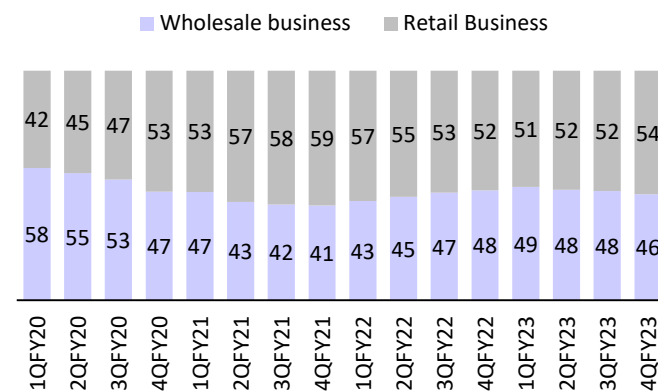
Source: MOFSL, Company

**Exhibit 6: Loan mix composition**



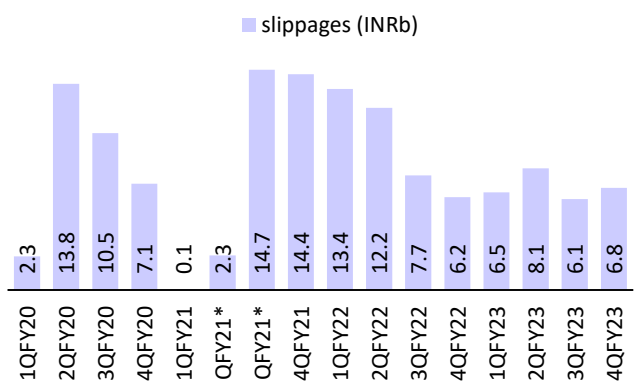
Source: MOFSL, Company

**Exhibit 7: Share of non-Wholesale business stands at 54%**



Source: MOFSL, Company

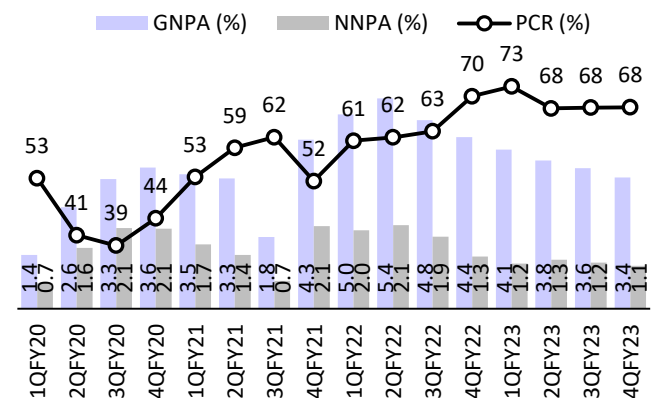
**Exhibit 8: Slippages increase 12% QoQ to INR6.8b**



\*Pro-forma slippages

Source: MOFSL, Company

**Exhibit 9: GNPA/NNPA ratios improve 24bp/8bp QoQ to 3.4%/1.1%; PCR stable at 68%**



Source: MOFSL, Company

**Exhibit 10: DuPont analysis – Return ratios to improve gradually over the medium term**

<b>Y/E MARCH</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24E</b>	<b>FY25E</b>
Interest Income	8.16	8.86	10.06	8.78	7.90	8.22	9.13	9.21
Interest Expense	4.96	5.29	5.77	4.79	4.01	4.21	4.90	4.96
<b>Net Interest Income</b>	<b>3.20</b>	<b>3.57</b>	<b>4.29</b>	<b>3.99</b>	<b>3.89</b>	<b>4.01</b>	<b>4.23</b>	<b>4.25</b>
Fee income	1.63	1.92	2.07	1.70	2.02	2.13	2.31	2.48
Trading and others	0.30	0.11	0.19	0.29	0.24	0.11	0.12	0.13
<b>Non-Interest income</b>	<b>1.93</b>	<b>2.03</b>	<b>2.26</b>	<b>1.99</b>	<b>2.26</b>	<b>2.24</b>	<b>2.44</b>	<b>2.61</b>
<b>Total Income</b>	<b>5.13</b>	<b>5.60</b>	<b>6.54</b>	<b>5.98</b>	<b>6.16</b>	<b>6.25</b>	<b>6.67</b>	<b>6.86</b>
<b>Operating Expenses</b>	<b>2.72</b>	<b>2.87</b>	<b>3.34</b>	<b>2.91</b>	<b>3.50</b>	<b>4.27</b>	<b>4.53</b>	<b>4.55</b>
Employee cost	1.00	0.89	0.91	0.89	0.97	1.21	1.26	1.25
Others	1.72	1.98	2.43	2.01	2.53	3.06	3.27	3.30
<b>Operating Profit</b>	<b>2.41</b>	<b>2.73</b>	<b>3.21</b>	<b>3.08</b>	<b>2.65</b>	<b>1.98</b>	<b>2.14</b>	<b>2.31</b>
<b>Core Operating Profit</b>	<b>2.11</b>	<b>2.62</b>	<b>3.02</b>	<b>2.79</b>	<b>2.41</b>	<b>1.87</b>	<b>2.02</b>	<b>2.18</b>
<b>Provisions</b>	<b>0.66</b>	<b>0.90</b>	<b>2.32</b>	<b>2.35</b>	<b>2.77</b>	<b>0.92</b>	<b>0.93</b>	<b>0.98</b>
NPA	0.47	0.66	2.20	2.31	2.42	0.92	0.89	0.95
Others	0.19	0.24	0.12	0.04	0.35	0.00	0.04	0.03
<b>PBT</b>	<b>1.75</b>	<b>1.83</b>	<b>0.89</b>	<b>0.73</b>	<b>-0.11</b>	<b>1.06</b>	<b>1.21</b>	<b>1.33</b>
Tax	0.60	0.61	0.29	0.19	-0.04	0.27	0.30	0.34
<b>RoA</b>	<b>1.15</b>	<b>1.22</b>	<b>0.60</b>	<b>0.54</b>	<b>-0.07</b>	<b>0.79</b>	<b>0.90</b>	<b>1.00</b>
<i>Leverage (x)</i>	<i>10.1</i>	<i>10.0</i>	<i>9.3</i>	<i>8.2</i>	<i>8.2</i>	<i>8.5</i>	<i>8.8</i>	<i>9.5</i>
<b>RoE</b>	<b>11.6</b>	<b>12.2</b>	<b>5.6</b>	<b>4.4</b>	<b>-0.6</b>	<b>6.7</b>	<b>8.0</b>	<b>9.5</b>



## Financials and valuations

Income Statement							(INR m)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Interest Income	45,076	63,007	85,144	83,290	81,758	91,299	112,938	130,727
Interest Expense	27,413	37,612	48,847	45,415	41,491	46,784	60,611	70,340
<b>Net Interest Income</b>	<b>17,663</b>	<b>25,395</b>	<b>36,296</b>	<b>37,876</b>	<b>40,267</b>	<b>44,515</b>	<b>52,327</b>	<b>60,386</b>
Growth (%)	44.6	43.8	42.9	4.4	6.3	10.5	17.5	15.4
Non-Interest Income	10,682	14,424	19,102	18,840	23,405	24,894	30,122	37,050
<b>Total Income</b>	<b>28,345</b>	<b>39,818</b>	<b>55,399</b>	<b>56,716</b>	<b>63,673</b>	<b>69,409</b>	<b>82,449</b>	<b>97,437</b>
Growth (%)	43.4	40.5	39.1	2.4	12.3	9.0	18.8	18.2
Operating Expenses	15,034	20,420	28,256	27,546	36,220	47,384	55,985	64,632
<b>Pre Provision Profits</b>	<b>13,311</b>	<b>19,398</b>	<b>27,143</b>	<b>29,170</b>	<b>27,453</b>	<b>22,025</b>	<b>26,463</b>	<b>32,805</b>
Growth (%)	44.6	45.7	39.9	7.5	-5.9	-19.8	20.2	24.0
<b>Core PPP</b>	<b>11,645</b>	<b>18,615</b>	<b>25,548</b>	<b>26,449</b>	<b>24,961</b>	<b>20,779</b>	<b>24,968</b>	<b>31,010</b>
Growth (%)	46.2	59.8	37.2	3.5	-5.6	-16.8	20.2	24.2
Provisions (excl. tax)	3,645	6,407	19,615	22,279	28,604	10,219	11,523	13,874
<b>PBT</b>	<b>9,665</b>	<b>12,992</b>	<b>7,528</b>	<b>6,891</b>	<b>-1,151</b>	<b>11,805</b>	<b>14,940</b>	<b>18,930</b>
Tax	3,315	4,322	2,471	1,813	-404	2,978	3,760	4,765
Tax Rate (%)	34.3	33.3	32.8	26.3	35.1	25.2	25.2	25.2
<b>PAT</b>	<b>6,351</b>	<b>8,670</b>	<b>5,057</b>	<b>5,078</b>	<b>-747</b>	<b>8,827</b>	<b>11,180</b>	<b>14,166</b>
Growth (%)	42.4	36.5	-41.7	0.4	NM	NM	26.7	26.7

### Balance Sheet

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	4,197	4,267	5,087	5,980	5,995	5,996	5,996	5,996
Reserves & Surplus	62,643	71,206	100,742	120,646	120,187	129,770	138,334	149,185
<b>Net Worth</b>	<b>66,840</b>	<b>75,473</b>	<b>105,829</b>	<b>126,626</b>	<b>126,182</b>	<b>135,766</b>	<b>144,330</b>	<b>155,180</b>
<b>Deposits</b>	<b>439,023</b>	<b>583,944</b>	<b>578,122</b>	<b>731,213</b>	<b>790,065</b>	<b>848,865</b>	<b>984,684</b>	<b>1,152,080</b>
Growth (%)	26.9	33.0	-1.0	26.5	8.0	7.4	16.0	17.0
<b>of which CASA Deposits</b>	<b>106,783</b>	<b>145,875</b>	<b>171,156</b>	<b>232,642</b>	<b>278,790</b>	<b>316,627</b>	<b>359,410</b>	<b>415,901</b>
Growth (%)	40.5	36.6	17.3	35.9	19.8	13.6	13.5	15.7
Borrowings	92,614	118,321	170,067	112,259	110,930	133,313	140,698	167,594
Other Liabilities & Prov.	20,031	25,850	35,759	36,409	34,908	40,818	44,900	49,390
<b>Total Liabilities</b>	<b>618,508</b>	<b>803,588</b>	<b>889,778</b>	<b>1,006,506</b>	<b>1,062,086</b>	<b>1,158,762</b>	<b>1,314,611</b>	<b>1,524,244</b>
Cash & Balances with RBI	25,893	48,395	64,151	67,047	131,111	62,381	67,523	65,984
Balances with Banks & money at Call	16,951	17,626	24,421	67,195	44,366	22,820	32,636	38,271
<b>Investments</b>	<b>154,475</b>	<b>168,404</b>	<b>181,497</b>	<b>232,300</b>	<b>222,739</b>	<b>288,755</b>	<b>320,517</b>	<b>371,800</b>
Growth (%)	14.6	9.0	7.8	28.0	-4.1	29.6	11.0	16.0
<b>Loans</b>	<b>402,678</b>	<b>543,082</b>	<b>580,190</b>	<b>586,225</b>	<b>600,218</b>	<b>702,094</b>	<b>821,449</b>	<b>969,310</b>
Growth (%)	36.7	34.9	6.8	1.0	2.4	17.0	17.0	18.0
Fixed Assets	3,340	4,025	4,698	4,665	5,481	5,740	7,165	8,628
Other Assets	15,170	22,056	34,820	49,070	58,166	76,974	65,320	70,251
<b>Total Assets</b>	<b>618,508</b>	<b>803,588</b>	<b>889,778</b>	<b>1,006,502</b>	<b>1,062,082</b>	<b>1,158,762</b>	<b>1,314,611</b>	<b>1,524,244</b>

### Asset Quality

GNPA (INR m)	5,667	7,546	21,365	26,015	27,284	24,199	22,661	24,020
NNPA (INR m)	3,126	3,728	11,894	12,414	8,066	7,725	7,019	7,154
GNPA Ratio	1.40	1.38	3.62	4.34	4.40	3.37	2.71	2.44
NNPA Ratio	0.78	0.69	2.05	2.12	1.34	1.10	0.85	0.74
Slippage Ratio	1.93	1.76	6.19	5.43	6.73	4.59	3.40	3.20
Credit Cost	1.05	1.35	3.49	3.82	4.82	1.57	1.45	1.50
PCR (Excl. Tech. write off)	44.8	50.6	44.3	52.3	70.4	68.1	69.0	70.2



## Financials and valuations

### Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
<b>Yield and Cost Ratios (%)</b>								
<b>Avg. Yield-Earning Assets</b>	<b>8.4</b>	<b>9.2</b>	<b>10.5</b>	<b>9.3</b>	<b>8.4</b>	<b>8.8</b>	<b>9.8</b>	<b>9.8</b>
Avg. Yield on loans	9.8	10.7	12.3	11.2	10.6	11.0	11.6	11.4
Avg. Yield on Investments	7.0	6.9	7.9	6.7	6.0	6.4	6.8	7.0
<b>Avg. Cost-Int. Bear. Liab.</b>	<b>5.7</b>	<b>6.1</b>	<b>6.7</b>	<b>5.7</b>	<b>4.8</b>	<b>5.0</b>	<b>5.8</b>	<b>5.8</b>
Avg. Cost of Deposits	6.0	6.3	6.9	5.5	4.7	4.9	5.7	5.7
<b>Interest Spread</b>	<b>2.7</b>	<b>3.1</b>	<b>3.8</b>	<b>3.6</b>	<b>3.6</b>	<b>3.9</b>	<b>4.0</b>	<b>4.0</b>
<b>Net Interest Margin</b>	<b>3.3</b>	<b>3.7</b>	<b>4.5</b>	<b>4.2</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>4.5</b>

### Capitalization Ratios (%)

CAR	15.3	13.5	16.5	17.5	16.8	16.9	15.9	14.7
Tier I	13.6	12.1	15.3	16.6	16.2	15.3	14.3	13.3
Tier II	1.7	1.4	1.1	0.9	0.6	1.6	1.6	1.4

### Business & Efficiency Ratios (%)

Loans/Deposit Ratio	91.7	93.0	100.4	80.2	76.0	82.7	83.4	84.1
CASA Ratio	24.3	25.0	29.6	31.8	35.3	37.3	36.5	36.1
Cost/Assets	2.4	2.5	3.2	2.7	3.4	4.1	4.3	4.2
Cost/Total Income	53.0	51.3	51.0	48.6	56.9	68.3	67.9	66.3
Cost/Core Income	56.4	52.3	52.5	51.0	59.2	69.5	69.2	67.6
Int. Expense/Int. Income	60.8	59.7	57.4	54.5	50.7	51.2	53.7	53.8
Fee Income/Net Income	26.5	30.2	28.7	25.6	29.5	29.8	30.6	32.2
Non Int. Inc./Net Income	37.7	36.2	34.5	33.2	36.8	35.9	36.5	38.0
Emp. Cost/Total Expense	36.6	31.2	27.2	30.7	27.7	28.3	27.8	27.4
Investment/Deposit Ratio	35.2	28.8	31.4	31.8	28.2	34.0	32.6	32.3

### Profitability & Valuation Ratios

RoE	11.6	12.2	5.6	4.4	-0.6	6.7	8.0	9.5
RoA	1.1	1.2	0.6	0.5	-0.1	0.8	0.9	1.0
RoRWA	1.5	1.6	0.8	0.7	-0.1	1.1	1.2	1.3
Book Value (INR)	159	177	208	212	210	226	241	259
Growth (%)	40.5	11.1	17.6	1.8	-0.6	7.6	6.3	7.5
<b>Price-BV (x)</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>
Adjusted BV (INR)	153	169	190	195	199	217	233	250
<b>Price-ABV (x)</b>	<b>1.1</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>
EPS (INR)	15.1	20.3	9.9	8.5	-1.2	14.7	18.6	23.6
Growth (%)	27.3	34.3	-51.1	-14.6	NM	NM	26.7	26.7
<b>Price-Earnings (x)</b>	<b>10.7</b>	<b>8.0</b>	<b>16.3</b>	<b>19.0</b>	<b>NM</b>	<b>11.0</b>	<b>8.7</b>	<b>6.8</b>

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

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.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered/qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisers Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

#### Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

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. This report and information herein is solely for informational purpose and may 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. 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. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp@grievances@motilaloswal.com.