



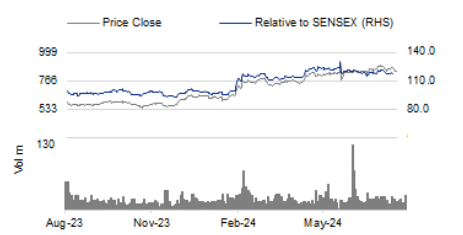
India

ADD (no change)

Consensus ratings*: Buy 38 Hold 7 Sell 4	
Current price:	Rs848
Target price: ▲	Rs1,100
Previous target:	Rs1,000
Up/downside:	29.7%
InCred Research / Consensus:	20.3%
Reuters:	SBI.NS
Bloomberg:	SBIN IN
Market cap:	US\$90,352m
	Rs7,566,732m
Average daily turnover:	US\$203.9m
	Rs17074.3m
Current shares o/s:	8,924.6m
Free float:	42.5%
*Source: Bloomberg	

Key changes in this note

- Comfortable liquidity remains an advantage for managing growth, but margins remain range-bound amid softer CASA and a surge in the cost of funds.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	1.0	2.0	47.9
Relative (%)	(0.2)	(7.0)	20.0

<b>Major shareholders</b>	% held
Central Government	57.5
LIC	9.1
SBI MF	3.2

Research Analyst(s)



**Jignesh SHIAL**  
T (91) 22 4161 1547  
E jignesh.shial@incredresearch.com

**Meghna LUTHRA**  
T (91) 22 4161 1500  
E meghna.luthra@incredresearch.com

**Rishabh JOGANI**  
T (91) 02241611569  
E rishabh.jogani@incredresearch.com

# State Bank of India

## Nothing new under the sun

- SBI posted an in-line 1Q PAT of Rs170.3bn, as a sequential fall in margins and a seasonal surge in provisions were offset by improved operating efficiency.
- Comfortable liquidity remains an advantage for managing growth, but margins remain range-bound amid softer CASA deposits & a surge in the cost of funds.
- Consistent delivery of +1% RoA/ +16% RoE to command a valuation premium. Retain our high conviction ADD rating on SBI with a higher TP of Rs1,100.

### Seasonal consolidation in balance sheet; CASA remains a challenge

State Bank of India (SBI) posted ~1.2% qoq growth in advances to Rs38.1tr (+15.4% yoy) in 1QFY25 whereby the overseas advances grew at a faster pace compared to domestic advances. SBI witnessed muted momentum in retail (+1.2% qoq) and agri advances (+1.4% qoq) whereas SME lending (+2.4% qoq) was superior. Domestic corporate advances were flat amid seasonality as well as the bank's preference for profitable growth. Overall deposit growth remained sluggish at ~8.2% yoy (-0.3% qoq), similar to industry trend but weak momentum in CASA balances (+2.6% yoy, -1.4% qoq), despite SBI's rising presence & focus on new customer acquisition, indicates system-wide tight liquidity impact.

### LDR leaves ample headroom for growth; margins to be range-bound

SBI's net interest margin contracted 6bp qoq to 3.22% due to sequentially weak CASA momentum, as deposit growth was mainly contributed by term deposits which, in turn, impacted on the overall cost of funds. However, ample liquidity remains advantageous for SBI, with its loan-to-deposit ratio or LDR comfortable at 76% (domestic LDR is ~68%), the lowest among peers. As a result, SBI continued to be a dominant player across the lending segment without compromising on margin. However, considering the tight system liquidity impacting CASA balances as well as continued repricing of older deposits at relatively expensive rates, margin trajectory to stay range-bound (~315-325bp) in coming quarters.

### Operating leverage improving; sturdy asset quality

Opex (-14.7% qoq/+0.7% yoy) was well controlled with lower employee expenses (-5.4% qoq/-6.8% yoy) as well as moderation in other expenses. The cost-to-income ratio for SBI (~49.4%) dipped below ~50% and its management remains firm on managing the same at the current levels. Headline NPA numbers remained flat sequentially, but the spurt in retail slippage can be attributed to seasonality in the agri portfolio as well as aging of NPAs.

### Outlook and valuation

We like SBI for its consistent performance on loan growth and comfortable LDR (68~%), which supports margins in an aggressively competitive environment. We retain our high conviction ADD rating on SBI with a higher target price of Rs1,100 (Rs1,000 earlier) or ~2x FY26F P/ABV. We have valued SBI on a sum-of-the parts (SOTP) basis, with the standalone bank valued at ~1.6x FY26F ABV and the subsidiaries contributing Rs200/share. Downside risks: Weaker growth and a surge in non-performing assets..

### Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income (Rsm)	1,448,405	1,598,758	1,708,263	2,019,095	2,354,768
Total Non-Interest Income (Rsm)	366,156	516,822	514,188	547,105	618,504
Operating Revenue (Rsm)	1,814,561	2,115,580	2,222,452	2,566,200	2,973,272
Total Provision Charges (Rsm)	(165,073)	(49,142)	(128,943)	(183,337)	(263,777)
Net Profit (Rsm)	502,325	610,766	721,643	846,827	959,469
Core EPS (Rs)	56.29	68.44	80.86	94.89	107.51
Core EPS Growth	35%	32%	9%	17%	13%
FD Core P/E (x)	15.06	12.39	10.49	8.94	7.89
DPS (Rs)	11.30	13.70	20.22	26.10	32.25
Dividend Yield	1.33%	1.62%	2.38%	3.08%	3.80%
BVPS (Rs)	367.1	422.7	483.3	552.1	627.4
P/BV (x)	2.31	2.01	1.75	1.54	1.35
ROE	16.5%	19.3%	17.8%	18.3%	18.2%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly earnings summary

Particulars (Rs m)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	YoY (%)	QoQ (%)
Net Interest Income	3,11,959	3,51,834	3,80,686	4,03,925	3,89,050	3,95,000	3,98,157	4,16,552	4,11,255	5.7%	-1.3%
Domestic NIM (% of AUM)	2.9%	3.2%	3.3%	3.4%	3.2%	3.2%	3.1%	3.1%	3.1%		
Fee-Based Income	23,122	88,743	1,14,677	1,39,614	1,20,634	1,07,906	1,14,589	1,73,693	1,11,619	-7.5%	-35.7%
Operating Expenses	2,07,556	2,29,377	2,43,171	2,97,328	2,56,714	3,08,740	3,09,386	3,02,769	2,58,387	0.7%	-14.7%
<b>Operating Profit</b>	<b>1,27,526</b>	<b>2,11,200</b>	<b>2,52,193</b>	<b>2,46,211</b>	<b>2,52,969</b>	<b>1,94,166</b>	<b>2,03,361</b>	<b>2,87,476</b>	<b>2,64,486</b>	<b>4.6%</b>	<b>-8.0%</b>
Provisions	43,924	30,387	57,606	33,157	25,013	1,153	6,879	16,098	34,494	37.9%	114.3%
% of operating profit	34.4%	14.4%	22.8%	13.5%	9.9%	0.6%	3.4%	5.6%	13.0%		
Exceptional Items	-	-	-	-	-	-	(71,000)	-	-		
<b>PBT</b>	<b>83,602</b>	<b>1,80,814</b>	<b>1,94,587</b>	<b>2,13,054</b>	<b>2,27,956</b>	<b>1,93,013</b>	<b>1,25,482</b>	<b>2,71,378</b>	<b>2,29,992</b>	<b>0.9%</b>	<b>-15.3%</b>
Tax	-22,921	-48,168	-52,534	-46,109	-59,113	-49,713	-33,843	-64,394	-59,640	0.9%	-7.4%
Tax rate (%)	-27.4%	-26.6%	-27.0%	-21.6%	-25.9%	-25.8%	-27.0%	-23.7%	-25.9%		
<b>PAT</b>	<b>60,681</b>	<b>1,32,645</b>	<b>1,42,053</b>	<b>1,66,945</b>	<b>1,68,843</b>	<b>1,43,300</b>	<b>91,640</b>	<b>2,06,984</b>	<b>1,70,352</b>	<b>0.9%</b>	<b>-17.7%</b>
<b>Gross NPL</b>	<b>11,32,717</b>	<b>10,68,041</b>	<b>9,83,465</b>	<b>9,09,278</b>	<b>9,13,278</b>	<b>8,69,741</b>	<b>8,67,488</b>	<b>8,42,763</b>	<b>8,42,260</b>	<b>-7.8%</b>	<b>-0.1%</b>
GNPL (% of loans)	3.9%	3.5%	3.1%	2.8%	2.8%	2.6%	2.4%	2.2%	2.2%		
<b>Net NPL</b>	<b>2,82,579</b>	<b>2,35,722</b>	<b>2,34,843</b>	<b>2,14,666</b>	<b>2,29,954</b>	<b>2,13,524</b>	<b>2,24,084</b>	<b>2,10,511</b>	<b>2,15,547</b>	<b>-6.3%</b>	<b>2.4%</b>
NNPL (% of loans)	1.0%	0.8%	0.8%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%		
Provision Coverage (%)	75.1%	77.9%	76.1%	76.4%	74.8%	75.4%	74.2%	75.0%	74.4%		
<b>Advances (Rs m)</b>	<b>28,152</b>	<b>29,513</b>	<b>30,582</b>	<b>31,993</b>	<b>32,350</b>	<b>33,452</b>	<b>35,195</b>	<b>37,040</b>	<b>37,491</b>	<b>15.9%</b>	<b>1.2%</b>
<b>Deposits (Rs bn)</b>	<b>40,457</b>	<b>41,903</b>	<b>42,136</b>	<b>44,238</b>	<b>45,312</b>	<b>46,892</b>	<b>47,622</b>	<b>49,161</b>	<b>49,017</b>	<b>8.2%</b>	<b>-0.3%</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Our revised earnings estimates

Y/E Mar (Rs m)	FY25F			FY26F			FY27F		
	Earlier	Revised	% change	Earlier	Revised	% change	Earlier	Revised	% change
Net Interest Income	17,76,851	17,08,263	-3.9%	21,43,048	20,19,095	-5.8%	25,32,843	23,54,768	-7.0%
Non-Interest Income	5,14,461	5,14,188	-0.1%	5,47,828	5,47,105	-0.1%	6,19,665	6,18,504	-0.2%
PPOP	10,06,493	10,94,998	8.8%	12,59,050	13,16,974	4.6%	15,36,205	15,48,207	0.8%
PAT	6,55,039	7,21,643	10.2%	7,84,341	8,46,827	8.0%	9,06,298	9,59,469	5.9%
EPS (Rs)	73.4	80.9	10.2%	87.9	94.9	8.0%	101.6	107.5	5.9%
BV (Rs)	477.8	483.4	1.2%	541.5	552.2	2.0%	612.6	627.4	2.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## 1QFY25 earnings conference-call key takeaways

- Standalone liquidity coverage ratio stood at 129%.
- The sequential rise in credit costs to 48bp, from 29bp in 4QFY24, was due to aging of NPAs, higher slippage and higher agri-related provisioning.
- The overall slippage was up by 3% yoy and 104% qoq due to seasonally higher agri slippage (~Rs35bn), retail slippage (~Rs30bn) and SME slippage (~Rs20bn).
- Retail slippage included those relating to Xpress credit book, which increased due to delayed salary payment by select state governments. Of the Rs79bn of slippage, Rs16bn has already been recovered.
- Treasury yields were at 7.2%, lower than the corporate yield of 8.86%, leading to shift of treasury funds to the corporate loan book.
- SMA-1 and SMA-2 for the quarter declined to Rs79bn from Rs93bn qoq.
- Deposit growth will be led by low-cost deposits.
- The CD ratio for the quarter was at 69%, which is expected to go to 70-72%.
- SBI indicated loan book growth of ~15% yoy in FY25F.
- NIM is guided to be range-bound (+/- 10bp).
- Management indicated no major rise in deposit rates.
- The -14% sequential drop in CA deposits was due to seasonal corporate movements.
- Corporate loans in the pipeline were indicated at Rs4.6tr, with ~66% from the private sector.
- The new investment norms had a positive impact of ~10 bp on the CET-1 ratio.
- Of the total loans, MCLR-linked loans were ~36%, EBLR-linked loans were ~27%, fixed-rate loans were ~20% and the rest were linked to T-bills.

Figure 3: InCred BFSI Coverage Universe

Banks	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)		ROA (%)			ROE (%)			
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI **	ADD	848	1,100	2.3	2.0	1.8	1.1%	1.2%	1.2%	17.8%	18.3%	18.2%
HDFC Bank **	ADD	1,659	2,000	3.1	2.8	2.6	1.9%	2.0%	2.0%	15.4%	16.3%	16.9%
ICICI Bank	ADD	1,197	1,450	3.9	3.4	2.9	2.2%	2.3%	2.3%	17.2%	17.6%	17.8%
Axis Bank	HOLD	1,161	1,300	2.3	2.0	1.7	1.7%	1.7%	1.7%	16.8%	15.9%	16.3%
IndusInd Bank	HOLD	1,404	1,500	1.7	1.5	1.3	1.7%	1.7%	1.7%	13.8%	14.2%	14.7%

NBFCs	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)		ROA (%)			ROE (%)			
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Bajaj Finance	ADD	6,725	9,000	6.0	5.1	4.2	4.2%	4.4%	4.5%	21.0%	23.5%	25.4%
Cholamandalam Finance	ADD	1,385	1,650	5.9	4.8	4.0	2.4%	2.5%	2.6%	20.0%	22.2%	23.1%
MMFS **	ADD	305	370	2.4	2.2	2.0	1.8%	1.9%	2.0%	12.3%	14.0%	15.7%
Shriram Finance	ADD	2,992	3,750	2.6	2.2	1.9	3.3%	3.4%	3.6%	16.5%	17.5%	18.9%
SBI Cards **	REDUCE	715	500	3.5	3.0	2.6	3.9%	3.6%	3.6%	18.7%	17.8%	17.5%
Aavas Financiers	ADD	1,673	2,000	3.6	3.0	2.6	3.1%	3.1%	3.1%	14.1%	14.7%	15.8%
Home First Finance	ADD	651	1,350	4.9	4.2	3.7	3.6%	3.5%	3.4%	16.9%	18.3%	19.4%
Spandana Spoorthy	ADD	651	900	1.5	1.3	1.1	4.0%	4.0%	4.0%	15.1%	15.2%	15.3%
Fusion Micro Finance	HOLD	436	580	1.7	1.4	1.1	4.7%	4.7%	4.7%	19.4%	19.6%	19.7%

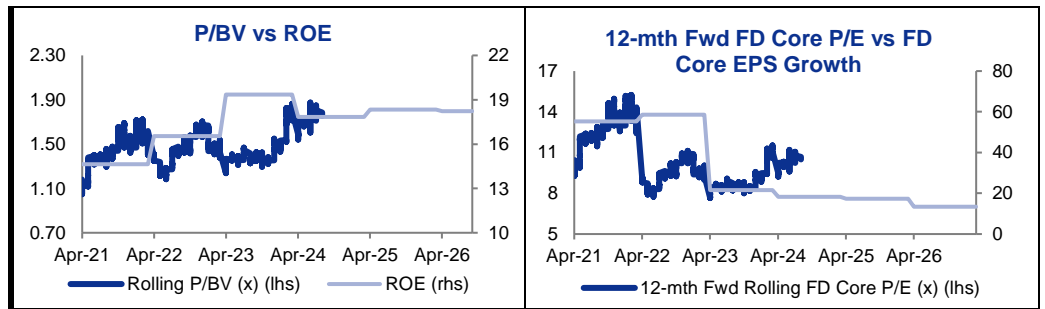
AMCs	Rating	CMP(Rs)	TP(Rs)	P/E(x) (at TP)		ROAUM (%)			ROE (%)			
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Nippon AMC	ADD	640	800	35.7	29.5	23.7	0.28%	0.26%	0.25%	35.2%	41.8%	50.7%
HDFC AMC	HOLD	4,124	4,250	33.5	29.9	25.3	0.37%	0.35%	0.35%	32.8%	34.2%	37.3%
UTI AMC	ADD	1,036	1,200	16.8	13.8	11.8	0.30%	0.30%	0.29%	19.5%	21.1%	22.0%
ABSL AMC**	ADD	686	950	26.9	22.0	18.2	0.27%	0.27%	0.27%	29.9%	32.0%	33.9%

Insurance	Rating	CMP(Rs)	TP(Rs)	P/EV (x) (at TP)		Return on EV (%)			ROE (%)			
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI Life Insurance	HOLD	1,745	1,750	2.5	2.2	1.8	18.9%	18.5%	18.1%	15.4%	16.6%	16.2%

NOTE: \*\* HIGH CONVICTION  
SOURCE: INCRED RESEARCH

BY THE NUMBERS



Profit & Loss

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income	1,448,405	1,598,758	1,708,263	2,019,095	2,354,768
<b>Total Non-Interest Income</b>	<b>366,156</b>	<b>516,822</b>	<b>514,188</b>	<b>547,105</b>	<b>618,504</b>
Operating Revenue	1,814,561	2,115,580	2,222,452	2,566,200	2,973,272
<b>Total Non-Interest Expenses</b>	<b>(944,459)</b>	<b>(1,144,089)</b>	<b>(1,086,885)</b>	<b>(1,195,573)</b>	<b>(1,362,953)</b>
Pre-provision Operating Profit	837,130	937,972	1,094,998	1,316,974	1,548,207
<b>Total Provision Charges</b>	<b>(165,073)</b>	<b>(49,142)</b>	<b>(128,943)</b>	<b>(183,337)</b>	<b>(263,777)</b>
Operating Profit After Provisions	672,056	888,830	966,054	1,133,637	1,284,430
<b>Pretax Income/(Loss) from Assoc.</b>					
Operating EBIT (incl Associates)	672,056	888,830	966,054	1,133,637	1,284,430
<b>Non-Operating Income/(Expense)</b>					
Profit Before Tax (pre-EI)	672,056	888,830	966,054	1,133,637	1,284,430
<b>Exceptional Items</b>		<b>(71,000)</b>			
Pre-tax Profit	672,056	817,830	966,054	1,133,637	1,284,430
Taxation	(169,732)	(207,063)	(244,412)	(286,810)	(324,961)
Consolidation Adjustments & Others					
<b>Exceptional Income - post-tax</b>					
Profit After Tax	502,325	610,766	721,643	846,827	959,469
Minority Interests					
Pref. & Special Div					
<b>FX And Other Adj.</b>					
Net Profit	502,325	610,766	721,643	846,827	959,469
Recurring Net Profit					

Balance Sheet Employment

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Gross Loans/Cust Deposits	98.7%	100.6%	104.4%	110.4%	115.2%
Avg Loans/Avg Deposits	96.4%	99.7%	102.6%	107.5%	112.9%
Avg Liquid Assets/Avg Assets	35.7%	33.0%	30.7%	28.3%	26.6%
<b>Avg Liquid Assets/Avg IEAs</b>	<b>41.8%</b>	<b>38.1%</b>	<b>34.9%</b>	<b>31.6%</b>	<b>29.4%</b>
Net Cust Loans/Assets	58.0%	59.9%	62.5%	64.5%	65.9%
<b>Net Cust Loans/Broad Deposits</b>	<b>98.7%</b>	<b>100.6%</b>	<b>104.4%</b>	<b>110.4%</b>	<b>115.2%</b>
Equity & Provns/Gross Cust Loans	10.2%	10.2%	10.2%	10.1%	9.9%
Asset Risk Weighting	51.9%	51.1%	51.6%	51.1%	50.8%
<b>Provision Charge/Avg Cust Loans</b>	<b>0.56%</b>	<b>0.14%</b>	<b>0.33%</b>	<b>0.40%</b>	<b>0.50%</b>
<b>Provision Charge/Avg Assets</b>	<b>0.31%</b>	<b>0.08%</b>	<b>0.20%</b>	<b>0.26%</b>	<b>0.33%</b>
Total Write Offs/Average Assets					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

<b>Balance Sheet</b>					
<b>(Rsm)</b>	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
<b>Total Gross Loans</b>	<b>31,992,692</b>	<b>37,039,708</b>	<b>42,278,632</b>	<b>48,823,140</b>	<b>56,622,416</b>
Liquid Assets & Invst. (Current)	15,703,662	16,713,397	17,897,626	19,353,920	21,252,034
Other Int. Earning Assets					
Total Gross Int. Earning Assets	47,696,356	53,753,104	60,176,256	68,177,064	77,874,448
<b>Total Provisions/Loan Loss Reserve</b>					
Total Net Interest Earning Assets	47,696,356	53,753,104	60,176,256	68,177,064	77,874,448
Intangible Assets					
<b>Other Non-Interest Earning Assets</b>	<b>3,970,616</b>	<b>4,509,642</b>	<b>5,077,934</b>	<b>5,747,209</b>	<b>6,514,245</b>
<b>Total Non-Interest Earning Assets</b>	<b>4,394,434</b>	<b>4,935,815</b>	<b>5,531,209</b>	<b>6,219,015</b>	<b>7,007,260</b>
Cash And Marketable Securities	3,078,996	3,108,020	1,987,453	1,300,671	1,051,367
<b>Long-term Investments</b>					
Total Assets	55,169,784	61,796,940	67,694,920	75,696,744	85,933,080
Customer Interest-Bearing Liabilities	32,416,208	36,812,772	40,515,340	44,237,776	49,160,768
Bank Deposits					
Interest Bearing Liabilities: Others	3,146,556	4,172,977	4,260,434	4,931,352	5,975,609
Total Interest-Bearing Liabilities	35,562,764	40,985,748	44,775,776	49,169,128	55,136,376
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	1,631,101	1,819,797	2,299,318	2,724,572	2,888,097
Total Liabilities	37,193,864	42,805,544	47,075,092	51,893,700	58,024,476
Shareholders Equity	3,276,085	3,772,465	4,313,698	4,927,647	5,599,275
<b>Minority Interests</b>					
Total Equity	3,276,085	3,772,465	4,313,698	4,927,647	5,599,275

<b>Key Ratios</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Total Income Growth	20.0%	10.4%	6.8%	18.2%	16.6%
Operating Profit Growth	10.8%	11.7%	16.9%	20.7%	17.5%
Pretax Profit Growth	55%	22%	18%	17%	13%
Net Interest To Total Income	79.8%	75.6%	76.9%	78.7%	79.2%
Cost Of Funds	5.45%	6.67%	6.64%	6.17%	5.93%
Return On Interest Earning Assets	7.4%	8.2%	8.0%	7.7%	7.5%
Net Interest Spread	1.94%	1.51%	1.36%	1.49%	1.53%
Net Interest Margin (Avg Deposits)	4.71%	4.62%	4.42%	4.76%	5.04%
Net Interest Margin (Avg RWA)	5.29%	5.31%	5.13%	5.48%	5.72%
Provisions to Pre Prov. Operating Profit	20%	5%	12%	14%	17%
Interest Return On Average Assets	2.76%	2.73%	2.64%	2.82%	2.91%
Effective Tax Rate	25.3%	25.3%	25.3%	25.3%	25.3%
Net Dividend Payout Ratio	20.1%	17.9%			
Return On Average Assets	0.96%	1.17%	1.11%	1.18%	1.19%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

---

## DISCLAIMER

---

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. 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 IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which are believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made. (Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short term views etc.) that are inconsistent with and reach different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

	Analyst/ Relative	Entity/ Associates
any financial interests in the company covered in this report (subject company) and nature of such financial interest	YES	NO
actual/beneficial ownership of 1% or more in securities of 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;	NO	NO
any other material conflict of interest at the time of publication of the research report or at the time of public appearance	NO	NO
received any compensation from the subject company in the past twelve months for investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months for products/services other than investment banking or merchant banking or broker- age services or investment advisory or depository or distribution from the subject company in the last twelve months	NO	NO
managed or co-managed public offering of securities for the subject company in the last twelve months	NO	NO
received any compensation or other benefits from the subject company or third party in connection with the research report	NO	NO
served as an officer, director or employee of the subject company	NO	NO
been engaged in market making activity for the subject company	NO	NO

**Analyst declaration**

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.