ICICI Bank

BUY

Annual Report Analysis FY20

A Strengthening Franchise

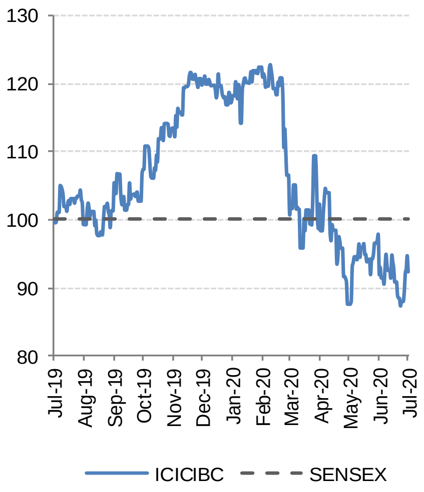
ICICI bank's annual report highlights strengthening of digital capabilities and cross functional collaboration, reiterating management's long-term strategic focus of growing in a risk calibrated and granular manner.

Other key takeaways include: decline in share of unsecured loans despite a high growth in PL/CC book, reduced concentration in deposits and advances, rise in core PPoP/assets, and improving cost efficiencies. Corporate segment turned profitable in FY20 after making loss over the four years, led by decline in provisions. Provisions in the retail segment saw a sharp rise. Rise in contingent liabilities during FY20 mainly pertain to increased derivative transactions led by market making activities, with limited credit risk. In the international book, the Bank aims to progressively exit exposures that are not linked to India in a planned manner. NPAs particularly increased in the CRE, trade and CV portfolios in FY20.

We continue to like the Bank for its increased conservatism, strong liability profile, and market leading subsidiaries. The onset of COVID will however delay ROE normalization. **We maintain our BUY recommendation on the stock with an unrevised SOTP-based Target Price of Rs470, valuing the standalone bank at 1.7x FY22E book, which including the value of subsidiaries implies 2.4x of FY22 P/ABV.**

CMP	Rs 382
Target / Upside	Rs 470 / 23%
BSE Sensex	38,154
NSE Nifty	11,216
Scrip Details	
Equity / FV	Rs 12,948mn / Rs 2
Market Cap	Rs 2,472bn
	US$ 33bn
52-week High/Low	Rs 552/Rs 268
Avg. Volume (no)	46,053,000
NSE Symbol	ICICIBANK
Bloomberg Code	ICICIBC IN
Shareholding Pattern Mar'20(%)	
Promoters	0.0
MF/Banks/FIs	45.0
FIIs	44.0
Public / Others	11.0

ICICI Bank Relative to Sensex



Core Metrics Improving

ICICI Bank posted healthy growth in core operating profit (28% YoY), coupled with a robust deposit franchise and a strong balance sheet. Despite rise in branches and associated increase in employee costs (21% YoY) during FY20, opex/assets and CI ratios improved during the year led by higher topline (26% YoY) and increased digital penetration. Technological integration with subsidiaries also aided earnings by lowering customer acquisition cost.

Strong Liability Franchise a Differentiator

Even as year-end CASA ratio declined in FY20 (~450 bps to 45%), decline in avg CASA balances was lower (~200 bps to 43%). Lower share of high-cost borrowings also aided CoF, which were amongst the lowest in industry. CASA/total funds (deposits & borrowings) at 38% remains amongst the best in industry. Improving CoF, change in loan mix in favour of retail, and decline in GNPAs were all positive for NIM in FY20, which improved by ~30 bps YoY.

Strengthening portfolio quality

The Bank continued to improve the portfolio mix by lending to higher rated well established corporates and reduce concentration risk. In the last few years, the Bank has refined and strengthened its framework for managing concentration risk. Retail loans as a proportion of total loans increased to 63.2% at Mar-20 against 60% a year ago. Use of analytics for portfolio monitoring and identification of early warning signals enhanced quality of existing portfolio. Despite few surprises from the corporate portfolio, fresh slippages were contained at 2.4%. While the onset of COVID-19 could delay normalization of corporate stress pool, we do expect the bank to fare better than other corporate lenders on this front, as seen in FY20.

VP Research: Mona Khetan
Tel: +91 22 40969762
E-mail: monak@dolatcapital.com

Associate: Shreesh Chandra
Tel: +91 22 40969714
E-mail: shreeshc@dolatcapital.com

Subsidiaries show mixed trends

On a normalized basis, subsidiaries make up ~30% of consolidated bank's PAT. In FY20, subsidiaries reported mixed performance with profits of life insurance and broking subsidiaries impacted by weak capital markets. The AMC business delivered a strong performance led by market share gains, and lower tax rates. The general Insurance business continued to do well with well diversified product portfolio and high solvency ratio, though combined ratio witnessed some weakness. The HFC subsidiary reported a weak year with higher NPAs and elevated credit costs. Increased COVID related provisions impacted the performance of overseas subsidiaries. Dividends income from subsidiaries is likely to remain muted in FY21.

Key Highlights from the AR:

Wholesale book: Bank has embarked on a strategy to serve Corporate Ecosystems comprehensively, wherein the corporate relationship manager services a corporate and its entire network of employees, dealers, vendors and all stakeholders with a complete suite of banking products. Apart from being a single-point solution provider, this approach also reduces customer acquisition cost. This approach is built on a digital foundation with data becoming increasingly the basis of product design and decisioning.

The Bank is also focused on deepening its relationships with well-rated Indian corporates in international markets and multinational companies present in international as well as domestic market, for maximising the India-linked trade, transaction banking and lending opportunities with strict limits on exposures including reduction in current exposure where required. In view of the Covid-19 pandemic, there will be an impact on revenues and an increase in rating downgrades in the portfolio and NPA formation at a systemic level and for the bank.

While new credit is extended in a granular manner to well-established and higher rated business groups, analytics was used for portfolio monitoring and identification of early warning signals in the existing book, aiding enhanced quality of existing portfolio. Another significant achievement on the digital front was the launch of an online application for credit assessment of mid-corporate clients.

Overseas book: The Bank aims to progressively exit exposures that are not linked to India in a planned manner. The Bank has repositioned its international franchise to focus on non-resident Indians (NRIs) for deposits, wealth, and remittances businesses.

Retail: Exploring the corporate ecosystem for opportunities in retail business was another key strategy to enable granular growth in business. During the year, the Bank revamped its home loan website offering an interactive customer experience and providing relevant content like calculator for checking loan eligibility, an e-book explaining the journey to purchase a home loan and a blog on the mortgage industry to enable customers to take informed decisions. At the heart of rural strategy, four main ecosystems were identified which included the agriculture value chain, rural corporates, the government, and the microfinance business.

SME/ Business Banking: The small and medium enterprises (SME) portfolio comprises exposures to companies with a turnover of up to Rs2.50 bn. The business banking portfolio comprises small business customers with an ATS of Rs10.0-15.0 million. The Bank's focus in these businesses is on parameterised and programme-based lending, which is granular and well-collateralised.

During the year, a new product, Flexi-credit, was introduced which allows to consolidate the cash flows of the borrower and co-borrowers and the collateral properties of the borrower and the co-borrowers for evaluating the credit eligibility of the borrower. The Bank has developed an integrated supply chain system that can be integrated with the corporate's Enterprise Resource Planning (ERP) for seamless collection from dealers and payment to vendors.

With a view to increase the risk adjusted operating profit from the portfolio and enhance the return on equity, reliance is also placed on harnessing opportunities across transaction banking, foreign exchange, and personal banking solutions with the SMEs.

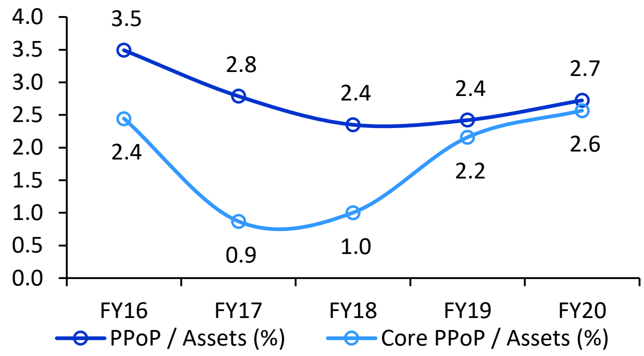
Strengthening Digital Capabilities: Even under these demanding circumstances, we continue to invest in technology, and see an opportunity in enhancing digital journey. The bank has further strengthened data analytics and market intelligence capabilities for creating strategies to enable better targeting, channel, and product alignment. Over 88% of our savings account transactions were done digitally in fiscal 2020. Key digital offerings during the year:

- **ICICIStack:** Launched in Mar-2020, 'ICICIStack' is a comprehensive digital banking platform offering services to a range of customers including retail, business banking, SME, and corporate customers. It offers all digital banking services from one single platform, offering nearly 500 services that covers almost all banking requirements of customers including digital account opening, loan solutions, payment solutions, investments, and insurance solutions.
- **API Banking Portal:** In Jan-20, the bank also launched India's largest and fully digital 'API Banking Portal' enabling partners to integrate solutions within a few days. The portal offers the largest array of instant APIs by any bank in one single place and allows business customers to seamlessly integrate with various payment and product solutions.
- **InstaBiz:** In Jun-19, the bank also launched 'InstaBIZ', India's first comprehensive digital banking platform for MSMEs, which enables them to undertake almost all banking transactions digitally.
- Introduced digital sourcing of loans across businesses, including instant issuance of paperless and ready-to-use credit cards digitally.

Other Highlights

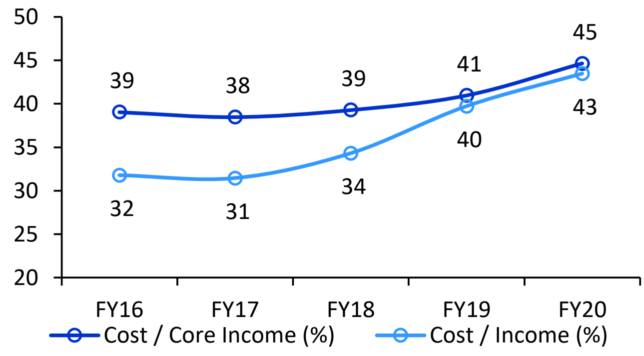
- Continue to target for credit costs at 25.0% of core operating profit which is about 1.2%-1.3% of average advances in a normal operating environment.
- During the year, there was sustained improvement in the Net Promoter Score (NPS), a key metric for measuring customer advocacy for on-boarding, branch, and digital channels.

Exhibit 1: PPoP/assets show a healthy improvement



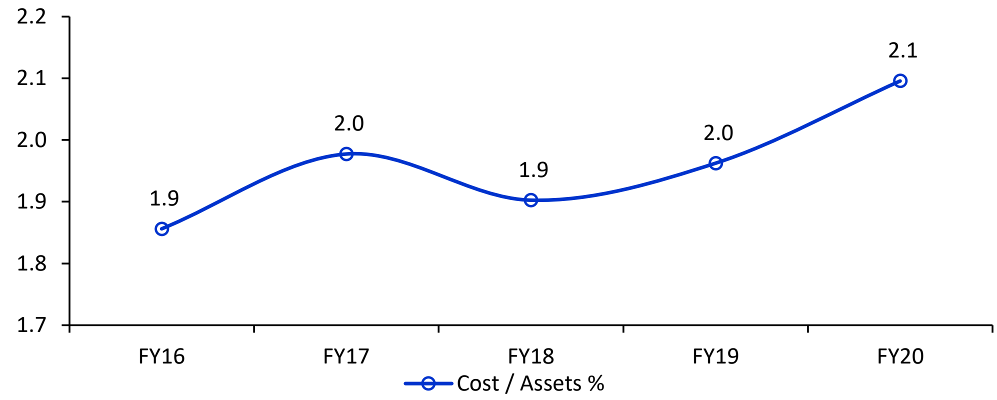
Source: Company, DART

Exhibit 2: CI ratio also improved despite rising opex



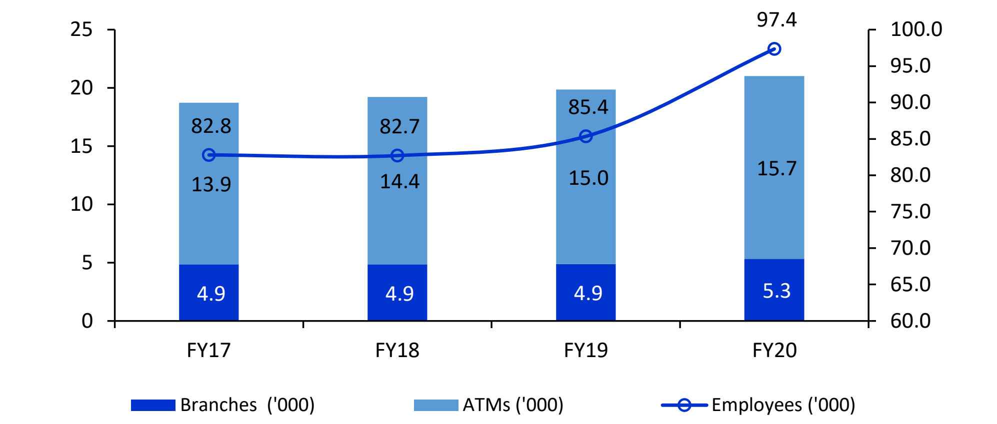
Source: Company, DART

Exhibit 3: Cost/assets increased as growth in balance sheet was lower



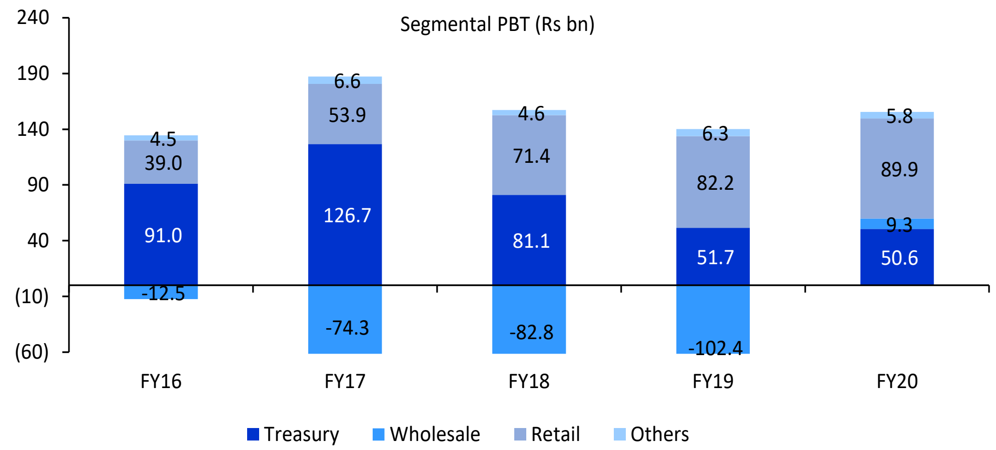
Source: Company, DART

Exhibit 4: Sharp rise in branch openings and employee hiring after a three year lull



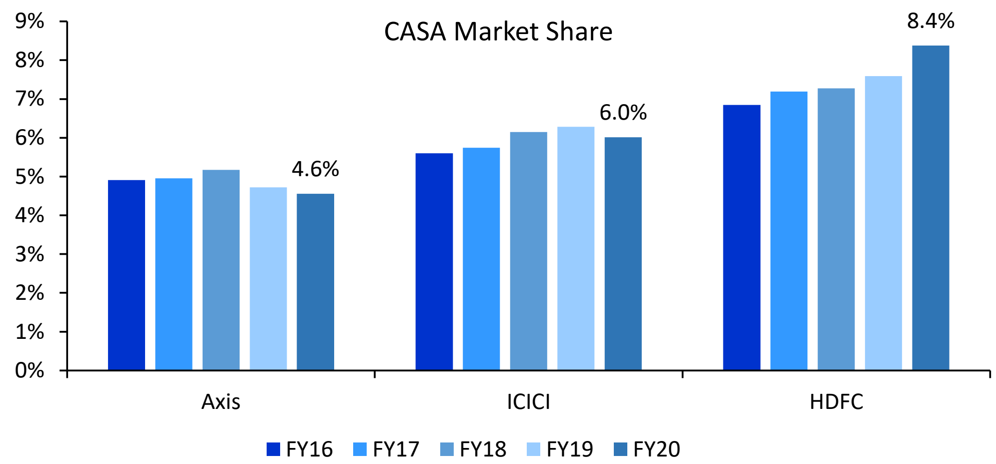
Source: Company, DART

Exhibit 5: Corporate segment turned profitable in FY20



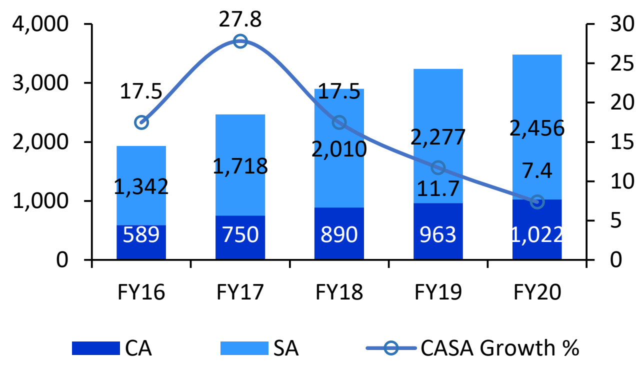
Source: Company, DART

Exhibit 6: Some moderation in CASA market share for ICICI



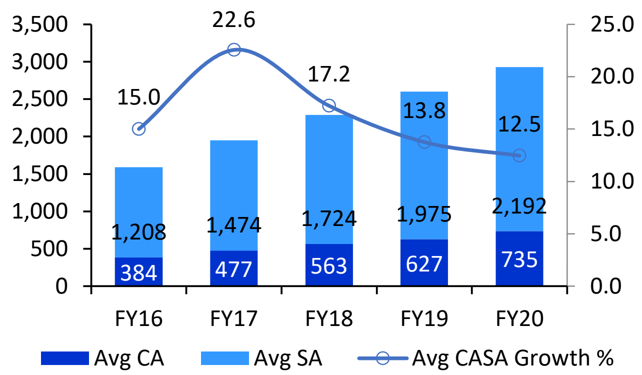
Source: Company, DART

Exhibit 7: While year-end CASA growth was weak, resulting in loss of market share



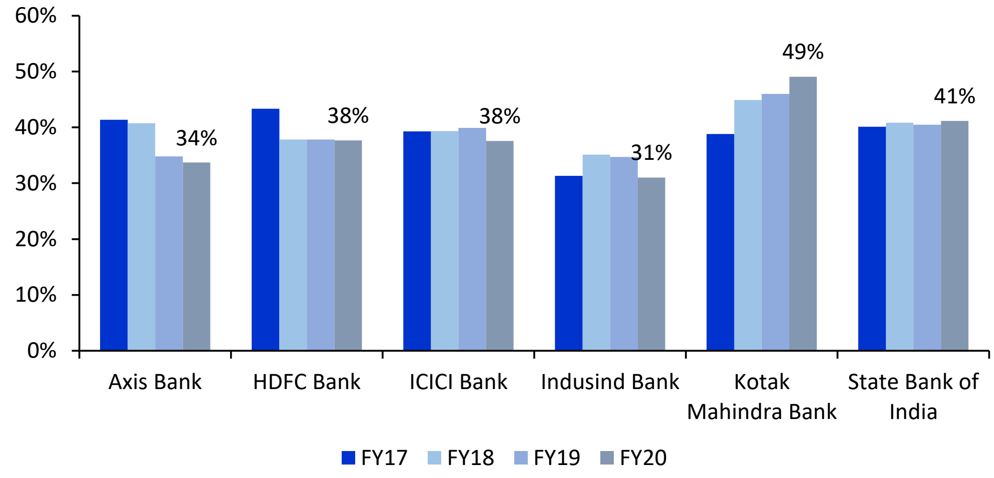
Source: Company, DART

Exhibit 8: Growth in avg CASA balances was in line with industry



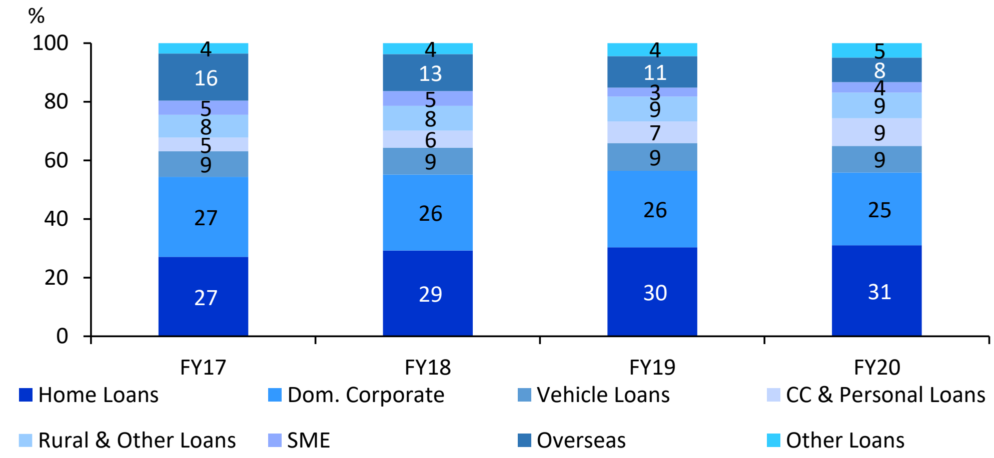
Source: Company, DART

Exhibit 9: CASA/total funds (deposits + borrowings) at 38% remains amongst the best in industry



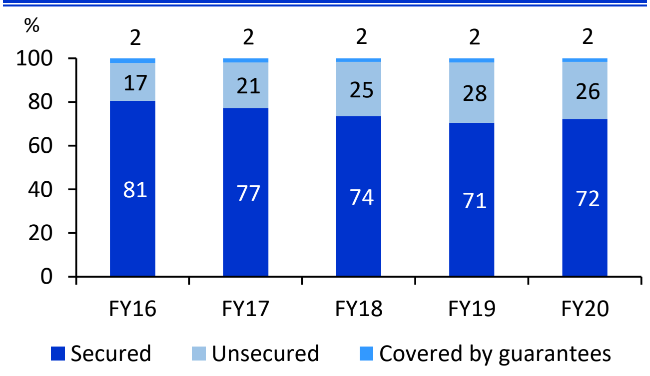
Source: Company, DART

Exhibit 10: Retail share improved to 63% from 60% a year ago



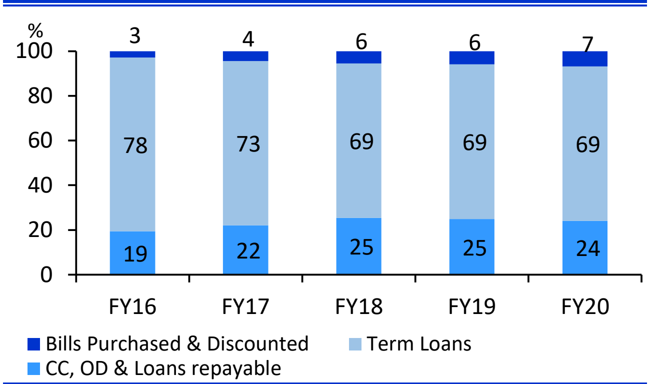
Source: Company, DART

Exhibit 11: Despite rise in CC/PL loans, unsecured share in loans has come down



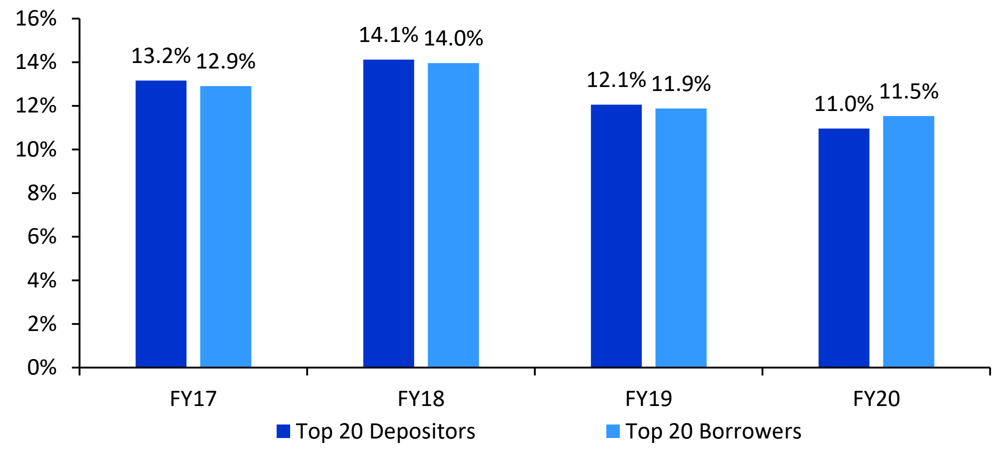
Source: Company, DART

Exhibit 12: Share of TLs have declined in recent years



Source: Company, DART

Exhibit 13: Concentration of Advances and Deposits has come down



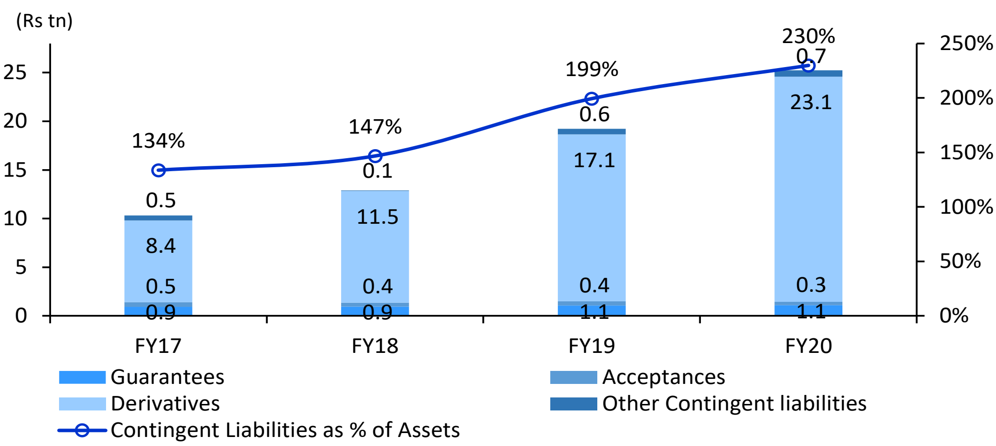
Source: Company, DART

Exhibit 14: With increase in PSL shortfall across sub-segments, RIDF investment could increase, impacting NIM

	Req	FY17	FY18	FY19	FY20
Overall	40%	37.90%	37.70%	41.50%	40.30%
Agri	18%	15.60%	14.80%	16.50%	15.60%
Small and Marginal farmer	8%	4.10%	4.30%	6.80%	6.00%
Weaker Section	10%	6.30%	6.20%	8.90%	8.30%
Micro enterprises	7.5%	6.90%	6.70%	7.90%	7.70%
RIDF investment (Rs mn)		241130	269250	292550	287570

Source: Company, DART

Exhibit 15: Rise in contingent liabilities mainly led by higher derivative transactions



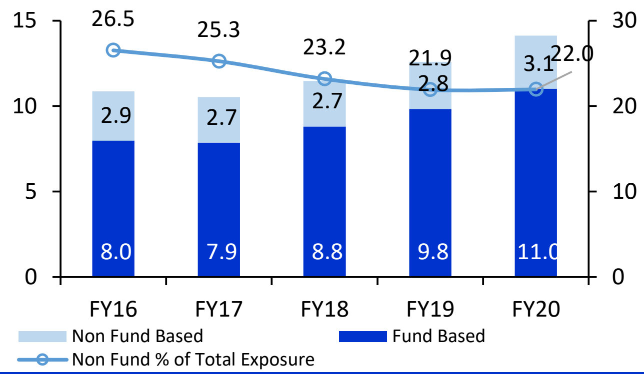
Source: Company, DART

Exhibit 16: GNPAs in FY20 came from Agri, CRE, trade, CV, and vehicle loans.

	FY17	FY18	FY19	FY20
Agriculture and allied activities	**3.1%**	**3.1%**	**3.7%**	**4.2%**
Industries	**18.1%**	**22.5%**	**17.2%**	**12.3%**
- Infrastructure	16.2%	26.3%	19.7%	16.5%
- Metals & Metals Products	24.9%	25.2%	19.2%	6.8%
- Chemical & Chemical Products	0.0%	0.0%	3.4%	8.1%
Services	**6.5%**	**6.5%**	**5.1%**	**6.2%**
- Commercial Real Estate	2.9%	3.8%	4.7%	5.4%
- Wholesale trade	5.0%	4.0%	5.3%	8.2%
- NBFCs	0.0%	0.0%	1.1%	1.4%
- Transport operators	1.2%	1.1%	1.3%	4.3%
Retail	**1.0%**	**1.2%**	**1.3%**	**1.5%**
- Housing Loan	0.6%	0.8%	0.9%	1.1%
- Vehicle Loan	1.7%	1.0%	2.5%	3.0%

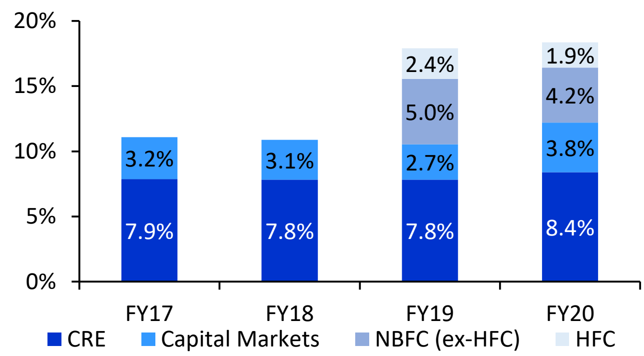
Source: Company, DART

Exhibit 17: Share of non-fund exposures was stable YoY



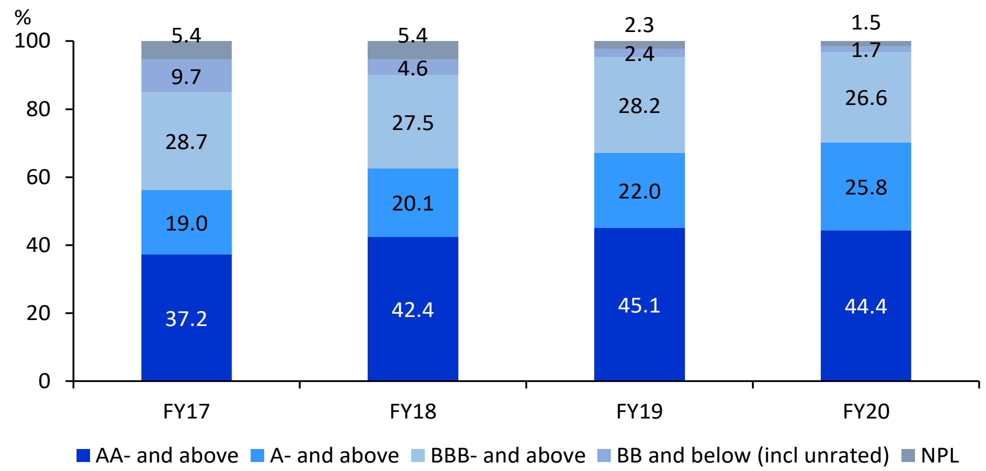
Source: Company, DART

Exhibit 18: Rise in CRE and Capital market exposures, NBFC/HFC exposure has moderated



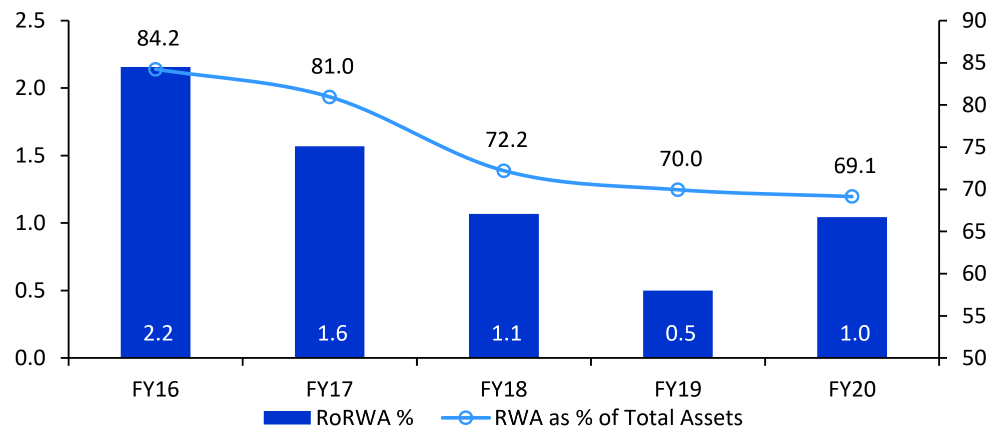
Source: Company, DART

Exhibit 19: ~70% of loans are rated A- and above



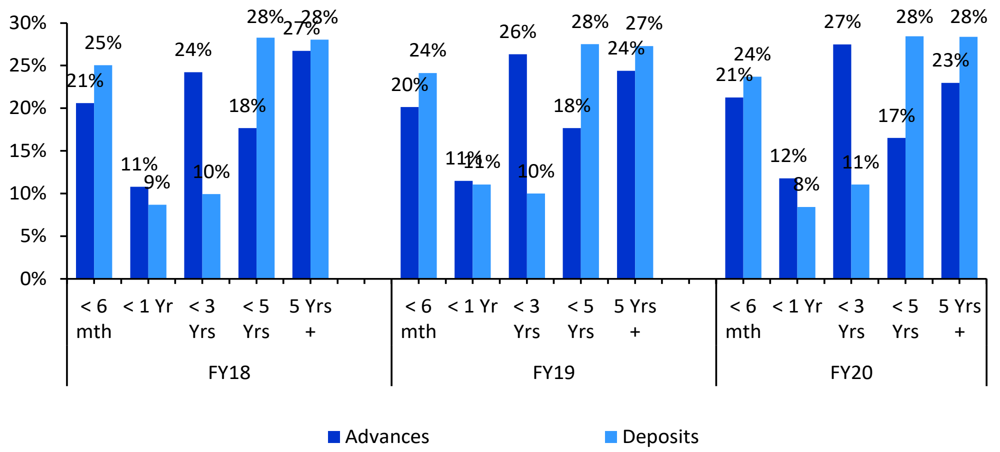
Source: Company, DART

Exhibit 20: Better capital consumption led to a decline in RWA to total assets



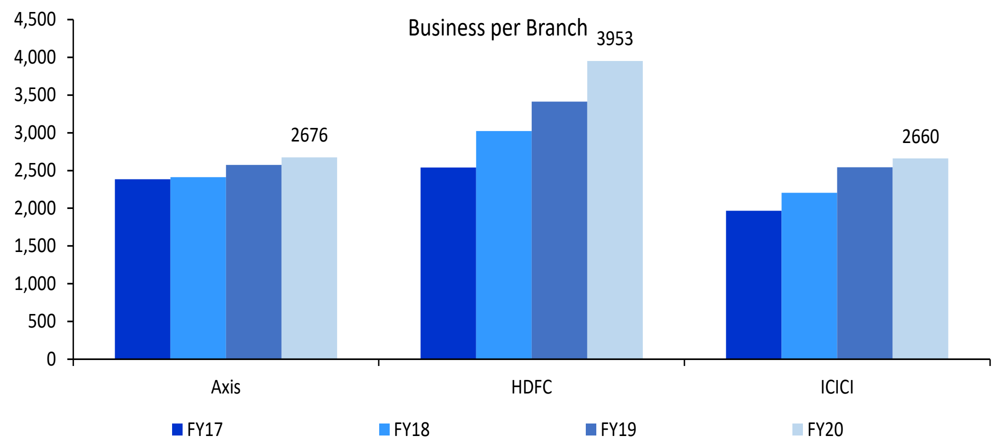
Source: Company, DART

Exhibit 21: Short term ALM profile (upto 1 year) well matched



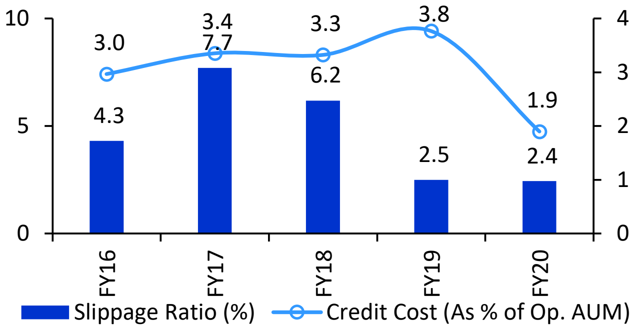
Source: Company, DART

Exhibit 22: Business Productivity lagged behind peers



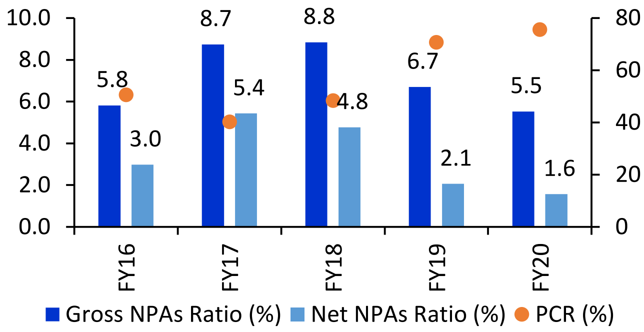
Source: Company, DART

Exhibit 23: Contained slippages and a large Essar recovery led to lower credit costs



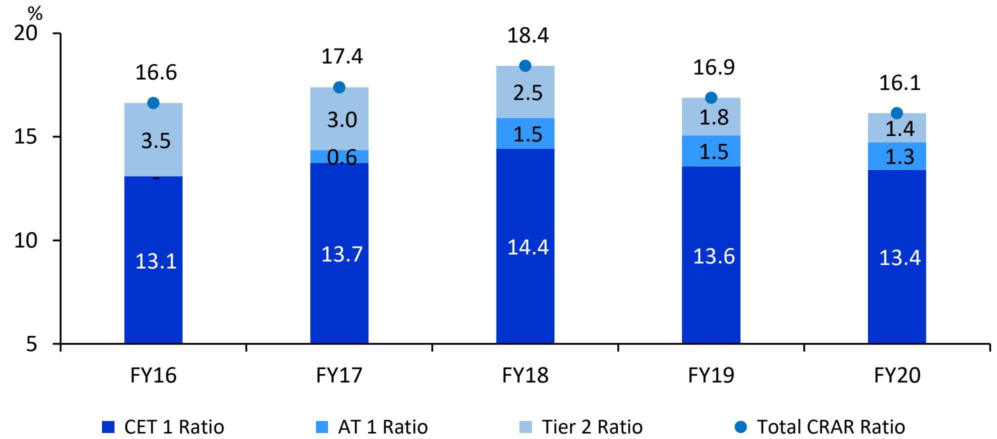
Source: Company, DART

Exhibit 24: PCR has improved to 75.6%



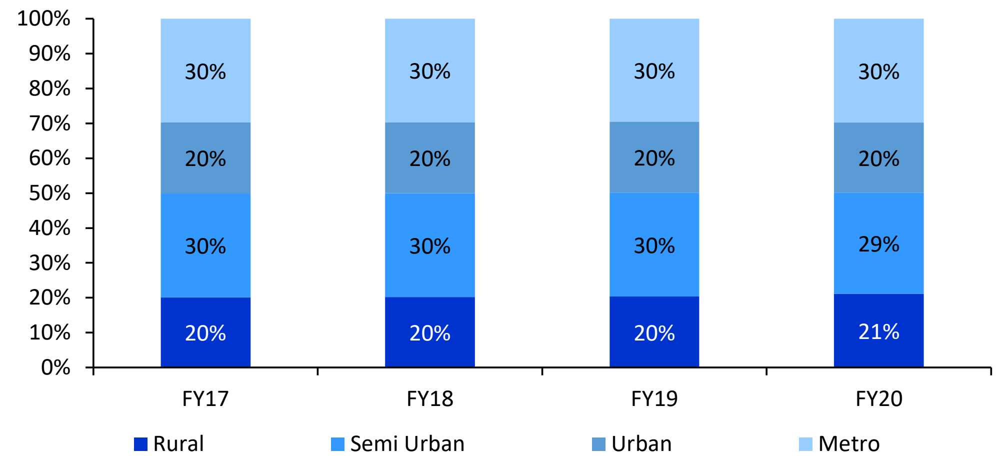
Source: Company, DART

Exhibit 25: Well capitalized



Source: Company, DART

Exhibit 26: Continues to maintain ~50% branches in rural and semi-urban



Source: Company, DART

Subsidiary Performance

ICICI Prudential Life Insurance

ICICI Life's total premium grew by 8.1% and to Rs 334bn, while the Annualised Premium Equivalent (APE) declined by 5.3% to Rs 73.8bn in FY20 with protection business contributing 25.2% to the total APE. Value of New Business (VNB) grew 20.9% YoY to Rs 16.05bn leading to VNB margins improving to 21.7% in FY20 compared to 17.0% in FY19. The protection business contributed 59.7% to VNB. 13^{th} and 49^{th} month persistency stood at 83.2% and 64.6% respectively. Total assets under management (AUM) stood at Rs 1.53tn, and Embedded Value stood at Rs 230.3bn. Total expense ratio for FY20 stood at 15.9%

ICICI Lombard General Insurance

ICICI Lombard's market share improved to 7% (ex-crop segment market share stood at 8.5%) in FY20. The Gross Direct Premium Income (GDPI) stood at Rs 133.02bn growing 10.5% YoY (ex-crop segment), in line with the industry. Combined ratio stood at 100.4% in FY20 compared to 98.8% in FY19. Solvency ratio at the end of FY20 was 217% (224% in FY19) as against the regulatory requirement of 150%. PAT for FY20. PAT for the year FY20 grew 13.8% to Rs 10.5bn due to an increase in net earned premium and investment income, offset, in part, by an increase in claims incurred and operating expenses. The product portfolio continues to be highly diversified with Motor TP/OD share at 23% and 28% respectively.

ICICI Prudential AMC

ICICI Prudential AMC is India's leading asset manager with average quarterly assets under management (AUM) of Rs 3.5tn. The company's overall market share in the domestic mutual fund business and equity business stood at 12.98% and 13.36% respectively, on a quarterly average basis. The company reported PAT of Rs 10.5bn due to a decline in commissions and operating expenses as well as lower tax rates.

ICICI Securities

The company has a leadership position in the equity brokerage space with over 4.8 million operational accounts, 1.5mn overall active clients and 7.9% market share (9.7% equity and 8.0% derivatives). ICICI Securities is the second largest non-bank mutual fund distributor with average assets under management of over Rs 361bn. The company ranks 2^{nd} among domestic financial advisors by number of deals in the merger market table. Revenues for FY20 stood at Rs 17.3bn while PAT stood at Rs 5.4bn.

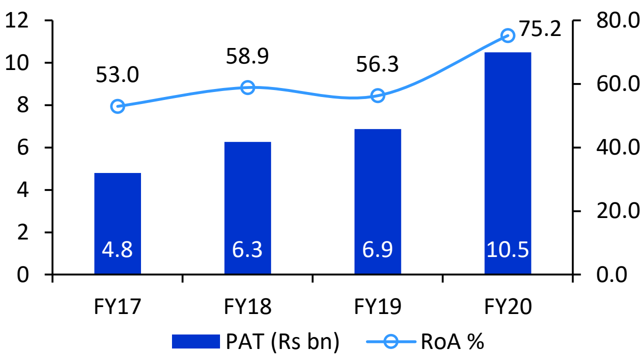
ICICI Securities Primary Dealership

I-Sec PD maintained its leading position in auction bidding and underwriting as well as in secondary market trading activity in FY20. The company's position in the PRIME League Tables improved from 5^{th} in FY19 to 2^{nd} in FY20. The company reported a PAT of Rs 2.26bn led by an increase in net interest income and trading gains due to favourable market movements.

ICICI Home Finance

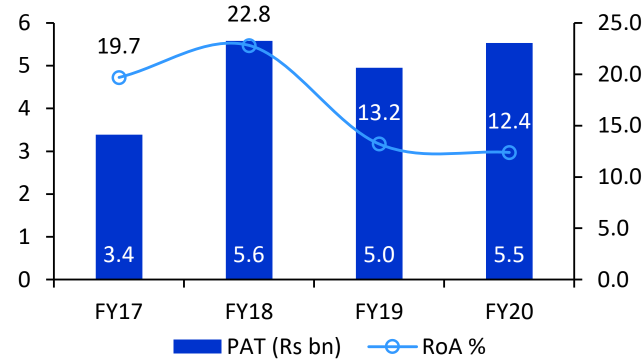
ICICI HFC is primarily engaged in providing retail mortgage loans to individuals. It also provides property search services to its individual and corporate customers. For FY20, Assets Under Management stood at Rs 140.9bn (including Commercial Real Estate loans of Rs 4.74bn), Gross Stage 3 loans stood at 8.46% (vs 8.28% in FY19) while the Net impaired loans stood at 4.70% (vs 4.76% in FY19). The company is well capitalized with CRAR at 14.80%. Higher provisioning on non-performing loans and higher operating expenses led to a loss of Rs 1.17bn in FY20.

Exhibit 27: ICICI Prudential Asset Management



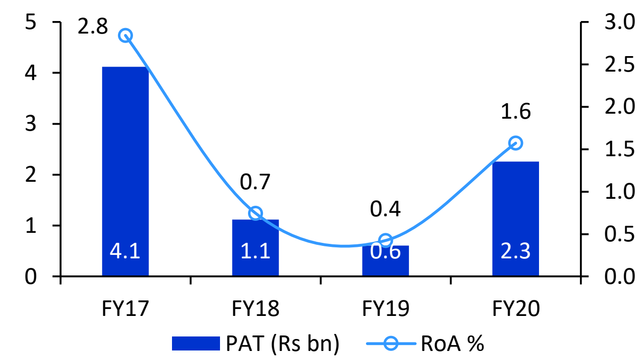
Source: Company, DART

Exhibit 28: ICICI Securities



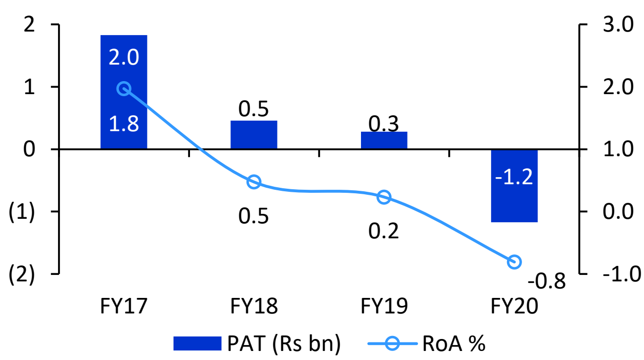
Source: Company, DART

Exhibit 29: ICICI Securities Primary Dealership



Source: Company, DART

Exhibit 30: ICICI Home Finance



Source: Company, DART

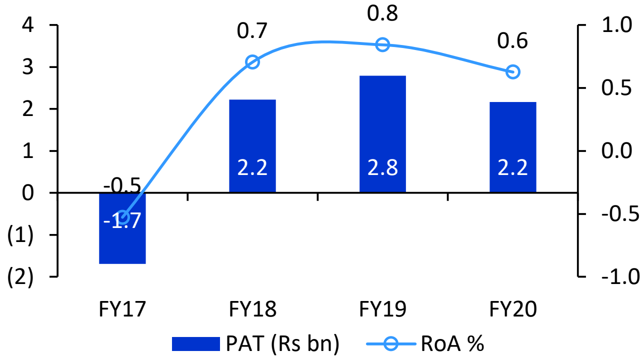
ICICI Bank Canada

ICICI Bank Canada reported a net interest income of CAD 95.3mn and PAT of CAD 40.6mn in FY20 primarily due to an increase in ECL provisioning due to the impact of COVID-19. Its average RoNW stood at 7.06% in FY20 compared to 9.40% in FY19. Total loans stood at CAD 5.7bn, including residential mortgage loans of CAD 3.7bn while deposits stood at CAD 3.0bn. The capital adequacy ratio for FY20 stood at 19.1% with a tier-I capital of 18.4%. Net impaired loans for FY20 were at CAD 4.4mn compared to CAD 9.3mn in FY19.

ICICI Bank UK

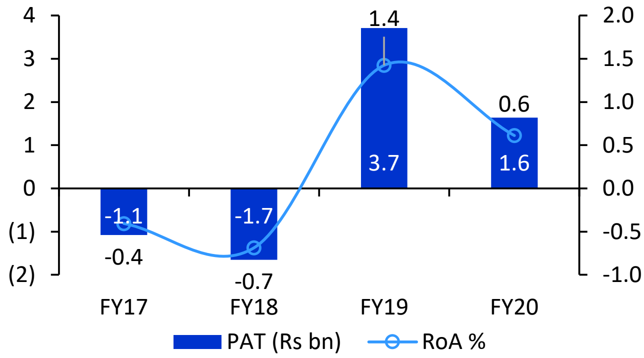
ICICI Bank UK reported a net interest income of USD 64.3mn and a PAT of 23.2mn in FY20 compared to a loss of USD 52.9mn in FY19 led by higher recoveries and lower impairments. The loans and deposits portfolio stood at USD 2.09mn and USD 2.04mn respectively in FY20. Capital adequacy ratio stood at 18.6% with Tier-I capital at 15%. Gross and net impairment ratios stood at 10% and 3.8% respectively. Collective provision on performing loans increased to USD 18.7mn in FY20 primarily due to Covid-19 related provision.

Exhibit 31: ICICI Bank Canada



Source: Company, DART

Exhibit 32: ICICI Bank UK PLC



Source: Company, DART

Exhibit 33: SOTP Valuation

Entity	Stake	Per Share Value	Methodology
ICICI Standalone (A)		340	1.7x FY22E ABV
Foreign Banking Subsidiaries		10	1x Net Worth
ICICI Home Finance	100%	3	1x Net Worth
ICICI Prudential Life Insurance	53%	47	Mcap
ICICI Lombard General Insurance	56%	49	Mcap
ICICI AMC	51%	28	10% of AUM
ICICI Securities	79%	14	Mcap
Other Subsidiaries		3	
Value of Subsidiaries (B)		154	
Holdco. Discount	15%		
Value of the bank (A+B)		470	
Contribution of subs to total (%)		28%	

Source: Company, DART

Profit and Loss Account (Rs Mn)

Particulars	FY19A	FY20A	FY21E	FY22E
Interest Income	634,012	747,983	801,373	862,329
Interest expenses	363,864	415,313	434,865	464,588
Net interest income	**270,148**	**332,671**	**366,509**	**397,741**
Other incomes	134,026	164,485	172,466	194,236
Total expenses	180,891	216,144	234,770	254,113
- Employee cost	68,082	82,712	89,329	95,582
- Other	112,808	133,432	145,441	158,530
Pre provisioning profit	**223,283**	**281,012**	**304,204**	**337,865**
Provisions	196,611	140,532	145,925	102,184
Profit before taxes	26,672	140,479	158,280	235,680
Tax provision	4,135	61,171	39,839	59,321
Profit after tax	22,538	79,308	118,441	176,360
Adjusted profit	**22,538**	**79,308**	**118,441**	**176,360**

Balance Sheet (Rs Mn)

Particulars	FY19A	FY20A	FY21E	FY22E
Sources of Funds				
Equity Capital	12,895	12,948	12,948	12,948
Reserves & Surplus	1,039,136	1,152,097	1,256,472	1,415,329
Minority Interest	0	0	0	0
Net worth	1,052,030	1,165,044	1,269,419	1,428,277
Borrowings	1,653,200	1,628,968	1,667,618	1,701,480
- Deposits	6,529,197	7,709,690	8,141,898	8,932,768
- Other interest bearing liabilities	0	0	0	0
Current liabilities & provisions	378,580	479,950	480,564	447,160
Total Liabilities	**9,613,007**	**10,983,652**	**11,559,499**	**12,509,684**
Application of Funds				
Cash and balances with RBI	802,963	1,191,557	1,053,960	1,041,831
Investments	2,077,327	2,495,315	2,676,850	2,823,250
Advances	5,866,466	6,452,900	6,904,603	7,595,063
Fixed assets	79,314	84,103	88,295	88,382
Other current assets, loans and advances	818,522	759,777	835,754	961,118
Total Assets	**9,644,592**	**10,983,652**	**11,559,461**	**12,509,644**

E – Estimates

Important Ratios

Particulars	FY19A	FY20A	FY21E	FY22E
(A) Margins (%)				
Yield on advances	8.7	9.3	9.1	9.1
Yields on interest earning assets	7.6	7.9	7.7	7.8
Yield on investments	6.2	6.4	6.4	6.3
Costs of funds	4.7	4.7	4.5	4.5
Cost of deposits	4.4	4.4	4.3	4.4
NIMs	3.2	3.5	3.5	3.6
(B) Asset quality and capital ratios (%)				
GNPA	6.7	5.5	6.1	4.9
NNPA	2.1	1.6	1.8	1.5
PCR	70.7	75.6	75.0	75.0
Slippages	2.5	2.4	4.3	2.5
NNPA to NW	13.3	8.9	9.8	7.9
CASA	50.0	45.5	45.0	45.0
CAR	16.9	16.1	15.1	14.1
Tier 1	15.1	14.7	14.0	13.3
Credit - Deposit	89.8	83.7	84.8	85.0
(C) Dupont as a percentage of average assets				
Interest income	6.9	7.3	7.1	7.2
Interest expenses	3.9	4.0	3.9	3.9
Net interest income	2.9	3.2	3.3	3.3
Non interest Income	1.5	1.6	1.5	1.6
Total expenses	2.0	2.1	2.1	2.1
- cost to income	44.8	43.5	43.6	42.9
Provisions	2.1	1.4	1.3	0.8
Tax	0.0	0.6	0.4	0.5
RoA	0.4	0.8	1.1	1.5
Leverage	9.4	9.7	9.3	9.0
RoE	3.2	7.2	9.7	13.1
RoRwa	0.5	1.0	1.4	1.7
(D) Measures of Investments				
EPS - adjusted	5.2	12.3	18.3	27.2
BV	158.4	175.1	191.0	215.6
ABV	131.9	159.5	172.3	198.5
DPS	1.8	2.0	2.3	2.3
Dividend payout ratio	0.0	0.0	0.0	0.0
(E) Growth Ratios (%)				
Net interest income	17.3	23.1	10.2	8.5
PPoP	15.0	25.9	8.3	11.1
Adj PAT	55.9	251.9	49.3	48.9
Advances	14.5	10.0	7.0	10.0
Total borrowings	(9.6)	(1.5)	2.4	2.0
Total assets	9.7	13.9	5.2	8.2
(F) Valuation Ratios				
Market Cap (Rs. mn)	2,471,697	2,471,697	2,471,697	2,471,697
CMP (Rs.)	382	382	382	382
P/E (x)	73.2	31.2	20.9	14.0
P/BV (x)	2.4	2.2	2.0	1.8
P/ABV (x)	2.9	2.4	2.2	1.9
Div Yield (%)	0.5	0.5	0.6	0.6

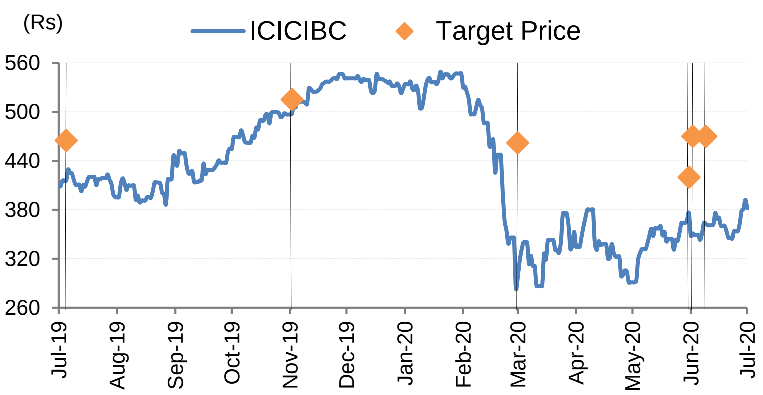
E – Estimates

DART RATING MATRIX

Total Return Expectation (12 Months)

Buy	**> 20%**
Accumulate	**10 to 20%**
Reduce	**0 to 10%**
Sell	**< 0%**

Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Jul-19	Accumulate	465	416
Nov-19	Accumulate	515	498
Mar-20	Buy	462	297
Jun-20	BUY	420	376
Jun-20	BUY	470	351
Jul-20	Buy	470	363

*Price as on recommendation date

DART Team

Purvag Shah	**Managing Director**	**purvag@dolatcapital.com**	**+9122 4096 9747**
Amit Khurana, CFA	**Head of Equities**	**amit@dolatcapital.com**	**+9122 4096 9745**

CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	kapil@dolatcapital.com	+9122 4096 9735
Yomika Agarwal	VP - Equity Sales	yomika@dolatcapital.com	+9122 4096 9772
Jubbin Shah	VP - Derivatives Sales	jubbins@dolatcapital.com	+9122 4096 9779
Ashwani Kandoi	AVP - Equity Sales	ashwanik@dolatcapital.com	+9122 4096 9725
Lekha Nahar	AVP - Equity Sales	lekhan@dolatcapital.com	+9122 4096 9740
Equity Trading	**Designation**	**E-mail**	
P. Sridhar	SVP and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	kartikm@dolatcapital.com	+9122 4096 9715
Dinesh Mehta	Co- Head Asia Derivatives	dinesh.mehta@dolatcapital.com	+9122 4096 9765
Bhavin Mehta	VP - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

Analyst(s) Certification

The research analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

I. Analyst(s) and Associate (S) holding in the Stock(s): (Nil)

II. Disclaimer:

This research report has been prepared by Dolat Capital Market Private Limited. to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies) solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of Dolat Capital Market Private Limited. This report has been prepared independent of the companies covered herein. Dolat Capital Market Private Limited. and its affiliated companies are part of a multi-service, integrated investment banking, brokerage and financing group. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, financing or any other advisory services to the company(ies) covered herein. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have received or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services. Research analysts and sales persons of Dolat Capital Market Private Limited. may provide important inputs to its affiliated company(ies) associated with it. While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and Dolat Capital Market Private Limited. does not warrant its accuracy or completeness. Dolat Capital Market Private Limited. may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and Dolat Capital Market Private Limited. reserves the right to make modifications and alterations to this statement as they may deem fit from time to time. Dolat Capital Market Private Limited. and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (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. This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction. 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 Dolat Capital Market Private Limited. and/or its affiliated company(ies) 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 a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

For U.S. Entity/ persons only: This research report is a product of Dolat Capital Market Private Limited., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Dolat Capital Market Private Limited. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Dolat Capital Market Private Limited. has entered into an agreement with a U.S. registered broker-dealer Ltd Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer/Entity as informed by Dolat Capital Market Private Limited. from time to time.

Dolat Capital Market Private Limited.

Corporate Identity Number: U65990DD1993PTC009797
Member: BSE Limited and National Stock Exchange of India Limited.
SEBI Registration No: BSE - INB010710052 & INF010710052, NSE - INB230710031& INF230710031, Research: INH000000685
Registered office: Office No. 141, Centre Point, Somnath, Daman – 396 210, Daman & Diu
Board: +9122 40969700 | Fax: +9122 22651278 | Email: research@dolatcapital.com | www.dolatresearch.com