

Initiating Coverage

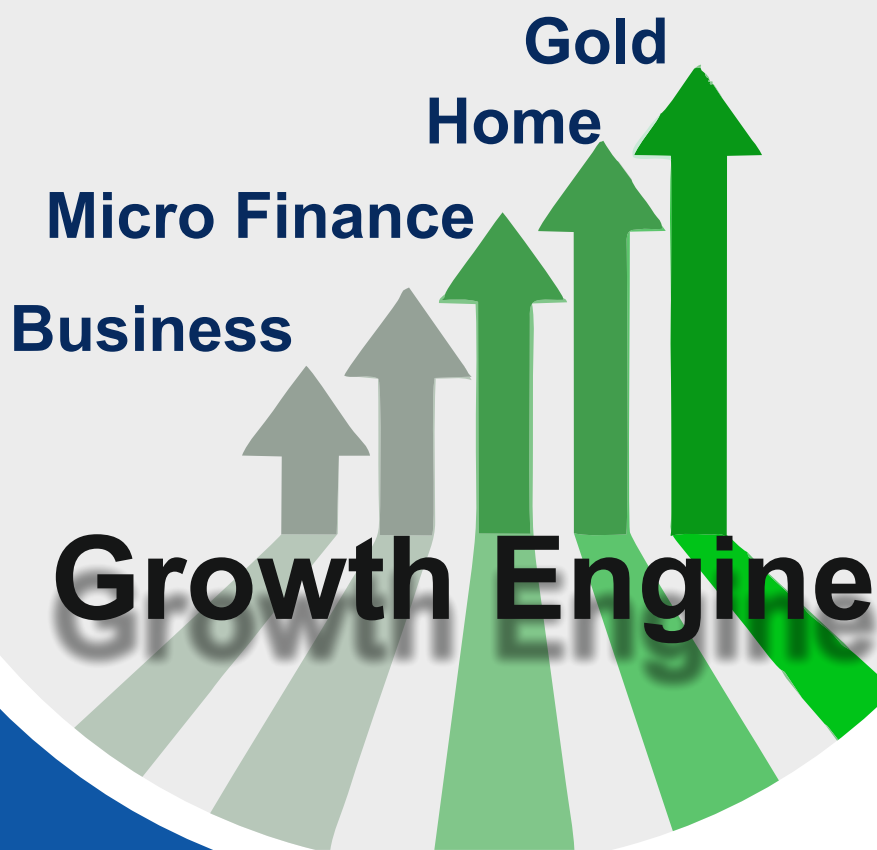
24th January, 2022



**DALAL & BROACHA**  
STOCK BROKING PVT. LTD.



**IIFL**



508, Maker Chambers V,  
221 Nariman Point, Mumbai 400 021.  
91-22- 2282 2992, 2287 6173  
research@dalalbroachaindia.com,  
equity.research@dalal-broacha.com

**Akshy Ashok**

Senior Analyst

022-67141486

akshay.ashok@dalal-broacha.com

**IIFL Finance has a diverse product portfolio comprising of home loan, gold loan, business loan, unsecured msme loan, microfinance, construction and capital market loans. The company has shown 19% CAGR AUM Growth from FY17 to FY21, while maintaining strong asset quality.**

Going forward, we expect the company to grow its loan book at CAGR 24% between FY 22-24E. At CMP the stock trades at 1.9x its FY22E adj BV and 1.5x it's FY23E adj BV. We initiate coverage on IIFL Finance with a BUY rating, giving a P/ABV multiple of 2.0x on FY23E ABV to arrive at target price of Rs 406 i.e. upside of 37%.

### Investment Thesis:

- Multiple Co-Lending agreements signed-** IIFL Finance has signed co-lending agreements with multiple banks (Central Bank of India, PNB, DCB Bank, ICICI Bank, CSB Bank, Standard Chartered Bank and Shivalik Small Finance Bank) and can be a major driver for loan-growth going forward. The company has signed agreements for co-lending of gold loans, home loans and secured business loans. The co-lending agreement that the company has signed with banks will enable it to raise capital in a much easier route compared to other NBFCs.
- Aggressive Growth Plans:** IIFL Finance is walking the talk when it comes to growth post pandemic. In FY22 they are on track to open 700 new branches (have already opened close to 350). Majority of the branches will be gold loan branches. New branch openings along with co-lending will enable strong growth in AUM. Company has recently launched gold loan products with monthly interest rates starting from 0.54% which is amongst the lowest in the industry. This is part of their strategy to aggressively grow their books in a highly competitive market.
- Partnerships with fintechs and use of technology in their business:** IIFL has partnered with fintech players for harnessing and leveraging innovation across operations. Some of the fintechs with whom there are partnerships are Leegality, Finbox, Karzaa, Data Sutram, Setu, Credgenics and M2pYap. Their IIFL Loan App has 1,80,000 average monthly users and the My Money App is used for instant unsecured business loans and managing money.
- Strong Historical Growth in AUM:** Gold Loans, Home Loans and Microfinance Loans have shown CAGR AUM growth of 48%, 19% and 79% between FY18-FY21.
- Maintaining strong asset quality along with strong loan growth:** GNPA levels have been under control in the past even when unprecedented events like covid has struck the company. FY18,19,20 and 21 GNPA'S were 1.70%, 1.90%, 2.30% and 1.98% respectively.

Y/E Mar (Rs Bn)	FY20	FY21	FY22E	FY23E	FY24E
Nil	22139	27859	32584	39971	49666
Adjusted net profit	2780	3327	7799	10265	12611
Networth	47656	53934	66390	82047	100878
Adj BVPS	111	134	162	201	250
EPS (Rs)	7	9	21	27	33
P/ABV (x)	2.8	2.3	1.9	1.5	1.2
P/E (x)	42	35	15	11	9
RoA (%)	1.5	2.0	2.8	3.0	3.0
RoE (%)	11.0	15.0	20.7	21.1	20.6

Source: Dalal & Broacha Research, Company

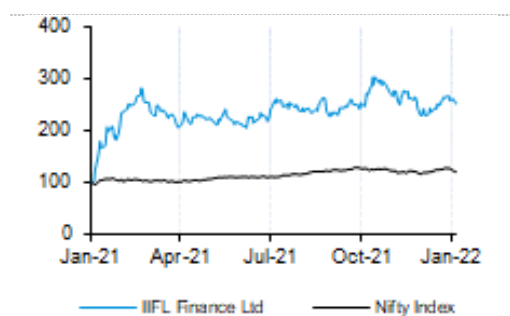
Rating	TP (Rs)	Up/Dn (%)
<b>BUY</b>	<b>406</b>	<b>37</b>

### Market data

Current price	Rs	297
Market Cap (Rs.Bn)	(Rs Bn)	113
Market Cap (US\$ Mn)	(US\$ Mn)	1,516
Face Value	Rs	2
52 Weeks High/Low	Rs	375/ 116
Average Daily Volume	('000)	975
BSE Code		532636
Bloomberg		IIFL.IN

Source: Bloomberg

### One Year Performance



Source: Bloomberg

% Shareholding	Sep-21	Jun-21
Promoters	24.93	24.93
Public	75.07	75.07
<b>Total</b>	<b>100</b>	<b>100</b>

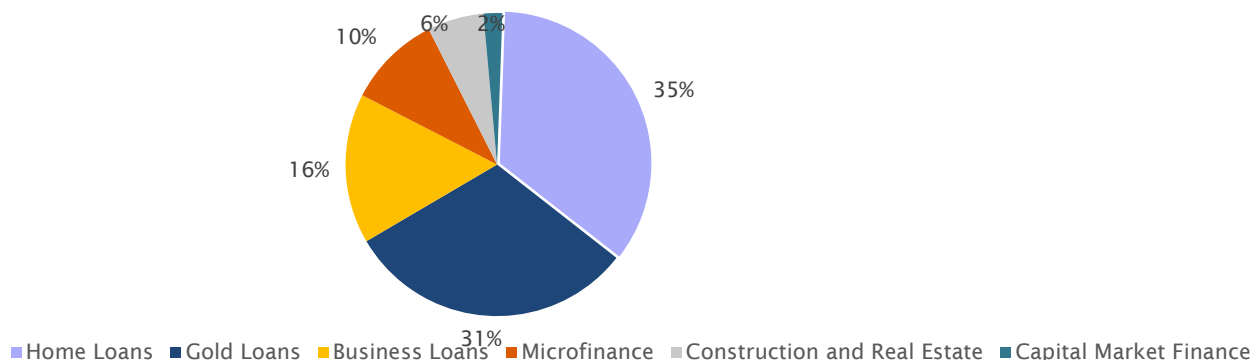
Source: BSE

- **Priority sector target:** All domestic scheduled commercial banks must lend 40% of adjusted net bank credit or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher. To achieve this target, banks need the reach of NBFC's. IIFL can expand their book at a rapid pace thanks to their co-lending agreements with banks.
- **Launch of Instant Whatsapp Loans:** In October of 2021 IIFL launched WhatsApp loans where users will be able to avail loan upto Rs.10 lakh with minimum documentation and approval in 5 mins. It went live on the account aggregator to help customers and securely better underwrite small enterprises. 60000+ leads generated in 10 days of launch. Loan worth INR.4.5 crores was disbursed.
- **Reduction in Construction and Real Estate Book-** The company is continuously reducing its exposure in construction and real estate space and focusing on granular loans. Furthermore, large ticket disbursements have been completely stopped and only affordable construction is being financed that too on a case by case basis.

## Company Background

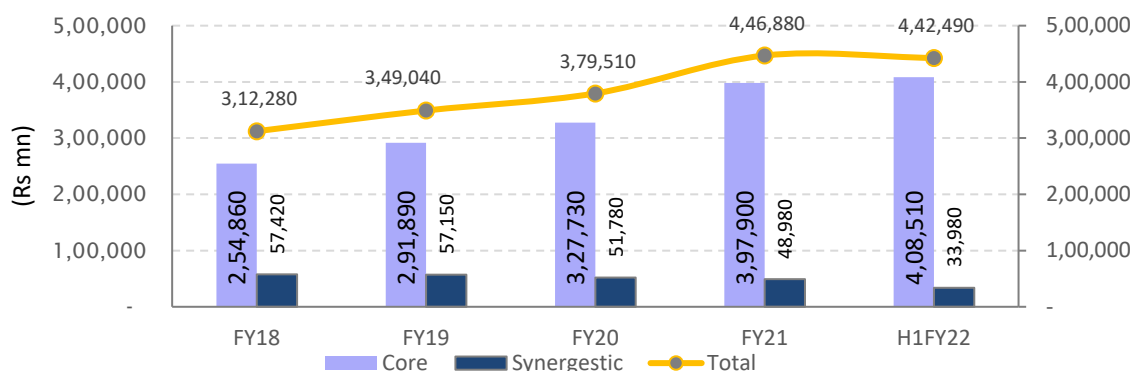
IIFL Finance Ltd (erstwhile IIFL Holdings Ltd) is one of the retail focused NBFCs in India, engaged in the business of loans and mortgages along with its subsidiaries IIFL Home Finance Ltd and Samasta Microfinance Ltd. IIFL Finance beginning dates back to 1995 when it started its reserach business with the name of Probity Research and Services Pvt Limited. Now it is carrying out its business from 2,914 branches and has presence in 25 states of the country.

**Exhibit 1 AUM breakup of divisions (%) as on Q2'ss**



Source: Dalal & Broacha Research,Company

**Exhibit 2: Strong AUM Growth (in millions)**



Source: Dalal & Broacha Research,Company

**Core segment includes home loans, gold loans, business loans and microfinance, while synergistic segments comprises construction / real estae and capital market finance.**

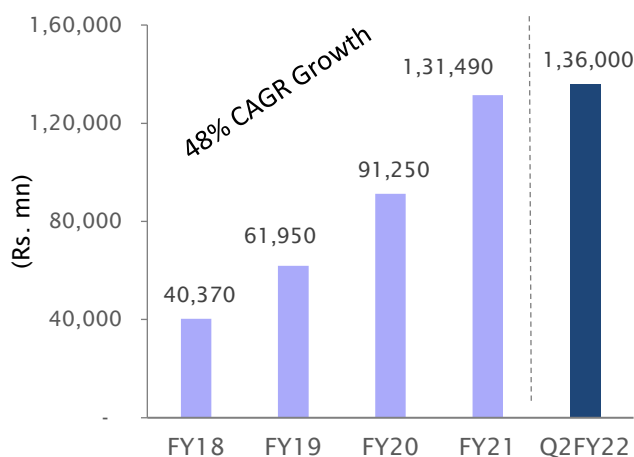
## Well Diversified Loan Book

### Gold Loans:

Portfolio Average Ticket Size INR 61,000. Company offers loan against gold jewellery for meeting the personal and business needs of small businesses, vendors, traders, farmers and salaried people. Gold Loans constitutes 31% of AUM as on Q2FY22 up from 29% of AUM as on FY21. IN FY21 the company launched digital gold loan for top-up and online renewal of gold loans. The company equips its employees with loan origination tablet application equipped to screen customers for earlier defaults, frauds and negative customer lists. Average tenor of the loan is 2 years and onboarding LTV is approximately 75%. Company has integrated with payment platforms like Paytm, Google Pay, BHIM UPI, PhonePe, Mobikwik and PayU for collections and has launched the facility of EMI payment over WhatsApp for the convenience of our customers. We have forecasted a growth of 39% in Gold Loan AUM from FY22-FY24.

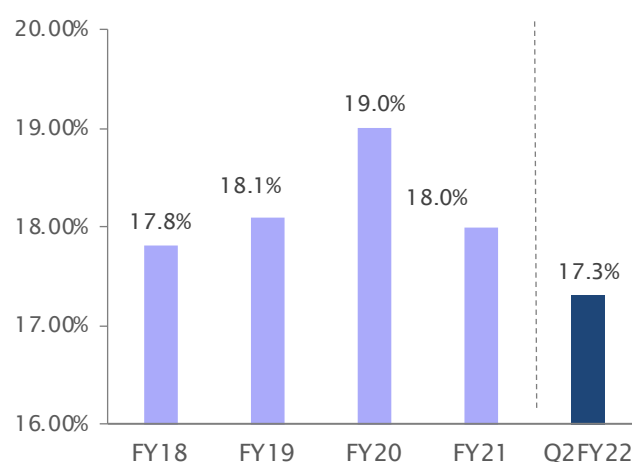
## Operational parameters

**Exhibit 3: Assets Under Management(Mn)**



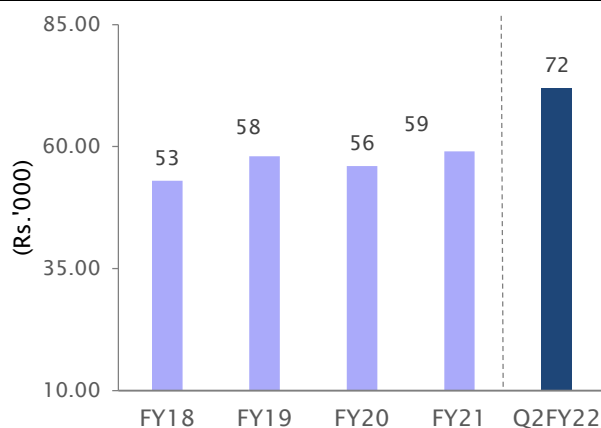
Source: Company,

**Exhibit 4: Portfolio Yield(%)**



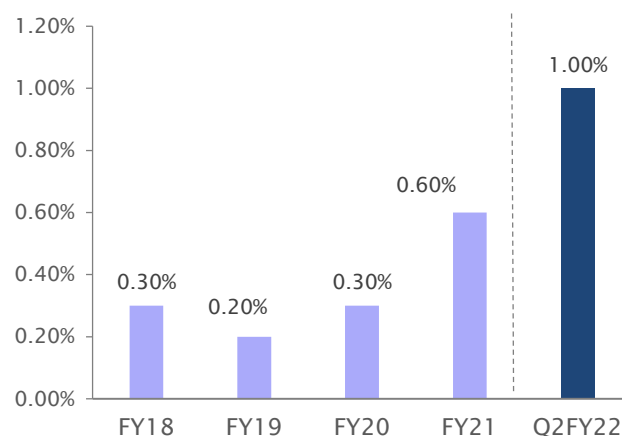
Source: Company,

**Exhibit 5: Onboarding Average Ticket Size(₹ '000s)**



Source: Company,

**Exhibit 6: GNPA(%)**



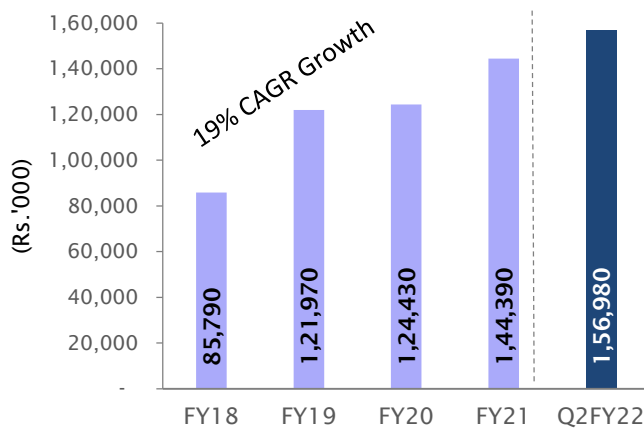
Source: Company,

• **Home Loans:**

Portfolio Average Ticket Size INR 17 lakhs. Company focuses on affordable and non-metro customers. 90% of home loans were disbursed to customers under PSL category, hence can also be securitized or assigned to banks. Target segment is salaried and self-employed profile with focus on first time home buyers. Their product ‘Swaraj’ home loans primarily cater for the housing needs of salaried, self-employed and professionals running micro-businesses across Tier I suburbs, Tier II and Tier III cities. First time home buyers are targeted to take advantage of the Credit Linked Subsidy Scheme under the Pradhan Mantri Awas Yojana where buyers are credited with upfront interest subsidy from 3 to 6.5%. Home Loans constitutes 35% of AUM as on Q2FY22 up from 32% of AUM as on FY21. Via the CLSS scheme benefit of INR 1,184+ Cr has been given to over 49,500+ customers. Average tenor of the loan is 20 years and average LTV is approximately 72%. We have forecasted a growth of 25% in Home Loan AUM from FY22-FY24.

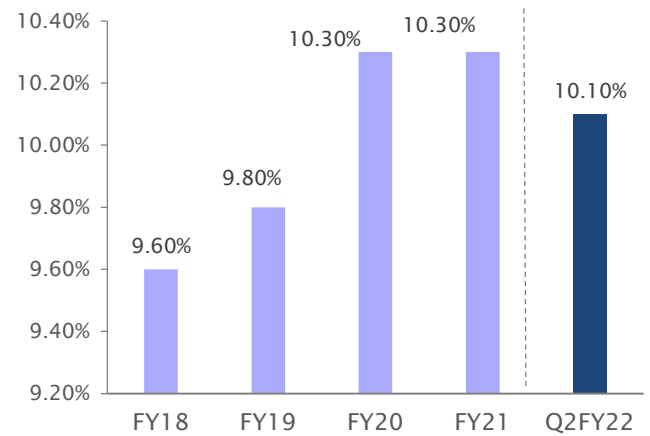
**Home Loans (Operational parameters)**

**Exhibit 7: Assets Under Management(Mn)**



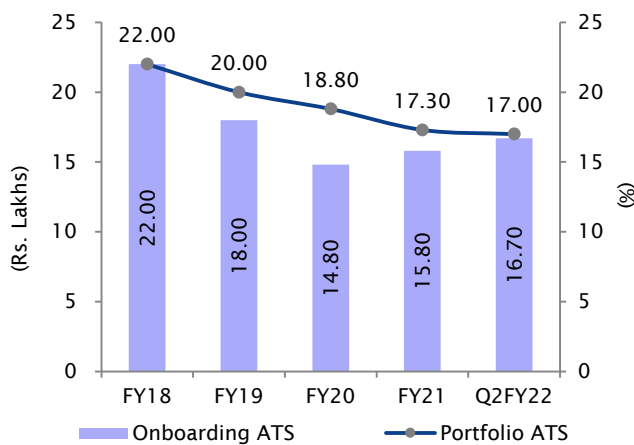
Source: Company,

**Exhibit 8: Portfolio Yield(%)**



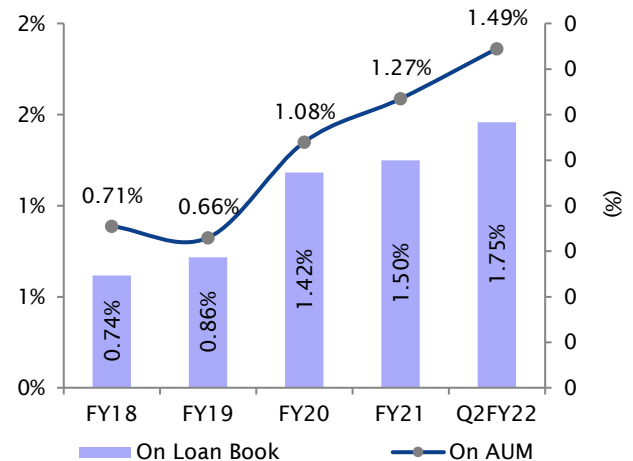
Source: Company,

**Exhibit 9: Onboarding Average Ticket Size(₹ ‘lakhs)**



Source: Company,

**Exhibit 10 GNPA(%)**



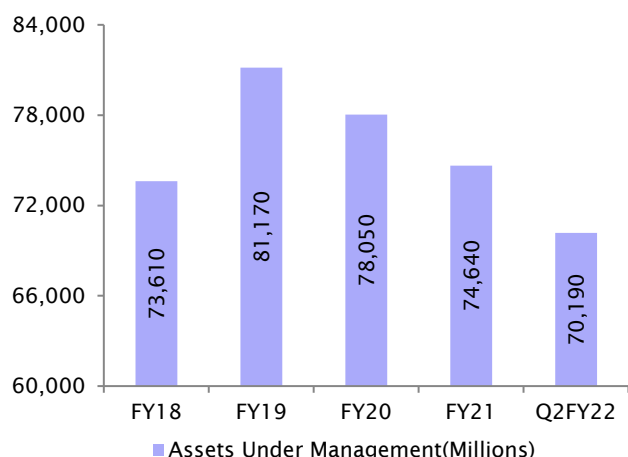
Source: Company,

• **Business Loans:**

Portfolio Average Ticket Size INR 13.7 lakhs. Business Loans are given where it is backed by cash flows. 77% of portfolio is secured. 34% of the unsecured MSME portfolio is covered through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE guarantee scheme) where on paying a fee on a yearly basis 75-85% of the loss in case of default will be compensated by the Government. Business loans constitutes 16% of AUM as on Q2FY22 down from 17% of AUM as on FY21. Company had slowed down disbursements during covid, but its picking up once again and is near pre-covid levels. Company has launched instant business loans via whatsapp. This can be a major driver going forward as its based on the account aggregator model, so TAT is very less and underwriting standard is also superior. Users will be able to avail loan upto INR.10 lakh with minimum documentation and approval in 5 minutes. Average tenor of secured loans is 12 years and unsecured loans is 3 years. We have forecasted a growth of 8% in Business Loan AUM from FY22-FY24.

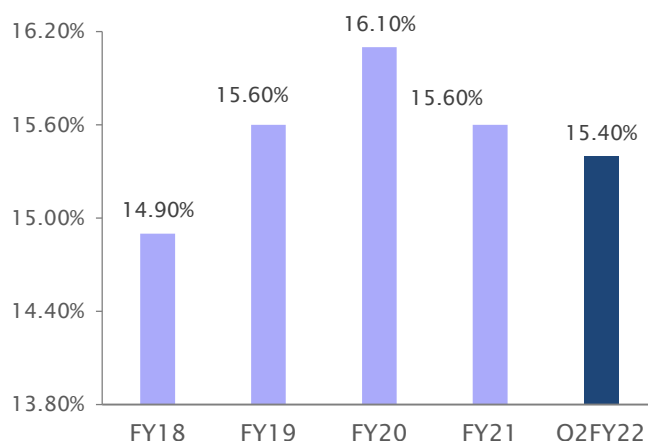
## Business Loans (Operational parameters)

**Exhibit 11: Assets Under Management(Mn)**



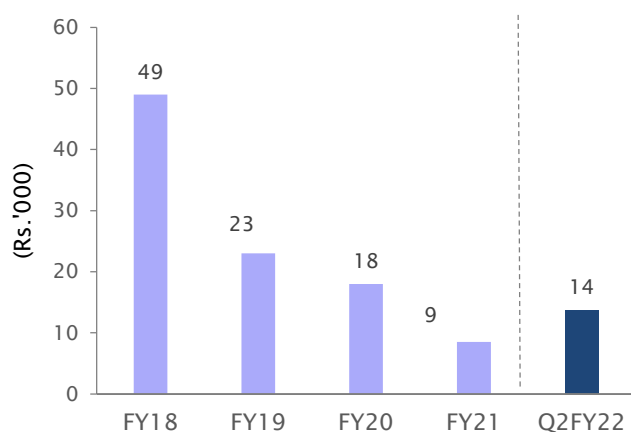
Source: Company,

**Exhibit 12: Portfolio Yield(%)**



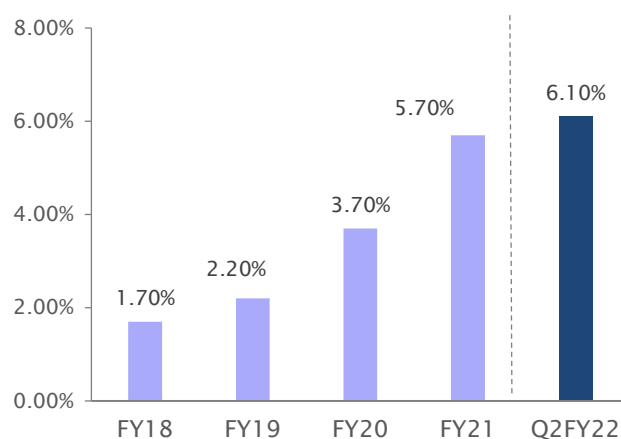
Source: Company,

**Exhibit 13: Onboarding Average Ticket Size(₹ '000s)**



Source: Company,

**Exhibit 14: GNPA(%)**



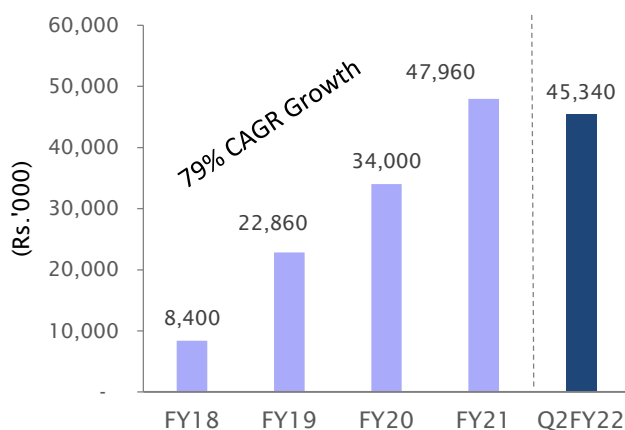
Source: Company,

- Microfinance Loans (IIFL Samasta):**

Portfolio Average Ticket Size INR 20,000. Company offers small-ticket micro loans to self-employed women for income-generating activities based on a joint liability group model. Disbursements have rebounded strongly and are back to pre-pandemic levels. Microfinance loans constitutes 10% of AUM as on Q2FY22 down from 11% of AUM as on FY21. Microfinance business is diversified across 17 states thereby reducing risk of geographical concentration. Average tenor of the loan is 2 years. We have forecasted a growth of 14% in Microfinance Loan AUM from FY22-FY24.

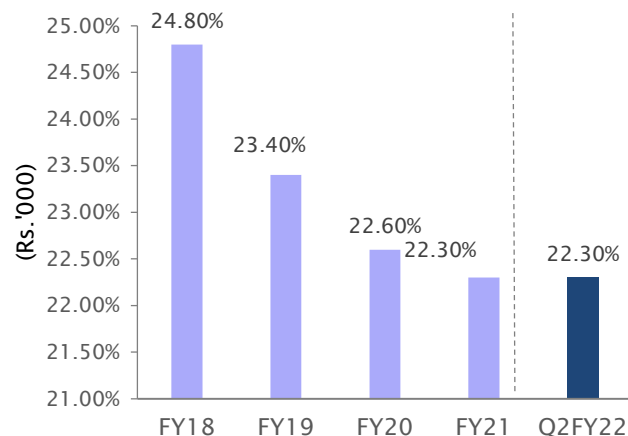
## Microfinance Loans (Operational parameters)

**Exhibit 15: Assets Under Management(Mn)**



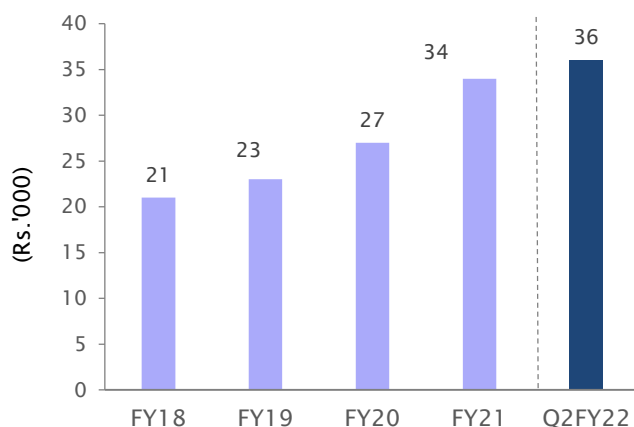
Source: Company,

**Exhibit 16: Portfolio Yield(%)**



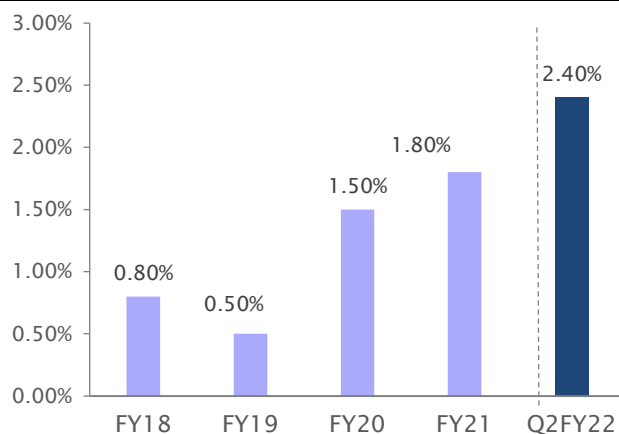
Source: Company,

**Exhibit 17: Onboarding Average Ticket Size(₹ '000s)**



Source: Company,

**Exhibit 18: GNPA(%)**



Source: Company,

- Construction and Real Estate Loans:**

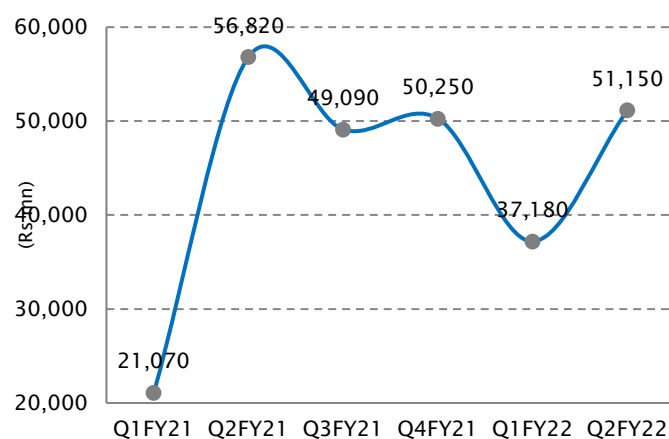
The company is reducing this book to focus on more granular loans. But the company is open to funding affordable construction projects on a case by case basis. Construction and real estate loans constitutes 6% of AUM as on Q2FY22 down from 10% of AUM as on FY21 and as high as 20% as on FY15. The Company is in the process of transferring a substantial part of its Construction & Real Estate (CRE) loan assets that are in the form of non-convertible debentures to an Alternative Investment Fund wherein, the Company will continue to own at least a third of the AIF's units.



## Disbursement trend in the last 6 quarters

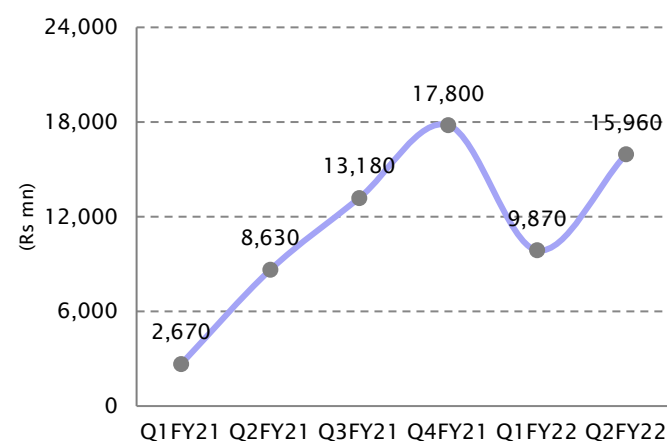
Disbursement has bounced back strongly in Q2'22 from Q1'22, we have taken a conservative disbursement growth rate of 17%, 22%, 17% and 27% from FY22-FY24 in gold, home, business and microfinance loans.

**Exhibit 19: Disbursement Gold Loan trends (Mn)**



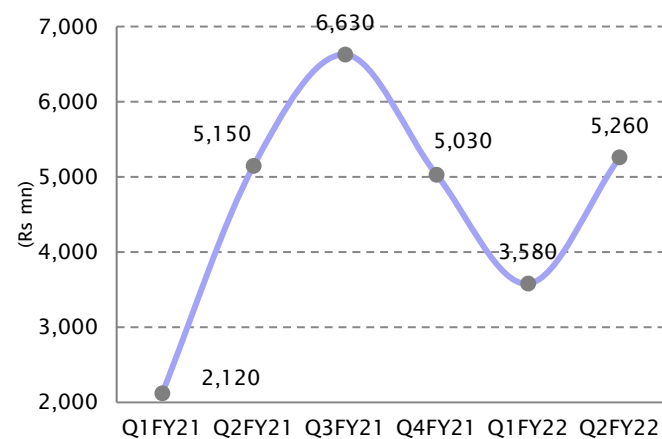
Source: Company,

**Exhibit 20: Disbursement Home Loan trends (Mn)**



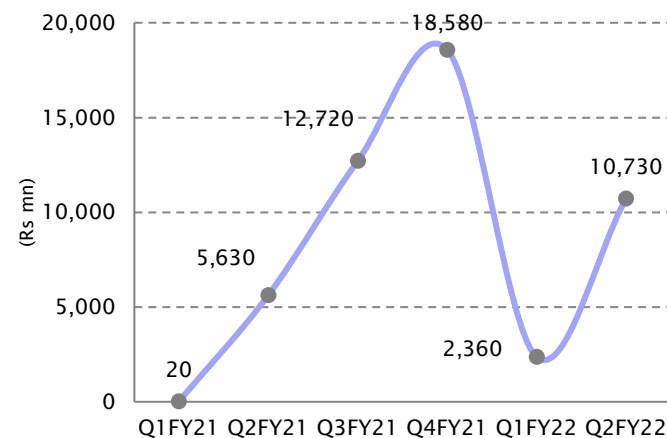
Source: Company,

**Exhibit 21: Disbursement Business Loan trends (Mn)**



Source: Company,

**Exhibit 22: Disbursement Mico Finance Loan (Mn)**

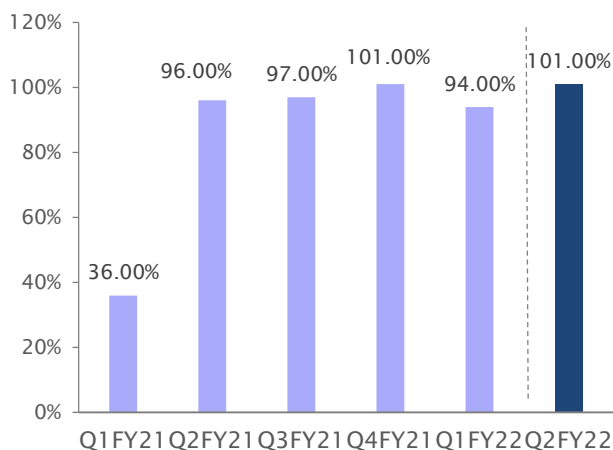


Source: Company,

## Collection Efficiency showing strong trends

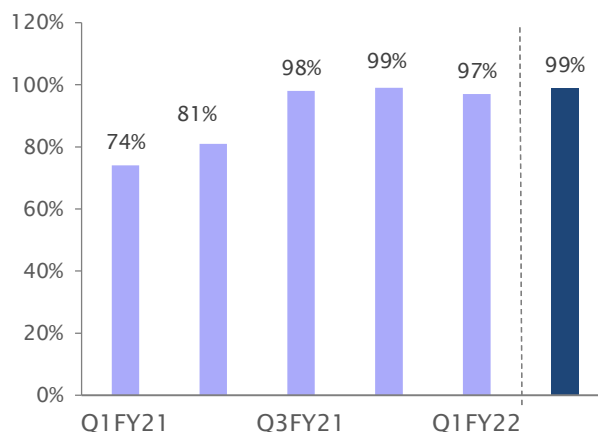
Collection efficiencies has improved across segments and is close to pre-covid levels

**Exhibit 23: Gold Collection Efficiency Trends (%)**



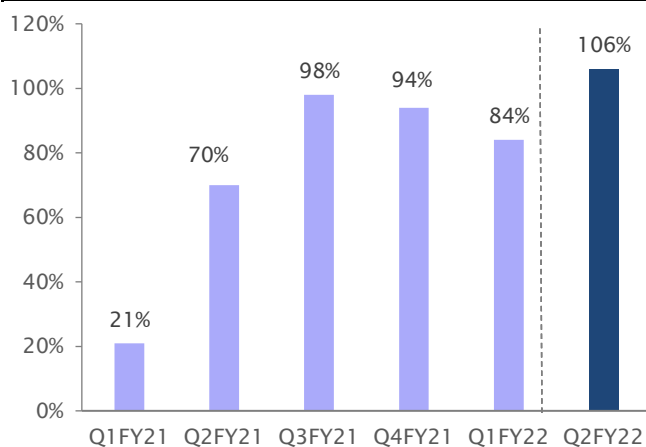
Source: Company,

**Exhibit 24: Home Loan Efficiency Trends (%)**



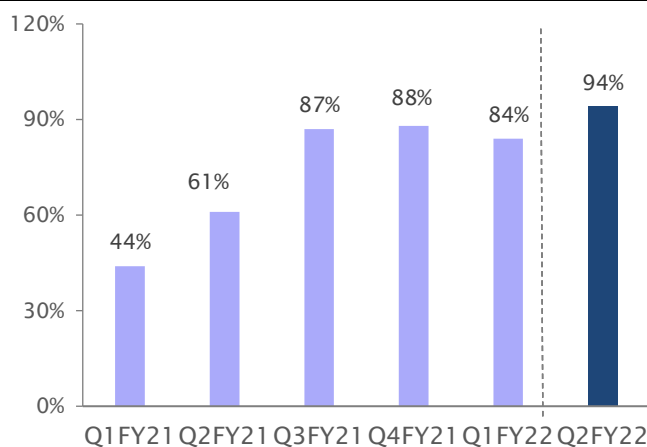
Source: Company,

**Exhibit 25: Business Loan Efficiency trends (%)**



Source: Company,

**Exhibit 26: Mico Finance Loan Efficiency trends (%)**

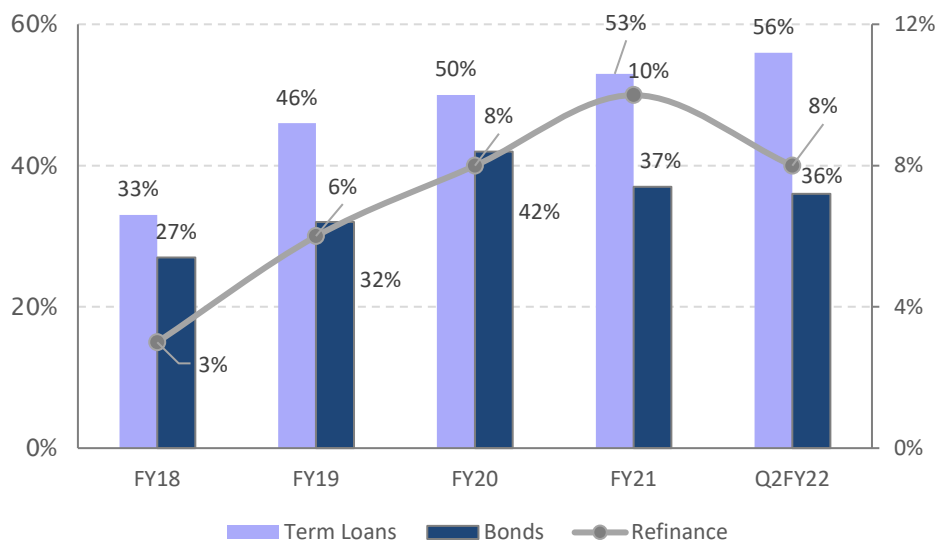


Source: Company,

## Sources of Outstanding Borrowing

Company has a well-diversified source of borrowing, Share of term loans has gone up from 33% in FY18 to 56% in Q2'22 .CRISIL maintains rating at AA (Stable) for IIFL Finance Ltd as well as IIFL Home Finance. CRISIL has also upgraded IIFL MFI's long-term credit rating from CRISIL A+ Stable to AA(-) Stable.

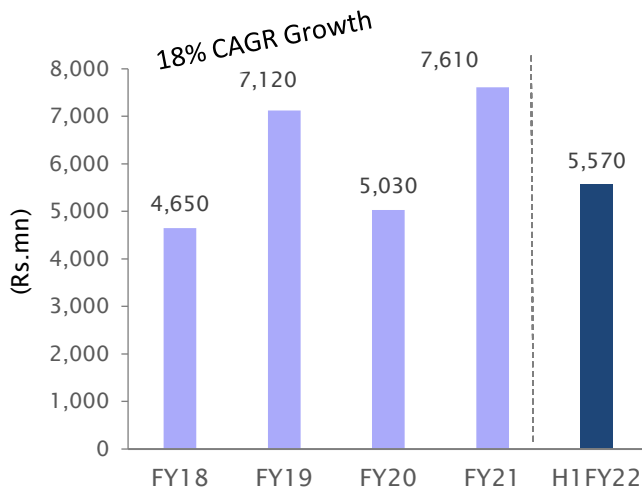
**Exhibit 27: Source of Borrowings (%)**



Source: Company,

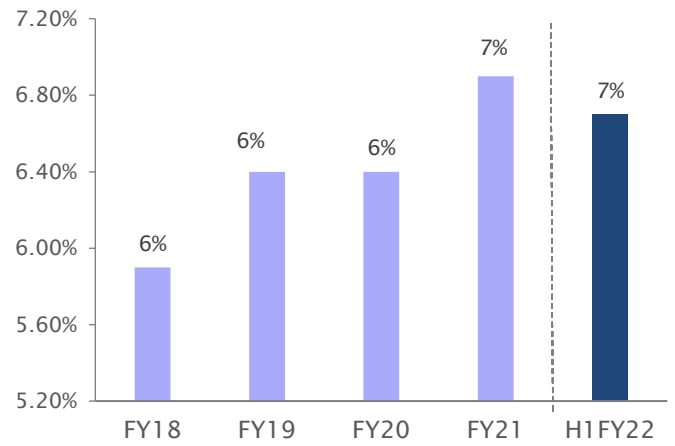
# Company Financials

**Exhibit 28: Strong Profitability(Mn)**



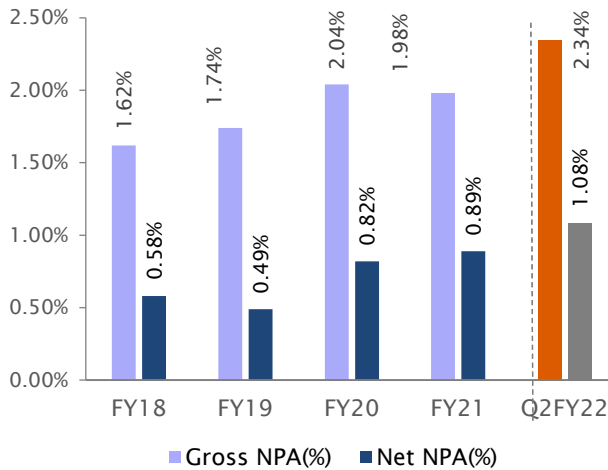
Source: Company,

**Exhibit 29: NIM(%) showing strong growth**



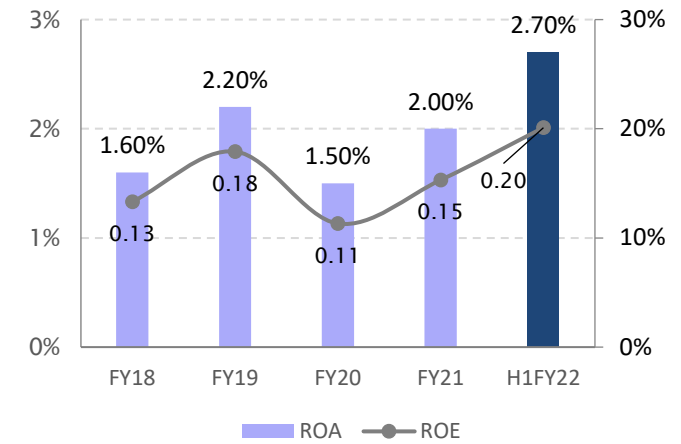
Source: Company,

**Exhibit 30: Strong Asset Quality maintained(%)**



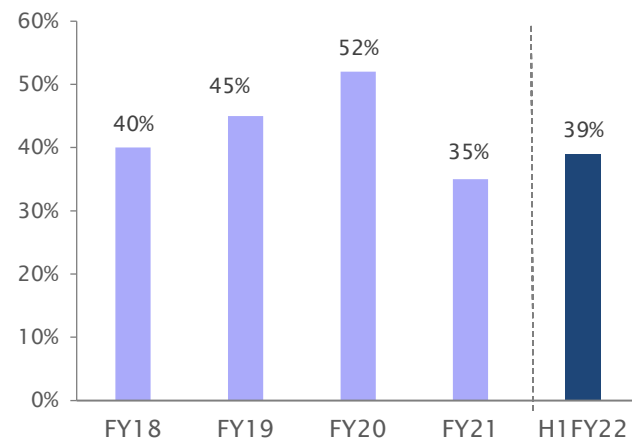
Source: Company,

**Exhibit 31: Strong Return Ratios(%)**



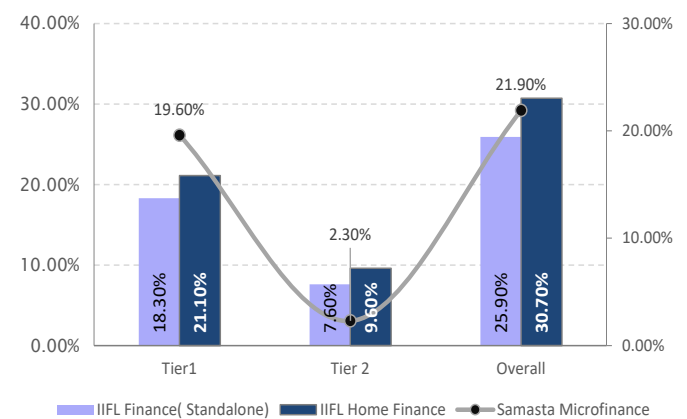
Source: Company,

**Exhibit 32: Reducing Trend of Cost to Income(%)**



Source: Company,

**Exhibit 33: Comfortable Capital Adequacy(%)**



Source: Company,

**Why is it beneficial for banks to go for co-lending?**

Allows banks to know more about the borrower at the very inception stage on IIFL's digital platform, by various credit checks thus ensuring very high due diligence and remote chances of default; in case of Direct Assignment it is a pool and due diligence on credit parameters of each and every loan account is not practically possible. Allows banks to leverage on IIFL's digital platform, experience and low cost of operations in small ticket size income generation loans.

Allows banks to earn 10% on 'Priority Sector Loans' without any cost. Helps banks meet its 'Priority Sector' Goal shortfall (Priority sector target: All domestic scheduled commercial banks must lend 40% of adjusted net bank credit or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher).

**Why is this beneficial for IIFL Finance Ltd to go for co-lending?**

Co-lending has opened up liquidity windows for market players which boosts confidence. This unique liquidity window through banking channels will provide growth capital for IIFL Finance on a sustainable basis. In the absence of co-lending directives, lenders have remained reluctant to increase their exposure directly to NBFCs.

The co-lending agreement that the company has signed with banks will enable it to raise capital in a much easier route compared to other NBFC's. It is an excellent avenue for IIFL to grow their assets under management. It will omit the occurrence of funding related challenges or capital constraints. IIFL Finance can aggressively compete with microfinance companies and SFBs

**Advantage of Securitization of book by IIFL Finance**

IIFL Finance can securitise both 20% Co-Origination book and Non Co-Origination Book. This can free up capital for further lending. Post securitization, servicing and recovery of borrower will be done by IIFL, but in case of default by borrower IIFL will not be liable for payment of securitized portion from its own funds.

IIFL Finance and banks can securitize there portion of the co-origination portfolio by taking prior permission from each other , as the case maybe.

## Peer Comparison

Gold Loan(as on FY21)	AUM Growth (FY18-FY21)	GNPA	NNPA	LTV	ATS (Rs.)	Yield
IIFL Finance Gold Loan	48%	0.60%	0.50%	71%	59,000	18%
Manppuram	18%	1.50%	1.50%	71%	44,600	25%
Muthoot	22%	0.90%	0.30%	75%	61,743	22%
Home Loan(as on FY21)	AUM Growth (FY18-FY21)	GNPA	NNPA	LTV	ATS (in lakhs)	Yield
IIFL Finance Home Loan	19%	1.50%	1.00%	71%	16	10%
Home First	45%	1.80%	1.20%	59%	10	13%
Aptus Value Housing	42%	0.68%	0.52%	39%	7	17%
Microfinance Loans(as on FY21)	AUM Growth (FY18-FY21)	GNPA	NNPA	No of States	ATS (Rs.)	Yield
IIFL Finance Samasta Microfinance	78%	1.80%	0.00%	17	20,000	21.60%
Creditaccess Grameen	40%	4.43%	0.00%	14	30,000	18.60%

Source: Dalal & Broacha Research, Company

### Risks in the business

- Change in Gold Price: Higher gold prices allow customers to borrow more, leading to rise in AUM. Large decline in gold price can impact AUM growth negatively.
- LTV in gold lending is capped at 75% by RBI, any change in LTV or caps on rates can impact company negatively.
- Although it does appear severity of covid is coming to an end, any new powerful variant can affect business especially microfinance business in terms of collections. Socio political factors also affect microfinance industry from time to time

### Promoter and Management

24.93% is owned by the promoters Mr Nirmal Bhanwarlal Jain, Ms Madhu N Jain and Mr Venkatraman Rajamani. Mr. Nirmal Jain is the founder and Chairman of the company. He holds a PGDM (Post Graduate Diploma in Management) from the Indian Institute of Management (IIM), Ahmedabad and is a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with HUL Ltd and started Probity Research and Services Private Limited (now known as IIFL) in 1995. Mr Venkatraman Rajamani is the co-promoter and Managing Director of the company He holds Post Graduate Diploma in Management from Indian Institute of Management (IIM), Bangalore and Bachelor in Electronics and Electrical Communications Engineering from IIT Kharagpur. He joined the Company's Board in July 1999. He has a varied experience of more than 28 years in the financial services sector.

## Valuation and Outlook

---

IIFL Finance has historically shown strong AUM growth while maintaining stable asset quality. Going forward we expect Gold AUM, Home Loan AUM and Microfinance AUM to grow at 39%, 25% and 14% between FY22 and FY24. Company has signed multiple co-lending agreements with banks which will help them grow the books at a much faster rate and also provide the company growth capital for incremental lending.

Company has aggressive growth plans and are on track to open 700 new branches by end of FY22. Their partnerships with fintech companies and launch of innovative products like WhatsApp loans and launch of gold loan products with monthly interest rates starting from 0.54% gives us the confidence that they are taking competition head on.

In the upcoming budget, we can also hope for decisions by the Government to provide more impetus to segments like affordable housing, microfinance which can benefit IIFL Finance Ltd

**We initiate coverage on the company with a “BUY” rating giving a P/ABV, multiple of 2.0x on FY23E ABV to arrive at a target price of INR 406 i.e upside of 37%.**

## Company Financials

P&L (Rs Mn)	FY 20	FY 21	FY 22	FY 23	FY 24
Interest income	46,189	54,117	63,482	77,189	95,040
Interest expense	24,050	26,258	30,899	37,218	45,374
<b>NII</b>	<b>22,139</b>	<b>27,859</b>	<b>32,584</b>	<b>39,971</b>	<b>49,666</b>
Non-interest income	818	1,496	1,625	1,883	2,188
<b>Net revenues</b>	<b>22,957</b>	<b>29,355</b>	<b>34,208</b>	<b>41,854</b>	<b>51,853</b>
Operating expenses	17,729	18,384	21,847	25,422	31,207
<b>PPOP</b>	<b>5,228</b>	<b>10,970</b>	<b>12,361</b>	<b>16,432</b>	<b>20,647</b>
Provisions	230	5,203	366	892	1,692
<b>PBT</b>	<b>4,997</b>	<b>5,767</b>	<b>11,995</b>	<b>15,540</b>	<b>18,955</b>
Tax	2,217	2,440	4,196	5,275	6,344
<b>PAT</b>	<b>2,780</b>	<b>3,327</b>	<b>7,799</b>	<b>10,265</b>	<b>12,611</b>

Balance sheet	FY 20	FY 21	FY 22	FY 23	FY 24
Share capital	757	758	758	758	758
Reserves & surplus	46,899	53,177	65,632	81,289	1,00,120
<b>Net worth</b>	<b>47,656</b>	<b>53,934</b>	<b>66,390</b>	<b>82,047</b>	<b>1,00,878</b>
Borrowings	2,79,961	3,25,831	3,84,481	4,61,377	5,58,266
Other liability	16,117	26,904	26,580	32,064	39,676
<b>Total liabilities</b>	<b>3,43,734</b>	<b>4,06,669</b>	<b>4,77,451</b>	<b>5,75,488</b>	<b>6,98,820</b>
Fixed assets	1,142	1,043	1,263	1,575	1,969
Investments	10,130	820	820	820	820
Loans	2,85,347	3,35,332	3,66,372	4,46,058	5,63,837
Cash	32,159	47,841	73,252	89,057	86,002
Other assets	14,957	21,635	35,745	37,978	46,193
<b>Total assets</b>	<b>3,43,734</b>	<b>4,06,669</b>	<b>4,77,451</b>	<b>5,75,488</b>	<b>6,98,820</b>

Ratios	FY 20	FY 21	FY 22	FY 23	FY 24
<b>Growth (%)</b>					
NII	2	26	17	23	24
PPOP	-28	104	12	28	23
PAT	-37	51	64	26	20
Advances	4	18	9	22	26
<b>Spread (%)</b>					
Yield on Funds	15.8	17.0	17.5	18.2	18.0
Cost of Funds	8.8	8.7	8.7	8.8	8.9
Spread	7.0	8.4	8.8	9.4	9.1
NIM	5.7	6.1	15.8	14.8	14.2
<b>Asset quality (%)</b>					
Gross NPAs	2.3	2.0	2.3	2.2	1.9
Net NPAs	2.0	0.9	1.4	1.3	1.1
<b>Return ratios (%)</b>					
RoE	11.0	15.0	20.7	21.1	20.6
RoA	1.5	2.0	2.8	3.0	3.0
<b>Per share (Rs)</b>					
EPS	7.3	8.8	20.6	27.1	33.3
BV	126	142	175	217	266
ABV	111	134	162	201	250
<b>Valuation (x)</b>					
P/E	42.0	35.2	15.0	11.4	9.3
P/BV	2.5	2.2	1.8	1.4	1.2
P/ABV	2.8	2.3	1.9	1.5	1.2



## Disclaimer

**Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B** (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. [www.dalal-broacha.com](http://www.dalal-broacha.com)

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

### **Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-**

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

### **Disclosures in respect of Research Analyst:**

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No

D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, 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 or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any

copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Name	Designation	Email	Phone	Sector
Mr.Kunal Bhatia	Head of Research	kunal.bhatia@dalal-broacha.com	022 67141442	Retail   FMCG   Logistics
Mrs.Charulata Gaidhani	Sr.Analyst	charulata.gaidhani@dalal-broacha.com	022 67141446	Pharma   Healthcare
Mr.Mayank Babla	Sr.Analyst	mayank.babla@dalal-broacha.com	022 67141412	IT   Telecom   Media
Mr.Avinash Tanawade	Sr.Analyst	avinash.tanawade@dalal-broacha.com	022 67141449	BFSI
Mr.Akshay Ashok	Sr.Analyst	akshay.ashok@dalal-broacha.com	022 67141486	BFSI
Mr.Bhavya Gandhi	Analyst	bhavya.gandhi@dalal-broacha.com	022 67141444	Midcaps
Mr.Miraj Shah	Analyst	miraj.shah@dalal-broacha.com	022 67141489	FMCG   Retail

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.

Tel: 91-22- 2282 2992 | E-mail: [equity.research@dalal-broacha.com](mailto:equity.research@dalal-broacha.com)