

Industry
Bloomberg
BSE CODE

Financial
RBK IN
540065

QIP to enhance capital adequacy and Support Growth However Stress in the book Remains a concern

Key Features of QIP

- RBL Bank has come out with QIP worth around Rs Rs. 2,025 crore at the issue price of Rs. 351 per share.
- The QIP increases the Bank's Total Capital Adequacy Ratio to 15.3%. Core Equity Tier I Ratio to 14.3% which is well above the regularised limit
- Post QIP paid up share capital of the company has increased from Rs 431 Cr to Rs 488 Cr
- Management said that the Fund raised from the QIP would improve its capital adequacy and would open it to various growth opportunity available.
- The overall allocation to domestic investors including mutual funds and insurance companies is approximately 60% with the balance allocated to foreign institutional investors in Asia and Europe
- QIP would provided well needed support to the bank to tackle the higher credit cost expected during the year and also provide some growth Momentum.
- The Allotees with over 5% of securities offered are Aditya Birla Sun Life Trustee Private limited account, Reliance Capital Trustee Co Ltd,Bnp Paribas Arbitrage,Bajaj Finance Limited,Credit Suisse (Singapore) Limited,Theleme Master Fund Limited.

Allotees Who Have Been Allotted More Than 5%	%
Aditya Birla Sun Life Trustee Private limited account	10.37
Reliance Capital Trustee Co Ltd	9.4
Bnp Paribas Arbitrage	7.9
Bajaj Finance Limited	7.41
Credit Suisse (Singapore) Limited	6.91
Theleme Master Fund Limited.	6.42

View and Valuation

RBL Bank has raised well needed fund worth Rs 2025 Cr through the mode of QIP which would aid its capital adequacy thus providing the growth capital. Management said with the QIP raise it has enhanced its capital adequacy significantly and would look at growth opportunity. However the key factor remains that high credit cost guidance with higher exposure to stressed assets will keep the asset quality weak for the year. Deterioration in assets quality during Q2FY20 beat the previous guidance of management. Stress in the book has increased to Rs 1800 Cr from earlier indicated level of Rs 1000 Cr. Despite Rs 800 Cr slippages from stress book. Issues in assets quality would effect the operating performance of the bank. The QIP would provide growth opportunity but the given the economic conditions and stress in the book we expect growth to be moderate and profitability to be muted in the near term. We maintain Neutral and raise TP to 332 owing to capital raise at at 1.4x BV FY21e.

Key Risks to our rating and target

- Higher LGD in the stressed assets will increase the credit cost
- Pressure in rural economy will further impact the growth.

RATING

NEUTRAL

CMP	339
Price Target	332
Potential Upside	-2%

Rating Change	↔
Estimate Change	↔
Target Change	↑

STOCK INFO

52wk Range H/L	716/231
Mkt Capital (Rs Cr)	14,559
Free float (%)	100
Avg. Vol 1M (,000)	16,634
No. of Shares (Crs)	488
Promoters Pledged %	

Fig in Rs Cr

FINANCIAL	FY19	FY20E	FY21E
NII	2539	3468	4458
PPP	1940	2579	3303
PAT	867	636	1717
NIM %	3.8	4.1	4.1
EPS (Rs)	20	13	35
EPS growth (%)	34	-36	170
ROE (%)	12	7	16
ROA (%)	1.2	0.7	1.5
BV	177	206	237
P/B (X)	3.8	1.6	1.4
P/E (x)	33	26	10

RESEARCH ANALYST

DEEPAK KUMAR

Deepak.kumar@narnolia.com
+91-22-62701205

The views expressed above accurately reflect the personal views of the authors about the subject companies and its(their) securities. The authors have not and will not receive any compensation for providing a specific recommendation or view. Narnolia Financial Advisors Ltd. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

2QFY20 Results

Pat below estimates

Fig in Rs Cr

FINANCIALS	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	YoY %	QoQ%	FY18	FY19	YoY %
Interest Inc.	1,463	1,639	1,834	2,023	2,126	45%	5%	4,508	6,301	39.8%
Interest Exp.	870	984	1,095	1,205	1,257	44%	4%	2,741	3,761	37.2%
NII	593	655	739	817	869	46%	6%	1,766	2,539	43.8%
Other Income	333	374	409	481	442	33%	-8%	1,068	1,442	35.0%
Total Income	926	1,029	1,148	1,299	1,310	41%	1%	2,834	3,982	40.5%
Ope Exp.	477	531	588	680	674	41%	-1%	1,503	2,042	35.8%
PPP	449	498	560	619	636	42%	3%	1,331	1,940	45.7%
Provisions	140	161	200	213	533	282%	150%	365	641	75.8%
PBT	309	338	360	406	103	-67%	-75%	967	1,299	34.4%
Tax	105	113	113	139	48	-54%	-65%	331	432	30.4%
Net Profit	205	225	247	267	54	-73%	-80%	635	867	37%

Concall Highlights.

- Bank has added 14 branches during the quarter largely in metro and urban center and is on track to get 380-400 branches in total by the end of FY20.
- Management said that deterioration in the credit environment has had impact on the bank more than they initially anticipated and resolutions have also been slower.
- Bank has reassessed its book as has decided to be conservative in terms of problem recognition and provisioning which it might need to take.
- Management expects the total stressed / NPA is conservatively approx. Rs. 1,800 Cr. This includes the 4 groups ((East based group, diversified media group, south based coffee group and west based plastics group plus a buffer). Management had recognized additional NPA of Rs 800 Cr and had taken provision of Rs 350 Cr on the same which represent half of both NPA and provision which bank may need to take, significant of remaining will come in next quarter and remaining in last quarter after that management think they will return to normal level of profitability..
- Management is seeing stress in certain specific accounts and not to any given sector. On real estate book of around Rs 2500 Cr which is fully secured bank has average ticket per client of approximately Rs 57 Cr, there is no SMA1 or SMA 2 on the book and largest ticket size is around Rs 500 Cr backed by LC from AA rated middle east bank. Average maturity of exposure between 1-2 years
- The construction book which is approximately Rs 4000 Cr has average ticket size per client of Rs 44 Cr the book also does not have SMA 1 or 2. 80% of the book has a maturity of less than 1 year. The NBFC Book is approximately Rs 4100 Cr out of which HFC is around Rs 900 Cr and balance is other NBFC and the exposures are fully secured with no SMA1 or SMA 2 with ticket size of Rs 115 Cr for HFC with average maturity of Rs 1 year and Rs 82 Cr with average maturity of 2-3 years for remaining NBFC. On power sector book worth Rs 2400 Cr average ticket size is Rs 52 Cr with no SMA 1 and SMA 2.
- The SMA 1 is 0.45% and 0.39% SMA 2 and without stressed group SMA 1 is 0.30% and SMA 2 is 0.22%.
- Bank expects profitability in the range of 75%-80% of the last year profits.
- The interest reversal during the quarter would be in the range of Rs 20 Cr.
- The GNPA in the card book is around 1.33%.
- The opex growth is due to continuous investment on retail franchise and growing of the credit cost franchise where the cost is up fronted.
- On wholesale book growing on lower side management said they are looking for more granular book and will follow the strategy going forward.

Profitability Matrix

	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	YoY (+/-)	QoQ (+/-)
C/I Ratio %	52.8	50.8	51.5	51.6	51.2	52.3	51.5	-0.04	-0.87
Empl. Cost/ Tot. Exp. %	30.4	34.3	31.6	30.9	28.6	27.1	29.1	-2.56	1.92
Other Exp/Tot. Exp. %	69.6	65.7	68.4	69.1	71.4	72.9	70.9	2.56	-1.92
Provision/PPP %	29.5	32.5	31.1	32.2	35.7	34.5	83.9	52.77	49.43
Tax Rate %	34.1	34.9	33.9	33.3	31.3	34.2	47.0	13.14	12.86
Int Exp./Int Inc. (%)	59.1	59.5	59.5	60.0	59.7	59.6	59.1	-0.34	-0.45
Other Inc./Net Inc. %	38.4	37.1	36.0	36.3	35.6	37.1	33.7	-2.27	-3.36
PAT/ Net Income %	21.9	21.6	22.1	21.9	21.5	20.6	4.1	-17.94	-16.42
RoE %	10.9	11.2	11.6	11.7	12.2	13.8	8.2	-3.39	-5.59
RoA %	1.3	1.3	1.3	1.3	1.3	1.3	0.8	-0.49	-0.54

Margin Performance

MARGIN %	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	YoY (+/-)	QoQ (+/-)
Yield on Advances	10.5	10.8	10.9	11.2	11.8	12.0	12.1	1.20	0.10
Cost of Deposits	6.5	6.6	6.7	6.8	6.9	7.0	6.9	0.20	-0.10
Cost Of Funds	6.2	6.4	6.4	6.6	6.8	6.8	6.8	0.40	0.00
NIM	4.0	4.0	4.1	4.1	4.2	4.3	4.3	0.22	-0.01

Exhibit: Yield and Cost

yield on advance increased and cost of fund decreased.

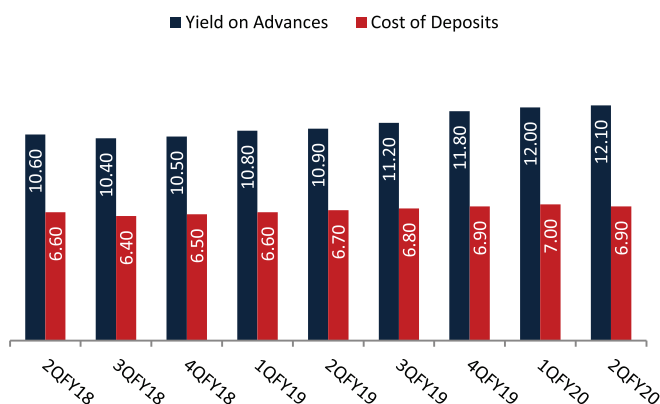
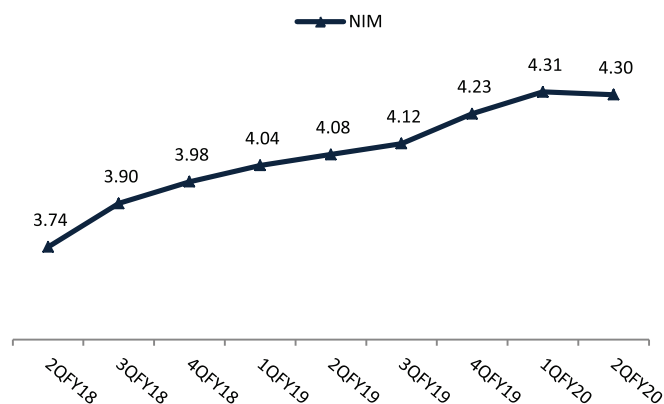


Exhibit: Net Interest Margin

Healthy NIM



Other Income Break Up- Card fee income drives other income growth

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20
FX	35	35	38	35	39	38	47	45	39
Proc Fee	57	67	65	69	75	80	89	78	47
Gen Banking	30	28	38	35	46	48	43	49	35
Distribution	59	8	16	12	13	10	16	8	12
Credit card		70	88	116	130	142	159	193	221
Trade and Others	22	23	26	23	26	28	35	37	35
Total fee income	203	230	270	289	325	346	388	411	388
Growth YOY%	38.1	50.3	31.7	57.9	60.1	50.4	43.7	42.2	19.4
Trading - FICC	39	28	40	36	7	28	21	70	53
Other income	0	0	2	1	1				
Total Other Income	241	258	312	326	333	374	409	481	441
Growth YOY%	42.6	41.7	31.9	26.9	38.0	44.9	31.1	47.6	32.6

Exhibit: Fee Income/Advances %

Fee income remains robust.

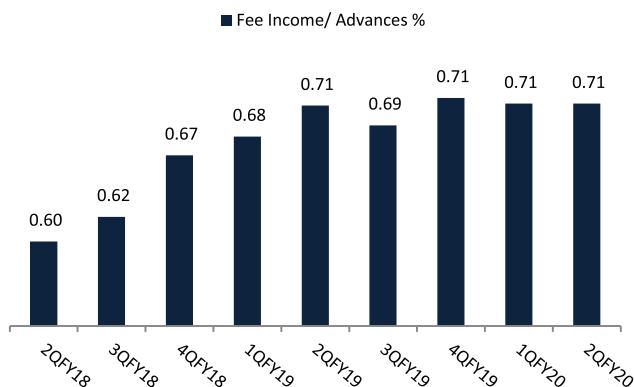
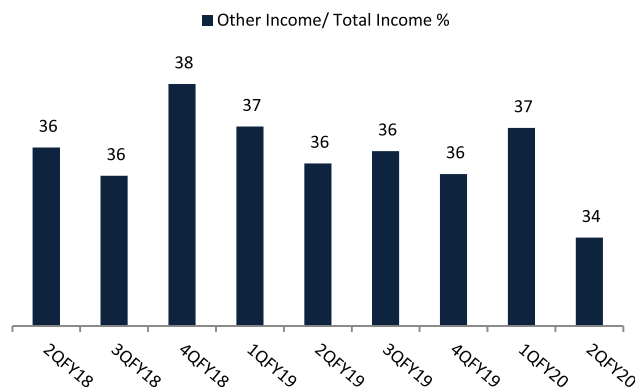


Exhibit: Other Income/ Total Income %

Other income remains healthy



Asset Quality

	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	YoY (+/-)	QoQ (+/-)
GNPA (Rs in Cr)	567	597	644	696	755	789	1,538	139%	95%
GNPA %	1.40	1.40	1.40	1.38	1.38	1.38	2.60	1.2	1.22
NNPA (Rs in Cr)	314	316	339	358	373	372	912	169%	145%
NNPA %	0.78	0.75	0.74	0.72	0.69	0.65	1.56	0.82	0.91
Slippages (Rs in Cr)	115	148	142	211	206	225	1,377	870%	512%
Std Restructured Assets %	0.08	0.10	0.07	0.09	0.04	0.06	0.06	-0.01	0.00
Net Stress Assets %	1	1	1	1	1	1	2	0.75	0.91
PCR %	58	60	61	63	65	66	58	-3.00	-7.85

GNPA Composition(%) – Segment-wise

	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20
C&IB	103	142	83	92	92	92	122	140	842
CB	124	106	126	219	255	250	237	242	199
Agri	26	58	82	-	-	-	-	-	-
BBB/Retail Assets	104	111	113	168	201	287	340	348	421
DB&FI	131	164	163	117	97	67	56	60	77

Exhibit: Asset Quality

Stable asset worsen

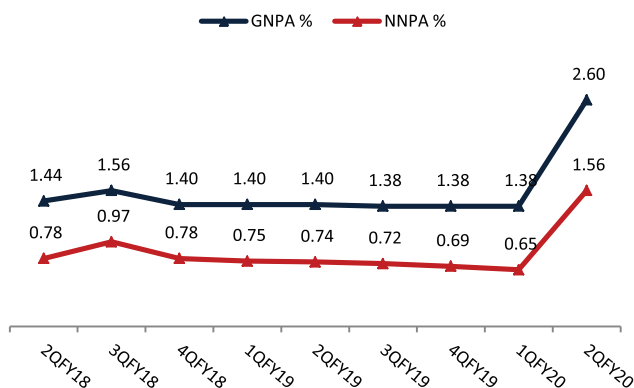


Exhibit: Provisions

PCR decreased

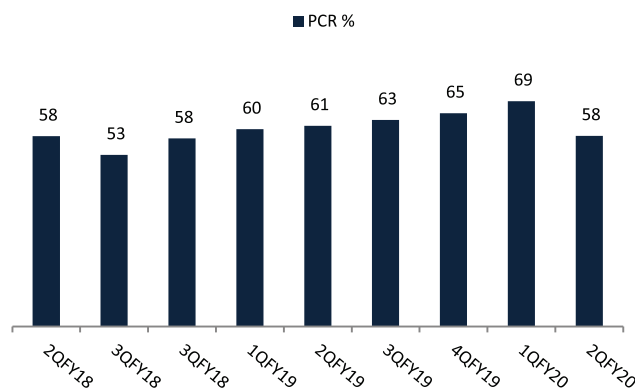


Exhibit: Advances Performance

advance growth moderated

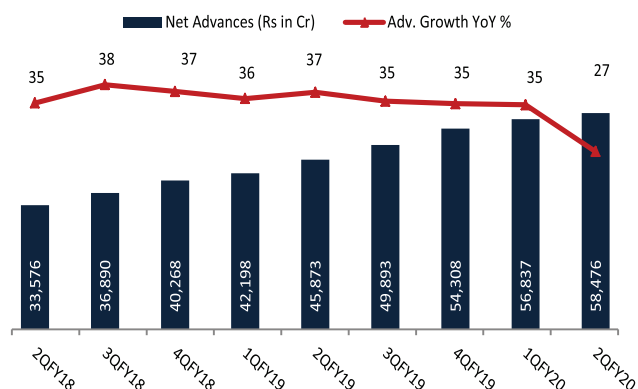


Exhibit: Advances Breakup%

Unsecured loan picking-up

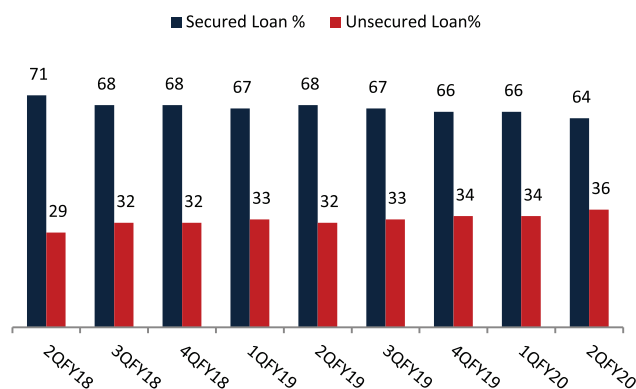


Exhibit: Deposits Performance

Deposits growth moderated

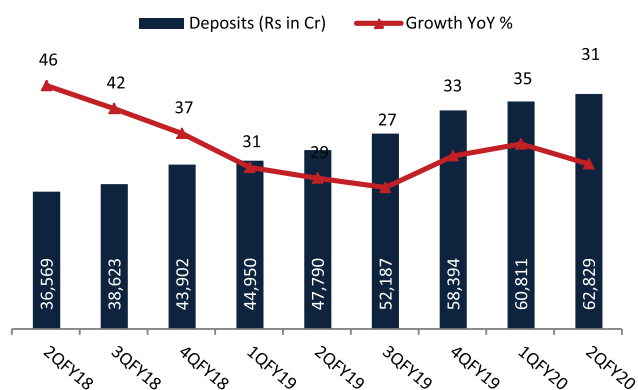


Exhibit: CASA Performance

CASA ratio improved

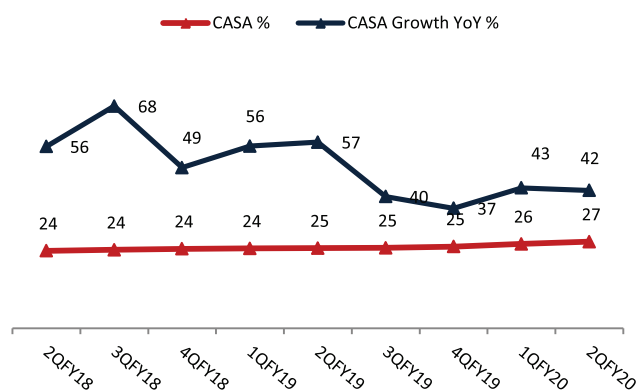


Exhibit: Credit Deposit Ratio

CD ratio went down

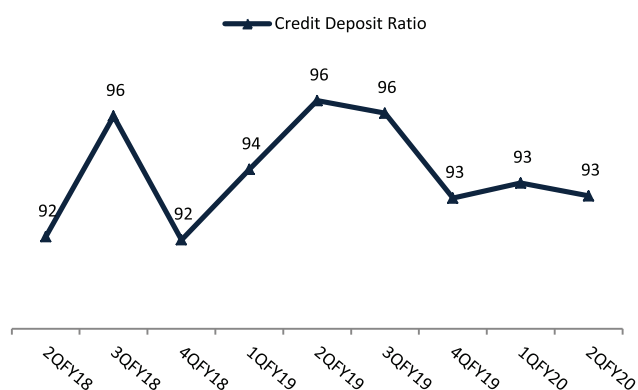
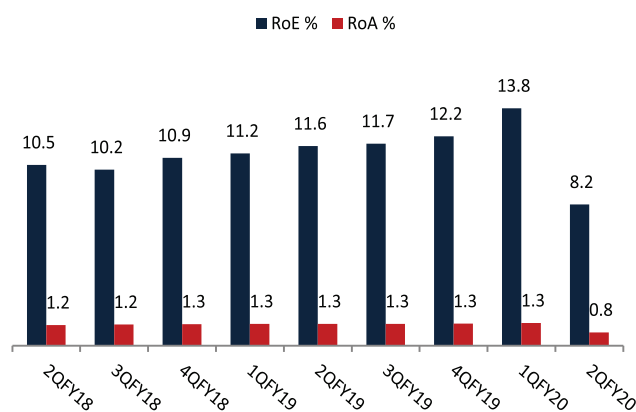


Exhibit: Return Ratios

Return ratio profile decreased



Financial Details

Balance Sheet

Fig in Rs Cr

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Share Capital	272	293	325	375	420	427	488	488
Equity Capital	272	293	325	375	420	427	488	488
Preference Capital	0	0	0	0	0	0	0	0
Reserves & Surplus	1743	1937	2665	3960	6264	7121	9586	11109
Networth	2015	2230	2989	4336	6684	7547	10074	11598
Deposits	11599	17099	24349	34588	43902	58394	74746	98665
Change (%)	39	47	42	42	27	33	28	32
CASA Deposits	2370	3157	4529	7609	10678	14599	19434	27133
Change (%)	44	33	43	68	40	37	33	40
Borrowings	3896	6963	10536	7980	9262	11832	14531	19181
Other Liabilities & Provisions	689	812	1287	1771	2003	2585	2429	3207
Total Liabilities	18198	27105	39161	48675	61851	80359	101781	132650
Cash & Bank	1192	2170	2450	4194	4284	6602	7658	8437
Investments	6518	9792	14436	13482	15448	16840	21303	28120
Change (%)	17	50	47	-7	15	9	26	32
Advances	9835	14450	21229	29449	40268	54308	69514	91759
Change (%)	54	47	47	39	37	35	28	32
Fixed Assets	134	164	177	259	334	402	443	487
Other Assets	518	528	869	1292	1517	2206	2863	3847
Total Assets	18198	27105	39161	48675	61851	80359	101781	132650

Income Statement

Fig in Rs Cr

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Interest income	1,352	1,953	2,744	3,713	4,508	6,301	8,531	10,600
Interest expended	1,010	1,397	1,925	2,492	2,741	3,761	5,062	6,141
Net Interest Income	342	556	819	1,221	1,766	2,539	3,468	4,458
Change (%)	33	63	47	49	45	44	37	29
Other Income	261	403	491	755	1,068	1,442	1,883	2,282
Change (%)	106	55	22	54	41	35	31	21
Core Fee Income	217	341	430	628	886	1,348	1,712	2,217
Treasury Income	44	63	61	130	182	92	170	65
Others	-	-	-	(2)	1	3	1	0
Total Net Income	603	960	1,310	1,977	2,834	3,982	5,351	6,740
Operating Expenses	424	600	767	1,056	1,503	2,042	2,772	3,437
Change (%)	87	41	28	38	42	36	36	24
Employee Expenses	185	301	370	446	551	636	799	1,011
Pre-provisioning Profit	179	360	542	920	1,331	1,940	2,579	3,303
Change (%)	14	102	51	70	45	46	33	28
Provisions	86	153	114	239	365	641	1,649	998
Change (%)	34	78	-25	109	53	76	157	-39
PBT	93	207	428	682	967	1,299	930	2,304
Tax	-	-	136	235	331	432	294	588
Profit After Tax	93	207	292	446	635	867	636	1,717
Change (%)	0	124	41	53	42	37	-27	170

Financial Details

Key Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Balance Sheet Metrics								
Loan Growth (%)	54	47	47	39	37	35	28	32
Deposit Growth (%)	39	47	42	42	27	33	28	32
C/D Ratio (%)	85	85	87	85	92	93	93	93
CASA (%)	20	18	19	22	24	25	26	28
Investment/Deposit (%)	56	57	59	39	35	29	29	29
CRAR (%)	14.6	13.1	12.9	13.7	15.3	13.5	13.8	12.0
Tier 1 (%)	14.3	12.7	11.1	11.4	13.6	12.1	12.3	10.9
Tier 2 (%)	0.3	0.4	1.8	2.3	1.7	1.4	1.5	1.2

Assets Quality Metrics								
Gross NPA (Rs)	78	111	208	356	567	755	2,288	2,515
Gross NPA (%)	0.8	0.8	1.0	1.2	1.4	1.4	3.3	2.7
Net NPA(Rs)	31	39	124	190	314	373	1,075	1,157
Net NPA (%)	0.3	0.3	0.6	0.6	0.8	0.7	1.5	1.3
Slippages (%)	1.0	0.5	1.4	2.5	1.9	1.8	4.9	1.8
Provision Coverage (%)	-	-	56	60	58	65	68	70
Provision/Average Advances (%)	1.1	1.3	0.6	0.9	1.0	1.4	2.7	1.2

Margin Metrics								
Yield On Advances (%)	11.4	11.6	10.9	10.4	9.8	10.7	11.2	11.0
Yield On Investment (%)	6.8	6.4	6.2	7.0	6.9	6.8	7.0	6.3
Yield on Earning Assets (%)	9.2	9.2	8.8	9.0	8.7	9.5	10.1	9.6
Cost Of Deposits (%)	7.7	7.6	7.3	6.7	6.0	6.3	6.6	6.2
Cost Of Funds (%)	10.0	9.6	7.3	6.4	5.7	6.0	6.3	5.9
Spread (%)	(0.8)	(0.3)	1.4	2.7	3.1	3.5	3.8	3.8
NIM (%)	2.3	2.6	2.6	3.0	3.4	3.8	4.1	4.1

Profitability & Efficiency Metrics								
Int. Expense/Int.Income (%)	74.7	71.5	70.1	67.1	60.8	59.7	59.3	57.9
Fee Income/NII (%)	-	-	-	51.4	50.2	53.1	49.4	49.7
Cost to Income (%)	70.4	62.5	58.6	53.4	53.0	51.3	51.8	51.0
Cost on Average Assets (%)	2.7	2.6	2.3	2.4	2.7	2.9	3.0	2.9
Tax Rate (%)	-	-	31.7	34.5	34.3	33.3	31.6	25.5

Valuation Ratio Metrics								
EPS (Rs)	3.4	7.1	9.0	11.9	15.1	20.3	13.0	35.1
Change (%)	(7.1)	107.3	27.6	32.0	27.3	34	(35.9)	169.8
ROAE (%)	5.1	9.8	11.2	12.2	11.5	12.2	7.2	15.8
ROAA (%)	0.6	0.9	0.9	1.0	1.1	1.2	0.7	1.5
Dividend Payout (%)	-	-	-	15.1	13.9	13.3	25.3	11.4
Dividend yield (%)	-	-	-	0.4	0.4	0.4	1.0	1.2
Book Value (Rs)	74	76	92	116	159	177	206	237
Change (%)	17	3	21	26	38	11	17	15
ABVPS (Rs)	73	75	88	110	152	168	184	214
P/B (X)	-	-	-	4.3	3.0	3.8	1.6	1.4
P/E (X)	-	-	-	41.6	31.5	33.5	25.9	9.6

Financial Details

Exhibit: DuPont Analysis

	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Interest Income	8.6	8.3	8.5	8.2	8.9	9.4	9.0
Interest expended	6.2	5.8	5.7	5.0	5.3	5.6	5.2
Net Interest Income	2.5	2.5	2.8	3.2	3.6	3.8	3.8
Non-Fund Based Income	1.8	1.5	1.7	1.9	2.0	2.1	1.9
Core Fee Income	1.5	1.3	1.4	1.6	1.9	1.9	1.9
Trading and Other Income	0.3	0.2	0.3	0.3	0.1	0.2	0.1
Core Operating Income	4.0	3.8	4.2	4.8	5.5	5.7	5.7
Total Income	4.2	4.0	4.5	5.1	5.6	5.9	5.8
Total Operating Expenses	2.6	2.3	2.4	2.7	2.9	3.0	2.9
Employee Expenses	1.3	1.1	1.0	1.0	0.9	0.9	0.9
Other Expenses	1.3	1.2	1.4	1.7	2.0	2.2	2.1
Operating Profit	1.6	1.6	2.1	2.4	2.7	2.8	2.8
Provisions	0.7	0.3	0.5	0.7	0.9	1.8	0.9
Others	-	-	-	-	-	-	-
PBT	0.9	1.3	1.6	1.7	1.8	1.0	2.0
Tax	-	0.4	0.5	0.6	0.6	0.3	0.5
PAT/RoAA	0.9	0.9	1.0	1.1	1.2	0.7	1.5
Equity Multiplier (x)	10.7	12.7	12.0	10.0	10.0	10.3	10.8
ROAE	9.8	11.2	12.2	11.5	12.2	7.2	15.8

Narnolia Financial Advisors Ltd. is a SEBI registered Research Analyst having SEBI Registration No. INH300006500. The Company/Analyst (s) does/do not have any holding in the stocks discussed but these stocks may have been recommended to clients in the past. Clients of Narnolia Financial Advisors Ltd. may be holding aforesaid stocks.

The stocks recommended are based on our analysis which is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

Disclosures: Narnolia Financial Advisors Ltd. (NFAL) (Formerly Microsec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300006500. NFAL is engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at www.narnolia.com

No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, its associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific Merchant Banking, Investment Banking or Brokerage service transactions. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

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

Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.: 033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerze Limited (Formerly Microsec Commerze Ltd.)-MCX/NCDEX Commodities Broker: INZ000051636 || NarnoliaVelox Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited (Formerly Microsec Insurance Brokers Ltd.)-IRDA Licensed Direct Insurance Broker (Life & Non-Life) Certificate No. 134, License No. DB046/02 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

Disclaimer:

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL) and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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 NFAL & its group companies to registration or licensing requirements within such jurisdictions.