HDB FINANCIALS SERVICES LTD

IPO NOTE | 24th JUNE , 2025

Canara Bank Securities Ltd

canmoney.in

ABOUT THE COMPANY: HDB Financial Services Ltd., a subsidiary of HDFC Bank, is the 7th largest NBFC in India with a diversified loan portfolio and ₹1,068.8 billion in Gross Loans. It operates across Enterprise Lending, Asset Finance, and Consumer Finance, primarily serving MSMEs and underbanked segments through 1,771 branches nationwide. The loan book is granular with 73% secured loans and over 11.5% exposure to new-to-credit customers.

KEY BUSINESS INSIGHTS: HDB Financial Services, incorporated in 2007, is a retail-focused NBFC and a subsidiary of HDFC Bank (94.3% stake), operating independently with its own branches, staff, and systems while benefiting from HDFC Group's strong governance. It has a granular and diversified loan book across Enterprise Lending (39%), Asset Finance (38%), and Consumer Finance (23%), targeting underbanked segments with ₹1.65 lakh average ticket size and low concentration (top 20 customers at 0.34% of AUM). With 1,700 branches across 1,170 cities and 70% in Tier IV and below, it has served over 19.2 million customers. HDB's tech-driven platform enables 97% of loans to have a digital component, supported by proprietary scorecards, data-driven monitoring, and a mobile app with 9+ million downloads. Around 73% of its portfolio is secured, backed by positive ALM mismatch, ~50% NCD-based funding, and a stable 5.9x debt-equity ratio, with post-COVID credit costs normalized to ~2%. Profitable since FY2010, HDB emphasizes product innovation, customer lifecycle management, and is led by a professional, experienced team.

VIEW:

HDB Financial Services, backed by a 94.3% stake from HDFC Bank, serves as a strong proxy for India's growing credit demand in underbanked and MSME segments. It has a 73% secured loan mix, has been profitable since FY2010, operates across 1,170 cities with 70% rural presence, and maintains a granular, diversified loan book with well-managed ~2% credit costs. The company runs independently with robust digital infrastructure enabling scalable growth. The IPO is priced at ₹740/share (~3.7x FY25 P/B, ~14.7% RoE), higher than peers like Cholamandalam and Shriram Finance, but lacks Bajaj Finance's premium RoE; 80% of the ₹12,500 Cr issue is Offer for Sale, limiting fresh capital inflow. Key risks include a high cost-to-income ratio (42%) and 27% unsecured loan exposure, though mitigated by data-driven underwriting. **Despite valuation concerns, HDB's strong brand, stable financials, rural reach, and niche positioning offer long-term potential for medium-to-long-term investors.**

SUBSCRIBE

ISSUE DETAILS	
Price Band (in ₹ per share)	700.00-740.00
Issue size (in ₹ Crore)	12500.00
Fresh Issue (in ₹ Crore)	2500.00
Offer for Sale (in ₹ Crore)	10000.00
Issue Open Date	25.06.2025
Issue Close Date	27.06.2025
Tentative Date of Allotment	30.06.2025
Tentative Date of Listing	02.07.2025
Total Number of Shares (in lakhs)	1785.71-1689.19
Face Value (in ₹)	10.00
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	20	₹14,800
Retail (Max)	13	260	₹1,92,400
S-HNI (Min)	14	280	₹2,07,200
S-HNI (Max)	67	1340	₹9,91,600
B-HNI (Min)	68	1360	₹10,06,400

PROMOTERS: HDFC Bank Limited

BRIEF FINANCIALS

PARTICULARS (Rs. Cr) *	FY25	FY24	FY23
Share Capital	795.78	793.08	791.4
Net Worth	14,936.50	12,802.76	10,436.09
Total Income	16,300.28	14,171.12	12,402.88
Net Interest Income	7,445.64	6,292.40	5,415.86
Net Interest Margin (%)	7.56%	7.85%	8.25%
Profit/(Loss) After Tax	2,175.92	2,460.84	1,959.35
EPS (in Rs.)	27.40	31.08	24.78
Net Asset Value (in Rs.)	198.8	173.3	144.5
P/E#	27.01	NA	NA
P/B#	3.72	NA	NA

**restated numbers# Calculated at Upper Price Band*

OBJECTS OF THE OFFER

The company proposes to utilise the Net Proceeds towards funding the following objects:

- Augmentation of the Company's Tier – I Capital base to meet their Company's future capital requirements including onward lending under any of the Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance.
- Offer for sales of Rs.10000 crores by HDFC Bank
- General corporate purposes.

FINANCIAL STATEMENTS

Profit and Loss Statement

Particulars	2025	2024	2023
1 Revenue from operations			
(a) Interest income	13,835.79	11,156.72	8,927.78
(b) Sale of services	1,216.66	1,949.55	2,633.93
(c) Other financial charges	1,192.45	953.11	756.41
(d) Net gain on fair value changes	54.92	113.69	85.07
(e) Net gain / (loss) on derecognition of financial	0.46	-1.95	-0.31
instruments under amortised cost category			
Total Revenue from operations	**16,300.28**	**14,171.12**	**12,402.88**
2 Expenses			
(a) Finance Costs	6,390.15	4,864.32	3,511.92
(b) Impairment on financial instruments	2,113.05	1,067.39	1,330.40
(c) Employee Benefits Expenses	3,619.57	3,850.75	4,057.57
(d) Depreciation, amortization and impairment	194.42	145.14	111.84
(e) Others expenses	1,055.29	938.85	763.75
Total Expenses	**13,372.48**	**10,866.45**	**9,775.48**
3 Profit/(loss) before tax	**2,927.80**	**3,304.67**	**2,627.40**
4 Tax Expense:			
(a) Current tax	739.19	770.67	621.3
(b) Deferred tax (credit)	72.8	73.16	46.75
(c) Income tax for earlier year	-60.11	-	-
Total Tax expense	**751.88**	**843.83**	**668.05**
5 Restated Profit after tax	**2,175.92**	**2,460.84**	**1,959.35**
6 Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement loss on defined benefit plan	-9.48	-31.54	-5.48
- Income tax relating to items that will not be	2.38	7.94	1.38
reclassified to profit or loss			
Sub total (a)	-7.1	-23.6	-4.1
(b) Items that will be reclassified to profit or loss:			
- Movement in cash flow hedge reserve	-54.5	-17.1	19.59
- Income tax relating to items that will be	13.72	4.3	-4.93
reclassified to profit or loss			
Sub total (b)	-40.78	-12.8	14.66
Other Comprehensive Income	**-47.88**	**-36.4**	**10.56**
7 Total Comprehensive Income for the year/period	**2,128.04**	**2,424.44**	**1,969.91**
8 Earnings per equity share			
Basic (Rs.)	27.4	31.08	24.78
Diluted (Rs.)	27.32	31.04	24.76

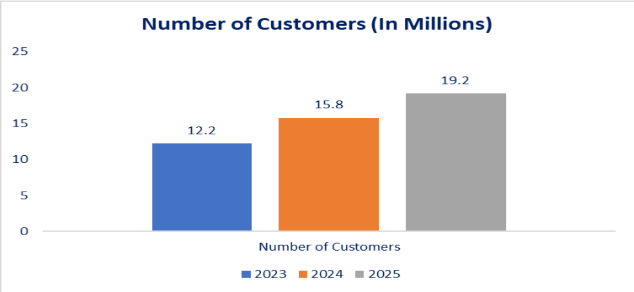
Cash Flow Statement

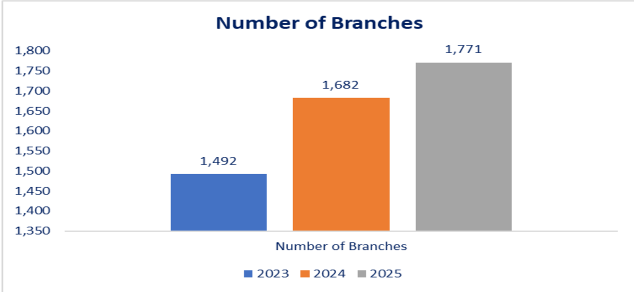
Particulars	2025	2024	2023
Cash generated (used in) from operations	-21,495.53	-22,544.91	-11,688.39
Income tax paid (net of refund)	-1,470.80	-1,373.90	-901.8
Net cash used in operating activities (A)	**-13,626.33**	**-16,736.04**	**-6,850.61**
Net cash generated from (used in) investing activities (B)	**1,159.02**	**-2,145.56**	**973.32**
Net cash generated (used in)/ from financing activities (C)	**12,769.92**	**19,133.55**	**5,795.99**
Net (decrease)/increase in cash and cash equivalents [A+B+C]	**302.61**	**251.95**	**-81.3**
Add : Cash and cash equivalents as at the beginning of the year	647.85	395.9	477.2
Cash and cash equivalents as at the end of the year	**950.46**	**647.85**	**395.9**

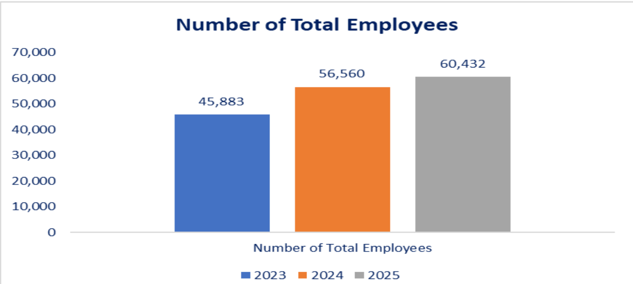
Balance Sheet

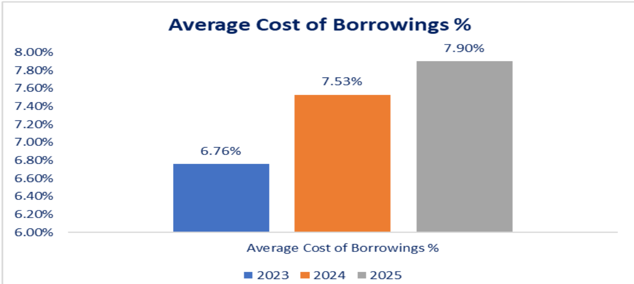
Particulars	2025	2024	2023
ASSETS:			
1 Financial Assets			
(a) Cash and cash equivalents	950.46	647.85	395.9
(b) Bank balances other than (a) above	33.81	54.66	257.92
(c) Derivative financial instruments	108	1.91	165.34
(d) Trade receivables	225.17	124.61	65.76
(e) Loans	1,03,343.04	86,721.26	66,382.67
(f) Investments	2,060.13	3,380.33	1,243.25
(g) Other financial assets	47.65	39.5	34.87
Total Financial Assets	**1,06,768.26**	**90,970.12**	**68,545.71**
2 Non-Financial Assets			
(a) Current tax assets (Net)	76.89	41.29	25.11
(b) Deferred tax assets (Net)	883.25	939.95	1,000.87
(c) Property, plant and equipment	243.12	162.53	122.37
(d) Other intangible assets	32.3	22.15	20.41
(e) Right of use Assets	459.67	326.51	244.27
(f) Other non-financial assets	199.8	93.96	91.65
Total Non-Financial Assets	**1,895.03**	**1,586.39**	**1,504.68**
TOTAL ASSETS	**1,08,663.29**	**92,556.51**	**70,050.39**
LIABILITIES AND EQUITY:			
Liabilities			
3 Financial Liabilities			
(a) Derivative financial instruments	2.06	4.77	0
(b) Trade payables			
(i) Total outstanding dues of micro	0	0	0
enterprises and small enterprises			
(ii) Total outstanding dues of creditors	452.68	509	291.84
other than micro enterprises and small			
enterprises			
(c) Debt securities	39,465.17	34,851.12	27,096.41
(d) Borrowings (other than debt securities)	41,928.89	33,831.38	24,227.80
(e) Subordinated liabilities	6,003.71	5,648.17	3,541.10
(f) Other financial liabilities	3,944.08	2,955.27	2,778.43
Total Financial Liabilities	**91,796.59**	**77,799.71**	**57,935.58**
4 Non-Financial Liabilities			
(a) Current tax liabilities (net)	65.66	58.65	41.97
(b) Provisions	564.51	502.94	368.96
(c) Other non-financial liabilities	416.78	452.5	266.91
Total Non-Financial Liabilities	**1046.95**	**1014.09**	**677.84**
5 Equity			
(a) Equity share capital	795.78	793.08	791.4
(b) Other equity	15,023.97	12,949.63	10,645.57
Total Equity	**15,819.75**	**13,742.71**	**11,436.97**
TOTAL LIABILITIES AND EQUITY	**1,08,663.29**	**92,556.51**	**70,050.39**

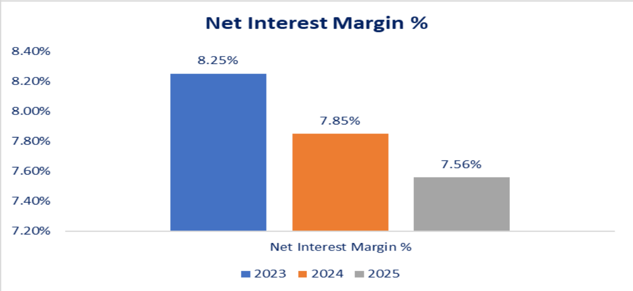
PERFORMANCE THROUGH CHARTS

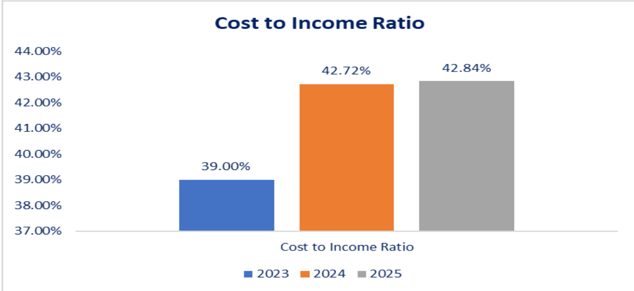


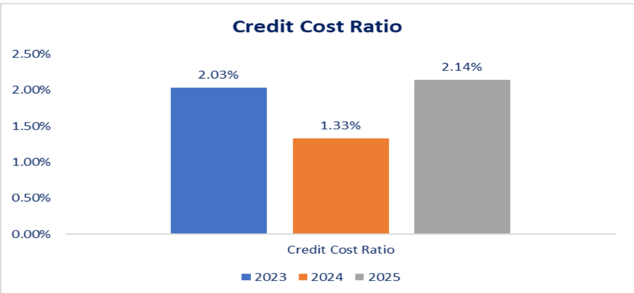


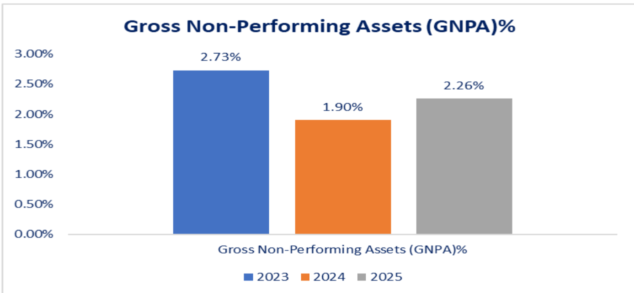


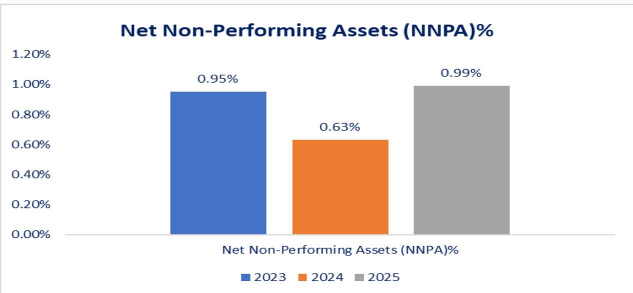


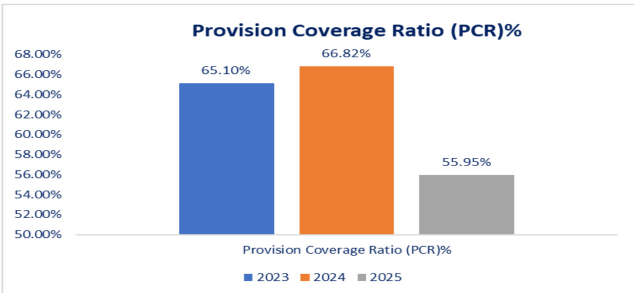


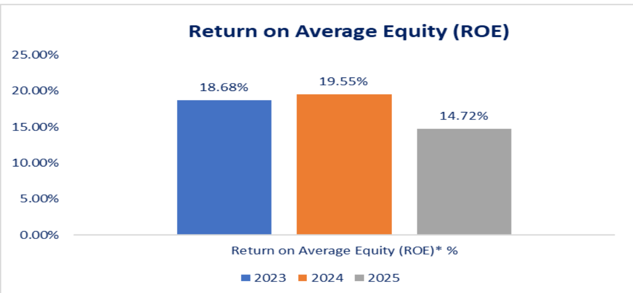


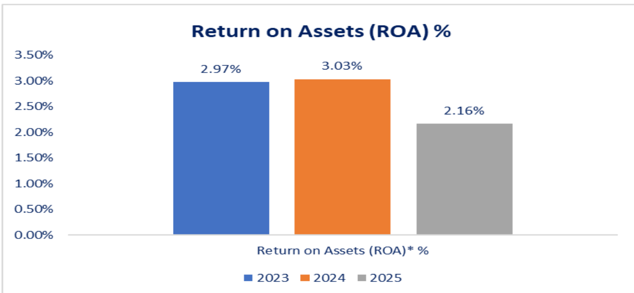












INDUSTRY REVIEW

INDIAN NBFC MARKET

- India's Non-Banking Financial Companies (NBFC) sector has evolved into a critical pillar of the country's credit ecosystem, especially in enabling credit access for retail, MSMEs, and rural borrowers.
- Between FY2019 and FY2025, the sector's credit book grew at a robust CAGR of 13.2%, from ₹23 trillion to ₹48 trillion, outpacing the systemic credit CAGR of 9% during the same period. This growth was driven by NBFCs' focused presence in niche and underpenetrated segments, retail specialization, and deeper geographical reach.
- Their share in India's systemic credit increased from 12% in FY2008 to 21% in FY2025, and is expected to rise to 22% by FY2028. Retail lending remains the bedrock of NBFC growth, with 48% of NBFC loans deployed in retail segments as of FY2024—well above banks' 36% share—underscoring their stronger orientation toward small-ticket loans and customer segments that banks often avoid.
- Within the systemic retail loan pool of ₹82 trillion (as of FY2025), NBFCs have a strong presence in segments such as MSME loans (27% share), vehicle loans (46%), microfinance (51%), personal loans (24%), and gold loans (11%). The retail credit segment itself grew at a 15.1% CAGR between FY2019–FY2025 and is projected to expand at 14–16% CAGR between FY2025–FY2028, with NBFCs continuing to lead this trend.

SEGMENT-WISE PERFORMANCE AND OPPORTUNITY

- The NBFC credit landscape is heavily tilted toward secured products, with MSME loans, housing finance, and vehicle finance together accounting for 51% of total NBFC credit. MSME loans, the largest single category, stood at ₹42.3 trillion in FY2025, growing at 19.6% CAGR over FY2020–2025, and are projected to grow at 27–29% in FY2026. This is driven by formalization trends, digital invoicing, government-backed credit guarantee schemes, and NBFCs' ability to underwrite riskier borrowers through alternate data models.
- Housing finance has grown steadily at 11.3% CAGR between FY2020–2025, reaching ₹38.1 trillion in FY2025. While large banks dominate prime salaried home loans, NBFCs have carved a niche in self-employed and informal borrower segments, particularly in affordable housing. This segment is expected to grow at 15–16% in FY2026.
- Vehicle finance—especially commercial and used vehicles—continues to be a stronghold for NBFCs, with a 46% market share. In FY2025, NBFCs disbursed nearly 69% of all two-wheeler loans and 58% of commercial vehicle loans. Used vehicle financing is particularly profitable, offering yields of ~16% and higher ROAs due to strong recovery capabilities and asset-backed lending. Auto loan credit reached ₹12.0 trillion in FY2025, growing at 14% CAGR.
- Gold loans, valued at ₹12.4 trillion in FY2025, have witnessed the fastest growth among secured segments, expanding at a CAGR of 54% between FY2020–FY2025. However, growth is expected to normalize to 17–18% in FY2026.
- Personal loans (₹14.6 trillion, 30% CAGR) and consumer durables (₹0.8 trillion, 21% CAGR) saw significant traction due to digital origination and increasing affordability-driven consumption, particularly in Tier-2 and Tier-3 cities. NBFCs account for 68% of consumer durable loans and 24% of personal loans, aided by quick disbursements and low documentation requirements.
- Microfinance remains critical to financial inclusion. The NBFC-MFI share of overall microfinance rose from 29% in FY2019 to 39% in FY2025, with a portfolio CAGR of 16%. However, risk in the segment is elevated due to borrower overleveraging and exposure to economic shocks. Growth is expected to moderate to 8–10% going forward.

PROFITABILITY METRICS AND RETURN RATIOS

NBFCs have diverse business models, and return metrics vary by segment. MSME and used vehicle loans offer the highest ROAs (3.4–3.6%), while secured retail loans like housing and auto offer moderate returns with lower credit costs. In FY2025:

- MSME loans had an ROA of 3.4%, with 1.5% credit costs.
- Auto loans yielded a 2.5% ROA, with higher credit costs of 1.9%.
- Affordable housing finance ROA stood at 2.6–2.7%, vs. 2.0–2.1% for prime housing.
- Personal loans yielded an ROA of 2.9–3.3%, despite higher opex and credit cost.
- Consumer durable GNPA fell to 2.4% in FY2025 from 5.2% in FY2019, reflecting improved underwriting.

COMPETITIVE STRENGTHS OF THE COMPANY

Highly granular retail loan book, bolstered by a large and rapidly growing customer base with a focus on serving the underbanked customer segments

- The Company is India's second largest and third fastest-growing customer franchise among its NBFC peers. It focuses on serving underbanked and unbanked customer segments with minimal or no credit history.
- As of March 31, 2025, over 80% of its branches are located outside India's 20 largest cities by population. The Company's customer base grew to 19.2 million as of March 31, 2025, from 12.2 million as of March 31, 2023.
- This growth is supported by a highly diversified portfolio of lending products designed to address various customer lifecycle demands.

Large, diversified and seasoned product portfolio with a sustainable track record of diversification, growth and profitability through the cycles

- The Company offers a large portfolio of lending products that cater to a growing and diverse customer base through a wide omni-channel distribution network. In addition to lending, the Company provides business process outsourcng (BPO) services to its Promoter and fee-based products like insurance distribution, primarily to its lending customers.
- This product portfolio has demonstrated resilient performance and profitability, enduring multiple economic and credit cycles, including the 2008 global financial crisis, the 2013-2014 liquidity crisis in India, the NBFC liquidity crisis of 2018, and the COVID-19 nationwide lockdowns in 2020 and 2021.
- The Company has structured its business verticals to operate as independent businesses with dedicated senior management and experienced industry professionals, which has been key to its diversification and growth.

Tailored sourcing supported by an omni-channel and digitally powered pan-India distribution network

- The Company's distribution network includes 1,771 branches across 1,170 Indian towns and cities in 31 States and Union Territories as of March 31, 2025.
- Over 80% of these branches are located outside India's 20 largest cities by population. This extensive branch network is complemented by external distribution networks and third-party partners, including over 80 brands and original equipment manufacturers (OEMs), and a network of over 140,000 retailers and dealer touchpoints.
- The Company also utilizes a Direct Selling Agent (DSA) network of over 7,000 agents as of March 31, 2025. The Company effectively uses search engine optimization and marketing, along with digital third-party origination channels like lending and aggregation-focused fintech platforms.

Comprehensive systems and processes contributing to robust credit underwriting and strong collections

- The Company has established a robust credit risk management framework with strong credit underwriting and collections capabilities to ensure sustainable growth. This includes a comprehensive underwriting process, early warning systems, and post-disbursement monitoring.
- The Company's collections efforts are driven by analytics embedded into its strategies, with strict processes to maintain quality and conformity in the collection process. Its collections through digital and banking channels constituted over 95% of its total collections as of March 31, 2025.
- The Company also provides loan collection services for its Promoter, HDFC Bank. This tech-enabled approach contributes to maintaining strong asset quality and low credit costs, evidenced by GNPA and NNPA ratios of 2.26% and 0.99% respectively as of March 31, 2025, and a Provisioning Coverage Ratio of 55.95%.

Advanced technology tools driving enhanced customer experience and efficiency across each stage of the customer lifecycle

- The Company's technology capabilities benefit its customers, third-party partners, and sales teams, increasing efficiency in sourcing, retaining revenue, boosting employee productivity, and optimizing operational costs.
- Advanced technology and data analytics are crucial for maintaining credit quality. The "HDB On-the-Go" mobile application provides customers access to products and personalized assistance.

RISK FACTORS

Promoter may be required to significantly reduce its ownership in Company, i.e., to less than 20% (or any such higher percentage with prior RBI approval) on account of overlapping business with Promoter and one of the members of Promoter Group if the draft circular issued by the RBI on October 4, 2024 is implemented in its current form, which may have a material adverse impact on business operations, financial position and share price;

- HDB Financial Services Limited is a subsidiary of HDFC Bank Limited ("Promoter"), which held 94.09% of the Company's issued paid-up capital on a fully diluted basis as of March 31, 2025. A significant risk factor noted is the Reserve Bank of India's (RBI) draft circular issued on October 4, 2024, proposing to eliminate overlapping core business activities between banks and their group entities (referred to as the "Proposed Rules").
- The Company currently offers products that are also provided by its Promoter and certain members of its Promoter Group, such as HDFC Sales Private Limited and HDFC Securities Limited. It is pointed out that if these Proposed Rules are implemented in their current form, the RBI might direct that specific products cannot be offered by both the Company and the Promoter or a relevant group member.
- Such restrictions could materially and adversely affect the Company's business, results of operations, and financial condition, as well as its share price. Furthermore, it is mentioned that any reduction in the Promoter's shareholding, potentially driven by these regulatory changes, could impact its influence and potentially lead to increased borrowing costs, especially considering covenants that allow debt facilities to be recalled or repriced if the Promoter's stake falls below 51%.

Gross Stage 3 Loans amounted to 2.26% of Total Gross Loans as at March 31, 2025, which was an increase from 1.90% as at March 31, 2024. Non-payment or default by customers, inability to provide adequate provisioning coverage for non-performing assets or change in regulatorily mandated provisioning requirements may adversely affect financial condition and results of operations;

- It also indicates a concerning trend in the Company's asset quality, noting that its Gross Stage 3 Loans, which represent loan assets 90 days past due on contractual payments before impairment allowances, increased from 1.90% of Total Gross Loans as of March 31, 2024, to 2.26% as of March 31, 2025.
- It is stated that non-payment or default by customers, coupled with the Company's inability to provide adequate provisioning for non-performing assets (NPAs) or changes in regulatory provisioning requirements, could negatively impact its financial condition and results of operations.
- As an "Upper Layer" NBFC (NBFC-UL) identified by the RBI, the Company is subject to additional provisioning requirements. An increase in Gross Stage 3 Loans, it is highlighted, could also lead to a downgrade in credit ratings and higher borrowing costs. The Company is required to make provisions for Expected Credit Loss (ECL) on all outstanding loans.

As at March 31, 2025, unsecured loans comprised 26.99% of Total Gross Loans, which is a decrease from 28.66% as at March 31, 2024. unsecured loan portfolio is not supported by any collateral that could help ensure repayment of the loan, and in the event of non-payment by a borrower of one of these loans, they may be unable to collect the amounts due to them;

- The prospectus notes that unsecured loans constituted 26.99% of the Company's Total Gross Loans as of March 31, 2025, a reduction from 28.66% on March 31, 2024. It is explained that this portfolio inherently carries a greater credit risk because these loans lack collateral to secure repayment.
- Although the Company utilizes NACH or direct debit instructions, the RHP mentions that collecting overdue amounts in the event of non-payment can still be challenging. An expansion in the unsecured loan portfolio, it is cautioned, may necessitate an increase in provisions for credit losses, which would consequently reduce earnings.
- Defaults on these loans could also contribute to an increase in Gross Stage 3 Loans, adversely affecting credit ratings and leading to higher borrowing costs. Furthermore, recovery efforts for unsecured loans are limited primarily to initiating legal proceedings, with no guarantee of full recovery.

PEER COMPARISON

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
HDB Financial Services Limited	16,300.28	10	27.4	198.8	14.72%	27.01	3.72
Bajaj Finance Limited	69,683.51	1	26.89	155.6	19.35%	33.49	5.79
Sundaram Finance Limited	8,485.63	10	170.53	1187.8	15.48%	27.80	3.99
L&T Finance Limited	15,924.24	10	10.61	102.5	10.79%	17.67	1.83
Mahindra & Mahindra Financial Services Limited	18,463.10	2	18.32	154.9	10.91%	14.25	1.68
Cholamandalam Investment and Finance Company Limited	25,845.98	2	50.72	281.5	19.71%	30.45	5.49
Shriram Finance Limited	41,834.42	2	50.82	300.3	18.17%	12.83	2.17

*Source: RHP, as of March 2024, ^ Calculated at upper price band. *Calculated at closing of 19th June 2025*

Canara Bank Securities Ltd.
(A Wholly Owned Subsidiary of Canara Bank)

Research Desk
Canara Bank Securities Ltd

SEBI: RESEARCH ANALYST REGISTRATION: INH000001253

BSE: INB 011280238, BSE F&O: INF 011280238

NSE: INB 23180232, F&O: INF 231280232, CDS: 231280232

Maker Chambers III, 7th floor,

Nariman Point, Mumbai 400021

Contact No. : 022 - 43603861/62/63

Email id: researchdesk@canmoney.in

Canara Bank Securities Ltd
canmoney.in

Analyst Certification

We/I, Sankita V, MBA, Mcom Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Disclosures and Disclaimers

CANARA BANK SECURITIES LTD (CBSL), a wholly owned subsidiary of CANARA BANK, is a SEBI registered intermediary offering broking services to its institutional and retail clients; we also run a proprietary trading desk. CBSL is member of BSE & NSE. We are registered as RESEARCH ANALYST under SEBI (INH000001253). CBSL or its associates do not have an investment banking business. Hence, they do not manage or co mange any public issue. Neither CBSL nor its associates, neither the research analysts nor their associates nor his/her relatives (i) have any financial interest in the company which is the subject matter of this research report (ii) holds ownership of one percent or more in the securities of subject company (iii) have any material conflict of interest at the end of the month immediately preceding the date of publication of the research report OR date of the public appearance (iv) have received any compensation from the subject company in the past twelve months (v) have received any compensation for investment banking merchant banking or brokerage services from the subject company in the past twelve months (vi) have received any compensation for any other product or services from the subject company in the past twelve months (vii) have received any compensation or other benefits from the subject company or third party in connection with the research report. (viii) Research Analyst involved in the preparation of Research report discloses that he /she has not served as an officer, director, or employee of subject company (ix) is involved in market making activity of the company.

We shall adhere to SEBI guidelines from time to time.

We may have earlier issued or may issue in future reports on the companies covered herein with recommendations/ information inconsistent or different those made in this report. We may rely on information barriers, such as "Chinese Walls" to control the flow of information contained in one or more areas within us, or other areas, units, groups or affiliates of CBSL. The Research Desk does not solicit any action based on the material contained herein. It is for the general information of the clients / prospective clients of CBSL. CBSL will not treat recipients as clients by virtue of their receiving the research report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of clients / prospective clients. Similarly, the Research Desk does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive it. The securities discussed in the report may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive the research report should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. And such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in the research report and of evaluating the merits and risks involved in the securities forming the subject matter of the reports. All projections and forecasts in research reports have been prepared by our research team.

The client should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by CBSL For these reasons; The client should only consider the projections and forecasts described in the research reports after carefully evaluating all of the information in the report, including the assumptions underlying such projections and forecasts. Past performance is not a guide for future performance. Future returns are not guaranteed and a loss of original capital may occur. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. We do not provide tax advice to our clients, and all investors are strongly advised to consult regarding any potential investment. CBSL or its research team involved in the preparation of the research reports, accept no liabilities for any loss or damage of any kind arising out of the use of these reports. The technical levels and trend etc mentioned in our reports are purely based on some technical charts/levels plotted by software used by us and these charts/levels are believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. The recommendation expressed in the reports may be subject to change. The recommendations or information contained herein do/does not constitute or purport to constitute investment advice in publicly accessible media and should not be reproduced, transmitted or published by the recipient. This research reports are for the use and consumption of the recipient only. This publication may not be distributed to the public used by the public media without the express written consent of CBSL. The Research reports or any portion hereof may not be printed, sold or distributed without the written consent of CBSL. The research report is strictly confidential and is being furnished to client solely for client’s information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The opinions and projections expressed herein are entirely based on certain assumptions & calculations and are given as part of the normal research activity of CBSL and are given as of this date and may be subject to change. Any opinion estimate or projection herein constitutes a view as of the date of this report and there can be no assurance that future results or events will be consistent with any such opinions, estimate or projection. The report has not been prepared by or in conjunction with or on behalf of or at the instigation of, or by arrangement with the company or any of its directors or any other person. Any opinions and projections contained herein are entirely based on certain assumptions and calculations. None of the directors of the company or any other persons in the research team accepts any liability whatsoever for any loss arising from any use of the research report or its contents or otherwise arising in connection therewith. 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 the client has read “Risk Disclosure Document for Capital Market and Derivatives Segments” as prescribed by Securities and Exchange Board of India (SEBI) before investing in Securities Market. Please remember that investment in stock market is subject to market risk and investors/traders need to do study before taking any position in the market.