

Satin Creditcare Network

DA income led to PPop beat, recovery a key metric

Satin results were slightly ahead of estimates on the operating front led by NIM beat (due to lower funding cost) and higher other income (owing to DA and BC income). AUM growth too was slightly higher at 13.3% YoY. Provisions rose sequentially due to COVID-19 related (Rs827mn). Company stated that potentially 25-30% clients might opt for moratorium but peer data suggests that the existing number could be higher. Focus is on digital collection with the ratio improving to 37%. CAR/CET-1 is healthy at 30.5%/22%. We see a re-bound in FY22E with RoA/RoE scaling up to 2.2%/14.3%. Valuation at 0.3x is attractive. Maintain BUY with multiple/TP at 0.5x/Rs150.

Q4FY20 results – Beat on PPOP, provisions spike on COVID

NII was a beat at Rs1.4bn (+28.4% YoY) due to higher AuM growth and NIM. AuM grew by 13.3% YoY to Rs72.2bn led by MFI (+16.6% YoY), while NIM (calc.) improved to 14.2% QoQ led by improvement in cost of funds. Other income grew by 43.3% YoY to Rs1.04bn led by DA income of Rs850mn (vs Rs560mn QoQ). PPOP came in at Rs1.3bn (est. Rs1.0bn). Provisions were higher at Rs1.12bn of which Rs827.6mn was towards COVID-19. GNPA improved QoQ by 20bps to 2.9% likely due to standstill while NNPA was lower due to improvement in PCR to 77.5%. PAT came in at Rs125mn (est. Rs286mn). For FY20, PAT came in at Rs1.56bn (est. Rs1.72bn).

AUM growth tad higher; moratorium proportion could be higher

Disbursements picked up by 32% QoQ to Rs25.2bn while rejection rates rose YoY from 17% to 18% owing to psychometric tests. Geographically, UP share was stable QoQ at 23% of AUM while that of Assam has declined to 4.7% (vs 5.6% QoQ). The company suggested that ultimately 25-30% of customers could request moratorium but in our view that number as at May end could be higher. Satin launched a new top-up loan called Pragati, which has a ticket size/tenure of Rs15000/2 years. Existing non-par customers as on 29th Feb'20 would be eligible. H1FY20 disbursements might be muted as focus would be on collections while H2FY20 could see a pick up. Due to higher slippages leading to interest reversals, FY21E NIM might dip by 70bps YoY to 7.4%.

June collection efficiency at 60% till date

Post the lockdown, Rs2.3bn has been collected till date with Rs950mn collected in May'20 while Rs980mn has been collected in June. Till date, June'20 CE has improved to 60% which is comforting. Focus would be on cashless collections which has improved to 37% (vs 27% QoQ). Cyclone Amphan did not have a significant impact on Odisha and in West Bengal some branches faced disruption for only a few weeks. Assam portfolio is Rs3.8bn with Rs2.4bn being on book. GNPA on the same is Rs520mn (90% already provided). Satin would also focus on rationalising opex in FY21E.

Valuation and risks

Owing to the lockdown extension, for FY21/22E we lower our loan growth and raise provisions estimates. This could negatively impact our FY21/22E PAT by ~15%/3%. We like the company due to its MFI business and inexpensive valuations. Maintain BUY with multiple at 0.5x FY22 ABV and TP at Rs150. Risks: higher NPA, lower AuM growth.

Financial and valuation summary

YE Mar (Rs mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20P	FY21E	FY22E
NII	1,368	1,065	28.4	1,312	4.2	5,048	4,942	6,398
PPoP	1,287	726	77.3	1,079	19.3	4,020	3,722	4,740
Provisions	1,118	(121)	NA	529	111.4	1,888	1,872	1,465
PAT	125	555	(77.5)	477	(73.8)	1,563	1,384	2,450
AUM growth (%)	13.3	25.4	(12.1)	14.3	(1.0)	13.3	16.0	19.0
NIM (%)	8.0	7.1	92bps	8.2	(16bps)	8.1	7.4	8.4
C / I (%)	46.5	59.5	(12.9)	47.5	(1.0)	51.4	54.5	52.4
GNPA (%)	2.9	2.9	0	3.1	(20bps)	2.9	4.4	3.2
RoA (%)	0.7	3.7	(3.0)	3.0	(2.3)	1.7	1.4	2.2
P/ABV						0.9	0.3	0.3

Source: Company, Centrum Research estimates

Result Update India I Diversified Financials 16 June 2020 Buy Target Price: Rs150 Price: Rs90 Forecast return: 67%	Institutional Research
--	-------------------------------

Market Data

Bloomberg:	SATIN IN
52 week H/L:	Rs321/45
Market cap:	Rs5bn
Shares outstanding:	52mn
Free float:	43.8%
Avg. daily vol. 3mth:	134773

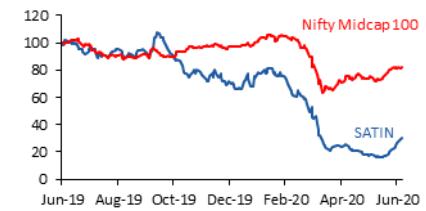
Source: Bloomberg

Changes in the report

Rating:	Unchanged
Target Price:	Unchanged
EPS:	(14.9)% FY21E, (2.8)% FY22E

Source: Centrum Research

SATIN relative to Nifty Midcap 100



Source: Bloomberg

Shareholding pattern

	Mar-20	Dec-19	Sep-19	Jun-19
Promoter	30.2	30.2	29.7	29.7
FII	7.6	7.8	13.5	13.3
DII	23.3	25.3	23.2	23.9
Public/oth	38.9	36.8	33.6	33.1

Source: BSE



Gaurav Jani

Analyst, Banks, Diversified Financials
+91 22 4215 9110
gaurav.jani@centrum.co.in



Rahul Nandwani

Associate, Banks, Diversified Financials
+91 22 4215 9364
rahul.nandwani@centrum.co.in

Thesis Snapshot

Estimate revisions

YE Mar (Rs mn)	FY21E New	FY21E Old	% chg	FY22E New	FY22E Old	% chg
NII	4,942	5,164	(4.3)	6,398	6,673	(4.1)
PPoP	3,722	3,739	(0.4)	4,740	4,719	0.5
PAT	1,384	1,626	(14.9)	2,450	2,520	(2.8)
AUM growth (%)	16.0	21.5	(5.5)	19.0	24.7	(5.7)
GNPA	4.4	4.1	0.3	3.2	3.4	(0.2)

Source: Centrum Research estimates

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q4FY20	Actual Q4FY20	Variance (%)
NII	1,368	1,327	3.1
PPoP	1,287	1,042	23.5
PAT	125	286	(56.4)
AuM growth	13.3	12.0	1.3

Source: Bloomberg, Centrum Research estimates

Satin versus Nifty Midcap 100

	1m	6m	1 year
SATIN IN	73.6	(56.6)	(70.2)
Nifty Midcap 100	9.5	(15.5)	(19.0)

Source: Bloomberg, NSE

Key assumptions

YE Mar (Rs mn)	FY21E	FY22E
AUM growth (%)	16.0	19.0
NIM (%)	7.4	8.4
Other inc / Assets (%)	4.6	4.7
Cost / Assets (%)	5.7	5.7
Provision costs	3.7	2.4

Source: Centrum Research estimates

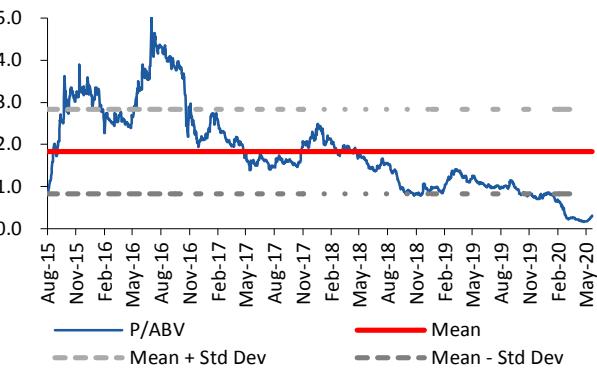
Valuations

Owing to the lockdown extension, for FY21/22E we lower our loan growth and raise provisions estimates. This could negatively impact our FY21/22E PAT by ~15%/3%. We like the company due to its MFI business and inexpensive valuations. Maintain BUY with multiple at 0.5x FY22 ABV and TP at Rs150. Risks: higher NPA, lower AuM growth.

Valuations

FY22E ABVPS (Rs)	326.8
Historical P/ABV (x)	2.0
Premium assigned (%)	(75.0)
Ascribed P/ABV (x)	0.5
Fair value / share (Rs)	150

P/BV mean and standard deviation



Sensitivity analysis

NIM	Provision cost				
	+10bps	+5bps	Current	-5bps	-10bps
-10bps	(4.2)	(3.3)	(2.3)	(1.4)	(0.5)
-5bps	(3.0)	(2.1)	(1.2)	(0.2)	0.7
Current	(1.9)	(0.9)	0.0	0.9	1.9
+5bps	(0.7)	0.2	1.2	2.1	3.0
+10bps	0.5	1.4	2.3	3.3	4.2

Source: Bloomberg, Centrum Research estimates

Peer comparison

Company	Mkt Cap Rs bn	CAGR FY20-FY22E (%)			P/BVPS			RoA (%)			RoE (%)		
		Total inc	PPOP	PAT	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E
Satin CreditCare	4.6	9.7	8.6	25.2	0.8	0.3	0.3	1.7	1.4	2.2	12.0	9.1	14.3
Ujjivan SFB	48.3	21.3	32.7	32.2	1.5	1.4	1.2	2.2	2.0	2.4	15.2	12.9	16.6
Bandhan Bank	431.4	18.1	24.5	19.5	2.8	2.4	2.1	4.4	2.8	3.3	24.3	16.4	19.7
Spandana Sphoorty	34.3	13.3	11.1	24.4	1.2	1.1	0.9	7.2	8.4	8.5	17.7	18.0	20.2
Equitas Holdings	16.3	18.1	44.9	30.1	0.7	0.5	0.5	1.5	1.6	1.5	10.4	12.5	12.7
AU SFB	146.6	19.6	17.9	22.8	3.5	3.0	2.5	1.8	1.3	1.5	18.1	14.5	16.2
CreditAccess	73.1	10.9	7.8	24.5	2.6	2.2	1.8	5.5	4.5	5.4	18.5	16.4	21.2

Source: Company, Centrum Research estimates

Fig 1: Key concall takeaways and metrics

FY20E Guidance	Q4FY20	Q3FY20	Our Comments
AuM growth	-	-	For H1FY21 the management suggested that disbursements could be weak though focus would be on collections while growth is expected to pick up in H2FY21. Due to the extended lockdown, we lower our FY21 AuM growth to 16.0% YoY (vs 21.5% earlier). For FY22E each we see growth resuming back to 19.0% AuM growth.
NIM	-	-	Owing to higher slippages, NIM for FY21E might dip by 70bps YoY to 7.4% (vs est. 7.8% earlier).
Opex	-	-	Although we see lower AUM growth and contraction in NIMs, the company would aim to rationalise cost in areas like employee/branch additions, variable pay, rent, etc. For FY21E as income would be depressed owing to lower NIM, cost to income might spike to 54.5% (vs 51.4% in FY20) but improve to 52.4% in FY22E.
Provisions costs	-	-	Due to uncertain impact of COVID, FY21 credit costs might see a spike and we raise our FY21E provision cost est. to 370bps (vs 300bps earlier). We see provisions to taper down to 240bps in FY22E.
Consol. PAT	FY21 PAT higher than FY20	-	Company guided that PAT for FY21E is likely to be higher than FY20. We see standalone FY21E PAT/RoA/RoE at Rs1.4bn/1.4%/9.1% though the same could scale up to Rs2.45bn/2.2%/14.3% by FY22E.

Source: Company, Centrum Research

Fig 2: Quarterly Financials

Rs mn	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Profit & Loss								
Interest earned	3,045	3,152	3,022	2,575	2,715	2,627	2,728	2,715
Interest expended	1,533	1,681	1,666	1,510	1,506	1,468	1,416	1,347
Net interest income	1,512	1,472	1,356	1,065	1,209	1,158	1,312	1,368
Other income	49	316	792	726	614	825	745	1,040
Total income	1,561	1,788	2,148	1,791	1,824	1,983	2,057	2,408
Operating expenses	823	914	909	1,065	994	1,080	978	1,121
Employees	597	617	703	731	730	761	721	754
Others	227	298	206	333	265	318	257	366
Operating profit	738	874	1,239	726	829	904	1,079	1,287
Provisions	358	184	99	(121)	180	140	529	1,118
Profit before tax	380	690	1,139	847	649	764	550	169
Tax	129	246	439	292	236	215	74	45
Profit after tax	250	444	700	555	414	549	477	125
Balance sheet								
AUM (Rs mn)	54,002	55,612	55,900	63,740	64,670	64,140	63,900	72,200
AUM growth (%)	43.2	39.5	29.9	25.4	19.8	15.3	14.3	13.3
Total CRAR (%)	26.4	25.2	30.1	28.5	30.5	30.1	32.2	30.5
Profitability ratios (reported %)								
Gross yield	23.6	25.7	27.4	22.1	20.7	21.4	21.7	20.6
Financial cost	11.7	12.3	12.0	10.1	9.4	9.1	8.9	8.4
NIM	11.5	10.7	9.7	7.1	7.5	7.2	8.2	8.0
Opex ratio	6.3	6.9	6.5	7.1	6.4	6.7	6.0	6.1
Loan loss ratio	2.7	1.5	0.7	-0.8	1.1	0.9	3.4	3.0
ROA	1.9	3.2	5.0	3.7	2.6	3.4	3.0	0.7
Leverage	5.9	5.4	5.1	4.6	3.9	3.6	3.4	3.7
ROE	10.7	18.0	26.9	20.0	13.5	16.5	13.8	10.1
Cost to income	52.7	51.1	42.3	59.5	54.5	54.4	47.5	46.5
Asset quality ratios (%)								
GNPA	3.9	4.1	3.2	2.9	2.8	3.1	3.1	2.9
ECL	3.5	3.2	2.0	1.6	1.6	1.7	2.2	2.3

Source: Company, Centrum Research estimates

P&L (Rs mn)	FY18	FY19	FY20P	FY21E	FY22E
Interest income	9,573	11,795	10,784	10,483	12,498
Interest expense	5,317	6,390	5,737	5,541	6,101
NII	4,256	5,405	5,048	4,942	6,398
Other income	194	1,935	3,225	3,248	3,553
Total income	4,450	7,340	8,272	8,190	9,951
Operating expenses	2,740	3,763	4,252	4,467	5,210
Employee	1,892	2,648	2,967	3,117	3,635
Others	848	1,115	1,286	1,351	1,575
PPOP	1,711	3,577	4,020	3,722	4,740
Provisions	445	521	1,888	1,872	1,465
PBT	1,266	3,056	2,132	1,851	3,276
Tax	445	1,107	569	466	825
PAT	821	1,949	1,563	1,384	2,450

Ratios	FY18	FY19	FY20P	FY21E	FY22E
Growth (%)					
AUM	40.6	25.3	13.3	16.0	19.0
Borrowings	14.0	9.2	3.0	(5.4)	17.2
NII	41.6	27.0	(6.6)	(2.1)	29.5
Other income	(52.6)	895.9	66.6	0.7	9.4
Opex	7.9	37.4	13.0	5.1	16.6
PPoP	95.1	109.1	12.4	(7.4)	27.3
Provisions	(12.0)	17.1	262.7	(0.9)	(21.7)
PAT	235.3	137.3	(19.8)	(11.4)	77.0
Profitability ratios (%)					
Yield on IEA	18.1	19.5	17.3	15.7	16.4
Cost of funds	13.0	14.0	11.9	11.6	12.1
Spread	5.1	5.4	5.4	4.1	4.3
NIM	8.1	8.9	8.1	7.4	8.4
Other Income/ Total Income	4.4	26.4	39.0	39.7	35.7
Other Income / Total Assets	0.4	3.0	4.7	4.6	4.7
Cost / Income	61.6	51.3	51.4	54.5	52.4
Employees	42.5	36.1	35.9	38.1	36.5
Others	19.1	15.2	15.5	16.5	15.8
Opex / AuM	6.3	6.6	6.3	5.7	5.7
Provisions	1.0	1.1	4.2	3.7	2.4
Tax Rate	35.1	36.2	26.7	25.2	25.2
RoA	1.4	2.6	1.7	1.4	2.2
RoE	12.2	19.1	12.0	9.1	14.3

DuPont (% avg assets)	FY18	FY19	FY20P	FY21E	FY22E
Interest income	16.4	15.6	11.8	10.4	11.0
Interest expense	9.1	8.5	6.3	5.5	5.4
NII	7.3	7.1	5.5	4.9	5.7
Other income	0.3	2.6	3.5	3.2	3.1
Total income	7.6	9.7	9.1	8.1	8.8
Operating expenses	4.7	5.0	4.7	4.4	4.6
Employees	3.2	3.5	3.2	3.1	3.2
Others	1.5	1.5	1.4	1.3	1.4
PPoP	2.9	4.7	4.4	3.7	4.2
Provisions	0.8	0.7	2.07	1.9	1.3
PBT	2.2	4.0	2.3	1.8	2.9
Tax	0.8	1.5	0.6	0.5	0.7
PAT	1.4	2.6	1.7	1.4	2.2

Source: Company, Centrum Research estimates

Balance Sheet (Rs mn)	FY18	FY19	FY20P	FY21E	FY22E
Financial assets	61,096	66,082	70,148	68,069	80,314
Cash	4,458	10,039	11,073	8,223	6,723
Bank balance	6,374	6,940	6,543	5,482	6,723
Loans	48,452	44,601	47,094	48,524	59,737
Investment	1,486	4,219	5,133	5,482	6,723
Other financial assets	326	284	305	357	408
Non financial assets	1,530	992	1,280	1,699	1,109
Deferred tax assets	887	312	-114	384	471
Fixed Assets	360	430	524	1,096	504
Other Non Finan. Assets	283	250	870	219	134
Total Assets	62,626	67,074	71,428	69,768	81,423
Financial liabilities	53,436	55,230	56,714	53,600	62,788
Debt securities	9,193	9,759	8,639	8,171	9,574
Borrowings	38,624	37,200	40,021	37,854	44,357
Subordinated Debt	3,692	5,392	5,431	5,137	6,019
Other financial liabilities	1,927	2,879	2,623	2,439	2,837
Non financial liabilities	270	329	186	286	334
Current tax liabilities	91	118	0	0	0
Provisions	102	135	109	167	194
Other Non-financ. Liab.	77	76	78	119	139
Total equity	8,919	11,514	14,528	15,882	18,302
Share capital	473	485	517	517	517
Other equity	8,446	11,029	14,011	15,365	17,785
Total Liabilities	62,626	67,073	71,428	69,768	81,423

Balance Sheet ratios (%)					
Debt / Equity	5.8	4.5	3.7	3.2	3.3
Assets / Equity	7.0	5.8	4.9	4.4	4.4
Cash / Borrowings	0.2	0.3	0.3	0.3	0.2
Capital (%)					
CRAR	21.2	28.5	30.5	29.4	28.7
Tier-1	14.6	19.9	22.1	21.0	20.3
Tier-2	6.6	8.6	8.4	8.4	8.4
Asset quality (%)					
GNPA (Rs mn)	2,152	1,779	2,118	3,707	3,182
NNPA (Rs mn)	742	1,061	477	1,465	1,401
GNPA	4.2	2.8	2.9	4.4	3.2
NNPA	1.5	1.7	0.7	1.8	1.4
PCR	65.5	40.4	77.5	60.5	56.0
NNPA/Equity	8.3	9.2	3.3	9.2	7.7
Per share (Rs)					
EPS	17.4	40.2	30.2	26.8	47.4
BVPS	188.7	237.3	280.9	307.1	353.9
ABVPS	173.0	215.4	271.7	278.8	326.8
Valuation (x)					
P/E	8.8	10.2	9.5	3.4	1.9
P/BV	1.5	1.1	0.8	0.3	0.3
P/ABV	1.6	1.1	0.9	0.3	0.3

Source: Company, Centrum Research estimates

Disclaimer

Centrum Broking Limited ("Centrum") is a full-service, Stock Broking Company and a member of The Stock Exchange, Mumbai (BSE) and National Stock Exchange of India Ltd. (NSE). Our holding company, Centrum Capital Ltd, is an investment banker and an underwriter of securities. As a group Centrum has Investment Banking, Advisory and other business relationships with a significant percentage of the companies covered by our Research Group. Our research professionals provide important inputs into the Group's Investment Banking and other business selection processes.

Recipients of this report should assume that our Group is seeking or may seek or will seek Investment Banking, advisory, project finance or other businesses and may receive commission, brokerage, fees or other compensation from the company or companies that are the subject of this material/report. Our Company and Group companies and their officers, directors and employees, including the analysts and others involved in the preparation or issuance of this material and their dependants, may on the date of this report or from, time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. Centrum or its affiliates do not own 1% or more in the equity of this company. Our sales people, dealers, 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 are inconsistent with the recommendations expressed herein. 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. In reviewing this document, you should be aware that any or all of the foregoing, among other things, may give rise to or potential conflicts of interest. We and our Group 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 Centrum. Centrum or its affiliates do not make a market in the security of the company for which this report or any report was written. Further, Centrum or its affiliates did not make a market in the subject company's securities at the time that the research report was published.

This report is for information purposes only and this document/material should not be construed as an offer to sell or the solicitation of an offer to buy, purchase or subscribe to any securities, and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on the material contained herein. It is for the general information of the clients of Centrum. Though disseminated to clients simultaneously, not all clients may receive this report at the same time. Centrum will not treat recipients as clients by virtue of their receiving this report. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Similarly, this document does not have regard to the specific investment objectives, financial situation/circumstances and the particular needs of any specific person who may receive this document. The securities discussed in this report may not be suitable for all investors. The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. The countries in which the companies mentioned in this report are organized may have restrictions on investments, voting rights or dealings in securities by nationals of other countries. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Persons who may receive this document should consider and independently evaluate whether it is suitable for his/ her/their particular circumstances and, if necessary, seek professional/financial advice. Any such person shall be responsible for conducting his/her/their own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this document.

The projections and forecasts described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. Projections and forecasts are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections and forecasts were based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. All projections and forecasts described in this report have been prepared solely by the authors of this report independently of the Company. These projections and forecasts were not prepared with a view toward compliance with published guidelines or generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance on these projections or forecasts. You should not regard the inclusion of the projections and forecasts described herein as a representation or warranty by or on behalf of the Company, Centrum, the authors of this report or any other person that these projections or forecasts or their underlying assumptions will be achieved. For these reasons, you should only consider the projections and forecasts described in this report after carefully evaluating all of the information in this report, including the assumptions underlying such projections and forecasts.

The price and value of the investments referred to in this document/material and the income from them may go down as well as up, and investors may realize losses on any investments. 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. Centrum does not provide tax advice to its clients, and all investors are strongly advised to consult regarding any potential investment. Centrum and its affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Foreign currencies denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies effectively assume currency risk. Certain transactions including those involving futures, options, and other derivatives as well as non-investment-grade securities give rise to substantial risk and are not suitable for all investors. Please ensure that you have read and understood the current risk disclosure documents before entering into any derivative transactions.

This report/document has been prepared by Centrum, based upon information available to the public and sources, believed to be reliable. No representation or warranty, express or implied is made that it is accurate or complete. Centrum has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed. The opinions expressed in this document/material are subject to change without notice and have no obligation to tell you when opinions or information in this report change.

This report or 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. The report is 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 Centrum. This report or any portion hereof may not be printed, sold or distributed without the written consent of Centrum.

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither Centrum 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 that may arise from or in connection with the use of the information.

This document does not constitute an offer or invitation to subscribe for or purchase or deal in any securities and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. This document is strictly confidential and is being furnished to you solely for your information, may not be distributed to the press or other media and may not be reproduced or redistributed to any other person. The distribution of this report in other jurisdictions may be restricted by law and persons into whose possession this report comes should inform themselves about, and observe any such restrictions. By accepting this report, you agree to be bound by the fore going limitations. No representation is made that this report is accurate or complete.

The opinions and projections expressed herein are entirely those of the author and are given as part of the normal research activity of Centrum Broking and are given as of this date and are subject to change without notice. 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.

This document 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. Information in this document must not be relied upon as having been authorized or approved by the company or its directors or any other person. Any opinions and projections contained herein are entirely those of the authors. None of the company or its directors or any other person accepts any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection therewith.

Centrum and its affiliates have not managed or co-managed a public offering for the subject company in the preceding twelve months. Centrum and affiliates have not received compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for service in respect of public offerings, corporate finance, debt restructuring, investment banking or other advisory services in a merger/acquisition or some other sort of specific transaction.

As per the declarations given by them, Mr. Gaurav Jani & Mr. Rahul Nandwani, research analyst and and/or any of their family members do not serve as an officer, director or any way connected to the company/companies mentioned in this report. Further, as declared by them, they are not received any compensation from the above companies in the preceding twelve months. They do not hold any shares by them or through their relatives or in case if holds the shares then will not to do any transactions in the said scrip for 30 days from the date of release such report. Our entire research professionals are our employees and are paid a salary. They do not have any other material conflict of interest of the research analyst or member of which the research analyst knows of has reason to know at the time of publication of the research report or at the time of the public appearance.

While we would endeavour to update the information herein on a reasonable basis, Centrum, its associated companies, their directors and employees are under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Centrum from doing so.

Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Centrum policies, in circumstances where Centrum is acting in an advisory capacity to this company, or any certain other circumstances. 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 Centrum Broking Limited 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. 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.

Ratings definitions

Our ratings denote the following 12-month forecast returns:

Buy – The stock is expected to return above 15%.

Add – The stock is expected to return 5-15%.

Reduce – The stock is expected to deliver -5+5% returns.

Sell – The stock is expected to deliver <-5% returns.

Satin Creditcare



Source: Bloomberg

Disclosure of Interest Statement

1 Business activities of Centrum Broking Limited (CBL)	Centrum Broking Limited (hereinafter referred to as "CBL") is a registered member of NSE (Cash, F&O and Currency Derivatives Segments), MCX-SX (Currency Derivatives Segment) and BSE (Cash segment), Depository Participant of CDSL and a SEBI registered Portfolio Manager.
2 Details of Disciplinary History of CBL	CBL has not been debarred/ suspended by SEBI or any other regulatory authority from accessing /dealing in securities market.
3 Registration status of CBL:	CBL is registered with SEBI as a Research Analyst (SEBI Registration No. INH000001469)

Satin Creditcare

4 Whether Research analyst's or relatives' have any financial interest in the subject company and nature of such financial interest	No
5 Whether Research analyst or relatives have actual / beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the document.	No
6 Whether the research analyst or his relatives has any other material conflict of interest	No
7 Whether research analyst has received any compensation from the subject company in the past 12 months and nature of products / services for which such compensation is received	No
8 Whether the Research Analyst has received any compensation or any other benefits from the subject company or third party in connection with the research report	No
9 Whether Research Analysts has served as an officer, director or employee of the subject company	No
10 Whether the Research Analyst has been engaged in market making activity of the subject company.	No
11 Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months;	No
12 Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months;	No
13 Whether it or its associates have 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

Member (NSE and BSE). Member MSEI (Inactive)**Single SEBI Regn No.: INZ000205331****Depository Participant (DP)**

CDSL DP ID: 120 – 12200

SEBI REGD NO. : CDSL : IN-DP-CDSL-661-2012

PORTFOLIO MANAGER

SEBI REGN NO.: INP000004383

Research Analyst

SEBI Registration No. INH000001469

Mutual Fund Distributor

AMFI REGN No. ARN- 147569

Website: www.centrum.co.in**Investor Grievance Email ID:** investor.grievances@centrum.co.in**Compliance Officer Details:**

Ashok D Kadambi

(022) 4215 9937; Email ID: compliance@centrum.co.in

Centrum Broking Ltd. (CIN :U67120MH1994PLC078125)**Registered Office Address**

Bombay Mutual Building ,
2nd Floor, Dr. D. N. Road,
Fort, Mumbai - 400 001

Corporate Office & Correspondence Address

Centrum House
6th Floor, CST Road, Near Vidya Nagari Marg, Kalina, Santacruz (E),
Mumbai 400 098.
Tel: (022) 4215 9000 Fax: +91 22 4215 9344

Centrum Broking Institutional Equities Team Details			
Nischal Maheshwari	CEO	nischal.maheshwari@centrum.co.in	+91-22-4215 9841
Research Analyst	Sector	E-mail	Phone number
Gaurav Jani	BFSI	gaurav.jani@centrum.co.in	+91-22-4215 9110
Milind S Reginwar	Cement & Metals	milind.raginwar@centrum.co.in	+91-22-4215 9201
Shirish Pardeshi	FMCG	shirish.pardeshi@centrum.co.in	+91-22-4215 9634
Ashish Shah	Infra & Aviation	shah.ashish@centrum.co.in	+91-22-4215 9021
Madhu Babu	IT	madhu.babu@centrum.co.in	+91-22-4215 9855
Probal Sen	Oil & Gas	Probal.sen@centrum.co.in	+91-22-4215 9001
Cyndrella Carvalho	Pharma	cyndrella.carvalho@centrum.co.in	+91-22-4215 9643
Sparsh Chhabra	Economist	sparsh.chhabra@centrum.co.in	+91-22-4215 9035
Joaquim Fernandes	Quant	Joaquim.Fernandes@centrum.co.in	+91-22-4215 9363
Equity Sales	Designation	Email	Phone number
Rajesh Makharia	Director	rajesh.makharia@centrum.co.in	+91-22-4215 9854
Paresh Shah	MD	paresh.shah@centrum.co.in	+91-22-4215 9617
Anil Chaurasia	Sr. VP	anil.chaurasia@centrum.co.in	+91-22-4215 9631
Himani Sanghavi	AVP	himani.sanghavi@centrum.co.in	+91-22-4215 9082
Saahil Harwani	Associate	saahil.harwani@centrum.co.in	+91-22-4215 9623