

October 27, 2023

**RESULT REPORT Q2 FY24** | Sector: Asset Managers

# Aditya Birla Sun Life AMC

## ABSL benefits from AUM mix change, which is not really structural

### Result Highlights (See "Our View" below for elaboration and insight)

- **Revenue:** Revenue from operations at Rs 3,350mn was up 7.7%/7.7% QoQ/YoY, leading/lagging QAAUM growth of 4.7%/10% QoQ/YoY.
- **Share of Equity in AUM:** Share of Equity in AUM (including Hybrid funds) at 41.9% was up 194 bps QoQ but down -27 bps YoY (calculated on rounded off figures)
- **Share of B-30 in AUM:** Share of B-30 in AUM at 17.3% was up 130bps QoQ and 100bps YoY
- **Channel mix:** Share of MFDs, Banks, NDs and Direct was 32%, 9%, 17% and 42%, respectively in overall AUM (Ex-ETF)
- **Operating profit margin:** Operating profit margin for the quarter, at 57.3%, was up 267 bps QoQ but down -130 bps YoY

### Our view – AUM mix change is not really a structural factor

**Calculated overall revenue yield inched up ~1bp sequentially:** The improvement in overall yield has been due to change in asset class mix. There has been a rise in the share of equity funds in the total MF QAAUM by 194bps QoQ. There has also been a slight uptick in debt fund yield during the quarter. It may be noted that, while on-book equity yield is about 70 bps, the incremental equity yield is about 55-60 bps.

**The company has been taking steps to arresting decline in equity market share:** The performance of most equity funds has improved. Furthermore, the company has appointed a co-CIO for equity, Mr. Harish Krishnan. The performance for Large Cap, Flexi Cap and Small Cap funds for the company has improved and hence, the company has witnessed incremental flows here. The share in gross flows have improved by 3-4% in these schemes as compared to previous quarters.

**We maintain 'NEUTRAL' rating on ABSL with a revised price target of Rs 475:** We value ABSL at 18.6x FY25 P/E, at which the stock would trade at an FY25 P/B of 4.1x.

**(See Comprehensive con call takeaways on page 2 for significant incremental colour.)**

### Exhibit 1: Result table

Rs mn	Q2FY24	Q2FY23	YoY	Q1FY24	QoQ
Revenue from operation	3,350	3,111	7.7%	3,112	7.7%
As % of QAUM <sup>^</sup>	0.43%	0.44%	-1bps	0.42%	1bps
Fees and Commission Expenses	82	44	89.2%	82	0.7%
As % of revenue	2.5%	1.4%	106bps	2.6%	-17bps
Employee Benefit Expenses	798	712	12.1%	774	3.2%
As % of revenue	23.8%	22.9%	94bps	24.9%	-103bps
Other Expenses	550	533	3.3%	557	-1.2%
As % of revenue	16.4%	17.1%	-70bps	17.9%	-148bps
<b>Total Expense</b>	<b>1,431</b>	<b>1,288</b>	<b>11.1%</b>	<b>1,412</b>	<b>1.3%</b>
<b>Operating Profit</b>	<b>1,919</b>	<b>1,823</b>	<b>5.3%</b>	<b>1,700</b>	<b>12.9%</b>
As % of QAUM <sup>^</sup>	0.2%	0.3%	-1bps	0.2%	2bps
As % of revenue	57.3%	58.6%	-130bps	54.6%	267bps
Other Income	557	766	-27.3%	778	-28.4%
Finance cost	17	10	68.9%	8	112.7%
Depreciation	92	84	8.5%	66	38.4%
<b>Profit before Tax</b>	<b>2,368</b>	<b>2,494</b>	<b>-5.1%</b>	<b>2,403</b>	<b>-1.5%</b>
Tax Expense	587	577	1.7%	557	5.3%
<b>Profit After Tax</b>	<b>1,781</b>	<b>1,917</b>	<b>-7.1%</b>	<b>1,846</b>	<b>-3.5%</b>
As % of QAUM <sup>^</sup>	0.2%	0.3%	-4bps	0.2%	-2bps
As % of revenue	53.2%	61.6%	-846bps	59.3%	-615bps

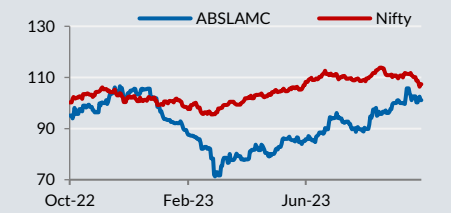
Source: Company, YES Sec-Research, <sup>^</sup>Annualised

Recommendation	: NEUTRAL
Current Price	: Rs 438
Target Price	: Rs 475
Potential Return	: +8%

### Stock data (as on October 27, 2023)

Nifty	19,047
52 Week h/l (Rs)	472 / 307
Market cap (Rs/USD mn)	127993 / 1537
Outstanding Shares (mn)	288
6m Avg t/o (Rs mn):	37
Div yield (%):	2.4
Bloomberg code:	ABSLAMC IN
NSE code:	ABSLAMC

### Stock performance



	1M	3M	1Y
Absolute return	1.7%	7.4%	6.3%

### Shareholding pattern (As of Sept'23 end)

Promoter	86.5%
FII+DII	6.4%
Others	7.1%

### Δ in stance

(1-Yr)	New	Old
Rating	NEUTRAL	NEUTRAL
Target Price	475	450

### Financial Summary

Rs mn	FY24E	FY25E	FY26E
Net Revenue	13,161	14,560	16,185
YoY Growth	7.3%	10.6%	11.2%
EBIDTA Margin	55.5%	55.7%	56.1%
PAT	6,566	7,365	8,317
YoY Growth	10.1%	12.2%	12.9%
ROE	24.2%	23.5%	23.1%
EPS (Rs)	22.8	25.6	28.9
P/E (x)	19.2	17.1	15.2
BV (Rs)	101.1	116.4	133.7
P/BV (x)	4.3	3.8	3.3

### Δ in earnings estimates

Rs.	FY24E	FY25E	FY26E
EPS (New)	22.8	25.6	28.9
EPS (Old)	22.7	25.4	28.7
% change	0.4%	0.5%	0.5%

### SHIVAJI THAPLIYAL

Head of Research  
& Lead Analyst

shivaji.thapliyal@ysil.in

+91 22 6885 0521



**SIDDHARTH RAJPUROHIT**, Analyst

## COMPREHENSIVE CON-CALL TAKEAWAYS

### Revenue yield

- **Asset class-wise on-book yield**
  - Equity – 70 bps
  - Debt – 24-25 bps
- **Yield on new flows**
  - Equity – 55-60 bps
- **Reasons for improvement in overall yield**
  - The improvement in overall yield has been due to change in asset class mix.
  - There has been a rise in the share of equity funds in the total MF QAAUM (up 194bps QoQ).
  - There has also been a slight uptick in debt funds yield in the quarter.

### Equity business

- **Steps taken to arrest the fall in equity market share**
  - The performance of most funds has improved.
  - The company has appointed a co-CIO for equity, Mr. Harish Krishnan.
- **Gross flows**
  - The performance for Large Cap, Flexi Cap and Small Cap funds for the company has improved and hence, the company has witnessed incremental flows here.
  - The share in gross flows have improved by 3-4% in these schemes as compared to previous quarters.
- **On Lump Sum flows**
  - Between SIP and Lump sum flows, the lump sum flows are not growing in the same manner as they were growing earlier.
- **On proposed high-risk mutual fund**
  - On the news that SEBI is discussing on a high-risk segment, the management said that AIF was created with that intention and so, they are not sure how much weightage is to be given to this news.

### SIP business

- **Steps taken to arrest the fall in SIP market share**
  - The company has launched a series of SIP products including Sampoorna SIP.
  - The ticket size has improved due to the Sampoorna SIP.
  - Funds have moved up in star ranking due to improved performance.
  - The company is engaging with online platforms which are aggressive on building SIP.
  - The company has also increased engagement with MFD partners.
- **SIP Flows**
  - With regard to SIP gross flows, significant incremental flows for the industry are coming from the digital platform, contributed by flows from Fintechs such as Groww, Paytm, Kubera. etc.
  - Of the total SIP flows in 2Q for the industry, around 37-38% is coming from the digital platform.
  - The incremental SIP flows from digital platform are largely from millennials and are relatively less sticky.

(Con call takeaways continue on the next page)

## Channel growth

- The company has separate team of 30 people to drive growth in the direct channel.

## NFOs

### Recent launches

- The company has launched US bond yield FoF investing in US treasury ETFs with duration of 1-3 years and 3-10 years
- The total limit for the industry for this is 800mn and the company has a limit of 200mn (presumably USD).
- The company has also launched the Aditya Birla Sun Life Transportation and Logistics Fund.

### NFO Pipeline

- The company already has funds in the major SEBI categories, so there is limited scope for new NFOs.
- The company has planned for a Quant fund, subject to approval from SEBI.
- It will be driven by the new Head of Equity supported by a Quant manager, to be onboarded soon.

## Operating expenses

### Total expenses

- The total operating expense stood at Rs. 1.9bn, up by 5.3% YoY and 12.9% QoQ.

### Employee expenses

- The employee expense for the quarter was up by 12.1% YoY and 3.2% QoQ.
- The employee cost has gone up due to increments that have happened in 2Q.
- Employee base as of September 2023 was 1,437 as against 1,449 as of June 2023.
- **Guidance**
  - The employee cost to remain around a similar range but will also depend on incremental hiring going forward.

### Non-employee expenses

- Other operating expense was up by 3.3% YoY but was down -1.2% QoQ.
- The YoY increase in other operating expenses was due to increase in fees and commissions, which was towards the AIF commission.
- For the MF business, the company generally shares 55-60% of TER.

## Key AUM aspects

### Total company AUM

- The total company average AUM was Rs 3,235bn, up 5% QoQ.

### Total mutual fund AUM

- The mutual fund quarterly average AUM was Rs 3,109bn, up 5% QoQ.

### Equity mutual fund AUM

- The equity mutual fund average AUM was Rs 1,302bn for the quarter, comprising 41.9% of total mutual fund AUM.

### Folios serviced

- The outstanding folio count serviced amounts to 7.89mn.

(Con call takeaways continue on the next page)

- **SIP business**
  - Monthly SIP inflows were at Rs 9.68bn.
  - Currently, 3.23mn live SIP accounts are being serviced.
  - The total SIP AUM is about Rs 608.14bn.
- **B-30 AUM**
  - The share of B-30 AUM has risen to 17.3% of total mutual fund AUM.

## Passive Fund

- **AUM**
  - The total passive fund AUM was at Rs 284 bn as of September 2023, up 68% YoY.
- **Products offered**
  - ABSL AMC now has total of 40 products in the passive segment.
- **Folios**
  - Number of folios served are 0.54mn.

## Alternative assets

- **PMS / AIF**
  - The total QAAUM in the PMS and AIF segment was Rs.23.24 bn.
  - **New Launches**
    - Fund raising is currently underway for ABSL India Special Opportunities Fund (CAT III AIF)
  - **AIF pipeline**
    - ABSL Structured Opportunities Fund (CAT II AIF)
- **Offshore**
  - The total QAAUM in the Offshore segment was Rs.97.33 bn.
  - **New Launches**
    - Fund raising is currently underway for ABSL Global Emerging Market Equity Fund (IFSC) Cat II AIF (Global Equity FoF AIF) domiciled in GIFT City.

## Exhibit 2: Other Business Parameters

Rs mn	Q2FY24	Q2FY23	YoY	Q1FY24	QoQ
MF QAAUM	3,108,991	2,825,799	10.0%	2,969,371	4.7%
Individual share	51%	51%	46bps	51%	62bps
Monthly SIP Book	9,680	9,309	4%	9,870	-2%
<b>AAUM Mix</b>					
Alternate and Offshore - Others	9,000	10,000	-10%	9,000	0%
Domestic - Liquid	563,000	562,000	0%	571,000	-1%
Domestic - Fixed Income	1,244,000	1,073,000	16%	1,213,000	3%
Alternate and Offshore - Equity	117,000	102,000	15%	106,000	10%
Domestic - Equity	1,302,000	1,191,000	9%	1,186,000	10%
<b>QAAUM Mix (% proportion)</b>					
Alternate and Offshore - Others	0.3%	0.3%	-6bps	0.3%	-1bps
Domestic - Liquid	17.4%	19.1%	-173bps	18.5%	-111bps
Domestic - Fixed Income	38.5%	36.5%	193bps	39.3%	-86bps
Alternate and Offshore - Equity	3.6%	3.5%	14bps	3.4%	18bps
Domestic - Equity	40.2%	40.5%	-29bps	38.4%	180bps
<b>Channel Mix - Ex-ETF (% proportion)</b>					
Bank	9%	8%	100bps	9%	0bps
National Distributor	17%	17%	0bps	17%	0bps
MFDs	32%	32%	0bps	32%	0bps
Direct	42%	43%	-100bps	42%	0bps
<b>Geographical Spread</b>					
T-30	83%	84%	-100bps	84%	-130bps
B-30	17%	16%	100bps	16%	130bps

Source: Company, YES Sec - Research

## Exhibit 3: Quarterly Actuals Vs Estimates

Q2FY24 (Rs. mn)	Actuals	Estimates	Diff, %
Revenue	3,350	3,309	1.2
EBITDA	1,919	1,807	6.2
PAT	1,781	1,605	11.0

Source: Company, YES Sec - Research

## ANNUAL CONSOLIDATED FINANCIALS

### Exhibit 4: Balance sheet statement

(Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Share Capital	1,440	1,440	1,440	1,440	1,440
Share Warrants & Outstanding	0	0	0	0	0
Total Reserves	20,525	23,730	27,670	32,088	37,079
<b>Shareholder's Funds</b>	<b>21,965</b>	<b>25,170</b>	<b>29,110</b>	<b>33,528</b>	<b>38,519</b>
Minority Interest	0	0	0	0	0
Trade Payables	304	482	506	531	558
Lease liabilities	544	480	564	637	699
Other financial liabilities	659	506	531	558	586
Total Financial Liabilities	1,507	1,468	1,601	1,726	1,842
Current tax liabilities	0	107	112	118	124
Provisions	375	412	433	454	477
Deferred Tax Liabilities (net)	252	348	365	383	402
Other non-financial liabilities	249	377	396	416	436
Total Non-Financial Liabilities	876	1,243	1,305	1,371	1,439
<b>TOTAL LIABILITIES</b>	<b>24,347</b>	<b>27,881</b>	<b>32,016</b>	<b>36,625</b>	<b>41,800</b>
Cash and Bank	979	1,266	1,647	1,983	2,287
Trade receivables	262	245	258	270	284
Loans	0	0	0	0	0
Investments	21,210	23,592	27,130	31,200	35,880
Other Financial assets	183	598	628	659	692
Total Financial Assets	22,634	25,701	29,662	34,112	39,143
Current tax assets (net)	305	420	441	463	486
Property, plant and equipment	137	187	205	220	230
Right of use assets	485	427	511	584	645
Capital Work in Progress	15	10	11	12	12
Intangible assets under development	14	10	11	11	12
Other intangible assets	98	88	86	80	70
Other non-financial assets	659	1,038	1,089	1,144	1,201
Total Non-Financial Assets	1,714	2,180	2,354	2,513	2,657
<b>TOTAL ASSETS</b>	<b>24,347</b>	<b>27,881</b>	<b>32,016</b>	<b>36,625</b>	<b>41,800</b>

Source: Company, YES Sec - Research

### Exhibit 5: Profit & Loss statement

(Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Revenue excl. treasury income	12,930	12,266	13,161	14,560	16,185
Operating Expense					
Fees and Commission	198	229	371	415	464
Employee Expense	2,532	2,772	3,049	3,354	3,690
Other Expenses	2,003	2,215	2,437	2,681	2,949
<b>Total Expenses</b>	<b>4,733</b>	<b>5,216</b>	<b>5,857</b>	<b>6,450</b>	<b>7,103</b>
<b>Operating Profit</b>	<b>8,196</b>	<b>7,050</b>	<b>7,304</b>	<b>8,111</b>	<b>9,082</b>
Other Income	1,156	1,271	1,852	2,130	2,450
Depreciation	356	343	360	378	397
Finance Cost	49	39	41	43	45
<b>Profit before Tax</b>	<b>8,947</b>	<b>7,939</b>	<b>8,755</b>	<b>9,819</b>	<b>11,090</b>
Tax	2,219	1,975	2,189	2,455	2,772
<b>Net Profit</b>	<b>6,728</b>	<b>5,964</b>	<b>6,566</b>	<b>7,365</b>	<b>8,317</b>

Source: Company, YES Sec - Research

## Exhibit 6: Cash flow statement

(Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	8,947	7,939	8,755	9,819	11,090
Depreciation	356	343	144	151	159
Change in working cap	(738)	(1,293)	12	12	13
Tax paid	(2,337)	(1,795)	(2,189)	(2,455)	(2,772)
Others	(596)	(820)	(1,811)	(2,087)	(2,405)
<b>Cash flow from operations</b>	<b>5,632</b>	<b>4,373</b>	<b>4,911</b>	<b>5,441</b>	<b>6,084</b>
Capex	(160)	(186)	(161)	(161)	(161)
Change in investments	(2,940)	(1,292)	(3,539)	(4,070)	(4,680)
Others	115	135	(103)	(108)	(113)
<b>Cash flow from investments</b>	<b>(2,985)</b>	<b>(1,343)</b>	<b>(3,803)</b>	<b>(4,339)</b>	<b>(4,954)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	0	0	0	0	0
Dividend (incl tax)	(2,318)	(3,125)	(2,626)	(2,946)	(3,327)
Others	(241)	(222)	1,899	2,179	2,501
<b>Cash flow from financing</b>	<b>(2,560)</b>	<b>(3,347)</b>	<b>(727)</b>	<b>(767)</b>	<b>(826)</b>
<b>Net change in cash</b>	<b>87</b>	<b>(316)</b>	<b>381</b>	<b>336</b>	<b>304</b>

Source: Company, YES Sec – Research

## Exhibit 7: Change in annual estimates

Y/e 31 Mar (Rs mn)	Revised Estimate			Earlier Estimate			% Revision		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	13,161	14,560	16,185	13,125	14,513	16,128	0.3	0.3	0.4
Operating Profit	7,304	8,111	9,082	7,267	8,062	9,024	0.5	0.6	0.6
Profit After Tax	6,566	7,365	8,317	6,538	7,328	8,274	0.4	0.5	0.5

Source: Company, YES Sec – Research

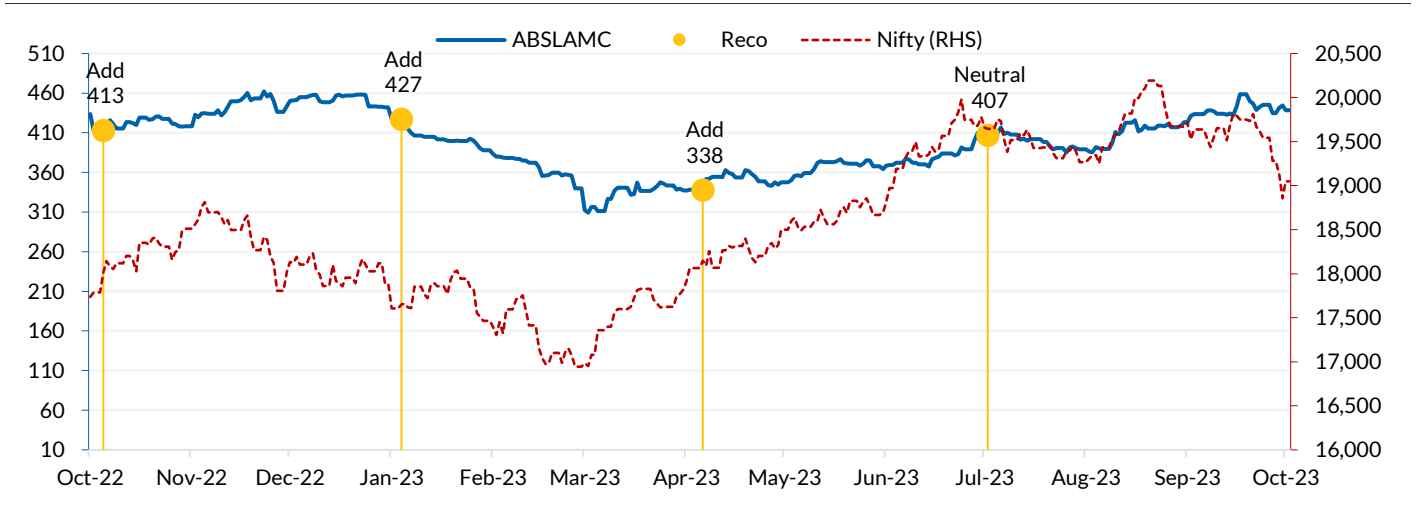
## Exhibit 8: Ratio analysis

Y/e 31 Mar	FY22	FY23	FY24E	FY25E	FY26E
<b>Growth ratios (%)</b>					
AAUM	5.2%	-10.3%	10.3%	11.8%	11.9%
Revenue excl. investment income	21.1%	-5.1%	7.3%	10.6%	11.2%
Total Expenses	1.4%	10.2%	12.3%	10.1%	10.1%
Operating Profit	36.4%	-14.0%	3.6%	11.0%	12.0%
Profit Before Tax	28.6%	-11.3%	10.3%	12.2%	12.9%
Net profit	27.8%	-11.4%	10.1%	12.2%	12.9%
<b>As a % of Avg AUM</b>					
Revenue excl. investment income	0.41%	0.44%	0.43%	0.42%	0.42%
Operating Expense	0.15%	0.19%	0.19%	0.19%	0.18%
Operating Profit	0.26%	0.25%	0.24%	0.23%	0.23%
PBT	0.29%	0.28%	0.28%	0.28%	0.29%
Net profit	0.22%	0.21%	0.21%	0.21%	0.21%
<b>Operating Ratios</b>					
Operating Profit Margin	63.4%	57.5%	55.5%	55.7%	56.1%
PBT Margin	69.2%	64.7%	66.5%	67.4%	68.5%
PAT Margin	52.0%	48.6%	49.9%	50.6%	51.4%
ROE	34.5%	25.3%	24.2%	23.5%	23.1%
Dividend Payout Ratio	49.0%	49.5%	40.0%	40.0%	40.0%
<b>Per share</b>					
EPS, Rs.	23.4	20.7	22.8	25.6	28.9
Book Value, Rs.	76.3	87.4	101.1	116.4	133.7
<b>Valuation Ratios</b>					
P/E, x	18.8	21.2	19.2	17.1	15.2
P/BV, x	5.7	5.0	4.3	3.8	3.3
Mcap to AUM, %	4.0%	4.5%	4.1%	3.7%	3.3%
Dividend Yield, %	2.6%	2.3%	2.1%	2.3%	2.6%

Source: Company, YES Sec – Research



## Recommendation Tracker



## DISCLAIMER

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

The information and opinions in this report have been prepared by YSL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that each security's price or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections.

Technical Analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject YSL and associates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all

jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through SEC 15a-6 rules and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This Research Report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s) who has prepared the research report. YES Securities (India) Limited is the employer of the YES Securities (India) Limited Representative who is responsible for the report, are responsible for the content of the YES Securities (India) Limited Research Report; any material conflicts of interest of YES Securities (India) Limited in relation to the issuer(s) or securities discussed in the YES Securities (India) Limited Research Report. This YES Securities (India) Limited Research Report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. This report is intended for distribution by YES Securities (India) Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

### YES Securities (India) Limited

**Registered Address:** 2<sup>nd</sup> Floor, North Side, YES BANK House,  
Off Western Express Highway, Santacruz East,  
Mumbai - 400 055, Maharashtra, India.

**Correspondence Address:** 4<sup>th</sup> Floor, AFL House,  
Lok Bharti Complex, Marol Maroshi Road, Andheri East,  
Mumbai - 400059, Maharashtra, India.

☎ +91 22 68850521 | ✉ research@ysil.in  
Website: www.yesinvest.in

**Registration Nos.:** CIN: U74992MH2013PLC240971 | SEBI Single  
Registration No.: NSE, BSE, MCX & NCDEX - INZ000185632 | Member  
Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL &  
NSDL: IN-DP-653-2021 | MERCHANT BANKER: INM000012227 |  
RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER:  
INA000007331 | Sponsor and Investment Manager to YSL Alternates Alpha  
Plus Fund (CAT III AIF) SEBI Registration No.: IN/AIF3/20-21/0818 | AMFI  
ARN Code - 94338.

**Details of Compliance Officer:** Name: Aditya Goenka,  
**Email id:** compliance@ysil.in, **Contact No:** 022- 65078127 (Extn: 718127)

**Grievances Redressal Cell:** customer.service@ysil.in/igc@ysil.in

## DISCLOSURE OF INTEREST

Name of the Research Analyst : Shivaji Thapliyal, Siddharth Rajpurohit

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSL's financial interest in the subject company(ies)	No
2	Research Analyst or his/her relative or YSL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report	No
3	Research Analyst or his/her relative or YSL has any other material conflict of interest at the time of publication of the Research Report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSL has received any compensation from the subject company in the past twelve months	No
6	YSL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8	YSL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSL has been engaged in market making activity for the subject company(ies)	No

Since YSL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

Analyst  
Signature

Analyst  
Signature

## RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

**BUY:** Upside greater than 20% over 12 months

**ADD:** Upside between 10% to 20% over 12 months

**NEUTRAL:** Upside between 0% to 10% over 12 months

**REDUCE:** Downside between 0% to -10% over 12 months

**SELL:** Downside greater than -10% over 12 months

**NOT RATED / UNDER REVIEW**

## ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ("YSL") is a wholly owned subsidiary of YES BANK LIMITED. YSL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSL is also a SEBI-registered Category I Merchant Banker, Investment Adviser and Research Analyst. YSL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL. YSL offers, inter alia, trading/investment in equity and other financial products along with various value added services. We hereby declare that there are no disciplinary actions taken against YSL by SEBI/Stock Exchanges.