

India

HOLD (no change)

Consensus ratings*: Buy 17 Hold 18 Sell 9

Current price: Rs780
 Target price: ▼ Rs860
 Previous target: Rs1,050
 Up/downside: 10%
 InCred Research / Consensus: 2.5%

Reuters: INBK.NS
 Bloomberg: IIB IN
 Market cap: US\$7,107m
 Rs607,818m
 Average daily turnover: US\$95.3m
 Rs8147.8m
 Current shares o/s: 860.4m
 Free float: 0.0%

*Source: Bloomberg

Key changes in this note

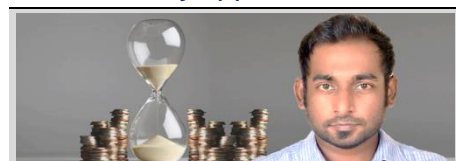
- ▶ We revisit estimates to factor in the impact of accounting lapses over the past few months.
- ▶ We trim our sustainable RoE assumptions.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(1.0)	(23.8)	(44.6)
Relative (%)	(5.6)	(29.8)	(50.2)

Major shareholders	% held
	0.0
	0.0
	0.0

Research Analyst(s)**Bhavik SHAH**

T (91) 22 4161 1551

E bhavik.shah@incredresearch.com

Rishabh JOGANI

T (91) 22 4161 1569

E rishabh.jogani@incredresearch.com

IndusInd Bank**Revisiting estimates post accounting lapses**

- New accounting lapses include incorrectly recorded interest on MFI business of Rs6.7bn (over 9MFY25) and wrongly netted-off balance sheet (Rs6bn).
- MFI accounting lapses increased the net worth impact to 3.1% post-tax, vs. 2.35% earlier. The RoA impact is ~10bp & adj. margin would be lower by 17bp.
- Valuations will continue to remain under pressure (at ~0.8x F27F book value), mainly led by concerns over asset quality & management transition.

Few more accounting lapses unearthed by internal audit department

Based on the review of the MFI business by the internal audit department of IndusInd Bank, it was highlighted that a cumulative sum of Rs6.74bn was incorrectly recorded as interest income over the past three quarters in FY25. The bank noted that this has been fully reversed on 10th Jan2025. Also, pursuant to a whistle-blower's complaint, the audit committee of the bank's board asked the internal audit department to review transactions in other assets and other liabilities. Based on the review, it was found that there were Rs5.95bn of unsubstantiated balances in other assets. These were offset against corresponding balances appearing in the other liabilities accounts in Jan 2025. Earlier, on 10 Mar 2025, the bank disclosed an accounting lapse on its derivatives exposure of ~Rs21bn pre-tax (works out to 2.35% of net worth post-tax).

Financial impact of accounting lapses so far

The impact of derivatives exposure will be partly taken through the interest income line and the rest through trading gains. Given the lack of clarity, we have taken the entire impact through the provisioning line for 4QFY25F. Moreover, recent unearthing of the incorrectly recorded interest income in the MFI business increases the negative impact on net worth to 3.1% post-tax, from 2.35% earlier (impact of accounting lapse on derivatives exposure). The margin impact due to the MFI business accounting lapse works out to ~17bp (annualized) and the RoA impact is ~10bp (post-tax). Based on these accounting lapses, we believe core margin could be structurally lower by 25-30bp. We therefore trim our margin assumptions to ~3.6%/3.7% for FY26/27F, from reported margin of 3.93% as of 3QFY25-end. We expect RoA of 0.9%/1.1% and RoE of ~8/10% during FY26F-27F.

Multiple concerns will cap material rerating; maintain HOLD

We believe the recent unearthing of accounting lapses will lead to increased scepticism around the quality of internal controls. Valuation will continue to remain under pressure despite trading at 0.8x F27F book value, mainly led by concerns around asset quality and management transition. In the near- to medium-term, the key positive catalyst will be better-than-expected asset quality outcome and any development indicating appointment of a private banker for the MD & CEO role. We maintain HOLD rating on the stock while we trim the target price to Rs860 (Rs1,050 earlier), assigning a multiple of 0.9x on FY27F BV. Upside risks: Better-than-expected asset quality outcome, clarity on management transition, and better than expected core margin progression. Downside risks: Further accounting/internal control lapses and worsening operational/asset quality outcomes.

Financial Summary	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income (Rsm)	175,921	206,159	203,743	202,975	238,096
Total Non-Interest Income (Rsm)	81,664	93,879	96,301	111,601	128,647
Operating Revenue (Rsm)	257,585	300,038	300,044	314,576	366,743
Total Provision Charges (Rsm)	(44,868)	(37,987)	(85,411)	(61,705)	(57,082)
Net Profit (Rsm)	73,897	89,498	40,439	51,678	74,453
Core EPS (Rs)	9.52	11.50	5.19	6.63	9.56
Core EPS Growth	60%	21%	(55%)	28%	44%
FD Core P/E (x)	81.92	67.85	150.29	117.61	81.63
DPS (Rs)	14.00	16.50	0.00	10.00	15.00
Dividend Yield	1.79%	2.11%	0.00%	1.28%	1.92%
BVPS (Rs)	70.4	80.7	85.1	91.7	100.3
P/BV (x)	11.08	9.67	9.17	8.51	7.78
ROE	14.4%	15.2%	6.3%	7.5%	10.0%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: IndusInd Bank – DuPont analysis

DuPont analysis (as % of avg. assets)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25F	FY26F	FY27F
Net Interest Income	3.8%	3.7%	3.5%	4.1%	4.0%	3.9%	4.1%	4.2%	3.8%	3.5%	3.6%
Core Fee	2.2%	2.1%	2.0%	2.0%	1.4%	1.5%	1.8%	1.8%	1.7%	1.8%	1.8%
Core Revenue	5.9%	5.8%	5.6%	6.1%	5.4%	5.5%	5.9%	6.0%	5.5%	5.3%	5.4%
Opex	3.0%	2.8%	2.6%	2.8%	2.5%	2.5%	2.7%	2.9%	3.0%	3.1%	3.2%
--Staff Expenses	0.9%	0.9%	0.7%	0.8%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%
--Other Opex	2.0%	1.9%	1.8%	2.1%	1.8%	1.8%	1.9%	2.1%	2.2%	2.3%	2.3%
Core PPOP	3.0%	3.0%	3.0%	3.3%	2.9%	3.0%	3.2%	3.1%	2.5%	2.1%	2.2%
Credit Costs (Provisions Less Invest.)	0.7%	0.5%	1.2%	1.4%	2.2%	1.6%	1.0%	0.8%	1.2%	1.1%	0.9%
Recovery from w/off	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Credit Costs	0.7%	0.5%	1.2%	1.4%	2.2%	1.6%	1.0%	0.8%	1.2%	1.1%	0.9%
Operating Profit	2.3%	2.5%	1.8%	1.9%	0.7%	1.3%	2.3%	2.3%	1.3%	1.0%	1.4%
Other Income/Expenses	0.4%	0.2%	0.2%	0.2%	0.4%	0.3%	0.0%	0.1%	-0.3%	0.1%	0.1%
--Net Treasury Gains	0.2%	0.1%	0.0%	0.0%	0.3%	0.1%	-0.1%	0.1%	-0.3%	0.1%	0.1%
----Capital Gains	0.2%	0.2%	0.0%	0.2%	0.4%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
----Provision for Investment	0.0%	-0.1%	-0.1%	-0.2%	-0.2%	-0.1%	-0.1%	0.0%	-0.4%	0.0%	0.0%
--Other Income	0.3%	0.1%	0.2%	0.2%	0.1%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%
Profit Before Tax (Before Exceptional Items)	2.7%	2.7%	2.0%	2.1%	1.1%	1.6%	2.3%	2.5%	1.0%	1.2%	1.5%
Exceptional Items/Minority Interest/Others	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PBT	2.7%	2.7%	2.0%	2.1%	1.1%	1.6%	2.3%	2.5%	1.0%	1.2%	1.5%
Tax	0.9%	0.9%	0.7%	0.6%	0.3%	0.4%	0.6%	0.6%	0.3%	0.3%	0.4%
RoA	1.8%	1.8%	1.3%	1.5%	0.8%	1.2%	1.7%	1.8%	0.8%	0.9%	1.1%
Leverage (x)	8	9	10	10	9	8	8	8	8	8	9
RoE	15.0%	16.0%	12.8%	14.4%	7.3%	10.1%	14.4%	15.2%	6.3%	7.5%	10.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Our revised earnings estimates

Y/E Mar (Rs m)	FY25F			FY26F			FY27F		
	Earlier	Revised	% change	Earlier	Revised	% change	Earlier	Revised	% change
Net Interest income	215	204	-5.3%	249	203	-18.6%	295	238	-19.3%
Non-Interest Income	92	96	4.5%	103	112	7.8%	118	129	9.0%
PPOP	146	139	-4.9%	175	131	-25.4%	208	157	-24.8%
PAT	62	40	-35.3%	91	52	-42.9%	108	74	-30.8%
EPS (Rs)	80.1	51.9	-35.2%	116.2	66.3	-42.9%	138.1	95.6	-30.8%
BV (Rs)	872.2	850.7	-2.5%	965.4	917.1	-5.0%	1,075.4	1,002.6	-6.8%
Net Advances	3,771.0	3,479.3	-7.7%	4,306.3	3,966.4	-7.9%	4,985.1	4,561.4	-8.5%
Deposits	4,206.9	4,111.4	-2.3%	4,774.3	4,604.8	-3.6%	5,517.6	5,295.5	-4.0%

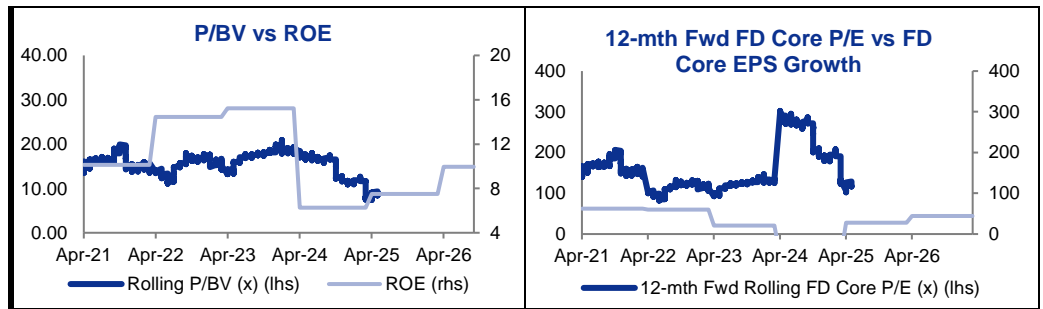
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Financial summary

IndusInd Bank					Per Share Data and Valuations				
Profit and Loss Statement					Rs (Year-end March)				
Rsm (Year-end March)	FY24	FY25F	FY26F	FY27F		FY24	FY25F	FY26F	FY27F
Total interest earned	457,482	501,541	521,242	597,528	Per Share Data				
Total Interest Expense	251,323	297,798	318,266	359,431	EPS	115.2	51.9	66.3	95.6
Net Interest Income	206,159	203,743	202,975	238,096	Book Value	806.8	850.7	917.1	1002.6
CEB	46,990	50,651	57,531	66,813	Core Op. Profit	193.6	171.4	157.6	190.8
Capital Gains	6,990	5,850	8,000	8,000	DPS	16.5	0.0	10.0	15.0
Forex Income	10,000	9,855	10,841	12,467	Valuations				
Others	29,899	29,945	35,229	41,367	P/E	6.8	15.1	11.8	8.2
Total Non Interest Income	93,879	96,301	111,601	128,647	Price to Book	1.0	0.9	0.9	0.78
Total Income	300,038	300,044	314,576	366,743	Price to Core Op. Profit	4.1	4.6	5.0	4.1
--Employee Expenses	38,953	43,559	49,004	55,129	Dividend Yield	2.1%	0.0%	1.3%	1.9%
--Other Expenses	103,682	117,199	134,779	154,996	Ratio Analysis				
Total Operating Expenses	142,635	160,758	183,783	210,125	Year-end March	FY24	FY25F	FY26F	FY27F
Pre provision profit	157,403	139,286	130,793	156,618	Spread Analysis				
---Loan Loss Provisions	37,989	65,000	60,000	55,000	Average yield on assets	10.1%	9.9%	9.6%	9.6%
---Other Provisions	-2	20,411	1,705	2,082	Cost of earning assets	5.5%	5.9%	5.8%	5.8%
Total provisions	37,987	85,411	61,705	57,082	Net Interest Margin (Reported)	4.3%	3.9%	3.6%	3.7%
PBT	119,415	53,876	69,088	99,536	Growth Ratios				
Tax	29,918	13,436	17,410	25,083	Net Interest Income	17%	-1%	0%	17%
PAT	89,498	40,439	51,678	74,453	Non Interest Income	15%	3%	16%	15%
Core Operating profit	150,494	133,493	122,793	148,618	Operating expenses	25%	13%	14%	14%
Balance Sheet Data					Core Operating Profit	9%	17%	21%	20%
Rsm (Year-end March)	FY24	FY25F	FY26F	FY27F	Net Profit	21%	-55%	28%	44%
Shareholders' equity	627,971	662,711	714,389	781,051	EPS	21%	-55%	28%	44%
Deposits	3,847,929	4,111,400	4,604,768	5,295,483	Deposits	14%	7%	12%	15%
Borrowings	476,114	504,681	605,617	726,741	Advances	18%	1%	14%	15%
Other Liabilities & Provisions	197,337	220,503	247,143	277,780	Total Assets	12%	7%	12%	15%
Total Liabilities	5,149,352	5,499,294	6,171,917	7,081,055	Profitability Ratios				
Cash & Balances with RBI	185,571	290,195	327,452	378,000	Core Fee to Asset	1.8%	1.7%	1.8%	1.8%
Balances with Banks	182,445	155,078	186,094	223,312	Return On Equity	15.3%	6.2%	7.5%	10.0%
Investments	1,065,267	1,251,340	1,322,390	1,495,786	Return On Assets	1.9%	0.8%	0.9%	1.1%
Advances	3,432,983	3,479,330	3,966,436	4,561,402	Return On RWA	2.5%	1.0%	1.1%	1.4%
Fixed Assets	21,978	23,076	24,230	25,442	Efficiency Ratios				
Other Assets	261,108	300,274	345,315	397,113	Cost to Income Ratio	47.5%	53.6%	58.4%	57.3%
Total Assets	5,149,352	5,499,294	6,171,917	7,081,055	Expenses/Avg Assets	2.9%	3.0%	3.1%	3.1%
Earning Assets	4,866,266	5,175,944	5,802,371	6,658,501	Asset Quality				
Capital Adequacy					Credit Costs / Advances (bps)	120	186	166	134
CET 1 Ratio	15.8%	15.0%	14.3%	13.6%	Gross NPL	66934	90026	114381	139019
Tier 1 Ratio	15.8%	15.0%	14.3%	13.6%	Net NPL	19689	25179	25031	33886
Tier 2 Ratio	1.4%	1.3%	1.1%	1.0%	Reserve Coverage	47245	64847	89350	105133
Capital Adequacy Ratio	17.2%	16.3%	15.4%	14.6%	Gross NPL Ratio	1.9%	2.5%	2.8%	3.0%
Source: Company Data, InCred Research					Net NPL Ratio	0.6%	0.7%	0.6%	0.7%
E: InCred Research Estimates					Coverage Ratio	71%	72%	78%	76%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income	175,921	206,159	203,743	202,975	238,096
Total Non-Interest Income	81,664	93,879	96,301	111,601	128,647
Operating Revenue	257,585	300,038	300,044	314,576	366,743
Total Non-Interest Expenses	(114,120)	(142,635)	(160,758)	(183,783)	(210,125)
Pre-provision Operating Profit	143,465	157,403	139,286	130,793	156,618
Total Provision Charges	(44,868)	(37,987)	(85,411)	(61,705)	(57,082)
Operating Profit After Provisions	98,596	119,415	53,876	69,088	99,536
Pretax Income/(Loss) from Assoc.					
Operating EBIT (incl Associates)	98,596	119,415	53,876	69,088	99,536
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	98,596	119,415	53,876	69,088	99,536
Exceptional Items					
Pre-tax Profit	98,596	119,415	53,876	69,088	99,536
Taxation	(24,699)	(29,918)	(13,436)	(17,410)	(25,083)
Consolidation Adjustments & Others					
Exceptional Income - post-tax					
Profit After Tax	73,897	89,498	40,439	51,678	74,453
Minority Interests					
Pref. & Special Div					
FX And Other Adj.					
Net Profit	73,897	89,498	40,439	51,678	74,453
Recurring Net Profit					

Balance Sheet Employment

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Gross Loans/Cust Deposits					
Avg Loans/Avg Deposits	83.9%	87.8%	86.8%	85.4%	86.1%
Avg Liquid Assets/Avg Assets	94.0%	94.2%	94.3%	94.1%	94.0%
Avg Liquid Assets/Avg IEAs	118.3%	111.3%	108.8%	109.6%	109.8%
Net Cust Loans/Assets					
Net Cust Loans/Broad Deposits					
Equity & Provns/Gross Cust Loans					
Asset Risk Weighting					
Provision Charge/Avg Cust Loans	1.70%	1.20%	2.47%	1.66%	1.34%
Provision Charge/Avg Assets	1.04%	0.78%	1.60%	1.06%	0.86%
Total Write Offs/Average Assets					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Gross Loans	2,899,237	3,432,983	3,479,330	3,966,436	4,561,402
Liquid Assets & Invst. (Current)	831,162	1,065,267	1,251,341	1,322,390	1,495,786
Other Int. Earning Assets					
Total Gross Int. Earning Assets	3,730,399	4,498,250	4,730,671	5,288,826	6,057,188
Total Provisions/Loan Loss Reserve					
Total Net Interest Earning Assets	3,730,399	4,498,250	4,730,671	5,288,826	6,057,188
Intangible Assets					
Other Non-Interest Earning Assets	262,604	261,108	300,274	345,315	397,113
Total Non-Interest Earning Assets	282,530	283,086	323,351	369,546	422,555
Cash And Marketable Securities	565,112	368,016	445,273	513,545	601,313
Long-term Investments					
Total Assets	4,578,041	5,149,352	5,499,295	6,171,917	7,081,055
Customer Interest-Bearing Liabilities	3,364,382	3,847,929	4,111,400	4,604,768	5,295,483
Bank Deposits					
Interest Bearing Liabilities: Others					
Total Interest-Bearing Liabilities	3,854,494	4,324,044	4,616,081	5,210,385	6,022,224
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	177,330	197,337	220,503	247,143	277,780
Total Liabilities	4,031,824	4,521,381	4,836,584	5,457,529	6,300,004
Shareholders Equity	546,217	627,971	662,711	714,389	781,051
Minority Interests					
Total Equity	546,217	627,971	662,711	714,389	781,051

Key Ratios

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Income Growth	17.3%	17.2%	(1.2%)	(0.4%)	17.3%
Operating Profit Growth	12.3%	9.7%	(11.5%)	(6.1%)	19.7%
Pretax Profit Growth	60%	21%	(55%)	28%	44%
Net Interest To Total Income	68.3%	68.7%	67.9%	64.5%	64.9%
Cost Of Funds	5.17%	6.15%	6.66%	6.48%	6.40%
Return On Interest Earning Assets	10.6%	11.1%	10.9%	10.4%	10.5%
Net Interest Spread	5.48%	4.97%	4.21%	3.93%	4.13%
Net Interest Margin (Avg Deposits)	5.58%	5.72%	5.12%	4.66%	4.81%
Net Interest Margin (Avg RWA)					
Provisions to Pre Prov. Operating Profit	31%	24%	61%	47%	36%
Interest Return On Average Assets	4.09%	4.24%	3.83%	3.48%	3.59%
Effective Tax Rate	25.1%	25.1%	24.9%	25.2%	25.2%
Net Dividend Payout Ratio	14.7%	14.3%		15.1%	15.7%
Return On Average Assets	1.72%	1.84%	0.76%	0.89%	1.12%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. While every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which is believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made (information barriers and other arrangements may be established, where necessary, to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short-term views, etc.) that are inconsistent with and reach a different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

Research Analyst or his/her relative(s) or InCred Research Services Private Limited or our associate may have any financial interest in the subject company.

Research Analyst or his/her relatives or InCred Research Services Limited or our associates may have actual or 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.

Research Analyst or his/her relative or InCred Research Services Private Limited or our associate entities may have any other material conflict of interest at the time of publication of the Research Report.

In the past 12 months, IRSPL or any of its associates may have:

- a) Received any compensation/other benefits from the subject company,
- b) Managed or co-managed public offering of securities for the subject company,
- c) Received compensation for investment banking or merchant banking or brokerage services from the subject company,
- d) Received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company

We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.

Research Analyst may have served as director, officer, or employee in the subject company.

We or our research analyst may engage in market-making activity of the subject company.

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based on any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.

Registration granted by SEBI, membership of a SEBI recognized supervisory body (if any) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

InCred Research Services Private Limited

Research Analyst SEBI Registration Number: INH000011024

Registered Office: Unit No 1203, 12th Floor, B Wing, The Capital, C-70, G Block, BKC, Bandra (E), Mumbai – 400051

Phone: +91-22-6844-6100

Corporate Office: 05th floor, Laxmi Towers, Plot No. C-25, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051

Phone: +91-22-4161-1500

Name of the Compliance Officer: Mr. Yogesh Kadam

Email ID: compliance@incredresearch.com, Phone No: +91-22-41611539

For any queries or grievances, you may contact the Grievance Officer.

Name of the Grievance Officer: Mr. Rajarshi Maitra

Phone no. +91-022-41611546

Email ID: rajarshi.maitra@incredresearch.com

CIN: U74999MH2016PTC287535

Recommendation Framework

Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.