

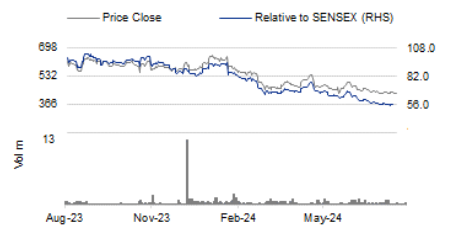
India

**HOLD** (no change)

Consensus ratings*: Buy 10 Hold 2 Sell 0	
Current price:	Rs433
Target price:	Rs450
Previous target:	Rs570
Up/downside:	3.9%
InCred Research / Consensus:	-31.7%
Reuters:	FUSN.NS
Bloomberg:	FUSION IN
Market cap:	US\$602m
	Rs43,743m
Average daily turnover:	US\$2.2m
	Rs159.1m
Current shares o/s:	101.0m
Free float:	42.3%
*Source: Bloomberg	

**Key changes in this note**

➤ Stage-3 assets rose to ~5.46% vs. ~2.89% last quarter due to over-leveraging of customers, weak collection efficiency, higher employee attrition, etc.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	(3.8)	(16.8)	(30.1)
Relative (%)	(2.1)	(22.2)	(41.3)

<b>Major shareholders</b>	% held
Honeyrose	32.8
Creation investment	19.8
Devesh Sachdev	4.9

**Research Analyst(s)**



**Jignesh SHIAL**  
T (91) 22 4161 1547  
E jignesh.shial@incredresearch.com

**Meghna LUTHRA**  
T (91) 22 4161 1500  
E meghna.luthra@incredresearch.com

**Rishabh JOGANI**  
T (91) 02241611569  
E rishabh.jogani@incredresearch.com

# Fusion Finance Limited

## Asset quality turmoil intensifies

- Fusion Finance posted a loss of Rs356.2m in 1QFY25, despite a steady operating performance, as stage-3 assets rose to ~5.46% vs. ~2.89% in 4Q.
- The extent of over-leveraging is a concern as borrowers, comprising ~25% of the FY24 loan book, are having loans from 4+ borrowers against ~6% in FY23.
- We downgraded the stock to HOLD last quarter amid rising asset quality woes, which we retain with a lower TP of Rs450 (Rs570 earlier) or ~1.1x FY26F BV.

### Asset quality turmoil continues; provisioning explodes

Fusion Finance (FFL) has witnessed a sharp rise in stage-3 assets to ~5.46% in 1QFY25 as against ~2.89% last quarter. The company's management has attributed the same to various reasons, including over-leveraging of existing customers, failure of the JLG model leading to weak collection efficiency, weakness in states like Tamil Nadu, Rajasthan, Odisha, Jharkhand & Madhya Pradesh, higher employee attrition, etc. The company was unable to receive payment from ~55k customers during Jul 2024. Accordingly, FFL has shifted this customers to stage-3 (48k from stage-1 to stage-3 and 5.5k from stage-2 to stage-3) and management has also revised the Loss Given Default (LGD) and Probability of Default (PD) assumptions by shifting the average from five years to three years, which resulted in a sharp surge in provisioning (~4.5x on YoY basis).

### Disbursement momentum to ease; concentration risk stays

The disbursements of FFL remained steady on a sequential basis at Rs29.9bn (+30.7% yoy/+1.1% qoq) despite 1Q seasonally remaining a weak quarter. However, after a rise in default risks at the customer level, the company has categorically stopped disbursements at ~104 branches and has also tightened the customer onboarding criteria which, in turn, would impact incremental disbursement growth. The fall in collection efficiency to 96.3% for the quarter from 98.3% in the last quarter (ex-Punjab) indicates unfavourable ground reality for lending. The company has always been facing concentration risk, which continues to remain intact with the share of the top five states staying elevated at ~70.4%.

### Weak customer addition; adversities visible in per borrower data

We have been highlighting our concerns over the adversities visible in per borrower data since the past few quarters. FFL has added ~90,000 borrowers during 1QFY25 against 80,000 last quarter. FFL has added a net ~3,30,000 customers during FY24 against ~8,10,000 additions in FY23, which remains a disappointment. This also indicates that incremental disbursement growth is largely contributed by the rise in loan ticket size.

### Outlook & valuation

We had downgraded FFL's rating to HOLD last quarter amid elevated concentration risks. We cut our estimates by 8.6%/10.4% for FY26F/27F, respectively. We retain HOLD rating on FFL with a lower target price of Rs450 (Rs570 earlier) or ~1.1x FY26F BV. Upside risks: Superior growth & a decline in fresh slippage, Downside risks: Steep improvement in asset quality.

### Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income (Rsm)	9,573	13,011	17,252	20,586	24,325
Total Non-Interest Income (Rsm)	1,999	3,205	3,591	4,066	4,502
Operating Revenue (Rsm)	11,572	16,216	20,843	24,653	28,827
Total Provision Charges (Rsm)	(2,004)	(3,649)	(6,413)	(6,256)	(6,566)
Net Profit (Rsm)	3,871	5,053	5,093	6,663	7,732
Core EPS (Rs)	38.58	50.27	50.67	66.28	76.92
Core EPS Growth	1,353%	30%	1%	31%	16%
FD Core P/E (x)	11.22	8.61	8.54	6.53	5.63
DPS (Rs)	0.00	0.00	0.00	0.00	0.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%
BVPS (Rs)	231.4	283.4	334.0	400.3	477.2
P/BV (x)	1.87	1.53	1.30	1.08	0.91
ROE	21.2%	19.5%	16.4%	18.1%	17.5%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

**Figure 1: Quarterly Earnings Summary**

Particulars (Rs mn)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	YoY (%)	QoQ (%)
Net Interest Income	1,861.2	2,424.5	2,522.5	2,765.0	2,955.2	3,057.9	3,385.8	3,611.8	3,978.7	34.6%	10.2%
<i>NIM (% of AUM) Calculated</i>	9.4%	10.2%	10.3%	10.6%	10.9%	11.1%	11.5%	11.2%	11.6%		
Fee-Based Income	309.0	524.7	461.8	699.5	737.8	744.6	732.0	990.8	854.0	15.7%	-13.8%
Operating Expenses	969.5	1,077.2	1,146.2	1,253.3	1,339.1	1,384.6	1,515.2	1,695.8	1,855.2	38.5%	9.4%
<b>Operating Profit</b>	<b>1,200.7</b>	<b>1,872.0</b>	<b>1,838.1</b>	<b>2,211.2</b>	<b>2,353.9</b>	<b>2,417.9</b>	<b>2,602.6</b>	<b>2,906.8</b>	<b>2,977.5</b>	<b>26.5%</b>	<b>2.4%</b>
Provisions	200.6	611.8	499.3	692.0	759.3	762.0	937.6	1,189.7	3,484.7	358.9%	192.9%
Exceptional Items	-	-	-	-	-	-	-	-	-	-	-
<b>PBT</b>	<b>1,000.1</b>	<b>1,260.2</b>	<b>1,338.8</b>	<b>1,519.3</b>	<b>1,594.6</b>	<b>1,655.9</b>	<b>1,665.0</b>	<b>1,717.1</b>	<b>-507.2</b>	<b>-131.8%</b>	<b>-129.5%</b>
Tax	250.2	310.0	313.9	374.0	390.0	399.0	400.5	390.2	-151.0	-138.7%	-138.7%
<i>Tax rate (%)</i>	25.0%	24.6%	23.4%	24.6%	24.5%	24.1%	24.1%	22.7%	29.8%		
<b>PAT</b>	<b>749.9</b>	<b>950.2</b>	<b>1,024.9</b>	<b>1,145.2</b>	<b>1,204.6</b>	<b>1,256.9</b>	<b>1,264.5</b>	<b>1,326.9</b>	<b>-356.2</b>	<b>-129.6%</b>	<b>-126.8%</b>
<b>AUM (Rs bn)</b>	73.9	80.5	86.5	93.0	97.1	100.3	106.9	114.8	121.9	25.5%	6.2%
<b>Disbursements (Rs bn)</b>	19.8	20.5	21.9	23.7	22.8	23.4	27.1	29.5	29.9	30.7%	1.1%

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	16,375	17,252	5.4%	20,202	20,586	1.9%	24,598	24,325	-1.1%
Non-Interest Income	3,643	3,591	-1.4%	4,250	4,066	-4.3%	5,066	4,502	-11.1%
PPOP	12,379	13,204	6.7%	15,035	15,140	0.7%	17,992	16,875	-6.2%
PAT	6,064	5,093	-16.0%	7,292	6,663	-8.6%	8,631	7,732	-10.4%
EPS (Rs)	60.3	50.7	-16.0%	72.5	66.3	-8.6%	85.9	76.9	-10.5%
BV (Rs)	343.7	334.0	-2.8%	416.2	400.3	-3.8%	502.1	477.2	-5.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

## 1QFY25 earnings conference-call highlights

- The average of Loss Given Default and Probability of Default has been changed from three years to five years.
- Customers' leverage from multiple borrowers - where the loan book has exposure from four other lenders - stood at 25% in FY24, which was 6% in FY23.
- Disbursement at 50-60 branches was stopped in Jul 2024 and at 40 branches in Aug 2024.
- Currently, disbursement for customers with 4+ lenders and persons having MFI loan of Rs0.2m or more has been stopped.
- An additional workforce of 100 employees has been deployed to improve collections. Incentives have been linked to collections.
- Out of 101 new branches, ~50% of branches have been split from the existing branches.
- Elevated credit costs have breached the debt agreement covenant on gross NPAs, but on the 90 plus DPD there is no such breach.
- FFL has excess liquidity of Rs16bn, and the sanctioned loan amount is Rs 25bn.
- The overall rise in household income has led to more lenders entering the market, leading to an overleveraged individual loan profile.

Figure 3: InCred's BFSI coverage universe

Banks	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)			ROA (%)			ROE (%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI **	ADD	798	1,100	2.3	2.0	1.8	1.1%	1.2%	1.2%	17.8%	18.3%	18.2%
HDFC Bank **	ADD	1,601	2,000	3.1	2.8	2.6	1.9%	2.0%	2.0%	15.4%	16.3%	16.9%
ICICI Bank	ADD	1,167	1,450	3.9	3.4	2.9	2.2%	2.3%	2.3%	17.2%	17.6%	17.8%
Axis Bank	HOLD	1,126	1,300	2.3	2.0	1.7	1.7%	1.7%	1.7%	16.8%	15.9%	16.3%
IndusInd Bank	HOLD	1,381	1,500	1.7	1.5	1.3	1.7%	1.7%	1.7%	13.8%	14.2%	14.7%

NBFCs	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)			ROA (%)			ROE (%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Bajaj Finance	ADD	6,538	9,000	6.0	5.1	4.2	4.2%	4.4%	4.5%	21.0%	23.5%	25.4%
Cholamandalam Finance	ADD	1,335	1,650	5.9	4.8	4.0	2.4%	2.5%	2.6%	20.0%	22.2%	23.1%
MMFS **	ADD	293	370	2.4	2.2	2.0	1.8%	1.9%	2.0%	12.3%	14.0%	15.7%
Shriram Finance	ADD	2,837	3,750	2.6	2.2	1.9	3.3%	3.4%	3.6%	16.5%	17.5%	18.9%
SBI Cards **	REDUCE	699	500	3.5	3.0	2.6	3.9%	3.6%	3.6%	18.7%	17.8%	17.5%
Aavas Financiers	ADD	1,630	2,000	3.6	3.0	2.6	3.1%	3.1%	3.1%	14.1%	14.7%	15.8%
Home First Finance	ADD	1,041	1,350	4.9	4.2	3.7	3.6%	3.5%	3.4%	16.9%	18.3%	19.4%
Spandana Sphoorty	ADD	601	900	1.5	1.3	1.1	4.0%	4.0%	4.0%	15.1%	15.2%	15.3%
Fusion Finance	HOLD	433	450	1.4	1.1	1.0	3.9%	4.3%	4.2%	16.4%	18.1%	17.5%

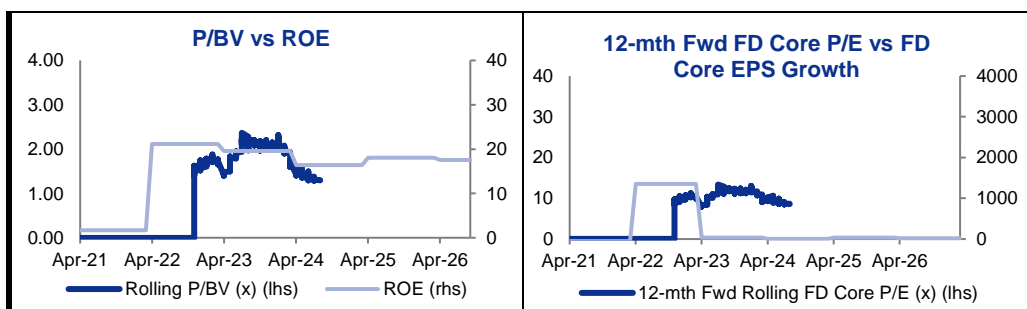
AMCs	Rating	CMP(Rs)	TP(Rs)	P/E(x) (at TP)			ROAUM (%)			ROE (%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Nippon AMC	ADD	601	800	35.7	29.5	23.7	0.28%	0.26%	0.25%	35.2%	41.8%	50.7%
HDFC AMC	HOLD	3,984	4,250	33.5	29.9	25.3	0.37%	0.35%	0.35%	32.8%	34.2%	37.3%
UTI AMC	ADD	977	1,200	16.8	13.8	11.8	0.30%	0.30%	0.29%	19.5%	21.1%	22.0%
ABSL AMC**	ADD	639	950	26.9	22.0	18.2	0.27%	0.27%	0.27%	29.9%	32.0%	33.9%

Insurance	Rating	CMP(Rs)	TP(Rs)	P/EV (x) (at TP)			Return on EV (%)			ROE (%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI Life Insurance	HOLD	1,674	1,750	2.5	2.2	1.8	18.9%	18.5%	18.1%	15.4%	16.6%	16.2%

NOTE: \*\* HIGH CONVICTION  
SOURCE: INCRED RESEARCH

BY THE NUMBERS



Profit & Loss

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income	9,573	13,011	17,252	20,586	24,325
<b>Total Non-Interest Income</b>	<b>1,999</b>	<b>3,205</b>	<b>3,591</b>	<b>4,066</b>	<b>4,502</b>
Operating Revenue	11,572	16,216	20,843	24,653	28,827
<b>Total Non-Interest Expenses</b>	<b>(4,448)</b>	<b>(5,935)</b>	<b>(7,639)</b>	<b>(9,513)</b>	<b>(11,952)</b>
Pre-provision Operating Profit	7,124	10,281	13,204	15,140	16,875
<b>Total Provision Charges</b>	<b>(2,004)</b>	<b>(3,649)</b>	<b>(6,413)</b>	<b>(6,256)</b>	<b>(6,566)</b>
Operating Profit After Provisions	5,120	6,633	6,791	8,884	10,309
<b>Pretax Income/(Loss) from Assoc.</b>					
Operating EBIT (incl Associates)	5,120	6,633	6,791	8,884	10,309
<b>Non-Operating Income/(Expense)</b>					
Profit Before Tax (pre-EI)	5,120	6,633	6,791	8,884	10,309
<b>Exceptional Items</b>					
Pre-tax Profit	5,120	6,633	6,791	8,884	10,309
Taxation	(1,248)	(1,580)	(1,698)	(2,221)	(2,577)
Consolidation Adjustments & Others					
<b>Exceptional Income - post-tax</b>					
Profit After Tax	3,871	5,053	5,093	6,663	7,732
Minority Interests					
Pref. & Special Div					
<b>FX And Other Adj.</b>					
Net Profit	3,871	5,053	5,093	6,663	7,732
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					
Avg Liquid Assets/Avg Assets					
<b>Avg Liquid Assets/Avg IEAs</b>	<b>115.9%</b>	<b>114.6%</b>	<b>113.7%</b>	<b>110.9%</b>	<b>110.0%</b>
Net Cust Loans/Assets					
<b>Net Cust Loans/Broad Deposits</b>					
Equity & Provns/Gross Cust Loans					
Asset Risk Weighting					
<b>Provision Charge/Avg Cust Loans</b>					
<b>Provision Charge/Avg Assets</b>					
Total Write Offs/Average Assets					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

**BY THE NUMBERS...cont'd**

<b>Balance Sheet</b>					
<b>(Rsm)</b>	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
<b>Total Gross Loans</b>	<b>80,416</b>	<b>99,479</b>	<b>123,319</b>	<b>150,530</b>	<b>179,630</b>
Liquid Assets & Invst. (Current)					
Other Int. Earning Assets					
Total Gross Int. Earning Assets	80,416	99,479	123,319	150,530	179,630
<b>Total Provisions/Loan Loss Reserve</b>					
Total Net Interest Earning Assets	80,416	99,479	123,319	150,530	179,630
Intangible Assets					
<b>Other Non-Interest Earning Assets</b>	<b>1,200</b>	<b>1,592</b>	<b>2,069</b>	<b>2,690</b>	<b>3,497</b>
<b>Total Non-Interest Earning Assets</b>	<b>1,409</b>	<b>1,816</b>	<b>2,349</b>	<b>3,026</b>	<b>3,900</b>
Cash And Marketable Securities	10,650	15,532	15,040	14,875	18,010
<b>Long-term Investments</b>					
Total Assets					
Customer Interest-Bearing Liabilities					
Bank Deposits					
Interest Bearing Liabilities: Others	67,784	86,159	100,473	120,024	143,538
Total Interest-Bearing Liabilities	67,784	86,159	100,473	120,024	143,538
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	2,632	3,103	6,660	8,170	10,032
Total Liabilities	70,416	89,262	107,133	128,193	153,571
Shareholders Equity	23,219	28,482	33,575	40,238	47,969
<b>Minority Interests</b>					
Total Equity					

<b>Key Ratios</b>					
	<b>Mar-23A</b>	<b>Mar-24A</b>	<b>Mar-25F</b>	<b>Mar-26F</b>	<b>Mar-27F</b>
Total Income Growth	68.4%	35.9%	32.6%	19.3%	18.2%
Operating Profit Growth	81.2%	44.3%	28.4%	14.7%	11.5%
Pretax Profit Growth	1,991%	30%	2%	31%	16%
Net Interest To Total Income	82.7%	80.2%	82.8%	83.5%	84.4%
Cost Of Funds	10.24%	10.27%	10.10%	9.70%	9.30%
Return On Interest Earning Assets	22.9%	23.3%	23.9%	22.8%	22.2%
Net Interest Spread	12.68%	12.98%	13.85%	13.14%	12.86%
Net Interest Margin (Avg Deposits)					
Net Interest Margin (Avg RWA)					
Provisions to Pre Prov. Operating Profit	28%	35%	49%	41%	39%
Interest Return On Average Assets					
Effective Tax Rate	24.4%	23.8%	25.0%	25.0%	25.0%
Net Dividend Payout Ratio					
Return On Average Assets					

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.