



India

ADD (no change)

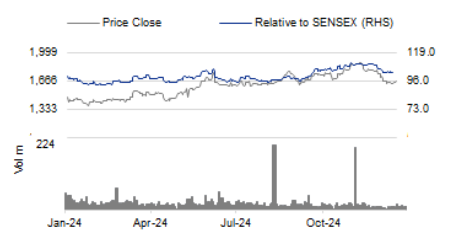
Consensus ratings*: Buy 41 Hold 7 Sell 0

| | |
|------------------------------|-------------------------------|
| Current price: | Rs1,666 |
| Target price: | Rs2,150 |
| Previous target: | Rs2,150 |
| Up/downside: | 29.1% |
| InCred Research / Consensus: | 6.3% |
| Reuters: | |
| Bloomberg: | HDFCB IN |
| Market cap: | US\$175,480m Rs12,742,480m |
| Average daily turnover: | US\$434.7m Rs31566.5m |
| Current shares o/s: | 7,586.9m |
| Free float: | 100.0% |

*Source: Bloomberg

Key changes in this note

- Sets the stage for deposit growth, deepening of urban/rural branches to aid margin expansion and improve operating leverage. Long-term story intact.



Source: Bloomberg

| Price performance | 1M | 3M | 12M |
|-------------------|-------|-------|------|
| Absolute (%) | (6.0) | (2.8) | 12.7 |
| Relative (%) | (3.9) | 2.0 | 5.3 |

| Major shareholders | % held |
|--------------------|--------|
| FPI | 41.5 |
| ADR | 13.5 |
| SBI-ETF Nifty 50 | 6.0 |

Research Analyst(s)



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

Meghna LUTHRA
T (91) 22 4161 1553
E meghna.luthra@incredresearch.com

Rishabh JOGANI
T (91) 22 4161 1569
E rishabh.jogani@incredresearch.com

HDFC Bank

Consistency personified

- HDFC Bank posted an in-line 3Q PAT of Rs16.7bn amid healthy operational performance, with a focus on liquidity and no negative surprise on asset quality.
- The gross slippage of ~1.4% (vs. ~2.1% for Axis Bank) & net slippage of ~0.3% (vs. ~1.4% for Axis Bank) demonstrates the robust legacy of HDFC Bank.
- Retain ADD with TP of Rs2,150 as we are confident on growth outlook & expect margin volatility to adjust against improved operating leverage/low provision.

Liquidity is the priority; LDR improves sequentially with steady LCR

HDFC Bank has continued its focus on augmenting liquidity, which is visible in its 3QFY25 earnings whereby the period-end deposits grew by ~3% qoq (+16% yoy) to Rs25.6tr. Average time deposits sustained their sequential momentum and grew by ~6% qoq (~22% yoy), while average CASA deposits grew by 1% qoq/~6% yoy resulting in a decline in the average CASA ratio by ~1pp qoq to 33%. However, we continue to believe that the ageing of branches will lead to healthy deposit growth led by sticky and granular rural/urban FD and CASA flows. Management remains firm on growing deposits at a faster pace, compared to the growth in advances, in the near term to achieve a comfortable credit-to-deposit ratio, which has improved to ~98% against ~100% last quarter whereas the overall liquidity coverage remained steady at ~125% as against ~128% in Sep 2024.

Retail/agri/SME loans to grow at a faster pace versus corporate loans

On the advances front, though HDFC Bank is focusing on retail lending (+2.1% qoq), unsecured loans (personal loans & credit cards) outperformed with ~2.5% qoq growth whereas mortgages grew by ~1.8% qoq. Commercial and rural banking also remained the key growth area, with ~2.7% qoq growth. This will support overall yields in the mid- to long-term. The corporate loan slowdown continues, which we attribute to competitive pricing.

Margin within guided trajectory; asset quality trend remains upbeat

NIM during the quarter saw ~8bp fall due to interest reversal on agri loans-led slippage, which is cyclical in nature and may see a reversal in 4QFY25F. Our long-term NIM improvement estimate stays intact amid management's continued focus on better-yield assets & gradual liquidity normalization. There was no negative surprise on the asset quality front, barring some surge in agri loan-led slippage, which historically has been seasonal in nature. The gross slippage of ~1.4% (vs. ~2.1% for Axis Bank) & net slippage of ~0.3% (vs. ~1.4% for Axis Bank) shows the robust legacy of HDFC Bank. Around 7bp qoq rise in credit costs to ~50bp (~80bp for Axis Bank) also remains the best among peers.

Outlook & valuation

HDFC Bank is our high conviction ADD-rated stock with a target price of Rs2,150 as we continue to believe that the transition phase for the bank is on track. We expect HDFC Bank to be a ~2% RoA & ~16% RoE story. We have valued the standalone bank at ~2.6x FY26F BV and its arms at Rs300/share. Downside risks: Slow growth and weak margin.

Financial Summary

| | Mar-23A | Mar-24A | Mar-25F | Mar-26F | Mar-27F |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Net Interest Income (Rsm) | 868,422 | 1,085,325 | 1,228,361 | 1,408,882 | 1,666,831 |
| Total Non-Interest Income (Rsm) | 312,148 | 492,410 | 455,880 | 513,460 | 576,526 |
| Operating Revenue (Rsm) | 1,180,571 | 1,577,735 | 1,684,241 | 1,922,342 | 2,243,356 |
| Total Provision Charges (Rsm) | (119,197) | (234,922) | (115,375) | (125,938) | (158,118) |
| Net Profit (Rsm) | 441,087 | 608,123 | 674,069 | 790,311 | 925,320 |
| Core EPS (Rs) | 79.05 | 80.05 | 88.73 | 104.03 | 121.80 |
| Core EPS Growth | 19.0% | 1% | 11% | 17% | 17% |
| FD Core P/E (x) | 21.08 | 20.81 | 18.78 | 16.01 | 13.68 |
| DPS (Rs) | 25.00 | 19.50 | 25.00 | 30.00 | 35.00 |
| Dividend Yield | 1.50% | 1.17% | 1.50% | 1.80% | 2.10% |
| BVPS (Rs) | 502.2 | 579.5 | 643.0 | 716.7 | 803.1 |
| P/BV (x) | 3.32 | 2.87 | 2.59 | 2.32 | 2.07 |
| ROE | 17.0% | 16.9% | 14.5% | 15.3% | 16.0% |
| % Change In Core EPS Estimates | | | | | |
| InCred Research/Consensus EPS (x) | | | | | |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly results summary

| Particulars (Rs m) | 1QFY24 | 2QFY24 | 3QFY24 | 4QFY24 | 1QFY25 | 2QFY25 | 3QFY25 | YoY (%) | QoQ (%) |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|-------------|
| Net Interest Income | 2,35,991 | 2,73,852 | 2,84,713 | 2,90,768 | 2,98,371 | 3,01,139 | 3,06,533 | 7.7% | 1.8% |
| NIM (% of AUM) | 4.4% | 3.7% | 3.7% | 3.7% | 3.8% | 3.8% | 3.7% | | |
| Fee-Based Income | 92,299 | 1,07,078 | 1,11,370 | 1,81,663 | 1,06,681 | 1,14,827 | 1,14,536 | 2.8% | -0.3% |
| Operating Expenses | 1,40,569 | 1,53,992 | 1,59,611 | 1,79,688 | 1,66,206 | 1,68,909 | 1,71,064 | 7.2% | 1.3% |
| Operating Profit | 1,87,720 | 2,26,939 | 2,36,473 | 2,92,742 | 2,38,846 | 2,47,057 | 2,50,004 | 5.7% | 1.2% |
| Provisions | 28,600 | 29,038 | 42,166 | 1,35,116 | 26,021 | 27,005 | 31,539 | -25.2% | 16.8% |
| Exceptional Items | - | - | - | - | - | - | - | | |
| PBT | 1,59,120 | 1,97,901 | 1,94,307 | 1,57,626 | 2,12,826 | 2,20,053 | 2,18,466 | 12.4% | -0.7% |
| Tax | -39,602 | -38,139 | -30,581 | 7,493 | -51,078 | -51,843 | -51,111 | 67.1% | -1.4% |
| Tax rate (%) | 24.9% | 19.3% | 15.7% | -4.8% | 24.0% | 23.6% | 23.4% | | |
| PAT | 1,19,518 | 1,59,761 | 1,63,725 | 1,65,119 | 1,61,748 | 1,68,210 | 1,67,355 | 2.2% | -0.5% |
| Advances (Rs bn) | 16,157 | 23,312 | 24,461 | 24,849 | 24,635 | 24,951 | 25,182 | 3.0% | 0.9% |
| Deposits (Rs bn) | 19,131 | 21,729 | 22,140 | 23,798 | 23,791 | 25,001 | 25,638 | 15.8% | 2.5% |

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 | 12,95,825 | 12,28,361 | -5.2% | 15,02,630 | 14,08,882 | -6.2% | 17,42,217 | 16,66,831 | -4.3% |
| Non-Interest Income | 4,59,211 | 4,55,880 | -0.7% | 5,29,785 | 5,13,460 | -3.1% | 6,02,869 | 5,76,526 | -4.4% |
| PPOP | 10,54,927 | 10,02,308 | -5.0% | 12,71,529 | 11,65,821 | -8.3% | 14,78,530 | 13,75,644 | -7.0% |
| PAT | 7,12,996 | 6,74,068 | -5.5% | 8,57,547 | 7,90,311 | -7.8% | 9,76,196 | 9,25,320 | -5.2% |
| EPS (Rs) | 93.6 | 88.2 | -5.8% | 112.6 | 103.4 | -8.1% | 128.1 | 121.1 | -5.5% |
| BV (Rs) | 640.2 | 636.3 | -0.6% | 707.5 | 709.2 | 0.2% | 770.4 | 794.8 | 3.2% |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: SOTP-based valuation

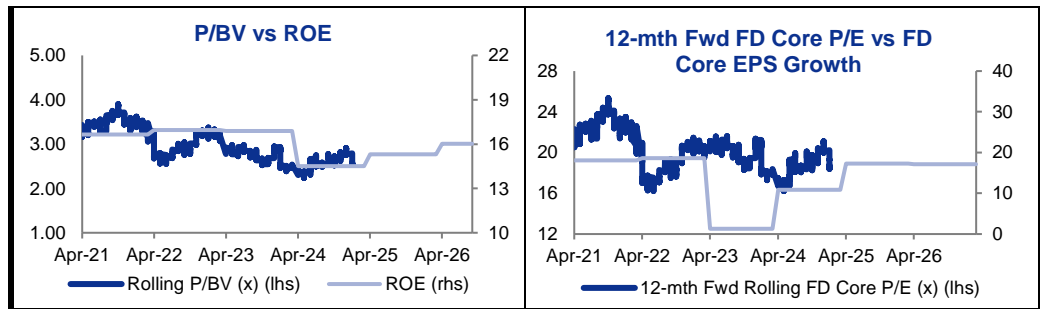
| Particulars | Stake(%) | Value (Rs m) | Rs. per share | Valuation methodology |
|------------------------------|----------|--------------|---------------|-----------------------|
| HDFC Bank - Standalone (A) | | 1,40,94,555 | 1,850 | ERE - 2.6x FY26F BV |
| HDB Financial | 95% | 3,46,792 | 50 | 2x FY26F P/BV |
| HDFC Securities | 96% | 1,88,243 | 20 | 16x FY26F P/E |
| HDFC Standard Life | 50% | 15,48,050 | 205 | 3x FY26F P/EV |
| HDFC General Insurance | 51% | 1,13,756 | 10 | 20x FY26F P/E |
| HDFC AMC | 53% | 3,03,188 | 40 | 34x FY26F P/E |
| Value of Subsidiaries (B) | | | 330 | |
| Holding Company Discount (C) | 20% | | 30 | |
| Discounted Value | | | 300 | |
| Value of bank (A+B-C) | | | 2,150 | |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Earnings call highlights

- The excess liquidity on the balance sheet of Rs~500bn yields ~7%.
- HDB Financials' credit costs have gone up from 1.8% to 2.5% as stage-3 assets during the quarter had a higher amount of delinquency, which have been pulled back from the 90dpd basket, but they have not reached 0dpd.
- 18 months after the merger, there are several metrics that have been achieved like HDFC's borrowers opening their accounts with HDFC Bank. Around 95-96% of the borrowers have opened accounts with an average balance of Rs30,000 and there are a significant number of customers who have taken other products as well.
- There are a few things which have not gone as planned during the merger because the macroeconomic environment was not favourable. Like, for example, deposit augmentation has become tough, slowing down the pace of replacement of HDFC's liabilities. The savings made by reducing borrowings inherent during the merger have been knocked off by the fall in the CASA deposit ratio.

BY THE NUMBERS



Profit & Loss

| (Rsm) | Mar-23A | Mar-24A | Mar-25F | Mar-26F | Mar-27F |
|---|------------------|------------------|------------------|------------------|------------------|
| Net Interest Income | 868,422 | 1,085,325 | 1,228,361 | 1,408,882 | 1,666,831 |
| Total Non-Interest Income | 312,148 | 492,410 | 455,880 | 513,460 | 576,526 |
| Operating Revenue | 1,180,571 | 1,577,735 | 1,684,241 | 1,922,342 | 2,243,356 |
| Total Non-Interest Expenses | (454,096) | (607,070) | (667,176) | (742,433) | (846,374) |
| Pre-provision Operating Profit | 704,050 | 943,874 | 1,002,308 | 1,165,821 | 1,375,644 |
| Total Provision Charges | (119,197) | (234,922) | (115,375) | (125,938) | (158,118) |
| Operating Profit After Provisions | 584,853 | 708,953 | 886,932 | 1,039,883 | 1,217,526 |
| Pretax Income/(Loss) from Assoc. | | | | | |
| Operating EBIT (incl Associates) | 584,853 | 708,953 | 886,932 | 1,039,883 | 1,217,526 |
| Non-Operating Income/(Expense) | | | | | |
| Profit Before Tax (pre-EI) | 584,853 | 708,953 | 886,932 | 1,039,883 | 1,217,526 |
| Exceptional Items | | | | | |
| Pre-tax Profit | 584,853 | 708,953 | 886,932 | 1,039,883 | 1,217,526 |
| Taxation | (143,766) | (100,830) | (212,864) | (249,572) | (292,206) |
| Consolidation Adjustments & Others | | | | | |
| Exceptional Income - post-tax | | | | | |
| Profit After Tax | 441,087 | 608,123 | 674,069 | 790,311 | 925,320 |
| Minority Interests | | | | | |
| Prof. & Special Div | | | | | |
| FX And Other Adj. | | | | | |
| Net Profit | 441,087 | 608,123 | 674,069 | 790,311 | 925,320 |
| 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 | 86.3% | 95.8% | 101.2% | 97.3% | 95.8% |
| Avg Liquid Assets/Avg Assets | 94.6% | 94.0% | 94.3% | 94.4% | 94.7% |
| Avg Liquid Assets/Avg IEAs | 108.8% | 107.8% | 107.5% | 108.6% | 109.6% |
| Net Cust Loans/Assets | | | | | |
| Net Cust Loans/Broad Deposits | | | | | |
| Equity & Provns/Gross Cust Loans | | | | | |
| Asset Risk Weighting | | | | | |
| Provision Charge/Avg Cust Loans | 0.80% | 1.15% | 0.45% | 0.45% | 0.50% |
| Provision Charge/Avg Assets | 0.53% | 0.77% | 0.31% | 0.31% | 0.34% |
| 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 | 16,005,859 | 24,848,616 | 26,429,378 | 29,543,050 | 33,704,288 |
| Liquid Assets & Invst. (Current) | 5,170,015 | 7,024,150 | 7,522,774 | 7,939,260 | 8,391,504 |
| Other Int. Earning Assets | | | | | |
| Total Gross Int. Earning Assets | 21,175,874 | 31,872,764 | 33,952,152 | 37,482,312 | 42,095,792 |
| Total Provisions/Loan Loss Reserve | | | | | |
| Total Net Interest Earning Assets | 21,175,874 | 31,872,764 | 33,952,152 | 37,482,312 | 42,095,792 |
| Intangible Assets | | | | | |
| Other Non-Interest Earning Assets | 1,467,125 | 1,998,002 | 2,067,491 | 2,234,780 | 2,363,851 |
| Total Non-Interest Earning Assets | 1,547,291 | 2,111,992 | 2,192,880 | 2,372,708 | 2,515,571 |
| Cash And Marketable Securities | 1,937,651 | 2,191,474 | 2,736,948 | 3,431,020 | 4,180,081 |
| Long-term Investments | | | | | |
| Total Assets | 24,660,814 | 36,176,232 | 38,881,980 | 43,286,036 | 48,791,444 |
| Customer Interest-Bearing Liabilities | 18,833,944 | 23,797,862 | 26,850,978 | 30,669,010 | 35,335,872 |
| Bank Deposits | | | | | |
| Interest Bearing Liabilities: Others | | | | | |
| Total Interest-Bearing Liabilities | 20,901,600 | 30,419,394 | 32,580,332 | 36,355,856 | 41,079,064 |
| Banks Liabilities Under Acceptances | | | | | |
| Total Non-Interest Bearing Liabilities | 957,223 | 1,354,379 | 1,417,043 | 1,485,572 | 1,611,142 |
| Total Liabilities | 21,858,824 | 31,773,772 | 33,997,372 | 37,841,428 | 42,690,204 |
| Shareholders Equity | 2,801,990 | 4,402,458 | 4,884,606 | 5,444,612 | 6,101,242 |
| Minority Interests | | | | | |
| Total Equity | 2,801,990 | 4,402,458 | 4,884,606 | 5,444,612 | 6,101,242 |

| Key Ratios | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| | Mar-23A | Mar-24A | Mar-25F | Mar-26F | Mar-27F |
| Total Income Growth | 20.6% | 25.0% | 13.2% | 14.7% | 18.3% |
| Operating Profit Growth | 10.6% | 33.6% | 4.8% | 16.0% | 18.4% |
| Pretax Profit Growth | 19% | 21% | 25% | 17% | 17% |
| Net Interest To Total Income | 73.6% | 68.8% | 72.9% | 73.3% | 74.3% |
| Cost Of Funds | 3.90% | 5.84% | 5.61% | 5.07% | 4.58% |
| Return On Interest Earning Assets | 8.2% | 9.7% | 9.1% | 8.8% | 8.6% |
| Net Interest Spread | 4.30% | 3.90% | 3.49% | 3.77% | 4.07% |
| Net Interest Margin (Avg Deposits) | 5.05% | 5.09% | 4.85% | 4.90% | 5.05% |
| Net Interest Margin (Avg RWA) | | | | | |
| Provisions to Pre Prov. Operating Profit | 17% | 25% | 12% | 11% | 11% |
| Interest Return On Average Assets | 3.83% | 3.57% | 3.27% | 3.43% | 3.62% |
| Effective Tax Rate | 24.6% | 14.2% | 24.0% | 24.0% | 24.0% |
| Net Dividend Payout Ratio | 31.7% | 24.4% | 28.5% | 29.1% | 29.0% |
| Return On Average Assets | 1.95% | 2.00% | 1.80% | 1.92% | 2.01% |

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.

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.