

## Growth outlook improving; NIMs to bottom out in 4Q/1Q

### Medium-term RoA outlook remains at 1.6-1.8%

We interacted with the top management team of Axis Bank (AXSB), represented by Mr. Amitabh Chaudhry, MD & CEO, and Mr. Puneet Sharma, CFO, to discuss the bank's business growth, profitability outlook, and other key focus areas. Following are the key takeaways from the discussion:

### Growth momentum gradually rebuilding

AXSB's loan growth is entering a repair phase, with advances growing 12% YoY and 5% QoQ in 2QFY26, supported by a pickup in wholesale banking and improving traction in granular segments. The SBB, SME, and mid-corporate book at ~INR2.66t now constitutes ~24% of total advances, rising ~740bp over four years, reflecting a conscious shift toward higher risk-adjusted return portfolios. Retail growth had slowed following the unsecured cycle correction, with vehicle loans and mortgages remaining soft, reflecting industry trends/margin considerations. However, disbursements have begun to improve, which should gradually translate into stronger AUM growth. The cards portfolio has stabilized, while personal loan disbursements are picking up, albeit with a lagged impact on balance sheet. Management remains confident of outpacing system growth, targeting ~300bp faster growth over the medium term as execution improves through FY27.

### Liability franchise: Remains the most critical execution metric

The liability franchise remains the most critical execution variable for AXSB in the current cycle. Deposits grew 11% YoY and quarterly average balances rose 10% YoY in 2QFY26, reflecting steady yet sub-optimal traction in a highly competitive deposit environment. Management acknowledged the need for improved deposit traction to drive faster asset growth. With the industry struggling to attract CASA deposits, incremental flows are skewed towards wholesale deposits, putting pressure on both consistency and mix. Despite this, early repricing actions have yielded results, with cost of funds declining 24bp QoQ and 30bp YoY, while CASA remains stable at ~38–40%. Liquidity remains comfortable, with an average LCR of ~119%, though the focus has shifted from LDR optimization to LCR management. Ongoing liability initiatives and execution focus are expected to gradually narrow the funding gap vs peers over time.

### NIMs likely to bottom out in 4Q/1Q; guidance reiterated for 3.8% in 15-18 months

NIMs contracted 7bp QoQ in 2QFY26 to 3.73%, and management suggested that margins will continue to reflect drag from repo-linked repricing and a deliberate moderation in unsecured retail. Management now expects margins to bottom out in 4QFY26 or 1QFY27, as the impact of the 25bp repo cut largely flows through, while higher LCR outflow rates could further exert pressure on margins. With benefits from CRR cuts, asset mix improvement, and residual deposit repricing, AXSB remains confident of restoring cycle-agnostic NIMs to ~3.8% within 15 to 18 months from the date of the last repo rate cut.

### Axis Bank



### Mr. Amitabh Chaudhry, MD & CEO

Mr. Amitabh Chaudhry is a seasoned financial services leader with over three decades of experience across banking, insurance, and technology services. As MD and CEO of AXSB, he has led a strong turnaround, delivering industry-leading growth and profitability with a focus on sustainability. Previously, he served as CEO of HDFC Life, held senior roles at Bank of America, and was part of the founding leadership team at Infosys BPM. He is an engineer from BITS Pilani and holds a postgraduate degree in business management from IIM, Ahmedabad.

### Seasonal slippages (agri) to persist in 3Q, but core risk contained

Core asset quality continues to trend better, and the bank remains confident of better asset quality outcomes over the next year. During 2QFY26, the gross slippage ratio declined to 2.11%, down 102bp QoQ, while net credit cost moderated to 0.73%, down 65bp QoQ. Management expects technical slippages to recur in 3QFY26, largely driven by seasonality in agri KCC/OD accounts, though the quantum is likely to be lower than the elevated levels seen in 1QFY26. Importantly, the core retail unsecured portfolio has stabilized, with credit card metrics improving and personal loans holding steady, while recoveries and upgrades are trending positively. With GNPA at 1.46%, NNPA at 0.44%, and a strong ~147% aggregate coverage, the ongoing asset-quality volatility appears seasonal rather than structural.

### CET-1 rising 69bp since Mar'24 on healthy internal accruals; capital allocation remains disciplined

AXSB's diversified balance sheet continues to provide meaningful insulation against earnings hiccups and asset-quality volatility. As of 2QFY26, CET-1 stood at 14.43% (improved 69bp since Mar'24 on healthy internal accruals). In addition, the bank holds ~INR62b of excess provisions (standard and other contingencies), translating into a ~44bp capital buffer, while PCR remains healthy at ~70%. Recent standard provisioning for agri loans was largely technical and is expected to unwind over time without translating into material economic losses. Capital allocation remains disciplined, with retained earnings fully reinvested into the balance sheet and a focus on maintaining ~4% capital buffer over the regulatory minimum. Incremental capital deployment is largely earmarked for Axis Finance, while the bank will remain open to increasing its stake in Axis Max Life, subject to regulatory approval. Importantly, subsidiaries remain cash-surplus, with no dividend upstreaming over the last 3 to 4 years, preserving capital flexibility without near-term RWA pressure.

### Other highlights

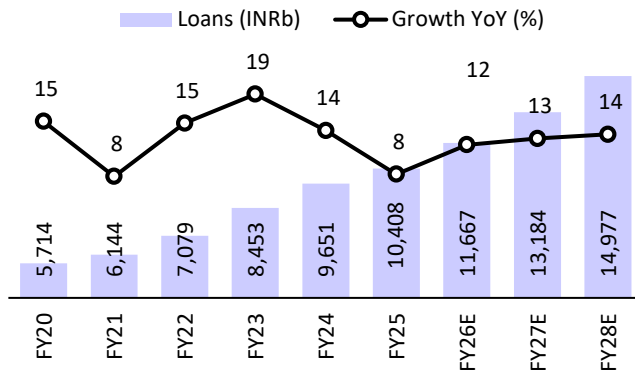
- FY27 looks like a more tail winded year when it comes to RoA vs the headwinds that bank has to endure in FY26. The bank aims to deliver 16-18% RoE and 1.6-1.8% RoA on a sustainable basis over the medium term. This will be led by a recovery in NIMs and credit costs, along with improvements in operating efficiency.
- On the transition to ECL, the bank expects the impact on existing provision stocks to be largely manageable however, there is likely to be an impact on incremental provisioning flows and is awaiting more clarity from the RBI to better ascertain the impact from this transition.

### Valuation and view: Reiterate Neutral with a TP of INR1,300

- While earnings progression has been somewhat uneven, AXSB appears to be navigating what may be the final phase of margin and asset-quality normalization.
- 3QFY26 is likely to witness further margin pressure and technical slippages, along with agri seasonality effects, which may weigh on operating performance. However, we expect earnings progression to improve gradually in subsequent quarters as asset-quality stress normalizes and margin recovers in FY27.
- With loan growth expected to accelerate to mid-teens, credit costs trending lower, and NIMs recovering toward ~3.8%, AXSB is well-positioned for a gradual improvement in RoA, targeting 1.6-1.8% over the medium term.
- **We currently estimate AXSB to deliver FY27E RoA/RoE of 1.61%/14.4%. Reiterate Neutral with a TP of INR1,300 (1.6x FY27E ABV + INR137 for subs).**

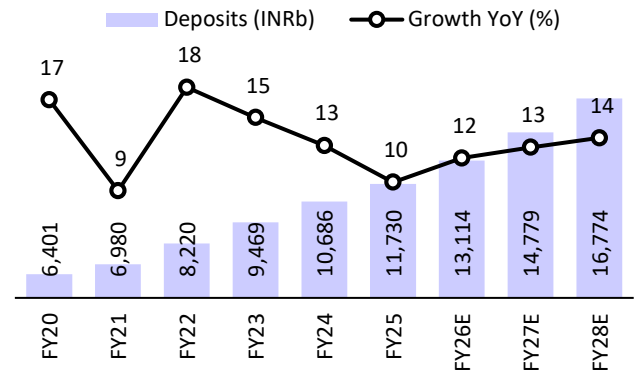
## STORY IN CHARTS

**Exhibit 1: Estimate ~13% loan CAGR over FY26-28E**



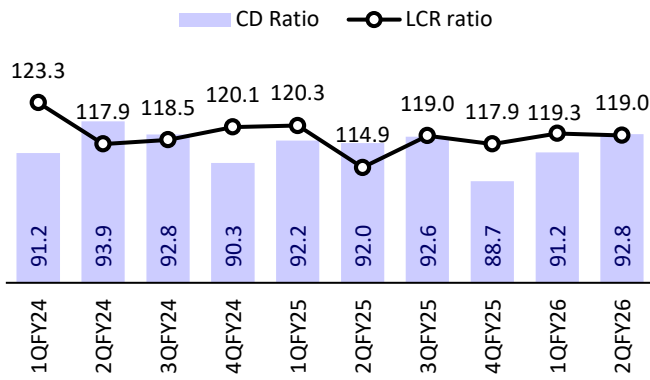
Source: Company, MOFSL

**Exhibit 2: We estimate a 13% CAGR in deposits over FY26-28E**



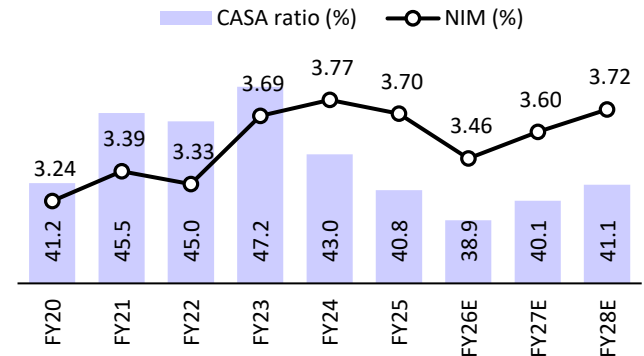
Source: Company, MOFSL

**Exhibit 3: CD ratio stands higher at 92.8% in 2QFY26, with LCR holding stable at 119%**



Source: Company, MOFSL

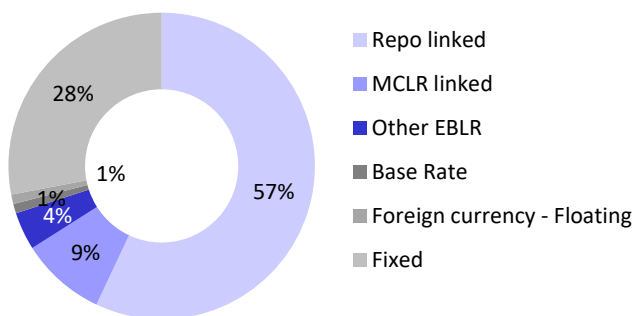
**Exhibit 4: Calc. NIMs to see near-term pressure due to repo rate cuts and recover thereafter in FY27E**



\*NIMs are on a calculated basis

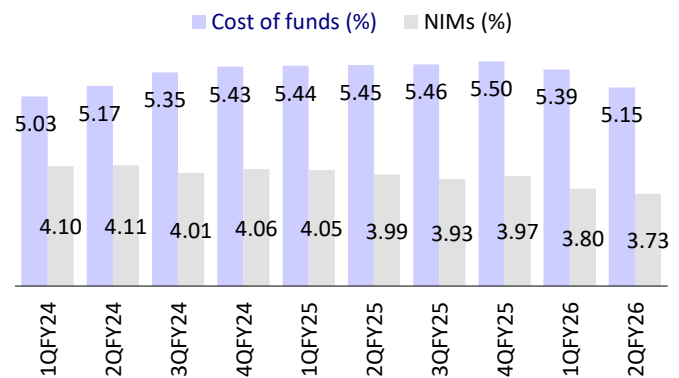
Source: Company, MOFSL

**Exhibit 5: 2QFY26 loan mix: 57% of the book is linked to repo**



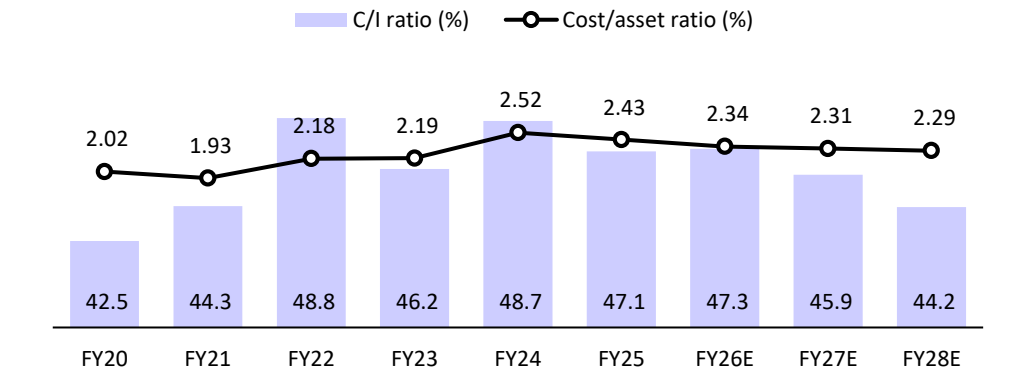
Source: Company, MOFSL

**Exhibit 6: Trend in cost of funds and margins**



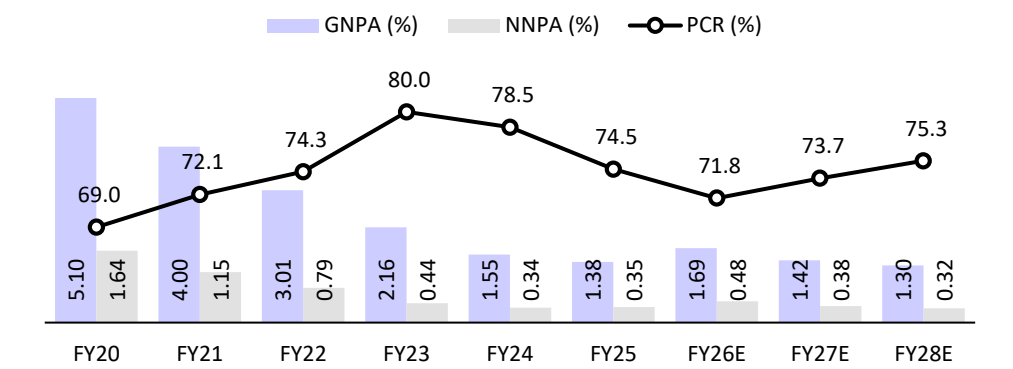
Source: Company, MOFSL

**Exhibit 7: Estimate C/I ratio to moderate to ~46% by FY27E**



Source: MOFSL, Company

**Exhibit 8: Estimate GNPA/NNPA ratio at 1.42%/0.38% by FY27; PCR stable at ~74%**



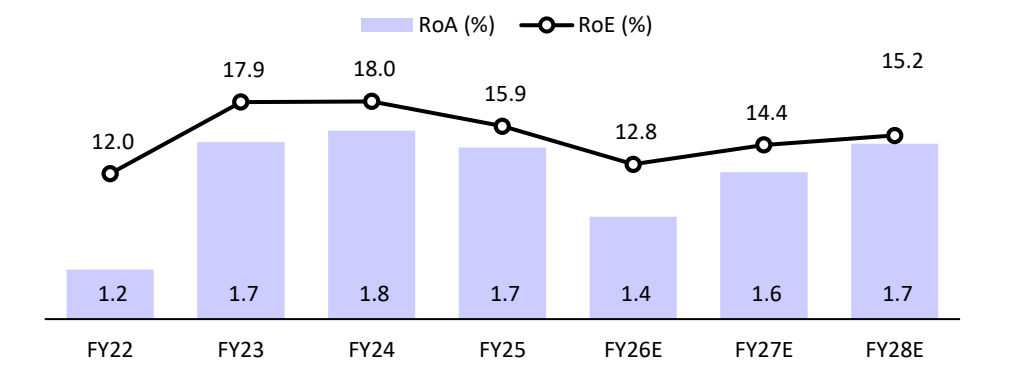
Source: MOFSL, Company

**Exhibit 9: Technical slippages declined during 2QFY26**

INR bn	Slippages		Technical impact		Ex of Technical impact	
	1QFY26	2QFY26	1QFY26	2QFY26	1QFY26	2QFY26
Gross slippage	82.0	57.0	27.1	15.1	54.9	41.8
Net slippage	60.5	28.1	18.6	2.8	41.9	25.3
Net credit cost	39.0	21.3	8.2	2.6	30.8	18.8

Source: MOFSL, Company

**Exhibit 10: Estimate RoA/RoE to stabilize at 1.6-1.7% over FY27-28E**



Source: MOFSL, Company

**Exhibit 11: SOTP-based valuation**

Name	Stake	Attributed Value (INR b)	Value per Share	% of total value	Rationale
<b>Axis Bank</b>	<b>100.0</b>	<b>3,607.9</b>	<b>1,163</b>	<b>89.5</b>	❖ <b>1.6x FY27E ABV</b>
Axis Finance	100.0	160.3	52	4.0	❖ 2.0x FY27E Networkth
Axis Capital	100.0	45.6	15	1.1	❖ 15x FY27E PAT
Axis Securities	100.0	97.7	31	2.4	❖ 15x FY27E PAT
Axis Mutual Fund	75.0	155.7	50	3.9	❖ 27x FY27E PAT
Max Life Insurance	20.0	72.1	23	1.8	❖ 2.1x FY27E EV
<b>Total Value of Subs</b>		<b>531.4</b>	<b>171</b>	<b>13.2</b>	
Less: 20% holding disc		106.3	34	2.6	
<b>Value of Subs (Post Holding Disc)</b>		<b>425.1</b>	<b>137</b>	<b>10.5</b>	
<b>Target Price</b>		<b>4,033.0</b>	<b>1,300</b>		

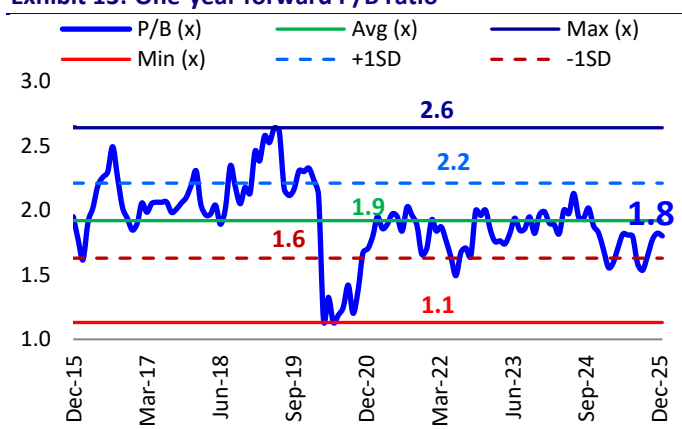
Source: MOFSL, Company

**Exhibit 12: DuPont: Estimate FY27E RoA/RoE at 1.61%/14.4%**

Y/E MARCH	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	6.23	6.83	7.83	7.95	7.58	7.54	7.59
Interest Expense	3.17	3.39	4.26	4.43	4.28	4.10	4.03
<b>Net Interest Income</b>	<b>3.06</b>	<b>3.45</b>	<b>3.57</b>	<b>3.52</b>	<b>3.30</b>	<b>3.44</b>	<b>3.57</b>
Fee income	1.28	1.32	1.48	1.51	1.51	1.44	1.43
Trading and others	0.13	-0.02	0.13	0.13	0.15	0.16	0.17
<b>Non Interest income</b>	<b>1.41</b>	<b>1.30</b>	<b>1.61</b>	<b>1.64</b>	<b>1.66</b>	<b>1.60</b>	<b>1.61</b>
<b>Total Income</b>	<b>4.47</b>	<b>4.74</b>	<b>5.18</b>	<b>5.16</b>	<b>4.96</b>	<b>5.04</b>	<b>5.17</b>
<b>Operating Expenses</b>	<b>2.18</b>	<b>2.19</b>	<b>2.52</b>	<b>2.43</b>	<b>2.34</b>	<b>2.31</b>	<b>2.29</b>
-Employee cost	0.70	0.70	0.78	0.79	0.78	0.77	0.76
-Others	1.48	1.49	1.74	1.64	1.56	1.54	1.53
<b>Operating Profit</b>	<b>2.29</b>	<b>2.55</b>	<b>2.66</b>	<b>2.73</b>	<b>2.61</b>	<b>2.73</b>	<b>2.89</b>
<b>Core Operating Profit</b>	<b>2.16</b>	<b>2.57</b>	<b>2.53</b>	<b>2.60</b>	<b>2.46</b>	<b>2.56</b>	<b>2.71</b>
<b>Provisions</b>	<b>0.68</b>	<b>0.23</b>	<b>0.29</b>	<b>0.50</b>	<b>0.73</b>	<b>0.60</b>	<b>0.59</b>
NPA	0.48	0.27	0.26	0.49	0.72	0.59	0.59
Others	0.20	-0.04	0.03	0.01	0.00	0.00	0.00
<b>PBT</b>	<b>1.61</b>	<b>2.32</b>	<b>2.37</b>	<b>2.23</b>	<b>1.89</b>	<b>2.13</b>	<b>2.29</b>
Tax	0.40	0.59	0.59	0.52	0.46	0.52	0.57
<b>RoA</b>	<b>1.20</b>	<b>1.73</b>	<b>1.78</b>	<b>1.71</b>	<b>1.42</b>	<b>1.61</b>	<b>1.73</b>
Leverage (x)	10.0	10.4	10.2	9.4	9.0	9.0	8.8
<b>RoE</b>	<b>12.0</b>	<b>18.0</b>	<b>18.1</b>	<b>16.0</b>	<b>12.8</b>	<b>14.4</b>	<b>15.2</b>

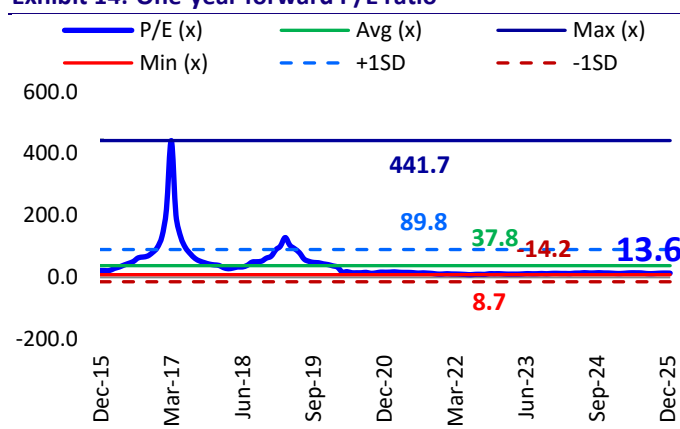
Source: MOFSL, Company

**Exhibit 13: One-year forward P/B ratio**



Source: MOFSL, Company

**Exhibit 14: One-year forward P/E ratio**



Source: MOFSL, Company

## Financials and valuations

### Income Statement

	(INRb)						
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	673.8	851.6	1,093.7	1,226.8	1,292.7	1,440.1	1,630.6
Interest Expense	342.4	422.2	594.7	683.3	730.6	783.3	864.8
<b>Net Interest Income</b>	<b>331.3</b>	<b>429.5</b>	<b>498.9</b>	<b>543.5</b>	<b>562.2</b>	<b>656.8</b>	<b>765.9</b>
-growth (%)	13.3	29.6	16.2	8.9	3.4	16.8	16.6
Non Interest Income	152.2	161.4	224.4	252.6	282.9	305.5	345.2
<b>Total Income</b>	<b>483.5</b>	<b>590.9</b>	<b>723.4</b>	<b>796.0</b>	<b>845.0</b>	<b>962.3</b>	<b>1,111.1</b>
-growth (%)	16.5	22.2	22.4	10.0	6.2	13.9	15.5
Operating Expenses	236.1	273.0	352.1	375.0	399.3	441.7	491.4
<b>Pre Provision Profits</b>	<b>247.4</b>	<b>317.9</b>	<b>371.2</b>	<b>421.0</b>	<b>445.7</b>	<b>520.6</b>	<b>619.7</b>
-growth (%)	7.0	28.5	16.8	13.4	5.9	16.8	19.0
<b>Core PPOp</b>	<b>233.6</b>	<b>320.6</b>	<b>353.3</b>	<b>401.2</b>	<b>419.9</b>	<b>489.4</b>	<b>582.5</b>
-growth (%)	5.5	37.2	10.2	13.6	4.7	16.5	19.0
Provisions	73.6	28.8	40.6	77.6	124.0	113.8	127.6
<b>PBT</b>	<b>173.8</b>	<b>289.0</b>	<b>330.6</b>	<b>343.5</b>	<b>321.8</b>	<b>406.9</b>	<b>492.1</b>
Tax	43.6	73.3	82.0	79.7	79.2	100.1	121.5
Tax Rate (%)	25.1	25.3	24.8	23.2	24.6	24.6	24.7
Extraordinary expense	-	123.5	-	-	-	-	-
<b>PAT</b>	<b>130.3</b>	<b>92.2</b>	<b>248.6</b>	<b>263.7</b>	<b>242.6</b>	<b>306.8</b>	<b>370.5</b>
-growth (%)	97.7	(29.2)	169.6	6.1	(8.0)	26.4	20.8

### Balance Sheet

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	6.1	6.2	6.2	6.2	6.2	6.2	6.2
Reserves & Surplus	1,145.6	1,248.0	1,504.4	1,791.1	1,991.3	2,258.7	2,613.5
<b>Net Worth</b>	<b>1,151.7</b>	<b>1,254.2</b>	<b>1,510.6</b>	<b>1,797.3</b>	<b>1,997.5</b>	<b>2,264.9</b>	<b>2,619.7</b>
<b>Deposits</b>	<b>8,219.7</b>	<b>9,469.5</b>	<b>10,686.4</b>	<b>11,729.5</b>	<b>13,113.6</b>	<b>14,779.0</b>	<b>16,774.2</b>
-growth (%)	17.8	15.2	12.9	9.8	11.8	12.7	13.5
<b>- CASA Deposits</b>	<b>3,700.1</b>	<b>4,465.4</b>	<b>4,594.0</b>	<b>4,781.9</b>	<b>5,101.2</b>	<b>5,926.4</b>	<b>6,894.2</b>
-growth (%)	16.4	20.7	2.9	4.1	6.7	16.2	16.3
Borrowings	1,851.3	1,863.0	1,968.1	1,841.5	2,105.2	2,269.0	2,467.3
Other Liabilities & Prov.	531.5	586.6	606.9	731.1	790.3	855.1	925.2
<b>Total Liabilities</b>	<b>11,754.3</b>	<b>13,173.3</b>	<b>14,772.1</b>	<b>16,099.3</b>	<b>18,006.6</b>	<b>20,167.9</b>	<b>22,786.3</b>
Current Assets	1,109.9	1,064.1	1,144.5	997.3	1,141.4	1,244.5	1,385.4
<b>Investments</b>	<b>2,756.0</b>	<b>2,888.1</b>	<b>3,315.3</b>	<b>3,961.4</b>	<b>4,397.2</b>	<b>4,902.8</b>	<b>5,540.2</b>
-growth (%)	21.9	4.8	14.8	19.5	11.0	11.5	13.0
<b>Loans</b>	<b>7,079.5</b>	<b>8,453.0</b>	<b>9,650.7</b>	<b>10,408.1</b>	<b>11,667.5</b>	<b>13,184.3</b>	<b>14,977.3</b>
-growth (%)	15.2	19.4	14.2	7.8	12.1	13.0	13.6
Fixed Assets	45.7	47.3	56.8	62.9	70.5	78.2	86.8
Other Assets	763.3	720.6	604.7	669.5	730.0	758.1	796.6
<b>Total Assets</b>	<b>11,754.3</b>	<b>13,173.3</b>	<b>14,772.1</b>	<b>16,099.3</b>	<b>18,006.6</b>	<b>20,167.9</b>	<b>22,786.3</b>

Asset Quality	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
GNPA	218.2	186.0	151.3	144.9	199.7	188.6	196.7
NNPA	56.1	37.3	32.5	36.9	56.3	49.6	48.6
Slippages	201.1	146.5	144.3	194.7	264.9	248.5	281.6
GNPA Ratio (%)	3.01	2.16	1.55	1.38	1.69	1.42	1.30
NNPA Ratio (%)	0.79	0.44	0.34	0.35	0.48	0.38	0.32
Slippage Ratio (%)	3.0	1.9	1.6	1.9	2.4	2.0	2.0
Credit Cost (%)	0.8	0.4	0.4	0.8	1.1	0.9	0.9
PCR (Excl Tech. write off) (%)	74.3	80.0	78.5	74.5	71.8	73.7	75.3
E: MOFSL Estimates							

## Financials and valuations

### Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Yield and Cost Ratios (%)</b>							
<b>Avg. Yield-Earning Assets</b>	<b>6.7</b>	<b>7.3</b>	<b>8.2</b>	<b>8.3</b>	<b>7.9</b>	<b>7.9</b>	<b>7.9</b>
Avg. Yield on loans	7.5	8.3	9.6	9.7	9.1	9.0	9.0
Avg. Yield on Investments	5.9	6.5	6.6	6.4	6.4	6.4	6.3
<b>Avg. Cost-Int. Bear. Liab.</b>	<b>3.7</b>	<b>3.9</b>	<b>5.0</b>	<b>5.2</b>	<b>5.1</b>	<b>4.9</b>	<b>4.8</b>
Avg. Cost of Deposits	3.5	3.6	4.5	4.8	4.8	4.6	4.5
Avg. Cost of Borrowings	4.6	5.6	7.3	7.6	7.0	6.8	6.8
<b>Interest Spread</b>	<b>3.0</b>	<b>3.3</b>	<b>3.3</b>	<b>3.1</b>	<b>2.9</b>	<b>3.0</b>	<b>3.1</b>
<b>Net Interest Margin</b>	<b>3.3</b>	<b>3.7</b>	<b>3.8</b>	<b>3.70</b>	<b>3.46</b>	<b>3.60</b>	<b>3.7</b>
<b>Capitalisation Ratios (%)</b>							
CAR	18.5	17.6	16.6	17.1	17.3	17.4	17.4
Tier I	16.4	14.6	14.2	15.1	15.4	15.6	15.9
- CET-1	15.2	14.0	13.7	14.7	14.9	15.1	15.4
Tier II	2.1	3.1	2.4	2.0	1.9	1.7	1.5
<b>Business Ratios (%)</b>							
Loans/Deposit Ratio	86.1	89.3	90.3	88.7	89.0	89.2	89.3
CASA Ratio	45.0	47.2	43.0	40.8	38.9	40.1	41.1
Cost/Avg Assets	2.2	2.2	2.5	2.4	2.3	2.3	2.3
Cost/Total Income	48.8	46.2	48.7	47.1	47.3	45.9	44.2
Cost/Core Income	50.3	46.0	49.9	48.3	48.7	47.4	45.8
Int. Expense/Int.Income	50.8	49.6	54.4	55.7	56.5	54.4	53.0
Fee Income/Total Income	24.7	24.7	25.9	26.5	26.3	24.4	23.7
Non Int. Inc./Total Income	31.5	27.3	31.0	31.7	33.5	31.7	31.1
Empl. Cost/Total Expense	32.2	32.1	31.0	32.5	33.3	33.4	33.3
<b>Efficiency Ratios (INRm)</b>							
Employee per branch (in nos)	18.0	18.7	19.4	17.8	20.3	20.5	20.7
Staff cost per employee	0.9	1.0	1.0	1.2	1.1	1.1	1.1
CASA per branch	777.7	909.4	854.4	813.4	836.3	908.1	987.2
Deposits per branch	1,727.6	1,928.6	1,987.4	1,995.2	2,150.0	2,264.5	2,402.1
Business per Employee (INR m)	178.3	195.0	194.9	211.9	199.9	208.8	219.6
Profit per Employee (INR m)	1.5	2.3	2.4	2.5	2.0	2.3	2.6
<b>Profitability Ratios and Valuation (%)</b>							
RoE	12.0	17.9	18.0	15.9	12.8	14.4	15.2
RoA	1.2	1.7	1.8	1.7	1.4	1.61	1.7
RoRWA	1.7	2.4	2.3	2.2	1.9	2.1	2.2
Book Value (INR)	375.2	406.2	486.7	576.7	644.9	731.2	845.8
-growth	13.1	8.3	19.8	18.5	11.8	13.4	15.7
<b>Price-BV (x)</b>	<b>2.9</b>	<b>2.7</b>	<b>2.2</b>	<b>1.9</b>	<b>1.7</b>	<b>1.5</b>	<b>1.3</b>
Adjusted BV (INR)	354.1	388.2	468.8	547.4	621.0	708.9	823.5
<b>Price-ABV (x)</b>	<b>3.1</b>	<b>2.8</b>	<b>2.3</b>	<b>2.0</b>	<b>1.8</b>	<b>1.5</b>	<b>1.3</b>
EPS (INR)	42.5	70.2	80.7	85.3	78.3	99.0	119.6
-growth	89.7	65.3	14.9	5.7	-8.2	26.4	20.8
<b>Price-Earnings (x)</b>	<b>28.8</b>	<b>17.4</b>	<b>15.2</b>	<b>14.4</b>	<b>15.6</b>	<b>12.4</b>	<b>10.2</b>
<b>Price-Earnings (x) - Adj. Subs</b>	<b>25.6</b>	<b>15.5</b>	<b>13.5</b>	<b>12.8</b>	<b>13.9</b>	<b>11.0</b>	<b>9.1</b>
Dividend Per Share (INR)	0.0	1.0	1.0	1.0	1.4	1.6	1.6
<b>Dividend Yield</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

E: MOFSL Estimates

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

---

## NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/Publish/ViewLitigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

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 MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com).

Nainesh

Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: No.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.  
MOFSL has 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 Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.  
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.  
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.