

## Strong Growth Across Lenders; NIM Trajectory Remains Key Monitorable

Q2FY27E provisional updates indicate **broad-based strength in credit and deposit growth across lenders**, in a relatively weaker quarter. SFBs continued to outpace the mid/larger banks, delivering robust business growth. FCNR(B) flows supported deposit mobilisation. However, margins are likely to remain under pressure from higher CoF in Q2. Asset quality metrics (as reported by certain lenders) appear to remain steady, with the impact of the West Asia war not visible so far.

### HDFC Bank Limited (HDFCB) | BUY – TP – Rs 975/share

- ✓ Gross Advances growth improved to +16/5% YoY/QoQ, and we expect growth to have remained broad-based. The sequential credit growth (+5.2% QoQ) is the best in the last 9 quarters.
- ✓ Deposits grew by 19/5% YoY/QoQ, with growth primarily led by TDs (+23/6% YoY/QoQ), while CASA deposits growth was modest at 11/3% YoY/QoQ. CASA Ratio stood at 31.6% vs 33.9/32.3% YoY/QoQ. The bank has mobilised Rs 1103.4 Bn (\$11.5 Bn) under FCNR (B), which amounts to ~3.3% of its outstanding deposits as of Sep'26. This amounts to ~8.6% market share in the system's total FCNR (B) inflow. Against this, the bank has provided loans of \$5.7 Bn (Rs 547.7 Bn, ~50% of its mobilisation) via its overseas branches. LDR stood at 96.6% vs 98.0/95.8% YoY/QoQ.
- ✓ In addition, standby letters of credit issued to other banks in respect of loans against these deposits aggregate to \$3.1 Bn (Rs 293.4 Bn). As previously intimated, during Jun-Aug'26, HDFCB issued in aggregate \$2.5 Bn (Rs 239.6 Bn) of USD-denominated senior unsecured bonds.
- ✓ **MD & CEO Appointment:** The RBI approved the appointment of **Mr Anup Bagchi** as the MD & CEO of HDFC Bank w.e.f. 27<sup>th</sup> October, 2026 for a 3-year term. **This is a positive development for the bank and should support stock performance in the near term.** Mr Bagchi has over 3 decades of experience across banking, insurance, and capital markets. His appointment removes the overhang on the stock regarding the leadership succession and ensures a full 3-year term and beyond. With the leadership succession overhang now addressed, **focus will shift to improving growth, especially in the retail portfolio, improving NIMs and strengthening the CASA franchise.**  
 Post the merger, the bank's margins remained under pressure. However, on expectations of a reversal in the rate cycle, HDFCB's margins stand to benefit given a higher share of EBLR-linked loans. Moreover, the mix of borrowings as a % of overall assets is also on a downward trajectory (down from 21% in Sep'24 to ~10.5% in Jun'26), and should further support margins. While we watch out for the strategy under the new leadership, seamless execution remains critical for re-rating in the stock.

### Exhibit 1: Healthy Credit/Deposit Growth; FCNR (B) Mobilisation Strong

| (Rs Bn)       | Q2FY27 | Q2FY26 | % YoY   | Q1FY27 | % QoQ  |
|---------------|--------|--------|---------|--------|--------|
| Deposits      | 33,275 | 28,018 | 18.8    | 31,708 | 4.9    |
| CASA Deposits | 10,520 | 9,491  | 10.8    | 10,253 | 2.6    |
| CASA Ratio %  | 31.6   | 33.9   | -226bps | 32.3   | -72bps |
| Advances      | 32,135 | 27,464 | 17.0    | 30,373 | 5.8    |
| C/D Ratio     | 96.6   | 98.0   | -145bps | 95.8   | 78bps  |

Source: Axis Securities Research

### Axis Direct Recommendations

|            | RECO | TP (Rs) |
|------------|------|---------|
| HDFCBANK   | BUY  | 975     |
| UJJIVANSFB | BUY  | 86      |
| EQUITASBNK | BUY  | 93      |
| AUBANK     | BUY  | 1,225   |
| BANKBARODA | BUY  | 290     |
| BANDHANBNK | BUY  | 235     |
| BAJFINANCE | BUY  | 1,305   |

### Dnyanada Vaidya

Research Analyst  
 Email: dnyanada.vaidya@axissecurities.in

### Abhishek Pandya

Research Associate  
 Email: abhishek.pandya@axissecurities.in

**Ujjivan Small Finance Bank | BUY – TP – Rs 86**

- ✓ Disbursement momentum remained healthy and grew by 33/14% YoY/QoQ, led by a strong non-MFI disbursement (+59/26% YoY/QoQ), while MFI disbursements grew by +10/3% YoY/QoQ. Non-MFI disbursement growth was broad-based, with FIG (+82/42% YoY/QoQ), Affordable housing (+24/17% YoY/QoQ), and MSME (+51/54% YoY/QoQ) growing, respectively. Newer segments grew at a healthy pace - Gold (+135/8% YoY/QoQ) and Vehicles (+10/-15% YoY/QoQ).
- ✓ Advances growth remained robust at 32/7% YoY/QoQ, led by strong momentum in the non-MFI segment (+47/10% YoY/QoQ). MFI advances grew by +19/3% YoY/QoQ. The share of secured portfolio further improved to 52% vs 50.4% QoQ, in line with management guidance of improving secured mix to 56% in FY27.
- ✓ Deposits grew by +29/5% YoY/QoQ, driven primarily by TDs (+32/6% YoY/QoQ). CASA ratio growth was slower at +22/2% YoY/QoQ. CASA Ratio stood at 26% vs 27.5/26.9% YoY/QoQ. LDR stood at 90% vs 89% QoQ. We believe margin contraction will be visible in Q2.
- ✓ Asset Quality: MFI X-bucket CE remained steady at 99.72% vs 99.68% QoQ. PAR stood at 3.57% vs 4.45/3.58% YoY/QoQ. GNPA improved to 2.10% vs 2.45/2.17% YoY/QoQ.

**Exhibit 2: Overall Strong Business Momentum; Asset Quality Holds Up Well**

| (Rs Cr)                 | Q2FY27        | Q2FY26        | % YoY       | Q1FY27        | % QoQ       |
|-------------------------|---------------|---------------|-------------|---------------|-------------|
| <b>Disbursements</b>    | <b>10,560</b> | <b>7,932</b>  | <b>33.1</b> | <b>9,246</b>  | <b>14.2</b> |
| MFI - Group             | 3,395         | 3,131         | 8.4         | 3,354         | 1.2         |
| MFI - Individual        | 1,310         | 1,128         | 16.1        | 1,228         | 6.7         |
| Affordable Housing      | 1,327         | 1,072         | 23.8        | 1,139         | 16.5        |
| MSME                    | 765           | 508           | 50.6        | 497           | 53.9        |
| FIG                     | 2,456         | 1,353         | 81.5        | 1,735         | 41.6        |
| Others (incl. Gold, VF) | 1,140         | 605           | 88.4        | 1,179         | -3.3        |
| <b>Advances</b>         | <b>45,531</b> | <b>34,589</b> | <b>31.6</b> | <b>42,903</b> | <b>6.1</b>  |
| MFI - Group             | 15,658        | 13,106        | 19.5        | 15,185        | 3.1         |
| MFI - Individual        | 6,381         | 5,464         | 16.8        | 6,186         | 3.2         |
| Affordable Housing      | 12,087        | 8,750         | 38.1        | 11,210        | 7.8         |
| MSME                    | 3,871         | 2,559         | 51.3        | 3,470         | 11.6        |
| FIG                     | 3,615         | 2,489         | 45.2        | 3,293         | 9.8         |
| <b>Deposits</b>         | <b>50,649</b> | <b>39,211</b> | <b>29.2</b> | <b>48,129</b> | <b>5.2</b>  |
| CASA                    | 13182.0       | 10783.0       | 22.2        | 12930.0       | 1.9         |
| CASA Ratio %            | 26.0          | 27.5          | -147bps     | 26.9          | -84bps      |
| TDs                     | 37467.0       | 28428.0       | 31.8        | 35199.0       | 6.4         |

Source: Axis Securities Research

**Equitas Small Finance Bank Limited (EQSFB) | BUY – TP – Rs 93**

- ✓ Disbursement growth was strong at +39/10% YoY/QoQ, driving Advances growth of 30/6% YoY/QoQ. Advances growth was led by both MFI (+87/5% YoY/QoQ) and Non-MFI segments (+24/7% YoY/QoQ).
- ✓ Deposit growth was healthy at 19/7% YoY/QoQ. In Q2, deposit growth was driven by both CASA (-1/+10% YoY/QoQ) and TDs (+28/6% YoY/QoQ). LDR stood at 96.6% vs 97.3% QoQ. We expect NIMs to contract QoQ in Q2, mainly owing to an inch-up in CoF (+7bps QoQ at 7.12%)
- ✓ During Q2, the bank sold its NPAs amounting to Rs 110 Cr across Retail, AHF and MSE segments to an ARC. Overall, asset quality trends are expected to hold up well for EQSFB in Q2.

**Exhibit 3: Strong Disbursement Momentum Translating into Healthy Advances Growth**

| (Rs Cr)        | Q2FY27 | Q2FY26 | % YoY   | Q1FY27 | % QoQ |
|----------------|--------|--------|---------|--------|-------|
| Disbursements  | 7,461  | 5,380  | 38.7    | 6,804  | 9.7   |
| Advances       | 50,694 | 39,123 | 29.6    | 47,640 | 6.4   |
| -- MFI         | 6,331  | 3,392  | 86.6    | 6,018  | 5.2   |
| -- Non-MFI     | 44,363 | 35,731 | 24.2    | 41,623 | 6.6   |
| Deposits       | 52,483 | 44,094 | 19.0    | 48,976 | 7.2   |
| CASA Deposits  | 13,480 | 13,622 | -1.0    | 12,307 | 9.5   |
| CASA Ratio (%) | 25.7   | 30.9   | -521bps | 25.1   | 56bps |
| CoF (%)        | 7.12   | 7.35   | -23bps  | 7.05   | 7bps  |

Source: Axis Securities Research

**AU Small Finance Bank | BUY – TP – Rs 1,225**

- ✓ Advances growth remained strong at 28/7% YoY/QoQ. We believe growth is likely to be driven by Wheels, Business Banking, Gold business and growth revival in unsecured businesses, specifically MFI and PL.
- ✓ Deposits growth was robust at 29/8% YoY/QoQ, led by both CASA (+29/11% YoY/QoQ) and TDs (+28/7% YoY/QoQ). CASA Ratio improved to 29.5% vs 28.8% QoQ. LDR stood at 88.2% vs 88.7/89.1% YoY/QoQ.

**Exhibit 4: Overall Good Numbers; Deposit Mobilisation Strong with CASA Driving Strong Growth**

| (Rs Cr)           | Q2FY27   | Q2FY26   | % YoY  | Q1FY27   | % QoQ  |
|-------------------|----------|----------|--------|----------|--------|
| Advances          | 1,50,290 | 1,17,525 | 27.9   | 1,40,461 | 7.0    |
| Deposits          | 1,70,460 | 1,32,509 | 28.6   | 1,57,730 | 8.1    |
| -- CASA Deposits  | 50,290   | 38,963   | 29.1   | 45,400   | 10.8   |
| -- CASA Ratio (%) | 29.5     | 29.4     | 10 bps | 28.8     | 72 bps |

Source: Axis Securities Research

**Bandhan Bank (Bandhan) | BUY – TP – Rs 235**

- ✓ Advances growth was slow at +13/2% YoY/QoQ vs management guidance of ~14% for FY27. This growth is likely largely led by the non-EEB portfolio, while EEB growth is likely seeing some revival.
- ✓ Deposits grew by 9/5% YoY/QoQ, with growth led by TDs, which grew +11/9% YoY/QoQ, while CASA deposits grew by +4/-5% YoY/QoQ. CASA ratio moderated to 26.7% vs. 29.4% QoQ. Retail TDs grew +17/8% YoY/QoQ, while Bulk deposits increased +3/10% YoY/QoQ. LDR moderated to 91.7% vs. 94.3% QoQ. NIMs are expected to range from remaining broadly steady to contracting (by ~10 bps).
- ✓ **Asset Quality:** EEB X-bucket CE remained steady at 98.6% in Sep'26 vs 98.5% in Jun'26. Non-EEB X-bucket CE was largely steady at 99.2% in Sep'26 vs 99.4% in Jun'26. Asset quality trends and commentary on credit costs will be watched out for in Q2.

**Exhibit 5: Modest Credit Growth; Bulk Deposit Growth Faster than Retail Deposits**

| (Rs Cr)                     | Q2FY27   | Q2FY26   | % YoY   | Q1FY27   | % QoQ   |
|-----------------------------|----------|----------|---------|----------|---------|
| Advances                    | 1,58,335 | 1,40,062 | 13.0    | 1,55,513 | 1.8     |
| Deposits                    | 1,72,689 | 1,58,075 | 9.2     | 1,64,886 | 4.7     |
| CASA Deposits               | 46,131   | 44,214   | 4.3     | 48,478   | -4.8    |
| CASA Ratio (%)              | 26.7     | 28.0     | -126bps | 29.4     | -269bps |
| Overall Retail Deposits (%) | 72.7     | 70.9     | 172bps  | 74.0     | -131bps |
| Bulk TDs                    | 47,218   | 45,941   | 2.8     | 42,928   | 10.0    |

Source: Axis Securities Research

**Bank of Baroda (BoB) | BUY – TP – Rs 290**

- ✓ Advances growth remained strong at +18/7% YoY/QoQ. Domestic advances grew +14/3% YoY/QoQ, while international advances witnessed robust growth of +40/22% YoY/QoQ. Domestic retail advances grew by +19/5% YoY/QoQ. For FY27, the management had guided for credit growth of 12-14%.
- ✓ BoB's deposit growth remained robust at +17/7% YoY/QoQ, with domestic deposits growing +17/8% YoY/QoQ. International deposits grew by +15/4% YoY/QoQ. For FY27, the management had guided for 10-12% deposit growth. As per media reports, BoB has successfully mobilised \$8 Bn in FCNR (B) deposits.
- ✓ LDR stood at 86.4% vs. 86.7% QoQ, while domestic LDR moderated to 79.8% from 83.3% QoQ. This is broadly in line with management's guided LDR range of 84-86%.

**Exhibit 6: Strong Growth in Credit/Deposits led by FCNR (B) flows**

| (Rs Bn)                                   | Q2FY27 | Q2FY26 | % YoY  | Q1FY27 | % QoQ |
|-------------------------------------------|--------|--------|--------|--------|-------|
| Advances                                  | 15,124 | 12,788 | 18.3   | 14,169 | 6.7   |
| -- Domestic Advances                      | 11,879 | 10,465 | 13.5   | 11,509 | 3.2   |
| -- Domestic Retail Advances               | 3,241  | 2,731  | 18.7   | 3,097  | 4.7   |
| % of Retail Advances of Domestic Advances | 27.3   | 26.1   | 118bps | 26.9   | 38bps |
| Deposits                                  | 17,513 | 15,000 | 16.7   | 16,338 | 7.2   |
| -- Domestic Deposits                      | 14,884 | 12,720 | 17.0   | 13,818 | 7.7   |

Source: Axis Securities Research

**Bajaj Finance Limited (BAF) | BUY – TP – Rs 1,305**

- ✓ BAF added 4.42 Mn new customers (+7/-13% YoY/QoQ) during Q2 taking the total customer franchise to 128.9 Mn customers (+16/4% YoY/QoQ). In H1, BAF has added 9.5 Mn customers vs. management guidance of 18-20 Mn customers.
- ✓ The company booked 13.5 Mn new loans during the quarter (+11/-17% YoY/QoQ). YoY volume growth is not comparable due to the early onset of the festive season in FY26. In H1, BAF booked 29.6 Mn loans vs management guidance of 60-62 Mn loans in FY27. AUM growth was strong at 26/7% YoY/QoQ, slightly ahead of management guidance of 22-24% for FY27. We believe AUM growth is likely driven by continued strength in the **relatively newer segments such as car financing, MFI, CV & tractor financing, albeit on a lower base, Gold financing, along with some stabilisation and growth recovery in SME**. BHFL has reported a 25% YoY AUM growth. Ex-BHFL too, BAF's AUM growth was strong.
- ✓ The deposit book stood at Rs 697.5 Bn (+2% QoQ, flat YoY).
- ✓ **Fund raise:** BAF will raise Rs 175 Bn, with Rs 117 Bn through a QIP and Rs 58 Bn through warrants issued to the promoter – Bajaj Finserv. The preferential warrants will be convertible into an equivalent number of equity shares, with 25% payable upfront and the balance 75% on conversion. **The fundraise amounts to ~13% of our estimates of FY27E networth and would increase FY27E BVPS by ~8.8%.** This is a positive development from a growth perspective, as the additional capital should provide BAF with greater headroom to pursue AUM growth while maintaining comfortable capitalisation.

**Exhibit 7: Strong AUM Growth; Capital Raise to Strengthen Growth Runway**

|                                  | Q2FY27 | Q2FY26 | % YoY | Q1FY27 | % QoQ |
|----------------------------------|--------|--------|-------|--------|-------|
| AUM (Rs Bn)                      | 5,848  | 4,623  | 26.5  | 5,469  | 6.9   |
| Loans Booked (Mn)                | 13.5   | 12.2   | 10.5  | 16.1   | -16.6 |
| New customer additions (Mn)      | 4.4    | 4.1    | 7.0   | 5.1    | -13.3 |
| Customer Franchise strength (Mn) | 128.9  | 110.6  | 16.5  | 124.4  | 3.6   |
| Deposits (Rs Bn)                 | 697.5  | 697.7  | 0.0   | 685.0  | 1.8   |

Source: Axis Securities Research

## DISCLAIMER:

Axis Direct is the brand under Axis Securities Limited, which is a 100% subsidiary of Axis Bank Limited. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks, and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on [www.axisbank.com](http://www.axisbank.com).

Axis Securities Limited is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with the Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No. INP000000654 | Investment Advisor Reg. No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr Rajiv Kejriwal, Tel No. – 022-68555574, Email id – [compliance.officer@axisdirect.in](mailto:compliance.officer@axisdirect.in);

Registered Office Address – Axis Securities Ltd., Unit 002(A), Amiti Building, Piramal Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parc, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances, please call us at 022-40508080 or write to us at [helpdesk@axisdirect.in](mailto:helpdesk@axisdirect.in).

We hereby declare that our activities have neither been suspended nor have we defaulted with any stock exchange authority with whom we are registered in the last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories, etc. have conducted the routine inspection and based on their observations have issued advice/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in the normal course of business, as a Stock Broker/Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange/SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point in time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of a favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and/or the USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been clients during the twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without notice. The report and information contained herein are 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 of Axis Securities. The report must not be used as a singular basis for any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors, including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that the rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made, nor is its accuracy or completeness guaranteed. This report and information herein are solely for informational purposes and shall 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. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and/or 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 the needs of the specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see the Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its associates might have managed or co-managed a public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking, or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimise conflict in the preparation of research reports. Axis Securities or its associates, or its analysts, did not receive any compensation or other benefits from the companies mentioned in the report or a third party in connection with the preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and/or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance from the Research team, and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of the subject company(ies). Axis Securities or Research Analysts, or their relatives, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one per cent or more or other material conflicts of interest in various companies, including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report. Certain transactions-including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centre on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) 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 subject company/company (ies) discussed herein or act as advisor or lender/borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short positions in the above-mentioned scrip(s) and therefore may be considered as interested. This should not be construed as an invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independently of the PCG research, and accordingly, PMS may have positions contrary to the PCG research recommendation.

This research report is issued in India by Axis Securities Limited in accordance with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014. It is intended solely for persons residing in India. The report is not directed at or intended for distribution to, or use by, any person or entity resident in the United States of America, Canada, or in any jurisdiction where such distribution, publication, availability, or use would be contrary to applicable securities laws, including the U.S. Securities Exchange Act of 1934, regulations of the U.S. Securities and Exchange Commission (SEC), and regulations of the Canadian Securities Administrators (CSA).

#### RATING SCALE: Definitions of ratings

| Ratings      | Expected absolute returns over 12 – 18 months                                                                  |
|--------------|----------------------------------------------------------------------------------------------------------------|
| BUY          | More than 10%                                                                                                  |
| HOLD         | Between 10% and -10%                                                                                           |
| SELL         | Less than -10%                                                                                                 |
| NOT RATED    | We have forward-looking estimates for the stock, but we refrain from assigning a valuation and recommendation. |
| UNDER REVIEW | We will revisit our recommendation, valuation and estimates on the stock following recent events.              |
| NO STANCE    | We do not have any forward-looking estimates, valuations or recommendations for the stock.                     |

Note: Returns stated in the rating scale are our internal benchmark.