

October 16, 2025

Q2FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	6,175		6,000	
Revenue (Rs. m)	41,541	46,249	41,417	46,110
% Chg	0.3	0.3		
Opex (Rs. m)	9,108	10,030	9,108	10,030
% Chg	0.0	0.0		
Core EPS (Rs.)	115.3	128.7	114.8	128.3
% Chg	0.4	0.4		

Key Financials - Standalone

Y/e Mar	FY25	FY26E	FY27E	FY28E
Revenue (Rs m)	34,980	41,541	46,249	51,103
Opex	7,718	9,108	10,030	10,916
Employee	3,883	4,733	5,178	5,514
Others	3,836	4,375	4,852	5,402
Core Income (Rs m)	27,262	32,432	36,219	40,187
PAT (Rs mn)	24,611	28,872	32,122	35,967
Core PAT (Rs m)	20,415	24,649	27,526	30,542
Core EPS (Rs.)	95.5	115.3	128.7	142.9
Gr. (%)	36.6	20.7	11.7	11.0
AAuM (Rs bn)	7,480	8,913	10,284	11,763
Gr. (%)	37.6	19.2	15.4	14.4
Core RoAAuM (%)	0.3	0.3	0.3	0.3
Core RoE (%)	36.3	38.0	35.8	33.6
P/Core EPS (x)	31.4	46.0	40.5	35.8

Key Data

HDFC.BO | HDFCAMC IN

52-W High / Low	Rs.5,928 / Rs.3,563
Sensex / Nifty	82,259 / 25,111
Market Cap	Rs.1,232.3bn/ \$ 13,992.4m
Shares Outstanding	214.0m
3M Avg. Daily Value	Rs.2,477.0m

Shareholding Pattern (%)

Promoter's	52.44
Foreign	21.97
Domestic Institution	16.66
Public & Others	8.92
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.6)	35.3	23.0
Relative	(2.9)	27.6	22.6

Gaurav Jani

gauravjani@plindia.com | 91-22-66322235

Harshada Gite

harshadagite@plindia.com | 91-22-66322237

Kush Mehta

kushmehta@plindia.com | 91-22-66322257

Earnings quality remains strong

Quick Pointers:

- Strong quarter led by higher blended yields.
- Net flows remain strong driving stock market share gains.

HDFCAMC saw a strong quarter yet again as revenue was 1.9% more than PLe as revenue yield was better at 46.6bps (PLe 45.7bps) since (1) equity share improved QoQ to 61.0% from 60.3% due to strong MTM gains in Q1FY26 and revival in industry flows after May'25 (2) 137bps QoQ fall in share of liquid and (3) commission rationalization in Q2FY25. Due to strong equity performance in 1-yr/3-yr buckets, market share in net equity flows remains healthy at 14.3% in H1FY26 (12.9% in FY25). Hence stock equity market share increased by 3bps QoQ to 12.83%. MF industry is seeing healthy equity flows; net flows rose QoQ from Rs779bn to Rs1,259bn in Q2FY25. Due to strong pedigree and superior performance HDFCAMC could benefit from increased industry flows. We maintain core EPS for FY27/28E but slightly increase multiple to 41x from 40x and raise TP to Rs6,175 from Rs6,000. Retain 'BUY'.

- Good quarter led by beat on revenue yields:** QAAuM was in-line at Rs8814bn (+6.4% QoQ); while equity (incl. bal) at Rs5378bn grew by 7.6% QoQ. Revenue was better at Rs10.26bn (PLe Rs 10.07bn) led by higher yield at 46.6bps (PLe 45.7bps). Opex was more at Rs2.5bn (PLe Rs2.3bn) due to higher staff cost and other exp. Employee cost was higher at Rs1235mn (PLe Rs1053mn); ESOP cost was Rs211mn. Other expenses soared to Rs1229mn (PLe Rs1071mn). Hence, core income was stable at Rs7.8bn (PLe Rs7.7bn) resulting in operating yields at 35.4bps (vs PLe 35.2bps). Other income was slightly ahead at Rs1bn (PLe Rs0.8bn). Tax rate fell to 18% (PLe 25%) owing to reversal of previous years' provisions to the tune of Rs468mn. Hence, core PAT yields adjusted for tax reversal were in-line at 26bps. PAT was 12.7% ahead of PLe at Rs7.2bn. Management announced bonus at 1:1 with record date fixed at 26th Nov'25.
- Impact of rationalization and equity mix supporting yields:** Equity share (incl. bal) increased to 61.0% (60.3% in Q1FY26); debt share also slightly inched up QoQ to 20.2% while liquid share fall by 137bps to 8.9%. Despite equity QAAuM growth of 7.6% QoQ, yield was maintained at 46.6bps QoQ due to (1) increase in share of equity/debt and decline in liquid and (2) impact of commission rationalization (done in Q2FY25). Equity performance that was deteriorating in 1-yr bucket has been improving since May'25 while it remains superior in the 3-yr bucket. This is driving market share in net flows to be higher than equity AuM. Hence, market share in equity QAAuM improved by 3bps QoQ to 12.8%. Blended yields were stable QoQ: overall at 46bps, equity at 58bps, debt at 27-28bps, liquid at 12-13bps. Unique investor market share for HDFCAMC improved by 66bps QoQ to 25.4%.
- Opex to normalize in upcoming quarters:** The quarter saw 6% higher opex driven by (1) increase in ESOP cost QoQ to Rs211mn from Rs57mn as NRC had approved a new ESOP scheme of 2.5mn shares in Q4FY25 and (2) rise in business promotion and CSR expenses. Hence, opex should normalize in the upcoming quarter. ESOP and PSU cost will be allocated as: FY26-Rs560mn in FY27E-Rs630mn, FY28E-Rs510mn, FY29E-Rs320mn and FY30E-Rs60mn. Further, residual cost on old ESOP plan stood at Rs110mn for FY26E and Rs30mn for FY27E. Over FY25-27E, we are factoring opex CAGR of 12.2% while other opex could grow at a 12.4% CAGR.

Exhibit 1: Strong quarter due to higher revenue yields; lower tax improves profit

Financials (Rs mn)	Q2FY26	Q2FY25	YoY gr. (%)	Q2FY26E	% Var.	Q1FY26	QoQ gr. (%)
Revenue	10,260	8,872	15.6	10,070	1.9	9,678	6.0
Total Expenses	2,463	1,991	23.7	2,324	6.0	2,144	14.9
Employees	1,235	957	29.0	1,253	(1.5)	1,089	13.3
Other expenses	1,229	1,035	18.8	1,071	14.7	1,055	16.5
Operating Income	7,797	6,881	13.3	7,746	0.7	7,534	3.5
Other Income	959	1,706	(43.8)	750	27.8	2,327	(58.8)
Profit before tax	8,756	8,587	2.0	8,496	3.1	9,861	(11.2)
Tax	1,575	2,818	(44.1)	2,124	(25.8)	2,381	(33.8)
Profit after tax	7,181	5,769	24.5	6,372	12.7	7,479	(4.0)
Core PAT	6,394	4,623	38.3	5,810	10.1	5,714	11.9
Profitability ratios (bps)							
Revenue yield	46.6	46.8	(0.2)	45.7	86	46.7	(0.2)
Employee to AuM	5.6	4.7	(0.1)	4.8	(13)	5.0	(0.3)
Opex to AuM	11.2	10.5	(0.1)	4.9	550	9.6	0.8
Core income/AuM	35.4	36.3	(0.9)	35.2	23	36.4	(1.0)
PAT/AuM	32.6	30.4	2.2	28.9	367	36.1	(3.5)
Core PAT/AuM	29.0	24.4	4.7	26.4	265	27.6	1.4
QAAuM (Rs mn)							
Equity	88,14,288	75,89,755	16.1	88,14,288	-	82,85,098	6.4
Balanced	37,83,428	32,36,851	16.9	37,82,643	0	34,60,541	9.3
Debt	15,94,273	14,73,628	8.2	15,95,787	(0)	15,35,980	3.8
Liquid	17,76,757	14,71,413	20.8	17,70,616	0	16,21,372	9.6
ETF	7,80,078	7,53,957	3.5	7,81,961	(0)	8,46,942	(7.9)
Index	2,30,693	1,37,139	68.2	2,30,488	0	2,01,320	14.6
Arbitrage	4,20,199	3,53,892	18.7	4,24,631	(1)	4,05,590	3.6
FoF overseas	2,14,457	1,50,439	42.6	2,14,433	0	2,00,904	6.7
	13,732	12,438	10.4	13,728	0	12,449	10.3

Source: Company, PL.

Q2FY26 Conference Call Highlights

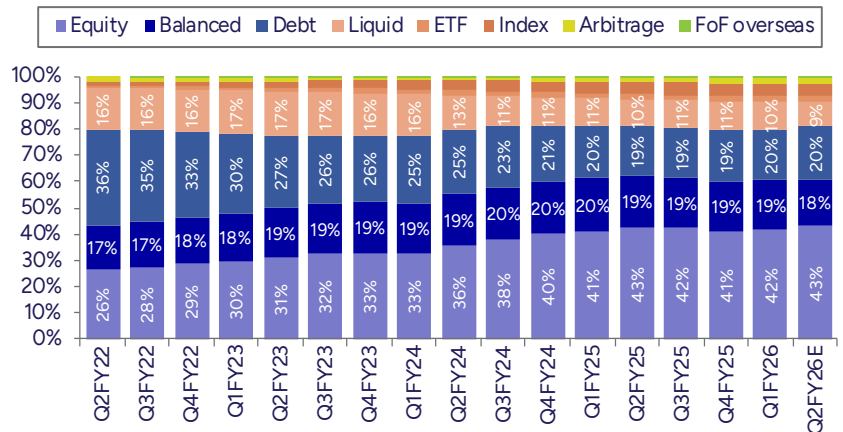
Company Performance

- Yields: Equity – 58bps, Debt – 27-28bps, Liquid – 12-13bps.
- Impact of telescopic pricing has been offset by commission rationalization which helped in maintaining operating yields at 33-35bps and management is focused on maintaining them.
- ESOP cost for H2FY26 to be Rs420mn, Rs670mn in FY27, Rs530mn in FY28.
- Company added 50 new offices across India in last two years.
- Surge in opex was mainly due to higher CSR expense, business promotion and NFO related expenses. Opex growth guided at 12-15%.
- Tax rate was lower on account of company's reassessment of its income tax provisions which led to reversing of income tax provision of earlier years amounting to Rs468mn.

Others

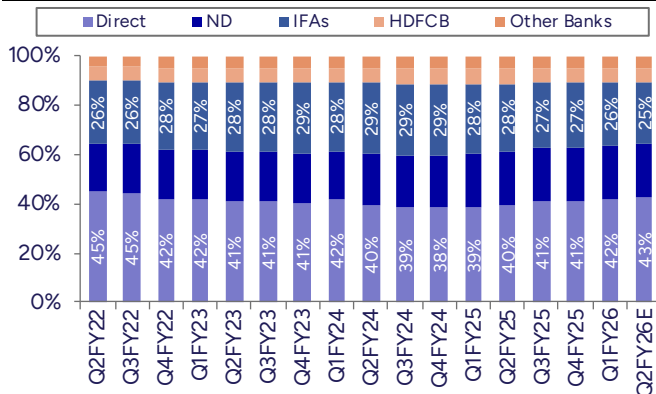
- Company launched two new funds during 2QFY26 namely 1) HDFC Innovation Fund and 2) HDFC diversified equity all cap FoF which collected Rs24bn and 11bn respectively.
- Management will hinge on its large distribution network, continue investment in technology and investment in alternative spaces beyond mutual funds like PMS among others for future growth.
- Company closed its Category II AIF in FY25 of Rs12bn and has witnessed promising start to fundraising for their performing credit fund with talks in final discussion with global investors for participation.
- Company has 5 active funds under its GIFT city platform and has strategies in place to launch in-bound and out-bound funds.
- Company has come under partnership with UBS Asset Management for its India small & midcap and India all cap strategies which went live recently.
- Company is yet to finalize guidelines on the new incentives introduced by SEBI for expansion in B-30 cities, though it is well prepared for the same because of its wide presence and strong distribution network.
- Product pipeline remains largely complete and management would focus in gaining leadership position in existing funds.
- Company has approvals for SIF and is planning to launch schemes across all categories.

Exhibit 2: Equity + Bal share steady at ~61%, debt share stable at ~20%



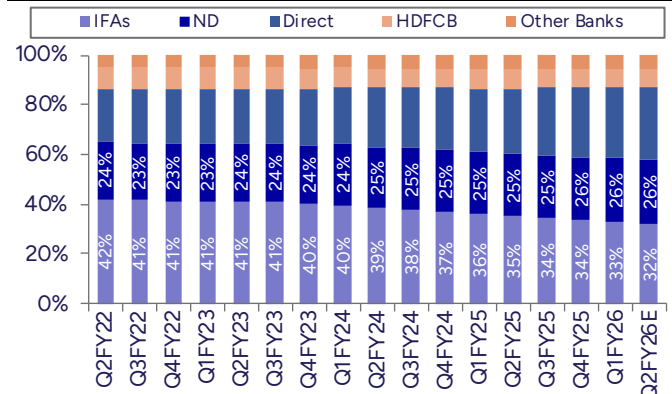
Source: Company, PL

Exhibit 3: Total distribution – Direct dominates at 43%



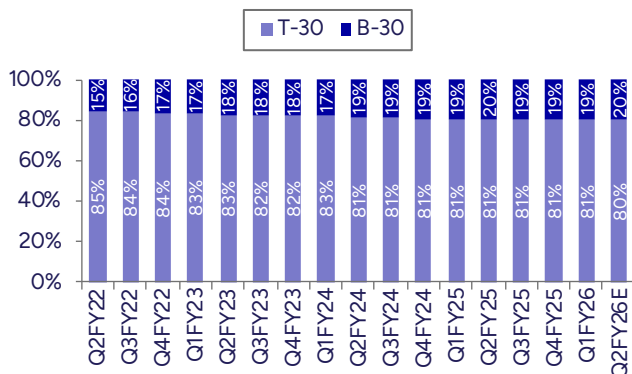
Source: Company, PL

Exhibit 4: Equity distribution – IFAs dominates at 32%



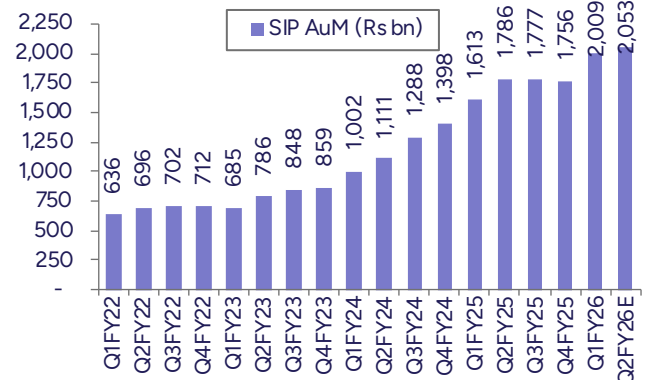
Source: Company, PL

Exhibit 5: T-30:B-30 mix was better at 80:20



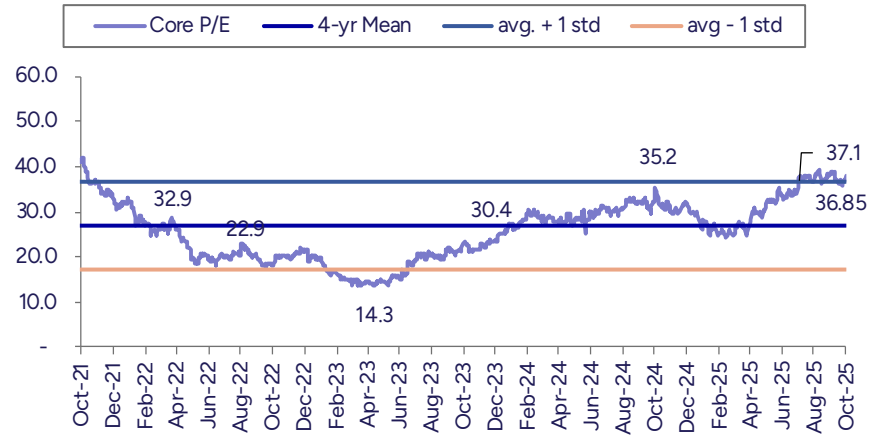
Source: Company, PL

Exhibit 6: SIP AuM increased by 15% YoY



Source: Company, PL

Exhibit 7: HDFCAMC 2-yr fwd. P/Core EPS trades at 36.9x



Source: Company, PL

Financials

Exhibit 8: Quarterly Financials

Particulars (Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Revenue	6,431	6,713	6,954	7,752	8,872	9,344	9,012	9,678	10,260
Expenses	1,761	1,751	1,718	1,959	1,991	1,872	1,897	2,144	2,463
Employee	929	903	864	1,008	957	949	968	1,089	1,235
Others	702	718	721	818	898	774	762	882	1,051
Depreciation	130	131	133	133	137	149	166	172	178
Core Income	4,670	4,962	5,236	5,794	6,881	7,472	7,116	7,534	7,797
Other Income	1,221	1,424	1,555	1,731	1,706	927	1,238	2,327	959
PBT	5,891	6,386	6,791	7,525	8,587	8,400	8,353	9,861	8,756
Tax	1,516	1,489	1,380	1,485	2,818	1,985	1,966	2,381	1,575
PAT	4,376	4,897	5,411	6,040	5,769	6,415	6,387	7,479	7,181
Core PAT	3,468	3,805	4,172	4,650	4,623	5,706	5,441	5,714	6,394
QAAuM	5,247,903	5,513,799	6,129,639	6,716,253	7,589,755	7,873,645	7,741,324	8,285,098	88,14,288
Equity	35.7%	38.0%	39.9%	41.2%	42.6%	42.1%	41.1%	41.8%	42.9%
Balanced	19.4%	19.9%	20.2%	19.9%	19.4%	19.0%	18.9%	18.5%	18.1%
Debt	24.8%	23.3%	21.1%	20.1%	19.4%	19.2%	19.5%	19.6%	20.2%
Liquid	13.1%	11.3%	11.0%	10.6%	9.9%	10.7%	11.0%	10.2%	8.9%
ETF	1.8%	1.9%	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%	2.6%
Index	3.8%	4.0%	4.1%	4.3%	4.7%	4.7%	4.8%	4.9%	4.8%
Arbitrage	1.2%	1.4%	1.7%	1.8%	2.0%	2.1%	2.3%	2.4%	2.4%
FoF overseas	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Market share (%)	11.2	11.2	11.3	11.4	11.5	11.5	11.5	11.5	11.4
Equity	10.2	10.5	10.7	10.9	11.0	10.9	10.9	11.1	11.2
Balanced	20.3	20.4	20.7	20.5	20.5	20.2	19.9	19.8	19.3
Eq+Bal	12.3	12.6	12.8	12.9	12.8	12.7	12.7	12.8	12.8
Debt	14.7	14.5	14.7	14.5	14.6	14.2	14.1	14.1	14.0
Liquid	11.9	11.5	11.6	12.0	12.1	12.9	12.6	12.3	11.4
ETF	1.7	1.7	1.7	1.7	1.7	1.9	2.1	2.3	2.5
Index	11.2	11.5	12.2	12.7	13.7	13.8	13.6	13.7	13.6
QAAuM Growth (%)	8.1	5.1	11.2	9.6	13.0	3.7	-1.7	7.0	6.4
Equity	17.6	12.0	16.6	13.2	17.1	2.5	-4.1	8.8	9.3
Balanced	10.1	7.9	12.7	8.1	10.1	1.6	-2.5	5.3	3.8
Eq+Bal	14.9	10.5	15.2	11.5	14.8	2.2	-3.6	7.7	7.6
Debt	5.8	-1.3	0.9	4.4	8.8	2.6	-0.1	7.4	9.6
Liquid	-11.4	-8.9	7.9	6.1	5.5	11.8	1.4	-0.9	-7.9
ETF	6.3	5.6	7.8	11.2	11.8	12.1	12.3	16.6	14.6
Index	10.5	8.5	15.4	15.1	22.1	5.6	0.0	8.5	3.6
Arbitrage	16.0	25.3	32.8	14.5	25.2	10.4	7.2	12.8	6.7
FoF overseas	0.0	8.0	6.9	4.7	1.3	2.6	1.5	-3.9	10.3
Dupont (bps)									
Revenue yield	49.0	48.7	45.4	46.2	46.8	47.5	46.6	46.7	46.6
Opex to AuM	13.4	12.7	11.2	11.7	10.5	9.5	9.8	10.4	11.2
Staff cost	7.1	6.6	5.6	6.0	5.0	4.8	5.0	5.3	5.6
Other opex	5.3	5.2	4.7	4.9	4.7	3.9	3.9	4.3	4.8
Depreciation	1.0	0.9	0.9	0.8	0.7	0.8	0.9	0.8	0.8
Core income/AuM	35.6	36.0	34.2	34.5	36.3	38.0	36.8	36.4	35.4
PAT/AuM	33.4	35.5	35.3	36.0	30.4	32.6	33.0	36.1	32.6
Core PAT/AuM	26.4	27.6	27.2	27.7	24.4	29.0	28.1	27.6	29.0
Profitability (%)									
Staff cost/revenue	14.5	13.5	12.4	13.0	10.8	10.2	10.7	11.3	12.0
Other opex/revenue	10.9	10.7	10.4	10.6	10.1	8.3	8.5	9.1	10.2
Core income/revenue	72.6	73.9	75.3	74.7	77.6	80.0	79.0	77.8	76.0
Tax rate	25.7	23.3	20.3	19.7	32.8	23.6	23.5	24.1	18.0
PAT margin	68.0	72.9	77.8	77.9	65.0	68.7	70.9	77.3	70.0
Core PAT margin	53.9	56.7	60.0	60.0	52.1	61.1	60.4	59.0	62.3

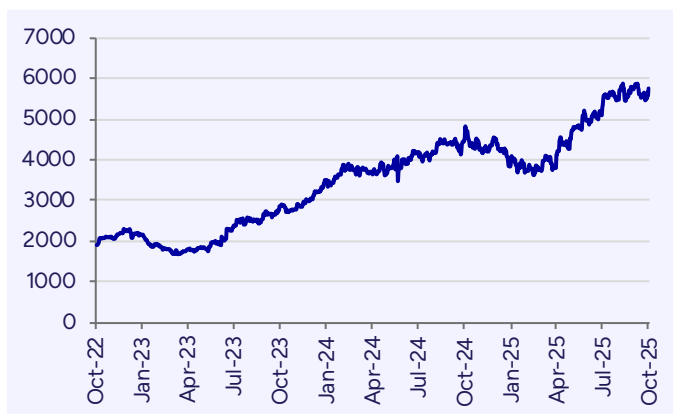
Source: Company, PL

Exhibit 9: Summary Financials (Rs mn)

Particulars	FY25	FY26	FY27E	FY28E	Particulars	FY25	FY26	FY27E	FY28E
Profit & Loss					Balance Sheet				
Revenue	34,980	41,541	46,249	51,103	Net Worth	81,341	96,581	1,14,219	1,34,650
Investment mgmt.	34819	41355	46041	50874	Capital (FV Rs5)	1,069	1,069	1,069	1,069
PMS / Advisory	162	186	207	229	Reserves	80,272	95,512	1,13,150	1,33,581
Expenses	7,718	9,108	10,030	10,916	Employee benefit	1,005	1,206	1,448	1,737
Employee	3,883	4,733	5,178	5,514	Others	5,190	5,698	6,257	6,871
Others	3,252	3,669	4,110	4,623	Total Liabilities	87,536	1,03,486	1,21,924	1,43,259
Depreciation	584	707	742	779	Cash and Bank	128	128	128	128
Core Income	27,262	32,432	36,219	40,187	Investment	82,889	98,485	1,16,539	1,37,457
Other Income	5,602	5,557	6,047	7,138	Fixed assets	1,974	2,072	2,176	2,285
PBT	32,864	37,989	42,266	47,325	Others	2,546	2,801	3,081	3,389
Tax	8,254	9,117	10,144	11,358	Total Assets	87,536	1,03,486	1,21,924	1,43,259
PAT	24,611	28,872	32,122	35,967	AAuM				
Core PAT	20,415	24,649	27,526	30,542	Equity	31,25,153	40,35,462	46,76,012	53,97,376
Dividend	19,242	23,098	25,698	28,775	Balanced	14,42,109	17,10,436	19,58,148	22,07,586
Growth ratios (%)					Debt	14,60,714	16,17,460	18,70,918	20,99,170
Revenue	35.4	18.8	11.3	10.5	Liquid	7,91,516	7,19,709	7,81,432	8,83,799
Opex	12.8	18.0	10.1	8.8	ETF	1,46,534	2,19,063	2,96,846	3,64,244
Employee	9.8	21.9	9.4	6.5	Index	3,47,899	4,18,451	4,78,531	5,47,006
Others	16.7	12.8	12.0	12.5	Arb & FoF	1,66,319	1,92,529	2,22,393	2,63,851
Core income	43.5	19.0	11.7	11.0	Mix				
PAT	26.5	17.3	11.3	12.0	Equity	41.8	45.3	45.5	45.9
Core PAT	36.8	20.7	11.7	11.0	Balanced	19.3	19.2	19.0	18.8
DuPont analysis (%)					Debt	19.5	18.1	18.2	17.8
Revenue	0.47	0.47	0.45	0.43	Liquid	10.6	8.1	7.6	7.5
Expenses	0.10	0.10	0.10	0.09	ETF	2.0	2.5	2.9	3.1
Employee	0.05	0.05	0.05	0.05	Index	4.7	4.7	4.7	4.7
Others	0.04	0.04	0.04	0.04	Arb & FoF	2.2	2.2	2.2	2.2
Depreciation	0.01	0.01	0.01	0.01	Growth				
Core Income	0.364	0.364	0.352	0.342	Overall	37.6	19.2	15.4	14.4
Other Income	0.07	0.06	0.06	0.06	Equity	56.2	29.1	15.9	15.4
PBT	0.44	0.43	0.41	0.40	Balanced	34.8	18.6	14.5	12.7
Tax	0.11	0.10	0.10	0.10	Debt	14.4	10.7	15.7	12.2
PAT (RoAAuM)	0.33	0.32	0.31	0.31	Liquid	14.9	-9.1	8.6	13.1
Core RoAAuM	0.27	0.28	0.27	0.26	ETF	46.3	49.5	35.5	22.7
ROE	32.4	32.5	30.5	28.9	Index	63.0	20.3	14.4	14.3
Core RoE	36.3	38.0	35.8	33.6	Valuations				
Other Ratios (%)					EPS	115.1	135.0	150.2	168.2
Staff cost/revenue	11.1	11.4	11.2	10.8	Core EPS	95.5	115.3	128.7	142.9
Other opex/revenue	9.3	8.8	8.9	9.0	CPS	388.3	461.2	545.7	643.5
Core Income/revenue	77.9	78.1	78.3	78.6	DPS	90.0	108.0	120.2	134.6
Other Income/revenue	16.0	13.4	13.1	14.0	Dividend yield	2.2	1.9	2.1	2.3
Yield on Investments	7.2	6.0	5.5	5.5	BVPS	380	452	534	630
Effective tax rate	25.1	24.0	24.0	24.0	P/B	9.0	12.8	10.8	9.2
PAT margin	70.4	69.5	69.5	70.4	P/E	30.2	42.7	38.4	34.3
Core PAT margin	58.6	59.6	59.8	60.0	P/core EPS	31.4	46.0	40.5	35.8
Dividend payout (%)	78.2	80.0	80.0	80.0					

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Oct-24	BUY	4,700	4,133
2	16-Oct-24	BUY	5,360	4,555
3	08-Jan-25	BUY	5,360	4,071
4	15-Jan-25	BUY	4,700	3,865
5	27-Feb-25	BUY	4,450	3,763
6	08-Apr-25	BUY	4,450	3,831
7	21-Apr-25	BUY	4,600	4,218
8	08-Jul-25	BUY	4,600	5,102
9	18-Jul-25	BUY	5,700	5,357
10	08-Oct-25	BUY	6,000	5,559

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Accumulate	1,925	1,672
2	Axis Bank	BUY	1,375	1,187
3	Bank of Baroda	BUY	270	262
4	Can Fin Homes	BUY	875	805
5	City Union Bank	BUY	245	219
6	DCB Bank	BUY	155	132
7	Federal Bank	BUY	220	199
8	HDFC Asset Management Company	BUY	6,000	5,559
9	HDFC Bank	BUY	1,075	983
10	ICICI Bank	BUY	1,730	1,376
11	IndusInd Bank	Hold	780	749
12	Kotak Mahindra Bank	BUY	2,350	2,127
13	LIC Housing Finance	BUY	725	567
14	Nippon Life India Asset Management	BUY	900	875
15	State Bank of India	BUY	960	865
16	Union Bank of India	BUY	150	139
17	UTI Asset Management Company	BUY	1,400	1,332

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Gaurav Jani- CA, Passed CFA Level II, Ms. Harshada Gite- CA, Mr. Kush Mehta- CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Gaurav Jani- CA, Passed CFA Level II, Ms. Harshada Gite- CA, Mr. Kush Mehta- CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

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

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company 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 or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com