

January 24, 2024

RESULT REPORT Q3 FY24 | Sector: Banks

Indian Bank Ltd

Initiated as BUY in March 2022, INBK multiplies nearly 3x but still has upside

Our view - Asset quality control, relatively margin stability and reasonable growth make us maintain stance

Gross slippages and provisions decline sequentially while management guides for decline in provisions: Gross NPA additions amounted to Rs 16.67bn for 3QFY24 compared with Rs 19.82bn during 2QFY24. Provisions were Rs 13.5bn, down by -13% QoQ and -46% YoY, translating to calculated annualised all-inclusive credit cost of 112bps. Management stated that provisions would be slightly lower in FY25 compared with FY24.

Margin declined slightly on sequential basis and was within guidance, with management calling for stable margin: Domestic NIM declined 3 bps QoQ to 3.49%. This is within the guidance made at the beginning of the year of maintaining FY23 margin plus or minus 10-15 bps, with FY23 margin being 3.41%. Management stated that margin will be protected at current levels. The high proportion of MCLR book at 61% of total loan book will ensure that any deposit cost rise will translate into reasonable asset yield rise.

Loan growth has been slightly ahead of guidance, with management flagging similar growth next year: Overall loan growth was 13% YoY, driven by RAM, which grew 13% YoY. The bank had guided for 10-12% growth at the beginning of the year but has achieved 13% so far on a broad-based basis. Management stated that the bank would like to grow at a similar pace next year.

We maintain 'BUY' rating on INBK with an unchanged price target of Rs 550: We initiated on INBK with BUY, in our [report released in March 2022](#), and as only our 3rd PSB pick, as our thumbs up to the PSU bank theme. Since then, INBK has returned 187%. We value the bank at 1.2x FY25 P/BV for an FY24E/25E/26E RoE profile of 13.1/14.4/15.3%.

(See Comprehensive con call takeaways on page 2 for significant incremental colour.)

Result Highlights (See "Our View" above for elaboration and insight)

- **Asset quality:** Gross NPA additions amounted to Rs 16.67bn (annualized NPA addition ratio of 1.3%), while recoveries and upgrades amounted to Rs 11.43bn
- **Margin picture:** Domestic NIM at 3.49% was down -3bps QoQ, due to cost of deposits rising more than yield on advances
- **Asset growth:** Gross advances grew 3.6%/12.9% QoQ/YoY, driven sequentially by Overseas loans, MSME, Agri and Retail Loans
- **Opex control:** Total opex grew 5.5%/14.7% QoQ/YoY, Employee Exp. grew 7.3%/17.3% QoQ/YoY and other expense rose 2.3%/10.3% QoQ/YoY
- **Fee income:** Core fee income rose 5.8%/21% QoQ/YoY, driven higher sequentially by growth in commission on LC/BG and Misc. fee income

Exhibit 1: Result table

(Rs mn)	Q3 FY24	Q2 FY24	% qoq	Q3 FY23	% yoy
Total Interest Income	141,976	137,433	3.3	118,342	20.0
Interest expended	(83,834)	(80,031)	4.8	(63,350)	32.3
Net Interest Income	58,142	57,402	1.3	54,992	5.7
Other income	19,016	19,930	(4.6)	17,165	10.8
Total Income	77,158	77,332	(0.2)	72,156	6.9
Operating expenses	(36,186)	(34,304)	5.5	(31,542)	14.7
PPoP	40,972	43,027	(4.8)	40,614	0.9
Provisions	(13,494)	(15,507)	(13.0)	(25,157)	(46.4)
PBT	27,478	27,521	(0.2)	15,457	77.8
Tax	(6,285)	(7,643)	(17.8)	(1,499)	319.2
PAT	21,194	19,878	6.6	13,958	51.8

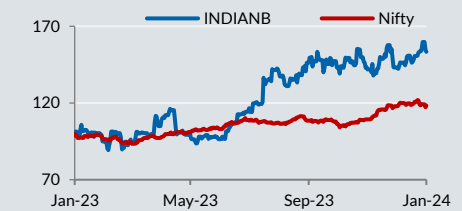
Source: Company, YES Sec-Research

Recommendation	: BUY
Current price	: Rs 442
Target price	: Rs 550
Potential return	: 25%

Stock data (as on January 24, 2023)

Nifty	21,454
52 Week h/l (Rs)	463 / 252
Market cap (Rs/USD mn)	599534 / 7215
Outstanding Shares (mn)	1,347
6m Avg t/o (Rs mn):	853
Div yield (%):	1.8
Bloomberg code:	INBK IN
NSE code:	INDIANB

Stock performance



Shareholding pattern (As of Dec'23 end)

Promoter	73.84%
FII+DII	21.7%
Others	4.4%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	550	550

Financial Summary

(Rs mn)	FY24E	FY25E	FY26E
NII	222,812	254,011	287,709
PPOP	166,656	193,863	226,371
Net Profit	67,805	85,526	102,762
Growth (%)	28.4	26.1	20.2
EPS (Rs)	50.4	63.6	76.4
BVPS (Rs)	414	468	533
P/E (x)	8.8	6.9	5.8
P/BV (x)	1.1	0.9	0.8
ROE (%)	13.1	14.4	15.3
ROA (%)	0.9	1.0	1.1
Tier-1 (%)	14.0	13.4	12.8

Δ in earnings estimates

Rs.	FY24E	FY25E	FY26E
EPS (New)	50.4	63.6	76.4
EPS (Old)	50.4	63.6	76.4
% change	0.0%	0.0%	0.0%

SHIVAJI THAPLIYAL

Head of Research
& Lead Analyst

shivaji.thapliyal@ysil.in



SIDDHARTH RAJPUROHIT, Analyst

COMPREHENSIVE CON-CALL TAKEAWAYS

Asset quality

- **Slippages**
 - Gross NPA additions amounted to Rs 16.67bn for 3QFY24, translating to an annualized slippage ratio of 1.3% for the quarter. (Gross NPA additions had amounted to Rs 19.82bn during 2QFY24.)
- **Recoveries and upgrades**
 - Recoveries and upgrades amounted to Rs 11.43bn for 3QFY24, implying net NPA addition of Rs 5.24bn for the quarter.
- **Provisions**
 - **P&L provisions**
 - Provisions were Rs 13.5bn, down by -13% QoQ and -46% YoY, translating to calculated annualised all-inclusive credit cost of 112bps.
 - Specific provisions (i.e. provisions excluding standard asset provisions) translated to credit cost of 76 bps compared with 79 bps in 2Q.
 - **Credit cost guidance**
 - Provisions would be slightly lower in FY25 compared with FY24.
 - **Outstanding provisions**
 - The total standard asset provisions amount to Rs 75bn.
- **Restructuring**
 - There was incremental restructuring amounting to Rs 0.5-0.6bn during the quarter due to natural calamities.

Operating expenses

- **Total opex**
 - Total opex, at Rs. 36.19 bn, is up 5.5% QoQ and 14.7% YoY.
 - Consequently, cost/income ratio came in at 46.9%, up by 254bps QoQ and 319bps YoY.
- **Staff expenses**
 - The staff opex is up by 7.3% QoQ and 17.3% YoY.
 - **Wage hike provisions**
 - The incremental provision due to wage hike being revised to 17% amounted to Rs 5.62bn, of which Rs 2.25bn was due to per quarter run rate impact and the remaining Rs 3.4bn due to one-time arrear impact.
 - The outstanding wage provision currently held as of December 2023 stands at Rs 12.51bn compared with Rs 6.89bn as of September 2023.
 - **Retirement provision**
 - There was also an incremental retirement provision over and above the wage hike provision which effectively implied that the provision has been made for a 21% wage hike as opposed to a 17% hike.
- **Non-staff expenses**
 - Other opex is up by 2.3% QoQ and 10.3% YoY.

Net interest margin

- **NIM for the quarter**
 - NIM (Global) was at 3.41%, down -5 bps QoQ and -26bps YoY.

(Con call takeaways continue on the next page)

- Domestic NIM declined 3 bps QoQ to 3.49%.
- This is within the guidance made at the beginning of the year of maintaining FY23 margin plus or minus 10-15 bps, with FY23 margin being 3.41%.
- **Yield on advances**
 - The yield on advances has risen 3 bps QoQ to 8.78%.
- **Cost of deposits**
 - Cost of deposits has risen 10 bps QoQ to 4.99%.
- **NIM guidance**
 - Margin will be protected at current levels.
 - The high proportion of MCLR book will ensure that any deposit cost rise will translate into a material asset yield rise.
- **Loan to deposit ratio**
 - While LDR is at 78%, there are other sources of funding.
 - The LCR has risen to 142%.
 - There is also excess SLR worth Rs 400bn.
 - Considering all these factors, there is headroom for LDR to rise a few percentage points.
- **Loan book split by rate category**
 - MCLR – 61%
 - Repo – 34%
 - Fixed rate / Staff loans – 5%

Loan growth

- Overall loan growth was 13% YoY, driven by RAM, which grew 13% YoY.
- Retail segment grew 14% YoY whereas agri segment grew 16% YoY.
- MSME loans grew 7% whereas corporate loans grew 10% YoY.
- **Guidance**
 - The bank had guided for 10-12% at the beginning of the year but has achieved 13% so far on a broad-based basis.
 - Management stated that the bank would like to grow at a similar pace next year.

Deposits growth

- Overall deposits growth is 10% YoY.
- CASA growth has been 8% YoY whereas term deposits have grown 11% YoY.
- The CASA ratio is above 41%.

Capital adequacy

- Capital adequacy ratio stood at 15.58% as of the end of the quarter.
- The Rs 40bn QIP enhances capital ratio by about 100 bps.
- The RBI guidelines on risk weights impacted capital ratio by 57 bps, ceteris paribus.
- Adding 9M profit would enhance capital ratio by 153 bps to 17.11%.
- The CET1 ratio stood at 13.89%.

Exhibit 2: Key quarterly balance sheet / business data

(Rs mn)	Q3FY24	Q2FY24	% qoq	Q3FY23	% yoy	Q3FY24*	chg QoQ*	chg YoY*
Global Gross Advances	5,098,000	4,922,880	3.6	4,516,580	12.9	100.0	0bps	0bps
Overseas Gross Advances	354,450	336,070	5.5	274,960	28.9	7.0	13bps	86bps
Domestic Gross Advances	4,743,550	4,586,810	3.4	4,241,620	11.8	93.0	-13bps	-86bps
Corporate Loans	1,775,100	1,727,900	2.7	1,613,510	10.0	34.8	-28bps	-90bps
MSME	831,720	801,160	3.8	773,720	7.5	16.3	4bps	-82bps
Agri	1,144,220	1,104,040	3.6	982,200	16.5	22.4	2bps	70bps
Retail Loans	992,510	953,710	4.1	872,190	13.8	19.5	10bps	16bps
Home Loan	643,430	622,890	3.3	572,630	12.4	12.6	-3bps	-6bps
Auto Loan	72,910	62,910	15.9	49,990	45.8	1.4	15bps	32bps
Personal Loan	86,480	86,680	(0.2)	66,490	30.1	1.7	-6bps	22bps
Jewel Loan Non Priority	56,260	54,220	3.8	51,920	8.4	1.1	0bps	-5bps
Others	133,430	127,010	5.1	131,160	1.7	2.6	4bps	-29bps
Total Deposits	6,541,540	6,408,027	2.1	5,971,140	9.6	100.0	0bps	0bps
CA	338,140	334,470	1.1	302,010	12.0	5.2	-5bps	11bps
SA	2,256,980	2,235,800	0.9	2,110,120	7.0	34.5	-39bps	-84bps
Term	3,946,420	3,837,757	2.8	3,559,010	10.9	60.3	44bps	73bps
RWA	3,801,910	3,537,190	7.5	3,226,830	17.8	NA	NA	NA

Source: Company, YES Sec – Research, *Share in total and change in share

Exhibit 3: Key quarterly ratios

(%)	Q3 FY24	Q2 FY24	chg qoq	Q3 FY23	chg yoy
Net interest margin-Global	3.41	3.46	-5bps	3.67	-26bps
Net interest margin-Domestic	3.49	3.52	-3bps	3.74	-25bps
Yield on advances	8.78	8.75	3bps	8.19	59bps
Cost of deposits	4.99	4.89	10bps	4.19	80bps
Loan to Deposit ratio	74.8	73.4	140bps	71.4	342bps
Non-interest income/Total income	24.6	25.8	-113bps	23.8	86bps
Fee Income to Avg. Total Assets	0.5	0.4	1bps	0.4	4bps
Cost to Income	46.9	44.4	254bps	43.7	319bps
Opex to Avg. Total Assets	1.9	1.9	3bps	1.9	6bps
RoE	19.9	19.9	2bps	15.2	471bps
RoA	1.1	1.1	5bps	0.8	31bps
Capital adequacy ratio	15.6	15.5	5bps	15.7	-16bps
Common equity tier 1	12.4	12.1	29bps	12.0	39bps
Tier I capital ratio	12.9	12.6	25bps	12.6	30bps
Annualised Slippage Ratio*	1.3	1.6	-30bps	1.2	15bps
Provision Coverage	95.9	95.6	26bps	93.6	231bps
Gross NPA	4.5	5.0	-50bps	6.5	-206bps
Net NPA	0.5	0.6	-7bps	1.0	-47bps

Source: Company, YES Sec – Research, * Annualised Gross NPA Addition Ratio

Exhibit 4: Quarterly Actuals Vs Estimates

Q3FY24 (Rs. mn)	Actuals	Estimates	Diff, %
Net Interest Income	58,142	58,724	(1.0)
Pre-Prov. Operating Profit	40,972	40,780	0.5
Profit After Tax	21,194	17,085	24.0

Source: Company, YES Sec – Research

Exhibit 5: Operating Expense Break-up

(Rs mn)	Q3FY24	Q2FY24	% qoq	Q3FY23	% yoy
Employee Expense	23,358	21,769	7.3	19,915	17.3
Other Operating Expense	12,829	12,535	2.3	11,628	10.3
Total Operating Expense	36,186	34,304	5.5	31,542	14.7

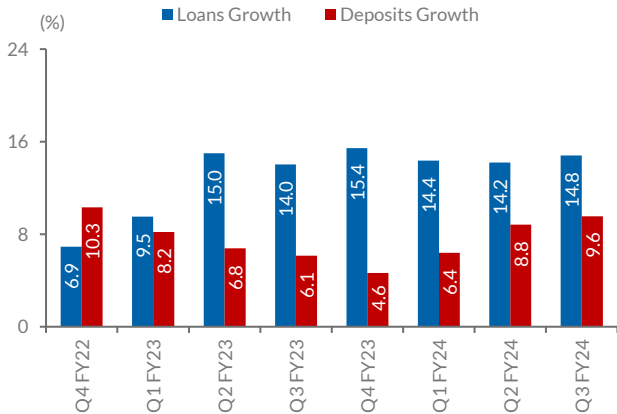
Source: Company, YES Sec – Research

Exhibit 6: Non-Interest Income Break-up

(Rs mn)	Q3FY24	Q2FY24	% qoq	Q3FY23	% yoy
Total Fee Income (A)	8,520	8,050	5.8	7,040	21.0
Transaction fees	1,840	2,090	(12.0)	1,630	12.9
Loan processing charges	1,900	2,000	(5.0)	1,750	8.6
Commission on Govt. business	200	180	11.1	160	25.0
Commission on LC/BG	1,150	940	22.3	1,170	(1.7)
Cross Selling	520	420	23.8	390	33.3
Income from PFMS operations	160	20	700.0	110	45.5
Rent on Lockers	430	350	22.9	330	30.3
Misc fee Income	2,320	2,050	13.2	1,500	54.7
Total Other Income (B)	10,496	11,880	(11.6)	10,125	3.7
Forex Income	840	880	(4.5)	2,940	(71.4)
Treasury Income	3,280	3,230	1.5	2,010	63.2
Bad Debts Recovered	4,180	5,080	(17.7)	4,260	(1.9)
PSLC Commission	1,670	1,690	(1.2)	400	317.5
Others	526	1,000	(47.3)	515	2.3
Total Non-Interest Income (A+B)	19,016	19,930	(4.6)	17,165	10.8

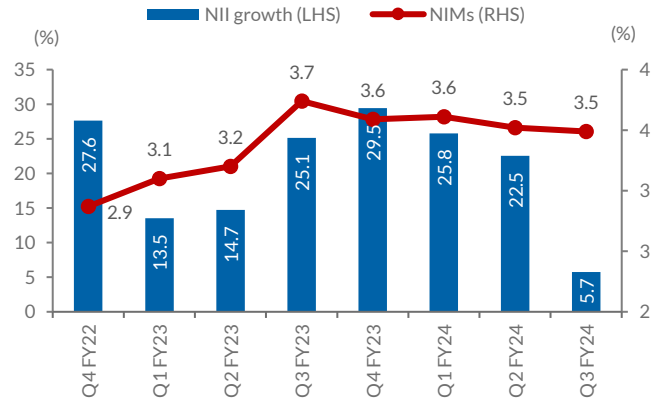
Source: Company, YES Sec – Research

Exhibit 7: Loans and Deposits growth (YoY %)



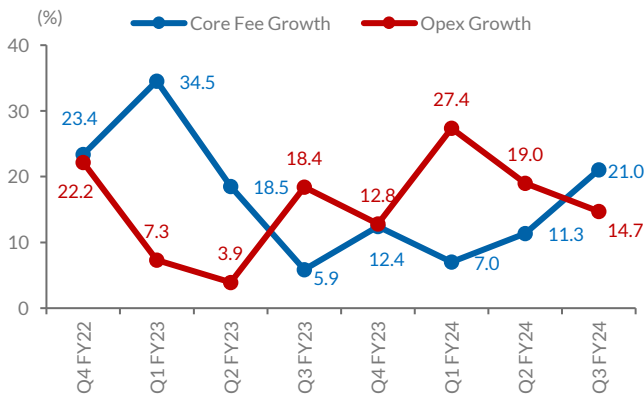
Source: Company, YES Sec – Research

Exhibit 8: NII growth (YoY %) and NIM (%)



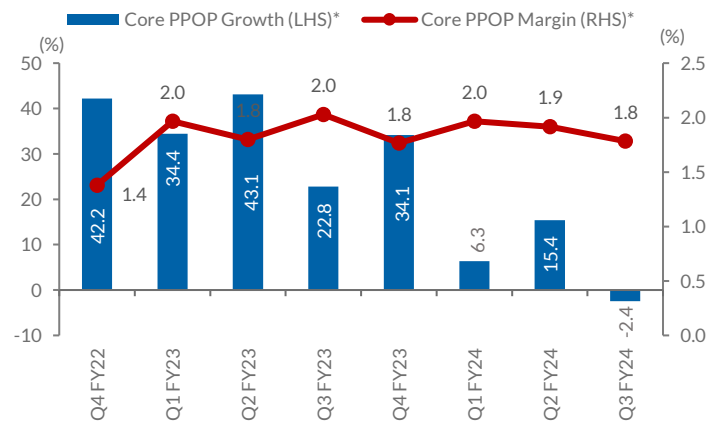
Source: Company, YES Sec – Research

Exhibit 9: Core Fee and Opex growth (YoY %)



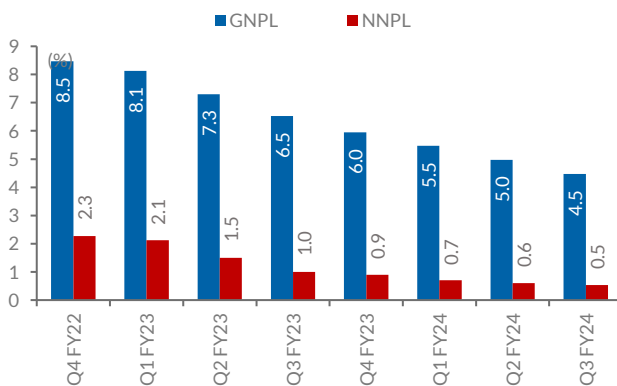
Source: Company, YES Sec – Research

Exhibit 10: Core PPOP growth (YoY %) and Core PPOP margin (%)



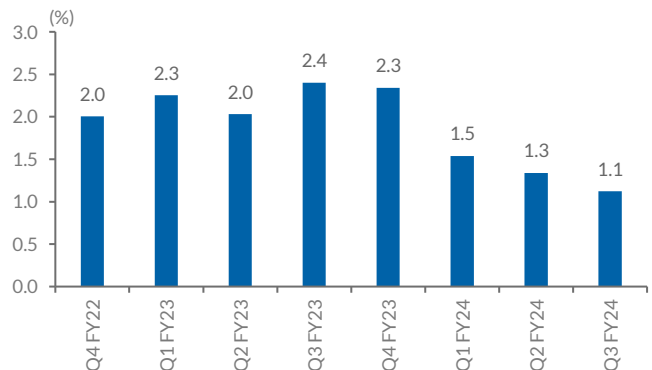
Source: Company, YES Sec – Research. * Core PPOP is derived by adjusting PPOP for gain/loss on sale of investments and misc. income

Exhibit 11: Gross NPA and Net NPA (%)



Source: Company, YES Sec – Research

Exhibit 12: Provisions/Average Advances (%)



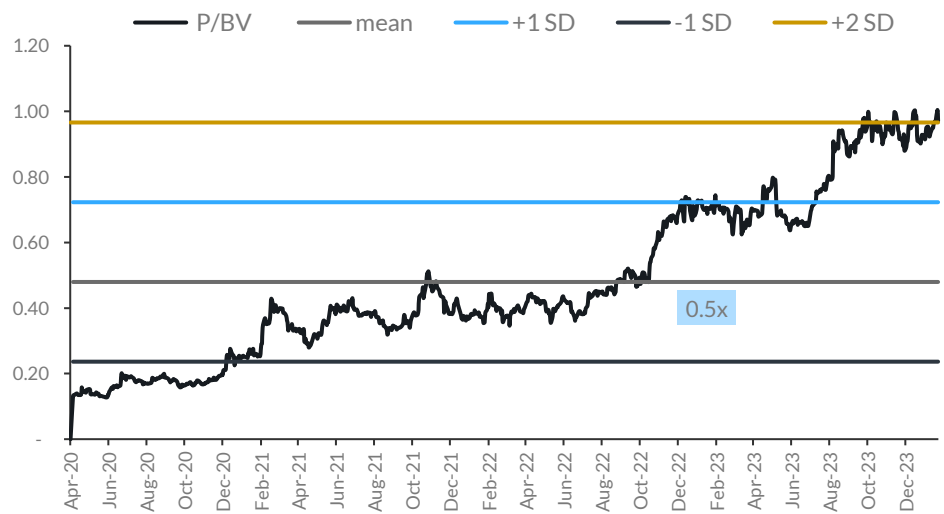
Source: Company, YES Sec – Research

Exhibit 13: 1-year rolling P/BV band



Source: Company, YES Sec – Research

Exhibit 14: 1-yr rolling P/BV vis-a-vis the mean and standard deviations



Source: Company, YES Sec – Research

ANNUAL FINANCIALS

Exhibit 15: Balance sheet

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Total cash & equivalents	799,161	501,326	629,015	704,497	789,037
Investments	1,745,586	1,859,883	2,045,871	2,291,375	2,566,340
Advances	3,891,861	4,492,967	5,032,123	5,635,978	6,312,296
Fixed assets	76,837	74,590	82,049	90,254	99,280
Other assets	203,236	176,241	197,390	221,077	247,606
Total assets	6,716,681	7,105,007	7,986,449	8,943,182	10,014,559
Net worth	437,088	479,728	557,289	629,986	717,334
Deposits	5,936,178	6,211,658	6,832,823	7,652,762	8,571,094
Borrowings	171,443	220,730	247,218	276,884	310,110
Other liabilities	171,971	192,892	349,119	383,550	416,021
Total liabilities incl. Equity	6,716,681	7,105,007	7,986,449	8,943,182	10,014,559

Source: Company, YES Sec – Research

Exhibit 16: Income statement

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Interest income	388,562	449,422	505,853	571,062	642,576
Interest expense	(221,283)	(247,168)	(283,041)	(317,050)	(354,867)
Net interest income	167,280	202,255	222,812	254,011	287,709
Non-interest income	69,154	71,431	83,634	93,373	104,577
Total income	236,434	273,685	306,446	347,384	392,286
Operating expenses	(109,265)	(120,979)	(139,791)	(153,520)	(165,915)
PPoP	127,169	152,706	166,656	193,863	226,371
Provisions	(95,127)	(93,562)	(76,043)	(79,570)	(89,044)
Profit before tax	32,042	59,144	90,612	114,294	137,328
Taxes	7,406	(6,327)	(22,807)	(28,768)	(34,565)
Net profit	39,448	52,817	67,805	85,526	102,762

Source: Company, YES Sec – Research

Exhibit 17: Du Pont Analysis (RoA tree)

Y/e 31 Mar (Rs mn)	FY22	FY23	FY24E	FY25E	FY26E
Interest income	6.0	6.5	6.7	6.7	6.8
Interest expense	-3.4	-3.6	-3.8	-3.7	-3.7
Net interest income	2.6	2.9	3.0	3.0	3.0
Non-interest income	1.1	1.0	1.1	1.1	1.1
Total income	3.6	4.0	4.1	4.1	4.1
Operating expenses	-1.7	-1.8	-1.9	-1.8	-1.8
PPoP	2.0	2.2	2.2	2.3	2.4
Provisions	-1.5	-1.4	-1.0	-0.9	-0.9
Profit before tax	0.5	0.9	1.2	1.4	1.4
Taxes	0.1	-0.1	-0.3	-0.3	-0.4
Net profit	0.6	0.8	0.9	1.0	1.1

Source: Company, YES Sec – Research

Exhibit 18: Change in annual estimates

Y/e 31 Mar (Rs mn)	Revised Estimate			Earlier Estimate			% Revision		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net Interest Income	222,812	254,011	287,709	222,812	254,011	287,709	0.0	0.0	0.0
Pre-Prov. Operating Profit	166,656	193,863	226,371	166,656	193,863	226,371	0.0	0.0	0.0
Profit after tax	67,805	85,526	102,762	67,805	85,526	102,762	0.0	0.0	0.0

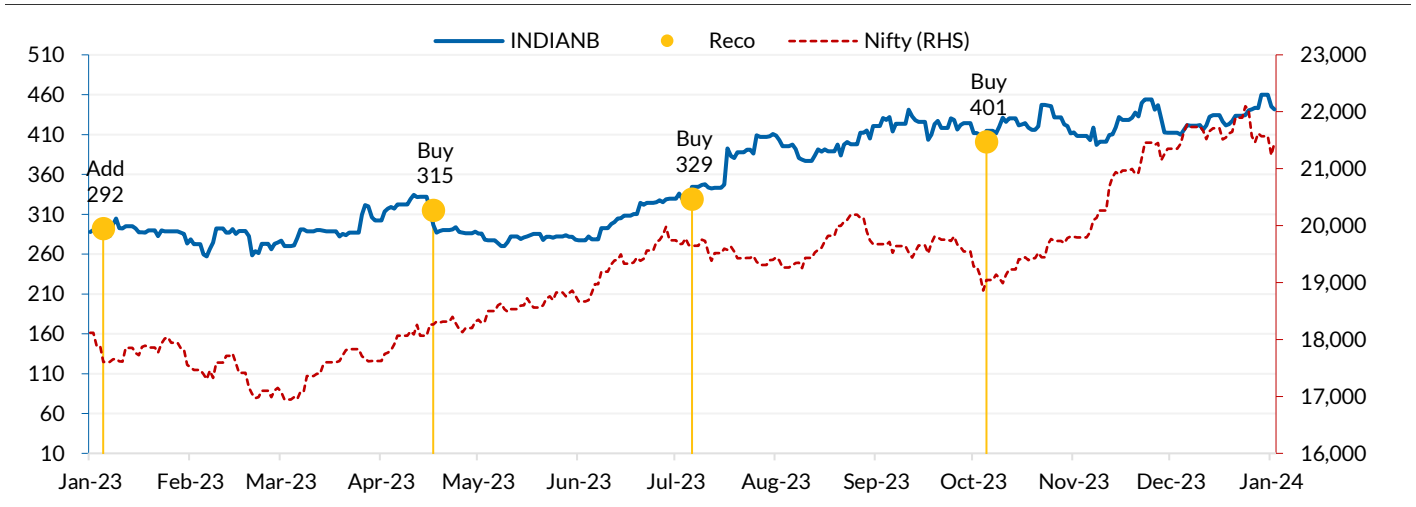
Source: Company, YES Sec – Research

Exhibit 19: Ratio analysis

Y/e 31 Mar	FY22	FY23	FY24E	FY25E	FY26E
Growth matrix (%)					
Net interest income	6.8	20.9	10.2	14.0	13.3
PPoP	11.6	20.1	9.1	16.3	16.8
Net profit	31.3	33.9	28.4	26.1	20.2
Loans	6.9	15.4	12.0	12.0	12.0
Deposits	10.3	4.6	10.0	12.0	12.0
Profitability Ratios (%)					
Net interest margin	2.9	3.4	3.4	3.5	3.5
Return on Average Equity	9.6	11.5	13.1	14.4	15.3
Return on Average Assets	0.6	0.8	0.9	1.0	1.1
Per share figures (Rs)					
EPS	31.7	42.4	50.4	63.6	76.4
BVPS	351	385	414	468	533
ABVPS	280	353	389	443	506
Valuation multiples					
P/E	13.9	10.4	8.8	6.9	5.8
P/BV	1.3	1.1	1.1	0.9	0.8
P/ABV	1.6	1.3	1.1	1.0	0.9
NIM internals (%)					
Yield on loans	7.2	7.6	7.7	7.8	7.8
Cost of deposits	3.7	3.8	4.1	4.2	4.2
Loan-deposit ratio	65.6	72.3	73.6	73.6	73.6
CASA ratio	41.8	42.0	42.0	42.3	42.3
Opex control (%)					
Cost/Income ratio	46.2	44.2	45.6	44.2	42.3
Cost to average assets	1.7	1.8	1.9	1.8	1.8
Capital adequacy (%)					
Tier 1 capital ratio	13.2	13.5	14.0	13.4	12.8
Asset quality (%)					
Slippage ratio	2.7	1.7	2.0	2.0	2.0
Gross NPL ratio	8.5	6.0	5.5	5.3	5.1
Credit cost	2.2	1.6	1.4	1.3	1.3
Net NPL ratio	2.3	0.9	0.7	0.6	0.6

Source: Company, YES Sec – Research

Recommendation Tracker



DISCLAIMER

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

The information and opinions in this report have been prepared by YSL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that each security's price or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Technical Analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. 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 YSL and associates 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.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through SEC 15a-6 rules and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This Research Report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s) who has prepared the research report. YES Securities (India) Limited is the employer of the YES Securities (India) Limited Representative who is responsible for the report, are responsible for the content of the YES Securities (India) Limited Research Report; any material conflicts of interest of YES Securities (India) Limited in relation to the issuer(s) or securities discussed in the YES Securities (India) Limited Research Report. This YES Securities (India) Limited Research Report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ 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 YES Securities (India) Limited 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 or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

YES Securities (India) Limited

Registered Address: 2nd Floor, North Side, YES BANK House,
Off Western Express Highway, Santacruz East,
Mumbai - 400 055, Maharashtra, India.

Correspondence Address: 7th Floor, Urmi Estate Tower A, Ganpatrao
Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West),
Mumbai - 400 013, Maharashtra, India.

✉ research@ysil.in | Website: www.yesinvest.in

Registration Nos.: CIN: U74992MH2013PLC240971 | SEBI Single
Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member
Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL &
NSDL: IN-DP-653-2021 | MERCHANT BANKER: INM000012227 |
RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER:
INA000007331 | Sponsor and Investment Manager to YSL Alternates Alpha
Plus Fund (CAT III AIF) SEBI Registration No.: IN/AIF/20-21/0818 | AMFI
ARN Code - 94338.

Details of Compliance Officer: Name: Aditya Goenka,
Email id: compliance@ysil.in, **Contact No:** 022- 65078127 (Extn: 718127)

Grievances Redressal Cell: customer.service@ysil.in/igc@ysil.in

DISCLOSURE OF INTEREST

Name of the Research Analyst : Shivaji Thapliyal, Siddharth Rajpurohit

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSL's financial interest in the subject company(ies)	No
2	Research Analyst or his/her relative or YSL's 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 the Research Report	No
3	Research Analyst or his/her relative or YSL has any other material conflict of interest at the time of publication of the Research Report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSL has received any compensation from the subject company in the past twelve months	No
6	YSL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSL has 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	No
8	YSL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSL has been engaged in market making activity for the subject company(ies)	No

Since YSL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

Analyst Signature

Analyst Signature

RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

BUY: Upside greater than 20% over 12 months

ADD: Upside between 10% to 20% over 12 months

NEUTRAL: Upside between 0% to 10% over 12 months

REDUCE: Downside between 0% to -10% over 12 months

SELL: Downside greater than -10% over 12 months

NOT RATED / UNDER REVIEW

ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ("YSL") is a wholly owned subsidiary of YES BANK LIMITED. YSL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSL is also a SEBI-registered Category I Merchant Banker, Investment Adviser and Research Analyst. YSL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL. YSL offers, inter alia, trading/investment in equity and other financial products along with various value added services. We hereby declare that there are no disciplinary actions taken against YSL by SEBI/Stock Exchanges.