

### Strong Competitive Advantage from Improving Liability Profile

- While KMB's PPOP growth was healthy at 19% YoY led by stable NIM and healthy sequential growth in other income, PAT was impacted by Rs6.5bn of COVID related provisions. Higher CASA ratio and decline in SA deposit rates resulted in ~45 bps QoQ decline in CoF, aiding NIM of 4.7% despite a 700 bps decline in Loan-deposit ratio.
- We continue to like KMB for its strong liability franchise with improving CoF, conservative lending approach, strong subsidiaries, and healthy capital position. Despite lowering growth estimates and doubling of slippages in FY21E, improving CoF and strong PPOP profile support RoA of 1.6%. **We maintain our BUY rating with a TP of Rs1,450 based on 2.8x FY22E ABV (standalone bank) and the value of its subsidiaries, implying a FY22E P/ABV of 4.7x.**

### Improving CoF provides strong fillip to earnings

With sequential CASA growth at 15% and CASA ratio at 56.2% (up 250 bps QoQ), the bank benefitted from flight to safety of deposits during the quarter. This, along with decline in SA rates resulted in ~45 bps QoQ improvement in cost of funds, aiding NIM of 4.7% despite a sharp decline in Loan-deposit ratio. Despite further reduction of SA deposit rates in April, the bank continued to see good accretion in SA balances and higher new account openings. While SA rates remain higher than peers, the differential has come down materially, aiding the bank's earnings profile.

### Conservative lending stance in recent quarters to aid asset quality

Lower slippages due to re-classification benefit on overdue but standard accounts led to 21bps sequential improvement in GNPA ratio to 2.25%. If not for the above, GNPA's would have been higher by 8 bps QoQ to 2.56%. While the COVID related provisions at 0.3% of loans is lower relative to peers (at 0.5%-1%), a better PPOP profile and lower slippages ratio (relative to peers) aid industry best return ratios. The bank had been very cautious on growth over the last few quarters, with 15% YoY growth in credit cards (much below industry) and 8% YoY growth in PL/consumer loans. This should limit incremental slippages in our view.

### Q4FY20 Result (₹ Mn)

Particulars	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)
Net interest income	35,597	30,479	16.8	34,295	3.8
Other income	14,894	12,703	17.2	13,414	11.0
Total Net Income	50,490	43,182	16.9	47,710	5.8
Operating expenses	23,238	20,359	14.1	23,829	(2.5)
Pre-provision profits	27,253	22,823	19.4	23,881	14.1
Provisions	10,475	1,713	511.6	4,440	135.9
Tax expense	4,112	7,032	(41.5)	3,482	18.1
Reported Net Profit	12,666	14,078	(10.0)	15,959	(20.6)
			(bps)		(bps)
Advances Growth %	6.8	21.2	(1,437)	10.4	(3.5)
NIM (%)	4.7	4.5	24	4.7	3
RoA (%)	1.5	2.0	(44)	2.0	(50)
RoE (%)	11.1	14.0	(293)	14.2	(310)
Gross NPA (%)	2.3	2.1	11	2.5	(21)

CMP	Rs 1,187
Target / Upside	Rs 1,450 / 22%
BSE Sensex	31,998
NSE Nifty	9,384

### Scrip Details

Equity / FV	Rs 9,565mn / Rs 5
Market Cap	Rs 2,270bn
	USD 30bn
52-week High/Low	Rs 1,740/Rs
Avg. Volume (no)	6,242,390
NSE Symbol	KOTAKBANK
Bloomberg Code	KMB IN

### Shareholding Pattern Mar'20(%)

Promoters	29.9
MF/Banks/FIs	12.4
FII's	39.2
Public / Others	18.5

### Valuation (x)

	FY20A	FY21E	FY22E
P/E	38.2	38.6	30.2
P/ABV	4.8	4.4	3.8
ROAA	1.8	1.6	1.9
ROAE	12.9	11.3	12.8

### Estimates (₹ mn)

	FY20A	FY21E	FY22E
NII	134,997	153,033	163,152
PPOP	100,208	113,981	121,895
PAT	59,472	58,872	75,061
Adj BV	245.5	271.2	310.3

VP Research: **Mona Khetan**

Tel: +91 22 40969762

E-mail: monak@dolatcapital.com

Associate: **Shreesh Chandra**

Tel: +91 22 40969714

E-mail: shreeshc@dolatcapital.com

### Other Important Highlights:

- As at April end, 26% of the bank's loans by value were under moratorium with retail loans having a higher share versus wholesale loans.
- The bank has provided additional 10% amounting to Rs 6.5bn on all accounts that were overdue as well as those where moratorium has been availed. Therefore, banks SMA loans (including SMA-0,1,2 or all loans with 0+ dpd) would add up to ~3% of loans.
- While overall utilization of working capital limits has gone down, MSME borrowers have availed moratorium to preserve liquidity.
- SMA2 (for accounts above Rs5cr exposure) has reduced to Rs 960mn (0.04% of loans) in FY20 vs Rs 1,380mn (0.07% of loans) in FY19
- Under its opex rationalization strategy, the bank will review the need for additional branches and office space and invest in technology infrastructure as work from home led to improved productivity

### Exhibit 1: Actual v/s estimates

(₹ mn)	Actual	Estimated	% Variance	Comments
NII	35,597	35,335	0.7	
Operating Profit	27,253	28,310	(3.7)	
PAT	12,666	17,267	(26.6)	PAT lower due to COVID-related provisions

Source: Company, DART

### Exhibit 2: Change in estimates

Particulars	Previous		Revised		Change %		Comments
	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E	
Net Operating Revenue	208,040	234,122	209,959	226,088	0.9	(3.4)	
Pre Provision Profits	112,425	127,033	113,981	121,895	1.4	(4.0)	
PAT	60,812	79,272	58,872	75,061	(3.2)	(5.3)	FY21E provisions lower by Rs6.5bn as we factor in usage of additional provisions made in FY20.

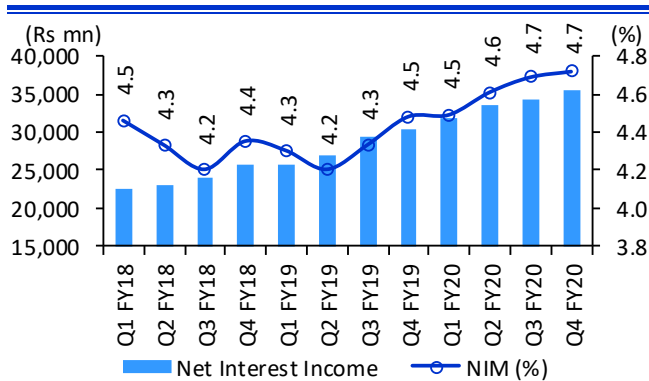
Source: Company, DART

### Exhibit 3: SOTP Valuation Table

Entity	Stake	Per Share Value	Methodology
Standalone Bank (A)	100%	883	2.8x FY22E ABV
Kotak Mahindra Prime	100%	64	2x Net Worth
Kotak Mahindra Life Insurance	100%	308	7x EV
Kotak Securities	100%	72	25x P/E
Kotak Mahindra Capital	100%	12	30x P/E
Assest Managment Business	100%	98	10x AUM
Kotak Mahindra Investments	100%	19	2x Net Worth
Value of Subsidiaries (B)		573	
Holdco. Discount	0%		
Value of the bank (A+B)		1,450	
Contribution of subs to total (%)		39	

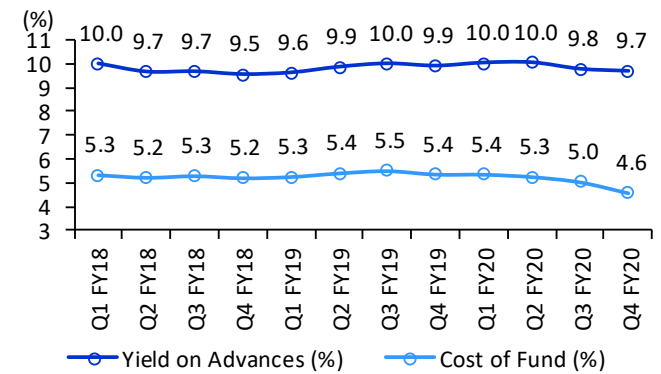
Source: Company, DART

**Exhibit 4: NIM stable despite higher LDR**



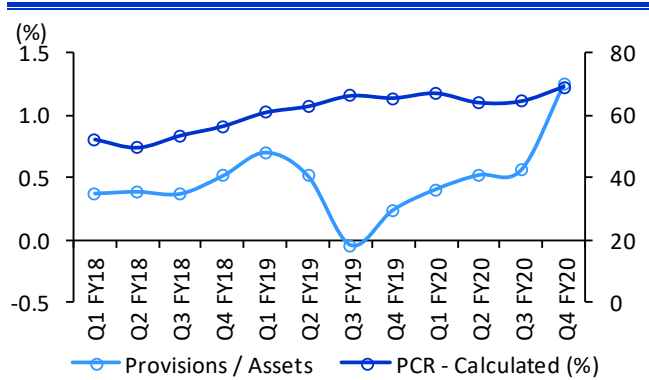
Source: Company, DART

**Exhibit 5: Reduction in SA rates led to lower cost of funds**



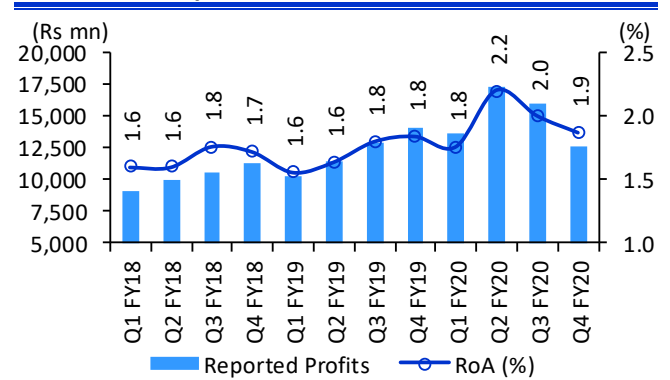
Source: Company, DART

**Exhibit 6: PCR improves 450bps sequentially**



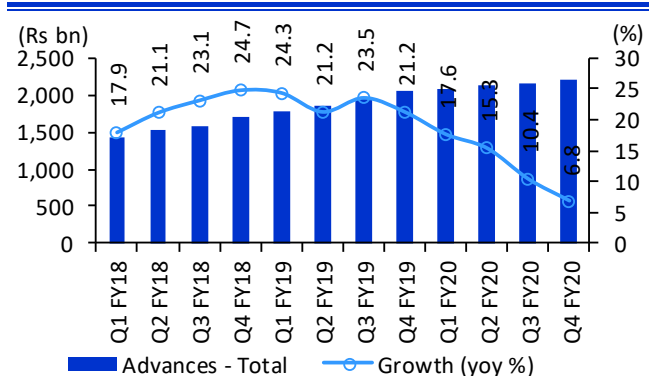
Source: Company, DART

**Exhibit 7: PAT declined sequentially owing to higher COVID related provisions**



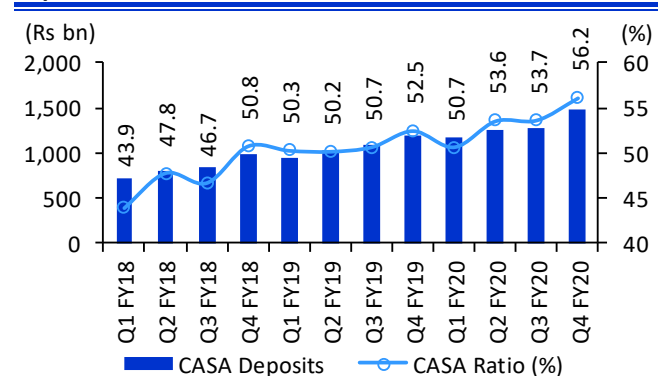
Source: Company, DART

**Exhibit 8: Loan growth moderated further**



Source: Company, DART

**Exhibit 9: CASA ratio benefitted from flight to safety of deposits**



Source: Company, DART

## Quarterly Financials

Profit and Loss (Rs mn)	Q4FY20	Q4FY19	% yoy / bps	Q3FY20	% qoq / bps
<b>Net Interest Income</b>	<b>35,597</b>	<b>30,479</b>	<b>16.8</b>	<b>34,295</b>	<b>3.8</b>
NIM (%)	4.72	4.48	24	4.7	3
<b>Other Income - Total</b>	<b>14,894</b>	<b>12,703</b>	<b>17.2</b>	<b>13,414</b>	<b>11.0</b>
<b>Net Operating Revenue</b>	<b>50,490</b>	<b>43,182</b>	<b>16.9</b>	<b>47,710</b>	<b>5.8</b>
Employee Expenses	9,696	8,567	13.2	10,915	(11.2)
Other Opex	13,542	11,792	14.8	12,914	4.9
<b>Total Opex</b>	<b>23,238</b>	<b>20,359</b>	<b>14.1</b>	<b>23,829</b>	<b>(2.5)</b>
Cost to Income Ratio (%)	46.0	47.1	(112)	49.9	(392)
<b>Pre-Provision Profits</b>	<b>27,253</b>	<b>22,823</b>	<b>19.4</b>	<b>23,881</b>	<b>14.1</b>
<b>Provisions &amp; Contingencies - Total</b>	<b>10,475</b>	<b>1,713</b>	<b>511.6</b>	<b>4,440</b>	<b>135.9</b>
<b>Profit Before Tax</b>	<b>16,778</b>	<b>21,110</b>	<b>(20.5)</b>	<b>19,441</b>	<b>(13.7)</b>
<b>Tax</b>	<b>4,112</b>	<b>7,032</b>	<b>(41.5)</b>	<b>3,482</b>	<b>18.1</b>
Effective Tax Rate (%)	24.5	33.3	(880)	17.9	659.9
<b>Reported Profits</b>	<b>12,666</b>	<b>14,078</b>	<b>(10.0)</b>	<b>15,959</b>	<b>(20.6)</b>
RoA (%)	1.9	1.8	3	2.0	(13.0)

Balance Sheet Analysis	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	QoQ % / bps	YoY % / bps
Net Worth	414,260	428,984	442,900	459,119	476,060	490,153	3.0	14.3
Tier 1 (%)	17.6	16.9	17.3	17.6	17.1	17.3	20	40
Total CAR (%)	18.1	17.5	17.8	18.2	18.2	17.9	(31)	40
Advances - Total	1,964,320	2,056,948	2,080,300	2,132,994	2,167,740	2,197,482	1.4	6.8
Investments	735,880	711,891	772,590	743,306	766,010	750,515	(2.0)	5.4
Total Assets	2,941,980	3,121,721	3,151,090	3,168,897	3,234,810	3,602,517	11.4	15.4
RoA (%)	1.80	1.84	1.76	2.20	2.00	1.87	(13)	3
Deposits	2,138,040	2,258,804	2,329,310	2,330,715	2,393,540	2,628,205	9.8	16.4
CASA Deposits	1,084,240	1,185,860	1,181,230	1,249,120	1,285,170	1,476,220	14.9	24.5
CASA Ratio (%)	50.7	52.5	50.7	53.6	53.7	56.2	248	367
Term Deposits	1,053,800	1,072,944	1,148,080	1,081,595	1,108,370	1,151,985	3.9	7.4
Advances - Total	1,964,320	2,056,948	2,080,300	2,132,994	2,167,740	2,197,482	1.4	6.8

Source: Company, DART

Movement of NPA (Rs mn)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	QoQ % / bps	YoY % / bps
Gross Advances	1,994,531	2,087,822	2,106,630	2,169,634	2,200,488	2,234,173	1.5	7.0
Gross NPA	41,287	44,679	46,135	50,336	54,132	50,269	(7.1)	12.5
Gross NPA Ratio (%)	2.07	2.14	2.19	2.32	2.46	2.25	(21)	11
PCR - Calculated (%)	66.2	65.4	67.0	64.0	64.4	69.0	457	357
Net NPA	13,973	15,444	15,244	18,114	19,251	15,579	(19.1)	0.9
Net NPAs Ratio (%)	0.71	0.75	0.73	0.85	0.89	0.71	(18)	(4)

Loan Book Analysis* (Rs mn)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	QoQ % / bps	YoY % / bps
<b>Corporate Banking</b>	<b>9,03,670</b>	<b>9,02,730</b>	<b>9,20,920</b>	<b>9,31,130</b>	<b>9,37,750</b>	<b>9,41,870</b>	<b>0.4</b>	<b>4.3</b>
Agriculture Division	2,37,420	2,69,920	2,59,860	2,70,680	2,77,360	2,87,570	3.7	6.5
Auto loans	2,02,250	2,02,970	1,95,740	1,90,550	1,80,080	1,74,850	(2.9)	(13.9)
CV/CE	1,79,990	1,97,060	1,99,100	1,96,880	1,89,930	1,92,530	1.4	(2.3)
Home Loans and LAP	3,83,050	4,07,220	4,22,430	4,43,710	4,60,310	4,68,810	1.8	15.1
Small Business, PL & Credit Cards	3,10,930	3,24,560	3,37,190	3,48,520	3,56,360	3,42,940	(3.8)	5.7
Others	1,10,250	1,30,160	1,14,660	1,05,930	99,930	90,220	(9.7)	(30.7)
<b>Total Advances</b>	<b>23,27,560</b>	<b>24,34,920</b>	<b>24,49,900</b>	<b>24,87,400</b>	<b>25,01,720</b>	<b>24,98,790</b>	<b>(0.1)</b>	<b>2.6</b>

Source: Company, DART; \*Consolidated

## Conference Call Highlights

- Kotak bank will incrementally focus on strengthening the balance sheet and building a strong deposit franchise
- Looking to grow in non-lending businesses as well – wealth, AMC, securities, etc.
- The bank is navigating the turbulence caused due to COVID and is looking at the consolidation opportunities that may arise while continuing with a conservative approach

### Advances –

- The bank had turned cautious on growth pre-COVID event. Going forward, the lending strategy will look at 4 aspects: Sector of operations, fixed operating costs, leverage, and companies which were a challenge to lend, but will get govt backing under the stimulus package announced.
- significantly changed underwriting processes – balancing risks and returns.
- The bank has been aggressively building the Home loan book, leveraging on own customer base

### Asset Quality –

- Slippages would have been higher by Rs 6.6bn if not for re-classification of overdue but standard accounts
- The bank has provided additional 10% amounting to Rs 6.5bn on all accounts that were overdue as well as those where moratorium has been availed (approx. Rs 65bn).
- Total provisions inclusive of those made against COVID plus standard and other provisions now cover all NPAs, further strengthening the balance sheet for FY21
- For FY20 the bank has made Specific Provisions of Rs 14bn, and standard asset provisions including COVID provisions of Rs 7.2bn
- Higher credit costs are expected going forward

### Moratorium –

- 26% by value have availed moratorium as of April 2020.
- Share of Retail is higher in value terms vs wholesale
- Overall utilization of WC limits has gone down – yet moratorium has been taken

### Deposits –

- Cost of SA stood at 5.23%
- The bank has further reduced SA rates
- SA growth in April has been extremely positive vs last year
- SA positioning still attractive vs peers despite a significant reduction in rates. Deposits have not moved out even after rate cuts in April 2020.
- SA franchise is a key part of the banks' strategy
- Avg SA balance of 811 accounts smaller vs non 811 accounts (~40-50k).
- Focus on smaller ticket (< 1crs) term deposits
- 14k new customer accounts being added everyday via digital channel.

### **SME book breakup -**

- within corporate banking division ~Rs 210bn with most loans having ticket size less than Rs 250mn
- most of the consumer finance WC division is to MSME segment
- a significant share amongst CV/CE and Agri divisions

### **Opex rationalization**

- Focusing on building a sustainable firm in a post COVID world.
- Leadership and Key managerial personnel have taken a voluntary 15% pay cut.
- Have also increased spends on technology for digital traction.
- Will be reviewing need for additional branches and office space as work from home gains traction

### **Key changes likely post COVID**

- lesser office space requirements – working from home has resulted in increased productivity. Demand for office space will be impacted
- Digital will gain traction on all grounds, just like demonetization was a turning point for 811.
- Spending on digital technologies will go up
- Increased spending on brand and retail infrastructure
- Non lending businesses will also attract increased attention and digital focus
- Credit decision making processes will be transformed.
- Unsecured consumer portfolio is an area of worry which was earlier very attractive due to higher spreads. The bank expects further job cuts across the spectrum post COVID especially in travel, tourism, telecom, etc.
- Unsecured consumer, Credit Cards, Secured CV/CE and MFI segment are key areas which will be under stress



**Profit and Loss Account (Rs Mn)**

Particulars	FY19A	FY20A	FY21E	FY22E
Interest Income	239,432	269,296	294,073	314,043
Interest expenses	126,842	134,300	141,040	150,891
<b>Net interest income</b>	<b>112,590</b>	<b>134,997</b>	<b>153,033</b>	<b>163,152</b>
Other incomes	46,040	53,721	56,926	62,936
Total expenses	75,148	88,509	95,978	104,193
- Employee cost	31,594	38,776	42,266	45,647
- Other	43,554	49,733	53,712	58,546
<b>Pre provisioning profit</b>	<b>83,482</b>	<b>100,208</b>	<b>113,981</b>	<b>121,895</b>
Provisions	9,624	22,162	35,306	21,586
Profit before taxes	73,858	78,047	78,675	100,309
Tax provision	25,205	18,575	19,802	25,248
Profit after tax	48,653	59,472	58,872	75,061
<b>Adjusted profit</b>	<b>48,653</b>	<b>59,472</b>	<b>58,872</b>	<b>75,061</b>

**Balance Sheet (Rs Mn)**

Particulars	FY19A	FY20A	FY21E	FY22E
<b>Sources of Funds</b>				
Equity Capital	9,544	9,565	9,565	9,565
Reserves & Surplus	414,461	475,617	534,489	609,550
Minority Interest	0	0	0	0
Net worth	424,005	485,182	544,054	619,115
Borrowings	322,483	379,933	383,715	367,271
- Deposits	2,258,804	2,628,205	2,813,906	2,971,559
- Other interest bearing liabilities	0	0	0	0
Current liabilities & provisions	111,430	104,197	81,726	35,644
<b>Total Liabilities</b>	<b>3,116,721</b>	<b>3,597,517</b>	<b>3,823,401</b>	<b>3,993,590</b>
<b>Application of Funds</b>				
Cash and balances with RBI	246,756	532,923	564,597	413,008
Investments	711,891	750,515	829,296	903,639
Advances	2,056,948	2,197,482	2,307,356	2,538,092
Fixed assets	16,516	16,231	16,519	16,623
Other current assets, loans and advances	89,611	105,365	110,633	127,228
<b>Total Assets</b>	<b>3,121,722</b>	<b>3,602,517</b>	<b>3,828,401</b>	<b>3,998,590</b>

E – Estimates



**Important Ratios**

Particulars	FY19A	FY20A	FY21E	FY22E
<b>(A) Margins (%)</b>				
Yield on advances	9.8	9.9	9.8	9.8
Yields on interest earning assets	8.6	8.3	8.2	8.3
Yield on investments	7.2	7.2	7.2	7.2
Costs of funds	5.3	4.8	4.5	4.6
Cost of deposits	5.3	4.5	4.3	4.4
NIMs	4.1	4.2	4.3	4.3
<b>(B) Asset quality and capital ratios (%)</b>				
GNPA	2.2	2.3	3.5	3.2
NNPA	0.8	0.7	1.1	1.0
PCR	65.4	69.0	69.0	69.0
Slippages	1.2	1.6	3.0	2.0
NNPA to NW	3.6	3.2	4.6	4.1
CASA	52.5	56.2	55.0	55.0
CAR	17.4	17.9	18.0	17.6
Tier 1	16.9	17.3	17.5	17.2
Credit - Deposit	91.1	83.6	82.0	85.4
<b>(C) Dupont as a percentage of average assets</b>				
Interest income	8.3	8.0	7.9	8.0
Interest expenses	4.4	4.0	3.8	3.9
Net interest income	3.9	4.0	4.1	4.2
Non interest Income	1.6	1.6	1.5	1.6
Total expenses	2.6	2.6	2.6	2.7
- cost to income	47.4	46.9	45.7	46.1
Provisions	0.3	0.7	1.0	0.6
Tax	0.9	0.6	0.5	0.6
RoA	1.7	1.8	1.6	1.9
Leverage	7.3	7.3	7.0	6.4
RoE	12.1	12.9	11.3	12.8
RoRwa	1.6	1.8	1.7	2.0
<b>(D) Measures of Investments</b>				
EPS - adjusted	25.5	31.1	30.8	39.2
BV	222.1	253.6	284.4	323.6
ABV	214.0	245.5	271.2	310.3
<b>(E) Growth Ratios (%)</b>				
Net interest income	18.1	19.9	13.4	6.6
PPoP	16.6	20.0	13.7	6.9
Adj PAT	19.1	22.2	(1.0)	27.5
Advances	21.2	6.8	5.0	10.0
Total borrowings	28.2	17.8	1.0	(4.3)
Total assets	17.8	15.4	6.3	4.4
<b>(F) Valuation Ratios</b>				
Market Cap (Rs. mn)	2,270,205	2,270,205	2,270,205	2,270,205
CMP (Rs.)	1187	1187	1187	1187
P/E (x)	46.6	38.2	38.6	30.2
P/BV (x)	5.3	4.7	4.2	3.7
P/ABV (x)	5.5	4.8	4.4	3.8

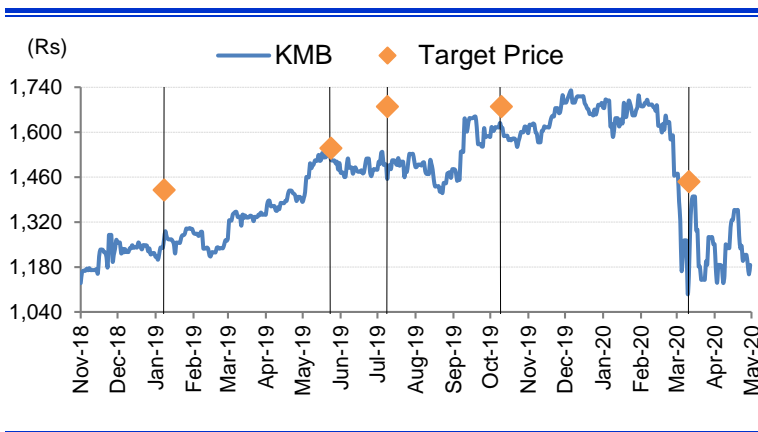
E – Estimates

### DART RATING MATRIX

Total Return Expectation (12 Months)

<b>Buy</b>	<b>&gt; 20%</b>
<b>Accumulate</b>	<b>10 to 20%</b>
<b>Reduce</b>	<b>0 to 10%</b>
<b>Sell</b>	<b>&lt; 0%</b>

### Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Jan-19	Accumulate	1,420	1,268
Jun-19	Accumulate	1,550	1,514
Jul-19	Accumulate	1,680	1,454
Oct-19	Accumulate	1,680	1,614
Mar-20#	Buy	1,446	1,153

\*Price as on recommendation date  
# Change in analyst

### DART Team

<b>Purvag Shah</b>	<b>Managing Director</b>	<b>purvag@dolatcapital.com</b>	<b>+9122 4096 9747</b>
<b>Amit Khurana, CFA</b>	<b>Head of Equities</b>	<b>amit@dolatcapital.com</b>	<b>+9122 4096 9745</b>

### CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	kapil@dolatcapital.com	+9122 4096 9735
Yomika Agarwal	VP - Equity Sales	yomika@dolatcapital.com	+9122 4096 9772
Jubbin Shah	VP - Derivatives Sales	jubbins@dolatcapital.com	+9122 4096 9779
Ashwani Kandoi	AVP - Equity Sales	ashwanik@dolatcapital.com	+9122 4096 9725
Lekha Nahar	Manager - Equity Sales	lekhan@dolatcapital.com	+9122 4096 9740
Equity Trading	Designation	E-mail	
P. Sridhar	SVP and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	kartikm@dolatcapital.com	+9122 4096 9715
Dinesh Mehta	Co- Head Asia Derivatives	dinesh.mehta@dolatcapital.com	+9122 4096 9765
Bhavin Mehta	VP - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

**Dolat** Capital Market Private Limited.

Sunshine Tower, 28th Floor, Senapati Bapat Marg, Dadar (West), Mumbai 400013

---

**Analyst(s) Certification**

The research analyst(s), 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 or indirectly related to the specific recommendations or views expressed in this research report.

---

**I. Analyst(s) and Associate (S) holding in the Stock(s): (Nil)****II. Disclaimer:**

This research report has been prepared by Dolat Capital Market Private Limited. to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies) solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of Dolat Capital Market Private Limited. This report has been prepared independent of the companies covered herein. Dolat Capital Market Private Limited. and its affiliated companies are part of a multi-service, integrated investment banking, brokerage and financing group. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, financing or any other advisory services to the company(ies) covered herein. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have received or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services. Research analysts and sales persons of Dolat Capital Market Private Limited. may provide important inputs to its affiliated company(ies) associated with it. While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and Dolat Capital Market Private Limited. does not warrant its accuracy or completeness. Dolat Capital Market Private Limited. may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and Dolat Capital Market Private Limited. reserves the right to make modifications and alterations to this statement as they may deem fit from time to time. Dolat Capital Market Private Limited. and its affiliated company(ies), 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 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 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. This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction. 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 Dolat Capital Market Private Limited. and/or its affiliated company(ies) 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 a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

**For U.S. Entity/ persons only:** This research report is a product of Dolat Capital Market Private Limited., 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 Dolat Capital Market Private 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.

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, Dolat Capital Market Private Limited. has entered into an agreement with a U.S. registered broker-dealer Ltd 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/Entity as informed by Dolat Capital Market Private Limited. from time to time.

---

**Dolat Capital Market Private Limited.**

Corporate Identity Number: U65990DD1993PTC009797

Member: BSE Limited and National Stock Exchange of India Limited.

SEBI Registration No: BSE - INB010710052 & INF010710052, NSE - INB230710031& INF230710031, Research: INH000000685

Registered office: Office No. 141, Centre Point, Somnath, Daman – 396 210, Daman & Diu

Board: +9122 40969700 | Fax: +9122 22651278 | Email: research@dolatcapital.com | www.dolatresearch.com

---