

October 27, 2020

Q2FY21 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY22E	FY23E	FY22E	FY23E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	1,503		1,389	
NII (Rs. m)	2,05,242	2,34,688	2,07,625	2,42,052
% Chng.	(1.1)	(3.0)		
Op. Profit (Rs. m)	1,74,887	2,00,808	1,74,643	2,05,126
% Chng.	0.1	(2.1)		
EPS (Rs.)	57.9	68.7	56.7	70.1
% Chng.	2.2	(2.1)		

Key Financials - Consolidated

Y/e Mar	FY20	FY21E	FY22E	FY23E
NII (Rs m)	1,52,755	1,77,879	2,05,242	2,34,688
Op. Profit (Rs m)	1,25,674	1,51,718	1,74,887	2,00,808
PAT (Rs m)	77,553	94,273	1,14,907	1,36,242
EPS (Rs.)	40.4	47.5	57.9	68.7
Gr. (%)	19.7	17.5	21.9	18.6
DPS (Rs.)	1.0	-	1.8	2.2
Yield (%)	0.1	-	0.1	0.2
NIM (%)	4.3	4.6	4.6	4.6
RoAE (%)	12.9	12.9	13.1	13.6
RoAA (%)	2.0	2.2	2.4	2.5
P/BV (x)	4.3	3.5	3.0	2.6
P/ABV (x)	4.4	3.5	3.1	2.7
PE (x)	35.1	29.8	24.5	20.6
CAR (%)	17.3	21.2	21.8	22.0

Key Data

KTKM.BO | KMB IN

52-W High / Low	Rs.1,740 / Rs.1,000
Sensex / Nifty	40,146 / 11,768
Market Cap	Rs.2,805bn / \$ 37,977m
Shares Outstanding	1,979m
3M Avg. Daily Value	Rs.11179.81m

Shareholding Pattern (%)

Promoter's	26.05
Foreign	42.23
Domestic Institution	22.56
Public & Others	9.16
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	13.1	14.3	(10.8)
Relative	5.3	(10.8)	(13.2)

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Display of a strong franchise

Quick Pointers:

- Cost of funds decline of 36bps QoQ continuing to benefit from CASA share and is now the lowest amongst peers.
- Provisions were substantially down sequentially driving record earnings.

KMB delivered a strong 27% YoY growth in earnings at Rs21.8bn (PL: Rs14.9bn) which were much above ours and consensus estimates. Strong beat was on back of (i) continued NII traction of 17% YoY despite loan book flattish QoQ & -4% YoY (ii) recovery in fees (iii) higher treasury income (had not booked in Q1FY21) and (iv) substantially lower provisioning than expectations. Strong liability franchise build-up over the years has significantly benefitted funding cost which is now amongst the lowest in the industry, but growth has been quite selective as management continues to outweigh risks to growth. With a strong liability franchise in place, high capital and steady asset quality keeps our view constructive, although balance on loan growth has to improve from here on. We retain ACCUMULATE with revised TP of Rs1,503 (from Rs1,389) based on 3.1x core Sep-22 BV & Rs293 for subs (rolled over from Mar-22).

- Tailwinds from improved franchise:** Core PPOP grew by 31% YoY with good NII growth of 17% as the bank continues to get strong tailwinds from the lowering cost of funding with CASA continuing to remain steady despite sharp decline in rates over last three months. Cost of SA is now only ~3.9%, a 120-150bps reduction on last six months leading to a NIM of 4.5%. PPOP was also benefitted from high treasury gains (not booked in Q1FY21), recovery in fees which grew 36% QoQ and control on opex.
- Risks outweigh growth; focus on building customer segment:** Bank continued to outweigh risks to growth with very limited areas of growth which has led to 4% YoY de-growth & flattish growth QoQ. Bank remains varied on the unsecured business segments, while continue to focus on secured consumer & rural segments which have been less impacted from COVID. Bank believes it is now well positioned to take the growth opportunities given the risk scenarios now benign and should see similar build up in liabilities. Focus remains on building customer segment for the bank which it has done through its strong liability franchise build-up over last 7-8 years and have continued to grow well despite bank reducing its SA rates quite significantly.
- Asset quality pro-forma basis remains steady:** Asset quality saw sharp improvement sequentially by 20bps but on pro-forma basis without the SC order, GNPA/NNPA would have been quite steady at 270/74bps. Efficiency levels across the bank has reached to mid-90s with improving trends MoM but still is not back to pre-COVID levels. Although, management feels through deep dive in its balance sheet, it is quite adequately provisioned for asset quality risks arising from COVID hits and holds 62bps of loans as COVID provisions along with other standard asset provisions. SMA-2 also remains quite low at 10bps of loans, while restructuring is not much in the pipeline as yet. Our earnings change has been largely driven by lower credit cost of 85 bps in FY21/22E v/s 90-100bps earlier, while it still remains higher than 50-60bps of FY17-20 and should be adequate given lower stress ratios.

Exhibit 1: Q2FY21 Financials – Strong NII, fees and lower provisions helps deliver strong core earnings

NII grew at strong 17% YoY as cost of funds improve further

Other Income bounced back supported by profits from non-SLR securities, while fees also saw good recovery

Provisions slowdown with Rs130mn was provided for COVID-19

Deposits grow though flattish sequentially and Bank's cautious stance towards lending keeps book flat

NIMs improve sequentially as lower cost of funds benefit

Pro-forma GNPA/NNPA came in at 2.70%/0.74%; steady sequentially

Bank's CASA ratio remains superior in spite of significantly lowering cost of savings deposits

Standalone (Rs mn)	Q2FY21	Q2FY20	YoY gr. (%)	Q1FY21	QoQ gr. (%)
Interest Income	68,361	67,616	1.1	69,119	(1.1)
Interest Expense	29,228	34,120	(14.3)	31,880	(8.3)
Net interest income (NII)	39,132	33,496	16.8	37,239	5.1
Other income	14,520	12,244	18.6	7,735	87.7
Total income	53,652	45,740	17.3	44,974	19.3
Operating expenses	20,678	20,654	0.1	18,737	10.4
-Staff expenses	9,901	9,150	8.2	9,109	8.7
-Other expenses	10,777	11,504	(6.3)	9,628	11.9
Operating profit	32,975	25,086	31.4	26,237	25.7
Total provisions	3,686	4,079	(9.6)	9,620	(61.7)
Profit before tax	29,289	21,006	39.4	16,617	76.3
Tax	7,444	3,762	97.9	4,173	78.4
Profit after tax	21,845	17,245	26.7	12,445	75.5
Balance sheet (Rs mn)					
Deposits	26,15,636	23,30,715	12.2	26,15,240	0.0
Advances	20,48,446	21,32,994	(4.0)	20,39,980	0.4
Ratios (%)					
Profitability ratios					
RoaA	2.2	2.2	-	1.4	84
RoaE - Calc	14.9	15.3	(44)	9.3	553
NIM	4.5	4.6	(9)	4.4	12
Asset Quality ratios					
Gross NPL	53,360	50,336	6.0	56,193	(5.0)
Net NPL	13,038	18,114	(28.0)	17,771	(26.6)
Gross NPL ratio	2.6	2.3	23	2.7	(15)
Net NPL ratio	0.6	0.9	(21)	0.9	(23)
Coverage ratio	75.6	64.0	1,155	68.4	719
Business & Other Ratios					
Low-cost deposit mix	57.1	53.6	350	56.7	40
Cost-income ratio	38.5	45.2	(662)	41.7	(312)
Non int. inc / total income	27.1	26.8	29	17.2	986
Credit deposit ratio	78.3	91.5	(1,320)	78.0	31
CAR	22.0	17.6	440	21.1	90
Tier-I	21.4	18.2	320	21.7	(30)

Source: Company, PL

Key Q2FY21 Conference Call highlights

Business Outlook

- **Liabilities** – Bank continues to focus on Low cost deposits and sees steady growth for the same.
- **Assets:**
 - Management emphasizes that unless economy is seen coming back to normal/ normalizing, they will continue with their cautious lending approach, although once they feel comfortable, they plan to expand aggressively. Overall, Bank has maintained view of focusing on secured and shedding the unsecured book.
 - Overall Disbursements have improved sequentially
 - **Unsecured Retail lending** continues to see constriction on prudential approach adopted and Bank intends to be more cautious than ever before.
 - In the **MSME** segment, under ECLG scheme, Bank had disbursed Rs76bn till 2Q21 which crossed Rs81bn as on Oct'20. Bank remains comfortable on this segment due to the government schemes/ support provided
 - In the **CV** segment sales have risen and utilizations have improved.

Margins/Other Inc./Opex

- **Margins** – NIMs have been aided by lower cost of deposits. Management mentioned there is further room to cut rates but will be strategically timed rather than benefit on P&L
- **Other Income-** Profits from non-SLR securities including equity investments boosted other income. Certain fees have recovered quite sharply despite certain business segments de-growing.

Asset Quality

- **Restructuring** requests for the Bank have been low, will have to wait and see how things pan out over next three months
- Banks' deep dive suggests adequate provisioning on balance sheet given stress is lower. During the quarter, Bank has made COVID provisions of Rs130mn on a standalone basis and now holds about 62bps of COVID provisioning
- Bounce rates has declined across products. In secure segment bounce rates are now nearing pre covid levels while for unsecured segment, though better they are yet to reach pre-covid levels. Collection efficiency have also improved overall sequentially.

Subsidiaries

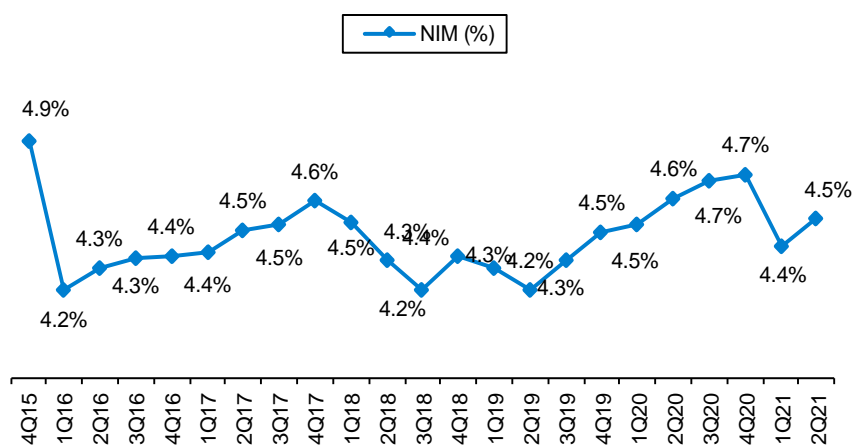
- Kotak Securities has seen robust performance delivering a PAT growth of 34% YoY. Kotak Prime saw lower disbursements due to the cautious stance maintained by the bank during the pandemic.

Exhibit 2: Standalone Loan Book – Focus has been towards retail secured assets; slow growth in unsecured business

Loan Book (Rs mn)	Q2FY21	Q2FY20	YoY gr. (%)	Q1FY21	QoQ gr. (%)
Corp Banking	5,61,190	6,04,480	(7.2)	5,81,190	(3.4)
SME	1,81,180	2,19,260	(17.4)	1,80,480	0.4
Home loans	4,77,320	4,58,160	4.2	4,71,680	1.2
CV/CE	1,83,630	1,96,880	(6.7)	1,84,420	(0.4)
Cons Bank WC (secured)	1,95,620	1,95,710	(0.0)	1,82,400	7.2
PL, BL, Cons Durables	81,770	96,670	(15.4)	90,880	(10.0)
Credit Cards	43,780	46,240	(5.3)	43,430	0.8
Agri	2,09,260	2,01,860	3.7	1,95,480	7.0
Tractor Finance	81,510	68,820	18.4	75,030	8.6
Others	33,190	44,910	(26.1)	34,990	(5.1)
Total	20,48,450	21,32,990	(4.0)	20,39,980	0.4

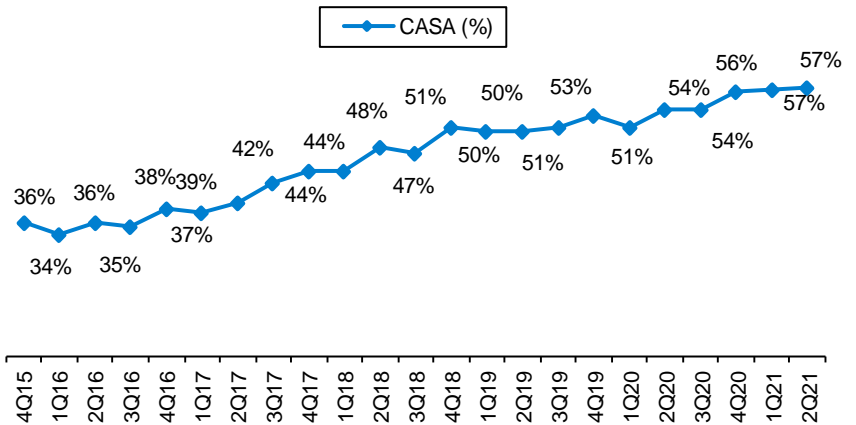
Loan Book mix (%)	Q2FY21	Q2FY20	YoY gr. (%)	Q1FY21	QoQ gr. (%)
Corp Banking	27.4	28.3	(94)	28.5	(109)
SME	8.8	10.3	(143)	8.8	(0)
Home loans	23.3	21.5	182	23.1	18
CV/CE	9.0	9.2	(27)	9.0	(8)
Cons Bank WC (secured)	9.5	9.2	37	8.9	61
PL, BL, Cons Durables	4.0	4.5	(54)	4.5	(46)
Credit Cards	2.1	2.2	(3)	2.1	1
Agri	10.2	9.5	75	9.6	63
Tractor Finance	4.0	3.2	75	3.7	30
Others	1.6	2.1	(49)	1.7	(9)

Source: Company, PL

Exhibit 3: Margins improve sequentially


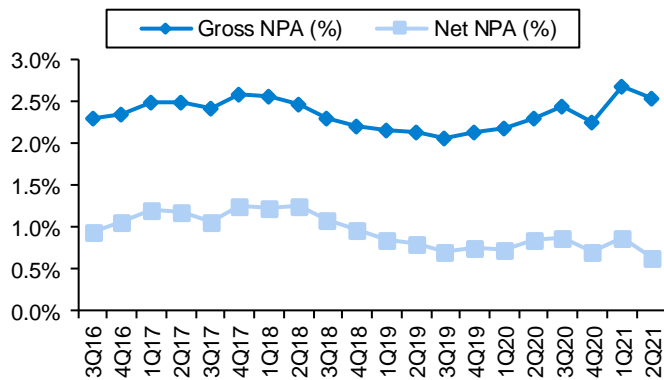
Source: Company, PL

Exhibit 4: SA book continues to support robust CASA book growth



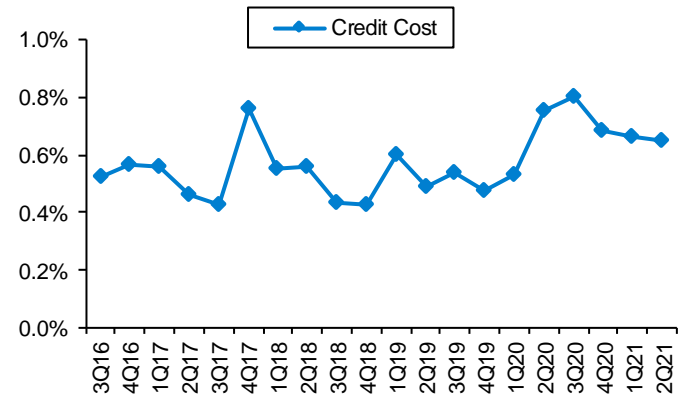
Source: Company, PL

Exhibit 5: Asset Quality on pro-forma basis remains steady



Source: Company, PL

Exhibit 6: Credit cost has been also steady



Source: Company, PL

COVID provisioning in subsidiaries totaled to Rs19mn

Kotak Securities continues to perform well

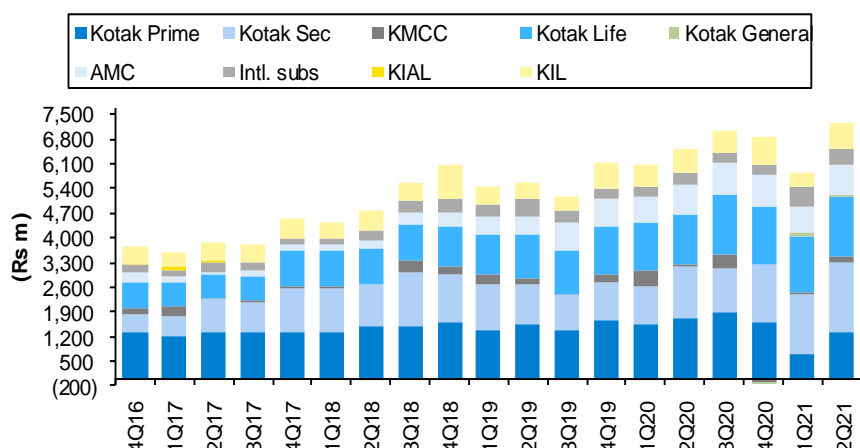
Insurance biz continues to perform on growth & earnings front

Other subs have been mixed bag on earnings and performance

Exhibit 7: Consolidated performance Table

Consol Financials (Rs mn)	Q2FY21	Q2FY20	YoY gr. (%)	Q1FY21	QoQ gr. (%)
Standalone Bank	21,845	17,245	26.7	12,445	75.5
Kotak Prime	1,330	1,720	(22.7)	680	95.6
KMCC	140	10	1,300.0	60	133.3
Kotak Securities	1,990	1,490	33.6	1,690	17.8
International Subs	450	340	32.4	540	(16.7)
Kotak AMC	840	850	(1.2)	710	18.3
Kotak Mah. Investments	740	670	10.4	430	72.1
Lending business	23,175	18,965	22.2	13,125	76.6
Flow business	4,160	3,360	23.8	3,430	21.3
Consol PAT (ex - insurance)	27,690	22,630	22.4	16,790	64.9
Insurance*	1,780	1,440	23.6	1,740	2.3
Consolidated PAT	29,470	24,070	22.4	18,530	59.0

Source: Company, PL; *Note: Insurance includes both Life and General Insurance

Exhibit 8: Kotak Securities and Life Insurance performance well


Source: Company, PL

Exhibit 9: Consolidated ROEs – Return ratios improve as provisions lower

Du-Pont Analysis	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Net Interest Income	4.84%	4.34%	4.26%	4.07%	4.34%	4.59%	4.58%	4.58%
Fees	2.29%	2.15%	2.36%	2.25%	2.20%	1.92%	1.97%	1.98%
Investment profits	0.17%	0.25%	0.16%	0.07%	0.19%	0.28%	0.15%	0.13%
Net revenues	7.30%	6.74%	6.78%	6.38%	6.73%	6.79%	6.70%	6.69%
Operating Expense	-3.95%	-3.19%	-3.14%	-2.98%	-3.16%	-2.87%	-2.79%	-2.77%
Provisions	-0.57%	-0.40%	-0.37%	-0.32%	-0.64%	-0.64%	-0.46%	-0.35%
Taxes	-0.92%	-1.05%	-1.12%	-1.05%	-0.73%	-0.84%	-0.88%	-0.91%
Total Costs	-5.44%	-4.64%	-4.64%	-4.35%	-4.53%	-4.36%	-4.13%	-4.03%
ROA	1.86%	2.10%	2.14%	2.03%	2.20%	2.44%	2.57%	2.66%
Equity/Assets	15.72%	15.68%	16.36%	16.36%	16.90%	18.66%	19.37%	19.36%
ROE	11.8%	13.4%	13.1%	12.4%	13.0%	13.0%	13.3%	13.7%

Source: Company, PL

Exhibit 10: Change in earnings estimates – We adjust upwards for Margins and lower our credit costs

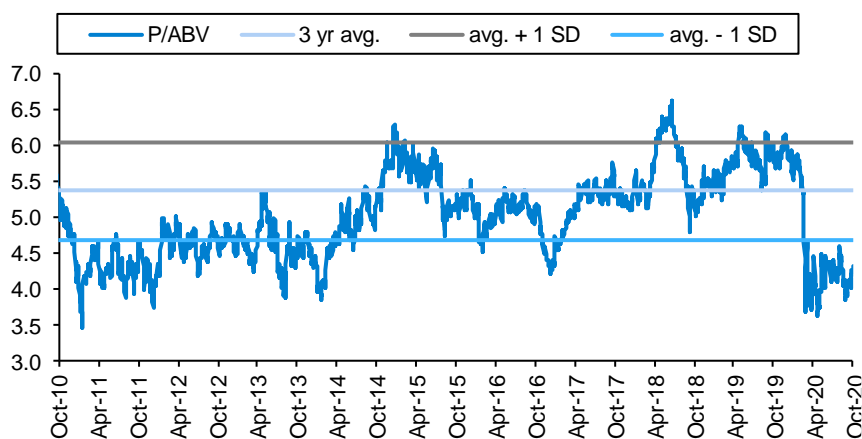
(Rs mn)	Old			Revised			% Change		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Net interest income	1,57,876	1,83,548	2,14,756	1,57,101	1,81,166	2,07,392	(0.5)	(1.3)	(3.4)
Operating profit	1,21,642	1,42,774	1,69,154	1,23,150	1,43,018	1,64,836	1.2	0.2	(2.6)
Net profit	68,975	89,446	1,13,087	73,675	91,902	1,10,269	6.8	2.7	(2.5)
Loan Growth (%)	4.0	10.0	13.0	0.7	10.0	13.0	(3.3)	-	-
Credit Cost (bps)	90.0	90.0	60.0	80.0	80.0	60.0	(10.0)	(10.0)	-
EPS (Rs)	35.4	45.2	57.1	37.9	46.4	55.7	6.8	2.7	(2.5)
ABVPS (Rs)	301.0	344.7	401.0	302.1	346.9	401.7	0.3	0.6	0.2
Price target (Rs)	1,389			1,503			8.2		
Recommendation	ACCUMULATE			ACCUMULATE					

Source: Company Data, PL

Exhibit 11: We revise our TP to Rs1,503 (previously Rs 1,389) based on Sep-22 SOTP

	Value (Rs m)	Per Share (Rs)	Valuation Basis
Lending biz valuation	23,55,036	1,210	3.1x Sep-22 Book
Kotak Prime	1,11,859	57	1.5x Sep-22 Book
Kotak Securities	90,440	46	15x Sep-22 Earnings
Asset Management	1,53,277	79	7% of Sep FY22 AUMs
KMCC	11,175	6	13x Sep-22 Earnings
International subsidiaries	13,385	7	1.0x Sep-22 Book
Others	75,111	39	12x Sep-22 Earnings
Insurance	2,27,565	117	1.9x EV & 15x NB on Sep-22
Total Subsidiary Valuation	5,70,953	293	
Sep-22 based PT		1,503	

Source: Company, PL

Exhibit 12: KMB Standalone – one year forward P/ABV trend


Source: Company, PL



Income Statement (Rs. m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Int. Earned from Adv.	2,54,613	2,42,806	2,58,241	2,87,152
Int. Earned from invt.	52,573	70,690	98,759	1,18,386
Others	6,731	12,575	10,368	10,013
Total Interest Income	3,13,916	3,26,070	3,67,367	4,15,550
Interest Expenses	1,61,161	1,48,191	1,62,125	1,80,862
Net Interest Income	1,52,755	1,77,879	2,05,242	2,34,688
Growth(%)	18.1	16.4	15.4	14.3
Non Interest Income	84,013	85,079	94,750	1,08,314
Net Total Income	2,36,769	2,62,958	2,99,992	3,43,002
Growth(%)	11.0	3.3	12.4	13.4
Employee Expenses	47,550	49,516	54,791	61,527
Other Expenses	63,544	61,724	70,314	80,666
Operating Expenses	1,11,094	1,11,240	1,25,105	1,42,194
Operating Profit	1,25,674	1,51,718	1,74,887	2,00,808
Growth(%)	16.1	20.7	15.3	14.8
NPA Provision	15,082	17,955	19,742	17,108
Total Provisions	22,484	24,945	20,472	17,764
PBT	1,03,190	1,26,774	1,54,415	1,83,044
Tax Provision	25,637	32,500	39,508	46,802
Effective tax rate (%)	24.8	25.6	25.6	25.6
PAT	77,303	94,010	1,14,630	1,35,952
Growth(%)	19.9	21.6	21.9	18.6

Balance Sheet (Rs. m)

Y/e Mar	FY20	FY21E	FY22E	FY23E
Face value	5	5	5	5
No. of equity shares	1,913	1,979	1,979	1,979
Equity	9,565	9,897	9,897	9,897
Networth	6,41,826	8,17,409	9,33,034	10,69,824
Growth(%)	14.6	27.4	14.1	14.7
Adj. Networth to NNPA's	16,750	18,153	19,757	20,591
Deposits	26,28,205	28,77,885	31,94,452	36,09,731
Growth(%)	16.4	9.5	11.0	13.0
CASA Deposits	14,76,213	16,26,005	17,79,310	19,96,181
% of total deposits	56.2	56.5	55.7	55.3
Total Liabilities	41,18,808	45,79,932	50,77,465	57,11,749
Net Advances	26,14,962	26,40,632	29,13,471	32,88,932
Growth(%)	5.2	1.0	10.3	12.9
Investments	7,96,517	12,54,394	16,12,031	18,42,075
Total Assets	41,23,808	45,84,932	50,82,465	57,16,749
Growth (%)	13.4	11.2	10.9	12.5

Asset Quality

Y/e Mar	FY20	FY21E	FY22E	FY23E
Gross NPAs (Rs m)	53,190	62,042	67,802	68,415
Net NPAs (Rs m)	16,750	18,153	19,757	20,591
Gr. NPAs to Gross Adv.(%)	2.0	2.3	2.3	2.1
Net NPAs to Net Adv. (%)	0.6	0.7	0.7	0.6
NPA Coverage %	68.5	70.7	70.9	69.9

Profitability (%)

Y/e Mar	FY20	FY21E	FY22E	FY23E
NIM	4.3	4.6	4.6	4.6
RoAA	2.0	2.2	2.4	2.5
RoAE	12.9	12.9	13.1	13.6
Tier I	17.3	21.2	21.8	22.0
CRAR	17.3	21.2	21.8	22.0

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q3FY20	Q4FY20	Q1FY21	Q2FY21
Interest Income	67,356	68,047	69,119	68,361
Interest Expenses	33,061	32,450	31,880	29,228
Net Interest Income	34,295	35,597	37,239	39,132
YoY growth (%)	16.7	16.8	17.8	16.8
CEB	11,360	12,700	7,760	10,580
Treasury	-	-	-	-
Non Interest Income	13,414	14,894	7,735	14,520
Total Income	80,770	82,941	76,854	82,881
Employee Expenses	10,915	9,696	9,109	9,901
Other expenses	12,914	13,542	9,628	10,777
Operating Expenses	23,829	23,238	18,737	20,678
Operating Profit	23,881	27,253	26,237	32,975
YoY growth (%)	23.2	19.4	9.4	31.4
Core Operating Profits	23,881	27,253	26,237	32,975
NPA Provision	4,320	3,730	3,529	3,327
Others Provisions	4,440	10,475	9,620	3,686
Total Provisions	4,440	10,475	9,620	3,686
Profit Before Tax	19,441	16,778	16,617	29,289
Tax	3,482	4,112	4,173	7,444
PAT	15,959	12,666	12,445	21,845
YoY growth (%)	23.6	(10.0)	(8.5)	26.7
Deposits	23,93,540	26,28,205	26,15,240	26,15,636
YoY growth (%)	12.0	16.4	12.3	12.2
Advances	21,67,740	21,97,482	20,39,980	20,48,446
YoY growth (%)	10.4	6.8	(1.9)	(4.0)

Key Ratios

Y/e Mar	FY20	FY21E	FY22E	FY23E
CMP (Rs)	1,417	1,417	1,417	1,417
EPS (Rs)	40.4	47.5	57.9	68.7
Book Value (Rs)	332	409	467	536
Adj. BV (70%)(Rs)	323	400	457	525
P/E (x)	35.1	29.8	24.5	20.6
P/BV (x)	4.3	3.5	3.0	2.6
P/ABV (x)	4.4	3.5	3.1	2.7
DPS (Rs)	1.0	-	1.8	2.2
Dividend Payout Ratio (%)	2.5	-	3.2	3.2
Dividend Yield (%)	0.1	-	0.1	0.2

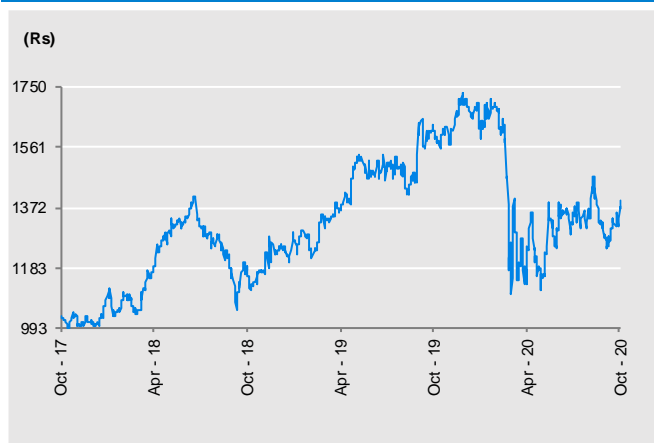
Efficiency

Y/e Mar	FY20	FY21E	FY22E	FY23E
Cost-Income Ratio (%)	46.9	42.3	41.7	41.5
C-D Ratio (%)	99.5	91.8	91.2	91.1
Business per Emp. (Rs m)	74	71	71	73
Profit per Emp. (Rs lacs)	11	12	13	14
Business per Branch (Rs m)	3,277	3,942	4,363	4,928
Profit per Branch (Rs m)	48	67	82	97

Du-Pont

Y/e Mar	FY20	FY21E	FY22E	FY23E
NII	4.34	4.59	4.58	4.58
Total Income	6.73	6.79	6.70	6.69
Operating Expenses	3.16	2.87	2.79	2.77
PPoP	3.57	3.92	3.91	3.92
Total provisions	0.64	0.64	0.46	0.35
RoAA	2.20	2.44	2.57	2.66
RoAE	13.05	13.05	13.25	13.73

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Oct-20	Accumulate	1,389	1,320
2	28-Jul-20	Accumulate	1,389	1,323
3	08-Jul-20	Accumulate	1,343	1,353
4	14-May-20	Accumulate	1,343	1,187
5	14-Apr-20	Accumulate	1,405	1,251
6	20-Jan-20	Hold	1,586	1,618
7	03-Jan-20	Hold	1,586	1,655

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Hold	480	468
2	Bank of Baroda	BUY	65	44
3	Federal Bank	BUY	69	52
4	HDFC Bank	BUY	1,385	1,203
5	HDFC Life Insurance Company	Reduce	533	571
6	ICICI Bank	BUY	462	402
7	ICICI Prudential Life Insurance Company	Hold	424	434
8	IDFC First Bank	Sell	21	32
9	IndusInd Bank	BUY	680	623
10	Kotak Mahindra Bank	Accumulate	1,389	1,320
11	Max Financial Services	Accumulate	651	610
12	Punjab National Bank	BUY	40	29
13	SBI Life Insurance Company	Accumulate	920	828
14	South Indian Bank	BUY	10	7
15	State Bank of India	BUY	276	198

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

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