



Kotak Mahindra Bank Ltd.



Kotak Mahindra Bank Ltd.

MTM loss and higher provisions led to profitability miss

CMP INR 1,785	Target INR 2,150	Potential Upside 20.5%	Market Cap (INR Mn) 35,45,674	Recommendation BUY	Sector Banking
------------------	---------------------	---------------------------	----------------------------------	-----------------------	-------------------

Result Highlights Q3FY24:

- Net Interest Income (NII) for Q3FY24 increased to INR 65,535 Mn, up 15.9% YoY (+4.1% QoQ). NII was in line with our estimates. Net Interest Margin (NIM) for Q3FY24 was 5.22% against 5.47% in Q3FY23, a decline of 25 bps YoY (flat on a QoQ basis). For 9MFY24, the NII grew by 23.5% to INR 190,839 Mn.
- Pre-Provision Operating Profit (PPOP) for Q3FY24 was INR 45,662 Mn, a growth of 18.6% YoY (-1.0% QoQ). The PPOP was 6.3% lower than our estimates owing to higher-than-expected costs during the quarter. In 9MFY24, PPOP stood at INR 141,259 Mn, a jump of 38.5% YoY.
- The Bank's PAT for Q3FY24 stood at INR 30,050 Mn, an increase of 7.6% YoY (-5.8% QoQ). The net profit reported a 10.8% lower against our estimates on the back of higher provisions and lower operating profits. PAT for 9MFY24 was INR 96,483 Mn, a growth of 29.6% YoY.
- As of December 31, 2023, GNPA was 1.73% as against 1.72% as of September 30, 2023, and NNPA was 0.34% as against 0.37% as of September 30, 2023. The provision coverage ratio stood at 80.6%, an improvement of 299 bps YoY (+150 bps QoQ).
- The capital adequacy ratio of the Bank as per Basel III as of December 31, 2023, was 21.2%, and the Tier I ratio was 20.7%.

MARKET DATA

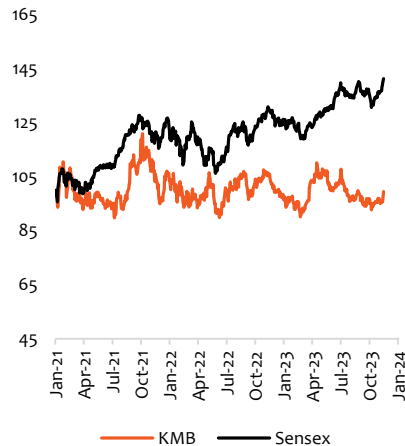
Shares outs (Mn)	1,988
Equity Cap (INR Mn)	9,23,216
Mkt Cap (INR Mn)	35,45,674
52 Wk H/L (INR)	2,064/1,644
Volume Avg (3m K)	3,911
Face Value (INR)	5
Bloomberg Code	KMB IN

KEY FINANCIALS

Particulars (INR Mn)	FY22	FY23	FY24E	FY25E	FY26E
NII	168,179	215,519	257,235	293,530	342,487
PPOP	120,509	148,480	189,915	216,702	253,652
PAT	85,727	109,393	129,849	149,458	171,812
EPS (INR / Share)	43.0	54.9	65.4	75.2	86.5
ABVPS (INR / Share)	357.2	414.1	478.5	553.1	638.0
NIM (%)	4.6%	5.1%	5.2%	5.0%	5.0%
Advances Growth YoY (%)	21.3%	17.9%	16.6%	16.8%	17.5%

Source: Company, KRChoksey Research

SHARE PRICE PERFORMANCE



MARKET INFO

SENSEX	70,371
NIFTY	21,239

Higher IBPC/BRDS sale resulted in modest growth in net advances; Deposits continued to outpace credit growth: As of December 31, 2023, the gross advances grew 18.9% YoY and 4.3% QoQ, which remained more or less broad-based. The customer assets, including advances and credit substitutes, reported a growth of 17.3% YoY (+5.3% QoQ) to INR 40,07,590 Mn. The IBPC and BRDS sales for the quarter were INR 1,28,760 Mn vs. INR 87,280 Mn as of September 30, 2023. This led to net advances growth of 15.7% YoY and 3.2% QoQ. The home loan segment grew 14.7% YoY/3.2% QoQ, while personal loans and consumer durables grew 32.8% YoY/8.1% QoQ. The credit card segment continued to see robust growth of 51.6% YoY/ 10.2% QoQ. KMB growth was well balanced and diversified between personal loans, business loans, and credit cards. KMB reported its share of the unsecured loan segment (including retail microfinance) at 11.6% as of December 31, 2023, an increase from 9.3% a year ago. KMB adequately prices the unsecured loan portfolio to deliver targeted risk-assisted returns. The wholesale book grew 13.2% YoY/ 2.9% QoQ, mainly led by the mid-market and SME segments, which had seen faster growth than the other corporate segments. On the liability side, the deposits grew 18.6% YoY and 1.9% QoQ, primarily led by healthy growth in term deposits. This quarter, the current account remained muted. The lumpy upside reported in Q2FY24 arising out of custody flows has moderated a bit in Q3FY24. The Bank will continue to focus on garnering a higher share of customer flows and transaction banking in the corporate segment. The savings account balance has returned to show some positive traction on a YoY basis. The term deposits reported a strong growth of 42.8% YoY/ 4.4% QoQ. The Bank has been actively focusing on deposit mobilization through new launches, which will support sustaining deposit growth.

Operating performance take a hit owing to treasury losses in Q3FY24: NIMs were flat QoQ at 5.22% but fell from 5.47% in Q3FY23. The NIMs were stable sequentially as the Bank had taken a one-time CRR impact in Q2FY24 with a 3-4 bps differential that was not repeated in this quarter. The major reason for the stability was also the change in the advances mix seen in Q3FY24. KMB reported a decline of 1.0% QoQ growth in PPOP, led by lower non-interest income in Q3FY24. The core fee and services income for Q3FY24 were INR 21,440 Mn, a growth of 26.5% YoY/ 5.8% QoQ, while trading and MTM losses stood at INR 1,680 Mn vs. a gain of INR 1,500 Mn in Q2FY24 (vs. INR 510 Mn loss in Q3FY23). The operating expenses have seen an increase of 9.8% YoY/7.1% QoQ, which resulted in a higher cost-to-income ratio on a QoQ basis at 48.4% in Q3FY24 vs. 45.5% in Q2FY24 (vs. 50.3% in Q3FY23). Thus, lower operating performance and higher provisions led to a decline in net profit of 5.8% QoQ, while maintaining a modest growth of 7.6% YoY.

SHARE HOLDING PATTERN (%)

Particulars	Dec-23	Sep-23	Jun-23
Promoters	25.9	25.9	25.9
FIIIs	39.7	41.0	41.6
DIIIs	13.5	13.1	19.6
Others	12.9	12.9	12.9
Total	100.0	100.0	100.0

16.7%

NII CAGR between FY23 and FY26E

16.2%

PAT CAGR between FY23 and FY26E

Kotak Mahindra Bank Ltd.

Stable asset quality; credit cost improves by 7 bps QoQ: GNPA/NNPA, as of December 31, 2023, stood at 1.73%/0.34% against 1.72%/0.37% as of September 30, 2023, respectively. KMB reported its provisions and contingencies at INR 5,791 Mn, an increase of 289.1% YoY/58.0% QoQ. The provisions include an additional provision of INR 1,901 Mn applicable to Alternate Investment Funds (AIF) as per the RBI's circular and a provision of INR 649 Mn in respect of security receipts classified as Non-Performing Investments (NPI) which were earlier accounted for as mark-to-market losses under "other income." Accordingly, this has no impact on profit after tax. The credit cost on advances for Q3FY24 was 40 bps, which includes standard provisions and excludes reversal of COVID and restructuring, as against 47 bps in Q2FY24. The recoveries and upgrades during the quarter stood at INR 8,300 Mn. Slippages for the quarter stood at INR 11,770 Mn (0.3% of the net advances), which declined from INR 13,140 Mn in Q2FY24 (vs. INR 7,480 Mn in Q3FY23). Out of these slippages, INR 2,890 Mn were upgraded within the quarter (as against INR 1,710 Mn in Q3FY23). The bank holds INR 69,630 Mn provisions as of December 31, 2023, which includes restructuring provisions amounting to INR 2,730 Mn under MSME and INR 1,860 Mn under the COVID framework. The provision coverage ratio stood at 80.6%, an improvement of 299 bps YoY/150 bps QoQ. There were no sales of any loans during the quarter. The Bank's SMA-2 outstanding as of December 31, 2023, was INR 2,100 Mn.

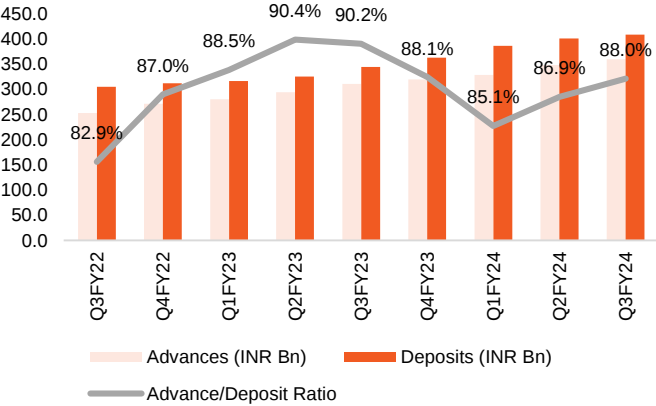
Concall Highlights:

- The central banks will have to continue this fight to bring down inflation to a sustainable level while still protecting growth.
- India has protected and remained resilient with strong economic growth, business optimism, a continuous rise in public expenditure, and a pickup in private sector CapEx. The digital stack has transformed the country in more ways than meets the eye. This will continue to be a very significant opportunity, which augurs well for KMB. The Bank has been a strong brand with a strong reputation, is well capitalized, and is also a strong platform offering a full array of financial products and services.
- Since the last increase in February 2023, repo rates have remained flat and are expected to stay at that level for some time. KMB's book is somewhat sensitive to changes in the repo rate, as 58.0% of it is linked to the rate. Repricing the advances and changing the mix on the asset and liability sides will occur if the repo rate falls.
- KMB saw strong demand for credit offtake from its mid-market and SME segments. Both of these segments have grown much faster than the rest of the wholesale bank.
- KMB has been cautiously building its infrastructure financing book in a selective manner. This side of its business has experienced traction, with KMB closing deals across renewables, roads, hospitality, and other allied sectors.
- The Bank observed muted current account balances on the liability side this quarter. The lumpy upside that the Bank saw in Q2FY24 arising out of custody flows has moderated a bit in Q3. It continues to focus on garnering a higher share of customer flows and transaction banking in the corporate segment.
- Demand for passenger bus segments continues to witness significant growth, whereas the good segment remains relatively flat. At the industry level, freight demand, viability, and availability of return loads continue to be stable.
- Construction equipment saw a significant increase in demand due to the significant improvement in the macroeconomic scenario, particularly in segments such as earth moving equipment, road and material handling equipment, mining, road, urban, and semi-urban housing. The Bank expects to retain its growth momentum in this segment in the last quarter, and it expects the industry to continue to show a good rate.
- The used tractor business has seen strong growth in the current year, helping the Bank strengthen its existing customer relationships as well as acquire new customers in the early stages of farm mechanization. KMB's focus on this segment will continue and is expected to deepen its presence in Bharat.
- Some stress in the tractor segment was visible in rainfall-deficit states, predominantly Maharashtra and South India.
- The microfinance business continues its growth momentum in Q3FY24 with a healthy growth in advances of 56.0% YoY. There has been some relative slowdown in growth due to control measures implemented by the Bank for better hygiene. KMB's current outreach in 12 states is through a network of 800 branches with an active base of 1.8 Mn women.
- Many traders are stocking less, leading to subdued utilization of limits in agri-SME. Given the volatility in pricing, KMB expects this business to pick up in the coming quarter and utilization to improve.
- The Bank sees strong traction in the loan against property segment, which has traditionally been its area of strength. This book continues to hold well on all parameters of risk and collection.
- KMB continues to invest in its card franchise, with overall credit card advances growing by about 50.0% on a YoY basis. Its focus on creating differentiated customer value through strategic tie-ups and sponsorship is paying dividends.
- Customers' increased leverage on credit cards has diminished their repayment capability, posing an emerging risk. However, it is absolutely under control, and the Bank believes its unsecured portfolio is appropriately priced to deliver targeted risk-assisted returns.
- Fueled by market demand and partnerships, the unsecured business loan segment witnessed healthy growth.
- In line with Bank's objective of building a granular and stable deposit franchise, the Bank introduced a special offering for the senior citizen customer segment, which was well received on the ground.
- To drive the growth of business customers, the Bank has launched a value proposition for the SME and MSME segments. It has also launched a new global service account to meet the unique banking needs of the service export sector.
- The Bank saw significant traction in customers using its digital platform for payments of statutory taxes in the quarter.
- Kotak Securities delivered a topline of INR 9,990 Mn for Q3FY24. The institutional part of the business is one of the strongest franchises in the group and has shown robust growth in practically all categories. The overall market share has seen healthy growth, and the business will continue the group's endeavors to keep climbing on the market share.
- Kotak Life Insurance's gross written premium grew by 9.7% YoY for the quarter. Traditional products contributed 78.9% of the regular premium, with non-participating products contributing 46.0%.
- The auto industry witnessed a healthy retail demand in Q3FY24 due to the festive season and attractive consumer offers at the year-end. This has also resulted in a reduction in stock levels at the dealership. So far, the industry has grown 7.4% in 9MFY24 and 8.0% in CY23. The SUV segment mainly drives the demand, accounting for more than 50.0% of the industry sales. Passenger car EV sales have doubled in 9MFY24 to 65,000, approx., against 30,000 last year. EV penetration in the industry is now at 2.0%, as compared to 1.0% last year. This year, Kotak Mahindra Prime (KMP) car finance business growth is 2.5 times higher than car industry growth.
- KMP acquired the Volkswagen and Ford portfolios in FY22, which is running down. As a result, the contribution from this portfolio to PBT has come down this quarter compared to the same quarter last financial year.
- In Q3FY24, the AMC business reported a total average AUM growth of 23.0% YoY to reach INR 3.54 Tn. Its equity average AUM grew 32.0% YoY to INR 2.10 Tn. The Company's equity AUM market share grew to 6.56% in Q3 FY24.
- Kotak AMC continues to manage the largest India-dedicated offshore fund, Kotak Funds, India Midcap Funds, with an AUM in excess of INR 3.9 Bn.

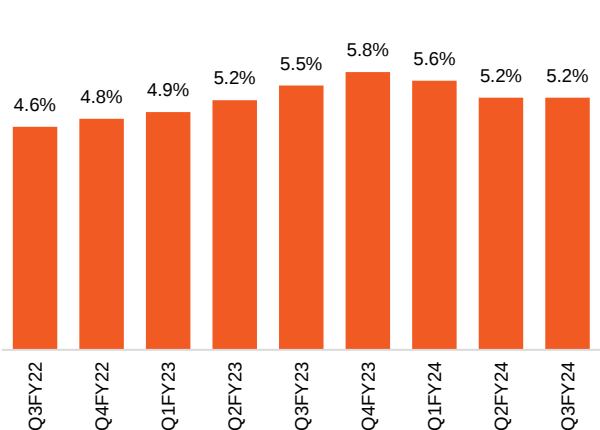
Valuation and view: KMB saw a mixed performance in Q3FY24 with decent growth in business momentum and a miss owing to the treasury loss and higher provisions, which led to subdued profitability. The credit offtake for the Bank remained healthy across all segments, while deposit growth continued to outpace the credit growth led by the higher traction of its new launches in deposits. KMB has been active in adding new product ranges to deposits to sustain the deposit mobilization strategy of the Bank. The credit growth remained broad-based and is expected to continue going forward. The asset quality was stable despite higher provisions, which were led by the additional provisioning taken by the Bank on its AIF book. Digitalization remains the key trigger for the industry to grow, and KMB is well placed to capitalize on this opportunity. On a consolidated basis, the subsidiaries continue to add reasonable value while maintaining their market share. **We have factored CAGR of 17.0% in advances and 16.2% in profits over FY23-26E, respectively, and a stable RoA of 2.4% by FY26E. We expect the premium valuation for KMB to continue with strong brand equity and consistent performance from a business perspective. We have introduced FY26E estimates and accordingly rolled over our valuation to FY26E Adjusted Book Value. We revised our target price to INR 2,150 per share (earlier INR 2,130), using SOTP valuation and applying a P/B multiple of 3.1x to the FY26E adj. BVPS of INR 638.0 for the standalone business and INR 173 per share for subsidiaries, leading to an upside of 20.5% over the CMP. We maintain our recommendation of "BUY" on the shares of KMB.**

Kotak Mahindra Bank Ltd.

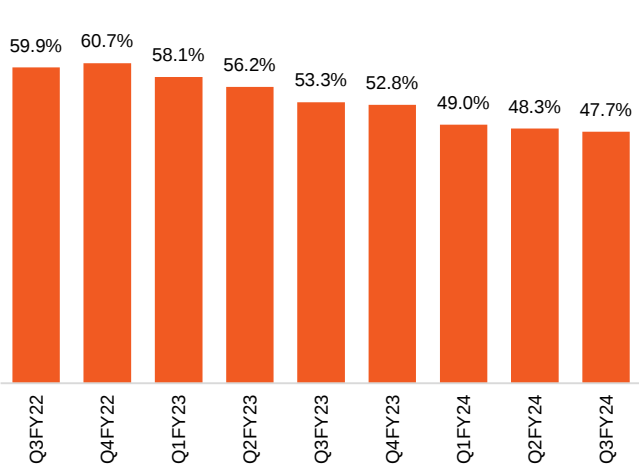
CD Ratio: Deposit growth outpaces credit growth for the quarter



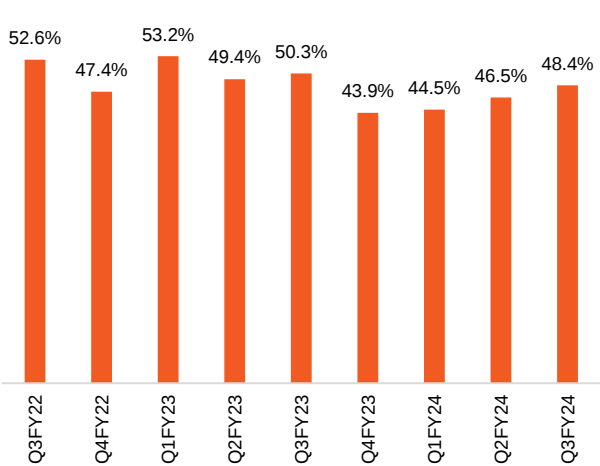
NIM: Stable on sequential basis



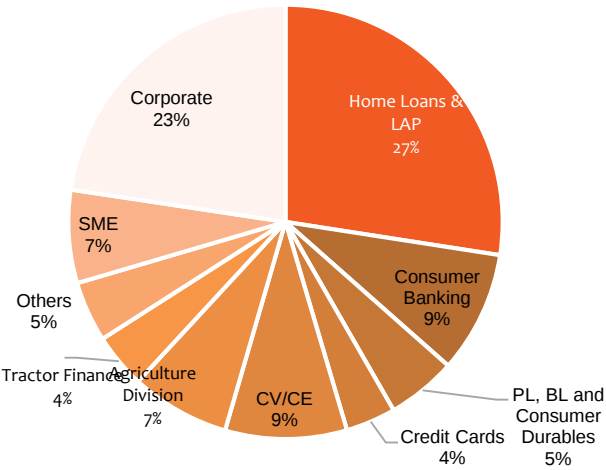
CASA: Declines further



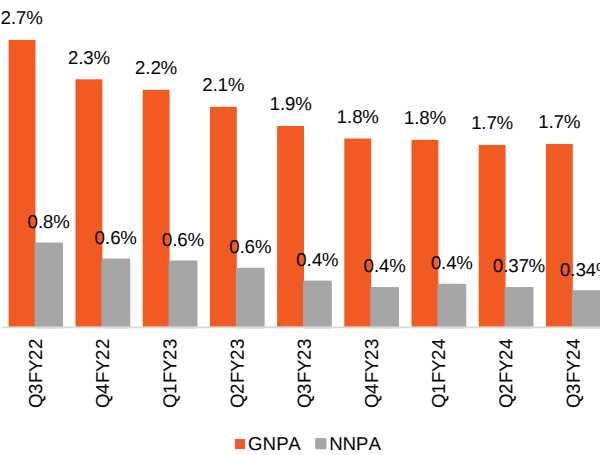
C/I : Sequentially declines



AUM: Credit cards and consumer bank drives growth



Asset quality: Stable QoQ



Source: Company, KRChoksey Research

Kotak Mahindra Bank Ltd.

KEY FINANCIALS

Exhibit 1: Profit & Loss Statement

INR Mn	FY22	FY23	FY24E	FY25E	FY26E
Interest Income	270,388	342,509	454,785	527,599	617,432
Interest Expense	102,209	126,989	197,550	234,068	274,946
Net Interest Income	168,179	215,519	257,235	293,530	342,487
Non-interest income	59,859	70,831	97,746	115,340	136,102
Operating income	228,038	286,350	354,981	408,871	478,588
Employee expense	45,824	55,198	61,822	69,241	77,550
- Other operating expense	61,706	82,672	103,244	122,929	147,387
Operating Expense	107,530	137,870	165,066	192,169	224,937
PPOP	120,509	148,480	189,915	216,702	253,652
Provisions	6,896	4,570	16,783	17,425	24,569
PBT	113,613	143,910	173,132	199,277	229,083
Tax Expense	27,886	34,517	43,283	49,819	57,271
PAT	85,727	109,393	129,849	149,458	171,812
Diluted EPS (INR)	43.0	54.9	65.4	75.2	86.5

Source: Company, KRChoksey Research

Kotak Mahindra Bank Ltd.

Exhibit 2: Balance Sheet

INR Mn	FY22	FY23	FY24E	FY25E	FY26E
Source of Funds					
Share capital	14,923	14,933	14,933	14,933	14,933
Reserves & Surplus	709,955	820,270	948,529	1,096,398	1,266,621
Net worth	724,878	835,203	963,462	1,111,331	1,281,554
ESOP	259,671	234,163	278,654	326,025	381,449
Borrowings	3,116,841	3,630,961	4,248,224	4,991,663	5,865,204
Deposits	192,894	198,299	199,681	199,095	208,868
Other liabilities & provisions	4,294,284	4,898,625	5,690,020	6,628,114	7,737,075
Total Equity & Liabilities					
Uses of Funds	160,262	199,656	220,908	274,541	322,586
Balances w/ banks & others	268,977	125,768	127,447	124,792	146,630
Investments	1,005,802	1,214,037	1,414,659	1,647,249	1,906,191
Loans & advances	2,712,536	3,198,612	3,729,582	4,356,151	5,118,478
Fixed assets	16,437	19,203	20,739	22,191	23,745
Other assets	130,269	141,349	176,686	203,189	219,444
Total Assets	4,294,284	4,898,625	5,690,020	6,628,114	7,737,075

Source: Company, KRChoksey Research

Kotak Mahindra Bank Ltd.

Exhibit 3: Ratio Analysis

Key Ratio	FY22	FY23	FY24E	FY25E	FY26E
Growth Rates					
Advances (%)	21.3%	17.9%	16.6%	16.8%	17.5%
Deposits (%)	11.3%	16.5%	17.0%	17.5%	17.5%
Total assets (%)	12.0%	14.1%	16.2%	16.5%	16.7%
NII (%)	9.6%	28.1%	19.4%	14.1%	16.7%
Pre-provisioning profit (%)	-1.3%	23.2%	27.9%	14.1%	17.1%
PAT (%)	23.1%	27.6%	18.7%	15.1%	15.0%
B/S Ratios					
Credit/Deposit (%)	87.0%	88.1%	87.8%	87.3%	87.3%
CASA (%)	62.5%	52.8%	47.5%	48.0%	50.0%
Advances/Total assets (%)	63.2%	65.3%	65.5%	65.7%	66.2%
Leverage - Total Assets to Equity	5.9	5.9	5.9	6.0	6.0
Operating efficiency					
Cost/income (%)	47.2%	48.1%	46.5%	47.0%	47.0%
Opex/total assets (%)	2.7%	2.9%	3.0%	3.0%	3.0%
Opex/total interest earning assets	2.9%	3.2%	3.3%	3.3%	3.3%
Profitability					
NIM (%)	4.6%	5.1%	5.2%	5.0%	5.0%
RoA (%)	2.1%	2.4%	2.5%	2.4%	2.4%
RoE (%)	12.6%	14.0%	14.4%	14.4%	14.4%
Asset quality					
Gross NPA (%)	2.3%	1.8%	1.7%	1.7%	1.7%
Net NPA (%)	0.6%	0.4%	0.3%	0.3%	0.3%
PCR (%)	73.2%	79.3%	81.1%	84.2%	84.6%
Credit cost (%)	0.3%	0.3%	0.3%	0.3%	0.3%
Per share data / Valuation					
EPS (INR)	43.0	54.9	65.4	75.2	86.5
BVPS (INR)	365.9	420.1	484.7	559.1	644.8
ABVPS (INR)	357.2	414.1	478.5	553.1	638.0
P/E (x)	40.5	31.5	27.6	24.0	20.9
P/BV (x)	4.8	4.1	3.7	3.2	2.8
P/ABV (x)	4.9	4.2	3.8	3.3	2.8

Source: Company, KRChoksey Research

Kotak Mahindra Bank Ltd.

Kotak Mahindra Bank Limited			
Date	CMP (INR)	TP (INR)	Recommendation
23-Jan-24	1,785	2,150	BUY
5-Dec-23	1,819	2,130	BUY
27-Oct-23	1,703	2,075	BUY
27-Jul-23	1,873	2,330	BUY
03-May-23	1,928	2,330	BUY
25-Jan-23	1,751	2,330	BUY

Rating Legend (Expected over a 12-month period)	
Our Rating	Upside
Buy	More than 15%
Accumulate	5% – 15%
Hold	0 – 5%
Reduce	-5% – 0
Sell	Less than – 5%

ANALYST CERTIFICATION:

I, Unnati Jadhav (MMS, Finance), Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I 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.

Terms & Conditions and other disclosures:

KRChoksey Shares and Securities Pvt. Ltd (hereinafter referred to as KRCSSPL) is a registered member of National Stock Exchange of India Limited and Bombay Stock Exchange Limited. KRCSSPL is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH00001295. It is also registered as a Depository Participant with CDSL, CDSL Registration No IN-DP-425-2019.

KRChoksey Shares & Securities Pvt Ltd. and DRChoksey Finserv Private Ltd. (Demerged entity from KRChoksey Shares & Securities Limited) are regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of Research Analysts including preparing and distribution of Research Reports. This research report is prepared and distributed by DRChoksey Finserv Private Ltd in the capacity of a Research Analyst as per Regulation 22(1) of SEBI (Research Analysts) Regulations 2014 having SEBI Registration No. INH00001246. It may be further notified that KRCSSPL carries on the activity of preparation as well as distribution of reports in the capacity of a Research Analyst as per Regulation 22(1) of SEBI (Research Analysts) Regulations 2014 having SEBI Registration No. INH000001295.

The information and opinions in this report are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of KRCSSPL. While we would endeavour to update the information herein on a reasonable basis, KRCSSPL is not under any obligation to update the information. Also, there may be regulatory, compliance or other reasons that may prevent KRCSSPL from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension follows applicable regulations and/or KRCSSPL policies, in circumstances where KRCSSPL might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. KRCSSPL will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. KRCSSPL accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Our employees in sales and marketing team, dealers and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions 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.

We submit that no material disciplinary action has been taken on KRCSSPL and its associates (Group Companies) by any Regulatory Authority impacting Equity Research Analysis activities. KRCSSPL prohibits its associate, analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analyst covers.

KRCSSPL or its associates (Group Companies) collectively or its research analyst, or relatives do not hold any financial interest/beneficial ownership of more than 1% (at the end of the month immediately preceding the date of publication of the research report) in the company covered by Analyst, and has not been engaged in market making activity of the company covered by research analyst.

It is confirmed that, I, Unnati Jadhav Research Analyst 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 brokerage service transactions.

KRCSSPL or its Associates (Group Companies) have not managed or co-managed public offering of securities for the subject company in the past twelve months.

KRCSSPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of brokerage services or specific transaction or for products and services other than brokerage services.

KRCSSPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report other than investment banking or merchant banking or brokerage services from the subject company

KRCSSPL encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. KRCSSPL or its analysts do not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither KRCSSPL nor Research Analysts his associate or his relative, have any material conflict of interest at the time of publication of this report.

It is confirmed that, Unnati Jadhav, Research Analyst do not serve as an officer, director or employee of the companies mentioned in the report.

KRCSSPL or its associates (Group Companies) or its research analyst has may been engaged in market making activity for the subject company.

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 KRCSSPL and affiliates 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 them of and to observe such restriction.

Please send your feedback to research.insti@krchoksey.com

In case of any grievances, please write to grievance@krchoksey.com

Visit us at www.krchoksey.com

KRChoksey Shares and Securities Pvt. Ltd.

CIN-U67120MH1997PTC108958

Registered Office: 1102, Stock Exchange Tower, Dalal Street, Fort, Mumbai – 400 001.

Phone: 91-22-6633 5000; Fax: 91-22-6633 8060

Corporate Office: 701-702, DLH Plaza, Opp Shoppers Stop, S V Road, Andheri (W), Mumbai 400 058

Phone: 91-22-66535000

Compliance Officer: Varsha Shinde

Email: varsha.shinde@krchoksey.com

ANALYST

Unnati Jadhav, research5@krchoksey.com, +91-22-6696 5420

KRChoksey Research

is also available on Bloomberg KRCS<GO>
Thomson Reuters, Factset and Capital IQ

Phone: +91-22-6696 5555, Fax: +91-22-6691 9576
www.krchoksey.com