

MAY 13, 2024

## Result Update

### Stock Details

Market cap (Rs crs)	:	4237
52-wk Hi/Lo (Rs)	:	1699/997
Face Value (Rs)	:	2
3M Avg. daily vol (Nos)	:	60000
Shares o/s (crs)	:	3.83

Source: Moneycontrol, BSE

### Financial Summary

Y/E Mar (Rs cr)	FY24	FY25E	FY26E
Revenue	1,254	1,385	1,540
Growth (%)	1.0	10.5	11.2
EBITDA	187	217	242
EBITDA margin (%)	14.9	15.7	15.7
PAT	134	156	173
EPS	34.9	40.7	45.2
EPS Growth (%)	-3.9	16.7	11.0
BV (Rs/share)	203.3	236.2	272.1
Dividend/share (Rs)	10.0	12.0	14.0
ROE (%)	18.4	18.5	17.8
ROCE (%)	24.5	24.6	23.6
P/E (x)	31.5	27.0	24.3
EV/EBITDA (x)	21.3	18.3	16.4
P/BV (x)	5.4	4.7	4.0

Source: Company, Kotak Securities - PCG

### Shareholding Pattern (%)

(%)	Mar-24	Dec-23	Sep-23
Promoters	69.6	69.7	69.7
FII	2.4	2.9	3.1
DII	8.9	8.4	8.9
Others	19.1	19.0	18.3

Source: BSE

### Price Performance (%)

(%)	1M	3M	6M
TCI Express	(0.7)	(16.3)	(17.4)
Nifty	(2.1)	1.3	13.4

Source: BSE

### Price chart (Rs)



Source: Moneycontrol, BSE

**Amit Agarwal, CFA**

Agarwal.amit@kotak.com

+91 22 6218 6439

## TCI EXPRESS LTD (TCIEXP)

**PRICE Rs.1100**

**TARGET Rs.1490**

**BUY**

**Weak performance continues/ long-term measures on** – Q4 print was weak on expected lines and in line with industry trends. TCIEXP posted mediocre set of numbers for Q4 on revenue/ebidta/pat front with flattish revenues of Rs 317.2 cr (+1.7% qoq and -2.8% yoy). The limited performance driven by higher capacity utilization of 83.5% and demand from MSME customers. Headwinds from muted demand and high inventory levels brought down the number of goods dispatched during the quarter. Performance looks weak considering improved performance of Bluedart in Q4. Management is confident of improvement in performance in future quarters. More sorting centers, new branches and new services like rail express will drive the top line and margins in the forthcoming quarters. Company claims to have a market share of 7% in express industry. We expect TCIEXP to report revenue and earnings CAGR of 10.5%/13.5% respectively over FY25 to FY26E, with improvement in operating margins and healthy return ratios and continue to recommend BUY on TCIEXP with a reduced TP of Rs 1490 (from Rs 1720) at 33x FY26E.

### Key Highlights:

- ❑ Total revenue for Q4 stood at Rs 317.2 cr (+1.7% qoq and -2.8% yoy). The limited performance driven by higher capacity utilization of 83.5% and demand from MSME customers. We believe competition within the express logistics industry and weakness in discretionary demand is negatively impacting the growth of TCIEXP.
- ❑ Competition, weak demand and inflation resulted in two year weak EBIDTA margin of 14.13% (down 245 bps yoy and 46 bps qoq) during quarter. However, margins were supported by higher capacity utilization of 83.5%, demand from MSME customers, operational efficiency and revenue contribution from newly launch services, especially from rail express.
- ❑ Other income, depreciation, interest cost and taxation were stable during the quarter.
- ❑ Consequently, company reported PAT of Rs 31.5 cr below our expectation of Rs 34 cr.
- ❑ Board of Directors has recommended a final dividend of Rs 2 per share, taking the total dividend to Rs. 8 per share for FY24.
- ❑ Capex incurred during FY23 at Rs 125 cr, primarily spent towards land acquisition for setting up new automated sorting center in Kolkata and Ahmedabad and for new corporate office in Gurgaon. Capex of Rs. 46 cr incurred during FY24 primarily spent towards expansion of branch network, Automation and construction of new sorting centres.
- ❑ 35 new branches were added during FY23 and 25 in FY24 (5 in Q1FY24, 7 in Q2FY24, 3 in Q3FY24 and 10 in Q4FY24) to penetrate deeper in the key growing markets in West and South. TCIEXP is also looking to penetrate deeper in the key growing markets to cater the growing demand with Industry leading service

- Management claims, despite the economic headwind from muted demand during the quarter, we were able to maintain stable margins due to operational efficiencies and efficient capacity utilization. The contribution to revenue from newly launched services, particularly from rail express, has been steadily increasing.

### Consolidated Quarterly Performance

Rs cr	Q4FY23	Q3FY24	Q4FY24	QoQ (%)	YoY (%)
<b>Sales</b>	<b>326.3</b>	<b>311.8</b>	<b>317.1</b>	<b>1.7</b>	<b>-2.8</b>
Operating expd	219.2	214.3	217.0	1.3	-1.0
Employee cost	31.4	33.5	33.6	0.3	7.0
Other cost	21.6	18.5	21.7	17.3	0.5
Total operating cost	272.2	266.3	272.3	2.3	0.0
<b>EBIDTA</b>	<b>54.1</b>	<b>45.5</b>	<b>44.8</b>	<b>-1.5</b>	<b>-17.2</b>
EBIDTA margin	16.58	14.59	14.13		
Depreciation	4.2	4.8	4.9	2.1	16.7
Interest	0.7	0.3	0.4		
Other income	1.7	2	1.9	-5.0	11.8
<b>PBT</b>	<b>50.9</b>	<b>42.4</b>	<b>41.4</b>	<b>-2.4</b>	<b>-18.7</b>
Taxes	12.5	10.2	9.9	-2.9	-20.8
ETR (%)	24.56	24.06	23.91	-0.6	-2.6
<b>Reported PAT</b>	<b>38.4</b>	<b>32.2</b>	<b>31.5</b>	<b>-2.2</b>	<b>-18.0</b>
No of shares	3.85	3.85	3.85		
<b>EPS</b>	<b>10.0</b>	<b>8.4</b>	<b>8.2</b>	<b>-2.2</b>	<b>-18.0</b>

Source: Company, Kotak Securities- Private Client Group

## Other highlights

### Newly launched service

Rail Express offering is getting good traction from customers with TCIEXP expanded customer base to 4500 (from 3000 in Q2FY24 and 4000 in Q3FY24) and presence from 10 routes to 125 routes since inception. TCI Express intends to have an asset light model in Rail express and buy space on the trains to ensure higher capacity utilization. An Independent team will manage this business offering. The newly launched services offerings are expected to contribute positively to the top line in the forthcoming quarters, enabling the company to deliver higher margin levels with sustainable growth.

### Expanding Service Offering: Pharma Cold Chain Express

TCIEXP continues to implement the asset-light model in the Pharma Cold Chain express logistics segment. Company will use existing hub and spoke network to meet the growing demand for Cold Chain express logistics. Company will dispatch pharma shipments either Frozen (Blood Plasma) or Vaccines under the prescribed temperature as norms ensuring there are no fluctuations in the temperature. Company will also dispatch frozen products as per FSSAI norms ensuring there are no fluctuations in the temperature. There will Monitoring of temperature maintained through Data Loggers and real-time monitoring through tracer.

Newly launched services contribute ~17% to the topline and are expected to contribute one-fourth in near future

### **Capex of Rs 500 cr planned over 5 years**

On the investment side, during the FY23, TCIEXP incurred a capex of Rs 125 crores, primarily spent towards the acquisition of land for setting up new automated sorting center in Kolkata and Ahmedabad and for new corporate office in Gurgaon. Capex incurred during FY23 at Rs 125 cr, primarily spent towards land acquisition for setting up new automated sorting center in Kolkata and Ahmedabad and for new corporate office in Gurgaon. Capex of Rs. 46 cr incurred during FY24 primarily spent towards expansion of branch network, Automation and construction of new sorting centres.

TCIEXP will invest about Rs 500 cr over the next five years (FY23-28) to quadruple its sorting centre capacity and towards automation and enhancing technological capabilities. This capex will be funded entirely from internal accruals; nonetheless, the company is expected to generate positive FCF. We believe this scale of capacity expansion will cater to TCIEXP's demand needs for the next eight-ten years, which should help it generate high FCF after the capex phase is over.

The company achieved full automation at pune sorting centre (similar to Gurgaon), delivering 40% turnaround time reduction and enhanced operational efficiency with AI-enabled technology. This will further enhance our operational efficiencies and margins in the forthcoming quarters.

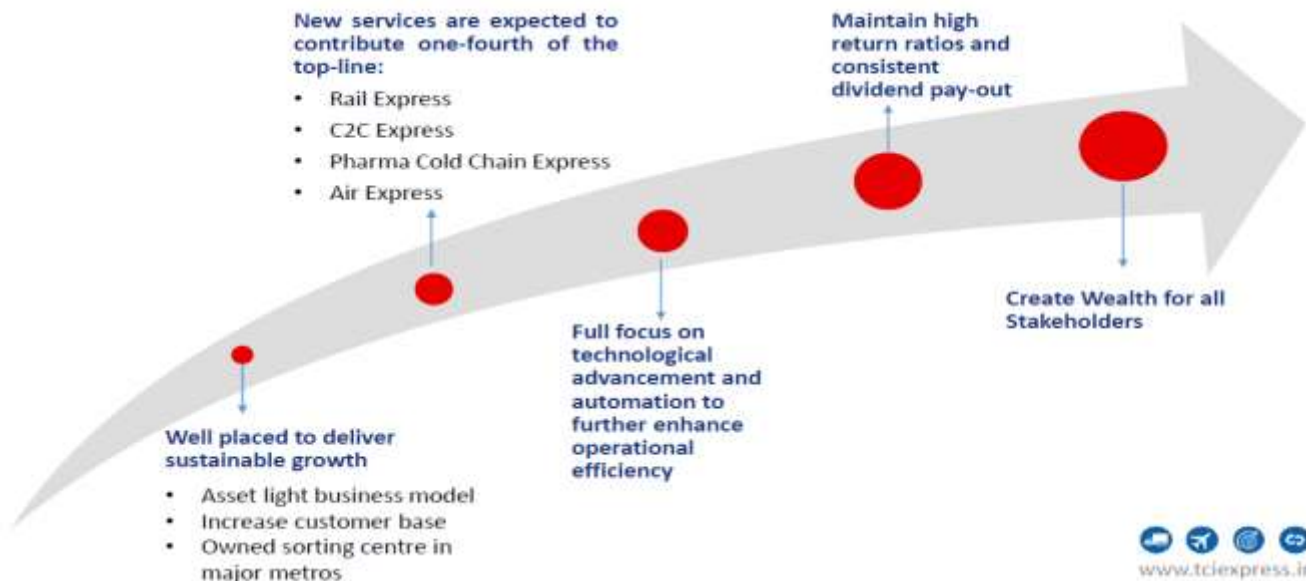
### **Strong cash flow**

There was strong cash flow from operation of Rs. 130 crores with robust CFO to EBITDA ratio of 70% in FY24. TCIEXP also had strong cash flow from operations (CFO) for FY23 at Rs 153 crore. Company continues to maintain strong CFO to EBITDA ratio of over 65%, which provides extensive flexibility the company continue to focus on balanced capital allocation. TCIEXP has efficient working capital management with robust capital structure and strong cash flow conversion cycle.

### **Leading player, strong growth history**

TCI express is leading ground express player with the company claiming to have a market share of ~7%. In CY16, Transport Corporation of India (TCI) completed the de-merger of its express division and over FY17 to FY23, despite Covid TCIEXP reported revenue CAGR of 6.2% and earnings CAGR of 21.2% with high return ratios. Q3 print was weak on expected lines and in line with industry trends. Company expects partial recovery in FY25 and full recovery in FY26. Going forward, we expect ecommerce, manufacturing and MSMEs to be the key demand drivers, while technology and logistical infrastructure will be key enablers for market expansion.

## Strategic Priorities of TCIEXP



Source: Company

## Valuation and outlook

TCIEXP has delivered an impressive well-rounded performance (volume-led, marginally ahead-of-the-industry growth + cost saving and improvement in operating margins) over the past six years and emerged as a credible player in Express Industry. Company claims to have a market share of 7% in express industry. Q2FY24 performance looks weak considering the upcoming festive season in Oct and November. However, management is confident of improvement in performance in future quarters. More sorting centers, new branches and new services like rail express will drive the top line and margins in the forthcoming quarters. Company claims to have a market share of 7% in express industry.

More sorting centers, new branches and new services like rail express will drive the top line and margins in the forthcoming quarters. Company claims to have a market share of 7% in express industry. Performance looks weak considering improved performance of Bluedart in Q4. Management is confident of improvement in performance in future quarters. More sorting centers, new branches and new services like rail express will drive the top line and margins in the forthcoming quarters. Company claims to have a market share of 7% in express industry. We expect TCIEXP to report revenue and earnings CAGR of 10.5%/13.5% respectively over FY25 to FY26E, with improvement in operating margins and healthy return ratios and continue to recommend BUY on TCIEXP with a reduced TP of Rs 1490 (from Rs 1720) at 33x FY26E.

## Company Background

TCI Express Ltd provides services for Surface Logistics and Air Logistics in B2B and Last Mile Logistics in the B2C division. It is a leader in door-to-door logistics, covering around 99% of districts in India with a global presence in 202 countries. The company provides value-added services such as collection on delivery for B2C, Sunday/holiday delivery services, customized solutions as per the customer specification, etc. The company is a market leader in surface logistics, and follows the hub and spoke model with 800+ branches, 28 sorting centers, 5000 containerized vehicles, ~2,00,000 customers, etc. (Source: Company)

## Financials: Consolidated

### Profit and Loss Statement (Rs cr)

(Year-end Mar)	FY23	FY24	FY25E	FY26E
<b>Revenues</b>	<b>1,241</b>	<b>1,254</b>	<b>1,385</b>	<b>1,540</b>
% change YoY	14.7	1.0	10.5	11.2
Operating cost	850	859	946	1,050
Employee cost	124	134	140	157
Other expenses	73	74	82	91
Total Operating expd	1,046	1,067	1,168	1,298
<b>EBITDA</b>	<b>195</b>	<b>187</b>	<b>217</b>	<b>242</b>
Depreciation	16	17	19	23
<b>EBIT</b>	<b>179</b>	<b>170</b>	<b>198</b>	<b>219</b>
Other income	7	7	9	11
Financial expense	2	2	2	2
<b>Profit before tax</b>	<b>184</b>	<b>176</b>	<b>205</b>	<b>228</b>
Tax	45	42	49	55
ETR (%)	24.6	24.0	24.0	24.0
<b>Profit after tax</b>	<b>139</b>	<b>134</b>	<b>156</b>	<b>173</b>
Minorities & Associates	0	0	0	0
<b>Net income</b>	<b>139</b>	<b>134</b>	<b>156</b>	<b>173</b>
% change YoY	6.0	-3.9	16.7	11.0
Shares outstanding (cr)	3.83	3.83	3.83	3.83
<b>EPS</b>	<b>36.3</b>	<b>34.9</b>	<b>40.7</b>	<b>45.2</b>

Source: Company, Kotak Securities – Private Client Group

### Cash flow Statement (Rs cr)

(Year-end Mar)	FY23	FY24	FY25E	FY26E
<b>PAT</b>	<b>139</b>	<b>134</b>	<b>156</b>	<b>173</b>
Depreciation+DTL	29	31	35	41
Change in working capital	(6)	(3)	(18)	(17)
<b>Cash flow from operations</b>	<b>162</b>	<b>161</b>	<b>173</b>	<b>197</b>
Capex	(164)	(46)	(73)	(108)
Investments	(10)	(10)	(10)	(10)
<b>Cash flow from investments</b>	<b>(174)</b>	<b>(56)</b>	<b>(83)</b>	<b>(118)</b>
Equity issuance	(0)	-	-	-
Debt raised	-	-	-	-
Dividend Paid	(31)	(38)	(46)	(54)
Miscellaneous items	-	-	-	-
<b>Cash flow from financing</b>	<b>(31)</b>	<b>(38)</b>	<b>(46)</b>	<b>(54)</b>
Net cash flow	(43)	66	44	26
Opening cash	97	54	121	165
<b>Closing cash</b>	<b>54</b>	<b>121</b>	<b>165</b>	<b>191</b>

Source: Company, Kotak Securities – Private Client Group

### Balance sheet (Rs cr)

(Year-end Mar)	FY23	FY24	FY25E	FY26E
Cash	54	121	165	191
Debtors	223	226	249	277
Inventory	0	0	0	0
Loans and advances	12	14	17	21
Other current assets	25	26	30	33
Total current assets	260	266	296	331
LT investments	20	30	40	50
Net fixed assets	448	477	530	615
<b>Total assets</b>	<b>782</b>	<b>893</b>	<b>1,031</b>	<b>1,187</b>
Creditors	89	90	100	115
Other current liabilities	7	7	8	9
Provisions	17	17	18	21
Total current liabilities	113	114	127	145
LT debt	0	0	0	0
Equity Capital	7.7	7.7	7.7	7.7
Reserves	662	771	897	1,034
Networth	670	779	905	1,042
<b>Total liabilities</b>	<b>782</b>	<b>893</b>	<b>1,031</b>	<b>1,187</b>
BVPS (Rs)	174.8	203.3	236.2	272.1

Source: Company, Kotak Securities – Private Client Group

### Ratio Analysis

(Year-end Mar)	FY23	FY24	FY25E	FY26E
EBITDA margin (%)	15.7	14.9	15.7	15.7
EBIT margin (%)	14.4	13.6	14.3	14.2
Net profit margin (%)	11.2	10.7	11.3	11.2
ROE (%)	22.8	18.4	18.5	17.8
ROCE (%)	30.6	24.5	24.6	23.6
DPS	8.0	10.0	12.0	14.0
Dividend payout (%)	22.0	28.7	29.5	31.0
Working capital turnover (days)	42.6	43.5	42.2	42.2
Debt Equity (x)	-	-	-	-
PER (x)	30.3	31.5	27.0	24.3
P/C (x)	26.5	27.2	23.4	20.9
Dividend yield (%)	0.7	0.9	1.1	1.3
P/B (x)	6.3	5.4	4.7	4.0
EV/Sales (x)	3.3	3.3	3.0	2.7
EV/ EBITDA (x)	20.5	21.3	18.3	16.4

Source: Company, Kotak Securities – Private Client Group

## RATING SCALE (PRIVATE CLIENT GROUP)

### Definitions of ratings

<b>BUY</b>	– We expect the stock to deliver more than 15% returns over the next 12 months
<b>ADD</b>	– We expect the stock to deliver 5% - 15% returns over the next 12 months
<b>REDUCE</b>	– We expect the stock to deliver -5% - +5% returns over the next 12 months
<b>SELL</b>	– We expect the stock to deliver < -5% returns over the next 12 months
<b>NR</b>	– <b>Not Rated.</b> Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
<b>SUBSCRIBE</b>	– We advise investor to subscribe to the IPO.
<b>RS</b>	– <b>Rating Suspended.</b> Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
<b>NA</b>	– <b>Not Available or Not Applicable.</b> The information is not available for display or is not applicable
<b>NM</b>	– <b>Not Meaningful.</b> The information is not meaningful and is therefore excluded.
<b>NOTE</b>	– Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

### FUNDAMENTAL RESEARCH TEAM (PRIVATE CLIENT GROUP)

<b>Shrikant Chouhan</b> Head of Research <a href="mailto:shrikant.chouhan@kotak.com">shrikant.chouhan@kotak.com</a> +91 22 6218 5408	<b>Arun Agarwal</b> Auto & Auto Ancillary, Building Material, Cement, Consumer Durable <a href="mailto:arun.agarwal@kotak.com">arun.agarwal@kotak.com</a> +91 22 6218 6443	<b>Amit Agarwal, CFA</b> Transportation, Paints, FMCG <a href="mailto:agarwal.amit@kotak.com">agarwal.amit@kotak.com</a> +91 22 6218 6439
<b>Purvi Shah</b> Pharmaceuticals <a href="mailto:purvi.shah@kotak.com">purvi.shah@kotak.com</a> +91 22 6218 6432	<b>Rini Mehta</b> Research Associate <a href="mailto:rini.mehta@kotak.com">rini.mehta@kotak.com</a> +91 22 6218 6433	<b>K. Kathirvelu</b> Support Executive <a href="mailto:k.kathirvelu@kotak.com">k.kathirvelu@kotak.com</a> +91 22 6218 6427
<b>Sumit Pokharna</b> Oil and Gas, Information Tech <a href="mailto:sumit.pokharna@kotak.com">sumit.pokharna@kotak.com</a> +91 22 6218 6438	<b>Pankaj Kumar</b> Construction, Capital Goods & Midcaps <a href="mailto:pankajr.kumar@kotak.com">pankajr.kumar@kotak.com</a> +91 22 6218 5498	<b>Amarjeet Maurya</b> Internet Software & Services <a href="mailto:amarjeet.maurya@kotak.com">amarjeet.maurya@kotak.com</a> +91 22 6218 6427

### TECHNICAL RESEARCH TEAM (PRIVATE CLIENT GROUP)

<b>Shrikant Chouhan</b> <a href="mailto:shrikant.chouhan@kotak.com">shrikant.chouhan@kotak.com</a> +91 22 6218 5408	<b>Amol Athawale</b> <a href="mailto:amol.athawale@kotak.com">amol.athawale@kotak.com</a> +91 20 6620 3350	<b>Sayed Haider</b> Research Associate <a href="mailto:sayed.haider@kotak.com">sayed.haider@kotak.com</a> +91 22 62185498
---	--	--

### DERIVATIVES RESEARCH TEAM (PRIVATE CLIENT GROUP)

<b>Sahaj Agrawal</b> <a href="mailto:sahaj.agrawal@kotak.com">sahaj.agrawal@kotak.com</a> +91 79 6604 1701	<b>Prashanth Lalu</b> <a href="mailto:prashanth.lalu@kotak.com">prashanth.lalu@kotak.com</a> +91 22 6218 5497	<b>Prasenjit Biswas, CMT, CFTe</b> <a href="mailto:prasenjit.biswas@kotak.com">prasenjit.biswas@kotak.com</a> +91 33 6615 6240	<b>Karan Kulkarni</b> <a href="mailto:karan.kulkarni@kotak.com">karan.kulkarni@kotak.com</a> +91 20 6608 3292
--	---	--	---

## Disclosure/Disclaimer

Kotak Securities Limited established in 1994, is a subsidiary of Kotak Mahindra Bank Limited. Kotak Securities is one of India's largest brokerage and distribution house.

Kotak Securities Limited is a corporate trading and clearing member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Metropolitan Stock Exchange of India Limited (MSE), National Commodity and Derivatives Exchange (NCDEX) and Multi Commodity Exchange (MCX). Our businesses include stock broking, services rendered in connection with distribution of primary market issues and financial products like mutual funds and fixed deposits, depository services and Portfolio Management.

Kotak Securities Limited is also a depository participant with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Kotak Securities Limited is also registered with Insurance Regulatory and Development Authority as Corporate Agent for Kotak Mahindra Life Insurance Company Limited and Kotak Mahindra General Insurance Company Limited and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI). We are registered as a Research Analyst under SEBI (Research Analyst) Regulations, 2014.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However SEBI, Exchanges, Clearing Corporations and Depositories etc have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

We offer our research services to clients as well as our prospects.

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.

This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of clients of Kotak Securities Ltd. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed. Neither Kotak Securities Limited, nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

Kotak Securities Limited has two independent equity research groups: Institutional Equities and Private Client Group. This report has been prepared by the Private Client Group.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of 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 subject company/company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Kotak Securities Limited (KSL) may have proprietary long/short position in the above mentioned scrip(s) and therefore may be considered as interested. The views provided herein are general in nature and does not consider risk appetite or investment objective of particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with KSL. Kotak Securities Limited is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation. Kotak Securities Limited does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and take professional advice before investing.

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

No part of this material may be duplicated in any form and/or redistributed without Kotak Securities' prior written consent.

Details of Associates are available on [www.kotak.com](http://www.kotak.com)

1. "Note that the research analysts contributing to the research report may not be registered/qualified as research analysts with FINRA; and
2. Such research analysts may not be associated persons of Kotak Mahindra Inc and therefore, may not be subject to NASD Rule 2711 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account

Any U.S. recipients of the research who wish to effect transactions in any security covered by the report should do so with or through Kotak Mahindra Inc. (Member FINRA/SIPC) and (ii) any transactions in the securities covered by the research by U.S. recipients must be effected only through Kotak Mahindra Inc. (Member FINRA/SIPC) at 369 Lexington Avenue 28th Floor NY NY 10017 USA (Tel:+1 212-600-8850).

Kotak Securities Limited and its non US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non US issuers, prior to or immediately following its publication. This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. This research report and its respective contents do not constitute an offer or invitation to purchase or subscribe for any securities or solicitation of any investments or investment services. Accordingly, any brokerage and investment services including the products and services described are not available to or intended for Canadian persons or US persons."

Research Analyst has served as an officer, director or employee of subject company(ies): No

We or our associates may have received compensation from the subject company(ies) in the past 12 months.

We or our associates have managed or co-managed public offering of securities for the subject company(ies) in the past 12 months: No

We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months. We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report. Our associates may have financial interest in the subject company(ies).

Research Analyst or his/her relative's financial interest in the subject company(ies): No

Kotak Securities Limited has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of Research Report: No

"However, Kotak Securities Prop/Arbitrage team could have exposure/financial interest to the subject company/companies during the ongoing month."

"Nature of financial interest is holding of equity shares and/or derivatives of the subject company."

Our associates may have 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 Research Report.

Research Analyst or his/her relatives has 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 Research Report: No.

Kotak Securities Limited has 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 Research Report: No

By referring to any particular sector, Kotak Securities Limited does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and take professional advice before investing. Such representations are not indicative of future results.

Subject company(ies) may have been client during twelve months preceding the date of distribution of the research report.

"A graph of daily closing prices of securities is available at <https://www.nseindia.com/ChartApp/install/charts/mainpage.jsp> and <http://economictimes.indiatimes.com/markets/stocks/stock-quotes>. (Choose a company from the list on the browser and select the "three years" icon in the price chart)."

Our research should not be considered as an advertisement or advice, professional or otherwise. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

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

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

Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts. Compliance Officer Details: Mr. Hiren Thakkar. Call: 022 - 4285 8484, or Email: [ks.compliance@kotak.com](mailto:ks.compliance@kotak.com).

Kotak Securities Limited. Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051. CIN: U99999MH1994PLC134051, Telephone No.: +22 43360000, Fax No.: +22 67132430. Website: [www.kotak.com](http://www.kotak.com) / [www.kotaksecurities.com](http://www.kotaksecurities.com). Correspondence Address: Infinity IT Park, Bldg. No 21, Opp. Film City Road, A K Vaidya Marg, Malad (East), Mumbai 400097. Telephone No: 42856825. SEBI Registration No: INZ000200137(Member of NSE, BSE, MSE, MCX & NCDEX), AMFI ARN 0164, PMS INP000000258 and Research Analyst INH000000586. NSDL/CDSL: IN-DP-629-2021. Compliance Officer Details: Mr. Hiren Thakkar. Call: 022 - 4285 8484, or Email: [ks.compliance@kotak.com](mailto:ks.compliance@kotak.com)

In case you require any clarification or have any query/concern, kindly write to us at [Service.securities@kotak.com](mailto:Service.securities@kotak.com). For grievances write to [KS.escalation@kotak.com](mailto:KS.escalation@kotak.com) and follow below Grievances Escalation matrix.

Details of	Contact Person	Address	Contact No.	Email Id	Working Hours
<b>Customer care/ Complaints</b>	Mr. Ritesh Shah	Kotak Towers, 8th Floor, Building No.21, Infinity Park, Off Western Express Highway, Malad (East), Mumbai, Maharashtra - 400097	18002099393	<a href="mailto:ks.escalation@kotak.com">ks.escalation@kotak.com</a>	9 a.m. to 6 p.m. All trading days
<b>Head of Customer care</b>	Mr. Tabrez Anwar	Kotak Towers, 8th Floor, Building No.21, Infinity Park, Off Western Express Highway, Malad (East), Mumbai, Maharashtra - 400097	022-42858208	<a href="mailto:ks.servicehead@kotak.com">ks.servicehead@kotak.com</a>	9 a.m. to 6 p.m. All trading days
<b>Compliance Officer</b>	Mr. Hiren Thakkar	Kotak Towers, 8th Floor, Building No.21, Infinity Park, Off Western Express Highway, Malad (East), Mumbai, Maharashtra - 400097	022-42858484	<a href="mailto:ks.compliance@kotak.com">ks.compliance@kotak.com</a>	9 a.m. to 6 p.m. All trading days
<b>CEO &amp; Managing Director</b>	Mr. Shripal Shah	Kotak Towers, 8th Floor, Building No.21, Infinity Park, Off Western Express Highway, Malad (East), Mumbai, Maharashtra - 400097	022-42858301	<a href="mailto:ceo.ks@kotak.com">ceo.ks@kotak.com</a>	9 a.m. to 6 p.m. All trading days

In absence of response/complaint not addressed to your satisfaction, you may lodge a complaint with SEBI at <https://scores.sebi.gov.in/scores/Welcome.html> or Exchange at <https://investorhelpline.nseindia.com/NICEPLUS/>, <https://bse.rs.bseindia.com/ecomplaint/frmlInvestorHome.aspx>, Investor Service Centre | National Commodity & Derivatives Exchange Limited ([ncdex.com](http://ncdex.com)), <https://igrs.mcxindia.com/>. Please quote your Service Ticket/Complaint Ref No. while raising your complaint at SEBI SCORES/Exchange portal or Depository at <https://www.epass.nsdl.com/complaints/websitecomplaints.aspx> and <https://www.cdslindia.com/Footer/grievances.complaints.aspx> and <https://www.cdslindia.com/Footer/grievances>