

Result Update

Stock Details

Market cap (Rs cr)	:	2098
52-wk Hi/Lo (Rs)	:	252/122
Face Value (Rs)	:	10
3M Avg. daily vol (nos)	:	82372
Shares o/s (cr)	:	13.3

Source: Capitaline, BSE

Financial Summary

Y/E Mar (Rs cr)	FY20	FY21E	FY22E
Revenue	977	872	969
Growth (%)	6.4	(10.7)	11.1
EBITDA	181	134	175
EBITDA margin (%)	18.6	15.4	18.0
PAT	92	51	80
EPS	6.9	3.9	6.0
EPS Growth (%)	43.3	(43.8)	54.7
BV (Rs/share)	13	17	23
Dividend/share (Rs)	0	0	0
ROE (%)	38.7	25.5	29.8
ROCE (%)	33.8	9.8	19.3
P/E (x)	22.9	40.8	26.4
EV/EBITDA (x)	10.4	13.5	9.3
P/BV (x)	11.9	9.2	6.8

Source: Company, Kotak Securities - PCG

Shareholding Pattern (%)

(%)	Jun-20	Mar-20	Dec-19
Promoters	67.3	67.3	67.3
FII	5.3	5.4	5.7
DII	14.6	14.5	14.5
Others	12.8	12.2	12.0

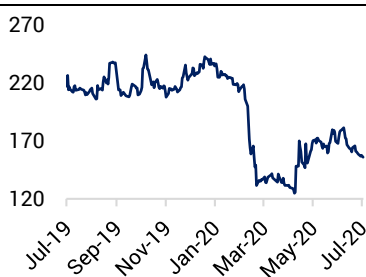
Source: Capitaline, BSE

Price Performance (%)

(%)	1M	3M	6M
MHRIL	-9.3	19.0	-33.7
Nifty	4.9	19.2	-5.4

Source: Moneycontrol, BSE

Price chart (Rs)



Source: Capitaline, BSE

MAHINDRA HOLIDAYS & RESORTS LTD (MHRIL)

PRICE RS.158

TARGET RS.208

BUY

MHRIL Q1FY21 standalone results was better than our estimates at operating level with EBITDA margin better than our estimates due to cost saving measures. But the net member additions declined sharply by 71%/65% yoy/qoq to 1270 due to adverse impact of Covid-19 pandemic.

Key Highlights

- Standalone net revenue declined by 29.4% yoy to Rs 177 cr on account of negligible contribution from resort income as its resorts were shut till mid-June due to Covid-19 led restriction on travel. Vacation ownership (VO) income also declined by 2% yoy on account of sharp decline in new member addition with lower realization and one time overdue cancellation of 820 members. Revenue for the quarter got some support from 7.2% yoy growth in Annual subscription fee (ASF) income.
- Standalone EBITDA margin at 25.8% was up 880 bps yoy and was better than our estimates. The improved margin was due to 52.4% yoy decline in other expenses due to adoption of several cost control measures, lower membership addition cost, lower variable cost, etc. Standalone PAT for the quarter grew by 47.4% yoy to Rs 26.75 cr driven by strong EBITDA margin coupled with higher other income and lower tax rate.
- The management showed confidence in the company's business model and expects recovery in holidaying activities. The company believes pick up in member additions on month on month basis as country unlocks and travel restrictions ease off. MHRIL is focusing on encouraging digital marketing and shifted completely from face to face sales format to virtual selling.

Standalone Quarterly performance table

Year to March (Rs cr)	Q1FY21	Q1FY20	%Change	Q4FY20	%Change
Net Revenues	177	251	(29.4)	241	(26.5)
Employee Expenses	66	71	(6.9)	71	(6.6)
Other Expenses	65	137	(52.4)	126	(48.3)
Operating Expenses	131	208	(36.9)	197	(33.4)
EBITDA	46	42	7.6	44	4.7
EBITDA margin (%)	25.8	17.0		18.1	
Adjusted EBITDA	46	42.48	7.6	37	
Adj EBITDA margin (%)	25.8	17.0		15.5	
Depreciation	25	24	5.1	26	(1.6)
Other income	19	14	36.4	15	31.1
Net finance expense	4	17	(78.8)	4	(4.2)
Profit before tax	36	16	129.0	29	24.9
Provision for taxes	10	10	(8.0)	(1)	(753.2)
PAT	27	5	387.3	31	(12.3)
One-time Tax Impact	-	-		200	
PAT post one-time Tax impact	27	18		(169)	(115.8)
NPM (%)	15.1	2.2		12.7	
Tax rate (% of PBT)	26.3	65.3		(5.0)	

Source: Company

Pankaj Kumar

pankajr.kumar@kotak.com

+91 22 6218 6434

Outlook and valuation

We believe that the VO industry in India has strong potential to grow keeping in mind under penetration, rising discretionary spending towards tour and leisure segment, etc. We believe that strong balance sheet (net cash and equivalent of Rs 776 cr at standalone), robust cash flows and widespread presence across holiday's destination in India and overseas, continuous addition of new locations/room inventories gives MHRIL an edge over its peers in the industry. This would help the company to attract new members in the longer run.

We maintain our revenue and margin estimates for FY21E and FY22E where we have assumed sharp decline in member addition and resort income in H1FY21 with expectation of recovery in H2FY21. The stock is presently trading at FY21E and FY22E PE of 40.8x/26.4x based on EPS of Rs 3.9/Rs 6.0, respectively. We maintain Buy on the stock with sum of the parts (SOTP) based target price of Rs 208. Key risk to our estimates are prolonged impact of Covid-19 on travel and tourism, macroeconomic slowdown, delay in recovery of discretionary spending, etc.

Revenue impacted by Covid-19 led lockdown

Standalone net revenue declined by 29.4% yoy to Rs 177 cr (Vs estimates of Rs 188 cr) driven by ~100% yoy decline in resort income, 32% yoy decline in interest income and 2.6% yoy growth in VO income, while ASF income grew by 7.2% yoy. Resort income got impacted due to closure of resort during lockdown which reopened partially in mid of June month. As a result, the occupancy in the company's resort during Q1FY21 was at 0%. The company stated the occupancy at some of its resorts are improving with some of the resorts operated at ~35-40% occupancy in the month of July 20. As on 31st July 2020, 20 resorts of the company are operational. VO income in Q1FY21 declined by 2% yoy due to sharp decline in member addition. The new member additions declined sharply by 71% yoy due to adverse impact of Covid-19 pandemic. ASF income grew 8.9% yoy largely on account of member's upgrade and focus on adding quality members.

Revenue Breakup

Rs cr	Q1FY21	Q1FY20	YoY Grth%	Q4FY20	QoQ Grth%
VO Income	83	84	-2.0%	89	-6.8%
ASF Income	75	69	8.9%	76	-0.8%
Resorts Income	0	69	-100.0%	49	-100.0%
Interest & Others	19	28	-32.2%	27	-29.9%
Others (non operating income)	19	14	36.4%	15	31.0%

Source: Company

Reported EBITDA margin better than estimates

MHRIL reported 7.6% yoy growth in Q1FY21 standalone EBITDA to Rs 46 cr (Vs estimates of Rs 27 cr) with EBITDA margin of 25.8%, which was better than our estimates of 14.1% on account of lower other expenses as the company had lower variable cost in the quarter. The company reported 52.4% yoy decline in other expenses due to adoption of several cost control measures, lower membership addition cost, lower resort expenses due to closure, etc. Standalone PAT for the quarter grew by 47.4% yoy to Rs 26.75 cr driven by strong operating performance coupled with higher other income and lower tax rate. The company has exercised the option of lower tax rate.

New member addition declined, one time overdue cancellation of 820 members

The new member additions was impacted by adverse impact of Covid-19 pandemic. The net member additions declined sharply by 71%/65% yoy/qq to 1270 due to adverse impact of Covid-19 pandemic. Further, the company reported one time overdue cancellation of 820 members which could not continue due to pandemic led stress and opted out from membership. As a result, the total membership base at the end of Q1FY21 was flattish sequentially at 2.59 lakh.

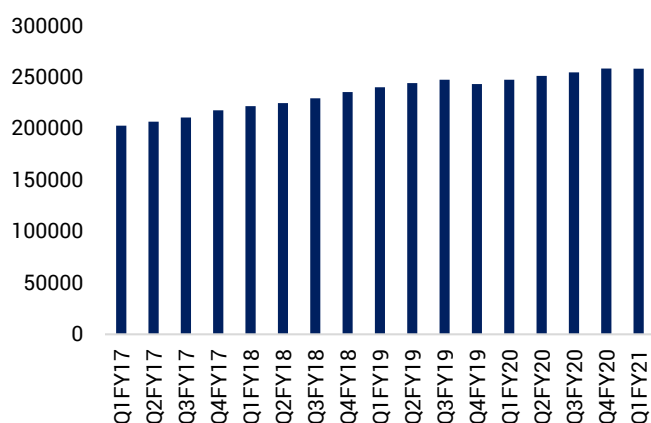
Member addition to recover in the longer run

MHRIL saw improved consumer sentiment in May'20 & June'20 compared to April '20. Most of the new member additions in the quarter were after mid of May'20. The company saw consumer preference for Gozest which is three year membership for millennials in this quarter which we believe is the impact of slowdown in discretionary spending. Gozest is a lower realization product with average realization per member at ~Rs 1-1.2 lakh. The company believes that Gozest members come with lower cost of acquisition and expects conversion of large number of these members to 25 years members in future based on their experience.

The management showed confidence in the company's business model and expects recovery in holidaying activities. The company believes pick up in member additions on month on month basis as country unlocks and travel restrictions ease off. MHRIL is focusing on encouraging digital marketing and shifted completely from face to face sales format to virtual selling. We believe that the challenging demand environment may delay the decision making on discretionary spending and may impact member addition in the next few quarters also. We believe that the company's business model has enough strength to attract new members and grow the membership base in the long term.

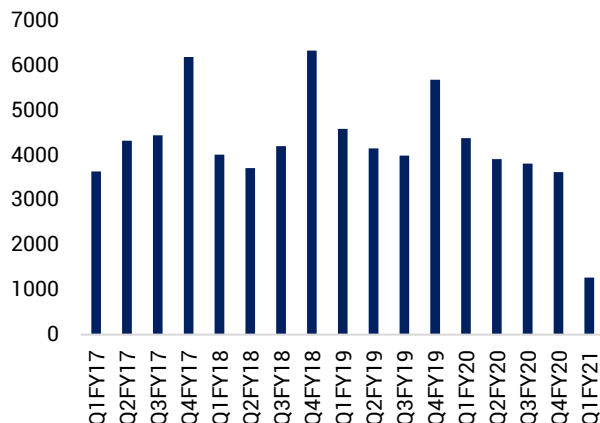
MHRIL's strong business model resulted in better predictability of revenue in terms of VO and ASF income which contributes over ~65% of the company's operating revenue. The company had earlier estimated Rs 375 cr of VO income in FY21, a growth of 8% on VO income

Cumulative membership base (nos)



Source: Company

Net Membership addition (nos)



Source: Company

To increase inventory through organic and inorganic route

MHRIL's total room inventory stood at 3682 at the end of Q1FY21 with approximately 40% are from long term leased properties. Expansion at Assonora (Goa) with ~150 rooms had got delayed due to lockdown. Now the construction work is almost completed. The company will also be adding 33 rooms at Ashtamudi in Himachal Pradesh which will be ready next year. The company is setting up new resort with 150 rooms in Ganpatipule, Maharashtra and is awaiting approval for the same. Based on strong cash flows, the company targets to add inventory through 1) greenfield/brownfield, 2) lease and 3) acquisition route with investment of ~Rs 1000 cr by FY24. (Source: Company)

Other highlights

- MHRIL's subsidiary, HCRO reported a revenue of 1.27 cr Euro (Vs 3.7 cr Euro yoy) and reported a net loss of 47.8 lakh Euro (Vs 16.6 lakh Euro yoy) in Q1FY21. Q1FY21 results were adversely affected due to Covid-19.
- As per management, significant reduction in the cost helped the company in containing losses.
- As per the company, most of the HCROs resorts have opened in the month of June and operated at occupancy of ~90% plus with positive EBITDA in the month. Quick recovery in spa hotels occupancies and timeshare sales has resulted in revenue of 81.3 lakh Euro and positive EBITDA of 1 lakh Euro in the month of June'20.

SOTP valuation

Segment	Parameter	Per Share
Mahindra Holidays	DCF	174
Holiday Club Resort	1x BV of investment	34
Equity value		208

Source: Kotak Securities Private Client Group

Company Background

Mahindra Holidays & Resorts India Limited (MHRIL), part of Mahindra group and founded in 1996, is a major player in the leisure hospitality industry operating under brand name 'Club Mahindra'. The company enjoys strong position in the vacation ownership (VO) business in India with over 20 years of track record MHRIL has built a membership base of over 2.5 lakh members, offering them holidays across 60 resorts in India. In FY15, MHRIL acquired Finnish vacation ownership player 'Holiday Club Resorts', a major vacation ownership company in Europe. With this acquisition, MHRIL has become the strong vacation ownership company outside US with resorts across Thailand, Malaysia, Dubai, Finland, Sweden and Spain. Further, its members can choose to access a range of resorts globally through its RCI affiliation. The company delivers quality family holidays experience at its properties by offering various activities such as sports, adventure, fun, dance, etc. Its resorts are located at different terrain such as beaches, hill stations, jungle, deserts, etc giving bouquet of experiences. (Source: Company)

Financials: Standalone

Profit and Loss Statement (Rs cr)

(Year-end Mar)	FY19	FY20	FY21E	FY22E
Revenues	918	977	872	969
% change yoy	-13.7	6.4	-10.7	11.1
Employees expenses	248	273	267	283
Material Consumed	30	32	28	32
Other SG&A Expenses	328	282	254	274
Total Expenditure	812	796	738	795
EBITDA	106	181	134	175
% change yoy	-54.1	70.5	-26.1	30.4
Depreciation	51	102	114	123
EBIT	55	80	20	52
Other Income	45	60	66	73
Interest	0	16	16	17
Profit Before Tax	100	124	70	108
% change yoy	(51.6)	23.7	(43.8)	54.7
Tax	36	32	18	28
as % of EBT	36.2	26.2	26.2	26.2
PAT	64	92	51	80
% change yoy	(52.5)	43.3	(43.8)	54.7
One time Tax impact	0	200	0	0
Reported PAT	64	(108)	51	80
Shares outstanding (mn)	13	13	13	13
Adj EPS (Rs)	4.8	6.9	3.9	6.0
DPS (Rs)	0.0	0.0	0.0	0.0
CEPS(Rs)	8.7	14.6	12.5	15.3
BVPS(Rs)	22.4	13.3	17.1	23.1

Source: Company, Kotak Securities – Private Client Group

Cash flow Statement (Rs cr)

(Year-end Mar)	FY19	FY20	FY21E	FY22E
Pre-Tax Profit	100	124	70	108
Depreciation	51	102	114	123
Change in WC	259	207	67	241
Other operating activities	(110)	(101)	2	(12)
Operating Cash Flow	301	331	253	460
Capex	(147)	(110)	(160)	(260)
Free Cash Flow	150	221	93	200
Change in Investments & Others (89)	(168)		0	0
Investment cash flow	(236)	(278)	(160)	(260)
Equity Raised	2	0	0	0
Debt Raised	0	(49)	0	0
Dividend & others	(64)	(16)	(16)	(16)
CF from Financing	(62)	(65)	(16)	(16)
Change in Cash	2	(12)	77	184
Opening Cash	24	26	15	91
Closing Cash	26	15	91	275

Source: Company, Kotak Securities – Private Client Group

Balance sheet (Rs cr)

(Year-end Mar)	FY19	FY20	FY21E	FY22E
Equity	297	176	228	307
Equity Share Capital	133	133	133	133
Other Equity	164	43	95	174
Liabilities	5529	6019	6041	6531
Non-current liabilities	4779	5144	5195	5658
Financial Liabilities & Prov.	13	148	12	12
Other non-current liabilities	4766	4996	5183	5645
Current liabilities	750	875	845	873
Financial Liabilities	246	323	293	320
Provisions	5	6	5	6
Other current liabilities	498	546	546	546
Total Equities & Liabilities	5826	6195	6268	6838
Non-current assets	4021	4113	4241	4504
Property, Plant and Equipment	1793	2009	2046	2182
Capital work-in-progress	218	236	236	236
Intangible assets	10	11	15	16
Financial Assets	721	729	789	850
Deferred Tax Assets (Net)	426	248	248	248
Other non-current tax assets (Net)	167	182	182	182
Current assets	1805	2082	2027	2334
Inventories	6	5	5	6
Financial Assets	1709	1976	1920	2227
Cash & Equivalent	338	408	484	668
Other current assets	90	102	102	102
Total Assets	5826	6195	6268	6838

Source: Company, Kotak Securities – Private Client Group

Ratio Analysis

(Year-end Mar)	FY19	FY20	FY21E	FY22E
Profitability Ratios				
EBITDA margin (%)	11.6	18.6	15.4	18.0
EBIT margin (%)	6.0	8.2	2.3	5.3
Net profit margin (%)	7.0	9.4	5.9	8.2
Balance Sheet Ratios:				
Receivables (days)	421	444	444	444
Inventory (days)	3	2	2	2
Payable (days)	65	66	66	66
Working capital (days)	317	290	291	261
Asset Turnover	0.2	0.2	0.2	0.2
Net Debt/ Equity	(1.1)	(2.3)	(2.1)	(2.2)
Return Ratios:				
RoCE (%)	10.4	33.8	9.8	19.3
RoE (%)	12.0	38.7	25.5	29.8
Valuation Ratios:				
P/E (x)	32.8	22.9	40.8	26.4
P/BV (x)	7.1	11.9	9.2	6.8
EV/EBITDA (x)	19.5	10.4	13.5	9.3
EV/Sales (x)	2.3	1.9	2.1	1.7

Source: Company, Kotak Securities – Private Client Group

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	– We expect the stock to deliver more than 15% returns over the next 12 months
ADD	– We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	– We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	– We expect the stock to deliver < -5% returns over the next 12 months
NR	– Not Rated. Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	– We advise investor to subscribe to the IPO.
RS	– Rating Suspended. 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.
NA	– Not Available or Not Applicable. The information is not available for display or is not applicable
NM	– Not Meaningful. The information is not meaningful and is therefore excluded.
NOTE	– 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)

Rusmik Oza Head of Research rusmik.oza@kotak.com +91 22 6218 6441	Arun Agarwal Auto & Auto Ancillary arun.agarwal@kotak.com +91 22 6218 6443	Amit Agarwal, CFA Transportation, Paints, FMCG agarwal.amit@kotak.com +91 22 6218 6439	Priyesh Babariya Research Associate priyesh.babariya@kotak.com +91 22 6218 6433
Sanjeev Zarbade Cap. Goods & Cons. Durables sanjeev.zarbade@kotak.com +91 22 6218 6424	Jatin Damania Metals & Mining, Midcap jatin.damania@kotak.com +91 22 6218 6440	Purvi Shah Pharmaceuticals purvi.shah@kotak.com +91 22 6218 6432	K. Kathirvelu Support Executive k.kathirvelu@kotak.com +91 22 6218 6427
Sumit Pokharna Oil and Gas, Information Tech sumit.pokharna@kotak.com +91 22 6218 6438	Pankaj Kumar Midcap pankajr.kumar@kotak.com +91 22 6218 6434	Krishna Nain M&A, Corporate actions krishna.nain@kotak.com +91 22 6218 7907	

TECHNICAL RESEARCH TEAM (PRIVATE CLIENT GROUP)

Shrikant Chouhan shrikant.chouhan@kotak.com +91 22 6218 5408	Amol Athawale amol.athawale@kotak.com +91 20 6620 3350	Siddhesh Jain Research Associate siddhesh.jain@kotak.com +91 22 62185498
---	---	--

DERIVATIVES RESEARCH TEAM (PRIVATE CLIENT GROUP)

Sahaj Agrawal sahaj.agrawal@kotak.com +91 79 6607 2231	Malay Gandhi malay.gandhi@kotak.com +91 22 6218 6420	Prashanth Lalu prashanth.lalu@kotak.com +91 22 6218 5497	Prasenjit Biswas, CMT, CFTe prasenjit.biswas@kotak.com +91 33 6615 6273
---	---	---	--

Disclosure/Disclaimer (Private Client Group)

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 Old Mutual Life Insurance 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 and Depositories have conducted the routine inspection and based on their observations have issued advise/warning/deficiency letters/ or levied minor penalty on KSL for certain operational deviations. 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

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 month immediately preceding the date of publication of Research Report: No

Nature of financial interest is holding of equity shares 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)."

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/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 ID: NSE-08081; BSE-673; MSE-1024; MCX-56285; NCDEX-1262), AMFI ARN 0164, PMS INP000000258 and Research Analyst INH000000586. NSDL/CDSL: IN-DP-NSDL-23-97. 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. 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. Manoj Agarwal. Call: 022 - 4285 8484, or Email: ks.compliance@kotak.com.

In case you require any clarification or have any concern, kindly write to us at below email ids:

- **Level 1:** For Trading related queries, contact our customer service at 'service.securities@kotak.com' and for demat account related queries contact us at ks.demat@kotak.com or call us on: Toll free numbers 18002099191 / 1860 266 9191
- **Level 2:** If you do not receive a satisfactory response at Level 1 within 3 working days, you may write to us at ks.escalation@kotak.com or call us on 022-42858445 and if you feel you are still unheard, write to our customer service HOD at ks.servicehead@kotak.com or call us on 022-42858208.
- **Level 3:** If you still have not received a satisfactory response at Level 2 within 3 working days, you may contact our Compliance Officer (Mr. Manoj Agarwal) at ks.compliance@kotak.com or call on 91-(022) 4285 8484.
- **Level 4:** If you have not received a satisfactory response at Level 3 within 7 working days, you may also approach Managing Director / CEO (Mr. Jaideep Hansraj) at ceo.ks@kotak.com or call on 91-(022) 4285 8301.