

Mahindra & Mahindra Ltd.

E SUVs – aspirational, disruptive yet affordable

View – Continuing the ICE momentum of feature reach offerings

M&M unveiled two born-electric SUVs (BE 6e and XEV9e) with an entry-level trims priced aggressive and are comparable to ICE models in the respective segments. As a result, we believe these launches will not only accelerate EV adoption in the PV but also can establish M&M as leading E PV brand. M&M's indigenously designed INGLO platform is not only scalable due to modularity but also offer high parts commonality. As also indicated during investor day, the products offer multiple first-in-class features combined with aggressive introductory pricing makes it better choice for customers. However, we think both models (especially BE 6e) lacked seating dimension of adequate thigh support and headroom for rear seat passengers, which can influence buying decision of certain customer segments. MM will continue to have a healthy launch pipeline as it targets to launch 9 ICE SUVs (includes 6 new launches and 3 mid-cycle upgrades), 7 BEVs and 7 LCVs by 2030. Driven by new launches, we expect MM to continue outperforming industry growth. We are building in SUV volume CAGR of 15.4% over FY24-27E with overall revenue/EBITDA/Adj.PAT CAGR of 13.4%/17.5%/13.5%. We maintain BUY with TP at 3,632 as MM trades at implied core PE of 23.5x/21.1x FY26E/FY27 EPS.

Key highlights ([BEV launch PPT link](#))

BEVs can dent competition both in ICE and EVs - We believe both the models are launched at an attractive price point, which can not only accelerate EV adoption in the UV1/UV2 but also can establish M&M as leading E PV brand. The introductory prices of BE 6e and XEV 9e are aggressive and comparable to the ICE models in the respective segments, where the company is offering a wide range of superior features such as connected technology, suspension, infotainment, etc. The addressable market for BE 6e is ~22k units/month (~50% of mid-size market) while entry pricing is comparable to higher trims of ICE models in the segment. Further, with XEV 9e the company has launched its first EV in the large SUV segment, further strengthening the portfolio (XUV 700 and Scorpio N) with an addressable market size of ~18k units/month (~45% of large size SUV market). While pricing of XEV 9e is aggressive too, we believe there can be cannibalization to company's existing product portfolio. The BE 6e is designed to rival Tata Curvv, MG ZS, and MG Windsor while XEV 9e to rival yet to be launched Tata Harrier EV and Sierra EV. We build in volumes of ~36k/~48k units combined in FY26E/FY27E.

Combination of technology, features and innovation - Both the E SUVs are built on grounds up electric origin architecture INGLO and are powered by MAIA (Mahindra Artificial Intelligence Architecture). The company has developed EVs with superior performance and features compared to global premium EVs on multiple fronts. Other than flexibility aspects of INGLO, it also offers a significant reduction in underbody weight, leading to one of the lightest skateboards which enabled 79 kWh LFP battery pack. Further, three-in-one electric engine with motor, inverter and transmission integrated into a single unit forms the powertrain in the rear side paving the way for storage at the front side. MAIA support launch of features such as ADAS level 2+, multi sensor fusion, secure 360, 360-degree camera, auto park, Eyedentity, Vision X and other advanced connected features.

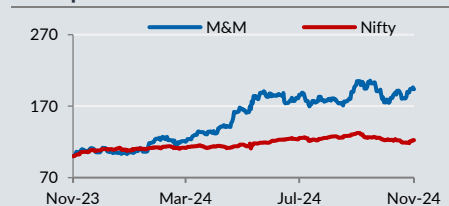
Robust battery architecture with high focus on safety aspects - Co to use BYD Blade LFP cells featuring cell-to-pack technology to power the motors. Battery packs offer a lifetime warranty (only to private customers). In case of an ownership change, it limits the scope of coverage to 10 years or 2L KMs, whichever is earlier.

Reco	: BUY
CMP	: Rs 2,909
Target Price	: Rs 3,632
Potential Return	: +24.8%

Stock data (as on Nov 27, 2024)

Nifty	24,275
52 Week h/l (Rs)	3,222 / 1,542
Market cap (Rs/USD mn)	36,50,715 / 43,255
Outstanding Shares (mn)	1,199
6m Avg t/o (Rs mn):	8,920
Div yield (%):	0.7
Bloomberg code:	MM IN
NSE code:	M&M

Stock performance



	1M	3M	1Y
Absolute return	+10.4%	+8.1%	+93.5%

Shareholding pattern (As of Sep'24)

Promoter	18.1%
FII+DII	66.8%
Others	9.3%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	3,632	3,632

Δ in earnings estimates

	FY25E	FY26E
EPS (New)	104.1	117.6
EPS (Old)	104.1	117.6
% change	-	-

Financial Summary

Y/E Mar (Rs b)	FY25E	FY26E	FY27E
Net Income	1,136	1,275	1,439
EBITDA	162	183	210
Adj. PAT	125	141	156
Adj. EPS (INR)	104.1	117.6	129.9
EPS Gr. (%)	16.5	13.0	10.5
BV/Sh. (INR)	516	607	709
RoE (%)	21.9	20.9	19.7
RoCE (%)	20.7	20.0	19.0
Payout (%)	23.2	22.2	21.6
P/E (x)	28.0	24.8	22.4
P/BV (x)	5.6	4.8	4.1
EV/EBITDA (x)	20.7	18.2	15.6
Div. Yield (%)	0.8	0.9	1.0

DEEP SHAH

Lead Analyst

📞 +91 22 6992 2934 / 35 / 36



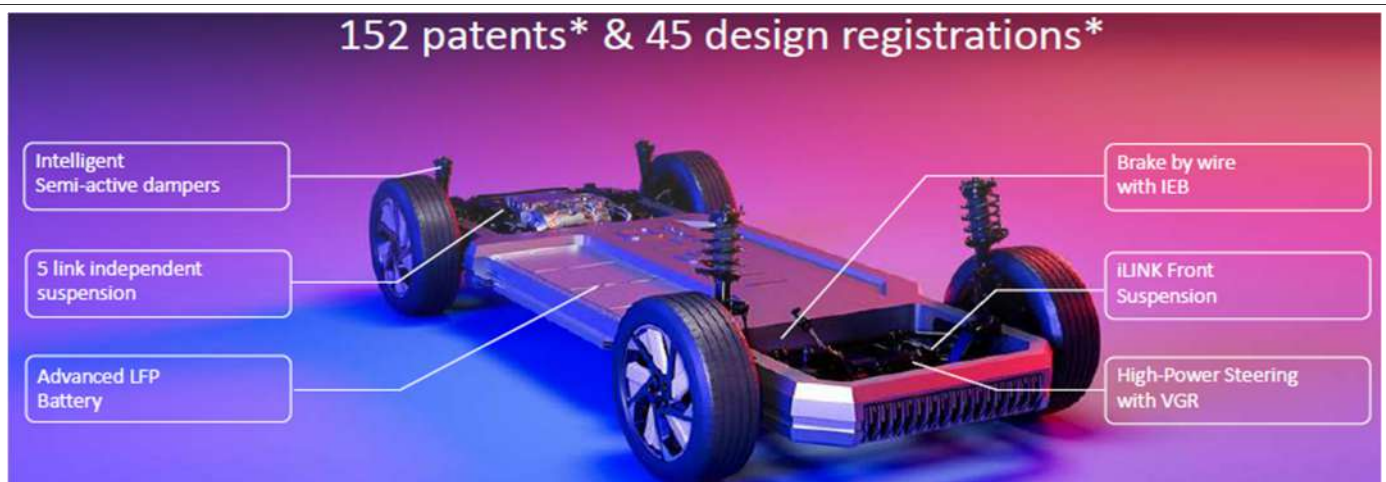
MEGHNA GUNDU, Associate

Exhibit 1: Specs comparison with Peers

Specification	M&M BE 6e	M&M BE XEV 9e	MG ZS EV	TTMT Curvv EV
Battery Capacity	59 - 79 kWh	59 - 79 kWh	50.3 kWh	45-55 kWh
Battery Type	Lithium-Ion (LFP)	Lithium-Ion (LFP)	Lithium-Ion (LFP)	Lithium-Ion (LFP)
Range (km)	550 (79 kWh)	553 (79 kWh)	404	502
Motor Power	362 bhp	362 bhp	174.33 bhp	148-165 bhp
Max Torque	380 Nm	380 Nm	280 Nm	215 Nm
AC Charging Time	79 kWh: 8-12h 59 kWh: 6-9h	79 kWh: 8-12h 59 kWh: 6-9h	9h	7h
DC Charging Time	20min	20min	60mins	40min
Charger Type	11 kW & 7.2 kW	11 kW & 7.2 kW	15 A Wall Box	7.2 kW AC Wall Box
Battery Warranty	10yrs/200k km	10yrs/200k km	8yrs/156k km	8yrs/160k km
Seating Capacity	5	5	5	5
Sunroof	Panoramic	Panoramic	Panoramic	Panoraomic
No. of Airbags	7	7	6	6
Boot Space (litres)	455	663	488	500
Fronk Space (litres)	45	150	NA	12
Wheelbase (mm)	2,775	2,775	2,585	2,560
Ground clearance (mm)	207	207	177	190
Top Speed (kmph)	NA	NA	175	160
Drive Type	RWD	RWD	FWD	2WD
Price (Ex-show in Rs.lacs)	18.9	21.9	18.98 - 25.75	17.49 - 21.99

Source- Company, YES Sec

Exhibit 2: M&M BEVs are built on in-house developed INGLO electric platform



Source- Company, YES Sec

Exhibit 3: Common platform architecture to drive parts commonalities and scale



Source- Company, YES Sec

Exhibit 4: Driving assessment by IDIADA indicate products offer above par ranking with global competition



Source- Company, YES Sec

Exhibit 5: M&M aim to play in the upper premium segment within UV1 and UV2 segments

UV1 Industry	UV 2 & 3 Industry
Relevant Universe* is 44k per month	Relevant universe* is 42k per month
Sale of Top 2 Variants is 23k per month (50% of the relevant universe)	Sale of Top 2 Variants is 18k per month (45%)
Top 2 variants avg on road price is ₹21.7L#	Top 2 variants avg on road price ₹30.2L #

Source- Company, YES Sec

Exhibit 6: INGLO enables optimum vehicle dynamics

Dimension	XEV 9e	Luxury 1	Luxury 2	Luxury 3	Luxury 4	BE 6e
Overall ground clearance (mm)	207	172	179	176	192	207
Battery ground clearance (mm)	222	172	186	186	207	218
Driver H point (mm)	744	685	680	644	662	691
Vehicle length	4789	4765	4734	4591	4464	4371

Dimension	XEV 9e	Luxury 1	Luxury 2	Luxury 3	Luxury 4	BE 6e
Front cabin space (lit)	1617	1539	1580	1573	1499	1522
Headroom (mm)	1006	1024	1028	1022	1008	1003
Legroom (mm)	1055	1051	1052	1070	1043	1064
Shoulder room (mm)	1522	1430	1461	1438	1426	1436

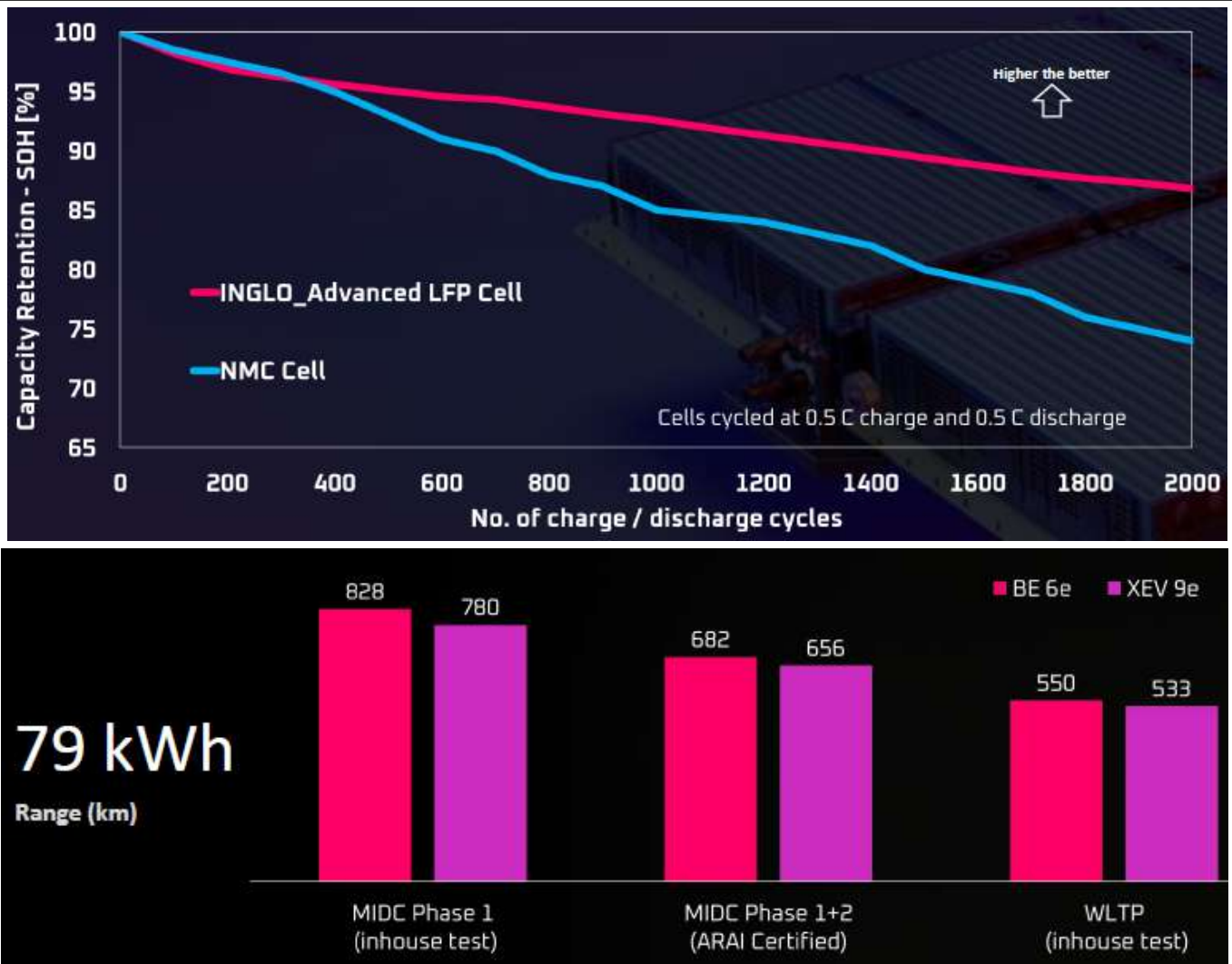
Source- Company, YES Sec

Exhibit 7: Battery cell – BEVs to be equipped with cell to pack advanced LFP blade cell with robust checks



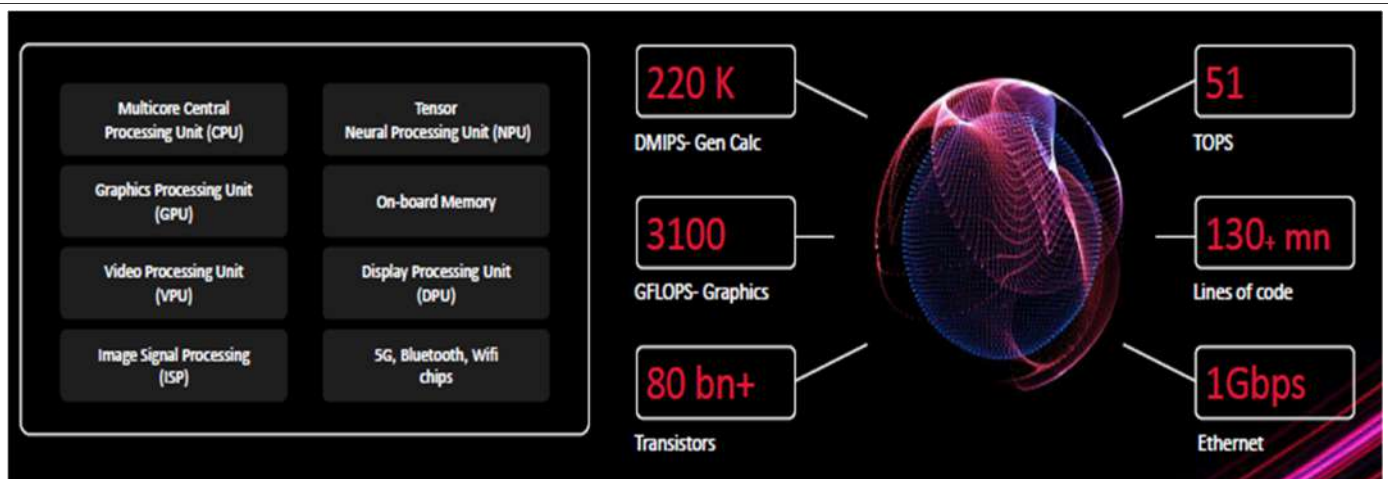
Source- Company, YES Sec

Exhibit 8: An attempt to address key issues around range, charge and discharge cycles



Source- Company, YES Sec

Exhibit 9: BEVs to be powered with MAIA – The advanced software architecture



Source- Company, YES Sec

Exhibit 10: BEVs – striking balance of aspirational yet affordable customer offerings



Source- Company, YES Sec

Exhibit 11: SOTP valuation summary

M&M: Sum-of-the-parts (Rs/share)	FY26E	FY27E
Core EPS (excl. subsidiary dividend)	115.7	128.0
PE attributable (x)	24	24
Value of core business	2,777	3,072
Valuation of ePV business (@ 50% holdco)	325	325
Value of subsidiaries @ Hold Co discount	50	50
1. Tech Mahindra	174	174
2. M&M Financial Services	33	33
3. Mahindra Lifespaces	6	6
4. Mahindra Holidays	14	14
5. Mahindra Logistics	7	7
Target price	3,336	3,632

FINANCIALS

Exhibit 12: Balance Sheet

Y/E March	2022	2023	2024	2025E	2026E	2027E
Share Capital	5,983	5,991	5,996	5,996	5,996	5,996
Reserves	383,627	427,577	516,770	612,690	722,447	844,563
Net Worth	389,610	433,568	522,766	618,686	728,443	850,560
Deferred tax	17,008	14,703	15,551	15,706	15,863	16,022
Loans	67,336	50,255	20,365	18,565	16,765	14,965
Capital Employed	473,953	498,526	558,681	652,957	761,071	881,546

Application of Funds						
Gross Fixed Assets	308,460	362,150	394,670	452,228	562,228	672,228
Less: Depreciation	162,974	192,388	219,390	257,500	301,121	354,203
Net Fixed Assets	145,487	169,762	175,280	194,728	261,106	318,025
Capital WIP	50,182	27,846	37,558	90,000	90,000	90,000
Investments	251,098	270,871	299,954	320,267	365,047	379,827
Curr.Assets, L & Adv.	224,537	289,319	325,322	357,335	382,361	464,419
Inventory	58,829	88,814	95,048	108,907	122,241	137,983
Sundry Debtors	30,351	40,417	45,495	52,317	58,723	66,285
Cash & Bank Bal.	36,505	44,818	55,259	62,258	63,058	116,695
Loans & Advances	28,057	23,544	24,720	28,005	31,433	35,481
Others	70,795	91,727	104,799	105,847	106,906	107,975
Current Liab. & Prov.	197,350	259,273	279,433	309,373	337,444	370,725
Sundry Creditors	128,935	171,456	185,920	213,801	239,978	270,881
Other Liabilities	54,752	69,677	74,800	74,052	73,311	72,578
Provisions	13,663	18,139	18,714	21,520	24,155	27,266
Net Current Assets	27,187	30,047	45,888	47,961	44,917	93,694
Application of Funds	473,953	498,525	558,681	652,957	761,071	881,546

Source: Company, YES Sec

Exhibit 13: Income statement

Y/E March	2022	2023	2024	2025E	2026E	2027E
Net Op. Income	577,869	849,603	987,634	1,135,747	1,274,799	1,438,965
Change (%)	29.5	47.0	16.2	15.0	12.2	12.9
Total Expenditure	507,595	745,179	858,440	973,577	1,091,572	1,229,170
% of sales	87.8	87.7	86.9	85.7	85.6	85.4
EBITDA	70,275	104,424	129,194	162,170	183,228	209,795
Margins (%)	12.2	12.3	13.1	14.3	14.4	14.6
Depreciation	24,984	31,545	34,389	38,110	43,622	53,082
EBIT	45,291	72,879	94,806	124,060	139,606	156,714
Int. & Finance Charges	2,262	2,728	1,388	779	707	635
Other Income	20,538	25,452	41,412	34,722	39,654	41,155
Non-recurring Income	(2,087)	(14,295)	-	0	0	0
Profit before Tax	61,480	81,308	134,830	158,002	178,554	197,234
Tax	12,781	15,821	27,652	33,181	37,496	41,419
Eff. Tax Rate (%)	20.8	19.5	20.5	21.0	21.0	21.0
Profit after Tax	48,699	65,486	107,178	124,822	141,057	155,815
Adj. Profit after Tax	50,352	77,000	107,178	124,822	141,057	155,815
Change (%)	46.8	52.9	39.2	16.5	13.0	10.5
Adj. PAT	48,418	77,523	104,894	122,507	138,751	153,518

Source: Company, YES Sec

Exhibit 14: Cash Flow Statement

Y/E March	2022	2023	2024	2025E	2026E	2027E
OP/(Loss) before Tax	64,441	95,603	134,830	124,060	139,606	156,714
Int./Dividends Received	(17,438)	(19,881)	(25,125)	34,722	39,654	41,155
Depreciation & Amort.	24,511	31,545	34,389	38,110	43,622	53,082
Direct Taxes Paid	(5,981)	(19,380)	(28,509)	(33,025)	(37,339)	(41,261)
(Inc)/Dec in Wkg. Capital	4,967	3,871	8,681	4,926	3,844	4,860
Other Items	3,220	(466)	(11,474)	-	-	-
CF from Oper. Activity	73,720	91,293	112,792	168,792	189,387	214,550
Extra-ordinary Items	(2,783)	-	-	-	-	-
CF after EO Items	70,937	91,293	112,792	168,792	189,387	214,550
(Inc)/Dec in FA+CWIP	(31,859)	(34,313)	(48,328)	(110,000)	(110,000)	(110,000)
Free Cash Flow	41,861	56,980	64,464	58,792	79,387	104,550
(Pur)/Sale of Invest.	(11,730)	(13,222)	(3,497)	(20,313)	(44,780)	(14,780)
CF from Inv. Activity	(43,589)	(47,535)	(51,825)	(130,313)	(154,780)	(124,780)
Change in Net Worth	-	83	-	(0)	(0)	0
Inc/(Dec) in Debt	(13,168)	(19,752)	(32,148)	(1,800)	(1,800)	(1,800)
Interest Paid	(4,793)	(3,810)	(3,016)	(2,712)	(2,640)	(2,568)
Dividends Paid	(10,891)	(14,359)	(20,211)	(28,902)	(31,300)	(33,699)
CF from Fin. Activity	(28,852)	(37,838)	(55,375)	(33,413)	(35,740)	(38,066)
Inc/(Dec) in Cash	(1,504)	5,921	5,591	5,066	(1,133)	51,704
Add: Beginning Balance	8,676	7,180	13,102	55,259	62,258	63,058
Closing Balance	7,172	13,101	18,694	60,325	61,125	114,762

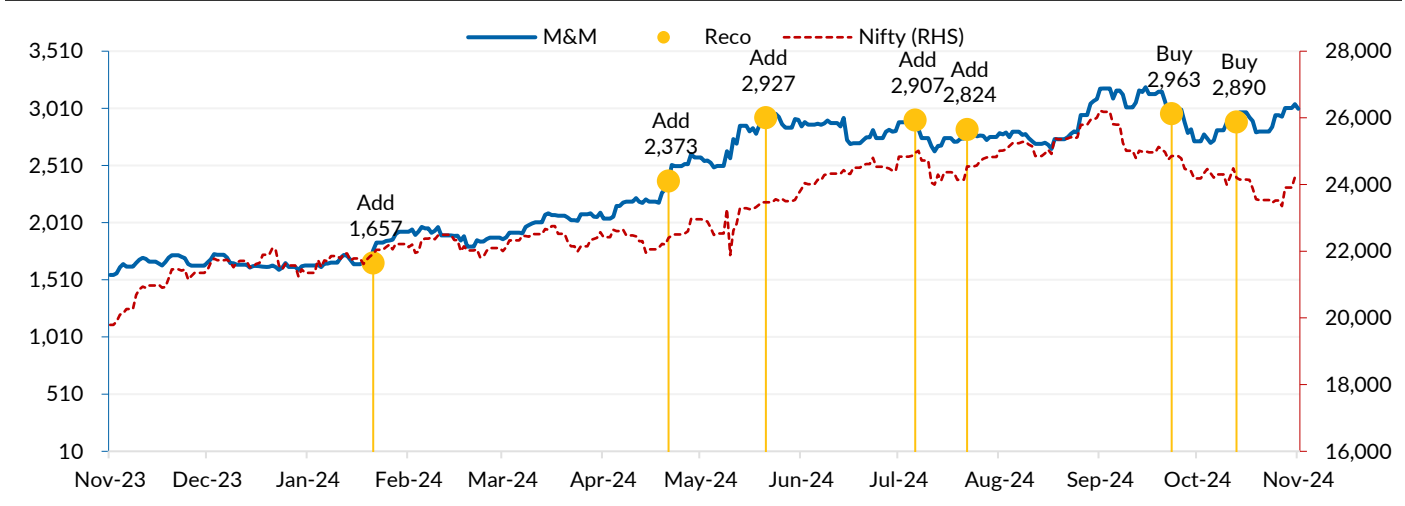
Source- Company, YES Sec

Exhibit 15: Growth and Ratio matrix

Y/E March	2022	2023	2024	2025E	2026E	2027E
Basic (INR)						
Fully diluted EPS	42.1	64.3	89.4	104.1	117.6	129.9
FD EPS (incl MVML)	40.5	64.7	87.5	102.2	115.7	128.0
Cash EPS	63.0	90.6	118.0	135.9	154.0	174.2
Book Value per Share	325.6	361.9	435.9	515.9	607.4	709.2
DPS	11.6	16.3	21.1	24.1	26.1	28.1
Payout (Incl. Div. Tax) %	28.4	29.7	23.6	23.2	22.2	21.6
Valuation (x)						
P/E	72.0	45.0	33.3	28.5	25.2	22.8
Cash P/E	46.3	32.2	24.7	21.4	18.9	16.7
EV/EBITDA	48.9	32.6	26.1	20.7	18.2	15.6
EV/Sales	6.0	4.0	3.4	3.0	2.6	2.3
Price to Book Value	8.9	8.1	6.7	5.6	4.8	4.1
Dividend Yield (%)	0.4	0.6	0.7	0.8	0.9	1.0
Profitability Ratios (%)						
RoE	13.6	18.7	22.4	21.9	20.9	19.7
RoCE	11.4	16.3	20.5	20.7	20.0	19.0
ROIC	30.5	40.3	47.0	56.6	52.1	46.0
Turnover Ratios						
Debtors (Days)	19.2	17.4	16.8	16.8	16.8	16.8
Inventory (Days)	37.2	38.2	35.1	35.0	35.0	35.0
Creditors (Days)	81.4	73.7	68.7	68.7	68.7	68.7
Working Capital (Days)	17.2	12.9	17.0	15.4	12.9	23.8
Asset Turnover (x)	1.2	1.7	1.8	1.7	1.7	1.6
Growth (%)						
Sales	29.5	47.0	16.2	15.0	12.2	12.9
Operating Profit	12.2	12.3	13.1	14.3	14.4	14.6
Net Profit	46.8	52.9	39.2	16.5	13.0	10.5
EPS	46.6	52.7	39.1	16.5	13.0	10.5
Leverage Ratio						
Debt/Equity (x)	0.2	0.1	0.0	0.0	0.0	0.0

Source- Company, YES Sec

Recommendation Tracker



Source - YES Sec

STANDARD DISCLAIMER:

YES Securities (India) Limited, Registered Address: 2nd Floor, North Side, YES BANK House, Off Western Express Highway, Santacruz East, Mumbai - 400055. Maharashtra, India | **Correspondence Add:** 7th Floor, Urmi Estate Tower A, Ganpatrao Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West), Mumbai - 400 013, Maharashtra, India. | Website: www.yesinvest.in | Email: customer.service@ysil.in

Registration Nos.: CIN: U74992MH2013PLC240971 | SEBI Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL & NSDL: IN-DP-653-2021 | RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER: INA000007331 | Sponsor and Investment Manager to YSL Alternates Alpha Plus Fund (Cat III AIF) and YES Wealth Maximiser AIF (Cat III AIF) SEBI Registration No.: IN/AIF3/20- 21/0818 | AMFI ARN Code - 94338

Details of Compliance Officer: Aditya Goenka | Email: compliance@ysil.in / Contact No.: 022-65078127 | **Grievances Redressal Cell:** customer.service@ysil.in / igc@ysil.in

Standard Disclaimer: Investment in securities market are subject to market risks; read all the related documents carefully before investing. Above representation provides an overview related to our past performance neither does it provide any guarantee of future performance, nor we are ensuring any guaranteed returns. Actual Client returns may vary depending upon time premium, volatility Index, intrinsic value of the script, open interest, other geopolitical conditions and choice of the customer to execute the recommendation in full or part. All recommendations are published under Research Analyst License of YES Securities (India) Limited (YSIL); execution of the recommendation is at complete discretion of customer without any intervention by the research publisher.

Contents which are exclusively for Non-Broking Products/Services e.g. Mutual Fund, Mutual Fund-SIP, Research reports, Insurance, etc. where the YSIL is just a distributor. These are not Exchange traded product and the YSIL is just acting as distributor. Kindly note that all disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

YSIL is a subsidiary of YES Bank Limited ('YBL'). Savings, Current, PIS and Demat Account are offered by YES Bank Limited. Please note Brokerage would not exceed the SEBI prescribed limit. YSIL also acts in the capacity of distributor for Products such as IPOs, Mutual Funds, Mutual Fund-SIPs, NCD/Bonds, etc., All disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

Margin Trading Funding (MTF) is an exchange approved product offered to YSIL trading account holders, as per the regulation and guideline of SEBI Circular: CIR/MRD/DP/54/2017 dated June 13, 2017. For product specification, T&C, rights and obligations statement issued by the YSIL visit https://yesinvest.in/standard_documents_policies

DISCLAIMER

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

The information and opinions in this report have been prepared by YSIL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSIL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that Price of each of the securities or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. YES Securities (India) Limited conforms with the rules and regulations enumerated in the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 as amended from time to time.

Technical analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSIL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. 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 YSIL and associates 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 themselves of and to observe such restriction.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through Rule 15a-6 under the Securities Exchange Act of 1934 (the "Exchange Act")^[1] and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This research report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s), the authors of this research report. YES Securities (India) Limited is the concerned representatives (employees) of YES Securities (India) Limited, are responsible for the content of this research report including but not limited to any material conflict of interest of YES Securities (India) Limited in relation to the issuer(s) or securities as listed in this research report. This YES Securities (India) Limited research report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. As per SEC Rule 15a-6, the U.S. broker-dealer must accompany any third party research report it distributes with, or provide a web address that directs a recipient to, disclosure of any material conflict of interest that can reasonably be expected to have influenced the choice of a third-party research report provider or the subject company of a third-party research.

FINRA Rules 2241 and 2242, which govern the conduct of research analysts and the content of equity and debt research reports, respectively, apply to all research distributed by a FINRA member firm, including research prepared by a foreign broker-dealer under Rule 15a-6.

- Research reports prepared by a foreign broker-dealer and distributed by a U.S. broker-dealer are deemed to be third party research reports, as reports produced by a person other than a FINRA member.
- Prior to distributing any third party research, a U.S. broker-dealer must assure that such report contains the required disclosures under FINRA Rule 2241(h) or 2242(g)(3), as applicable.

This report is intended for distribution by YES Securities (India) Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). As per Rule 15a-6(b)(4) of the Exchange Act, 1934, "Major U.S. institutional investor" means a U.S. institutional investor with assets, or assets under management, in excess of US\$100 million, or a registered investment adviser with assets under management in excess of US\$100 million. If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

^[1] Rule 15a-6 under the Securities Exchange Act of 1934 provides conditional exemptions from broker-dealer registration for foreign broker-dealers that engage in certain specified activities involving U.S. investors. These activities include:

- (a) Effecting unsolicited securities transactions;
- (b) Providing research reports to major U.S. institutional investors, and effecting transactions in the subject securities with or for those investors;
- (c) Soliciting and effecting transactions with or for U.S. institutional investors or major U.S. institutional investors through a "chaperoning broker-dealer"; and
- (d) Soliciting and effecting transactions with or for registered broker-dealers, banks³ acting in a broker or dealer capacity, certain international organizations, foreign persons temporarily present in the U.S., U.S. citizens resident abroad, and foreign branches and agencies of U.S. persons.

In adopting Rule 15a-6, the SEC sought "to facilitate access to foreign markets by U.S. institutional investors through foreign broker-dealers and the research that they provide, consistent with maintaining the safeguards afforded by broker-dealer registration." [Rule 15a-6 Adopting Release at 54 FR 30013; see also Registration Requirements for Foreign Broker-Dealers, Exchange Act Release No. 25801 (June 14, 1988), 53 FR 23645 (June 23, 1988)].

DISCLOSURE OF INTEREST

Name of the Research Analyst : Deep Shah, Meghna Gundu

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSIL's financial interest in the subject company(ies)	No
2	Research Analyst or his/her relative or YSIL's 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 the research report	No
3	Research Analyst or his/her relative or YSIL has any other material conflict of interest at the time of publication of the research report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSIL has received any compensation from the subject company in the past twelve months	No
6	YSIL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSIL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8	YSIL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSIL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSIL has been engaged in market making activity for the subject company(ies)	No

Since YSIL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSIL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSIL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

BUY: Upside greater than 20% over 12 months

ADD: Upside between 10% to 20% over 12 months

NEUTRAL: Upside between 0% to 10% over 12 months

REDUCE: Downside between 0% to -10% over 12 months

SELL: Downside greater than -10% over 12 months

NOT RATED / UNDER REVIEW

Analyst signature

Analyst signature

ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ('YSIL') is a subsidiary of YES Bank Limited ('YBL'). YSIL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSIL is also a SEBI-registered Investment Adviser and Research Analyst. YSIL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL.