

# Economy

## External Sector

July 15, 2024

### Goods trade deficit remains elevated

Goods trade deficit in June remained relatively elevated at US\$21 bn, though lower than US\$24 bn in May. The softening was mostly led by lower oil trade deficit. Services trade surplus was steady around the US\$13 bn mark. We maintain our FY2025 CAD/GDP estimate at 1.1% (0.7% in FY2024), given firmer domestic growth relative to global growth. We retain our call for USD-INR in the 83.25-83.75 range over the near term.

### Non-oil exports remain steady in June compared with May levels

Exports in June grew 2.6% yoy to US\$35.2 bn (May: US\$38.1 bn) (Exhibits 1-2). Oil exports registered a sharp drop over June 2023 and May 2024 levels, while non-oil exports were marginally lower than May levels (Exhibits 3-5). Non-oil exports growth in 1QFY25 was driven by engineering goods and electronic goods, while gems and jewelry declined (Exhibit 6-7).

### Oil imports led to narrowing of trade deficit from May highs

Imports in June increased 5% yoy to US\$56.2 bn (May: US\$61.9 bn) (Exhibits 1-2). Oil imports registered a sharp decline from May levels, while non-oil imports saw a more muted decline (Exhibits 3-5). Non-oil import growth in 1QFY25 was led by electronic goods and machinery, while pulled down by gold (Exhibit 6-7). The trade deficit narrowed to US\$21 bn in June and US\$64 bn in 1QFY25.

### Services trade surplus continues to hold steady; softening bias

Services trade surplus in June was at US\$13 bn, in line with surplus of US\$13 bn in May (Exhibit 8). The recent trend suggests moderation in service trade surplus to an average monthly run-rate of US\$13 bn in 1QFY25 compared with the 4QCY23 average of US\$15 bn. We continue to pencil in a modest increase in services surplus in FY2025, until some clarity emerges on the extent of a global slowdown.

### Maintain our FY2025 CAD/GDP estimate at 1.1%

We maintain our FY2025 CAD/GDP estimate at 1.1% (US\$43 bn), with the assumption of imports outpacing exports, given a relatively stronger domestic demand relative to global demand (Exhibit 9). Furthermore, we continue to expect a steady capital account surplus in FY2025E at US\$68 bn (healthy FPI flows), resulting in a balance of payments surplus of around US\$25 bn. While we expect the external sector balance to be comfortable, concerns will remain due to (1) volatile commodity prices, (2) the re-emergence of geopolitical tensions and (3) an asynchronous global monetary policy cycle, which is already underway. The Fed remaining on pause should aid USD strength, while some nascent signs of growth weakness would keep FX markets volatile. We continue to expect USD-INR to trade in the range of 83.25-83.75.

### Summary of key macro metrics for India

	2023	2024	2025E	2026E
<b>Real economy</b>				
Real GDP growth (%)	7.0	8.2	6.9	6.7
Nominal GDP growth (%)	14.2	9.6	11.3	11.2
CPI Inflation (avg., %)	6.7	5.4	4.5	4.2
<b>Public finance</b>				
Center's GFD/GDP (%)	6.4	5.6	5.0	4.5
<b>Monetary policy</b>				
Repo Rate (% eop)	6.50	6.50	6.00	5.50
SDF Rate (% eop)	6.25	6.25	5.75	5.25
CRR (% eop)	4.5	4.5	4.5	4.5
<b>External sector</b>				
Current Account Balance (% of GDP)	(2.0)	(0.7)	(1.1)	(1.2)
Brent crude oil price (avg., USD/bbl)	95.4	82.9	85.0	80.0
USD/INR (avg.)	80.3	82.8	83.4	84.3

Source: CEIC, Bloomberg, RBI, Kotak Economics Research estimates

### Quick Numbers

June goods exports at US\$35 bn (growth of 2.6% yoy), June goods imports at US\$56 bn (growth of 5% yoy) and June goods trade deficit at US\$21 bn

June services trade surplus at US\$13 bn

Maintain FY2025 CAD/GDP estimate at 1.1%

### Related Research

- India's external balance remains strong
- Trade deficit widens to a seven-month high
- Imports held up better than exports in April

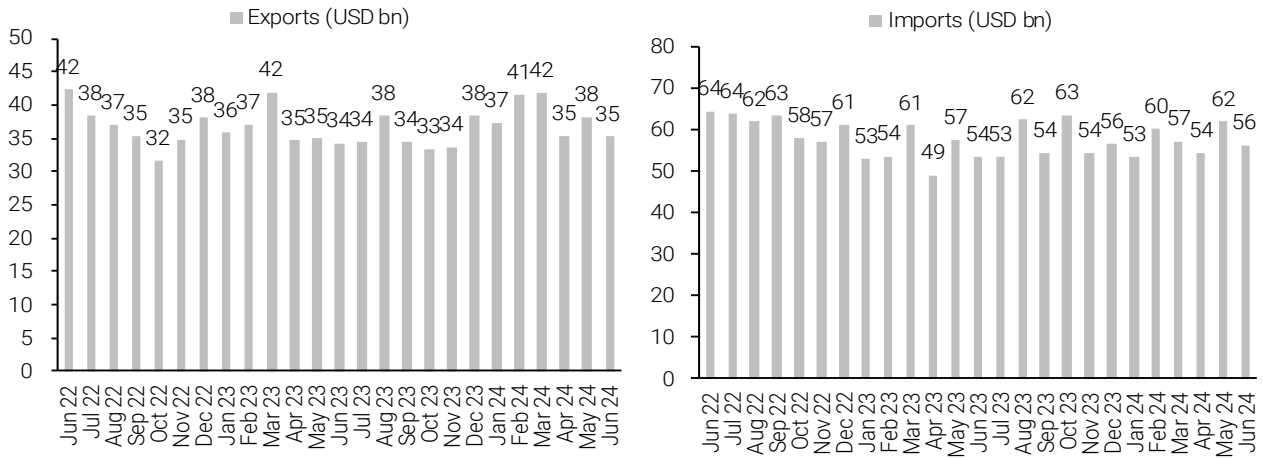
### Full sector coverage on KINSITE

Suvodeep Rakshit  
suvodeep.rakshit@kotak.com  
+91-22-4336-0898

Upasna Bhardwaj  
upasna.bhardwaj@kotak.com  
+91-22-6166-0531

**Exports and imports were around usual levels in June**

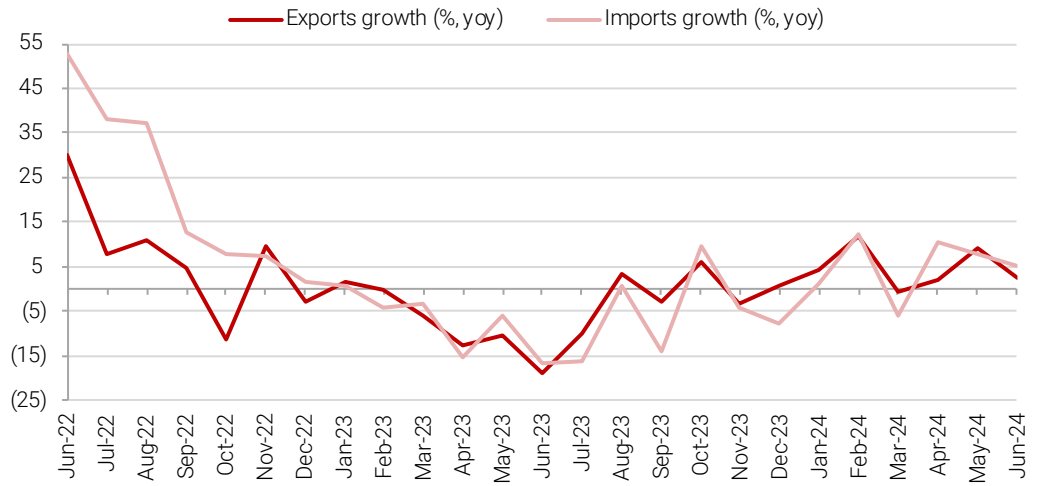
**Exhibit 1: Trend in imports and exports (US\$ bn)**



Source: CEIC, Kotak Economics Research

**Moderate expansion in exports and imports in June over last year**

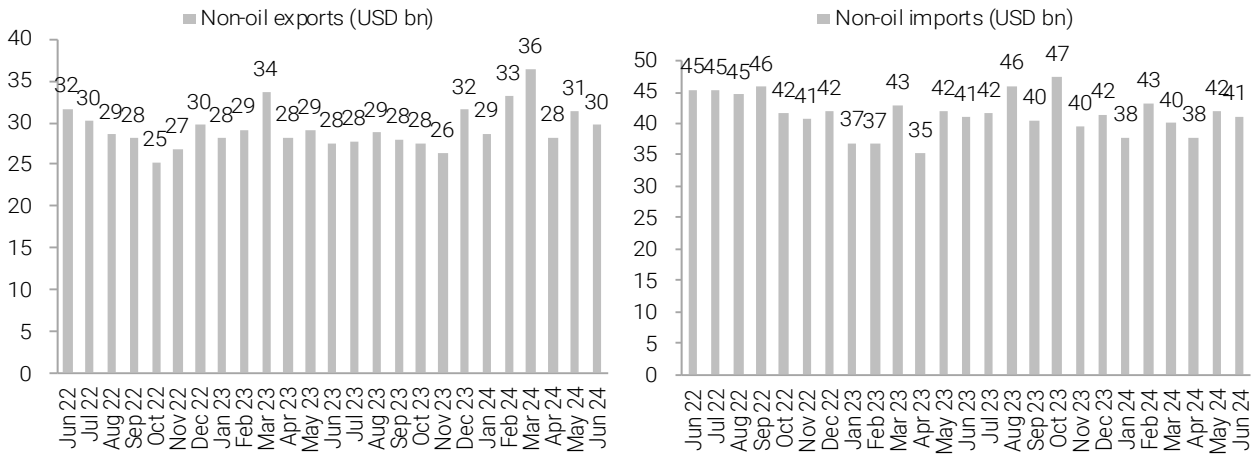
**Exhibit 2: Trend in export growth and import growth (%)**



Source: CEIC, Kotak Economics Research

**Both non-oil exports and imports declined marginally in June from May levels**

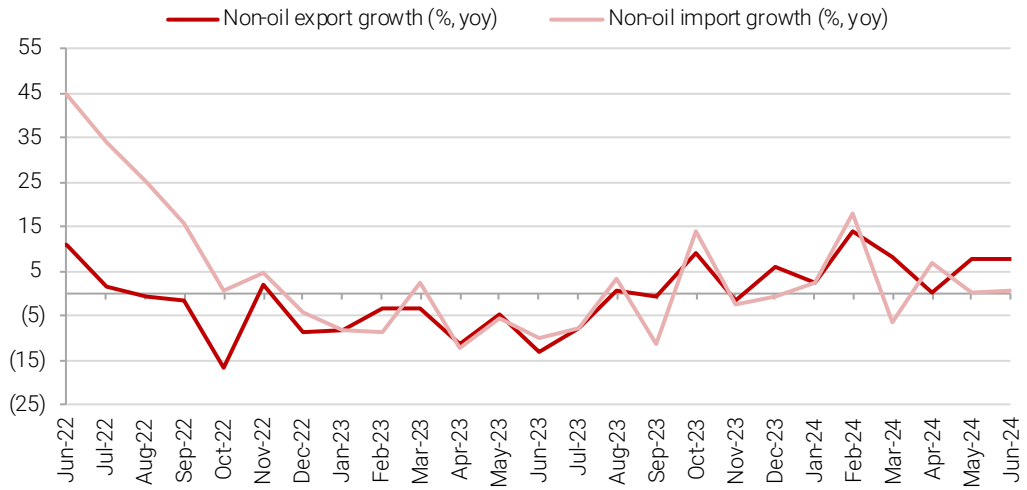
**Exhibit 3: Trend in non-oil imports and non-oil exports (US\$ bn)**



Source: CEIC, Kotak Economics Research

**Non-oil imports were broadly unchanged from last year's levels**

**Exhibit 4: Trend in non-oil export growth and non-oil import growth (%)**



Source: CEIC, Kotak Economics Research

**Oil-led moderation in trade deficit in June from May levels**

**Exhibit 5: Trend in exports, imports and trade balance (US\$ bn)**

	Jun-24	Jun-23	May-24	Jun-24 / Jun-23 (%)	Jun-24 / May-24 (%)
Exports	35.2	34.3	38.1	2.6	(7.7)
Imports	56.2	53.5	61.9	5.0	(9.3)
<b>Trade balance</b>	<b>(21.0)</b>	<b>(19.2)</b>	<b>(23.8)</b>		
Oil exports	5.5	6.8	6.8	(18.2)	(18)
Oil imports	15.1	12.6	19.9	20	(25)
<b>Oil trade balance</b>	<b>(9.5)</b>	<b>(5.8)</b>	<b>(13.2)</b>		
Non-oil exports	29.7	27.6	31.4	7.7	(5.4)
Non-oil imports	41.1	40.9	42.0	0.5	(2.0)
<b>Non-oil trade balance</b>	<b>(11.5)</b>	<b>(13.4)</b>	<b>(10.6)</b>		
Non-oil non-electronics exports	26.9	25.2	28.4	6.8	(5.4)
Non-oil non-electronics imports	33.4	34.3	34.8	(2.5)	(4.0)
<b>Non-oil non-electronics trade balance</b>	<b>(6.6)</b>	<b>(9.1)</b>	<b>(6.4)</b>		
Non-oil non-gems & jewelry exports	27.4	25.3	28.6	8.5	(4.1)
Non-oil non-gems & jewelry imports	36.0	33.7	36.6	7.1	(1.5)
<b>Non-oil non-gems &amp; jewelry trade balance</b>	<b>(8.6)</b>	<b>(8.4)</b>	<b>(8.0)</b>		

Source: CEIC, Kotak Economics Research

**Non-oil exports higher in June over last year's level; non-oil imports broadly unchanged**

**Exhibit 6: Comparison of exports and imports (US\$ bn)**

	Jun-24	May-24	Jun-23	Jun-24 / Jun-23 (%)	Jun-24 / May-24 (%)		Jun-24	May-24	Jun-23	Jun-24 / Jun-23 (%)	Jun-24 / May-24 (%)
<b>Exports</b>	<b>35.2</b>	<b>38.1</b>	<b>34.3</b>	<b>2.6</b>	<b>(7.7)</b>	<b>Imports</b>	<b>56.2</b>	<b>61.9</b>	<b>53.5</b>	<b>5.0</b>	<b>(9.3)</b>
Oil exports	5.5	6.8	6.8	(18.2)	(18.5)	Oil imports	15.1	19.9	12.6	20	(25)
<b>Non-oil exports</b>	<b>29.7</b>	<b>31.4</b>	<b>27.6</b>	<b>7.7</b>	<b>(5.4)</b>	<b>Non-oil imports</b>	<b>41.1</b>	<b>42.0</b>	<b>40.9</b>	<b>0.5</b>	<b>(2.0)</b>
Engineering goods	9.4	10.0	8.5	10.3	(6.0)	Electronic goods	7.7	7.1	6.6	15.9	7.6
Electronic goods	2.8	3.0	2.4	16.9	(4.9)	Machinery	4.1	4.1	3.7	10.6	(1.5)
Organic and inorganic chemicals	2.3	2.3	2.2	3.3	(0.7)	Gold	3.1	3.3	5.0	(39)	(8.1)
Drugs and pharmaceuticals	2.5	2.3	2.2	9.9	7.2	Coal, coke, and briquettes	2.9	3.3	3.5	(16.7)	(10.8)
Gems and jewelry	2.2	2.8	2.3	(1.4)	(18.6)	Organic and inorganic chemicals	2.5	2.5	2.5	1.3	(2.6)
RMG of all textiles	1.3	1.4	1.2	3.7	(4.7)	Transport equipment	2.0	3.1	2.1	(5.5)	(35)
Rice	0.9	1.0	0.8	1.0	(15.2)	Non ferrous metals	2.3	2.1	1.6	48	11.7
Cotton yarn, fabrics, etc.	1.0	1.0	1.0	0.9	(5.0)	Artificial resins, plastic materials, etc.	1.9	1.9	1.7	14.5	1.1
Plastic and linoleum	0.7	0.8	0.6	9.9	(8.4)	Pearls, precious/semi-precious stones	1.8	1.9	2.2	(18.9)	(5.1)
Marine products	0.6	0.6	0.6	(7.7)	(3.0)	Iron and steel	1.8	1.7	1.6	12.6	5.8
Others	6.1	6.3	5.6	8.6	(3.6)	Others	11.0	10.8	10.4	5.7	2

Source: CEIC, Kotak Economics Research

**Goods trade deficit wider in 1QFY25 compared with 1QFY24**

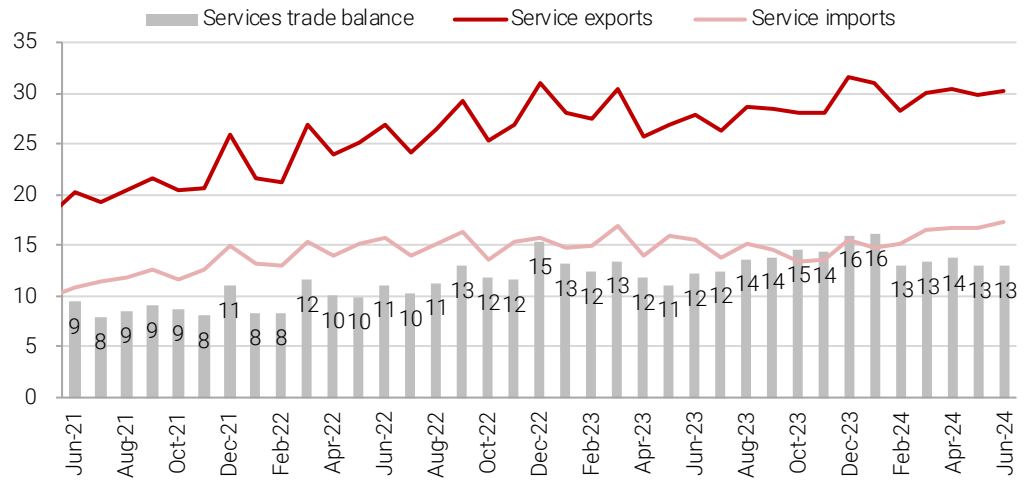
**Exhibit 7: Comparison of exports and imports (US\$ bn)**

	1QFY25	1QFY24	FYTD25/ FYTD24 (%)		1QFY25	1QFY24	FYTD25/ FYTD24 (%)
<b>Exports</b>	<b>108.7</b>	<b>103.9</b>	<b>4.6</b>	<b>Imports</b>	<b>172.4</b>	<b>160.0</b>	<b>7.7</b>
Petroleum products	19.4	19.0	1.8	Petroleum crude and products	51.5	41.8	23
<b>Non-oil exports</b>	<b>89.3</b>	<b>84.9</b>	<b>5.2</b>	<b>Non-oil imports</b>	<b>120.9</b>	<b>118.2</b>	<b>2.3</b>
Engineering Goods	28.0	26.8	4.8	Electronic Goods	21.9	19.8	10.8
Gems and jewelry	7.3	7.5	(3.5)	Machinery	12.0	11.8	2.2
Organic and Inorganic Chemicals	7.1	6.6	7.6	Gold	9.5	9.7	(1.9)
Electronic Goods	8.4	6.9	22	Coal, coke, and briquettes	9.3	11.5	(19.0)
Drugs and Pharmaceuticals	7.2	6.6	9.2	Organic and Inorganic Chemicals	7.2	7.3	(1.4)
RMG of all textiles	3.8	3.7	4.2	Pearls, precious/semi-precious stones	5.4	6.2	(13.4)
Cotton yarn, fabrics, etc.	2.9	2.8	5.7	Iron and Steel	5.1	5.1	(1.2)
Rice	2.8	2.8	(0.5)	Transport Equipment	7.2	6.6	9.5
Plastic and Linoleum	2.1	1.9	9.9	Artificial resins, plastic materials, etc.	5.5	5.5	0.9
Marine Products	1.6	1.8	(8.1)	Non Ferrous Metals	6.2	5.4	14.5
Others	17.9	17.5	2.6	Others	31.5	29.3	7.5

Source: CEIC, Kotak Economics Research

**Services surplus stagnating around US\$13 bn monthly rate**

**Exhibit 8: Trend in services exports and imports (US\$ bn)**



Source: CEIC, Kotak Economics Research

**We expect CAD/GDP at around 1% in FY2025E**
**Exhibit 9: India's balance of payments, March fiscal year-ends, 2019-25E (US\$ bn)**

	2019	2020	2021	2022	2023	2024	2025E
<b>Current account balance</b>	<b>(57.3)</b>	<b>(24.7)</b>	<b>23.9</b>	<b>(38.8)</b>	<b>(67.1)</b>	<b>(23.3)</b>	<b>(43.1)</b>
GDP	2,705	2,835	2,674	3,167	3,352	3,567	3,943
<b>CAB/GDP (%)</b>	<b>(2.1)</b>	<b>(0.9)</b>	<b>0.9</b>	<b>(1.2)</b>	<b>(2.0)</b>	<b>(0.7)</b>	<b>(1.1)</b>
Trade balance	(180)	(158)	(102)	(189)	(265)	(242)	(263)
<b>Trade balance/GDP (%)</b>	<b>(6.7)</b>	<b>(5.6)</b>	<b>(3.8)</b>	<b>(6.0)</b>	<b>(7.9)</b>	<b>(6.8)</b>	<b>(6.7)</b>
- Exports	337	320	296	429	456	441	441
- oil exports	24	24	24	24	24	24	90
- non-oil exports	314	297	273	406	433	418	351
- Imports	518	478	398	619	721	684	704
- oil imports	141	131	83	162	209	180	193
- non-oil imports	377	347	316	457	512	504	510
- gold imports	33	28	35	46	35	46	51
Invisibles (net)	123	133	126	151	198	219	220
- Services	82	85	89	108	143	163	165
- software	78	85	90	110	131	142	143
- non-software	4	—	(1)	(2)	12	21	22
- Transfers	70	75	73	80	101	106	107
- Income (net)	(29)	(27)	(36)	(37)	(46)	(50)	(52)
<b>Capital account</b>	<b>54</b>	<b>83</b>	<b>64</b>	<b>86</b>	<b>59</b>	<b>86</b>	<b>68</b>
Capital account/GDP (%)	2.0	2.9	2.4	2.7	1.8	2.4	1.7
Foreign investment	30	44	80	22	23	54	49
- FDI	<b>31</b>	<b>43</b>	<b>44</b>	<b>39</b>	<b>28</b>	<b>10</b>	<b>14</b>
- FPI	<b>(1)</b>	<b>1</b>	<b>36</b>	<b>(17)</b>	<b>(5)</b>	<b>44</b>	<b>35</b>
- Equities	<b>3</b>	<b>(0)</b>	<b>39</b>	<b>(16)</b>	<b>(6)</b>	<b>32</b>	<b>10</b>
- Debt	<b>(4)</b>	<b>1</b>	<b>(0)</b>	<b>2</b>	<b>1</b>	<b>13</b>	<b>25</b>
Banking capital	7	(5)	(21)	7	21	41	15
- NRI deposits	10	9	7	3	9	15	10
Short-term credit	2	(1)	(4)	20	7	(6)	—
ECBs	10	23	(0.1)	8	(4)	—	2
External assistance	3	4	11	5	6	7	2
Other capital account items	1	18	(2)	24	7	(10)	—
E&O	(0)	1	(0)	—	(1)	1	—
<b>Overall balance</b>	<b>(3.3)</b>	<b>59.5</b>	<b>87.3</b>	<b>47.5</b>	<b>(9.1)</b>	<b>63.7</b>	<b>24.9</b>
<b>Memo items</b>							
Average USD/INR	69.9	70.9	74.2	74.5	80.3	82.8	83.4
<b>Average Brent (US\$/bbl)</b>	<b>70.0</b>	<b>60.9</b>	<b>44.8</b>	<b>80.0</b>	<b>95.4</b>	<b>82.9</b>	<b>85.0</b>

Source: RBI, Kotak Economics Research estimates

“Each of the analysts named below hereby certifies that, with respect to each subject company and its securities for which the analyst is responsible in this report, (1) all of the views expressed in this report accurately reflect his or her personal views about the subject companies and securities, and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report: Suvodeep Rakshit, Upasna Bhardwaj.”

## Ratings and other definitions/identifiers

### Definitions of ratings

**BUY.** We expect this stock to deliver more than 15% returns over the next 12 months.

**ADD.** We expect this stock to deliver 5-15% returns over the next 12 months.

**REDUCE.** We expect this stock to deliver -5+5% returns over the next 12 months.

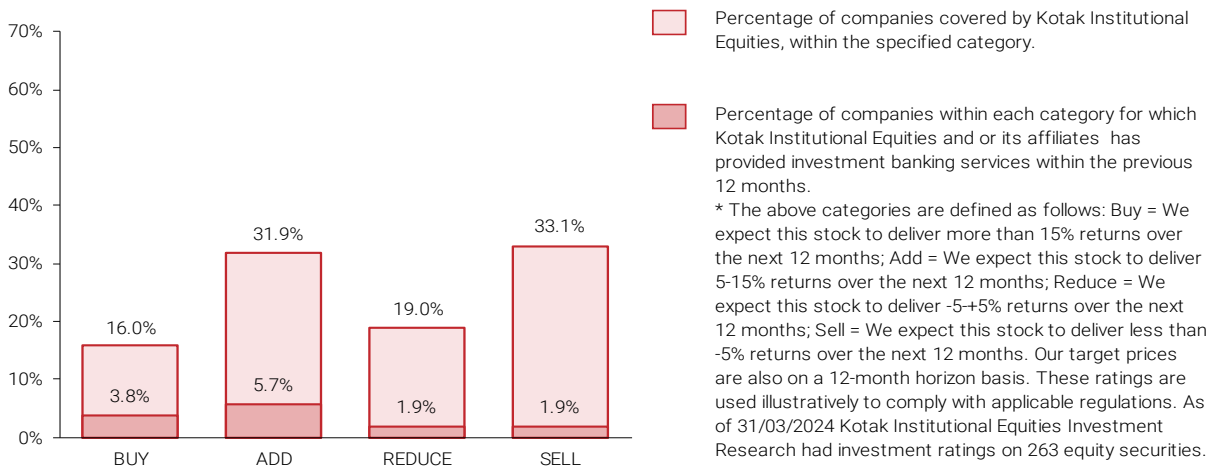
**SELL.** We expect this stock to deliver <-5% returns over the next 12 months.

Our Fair Value estimates are also on a 12-month horizon basis.

Our Ratings System does not take into account short-term volatility in stock prices related to movements in the market. Hence, a particular Rating may not strictly be in accordance with the Rating System at all times.

### Distribution of ratings/investment banking relationships

Kotak Institutional Equities Research coverage universe



Source: Kotak Institutional Equities

As of March 31, 2024

### Coverage view

The coverage view represents each analyst’s overall fundamental outlook on the Sector. The coverage view will consist of one of the following designations: **Attractive, Neutral, Cautious.**

### Other ratings/identifiers

**NR = Not Rated.** The investment rating and fair value, if any, have been suspended temporarily. Such suspension is in compliance with applicable regulation(s) and/or Kotak Securities policies in circumstances when Kotak Securities or its affiliates is acting in an advisory capacity in a merger or strategic transaction involving this company and in certain other circumstances.

**CS = Coverage Suspended.** Kotak Securities has suspended coverage of this company.

**NC = Not Covered.** Kotak Securities does not cover this company.

**RS = Rating Suspended.** Kotak Securities Research has suspended the investment rating and fair value, if any, for this stock, because there is not a sufficient fundamental basis for determining an investment rating or fair value. The previous investment rating and fair value, 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.

## Corporate Office

Kotak Securities Ltd.  
27 BKC, Plot No. C-27, "G Block" Bandra Kurla  
Complex, Bandra (E) Mumbai 400 051, India  
Tel: +91-22-43360000

## Overseas Affiliates

Kotak Mahindra (UK) Ltd  
8th Floor, Portoken House  
155-157 Minorities, London EC3N 1LS  
Tel: +44-20-7977-6900

Kotak Mahindra Inc  
PENN 1,1 Pennsylvania Plaza,  
Suite 1720, New York, NY 10119, USA  
Tel: +1-212-600-8858

Copyright 2024 Kotak Institutional Equities (Kotak Securities Limited). All rights reserved.

The Kotak Institutional Equities research report is solely a product of Kotak Securities Limited and may be used for general information only. The legal entity preparing this research report is not registered as a broker-dealer in the United States and, therefore, is not subject to US rules regarding the preparation of research reports and/or the independence of research analysts.

- Note that the research analysts contributing to this report are residents outside the United States and are not associates, employees, registered or qualified as research analysts with FINRA or a US-regulated broker dealer; and
- Such research analysts may not be associated persons of Kotak Mahindra Inc. and therefore, may not be subject to FINRA Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst.
- Kotak Mahindra Inc. does not accept or receive any compensation of any kind directly from US institutional investors for the dissemination of the Kotak Securities Limited research reports. However, Kotak Securities Limited has entered into an agreement with Kotak Mahindra Inc. which includes payment for sourcing new major US institutional investors and service existing clients based out of the US.
- In the United States, this research report is available solely for distribution to major US institutional investors, as defined in Rule 15a-6 under the Securities Exchange Act of 1934. This research report is distributed in the United States by Kotak Mahindra Inc., a US-registered broker and dealer and a member of FINRA. Kotak Mahindra Inc., a US-registered broker-dealer, accepts responsibility for this research report and its dissemination in the United States.
- This Kotak Securities Limited research report is not intended for any other persons in the United States. All major US institutional investors or persons outside the United States, having received this Kotak Securities Limited research report shall neither distribute the original nor a copy to any other person in the United States. Any US recipient of the research who wishes to effect a transaction in any security covered by the report should do so with or through Kotak Mahindra Inc. Please contact a US-registered representative, Vinay Goenka, Kotak Mahindra Inc., PENN 1,1 Pennsylvania Plaza, Suite 1720, New York, NY 10119, Direct +1 212 600 8858, vinay.goenka@kotak.com.
- This document does not constitute an offer of, or an invitation by or on behalf of Kotak Securities Limited or its affiliates or any other company to any person, to buy or sell any security. The information contained herein has been obtained from published information and other sources, which Kotak Securities Limited or its affiliates consider to be reliable. None of Kotak Securities Limited accepts any liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this document. Emerging securities markets may be subject to risks significantly higher than more established markets. In particular, the political and economic environment, company practices and market prices and volumes may be subject to significant variations. The ability to assess such risks may also be limited due to significantly lower information quantity and quality. By accepting this document, you agree to be bound by all the foregoing provisions.

This report is distributed in Singapore by Kotak Mahindra (UK) Limited (Singapore Branch) to institutional investors, accredited investors or expert investors only as defined under the Securities and Futures Act. Recipients of this analysis/report are to contact Kotak Mahindra (UK) Limited (Singapore Branch) (16 Raffles Quay, #35-02/03, Hong Leong Building, Singapore 048581) in respect of any matters arising from, or in connection with, this analysis/report. Kotak Mahindra (UK) Limited (Singapore Branch) is regulated by the Monetary Authority of Singapore.

Kotak Securities Limited and its affiliates are a full-service, integrated investment banking, investment management, brokerage and financing group. We along with our affiliates are leading underwriter of securities and participants in virtually all securities trading markets in India. We and our affiliates have investment banking and other business relationships with a significant percentage of the companies covered by our Investment Research Department. Our research professionals provide important input into our investment banking and other business selection processes. Investors should assume that Kotak Securities Limited and/or its affiliates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material. Our research professionals are paid in part based on the profitability of Kotak Securities Limited, which includes earnings from investment banking and other businesses. Kotak Securities Limited generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, Kotak Securities Limited generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

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. We are not soliciting any action based on this material. It is for the general information of clients of Kotak Securities Limited. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. Kotak Securities Limited does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment. Certain transactions – including those involving futures, options, and other derivatives as well as non-investment-grade securities – give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavor to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so. We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. 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. Foreign currency-denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, affectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the current derivatives risk disclosure document before entering into any derivative transactions.

Kotak Securities Limited established in 1994, is a subsidiary of Kotak Mahindra Bank Limited.

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 and having composite license acts as Corporate Agent of 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). Kotak Securities Limited is 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 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 primarily institutional investors and their employees, directors, fund managers, advisors who are registered with us. Details of Associates are available on website, i.e. www.kotak.com and <https://www.kotak.com/en/investor-relations/governance/subsidiaries.html>.

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) or acted as a market maker in the financial instruments of the subject company/company (ies) discussed herein in the past 12 months. YES. Visit our website for more details <https://kie.kotak.com>.

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: YES. Nature of Financial interest: Holding 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 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: 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

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.moneycontrol.com/india/stockpricequote/> 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).

First Cut notes published on this site are for information purposes only. They represent early notations and responses by analysts to recent events. Data in the notes may not have been verified by us and investors should not act upon any data or views in these notes. Most First Cut notes, but not necessarily all, will be followed by final research reports on the subject.

There could be variance between the First Cut note and the final research note on any subject, in which case the contents of the final research note would prevail. We accept no liability of the First Cut Notes.

### Analyst Certification

The analyst(s) authoring this research report hereby certifies that the views expressed in this research report accurately reflect such research analyst's personal views about the subject securities and issuers and that no part of his or her compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report.

This report or any portion hereof may not be reprinted, sold or redistributed without the written consent of Firm. Firm Research is disseminated and available primarily electronically, and, in some cases, in printed form.

Additional information on recommended securities is available on request.

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)

Details of	Contact Person	Address	Contact No.	Email ID
Customer Care/ Complaints	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>
Head of Customer Care	Mr. Tabrez Anwar		022-42858208	<a href="mailto:ks.servicehead@kotak.com">ks.servicehead@kotak.com</a>
Compliance Officer	Mr. Hiren Thakkar		022-42858484	<a href="mailto:ks.compliance@kotak.com">ks.compliance@kotak.com</a>
CEO	Mr. Shripal Shah		022-42858301	<a href="mailto:ceo.ks@kotak.com">ceo.ks@kotak.com</a>

In absence of response/complaint not addressed to your satisfaction, you may lodge a complaint with SEBI at SEBI, NSE, BSE, Investor Service Center | NCDEX, MCX. Please quote your Service Ticket/Complaint Ref No. while raising your complaint at SEBI SCORES/Exchange portal at <https://scores.sebi.gov.in>. Kindly refer <https://www.kotaksecurities.com/contact-us/> and for online dispute Resolution platform - [Smart ODR](#)