Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	67,127	0.8	10.3
Nifty-50	19,996	0.9	10.4
Nifty-M 100	41,444	1.1	31.5
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	4,487	0.7	16.9
Nasdaq	13,918	1.1	33.0
FTSE 100	7,497	0.2	0.6
DAX	15,801	0.4	13.5
Hang Seng	6,299	-0.3	-6.1
Nikkei 225	32,468	-0.4	24.4
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	92	-0.4	13.2
Gold ($/OZ)	1,922	0.2	5.4
Cu (US$/MT)	8,376	1.8	0.1
Almn (US$/MT)	2,162	0.9	-8.0
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	83.0	0.1	0.4
USD/EUR	1.1	0.5	0.4
USD/JPY	146.6	-0.8	11.8
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	7.2	0.04	-0.1
10 Yrs AAA Corp	7.8	0.04	0.0
Flows (USD b)	**11-Sep**	**MTD**	**CYTD**
FIIs	0.2	-0.49	16.4
DIIs	0.04	0.92	14.1
Volumes (INRb)	**11-Sep**	**MTD***	**YTD***
Cash	994	963	650
F&O	2,37,934	2,85,008	2,52,829

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

ICICI Bank | Annual Report: Delivering all-round performance

- ICICIBC is making progress towards a sustainable growth which is evident from its strong contingency buffers, robust underwriting and risk-monitoring mechanisms, all of which contribute to safeguarding the company's balance sheet.
- The bank further strengthened its retail franchise with the segment registering 23% YoY growth (18% YoY growth in home loans). The bank maintains one of the highest proportions of Retail deposits, with a strong CASA mix of 43%.
- The bank has best in class PCR of ~83%, which coupled with contingent provisions of ~INR131b (1.2% of loans), will keep credit cost benign.
- We thus estimate ICICBC to deliver an RoA/RoE of 2.2%/17.7% in FY25 and we retain our BUY rating with SoTP-based TP of INR1,150 (2.6x FY25E ABV).

Research covered

Cos/Sector	Key Highlights
ICICI Bank	Annual Report: Delivering all-round performance
EcoScope	Capex Tracker: Corporate investments down for 2nd successive quarter in 1QFY24
Metals Weekly	Ferrous domestic demand continues to be robust

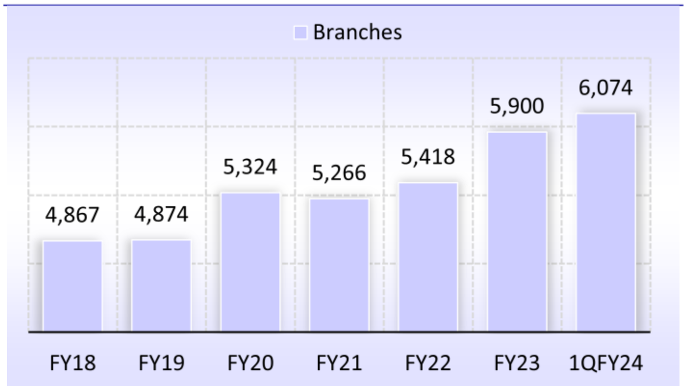
Piping hot news

KKR to make fresh investment of Rs 2,069.50 crore in Reliance Retail, hike stake to 1.42%

This investment values RRVL at a pre-money equity value of Rs 8.361 lakh crore, which makes it among the top four companies by equity value in the country now.

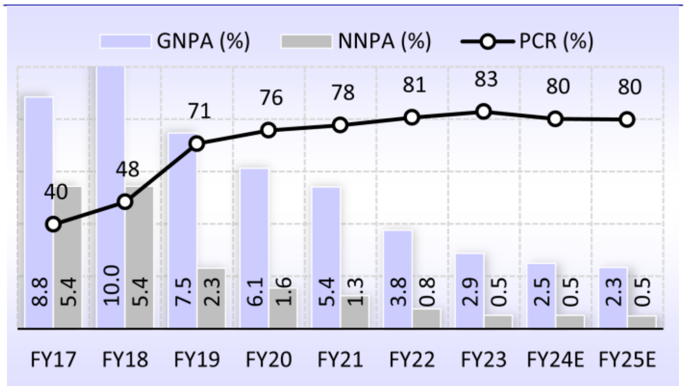
Chart of the Day: ICICI Bank (Delivering all-round performance)

ICICIBC is planning to add ~700 to 800 branches in FY24



Source: Company, MOFSL

Asset quality witnessing constant improvement; PCR remains industry best at ~83%



Source: Company, MOFSL

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

KKR to make fresh investment of Rs 2,069.50 crore in Reliance Retail, hike stake to 1.42%

This investment values RRVL at a pre-money equity value of Rs 8.361 lakh crore, which makes it among the top four companies by equity value in the country now…

2

L&T final buyback price increased to Rs 3200 per equity share

L&T informed the bourses that the final buyback offer price has been arrived at after considering various factors including earnings per share, price-earnings ratio, and impact on the net worth of the company, among others…

3

RBI approves re-appointment of Sandeep Bakhshi as ICICI Bank MD & CEO

ICICI Bank said that RBI approved the re-appointment of Sandeep Bakhshi with effect from October 4, 2023 for three years…

4

Tata Steel sets up 3,500 ton/month downstream manufacturing facility in UP

In order to produce reinforced products, Tata Steel on Monday opened a completely automated construction service hub in Uttar Pradesh. Ashish Anupam, Chairperson, Marketing & Sales, Long Products, Tata Steel, spoke to the media and stated that the centre in Ghaziabad…

5

India's PV sales increase to highest-ever level in August

Sales of passenger vehicles in India reached a record high last month, driven by strong demand for sports utility vehicles. However, the wholesale volumes of entry-level cars and motorcycles remained weak due to pressure on consumers' disposable income. The Society of Indian Automobile Manufacturers reported that 359,228 passenger vehicles were sold in August, a 9.4% increase compared to the same period last year…

6

SpiceJet pays ₹62.5 crore to Marans, to pay ₹37.5 crore by Tuesday

The airline plans to pay the remaining 37.5 crore to Maran by today or at the latest by tomorrow, depending on banking hours…

7

Pharma sector to post revenue growth of 8-10% this fiscal on steady domestic sales, higher exports to regulated markets

Supported by steady domestic growth and increased exports to regulated markets, even as semi-regulated markets face headwinds, the pharmaceutical industry is expected to post a revenue growth of 8-10 per cent during the fiscal 2024…

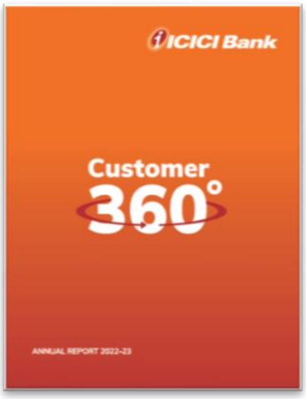
Motilal Oswal | Morning India

11 September 2023

Annual Report Update | Sector: Financials

ICICI Bank

BSE SENSEX	S&P CNX
67,127	19,996



Bloomberg	ICICIBC IN
Equity Shares (m)	6984
M.Cap.(INRb)/(USDb)	6848.7 / 82.5
52-Week Range (INR)	1009 / 796
1, 6, 12 Rel. Per (%)	0/1/-4
12M Avg Val (INR M)	14598
Free float (%)	100.0

Financials Snapshot (INR b)

Y/E March	FY23	FY24E	FY25E
NII	621	736	835
OP	491	565	646
NP	319	389	440
NIM (%)	4.7	4.7	4.5
EPS (INR)	45.8	55.7	63.0
EPS Gr (%)	36.0	21.6	13.2
ABV/Sh (INR)	267	314	368
Cons. BV/Sh. INR	309	368	439
Ratios			
RoE (%)	17.5	18.2	17.7
RoA (%)	2.1	2.3	2.2
Valuations			
P/BV (x) (Cons)	3.2	2.7	2.2
P/ABV (x)	3.0	2.5	2.2
P/E (x)	17.4	14.3	12.6

CMP: INR978 TP: INR1,150 (+18%) Buy

Delivering all-round performance

Strengthens technological leadership further; balance sheet robust

- **ICICIBC's Annual Report highlights the progress the bank is making towards sustainable growth. This is evident from its strong contingency buffers and robust underwriting and risk-monitoring mechanisms, all of which contribute to safeguarding the company's balance sheet.**
- **The bank further strengthened its retail franchise with the segment registering 23% YoY growth (18% YoY growth in home loans). Additionally, the bank sustained robust traction in its liabilities. The bank maintains one of the highest proportions of Retail deposits, with a strong CASA mix.**
- **SME and Business Banking portfolio grew 19% YoY/35% YoY each in FY23, with its mix rising to 12% of loans (8% in FY18).**
- **The bank continues to strengthen its digital capabilities and launched an array of new products (iLens, Insta Export Packing Credit, Neo Remittance System) besides enhancing InstaBIZ and Merchant Stack tools. The bank now offers superior digital experience to Corporates in over 20 key industries.**
- **The concentration of the top 20 advances/exposures improved 156bp/181bp to 10.3%/10.2% in FY23. On the liability side, concentration of the top 20 depositors improved further by ~179bp to 3.5%.**
- **Ahead of the new growth cycle, the bank is well-positioned with a superior margin, strong asset quality, and robust capitalization levels. We estimate ICICBC to deliver RoA/RoE of 2.2%/17.7% in FY25.**
- **We estimate earnings growth to moderate to 17% CAGR over FY23-25, affected largely by a decline in margins and limited opex/credit cost levers. We retain our BUY rating with SoTP-based TP of INR1,150 (2.6x FY25E ABV).**

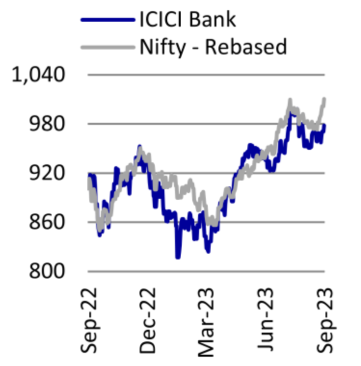
Retail growth remains steady; SME and Bus. Banking mix rises to ~12%

ICICIBC remains focused on building a diversified and granular portfolio, and saw healthy growth across Retail, SME, and Business Banking portfolios. The bank also witnessed a recovery in its corporate book, which grew 19% YoY in 1QFY24. The bank has increased its focus on higher yielding Retail loans such as Personal Loans and Credit Cards. The share of Unsecured Retail loans rose to 12.3% of loan book from 5.9% in FY18. Around 60% of loans in this portfolio are extended to its existing customers, with a notable preference toward the Salaried segment (85% of portfolio). ICICIBC has adopted data analytics-driven processes for onboarding, credit assessment, and customer monitoring.

Liability traction steady; digital offering aiding business growth

The bank continues to see a strong growth in Retail Deposits and has successfully maintained a robust liability franchise. Total deposits/CASA clocked ~16%/~13% CAGR over FY18-23. CASA ratio has declined to 45.8% in FY23, due to higher growth in Term Deposits. The growth in its deposit franchise was supported by continuous efforts to strengthen its digital platforms and simplify processes to provide a seamless banking experience to customers. While its liability franchise stands strong, the management intends to maintain a healthy and stable funding profile to deliver benefits on the cost of funds. The access to quality and granular low-cost deposits has helped ICICIBC maintain its competitive advantage in the cost of funds over its peers.

Stock Performance (1-year)



Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	0.0	0.0	0.0
DII	36.7	36.9	38.0
FII	55.3	54.8	53.0
Others	8.0	8.3	9.1

FII Includes depository receipts

The bank continues to strengthen its digital capabilities and launched an array of new products (iLens, Insta Export Packing Credit, Neo Remittance System) besides enhancing InstaBIZ and Merchant Stack tools. The bank now offers superior digital experience to Corporates in over 20 key industries.

Corporate & Retail segment PBT grew 74%/54% YoY

Segmental profitability suggests Retail PBT grew 54% YoY and contributed ~41% to total profits, aided by lower provisions and revenue growth of 23% YoY. Revenue from the Corporate segment grew 27% YoY, while the bank reported a strong uptick in PBT, which grew 74% YoY to INR158b, underscoring the structural improvement in the corporate segment. This segment now contributes ~37% to total profits vs. 30% in FY22.

Capitalization levels healthy; RWA density, concentration ratio improves

ICICIBC's Tier-I ratio stood healthy at 17.6% (CET-1 of 17.1%), with a total CAR of 18.3% in FY23. The management's focus on lending to better-rated corporates has resulted in further improvement in RWA density, which moderated ~32bp to ~68% in FY23 (~227bp over FY21-23). The concentration of the top 20 advances/exposures improved 156bp/181bp to 10.3%/10.2% in FY23. On the liability side, concentration of the top 20 depositors improved ~179bp to 3.5%.

Asset quality pristine; estimate ~40bp credit cost over FY23-25

ICICIBC has made significant progress toward improving its asset quality, with the best in class PCR of ~83%, which coupled with contingent provisions of ~INR131b (1.2% of loans), will keep credit cost benign. An improvement in underwriting, led by increasing adoption of analytics, a lower BB and below book (0.5% of loans), and controlled restructuring (0.4% of loans) will keep slippages under control. We expect GNPA/NNPA to moderate to 2.3%/0.5% by FY25 and credit cost to undershoot its long-term trends at 0.4% over FY24-25. The mix of D-3 and Loss assets constitutes ~47% of NPAs vs. 20% in FY19, which positions the bank well to benefit from further recoveries in written-off/NPA pool. GNPAs in the Priority and non-Priority sector have also improved, with major improvement seen in the Industry and Services sector *(refer Exhibit 39)*.

Healthy subsidiary performance

ICICIBC's subsidiaries reported healthy trends over FY23:

- **ICICI Prudential Life Insurance:** The company has achieved a balanced product mix, reducing the share of ULIPs to 27% in FY23 from 80% in FY19. The VNB margin also improved to 32%/30% in FY23/1QFY24 vs 22% in FY20.
- **ICICI Lombard General Insurance:** PAT grew 36% YoY to INR17.3b (16% CAGR over FY17-FY23) with 17% YoY increase in gross written premium (13% CAGR over FY17-FY23). The combined ratio improved to 105% vs. 109% in FY22.
- **ICICI Securities:** It maintains a leadership position in the equity brokerage space and is the second largest non-bank mutual fund distributor with revenue of INR34.3b as on FY23. PAT registered a CAGR of 22% over FY17-FY23 to INR11.4b in FY23.

- **ICICI Prudential AMC:** PAT registered a CAGR of 21% over FY17-FY23, while AUM grew 13% over the same period. PAT, as a percentage of average AUM, remained stable at 0.30% in FY23.

Other highlights

- Contingent liabilities grew 11% YoY in FY23 (27% CAGR over FY21-FY23), primarily due to an increase in interest rate swaps and futures (up 13% YoY) forward exchange contracts (up 44% YoY). This led to a rise in the proportion of contingent liabilities to ~270% of total assets from 274% in FY22.
- The bank purchased/sold priority sector lending certificates (PSLCs) worth INR716b/INR741b (vs. INR715b/INR1.01t in FY22).
- Fees from bancassurance moderated to INR9.7b from INR11.4b in FY23. Fee from the sale of life insurance declined to INR3.8b in FY23, however, fees from the sale of mutual fund and other products and the sale of non-life insurance increased to INR4.9b/1.0b in FY23.

Valuation and view

ICICIBC has been reporting a robust performance, led by a strong core PPOP, controlled provisions, and steady asset quality. A healthy mix of a high yielding portfolio (Retail/Business Banking) and a low-cost liability franchise has helped sharp margin recovery over FY23. The bank is witnessing strong traction across key segments such as Retail, SME, and Business Banking. Asset quality trends remain steady, while additional COVID-19 provision buffer (1.2% of loans) renders further comfort. Ahead of the new growth cycle, the bank is well-positioned with a superior margin, strong RoE and asset quality, and robust capitalization levels. We estimate ICICBC to deliver RoA/RoE of 2.2%/17.7% in FY25. We estimate earnings growth to moderate to 17% CAGR over FY23-25. This moderation is primarily due to a decline in margins and limited levers available for managing the opex/credit cost, resulting in a gradual stock performance. We retain our BUY rating on the stock with SoTP-based TP of INR1,150 (2.6x FY25E ABV). **ICICIBC continues to be one of our preferred picks in the sector.**

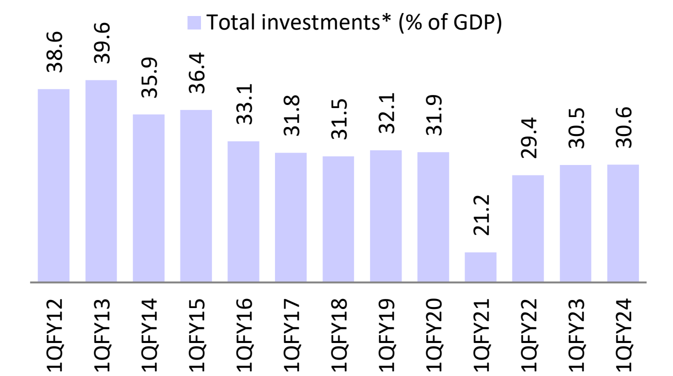
Capex Tracker: Corporate investments down for 2nd successive quarter in 1QFY24

Government investments grew significantly

- **For the third consecutive quarter in 1QFY24, real investments in India grew faster than consumption. After 9.6% growth in FY23, real investments increased by 7.1% YoY in 1QFY24, compared to 4.9% YoY growth in real consumption (private + government). However, it is important to note that the (nominal) investments stood at 30.6% of GDP in 1QFY24, similar to 30.5% of GDP in 1QFY23 and the average of ~31% in the pre-Covid period. This regular update is intended to track India's capex/investment trend and its key drivers. Here are the key highlights:**
- ***First*, government investments (center + states) grew 54.1% YoY in 1QFY24 (vs. 14.6% growth in FY23). The Center's investments grew 45% YoY (vs. 53.5% YoY in 1QFY23), while states' capex increased by 75% YoY in 1QFY24 (vs. a decline of 9.2% YoY in 1QFY23). Compared to an average of 2.9% of GDP in the first quarters of the previous decade, investments stood at 5% of GDP in 1QFY24, primarily led by record-high investments of 3.3% of GDP by the central government.**
- **Accordingly, the government sector accounted for 16.6% of total investments in 1QFY24, up from 12% in 1Q of the past three years and 10% in the past decade. It also means that private investments (including public sector enterprises, PSEs) grew only 2.6% YoY in 1QFY24, marking the slowest growth in 11 quarters.**
- ***Third*, using data on stamp duty & registration fees collected by states, cement production and steel consumption, our estimates suggest that household investments (primarily including residential real estate) surged 13% YoY in 1QFY24, following an average growth of 12% YoY in the past four years. If so, the share of household sector was steady at 42% of total investments in the quarter, similar to what it was a decade ago in the early 2010s decade.**
- **Lastly, as a residual, we find that corporate investments (including PSEs) declined for the second consecutive quarter in 1QFY24. Following a contraction of 0.5% YoY in 4QFY23, corporate investments likely fell 6.2% YoY in 1QFY24. The share of corporate sector, thus, fell to 41.2% of total investments, lower than ~50% in the pre-Covid period.**
- **Overall, a strong residential property market holds the potential to boost economic activity, and the government's focus on infrastructure is commendable. However, weak income growth, high interest rates, fiscal consolidation, and high economic uncertainties create vulnerabilities about the durability of the household investments.**

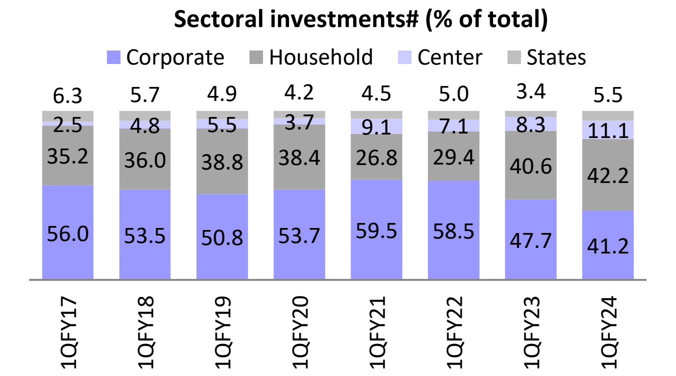
For the third consecutive quarter in 1QFY24, real investments in India grew faster than consumption. After 9.6% growth in FY23, real investments increased by 7.1% YoY in 1QFY24, compared to 4.9% YoY growth in real consumption (private + government). However, it is important to note that the nominal investments stood at 30.6% of GDP in 1QFY24, similar to 30.5% of GDP in 1QFY23 and the average of ~31% in the pre-Covid period *(Exhibit 1)*.

India's investment rate was broadly unchanged at 30.6% of GDP in 1QFY24



* GFCF + Change in inventories + Valuables

Share of corporate sector sild further in 1QFY24; government investments surged



\# GFCF + Change in inventories MOFSL estimates

Source: Various national sources, CEIC, MOFSL

Indian companies valuation

	Price	EV/ EBITDA (x)		P/B (x)	
	(INR)	FY23	FY24E	FY23	FY24E
Steel					
Tata	131	7.1	7.8	1.6	1.6
JSW	824	13.9	8.6	3.0	2.7
JSP	714	7.9	7.0	1.9	1.7
SAIL	100	8.9	6.1	0.8	0.7
Non-ferrous					
Vedanta	238	4.8	5.8	2.2	2.5
Hindalco	485	6.4	5.8	1.6	1.4
Nalco	102	6.7	5.0	1.4	1.3
Mining					
Coal	279	3.2	4.6	3.0	2.6
HZL	320	7.8	8.2	10.5	7.4
NMDC	145	5.9	5.4	1.9	1.7

Global companies valuation

Company	M.Cap	EV/EBITDA (x)		P/B (x)
	USD b	CY22/ FY23	CY23/ FY24	CY22/ FY23
Steel				
AM	22	3.6	3.7	0.4
SSAB	6	2.3	3.2	0.9
Nucor	41	5.7	7.7	1.9
POSCO	36	7.0	6.1	0.8
JFE	9	7.0	6.2	0.6
Aluminum				
Norsk Hydro	12	4.9	4.6	1.1
Alcoa	5	10.8	4.8	1.1
Zinc				
Teck	21	5.3	4.6	1.0
Korea Zinc	8	10.2	8.9	1.2
Iron ore				
Vale	59	4.2	4.1	1.4
FMG	39	4.1	5.6	2.1
Diversified				
BHP	142	5.6	5.9	3.2
Rio	104	5.0	4.9	1.9

Ferrous domestic demand continues to be robust

- Domestic flat steel prices were up 2.3% MoM to INR57,700/t and long steel prices were up 11.2% MoM to INR56,500/t, thus reducing the spread between the two to INR1,200/t from a recent high of INR5,600/t in Aug'23.
- Our channel check sources confirm that Tier-I flat steel list prices have improved further by INR500-750/t for HRC and around INR1,250-1,300/t for CRC taking the Sept'23 delivery.
- Vendor-level sentiments have turned positive since Aug'23, driven by high demand from project segments, lower imports and inventory build-up by automobiles and white goods companies to cater to high festive demand.
- Demand for long steel products has also seen slight improvement as the spread between the BF-IF grade long steel products has reduced by INR1,000/t MoM to INR3,300/t.

Higher Chinese BF output to dampen the stimulus impact

- The Chinese real estate and construction sector accounts for almost 40% of the steel demand; however, the government's focus on the real estate stimulus might take a few quarters to fully materialize.
- Though Chinese steel manufacturers have taken production cuts in late Aug'23, output has increased in some of the key manufacturing provinces (as of Jul'23), such as Hebei, Shangdong, Liaoning, Guangxi and Jiangsu.
- However, BF capacity increased to a nearly three-year high of 92.76% in the first week Sep'23.
- Though China's CPI increased slightly by 0.1% in Aug'23, higher supply of steel and lower near-term demand from the real estate and construction sector kept prices for flat and long steel in check in the domestic market.

Key input raw material prices continue to soar

- Due to the increase in BF capacity utilization by Chinese mills, demand for iron ore has increased.
- However, ore inventories at ports were disrupted by Typhoon Saola and Typhoon Haikui, keeping prices elevated over the last few weeks.
- South African lump prices increased by around 14% MoM to USD131/t and Australian fines rose 15%MoM to USD 118/t.
- Coking coal prices also grew 11%MoM to near the USD288-290/t level.
- An increase in key input prices and lower realizations are expected to drag down Chinese companies' profitability margins in coming months.

Thermal power to remain a dominant source of power for India

- Though thermal power accounts for only 50% of the total installed capacity, its share in total power generation stands at around 70-75%.
- India has strengthened its RE power portfolio, but it would require additional 48-50gw of thermal power plants to meet the projected peak power demand over the next decade.
- Even though RE is expected to reach a total capacity of 500gw over next few years, its share in total power generation is expected to remain lower.

Commodities and forex tracker

	UoM	Spot	WoW (%)	MoM (%)
India HRC (ex-Mum)	INR/t	57,700	2	2
India TMT Prime (ex-Mum)	INR/t	56,500	4	11
India TMT Secondary (ex-Mum)	INR/t	52,200	1	10
Korea HRC - FoB	USD/t	600	-1	0
China HRC Dom.	USD/t	537	-2	-2
China HRC - FoB	USD/t	550	0	-4
India Prem HCC CNF	USD/t	288	2	11
India 64 Mid Vols CNF	USD/t	250	1	9
India Low Vols PCI CNF	USD/t	180	2	7
Iron Ore Fines (Odisha Index) Fe 62%	INR/t	4,600	2	10
Iron Ore Fines (China - CNF) Fe 62%	USD/t	118	0	15
Europe Scrap HMS 1&2(80:20)	USD/t	420	0	5
C-DRI (ex-Raipur)	INR/t	31,700	-2	6
RB1 (6000 NAR) SA FoB	USD/t	127	-1	4
RB2 (5500 NAR), SA FoB	USD/t	113	0	16
Indonesia (4200 GAR) Futures	USD/t	61	4	11
Copper	USD/t	8,225	-2	0
Aluminum	USD/t	2,133	-1	0
Zinc	USD/t	2,406	-2	0
Lead	USD/t	2,285	2	8
Nickel	USD/t	19,820	-5	-1
Alumina	USD/t	339	1	1
Ali UBC Scrap	USD/t	1,499	-3	-3
Ali UBC Scrap Spread	USD/t	633	4	8
INR:USD	x	82.9	0	0
USD:EUR	"	1.07	-1	-2
USD:GBP	"	1.25	-1	-2
CNY:USD	"	7.32	1	1
JPY:USD	"	147	0	1

IDFC First: Needed To Pay ₹229 Cr To IDFC Bank To Subscribe To Stock Options; V Vaidyanathan, MD & CEO

- Needed to pay ₹229 cr to IDFC Bank to subscribe to stock options
- OGQG holds close to 4.7% stake in IDFC First Bank
- Have a little over 1.04% stake in the bank after today's sale
- Entire share sale proceeds are being put back in the bank
- No part of share sale is being used for personal consumption

Read More

Olectra Greentech: We Have An Orderbook Of 9,000 Buses Currently; KV Pradeep, CMD

- Q1 revenue growth was slightly less than what we had anticipated
- Will continue to deliver 1,200 buses over 24- 30 months
- PM e-bus program involves 10,000 bus tender, could come out with tender next month
- Telangana government allocated 150 acres land for world class manufacturing facility in Hyderabad
- We are creating a 5,000 unit manufacturing facility in Hyderabad

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PG Electroplast: Have Raised ₹500 Cr Via QIP; ₹238 Cr For Working Cap, ₹130 Cr For Capex; Vikas Gupta, MD - Operations

- Have raised 500 cr, Rs.238 cr will go in working capital, Rs.130 cr towards capex
- Don't know the further course of action from baring PE as of now
- Promoters don't intend to increase any stake
- PLI benefits of 200 cr is spread over 5 years
- Product side around 75% of the business is ODM category

Read More

NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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