

Nippon Life

Refer to important disclosures at the end of this report

Steady performance amid weak flows

- NAM India reported ~11.6% yoy (+7.3% qoq) growth in MF QAAUM to Rs2,286bn in Q4FY21, mainly supported by stability in debt AUMs and rising demand for ETFs, while operating revenues witnessed a rise in revenue yields due to higher share of equity AUM. PAT came in line with expectation at Rs16.7bn.
- Going forward, though the quantum of outflows might subside, revenue yields are expected to be impacted due to change in portfolio mix toward rising share of ETFs over equity which in turn impacts profitability. We expect overall trend to improve in the coming quarters with the normalization of inflows.
- We like the AMC business due to limited credit risk attached; however, we remain concerned about volatility in revenues/profitability in the near term. We continue to remain confident of the company's liquidity positioning during current volatile times considering healthy AUM mix, timely support from banks and strong parentage.
- We appreciate management's efforts for the rationalization of expenses, which in turn will support profitability. However, gaining market share would be the key trigger for stock momentum. We introduce FY24 to our estimates and revise TP to Rs335 (Rs306 earlier), corresponding to 27x P/March'23E EPS. We maintain Hold and EW stance in EAP.

Focus remains on granularity of flows: NAM India's management has been upbeat about increasing flows from B30 and B100 cities. Management's consistent efforts to acquire wealth in Tier-2 and Tier-3 cities should augur well for the company as these assets tend to be stickier. The contribution from B30 cities has remained healthy at 17.9% vs. industry average of ~16%. The company's advanced technology platform has ensured smooth operations amid physical dislocation in the last quarter.

SIP flows depicting more realistic picture: The company has restated its SIP inflow numbers, which are significantly lower than previously reported as the recognition of SIP has now shifted to actual receipt basis from accrual basis earlier. The SIP book of the company witnessed a steady decline over quarters to Rs6.6bn in Q4FY21 from Rs6.8bn in Q4FY20.

Outlook and valuation: We appreciate management's efforts for the rationalization of expenses, which in turn will support profitability. However, gaining market share would be the key trigger for stock momentum. We introduce FY24 to our estimates and revise TP to Rs335 (Rs306 earlier), corresponding to 27x P/March'23E EPS. We maintain Hold.

Please see our sector model portfolio (Emkay Alpha Portfolio): [BFSI-NBFCs \(page 8\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Total Revenue	11,932	14,193	13,722	15,711	17,928
Net Profit	4,153	6,803	6,234	7,423	8,557
EPS (Rs)	6.8	11.1	10.2	12.1	14.0
AAAUM (Rsbn)	2,091	2,054	2,227	2,493	2,818
ROE (%)	16.1	23.9	19.7	22.7	25.2
PE (x)	50.2	30.7	33.5	28.1	24.4

Source: Company, Emkay Research

CMP	Target Price
Rs 340 as of (April 26, 2021)	Rs 335 (▲) 12 months
Rating	Upside
HOLD (■)	(1.5) %

Change in Estimates

EPS Chg FY22E/FY23E (%)	(0.8)/(0.8)
Target Price change (%)	9.5
Target Period (Months)	12
Previous Reco	HOLD

Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	10.2	12.1
Consensus	10.1	11.6
Mean Consensus TP (12M)	Rs 358	

Stock Details

Bloomberg Code	NAM IN	
Face Value (Rs)	10	
Shares outstanding (mn)	617	
52 Week H/L	375 / 210	
M Cap (Rs bn/USD bn)	210 / 2.81	
Daily Avg Volume (nos.)	1,004,567	
Daily Avg Turnover (US\$ mn)	4.6	

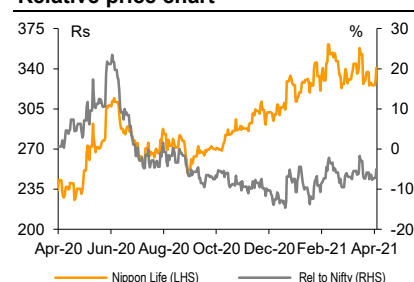
Shareholding Pattern Mar '21

Promoters	74.5%
FIIIs	5.9%
DIIIs	6.7%
Public and Others	12.9%

Price Performance

(%)	1M	3M	6M	12M
Absolute	3	7	25	41
Rel. to Nifty	2	2	1	(10)

Relative price chart



Source: Bloomberg

This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

Jignesh Shial
jignesh.shial@emkayglobal.com
+91 22 6624 2468

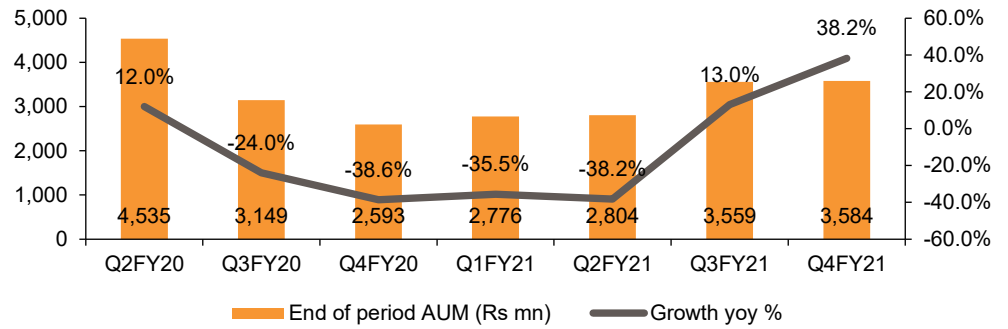
Anand Dama
anand.dama@emkayglobal.com
+91 22 6624 2480

Aman Jain
aman.jain@emkayglobal.com
+91 22 6612 1285

Shrishti Jagati
shrishti.jagati@emkayglobal.com
+91 22 6624 2485

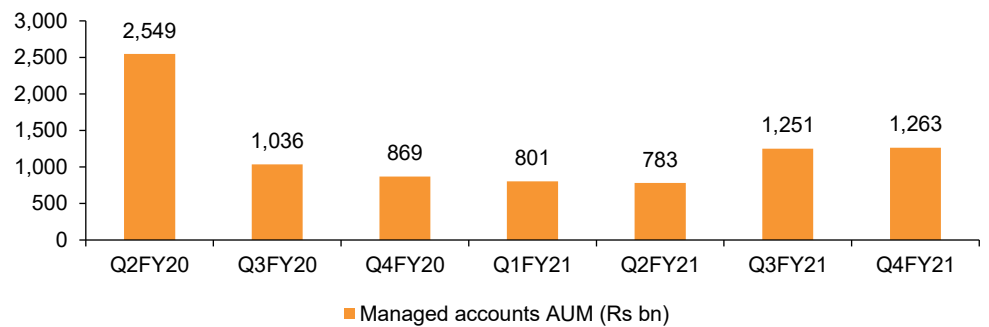
Story in Charts

Exhibit 1: Recovery in equity and debt markets drives AUM growth



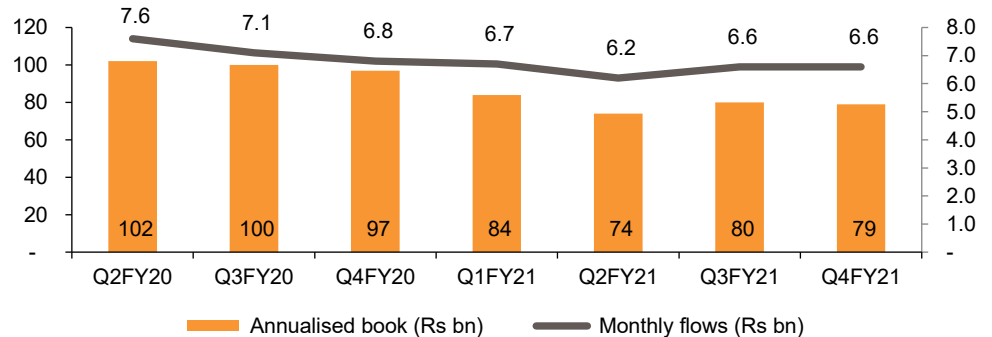
Source: Company, Emkay Research

Exhibit 2: Managed accounts increase on the back of comforting government mandates



Source: Company, Emkay Research

Exhibit 3: Volatile markets keep SIPs under pressure



Source: Company, Emkay Research

Exhibit 4: Quarterly financials

Rs mn	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	YoY (%)	QoQ (%)	FY20	FY21	YoY (%)
Total Revenue from operations	2,745	2,331	2,587	2,685	3,019	10	12	12,030	10,621	-12
Other income	(1,249)	1,031	637	1,304	601	-148	-54	(98)	3,572	
Total Revenue	1,496	3,362	3,224	3,988	3,620	142	-9	11,932	14,193	19
Employee Expense	529	715	679	665	654	24	-2			
Other Expense	583	532	544	550	707	21	28			
Depreciation	91	105	79	78	71	-22	-9			
Total Expense	1,222	1,365	1,314	1,303	1,441	18	11	6,334	5,423	-14
Profit before tax	274	1,997	1,910	2,685	2,179	697	-19	5,598	8,770	57
Taxes	232	436	457	570	514	121	-10	1,441	1,976	37
Tax rate (%)	85	22	24	21	24	-72	11	26	23	
Profit after tax	41	1,561	1,452	2,115	1,665	3,932	-21	4,158	6,794	63
Share of profit/ (loss) in associate	0	2	1	4	3	1,200	-38			
Net Profit after tax	42	1,563	1,453	2,120	1,668	3,919	(21)	4,153	6,803	64
AUM data (Rs.bn.)										
End of period AUM	2,593	2,776	2,804	3,559	3,584	38	1	2,593	2,776	7
Mutual Fund QAAUM	2,049	1,801	2,000	2,130	2,286	12	7	2,049	1,801	-12
Retail Assets MAAUM	444	460	520	554	640	44	16	444	460	4

Source: Company, Emkay Research

Exhibit 5: Revision in earnings estimates

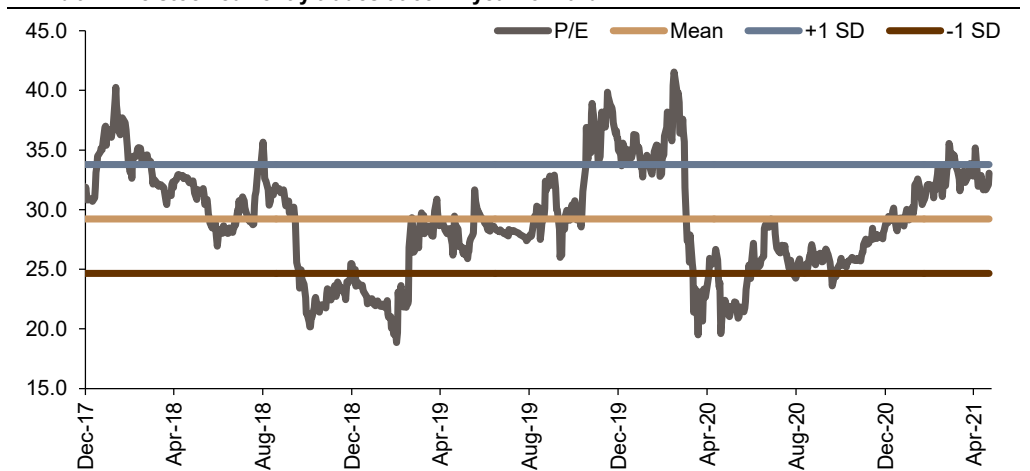
Y/E Mar (Rs mn)	FY22E			FY23E			FY24E
	Earlier	Revised	% change	Earlier	Revised	% change	Introduced
AAAUM (Rs bn)	2,331	2,227	-4.5%	2,589	2,493	-3.7%	2,818
Revenue	14,195	13,722	-3.3%	16,279	15,711	-3.5%	17,928
PAT	6,284	6,234	-0.8%	7,473	7,423	-0.7%	8,557
EPS (Rs)	10.3	10.2	-0.8%	12.2	12.1	-0.8%	14.0

Source: Company, Emkay Research

Exhibit 6: Key assumptions table

(in %)	FY21	FY22E	FY23E	FY24E
AAAUM of MF's (Rs bn)	2,054	2,227	2,493	2,818
Revenue on MF AUM	0.52%	0.52%	0.54%	0.55%
Total expense on MF AUM	0.26%	0.24%	0.23%	0.23%

Source: Emkay Research

Exhibit 7: The stock currently trades at 33x 1-year forward P/E

Source: Emkay Research

Con-Call highlights

- Extensive distribution and a diversified product suite helped to add over 0.9mn unique investors vs. 2mn for the industry in FY21.
- Management considers no negative impact of not being affiliated with any bank as mutual fund businesses have low dependence on banks.
- Only 10% of money is in ETFs in India compared to 40% across other countries. The company is well-positioned in ETFs to take advantage of any trend change in India.
- Around 18% of AUM is sourced from beyond 30 cities compared to industry average of 16%.
- The company has one of the largest retail assets in the industry at Rs643bn; retail assets contribute 28% of AUM.
- 78.4k mutual fund distributors were empaneled till Mar'21, and it has tied up with 20 digital partners.
- 54% of MF AUM is from direct channels; 57% of distributed assets is from MF distributors; Retail and HNI contributed 83% of distributed assets.
- The company has lower ticket size of SIPs compared to industry which helps in sickness of costumers.
- NAM India signed Lol with Cathay SITE, Taiwan's largest asset manager, in April 2021, to expand its product portfolio and offer world-class products to Indian and international investors.
- NAM has a digital-ready environment and caters to various business segments digitally. It has three proprietary applications and numerous contracts with fintech companies. Digital contributed 53% of new purchase transactions in FY21.
- The company has wide presence across 290 locations in the country. It is increasing focus on digital channels as they are more cost-effective.

Key Financials (Consolidated)**Income Statement**

Y/E Year End (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Total Revenue from Operations	12,030	10,621	11,579	13,460	15,498
Other income	(98)	3,572	2,143	2,250	2,430
Total Revenue	11,932	14,193	13,722	15,711	17,928
Operating Expenses	6,334	5,423	5,344	5,733	6,424
Employee costs	3,024	2,713	2,895	3,240	3,663
Profit before tax	5,598	8,770	8,378	9,978	11,504
Tax	1,441	1,976	2,153	2,564	2,956
Tax rate (%)	26	23	26	26	26
Profit after tax	4,153	6,803	6,234	7,423	8,557

Balance Sheet

Y/E Year End (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity	6,120	6,165	6,120	6,120	6,120
Reserves & Surplus	19,809	24,838	26,083	27,195	28,477
Net worth	25,929	31,003	32,203	33,315	34,597
Provisions	393	234	293	366	457
Other current liabilities	2,485	2,284	3,655	5,847	9,356
Total Liabilities	28,807	33,522	36,150	39,528	44,410
Net fixed assets	3,256	3,021	3,323	3,655	4,020
Investments	18,846	25,500	28,559	31,987	35,825
Other assets	7,492	6,212	4,268	3,887	4,565
Total assets	29,594	34,732	36,150	39,528	44,410

AAAUM

Y/E Year End	FY20	FY21	FY22E	FY23E	FY24E
Equity	886.4	808.1	848.5	933.3	1,045.3
Debt	969.6	941.8	982.6	1,064.7	1,178.9
ETF	235.3	304.4	395.7	494.6	593.5
Total AAAUM	2,091.3	2,054.3	2,226.8	2,492.6	2,817.8

End of Period AUM

Y/E Year End	FY20	FY21	FY22E	FY23E	FY24E
Mutual funds	1,635.0	2,218.0	2,328.9	2,445.3	2,567.6
Managed accounts	869.0	1,263.0	1,389.3	1,528.2	1,681.1
Offshore funds & adv mandates	48.0	70.0	84.0	100.8	121.0
Total	2,552.0	3,551.0	3,802.2	4,074.4	4,369.6

Key Ratios (%)

Y/E Year End	FY20	FY21	FY22E	FY23E	FY24E
Revenue from operations/ AAAUM	0.58	0.52	0.52	0.54	0.55
Total Revenue/ AAAUM	0.57	0.69	0.62	0.63	0.64
Cost	0.30	0.26	0.24	0.23	0.23
PBT/AAAUM	0.27	0.43	0.38	0.40	0.41
PAT/AAAUM	0.20	0.33	0.28	0.30	0.30
ROE	16.09	23.90	19.73	22.66	25.20

Per Share Data (Rs)	FY20	FY21	FY22E	FY23E	FY24E
EPS	6.8	11.1	10.2	12.1	14.0
BVPS	42.4	50.3	52.6	54.4	0.8
DPS	5.0	8.0	8.1	10.3	11.9

Valuations (x)	FY20	FY21	FY22E	FY23E	FY24E
PE	50.2	30.7	33.5	28.1	24.4
P/BV	8.0	6.8	6.5	6.3	401.5
Mkt cap/AUM	0.10	0.10	0.09	0.08	0.07
Dividend yield (%)	1.5	2.4	2.4	3.0	3.5

Source: Company, Emkay Research

Growth (%)	FY20	FY21	FY22E	FY23E	FY24E
Total Revenue	(27.7)	19.0	(3.3)	14.5	14.1
Cost	(33.3)	(14.4)	(1.5)	7.3	12.1
PAT	(14.7)	63.8	(8.4)	19.1	15.3
QAAUM	(12.3)	11.6	(2.6)	11.9	13.0

Quarterly (Rs mn)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21
Revenue	1,496	3,362	3,224	3,988	3,620
Total Revenue/ Avg. AUM (%)	0.35	0.92	0.78	0.87	0.72
PAT	41	1,561	1,452	2,115	1,665
PAT/Avg. AUM (%)	0.0	0.4	0.3	0.5	0.3
QAAUM (Rsbm)	1,721	1,459	1,660	1,832	2,012

Source: Company, Emkay Research

Shareholding Pattern (%)	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Promoters	75.9	75.9	75.0	75.8	74.5
FIIIs	5.3	5.8	5.1	5.4	5.9
DIIIs	6.7	6.2	6.3	6.6	6.7
Public and Others	12.1	12.1	13.6	12.2	12.9

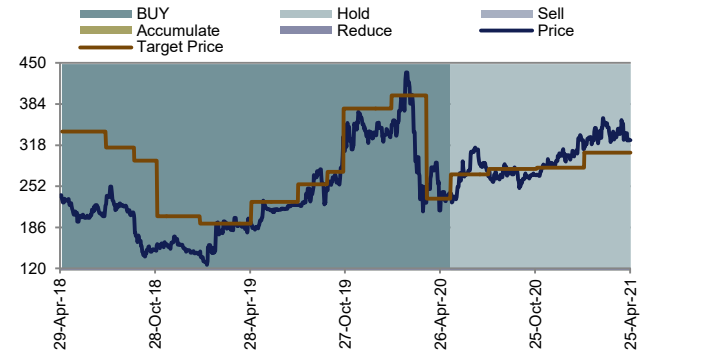
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
27-Jan-21	315	306	12m	Hold	Jignesh Shial
28-Oct-20	271	282	12m	Hold	Jignesh Shial
28-Jul-20	275	280	12m	Hold	Jignesh Shial
16-May-20	240	271	12m	Hold	Jignesh Shial
31-Mar-20	245	232	12m	Buy	Jignesh Shial
24-Jan-20	351	398	12m	Buy	Jignesh Shial
24-Oct-19	311	377	12m	Buy	Jignesh Shial
27-Sep-19	259	275	12m	Buy	Jignesh Shial
23-Sep-19	245	275	12m	Buy	Jignesh Shial
29-Jul-19	222	255	12m	Buy	Jignesh Shial
30-Apr-19	190	227	12m	Buy	Jignesh Shial
22-Jan-19	147	192	12m	Buy	Jignesh Shial
01-Nov-18	159	204	12m	Buy	Jignesh Shial
18-Sep-18	201	293	12m	Buy	Jignesh Shial
26-Jul-18	223	314	12m	Buy	Jignesh Shial
03-May-18	230	340	12m	Buy	Ravikant Bhat

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – BFSI-NBFCs



Analyst: Jignesh Shial

Contact Details

jignesh.shial@emkayglobal.com
+91 22 6624 2468

Sector

NBFCs/AFCs

Analyst bio

Jignesh Shial is a CA and has total 12 years of research experience. His team currently covers 11 NBFCs/AFCs.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
BFSI-NBFCs	8.00	8.00	0%	0	100.00
Bajaj Finance	1.53	1.53	0%	0	19.07
Cholamandalam Investment	0.27	0.29	9%	2	3.61
Edelweiss Financial Services	0.00	0.00	NA	0	0.00
HDFC	5.48	5.49	0%	1	68.70
L&T Finance Holdings	0.09	0.10	10%	1	1.20
LIC Housing Finance	0.14	0.15	7%	1	1.92
Magma Fincorp	0.00	0.00	NA	0	0.00
Mahindra Finance	0.13	0.05	-58%	-7	0.67
Nippon Life	0.06	0.06	0%	0	0.73
Shriram City Union Finance	0.00	0.00	NA	0	0.00
Shriram Transport Finance	0.30	0.33	7%	2	4.08
Cash	0.00	0.00	NA	0	0.00

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	23-Apr-20	22-Oct-20	21-Jan-21	22-Mar-21	22-Apr-21
EAP - BFSI-NBFCs	100.0	80.2	101.6	138.9	137.8	131.1
BSE200 Neutral Weighted Portfolio (ETF)	100.0	75.2	95.4	130.6	129.6	123.2

*Performance measurement base date 1st April 2019

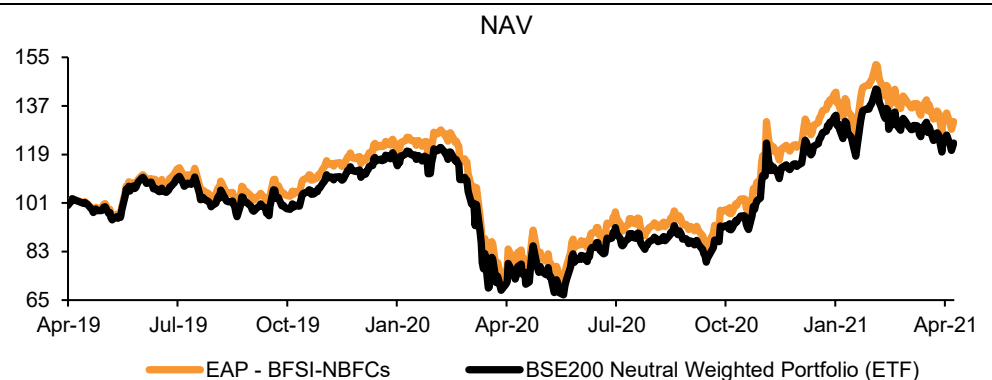
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - BFSI-NBFCs	-4.8%	-5.6%	29.1%	63.4%
BSE200 Neutral Weighted Portfolio (ETF)	-5.0%	-5.6%	29.2%	63.8%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 28 Apr 2021 03:27:30 (SGT)

Dissemination Date: 28 Apr 2021 03:28:30 (SGT)

Sources for all charts and tables are Emkay Research unless otherwise specified.

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX). EGFSL along with its subsidiaries offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management, insurance broking and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com

EGFSL is registered as Research Analyst with SEBI bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years, except that NSE had disabled EGFSL from trading on October 05, October 08 and October 09, 2012 for a manifest error resulting into a bonafide erroneous trade on October 05, 2012. However, SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to clients as well as prospects. 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.

Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. 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 may be 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 including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, 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 or regulation or which would subject EGFSL or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

- This publication has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research publication relating to any issuer.
- Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets

Disclaimer for U.S. persons only: This research report is a product of Emkay Global Financial Services Limited (Emkay), which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and 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 Financial Institutions Regulatory Authority (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. This report is intended for distribution 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). 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, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associate¹ does not serve as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

1. EGFSL, its subsidiaries and/or other affiliates do not have a proprietary position in the securities recommended in this report as of April 27, 2021
2. EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Research Report
- Disclosure of previous investment recommendation produced:**
3. EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
4. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's does not have any material conflict of interest in the securities recommended in this report as of April 27, 2021.
5. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the April 27, 2021
6. EGFSL, its subsidiaries and/or other affiliates and Research Analyst have not received any compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
7. EGFSL, its subsidiaries and/or other affiliates and/or and Research Analyst have not received any compensation or other benefits from securities recommended in this report (subject company) or third party in connection with the research report.
8. Securities recommended in this report (Subject Company) has not been client of EGFSL, its subsidiaries and/or other affiliates and/or and Research Analyst during twelve months preceding the April 27, 2021

RESTRICTIONS ON DISTRIBUTION

General	This report is not directed to, 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 or regulation.
Australia	This report is not for distribution into Australia.
Hong Kong	This report is not for distribution into Hong Kong.
Indonesia	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
Malaysia	This report is not for distribution into Malaysia.
Singapore	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 16800306E) or DBSVS (Company Regn. No. 1860024G) both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an agreement under Regulation 32C of the financial Advisers Regulations. Singapore recipients should contact DBS Bank Ltd at 6327 2288 for matters arising from, or in connection with the report.
Thailand	This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.
United Kingdom	This report is disseminated in the United Kingdom by DBS Vickers Securities (UK) Ltd, ("DBSVUK"). DBSVUK is authorised and regulated by the Financial Conduct Authority in the United Kingdom. In respect of the United Kingdom, this report is solely intended for the clients of DBSVUK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBSVUK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.
Dubai International Financial Centre	This research report is being distributed by DBS Bank Ltd., (DIFC Branch) having its office at units 608-610, 6 th Floor, Gate Precinct Building 5, PO Box 506538, Dubai International Financial Centre (DIFC), Dubai, United Arab Emirates. DBS Bank Ltd., (DIFC Branch) is regulated by The Dubai Financial Services Authority. This research report is intended only for professional clients (as defined in the DFSA rulebook) and no other person may act upon it.
United Arab Emirates	This report is provided by DBS Bank Ltd (Company Regn. No. 196800306E) which is an Exempt Financial Adviser as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. This report is for information purposes only and should not be relied upon or acted on by the recipient or considered as a solicitation or inducement to buy or sell any financial product. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situation, or needs of individual clients. You should contact your relationship manager or investment adviser if you need advice on the merits of buying, selling or holding a particular investment. You should note that the information in this report may be out of date and it is not represented or warranted to be accurate, timely or complete. This report or any portion thereof may not be reprinted, sold or redistributed without our written consent.
United States	DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.
Other jurisdictions	In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com