

Stock Recommendations



OCTOBER 12, 2018

Stock Recommendations

Name of the Company	Latest Reco [^]	Price as on	Price as on latest	Latest Price	Upside/ (Down-side)	Latest Report	Mkt Cap (Rs mn)	EPS (Rs)		EPS gth (%)		PE (x)		RoE (%)		EV/EBITDA (x)		
		12-Oct (Rs)	Report (Rs)	target [^] (Rs)	(%)	Date		FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	
Auto & Auto Ancillary																		
Apollo Tyres	ACCUMULATE	216	286	301	39.2	03-Aug-18	123,724	17.6	25.1	38.6	42.6	12.3	8.6	9.9	12.8	7.7	6.2	
Ashok Leyland	BUY	116	111	128	10.5	19-Jul-18	329,567	6.4	7.1	18.5	10.9	18.1	16.3	24.3	23.7	9.6	8.3	
Bajaj Auto Ltd	REDUCE	2,623	2,684	2,808	7.1	24-Jul-18	759,111	147.3	165.2	4.8	12.2	17.8	15.9	21.1	21.2	12.6	11.3	
Escorts Ltd	ACCUMULATE	601	908	958	59.4	31-Jul-18	73,917	52.3	53.2	32.1	1.7	11.5	11.3	19.1	16.4	10.0	9.4	
FIEM Industries Ltd	BUY	580	720	1,030	77.6	11-Sep-18	7,656	43.2	54.2	15.8	25.5	13.4	10.7	12.1	13.7	5.9	4.8	
Gabriel India Ltd	BUY	119	119	157	31.8	05-Oct-18	17,158	7.4	8.7	12.1	17.6	16.1	13.7	18.9	19.1	8.5	6.9	
Hero MotoCorp Ltd	ACCUMULATE	2,893	3,251	3,473	20.1	06-Aug-18	578,550	183.4	204.3	-0.9	11.4	15.8	14.2	29.4	29.4	10.2	9.1	
Mahindra & Mahindra	ACCUMULATE	769	927	984	28.0	08-Aug-18	955,246	38.0	40.8	12.1	7.4	20.2	18.8	14.1	13.7	10.8	9.5	
Maruti Suzuki India Ltd	ACCUMULATE	7,287	9,397	10,360	42.2	27-Jul-18	2,200,734	320.9	414.4	25.5	29.1	22.7	17.6	21.5	23.5	12.7	9.7	
Sterling Tools Ltd	ACCUMULATE	340	385	418	22.9	13-Aug-18	12,240	16.1	19.0	19.3	18.0	21.1	17.9	21.3	20.9	11.7	10.1	
Talbro Automotive Comp	BUY	234	287	396	69.0	30-Aug-18	2,812	21.5	28.3	28.0	31.6	10.9	8.3	14.0	16.1	6.9	5.4	
Tata Motors	REDUCE	184	264	277	50.7	01-Aug-18	624,015	14.0	20.8	-41.4	48.6	13.1	8.8	4.9	6.8	3.5	2.9	
Building Material																		
Asian Granito India Ltd (AGL)	ACCUMULATE	179	230	255	42.6	16-Aug-18	5,382	12.5	15.9	-28.6	27.2	14.3	11.2	8.4	9.9	7.2	6.2	
Century Plyboards (India) Ltd	BUY	176	250	323	83.1	26-Jul-18	39,249	10.0	11.9	42.9	19.0	17.6	14.8	23.7	23.0	11.1	9.5	
Greenply Industries Ltd	BUY	144	202	286	98.9	09-Aug-18	17,354	10.5	12.4	-4.5	18.1	13.7	11.6	13.2	13.8	8.5	7.1	
Kajaria Ceramics Ltd	BUY	355	338	500	41.0	09-Oct-18	56,338	15.1	17.8	2.7	17.9	23.5	19.9	16.6	17.2	12.5	10.8	
Shankara Building Products Ltd	BUY	1,091	1,653	2,017	84.9	17-Aug-18	24,919	44.6	53.1	38.1	19.1	24.5	20.5	20.3	20.1	12.6	11.2	
Supreme Industries Ltd	ACCUMULATE	979	1,204	1,324	35.2	01-Aug-18	124,377	35.9	45.6	14.7	27.0	27.3	21.5	22.4	24.4	13.8	11.0	
Capital Goods & Engineering																		
AIA Engineering	SELL	1,516	1,705	1,700	12.1	14-Aug-18	142,959	53.3	68.1	13.4	27.8	28.4	22.3	15.6	17.2	18.6	14.4	
Bharat Electronics	BUY	86	80	96	12.3	08-Oct-18	208,364	6.1	6.4	7.0	4.9	14.0	13.4	18.1	17.3	7.9	6.8	
Cummins India	ACCUMULATE	680	740	785	15.4	03-Sep-18	188,524	27.8	32.8	18.3	18.0	24.5	20.7	19.1	21.6	19.9	16.8	
Engineers India Ltd	BUY	116	126	187	61.0	13-Aug-18	78,285	7.2	8.4	28.6	16.7	16.1	13.8	20.5	22.0	9.3	7.4	
Genus Power Infrastructures	BUY	29	44	58	100.3	02-Aug-18	7,449	2.6	3.2	30.0	23.1	11.1	9.0	8.6	10.0	5.5	4.4	
Greaves Cotton	ACCUMULATE	126	152	165	30.8	14-Sep-18	30,800	9.3	10.1	47.6	8.6	13.6	12.5	22.3	22.6	8.6	7.7	
Larsen & Toubro	BUY	1,235	1,352	1,520	23.1	24-Aug-18	1,731,821	61.0	69.9	16.0	14.6	20.3	17.7	14.6	15.1	16.2	14.2	
Praj Industries Ltd	ACCUMULATE	113	83	89	(21.0)	09-Aug-18	19,993	3.4	4.5	100.0	32.4	33.1	25.0	8.6	11.2	20.4	15.8	

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								FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
Va Tech Wabag Ltd	BUY	252	372	476	89.1	13-Aug-18	13,343	31.1	36.6	25.4	17.7	8.1	6.9	14.0	14.6	3.5	3.0
Voltamp Ltd	BUY	778	952	1,320	69.7	20-Aug-18	7,858	93.5	101.4	28.6	8.4	8.3	7.7	14.3	13.9	5.0	2.7
Cement																	
India Cements Ltd	REDUCE	96	108	112	16.9	14-Aug-18	29,526	4.6	7.1	31.4	54.3	20.8	13.5	2.7	4.0	6.7	5.6
Shree Cement	ACCUMULATE	15,348	17,175	18,487	20.5	31-Jul-18	534,726	369.9	433.4	-6.8	17.2	41.5	35.4	13.6	14.1	17.1	15.5
UltraTech Cement	BUY	3,796	3,857	4,726	24.5	20-Jul-18	1,041,705	110.7	139.5	22.2	26.0	34.3	27.2	11.1	12.6	15.8	13.5
Chemicals																	
Aksharchem India Ltd	REDUCE	484	525	533	10.1	14-Aug-18	3,538	41.9	44.4	12.3	6.0	11.6	10.9	12.8	12.2	5.9	5.5
Bodal Chemicals Ltd	REDUCE	117	124	130	11.1	17-Aug-18	14,274	10.9	13.0	6.9	19.3	10.7	9.0	16.3	16.9	6.7	5.7
GHCL Ltd	BUY	208	253	330	58.5	17-Sep-18	20,159	36.8	41.6	0.5	13.0	5.7	5.0	18.7	17.9	4.8	4.3
Construction																	
Dilip Buildcon Ltd	BUY	524	852	1,276	143.4	17-Aug-18	71,724	60.1	67.1	32.4	11.6	8.7	7.8	28.7	24.7	5.3	4.2
IRB Infrastructure Developers	BUY	133	194	271	103.3	26-Jul-18	46,855	28.9	33.9	10.3	17.3	4.6	3.9	16.5	16.6	11.7	11.7
KNR Construction	BUY	178	229	283	59.3	14-Aug-18	24,960	10.1	15.6	-44.2	54.5	17.6	11.4	11.6	15.7	7.2	4.7
Nagarjuna Construction	BUY	73	97	151	106.6	14-Aug-18	40,639	7.3	8.2	52.1	12.3	10.0	8.9	9.9	10.2	4.4	3.6
NBCC (India) Ltd	BUY	53	62	95	77.9	28-Sep-18	96,120	2.3	2.9	21.1	26.1	23.2	18.4	21.7	24.5	14.8	10.5
PNC Infratech Ltd	BUY	135	165	219	62.5	10-Aug-18	34,576	9.0	11.8	25.0	31.1	15.0	11.4	12.1	14.0	7.0	4.9
Simplex Infrastructures	BUY	211	413	600	184.6	21-Aug-18	11,955	26.3	39.9	21.8	51.7	8.0	5.3	7.8	9.9	5.3	5.0
Vascon Engineers Ltd	BUY	22	27	48	122.7	20-Aug-18	3,750	2.4	3.6	700.0	50.0	9.0	6.0	5.6	7.9	8.0	5.4
Consumer Durables																	
Amber Enterprises Ltd	BUY	887	921	1,145	29.1	13-Aug-18	27,852	33.5	46.5	69.2	38.8	26.5	19.1	11.1	13.6	12.7	9.6
Bajaj Electricals Ltd	ACCUMULATE	498	508	545	9.5	03-Oct-18	49,178	19.5	25.4	14.7	30.3	25.5	19.6	19.7	21.9	14.8	11.9
Blue Star Ltd	ACCUMULATE	564	703	743	31.7	10-Aug-18	53,768	17.8	24.2	22.8	36.0	31.7	23.3	16.5	20.3	17.1	13.9
Eveready Industries India Ltd	BUY	206	230	322	56.6	27-Jul-18	14,947	9.5	14.4	26.7	51.6	21.6	14.3	18.5	23.5	12.9	9.4
Havells India Ltd	SELL	596	560	500	(16.1)	23-Jul-18	371,810	14.1	16.6	25.9	17.7	42.3	35.9	21.1	22.3	25.4	21.2
MIRC Electronics Ltd	BUY	25	28	32	29.6	18-Sep-18	5,703	0.9	1.8	0.0	100.0	27.4	13.7	8.6	14.5	14.7	10.5
Voltas Ltd	ACCUMULATE	510	620	658	28.9	13-Aug-18	168,687	18.3	23.9	5.8	30.6	27.9	21.4	14.7	17.1	19.3	14.9

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								FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
FMCG																	
Hindustan Unilever	SELL	1,570	1,753	1,605	2.3	17-Jul-18	3,390,336	29.1	35.7	18.8	22.7	53.9	44.0	89.3	89.8	37.5	30.6
ITC Ltd	BUY	275	287	330	19.9	27-Jul-18	3,358,541	10.3	11.4	15.7	10.7	26.7	24.1	23.5	24.7	17.4	15.6
Marico Ltd	ACCUMULATE	315	352	375	19.1	06-Aug-18	406,286	7.2	8.9	14.3	23.6	43.7	35.4	34.4	37.6	30.1	24.2
Information Technology																	
Cyient Ltd (Infotech)	BUY	657	717	810	23.3	30-Aug-18	74,247	42.9	52.3	12.9	21.9	15.3	12.6	18.9	19.5	9.7	7.9
KPIT Technologies	NOT RATED	202	287	NIL	NIL	12-Jun-18	39,974	21.6	25.1	22.7	16.2	9.4	8.1	15.9	17.0	7.0	5.5
NIIT LTD	BUY	69	95	125	81.0	30-Jul-18	11,531	6.3	8.6	65.8	36.5	11.0	8.0	7.5	14.4	5.6	3.8
NIIT Technologies	ACCUMULATE	1,045	1,121	1,185	13.4	19-Jul-18	61,286	62.0	69.7	36.3	12.4	16.9	15.0	18.5	18.0	8.7	7.5
Persistent Systems	BUY	689	827	1,025	48.9	31-Jul-18	55,084	52.2	65.1	29.2	24.7	13.2	10.6	18.4	20.0	6.8	5.1
Qess Corp Ltd	BUY	790	1,128	1,302	64.8	27-Jul-18	114,550	28.7	32.6	34.7	13.6	27.5	24.2	15.6	15.2	22.5	18.9
Zensar Technologies	ACCUMULATE	283	250	275	(3.1)	14-Aug-18	63,754	14.5	17.7	35.2	22.0	19.5	16.0	25.8	26.8	11.7	9.3
Metals & Mining																	
Hindustan Zinc	ACCUMULATE	278	284	300	8.1	23-Aug-18	1,172,738	23.1	24.4	5.0	5.6	12.0	11.4	24.5	22.8	6.3	5.6
Jindal Stainless (Hisar) Ltd	BUY	103	127	227	120.4	01-Aug-18	24,308	19.1	24.5	-23.9	28.3	5.4	4.2	23.4	23.1	2.9	2.1
JSW Steel	ACCUMULATE	380	317	340	(10.5)	26-Jul-18	917,735	28.5	29.6	10.9	3.9	13.3	12.8	20.6	17.3	7.7	7.4
MOIL Ltd	BUY	166	174	260	56.7	13-Aug-18	44,209	17.2	19.4	4.9	12.8	9.6	8.6	14.4	14.7	3.9	3.0
National Aluminium Co	BUY	67	72	100	49.4	10-Aug-18	129,414	9.6	7.8	134.1	-18.8	7.0	8.6	17.0	13.1	3.3	3.8
NMDC Ltd	BUY	111	108	125	12.4	29-Aug-18	352,073	12.2	11.3	1.7	-7.4	9.1	9.8	14.3	12.2	5.4	5.7
Tata Sponge Iron Ltd	REDUCE	839	955	1,055	25.7	19-Jul-18	12,922	98.5	98.7	7.7	0.2	8.5	8.5	13.8	12.5	2.8	2.2
Oil & Gas																	
Castrol India Ltd **	BUY	144	167	195	35.1	02-Aug-18	142,779	7.3	7.8	4.3	6.8	19.8	18.5	52.1	51.6	12.2	11.3
Chennai Petroleum Corp	BUY	258	317	373	44.6	31-Jul-18	38,442	64.2	67.7	3.0	5.5	4.0	3.8	22.2	20.4	3.2	2.9
Gujarat State Petronet Ltd	SELL	171	198	182	6.4	01-Aug-18	96,444	11.2	11.0	-5.9	-1.8	15.3	15.5	11.7	10.5	5.8	5.8
Indraprastha Gas (IGL)	SELL	242	276	257	6.3	07-Sep-18	169,190	12.1	14.1	17.5	16.5	20.0	17.1	20.8	20.6	11.2	9.1
Mahanagar Gas Ltd	ACCUMULATE	825	948	1,030	24.8	02-Aug-18	81,540	56.7	59.9	17.1	5.6	14.6	13.8	24.9	23.1	7.9	7.3
MRPL	BUY	83	83	106	27.7	13-Aug-18	145,416	11.3	12.3	11.9	8.8	7.3	6.7	17.8	16.9	5.1	4.6
Oil India Ltd	BUY	203	207	245	20.9	16-Aug-18	229,931	27.1	28.0	12.4	3.3	7.5	7.2	9.7	9.7	5.9	6.0
Petronet LNG	BUY	217	231	267	22.9	30-Jul-18	325,950	16.1	18.6	14.2	15.5	13.5	11.7	22.0	22.0	7.0	6.0

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								FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
Paints																	
Akzo Nobel India Ltd	BUY	1,610	1,589	1,950	21.1	12-Oct-18	75,201	55.8	64.7	24.8	15.9	28.9	24.9	20.9	21.3	17.7	14.9
Asian Paints Ltd	ACCUMULATE	1,261	1,219	1,300	3.1	12-Oct-18	1,209,491	26.6	30.2	26.1	13.5	47.4	41.8	24.7	24.0	31.6	27.6
Berger Paints	REDUCE	284	275	280	(1.4)	12-Oct-18	275,488	5.9	6.8	22.9	15.3	48.1	41.8	24.2	23.3	29.5	25.8
Kansai Nerolac Paints Ltd	BUY	422	412	540	28.0	12-Oct-18	227,431	11.9	13.5	25.3	13.4	35.5	31.3	20.3	19.6	23.1	20.2
Real Estate																	
The Phoenix Mills Ltd	BUY	532	597	707	32.8	28-Aug-18	81,487	17.9	20.6	13.3	15.1	29.7	25.8	9.3	9.8	13.2	12.3
Shipping																	
GE Shipping Company	SELL	297	352	350	17.8	08-May-18	45,167	22.0	24.1	-175.9	9.5	13.5	12.3	4.1	4.3	4.0	3.1
Shipping Corporation of India	BUY	43	85	110	153.5	16-Feb-18	18,380	4.7	6.2	74.1	31.9	9.2	7.0	3.0	3.8	2.3	2.1
Transportation																	
Adani Port & Special Eco Zone	BUY	323	378	485	50.1	10-Sep-18	664,720	22.9	26.2	12.8	14.4	14.1	12.3	21.1	20.3	9.9	8.5
Allcargo Global Logistics	BUY	99	121	145	46.8	27-Aug-18	24,293	9.1	9.7	33.8	6.6	10.9	10.2	8.9	8.9	5.4	4.9
Blue Dart Express	SELL	2,795	3,690	3,215	15.0	01-Aug-18	66,247	73.7	84.6	23.5	14.8	37.9	33.0	23.9	22.5	22.0	19.8
Cochin Shipyard Ltd	BUY	395	440	610	54.4	16-Aug-18	53,740	30.5	33.9	3.7	11.1	13.0	11.7	12.0	12.3	4.8	4.4
Container Corporation of India	BUY	607	652	775	27.6	30-Jul-18	296,059	24.1	27.7	10.0	14.9	25.2	21.9	13.5	13.9	17.5	14.9
VRL Logistics Ltd	BUY	260	320	395	51.8	13-Aug-18	23,735	13.5	16.5	62.7	22.2	19.3	15.8	17.8	19.7	8.5	7.1
Others																	
Arvind Ltd	BUY	330	300	450	36.4	10-Oct-18	85,418	14.6	22.2	19.7	52.1	22.6	14.9	8.9	12.4	10.6	8.4
Carborundum Universal Ltd	BUY	370	362	420	13.5	07-Aug-18	69,329	14.6	19.2	33.9	31.5	25.3	19.3	15.9	18.3	13.8	10.9
Central Depository Services	BUY	236	268	320	35.4	06-Aug-18	24,817	10.6	12.0	7.1	13.2	22.3	19.7	16.6	16.9	15.3	13.0
Dollar Industries Ltd	BUY	272	313	427	56.8	14-Aug-18	15,524	13.0	15.6	15.0	20.0	21.0	17.5	19.1	19.5	12.2	10.4
Essel Propacl Ltd	BUY	95	105	140	46.9	07-Aug-18	29,924	6.7	8.2	21.8	22.4	14.2	11.6	14.9	15.8	7.0	6.1
Finolex Industries	ACCUMULATE	494	630	671	35.8	04-Sep-18	61,250	28.6	33.6	18.7	17.5	17.3	14.7	12.4	13.4	8.0	6.6
Indo Count Industries Ltd	BUY	67	83	103	52.8	07-Aug-18	13,305	7.3	9.4	15.9	28.8	9.2	7.2	14.2	16.0	6.8	5.5
Insecticides (India) Ltd	BUY	403	724	892	121.6	10-Aug-18	8,317	49.1	55.7	20.9	13.4	8.2	7.2	17.1	16.6	5.3	4.6
Maharashtra Seamless Ltd	BUY	457	472	805	76.1	24-Sep-18	30,619	61.7	72.1	106.4	16.9	7.4	6.3	13.2	13.6	5.4	4.4
Mahindra Holidays & Resorts	BUY	200	279	390	95.2	13-Aug-18	26,573	12.8	14.7	26.7	14.8	15.6	13.6	20.8	21.0	9.0	7.5
Mirza International Ltd	BUY	75	100	120	59.0	10-Aug-18	9,054	6.3	8.0	-3.1	27.0	12.0	9.4	12.6	14.2	6.7	5.6

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		12-Oct (Rs)	on latest Report (Rs)	Price target [^] (Rs)	(Down-side) (%)	Report Date		FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E	FY19E	FY20E
Mold-Tek Packaging Ltd	BUY	260	305	351	35.1	06-Aug-18	7,199	14.6	16.7	44.6	14.4	17.8	15.6	20.5	20.4	10.8	9.4
Radico Khaitan Ltd	ACCUMULATE	333	403	449	34.9	27-Jul-18	44,262	13.5	16.6	45.2	23.0	24.7	20.0	14.7	15.8	13.8	11.6
Time Technoplast Ltd	BUY	128	140	195	52.9	06-Aug-18	28,828	10.3	13.0	28.8	26.2	12.4	9.8	14.7	16.1	6.5	5.4
VIP Industries Ltd	BUY	430	414	515	19.8	04-Oct-18	61,060	11.8	13.2	31.1	11.9	36.4	32.6	28.4	26.4	24.3	21.5
Wonderla Holidays Ltd	BUY	284	335	406	43.0	09-Aug-18	16,074	9.3	12.0	36.8	29.0	30.5	23.7	6.6	8.3	13.8	11.1

Source: Kotak Securities - Private Client Research

[^] All recommendations are with a 9-12 month perspective from the date of the report/update. Investors are requested to use their discretion while deciding the timing, quantity of investment as well as the exit.

* Figures for CY18 & CY19

** Figures for CY19 & CY20

Figures for CY18 & FY20 (15 month period)

Figures for CY19 & CY20 - September year ending

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FUNDAMENTAL RESEARCH TEAM

<p>Rusmik Oza Head of Research rusmik.oz@kotak.com +91 22 6218 6441</p>	<p>Arun Agarwal Auto & Auto Ancillary arun.agarwal@kotak.com +91 22 6218 6443</p>	<p>Amit Agarwal Transportation, Paints, FMCG agarwal.amit@kotak.com +91 22 6218 6439</p>	<p>Nipun Gupta Information Tech, Midcap nipun.gupta@kotak.com +91 22 6218 6433</p>	<p>Deval Shah Research Associate deval.shah@kotak.com +91 22 6218 6423</p>	<p>K. Kathirvelu Support Executive k.kathirvelu@kotak.com +91 22 6218 6427</p>
<p>Sanjeev Zarbade Cap. Goods & Cons. Durables sanjeev.zarbade@kotak.com +91 22 6218 6424</p>	<p>Ruchir Khare Cap. Goods & Cons. Durables ruchir.khare@kotak.com +91 22 6218 6431</p>	<p>Jatin Damania Metals & Mining, Midcap jatin.damania@kotak.com +91 22 6218 6440</p>	<p>Cyndrella Carvalho Pharmaceuticals cyndrella.carvalho@kotak.com +91 22 6218 6426</p>	<p>Ledo Padinjarathala Research Associate ledo.padinjarathala@kotak.com +91 22 6218 7021</p>	
<p>Teena Virmani Construction, Cement, Buildg Mat teena.virmani@kotak.com +91 22 6218 6432</p>	<p>Sumit Pokharna Oil and Gas, Information Tech sumit.pokharna@kotak.com +91 22 6218 6438</p>	<p>Pankaj Kumar Midcap pankajr.kumar@kotak.com +91 22 6218 6434</p>	<p>Jayesh Kumar Economist kumar.jayesh@kotak.com +91 22 6218 5373</p>	<p>Krishna Nain M&A, Corporate actions krishna.nain@kotak.com +91 22 6218 7907</p>	

TECHNICAL RESEARCH TEAM

<p>Shrikant Chouhan shrikant.chouhan@kotak.com +91 22 6218 5408</p>	<p>Amol Athawale amol.athawale@kotak.com +91 20 6620 3350</p>
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DERIVATIVES RESEARCH TEAM

<p>Sahaj Agrawal sahaj.agrawal@kotak.com +91 79 6607 2231</p>	<p>Malay Gandhi malay.gandhi@kotak.com +91 22 6218 6420</p>	<p>Prashanth Lalu prashanth.lalu@kotak.com +91 22 6218 5497</p>	<p>Prasenjit Biswas, CMT, CFTE prasenjtit.biswas@kotak.com +91 33 6625 9810</p>
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