



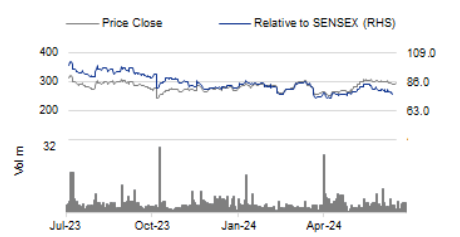
India

ADD (no change)

Consensus ratings*: Buy 18 Hold 10 Sell 9	
Current price:	Rs296
Target price:	Rs370
Previous target:	Rs370
Up/downside:	25.0%
InCred Research / Consensus:	24.7%
Reuters:	MMFS.BO
Bloomberg:	MMFS IN
Market cap:	US\$5,034m
	Rs365,532m
Average daily turnover:	US\$15.1m
	Rs1097.3m
Current shares o/s:	1,232.3m
Free float:	47.8%
*Source: Bloomberg	

Key changes in this note

- Lower credit costs are attributable to a change in the historic average for PD & LGDs due to consistent improvement in asset quality over the past few years.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(3.3)	12.3	(5.3)
Relative (%)	(7.0)	3.1	(21.9)

Major shareholders	% held
Mahindra & Mahindra	52.2
LIC	10.0
HDFC AMC	4.7

Research Analyst(s)



Jignesh SHIAL
T (91) 22 4161 1547
E jignesh.shial@incredresearch.com
Rishabh JOGANI
T (91) 02241611569
E rishabh.jogani@incredresearch.com
Meghna LUTHRA
T (91) 22 4161 1500
E meghna.luthra@incredresearch.com

Mahindra & Mahindra Finance

Profitability driven by improved asset quality

- MMFS reported a better-than-expected 1Q PAT of Rs5.1bn, despite a weaker margin profile, on balanced operating expenses and lower credit costs.
- Lower credit costs are attributable to a change in the historic average for PD & LGDs due to consistent improvement in asset quality over the past few years.
- We appreciate the consistent improvement in asset quality, diversified AUM and favourable risk-reward. Retain ADD rating with a target price of Rs370.

Healthy AUM growth despite weak disbursement, improvement likely

Mahindra & Mahindra Financial Services or MMFS reported weak disbursement at Rs 12.7bn in 1QFY25, +5% yoy, reflecting a slowdown in rural demand amid delayed monsoon as well as cautious approach of the management. AUM growth remained healthy at Rs1,063.4bn (+22.6% yoy/+3.6% qoq) as of Jun 2024 amid lower repayment. The company witnessed a sequential decline in margins to ~6.6% against 7.1% in Mar 2024 amid elevated cost of f/ounds. We remain confident of an improvement in margins backed by a rise in yields amid favourable assets/customer mix. We are building in ~10% CAGR in disbursements leading to ~16% CAGR in AUM over FY25F-27F.

Granular asset quality; lower provision assumption to stay

MMFS' management has managed to maintain steady asset quality in 1QFY25, despite 1Q being a seasonably weak quarter. Gross stage-3 assets stood at ~3.6% against ~3.4% last quarter. There had been some adverse movement in Stage-2 assets as well, which the management attributed to relatively stressed collection mechanism amid a heat wave in North India as well as due to general elections. The trend is expected to improve in the coming quarters post appropriate monsoon season as well as a pick-up in the rural economy. Credit costs (including write-offs) remained low at ~1.5% due to a decline in assumptions for Loss Given Default (LGD) and Probability of Default (PD). This decline is attributable to the change in the historic average, which is becoming favourable due to consistent improvement in the asset quality trend for the company over the past few years. Overall collection efficiency stayed healthy at ~94% whereas provision coverage for Stage-3 assets eased to ~59.8%, again due to a change in assumptions.

Perception issue to stay; moving towards sustainable RoA of +2%

MMFS has a perception issue amid long-term track record of delivering disappointing performance despite superior corporate parentage as well as strong brand recognition. We appreciate the consistent improvement in asset quality across diversified AUM providing more legs to growth and attractive risk-reward. We remain confident of sustainable RoA of +2% in the coming years backed by steady margin (~7.6%), balanced operating leverage and improved credit cost range of (~1.5-1.7%). We retain our high-conviction ADD rating and a target price of Rs370 as we value the standalone MMFs at ~2.2x FY26F BV and add Rs20/share for subsidiaries. Downside risks: Slowing growth, and deterioration in asset quality.

Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income (Rsm)	63,521	69,772	83,216	98,912	113,138
Total Non-Interest Income (Rsm)	1,268	1,583	1,834	2,102	2,383
Operating Revenue (Rsm)	64,789	71,355	85,050	101,014	115,521
Total Provision Charges (Rsm)	(9,988)	(18,228)	(20,237)	(24,928)	(26,910)
Net Profit (Rsm)	19,845	17,596	23,096	28,199	33,895
Core EPS (Rs)	16.07	14.25	18.71	22.84	27.46
Core EPS Growth	100%	(11%)	31%	22%	20%
FD Core P/E (x)	18.41	20.75	15.81	12.95	10.77
DPS (Rs)	6.00	6.30	9.00	11.00	14.00
Dividend Yield	2.03%	2.13%	3.04%	3.72%	4.73%
BVPS (Rs)	138.4	147.1	156.8	168.6	182.1
P/BV (x)	2.14	2.01	1.89	1.75	1.62
ROE	12.1%	10.0%	12.3%	14.0%	15.7%
% Change In Core EPS Estimates					
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly earnings summary

Rs m	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	% yoy	% qoq
Operating Income	24,863	25,860	28,625	29,942	30,846	32,119	34,536	36,540	37,222	20.7%	1.9%
Interest Expenses	9,320	10,690	12,419	13,340	14,505	15,665	16,750	17,351	18,286	26.1%	5.4%
Net Operating Income	15,543	15,170	16,206	16,602	16,341	16,455	17,787	19,190	18,936	15.9%	-1.3%
Other Income	122	230	291	625	409	286	368	521	379	-7.1%	-27.2%
Total Income	15,666	15,400	16,496	17,227	16,750	16,740	18,155	19,710	19,316	15.3%	-2.0%
Operating Expenses	6,208	6,770	6,513	7,786	6,750	7,312	7,530	7,980	7,970	18.1%	-0.1%
Operating Profit	9,458	8,630	9,983	9,441	10,000	9,428	10,625	11,730	11,345	13.5%	-3.3%
Provisions	6,453	1,980	1,551	4	5,264	6,266	3,284	3,415	4,482	-14.9%	31.2%
CoR%	3.9%	1.1%	0.8%	0.0%	2.5%	2.8%	1.4%	1.4%	1.7%	-30.9%	25.4%
PBT	3,005	6,650	8,431	9,437	4,735	3,163	7,341	8,315	6,864	44.9%	-17.5%
Tax	776	1,620	2,142	2,596	1,209	811	1,813	2,126	1,734	43.5%	-18.4%
Tax rate (%)	25.8%	24.4%	25.4%	27.5%	25.5%	25.6%	24.7%	25.6%	25.3%	-1.0%	-1.2%
Reported PAT	2,229	4,480	6,290	6,841	3,527	2,352	5,528	6,190	5,130	45.5%	-17.1%
AUM	6,76,930	7,38,170	7,73,440	8,27,700	8,67,320	9,37,230	9,70,480	10,25,970	10,63,390	22.6%	3.6%
Disbursements	94,720	1,18,240	1,44,670	1,37,780	1,21,650	1,33,150	1,54,360	1,52,940	1,27,410	4.7%	-16.7%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Our revised earnings estimates

Y/E Mar (Rs m)	FY25F			FY26F			FY27F		
	Earlier	Revised	% change	Earlier	Revised	% change	Earlier	Revised	% change
Net interest income	83,344	83,216	-0.2%	98,452	98,912	0.5%	1,14,973	1,13,138	-1.6%
PPOP	51,647	51,239	-0.8%	62,307	62,778	0.8%	73,309	72,406	-1.2%
PAT	23,675	23,096	-2.4%	28,647	28,199	-1.6%	33,542	33,895	1.1%
EPS (Rs)	19.2	18.7	-2.4%	23.2	22.8	-1.6%	27	27.4	1.1%
AUM (Rs)	11,81,590	12,22,628	3.5%	13,29,441	14,01,328	5.4%	14,99,106	15,88,678	6.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key 1QFY25 earnings conference-call takeaways

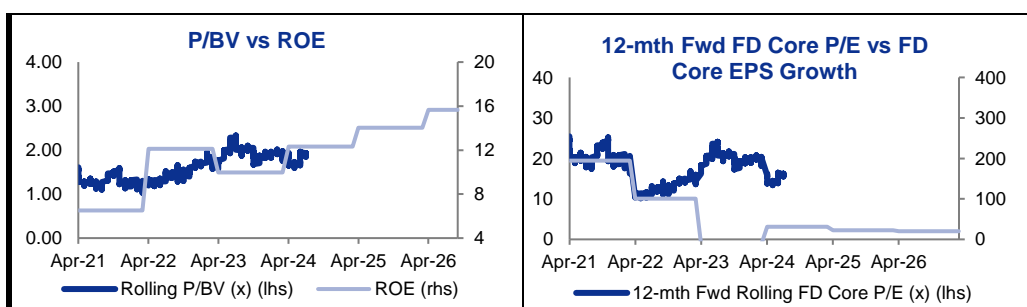
- The disbursement growth during 1QFY25 remained weaker due to some disruptions, which were specific in Apr and May 2024, considering general elections and heat wave in the northern belt of the country.
- The company witnessed some specific bumps in certain customer segments and product segments like tractor in certain geographies. However, management considers the same as a temporary delay and not default.
- Management remains confident of ensuring that both GS2 and GS3 are range-bound in the year going ahead.
- MMFS has seen the benefits from overall collections that the company has demonstrated over the last two years, which does have an impact on loss given default.
- Change in assumptions does flow into the coverage ratios, which gives benefit in overall credit cost.
- The company remains well capitalized with Tier-1 at 16.4% and overall capital adequacy at 18.5%. With the current growth trajectory, for the rest of the fiscal year, the company doesn't see a need to raise capital.
- NIM is still not panning out the way it is required – opex and credit costs moving in the right direction.
- There is a fine balance between affluent and better-rated customers – yield should see an improvement.
- Management aspires to keep Stage-2, Stage-3 asset levels at a record low, which was achieved by the end of FY24, or even lower, if possible.

Figure 3: InCred BFSI Coverage

Banks	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)			ROA(%)			ROE(%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI **	ADD	864	1,000	2.1	1.8	1.6	1.0%	1.1%	1.1%	16.3%	17.2%	17.6%
HDFC Bank **	ADD	1,618	2,000	3.1	2.8	2.6	1.9%	2.0%	2.0%	15.4%	16.3%	16.9%
ICICI Bank	ADD	1,227	1,300	3.5	3.0	2.6	2.3%	2.2%	2.3%	17.7%	17.3%	17.7%
Axis Bank	HOLD	1,263	1,150	2.0	1.7	1.5	1.7%	1.7%	1.7%	16.8%	16.0%	16.3%
IndusInd Bank	HOLD	1,413	1,650	1.8	1.6	1.4	1.7%	1.7%	1.7%	14.1%	14.4%	14.8%
NBFCs	Rating	CMP(Rs)	TP(Rs)	P/BV(x) (at TP)			ROA(%)			ROE(%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Bajaj Finance	ADD	6,727	9,000	6.0	5.0	4.2	4.2%	4.4%	4.5%	21.0%	23.5%	25.4%
Cholamandalam Finance	ADD	1,395	1,400	5.0	4.1	3.4	2.5%	2.5%	2.5%	21.0%	21.8%	22.5%
MMFS **	ADD	296	370	2.4	2.2	2.0	1.8%	1.9%	2.0%	12.3%	14.0%	15.7%
Shriram Finance **	ADD	2,739	2,950	2.0	1.7	1.4	3.4%	3.5%	3.5%	16.9%	17.3%	17.9%
SBI Cards **	REDUCE	730	500	3.4	2.9	2.5	3.6%	3.2%	3.0%	17.8%	16.6%	16.3%
Aavas Financiers	ADD	1,777	2,000	3.5	3.0	2.6	3.3%	2.9%	2.9%	14.7%	14.1%	14.9%
Home First Finance	ADD	1,063	1,100	4.2	3.7	3.2	3.4%	3.4%	3.4%	16.2%	17.7%	19.3%
Spandana Spoorty	ADD	699	1,300	2.1	1.8	1.5	4.4%	4.6%	4.6%	16.7%	17.9%	18.2%
Fusion Micro Finance	HOLD	429	580	1.7	1.4	1.1	4.7%	4.7%	4.7%	19.4%	19.6%	19.7%
AMCs	Rating	CMP(Rs)	TP(Rs)	P/E(x) (at TP)			ROA(%)			ROE(%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Nippon AMC	ADD	628	800	35.7	29.5	23.7	0.28%	0.26%	0.25%	35.2%	41.8%	50.7%
HDFC AMC	HOLD	3,957	4,250	33.5	29.9	25.3	0.37%	0.35%	0.35%	32.8%	34.2%	37.3%
UTI AMC	ADD	970	1,100	16.0	13.0	11.1	0.29%	0.29%	0.28%	18.8%	20.6%	21.4%
ABSL AMC**	ADD	678	700	21.3	17.3	14.4	0.25%	0.26%	0.26%	27.9%	30.3%	32.1%
Insurance	Rating	CMP(Rs)	TP(Rs)	P/EV (x) (at TP)			Return on EV (%)			ROE(%)		
				FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
SBI Life Insurance	HOLD	1,595	1,550	2.4	2.0	1.7	17.8%	17.4%	17.1%	24.7%	23.1%	21.0%

NOTE: **= HIGH-CONVICTION
SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Net Interest Income	63,521	69,772	83,216	98,912	113,138
Total Non-Interest Income	1,268	1,583	1,834	2,102	2,383
Operating Revenue	64,789	71,355	85,050	101,014	115,521
Total Non-Interest Expenses	(25,404)	(27,285)	(31,113)	(35,105)	(39,546)
Pre-provision Operating Profit	37,511	41,783	51,239	62,778	72,406
Total Provision Charges	(9,988)	(18,228)	(20,237)	(24,928)	(26,910)
Operating Profit After Provisions	27,524	23,555	31,001	37,851	45,496
Pretax Income/(Loss) from Assoc.					
Operating EBIT (incl Associates)	27,524	23,555	31,001	37,851	45,496
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	36,284	32,615	40,786	48,516	57,228
Exceptional Items					
Pre-tax Profit	27,524	23,555	31,001	37,851	45,496
Taxation	(7,134)	(5,959)	(7,905)	(9,652)	(11,602)
Consolidation Adjustments & Others					
Exceptional Income - post-tax	(545)				
Profit After Tax	19,845	17,596	23,096	28,199	33,895
Minority Interests					
Pref. & Special Div					
FX And Other Adj.					
Net Profit	19,845	17,596	23,096	28,199	33,895
Recurring Net Profit					

Balance Sheet Employment

(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Gross Loans/Cust Deposits					
Avg Loans/Avg Deposits					
Avg Liquid Assets/Avg Assets	84.9%	85.1%	86.5%	87.1%	87.8%
Avg Liquid Assets/Avg IEAs	104.9%	103.0%	102.5%	103.1%	106.4%
Net Cust Loans/Assets					
Net Cust Loans/Broad Deposits					
Equity & Provns/Gross Cust Loans					
Asset Risk Weighting					
Provision Charge/Avg Cust Loans					
Provision Charge/Avg Assets					
Total Write Offs/Average Assets					

SOURCES: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rsm)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Gross Loans	810,443	1,000,020	1,170,702	1,340,997	1,519,537
Liquid Assets & Invst. (Current)					
Other Int. Earning Assets					
Total Gross Int. Earning Assets	810,443	1,000,020	1,170,702	1,340,997	1,519,537
Total Provisions/Loan Loss Reserve					
Total Net Interest Earning Assets	810,443	1,000,020	1,170,702	1,340,997	1,519,537
Intangible Assets					
Other Non-Interest Earning Assets	48,938	52,283	57,499	63,236	69,546
Total Non-Interest Earning Assets	62,120	68,502	74,649	81,410	88,846
Cash And Marketable Securities	28,321	26,891	26,549	51,495	132,453
Long-term Investments	99,886	96,508	107,124	119,443	133,777
Total Assets	1,000,770	1,191,921	1,379,024	1,593,345	1,874,613
Customer Interest-Bearing Liabilities					
Bank Deposits					
Interest Bearing Liabilities: Others	753,640	926,530	1,089,490	1,272,370	1,514,935
Total Interest-Bearing Liabilities	753,640	926,530	1,089,490	1,272,370	1,514,935
Banks Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	76,240	83,816	95,979	112,807	134,905
Total Liabilities	829,880	1,010,346	1,185,468	1,385,177	1,649,840
Shareholders Equity	170,890	181,575	193,556	208,169	224,773
Minority Interests					
Total Equity	170,890	181,575	193,556	208,169	224,773

Key Ratios					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Income Growth	9.9%	9.8%	19.3%	18.9%	14.4%
Operating Profit Growth	2.2%	11.9%	22.4%	22.2%	15.3%
Pretax Profit Growth	103%	(14%)	32%	22%	20%
Net Interest To Total Income	98.0%	97.8%	97.8%	97.9%	97.9%
Cost Of Funds	6.98%	7.65%	7.75%	7.40%	6.90%
Return On Interest Earning Assets	15.4%	14.8%	14.9%	14.8%	14.6%
Net Interest Spread	8.42%	7.16%	7.11%	7.43%	7.73%
Net Interest Margin (Avg Deposits)					
Net Interest Margin (Avg RWA)					
Provisions to Pre Prov. Operating Profit	27%	44%	39%	40%	37%
Interest Return On Average Assets	7.24%	6.36%	6.47%	6.66%	6.52%
Effective Tax Rate	25.9%	25.3%	25.5%	25.5%	25.5%
Net Dividend Payout Ratio					
Return On Average Assets	2.26%	1.60%	1.80%	1.90%	1.95%

SOURCES: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which are believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made. (Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short term views etc.) that are inconsistent with and reach different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

	Analyst/ Relative	Entity/ Associates
any financial interests in the company covered in this report (subject company) and nature of such financial interest	NO	NO
actual/beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the research report or date of the public appearance;	NO	NO
any other material conflict of interest at the time of publication of the research report or at the time of public appearance	NO	NO
received any compensation from the subject company in the past twelve months for investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months for products/services other than investment banking or merchant banking or broker- age services or investment advisory or depository or distribution from the subject company in the last twelve months	NO	NO
managed or co-managed public offering of securities for the subject company in the last twelve months	NO	NO
received any compensation or other benefits from the subject company or third party in connection with the research report	NO	NO
served as an officer, director or employee of the subject company	NO	NO
been engaged in market making activity for the subject company	NO	NO

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.