

## Strong domestic performance amid pandemic...

Symphony's strong consolidated performance in Q4FY20 was mainly supported by better-than-expected performance in domestic markets. Despite revenue loss of 15-17% (₹ 22-25 crore) in March 2020 due to lockdown, standalone business (~60% of total revenue) posted volume led revenue growth of 12% YoY due to low base, inventory build-up at dealer's level (before start of the season). This helped consolidated revenue grow at ~6% YoY despite flattish revenue of overseas business. The GSK China performance (revenue down 25% YoY) was significantly marred by US-China trade war, Covid-19 pandemic in China in FY20. Revenue of other two subsidiaries viz. Climate Technology (CT) Australia, Impco Mexico was stable due to less impact of pandemic in respective regions. Consolidated gross margin expansion of ~524 bps YoY was supported by favourable mix that drove EBITDA margin up 493 bps YoY to ~17% in Q4FY20. While it focused on liquidating channel inventory before end of peak season (i.e. end of Q1FY21), we believe demand recovery in domestic business would return from Q3FY20 with the start of second summer (October-November) and festive season. Hence, we cut our revenue, earnings estimate for FY21E and FY22E by ~12%, ~26% and ~5%, ~21%, respectively.

### Low base, inventory push drives domestic performance

Despite revenue loss in March 2020, standalone revenue grew 12% YoY to ₹ 154 crore due to low base and dealer stocking before the summer. While the management reiterated a strong summer demand for air coolers in May 2020 (post relaxation from lockdown), dealers managed to liquidate their inventory holding by ~40%. The company also launched a digital campaign to help liquidate channel inventory as well as company level inventory before the end of summer. We believe the H1FY21 would be very challenging in terms of primary sales and recovery would start from H2FY21 onwards. On the domestic front, revenues may grow at 15% (lower than earlier guidance of 23%) driving overall revenue CAGR of 14% in FY20-22E (with stable overseas business).

### Robust gross margin drives profitability

Consolidated gross margin was up ~523 bps YoY (standalone +730 bps YoY) owing to better product mix (pick-up in sales of latest models). We believe better gross margin would be negated by lower operating leverage weighing on EBITDA margin in FY21E and recovery would start from FY22E.

### Valuation & Outlook

We maintain our positive stance on the stock given 1) market leadership position, 2) strong financials to tide over rough phase of FY2, 3) market share gain from unorganised market (has ~70% in volumes). While FY21 will be challenging in terms of lower volume offtake, we expect a strong recovery in FY22E led by domestic business. We maintain **BUY** rating on the stock with a revised target price of ₹ 1055.



Particulars	
Particulars	Amount
Market Cap (₹Crore)	6,268.1
Total Debt (FY 20) (₹Crore)	174.0
Cash&Inv (FY 20) (₹Crore)	325.0
EV (₹Crore)	6,117
52 week H/L (₹)	1575 / 690
Equity capital (₹Crore)	14.0
Face value (₹)	2.0

### Key Highlights

- Better domestic volume growth on lower base and inventory build-up at dealers level
- Sharp gross margin expansion driven by better product mix
- Management confident of reviving overseas subsidiary performance by leveraging common dealer channels
- Maintain BUY with revised target price of ₹ 1055

### Research Analyst

Sanjay Manyal  
sanjay.manyal@icicisecurities.com

Hitesh Taunk  
hitesh.taunk@icicisecurities.com

### Key Financial Summary

(₹Crore)	FY18	FY19	FY20E	FY21E	FY22E	(CAGR 20-22E)
Net Sales	798.2	844.0	1103.0	1048.9	1433.7	14.0
EBITDA	219.2	132.0	212.0	188.8	292.5	17.5
EBITDA Margin (%)	27.5	15.6	19.2	18.0	20.4	
PAT	192.5	91.0	182.0	165.7	245.6	16.2
EPS (₹)	27.5	13.0	26.0	23.7	35.1	
P/E(x)	32.6	68.9	34.4	37.8	25.5	
Price/Book value (x)	10.2	9.4	9.8	8.6	7.4	
Mcap/sales (x)	7.9	7.4	5.7	6.0	4.4	
RoE (%)	31.5	16.2	29.0	22.7	28.9	
RoCE (%)	41.3	18.7	28.8	23.9	31.9	

Source: Company, ICICI Direct Research

**Exhibit 1: Variance Analysis**

	Q4FY20	Q4FY20E	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	Comments
Revenue	249.0	211.7	235.0	6.0	290.0	-14.1	Consolidated revenue growth largely led by domestic business, which grew 13% YoY in Q4FY20. In addition to this, low base coupled with consolidation of new business helped drive consolidated revenue growth during the same period
Other Income	21.0	2.8	11.0	90.9	10.0	110.0	
Raw Material Exp	130.0	96.4	135.0	-3.7	151.0	-13.9	Gross margin expansion by 523 bps YoY led by favourable mix
Employee Exp	29.0	22.7	28.0	3.6	27.0	7.4	
Selling & Dis. Exp	8.0	0.3	6.0	33.3	4.0	100.0	
Other Exp	39.0	37.9	37.0	5.4	40.0	-2.5	
EBITDA	43.0	54.4	29.0	48.3	68.0	-36.8	
EBITDA Margin (%)	17.3%	26%	12.3%	493 bps	23.4%	-618 bps	Better gross margin helps drive EBITDA margin expansion
Depreciation	6.0	4.2	3.0	100.0	3.0	100.0	
Interest	3.0	2.0	3.0	0.0	2.0	50.0	
PBT	51.0	51.0	14.0	264.3	73.0	-30.1	
Total Tax	11.0	20.8	11.0	0.0	22.0	-50.0	
PAT	40.0	30.2	3.0	1,233.3	51.0	-21.6	Strong operational performance helped drive PAT in Q4FY20

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

(₹ crore)	FY21E			FY22E			Comments
	Old	New	% Chg	Old	New	% Chg	
Revenue	1190.5	1048.9	(11.9)	1513.0	1433.7	(5.2)	Tweak our FY20E-22E revenue estimates due to lockdown situation across the country
EBITDA	279.2	188.8	(32.4)	366.0	292.5	(20.1)	
EBITDA Margin %	23.5	18.0	-550bps	23.6	20.4	-318bps	We believe margin would start recovering from FY22 onwards
PAT	212.3	165.7	(22.0)	279.8	245.6	(12.2)	
EPS (₹)	30.3	23.7	(21.8)	40.0	35.1	(12.2)	

Source: Company, ICICI Direct Research

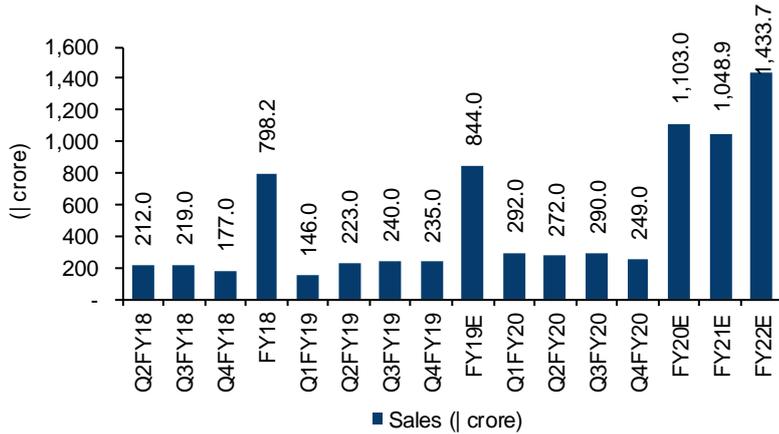
**Exhibit 3: Assumptions**

	Current				Earlier			Comments
	FY19	FY20E	FY21E	FY22E	FY21E	FY22E		
Volume Growth (%)	7.3	30.1	-5.1	33.3	14.1	23.9	Revised estimates due to ongoing Coronavirus issues	
Realisation Growth (%)	-1.4	0.6	0.2	2.6	1.6	2.2		

Source: Company, ICICI Direct Research

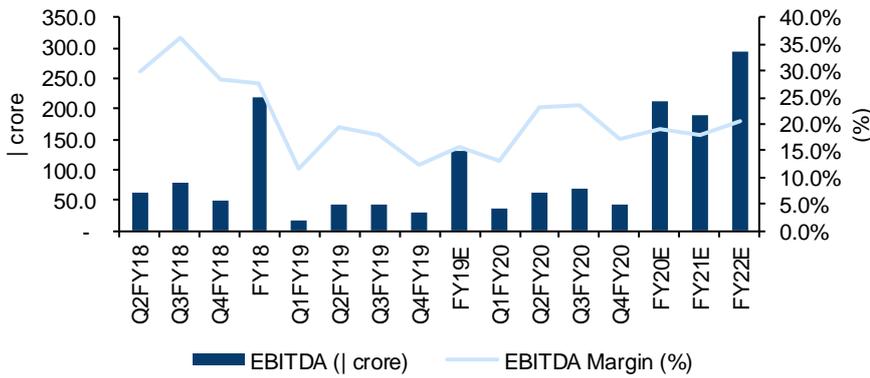
### Financial story in charts

Exhibit 4: Consolidated sales performance



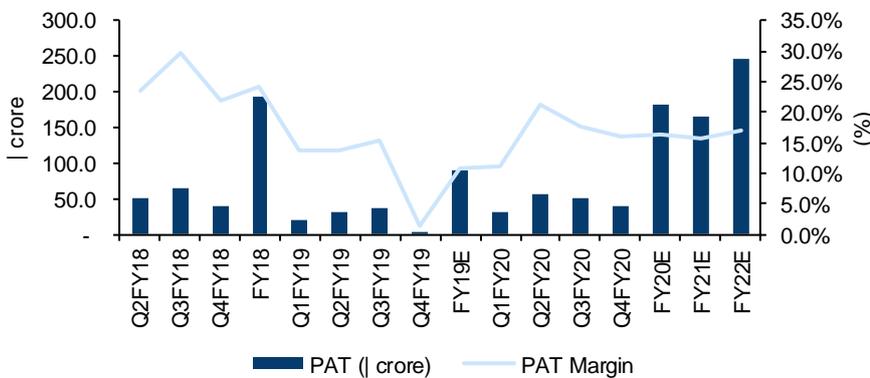
Source: Company, ICICI Direct Research

Exhibit 5: EBITDA margin trend



Source: Company, ICICI Direct Research

Exhibit 6: PAT trend



Source: Company, ICICI Direct Research

## Key takeaways from conference call

### Standalone performance

1. Symphony's standalone revenue from air cooler segment increased 12% YoY in Q4FY20 to ₹ 156 crore mainly due to low base and strong dealer offtake in January & February 2020. The company lost ~₹ 25 crore sales due to lockdown in March 2020. The gross margin during Q4FY20 increased ~730 bps YoY mainly due to favourable product mix, which was partially offset by higher other expense
2. The FY20 revenue grew ~37% YoY to ₹ 716 crore led by low base while EBITDA margin increased 230 bps to 28%
3. The company launched a unique digital media campaign to promote online to offline sales. In this, customers could register their inquiries online, which were then passed on to dealers in the customers' local area for order execution, as permitted by local lockdown rules. This has helped reducing inventories at dealer level
4. Relaxation from lockdown and increase in temperature has helped strong growth in secondary sales of air coolers during May. According to managements estimate, ~40% of dealer level inventory was liquidated in May
5. While the company has ~30 days of inventory, it is hopeful that if the present trend continues for a few more weeks, the channel inventory would be at acceptable levels by the end of summer
6. Production at OEM levels were also impacted by lockdown as most OEMs are facing labour shortage and supply related issues
7. The company expects sales recovery from H2FY21 with the start of second summer followed by festive demand

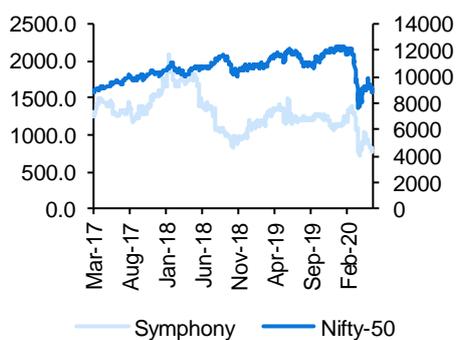
### Subsidiary performance

8. Symphony's Chinese subsidiary Guangdong Symphony Keruila (GSK) faced a tough operating environment amid China-US trade war and Covid-19 pandemic, which impacted its export revenue. As a result, revenue of the subsidiary fell ~25% YoY to ₹ 42 crore, while it reported loss of ₹ 6 crore during FY20. The company expects a gradual recovery in the business in China with subsiding of pandemic
9. The Mexican subsidiary Impco S DE RL DE CV of Symphony has not had any impact of Covid-19 in revenue as it grew 13% YoY to ₹ 100 crore during FY20. However, higher raw material cost and adverse currency movement impacted cash profit, which fell ~50% YoY to ₹ 4 crore in FY20. The subsidiary is debt free despite various macroeconomic challenges
10. Climate Technologies (CT) Australia reported revenue of ₹ 278 crore in FY20 (vs. ₹ 206 crore in 9MFY19). However, net profit of the subsidiary fell 44% YoY to ₹ 5 crore, mainly due to higher interest charges. Australian business have not had much impact of pandemic and reported flattish sales during April 2020 unlike other countries, which are facing a lockdown. The subsidiary has debt of ₹ 135 crore on the book
11. The company is looking at CT Technologies as its distribution arm in Australia. It is likely to increase market share in Australia through CT Technologies by exporting air coolers from India

### Others:

12. The full impact of the new models introduced in 2019 and all other initiatives will be evident from the first quarter of FY22
13. The company expects consolidated gross margin to remain at elevated level due to benign raw material prices and favourable mix
14. It may significantly cut the advertisement and promotional expenses (~4.5% of sales) in FY21 to safeguard EBITDA margins
15. No major capex is planned for FY21

**Exhibit 7: Historical price chart**



Source: Bloomberg, Company, ICICI Direct Research

**Exhibit 8: Shareholding Pattern**

(in %)	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Promoter	75.0	75.0	75.0	75.0	75.0
FII	6.7	6.5	6.5	6.4	5.3
DII	8.6	9.0	9.1	9.2	10.2
Others	9.7	9.5	9.4	9.4	9.6

Source: Company, ICICI Direct Research

## Financial summary

Exhibit 9: Profit and loss statement					₹ crore
(Year-end March)	FY19	FY20E	FY21E	FY22E	
Net Sales	844.0	1103.0	1048.9	1433.7	
Growth (%)		30.7	-4.9	36.7	
Expenditure					
Increase / Decrease in stock	0.0	0.0	0.0	0.0	
Raw Material Expenses	453.0	583.0	540.2	728.3	
Marketing Expenses	33.0	45.0	21.0	50.2	
Administrative Expenses	51.3	54.4	62.9	71.7	
Employee Expenses	103.0	113.0	120.6	136.2	
Total Operating Expenditure	712.0	891.0	860.1	1141.2	
EBITDA	132.0	212.0	188.8	292.5	
Growth (%)		60.6	-10.9	54.9	
Other Income	39.0	54.0	55.1	63.3	
Interest	7.0	11.0	8.0	9.0	
PBDT	164.0	255.0	235.9	346.8	
Depreciation	10.0	21.0	26.2	35.8	
PBT before Exceptional Items	154.0	234.0	209.7	310.9	
Less: Exceptional Items	24.0	4.0	0.0	0.0	
PBT	130.0	230.0	209.7	310.9	
Total Tax	39.0	48.0	44.0	65.3	
PAT	91.0	182.0	165.7	245.6	

Source: Company, ICICI Direct Research

Exhibit 10: Cash flow statement					₹ crore
(Year-end March)	FY19	FY20E	FY21E	FY22E	
Profit after Tax	91.0	182.0	165.7	245.6	
Depreciation	10.0	21.0	26.2	35.8	
Cash Flow before working capital cl	108.0	214.0	199.8	290.5	
Net Increase in Current Assets	-56.2	-14.0	-59.8	-132.0	
Net Increase in Current Liabilities	97.5	4.0	13.2	59.4	
<b>Net cash flow from operating ac</b>	<b>149.4</b>	<b>204.0</b>	<b>153.3</b>	<b>217.9</b>	
(Increase)/Decrease in Other Invest	-15.0	73.0	20.0	-20.0	
(Purchase)/Sale of Liquid Investmen	-21.6	-27.0	20.0	20.0	
(Purchase)/Sale of Fixed Assets	-33.1	-104.0	-35.0	-40.0	
<b>Net Cash flow from Investing ac</b>	<b>-235.8</b>	<b>1.0</b>	<b>5.0</b>	<b>-40.0</b>	
Inc / (Dec) in Equity Capital	0.0	0.0	0.0	0.0	
Inc / (Dec) in Loan Funds	161.5	-13.0	-30.0	-30.0	
Total Outflow on account of dividend	-37.5	-196.2	-84.1	-126.2	
<b>Net Cash flow from Financing ac</b>	<b>117.9</b>	<b>-233.0</b>	<b>-113.0</b>	<b>-165.2</b>	
Net Cash flow	31.5	-28.0	45.3	12.7	
Cash and Cash Equivalent at the beg	22.6	54.0	26.0	71.3	
<b>Cash</b>	<b>54.0</b>	<b>26.0</b>	<b>71.3</b>	<b>84.0</b>	

Source: Company, ICICI Direct Research

Exhibit 11: Balance sheet					₹ crore
(Year-end March)	FY19	FY20E	FY21E	FY22E	
Equity Capital	14.0	14.0	14.0	14.0	
Reserve and Surplus	652.0	625.0	715.6	835.1	
Total Shareholders funds	666.0	639.0	729.6	849.1	
Deferred Tax Liability	6.0	7.0	7.0	7.0	
Total Debt	187.0	174.0	144.0	114.0	
<b>Total Liabilities</b>	<b>863.0</b>	<b>852.0</b>	<b>912.6</b>	<b>1002.1</b>	
Assets					
Total Gross Block	214.6	322.7	357.7	397.7	
Less Total Accumulated Deprec	119.7	140.7	166.9	202.7	
Net Block	95.0	182.0	190.8	194.9	
Goodwill on Consolidation	143.0	136.0	136.0	136.0	
Other Investments	187.0	114.0	94.0	114.0	
Liquid Investments	272.0	299.0	279.0	259.0	
Inventory	119.0	118.0	158.1	216.0	
Debtors	105.0	121.0	143.7	196.4	
Other Current Assets	62.0	61.0	58.0	79.3	
Cash	54.0	26.0	71.3	84.0	
Total Current Assets	340.0	326.0	431.1	575.7	
Creditors	130.0	115.0	129.3	157.1	
Provisions	20.0	21.0	23.6	28.7	
Other current liabilities	58.0	76.0	72.3	98.8	
Total Current Liabilities	208.0	212.0	225.2	284.6	
Net Current Assets	132.0	114.0	205.9	291.1	
<b>Total Asset</b>	<b>863.0</b>	<b>852.0</b>	<b>912.6</b>	<b>1002.1</b>	

Source: Company, ICICI Direct Research

Exhibit 12: Key ratios					₹ crore
(Year-end March)	FY19	FY20E	FY21E	FY22E	
<b>Per Share Data</b>					
EPS	13.0	26.0	23.7	35.1	
Cash EPS	14.4	29.0	27.4	40.2	
BV	95.2	91.3	104.3	121.4	
DPS	5.4	28.0	12.0	18.0	
<b>Operating Ratios</b>					
EBITDA Margin	15.6	19.2	18.0	20.4	
PAT Margin	12.8	16.8	15.8	17.1	
<b>Return Ratios</b>					
RoE	16.2	29.0	22.7	28.9	
RoCE	18.7	28.8	23.9	31.9	
RoIC	29.2	41.5	33.1	41.7	
<b>Valuation Ratios</b>					
EV / EBITDA	46.4	28.9	32.1	20.6	
P/E	68.9	34.4	37.8	25.5	
EV / Net Sales	7.3	5.5	5.8	4.2	
Div Yield (%)	0.6	3.1	1.3	2.0	
Market Cap / Sales	7.4	5.7	6.0	4.4	
Price to Book Value	9.4	9.8	8.6	7.4	
<b>Turnover Ratios</b>					
Asset turnover	1.0	1.3	1.1	1.4	
Debtor Days	3.9	3.4	2.9	3.6	
Creditor Days	56.2	38.1	45.0	40.0	
Inventory Days	51.5	39.0	55.0	55.0	
<b>Solvency Ratios</b>					
Current Ratio	1.9	2.2	2.4	2.6	
Quick Ratio	1.1	1.3	1.3	1.5	

Source: Company, ICICI Direct Research

**Exhibit 13: ICICI Direct Coverage Universe (Consumer Discretionary)**

Sector / Company	CMP			M Cap (₹Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	TP(₹)	Rating		FY20	FY21	FY22E	FY20	FY21	FY22E	FY20	FY21	FY22E	FY20	FY21	FY22E	FY20	FY21	FY22E
Asian Paints (ASIPA)	1,684	1,900	Buy	1,61,496	29.9	32.5	38.6	56.3	51.8	43.6	36.3	33.1	27.9	30.7	31.5	33.5	26.6	26.3	27.8
Astral Polytechnik (ASTP)	879	900	Hold	13,243	16.6	14.2	20.0	53.1	61.7	43.9	27.8	30.4	23.3	20.5	16.3	20.2	16.6	12.6	15.4
Havells India (HAVIND)	496	575	Buy	30,945	11.7	7.8	13.2	42.2	63.3	37.5	29.0	36.8	23.3	19.6	14.0	21.2	17.0	11.2	17.1
Kansai Nerolac (KANNE)	365	415	Buy	19,671	9.9	7.8	10.4	36.7	46.7	35.1	26.6	31.2	24.1	17.6	14.5	17.9	14.1	11.1	13.7
Pidilite Industries (PIDINI)	1,468	1,485	Buy	75,261	25.0	26.7	31.3	58.7	55.0	46.9	37.9	35.8	30.5	32.7	30.6	30.9	26.6	24.5	24.6
Supreme Indus (SUPINC)	1,019	1,040	Hold	12,944	38.5	36.8	27.6	39.7	27.7	36.9	15.1	18.3	13.9	22.5	15.7	21.1	20.7	15.0	19.5
Symphony (SYMLIM)	896	1,055	Buy	6,268	26.0	23.7	35.1	34.4	37.8	25.5	28.9	32.1	20.6	28.8	23.9	31.9	29.0	22.7	28.9
Voltas Ltd (VOLTAS)	480	535	Hold	15,875	16.6	17.6	21.4	28.9	27.3	22.4	21.1	21.0	16.9	21.1	19.6	21.7	14.8	14.1	15.9

Source: Company, ICICI Direct Research

## RATING RATIONALE

ICICI Direct endeavors to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



Pankaj Pandey

Head – Research

[pankaj.pandey@icicisecurities.com](mailto:pankaj.pandey@icicisecurities.com)

ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, Akruti Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)

## ANALYST CERTIFICATION

I/We, Sanjay Manyal, MBA (Finance) and Hitesh Taunk, MBA (Finance) Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities Limited is a SEBI registered Research Analyst with SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com)

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icidirect.com](http://icidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed 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, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction