Suprajit Engineering Limited

Riding the recovery wave

Automobiles	Sharekhan code: SUPRAJIT	Company Update

3R MATRIX

	+	=	-
Right Sector (RS)	✓		
Right Quality (RQ)	✓		
Right Valuation (RV)	✓		

\+ Positive = Neutral - Negative

What has changed in 3R MATRIX

	Old		New
RS		↔	
RQ		↔	
RV		↔	

Reco/View	Change
Reco: **Buy**	↔
CMP: **Rs. 270**	
Price Target: **Rs. 329**	↑

↑ Upgrade ↔ Maintain ↓ Downgrade

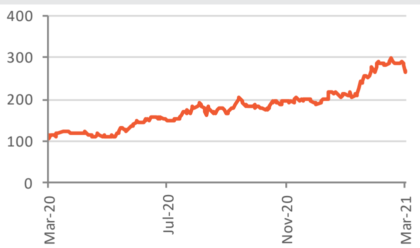
Company details

Market cap:	Rs. 3,777 cr
52-week high/low:	Rs. 310 / 107
NSE volume: (No of shares)	2.22 lakh
BSE code:	532509
NSE code:	SUPRAJIT
Free float: (No of shares)	7.8 cr

Shareholding (%)

Promoters	44.6
FII	3.5
DII	12.8
Others	39.2

Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	-2.8	39.7	49.9	133.5
Relative to Sensex	-1.3	34.1	23.8	49.7

Sharekhan Research, Bloomberg

Summary

- We reiterate our Buy rating on Suprajit Engineering Limited (Suprajit) with a revised PT of Rs. 329, factoring its long-term average multiples, owing to its strong business outlook and earnings upgrade.
- Suprajit continues to strengthen its value proposition to its domestic and global clients, aided by its leadership position in the domestic cable business and locational advantage to its global peers.
- Propelled by robust business outlook and prudent capital allocation, we expect Suprajit's consolidated earnings to report a 31% CAGR during FY2021E-FY2023E, driven by an 18.4% revenue CAGR and 160 bps improvement in EBITDA margin, with its ROCE improving back to in excess of 20% by FY2023E.
- The stock is trading at 25%-30% discount to its average historical P/E multiple of 16.4x and EV/EBITDA multiple of 10.6x its FY2023E estimates.

Suprajit Engineering Limited (Suprajit) continues to strengthen its value proposition to its domestic and global clients, aided by its leadership position in the domestic cable business and locational advantage to its global peers. Key drivers for Suprajit's success are its ability to produce low-cost cables among domestic players, aided by its operational efficiency and dedicated plants for respective clients. Among global peers, the company benefits from its locational cost advantage. The company has a strong foothold in the cable business in the automotive segment, where it holds 30%-35% market share. The company has a dominant 60%-65% market share in the two-wheelers (2W) cable business. As per estimates shared by the company, Suprajit has 40%-45% market share in the cable business in Indian markets, including the non-automotive business. We expect Suprajit to also benefit from the increase in components per unit and improvement in wallet share with its key customers. Suprajit is one of the largest manufacturers of mechanical control cables with a presence in both automotive and non-automotive segments. Revenue growth has been healthy in the pre-COVID regime, driven by a steady offtake and diversification into aftermarket and exports segments. The company has a healthy business model and reported decent earnings growth and average ROCE during FY2018-FY2020, despite the sharp decline in automobile sales in FY2019 and FY2020, impacted by COVID-19 pandemic. Performance was better than most domestic auto ancillary companies. The company has entered segments such as lamps and has started catering to non-automotive segments through acquisitions and has augmented capacities in the cables business. The company has been gaining market share in the domestic cable division with increased share of business with automotive clients. The company's market share in 2Ws is 60%-65%, while market share for the automotive business is at 30%-35% and that for Indian markets is at 40%-45%. The aftersales market, both at Suprajit and Phoenix Lamps division, has been strong along with encouraging offtake from original equipment manufacturers (OEMs). We expect Suprajit to benefit from strong demand witnessed in the domestic as well as export markets. The company will also benefit from its capex plans, which will help it to capitalise further in the next peak season. We expect Suprajit's consolidated earnings to report a 31.0% CAGR during FY2021E-FY2023E, driven by 18.4% revenue CAGR and 160 bps improvement in EBITDA margin. Hence, we retain our Buy rating on the stock.

Our Call

Valuation - Maintain Buy with a revised PT of Rs. 329: Suprajit would continue to gain wallet share from customers in the cable segment (domestic PV segment and higher sourcing by global OEM) and Phoenix Lamps (increased sourcing by Osram). Further, the company would continue to enter new segments in the non-automotive cable division. We expect FY2022 to be a strong recovery year, driven by normalisation of economic activity and improving demand. Operating leverage coupled with cost-control measures would help in margin improvement. We have increased our earnings estimates to reflect strong growth momentum and impact of improved EBITDA margins. Propelled by robust business outlook and prudent capital allocation, we expect Suprajit's consolidated earnings to report a 31.0% CAGR during FY2021E-FY2023E, driven by an 18.4% revenue CAGR and 160 bps improvement in EBITDA margin, with its ROCE improving back to in excess of 20% by FY2023E. The stock is trading at 25%-30% discount to its average historical P/E multiple of 16.4x and EV/EBITDA multiple of 10.6x its FY2023E estimates. We retain our Buy rating on the stock with a revised PT of Rs. 329.

Key Risks

The company's performance can be impacted adversely if commodity prices continue to rise at the current pace and the fear of COVID-19 gets more aggravated in Europe and Americas. Moreover, delayed approval from OEMs for incremental business may impact performance.

Valuation (Consolidated) Rs cr

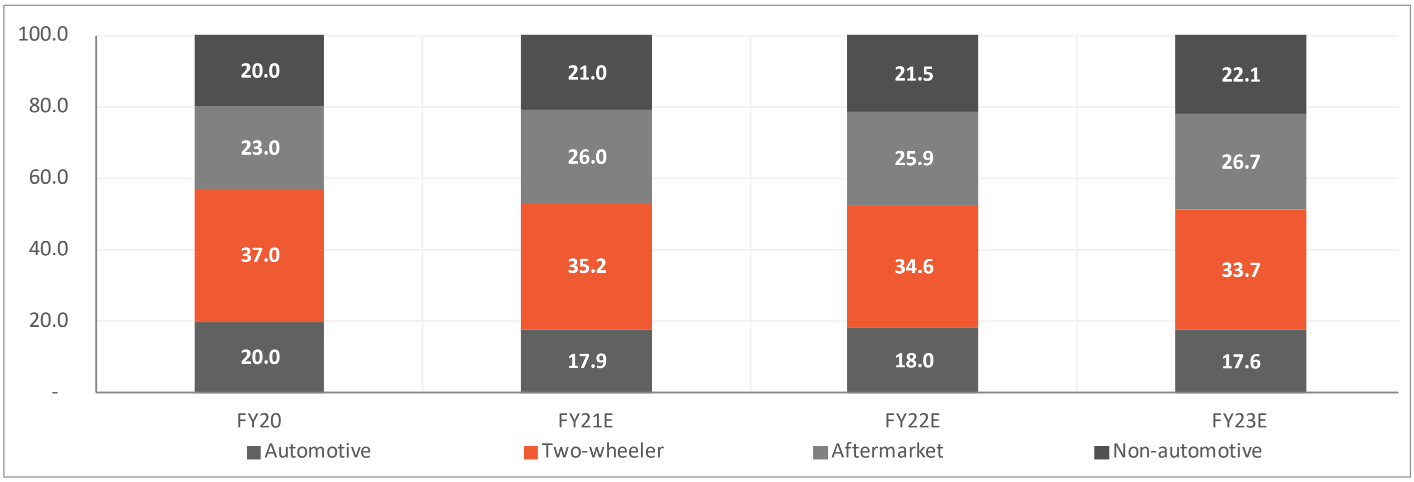
Particulars	FY19	FY20	FY21E	FY22E	FY23E
Revenues	1,590	1,563	1,661	2,028	2,329
Growth (%)	11.1	(1.7)	6.3	22.1	14.8
EBIDTA	233	219	234	306	365
OPM (%)	14.6	14.0	14.1	15.1	15.7
Net Profit	134	104	133	185	228
Growth (%)	(3.4)	(22.3)	27.6	39.4	23.2
EPS	9.6	7.4	9.6	13.4	16.5
P/E	28.2	36.3	28.2	20.2	16.4
P/BV	4.9	4.4	3.9	3.4	3.0
EV/EBIDTA	17.3	18.4	17.1	12.9	10.6
ROE (%)	17.3	12.2	13.9	16.9	18.0
ROCE (%)	20.0	14.7	15.2	18.5	20.0

Source: Company; Sharekhan estimates

Beneficiary of value proposition to its established and potential clients: Suprajit continues to strengthen its value proposition to its domestic and global clients. The company has a strong foothold in the cable business in the automotive segment, where it holds 30%-35% market share. The company has a dominant 60%-65% market share in the 2W cable business. As per estimates shared by the company, Suprajit has a 40%-45% market share in the cable business in Indian markets, including the non-automotive business. Suprajit is one of the largest manufacturers of mechanical control cables with a presence in both automotive and non-automotive segments. Revenue growth has been healthy in the past few years, driven by steady offtake and diversification into aftermarket and exports segments. The company has entered segments such as lamps and has started catering to non-automotive segments through acquisitions and has augmented capacities in the cables business. The company is open to grow inorganically. Key drivers for Suprajit's success are its ability to produce low-cost cables among domestic players, aided by its operational efficiency and dedicated plants for respective clients. Among global peers, the company benefits from its locational cost advantage. We believe the company is well positioned to benefit from ongoing cost advantage to its peers in the medium term. Corresponding to the cable business, Suprajit has similar cost advantages in its lamps division, where its key global competitors include Philips India Limited. The lean and low-cost employee structure and scale of operations help Suprajit maintain its competitive benefits across its product lines – automotive cable, non-automotive cables, and lamp business division. The company has 17 manufacturing facilities across India and five facilities in five countries, namely, US, Mexico, UK, Germany, and Luxembourg. Focus on retail market penetration for both at Suprajit and Phoenix Lamps division has helped it to grow faster in the aftersales market. The company is in talks with leading passenger vehicle (PV) players such as Maruti Suzuki to further increase sourcing. In non-automotive cables, the company is planning to enter into new segments such as medical device equipment, consumer durables, and agriculture and construction equipment, which would drive growth. Under the lighting segment, Suprajit has recently acquired Osram manufacturing facility for halogen lamps to become the world's third largest player and is expanding its presence in the aftermarket segment by entering into new geographies. We expect Suprajit to continue outpacing the domestic automotive OEM industry.

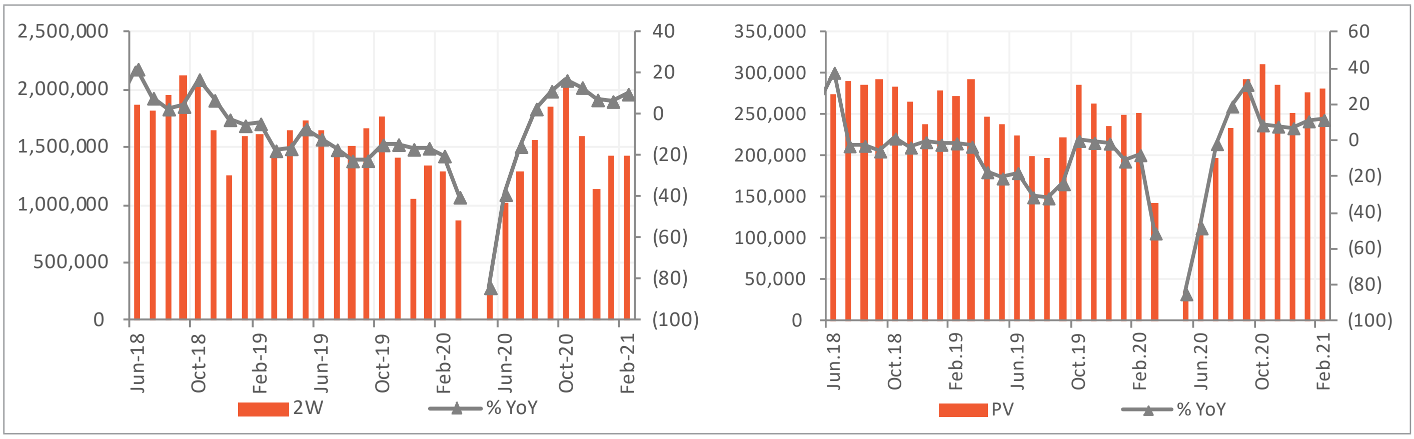
Beneficiary of improved automotive business outlook and diversifying portfolio: Suprajit is expected to gain from an improved business outlook for automotive in India and the world, especially in the two-wheeler (2W) and four-wheeler (4W) segments. The company has a strong presence in the domestic market and is one of the largest players for the automobile cable and halogen bulb sector. Besides its established relationships with leading OEMs, Suprajit has penetrated the aftermarket and export segments through its retail outlets production capability at multi-locations. The company has a robust revenue mix comprising 2W, other automotive segments, non-automotive segment, and aftermarket sales with 18%, 35%, 26%, and 21% revenue contribution, respectively. The company has been steadily looking to develop businesses from the aftermarket and export channels by leveraging on its brand recall, developing new products from its core segment, increasing distribution network, leveraging relationship with global OEMs in India to penetrate their global operations, and focusing on new markets. We believe Suprajit is well-positioned to benefit from strong recovery in the automobile sector and expectations of double-digit growth in the automotive segment.

Strong presence in the automotive segments (as % of revenue)



Source: Company Data; Sharekhan Research

SUPRAJIT to benefit from recovery in automotive sales, especially from 2Ws and PVs segments



Source: Company Data; Sharekhan Research

Management's positive outlook: Management of Suprajit is positive on growth registered in Q3FY2021 on account of robust demand witnessed across its segments. The strong underlying demand pushed the management to expedite its capex plans. The company is operating at more than 90% capacity in all its plans, aided by strong pick-up in both OEM as well as replacement markets. Suprajit witnessed encouraging sales in Southern India. Considering the buoyant demand and continued business traction, management has planned to increase its capacity of lamps and cable businesses to be ready for the coming peak season. Capex requirement would be marginal at Rs. 20-25 crore additional for this part of expansion. The company has taken up extension in the Narspura plant to meet the increased demand from one of its key customers. We expect Suprajit to continue its outperformance in Q4FY2021 and FY2022, given strong outlook for the automotive segment.

High exposure to OEMs covers input cost rise to a large extent: Despite advocating strong demand during the Q3FY2021 conference call, Suprajit's management was concerned about the unprecedented rise in commodity prices, in-bound and out-bound freight rates, and supply shortage of chips/semi-conductors. The company expects the situation to improve going forward but remains cautious. The company caters largely to OEM clients and, thus, any rise in commodity prices is normally covered with some lag. We expect Suprajit to marginalise the impact of raw-material price rise partially through operating leverage benefit and cost rationalisation.

Latest quarterly results: Suprajit reported a strong set of numbers in Q3FY2021 results, exceeding our estimates on all key parameters. Revenue was higher by 9.8% from our estimates, while PAT was higher by 43%, mainly due to improved margins. Net revenue grew by 23% y-o-y at Rs. 507 crore in Q3FY2021, as compared to Rs. 412 crore in Q2FY2020 because of recovery in the automotive and non-automotive business. The 2W business contributed 37% to total revenue, while the aftermarket and non-automotive business contributed 23% and 20%, respectively, during Q3FY2021. Operating profit margin for Q3FY2021 stood at 17%, showing an improvement of 488 bps y-o-y and 44 bps q-o-q, driven by product mix, cost-reduction initiatives, and operating leverage benefits. Performance of the subsidiary business also helped in improving consolidated margins. As a result, EBITDA improved by 72.4% y-o-y and 17.5 q-o-q to Rs. 86 crore. PAT grew by 65.6% y-o-y and 7.4% q-o-q to Rs. 52 crore. The company also benefitted from the increase in components per unit and improvement in wallet share with key customers.

Announcement of buyback and interim dividend: Suprajit announced share buyback of 15 lakhs shares at a price of Rs. 320/share. Strong cash generation during FY2021 led the company to cheer shareholders through announcing share buyback at a premium price and interim dividend of 75%.

Strong financial performance: Suprajit's financial performance has been strong throughout and has outperformed with its revenue outpacing growth of the underlying Indian automotive market. The company has also been able to generate healthy margins, return on capital employed, and generate healthy free cash flow on a consistent basis. The company's earning's CAGR of 5% and average RoCE of 19% over FY2018-

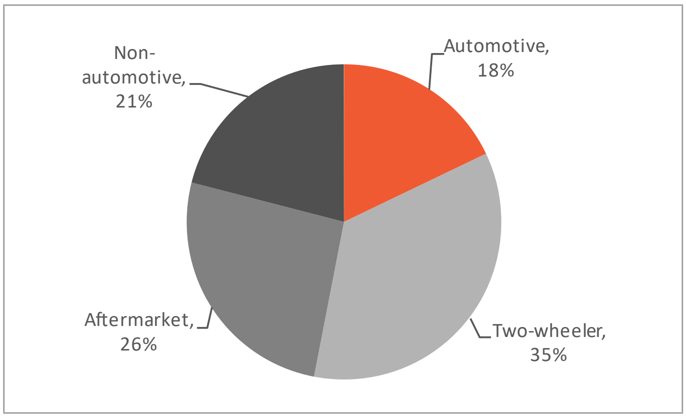
FY2020 are better than most auto ancillary companies, given the sharp decline in automobile sales in FY2019 and FY2020, impacted by COVID-19 pandemic.

Reduction in debt levels: The company has reduced its debt further to Rs. 312.8 crore as on December 31, 2020 from Rs. 380.3 crore as on March 31, 2020.

Strong broad-based growth; Expect robust double-digit growth in FY2022: The company has a strong long-term revenue visibility, given its strong position in the cable and lamps business. We expect Suprajit's consolidated earnings to report a 31.0% CAGR during FY2021E-FY2023E, driven by an 18.4% revenue CAGR and 160 bps improvement in EBITDA margin. The company is open to grow inorganically in the auto ancillary space and diversify its portfolio. The company has a history of acquiring companies for its expansion of customer base, new geographies, and increasing dominancy in its core business.

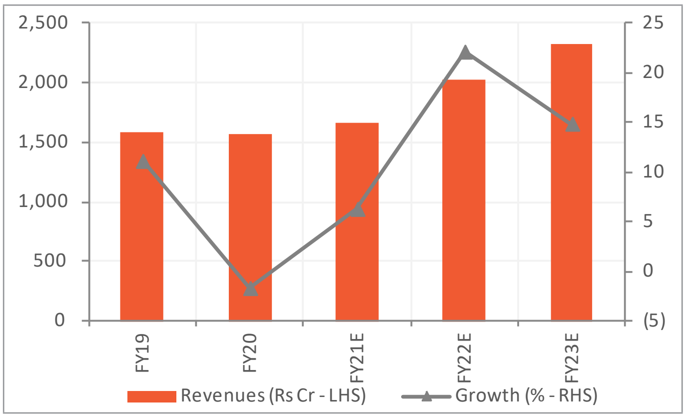
Financials in charts

Revenue Mix (%)



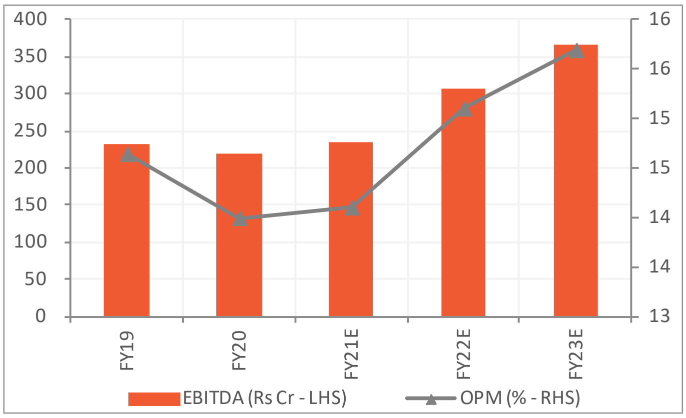
Source: Company, Sharekhan Research

Revenue and Growth Trend



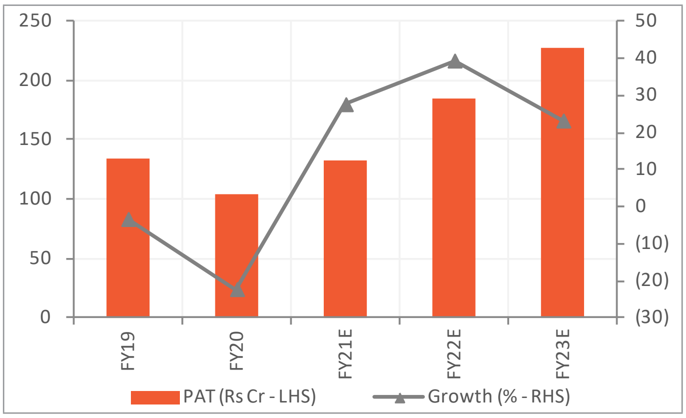
Source: Company, Sharekhan Research

EBITDA and OPM Trend



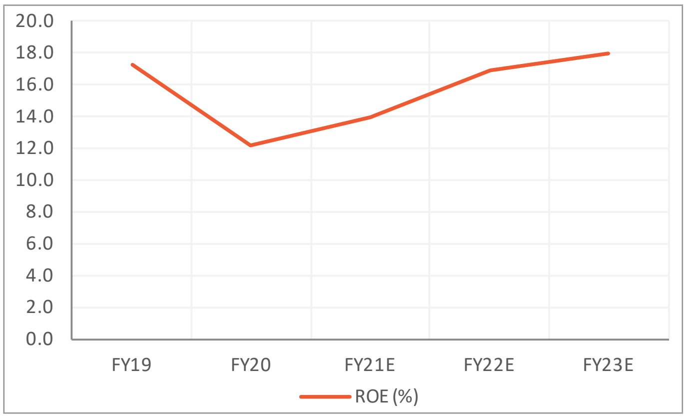
Source: Company, Sharekhan Research

Net profit and Growth Trend



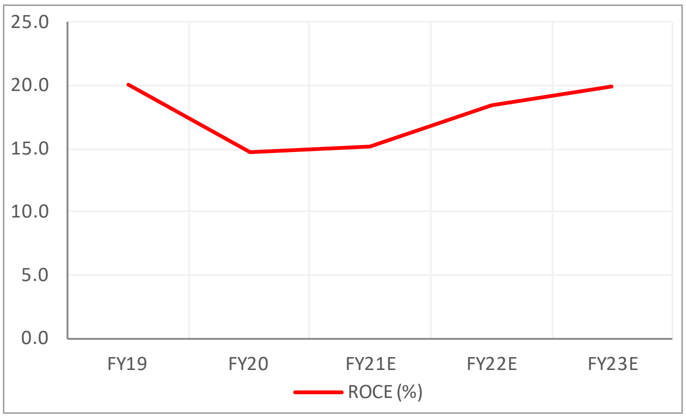
Source: Company, Sharekhan Research

RoE trend



Source: Company, Sharekhan Research

RoCE trend



Source: Company, Sharekhan Research

Outlook and Valuation

■ Sector Outlook – Demand picking up in domestic and export markets

Business outlook for the automotive segment is improving with normalisation of economic activities. Automotive demand is witnessing strong recovery in 2W and 4W segments, aided by pent-up demand and increased personal mobility transport. Rural and semi-urban remain buoyant on robust farm income this year. Recovery in export destinations is auguring well for the sector. Moreover, exports provide huge growth potential, given India's cost-effective manufacturing, being geographically closer to key markets of Middle East and Europe and being the second largest producer of key raw material, steel. Rolling out of COVID-19 vaccination programmes in many countries is keeping the overall outlook positive for the coming months, following the respective approval of various vaccines. Auto component exports are expected to grow from $15 billion to $80 billion by FY2027.

■ Company outlook - Beneficiary of 2W demand

Suprajit is one of the largest manufacturers of mechanical control cables with a presence in both automotive and non-automotive segments. Revenue growth has been healthy in the pre-COVID regime, driven by a steady offtake and diversification into aftermarket and exports segments. The company has entered segments such as lamps and has started catering to non-automotive segments through acquisitions and has augmented capacities in the cables business. The company has been gaining market share in the domestic cable division with increased share of business with automotive clients. The company's market share in 2W is 60%-65%, while that for the automotive business is at 30%-35%. Market share for the Indian market is at 40%-45%. The aftersales market, both at Suprajit and Phoenix Lamps division, has been strong along with encouraging offtake from OEMS. The company is in talks with leading PV players such as Maruti Suzuki to further increase sourcing. In non-automotive cables, the company is planning to enter into new segments such as medical device equipment, consumer durables, and agriculture and construction equipment, which would drive growth. Under the lighting segment, Suprajit has recently acquired Osram manufacturing facility for halogen lamps to become the world's third largest player and is expanding its presence in the aftermarket segment by entering into new geographies. We expect Suprajit to continue outpacing the domestic automotive OEM industry.

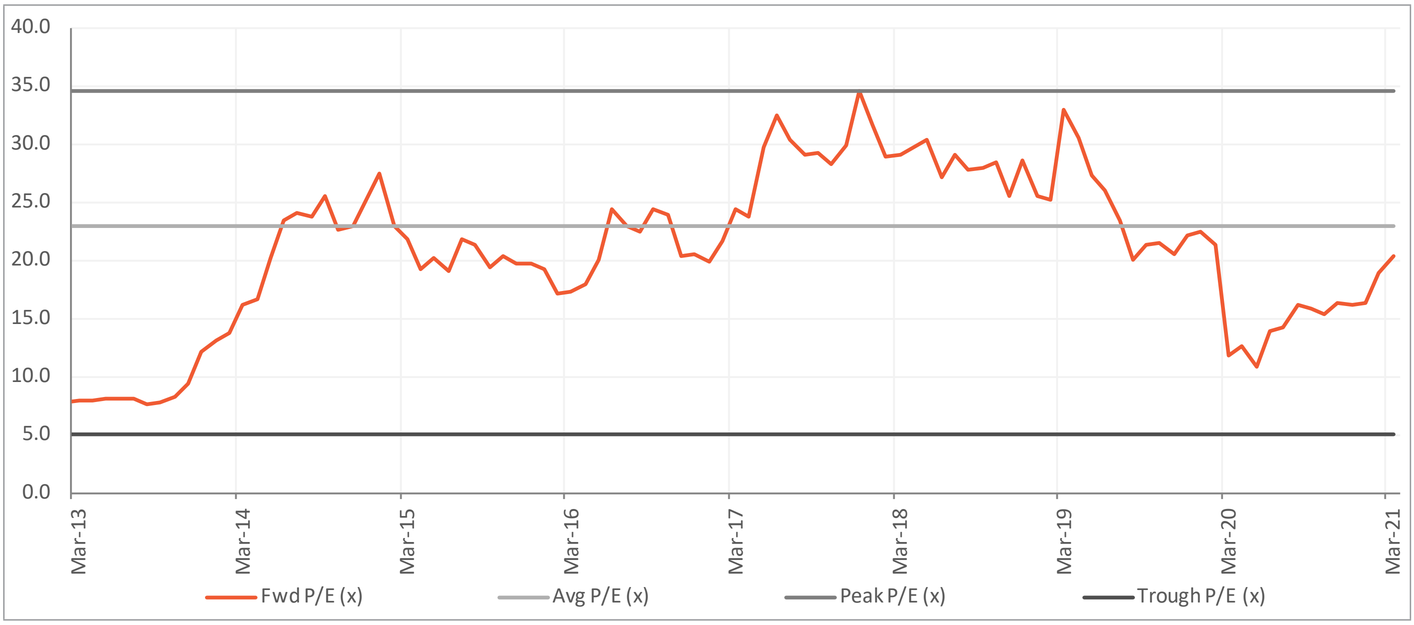
■ Valuation - Maintain Buy with a revised PT of Rs. 329

Suprajit would continue to gain wallet share from customers in the cable segment (domestic PV segment and higher sourcing by global OEM) and Phoenix Lamps (increased sourcing by Osram) and enter new segments in the non-automotive cable division. We expect FY2022 to be a strong recovery year, driven by normalisation of economic activity and improving demand. Operating leverage coupled with cost-control measures would help in margin improvement. We have increased our earnings estimates to reflect strong growth momentum and impact of improved EBITDA margin. Propelled by robust business outlook and prudent capital allocation, we expect Suprajit's consolidated earnings to report a 31.0% CAGR during FY2021E-FY2023E, driven by an 18.4% revenue CAGR and 160 bps improvement in EBITDA margin, with its ROCE improving back to in excess of 20% by FY2023E. The stock is trading at 25%-30% discount to its average historical P/E multiple of 16.4x and EV/EBITDA multiple of 10.6x its FY2023E estimates. We retain our Buy rating on the stock with a revised PT of Rs. 329.

Price Target calculation	Rs/Share
FY23E EPS	16.5
Target P/E Multiple (x)	20
Target Price	329
CMP	270
Upside (%)	21.9

Source: Company Data; Sharekhan Research

One-year forward P/E (x) band



Source: Company Data; Sharekhan Research

Peer Comparison

Particulars	P/E (x)			EV/EBIDTA (x)			RoCE (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Suprajit Engineering	28.2	20.2	16.4	17.1	12.9	10.6	15.2	18.5	20.0
Schaeffler India Limited	57.7	39.4	30.0	30.6	22.4	17.2	12.6	16.9	19.0
Sundram Fasteners Limited	69.4	36.8	27.1	31.9	20.9	16.2	12.1	18.7	22.1

Source: Company Data; Sharekhan Research

About company

Suprajit is a global leader in the automotive cable and halogen bulb industry. With a competitive manufacturing base in India, UK, US, and Mexico, along with technical and logistical supports worldwide, the company provides optimal product development and manufacturing solutions to its domestic and international customers. With a CAGR of over 25%, Suprajit has one of the largest manufacturing capacities in the world with 300+ million cables per year and 110+ million bulbs per year. Suprajit is a well-diversified company deriving 60% of its revenue from global operations, while 40% of revenue is derived domestically. 2W is the largest segment contributing 37% to revenue, while 20% revenue is derived from the automotive (4W) segment. Aftermarket constitutes 23% of revenue, while the non-automotive segment constitutes 20% of revenue.

Investment theme

Suprajit is one of the largest manufacturers of mechanical control cables with a presence in both automotive and non-automotive segments. Revenue growth has been healthy in the pre-COVID regime, driven by steady offtake and diversification into aftermarket and exports segments. The company continues to strengthen its value proposition to its domestic and global clients, aided by its leadership position in the domestic cable business and locational advantage to its global peers. Key drivers for Suprajit's success are its ability to produce low-cost cables among domestic players, aided by its operational efficiency and dedicated plants for respective clients. The company has entered segments such as lamps and has started catering to non-automotive segments through acquisitions and has augmented capacities in the cables business. The company has been gaining market share in the domestic cable division with increased share of business with automotive clients. The company's market share in 2W is 60%-65%, while that for automotive business at 30%-35%. Market share in the Indian market is 40%-45%. The aftersales market both at Suprajit and Phoenix Lamps division has been strong along with encouraging offtake from OEMS. We expect Suprajit to benefit from strong demand witnessed in domestic as well as export markets, aided by recovery in economic activities. The company will also benefit from its capex plan strategy, which will help it capitalise further in the next peak season.

Key Risks

- The company's performance can be impacted adversely if commodity prices continue to rise at the current pace and the fear of COVID-19 gets more aggravated in Europe and Americas.
- Delayed approval from OEMs for incremental business could impact performance.

Additional Data

Key management personnel

Ajith Rai	Executive Chairman
Mohan N.S	Managing Director & Group CEO
Peter Greensmith	CEO-Suprajit Europe
Steve Fricker	CEO-Wescon Controls
Medappa Gowda J	CFO & Company Secretary

Source: Company Website

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	SUPRIYAJITH FAMILY TRUST	38.0
2	DSP Small Cap Fund	5.3
3	HDFC Small Cap Fund	5.2
4	Sundaram-Clayton Ltd.	4.1
5	Kula Ajith Kumar Rai	2.7
6	TVS Motor Co. Ltd.	2.1
7	Shobita Punja	1.4
8	Emerging Securities Pvt. Ltd.	1.4
9	India Capital Fund Limited	1.4
10	Kula Ramprasad Rai	1.3

Source: Bloomberg

Understanding the Sharekhan 3R Matrix

Right Sector	
Positive	Strong industry fundamentals (favorable demand-supply scenario, consistent industry growth), increasing investments, higher entry barrier, and favorable government policies
Neutral	Stagnancy in the industry growth due to macro factors and lower incremental investments by Government/private companies
Negative	Unable to recover from low in the stable economic environment, adverse government policies affecting the business fundamentals and global challenges (currency headwinds and unfavorable policies implemented by global industrial institutions) and any significant increase in commodity prices affecting profitability.
Right Quality	
Positive	Sector leader, Strong management bandwidth, Strong financial track-record, Healthy Balance sheet/cash flows, differentiated product/service portfolio and Good corporate governance.
Neutral	Macro slowdown affecting near term growth profile, Untoward events such as natural calamities resulting in near term uncertainty, Company specific events such as factory shutdown, lack of positive triggers/events in near term, raw material price movement turning unfavourable
Negative	Weakening growth trend led by led by external/internal factors, reshuffling of key management personal, questionable corporate governance, high commodity prices/weak realisation environment resulting in margin pressure and detoriating balance sheet
Right Valuation	
Positive	Strong earnings growth expectation and improving return ratios but valuations are trading at discount to industry leaders/historical average multiples, Expansion in valuation multiple due to expected outperformance amongst its peers and Industry up-cycle with conducive business environment.
Neutral	Trading at par to historical valuations and having limited scope of expansion in valuation multiples.
Negative	Trading at premium valuations but earnings outlook are weak; Emergence of roadblocks such as corporate governance issue, adverse government policies and bleak global macro environment etc warranting for lower than historical valuation multiple.

Source: Sharekhan Research

Sharekhan

by BNP PARIBAS

Know more about our products and services

For Private Circulation only

Disclaimer: This document has been prepared by Sharekhan Ltd. (SHAREKHAN) and is intended for use only by the person or entity to which it is addressed to. This Document may contain confidential and/or privileged material and is not for any type of circulation and any review, retransmission, or any other use is strictly prohibited. This Document is subject to changes without prior notice. This document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same, not all customers may receive this report at the same time. SHAREKHAN will not treat recipients as customers by virtue of their receiving this report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable and SHAREKHAN has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavour to update the information herein on reasonable basis, SHAREKHAN, its subsidiaries and associated companies, their directors and employees ("SHAREKHAN and affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent SHAREKHAN and affiliates from doing so. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this report should also be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of Sharekhan may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report.

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 SHAREKHAN 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.

The analyst certifies that the analyst has not dealt or traded directly or indirectly in securities of the company and that all of the views expressed in this document accurately reflect his or her personal views about the subject company or companies and its or their securities and do not necessarily reflect those of SHAREKHAN. The analyst and SHAREKHAN further certifies that neither he or his relatives or Sharekhan associates has any direct or indirect financial interest nor have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the research report nor have any material conflict of interest nor has served as officer, director or employee or engaged in market making activity of the company. Further, the analyst has also not been a part of the team which has managed or co-managed the public offerings of the company and no part of the analyst's compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this document. Sharekhan Limited or its associates or analysts have not received any compensation for investment banking, merchant banking, brokerage services or any compensation or other benefits from the subject company or from third party in the past twelve months in connection with the research report.

Either, SHAREKHAN or its affiliates or its directors or employees / representatives / clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities or related securities referred to in this report and they may have used the information set forth herein before publication. SHAREKHAN may from time to time solicit from, or perform investment banking, or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall SHAREKHAN, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Compliance Officer: Mr. Joby John Meledan; Tel: 022-61150000; email id: compliance@sharekhan.com;

For any queries or grievances kindly email igc@sharekhan.com or contact: myaccount@sharekhan.com

Registered Office: Sharekhan Limited, 10th Floor, Beta Building, Lodha iThink Techno Campus, Off. JVLR, Opp. Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400042, Maharashtra. Tel: 022 - 61150000. Sharekhan Ltd.: SEBI Regn. Nos.: BSE / NSE / MSEI (CASH / F&O / CD) / MCX - Commodity: INZ000171337; DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669; Research Analyst: INH000006183;

Disclaimer: Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com; Investment in securities market are subject to market risks, read all the related documents carefully before investing.