

UNO Minda

Refer to important disclosures at the end of this report

Robust outlook; wallet-share gain to drive outperformance

- We interacted with Chairman Nirmal Minda and visited Minda company plants. Management reiterated that Minda is well-placed to outpace the underlying industry, thanks to the increasing content per vehicle (CPV), market-share gains and EV adoption.
- Minda expects to do well in both, core segments and new products, supported by a strong order-book. Potential CPV in E-2Ws stands at Rs61,300, with an annual order-book of over Rs10bn. We believe the company remains on track to increase its EV division's revenue to Rs15-20bn in 5-6 years.
- We expect FY23E revenue growth to be robust at 33%, and the uptrend is likely to endure, with FY23-25E revenue CAGR at 18%, underpinned by: 1) a cyclical upturn in the underlying PV/2W segments; 2) higher content-per-vehicle in core businesses, such as switches, lightings and acoustics; 3) improving presence in alloy wheels, sensors, and seatings; and 4) growing content/vehicle, led by EV penetration.
- We build-in earnings CAGR of 43% over FY22-25E. ROIC should expand from 11% in FY22 to 24% in FY25E, driven by improved profitability in both, core and emerging segments. After annual capex of Rs7.3bn in the next three years, average annual FCF is likely to be robust at Rs4.6bn. We recommend BUY on the stock, with DCF-based TP of Rs650/share, based on 37x Dec-24E EPS.

Key takeaways from the Management Meet and plant (Alloy wheels, Switches, Lighting, Steering wheel, Airbag) visits:

- Minda is looking to expand those product lines that offer opportunity of import substitution, vertical expansion (core linked) and achievable financial targets (market share of 30% and 20% ROCE).
- Global component players (such as Tachi-S and Buehler), while entering India, aimed for partnership with Minda, which enjoys a reputable standing.
- Lighting segment revenues can grow by 4x over the next 5-7 years, led by higher industry volumes (2x), increase in LED penetration and market-share gains (Rs5bn new orders won last year). Minda has also won orders for headlights, from Tata Motors and M&M.
- Alloy wheel product revenues can also grow by 4x over the next 5-7 years, driven by higher industry volumes (2x), increase in alloy wheel penetration (35% to 75%) and market-share gains (import substitution).
- Switching segment is likely to outperform, steered by premiumization and market-share gains (localization of high-end switches).

Please see our sector model portfolio (Emkay Alpha Portfolio): [Automobiles & Auto Ancillaries \(Page 6\)](#)

Financial Snapshot (Consolidated)

(Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	63,737	83,130	110,613	132,238	152,902
EBITDA	7,250	8,854	12,113	16,341	19,142
EBITDA Margin (%)	11.4	10.7	11.0	12.4	12.5
APAT	2,052	3,558	6,105	8,711	10,479
EPS (Rs)	3.7	6.2	10.7	15.2	18.3
EPS (% chg)	10.4	69.2	71.6	42.7	20.3
ROE (%)	10.0	12.5	16.7	20.7	21.5
P/E (x)	149.5	88.3	51.5	36.1	30.0
EV/EBITDA (x)	43.4	36.1	26.5	19.6	16.5
P/BV (x)	13.6	9.1	8.1	7.0	6.0

Source: Company, Emkay Research

CMP	Target Price
Rs 550 as of (November 30, 2022)	Rs 650 (■) 12 months
Rating	Upside
BUY (■)	18.2 %

Change in Estimates

EPS Chg FY23E/FY24E (%)	-/
Target Price change (%)	-
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

EPS Estimates		
	FY23E	FY24E
Emkay	10.7	15.2
Consensus	10.8	15.3
Mean Consensus TP (12M)	Rs 621	

Stock Details

Bloomberg Code	UNOMINDA IN
Face Value (Rs)	2
Shares outstanding (mn)	573
52 Week H/L	630 / 384
M Cap (Rs bn/USD bn)	315 / 3.87
Daily Avg Volume (nos.)	350,496
Daily Avg Turnover (USD mn)	2.4

Shareholding Pattern Sep '22

Promoters	67.4%
FIIIs	9.1%
DIIIs	14.0%
Public and Others	9.6%

Price Performance

(%)	1M	3M	6M	12M
Absolute	3	(5)	19	21
Rel. to Nifty	(2)	(10)	5	10

Relative price trend



Source: Bloomberg

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

Mumuksh Mandlesha

mumuksh.mandlesha@emkayglobal.com
+91 22 6612 1334

Raghunandhan N L

raghunandhan.nl@emkayglobal.com
+91 22 6624 2428

Bhargava Perni

bhargava.perni@emkayglobal.com
+91 22 6624 2429

Key takeaways (...continued)

- Company is focusing on medium-to-high-end sensors such as wheel speed, high temperature and cam & crank. Minda has reiterated its revenue target of Rs4-5bn within the next 2-3 years, from Rs2.5bn in FY22.
- Revenues from EV players stood at 1.5% of revenues in H1FY23. Potential CPV in E-2Ws stands at Rs61,300, with an annual order-book of over Rs10bn.
- E-PV OEMs have started interactions with Minda, regarding localizing EV parts. Minda would look to foray into E-PV parts through its own R&D efforts or with partnerships.
- Overseas business has been centralized, with offices in Japan, Europe and North America. Company expects growth to be healthy, led by new order wins (Harley Davidson for switches) and potential small acquisitions to gain entry into new OEMs.
- Airbags content-per-vehicle should increase by Rs6,500 for four additional airbags for Minda-specific kit value (inflators and bags). The company is looking to set up capacity to take care of the increased demand and expects market-share improvement. OEMs are preparing for the mandatory regulation along new model launches.
- The Tachi-S JV for PV seating has started in a small way, with Recliner parts. Potential CPV is in the Rs20,000-70,000 range. Some peers are Krishna Maruti, Bharat Seat, Lear and Toyota Tsusho. Many of the seating components (such as recliners) are currently being imported, which offers an opportunity for localization.
- Management estimates EBITDA margins to improve, led by commodity deflation and improved profitability in new product lines such as Sensors and 2W alloy wheels.
- Employee retention has become a challenge in the industry. Minda is working on improving the culture of the organization and has increased efforts in training.
- ROCE (pre-tax) target is 20% and dividend pay-out is expected to increase on a steady basis.

Key Financials (Consolidated)**Income Statement**

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	63,737	83,130	110,613	132,238	152,902
Expenditure	56,488	74,276	98,499	115,897	133,761
EBITDA	7,250	8,854	12,113	16,341	19,142
Depreciation	3,753	3,918	4,301	4,936	5,581
EBIT	3,497	4,936	7,812	11,405	13,561
Other Income	470	629	473	669	870
Interest expenses	737	623	667	802	837
PBT	3,231	4,943	7,618	11,271	13,593
Tax	1,002	1,468	1,918	2,837	3,421
Extraordinary Items	14	0	0	0	0
Minority Int./Income from Assoc.	(176)	83	404	276	307
Reported Net Income	2,066	3,558	6,105	8,711	10,479
Adjusted PAT	2,052	3,558	6,105	8,711	10,479

Balance Sheet

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Equity share capital	544	571	1,142	1,142	1,142
Reserves & surplus	22,022	33,813	37,755	43,932	51,049
Net worth	22,566	34,385	38,897	45,075	52,191
Minority Interest	3,065	3,263	3,773	4,541	5,403
Loan Funds	10,485	8,159	9,617	11,765	12,157
Net deferred tax liability	299	286	324	381	449
Total Liabilities	36,415	46,093	52,612	61,761	70,200
Net block	27,968	28,046	29,812	32,062	33,981
Investment	5,302	6,067	9,567	14,067	19,567
Current Assets	25,162	30,400	38,148	43,369	49,310
Cash & bank balance	2,382	2,342	1,043	1,679	1,258
Other Current Assets	2,020	2,404	3,088	3,559	3,963
Current liabilities & Provision	23,360	21,885	29,313	32,449	37,370
Net current assets	1,802	8,514	8,835	10,920	11,940
Misc. exp	0	0	0	0	0
Total Assets	36,415	46,093	52,612	61,761	70,200

Cash Flow

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
PBT (Ex-Other income) (NI+Dep)	2,778	4,313	8,060	11,647	13,893
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(3,508)	(3,930)	(1,619)	(1,450)	(1,440)
Operating Cashflow	2,957	3,199	8,794	12,214	14,689
Capital expenditure	(2,991)	(5,777)	(7,000)	(7,500)	(7,500)
Free Cash Flow	(34)	(2,577)	1,794	4,714	7,189
Investments	(788)	(1,527)	(2,000)	(1,500)	(1,500)
Other Investing Cash Flow	169	318	0	0	0
Investing Cashflow	(3,139)	(6,357)	(10,027)	(11,331)	(12,130)
Equity Capital Raised	2,507	6,900	0	0	0
Loans Taken / (Repaid)	(1,251)	(370)	1,459	2,148	392
Dividend paid (incl tax)	(186)	(374)	(857)	(1,592)	(2,533)
Other Financing Cash Flow	(1,237)	(2,497)	0	0	0
Financing Cashflow	(845)	3,118	(65)	(247)	(2,979)
Net chg in cash	(1,027)	(40)	(1,299)	636	(421)
Opening cash position	3,409	2,382	2,342	1,043	1,679
Closing cash position	2,382	2,342	1,043	1,679	1,258

Source: Company, Emkay Research

This report is intended for gaurav.narkar@emkayglobal.com use and downloaded at 12/02/2022 02:11 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Key Ratios

Profitability (%)	FY21	FY22	FY23E	FY24E	FY25E
EBITDA Margin	11.4	10.7	11.0	12.4	12.5
EBIT Margin	5.5	5.9	7.1	8.6	8.9
Effective Tax Rate	31.0	29.7	25.2	25.2	25.2
Net Margin	3.5	4.2	5.2	6.4	6.7
ROCE	8.3	10.1	12.4	15.4	15.8
ROE	10.0	12.5	16.7	20.7	21.5
RoIC	9.6	11.3	16.3	21.6	23.6

Per Share Data (Rs)	FY21	FY22	FY23E	FY24E	FY25E
EPS	3.7	6.2	10.7	15.2	18.3
CEPS	10.4	13.1	18.2	23.9	28.1
BVPS	40.5	60.2	68.1	78.9	91.4
DPS	0.4	1.5	2.8	4.4	5.9

Valuations (x)	FY21	FY22	FY23E	FY24E	FY25E
PER	149.5	88.3	51.5	36.1	30.0
P/CEPS	53.1	42.3	30.4	23.2	19.7
P/BV	13.6	9.1	8.1	7.0	6.0
EV / Sales	4.9	3.8	2.9	2.4	2.1
EV / EBITDA	43.4	36.1	26.5	19.6	16.5
Dividend Yield (%)	0.1	0.3	0.5	0.8	1.1

Gearing Ratio (x)	FY21	FY22	FY23E	FY24E	FY25E
Net Debt/ Equity	0.4	0.2	0.2	0.1	0.0
Net Debt/EBIDTA	1.1	0.6	0.6	0.3	0.1
Working Cap Cycle (days)	(3.3)	27.1	25.7	25.5	25.5

Growth (%)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	2.4	30.4	33.1	19.6	15.6
EBITDA	7.9	22.1	36.8	34.9	17.1
EBIT	5.4	41.2	58.3	46.0	18.9
PAT	33.2	72.2	71.6	42.7	20.3

Quarterly (Rs mn)	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Revenue	21,140	21,814	24,151	25,552	28,768
EBITDA	2,279	2,353	2,755	2,659	3,184
EBITDA Margin (%)	10.8	10.8	11.4	10.4	11.1
PAT	947	1,013	1,444	1,388	1,701
EPS (Rs)	3.3	3.5	5.1	4.9	6.0

Source: Company, Emkay Research

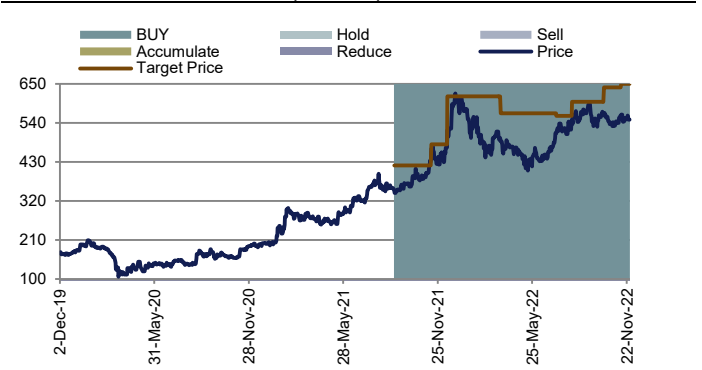
Shareholding Pattern (%)	Jun-22	Jul-22	Aug-22	Sep-22	Sep-22
Promoters	67.4	67.4	67.4	70.1	67.4
FII	9.1	9.0	9.0	9.1	9.1
DII	13.8	13.9	13.9	13.9	14.0
Public and Others	9.7	9.7	9.8	6.9	9.6

Source: Capitaline

RECOMMENDATION HISTORY (Rs/share)

Date	Closing Price	TP	Period	Rating	Analyst
11-Nov-22	563	650	12m	Buy	Mumuksh Mandlesha
9-Oct-22	564	640	12m	Buy	Mumuksh Mandlesha
9-Aug-22	550	600	12m	Buy	Mumuksh Mandlesha
10-Jul-22	512	560	12m	Buy	Mumuksh Mandlesha
25-May-22	445	568	12m	Buy	Mumuksh Mandlesha
27-Apr-22	450	568	12m	Buy	Mumuksh Mandlesha
6-Apr-22	489	568	12m	Buy	Mumuksh Mandlesha
25-Mar-22	488	568	12m	Buy	Mumuksh Mandlesha
24-Feb-22	443	615	12m	Buy	Mumuksh Mandlesha
8-Feb-22	513	615	12m	Buy	Mumuksh Mandlesha
13-Dec-21	519	615	12m	Buy	Mumuksh Mandlesha
12-Nov-21	468	480	12m	Buy	Mumuksh Mandlesha
2-Sep-21	349	420	12m	Buy	Mumuksh Mandlesha

Source: Company, Emkay Research

RECOMMENDATION HISTORY (Rs/share)

Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Automobiles & Auto Ancillaries



Analyst: Raghunandhan NL

Contact Details

raghunandhan.nl@emkayglobal.com
+91 22 6624 2428

Sector

Automobiles and Ancillaries

Analyst bio

Raghu holds an MBA and comes with total 13 years of research experience. His team currently covers 17 stocks in the Indian Automobiles and Ancillaries space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight based on Current NAV	Change vs last published EAP (bps)
Auto & Auto Ancillaries	4.91	4.91	0%	0	100.00	
Amara Raja Batteries	0.00	0.00	NA	0	0.00	0
Apollo Tyres	0.00	0.03	NA	3	0.55	0
Ashok Leyland	0.19	0.21	10%	2	4.38	0
Atul Auto	0.00	0.03	NA	3	0.55	0
Bajaj Auto	0.43	0.25	-43%	-19	5.02	0
Bharat Forge	0.20	0.12	-41%	-8	2.39	0
Eicher Motors	0.43	0.45	3%	1	9.07	0
Escorts	0.00	0.03	NA	3	0.52	0
Exide Industries	0.00	0.00	NA	0	0.00	0
Hero Motocorp	0.34	0.37	10%	3	7.49	0
Mahindra & Mahindra	1.10	1.15	4%	5	23.34	0
Maruti Suzuki India	1.08	1.12	4%	4	22.91	0
Minda Industries*	0.00	0.02	NA	2	0.49	0
Motherson Sumi Wiring India	0.00	0.02	NA	2	0.47	0
Samvardhana Motherson International	0.13	0.02	-81%	-10	0.49	0
Suprajit Engineering	0.00	0.02	NA	2	0.49	0
Tata Motors	0.70	0.72	4%	3	14.75	0
Tata Motors DVR*	0.10	0.11	10%	1	2.17	0
TVS Motor	0.22	0.24	12%	3	4.93	0
Cash	0.00	0.00	NA	0	0.0	0

Source: Emkay Research

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

Sector portfolio NAV

	Base					Latest
	1-Apr-19	30-Nov-21	30-May-22	30-Aug-22	28-Oct-22	29-Nov-22
EAP - Auto & Auto Ancillaries	100.0	127.2	139.1	160.6	159.9	156.3
BSE200 Neutral Weighted Portfolio (ETF)	100.0	126.2	138.7	160.0	159.3	155.4

*Performance measurement base date 1st April 2019

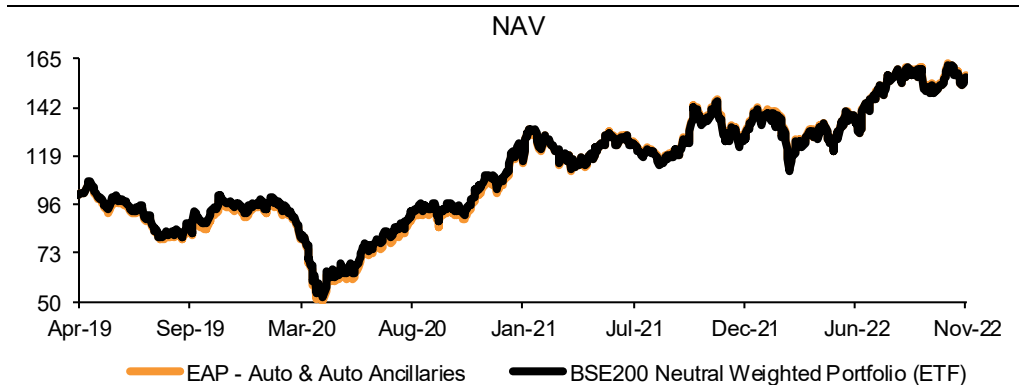
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Auto & Auto Ancillaries	-2.3%	-2.7%	12.4%	22.9%
BSE200 Neutral Weighted Portfolio (ETF)	-2.4%	-2.9%	12.0%	23.1%

Source: Emkay Research

NAV chart



Source: Emkay Research

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

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

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

This report is intended for gaurav.narkar@emkayglobal.com use and downloaded at 12/02/2022 02:11 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Emkay Rating Distribution

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

Completed Date: 01 Dec 2022 03:05:40 (SGT)

Dissemination Date: 01 Dec 2022 03:06:40 (SGT)

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

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

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

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

EGFSL offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

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

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. 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 research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject EGFSL or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

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

Disclaimer for U.S. persons only: This research report is a product of Emkay Global Financial Services Limited (Emkay), which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

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

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

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

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

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

1. EGFSL, its subsidiaries and/or other affiliates do not have a proprietary position in the securities recommended in this report as of December 1, 2022
2. EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Research Report
3. **Disclosure of previous investment recommendation produced:** EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
4. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's does not have any material conflict of interest in the securities recommended in this report as of December 1, 2022.
5. EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the December 1, 2022
6. EGFSL, its subsidiaries and/or other affiliates and Research Analyst have not received any compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
7. EGFSL, its subsidiaries and/or other affiliates and/or and Research Analyst have not received any compensation or other benefits from securities recommended in this report (subject company) or third party in connection with the research report.
8. Securities recommended in this report (Subject Company) has not been client of EGFSL, its subsidiaries and/or other affiliates and/or and Research Analyst during twelve months preceding the December 1, 2022

RESTRICTIONS ON DISTRIBUTION

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

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

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

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