Stock Update

Result Update

Sharekhan by BNP PARIBAS

Powered by the Sharekhan 3R Research Philosophy

Mahindra & Mahindra Ltd

Focus on consistency

Automobiles	Sharekhan code: M&M
Reco/View: Buy ↔	CMP: Rs. 1,282 / Price Target: Rs. 1,550 ↔

↑ Upgrade ↔ Maintain ↓ Downgrade

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		↔	

ESG Disclosure Score NEW

ESG RISK RATING 27.81

Updated May 08, 2023

Medium Risk

NEGL	LOW	MED	HIGH	SEVERE
0-10	10-20	20-30	30-40	40+

Source: Morningstar

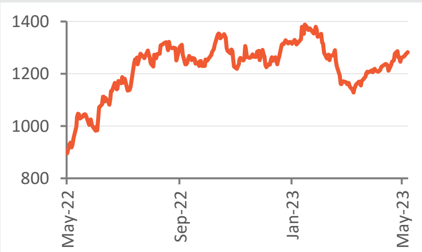
Company details

Market cap:	Rs. 1,59,377 cr
52-week high/low:	Rs. 1,396 / 914
NSE volume: (No of shares)	22.8 lakh
BSE code:	500520
NSE code:	M&M
Free float: (No of shares)	100.2 cr

Shareholding (%)

Promoters	19.4
FII	39.2
DII	27.7
Others	13.7

Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	6.0	-4.4	-0.4	43.3
Relative to Sensex	2.0	-6.9	-1.2	28.2

Sharekhan Research, Bloomberg

Summary

- We retain our Buy rating on M&M with an unchanged PT of Rs. 1,550, on consistent improvement in profitability, focus on disciplined capital allocation, and aim to achieve market leadership in its operating areas.
- M&M is consistently showing sequential improvement in its EBIT margin in the FES and auto segments for the past five quarters.
- The company has a robust order book in the PV segment at 292,000 units; it gained 120bps market share in the tractor segment in FY2023.
- The stock trades at a P/E multiple of 15.9x and EV/EBITDA multiple of 9.6x its FY2025 estimates.

M&M's reported operating performance in Q4FY2023 was in line with our estimates, owing to healthy traction in the automotive division as the farm equipment segment was relatively laggard. Reported EBITDA was in line with estimates; and the slight miss in EBITDA margin was on account of marginally better-than-expected topline performance. Despite inline operating performance, APAT came above estimates on account of lower tax provisioning. Revenue and EBITDA came 3.2% and 0.9% above our estimates and, consequently, EBITDA margin missed estimates by 30 bps. With a 7.5% q-o-q increase in volumes from the automotive segment and a 15.2% q-o-q decline in volumes from the farm equipment segment, M&M reported a 4.2% q-o-q jump in its top line to Rs. 22,571 crore (vs. estimate of Rs. 21,882 crore). The gross margin expansion benefit was offset by increased other expenses; and hence, EBITDA margin also contracted on a q-o-q basis. Despite the 100-bps q-o-q expansion in gross margin, EBITDA margin contracted by 60 bps q-o-q to 12.4% (vs. our estimate of 12.7%) on account of the rise in other expenses. Other expenses as a percentage of sales expanded by 170 bps q-o-q to 8.4%. With this operating performance and lower tax provisioning, APAT declined by 4.5% q-o-q to Rs. 2,061 crore (vs. estimate of Rs. 1,528 crore). Effective tax in stood at 9.5% in Q4FY2023 against 21.9% in Q3FY2023. We continue to remain positive on M&M due to its robust order book in the PV segment, market leadership in the tractor segment, opportunity to grow in the farm machinery segment, and its road map to play in the EV space.

Key positives

- The automotive segment reported 10.8% q-o-q growth in revenue on account of a 7.5% q-o-q increase in volumes and a 3.1% q-o-q increase in ASPs. A healthy increase in revenue has translated into 60 bps q-o-q improvement in EBIT margin to 7.3%.
- Gross margin expanded by 100 bps q-o-q to 25%.
- On excluding the farm machinery business, the tractor's EBIT margin expanded by 80 bps q-o-q to 18.3%.

Key negatives

- The farm equipment segment (FES) has reported an 11% q-o-q decline in revenue on account of a 15.2% q-o-q decline in volumes and a 4.9% q-o-q increase in ASPs. The weak volume performance restricted the EBIT margin expansion and EBIT margin expanded by mere 10 bps q-o-q to 16.7%.
- A 170-bps q-o-q expansion in other expenses as a percentage of sales offsets the benefit of 100 bps q-o-q expansion in gross margin, which resulted in a 60-bps q-o-q contraction in EBITDA margin to 12.4%.

Management Commentary

- The tractor industry is expected to grow in low single digit in FY2024 and M&M would continue to focus on market share expansion.
- Order book in the PV segment has increased from 266,000 units in Q3FY2023 to 292,000 units in Q4FY2023.
- Beyond the domestic market, M&M is continuously aspiring to build a strong presence in the international market.

Our Call

Valuation – Maintain Buy with an unchanged PT of Rs. 1,550: Post reporting in line operating performance, M&M has guided for low single-digit growth in the tractor industry in FY2024 and has indicated that, excluding the supply chain constraints, it has largely achieved its targeted capacity in the PV segment. Further, the company is strategically focussing on achieving a leadership position in most of its operating segments and is aiming to grow its non-core business as per its potential. M&M is consistently improving its profitability, as this was the consecutive 5th quarter when the automotive segment as well as the FES segment reported sequential improvement in EBIT margin. Along with maintaining its leadership position in the tractor segment, the company aims to achieve 10x growth in the farm machinery segment by FY2026. Historically, M&M's operating performance has largely depended on the tractor segment; however, we believe the auto segment is expected to drive its operating performance in the coming years due to increasing volumes going ahead. We maintain our Buy rating with an SOTP-based price target (PT) of Rs. 1,550 (16.5xFY25 core EPS, Rs. 334 for listed subsidiaries and Rs. 209 for the EV arm) on consistent improvement in profitability, focus on disciplined capital allocation, and aim to achieve market leadership in its operating areas.

Key Risks

Uneven distribution of monsoons can affect our volume estimates for M&M's farm equipment segment. Unsuccessful new launches and volatility in raw-material cost trend can also impact our projection adversely.

Valuation (Standalone) Rs cr

Particulars	FY21	FY22	FY23P	FY24E	FY25E
Revenue	44,630	57,787	84,960	93,215	1,03,874
Growth (%)	-0.5	29.5	47.0	9.7	11.4
EBITDA	6,957	7,027	10,442	11,838	13,649
EBITDA margin (%)	15.6	12.2	12.3	12.7	13.1
APAT (Rs cr)	2,303	5,035	7,700	8,475	10,016
Growth (%)	49.3	118.6	52.9	10.1	18.2
AEPS (Rs.)	19	40	62	68	81
P/E (x)	69.2	31.7	20.7	18.8	15.9
P/B (x)	4.6	4.1	3.7	3.2	2.8
EV/EBIDTA (x)	20.0	19.5	12.7	11.2	9.6
ROE (%)	6.6	12.9	17.8	17.2	17.8
ROCE (%)	5.8	11.5	16.5	16.1	16.8

Source: Company; Sharekhan estimates

PV segment: Capacity enhancement plan is on track

- In the PV segment, capacities have reached 39,000 units per month, but it unable to produce 39,000 units currently due to short-term supply chain issues. The company's 10 -12% of the capacity is getting impacted due to production constraints. Further, its capacity enhancement plan is on track and assumes that it would reach production capacity of 49,000 units by February 2024.
- Given the company has scheduled to come out with EVs in the coming period, it is selectively increasing ICs capacity so that it would have optimum balance between IC capacity and EV capacity in future. Hence, currently it is not planning for IC capacity beyond 49,000 units.

Strong order book trend in the PV segment continues

- M&M continues to enjoy a strong order book position, as at the end of Q4FY2023, order book in the PV segment stands at 292,000 units in Q4FY2023 compared with 266,000 units in Q3FY2023.
- The company is receiving fresh bookings of 57,000 units per month compared with its billing of 33,000 units per month. The cancellation rate stands in the normal range of 8%.
- Brand-wise order book: XUV 300 and XUV 400: 29K units; XUV 700: 78K units; Bolero: 8.2K units; Thar: 58K units; Scorpio: 117K units.

EBITDA margin trend: More dependent on RM cost trend

- M&M has been consistently registering improvement in its profitability. This was the consecutive 5th quarter when both FES and automotive segments have reported a sequential improvement in EBIT margin.
- Management believes the EBITDA margin trend would be more dependent on the raw-material cost trend and product mix, as going forward the margin profile of the automotive division may change on rise in EV volumes.
- The tractor division has not recorded any benefit on account of soft commodity cost in Q4FY2023 on a q-o-q basis. Broadly, the commodity cost trend is assumed to be steady and the broader trend would depend on global issues.

XUV 400 has been receiving a healthy response in the market

- M&M's EV plans are on track and its latest launch, XUV400 has been receiving a healthy response in the market.
- The order book for XUV 400 stands at 20,000 units and it has already sold 3,000 XUV 400.
- It is going to produce around 1,000 units of XUV 400 in the next few months and then ramp up the volumes.

Tractor division: Industry may grow in low single digit in FY2024

- The term and trade in rural region have been improving, led by better crop yield and MSP support.
- Tractor volume growth would be impacted in Q1FY2023 due to shift in Navratri, given the Navratri fell in March in 2023 compared with April in 2022. However, despite the high base, management has indicated for low single-digit volume growth for the industry in FY2024.
- Historically, the occurrence of El nino and tractor has not found a strong correlation and, hence, M&M is not unduly worried about the expected El nino's negative impact on tractor demand in FY2024 as reservoir levels are healthy.
- M&M has gained 1.2%-point market share to 41.2% in FY2023, backed by a strong response to its Yuvo tech and expansion of Swaraj brand. The company has been adding new products and entering in new segments to expand its addressable market.
- The company has planned to launch Swaraj brand of tractors into the lightweight tractor market on June 2, 2023. The lightweight tractor market size stands at 50,000 to 60,000 units per annum, where M&M has a minuscule presence.
- The farm machinery segment has registered a 38% y-o-y increase in revenue in FY2023 and has gained 3.5% market share to 16.5% in the Rotavators segment.

- While the FES segment reported 10 bps qoq expansion in EBIT margin; on excluding the farm machinery business, the tractor's EBIT margin expanded by 80 bps q-o-q to 18.3%.

International market growth strategies

- M&M has been aiming to expand in international markets to expand its addressable market in a phased manner. The company has achieved healthy penetration in the Brazilian tractor market and aims to focus on individual markets via localised market penetration strategies.
- Similarly, in the automotive segment, initially the company plans to launch new products in existing markets and then introduce EVs in the right-hand drive market. Over the period, it would launch EVs in the left-hand drive markets also.

Others

- M&M has initially planned for capex of Rs. 15,075 crore over FY2022-FY2024; however, it has now increased capex by Rs. 825 crore to Rs. 15,900 crore in the same period.
- The company has been looking for value creation in other group companies and businesses via disciplined capital allocation.
- Over FY2024-FY2026, the company aims to focussing on achieving scale and leadership in its business lines.

Results (Standalone) Rs cr

Particulars	Q4FY23	Q4FY22	YoY%	Q3FY23	QoQ%
Revenue	22,571	17,124	31.8	21,654	4.2
Total Expenses	19,774	15,178	30.3	18,840	5.0
EBITDA	2,797	1,946	43.8	2,814	(0.6)
Depreciation	839	680	23.2	829	1.1
Interest	70	56	25.0	69	1.8
Other income	334	239	39.9	670	(50.2)
PBT	2,223	1,448	53.5	2,587	(14.1)
Tax	162	281	(42.3)	430	(62.3)
Reported PAT	1,549	1,292	19.9	1,528	1.4
Adjusted PAT	2,061	1,167	76.6	2,157	(4.5)
Adjusted EPS (Rs.)	17.2	9.8	76.5	18.0	(4.5)

Source: Company; Sharekhan Research

Key Ratios

Particulars	Q4FY23	Q4FY22	YoY (bps)	Q3FY23	QoQ (bps)
Gross margin (%)	25.0	23.6	140	24.0	100
EBIDTA margin (%)	12.4	11.4	100	13.0	(60)
Net profit margin (%)	9.1	6.8	230	10.0	(80)

Source: Company; Sharekhan Research

Segmental Results (Standalone) Rs cr

Particulars	Q4FY23	Q4FY22	YoY%	Q3FY23	QoQ%
Volume (Units)	**2,78,958**	**2,28,784**	**21.9**	**2,81,859**	**(1.0)**
Automotive	1,89,227	1,55,902	21.4	1,76,094	7.5
Farm equipment	89,731	72,882	23.1	1,05,765	(15.2)
Segmental revenue	**22,571**	**17,124**	**31.8**	**21,654**	**4.2**
Automotive	16,400	12,072	35.9	14,797	10.8
Farm equipment	5,584	4,327	29.0	6,278	(11.0)
Segmental realisation (Rs/Unit)	**8,09,131**	**7,48,478**	**8.1**	**7,68,247**	**5.3**
Automotive	8,66,691	7,74,312	11.9	8,40,263	3.1
Farm equipment	6,22,340	5,93,735	4.8	5,93,549	4.9
Segmental EBIT	**2,161**	**1,399**	**54.5**	**2,077**	**4.0**
Automotive	1,190	675	76.4	990	20.3
Farm equipment	932	678	37.5	1,039	(10.4)
	Q4FY23	**Q4FY22**	**YoY (bps)**	**Q3FY23**	**QoQ (bps)**
Volume mix (%)					
Automotive	67.8	68.1	(30)	62.5	540
Farm equipment	32.2	31.9	30	37.5	(540)
Segmental EBIT Margin (%)	**9.6**	**8.2**	**140**	**9.6**	**-**
Automotive	7.3	5.6	170	6.7	60
Farm equipment	16.7	15.7	100	16.6	10

Source: Company; Sharekhan Research

Change in estimates Rs cr

	Earlier		New		% change	
	FY24E	**FY25E**	**FY24E**	**FY25E**	**FY24E**	**FY25E**
Revenue	94,293	1,08,751	93,215	1,03,874	-1.1%	-4.5%
EBITDA	12,046	13,982	11,838	13,649	-1.7%	-2.4%
EBITDA margin	12.8%	12.9%	12.7%	13.1%		
APAT	8,511	9,938	8,475	10,016	-0.4%	0.8%

Source: Company; Sharekhan Research

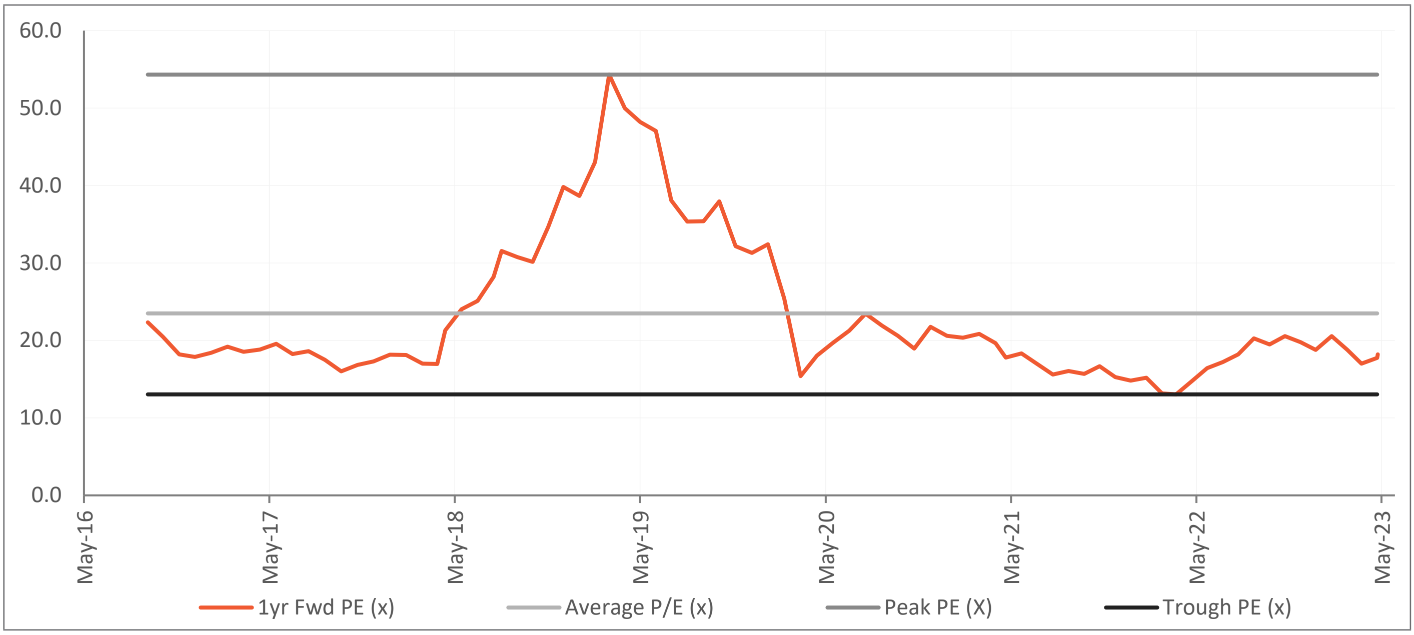
Outlook and Valuation

■ **Sector Outlook – Demand likely to pick up in automotive and farm equipment:** We expect tractor sales volumes to remain healthy over the next couple of years, aided by healthy rural cash flows. Growth might moderate in the medium term due to high base. We expect the rural economy to recover with a healthy rate on account of government's grounded initiatives for the agriculture and farming sector, higher grain prices in Mandis than MSPs, and healthy reservoir levels. Further, the PV segment is expected to register single-digit volume growth in FY2024 on account of robust volume performance in FY2024. However, we believe that the PV cycle is on a structural uptick phase. The shift in demand from the cars segment to SUVs would help OEMs to generate healthy operating performance. Along with that, the MHCV cycle would continue to follow the macro uptrend. Revival in the bus segment and rise in replacement demand would support the CV segment's growth.

■ **Company Outlook – Healthy traction continues:** We expect M&M to benefit from its leadership status in the tractor segment, strengthening position in the LCV segment, and regaining its market share in the highly competitive SUV segment. M&M is on track its growth roadmap in the EV segment. The company eyes 10x growth in its farm equipment business by FY2026E, while strengthening its SUV segment via new launches. M&M is timely addressing capacity constraints in the PV segment. Given the high exposure towards rural economy, M&M is expected to do well on recovery in rural areas. M&M generates 65% of its volumes from the rural segment. The company has been a market leader in the tractor segment. While growth in the tractor industry is expected to moderate due to high base, we believe M&M would grow ahead of the industry due to its market leadership position and deep penetration in the rural market. Besides its core tractor business, the company has been focussing on expansion of the farm machinery business. Currently, M&M is focussing on expanding its agri business in place of targeting a specific operating performance. The company has laid down a strong roadmap for its automotive segment by investing in technology and launching new products regularly to regain its market share in the segment. M&M's focus continues to drive bookings in key brands – Thar, XUV-300, Scorpio, and Bolero, despite long waiting periods.

■ **Valuation – Maintain Buy with an unchanged PT of Rs. 1,550:** Post reporting in line operating performance, M&M has guided for low single-digit growth in the tractor industry in FY2024 and has indicated that, excluding the supply chain constraints, it has largely achieved its targeted capacity in the PV segment. Further, the company is strategically focussing on achieving a leadership position in most of its operating segments and is aiming to grow its non-core business as per its potential. M&M is consistently improving its profitability, as this was the consecutive 5th quarter when the automotive segment as well as the FES segment reported sequential improvement in EBIT margin. Along with maintaining its leadership position in the tractor segment, the company aims to achieve 10x growth in the farm machinery segment by FY2026. Historically, M&M's operating performance has largely depended on the tractor segment; however, we believe the auto segment is expected to drive its operating performance in the coming years due to increasing volumes going ahead. We maintain our Buy rating with an SOTP-based PT of Rs. 1,550 (16.5xFY25 core EPS, Rs. 334 for listed subsidiaries and Rs. 209 for the EV arm) on consistent improvement in profitability, focus on disciplined capital allocation, and aim to achieve market leadership in its operating areas.

One-year forward P/E (x) band



Source: Sharekhan Research

About company

M&M is the flagship company of Mahindra Group. M&M's core business houses the automotive and tractor segments. M&M is the only automotive company that is virtually present across all segments. The company is the market leader in LCVs and is a leading UV and 3W player. M&M also manufactures medium and heavy commercial vehicles (MHCV) and is present in the 2W space through its investment in Jawa. Apart from being a strong player in the automotive space, M&M is the market leader in the tractor segment, having a market share of about 40%. Apart from the core business, M&M is also the promoter/holds controlling interest in companies that are engaged in diverse businesses under the Mahindra brand (IT services, NBFC, logistics, hospitality, real estate, and auto ancillary business).

Investment theme

M&M expects the tractor industry's growth to remain buoyant with strong farm sentiments on account of higher rainfall, expected increase in kharif output, and increased government spending. Higher ground water reservoir levels coupled with robust farmer cash flows mean tractor demand would remain decent even at a high base. Automotive volumes are also improving. With the success of new launches (Thar with strong bookings) and inventory filling (automotive inventory is lower than normal), automotive demand is expected to improve further. Going ahead, M&M's strategy revolves around tighter capital allocation, exit from loss-making subsidiaries, and focusing on the core UV business and emerging EV businesses. The company has started to take concrete steps to achieve and sustain 18% RoE from all its businesses, which makes a compelling case for re-rating of the stock. This would further substantially reduce losses in overseas subsidiaries and act as a key re-rating trigger for M&M. We maintain our Buy call on the stock.

Key Risks

- Uneven distribution of monsoons can affect our volume estimates for M&M's farm equipment segment.
- Unsuccessful or delayed launches may affect the company's growth prospects.

Additional Data

Key management personnel

Anand G. Mahindra	Chairman
Anish Shah	Managing Director and CEO
Rajesh Jejurikar	Executive Director (Auto and Farm Sectors)
Manoj Bhat	Group Chief Financial Officer

Source: Company Website

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Prudential MGMT & Services	11.38
2	M&M Benefit Trust	6.79
3	Life Insurance Corp of India	5.00
4	First State Investments ICVC	4.57
5	SBI Funds Management Ltd	3.78
6	M&M EMP STK OP Trust	3.65
7	First Sentier Investors LLC	3.31
8	BlackRock Inc	3.14
9	Vanguard Group Inc/The	2.89
10	JPMorgan Chase & Co	2.61

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

DISCLAIMER

This information/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 information/ document is subject to changes without prior notice.

Recommendation in reports based on technical and derivatives analysis is based on studying charts of a stock's price movement, trading volume, outstanding positions, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. However, this would only apply for information/document focused on technical and derivatives research and shall not apply to reports/documents/ information focused on fundamental research.

This information/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 information/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 recommendations/ reports that are inconsistent with and reach different conclusions from the information presented in this recommendations/report.

This information/recommendation/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 might have dealt or traded directly or indirectly in securities of the company and that all 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 either he or his relatives or Sharekhan associates might have direct or indirect financial interest or might 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. The analyst and SHAREKHAN encourages independence in research report/ material preparation and strives to minimize conflict in preparation of research report. The analyst and SHAREKHAN does not have any material conflict of interest or has not served as officer, director or employee or engaged in market making activity of the company. The analyst and SHAREKHAN has 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 Ltd 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.

Forward-looking statements (if any) are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not a guarantee of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. Sharekhan/its affiliates undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader/ investors are cautioned not to place undue reliance on forward-looking statements and use their independent judgement before taking any investment decision.

Investment in securities market are subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendatory. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com

---

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited, Research Analyst Regn No.: INH000006183. (CIN): - U99999MH1995PLC087498. Registered Office: The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA. Tel: 022-6115000.

Other registrations of 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.

Compliance Officer: Ms. Binkle Oza; Tel: 022-61169602; email id: complianceofficer@sharekhan.com

For any complaints/grievance, email us at igc@sharekhan.com or you may even call Customer Service desk on - 022- 41523200/022- 33054600