

Siemens

BSE SENSEX
75,838

S&P CNX
23,025


Bloomberg	SIEM IN
Equity Shares (m)	356
M.Cap.(INRb)/(USDb)	2109.5 / 24.4
52-Week Range (INR)	8130 / 4020
1, 6, 12 Rel. Per (%)	-11/-7/39
12M Avg Val (INR M)	2644
Free float (%)	25.0

Financials & Valuations (INR b)

Y/E SEPT	FY25E	FY26E	FY27E
Net Sales	257.6	300.5	351.2
EBITDA	36.0	44.4	53.5
PAT	29.3	36.5	44.4
EPS (INR)	82.2	102.6	124.7
GR. (%)	7.8	24.8	21.5
BV/Sh (INR)	492.0	567.8	660.0

Ratios

ROE (%)	17.8	19.4	20.3
RoCE (%)	18.1	19.6	20.5

Valuations

P/E (X)	72.0	57.7	47.5
P/BV (X)	12.0	10.4	9.0
EV/EBITDA (X)	54.9	44.0	35.9
Div Yield (%)	0.4	0.5	0.5

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	75.0	75.0	75.0
DII	6.9	7.0	7.6
FII	8.7	8.6	7.9
Others	9.4	9.4	9.4

FII Includes depository receipts

CMP: INR5,922 TP: INR7,500 (+27%) Buy

Near-term patchy on slow private capex!

Siemens (SIEM) in its FY24 annual report emphasized its strategy to capitalize on the opportunity potential that exists in India from diverse sectors and industries, spurred by favorable government policies, a relatively sanguine macroeconomic situation, and the ongoing global energy transition while also acknowledging the transient hiccups in select segments. Nevertheless, underscoring its intent to participate in India's long-term growth potential, SIEM in FY24 announced the expansion of its GIS, vacuum interrupter, power transformer, and metro train manufacturing facilities for a cumulative outlay of INR10b. We believe that a selective approach for HVDC projects and weak inflow for ex-Energy segments due to slower-than-expected pick up in private capex may weigh on the near-term performance of SIEM. However, company is well placed to capitalise on expected ramp up in government and private capex over medium to long term. We downgrade our earnings by 3%/4%/5% for FY25/26/27 and revise our valuation multiple downwards from 70x to 65x on two-year forward earnings to bake in a slower pickup in inflows vs. our earlier expectations. We reiterate our BUY rating on the stock with a revised TP of INR7,500 (vs. INR8,000 earlier).

Addressing opportunities across segments

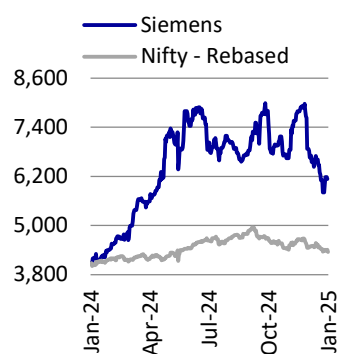
- **Energy** – This segment experienced a 30% growth in order inflows at INR88b, buoyed by major order wins to modernize and upgrade gas turbines, EPC substation construction projects, 220 & 400 kV GIS orders for marquee customers, and supply of power transformers. The proposed demerger of the Energy business is slated to be completed in CY25. Management continues to be optimistic on prospects for this segment, with a robust domestic and export opportunity pipeline converging with SIEM's wide range of offerings.
- **Smart Infra** – It witnessed healthy demand from grid infrastructure, EV charging, data centers, commercial buildings, steel, cement, oil & gas, et al. translating into order inflow/revenue growth of 12%/19%. The segment is poised to benefit from rapid growth in data centers, EV charging infra, commercial real estate, and industrial investments.
- **Digital Industries** – FY24 experienced a moderation in order inflow growth, owing to demand normalization of industrial automation products as supply chain snags eased, resulting in shorter delivery cycles. Going forward, growth will be driven by the newer-age verticals such as semiconductors, battery storage, electronics, etc. along with private capex.
- **Mobility** – Mobility segment recorded a 21% order inflow growth (excluding the 9000 HP order), backed by key orders broadly spread across rail and metro electrification, as locomotive orders were not tendered.

Teena Virmani - Research Analyst (Teena.Virmani@MotilalOswal.com)

Research Analyst: Harsh Tewaney (Harsh.Tewaney@MotilalOswal.com) | Prerit Jain (Prerit.Jain@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Stock Performance (1-year)**Narrowing the margin differential with Siemens AG**

SIEM has managed to improve the localization levels for key components required for STATCOM, HV AIS, circuit breakers, steam turbines and generator spares, gearboxes, traction motor components, and various components for the 9000 HP locomotive order. This resulted in lower dependence on the parent, as exemplified by the declining share of traded goods (refer to Exhibit 7), and also helped SIEM narrow the margin gap with its parent, as depicted in Exhibit 8. Sales made to related parties have been continuously declining as a % of overall sales, indicating lower dependence on the parent and fellow subsidiaries.

Expanding capacity to capture a burgeoning TAM

To harness the growth opportunities in India and export markets and make India a hub for the global Siemens network, SIEM has announced a capex worth ~INR10b in FY24. The capex will be required to expand its facilities in power transformers, metro trains, vacuum interrupters, and GIS over the next 2-3 years. Accordingly, SIEM has seen its capex outgo jump to INR4.5b in FY24 from INR2.5b in FY23.

Following a selective approach in VSC-HVDC tenders

SIEM has expressed its intent to only participate in VSC-based HVDC opportunities, refraining from LCC-based tenders, believing VSC to be the superior technology. In 2021, SIEM commissioned India's first HVDC project featuring VSC (voltage-sourced converter) technology, connecting Pugalur (Tamil Nadu) to Thrissur (Kerala). Another VSC-based project is currently being executed by Hitachi Energy (Adani Mumbai project). We expect this to limit the addressable market from HVDC projects for the company in the near to medium term.

Valuation and recommendation

The stock is currently trading at a P/E of 72x/58x/47x on FY25E/FY26E/FY27E. We cut our estimates by 3%/4%/5% for FY25/26/27 to factor in a slower pick-up in digital industries and mobility segment inflows. We do expect near-term order inflow pick-up to be weak for non-energy segments due to a slower-than-expected pick-up in private capex. With an anticipated revival in government capex and an increased focus on exports, we expect SIEM to benefit and emerge as a manufacturing hub for its parent company in the export market going forward. We reduce our valuation multiple to 65x from 70x on a two-year forward earnings basis to bake in a slower pick-up in inflows compared to our earlier expectations. **We reiterate our BUY rating on the stock with a revised TP of INR7,500 (vs. INR8,000 earlier).**

Key risks and concerns

1) Slowdown in order inflows from key government-focused segments such as transmission and railways; 2) aggression in bids to procure large-sized projects would adversely impact margins, and 3) related-party transactions with parent group entities at lower-than-market valuations.

HVDC pipeline shaping up well; SIEM to stick to VSC

Several domestic HVDC projects are on the anvil, as laid out in the revised National Electricity Plan (NEP). However, SIEM has expressed its intent to only participate in VSC-based HVDC opportunities, refraining from LCC-based tenders, believing VSC to be the superior technology. This leaves Hitachi Energy and GE Vernova T&D India in contention for LCC-based tenders.

Exhibit 1: HVDC projects envisaged in the revised NEP

Capacity	Project	Technology	Anticipated commissioning
6 GW	Bhadla-Fatehpur	LCC	2028-29
2.5 GW	Khavda-South Olepad	VSC	2028-29
5 GW	Leh-Kaithal	VSC	2029-30
6 GW	Bikaner-Begunia	LCC	2029-30
6 GW	Barmer-South Kalamb	LCC	2029-30
500 MW	India-Sri Lanka	VSC	2031-32
250 MW	Paradeep-Port Blair	VSC	2031-32

Source: Industry, MOFSL

Exhibit 2: Key projects completed or undertaken by Siemen's key competitor Hitachi Energy India over the years on HVDC and HVDC offerings

Location	Projects	Technology
Vindhyachal	❖ Commissioned HVDC transmission link for NTPC at Vindhyachal for connecting northern and western grids in 1989	LCC
NE-Agra	❖ Commissioned the world's first UHVDC link - 6000MW, 800kV DC link from NE to Agra in 2017	LCC
Raigarh-Pugalur	❖ Hitachi Energy India commissioned its sixth HVDC installation in India	LCC
Mumbai	❖ The company also secured another HVDC project from Adani Electricity Mumbai Infra, which links Kudus to Mumbai	VSC
Rihand-Dadri	❖ The company established remote operation of +/- 500 kV 1500 MW HVDC Rihand Dadri Bi-Pole Terminals from the National Transmission Asset Management Center, Manesar.	LCC
Chennai	❖ The company launched an advanced power system factory in Chennai, which will launch: 1) HVDC Light: based on Voltage Sourced Converter (VSC) technology, is designed to transmit power underground and underwater, as well as over long distances. 2) HVDC Classic: primarily used for grid interconnection and DC links in AC grid, overland or subsea, where conventional AC methods cannot be used.	VSC

Source: Company, MOFSL

Segmental order inflow breakup

The energy segment's order inflows have been on an upswing since FY21, recording a healthy growth of 30% in FY24. Smart Infra too has seen a ramp-up in ordering FY21 onwards, backed by the improving demand for digitization and automation products and solutions. For the Mobility segment, base ordering momentum has sustained with the continued thrust on electrification, metro railways, rolling stock, etc. FY24 saw some deferment of tenders, which is expected to fructify going ahead. Digital Industries saw a slowdown in the ordering of industrial automation products due to the normalization of demand following shorter delivery cycles but still managed to clock an 11% order inflow growth.

Exhibit 3: Segmental (reported) order inflow breakup (INR b)

Segment	2018	2019	2020	2021	2022	2023	2024
Energy	42.2	45.1	42.8	51.1	62.3	67.7	88.0
Smart Infrastructure	36.5	39.2	32.5	40.4	52.6	65.6	73.3
Digital Industries	24.0	26.5	19.8	30.0	45.9	30.4	33.6
Mobility	14.9	8.6	8.7	14.2	33.4	283.0	31.3
Others	9.8	13.0	10.9	9.1	2.2	17.2	9.5
Total	127.4	132.4	114.7	144.8	196.4	463.8	235.6

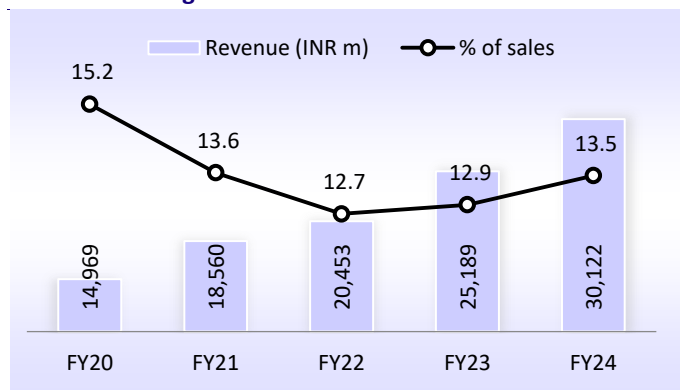
Source: Company, MOFSL

Related party dependence remains

Improving localization levels, backed by growing domestic demand, have aided SIEM in lowering its reliance on the parent as compared to FY20.

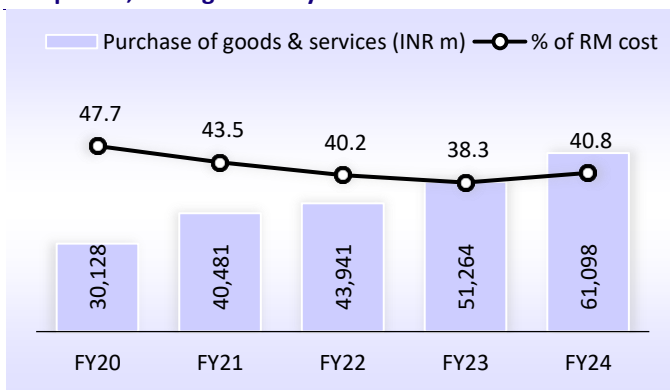
However, during FY24, the share of its sales to group entities had moved up and there is a slight uptick in procurement of goods and services from group companies.

Exhibit 4: Share of revenue booked from group entities has increased during FY24



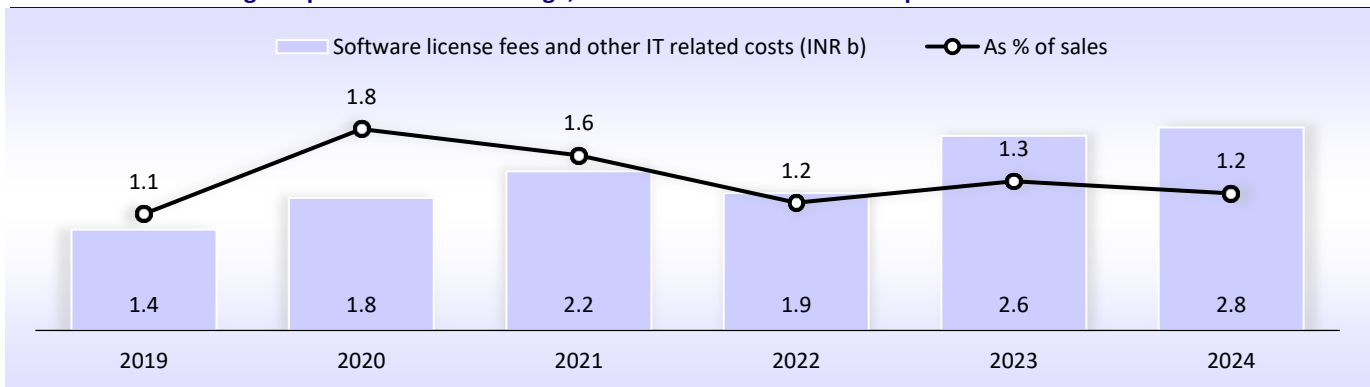
Source: Company, MOFSL

Exhibit 5: Slight uptick in procurement from group companies; still significantly lower than FY20 levels



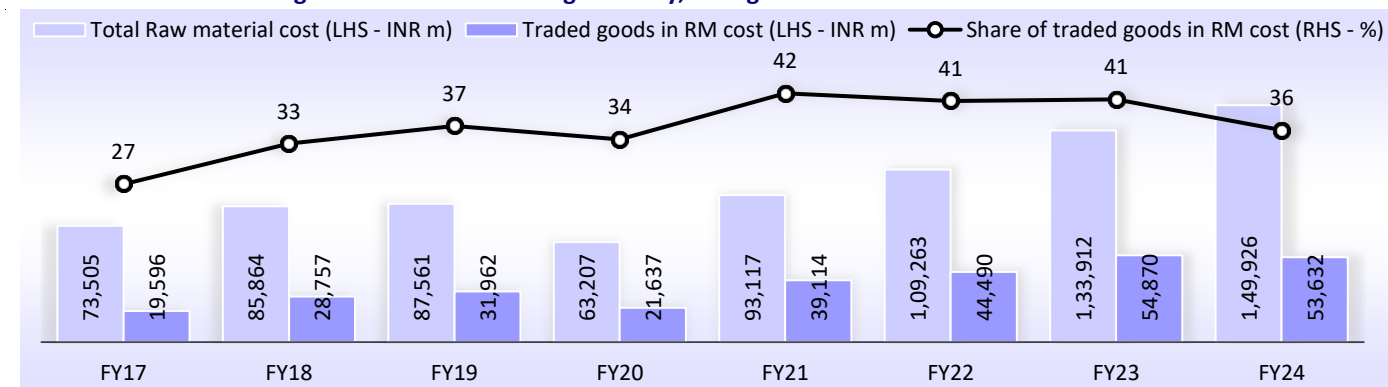
Source: Company, MOFSL

Exhibit 6: Annual outgo to parent in a stable range, much lower than other MNC peers



Source: Company, MOFSL

Exhibit 7: Share of traded goods has come down significantly, owing to SIEM's localization efforts



Source: Company, MOFSL

Exhibit 8: Margin differential between SIEM and Siemens AG is narrowing down, led by improved demand domestically. However, SIEM's margins are still lower than the global parent, unlike ABB India, which has surpassed its parent's margins

Digital Industries	2019	2020	2021	2022	2023	2024
Siemens AG (A)	17.9%	21.7%	20.3%	19.9%	23.4%	18.9%
Siemens Ltd (B)	6.1%	6.0%	7.7%	10.0%	15.7%	12.0%
Net margin difference (A-B)	11.8%	15.7%	12.6%	9.9%	7.7%	6.9%
Smart Infra						
Siemens AG (A)	10.0%	9.1%	11.5%	12.8%	15.4%	17.3%
Siemens Ltd (B)	9.5%	3.7%	5.4%	6.5%	10.5%	13.2%
Net margin difference (A-B)	0.5%	5.4%	6.1%	6.3%	4.9%	4.1%
Mobility						
Siemens AG (A)	11.0%	9.1%	9.2%	8.2%	8.4%	8.9%
Siemens Ltd (B)	10.1%	11.3%	12.1%	8.6%	5.4%	7.1%
Net margin difference (A-B)	0.9%	-2.2%	-2.9%	-0.4%	3.0%	1.8%

Source: Company, MOFSL

Exhibit 9: Localization efforts in FY24

Sr no	Component/product
1	❖ Localization initiated for Static Synchronous Compensator (STATCOMs) of various components – converter and valve cooling system.
2	❖ Localization of various components HV AIS Circuit Breaker - insulating disc, insulating nozzle, switching rod, no volt coil, SF6 density monitors/pressure transducers, and hardware.
3	❖ Localization of Steam turbine and Generator spares. Generator rotor manufacturing localization
4	❖ Localization of gearbox and traction motor components ongoing based on projects.
5	❖ Localization of power modules for Trainset and 9000hp loco projects ongoing.
6	❖ Localization of Axle counter ACM200/ACM250 completed
7	❖ Localization of End of Train and Head of Train Device components completed.

Source: Company, MOFSL

Exhibit 10: Technology absorption over the past two years

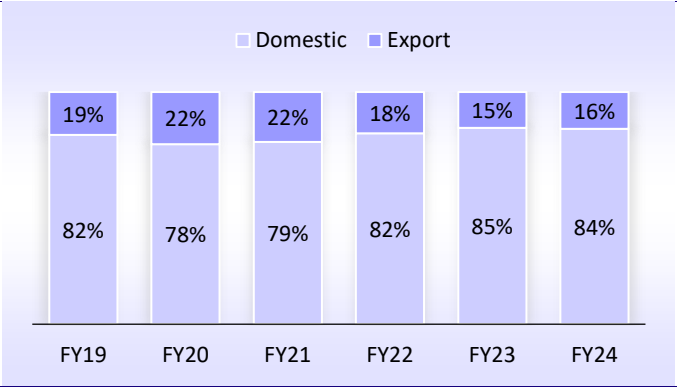
Details of technology	Year of import	Technology absorbed or not
FY23		
Contact Blade Assembly Automation (Includes Scara & 6-axis Robot)	2021	Yes
Test fixtures for XTRI products	2022	No
Train control management system	2022	No
Integration of 9000HP locomotive upgradation kit	2021	Yes
End of Train and Head of Train Device	2020	No
Point Machine S700 K and External Lock device	2020	No
Axle counters for Rail Automation	2019	No
Knowhow of the Vehicle Control Software for Locomotive Control System	2019	Yes
Integrated Traction Converter for E-Loco	2019	Yes
Resin Impregnated Synthetic Bushings (For Power Transformers and Reactors) up to 420kV	2021	No
Localization of 8DQ16 GIS Interrupter Unit	2022	Yes
Variable Shunt reactor	2019	No
Synthetic Ester Oil Transformer	2020	No
FY24		
Trainset: Auxiliary Converter, Traction Converter, Traction Motor, Gearbox	2023	No
Set up for Gearbox testing	2024	Yes
WAG10 9000HP: Traction Converter, Drive Unit	2023	No
Train control management system	2022	No

Source: Company, MOFSL

Capex outlay reaffirms the parent’s intent to make SIEM an export hub

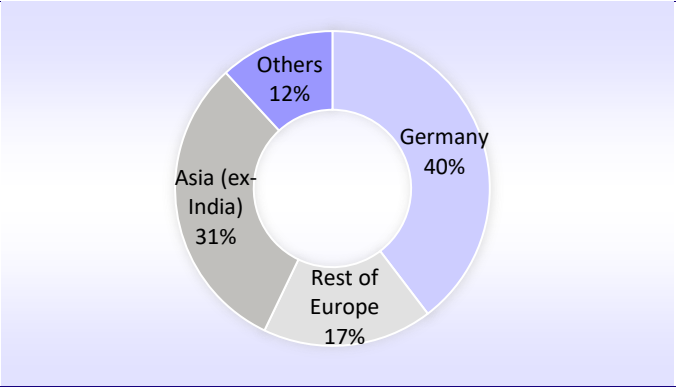
SIEM has seen a stable export trajectory, aided by its positioning in the global Siemens network. Increasingly, with the global shortage of equipment created by the thrust on expansion and upgradation of transmission networks, a portion of the capacity expansion of SIEM towards transformers, GIS, metro trains, and vacuum interrupters would be earmarked to cater to the growing export demand.

Exhibit 11: Share of export revenue broadly stable at 16%



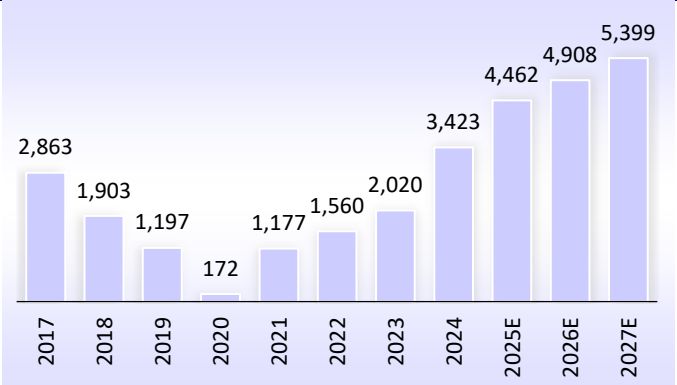
Source: Company, MOFSL

Exhibit 12: FY24 export revenue breakup



Source: Company, MOFSL

Exhibit 13: Capex on an upward trend since FY21 (INR m)



Source: Company, MOFSL

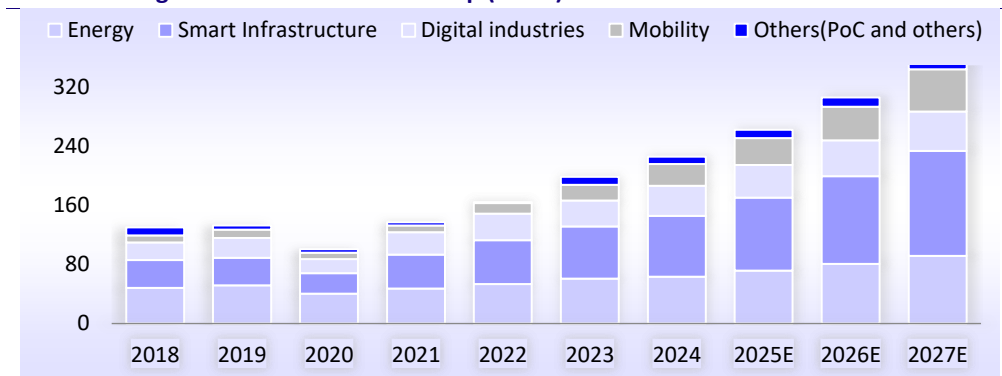
Exhibit 14: Capex outlay towards various products

Product	Location	Outlay (INR b)
Power transformers	Kalwa	4.6
Metro train	Aurangabad	1.9
Blue GIS	Goa	3.3
Vacuum interrupter	Goa	0.6

Source: Company, MOFSL

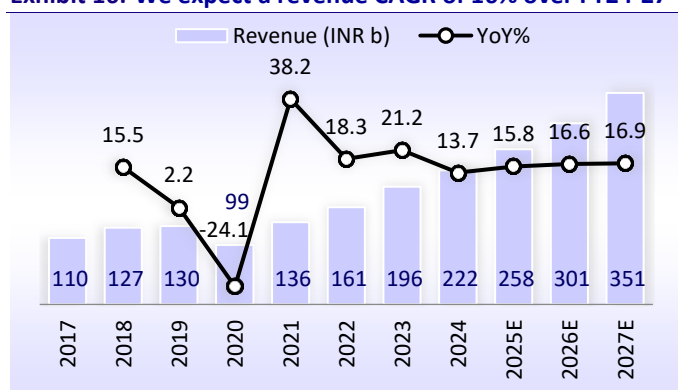
Financial outlook

Exhibit 15: Segment-wise revenue breakup (INR b)



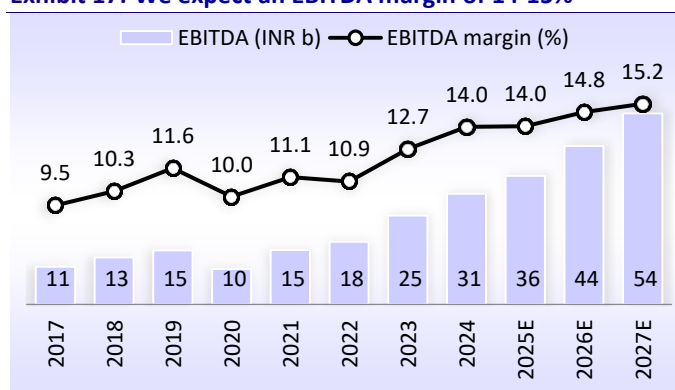
Source: Company, MOFSL

Exhibit 16: We expect a revenue CAGR of 16% over FY24-27



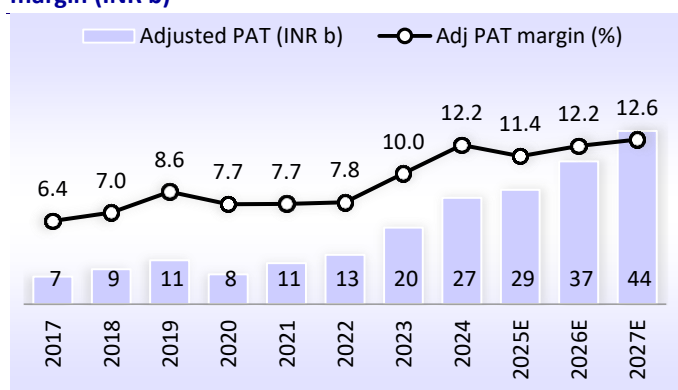
Source: Company, MOFSL

Exhibit 17: We expect an EBITDA margin of 14-15%



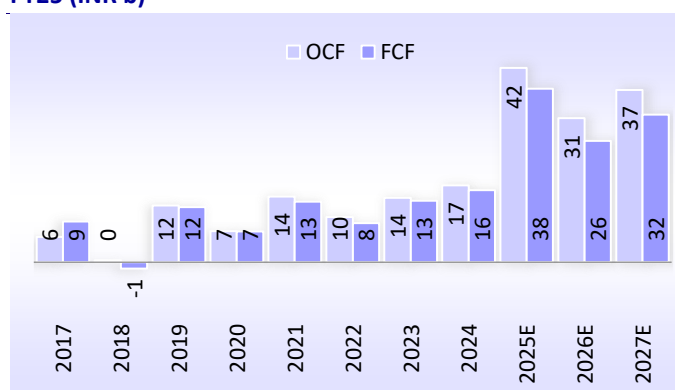
Source: Company, MOFSL

Exhibit 18: We expect PAT to reflect improvement in EBITDA margin (INR b)

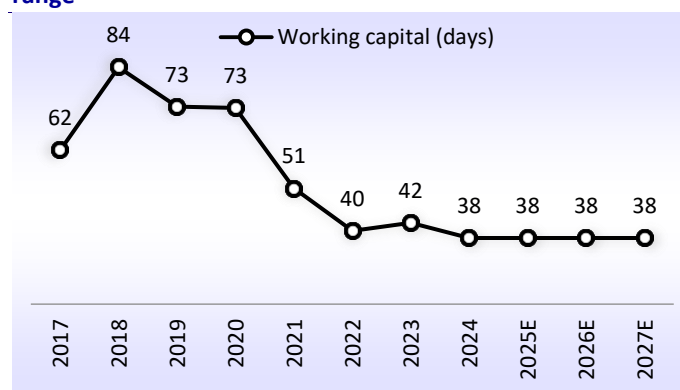


Source: Company, MOFSL

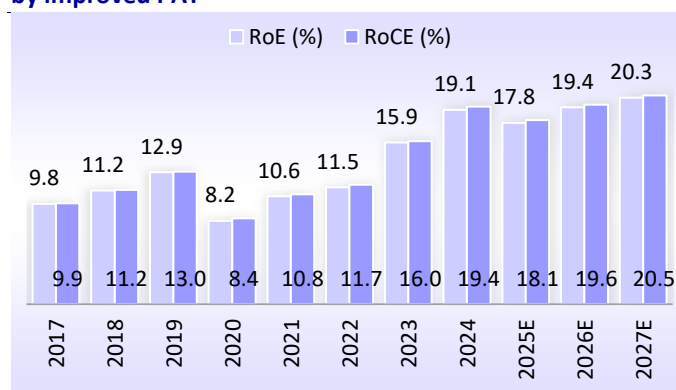
Exhibit 19: We expect OCF & FCF to start improving from FY25 (INR b)



Source: Company, MOFSL

Exhibit 20: We expect working capital days to be in a stable range

Source: Company, MOFSL

Exhibit 21: We expect RoE and RoCE improvement to be led by improved PAT

Source: Company, MOFSL

Exhibit 1: We cut our estimates to factor in slower than expected inflows in select segments

(INR M)	FY25E			FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	2,57,617	2,62,466	(1.8)	3,00,503	3,11,299	(3.5)	3,51,231	3,70,421	(5.2)
EBITDA	36,010	37,100	(2.9)	44,379	46,441	(4.4)	53,529	56,343	(5.0)
EBITDA (%)	14.0	14.1	-16 bps	14.8	14.9	-15 bps	15.2	15.2	3 bps
Adj. PAT	29,288	30,111	(2.7)	36,542	38,120	(4.1)	44,406	46,594	(4.7)
EPS (INR)	82.2	84.6	(2.7)	102.6	107.0	(4.1)	124.7	130.8	(4.7)

Source: MOFSL

Financials and valuations

Income Statement

(INR m)

Y/E September	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	1,36,392	1,61,378	1,95,538	2,22,397	2,57,617	3,00,503	3,51,231
Change (%)	38.2	18.3	21.2	13.7	15.8	16.6	16.9
Gross Profit	43,275	52,115	61,626	72,471	83,948	97,923	1,16,209
Total Expenditure	1,21,207	1,43,805	1,70,667	1,91,357	2,21,606	2,56,124	2,97,702
EBITDA	15,185	17,573	24,871	31,040	36,010	44,379	53,529
Margin (%)	11.1	10.9	12.7	14.0	14.0	14.8	15.2
Depreciation	3,005	3,171	3,208	3,296	3,461	3,672	3,926
EBIT	12,180	14,402	21,663	27,744	32,549	40,707	49,602
Int. and Finance Charges	246	363	228	605	605	605	605
Other Income	2,265	3,078	4,962	9,253	7,463	9,064	10,750
PBT bef. EO Exp.	14,199	17,117	26,397	36,392	39,407	49,166	59,747
PBT after EO Exp.	14,199	17,117	26,397	36,392	39,407	49,166	59,747
Total Tax	3,698	4,498	6,778	9,211	10,119	12,624	15,341
Tax Rate (%)	26.0	26.3	25.7	25.3	25.7	25.7	25.7
Reported PAT	10,501	12,619	19,619	27,181	29,288	36,542	44,406
Adjusted PAT	10,501	12,619	19,619	27,181	29,288	36,542	44,406
Change (%)	38.6	20.2	55.5	38.5	7.8	24.8	21.5
Margin (%)	7.7	7.8	10.0	12.2	11.4	12.2	12.6

Balance Sheet

(INR m)

Y/E September	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	712	712	712	712	712	712	712
Total Reserves	1,02,778	1,15,390	1,30,159	1,52,855	1,74,499	2,01,503	2,34,319
Net Worth	1,03,490	1,16,102	1,30,871	1,53,567	1,75,211	2,02,215	2,35,031
Minority Interest	81	76	86	94	94	94	94
Total Loans	25	0	0	0	0	0	0
Deferred Tax Liabilities	-473	-975	-1,627	-2,776	-2,776	-2,776	-2,776
Capital Employed	1,03,123	1,15,203	1,29,330	1,50,885	1,72,529	1,99,533	2,32,349
Gross Block	30,118	31,906	34,303	38,359	42,821	47,728	53,127
Less: Accum. Deprn.	10,774	13,945	17,153	20,449	23,910	27,582	31,508
Net Fixed Assets	19,344	17,961	17,150	17,910	18,910	20,146	21,618
Goodwill on Consolidation	11,732	12,354	12,576	12,576	12,576	12,576	12,576
Capital WIP	350	517	501	1,034	1,034	1,034	1,034
Total Investments	972	766	668	653	1,189	1,189	1,189
Curr. Assets, Loans&Adv.	1,46,705	1,68,323	1,83,567	2,18,044	2,73,761	3,22,613	3,81,076
Inventory	17,969	21,650	25,046	26,305	30,471	35,543	41,543
Account Receivables	51,061	56,544	59,211	75,319	87,247	1,01,771	1,18,951
Cash and Bank Balance	51,591	65,841	76,507	95,679	1,32,017	1,57,274	1,87,825
Loans and Advances	8,185	7,113	7,288	4,618	5,349	6,240	7,293
Other Current Assets	17,899	17,175	15,515	16,123	18,676	21,785	25,463
Curr. Liability & Prov.	75,980	84,912	84,622	99,332	1,34,941	1,58,025	1,85,144
Other Current Liabilities	62,899	75,013	67,394	80,648	93,420	1,08,972	1,27,367
Provisions	13,081	9,899	17,228	18,684	41,521	49,053	57,777
Net Current Assets	70,725	83,411	98,945	1,18,712	1,38,820	1,64,588	1,95,932
Misc Expenditure	0	194	-510	0	0	0	0
Appl. of Funds	1,03,123	1,15,203	1,29,330	1,50,885	1,72,529	1,99,533	2,32,349

Financials and valuations

Ratios	(INR m)						
Y/E September	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)							
EPS	29.5	35.4	55.1	76.3	82.2	102.6	124.7
Cash EPS	37.9	44.3	64.1	85.6	92.0	112.9	135.7
BV/Share	290.6	326.0	367.5	431.2	492.0	567.8	660.0
DPS	8.0	10.0	10.0	12.0	21.5	26.8	32.6
Payout (%)	32.7	28.2	18.2	15.7	26.1	26.1	26.1
Valuation (x)							
P/E	200.8	167.1	107.5	77.6	72.0	57.7	47.5
Cash P/E	156.2	133.6	92.4	69.2	64.4	52.4	43.6
P/BV	20.4	18.2	16.1	13.7	12.0	10.4	9.0
EV/Sales	15.1	12.7	10.4	9.0	7.7	6.5	5.5
EV/EBITDA	135.4	116.2	81.7	64.8	54.9	44.0	35.9
Dividend Yield (%)	0.1	0.2	0.2	0.2	0.4	0.5	0.5
Return Ratios (%)							
RoE	10.6	11.5	15.9	19.1	17.8	19.4	20.3
RoCE	10.8	11.7	16.0	19.4	18.1	19.6	20.5
RoIC	21.1	21.6	32.3	39.4	52.7	77.3	89.5
Working Capital Ratios							
Asset Turnover (x)	1.3	1.4	1.5	1.5	1.5	1.5	1.5
Inventory (Days)	48	49	47	43	43	43	43
Debtor (Days)	137	128	111	124	124	124	124
Leverage Ratio (x)							
Current Ratio	1.9	2.0	2.2	2.2	2.0	2.0	2.1
Interest Cover Ratio	49.5	39.7	95.0	45.9	53.8	67.3	82.0
Net Debt/Equity	-0.5	-0.6	-0.6	-0.6	-0.8	-0.8	-0.8

Cash Flow Statement	(INR m)						
Y/E September	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	15,058	20,817	26,397	36,392	39,407	49,166	59,747
Depreciation	3,005	3,171	3,208	3,296	3,461	3,672	3,926
Interest & Finance Charges	246	363	228	605	605	605	605
Direct Taxes Paid	-3,735	-5,215	-8,033	-8,314	-10,119	-12,624	-15,341
(Inc)/Dec in WC	2,339	-3,619	-5,143	-6,706	16,230	-512	-792
CF from Operations	16,913	15,517	16,657	25,273	49,585	40,306	48,145
Others	-2,692	-5,732	-2,657	-8,578	-7,463	-9,064	-10,750
CF from Operating incl EO	14,221	9,785	14,000	16,695	42,122	31,243	37,395
(Inc)/Dec in FA	-1,074	-1,313	-664	-1,022	-4,462	-4,908	-5,399
Free Cash Flow	13,147	8,472	13,336	15,673	37,660	26,335	31,997
(Pur)/Sale of Investments	-13,623	4,419	-2,159	6	-536	0	0
Others	-9,196	-3,459	-4,765	-4,036	7,463	9,064	10,750
CF from Investments	-23,893	-353	-7,588	-5,052	2,466	4,156	5,351
Inc/(Dec) in Debt	-2,385	-825	-893	-1,017	0	0	0
Interest Paid	-140	-248	-45	-148	-605	-605	-605
Dividend Paid	-2,493	-2,849	-3,561	-3,568	-7,644	-9,537	-11,590
CF from Fin. Activity	-5,018	-3,922	-4,499	-4,733	-8,249	-10,142	-12,195
Inc/Dec of Cash	-14,690	5,510	1,913	6,910	36,338	25,256	30,551
Opening Balance	55,517	51,591	65,841	76,507	95,679	1,32,017	1,57,274
Closing Balance	51,591	65,841	76,507	95,679	1,32,017	1,57,274	1,87,825

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement

Dixon Technologies

Analyst ownership of the stock

No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and

services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. 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. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.