

May 15, 2025

## Q4FY25 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	618		629	
Sales (Rs. m)	50,397	65,655	58,596	77,743
% Chng.	(14.0)	(15.5)		
EBITDA (Rs. m)	4,049	5,393	4,138	5,491
% Chng.	(2.2)	(1.8)		
EPS (Rs.)	11.8	15.4	11.2	15.7
% Chng.	5.2	(1.7)		

### Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	31,541	37,867	50,397	65,655
EBITDA (Rs. m)	2,023	3,233	4,049	5,393
Margin (%)	6.4	8.5	8.0	8.2
PAT (Rs. m)	1,073	1,699	2,100	2,750
EPS (Rs.)	6.0	9.5	11.8	15.4
Gr. (%)	(10.4)	57.7	23.6	31.0
DPS (Rs.)	1.5	1.5	1.5	1.5
Yield (%)	0.3	0.3	0.3	0.3
RoE (%)	6.8	10.1	11.4	13.4
RoCE (%)	10.2	13.0	14.1	15.6
EV/Sales (x)	3.1	2.5	2.0	1.6
EV/EBITDA (x)	48.4	29.8	24.7	19.2
PE (x)	87.0	55.1	44.6	34.1
P/BV (x)	5.8	5.4	4.8	4.3

### Key Data

SYRM.BO | SYRMA IN

52-W High / Low	Rs.647 / Rs.355
Sensex / Nifty	81,331 / 24,667
Market Cap	Rs.94bn/ \$ 1,099m
Shares Outstanding	178m
3M Avg. Daily Value	Rs.561.35m

### Shareholding Pattern (%)

Promoter's	46.58
Foreign	8.49
Domestic Institution	7.46
Public & Others	37.47
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	9.6	(4.0)	32.0
Relative	1.3	(8.4)	18.7

### Praveen Sahay

praveensahay@plindia.com | 91-22-66322369

### Rahul Shah

rahulshah@plindia.com | 91-22-66322534

## Prioritizing high-margin segments over growth

*Syrma SGS Technology (SYRMA) has reported robust earnings growth of ~80% YoY. This performance was driven by a healthy ~510bps YoY expansion in EBITDA margin to 11.6%, attributed to a favourable segment mix (with consumer contribution reducing to 21% revenue) and improved operating efficiency. SYRMA's Q4FY25 revenue decline by 18.5% YoY, due to major decline in consumer/healthcare segment ~64%/20% YoY. The company plans to focus more on high margin products aiming to reduce the consumer segment's contribution from 35-36% in FY25 to 30% in FY26. Company order book stood at Rs 52-54bn in Q4FY25, majorly driven from industrial and consumer segment. SYRMA has guided revenue growth of 30-35% with EBITDA margin of 8% for FY26, revenue will be mainly driven by auto/industrial segment. The company plans to partner with credible technology players under the Electronic Components Manufacturing Scheme (ECMS). Company received PLI benefit of Rs80mn in Q4FY25 and Rs360mn in FY25. We have revised our FY26 EPS estimates upward by 5.2%, with improvement in margin mainly with segment mix change, while downward revise our earnings estimates for FY27, with reduction in revenue growth. We estimate FY25-27E revenue/EBITDA/PAT CAGR of 31.7%/29.2%/27.2%, with EBITDA margin contraction of ~30bps. Maintain "BUY."*

**Revenues declined by 18.5%, Adj. PAT grew by 80.3%:** Sales declined by 18.5% YoY to Rs 9.2bn (PLe: Rs 14.8bn). Auto/Industrials segment grew by 18.6/44.1% YoY, whereas Consumer/Healthcare/IT & Railway segment declined by 63.7%/20.3%/5.7% in Q4FY25. EBITDA grew by ~45.9% YoY to Rs 1.1bn (PLe: Rs 1.1bn). EBITDA margins expanded by ~510bps to 11.6% (PLe: 7.6%). PBT grew by 52.6% YoY to Rs 934mn (PLe: Rs 840mn). PAT grew by 80.3% YoY to Rs 654mn (PLe: Rs 622mn).

**Con call highlights:** **1)** Mgmt has guided for 30-35% revenue growth in FY26, driven primarily by the industrial and automotive segments, with a margin of 8%. **2)** The consumer segment contributed ~36% to the topline in FY25, but the company expects this to reduce to 30% in FY26 as it shifts focus towards higher-margin segments. **3)** In FY26 Auto/Industrial/Consumer/Healthcare & IT segments is expected to contribute 25%/30%/30%/15% to the topline. **4)** The company added 20-25 new customers in Q4 FY25, primarily in the automotive and industrial segments, aligning with its strategic focus. In the industrial segment, domestic growth will be driven by energy, while globally, power electronics, large format box builds (including EV charging and power supplies), and smart metering are expected to be key growth drivers. The automotive segment will benefit from increasing demand in EV. **5)** The company has a order book of Rs 52-54bn in Q4FY25, auto/consumer/industrial/IT & railways segments contribute 25-27%/30%/28-30%/13-15%. **6)** The export business faced challenges due to tariff uncertainties and a subdued EU environment. However, for FY26 company expects to reach Rs 10bn. **7)** RFID contributed 7.5-8% to the consumer segment in FY25, with the company targeting to reach 10% in FY26. **8)** The company received PLI benefit of Rs 80mn/Rs 350-360mn for Q4FY25/FY25 and expects Rs 150-180mn for FY26. **9)** The company aims to reduce working capital days from

69 to 60 in FY26. **10)** The company invested Rs 1800mn in CapEx in FY25, primarily for greenfield expansion at the Pune facility and brownfield expansion at Bawal and Chennai, driven by new customer onboarding and related equipment installations, with an asset turnover ratio of 5.5x. **11)** The QIP is a revalidation to secure funding for potential acquisitions, component manufacturing under the government scheme, and general working capital, currently there is no fixed allocation yet. **12)** The company is evaluating component manufacturing under ECMS, including electromechanical parts, camera modules, PCBA, and connectors, with planned Capex of Rs 3-10bn, depending on scale and partnerships.

**Exhibit 1: Q4FY25 result overview: Sales decline 18.5% YoY, PAT grew by 80.3% YoY.**

Y/e March (Rs mn)	Q4FY25	Q4FY24	YoY gr. (%)	Q3FY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
<b>Net Sales</b>	<b>9,244</b>	<b>11,341</b>	<b>-18.5</b>	<b>8,697</b>	<b>6.3</b>	<b>37,867</b>	<b>31,541</b>	<b>20.1</b>
<b>Expenditure</b>								
Operating & Manufacturing Expenses	6,731	9,393	-28.3	6,430	4.7	29,315	25,071	16.9
% of Net Sales	72.8	82.8		73.9		77.4	79.5	
<b>Gross Profit</b>	<b>2,512</b>	<b>1,948</b>	<b>29.0</b>	<b>2,267</b>	<b>10.8</b>	<b>8,552</b>	<b>6,470</b>	<b>32.2</b>
% of Net Sales	27.2	17.2	10.00	26.1		22.6	20.5	
Personnel Cost	522	403	29.3	465	12.3	1,910	1,446	32.1
% of Net Sales	5.6	3.6		5.3		5.0	4.6	
Other Expenses	916	808	13.4	1,006	-9.0	3,409	3,001	13.6
% of Net Sales	9.9	7.1		11.6		9.0	9.5	
Total Expenditure	8,169	10,604	-23.0	7,901	3.4	34,634	29,519	17.3
<b>EBITDA</b>	<b>1,075</b>	<b>737</b>	<b>45.9</b>	<b>796</b>	<b>35.1</b>	<b>3,233</b>	<b>2,023</b>	<b>59.9</b>
Margin (%)	11.6	6.5	5.13	9.1		8.5	6.4	
Other income	223	156	42.4	218	2.3	494	583	(15.3)
Depreciation	208	158	31.0	202	2.6	751	515	45.8
<b>EBIT</b>	<b>867</b>	<b>578</b>	<b>50.0</b>	<b>593</b>	<b>46.2</b>	<b>2,482</b>	<b>1,508</b>	<b>64.7</b>
Interest	156	123	27.4	154	1.4	585	413	41.5
<b>PBT</b>	<b>934</b>	<b>612</b>	<b>52.6</b>	<b>657</b>	<b>42.2</b>	<b>2,371</b>	<b>1,664</b>	<b>42.4</b>
Total Taxes	219	160	37.2	105	108.2	526	421	25.0
ETR (%)	23.5	26.1		16.0		22.2	25.3	
Adj. PAT	654	349	87.2	380	72.2	1,699	1,073	58.3
Exceptional Items	-	14		-21		-	-	
<b>Reported PAT</b>	<b>654</b>	<b>363</b>	<b>80.3</b>	<b>488</b>	<b>34.1</b>	<b>1,699</b>	<b>1,073</b>	<b>58.3</b>

Source: Company, PL

**Exhibit 2: Segmental breakup: Auto/Industrial grew by ~19%/44% YoY.**

Y/e March (Rs mn)	Q4FY25	Q4FY24	YoY gr. (%)	Q3FY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
<b>Revenues</b>								
Auto	2,146	1809	18.6	2081	3.1	8,213	6495	26.5
Consumer	1,897	5,220	(63.7)	2,704	(29.8)	13,491	12,608	7.0
Healthcare	929	1,166	(20.3)	734	26.6	2,912	2,528	15.2
Industrials	3,775	2,619	44.1	2,674	41.2	10,758	8,333	29.1
IT and Railways	496	526	(5.7)	500	(0.8)	2,493	1,574	58.4
Total	9,243	11,340	(18.5)	8,693	6.3	37,867	31,538	20.1

Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Net Revenues</b>	<b>31,541</b>	<b>37,867</b>	<b>50,397</b>	<b>65,655</b>
YoY gr. (%)	54.0	20.1	33.1	30.3
Cost of Goods Sold	25,071	29,315	39,543	51,515
Gross Profit	6,470	8,552	10,854	14,140
Margin (%)	20.5	22.6	21.5	21.5
Employee Cost	1,446	1,910	2,268	2,836
Other Expenses	3,001	3,409	4,537	5,910
<b>EBITDA</b>	<b>2,023</b>	<b>3,233</b>	<b>4,049</b>	<b>5,393</b>
YoY gr. (%)	7.7	59.9	25.2	33.2
Margin (%)	6.4	8.5	8.0	8.2
Depreciation and Amortization	515	751	919	1,179
<b>EBIT</b>	<b>1,508</b>	<b>2,482</b>	<b>3,131</b>	<b>4,214</b>
Margin (%)	4.8	6.6	6.2	6.4
Net Interest	413	585	608	781
Other Income	583	494	519	560
<b>Profit Before Tax</b>	<b>1,664</b>	<b>2,371</b>	<b>3,041</b>	<b>3,993</b>
Margin (%)	5.3	6.3	6.0	6.1
Total Tax	421	526	766	1,005
Effective tax rate (%)	25.3	22.2	25.2	25.2
<b>Profit after tax</b>	<b>1,243</b>	<b>1,845</b>	<b>2,276</b>	<b>2,988</b>
Minority interest	170	146	176	238
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>1,073</b>	<b>1,699</b>	<b>2,100</b>	<b>2,750</b>
YoY gr. (%)	(10.1)	58.3	23.6	31.0
Margin (%)	3.4	4.5	4.2	4.2
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>1,073</b>	<b>1,699</b>	<b>2,100</b>	<b>2,750</b>
YoY gr. (%)	(10.1)	58.3	23.6	31.0
Margin (%)	3.4	4.5	4.2	4.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,073	1,699	2,100	2,750
<b>Equity Shares O/s (m)</b>	<b>177</b>	<b>178</b>	<b>178</b>	<b>178</b>
<b>EPS (Rs)</b>	<b>6.0</b>	<b>9.5</b>	<b>11.8</b>	<b>15.4</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>9,006</b>	<b>10,446</b>	<b>15,348</b>	<b>20,202</b>
Tangibles	8,726	10,066	14,873	19,609
Intangibles	280	380	474	593
<b>Acc: Dep / Amortization</b>	<b>1,473</b>	<b>2,223</b>	<b>3,142</b>	<b>4,321</b>
Tangibles	1,360	2,036	2,858	3,931
Intangibles	113	187	283	390
<b>Net fixed assets</b>	<b>7,533</b>	<b>8,222</b>	<b>12,206</b>	<b>15,882</b>
Tangibles	7,366	8,030	12,015	15,679
Intangibles	167	192	191	203
Capital Work In Progress	168	656	665	676
Goodwill	3,221	3,221	3,221	3,221
Non-Current Investments	2,987	291	191	191
Net Deferred tax assets	(164)	(117)	(117)	(117)
Other Non-Current Assets	211	226	230	230
<b>Current Assets</b>				
Investments	355	514	514	514
Inventories	10,043	8,219	10,938	14,250
Trade receivables	9,301	14,775	18,640	23,924
Cash & Bank Balance	866	2,958	1,757	904
Other Current Assets	1,846	1,960	3,025	3,815
<b>Total Assets</b>	<b>36,894</b>	<b>42,047</b>	<b>52,392</b>	<b>64,612</b>
<b>Equity</b>				
Equity Share Capital	1,774	1,780	1,780	1,780
Other Equity	14,352	15,719	17,554	20,037
<b>Total Networkth</b>	<b>16,126</b>	<b>17,500</b>	<b>19,334</b>	<b>21,817</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	645	619	619	619
Provisions	132	152	207	259
Other non current liabilities	39	67	90	117
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	5,188	5,579	8,193	10,551
Trade payables	12,231	15,744	20,953	27,297
Other current liabilities	1,029	812	1,098	1,427
<b>Total Equity &amp; Liabilities</b>	<b>36,894</b>	<b>42,047</b>	<b>52,392</b>	<b>64,612</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	1,664	2,371	3,041	3,993
Add. Depreciation	515	751	919	1,179
Add. Interest	413	585	608	781
Less Financial Other Income	583	494	519	560
Add. Other	(337)	(401)	(445)	(481)
Op. profit before WC changes	2,256	3,306	4,123	5,472
Net Changes-WC	(2,807)	(934)	(2,154)	(2,712)
Direct tax	(540)	(607)	(766)	(1,005)
<b>Net cash from Op. activities</b>	<b>(1,091)</b>	<b>1,765</b>	<b>1,203</b>	<b>1,755</b>
Capital expenditures	(5,677)	(2,452)	(4,911)	(4,866)
Interest / Dividend Income	361	169	519	560
Others	5,033	1,231	1,100	800
<b>Net Cash from Inv. activities</b>	<b>(283)</b>	<b>(1,052)</b>	<b>(3,293)</b>	<b>(3,506)</b>
Issue of share cap. / premium	(88)	(125)	-	-
Debt changes	2,288	330	2,762	2,746
Dividend paid	(265)	(266)	(267)	(267)
Interest paid	(362)	(513)	(608)	(781)
Others	(70)	-	-	-
<b>Net cash from Fin. activities</b>	<b>1,503</b>	<b>(574)</b>	<b>1,887</b>	<b>1,698</b>
<b>Net change in cash</b>	<b>128</b>	<b>139</b>	<b>(203)</b>	<b>(53)</b>
Free Cash Flow	(4,468)	(687)	(3,708)	(3,111)

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Per Share(Rs)</b>				
EPS	6.0	9.5	11.8	15.4
CEPS	9.0	13.8	17.0	22.1
BVPS	90.9	98.3	108.6	122.5
FCF	(25.2)	(3.9)	(20.8)	(17.5)
DPS	1.5	1.5	1.5	1.5
<b>Return Ratio(%)</b>				
RoCE	10.2	13.0	14.1	15.6
ROIC	5.9	10.0	9.9	10.8
RoE	6.8	10.1	11.4	13.4
<b>Balance Sheet</b>				
Net Debt : Equity (x)	0.3	0.2	0.3	0.4
Net Working Capital (Days)	82	70	62	60
<b>Valuation(x)</b>				
PER	87.0	55.1	44.6	34.1
P/B	5.8	5.4	4.8	4.3
P/CEPS	58.8	38.2	31.0	23.8
EV/EBITDA	48.4	29.8	24.7	19.2
EV/Sales	3.1	2.5	2.0	1.6
Dividend Yield (%)	0.3	0.3	0.3	0.3

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
<b>Net Revenue</b>	<b>11,599</b>	<b>8,327</b>	<b>8,697</b>	<b>9,244</b>
YoY gr. (%)	92.9	17.0	23.1	(18.5)
Raw Material Expenses	9,859	6,294	6,430	6,731
Gross Profit	1,740	2,033	2,267	2,512
Margin (%)	15.0	24.4	26.1	27.2
<b>EBITDA</b>	<b>446</b>	<b>710</b>	<b>796</b>	<b>1,075</b>
YoY gr. (%)	20.7	44.8	101.7	45.9
Margin (%)	3.8	8.5	9.1	11.6
Depreciation / Depletion	174	167	202	208
<b>EBIT</b>	<b>272</b>	<b>542</b>	<b>593</b>	<b>867</b>
Margin (%)	2.3	6.5	6.8	9.4
Net Interest	130	136	154	156
Other Income	153	100	218	223
<b>Profit before Tax</b>	<b>295</b>	<b>507</b>	<b>657</b>	<b>934</b>
Margin (%)	2.5	6.1	7.6	10.1
Total Tax	91	110	105	219
Effective tax rate (%)	31.0	21.8	16.0	23.5
<b>Profit after Tax</b>	<b>203</b>	<b>396</b>	<b>551</b>	<b>715</b>
Minority interest	-	-	42	60
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>203</b>	<b>396</b>	<b>380</b>	<b>654</b>
YoY gr. (%)	(28.7)	33.5	87.3	87.2
Margin (%)	1.8	4.8	4.4	7.1
Extra Ord. Income / (Exp)	-	-	108	-
<b>Reported PAT</b>	<b>203</b>	<b>396</b>	<b>488</b>	<b>654</b>
YoY gr. (%)	(28.7)	27.7	140.6	80.3
Margin (%)	1.8	4.8	5.6	7.1
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>203</b>	<b>396</b>	<b>488</b>	<b>654</b>
Avg. Shares O/s (m)	178	178	178	178
<b>EPS (Rs)</b>	<b>1.1</b>	<b>2.2</b>	<b>2.1</b>	<b>3.7</b>

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	04-Apr-25	BUY	629	469
2	29-Jan-25	BUY	629	505
3	09-Jan-25	Hold	629	610
4	09-Dec-24	BUY	629	556

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Astral Ltd.	BUY	1,532	1,288
2	Avalon Technologies	Accumulate	927	879
3	Bajaj Electricals	Hold	641	610
4	Cello World	BUY	770	545
5	Century Plyboard (I)	BUY	806	668
6	Cera Sanitaryware	BUY	7,319	5,832
7	Crompton Greaves Consumer Electricals	BUY	440	339
8	Cyient DLM	Accumulate	546	494
9	Finolex Industries	Accumulate	202	176
10	Greenpanel Industries	BUY	330	233
11	Havells India	Hold	1,717	1,665
12	Kajaria Ceramics	Accumulate	878	800
13	Kaynes Technology India	Accumulate	5,528	4,956
14	KEI Industries	BUY	4,278	3,295
15	Polycab India	BUY	7,152	5,880
16	R R Kabel	BUY	1,292	1,024
17	Supreme Industries	Accumulate	3,803	3,512
18	Syrma SGS Technology	BUY	629	469
19	Voltas	BUY	1,516	1,223

**PL's Recommendation Nomenclature (Absolute Performance)**

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Praveen Sahay- MBA Finance, Mr. Rahul Shah- MBA Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### **(US Clients)**

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

## **DISCLAIMER**

### **Indian Clients**

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

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

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Praveen Sahay- MBA Finance, Mr. Rahul Shah- MBA Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

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

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) 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 subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 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 by Prabhudas Lilladher Pvt. Ltd. only 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, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

**Prabhudas Lilladher Pvt. Ltd.**

**3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209**

**[www.plindia.com](http://www.plindia.com)**