

Polycab India Ltd.

20th Oct 2022

Strong show with improved profitability

In Q2 FY23, Polycab India Ltd. (PIL), registered decent growth on a high base, along with strong improvement in margins. The Company clocked a 10% revenue growth on a YoY basis, led by Cable & Wire (C&W) segment. Performance from the Fast Moving Electrical Goods (FMEG) segment was lacklustre owing to a weak demand environment and reorganization of the distribution channel in the segment. There was a significant improvement in working capital days, which came down from 63 in Q1 FY23 to 44 days in Q2 FY23. We believe that PIL's strong performance on growth and margins will continue in H2 FY23 and FY24E. We maintain BUY on PIL with a target price of Rs. 3,063, valuing it at 34x FY24E earnings.

Strong exports and raw material price softening led to growth in the C&W segment with margin expansion

In Q2 FY23, the C&W segment saw a margin expansion of 300 bps on a Y-o-Y basis. This was mainly due to the jump in export contribution and softening of raw material prices. Exports were led by strong demand from the USA, Europe, Australia, and some traction from Africa. The Company intends to set up a global distribution network and replicate its domestic success in the global market. Segment capacity utilization stood at 65%-70% in Q2 FY23.

Improvement in working capital position

PIL's constant efforts have resulted in reduced working capital days from 63 days in Q1 FY23 to 44 days in Q2 FY23. This was mainly due to better inventory management and constant efforts to increase channel financing. Also, payable days have reverted to their average level, which dropped abruptly in Q1 FY23 as the Company relied on domestic suppliers for raw material procurement due to supply challenges.

Lacklustre performance from FMEG likely to continue this year

FMEG segment de-grew by 12% on a Y-o-Y basis, mainly due to a subdued demand environment and ongoing realignment of the distribution setup. The Company believes that it can not reach the desired scale of Rs. 20 Bn revenue under project LEAP with the same distributors with whom they reached Rs. 12 Bn. Thus, PIL is remodeling its distributor base. During the quarter, FMEG margins were also subdued due to higher organizational costs. The segment has not seen a contraction in margin contribution. Margin can be expected to normalize from FY24E, and the goal under Project LEAP is to reach 10% operating margins by FY26E. Progress of this segment will be a key monitorable going forward.

View & Valuation

We believe that the C&W division of PIL will continue its decent performance in H2 FY23 and FY24E on the back of superior domestic and export demand with steady margins. Improved working capital which was seen in this quarter, is also expected to remain steady over the mid to long-term. Based on the above expectations and normalized performance from the FMEG segment, we maintain our view on PIL with a BUY rating and a target price of Rs. 3,063 (34x FY24E earnings).

BUY

CMP Rs. 2,648

TARGET Rs. 3,063 (+16%)

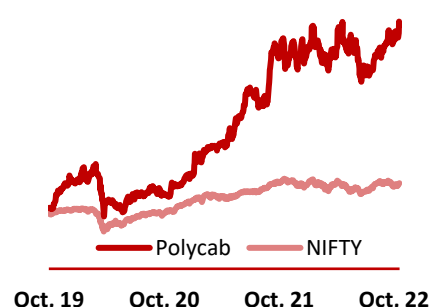
Company Data

MCAP (Rs. Mn)	4,04,746
O/S Shares (Mn)	150
52w High/Low	2,820 / 2,043
Face Value (in Rs.)	10
Liquidity (3M) (Rs. Mn)	827

Shareholding Pattern %

	Jun 22	Mar 22	Dec 21
Promoters	67.99	68.08	68.15
FIIIs	5.71	5.75	6.43
DIIIs	9.03	9.18	8.66
Non-Institutional	17.27	16.98	16.77

Polycab vs Nifty



Key Financial Data

(Rs Mn)	FY22	FY23E	FY24E
Revenue	1,22,038	1,38,513	1,56,519
EBITDA	12,502	16,483	18,782
Net Profit	8,539	11,861	13,516
Total Assets	74,119	97,419	1,10,559
ROCE (%)	15%	20%	19%
ROE (%)	16%	20%	19%

Source: Company, Keynote Capitals Ltd.

Devin Joshi, Research Analyst
Devin@keynoteindia.net

Q2 FY23 result update

Result Highlights (Rs. Mn)

Particulars	Q2 FY23	Q2 FY22	Change % (Y-o-Y)	Q1 FY23	Change % (Q-o-Q)	H1 FY23	H1 FY22	Change %	FY22
Revenue	33,324	30,066	11%	27,366	22%	60,689	48,618	25%	1,22,037
COGS	24,625	23,474	5%	20,524	20%	45,148	37,670	20%	94,657
Gross Profit	8,699	6,592	32%	6,842	27%	15,541	10,948	42%	27,380
Gross Profit %	26.1%	21.9%	418 Bps	25.0%	110 Bps	25.6%	22.5%	309 Bps	22.4%
Employee Cost	1,148	1,052	9%	1,101	4%	2,249	1,991	13%	4,066
Power & Fuel	421	321	31%	368	15%	1,103	1,006	10%	1,439
Freight & forwarding	894	690	30%	554	61%	1,448	1,090	33%	2,740
Other Operating Expense	1,960	1,600	23%	1,708	15%	3,353	2,590	29%	6,484
EBITDA	4,276	2,929	46%	3,111	37%	7,388	4,271	73%	12,651
EBITDA %	12.8%	9.7%	309 Bps	11.4%	146 Bps	12.2%	8.8%	339 Bps	10.4%
Depreciation	523	509	3%	510	3%	1,033	1,002	3%	2,015
EBIT	3,753	2,421	55%	2,601	44%	6,355	3,269	94%	10,636
EBIT %	11.3%	8.1%	321 Bps	9.5%	176 Bps	10.5%	6.7%	375 Bps	8.7%
Finance Cost	139	51	173%	84	65%	223	149	50%	352
PBT	3,614	2,370	53%	2,517	44%	6,132	3,120	97%	10,284
PBT %	10.8%	7.9%	296 Bps	9.2%	165 Bps	10.1%	6.4%	369 Bps	8.4%
Share of Associates	-8	-3	163%	-13	-37%	-21	-24	-13%	-26
Other Income	-22	275	-108%	443	-105%	421	515	-18%	899
Tax	880	664	33%	722	22%	1,602	896	79%	2,706
PAT	2,704	1,978	37%	2,225	22%	4,930	2,715	82%	8,451
EPS	17.90	13.27	35%	14.70	22%	32.60	18.23	79%	60.87

Source: Company, Keynote Capitals Ltd.

Segment Highlights (Rs. Mn)

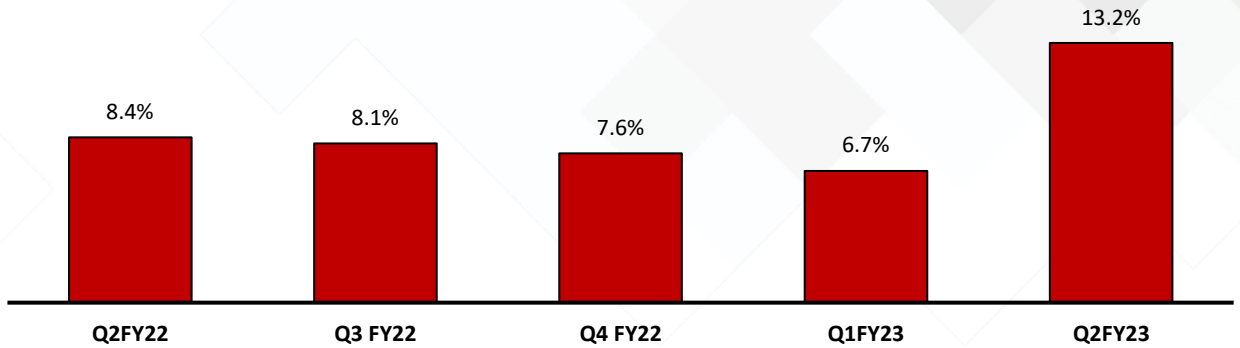
Particulars	Q2 FY23	Q2 FY22	Change % (Y-o-Y)	Q1 FY23	Change % (Q-o-Q)	H1 FY23	H1 FY22	Change %	FY22
Revenue									
Cables & Wires	29,517	26,281	12%	24,057	23%	53,574	42,550	26%	1,07,938
FMEG	3,054	3,429	-11%	3,082	-1%	6,135	5,348	15%	12,544
Others	1,051	950	11%	999	5%	2,049	1,668	23%	3,702
Operating Profit									
Cables & Wires	3,463	2,283	52%	2,773	25%	6,235	3,350	86%	10,545
FMEG	-27	172	-116%	64	-142%	38	29	31%	196
Others	159	157	1%	125	27%	283	234	21%	499
Operating Profit Margin %									
Cables & Wires	11.7%	8.7%	304 Bps	11.5%	20 Bps	11.6%	7.9%	377 Bps	9.8%
FMEG	-0.9%	5.0%	-589 Bps	2.1%	-297 Bps	0.6%	0.5%	8 Bps	1.6%
Others	15.1%	16.6%	-147 Bps	12.5%	259 Bps	13.8%	14.0%	-18 Bps	13.5%

Source: Company, Keynote Capitals Ltd.

Polycab India Limited | Quarterly Update

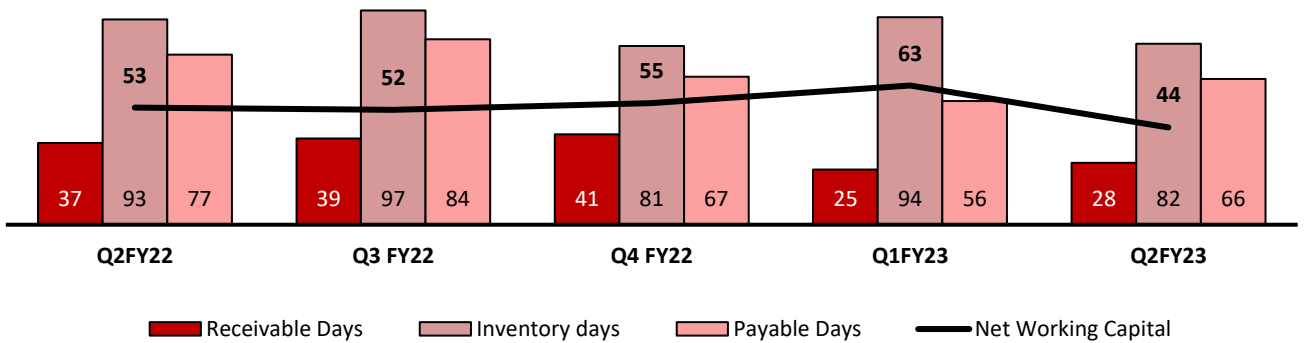
Quarterly business progression

Export contribution as a % of total Revenue



Source: Company, Keynote Capitals Ltd.

Working Capital Cycle



Source: Company, Keynote Capitals Ltd.

Updates on Project LEAP

Customer centricity

- Defined customer centric operating model resulting in increase in secondary sales
- Undertook pilot projects focused on deepening reach and engagement with Individual Home Builders and allied influencers

Go-To-Market Excellence

- B2B Cables & Wires reach expanded to 120 new districts
- 115 new distributors added in Retail Wire business and 193 new distributors added in FMEG business

Winning with new products

- Product portfolio roadmap built across large B2C businesses
- Continued push on premiumization of portfolio in B2C businesses
- New business launched under 'Etira' brand contributing meaningfully to Retail Wire top-line

Setup of organization and digital enablers

- SFDC strengthened for C&W businesses with live performance dashboards and one customer view

Source: Company, Keynote Capitals Ltd.

Polycab India Limited | Quarterly Update

Q2 FY23 Conference Call Takeaways

General Highlights

- Cash on books since Q2 FY22 has doubled from ~Rs. 2.4 Bn to ~Rs. 4.9 Bn due to improved working capital and commodity price softness. The Company plans to incur a Capex of Rs. ~4 Bn in FY23, of which 2/3rd will be utilized for C&W (maintenance Capex and new export product launches) and 1/3rd for FMEG (setting up additional capacity for switches and switchgears).
- Sharp improvement in working capital will become sustainable in a few quarters. Receivables have improved due to channel financing - C&W - 70-75%, FMEG - 60-70%.
- The Company doesn't want the channel to have more than optimal inventory, as PIL is better at risk mitigation which comes from carrying inventory. Currently, Inventory in the channel is at optimum levels.
- PIL plans to invest up to 5% of B2C revenue behind marketing and is also filling gaps in its product portfolio. On sales tracking, the Company can now track ~39% of end-to-end (Factory to End Consumer) sales, which is helping the Company bring in repeat orders.
- A litigation against the company has been filed by Atomberg Technologies claiming that Polycab is infringing the design of its popular product, i.e., Atomberg Renesa Ceiling Fan. The Company will present itself in court on the upcoming litigation date next month. The contribution of this model to the overall fans sales is immaterial.

C&W segment

- Segment reported a strong volume growth along with margin improvement. Copper prices dropped ~17% on a Y-o-Y basis, and the company did not pass all raw material price benefits to the customers, which aided margins.
- Etira is a quality brand sold at only a high single-digit difference at best compared to unorganized players. It contributes ~11% to incremental sales. Because of this, some element of cannibalization is happening to the Polycab brand.
- Strong traction in exports came from sectors like Oil & Gas, Renewables, and Infrastructure. Margins in the export business are similar to the domestic business, but the working capital cycle is slightly better in exports.

FMEG segment

- FMEG demand from the rural segment was muted. The fans' segment was affected due to seasonality, rising inflation, and the transition to the new BEE (Bureau of Energy Efficiency) regulations. However, it is not a concern for the Company, as it can implement new BEE regulations smoothly.
- The Company has charted out a road map and will launch around 300 new products in the future, mainly in the fans and lighting category.

Financial Statement Analysis

Income Statement

Y/E Mar, Rs. Mn	FY21	FY22	FY23E	FY24E	FY25E
Net Sales	87,922	1,22,038	1,38,513	1,56,519	1,76,867
Growth %		39%	14%	13%	13%
Raw Material Expenses	62,604	92,279	99,729	1,12,694	1,27,344
Employee Expenses	3,537	4,066	4,986	5,635	6,367
Other Expenses	10,670	13,190	17,314	19,408	20,693
EBITDA	11,111	12,502	16,483	18,782	22,462
Growth %		13%	32%	14%	20%
Margin%	13%	10%	12%	12%	13%
Depreciation	1,762	2,015	1,994	2,086	2,123
EBIT	9,350	10,487	14,489	16,697	20,339
Growth %		12%	38%	15%	22%
Margin%	11%	9%	10%	11%	11%
Interest Paid	427	352	256	256	256
Other Income & exceptional	1,193	1,049	1,500	1,500	1,500
PBT	10,116	11,184	15,733	17,941	21,583
Tax	1,703	2,706	3,933	4,485	5,396
PAT	8,412	8,478	11,800	13,456	16,187
Others (Minorities, Associates)	44	62	61	60	60
Net Profit	8,456	8,539	11,861	13,516	16,247
Growth %		1%	39%	14%	20%
Shares (Mn)	149.1	149.4	150.0	150.0	150.0
EPS	59.15	60.80	79.07	90.11	108.31

Balance Sheet

Y/E Mar, Rs. Mn	FY21	FY22	FY23E	FY24E	FY25E
Cash, Cash equivalents & Bank	5,313	4,071	8,670	13,551	21,917
Current Investments	6,231	7,641	7,641	7,641	7,641
Debtors	14,358	12,964	22,162	25,043	28,299
Inventory	19,879	21,996	29,919	33,808	38,203
Short Term Loans & Advances	1,473	3,990	3,990	3,990	3,990
Other Current Assets	472	749	749	749	749
Total Current Assets	47,726	51,411	73,130	84,782	1,00,799
Net Block & CWIP	19,687	20,506	22,113	23,627	24,511
Long Term Investments	118	93	67	40	13
Other Non-current Assets	2,616	2,109	2,109	2,109	2,109
Total Assets	70,147	74,119	97,419	1,10,559	1,27,432
Creditors	13,480	12,175	25,836	27,980	31,617
Provision	519	413	413	413	413
Short Term Borrowings	890	765	765	765	765
Other Current Liabilities	5,257	4,059	4,059	4,059	4,059
Total Current Liabilities	20,146	17,413	31,074	33,218	36,855
Long Term Debt	1,037	30	30	30	30
Deffered Tax Liabilities	418	272	272	272	272
Other Long Term Liabilities	819	716	716	716	716
Total Non Current Liabilities	2,274	1,018	1,018	1,018	1,018
Paid-up Capital	1,491	1,494	1,500	1,500	1,500
Reserves & Surplus	46,048	53,943	63,663	74,747	88,069
Shareholders' Equity	47,539	55,437	65,163	76,247	89,569
Non Controlling Interest	188	251	164	77	-11
Total Equity & Liabilities	70,147	74,119	97,419	1,10,559	1,27,432

Cash Flow

Y/E Mar, Rs. Mn	FY21	FY22	FY23E	FY24E	FY25E
Pre-tax profit	10,160	11,246	15,707	17,914	21,556
Adjustments	1,684	1,318	776	868	906
Change in Working Capital	2,600	-4,974	-3,459	-4,627	-4,013
Total Tax Paid	-2,409	-3,340	-3,933	-4,485	-5,396
Cash flow from operating Activities	12,034	4,250	9,090	9,670	13,053
Net Capital Expenditure	-1,911	-5,200	-3,601	-3,600	-3,007
Change in investments	-8,071	-645	0	0	0
Other investing activities	-139	1,576	1,500	1,500	1,500
Cash flow from investing activities	-10,121	-4,270	-2,101	-2,100	-1,507
Equity raised / (repaid)	0	0	0	0	0
Debt raised / (repaid)	-1,217	-168	0	0	0
Dividend (incl. tax)	0	-1,492	-2,135	-2,433	-2,924
Other financing activities	-531	-347	-256	-256	-256
Cash flow from financing activities	-1,748	-2,007	-2,391	-2,689	-3,180
Net Change in cash	166	-2,026	4,598	4,882	8,366

Valuation Ratios

Particulars	FY21	FY22	FY23E	FY24E	FY25E
Per Share Data					
EPS	59	61	79	90	108
Growth %		3%	30%	14%	20%
Book Value Per Share	319	371	436	509	597
Return Ratios					
Return on Assets (%)	13%	12%	14%	13%	14%
Return on Equity (%)	20%	16%	20%	19%	20%
Return on Capital Employed (%)	18%	15%	20%	19%	20%
Turnover Ratios					
Asset Turnover (x)	1.4	1.7	1.6	1.5	1.5
Sales / Gross Block (x)	3.7	4.5	4.9	4.9	5.0
Working Capital / Sales (%)	27%	25%	27%	30%	33%
Receivable Days	60	41	46	55	55
Inventory Days	114	83	95	103	103
Payable Days	78	50	64	84	83
Working Capital Days	96	74	77	74	76
Liquidity Ratios					
Current Ratio (x)	2.4	3.0	2.4	2.6	2.7
Interest Coverage Ratio (x)	24.7	32.8	62.5	71.2	85.4
Total Debt to Equity	0.1	0.0	0.0	0.0	0.0
Net Debt to Equity	-0.1	-0.1	-0.1	-0.2	-0.2
Valuation					
PE (x)	23.3	38.9	34.2	30.0	25.0
Earnings Yield (%)	4%	3%	3%	3%	4%
Price to Sales (x)	2.3	2.9	2.9	2.6	2.3
Price to Book (x)	4.3	6.4	6.2	5.3	4.5
EV/EBITDA (x)	18.3	28.0	24.4	21.4	17.9
EV/Sales (x)	2.3	2.9	2.9	2.6	2.3

Source: Company, Keynote Capitals Ltd. estimates

KEYNOTE Rating History

Date	Rating	Target Price	Upside/Downside
22 nd August 2022	BUY	2,691	+15%
20 th October 2022	BUY	3,063	+16%

Source: Company, Keynote Capitals Ltd. estimates

Rating Methodology

Rating	Criteria
BUY	Expected positive return of > 10% over 1-year horizon
NEUTRAL	Expected positive return of > 0% to < 10% over 1-year horizon
REDUCE	Expected return of < 0% to -10% over 1-year horizon
SELL	Expected to fall by >10% over 1-year horizon
NOT RATED (NR)/UNDER REVIEW (UR)/COVERAGE SUSPENDED (CS)	Not covered by Keynote Capitals Ltd/Rating & Fair value under Review/Keynote Capitals Ltd has suspended coverage

Disclosures and Disclaimers

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

Keynote Capitals Ltd. (KCL) is a SEBI Registered Research Analyst having registration no. INH000007997. KCL, 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. Details of associate entities of Keynote Capitals Limited are available on the website at <https://www.keynotecapitals.com/associate-entities/>

KCL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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 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 KCL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

KCL 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 KCL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Details of pending Enquiry Proceedings of KCL are available on the website at <https://www.keynotecapitals.com/pending-enquiry-proceedings/>

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 KCL or its associates maintains arm's length distance with Research Team as all the activities are segregated from KCL 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 KCL & its group companies to registration or licensing requirements within such jurisdictions. 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.

Specific Disclosure of Interest statement for subjected Scrip in this document:

Financial Interest of Research Entity [KCL] and its associates; Research Analyst and its Relatives	NO
Any other material conflict of interest at the time of publishing the research report by Research Entity [KCL] and its associates; Research Analyst and its Relatives	NO
Receipt of compensation by KCL or its Associate Companies from the subject company covered for in the last twelve months; Managing/co-managing public offering of securities in the last twelve months; Receipt of compensation towards Investment banking/merchant banking/brokerage services in the last twelve months; Products or services other than those above in connection with research report in the last twelve months; Compensation or other benefits from the subject company or third party in connection with the research report in the last twelve months.	NO
Whether covering analyst has served as an officer, director or employee of the subject company covered	NO
Whether the KCL and its associates has been engaged in market making activity of the Subject Company	NO
Whether the Research Entity [KCL] and its associates; Research Analyst and its Relatives, have actual/beneficial ownership of 1% or more securities of 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.	NO

The associates of KCL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company
- received compensation/other benefits from the subject company in the past 12 months
- 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 KCL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

The associates of KCL has not received any compensation or other benefits from third party in connection with the research report.

Above disclosures includes beneficial holdings lying in demat account of KCL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of KCL for other purposes (i.e. holding client securities, collaterals, error trades etc.). KCL also earns DP income from clients which are not considered in above disclosures.

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.

Terms & Conditions:

This report has been prepared by KCL 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 KCL. The report is based on the facts, figures and information that are believed to be 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. KCL will not treat recipients as customers by virtue of their receiving this report

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 product 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. KCL, its associates, their directors and the employees may from time to time, effect or have affected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. KCL, its associates, their directors and the employees may from time to time invest in any discretionary PMS/AIF Fund and those respective PMS/AIF Funds may affect or have effected any transaction in 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 KCL. 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 KCL 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, not 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 KCL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold KCL or any of its affiliates or employees responsible for any such misuse and further agrees to hold KCL 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.

Keynote Capitals Limited (CIN: U67120MH1995PLC088172)

Compliance Officer: Mr. Jairaj Nair; Tel: 022-68266000; email id: jairaj@keynoteindia.net

Registered Office: 9th Floor, The Ruby, Senapati Bapat Marg, Dadar West, Mumbai – 400028, Maharashtra. Tel: 022 – 68266000.

SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD): INZ000241530; DP: CDSL- IN-DP-238-2016; Research Analyst: INH000007997

For any complaints email at kcl@keynoteindia.net

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