

# Havells India Ltd.

19<sup>th</sup> July 2024

## Lloyd and ECD segments continue to shine

In Q1 FY25, Havells India Ltd. (HAVL) delivered a strong performance driven by a high demand for cooling products. Industrial and infrastructure segments continued to do well despite the elections. The Company clocked a 20% revenue growth on a YoY basis, driven by a strong performance from ECD and Lloyd segments. During the quarter, HAVL implemented strategic price increases across various product categories to offset the escalating costs of raw materials. Looking ahead, the Company anticipates a sustained performance in its domestic business, complemented by a significant growth in exports, which are currently being actively developed.

### Making the most of the summer season

In Q1 FY25, Lloyd demonstrated a robust performance and maintained profitability at levels comparable to Q4 FY24. The segment's top line surged by ~47% on a YoY basis, with an operating margin of ~3%. This margin enhancement was driven by the gradual premiumization of products and various cost-saving initiatives undertaken by HAVL over the past few years. The management showed confidence in the continued gradual improvement of both scale and margins for Lloyd in the long term. Regarding product strategy, the Company intends to maintain its investments in brand development, production capabilities, and distribution infrastructure, with a particular emphasis on expanding its refrigerator and washing machine business.

### Another strong quarter for ECD but sustainability remains uncertain

Following subdued performance for a couple of years, the ECD segment reported another quarter of robust sales in Q1 FY25. The segment's top line and operating profit grew by 20% and 21% on a YoY basis, respectively. Despite two consecutive quarters of encouraging results, the Company remains cautious about the sustainability of this growth, contingent on a sustained improvement in consumer spending. However, management notes improved market sentiment compared to previous quarters and remains optimistic about achieving strong growth in FY25 and FY26.

### Significant steps are being taken to enhance exports

Exports are poised to be a pivotal driver of future growth. To capitalize on this opportunity, HAVL has already established a presence in various international markets and is currently awaiting product approvals in segments such as Lloyd and Cables, anticipated within the next 9-12 months. Currently, the Company is concentrating its efforts on developed markets, including the USA, EU, and Australia.

### View & Valuation

Our belief in HAVL's fundamentals remains intact, with the expectation of the bottom line growing faster than the topline in FY25 and FY26. However, our estimates indicate that the price is now slightly ahead of the fundamental change expected going forward. Owing to the above factors, we have revised our estimates and rating on Havells India Ltd. from a NEUTRAL to REDUCE with a target price of Rs. 1,720 (~68x FY25E EPS).

## REDUCE

CMP Rs. 1,766

TARGET Rs. 1,720 (-2.6%)

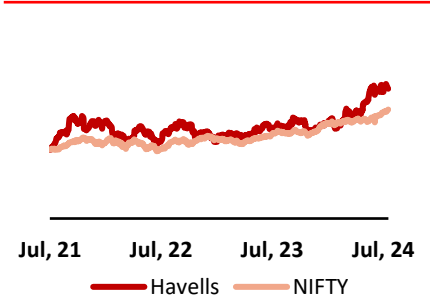
### Company Data

Bloomberg Code	HAVL IN
MCAP (Rs. Bn)	110.7
O/S Shares (Mn)	627
52w High/Low	1,987 / 1,233
Face Value (in Rs.)	1
Liquidity (3M) (Rs. Mn)	~269

### Shareholding Pattern %

	Jun	Mar	Dec
Promoters	59.41	59.43	59.43
FII's	25.33	24.83	23.96
DII's	9.42	9.88	10.11
Non-Institutional	5.83	5.85	6.50

### Havells vs Nifty



Source: Keynote Capitals Ltd.

### Key Financial Data

(Rs. Bn)	FY24	FY25E	FY26E
Revenue	185.9	211.4	240.2
EBITDA	18.4	23.3	28.8
Net Profit	12.7	15.9	19.7
Total Assets	124.3	142.5	154.9
ROCE (%)	20%	21%	23%
ROE (%)	18%	20%	22%

Source: Company, Keynote Capitals Ltd.

Devin Joshi, Research Analyst  
Devin@keynoteindia.net

## Q1 FY25 Result Update

### Result Highlights (Rs. Mn)

Particulars	Q1 FY25	Q1 FY24	Change % (Y-o-Y)	Q4 FY24	Change % (Q-o-Q)	FY24
Revenue	58,062	48,338	20%	54,420	7%	1,85,900
COGS	39,565	33,659	18%	36,562	8%	1,25,687
Gross Profit	18,497	14,679	26%	17,858	4%	60,213
<b>Gross Profit %</b>	<b>31.9%</b>	<b>30.4%</b>	<b>149 Bps</b>	<b>32.8%</b>	<b>-96 Bps</b>	<b>32.4%</b>
Employee Cost	4,617	3,619	28%	4,202	10%	15,485
A&SP	1,724	1,343	28%	1,321	30%	5,274
Other Operating Expense	6,434	5,698	13%	5,989	7%	21,028
EBITDA	5,722	4,020	42%	6,346	-10%	18,426
<b>EBITDA %</b>	<b>9.9%</b>	<b>8.3%</b>	<b>154 Bps</b>	<b>11.7%</b>	<b>-181 Bps</b>	<b>9.9%</b>
Depreciation	920	763	21%	934	-1%	3,385
EBIT	4,802	3,257	47%	5,412	-11%	15,041
<b>EBIT %</b>	<b>8.3%</b>	<b>6.7%</b>	<b>153 Bps</b>	<b>9.9%</b>	<b>-167 Bps</b>	<b>8.1%</b>
Finance Cost	86	85	1%	177	-52%	457
Other Income	773	648	19%	758	2%	2,490
PBT	5,490	3,821	44%	5,993	-8%	17,074
Tax	1,415	950	49%	1,526	-7%	4,366
<b>Profit for the period</b>	<b>4,075</b>	<b>2,871</b>	<b>42%</b>	<b>4,467</b>	<b>-9%</b>	<b>12,708</b>
<b>EPS</b>	<b>6.50</b>	<b>4.58</b>	<b>-</b>	<b>7.13</b>	<b>-</b>	<b>20.28</b>

### Segment Highlights (Rs. Mn)

Particulars	Q1 FY25	Q1 FY24	Change % (Y-o-Y)	Q4 FY24	Change % (Q-o-Q)	FY24
<b>Revenue</b>						
Switchgears	5,768	5,409	7%	6,513	-11%	22,463
Cables	15,212	14,852	2%	17,896	-15%	63,176
Lighting & Fixtures	3,876	3,710	4%	4,353	-11%	16,398
Electrical Consumer Durables	10,554	8,775	20%	9,104	16%	34,825
Lloyd Consumer Durables	19,287	13,109	47%	13,459	43%	38,103
Others	3,365	2,483	36%	3,096	9%	10,936
<b>Operating Profit</b>						
Switchgears	1,422	1,486	-4%	1,836	-23%	5,963
Cables	1,711	1,684	2%	2,154	-21%	7,161
Lighting & Fixtures	630	525	20%	785	-20%	2,478
Electrical Consumer Durables	1,147	947	21%	1,025	12%	3,871
Lloyd Consumer Durables	636	-623	-	360	77%	-1,670
Others	110	83	33%	89	24%	246
<b>Operating Profit Margin %</b>						
Switchgears	25%	27%	-283 Bps	28%	-354 Bps	27%
Cables	11%	11%	-9 Bps	12%	-79 Bps	11%
Lighting & Fixtures	16%	14%	211 Bps	18%	-178 Bps	15%
Electrical Consumer Durables	11%	11%	8 Bps	11%	-39 Bps	11%
Lloyd Consumer Durables	3%	-5%	805 Bps	3%	63 Bps	-4%
Others	3%	3%	-7 Bps	3%	40 Bps	2%

Source: Company, Keynote Capitals Ltd.

## Q1 FY25 Conference Call Takeaways

### General Highlights

- In Q1 FY25, HAVL's robust growth was primarily driven by increased demand for cooling products during the summer, fueled by a significant influx of first-time air conditioner buyers.

## Havells India Ltd | Quarterly Update

- HAVL took price hikes across multiple categories to offset increase in raw material prices. This was partially reflected in the topline for Q1 FY25 and will be partially reflected in the sales of the Q2 FY25.
- REO, Standard, and Lloyd will continue to operate independently.
- For FY25, CAPEX is projected at Rs. 10-11 Bn, with ~40% dedicated to cable capacity expansion. This trend will continue for 1-2 years to address past underinvestment, while capacities for other products are already well-established.
- Employee and brand building investments are aligned with future growth and will scale moderately as sales increases.

### C&W segment

- Cables experienced solid growth but wires faced challenges due to channel destocking in June'24, driven by a sharp decline in commodity prices. Channel demand is anticipated to normalize from July'24 onwards.
- There is substantial global demand for cables due to years of neglected power infrastructure worldwide. This presents a significant 3-5 year growth opportunity.
- The new power cable capacity for is awaiting final approvals, with sales expected to commence from Q2 FY25 onwards. The Company will expand capacities even further in the next 12-18 months.

### Lloyd Consumer

- Around 70-75% of AC sales occur in Q4 and Q1. HAVL will continue to invest in the Lloyd brand.
- Significant brand-building efforts related to building the brand "Lloyd" have already been made while building the AC business. Therefore, it will be relatively easier to penetrate the market for products like refrigerators and washing machines.
- Margins for Lloyd's non-AC products are higher, but these industries are fiercely competitive.
- Currently, the channel is operating at normalized levels of AC inventory.
- The industry served by Lloyd offers significant growth potential, and HAVL's market share remains relatively low in multiple product categories, presenting substantial expansion opportunities.

### Electronic Consumer Durables

- Due to the elevated demand for cooling products in Q1 FY25, fans did exceptionally well in the ECD business.

### Switchgears

- The margin drop is a general business impact. Long-term contribution margins are expected to be 38-41%.
- Switchgear achieved an OPM of 25%, and the management expects it to remain within the 24-28% range.
- Due to overlapping customer bases, HAVL has merged its switch brands, consolidating all switching solutions under Crabtree. Consequently, switches under Havells brand will now be marketed exclusively as Crabtree.

## Financial Statement Analysis

### Income Statement

Y/E Mar, Rs. Mn	FY23	FY24	FY25E	FY26E	FY27E
<b>Net Sales</b>	<b>1,69,107</b>	<b>1,85,900</b>	<b>2,11,408</b>	<b>2,40,226</b>	<b>2,73,578</b>
Growth %	10%	14%	14%	14%	14%
Raw Material Expenses	1,13,311	1,21,782	1,40,586	1,58,549	1,80,561
Employee Expenses	12,816	15,485	16,913	19,218	21,886
Other Expenses	26,775	29,822	30,654	33,632	37,480
<b>EBITDA</b>	<b>16,206</b>	<b>18,811</b>	<b>23,255</b>	<b>28,827</b>	<b>33,650</b>
Growth %	16%	24%	24%	17%	17%
Margin%	10%	10%	11%	12%	12%
Depreciation	2,962	3,385	3,710	4,138	4,660
<b>EBIT</b>	<b>13,244</b>	<b>15,426</b>	<b>19,545</b>	<b>24,690</b>	<b>28,990</b>
Growth %	16%	27%	26%	17%	17%
Margin%	8%	8%	9%	10%	11%
Interest Paid	551	842	899	936	974
Other Income & exceptional	1,777	2,490	2,490	2,490	2,490
<b>PBT</b>	<b>14,471</b>	<b>17,074</b>	<b>21,135</b>	<b>26,243</b>	<b>30,506</b>
Tax	3,753	4,366	5,284	6,561	7,627
<b>PAT</b>	<b>10,717</b>	<b>12,708</b>	<b>15,852</b>	<b>19,682</b>	<b>22,880</b>
Others (Minorities, Associates)	0	0	0	0	0
<b>Net Profit</b>	<b>10,717</b>	<b>12,708</b>	<b>15,852</b>	<b>19,682</b>	<b>22,880</b>
Growth %	19%	25%	24%	16%	16%
Shares (Mn)	626.5	626.7	626.7	626.7	0.0
<b>EPS</b>	<b>17.11</b>	<b>20.28</b>	<b>25.29</b>	<b>31.41</b>	<b>36.51</b>

### Balance Sheet

Y/E Mar, Rs. Mn	FY23	FY24	FY25E	FY26E	FY27E
<b>Cash, Cash equivalents &amp; Bank</b>	<b>18,702</b>	<b>30,382</b>	<b>25,422</b>	<b>26,022</b>	<b>29,444</b>
Current Investments	1,809	0	0	0	0
Debtors	9,739	11,650	12,684	14,414	16,415
Inventory	37,086	34,086	46,393	51,528	59,585
Short Term Loans & Advances	4,866	5,333	5,333	5,333	5,333
Other Current Assets	1,699	1,064	1,064	1,064	1,064
<b>Total Current Assets</b>	<b>73,900</b>	<b>82,515</b>	<b>90,897</b>	<b>98,362</b>	<b>1,11,841</b>
Net Block & CWIP	37,946	42,870	49,159	54,022	58,362
Long Term Investments	200	200	200	200	200
Other Non-current Assets	2,872	2,283	2,283	2,283	2,283
<b>Total Assets</b>	<b>1,14,918</b>	<b>1,27,868</b>	<b>1,42,539</b>	<b>1,54,868</b>	<b>1,72,688</b>
Creditors	26,432	26,919	32,872	34,374	39,610
Provision	6,416	7,169	7,169	7,169	7,169
Short Term Borrowings	0	0	0	0	0
Other Current Liabilities	8,852	12,283	12,283	12,283	12,283
<b>Total Current Liabilities</b>	<b>41,699</b>	<b>46,371</b>	<b>52,324</b>	<b>53,826</b>	<b>59,062</b>
Long Term Debt	0	0	0	0	0
Deferred Tax Liabilities	3,615	3,575	3,575	3,575	3,575
Other Long Term Liabilities	3,349	3,453	3,453	3,453	3,453
<b>Total Non Current Liabilities</b>	<b>6,965</b>	<b>7,029</b>	<b>7,029</b>	<b>7,029</b>	<b>7,029</b>
Paid-up Capital	627	627	627	627	627
Reserves & Surplus	65,628	73,841	82,559	93,386	1,05,970
Shareholders' Equity	66,255	74,468	83,186	94,013	1,06,597
Non Controlling Interest	0	0	0	0	0
<b>Total Equity &amp; Liabilities</b>	<b>1,14,918</b>	<b>1,27,868</b>	<b>1,42,539</b>	<b>1,54,868</b>	<b>1,72,688</b>

### Cash Flow Statement

Y/E Mar, Rs. Mn	FY23	FY24	FY25E	FY26E	FY27E
Pre-tax profit	14,471	17,074	21,135	26,243	30,506
Adjustments	2,203	2,103	2,119	2,584	3,144
Change in Working Capital	-7,105	4,272	-7,389	-5,363	-4,822
Total Tax Paid	-3,919	-3,919	-5,284	-6,561	-7,627
<b>Cash flow from operating Activities</b>	<b>5,649</b>	<b>19,529</b>	<b>10,582</b>	<b>16,904</b>	<b>21,202</b>
Net Capital Expenditure	-5,855	-7,591	-10,000	-9,000	-9,000
Change in investments	5,004	-10,371	0	0	0
Other investing activities	1,201	1,823	2,490	2,490	2,490
<b>Cash flow from investing activities</b>	<b>350</b>	<b>-16,139</b>	<b>-7,510</b>	<b>-6,510</b>	<b>-6,510</b>
Equity raised / (repaid)	267	213	0	0	0
Debt raised / (repaid)	-3,937	0	0	0	0
Dividend (incl. tax)	-4,703	-4,701	-7,133	-8,857	-10,296
Other financing activities	-696	-848	-899	-936	-974
<b>Cash flow from financing activities</b>	<b>-9,069</b>	<b>-5,336</b>	<b>-8,032</b>	<b>-9,793</b>	<b>-11,270</b>
<b>Net Change in cash</b>	<b>-3,070</b>	<b>-1,945</b>	<b>-4,960</b>	<b>600</b>	<b>3,422</b>

### Valuation Ratios

Particulars	FY23	FY24	FY25E	FY26E	FY27E
<b>Per Share Data</b>					
EPS	17	20	25	31	37
Growth %	19%	25%	24%	16%	16%
Book Value Per Share	106	119	133	150	170
<b>Return Ratios</b>					
Return on Assets (%)	10%	10%	12%	13%	14%
Return on Equity (%)	17%	18%	20%	22%	23%
Return on Capital Employed (%)	17%	20%	21%	23%	24%
<b>Turnover Ratios</b>					
Asset Turnover (x)	1.5	1.5	1.6	1.6	1.7
Sales / Gross Block (x)	3.5	3.5	3.4	3.4	3.4
Working Capital / Sales (x)	18%	18%	18%	17%	18%
Receivable Days	19	21	21	21	21
Inventory Days	108	107	104	113	112
Payable Days	76	82	71	75	72
Working Capital Days	50	46	54	58	61
<b>Liquidity Ratios</b>					
Current Ratio (x)	1.8	1.8	1.7	1.8	1.9
Interest Coverage Ratio (x)	27.3	21.3	24.5	29.0	32.3
Total Debt to Equity	0.0	0.0	0.0	0.0	0.0
Net Debt to Equity	-0.3	-0.4	-0.3	-0.3	-0.3
<b>Valuation</b>					
PE (x)	67.4	67.1	53.8	43.3	37.3
Earnings Yield (%)	1%	1%	2%	2%	3%
Price to Sales (x)	4.3	4.6	4.0	3.6	3.1
Price to Book (x)	11.2	11.5	10.3	9.1	8.0
EV/EBITDA (x)	44.8	44.2	35.7	28.8	24.7
EV/Sales (x)	4.3	4.5	3.9	3.5	3.0

Source: Company, Keynote Capitals Ltd. estimates

## KEYNOTE Rating History

Date	Rating	Market Price at recommendation	Upside/Downside
5 <sup>th</sup> July 2023	BUY	1,287	20.7%
21 <sup>st</sup> July 2023	BUY	1,306	14.9%
20 <sup>th</sup> October 2023	BUY	1,293	20.1%
25 <sup>th</sup> January 2024	BUY	1,291	17.1%
6 <sup>th</sup> May 2024	NEUTRAL	1,670	4.7%
19 <sup>th</sup> July 2024	REDUCE	1,766	-2.6%

Source: Company, Keynote Capitals Ltd.

## 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](http://www.nseindia.com), [www.bseindia.com](http://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](mailto: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](mailto: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](http://www.keynotecapitals.com); Investment in securities market are subject to market risks, read all the related documents carefully before investing.