



TM

Minda Industries

25 May 2022

RESULT UPDATE

Sector: Auto Rating: BUY
CMP: Rs 870 Target Price: Rs 1,210

Stock Info

Sensex/Nifty	54,255/ 16,180
Bloomberg	MNDA IN
Equity shares (mn)	262mn
52-wk High/Low	Rs 1,260/562
Face value	Rs 2
M-Cap	Rs 249bn/USD 3.2bn
3-m Avg volume	USD 0.8mn

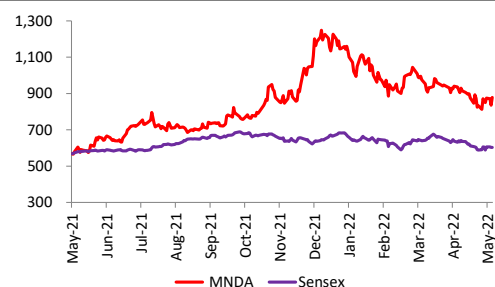
Financial Snapshot (Rs mn)

Y/E Mar	FY22	FY23E	FY24E
Net Sales	83,130	1,02,200	1,16,664
EBIDTA	8,854	11,957	14,816
PAT	3,541	5,741	8,098
EPS (Rs)	12	20	28
PE (x)	69.4	43.0	30.5
EV/EBITDA (x)	28.4	20.5	16.0
RoE (%)	10	15	18
RoCE (%)	15	25	35
FCF yield (%)	(0.8)	2.9	4.0

Shareholding Pattern (%)

	Mar '22	Dec '21	Sep '21
Promoter	67.5	67.5	67.5
-Pledged	-	-	-
FII	9.8	9.9	9.2
DII	13.2	13.1	13.7
Others	9.5	9.4	9.6

Stock Performance (1-year)



Ronak Sarda

ronaksarda@systematixgroup.in
+91 22 6704 8059

Poorvi Banka

poorvibanka@systematixgroup.in
+91 22 6704 8063

EBITDA margin improves sequentially

Minda Industries' (MNDA) 4QFY22 operating performance was 10% ahead of consensus and our estimates, as operating leverage benefits and commodity cost pass through aided EBITDA margin. MNDA continues to benefit from industry premiumisation, as its content per vehicle has increased significantly over the last few years. Robust order wins in switches, alloy wheels and lighting segments should drive growth over the next two years. MNDA has cemented its position in the EV supply chain with Rs 56,300 (~45% vehicle cost) worth of contents in the E-2W and E-3W segments; these include key components like battery packs, BMS, motor controllers & DC-DC converters. We expect MNDA to transition into a systems supplier from a components manufacturer, as it is in the process of consolidating the group's hardware and software capabilities at its R&D center. We maintain our FY23E/24E estimates and reiterate BUY rating with a target price of Rs 1,210 based on 15x FY24E EV/EBITDA + Rs 440 for JVs (see detailed note – Exhibit 5).

Key concall takeaways:

- Segment-wise revenue performance:** MNDA reported 8% YoY/ 10% QoQ growth in 4QFY22, wherein switches, lighting, acoustics, light metal technologies (LMT), seatings and other segments grew by -1%, 11%, -1%, 41%, -7% and 14% YoY (14%, 8%, 27%, 20%, -4% and 1% QoQ), respectively. The company's aftermarket segment grew 5% YoY, forming 9% of 4Q revenues (vs. 10% YoY). Revenue contribution from segments viz. switches, lighting, acoustics, LMT, seatings & others was 30%, 22%, 8%, 17%, 9% & 14%, respectively. Increasing electronic content & premiumisation have driven ~20% rise in content per vehicle for switches in 2Ws as well as 4Ws over last few years.
- New order wins:** MNDA bagged some new orders during the quarter, including 1) export order for switches from an Italian 2W OEM, 2) orders worth Rs 6bn for tail centre position lamp from a key Indian OEM (overall order book of Rs 3.5-4bn for the lighting division), 3) order for acoustics from an Indian OEM, 4) seating order from an EV bus OEM, and, 5) order for sensors from an American OEM.
- EV components:** The management has highlighted that it has received incremental orders for its EV chargers from domestic incumbents during the quarter. The company has acquired land for a new plant in North India for EV components, which it expects to commission by the end of FY23.
- Alloy wheel segment:** MNDA's 2W alloy wheel segment posted revenue of Rs 2.8bn for FY22 (Rs 900mn in 4QFY22). Management expects good growth in this segment in FY23E, with ramp up in supplies to Korean OEMs. During the year, MNDA increased stake (from 70% to 77.35%) in its 4W alloy wheels subsidiary, Minda Kosei Aluminum Wheels Company Limited (MKA). The segment reported revenue of Rs 8bn in FY22 (Rs 2.5bn in 4Q). Capacity expansion for 4W Alloy wheels at Bawal & Gujarat is under progress; MNDA has already commissioned 30K line of the total expansion of 60K at Bawal during 4Q.

- **Sensors & controllers:** MNDA recorded revenue of Rs 2.6bn from the sensors, controllers & telematics segment in FY22 (Rs 650mn in 4Q, flat YoY). Management reiterated its target of Rs 5bn revenue from this segment over the next 5 years.
- **Capex & net debt levels:** MNDA has announced a capex of Rs 730mn at its 4W switch plant in Chennai to serve orders from Japanese & Korean OEMs. Further, it is incurring a capex of Rs 370mn at its MIVCL (Vietnam) facility, to cater to the order for blinkers & tail lamps from an Italian 2W OEM. Management has guided an overall growth capex of ~Rs3bn for FY23E (flat YoY). Net debt reduced to Rs 4.6bn as at end-Mar'22 from Rs 8bn as at end-Mar'21 (net debt/equity of 0.2x).

Valuation and outlook: We expect MNDA to deliver revenue/EBITDA/PAT CAGR of 18%/29%/53% over FY22-24E. At the CMP, the stock trades at FY23E/24E PER of 40.4x/30.0x and EV/EBITDA of 20.5x/15.9x.

Exhibit 1: Reported numbers vs. expectations

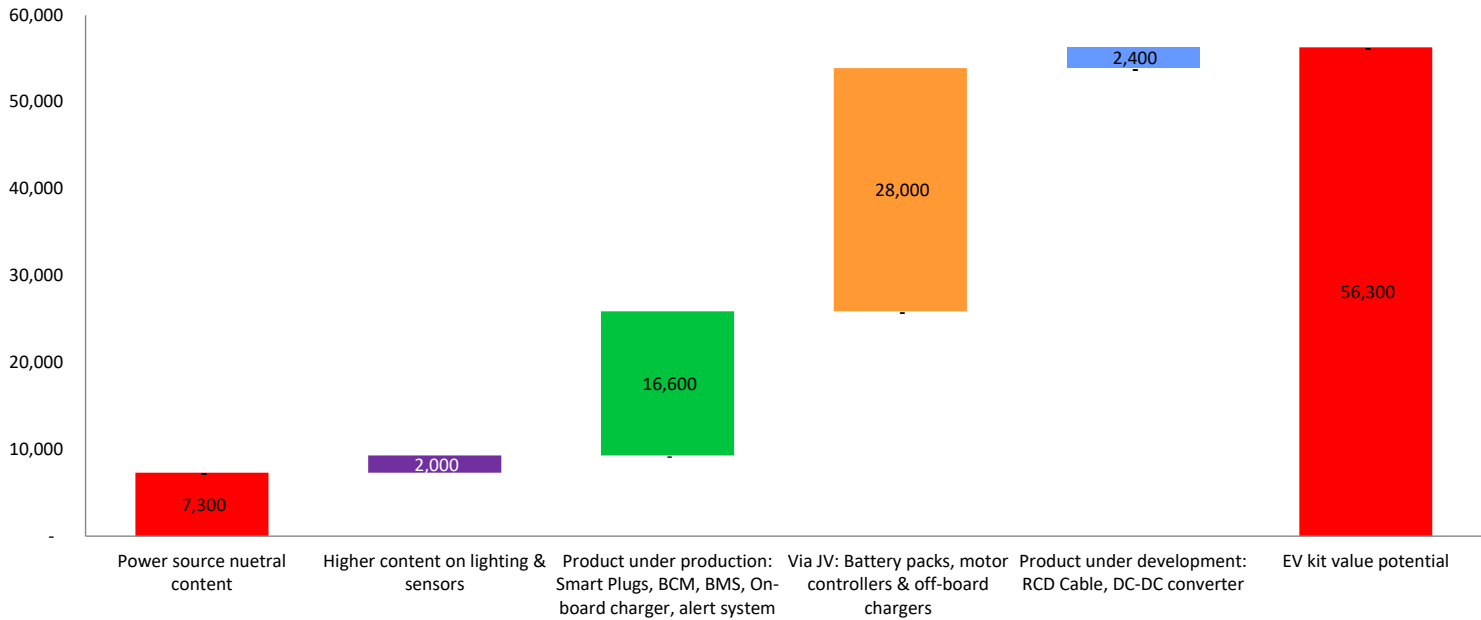
Rs mn	Reported	Est	Var %	Consensus	Var %
Net Sales	24,151	23,502	2.8	23,452	3.0
EBITDA	2,755	2,468	11.6	2,468	11.6
EBITDA Margin (%)	11.4	10.5	91	10.5	88
Adj PAT	1,444	1,268	13.8	1,119	29.0
Adj EPS	5.5	4.9	13.8	4.4	25.3

Source: Company, Bloomberg, Systematix Institutional Research

Exhibit 2: Consolidated financial trend

Consolidated (Rs mn)	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	YoY (%)	QoQ (%)
Net Sales	22,383	16,026	21,140	21,814	24,151	7.9	10.7
- Raw Material	14,044	9,820	13,406	14,020	15,475	10.2	10.4
(% of Net Sales)	62.7	61.3	63.4	64.3	64.1	133	-19
- Staff Expenditure	2,965	2,762	3,025	2,954	3,325	12.1	12.6
(% of Net Sales)	13.2	17.2	14.3	13.5	13.8	52	23
- Other Expenditure	2,358	1,977	2,430	2,488	2,597	10.1	4.4
(% of Net Sales)	10.5	12.3	11.5	11.4	10.8	22	-65
Total Expenditure	19,367	14,559	18,861	19,461	21,396	10.5	9.9
EBITDA	3,016	1,467	2,279	2,353	2,755	(8.7)	17.1
EBITDA Margin (%)	13.5	9.2	10.8	10.8	11.4	-207	62
Depreciation	1,072	905	968	942	1,103	2.9	17.1
EBIT	1,944	562	1,311	1,411	1,652	(15.0)	17.1
Interest	151	185	177	127	135	(10.9)	6.3
Other Income	89	61	211	125	232	160.8	85.2
Exceptional Items	17	0	0	0	0		
PBT	1,882	438	1,345	1,410	1,750	(7.0)	24.1
Tax	476	139	423	423	483	1.4	14.1
Tax rate (%)	25.3	31.8	31.4	30.0	27.6	229	-243
PAT before minorities	1,406	299	922	987	1,267	(9.9)	28.4
Profit from JV	215	-50	212	195	295	37.2	51.3
Minority	235	95	187	169	118	(49.8)	(30.0)
Reported PAT	1,403	154	947	1,013	1,444	2.9	42.5
Adjusted PAT	1,386	154	947	1,013	1,444	4.2	42.5
Adjusted EPS (Rs)	5.3	0.6	3.6	3.9	5.5	4.2	42.5

Source: Company, Systematix Institutional Research

Exhibit 3: MNDA – FRIWO JV doubles the content per vehicle in E-2W and E-3Ws

Source: Company, Systematix Institutional Research

Exhibit 4: MNDA's content to 2W industry (power source neutral)... ..and new EV components to double the effective kit value

Kit value (Rs, current)	ICE	Kit value (Rs, CY25)	ICE (A)	EV (B)
Content per vehicle	7,300	Current + premiumisation	9,300	9,300
MNDA's market share	50%	Telematics		1,000
Effective content per vehicle	3,650	JV content		47,000
		Total	9,300	57,300
		MNDA's market share	50%	25%
		Sub-total	4,650	14,611
		ICE:EV mix (%)	75	25
		Effective content per vehicle	3,488	3,653

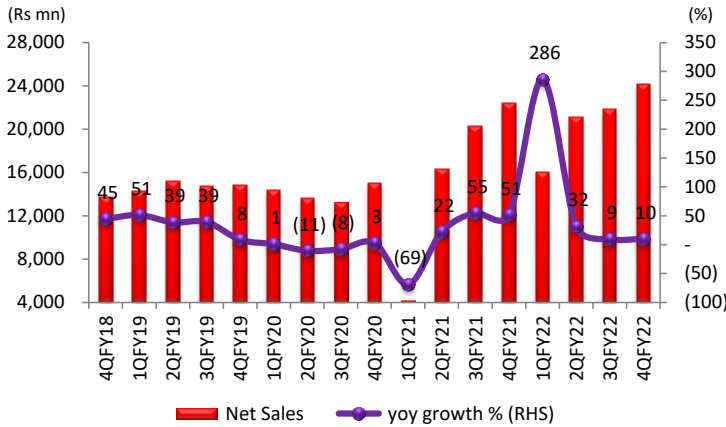
Source: Company, Systematix Institutional Research

Exhibit 5: Valuation for EV business/JV with FRIWO

Valuing EV business (FRIWO JV)	Rs mn	Comments
CY30 E-2W/3W volumes (mn)	12.5	CY30 volume estimates; ~50% of the industry to be EVs
Content per vehicle	14,611	As per Exhibit 2; MNDA enjoys a 25% market share
Topline potential	1,82,637	
PAT margin	10%	Including PLI benefits
PAT	18,264	
Market cap @ 25x PER	4,56,591	
Discounted to FY23	2,19,921	
Value per share	770	
Attributable to MNDA (50.1%)	386	

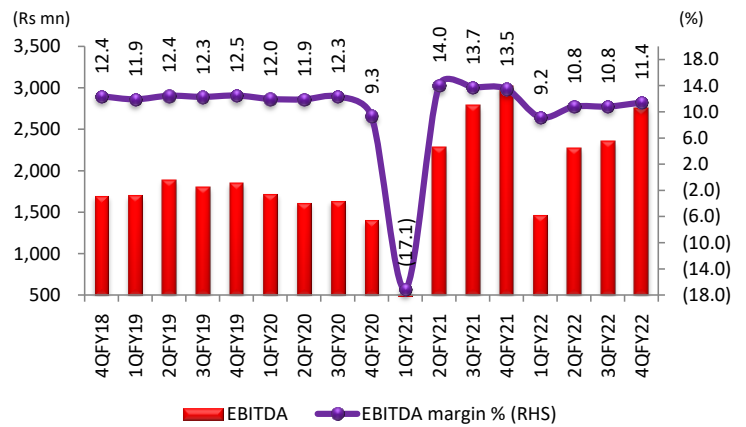
Source: Company, Systematix Institutional Research

Exhibit 6: Quarterly revenue and growth trend



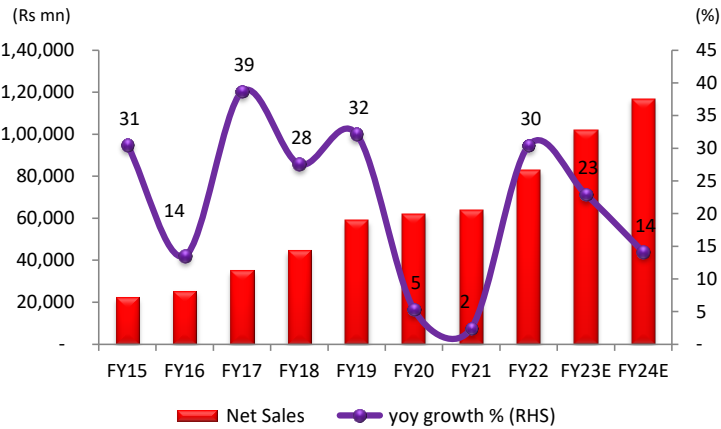
Source: Company, Systematix Institutional Research

Exhibit 7: Quarterly EBITDA and margin profile



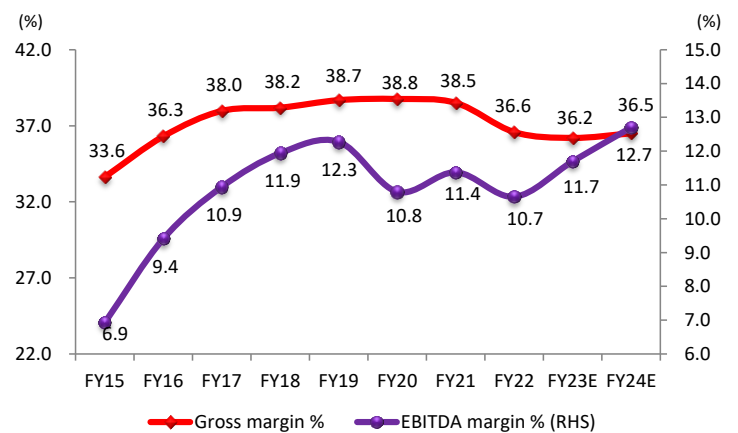
Source: Company, Systematix Institutional Research

Exhibit 8: Revenue and growth trend



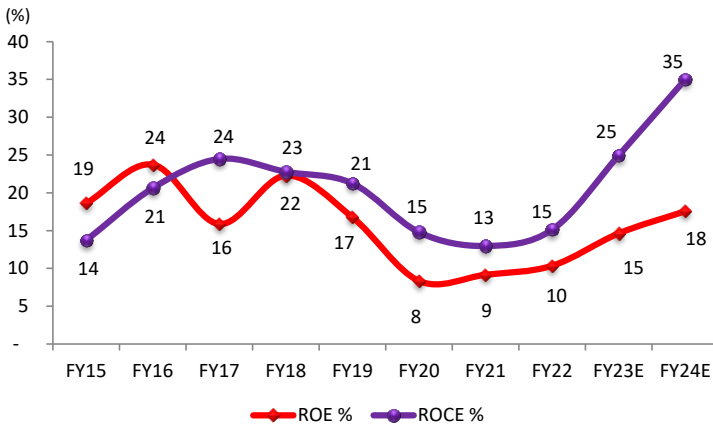
Source: Company, Systematix Institutional Research

Exhibit 9: Gross and EBITDA margin trend



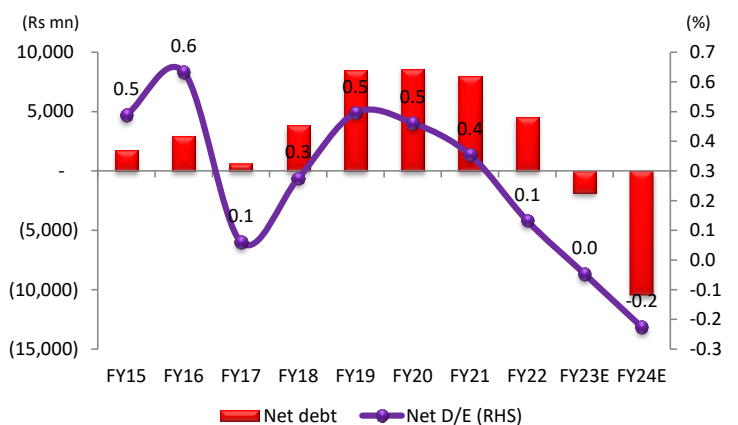
Source: Company, Systematix Institutional Research

Exhibit 10: RoE and RoCE remain robust



Source: Company, Systematix Institutional Research

Exhibit 11: Net debt and net debt/equity remain comfortable



Source: Company, Systematix Institutional Research

Exhibit 12: Component-wise revenue break-up

Rs mn	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Switches	12,110	15,800	22,370	20,140	21,340	24,740	30,183	33,201
Lights	10,240	11,640	12,930	12,230	14,350	18,110	22,094	24,304
Horns	6,590	7,170	7,170	6,530	6,110	6,520	6,911	7,326
Casting	2,000	2,520	2,930	3,000	2,280	2,530	2,985	3,284
Alloy wheels	1,950	4,580	6,100	4,810	5,190	10,800	14,040	16,848
Seats				7,570	6,910	9,010	10,992	12,311
EV components							900	3,500
Sensors, Controllers & Telematics					2,000	2,600	3,510	4,037
Others	2,160	2,996	6,250	7,940	5,557	8,820	10,584	11,854
Total	35,050	44,706	58,100	62,220	63,737	83,130	1,02,200	1,16,664
Growth (%)								
Switches	17	30	42	-10	6	16	22	10
Lights	133	14	11	-5	17	26	22	10
Horns	27	9	0	-9	-6	7	6	6
Casting	23	26	16	2	-24	11	18	10
Alloy wheels	875	135	33	-21	8	108	30	20
Seats					-9	30	22	12
EV components								289
Sensors, Controllers & Telematics						30	35	15
Others	-38	39	109	27	-30	59	20	12
Total	39	28	30	7	2	30	23	14

Source: Company, Systematix Institutional Research; Note: Company has changed segmental reporting format w.e.f. FY21

FINANCIALS (CONSOLIDATED)**Profit & Loss Statement**

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Net sales	62,220	63,737	83,130	1,02,200	1,16,664
Growth, %	5%	2%	30%	23%	14%
RM expenses	-38,103	-39,193	-52,720	-65,203	-74,082
Employee expenses	-9,438	-9,817	-12,065	-13,797	-15,166
Other expenses	-7,961	-7,478	-9,491	-11,242	-12,600
EBITDA	6,718	7,250	8,854	11,957	14,816
Growth, %	-7%	8%	22%	35%	24%
Margin, %	10.8	11.4	10.7	11.7	12.7
Depreciation	-3,401	-3,753	-3,918	-4,149	-4,374
EBIT	3,317	3,497	4,936	7,808	10,442
Growth, %	-32	5	41	58	34
Margin, %	5.3	5.5	5.9	7.6	9.0
Interest paid	-942	-737	-623	-412	-302
Other Income	405	470	629	766	875
Non-recurring Items	-345	17	0	0	0
Pre-tax profit	2,781	3,231	4,943	8,162	11,016
Tax provided	-686	-1,005	-1,468	-2,285	-2,754
Profit after tax	2,094	2,225	3,475	5,877	8,262
Profit from JVs less minority int-543	-159	83	-136	-164	-164
Net Profit	1,552	2,066	3,558	5,741	8,098
Growth, %	-46	33	72	61	41
Net Profit (adjusted)	1,552	2,411	3,541	5,741	8,098

Source: Company, Systematix Institutional Research

Balance Sheet

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Cash & bank	3,409	2,382	2,342	6,718	13,291
Marketable securities cost	0	0	0	0	0
Debtors	8,632	11,988	13,767	16,800	19,178
Inventory	6,095	7,506	10,464	10,640	11,187
Loans & advances	224	302	721	887	1,012
Other current assets	3,122	2,984	3,106	3,106	3,106
Total current assets	21,072	24,863	30,095	37,846	47,469
Investments	3,983	5,302	6,067	6,567	7,067
Gross fixed assets	41,123	46,144	50,117	53,617	57,117
Less: Depreciation	-17,240	-20,993	-24,911	-29,060	-33,434
Add: Capital WIP	3,600	1,343	3,465	3,465	3,465
Net fixed assets	30,343	29,311	31,512	30,863	29,989
Total assets	55,398	59,475	67,675	75,276	84,525
Current liabilities	23,206	24,789	24,930	29,672	34,062
Provisions	1,579	1,741	1,468	1,468	1,468
Total current liabilities	24,785	26,530	26,398	31,140	35,530
Debt	12,003	10,379	6,892	4,892	2,892
Total liabilities	36,788	36,909	33,290	36,031	38,422
Paid-up capital	524	544	571	571	571
Reserves & surplus	18,086	22,022	33,813	38,673	45,531
Shareholders' equity	18,611	22,566	34,385	39,244	46,102
Total equity & liabilities	55,398	59,475	67,675	75,275	84,524

Source: Company, Systematix Institutional Research

Cash Flow

YE: Mar (Rs mn)	FY20	FY21	FY22	FY23E	FY24E
Pre-tax profit	2,910	3,472	5,594	8,680	11,597
Depreciation	3,401	3,753	3,918	4,149	4,374
Chg in working capital	8,429	-3,496	-5,214	713	595
Total tax paid	-686	-1,005	-1,468	-2,285	-2,754
CFO	8,666	3,397	5,096	11,257	13,812
Capital expenditure	-5,913	-2,881	-5,977	-3,500	-3,500
Chg in investments	-1,943	-1,280	-513	-500	-500
Chg in marketable securities	-	0	0	0	0
CFI	-8,352	-3,610	-6,987	-4,000	-4,000
Free cash flow	809	-763	-1,394	7,257	9,812
Debt raised/(repaid)	2,209	-1,431	-1,637	-2,000	-2,000
Dividend (incl. tax)	-440	-186	-374	-882	-1,239
CFF	861	-372	1,843	-2,882	-3,239
Net chg in cash	1,174	-585	-48	4,376	6,572
Opening cash balance	1,101	3,409	2,382	2,342	6,718
Closing cash balance	3,409	2,382	2,342	6,718	13,291

Source: Company, Systematix Institutional Research

Ratios

YE: Mar	FY20	FY21	FY22	FY23E	FY24E
EPS (INR)	5.4	7.2	12.5	20.1	28.4
PER (x)	159.2	119.6	69.4	43.0	30.5
Price/Book (x)	13.3	10.9	7.2	6.3	5.4
EV/EBITDA (x)	38.1	35.2	28.4	20.5	16.0
EV/Net sales (x)	4.1	4.0	3.0	2.4	2.0
RoE (%)	8	9	10	15	18
RoCE (%)	15	13	15	25	35
Fixed Asset turnover (x)	1.5	1.4	1.7	1.9	2.0
FCF Yield (%)	0.1	(0.1)	(0.8)	2.9	4.0
Receivable (days)	51	69	60	60	60
Inventory (days)	36	43	46	38	35
Payable (days)	66	74	62	62	62
Revenue Growth (%)	5	2	30	23	14
EBIDTA Growth (%)	-7	8	22	35	24
EPS Growth, %	-46	33	72	61	41
Net D/E ratio (x)	0.5	0.4	0.1	(0.0)	(0.2)

Source: Company, Systematix Institutional Research

Institutional Equities Team

Nikhil Khandelwal	Managing Director	+91-22-6704 8001	nikhil@systematixgroup.in
Navin Roy Vallabhaneni	President & Head – IE	+91-22-6704 8065	navin@systematixgroup.in

Equity Research

Analysts	Industry Sectors	Desk-Phone	E-mail
Ashish Poddar	Consumer Durables, Building Materials, Small & Midcaps	+91-22-6704 8039	ashishpoddar@systematixgroup.in
Ashutosh Joytiraditya	Consumer, Retail	+91-22-6704 8068	ashutoshj@systematixgroup.in
Pratik Tholiya	Specialty & Agro Chem, Fertilisers, Sugar, Textiles and Select Midcaps	+91-22-6704 8028	pratikhtholiya@systematixgroup.in
Rahul Jain	Metals & Mining, Cement	+91-22-6704 8066	rahuljain@systematixgroup.in
Rakesh Kumar	Banking, Insurance	+91-22-6704 8041	rakeshkumar@systematixgroup.in
Ronak Sarda	Auto, Auto Ancillaries	+91-22-6704 8059	ronaksarda@systematixgroup.in
Girija Shankar Ray	Cement, Building Materials, Paints	+91-22-6704 8098	girijaray@systematixgroup.in
Hena Vora	NBFCs & Diversified Financials	+91-22-6704 8045	henavora@systematixgroup.in
Nikhil Shah	Banking, Insurance	+91-22-6704 8091	nikhilshah@systematixgroup.in
Poorvi Banka	Auto, Auto Ancillaries	+91-22-6704 8063	poorvibanka@systematixgroup.in
Pranay Shah	Consumer Durables, Building Materials, Small & Midcaps	+91-22-6704 8017	pranayshah@systematixgroup.in
Shweta Dikshit	Metals & Mining	+91-22-6704 8042	shwetadikshit@systematixgroup.in
Varun Gajaria	Midcaps	+91-22-6704 8081	varungajaria@systematixgroup.in

Equity Sales & Trading

Name		Desk-Phone	E-mail
Vipul Sanghvi	Director and Head - Sales	+91-22-6704 8062	vipulsanghvi@systematixgroup.in
Ashok Kumar Agarwal	Sales	+91-22-6704 8085	ashokagarwal@systematixgroup.in
Nirbhay Kumar Singh	Sales	+91-22-6704 8061	nirbhaysingh@systematixgroup.in
Sidharth Agrawal	Sales	+91-22-6704 8090	sidharthagrawal@systematixgroup.in
Rahul Khandelwal	Sales	+91-22-6704 8003	rahul@systematixgroup.in
Pawan Sharma	Director and Head - Sales Trading	+91-22-6704 8067	pawansharma@systematixgroup.in
Mukesh Chaturvedi	Vice President and Co Head - Sales Trading	+91-22-6704 8074	mukeshchaturvedi@systematixgroup.in
Vinod Bhuwad	Sales Trading	+91-22-6704 8051	vinodbhuwad@systematixgroup.in
Rashmi Solanki	Sales Trading	+91-22-6704 8097	rashmisolanki@systematixgroup.in
Karan Damani	Sales Trading	+91-22-6704 8053	karandamani@systematixgroup.in
Vipul Chheda	Dealer	+91-22-6704 8087	vipulchheda@systematixgroup.in
Paras Shah	Dealer	+91-22-6704 8047	parasshah@systematixgroup.in
Rahul Singh	Dealer	+91-22-6704 8054	rahulsingh@systematixgroup.in

Corporate Access

Audrey Leolyn Mendonca	Assistant Vice President	+91-22-6704 8088	audreymendonca@systematixgroup.in
------------------------	--------------------------	------------------	-----------------------------------

Production

Madhu Narayanan	Editor	+91-22-6704 8071	madhunarayanan@systematixgroup.in
Mrunali Pagdhare	Production	+91-22-6704 8057	mrunalip@systematixgroup.in
Vijayendra Achrekar	Production	+91-22-6704 8089	vijayendraachrekar@systematixgroup.in

Operations

Sachin Malusare	Vice President	+91-22-6704 8055	sachinmalusare@systematixgroup.in
Jignesh Mistry	Manager	+91-22-6704 8049	jigneshmistry@systematixgroup.in
Sushant Chavan	Manager	+91-22-6704 8056	sushantchavan@systematixgroup.in
Ravikiran Dasaka	Manager	+91-22-6704 8019	ravikiran@systematixgroup.in

DISCLOSURES/APPENDIX

I. ANALYST CERTIFICATION

I, **Ronak Sarda, Poorvi Banka**; hereby certify that (1) views expressed in this research report accurately reflect my/our personal views about any or all of the subject securities or issuers referred to in this research report, (2) no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report by **Systematix Shares and Stocks (India) Limited (SSSIL)** or its group/associate companies, (3) reasonable care is taken to achieve and maintain independence and objectivity in making any recommendations.

Disclosure of Interest Statement	Update
Analyst holding in the stock	No
Served as an officer, director or employee	No

II. ISSUER SPECIFIC REGULATORY DISCLOSURES, unless specifically mentioned in point no. 9 below:

- The research analyst(s), SSSIL, associates or relatives do not have any financial interest in the company(ies) covered in this report.
- The research analyst(s), SSSIL, associates or relatives collectively do not hold more than 1% of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
- The research analyst(s), SSSIL, associates or relatives did not have any other material conflict of interest at the time of publication of this research report.
- The research analyst, SSSIL and its associates have not received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in this report in the past twelve months.
- The research analyst, SSSIL or its associates have not managed or co-managed a private or public offering of securities for the company(ies) covered in this report in the previous twelve months.
- SSSIL or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party in connection with this research report.
- The research analyst has not served as an officer, director or employee of the company(ies) covered in this research report.
- The research analyst and SSSIL have not been engaged in market making activity for the company(ies) covered in this research report.
- Details of SSSIL, research analyst and its associates pertaining to the companies covered in this research report:

Sr. No.	Particulars	Yes / No.
1	Whether compensation was received from the company(ies) covered in the research report in the past 12 months for investment banking transaction by SSSIL.	No
2	Whether research analyst, SSSIL or its associates and relatives collectively hold more than 1% of the company(ies) covered in the research report.	No
3	Whether compensation has been received by SSSIL or its associates from the company(ies) covered in the research report.	No
4	Whether SSSIL or its affiliates have managed or co-managed a private or public offering of securities for the company(ies) covered in the research report in the previous twelve months.	No
5	Whether research analyst, SSSIL or associates have received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in the research report in the last twelve months.	No

- There is no material disciplinary action taken by any regulatory authority that impacts the equity research analysis activities.

STOCK RATINGS

BUY (B): The stock's total return is expected to exceed 15% over the next 12 months.

HOLD (H): The stock's total return is expected to be within -15% to +15% over the next 12 months.

SELL (S): The stock's total return is expected to give negative returns of more than 15% over the next 12 months.

NOT RATED (NR): The analyst has no recommendation on the stock under review.

INDUSTRY VIEWS

ATTRACTIVE (AT): Fundamentals/valuations of the sector are expected to be attractive over the next 12-18 months.

NEUTRAL (NL): Fundamentals/valuations of the sector are expected to neither improve nor deteriorate over the next 12-18 months.

CAUTIOUS (CS): Fundamentals/valuations of the sector are expected to deteriorate over the next 12-18 months.

III. DISCLAIMER

The information and opinions contained herein have been compiled or arrived at based on the information obtained in good faith from 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.

This document is for information purposes only. This report is based on information that we consider reliable; we do not represent that it is accurate or complete and one should exercise due caution while acting on it. Description of any company(ies) or its/their securities mentioned herein are not complete and this document is not and should not be construed as an offer or solicitation of an offer to buy or sell any securities or other financial instruments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. All opinions, projections and estimates constitute the judgment of the author as on the date of the report and these, plus any other information contained in the report, are subject to change without notice. Prices and availability of financial instruments are also subject to change without notice. This report is intended for distribution to institutional investors.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject to SSSIL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any individual in such country, especially USA, the same may be ignored and brought to the attention of the sender. Neither this document nor any copy of it may be taken or transmitted into the United States (to U.S. persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. Any unauthorized use, duplication,

redistribution or disclosure of this report including, but not limited to, redistribution by electronic mail, posting of the report on a website or page, and/or providing to a third party a link, is prohibited by law and will result in prosecution. The information contained in the report is intended solely for the recipient and may not be further distributed by the recipient to any third party.

SSSIL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, SSSIL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that they cover. Our salespeople, 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. Our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The views expressed in this research report 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. The compensation of the analyst who prepared this document is determined exclusively by SSSIL; however, compensation may relate to the revenues of the Systematix Group as a whole, of which investment banking, sales and trading are a part. Research analysts and sales persons of SSSIL may provide important inputs to its affiliated company(ies).

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations which could have an adverse effect on their value or price or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies, effectively assume currency risk. SSSIL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on the basis of this report including but not restricted to fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SSSIL and its affiliates, officers, directors, and employees subject to the information given in the disclosures may: (a) from time to time, have long or short positions in, and buy or sell, the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation (financial interest) or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential material conflict of interest with respect to any recommendation and related information and opinions. The views expressed are those of the analyst and the company may or may not subscribe to the views expressed therein.

SSSIL, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall SSSIL, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind. The company accepts no liability whatsoever for the actions of third parties. The report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of the company, the company has not reviewed the linked site. Accessing such website or following such link through the report or the website of the company shall be at your own risk and the company shall have no liability arising out of, or in connection with, any such referenced website.

SSSIL will not be liable for any delay or any other interruption which may occur in presenting the data due to any technical glitch to present the data. In no event shall SSSIL be liable for any damages, including without limitation, direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by SSSIL through this presentation.

SSSIL or any of its other group companies or associates will not be responsible for any decisions taken on the basis of this report. Investors are advised to consult their investment and tax consultants before taking any investment decisions based on this report.



Systematix Shares and Stocks (India) Limited:

Registered and Corporate address: The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 34600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | Investment Advisor SEBI Reg. No. INA000010414 | AMFI : ARN - 64917