



TM

SYSTEMATIX INSTITUTIONAL EQUITIES

Systematix

Institutional Equities

## Sundaram Finance Ltd.

03 February 2025

## In-line earnings; Market share gain drive growth

## RESULT UPDATE

Sector: NBFCs Rating: HOLD

CMP: Rs 4,307 Target Price: Rs 4,450

## Stock Info

Sensex/Nifty	77,186/23,361
Bloomberg	SUF IN
Equity shares	111mn
52-wk High/Low	5,528/3,507
Face value	Rs 10
M-Cap	Rs 478bn/ USD 5.6bn
3-m Avg volume	USD 5.8mn

## Financial Snapshot (Rs mn)

Y/E March	FY25E	FY26E	FY27E
NII	23,521	28,496	32,776
PPP	22,573	27,302	31,032
PAT	15,065	18,104	20,515
EPS (Rs)	136	163	185
EPS Gr. (%)	4	20	13
BV/Sh (Rs)	784	919	1,072

## Ratios

NIM (%)	4.9	5.1	5.0
C/I ratio (%)	33.1	32.4	32.7
RoA (%)	2.7	2.7	2.6
RoE (%)	18.6	19.1	18.6
Payout (%)	17.1	17.1	17.1

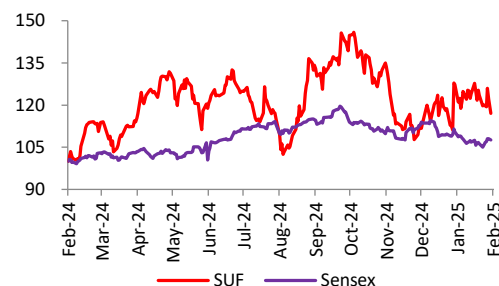
## Valuations

P/E (x)	26.5	22.1	19.5
P/BV (x)	4.6	3.9	3.4
Div. Yield (%)	0.6	0.8	0.9

## Shareholding pattern (%)

	Jun-24	Sep-24	Dec-24
Promoter	37.9	37.2	37.2
FII	17.3	18.4	18.6
DII	8.9	8.0	7.8
Others	35.1	35.5	35.5

## Stock Performance (1-year)



Sundaram Finance (SUF) reported better than expected NII at Rs 6.4bn (vs estimate of Rs 5.9bn) registering a growth of 28% YoY (14% QoQ) led by healthy business growth and NIM (calc) expansion (43bps QoQ). However, due to lower other income, operating profit was in line with estimates. Credit cost for the quarter inched up by 8bps QoQ at 74bps. AUM growth remained strong at 19% YoY (5% QoQ) aided by strong growth in disbursements (19% YoY / 13% QoQ) which is led by market share gain across products. Asset quality deteriorated marginally with gross/ net stage 3 at 1.7%/1.0% (+8bps QoQ). PCR on stage 3 assets also dropped to 43% vs 45% in Q2FY25. SUF has reported exceptionally strong disbursements growth during Q3 while its peers have witnessed a weak disbursements trend. At the industry level CV segment (CV segment forms ~45% of total AUM for SUF) continue to report a weak sales growth despite festive season, which is concerning. The stock trades at a fair valuation of 3.5x FY27E core BV, with RoA/ RoE at ~3%/~19%, respectively. Hence, we maintain our HOLD rating on the stock with a revised target price of Rs 4,450 (earlier Rs 4,300).

## Key result highlights

- NII at Rs 6.4bn beat our estimates and registered a growth of 28% YoY (14% QoQ), aided by healthy business growth and NIM expansion. However, due to lower other income, OP/PAT at Rs 5.6bn / Rs 3.5bn came in-line with our estimates registering a growth of 36% YoY (3% QoQ) / 16% YoY (3% QoQ). Opex growth was largely controlled with steady cost to AUM at 2.2%.
- NIMs (calc) jumped 43bps QoQ at 5.2% aided by 31bps QoQ increase in yields and 12bps QoQ decline in cost of funds. The management will continue to focus on portfolio mix and customer segment mix to optimize margins while ensuring growth & profitability.
- AUM grew 19% YoY (5% QoQ) driven by CVs (16% YoY / 3% QoQ), Cars (18% YoY / 8% QoQ) and CE (19% YoY, 7% QoQ). The tractor segment registered a growth of 11% YoY, 3% QoQ.
- Asset quality deteriorated marginally with gross / net stage 3 at 1.7%/1.0% (8bps QoQ). Credit costs increased by 8bps to 74bps, also PCR on GS3 dropped to 43% from 45% in Q2FY25.
- Sundaram AMC's AUM declined further to Rs 760bn (vs Rs 768bn in Q2FY25) and registered a growth of 13% YoY / -1% QoQ and PAT recorded a growth of 30% YoY (steady QoQ) at Rs 390mn.
- Royal Sundaram General Insurance' gross written premium (GWP) declined 6% YoY (-3% QoQ) for Q3FY25. During the quarter the company has reported a PAT of Rs 90mn and grew -72% YoY / -85% QoQ.
- Sundaram Home Finance's AUM grew by 26% YoY (6% QoQ) aided by disbursements growth of 35% YoY (10% QoQ). While PAT at Rs 626mn (flat YoY / growth of 42% QoQ). GNPA improved by 10bps QoQ at 1.3%.

Pradeep Agrawal

pradeepagrawal@systematixgroup.in  
+91 22 6704 8024

Pravin Mule

pravinmule@systematixgroup.in

Yash Mehta

yashmehta@systematixgroup.in

Investors are advised to refer disclosures made at the end of the research report.

**Management commentary**

- Industry sales in segments and geographies where SUF operate, were flat to declining compared to last year. MHCV declined 13.9% YoY, retail CVs were flat. Tractors and cars reported good Q3 with 17% YoY and 8% YoY growth.
- It has been a strong quarter for SUF despite a relatively muted Q3 for the industry. The company has gained market share across all products which resulted in 19% growth in disbursements.
- Asset quality continues to improve, even as the collections environment for the sector tightens. Going ahead, SUF is well positioned to report steady growth, best-in-class asset quality and continued resilient profitability.

**Valuation & recommendation**

We remain watchful at industry level stress with respect to weak sales numbers. The stock trades at a fair valuation of 3.5x FY27E core BV, with RoA/ RoE at ~3%/~19%, respectively. Hence, we maintain our HOLD rating on the stock with a revised target price of Rs 4,450 (earlier Rs 4,300).

**Exhibit 1: SoTP Valuation**

	Stake (%)	Basis of Valuation	Holdco Discount	Discounted value	Rs/share
<b>Sundaram Finance</b>		<b>3.5x FY27E Core BV</b>			<b>3,743</b>
<b>Subsidiary Valuation/ share</b>					<b>707</b>
Sundaram AMC	100%	4% of FY27E AUM	20%	31,653	285
Sundaram Home Finance	100%	1.5x FY27E BV	20%	31,095	280
Royal Sun Alliance General Insurance	50%	10X FY27E EPS	20%	15,933	143
<b>SoTP Value (Rs)</b>					<b>4,450</b>
CMP (Rs)					4,307
Upside/(Downside) (%)					3.3%

Source: Company, Systematix Institutional Research

## Exhibit 2: Quarterly performance

(Rs mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
<b>Net Interest Income</b>	<b>5,010</b>	<b>5,170</b>	<b>5,298</b>	<b>5,625</b>	<b>6,427</b>	<b>28.3</b>	<b>14.3</b>
Other Income	1,569	3,292	1,895	2,389	1,859	18.5	-22.2
<i>Fee income</i>	<i>688</i>	<i>783</i>	<i>714</i>	<i>876</i>	<i>906</i>	<i>31.6</i>	<i>3.4</i>
Net Income	6,579	8,461	7,193	8,013	8,286	25.9	3.4
<b>Total Operating Expenses</b>	<b>2,467</b>	<b>2,425</b>	<b>2,438</b>	<b>2,580</b>	<b>2,700</b>	<b>9.4</b>	<b>4.7</b>
<i>As % Of Net Income</i>	<i>37.5</i>	<i>28.7</i>	<i>33.9</i>	<i>32.2</i>	<i>32.6</i>	<i>(492bps)</i>	<i>39bps</i>
<i>As % Of Avg AUM</i>	<i>2.4</i>	<i>2.3</i>	<i>2.2</i>	<i>2.2</i>	<i>2.2</i>	<i>(20bps)</i>	<i>(bps)</i>
Employee Expenses	1,426	1,415	1,572	1,574	1,702	19.3	8.1
<i>As % Of Net Income</i>	<i>21.7</i>	<i>16.7</i>	<i>21.8</i>	<i>19.6</i>	<i>20.5</i>	<i>(114bps)</i>	<i>90bps</i>
Other Expenses	1,041	1,010	867	1,006	998	-4.1	-0.8
<i>As % Of Net Income</i>	<i>15.82</i>	<i>11.94</i>	<i>12.05</i>	<i>12.56</i>	<i>12.05</i>	<i>(377bps)</i>	<i>(51bps)</i>
<b>Operating Profit</b>	<b>4,112</b>	<b>6,036</b>	<b>4,755</b>	<b>5,433</b>	<b>5,586</b>	<b>35.9</b>	<b>2.8</b>
<i>As % Of Net Income</i>	<i>62.5</i>	<i>71.3</i>	<i>66.1</i>	<i>67.8</i>	<i>67.4</i>	<i>492bps</i>	<i>(39bps)</i>
Provisions	215	1,378	734	781	912	324.7	16.7
<i>Credit cost</i>	<i>0.21</i>	<i>1.28</i>	<i>0.65</i>	<i>0.67</i>	<i>0.74</i>	<i>53bps</i>	<i>8bps</i>
profit before exceptional item	3,897	4,658	4,022	4,652	4,674	19.9	0.5
Exceptional item	0	1,339	0	0	0	-	-
PBT	3,897	5,997	4,022	4,652	4,674	19.9	0.5
Total Tax	896	934	945	1,251	1,183	32.0	-5.4
<b>Adjusted PAT</b>	<b>3,001</b>	<b>5,063</b>	<b>3,077</b>	<b>3,401</b>	<b>3,491</b>	<b>16.3</b>	<b>2.6</b>
<i>RoA</i>	<i>2.3</i>	<i>3.7</i>	<i>2.2</i>	<i>2.5</i>	<i>2.5</i>	<i>16bps</i>	<i>(1bps)</i>

<b>Yield Analysis (%)</b>	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (bps)	QoQ (bps)
Yield on portfolio (Calc)	11.6	11.5	11.5	11.7	12.0	42bps	31bps
Cost of funds (Calc)	6.7	6.7	6.8	6.9	6.8	5bps	(12bps)
NIMs (Calc)	4.9	4.8	4.7	4.8	5.2	36bps	43bps

<b>Asset quality (Rs mn)</b>	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Gross NPAs	7,464	5,542	7,125	7,785	8,534	14.3	9.6
Gross NPAs (%)	1.8	1.3	1.6	1.6	1.7	(7bps)	8bps
Net NPAs (%)	1.0	0.6	0.8	0.9	1.0	(5bps)	8bps
Provision cover (%)	42.4	50.0	46.2	45.1	42.9	57bps	(212bps)

<b>AUM (Rs mn)</b>	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	102,478	107,328	112,351	115,339	120,980		
Retail CV	92,357	93,692	99,563	103,325	104,916		
Cars	104,165	105,569	109,610	114,378	122,988		
Construction equipment	44,702	46,626	48,868	49,980	53,211		
Tractors	32,051	32,990	33,340	34,602	35,641		
Commercial Lending	25,725	31,671	30,143	36,524	37,649		
Others	20,243	21,994	22,836	26,432	26,605		
<b>Total</b>	<b>421,720</b>	<b>439,870</b>	<b>456,710</b>	<b>480,580</b>	<b>501,990</b>		

<b>Growth YoY (%)</b>	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	6.8	6.0	20.2	17.4	18.1		
Retail CV	55.5	55.0	22.1	17.6	13.6		
Cars	18.0	22.2	20.2	16.9	18.1		
Construction equipment	23.3	26.1	21.6	17.6	19.0		
Tractors	19.4	19.4	14.8	13.5	11.2		
Commercial Lending	91.6	123.6	58.8	51.8	46.4		
Others	11.7	17.9	27.8	31.8	31.4		
<b>Total</b>	<b>25.7</b>	<b>27.3</b>	<b>22.7</b>	<b>19.8</b>	<b>19.0</b>		

Growth QoQ (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	4.3	4.7	4.7	2.7	4.9		
Retail CV	5.2	1.4	6.3	3.8	1.5		
Cars	6.4	1.3	3.8	4.3	7.5		
Construction equipment	5.2	4.3	4.8	2.3	6.5		
Tractors	5.2	2.9	1.1	3.8	3.0		
Commercial Lending	6.9	23.1	-4.8	21.2	3.1		
Others	0.9	8.6	3.8	15.7	0.7		
<b>Total</b>	<b>5.2</b>	<b>4.3</b>	<b>3.8</b>	<b>5.2</b>	<b>4.5</b>		

Disbursement (Rs mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	15,032	31,282	16,717	15,572	18,012		
Retail CV	13,827	3,607	15,612	15,023	15,528		
Cars	16,793	14,826	14,990	15,709	18,789		
Construction equipment	7,641	5,708	7,806	7,272	8,385		
Tractors	5,630	4,980	4,974	4,596	5,512		
Commercial Lending	2,618	3,885	6,632	8,232	8,230		
Others	3,699	-2,199	2,349	2,332	3,183		
<b>Total</b>	<b>65,240</b>	<b>62,090</b>	<b>69,080</b>	<b>68,600</b>	<b>77,640</b>		

Growth YoY (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	-6.7	74.5	-12.1	-2.9	19.8		
Retail CV	45.8	-57.7	15.1	-1.9	12.3		
Cars	12.7	34.8	2.2	-7.8	11.9		
Construction equipment	21.2	0.5	3.7	-1.5	9.7		
Tractors	4.8	33.3	-1.7	2.7	-2.1		
Commercial Lending	0.4	-33.3	70.3	7.5	214.4		
Others	111.8	2,077.9	101.1	53.7	-13.9		
<b>Total</b>	<b>15.4</b>	<b>18.1</b>	<b>6.5</b>	<b>-1.2</b>	<b>19.0</b>		

Growth QoQ (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25		
MHCV	-6.3	108.1	-46.6	-6.9	15.7		
Retail CV	-9.7	-73.9	332.8	-3.8	3.4		
Cars	-1.4	-11.7	1.1	4.8	19.6		
Construction equipment	3.5	-25.3	36.8	-6.8	15.3		
Tractors	25.8	-11.5	-0.1	-7.6	19.9		
Commercial Lending	-65.8	48.4	70.7	24.1	0.0		
Others	143.7	-159.4	-206.8	-0.7	36.5		
<b>Total</b>	<b>-6.0</b>	<b>-4.8</b>	<b>11.3</b>	<b>-0.7</b>	<b>13.2</b>		

Key Ratios (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (bps)	QoQ (bps)
Opex/ AUM	2.4	2.3	2.2	2.2	2.2	(20bps)	(bps)
Cost/ Income	37.5	28.7	33.9	32.2	32.6	(492bps)	39bps
Credit cost	0.2	1.3	0.7	0.7	0.7	53bps	8bps
CAR	20.0	20.5	19.3	20.0	20.0	1bps	0

Other details	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Branches	704	710	713	709	771	9.5	8.7
Employees	7,677	7,459	7,381	7,460	7,344	-4.3	-1.6

Source of Borrowing (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Debentures	30	34	32	32	30	(10bps)	(260bps)
Banks	35	36	36	39	36	80bps	(340bps)
Securitisation	11	12	12	10	11	20bps	30bps
Deposit	14	14	14	14	14	(30bps)	(60bps)
CPs	11	5	6	4	10	(60bps)	630bps
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>		

Sundaram Housing Finance (Rs mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Disbursements	12,520	14,690	13,530	15,430	16,920	35.1	9.7
AUM	129,730	138,120	145,330	154,050	163,310	25.9	6.0
PAT	623	568	664	442	626	0.5	41.6
GNPA	1.3	1.2	1.4	1.2	1.3	0	10bps
NPA	0.6	0.5	0.7	0.6	0.7	10bps	10bps

Royal Sundaram (Rs mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Gross Written Premium	9,740	10,330	11,140	9,390	9,120	-6.4	-2.9
PAT	330	-90	650	610	90	-72.7	-85.2
Combined operating expense	116.1	118	114	112	115	(110bps)	300bps

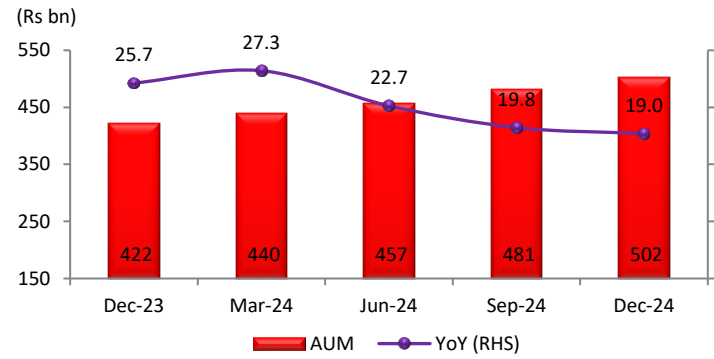
Sundaram Asset Management (Rs mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	YoY (%)	QoQ (%)
Average AUM	672,720	708,830	805,650	768,450	760,380	13.0	-1.1
PAT	300	380	290	390	390	30.0	0.0

Source: Company, Systematix Institutional Research

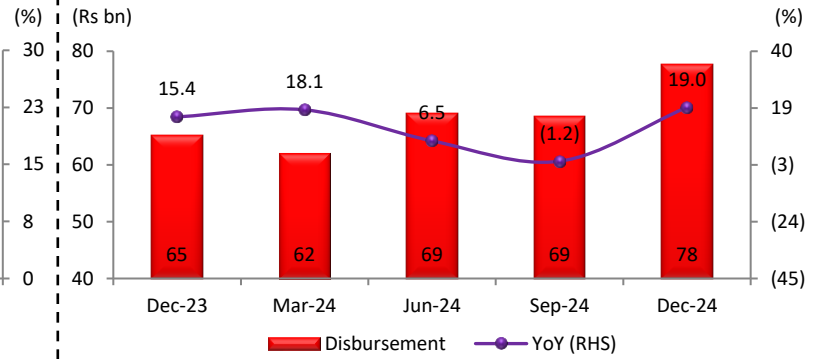
### Exhibit 3: Change in estimates

(Rs bn)	Old Estimates			New Estimates			% Change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
NII	23.5	28.0	-	23.5	28.5	32.8	0.3	1.6	-
Operating Profit	23.3	27.7	-	22.6	27.3	31.0	-3.3	-1.5	-
PAT	15.5	18.5	-	15.1	18.1	20.5	-2.9	-2.0	-
EPS	140	166	-	136	163	185	-2.9	-2.0	-

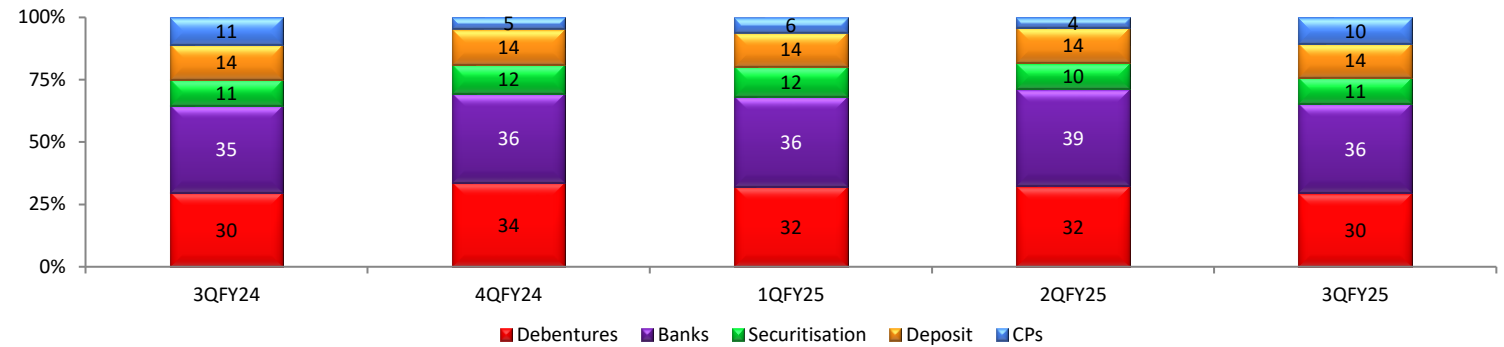
Source: Company, Systematix Institutional Research

**Exhibit 4: AUM growth remained steady...**

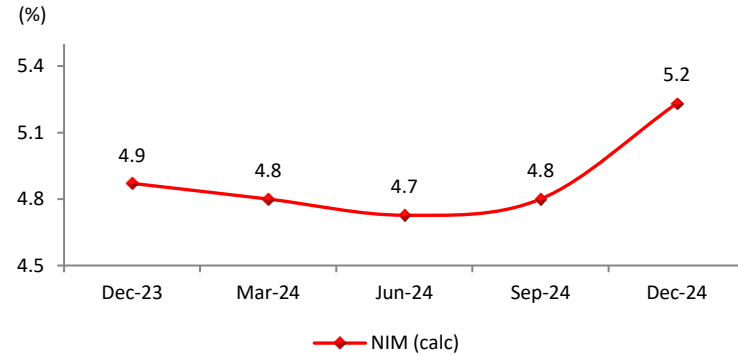
Source: Company, Systematix Institutional Research

**Exhibit 5: ...led by strong disbursements growth**

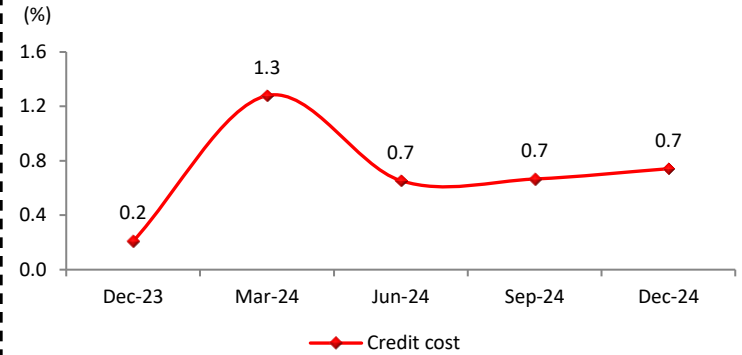
Source: Company, Systematix Institutional Research

**Exhibit 6: Diversified borrowing mix**

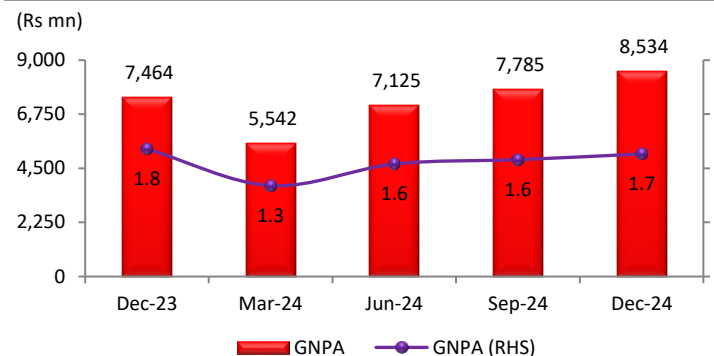
Source: Company, Systematix Institutional Research

**Exhibit 7: NIMs (calc) up by 43bps QoQ**

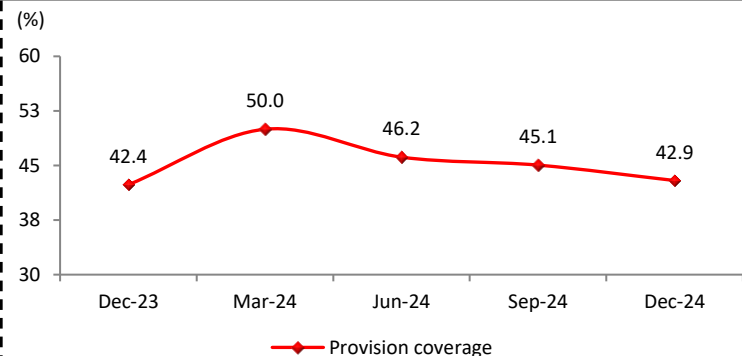
Source: Company, Systematix Institutional Research

**Exhibit 8: Credit cost steady on sequential basis**

Source: Company, Systematix Institutional Research

**Exhibit 9: GS3 asset ratio inched up by 8bps QoQ**

Source: Company, Systematix Institutional Research

**Exhibit 10: while coverage ratio moderated**

Source: Company, Systematix Institutional Research

## FINANCIALS

### Profit & Loss Statement

YE: Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Net interest income	16,950	19,488	23,521	28,496	32,776
Other income	6,381	9,698	10,202	11,877	13,342
Net Income	23,331	29,186	33,723	40,373	46,118
Operating expenses	7,789	9,481	11,150	13,071	15,086
Preprovision profit	15,542	19,705	22,573	27,302	31,032
Provisions	1,343	2,738	3,607	4,510	5,205
Profit before tax	14,200	18,305	18,966	22,792	25,827
Tax	3,317	3,765	3,901	4,688	5,312
Tax rate	23	21	21	21	21
Reported Profit after tax	10,883	14,540	15,065	18,104	20,515
Adj. PAT	10,883	13,340	15,065	18,104	20,515

Source: Company, Systematix Institutional Research

### Balance Sheet

YE: Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Equity	1,111	1,111	1,111	1,111	1,111
Reserves	76,263	93,606	106,100	121,115	138,129
Net worth	77,374	94,717	107,211	122,226	139,240
Borrowings	327,549	408,769	509,014	592,733	682,241
Others	5,664	6,392	8,750	10,152	11,664
<b>Total liabilities</b>	<b>410,587</b>	<b>509,878</b>	<b>624,975</b>	<b>725,110</b>	<b>833,145</b>
Cash	10,703	14,184	16,829	19,526	22,435
Investments	50,628	63,829	73,068	84,775	97,405
Loans	337,552	420,768	521,911	605,533	695,752
Others	6,573	4,515	5,357	6,215	7,141
<b>Total assets</b>	<b>410,587</b>	<b>509,878</b>	<b>624,975</b>	<b>725,110</b>	<b>833,145</b>

Source: Company, Systematix Institutional Research

### Dupont (as % of Average Assets)

YE: Mar	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	9.1	9.8	10.0	9.8	9.8
Interest Expense	4.7	5.6	5.8	5.5	5.6
Net Interest Income	4.4	4.2	4.1	4.2	4.2
Other income total	1.7	2.1	1.8	1.8	1.7
Net Income total	6.1	6.3	5.9	6.0	5.9
Operating expenses total	2.0	2.1	2.0	1.9	1.9
Preprovision profit	4.1	4.3	4.0	4.0	4.0
Provisions	0.4	0.6	0.6	0.7	0.7
Profit before tax and exce. items	3.7	3.7	3.3	3.4	3.3
Profit after tax (Reported)	2.9	3.2	2.7	2.7	2.6
Profit after tax (Reported)	2.9	2.9	2.7	2.7	2.6

Source: Company, Systematix Institutional Research

### Key Ratios

YE: Mar	FY23	FY24	FY25E	FY26E	FY27E
Yield on portfolio	11.2	11.9	12.0	11.7	11.7
Cost of borrowings	5.9	7.0	7.2	6.8	6.8
Spread	5.3	4.9	4.8	4.9	4.9
NIM (on AUM)	5.3	5.0	4.9	5.1	5.0
Cost/ Income (%)	33.4	32.5	33.1	32.4	32.7
Credit cost (%)	0.4	0.6	0.6	0.7	0.7
RoA(%)	2.9	2.9	2.7	2.7	2.6
Core RoE(%)	21.0	20.2	18.6	19.1	18.6
Leverage (x)	7.4	7.0	7.0	7.1	7.0
Gross NPA (%)	1.7	1.3	1.8	2.0	2.0
Net NPA (%)	0.9	0.6	1.0	1.1	1.1
Provision coverage (%)	48.8	50.0	44.0	45.0	45.0

Source: Company, Systematix Institutional Research

### Growth

YE: Mar (%)	FY23	FY24	FY25E	FY26E	FY27E
Net interest income	0.0	15.0	20.7	21.2	15.0
Net Income total	6.5	25.1	15.5	19.7	14.2
Preprovision profit	3.9	26.8	14.6	21.0	13.7
Profit before tax	20.7	28.9	3.6	20.2	13.3
Profit after tax	20.5	33.6	3.6	20.2	13.3
Loan	18.9	24.7	24.0	16.0	14.9
Disbursement	57.9	24.8	12.8	14.0	14.0
AUM	17.0	27.3	18.7	16.0	14.9

Source: Company, Systematix Institutional Research

### Valuation ratios

YE: Mar	FY23	FY24	FY25E	FY26E	FY27E
FDEPS (Rs)	98	120	136	163	185
PER (x)	37	30	27	22	19
Core Book value (Rs)	505	671	784	919	1072
P/BV (Rs)	7.1	5.4	4.6	3.9	3.4
Adjusted book value (Rs)	478	646	736	859	1003
P/ABV (Rs)	7.5	5.6	4.9	4.2	3.6
P/PPP (x)	25.7	20.3	17.7	14.6	12.9
Dividend yield (%)	0.7	0.9	0.6	0.8	0.9

Source: Company, Systematix Institutional Research



## Institutional Equities Team

<b>Nikhil Khandelwal</b>	<b>Managing Director</b>	<b>+91-22-6704 8001</b>	<b>nikhil@systematixgroup.in</b>
--------------------------	--------------------------	-------------------------	----------------------------------

### Equity Research

Analysts	Industry Sectors	Desk-Phone	E-mail
Dhananjay Sinha	Co Head of Equities & Head of Research - Strategy & Economics	+91-22-6704 8095	dhananjaysinha@systematixgroup.in
Abhishek Mathur	Consumer Staples	+91-22-6704 8059	abhishekmathur@systematixgroup.in
Ashish Poddar	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8039	ashishpoddar@systematixgroup.in
Amrish Shah	IT & ITES	+91-22-6704 8041	amrishshah@systematixgroup.in
Chetan Mahadik	Consumer Discretionary	+91-22-6704 8091	chetanmahadik@systematixgroup.in
Manjith Nair	Banking, Insurance	+91-22-6704 8065	manjithnair@systematixgroup.in
Pradeep Agrawal	NBFCs & Diversified Financials	+91-22-6704 8024	pradeepagrawal@systematixgroup.in
Pratik Tholiya	Specialty & Agro Chem, Fertilisers, Sugar, Textiles and Select Midcaps	+91-22-6704 8028	pratiktholiya@systematixgroup.in
Shweta Dikshit	Metals & Mining	+91-22-6704 8042	shwetadikshit@systematixgroup.in
Sudeep Anand	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8085	sudeepanand@systematixgroup.in
Vishal Manchanda	Pharmaceuticals and Healthcare	+91-22-6704 8064	vishalmanchanda@systematixgroup.in
Deeksha Bhardwaj	Strategy & Economics	+91-22-6704 8017	deekshabhardwaj@systematixgroup.in
Devanshi Kamdar	IT & ITES	+91-22-6704 8098	devanshikamdar@systematixgroup.in
Hinal Kothari	Metals & Mining	+91-22-6704 8076	hinalkothari@systematixgroup.in
Jennisa Popat	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8066	jennisapopat@systematixgroup.in
Krishna Zaveri	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8023	krishnazaveri@systematixgroup.in
Mahek Shah	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8040	mahekshah@systematixgroup.in
Nirali Chheda	Banking, Insurance	+91-22-6704 8019	niralichheda@systematixgroup.in
Pashmi Chheda	Banking, Insurance	+91-22-6704 8063	pashmichheda@systematixgroup.in
Pravin Mule	NBFCs & Diversified Financials	+91-22-6704 8034	pravinmule@systematixgroup.in
Pratik Oza	Midcaps	+91-22-6704 8038	pratikoza@systematixgroup.in
Prathmesh Kamath	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8022	prathmeshkamath@systematixgroup.in
Purvi Mundhra	Macro-Strategy	+91-22-6704 8078	purvimundhra@systematixgroup.in
Rajesh Mudaliar	Consumer Staples & Discretionary	+91-22-6704 8084	rajeshmudaliar@systematixgroup.in
Rajat Parab	Consumer Staples	+91-22-6704 8084	rajatparab@systematixgroup.in
Rushank Mody	Pharmaceuticals and Healthcare	+91-22-6704 8046	rushankmody@systematixgroup.in
Swati Saboo	Midcaps	+91-22-6704 8043	swatisaboo@systematixgroup.in
Vijay Jangir	FMCG	+91-22-6704 8029	vijayjangir@systematixgroup.in
Vamsi Hota	Pharmaceuticals and Healthcare	+91-22-6704 8099	vamsihota@systematixgroup.in
Yash Mehta	NBFCs & Diversified Financials	+91-22-6704 8036	yashmehta@systematixgroup.in
Yogeeta Rathod	Midcaps	+91-22-6704 8081	yogeeathod@systematixgroup.in

### Equity Sales & Trading

Name		Desk-Phone	E-mail
Vipul Sanghvi	Co Head of Equities & Head of Sales	+91-22-6704 8062	vipulsanghvi@systematixgroup.in
Sidharth Agrawal	Sales	+91-22-6704 8090	sidharthagrawal@systematixgroup.in
Shreya Chaudhary	Sales	+91-22-6704 8033	shreyachaudhary@systematixgroup.in
Rahul Khandelwal	Sales	+91-22-6704 8003	rahul@systematixgroup.in
Abhinav Barjatiya	Sales	+91-22-6704 8068	abhinavbarjatiya@systematixgroup.in
Chintan Shah	Sales	+91-22-6704 8061	chintanshah@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
Niraj Singh	Dealer	+91-22-6704 8096	nirajsingh@systematixgroup.in

### Corporate Access

<b>Mrunal Pawar</b>	<b>Vice President &amp; Head Corporate Access</b>	<b>+91-22-6704 8088</b>	<b>mrunalpawar@systematixgroup.in</b>
<b>Anshika Patnaik</b>	<b>Associate Corporate Access</b>	<b>+91-22-6704 8162</b>	<b>anshikapatnaik@systematixgroup.in</b>

### Production

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

### Operations

<b>Sachin Malusare</b>	<b>Vice President</b>	<b>+91-22-6704 8055</b>	<b>sachinmalusare@systematixgroup.in</b>
<b>Jignesh Mistry</b>	<b>Manager</b>	<b>+91-22-6704 8049</b>	<b>jigneshmistry@systematixgroup.in</b>
<b>Hiren Patel</b>	<b>Assistant Manager</b>	<b>+91-22-6704 8056</b>	<b>hirenpatel@systematixgroup.in</b>



## DISCLOSURES/APPENDIX

## I. ANALYST CERTIFICATION

I, **Pradeep Agrawal, Pravin Mule, Yash Mehta**; 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.**

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



#### **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

Tel no. 022-66198000/40358000 Fax no. 022-66198029/40358029 Email id [contactus@systematixgroup.in](mailto:contactus@systematixgroup.in). Visit us at: [www.systematixgroup.in](http://www.systematixgroup.in)

Details of Compliance officer: Ms Nipa Savla, Compliance officer Tel no. 022-66198092/4035808092 Email id [compliance@systematixgroup.in](mailto:compliance@systematixgroup.in)

Details of Email id grievance redressal cell : [grievance@systematixgroup.in](mailto:grievance@systematixgroup.in)

Details of Registration : 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: 12034600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | AMFI : ARN - 64917