19 July 2025

Polycab, India

Strong start to FY26 with bright prospects, retaining a Buy

Rating: **Buy**
Target Price (12-mth): Rs.7,948
Share Price: Rs.6,923

Strong execution in all segments led to Polycab's robust Q1 FY26. Resilient domestic demand and greater export momentum led to wires & cables strong, 25%, volume growth. Premiumization and a standout quarter for solar products strengthened the FMEG performance. Polycab is well-set to capitalise on structural demand tailwinds, focusing on domestic markets and scaling up exports. We, thus, retain a Buy rating, with a TP of Rs7,948 (earlier Rs7,485).

Beat on estimates. Robust growth in all its business categories pushed up Q1 revenue a stellar 25.7% y/y to Rs59bn. Cable and wire revenue grew 31% y/y to Rs52.2bn, while FMEG revenue was up 18% y/y led by growth in major product categories except fans where growth was muted. Strategic pricing revisions, greater operational efficiency and a favourable business mix pulled up the EBITDA margin 210bps y/y to 14.5%. Staff cost rose 42% y/y; other expenses, 21.9% y/y. The 47% EBITDA growth pushed up net income 53% y/y to Rs6bn.

Alignment with 'Project Spring' goals. Polycab achieved its second consecutive profitable quarter in FMEG, expanded its premium portfolio and maintained strong momentum in wires & cables, all aligned with Project Spring's objectives. The strategy focuses on scaling up core businesses, accelerating premiumization, expanding exports and improving operating efficiency. Management re-iterated its confidence in achieving the project's FY30 goals: 1.5x industry growth, 11-13% wire and cable margins and 1.5–2x industry growth and 8–10% EBITDA margins in FMEG.

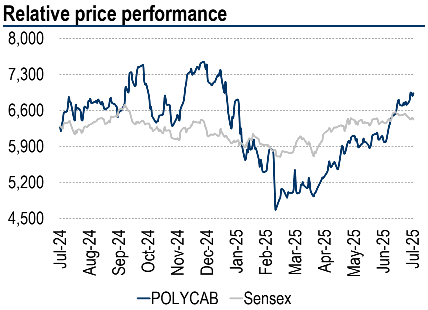
Outlook, Valuation. We expect the company to deliver an industry-leading performance and, hence, model 18%/22% revenue/net income CAGRs over FY25-27. At the CMP, the stock trades at 43x/35x FY26e/27e EPS of Rs161/199. We value the stock at 40x FY27e EPS of Rs199, maintaining our Buy rating with a higher TP of Rs7,948. **Risks:** Persistent slowdown in government infra spend could considerably cut growth, especially given the company's huge investment in capacity and branding. Sharp commodity-price volatility and increasing competitive intensity.

Key data	POLYCAB IN
52-week high/low	Rs.7,607 / 4,557
Sensex/Nifty	81,758 / 24,968
Market cap	Rs.1,036bn
Shares outstanding	151m

Shareholding pattern (%)	Jun'25	Mar'25	Dec'24
Promoters	63.0	63.0	63.1
- of which Pledged	-	-	-
Free float	37.0	37.0	37.0
- Foreign Institutions	11.0	11.1	12.8
- Domestic Institutions	9.0	11.0	10.7
- Public	17.0	14.9	13.5

Estimates revision (%)	FY26e	FY27e
Sales	1.0	2.3
EBITDA	2.9	5.8
PAT	1.8	6.2

Relative price performance



Source: Bloomberg

Key financials (YE: Mar)	FY23	*FY24*	FY25	FY26e	FY27e
Sales (Rs m)	141,078	*180,394*	224,083	262,260	311,022
Net profit (Rs m)	12,708	*17,840*	20,201	24,160	29,852
EPS (Rs)	84.9	*118.9*	133.8	160.8	198.7
PE (x)	85.6	*58.2*	51.7	43.0	34.8
EV / EBITDA (x)	43.3	*42.9*	34.5	28.4	23.1
P / BV (x)	16.4	*12.7*	10.6	8.9	7.4
RoE (%)	20.9	*24.1*	22.4	22.5	23.3
RoIC (%) – post-tax	18.2	*20.5*	19.9	19.7	20.1
RoCE (%) – post-tax	26.7	*31.5*	29.3	28.6	30.1
Net debt / equity (x)	-0.3	*-0.3*	-0.2	-0.3	-0.3

Source: Company, Anand Rathi Research

Manish Valecha
Research Analyst

Surbhi Lodha
Research Analyst

Quick Glance – Financials and Valuations

Fig 1 – Income statement (Rs m)

Year-end: Mar	FY23	FY24	FY25	FY26e	FY27e
Net revenues	141,078	180,394	224,083	262,260	311,022
Growth (%)	*15.6*	*27.9*	*24.2*	*17.0*	*18.6*
Direct costs	103,757	128,060	155,731	186,205	220,825
SG&A	18,799	27,417	38,749	40,495	46,894
EBITDA	**18,521**	**24,918**	**29,603**	**35,560**	**43,302**
EBITDA margins (%)	*13.1*	*13.8*	*13.2*	*13.6*	*13.9*
- Depreciation	2,092	2,450	2,981	3,827	4,464
Other income	1,333	2,209	2,076	2,623	3,110
Interest expenses	598	1,083	1,689	1,587	1,529
PBT	17,165	23,593	27,009	32,769	40,419
Effective tax rates (%)	*24.7*	*23.6*	*24.3*	*25.6*	*25.6*
+ Associates / (Minorities)	-216	-189	-255	-220	-220
Net income	12,708	17,840	20,201	24,160	29,852
Adj. income	12,708	17,840	20,201	24,160	29,852
WANS	150	150	151	151	151
FDEPS (Rs)	84.9	118.9	133.8	160.8	198.7
FDEPS growth (%)	*51.5*	*40.0*	*12.5*	*19.6*	*23.6*
Gross margins (%)	*26.5*	*29.0*	*30.5*	*30.0*	*30.0*

Fig 2 – Balance sheet (Rs m)

Year-end: Mar	FY23	FY24	FY25	FY26e	FY27e
Share capital	1,498	1,502	1,504	1,504	1,504
Net worth	66,372	81,871	98,250	116,401	140,243
Debt	730	898	1,090	1,090	1,090
Minority interest	374	562	818	1,038	1,258
DTL / (Assets)	409	415	785	785	785
Capital employed	**67,885**	**83,746**	**100,943**	**119,313**	**143,376**
Net tangible assets	20,466	22,406	29,222	35,276	40,706
Net intangible assets	157	160	98	98	98
Goodwill	46	46	-	-	-
CWIP (tang. & intang.)	2,508	5,784	7,081	7,500	8,000
Investments (strategic)	-	763	790	790	790
Investments (financial)	13,505	18,224	17,490	19,239	21,163
Current assets (excl. cash)	50,607	70,016	75,887	88,325	104,035
Cash	6,952	4,024	7,707	11,240	19,219
Current liabilities	26,356	36,914	36,544	42,365	49,846
Working capital	24,251	33,102	39,343	45,960	54,189
Capital deployed	**67,885**	**83,746**	**100,943**	**119,313**	**143,376**
Contingent liabilities	297	583	681		

Fig 3 – Cash-flow statement (Rs m)

Year-end: Mar	FY23	FY24	FY25	FY26e	FY27e
PBT	17,073	23,593	27,009	32,769	40,419
+ Non-cash items	2,092	2,450	2,981	3,827	4,464
Oper. prof. before WC	19,164	26,043	29,990	36,596	44,883
- Incr. / (decr.) in WC	-1,058	-8,090	-6,099	-6,617	-8,229
Others incl. taxes	-3,831	-4,991	-5,805	-9,425	-11,928
Operating cash-flow	14,275	12,962	18,085	20,555	24,725
- Capex (tang. + intang.)	-4,584	-8,580	-9,583	-10,299	-10,394
Free cash-flow	9,691	4,383	8,502	10,255	14,331
Acquisitions					
- Div.(incl. buyback & taxes)	-2,094	-2,997	-4,511	-6,009	-6,009
+ Equity raised	-	-	-	-	-
+ Debt raised	332	194	498	-	-
- Fin investments	-5,213	-3,839	1,956	-1,749	-1,924
- Misc. (CFI + CFF)	-32	-54	-585	-	-
Net cash-flow	(22)	1,570	(591)	3,533	7,979

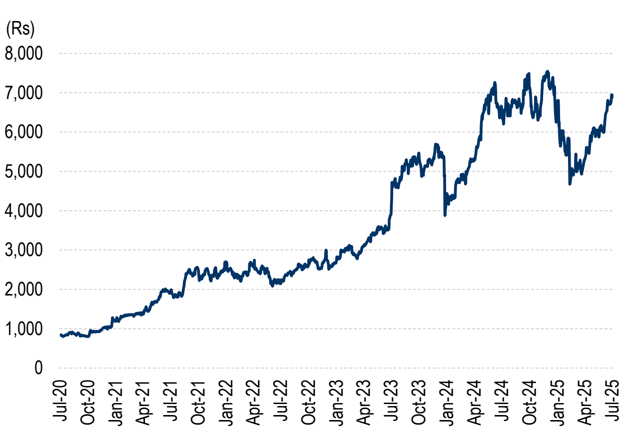
Source: Company

Fig 4 – Ratio analysis

Year-end: Mar	FY23	FY24	FY25	FY26e	FY27e
P/E (x)	85.6	58.2	51.7	43.0	34.8
EV / EBITDA (x)	43.3	42.9	34.5	28.4	23.1
EV / Sales (x)	5.7	5.9	4.6	3.9	3.2
P/B (x)	16.4	12.7	10.6	8.9	7.4
RoE (%)	20.9	24.1	22.4	22.5	23.3
RoCE (%) - after tax	18.2	20.5	19.9	19.7	20.1
RoIC (%) - after tax	26.7	31.5	29.3	28.6	30.1
DPS (Rs)	20.0	30.0	35.0	40.0	40.0
Dividend yield (%)	0.3	0.4	0.5	0.6	0.6
Dividend payout (%) - incl. DDT	23.5	25.2	26.2	24.9	20.1
Net debt / equity (x)	-0.3	-0.3	-0.2	-0.3	-0.3
Receivables (days)	32	41	42	42	42
Inventory (days)	76	74	60	60	60
Payables (days)	53	58	45	45	45
CFO : PAT %	112.3	72.7	89.5	85.1	82.8

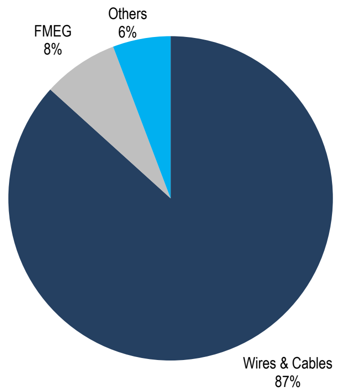
Source: Company

Fig 5 – Price movement



Source: Bloomberg

Fig 6 – Revenue mix, Q1 FY26



Source: Company

Fig 7 – Financial performance

(Rs m)	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26e	% Y/Y	% Q/Q
Income	**38,894**	**42,177**	**43,405**	**55,919**	**46,980**	**54,984**	**52,261**	**69,858**	**59,060**	**25.7**	**(15.5)**
Raw material costs	28,581	30,739	31,692	41,792	35,415	42,025	38,807	52,053	43,188	21.9	(17.0)
Employee costs	1,349	1,557	1,494	1,696	1,539	1,803	1,989	2,036	2,189	42.2	7.5
Other expenses	3,478	3,792	4,524	4,816	4,192	4,841	4,265	5,515	5,107	21.8	(7.4)
EBITDA	**5,486**	**6,089**	**5,695**	**7,615**	**5,834**	**6,316**	**7,199**	**10,254**	**8,576**	**47.0**	**(16.4)**
Depreciation	571	603	619	657	671	721	786	804	857	27.7	6.6
Finance costs	249	268	322	244	413	453	498	325	513	24.1	57.5
Other income	640	353	710	538	584	762	250	481	799	36.9	66.3
Exceptional items	-	-	-	-	-	-	-	-	-		
PBT	**5,305**	**5,572**	**5,464**	**7,253**	**5,334**	**5,904**	**6,166**	**9,606**	**8,006**	**50.1**	**(16.7)**
Tax	1,273	1,274	1,299	1,718	1,317	1,451	1,522	2,262	2,009	52.5	(11.2)
PAT	**3,996**	**4,256**	**4,128**	**5,460**	**3,960**	**4,398**	**4,576**	**7,267**	**6,073**	**53.4**	**(16.4)**
EPS (Rs)	26.6	28.3	27.5	36.4	26.3	29.3	30.5	48.4	40.4	53.5	(16.4)
As % of income										**bps y/y**	**bps q/q**
Gross margins	**27.3**	**28.1**	**29.6**	**30.5**	**30.7**	**29.2**	**31.0**	**31.1**	**29.9**	**(81)**	**(123)**
Employee costs	3.5	3.7	3.4	3.0	3.3	3.3	3.8	2.9	3.7	43	79
Other expenses	8.9	9.0	10.4	8.6	8.9	8.8	8.2	7.9	8.6	(28)	75
EBITDA margins	**14.1**	**14.4**	**13.1**	**13.6**	**12.4**	**11.5**	**13.8**	**14.7**	**14.5**	**210**	**(16)**
Depreciation	1.5	1.4	1.4	1.2	1.4	1.3	1.5	1.2	1.5	2	30
Finance costs	0.6	0.6	0.7	0.4	0.9	0.8	1.0	0.5	0.9	(1)	40
Other income	1.6	0.8	1.6	1.0	1.2	1.4	0.5	0.7	1.4	11	67
PBT margins	**13.6**	**13.2**	**12.6**	**13.0**	**11.4**	**10.7**	**11.8**	**13.8**	**13.6**	**220**	**(19)**
Effective tax rates	24.0	22.9	23.8	23.7	24.7	24.6	24.7	23.5	25.1	39	154
PAT margins	**10.4**	**10.2**	**9.6**	**9.9**	**8.5**	**8.1**	**8.9**	**10.5**	**10.2**	**161**	**(36)**
Segment revenues (Rs m)										**% Y/Y**	**% Q/Q**
Wires & Cables	35,338	38,047	39,041	49,197	39,956	47,200	44,499	60,191	52,286	30.9	(13.1)
FMEG	3,145	3,300	2,962	3,581	3,855	3,975	4,232	4,760	4,542	17.8	(4.6)
Others	1,528	2,015	2,475	4,108	4,279	5,852	3,918	6,028	3,474	(18.8)	(42.4)
Less: Inter-segmental	781	1,074	701	757	908	1,591	580	1,058	1,057	16.3	(0.1)
Mix (%)											
Wires & Cables	90.1	90.0	89.2	87.6	84.7	85.1	85.5	86.1	88.3		
FMEG	8.0	7.8	6.8	6.4	8.2	7.2	8.1	6.8	7.7		
Segment EBIT (%)										**bps y/y**	**bps q/q**
Wires & Cables	14.8	14.6	14.0	15.3	12.8	12.3	13.7	15.1	14.7	191	(41)
FMEG	(1.8)	(1.8)	(12.4)	(12.8)	(0.7)	(6.4)	(3.0)	0.4	2.1	283	170
Others	12.0	11.2	15.9	5.1	9.1	11.8	8.7	9.4	7.7	(136)	(166)

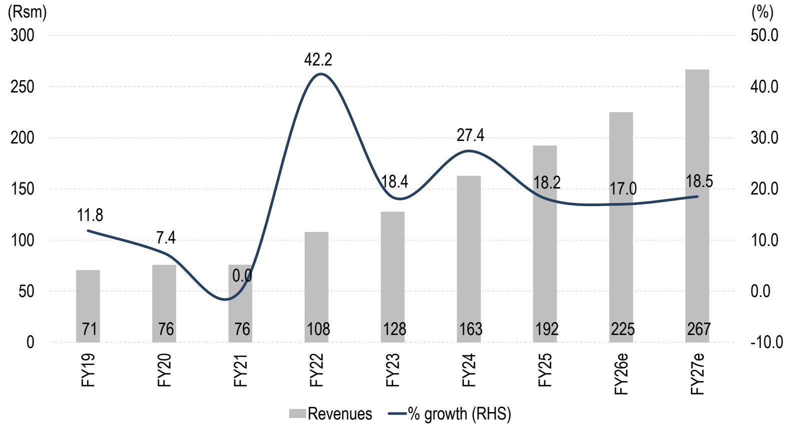
Source: Company

Q1 FY26 concall takeaways

Robust cable and wire outlook

- Wires and cables delivered a strong performance in Q1, healthy 31% y/y growth supported by >**25% volume growth**. Q1 growth was fuelled by more government spending, better project execution and rising commodity prices. The domestic business grew 32% y/y, with cables outstripping wires and channel and institutional segments showing healthy momentum. Regionally, the South led the growth trajectory, followed by the North, East and West, highlighting the company's deep and broad **all-India operations** Exports grew 24% y/y on a low base and contributed ~5.2% to overall revenue. Management re-iterated its confidence to grow as guided (1.5x of real GDP) under Project Spring.
- Cables brought ~74% to W&C revenue; wires the rest. The strong growth was led by low and medium voltage cables, driven by infrastructure, data centres and real estate. While real estate demand in top-tier cities moderated, demand from tier-3 to -5 towns is picking up markedly, particularly in affordable housing, where the company's brand "Etira" has been gaining traction and contributes a high-teen share to wire sales. Premium offerings (Maxima, Suprema; ~20%+ of sales of wires) continue to do well in metros and larger urban centres.
- Revenue from international operations grew 24% y/y in Q1. North America and the Mid-East are major markets with minimal impact from Chinese pricing in most regions except Australia. The US contributes **~1/3 of exports**. The product mix is focused on **low/medium voltage cables**, avoiding direct competition with global high-voltage-focused manufacturers. The company continues to benefit from favourable tariff differences, with Indian cable exports attracting significantly lower duties (10%) than China (55%) and Mexico (30%), enhancing its competitiveness in key global markets
- With strong order visibility, ongoing global infrastructure upgrades, rising data centres and renewable investments, management is confident of sustained export growth and expects it to bring >10% (5% in Q1 FY26) to consolidated revenue over FY26-30 under Project Spring, from operations in 80+ countries (end-FY25).
- The EBIT margin was a healthy 14.7%, up 190bps y/y, driven by sstrategic price revisions, greater operational efficiency and a favourable product mix.
- The company has steadily increased its market share in India's formal W&C market, to ~26-27% at end-FY25 (18-19% in FY19); thee share of cables was ~30%, wires early 20%, reflecting consistent growth and market dominance.
- Management said the demand momentum in W&C continues to be strong and will absorb the coming industry capacity additions, without impacting the industry's growth momentum.
- Ahead, the company guided to 11-13% EBITDA margins for cables and wires in the long run, with a greater proportion of higher-margin exports. However, low operating leverage due to capacity expansion, more investments in R&D and ad spends will keep margins in check.

Fig 8 – C&W to clock a 18% CAGR over FY25-27

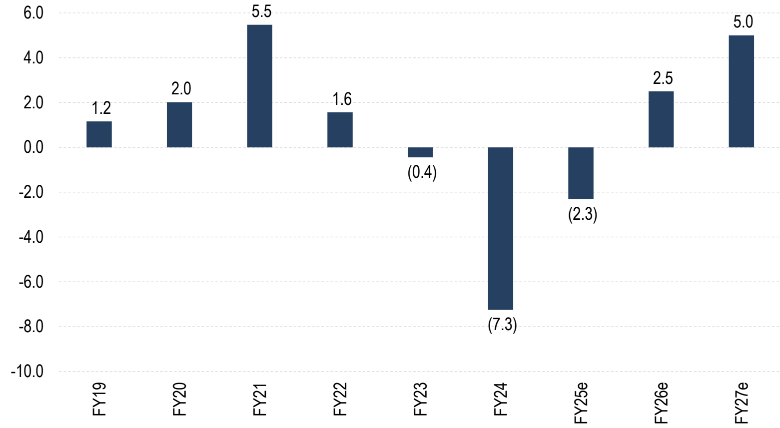


Source: Company, Anand Rathi Research

FMEG turnaround

- The FMEG segment reported 18% y/y growth in Q1 with solar products becoming the largest contributor. It has achieved a second consecutive profitable quarter with 2.1%EBIT margins after 10 straight quarters of investment in talent, product innovation and brand building, highlighting the success of its long-term strategy. Margin improvement was driven by portfolio-wide gross margin expansion, supported by a shift to premium products and greater operating leverage from scale efficiencies. The company is aligned with its Project Spring roadmap: 1.5–2x industry growth, 8–10% FMEG EBITDA margins by FY30.
- Growth in fans, however, was muted, impacted by a short summer, which curtailed seasonal demand. Yet the company did well in its premiumisation strategy; premium fans make up 25% of the segment sales, premium lighting products over 35%, driving gross-margin gains.
- In switches, the premium line Levana brought ~20% to revenue, highlighting strong consumer preference for value-added, design-led products. Sales of switchgear (high-margin, lower-competition products) also benefited from a higher mix of RCCBs and multi-pole MCBs, aligned with the brand's safety-first positioning
- E-com continues to expand its role, contributing a mid-teen percent of revenue in fans, particularly aiding the distribution of premium ones
- Ad-spend was subdued in Q1 FY26 due to the early monsoon. However, the company plans to retain its annual A&P guidance of **3–5% of B2C revenue**, with a continued focus on digital and brand-building efforts.
- The company is focusing on broadening its reach, product development and brand-building, which would lead to profitability in FMEG. Also, scaling up and higher capacity utilisation would result in better operating leverage, which would aid margins.
- Solar products continued their robust growth trajectory, posting >2x y/y growth and emerging as the leading category in FMEG with demand driven by Central and state-level rooftop solar subsidy schemes. Maharashtra, Gujarat, Rajasthan, MP, TN and Telangana are key contributors.

Fig 9 – FMEG broke even in Q4 FY25



Source: Company, Anand Rathi Research

EPC business

- EPC revenue fell 19% y/y due to project phasing and timing-related execution delays. While near-term revenue moderated, the company noted that the **order book is robust**, providing strong revenue assurance in coming quarters with overall annual targets intact. Execution is expected to pick up from H2, to <10% of total revenue.
- The order book for EPC mainly comprises projects won under the government's RDSS (to revamp power generation and distribution capacities). The order book was Rs80bn from Bharat Net, to be executed in 2-3 years. The receivables cycle is efficient with upfront payments (~10% of contract value) improving the cash-flow.
- The company expects mid- to high-single-digit margins in the near term from this business (Bharat Net margin guidance: 12–14%, RDSS: high single digits.)

Annual capex

- Under Project Spring, capex is guided to be Rs60bn-80bn in five years translating to Rs12bn-16bn annually. In Q1 FY26, the company incurred Rs4.41bn for W&C and strengthening backward integration capabilities Working capital days are expected to normalise at 50-55.

Outlook, Valuations

Outlook, estimate revision. Aided by government capex and private sector investment, Polycab expects good demand momentum for its core Wires & Cables business. In FMEG, premiumization, solar-led growth and e-com traction are expected to drive top-line and margin expansion. Execution in the EPC segment is set to accelerate from H2 with the rollout of BharatNet.

Being a market leader, the company is set to capitalise on strong demand for cables and wires from infrastructure, real estate and industrials. It is well placed in other aspects of FMEG, where it is backward integrated in manufacturing, and with operations across price points all over India. Better operating leverage and the shift in product mix toward premium categories would boost margins.

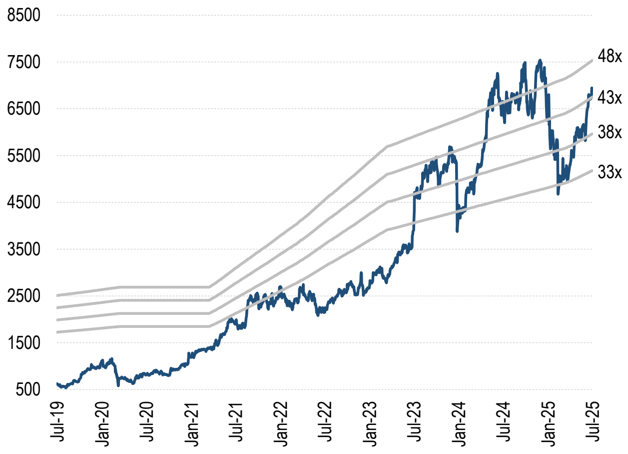
Backed by a strong balance sheet, clear strategic direction under Project Spring and disciplined capital allocation, Polycab is well-placed for sustained revenue growth and greater profitability. Considering its robust demand prospects (domestic, exports), we expect an industry-leading performance. Hence, we model 18%/22% revenue/net income CAGRs over FY25-27. On good visibility post Q1, we raise our EPS estimates. At the CMP, the stock trades at 43x/35x FY26e/27e EPS of Rs161/199. We value it at 40x FY27e EPS of Rs199, retaining our Buy recommendation with a Rs7,948 TP.

Fig 10 – Estimates change

	New		Old		Variance (%)	
(Rs m)	FY26e	FY27e	FY26e	FY27e	FY26	FY27
Revenue	262,260	311,022	2,59,716	3,04,175	*1.0*	*2.3*
EBITDA	35,560	43,302	34,570	40,937	*2.9*	*5.8*
EBITDA (%)	*13.6*	*13.9*	13.3	13.5		
PBT	32,769	40,419	32,191	38,080	*1.8*	*6.1*
Net income	24,160	29,852	23,730	28,112	*1.8*	*6.2*
Net income (%)	*9.2*	*9.6*	9.1	9.2		
EPS	160.8	198.7	158.0	187.1	*1.8*	*6.2*

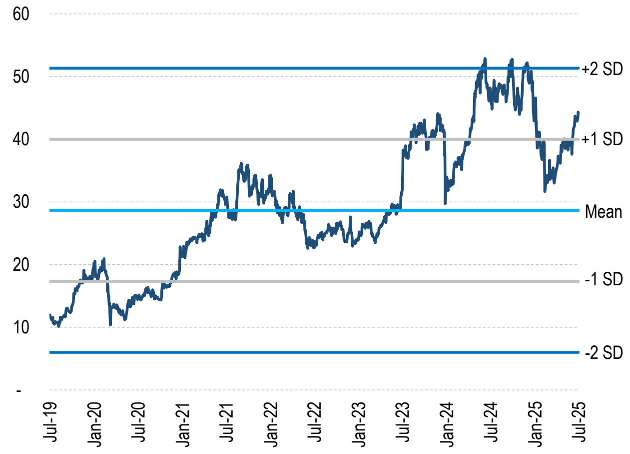
Source: Anand Rathi Research

Fig 11 – P/E trades at 43x



Source: Company, Anand Rathi Research

Fig 12 – The stock trades around its +1SD band



Source: Company, Anand Rathi Research

Risks

- Persistent slowdown in demand for cables and wires could crimp earnings sustainability.
- Slowdown in the government's infra spend could considerably cut growth, especially given the company's huge investment in capacity and branding.
- Traction in new FMEG categories could aid margins and is key for FY26 and FY27
- Stiffer competition as capacity additions by large operators may lead to pricing pressure and margin volatility.

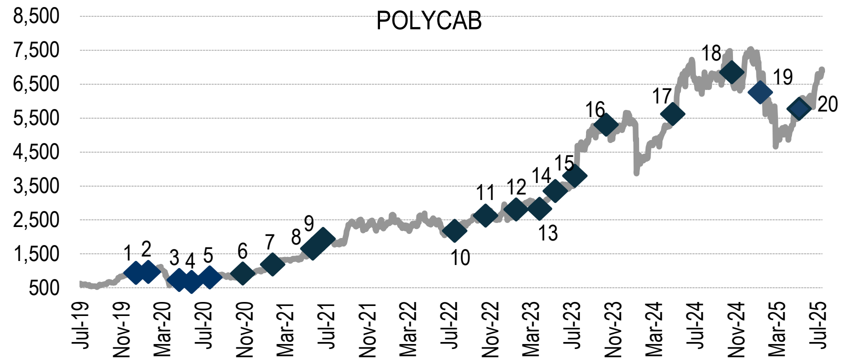
Appendix

Analyst Certification

The views expressed in this Research Report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. The research analysts are bound by stringent internal regulations and also legal and statutory requirements of the Securities and Exchange Board of India (hereinafter "SEBI") and the analysts' compensation are completely delinked from all the other companies and/or entities of Anand Rathi, and have no bearing whatsoever on any recommendation that they have given in the Research Report.

Important Disclosures on subject companies

Rating and Target Price History (as of 18 July 2025)



	Date	Rating	TP (Rs)	Share Price (Rs)
7	25-Jan-21	**Buy**	1,539	1,220
8	20-May-21	**Buy**	1,850	1,610
9	22-Jul-21	**Buy**	2,197	1,911
10	20-Jul-22	**Buy**	2,200	2,755
11	19-Oct-22	**Buy**	3,389	2,708
12	20-Jan-23	**Buy**	3,455	2,757
13	10-Mar-23	**Hold**	3,455	3,077
14	15-May-23	**Hold**	3,609	3,379
15	19-Jul-23	**Buy**	5,270	4,309
16	19-Oct-24	**Buy**	6,430	5,292
17	12-May-24	**Buy**	7,750	6,154
18	20-Oct-24	**Buy**	8,332	7,118
19	24-Jan-25	**Buy**	8,091	6,248
20	11-May-25	**Buy**	7,485	5,740

Anand Rathi Ratings Definitions

Analysts' ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid Caps & Small Caps as described in the Ratings Table below:

Ratings Guide (12 months)

	Buy	Hold	Sell
Large Caps (Top 100 companies)	>15%	0-15%	<0%
Mid Caps (101st-250th company)	>20%	0-20%	<0%
Small Caps (251st company onwards)	>25%	0-25%	<0%

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Anand Rathi Share and Stock Brokers Ltd. (hereinafter refer as ARSSBL) (Research Entity, SEBI Regn No. INH000000834, Date of Regn. 29/06/2015, BSE Enlistment Number – 5048 date of Regn 25 July 2024) is a subsidiary of the Anand Rathi Financial Services Ltd. ARSSBL is a corporate trading and clearing member of Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSEIL),Multi Commodity Exchange of India Limited (MCX),National Commodity & Derivatives Exchange Limited (NCDEX), and also depository participant with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd. (CDSL), ARSSBL is engaged into the business of Stock Broking, Depository Participant, Mutual Fund distributor.

The research analysts, strategists, or research associates principally responsible for the preparation of Anand Rathi research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues.

General Disclaimer: This Research Report (hereinafter called "Report") is meant solely for use by the recipient and is not for circulation. This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through ARSSBL nor any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide for the readers.No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by ARSSBL to be reliable. ARSSBL or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of ARSSBL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report. The price and value of the investments referred to in this Report and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. ARSSBL does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding taxation aspects of any potential investment.

Opinions expressed are our current opinions as of the date appearing on this Research only. We do not undertake to advise you as to any change of our views expressed in this Report. Research Report may differ between ARSSBL's RAs and/ or ARSSBL's associate companies on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold ARSSBL, its employees and associates responsible for any losses, damages of any type whatsoever.

ARSSBL and its associates or employees may; (a) from time to time, have long or short positions in, and buy or sell the investments in/ security of company (ies) mentioned herein or (b) be engaged in any other transaction involving such investments/ securities of company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) these and other activities of ARSSBL and its associates or employees may not be construed as potential conflict of interest with respect to any recommendation and related information and opinions. Without limiting any of the foregoing, in no event shall ARSSBL and its associates or employees or any third party involved in, or related to computing or compiling the information have any liability for any damages of any kind.

Details of Associates of ARSSBL and Brief History of Disciplinary action by regulatory authorities & its associates are available on our website i.e. www.rathionline.com

Disclaimers in respect of jurisdiction: This report is not directed to, 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 or regulation or which would subject ARSSBL to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by ARSSBL in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this Report shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. ARSSBL requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to ARSSBL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates

Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report

Research analyst or research entity or his associate or his relative has any financial interest in the subject company and the nature of such financial interest.	No
ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report?	No
ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company	No
ARSSBL/its Associates/ Research Analyst/ his Relative have any other material conflict of interest at the time of publication of the research report?	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have managed or co-managed public offering of securities for the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation or other benefits from the subject company or third party in connection with the research report	No
ARSSBL/its Associates/ Research Analyst/ his Relative have served as an officer, director or employee of the subject company.	No
ARSSBL/its Associates/ Research Analyst/ his Relative has been engaged in market making activity for the subject company.	No

NOTICE TO US INVESTORS:

This research report is the product of Anand Rathi Share and Stock Brokers Limited, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated person(s) of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances, and trading securities held by a research analyst account.

Research reports are intended for distribution only to Major U.S. Institutional Investors as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act of 1934 (the Exchange Act) and interpretations thereof by the U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this research report is not a Major U.S. Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated, and/or transmitted onward to any U.S. person which is not a Major U.S. Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major U.S. Institutional Investors, Anand Rathi Share and Stock Brokers Limited has entered into a Strategic Partnership and chaperoning agreement with a U.S. registered broker-dealer: Banc Trust Securities USA. Transactions in securities discussed in this research report should be affected through Banc Trust Securities USA.

1. ARSSBL or its Affiliates may or may not have been beneficial owners of the securities mentioned in this report.

2. ARSSBL or its affiliates may have or not managed or co-managed a public offering of the securities mentioned in the report in the past 12 months.

3. ARSSBL or its affiliates may have or not received compensation for investment banking services from the issuer of these securities in the past 12 months and do not expect to receive compensation for investment banking services from the issuer of these securities within the next three months.

4. However, one or more of ARSSBL or its Affiliates may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon, either on their own account or on behalf of their clients.

5. As of the publication of this report, ARSSBL does not make a market in the subject securities.

6. ARSSBL or its Affiliates may or may not, to the extent permitted by law, act upon or use the above material or the conclusions stated above, or the research or analysis on which they are based before the material is published to recipients and from time to time, provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this report.

As of the publication of this report, ARSSBL does not make a market in the subject securities.

Registration granted by SEBI, Enlistment as RA and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Additional information on recommended securities/instruments is available on request.

Compliance officer: Deepak Kedia, email id: deepakkedia@rathi.com, Contact no. +91 22 6281 7000
Grievance officer: Madhu Jain, email id: grievance@rathi.com, Contact no. +91 22 6281 7191

ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.
Tel No: +91 22 6281 7000 | Fax No: +91 22 4001 3770 | CIN: U67120MH1991PLC064106.