

# Cyient DLM | ADD

## Weak 3Q; order-wins and margin commentary a silver lining

Cyient DLM's 15% PAT beat in 3Q was driven by an in-line operating performance and higher other income, whereas revenue performance remained weak. Consolidated order book also sustained positive momentum, registering 11% YoY growth to INR 23.4bn at end- Dec'25. Other key aspects: i) Customers added YTDFY26 lend confidence on growth in FY27E/28E, and several other large deals in the pipeline, whose conversion is expected in coming quarters. ii) Double-digit margin to be maintained hereon, and stay upward likely as volumes ramp up from FY27E, unfolding operating leverage. iii) Focus on building a strong sales team in key markets across regions, working specifically on acquisition of new logos and creating a large deal pipeline. We are cutting FY26–28E EPS estimate by 6-10%, primarily as we bring our revenue estimates lower than initial expectations. We value Cyient DLM at 28x Dec'27E to arrive at a PT of INR 410 (INR 470 earlier); maintain ADD.

- Revenue misses, EBITDA in-line, higher other income drives PAT beat:** 3Q revenue at INR 3.1bn, down 32% YoY, was 6% below estimate. Through 3Q, revenue from the defence vertical declined 91% YoY to INR 182mn, constituting 6% of revenue versus 46% of revenue in 3QFY25, owing to completion of a single large low-margin order. The Industrial vertical saw robust growth, and reported 58% YoY growth in revenue stemming from Altek's contribution. This vertical now constitutes 30% of total revenue. Besides this, revenue from the Aerospace vertical rose 15% YoY, constituting 37% of total revenue versus 22% YoY. The MedTech vertical reported a decline of 39% YoY, contributing 16% of total revenue. Adjusted EBITDA at INR 309mn declined 14% YoY and was in line, whereas margin at 10.2% was 70bps higher than expectation and expanded 210bps YoY, primarily aided by superior gross margin. Adj. PAT stood at INR 138mn, -19% YoY and +15% versus estimate aided by higher other income and lower finance expenses. Consolidated order book stood at INR 23.4bn, +11% YoY. Order inflows at INR 3.6bn indicate a book-to-bill ratio of 1.2x, well within FY26 guided range of >1x.
- New customers and end-industries drive management confidence for FY27E:** Cyient DLM added two new customers in 3Q in the MedTech and Industrial segments, for products such as battery management systems and electric motors used for high-precision industrial projects. Including the two added in 3Q and also those added previously, management is betting big on four anchor customers from different segments, which are expected to meaningfully contribute to Cyient DLM's revenue over FY27E/28E. During concall, management further indicated several other large deals in the pipeline, whose conversion is expected over coming quarters.
- Confident of double-digit margin hereon:** A change in the overall business mix, away from one large customer dominating about one-third of revenue was a key reason behind the improved margin, specifically gross margin profile in 3Q. However, benefit to EBITDA margin was limited owing to negative operating leverage. Volumes are expected to begin scaling up over coming quarters, and consequently drive operating leverage. Cyient DLM is increasingly confident of its margin trajectory trending upward hereon, and hence of maintaining a double-digit margin.
- Efforts to build a new sales team underway:** Management further indicated they are also focusing on building a strong sales team in key markets across regions. The focus of this sales team will be the acquisition of new logos and, hence, creating a large deal pipeline. The impact of this new sales team is expected to show up over the next few months. Accordingly, several strategic hires have been made through the year and a few more shall join by the end of FY26E.

Financial Summary					
Y/E March	FY24A	FY25A	FY26E	FY27E	(INR mn)
Net Sales	11,919	15,196	13,433	16,771	20,586
Sales Growth (%)	43.2	27.5	-11.6	24.9	22.7
EBITDA	1,110	1,452	1,382	1,780	2,263
EBITDA Margin (%)	9.3	9.6	10.3	10.6	11.0
Adjusted Net Profit	612	740	593	916	1,335
Diluted EPS (INR)	7.7	9.3	7.5	11.5	16.8
Diluted EPS Growth (%)	28.6	20.9	-19.9	54.4	45.7
ROIC (%)	19.0	12.5	8.5	12.5	15.4
ROE (%)	11.1	8.0	6.1	8.7	11.4
P/E (x)	49.8	41.2	51.4	33.3	22.9
P/B (x)	3.4	3.2	3.0	2.8	2.5
EV/EBITDA (x)	23.8	20.7	20.5	15.5	12.2
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 20/Jan/2026



Shalin Choksy

shalin.choksy@jmfl.com | Tel: (91 22) 66303380

Jignesh Thakur

jignesh.thakur@jmfl.com | Tel: (91 22) 66303514

### Recommendation and Price Target

Current Reco.	ADD
Previous Reco.	ADD
Current Price Target (12M)	410
Upside/(Downside)	11.9%
Previous Price Target	470
Change	-12.8%

### Key Data – CYIENTDL IN

Current Market Price	INR366
Market cap (bn)	INR29.1/US\$0.3
Free Float	48%
Shares in issue (mn)	79.3
Diluted share (mn)	79.4
3-mon avg daily val (mn)	INR65.7/US\$0.7
52-week range	620/350
Sensex/Nifty	82,180/25,233
INR/US\$	91.0

### Price Performance

%	1M	6M	12M
Absolute	-13.0	-23.5	-39.0
Relative*	-10.1	-23.9	-42.8

\* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

## Key takeaways from concall

### Comments on order book and margin

- **Order book:** Order wins have been from customers onboarded through the year. YTD book-to-bill stands at 1.3x. Further, orders booked are expected to come at a better margin than previously executed orders. This has been the trend recently as well, as dependence on business from BEL has gone down to nil.
- **3Q revenue and visibility for 4Q:** 3Q revenue, besides order book challenges, was soft due to tariff related uncertainty and holiday-season led deferments. These pushouts are on track in the current quarter and management does not foresee a prolonged impact. Have visibility for a positive trajectory YoY in 4Q< and further remain confident of FY27E continuing positive momentum. Similarly, margin should sequentially improve in 4Q.
- **Margin and operating leverage:** A change in the overall business mix, away from one large customer dominating about one-third of revenue was a key reason behind the improved margin, specifically gross margin profile. However, the benefit to EBITDA margin was limited owing to negative operating leverage. Expect volumes to begin scaling up over coming quarters, and consequently drive operating leverage. Cyient DLM is increasingly confident of the margin trajectory to trend upwards hereon. Going forward double-digit margin should be the norm.
- **Key sectors and geographies:** Also seeing good traction in automotive, industrial and medical. Remain confident of opportunities ahead, driven by macro tailwinds and order wins witnessed by the company. Defence remains a strategic segment for the company, but here the endeavour is to get orders in more complex projects. Furthermore, management indicated they are taking initiative to strengthen positioning in the European geography, and are open to evaluating inorganic opportunities as well.
- **New customers:** Added two new customers in 3Q in MedTech and Industrial. This includes product categories such as battery management systems for medical infrastructure and electric motors used in high precision industrial environment respectively. Including the two customers added in 3Q and also those added previously, management is betting big on four anchor customers from different segments, who are expanding their business and are expected to meaningfully contribute to Cyient DLM's revenue from FY28. Management further indicated they are working on few more leads that are expected to convert over coming quarters. Management also highlighted a pickup in defence spends, directly impacting Cyient DLM positively.

### Strengthening sales team

- **Efforts to build a new sales team underway:** Cyient DLM is now focusing on building a strong sales team in key markets across the region. The focus of this sales team will be the acquisition of new logos and hence, creating a large deal pipeline. Impact of this new sales team should start to come in terms of revenue in next couple of months. Several such strategic hires have been made through the year and a few more are likely to join by the end of FY26E.

### Other takeaways

- **Extraordinary items in P&L:** One off expenses include M&A related expenses to the tune of INR 17.8mn and adjustments for the newly introduced labour laws to the tune of INR 16.4mn.
- **Inventory days:** Increase in inventory days from 172 days to 195 days sequentially was on account of an issue relating to a specific customer wherein inventory was built-up. Management reiterated that this was in normal course of business, and normalisation is likely in 4Q.
- **Capex guidance:** Maintenance capex at 1-2% of revenue to continue. Have enough dry powder and unused land availability to meet any urgent capex requirements.
- **B2S revenue scaling up:** B2S revenue is 6-7% in current year; expect it to go to a double digit next year. And FY28E onwards, expect to see more growth in this.

## Exhibit 1. 3QFY26 results review

(INR mn)	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q3FY26E
<b>Revenue</b>	3,210	3,618	11,919	2,579	3,895	4,442	4,281	15,196	2,784	3,106	3,033	3,231
<b>YoY</b>	50%	30%	43%	19%	33%	38%	18%	27%	8%	-20%	-32%	-27%
Raw Material	(2,506)	(2,754)	(9,200)	(1,927)	(3,092)	(3,257)	(2,806)	(11,079)	(1,665)	(1,826)	(1,784)	(1,938)
<b>Gross Profit</b>	705	864	2,719	652	802	1,186	1,475	4,117	1,119	1,280	1,249	1,292
<b>Gross Margin</b>	22.0%	23.9%	22.8%	25.3%	20.6%	26.7%	34.4%	27.1%	40.2%	41.2%	41.2%	40.0%
Employee Cost	(306)	(357)	(1,174)	(328)	(336)	(588)	(611)	(1,862)	(578)	(529)	(568)	(535)
% of sales	9.5%	9.9%	9.8%	12.7%	8.6%	13.2%	14.3%	12.3%	20.8%	17.0%	18.7%	16.6%
Other expenses	(105)	(127)	(435)	(124)	(150)	(237)	(290)	(800)	(291)	(439)	(372)	(450)
% of sales	3.3%	3.5%	3.7%	4.8%	3.9%	5.3%	6.8%	5.3%	10.5%	14.1%	12.3%	13.9%
<b>EBITDA</b>	294	380	1,110	200	316	361	476	1,455	251	312	309	307
<b>YoY</b>	43%	19%	26%	0%	34%	23%	25%	31%	25%	-1%	-14%	-15%
<b>EBITDA margin</b>	9.2%	10.5%	9.3%	7.8%	8.1%	8.1%	11.1%	9.6%	9.0%	10.0%	10.2%	9.5%
D&A Expense	(58)	(62)	(223)	(67)	(69)	(100)	(105)	(341)	(105)	(106)	(108)	(110)
<b>EBIT</b>	237	318	887	133	248	261	371	1,114	145	206	201	197
<b>YoY</b>	49%	17%	30%	-12%	37%	10%	17%	26%	9%	-17%	-23%	-25%
<b>EBIT margin</b>	7.4%	8.8%	7.4%	5.2%	6.4%	5.9%	8.7%	7.3%	5.2%	6.6%	6.6%	6.1%
Other Income	93	83	278	89	71	69	33	262	42	31	43	35
Finance Costs	(83)	(94)	(344)	(80)	(110)	(100)	(86)	(375)	(86)	(68)	(61)	(70)
<b>PBT</b>	247	307	821	142	209	230	318	1,000	101	169	183	162
<b>YoY</b>	240%	78%	90%	103%	6%	-7%	4%	22%	-29%	-19%	-20%	-30%
Tax Expense	(63)	(80)	(209)	(36)	(54)	(61)	(81)	(257)	(26)	(44)	(45)	(42)
Rate %	25.5%	25.9%	25.5%	25.2%	26.0%	26.6%	25.5%	25.7%	26.1%	25.8%	24.6%	26.1%
Exceptional	-	-	-	-	-	-59	-	-	-	-	-	-
<b>Net Profit</b>	184	227	612	106	155	110	237	743	75	125	138	120
<b>Margins</b>	5.7%	6.3%	5.1%	4.1%	4.0%	2.5%	5.5%	4.9%	2.7%	4.0%	4.6%	3.7%
<b>YoY</b>	222%	81%	93%	98%	5%	-40%	4%	21%	-30%	-19%	26%	9%
<b>Adjusted PAT</b>	184	227	612	106	155	169	237	666	75	125	138	120
<b>YoY</b>	157%	52%	111.1%	98%	5%	-8%	4%	9.0%	-30%	-19%	-18%	-29%

Source: Company, JM Financial

## Exhibit 2. 3QFY26 segment highlights

(INR mn)	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26
<b>Revenue Mix by Industry</b>											
<b>Aerospace</b>	<b>867</b>	<b>905</b>	<b>3,239</b>	<b>671</b>	<b>779</b>	<b>977</b>	<b>1,156</b>	<b>3,582</b>	<b>1,114</b>	<b>1,149</b>	<b>1,122</b>
YoY	nm	nm	94%	-19%	21%	13%	28%	11%	66%	48%	15%
<b>Defence</b>	<b>1,541</b>	<b>2,026</b>	<b>5,649</b>	<b>1,470</b>	<b>2,570</b>	<b>2,043</b>	<b>1,413</b>	<b>7,496</b>	<b>251</b>	<b>249</b>	<b>182</b>
YoY	nm	nm	80%	126%	80%	33%	-30%	33%	-83%	-90%	-91%
<b>Industrial</b>	<b>385</b>	<b>326</b>	<b>1,512</b>	<b>129</b>	<b>273</b>	<b>578</b>	<b>599</b>	<b>1,578</b>	<b>640</b>	<b>932</b>	<b>910</b>
YoY	nm	nm	-28%	-41%	-53%	50%	84%	4%	397%	242%	58%
<b>Med Tech</b>	<b>321</b>	<b>289</b>	<b>902</b>	<b>258</b>	<b>234</b>	<b>800</b>	<b>1,070</b>	<b>2,361</b>	<b>613</b>	<b>497</b>	<b>485</b>
YoY	nm	nm	-33%	197%	14%	149%	270%	162%	138%	113%	-39%
<b>Others</b>	<b>96</b>	<b>72</b>	<b>618</b>	<b>52</b>	<b>39</b>	<b>44</b>	<b>43</b>	<b>178</b>	<b>167</b>	<b>280</b>	<b>334</b>
<b>Revenue Split</b>											
Aerospace	27.0%	25.0%	27.2%	26.0%	20.0%	22.0%	27.0%	23.6%	40.0%	37.0%	37.0%
Defence	48.0%	56.0%	47.4%	57.0%	66.0%	46.0%	33.0%	49.3%	9.0%	8.0%	6.0%
Industrial	12.0%	9.0%	12.7%	5.0%	7.0%	13.0%	14.0%	10.4%	23.0%	30.0%	30.0%
Med Tech	10.0%	8.0%	7.6%	10.0%	6.0%	18.0%	25.0%	15.5%	22.0%	16.0%	16.0%
Others	3.0%	2.0%	5.2%	2.0%	1.0%	1.0%	1.0%	1.2%	6.0%	9.0%	11.0%
<b>Geography</b>											
<b>Exports</b>	<b>1,734</b>	<b>2,388</b>	<b>7,313</b>	<b>1,496</b>	<b>1,791</b>	<b>2,710</b>	<b>3,039</b>	<b>9,036</b>	<b>2,506</b>	<b>2,671</b>	<b>2,609</b>
YoY	-4.7%	594.2%	47%	-0.2%	5.8%	56.3%	27.3%	24%	67.5%	49.1%	-3.7%
<b>Domestic</b>	<b>1,477</b>	<b>1,230</b>	<b>4,606</b>	<b>1,083</b>	<b>2,103</b>	<b>1,733</b>	<b>1,241</b>	<b>6,160</b>	<b>278</b>	<b>435</b>	<b>425</b>
YoY	355.8%	-49.4%	37%	60.9%	71.6%	17.3%	0.9%	34%	-74.3%	-79.3%	-75.5%
<b>Geography Mix</b>											
Exports	54.0%	66.0%	61.4%	58.0%	46.0%	61.0%	71.0%	59.5%	90.0%	86.0%	86.0%
Domestic	46.0%	34.0%	38.6%	42.0%	54.0%	39.0%	29.0%	40.5%	10.0%	14.0%	14.0%
<b>Revenue mix by Product</b>											
PCBA	2,151	2,424	8,320	1,908	2,999	3,154	2,740	10,801	1,476	1,584	1,547
Box Build	867	1,049	2,999	490	584	1,022	1,113	3,209	807	777	758
Cables	96	72	270	52	39	44	86	221	28	62	61
Others	96	72	329	129	273	222	342	966	473	683	667
<b>Product Mix</b>											
PCBA	67.0%	67.0%	69.8%	74.0%	77.0%	71.0%	64.0%	71.1%	53.0%	51.0%	51.0%
Box Build	27.0%	29.0%	25.2%	19.0%	15.0%	23.0%	26.0%	21.1%	29.0%	25.0%	25.0%
Cables	3.0%	2.0%	2.3%	2.0%	1.0%	1.0%	2.0%	1.5%	1.0%	2.0%	2.0%
Others	3.0%	2.0%	2.8%	5.0%	7.0%	5.0%	8.0%	6.4%	17.0%	22.0%	22.0%

Source: Company, JM Financial

## Exhibit 3. 3QFY26 order book and working capital

(INR mn)	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26
<b>Order Book</b>											
Order backlog consolidated	22,949	21,705	21,705	21,267	19,790	21,249	19,061	19,061	21,318	22,911	23,494
Total OB YoY	-2.4%	-10.8%	-10.8%	-14.9%	-13.5%	-7.4%	-12.2%	-12.2%	0.2%	15.8%	10.6%
Calculated order inflows	3,293	2,374	9,299	2,141	2,418	5,901	2,093	2,093	5,041	4,699	3,616
Book-to-bill ratio	1.0	0.7	1.8	0.8	0.6	1.3	0.5	0.5	1.8	1.5	1.2
<b>Working Capital</b>											
Receivable Days	87	57	57	92	82	76	76	76	74	72	76
Inventory Days	137	117	117	184	122	129	123	123	185	172	195
Payable Days	64	70	70	77	57	69	50	50	71	73	83
Customer Advances	42	25	25	28	20	16	22	22	21	33	28
<b>Cash Conversion Cycle</b>	<b>118</b>	<b>79</b>	<b>79</b>	<b>171</b>	<b>127</b>	<b>120</b>	<b>127</b>	<b>127</b>	<b>167</b>	<b>138</b>	<b>138</b>

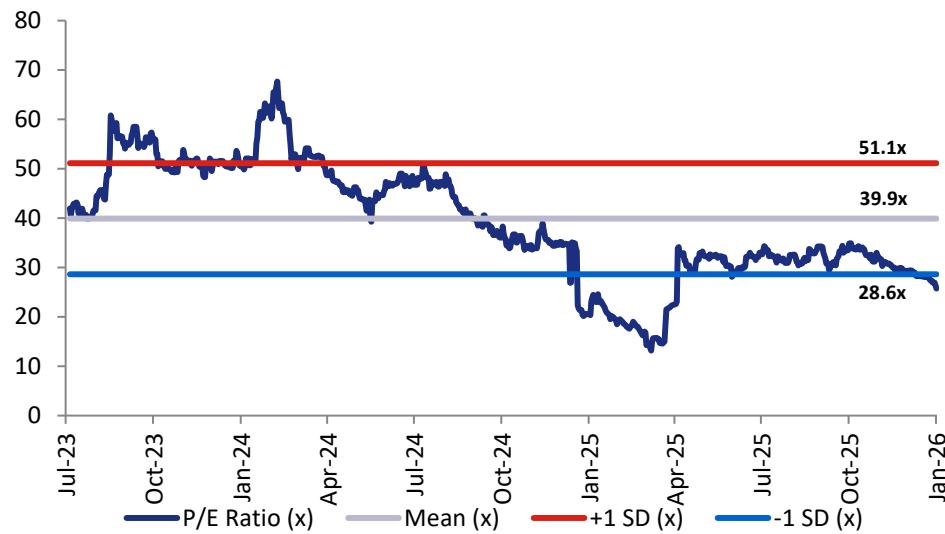
Source: Company, JM Financial

## Exhibit 4. EPS revision table

Year End Mar (INR mn)	FY26E	FY27E	FY28E
<b>Revenues</b>			
Old	14,576	18,257	22,393
New	13,433	16,708	20,520
Change	-7.8%	-8.5%	-8.4%
<b>EBITDA</b>			
Old	1,407	1,941	2,478
New	1,382	1,762	2,244
Change	-1.8%	-9.2%	-9.4%
<b>EBITDA margins</b>			
Old	9.7%	10.6%	11.1%
New	10.3%	10.5%	10.9%
Change	64	-8	-13
<b>Recurring PAT</b>			
Old	628	1,015	1,484
New	593	896	1,300
Change	-5.5%	-11.8%	-12.4%
<b>EPS</b>			
Old	7.9	12.8	18.7
New	7.5	11.3	16.4
Change	-5.6%	-11.9%	-12.4%

Source: Company, JM Financial

## Exhibit 5. 1Y forward PE



Source: Bloomberg, JM Financial

## Financial Tables (Consolidated)

Income Statement (INR mn)						Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	11,919	15,196	13,433	16,771	20,586	Shareholders' Fund	9,090	9,494	10,088	11,004	12,339
Sales Growth	43.2%	27.5%	-11.6%	24.9%	22.7%	Share Capital	793	793	793	793	793
Other Operating Income	0	0	0	0	0	Reserves & Surplus	8,297	8,701	9,295	10,211	11,546
<b>Total Revenue</b>	<b>11,919</b>	<b>15,196</b>	<b>13,433</b>	<b>16,771</b>	<b>20,586</b>	Preference Share Capital	0	0	0	0	0
Cost of Goods Sold/Op. Exp	9,200	11,082	7,977	10,063	12,352	Minority Interest	0	0	0	0	0
Personnel Cost	1,174	1,862	2,376	2,851	3,421	Total Loans	1,336	2,438	2,458	1,958	500
Other Expenses	435	800	1,698	2,078	2,550	Def. Tax Liab. / Assets (-)	-59	-132	-132	-132	-132
<b>EBITDA</b>	<b>1,110</b>	<b>1,452</b>	<b>1,382</b>	<b>1,780</b>	<b>2,263</b>	<b>Total - Equity &amp; Liab.</b>	<b>10,367</b>	<b>11,800</b>	<b>12,413</b>	<b>12,829</b>	<b>12,707</b>
<i>EBITDA Margin</i>	9.3%	9.6%	10.3%	10.6%	11.0%	Net Fixed Assets	1,437	3,066	3,350	3,599	3,820
<i>EBITDA Growth</i>	26.5%	30.8%	-4.8%	28.8%	27.2%	Gross Fixed Assets	2,640	3,914	4,514	5,114	5,714
Depn. & Amort.	223	341	446	496	539	Intangible Assets	30	681	681	681	681
EBIT	887	1,111	936	1,283	1,724	Less: Depn. & Amort.	1,243	1,584	1,900	2,251	2,630
Other Income	278	262	151	217	227	Capital WIP	10	56	56	56	56
Finance Cost	344	375	287	278	171	Investments	662	309	309	309	309
PBT before Excep. & Forex	821	997	800	1,222	1,780	Current Assets	13,875	13,431	13,427	14,478	14,851
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	Inventories	4,642	5,713	4,600	5,054	6,204
PBT	821	997	800	1,222	1,780	Sundry Debtors	2,259	3,474	2,944	3,446	4,230
Taxes	209	257	207	305	445	Cash & Bank Balances	5,366	2,878	4,645	4,886	3,485
Extraordinary Inc./Loss(-)	0	0	0	0	0	Loans & Advances	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0	Other Current Assets	1,609	1,367	1,237	1,092	932
Reported Net Profit	612	740	593	916	1,335	Current Liab. & Prov.	5,607	5,007	4,673	5,557	6,273
<b>Adjusted Net Profit</b>	<b>612</b>	<b>740</b>	<b>593</b>	<b>916</b>	<b>1,335</b>	Current Liabilities	3,896	3,026	3,258	4,312	5,096
Net Margin	5.1%	4.9%	4.4%	5.5%	6.5%	Provisions & Others	1,711	1,981	1,415	1,246	1,177
Diluted Share Cap. (mn)	79.3	79.3	79.4	79.4	79.4	Net Current Assets	8,268	8,424	8,753	8,921	8,578
<b>Diluted EPS (INR)</b>	<b>7.7</b>	<b>9.3</b>	<b>7.5</b>	<b>11.5</b>	<b>16.8</b>	<b>Total - Assets</b>	<b>10,367</b>	<b>11,800</b>	<b>12,413</b>	<b>12,829</b>	<b>12,707</b>
Diluted EPS Growth	28.6%	20.9%	-19.9%	54.4%	45.7%						
Total Dividend + Tax	0	0	0	0	2						
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0						

Source: Company, JM Financial

Cash Flow Statement (INR mn)						Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	612	740	593	916	1,335	Net Margin	5.1%	4.9%	4.4%	5.5%	6.5%
Depn. & Amort.	223	341	446	496	539	Asset Turnover (x)	1.4	1.3	1.0	1.2	1.5
Net Interest Exp. / Inc. (-)	0	0	0	0	0	Leverage Factor (x)	1.5	1.3	1.3	1.3	1.2
Inc (-) / Dec in WCap.	-1,463	-2,259	1,176	234	-773	RoE	11.1%	8.0%	6.1%	8.7%	11.4%
Others	-5	-74	0	0	0						
Taxes Paid	-209	-257	-207	-305	-445						
<b>Operating Cash Flow</b>	<b>-843</b>	<b>-1,509</b>	<b>2,009</b>	<b>1,341</b>	<b>656</b>						
Capex	-531	-1,274	-600	-600	-600						
<b>Free Cash Flow</b>	<b>-1,374</b>	<b>-2,784</b>	<b>1,409</b>	<b>741</b>	<b>56</b>						
Inc (-) / Dec in Investments	233	-298	0	0	0						
Others	-29	-163	338	0	0						
<b>Investing Cash Flow</b>	<b>-327</b>	<b>-1,735</b>	<b>-262</b>	<b>-600</b>	<b>-600</b>						
Inc / Dec (-) in Capital	264	0	0	0	0						
Dividend + Tax thereon	0	0	0	0	0						
Inc / Dec (-) in Loans	-1,639	1,091	20	-500	-1,458						
Others	6,235	-335	0	0	0						
<b>Financing Cash Flow</b>	<b>4,860</b>	<b>756</b>	<b>20</b>	<b>-500</b>	<b>-1,458</b>						
Inc / Dec (-) in Cash	<b>3,690</b>	<b>-2,488</b>	<b>1,767</b>	<b>241</b>	<b>-1,402</b>						
Opening Cash Balance	1,676	5,366	2,878	4,646	4,887						
Closing Cash Balance	5,366	2,878	4,646	4,887	3,485						

Source: Company, JM Financial



## APPENDIX I

### JM Financial Institutional Securities Limited

**Corporate Identity Number: U67100MH2017PLC296081**

**Member of BSE Ltd. and National Stock Exchange of India Ltd.**

**SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610**

**Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.**

**Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com**

**Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com**

**Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com**

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

<b>New Rating System: Definition of ratings</b>	
<b>Rating</b>	<b>Meaning</b>
<b>BUY</b>	Expected return $\geq 15\%$ over the next twelve months.
<b>ADD</b>	Expected return $\geq 5\%$ and $< 15\%$ over the next twelve months.
<b>REDUCE</b>	Expected return $\geq -10\%$ and $< 5\%$ over the next twelve months.
<b>SELL</b>	Expected return $< -10\%$ over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

<b>Previous Rating System: Definition of ratings</b>	
<b>Rating</b>	<b>Meaning</b>
<b>BUY</b>	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
<b>HOLD</b>	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
<b>SELL</b>	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

\* REITs refers to Real Estate Investment Trusts.

#### **Research Analyst(s) Certification**

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

#### **Important Disclosures**

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

**Additional disclosure only for U.S. persons:** JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5<sup>th</sup> Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (332) 900 4956 which is registered with the SEC and is a member of FINRA and SIPC.

**Additional disclosure only for U.K. persons:** Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

**Additional disclosure only for Canadian persons:** This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.