

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 YTD FY26 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.



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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

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
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

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
Revenue	3,210	3,618	11,919	2,579	3,895	4,442	4,281	15,196	2,784	3,106	3,033	3,231
YoY	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)
Gross Profit	705	864	2,719	652	802	1,186	1,475	4,117	1,119	1,280	1,249	1,292
Gross Margin	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%
EBITDA	294	380	1,110	200	316	361	476	1,455	251	312	309	307
YoY	43%	19%	26%	0%	34%	23%	25%	31%	25%	-1%	-14%	-15%
EBITDA margin	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)
EBIT	237	318	887	133	248	261	371	1,114	145	206	201	197
YoY	49%	17%	30%	-12%	37%	10%	17%	26%	9%	-17%	-23%	-25%
EBIT margin	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)
PBT	247	307	821	142	209	230	318	1,000	101	169	183	162
YoY	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	-	-	-	-	-	-
Net Profit	184	227	612	106	155	110	237	743	75	125	138	120
Margins	5.7%	6.3%	5.1%	4.1%	4.0%	2.5%	5.5%	4.9%	2.7%	4.0%	4.6%	3.7%
YoY	222%	81%	93%	98%	5%	-40%	4%	21%	-30%	-19%	26%	9%
Adjusted PAT	184	227	612	106	155	169	237	666	75	125	138	120
YoY	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
Revenue Mix by Industry											
Aerospace	867	905	3,239	671	779	977	1,156	3,582	1,114	1,149	1,122
YoY	nm	nm	94%	-19%	21%	13%	28%	11%	66%	48%	15%
Defence	1,541	2,026	5,649	1,470	2,570	2,043	1,413	7,496	251	249	182
YoY	nm	nm	80%	126%	80%	33%	-30%	33%	-83%	-90%	-91%
Industrial	385	326	1,512	129	273	578	599	1,578	640	932	910
YoY	nm	nm	-28%	-41%	-53%	50%	84%	4%	397%	242%	58%
Med Tech	321	289	902	258	234	800	1,070	2,361	613	497	485
YoY	nm	nm	-33%	197%	14%	149%	270%	162%	138%	113%	-39%
Others	96	72	618	52	39	44	43	178	167	280	334
Revenue Split											
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%
Geography											
Exports	1,734	2,388	7,313	1,496	1,791	2,710	3,039	9,036	2,506	2,671	2,609
YoY	-4.7%	594.2%	47%	-0.2%	5.8%	56.3%	27.3%	24%	67.5%	49.1%	-3.7%
Domestic	1,477	1,230	4,606	1,083	2,103	1,733	1,241	6,160	278	435	425
YoY	355.8%	-49.4%	37%	60.9%	71.6%	17.3%	0.9%	34%	-74.3%	-79.3%	-75.5%
Geography Mix											
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%
Revenue mix by Product											
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
Product Mix											
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
Order Book											
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
Working Capital											
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
Cash Conversion Cycle	118	79	79	171	127	120	127	127	167	138	138

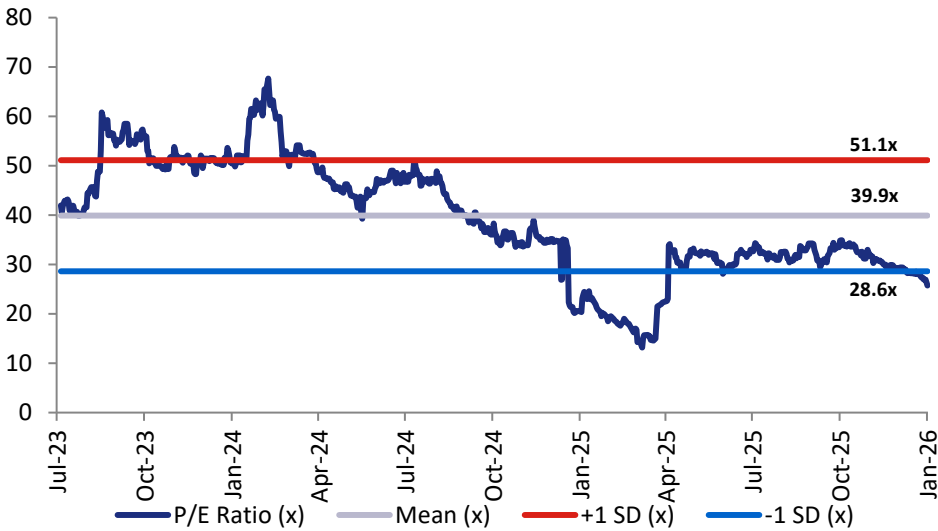
Source: Company, JM Financial

Exhibit 4. EPS revision table

Year End Mar (INR mn)	FY26E	FY27E	FY28E
Revenues			
Old	14,576	18,257	22,393
New	13,433	16,708	20,520
Change	-7.8%	-8.5%	-8.4%
EBITDA			
Old	1,407	1,941	2,478
New	1,382	1,762	2,244
Change	-1.8%	-9.2%	-9.4%
EBITDA margins			
Old	9.7%	10.6%	11.1%
New	10.3%	10.5%	10.9%
Change	64	-8	-13
Recurring PAT			
Old	628	1,015	1,484
New	593	896	1,300
Change	-5.5%	-11.8%	-12.4%
EPS			
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)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	11,919	15,196	13,433	16,771	20,586
Sales Growth	43.2%	27.5%	-11.6%	24.9%	22.7%
Other Operating Income	0	0	0	0	0
Total Revenue	11,919	15,196	13,433	16,771	20,586
Cost of Goods Sold/Op. Exp	9,200	11,082	7,977	10,063	12,352
Personnel Cost	1,174	1,862	2,376	2,851	3,421
Other Expenses	435	800	1,698	2,078	2,550
EBITDA	1,110	1,452	1,382	1,780	2,263
EBITDA Margin	9.3%	9.6%	10.3%	10.6%	11.0%
EBITDA Growth	26.5%	30.8%	-4.8%	28.8%	27.2%
Depn. & Amort.	223	341	446	496	539
EBIT	887	1,111	936	1,283	1,724
Other Income	278	262	151	217	227
Finance Cost	344	375	287	278	171
PBT before Excep. & Forex	821	997	800	1,222	1,780
Excep. & Forex Inc/Loss(-)	0	0	0	0	0
PBT	821	997	800	1,222	1,780
Taxes	209	257	207	305	445
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	612	740	593	916	1,335
Adjusted Net Profit	612	740	593	916	1,335
Net Margin	5.1%	4.9%	4.4%	5.5%	6.5%
Diluted Share Cap. (mn)	79.3	79.3	79.4	79.4	79.4
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%
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)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	612	740	593	916	1,335
Depn. & Amort.	223	341	446	496	539
Net Interest Exp. / Inc. (-)	0	0	0	0	0
Inc (-) / Dec in WCap.	-1,463	-2,259	1,176	234	-773
Others	-5	-74	0	0	0
Taxes Paid	-209	-257	-207	-305	-445
Operating Cash Flow	-843	-1,509	2,009	1,341	656
Capex	-531	-1,274	-600	-600	-600
Free Cash Flow	-1,374	-2,784	1,409	741	56
Inc (-) / Dec in Investments	233	-298	0	0	0
Others	-29	-163	338	0	0
Investing Cash Flow	-327	-1,735	-262	-600	-600
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
Financing Cash Flow	4,860	756	20	-500	-1,458
Inc / Dec (-) in Cash	3,690	-2,488	1,767	241	-1,402
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

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	9,090	9,494	10,088	11,004	12,339
Share Capital	793	793	793	793	793
Reserves & Surplus	8,297	8,701	9,295	10,211	11,546
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	1,336	2,438	2,458	1,958	500
Def. Tax Liab. / Assets (-)	-59	-132	-132	-132	-132
Total - Equity & Liab.	10,367	11,800	12,413	12,829	12,707
Net Fixed Assets	1,437	3,066	3,350	3,599	3,820
Gross Fixed Assets	2,640	3,914	4,514	5,114	5,714
Intangible Assets	30	681	681	681	681
Less: Depn. & Amort.	1,243	1,584	1,900	2,251	2,630
Capital WIP	10	56	56	56	56
Investments	662	309	309	309	309
Current Assets	13,875	13,431	13,427	14,478	14,851
Inventories	4,642	5,713	4,600	5,054	6,204
Sundry Debtors	2,259	3,474	2,944	3,446	4,230
Cash & Bank Balances	5,366	2,878	4,645	4,886	3,485
Loans & Advances	0	0	0	0	0
Other Current Assets	1,609	1,367	1,237	1,092	932
Current Liab. & Prov.	5,607	5,007	4,673	5,557	6,273
Current Liabilities	3,896	3,026	3,258	4,312	5,096
Provisions & Others	1,711	1,981	1,415	1,246	1,177
Net Current Assets	8,268	8,424	8,753	8,921	8,578
Total - Assets	10,367	11,800	12,413	12,829	12,707

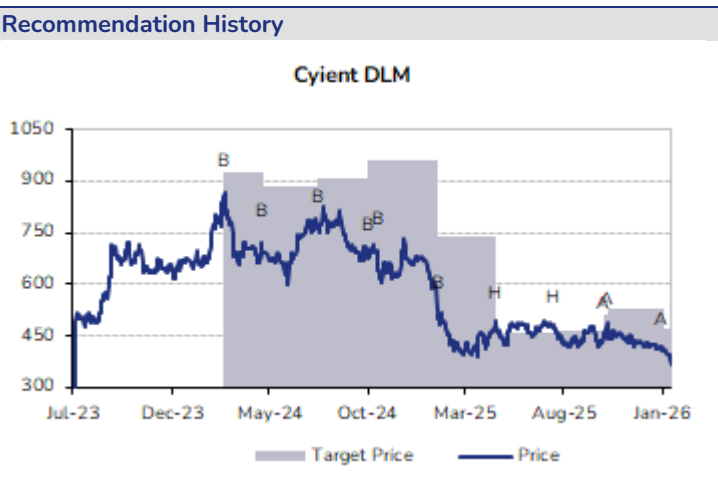
Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	5.1%	4.9%	4.4%	5.5%	6.5%
Asset Turnover (x)	1.4	1.3	1.0	1.2	1.5
Leverage Factor (x)	1.5	1.3	1.3	1.3	1.2
RoE	11.1%	8.0%	6.1%	8.7%	11.4%

Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	114.6	119.7	127.1	138.7	155.5
ROIC	19.0%	12.5%	8.5%	12.5%	15.4%
ROE	11.1%	8.0%	6.1%	8.7%	11.4%
Net Debt/Equity (x)	-0.4	0.0	-0.2	-0.3	-0.2
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
EV/Sales (x)	2.2	2.0	2.1	1.6	1.3
Debtor days	69	83	80	75	75
Inventory days	142	137	125	110	110
Creditor days	108	66	72	84	84

Source: Company, JM Financial

History of Recommendation and Target Price			
Date	Recommendation	Target Price	% Chg.
27-Feb-24	Buy	925	
24-Apr-24	Buy	887	-4.1
22-Jul-24	Buy	910	2.6
5-Oct-24	Buy	962	5.7
21-Oct-24	Buy	960	-0.2
22-Jan-25	Buy	740	-22.9
22-Apr-25	Hold	460	-37.9
23-Jul-25	Hold	465	1.1
8-Oct-25	Add	510	9.7
14-Oct-25	Add	530	3.9
7-Jan-26	Add	470	-11.3



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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

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

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

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	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.
HOLD	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.
SELL	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.

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