

Adj. EBITDA Beats Estimates; Downgrade to HOLD on Rich Valuations

Est. Vs. Actual for Q4FY25: Revenue – **In-line**; EBITDA – **Beat**; PAT – **Beat**

Change in Estimates post Q4FY25

FY26E/FY27E: Revenue: 2.5%/-0.4%; EBITDA: 1.5%/6.6%; PAT: 1%/-2.5%

Recommendation Rationale

- Profitability and Margins:** TVSMotors has demonstrated consistent improvement in its EBITDA margins over the past decade. From an EBITDA margin of 6% in FY15, the company reported a margin of 12.5% in Q4FY25 (including a 0.5% contribution from the PLI scheme). The EBITDA margin improved by 120 basis YoY to 12.3% in FY25. Management remains focused on sustaining this trajectory by leveraging topline growth, driving a better product mix, maintaining cost reduction initiatives, and enhancing overall profitability.
- Electric Vehicles:** TVS Motor has established the iQube as a strong brand in the e2W segment, now offering three battery variants (2.2 kWh, 3.4 kWh, and 5.1 kWh) and expanding its presence to approximately 950 dealerships. In the e3W category, TVS Motor aims to become a significant player with latest offerings such as TVS King EV Max. During Q4FY25, TVS recorded e2W sales of 76,000 units, up from 49,000 units in Q4FY24. e3W volumes grew by 21% YoY to 37,000 units in Q4FY25, compared to 30,000 units in the corresponding quarter last year. Revenue from the EV segment stood at approximately Rs 889 Cr for Q4 and Rs 3,364 Cr for FY25.
- Exports Outlook:** In FY25, TVSMotor's exports grew by 24.5% YoY to 1.25 Mn units, driven by strong performance in Asia—particularly with Sri Lanka reopening and despite some challenges in Bangladesh. LATAM markets such as Mexico, Colombia, and Guatemala also delivered robust growth. The Middle East faced some headwinds, while African markets showed mixed trends due to economic pressures; however, management remains optimistic about a recovery in Africa going forward.

Sector Outlook: **Neutral**.

Company Outlook & Guidance: The company expects to grow faster than the industry, driven by premium two-wheeler models (Raider, Apache, Ronin, and Jupiter125/110), E-3 wheelers (TVS King EV Max), e2Ws, and new product launches in both the EV and ICE portfolios over the next 18–24 months. We anticipate total sales volume to grow at an 11% CAGR over FY25–27E.

Current Valuation: 30x P/E on core Mar' 27 EPS (earlier 29x PE on core Mar' 27 EPS) and other investments at 1x P/BV and TVS Credit Services at 1.5X P/BV.

Current TP: Rs 2,670/share (earlier Rs 2,650/share)

Recommendation: We recommend our Hold rating on the stock.

Financial Performance: The company's revenue (in line) grew ~16.9%/5% YoY/QoQ, largely led by 14.5%/0.4% YoY/QoQ growth in volumes. Reported EBITDA (18% beat) was up 44%/23% YoY/QoQ, primarily attributable to gross margin expansion, recognition of full-year PLI incentives in the quarter, and sustained cost reduction efforts, partly offset by higher personnel costs. Adj EBITDA (12.5%) slightly beat estimates by 40 bps with PLI benefits (0.5%) for Q4FY25 only. PAT is non-comparable largely following the EBITDA, which includes the PLI incentive for the prior 9MFY25.

Outlook: Being well-placed among listed players, we expect the company's Revenue/EBITDA/PAT to grow by ~15%/18%/20% CAGR over FY25E-27E. We like TVS due to its engineering and R&D capabilities, strong domestic retail network, export recovery, and increasing sales volumes from premium offerings in developed countries (we estimate Norton's business to be able to generate meaningful revenues by H2FY27). However, it is important to note that capex/investments amounted to Rs 4,000 Cr in FY25 vs Rs 2,400 Cr in FY24, thereby leading to muted FCF.

Key Financials (Standalone)

Particulars	Q4FY25	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	9,550	5.0%	16.9%	9,351	2.1%
EBITDA	1,333	23.2%	43.9%	1,132	17.7%
EBITDA Margin	14.0%	207 bps	262 bps	12.1%	185 bps
Net Profit	852	37.8%	75.5%	716	19.0%
EPS (Rs)	17.9	37.8%	75.5%	15.1	19.0%

Source: Company, Axis Securities Research

(CMP as of 28th April 2025)

CMP (Rs)	2,804
Upside/Downside (%)	-5%
High/Low (Rs)	2,958/1,919
Market cap (Cr)	1,33,193
Avg. daily vol. (6m) Shrs.	7,56,696
No. of shares (Cr)	47.51

Shareholding (%)

	Sep-24	Dec-24	Mar-25
Promoter	50.3	50.3	50.3
FIIs	22.3	21.2	21.5
MFs / UTI	15.5	15.7	15.2
Banks	0.1	0.1	0.2
Others	11.9	12.7	12.9

Financial & Valuations

Y/E Mar (Rs Cr)	FY25	FY26E	FY27E
Net Sales	36,251	41,923	47,499
EBITDA	4,454	5,278	6,189
Net Profit	2,711	3,225	3,903
EPS (Rs.)	57.1	67.9	82.2
PER (x)	49.1	41.3	34.1
EV/ EBITDA	30.2	25.2	21.0
P/BV (x)	13.4	10.0	7.8
RoE (%)	30.4	27.6	25.6

Change in Estimates (%)

Y/E Mar	FY25	FY26E	FY27E
Sales	0.6	2.5	(0.4)
EBITDA	5.5	1.5	6.6
PAT	8.3	1.0	(2.5)

Relative Performance



Shridhar Kallani

Auto Analyst

Email: shridhar.kallani@axissecurities.in

Valuation & Recommendation

With the domestic competitive intensity increasing in the EV and mid-weight motorcycle category, along with challenges in Exports due to geopolitical issues, and being cautious on their capex and investments in subsidiaries, we value the stock at a P/E multiple of 30x on Mar'27 core EPS (earlier 29x on Mar'27 EPS) and other investments at 1x P/BV and TVS Credit Services at 1.5x P/BV on FY24, thereby arriving at a TP of Rs 2,670 (earlier Rs 2,650). The TP implies a downside of 5% from the CMP. **We hence downgrade the stock from BUY to HOLD on rich valuations.**

Key Concall Highlights

- **Rural Demand Outlook:** Rural demand softened slightly in Q4FY25 after strong momentum in Q2 and Q3. However, rural sentiment is expected to recover, supported by a strong marriage season, a normal monsoon forecast, and favourable agricultural trends. Additionally, the easing of retail financing restrictions, which were seen toward the end of FY25, should further bolster rural demand.
- **Domestic Demand Outlook:** The demand environment for FY26 remains positive, driven by rising consumption, recovery in the agricultural sector, a 50 bps reduction in the benchmark repo rate (leading to lower EMIs), and supportive fiscal measures like income tax rebates announced in the Union Budget. Continuous government investment in infrastructure, an expected normal monsoon, a stronger replacement cycle, and a buoyant marriage season are further tailwinds. TVS Motor reported a 13% YoY growth in overall two- and three-wheeler sales in FY25, reaching 47.44 Lc units versus 41.91 Lc units in FY24. Within two-wheelers, scooter sales rose 21% YoY, while motorcycle sales increased by 10%. Three-wheeler volumes, however, declined slightly to 1.35 Lc units from 1.46 Lc units.
- **EV Dealership Network:** TVS currently operates around 950 dealerships for EVs, covering significant market regions. Expansion into suburban and rural areas is planned systematically.
- **Investments in subsidiaries:** In Q4, TVS Motor made investments of Rs 621 Cr in its subsidiaries, and Rs 133 Cr in TVS Supply Chain Solutions Limited, Madurai.
- **Other income** for the quarter that ended 31st March 2025 includes Rs 100 Cr of dividend received from its subsidiary and Rs 89 Cr of loss on fair valuation of investments held by the company.
- **TVS Credit Services:** TVS Credit delivered strong results in FY25, with GNPA improving to 2.8% in Q4 (2.9% for the year) and collections rising to Rs 7,000 Cr (from Rs 5,700 Cr in Q4FY24); the loan book grew to ~Rs 27,000 Cr as the company added over 4 Mn new customers—taking the total to 19 mn—and achieved a 35% rise in PBT to Rs 1,027 Cr for the year (with Q4 PBT up 53% to Rs 302 Cr), while continuing to drive growth through deeper market penetration, expanded product and distribution networks, digital transformation, and enhanced customer experience.
- **Dividend:** The Board at its meeting held on 20th March 2025, declared an interim dividend of Rs 10 per share (1000%) - a sum of Rs 475 Cr for the year 2024-25 and the same was paid to the shareholders who hold shares in physical or in electronic form and whose names appear in the Register of Members and/or Depositories respectively, as at the close of working hours on 26th March 2025 (Record Date).
- **Spare Parts Revenue** for Q4FY25 was Rs 907 Cr (Rs 950 Cr in Q3FY25).

Key Risks to Our Estimates and TP

- Slower than expected rural demand.
- Further delay in volume pickup of Export markets.

Change in Estimates

	Revised			Old			% Change		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Sales	36,251	41,923	47,499	36,024	40,917	47,709	0.6	2.5	(0.4)
EBITDA	4,454	5,278	6,189	4,220	5,199	5,806	5.5	1.5	6.6
PAT	2,711	3,225	3,903	2,502	3,195	4,005	8.3	1.0	(2.5)
EPS	57.1	67.9	82.2	52.7	67.2	84.3	8.3	1.0	(2.5)
Total Sales Volume (Lc)	4.74	5.31	5.84	4.73	5.20	5.72	0.3	2.2	2.2

Source: Company, Axis Securities Research

Q4FY25 Results Review

YE March (Rs Cr)	Q4FY24	Q3FY25	Axis Sec Estimates	Q4FY25	YoY (%)	QoQ (%)	Axis Sec Var (%)
Motorcycle	3,03,632	3,03,195	-	2,74,086	-9.7%	-9.6%	-
Scooter	3,68,673	4,76,297	-	4,82,843	31.0%	1.4%	-
Moped	1,23,962	1,31,395	-	1,10,625	-10.8%	-15.8%	-
3W	6,091	7,209	-	9,220	51.4%	27.9%	-
Total Domestic Sales	8,02,358	9,18,096	8,76,774	8,76,774	9.3%	-4.5%	-
Exports 2W	2,35,926	2,71,747	-	3,12,126	32.3%	14.9%	-
Exports 3W	24,245	22,109	-	27,386	13.0%	23.9%	-
Total Export Sales	2,60,171	2,93,856	3,39,512	3,39,512	30.5%	15.5%	-
Total Volume (units)	10,62,529	12,11,952	12,16,286	12,16,286	14.5%	0.4%	0.0%
Total Revenue	8,169	9,097	9,351	9,550	16.9%	5.0%	2.1%
ASP (Rs/vehicle)	76,881	75,061	76,881	78,521	2.1%	4.6%	2.1%
Less:							
Net Raw Material consumed	5,944	6,511	6,695	6,667	12.2%	2.4%	-0.4%
Other Expenses	878	1,006	1,019	1,055	20.1%	4.9%	3.5%
Personnel	421	499	505	496	17.9%	-0.6%	-1.7%
Total Expenditure	7,243	8,016	8,219	8,218	13.5%	2.5%	0.0%
EBITDA	926	1,081	1,132	1,333	43.9%	23.2%	17.7%
Less: Depreciation	189	188	191	199	5.7%	5.9%	4.2%
EBIT	738	893	940	1,133	53.7%	26.9%	20.5%
Less: Net Interest	37	34	32	36	-3.8%	6.0%	12.7%
Add: Other income	-29	-23	61	15	NA	NA	-76.1%
Profit Before Extraordinary Items	672	837	969	1,112	65.6%	32.9%	14.7%
Less: Extraordinary Expenses (net)	-	-	-	-			
Profit Before Tax	672	837	969	1,112	65.6%	32.9%	14.7%
Less: Total Tax	186	218	253	260	39.6%	19.1%	2.7%
Profit After Tax	485	618	716	852	75.5%	37.8%	19.0%
Adj. PAT	485	618	716	852	75.5%	37.8%	19.0%
Shares Outstanding (Cr)	48	48	48	48	0.0%	0.0%	0.0%
Reported EPS (Rs.)	10.22	13.02	15.08	17.94	75.5%	37.8%	19.0%
Adj. EPS (Rs.)	10.22	13.02	15.08	17.94	75.5%	37.8%	19.0%
Margin Analysis (%)	Q4FY24	Q3FY25	Axis Sec Estimates	Q4FY25	Change in bps	Change in bps	Change in bps
GM %	27.2%	28.4%	28.4%	30.2%	295	176	179
EBITDA Margin	11.3%	11.9%	12.1%	14.0%	262	207	185
Adj. NPM	5.9%	6.8%	7.7%	8.9%	298	212	126
Effective Tax Rate	27.7%	26.1%	26.1%	23.4%	-435	-271	-273
Cost Analysis							
RM/Net Sales	72.8%	71.6%	71.6%	69.8%	-295	-176	-179
Other Expenses/Net Sales	10.8%	11.1%	10.9%	11.0%	29	-1	14
Personnel/Net Sales	5.1%	5.5%	5.4%	5.2%	4	-29	-20

Source: Company, Axis Securities Research

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E March	FY24A	FY25	FY26E	FY27E
Net revenues	31,776	36,251	41,923	47,499
Operating expenses	28,261	31,797	36,645	41,309
EBIDTA	3,515	4,454	5,278	6,189
EBITDA margin (%)	11.1	12.3	12.6	13.0
Other income	1	58	46	115
Interest	182	139	141	130
Depreciation	700	745	825	899
Profit Before Tax	2,781	3,629	4,359	5,275
Tax	698	918	1,133	1,371
Reported Net Profit	2,083	2,711	3,225	3,903
Net Margin (%)	6.6	7.5	7.7	8.2
Adjusted Net Profit	1,973	2,711	3,225	3,903

Source: Company, Axis Securities Research

Balance Sheet

(Rs. Cr.)

Y/E March	FY24A	FY25	FY26E	FY27E
Equity capital	48	48	48	48
Reserves & surplus	7,684	9,889	13,239	16,953
Shareholders' funds	7,731	9,937	13,287	17,000
Total Loans	1,964	2,064	1,664	1,264
Deferred tax liability	219	266	266	266
Total Liabilities and Equity	9,913	12,267	15,217	18,530
Gross block	8,726	10,038	11,951	12,851
Depreciation	4,954	5,699	6,524	7,423
Net block	3,772	4,338	5,428	5,429
Capital WIP	930	1,239	225	225
Investments	6,828	9,271	9,871	10,471
Inventory	1,371	1,726	2,297	2,603
Debtors	1,302	1,280	2,067	2,342
Cash & Bank Bal	531	586	1,913	4,759
Loans & Advances	1,328	1,514	2,423	2,702
Current Assets	4,532	5,106	8,701	12,406
Sundry Creditors	5,112	6,154	7,466	8,459
Other Current Liability	349	477	477	477
Current Liability & Provisions	6,149	7,696	9,008	10,001
Net current assets	-1,617	-2,590	-307	2,405
Total Assets	9,913	12,267	15,217	18,530

Source: Company, Axis Securities

Cash Flow

(Rs Cr)

Y/E March	FY24A	FY25	FY26E	FY27E
EBIT	2,815	3,709	4,453	5,290
Other Income	1	58	46	115
Depreciation & Amortization	700	745	825	899
Interest paid(-)	-182	-139	-141	-130
Tax paid(-)	-698	-918	-1,133	-1,371
Extra Ord Income	147	0	0	0
Operating Cash Flow	2,783	3,455	4,050	4,802
Change in Working Capital	1,137	1,029	-956	134
Cash flow from Operations	3,920	4,484	3,094	4,936
Capex	-1,179	-1,943	-577	-900
Strategic Investment	-1,343	-2,243	-600	-600
Non-Strategic Investment	7	-200	0	0
Cash flow from Investing	-2,515	-4,386	-1,177	-1,500
Change in borrowing	-700	100	-400	-400
Others	-238	47	0	0
Dividends paid(-)	-178	-190	-190	-190
Cashflow from Financial Activities	-1,116	-42	-590	-590
Change in Cash	289	55	1,327	2,846
Opening cash	242	531	586	1,913
Closing cash	531	586	1,913	4,759

Source: Company, Axis Securities Research

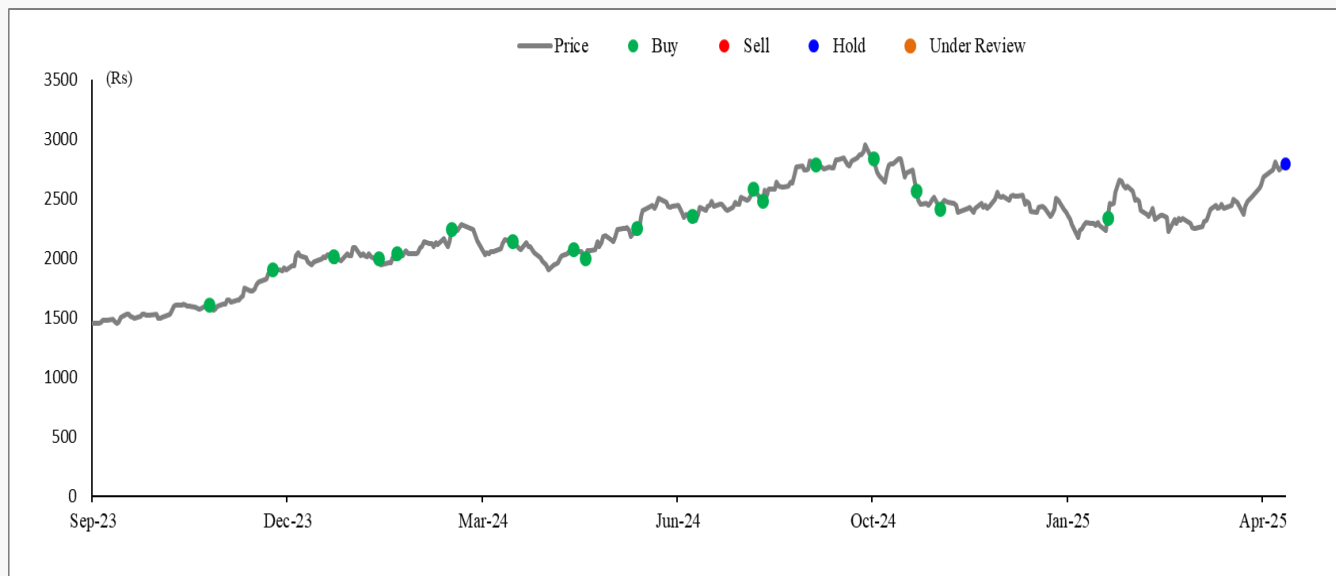
Ratio Analysis

(%)

Y/E March	FY24A	FY25	FY26E	FY27E
Revenue Growth	20.5	14.1	15.6	13.3
EBITDA Margin	11.1	12.3	12.6	13.0
Net Profit Margin	6.2	7.5	7.7	8.2
ROCE (%)	22.2	25.2	24.1	23.6
ROE (%)	28.3	30.4	27.6	25.6
EPS(Rs)	41.5	57.1	67.9	82.2
P/E (x)	51.8	49.1	41.3	34.1
P/ BV (x)	13.2	13.4	10.0	7.8
EV/ EBITDA (x)	29.5	30.2	25.2	21.0
Fixed Assets Turnover Ratio (x)	8.4	8.3	7.7	8.7
Debt / Equity (x)	0.3	0.2	0.1	0.1
EV/ Sales (x)	3.3	3.7	3.2	2.7

Source: Company, Axis Securities Research

TVS Motors Price Chart and Recommendation History



Source: Axis Securities

Date	Reco	TP	Research
25-Jan-23	BUY	1,100	Result Update
05-May-23	BUY	1,300	Result Update
25-Jul-23	BUY	1,450	Result Update
30-Oct-23	BUY	2,100	Result Update
01-Dec-23	BUY	2,100	Top Picks
01-Jan-24	BUY	2,350	Top Picks
25-Jan-24	BUY	2,350	Result Update
02-Feb-24	BUY	2,350	Top Picks
01-Mar-24	BUY	2,350	Top Picks
01-Apr-24	BUY	2,375	Top Picks
02-May-24	BUY	2,350	Top Picks
09-May-24	BUY	2,350	Result Update
03-Jun-24	BUY	2,425	Top Picks
01-Jul-24	BUY	2,700	Top Picks
01-Aug-24	BUY	2,900	Top Picks
07-Aug-24	BUY	2,885	Result Update
02-Sep-24	BUY	2,900	Top Picks
01-Oct-24	BUY	3,150	Top Picks
24-Oct-24	BUY	2,890	Result Update
04-Nov-24	BUY	2,890	Top Picks
29-Jan-25	BUY	2,650	Result Update
29-Apr-25	HOLD	2,670	Result Update

DISCLAIMER:

Axis Securities Limited is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks, and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited, is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE,MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073 | PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr. Maneesh Mathew, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Paré, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances please call us at 022-40508080 or write to us helpdesk@axisdirect.in.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories etc. have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and / or USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been client during twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Axis Securities. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Axis Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of publication of this report. Please

note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of subject company(ies). Axis Securities or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centres on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide 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 or act as a market maker in the financial instruments of the subject company/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 at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short position in the above mentioned scrip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward looking estimates for the stock, but we refrain from assigning valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events
NO STANCE	We do not have any forward-looking estimates, valuation or recommendation for the stock

Note: Returns stated in the rating scale are our internal benchmark.