



India

ADD (previously HOLD)

Consensus ratings*: Buy 30 Hold 7 Sell 3

Current price:	Rs371
Target price:	Rs480
Previous target:	Rs480
Up/downside:	29.4%
InCred Research / Consensus:	-3.4%
Reuters:	CROP.NS
Bloomberg:	CROMPTON IN
Market cap:	US\$2,830m Rs238,826m
Average daily turnover:	US\$19.3m Rs1629.2m
Current shares o/s:	643.1m
Free float:	100.0%

*Source: Bloomberg

Key changes in this note

- Upgrade to ADD (from HOLD) while maintaining the target price of Rs480.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(13.6)	(13.4)	33.2
Relative (%)	(8.9)	(11.7)	12.7

Major shareholders	% held
Promoters	0.0
Mirae Asset Tax Saver Fund	7.2
HDFC Mutual Fund	9.4

Research Analyst(s)**Arafat SAIYED**

T (91) 22 4161 1542

E arafat.saiyed@incredresearch.com

Anirvan DIVAKERA

T (91) 02241611548

E anirvan.divakera@incredresearch.com

Crompton Greaves Consumer Electricals

Double-digit margin and premiumization

- 2Q EBITDA stood at Rs2bn, up 17% YoY (-13% QoQ), 1% below our estimate & 3% above the BB consensus. EBITDA margin was up 94bp YoY at 10.7%.
- CGCEL - focused on maintaining sustainable pricing for fans & premiumization - aims to lead the market by brand strength & expanding its product offerings.
- We largely retain our FY25F-FY27F estimates. The stock price has corrected ~22% from its recent peak. Upgrade to ADD rating with a TP of Rs480.

Sustains double-digit margin

Crompton Greaves Consumer Electricals (CGCEL) reported a 6% YoY growth in 2QFY25 revenue, 3% below our estimate and 2% lower than the Bloomberg or BB estimate, mainly due to Butterfly registering lower sales, while it sustained double-digit growth in the ECD segment for the fifth consecutive quarter. EBITDA stood at Rs2.03bn, up 17% YoY (-13% QoQ), 1% below our estimate and 3% above the BB consensus estimate. The EBITDA margin was up 94bp YoY at 10.7%. PAT came in at Rs1.4bn, up 27% YoY (-16% QoQ), 4% above our estimate and 5% below the BB consensus estimate.

Healthy growth in ECD segment

CGCEL witnessed healthy growth across appliances (up 26%) and pumps (up 20%), while the fan segment grew by 5%. The lighting segment showed modest growth of 6% while Butterfly products witnessed an 18% decline YoY, but 42% growth sequentially. CGCEL's standalone material margin improved to 31.9% from 30.1% last year, despite a 69% increase in advertising and promotion expenses. Alternate channels, including e-commerce, were up 37% YoY, contributing 21% to sales.

Premiumization likely to continue

CGCEL is focused on maintaining sustainable pricing for fans and pursuing premiumization. Unlike competitors who may hesitate to raise prices, CGCEL aims to lead market behaviour by building brand strength and expanding premium offerings. It has a strong presence in pumps, especially in the growing solar segment. The company believes it is gradually increasing market share in residential pumps and plans to grow its solar portfolio by participating in government tenders and initiatives, through the Kusum scheme.

Outlook and valuation; upgrade to ADD

CGCEL is all set to benefit from higher premiumization and new product launches in the near term. Butterfly products remain slightly sluggish, but an uptick is expected over the next few quarters. We largely maintain our FY25F-FY27F estimates. The stock price has corrected ~22% from its recent peak, and now trades at 33x FY26F EPS. We upgrade our rating on it to ADD (from HOLD) while maintaining the target price at Rs480, valuing it at 40x Sep 2026F EPS. Downside risks: Realignment delay and lower-than-estimated margin.

Financial Summary	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	68,696	73,128	83,105	92,654	103,806
Operating EBITDA (Rsm)	7,705	7,137	9,240	10,790	11,967
Net Profit (Rsm)	4,764	4,418	6,000	7,226	8,103
Core EPS (Rs)	7.5	6.9	9.4	11.3	12.7
Core EPS Growth	(19.8%)	(7.5%)	35.5%	20.4%	12.1%
FD Core P/E (x)	49.63	53.64	39.59	32.87	29.31
DPS (Rs)	3.0	3.0	4.0	5.0	6.0
Dividend Yield	0.81%	0.81%	1.08%	1.35%	1.62%
EV/EBITDA (x)	31.61	33.34	25.50	21.62	19.12
P/FCFE (x)	(40.91)	86.86	123.20	42.69	32.78
Net Gearing	8.5%	(10.2%)	(17.0%)	(21.4%)	(29.2%)
P/BV (x)	8.89	7.90	7.11	6.35	5.70
ROE	18.6%	15.6%	18.9%	20.4%	20.5%
% Change In Core EPS Estimates			(1.71%)	(0.53%)	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

2QFY25 conference-call highlights

- **Overview:** CGCEL reported double-digit growth (up 13% YoY) in the ECD segment for the fifth consecutive quarter. The company witnessed healthy growth across appliances (up 26%) and pumps (up 20%), while the fan segment grew by 5%. The lighting segment showed modest growth of 6% while Butterfly products witnessed an 18% decline YoY but 42% growth sequentially. CGCEL's standalone material margin improved to 31.9% from 30.1% last year, despite a 69% increase in advertising and promotion expenses. Alternate channels, including e-commerce, achieved 37% YoY growth and now represents 21% of CGCEL's total sales. The e-commerce segment alone surpassed Rs2bn in revenue for the quarter, marking the fifth consecutive quarter of achieving Rs1bn-plus.
- **Competitive pricing and market position:** CGCEL is focused on sustainable pricing and premiumization in fans. While competitors may delay price hikes, CGCEL aims to drive market behaviour by consistently strengthening its brand and premium offerings. The company believes it is gaining incremental market share in residential pumps and aims to continue expanding its solar portfolio, leveraging tenders and government initiatives like the Kusum scheme.
- **Focus on lighting segment:** CGCEL is committed to revitalizing its lighting products business, which has recorded growth over consecutive quarters. The growth rate in lighting products gradually increased, reaching 6% YoY during the quarter, driven by B2C products, including non-conventional and outdoor lighting categories. The lighting business saw significant growth, driven by non-conventional products like ceiling and outdoor lights. New product launches are reshaping the business mix, as conventional products now contribute a smaller share to the portfolio. The lighting segment, including outdoor and accessory products, is expected to grow further with new decorative panels and ceiling lights. The company has witnessed substantial acceptance of new products in the market and intends to continue this trajectory through additional product launches in 2HFY25F.
- **Fan segment and premiumization:** CGCEL's fan segment is experiencing sustainable growth driven by strategic price hikes and premium offerings. The models recently launched, such as Avancer Swirl and Aura 2, were well-received. Additionally, CGCEL has prioritized scaling in-house manufacturing for its BLDC fans to enhance product quality and control.
- **Pumps segment's expansion:** The pumps business, covering solar and residential categories, showed a robust performance, with CGCEL executing solar pump orders totaling Rs420m in 2Q and topping Rs1bn in cumulative solar sales. Despite environmental challenges, the company has continued to innovate and introduce new products to strengthen this segment.
- **Appliances business:** CGCEL's appliances division recorded a broad-based growth across multiple product lines, including water heaters, room heaters, and air coolers. The mixer-grinder segment achieved market leadership, supported by new launches in the mass-premium segment and channel expansion efforts.
- **Butterfly Gandhimathi:** Crompton's subsidiary, Butterfly Gandhimathi, delivered strong growth with a 42% sequential revenue growth to Rs2,580m, attributed to the festive season. Operational improvements, including pricing actions and cost reductions, led to a 380bp expansion in the EBIT margin to 8.9%. While back-end functions are integrated for efficiency, CGCEL and Butterfly maintain separate front-end sales channels, particularly in South India. This allows each brand to capitalize on its respective strengths without overlapping in distribution.
- **Kitchen appliances and synergy with Butterfly:** CGCEL is now a market leader in the mixer-grinder category, thanks to synergies with Butterfly, which handles manufacturing. CGCEL's national distribution network is

complemented by Butterfly's strong presence in Southern India, creating effective front-end operations across channels.

- **Outlook:** CGCEL is committed to its 'Crompton 2.0' strategy, which has fostered consistent revenue growth and margin improvement. The company expressed its optimism on sustained progress in the coming quarters, driven by new product launches, channel expansion, and focused investments in high-growth segments.

Figure 1: Results snapshot

(Rs m)	2QFY25	2QFY24	YoY (%)	1QFY25	QoQ (%)	1HFY25	1HFY24	YoY (%)
Total income	18,960	17,823	6.4%	21,377	-11.3%	40,337	36,591	10.2%
Net raw material costs	12,756	12,240	4.2%	14,561	-12.4%	27,317	25,223	8.3%
Staff costs	1,597	1,501	6.4%	1,617	-1.2%	3,214	2,935	9.5%
Other expenditure	2,572	2,336	10.1%	2,875	-10.5%	5,448	4,830	12.8%
Total expenditure	16,926	16,078	5.3%	19,053	-11.2%	35,979	32,988	9.1%
EBITDA	2,034	1,745	16.6%	2,324	-12.5%	4,358	3,603	21.0%
EBITDA margin (%)	10.7%	9.8%	94 bps	10.9%	-14 bps	10.8%	9.8%	96 bps
Depreciation	382	321	18.8%	372	2.7%	753	613	22.9%
EBIT	1,653	1,424	16.1%	1,952	-15.3%	3,605	2,990	20.6%
Interest expenses	120	215	-44.1%	155	-22.4%	276	421	-34.5%
Other inc.	175	149	17.7%	238	-26.3%	413	347	19.1%
PBT	1,707	1,358	25.8%	2,035	-16.1%	3,742	2,916	28.3%
Tax - current	453	343	32.0%	587	-22.9%	1,040	753	38.1%
Tax - deferred	-26	6	-550.0%	-76	-65.6%	-102	-66	54.2%
Reported PAT	1,281	1,009	27.0%	1,524	-15.9%	2,804	2,229	25.8%
Adjusted PAT	1,281	1,009	27.0%	1,524	-15.9%	2,804	2,229	25.8%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Margin and cost analysis

Margins (%)	2QFY25	2QFY24	YoY (%)	1QFY25	QoQ (%)	1HFY25	1HFY24	YoY (%)
Gross margin	32.7%	31.3%	140bp	31.9%	84bp	32.3%	31.1%	121bp
EBITDA margin	10.7%	9.8%	94bp	10.9%	-14bp	10.8%	9.8%	96bp
PAT margin	6.8%	5.7%	110bp	7.1%	-37bp	7.0%	6.1%	86bp
Effective tax rate	25.0%	25.7%	-70bp	25.1%	-14bp	25.1%	23.6%	151bp
Cost analysis (%)								
Total raw material costs (%)	67.3%	68.7%	-140bp	68.1%	-84bp	67.7%	68.9%	-121bp
Staff costs	8.4%	8.4%	0bp	7.6%	86bp	8.0%	8.0%	-5bp
Other expenditure	13.6%	13.1%	46bps	13.5%	12bp	13.5%	13.2%	30bp

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Actuals vs estimates (Rs m)

vs InCred	2QFY25	2QFY25F	Var (%)
Revenue	18,960	19,490	-2.7%
EBITDA	2,034	2,050	-0.8%
EBITDA margin (%)	10.7%	10.5%	21bp
Adj. PAT	1,281	1,235	3.7%
vs consensus			
Rs m	2QFY25F	2QFY25C	Var (%)
Revenue	18,960	19,270	-1.6%
EBITDA	2,034	1,982	2.7%
EBITDA margin (%)	10.7%	10.3%	44.6bp
Adj. PAT	1,281	1,354	-5.4%

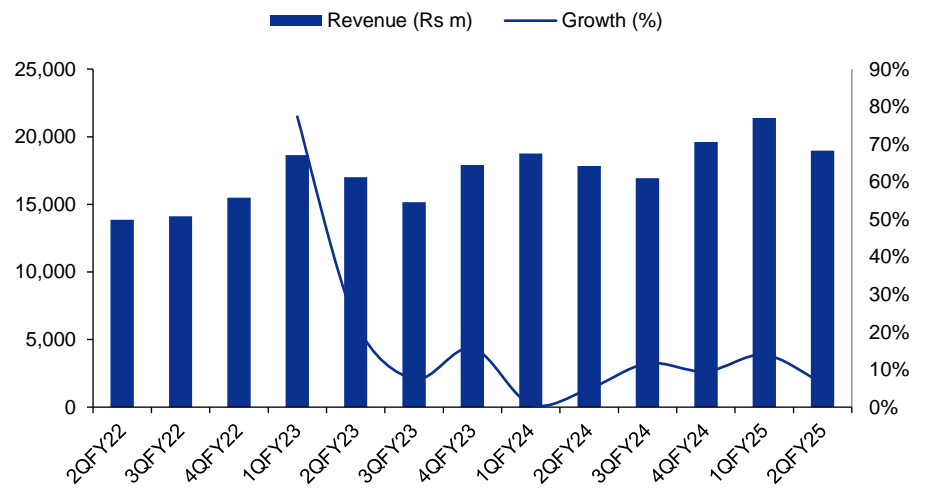
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Segmental revenue and EBIT

(Rs m)	2QFY25	2QFY24	YoY (%)	1QFY25	QoQ (%)	1HFY25	1HFY24	YoY (%)
Revenue								
ECD	13,927	12,380	12.5%	17,266	-19.3%	31,193	26,669	17.0%
Lighting products	2,531	2,387	6.0%	2,333	8.5%	4,865	4,677	4.0%
Butterfly products	2,502	3,056	-18.1%	1,777	40.8%	4,279	5,245	-18.4%
Total	18,960	17,823	6.4%	21,377	-11.3%	40,337	36,591	10.2%
EBIT								
ECD	2,064	1,755	17.6%	2,587	-20.2%	4,651	3,572	30.2%
Lighting products	271	250	8.3%	209	29.7%	479	523	-8.3%
Butterfly products	177	202	-12.4%	41	331.7%	218	362	-39.7%
Total	2,512	2,207	13.8%	2,836	-11.4%	5,348	4,456	20.0%
EBIT margin (%)								
ECD	14.8%	14.2%	64bp	15.0%	-16bp	14.9%	13.4%	152bp
Lighting products	10.7%	10.5%	23bp	8.9%	175bp	9.8%	11.2%	-133bp
Butterfly products	7.1%	6.6%	46bp	2.3%	477bp	5.1%	6.9%	-180bp
Total	13%	12%	87bp	13%	-2bp	13%	12%	108bp

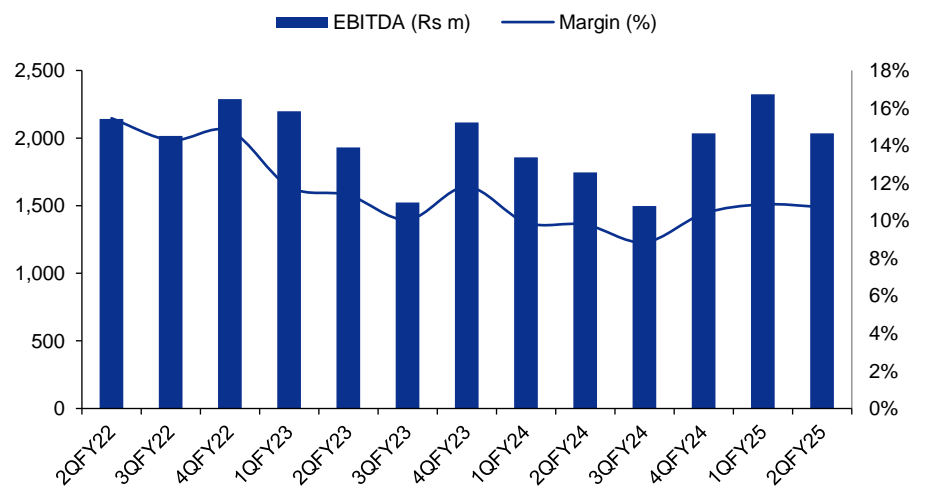
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Quarterly revenue trend



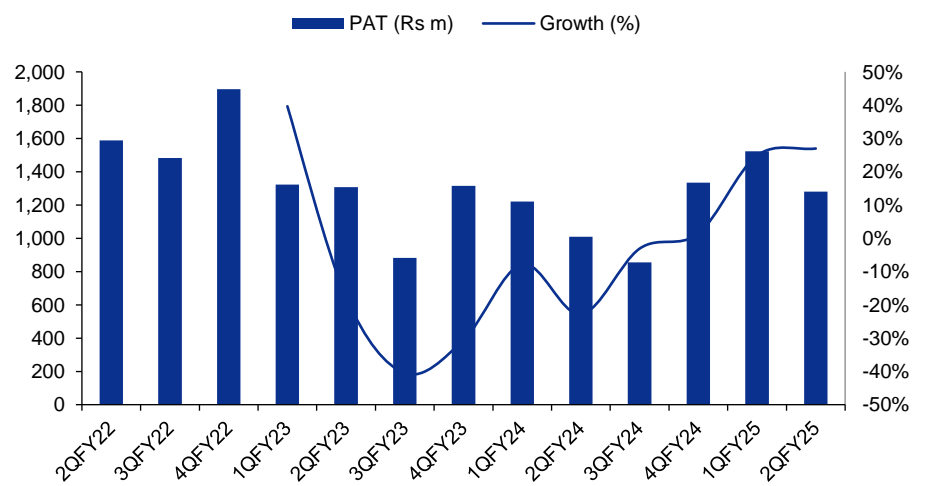
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Quarterly EBITDA trend



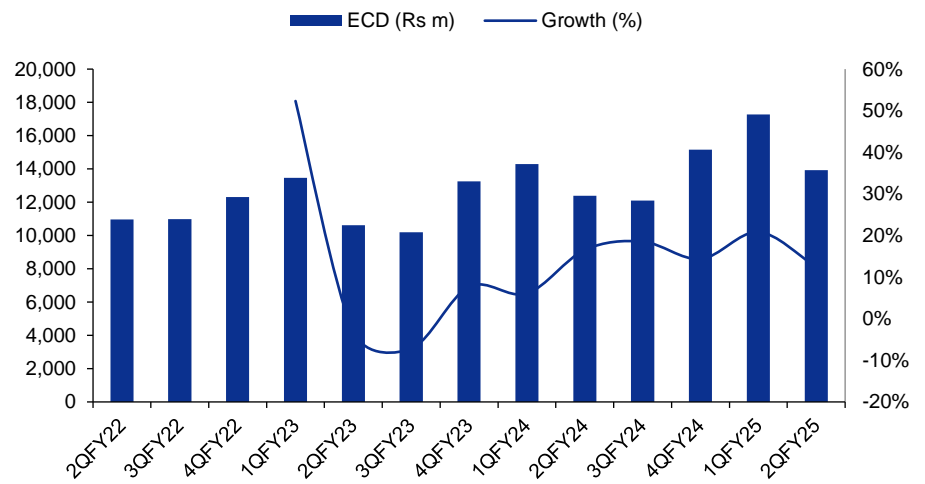
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Quarterly PAT trend



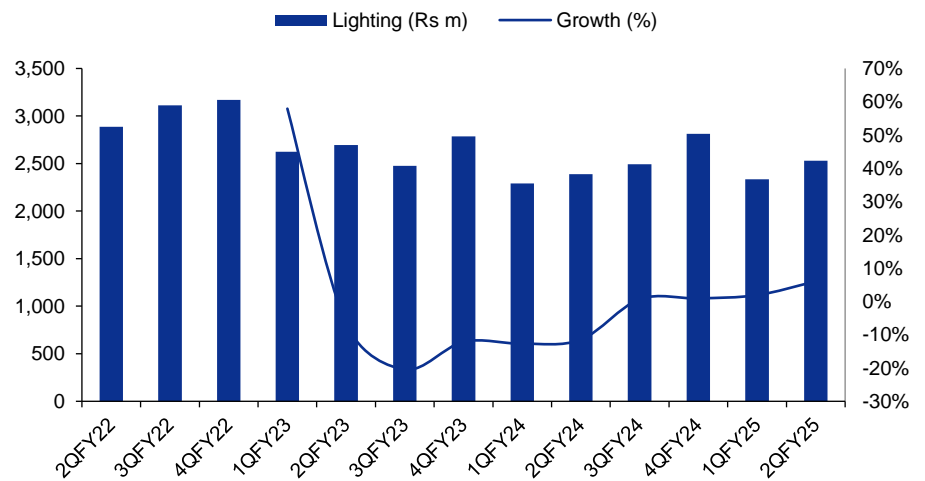
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: ECD segment's revenue



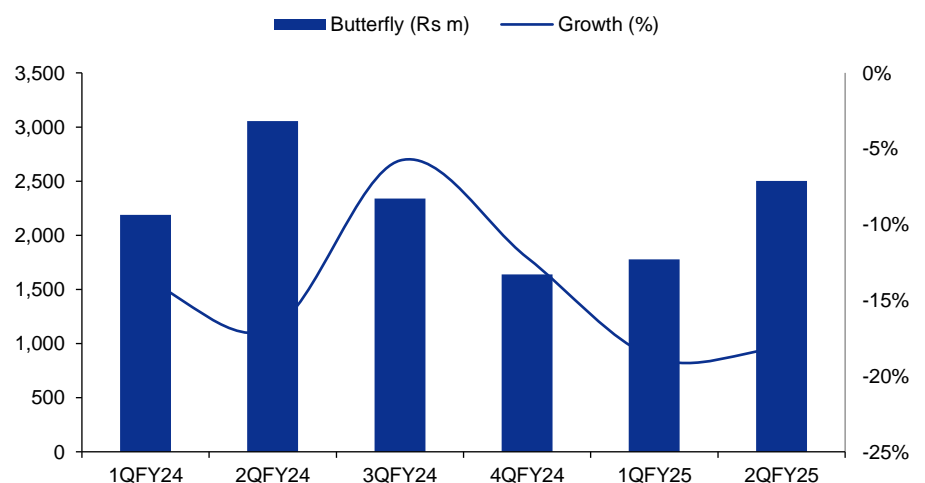
SOURCES: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Lighting product segment's revenue



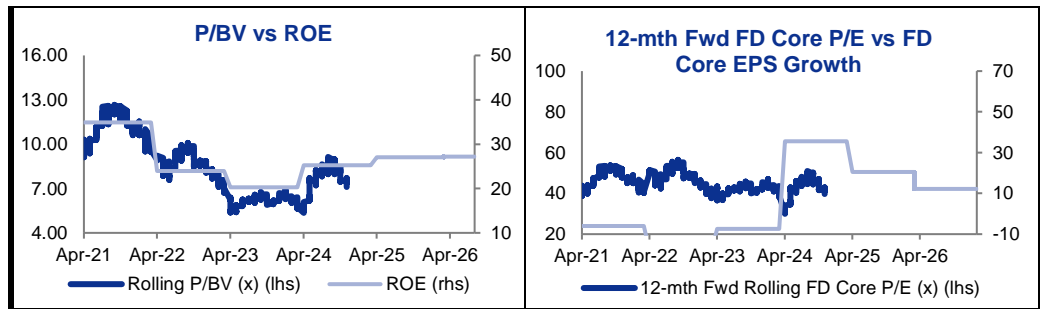
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Butterfly products' revenue



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Net Revenues	68,696	73,128	83,105	92,654	103,806
Gross Profit	21,893	23,125	26,450	29,834	33,737
Operating EBITDA	7,705	7,137	9,240	10,790	11,967
Depreciation And Amortisation	(1,159)	(1,288)	(1,337)	(1,378)	(1,421)
Operating EBIT	6,545	5,849	7,902	9,412	10,546
Financial Income/(Expense)	(475)	(406)	34	166	211
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	51	288	150	158	165
Profit Before Tax (pre-EI)	6,121	5,731	8,087	9,735	10,922
Exceptional Items					
Pre-tax Profit	6,121	5,731	8,087	9,735	10,922
Taxation	(1,358)	(1,313)	(2,004)	(2,358)	(2,642)
Exceptional Income - post-tax					
Profit After Tax	4,764	4,418	6,083	7,377	8,280
Minority Interests			(83)	(151)	(177)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	4,764	4,418	6,000	7,226	8,103
Recurring Net Profit	4,764	4,418	6,000	7,226	8,103
Fully Diluted Recurring Net Profit	4,764	4,418	6,000	7,226	8,103

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	7,705	7,137	9,240	10,790	11,967
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(1,039)	2,226	(1,164)	(2,250)	(493)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	(374)	(351)	184	324	376
Net Interest (Paid)/Received	633	406	(34)	(166)	(211)
Tax Paid	(1,399)	(984)	(2,004)	(2,358)	(2,642)
Cashflow From Operations	5,526	8,434	6,222	6,339	8,997
Capex	(791)	(838)	(721)	(743)	(765)
Disposals Of FAs/subsidiaries	83				
Acq. Of Subsidiaries/investments	(3,822)	(1,663)	(500)	(500)	(1,500)
Other Investing Cashflow	432	432	425	467	514
Cash Flow From Investing	(4,098)	(2,069)	(796)	(775)	(1,751)
Debt Raised/(repaid)	(7,179)	(3,640)	(3,500)		
Proceeds From Issue Of Shares	416	893			
Shares Repurchased					
Dividends Paid	(1,578)	(1,912)	(2,572)	(3,216)	(3,859)
Preferred Dividends					
Other Financing Cashflow	(765)	(754)	(390)	(301)	(303)
Cash Flow From Financing	(9,105)	(5,413)	(6,463)	(3,517)	(4,162)
Total Cash Generated	(7,677)	952	(1,037)	2,047	3,084
Free Cashflow To Equity	(5,751)	2,725	1,926	5,564	7,246
Free Cashflow To Firm	336	5,573	5,036	5,263	6,943

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Cash And Equivalents	6,573	9,499	8,962	11,509	16,094
Total Debtors	6,706	7,209	7,741	8,631	9,670
Inventories	7,439	8,304	9,335	10,408	11,660
Total Other Current Assets	1,774	2,036	2,281	3,051	3,418
Total Current Assets	22,491	27,048	28,319	33,598	40,842
Fixed Assets	19,855	19,584	18,968	18,332	17,676
Total Investments	4				
Intangible Assets	12,855	12,855	12,855	12,855	12,855
Total Other Non-Current Assets	1,248	1,330	1,354	1,416	1,482
Total Non-current Assets	33,961	33,769	33,177	32,603	32,012
Short-term Debt	3,250	3,000	1,247	1,247	1,247
Current Portion of Long-Term Debt					
Total Creditors	10,354	13,145	13,661	13,961	15,642
Other Current Liabilities	3,404	4,174	4,326	4,569	5,119
Total Current Liabilities	17,007	20,318	19,234	19,778	22,008
Total Long-term Debt	5,972	2,990	1,243	1,243	1,243
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	2,274	2,920	2,920	2,920	2,920
Total Non-current Liabilities	8,245	5,910	4,163	4,163	4,163
Total Provisions	123	99	99	99	99
Total Liabilities	25,375	26,327	23,496	24,040	26,270
Shareholders Equity	26,600	29,996	33,424	37,434	41,679
Minority Interests	4,477	4,494	4,577	4,728	4,905
Total Equity	31,077	34,490	38,000	42,162	46,584

Key Ratios					
	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	27.4%	6.5%	13.6%	11.5%	12.0%
Operating EBITDA Growth	0.1%	(7.4%)	29.5%	16.8%	10.9%
Operating EBITDA Margin	11.2%	9.8%	11.1%	11.6%	11.5%
Net Cash Per Share (Rs)	(4.16)	5.49	10.11	14.09	21.25
BVPS (Rs)	41.74	46.97	52.21	58.48	65.11
Gross Interest Cover	6.00	7.39	20.25	31.26	34.78
Effective Tax Rate	22.2%	22.9%	24.8%	24.2%	24.2%
Net Dividend Payout Ratio	31.1%	33.4%	32.1%	33.5%	35.9%
Accounts Receivables Days	33.58	34.73	32.83	32.25	32.17
Inventory Days	57.12	57.46	56.82	57.36	57.48
Accounts Payables Days	79.74	85.76	86.35	80.25	77.10
ROIC (%)	18.5%	16.2%	23.2%	27.2%	29.2%
ROCE (%)	16.1%	15.4%	20.5%	23.2%	23.6%
Return On Average Assets	10.9%	10.5%	13.2%	15.0%	15.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. While every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which is believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made (information barriers and other arrangements may be established, where necessary, to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short-term views, etc.) that are inconsistent with and reach a different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

Research Analyst or his/her relative(s) or InCred Research Services Private Limited or our associate may have any financial interest in the subject company.

Research Analyst or his/her relatives or InCred Research Services Limited or our associates may have actual or beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report.

Research Analyst or his/her relative or InCred Research Services Private Limited or our associate entities may have any other material conflict of interest at the time of publication of the Research Report.

In the past 12 months, IRSPL or any of its associates may have:

- a) Received any compensation/other benefits from the subject company,
- b) Managed or co-managed public offering of securities for the subject company,
- c) Received compensation for investment banking or merchant banking or brokerage services from the subject company,
- d) Received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company

We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.

Research Analyst may have served as director, officer, or employee in the subject company.

We or our research analyst may engage in market-making activity of the subject company.

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based on any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.

Recommendation Framework	
Stock Ratings	Definition:
Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.
<i>The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.</i>	
Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.
Country Ratings	Definition:
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.