

**Video segment drives revenue growth; margins muted**

Media & Entertainment ▶ Result Update ▶ November 6, 2024

**TARGET PRICE (Rs): 580**

Saregama's strong headline numbers masked the weakness in music licensing revenue. Consolidated revenue grew 40.3% YoY, aided by strong growth in the video segment. Music Licensing revenue growth was soft, up 8% YoY in Q2, despite the impact of select platforms moving to a paid model now being completely factored in. EBITDA margin of 25.2% fell short of our estimate on account of higher growth in the lower-margin video segment and elevated content investments. Despite some softness, mgmt upheld its prior medium-term revenue and margin guidance. We believe pickup in Music Licensing revenue growth will be the key driver for stock performance – seasonality is biased toward 2H, so a robust performance could cover the 1H weakness. We cut FY25-27E EPS by 3-8%, building in the Q2 performance, slightly lower music segment growth for FY25, and the slower margin trajectory. We roll forward to Sep-26E, retaining BUY and DCF-based TP of Rs580 (implied FY26 PER of 41x).

Saregama India: Financial Snapshot (Consolidated)					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	7,366	8,030	10,608	12,769	15,344
EBITDA	2,210	2,466	2,931	3,879	4,987
Adj. PAT	1,853	1,976	2,066	2,691	3,499
Adj. EPS (Rs)	9.6	10.2	10.7	14.0	18.1
EBITDA margin (%)	30.0	30.7	27.6	30.4	32.5
EBITDA growth (%)	18.1	11.6	18.9	32.3	28.6
Adj. EPS growth (%)	21.5	6.6	4.5	30.3	30.0
RoE (%)	13.6	14.1	13.5	15.9	18.2
RoIC (%)	31.8	19.9	16.0	18.0	20.6
P/E (x)	51.9	48.7	46.6	35.7	27.5
EV/EBITDA (x)	39.7	36.1	30.7	23.3	18.0
P/B (x)	7.2	6.5	6.0	5.4	4.7
FCFF yield (%)	(0.1)	0.0	(0.5)	(0.1)	1.2

Source: Company, Emkay Research

**Results Summary**

Saregama's revenue grew 17.8% QoQ/40.3% YoY to Rs2.4bn, ahead of our estimate of Rs2.2bn. The Music segment (including Licensing and Carvaan) declined 2.6% YoY/grew 7.7% QoQ to Rs1.5bn, slightly lower than our estimate. Carvaan revenue declined 39.8% QoQ to Rs212mn. The Video segment saw strong growth of 54.7% QoQ to Rs720mn with the theatrical release of 'Nunakuzhi' and OTT release of 'Manorathangal'. The Artist management vertical saw growth of 4.2% QoQ, with the company adding >30 artists/influencers, taking the total number to >180. Reported EBITDA was flat YoY/grew 18.2% QoQ to Rs608mn. Reported EBITDAM was 25.2%, falling short of our estimate of 26.5%. Adjusted EBITDA stood at Rs842mn, with a margin of 34.8%. Overall PAT grew 21.6% QoQ to Rs449mn. In the Music segment, YouTube (YT) views grew 63% QoQ (partly attributed to the YT shorts campaign) to 150bn. Carvaan sales declined, from 142k in Q1 to 108k in Q2. **What we liked:** Growth in the Video segment **What we did not like:** Muted performance in Music Licensing, weak margin.

**Earnings Call KTAs**

1) Music Licensing: Recently acquired music has done well. Songs from movies 'Bad Nez' and 'Stree 2' have been chartbusters across multiple platforms. Saregama has released over 400 originals across languages, with a strong lineup ahead. Rs10bn will be invested in new content over the next 3 years which should keep the company on a strong long-term growth path. Paid subscription and better monetization of short form content can act as key triggers for higher growth. 2) Video: The Video segment is strategically important for the company, as it is not only growing on its own but also safeguards the company's music interest. The segment is still in the nascent stage and can see growth of 30%. 3) Events: There are mainly two sources of revenue: ticketing and sponsorship. 13 concerts of Diljit Dosanjh are scheduled in Q3FY25 – 12 in India and 1 in the Middle East. The Events segment is low margin, but IRR business. 4) Carvaan: Over the next 6 months, Carvaan will be completely moved out of mom-and-pop shops, and sold only through e-commerce and modern trade stores. 5) PBT growth for FY25 should be modest vs last year, but should outpace revenue growth after 5-6 quarters.

Target Price – 12M	Sep-25
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	16.2
CMP (06-Nov-24) (Rs)	499.0

Stock Data	Ticker
52-week High (Rs)	689
52-week Low (Rs)	326
Shares outstanding (mn)	192.8
Market-cap (Rs bn)	96
Market-cap (USD mn)	1,141
Net-debt, FY25E (Rs mn)	-6,316
ADTV-3M (mn shares)	2
ADTV-3M (Rs mn)	877.7
ADTV-3M (USD mn)	10.4
Free float (%)	40.7
Nifty-50	24,484
INR/USD	84.3
<b>Shareholding, Sep-24</b>	
Promoters (%)	59.4
FPIs/MFs (%)	17.3/4.0

Price Performance			
(%)	1M	3M	12M
Absolute	(17.9)	(1.2)	44.7
Rel. to Nifty	(16.2)	(3.2)	14.8

**1-Year share price trend (Rs)**



**Pulkit Chawla**  
 pulkit.chawla@emkayglobal.com  
 +91 22 6624 2458

**Exhibit 1: Quarterly financial performance**

(Rs mn)	Q2FY25	Q1FY25	QoQ (%)	Q2FY24	YoY (%)
Net sales	2,418	2,053	17.8	1,724	40.3
Operating expenses	1,810	1,538	17.7	1,115	62.4
EBITDA	608	515	18.2	609	0.0
Margins (%)	25.2	25.1		35.3	
Depreciation	136.4	127	7.1	83	65.3
EBIT	472	387	21.9	526	-10.3
Margins (%)	19.5	18.9		30.5	
Interest Paid	4	2	104.8	2	95.5
Other income	125	122	2.9	132	-5.1
<b>Non-recurring items</b>					
Pre-tax profit	593	507	17.0	656	-9.6
Tax provided	144	136	5.4	176	-18.5
Profit after tax	450	371	21.2	480	-6.3
Minority	1	2	-70.6	-1	-145.5
Emkay Net profit	449	369	21.6	481	-6.7
EPS (Rs)	2.3	1.9	21.6	2.5	-6.6

Source: Company, Emkay Research

**Exhibit 2: Actual vs Estimates (Q2FY25)**

(Rs mn)	Actual	Estimate (Emkay)	Variation	Comments
			Emkay	
Revenue	2,418	2,150	12.5%	Better performance of the Video segment
EBITDA	608	570	6.8%	Aided by higher revenue growth
EBIT margin	25.2%	26.5%	-130bps	Impacted by better growth in the low-margin Video segment and higher investment in content
PAT	449	421	6.7%	

Source: Company, Emkay Research

**Exhibit 3: Change in estimates**

(Rs mn)	FY25E			FY26E			FY27E		
	Old	New	Change	Old	New	Change	Old	New	Change
Revenue	10,918	10,608	-2.8%	13,105	12,769	-2.6%	15,566	15,344	-1.4%
EBITDA	3,145	2,931	-6.8%	4,084	3,879	-5.0%	5,137	4,987	-2.9%
EBITDA margin	28.8%	27.6%		31.2%	30.4%		33.0%	32.5%	
PAT	2,231	2,066	-7.4%	2,859	2,691	-5.9%	3,632	3,499	-3.7%
EPS (Rs)	11.6	10.7	-7.4%	14.8	14.0	-5.9%	18.8	18.1	-3.5%

Source: Emkay Research

## Saregama India: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
<b>Revenue</b>	<b>7,366</b>	<b>8,030</b>	<b>10,608</b>	<b>12,769</b>	<b>15,344</b>
Revenue growth (%)	26.9	9.0	32.1	20.4	20.2
<b>EBITDA</b>	<b>2,210</b>	<b>2,466</b>	<b>2,931</b>	<b>3,879</b>	<b>4,987</b>
EBITDA growth (%)	18.1	11.6	18.9	32.3	28.6
Depreciation & Amortization	208	362	539	644	662
<b>EBIT</b>	<b>2,002</b>	<b>2,104</b>	<b>2,392</b>	<b>3,235</b>	<b>4,325</b>
EBIT growth (%)	15.0	5.1	13.7	35.3	33.7
Other operating income	0	0	0	0	0
Other income	536	637	401	394	384
Financial expense	57	32	33	33	33
<b>PBT</b>	<b>2,481</b>	<b>2,708</b>	<b>2,760</b>	<b>3,596</b>	<b>4,676</b>
Extraordinary items	0	0	0	0	0
Taxes	630	732	695	905	1,177
Minority interest	(3)	0	0	0	0
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>1,853</b>	<b>1,976</b>	<b>2,066</b>	<b>2,691</b>	<b>3,499</b>
PAT growth (%)	21.5	6.6	4.5	30.3	30.0
<b>Adjusted PAT</b>	<b>1,853</b>	<b>1,976</b>	<b>2,066</b>	<b>2,691</b>	<b>3,499</b>
<b>Diluted EPS (Rs)</b>	<b>9.6</b>	<b>10.2</b>	<b>10.7</b>	<b>14.0</b>	<b>18.1</b>
Diluted EPS growth (%)	21.5	6.6	4.5	30.3	30.0
<b>DPS (Rs)</b>	<b>3.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>
<b>Dividend payout (%)</b>	<b>31.2</b>	<b>39.0</b>	<b>37.3</b>	<b>28.7</b>	<b>22.0</b>
EBITDA margin (%)	30.0	30.7	27.6	30.4	32.5
EBIT margin (%)	27.2	26.2	22.5	25.3	28.2
Effective tax rate (%)	25.4	27.0	25.2	25.2	25.2
<b>NOPLAT (pre-IndAS)</b>	<b>1,493</b>	<b>1,535</b>	<b>1,790</b>	<b>2,420</b>	<b>3,236</b>
Shares outstanding (mn)	192.8	192.8	192.8	192.8	192.8

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PBT	2,481	2,708	2,760	3,596	4,676
Others (non-cash items)	(432)	(400)	170	282	311
Taxes paid	(668)	(514)	(695)	(905)	(1,177)
Change in NWC	(447)	(862)	(600)	(645)	(770)
<b>Operating cash flow</b>	<b>934</b>	<b>933</b>	<b>1,636</b>	<b>2,328</b>	<b>3,040</b>
Capital expenditure	(1,031)	(923)	(2,100)	(2,393)	(1,969)
Acquisition of business	0	0	0	0	0
Interest & dividend income	0	0	0	0	0
<b>Investing cash flow</b>	<b>(1,481)</b>	<b>166</b>	<b>(1,699)</b>	<b>(1,999)</b>	<b>(1,585)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	0	(14)	0	0	0
Payment of lease liabilities	0	0	0	0	0
Interest paid	(6)	(30)	(33)	(33)	(33)
Dividend paid (incl tax)	(578)	(771)	(771)	(771)	(771)
Others	(168)	(33)	0	0	0
<b>Financing cash flow</b>	<b>(752)</b>	<b>(849)</b>	<b>(804)</b>	<b>(804)</b>	<b>(804)</b>
Net chg in Cash	(1,299)	250	(867)	(475)	651
OCF	934	933	1,636	2,328	3,040
Adj. OCF (w/o NWC chg.)	488	71	1,036	1,683	2,269
FCFF	(97)	10	(464)	(65)	1,071
FCFE	(154)	(23)	(497)	(98)	1,038
OCF/EBITDA (%)	42.3	37.8	55.8	60.0	61.0
FCFE/PAT (%)	(8.3)	(1.1)	(24.0)	(3.6)	29.7
<b>FCFF/NOPLAT (%)</b>	<b>(6.5)</b>	<b>0.6</b>	<b>(25.9)</b>	<b>(2.7)</b>	<b>33.1</b>

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	193	193	193	193	193
Reserves & Surplus	13,228	14,498	15,793	17,713	20,441
<b>Net worth</b>	<b>13,421</b>	<b>14,691</b>	<b>15,986</b>	<b>17,906</b>	<b>20,634</b>
Minority interests	34	35	34	34	34
Deferred tax liability (net)	464	474	474	474	474
<b>Total debt</b>	<b>7</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>38</b>
<b>Total liabilities &amp; equity</b>	<b>13,926</b>	<b>15,254</b>	<b>16,549</b>	<b>18,468</b>	<b>21,180</b>
Net tangible fixed assets	2,207	2,238	2,884	3,519	3,557
Net intangible assets	1,183	5,185	6,100	7,214	8,483
Net ROU assets	7	7	7	7	7
Capital WIP	0	0	0	0	0
Goodwill	0	0	0	0	0
Investments [JV/Associates]	21	21	21	21	21
<b>Cash &amp; equivalents</b>	<b>7,470</b>	<b>6,598</b>	<b>5,731</b>	<b>5,257</b>	<b>5,907</b>
Current assets (ex-cash)	5,050	5,622	6,598	7,315	8,293
Current Liab. & Prov.	3,115	2,994	3,370	3,442	3,649
<b>NWC (ex-cash)</b>	<b>1,935</b>	<b>2,629</b>	<b>3,228</b>	<b>3,873</b>	<b>4,644</b>
<b>Total assets</b>	<b>13,926</b>	<b>17,344</b>	<b>18,638</b>	<b>20,558</b>	<b>23,285</b>
Net debt	(8,566)	(7,183)	(6,316)	(5,842)	(6,509)
Capital employed	13,926	15,254	16,549	18,468	21,180
<b>Invested capital</b>	<b>5,331</b>	<b>10,085</b>	<b>12,246</b>	<b>14,641</b>	<b>16,718</b>
BVPS (Rs)	69.6	76.2	82.9	92.9	107.0
Net Debt/Equity (x)	(0.6)	(0.5)	(0.4)	(0.3)	(0.3)
Net Debt/EBITDA (x)	(3.9)	(2.9)	(2.2)	(1.5)	(1.3)
Interest coverage (x)	0.0	0.0	0.0	0.0	0.0
<b>RoCE (%)</b>	<b>17.9</b>	<b>18.8</b>	<b>17.6</b>	<b>20.7</b>	<b>23.8</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	51.9	48.7	46.6	35.7	27.5
P/CE(x)	46.7	41.2	36.9	28.8	23.1
P/B (x)	7.2	6.5	6.0	5.4	4.7
EV/Sales (x)	11.9	11.1	8.5	7.1	5.8
EV/EBITDA (x)	39.7	36.1	30.7	23.3	18.0
EV/EBIT(x)	43.8	42.3	37.6	27.9	20.7
EV/IC (x)	16.4	8.8	7.3	6.2	5.4
FCFF yield (%)	(0.1)	0.0	(0.5)	(0.1)	1.2
FCFE yield (%)	(0.2)	0.0	(0.5)	(0.1)	1.1
Dividend yield (%)	0.6	0.8	0.8	0.8	0.8
<b>DuPont-RoE split</b>					
Net profit margin (%)	25.2	24.6	19.5	21.1	22.8
Total asset turnover (x)	0.5	0.6	0.7	0.7	0.8
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
<b>RoE (%)</b>	<b>13.6</b>	<b>14.1</b>	<b>13.5</b>	<b>15.9</b>	<b>18.2</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	20.3	19.1	16.9	19.0	21.1
IC turnover (x)	1.6	1.0	1.0	0.9	1.0
<b>RoIC (%)</b>	<b>31.8</b>	<b>19.9</b>	<b>16.0</b>	<b>18.0</b>	<b>20.6</b>
<b>Operating metrics</b>					
Core NWC days	95.9	119.5	111.1	110.7	110.5
<b>Total NWC days</b>	<b>95.9</b>	<b>119.5</b>	<b>111.1</b>	<b>110.7</b>	<b>110.5</b>
Fixed asset turnover	2.1	1.3	1.1	1.1	1.1
Opex-to-revenue (%)	39.5	40.4	37.7	36.7	36.0

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 11/21/2024 04:12 PM

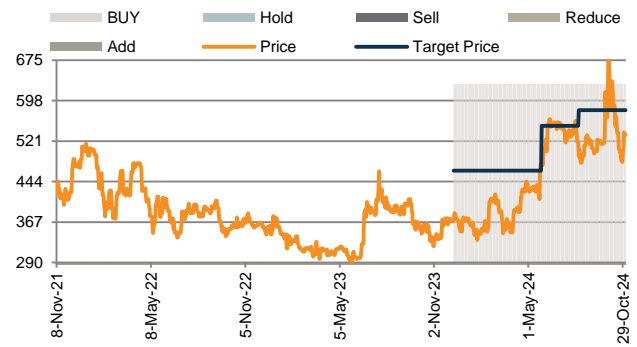
Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY&lt;GO&gt;. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

## RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
24-Aug-24	525	580	Buy	Pulkit Chawla
05-Aug-24	492	580	Buy	Pulkit Chawla
26-May-24	478	550	Buy	Pulkit Chawla
25-Mar-24	365	465	Buy	Pulkit Chawla
11-Feb-24	358	465	Buy	Pulkit Chawla
09-Dec-23	371	465	Buy	Pulkit Chawla

Source: Company, Emkay Research

## RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

**GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):**

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. [www.emkayglobal.com](http://www.emkayglobal.com).

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained 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 clients simultaneously, not all clients may receive this report at the same time. 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.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit [www.emkayglobal.com](http://www.emkayglobal.com) to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

**Disclaimer for U.S. persons only:** Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

**RESTRICTIONS ON DISTRIBUTION**

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

**ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)**

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons<sup>1</sup> may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

<sup>1</sup> An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

**COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):**

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of November 6, 2024
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report  
**Disclosure of previous investment recommendation produced:**
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of November 6, 2024
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the November 6, 2024
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

**Emkay Rating Distribution**

Ratings	Expected Return within the next 12-18 months.
<b>BUY</b>	>15% upside
<b>ADD</b>	5-15% upside
<b>REDUCE</b>	5% upside to 15% downside
<b>SELL</b>	<15% downside

**Emkay Global Financial Services Ltd.**

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India  
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

**OTHER DISCLAIMERS AND DISCLOSURES:****Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

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

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit [www.emkayglobal.com](http://www.emkayglobal.com) to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.