

TVSL's Q4 performance was characterized by sustained >11% margins with Volumes/Revenues/EBITDA/PAT growing ~22%/24%/36%/18% YoY. The domestic 2W industry growth continues apace, with rural recovery expected this year, aided by positive macros. [TVSL continues to improve its positioning across categories](#) in FY24; market-share gains in the fast-growing 125cc motorcycle category/scooters/exports stood at 610/90/60bps to ~15%/~25%/25.7%, respectively. Management is confident of outperforming the industry in domestic markets as well as exports, aided by new launches across the ICE and EV verticals. We trim FY25E-26E EPS by ~3.7/3.4%, owing to miss on margins in Q4FY24. We retain our BUY rating, with unchanged TP of Rs2,250/share (28x FY26E PER + Rs150/share for captive financing arm).

TVS Motor: Financial Snapshot (Standalone)					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Revenue	207,905	263,781	317,764	376,573	425,213
EBITDA	19,617	26,747	35,141	46,446	53,557
Adj. PAT	9,237	14,910	20,830	29,751	34,599
Adj. EPS (Rs)	19.4	31.4	43.8	62.6	72.8
EBITDA margin (%)	9.4	10.1	11.1	12.3	12.6
EBITDA growth (%)	37.3	36.3	31.4	32.2	15.3
Adj. EPS growth (%)	46.0	66.9	39.7	42.8	16.3
RoE (%)	20.5	27.4	30.2	33.9	31.6
RoIC (%)	83.5	77.7	120.1	214.2	208.7
P/E (x)	102.7	63.6	45.5	31.9	27.4
EV/EBITDA (x)	49.1	36.4	27.2	20.4	17.3
P/B (x)	19.7	15.7	12.3	9.7	7.9
FCFF yield (%)	0.8	1.0	2.5	2.1	3.7

Source: Company, Emkay Research

**Margin performance weaker than expected**

Revenue grew 24% YoY to Rs81.7bn, in line with Consensus, albeit missing our estimates on account of lower than expected ASP (flat QoQ). Volumes grew 22.4% YoY (flattish QoQ) to 1.06mn units. EBITDA grew 36% YoY to ~Rs9.3bn, (vs Consensus/Emkay estimate of Rs8.8bn/Rs9.7bn). EBITDA margin was flattish QoQ at 11.3% (flattish QoQ). On sequential basis, gross margins improved by ~90bps, though there was an increase in other expenses and staff costs, on percentage of sales basis. PAT grew 18% YoY to Rs4.8bn (Consensus/Emkay: Rs5.3bn/Rs5.7bn), coming in below estimates owing to lower than expected 'other income'.

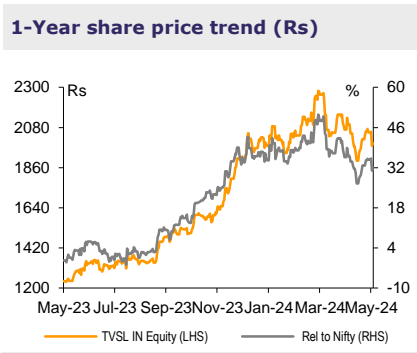
**Earnings call KTAs**

- 1) Management highlighted that positive macros, including expectations of a healthy monsoon, would aid the continued 2W industry growth this year, as also in rural markets.
- 2) Rural demand would be helped by improving activity levels and pickup in self-employment levels.
- 3) Exports are expected to gradually recover; outlook for African markets remains challenging at the moment, with improvement seen H2FY25 onwards.
- 4) TVSL is confident of outperforming the industry in domestic markets as well as in exports, aided by new launches across the ICE, EV verticals.
- 5) Company expects share of scooters in 2Ws (ICEs and EVs) to increase across the 110cc and 125cc segments, propped by infrastructure development in urban as well as rural areas; 110cc will attract first-time buyers, whereas 125cc will aid transition to premium segments from the lower-end.
- 6) TVSL to expand product offerings in E-2Ws across price-points and battery capacity this year; would also introduce E-3Ws in FY25, as also for exports.
- 7) The industry experienced softening of commodity prices in FY24, with slight increase being seen in the current year; Company has taken price hike of 0.3% in Apr-24, to counter the same; efforts on further mix improvement, cost actions would help sustain the uptick in margins; for TVSL, EVs are currently contribution margin-accretive.
- 8) Financing levels stand at 56%.
- 9) FY25 capex/investments guidance: ~Rs10bn/11-12bn, respectively.

Target Price – 12M	Mar-25
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	12.7
CMP (08-May-24) (Rs)	1,996.7

Stock Data	Ticker
52-week High (Rs)	2,314
52-week Low (Rs)	1,215
Shares outstanding (mn)	475.1
Market-cap (Rs bn)	949
Market-cap (USD mn)	11,358
Net-debt, FY25E (Rs mn)	-2,261
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	1,943.6
ADTV-3M (USD mn)	23.3
Free float (%)	49.7
Nifty-50	22,303
INR/USD	83.5
<b>Shareholding, Mar-24</b>	
Promoters (%)	50.3
FPIs/MFs (%)	20.8/20.3

Price Performance			
(%)	1M	3M	12M
Absolute	(6.4)	(1.8)	62.4
Rel. to Nifty	(4.9)	(4.4)	33.0



**Chirag Jain**  
chirag.jain@emkayglobal.com  
+91 22 6624 2428

**Jaimin Desai**  
jaimin.desai@emkayglobal.com  
+91 22 6612 1334

**Nandan Pradhan**  
nandan.pradhan@emkayglobal.com  
+91 22 6612 1238

**Exhibit 1: Volume Analysis – Double-digit growth in overall volumes YoY, with ASP recovering at a ~3% increase QOQ**

Volumes	Q4FY24	Q4FY23	% change	Q3FY24	% change
Total volumes	1,062,552	868,417	22.4	1,074,514	(1.1)
Motorcycles	496,075	388,535	27.7	522,882	(5.1)
Scooters	393,236	340,179	15.6	404,019	(2.7)
Mopeds	125,034	110,581	13.1	135,876	(8.0)
Three-wheelers	30,336	28,998	4.6	38,066	(20.3)
Export volumes	260,171	185,466	40.3	248,546	4.7
Realization (INR)	78,804	76,055	3.6	76,732	2.7

Source: Company, Emkay Research

**Exhibit 2: Product Mix – Recovery seen in 2W exports sequentially; Domestic mix fell, due to dip in motorcycles and 3Ws**

Mix (%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Domestic 2Ws	62.3	70.6	71.5	78.2	75.7	73.7	76.9	74.5
Dom. Motorcycles	16.8	24.5	27.9	29.9	31.1	26.9	30.5	27.4
Dom. Scooters	33.2	34.7	31.6	35.7	33.6	35.9	34.2	35.3
Dom. Mopeds	12.3	11.3	11.9	12.5	11.0	11.0	12.3	11.9
Exports 2Ws	32.6	24.5	23.5	18.5	20.7	22.2	19.6	22.6
<b>Total 2Ws</b>	<b>94.9</b>	<b>95.1</b>	<b>95.1</b>	<b>96.7</b>	<b>96.4</b>	<b>96.0</b>	<b>96.5</b>	<b>97.1</b>
Domestic 3Ws	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.6
Export 3Ws	4.7	4.5	4.5	2.9	3.2	3.5	3.0	2.3
<b>Total 3Ws</b>	<b>5.1</b>	<b>4.9</b>	<b>4.9</b>	<b>3.3</b>	<b>3.6</b>	<b>4.0</b>	<b>3.5</b>	<b>2.9</b>
<b>Total domestic</b>	<b>62.7</b>	<b>71.0</b>	<b>72.0</b>	<b>78.6</b>	<b>76.1</b>	<b>74.2</b>	<b>77.4</b>	<b>75.1</b>
<b>Total exports</b>	<b>37.3</b>	<b>29.0</b>	<b>28.0</b>	<b>21.4</b>	<b>23.9</b>	<b>25.8</b>	<b>22.6</b>	<b>24.9</b>

Source: Company, Emkay Research

**Exhibit 3: Q4FY24 – Revenue/EBITDA/PAT grew ~24%/36/18% YoY**

(Rs mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	YoY (%)	QoQ (%)
<b>Revenue</b>	<b>66,048</b>	<b>72,179</b>	<b>81,446</b>	<b>82,450</b>	<b>81,688</b>	<b>23.7</b>	<b>(0.9)</b>
Expenditure	59,250	64,542	72,449	73,206	72,427	22.2	(1.1)
as % of sales	89.7	89.4	89.0	88.8	88.7		
Consumption of RM	49,797	53,818	60,276	60,756	59,440	19.4	(2.2)
as % of sales	75.4	74.6	74.0	73.7	72.8		
Employee Cost	3,377	3,789	3,929	4,036	4,205	24.5	4.2
as % of sales	5.1	5.2	4.8	4.9	5.1		
Other expenditure	6,076	6,935	8,244	8,414	8,782	44.5	4.4
as % of sales	9.2	9.6	10.1	10.2	10.8		
<b>EBITDA</b>	<b>6,798</b>	<b>7,638</b>	<b>8,998</b>	<b>9,244</b>	<b>9,262</b>	<b>36.3</b>	<b>0.2</b>
<b>EBITDA margin (%)</b>	<b>10.3</b>	<b>10.6</b>	<b>11.0</b>	<b>11.2</b>	<b>11.3</b>		
Depreciation	1,674	1,636	1,701	1,781	1,887	12.7	6.0
EBIT	5,124	6,002	7,297	7,464	7,375	43.9	(1.2)
Other Income	705	576	462	734	(287)	(140.7)	(139.1)
Interest	363	474	523	448	372	2.6	(16.8)
PBT	5,466	6,104	7,237	7,750	6,716	22.9	(13.3)
Total Tax	1,364	1,427	1,871	1,817	1,862	36.6	2.5
Adjusted PAT	4,103	4,677	5,366	5,934	4,854	18.3	(18.2)
Extra ordinary items	-	-	-	-	-		
Reported PAT	4,103	4,677	5,366	5,934	4,854	18.3	(18.2)
<b>Adjusted EPS (Rs)</b>	<b>8.6</b>	<b>9.8</b>	<b>11.3</b>	<b>12.5</b>	<b>10.2</b>	<b>18.3</b>	<b>(18.2)</b>
<b>(%)</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>Q4FY24</b>	<b>YoY (bps)</b>	<b>QoQ (bps)</b>
EBITDAM	10.3	10.6	11.0	11.2	11.3	105	13
EBITM	7.8	8.3	9.0	9.1	9.0	127	(2)
EBTM	8.3	8.5	8.9	9.4	8.2	(5)	(118)
PATM	6.2	6.5	6.6	7.2	5.9	(27)	(125)
Effective Tax rate	24.9	23.4	25.9	23.4	27.7	278	428

Source: Company, Emkay Research

**Exhibit 4: Gross margins improved by 263bps YoY backed by lower RM cost (up by 92bps QoQ)**

Margin Analysis	Q4FY24	Q4FY23	bps change	Q3FY24	bps change
Raw material costs	72.8	75.4	(263)	73.7	(92)
Staff costs	5.1	5.1	3	4.9	25
Other expenses	10.8	9.2	155	10.2	55
EBITDA	11.3	10.3	105	11.2	13
Adjusted net profit	5.9	6.2	(27)	7.2	(125)
Tax rate (%)	27.7	24.9	278	23.4	428

Source: Company, Emkay Research

**Exhibit 5: Market Share – Overall 2W market share remains flattish QoQ; TVSL gained ~40bps in domestic 2Ws, in the >110cc segments**

TVS Market share (%)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Domestic Motorcycle	6.3	8.4	9.7	11.3	10.8	9.9	10.8	10.4
Up to 110cc	6.7	5.7	6.2	5.7	6.5	6.1	6.5	5.3
110-125cc	2.2	7.2	11.4	17.5	13.1	15.9	15.3	15.4
Over 150cc	14.5	19.8	17.3	21.7	20.9	12.7	18.6	18.9
Domestic Scooters	24.9	22.9	22.8	25.7	24.7	24.6	25.0	25.1
Domestic 2Ws	15.2	15.5	16.3	18.8	17.4	17.2	17.9	17.7
Export 2Ws	25.7	26.3	24.4	22.9	24.9	26.7	25.2	25.8
Total 2Ws (export +domestic)	17.7	17.4	17.8	19.5	18.6	18.8	19.0	19.0

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 06/27/2024 05:21 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.

**Exhibit 6: 2W industry's product mix is more inclined towards entry motorcycles**

Industry mix (%)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Dom. Motorcycles	62.1	58.2	56.5	55.7	54.8	55.6	53.6	54.5	50.2	52.4	54.4
Up to 110cc	40.2	38.0	35.2	32.5	32.4	34.5	30.4	29.3	27.7	26.8	26.4
110-125cc	11.7	8.8	9.5	9.5	9.5	7.9	11.3	13.2	12.3	13.8	14.9
125-150cc	6.7	6.7	4.9	6.4	4.8	5.2	4.4	2.9	2.1	2.1	2.5
Over 150cc	3.5	4.7	7.0	7.2	8.1	8.0	7.4	9.1	8.0	9.8	10.6
Dom. Scooters	21.3	24.4	26.6	28.1	29.2	27.4	26.6	24.4	22.4	26.6	27.2
Dom. Mopeds	4.3	4.1	3.8	4.5	3.7	3.6	3.0	3.4	2.6	2.3	2.2
Dom. 2Ws	87.7	86.7	86.9	88.3	87.8	86.6	83.2	82.2	75.2	81.3	83.9
Export 2Ws	12.3	13.3	13.1	11.7	12.2	13.4	16.8	17.8	24.8	18.7	16.1
Total 2Ws	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: SIAM, Emkay Research

**Exhibit 7: TVSL's product mix is better than that of the industry, with higher share of premium motorcycles, scooters, exports**

TVSL mix (%)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Dom. Motorcycles	29.0	27.7	28.3	27.1	27.2	27.0	24.4	21.4	22.6	25.9	30.3
Up to 110cc	17.2	17.9	15.3	11.4	11.4	12.1	11.5	10.2	9.6	9.0	8.5
110-125cc	4.5	1.5	2.6	5.3	4.0	2.3	1.1	-	2.4	6.8	11.8
125-150cc	-	-	-	-	-	-	-	-	-	-	-
Over 150cc	7.4	8.3	10.4	10.4	11.9	12.5	11.9	11.2	10.5	10.1	9.9
Dom. Scooters	23.2	28.6	30.8	28.9	32.6	33.0	33.0	31.4	27.6	35.5	35.9
Dom. Mopeds	36.6	31.4	28.8	31.2	25.5	23.4	20.6	21.1	15.1	12.6	11.9
Dom. 2Ws	88.8	87.7	87.9	87.2	85.4	83.4	78.0	73.9	65.3	74.0	78.1
Export 2Ws	11.2	12.3	12.1	12.8	14.6	16.6	22.0	26.1	34.7	26.0	21.9
Total 2Ws	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

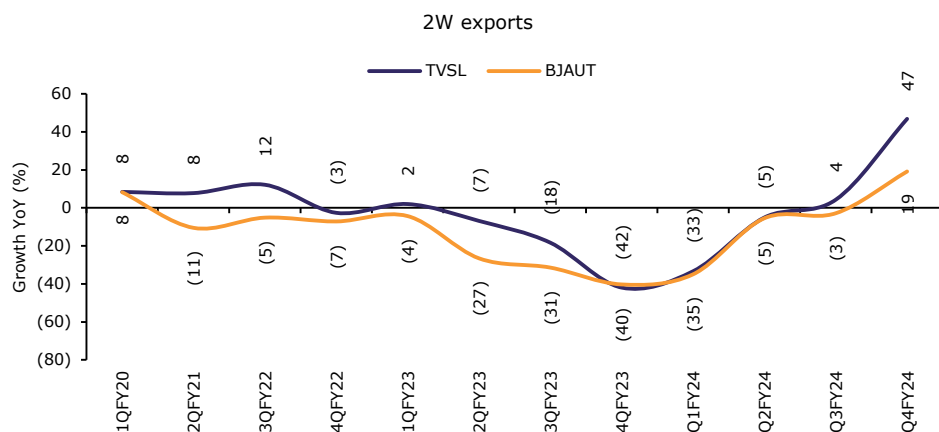
Source: SIAM, Emkay Research

**Exhibit 8: TVSL continued to gain market share in FY24 across 2Ws, incl. exports**

TVSL market share (%)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Dom. Motorcycles	5.5	6.2	6.7	7.0	7.3	7.5	6.7	6.3	7.9	8.9	10.5
Up to 110cc	5.0	6.1	5.8	5.0	5.1	5.4	5.6	5.5	6.1	6.1	6.1
110-125cc	4.5	2.3	3.7	8.0	6.1	4.5	1.4	-	3.5	8.9	15.0
125-150cc	-	-	-	-	-	-	-	-	-	-	-
Over 150cc	24.8	22.9	19.9	20.6	21.5	23.9	23.6	19.6	22.9	18.6	17.7
Dom. Scooters	12.7	15.1	15.4	14.7	16.4	18.5	18.3	20.5	21.6	24.0	24.9
Dom. Mopeds	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Dom. 2Ws	11.8	13.1	13.4	14.2	14.2	14.8	13.8	14.3	15.2	16.4	17.6
Export 2Ws	10.6	11.9	12.3	15.6	17.5	19.0	19.3	23.3	24.5	25.1	25.7
<b>Total 2Ws</b>	<b>11.7</b>	<b>12.9</b>	<b>13.3</b>	<b>14.3</b>	<b>14.6</b>	<b>15.4</b>	<b>14.8</b>	<b>15.9</b>	<b>17.5</b>	<b>18.0</b>	<b>18.9</b>
Dom. 3Ws	2.7	3.3	2.9	2.4	2.6	2.4	1.9	3.8	3.4	3.3	3.0
Export 3Ws	19.3	22.2	23.6	21.0	21.6	24.6	32.3	29.3	32.6	41.9	41.8
Total 3Ws	9.7	11.5	11.8	8.8	9.7	12.3	15.3	20.2	22.6	19.8	14.7

Source: SIAM, Emkay Research

Exhibit 9: TVSL's recovery in the exports markets has been ahead of larger peer BJAUT's



Source: SIAM, Emkay Research

Exhibit 10: E-2W market share – TVSL's share dips vs. earlier highs; Company recovered some lost share in Mar-24

Market share (%)	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Ola Electric	33.0	27.3	38.4	35.6	30.0	28.4	31.9	32.7	40.3	39.7	41.5	37.2
<b>TVS Motor</b>	<b>13.1</b>	<b>19.4</b>	<b>17.1</b>	<b>19.1</b>	<b>24.8</b>	<b>24.7</b>	<b>22.0</b>	<b>20.8</b>	<b>16.3</b>	<b>18.7</b>	<b>17.8</b>	<b>19.4</b>
Ather Energy	11.7	14.6	10.0	12.3	11.4	11.3	11.2	10.1	8.6	11.4	11.0	12.6
Bajaj Auto	5.6	9.5	6.5	7.6	10.6	11.3	12.1	12.8	13.8	13.3	14.3	13.2
Okinawa	4.8	2.8	5.7	4.2	3.2	2.8	2.0	1.8	1.3	0.8	0.8	0.5
Ampere	12.5	9.1	3.5	2.6	1.2	0.9	0.5	0.3	0.5	0.2	0.1	0.1
Hero Electric	5.0	2.0	2.5	1.4	1.3	1.3	0.9	0.9	0.7	0.5	0.4	0.2
Pur Energy	0.8	0.5	1.8	0.9	0.8	0.8	0.6	0.9	0.9	0.8	0.6	0.3
Revolt Intellicorp	0.8	0.5	1.6	0.9	0.8	1.4	0.9	0.7	0.9	0.7	0.6	0.4
Okaya	2.3	3.7	0.9	1.4	1.8	1.4	1.2	1.4	0.9	0.7	0.8	0.9
Being India	0.5	0.3	0.5	0.4	0.2	0.3	0.1	0.1	0.1	0.1	0.1	0.1
Kinetic Green	1.3	0.9	0.4	0.4	0.6	0.4	0.5	0.5	0.9	1.0	0.8	2.9
Bgauss Auto	1.2	1.7	0.4	1.2	1.5	1.5	1.6	1.8	1.6	1.8	1.6	2.2
Twenty Two Motors	0.5	0.6	0.4	0.4	0.2	0.2	0.1	0.3	0.3	0.3	0.4	0.4
Jitendra EV	0.4	0.5	0.1	0.0	0.0	0.3	0.2	0.2	0.2	0.2	0.1	0.2
Chetak Technology	0.6	0.1	0.0	0.0	0.0	-	-	0.1	-	0.0	0.0	0.0
Hero MotoCorp	0.2	0.7	1.0	1.8	1.5	0.8	2.6	3.3	2.1	1.8	2.1	2.8
Greaves Electric Mobility	0.8	1.1	3.1	4.0	4.7	5.7	5.6	4.8	4.0	2.9	3.0	2.2
Others	10.6	10.7	12.2	14.0	14.0	15.6	16.8	17.5	15.7	13.2	12.1	15.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Vahan, Emkay Research

**Exhibit 11: Revenue Model – We build-in 16%/23%/29% CAGR in Revenues/EBITDA/EPS over FY24E-26E**

Revenue Model	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Domestic 2Ws (units)	2,410,758	2,164,228	2,047,564	2,597,936	3,139,202	3,514,305	3,863,649
Growth (%)	(23.1)	(10.2)	(5.4)	26.9	20.8	11.9	9.9
Scooters (units)	1,018,427	919,325	866,851	1,245,993	1,451,409	1,630,364	1,816,609
Growth (%)	(18.0)	(9.7)	(5.7)	43.7	16.5	12.3	11.4
Motorcycles (units)	755,391	627,656	707,563	910,376	1,205,990	1,378,048	1,515,852
Growth (%)	(25.6)	(16.9)	12.7	28.7	32.5	14.3	10.0
Mopeds (units)	636,940	617,247	473,150	441,567	481,803	505,893	531,188
Growth (%)	(27.6)	(3.1)	(23.3)	(6.7)	9.1	5.0	5.0
Domestic 3Ws (units)	11,934	8,266	8,823	16,075	20,791	21,831	22,922
Growth (%)	(28.6)	(30.7)	6.7	82.2	29.3	5.0	5.0
Domestic Total (units)	2,422,692	2,172,494	2,056,387	2,614,011	3,159,993	3,536,136	3,886,571
Growth (%)	(23.2)	(10.3)	(5.3)	27.1	20.9	11.9	9.9
Export 2Ws (units)	678,841	764,039	1,090,139	915,018	887,774	1,127,473	1,262,770
Growth (%)	9.1	12.6	42.7	(16.1)	(3.0)	27.0	12.0
Export 3Ws (units)	161,927	115,330	163,052	153,039	125,379	156,724	172,396
Growth (%)	15.9	(28.8)	41.4	(6.1)	(18.1)	25.0	10.0
Export Total (units)	840,768	879,369	1,253,191	1,068,057	1,013,153	1,284,197	1,435,166
Growth (%)	10.4	4.6	42.5	(14.8)	(5.1)	26.8	11.8
Volumes (units)	3,263,460	3,051,863	3,309,578	3,682,068	4,173,146	4,820,332	5,321,737
Growth (%)	(16.6)	(6.5)	8.4	11.3	13.3	15.5	10.4
ASP (Rs/unit)	50,327	54,886	62,819	71,639	76,145	78,122	79,901
Growth (%)	8.2	9.1	14.5	14.0	6.3	2.6	2.3
Revenues	164,233	167,505	207,905	263,781	317,764	376,573	425,213
Growth (%)	(9.8)	2.0	24.1	26.9	20.5	18.5	12.9
EBITDA	13,459	14,286	19,617	26,747	35,141	46,446	53,557
EBITDA margin (%)	8.2	8.5	9.4	10.1	11.1	12.3	12.6
EBITDA growth (%)	(6.1)	6.1	37.3	36.3	31.4	32.2	15.3
EBITDA/unit (Rs)	4,124	4,681	5,927	7,264	8,421	9,635	10,064
EBIT	8,889	9,678	13,693	21,440	29,623	40,790	46,998
EBIT margin (%)	5.4	5.8	6.6	8.1	9.3	10.8	11.1
EPS (Rs)	13.0	12.9	19.4	31.4	43.8	62.6	72.8
Consol EPS (Rs)							

Source: Company, Emkay Research

**Exhibit 12: Emkay Vs Estimates**

TVSL	Emkay Estimates			Bloomberg estimates			Difference (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net revenue	317,764	376,573	425,213	317,764	365,337	416,111	0.0%	3.1%	2.2%
EBITDA	35,141	46,446	53,557	35,141	43,212	51,177	0.0%	7.5%	4.7%
EBITDA margin (%)	11.1	12.3	12.6	11.1	11.8	12.3			
EPS (Rs)	44	63	73	45	56	69	-1.6%	11.0%	5.1%

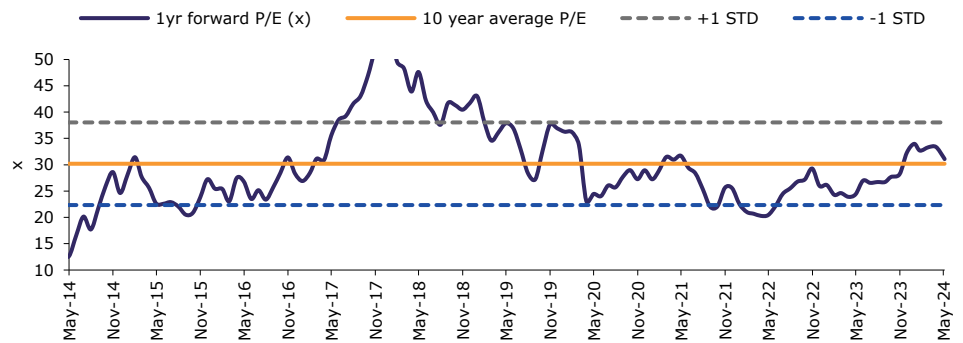
Source: Company, Emkay Research

Exhibit 13: We trim EPS by ~3/4%/3.7%, on lower margins and estimates miss in Q4FY24

(Rs mn)	FY24		FY25E				FY26E			
	Actual	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Dom. 2Ws	3,139,202	20.8	3,496,053	3,514,305	0.5	11.9	3,843,571	3,863,649	0.5	9.9
Dom. 3Ws	20,791	29.3	21,831	21,831	-	5.0	22,922	22,922	-	5.0
<b>Total Domestic</b>	<b>3,159,993</b>	<b>20.9</b>	<b>3,517,883</b>	<b>3,536,136</b>	<b>0.5</b>	<b>11.9</b>	<b>3,866,493</b>	<b>3,886,571</b>	<b>0.5</b>	<b>9.9</b>
Export 2Ws	887,774	(3.0)	1,127,473	1,127,473	-	27.0	1,262,770	1,262,770	-	12.0
Export 3Ws	125,379	(18.1)	156,724	156,724	-	25.0	172,396	172,396	-	10.0
<b>Total Exports</b>	<b>1,013,153</b>	<b>(5.1)</b>	<b>1,284,197</b>	<b>1,284,197</b>	<b>-</b>	<b>26.8</b>	<b>1,435,166</b>	<b>1,435,166</b>	<b>-</b>	<b>11.8</b>
<b>Total Volumes</b>	<b>4,173,146</b>	<b>13.3</b>	<b>4,802,080</b>	<b>4,820,332</b>	<b>0.4</b>	<b>15.5</b>	<b>5,301,659</b>	<b>5,321,737</b>	<b>0.4</b>	<b>10.4</b>
Sales	317,764	20.5	383,719	376,573	(1.9)	18.5	433,302	425,213	(1.9)	12.9
EBITDA	35,141	31.4	48,270	46,446	(3.8)	32.2	55,625	53,557	(3.7)	15.3
Margin (%)	11.1	92 bps	12.6	12.3	(25) bps	127 bps	12.8	12.6	(24) bps	26 bps
Net Profit	20,830	39.7	30,879	29,751	(3.7)	42.8	35,829	34,599	(3.4)	16.3
<b>EPS (Rs)</b>	<b>43.8</b>	<b>39.7</b>	<b>65.0</b>	<b>62.6</b>	<b>(3.7)</b>	<b>42.8</b>	<b>75.4</b>	<b>72.8</b>	<b>(3.4)</b>	<b>16.3</b>

Source: Company, Emkay Research

Exhibit 14: TVSL is currently trading close to its 10Y average P/E (lower than its 1YF LTA)



Source: Emkay Research

## TVS Motor: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
<b>Revenue</b>	<b>207,905</b>	<b>263,781</b>	<b>317,764</b>	<b>376,573</b>	<b>425,213</b>
Revenue growth (%)	24.1	26.9	20.5	18.5	12.9
<b>EBITDA</b>	<b>19,617</b>	<b>26,747</b>	<b>35,141</b>	<b>46,446</b>	<b>53,557</b>
EBITDA growth (%)	37.3	36.3	31.4	32.2	15.3
Depreciation & Amortization	6,114	6,312	7,004	8,050	9,093
<b>EBIT</b>	<b>13,503</b>	<b>20,435</b>	<b>28,138</b>	<b>38,396</b>	<b>44,464</b>
EBIT growth (%)	44.4	51.3	37.7	36.5	15.8
Other operating income	0	0	0	0	0
Other income	190	1,006	1,485	2,394	2,534
Financial expense	1,259	1,407	1,816	1,075	811
<b>PBT</b>	<b>12,434</b>	<b>20,034</b>	<b>27,807</b>	<b>39,715</b>	<b>46,187</b>
Extraordinary items	(302)	0	0	0	0
Taxes	3,197	5,123	6,977	9,964	11,588
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
<b>Reported PAT</b>	<b>8,936</b>	<b>14,910</b>	<b>20,830</b>	<b>29,751</b>	<b>34,599</b>
PAT growth (%)	46.0	66.9	39.7	42.8	16.3
<b>Adjusted PAT</b>	<b>9,237</b>	<b>14,910</b>	<b>20,830</b>	<b>29,751</b>	<b>34,599</b>
<b>Diluted EPS (Rs)</b>	<b>19.4</b>	<b>31.4</b>	<b>43.8</b>	<b>62.6</b>	<b>72.8</b>
Diluted EPS growth (%)	46.0	66.9	39.7	42.8	16.3
<b>DPS (Rs)</b>	<b>3.8</b>	<b>5.0</b>	<b>8.8</b>	<b>18.8</b>	<b>25.5</b>
<b>Dividend payout (%)</b>	<b>19.9</b>	<b>15.9</b>	<b>20.0</b>	<b>30.0</b>	<b>35.0</b>
EBITDA margin (%)	9.4	10.1	11.1	12.3	12.6
EBIT margin (%)	6.5	7.7	8.9	10.2	10.5
Effective tax rate (%)	25.7	25.6	25.1	25.1	25.1
<b>NOPLAT (pre-IndAS)</b>	<b>10,032</b>	<b>15,209</b>	<b>21,078</b>	<b>28,763</b>	<b>33,308</b>
Shares outstanding (mn)	475.1	475.1	475.1	475.1	475.1

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
PBT	12,434	20,034	27,807	39,715	46,187
Others (non-cash items)	6,905	13,591	(1,879)	4,664	7,081
Taxes paid	(3,100)	(4,826)	(6,162)	(9,840)	(11,444)
Change in NWC	(962)	(8,870)	16,407	(4,205)	2,741
<b>Operating cash flow</b>	<b>14,976</b>	<b>19,929</b>	<b>36,173</b>	<b>30,334</b>	<b>44,565</b>
Capital expenditure	(7,279)	(9,847)	(11,787)	(10,000)	(10,000)
Acquisition of business	(14,240)	(13,222)	(9,101)	(10,926)	(13,000)
Interest & dividend income	109	0	0	0	0
<b>Investing cash flow</b>	<b>(21,410)</b>	<b>(23,118)</b>	<b>(19,463)</b>	<b>(20,926)</b>	<b>(23,000)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	4,813	7,226	(7,690)	(4,513)	(1,805)
Payment of lease liabilities	(546)	0	0	0	0
Interest paid	(1,231)	(1,407)	(1,816)	(1,075)	(811)
Dividend paid (incl tax)	(1,904)	(2,376)	(4,166)	(8,925)	(12,110)
Others	(529)	(1,848)	(149)	4,759	3,184
<b>Financing cash flow</b>	<b>1,150</b>	<b>1,596</b>	<b>(13,821)</b>	<b>(9,754)</b>	<b>(11,542)</b>
Net chg in Cash	(5,285)	(1,593)	2,890	(346)	10,023
OCF	14,976	19,929	36,173	30,334	44,565
Adj. OCF (w/o NWC chg.)	15,937	28,799	19,766	34,539	41,824
FCFF	7,697	10,081	24,386	20,334	34,565
FCFE	6,547	8,675	22,569	19,259	33,754
OCF/EBITDA (%)	76.3	74.5	102.9	65.3	83.2
FCFE/PAT (%)	73.3	58.2	108.4	64.7	97.6
<b>FCFF/NOPLAT (%)</b>	<b>76.7</b>	<b>66.3</b>	<b>115.7</b>	<b>70.7</b>	<b>103.8</b>

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Share capital	475	475	475	475	475
Reserves & Surplus	47,745	60,003	76,835	97,661	120,150
<b>Net worth</b>	<b>48,220</b>	<b>60,479</b>	<b>77,310</b>	<b>98,136</b>	<b>120,625</b>
Minority interests	0	0	0	0	0
Deferred tax liability (net)	1,979	1,982	1,871	1,995	2,139
<b>Total debt</b>	<b>19,040</b>	<b>28,376</b>	<b>15,134</b>	<b>10,622</b>	<b>8,816</b>
<b>Total liabilities &amp; equity</b>	<b>69,239</b>	<b>90,837</b>	<b>94,315</b>	<b>110,752</b>	<b>131,580</b>
Net tangible fixed assets	26,008	28,901	30,661	34,021	34,929
Net intangible assets	3,668	3,668	3,668	3,668	3,668
Net ROU assets	3,390	3,390	3,390	3,390	3,390
Capital WIP	4,245	6,277	9,301	7,891	7,891
Goodwill	0	0	0	0	0
Investments [JV/Associates]	45,858	54,920	68,281	72,920	79,920
<b>Cash &amp; equivalents</b>	<b>5,315</b>	<b>4,339</b>	<b>6,942</b>	<b>12,883</b>	<b>28,906</b>
Current assets (ex-cash)	30,539	38,429	38,380	55,253	62,390
Current Liab. & Prov.	49,784	49,087	66,307	79,273	89,513
<b>NWC (ex-cash)</b>	<b>(19,245)</b>	<b>(10,658)</b>	<b>(27,927)</b>	<b>(24,020)</b>	<b>(27,123)</b>
<b>Total assets</b>	<b>69,239</b>	<b>90,837</b>	<b>94,315</b>	<b>110,752</b>	<b>131,580</b>
Net debt	13,725	24,037	8,193	(2,261)	(20,090)
Capital employed	69,239	90,837	94,315	110,752	131,580
<b>Invested capital</b>	<b>13,822</b>	<b>25,301</b>	<b>9,792</b>	<b>17,059</b>	<b>14,864</b>
BVPS (Rs)	101.5	127.3	162.7	206.6	253.9
Net Debt/Equity (x)	0.3	0.4	0.1	0.0	(0.2)
Net Debt/EBITDA (x)	0.7	0.9	0.2	0.0	(0.4)
Interest coverage (x)	0.1	0.1	0.1	0.0	0.0
<b>RoCE (%)</b>	<b>16.5</b>	<b>20.1</b>	<b>24.0</b>	<b>29.8</b>	<b>29.1</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY22	FY23	FY24	FY25E	FY26E
P/E (x)	102.7	63.6	45.5	31.9	27.4
P/CE(x)	61.8	44.7	34.1	25.1	21.7
P/B (x)	19.7	15.7	12.3	9.7	7.9
EV/Sales (x)	4.6	3.7	3.0	2.5	2.2
EV/EBITDA (x)	49.1	36.4	27.2	20.4	17.3
EV/EBIT(x)	71.3	47.6	34.0	24.6	20.9
EV/IC (x)	69.6	38.4	97.7	55.5	62.5
FCFF yield (%)	0.8	1.0	2.5	2.1	3.7
FCFE yield (%)	0.7	0.9	2.4	2.0	3.6
Dividend yield (%)	0.2	0.3	0.4	0.9	1.3
<b>DuPont-RoE split</b>					
Net profit margin (%)	4.4	5.7	6.6	7.9	8.1
Total asset turnover (x)	3.3	3.3	3.4	3.7	3.5
Assets/Equity (x)	1.4	1.5	1.3	1.2	1.1
<b>RoE (%)</b>	<b>20.5</b>	<b>27.4</b>	<b>30.2</b>	<b>33.9</b>	<b>31.6</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	4.8	5.8	6.6	7.6	7.8
IC turnover (x)	15.0	10.4	32.5	22.1	28.6
<b>RoIC (%)</b>	<b>83.5</b>	<b>77.7</b>	<b>120.1</b>	<b>214.2</b>	<b>208.7</b>
<b>Operating metrics</b>					
Core NWC days	(33.8)	(14.7)	(32.1)	(23.3)	(23.3)
<b>Total NWC days</b>	<b>(33.8)</b>	<b>(14.7)</b>	<b>(32.1)</b>	<b>(23.3)</b>	<b>(23.3)</b>
Fixed asset turnover	3.1	3.5	3.8	4.0	4.0
Opex-to-revenue (%)	14.5	14.1	15.2	14.5	14.2

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 06/27/2024 05:21 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.

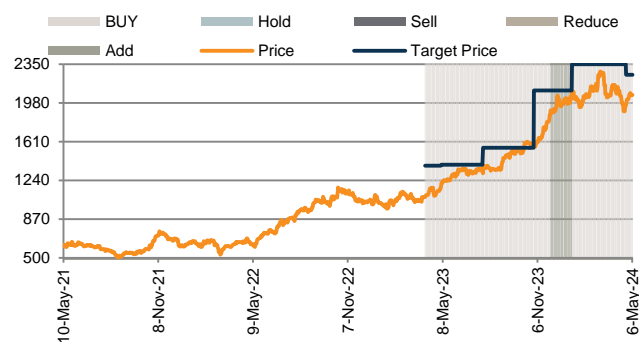


## RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
24-Apr-24	1,964	2,250	Buy	Chirag Jain
24-Jan-24	2,001	2,350	Buy	Chirag Jain
11-Jan-24	2,087	2,350	Buy	Chirag Jain
30-Nov-23	1,865	2,100	Add	Chirag Jain
31-Oct-23	1,591	2,100	Buy	Chirag Jain
30-Oct-23	1,609	2,100	Buy	Chirag Jain
24-Jul-23	1,307	1,550	Buy	Chirag Jain
05-May-23	1,215	1,390	Buy	Chirag Jain
04-Apr-23	1,085	1,380	Buy	Chirag Jain

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 May 9, 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 May 9, 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 May 9, 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.