

**Robust MS gains in 125cc; Rural Recovery a Key Monitorable**

**Est. Vs. Actual for Q1FY25: Revenue – MISS; EBITDA – MISS; PAT – MISS**  
**Change in Estimates post Q1FY25**

**FY25E/FY65E: Revenue: 0.3%/0.3%; EBITDA: 6.5%/0.9%; PAT: 3.3%/0.9%.**

**Recommendation Rationale**

- **New Product Launches:** With the launch of differentiated products (**Exhibit - 2**) in FY24, Hero has been successful in building a strong motorcycle product portfolio. In FY25, the company plans to launch both ICE and EV models in the scooter space, as newer models in the premium motorcycle segment. The company has a clear strategy to win market share in the premium category of 2W, grow the EV business, expand Premia stores (100+ stores targeted in FY25), upgrade existing stores to Hero 2.0 (500+ by Q1) and invest in marketing (via both traditional and digital routes).
- **125cc segment MS grows:** In Q1FY25, Hero's 125 cc portfolio (Xtreme and refreshed Glamour & Splendor) has seen a recovery in its market share sequentially from 13% to 20%. It is expected that the company will grow in line with the industry, marking a departure from its previous trend of lagging behind. As the execution strategy plays out in FY25, a conservative estimate of ~6.5% CAGR volume growth over FY24-27E is built in for Hero.
- **Strong EBITDA Margins:** The company's EBITDA margin in Q1FY25 was 14.4% (~198 bps impact due to EV-related expenses) and is expected to improve with operations scaling upwards, product localization efforts in the EV segment, cost engineering activities, and management's focus on export in key geographies. Considering the stability in commodity prices, enhanced operational efficiency in Electric Vehicles (EVs), and the upward trend in Average Selling Price (ASP) driven by premiumization, a conservative estimated EBITDA margin of ~14-15% for FY25/26E has been factored in.

**Sector Outlook: Positive on 2W.**

**Company Outlook & Guidance:** The management's focus is on new products in the premium category, expanding the EV product portfolio to the affordable segment, establishing new Premia stores and Vida Hubs, and upgrading existing stores/service centres to Hero 2.0 standards. Moreover, increased inquiries from rural areas, particularly for vehicles with engine capacities of 125cc and above, instil confidence in the management to surpass the average industry growth rate in FY25. The long-term EBITDA margin guidance by the company stands at ~14-16%.

**Current Valuation:** 23x core FY26 EPS (earlier 21x), Ather 1.5x FY24 and Hero Fincorp 1.5x at P/B.

**Current TP:** Rs 6,015/share (Earlier TP: Rs 5,530/share)

**Recommendation:** We maintain our BUY rating on the stock.

**Financial Performance:** Hero MotoCorp's reported revenue/EBITDA/PAT numbers were weaker than estimates by 4%/7%/6%, respectively, largely due to lower ASP and spares business. Revenue grew by ~15.7%/7% YoY/QoQ to Rs 10,144 Cr. EBITDA grew by ~21%/7% YoY/QoQ to Rs 1,460 Cr, while EBITDA margins reached 14.4%, up 63/11 bps YoY/QoQ, respectively, led by lower RM costs and price hikes taken over the year, partly offset by higher other expenses. Adj PAT grew by ~18.8%/10.5% YoY/QoQ, a 6% miss on estimates, largely due to EBITDA being partly offset by higher other income.

**Outlook:** We monitor (1) Hero's roadmap in the EV product portfolio – investments in Ather, ramp up of VIDA, launch of new affordable product range. (2) Strategy in the mid-weight MC segment (Karizma, HarleyX440, Mavrick440) amidst the landscape of increasing competition (3) Expansion into new International geographies. Actual volume growth across key segments will be the key monitors. Normal monsoons, a government push to improve rural income, and the festive season are expected to foster 2W industry growth and benefit Hero specifically in the entry and 125cc segments. Consequently, an 8%/9%/9% CAGR in Revenue/EBITDA/PAT over FY24-27E is projected.

**Valuation & Recommendation:** The stock is currently valued at 23x core FY26 EPS (previously 21x), Ather Energy at 1.5x and Hero FinCorp at 1.5x FY24 P/B, resulting in a TP of Rs 6,015/share (up from Rs 5,530/share). **The TP implies a 19% upside from the CMP, and the BUY rating is maintained.**

**Key Financials (Standalone)**

(Rs Cr)	Q1FY25	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	10,144	7%	15.7%	10,548	-4%
EBITDA	1,460	7%	21.0%	1,577	-7%
EBITDA Margin (%)	14.4%	11 bps	63 bps	14.9%	-56 bps
Reported Net Profit	1,123	10.5%	36.1%	1,195	-6%
Reported EPS (Rs)	56.1	10.5%	36.1%	59.8	-6%

Source: Company, Axis Securities Research

(CMP as of 14<sup>th</sup> Aug 2024)

CMP (Rs)	5,074
Upside /Downside (%)	19%
High/Low (Rs)	5,894/2,889
Market cap (Cr)	102,047
Avg. daily vol. (6m)Shrs.	7,53,599
No. of shares (Cr)	19.99

**Shareholding (%)**

	Dec-23	Mar-24	Jun-24
Promoter	34.76	34.76	34.76
FIIs	28.34	28.93	29.86
MFs / UTI	13.73	14.02	13.75
Others	0.09	0.02	0.11

**Financial & Valuations**

Y/E Mar (Rs Cr)	FY25E	FY26E	FY27E
Net Sales	40,843	44,209	47,841
EBITDA	6,016	6,381	6,838
Net Profit	4,633	5,024	5,366
EPS (Rs.)	231.9	251.5	268.6
PER (x)	22.2	20.4	19.1
EV/ EBITDA	17.0	15.6	14.2
P/BV (x)	5.1	4.6	4.1
RoE (%)	22.7	22.2	21.4

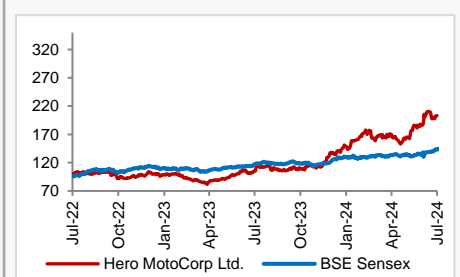
**Change in Estimates (%)**

Y/E Mar	FY25E	FY26E
Sales	0.3%	0.3%
EBITDA	6.5%	0.9%
PAT	3.3%	0.9%

**ESG disclosure Score\*\***

Environmental Disclosure	64.5
Social Disclosure Score	33.7
Governance Disclosure	84.9
Total ESG Disclosure Score	61.1
Sector Average	46.4

Source: Bloomberg, Scale: 0-1-100  
 \*\*Note: This score measures the amount of ESG data a company reports publicly and does not measure the company's performance on any data point. All scores are based on 2022 disclosures. The Sector average is for NSE500 companies

**Relative performance**


Source: ACE Equity, Axis Securities Research

**ShridharKallani**

Automobile Industry  
 Email: shridhar.kallani@axissecurities.in

## Key Concall Highlights

- **EV Strategy:** Currently, EBITDA margins saw a net negative impact of 198 bps due to the EV portfolio in the current quarter. This implies that the EBITDA margin of the ICE business was around ~16.4%.
- **Exports:** Bangladesh forms 4% of GV revenue (~0.3% of total revenue). The company is steadily expanding its footprints in Southeast Asia, the Philippines, and Brazil; also ramp-up can be witnessed in the Columbian unit.
- **Capacity Expansion:** The production capacity for Harley440X, Maverik440, and Karizma is expected to reach 10k units/month. Also, for Xtreme 125 cc, the company plans to increase production to 40k units/month in the next quarter from the existing 25k per month.
- **Spare Parts, Accessories, and Merchandise Revenue:** Spares contribution to the revenue is lower at 12.5% in Q1FY25 vs 14.5% in Q4FY24 largely on account of seasonality.
- **Q1FY25 Volumes:** The volumes increased by 15.7%YoY (6.6% QoQ)
- **Price Increase:** There has been an aggregate price increase of Rs 1,300-1,400 per vehicle over FY24.
- **Capex:** The capex guidance for FY25 is Rs 1,000 Cr to Rs 1,500 Cr including GPC-2 expansion.

## Key Risks to Our Estimates and TP

- Slower-than-expected rural demand will pose a downside risk to our target price.
- Failure to grow volumes in the EV space could drive derating.

## Change in Estimates

	Revised			Old			% Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Sales Volume ('000 units)	6.02	6.39	6.78	6.11	6.50	N.A.	-1.5%	-1.7%	N.A.
Sales	40,843	44,209	47,841	40,736	44,081	N.A.	0.3%	0.3%	N.A.
EBITDA	6,016	6,381	6,838	5,647	6,322	N.A.	6.5%	0.9%	N.A.
PAT	4,633	5,024	5,366	4,486	4,979	N.A.	3.3%	0.9%	N.A.
EPS	231.9	251.5	268.6	225	249	N.A.	3.3%	0.9%	N.A.

Source: Company, Axis Securities Research




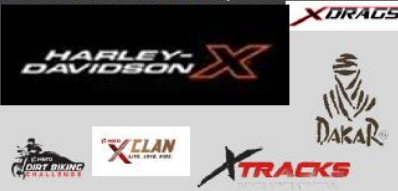



**Q1FY25 Results Review**

YE March (Rs Cr)	Q1FY25	Axis Sec Estimates	Axis Sec Var (%)	Q4FY24	QoQ (%)	Q1FY24	YoY (%)
<b>Total Revenue</b>	<b>10,144</b>	<b>10,548</b>	<b>-3.8%</b>	<b>9,519</b>	<b>6.6%</b>	<b>8,767</b>	<b>15.7%</b>
ASP (Rs/Vehicle)	<b>66,076</b>	<b>68,708</b>	-3.8%	<b>68,373</b>	-3.4%	<b>64,819</b>	1.9%
Less:							
Net Raw Material consumed	6,867	7,173	-4.3%	6,325	8.6%	6,081	12.9%
Other Exp.	1,209	1,160	4.2%	1,192	1.4%	900	34.3%
Personnel	608	638	-4.7%	644	-5.5%	580	4.9%
Total Expenditure	<b>8,684</b>	<b>8,971</b>	<b>-3.2%</b>	<b>8,160</b>	<b>6.4%</b>	<b>7,561</b>	<b>14.9%</b>
<b>EBIDTA</b>	<b>1,460</b>	<b>1,577</b>	<b>-7.4%</b>	<b>1,359</b>	<b>7.4%</b>	<b>1,206</b>	<b>21.0%</b>
Less: Depreciation	193	181	6.5%	185	4.4%	169	14.3%
EBIT	<b>1,267</b>	<b>1,395</b>	<b>-9.2%</b>	<b>1,174</b>	<b>7.9%</b>	<b>1,037</b>	<b>22.1%</b>
Less: Interest	5	5	1.19%	5	5.5%	5	3.2%
Other Income	232	202	14.5%	180	28.7%	222	4.3%
Profit Before Extraordinary Items and Tax	<b>1,493</b>	<b>1,593</b>	<b>-6.3%</b>	<b>1,350</b>	<b>10.7%</b>	<b>1,255</b>	<b>19.0%</b>
Extraordinary Expense/(Income)	-	-	NA	-	NA	160	NA
<b>Profit Before Tax</b>	<b>1,493</b>	<b>1,593</b>	<b>-6.3%</b>	<b>1,350</b>	<b>10.7%</b>	<b>1,095</b>	<b>36.4%</b>
Less: Total Tax	371	398	-6.9%	334	11.2%	270	37.3%
<b>Profit After Tax</b>	<b>1,123</b>	<b>1,195</b>	<b>-6.0%</b>	<b>1,016</b>	<b>10.5%</b>	<b>825</b>	<b>36.1%</b>
Adj. Net Profit	1,123	1,195	-6.0%	1,016	10.5%	945	18.8%
Shares Outstanding (Cr)	20	20	0.1%	20	0.0%	20	0.1%
<b>Reported EPS (Rs.)</b>	<b>56.1</b>	<b>59.8</b>	<b>-6.1%</b>	<b>50.8</b>	<b>10.5%</b>	<b>41.3</b>	<b>36.1%</b>
Adj. EPS (Rs.)	<b>56.1</b>	<b>59.8</b>	<b>-6.1%</b>	<b>50.8</b>	<b>10.5%</b>	<b>47.3</b>	<b>18.7%</b>

Cost & Margin Analysis	Q1FY25	Axis Sec Estimates	Change in bps	Q4FY24	Change in bps	Q1FY24	Change in bps
Net Raw Material/Net Sales (%)	68%	68%	-30	66%	126	69%	(166)
Other Exp./Net Sales (%)	12%	11%	91	13%	(60)	10%	165
Personnel/Net Sales(%)	6%	6%	-5	7%	(77)	7%	(62)
Gross Margin (%)	32%	32%	30	34%	(126)	31%	166
EBITDA Margin (%)	14.4%	14.9%	-56	14.3%	11	13.8%	63
EBIT (%)	12%	13%	-74	12%	15	12%	65
PBT Margin (%)	15%	15%	-38	14%	55	12%	224
NPM (%)	11%	11%	-26	11%	39	9%	166
Adj. NPM(%)	11%	11%	-26	11%	39	11%	29
Effective Tax Rate(%)	25%	25%	-17	25%	12	22%	331

Source: Company, Axis Securities Research

**Exhibit 1: Expanding Product Portfolio, Upgrading Dealer Network**

PRODUCT	EXPERIENCE	BRAND
<p><b>1. PREMIUM PORTFOLIO</b></p>  <p>Karizma XMR   H-D X440   MAVRICK 440</p>	<p><b>1. NEXT GEN SALES EXPERIENCE</b></p>  	<p><b>1. BUILDING BRANDS, CULTURE</b></p> 
<p><b>2. PREMIUMIZING THE CORE</b></p>  <p>XTEC RANGE   125R</p>	<p><b>2. SERVICE EXPERIENCE</b></p> 	<p><b>2. BIKING MERCHANDISE</b></p> 

Source: Company PPT

**Exhibit 2: Premium Motorcycles Launched In FY24**



Source: Company PPT

## Financials (Standalone)

### Profit & Loss

(Rs Cr)

Y/E March (Rs Cr)	FY24	FY25E	FY26E	FY27E
Net revenues	37,456	40,843	44,209	47,841
Operating expenses	32,194	34,826	37,827	41,003
<b>EBIDTA</b>	<b>5,261</b>	<b>6,016</b>	<b>6,381</b>	<b>6,838</b>
<b>EBITDA margin (%)</b>	<b>14.0</b>	<b>14.7</b>	<b>14.4</b>	<b>14.3</b>
Other income	886	1,041	1,111	1,111
Interest	19	19	19	20
Depreciation	711	737	774	774
Profit Before Tax	5,418	6,301	6,699	7,155
Tax	1,290	1,514	1,675	1,789
<b>Reported Net Profit</b>	<b>3,968</b>	<b>4,787</b>	<b>5,024</b>	<b>5,366</b>
Net Margin (%)	10.6	11.7	11.4	11.2
<b>Adjusted Net Profit</b>	<b>4,127</b>	<b>4,633</b>	<b>5,024</b>	<b>5,366</b>

Source: Company, Axis Securities Research

### Balance Sheet

(Rs Cr)

Y/E March (Rs Cr)	FY24	FY25E	FY26E	FY27E
Equity Capital	40	40	40	40
Reserves & surplus	17,946	20,035	22,360	25,028
Shareholders' funds	17,986	20,075	22,400	25,068
Total Loans	0	0	0	0
Deferred tax liability	435	435	435	435
<b>Total Liabilities and Equity</b>	<b>18,421</b>	<b>20,509</b>	<b>22,835</b>	<b>25,502</b>
Gross block	12,465	13,445	14,195	14,695
Depreciation	6,631	7,368	8,142	8,916
Net block	5,834	6,077	6,053	5,779
Capital WIP	481	500	250	250
Investments	13,086	13,486	13,886	14,286
Inventory	1,444	1,678	1,696	1,835
Debtors	2,703	3,245	3,391	3,670
Cash & Bank Bal	609	537	2,969	5,441
Loans & Advances	1,415	2,091	1,784	1,893
Current Assets	6,171	7,552	9,840	12,839
Sundry Creditors	5,528	5,483	5,572	6,029
Other Current Liability	1,622	1,622	1,622	1,622
Current Liability & Provisions	7,151	7,105	7,194	7,652
Net current assets	-980	446	2,646	5,187
<b>Total Assets</b>	<b>18,421</b>	<b>20,509</b>	<b>22,835</b>	<b>25,502</b>

Source: Company, Axis Securities Research

**Cash Flow**

(Rs Cr)

Y/E March (Rs Cr)	FY24	FY25E	FY26E	FY27E
EBIT	4,550	5,279	5,607	6,064
Other Income	886	1,041	1,111	1,111
Depreciation & Amortisation	711	737	774	774
Interest paid(-)	-19	-19	-19	-20
Tax paid(-)	-1,290	-1,514	-1,675	-1,789
Extra Ord Income	-159	0	0	0
<b>Operating Cash Flow</b>	<b>4,679</b>	<b>5,524</b>	<b>5,798</b>	<b>6,140</b>
Change in Working Capital	1,118	-1,498	232	-69
<b>Cash flow from Operations</b>	<b>5,797</b>	<b>4,027</b>	<b>6,031</b>	<b>6,071</b>
Capex	-801	-1,000	-500	-500
Strategic Investment	0	0	0	0
Non-Strategic Investment	-2,076	-400	-400	-400
<b>Cash flow from Investing</b>	<b>-2,876</b>	<b>-1,400</b>	<b>-900</b>	<b>-900</b>
Change in borrowing	0	0	0	0
Others	41	-0	0	0
Dividends paid(-)	-2,699	-2,699	-2,699	-2,699
<b>Cash Flow from Financial Activities</b>	<b>-2,657</b>	<b>-2,699</b>	<b>-2,699</b>	<b>-2,699</b>
Change in Cash	263	-72	2,432	2,472
Opening cash	346	609	537	2,969
Closing cash	609	537	2,969	5,441

Source: Company, Axis Securities Research

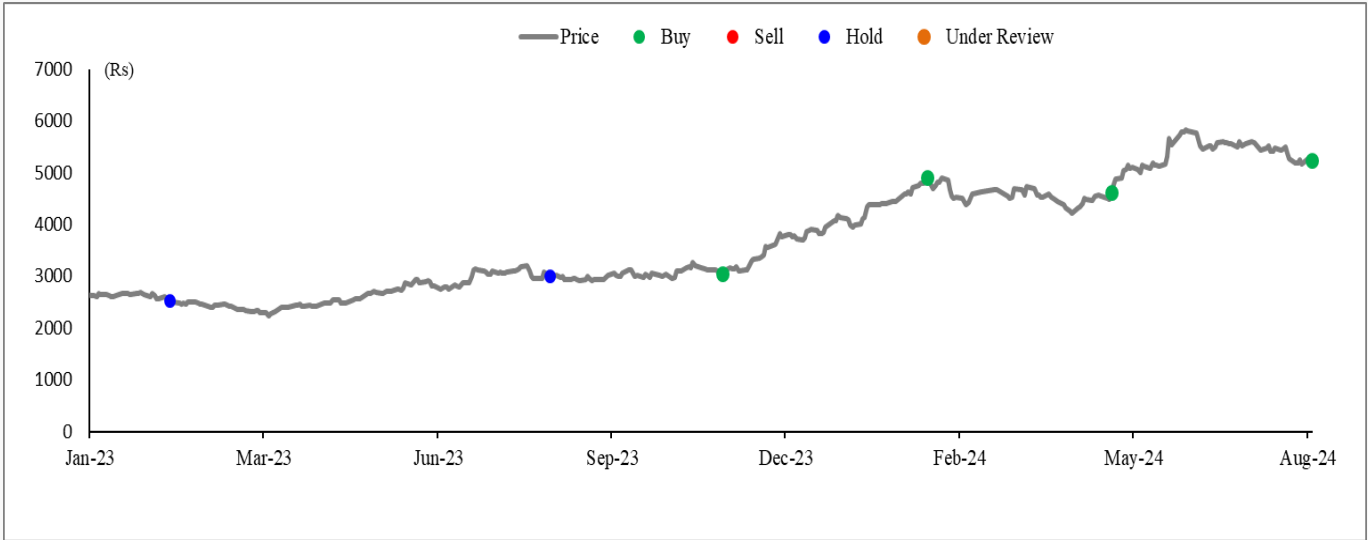
**Ratio Analysis**

(%)

Y/E March (Rs Cr)	FY24	FY25E	FY26E	FY27E
Revenue Growth	10.8	9.0	8.2	8.2
EBITDA Margin	14.0	14.7	14.4	14.3
Net Profit Margin	11.0	11.3	11.4	11.2
ROCE (%)	21.7	22.3	21.9	21.1
ROE (%)	22.1	22.7	22.2	21.4
EPS( Rs)	198	232	251	269
P/E (x)	22.9	22.2	20.4	19.1
P/ BV (x)	5.3	5.1	4.6	4.1
EV/ EBITDA (x)	17.8	17.0	15.6	14.2
Fixed Assets Turnover Ratio (x)	5.9	6.2	7.0	7.9
Debt / Equity (x)	0.0	0.0	0.0	0.0
EV/ Sales (x)	2.5	2.5	2.3	2.0

Source: Company, Axis Securities Research

## Hero Motocorp Recommendation History



Date	Reco	TP	Research
09-Feb-23	HOLD	2,790	Result Update
08-May-23	BUY	2,900	Result Update
14-Aug-23	HOLD	3,150	Result Update
03-Nov-23	BUY	3,370	Result Update
12-Feb-24	BUY	5,500	Result Update
09-May-24	BUY	5,530	Result Update
16-Aug-24	BUY	6,015	Result Update

Source: Axis Securities Research

**DISCLAIMER:**

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

Axis Securities Limited, is registered as a

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

Registration Details:

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

Compliance Officer Details: Name – Mr. Jatin Sanghani, Tel No. – 022-68555574, Email id – [compliance.officer@axisdirect.in](mailto:compliance.officer@axisdirect.in).; Registered Office Address – Axis House, 8th Floor, Wadia International Centre, P.B. Marg, Worli, Mumbai-400025.

Corporate Office Address – Axis Securities Limited, Unit No.002 A, Ground Floor, Agastya Corporate Park- Piramal Realty, Near Phoenix Market City Mall, Kurla (W), Mumbai – 400070.

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

In case of any grievances please call us at 022-40508080 or write to us [helpdesk@axisdirect.in](mailto:helpdesk@axisdirect.in).

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

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

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

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

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

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

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

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

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



Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

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

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

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short position in the above mentioned scrip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

RATING SCALE: Definitions of ratings

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

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

#### List of Research Analyst (Fundamental):

Sr. No	Name	Designation	Sector	E-mail
1	Neeraj Chadawar	Head of Research	All Sectors	neeraj.chadawar@axissecurities.in
2	Preeyam Tolia	Research Analyst	FMCG and Retail, Real Estate	preeyam.tolia@axissecurities.in
3	Omkar Tanksale	Research Analyst	IT, Telecom, Internet	omkar.tanksale@axissecurities.in
4	Uttamkumar Srimal	Research Analyst	Cement, Infra, Railway	uttamkumar.srimal@axissecurities.in
5	Ankush Mahajan	Research Analyst	Pharmaceutical, Hospital, Hotel	ankush.mahajan@axissecurities.in
6	Dnyanada Vaidya	Research Analyst	BFSI	dnyanada.vaidya@axissecurities.in
7	Aditya Welekar	Research Analyst	Metal and Mining, Power Utilities	aditya.welekar@axissecurities.in
8	Sani Vishe	Research Analyst	Chemicals Capital Goods, Mid-cap	sani.vishe@axissecurities.in
9	Eesha Shah	Research Analyst	Real Estate, Special Situation	eesha.shah@axissecurities.in
10	Shridhar Kallani	Research Associate	Auto and Auto ancillaries	shridhar.kallani@axissecurities.in
11	Shikha Doshi	Research Associate	Cement, Infra, Railway	shikha.doshi@axissecurities.in
12	Suhanee Shome	Research Associate	FMCG and Retail	suhanee.shome@axissecurities.in
13	Shivani More	Research Associate	Chemicals Capital Goods, Mid-cap	shivani.more@axissecurities.in
14	Pranav Nawale	Research Associate	BFSI	pranav.nawale@axissecurities.in
15	Darsh Solanki	Research Associate	Metal and Mining, Power Utilities	darsh.Solanki@axissecurities.in
16	Arundhati Bagchi	Research Associate	Database Analyst, Economy	Arundhati.Bagchi@axissecurities.in