



IPO Report

05th June'23

Snapshot

IKIO Lighting is an Indian manufacturer of light emitting diode ("LED") lighting solutions. Company is primarily an original design manufacturer ("ODM") and design, develop, manufacture and supply products to customers who then further distribute these products under their own brands. Company also work with its customers to develop, manufacture and supply products that are designed by its customers. Company's products are categorised as (i) LED lighting; (ii) refrigeration lights; (iii) ABS (acrylonitrile butadiene styrene) piping; and (iv) other products.

VALUATION

Company is bringing the issue at price band of Rs 270-285 per share at p/e multiple of 48x on post issue annualized 9 months ended FY23 PAT basis. However on Proforma Consolidated basis, p/e turns out to be 32x on post issue annualized 9 months ended FY23 PAT basis.

Company is well poised to capture growth of LED market with diverse product basket & focus on high-margin areas. Company enjoys long-term relationships with leading industry customers & has strong focus on R&D. We like the company as it has established infrastructure with backward integration along with strong and consistent financial performance.

Hence looking after all above, we recommend "Subscribe" on issue

Price Band (Rs./Share)	270-285
Opening date of the issue	06 th June 2023
Closing Date of the issue	08 th June 2023
No of shares pre issue	65,000,000 Eq Shares
Issue Size(In Rs)	Rs 593-607Cr
Issue Size (in No of Shares)	21,962,962-21,280,701 Eq Shares
Fresh issue	Rs 350 Cr
Offer For Sale	90,000,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	52

BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 10,640,349 Eq Shares)
Non-Institutional	15% of the offer (Approx 3,192,106 Eq Shares)
Retail	35 % of the offer (Approx 7,448,246 Eq Shares)
Pre Issue Promoter & Group Holding	100.00%
Post Issue Promoter & Group Holding	72.46%
Lead managers	Motilal Oswal Investment Advisors Limited
Registrar to the issue	KFin Technologies Ltd.

KEY HIGHLIGHTS

Long-term relationships with leading industry customers

In the nine months ended December 31, 2022 and in Fiscal 2022, Fiscal 2021 and Fiscal 2020, company provided its products to approximately 900 domestic customers and 16 international customers. Company's largest customer is Signify (Philips). Company have been increasing the number of SKUs that company manufacture for Signify (Philips) from 225 in Fiscal 2018 to 412 in Fiscal 2020 to 608 in Fiscal 2022 to 753 in the nine months ended December 31, 2022.

Strong and consistent financial performance

Company's consolidated restated revenue from operations have increased at a CAGR of 25.04% from ₹1,406.48 million in Fiscal 2020 to ₹2,198.95 million in Fiscal 2022. Company's consolidated restated revenue from operations was ₹2,407.21 million in the nine months ended December 31, 2022. Company's EBIDTA on a consolidated restated basis has increased at a CAGR of 23.47% from ₹263.37 million in Fiscal 2020 to ₹401.50 million in Fiscal 2022. In Fiscal 2022, Fiscal 2021 and Fiscal 2020, company's EBITDA on a consolidated restated basis was ₹401.50 million, ₹302.82 million and ₹263.37 million, respectively, while its EBIDTA margins on a consolidated restated basis in the same periods were 18.26%, 18.97% and 18.73%, respectively. Company's consolidated restated profit after tax has increased at a CAGR of 32.34% from ₹159.93 million in Fiscal 2020 to ₹280.10 million in Fiscal 2022.

Established infrastructure with backward integration

Company have developed the proficiency to produce many of the components used in its manufacturing processes with its inhouse tool room capabilities that have modern machines, moulds and tools. Except for the diodes and resistors used in company's LED lighting products, all mechanical components are manufactured by company. Company's manufacturing infrastructure is a key driver of its business. Company have four manufacturing facilities with one located in the SIDCUL Haridwar industrial park in Uttarakhand and three in Noida in the National Capital Region



COMPANY BACKGROUND

Company's LED lighting offerings focus on the premium segment and include lighting, fittings, fixtures, accessories and components. Company provide lighting solutions (lights, drivers and controls) to commercial refrigeration equipment suppliers under its refrigeration light segment. Company also manufacture an alternative to polyvinyl chloride ("PVC") piping called ABS piping that is primarily used by company's US customers for plumbing applications in the recreational vehicles ("RVs") that they fit out. In addition, company manufacture and assemble other products including fan regulators that are designed by its clients; light strips, moulding, and other components and spares. Company's equipment and systems are used in various industries and products, including residential, industrial and commercial lighting.

Company's largest customer is Signify Innovations India Limited, erstwhile Philips Electronics India Limited ("Signify (Philips)"), which according to Frost & Sullivan in Fiscal 2022 had a 50% market share in India's functional decorative lighting category (including LED spotlights, LED downlights and cove lights) and a 10% market share in India's true-blue decorative lighting segment (including chandeliers, wall lights, pendants, outdoor lights). One of company's Promoters, Hardeep Singh, has a 10 year long relationship with Signify (Philips). In addition to Signify (Philips), company have a diversified customer base across all its other product segments across industry sectors and geographies which include Western Refrigeration Private Limited, Panasonic Life Solutions India Private Limited and Novateur Electrical & Digital Systems Private Limited. Company have a history of high customer retention. In Fiscal 2022, company derived approximately 93.56% of its consolidated restated revenues from operations from repeat customers (defined as customers from which company have had revenues in the past three fiscal years). In the nine months ended December 31, 2022 and Fiscal 2022, company derived 73.63% and 78.81% of its proforma consolidated revenues from operations from repeat customers (defined as customers from which company have had revenues in the past three fiscal years).

Company's manufacturing operations are a key driver of its business. Company have four manufacturing facilities with one located in the SIDCUL Haridwar industrial park in Uttarakhand and three in Noida in the National Capital Region. In line with its focus to provide end-to-end product solutions and to develop better control on company's supply chain and improve its margins, company have backward integrated its major manufacturing processes. Company have developed in-house capabilities so that it manufacture all mechanical components inhouse (save diodes and resistors).

In line with company's focus to provide end-to-end product solutions and to develop better control on its supply chain and improve its margins, compay have backward integrated its major manufacturing processes. Company have developed in-house capabilities so that it manufacture all mechanical components inhouse (save diodes and resistors). Company's backward integration includes • Automatic surface mounted machines for placing diodes and other components on circuit boards; • Automatic metal cutting and shaping machines; • Automatic powder coating on fixtures; • Injection moulding including machines, moulds and tools; and • LED light assembly lines, manual insertion, checking and final packing.

Company's R&D department focuses on product designing, tools and mould designing, electronic circuit designing and prototype designing. Its R&D department independently develops ODM designs and verifies and develops OEM designs received from customers and converts such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. As of February 28, 2023, its R&D team consists of 27 members, 14 of whom hold Bachelors of Technology (Electronics & Communication and Mechanical) and the remaining 13 have a diploma in electronics / electricals and graduate degree. In the nine months ended December 31, 2022 and in Fiscal 2022, Fiscal 2021 and Fiscal 2020, company's R&D expenses on a consolidated restated basis were ₹12.25 million, ₹8.38 million, ₹6.13 million, and ₹9.00 million, respectively, which formed 0.51%, 0.38%, 0.38% and 0.64%, respectively, of company's consolidated restated revenue from operations. Further, in the nine months ended December 31, 2022 and in Fiscal 2022, Fiscal 2021 and Fiscal 2020, on a proforma consolidated basis, its R&D expenses were ₹15.42 million, ₹13.05 million, ₹10.15 million, and ₹12.11 million, respectively, which formed 0.47%, 0.39%, 0.48% and 0.55%, respectively, of its revenue from operations on a proforma consolidated basis.



INVESTMENT RATIONALE

<p><i>Poised to capture growth of LED market</i></p>	<p>With a proven operational and financial track record, company is well-positioned to capitalize on opportunities provided by the tailwinds in the LED lighting market driven in part by governmental policies for energy saving and environment protection and importantly, the increasing awareness and adoption of LED lighting versus incandescent lighting. Further, LED lighting is central to reducing environmental impacts in both the residential, commercial and industrial sectors. According to Frost & Sullivan growth in demand for LED lighting solutions in India will be driven by: • the rise in smart city projects and overall infrastructure development; • increasing demand for energy-efficient lighting; • the decreasing total cost of ownership of advanced lights (including LED lights); • the pronounced increase in real estate; and • the increasing use of smart and automation lighting. Company's number of LED lighting products manufactured has grown by 41.82% from 660 in Fiscal 2020 to 936 in Fiscal 2022, and company is continuously expanding its portfolio. Company manufactured 1,189 LED lighting products in the nine months ended December 31, 2022. As on December 31, 2022, March 31, 2022 and March 31, 2021 and March 31, 2020, company had total annual installed capacity of LED Lights of 20.63 million pieces, 20.31 million pieces, 17.13 million pieces and 11.10 million pieces, respectively. Company's large LED manufacturing capacity along with its R&D has positioned company to meet the further demand for LED lighting in India.</p>
<p><i>Diverse product basket with focus on high-margin areas</i></p>	<p>As an ODM, company offer its products in four segments: (i) LED lighting; (ii) refrigeration lights; (iii) ABS piping; and (iv) other product. This wide range of products helps company capture a larger wallet share of its customers. Company's LED lighting offering focuses on the premium segment and includes lighting, fittings, fixtures, accessories, and components. Company also provide lighting solutions (lights, drivers and controls) to commercial refrigeration equipment suppliers under its refrigeration lights segment. In addition, company manufacture ABS piping which is an alternative to PVC that is primarily used by company's US customers for plumbing applications in the RVs that they fit out. Company currently manufacture more than 753 SKUs for its largest customer, Signify (Philips) in India. In addition, company is in negotiations with some of its existing customers to supply company's LED home lighting products to their international supply chain. Company also manufacture interior refrigerator lighting solutions (lights, drivers and controllers) which are sold to commercial refrigeration equipment suppliers such as Western Refrigeration.</p>
<p><i>Strong focus on R&D</i></p>	<p>Company's R&D department focuses on product designing, tools and mould designing, electronic circuit designing and prototype designing. Its R&D department independently develops ODM designs and verifies and develops OEM designs received from customers and converts such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. As of February 28, 2023, company's R&D team consists of 27 members, 14 of whom hold Bachelors of Technology (Electronics & Communication and Mechanical) and the remaining 13 have a diploma in electronics /electricals and graduate degree. In the nine months ended December 31, 2022 and in Fiscal 2022, Fiscal 2021 and Fiscal 2020, company's R&D expenses on a consolidated restated basis were ₹12.25 million, ₹8.38 million, ₹6.13 million, and ₹9.00 million, respectively, which formed 0.50%, 0.38%, 0.38% and 0.64%, respectively, of company's consolidated restated revenue from operations</p>



OBJECTS OF OFFER

Offer for Sale

The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their proportion of the Offer related expenses and relevant taxes thereon.

Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Repayment/ prepayment, in full or part, of certain borrowings availed by company and its Subsidiaries on consolidated basis;
2. Investment in its wholly owned Subsidiary, IKIO Solutions Private Limited, for setting up a new facility at Noida, Uttar Pradesh; and
3. General corporate purposes.

RISKS

Company is dependent on, and derive a substantial portion of its revenue from, a single customer, Signify Innovations India Limited, erstwhile Philips India, and over 85% of company's revenue is derived from its top twenty customers on a restated basis and a proforma consolidated basis for the nine months ended December 31, 2022 and Fiscal 2022. In the nine months ended December 31, 2022 and in Fiscal 2022, Fiscal 2021 and Fiscal 2020, Signify Innovations India Limited accounted for 70.04%, 91.23%, 94.60% and 95.63%, respectively, of company's restated revenue from operations and accounted for 51.31%, 60.45%, 70.76% and 61.07%, respectively, of its proforma consolidated revenue from operations. Cancellation by company's top customers or delay or reduction in their orders could have a material adverse effect on its business, results of operations and financial condition.

Source:RHP

INDUSTRY OVERVIEW

Growth of the Indian LED lighting industry

The Indian LED lighting market has seen an increase due to population growth and subsequently rapid urbanization in the last decade. With a growing rate of electricity use, demand for an environmentally sustainable and cost-effective lighting solution is also gaining momentum. Thus, LED lighting has begun to dominate the general lighting market of India tremendously in recent years.

LEDs in the day and age are progressively being used in automotive headlamps, aviation, general lighting, advertising boards, various medical devices, camera flashes as well as traffic signals, and is expanding quite briskly throughout the country. In addition, the entry of Chinese LED light producers in India has enabled Indian manufacturers to offer innovative products. The Northern Region has the highest proportion of sales in India's overall market, followed by the Southern Region. Supported by various upcoming infrastructural projects throughout residential, industrial, and commercial areas across the country, the market for LED lighting is likely to see strong growth in the forecast years. As at Fiscal 2022, the Indian LED lighting market is valued at INR 217,020 Million (USD 2.89 Billion) and is estimated to expand at a rate of CAGR of 12.2% to reach INR 338,000 million (USD 4.5 billion) from Fiscal 2023 to Fiscal 2026.

Key Growth Drivers for Indian LED Market

- Rise in Smart City Projects and Overall Infrastructure Development
- Increasing Demand for Energy-efficient Lighting and Emergence of the LaaS Business Model
- Decreasing TCO of Advanced Lights
- Pronounced Increase in real estate ▪ Smart and Automation Uptake

Home and Decorative Lighting Segment:

Market Context The value of the LED light and luminaire market is estimated to be approximately INR 220,000 million (USD 2.93 billion) in Fiscal 2022, with the value of the high-end home and decorative lighting market estimated at approximately INR 35,000 million (USD 0.47 billion). The high-end home and decorative lighting market generally comprises designer lamps, luminaires, lighting fixtures, etc. High-end decorative lighting is increasingly becoming an important part of many Indian households today, especially in urban areas, as living standards and aspirations of people are increasing due to higher disposable incomes among the middle class of the country as well. Increase in the affordability of individuals and their growing desire for convenience and ease of use is spurring the demand for home and decorative lighting. Consumers are viewing modern high end decorative lighting fixtures not just for improving the visual appeal quotient but as also from a functionality standpoint. People are choosing modern décor items that also complement their homes floor, furniture, and colour of the wall which eventually creates a very inviting space.

Estimates of organized retail outlets in India

Frost & Sullivan estimates that there is approx. 40,000+ organized retail stores/outlets in India at the end of FY2022. This does not include retail stores and outlets of local city-level brands and mom-and-pop stores. The organized retail store count has grown almost four times in the last seven years. The top 50 brands account for approximately 75% of these organized retail stores/outlets. The stores / outlets have been classified under six segments: a. Apparel, Fashion, Lifestyle, and Footwear b. Quick Service Restaurants c. Organized Food Retail (Hypermarket, Supermarkets, etc.) – 5,000+ d. Jewellery e. Consumer Electronics – 1,000+ f. Others (High-end and fine dining restaurants, Furniture, etc.) As at the end of FY2022, the first three segments account for approximately 90% of the organized retail outlets in India. The Indian apparel industry is the largest segment of the Indian organized retail industry and is currently witnessing some major shifts. Entry of international brands, changes in preferences from non-branded to branded, a fast-growing economy, large young consuming population in the country has made India a highly lucrative market



Market Size (value and volume) of Commercial refrigeration market in India FY 2022

To estimate the market volume of the commercial refrigeration, F&S has considered 17 products under Com-Ref Category; these products are further classified into three categories: Cooler Products (+ve temperature), Freezer Products (-ve temperature) and Kitchen Equipment Chest freezer is the most dominant category and is expected to maintain its dominance moving forward. However, water dispenser and Visi coolers are also market leaders, owing to increase in demand for commercial refrigeration in hospitality sectors and office spaces. The commercial refrigeration market size is estimated to have a volume of approximately 1.75 million units in Fiscal 2022. In Fiscal 2022 Commercial Refrigeration market in India is estimated at ~ INR 65,000 million by Value.

Key drivers for Indian commercial refrigeration industry

- Changing food habits
- Growth in Food Processing infrastructure
- Booming organized food retail and QSR segment
- Increase in usage of CR products in unorganized retail

Overview of US Recreational Vehicle Market

A recreation vehicle (RV) is designed as a temporary living space for travel, camping, and seasonal use. RVs may have their own motor power (motorhomes), be mounted (truck campers) or towed by another vehicle (travel trailers, fifth wheel trailers, folding camping trailers). These RVs typically retail in the range from about USD \$5,000 for towable models (folding camping trailers) to USD \$500,000 or more for motorhomes (Type A motorhomes). The variety of options available in the RV space allows them to appeal to a wide range of consumer preferences and income levels. In addition to their recreational use, RVs may also be used for many commercial and other purposes such as use as mobile offices, medical clinics, bathrooms, laundries, food trucks etc. They can also be used for temporary shelter for aid workers and contractors or for families that have lost their homes.

Key growth drivers for Commercial Trailer market in the USA

- Rapid expansion of tourism industry
- Advances in technology
- Increasing number of recreational parks
- Surge in commercial trailer rental services
- America the beautiful initiative from US Government
- Developing trail network Rapid expansion of tourism

India Solar Market Opportunity

Overview of the Indian Solar Market

Indian renewable energy sector is the third most attractive renewable energy market in the world, which is a key part of the energy transition³. Markets are ranked on attractiveness on the basis of their renewable energy investment and deployment opportunity. With the Indian government's increased support and improved economics, the Indian solar power sector has become attractive from an investor's perspective. The use of solar power in India is growing at a rapid rate. The country's solar installed capacity has gained pace over the past few years. As of June 2022, India's installed cumulative solar energy capacity stood at 57.7 GW, representing nearly 50% of the overall installed renewable energy capacity of 114 GW. Solar power installed capacity has increased by more than 22 times, from 2.63 GW in March 2014 to 57.7 GW at the end of July 2022. India has added 7.2 GW of solar power capacity, during the first half of 2022. India is targeting an ambitious 450 GW of installed renewable energy capacity by 2030 of which about 280 GW (over 60%) is expected from solar. As announced in the COP26 conference held in November 2011, India has committed to generating 500 GW of power from non-fossil (e.g., solar, wind, hybrid power sources, hydrogen, biofuels, etc.) fuel sources by 2030, and reducing carbon emissions by one billion tons by the end of the decade.


Consolidated Financials

(Rs in Mn)

Financials	FY20	FY21	FY22	9monthsFY23
Total Revenue (A)	1406.48	1596.63	2198.95	2407.21
Total Expenditure (B)	1143.11	1293.81	1797.45	1908.79
EBIDTA	263.37	302.82	401.50	498.42
EBIDTA Margin	18.73	18.97	18.26	20.71
Other Income	0.84	3.76	8.24	24.57
Depreciation	22.44	24.60	24.47	30.84
EBIT	241.77	281.98	385.27	492.15
Interest	20.92	5.61	5.34	27.01
PBT	220.85	276.37	379.93	465.14
Extraordinary item	0.00	0.00	0.00	0.00
PBT	220.85	276.37	379.93	465.14
Share of Profit in Associates	0.00	0.00	0.00	0.00
PBT	220.85	276.37	379.93	465.14
Tax	60.92	70.57	99.83	119.32
PAT	159.93	205.80	280.10	345.82
NPM%	11.36	12.86	12.69	14.22
Eq Cap	0.50	0.50	250.00	650.00
Net Worth	276.52	483.16	764.41	1,266.15
EPS	2.46	3.17	4.31	5.32
ROE %	57.84	42.59	36.64	27.31
ROCE%	68.44	52.98	41.63	18.10
Net debt/EBITDA ratio	0.05	0.16	0.39	2.86

(Source: RHP)

Peer Comparison

Company Name	Total Income (Rs in million)	EPS	NAV (Rs pe share)	PE%	RONW %
IKIO Lighting Limited	220719	4.31	11.76	NA	36.64
Peers Group					
Dixon Technologies	107008.90	32.31	167.92	90.93	19.08
Amber Enterprises	42396.30	32.41	514.70	57.07	6.30
Syrma SGS Technology	10324.08	4.97	39.21	63.28	10.29
Elin Electronics	10937.54	9.59	74.22	13.91	12.93



Proforma Consolidated Financials

(Rs in Mn)

Financials	FY20	FY21	FY22	9monthsFY23
Total Revenue (A)	2202.47	2134.46	3318.40	3286.27
Total Expenditure (B)	1829.4	1656.36	2545.27	2552.23
EBIDTA	373.07	478.10	773.13	734.04
EBIDTA Margin	16.94	22.40	23.30	22.34
Other Income	15.81	11.26	21.55	41.65
Depreciation	40.73	46.85	50.81	42.80
EBIT	348.15	442.51	743.87	732.89
Interest	46.39	43.70	49.18	46.70
PBT	301.76	398.81	694.69	686.19
Extraordinary item	0.00	0.00	0.00	0.00
PBT	301.76	398.81	694.69	686.19
Share of Profit in Associates	0.00	0.00	0.00	0.00
PBT	301.76	398.81	694.69	686.19
Tax	87.69	110.75	189.54	172.73
PAT	214.07	288.06	505.15	513.46
NPM%	9.72	13.50	15.22	15.62
Eq Cap	0.50	0.50	250.00	650.00
Net Worth	358.99	628.58	1,088.70	1,408.20
EPS	3.29	4.43	7.77	7.90
ROE %	59.63	45.83	46.40	36.46



DISCLAIMER

Name of the Research Entity: Hem Securities Limited
Registered Office Address: 203, Jaipur Tower, M.I. Road, Jaipur-302001
SEBI Registration Number: INH100002250
CIN: U67120RJ1995PLC010390

HEM Securities Limited ("Research Entity or HSL") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services merchant banking, Portfolio management services and other related activities.

This Report has been prepared by HEM Securities Limited in the capacity of a Research Analyst having SEBI Registration No. INH100002250 and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. This should not be construed as invitation or solicitation to do business with HSL. The investment discussed or views expressed may not be suitable for all investors. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. A graph of daily closing prices of securities is available at www.nseindia.com and www.bseindia.com

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed 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, regulation or which would subject HSL and associates / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. HSL reserves the right to make modifications and alterations to this statement as may be required from time to time. HSL or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. HSL is committed to providing independent and transparent recommendation to its clients. Neither HSL nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

HSL and its associates, officer, 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.

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

ANALYST CERTIFICATION/ DISCLOSURE OF INTEREST:

Name of the Research Analyst: Astha Jain

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.

SN	Particulars	Yes/No
1.	Research Analyst or his/her relative's or HSL's financial interest in the subject company(ies)	No
2.	Research Analyst or his/her relative or HSL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report	No
3.	Research Analyst or his/her relative or HSL has any other material conflict of interest at the time of publication of the Research Report	No
4.	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5.	HSL has received any compensation from the subject company in the past twelve months	No



6.	HSL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7.	HSL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8.	HSL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9.	HSL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10.	Research Analyst or HSL has been engaged in market making activity for the subject company(ies)	No

Since HSL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months. Associates of HSL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

There were no instances of non-compliance by HSL on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years.