

Dixon Technologies

BSE SENSEX	S&P CNX
82,001	25,084



Bloomberg	DIXON IN
Equity Shares (m)	61
M.Cap.(INRb)/(USDb)	1011.9 / 11.6
52-Week Range (INR)	19150 / 12022
1, 6, 12 Rel. Per (%)	3/10/30
12M Avg Val (INR M)	7842

Financials & Valuations (INR b)

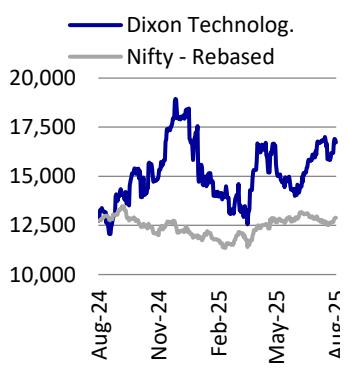
Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	567.1	832.1	967.7
EBITDA	21.5	34.0	42.3
Margin (%)	3.8	4.1	4.4
PAT	10.5	16.6	21.8
EPS (INR)	173.5	275.2	361.7
GR. (%)	48.1	58.6	31.4
BV/Sh (INR)	664.2	929.3	1,280.0
Ratios			
Net D/E	-0.2	-0.3	-0.5
ROE (%)	29.8	34.5	32.7
RoCE (%)	37.1	45.5	41.9
Payout (%)	5.2	3.6	3.0
Valuations			
P/E (X)	96.4	60.8	46.2
P/BV (X)	25.2	18.0	13.1
EV/EBITDA (X)	46.8	29.3	23.1
Div Yield (%)	0.1	0.1	0.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	29.0	32.3	33.2
DII	26.7	23.1	26.1
FII	20.6	21.8	19.3
Others	23.8	22.9	21.4

FII Includes depository receipts

Stock performance (one-year)



CMP:INR16,725

TP: INR22,300 (+33%)

Buy

Standing tall

We recently interacted with Dixon Technologies (Dixon) management to understand company's growth potential. Our bias continues to remain positive on Dixon owing to its market leadership positioning, JVs with other players that ensure long term sustainability of volumes, backward integration and ability to scale up other segments such as telecom, IT hardware, refrigerator etc. We understand that competition is catching up but Dixon has first mover advantage in terms of 19% volume market share in smartphone market in FY25 moving up to 40% by FY27-end, ability to address 30-35% BoM in next 1-2 years for mobile manufacturing and ability to benefit from export opportunities from key clients in future where competition lags behind Dixon. We revise our estimates to factor in slightly better volumes for mobile and EMS along with higher minority interest for the JVs and also add the value of stake in Aditya Infotech. We maintain BUY with a DCF based TP of INR22,300 (earlier INR22,100).

Expanding market share in a largely flattish smartphone market

As per industry reports, Indian smartphone shipments stood broadly around 151-153m units in CY24 and 70m units in 1HCY25. Shipments have seen a growth of 7.3% YoY in 2QCY25. Within this market, Vivo remained the market leader followed by Samsung, Oppo, Xiaomi, Realme, Apple and Motorola. Over last three years, Vivo, Oppo, Motorola, Apple were able to increase their market share. Dixon is already working with most of these brands on existing contracts such as Motorola, Realme, Xiaomi and waiting for approvals for JV with Vivo and hence has benefited from the growth in these brands despite overall market growth being sluggish. Along with this, company has also been able to improve upon the wallet share from existing relationships. Company expanded its market share from nearly 2% in FY23 to 19% in FY25 in smartphone EMS and we expect this to move up further to 40% by FY27.

Recent JVs and acquisition pave way for long-term volume sustainability

We try to assess the volumes beyond FY26 for Dixon, which can provide long term sustainability to overall mobile segment revenues. Complicated process of approval for Chinese players to expand in India is prompting Chinese players to tie up with domestic companies and capitalise on domestic growth potential.

- JV with Vivo:** Dixon expects the approval for the 51:49 JV with Vivo within few months which will ensure a good volume support of nearly 20m to come in the JV. Vivo is currently the market leader and had done volumes of nearly 32-33m last year. Nearly 60% of these volumes are expected to be done under the JV where Dixon will benefit. With continued market leadership of Vivo, we expect these volumes to grow in future too.
- JV with Longcheer:** Dixon has also received approval for a 74:26 JV with Longcheer. Longcheer is handling 25m volumes in India and for Xiaomi and Oppo put together, a larger share can flow to Dixon over medium to long term.

- **Transsion (Ismartu) integration:** For FY26, Ismartu integration in financials will be for the full year and beyond FY26/27, company would target to capture some share of export volumes as Transsion globally has been handling 110m volumes for the full year.
- **Other:** Along with these, the company's 60:40 JV with Inventec for IT devices and JV with Signify on lighting business will ensure incremental revenues for Dixon in terms of tapping new products and new markets.

Acquisitions and JVs ensure backward integration too

Company has been working on backward integration across segments. Its display facility with HKC will commence trial production from 1QFY27. Along with this, its recent binding term sheet with Q-tech India for acquiring a 51% stake will enable company's foray into camera modules. It is also waiting for approval for a 74:26 JV with Chongqing Yuhai Precision Manufacturing for precision components. These initiatives pave way for margin improvement for future. Shift of customers to Dixon's display or camera or precision components will be driven by duty arbitrage as well as from component PLI scheme.

Backward integration to offset the phasing out of PLI benefits

PLI benefits currently add nearly 50-60bps to mobile segment margins and hence margins can be negatively impacted with PLI scheme getting over by Mar,26. Dixon is already pursuing backward integration on displays along with HKC and will be acquiring 51% stake in Q-Tech India for camera modules which will help it address another 20%-22% of BoM of a smartphone. It is also pursuing JV with Chinese player for precision components. Company's long term goal is to address 30-35% of BoM of a smartphone via backward integration. With these backward integration initiatives, we expect Dixon to generate mid-teens EBITDA margin in display and 7-9% in camera modules. Gradually, the company will target increased volumes from in-house customers for these components on account of duty arbitrage on components as well as component PLI, thereby providing a scope of margin improvement beyond mobile PLI.

Dixon has an edge over rising competition

Mobile EMS market is split between companies operating with Apple and android phone players. Apple value chain is dominated by players like Foxconn, Tata electronics, Luxshare and to an extent Jabil which makes accessories. Dixon dominates the Android value chain which has other players too catching up such as DBG technologies, Bhagvati products, Karbonn. Though we have seen the volumes moving up for other players, Dixon still stands ahead of other players in terms of 1) early mover advantage, giving it a much bigger scale than other players, 2) better margins and a much stronger balance sheet strength than other players, 3) backward integration, tie ups with HKC, Q-tech acquisition and component PLI to add further delta to margins, 4) JVs with bigger OEM and ODM players such as Vivo, Longcheer to provide long term sustainability of volumes. Other players are still much behind Dixon in these parameters.

Positioning of Dixon for exports amid US import tariff

Electronic exports are currently exempted from US tariff under Section 232 and hence Dixon is not impacted by this. Among its clients, Motorola has a potential to ramp up exports to US from India. However, the tariff scenario is still evolving and will be difficult to determine how overall exports of electronics from India to US will pan out. We believe that it is not easy to shift supply chains to other countries just on account of relatively lower tariffs. Motorola has production facilities in India, China and Brazil and has gained market share in India over last two years. Hence, India is an important market for Motorola. Along with this, Dixon is also planning to increase the exports to other countries via its network of various JVs with ODM or mobile players.

What will drive export volumes to increase for Dixon beyond US

Dixon's next leg of growth is expected to come via JVs as well as higher export volumes. Presently India electronic manufacturing faces a cost disability versus other nations. Though India still has labour cost arbitrage versus China and Vietnam, however, a large part of component ecosystem is more developed in other nations versus India. With component PLI in place, Dixon is planning to target nearly 30-35% of BoM for mobile manufacturing. Along with this, company will keep pursuing the strategy of JVs, move more towards global benchmarks, will focus on attracting the best talent pool, focus on R&D and automation and in next 3-4 years, grow as a full integrated EMS player. This, coupled with scale by then, would enable it to compete with global players to get export volumes.

Other non-mobile segments

- **IT hardware (part of mobile and EMS segment):** Company is setting up a facility in Chennai for a JV with Inventec which will focus on servers, SSD module, memory module and camera too. This will be over and above the existing facility in Chennai for IT hardware.
- **Telecom (part of mobile and EMS segment):** Dixon has a JV with Airtel and had revenue of INR36b in FY25. It is looking for another JV in telecom space and plans to grow its revenues to INR45b-50b in FY26 and to USD1b over next 1-2 years.
- **Refrigerator:** Within one year of operations Dixon has captured ~10% of the Indian market in direct cool category and is now expanding its capacity to 2m units from current 1.2m at the existing facility in Greater Noida. The company is also now foraying into new products in cooling division like frost-free refrigerator, side-by-side mini bars, deep freezers and plans to take the capacity to 3m.
- **Lighting:** Dixon's JV with Signify is set to become operational by Aug'25. It is targeting premiumization with a focus on high-value indoor and architectural lighting products. The company has received a pilot export order from a leading US retail chain for LED strip and rope lights, which is being executed in the current quarter and is expected to scale up meaningfully.
- **Home appliances:** The company is enhancing production capacity at its Tirupati and Tamil Nadu units, which are expected to be operational by Aug'25. It has already launched high-capacity semi-automatic washing machines in the 16kg and 18kg categories, with market availability expected by 3QFY26. The company is in the development phase for front-load washing machines, for which it has recruited a senior Korean R&D expert to lead the project.

Financial outlook

We revise our estimates to factor in higher mobile volumes and higher minority interest, and expect a CAGR of 36%/41%/46% in revenue/EBITDA/PAT over FY25-28. With commissioning of display facility by 1QFY27 and completion of Q-tech stake acquisition, we expect EBITDA margin of 3.8%/4.1%/4.4% for FY26/FY27/FY28. Along with this, we also incorporate higher minority interest for JVs that will be in place over the said period. This will result in a PAT CAGR of 46% over FY25- FY28E.

Valuation and view

The stock is currently trading at 60.8x/46.2x P/E on FY27/28E earnings. We also incorporate the value of stake in Aditya Infotech. We reiterate our BUY rating on the stock with a revised DCF-based TP of INR22,300 (earlier INR22,100). Reiterate BUY.

Key risks and concerns

The key risks to our estimates and recommendation would come from the lower-than-expected growth in the market opportunity, loss of relationships with key clients, increased competition, limited bargaining power with clients and supply chain disruptions due to non-availability of rare-earth elements.

Mobile market overview and positioning of players

Overall smartphone market in India has remained largely flat over last 3 years as per market studies. Within this market, players like Vivo, Motorola and Apple have gained market share. Despite a flattish market, Dixon has been able to increase its market share by adding clients and targeting higher wallet share. We expect further increase in market share of Dixon from 19% in FY25 to 27%/40% by FY26/27.

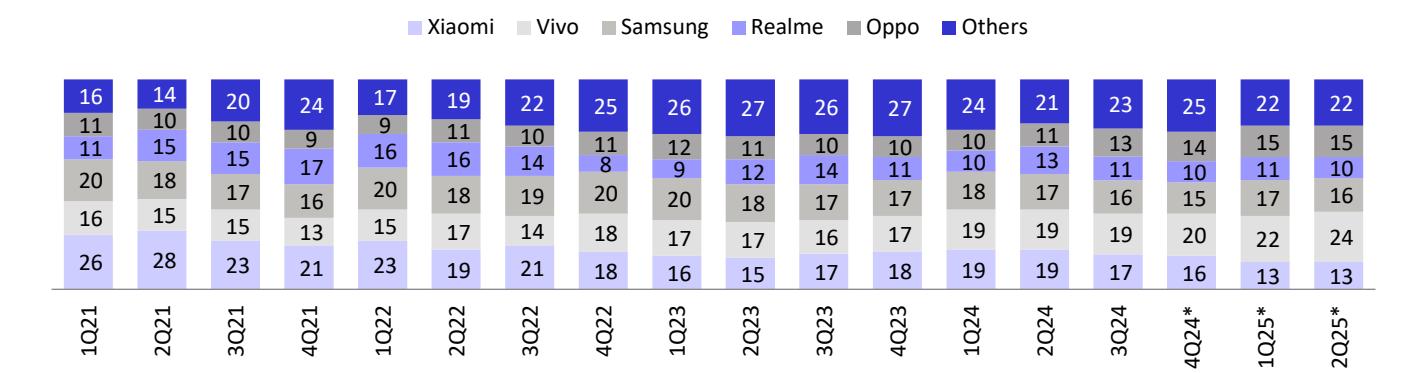
Exhibit 1: Overall smartphone market volumes have remained flattish over last 3 years. Within this, Vivo volumes have moved up in recent years and is currently leading the market

In units (million)	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Xiaomi	41	43	39	40	31	26	26
Vivo	15	25	24	25	24	26	29
Samsung	35	33	32	30	29	27	24
Realme	4	16	20	24	21	18	17
Oppo	12	14	15	17	16	26	23
Others	39	27	21	32	31	29	34
Total smartphones	145	158	150	168	152	152	153

Source: Counterpoint, MOFSL

*Oppo includes OnePlus CY23 onwards

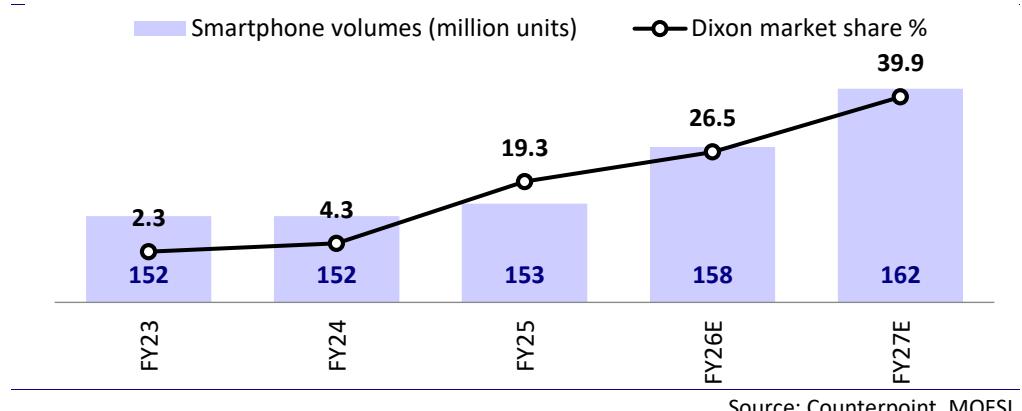
Exhibit 2: India smartphone market share in terms of volume (%)



Source: Counterpoint, MOFSL

*Oppo includes OnePlus 4QFY24 onwards

Exhibit 3: Dixon's market share has increased significantly despite a flat smartphone market in FY25, and we expect it to increase further over next two years



Source: Counterpoint, MOFSL

JVs and acquisition to support volumes and margins

Dixon is charting the next leg of growth trajectory via JVs and acquisitions

Dixon intends to scale up its revenues by entering into strategic joint ventures across mobile phones (Ismartu, Vivo, Longcheer), lighting (Signify), IT hardware (Chongqing Yuhai, Inventec), and adding clients in consumer appliances (Eureka Forbes). These partnerships or JVs open up the possibility of incremental volumes, addition of new customers, along with incremental export opportunities.

Exhibit 4: Key JVs or acquisitions done by Dixon to support next leg of volume growth

Company name	JV/Acquisition	Segment	Key data points	Potential scale up	Scale up timeline
Ismartu	1st tranche: 50.1% @ INR2.4b in FY25 2nd tranche (optional): additional 1.6%-5.9% in FY27	Mobile Phones	FY24: Revenue of INR83.3b, PAT of INR5.3b	~10m-12m additional mobile phones annually	Started reflecting in Dixon results from 2QFY25 onwards
Vivo	51:49 JV	Mobile Phones	Vivo's volumes currently stand at ~30-32m units of mobile phones	Approx. 20m of this manufacturing volumes will be transferred to this JV	Few quarters or from 1QFY27 onwards
Longcheer	74:26 JV	Mobile Phones	Longcheer has a large customer base with 25m smartphones in India	Strengthen Dixon's domestic mobile volumes and offers export and design synergies over time.	
Signify	50:50 JV	Lighting		Potentially double revenue to INR20b in few years and expand into premium lighting products	Operations to begin Aug'25 onwards
Chongqing Yuhai	74:26 JV	IT Hardware (Precision Components)		Overall IT hardware can reach INR30b-35b backed by these JVs	4QFY26 or 1QFY27 onwards
Eureka Forbes	Agreement	Robotic Vacuum Cleaners		Expanding portfolio into vacuum cleaners	

Source: Industry, Company, MOFSL

Margin Expansion through Backward Integration & Value-Add

To protect profitability in a post PLI-regime, Dixon is enhancing integration into components and modules (Q-tech for camera modules/fingerprint, HKC for displays, Inventec for IT hardware). With these, company will be able to address nearly 30-35% of BoM of a smartphone, reduce its dependence on imports and improve its margins even in a post-PLI period.

Exhibit 5: Acquisitions or JVs done for backward integration will support margin improvement

Company name	JV/Acquisition	Segment	Financials/Key datapoints	Potential Scale up	Scale up timeline
Q tech	51% Acquisition @ ~INR5b	Camera and Fingerprint modules	Last year Q-tech had revenue of INR20b, EBITDA margin of 7-7.5% and PAT of INR700m	Aiming to ramp up revenue from INR20b to INR50b in 4-5 years, and with additional capex can increase margins to 9-9.5%	In next 2/2.5 months. No PNP approval required
HKC	74:26 JV	Display Modules		Targets to manufacturing 2m units each of mobile phone and laptop displays per month initially	Trials in 4QFY26 and revenue booking from 1QFY27
Inventec	60:40 JV	IT Hardware (Laptops, PCs components)	Inventec makes products for leading PC brands including HP, Dell and other global PC brands.	Potential additional revenue of INR20b in 2 years	Operations to begin from 4QFY26 in new Chennai Plant

Source: Industry, Company, MOFSL

Backward integration to add 100-170 bps to overall margin in a post-PLI scenario

PLI benefits currently add nearly 50-60bps to mobile segment margins and hence margins can be negatively impacted with mobile PLI scheme getting over by Mar,26. Dixon is already pursuing backward integration on displays along with HKC and will be acquiring 51% stake in Q-Tech India for camera modules which will help it address another 20%-22% of BoM of a smartphone. It is also pursuing JV with Chinese player for precision components. Company's long term goal is to address 30-35% of BoM of a smartphone via backward integration. Gradually, the company will target increased volumes from in-house customers for these components on account of duty arbitrage on components as well as component PLI, thereby providing a scope of margin improvement even beyond mobile PLI getting over.

Exhibit 6: Broad assessment of potential margin expansion from Dixon's own manufacturing of components, such as displays, camera modules, and mechanicals for mobile. Similar improvement is possible for TV displays (INR m)

Incremental benefit from components (INR m)	FY26E	FY27E	FY28E
Mobile revenues of Dixon	4,23,504	6,37,054	7,19,854
BoM of overall mobile - 97% of mobile revenue (a)	4,10,799	6,17,942	6,98,258
BoM share that can be taken up by Dixon by display, camera mod, components(%) (b)	10	20	30
Value of cost that can be potentially covered by Dixon by new components (a)* (b) = ©	41,080	1,23,588	2,09,478
Acceptance by customers for Dixon's displays and camera modules (%) (d)	25	60	65
Revenue made by Dixon from displays and camera modules © * (d)	10,270	74,153	1,36,160
Margin made by Dixon on components provided - @12%	1,232	8,898	16,339
EBITDA ex PLI	19,480	28,582	33,240
EBITDA margin ex PLI (%)	3.4	3.4	3.4
Incremental addition from components	1,232	8,898	16,339
Overall EBITDA ex PLI but with component margin	20,713	37,481	49,579
EBITDA margin (%)	3.7	4.5	5.1
Potential improvement in margin from components (bps)	30bp	110bp	170bp

Source: Company, MOFSL

Well placed amid rising competitive landscape

Though competition is catching up on mobile EMS space with Karbonn, Bhagvati and DBG scaling up volumes from android players but we believe that Dixon has the first mover advantage and is far ahead of competition in terms of –

- **Market share:** By FY27, we expect smartphone volume market share of Dixon to be around 40% and company also has a much diversified client base.
- **Margin profile:** Margin profile of Dixon is also better than most other players and would further improve with backward integration where other players are not at par with Dixon.
- **Balance sheet strength:** Company has a much stronger balance sheet versus other players which supports its future capex as well as investment plans

Exhibit 7: Key financial metrics of Dixon (INR m)

Dixon (INR m)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue	28,416	29,844	44,001	64,482	1,06,971	1,21,920	1,76,909	3,88,601	5,67,107	8,32,078	9,67,658
YoY %	15.7	5.0	47.4	46.5	65.9	14.0	45.1	119.7	45.9	46.7	16.3
EBITDA	1,120	1,349	2,231	2,866	3,791	5,128	6,976	15,076	21,480	33,989	42,316
Margin %	3.9	4.5	5.1	4.4	3.5	4.2	3.9	3.9	3.8	4.1	4.4
PAT	609	634	1,205	1,598	1,902	2,555	3,677	7,059	10,455	16,580	21,791
PAT Margin %	2.1	2.1	2.7	2.5	1.8	2.1	2.1	1.8	1.8	2.0	2.3
Net Worth	3,150	3,782	5,413	7,373	9,968	12,849	16,949	30,102	40,015	55,993	77,121
Net Debt/(Cash)	-35	994	-173	824	2,757	-466	-536	-613	-2,536	-12,873	-31,498
Gross Asset T/O (x)	13.9	10.3	11.0	12.2	11.2	9.9	8.6	14.0	14.5	16.2	15.3
ROCE %	23.4	18.5	25.9	23.8	19.1	20.4	25.4	38.6	37.1	45.5	41.9

Source: Company, MOFSL

Exhibit 8: Key financials of peers

DBG (INR m)	FY22	FY23	FY24	Bhagwati (INR m)	FY22	FY23	FY24
Revenue	81,178	62,396	1,65,646	Revenue	13,372	9,270	6,519
YoY %	299.5	-23.1	165.5	YoY %	33.5	-30.7	-29.7
EBITDA	2,410	988	3,754	EBITDA	315	-15	49
Margin %	3.0	1.6	2.3	Margin %	2.4	-0.2	0.8
PAT	1,569	636	1,973	PAT	127	18	-5
PAT Margin %	1.9	1.0	1.2	PAT Margin %	1.0	0.2	-0.1
Net Worth	2,154	2,555	4,229	Net Worth	3,553	3,570	3,567
Net Debt/(Cash)	1,891	1,848	568	Net Debt/(Cash)	-872	-474	-155
Gross Asset T/O (x)	24.1	17.9	21.6	Gross Asset T/O (x)	4.7	2.9	1.8
ROCE %	36.2	15.4	42.9	ROCE %	3.7	0.7	-0.2

BYD	FY22	FY23	FY24	Tata Electronics (INR m)	FY22	FY23	FY24
Revenue	11,540	38,565	74,461	Revenue	1	4,013	37,524
YoY %	894.6	234.2	93.1	YoY %	#DIV/0!	8,02,400.0	835.2
EBITDA	45	366	124	EBITDA	-625	-1,804	2,075
Margin %	0.4	0.9	0.2	Margin %	NA	-45.0	5.5
PAT	-223	-122	530	PAT	-764	-5,321	-8,252
PAT Margin %	-1.9	-0.3	0.7	PAT Margin %	NA	-132.6	-22.0
Net Worth	23	-100	430	Net Worth	4,884	11,964	35,877
Net Debt/(Cash)	2,498	2,980	6,247	Net Debt/(Cash)	28,201	35,501	77,591
Gross Asset T/O (x)	1.4	4.4	8.2	Gross Asset T/O (x)	0.0	0.1	0.3
ROCE %	-5.0	2.1	14.6	ROCE %	-3.5	-9.5	-4.9

Source: Company, MOFSL

Exhibit 9: Dixon has a much diversified base of clients and is present across almost all android brands

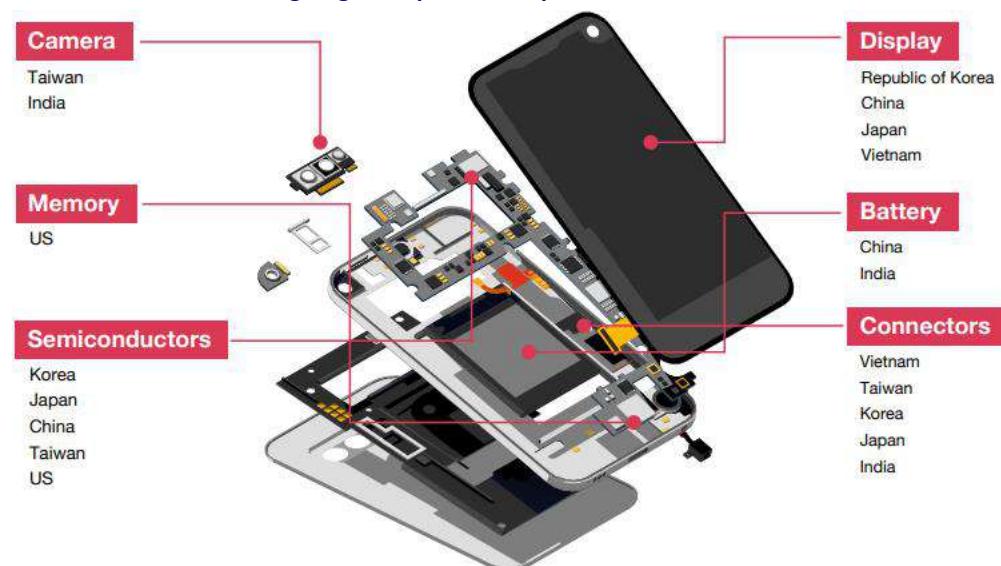
OEMs' Clients	Dixon	Bhagwati	Karbonn	DBG	Tata Electronics
Vivo	✓	✓			
Xiaomi	✓			✓	
Transcion	✓				
Samsung	✓				
Realme	✓	✓	✓		
Oppo	✓	✓		✓	
Nokia	✓				
OnePlus		✓			
Apple					✓
Motorola	✓				
Google Pixel	✓				✓
Micromax		✓	✓		
Ivoomi		✓			
Karbonn			✓		

Source: Industry, Company, MOFSL

Exports to gain an advantage from component PLI and backward integration

Presently India electronic manufacturing faces a cost disability versus other nations. Though India still has labor cost arbitrage versus China and Vietnam, however a large part of component ecosystem is more developed in other nations versus India, making overall cost of manufacturing a mobile phone higher in India. Mobile PLI helped in addressing some of the cost disability versus China and Vietnam and now component PLI will help in bridging the gap to some extent. Dixon is trying to increase export volumes over time based on its ability to address 30-35% of BoM of a smartphone as well as focus on R&D, technology and automation to reduce the costs.

Exhibit 10: Manufacturing origins of phone components



Source: MeitY and ICEA, Vision Document Volume 2

Source: MeitY, ICEA

Exhibit 11: Cost disability of manufacturing in India versus China

Components	Sub-components	High Volume Low Mix (HVLM)		
		China	India	Disability (%)
A. Materials and consumables cost	Basic component costs	85.4	90.1	
	Inventory costs	0.9	1.3	
	Total cost of materials	86.3	91.3	5.8
B. Manufacturing cost	Wages	6.4	3.5	
	Power	0.1	0.2	
	Other costs	0.9	1.8	
C. Logistics cost	Total cost of manufacturing	7.4	5.4	-27.1
	Logistics	0.1	0.3	
	Total cost of logistics	0.1	0.3	100.0
D. Finance cost	Cost of finance	1.7	3.0	
	Total cost of finance	1.7	3.0	80.8
	Total cost of production (A+B+C+D)	95.5	100.0	4.7
Preferential policies	Applicable incentives & EOM measures	2.5	0.5	
	Total refund	2.5	0.5	-80.0
Total cost		93.0	99.5	7.0

Source: ELCINA, MOFSL

Recently announced PLI scheme for components aims at pushing the localization of key sub-assemblies and components

- It targets sub-assemblies for display and camera modules, bare components (including non-surface mount devices), passive components for electronic applications, electromechanical components for electronic applications, multi-layer printed circuit boards, Li-ion cells for digital applications (excluding storage and mobility), and closures for mobile, IT hardware products, and related devices.
- The scheme also covers some bare components, the supply chain ecosystem and capital equipment for electronics manufacturing.
- The scheme has a tenure of six years, with an initial one-year gestation period for companies to ramp up production and scale operations before the incentives kick in.

Exhibit 12: Recently announced PLI scheme for Electronics Manufacturing Components

S.No.	Target segments	Cumulative investment (INR b)	Turnover linked incentive (%)	Capex incentive (%)
A Sub-assemblies				
1	Display module sub-assembly	2.5	4/4/3/2/2/1	NA
2	Camera module sub-assembly	2.5	5/4/4/3/2/2	NA
B Bare components				
3	Non-SMD passive components	0.5	8/7/7/6/5/4	NA
4	Electro-mechanicals	0.5	8/7/7/6/5/4	NA
5	Multi-layer PCB	0.5	≤ 6 layers: 6/6/5/5/4/4, ≥ 8 layers: 10/8/7/6/5/5	NA
6	Li-ion Cells for digital application (excl. storage and mobility)	5	6/6/5/5/4/4	NA
7	Enclosures for Mobile, IT Hardware products and related devices	5	7/6/5/4/4/3	NA
C Selected bare components				
8	HDI/MSAP/Flexible PCB	10	8/7/7/6/5/4	25%
9	SMD passive components	2.5	5/5/4/4/3/3	25%
D Supply chain ecosystem and Capital equipment				
10	Supply chain of sub-assemblies (A) & bare components (B) & (C)	0.1	NA	25%
11	Capital goods used in electronics manufacturing including their subassemblies and components	0.1	NA	25%

Source: NITI Aayog, MOFSL

Narrowing potential of cost disability versus Vietnam and China from component PLI and from backward integration will enable Dixon to compete well with the international players.

Financial outlook

INR m	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Consolidated											
Revenue	28,416	29,844	44,001	64,482	1,06,971	1,21,920	1,76,909	3,88,601	5,67,107	8,32,078	9,67,658
Growth YoY (%)	15.7	5.0	47.4	46.5	65.9	14.0	45.1	119.7	45.9	46.7	16.3
EBITDA	1,120	1,349	2,231	2,866	3,791	5,128	6,976	15,076	21,480	33,989	42,316
EBITDA margin (%)	3.9	4.5	5.1	4.4	3.5	4.2	3.9	3.9	3.8	4.1	4.4
RoCE	23.4	18.5	25.9	23.8	19.1	20.4	25.6	34.3	37.2	45.6	42.0
Consumer Electronics											
Revenue	10,735	11,937	20,952	38,426	51,695	42,780	41,480	35,900	30,446	31,667	34,479
Growth YoY (%)	27.1	11.2	75.5	83.4	34.5	-17.2	-3.0	-13.5	-15.2	4.0	8.9
EBITDA	222	252	503	1,028	1,246	1,306	1,410	1,450	1,021	1,062	1,156
EBITDA margin (%)	2.1	2.1	2.4	2.7	2.4	3.1	3.4	4.0	3.4	3.4	3.4
Lighting Products											
Revenue	7,742	9,194	11,397	11,037	12,841	10,546	7,870	8,610	10,088	11,730	13,639
Growth YoY (%)	40.6	18.8	24.0	-3.2	16.3	-17.9	-25.4	9.4	17.2	16.3	16.3
EBITDA	473	660	977	974	881	904	592	610	755	901	1,075
EBITDA margin (%)	6.1	7.2	8.6	8.8	6.9	8.6	7.5	7.1	7.5	7.7	7.9
Home Appliances											
Revenue	2,503	3,744	3,963	4,311	7,088	11,435	12,050	13,660	17,949	21,428	25,664
Growth YoY (%)	33.1	49.6	5.9	8.8	64.4	61.3	5.4	13.4	31.4	19.4	19.8
EBITDA	308	370	461	397	541	1,094	1,301	1,500	1,974	2,357	2,823
EBITDA margin (%)	12.3	9.9	11.6	9.2	7.6	9.6	10.8	11.0	11.0	11.0	11.0
Mobile Phone and EMS											
Revenue	6,698	3,549	5,369	8,395	31,383	52,243	1,09,190	3,30,430	4,97,965	7,53,397	8,75,861
Growth YoY (%)	-17.4	-47.0	51.3	56.4	273.8	66.5	109.0	202.6	50.7	51.3	16.3
EBITDA	65	74	191	394	971	1,671	3,550	11,530	16,931	28,629	35,910
EBITDA margin (%)	1.0	2.1	3.6	4.7	3.1	3.2	3.3	3.5	3.4	3.8	4.1
Security Surveillance Systems											
Revenue	5	963	2,164	2,178	3,964	4,918	6,330				
Growth YoY (%)			124.7	0.7	82.0	24.1	28.7				
EBITDA		8	72	63	151	144	119				
EBITDA margin (%)		0.8	3.3	2.9	3.8	2.9	1.9				
Refrigerator											
Revenue								10,659	13,857	18,014	
Growth YoY (%)									30.0	30.0	
EBITDA								799	1,039	1,351	
EBITDA margin (%)								7.5	7.5	7.5	

Source: Company, MOFSL

Note: FY25 Refrigerator data is included in Consumer Electronics

Exhibit 13: We expect revenue to grow at a CAGR of 36% over FY25-28 led by mobile and new segments

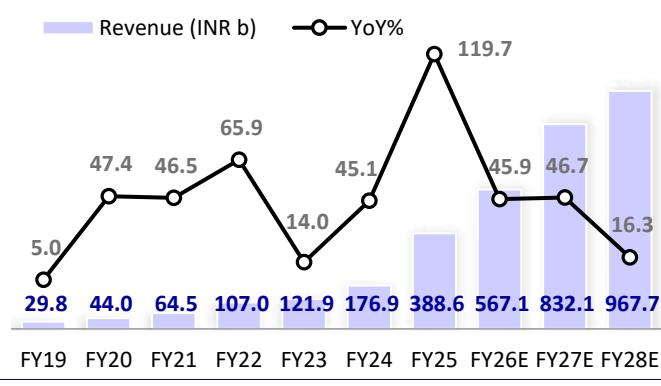


Exhibit 14: We expect EBITDA CAGR of 41% over FY25-28 on focus towards margin improvement

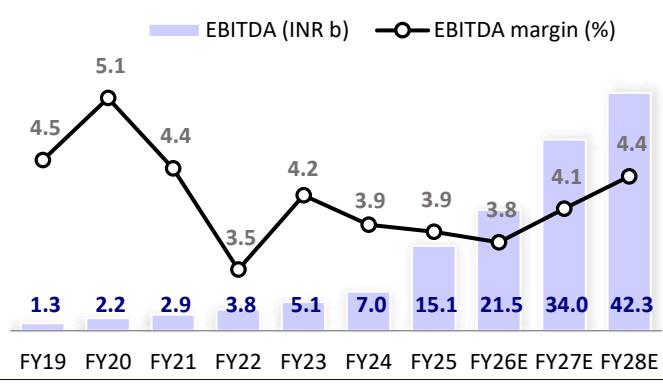


Exhibit 15: We expect PAT CAGR of 46% over FY25-28 led by strong revenue and EBITDA growth

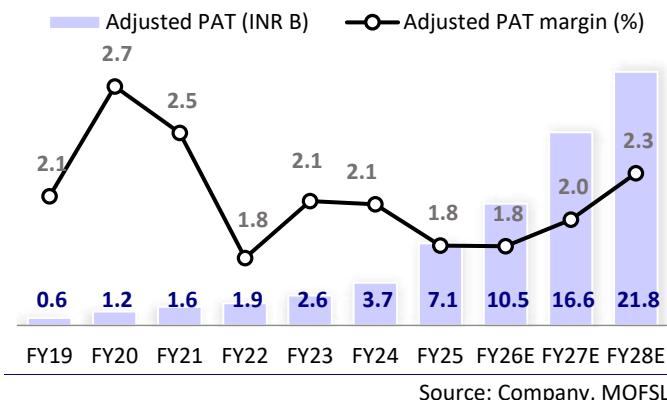


Exhibit 17: We expect NWC cycle to remain lean for DIXON in coming years

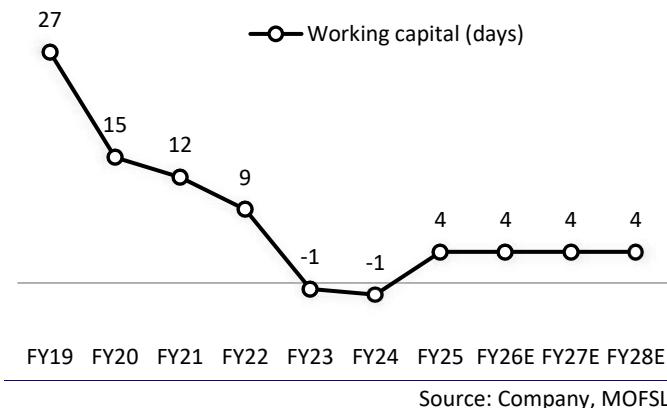


Exhibit 19: Asset turnover to improve on higher share of revenues from mobile and EMS segment

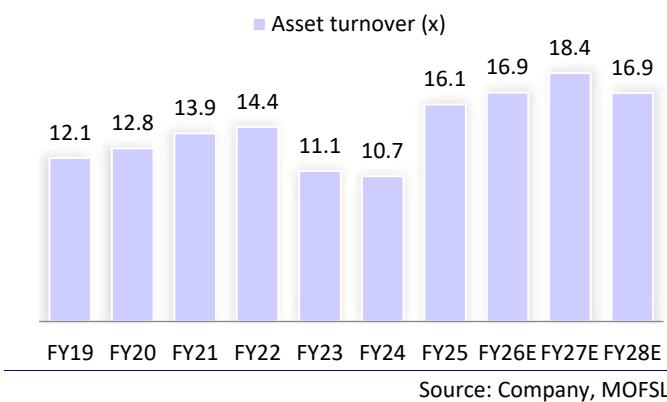


Exhibit 16: We expect OCF and FCF to remain strong as working capital cycle is lean for DIXON

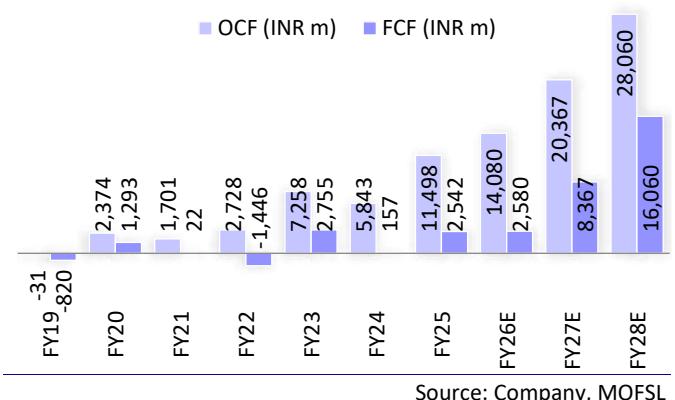


Exhibit 18: We expect RoE/RoCE to improve on continued focus on capital allocation and improved asset turnover

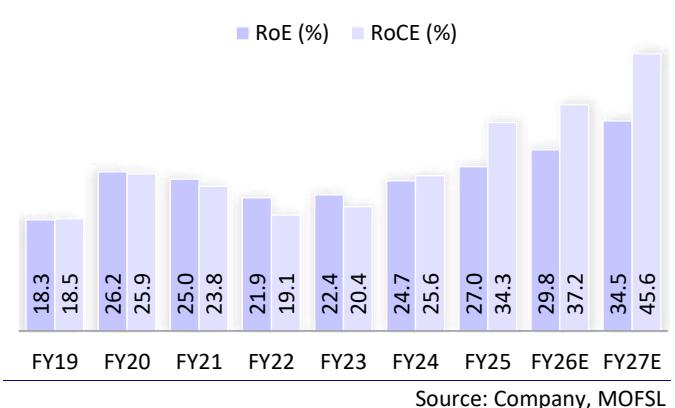


Exhibit 20: We expect company to keep investing in capex for expansion and backward integration

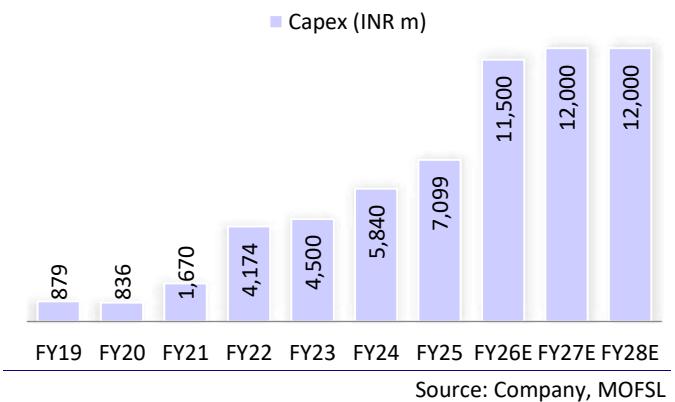


Exhibit 21: We revise our estimates to factor in slightly better volumes for mobile and EMS

(INR m)	FY26E			FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	New	Old	Chg (%)
Net Sales	5,67,107	5,38,845	5.2	8,32,078	7,39,407	12.5	9,67,658	9,06,445	6.8
EBITDA	21,480	20,520	4.7	33,989	29,410	15.6	42,316	37,688	12.3
EBITDA (%)	3.8	3.8	0 bp	4.1	4.0	10 bp	4.4	4.2	20 bp
Adj. PAT	10,455	10,203	2.5	16,580	15,975	3.8	21,791	21,651	0.6
EPS (INR)	174	169	2.5	275	265	3.8	362	359	0.6

Source: Company, MOFSL

Financials and Valuation

Consolidated - Income Statement (INR m)									
Y/E Mar	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	44,001	64,482	1,06,971	1,21,920	1,76,909	3,88,601	5,67,107	8,32,078	9,67,658
Change (%)	47.4	46.5	65.9	14.0	45.1	119.7	45.9	46.7	16.3
Raw Materials	38,602	57,697	97,792	1,10,207	1,60,390	3,58,328	5,22,928	7,67,257	8,92,275
Gross Profit	5,399	6,785	9,178	11,713	16,520	30,273	44,179	64,821	75,383
Employee Cost	1,180	1,371	1,978	2,517	3,327	5,674	8,281	12,150	14,129
Other Expenses	1,989	2,548	3,409	4,069	6,217	9,523	14,418	18,682	18,937
Total Expenditure	41,771	61,616	1,03,180	1,16,793	1,69,933	3,73,525	5,45,626	7,98,089	9,25,342
% of Sales	94.9	95.6	96.5	95.8	96.1	96.1	96.2	95.9	95.6
EBITDA	2,231	2,866	3,791	5,128	6,976	15,076	21,480	33,989	42,316
Margin (%)	5.1	4.4	3.5	4.2	3.9	3.9	3.8	4.1	4.4
Depreciation	365	437	840	1,146	1,619	2,810	3,745	4,691	5,833
EBIT	1,865	2,429	2,952	3,981	5,357	12,266	17,735	29,298	36,483
Int. and Finance Charges	350	274	442	606	747	1,544	1,667	1,748	1,794
Other Income	52	16	38	56	226	202	448	754	1,478
PBT bef. EO Exp.	1,568	2,170	2,548	3,432	4,836	10,924	16,516	28,304	36,168
EO Items	0	0	0	0	0	4,600	0	0	0
PBT after EO Exp.	1,568	2,170	2,548	3,432	4,836	15,524	16,516	28,304	36,168
Total Tax	363	572	644	897	1,189	3,372	4,027	6,872	8,772
Tax Rate (%)	23.1	26.4	25.3	26.1	24.6	21.7	24.4	24.3	24.3
Profit share of associates/JV	0	0	-1	16	102	174	191	210	231
Minority Interest	0	0	2	-4	72	1,370	2,226	5,062	5,836
Reported PAT	1,205	1,598	1,902	2,555	3,677	10,955	10,455	16,580	21,791
Adjusted PAT	1,205	1,598	1,902	2,555	3,677	7,059	10,455	16,580	21,791
Change (%)	90.2	32.6	19.0	34.4	43.9	92.0	48.1	58.6	31.4
Margin (%)	2.7	2.5	1.8	2.1	2.1	1.8	1.8	2.0	2.3

Consolidated - Balance Sheet (INR m)									
Y/E Mar	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	116	117	119	119	120	121	121	121	121
Total Reserves	5,298	7,256	9,849	12,730	16,829	29,982	39,895	55,873	77,001
Net Worth	5,413	7,373	9,968	12,849	16,949	30,102	40,015	55,993	77,121
Minority Interest	0	0	6	-3	276	4,591	6,817	11,879	17,715
Total Loans	828	1,513	4,580	1,826	1,550	2,023	2,023	2,023	2,023
Deferred Tax Liabilities	148	184	201	224	240	980	980	980	980
Capital Employed	6,389	9,070	14,754	14,897	19,015	37,696	49,835	70,875	97,839
Gross Block	3,982	5,269	9,586	12,291	20,633	27,732	39,232	51,232	63,232
Less: Accum. Deprn.	825	1,170	1,815	2,641	3,958	6,256	9,438	13,509	18,659
Net Fixed Assets	3,157	4,099	7,771	9,649	16,675	21,476	29,794	37,723	44,572
Goodwill on Consolidation	82	82	303	303	303	570	570	570	570
Capital WIP	96	724	224	1,197	683	2,570	2,570	2,570	2,570
Total Investments	0	953	1,410	442	200	5,356	5,356	5,356	5,356
Curr. Assets, Loans&Adv.	13,635	22,600	33,064	35,203	52,034	1,37,606	1,99,086	2,97,588	3,61,722
Inventory	4,978	7,433	11,557	9,579	16,950	39,924	58,263	85,486	99,415
Account Receivables	5,151	10,891	13,564	17,155	23,179	69,655	1,01,651	1,49,145	1,73,447
Cash and Bank Balance	1,002	689	1,823	2,292	2,087	2,635	4,559	14,896	33,521
Loans and Advances	0	25	4	0	20	0	0	0	0
Other Current Asset	2,504	3,563	6,116	6,178	9,799	25,392	34,613	48,062	55,339
Curr. Liability & Prov.	10,580	19,387	28,017	31,898	50,881	1,29,881	1,87,541	2,72,933	3,16,951
Account Payables	9,391	17,097	23,137	24,519	40,652	1,08,837	1,58,831	2,33,042	2,71,015
Other Current Liabilities	1,081	2,146	4,664	7,121	9,952	20,768	28,306	39,298	45,248
Provisions	109	144	216	258	277	277	404	592	689
Net Current Assets	3,054	3,213	5,047	3,306	1,153	7,725	11,545	24,656	44,771
Appl. of Funds	6,389	9,070	14,754	14,897	19,015	37,696	49,835	70,875	97,839

Financials and Valuation

Ratios

Y/E Mar	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)									
EPS	20.6	27.3	32.0	42.9	61.5	117.2	173.5	275.2	361.7
Cash EPS	26.8	34.7	46.2	62.1	88.6	163.8	235.7	353.0	458.5
BV/Share	92.4	125.9	168.0	215.7	283.4	499.6	664.2	929.3	1,280.0
DPS	1.2	1.0	2.0	3.0	3.0	8.0	9.0	10.0	11.0
Payout (%)	5.7	3.7	6.3	7.0	4.9	7.6	5.2	3.6	3.0
Valuation (x)									
P/E	812.9	613.0	521.9	389.8	272.0	142.7	96.4	60.8	46.2
Cash P/E	623.8	481.3	362.1	269.1	188.8	102.1	71.0	47.4	36.5
P/BV	181.0	132.9	99.6	77.5	59.0	33.5	25.2	18.0	13.1
EV/Sales	22.3	15.2	9.3	8.2	5.7	2.6	1.8	1.2	1.0
EV/EBITDA	439.1	342.1	262.5	194.2	143.3	66.8	46.8	29.3	23.1
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
FCF per share	22.1	0.4	-24.4	46.3	2.6	42.2	42.8	138.9	266.6
Return Ratios (%)									
RoE	26.2	25.0	21.9	22.4	24.7	30.0	29.8	34.5	32.7
RoCE	25.9	23.8	19.1	20.4	25.4	38.6	37.1	45.5	41.9
RoIC	28.8	29.8	24.5	26.4	29.9	44.5	41.6	52.0	52.9
Working Capital Ratios									
Fixed Asset Turnover (x)	11.0	12.2	11.2	9.9	8.6	14.0	14.5	16.2	15.3
Asset Turnover (x)	6.9	7.1	7.3	8.2	9.3	10.3	11.4	11.7	9.9
Inventory (Days)	41	42	39	29	35	37	37	37	37
Debtor (Days)	43	62	46	51	48	65	65	65	65
Creditor (Days)	78	97	79	73	84	102	102	102	102
Leverage Ratio (x)									
Current Ratio	1.3	1.2	1.2	1.1	1.0	1.1	1.1	1.1	1.1
Interest Cover Ratio	5.3	8.9	6.7	6.6	7.2	7.9	10.6	16.8	20.3
Net Debt/Equity	-0.0	-0.0	0.1	-0.1	-0.0	-0.2	-0.2	-0.3	-0.5

Consolidated - Cashflow Statement

Y/E Mar	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR m) FY28E
OP/(Loss) before Tax	1,568	2,170	2,546	3,452	4,867	14,328	14,482	23,452	30,563
Depreciation	365	437	840	1,146	1,619	2,810	3,745	4,691	5,833
Interest & Finance Charges	350	274	442	606	747	1,544	1,667	1,748	1,794
Direct Taxes Paid	-429	-549	-540	-820	-1,218	-2,760	-4,027	-6,872	-8,772
(Inc)/Dec in WC	423	-743	-641	2,764	-88	-1,816	-1,787	-2,653	-1,357
CF from Operations	2,277	1,590	2,646	7,148	5,927	14,106	14,080	20,367	28,060
Others	97	111	81	109	-83	-2,608	0	0	0
CF from Operating incl EO	2,374	1,701	2,728	7,258	5,843	11,498	14,080	20,367	28,060
(Inc)/Dec in FA	-1,081	-1,680	-4,174	-4,502	-5,686	-8,956	-11,500	-12,000	-12,000
Free Cash Flow	1,293	22	-1,446	2,755	157	2,542	2,580	8,367	16,060
(Pur)/Sale of Investments	-118	-978	-446	992	346	-3,208	0	0	0
Others	28	8	-25	-45	31	-125	-110	-121	-132
CF from Investments	-1,171	-2,649	-4,645	-3,556	-5,309	-12,289	-11,610	-12,121	-12,132
Issue of Shares	457	269	642	336	469	1,399	0	0	0
Inc/(Dec) in Debt	-570	688	3,026	-2,776	-276	583	0	0	0
Interest Paid	-378	-322	-567	-737	-494	-1,219	-1,667	-1,748	-1,794
Dividend Paid	-83	0	-59	-119	-179	-329	-542	-603	-663
Others	6	0	0	0	-220	-700	2,226	5,062	5,836
CF from Fin. Activity	-568	635	3,043	-3,296	-700	-266	17	2,711	3,380
Inc/Dec of Cash	634	-313	1,126	406	-166	-1,057	2,487	10,957	19,307
Opening Balance	367	1,002	689	1,823	2,292	2,086	2,635	4,559	14,896
Other Bank Balances	0	0	8	63	-40	1,606	-563	-620	-682
Closing Balance	1,002	689	1,823	2,292	2,086	2,635	4,559	14,896	33,521

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

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20Companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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 company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has 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 Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).

6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

financial interest in the subject company

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

received compensation/other benefits from the subject company in the past 12 months

any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

acted as a manager or co-manager of public offering of securities of the subject company in past 12 months

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 company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)

received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

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. This report and information herein is solely for informational purpose and may 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. 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. Each recipient of this document should make such investigations 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 its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, 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 MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrivances@motilaloswal.com.