

India

**HOLD** (no change)

Consensus ratings\*: Buy 5 Hold 7 Sell 12

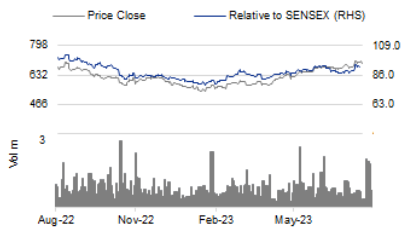
Current price: Rs699  
 Target price: ▲ Rs700  
 Previous target: Rs640  
 Up/downside: 0.1%  
 InCred Research / Consensus: 13.6%

Reuters:  
 Bloomberg: BRGR IN  
 Market cap: US\$9,346m  
 Rs678,636m  
 Average daily turnover: US\$6.3m  
 Rs459.3m  
 Current shares o/s: 971.3m  
 Free float: 25.0%

\*Source: Bloomberg

**Key changes in this note**

- Raise target price to Rs700 from Rs640.

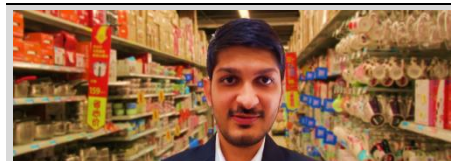


Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	3.8	11.5	3.5
Relative (%)	2.8	4.7	(7.7)

Major shareholders	% held
Promoter and Promoter Group	75.0
LIC	1.7
Vanguard Group	0.9

**Analyst(s)**



**Harsh SHAH**  
 T (91) 22 4161 1568  
 E harsh.shah@incredcapital.com  
**Rohan KALLE**  
 T (91) 22 4161 1561  
 E rohan.kalle@incredcapital.com

# Berger Paints India Limited

## Steady 1Q; optimistic near-term outlook

- Berger Paints posted 1QFY24 standalone sales value/volume growth of 10%/12.7%, higher than Asian Paints' 7%/10% yoy growth, respectively.
- Margins are expected to remain sanguine. Management raised its guidance to 17-18% for FY24F led by moderate input prices and extended festive season.
- The stock trades at 51x/48x FY25F/26F EPS, respectively, leaving no room for upside. We retain HOLD rating on it with a higher target price of Rs700.

### Healthy volume helps market share gains

Berger Paints' (BRGR) 1QFY24 standalone sales growth stood at 10.1% yoy with volume growth at 12.7%. Both rural and urban markets posted an improvement in 1Q, with BRGR clocking its highest-ever market share at 20.2% (vs.18.6%/19% in FY21/FY22, respectively). The waterproofing segment continued to post strong growth and is likely to see more launches next year as the range is currently c.70-75% complete. Protective coatings & general industrial business clocked a steady growth led by better realization while the automotive business posted a modest growth due to subdued growth of the two-wheeler industry. Powder coatings business fell on a high base and slowdown in the fan industry, which is expected to recover from 2QFY24F. Moderate growth is likely for the industry in 2QFY24F (impacted by monsoons) and management is hopeful of stronger growth in 3QFY24F, which will aid in a double-digit growth in FY24F.

### Mixed performance from subsidiaries

BRGR's overseas subsidiaries' sales were driven by Bolix S.A and Russian business while Nepal dragged sales growth due to the macroeconomic slowdown. Berger Becker (JV) posted a decline in sales and profitability due to capacity constraints from a fire at its Goa facility in 4QFY23 (insurance claim expected in there-to-four months). SBL Specialty Coatings and STP (construction chemicals) had a subdued quarter on a high base while profitability saw an improvement aided by moderating input cost. Management expects double-digit sales growth in 2QFY24F.

### EBITDA margin guidance of 17-18% for FY24F

BRGR's consolidated gross margin expanded by 410bp yoy to 39.8%. Consolidated EBITDA grew by 37.5% yoy to Rs5.5bn while the EBITDA margin expanded by 370bp yoy to 18.4%. Given the stable raw material prices and an extended festive season, management expects the consolidated EBITDA margin to be in the range of 17-18% (vs. 16%-17% earlier) in FY24F, notwithstanding the increased spending on advertisements.

### Maintain HOLD rating with a higher target price of Rs700

BRGR trades at 51x/48x FY25F/26F EPS, respectively, leaving no room for upside. We retain HOLD rating on it with a higher target price of Rs700 (Rs640 earlier), based on 50x Jun FY25F EPS. Key upside/downside risks: Higher-than-estimated/lower-than-estimated sales/EBITDA growth, respectively.

Financial Summary	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	87,618	105,678	117,375	126,929	137,681
Operating EBITDA (Rsm)	13,311	14,872	20,302	21,254	22,617
Net Profit (Rsm)	8,322	8,594	12,641	13,238	14,162
Core EPS (Rs)	8.6	8.8	13.0	13.6	14.6
Core EPS Growth	15.6%	3.3%	47.1%	4.7%	7.0%
FD Core P/E (x)	81.53	78.96	53.68	51.26	47.92
DPS (Rs)	3.1	3.5	5.0	5.2	5.5
Dividend Yield	0.52%	0.57%	0.83%	0.86%	0.92%
EV/EBITDA (x)	51.44	46.23	33.40	31.66	29.33
P/FCFE (x)	488.72	282.95	79.50	61.14	43.11
Net Gearing	15.6%	19.8%	(1.3%)	(9.8%)	(22.7%)
P/BV (x)	17.28	15.10	13.06	11.43	10.08
ROE	22.8%	20.4%	26.1%	23.8%	22.4%
% Change In Core EPS Estimates			5.49%	3.79%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

---

## Steady 1Q; optimistic near-term outlook

### Key takeaways from the earnings call

#### Decorative business

- Decorative business grew at 11.4% yoy led by a 12.7% volume growth (39.9% in 1QFY23). Both urban and rural markets improved in 1QFY24. Management expects stronger growth in 3QFY24F (2QFY24F expected to be slightly lower), leading to a double-digit growth in FY24F.
- The waterproofing segment continued to register strong growth. More products are in the pipeline (70-75% of the range has been introduced), which will be launched next year.
- Industry sales in Jul 2023 were hit by the monsoon season. 2QFY24F is expected to see moderate growth for the industry.
- Market share gains were highest for the industry. The market share (based on standalone results of listed players + domestic subsidiaries) stood at 20.2% in 1QFY24 vs. 19%/19.3% in FY22/FY23, respectively. The market share is higher in North and East India markets, which grew in line with the national average in 1Q, while other markets grew slightly faster, aided by distribution expansion. The focus is on expanding in the western and southern markets.
- Added 1,500+ retail touchpoints and installed 1,300+ tinting machines during the quarter.

#### Industrial business

- Protective coatings and general industrial business continued to clock a steady growth aided by pricing actions, leading to a marginally better realization.
- The automotive business posted a modest growth due to subdued growth of the two-wheeler industry.
- The powder coatings business posted a decline due to a high base and slowdown in the fan industry, which is expected to recover in 2QFY24F.

#### Subsidiaries

- Bolix SA posted strong growth in both revenue and profitability led by the UK business.
- BJN Nepal declined on both topline and profitability fronts due to the slowdown in construction industry and inflation.
- STP posted a marginal topline growth on a high base, but profitability improved led by improvement in gross margin. Management expects double-digit growth in 2QFY24F.
- SBL Specialty Coatings posted a marginal decline in sales on a high base and the impact of the fan segment. Profitability remained robust led by softening raw material prices. Management expects double-digit growth in 2QFY24F.
- Berger Nippon (JV) posted robust growth on both sales and profitability fronts led by the passenger car and sports utility vehicle or SUV segments.
- Berger Becker (JV) posted a decline in sales as well as profitability due to capacity constraints following a fire at one of its manufacturing facilities in Goa in 4QFY23.

#### Innovations

- **Decorative:** Berger Weathercoat Anti Dust Kool, Berger Silk Glamor Dazzle.
- **Roof coatings:** PU Elastoseal, Spray applied Polyurea, Brushable Polyurea products.

- **Tile adhesives:** Epoxy tile grout 3P and 2P in various colours. The route to the market for tile adhesives is via a mix of paint dealers and separate distributors for tiles.

### Input costs and margins

- **Update on one-offs:** 1) Applied for insurance claim for the fire at Goa plant. This process will be completed in three-to-four months. 2) Payment from the Andhra Pradesh government has been provided for and it is expected to come through in one or two months. Rs200m is pending from the government.
- **Rebating intensity:** In certain categories (enamels; sees higher intensity in 1Q) the discounting has increased, while in others it hasn't increased much (luxury emulsions; sees higher intensity in 2Q).
- The EBITDA margin is expected to remain range-bound (Guidance: 17-18% range vs. 16-18% earlier). The focus is on improving cost efficiency across formulation efficiency and procurement efficiency, which should aid in protecting margins.

### Outlook

- Net debt declined to Rs2430m in 1Q (from Rs6,100m in FY23). No major capacity expansion is planned in FY24F. Scale benefits from the Sandila plant are expected to aid growth in the upcoming festive season (depreciation completed). The focus remains on becoming net cash positive by the end of FY24F.
- Management expects double-digit revenue growth as demand outlook remains healthy in view of positive progress of the monsoons, infrastructure spending and an extended festive season. Profitability is expected to sustain due to moderation in raw material prices.
- Berger Paints will remain in the decorative paints and waterproofing/construction chemicals space only and does not envision expanding into other segments (like home decor, etc).
- Projects business (8-10% of sales in the last two years) is doing well now, growing slightly ahead of the retail segment in the last one-to-two years. Berger Paints is strong in construction chemicals and decorative space in the projects segment, as per management.
- **Competitive intensity from regional players:** Smaller players have started to recover, now that raw material prices have stabilized. Management does not expect a price correction in the near term unless the market leader starts taking price cuts.

**Figure 1: Quarterly results summary - consolidated**

Y/E, Mar (Rs. m)	1QFY23	4QFY23	1QFY24	YoY (%)	QoQ (%)
<b>Revenue</b>	<b>27,597</b>	<b>24,436</b>	<b>30,295</b>	9.8	24.0
<b>Expenditure</b>	<b>23,549</b>	<b>20,539</b>	<b>24,728</b>	5.0	20.4
Consumption of Raw Materials	17,731	14,702	18,231	2.8	24.0
as % of sales	64.3	60.2	60.2		
Employee Cost	1,460	1,547	1,669	14.3	7.9
as % of sales	5.3	6.3	5.5		
Other expenditure	4,357	4,290	4,828	10.8	12.5
as % of sales	15.8	17.6	15.9		
<b>EBITDA</b>	<b>4,048</b>	<b>3,898</b>	<b>5,568</b>	37.5	42.8
Depreciation	628	744	782	24.5	5.1
<b>EBIT</b>	<b>3,420</b>	<b>3,154</b>	<b>4,785</b>	39.9	51.7
Other Income	130	151	136	4.1	-9.9
Interest	163	293	197	21.2	-32.7
<b>PBT</b>	<b>3,388</b>	<b>3,011</b>	<b>4,724</b>	39.4	56.9
Total Tax	886	719	1,213	36.9	68.6
<b>Adjusted PAT</b>	<b>2,502</b>	<b>2,292</b>	<b>3,511</b>	40.3	53.2
(Profit)/loss from JV's/Ass/MI	-32	225	-32	-	-
<b>APAT after MI</b>	<b>2,534</b>	<b>2,067</b>	<b>3,544</b>	39.8	71.4
Extraordinary Items	0	0	0	-	-
<b>Reported PAT</b>	<b>2,534</b>	<b>2,067</b>	<b>3,544</b>	39.8	71.4
<b>Adjusted EPS</b>	<b>2.6</b>	<b>2.1</b>	<b>3.6</b>	39.8	71.4
<b>Margins (%)</b>	<b>1QFY23</b>	<b>4QFY23</b>	<b>1QFY24</b>	<b>(bps)</b>	<b>(bps)</b>
Gross margin	35.7	39.8	39.8	410	0
EBITDA	14.7	16.0	18.4	370	240
EBIT	12.4	12.9	15.8	340	290
EBT	12.3	12.3	15.6	330	330
PAT	9.2	8.5	11.7	250	320
Effective Tax Rate	26.1	23.9	25.7	-50	180

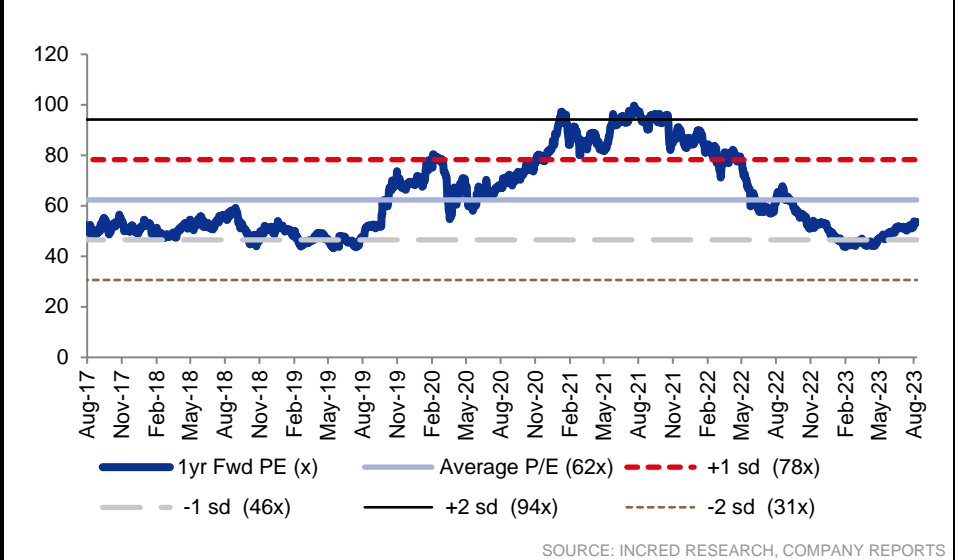
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 2: Our revised earnings estimates**

Y/E, Mar (Rs. m)	FY24F			FY25F			FY26F
	Earlier	Revised	% Change	Earlier	Revised	% Change	Introduced
Net Sakes	1,17,580	1,17,375	-0.2	1,28,691	1,26,929	-1.4	1,37,681
EBITDA	19,436	20,302	4.5	20,632	21,254	3.0	22,617
EBITDA Margin (%)	16.5	17.3	80 bp	16.0	16.7	70 bp	16.4
APAT	11,983	12,641	5.5	12,754	13,238	3.8	14,162
EPS	12.3	13.0	5.5	13.1	13.6	3.8	14.6

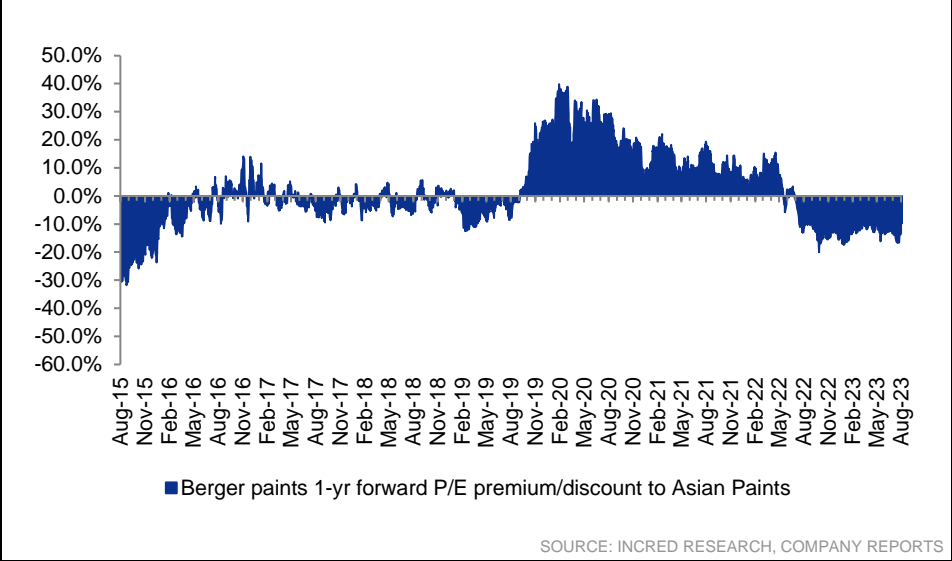
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 3: BRGR's one-year forward P/E trades between its five-year average and -1SD**

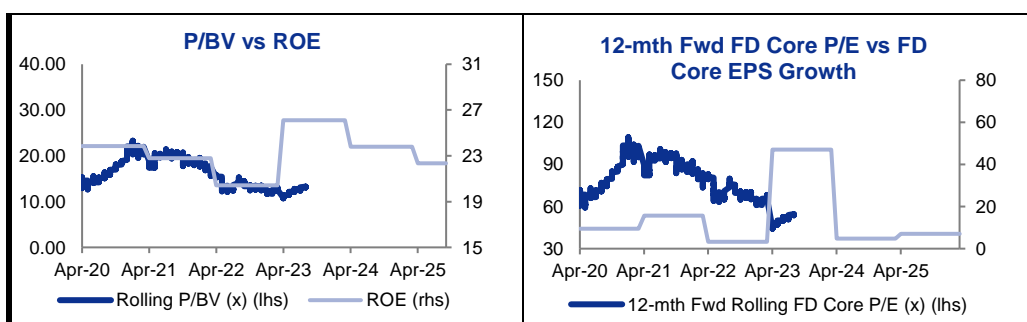


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: BRGRs one-year forward P/E trades at a 9.1% discount to Asian Paints



**BY THE NUMBERS**



**Profit & Loss**

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>Total Net Revenues</b>	<b>87,618</b>	<b>105,678</b>	<b>117,375</b>	<b>126,929</b>	<b>137,681</b>
<b>Gross Profit</b>	<b>33,327</b>	<b>38,373</b>	<b>46,038</b>	<b>49,673</b>	<b>52,899</b>
<b>Operating EBITDA</b>	<b>13,311</b>	<b>14,872</b>	<b>20,302</b>	<b>21,254</b>	<b>22,617</b>
Depreciation And Amortisation	(2,265)	(2,640)	(3,112)	(3,324)	(3,495)
<b>Operating EBIT</b>	<b>11,046</b>	<b>12,232</b>	<b>17,190</b>	<b>17,930</b>	<b>19,121</b>
Financial Income/(Expense)	139	(477)	(53)	11	64
Pretax Income/(Loss) from Assoc.	33	(132)	(90)	(90)	(90)
Non-Operating Income/(Expense)					
<b>Profit Before Tax (pre-EI)</b>	<b>11,217</b>	<b>11,623</b>	<b>17,047</b>	<b>17,851</b>	<b>19,095</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>11,217</b>	<b>11,623</b>	<b>17,047</b>	<b>17,851</b>	<b>19,095</b>
Taxation	(2,893)	(3,019)	(4,406)	(4,613)	(4,933)
Exceptional Income - post-tax					
<b>Profit After Tax</b>	<b>8,324</b>	<b>8,604</b>	<b>12,641</b>	<b>13,238</b>	<b>14,162</b>
Minority Interests	(1)	(10)			
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
<b>Net Profit</b>	<b>8,322</b>	<b>8,594</b>	<b>12,641</b>	<b>13,238</b>	<b>14,162</b>
Recurring Net Profit	8,322	8,594	12,641	13,238	14,162
<b>Fully Diluted Recurring Net Profit</b>	<b>8,322</b>	<b>8,594</b>	<b>12,641</b>	<b>13,238</b>	<b>14,162</b>

**Cash Flow**

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>EBITDA</b>	<b>13,311</b>	<b>14,872</b>	<b>20,302</b>	<b>21,254</b>	<b>22,617</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(5,378)	(2,172)	1,939	(3,052)	495
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
<b>Other Operating Cashflow</b>					
Net Interest (Paid)/Received	(507)	(992)	(591)	(576)	(576)
Tax Paid	(2,893)	(3,019)	(4,406)	(4,613)	(4,933)
<b>Cashflow From Operations</b>	<b>4,532</b>	<b>8,688</b>	<b>17,244</b>	<b>13,013</b>	<b>17,603</b>
Capex	(8,801)	(9,072)	(2,500)	(2,500)	(2,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	1,859	1,028	539	587	640
<b>Cash Flow From Investing</b>	<b>(6,941)</b>	<b>(8,044)</b>	<b>(1,961)</b>	<b>(1,913)</b>	<b>(1,860)</b>
Debt Raised/(repaid)	3,798	1,754	(6,747)		
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(3,524)	(3,892)	(5,609)	(5,831)	(6,215)
Preferred Dividends					
Other Financing Cashflow	754	881	(90)	(90)	(90)
<b>Cash Flow From Financing</b>	<b>1,028</b>	<b>(1,256)</b>	<b>(12,446)</b>	<b>(5,921)</b>	<b>(6,305)</b>
Total Cash Generated	(1,381)	(613)	2,837	5,178	9,437
<b>Free Cashflow To Equity</b>	<b>1,388</b>	<b>2,398</b>	<b>8,536</b>	<b>11,099</b>	<b>15,742</b>
<b>Free Cashflow To Firm</b>	<b>(1,902)</b>	<b>1,636</b>	<b>15,874</b>	<b>11,675</b>	<b>16,318</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

<b>Balance Sheet</b>					
<b>(Rs mn)</b>	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Total Cash And Equivalents	4,002	2,977	5,813	10,991	20,429
Total Debtors	10,537	12,431	13,439	14,969	15,917
Inventories	23,158	23,191	21,548	23,189	25,169
Total Other Current Assets	5,018	5,302	5,302	5,302	5,302
<b>Total Current Assets</b>	<b>42,715</b>	<b>43,901</b>	<b>46,102</b>	<b>54,451</b>	<b>66,816</b>
Fixed Assets	25,169	31,601	30,988	30,164	29,169
Total Investments	1,471	1,302	1,302	1,302	1,302
Intangible Assets	2,756	2,817	2,817	2,817	2,817
Total Other Non-Current Assets		41	240	271	308
<b>Total Non-current Assets</b>	<b>29,395</b>	<b>35,760</b>	<b>35,347</b>	<b>34,553</b>	<b>33,595</b>
Short-term Debt	7,332	8,466	1,719	1,719	1,719
Current Portion of Long-Term Debt					
Total Creditors	21,605	21,409	22,912	23,062	26,521
Other Current Liabilities					
<b>Total Current Liabilities</b>	<b>28,937</b>	<b>29,875</b>	<b>24,631</b>	<b>24,781</b>	<b>28,240</b>
Total Long-term Debt	2,803	3,424	3,424	3,424	3,424
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
<b>Total Non-current Liabilities</b>	<b>2,803</b>	<b>3,424</b>	<b>3,424</b>	<b>3,424</b>	<b>3,424</b>
Total Provisions	1,033	1,343	1,343	1,343	1,343
<b>Total Liabilities</b>	<b>32,773</b>	<b>34,642</b>	<b>29,397</b>	<b>29,547</b>	<b>33,007</b>
Shareholders Equity	39,270	44,941	51,973	59,380	67,327
Minority Interests	72	81	81	81	81
<b>Total Equity</b>	<b>39,342</b>	<b>45,023</b>	<b>52,055</b>	<b>59,461</b>	<b>67,408</b>

<b>Key Ratios</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Revenue Growth	28.5%	20.6%	11.1%	8.1%	8.5%
Operating EBITDA Growth	12.0%	11.7%	36.5%	4.7%	6.4%
Operating EBITDA Margin	15.2%	14.1%	17.3%	16.7%	16.4%
Net Cash Per Share (Rs)	(6.31)	(9.18)	0.69	6.02	15.74
BVPS (Rs)	40.43	46.26	53.50	61.13	69.31
Gross Interest Cover	21.78	12.33	29.06	31.13	33.20
Effective Tax Rate	25.8%	26.0%	25.8%	25.8%	25.8%
Net Dividend Payout Ratio	42.3%	45.3%	44.4%	44.1%	43.9%
Accounts Receivables Days	43.19	39.66	40.22	40.85	40.94
Inventory Days	132.17	125.68	114.46	105.68	104.09
Accounts Payables Days	132.99	116.63	113.39	108.60	106.73
ROIC (%)	24.5%	22.7%	33.4%	33.4%	36.7%
ROCE (%)	24.8%	23.1%	30.1%	29.4%	27.9%
Return On Average Assets	12.5%	12.0%	15.8%	15.5%	14.9%

<b>Key Drivers</b>					
	<b>Mar-22A</b>	<b>Mar-23A</b>	<b>Mar-24F</b>	<b>Mar-25F</b>	<b>Mar-26F</b>
Domestic revenue growth	28.6%	22.3%	10.7%	7.0%	7.8%
EBIDTA margins	15.2%	14.1%	17.3%	16.7%	16.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

---

## DISCLAIMER

---

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000007793. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. 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 IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which are believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made. (Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short term views etc.) that are inconsistent with and reach different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report



	Analyst/ Relative	Entity/ Associates
any financial interests in the company covered in this report (subject company) and nature of such financial interest	NO	NO
actual/beneficial ownership of 1% or more in securities of 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;	NO	NO
any other material conflict of interest at the time of publication of the research report or at the time of public appearance	NO	NO
received any compensation from the subject company in the past twelve months for investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months for products/services other than investment banking or merchant banking or broker- age services or investment advisory or depository or distribution from the subject company in the last twelve months	NO	NO
managed or co-managed public offering of securities for the subject company in the last twelve months	NO	NO
received any compensation or other benefits from the subject company or third party in connection with the research report	NO	NO
served as an officer, director or employee of the subject company	NO	NO
been engaged in market making activity for the subject company	NO	NO

#### Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.