

India

ADD (no change)

Consensus ratings*: Buy 18 Hold 1 Sell 1

Current price:	Rs595
Target price:	Rs754
Previous target:	Rs754
Up/downside:	26.7%
InCred Research / Consensus:	1.7%
Reuters:	CNTP.NS
Bloomberg:	CPBI IN
Market cap:	US\$1,636m
	Rs132,260m
Average daily turnover:	US\$1.5m
	Rs124.7m
Current shares o/s:	222.2m
Free float:	27.0%

*Source: Bloomberg

Key changes in this note

- Revenue raised by 1%/7% for FY23F/24F.
- EBITDA revised by -3% to 1% for FY23F/24F.
- PAT revised by -3% to 1% for FY23F/24F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(4.7)	(3.5)	(12.4)
Relative (%)	(10.7)	(7.2)	(14.0)

Major shareholders	% held
Promoters	73.0
Kotak Debt Hybrid Fund	4.1
Dsp Dynamic Asset Allocation Fund	2.9

Analyst(s)



Rahul AGARWAL

T (91) 22 4161 1553
E rahul.agarwal@incredcapital.com

Harshit SARAWAGI

T (91) 22 4161 0000
E harshit.sarawagi@incredcapital.com

Century Plyboards

Timely capex execution critical going ahead

- Demand improving in the latter half of 2Q led to revenue/EBITDA/PAT beat vs. our/Bloomberg consensus estimates. MDF/PB EBITDA margins declined qoq.
- CPIL plans a lifetime-high capex of ~Rs16bn across all its four products over FY23F-25F. Better sales mix will lead to higher margins and ROCE by FY26F.
- Stock can consolidate, given capex execution risks (most capacities to start by Mar 2024F) and uncertainty on MDF pricing/margins next fiscal. Retain ADD.

2QFY23 fares much better than expectations despite high base

Century Plyboards India (CPIL) posted 2QFY23 revenue/EBITDA/PAT of Rs9bn/Rs1.5bn/Rs1bn, +11%/-6%/+6% yoy, beating our estimates by 10%/20%/31% and Bloomberg consensus estimates by 3%/9%/22%, respectively. This was despite an unfavourable high base quarter last fiscal (1QFY22 saw Covid 2.0 impact). Old high-cost raw material inventory and incremental inflation led to a fall in gross margin to 45.8%, down 240bp yoy and 140bp qoq. EBITDA margin fell to 16.7%, down 315bp yoy while flat qoq. Segment-wise, plywood and laminate revenue grew by over 10% yoy while medium density fibre (MDF) and particle board (PB) revenue rose by over 20% yoy. Adjusted EBITDA margin for plywood (ex-subsidiary investment write-off) and laminate stood at 14% and 17.4%, respectively, up sharply by 350-400bp qoq. However, MDF/PB EBITDA margins fell sharply to 25.2%/28.5%, respectively, down 750-950bp qoq, due to high input cost and a short MDF plant shutdown in 2Q. CPIL recognized impairment loss of Rs470m relating to its Myanmar arm (political developments led to discontinuation of operations) in 2Q. It plans to divest 100% of subsidiary equity stake for ~Rs100m by Mar 2023F. Also, an earlier entry tax provision of Rs142.5m was reversed and booked as other income in 2Q.

Gross block to more than double over FY22-FY25F

CPIL is undergoing a very large capacity expansion for plywood, laminates, MDF and PB, given most existing capacities are running fully. It plans to incur capex of Rs16.5bn (plywood: 60k cbm, Rs750m; laminate: 4m sheets, Rs2.1bn; MDF: 430k cbm, Rs8.2bn; PB: 360k cbm, Rs5.5bn) over FY22-25F. This implies Mar 2022 gross block of Rs10.6bn to more than double over next 2.5 years and potential incremental revenue of ~Rs25bn assuming asset turnover of 1.5x. CPIL gave guidance of sustainable consolidated EBITDA margin range of 16-18% (excluding cyclical fluctuations) over the next five years.

Change in our estimates; roll out FY25F

We incorporate 1H actuals and revise revenue/EBITDA/PAT by -3 to +7% for FY23F/24F. We cut MDF/PB EBITDA margin to 22.5% over FY24F-25F. Consolidated EBITDA margin cut to 16.8%/16.3% from 17.5%/17.2% earlier for FY23F/24F, respectively.

Valuation and risks

Stock can consolidate over the next one year, given capex execution risks and uncertainty on MDF pricing/margins. Retain ADD with a TP of Rs754. Downside risk: Capex delay.

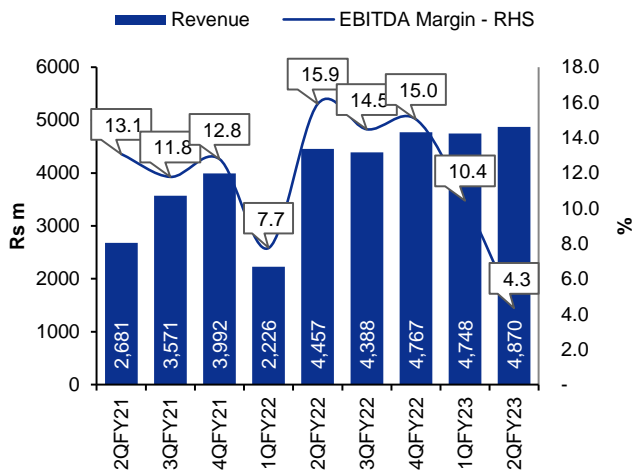
Financial Summary	Mar-21A	Mar-22A	Mar-23F	Mar-24F	Mar-25F
Revenue (Rsm)	21,136	30,009	37,071	44,260	53,714
Operating EBITDA (Rsm)	3,354	5,346	6,209	7,210	9,019
Net Profit (Rsm)	1,921	3,253	3,856	4,654	5,856
Core EPS (Rs)	9.0	14.6	18.5	20.9	26.4
Core EPS Growth	4.3%	62.0%	26.1%	13.5%	25.8%
FD Core P/E (x)	68.83	40.66	34.30	28.42	22.58
DPS (Rs)	1.0	1.5	1.5	1.5	2.0
Dividend Yield	0.17%	0.25%	0.25%	0.25%	0.34%
EV/EBITDA (x)	39.16	24.64	21.41	18.88	14.43
P/FCFE (x)	1,678.06	185.85	103.85	212.86	72.17
Net Gearing	(7.1%)	(3.4%)	3.7%	16.6%	(7.4%)
P/BV (x)	10.46	8.45	6.90	5.63	4.58
ROE	17.2%	23.0%	23.6%	21.8%	22.4%
% Change In Core EPS Estimates			(4.52%)	1.10%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

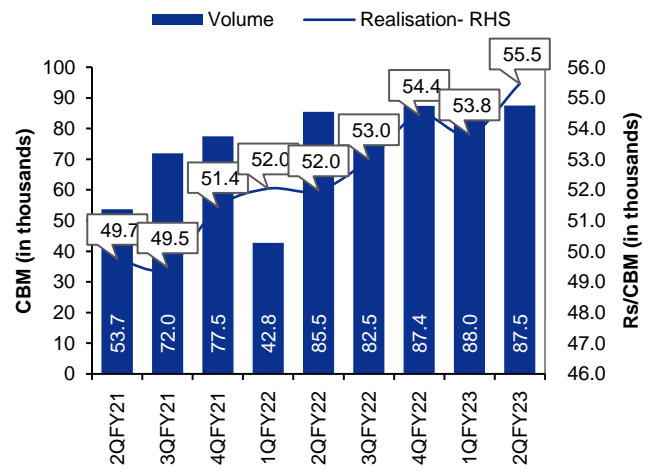
2QFY23 earnings-call highlights

- **Demand trend:** Given repeated new launches of residential and commercial properties, CPIL expects wood panel demand to recover and strengthen over 2HFY23F-FY25F. The company has been consistently gaining market share in plywood and MDF segments. However, plywood segment continues to see down trading and given a high base in 2H last fiscal, revenue growth for the segment is expected to be in high single digits yoy in 2HFY23F.
- **Guidance:** Management maintained its revenue growth guidance of 20% yoy for FY23F. Segment-wise, plywood sales volume and revenue growth are expected at 15% and 20% yoy, laminate at 15% each, MDF 20% each and PB sales volume and revenue growth at 10% yoy and 20% yoy, respectively. EBITDA margin guidance too was maintained for plywood – 13 to 15%, laminate – 14 to 16%, and MDF/PB at 25% for FY23F.
- **Price hike and input cost:** Raw material prices remain elevated for timber while they declined for paper and chemical segments. The company did not take any price hike in 2QFY23 and expects gross margin to be better in 2HFY23F vs. 1HFY23.
- **Timber availability:** Given remunerative timber prices, Indian farmers have opted to increase timber plantations. This should improve timber availability in the next fiscal year, leading to lower input cost, as per management.
- **Import prices:** Imported MDF (US\$220/cbm - excluding freight and related charges) and PB (US\$120-150/cbm excluding freight and related charges) prices remain lower by 10-15% as compared to Indian prices. Imports have been increasing in India, given declining freight prices post Covid-19 pandemic.
- **MDF margins:** Timber prices stayed elevated during the quarter and have increased by 10-12% in 1HFY23. The MDF plant also had a scheduled maintenance shutdown for 10 days leading to a decline in capacity utilization to 80% vs. 89% qoq in 2Q. Hence, MDF division saw gross/EBITDA margins decline qoq, which are expected to recover back to 28-30% in 2HFY23F.
- **PB margins:** Boston Consulting Group (BCG) has now been engaged for efficiency improvement in the PB division. Consultancy cost impacted EBITDA margin by 2-2.5% for the quarter. This spending will continue in 2HFY23F.
- **Capex update:** The brownfield MDF expansion at the existing Hoshiarpur plant is on track and 350 cbm/day of capacity is expected to start production by Dec 2022F. Land acquisition for the new plywood unit of 75k cbm has been delayed and the plant would come on stream in FY24F. The company announced a fresh greenfield plant for PB with a capacity of 1,200 cbm/day at a capex outlay of Rs5.5bn in Chennai, Tamil Nadu. The land acquisition has already been completed and the plant is expected to be ready for commercial production by Mar 2025F.
- **Cash conversion cycle:** Net working capital cycle improved to 59 days of TTM sales, down 3 days vs. Mar 2022. Inventory was at 51 days while receivables were at 38 days of TTM sales.
- **Cash flow:** OCF/FCF was at Rs2.2bn/Rs1.2bn, respectively, in 1HFY23. Net cash as at end-Jun 2022 stood at Rs1.8bn. Net cash and equivalents stood at Rs1.7bn (adjusted for buyers' credit).

Figure 1: Quarterly trend: Plywood & allied products

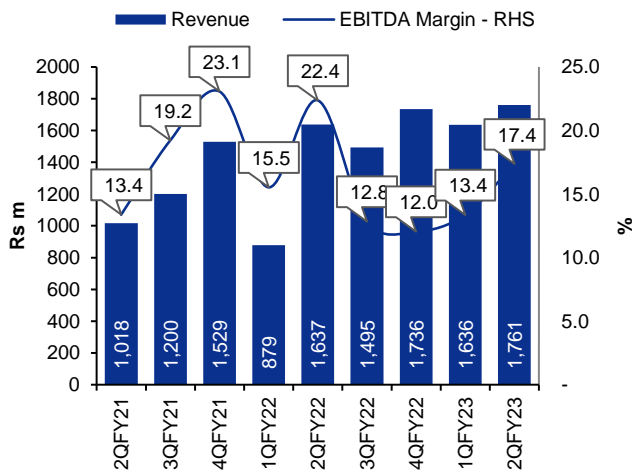


SOURCE: INCRED RESEARCH, COMPANY REPORTS

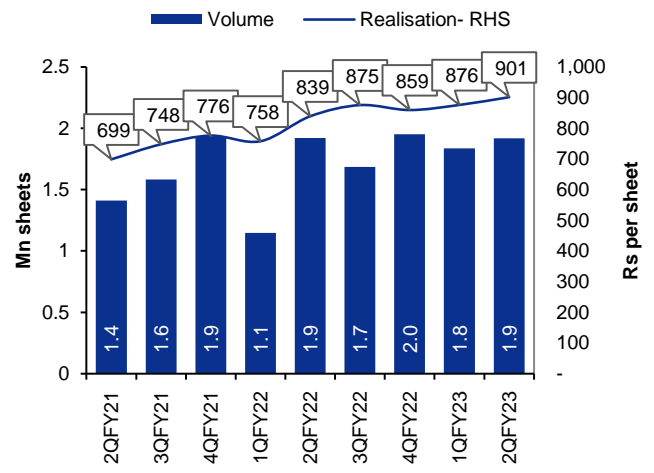


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Quarterly trend: Laminates & allied products

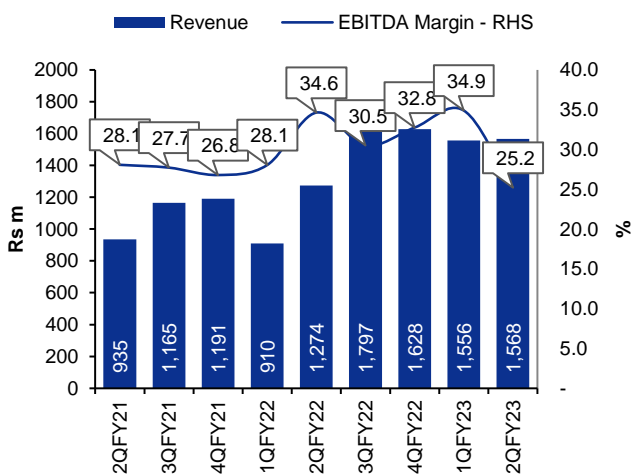


SOURCE: INCRED RESEARCH, COMPANY REPORTS

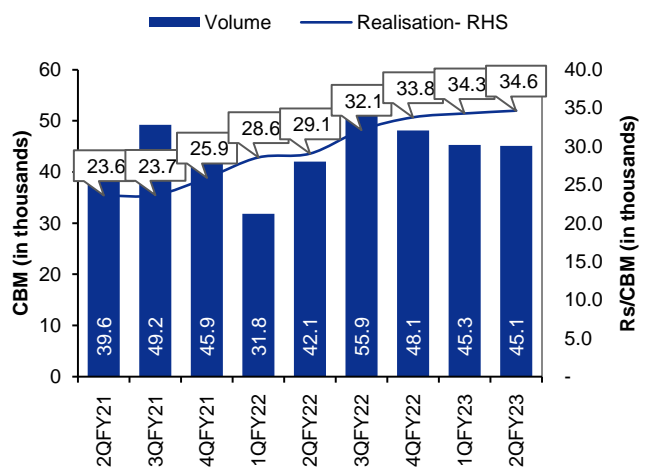


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Quarterly trend: Medium density fibreboard (MDF)

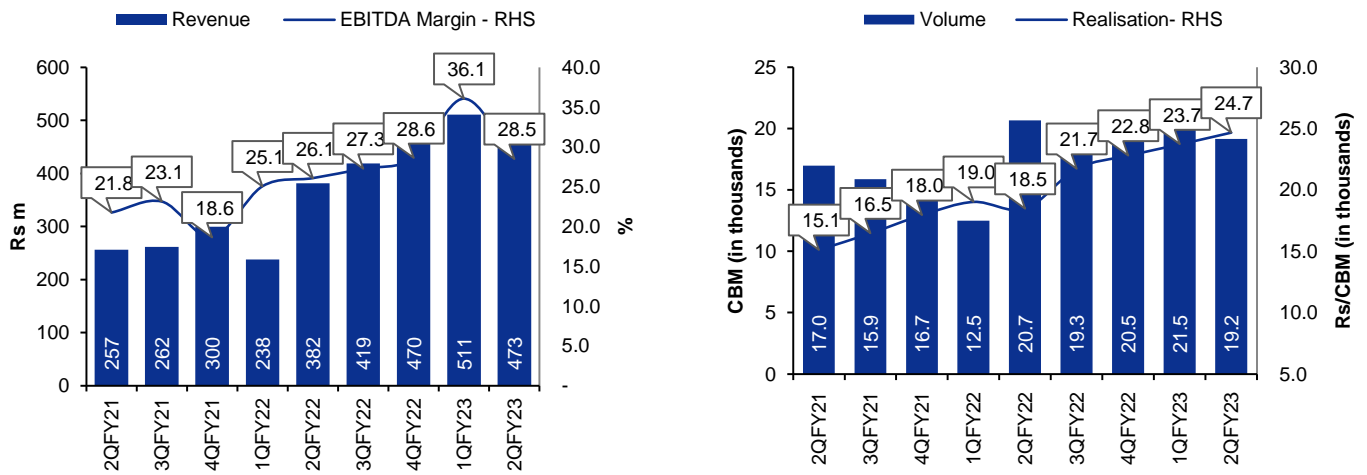


SOURCE: INCRED RESEARCH, COMPANY REPORTS



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Quarterly trend: Particle board



SOURCE: INCRED RESEARCH, COMPANY REPORTS

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: 2QFY23 results snapshot

YE Mar (Rs m)	2QFY23	2QFY22	yoy (%)	1QFY23	qoq (%)	1HFY23	1HFY22	yoy (%)
Revenue	9,002	8,083	11.4	8,815	2.1	17,817	12,572	41.7
EBITDA	1,507	1,607	(6.2)	1,453	3.7	2,960	2,219	33.4
EBITDA margin (%)	16.7	19.9	-314 bp	16.5	26 bp	16.6	17.7	-104 bp
Adj. PAT	1,090	1,031	5.7	965	13.0	2,055	1,370	50.0
Diluted EPS (Rs)	4.9	4.6		4.3		9.2	8.5	

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: 2QFY23 segmental results snapshot

YE Mar	2QFY23	2QFY22	yoy (%)	1QFY23	qoq (%)
Revenue (Rs m)					
Plywood & allied products	4,870	4,457	9.3	4,748	2.6
Laminates & allied products	1,761	1,637	7.6	1,636	7.7
Medium density fibreboard (MDF)	1,568	1,274	23.0	1,556	0.7
Particle board	473	382	24.1	511	(7.3)
Container freight station services	175	176	(0.1)	207	(15.3)
Others	154	157	(1.7)	158	(2.5)
Total	9,002	8,083	11.4	8,800	2.3
EBIT (Rs m)					
Plywood & allied products	189	702	(73.1)	501	(62.3)
Laminates & allied products	300	351	(14.4)	219	36.8
Medium density fibreboard (MDF)	377	397	(5.0)	528	(28.6)
Particle board	130	88	46.5	179	(27.5)
Container freight station services	19	5	261.5	32	(41.4)
Others	9	35	(74.3)	15	(39.5)
Total	1,023	1,577	(35.2)	1,473	(30.6)
EBIT margin (%)					
Plywood & allied products	3.9	15.7	-1,187 bp	10.5	-667 bp
Laminates & allied products	17.0	21.4	-438 bp	13.4	363 bp
Medium density fibreboard (MDF)	24.0	31.1	-709 bp	33.9	-988 bp
Particle board	27.4	23.2	419 bp	35.0	-761 bp
Container freight station services	10.7	3.0	776 bp	15.5	-478 bp
Others	5.8	22.1	-1,630 bp	9.3	-353 bp
Total	11.4	19.5	-815 bp	16.7	-535 bp

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Actuals vs. our estimates

Rs m	2QFY23A	2QFY23A	Var (%)
Revenue	9,002	8,216	9.6
EBITDA	1,507	1,259	19.7
EBITDA margin (%)	16.7	15.3	142 bp
Adj. PAT	1,090	829	31.4

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 8: Actuals vs. Bloomberg consensus

Rs mn	2QFY23A	2QFY23C	Var (%)
Revenue	9,002	8,704	3.4
EBITDA	1,507	1,389	8.5
EBITDA margin (%)	16.7	16.0	78 bp
Adj. PAT	1,090	893	22.0

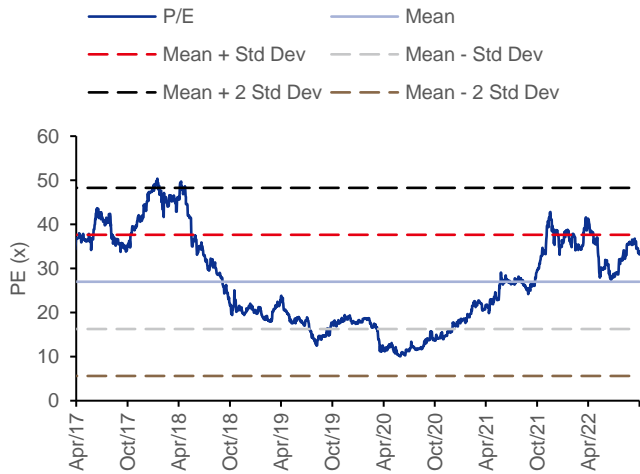
SOURCE: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 9: Revision in our estimates

	New estimates			Old estimates			Change (%)		
	FY23F	FY24F	FY25F	FY23F	FY24F	FY25F	FY23F	FY24F	FY25F
Revenue	37,071	44,260	53,714	36,616	41,415	NA	1.2	6.9	NA
EBITDA	6,209	7,210	9,019	6,408	7,123	NA	-3.1	1.2	NA
Adjusted consol. PAT	4,183	4,654	5,856	4,287	4,594	NA	-2.4	1.3	NA
EPS	18.8	20.9	26.4	19.3	20.7	NA	-2.4	1.3	NA
EBITDA margin (%)	16.8	16.3	16.8	17.5	17.2	NA	-75 bp	-91 bp	NA

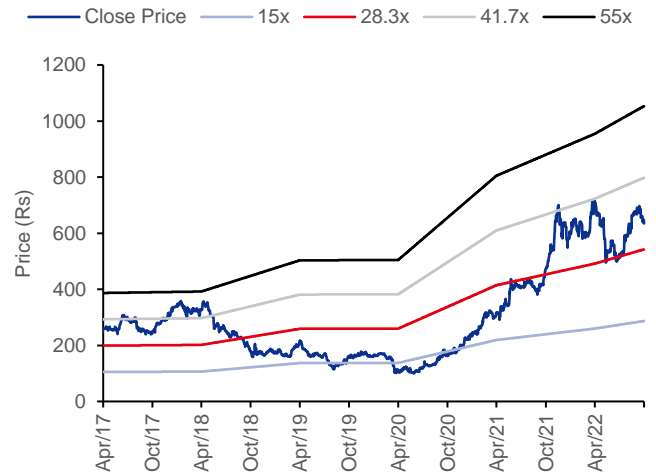
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 10: P/E SD (5-year mean P/E)



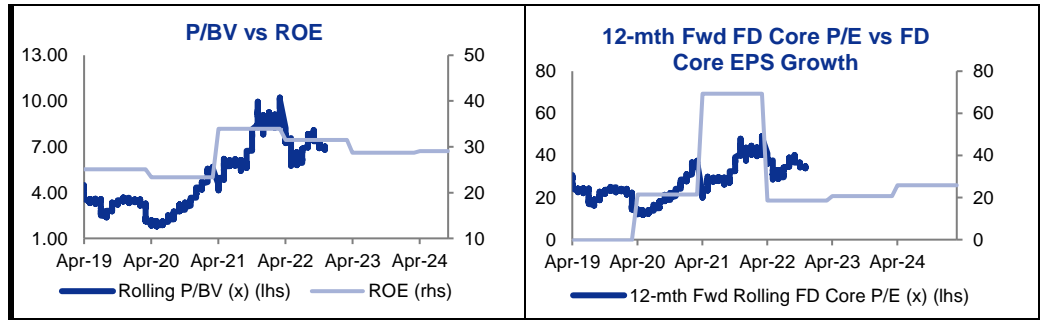
SOURCE: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 11: P/E band (1-year forward EPS)



SOURCE: INCRED RESEARCH, COMPANY REPORTS, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-21A	Mar-22A	Mar-23F	Mar-24F	Mar-25F
Total Net Revenues	21,136	30,009	37,071	44,260	53,714
Gross Profit	10,542	14,792	17,331	20,027	23,500
Operating EBITDA	3,354	5,346	6,209	7,210	9,019
Depreciation And Amortisation	(626)	(675)	(784)	(1,017)	(1,312)
Operating EBIT	2,728	4,670	5,426	6,193	7,707
Financial Income/(Expense)	(99)	8	(54)	(194)	(232)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	98	124	110	125	131
Profit Before Tax (pre-EI)	2,727	4,802	5,482	6,123	7,606
Exceptional Items	(118)		(328)		
Pre-tax Profit	2,609	4,802	5,155	6,123	7,606
Taxation	(688)	(1,549)	(1,299)	(1,470)	(1,749)
Exceptional Income - post-tax					
Profit After Tax	1,921	3,253	3,856	4,654	5,856
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	1,921	3,253	3,856	4,654	5,856
Recurring Net Profit	2,008	3,253	4,101	4,654	5,856
Fully Diluted Recurring Net Profit	2,008	3,253	4,101	4,654	5,856

Cash Flow

(Rs mn)	Mar-21A	Mar-22A	Mar-23F	Mar-24F	Mar-25F
EBITDA	3,354	5,346	6,209	7,210	9,019
Cash Flow from Invt. & Assoc.					
Change In Working Capital	631	(1,714)	(1,188)	(922)	(1,538)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	(54)	157	(271)	(69)	(101)
Net Interest (Paid)/Received	99	(8)	54	194	232
Tax Paid	(441)	(1,092)	(1,299)	(1,470)	(1,749)
Cashflow From Operations	3,589	2,689	3,505	4,943	5,863
Capex	(600)	(2,302)	(4,350)	(7,605)	(3,110)
Disposals Of FAs/subsidiaries	84	225			
Acq. Of Subsidiaries/investments	(1,746)	(639)	1,000	1,200	
Other Investing Cashflow	24	36	119	83	80
Cash Flow From Investing	(2,238)	(2,681)	(3,231)	(6,322)	(3,030)
Debt Raised/(repaid)	(1,272)	703	1,000	2,000	(1,000)
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid		(223)	(333)	(334)	(445)
Preferred Dividends					
Other Financing Cashflow	(110)	(95)	(172)	(277)	(312)
Cash Flow From Financing	(1,382)	386	494	1,389	(1,758)
Total Cash Generated	(31)	394	768	10	1,075
Free Cashflow To Equity	79	712	1,274	621	1,833
Free Cashflow To Firm	1,243	(88)	101	(1,656)	2,520

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-21A	Mar-22A	Mar-23F	Mar-24F	Mar-25F
Total Cash And Equivalents	1,860	2,493	2,261	1,071	2,146
Total Debtors	2,970	3,489	4,310	4,850	5,886
Inventories	3,302	4,895	6,094	7,276	8,830
Total Other Current Assets	758	771	952	1,137	1,380
Total Current Assets	8,890	11,648	13,616	14,334	18,242
Fixed Assets	6,594	6,737	9,951	15,538	20,137
Total Investments	1,169	1,547	1,547	1,547	1,547
Intangible Assets					
Total Other Non-Current Assets	1,217	2,215	2,567	3,567	767
Total Non-current Assets	8,980	10,499	14,065	20,653	22,451
Short-term Debt	727	1,961	2,959	4,956	
Current Portion of Long-Term Debt					
Total Creditors	2,139	2,545	3,047	3,638	4,415
Other Current Liabilities	1,797	1,520	2,031	2,425	2,943
Total Current Liabilities	4,664	6,026	8,037	11,019	7,358
Total Long-term Debt	238	3	5	8	
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	319	301	301	301	301
Total Non-current Liabilities	557	304	305	308	301
Total Provisions		168	168	168	168
Total Liabilities	5,221	6,498	8,511	11,495	7,827
Shareholders Equity	12,649	15,649	19,171	23,491	28,903
Minority Interests					
Total Equity	12,649	15,649	19,171	23,491	28,903

Key Ratios					
	Mar-21A	Mar-22A	Mar-23F	Mar-24F	Mar-25F
Revenue Growth	(7.4%)	42.0%	23.5%	19.4%	21.4%
Operating EBITDA Growth	(4.1%)	59.4%	16.2%	16.1%	25.1%
Operating EBITDA Margin	15.9%	17.8%	16.8%	16.3%	16.8%
Net Cash Per Share (Rs)	4.03	2.38	(3.16)	(17.52)	9.66
BVPS (Rs)	56.93	70.43	86.29	105.73	130.09
Gross Interest Cover	25.27	48.60	31.46	22.32	24.66
Effective Tax Rate	26.4%	32.3%	25.2%	24.0%	23.0%
Net Dividend Payout Ratio	8.1%	6.9%	6.1%	5.5%	5.9%
Accounts Receivables Days	47.94	39.28	38.39	37.77	36.48
Inventory Days	117.88	98.31	101.60	100.69	97.28
Accounts Payables Days	64.60	56.19	51.70	50.34	48.64
ROIC (%)	22.8%	42.8%	38.6%	32.9%	29.3%
ROCE (%)	20.6%	30.4%	27.7%	24.6%	27.0%
Return On Average Assets	16.5%	24.0%	22.2%	20.2%	20.7%

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.