

India

Overweight (no change)**Highlighted Companies****APL Apollo Tubes****ADD, TP Rs1611, Rs1720 close**

We expect the meaningful ramp-up of its Raipur plant to result in better sales mix and a higher share of value-added products. We expect EBITDA/t at Rs4,700, flat qoq, in 2QFY24F.

KEI Industries**ADD, TP Rs2598, Rs2684 close**

We expect a steady 2QFY24F performance, with the cable segment's revenue growth at +20% yoy and a stable EBITDA margin of 10.4%. Status update on Gujarat capex to be a key monitorable parameter.

Summary Valuation Metrics

P/E (x)	Mar22-A	Mar23-A	Mar24-F
APL Apollo Tubes	77.26	74.3	54.47
KEI Industries	64.3	50.67	40.35

P/BV (x)	Mar22-A	Mar23-A	Mar24-F
APL Apollo Tubes	18.93	15.8	12.88
KEI Industries	11.45	9.44	7.76

Dividend Yield	Mar22-A	Mar23-A	Mar24-F
APL Apollo Tubes	0.2%	0.29%	0.41%
KEI Industries	0.09%	0.11%	0.15%

Industrial - Overall**2Q preview: Durables and building materials**

- An eroded base quarter would lead to strong EBITDA/PAT growth yoy. Sales volume to drive revenue growth vs. pricing in 2QFY24F, in our view.
- Cable and wire, structural steel tube, PVC products and sanitaryware/faucet sales continued to do well in 2Q. Durables, tiles and wood panels were weak.
- Good 2Q: Polycab, KEI Inds., Astral, Supreme Inds., APL Apollo and Cera. Weak 2Q: CG Consumer, Orient Electric, Kajaria and Century Plyboards.

Strong EBITDA/PAT growth yoy on the back of a weak base quarter

We expect our consumer durable and building materials coverage universe to report strong EBITDA/PAT growth yoy owing to a weak base quarter (impacted by weak B2C demand, volatile/expensive input prices). Sector demand-supply trends have been similar qoq with cable and wire, structural steel tubes, PVC products and sanitaryware/faucet businesses continuing to do well in 2QFY24F, based on our management interactions and channel check. B2B/B2G demand has been relatively stronger vs. B2C, which still is reeling under the high inflation impact. Large/small domestic appliances, durables, tiles and wood panels witnessed weak incremental demand momentum. Real estate launches continued at a good pace in 2Q, and 2HFY24F should see demand revival, especially for those products, the application of which starts when projects near completion.

Expectations from consumer durable companies

Our coverage universe reported sub-optimal revenue and margins in 2QFY23 (base quarter) owing to weak demand and inability to pass on higher input prices. On such an eroded base, we expect cumulative revenue/EBITDA/PAT growth of 19%/24%/34% yoy, respectively, largely driven by volume growth vs. pricing. Within products, switches/switchgear, B2B lighting, housing wire, fan and room air-conditioners or ACs saw average demand trend qoq while B2C lighting and small domestic appliances demand remained weak. We expect Havells/V-Guard to improve their EBITDA margin as input prices decline and the old high-cost inventory impact reduces further while Orient Electric, Polycab, KEI Industries and Finolex Cables are likely to maintain stable margins.

Expectations from building material companies

We expect cumulative revenue/EBITDA/PAT growth at 11%/103%/129% yoy, respectively, for our coverage universe. The sales volume growth is expected to be 15-25% yoy for structural steel and PVC-based products and weak for tiles and wood panels. Sanitaryware and faucet demand remained steady qoq. Revenue growth is likely to be lower than volume growth due to lower hot rolled coil or HRC steel/PVC prices yoy leading to lower realization. EBITDA/PAT growth is on the back of higher margins in 2QFY24F yoy (base quarter impacted due to inventory losses). Supreme Industries and Astral are likely to report the best set of numbers and Century Plyboards the weakest in our coverage universe.

What do we prefer?

Based on P/E-G matrix, we prefer APL Apollo & KEI Industries over the next 12 months.

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

Figure 1: 2QFY24F earnings summary (Rs m)

	Revenue	% yoy	EBITDA	% yoy	PAT	% yoy
Havells India	41,204	12.0	4,162	45.1	2,878	53.9
CG Consumer	17,885	5.2	1,699	-12.0	1,004	-20.2
V-Guard Industries	11,590	17.5	956	31.5	533	22.1
Orient Electric	6,032	18.1	392	237.7	167	NM
Polycab India	41,195	23.6	5,581	30.5	3,810	42.3
Finolex Cables	11,790	8.1	1,326	34.4	1,430	155.8
KEI Industries	18,942	17.8	1,960	22.1	1,343	25.7
Astral	13,994	19.4	2,393	66.2	1,452	106.3
Supreme Industries	22,542	8.0	3,618	145.9	2,572	213.6
Finolex Industries	9,482	0.8	1,541	NM	1,410	NM
APL Apollo Tubes	45,490	14.6	3,162	36.4	1,983	32.0
Kajaria Ceramics	11,626	7.9	1,872	44.6	1,166	58.6
Cera Sanitaryware	4,870	17.1	791	16.5	609	20.0
Century Plyboards	9,218	2.4	1,429	-5.2	913	-16.3
Total	2,65,860	13.2	30,882	56.0	21,271	73.3

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Coverage universe - valuation summary

Company Name	Bblg ticker	Rating	Market cap US\$m	Closing price Rs/share	Target Price Rs/share	Upside [%]	P/E (x)		EV/E (x)		CAGR % (FY23-25F)		FY25F	
							FY24F	FY25F	FY24F	FY25F	Revenue	EPS	RoE (%)	RoCE (%)
Building Materials														
Astral	ASTRA IN	HOLD	7,211	1,949	2,002	2.7	88.7	73.0	53.0	44.2	12.1	23.2	20.3	25.4
Supreme Industries	SI IN	ADD	7,590	4,339	3,949	-9.0	52.6	43.9	37.4	30.6	13.0	20.4	22.7	25.9
APL Apollo Tubes	APAT IN	ADD	6,567	1,720	1,611	-6.3	54.5	38.4	34.5	25.4	17.0	39.0	30.2	36.8
Kajaria Ceramics	KJC IN	HOLD	2,838	1,294	1,462	13.0	42.5	33.6	25.4	20.8	15.0	33.3	21.9	27.1
Finolex Industries	FNXP IN	REDUCE	1,920	225	177	-21.3	16.4	22.9	17.3	15.5	2.7	55.9	10.7	13.2
Century Plyboards	CPBI IN	HOLD	1,951	638	662	3.9	37.7	33.7	24.8	21.5	13.6	7.1	17.2	19.7
Cera Sanitaryware	CRS IN	ADD	1,612	9,001	8,780	-2.4	45.0	36.9	31.4	25.6	17.0	22.6	21.7	27.4
Simple Average							48.2	40.4	32.0	26.2	12.9	28.8	20.7	25.1
Electricals														
Havells India	HAVL IN	ADD	12,205	1,414	1,488	5.2	62.4	52.3	40.5	33.9	14.5	25.8	21.5	27.1
Polycab India	POLYCAB IN	ADD	11,199	5,421	4,792	-11.6	50.6	45.2	33.7	29.3	19.0	19.3	21.0	27.8
KEI Industries	KEII IN	ADD	3,334	2,684	2,598	-3.2	40.4	34.1	27.2	22.8	16.4	21.9	20.4	26.8
Crompton Greaves Consumer Electricals	CROMPTON IN	HOLD	2,649	300	307	2.3	36.9	29.3	23.8	19.7	10.4	17.1	20.8	22.1
Finolex Cables	FNXC IN	REDUCE	2,032	965	841	-12.8	18.9	17.0	17.8	14.4	15.6	31.2	16.1	16.6
V-Guard Industries	VGRD IN	REDUCE	1,797	301	290	-3.8	45.4	37.4	27.8	23.2	16.1	35.8	17.7	20.9
Orient Electric	ORIENTEL IN	HOLD	670	228	250	9.8	45.4	31.8	21.9	15.8	14.5	41.8	21.4	30.2
Simple Average							42.8	35.3	27.5	22.7	15.2	27.6	19.8	24.5

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: 2QFY24 Consumer durables preview

	2QFY24F	2QFY23	1QFY23	Change (%)		Comments
				yoy	qoq	
FMEG (Rs m)						
Havells India						
Net Sales	41,204	36,795	48,338	12.0	-14.8	# Base quarter saw the high inflation impact leading to sub-optimal gross/EBITDA margins. We expect continued margin recovery towards pre-Covid levels. # B2B
EBITDA	4,162	2,868	4,020	45.1	3.5	continues to see relatively higher demand vs. B2C during 2QFY24F.
EBITDA margin (%)	10.1	7.8	8.3	230bp	-52bp	# Switchgear/switches, cable/wire and Lloyd to drive topline growth. B2C lighting and ECD businesses had an average quarter. # Fans and room ACs saw varied monthly sales trend due to excessive rains in North India. # We expect Lloyd's EBIT loss at ~Rs650m in 2QFY24F.
Consolidated PAT	2,878	1,870	2,871	53.9	0.2	
CG Consumer (consolidated including Butterfly Gandhimathi)						
Net Sales	17,885	16,995	18,769	5.2	-4.7	# Contrary to peers, CG Consumer had a relatively stable base quarter. Hence, we expect a sub-optimal performance in 2QFY24F.
EBITDA	1,699	1,931	1,858	-12.0	-8.5	# 2Q is relatively a weak quarter for CG Consumer's standalone EBITDA margin. #
EBITDA margin (%)	9.5	11.4	9.9	-186bp	146bp	2Q is relatively a weak quarter for CG Consumer's standalone EBITDA margin. #
Consolidated PAT	1,004	1,258	1,184	-20.2	-15.2	Within segments, we expect the ECD segment's revenue growth at +12% yoy while the lighting segment and Butterfly to report revenue decline yoy. # LED price erosion is expected to lead to weak consumer luminaire sales in 2QFY24F. # 2Q for Butterfly is the strongest quarter within a fiscal. We expect a flattish performance yoy due to a heavy base quarter. Revenue/EBITDA to decline by 5%/2% yoy, respectively, in 2QFY24F.
V-Guard (including Sunflame)						
Net Sales	11,590	9,861	12,148	17.5	-4.6	# We expect the electronics segment's revenue growth at +20% yoy.
EBITDA	956	727	1,048	31.5	-8.7	# Electricals (mainly wires) and ECD segments' revenue growth is estimated at 5-10% yoy. # For Sunflame, 3Q is the strongest quarter within a fiscal. 2QFY24F
EBITDA margin (%)	8.2	7.4	8.6	88bp	-125bp	revenue: Rs726m, +15% qoq. # 2Q margins fall qoq due to seasonality. # Old high-cost inventory (mainly voltage stabilizers, water heaters) has declined and should lead to higher EBITDA margin yoy.
Consolidated PAT	533	437	642	22.1	-17.0	
Orient Electric						
Net Sales	6,032	5,106	7,056	18.1	-14.5	# Based on management's goal of growing higher than ECD industry's revenue growth in FY24F, Orient Electric could surprise positively on ECD sales growth. We expect ECD revenue of +26% yoy.
EBITDA	392	116	440	237.7	-10.9	# Lighting and switchgear (L&S) segment's sales to remain sub-optimal due to price cuts for bulbs/battens across the industry. We expect L&S revenue of +6% yoy in 2QFY24F. # Opex will continue to remain high due to reinvestments into strategic areas. Hence, the EBITDA margin should remain range-bound qoq.
EBITDA margin (%)	6.5	2.3	6.2	423bp	-396bp	
Consolidated PAT	167	-3	197	NM	-15.0	
C&W (Rs m)						
Polycab						
Net Sales	41,195	33,324	38,894	23.6	5.9	# Average copper prices in 2QFY24 rose +5% yoy while they declined 5% qoq. # We expect the C&W segment's sales to continue to report strong growth. We expect the C&W segment's revenue growth at 26.5% yoy. # The FMEG segment's revenue growth is expected at 6% yoy due to sub-optimal demand trend for B2C electrical products in 2QFY24F.
EBITDA	5,581	4,276	5,486	30.5	1.7	# The EBITDA margin should hold the latest trend, but we expect some softness qoq. # Intent on utilization of surplus cash (Rs15bn+) will be a key parameter to track.
EBITDA margin (%)	13.5	12.8	14.1	71bp	-127bp	
Consolidated PAT	3,810	2,678	3,993	42.3	-4.6	
Finolex Cables						
Net Sales	11,790	10,908	12,043	8.1	-2.1	# We expect the electrical cable segment's revenue growth at +12% yoy, communication cable segment -11% yoy and FMEG segment -5% yoy in 2QFY24F.
EBITDA	1,326	987	1,465	34.4	-9.5	# Base quarter had abnormally weak gross/EBITDA margins due to volatile copper prices. We expect a strong recovery yoy. # The share of profit from Finolex Industries (32.5% equity stake) should improve qoq, at +29% qoq.
EBITDA margin (%)	11.3	9.0	12.2	221bp	-312bp	
Consolidated PAT	1,430	554	1,604	158.2	-10.9	
KEI Industries						
Net Sales	18,942	16,081	17,826	17.8	6.3	# Cable and wire business continued to see healthy demand from B2B/B2G customers in 2QFY24F. # We expect the cable segment's revenue growth at +20% yoy. # The progress on status of EHV order execution, exports to USA and capacity expansion in Gujarat are key parameters to track in 2QFY24F.
EBITDA	1,960	1,606	1,783	22.1	10.0	
EBITDA margin (%)	10.4	10.0	10.0	37bp	-2bp	
Consolidated PAT	1,343	1,069	1,214	25.7	10.7	
Cumulative Financials						
Net Sales	1,48,638	1,29,070	1,55,072	15.2	-4.1	
EBITDA	16,077	12,511	16,098	28.5	-0.1	
EBITDA margin (%)	10.8	9.7	10.4	112bp	-69bp	
Consolidated PAT	11,165	7,862	11,704	42.0	-4.6	

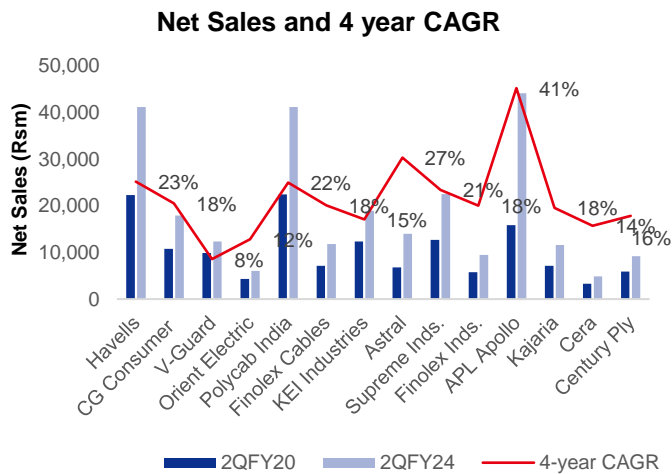
SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 4: 2QFY24 Building material preview

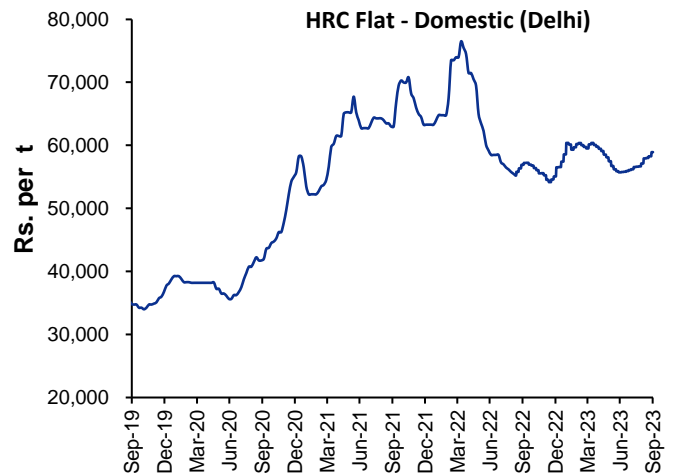
	2QFY24F	2QFY23A	1QFY23A	Change (%) yoy	Change (%) qoq	Comments
Plastic Pipes (Rs m)						
Astral						
Net Sales	13,994	11,716	12,831	19.4	9.1	# The base quarter was severely impacted due to a sharp fall in PVC prices
EBITDA	2,393	1,440	2,016	66.2	18.7	leading to high inventory losses and channel destocking. This will lead to very
EBITDA margin (%)	17.1	12.3	15.7	481bp	139bp	strong yoy performance due to an abnormally low base. # Average PVC prices
Consolidated APAT	1,452	704	1,198	106.3	21.2	in India are down 32% yoy and 7% qoq. CPVC resin prices have been gradually declining since Apr 2023. # We expect plastic products' sales volume at 52.7kt, +29% yoy/+10% qoq. # We expect plastic product unit EBITDA at Rs38.5/kg in 2QFY24F. # We expect adhesives and related products' revenue/EBITDA growth at 12%/20% yoy, respectively. # ERP implementation disrupted paint sales in 1Q.
Supreme Industries						
Net Sales	22,542	20,866	23,686	8.0	-4.8	# The base quarter was severely impacted due to a sharp fall in PVC prices
EBITDA	3,618	1,471	3,216	145.9	12.5	leading to high inventory losses and channel destocking, and thus resulting in
EBITDA margin (%)	16.1	7.1	13.6	900bp	247bp	strong yoy growth. # We expect plastic pipes sales volume at 99kt, +25% yoy. #
Consolidated APAT	2,572	820	2,155	213.6	19.3	For all other segments, we expect sales volume growth of 5-10% yoy. # With a correction in PVC prices yoy and qoq, we expect lower consolidated revenue growth of 8% yoy. # The share of profit from Supreme Petrochem to recover qoq. Consolidated profit Rs327m, +75% yoy/+50% qoq.
Finolex Industries						
Net Sales	9,482	9,411	11,792	0.8	-19.6	# We expect PVC resin sales volume at 70kt, +30% yoy, while realization to
EBITDA	1,541	-1,427	1,525	NM	1.1	decline by 10% yoy. # We expect a good performance from the pipes and fittings
EBITDA margin (%)	16.3	-15.2	12.9	3141bp	332bp	division, with a sales volume of 69kt, +17% yoy. # PVC-EDC and PVC-VCM
Consolidated APAT	1,410	-954	1,153	NM	22.3	spreads have improved on a qoq basis. Hence, gross margin to be higher qoq for the PVC resin division. # Higher non-agri pipe sales mix qoq should lead to a higher blended EBIT/t for pipes (~Rs12k/t).
Steel Pipes (Rs m)						
APL Apollo Tubes						
Net Sales	45,490	39,692	45,449	14.6	0.1	# Sales volume of 675kt, +12% yoy, was disclosed in the quarterly business
EBITDA	3,162	2,319	3,072	36.4	2.9	update of the company on 3 Oct 2023. Raipur plant's sales volume was not
EBITDA margin (%)	6.9	5.8	6.8	111bp	19bp	disclosed separately. # HRC prices were flat yoy while they were down marginally
Consolidated APAT	1,983	1,502	1,936	32.0	2.4	by 3% qoq. We expect flattish realization/kg at Rs65-66 in 2QFY24F. # We estimate EBITDA/t of approx. Rs4,700, flat qoq.
Sanitaryware & Tiles (Rs m)						
Kajaria Ceramics						
Net Sales	11,626	10,778	10,642	7.9	9.2	# We expect tile sales volume of 26.8msm, +7.5% yoy.
EBITDA	1,872	1,294	1,692	44.6	10.6	# Based on our channel check, there was no price cut for tiles in 2Q. Channel
EBITDA margin (%)	16.1	12.0	15.9	409bp	20bp	incentives continued qoq to aid sales volume of Kajaria Ceramics. We expect flat
Consolidated APAT	1,166	735	1,075	58.6	8.5	net realization in the case of tile per msm yoy while 2% up qoq based on a better sales mix in favour of GVT tile sales. # We estimate bathware and plywood revenue at Rs862m, +16% yoy and Rs175m, down 10% yoy, respectively, in 2QFY24F. # Adhesive sales, albeit on a low base, is expected at Rs145m, +50% yoy and qoq. # The EBITDA margin should hold at ~16%.
Cera Sanitaryware						
Net Sales	4,870	4,159	4,289	17.1	13.5	# We expect sanitaryware, faucet and tile revenue growth at 13%, 21% and 29%
EBITDA	791	679	704	16.5	12.4	yoy, respectively. # We expect a dip in gross margin due to seasonality and
EBITDA margin (%)	16.3	16.3	16.4	-8bp	-16bp	based on the historical trend, both yoy and qoq. However, the EBITDA margin
Consolidated APAT	609	507	563	20.0	8.2	will remain stable at ~16%. # We will look for an update on the sanitaryware expansion project and ramp-up progress of the recently commissioned faucet plant.
Plywood (Rs m)						
Century Plyboards						
Net Sales	9,218	9,002	8,824	2.4	4.5	# We expect flat plywood sales volume yoy and laminate sales volume growth at
EBITDA	1,429	1,507	1,302	-5.2	9.7	8.5% yoy. # We expect MDF sales volume at 51,875cbm, +15% yoy and +8%
EBITDA margin (%)	15.5	16.7	14.8	-124bp	75bp	qoq, driven by new capacity addition and good demand trend. # We expect
Consolidated APAT	913	1,090	841	-16.3	8.5	particle board sales volume at 17,241cbm, down 9-10% yoy and qoq, due to weak demand. # We expect a reduction in gross margin of plywood, MDF and PB segments due to further hardening of timber prices qoq. # The laminate segment's EBITDA margin to recover qoq.
Cumulative Financials						
Net Sales	1,17,222	1,05,624	1,17,513	11.0	-0.2	
EBITDA	14,805	7,284	13,527	103.3	9.5	
EBITDA margin (%)	12.6	6.9	11.5	573bp	112bp	
Consolidated APAT	10,105	4,405	8,922	129.4	13.3	

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

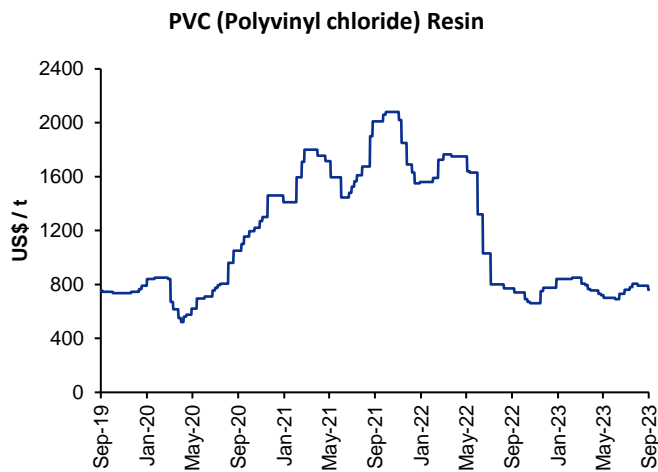
Figure 5: Commodity price trend



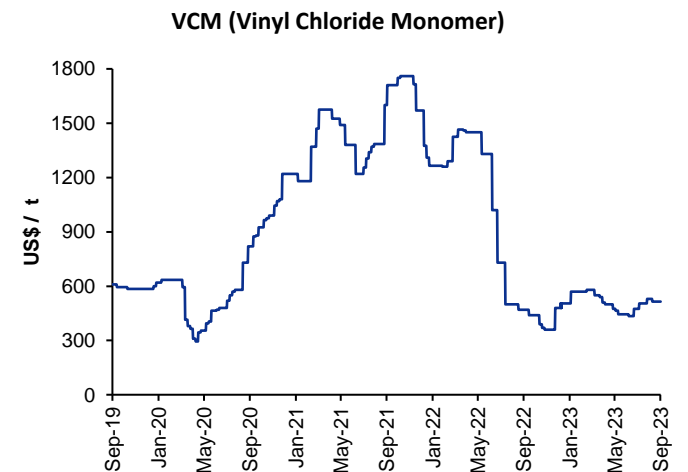
SOURCE: INCRED RESEARCH



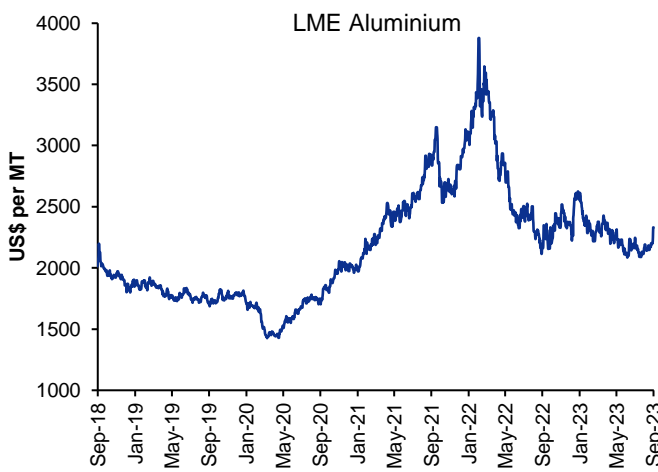
SOURCE: INCRED RESEARCH



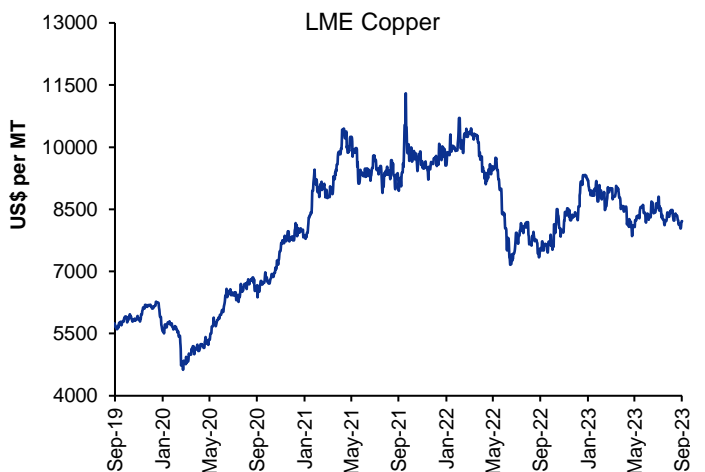
SOURCE: INCRED RESEARCH



SOURCE: INCRED RESEARCH



SOURCE: INCRED RESEARCH



SOURCE: INCRED RESEARCH

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. INH000011024. 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.