

Cement | Q1FY24 Result Update

High net debt remains a concern; Maintain SELL

- TRCL reported volume, revenue in line, however realization, EBITDA, EBITDA/tn and APAT below estimates.
- TRCL posted +26.4% YoY revenue to Rs22.4 (-12.8% QoQ) led by volume growth of +28.7% YoY (-8.5% QoQ) to 4.3mt, which was partially offset by flat realization/ tn at -0.5%/-4.3% YoY/ QoQ Rs5,212. EBITDA increased +13.6% YoY (-17.3% QoQ) to Rs3.4 bn. However, APAT sharply declined by 30.6% YoY/ 48% QoQ to Rs789 mn in Q1FY24.
- We expect 10.5%/ 24.9%/ 42.6% revenue/ EBITDA/ APAT CAGR over FY23-25E led by 19%/ 5% volume growth and -2%/ +0.5% realization growth in FY24E/ FY25E.
- We decrease EBITDA estimates by 5% for FY24E factoring lower profitability; maintain EBITDA estimates for FY25E. We maintain SELL with revised TP of Rs819 considering higher capex restricting sizable net debt reduction.

5.3MTPA capacity expansion to support future volume growth

TRCL commissioned 5.3mtpa GU during Mar'19 to Mar'23 taking total capacity from 19.4mtpa (FY22) to 22.0mtpa (FY23). It started 8MW WHRS at Kurnool and 4MW to commence in May'23 and 18MW of TPP coupled with railway siding to be operational in FY24. It plans to increase its capacity of Haridaspur plant, Odisha by 0.9mtpa (capex-Rs1.3 bn) by FY24. 1.5mtpa clinker at Jayanthipuram, AP commenced on 28 Jun'21, 2.25mtpa at Kurnool, AP in Q2FY23 and 1.04mtpa at RR Nagar, TN in Mar'23.

Outlook and Valuation

Net Debt increased by Rs5.6 bn/ Rs872 mn in FY23/ Q1FY24 to Rs44.1 bn and factoring capex of Rs12 bn (lower than initial guidance of Rs9 bn + ~Rs6 bn for land acquisition from Prism)/ Rs10 bn for FY24E/ FY25E, Net Debt to remain at elevated level of Rs44.2 bn/ Rs41.2 bn for FY24E/ FY25E. With improvement in profitability, Net Debt/EBITDA to reduce from 3.7x (FY23) to 2.7x/ 2.2x in FY24E/ FY25E, but still to remain on higher side. Thus, we maintain SELL with a revised TP of Rs819 based on 12x FY25E EV/EBITDA + 50% FY25E CWIP.

Q1FY24 Result (Rs Mn)

Particulars	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)
Revenue	22,411	17,725	26.4	25,697	(12.8)
Total Expense	18,996	14,718	29.1	21,568	(11.9)
EBITDA	3,415	3,007	13.6	4,128	(17.3)
Depreciation	1,479	1,064	39.0	1,406	5.2
EBIT	1,936	1,943	(0.4)	2,723	(28.9)
Other Income	79	69	14.3	116	(32.2)
Interest	934	475	96.7	772	21.0
EBT	1,081	1,537	(29.7)	2,067	(47.7)
Tax	292	414	(29.6)	543	(46.3)
RPAT	789	1,123	(29.7)	1,524	(48.2)
APAT	789	1,138	(30.6)	1,517	(48.0)
			(bps)		(bps)
Gross Margin (%)	31.3	35.2	(395)	30.0	127
EBITDA Margin (%)	15.2	17.0	(173)	16.1	(83)
NPM (%)	3.5	6.3	(281)	5.9	(241)
Tax Rate (%)	27.0	27.0	3	26.3	71
EBIT Margin (%)	8.6	11.0	(232)	10.6	(196)

CMP	Rs 874
Target / Downside	Rs 819 / 6%
NIFTY	19,597

Scrip Details

Equity / FV	Rs 236mn / Rs 1
Market Cap	Rs 207bn
	USD 2.5bn
52-week High/Low	Rs 953/ 634
Avg. Volume (no)	6,04,458
Bloom Code	TRCL IN

Price Performance	1M	3M	12M
Absolute (%)	(6)	15	16
Rel to NIFTY (%)	(8)	6	1

Shareholding Pattern

	Dec'22	Mar'23	Jun'23
Promoters	42.3	42.3	42.1
MF/Banks/FIs	16.7	16.5	17.6
FIs	7.1	7.6	8.0
Public / Others	33.9	33.7	32.3

Valuation (x)

	FY23A	FY24E	FY25E
P/E	60.0	38.4	29.5
EV/EBITDA	21.1	15.4	13.4
ROE (%)	5.2	7.6	9.2
RoACE (%)	5.0	7.2	8.0

Estimates (Rs bn)

	FY23A	FY24E	FY25E
Revenue	81.4	94.2	99.4
EBITDA	11.8	16.3	18.4
PAT	3.4	5.4	7.0
EPS (Rs.)	14.6	22.8	29.6

VP Research: Shravan Shah

Tel: +91 22 40969749

E-mail: shravans@dolatcapital.com

Associate: Shouvik Chakraborty

Tel: +9122 40969751

E-mail: shouvikc@dolatcapital.com

Associate: Prachi Kadam

Tel: +9122 409696772

E-mail: prachik@dolatcapital.com

EBITDA/tn -11.8%/ -9.6% YoY/ QoQ

In line volume (+28.7% YoY/ -8.5% QoQ to 4.3mt), lower than estimated realization/tn (-0.5% YoY/ -4.3% QoQ to Rs5,212) and in line cost/tn (+0.3% YoY/ -3.7% QoQ to Rs4,418) led TRCL to report EBITDA/tn of Rs794.

Exhibit 1: Actual V/s DART estimates (Rs mn)

Particulars	Actual	DART Est	% Variance	Comments
Revenue (Rs mn)	22,411	23,115	(3.0)	In line
EBITDA (Rs mn)	3,415	3,976	(14.1)	-2.3%/ -0.7% realization/ cost vs. estimates
EBITDA%	15.2	17.2	(196 bps)	-
APAT (Rs mn)	789	1,387	(43.1)	Poor operating performance

Source: Company, DART

Exhibit 2: Change in estimates

Particulars (Rs mn)	FY24E			FY25E		
	New	Old	Chg (%)	New	Old	Chg (%)
Net revenues	94,182	92,306	2.0	99,370	97,821	1.6
EBIDTA	16,315	17,177	(5.0)	18,426	18,703	(1.5)
EBIDTA margin (%)	17.3	18.6	(129 bps)	18.5	19.1	(58 bps)
Adj. Net Profit	5,376	6,498	(17.3)	6,998	7,571	(7.6)
EPS (Rs)	22.8	27.5	(17.3)	29.6	32.0	(7.6)

Source: Company, DART

We maintain our revenue estimates for FY24E/ FY25E. However, considering weak operating performance for Q1FY24, we reduce our EBITDA estimates by 5% for FY24E as we factor lower profitability. We maintain EBITDA estimates for FY25E. Accordingly, we decrease our APAT estimates by 17.3%/ 7.6% for FY24E/ FY25E factoring lower profitability (FY24E) coupled with higher finance cost.

Exhibit 3: Volume, Realization & Cost/tn Analysis

Particulars (Rs)	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY23	FY22	YoY (%)
Volume(MT)	4.3	3.3	28.7	4.7	(8.5)	15.0	11.1	34.9
Realization/tn (Rs)	5,212	5,238	(0.5)	5,444	(4.3)	5,414	5,368	0.9
EBITDA/tn (Rs)	794	900	(11.8)	878	(9.6)	787	1,152	(31.7)
Cost/tn (Rs)	4,418	4,407	0.3	4,589	(3.7)	4,628	4,216	9.8
Raw Material Cost/tn (Rs)	760	791	(3.9)	1,130	(32.7)	894	799	11.8
Employee Expenses/tn (Rs)	294	349	(15.6)	241	22.3	309	410	(24.7)
Power and Fuels/tn (Rs)	1,758	1,570	12.0	1,635	7.5	1,771	1,247	42.1
Freight Expenses/tn (Rs)	1,064	1,077	(1.2)	1,063	0.2	1,067	1,090	(2.1)
Other expenses/tn (Rs)	541	620	(12.7)	521	3.9	587	670	(12.3)

Source: Company, DART

Exhibit 4: % of Revenue

Particulars	Q1FY24	Q1FY23	Bps	Q4FY23	Bps	FY23	FY22	Bps
Raw Material Cost	14.6	14.9	(32)	20.7	(608)	16.5	14.9	162
Employee Expenses	5.6	6.6	(92)	4.4	125	5.7	7.6	(194)
Power and Fuels	33.7	29.6	414	29.9	382	32.7	23.2	949
Freight Expenses	20.4	20.3	13	19.4	99	19.7	20.3	(60)
Other expenses	10.4	11.7	(130)	9.5	86	10.8	12.5	(163)

Source: Company, DART

Exhibit 5: Income statement (Standalone)

Particulars (Rs mn)	Q1FY24	Q1FY23	YoY (%)	Q4FY23	QoQ (%)	FY23	FY22	YoY (%)
Total Revenue	22,411	17,725	26.4	25,697	(12.8)	81,353	59,800	36.0
Raw Material Cost	3,268	2,642	23.7	5,310	(38.5)	13,430	8,904	50.8
Employee Expenses	1,266	1,164	8.7	1,131	11.9	4,636	4,567	1.5
Power and Fuel	7,559	5,244	44.1	7,686	(1.7)	26,616	13,888	91.7
Freight Cost	4,577	3,598	27.2	4,994	(8.3)	16,030	12,144	32.0
Other expenses	2,327	2,071	12.4	2,448	(4.9)	8,822	7,459	18.3
Total Expenditure	18,996	14,718	29.1	21,568	(11.9)	69,533	46,961	48.1
PBIDT (Excl. OI)	3,415	3,007	13.6	4,128	(17.3)	11,820	12,838	(7.9)
Other Income	79	69	14.3	116	(32.2)	367	306	19.8
Depreciation	1,479	1,064	39.0	1,406	5.2	5,044	4,008	25.8
EBIT	2,015	2,012	0.1	2,839	(29.0)	7,142	9,136	(21.8)
Interest	934	475	96.7	772	21.0	2,405	1,124	114.0
EBT (before EO)	1,081	1,537	(29.7)	2,067	(47.7)	4,737	8,012	(40.9)
Exceptional items	0	0	-	0	-	0	0	-
EBT (after EO)	1,081	1,537	(29.7)	2,067	(47.7)	4,737	8,012	(40.9)
Tax	292	414	(29.6)	543	(46.3)	1,302	(915)	-
RPAT	789	1,123	(29.7)	1,524	(48.2)	3,435	8,927	(61.5)
Adjustment	0	15	-	(7)	-	6	(3,028)	-
APAT	789	1,138	(30.6)	1,517	(48.0)	3,441	5,899	(41.7)
Adj. EPS (Rs)	3.3	4.8	(30.6)	6.4	(48.0)	14.6	25.0	(41.7)
			bps		bps			bps
EBIDTA Margin (excl. O.I.)	15.2	17.0	(173)	16.1	(83)	14.5	21.5	(694)
NPM (%)	3.5	6.4	(290)	5.9	(238)	4.2	9.9	(563)
Tax Rate (%)	27.0	27.0	3	26.3	71	27.5	(11.4)	3,889

Source: DART, Company

Exhibit 6: Valuation

Particulars	Rs mn
Assumed EV/EBITDA multiple (x)	12.0
EBITDA (FY25E)	18,426
EV	2,21,112
Less: Net Debt (FY25E)	41,244
50% of CWIP (FY25E)	13,634
Mcap	1,93,502
Shares o/s (mn)	236
Target Price	819
CMP (Rs)	874
Downside (%)	(6.3)

Source: Company, DART

Key highlights from presentation and management interaction

Demand & Volume

- Volume saw pickup in South region, whereas remained flat in East in Q1FY24. Company mentioned that volume could have been better in Q1FY24 but was limited due to non-availability of sand in Kerala, supply disruption due to rail accident in Orissa, WB (20 days) and active monsoon in North East.
- **Trade: Non-trade mix** stood at 65:35 in Q1FY24 vs. 63:37/ 69:31 in Q4FY23/ Q1FY23.
- **Blended cement** stood at 68% in Q1FY24 vs. 70%/ 74% in Q4FY23/ Q1FY23.
- **Share of premium products** improved to 27% in 1QFY24 vs. 25%/ 24% in Q4FY23/ Q1FY23. Company continues to focus on making its brand more stronger
- **Share of OPC** stood at 32% in Q1FY24 vs. 33%/ 26% in Q4FY23/ Q1FY23.
- **Cement capacity utilization** stood at 79% in Q1FY24 vs. 85%/ 68% in Q4FY23/ Q1FY23. Clinker capacity utilization at RR Nagar Line-III ramped to 100% in 1QFY24.
- **Lead distance** stood at 274 kms in Q1FY24 vs. 310 kms/ 301 kms in Q4FY23/ Q1FY23.
- **Rail:road mix** stood at 7:93 in Q1FY24 vs. 12:88/13:87 in Q4FY23/ Q1FY23.

Price

- Pricing remained under pressure in all key markets in South and East in Q1FY24 and Jul'23.

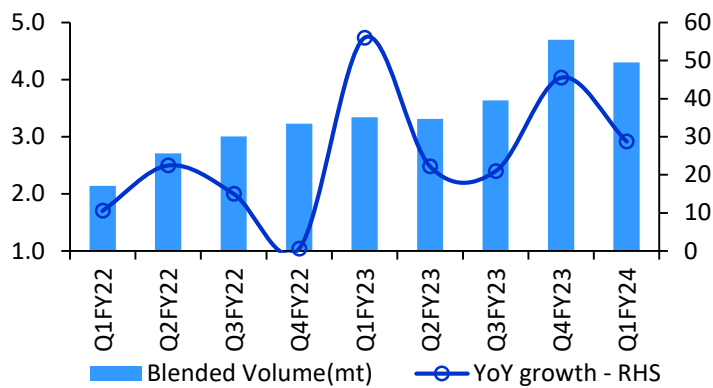
Cost

- **RM cost** – Continued levy of busy season surcharge impacted the inward material movement by Rs30/tn. Increase in RM cost was also due to increase in prices of raw materials such as flyash, slag and gypsum.
- **Blended fuel consumption cost** for cement and TPP stood at \$170 per tn (Rs2.03 per Kcal) in Q1FY24 vs. \$178 (Rs2.21 per Kcal)/ \$157 (Rs1.87 per Kcal) per tn in Q4FY23/ Q1FY23. Current spot CIF prices of petcoke and 4200 GAR coal from Indonesia stands at \$120 and \$61 respectively in Jul'23. Rupee depreciation impacted the fuel procurement cost. **TRCL expects 8-10% QoQ reduction in P&F costs in Q2FY24.**
- **Fuel mix** – Coal/ Petcoke/ AFR at 40%/ 56%/ 8% in Q1FY24 vs. 31%/ 56%/ 13% in Q4FY23 vs. 30%/ 54%/ 16% in Q1FY23.
- **Power mix** – Thermal/ Grid/ Green stood at 44%/ 27%/ 29% in Q1FY24 vs. 50%/ 27%/ 23% in Q4FY23 vs. 64%/ 17%/ 19% in Q1FY23. **Company targets to increase its green share to ~40% by FY24.**
- Company shifted wind energy capacity of 133MW from 'Sale to Grid' to 'Captive use' in phased manner during 1QFY24. Company expects reduction of Rs70-80/tn in the upcoming quarters.
- **Freight cost** – 15% levy of busy season surcharge in Q1FY24 offset the reduction in lead distance (274 kms).
- **Finance cost & Depreciation** increased due to commissioning of units in JPM line III, Kolimigundla, R R Nagar line III and dry mortar plants.

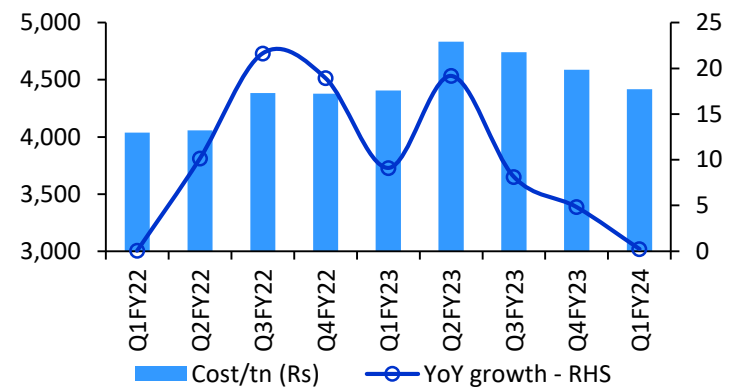
Capex, Expansion & Debt

- **Capex** stood at Rs2.84 bn in Q1FY24 (previous guidance of Rs8.92 bn for FY24). Company expects ~Rs6 bn for land acquisition in AP from Prism; deal likely to be completed in Q2FY24. Company may delay the capex in FY24 if earnings does not meet their internal expectations.
- **Net Debt** increased by Rs872 mn QoQ to Rs44.1 bn in Q1FY24.

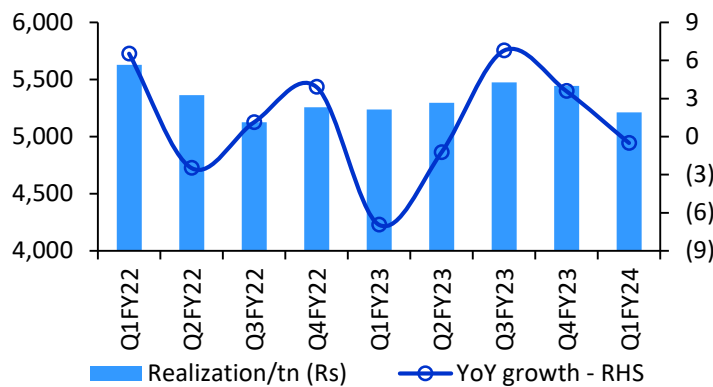
- In Kolimigundla, balance 3MW WHRS will be commissioned in Aug'23 and TPP of 18MW and railway siding will be commissioned in FY24. With regard to expansion of capacity of its dry mix, products in AP and Odisha will be commissioned during FY24. GU (line-II) with cement capacity of 0.9mtpa in Odisha is expected to get commissioned by end of FY24. For new capacity expansions, company has started land acquisition in Bommanahalli, Karnataka. Limestone Benefication Plant in RR Nagar commissioned in Jul'23.
- **CO2 emission in Kg/tn stood** at 601 kg/tn in Q1FY24 vs. 591kg/tn in Q4FY23 vs. 587 kg/tn in Q1FY23.
- **Water Positive Index** stood at 3.8x in Q1FY24 vs. 3.8x/ 2x in Q4FY23/ Q1FY23.

Exhibit 7: Volume (mt)


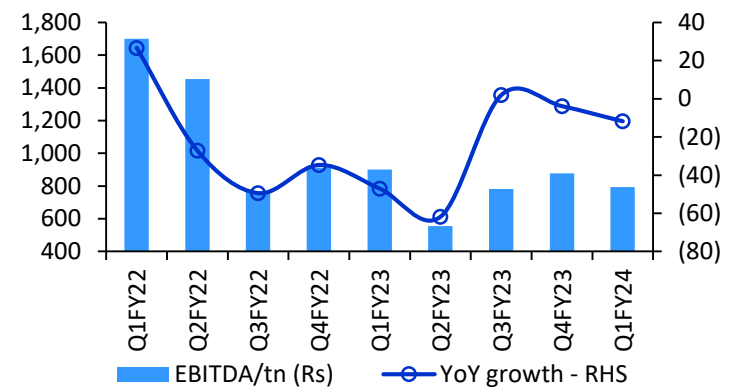
Source: Company, DART

Exhibit 8: Cost/tn (Rs)


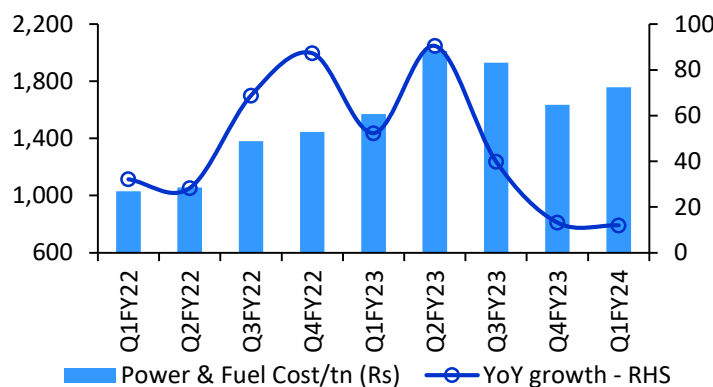
Source: Company, DART

Exhibit 9: Realization/tn (Rs)


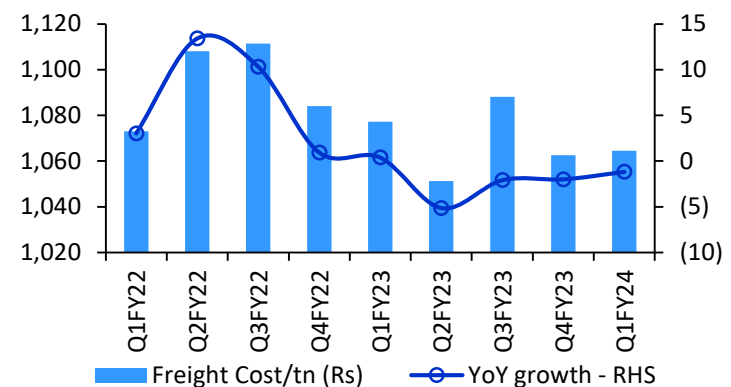
Source: Company, DART

Exhibit 10: EBITDA/tn (Rs)


Source: Company, DART

Exhibit 11: Power & fuel cost/tn (Rs)


Source: Company, DART

Exhibit 12: Freight cost/tn (Rs)


Source: Company, DART

Financial Performance

Profit and Loss Account

(Rs Mn)	FY22A	FY23A	FY24E	FY25E
Revenue	59,800	81,353	94,182	99,370
Total Expense	46,961	69,533	77,867	80,944
COGS	34,936	56,076	62,510	64,600
Employees Cost	4,567	4,600	4,922	5,168
Other expenses	7,458	8,858	10,435	11,176
EBIDTA	12,838	11,820	16,315	18,426
Depreciation	4,008	5,044	5,950	6,226
EBIT	8,830	6,775	10,365	12,200
Interest	1,124	2,405	3,610	3,291
Other Income	306	367	471	497
Exc. / E.O. items	0	0	0	0
EBT	8,012	4,737	7,226	9,406
Tax	(915)	1,302	1,850	2,408
RPAT	8,927	3,435	5,376	6,998
Minority Interest	0	0	0	0
Profit/Loss share of associates	0	0	0	0
APAT	5,899	3,441	5,376	6,998

Balance Sheet

(Rs Mn)	FY22A	FY23A	FY24E	FY25E
Sources of Funds				
Equity Capital	236	236	236	236
Minority Interest	0	0	0	0
Reserves & Surplus	65,012	67,699	72,603	79,128
Net Worth	65,249	67,935	72,839	79,365
Total Debt	39,300	44,874	45,374	42,374
Net Deferred Tax Liability	8,240	9,285	9,285	9,285
Total Capital Employed	1,12,788	1,22,095	1,27,498	1,31,024

Applications of Funds

Net Block	75,309	99,557	1,02,607	1,01,381
CWIP	32,075	21,613	24,613	29,613
Investments	2,485	2,469	2,469	2,469
Current Assets, Loans & Advances	20,687	21,530	23,125	24,297
Inventories	8,333	8,823	9,805	10,345
Receivables	3,498	4,650	5,161	5,445
Cash and Bank Balances	1,760	1,686	1,197	1,130
Loans and Advances	204	195	205	215
Other Current Assets	6,891	6,175	6,757	7,162
Less: Current Liabilities & Provisions	17,767	23,074	25,317	26,737
Payables	4,892	6,373	6,967	7,351
Other Current Liabilities	12,874	16,702	18,350	19,386
<i>sub total</i>				
Net Current Assets	2,920	(1,545)	(2,191)	(2,440)
Total Assets	1,12,788	1,22,095	1,27,498	1,31,024

E – Estimates

Important Ratios

Particulars	FY22A	FY23A	FY24E	FY25E
(A) Margins (%)				
Gross Profit Margin	41.6	31.1	33.6	35.0
EBIDTA Margin	21.5	14.5	17.3	18.5
EBIT Margin	14.8	8.3	11.0	12.3
Tax rate	(11.4)	27.5	25.6	25.6
Net Profit Margin	14.9	4.2	5.7	7.0
(B) As Percentage of Net Sales (%)				
COGS	58.4	68.9	66.4	65.0
Employee	7.6	5.7	5.2	5.2
Other	12.5	10.9	11.1	11.2
(C) Measure of Financial Status				
Gross Debt / Equity	0.6	0.7	0.6	0.5
Interest Coverage	7.9	2.8	2.9	3.7
Inventory days	51	40	38	38
Debtors days	21	21	20	20
Average Cost of Debt	3.2	5.7	8.0	7.5
Payable days	30	29	27	27
Working Capital days	18	(7)	(8)	(9)
FA T/O	0.8	0.8	0.9	1.0
(D) Measures of Investment				
AEPS (Rs)	25.0	14.6	22.8	29.6
CEPS (Rs)	41.9	35.9	47.9	56.0
DPS (Rs)	0.0	0.0	2.0	2.0
Dividend Payout (%)	0.0	0.0	8.8	6.8
BVPS (Rs)	276.1	287.5	308.3	335.9
RoANW (%)	14.7	5.2	7.6	9.2
RoACE (%)	9.5	5.0	7.2	8.0
RoAIC (%)	8.5	5.9	8.4	9.5
(E) Valuation Ratios				
CMP (Rs)	874	874	874	874
P/E	35.0	60.0	38.4	29.5
Mcap (Rs Mn)	2,06,555	2,06,555	2,06,555	2,06,555
MCap/ Sales	3.5	2.5	2.2	2.1
EV	2,44,094	2,49,743	2,50,732	2,47,799
EV/Sales	4.1	3.1	2.7	2.5
EV/EBITDA	19.0	21.1	15.4	13.4
P/BV	3.2	3.0	2.8	2.6
Dividend Yield (%)	0.0	0.0	0.2	0.2
(F) Growth Rate (%)				
Revenue	13.6	36.0	15.8	5.5
EBITDA	(16.9)	(7.9)	38.0	12.9
EBIT	(25.8)	(23.3)	53.0	17.7
PBT	(29.5)	(40.9)	52.5	30.2
APAT	(24.0)	(41.7)	56.2	30.2
EPS	(24.0)	(41.7)	56.2	30.2

E – Estimates

Cash Flow

Particulars	FY22A	FY23A	FY24E	FY25E
Profit before tax	8,012	4,737	7,226	9,406
Depreciation & w.o.	4,008	5,044	5,950	6,226
Net Interest Exp	1,124	2,405	3,610	3,291
Direct taxes paid	(1,575)	(316)	(1,850)	(2,408)
Change in Working Capital	(171)	2,471	344	314
Non Cash	(109)	(291)	0	0
(A) CF from Operating Activities	11,291	14,050	15,280	16,829
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(18,155)	(17,651)	(12,000)	(10,000)
Free Cash Flow	(6,865)	(3,601)	3,280	6,829
(Inc.)/ Dec. in Investments	(4)	(5)	0	0
Other	57	787	(239)	(192)
(B) CF from Investing Activities	(18,103)	(16,869)	(12,239)	(10,192)
Issue of Equity/ Preference	23	0	0	0
Inc./(Dec.) in Debt	8,257	5,790	500	(3,000)
Interest exp net	(1,125)	(2,334)	(3,610)	(3,291)
Dividend Paid (Incl. Tax)	0	(710)	(473)	(473)
Other	(1)	(1)	53	59
(C) CF from Financing	7,154	2,745	(3,529)	(6,704)
Net Change in Cash	342	(75)	(488)	(68)
Opening Cash balances	1,419	1,760	1,686	1,197
Closing Cash balances	1,760	1,686	1,197	1,130

E – Estimates

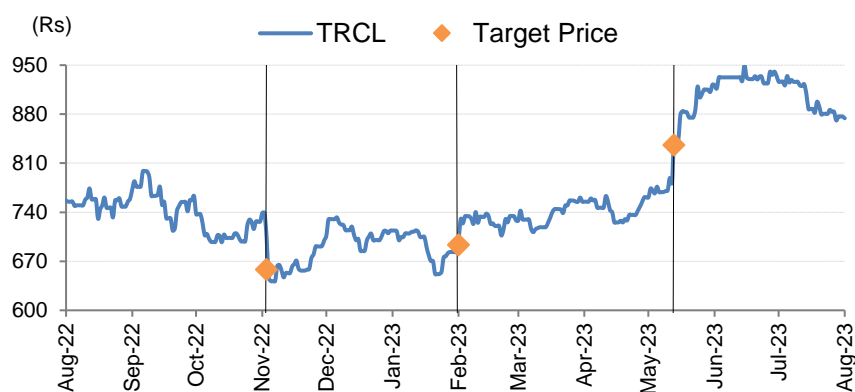
Notes

DART RATING MATRIX

Total Return Expectation (12 Months)

Buy	> 20%
Accumulate	10 to 20%
Reduce	0 to 10%
Sell	< 0%

Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Nov-22	SELL	658	704
Feb-23	SELL	693	701
May-23	SELL	836	844

*Price as on recommendation date

DART Team

Purvag Shah	Managing Director	purvag@dolatcapital.com	+9122 4096 9747
-------------	-------------------	-------------------------	-----------------

Amit Khurana, CFA	Head of Equities	amit@dolatcapital.com	+9122 4096 9745
-------------------	------------------	-----------------------	-----------------

CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	kapil@dolatcapital.com	+9122 4096 9735
Jubbin Shah	VP - Equity Sales	jubbins@dolatcapital.com	+9122 4096 9779
Girish Raj Sankunny	VP - Equity Sales	girishr@dolatcapital.com	+9122 4096 9625
Pratik Shroff	AVP - Equity Sales	pratiks@dolatcapital.com	+9122 4096 9621
Equity Trading	Designation	E-mail	
P. Sridhar	SVP and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	kartikm@dolatcapital.com	+9122 4096 9715
Bhavin Mehta	VP - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

Dolat Capital Market Private Limited.

Naman Midtown, A-1203, 12th Floor, Senapati Bapat Marg, Prabhadevi, Mumbai 400013

Analyst(s) Certification

The research analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

I. Analyst(s) and Associate (S) holding in the Stock(s): (Nil)

II. Disclaimer:

This research report has been prepared by Dolat Capital Market Private Limited. to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies) solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of Dolat Capital Market Private Limited. This report has been prepared independent of the companies covered herein. Dolat Capital Market Private Limited. and its affiliated companies are part of a multi-service, integrated investment banking, brokerage and financing group. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, financing or any other advisory services to the company(ies) covered herein. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have received or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services. Research analysts and sales persons of Dolat Capital Market Private Limited. may provide important inputs to its affiliated company(ies) associated with it. While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and Dolat Capital Market Private Limited. does not warrant its accuracy or completeness. Dolat Capital Market Private Limited. may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and Dolat Capital Market Private Limited. reserves the right to make modifications and alterations to this statement as they may deem fit from time to time. Dolat Capital Market Private Limited. and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the 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. This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction. 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 Dolat Capital Market Private Limited. and/or its affiliated company(ies) 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 a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.



Dolat Capital Market Private Limited.

Corporate Identity Number: U65990GJ993PTC116741

Member: BSE Limited and National Stock Exchange of India Limited.

SEBI Registration No: BSE - INZ000274132, NSE - INZ000274132, Research: INH000000685

Regd. office: 1401-1409, Dalal Street Commercial, Block 53 (Bldg. No.53E) Zone-5, Road-5E, Gift City, Sector 9, Gandhinagar-382355 Gujarat, India.

Board: +9122 40969700 | Fax: +9122 22651278 | Email: research@dolatcapital.com | www.dolatresearch.com
