

**View: Promising results. Upgrade to Buy.**

- Titan's Q4FY20 revenue was in line, but operational performance was better than our estimates.
- The company was able to report ~16.5% growth in Jewellery business during January and February, however, lockdown in March resulted in revenue decline.
- Nevertheless, with efficient cost management, the company was able to post strong operational performance and margin expansion.
- Watches and Eyewear segments were impacted mainly due to lockdown, but margin expansion in watch division was encouraging.
- We have broadly revised our FY21E at Rs 19.8 and maintained our FY22E EPS estimates Rs 26.9. We Upgrade to Buy, with TP of Rs 1,293 (48x FY22E).

**Jewellery segment expected to recover**

Jewellery business reported a 5.8% YoY revenue de-growth in Q4FY20. The company was able to meet its targets in January and February was encouraging. Going ahead, we believe that the lockdown during April and May would hamper Q1FY21E performance, but postponement of marriage season to H2FY21E would result in pent up demand. Despite revenue decline, the company was able to expand EBIT margin was a positive surprise. Q4FY20 results indicate that there is a scope for increase in operating margin for the company.

**Operating performance was better than expected**

Net revenues de-grew by 5.2% YoY to Rs 44.3bn – came in line with our estimate. EBITDA grew 32.5% YoY to Rs 6.0bn. A 280/70/50bps decline in RM/A&P spends/ other expenses resulted in 390bps expansion in EBITDA margin during the quarter. RPAT increased 21.1% YoY to Rs 3.6bn – came ahead of our estimate.

**Strong operating performance across segments despite challenges**

- Jewellery reported 5.8% YoY revenue de-growth to Rs 37.5bn and 4.2% EBIT growth to Rs 5.3bn. EBIT margin expanded by 140bps to 14.2%.
- Revenue from Watches business increased 4.9% to Rs 5.6bn. Watches EBIT jumped 149% YoY to Rs 722mn with 750bps margin expansion.
- Eyewear reported 17.4% YoY decline in revenues to Rs 1.1bn and registered EBIT of Rs 18mn compared to a loss of Rs 17mn in Q4FY19.

**Q4FY20 Result (Rs Mn)**

Particulars	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)
Revenue	44,288	46,721	(5.2)	62,062	(28.6)
Total Expense	38,251	42,165	(9.3)	54,706	(30.1)
EBITDA	6,037	4,556	32.5	7,356	(17.9)
Depreciation	902	335	169.4	777	16.0
EBIT	5,135	4,221	21.6	6,579	(22.0)
Other Income	401	551	(27.3)	197	103.9
Interest	379	122	210.5	405	(6.3)
EBT	5,156	3,950	30.5	6,371	(19.1)
Tax	1,588	1,004	58.2	1,671	(5.0)
RPAT	3,569	2,947	21.1	4,700	(24.1)
APAT	3,569	3,647	(2.1)	4,700	(24.1)
			(bps)		(bps)
Gross Margin (%)	30.1	27.2	283	24.9	518
EBITDA Margin (%)	13.6	9.8	388	11.9	178
NPM (%)	8.1	6.3	175	7.6	48
Tax Rate (%)	30.8	25.4	538	26.2	457
EBIT Margin (%)	11.6	9.0	256	10.6	99

CMP	Rs 997
Target / Upside	Rs 1,293 / 30%
BSE Sensex	33,889
NSE Nifty	10,047

**Script Details**

Equity / FV	Rs 888mn / Rs 1
Market Cap	Rs 885bn
	US\$ 12bn
52-week High/Low	Rs1,390/ Rs 721
Avg. Volume (no)	44,73,480
NSE Symbol	TITAN
Bloomberg Code	TTAN IN

**Shareholding Pattern Mar'20(%)**

Promoters	52.9
MF/Banks/FIs	9.1
FII	19.4
Public / Others	18.6

**Valuation (x)**

	FY20A	FY21E	FY22E
P/E	58.3	50.4	37.0
EV/EBITDA	37.8	32.9	25.1
ROE (%)	23.3	22.7	25.0
RoACE (%)	18.2	18.1	20.8

**Estimates (Rs mn)**

	FY20A	FY21E	FY22E
Revenue	2,00,096	2,23,076	2,81,771
EBITDA	24,177	27,475	36,449
PAT	15,176	17,556	23,923
EPS (Rs.)	17.1	19.8	26.9

**VP Research: Sachin Bobade**

Tel: +91 22 40969731

E-mail: sachinb@dolatcapital.com

**Associate: Nikhat Koor**

Tel: +91 22 40969764

E-mail: nikhatk@dolatcapital.com

**Exhibit 1: Segmental Performance**

Revenue (Rs mn)	Q4FY20	Q4FY19	YoY %	Growth in Jan & Feb20	Q3FY20	QoQ %
Jewellery	37,544	39,855	(5.8)	16.5	54,087	(30.6)
Watches	5,568	5,311	4.9	15.7	6,253	(11.0)
Eyewear	1,077	1,304	(17.4)	Flat	1,333	(19.2)
Others	415	369	12.5		494	(16.0)
<b>EBIT (Rs mn)</b>						
Jewellery	5,339	5,121	4.2		7,013	(23.9)
Watches	722	290	149.3		521	38.5
Eyewear	18	(17)	NA		(67)	NA
Others	(209)	(171)	NA		(92)	NA
<b>EBIT Margin (%)</b>						
Jewellery	14.2	12.8	140		13.0	130
Watches	13.0	5.5	750		8.3	460
Eyewear	1.7	(1.3)	NA		(5.0)	NA
Others	(50.3)	(46.4)	NA		(18.6)	NA

Source: DART, Company

**Exhibit 2: Actual V/s DART estimates**

Rs mn	Actual	Estimates	Variance (%)	Comments
Revenue	44,288	45,284	(2.2)	
EBITDA	6,037	4,506	34.0	Variation mainly due to lower than expected RM costs
EBITDA margin %	13.6	10.0	370bps	
APAT	3,569	2,832	26.0	Cascading effect of higher EBITDA

Source: Company, DART

**Exhibit 3: Change in estimates**

Rs Mn	FY21E			FY22E		
	New	Previous	Chg (%)	New	Previous	Chg (%)
Net Revenue	223,076	242,281	(7.9)	281,771	283,303	(0.5)
EBITDA	27,475	28,814	(4.6)	36,449	35,385	3.0
EBITDA Margin (%)	12.3	11.9	40 bps	12.9	12.5	40 bps
APAT	17,556	19,187	(8.5)	23,923	23,707	0.9
EPS (Rs)	19.8	21.6	(8.5)	26.9	26.7	0.9

Source: DART, Company

We have downward revised our FY21E revenues to factor in extended lockdown in Q1FY21E. Nevertheless, we have upward revised our margin estimates to factor in operational efficiencies and higher contribution of studded jewellery.

## Conference call highlights

- Most plants are operational currently. More than 1400 out of 1800 stores are already open.
- Titan expects to attain normalcy in businesses by Q4FY21E.
- Company plans to implement Omni channel strategy across all divisions.
- Customer testimonials on safety will help to lower barriers of visiting stores.
- Titan will lay higher emphasis on growth and gaining market share rather than margins in FY21.

## Jewellery Division

- Retail sales of Tanishq and Caratlane grew 12% YoY and 36% YoY from 1<sup>st</sup> Jan to 15<sup>th</sup> March 2020. In the last 15 days of March, sales of Tanishq and Caratlane de-grew 74% and 81% YoY respectively. This resulted in 4% de growth in Tanishq and 15% growth in Caratlane in Q4FY20.
- Revenue growth of Jewellery division in Jan and Feb 2020 was ~16.5%.
- In Q4, the diamond studded activation did well and wedding jewellery sales continued to be good till the disruption.
- Studded ratio stood at 37% in Q4FY20 compared to 36% in Q4FY19.
- ~80% of Tanishq stores are operational. Average daily sales are 70-80% of normal day sales in last 4 weeks of opening. Company expects normalcy in next 2-3 weeks.
- ~75% of 460 stores are reopened, expect this to reach 90% by June end with mall stores opening.
- 40 net new stores of Tanishq were added in FY20 to take count to 327 stores. 37 (net) new Caratlane stores were added to take count to 92 during FY20.
- Company had planned to open 50 stores by end of FY20, however could open 41 due to last 15 days disruption. Remaining 8 to 9 stores would open in next few months.
- Jewellery margins expanded in Q4FY20 as 1) studded ratio was much better 2) lost 15 days of plain gold sales 3) customer discounts brought down 4) making charge per gram was higher due to high gold prices
- Spike in gold prices hike is likely to impact consumer demand. Moreover, high gold prices are likely to exert pressure on gross margins due to increase in competitive intensity (making charges). Lower studded ratio typically in Q1 will further impact gross margins in Q1FY21E as well as FY21E.
- Company witnessed 35% new customers in May'20 indicating market share gain. Of the 35%, 27% were new to Titan and 8% were new to Tanishq.
- Company has seen continued enrolment and payment of monthly instalments in Golden Harvest Scheme and very few requests of refund.
- Wedding Jewelry has seen deferred demand from Q1 to H2FY21E. Management expects huge headroom for growth in this category. Wedding contribution increased to 23% in FY20 from 21% in FY18.
- Due to asset value of gold and diminishing returns in other asset classes, plain gold jewellery as well as gold coins and bullions are gaining traction, in anticipation of price increase going ahead.

- Sales contribution through Gold Harvest Scheme was 21% in FY20 (17% in FY18). Contribution from old Gold exchange program was 33% in FY20 from 28% in FY18. Tanishq Gold + GEP contribution is 42-43%.
- Gold on lease was 39% of inventory as on March 2020.
- 45% of gold purchase is from exchange; 10-15% is outright purchases.
- Company may take accounting hit in Q1FY21E based on hedge accounting policy.
- Caratlane and Tanishq are witnessing 2.5mn website visitors per month. Digital demand of gold during Akshay Tritiya in April was encouraging. Going ahead, post Covid, Titan will focus on Omni and remote selling and the affordable price bands to grow volumes.

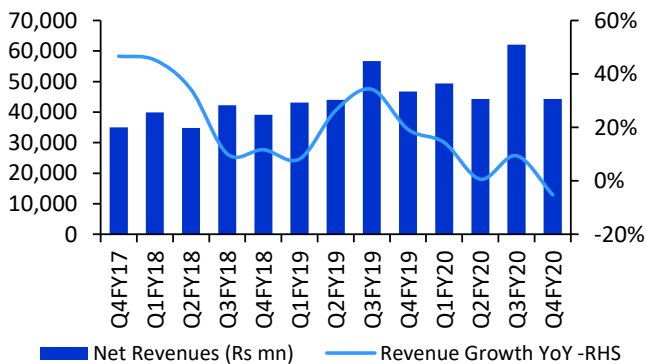
### Watches Division

- More than 70% of WOT and Fasttrack stores are currently operational.
- Revenue growth of Jan and Feb month was ~15.7%.
- WOT and Fasttrack exhibited 7% and 10% degrowth respectively in Q4FY20. WOT stores were growing at 5% before Covid-19 disruption.
- 13 net new WOT stores and 11 Fasttrack stores were added in FY20 to take the count to 499 and 183 respectively.
- Ecommerce was the fastest growing channel for both Q4 and FY20.
- Retail sales in LFS channel also grew well with new product introductions in Q4.
- WOT, Helios & LFS grew through consumer acquisition, retention and premiumisation strategies in FY20.
- Retail channel and trade channels are operating at 48% and 30% pre covid levels respectively.
- Company expects to sustain margins in watch segment with cost control measures.

### Eyewear Division

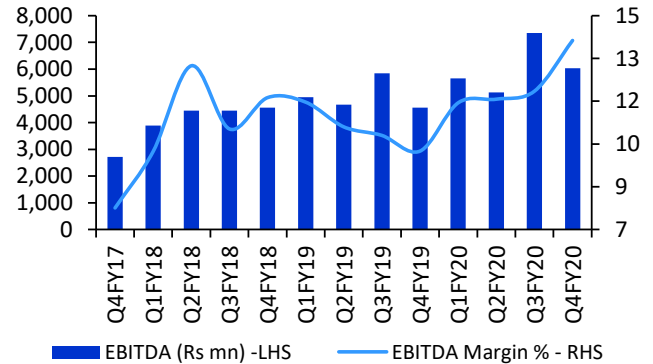
- Number of customers in eyewear are 50% more than that of jewelry.
- 47 net additions in Titan Eye+ in FY20 took store count to 584 stores.
- 80% of the stores are currently operational with 44% recovery rate.
- Division expects to exit/ convert unprofitable stores as part of its cost control measures

**Exhibit 4: Revenue Performance**



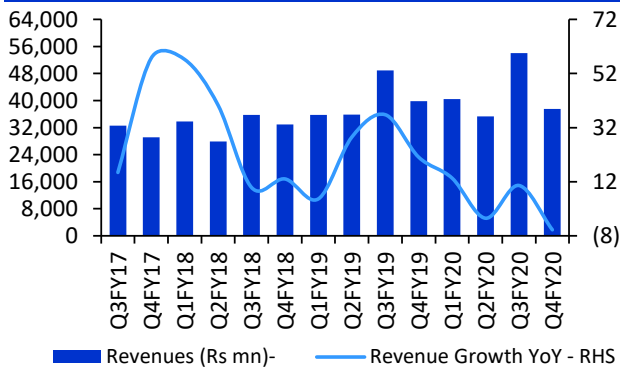
Source: DART, Company

**Exhibit 5: EBITDA & EBITDA Margin**



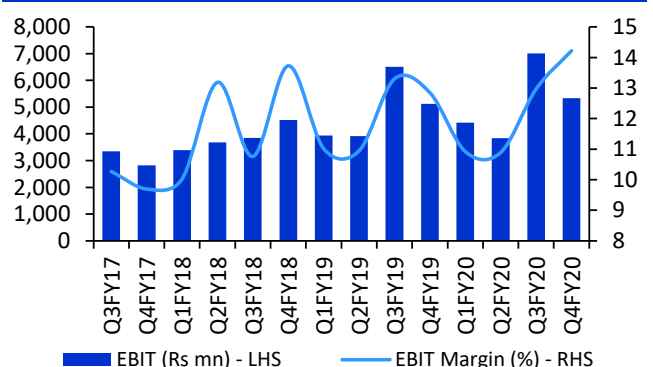
Source: DART, Company

**Exhibit 6: Jewellery Revenue Performance**



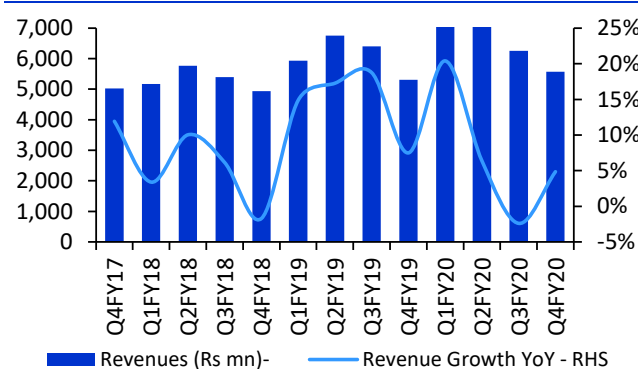
Source: DART, Company

**Exhibit 7: Jewellery EBIT Performance**



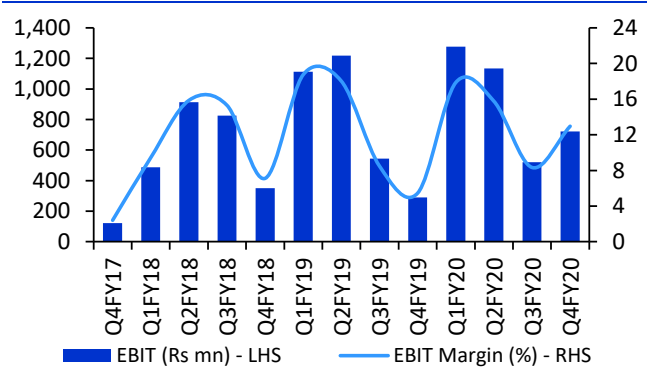
Source: DART, Company

**Exhibit 8: Watch Revenue Performance**



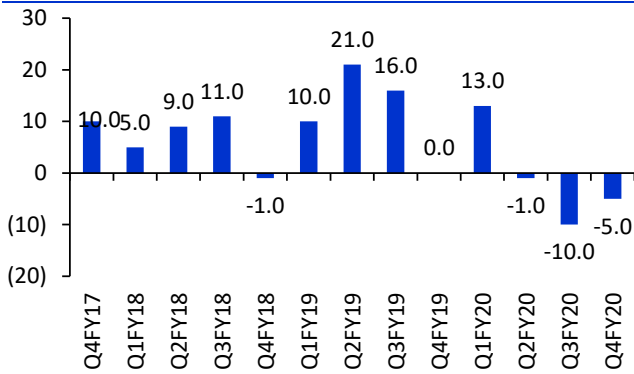
Source: DART, Company

**Exhibit 9: Watch EBIT Performance**



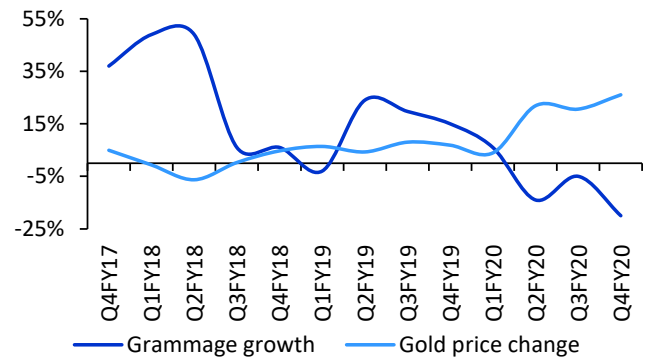
Source: DART, Company

**Exhibit 10: Watch Volumes**



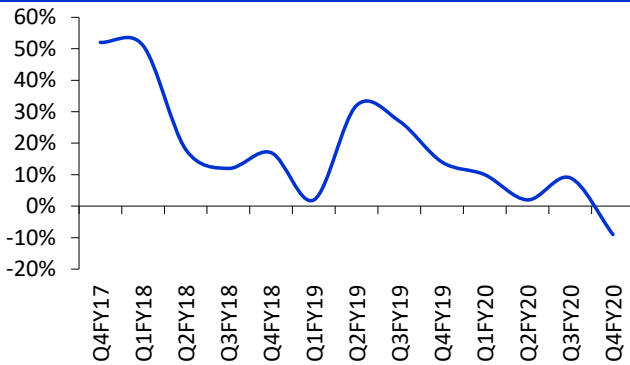
Source: DART, Company

**Exhibit 11: Gold Grammage**



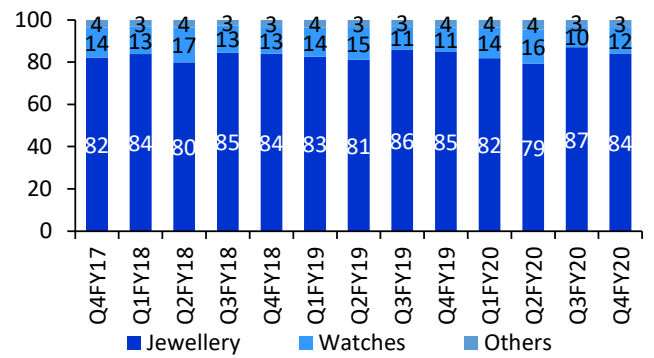
Source: DART, Company

**Exhibit 12: Tanishq Like to Like Growth**



Source: DART, Company

**Exhibit 13: Segmental Revenue Contribution**



Source: DART, Company

**Profit and Loss Account**

(Rs Mn)	FY19A	FY20A	FY21E	FY22E
<b>Revenue</b>	<b>1,90,700</b>	<b>2,00,096</b>	<b>2,23,076</b>	<b>2,81,771</b>
<b>Total Expense</b>	<b>1,70,678</b>	<b>1,75,919</b>	<b>1,95,601</b>	<b>2,45,322</b>
COGS	1,39,872	1,45,118	1,62,549	2,07,649
Employees Cost	8,788	10,401	11,193	11,969
Other expenses	22,018	20,400	21,860	25,704
<b>EBIDTA</b>	<b>20,022</b>	<b>24,177</b>	<b>27,475</b>	<b>36,449</b>
Depreciation	1,389	3,097	3,165	3,245
<b>EBIT</b>	<b>18,633</b>	<b>21,080</b>	<b>24,310</b>	<b>33,204</b>
Interest	445	1,495	2,123	2,489
Other Income	1,785	1,464	1,537	1,614
Exc. / E.O. items	(700)	0	0	0
<b>EBT</b>	<b>19,274</b>	<b>21,050</b>	<b>23,725</b>	<b>32,329</b>
Tax	5,530	5,873	6,168	8,405
RPAT	13,744	15,176	17,556	23,923
Minority Interest	0	0	0	0
<b>Profit/Loss share of associates</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>APAT</b>	<b>14,444</b>	<b>15,176</b>	<b>17,556</b>	<b>23,923</b>

**Balance Sheet**

(Rs Mn)	FY19A	FY20A	FY21E	FY22E
<b>Sources of Funds</b>				
Equity Capital	888	888	888	888
Minority Interest	0	0	0	0
Reserves & Surplus	60,929	67,361	85,379	1,03,947
<b>Net Worth</b>	<b>61,817</b>	<b>68,249</b>	<b>86,267</b>	<b>1,04,835</b>
Total Debt	22,876	32,694	33,194	33,694
Net Deferred Tax Liability	(848)	(1,720)	(1,720)	(1,720)
<b>Total Capital Employed</b>	<b>83,846</b>	<b>99,222</b>	<b>1,17,741</b>	<b>1,36,809</b>

**Applications of Funds**

Net Block	10,694	20,564	21,023	22,002
CWIP	256	107	107	107
Investments	8,759	9,831	9,831	9,831
<b>Current Assets, Loans &amp; Advances</b>	<b>94,142</b>	<b>94,893</b>	<b>1,16,623</b>	<b>1,40,951</b>
Inventories	67,192	77,406	86,015	1,15,431
Receivables	3,582	2,144	3,384	4,530
Cash and Bank Balances	10,010	3,560	14,441	5,651
Loans and Advances	9,376	8,711	9,712	12,267
Other Current Assets	3,981	3,071	3,071	3,071
<b>Less: Current Liabilities &amp; Provisions</b>	<b>30,005</b>	<b>26,173</b>	<b>29,843</b>	<b>36,082</b>
Payables	7,959	5,099	7,114	8,744
Other Current Liabilities	22,046	21,074	22,729	27,338
sub total				
Net Current Assets	64,137	68,720	86,780	1,04,869
<b>Total Assets</b>	<b>83,846</b>	<b>99,222</b>	<b>1,17,741</b>	<b>1,36,809</b>

E – Estimates

**Important Ratios**

Particulars	FY19A	FY20A	FY21E	FY22E
<b>(A) Margins (%)</b>				
Gross Profit Margin	26.7	27.5	27.1	26.3
EBIDTA Margin	10.5	12.1	12.3	12.9
EBIT Margin	9.8	10.5	10.9	11.8
Tax rate	28.7	27.9	26.0	26.0
Net Profit Margin	7.2	7.6	7.9	8.5
<b>(B) As Percentage of Net Sales (%)</b>				
COGS	73.3	72.5	72.9	73.7
Employee	4.6	5.2	5.0	4.2
Other	11.5	10.2	9.8	9.1
<b>(C) Measure of Financial Status</b>				
Gross Debt / Equity	0.4	0.5	0.4	0.3
Interest Coverage	41.9	14.1	11.5	13.3
Inventory days	129	141	141	150
Debtors days	7	4	6	6
Average Cost of Debt	2.3	5.4	6.4	7.4
Payable days	15	9	12	11
Working Capital days	123	125	142	136
FA T/O	17.8	9.7	10.6	12.8
<b>(D) Measures of Investment</b>				
AEPS (Rs)	16.3	17.1	19.8	26.9
CEPS (Rs)	17.8	20.6	23.3	30.6
DPS (Rs)	4.5	6.0	6.0	6.0
Dividend Payout (%)	27.5	35.3	30.5	22.4
BVPS (Rs)	69.6	76.9	97.2	118.1
RoANW (%)	24.2	23.3	22.7	25.0
RoACE (%)	19.7	18.2	18.1	20.8
RoAIC (%)	27.6	24.9	24.4	28.3
<b>(E) Valuation Ratios</b>				
CMP (Rs)	997	997	997	997
P/E	61.3	58.3	50.4	37.0
Mcap (Rs Mn)	8,85,225	8,85,225	8,85,225	8,85,225
MCap/ Sales	4.6	4.4	4.0	3.1
EV	8,98,092	9,14,359	9,03,978	9,13,268
EV/Sales	4.7	4.6	4.1	3.2
EV/EBITDA	44.9	37.8	32.9	25.1
P/BV	14.3	13.0	10.3	8.4
Dividend Yield (%)	0.4	0.6	0.6	0.6
<b>(F) Growth Rate (%)</b>				
Revenue	22.1	4.9	11.5	26.3
EBITDA	15.5	20.8	13.6	32.7
EBIT	14.8	13.1	15.3	36.6
PBT	22.7	9.2	12.7	36.3
APAT	15.1	5.1	15.7	36.3
EPS	15.1	5.1	15.7	36.3

**Cash Flow**

(Rs Mn)	FY19A	FY20A	FY21E	FY22E
CFO	12,490	(2,881)	21,484	2,779
CFI	(3,930)	(617)	(3,624)	(4,224)
CFF	(4,673)	(2,952)	(6,978)	(7,345)
FCFF	10,236	(5,905)	17,860	(1,445)
Opening Cash	6,123	10,010	3,560	14,441
Closing Cash	10,010	3,560	14,441	5,651

E – Estimates

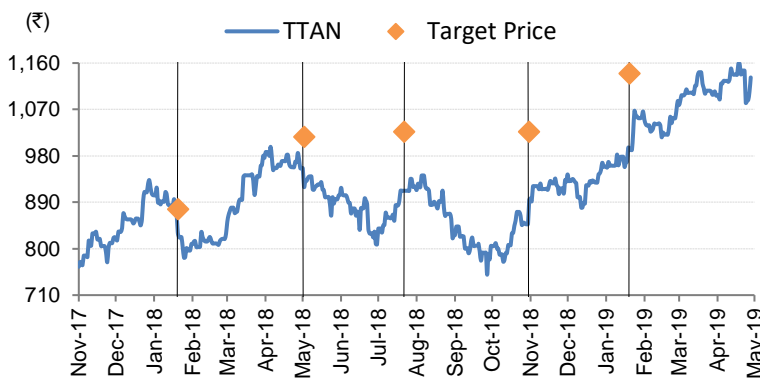


### DART RATING MATRIX

Total Return Expectation (12 Months)

<b>Buy</b>	<b>&gt; 20%</b>
<b>Accumulate</b>	<b>10 to 20%</b>
<b>Reduce</b>	<b>0 to 10%</b>
<b>Sell</b>	<b>&lt; 0%</b>

### Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Feb-19	Buy	1,139	992
May-19	Buy	1,245	1,145
Aug-19	Accumulate	1,172	1,047
Nov-19	Sell	1,160	1,284
Feb-20	Accumulate	1,371	1,276
Mar-20	Accumulate	988	905
Mar-20	Accumulate	988	928

\*Price as on recommendation date

### DART Team

<b>Purvag Shah</b>	<b>Managing Director</b>	<b>purvag@dolatcapital.com</b>	<b>+9122 4096 9747</b>
--------------------	--------------------------	--------------------------------	------------------------

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

### 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
Yomika Agarwal	VP - Equity Sales	yomika@dolatcapital.com	+9122 4096 9772
Ashwani Kandoi	AVP - Equity Sales	ashwanik@dolatcapital.com	+9122 4096 9725
Lekha Nahar	AVP - Equity Sales	lekhan@dolatcapital.com	+9122 4096 9740
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
Dinesh Mehta	Co- Head Asia Derivatives	dinesh.mehta@dolatcapital.com	+9122 4096 9765
Bhavin Mehta	VP - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

**Dolat** Capital Market Private Limited.

Sunshine Tower, 28th Floor, Senapati Bapat Marg, Dadar (West), 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.

**For U.S. Entity/ persons only:** This research report is a product of Dolat Capital Market Private Limited., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Dolat Capital Market Private Limited. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Dolat Capital Market Private Limited. has entered into an agreement with a U.S. registered broker-dealer Ltd Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer/Entity as informed by Dolat Capital Market Private Limited. from time to time.

---

**Dolat Capital Market Private Limited.**

Corporate Identity Number: U65990DD1993PTC009797

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

SEBI Registration No: BSE - INB010710052 & INF010710052, NSE - INB230710031& INF230710031, Research: INH000000685

Registered office: Office No. 141, Centre Point, Somnath, Daman – 396 210, Daman & Diu

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

---