

## BUY

## Muted Quarter

- Balrampur Chini Mills Limited reported a weak quarter, lower than our estimates on all fronts. Sales de-growth of 10.3% YoY to Rs 10.7bn was a function of lower ethanol off-take coupled with weakness in Sugar prices and demand.
- EBITDA collapsed by 67.0% YoY to Rs 364mn, owing to lower recovery from sugarcane (due to erratic weather conditions), higher fixed overheads being debited in the production quarter (as per the accounting policies) coupled with an inventory write down of ~Rs 570 mn (which is expected to reverse in Q4FY21).

Sugar sales were down by 10.5% YoY to Rs 10.3bn, with an EBIT of Rs (330) mn, distillery sales were up by 31.2% YoY to Rs 1.34bn (however a YoY comparison may not be apt, as the base does not concern higher sales from B-heavy ethanol) and were lower than our estimate of Rs 2.35bn. Co-generation unit delivered sales of Rs 1.1bn, EBIT was down by 5.3% YoY to Rs 145mn.

## Outlook and Valuation:

We expect Balrampur Chini to outperform in its peer set, given a higher Ethanol blending capacity, entry into manufacturing ethanol directly from sugarcane, likely implementation of a higher Sugar MSP (up by Rs 2/kg to Rs 33/kg). Balrampur Chini has a superior balance-sheet strength, with ROE of 22.9% in FY20, strong cash flow generation and consistent rewards to share-holders (declared an interim dividend of Rs 2.5/share in Feb-2021, implemented the 4<sup>th</sup> consecutive buy-back in FY20). We keep our estimates unchanged anticipating a strong recovery in 4QFY21 (with reversal of ~Rs 570mn, higher sales of ethanol and reversion of domestic sugar prices). We continue to maintain our buy rating on Balrampur Chini and value the company on a SOTP basis at a target price of Rs 237/share (implied P/BV of 1.2x on FY23E).

## Q3FY21 Result (Rs Mn)

Particulars	Q3FY21	Q3FY20	YoY (%)	Q2FY21	QoQ (%)
Revenue	10,722	11,958	(10.3)	12,898	(16.9)
Total Expense	10,358	10,856	(4.6)	11,621	(10.9)
EBITDA	364	1,102	(67.0)	1,277	(71.5)
Depreciation	281	250	12.6	282	(0.1)
EBIT	83	852	(90.3)	996	(91.7)
Other Income	111	68	63.0	46	143.4
Interest	50	76	(33.4)	90	(44.3)
EBT	144	845	(83.0)	951	(84.9)
Tax	(67)	152	(143.9)	212	(131.6)
RPAT	269	725	(62.9)	783	(65.7)
APAT	269	725	(62.9)	783	(65.7)
			(bps)		(bps)
Gross Margin (%)	17.0	21.1	(414)	20.2	(328)
EBITDA Margin (%)	3.4	9.2	(582)	9.9	(651)
NPM (%)	0.0	0.0	0	0.0	0
Tax Rate (%)	(46.5)	18.0	(6448)	22.2	(6873)
EBIT Margin (%)	0.8	7.1	(636)	7.7	(695)

CMP	Rs 158
Target / Upside	Rs 237 / 50%
NIFTY	14,790

## Scrip Details

Equity / FV	Rs 210mn / Rs 1
Market Cap	Rs 33bn
	USD 453mn
52-week High/Low	Rs 188/ 69
Avg. Volume (no)	13,85,530
Bloom Code	BRCM IN

Price Performance	1M	3M	12M
Absolute (%)	(8)	5	0
Rel to NIFTY (%)	(12)	(18)	(23)

## Shareholding Pattern

	Jun'20	Sep'20	Dec'20
Promoters	41.1	41.1	41.2
MF/Banks/FIs	12.4	12.4	13.8
FIIIs	19.0	19.0	20.1
Public / Others	27.5	27.5	25.0

## Valuation (x)

	FY21E	FY22E	FY23E
P/E	6.1	4.2	4.1
EV/EBITDA	5.3	3.6	3.1
ROE (%)	20.5	24.3	20.8
RoACE (%)	14.1	18.7	17.2

## Estimates (Rs mn)

	FY21E	FY22E	FY23E
Revenue	49,923	53,597	54,649
EBITDA	8,192	11,163	11,477
PAT	5,749	8,218	8,512
EPS (Rs.)	25.8	37.2	38.5

**Analyst: Archit Joshi**  
Tel: +9122 40969726  
E-mail: architj@dolatcapital.com

**Associate: Tejas Sonawane**  
Tel: +9122 40969792  
E-mail: tejass@dolatcapital.com

**Associate: Yash Shah**  
Tel: +9122 40969754  
E-mail: yashs@dolatcapital.com

## Sugar Export Subsidy Program for Sugar Season 20-21

The government recently cut the subsidy of sugar exports on a per kg basis, which was at Rs 10.44/kg for FY20 to Rs 6.0/kg whilst increasing the export sales quota to 6 mn tons. The company has sold receipt of licensed quota of 25 lakh quintal of sugar exports and will be focusing only on domestic sales as the company will be reducing ~11-12 lakh quintals of sugar owing to B-Heavy molasses based ethanol diversion.

Balrampur Chini is expected to sell ~11-12 Cr Liters of B-heavy Ethanol, ~4-5 Cr Liters of C-heavy Ethanol and ~2 Cr liters of ENA in FY21E.

### Exhibit 1: SOTP Valuation

Segments	FY20	FY21E	FY22E	FY23E	EV/EBIT	EV (Rs mn)
Sugar	3,442	1,844	4,389	4,477	5.0	22,384
Distillery	2,615	4,486	4,712	4,820	6.0	28,922
Power	475	364	371	378	3.0	1,135
<b>Total</b>	<b>6,532</b>	<b>6,694</b>	<b>9,472</b>	<b>9,675</b>		<b>52,441</b>
Net Debt	14,777	10,406	7,342	2,747		2,747
M-Cap						49,694
No of Shares						210
<b>Target Price</b>						<b>237</b>
Book value/Share						202
<b>Implied P/BV</b>						<b>1.2</b>

Source: DART, Company

### Exhibit 2: Actual vs DART Estimates – Q3FY21

Particulars	Actual	Estimated	Variance	Comments
Revenue	10,722	14,790	(27.5)	
EBITDA	364	1,765	(79.4)	Lower than anticipated Sugar and Distillery Sales
EBITDA Margin(%)	3.4	11.9	328bps	
PAT	269	1,275	(78.9)	

Source: DART, Company

### Exhibit 3: Change in Estimates

Particulars (Rs Mn)	FY21E			FY22E			FY2E		
	New	Previous	Change(%)	New	Previous	Change(%)	New	Previous	Change(%)
Revenue	49,923	49,923	-	53,597	53,597	-	54,649	54,649	-
EBITDA	8,192	8,192	-	11,163	11,163	-	11,477	11,477	-
EBITDA Margin(%)	16.4	16.4	-	20.8	20.8	-	21.0	21.0	-
PAT	5,418	5,418	-	7,804	7,804	-	8,092	8,092	-
EPS(Rs)	25.8	25.8	-	37.2	37.2	-	38.5	38.5	-

Source: DART, Company

---

## ConCall Highlights

### Industry Guidance

- Company expects production of sugar to be below 30mn tons vs 27.4mn tons in SY20.
- Production is expected to be lower due to lower production in UP impacted by lower recovery, lower cane area and higher diversion to Ethanol.
- Production in Karnataka is expected to be at 4.2mn tons vs 3.5mn tons in SY20.
- The management of the company expects India to produce 30mn tons of sugar and consume and export 26mn and 5mn respectively and therefore net reduction of 1mn ton from 10.7mn of closing stock of SY20 leaving closing balance for SY21 to be at 9.7mn ton.
- OMC procured 182 cr litres of Ethanol in SY20 vs 38 cr litres in SY14.
- Tenders by OMC for Ethanol in SY21 is at 325cr litres.

### Sugar

- Company reported muted performance due to lower sugar off-take and subdued sugar prices, also lower recovery rate.
- Lower recovery rate was due to adverse weather conditions and red rot disease and due to higher diversion of sugarcane towards B heavy.
- Sugar inventory was 21.36 lakh quintals valued at an average rate of Rs 31.51/kg vs 44.22 lakh quintals as of 31<sup>st</sup> December 2019 valued at an average rate of Rs 31.64/kg.
- Inventory levels are expected to fall and the company expects sugar prices to be atleast Rs 34/kg from April onwards.
- Company expects the inventory loss of Rs 56cr in Q3FY21 to reverse back in Q4FY21.
- Approximately 0.2-0.3% is lost on the recovery rate.
- Management is hopeful of sugar prices to rise on the back of lower expected production, expected increase in MSP announcement and no increase in UP SAP sugarcane price.
- Power dispute with government hearing is on 10<sup>th</sup> February.
- Landed cost of sugarcane in Q3FY21 is Rs 340
- Cane crushing is expected to be at similar levels as last year of 10.2mn tons.

### Distillery

- Distillery segment marked good performance on the back of higher realization.
- Ethanol produced out of B-heavy molasses constituted 39.6% of total Alcohol production in Q3FY21.
- B-heavy molasses stood at 8.67 lakh quintals vs 5.67 lakh quintals as at 31<sup>st</sup> December 2019.
- C-heavy molasses stood at 2.46 lakh quintals vs 6.14 lakh quintals as at 31<sup>st</sup> December 2019

- Company is expected to do total alcohol sales of 15-15.5 cr litres for FY21 and as of 9MFY21, the company has alcohol sales of 12.75 cr litres.
- Out of 15.5cr litres expected by FY21, company expects B heavy to do 11-12cr litres, 1cr litres from C heavy and rest from ENA.
- Distillery cost of Rs 27/kg is expected to increase by Rs 2-3 from higher diversion towards B heavy molasses.

#### Exhibit 4: Sugar- Sales, Volume, Blended Realisation, EBIT and EBIT Margin

Particulars	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21
Sugar Sales (Rs Mn)	8,370	7,506	11,530	17,724	13,411	10,634	10,322
Sugar Volumes (Mn Quintals)	2.2	2.1	3.2	4.5	3.6	3.1	2.7
Blended Realisation (Rs/Kg)	32.9	33.4	33.3	32.2	31.9	33.4	32.5
Sugar EBIT (Rs Mn)	733	901	487	1,321	950	235	-330
Sugar EBIT Margin (%)	8.8	12.0	4.2	7.5	7.1	2.2	(3.2)

Source: DART, Company

#### Exhibit 5: Distillery Sales, EBIT, EBIT Margin, B Heavy and C Heavy Sales Volume

Particulars	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21
Distillery Revenues (Rs Mn)	1,392	1,339	1,028	1,732	2,233	2,628	1,348
Distillery EBIT (Rs Mn)	851	674	395	695	959	1,010	489
Distillery EBIT Margin (%)	61.2	50.3	38.4	40.1	42.9	38.4	36.2
B Heavy Ethanol Volume Sales (Mn Ltrs)	-	-	1.1	24.5	31.0	25.5	10.1
C Heavy Ethanol Volume Sales (Mn Ltrs)	-	-	18.3	6.6	9.0	21.8	14.8

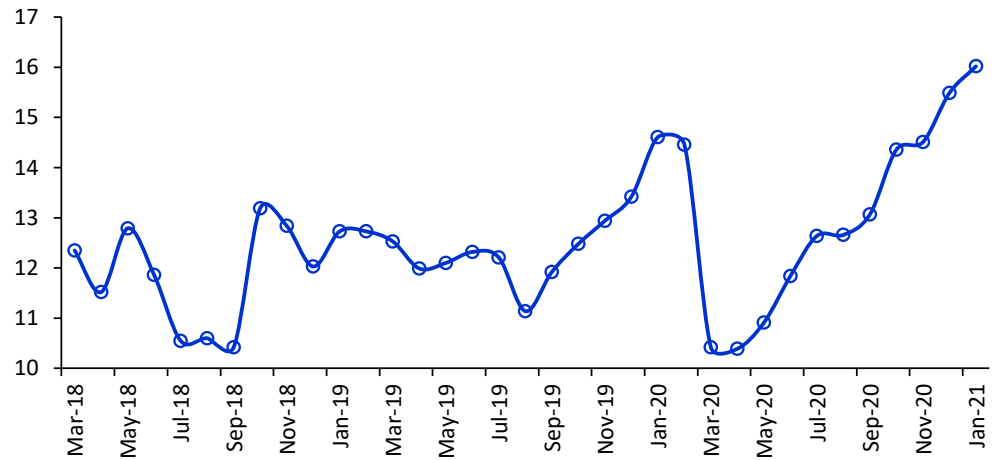
Source: DART, Company

#### Exhibit 6: Sugar Balance Sheet

Particulars	SS 11	SS 12	SS 13	SS 14	SS 15	SS 16	SS 17	SS 18	SS 19	SS 20	SS 21E
Opening Stock	5.3	6.2	7.0	9.6	7.9	9.7	8.3	4.5	10.8	14.7	10.7
Production	24.4	26.3	25.2	24.6	28.5	25.1	20.2	32.1	33.2	27.4	30.2
Consumption	20.8	22.6	22.8	24.2	25.6	24.8	24.5	25.4	25.5	25.7	26.0
Imports	-	-	0.7	0.1	-	-	0.5	-	-	-	-
Exports	2.6	3.0	0.4	2.1	1.1	1.7	-	0.5	3.8	5.7	6.0
Closing Stock	6.2	7.0	9.6	7.9	9.7	8.3	4.5	10.8	14.7	10.7	8.9

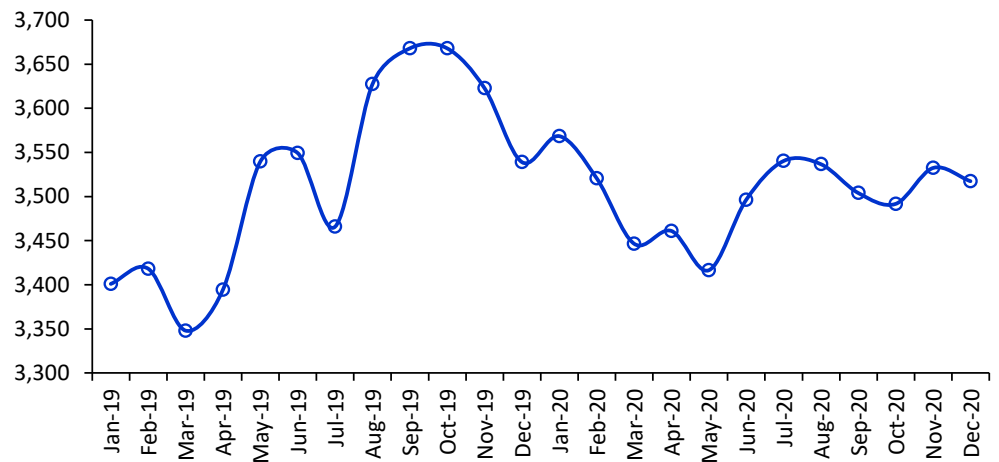
Source: DART, Company

**Exhibit 7: Gopal Sugar Prices – US Sugar Futures – Raw Sugar (Cents/Lb)**



Source: Company, DART

**Exhibit 8: Domestic Wholesale Sugar Prices - (Delhi) (Rs/Quital)**



Source: DART, Company

**Profit and Loss Account**

(Rs Mn)	FY20A	FY21E	FY22E	FY23E
<b>Revenue</b>	<b>47,413</b>	<b>49,923</b>	<b>53,597</b>	<b>54,649</b>
<b>Total Expense</b>	<b>40,593</b>	<b>41,731</b>	<b>42,435</b>	<b>43,171</b>
COGS	35,015	35,722	35,958	36,187
Employees Cost	2,540	2,667	2,800	2,940
Other expenses	3,038	3,342	3,676	4,044
<b>EBIDTA</b>	<b>6,820</b>	<b>8,192</b>	<b>11,163</b>	<b>11,477</b>
Depreciation	1,014	1,115	1,225	1,331
<b>EBIT</b>	<b>5,806</b>	<b>7,077</b>	<b>9,937</b>	<b>10,147</b>
Interest	642	526	401	276
Other Income	439	350	375	400
Exc. / E.O. items	0	0	0	0
<b>EBT</b>	<b>5,603</b>	<b>6,901</b>	<b>9,911</b>	<b>10,270</b>
Tax	487	1,230	1,771	1,837
RPAT	5,194	5,749	8,218	8,512
Minority Interest	0	0	0	0
<b>Profit/Loss share of associates</b>	<b>78</b>	<b>78</b>	<b>78</b>	<b>78</b>
<b>APAT</b>	<b>5,194</b>	<b>5,749</b>	<b>8,218</b>	<b>8,512</b>

**Balance Sheet**

(Rs Mn)	FY20A	FY21E	FY22E	FY23E
<b>Sources of Funds</b>				
Equity Capital	220	210	210	210
Minority Interest	0	0	0	0
Reserves & Surplus	23,937	28,461	35,254	42,208
<b>Net Worth</b>	<b>24,157</b>	<b>28,671</b>	<b>35,464</b>	<b>42,418</b>
Total Debt	14,823	10,523	8,023	5,523
Net Deferred Tax Liability	592	592	592	592
<b>Total Capital Employed</b>	<b>39,572</b>	<b>39,786</b>	<b>44,079</b>	<b>48,534</b>

**Applications of Funds**

Net Block	<b>16,240</b>	<b>16,185</b>	<b>17,030</b>	<b>17,669</b>
CWIP	124	124	124	124
Investments	2,540	3,740	5,240	6,740
<b>Current Assets, Loans &amp; Advances</b>	<b>29,164</b>	<b>28,726</b>	<b>31,328</b>	<b>33,831</b>
Inventories	22,950	21,042	22,658	22,803
Receivables	2,393	3,009	3,231	3,294
Cash and Bank Balances	47	117	681	2,776
Loans and Advances	0	0	0	0
Other Current Assets	3,718	4,501	4,701	4,901
<b>Less: Current Liabilities &amp; Provisions</b>	<b>8,496</b>	<b>8,989</b>	<b>9,643</b>	<b>9,830</b>
Payables	6,780	7,523	8,076	8,235
Other Current Liabilities	1,716	1,466	1,567	1,595
<i>sub total</i>				
Net Current Assets	20,668	19,737	21,685	24,000
<b>Total Assets</b>	<b>39,572</b>	<b>39,786</b>	<b>44,079</b>	<b>48,534</b>

E – Estimates

**Important Ratios**

Particulars	FY20A	FY21E	FY22E	FY23E
<b>(A) Margins (%)</b>				
Gross Profit Margin	26.1	28.4	32.9	33.8
EBIDTA Margin	14.4	16.4	20.8	21.0
EBIT Margin	12.2	14.2	18.5	18.6
Tax rate	8.7	17.8	17.9	17.9
Net Profit Margin	11.0	11.5	15.3	15.6
<b>(B) As Percentage of Net Sales (%)</b>				
COGS	73.9	71.6	67.1	66.2
Employee	5.4	5.3	5.2	5.4
Other	6.4	6.7	6.9	7.4
<b>(C) Measure of Financial Status</b>				
Gross Debt / Equity	0.6	0.4	0.2	0.1
Interest Coverage	9.0	13.5	24.8	36.7
Inventory days	177	154	154	152
Debtors days	18	22	22	22
Average Cost of Debt	4.0	4.2	4.3	4.1
Payable days	52	55	55	55
Working Capital days	159	144	148	160
FA T/O	2.9	3.1	3.1	3.1
<b>(D) Measures of Investment</b>				
AEPS (Rs)	23.6	25.8	37.2	38.5
CEPS (Rs)	28.2	31.1	43.0	44.9
DPS (Rs)	2.5	3.5	4.0	4.5
Dividend Payout (%)	12.8	13.6	10.8	11.7
BVPS (Rs)	109.8	136.5	168.9	202.0
RoANW (%)	22.9	20.5	24.3	20.8
RoACE (%)	13.6	14.1	18.7	17.2
RoAIC (%)	13.1	12.5	17.2	16.8
<b>(E) Valuation Ratios</b>				
CMP (Rs)	158	158	158	158
P/E	6.7	6.1	4.2	4.1
Mcap (Rs Mn)	33,075	33,075	33,075	33,075
MCap/ Sales	0.7	0.7	0.6	0.6
EV	47,795	43,425	40,360	35,766
EV/Sales	1.0	0.9	0.8	0.7
EV/EBITDA	7.0	5.3	3.6	3.1
P/BV	1.4	1.2	0.9	0.8
Dividend Yield (%)	1.6	2.2	2.5	2.9
<b>(F) Growth Rate (%)</b>				
Revenue	10.6	5.3	7.4	2.0
EBITDA	(1.0)	20.1	36.3	2.8
EBIT	(2.1)	21.9	40.4	2.1
PBT	(5.8)	23.2	43.6	3.6
APAT	(9.8)	10.7	42.9	3.6
EPS	(6.3)	9.3	44.0	3.7

**Cash Flow**

(Rs Mn)	FY20A	FY21E	FY22E	FY23E
CFO	8,656	8,061	8,047	9,479
CFI	(3,169)	(2,260)	(3,570)	(3,470)
CFF	(5,490)	(5,730)	(3,913)	(3,914)
FCFF	5,952	7,000	5,977	7,509
Opening Cash	49	47	117	681
Closing Cash	47	117	681	2,776

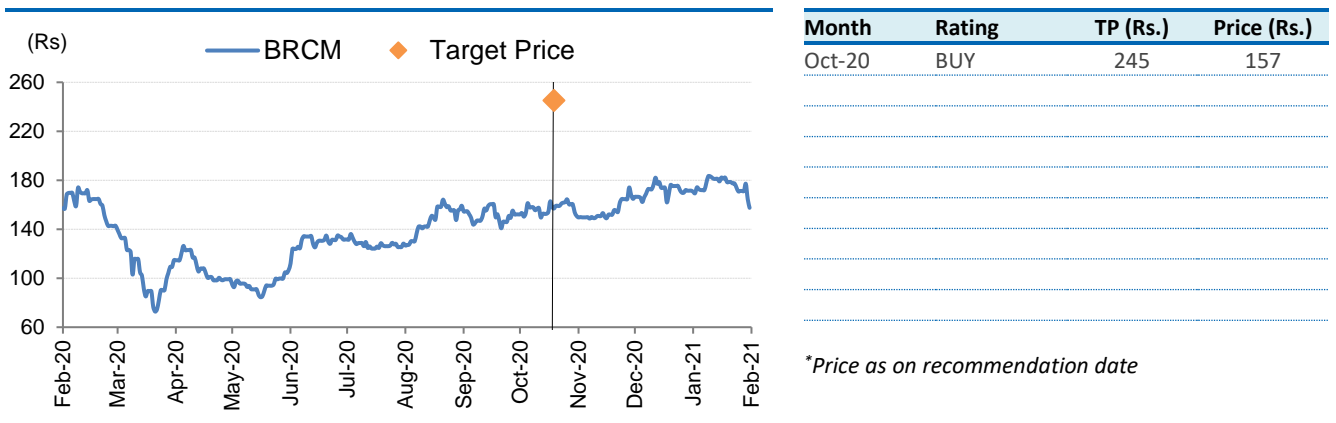
E – Estimates

### 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



### DART Team

**Purvag Shah**      **Managing Director**      [purvag@dolatcapital.com](mailto:purvag@dolatcapital.com)      **+9122 4096 9747**

**Amit Khurana, CFA**      **Head of Equities**      [amit@dolatcapital.com](mailto:amit@dolatcapital.com)      **+9122 4096 9745**

#### CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	<a href="mailto:dineshb@dolatcapital.com">dineshb@dolatcapital.com</a>	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	<a href="mailto:kapil@dolatcapital.com">kapil@dolatcapital.com</a>	+9122 4096 9735
Yomika Agarwal	VP - Equity Sales	<a href="mailto:yomika@dolatcapital.com">yomika@dolatcapital.com</a>	+9122 4096 9772
Jubbin Shah	VP - Derivatives Sales	<a href="mailto:jubbins@dolatcapital.com">jubbins@dolatcapital.com</a>	+9122 4096 9779
Ashwani Kandoi	AVP - Equity Sales	<a href="mailto:ashwanik@dolatcapital.com">ashwanik@dolatcapital.com</a>	+9122 4096 9725
Lekha Nahar	AVP - Equity Sales	<a href="mailto:lekhan@dolatcapital.com">lekhan@dolatcapital.com</a>	+9122 4096 9740
Equity Trading	Designation	E-mail	
P. Sridhar	SVP and Head of Sales Trading	<a href="mailto:sridhar@dolatcapital.com">sridhar@dolatcapital.com</a>	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	<a href="mailto:chandrakant@dolatcapital.com">chandrakant@dolatcapital.com</a>	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	<a href="mailto:shirisht@dolatcapital.com">shirisht@dolatcapital.com</a>	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	<a href="mailto:kartikm@dolatcapital.com">kartikm@dolatcapital.com</a>	+9122 4096 9715
Dinesh Mehta	Co- Head Asia Derivatives	<a href="mailto:dinesh.mehta@dolatcapital.com">dinesh.mehta@dolatcapital.com</a>	+9122 4096 9765
Bhavin Mehta	VP - Derivatives Strategist	<a href="mailto:bhavinm@dolatcapital.com">bhavinm@dolatcapital.com</a>	+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 StoneX Financial Inc. ("StoneX"). Transactions in securities discussed in this research report should be effected through StoneX Financial Inc. ("StoneX") 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 – INZ000274132, NSE - INZ000274132, 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](mailto:research@dolatcapital.com) | [www.dolatresearch.com](http://www.dolatresearch.com)

---