



Q3FY24 Bajaj Auto Ltd.



Bajaj Auto Ltd.

Record Revenue, EBITDA, PAT performance continues

CMP INR 7,598	Target INR 8,818	Potential Upside 16.1%	Market Cap (INR Mn) 21,49,334	Recommendation BUY	Sector Automobile
------------------	---------------------	---------------------------	----------------------------------	-----------------------	----------------------

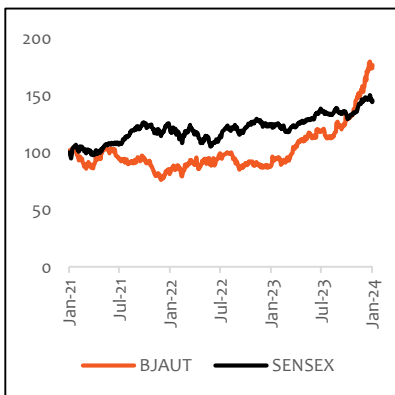
Highlights

- For Q3FY24, BJAUT's total volumes grew by 22.1% YoY/ 14.0% QoQ to 12,00,997 units. Volumes for 9MFY24 grew by 7.0% YoY to 32,82,357 units.
- Revenue grew by 30.5% YoY/ 12.2% QoQ to INR 1,21,653 Mn and was in line with our estimate. The strong revenue performance was led by strong performance in domestic markets due to festive sales. Average realization improved by 7.6% YoY but moderated by 1.4% QoQ. For 9MFY24, revenue grew by 21.0% YoY to INR 3,33,155 Mn. The average realization grew by 13.8% YoY.
- EBITDA for the quarter was at INR 24,149 Mn, a growth of 37.4% YoY/ 13.4% QoQ and was in line with our estimate. EBITDA margin improved by 99 bps YoY/ 20 bps QoQ to 19.9%, driven by better YoY realizations, dynamic cost management and operating leverage which more than offset the drag from competitive investments on growing scale on electric scooters. For 9MFY24, EBITDA grew by 35.1% YoY to INR 64,773 Mn while EBITDA margin expanded by 203 bps YoY to 19.4%.
- PBT before share of associates grew by 37.1% YoY/ 11.1% QoQ to INR 26,662 Mn for the quarter, and by 32.2% YoY to INR 72,506 Mn for 9MFY24.
- PAT for the quarter was at INR 20,326 Mn, a growth of 38.0% YoY and was in line with our estimate. PAT is not comparable on a QoQ basis as the share of associates is only recorded by BJAUT in Q2 and Q4 and not in Q1 and Q3. For 9MFY24, PAT improved by 30.8% YoY to INR 56,968 Mn.

MARKET DATA

Shares O/S (Mn)	283
Mkt Cap (INR Mn)	21,49,334
52 Wk H/L (INR)	7,625/ 3,611
Volume Avg (3m K)	534
Face Value (INR)	10
Bloomberg Code	BJAUT IN

SHARE PRICE PERFORMANCE



MARKET INFO

SENSEX	70,701
NIFTY	21,353

KEY FINANCIALS

Particulars (INR Mn)	FY21	FY22	FY23	FY24E	FY25E	FY26E
Revenue	277,411	331,447	364,554	447,067	507,764	560,298
EBITDA	49,247	52,499	64,505	87,153	101,470	113,378
PAT	48,570	61,659	60,602	79,217	90,209	99,803
Adj. PAT	48,570	53,494	60,602	79,217	90,209	99,803
EPS (INR)	167.9	213.2	212.5	280.0	318.8	352.7
Adj. EPS (INR)	167.8	184.9	212.5	280.0	318.8	352.7
EBITDA Margin	17.8%	15.8%	17.7%	19.5%	20.0%	20.2%
Adj. NPM	17.5%	16.1%	16.6%	17.7%	17.8%	17.8%

Source: Company, KRChoksey Research

Record Revenue, EBITDA, PAT for the 3rd consecutive quarter aided by strong domestic performance

BJAUT continued its strong performance in Q3FY24 with record Revenue, EBITDA, PAT for the 3rd consecutive quarter. BJAUT's total volumes grew by 22.1% YoY/ 14.0% QoQ to 12,00,997 units. Domestic sales volumes (2W+3W) grew by 43.0% YoY/ 22.1% QoQ while export volumes declined by 3.7% YoY but improved by 1.5% QoQ. Revenue for the quarter grew by 30.5% YoY/ 12.2% QoQ to INR 1,21,653 Mn. Average realization improved by 7.6% YoY but moderated by 1.4% QoQ. Domestic revenue growth was about 50.0% YoY. While export volumes declined YoY, export revenue grew by 10.0% YoY due to improved mix and better FX realization. Volumes for 9MFY24 grew by 7.0% YoY to 32,82,357 units while revenue grew by 21.0% YoY to INR 3,33,155 Mn. The average realization grew by 13.8% YoY.

Strong EBITDA margin due to operating leverage, favourable FX realization and cost management

The commodity costs saw sequential softening, especially for noble metals. Steel and lead were the exceptions and saw some increase at the start of the quarter. BJAUT has taken small pricing actions to pass on the benefit of lower commodity costs in select models in domestic 2W, Chetak and exports. Gross margin for the quarter contracted by 42 bps YoY/ 6 bps QoQ. EBITDA for the quarter was at INR 24,149 Mn, a growth of 37.4% YoY/ 13.4% QoQ. EBITDA margin improved by 99 bps YoY/ 20 bps QoQ to 19.9%, driven by better YoY realizations, favourable FX, dynamic cost management and operating leverage which more than offset the drag from competitive investments on growing scale on electric scooters. For 9MFY24, EBITDA grew by 35.1% YoY to INR 64,773 Mn while EBITDA margin expanded by 203 bps YoY to 19.4%. PBT before share of associates grew by 37.1% YoY/ 11.1% QoQ to INR 26,662 Mn for the quarter, and by 32.2% YoY to INR 72,506 Mn for 9MFY24. PAT for the quarter was at INR 20,326 Mn, a growth of 38.0% YoY and was in line with our estimate. PAT is not comparable on a QoQ basis as the share of associates is only recorded by BJAUT in Q2 and Q4 and not in Q1 and Q3. For 9MFY24, PAT improved by 30.8% YoY to INR 56,968 Mn.

Ramp-up continues in Chetak E-2W, E-3W and Triumph

Chetak volumes grew 3.0x YoY and breached the 10,000 units per month mark in Q3FY24. Revenue from Chetak in Q3FY24 was almost equal to 9MFY23. BJAUT is now targeting to breach 15,000 units per month sales mark in Q4FY24E and has an order book of 11,000 units in January already. BJAUT's E-3W network expanded to 23 cities. In every city that BJAUT has entered, it has gained 50.0% market share in about 3 months. BJAUT plans to reach 50 cities in Q4FY24E and 200 before the season in CY24E. Triumph has gained 20.0% market share in select cities where it is present for 3-4 months. BJAUT commenced exports of Triumph with over 6,000 bikes delivered to different destinations. Domestic sales were about 8,000 units in the quarter. BJAUT is unlocking capacity to step up volumes from March 2024. The Company is targeting to ramp up capacity to 10,000 units per month, and then inch it up to 20,000 and 30,000 units per month during the course of next year.

SHARE HOLDING PATTERN (%)

Particulars	Dec-23	Sep-23	Jun-23
Promoters	54.9	55.0	55.0
FIIIs	14.7	14.4	13.7
DIIIs	8.7	9.1	9.6
Others	21.7	21.5	21.7
Total	100	100	100

15.4%

Revenue CAGR between FY23 and FY26E

18.1%

PAT CAGR between FY23 and FY26E

Bajaj Auto Ltd.

Conference call highlights

Exports

- Due to the tough macroeconomic environment coupled with geopolitical issues, the export operating environment remains uncertain.
- Exports are still at 70.0% of the peak in FY22. Africa and South Asia are impacting the overall exports while LATAM, the Philippines and the Middle East have reached or crossed the peak of FY22.
- LATAM has seen significant market share gains.
- Devaluation impact in Nigeria continues to impact sales in the country.
- Share of Pulsar in exports improved to 28.0% vs. 19.0% last year, leading to mix improvement. As a result of this and better FX realization, despite a YoY volume decline, export revenue growth was 10.0% YoY while EBITDA growth was even higher.
- BJAUT broke ground for the new plant in Brazil and expects to commence production in Q1FY25E.
- Due to the disruption in the Red Sea, freight rates have doubled to many destinations and has caused delays of about three weeks to LATAM and parts of Africa. In addition, container availability is also a concern. Alternative routes have been put in place and order levels of channel partners are being adjusted to take note of longer timelines.

Domestic 2W

- The 2W motorcycle industry has seen double-digit growth across segments i.e. 100cc, 110cc and 125cc+. The 125cc+ segment continued to grow faster.
- The industry did not see a big post-festive volume fall in December. Industry is expected to see growth of 8.0% to 10.0% YoY in the coming quarters.
- BJAUT retail sales growth was 2.0x of industry for the overall portfolio. BJAUT's sales of the 125cc+ segment grew by 36.0% YoY vs. 13.0% YoY for the industry.
- 125cc+ segment accounts for 50.0% for the industry and 70.0% for BJAUT in terms of retails. BJAUT now has a market share of 31.0% in this segment which is close to the market leader.
- BJAUT's share in the 150 cc to 250 cc sports segment has increased due to Pulsar's share going up from 32.0% in FY23 to 40.0% on the back of the N series launch. The sports segment of the industry itself has grown due to the Pulsar intervention and the segment's share has gone up from 12.0% to 15.0%, with 70.0% of the delta coming from Pulsar.
- Pulsar volumes reached an all-time high of 400,000 units, doubling volumes in 2 years.
- BJAUT's CNG 2W product will be unveiled sometime in FY25E.
- BJAUT's success in the 125cc+ segment is attributed to early identification of the rise of this segment, a broad product range catering to different types of customers.
- BJAUT will continue to launch products in the segment and there will be 2-3 upgrades each month for the next 3-4 months.
- BJAUT will continue to try to pull customers from 100cc to 125cc instead of trying to strike a balance between volume, market share, and profitability in the 100cc segment.

Domestic 3W

- BJAUT's market share in Q3FY24 was 77.0% for overall 3W and 80.0% in passenger 3W. BJAUT's market share in CNG 3W was at 85.0%.
- Monthly run rate of sales has inched up to 40,000 units vs. 30,000 units last year.
- BJAUT's E-3W expanded to 23 cities. In every city that BJAUT has entered, it has gained 50.0% market share in about 3 months. BJAUT plans to reach 50 cities in Q4FY24E and 200 before the season in CY24E.

Chetak E-2W

- Chetak volumes grew 3.0x YoY and revenue in Q3FY24 was almost equal to 9MFY23.
- BJAUT has expanded the Chetak network to 140 cities with 160 exclusive stores.
- Chetak sales breached the 10,000 unit per month mark in Q3FY24 and BJAUT is now targeting to breach 15,000 per month sales mark in Q4FY24E and has an order book of 11,000 units in January already.
- Chetak's market share has gone up to 14.0% in December from 4.0% in FY23. Market share gains were driven by a widening of network and right pricing of product vs. competition. The new variant launched recently which has plugged some gaps in features, and another launch planned in Q1FY25E will contribute to further market share gains.
- Further growth will be driven by the new model Chetak Premium, which was launched recently and network expansion.
- Profitability of Chetak E-2W will be a function of scale, decline in lithium prices, movement of cell costs, improving blended ASP with new launches, and competitive forces.
- In terms of export of Chetak E-2W, BJAUT has identified markets in 3 horizons- launch in 9 months, launch between 9 to 18 months and launch beyond 18 months, and has shipped out some products for sampling and market tests.

Probing

- The Scrambler 400x received a good response and now contributes to almost 50.0% of Triumph sales.
- BJAUT now sells Triumph in 40 cities and plans to expand the Triumph network to 100 cities by the end of Q4FY24E, which will cover 50.0% of the relevant market. Triumph has gained 20.0% market share in select cities where it is present for 3-4 months.
- BJAUT commenced exports of Triumph with over 6,000 units to different destinations. Domestic sales were about 8,000 units in the quarter.
- BJAUT is unlocking capacity to step up volumes from March 2024. The Company is targeting to ramp up capacity to 10,000 units per month, and then inch it up to 20,000 and 30,000 units per month during the course of next year.
- KTM's new Gen-3 Duke range of bikes has been well received. The new Husqvarna range is launched in January and is expected to invigorate the brand.

Outlook

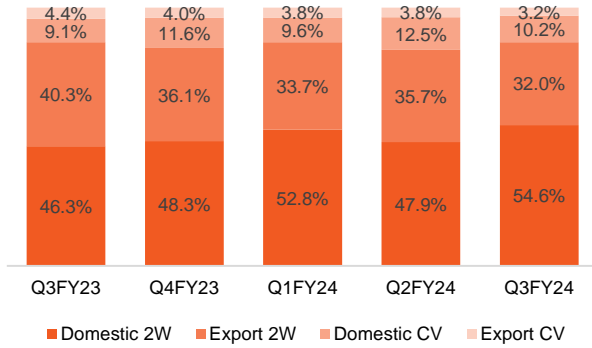
- There is a slight uptick in commodities such as polypropylene, rubber, copper and zinc which can cause some inflation in Q4FY24E.
- The buyback announced is in line with the new dividend distribution policy announced in 2023. FY24E performance is so far better than estimated, hence the buyback size is larger at INR 40,000 Mn at a price of INR 10,000 per share. The buyback requires shareholders' approval which is currently underway.

Valuation and view

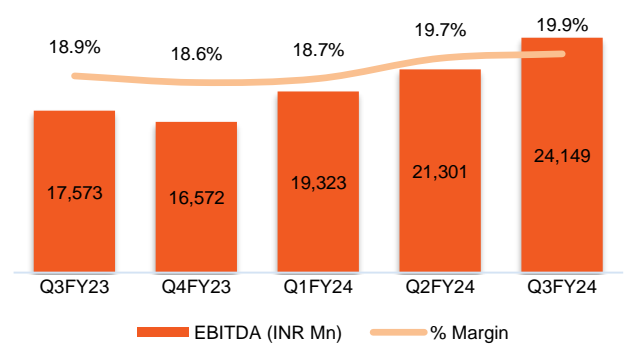
BJAUT has continued to deliver on its 5 focus areas which are: 1) growth in 125cc+ segment through Pulsar franchise, 2) 80.0% market share in domestic 3W and ramp up E-3W, 3) QoQ improvement in exports, 4) ramp up in Chetak network and sales, 5) scale up Triumph and leverage new portfolio in KTM. Excluding a slower recovery in exports due to continued macroeconomic and geopolitical concerns, BJAUT is firing on all the other focus areas. Even in exports, recovery continues, albeit at a slower pace. The strong growth and market share gains in the 125cc+ segment in domestic 2W and domestic 3W are the major contributors to BJAUT's record revenue and profitability. BJAUT's businesses which are in the ramp-up phase namely Chetak E-2W, E-3W and Triumph are progressing well on the stated goals of new launches, network expansion and market share gains. We continue to like BJAUT for its strength despite subdued exports. **We revise our FY24E/ FY25E/ FY26E EPS estimates upwards by 1.0%/ 2.6%/ 4.4%, respectively as we increase our EBITDA margin estimate for FY25E/ FY26E by 71 bps/ 97 bps, respectively. We believe BJAUT will be able to maintain healthy margin levels through continued traction in the domestic 3W and the 125cc+ 2W segment, operating leverage from a gradual recovery in exports, and improving scale of operations in E-2W, E-3W and Triumph. We expect Revenue/ EBITDA/ Adj. PAT to grow at CAGR 15.4%/ 20.7%/ 18.1%, respectively over FY23-FY26E. The stock is currently trading at 27.1x/ 23.8x/ 21.5x our Adj. EPS estimate for FY24E/ FY25E/ FY26E, respectively. The share price has rallied by 23.8% since our last report. We assign a P/E multiple of 25.0x on FY26E EPS of INR 352.7 and arrive at a target price of INR 8,818/share (INR 7,093/share previously); implying an upside potential of 16.1% from the CMP. Accordingly, we maintain our "BUY" recommendation on the shares of Bajaj Auto.**

Bajaj Auto Ltd.

Share of Overall Domestic units increased further



EBITDA margin strengthened



Source: Company, KRChoksey Research

KEY FINANCIALS

Particulars (Mn)	Q3FY24	Q2FY24	Q3FY23	QoQ	YoY	9MFY24	9MFY23	YoY
No. Of. Vehicles Sold	1,200,997	1,053,953	983,471	14.0%	22.1%	3,282,357	3,068,129	7.0%
Net Sales	118,921	105,847	90,506	12.4%	31.4%	325,323	267,305	21.7%
Other operating income	2,732	2,536	2,680	7.8%	2.0%	7,832	7,956	-1.6%
Net Operating Income	121,653	108,382	93,185	12.2%	30.5%	333,155	275,262	21.0%
Other income	3,563	3,686	2,705	-3.3%	31.7%	10,760	9,240	16.5%
Total revenue	125,217	112,068	95,891	11.7%	30.6%	343,915	284,502	20.9%
Total Expenditure	97,504	87,081	75,613	12.0%	29.0%	268,382	227,328	18.1%
Cost of raw materials	78,908	72,315	58,295	9.1%	35.4%	218,091	182,055	19.8%
Purchase of traded goods	6,934	6,660	5,676	4.1%	22.1%	19,741	15,256	29.4%
Change in inventory	703	-1,941	1,931	136.2%	-63.6%	-71	1,230	-105.7%
COGS	86,545	77,034	65,903	12.3%	31.3%	237,761	198,541	19.8%
Employee costs	4,042	4,009	3,616	0.8%	11.8%	12,064	11,050	9.2%
Other expenses	6,995	6,093	6,160	14.8%	13.5%	18,886	17,891	5.6%
Capitalized expenses	-77	-55	-66	-40.0%	-16.8%	-329	-154	-114.3%
EBITDA	24,149	21,301	17,573	13.4%	37.4%	64,773	47,933	35.1%
EBITDA Margin (%)	19.9%	19.7%	18.9%	20 bps	99 bps	19.4%	17.4%	203 bps
Depreciation	929	918	748	1.2%	24.2%	2,720	2,099	29.6%
EBIT	23,220	20,383	16,825	13.9%	38.0%	62,053	45,835	35.4%
EBIT Margin (%)	19.1%	18.8%	18.1%	28 bps	103 bps	18.6%	16.7%	197 bps
Interest	121	65	85	85.0%	42.7%	307	237	29.4%
PBT before share of associates	26,662	24,004	19,445	11.1%	37.1%	72,506	54,838	32.2%
Exceptional items	0	0	0	NA	NA	0	0	NA
Share of profit of associates	0	1,837	0	NA	NA	1,837	1,981	-7.3%
Tax	6,336	5,640	4,718	12.3%	34.3%	17,375	13,264	31.0%
PAT	20,326	20,201	14,727	0.6%	38.0%	56,968	43,555	30.8%
PAT Margin (%)	16.7%	18.6%	15.8%	-193 bps	90 bps	17.1%	15.8%	128 bps
EPS (INR)	71.9	71.4	52.1	0.7%	38.0%	201.6	152.3	32.4%

Source: Company, KRChoksey Research

Bajaj Auto Ltd.

Particulars (INR Mn)	FY22	FY23	FY24E	FY25E	FY26E
Sales	321,360	353,915	436,456	495,380	546,632
Other operating revenue	10,087	10,639	10,610	12,384	13,666
Revenue from operations	331,447	364,554	447,067	507,764	560,298
Cost of sales	243,298	261,213	318,799	360,339	396,566
Gross profit	88,149	103,341	128,268	147,425	163,732
Employee benefit expense	13,628	14,845	16,165	18,589	20,954
Finance cost	87	395	414	409	403
Depreciation	2,698	2,859	3,655	3,780	4,280
Other expenses	22,155	24,270	25,379	27,927	29,960
Capitalized expenses	-133	-278	-429	-560	-560
Total expenses	281,732	303,302	363,983	410,483	451,603
EBITDA	52,499	64,505	87,153	101,470	113,378
EBIT	49,802	61,647	83,498	97,690	109,098
Share of profit by associates	5,795	5,293	5,545	6,211	6,956
Other income	12,841	11,875	14,239	13,649	13,949
PBT before exp	68,352	78,420	102,868	117,141	129,600
Exceptional items	-8,165	0	0	0	0
PBT	76,517	78,420	102,868	117,141	129,600
Income tax expense	14,858	17,818	23,650	26,932	29,796
Net profit	61,659	60,602	79,217	90,209	99,803
EPS (INR)	213.2	212.5	280.0	319	353
Adj. Net Profit	53,494	60,602	79,217	90,209	99,803
Adj. EPS	184.9	212.5	280.0	318.8	352.7

Particulars (INR Mn)	FY22	FY23	FY24E	FY25E	FY26E
Cash from operations activities	41,972	52,774	84,516	95,036	104,921
Cash from investing activities	-809	11,995	-12,600	-13,632	-14,525
Cash from financing activities	-40,563	-71,807	-39,856	-48,614	-63,359
Net inc/dec in cash equivalents	600	-7,038	32,060	32,790	27,037
Opening Balance cash	5,166	9,337	2,416	34,476	67,267
Change in foreign currency translation arising on consolidation	3,571	117	0	0	0
End Cash	9,337	2,416	34,476	67,267	94,304

Particulars (INR Mn)	FY22	FY23	FY24E	FY25E	FY26E
EBITDA Margin (%)	15.8%	17.7%	19.5%	20.0%	20.2%
Tax rate (%)	19.4%	22.7%	23.0%	23.0%	23.0%
Net Profit Margin (%)	16.1%	16.6%	17.7%	17.8%	17.8%
RoE (%)	21.6%	20.5%	25.3%	25.5%	25.4%
RoCE (%)	16.7%	21.0%	25.1%	26.0%	26.5%
EPS (INR per share)	213.2	212.5	280.0	318.8	352.7
Adj. EPS (INR per share)	184.9	212.5	280.0	318.8	352.7
Adj. P/E	41.1x	35.8x	27.1x	23.8x	21.5x

Source: Company, KRChoksey Research

Bajaj Auto Ltd.

Balance Sheet (INR Mn)	FY22	FY23	FY24E	FY25E	FY26E
PPE	17,596	27,615	31,560	36,412	41,657
Capital WIP	772	853	853	853	853
Investment property	511	500	500	500	500
Intangible assets	253	307	307	307	307
Investments in associate of subsidiary	40,638	48,840	48,840	48,840	48,840
Financial assets	176,672	167,535	167,535	167,535	167,535
Income tax assets	7,492	8,125	8,937	9,831	10,814
Other non-current assets	3,522	1,085	1,194	1,313	1,445
Total non-current assets	247,456	254,861	259,726	265,592	271,951
Inventories	12,305	15,636	19,082	21,569	23,737
Investments	49,691	45,814	50,814	55,814	60,814
Trade receivables	15,164	17,524	21,491	24,409	26,934
Cash and cash eq	9,337	2,416	34,476	67,267	94,304
Other bank balances	244	4,489	4,489	4,489	4,489
Loans	42	36	36	36	36
Other financial assets	5,963	4,734	4,734	4,734	4,734
Other current assets	10,911	5,856	5,856	5,856	5,856
Total current assets	103,656	96,504	140,978	184,172	220,903
Total Assets	351,112	351,365	400,704	449,764	492,854
Equity share capital	2,894	2,830	2,830	2,830	2,830
Other equity	295,703	290,786	330,389	372,211	408,869
Total Equity	298,597	293,615	333,218	375,041	411,698
Sales tax deferral	1,228	1,242	1,242	1,242	1,242
Provisions	13	12	12	12	12
DTL	4,027	3,452	3,624	3,805	3,996
Govt grant	360	334	334	334	334
Other non-current liabilities	3	2	2	2	2
Total non-current liabilities	5,631	5,042	5,214	5,395	5,586
Trade payables	36,322	41,212	50,297	56,851	62,567
Other financial liabilities	3,970	4,641	4,873	5,117	5,372
Other current liabilities	4,788	4,926	5,172	5,431	5,703
Provisions	1,538	1,665	1,665	1,665	1,665
Govt grant	27	27	27	27	27
Current tax liabilities	242	237	237	237	237
Total current liabilities	46,885	52,707	62,271	69,327	75,570
Total Equity & liabilities	351,112	351,364	400,704	449,764	492,854

Source: Company, KRChoksey Research

Bajaj Auto Ltd.

Bajaj Auto Ltd.			
Date	CMP (INR)	TP(INR)	Recommendation
25-Jan-24	7,598	8,818	BUY
05-Dec-23	6,137	7,093	BUY
19-Oct-23	5,474	5,830	ACCUMULATE
26-Jul-23	4,860	5,321	ACCUMULATE
27-Apr-23	4,396	4,756	ACCUMULATE
27-Jan-23	3,941	4,564	BUY

Rating Legend (Expected over a 12-month period)	
Our Rating	Upside
Buy	More than 15%
Accumulate	5% – 15%
Hold	0 – 5%
Reduce	-5% – 0
Sell	Less than – 5%

ANALYST CERTIFICATION:

I, Unnati Jadhav (MMS, Finance), Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Terms & Conditions and other disclosures:

KRChoksey Shares and Securities Pvt. Ltd (hereinafter referred to as KRCSPL) is a registered member of National Stock Exchange of India Limited and Bombay Stock Exchange Limited. KRCSPL is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH00001295. It is also registered as a Depository Participant with CDSL, CDSL Registration No IN-DP-425-2019.

KRChoksey Shares & Securities Pvt Ltd. and DRChoksey Finserv Private Ltd. (Demerged entity from KRChoksey Shares & Securities Limited) are regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of Research Analysts including preparing and distribution of Research Reports. This research report is prepared and distributed by DRChoksey Finserv Private Ltd in the capacity of a Research Analyst as per Regulation 22(1) of SEBI (Research Analysts) Regulations 2014 having SEBI Registration No. INH00001246. It may be further notified that KRCSPL carries on the activity of preparation as well as distribution of reports in the capacity of a Research Analyst as per Regulation 22(1) of SEBI (Research Analysts) Regulations 2014 having SEBI Registration No. INH000001295.

The information and opinions in this report are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of KRCSPL. While we would endeavour to update the information herein on a reasonable basis, KRCSPL is not under any obligation to update the information. Also, there may be regulatory, compliance or other reasons that may prevent KRCSPL from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension follows applicable regulations and/or KRCSPL policies, in circumstances where KRCSPL might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. KRCSPL will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. KRCSPL accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Our employees in sales and marketing team, dealers and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed herein, in reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

We submit that no material disciplinary action has been taken on KRCSPL and its associates (Group Companies) by any Regulatory Authority impacting Equity Research Analysis activities. KRCSPL prohibits its associate, analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analyst covers.

KRCSPL or its associates (Group Companies) collectively or its research analyst, or relatives do not hold any financial interest/beneficial ownership of more than 1% (at the end of the month immediately preceding the date of publication of the research report) in the company covered by Analyst, and has not been engaged in market making activity of the company covered by research analyst.

It is confirmed that, I, Unnati Jadhav Research Analyst of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Compensation of our Research Analysts is not based on any specific brokerage service transactions.

KRCSPL or its Associates (Group Companies) have not managed or co-managed public offering of securities for the subject company in the past twelve months.

KRCSPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of brokerage services or specific transaction or for products and services other than brokerage services.

KRCSPL or its associates (Group Companies) collectively or its research analyst, or relatives might have received any commission/compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report other than investment banking or merchant banking or brokerage services from the subject company

KRCSPL encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. KRCSPL or its analysts do not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither KRCSPL nor Research Analysts his associate or his relative, have any material conflict of interest at the time of publication of this report.

It is confirmed that, Unnati Jadhav, Research Analyst do not serve as an officer, director or employee of the companies mentioned in the report.

KRCSPL or its associates (Group Companies) or its research analyst has may been engaged in market making activity for the subject company.

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 KRCSPL and affiliates 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 certain category of investors. Persons in whose possession this document may come are required to inform them of and to observe such restriction.

Please send your feedback to research.insti@krchoksey.com

In case of any grievances, please write to grievance@krchoksey.com
Visit us at www.krchoksey.com

KRChoksey Shares and Securities Pvt. Ltd.

CIN-U67120MH1997PTC180958

Registered Office: 1102, Stock Exchange Tower, Dalal Street, Fort, Mumbai – 400 001.

Phone: 91-22-6633 5000; Fax: 91-22-6633 8060

Corporate Office: 701-702, DLH Plaza, Opp Shoppers Stop, S V Road, Andheri (W), Mumbai 400 058

Phone: 91-22-66535000

Compliance Officer: Varsha Shinde

Email: varsha.shinde@krchoksey.com