

India

HOLD (no change)

Consensus ratings*: Buy 21 Hold 13 Sell 7

Current price:	Rs5,062
Target price:	Rs5,400
Previous target:	Rs5,325
Up/downside:	6.7%
InCred Research / Consensus:	2.0%
Reuters:	BRIT.NS
Bloomberg:	BRIT IN
Market cap:	US\$14,601m
Average daily turnover:	Rs1,219,179m
Current shares o/s:	US\$18.9m
Free float:	Rs1580.2m
*Source: Bloomberg	

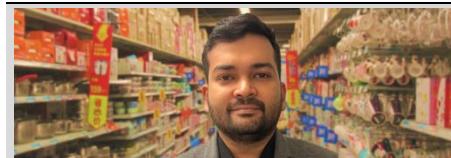
Key changes in this note

- Raise target price to Rs5,400 from Rs5,325.
- Raise FY25F/26F EPS by 0.9%/1.5%.



Price performance	1M	3M	12M
Absolute (%)	5.2	1.1	9.4
Relative (%)	5.7	(1.3)	(9.6)
Major shareholders			% held
Promoter	50.6		
LIC	4.1		
SBI	2.2		

Research Analyst(s)



Rohan KALLE

T (91) 22 4161 1561
E rohan.kalle@incredresearch.com

Nishant BAGRECHA

T (91) 22 4161 1564
E nishant.bagrecha@incredresearch.com

Saurabh SINGH

T (91) 2241611558
E saurabh.singh@incredresearch.com

Britannia Industries Ltd

Scale-up of adjacent biz is a key monitorable

- Britannia Industries posted 5.8%/2.8% standalone volume/value growth, respectively, in 4QFY24. Market share gains continued during the quarter.
- Gross/EBITDA margins stood at 44.9%/19.4%, flat/-56bp yoy, respectively. Margins are expected to remain range-bound in the medium term.
- The focus will remain on driving faster growth in adjacent business. Retain HOLD rating on the stock with a higher TP of Rs5,400 due to lofty valuation.

Distribution expansion efforts in focus states aid volume growth

Britannia Industries (BRIT) posted 4QFY24 standalone/consolidated net revenue growth of 2.8%/1.1% yoy, respectively. Volume growth stood at 5.8% in 4QFY24 (+3.6% in FY24). Focus markets (largely the Hindi belt) grew 2.4x vs. the rest of India. Market share continued to inch up sequentially, driven by healthy gains from the Hindi-speaking belt, where BRIT has stepped up the distribution of its premium range of cookies, crackers & other innovative products. Direct reach rose to 2.79m outlets in FY24 vs. 2.68m in FY23 while the rural distribution reach rose to 30k distributors in FY24 vs. 28k in FY23. BRIT has hired consultancy firm Bain & Co for its Route to Market 2.0 strategy through which it aims to aggressively expand its adjacent business while continuing to build its biscuit range.

Adjacency business scale-up to remain a key focus area in FY25F

Cake and rusk (two large categories in adjacencies), which were not performing well earlier due to intense competition from local players, have been reworked and are leading the volume recovery. The overall adjacent business posted faster growth in organized channels in FY24 vs. the core. The base formats of cake did well in traditional trade while the premium offerings fared better in e-commerce channels. Rusk posted double-digit volume growth while the bread range's growth was led by the health & variety segment. Cheese offerings posted double-digit growth while the drinks range saw distribution expansion ahead of the upcoming summer season. Management is targeting a 3.5% contribution from new product development (NPD) in the medium term.

Margins expected to remain range-bound in medium term

Gross/EBITDA margins at 44.9%/19.4%, respectively, were aided by opportunistic procurement and inventory management in 4QFY24. Prices were cut by 3% by way of grammage hikes and consumer promotions during the quarter. BRIT is targeting double-digit volume growth and anticipates a 3-4% inflation in FY25F post general elections.

Lofty valuation limits upside; Retain HOLD rating with TP of Rs5,400

While we like BRIT's thrust on expanding its distribution reach and focus on rural markets, the aggressive scale-up of adjacent business is likely to keep the margins range-bound in the medium term. We retain our HOLD rating on the stock with a higher target price of Rs5,400 (Rs5,325 earlier) based on 49x Mar 2026F EPS. Upside risk: Higher-than estimated EBITDA margin. Downside risk: Delay in volume recovery and scale-up of NPDs.

Financial Summary	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue (Rsm)	141,363	163,006	167,693	190,973	209,241
Operating EBITDA (Rsm)	22,015	28,309	31,698	35,890	39,826
Net Profit (Rsm)	15,258	19,462	21,427	23,567	26,567
Core EPS (Rs)	63.3	80.8	88.9	97.8	110.3
Core EPS Growth	(18.2%)	27.6%	10.1%	10.0%	12.7%
FD Core P/E (x)	74.91	58.73	53.34	48.50	43.02
DPS (Rs)	69.0	49.2	0.0	87.4	98.7
Dividend Yield	2.17%	1.19%	1.52%	1.84%	2.08%
EV/EBITDA (x)	52.59	40.73	36.03	31.90	28.68
P/FCFE (x)	44.80	117.42	57.79	61.71	43.16
Net Gearing	56.0%	27.5%	(2.6%)	3.4%	(2.9%)
P/BV (x)	44.68	32.34	29.00	27.26	25.57
ROE	50.0%	63.9%	57.3%	57.9%	61.3%
% Change In Core EPS Estimates				0.82%	1.45%
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Scale-up of adjacent biz is a key monitorable

Highlights from the earnings call

Demand and operating environment

- Management remains confident about improvement in demand in FY25F.
- **Market share:** Market share has improved. Price cuts were taken by way of grammage hikes, which led to a better market share.
- Typically, more players enter the same segments as the market leaders.
- Post inflationary environment, other biscuit manufacturers started improving market share, which was led by distribution expansion out of their respective core markets. Some moved to other markets and gained market share.
- Management believes that smaller players are witnessing pressure in new markets and hence, their market share gains have stabilized.
- **Distribution reach:** Expanded the direct reach to 2.79m outlets in Mar 2024 (vs. 2.68m in Mar 2023). Rural distributors increased to 30k in Mar 2024 vs. 28k in Mar 2023.
- Focus states continued to grow faster (2.4x) than the rest of India.
- **Organized channels** have been a focus area for the company. Modern trade or MT + e-commerce accounted for 12%/3% of sales, respectively, targeting 16-17% in total in the medium term. The focus remains on a future-ready organization, with digital media spending remaining a key area. Supply chains were made more agile to improve real-time replenishment. Service levels have been improved by 15% yoy (above 90% now), with service levels in some accounts above 93%. The focus was on driving adjacent categories (which was not as large a focus area in the previous year).
- **Route to Market 2.0:** The objective of this strategy is to unlock growth potential and create bandwidth within the system. Data analytics and AI will aid growth.
 - In Route To Market or RTM 1.0 (2014-15) salesmen were split (one extra salesman hired to sell different products), which aided growth.
 - RTM 2.0 has just kicked off. The focus is on driving adjacent business.
 - Outlet segmentation will be reworked, and service architecture will be tailored to serve high potential outlets. Feet-on-street will be expanded, with improvement in capabilities at the salesman level.
 - Building AI-enabled predictive ordering to aid sales efforts (range-selling).
 - Salesforce automation to be improved.
 - The overall process will take 12 months but from 2HFY25F, some efforts will be visible.
 - Bain & Co. has been engaged for this project. Trials will happen in pilot markets first. By the end of the year, adjacency business is expected to start posting better growth.
- **Volume:** In FY24, volume and revenue growth were similar. In FY25F, volume is expected to be better post general elections - aiming at double-digit volume growth. Pricing in 4Q stood at -3% and is expected to be flat in 1Q. After the ongoing general elections, management is expecting c.3-4% inflation.

Innovation

- **Teat:** Brand architecture was reworked. Vanilla and choco creams were reworked with a distinct look and feel, which have seen good traction.
- 50:50 Golmaal biscuits continue to do well.
- **Recent launches:** Fruit and Nut Gooday (for MT), cake, rusk & bourbon milkshake are doing well. Recent launches contributed to Rs2.75bn in FY24. NPD contribution targeted at 3.5% (c.2% currently).

Advertising and marketing

- Good Day and Marie Gold were supported by spending on advertisements. Marie Gold had a 'My startup challenge', with 1m+ entries over the last five years. 28 of these entries have been performing (40+ funded by BRIT).
- **Nutrichoice:** It is the only product in the market in the digestive segment which has 'atta', as per management.
- Atta Milk Bikis are doing well in the eastern region.
- Winking Cow was supported by media spending. This will be the second summer season with the PET bottle variant. Volume has been healthy since it was implemented.

Adjacency business

- **Adjacency business** has a c.25% sales contribution, with the average margin being slightly better than biscuits at the gross margin level but lower at the PAT margin level.
- **Cake:** Base formats performed well in traditional trade. Specialty products were pushed on e-commerce channels, which witnessed qoq growth.
- **Rusk:** Posted robust double-digit growth, maintaining price competitiveness.
- **Bread:** Growth was led by the health and variety segment, with improved profitability on a yoy basis.
- **Cake, rusk, bread and dairy** have similar contributions in terms of revenue. Should be Rs1bn in total, as per management.

Dairy (Bel SA partnership).

- **Cheese:** Posted double-digit growth in India business. Laughing Cow Portions (round box) has done well. Differentiated cheese continues to gain traction. The cheese facility in Ranjangaon has been commercialized, with products currently being pushed into trade channels.
- **Drinks:** Distribution reach was expanded before the summer season.
- **Lassi:** Improved the product and value proposition (now at Rs20/bottle). A new contract manufacturer has been onboarded in the eastern region.
- Management is optimistic about the opportunity in the dairy business, led by the company's new differentiated range of products.

International business

- Growth was robust during the quarter (and year) led by GCC and America.
- Nepal, on a small base, posted consistent growth in both revenue and profitability terms.

Input costs and margins

- Cost savings were 7x in 2024 vs. 2013. Management has been focusing on cost savings in a strong manner.
- **Spending on advertisements** was higher in 4QFY24.
- **Raw material cost trend:** Flour costs were up 7% yoy while sugar prices were up 9% yoy. Palm oil prices declined by 13% yoy. Lamination prices declined by 6% yoy. Corrugated box prices declined by 10% yoy.
- **Outlook: 3-4% inflation is expected in FY25F**, largely post general elections in India. Sugar and wheat prices are expected to remain inflationary. Management believes that inflation will be manageable led by better procurement strategies. Margins are expected to remain range-bound from here on.

Outlook

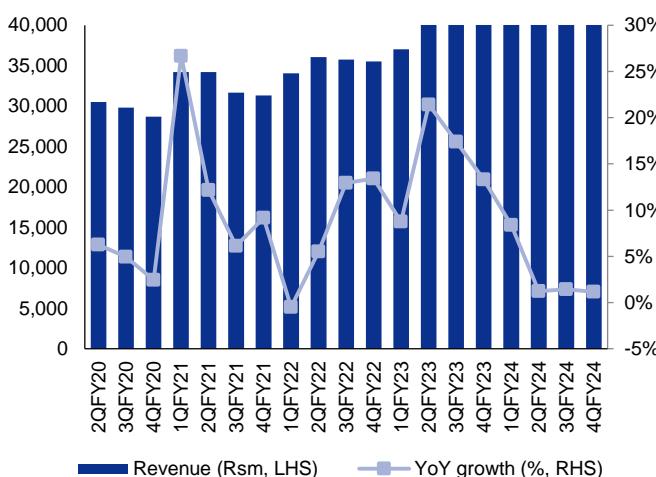
- Management will continue to invest in brands and innovation.
- Price corrections taken in specific channels to drive market share higher.
- The focus will remain on driving volume (in double digits - on a low base of FY24) and focused market share gains while sustaining profitability. The focus will also be on driving adjacency business at a 1.5x faster pace than the biscuit range. Not many new categories are expected in FY25F as many new categories were introduced in FY24 and hence, the focus will be on scaling recent launches.
- In the previous decade, both volume and value growth were strong. This decade it was weaker. Management hopes that from FY25F things should improve.
- Rural market expansion will continue. The top-end (organized trade) has done well. High potential outlets were served with an obsolete model (now revamped) as well as RURBAN markets, which have been improving. Rural markets are under-leveraged as per management. The focus remains on adding more rural distributors.

Figure 1: Quarterly summary - consolidated

Rs m	4QFY23	3QFY24	4QFY24	YoY (%)	QoQ (%)	FY23	FY24	Gr (%)
Revenue	40,232	42,563	40,694	1.1	-4.4	1,63,006	1,67,693	2.9
Expenditure	32,223	34,352	32,819	1.9	-4.5	1,34,696	1,35,994	1.0
Consumption of raw materials	22,159	23,891	22,425	1.2	-6.1	95,913	94,920	-1.0
as % of sales	55.1	56.1	55.1			58.8	56.6	
Employee costs	1,706	1,985	1,620	-5.0	-18.4	6,584	7,087	7.6
as % of sales	4.2	4.7	4.0			4.0	4.2	
Other expenditure	8,358	8,477	8,774	5.0	3.5	32,200	33,987	5.6
as % of sales	20.8	19.9	21.6			19.8	20.3	
EBITDA	8,009	8,211	7,874	-1.7	-4.1	28,309	31,698	12.0
Depreciation	653	781	799	22.3	2.4	2,259	3,005	33.0
EBIT	7,356	7,430	7,075	-3.8	-4.8	26,050	28,694	10.1
Other income	564	506	573	1.7	13.4	2,159	2,142	-0.8
Interest	349	311	264	-24.2	-15.0	1,691	1,640	-3.0
PBT	7,571	7,625	7,384	-2.5	-3.2	26,518	29,196	10.1
Total tax	2,035	2,026	1,980	-2.7	-2.3	7,165	7,793	8.8
PAT	5,536	5,599	5,404	-2.4	-3.5	19,353	21,403	10.6
Profit from associates / minority interest	-51	6	21	-141.8	NM	-109	-24	-77.9
APAT	5,587	5,593	5,383	-3.6	-3.8	19,462	21,427	10.1
Extraordinary items	0	29	0	NA	-100.0	-3,756	29	3656.0
Reported PAT	5,587	5,564	5,383	-3.6	-3.3	23,218	21,398	-7.8
Adj. EPS	23.2	23.2	22.3	-3.6	-3.8	80.8	88.9	10.1
Margins (%)				(bp)	(bp)			(bp)
Gross margin	44.9	43.9	44.9	-3	102	41.2	43.4	224
EBITDA	19.9	19.3	19.4	-56	6	17.4	18.9	154
EBIT	18.3	17.5	17.4	-90	-7	16.0	17.1	113
EBT	18.8	17.9	18.1	-67	23	16.3	17.4	114
PAT	13.8	13.2	13.3	-48	13	11.9	12.8	89
Effective tax rate	26.9	26.6	26.8	-6	25	27.0	26.7	-33

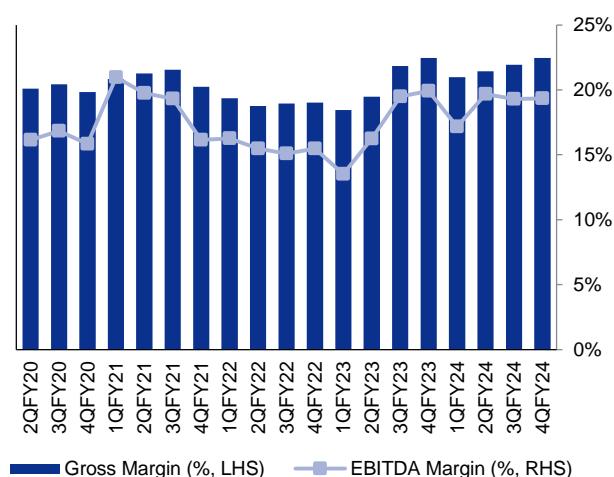
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Revenue grew 1.1% yoy in 4QFY24



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Gross margin was flat yoy at 49.9% in 4QFY24



SOURCE: INCRED RESEARCH, COMPANY REPORTS

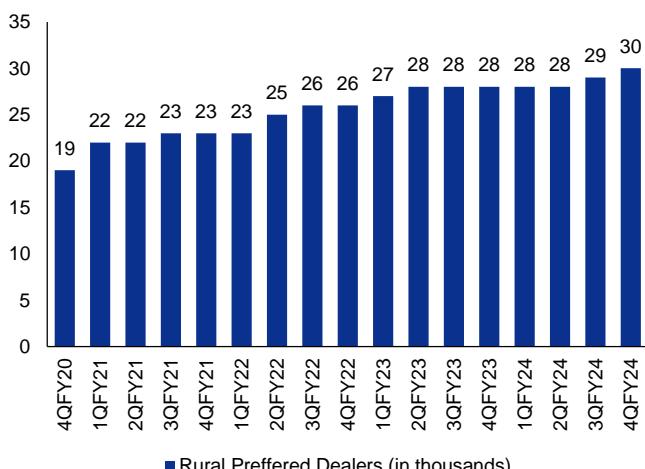
Figure 4: Direct reach increased to 2.79m outlets in FY24



■ Direct Reach (in lakhs)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

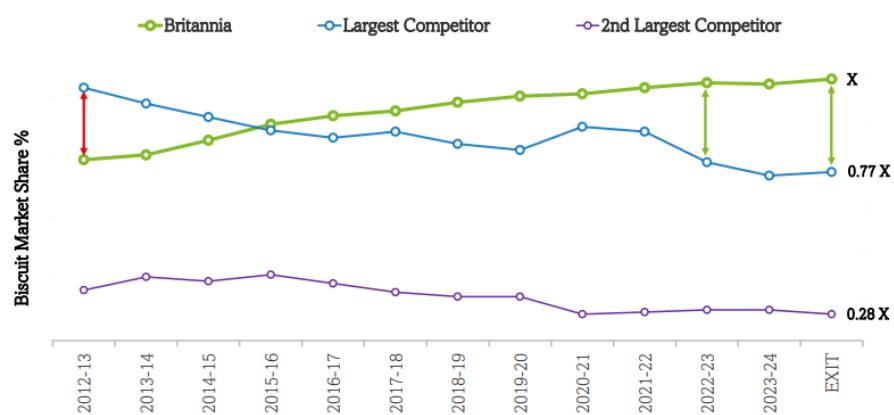
Figure 5: Rural distributors increased to 30k in FY24



■ Rural Preferred Dealers (in thousands)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Biscuit market share gradually improves from 1HFY24



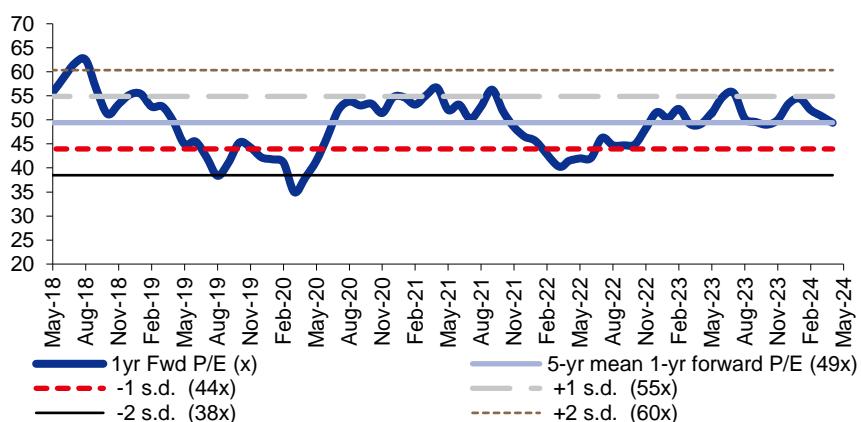
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Our revised earnings estimates

Rs m	FY25F			FY26F		
	Previous	Revised	% Change	Previous	Revised	% Change
Revenue	1,89,709	1,90,973	0.7	2,07,822	2,09,241	0.7
EBITDA	35,677	35,890	0.6	39,375	39,826	1.1
EBITDA margin (%)	18.8	18.8	0bp	18.9	19.0	9bp
Net profit	23,376	23,567	0.8	26,186	26,567	1.5
EPS	97.0	97.8	0.9	108.7	110.3	1.5

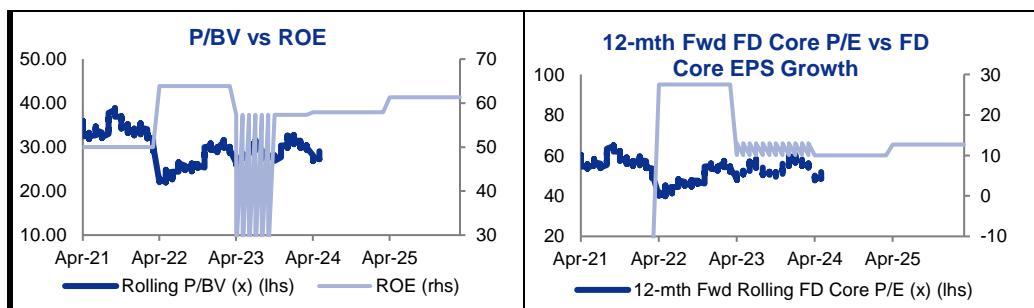
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: BRIT's one-year forward P/E trades at its five-year average



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss					
(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Total Net Revenues	141,363	163,006	167,693	190,973	209,241
Gross Profit	53,760	67,093	72,772	81,846	90,133
Operating EBITDA	22,015	28,309	31,698	35,890	39,826
Depreciation And Amortisation	(2,005)	(2,259)	(3,005)	(3,728)	(4,259)
Operating EBIT	20,010	26,050	28,694	32,162	35,568
Financial Income/(Expense)	454	2	40	(159)	139
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	332	465	462	71	74
Profit Before Tax (pre-ET)	20,795	26,518	29,196	32,074	35,781
Exceptional Items					
Pre-tax Profit	20,795	26,518	29,196	32,074	35,781
Taxation	(5,624)	(7,165)	(7,793)	(8,531)	(9,238)
Exceptional Income - post-tax					
Profit After Tax	15,172	19,353	21,403	23,543	26,543
Minority Interests	86	109	24	24	24
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	15,258	19,462	21,427	23,567	26,567
Recurring Net Profit	15,258	19,462	21,427	23,567	26,567
Fully Diluted Recurring Net Profit	15,258	19,462	21,427	23,567	26,567

Cash Flow					
(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
EBITDA	22,015	28,309	31,698	35,890	39,826
Cash Flow from Invt. & Assoc.	86	109	24	24	24
Change In Working Capital	46	5,569	4,135	(5,573)	(1,145)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	2,228	2,159	2,142	2,162	2,463
Other Operating Cashflow					
Net Interest (Paid)/Received	(1,443)	(1,691)	(1,640)	(2,250)	(2,250)
Tax Paid	(5,624)	(7,165)	(7,793)	(8,531)	(9,238)
Cashflow From Operations	17,309	27,290	28,567	21,722	29,681
Capex	(5,623)	(6,820)	(5,104)	(3,200)	(3,200)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	10,044	(15,886)	5,707		
Other Investing Cashflow					
Cash Flow From Investing	4,421	(22,706)	603	(3,200)	(3,200)
Debt Raised/(repaid)	3,784	5,150	(9,393)		
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(24,849)	(13,592)	(17,325)	(21,057)	(23,786)
Preferred Dividends					
Other Financing Cashflow	(892)	3,875	48	76	76
Cash Flow From Financing	(21,957)	(4,568)	(26,669)	(20,981)	(23,710)
Total Cash Generated	(227)	16	2,500	(2,460)	2,771
Free Cashflow To Equity	25,514	9,734	19,777	18,522	26,481
Free Cashflow To Firm	23,173	6,276	30,810	20,772	28,731

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Total Cash And Equivalents	10,186	19,990	21,429	18,969	21,740
Total Debtors	3,319	3,289	3,933	4,246	4,657
Inventories	13,675	11,933	11,812	12,878	14,111
Total Other Current Assets	15,283	14,908	12,834	14,376	15,279
Total Current Assets	42,463	50,120	50,008	50,468	55,786
Fixed Assets	21,353	25,914	28,014	27,486	26,427
Total Investments	9,426	15,639	10,977	10,977	10,977
Intangible Assets	1,396	1,282	1,298	1,298	1,298
Total Other Non-Current Assets	509	554	418	418	418
Total Non-current Assets	32,684	43,389	40,707	40,179	39,120
Short-term Debt	17,586	14,287	11,365	11,365	11,365
Current Portion of Long-Term Debt					
Total Creditors	12,852	14,488	16,275	14,891	16,277
Other Current Liabilities					
Total Current Liabilities	30,438	28,775	27,640	26,256	27,642
Total Long-term Debt	7,070	15,518	9,047	9,047	9,047
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	7,070	15,518	9,047	9,047	9,047
Total Provisions	4,851	5,390	5,898	5,680	5,697
Total Liabilities	42,359	49,684	42,585	40,983	42,386
Shareholders Equity	25,581	35,343	39,415	41,925	44,705
Minority Interests	275	302	245	321	397
Total Equity	25,856	35,645	39,660	42,246	45,102

Key Ratios					
	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue Growth	7.6%	15.3%	2.9%	13.9%	9.6%
Operating EBITDA Growth	(12.3%)	28.6%	12.0%	13.2%	11.0%
Operating EBITDA Margin	15.6%	17.4%	18.9%	18.8%	19.0%
Net Cash Per Share (Rs)	(60.06)	(40.74)	4.22	(5.99)	5.51
BVPS (Rs)	106.19	146.71	163.62	174.03	185.58
Gross Interest Cover	13.87	15.41	17.50	14.29	15.81
Effective Tax Rate	27.0%	27.0%	26.7%	26.6%	25.8%
Net Dividend Payout Ratio	162.9%	69.8%	80.9%	89.4%	89.5%
Accounts Receivables Days	7.61	7.40	7.86	7.82	7.77
Inventory Days	51.23	48.73	45.65	41.29	41.35
Accounts Payables Days	54.16	52.02	59.15	52.12	47.76
ROIC (%)	46.9%	60.0%	68.3%	70.2%	77.5%
ROCE (%)	41.3%	48.5%	49.0%	55.8%	59.2%
Return On Average Assets	19.0%	22.9%	23.2%	26.1%	28.5%

Key Drivers					
	Mar-22A	Mar-23A	Mar-24A	Mar-25F	Mar-26F
Revenue growth %	8.2%	14.6%	3.5%	14.0%	9.6%
EBIDTA margin %	15.6%	17.4%	18.9%	18.8%	19.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd.(formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which are believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made. (Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short term views etc.) that are inconsistent with and reach different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

	Analyst/ Relative	Entity/ Associates
any financial interests in the company covered in this report (subject company) and nature of such financial interest	NO	NO
actual/beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the research report or date of the public appearance;	NO	NO
any other material conflict of interest at the time of publication of the research report or at the time of public appearance	NO	NO
received any compensation from the subject company in the past twelve months for investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months for products/services other than investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months	NO	NO
managed or co-managed public offering of securities for the subject company in the last twelve months	NO	NO
received any compensation or other benefits from the subject company or third party in connection with the research report	NO	NO
served as an officer, director or employee of the subject company	NO	NO
been engaged in market making activity for the subject company	NO	NO

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.