

## Pharmaceuticals | Q3FY23 Result Update

**Miss on operating margin**

- Ajanta's revenues were slightly better than our estimates while missed operating margin on account of forex derivative loss of Rs369.9mn.
- Revenue at Rs9.7bn (abv est) grew 16%/3.6 YoY/QoQ on higher than expected US business offset by lower Africa sales. EBITDA declined 29.2%/13.6% YoY/QoQ to Rs1.7bn (below our est), and EBITDA margin contracted by 1115bps/348bps YoY/QoQ to 17.4%. Adjusted for forex loss, EBITDA stood at Rs2bn (in line) and EBITDA margin was at 21.3%.
- We downgrade our EPS estimates by 9.8%/5.3%/4.4% after taking in to account lower than expected EBITDA margin. Maintain Buy with a revised TP of Rs1,593.

**Strong show by India & Asia business while Africa sales impacted**

Ajanta's India revenues grew by 13% YoY in Q3 driven by new launches and strong volume growth in all its focused therapies – cardiovascular, ophthalmology, dermatology and pain management, outperformed the IPM. Asia branded business grew by 17.5% YoY in Q3FY23 seen traction in new launches while Africa branded business declined 13% YoY impacted by currency volatility. Africa sales grew 9% YoY in cc terms. We expect branded generics business of India, Africa and Asia to have combined revenue CAGR of 14% over FY23E-25E, backed by MR productivity and new product launches.

**Higher Tamiflu sales aided US growth**

US revenue grew 60%/44% YoY/QoQ on higher Tamiflu sales benefitted from flu season which is likely to be one off opportunity. Price erosion is in high single digit. Management guides for 1-2 products launches in Q4FY23. Cumulatively 22 products are pending approvals and 39 on the shelf. We expect US revenue to show a 7% CAGR in US\$ terms over FY23E-25E.

**Valuation**

We believe Ajanta Pharma to continue outperforming in branded generic market of India/Asia/Africa. Increasing pace of launches and abating price erosion is likely to improve prospects for the US. We maintain Buy rating with a revised target price of Rs1,593 at 22x FY25E P/E. Key risks are price erosion in the US market, high input cost, regulatory issues related to its facilities.

**Q3FY23 Result (Rs Mn)**

Particulars	Q3FY23	Q3FY22	YoY (%)	Q2FY23	QoQ (%)
Revenue	9,718	8,379	16.0	9,381	3.6
Total Expense	8,022	5,983	34.1	7,418	8.2
EBITDA	1,696	2,396	(29.2)	1,963	(13.6)
Depreciation	333	317	5.0	327	1.8
EBIT	1,363	2,079	(34.5)	1,636	(16.7)
Other Income	349	240	45.4	404	(13.4)
Interest	28	10	198.9	10	186.9
EBT	1,683	2,309	(27.1)	2,030	(17.1)
Tax	338	392	(13.6)	464	(27.1)
RPAT	1,345	1,918	(29.9)	1,566	(14.1)
APAT	1,345	1,918	(29.9)	1,566	(14.1)
			(bps)		(bps)
Gross Margin (%)	72.3	77.4	(515)	72.3	(3)
EBITDA Margin (%)	17.4	28.6	(1115)	20.9	(348)
NPM (%)	13.8	22.9	(905)	16.7	(285)
Tax Rate (%)	20.1	17.0	314	22.9	(276)
EBIT Margin (%)	14.0	24.8	(1079)	17.4	(342)

CMP	Rs 1,188		
Target / Upside	Rs 1,593 / 34%		
NIFTY	17,616		
<b>Scrip Details</b>			
Equity / FV	Rs 257mn / Rs 2		
Market Cap	Rs 153bn		
	USD 1.9bn		
52-week High/Low	Rs 1,510 / 1,062		
Avg. Volume (no)	87,531		
Bloom Code	AJP IN		
<b>Price Performance</b>			
1M	3M	12M	
Absolute (%)	(2)	(10)	(18)
Rel to NIFTY (%)	0	(8)	(20)

**Shareholding Pattern**

	Jun'22	Sep'22	Dec'22
Promoters	70.5	70.5	66.1
MF/Banks/FIs	12.9	13.1	15.8
FII	8.3	8.2	10.1
Public / Others	8.3	8.2	8.0

**Valuation (x)**

	FY23E	FY24E	FY25E
P/E	24.8	18.9	16.4
EV/EBITDA	18.5	13.6	11.2
ROE (%)	17.5	19.5	19.0
RoACE (%)	17.2	19.2	18.8

**Estimates (Rs bn)**

	FY23E	FY24E	FY25E
Revenue	38.0	42.4	47.5
EBITDA	7.8	10.3	12.0
PAT	6.2	8.1	9.3
EPS (Rs.)	48.0	62.8	72.4

**VP Research: Rashmi Shetty**

Tel: +9122 40969724

E-mail: rashmis@dolatcapital.com

**Associate: Zain Gulam Hussain**

Tel: +9122 40969790

E-mail: zain@dolatcapital.com

**Exhibit 1: Quarterly revenue mix**

YE March (Rsm)	Q3FY23	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	9MFY22	9MFY23	YoY (%)
Domestic	2,940	2,600	13.1	3,140	(6.4)	7,370	8,870	20.4
Exports	6,700	5,630	19.0	6,150	8.9	16,850	19,490	15.7
- Emerging Markets Branded Generics	3,730	3,610	3.3	3,970	(6.0)	10,010	11,780	17.7
- Africa Institutional	310	360	(13.9)	330	(6.1)	1,560	1,410	(9.6)
- US	2,660	1,660	60.2	1,850	43.8	5,280	6,300	19.3
<b>Total</b>	<b>9,640</b>	<b>8,230</b>	<b>17.1</b>	<b>9,290</b>	<b>3.8</b>	<b>24,220</b>	<b>28,360</b>	<b>17.1</b>

Source: Company, DART

**Exhibit 2: Actual vs DART estimates**

Particulars (Rs mn)	Q3FY23	Q3FY23E	Variance (%)
Revenue	9,718	9,267	4.9
EBITDA	1,696	2,057	(17.6)
EBITDA Margin (%)	17.4	22.2	(475bps)
Adjusted PAT	1,345	1,678	(19.8)
EPS (Rs)	10.5	13.1	(19.8)

Source: Company, DART

**Exhibit 3: Change in estimates**

Particulars (Rs mn)	Old estimates			New estimates			Change (%)		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Revenue	37,533	42,254	47,494	37,954	42,391	47,529	1.1	0.3	0.1
EBITDA	8,820	10,986	12,586	7,819	10,343	11,977	(11.4)	(5.9)	(4.8)
PAT	6,839	8,526	9,738	6,166	8,071	9,311	(9.8)	(5.3)	(4.4)

Source: Company, DART

We have increased our revenue estimates by 1.1%/0.3%/0.1% in FY23E/FY24E/FY25E assuming higher than expected US sales while we cut our EBITDA estimates by 11%/6%/5% assuming higher than expected operating cost.

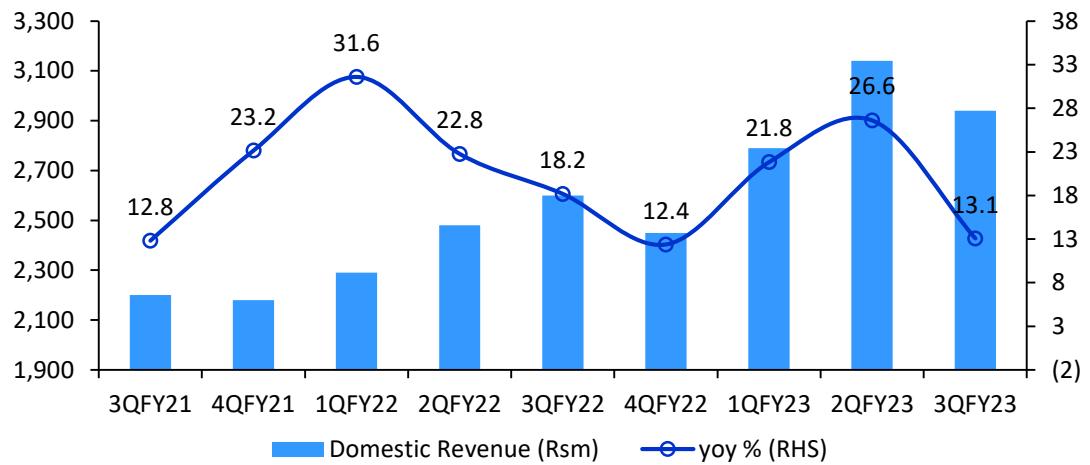
**Exhibit 4: Annual revenue assumption table**

Rs Mn	FY21	FY22E	FY23E	FY24E	FY25E
Domestic	8,130	9,820	11,588	13,326	15,325
% of sales	28.6	29.9	31.0	31.9	32.7
% yoy	5.7	20.8	18.0	15.0	15.0
Exports	20,330	23,020	25,786	28,472	31,599
% of sales	71.4	70.1	69.0	68.1	67.3
% yoy	13.6	13.2	12.0	10.4	11.0
-Asia	7,120	8,130	9,756	11,219	12,902
% of sales	25.0	24.8	26.1	26.8	27.5
% yoy	5.8	14.2	20.0	15.0	15.0
-Africa	6,840	7,930	7,856	8,440	9,102
% of sales	24.0	24.1	21.0	20.2	19.4
% yoy	15.3	15.9	(0.9)	7.4	7.8
-US	6,370	6,960	8,174	8,813	9,595
% of sales	22.4	21.2	21.9	21.1	20.4
% yoy	23.4	9.3	17.4	7.8	8.9
<b>Total revenue</b>	<b>28,460</b>	<b>32,840</b>	<b>37,373</b>	<b>41,798</b>	<b>46,923</b>

Source: Company, DART

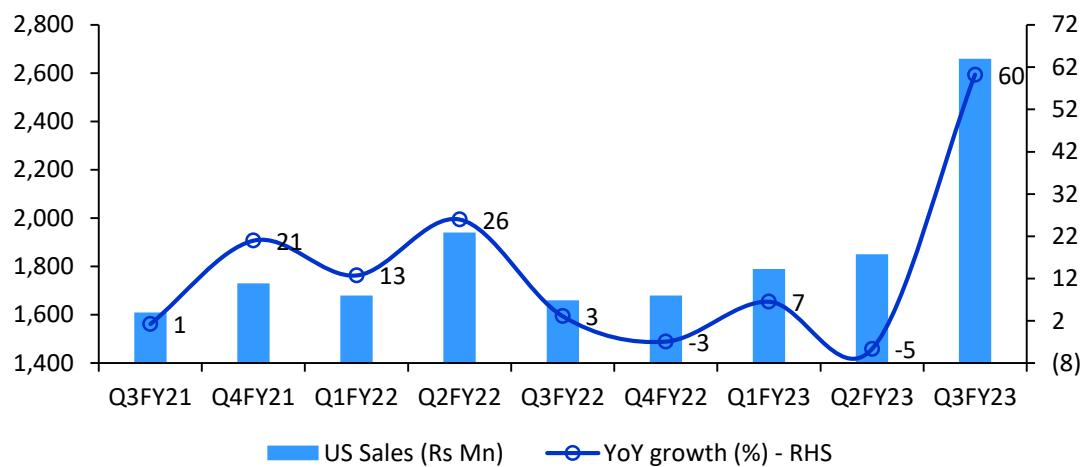
## Story in Charts

### Exhibit 5: India sales grew due to strong growth in all focused therapies



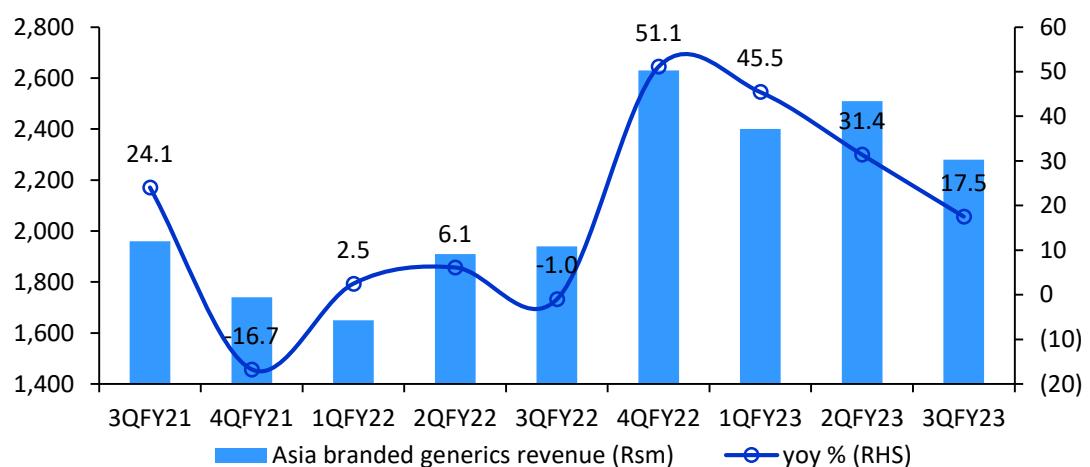
Source: Company, DART

### Exhibit 6: US sales grew on the back of strong flu season

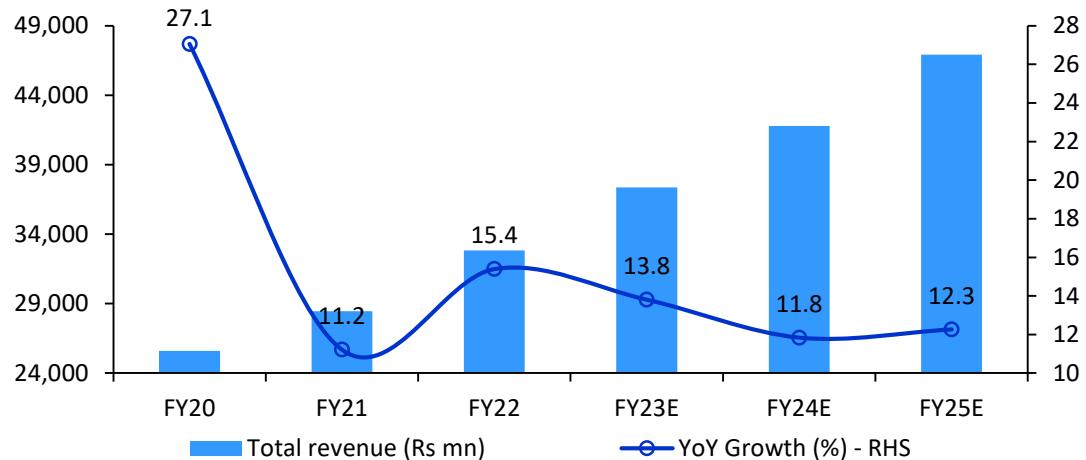


Source: Company, DART

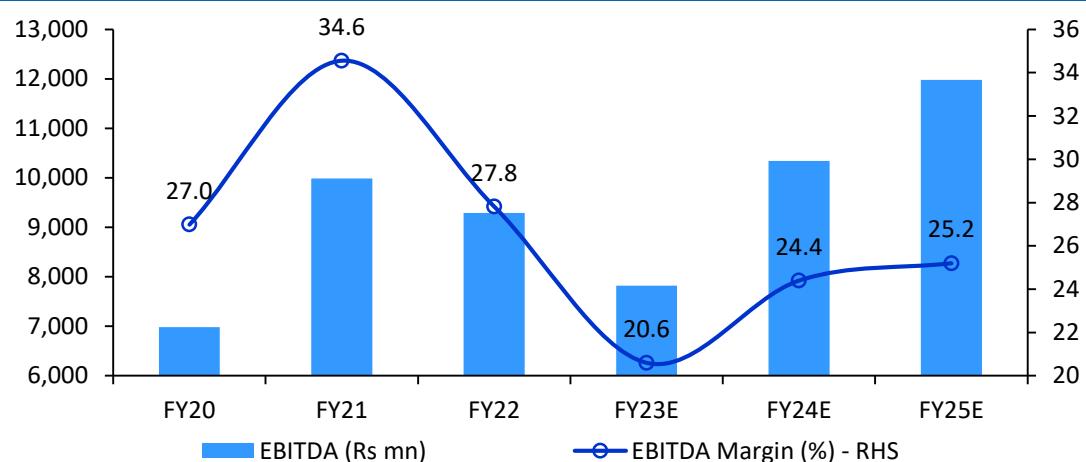
### Exhibit 7: Traction in new launches led growth in Asia business



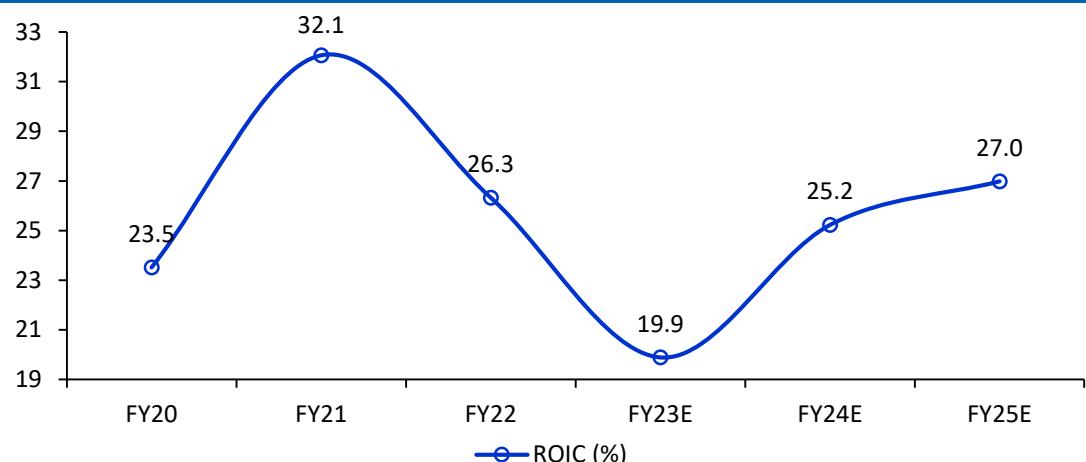
Source: Company, DART

**Exhibit 8: Expect revenue CAGR of 12% over FY23E-25E**


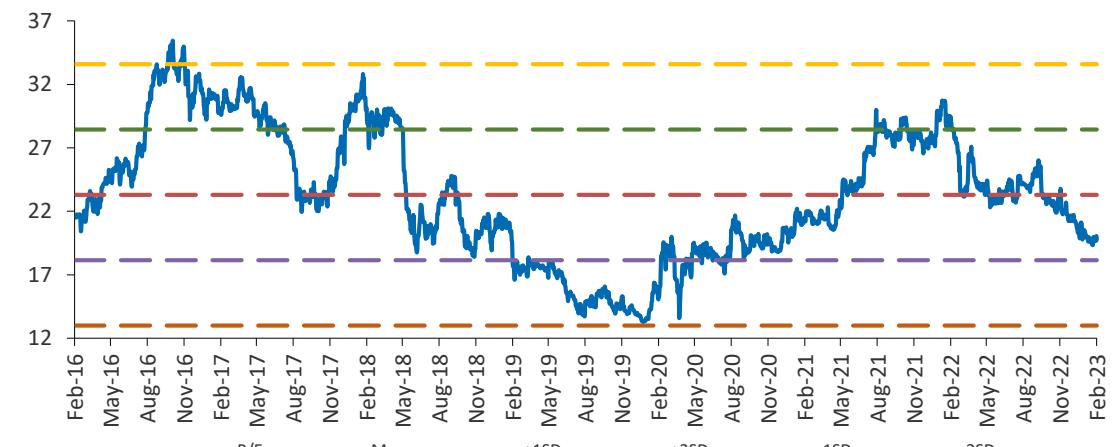
Source: Company, DART

**Exhibit 9: EBITDA margin to improve with normalization of cost**


Source: Company, DART

**Exhibit 10: ROIC to expand over FY23E-25E**


Source: Company, DART

**Exhibit 11: One year forward P/E band**


Source: Company, DART

## Earnings call KTAs

### Guidance –

- EBITDA margin guidance for Q4FY23 was in the range of 21%-22% and 25% for FY24.
- R&D expenses would continue to be 6% of revenue. Higher R&D expenses are mainly towards branded generic business across India, Asia, and Africa in the form of new product development and its registration fees.
- Africa business expected to grow in high single digit (INR terms) since the Euro has bounced back to the levels of Rs88/Euro.
- Capex, including maintenance Capex for the FY'23 is estimated to be around Rs1.50bn.
- Income tax stood at 20% for Q3, and 21% for 9MFY23. It is expected to remain around the same level for full year for FY23.
- Management guided for 10-12 ANDA filings and one to two launches in FY23.
- COGS to be around 26% in Q4FY23.
- Around 1.5% COGS is expected to recover in FY24 from FY23 levels.

### North America –

- US revenue for the quarter was driven by increase in sales of Tamiflu on account of the high flu season.
- In US, during 9MFY2023, the company has received 1 ANDA final approval, 1 tentative approval and filed 4 ANDAs with USFDA. Out of 43 final ANDA approvals, it has commercialized 39 products. It currently holds 4 tentative approvals and 22 ANDAs are awaiting USFDA approval.
- Dahej facility has received EIR during the quarter and there will be one product launched in Q4FY23. The company expects to launch four to five products from this facility next year.
- gChantix – hopeful of a launch in FY24 and still remains a work in progress product.
- US price erosion for Q3FY23 has stabilized and is expected to remain in single digit.
- The company is cautious about its investment in the US and is evaluating the product portfolio that it would launch in the market due to the challenging environment.

### India –

- India growth was strong across its major segments -12% in Cardiology (segment growth of 7%), 14% in Ophthalmology (segment growth of 14%), 24% in Dermatology (segment growth of 4%) and 20% in Pain Management (segment growth of 12%).
- The company has launched 21 new products in 9MFY23 with six first to market products.
- Cardiology contributed 40%, Ophthalmology contributed 31%, and Dermatology contributed 21% of India business with remaining 8% coming from pain management.
- India business includes revenue from trade generic of Rs380mn in Q3FY23, against Rs300mn in Q3FY22, and Rs1.09bn in 9MFY23, against Rs870mn in 9MFY22.
- Volume growth was 6% higher than industry growth while price growth & new introduction growth was at par with the industry growth.

**Other businesses –**

- The branded generic business of Asia and Africa contributed 42% in total revenue during nine months FY23.
- Africa business was negatively impacted by 6% due to INR appreciation against the Euro.
- The company launched 30 new products during the 9MFY23 across geographies in Emerging markets.
- The company has increased its field force by 50% in branded markets of Asia & Africa.
- Africa institutional sales remains unpredictable and lumpy in nature.
- The company is putting more thrust on Anglo and Central Africa and have also registered lot of new products in these markets. The company has recently entered into Uganda and Kenya market and will focus to penetration in these regions.

**Financials –**

- EBITDA for the quarter was negatively impacted mainly due to a) COGS impact of 2% b) unrealized hedge loss of 4% c) increase in freight cost by 2%. Adjusting for which EBITDA margin would have been 25% in Q3FY23.
- Increase in freight cost was due to additional expenses of Rs160mn as the company pushed flu products through air to the US during flu season.

## Financial Performance

### Profit and Loss Account

(Rs Mn)	FY22A	FY23E	FY24E	FY25E
<b>Revenue</b>	<b>33,410</b>	<b>37,954</b>	<b>42,391</b>	<b>47,529</b>
<b>Total Expense</b>	<b>24,117</b>	<b>30,136</b>	<b>32,047</b>	<b>35,551</b>
COGS	8,323	10,551	11,234	12,357
Employees Cost	6,458	7,477	8,266	9,268
Other expenses	9,336	12,107	12,548	13,926
<b>EBIDTA</b>	<b>9,293</b>	<b>7,819</b>	<b>10,343</b>	<b>11,977</b>
Depreciation	1,253	1,298	1,380	1,463
<b>EBIT</b>	<b>8,040</b>	<b>6,521</b>	<b>8,963</b>	<b>10,514</b>
Interest	102	103	104	105
Other Income	1,157	1,388	1,319	1,332
Exc. / E.O. items	0	0	0	0
<b>EBT</b>	<b>9,095</b>	<b>7,806</b>	<b>10,177</b>	<b>11,741</b>
Tax	1,968	1,639	2,107	2,430
RPAT	7,127	6,166	8,071	9,311
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>7,127</b>	<b>6,166</b>	<b>8,071</b>	<b>9,311</b>

### Balance Sheet

(Rs Mn)	FY22A	FY23E	FY24E	FY25E
<b>Sources of Funds</b>				
Equity Capital	172	257	257	257
Minority Interest	0	0	0	0
Reserves & Surplus	32,472	37,689	44,630	52,637
<b>Net Worth</b>	<b>32,643</b>	<b>37,946</b>	<b>44,887</b>	<b>52,894</b>
Total Debt	19	20	20	21
Net Deferred Tax Liability	1,116	1,127	1,138	1,150
<b>Total Capital Employed</b>	<b>33,779</b>	<b>39,093</b>	<b>46,045</b>	<b>54,065</b>

### Applications of Funds

	FY22A	FY23E	FY24E	FY25E
Net Block	15,120	15,282	15,364	15,366
CWIP	1,529	1,529	1,529	1,529
Investments	587	618	653	692
<b>Current Assets, Loans &amp; Advances</b>	<b>22,765</b>	<b>28,780</b>	<b>35,956</b>	<b>44,495</b>
Inventories	7,911	7,591	8,478	9,506
Receivables	10,198	11,585	12,939	14,508
Cash and Bank Balances	2,118	5,177	8,894	13,275
Loans and Advances	184	205	227	251
Other Current Assets	1,136	1,420	1,774	2,218
<b>Less: Current Liabilities &amp; Provisions</b>	<b>6,222</b>	<b>7,117</b>	<b>7,457</b>	<b>8,016</b>
Payables	3,272	4,088	4,348	4,823
Other Current Liabilities	2,950	3,028	3,109	3,193
<i>sub total</i>				
Net Current Assets	16,543	21,663	28,499	36,479
<b>Total Assets</b>	<b>33,779</b>	<b>39,093</b>	<b>46,045</b>	<b>54,065</b>

E – Estimates

**Important Ratios**

Particulars	FY22A	FY23E	FY24E	FY25E
<b>(A) Margins (%)</b>				
Gross Profit Margin	75.1	72.2	73.5	74.0
EBIDTA Margin	27.8	20.6	24.4	25.2
EBIT Margin	24.1	17.2	21.1	22.1
Tax rate	21.6	21.0	20.7	20.7
Net Profit Margin	21.3	16.2	19.0	19.6
<b>(B) As Percentage of Net Sales (%)</b>				
COGS	24.9	27.8	26.5	26.0
Employee	19.3	19.7	19.5	19.5
Other	27.9	31.9	29.6	29.3
<b>(C) Measure of Financial Status</b>				
Gross Debt / Equity	0.0	0.0	0.0	0.0
Interest Coverage	78.8	63.2	86.0	99.9
Inventory days	86	73	73	73
Debtors days	111	111	111	111
Average Cost of Debt	566.7	528.9	517.1	509.7
Payable days	36	39	37	37
Working Capital days	181	208	245	280
FA T/O	2.2	2.5	2.8	3.1
<b>(D) Measures of Investment</b>				
AEPS (Rs)	55.4	48.0	62.8	72.4
CEPS (Rs)	65.2	58.1	73.5	83.8
DPS (Rs)	6.4	6.7	8.8	10.1
Dividend Payout (%)	11.5	14.0	14.0	14.0
BVPS (Rs)	253.9	295.2	349.2	411.5
RoANW (%)	22.8	17.5	19.5	19.0
RoACE (%)	22.1	17.2	19.2	18.8
RoAIC (%)	26.3	19.9	25.2	27.0
<b>(E) Valuation Ratios</b>				
CMP (Rs)	1188	1188	1188	1188
P/E	21.4	24.8	18.9	16.4
Mcap (Rs Mn)	152,679	152,679	152,679	152,679
MCap/ Sales	4.6	4.0	3.6	3.2
EV	149,361	144,719	140,162	134,688
EV/Sales	4.5	3.8	3.3	2.8
EV/EBITDA	16.1	18.5	13.6	11.2
P/BV	4.7	4.0	3.4	2.9
Dividend Yield (%)	0.5	0.6	0.7	0.9
<b>(F) Growth Rate (%)</b>				
Revenue	15.6	13.6	11.7	12.1
EBITDA	(6.9)	(15.9)	32.3	15.8
EBIT	(8.9)	(18.9)	37.5	17.3
PBT	1.0	(14.2)	30.4	15.4
APAT	9.0	(13.5)	30.9	15.4
EPS	9.0	(13.5)	30.9	15.4

E – Estimates

**Cash Flow**

Particulars	FY22A	FY23E	FY24E	FY25E
<b>Profit before tax</b>	<b>7,938</b>	<b>6,418</b>	<b>8,859</b>	<b>10,409</b>
Depreciation & w.o.	1,253	1,298	1,380	1,463
Net Interest Exp	102	103	104	105
Direct taxes paid	(1,917)	(1,639)	(2,107)	(2,430)
Change in Working Capital	(2,843)	(473)	(2,274)	(2,501)
Non Cash	0	0	0	0
<b>(A) CF from Operating Activities</b>	<b>4,533</b>	<b>5,707</b>	<b>5,963</b>	<b>7,045</b>
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(1,409)	(1,460)	(1,462)	(1,464)
<b>Free Cash Flow</b>	<b>3,124</b>	<b>4,246</b>	<b>4,500</b>	<b>5,581</b>
(Inc.)/ Dec. in Investments	0	0	0	0
Other	1,157	1,388	1,319	1,332
<b>(B) CF from Investing Activities</b>	<b>(252)</b>	<b>(72)</b>	<b>(144)</b>	<b>(132)</b>
Issue of Equity/ Preference	(2)	85	0	0
Inc./ (Dec.) in Debt	4	1	1	1
Interest exp net	(102)	(103)	(104)	(105)
Dividend Paid (Incl. Tax)	(822)	(863)	(1,130)	(1,303)
Other	(3,337)	(1,695)	(868)	(1,123)
<b>(C) CF from Financing</b>	<b>(4,259)</b>	<b>(2,575)</b>	<b>(2,102)</b>	<b>(2,532)</b>
Net Change in Cash	22	3,059	3,717	4,382
<b>Opening Cash balances</b>	<b>2,096</b>	<b>2,118</b>	<b>5,177</b>	<b>8,894</b>
<b>Closing Cash balances</b>	<b>2,118</b>	<b>5,177</b>	<b>8,894</b>	<b>13,275</b>

E – Estimates

## Notes

### DART RATING MATRIX

Total Return Expectation (12 Months)

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

### Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
May-22	Buy	53	1,143
Jul-22	Buy	1,538	1,272
Nov-22	BUY	1,667	1,348

\*Price as on recommendation date

### DART Team

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

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

#### CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	kapil@dolatcapital.com	+9122 4096 9735
Jubbin Shah	VP - Equity Sales	jubbins@dolatcapital.com	+9122 4096 9779
Girish Raj Sankunny	VP - Equity Sales	girishr@dolatcapital.com	+9122 4096 9625
Anjana Jhaveri	VP - FII Sales	anjanaj@dolatcapital.com	+9122 4096 9758
Pratik Shroff	AVP - Equity Sales	pratiks@dolatcapital.com	+9122 4096 9621
Equity Trading	Designation	E-mail	
P. Sridhar	SVP and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	kartikm@dolatcapital.com	+9122 4096 9715
Bhavin Mehta	VP - Derivatives Strategist	bhavim@ dolatcapital.com	+9122 4096 9705

**Dolat Capital Market Private Limited.**

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

**Analyst(s) Certification**

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

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

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

**For U.S. Entity/ persons only:** "This Report is considered independent third-party research and was prepared by Dolat Capital Market Private Limited, with headquarters in India. The distribution of this Research is provided pursuant to the exemption under Rule 15a-6(a) (2) and is only intended for an audience of Major U.S. Institutional Investors (MUSIs) as defined by Rule 15a-6(b)(4). This research is not a product of StoneX Financial Inc. Dolat Capital Market Private Limited has sole control over the contents of this research report. StoneX Financial Inc. does not exercise any control over the contents of, or the views expressed in, any research reports prepared by Dolat Capital Market Private Limited and under Rule 15a-6(a) (3), any U.S. recipient of this research report wishing to affect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through StoneX Financial Inc. Please contact Gene Turok at +1 (212) 379-5463 or email gene.turok@stonex.com. Under no circumstances should any U.S. recipient of this research report effect any transaction to buy or sell securities or related financial instruments through the Dolat Capital Market Private Limited."



**Dolat Capital Market Private Limited.**

Corporate Identity Number: U65990GJ993PTC116741

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

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

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

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