

Infra & Construction | Q4FY24 Result Update

Muted quarter; Order inflow must

- KNRC's Q4FY24 results (post adjustments) came below estimates. Core revenue/Core EBITDA/APAT reported +0.3%/-4.1%/+12.1% YoY to Rs2.1 bn/Rs1.5 bn/Rs1.4 bn. Core EBITDA margin reduced by 79 bps YoY to 17.2% primarily due to higher spreading and assortment expenses.
- The company guided flat revenue growth with an EBITDA margin of 15-16% for FY25E and targets an order inflow of Rs50-60 bn (Rs20-30 bn by Q2FY25). We expect Revenue/APAT CAGR of 1.7%/0.8% over FY24-26E with EBITDA margins of 17.4%/17.3% for FY25E/FY26E.
- We decrease FY25E/FY26E EPS estimates by 9.1%/5.0% post factoring lower revenue due to lower order inflow (Rs16.8 bn vs. estimates of Rs47.8 bn) in FY24 coupled with lower EBITDA margins for FY25E/FY26E; sizable order inflow is a must for growth. The stock has run up by ~11% since our result update note on 10th Feb'24. Accordingly, we downgrade to 'SELL' rating from Accumulate with a revised SOTP based TP of Rs268 (14x FY26E EPS and 1.2x P/B for HAM investment).

Order book of Rs53.0 bn at 1.3x TTM revenue

KNRC won orders worth Rs16.8 bn/Rs12.0 bn during FY24/YTDFY25, taking order book to Rs53.0 bn (1.3x TTM revenue) in FY24. Considering 2 HAM (EPC Rs12.0 bn) where AD is expected by second week of Aug'24 (vs. earlier Mar-Apr'24), total order book stands at Rs65.0 bn (1.6x TTM revenue). We expect order inflow of Rs72.0 bn (vs. earlier Rs60 bn)/Rs70 bn in FY25E/FY26E. Fresh inflow is must to sustain growth.

HAM Equity Investment

KNRC has invested Rs4.9 bn till Q4FY24 in 8 HAM projects. The incremental equity requirement of Rs5.0 bn will be infused as Rs3.5 bn/ Rs900 mn/ Rs631 mn in FY25E/FY26E/FY27E.

Q4FY24 Result (Rs Mn)

Particulars	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)
Revenue	13,145	11,756	11.8	9,054	45.2
Total Expense	11,004	9,636	14.2	7,581	45.2
EBITDA	2,141	2,119	1.0	1,473	45.3
Depreciation	326	401	(18.7)	325	0.1
EBIT	1,815	1,719	5.6	1,148	58.1
Other Income	1,241	96	1196.9	60	1961.3
Interest	113	80	41.5	72	56.5
EBT	2,943	1,735	69.7	1,136	159.0
Tax	961	449	114.2	281	242.3
RPAT	1,982	1,286	54.1	855	131.7
APAT	1,450	1,294	12.1	850	70.6
			(bps)		(bps)
Gross Margin (%)	36.9	30.5	641	30.0	683
EBITDA Margin (%)	16.3	18.0	(174)	16.3	1
NPM (%)	11.0	11.0	2	9.4	164
Tax Rate (%)	32.7	25.9	680	24.7	795
EBIT Margin (%)	13.8	14.6	(81)	12.7	113

CMP	Rs 303
Target / Downside	Rs 268 / 12%
NIFTY	22,489

Scrip Details

Equity / FV	Rs 562mn / Rs 2
Market Cap	Rs 85bn
	USD 1.0bn
52-week High/Low	Rs 310/ 226
Avg. Volume (no)	1,175,170
Bloom Code	KNRC IN

Price Performance	1M	3M	12M
Absolute (%)	14	13	22
Rel to NIFTY (%)	14	11	1

Shareholding Pattern

	Sep'23	Dec'23	Mar'24
Promoters	51.1	51.1	51.1
MF/Banks/FIs	31.8	29.1	30.5
FIs	6.6	7.6	7.1
Public / Others	10.5	12.3	11.3

Valuation (x)

	FY24A	FY25E	FY26E
P/E	19.3	19.1	19.0
EV/EBITDA	11.8	11.3	10.7
ROE (%)	15.1	13.0	11.5
RoACE (%)	18.8	14.3	12.6

Estimates (Rs bn)

	FY24A	FY25E	FY26E
Revenue	40.9	41.5	42.4
EBITDA	7.0	7.2	7.3
PAT	4.4	4.4	4.5
EPS (Rs.)	15.7	15.8	15.9

Director Research: Shravan Shah

Tel: +91 22 40969749

E-mail: shravans@dolatcapital.com

Associate: Shouvik Chakraborty

Tel: +9122 40969751

E-mail: shouvikc@dolatcapital.com

Associate: Prachi Kadam

Tel: +9122 409696772

E-mail: prachik@dolatcapital.com

Exhibit 1: Actual V/s DART estimates (Rs mn)

Particulars (Rs mn)	Actual	DART Est	% Variance	Comments
Revenue	13,145	12,525	4.9	
Core Revenue	11,793	12,525	(5.8)	Lower execution vs. estimates
EBITDA	2,141	2,504	(14.5)	
Core EBITDA	2,033	2,504	(18.8)	-
EBITDA (%)	16.3	20.0	(370 bps)	
Core EBITDA (%)	17.2	20.0	(275 bps)	Higher opex vs. estimates
RPAT	1,982	1,589	24.7	
APAT	1,450	1,589	(8.7)	Lower tax vs. estimates

Source: Company, DART

Exhibit 2: Change in estimates

Particulars (Rs mn)	FY25E			FY26E		
	New	Old	Chg (%)	New	Old	Chg (%)
Net revenues	41,514	43,951	(5.5)	42,351	44,852	(5.6)
EBIDTA	7,228	7,983	(9.5)	7,319	7,833	(6.6)
EBIDTA margin (%)	17.4	18.2	(75 bps)	17.3	17.5	(18 bps)
Adj. Net Profit	4,448	4,891	(9.1)	4,470	4,707	(5.0)
EPS (Rs)	15.8	17.4	(9.1)	15.9	16.7	(5.0)

Source: DART, Company

We decrease our revenue estimates by 5.5%/5.6% for FY25E/FY26E factoring lower execution as KNRC secured lower order inflow of Rs16.8 bn in FY24 vs. Rs47.8 bn estimates. Also, we decrease our EBITDA margin by 75 bps/18 bps for FY25E/FY26E. Accordingly, we decrease our EBITDA/APAT estimates by 9.5%/9.1% and 6.6%/5.0% for FY25E and FY26E.

Earnings Call KTAs

- **Guidance** – KNRC targets flat YoY revenue growth in FY25E with an EBITDA margin of 15-16%. It targets an order inflow of Rs50-60 bn (Rs20-30 bn by Q2FY25) in FY25.
- **Bid pipeline** – KNRC has been actively pursuing diversification in its operations and is engaged seeking out lucrative EPC opportunities in new geographies, however its first preference will be in the Southern region. It targets into new segments like railways, tunneling, mining, energy pipeline, solar, irrigation and metro development. It will be looking into Railways, HAM, BOT Toll; will also go for subcontracting projects. Under MSRDC projects, company will be going with subcontracting projects for a couple of orders to achieve qualification in the near future. For BOT Toll projects, company is planning to go for some tie-ups with Cube Highways for back-to-back EPC subcontracting or it can have a 20-25% equity stake in BOT Toll or can do the EPC project and then exit the equity stake. On BOT Toll projects front, company has identified ~12 projects worth Rs20-30 bn each; might participate for higher ticket size project worth Rs40 bn through JV. It is eligible for directly participation for BOT Toll projects worth Rs20-25 bn. The company has entered a JV with NCC for metro and irrigation projects; if one project is taken by NCC, then the other to taken by KNRC.
- **Order book and inflow** – Order book stood at Rs53.0 bn (1.3x TTM revenue) as on Mar'24 with Roads HAM/Roads others/Pipeline/Irrigation at 39%/21%/21%/19%. On order book breakup front, Captive (HAM projects)/State Govt./Central Govt./Others accounted for 39%/50%/ 9%/2% as of Mar'24. YTD FY25 order inflow stood at Rs12.0 bn. Order book includes 2 HAM projects (Mysore to Kushalnagara Pkg - IV & V) for which AD is still pending; expects by second week of Aug'24; achieved FC on 21 Sep'23/ 27 Sep'23 for Pkg-IV/ Pkg-V.
- **HAM project % Completion** – 1) Magadi to Somwarpeth at 83%, 2) Oddanchatram to Madathukulam at 99%, 3) Ramanattukara to Valanchery bypass at 73%, 4) Valanchery to

- Kappirikkad at 75%, 5) Chittor to Thatchur at 51%, 6) Mysore to Kushalnagara (Pkg-V) at 0%, 7) Mysore to Kushalnagara (Pkg-IV) at 0% and 8) Marripudi to Somvarappadu at 0%.
- **Monetization** – KNRC is looking to monetize 4 HAM projects and is in the final discussion stage with Cube Highways.
- **HAM equity requirement** – Of the total revised equity investment of Rs9.9 bn, the company has already invested Rs4.9 bn till Mar'24. The incremental equity requirement of Rs5.0 bn to be infused as Rs3.5 bn/Rs900 mn/Rs631 mn in FY25E/FY26E/FY27E.
- **Irrigation** – Total pending receivables stands at Rs8 bn (incl. Rs6 bn of certified receivables). At present, NABARD loan is not active. Post the code of conduct, the new Govt. will have to decide whether to pay the pending amount from state budget or restart NABARD loan with banks. However, if the payments are discontinued, the company will have to stop the execution on the project.
- **Toll revenue from Muzaffarpur Barauni toll road** stood at Rs960 mn/Rs413 mn in Q4FY24/FY24 vs. Rs106.1 mn/Rs94.3 mn/Rs116.3 mn in Q3FY24/Q2FY24/Q1FY24.
- KNRC incurred **capex** of Rs800 mn in FY24 and expects Rs1-1.2 bn in FY25.
- KNRC expects small claim of Rs700 mn from Odisha in Q2FY25.
- **Debt** – Standalone Gross Debt stood at Nil in FY24 vs. Rs300 mn/Rs3 mn in 9MFY24/Q4FY23. Standalone cash stood at Rs2.3 bn in FY24 vs. Rs440 mn/Rs2.0 bn in 9MFY24/FY23. Standalone Net Cash stood at Rs2.3 bn in FY24 vs. Rs140 mn/Rs2.0 bn in 9MFY24/FY23. On Consolidated basis, Gross Debt stood at Rs12.6 bn in FY24 vs. Rs10.5 bn/Rs6.5 bn in 9MFY24/FY23. Consolidated cash stood at Rs4.1 bn in FY24 vs. Rs2.2 bn in FY23. Consolidated Net debt stood at Rs8.5 bn in FY24 vs. Rs4.3 bn in FY23.
- **HAM debtors** stood at Rs6.95 bn in Q4FY24 vs. Rs6.67 bn/Rs6.72 bn in Q3FY24/Q2FY24. Irrigation debtors (incl. unbilled revenue) stood at Rs6.0 bn in Q4FY24 vs. Rs6.5 bn/Rs6.5 bn in Q3FY24/Q4FY24.
- **Retention money/ Mobilization advance/ Unbilled revenue** stood at Rs2.4 bn/Rs1.0 bn/Rs5.0 bn in Q4FY24 vs. Rs2.0 bn/Rs1.8 bn/Rs7.2 bn in Q3FY24 vs. Rs2.4 bn/ Rs1.5 bn/ Rs4.5 bn in Q4FY23.
- **Inventory/ Debtor/ Creditor days** stood at 20 days/122 days/24 days in Q4FY24 vs. 26 days/ 73 days/ 25 days in Q3FY24 vs. 23 days/96 days/37 days in Q4FY23. Cash conversion days stood at 117 days in Q4FY24 vs. 74 days/82 days in Q3FY24/ Q4FY23.

Exhibit 3: Q4FY24 Performance (Standalone)

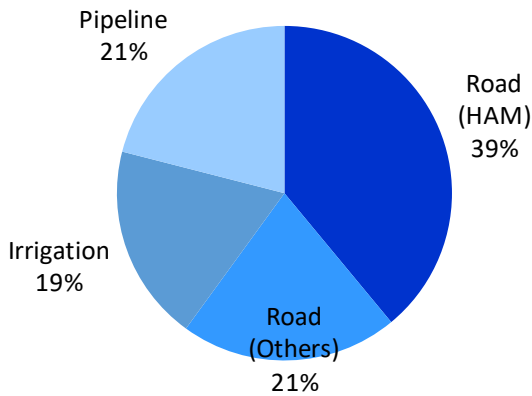
Particulars (Rs Mn)	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)	FY24	FY23	YoY (%)
Revenue	13,145	11,756	11.8	9,054	45.2	40,910	37,438	9.3
Material consumed	5,149	4,100	25.6	3,764	36.8	16,602	14,947	11.1
Sub-contractors work bills	332	1,366	(75.7)	571	(41.8)	1,924	3,342	(42.4)
Spreading & Assortment	2,818	2,709	4.0	2,000	40.9	8,969	7,506	19.5
Employees cost	432	410	5.4	494	(12.5)	1,735	1,710	1.5
Other expenditure	2,272	1,051	116.2	752	202.1	4,670	2,715	72.0
Total expenditure	11,004	9,636	14.2	7,581	45.2	33,900	30,221	12.2
EBITDA	2,141	2,119	1.0	1,473	45.3	7,010	7,217	(2.9)
Depreciation	326	401	(18.7)	325	0.1	1,245	1,474	(15.6)
Operating profit	1,815	1,719	5.6	1,148	58.1	5,765	5,743	0.4
Other income	1,241	96	1,196.9	60	1,961.3	1,422	321	343.1
EBIT	3,056	1,815	68.4	1,208	152.9	7,186	6,064	18.5
Interest	113	80	41.5	72	56.5	293	393	(25.4)
Exceptional items	0	0	-	0	-	0	1,380	(100.0)
EBT	2,943	1,735	69.7	1,136	159.0	6,893	7,051	(2.2)
Provision for taxation	961	449	114.2	281	242.3	1,955	2,062	(5.2)
Reported net income	1,982	1,286	54.1	855	131.7	4,938	4,988	(1.0)
Adjustments	(531)	8	-	(5)	-	(536)	(813)	-
Adjusted net income	1,450	1,294	12.1	850	70.6	4,402	4,176	5.4
EPS (Rs)	5.2	4.6	12.1	3.0	70.6	15.7	14.8	5.4
			bps		bps			bps
EBIDTA Margin (Excl. O.I.)	16.3	18.0	(174)	16.3	1	17.1	19.3	(214)
EBIDTA Margin (Incl. O.I.)	25.7	18.8	688	16.9	879	20.6	20.1	47
NPM (%)	10.1	10.9	(84)	9.3	75	10.4	11.1	(66)
Tax/PBT (%)	32.7	25.9	680	24.7	795	28.4	29.3	(89)
Construction/Revenue (%)	63.1	69.5	(641)	70.0	(683)	67.2	68.9	(169)

Source: Company, DART

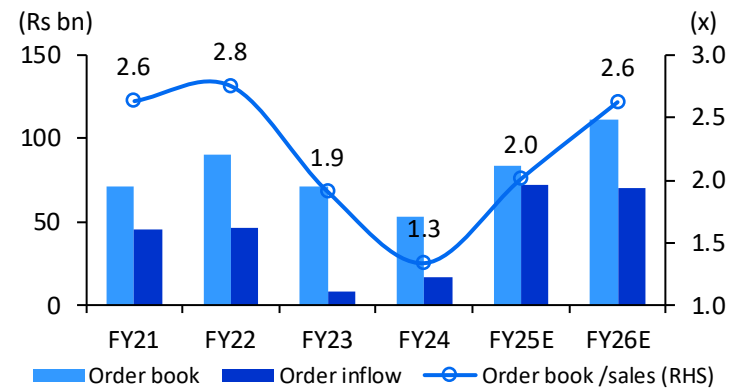
Exhibit 4: SOTP Valuation

Component	Valuation Method	Rs/sh	%
Standalone cons business	14x FY26E EPS	222	83.2
HAM equity investments (FY26E)	1.2x BV	45	16.8
Total		268	100.0
CMP		303	
Potential upside (%)		(11.6)	

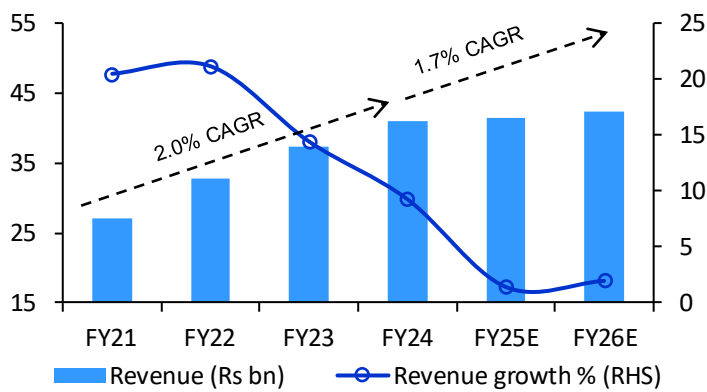
Source: Company, DART

Exhibit 5: Rs53.0 bn order book break up


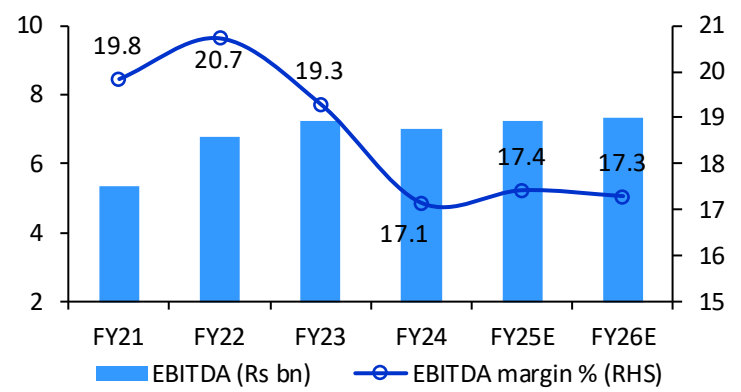
Source: Company, DART

Exhibit 6: Order book trend


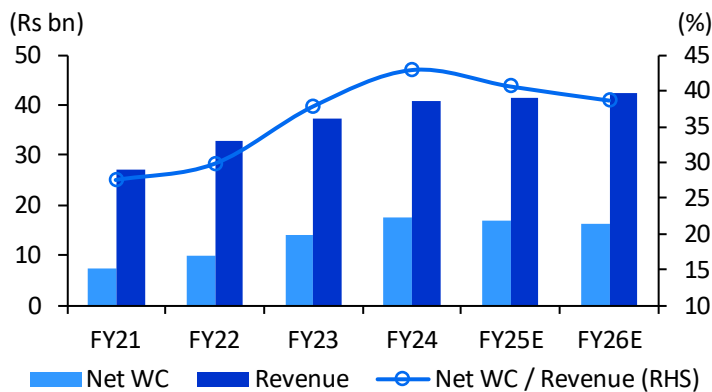
Source: Company, DART

Exhibit 7: 1.7% Revenue CAGR over FY24-26E


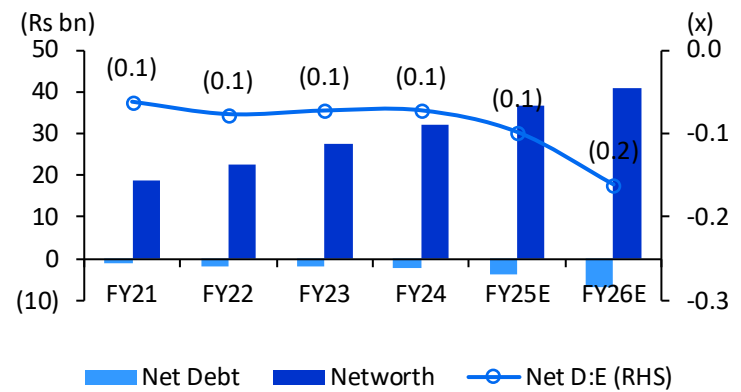
Source: Company, DART

Exhibit 8: 2.2% EBITDA CAGR over FY24-26E


Source: Company, DART

Exhibit 9: Efficient working capital management


Source: Company, DART

Exhibit 10: One of the lowest net D:E in the sector


Source: Company, DART

Financial Performance

Profit and Loss Account

(Rs Mn)	FY23A	FY24A	FY25E	FY26E
Revenue	37,438	40,910	41,514	42,351
Total Expense	30,221	33,900	34,286	35,032
COGS	25,795	27,495	28,728	29,307
Employees Cost	1,710	1,735	1,822	1,913
Other expenses	2,715	4,670	3,736	3,812
EBIDTA	7,217	7,010	7,228	7,319
Depreciation	1,474	1,245	1,326	1,418
EBIT	5,743	5,765	5,901	5,901
Interest	393	293	220	220
Other Income	321	1,422	294	323
Exc. / E.O. items	1,380	0	0	0
EBT	7,051	6,893	5,976	6,004
Tax	2,062	1,955	1,527	1,535
RPAT	4,988	4,938	4,448	4,470
Minority Interest	0	0	0	0
Adjustments	(813)	(536)	0	0
APAT	4,176	4,402	4,448	4,470

Balance Sheet

(Rs Mn)	FY23A	FY24A	FY25E	FY26E
Sources of Funds				
Equity Capital	562	562	562	562
Minority Interest	0	0	0	0
Reserves & Surplus	26,780	31,694	36,072	40,471
Net Worth	27,343	32,257	36,634	41,034
Total Debt	3	0	0	0
Net Deferred Tax Liability	(1,229)	(1,367)	(1,537)	(1,708)
Total Capital Employed	26,116	30,889	35,097	39,326

Applications of Funds

Net Block	4,813	4,369	4,287	4,068
CWIP	25	22	0	0
Investments	5,244	6,620	10,362	12,293
Current Assets, Loans & Advances	25,685	29,999	30,622	33,351
Inventories	2,341	2,207	2,743	2,803
Receivables	9,834	13,642	12,454	11,858
Cash and Bank Balances	1,998	2,346	3,613	6,622
Loans and Advances	34	53	69	70
Other Current Assets	11,478	11,751	11,743	11,998
Less: Current Liabilities & Provisions	9,651	10,121	10,173	10,387
Payables	3,760	2,739	2,777	2,838
Other Current Liabilities	5,891	7,382	7,396	7,550
<i>sub total</i>				
Net Current Assets	16,034	19,878	20,449	22,964
Total Assets	26,116	30,889	35,097	39,326

E – Estimates

Important Ratios

Particulars	FY23A	FY24A	FY25E	FY26E
(A) Margins (%)				
Gross Profit Margin	31.1	32.8	30.8	30.8
EBIDTA Margin	19.3	17.1	17.4	17.3
EBIT Margin	15.3	14.1	14.2	13.9
Tax rate	29.3	28.4	25.6	25.6
Net Profit Margin	11.2	10.8	10.7	10.6
(B) As Percentage of Net Sales (%)				
COGS	68.9	67.2	69.2	69.2
Employee	4.6	4.2	4.4	4.5
Other	7.3	11.4	9.0	9.0
(C) Measure of Financial Status				
Gross Debt / Equity	0.0	0.0	0.0	0.0
Interest Coverage	14.6	19.7	26.8	26.8
Inventory days	23	20	24	24
Debtors days	96	122	110	102
Average Cost of Debt	30856.2	23017.5		
Payable days	37	24	24	24
Working Capital days	156	177	180	198
FA T/O	7.8	9.4	9.7	10.4
(D) Measures of Investment				
AEPS (Rs)	14.8	15.7	15.8	15.9
CEPS (Rs)	20.1	20.1	20.5	20.9
DPS (Rs)	0.3	0.3	0.3	0.3
Dividend Payout (%)	1.7	1.6	1.6	1.6
BVPS (Rs)	97.2	114.7	130.3	145.9
RoANW (%)	17.1	15.1	13.0	11.5
RoACE (%)	17.3	18.8	14.3	12.6
RoAIC (%)	18.8	20.4	15.7	14.6
(E) Valuation Ratios				
CMP (Rs)	303	303	303	303
P/E	20.4	19.3	19.1	19.0
Mcap (Rs Mn)	85,102	85,102	85,102	85,102
MCap/ Sales	2.3	2.1	2.0	2.0
EV	83,106	82,756	81,488	78,480
EV/Sales	2.2	2.0	2.0	1.9
EV/EBITDA	11.5	11.8	11.3	10.7
P/BV	3.1	2.6	2.3	2.1
Dividend Yield (%)	0.1	0.1	0.1	0.1
(F) Growth Rate (%)				
Revenue	14.4	9.3	1.5	2.0
EBITDA	6.5	(2.9)	3.1	1.3
EBIT	5.7	0.4	2.4	0.0
PBT	21.8	(2.2)	(13.3)	0.5
APAT	14.5	5.4	1.1	0.5
EPS	14.5	5.4	1.1	0.5

E – Estimates

Cash Flow

Particulars	FY23A	FY24A	FY25E	FY26E
Profit before tax	7,051	6,893	5,976	6,004
Depreciation & w.o.	1,474	1,245	1,326	1,418
Net Interest Exp	373	(833)	(74)	(103)
Direct taxes paid	(2,117)	(2,177)	(1,697)	(1,705)
Change in Working Capital	(5,235)	(4,068)	773	525
Non Cash	(1,417)	1,118	(22)	0
(A) CF from Operating Activities	129	2,178	6,282	6,139
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(516)	(728)	(1,200)	(1,200)
Free Cash Flow	(387)	1,450	5,082	4,939
(Inc.)/ Dec. in Investments	980	(1,912)	(3,742)	(1,932)
Other	143	1,100	217	292
(B) CF from Investing Activities	607	(1,540)	(4,725)	(2,840)
Issue of Equity/ Preference	0	0	0	0
Inc./(Dec.) in Debt	3	(3)	0	0
Interest exp net	(402)	(217)	(220)	(220)
Dividend Paid (Incl. Tax)	(70)	(70)	(70)	(70)
Other	0	0	0	0
(C) CF from Financing	(470)	(290)	(290)	(290)
Net Change in Cash	265	348	1,267	3,009
Opening Cash balances	1,733	1,998	2,346	3,613
Closing Cash balances	1,998	2,346	3,613	6,622

E – Estimates

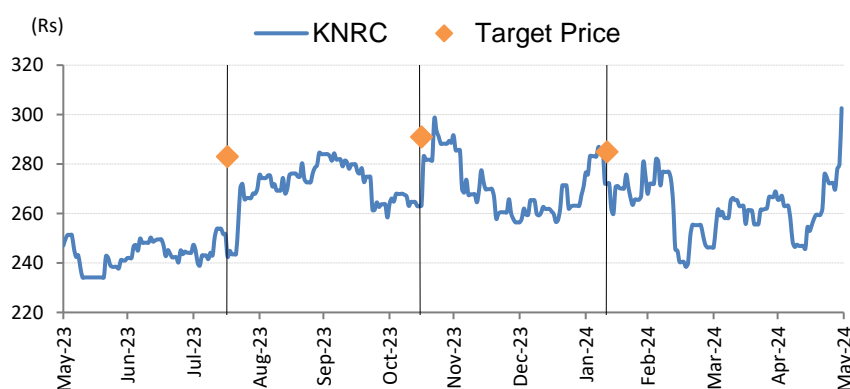
Notes

DART RATING MATRIX

Total Return Expectation (12 Months)

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

Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Aug-23	Accumulate	283	243
Nov-23	Accumulate	291	263
Feb-24	Accumulate	285	272

*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	Director - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	Director - Equity Sales & Access	kapil@dolatcapital.com	+9122 4096 9735
Jubbin Shah	Director - Equity Sales	jubbins@dolatcapital.com	+9122 4096 9779
Girish Raj Sankunny	Director - Equity Sales	girishr@dolatcapital.com	+9122 4096 9625
Pratik Shroff	AVP - Equity Sales	pratiks@dolatcapital.com	+9122 4096 9621
Rajeev Lala	AVP - Equity Sales	rajeevl@dolatcapital.com	+9122 4096 9767
Equity Trading	Designation	E-mail	
P. Sridhar	Director and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	Director - Sales Trader	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	Director - Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Director Research - Sales Trading	kartikm@dolatcapital.com	+9122 4096 9715
Bhavin Mehta	Director Research - Derivatives Strategist	bhavinm@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.

**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: INH000014012

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