Sharekhan by BNP PARIBAS

Powered by the Sharekhan 3R Research Philosophy

Viewpoint

Globus Spirits Ltd

One-off quarter; Capacity expansion to aid growth ahead

Consumer goods	Sharekhan code: GLOBUSSPR

Reco/View	View: **Positive**	↔	CMP: **Rs. 1,360**	Upside potential: **20%**	↔

↑ Upgrade ↔ Maintain ↓ Downgrade

3R MATRIX	+	=	-
Right Sector (RS)	✓		
Right Quality (RQ)	✓		
Right Valuation (RV)	✓		

\+ Positive = Neutral – Negative

What has changed in 3R MATRIX

	Old		New
RS		↔	
RQ		↔	
RV		↔	

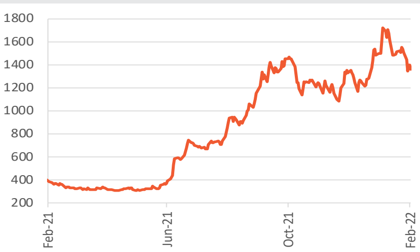
Company details

Market cap:	Rs. 3,917 cr
52-week high/low:	Rs. 1,760 / 291
NSE volume: (No of shares)	1.9 lakh
BSE code:	533104
NSE code:	GLOBUSSPR
Free float: (No of shares)	1.4 cr

Shareholding (%)

Promoters	50.9
FII	4.9
DII	1.4
Others	42.8

Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	-9.0	12.3	44.5	246.2
Relative to Sensex	-4.1	16.5	39.6	233.4

Sharekhan Research, Bloomberg

Summary

- Globus Spirits Limited's (GSL) Q3FY2022 performance was affected by factory shutdown in Bihar and Haryana, resulting in EBIDTA loss of Rs. 25 crore. Both the facilities started operating at 100% capacity from the fag-end of Q3FY2022.
- GSL's net revenue grew by 10% to Rs. 347.1 crore, led by ~24% growth in the consumer business (volume growth of 13%). Shut down in Bihar and Haryana plant and increased fuel prices led to OPM declining by 450 bps to 16.8%.
- Capacity expansion to 1,000 KLPD would lead to strong revenue growth and profitability growth, led by better mix. Management targets 24-25% OPM going ahead.
- We stay Positive with a potential upside of 20% over the next 12 months. The stock is currently attractively valued at 12.7x/10.1x its FY2023E/FY2024E EPS.

Globus Spirits Limited's (GSL) Q3FY2022 performance was affected by factory shutdown in Bihar (for 72 days affected by floods) and Haryana (for 40 days due to maintenance shut down) coupled with increased fuel prices. Factory shutdown led to production of 10mn-12mn cases, resulting in EBIDTA loss of Rs. 25 crore in Q3FY2022. Excluding the impact of factory shut, GSL's operating profit margin (OPM) would have been at 24% as against reported OPM of 16% (down 450 bps y-o-y) in Q3FY2022. Net revenue grew by 10%, led to 24% growth in the consumer business (driven by 13% volume growth and 10% realisation growth). Bulk alcohol business revenue decreased by 8.3%, largely led by lower sales volume during the quarter. Both facilities started operations from the fag end of the quarter and new facility in West Bengal of 140 KLPD was commissioned at the end of Q3. Hence, performance is expected to improve in the coming quarters in view of better demand in consumer business and bulk alcohol business.

Key positives

- GSL's market share in value plus segment in Rajasthan has improved to 45% from 32.5% in the recent past.
- Consumer business realisation grew by 11% and stood at Rs. 463 per litre.
- Net cash flow stood at Rs. 156 crore in 9MFY2022, ahead of Rs. 148.4 crore in FY2021.
- Net working capital days stood lower at 14 days.

Key negatives

- OPM declined by 450 bps y-o-y to 16.8%, impacted by factory shutdown in Bihar/Haryana and higher fuel prices

Management Commentary

- Capacity expansion of 140 KLPD in West Bengal was completed in mid-Q3FY2022 and started operations from the end of Q3. New 140 KLPD capacity with bottling plant at Jharkhand is likely to be operational by Q1FY2023. Further, the company is planning to develop another new facility in Uttar Pradesh of 140 KLPD for Ethanol/Extra Neutral Alcohol (ENA) with bottling capacity (operational by the end of FY2024). Brownfield expansion in Odisha of 140 KLPD will be operational by Q1FY2024.
- The company has received 10 years of long-term volume commitment of ethanol for states of Haryana, Jharkhand, West Bengal, and Odisha of 86 million per annum. Around 36% of the capacity will be utilised for manufacturing ethanol (50% of it will be produced through long grain rice purchased from Food Corporation of India).
- Funding of the strong capex programme will be done through mix of cash and low-cost debt. Management expects payback of three years for the new capacities.
- Market share gains in key markets of Haryana, Rajasthan, and West Bengal will help GSL's consumer business to achieve consistent double-digit volume growth. Introduction of Indian Made Foreign Liquor (IMFL) brand in new markets of UP, Delhi, and Haryana will add on to volumes.

Revision in estimates – We have revised downwards our earnings estimates for FY2022 to factor in the impact of factory shutdown in Bihar/Haryana and lower margins in Q3. We have broadly maintained our estimates for FY2023 and FY2024.

Our Call

Valuation – Maintain Positive stance with potential upside of 20%: GSL's Q3FY2022 performance can be termed as one-off due to multiple factors. However, existing facilities operating at full capacity and sustained capacity expansion would help GSL to generate revenue and earnings CAGR of 24% and 40%, respectively, over FY2021-FY2024. The company will be one of the key beneficiaries of the changing ethanol policy, which will lead to consistent growth in revenue and margin expansion over the next 4-5 years. Further, the vagaries of raw-material inflation in grain-based ethanol manufacturing are much lesser compared to ethanol manufactured from sugar. The stock is currently trading at 12.7x/10.1x its FY2023/FY2024E earnings. We maintain our Positive view on the stock with a potential upside of 20% over the next 12 months.

Valuations (consolidated) Rs cr

Particulars	FY21	FY22E	FY23E	FY24E
Revenue	1,231	1,460	1,905	2,327
OPM (%)	20.7	23.3	24.4	24.7
Adjusted PAT	141	203	309	388
Adjusted EPS (Rs.)	48.9	70.6	107.3	134.6
P/E (x)	27.8	19.3	12.7	10.1
P/B (x)	6.7	5.0	3.6	2.7
EV/EBIDTA (x)	15.6	11.5	8.3	6.4
RoNW (%)	24.1	26.0	28.5	26.4
RoCE (%)	26.8	31.6	33.9	32.7

Source: Company; Sharekhan estimates

Muted revenue growth, sharp decline in profitability

GSL's net revenue grew by 9.7% y-o-y to Rs. 347.1 crore, aided by higher contribution from the consumer business to 50%. Consumer business registered volume and price-led growth of 23.8% y-o-y to Rs. 174.8 crore. Bulk alcohol business revenue declined by 8.5% y-o-y to Rs. 123.9 crore mainly on account of plant shutdown in Bihar and Haryana during the quarter. Gross margin marginally declined by 61 bps y-o-y to 48.2%. OPM witnessed a sharp fall of 450 bps y-o-y to 16.8%, impacted by shutdown of Bihar and Haryana factories, inflation in fuel cost, and higher cost due to purchase of ENA from outside. Operating profit declined by 13.5% y-o-y to Rs. 58.3. This along with increased tax (higher by 76.7% y-o-y) resulted in a 30.5% y-o-y decline in PAT to Rs. 30.5 crore.

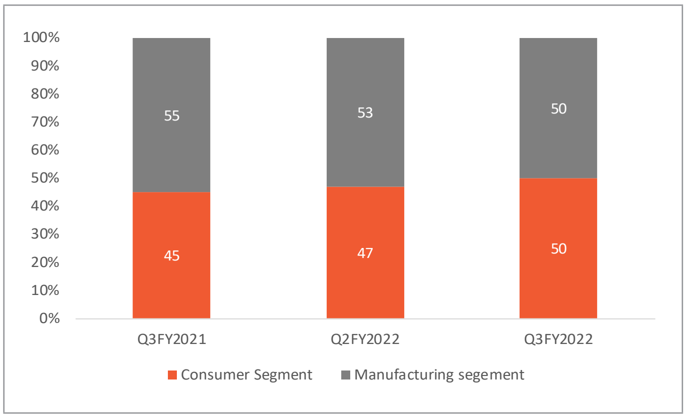
Profitability severely impacted in Q3 due to various factors

During the quarter, the company witnessed a steep decline in its OPM, which declined by 450 bps y-o-y and 616 bps q-o-q. Operating profit dropped by 13.5% y-o-y/33.5% q-o-q, respectively. In line with the decline in operating profit and impact of higher taxes, reported PAT declined by 30.5% y-o-y and 41.9% q-o-q to Rs. 30.5 crore. During Q3FY2022, Bihar plant was shut for ~72 days on account of floods situation, while Samalkha (Haryana) plant was shut for ~40 days due to a major planned overhaul in the power plant. Both these plant shutdowns led to an opportunity loss, which impacted operating profit to the extent of Rs. 25 crore. Inflation in fuel cost (rice husk and coal fuel rate up by ~18% q-o-q) and higher cost of purchasing ENA from outside to meet the consumer business's requirement in Haryana due to plant closure also impacted operating profit. Reduction in interest cost by 50% y-o-y was offset by higher tax expense in Q3FY2022 versus Q3FY2021 (up 76.7% y-o-y) on account of reduced 80 IA benefit from Rs. 37 crore to Rs. 11 crore, which led to further decline in PAT.

Increased contribution from the consumer business to 50%

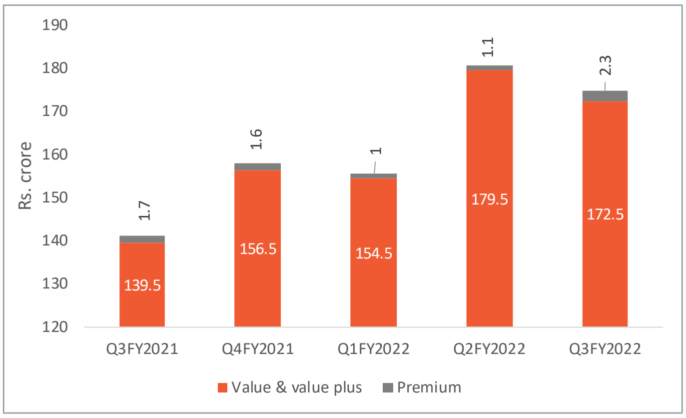
GSL's consumer business's (largely IMIL sales) contribution improved by ~500 bps y-o-y to 50% in Q3FY2022. A part of the increase was on account of lower production/revenue in the manufacturing segment due to plant closure for repair and maintenance. The business reported revenue of Rs. 174.8 crore during the quarter (23.8% y-o-y growth) and sales volume of 3.73 million cases (up 12% y-o-y and down 1% q-o-q). Value plus sales volume stood at 1.3 million cases, registering 58% y-o-y growth. Average realisation of value and value plus segment increased by 10% y-o-y to ~Rs. 463 per case in Q3FY2022. During the quarter, the company managed to increase its market share in the key state of Rajasthan to ~32.5%. Management expects contribution from the consumer business to further go up, which will help to improve the company's profitability.

Quarterly revenue mix



Source: Company, Sharekhan Research

Consumer business revenue trend



Source: Company, Sharekhan Research

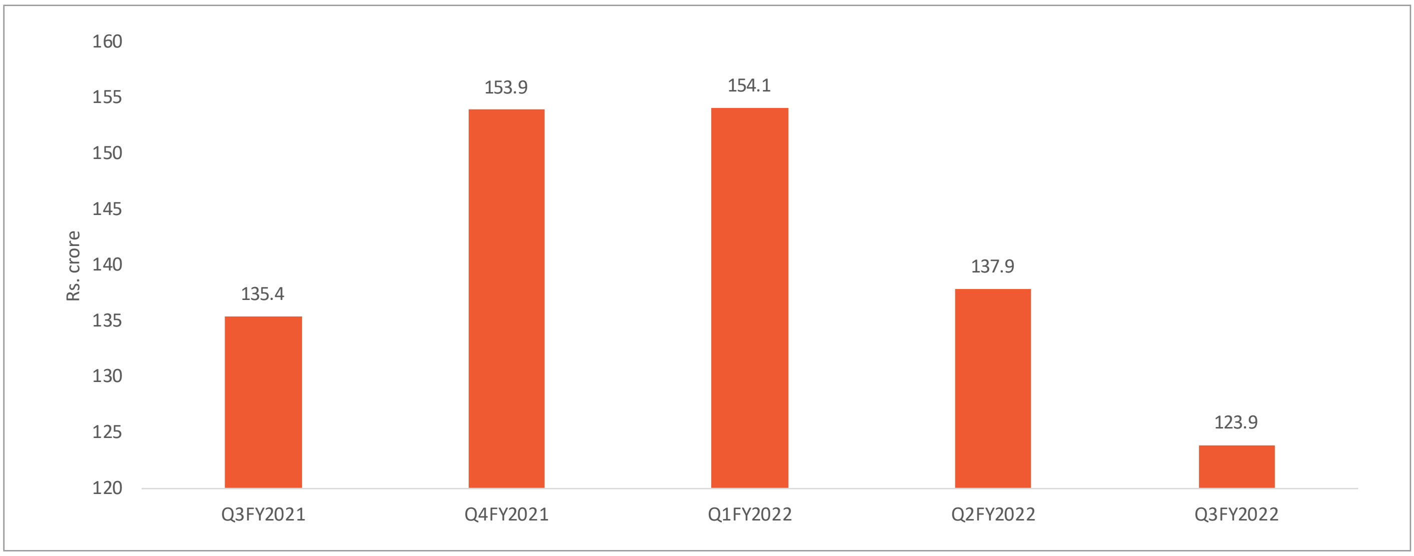
Consumer business performance in key markets

GSL's market share in Rajasthan increased to 32.5%, led by strong performance of the value plus segment (market share improved to 45% from 39% earlier). GSL launched Black Lace Rum in Q3FY2022 and witnessed good response for the same. Further, the company plans to launch a new whisky brand in Q1FY2023 and expand whisky and vodka offerings via tetra packs. In Haryana, market share was maintained at 9%. The company launched two new whisky brands under Metro Liquor, which received positive market response in the initial stage. In West Bengal, the company re-introduced Goldee brand in the market and new launches are expected in the coming quarters. The company plans for local manufacturing in West Bengal, which will help improve the company's performance. GSL's current market share in West Bengal is at ~2%, which provides significant headroom for growth. Current portfolio of premium brands is present in key states of Telangana, West Bengal, and Pondicherry. The company is planning to tap markets such as Delhi and Uttar Pradesh in Q4FY2022 and Haryana in Q1FY2023 for its premium portfolio. GSL re-furbished its existing brands in Telangana and West Bengal and plans to introduce key brands in the semi-premium segment in states where the company is present.

Manufacturing business performance affected by plant shutdowns

Revenue of bulk alcohol business decreased by 8.5% y-o-y to Rs. 123.9 crore on account of lower sales volume due to Haryana and Bihar plant closures. Bulk alcohol sales volumes came in at 23.5 million litre in Q3FY2022, lower by 8% y-o-y and 11% q-o-q. However, average realisation for bulk alcohol improved to Rs. 52.8 per litre in Q3FY2022 versus Rs. 51.3 per litre in Q2FY2022. Capacity utilisation during the quarter stood at ~87% in Q3FY2022 versus 91% in Q2FY2022. The company plans to achieve full capacity utilisation in Q4FY2022. Both Haryana and Bihar plants resumed operations in mid of December 2021 and are currently operating at full capacity.

Manufacturing business revenue trend



Source: Sharekhan Research

Capacity expansion to aid future growth

GSL plans to improve its manufacturing capabilities to aid business growth. Accordingly, various capacity expansion projects are currently under progress/competed. Expansion work of additional 140 KLPD in West Bengal was completed in mid-December 2021, utilisation of which will pick up significantly in Q4FY2022. New capacity of 140 KLPD with bottling plants at Jharkhand is likely to become operational by the end of Q1FY2023. The company's board has recently approved capacity addition of 140 KLPD for ethanol and ENA with bottling capacity in Uttar Pradesh. Land acquisition is underway for the same. Cost for both the capacity expansions is estimated to be ~Rs. 120 crore each. Management has guided that part of the capex will be funded by internal accrual, while the company will take debt for a part of the capex at lower interest rate of 3.85%. Brownfield expansion in Odisha of 140 KLPD will be operational by Q1FY2024 and work on land acquisition is in progress for the plant. The company has received 10 years of long-term volume commitment of ethanol for states of Haryana, Jharkhand, West Bengal, and Odisha for ~86 million litres per annum.

Key conference call highlights

- Rajasthan has announced price hike of Rs. 39 per case for value plus segment liquor and Rs. 19 per case for value segment liquor effective from the new policy year. Price of ethanol has increased by Rs. 1.37 per litre, effective December 2021. Both these factors will aid in higher contribution going ahead.
- GSL's current effective tax rate, based on cash outflow of tax paid, is at 21.7% for 9MFY2022. The company is contemplating to shift to the new regime of computation of tax, where tax rate will be 25.63% against the current tax rate of 34.94%, effective from April 1, 2022.
- Net cash flow from operations (CFO) for 9MFY2022 stood higher at Rs. 156.1 crore (CFO for FY2021 stood at Rs. 148.4 crore), aided by growth in business and improved profitability coupled with lower finance cost due to paring of debt and lower cost of debt (interest rate of 3.85%). Working capital days for 9MFY2022 came in at 15 days due to higher accounts receivable.
- The company targets to maintain OPM at 24%-25% in the near to medium term. It plans to hedge dilution in margin (due to higher input costs and other factors) by improving its revenue mix.

Results (Consolidated) Rs cr

Particulars	Q3FY22	Q3FY21	y-o-y (%)	Q2FY22	q-o-q (%)
Gross sales	**545.0**	**432.5**	**26.0**	**594.0**	**-8.2**
Excise duty	198.0	116.1	70.5	211.8	-6.5
Net sales	**347.1**	**316.4**	**9.7**	**382.2**	**-9.2**
Material cost	179.8	161.9	11.0	197.2	-8.9
Employee cost	10.5	9.4	11.8	10.7	-2.0
Other expenses	98.4	77.6	26.9	86.5	13.9
Total operating expenses	288.7	248.9	16.0	294.4	-1.9
Operating profit	**58.3**	**67.4**	**-13.5**	**87.8**	**-33.5**
Other income	2.2	1.0	128.4	1.6	38.5
Interest expense	2.4	4.8	-50.2	2.4	-1.0
Depreciation	10.5	10.1	4.3	10.4	0.4
Profit before tax	**47.7**	**53.6**	**-11.0**	**76.5**	**-37.7**
Tax	17.2	9.7	76.7	24.0	-28.5
Reported PAT	**30.5**	**43.9**	**-30.5**	**52.5**	**-41.9**
EPS (Rs.)	10.6	13.3	-20.3	18.2	-41.9
			BPS		**BPS**
GPM (%)	48.2	48.8	-61	48.4	-19
OPM (%)	16.8	21.3	-450	23.0	-616
NPM (%)	8.8	12.1	-331	13.7	-495
Tax rate (%)	36.0	28.6	743	31.4	464

Source: Company; Sharekhan Research

Segmental performance Rs cr

Particular	Q3FY22	Q3FY21	y-o-y (%)	Q2FY22	q-o-q (%)
Value Segment (Consumer business)	172.5	139.5	23.7	179.5	-3.9
Premium Segment (Consumer business)	2.3	1.7	35.3	1.1	109.1
Bulk Alcohol Segment (Manufacturing business)	123.9	135.4	-11.3	137.9	-8.5
Others (including bottling & by-products)	48.4	39.8	36.3	63.7	-27.0
Net revenue from operations	**347.1**	**316.4**	**9.7**	**382.2**	**-9.2**

Source: Company; Sharekhan Research

Outlook and Valuation

Sector outlook – Structural change in the alcohol industry

Indian Made Indian Liquor (IMIL) is evolving from a restricted quota-based, commoditised market to a consumer-driven brand-based industry. The main attractiveness of this market lies in its sizeable base, comprising SEC-D below which it could translate into ~40% of the total population (excluding Below Poverty Line). Growth in this segment is expected to be driven by a growing consumer base, rising rural incomes, and consumption, conversion from illicit/toddy to IMIL with increasing awareness about health and quality, conducive regulatory policies, and growth in population. In the short run, the IMIL industry could benefit from lower discretionary incomes, which would push up demand for lower-priced liquor. The government is targeting to achieve 20% blending of ethanol by 2025, which would result in higher demand for grain-based molasses in the coming years.

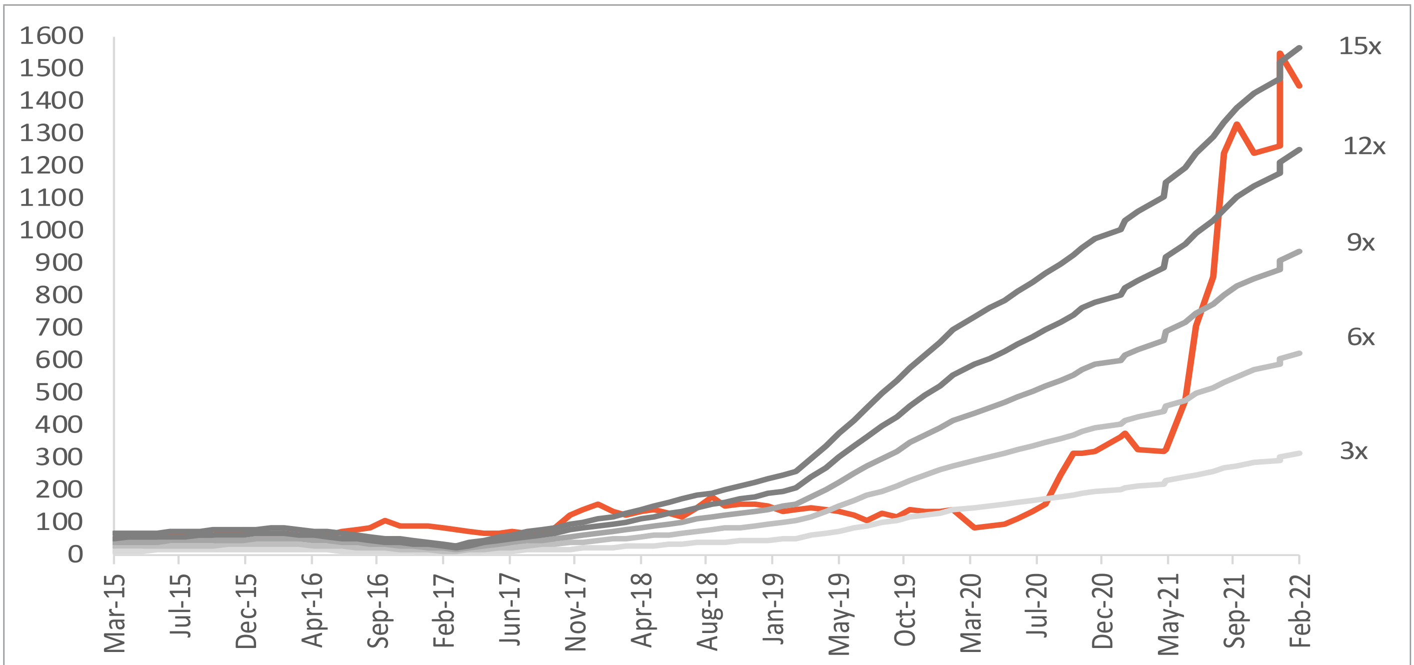
Company outlook – Focus on sustainable earnings growth

Its business model helped GSL's revenue and operating profit to post a CAGR of 13% and 55%, respectively, over FY2018-FY2021. It will be one of the key beneficiaries of change in the government's ethanol policy with 50% of ethanol blending expected to happen through grain based. Around 40% of expanded capacity (of 1,090 KLPD) will be utilised for manufacturing ethanol. Thus, we expect GSL's bulk alcohol sales volume and revenue to report a CAGR of 23% and 40%, respectively, over FY2021-FY2024. Contribution of the consumer business is expected to improve (from current 47%) on account of improving demand for IMIL in key states, sustained new product additions, and expansion in newer states. Management expects OPM at 24-25% in FY2024.

Valuation – Maintain Positive stance with potential upside of 20%

GSL's Q3FY2022 performance can be termed as one-off due to multiple factors. . However, existing facilities operating at full capacity and sustained capacity expansion would help GSL to generate revenue and earnings CAGR of 24% and 40%, respectively, over FY2021-FY2024. The company will be one of the key beneficiaries of the changing ethanol policy, which will lead to consistent growth in revenue and margin expansion over the next 4-5 years. Further, the vagaries of raw-material inflation in grain-based ethanol manufacturing are much lesser compared to ethanol manufactured from sugar. The stock is currently trading at 12.7x/10.1x its FY2023/FY2024E earnings. We maintain our Positive view on the stock with a potential upside of 20% over the next 12 months.

One-year forward P/E (x) band



Source: Sharekhan Research

Peer Comparison

Particulars	P/E (x)			EV/EBITDA (x)			RoCE (%)		
	FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E
United Spirits	-	63.9	50.8	62.6	39.2	30.9	11.2	21.6	24.0
Radico Khaitan	46.3	46.4	35.4	31.6	29.5	23.9	17.4	16.7	17.1
Globus Spirits	27.8	19.3	12.7	15.6	11.5	8.3	26.8	31.6	33.9

Source: Company, Sharekhan estimates

About the company

Established in 1992, GSL is one of the leading players in the Indian alcoholic beverages industry. The company manufactures, markets, and sell Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), bulk alcohol, and contract bottling for established IMFL brands. GSL's manufacturing business segment contributes ~57% to revenue and comprises bulk spirits, franchisee bottling, and by-products, whereas the consumer business segment contributes ~43% to revenue and comprises the value segment and premium segment. GSL is one of the largest and most efficient grain-based distilleries in India with a capacity of 160 million litres.

Investment theme

GSL will be one of the key beneficiaries of change in the government's ethanol policy with 50% of ethanol blending expected to happen through grain based. Around 75% of expanded capacity (of 420 KLPD) will be utilised for manufacturing ethanol. Consumer business's (IMIL) contribution has increased to 43% versus 35%, which has 2x higher margins than the bulk alcohol business. With increased sustainable demand for ethanol and scale-up in the consumer business, GSL's earnings are expected to report a CAGR of 22% over FY2021-FY2023. With higher sales of bulk alcohol (lower working capital business) and increased contribution of the consumer business, the company is expected to be net cash positive by FY2023 (despite capex of Rs. 225 crore for expansion). Return profile is expected to consistently improve.

Key Risks

- Changes in regulation/policy by state or central government on alcohol distribution/selling policy would act as a key risk to GSL's consumer business.
- Any delay in the operation of new capacities would act as a key risk to GSL's earnings in the near term.

Additional Data

Key management personnel

Vivek Gupta	Chairman
Ajay Kumar Swarup	Managing Director
Bhaskar Roy	Executive Director, COO and CFO
Santosh Kumar Pattanayak	Company Secretary

Source: Company Website

Understanding the Sharekhan 3R Matrix

Right Sector	
Positive	Strong industry fundamentals (favorable demand-supply scenario, consistent industry growth), increasing investments, higher entry barrier, and favorable government policies
Neutral	Stagnancy in the industry growth due to macro factors and lower incremental investments by Government/private companies
Negative	Unable to recover from low in the stable economic environment, adverse government policies affecting the business fundamentals and global challenges (currency headwinds and unfavorable policies implemented by global industrial institutions) and any significant increase in commodity prices affecting profitability.
Right Quality	
Positive	Sector leader, Strong management bandwidth, Strong financial track-record, Healthy Balance sheet/cash flows, differentiated product/service portfolio and Good corporate governance.
Neutral	Macro slowdown affecting near term growth profile, Untoward events such as natural calamities resulting in near term uncertainty, Company specific events such as factory shutdown, lack of positive triggers/events in near term, raw material price movement turning unfavourable
Negative	Weakening growth trend led by led by external/internal factors, reshuffling of key management personal, questionable corporate governance, high commodity prices/weak realisation environment resulting in margin pressure and detoriating balance sheet
Right Valuation	
Positive	Strong earnings growth expectation and improving return ratios but valuations are trading at discount to industry leaders/historical average multiples, Expansion in valuation multiple due to expected outperformance amongst its peers and Industry up-cycle with conducive business environment.
Neutral	Trading at par to historical valuations and having limited scope of expansion in valuation multiples.
Negative	Trading at premium valuations but earnings outlook are weak; Emergence of roadblocks such as corporate governance issue, adverse government policies and bleak global macro environment etc warranting for lower than historical valuation multiple.

Source: Sharekhan Research

For Private Circulation only

Disclaimer: This document has been prepared by Sharekhan Ltd. (SHAREKHAN) and is intended for use only by the person or entity to which it is addressed to. This Document may contain confidential and/or privileged material and is not for any type of circulation and any review, retransmission, or any other use is strictly prohibited. This Document is subject to changes without prior notice. This document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same, not all customers may receive this report at the same time. SHAREKHAN will not treat recipients as customers by virtue of their receiving this report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable and SHAREKHAN has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavour to update the information herein on reasonable basis, SHAREKHAN, its subsidiaries and associated companies, their directors and employees ("SHAREKHAN and affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent SHAREKHAN and affiliates from doing so. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this report should also be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of Sharekhan may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report.

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 SHAREKHAN 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 themselves of and to observe such restriction.

The analyst certifies that the analyst has not dealt or traded directly or indirectly in securities of the company and that all of the views expressed in this document accurately reflect his or her personal views about the subject company or companies and its or their securities and do not necessarily reflect those of SHAREKHAN. The analyst and SHAREKHAN further certifies that neither he or his relatives or Sharekhan associates has any direct or indirect financial interest nor have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the research report nor have any material conflict of interest nor has served as officer, director or employee or engaged in market making activity of the company. Further, the analyst has also not been a part of the team which has managed or co-managed the public offerings of the company and no part of the analyst's compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this document. Sharekhan Limited or its associates or analysts have not received any compensation for investment banking, merchant banking, brokerage services or any compensation or other benefits from the subject company or from third party in the past twelve months in connection with the research report.

Either, SHAREKHAN or its affiliates or its directors or employees / representatives / clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities or related securities referred to in this report and they may have used the information set forth herein before publication. SHAREKHAN may from time to time solicit from, or perform investment banking, or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall SHAREKHAN, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Compliance Officer: Mr. Joby John Meledan; Tel: 022-61150000; email id: compliance@sharekhan.com;

For any queries or grievances kindly email igc@sharekhan.com or contact: myaccount@sharekhan.com

Registered Office: Sharekhan Limited, 10th Floor, Beta Building, Lodha iThink Techno Campus, Off. JVLR, Opp. Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400042, Maharashtra. Tel: 022 - 61150000. Sharekhan Ltd.: SEBI Regn. Nos.: BSE / NSE / MSEI (CASH / F&O / CD) / MCX - Commodity: INZ000171337; DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669; Research Analyst: INH000006183;