

BUY

CMP (₹)	:	408
Target Price (₹)	:	635
Potential Return (%)	:	56

Stock Data (As on October 4, 2024)

Bloomberg Ticker	:	EPACK IN
BSE Symbol / Code	:	EPACK / 544095
52 Week H/L (₹)	:	434 / 151
Market Cap (₹/USD mn)	:	39,086 / 465
Outstanding Shares (mn)	:	95.8
Free Float (%)	:	29%
ADTV – 3M (USD mn)	:	7.5
Div Yield (%)	:	0.0

Price Performance

(%)	1M	6M	Since IPO
Absolute (%)	59	122	96

Shareholding Pattern

(%)	Jan-24	Mar-24	Jun-24
Promoter	48.1	48.1	48.1
FII	4.0	1.3	0.7
Others	47.9	50.6	51.2

Financial Summary

(₹ mn)	FY25E	FY26E	FY27E
Revenues	20,485	27,724	35,452
Yoy growth (%)	44.3	35.3	27.9
EBITDA	1,717	2,379	3,114
EBITDA margins	8.4	8.6	8.8
PAT	678	1,070	1,517
PAT growth	87.9	56.7	41.1
EPS	7.1	11.2	15.8
P/E (x)	57.7	36.5	25.8
EV/EBITDA (x)	24.3	17.3	12.8
Debt/Equity (x)	0.3	0.2	0.1
RoE (%)	7.1	10.0	12.4



Shraddha Kapadia

Lead Analyst

shraddha.kapadia@shareindia.com

+91 99870 38082

Epack Durable Limited

All Set to Enter the Big League

Epack Durable Ltd (EPACK) is the second-largest original design manufacturer (ODM) of room air conditioners (RAC), holding 24% of the market share for domestically produced units in FY24. Given the low penetration, rising temperatures, and ongoing rural electrification, the RAC industry is poised for significant growth of 40-50% in the current year. EPACK's robust backward integration and cutting-edge R&D capabilities position it well to capitalize on this market growth.

Additionally, the company is strategically diversifying its offerings to include small domestic appliances (SDA) and large domestic appliances (LDA). This diversification will enable EPACK to optimize its asset utilization and increase its asset turnover (ATO) from the current 1.8x to 4x by FY27E.

Currently trading at 26x its projected earnings for the FY27, EPACK presents an attractive investment opportunity considering its promising growth trajectory and positive outlook. We recommend a BUY rating with a target price of ₹635. Our valuation of 40x the projected EPS for FY27 reflects the company's strong potential.

Key highlights

- **Driving Growth through RAC:** EPACK derives ~80% of its topline from RAC. The RAC industry is set for significant expansion, given the low penetration, rising temperature and rural electrification. This trend is visible in current year with expectation of a 40-50% growth. EPACK's robust backward integration and advanced R&D capabilities will help RAC to grow at 23% over FY24-27E.
- **Product diversification to aid growth:** EPACK aims to broaden its product portfolio beyond RACs to better utilize its off-season capacity. It has started manufacturing SDA and LDA, such as induction cooktops and air coolers, thereby reducing its reliance on RACs. EPACK's backward integration allows it to cover essential aspects of RAC and SDA manufacturing, such as heat exchangers, copper tubing and PCBAs. This integration improves product quality and reduces reliance on third-party suppliers, enabling tighter control over lead times and costs, which in turn strengthens customer loyalty. The objective is to decrease the RAC contribution below 70% while increasing revenue from SDA and LDA segments. We expect the SDA/LDA segment revenue to grow at CAGR of 69% over FY24-27E and improve the mix to 37% in FY27E vs 19% in FY24.
- **Deep-rooted associations with leading industry players:** EPACK's key supplier position and long-term client relationships highlight the customer loyalty and strong delivery capabilities. It's marquee clients include Daikin, Blue Star, Haier, Voltas, Bajaj Electricals etc. On average, its relationships with these customers in the RAC has been over 8.7 years and in SDA 6.3 years which provides stability and grows as customer expands.
- **Additional capacities to aid growth:** Sri-city facility (having 1mn RAC units capacity in Phase 1, components and SDA capabilities) is strategically located near many branded players and it will help in serving the South market. The company will tap the component outsourcing market which is expected to grow at a 15%-16% CAGR over FY24-FY28. EPACK will be able to cater the anticipated increase in the demand for its products and supply growing markets more efficiently and drive profitability. With increased capacity, EPACK will serve the tail end of brands, covering 40-45% of the market across Bhiwadi and Sri City.

Valuation: EPACK is positioned as a proxy play in the rapidly expanding RAC market. It is diversifying its product lineup to include air coolers, top load washing machines, air fryers and other small kitchen appliances in development. This strategy enhances EPACK's ability to seize growth opportunities in related sectors. EPACK's robust backward integration and advanced R&D capabilities are poised to drive its success in this dynamic market. The stock is currently trading at 26x FY27E earnings, presenting a compelling investment opportunity considering the promising growth trajectory and robust outlook. With this in mind, we initiate coverage with a BUY rating with a target price of ₹635. Our valuation of 40x FY27E EPS reflects the strong potential of this stock.

Investment Rationale

Fueling tomorrow: growth through RAC and product diversification

EPACK is the second largest ODM manufacturer mainly for RAC (~80% topline) and balance 20% revenue comes from other appliances and components.

Driving growth through RAC

Industry Dynamics: Low RAC penetration, shift toward backward integration to reduce imports and enhance domestic production, increased urbanization and easier access to consumer financing are expected to boost volumes for RAC. **As per F&S, the RAC industry is projected to grow at a 16% CAGR in value terms and 12% in volumes by FY28.**

This trend will significantly benefit EPACK which is dedicated to designing and manufacturing a full range of RAC systems, including window air conditioners (WACs), inverter WACs, indoor units (IDUs) and outdoor units (ODUs), which work together as split air conditioners (SACs).

During FY24, EPACK's RAC sales decreased by 10.2% (~81% of total revenue) due to unseasonal rains significantly impacting the demand for air conditioners. This led to an elongated end-of season period, demanding excess inventory liquidation. However, with improved sector dynamics; 1QFY25 witnessed huge demand for RAC, with EPACK reporting 82% yoy RAC growth. **Most branded players are expecting strong demand for the upcoming season, with OEM/ODM share projected to rise to 40% from 35%.** While few RAC players are adding own manufacturing capacities; the mix of OEM/ODM to increase on back of strong industry growth and other large players relying on outsourcing model. This summer has seen excellent performance and **2QFY25 is thriving due to low channel inventory.** Order bookings for next year are on track, with EPACK **aiming 45-50% revenue increase in FY25.** Looking ahead, we anticipate RAC to grow at a CAGR of 23% over FY24-27E, on back of the above reasons.

Beyond RACs: unlocking a new dimension of offerings

EPACK is looking to broaden its product portfolio beyond RACs, given the seasonal production cycle that peaks at ~100% capacity from January - May. To utilize off-season capacity, EPACK has started manufacturing small and large domestic appliances (SDA and LDA), such as induction cooktops and air coolers, thereby reducing its reliance on RACs.

The company has started with **air coolers and now air fryers and top-load washing machine** are also in the pipeline. Other products within the small kitchen appliances portfolio are also in development stages. In addition to extensive product offerings, EPACK manufacture various components such as sheet metal, injection molded parts, cross-flow fans and PCBA components which are critical to manufacturing process.

The company aims to tap the growing **component outsourcing market which is expected to see a 15%-16% CAGR by FY28.** In South India, ODM/OEM opportunities will arise from branded player starting their own manufacturing there, allowing EPACK to use its technology for customized solutions. The objective is to **decrease the RAC contribution to below 70% while increasing revenue from SDA and LDA segments.**

Air Coolers

EPACK has commenced **manufacturing for Voltas and recently partnered with Symphony**, so as to **improve asset turnover**, with flexible capacities reducing the need for major capital expenditure. The installed capacity stands at 35,000-40,000 coolers per month and EPACK expects to produce 180,000-200,000 coolers in the first full year of operation. EPACK will only produce plastic parts, sourcing the rest externally.

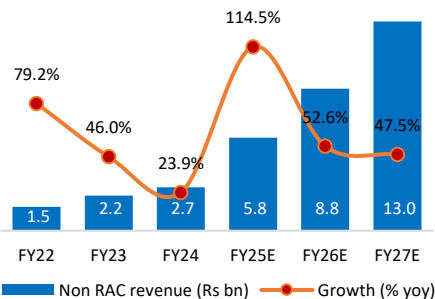
EPACK is second largest ODM manufacturer mainly for RAC (~80% topline)

OEM/ODM share projected to rise to 40% from 35%

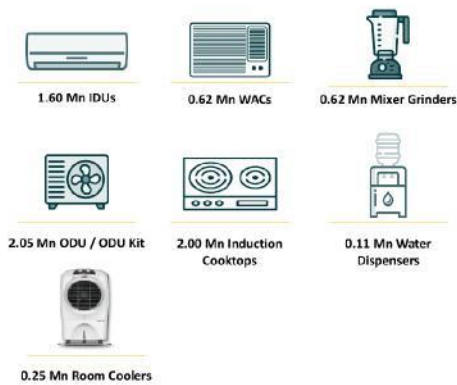
Order bookings for next year are on track, with EPACK aiming 45-50% revenue increase in FY25

EPACK will be launching air fryers and washing machine in 3QFY25

EPACK aims to decrease the RAC contribution to below 70%

Non RAC revenue to grow at CAGR of 69%


Source: Company, Share India Securities

Capacities across products


Location	Dehradun (Uttarakhand)	Bhiwadi (Rajasthan)	Sri City (Andhra Pradesh)
Component Manufacturing Capability			
Injection Moulded Components	✓	✓	✓
Heat Exchanger	✓	✓	✓
Copper Tubing	✓	✓	✓
Powder Coating	✓		✓
Sheet Metal Press Part	✓		✓
Cross Flow Fan		✓	✓
PCBA		✓	
Universal Motor		✓	

Source: Company presentation

EPACK's backward integration lets manufacturing at a single facility without inter-factory material transfers

Top Load Washing Machine

With an **overall penetration of 12-15% in a 15mn unit market**, the breakdown shows 55% for semi-automatic machines, 35-40% for fully automatic, and 10-15% for premium front-load models. The share of semi-automatics is shrinking, while the other two categories are expanding.

Currently, the market has only 3-4 OEM/ODMs, resulting in less competition in the front-load segment. EPACK is currently working with 3-4 large brands and is conducting final tests. It will start with one model and plans to introduce more in the future. The company's strength lies in its backward integration, allowing all manufacturing to occur in a single facility without inter-factory material transfers, unlike competitors.

Components business to grow at a higher rate

EPACK has backward integrated itself which aids to cater most aspects of RAC and SDA manufacturing which includes heat exchangers, copper tubing, PCBAs, cross flow fans, axial fans, sheet metal press parts and injection molded components. In FY24, component sales were 2.5-3% of total revenue which are expected to increase to 5-6% in FY25 and more thereafter. Also the branded players that create their own capacities manage final assembly and heat exchangers, outsourcing ~50-55% of materials. EPACK's north PCB manufacturing is fully dedicated to internal consumption, and with rising demand, it intends to utilise its South plant.

EPACK entered into SDA to offset the seasonality of the demand for RACs. In FY24, SDA grew ~24% YoY and company started LDA since 4QFY24, **we expect non RAC segment to pickup and to grow at CAGR of 69% over FY24-27E.**

Focus on reducing customer concentration

EPACK has successfully diversified its customer base. Previously, the top 3 customers contributed ~70% of sales, which was reduced to top 5 customers contributing 70% of sales in FY24 to currently the top 8 customers contributing ~80% of sales. This change has occurred over the past 8-9 months. We expect the concentration to reduce further on back of expansion of the product portfolio and component business.

Highest level of backward integration

EPACK has 3 manufacturing facilities and stands out with the highest backward integration for RACs in India, achieved at a single location organically. This approach allows for on-site manufacturing of products and components, effectively reducing transportation costs. It also produces a range of components alongside RACs and SDAs, strengthening integration. This vertical integration has led to improved product quality and less dependence on third-party suppliers, granting better control over lead times and costs, which has enhanced customer loyalty.

ODM is a better business model than OEM

ODM/OEM business models have distinct differences. ODMs offer a black-box solution, whereas OEMs specialize only in assembly, leading to zero control over the product. Their margins differ significantly. ODMs achieve high scalability through standardization and economies of scale, while OEM options are currently constrained. The OEM model is widely used in EMS but is rare in appliances. EPACK currently serves as a 100% ODM, offering brands a black-box solution. Instead of a fixed seasonal price, it sets prices quarterly, introducing variability afterward. An agreed index creates a quasi-fixed pricing structure, influenced by oil price fluctuations that impact plastic resin costs, which are transferred to customers.

Export opportunities

Exports represent a significant opportunity for the industry and could trigger medium-term growth. Three years back, the price gap between India and China was approximately 15-18%, but it has now decreased to 7-8%. This gap is expected to close entirely within the next 2-3 years, unlocking considerable export potential. The global market, outside of China, is 10x the size of India's, which fuels the industry's bullish sentiment.

PLI boost

Significant growth in the domestic RAC market is fueled by the Production-Linked Incentive (PLI) scheme and favorable industry trends. With AC penetration at about 9% in India—compared to 90% in Japan and the US and 80% in China—OEM and ODM players are investing heavily under the PLI scheme, which has boosted domestic value addition from 20% to 40%, with further increases expected.

Despite the trend toward insourcing, ODM players are enhancing RAC component production. AMBER and EPACK are key contributors, with AMBER investing ₹6.2 bn in the PLI scheme—the highest commitment among ODM/OEMs—and a total capex of ₹14.9 bn from FY22 - FY24. EPACK has committed ₹3.6 bn to the PLI scheme and invested ₹5.8 bn in total capex during this timeframe.

Strong Financials

Revenue to grow at 36% CAGR over FY24-FY27E

Established in 2019, EPACK has expanded rapidly, achieving a revenue CAGR of 24% between FY22-FY24 with EBITDA margins of 8.2% and 2.9% for PAT in FY24. EPACK's revenue is increasingly derived from its top five customers. We expect EPACK's revenue to grow at a 36% CAGR to ₹35.5bn during FY24-27E, mainly driven by: (i) RAC volume growth in the domestic market (ii) increase in capacity utilization and (iii) higher contribution from SDA & LDA.

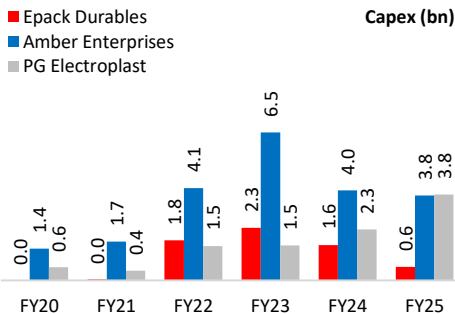
Capacity utilisation and operating leverage to drive 39% EBITDA CAGR

We expect EPACK's EBITDA to grow at a CAGR of 39% to ₹3.1bn during FY24-27E, led by shift to LDA/SDA products and operating leverage in business. The sharp increase in EBITDA margin in FY24 to 8.2% vs 6.7% in FY23 was driven by various internal strategies implemented to improve operational efficiencies. EPACK continues to focus on adding LDA products having similar realization and operating margins to that of RAC. With washing machine coming by 3QFY25, we expect the full benefit will be visible over next 2-3 year. We believe this will result in at least 60bps EBITDA margins improvement in FY27E over FY24.

Asset turns and return ratios to improve drastically

EPACK is focusing on expanding its product basket to LDA and thereby increasing its ATO and return ratios. FY24 revenue stood at ₹14.2bn on a gross block of ~₹7.8bn, indicating an asset turnover of 1.8x. We expect the ATO to reach ~4x by FY27E from 1.8x in FY24. The return ratios are also expected to improve from 4%/8.4% in FY24 to 12%/16% in FY27E for ROE/ROCE, respectively.

PLI boost capex expenditure



Source: Company, Share India Securities

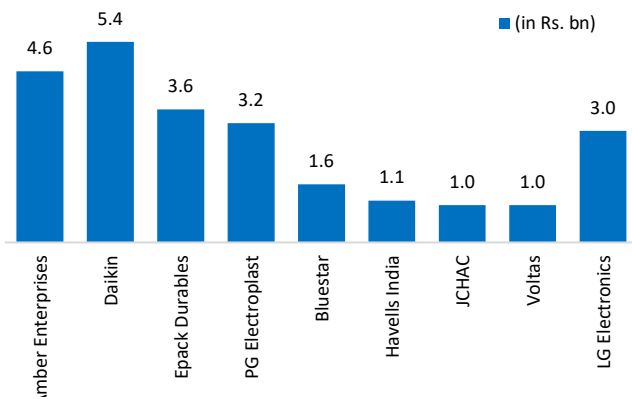
ATO to improve from 1.8x in FY24 to 4x by FY27E

ROE to increase to 16% in FY27E vs 8% in FY24

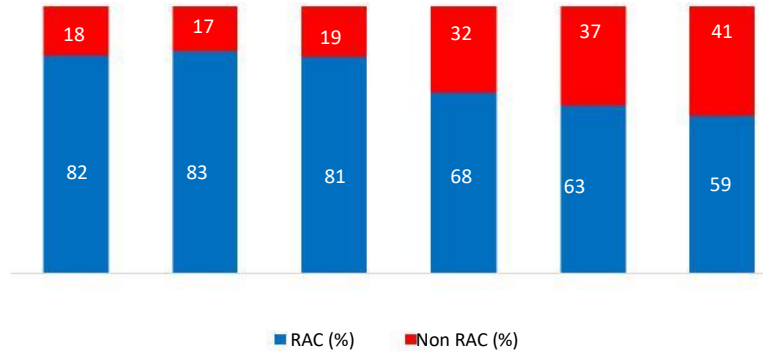
Peer Compare

Company	Market Cap (₹ bn)	RAC Market share FY24	Manufacturing units	Revenue (₹ bn)		EBITDA margin (%)		PE		ROE	
				FY24	FY27	FY24	FY27	FY24	FY27	FY24	FY27
Amber	161.12	27	27	67.29	119.46	7.3%	8.5%	121	31	6.7	17.3
PG Elec #	168.75	27	5	27.46	44.87	9.7%	9.2%	118	65	18.8	19.8
Epack *	37.3	24	3	14.2	35.5	8.2%	8.8%	105	40	4.0	12.4

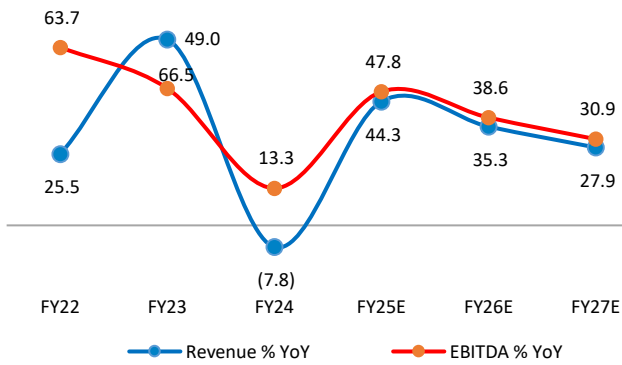
Source: Bloomberg consensus estimates, Mcap as on 30th September, 2024; *Share India research, # PG Elec data is for FY26

Exhibit 1: PLI investments - white goods companies


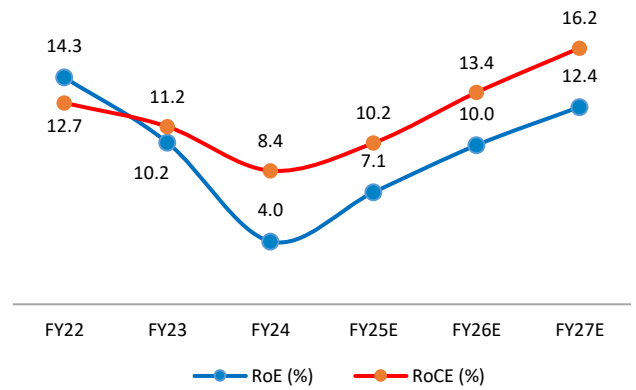
Source: Company, Share India Securities

Exhibit 2: Revenue mix to shift from RAC over FY24-27E


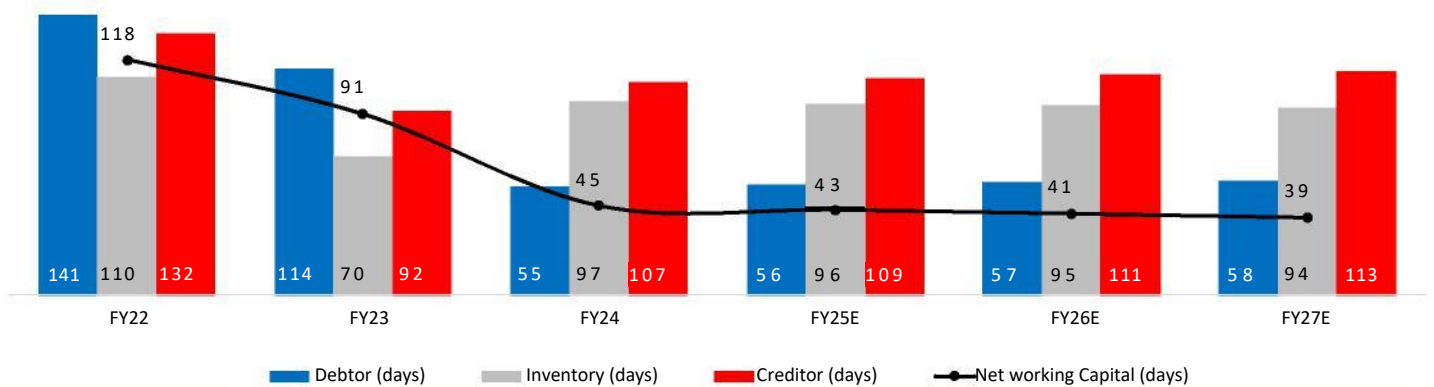
Source: Company, Share India Securities

Exhibit 3: With robust revenue EBITDA will grow in tandem


Source: Company, Share India Securities

Exhibit 4: Return ratios to be strong going forward


Source: Company, Share India Securities

Exhibit 5: WC days to improve


Source: Company, Share India Securities

Income statement (Consolidated)

Y/e 31 Mar (₹ mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	15,388	14,196	20,485	27,724	35,452
% Change YoY	66.5	-7.8	44.3	35.3	27.9
Operating profit	1,025	1,162	1,717	2,379	3,114
EBITDA margins	6.7	8.2	8.4	8.6	8.8
% Change YoY	49.0	13.3	47.8	38.6	30.9
Depreciation	261	355	512	693	886
EBIT	779	896	1,334	1,861	2,451
EBIT margins	5.1	6.3	6.5	6.7	6.9
Interest expense	315	389	382	375	367
Other income	14	89	129	175	223
Profit before tax	449	507	952	1,486	2,084
Taxes	121	138	260	401	552
Minority	-8	-15	-15	-15	-15
Effective tax rate (%)	26.92	27.29	27.29	27.00	26.50
Net profit	320	354	678	1,070	1,517
% Change YoY	88.1	12.4	87.9	56.7	41.1
EPS (₹)	3.3	3.7	7.1	11.2	15.8

Source: Company, Share India Securities

Balance Sheet (Consolidated)

Y/e 31 Mar (₹ mn)	FY23	FY24	FY25E	FY26E	FY27E
Sources of Funds					
Equity capital	521	958	958	958	958
Reserves	2,615	7,964	8,642	9,712	11,229
Net worth	3,136	8,922	9,600	10,670	12,187
Debt	5,184	3,701	3,631	3,561	3,491
Deferred tax liab (net)	139	188	198	208	218
Minority Interest	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total liabilities	8,459	12,811	13,428	14,349	15,895
Application of Funds					
Fixed Assets	4,188	6,777	6,815	6,572	6,136
CWIP	915	266	266	266	266
Other assets	5	5	5	5	5
Investments	48	85	285	485	685
Net Working Capital	2,549	4,607	5,309	6,049	6,761
Current Assets	8,731	9,474	12,161	15,242	18,527
Cash & equivalents	755	1,071	747	1,061	2,041
Current liabilities	6,182	4,867	6,852	9,193	11,767
Total Assets	8,459	12,811	13,428	14,439	15,895

Source: Company, Share India Securities

Ratio Analysis

Y/e 31 Mar	FY23	FY24	FY25E	FY26E	FY27E
Basic (₹)					
EPS	3.3	3.7	7.1	11.2	15.8
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	60	93	100	111	127
Valuation ratios (x)					
P/E	122	110	58	37	26
P/B	7	4	4	4	3
EV/EBIDTA	42	36	24	17	13
Profitability Ratios (%)					
RoIC	12.2	8.8	10.7	14.2	18.0
RoE	10.2	4.0	7.1	10.0	12.4
RoCE	11.2	8.4	10.2	13.4	16.2
Liquidity ratios					
Debtor (days)	114	55	56	57	58
Inventory (days)	70	97	96	95	94
Creditor (days)	92	107	109	111	113
Net working Capital (days)	91	45	43	41	39
Asset Turnover (x)	3.2	1.8	2.4	3.1	3.8

Source: Company, Share India Securities

Cash Flow Statement (Consolidated)

Y/e 31 Mar (₹ mn)	FY23	FY24	FY25E	FY26E	FY27E
Profit before Tax	449	507	952	1,486	2,084
Non cash items	610	735	765	893	1,030
(Inc)/Dec in WC	(743)	1,424	(702)	(739)	(712)
Direct Taxes Paid	(127)	(96)	(210)	(352)	(503)
CF from Oper. Activity	188	2,570	805	1,288	1,898
(Inc)/Dec in FA	(2,320)	(1,566)	(550)	(450)	(450)
Free Cash Flow	2,508	4,136	1,355	1,738	2,348
(Pur)/Sale of Invest.	178	(2,106)	(200)	(200)	(200)
Other Income	(33)	(94)	129	175	223
CF from Inv. Activity	(2,175)	(3,766)	(621)	(475)	(427)
Change in Networth	1,600	437	0	0	0
Inc/(Dec) in Debt	1,080	(1,602)	(70)	(70)	(70)
Others	(335)	2,831	(436)	(429)	(422)
CF from Fin. Activity	2,345	1,666	(506)	(499)	(492)
Inc/(Dec) in Cash	359	469	(322)	314	980
Opening cash Balance	241	599	1,068	746	1,060
Closing cash Balance	599	1,068	746	1,060	2,040

Source: Company, Share India Securities

Disclosures and Disclaimers

This report has been prepared by Share India Securities Limited (here in after referred to as SISL) in the capacity of a Research Analyst registered with SEBI and distributed as per SEBI (Research Analysts) Regulations 2014. This report is prepared and distributed by Research Analysts employed by SISL for information purposes only, and neither the information contained herein, nor any opinion expressed should be construed or deemed to be construed as solicitation or as offering advice for the purposes of the purchase or sale of any security, investment, or derivatives. The information and opinions contained in the report were considered by SISL to be valid when published. The report also contains information provided to SISL by third parties. Whilst SISL has taken all reasonable steps to ensure that all the information in the report is correct, SISL does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report does so entirely at his or her own risk and SISL does not accept any liability as a result. Securities markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication of future performance. Investors must undertake independent analysis with their own legal, tax, and financial advisors and reach their own conclusions regarding investment in securities market and should understand that. Under no circumstances can it be used or considered as an offer to sell or as a solicitation of any offer to buy or sell the securities mentioned within it. The information contained in the research reports may have been taken from trade and statistical services and other sources, which SISL believe is reliable. SISL or any of its group/associate/affiliate companies do not guarantee that such information is accurate or complete and it should not be relied upon as such. Any information provided in the report reflect analysis at this date and are subject to change without notice. SISL submits that no material disciplinary action has been taken on SISL by any regulatory authority impacting Research Analysis activities.

SISL is a Member of National Stock Exchange of India Limited (NSE), BSE Ltd (Bombay Stock Exchange), Multi Commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange Limited (NCDEX), and has Depository Participant affiliation with Central Depositories Services (India) Limited (CDSL). It is a SEBI registered Portfolio Manager and SEBI registered Research Analyst [SEBI Reg. No.: INB/F/E 231079832, INB/F/E 011079838, IN-DP-32-2015, AMFI Reg. No. ARN: 78041, SEBI Research Analyst Reg. No.: INH100005011, CIN -L67120GJ1994PLC115132].

Investment Rating of follow up coverage

Investment Rating	Expected return (over 12-month)
BUY	>15% return potential
HOLD	0% to 15% return potential
SELL	<0% return potential

We continue to maintain our earlier rating structure (below) for all the initiating coverage reports

Investment Rating of initiating coverage

Investment Rating	Expected return (over 12-month)
BUY/SELL	Market cap ₹ 200bn+ >20%
	Market cap ₹ 100-200bn > 25%
	Market cap ₹ 50-100bn > 30%
	Market cap ₹ 0-50bn > 40%

Certifications: The Research Analyst(s), Shraddha Kapadia, who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and/or securities, that the analyst(s) have no known conflict of interest and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the Specific views or recommendations contained in this research report.

Additional Disclosures of Interest:

1. The Research Analyst, SISL, or its associates or relatives of the research analyst does not have any Financial interest in the company(ies) covered in this report.
2. The Research Analyst, SISL or its associates or relatives of the research analyst affiliates do not Hold more than 1% of the securities of the company (ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
3. The Research Analyst, his/her associate, his/her relative, and SISL, do not have any other material conflict of interest at the time of publication of this research report.
4. The Research Analyst, SISL, and its associates have not received compensation for brokerage Services, investment banking, merchant banking or for any other products or services from the Company(ies) covered in this report, in the past twelve months.

5. The Research Analyst, SISL or as associates have not managed or co-managed, in the previous twelve months, a private or public offering of securities for the company (ies) covered in this report.
6. The Research Analyst, SISL or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party, in connection with the research report.
7. The Research Analyst has not served as an Officer, Director, or employee of the company (ies) covered in the Research report.
8. The Research Analyst and SISL has not been engaged in market making activity for the company(ies) covered in the Research report.

Suitability and Risks. This research report is for informational purposes only and is not tailored to the specific investment objectives, financial situation or particular requirements of any individual Recipient hereof. Certain securities may give rise to substantial risks and may not be suitable for certain investors. Each investor must make its own determination as to the appropriateness of any Securities referred to in this research report based upon the legal, tax and accounting considerations Applicable to such investor and its own investment objectives or strategy, its financial situation and its Investing experience. The value of any security may be positively or adversely affected by changes in Foreign exchange or interest rates, as well as by other financial, economic, or political factors.

Sources, Completeness and Accuracy: The material herein is based upon information obtained from sources that SISL and the research analyst believe to be reliable, but neither SISL nor the research analyst represents or guarantees that the information contained herein is accurate or complete and it should not be relied upon as such. Opinions expressed herein are current opinions as of the date appearing on this material and are subject to change without notice. Furthermore, SISL is under no obligation to update or keep the information current. Without limiting any of the foregoing, in no event shall SISL, any of its affiliates/employees or any third party involved in or related to computing or compiling the information have any liability for any damages of any kind including but not limited to any direct or consequential loss or damage, however arising, from the use of this report.

Copyright: The copyright in this research report belongs exclusively to SISL. All rights are reserved. Any unauthorised use or disclosure is prohibited. No reprinting or reproduction, in whole or in part, is permitted without the SISL's prior consent, except that a recipient may reprint it for internal circulation only and only if it is reprinted in its entirety.

Caution: Risk of loss in trading/investment can be substantial and even more than the amount / margin given by you. Investment in securities market are subject to market risks, you are requested to read all the related documents carefully before investing. You should carefully consider whether trading investment is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. SISL and any of its employees, directors, associates, group entities, or affiliates shall not be liable for losses, if any, incurred by you. You are further cautioned that trading/investments in financial markets are subject to market risks and are advised to seek independent third-party trading/investment advice outside SISL/group/associates/affiliates/directors/employees before and during your trading/investment. There is no guarantee/assurance as to returns or profits or capital protection or appreciation. SISL and any of its employees, directors, associates, and/or employees, directors, associates of SISL's group entities or affiliates is not inducing you for trading investing in the financial market(s). Trading/ Investment decision is your sole responsibility. You must also read the Risk Disclosure Document and Do's and Don'ts before investing.

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 SISL and affiliates to any registration or licensing requirement within such jurisdiction. The Profits or capital protection or appreciation. SISL and any of its employees, directors, associates, and/or employees, directors, associates of SISL's group entities or affiliates is not inducing you for Trading/investing in the financial market(s). Trading/Investment decision is your sole responsibility.

You must also read the Risk Disclosure Document and Do's and Don'ts before investing.

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 SISL 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 off and to observe such restriction. For Detailed Disclaimer, please visit our website www.shareindia.com.

Share India Securities Limited

CIN: L67120GJ1994PLC115132

Register Office:

1701-1703, 17th Floor, Dalal Street Commercial Co-operative Society Limited,
Road 5E, Block 53, Zone 5, Gift City, Gandhinagar, Gujarat – 382 355.

Corporate Office Institutional Equities:

Unit 608/609, B Wing, 6th Floor, Kanakia Wall Street,
Andheri-Kurla Road, Andheri (E), Mumbai – 400093.

Website:

www.shareindia.com