



TM

14 July 2023

## Midcaps

### Earnings could be a mixed bag

#### 1QFY24 RESULT PREVIEW

Industry	Midcaps		
<b>Sector rating</b>			
Company	CMP (Rs)	TP (Rs)	Reco.
Aarti Inds.	448	537	HOLD
Atul	6,548	7,295	HOLD
Deepak Nitrite	1,926	2,121	HOLD
Navin Fluorine	4,615	5,104	HOLD
SRF	2,173	3,174	BUY
Vinati Organics	1,803	1,700	HOLD
KPR Mill	654	726	BUY
Gokaldas Exports	539	563	BUY
Vardhman Textiles	372	372	HOLD
EPL	220	262	BUY
Praj Industries	403	482	BUY

Source: Systematix Institutional Research

**Chemicals: Muted revenue growth, flat OPM QoQ:** We anticipate decrease in the topline (-8% QoQ/ -9% YoY) of our specialty chemical universe, which we attribute to a) seasonal factors, b) maintenance shutdowns, c) weak demand in China's domestic markets (with the Chinese economy opening up, companies there have been dumping excess inventory in global markets), and d) subdued demand in end-user industries. Leading innovators in their commentaries cited this as inventory destocking, effects of which are being borne by Indian chemical companies. However, the favorable trajectory of benign raw material (RM) prices should bring the much-needed respite to gross margins. **We reiterate BUY on SRF (SRF) and HOLD on Deepak Nitrite (DN), Atul (ATLP), Navin Fluorine (NFIL), Aarti Industries (ARTO) and Vinati Organics (VO).**

**Key things to monitor in the earnings concalls:** 1) Capacity ramp up (2) Product price trend (3) Performance in the end-user discretionary sector.

**Textiles –QoQ revenue growth and cotton-yarn spread forecast to improve:** Within textiles, we expect topline growth to stay muted YoY, impacted by falling yarn realisations and subdued export demand. The recent softening in cotton prices, coupled with the decline in crude prices and freight costs, could positively impact QoQ margins, albeit these may remain under pressure YoY. Anticipated high utilisation levels and the potential for positive operating leverage are poised to enhance margins going forward. We expect export demand to stay at a moderate level of restraint, with an increase projected in 2HFY24. Acceleration in volume shift from China to India and vendor consolidation by global retailers are factors that make us upbeat on the sector. **We have BUY ratings on KPR Mill (KPR) and Gokaldas Exports (GEXP) and a HOLD rating on Vardhman Textiles (VTEX).**

**Key things to monitor in the earnings concalls:** 1) Progress on FTA, 2) demand for yarn and price trend for cotton-yarn spread, 3) global inventory situation.

#### Others

**EPL (EPLL) – Healthy all-round growth expected:** EPLL is expected to report healthy revenue growth, and the commissioning of a new plant by the company in Brazil. Margins should improve QoQ on softening RM prices and change in product mix. We remain positive on EPLL, considering its geographical diversification into high-growth markets, rising share of beauty and cosmetics category, and softening of cost pressures. We believe the company is ahead of the curve in sustainable packaging solutions and better placed to gain market share and expand faster. **We have a BUY rating on EPLL.**

**Key things to monitor in the earnings concalls:** 1) Demand recovery in China and Europe, 2) wage inflation across various key markets.

**Praj Industries (PRJ) – Margins to improve YoY:** We forecast 18% revenue growth, driven by execution of orders. With key RM prices softening over the last few months, gross margins could improve YoY but will likely remain flat QoQ. **We have a BUY rating on PRJ.**

**Key things to monitor in the earnings concalls:** 1) Orderbook position across all business segments, 2) outlook for the engineering segment.

**Pratik Tholiya**pratiktholiya@systematixgroup.in  
+91 22 6704 8028**Pratik Oza**pratikoz@systematixgroup.in  
+91 22 6704 8036

## Exhibit 1: Valuation snapshot

Company	CMP (Rs)	TP (Rs)	Reco.	PE (x)		EV/ EBITDA (x)		RoE (%)		ROCE (%)	
				FY24E	FY25E	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
<b>Chemicals</b>											
Aarti Inds.	448	537	HOLD	29.3	19.5	16.0	12.2	10.9	14.7	10.7	13.4
Atul	6,548	7,295	HOLD	46.0	38.4	29.4	24.0	12.2	13.1	15.8	16.9
Deepak Nitrite	1,926	2,121	HOLD	24.2	20.1	16.1	13.2	23.8	23.1	30.6	29.4
Navin Fluorine	4,615	5,104	HOLD	43.4	34.4	28.6	23.3	22.4	23.5	22.5	24.2
SRF	2,173	3,174	BUY	26.1	20.3	17.0	13.3	21.8	23.2	19.5	22.9
Vinati Organics	1,803	1,700	HOLD	31.3	24.4	24.5	19.0	24.3	25.2	32.4	33.5
<b>Textiles</b>											
KPR Mill	654	726	BUY	23.3	20.6	15.0	13.0	21.4	20.5	22.3	22.7
Gokaldas Exports	539	563	BUY	20.4	17.2	11.4	9.4	15.6	16.0	13.8	15.5
Vardhman Textiles	372	372	HOLD	11.4	9.3	7.7	6.1	10.7	12.2	10.0	12.1
<b>Others</b>											
EPL	220	262	BUY	25.2	18.4	10.5	8.7	13.5	17.3	13.6	17.7
Praj Industries	403	482	BUY	25.8	20.9	17.5	14.2	23.2	24.5	31.2	33.0

Source: Company, Systematix Institutional Research

## Exhibit 2: Chemical companies under coverage – 1QFY24E result estimates &amp; highlights (Rs mn)

Aarti Inds. (ARTO)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	14,626	16,550	16,103	-9%	-12%	Revenue could drop 12% QoQ due to the challenging demand environment. Within non-discretionary sectors, pharmaceuticals is slated to do well compared to agrochemicals, which continues to face inventory overhang. Key things to watch out for would be the performance of non-discretionary end-user industries. We expect the demand for dyes and intermediates to stay tepid on the back of soft export demand. Margins may come slightly on the lower side, as ARTO looks to sell its discretionary products to the non-regular markets, even though prices of key RMs like benzene and toluene have moderated, easing the cost pressures.
EBITDA	2,053	2,510	2,815	-27%	-18%	
PAT	675	1,490	1,355	-50%	-55%	
OPM	14.0%	15.2%	17.5%	-345 bps	-113 bps	
NPM	4.6%	9.0%	8.4%	-380 bps	-439 bps	
EPS (Rs)	1.9	4.1	3.7	-50%	-55%	
Atul (ATLP)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	12,071	11,952	14,769	-18%	1%	Within the life sciences division, we expect revenues to fall QoQ, due to weak demand for 2,4D and softening prices. The market expects demand for epoxy resins and sulphur black to fall. This is because demand in the construction industry, which is a huge consumer of epoxy resins, is weakening. Interestingly, the textile industry has indicated a rebound. Based on our analysis, we expect sulphur black to deliver lackluster results.
EBITDA	1,469	1,494	2,330	-37%	-2%	
PAT	870	936	1,645	-47%	-7%	
OPM	12.2%	12.5%	15.8%	-361 bps	-33 bps	
NPM	7.2%	7.8%	11.1%	-393 bps	-62 bps	
EPS (Rs)	29.4	31.6	55.6	-47%	-7%	
Deepak Nitrite	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	18,719	19,614	20,580	-9%	-5%	We believe the phenolics segment would experience a decline in performance due to relatively stable phenol spreads. Additionally, growth in the advanced intermediates segment too could slip. We estimate 17.1% (down 62 bps YoY/down 124bps QoQ) and 10.7% (down 69bps YoY and 122bps QoQ) OPM and NPM, respectively, for DN for 1QFY24.
EBITDA	3,209	3,605	3,656	-12%	-11%	
PAT	2,004	2,339	2,346	-15%	-14%	
OPM	17.1%	18.4%	17.8%	-62 bps	-124 bps	
NPM	10.7%	11.9%	11.4%	-69 bps	-122 bps	
EPS (Rs)	14.7	17.1	17.2	-15%	-14%	
Navin Fluorine (NFIL)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	6,313	6,971	3,868	63%	-9%	NFIL could record subdued revenue growth QoQ (-9% QoQ), impacted by annual maintenance shutdown at its hydrofluorolefins (HFO) and hydrofluoric (HF) plants and normalisation of CDMO revenues. The Specialty Chemicals segment is slated to register healthy QoQ growth, as the company has commercialised two agrochemical molecules at its new multipurpose plant.
EBITDA	1,613	2,018	999	61%	-20%	
PAT	1,170	1,364	790	48%	-14%	
OPM	25.6%	28.9%	25.8%	-27 bps	-339 bps	
NPM	18.5%	19.6%	20.4%	-188 bps	-102 bps	
EPS (Rs)	23.6	27.5	15.9	48%	-14%	
SRF (SRF)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	34,669	37,781	38,947	-11%	-8%	We anticipate softness across all the company's three business verticals 1) <b>Chemical segment</b> : could feel the impact of muted demand and subdued refrigerant gas prices; 2) <b>BOPP and BOPET</b> : . The prevailing trend of prices declining in this segment could have a substantial impact on the profit margins of the packaging sector; 3) <b>Technical textiles</b> : . The segment may report subdued performance on declining demand. Higher depreciation and interest costs could impact PAT margin.
EBITDA	7,718	9,316	9,950	-22%	-17%	
PAT	4,352	5,625	6,080	-28%	-23%	
OPM	22.3%	24.7%	25.5%	-329 bps	-240 bps	
NPM	12.6%	14.9%	15.6%	-306 bps	-233 bps	
EPS (Rs)	14.7	19.0	20.5	-28%	-23%	
Vinati Organics	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	4,279	5,034	5,063	-15%	-15%	With inventory destocking dampening demand at the customer level, we anticipate a subdued quarter for ATBS (Acrylamide tertiary butyl sulfonic acid). However, IBB demand should remain stable, primarily driven by consistent demand for ibuprofen.
EBITDA	1,114	1,523	1,309	-15%	-27%	
PAT	873	1,154	1,012	-14%	-24%	
OPM	26.0%	30.3%	25.8%	19 bps	-422 bps	
NPM	20.4%	22.9%	20.0%	42 bps	-251 bps	
EPS (Rs)	8.5	11.2	9.8	-14%	-24%	

Source: Company, Systematix Institutional Research

**Exhibit 3: Textile companies under coverage – 1QFY24E result estimates & highlights (Rs mn)**

KPR Mill (KPR)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	17,073	19,497	15,848	7.7%	-12.4%	We expect 14% YoY growth in the garment business and 30% YoY growth in sugar and ethanol segments to drive 7.7% revenue growth in 1QFY24E. Volumes in the garment business could surge by 10%, likely offset by higher realisation due to cost pass-through measures. Margins could revive QoQ, led by higher contribution from the sugar/ethanol segment.
EBITDA	3,135	3,203	3,681	-14.8%	-2.1%	
PAT	1,969	2,096	2,267	-13.2%	-6.0%	
OPM	18.4%	16.4%	23.2%	-486 bps	193 bps	
NPM	11.5%	10.7%	14.3%	-277 bps	78 bps	
EPS (Rs)	5.72	6.09	6.59	-13%	-6%	
Gokaldas Exports (GEXP)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	5,374	5,230	6,106	-12.0%	2.7%	We expect revenue to decline YoY on the back of high base last year. Margins are likely to improve YoY (remain flat QoQ), as cost pressures recede. Demand pick up could be slower due to excess inventory with US brands, and inflationary pressures in the UK.
EBITDA	727	701	723	0.7%	3.8%	
PAT	449	472	393	14.2%	-4.9%	
OPM	13.5%	13.4%	11.8%	170 bps	14 bps	
NPM	8.4%	9.0%	6.4%	192 bps	-67 bps	
EPS (Rs)	7.61	8.00	6.66	14%	-5%	
Vardhman Textiles (VTEX)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	24,759	24,856	28,118	-11.9%	-0.4%	We expect revenues to slide YoY, but stay flat QoQ, led by lower yarn realisation. QoQ, margins could improve, as the company would be able to access RMs at a cheaper price.
EBITDA	2,896	2,620	5,256	-44.9%	10.5%	
PAT	1,627	1,587	3,291	-50.6%	2.5%	
OPM	11.7%	10.5%	18.7%	-700 bps	116 bps	
NPM	6.6%	6.4%	11.7%	-513 bps	19 bps	
EPS (Rs)	5.73	5.59	11.58	-51%	3%	

Source: Company, Systematix Institutional Research

**Exhibit 4: Others – 1QFY24E result estimates & highlights (Rs mn)**

EPL (EPLL)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	9,579	9,693	8,318	15%	-1%	All geographies could post healthy growth, with China and the Americas growing at +18% and 25% YoY, respectively. India is likely to register 7% YoY growth, while Europe is slated to grow at 10% YoY. Margins are likely to improve, as RM costs soften, but higher wage inflation could restrict margin expansion. Brazil operations are likely to start contributing 1QFY24 onwards, and could be margin accretive.
EBITDA	1,656	1,639	1,256	32%	1%	
PAT	496	843	366	35%	-41%	
OPM	17.3%	16.9%	15.1%	219 bps	38 bps	
NPM	5.2%	8.7%	4.4%	77 bps	-352 bps	
EPS (Rs)	1.6	2.7	1.2	35%	-41%	
Praj Industries (PRJ)	1QFY24E	4QFY23	1QFY23	YoY	QoQ	Comments
Net Revenue	8,612	10,040	7,299	18%	-14%	We expect healthy 18% YoY revenue growth, led by execution of orders in the bio-energy segment. Engineering and HiPurity segments would also aid the revenue growth. Margins are likely to improve YoY (remain flat QoQ) on the back of easing steel prices.
EBITDA	902	1,045	526	72%	-14%	
PAT	655	881	413	59%	-26%	
OPM	10.5%	10.4%	7.2%	327 bps	7 bps	
NPM	7.6%	8.8%	5.7%	196 bps	-117 bps	
EPS (Rs)	3.6	4.8	2.2	59%	-26%	

Source: Company, Systematix Institutional Research

## Institutional Equities Team

<b>Nikhil Khandelwal</b>	<b>Managing Director</b>	<b>+91-22-6704 8001</b>	<b>nikhil@systematixgroup.in</b>
--------------------------	--------------------------	-------------------------	----------------------------------

### Equity Research

Analysts	Industry Sectors	Desk-Phone	E-mail
Dhananjay Sinha	Co Head of Equities & Head of Research - Strategy & Economics	+91-22-6704 8095	dhananjaysinha@systematixgroup.in
Ashish Poddar	Consumer Durables, Building Materials, Small & Midcaps	+91-22-6704 8039	ashishpoddar@systematixgroup.in
Himanshu Nayyar	Consumer Staples & Discretionary	+91-22-6704 8079	himanshunayyar@systematixgroup.in
Manjith Nair	Banking, Insurance	+91-22-6704 8065	manjithnair@systematixgroup.in
Pradeep Agrawal	NBFCs & Diversified Financials	+91-22-6704 8024	pradeepagrawal@systematixgroup.in
Pratik Tholiya	Specialty & Agro Chem, Fertilisers, Sugar, Textiles and Select Midcaps	+91-22-6704 8028	pratikhtholiya@systematixgroup.in
Sudeep Anand	Oil & Gas, Logistics, Cement	+91-22-6704 8085	sudeepanand@systematixgroup.in
Vishal Manchanda	Pharmaceuticals and Healthcare	+91-22-6704 8064	vishalmanchanda@systematixgroup.in
Aniket Shah	Banking, Insurance	+91-22-6704 8034	aniketshah@systematixgroup.in
Chetan Mahadik	Consumer Staples & Discretionary	+91-22-6704 8091	chetanmahadik@systematixgroup.in
Hena Vora	NBFCs & Diversified Financials	+91-22-6704 8045	henavora@systematixgroup.in
Pranay Shah	Consumer Durables, Building Materials, Small & Midcaps	+91-22-6704 8017	pranayshah@systematixgroup.in
Pratik Oza	Midcaps	+91-22-6704 8036	pratikoza@systematixgroup.in
Prathmesh Kamath	Oil & Gas, Logistics, Cement	+91-22-6704 8022	prathmeshkamath@systematixgroup.in
Purvi Mundhra	Macro-Strategy	+91-22-6704 8078	purvimundhra@systematixgroup.in
Rajesh Mudaliar	Consumer Staples & Discretionary	+91-22-6704 8084	rajeshmudaliar@systematixgroup.in
Shraddha Kapadia	Consumer Durables, Building Materials, Small & Midcaps	+91-22-6704 8019	shraddhakapadia@systematixgroup.in
Shweta Dikshit	Metals & Mining	+91-22-6704 8042	shwetadikshit@systematixgroup.in
Vivek Mane	Pharmaceuticals and Healthcare	+91-22-6704 8046	vivekmane@systematixgroup.in

### Equity Sales & Trading

Name		Desk-Phone	E-mail
Vipul Sanghvi	Co Head of Equities & Head of Sales	+91-22-6704 8062	vipulsanghvi@systematixgroup.in
Sidharth Agrawal	Sales	+91-22-6704 8090	sidharthagrawal@systematixgroup.in
Rahul Khandelwal	Sales	+91-22-6704 8033	rahul@systematixgroup.in
Chintan Shah	Sales	+91-22-6704 8061	chintanshah@systematixgroup.in
Pawan Sharma	Director and Head - Sales Trading	+91-22-6704 8067	pawansharma@systematixgroup.in
Mukesh Chaturvedi	Vice President and Co Head - Sales Trading	+91-22-6704 8074	mukeshchaturvedi@systematixgroup.in
Vinod Bhuwad	Sales Trading	+91-22-6704 8051	vinodbhuwad@systematixgroup.in
Rashmi Solanki	Sales Trading	+91-22-6704 8097	rashmisolanki@systematixgroup.in
Karan Damani	Sales Trading	+91-22-6704 8053	karandamani@systematixgroup.in
Vipul Chheda	Dealer	+91-22-6704 8087	vipulchheda@systematixgroup.in
Paras Shah	Dealer	+91-22-6704 8047	parasshah@systematixgroup.in
Rahul Singh	Dealer	+91-22-6704 8054	rahulsingh@systematixgroup.in

### Corporate Access

Pearl Pillay	Sr. Associate	+91-22-6704 8088	pearlpillay@systematixgroup.in
--------------	---------------	------------------	--------------------------------

### Production

Madhu Narayanan	Editor	+91-22-6704 8071	madhunarayanan@systematixgroup.in
Mrunali Pagdhare	Production	+91-22-6704 8057	mrunalip@systematixgroup.in
Vijayendra Achrekar	Production	+91-22-6704 8089	vijayendraachrekar@systematixgroup.in

### Operations

Sachin Malusare	Vice President	+91-22-6704 8055	sachinmalusare@systematixgroup.in
Jignesh Mistry	Manager	+91-22-6704 8049	jigneshmistry@systematixgroup.in
Sushant Chavan	Manager	+91-22-6704 8056	sushantchavan@systematixgroup.in

## DISCLOSURES/APPENDIX

## I. ANALYST CERTIFICATION

I, **Pratik Tholiya, Pratik Oza**; hereby certify that (1) views expressed in this research report accurately reflect my/our personal views about any or all of the subject securities or issuers referred to in this research report, (2) no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report by **Systematix Shares and Stocks (India) Limited (SSSIL)** or its group/associate companies, (3) reasonable care is taken to achieve and maintain independence and objectivity in making any recommendations.

Disclosure of Interest Statement	Update
Analyst holding in the stock	No
Served as an officer, director or employee	No

## II. ISSUER SPECIFIC REGULATORY DISCLOSURES, unless specifically mentioned in point no. 9 below:

- The research analyst(s), SSSIL, associates or relatives do not have any financial interest in the company(ies) covered in this report.
- The research analyst(s), SSSIL, associates or relatives collectively 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.
- The research analyst(s), SSSIL, associates or relatives did not have any other material conflict of interest at the time of publication of this research report.
- The research analyst, SSSIL and its associates have not received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in this report in the past twelve months.
- The research analyst, SSSIL or its associates have not managed or co-managed a private or public offering of securities for the company(ies) covered in this report in the previous twelve months.
- SSSIL 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 this research report.
- The research analyst has not served as an officer, director or employee of the company(ies) covered in this research report.
- The research analyst and SSSIL have not been engaged in market making activity for the company(ies) covered in this research report.
- Details of SSSIL, research analyst and its associates pertaining to the companies covered in this research report:

Sr. No.	Particulars	Yes / No.
1	Whether compensation was received from the company(ies) covered in the research report in the past 12 months for investment banking transaction by SSSIL.	No
2	Whether research analyst, SSSIL or its associates and relatives collectively hold more than 1% of the company(ies) covered in the research report.	No
3	Whether compensation has been received by SSSIL or its associates from the company(ies) covered in the research report.	No
4	Whether SSSIL or its affiliates have managed or co-managed a private or public offering of securities for the company(ies) covered in the research report in the previous twelve months.	No
5	Whether research analyst, SSSIL or associates have received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in the research report in the last twelve months.	No

- There is no material disciplinary action taken by any regulatory authority that impacts the equity research analysis activities.

## STOCK RATINGS

**BUY (B):** The stock's total return is expected to exceed 15% over the next 12 months.

**HOLD (H):** The stock's total return is expected to be within -15% to +15% over the next 12 months.

**SELL (S):** The stock's total return is expected to give negative returns of more than 15% over the next 12 months.

**NOT RATED (NR):** The analyst has no recommendation on the stock under review.

## INDUSTRY VIEWS

**ATTRACTIVE (AT):** Fundamentals/valuations of the sector are expected to be attractive over the next 12-18 months.

**NEUTRAL (NL):** Fundamentals/valuations of the sector are expected to neither improve nor deteriorate over the next 12-18 months.

**CAUTIOUS (CS):** Fundamentals/valuations of the sector are expected to deteriorate over the next 12-18 months.

## III. DISCLAIMER

The information and opinions contained herein have been compiled or arrived at based on the information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy completeness or correctness.

This document is for information purposes only. This report is based on information that we consider reliable; we do not represent that it is accurate or complete and one should exercise due caution while acting on it. Description of any company(ies) or its/their securities mentioned herein are not complete and this document is not and should not be construed as an offer or solicitation of an offer to buy or sell any securities or other financial instruments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. All opinions, projections and estimates constitute the judgment of the author as on the date of the report and these, plus any other information contained in the report, are subject to change without notice. Prices and availability of financial instruments are also subject to change without notice. This report is intended for distribution to institutional investors.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject to SSSIL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any individual in such country, especially USA, the same may be ignored and brought to the attention of the sender. Neither this document nor any copy of it may be taken or transmitted into the United States (to U.S. persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. Any unauthorized use, duplication,

redistribution or disclosure of this report including, but not limited to, redistribution by electronic mail, posting of the report on a website or page, and/or providing to a third party a link, is prohibited by law and will result in prosecution. The information contained in the report is intended solely for the recipient and may not be further distributed by the recipient to any third party.

SSSIL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, SSSIL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that they cover. Our salespeople, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein. Our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The views expressed in this research report reflect the personal views of the analyst(s) about the subject securities or issues and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The compensation of the analyst who prepared this document is determined exclusively by SSSIL; however, compensation may relate to the revenues of the Systematix Group as a whole, of which investment banking, sales and trading are a part. Research analysts and sales persons of SSSIL may provide important inputs to its affiliated company(ies).

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations which could have an adverse effect on their value or price or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies, effectively assume currency risk. SSSIL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on the basis of this report including but not restricted to fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SSSIL and its affiliates, officers, directors, and employees subject to the information given in the disclosures may: (a) from time to time, have long or short positions in, and buy or sell, the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation (financial interest) or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential material conflict of interest with respect to any recommendation and related information and opinions. The views expressed are those of the analyst and the company may or may not subscribe to the views expressed therein.

SSSIL, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall SSSIL, 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. The company accepts no liability whatsoever for the actions of third parties. The report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of the company, the company has not reviewed the linked site. Accessing such website or following such link through the report or the website of the company shall be at your own risk and the company shall have no liability arising out of, or in connection with, any such referenced website.

SSSIL will not be liable for any delay or any other interruption which may occur in presenting the data due to any technical glitch to present the data. In no event shall SSSIL be liable for any damages, including without limitation, direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by SSSIL through this presentation.

**SSSIL or any of its other group companies or associates will not be responsible for any decisions taken on the basis of this report. Investors are advised to consult their investment and tax consultants before taking any investment decisions based on this report.**



**Systematix Shares and Stocks (India) Limited:**

**Registered and Corporate address:** The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 34600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | Investment Advisor SEBI Reg. No. INA000010414 | AMFI : ARN - 64917