FIRST LIGHT

25 October 2021

RESEARCH

Supreme Industries | Target: Rs 2,735 | +15% | BUY

Long-term structural story intact; OPM disappoints

Mphasis | Target: Rs 3,510 | +3% | HOLD

Mixed bag

Kajaria Ceramics | Target: Rs 1,393 | +14% | HOLD

Robust volume growth reflects strong underlying demand

TCI Express | Target: Rs 1,531 | –4% | HOLD

Strong volume-led growth

IndiaMart InterMesh | Target: Rs 8,430 | +7% | HOLD

In-line results; on course for growth recovery

Oil & Gas

Expert call – Near-term LNG price likely to stay above US$ 15/mmbtu

Daily macro indicators

Indicator	Current	2D (%)	1M (%)	12M (%)
US 10Y yield (%)	1.70	4bps	39bps	84bps
India 10Y yield (%)	6.34	(4bps)	20bps	42bps
USD/INR	74.86	0.0	(1.5)	(1.8)
Brent Crude (US$/bbl)	84.61	(1.4)	14.5	99.3
Dow	35,603	0.0	4.8	25.5
Shanghai	3,595	0.2	(0.5)	8.5
Sensex	60,924	(0.5)	4.2	50.2
India FII (US$ mn)	**20-Oct**	**MTD**	**CYTD**	**FYTD**
FII-D	(7.3)	(377.6)	(302.5)	1,724.7
FII-E	(222.4)	281.3	8,811.2	1,484.9

Source: Bloomberg

SUMMARY

Supreme Industries

- Strong Q2 revenue growth led by high realisations (+38% YoY) and healthy volumes in plastics (+9% YoY)
- EBITDA margin contracted 250bps YoY to 16.1% as RM-to-sales cost surged 675bps
- We raise earnings and upgrade from HOLD to BUY with a new TP of Rs 2,735 (vs. Rs 1,990) on robust growth and margin prospects

Click here **for the full report.**

BOBCAPS Research
researchreport@bobcaps.in

Mphasis

- Q2 revenue grew 6.4% QoQ USD, outperforming our (4.9%) and street estimates; EBIT margin a miss at 15.1%
- DXC contracted 29% QoQ USD but stellar pickup in direct channel business by 10% shored up topline growth
- We trim FY22/FY23 EPS by 4%/1% and slightly reduce our TP to Rs 3,510 (vs. Rs 3,530); retain HOLD

Click here for the full report.

Kajaria Ceramics

- Q2 revenue grew 37% YoY (+73% QoQ) driven by 25% volume growth to 24.8msm
- EBITDA margin declined 160bps YoY to 18.5% on higher input cost (+140bps) and power & fuel cost (+130bps)
- We raise FY22/FY23 revenue 2%/3% to factor in higher tile volumes and realisations; retain HOLD with a new TP of Rs 1,393 (vs. Rs 995)

Click here for the full report.

TCI Express

- Robust volume growth in Q2 a reflection of improving macros. Network expansion and new sorting centre to sustain growth
- Rail express service launch aims to capture traffic from air services by using cargo space in passenger trains
- We raise FY22/FY23 EPS by 6% and roll forward to a new Sep'22 TP of Rs 1,531 (vs. Rs 1,421); retain HOLD as growth appears priced in

Click here for the full report.

IndiaMart InterMesh

- Q2 performance in line as sales grew 12% YoY and EBITDA margin stood at 46%
- Management confident of recovery to pre-Covid levels in next two months. Sales engine refresh adds optimism on growth
- Reiterate TP of Rs 8,430 and HOLD rating given slower client growth amid pandemic and limited upside potential post rally

Click here for the full report.

Oil & Gas

- LNG price to remain well above US$ 15/mmbtu through Q1CY22 even assuming a normal winter and approval of Nord Stream-2 in Q1
- Market balance to tighten over CY23-CY25 with slower supply growth; prices to remain at or above oil parity level
- LNG price to ease post CY25 as the latest wave of project approvals start contributing

Click here for the full report.

BUY

TP: Rs 2,735 | ▲ 15%

SUPREME INDUSTRIES | Plastic Products | 23 October 2021

Long-term structural story intact; OPM disappoints

- **Strong Q2 revenue growth led by high realisations (+38% YoY) and healthy volumes in plastics (+9% YoY)**
- **EBITDA margin contracted 250bps YoY to 16.1% as RM-to-sales cost surged 675bps**
- **We raise earnings and upgrade from HOLD to BUY with a new TP of Rs 2,735 (vs. Rs 1,990) on robust growth and margin prospects**

Ruchitaa Maheshwari
researchreport@bobcaps.in

Healthy volume growth, high realisations: SI reported strong revenue growth of 40.3% YoY to Rs 19.3bn led by a robust 32% YoY rise in blended realisations to Rs 186/kg. Overall volumes grew 8.3% YoY and 44.1% QoQ to 1,02,673mt driven by higher offtake in the agriculture and housing segments. Segment-wise, plastic pipe volumes/value grew 9%/50% YoY, packaging products grew 5%/26%, industrial products 10%/39%, and consumer products 4%/30%. We expect revival in construction activity and improving consumer demand to fuel growth ahead.

EBITDA margin contracts 250bps: Gross margin declined 675bps YoY to 31.5% owing to higher polymer prices (up 7-28% QoQ). A decline in total expenses (-250bps YoY) limited the fall in EBITDA margin to 250bps YoY at 16.1%.

Expansion plans on track: SI maintained its capex guidance for FY22 at Rs 5.2bn which it believes can add Rs 9bn to the topline. As per the capex plan, plastic products capacity is slated to increase from ~7kt to ~7.5kt in FY22, with major capacity additions also coming onstream in piping and industrial products. The upcoming plants at Guwahati, Cuttack and Erode are progressing smoothly and are scheduled to become operational between January and May'22.

Robust growth outlook: Management has guided for 3-4% volume growth in plastic products in FY22 and expects a healthy demand climate coupled with capacity additions to support double-digit revenue growth over FY22-FY24. We remain positive on the company's growth and margin prospects supported by incremental capacity as well as improving housing demand and benefits from government schemes such as 'Nal Se Jal'.

Earnings raised; upgrade to BUY: Factoring in higher realisations from rising PVC prices as well as a stronger demand outlook, we raise our FY22/FY23 EPS estimates by 36%/44% and upgrade the stock from HOLD to BUY. We have a revised Sep'22 TP of Rs 2,735 (vs. Rs 1,990), valued at an unchanged 30x FY23E P/E.

Key changes

Target	Rating
▲	▲

Ticker/Price	SI IN/Rs 2,368
Market cap	US$ 4.0bn
Free float	0%
3M ADV	US$ 3.4mn
52wk high/low	Rs 2,694/Rs 1,379
Promoter/FPI/DII	49%/10%/41%

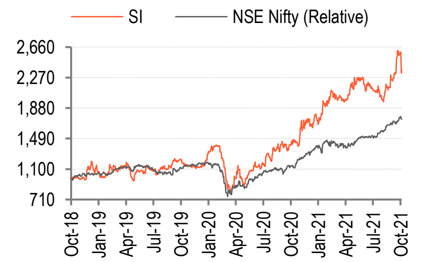
Source: NSE | Price as of 22 Oct 2021

Key financials

Y/E 31 Mar	FY21A	FY22E	FY23E
Total revenue (Rs mn)	63,496	81,985	95,547
EBITDA (Rs mn)	12,786	13,751	16,351
Adj. net profit (Rs mn)	9,592	9,675	11,580
Adj. EPS (Rs)	75.5	76.2	91.2
Consensus EPS (Rs)	75.5	62.1	69.2
Adj. ROAE (%)	35.3	28.5	29.9
Adj. P/E (x)	31.4	31.1	26.0
EV/EBITDA (x)	23.4	21.8	18.5
Adj. EPS growth (%)	97.1	0.9	19.7

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

HOLD

TP: Rs 3,510 | ▲ 3%

MPHASIS | Technology & Internet | 22 October 2021

Mixed bag

- **Q2 revenue grew 6.4% QoQ USD, outperforming our (4.9%) and street estimates; EBIT margin a miss at 15.1%**
- **DXC contracted 29% QoQ USD but stellar pickup in direct channel business by 10% shored up topline growth**
- **We trim FY22/FY23 EPS by 4%/1% and slightly reduce our TP to Rs 3,510 (vs. Rs 3,530); retain HOLD**

Ruchi Burde | Seema Nayak
researchreport@bobcaps.in

Mixed quarter: MPHL reported a revenue beat but a miss on margins in Q2FY22. Revenue at US$ 385mn grew 6.6% QoQ CC vs. our estimate of 5.4%. Direct business performed well, growing 9.9% QoQ CC, but DXC business contracted more than expected by 24.5%. The silver lining for MPHL was that dependence on DXC revenue contribution has reduced to only 6% in Q2. EBIT margin stood at 15.1% (-80bps QoQ), below our 16.8% estimate. Adjusted for a one-time impact of Rs 4.5bn from the Blink acquisition, EBIT margin was flattish QoQ at 15.8%.

BFSI leads growth: The BFSI vertical grew 13.3% QoQ and insurance recovered slightly with a 2.3% uptick. Logistics and transportation dipped 0.5% QoQ but moved up the most YoY, indicating recovery in upcoming quarters.

Deal wins slow down: Though management had earlier stated that the pipeline was robust, Q2 deal TCV declined 52% QoQ and 33% YoY to US$ 241mn. In line with commentary across the sector about the changing dynamics of large deals, MPHL also indicated that clients are more enthusiastic about 9-12-month contracts, rather than multiyear engagements.

Europe focus: Europe is emerging as a strategic focus area for MPHL with the geography growing 5.9% QoQ INR in Q2. The deal pipeline is strong and comprises several new clients. The BFS vertical in the UK is working well for the company. It has 5 of the top 10 European banks as customers and is looking to further expand its footprint.

Demand outlook robust: Management has guided for industry-leading growth from the direct business in FY22 and expects DXC revenue share to remain in mid-single digits. Unfavourable seasonality will come into play in H2 as usual. MPHL has guided for operating margins within a narrow 15.5-17.5% range, with a northward bias. We retain HOLD on the stock considering robust demand but limited scope for margin upside in upcoming quarters. Post Q2, we cut FY22/FY23 EPS estimates by 4%/1% and reduce our Sep'22 TP to Rs 3,510 (vs. Rs 3,530). Our target one-year forward P/E remains at 35x.

Key changes

Target	Rating
▼	◄►

Ticker/Price	MPHL IN/Rs 3,396
Market cap	US$ 8.4bn
Free float	40%
3M ADV	US$ 38.5mn
52wk high/low	Rs 3,660/Rs 1,281
Promoter/FPI/DII	52%/29%/14%

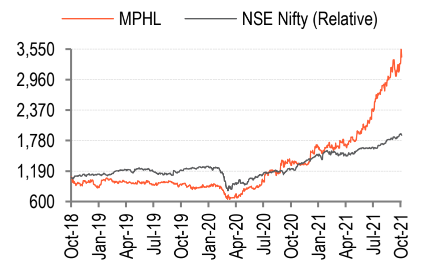
Source: NSE | Price as of 21 Oct 2021

Key financials

Y/E 31 Mar	FY20A	FY21E	FY22E
Total revenue (Rs mn)	88,436	97,223	116,882
EBITDA (Rs mn)	16,505	18,028	21,375
Adj. net profit (Rs mn)	11,849	12,167	14,244
Adj. EPS (Rs)	63.7	65.4	76.5
Consensus EPS (Rs)	63.7	65.4	77.6
Adj. ROAE (%)	21.4	19.7	21.0
Adj. P/E (x)	53.4	52.0	44.4
EV/EBITDA (x)	38.3	35.1	29.6
Adj. EPS growth (%)	10.4	2.7	17.1

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

HOLD

TP: Rs 1,393 | ▲ 14%

KAJARIA CERAMICS | Construction Materials | 25 October 2021

Robust volume growth reflects strong underlying demand

- **Q2 revenue grew 37% YoY (+73% QoQ) driven by 25% volume growth to 24.8msm**
- **EBITDA margin declined 160bps YoY to 18.5% on higher input cost (+140bps) and power & fuel cost (+130bps)**
- **We raise FY22/FY23 revenue 2%/3% to factor in higher tile volumes and realisations; retain HOLD with a new TP of Rs 1,393 (vs. Rs 995)**

Ruchitaa Maheshwari
researchreport@bobcaps.in

Demand rebound buoys topline: KJC's Q2FY22 revenue growth surged 37% YoY to Rs 9.7bn (+73% QoQ), primarily led by a 25% rise in sale volumes to 24.8msm as urban demand rebounded to normal levels and smaller towns showed strong growth. Revenue from the tiles business rose 36% YoY to Rs 8.8bn, with the company's own manufacturing, subsidiaries and outsourcing businesses contributing Rs 4.6bn (+21% YoY), Rs 2.1bn (+42%) and Rs 2.1bn (+74%) respectively. Sanitaryware and plywood revenue climbed 48% YoY to Rs.0.9bn.

Gross margin down 277bps YoY; EBITDA margin fares relatively better: Due to higher gas (+130bps YoY) and other input costs (+140bps), gross margin contracted 280bps to 38.4%. EBITDA margin fared relatively better at 18.5%, down 160bps YoY.

Prudent balance sheet: KJC generated surplus cash of Rs 1.5bn, resulting in a net cash position of Rs 4.7bn. Working capital days improved to 56 vs. 88 in Q1FY22.

Guidance: Management has guided for H2FY22 volume and revenue growth of 15% and 20% respectively. In comparison, management expects industry volumes to grow 7-9% during the same period. KJC is targeting revenue of over Rs 5bn in bathroom fittings in the next two years.

Long-term value play; maintain HOLD: We believe KJC is in a sweet spot and should see improvement in operations and demand environment post easing of lockdowns in the domestic market. With demand recovering Q2 onwards, tiles prices have risen by ~4%, boosting cost pass-through and, hence, margin should rebound. KJC's upcoming capacities in FY22 at a capex of ~Rs 2.8bn will continue to support its market share, strengthening its leadership position in the domestic market.

We raise revenue estimates to incorporate the higher tiles volume and realisations and thus raise our target one-year forward P/E multiple from 34.5x to 47x – which is at 18% premium to the stock's three-year median of 40x. While we continue to like KJC, the stock has rallied >70% since Jan'21 and currently trades at ~54x FY22E EPS which looks expensive. We retain HOLD and roll over to a new Sep'22 TP of Rs 1,393.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	KJC IN/Rs 1,226
Market cap	US$ 2.6bn
Free float	52%
3M ADV	US$ 6.0mn
52wk high/low	Rs 1,355/Rs 554
Promoter/FPI/DII	48%/25%/27%

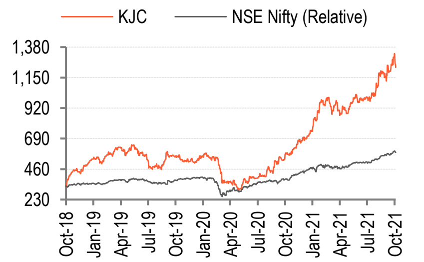
Source: NSE | Price as of 22 Oct 2021

Key financials

Y/E 31 Mar	FY21A	FY22E	FY23E
Total revenue (Rs mn)	27,809	35,098	41,030
EBITDA (Rs mn)	5,088	6,006	7,604
Adj. net profit (Rs mn)	3,081	3,626	4,710
Adj. EPS (Rs)	19.4	22.8	29.6
Consensus EPS (Rs)	17.9	24.3	30.0
Adj. ROAE (%)	17.2	18.9	23.3
Adj. P/E (x)	63.3	53.8	41.4
EV/EBITDA (x)	38.0	32.1	25.4
Adj. EPS growth (%)	20.6	17.7	29.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

RESULT REVIEW

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

HOLD

TP: Rs 1,531 | ⋎ 4%

TCI EXPRESS | Logistics | 23 October 2021

Strong volume-led growth

- **Robust volume growth in Q2 a reflection of improving macros. Network expansion and new sorting centre to sustain growth**
- **Rail express service launch aims to capture traffic from air services by using cargo space in passenger trains**
- **We raise FY22/FY23 EPS by 6% and roll forward to a new Sep'22 TP of Rs 1,531 (vs. Rs 1,421); retain HOLD as growth appears priced in**

Tarun Bhatnagar | Someel Shah
researchreport@bobcaps.in

Strong volume-led growth: TCIEXP reported Rs 340mn in Q2FY22 net income, up 45% YoY driven by a 28% increase in revenue. EBITDA margin improved 130bps to 16.6% due to higher capacity utilisation and efficiencies. On a sequential basis, net income rose 43% QoQ as revenue grew 23% and margin expanded 220bps. The increase in revenue was backed by strong demand-supply in key industries and SMEs as business activities normalised following the second Covid wave.

Launch of express rail to compete with air cargo: TCIEXP is offering rail express services to capture share from the more expensive air cargo segment. This involves using cargo space in passenger trains, which the company intends to expand from 25 routes to 100 routes by end-FY22.

Volumes and efficiency to spur earnings: We raise our volume growth assumption from 20% to 25% for FY22 considering the strong Q2 performance and improving macro indicators (such as e-way bills) and manufacturing indicators. TCIEXP's new sorting centre is also coming up in Gurugram (Haryana) by FY23.

Trading at peak multiples: Following a rally after the FY21 results, the stock is trading close to its two-year peak forward P/E and P/B multiples and is implying 10-year FCF growth of ~30% based on our reverse DCF analysis with a terminal growth estimate of 5%. We believe recovery in growth is in the price.

Retain HOLD: We raise FY22/FY23 EPS estimates by 6% each following the strong Q2 results and roll forward to a new Sep'22 DCF-based TP of Rs 1,531 (Rs 1,421 earlier). Our TP implies an FY23E P/E of 35x and P/B of 8.2x, a premium of 19% and 16% respectively to the two-year mean. We rate TCIEXP a HOLD as the recent stock rally factors in the high growth expectations. A key near-term downside driver for the stock would be below-estimated earnings growth whereas upside drivers include robust growth in manufacturing indicators in addition to strong results.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	TCIEXP IN/Rs 1,602
Market cap	US$ 820.5mn
Free float	33%
3M ADV	US$ 1.3mn
52wk high/low	Rs 1,747/Rs 761
Promoter/FPI/DII	67%/2%/10%

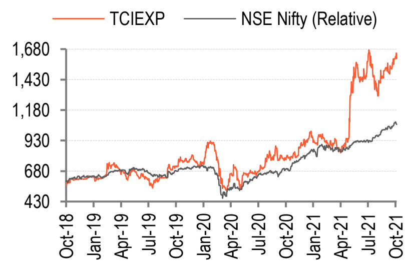
Source: NSE | Price as of 22 Oct 2021

Key financials

Y/E 31 Mar	FY21A	FY22E	FY23E
Total revenue (Rs mn)	8,440	11,077	13,121
EBITDA (Rs mn)	1,343	1,903	2,309
Adj. net profit (Rs mn)	1,006	1,390	1,682
Adj. EPS (Rs)	26.2	36.2	43.8
Consensus EPS (Rs)	26.2	36.5	44.9
Adj. ROAE (%)	26.1	27.8	26.2
Adj. P/E (x)	61.2	44.3	36.6
EV/EBITDA (x)	45.6	32.0	26.1
Adj. EPS growth (%)	12.9	38.2	21.0

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

RESULT REVIEW

HOLD
TP: Rs 8,430 | ⮝ 7%

INDIAMART INTERMESH | Technology & Internet | 23 October 2021

In-line results; on course for growth recovery

- **Q2 performance in line as sales grew 12% YoY and EBITDA margin stood at 46%**
- **Management confident of recovery to pre-Covid levels in next two months. Sales engine refresh adds optimism on growth**
- **Reiterate TP of Rs 8,430 and HOLD rating given slower client growth amid pandemic and limited upside potential post rally**

Ruchi Burde | Seema Nayak
researchreport@bobcaps.in

In-line performance: INMART reported Q2FY22 revenue growth of 12% YoY to Rs 1.8bn, meeting our expectations. This was led by 6% YoY growth each in the number of paid suppliers (to 150,000, up 4,000 QoQ) and in ARPU. However, monetisation at 2.2% was flattish YoY.

Margin contracts but still above pre-pandemic levels: EBITDA margin stood at 46.4%, down 480bps YoY due to higher employee (+340bps) and SG&A costs (+140bps). We note that INMART's margin remains above pre-Covid levels of 25-30% owing to automation-led cost savings. Management expects EBITDA margin to stabilise at ~38% as pre-Covid costs return.

Online customer acquisition: INMART has reduced reliance on FOS (feet-on-street) and moved towards online and DSA (direct selling agents) based sales post pandemic. It has also explored a channel partner-based sales model. In the last 18 months, 20% of sales has been coming from online and tele channels.

Client churn reducing: Due to the Covid-led slowdown, INMART saw high churn in its silver client category. Management expects a return to pre-pandemic levels within the next quarter. Recovery is underway as customers upgrade to higher slabs and opt for longer duration packages. Traffic on the platform grew 10% YoY though daily unique business enquiries declined 7% in Q2.

Measured growth plan: INMART expects medium-to-large enterprises to recover faster than small enterprises as Covid headwinds recede. Though the company is looking for accelerated growth, it is focusing on smaller acquisitions and conserving cash. It does not plan to spend heavily on advertising (expected to restart post Q3FY22).

Retain HOLD: We expect INMART to face near-to-mid-term challenges from slower client growth after the second Covid wave. Also, current valuations look full post the 55%+ stock rally in the last 12 months – retain HOLD with an unchanged Sep'22 TP of Rs 8,430, based on 57.3x fwd P/E which is in line with the stock's post-Covid average.

Key changes

Target	Rating
◀ ▶	◀ ▶

Ticker/Price	INMART IN/Rs 7,912
Market cap	US$ 3.2bn
Free float	42%
3M ADV	US$ 19.0mn
52wk high/low	Rs 9,950/Rs 4,515
Promoter/FPI/DII	50%/28%/23%

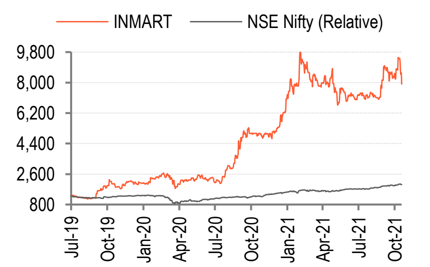
Source: NSE | Price as of 22 Oct 2021

Key financials

Y/E 31 Mar	FY21A	FY22E	FY23E
Total revenue (Rs mn)	6,650	7,714	9,817
EBITDA (Rs mn)	3,333	3,584	4,429
Adj. net profit (Rs mn)	2,867	3,472	4,179
Adj. EPS (Rs)	94.5	114.2	137.5
Consensus EPS (Rs)	94.5	115.8	133.3
Adj. ROAE (%)	30.3	19.6	19.8
Adj. P/E (x)	83.7	69.3	57.5
EV/EBITDA (x)	72.2	67.2	54.0
Adj. EPS growth (%)	89.8	20.9	20.4

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

OIL & GAS

23 October 2021

Expert call: Near-term LNG price likely to stay above US$ 15/mmbtu

- **LNG price to remain well above US$ 15/mmbtu through Q1CY22 even assuming a normal winter and approval of Nord Stream-2 in Q1**
- **Market balance to tighten over CY23-CY25 with slower supply growth; prices to remain at or above oil parity level**
- **LNG price to ease post CY25 as the latest wave of project approvals start contributing**

Kirtan Mehta, CFA | Kumar Manish
researchreport@bobcaps.in

We hosted Mangesh Patankar, Director, Gas and LNG Consulting from Wood Mackenzie's Singapore office. Key takeaways:

LNG price likely to stay above US$ 15/mmbtu through Q1CY22: Even in case of a normal winter in Europe/Asia and EU approval for the Nord Stream-2 pipeline in Q1, LNG prices may stay above US$ 15/mmbtu during the quarter. Prices are unlikely to return to sub-US$ 10/mmbtu levels unless there is significant demand destruction or an accelerated buildup of volumes through Nord Stream-2.

Medium-term prices to remain at or above oil parity level: Market balance is likely to tighten over CY23-CY25. With slow investment decisions over CY15-CY18 and 1-2 years of construction delays due to Covid-19, supply is constrained. The projects approved over CY19-CY21 will not suffice to relieve this tightness.

Implications for contract structures: A tighter market could accelerate the move away from spot to long-term contracts. With increased volatility in JKM pricing, we may see growing acceptance of linkage to Brent and US Henry Hub rates.

Strong long-term demand…: Global LNG demand is likely to grow by 200mmtpa (4.4% CAGR) over CY20-CY30, above the current 370mmtpa liquefaction capacity. The Pacific basin will be the main demand driver (160mmtpa) and the rest will come from the Atlantic including the EU. The Asia Pacific will be another driver at 145mmtpa, with contribution from China (50mmtpa), SE Asia (50mmtpa) and India (10mmtpa).

…but LNG prices to ease: The latest wave of final investment decisions (FID) over CY19-CY21 for 120mmtpa of liquefaction capacity will support supply growth over CY26-CY28. There is no dearth of potential LNG supply but liquefaction plants take at least 4-5 years to be commissioned after the FID.

India to see limited demand growth over next decade: With a significant increase in domestic gas in the offing, LNG demand is expected to grow at a slower pace of 10mmtpa over the next decade from current demand of 27mmtpa.

Disclaimer

Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

Rating distribution

As of 30 September 2021, out of 105 rated stocks in the BOB Capital Markets Limited (BOBCAPS) coverage universe, 48 have BUY ratings, 25 have HOLD ratings, 10 are rated ADD*, 2 are rated REDUCE* and 20 are rated SELL. None of these companies have been investment banking clients in the last 12 months. (*Our ADD and REDUCE ratings are in the process of being migrated to the new recommendation structure.)

Analyst certification

Each of the analysts mentioned in this research report certify, with respect to the sections of the report for which they are responsible, that (1) all of the views expressed in this report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOBCAPS.

Important disclosures

This product is a compilation of previously published research notes. To view the complete report along with the associated Analyst certifications and Company-specific disclosures, please click on the hyperlink accompanying each excerpt.

General disclaimers

BOBCAPS is engaged in the business of Institutional Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS has obtained registration as a Research Entity under SEBI (Research Analysts) Regulations, 2014, having registration No.: INH000000040 valid till 03 February 2025. BOBCAPS is also a SEBI-registered intermediary for the broking business having SEBI Single Registration Certificate No.: INZ000159332 dated 20 November 2017. BOBCAPS CIN Number: U65999MH1996GOI098009.

BOBCAPS 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, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities —that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may act as market makers or assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

In the US, this material is only for Qualified Institutional Buyers as defined under rule 144(a) of the Securities Act, 1933. No part of this document may be distributed in Canada or used by private customers in the United Kingdom.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

Other disclosures

BOBCAPS does not have any financial interest in the subject company. BOBCAPS does not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS is not engaged in any market making activities for the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.