

**Growth momentum continues for LemonTree Hotels in Q4FY24. This quarter has been the best Q4 in terms of Gross ARR, Revenue, EBITDA, PBT & PAT. Demand continues to remain robust. Performance for keys remains subdued owing to ongoing renovations which are expected to be completed by October, 2025 for the company. ARR's & occupancy to improve going forward as illustrated in other concall KTAs section for a Keys hotel in Pune. Substantial increase in cash profit for the company of ~42%. Debt seems to be peaked out and will start reducing from this year onwards.**

### Key Financials Highlights

- Revenue from Operations at 3,273 Mn, +30% YoY/+13% QoQ
- EBITDA (Excl. OI) reported at 1,715 Mn, +23% YoY/21% QoQ
- EBITDA Margins (Excl. OI) saw a de-growth of 297 bps YoY & growth of 372 bps QoQ to come at 42.4%
- Cash Profit of ~1,174 Mn against 825 Mn (Q4FY23), +42.2% YoY
- EPS at 0.85 for Q4FY24 vs 0.56 (+52% YoY)

### Portfolio Highlights

- Operational inventory of 104 Hotels with 9863 rooms
- Pipeline of 62 Hotels with 4156 rooms (62H & 4087 rooms under Managed & Franchised contract)
- Signed 12 new Management & Franchised contracts, 667 rooms in Q4FY24
- Operationalized 4 Hotels adding 176 rooms to portfolio.
- Expect to have 120+ Hotels, 11,000+ rooms by end of FY25

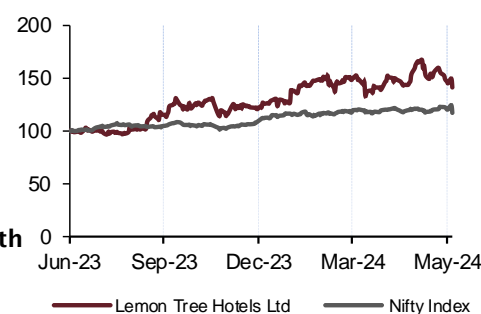
Rating	TP (Rs)	Up/Dn (%)
<b>HOLD</b>	<b>157</b>	<b>18</b>

#### Market data

Current price	Rs	133
Market Cap (Rs.Bn)	(Rs Bn)	105
Market Cap (US\$ Mn)	(US\$ Mn)	1,263
Face Value	Rs	10
52 Weeks High/Low	Rs	158.05 / 89.9
Average Daily Volume	('000)	3,570
BSE Code		541233
Bloomberg		LEMONTRE.IN

Source: Bloomberg

#### One Year Performance



Source: Bloomberg

% Shareholding	Mar-24	Dec-23
Promoters	22.88	23.21
Public	77.07	76.72
Total	100	100

Source: BSE

#### Financial Summary

Y/E Mar (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Net sales	4,022	8,750	10,711	12,705	16,069
EBITDA	1,187	4,476	5,232	6,356	7,856
<b>EBITDA margins</b>	29.5	51.2	48.8	50.0	48.9
PAT (adj)	-874	1,146	1,485	2,329	3,585
EPS	-1.11	1.45	1.88	2.94	4.53
P/E (x)	-120	92	71	45	29
P/B (x)	13	12	11	9	7
EV/EBITDA (x)	99	29.34	25.31	19.81	15.56
RoE (%)	-11	13	15	19	22
ROCE (%)	1	14	15	19	24
RoIC (%)	1	11	13	17	22

Source: Dalal &amp; Broacah Research

**Dhruv Shah**

+91 22 67141414

dhruv.shah@dalal-broacha.com

## Performance Quarter-wise – Q4FY24 was the best ever Q4

Particulars	Q4 FY24	Q3 FY24	Q2 FY24	Q1 FY24	Q4 FY23	Q3 FY23	Q2 FY23	Q1 FY23
Gross ARR (Rs.)	6,605	6,333	5,268	5,237	5,824	5,738	4,917	4,822
Occupancy %	72.0%	65.9%	71.7%	70.2%	73.6%	67.6%	66.2%	65.1%
Revenue (Rs. Cr)	331.2	290.9	230.1	224.6	254.7	234.1	197.4	192.3
EBITDA (Rs. Cr)	175.3	141.9	104.8	106.8	141.9	127.0	94.3	92.6
EBITDA %	52.9%	48.8%	45.5%	47.6%	55.7%	54.3%	47.8%	48.2%
PBT (Rs. Cr)	89.0	55.5	35.0	36.2	73.4	59.2	25.0	20.7
PAT (Rs. Cr)	84.0	43.8	26.4	27.5	59.0	48.6	19.4	13.6

## Quarterly Financials

(Rs.Mn)	Q4FY24	Q4FY23	YoY Growth (%)	Q3FY24	QoQ Growth (%)
<b>Revenue from Operations</b>	<b>3,273</b>	<b>2,527</b>	<b>30%</b>	<b>2,902</b>	<b>13%</b>
Other Income	39	20	89%	7	464%
Total RM Cost	205	129	59%	166	23%
Employee Benefits Expense	499	410	22%	490	2%
Other Expenses	855	589	45%	833	3%
Total Expenses	1,558	1,128	38%	1,490	5%
<b>EBITDA (Excluding Other Income)</b>	<b>1,715</b>	<b>1,399</b>	<b>23%</b>	<b>1,412</b>	<b>21%</b>
Depreciation and Amortisation Expenses	334	235	42%	333	0%
<b>EBIT / PBIT</b>	<b>1,419</b>	<b>1,184</b>	<b>20%</b>	<b>1,086</b>	<b>31%</b>
Net Finance Costs	528	452	17%	534	-1%
<b>EBT/ PBT</b>	<b>892</b>	<b>732</b>	<b>22%</b>	<b>552</b>	<b>62%</b>
Tax Expense	50	143	-65%	118	-57%
P&L from JV/associate	(2)	1	-220%	3	-145%
<b>Net Profit after Tax</b>	<b>840</b>	<b>590</b>	<b>42%</b>	<b>438</b>	<b>92%</b>
Earning Per Share	0.85	0.56	52%	0.45	89%
<b>Margins (%)</b>			<b>(In bps)</b>		<b>(In bps)</b>
Gross Margins	93.7%	94.9%	-117	94.3%	-54
EBITDA Margins (Excl Other Income)	52.4%	55.4%	-297	48.7%	372
Adj. PAT Margins	18.7%	18.4%	30	12.7%	600
<b>As a % to sales</b>			<b>(In bps)</b>		<b>(In bps)</b>
RM as a % to sales	6.3%	5.1%	117	5.7%	54
EE Cost as a % to sales	15.2%	16.2%	-99	16.9%	-165
Other exps as a % to sales	26.1%	23.3%	279	28.7%	-261
<b>Key Operational Metrics</b>					
Gross ARR	6,605	5,824	13%	6,333	4%
Occupancy	72.0%	73.6%	-160	65.9%	610
RevPAR	4,754	4,287	11%	4,176	14%

Source: Company, Dalal &amp; Broacah Research

## Operational Highlights Brand-wise

Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)		
	Q4 FY24	Q4 FY23	Change (%)	Q4 FY24	Q4 FY23	Change (bps)	Q4 FY24	Q4 FY23	Change (%)
By Brand (#Rooms)									
Aurika Hotels & Resorts (808)*	6,984	11,189	-38%	66%	69%	-310	10,553	16,152	-35%
Lemon Tree Premier (1,603)	6,126	5,816	5%	81%	81%	-44	7,565	7,143	6%
Lemon Tree Hotels (1562)	4,448	4,079	9%	74%	74%	-46	6,036	5,501	10%
Red Fox by Lemon Tree Hotels (952)	3,623	3,378	7%	76%	78%	-285	4,796	4,310	11%
Keys by Lemon Tree Hotels (936)	2,018	1,815	11%	55%	56%	-14	3,637	3,264	11%

## Performance Region-Wise

Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)		
	Q4 FY24	Q4 FY23	Change (%)	Q4 FY24	Q4 FY23	Change (bps)	Q4 FY24	Q4 FY23	Change (%)
By Region (#Rooms)									
Delhi (636)	6,144	5,559	11%	87%	88%	-43	7,055	6,352	11%
Gurugram (529)	4,335	4,191	3%	72%	77%	-502	5,985	5,412	11%
Hyderabad (663)	5,665	5,001	13%	79%	77%	174	7,156	6,459	11%
Bengaluru (874)	3,029	3,178	-5%	58%	63%	-487	5,218	5,050	3%
Mumbai (972)*	6,616	7,657	-14%	73%	84%	-1,159	9,077	9,064	0%
Pune (426)	3,911	3,494	12%	75%	72%	283	5,231	4,857	8%
Rest of India (1,659)	4,026	3,718	8%	69%	70%	-35	5,813	5,341	9%
<b>Total (5759)</b>	<b>4,754</b>	<b>4,287</b>	<b>11%</b>	<b>72%</b>	<b>74%</b>	<b>-163</b>	<b>6,605</b>	<b>5,824</b>	<b>13%</b>

Source: Company, Dalal & Broach Research

- Bengaluru market impacted as many rooms were not operational due to renovations || For instance, out of the 350 rooms in Whitefield, 100 rooms were not operational due to renovations
- Another reason being region being heavily dependent on IT which has been facing slowdown in terms of hiring.
- However, green shoots of recovery is visible from Oct, 2024 onwards.
- Occupancy in Mumbai seems lower due to addition of Aurika MIAL which got operational in Q3FY24.
- Occupancy at Aurika MIAL @ 66% for Q4FY24
- Management targets to complete renovations for majority of its inventory in October CY25. Post which ARR & EBITDA to see sharp uptick.

## Performance break-up of LTH portfolio &amp; Keys portfolio

Rs. Cr	Lemon Tree Consolidated excluding Keys Hotels					Keys Hotels					Lemon Tree Consolidated				
	Q4 FY24	Q3 FY24	Q4 FY23	QoQ Change	YoY Change	Q4 FY24	Q3 FY24	Q4 FY23	QoQ Change	YoY Change	Q4 FY24	Q3 FY24	Q4 FY23	QoQ Change	YoY Change
Inventory	4,823	4,794	4,154	1%	16%	936	936	936	0%	0%	5,759	5,730	5,090	1%	13%
Gross ARR	7,030	6,751	6,237	4%	13%	3,637	3,585	3,264	1%	11%	6,605	6,333	5,824	4%	13%
Occupancy %	75.2%	68.4%	77.7%	676	-248	55.5%	53.2%	55.6%	228	-14	72.0%	65.9%	73.6%	605	-163
RevPAR	5,285	4,619	4,844	14%	9%	2,018	1,907	1,815	6%	11%	4,754	4,176	4,287	14%	11%
<b>Revenue from Operations</b>	<b>305.8</b>	<b>270.6</b>	<b>234.5</b>	<b>13%</b>	<b>30%</b>	<b>21.5</b>	<b>19.6</b>	<b>18.2</b>	<b>10%</b>	<b>18%</b>	<b>327.3</b>	<b>290.2</b>	<b>252.7</b>	<b>13%</b>	<b>30%</b>
Other Income	2.2	0.3	1.5	724%	47%	1.7	0.4	0.6	301%	196%	3.9	0.7	2.0	464%	89%
<b>Total revenue</b>	<b>308.0</b>	<b>270.9</b>	<b>236.0</b>	<b>14%</b>	<b>31%</b>	<b>23.2</b>	<b>20.0</b>	<b>18.7</b>	<b>16%</b>	<b>24%</b>	<b>331.2</b>	<b>290.9</b>	<b>254.7</b>	<b>14%</b>	<b>30%</b>
Total expenses	138.2	132.8	101.6	4%	36%	17.6	16.2	11.2	9%	57%	155.8	149.0	112.8	5%	38%
<b>EBITDA*</b>	<b>169.8</b>	<b>138.1</b>	<b>134.4</b>	<b>23%</b>	<b>26%</b>	<b>5.5</b>	<b>3.8</b>	<b>7.5</b>	<b>46%</b>	<b>-26%</b>	<b>175.3</b>	<b>141.9</b>	<b>141.9</b>	<b>24%</b>	<b>24%</b>
<i>EBITDA Margin(%)</i>	<b>55.1%</b>	<b>51.0%</b>	<b>57.0%</b>	414	-183	<b>23.8%</b>	<b>19.0%</b>	<b>40.1%</b>	487	-1,623	<b>52.9%</b>	<b>48.8%</b>	<b>55.7%</b>	415	-278
<b>PBT</b>	<b>90.1</b>	<b>58.4</b>	<b>71.4</b>	<b>54%</b>	<b>26%</b>	<b>(1.1)</b>	<b>(2.8)</b>	<b>1.9</b>	-	-	<b>89.0</b>	<b>55.5</b>	<b>73.4</b>	<b>60%</b>	<b>21%</b>

Source: Company, Dalal &amp; Broach Research

## Other Concall KTAs

- Rate hike in the industry expected to be in the range of 5-12%. Management expects growth rate for FY25 to be higher than or equal to FY24.
- Three more price hikes are expected by the company, Oct,2024, Jan,2025 & Oct,2025.
- Demand continues to be robust led by increase in air traffic. Air traffic capacity to ~3x in next 5 years, number of airports to ~2x going forward.
- A bunch of portfolio of keys under renovation as a result occupancy is still lower @ 55% for the quarter. However, company to complete all its renovations by October CY25.
- ARRs & Occupancy to improve substantially post renovations
- To spend Rs 1,000 Mn on renovation in FY25 & FY26 each year. 1/3<sup>rd</sup> being capex & balance opex. Due to seasonality, H1 sees more of spending on renovations than H2.
- Renovation spends in Q4FY24 as a % of revenue was 2% vs 0.6% same quarter last year.
- For illustration, Keys hotel in Pune, Pimpri Pre/Post renovation did an ARR of 3,800/Rs 4,600, an increase of 21% & RevPAR of Rs 2,900/Rs 3,900 an increase of 35%
- Total Debt stood at Rs 18,891 Mn which is expected to be peaked out. Increase in debt was on account of borrowing against Aurika MIAL.
- Debt reduction to start from this year. Company intends to be net debt free within 4 years.
- Room night sold by Airline increased to 13% from 8% YoY. Company's strategy is to replace this with corporates, retail, MICE || To reduce airline share to 10% from current levels.
- Total renovation exp incurring to recover in next 2 years in terms of incremental ebitda
- Robust 34% growth in fees from Managed contracts during the quarter.
- To increase penetration from 64 cities to 100+ cities going forward.

---

**Aurika MIAL (669 rooms)**

---

- Clocked an occupancy of 66% in Q4FY24 with ARR of Rs 9,000.
- Demand was largely driven by airline crew.
- April good - may same as last year in occ & ARR - very soft month - heatwave, election - deflationary impact || June significant pick up || Gradually taking out crew base - replace it with corporate, retail & ||

---

**Outlook and Valuations**

---

Growth momentum continues for LemonTree hotels. Demand remains robust. Occupancy & ARR for keys portfolio which is dragging the overall performance to improve as renovations are completed. Recovery in Bangalore market which has significant keys portfolio to improve as IT markets improve which is expected towards Q3FY25.

Company to focus on reducing debt from this year onwards & aims to be debt free in 4 years. This will deleverage the balance sheet & further improve the profitability.

**LemonTree Hotels at CMP of Rs. 133 trades at 16x EV/EBITDA FY26E; we value LTH at 18x FY26 EV/EBITDA multiple and maintain a HOLD rating with a target price of Rs. 157, implying an upside of 18.4%.**

## Financials

## Report Data

P&L (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Net Sales	4,022	8,750	10,711	12,705	16,069
Operating Expenses	-279	-499	-628	-699	-836
Employee Cost	-973	-1,497	-1,878	-2,226	-2,783
Other Expenses	-1,584	-2,278	-2,973	-3,424	-4,595
<b>Operating Profit</b>	<b>1,187</b>	<b>4,476</b>	<b>5,232</b>	<b>6,356</b>	<b>7,856</b>
Depreciation	-1,043	-966	-1,121	-1,227	-1,280
PBIT	143	3,510	4,111	5,129	6,576
Other income	140	36	56	56	56
Net Interest (Exp)/Inc	-1,740	-1,772	-2,016	-1,595	-1,308
Profit before tax	-1,456	1,774	2,151	3,591	5,325
Provision for tax	72	-377	-341	-898	-1,331
Profit & Loss from Associates/JV	10	9	7	8	8
Reported PAT	-1,374	1,405	1,817	2,701	4,002
MI	499	-260	-332	-372	-417
Owners PAT	-874	1,146	1,485	2,329	3,585
<b>Adjusted Profit</b>	<b>-874</b>	<b>1,146</b>	<b>1,485</b>	<b>2,329</b>	<b>3,585</b>

Balance Sheet (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
Equity capital	7,908	7,916	7,918	7,918	7,918
Reserves	404	621	1,750	4,079	8,081
<b>Net worth</b>	<b>8,312</b>	<b>8,537</b>	<b>9,669</b>	<b>11,998</b>	<b>16,000</b>
MI	5,676	5,597	5,795	6,128	6,500
<b>Non Current Liabilities</b>	<b>19,828</b>	<b>19,488</b>	<b>21,275</b>	<b>18,362</b>	<b>15,214</b>
<b>Current Liabilities</b>	<b>2,533</b>	<b>3,701</b>	<b>3,591</b>	<b>3,783</b>	<b>3,894</b>
<b>Total Equity &amp; Liabilities</b>	<b>36,350</b>	<b>37,323</b>	<b>40,330</b>	<b>40,270</b>	<b>41,607</b>
<b>Non Current Assets</b>	<b>35,041</b>	<b>35,963</b>	<b>38,277</b>	<b>34,373</b>	<b>34,598</b>
Fixed Assets	29,180	30,359	32,759	28,850	29,071
Right of Use Assets	4,299	4,036	3,907	3,907	3,907
Financial Assets	799	859	936	937	937
Deferred Tax Asset	461	365	358	358	358
Long Term Loans and Advances	245	186	229	229	229
Other Non Current Assets	57	158	88	93	97
<b>Current Assets</b>	<b>1,310</b>	<b>1,360</b>	<b>2,053</b>	<b>5,897</b>	<b>7,009</b>
<b>Current investments</b>	<b>59</b>	<b>10</b>	<b>81</b>	<b>89</b>	<b>98</b>
Inventories	81	105	138	147	176
Trade Receivables	291	560	715	905	1,145
Cash and Bank Balances	543	275	537	4,170	5,001
Short Term Loans and Advances	-	-	-	-	-
Other Financial Assets	24	36	32	35	38
Other Current Assets	312	375	550	550	550
<b>TOTAL ASSETS</b>	<b>36,350</b>	<b>37,323</b>	<b>40,330</b>	<b>40,270</b>	<b>41,607</b>

Cashflow (Rs mn)	FY22	FY23	FY24	FY25E	FY26E
PBT	-1,456	1,774	2,151	3,591	5,325
Depreciation	1,043	966	1,121	1,227	1,280
Net Chg in WC	<b>-180</b>	<b>-210</b>	<b>3</b>	<b>543</b>	-
Taxes	-17	-269	-335	-898	-1,331
Others	1,963	1,948	1,820	1,689	1,376
<b>CFO</b>	<b>1,353</b>	<b>4,208</b>	<b>4,761</b>	<b>6,152</b>	<b>6,649</b>
Capex	-668	-116	-3,000	-2,500	-1,500
Net Investments made	159	-12	-148	-8	-9
Others	55	-	-	-	-
<b>CFI</b>	<b>-454</b>	<b>-127</b>	<b>-3,148</b>	<b>-2,508</b>	<b>-1,509</b>
Change in Share capital	<b>8</b>	-	-	-	-
Change in Debts	134	489	1,590	-3,498	-3,498
Div. & Div Tax	-	-	-	-	-
Others	<b>-1,773</b>	<b>-4,837</b>	<b>-2,940</b>	<b>3,486</b>	<b>-812</b>
<b>CCF</b>	<b>-1,630</b>	<b>-4,349</b>	<b>-1,350</b>	<b>-11</b>	<b>-4,310</b>
<b>Total Cash Generated</b>	<b>-732</b>	<b>-268</b>	<b>263</b>	<b>3,633</b>	<b>831</b>
<b>Cash Opening Balance</b>	<b>1,275</b>	<b>543</b>	<b>275</b>	<b>537</b>	<b>4,170</b>
<b>Cash Closing Balance</b>	<b>543</b>	<b>275</b>	<b>537</b>	<b>4,170</b>	<b>5,001</b>
Ratios	FY22	FY23	FY24	FY25E	FY26E
OPM	29.5	51.2	48.8	50.0	48.9
NPM	-21.0	13.0	13.8	18.2	22.2
Tax rate	-5.0	-21.3	-15.9	-25.0	-25.0
<b>Growth Ratios (%)</b>					
Net Sales	59.8	117.5	22.4	18.6	26.5
Operating Profit	93.7	277.2	16.9	21.5	23.6
PBIT	-130.9	2,351.8	17.1	24.8	28.2
PAT	-26.4	-202.3	29.3	48.6	48.2
<b>Per Share (Rs.)</b>					
Net Earnings (EPS)	-1.11	1.45	1.88	2.94	4.53
Cash Earnings (CPS)	0.21	2.67	3.29	4.49	6.14
Dividend	-	-	-	-	-
Book Value	10.51	10.78	12.21	15.15	20.21
Free Cash Flow	-2.26	4.62	1.43	3.88	6.10
<b>Valuation Ratios</b>					
P/E(x)	-120	92	71	45	29
P/B(x)	13	12	11	9	7
EV/EBIDTA(x)	99	29	25	20	16
Div. Yield(%)	-	-	-	-	-
FCF Yield(%)	-1.70	3.47	1.08	2.92	4.58
<b>Return Ratios (%)</b>					
ROE	-11%	13%	15%	19%	22%
ROCE	1%	14%	15%	19%	24%
RoIC	1%	11%	13%	17%	22%

Source: Company, Dalal &amp; Broacah Research

## Disclaimer

**Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B** (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. [www.dalal-broacha.com](http://www.dalal-broacha.com)

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

**Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-**

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

**Disclosures in respect of Research Analyst:**

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No



D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be 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 including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, 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 or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any

copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.

Tel: 91-22- 2282 2992 | E-mail: [equity.research@dalal-broacha.com](mailto:equity.research@dalal-broacha.com)