

Issue Detail

Type	100% Book Built Issue
Issue Size (Cr)	Rs. 496.25 cr
Offer Price	Rs.423 – 425
Retail & Employee Discount	NIL
Min App Size	35 Shares
Issue Open	13th July 2020
Issue Close	15th July 2020
Shares Offer	1,16,76,470
Face Value	Rs. 2

Lead Mgrs Axis Capital Ltd
ICICI Securities Ltd

Listing	BSE & NSE
Registrar	Link Intime India Private Ltd.
Market Cap (Post Issue) Rs.	2,207.00

Market cap., Issue size, shares offer are as per Upper price band

No. of shares (Post & Pre Issue)

No. of Shares (Pre Issue)	5,07,52,920
Offer for Sale	10500000
Fresh Issue made*	1176470
No. of Shares (Post Issue)	51,929,390

* No. of shares as per Upper price band

Bid allocation pattern

QIB	50%	5,838,234
Non-Institutional	15%	1,752,305
Retail	35%	4,086,765

Company may allocate up to 60% of the QIB Category to Anchor Investors.

Management Team:

- Mr. Edward Menezes**
 - Promoter and Executive Chairman
- Mr. Sunil Chari**
 - Promoter and Managing Director

Company Overview

- Rossari Biotech Limited is one of the leading specialty chemicals manufacturing companies in India. Company provides customized solutions to specific industrial and production requirements of their customers primarily in the FMCG, apparel, poultry and animal feed industries through their diversified product portfolio comprising home, personal care and performance chemicals, textile specialty chemicals and animal health and nutrition products.
- Company is the largest manufacturer of textile specialty chemicals in India providing textile specialty chemicals in a sustainable, eco-friendly yet competitive manner.
- Company is a pioneering force in the Indian specialty chemicals market and 'Rossari' is considered a well-known brand in this market.
- Company's business is organized in three main product categories – (i) home, personal care and performance chemicals; (ii) textile specialty chemicals; and (iii) animal health and nutrition products.
- Rossari Biotech has a wide network of distributors through which company sell their products. Company's pan-India distribution network has over 204 distributors as on May 31, 2020. Company also have 29 distributors spread in over 17 countries.
- Rossari Biotech manufactures majority of its products in-house from their manufacturing facility at Silvassa in the Union Territory of Dadra & Nagar Haveli. The Silvassa Manufacturing Facility, located on 8.6 acres of land, has an installed capacity of 120,000 MTPA.
- Rossari Biotech is currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA which will enjoy proximity to the deep-water, multi-cargo port of Dahej. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.

Competitive Strengths

- Diversified product portfolio addressing the needs of varied and long-standing customers across industries
- Largest textile specialty chemical manufacturer in India
- Extensive manufacturing and technical capabilities
- Strong R&D capabilities with focus on innovation and sustainability
- Wide sales and distribution network
- Proven track record of robust financial performance

Strategies

- Expand manufacturing capacity and increase production efficiency
- Introduce new products and focus on green products which promote sustainability
- Continue to focus on innovation and grow their business across customer segments
- Increase wallet share with existing customers and continued focus to expand customer base
- Expand their international operations

Objectives of the Issue

- Repayment/prepayment of certain indebtedness availed by Company (including accrued interest)
- Funding working capital requirements
- General corporate purposes

View & Valuation

Rossari Biotech is one of the leading specialty chemical manufacturing companies in India which are used in a variety of industries including FMCG, apparel, poultry and animal feed industries and has a range of 2,030 different products. In last three years, company has witnessed compounded annual growth rate for revenue at 41.65% and profit after tax at 60.27%. At the higher band of Rs 425, stock is valued at PE of 32.1x on FY20 earnings. This seems to be in-line with many listed peers. Even though valuations indicate limited upside; however better prospects of its products amid current pandemic, high risk investors may **subscribe only for long term investment**.

INDUSTRY OPPORTUNITIES

- ❑ The global specialty chemicals market cumulatively constitutes a global market of approximately USD 237 billion in 2018 and is expected to grow at 5.4% per annum to reach approximately USD 308 billion by 2023. Company's presence in the specialty chemicals market, particularly in the home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products, presents significant growth opportunities due to the following factors: (i) demographic overview and rapid urbanisation leading to consumption growth, (ii) growing demand for environmentally sustainable chemicals and (iii) positive regulatory focus from the Indian governmental authorities on manufacturing activities in India. Company's relevant global market is expected to grow from a revenue of approximately USD 127 billion in 2018 to approximately USD 167 billion in 2023 at a CAGR of 5.6%. For the same period the relevant Indian specialty chemicals markets for Company is expected to grow from a revenue of approximately USD 7.7 billion in 2018 to approximately USD 13.3 billion in 2023 at a CAGR of 11.6%.
- ❑ **Home, personal care and performance chemicals category**
 In the home, personal care and performance chemicals category, Company dominance in the home care ingredients market (consisting of both household segment and industrial and institutional segments) is in enzymes and acrylic polymers which account for approximately 10% of the total homecare ingredients market and are expected to showcase robust growth due to the increased awareness about health and hygiene, as well as considerable increase in per capita disposable income. The addressable market for Company in India home care ingredients is approximately USD 1.6 billion. The personal care ingredients market is divided into active and inactive ingredients. Company have a presence in the inactive ingredients with special focus on silicone ingredients. This segment is 32% of the inactive ingredients market and 21% of total personal care ingredients market (active and inactive). The addressable market for Company in India personal care ingredients is approximately USD 0.8 billion. Company is also planning to venture into construction chemicals market and water treatment formulations market, for which the addressable market for Company is approximately USD 1.1 billion and USD 1.7 billion respectively.
- ❑ **Textile specialty chemicals**
 Company have presence in the entire textile specialty chemicals market across all segments (excluding the dyes sub-segment while they do have presence in dyeing auxiliaries). Accordingly, the addressable market for Company in Indian textile specialty chemicals is approximately USD 1.2 billion. This segment provides significant potential for Company to gain market share considering existing position as an established market player. Due to increasing awareness of the ill-effects of certain chemicals on humans and the environment, the demand for environmentally sustainable green chemicals is increasing, particularly from the textile industry. The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the environmentally sustainable green chemicals market. Global green chemicals market is expected to grow at a CAGR of 10.5% during 2019 to 2023. Company's product portfolio comprising of synthetic organic chemicals is aligned to the changing global and Indian trend of environmentally sustainable chemicals and Company is well positioned to leverage the trend to attain aggressive growth rates.
- ❑ **Animal health and nutrition products**
 Company's presence in the animal health and nutrition products is largely in poultry and pets. These segments account for approximately 55% of the total market. The addressable market for Company in Indian animal health and nutrition products is approximately USD 0.14 billion. Company has a significant presence in the poultry segment (largest end-use industry) and is in the process of expanding its footprints in the feed additive of aquaculture segment (fastest growing end-use industry).
- ❑ The current environment is more conducive for specialty chemical companies riding strong growth opportunities in India and globally. As, on one hand, robust growth in user industries in India will support growth, on the other, emerging opportunities in exports led by clamp down in China and outsourcing opportunity from Western countries are expected to spur growth in exports and import substitution. Company's agility in product delivery and ability to provide custom made solutions for their customers gives them an edge to enhance customer outreach and relationship and consequently to also garner a higher market share and a unique position in the country and export market for specialty chemicals.

Business Overview

- Company is one of the leading specialty chemicals manufacturing companies in India based on sales for Fiscal 2019 providing customized solutions to specific industrial and production requirements of their customers primarily in the FMCG, apparel, poultry and animal feed industries through their diversified product portfolio comprising home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products. Company operate in India as well as in 17 foreign countries including Vietnam, Bangladesh and Mauritius. As on September 30, 2019, Company has largest manufacturer of textile specialty chemicals in India providing textile specialty chemicals in a sustainable, eco-friendly yet competitive manner. As a manufacturer of specialty chemicals, Company focus on functionality and application of their products which form a key ingredient to their customers' manufacturing and industrial processes.
- Company's business is organized in three main product categories – (i) home, personal care and performance chemicals; (ii) textile specialty chemicals; and (iii) animal health and nutrition products. As on May 31, 2020, Company has a range of 2,030 different products sold across the three product categories.

Product categories	Applications	Revenue (Rs. in million)		
		Fiscal 2020	Fiscal 2019	Fiscal 2018
Home, personal care and performance chemicals	Specialty chemicals for detergents, surface cleaners, water treatment, paints, coatings, ceramics etc.	2,808.88	1,954.95	557.19
Percentage of total revenue from operations		46.81%	37.87%	18.63%
Textile specialty chemicals	Specialty chemicals catering to the entire value chain including pre-treatment, processing, dyeing, finishing etc.	2,623.04	2,690.81	2,139.56
Percentage of total revenue from operations		43.71%	52.13%	71.54%
Animal health and nutrition	Poultry feed supplements, pet grooming and pet treats including for weaning, infants and adult pets	569.02	516.42	293.86
Percentage of total revenue from operations		9.48%	10.00%	9.83%
Total		6,000.94	5,162.18	2,990.61

- Company has a wide network of distributors through which they sell their products. Company's pan-India distribution network has over 204 distributors as on May 31, 2020. Company have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of their products to the customers in the North and West India regions. Company's regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to their customers in that region. Company also have 29 distributors spread in over 17 countries. Company have set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for their textile specialty chemical products.
- Rossari Biotech manufactures majority of its products in-house from their manufacturing facility at Silvassa in the Union Territory of Dadra & Nagar Haveli. The Silvassa Manufacturing Facility, located on 8.6 acres of land, has an installed capacity of 120,000 MTPA. The Silvassa Manufacturing Facility has flexible manufacturing capabilities for powders, granules and liquids. Further, the company can interchange capacities across home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products categories, which ensures that they can manufacture any of these products at any point of time depending on the specific requirements of its customers and this facility also has a comprehensive range of testing as well as packaging capabilities. The annual capacity utilization of its Silvassa Manufacturing Facility has grown from 74.19% in Fiscal 2018 to 93.94% in Fiscal 2019 and it was 82.46% in Fiscal 2020. Rossari Biotech is currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA which will enjoy proximity to the deep-water, multi-cargo port of Dahej. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.
- Covid-19 Update**
In the initial stages of the lockdown, the Company faced limited availability of labour, supply chain constraints and logistical problems due to which the Silvassa facility operated at a sub-optimal capacity in the month of Apr-20. As part of the Home, Personal Care & Performance Chemicals led the Company's products to get categorized under essential goods, therefore, manufacturing facility at Silvassa was not shut down. The plant utilization subsequently has improved with raw material suppliers resuming operations and supply & logistics becoming more regular. The Company's HPPC segment has been positively impacted with higher demand for disinfectants & sanitizers, however the textile specialty chemicals segments witnessed a temporary reduction in demand. Due to the COVID-19 pandemic, import of a few raw materials were restricted but were substituted with domestic suppliers in time without impact on continuity of operation. Higher levels of inventories may have to be maintained to ensure continuity of production.

Business Overview

Comparison with listed industry peers

Name of the Company	Total Revenue (Rs. In Million)	Face Value (Rs.)	P/E	EPS (Basic) (Rs.)	Return on Net Worth %	NAV per share (Rs.)
Rossari Biotech Limited	6,001	2	-	13.42	31.79	56.48
Listed Peers						
Aarti Industries Limited	41,863	5	30.93	30.77	18.89	176.39
Vinati Organics Limited	10,288	1	30.45	32.48	28.65	124.48
Atul Limited	40,930	10	19.94	224.69	22.7	1072.58
Galaxy Surfactants Limited	25,963	10	22.02	64.99	23.7	301.2
Fine Organics Industries Limited	10,380	5	35.24	53.75	29.45	201.86

Competition

Home, Personal Care and Performance	Textile Specialty Chemicals	Animal, Health and Nutrition products
Multinational Companies:	Archroma	Cargill India Private Limited
Wacker AG	CHT	Zyodus AH, a division of Cadila Healthcare Ltd
Merck	Rudolf	Bayer Animal Health
BASF	Croda international	Boehringer Ingelheim Animal Health
Croda	Huntsman Corporation	Ceva Sante Animale
Indian Companies:	Fineotex Chemical	Sequent Scientific
Aarti Industries	Resil Chemicals	Elanco
Galaxy Surfactants	Sarex Chemicals	Merial
Atul	Dai-ichiKarkaria	Virbac
Institutional Cleaning Chemicals:	Britacel Silicones	
Diversey India Pvt. Ltd.	Indokem Ltd.	
Schevaran Laboratories Pvt. Ltd.		
Satol Chemicals		
Ecolab India		
Haylide Chemicals Pvt. Ltd		
Altret Industries Pvt. Ltd		
Croda India Company Pvt. Ltd.		
BASF India Ltd		

Financials Snap Shot

Income Statement				Key Ratios			
Rs in Crores				Consolidated (Ind AS)			
Y/E March	FY18	FY19	FY20	Y/E March	FY18	FY19	FY20
Revenue (Net)	299.06	516.22	600.09	EPS	5.25	9.44	13.24
Other Income	1.37	0.91	3.72	Book Value Per share	17.99	25.58	58.15
Total Revenue	300.43	517.12	603.82	Valuation(x)			
Cost of materials consumed	196.58	355.23	369.26	P/E (Upper Band)	80.97	45.03	32.11
Changes in inventories of finished goods and work-in-progress	1.08	-15.96	2.44	P/E (Lower Band)	80.59	44.82	31.96
Excise Duty	6.89	-	-	Price / Book Value	23.62	16.61	7.31
Employee benefits expense	19.84	27.52	37.21	EV (crs)	2207.32	2201.66	2113.73
Other expenses	32.05	71.81	86.44	EV/Sales	7.38	4.26	3.52
Total Expenses	256.43	438.59	495.35	EV/EBITDA	50.16	28.03	19.49
EBITDA	44.00	78.53	108.47	Profitability Ratios			
Depreciation	5.17	12.26	16.85	RoE	29%	37%	23%
EBIT	38.83	66.27	91.62	RoCE	44%	53%	29%
Finance Costs	1.36	2.88	3.56	PAT Margin(%)	8%	9%	11%
Profit before Tax	37.47	63.39	88.06	Liquidity Ratios			
Exceptional item	-	-	-	Interest Coverage Ratio	28.66	23.03	25.76
Total tax expense	12.07	17.71	22.59	Current Ratio	1.50	1.31	2.19
PROFIT AFTER TAX	25.40	45.68	65.47	Debt to Equity Ratio	0.24	0.04	0.23
Non-controlling interests	-	-	-				
Share in Profit/(Loss) of Joint Ventures	-	-	-0.22				
Profit For the Period/Year After Tax	25.40	45.68	65.25				

Balance Sheet				Cash Flow Statement			
Rs in Crores				Rs in Crores			
Y/E March	FY18	FY19	FY20	Y/E March	FY18	FY19	FY20
Share Capital	4.40	4.40	10.15	Profit / (Loss) before tax	37.47	63.39	88.06
Reserves	82.68	119.41	276.53	Adjustments for:			
Net Worth	87.08	123.81	286.68	Loss / (Profit) on sale of property, plant and equipment (net)	0.08	-0.0010	0.04
Financial liabilities				Provision for expected credit loss recognized on trade receivables	0.26	-	0.08
Borrowings	1.29	0.673	33.96	Depreciation and amortization expenses	5.17	12.26	16.85
Provisions	1.25	1.751	1.626	Written down of Inventory to net realisable value	-	1.61	0.49
Deferred tax liabilities (net)	2.05	1.81	0.54	Finance Costs	1.36	2.88	3.56
Non - current liabilities	4.58	4.24	36.13	Dividend Income	-0.16	-0.06	-0.11
Financial liabilities				Interest Income	-0.51	-0.66	-1.54
Borrowings	18.83	3.27	27.05	Employees Compensation expense	-	-	0.46
Trade payables	44.0	106.0	97.00	Provision/Write off of doubtful advances	-	-	0.12
Other current liabilities	0.94	1.88	4.14	Net foreign exchange (gain)/loss	0.15	0.49	-2.00
Provisions	0.46	0.60	0.67	Net gain arising on financial assets measured at fair value through loss	-	0.24	0.03
Other financial liabilities	7.66	10.04	16.19	Operating Profit before working capital	10.10	23.10	26.79
Current tax liabilities (net)	1.44	0.03	3.66	Adjustments for working capital:			
Current liabilities	73.29	121.80	148.71	Trade receivables and other assets	-10.88	-34.42	-20.41
Total Liabilities	164.95	249.85	471.52	Inventories	-10.12	-21.40	-3.77
Property, plant and equipment	43.73	68.03	81.76	Trade payables and other liabilities	11.09	67.22	-6.90
Capital work-in-progress	2.40	2.83	21.75	Cash generated from operations	-8.90	13.70	-28.39
Intangible assets	0.04	5.97	4.77	Income Tax Paid	-8.34	-20.37	-20.15
Right of Use Assets	7.17	7.09	7.02	Net cash from operating activities (A)	-17.25	-6.67	-48.54
Financial assets	0.31	0.35	4.57	Net cash from / (used in) investing activities (B)	-20.44	-36.42	-190.30
Deferred tax assets (net)	0.02	0.05	0.05	Net cash from / (used in) financing activities (C)	-6.50	-29.15	156.94
Income tax assets (net)	0.02	1.55	1.58	Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	-44.18	-72.24	-81.89
Other non-current assets	1.34	4.21	23.71	Cash and cash equivalents at the beginning of the Year	2.14	0.63	5.74
Non-current assets	55.01	90.09	145.19	Cash and cash equivalents at the end of the Year	0.63	5.74	29.21
Inventories	34.61	54.90	58.17				
Trade receivables	61.56	85.92	94.14				
Cash and cash equivalents	0.63	5.74	29.21				
Other Bank balances	0.34	0.27	98.02				
Investments	6.91	-	13.73				
Other financial assets	0.90	1.37	5.39				
Other current assets	4.99	11.56	27.67				
Total Current assets	109.94	159.76	326.32				
TOTAL Assets	164.95	249.85	471.52				

Narnolia Financial Advisors Ltd. is a SEBI registered Research Analyst having SEBI Registration No. INH300006500. The Company/Analyst (s) does/do not have any holding in the stocks discussed but these stocks may have been recommended to clients in the past. Clients of Narnolia Financial Advisors Ltd. may be holding aforesaid stocks.

The stocks recommended are based on our analysis which is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

Disclosures: Narnolia Financial Advisors Ltd. (NFAL) (Formerly Microsec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300006500. NFAL is engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at www.narnolia.com

No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, its associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific Merchant Banking, Investment Banking or Brokerage service transactions. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Analyst Certification The views expressed in this research report accurately 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.

Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerce Limited (Formerly Microsec Commerce Ltd.)-MCX/NCDEX Commodities Broker: INZ000051636 || NarnoliaVeloX Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited (Formerly Microsec Insurance Brokers Ltd.)-IRDA Licensed Direct Insurance Broker (Life & Non-Life) Certificate No. 134, License No. DB046/02 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

Disclaimer:

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL) and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other 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. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NFAL & its group companies to registration or licensing requirements within such jurisdictions.