SURGE CAPITAL

16th February 2023

DOLLAR INDUSTRIES

Rating: BUY

Conviction Rating: ★★

Price: 365

DOLLAR WEAR THE CHANGE

Surge Capital Focuses on Six Key Attributes of Long-Term Earnings Growth

- Strong Business Model
- Innovation & Pivot
- Change & External Trend ✓
- Optionalities
- Leadership & Edge
- Stellar Management Execution

Industry:	Innerwear
Market Cap:	Rs2078 Crores
Revenues:	Rs1360 Crores
Net Profits:	Rs92 Crores
Net Debt:	Rs240 Crores

✓ *Indicates attributes present in the stock*

Brief Thesis

Dollar Industries is one of the leading innerwear brands in India.

Traditional players like Dollar have historically worked under a wholesale distribution model which is a push-based model with multiple challenges like no visibility on retail sales, poor economics in distribution chain and high receivables.

Dollar through is Lakshya Project is revamping is distribution model to a direct (pull-based) distribution channel wherein it has visibility over retail sales, improved economics & incentives of distribution chain and low receivables.

We have received a very good feedback from our interactions with company's distributors under this new project. And we believe that once this project is rolled out to cover majority of company's distributor network, company will realize substantial benefits in form of better sales growth, improved margins, better receivables and higher ROCEs.

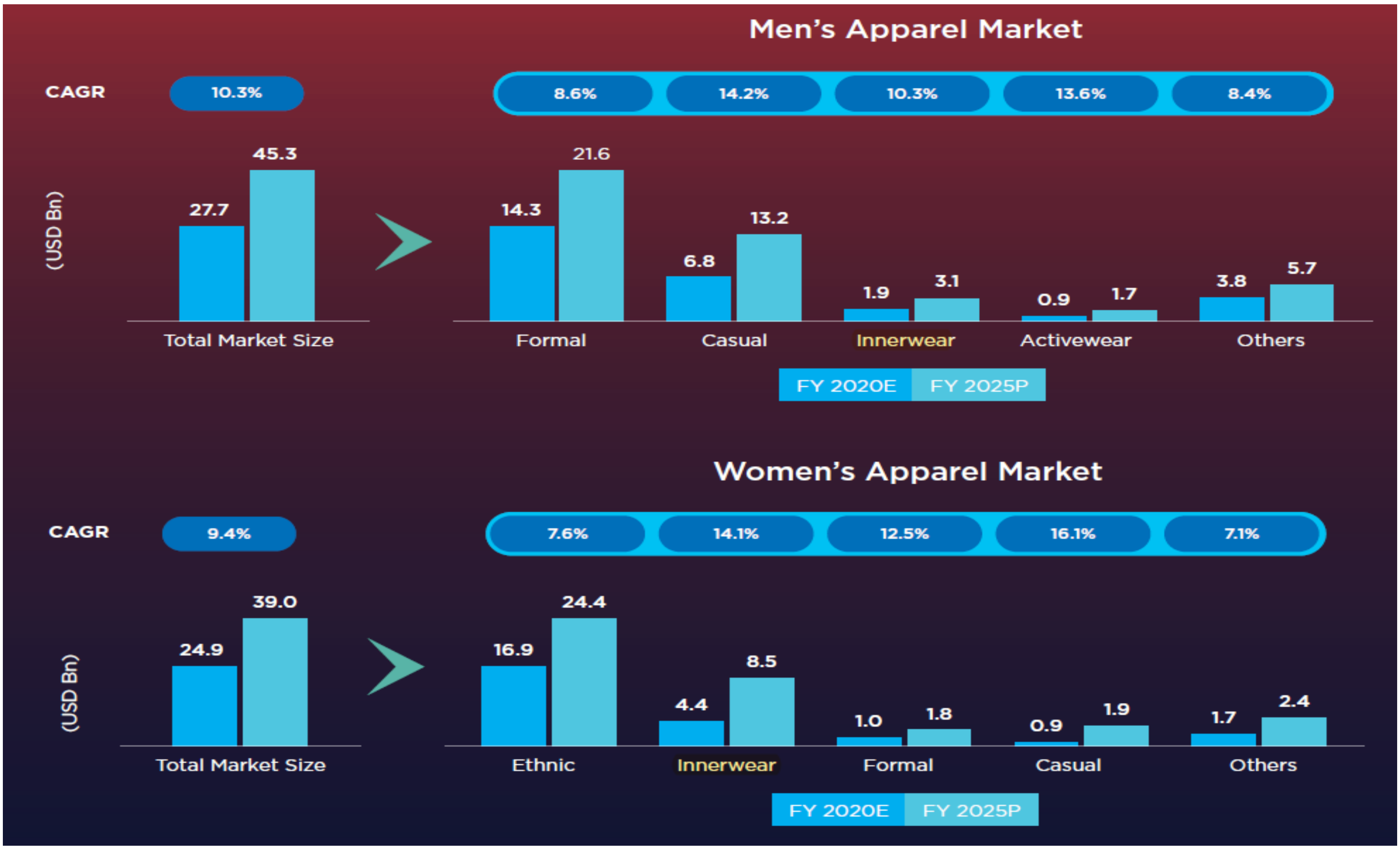
Ankush Agrawal

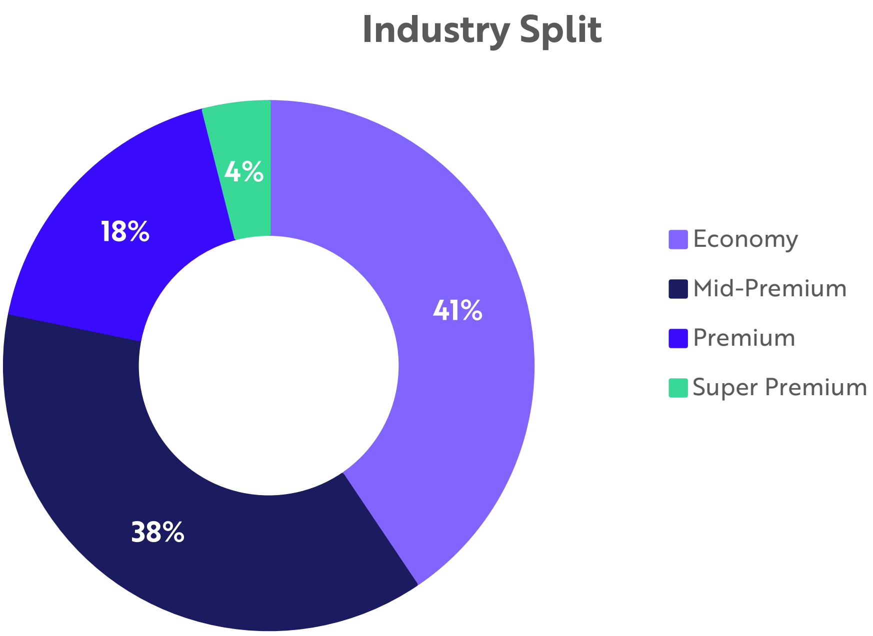
Digitally signed by Ankush Agrawal
Date: 2023.02.16
15:49:12 +05'30'

Analyst: Ankush Agrawal
ankush@surgecapital.in

Innerwear Industry- Some Insights

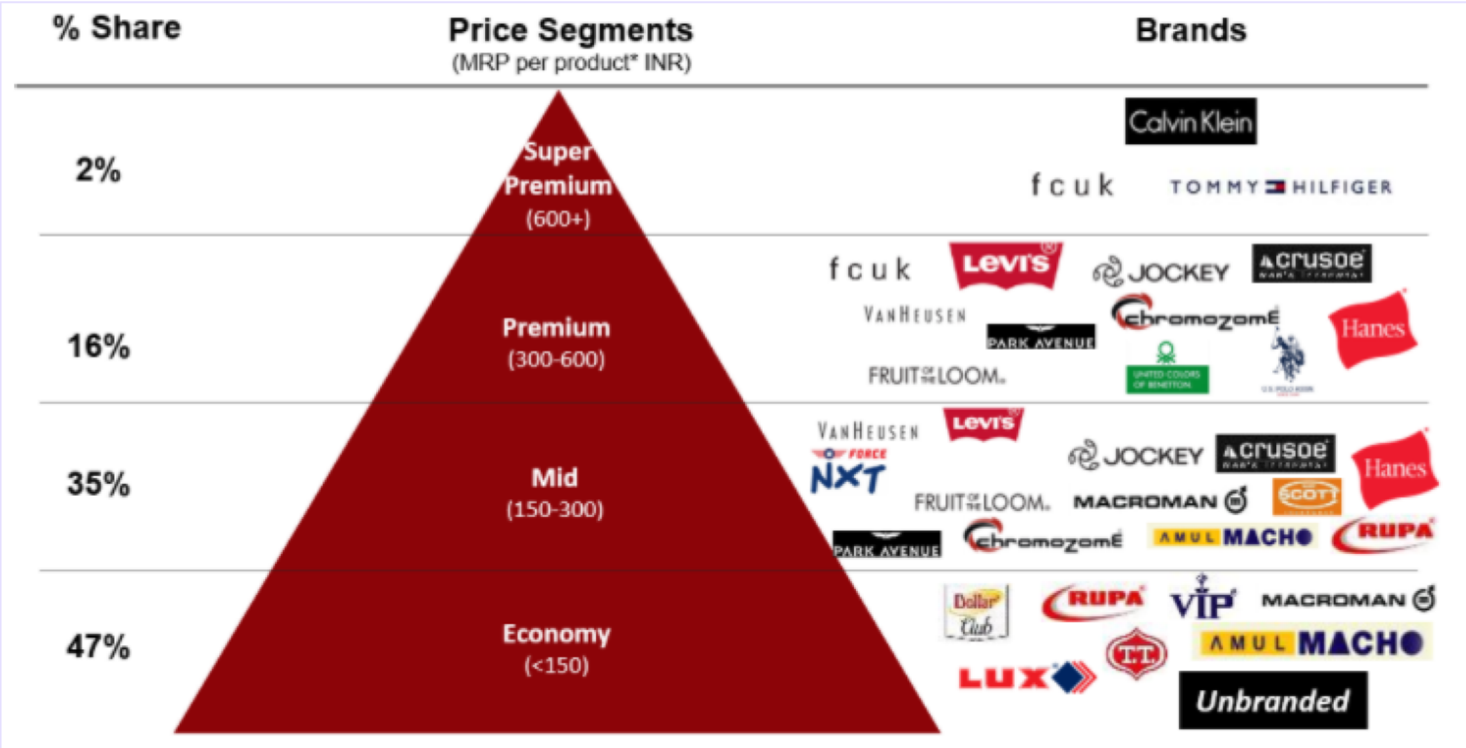
Indian men innerwear industry is estimated at ~$2 billion; including women innerwear the market size is over ~$6 billion. The overall industry is growing at ~10-12%, with women segment (much more unorganized) growing at a higher rate. Further, the premium end of the industry is growing at much higher rate than the economy-mass segments.





Industry Landscape

Traditional Players- Lux, Dollar, Rupa, Amul, Dixcy	Page Industries- Jockey	Apparel Companies & D2C Start-ups Van Heusen, XYXX, UCB etc
Deals primarily in Men's mass/economy products through Traditional retail channel	Deals in premium products across men's & women's innerwear and Athleisure. Strong presence across traditional & modern retail channel	Deals primarily in premium & super premium men's innerwear products through modern retail & online channels



Page Industries- How is it Different vs Traditional Players?

Since its launch in 1996, Jockey has outpaced the industry & traditional players to emerge as the largest player in the industry (>2x the size of nearest peer). This outperformance of the company was on the back of its- **Brand Positioning and Distribution Model.**

A. Brand Positioning

Jockey single handedly led & captured the premiumization trend in the innerwear industry in India. It positioned itself as a premium & aspirational brand that allowed the company to capture the demand that came as consumers looked to up-trade; traditional players where non-existent in the premium segments and thus missed this entire up-trading by the consumers.

Further, Page Industries focused on one mother brand-Jockey across its product portfolio & segments. Traditional players on the other hand created multiple brands for different product segments resulting in a poor overall brand recall of the mother brand and higher & inefficient A&P spends.

Brands	Page Industries	Dollar	Lux	Rupa
Men's Innerwear- Mass & Economy	-	Big Boss, Lehar, J-Class, Comfort, Commando	Lux Venus, Lux Cozi, GenX	Jon, Frontline, Rupa, Euro
Men's Innerwear- Premium	Jockey	Force NXT, Pepe (licensed JV)	ONN, One8, Lux Premium	Macroman, FCUK, Torrido
Women's Innerwear	Jockey (Woman)	Missy	Lyra, Lux Karishma, Lux Cozi Her	Softline, Femorra
Kidswear	Jockey (Juniors)	Champion	Lux Blommers, Kids Lux Cozi	Bumchums
A&P Spends % of Revenues	3-4%	8-9%	7-8%	7-8%

This strong recall of the mother brand also allowed Jockey to leverage the same into additional segments of women & kids, whereas traditional players found it difficult to leverage their mother brand and thus had to create another new brand for these segments resulting in less diversification from core men's innerwear segment.

Revenue Mix%	Page Industries	Dollar	Lux	Rupa
Men's Innerwear	40%	79%	66%	70%
Women's Innerwear	20%	8%	14%	10%
Athleisure & others	40%	13%	20%	20%

B. Distribution Model

Traditional players historically & till date follow a wholesale distribution model wherein the company sells its products to wholesalers/distributors who then sell it semi-wholesalers.

There are couple of major challenges with a wholesale distribution model-

01. No Visibility on Retail Level

-In wholesale model, the business is essentially a B2B2C business.

-Company's business model revolves around selling to wholesalers/distributors that's it.

-There is no visibility or say in what happens to it products beyond that.

-Without any visibility & say beyond wholesaler/distributor level, it is very difficult & inefficient for the company to generate a demand pull at the retail level either by brand promotion or introduction of newer products.

02. Poor Business Economics for Distributors

- Under wholesale model, every wholesaler/distributor can essentially sell to anyone at their own prices.

-This leads to unhealthy competition wherein everyone tries to undercut each other in prices, resulting in poor margins for everyone.

- And these poor economics results in lack of motivation for wholesalers & distributors to sell new & premium products.

03. Large Receivables

- In wholesale model, everyone has poor bargaining power with people below them.

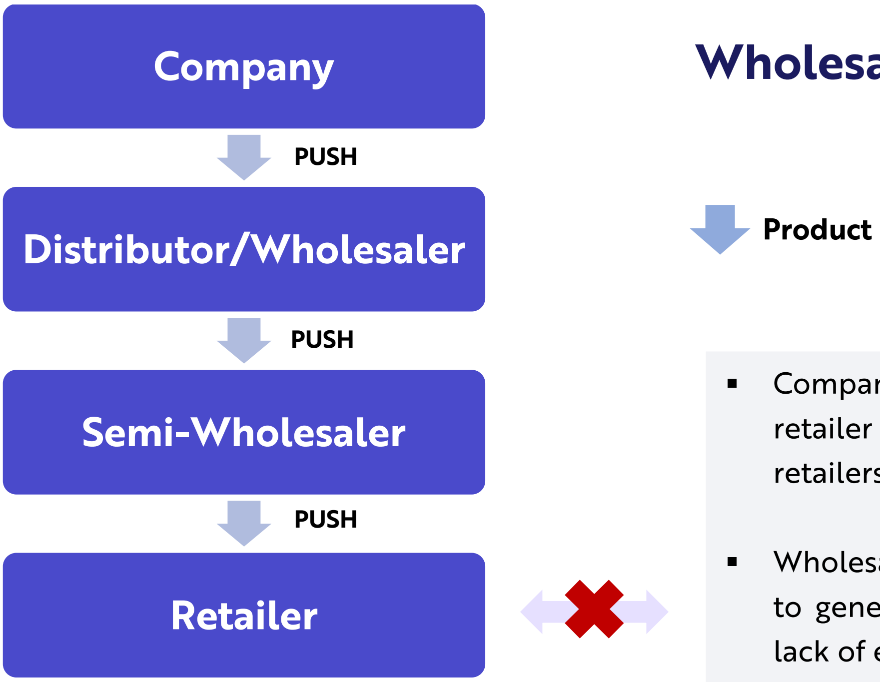
- Distributors/wholesalers have low bargaining power with retailers/semi-wholesalers as they can buy from anyone.

- Company has poor bargaining power with wholesalers as company is essentially pushing its products to them asking them to sell it while working with poor business economics

- As a result, receivable cycle within the entire distribution chain is high.

In summary, Wholesale is a push-based model wherein everyone pushes products down the distribution chain resulting in poor economics for everyone in the distribution chain and this poor economics eventually flows back to the company in form of poor offtake and bloated receivables.

Wholesale Distribution Model



- Company cannot generate demand pull at retailer level given non-access & visibility of retailers.
- Wholesalers/Semi-Wholesalers lacks incentive to generate demand pull at retail level given lack of exclusivity.

Page Industries on the other hand created a Direct Distribution Model wherein it enabled-

01. High & Ensured ROIs for Distributors

- Appointed exclusive distributors for different cities/areas.

- Each distributor has exclusive access to sales made in that city/area, removing un-healthy competition.

- Provided fixed margins on each sale made by distributor.

02. Reach & Visibility at Retail Level

- Mapped retail outlets in areas allocated to each distributor.

- Linked mapped retailers to respective distributor's DMS (distributor management system)

- This allowed full visibility of sales being made at retailer level.

- Created demand pull for its products by appointing sales team that reaches out to retailers at regular intervals.

03. Reduced Receivables

- High ROIs of distributors allowed better bargaining power & control over them.

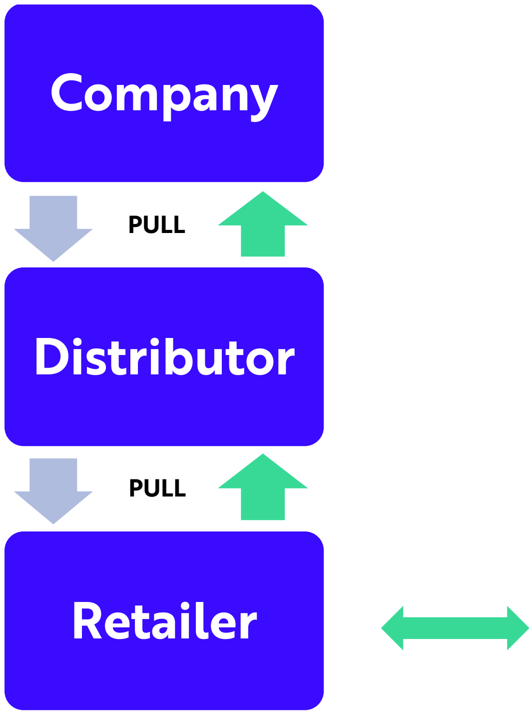
- Leveraged the same for better payment terms.

Interestingly, as Page entered more categories, it segregated its distributors based on product categories as well, such that a particular area will have multiple distributors of Jockey; each selling certain product categories. (Page has ~8 product categories across men's innerwear, women's innerwear, outwear and kids)

This allowed Page to create better demand pull for each product category as each retailer would be approached by different distributors for their respective product categories, rather than a single distributor; resulting in a more focused sales push for each product category.

In essence, Page created a Pull based model wherein it could create demand pull at the end retailer level while ensuring good business economics for everyone in the distribution chain.

Direct Distribution Model



- Company generates demand pull at retailer level given access & visibility of retailers.
- Distributor also generates demand pull at retailer level given exclusivity & aligned incentives.

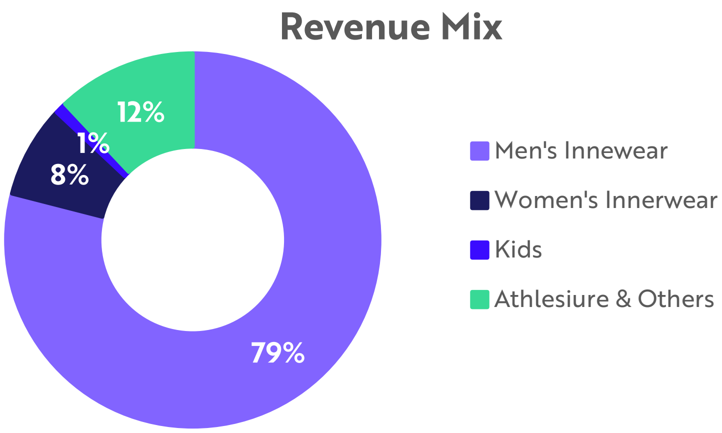
On the back of superior Brand Positioning and Distribution Model, Page stands-out among its peers-

	Page Industries	Dollar	Lux	Rupa
Revenue Growth (10-Year)	19%	12%	15% *	8%
EBITDA Margins	21-22%	11-13%	14-15%	13-14%
Receivable Days	~20 Days	~100 days	~100 days	~100 days
ROCE%	>60%	~25%	>30%	~25%

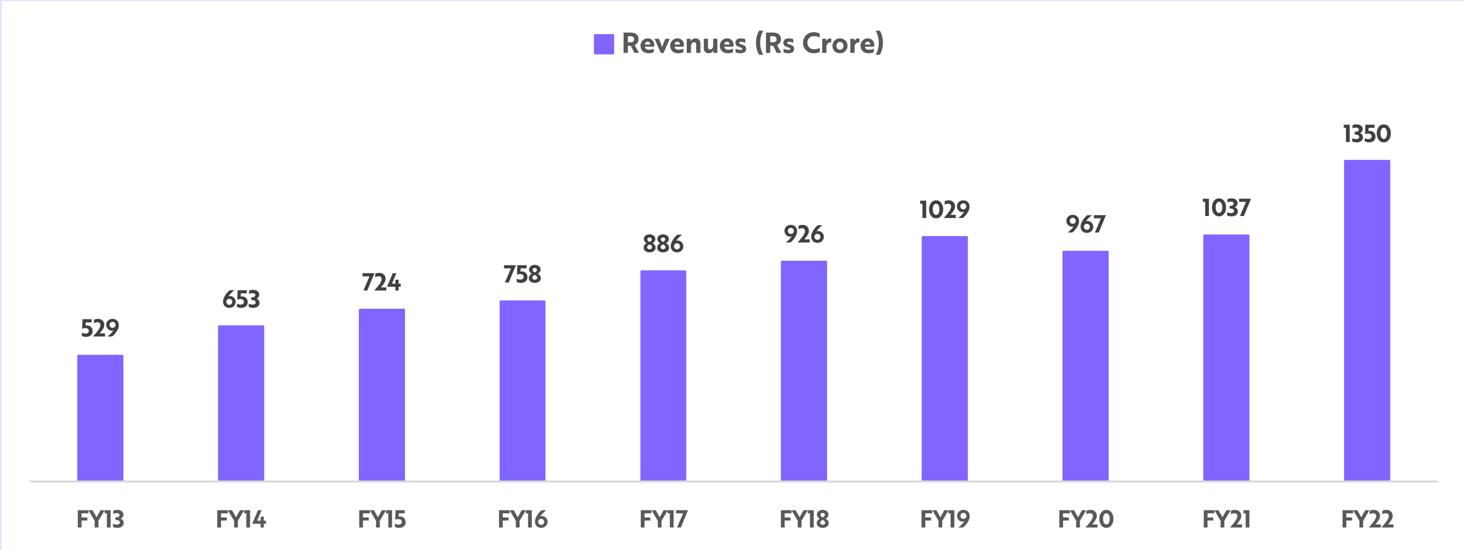
**Lux has merged few group companies in 2020-2021 and thus had some one-time revenue boost.*

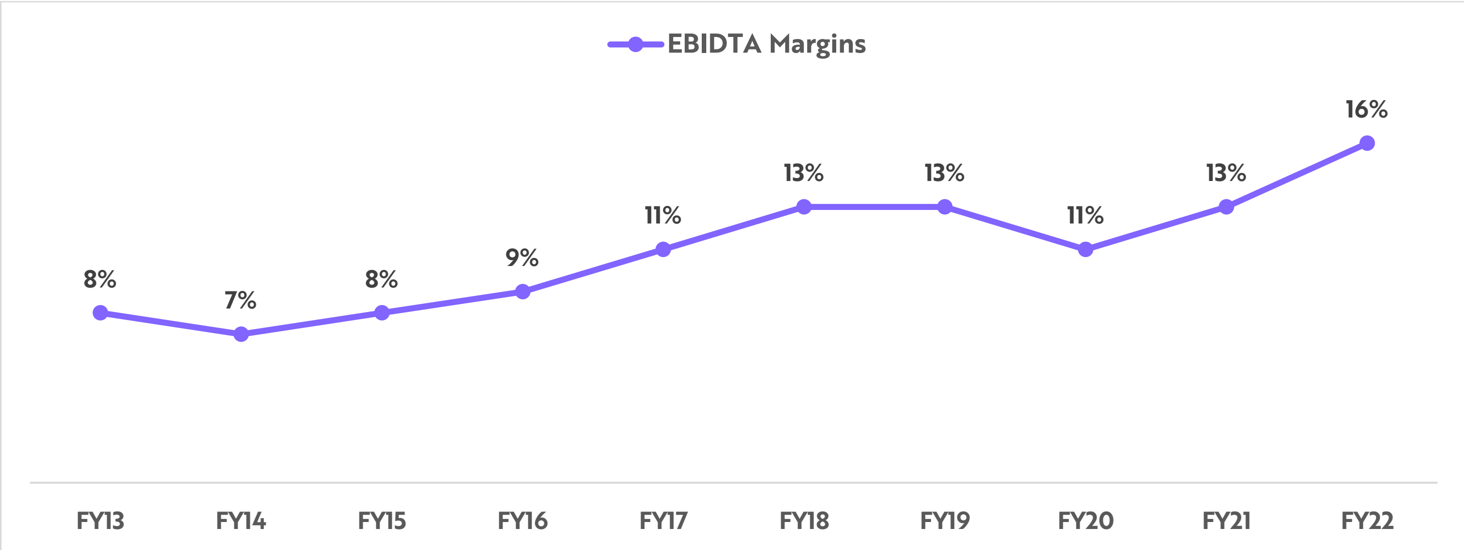
Dollar Industries

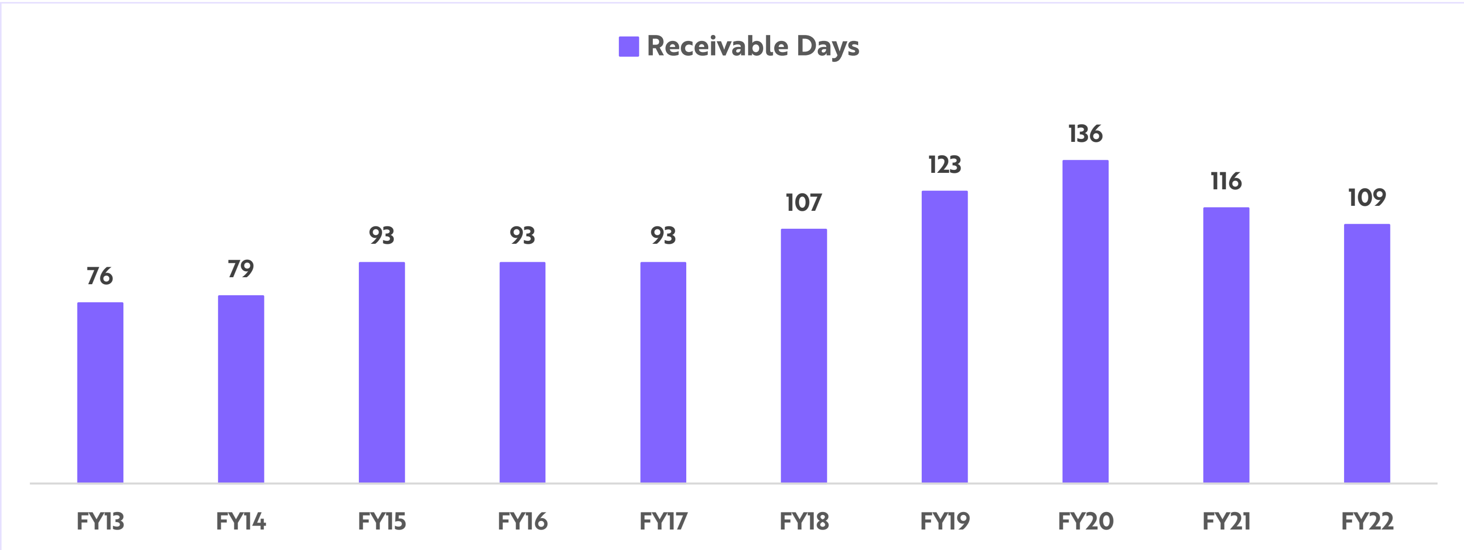
Dollar Industries was started by Mr. Dindayal Gupta in 1972 in Kolkata and is one of the leading brands in the Indian hosiery industry. The business is currently run by 2nd & 3rd generation of Gupta Family.

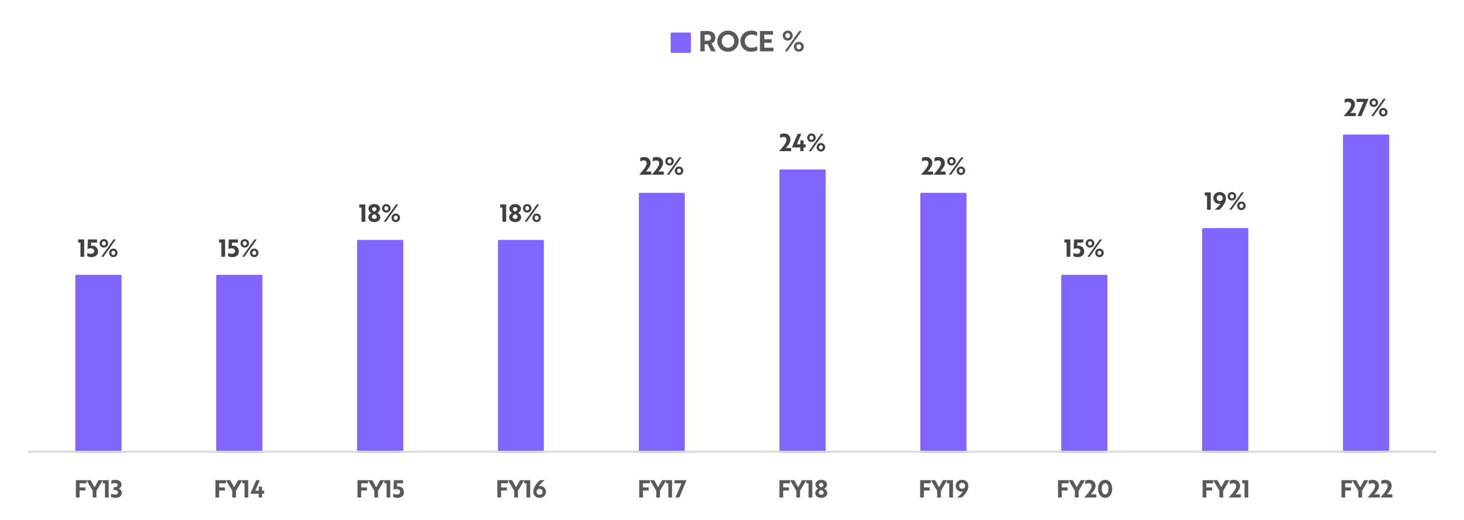


Company's performance in the past has been similar to its traditional peers- low double digit growth, expanding margins and deteriorating receivables.









Project Lakshya

In 2019, Dollar with the help of Vector Consulting initiated work on Project Lakshya, through which the company is looking to revamp its entire distribution model to a pull based (direct distribution) model from existing push based (wholesale distribution).

Key Changes Being Implemented Under Project Lakshya

- Rationalization of distributors with allocation of exclusive territories to each distributor.
- Mapping of retailers in each geography allocated to Lakshya distributors.
- Fixed margins for distributors on each sale made to retailers.
- Loyalty scheme under which distributors & retailers get certain loyalty points on each purchase.
- Establishing a centralized call center and on-ground sales force.

Benefits of Project Lakshya

1. Improved Economics for Distributors

By allocating exclusive areas & retailers to each distributor, the company has eliminated the situation of under-cutting, resulting in fixed & assured margins to distributors; thus, improving their overall ROIs.

Each retailer is also mapped with their respective distributor's DMS (distributor management system) such that only if the retailer bills through that particular distributor is when it will receive loyalty points on that purchase; curtailing the incentive for retailer to bypass its allocated distributor.

Snippet Q3FY23 Concall-

Ankit Gupta:	No, this is the differential. Like the rewards account for 3% to 4%. Rest, it has been given to the distributor for the margin protection. So because we are freezing the distributor margin in this particular program, whereas in our traditional channel there is no margin protection or the distributor can even work in 1% margin, 2% margin. But over here, we are giving them a decent margin. So that their ROI, overall ROI also increases.

2. Visibility & Ability to Generate Demand Pull at Retail Level

With mapping of retailers and access to distributor's data (sales & inventory) through the DMS, the company now has visibility on sales being made at retail level. And it can generate demand pull at retailer level which would eventually flow back to the company.

This generation of demand at retailer level is being done in three ways-

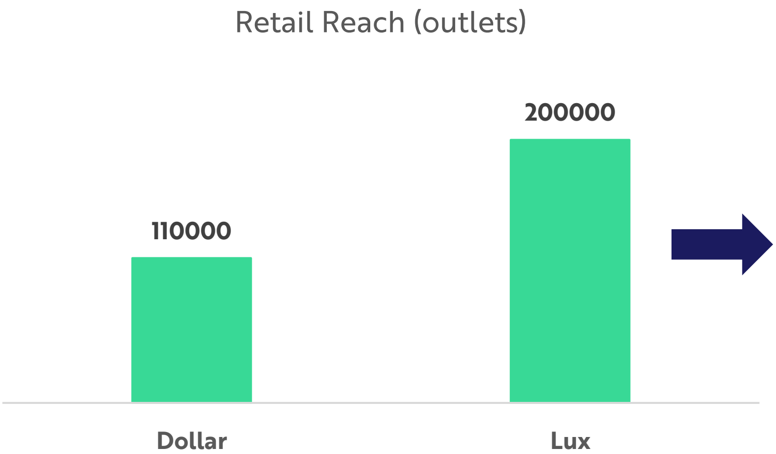
a. Company has established a tele-calling system through which the company is directly reaching out to retailers on a weekly basis.
b. On-ground sales team has been appointed to engage with retailers.
c. Distributors are also engaging with their retailers as their incentives are now aligned to do so.

Snippet Q3FY23 Concall-

Ankit Gupta: So this Project Lakshya is based on the Theory of Constraint, wherein we are trying to achieve the increase in the reach and range of our product. In our traditional channel, what happened is our sales gets completed when we bill it to the distributor and we have no visibility that which retailers is selling to or in what quantity, which kind of a product the retailers are demanding or -- and there are some nuances also in terms of encroaching each other areas or slashing the price, working on a very thin margin levels. But in this particular project, what happens is we fixed the distributor's margin. We fixed the retailer's landing price as well. And also we give the distributor or the distributor management system, so we track each and every movement of the goods.

3. Improved Sales Traction & Better Product Mix

With loyalty points to both retailers & distributors and improved business economics of distributors, the company has aligned the incentive of everyone in the distribution chain to drive higher sales. This increased incentive is even higher for premium & newer product categories wherein the company is offering much higher margins & loyalty points to both retailers & distributors.



In direct distribution model company can increase its penetration by reaching out to additional retail touch points which were earlier not addressed by semi-wholesalers/wholesalers.

And there is substantial scope for the same.

4. Improved Receivables

Under Lakshya scheme, Dollar has implemented a strict credit policy for both retailers & distributors; credit period at retailer level is 30 days and at distributor level it is 45 days.

Further, company has implemented channel financing through ICICI Bank; for distributors under channel financing, the receivables are just 11-12 days.

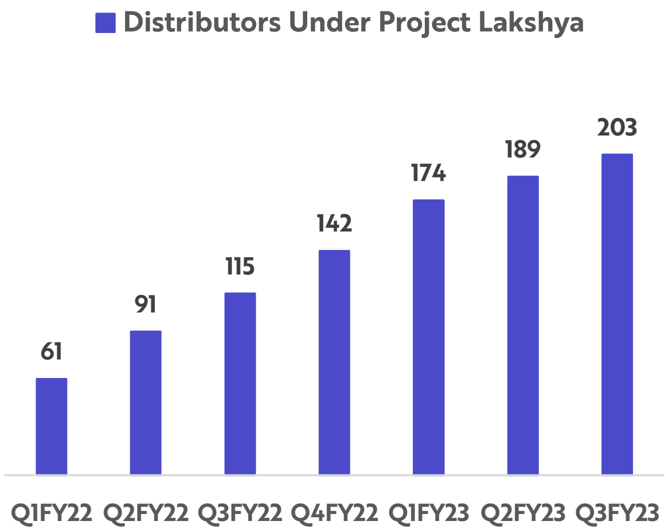
Snippet Q2FY22 Concall-

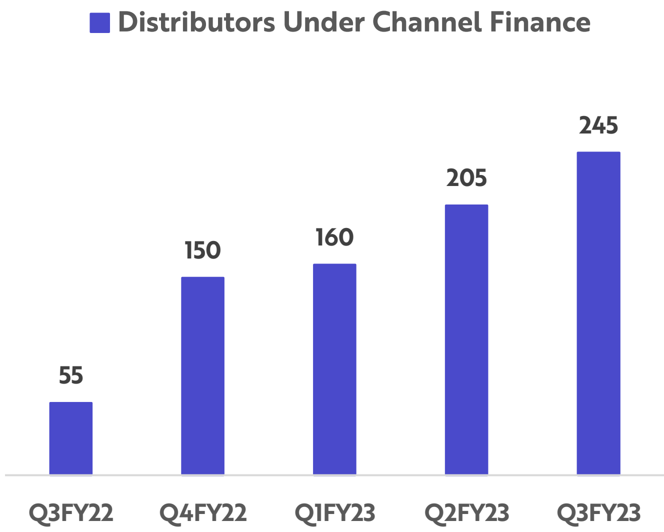
Ankit Gupta:	So, in our project Lakshya, the credit period is around 45 days, which unlike our traditional business where we have around 60 days credit period, and currently in project Lakshya the average number of days of payment is way lower than what we have in general. So currently, if you're standing at around 109 days, so in project Lakshya it's around 55, 60 days and that is only due to the kind of lockdown that we are seeing during the phase one, phase two, which really flows of payment from the retail market to them. So, in channel financing what happened is, there is a proper SOP that has been made and the distributor has to follow that particular SOP plus we have a lot of conditions also, which is different from the traditional business that we do.

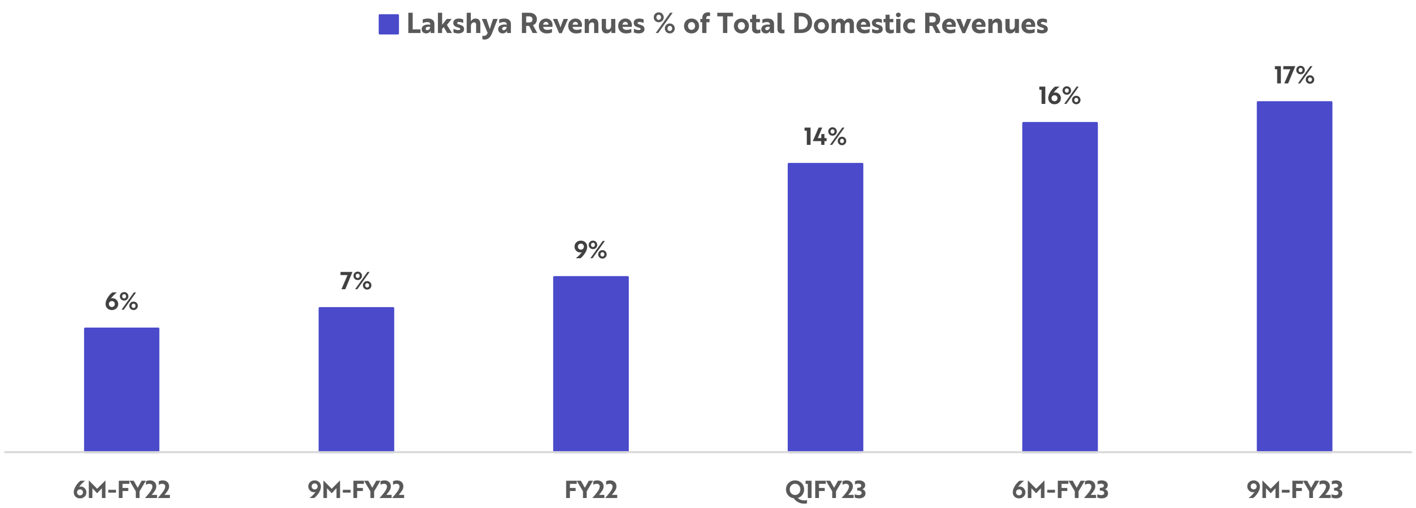
Snippet Q3FY23 Concall-

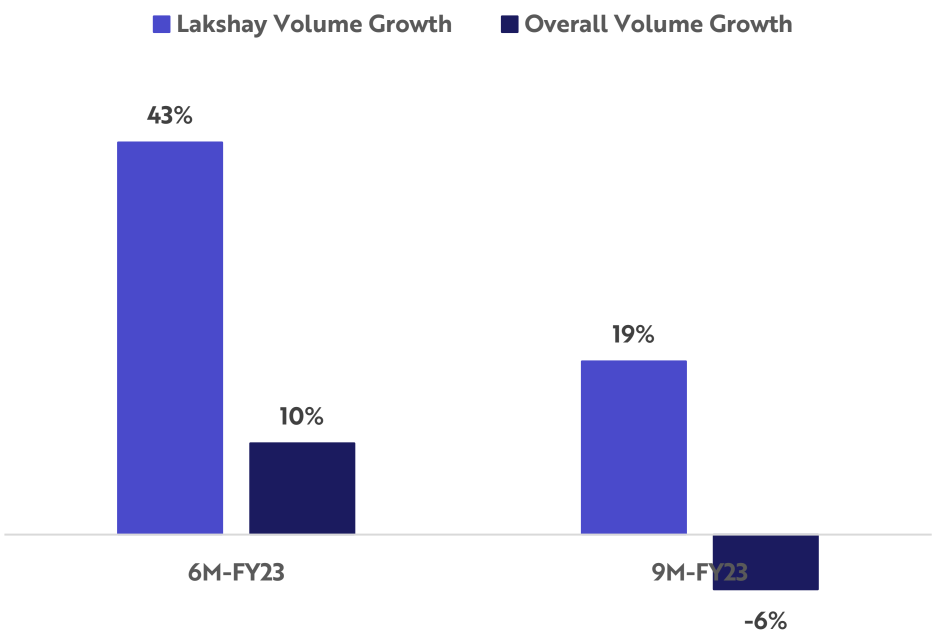
Ankit Gupta:	So most of our distributors in Lakshya are already there in dealer financing scheme. And in DFS system what is happening is our overall receivable cycle is somewhere around 10, 11 days because we pulled the money after they received the goods. So after the invoice has been made, we pulled the money after 10, 11 days. So a minimum that will be there. And we are trying to bring on board more and more distributors. So there are large distributors also in each and every state, like who contributes around 10% sale of that particular state or 11%, 12%. So these kind of big distributors, they won't be coming. Currently we are not finding any traction from them to come on board for the DFS system. So yes, that will -- that is one point where we are stuck right now. But overall, yes, the distributors are very happy to come on board on the DFS system, and we are getting more and more distributors inquiries also for onboarding them.
Ankush Agrawal:	Okay. So the distributors who are in the DFS scheme, they will have 10, 15 kind of credit days? The Lakshya is like around 50, 60 days? And the traditions we 100 is what you are saying? No?
Ankit Gupta:	Yes, yes.

As of Q3FY23, Dollar has rolled out Lakshya project to 203 distributors out of its 1100+ total distributors. And there are initial signs of relative strong performance of distributors under Lakshya project.



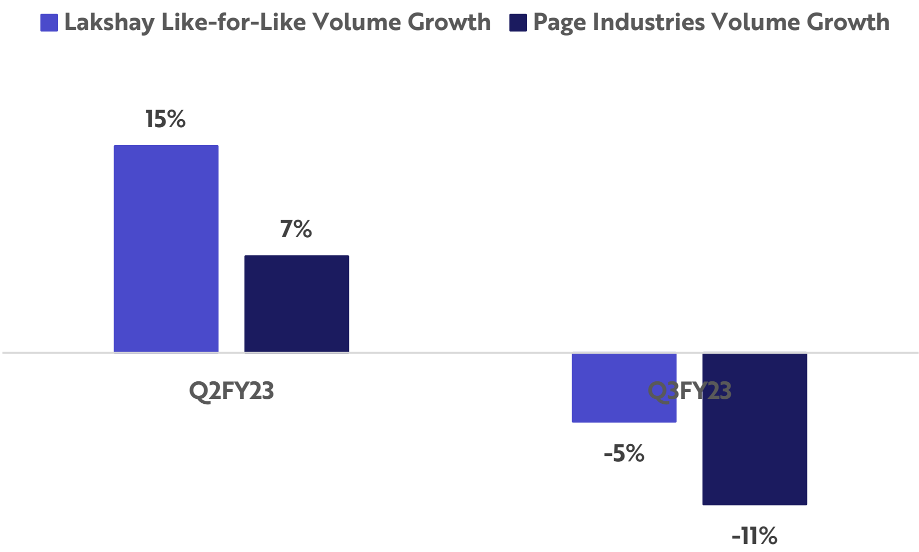






Lakshya Distributors are outperforming overall company significantly

(Note: Lakshya growth is calculated after including total sale in an area before Lakshya project was implemented in that area, in the base period numbers.)



Lakshya Distributors are outperforming even Page Industries in recent difficult periods

(Note: Lakshya like-for-like numbers represents growth for distributors which were present in Lakshya scheme last year as of Q2 & Q3 end)

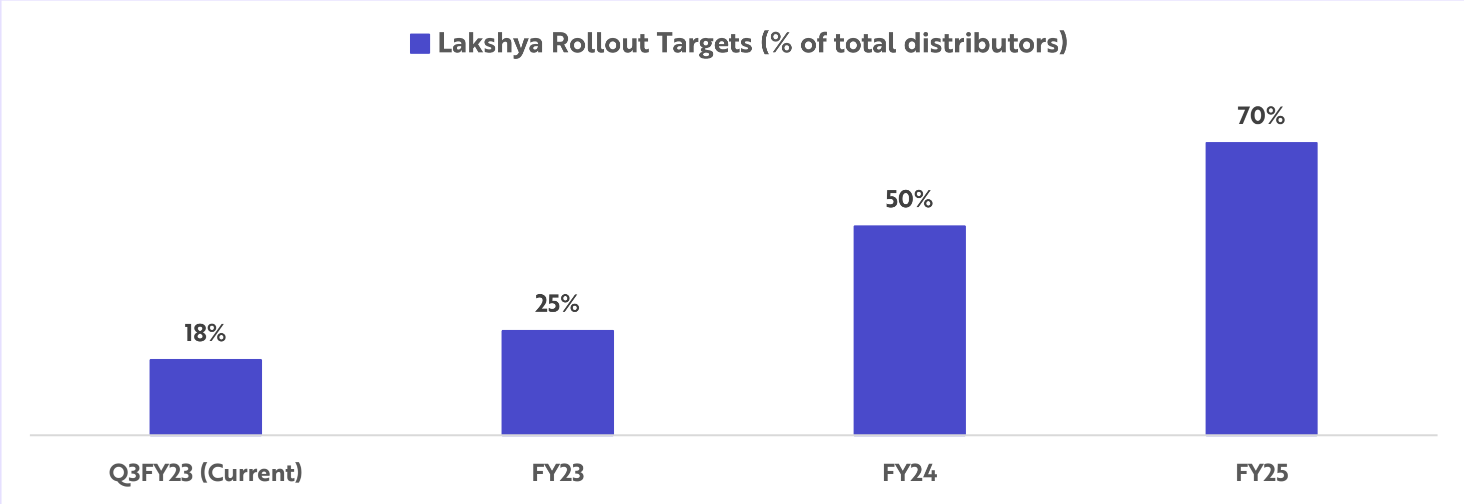
Distributors Feedback on Lakshya Project

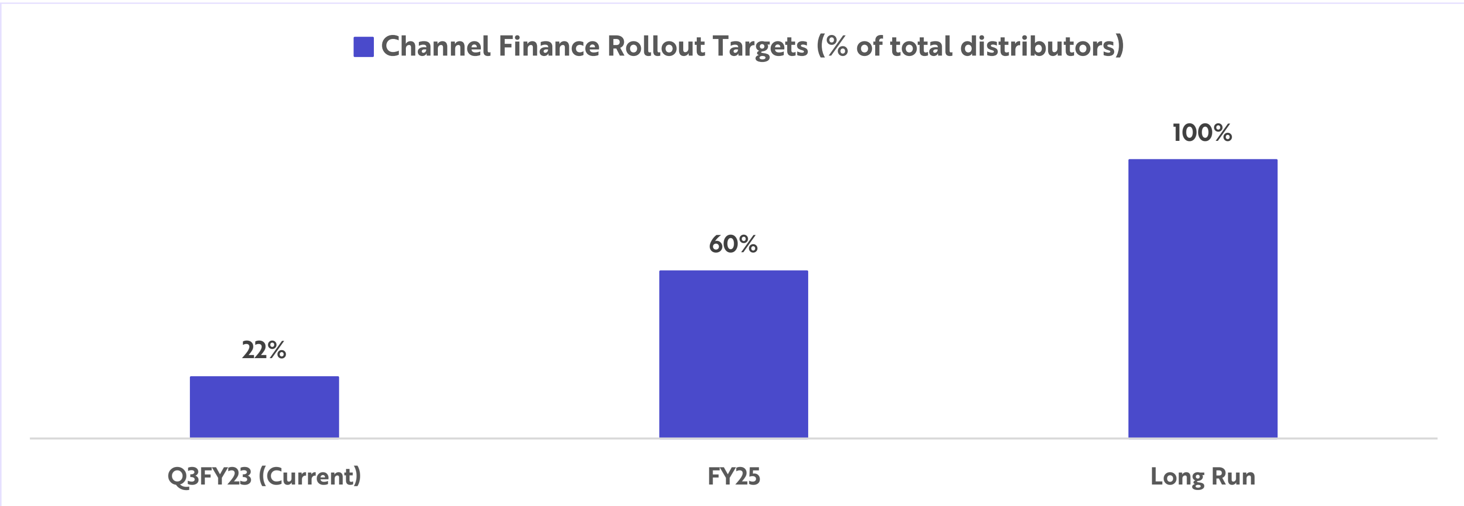
We have crosschecked management's commentary with company's distributors across multiple cities and the **feedback has been very encouraging**. All distributors we spoke to were enthusiastic on prospects of the project. Some notable comments from our interaction with distributors-

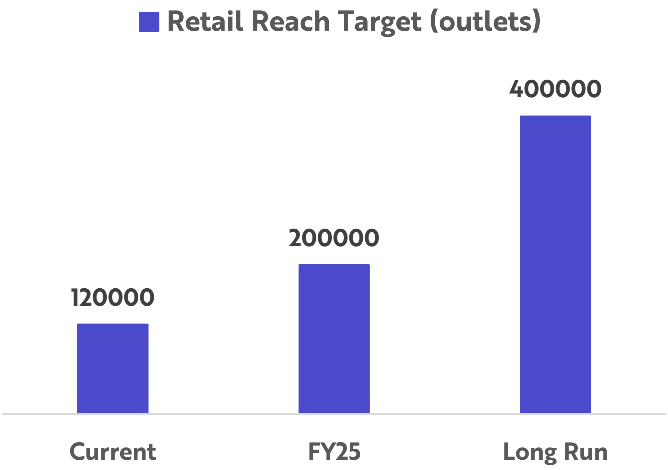
- Earlier there were 15 distributors in Jaipur; under Lakshya scheme the company has only appointed 9 distributors and has allocated areas & retailers.
- Earlier used to sell primarily to semi-wholesalers, there was no concept of retailers. Semi-wholesalers are not company appointed & works with multiple brands.
- Earlier we could sell to anyone in the state and thus there was under-cutting of prices. Used to work at 2-3% margins. Now the margins are fixed at 6% for basic products and 10% for premium products.
- Billing to retailers is now done through company's system at the price determined by the company, which ensures that each distributor gets the same margins as fixed by the company, not less & not more.
- Earlier we used to make payments in 70-100 days, now there is a clear payment policy of 45 days with cash discounts of 3% for early payments.
- Company has stopped dumping products on us.
- Recently there was a separate distributor meet of only Lakshya distributors in Thailand. ~190 distributors were present. Everyone said that their sales have increased after coming into the new scheme. Vector's team was present at the meet seeking feedback on DMS (distributor management system).
- Company produces 800-900 products, we used to sell only 40-50 basic products that are high volume items. We were not interested in selling premium products, but under new scheme we get very high margins and high rewards in premium products and so we are trying to sell premium products. Athleisure is seeing good traction, Force NXT not so much.
- 85-90% of company's sales come from basic products. Focus of company on premium products have come up only since last 2-years as new generation (all foreign educated) have come into company.
- Earlier there were no reward points.
- Retailers are now looking to sell Dollar products over Rupa & Lux on account of reward points.

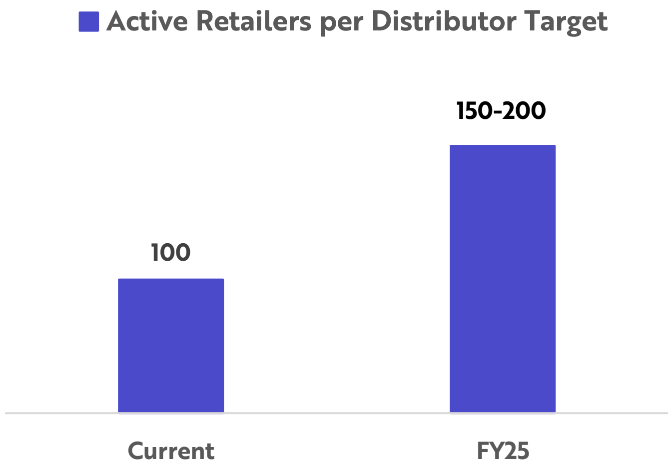
We believe that overtime as the project gets rolled out to cover majority of company's distribution network, we would see the underlying benefits & on-ground traction of the project reflect in overall numbers of the company in form of **better sales growth, improving product mix, increasing margins, reducing receivable cycle and higher ROCEs.**

Rollout Targets for Project Lakshya-









Reasons for Slower Roll-Out & Lack of Improvements in Overall Numbers?

A. Bottom-Up Rollout Strategy

Even though the company has rolled out the project to ~18% of its distributors by count, these distributors represent a much lower share of Dollar's revenue pool; because in rolling out Project Lakshya, the company has followed a bottoms-up approach wherein it has started the rollout from smaller cities & towns and is then progressing upwards to larger cities/areas/distributors.

Snippet Q2FY22 Concall-

Ankit Gupta:	So what happens is typically the big distributors that we have, currently they occupy around two to three districts among them. The first part is, they cover a bigger area than what we actually give it to a project Lakshya distributor. So currently, we are not touching them, because they are a good part of our sales, we don't want to take a big hit until unless we cover or we generate equal amount of sales from the surrounding areas. This is the first part. The second part is, their debtor days would be around 110 and 115 days, I wouldn't deny that. And that's why the whole receivable days is skewed towards that number only. The big distributors are also paying late, I won't deny that. But once we plan to bring them on board. So what we did with the old distributors who were on boarded into Lakshya project is that we gave them a timeframe of around one month, two months' time, we told them to bring the overall credit to a particular limit, and then only we started those distributors. It's not that if a payment cycle has been disturbed for a particular distributor, we can just start the Lakshya project for them. So we have made a criteria of that, if you come down we give them two months, we give them the ultimatum. We tell them if you want to take a bank loan or a working capital loan from the bank, you can take that but within one and half months' time or two months' time, you have to come down to 60 days, then only we can enroll Lakshya to you otherwise it's a no, no for us.

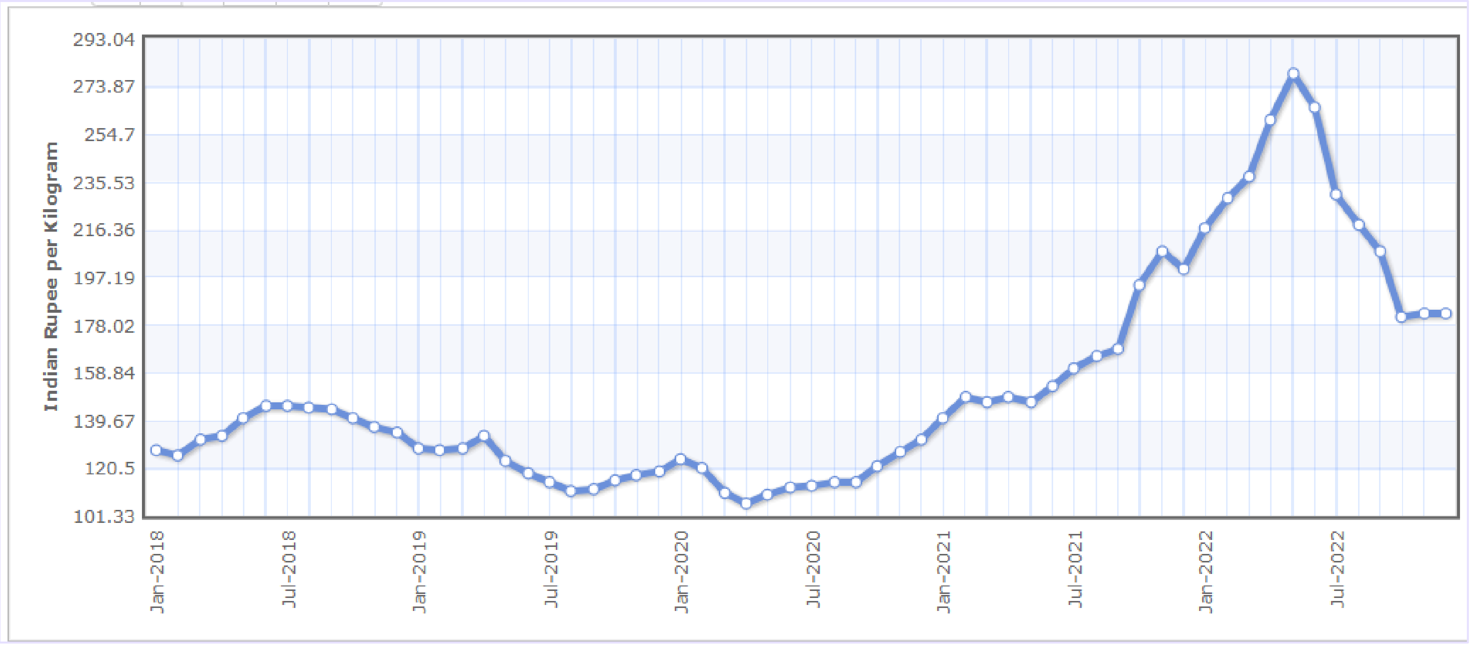
Our on-ground feedback has also confirmed this; in the state of Rajasthan the rollout has been happening for last 2-years and only after completing the roll-out is most of Rajasthan is when the company has in last few months rolled-out the scheme in the capital city of Jaipur.

B. Disruption In the Industry

Entire hosiery industry in India is currently facing dual challenges of poor growth and margins disruption.

Like most commodities, Cotton also saw sharp increase post Covid which coupled with some pent-up demand resulted in higher volumes, higher realization and inventory gains for everyone in the industry; resulting in super normal profitability.

Now with sharp correction in cotton prices and demand slowdown, companies are facing below normal profitability.

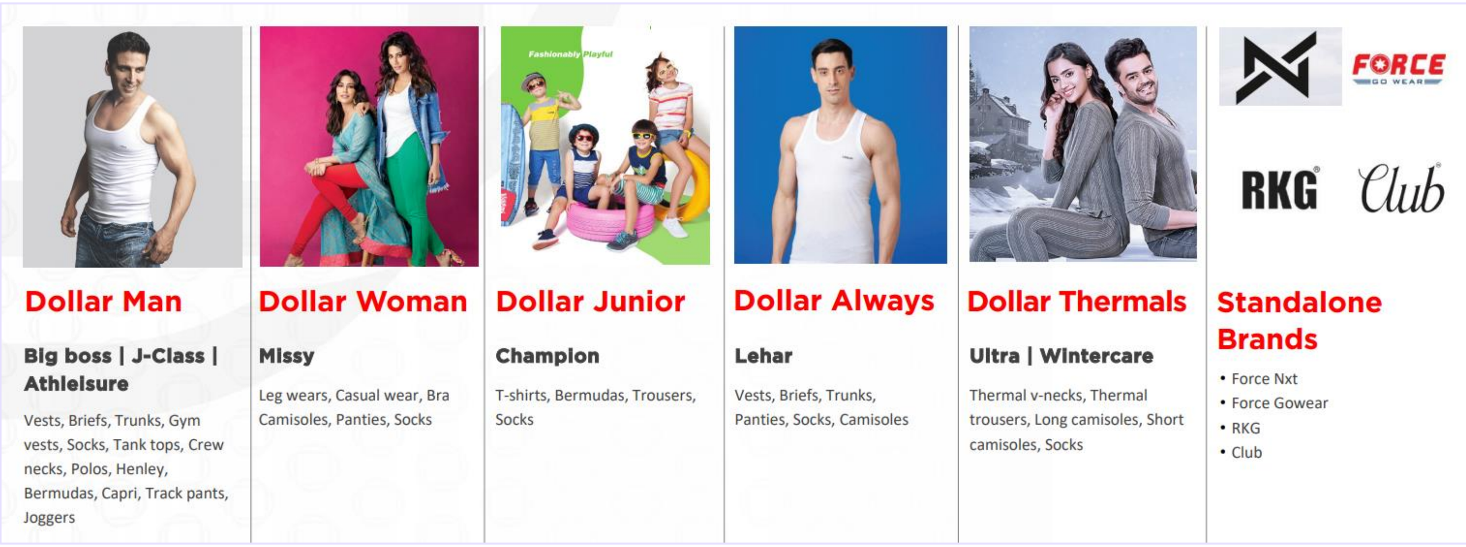


	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Revenue Growth-							
Page	76%	46%	28%	26%	167%	16%	3%
Lux	31%	25%	23%	-2%	36%	2%	-30%
Dollar	28%	52%	23%	21%	77%	-12%	-25%
Volume Growth-							
Page	70%	43%	24%	9%	150%	7%	-11%
Lux	9.0%	2% 6M	6% 9M	-1% 12M	14%	3% 6M	-14% 9M
Dollar	7%	21%	11%	-1.5-2%	52%	-16%	-32%
EBITDA %							
Page	7%	22%	21%	24%	22%	19%	16%
Lux	21%	22%	21%	18%	13%	10%	7%
Dollar	17%	17%	17%	15%	10%	9%	7%
	High Profitability Period				Poor Profitability & Demand Slowdown		

All companies have indicated that they have exhausted high price inventory, and with softer base (Q4FY22 was a soft quarter for everyone) & stable cotton prices, we expect sequential recovery for the industry in coming quarters.

Brand Revamp

Along with revamp of its distribution model, Dollar has also revamped its brand identity in 2020 by introducing a new brand logo & architecture, wherein it has consolidated its various brands under sub-categories of a single mother brand of Dollar.



This brand consolidation will allow the company to improve overall brand recall as the main brand- Dollar would be common & fungible across various segments and it would also help the company to rationalize its A&P spends.

Expectations Going Ahead

We believe that the transformation projects being undertake by the company on- Brand & Distribution will have substantial positive impact on company's overall business; the positive impacts are already visible at the ground level.

Dollar's management has a target of Rs2000 crores topline with 17% EBITDA margins by FY25. We believe even if management is able to achieve these targets a year or so later than targeted, then also there is substantial upside to company's earnings from current levels.

The external environment is also conducive for Dollar as its biggest peer Lux is facing internal challenges. Our distributor interactions have confirmed that there has been a split between Lux's promoters with some segregation of brands/segments and each of the two brothers are appointing additional distributors as well.

We have bought Dollar at a market cap of ~2100 crores, which is <20x company's normalized earnings. (Current TTM EBITDA margins at ~10% is lower than company's normal margins of ~13% due to ongoing disruption at industry level)

With improved growth, increased margins, improving working capital and higher ROCEs, we believe there is a sound case for valuations re-rating here.

Risks

A. Brand Risk

The ownership of Dollar brand does not lies with the listed company, but with a private company of promoters- Dollar Brand Pvt Ltd.

This kind of brand risk is something that has existed in most of India's traditional businesses wherein business was setup as sole proprietorships with trademarks being registered in the name of promoters. And then decades later when the companies got listed and the need for ownership of the brand with the main company arises, it is very difficult to transfer the same given that there are large implications of stamp duty & income tax on the promoters for the sale.

Dollar's management has stated that they are working to get the brands transferred to the main company, wherein they have converted the erstwhile sole proprietorship- Bhawani Textiles into a private limited company- Dollar Brand Pvt Ltd and in next 2-3 years will look to merge Dollar Brand Pvt Ltd with Dollar Industries.

But this non-ownership of brand continues to be a Tail Risk here. We have seen in the recent case of Vadilal, how the promoters can demand unreasonable sums of money for the brand.

B. Future Promoters Disputes

Another risk associated with 2nd & 3rd generation run traditional family businesses in India is the eventual disputes between family members. And there are countless examples of such disputes between 2nd & 3rd generation brothers, including the recent example of peer Lux Industries.

The risk is much higher wherein the family has just one core business, as that makes it difficult to have a proper separation between disputing family members.

In case of Dollar, the business is currently run by four 2nd generation brothers and 3rd generation has also entered the business. Currently there are no disputes between the family members, but any future disputes is a tail risk here.

Ratings Explanation:

Buy: Expected total return (price appreciation plus dividend yield) of more than 10% over next 12 months.

Hold: Expected total return (price appreciation plus dividend yield) of +/- 10% over next 12 months.

Exit: No Further Coverage/Update on the stock.

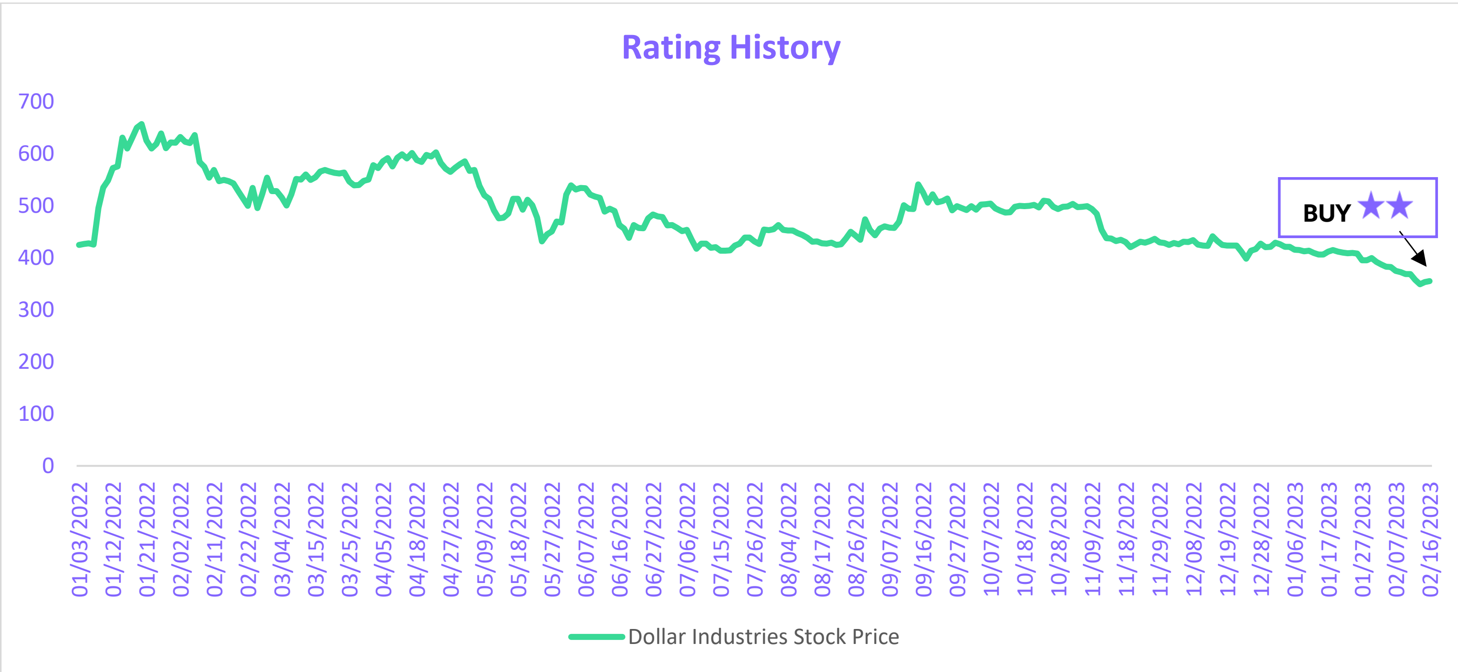
Conviction Rating:

Conviction rating reflects our understanding of return:risk ratio of the underlying stock for next 12 months. The rating is given within a range of 1-5 stars, wherein each higher star reflects a higher return:risk ratio; so, 1 star indicates a low return:risk ratio and 5 star indicates a high return:risk ratio.

The rating is based on our qualitative understanding of how the four factors of- Price Action, Earnings Growth, Valuations & Perception will play out over next 12 months for the stock.

Conviction ratings are to be read along with Buy & Hold ratings and no conviction rating is assigned for stocks with Exit rating.

Note: Ratings are valid till changed.



Note: Above chart indicates ratings assigned (including changes) over the period of coverage of stock.

Disclaimer & Disclosure

Surge Capital is a trade/brand name used by Ankush Agrawal (Individual SEBI Registered Research Analyst INH000008941) to provide equity research services in the Indian Equity Markets.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Ankush Agrawal/Surge Capital is not soliciting any action based upon it. This report is not for public distribution and has been furnished to you solely for your information and should not be reproduced or redistributed to any other person in any form. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The views expressed are those of analyst and the firm may or may not subscribe to all the views expressed therein. The report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon such. Ankush Agrawal/Surge Capital or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Neither Ankush Agrawal/Surge Capital, nor its employees, agents nor representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Ankush Agrawal/Surge Capital or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement.

"Registration granted by SEBI, and certification from NISM in no way guarantee performance of the Research Analyst or provide any assurance of returns to investors"

DISCIPLINARY HISTORY

There are no pending material litigations or legal proceedings against the Research Analyst.

As on date, no penalties / directions have been issued by SEBI under the SEBI Act or Regulations made thereunder against the Research Analyst relating to Research Analyst services.

More details- https://www.surgecapital.in/investor-complaints

TERMS AND CONDITIONS OF RESEARCH SERVICES

The Research Services will be limited to providing independent research recommendation and shall not be involved in any advisory or portfolio allocation services.

"Investments in securities market are subject to market risks. Read all the related documents carefully before investing."

The Research Analyst shall not be responsible for any loss to the Investors.

More details- https://www.surgecapital.in/terms-and-conditions

DETAILS OF ITS ASSOCIATES

No associates

Analyst Certification

Analyst: Ankush Agrawal

Email: ankush@surgecapital.in

Analyst Ownership of Stock: NO

The Analyst certify (ies) that he complies with Qualification and Certification requirements of Regulation 7 of SEBI (Research Analyst) Regulations 2014; that are required to be complied with by the individuals registered as Research Analysts under SEBI (Research Analysts) Regulations 2014.

Further, The Analyst certify (ies) that the views expressed herein accurately reflect his (their) personal view(s) about the subject security (ies) and issuer(s) and that no part of his (their) compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report.

Disclosure under SEBI (Research Analyst) Regulations 2014

Whether the research analyst or research entity or its associates or his relative has any financial interest in the subject company and the nature of such financial interest- **No**

Whether the research analyst or research entity or its associates or relatives, have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance - **No**

Whether the research analyst or research entity or his Associate or his relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance - **No**

Whether it or its associates have received any compensation from the subject company in the past twelve months- **No**

Whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months- **No**

Whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months- **No**

Whether it or its associates have 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 it or its associates have received any compensation or other benefits from the Subject Company or third party in connection with the research report. - **No**

Whether the research analyst has served as an officer, director or employee of the subject company - **No**

Whether the research analyst or research entity has been engaged in market making activity for the subject company - **No**