Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

May 14, 2024

Q4FY24 Result Update

☑ Change in Estimates | ☑ Target | ☑ Reco

Change in Estimates

	Current		Previous	
	FY25E	FY26E	FY25E	FY26E
Rating	ACCUMULATE		BUY	
Target Price	987		980	
Sales (Rs. bn)	562	680	525	667
% Chng.	*7.0*	*2.0*		
EBITDA (Rs. bn)	133	174	126	161
% Chng.	*5.1*	*7.6*		
EPS (Rs.)	73.5	96.6	68.1	88.6
% Chng.	*7.8*	*9.1*		

Key Financials - Consolidated

Y/e Mar	FY23	FY24	FY25E	FY26E
Sales (Rs. bn)	527	500	562	680
EBITDA (Rs. bn)	99	102	133	174
Margin (%)	*18.8*	*20.4*	*23.6*	*25.5*
PAT (Rs. bn)	45	59	74	97
EPS (Rs.)	45.0	59.2	73.5	96.6
Gr. (%)	*(47.5)*	*31.7*	*24.0*	*31.5*
DPS (Rs.)	2.0	2.0	2.0	3.0
Yield (%)	*0.2*	*0.2*	*0.2*	*0.3*
RoE (%)	*12.2*	*14.3*	*15.4*	*17.2*
RoCE (%)	*14.7*	*13.5*	*17.2*	*21.3*
EV/Sales (x)	1.9	2.1	1.8	1.5
EV/EBITDA (x)	10.2	10.3	7.7	5.7
PE (x)	20.9	15.9	12.8	9.7
P/BV (x)	2.4	2.1	1.8	1.5

Key Data	JNSP.BO | JSP IN
52-W High / Low	Rs.960 / Rs.503
Sensex / Nifty	72,776 / 22,104
Market Cap	Rs.958bn/ $ 11,471m
Shares Outstanding	1,020m
3M Avg. Daily Value	Rs.2075.58m

Shareholding Pattern (%)

Promoter's	62.93
Foreign	11.93
Domestic Institution	14.73
Public & Others	10.41
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	4.7	47.5	63.6
Relative	6.8	31.6	39.4

Tushar Chaudhari
tusharchaudhari@plindia.com | 91-22-663222391

Jindal Steel & Power (JSP IN)

Rating: ACCUMULATE | CMP: Rs939 | TP: Rs987

Near term hiccups in volume growth

Quick Pointers:

- 6mtpa pellet plant is ramping up well; HSM ramp up dependent on external feedstock in near term till the commissioning of BF-II.
- Ramped up Utkal C to 0.9mt in 4Q; applied for increasing EC at GP-IV/6 & Utkal to 5mtpa; awaiting few final clearances on rest two coal mines.

Jindal Steel & Power (JSP) reported largely in-line cons. operating performance in 4Q, despite weak NSR (-5% QoQ) in standalone business which got offset by higher volumes (11% QoQ) aided by export volumes. Average 1Q coking coal cost expected to decline by ~USD30-40/t QoQ while ramping up of pellet plant to drive margins. Although near term volume growth depends upon timely commissioning of BF-II, we expect delays of few months due to external events. RINL JV was expected to supply feedstock for HSM to improve product mix in 1H; however ongoing crisis led by worker's strike at Gangavaram port is causing delays. JSP is well poised to take dual benefit of volume growth and improvement in product mix in the long term. Incremental volumes from pellet plant, conversion of semis at HSM and cost savings from captive coal mines would contribute to EBITDA margins by FY26E. We increase FY25/26E EBITDA by 5%/8% respectively to incorporate rising long product prices and expect Revenue/EBITDA/PAT CAGR of 17%/30%/28% over FY24-26E. At CMP, the stock is trading at 7.7x/5.7x EV of FY25E/FY26E EBITDA which appear full. We downgrade the stock to 'Accumulate' from 'BUY' earlier with revised TP of Rs987 (earlier Rs980) valuing at 6x EV of Mar'26E EBITDA and await better entry point.

- **Strong volumes aided by HSM and exports**: Standalone revenue grew 20% QoQ to Rs 138bn (+3% YoY) led by strong 11% QoQ volume growth to 2.01mt (-1% YoY; PLe 1.9mt). Realizations declined 5% QoQ to Rs60,443 (PLe Rs60.2k) as long product prices corrected in the quarter. Production grew 6% QoQ to 2.05mt on account of HSM contribution. Consolidated revenue stood at Rs135bn (-1% YoY/ +15% QoQ).
- **Weak NSR affected Margins:** Standalone EBITDA declined 7% QoQ to Rs 25.2bn (+18% YoY; better than PLe Rs23.8bn). EBITDA/t declined 17% QoQ to Rs 12,608 (+19% YoY; PLe: Rs12,536) on account of weak NSR. Consolidated EBITDA stood at Rs 24.4bn (+12% YoY/ -14% QoQ; PLe 25bn).
- **Concall highlights**: **(1)** Realization is expected to increase by ~1% in 1QFY25 **(2)** Company took price hikes of ~Rs 1,000/t since Mar'24 exit and expect some more increase. **(3)** Export volumes contribution stood at ~11% in 4Q vs 3% in 3QFY24. **(4)** HSM volumes is expected to be 3-3.5mt and 6mt for FY25 and FY26 respectively. It is currently running at ~3mtpa. **(5)** Coking coal costs increased by USD 21/t in 4Q and is expected to decrease by USD 30-40/t in 1QFY25. **(6)** Output from Gare Palma IV/6 and Utkal C stood at 1mt and 0.9mt respectively for 4Q. EC capacity for both these mines is expected to be augmented to 5mtpa. **(7)** Utkal thermal coal mines (B1 and B2) are expected to commission in this year. **(8)** Tensa iron ore mine is running at full EC capacity of 3.11mt and Kasia is running at 6-7mt out of EC limit of 7.5mtpa. **(9)** Capex guidance stands at Rs75-100bn per year depending upon the EBITDA generation during the year. **(10)** An impairment was taken to the tune of Rs3.6bn at the Australian subsidiary. **(11)** Tax rate is expected to be ~25% on standalone basis and lower tax rate at Overseas. **(12)** Pellet plant utilization stood at 4,500+tpd in 4Q and ramped up to 8,300+tpd in April and ~9,000-10,000tpd in May'24.

Exhibit 1: Q4FY24 Result Overview

Y/e March (Rs bn)	4QFY24	4QFY23	YoY gr. (%)	3QFY24	QoQ gr. (%)	FY24	FY23	YoY gr. (%)
Net Sales	**134.9**	**136.9**	***(1.5)***	**117.0**	***15.3***	**500.3**	**527.1**	***(5.1)***
Raw Material	54.6	62.1	*(12.2)*	41.8	*30.5*	197.0	222.4	*(11.4)*
% of Net Sales	*40.4*	*45.4*		*35.7*		*39.4*	*42.2*	
Purchase of traded goods	8.1	6.0	*34.0*	4.0	*101.9*	23.2	24.5	*(5.5)*
% of Net Sales	*6.0*	*4.4*		*3.4*		*4.6*	*4.7*	
Staff Costs	3.6	2.9	*23.6*	3.3	*11.0*	12.9	11.3	*13.6*
% of Net Sales	*2.7*	*2.1*		*2.8*		*2.6*	*2.2*	
Other Expenses	44.2	44.0	*0.5*	39.5	*11.8*	165.2	169.4	*(2.5)*
% of Net Sales	*32.8*	*32.1*		*33.8*		*33.0*	*32.1*	
Total Expenditure	110.4	115.0	*(4.0)*	88.6	*24.7*	398.3	427.8	*(6.9)*
EBITDA	**24.4**	**21.9**	***11.8***	**28.4**	***(14.0)***	**102.0**	**99.3**	***2.7***
Margin (%)	*18.1*	*16.0*		*24.3*		*20.4*	*18.8*	
Depreciation	9.9	8.7	*14.0*	6.4	*56.5*	28.2	26.9	*4.9*
Other income	0.3	0.2	*118*	0.4	*(2.1)*	1.6	0.6	*174.4*
EBIT	**14.8**	**13.3**	***11.6***	**22.4**	***(33.8)***	**75.4**	**73.0**	***3.2***
Interest	3.2	3.7	*(13.6)*	3.2	*1.7*	12.9	14.5	*(10.5)*
PBT	**11.6**	**9.6**	***21.3***	**19.3**	***(39.6)***	**62.4**	**58.6**	***6.6***
Extraordinary income/(expense)	-	(1.5)		-		-	13.7	*(100.0)*
PBT (After EO)	**11.6**	**8.1**	***44.4***	**19.3**	***(39.6)***	**62.4**	**44.9**	***39.1***
Tax	2.3	3.4	*(32.3)*	(0.0)	*NA*	3.0	12.9	*(76.9)*
% PBT	*19.8*	*42.2*		*-0.1*		*4.8*	*28.8*	
Reported PAT	**9.3**	**4.7**	***100.4***	**19.3**	***(51.6)***	**59.4**	**31.9**	***86***
Minority interest	(0.0)	0.0	*NA*	(0.0)	*NA*	0.05	0.42	*(88.4)*
Share of profit/(losses) in Associates	0.0	(0.0)	*NA*	0.0	*NA*	(0.00)	(0.00)	*NA*
Net Profit attributable to shareholders	**9.4**	**4.6**	***102.2***	**19.3**	***(51.5)***	**59.4**	**31.5**	***88.5***
Adjusted PAT	**9.4**	**6.2**	***51.8***	**19.3**	***(51.5)***	**59.4**	**45.2**	***31.4***

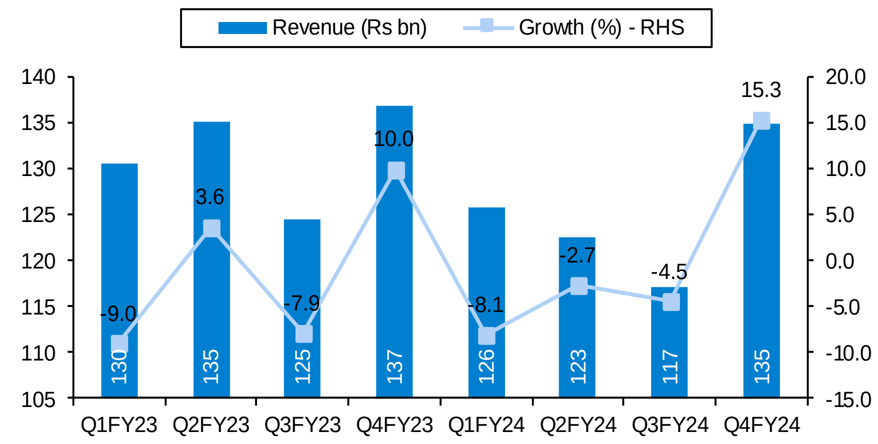
Source: Company, PL

Exhibit 2: Operating Metrics

Y/e March	4QFY24	4QFY23	YoY gr. (%)	3QFY24	QoQ gr. (%)	FY24	FY23	YoY gr. (%)
Volume (mt)	2.01	2.03	*(1.0)*	1.81	*11.0*	7.67	7.68	*(0.1)*
Realization/t (Rs)	60,443	65,972	*(8.4)*	63,624	*(5.0)*	64,774	66,641	*(2.8)*
EBITDA/t (Rs)	12,608	10,594	*19.0*	15,184	*(17.0)*	13,303	12,413	*7.2*

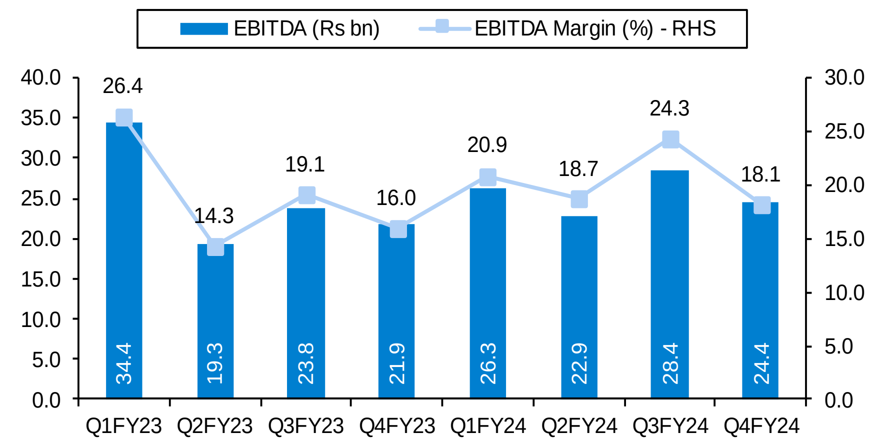
Source: Company, PL

Exhibit 3: Cons. revenue improved sequentially led by strong volume growth



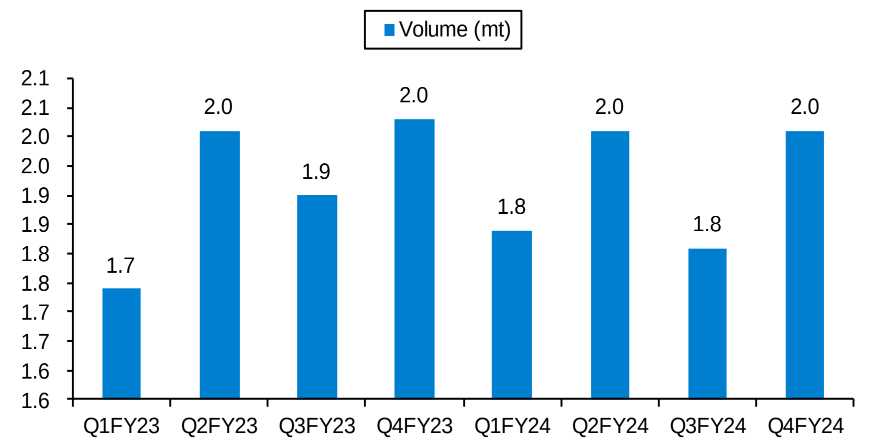
Source: Company, PL

Exhibit 4: Margins declined as NSR declined 5% QoQ



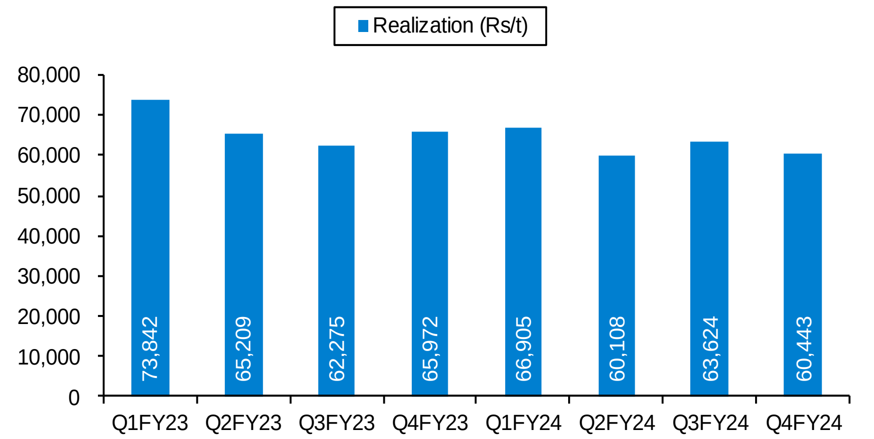
Source: Company, PL

Exhibit 5: Volumes grew strong 11% QoQ aided by HSM and exports



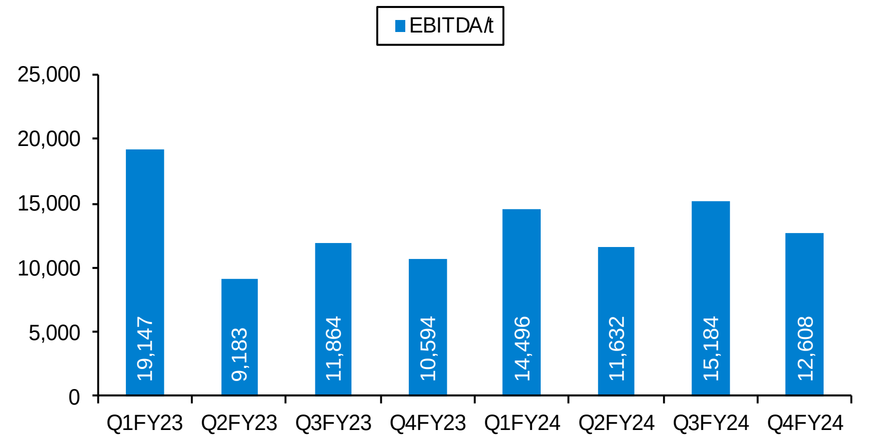
Source: Company, PL

Exhibit 6: Realization declined 5% QoQ as long product prices declined



Source: Company, PL

Exhibit 7: EBITDA/t decline on weak NSR and higher costs (Rs)



Source: Company, PL

Financials

Income Statement (Rs bn)

Y/e Mar	FY23	FY24	FY25E	FY26E
Net Revenues	**527**	**500**	**562**	**680**
YoY gr. (%)	*3.2*	*(5.1)*	*12.3*	*21.1*
Cost of Goods Sold	247	220	258	313
Gross Profit	280	280	304	368
Margin (%)	*53.1*	*56.0*	*54.1*	*54.1*
Employee Cost	11	13	12	13
Other Expenses	169	165	160	181
EBITDA	**99**	**102**	**133**	**174**
YoY gr. (%)	*(36.0)*	*2.7*	*29.9*	*31.0*
Margin (%)	*18.8*	*20.4*	*23.6*	*25.5*
Depreciation and Amortization	27	28	26	28
EBIT	**72**	**74**	**107**	**146**
Margin (%)	*13.7*	*14.8*	*19.0*	*21.4*
Net Interest	14	13	15	14
Other Income	1	2	1	2
Profit Before Tax	**45**	**62**	**93**	**133**
Margin (%)	*8.5*	*12.5*	*16.5*	*19.6*
Total Tax	13	3	19	36
Effective tax rate (%)	*28.8*	*4.8*	*20.4*	*27.1*
Profit after tax	**32**	**59**	**74**	**97**
Minority interest	0	0	0	0
Share Profit from Associate	-	-	-	-
Adjusted PAT	**45**	**59**	**74**	**97**
YoY gr. (%)	*(47.8)*	*31.4*	*24.0*	*31.5*
Margin (%)	*8.6*	*11.9*	*13.1*	*14.2*
Extra Ord. Income / (Exp)	(14)	-	-	-
Reported PAT	**32**	**59**	**74**	**97**
YoY gr. (%)	*(61.8)*	*88.5*	*24.0*	*31.5*
Margin (%)	*6.0*	*11.9*	*13.1*	*14.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	32	59	74	97
Equity Shares O/s (m)	**1**	**1**	**1**	**1**
EPS (Rs)	**45.0**	**59.2**	**73.5**	**96.6**

Source: Company Data, PL Research

Balance Sheet Abstract (Rs bn)

Y/e Mar	FY23	FY24	FY25E	FY26E
Non-Current Assets				
Gross Block	**682**	**759**	**819**	**909**
Tangibles	598	676	736	826
Intangibles	84	83	83	83
Acc: Dep / Amortization	**247**	**275**	**301**	**329**
Tangibles	190	218	244	272
Intangibles	57	57	57	57
Net fixed assets	**435**	**483**	**517**	**579**
Tangibles	408	458	492	554
Intangibles	27	25	25	25
Capital Work In Progress	79	96	116	126
Goodwill	1	1	1	1
Non-Current Investments	5	8	8	8
Net Deferred tax assets	(59)	(59)	(59)	(59)
Other Non-Current Assets	20	22	22	22
Current Assets				
Investments	8	7	7	7
Inventories	59	71	69	75
Trade receivables	10	17	19	23
Cash & Bank Balance	47	40	50	66
Other Current Assets	25	41	41	41
Total Assets	**694**	**787**	**851**	**949**
Equity				
Equity Share Capital	1	1	1	1
Other Equity	386	442	514	608
Total Networth	**387**	**443**	**515**	**609**
Non-Current Liabilities				
Long Term borrowings	72	101	81	61
Provisions	3	4	4	4
Other non current liabilities	14	15	15	15
Current Liabilities				
ST Debt / Current of LT Debt	52	58	58	58
Trade payables	47	47	53	64
Other current liabilities	55	55	61	74
Total Equity & Liabilities	**694**	**787**	**851**	**949**

Source: Company Data, PL Research

Cash Flow (Rs bn)

Y/e Mar	FY23	FY24	FY25E	FY26E
PBT	45	62	93	133
Add. Depreciation	27	28	26	28
Add. Interest	14	13	15	14
Less Financial Other Income	1	2	1	2
Add. Other	8	0	-	-
Op. profit before WC changes	95	103	134	175
Net Changes-WC	6	(37)	12	15
Direct tax	(27)	(7)	(19)	(36)
Net cash from Op. activities	**73**	**60**	**127**	**154**
Capital expenditures	(34)	(83)	(80)	(100)
Interest / Dividend Income	1	2	-	-
Others	(8)	(3)	-	-
Net Cash from Invt. activities	**(41)**	**(83)**	**(80)**	**(100)**
Issue of share cap. / premium	-	-	-	-
Debt changes	(5)	35	(20)	(20)
Dividend paid	(2)	(2)	(2)	(3)
Interest paid	(15)	(16)	(15)	(14)
Others	(3)	(3)	-	-
Net cash from Fin. activities	**(25)**	**14**	**(37)**	**(37)**
Net change in cash	**8**	**(10)**	**10**	**17**
Free Cash Flow	9	(25)	47	54

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY23	FY24	FY25E	FY26E
Per Share(Rs)				
EPS	45.0	59.2	73.5	96.6
CEPS	71.8	87.4	99.4	124.5
BVPS	385.1	442.1	513.6	607.2
FCF	8.9	(25.0)	46.8	53.8
DPS	2.0	2.0	2.0	3.0
Return Ratio(%)				
RoCE	14.7	13.5	17.2	21.3
ROIC	11.6	13.8	14.8	17.2
RoE	12.2	14.3	15.4	17.2
Balance Sheet				
Net Debt : Equity (x)	0.2	0.3	0.2	0.1
Net Working Capital (Days)	15	30	23	18
Valuation(x)				
PER	20.9	15.9	12.8	9.7
P/B	2.4	2.1	1.8	1.5
P/CEPS	13.1	10.7	9.5	7.5
EV/EBITDA	10.2	10.3	7.7	5.7
EV/Sales	1.9	2.1	1.8	1.5
Dividend Yield (%)	0.2	0.2	0.2	0.3

Source: Company Data, PL Research

Quarterly Financials (Rs bn)

Y/e Mar	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Net Revenue	**126**	**123**	**117**	**135**
YoY gr. (%)	*(3.5)*	*(9.4)*	*(6.0)*	*(1.5)*
Raw Material Expenses	54	58	46	63
Gross Profit	72	64	71	72
Margin (%)	*57.3*	*52.6*	*60.9*	*53.6*
EBITDA	**26**	**23**	**28**	**24**
YoY gr. (%)	*(23.6)*	*18.3*	*19.6*	*11.8*
Margin (%)	*20.9*	*18.7*	*24.3*	*18.1*
Depreciation / Depletion	6	6	6	10
EBIT	**20**	**17**	**22**	**14**
Margin (%)	*16.2*	*13.7*	*18.9*	*10.7*
Net Interest	3	3	3	3
Other Income	1	-	-	-
Profit before Tax	**18**	**14**	**19**	**12**
Margin (%)	*14.0*	*11.3*	*16.5*	*8.6*
Total Tax	1	-	-	2
Effective tax rate (%)	*4.2*	*(0.4)*	*(0.1)*	*19.8*
Profit after Tax	**17**	**14**	**19**	**9**
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	**17**	**14**	**19**	**9**
YoY gr. (%)	*(14.4)*	*594.9*	*271.8*	*100.9*
Margin (%)	*13.4*	*11.3*	*16.5*	*6.9*
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	**17**	**14**	**19**	**9**
YoY gr. (%)	*(14.4)*	*594.9*	*271.8*	*100.9*
Margin (%)	*13.4*	*11.3*	*16.5*	*6.9*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**17**	**14**	**19**	**9**
Avg. Shares O/s (m)	1	1	1	1
EPS (Rs)	**16.8**	**13.8**	**19.2**	**9.3**

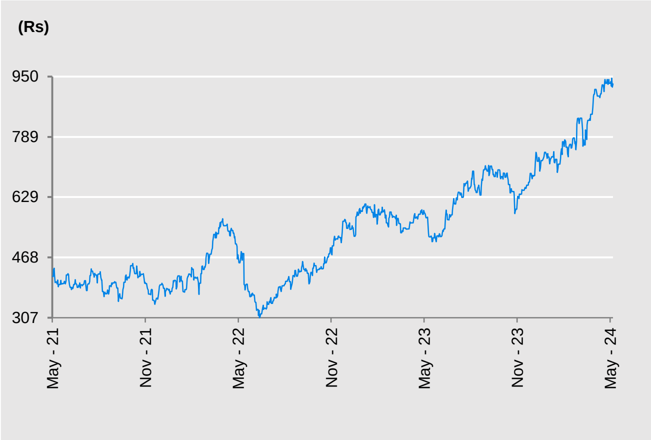
Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY23	FY24	FY25E	FY26E
Steel sales volumes (mt)	8	8	9	10
EBITDA/t (Rs)	12,477	13,413	15,622	17,056
Reaslisation/t (Rs)	66,641	64,774	62,642	64,563

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	12-Apr-24	BUY	980	898
2	01-Feb-24	BUY	842	755
3	05-Jan-24	BUY	826	745
4	31-Oct-23	BUY	751	634
5	07-Oct-23	BUY	812	683
6	28-Aug-23	BUY	812	634

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ACC	BUY	3,509	2,580
2	Ambuja Cement	Accumulate	683	622
3	Dalmia Bharat	Accumulate	2,077	1,806
4	Hindalco Industries	BUY	658	603
5	Jindal Stainless	Hold	705	698
6	Jindal Steel & Power	BUY	980	898
7	JSW Steel	BUY	1,017	884
8	National Aluminium Co.	Sell	141	183
9	NMDC	Accumulate	253	241
10	Nuvoco Vistas Corporation	Accumulate	384	335
11	Shree Cement	BUY	28,966	25,949
12	Steel Authority of India	Reduce	138	153
13	Tata Steel	Accumulate	170	165
14	Ultratech Cement	BUY	11,608	9,964

PL's Recommendation Nomenclature (Absolute Performance)

Buy	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Tushar Chaudhari- MMS-Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as “PL”) is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not 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.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might 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

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Tushar Chaudhari- MMS-Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (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 subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.
3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209
www.plindia.com

Amnish Aggarwal

Digitally signed by Amnish Aggarwal
DN: c=IN, st=Maharashtra,
2.5.4.20=21151ea12dd366d1ac370cb42343ee44b6e851c37bdbac5f86aa4ff3e6948487,
postalCode=400018, street=570,SADHNA HOUSE,PB
MARG,WORLI,Mumbai,Maharashtra-400018,
pseudonym=5359cd84fad1bdb19c658b8fa14b58ef,
serialNumber=7a6f13691881d5a8af6353865a61b48b7040e72f4a1bf53182e368b3ca14a5
e4, ou=NA, o=PRABHUDAS LILLADHER PRIVATE LIMITED, cn=Amnish Aggarwal
Date: 2024.05.14 07:31:00 +05'30'