

May 27, 2024

Q4FY24 Result Update

☑ Change in Estimates | ☑ Target | ☑ Reco

Change in Estimates

	Cu	rrent	Pre	vious
	FY25E	FY26E	FY25E	FY26E
Rating	ACCU	MULATE	RE	DUCE
Target Price	4	,350	3	,150
Sales (Rs. m)	91,086	1,04,749	87,826	1,01,000
% Chng.	3.7	3.7		
EBITDA (Rs. m)	28,931	35,149	26,608	32,789
% Chng.	8.7	7.2		
EPS (Rs.)	79.6	96.5	72.2	87.0
% Chng.	10.1	11.0		

Key Financials - Consolidated

Y/e Mar	FY23	FY24	FY25E	FY26E
Sales (Rs. m)	77,675	78,450	91,086	1,04,749
EBITDA (Rs. m)	23,678	22,050	28,931	35,149
Margin (%)	30.5	28.1	31.8	33.6
PAT (Rs. m)	18,234	16,000	21,082	25,582
EPS (Rs.)	68.7	60.4	79.6	96.5
Gr. (%)	(37.6)	(12.1)	31.8	21.3
DPS (Rs.)	30.0	30.1	32.1	33.1
Yield (%)	0.7	0.7	0.8	0.8
RoE (%)	14.9	12.1	14.8	16.3
RoCE (%)	16.5	13.9	17.5	19.4
EV/Sales (x)	13.5	13.4	11.5	10.0
EV/EBITDA (x)	44.4	47.7	36.3	29.8
PE (x)	60.0	68.3	51.8	42.7
P/BV (x)	8.6	8.0	7.4	6.6

Key Data	DIVI.BO DIVI IN
52-W High / Low	Rs.4,175 / Rs.3,295
Sensex / Nifty	75,410 / 22,957
Market Cap	Rs.1,094bn/\$13,170m
Shares Outstanding	265m
3M Avg. Daily Value	Rs.1911.61m

Shareholding Pattern (%)

Promoter's	51.92
Foreign	14.68
Domestic Institution	22.10
Public & Others	11.30
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	8.1	9.5	21.9
Relative	5.9	(4.2)	(0.2)

Param Desai

paramdesai@plindia.com | 91-22-66322259

Kushal Shah

kushalshah@plinida.com | 91-22-66322490

Divi's Laboratories (DIVI IN)

Rating: ACCUMULATE | CMP: Rs4,122 | TP: Rs4,350

Strong beat aided by higher CS revenues

Quick Pointers:

- Guided double digit revenue growth; commercialization of Kakinada plant in Q3FY25
- Additional capex of Rs 7bn; commercialization of facility by Jan 2027.

Our FY25E/FY26E EPS estimates stands increased by ~10%. Divi's Laboratories (DIVI) Q4FY24 EBITDA was 18% above our estimate led by higher custom synthesis (CS) revenues (up 47% YoY) and better operating leverage. GMs have largely stabilized over last few quarters and likely to improve led by better product mix and stable raw material prices. Mgmt. suggested that moderation of raw material prices, increasing RFP and commencement of some CDMO and contrast media contracts, will continue to aid revenues and margins. We expect 26% EBITDA CAGR and 27% PAT CAGR over FY24-26E. At CMP, stock is trading at 43x FY26E EPS. Upgrade stock from 'Reduce' to 'Accumulate' rating with revised TP of Rs4,350/share, valuing at 45x (35x earlier) FY26E EPS.

- Higher CS revenues aided growth: DIVI's Q4FY24 revenues came in at Rs23bn (up 18% YoY); vs our estimates of Rs21bn. Generic revenues came at Rs9.4bn; down 7.8% YoY while custom synthesis (CS) delivered strong growth; up 47% YoY. During Q4FY24 overall exports stood at 89%. Exports to EU and US in FY24 stood at 70% of revenue. Product mix for generics and custom synthesis in Q4FY24 were at 49% and 51% of revenue. Nutraceutical business for the quarter was at Rs1.9bn, up 25% YoY.
- Better operating leverage drive EBITDA: GM came in at 60.8%; flat QoQ. Employee expenses grew by 15% YoY, while other expenses were flat YoY. Resultant EBITDA came in at Rs 7.3bn (up 48% YoY and 49% QoQ) vs our estimate of Rs6.2bn. OPM came in at 31.8%, up 550bps QoQ; above our estimate of 29.7%. There was a forex loss of Rs 20mn during the quarter. PAT came in higher at Rs5.4bn; 18% above our estimate.
- Key concall takeaways: Generic Business: Stable market share in major products with increased volumes have been offset by pricing pressure. This may continue and difficult to predict when it will stabilize. Company has filed 7 new products and there will be 1-2 launches in FY25 Custom Synthesis: Continued project inquiries, securing long-term supply agreements with MNCs driving revenues. Recently Divis has entered into long term supply agreement with large MNC customer with likely capex to tune of Rs6.5-7bn. The commercial operations will start from Jan 2027. Given it requires unique technology and specific product, gestation period is more. Kakinada Unit: Invested Rs 7bn in Phase 1; commercialization of phase 1 is expected to begin in Q3FY25, pending regulatory approval. Collaborating with innovators on gadolinium-based products and peptides, various stages of development. API: Customer inventory reduced, expecting higher demand. Net cash stands at Rs40bn and CWIP of Rs8bn as of FY24 end. Net working capital increased in FY24 aided by higher debtors. Guided for double-digit revenue growth in medium term. Freight costs and transit time increased due to Red Sea crisis.

May 27, 2024



Exhibit 1: 4QFY24 Result Overview (Rs m): Higher revenues, better operating leverage drive EBITDA

Y/e March	4QFY24	4QFY23	YoY gr. (%)	3QFY24	QoQ gr. (%)	FY24	FY23	YoY gr. (%)
Net Sales	23,030	19,508	18.1	18,550	24.2	78,450	77,675	1.0
Raw Material	9,020	8,276	9.0	7,290	23.7	31,290	30,537	2.5
% of Net Sales	39.2	42.4		39.3		39.9	39.3	
Personnel Cost	2,970	2,576	15.3	2,680	10.8	10,940	9,750	12.2
% of Net Sales	12.9	13.2		14.4		13.9	12.6	
Others	3,730	3,738	(0.2)	3,690	1.1	14,190	13,710	3.5
% of Net Sales	16.2	19.2		19.9		18.1	17.6	
Total Expenditure	15,720	14,590	7.7	13,660	15.1	56,420	53,997	4.5
EBITDA	7,310	4,918	48.6	4,890	49.5	22,030	23,678	(7.0)
Margin (%)	31.7	25.2		26.4		28.1	30.5	
Depreciation	950	870	9.2	950	-	3,780	3,432	10.1
EBIT	6,360	4,048	57.1	3,940	61.4	18,250	20,246	(9.9)
Other Income	790	619	27.5	950	(16.8)	3,090	2,150	43.7
Forex gain / (loss)	-	(42)		180		320	1,297	
Interest	20	2	733.3	-	NA	30	7	347.8
PBT	7,130	4,665	52.8	4,890	45.8	21,630	23,686	(8.7)
Extra-Ord. Inc./Exps.	-	-		-		-	-	
Total Taxes	1,750	1,455	20.3	1,310	33.6	5,630	5,453	3.3
ETR (%)	24.5	31.2		26.8		26.0	23.0	
Reported PAT	5,380	3,210	67.6	3,580	50.3	16,000	18,234	(12.3)

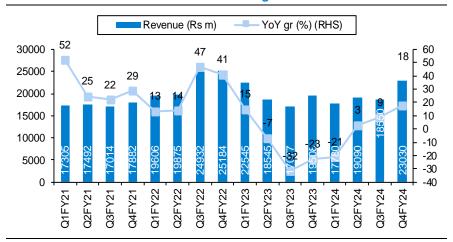
Source: Company, PL

Exhibit 2: Segmental mix (Rs mn): Growth momentum continues

Y/e March	4QFY24	4QFY23	YoY gr. (%)	3QFY24	QoQ gr. (%)	FY24	FY23	YoY gr. (%)
Generics	9,405	10,205	(7.8)	8,497	10.7	36,194	36,528	(0.9)
% of Net Sales	40.8	51.8		45.8		46.1	46.9	
CCS	11745	7998	46.9	8533	37.6	35,026	34,752	0.8
% of Net Sales	51.0	40.6		46.0		44.6	44.6	
Cartenoids	1880	1500	25.3	1520	23.7	7,230	6,590	9.7
% of Net Sales	8.2	7.6		8.2		9.2	8.5	
Total Sales	23,030	19,703	16.9	18,550	24.2	78,450	77,870	0.7

Source: Company, PL

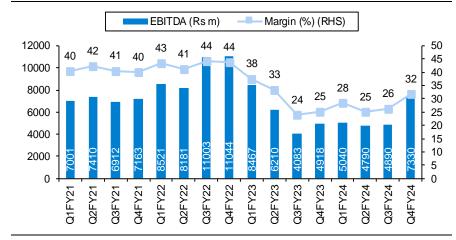
Exhibit 3: Increased contribution from CS segment



Source: Company, PL

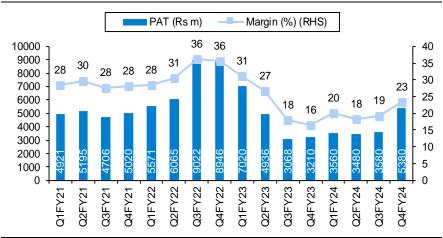


Exhibit 4: Lower opex supported margins



Source: Company, PL

Exhibit 5: Higher operational performance aided profitability YoY



Source: Company, PL



Financials

Income Statement	(Rs m)
------------------	--------

Y/e Mar	FY23	FY24	FY25E	FY26E
Net Revenues	77,675	78,450	91,086	1,04,749
YoY gr. (%)	(13.3)	1.0	16.1	15.0
Cost of Goods Sold	30,537	31,290	35,068	39,805
Gross Profit	47,138	47,160	56,018	64,944
Margin (%)	60.7	60.1	61.5	62.0
Employee Cost	9,750	10,940	11,925	13,117
Other Expenses	13,710	14,170	15,162	16,678
EBITDA	23,678	22,050	28,931	35,149
YoY gr. (%)	(39.0)	(6.9)	31.2	21.5
Margin (%)	30.5	28.1	31.8	33.6
Depreciation and Amortization	3,432	3,780	4,112	4,730
EBIT	20,246	18,270	24,819	30,419
Margin (%)	26.1	23.3	27.2	29.0
Net Interest	7	30	10	10
Other Income	3,447	3,390	3,300	3,700
Profit Before Tax	23,686	21,630	28,109	34,109
Margin (%)	30.5	27.6	30.9	32.6
Total Tax	5,453	5,630	7,027	8,527
Effective tax rate (%)	23.0	26.0	25.0	25.0
Profit after tax	18,234	16,000	21,082	25,582
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	18,234	16,000	21,082	25,582
YoY gr. (%)	(37.6)	(12.3)	31.8	21.3
Margin (%)	23.5	20.4	23.1	24.4
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	18,234	16,000	21,082	25,582
YoY gr. (%)	(37.6)	(12.3)	31.8	21.3
Margin (%)	23.5	20.4	23.1	24.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	18,234	16,000	21,082	25,582
Equity Shares O/s (m)	265	265	265	265
EPS (Rs)	68.7	60.4	79.6	96.5

Source: Company Data, PL Research

Balance Sheet Abstract (Rs	s m)			
Y/e Mar	FY23	FY24	FY25E	FY26E
Non-Current Assets				
Gross Block	63,642	67,586	77,586	87,586
Tangibles	63,378	67,306	77,264	87,223
Intangibles	264	281	322	364
Acc: Dep / Amortization	16,416	20,196	24,308	29,038
Tangibles	16,175	19,899	23,951	28,611
Intangibles	242	297	358	427
Net fixed assets	47,226	47,390	53,278	58,548
Tangibles	47,203	47,407	53,314	58,612
Intangibles	23	(17)	(36)	(64)
Capital Work In Progress	2,119	7,780	7,780	7,780
Goodwill	-	-	-	-
Non-Current Investments	771	820	820	820
Net Deferred tax assets	(5,230)	(5,720)	(5,720)	(5,720)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	30,004	31,840	35,422	40,736
Trade receivables	17,925	21,560	23,278	26,769
Cash & Bank Balance	42,131	39,800	41,309	45,308
Other Current Assets	-	-	-	-
Total Assets	1,44,245	1,54,600	1,67,297	1,85,371
Equity				
Equity Share Capital	531	530	530	530
Other Equity	1,27,140	1,35,180	1,47,767	1,64,589
Total Networth	1,27,671	1,35,710	1,48,297	1,65,119
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	7,625	8,240	8,350	9,602
Other current liabilities	3,720	4,930	4,930	4,930
Total Equity & Liabilities	1,44,245	1,54,600	1,67,297	1,85,371

Source: Company Data, PL Research

May 27, 2024

8.0

55.2

47.7

13.4

0.7

8.6

50.5

44.4

13.5

0.7

7.4

43.4

36.3

11.5

8.0

6.6

36.0

29.8

10.0

8.0



Cash Flow (Rs m)				
Y/e Mar	FY23	FY24	FY25E	FY26E
PBT	20,253	18,300	24,829	30,429
Add. Depreciation	3,432	3,780	4,112	4,730
Add. Interest	(7)	(30)	(10)	(10)
Less Financial Other Income	3,447	3,390	3,300	3,700
Add. Other	1,957	390	-	-
Op. profit before WC changes	25,635	22,440	28,931	35,149
Net Changes-WC	3,689	(6,070)	(5,190)	(7,553)
Direct tax	(4,727)	(3,760)	(7,027)	(8,527)
Net cash from Op. activities	24,597	12,610	16,714	19,069
Capital expenditures	(4,730)	(10,030)	(10,000)	(10,000)
Interest / Dividend Income	-	-	-	-
Others	-	-	-	-
Net Cash from Invt. activities	(4,730)	(10,030)	(10,000)	(10,000)
Issue of share cap. / premium	-	-	-	-
Debt changes	-	-	-	-
Dividend paid	(7,964)	(7,964)	(8,495)	(8,760)
Interest paid	-	-	-	-
Others	2,039	3,053	3,290	3,690
Net cash from Fin. activities	(5,925)	(4,911)	(5,205)	(5,070)
Net change in cash	13,942	(2,331)	1,509	3,999
Free Cash Flow	19,867	2,580	6,714	9,069

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Net Revenue	17,780	19,090	18,550	23,030
YoY gr. (%)	(21.1)	2.9	8.6	18.1
Raw Material Expenses	6,880	8,100	7,290	9,020
Gross Profit	10,900	10,990	11,260	14,010
Margin (%)	61.3	57.6	60.7	60.8
EBITDA	5,040	4,790	4,890	7,330
YoY gr. (%)	(40.5)	(22.9)	19.8	49.0
Margin (%)	28.3	25.1	26.4	31.8
Depreciation / Depletion	930	950	950	950
EBIT	4,110	3,840	3,940	6,380
Margin (%)	23.1	20.1	21.2	27.7
Net Interest	-	10	-	20
Other Income	810	860	950	770
Profit before Tax	4,920	4,690	4,890	7,130
Margin (%)	27.7	24.6	26.4	31.0
Total Tax	1,360	1,210	1,310	1,750
Effective tax rate (%)	27.6	25.8	26.8	24.5
Profit after Tax	3,560	3,480	3,580	5,380
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	3,560	3,480	3,580	5,380
YoY gr. (%)	(49.3)	(29.5)	16.7	67.6
Margin (%)	20.0	18.2	19.3	23.4
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	3,560	3,480	3,580	5,380
YoY gr. (%)	(49.3)	(29.5)	16.7	67.6
Margin (%)	20.0	18.2	19.3	23.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,560	3,480	3,580	5,380
Avg. Shares O/s (m)	265	265	265	265
EPS (Rs)	13.4	13.1	13.5	20.3

Source: Company Data, PL Research

Y/e Mar	FY23	FY24	FY25E	FY26E
Per Share(Rs)				
EPS	68.7	60.4	79.6	96.5
CEPS	81.6	74.6	95.1	114.4
BVPS	481.0	512.1	559.6	623.1
FCF	74.8	9.7	25.3	34.2
DPS	30.0	30.1	32.1	33.1
Return Ratio(%)				
RoCE	16.5	13.9	17.5	19.4
ROIC	19.8	15.9	19.7	21.7
RoE	14.9	12.1	14.8	16.3
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.3)	(0.3)	(0.3)
Net Working Capital (Days)	189	210	202	202
Valuation(x)				
PER	60.0	68.3	51.8	42.7

Source: Company Data, PL Research

Key Operating Metrics

P/B

P/CEPS

EV/EBITDA

Dividend Yield (%)

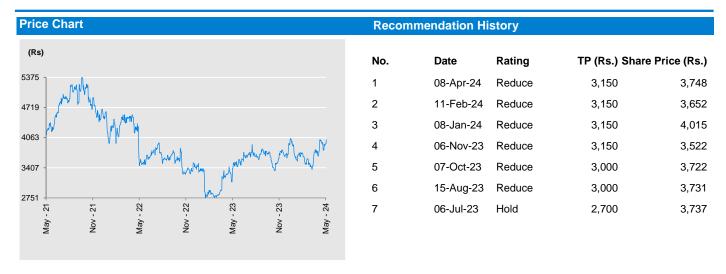
EV/Sales

Key Financial Metrics

Y/e Mar	FY23	FY24	FY25E	FY26E
Generic API	36,333	36,194	42,347	48,699
Custom Synthesis	34,752	35,026	40,280	46,322
Cartenoids	6,590	7,230	8,459	9,728

Source: Company Data, PL Research





Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Apollo Hospitals Enterprise	BUY	7,050	6,259
2	Aster DM Healthcare	BUY	515	457
3	Aurobindo Pharma	Accumulate	1,120	1,124
4	Cipla	Accumulate	1,405	1,340
5	Divi's Laboratories	Reduce	3,150	3,748
6	Dr. Reddy's Laboratories	Reduce	5,700	6,258
7	Eris Lifesciences	BUY	1,100	908
8	Fortis Healthcare	BUY	480	437
9	Glenmark Pharmaceuticals	Reduce	570	1,017
10	HealthCare Global Enterprises	BUY	420	368
11	Indoco Remedies	Accumulate	335	320
12	Ipca Laboratories	Hold	1,060	1,315
13	J.B. Chemicals & Pharmaceuticals	BUY	1,920	1,774
14	Jupiter Life Line Hospitals	BUY	1,360	1,275
15	Krishna Institute of Medical Sciences	BUY	2,100	1,950
16	Lupin	Hold	1,675	1,611
17	Max Healthcare Institute	BUY	925	803
18	Narayana Hrudayalaya	BUY	1,435	1,286
19	Sun Pharmaceutical Industries	BUY	1,710	1,539
20	Sunteck Realty	BUY	565	452
21	Torrent Pharmaceuticals	BUY	2,700	2,577

PL's Recommendation Nomenclature (Absolute Performance)

 Buy
 : > 15%

 Accumulate
 : 5% to 15%

 Hold
 : +5% to -5%

 Reduce
 : -5% to -15%

 Sell
 : < -15%</td>

Not Rated (NR) : No specific call on the stock
Under Review (UR) : Rating likely to change shortly



ANALYST CERTIFICATION

(Indian Clients)

We/l, Mr. Param Desai- MBA Finance, Mr. Kushal Shah- CFP, Passed CFA Level I 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. Param Desai- MBA Finance, Mr. Kushal Shah- CFP, Passed CFA Level I 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

May 27, 2024