

NMDC LIMITED

Q4 margins impacted due to one-offs; Massive capex to fuel earnings growth ahead

LKP
Since 1948

Trust • Invest • Grow

NMDC Ltd reported highest ever Iron ore production and sales number during FY24, in Q4FY24. Revenues grew 11% YoY to ₹64bn in Q4FY24, was in-line with our estimates (QoQ up 20%) led by better realizations during the quarter. Blended ASP stood at ₹5,191/t, up 10% YoY and ₹442/t higher than our estimate of ₹4,749/t. Iron ore production came in at 13.3mt down 6% YoY and up 8% QoQ, while sales stood at 12.5mt +1% YoY and +10% QoQ. Volumes in Kumaraswamy mines were impacted as the mine was shut since mid-Feb due to EC limit and recent conflict with employees on wage revision impacted ~1mt volume in May 2024. NMDC's EBITDA came in at ₹21bn (-3% YoY & 5% up QoQ), 5% below our estimate of ₹22 bn. EBITDA margins came in at 32% (457bps down YoY) vs 37% in the year-ago quarter the miss was largely due to higher operating cost (57% up YoY), higher royalty expenses (17% up YoY) and higher other expenses (11% up YoY). Blended EBITDA/t stood at ₹1,681/t (-4% YoY), Adjusted Profit after Tax (APAT) was down 10% YoY at ₹14.1b (below our estimate of ₹18.2bn), APAT was hit due to higher depreciation (+19% YoY) and tax expenses (+86% QoQ) during the quarter. APAT margin came in at 22% in Q4FY24 vs 27% in the year-ago quarter dropping 510 bps YoY & 919 bps on a QoQ basis.

In FY24 NMDC's production volume stood at 45.1mt (+10% YoY), and sales volume was 44.5mt (+16% YoY). Revenue came in at ₹213 bn (+21% YoY), EBITDA was ₹73 bn (+21% YoY), and APAT stood at ₹56 bn (+18% YoY). EBITDA/t stood at ₹1,640 (+4% YoY) in FY24. The Board declared a final dividend of ₹1.5/share (along with an interim dividend of ₹5.75/share) during FY24.

The benefits of the price increases implemented in Q1FY25 are expected to support future growth as domestic demand remains robust. Management has detailed a long-term capital expenditure program amounting to ₹500bn, aimed at increasing mining capacities to approximately 100mt by FY31E. This program includes investments in evacuation infrastructure and enhancements to the distribution network. Board approvals for approximately ₹50bn in capital expenditure have been obtained, with peak annual capital expenditure of ₹80-90bn projected to commence in FY27E.

Key Financials	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25E	FY 26E
Total Income (₹ mn)	116,992	153,701	259,648	176,669	213,079	243,960	266,484
EBITDA (₹ mn)	60,019	87,893	126,245	60,525	72,928	90,265	104,357
EBITDA margins	51.3%	57.2%	48.6%	34.3%	34.2%	37.0%	39.2%
Reported PAT (₹ mn)	36,284	62,777	94,276	56,025	55,650	74,228	84,707
Reported PAT margins	31.0%	40.8%	36.3%	31.7%	26.1%	30.4%	31.8%
Adj PAT (₹ mn)	35,038	62,481	94,393	42,993	58,518	74,228	84,707
Adj PAT margins	29.9%	40.7%	36.4%	24.3%	27.5%	30.4%	31.8%
Reported EPS (₹)	11.9	21.4	32.2	19.1	19.0	25.3	28.9
Adj EPS (₹)	11.4	21.3	32.2	14.7	20.0	25.3	28.9
P/E (x)	6.8	6.3	5.0	5.8	13.1	9.8	8.6
P/BV (x)	0.9	1.3	2.6	1.4	2.8	2.2	1.8
EV/EBITDA (x)	3.8	4.1	3.3	4.3	8.8	6.8	5.3
Adj ROE	12.7%	20.9%	52.3%	19.0%	22.8%	27.4%	27.6%
Adj ROCE	20.0%	27.3%	64.0%	23.8%	25.5%	28.4%	29.3%

*Adj PAT & margin refers excluding exceptional items

Rating	BUY
Current Market Price (₹)	249
12 M Price Target (₹)	301
Potential upside (%)	21

Stock Data

Sector :	Industrial Minerals
FV (₹) :	1
Total Market Cap (₹ bn) :	734
Free Float Market Cap (₹ bn) :	286
52-Week High / Low (₹)	286 / 104
Sensex / Nifty	73,886 / 22,489
BSE Code / NSE Symbol	526371 / NMDC
Bloomberg :	NMDC IN

Shareholding Pattern

(%)	Mar-24	Dec-23	Sep-23	Jun-23
GOI	60.79	60.79	60.79	60.79
FPIs	12.60	9.91	8.32	6.98
Insurance	7.59	8.11	8.65	10.18
MFs	6.26	8.74	8.19	6.70
Others	12.76	12.45	14.05	15.35

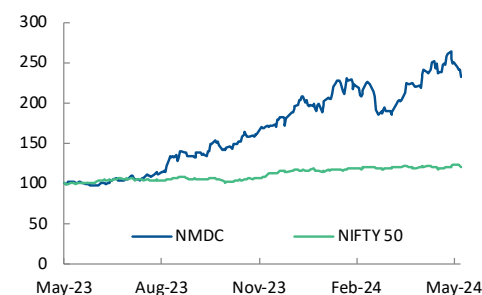
Source: BSE

Price Performance

(%)	1M	3M	6M	12M
NMDC	-1.9%	10.4%	37.4%	132.7%
Nifty 50	-0.5%	2.3%	11.7%	20.7%

* To date / current date : May 30, 2024

NMDC vs Nifty 50



NMDC is well-positioned to leverage strong volume growth in the domestic steel markets over the coming year, with the mining business anticipated to achieve a compound annual growth rate of approximately 9% from FY24 to FY26E.

Key Highlights from the management commentary

- **Guidance:** NMDC reaffirms its target of 50 mt, supported by newly sanctioned Environmental Clearance (EC) limits. As per the management, domestic steel demand is expected to remain robust over the next decade.
- **FY25/26 Production Target:** Management anticipates producing ~50 mt of iron ore by FY25 and ~54 mt by FY26. NMDC is targeting a production of 100 mt by 2030-31.
- **Royalty Expense:** Royalty percentage to sales increased to 47% in 4QFY24, with an expectation to be 43% of revenue moving forward.
- **Price hikes:** Implemented two price hikes in Q1FY25, aligning prices with landed costs.
- **Capital Expenditure (Capex):** Allocated ₹17.5-18bn for FY24 and ₹20-21bn for FY25, with a significant increase expected in FY26. Incurred a capex of ~₹21bn during FY24, with plans to spend ₹15-20bn in the current fiscal year.
- **Five-year Investment Plan:** Plans to invest ₹500 bn over the next five years across various projects, including expanding pellet and beneficiation plants to increase capacity from 2 mt to 6 mt by Q3FY25.
- **EC approval of Mines:** Obtained 1.5 mt of EC, with plans to increase capacity to 10 mt, bringing overall capacity to 64 mt by next year. NMDC aims to enhance EC at Kirandul to 30-35 mt and Bachelu to 30 mt over the next 4-5 years. The company has applied for a 10% increase in EC limits for Deposit 5 and 11 at Bachelu.
- **Wage Negotiation:** Largely completed with no major changes expected in wage costs. Provisioning has been made, with no sharp rise anticipated. NMDC further plans to recruit 800 people for expansion, with the process likely to take six months.
- **Major Clients:** JSW contributes ~30% of total volumes, Arcelor Mittal Nippon Steel (AMNS) ~18%, and Rashtriya Ispat Nigam (RINL) ~15%.
- **NMDC Steel to breakeven by Q2FY25:** Current monthly production run-rate is 0.12 mt, procuring iron ore from NMDC. Commissioned PCI (pulverized coal injection) to reduce costs, with 90% utilization expected to achieve a 25% EBITDA margin with stable pricing and cost levels.

Valuations & View

On the back of NMDC's strong operational capacity, aggressive expansion plans, robust net cash position and continued strong tailwinds for domestic steel demand we expect NMDC to clock Revenue/EBITDA/PAT CAGR of 9%/16%/14% over FY25-26E. At CMP, the stock is trading at 6.8x/5.3x EV of FY25E/FY26E EBITDA. We maintain our 'BUY' rating with a revised TP of ₹301 (earlier ₹297) valuing at 6.7x EV/EBITDA of FY26E.

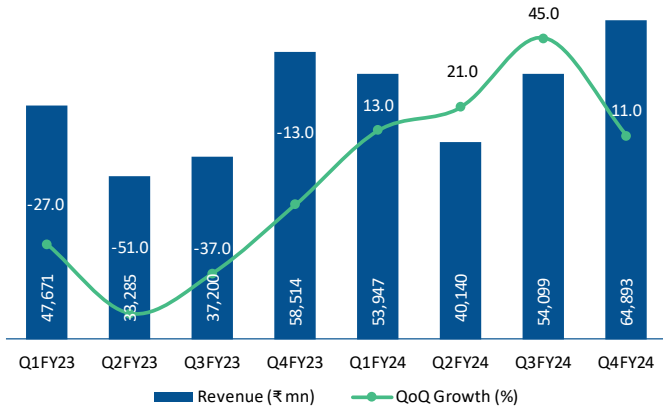
Quarterly performance

(₹ mn)	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)
Iron ore production (mt)	13	14	-5.7%	12	9.0%
Iron ore sales (mt)	13	12	0.7%	11	9.7%
Average Net Sales Realization (NSR-₹/t)	5,191	4,716	10.1%	4748	9.3%
Sales	64,893	58,514	10.9%	54,099	20.0%
Changes in Inventory	-3,807	-4,249		-739	
Raw Material	2,846	1,811	57.1%	1,213	134.7%
Employee Cost	4,695	4,588	2.3%	3,984	17.8%
Royalty & Cess	30,690	26,241	17.0%	23,211	32.2%
Other expenses	9,452	8,499	11.2%	6,358	48.7%
Total Operating expenses	43,876	36,890	18.9%	34,027	28.9%
EBITDA	21,017	21,624	-2.8%	20,072	4.7%
EBITDA Margin	32%	37%	(500) bps	37%	(500) bps
Depreciation	1,106	934	18.5%	820	34.9%
EBIT	19,911	20,690	-3.8%	19,252	3.4%
Other Income	4,191	-89	-	3,366	24.5%
Interest	214	118	82%	321	-33.2%
Exceptional items*	-299	12,373	-	-2,523	-
Profit Before Tax (excluding exc items)	23,887	20,483	16.6%	22,297	7.1%
Adj Profit Before Tax (Inc exc items)	23,589	32,856	-28.2%	19,774	19.3%
Tax (includes earlier year tax)	9,430	10,085	-6.5%	5,073	85.9%
Tax rate	39%	49%	(1000) bps	26%	1300 bps
Profit after tax (Reported)	14,159	22,717	-38%	14,843	-4.6%
PAT Margin	22%	38.8%	(1700) bps	27%	(550) bps
APAT (post MI & NCI)	14,129	15,724	-10.1%	16,751	-15.7%
APAT Margin	22%	27%	(500) bps	31%	(900) bps
EPS (₹)	4.8	7.8	-38%	5.1	-4.6%
Adj.EPS (₹)	4.8	5.4	-10%	5.7	-15.7%

Source: Company, LKP Research

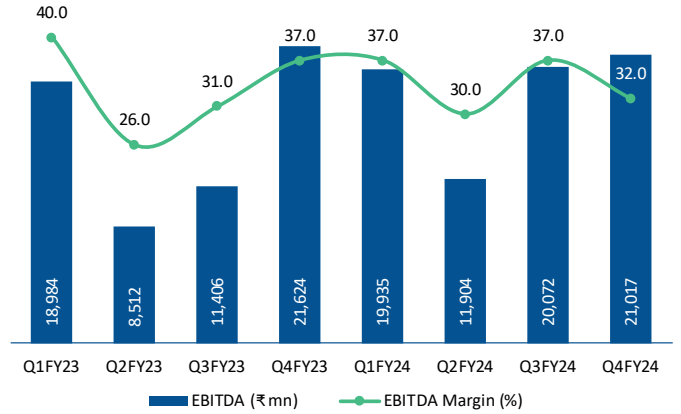
Story in Charts

Revenue growth consistently in double-digits suggesting strong tailwinds



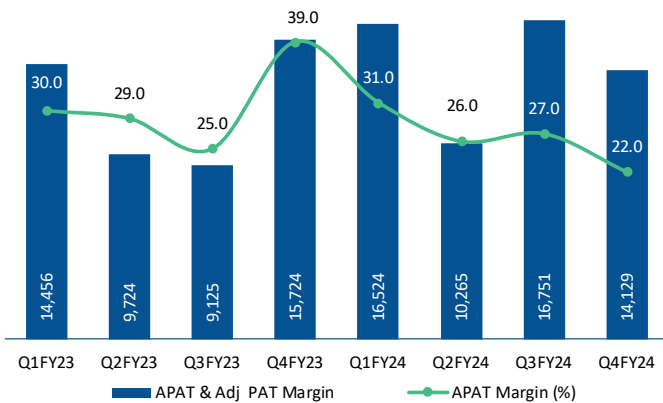
Source: Company, LKP Research

Price hikes in Q1FY25 to support margins in upcoming quarters



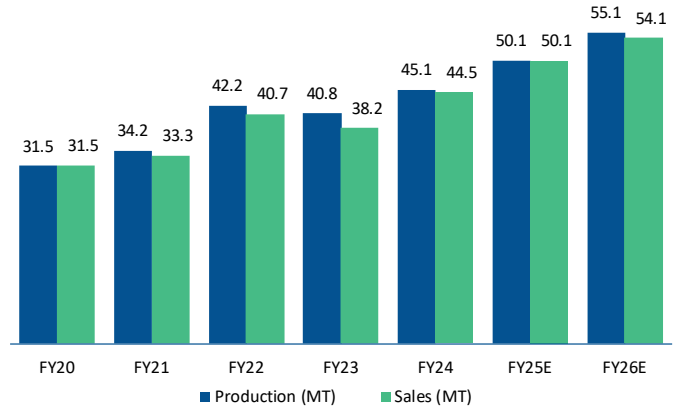
Source: Company, LKP Research

PAT margins are expected to improve post one-offs



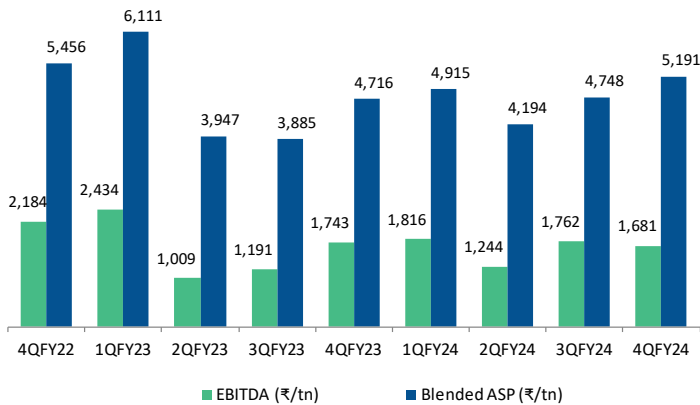
Source: Company, LKP Research

Volumes to cross over 50mt in FY25 on the back of a few EC approvals



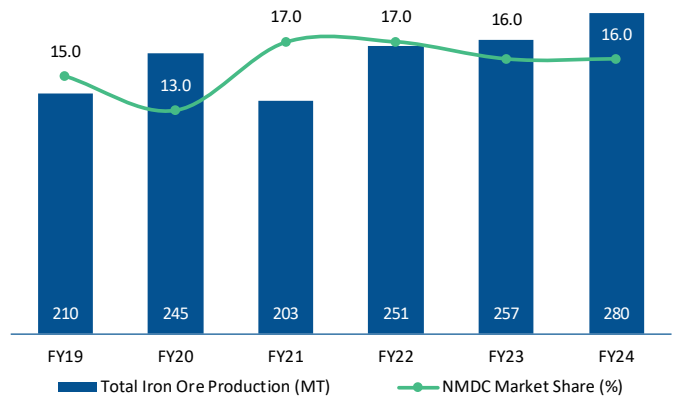
Source: Company, LKP Research

Realisation stays strong on the back of 11% price hikes in FY25



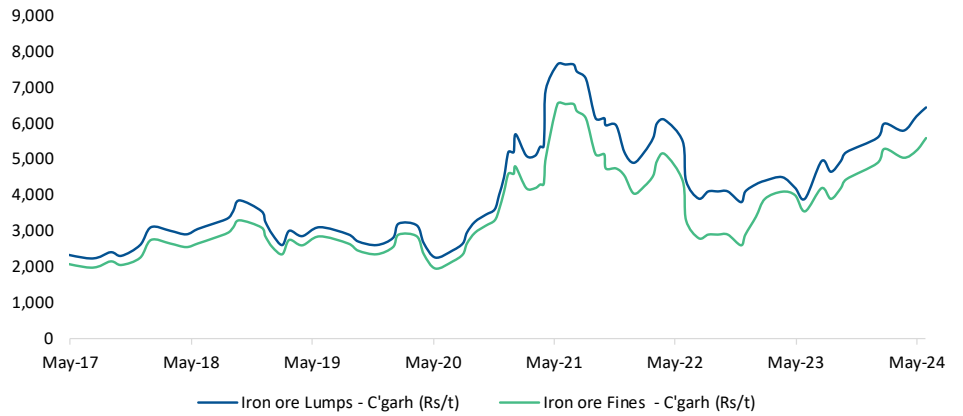
Source: Company, LKP Research

NMDC takes consistent price hikes; Global iron ore prices continue to recover



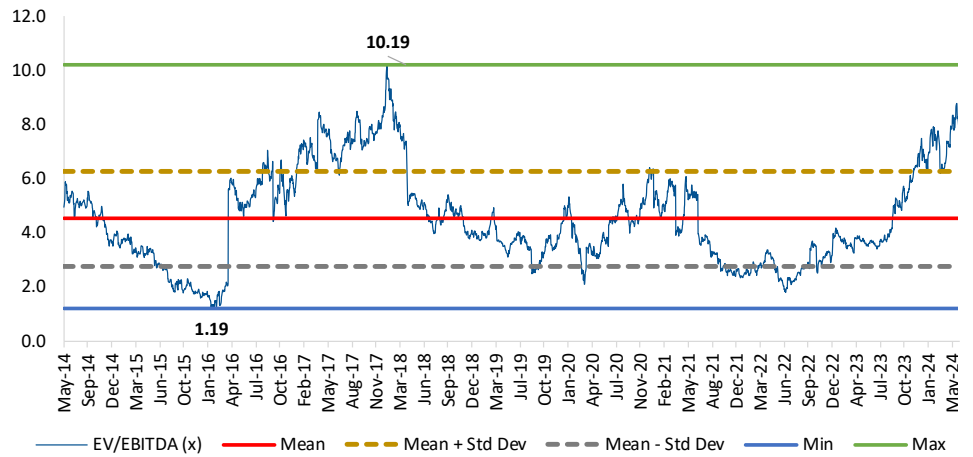
Source: Company, LKP Research

NMDC takes consistent price hikes; Global iron ore prices continue to recover



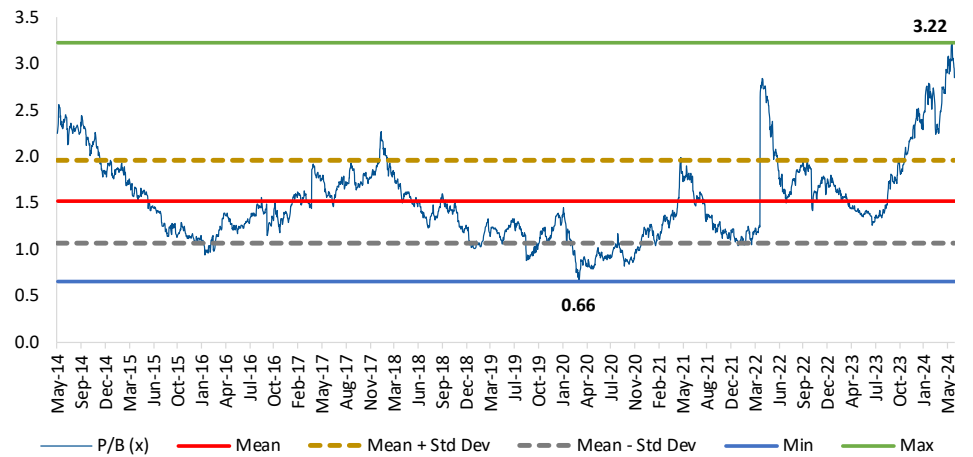
Source: Industry, LKP Research

EV/EBITDA mean and standard deviation



Source: Ace Equity, LKP Research

P/B mean and standard deviation



Source: Ace Equity, LKP Research

Profit and Loss Statement

(₹ mn)	FY20	FY21	FY22	FY23	FY 24	FY 25E	FY 26E
Revenue from Operations	116,992	153,701	259,648	176,669	213,079	243,960	266,484
Raw Material Cost (Incl Royalty)	23,221	31,070	93,309	78,556	97,945	102,707	108,577
Employee Cost	10,494	10,852	13,371	15,306	16,255	20,493	20,737
Other Exp	23,259	23,886	26,724	22,281	25,950	30,495	32,813
EBITDA	60,019	87,893	126,245	60,525	72,928	90,265	104,357
<i>EBITDA Margin(%)</i>	<i>51.3%</i>	<i>57.2%</i>	<i>48.6%</i>	<i>34.3%</i>	<i>34.2%</i>	<i>37.0%</i>	<i>39.2%</i>
Depreciation	2,949	2,285	2,877	3,362	3,507	4,283	5,876
EBIT	57,070	85,607	123,367	57,164	69,422	85,982	98,481
<i>EBIT Margin(%)</i>	<i>48.8%</i>	<i>55.7%</i>	<i>47.5%</i>	<i>32.4%</i>	<i>32.6%</i>	<i>35.2%</i>	<i>37.0%</i>
Other Income	5,144	3,516	7,185	7,682	13,709	13,418	14,657
Interest	99	168	391	752	782	430	195
Exceptional items	964	0	0	12373	-2822	0	0
Adj Profit Before Tax	62,115	88,955	130,162	64,093	82,348	98,970	112,943
<i>Adj PBT Margin(%)</i>	<i>53.1%</i>	<i>57.9%</i>	<i>50.1%</i>	<i>36.3%</i>	<i>38.6%</i>	<i>40.6%</i>	<i>42.4%</i>
Reported PBT	61,150	88,955	130,162	76,466	79,527	98,970	112,943
Tax	25,127	26,485	35,751	21,082	23,804	24,743	28,236
Adj PAT (before MI & Sh.of Associates)	36,988	62,471	94,411	43,011	58,544	74,228	84,707
Minority Income & Sh.of Associates	282	295	(117)	659	(46)	-	-
Reported PAT (after MI & Sh.of Associates)	36,305	62,766	94,294	56,043	55,677	74,228	84,707
<i>Adj PAT Margin (%)</i>	<i>32%</i>	<i>41%</i>	<i>36%</i>	<i>24%</i>	<i>27%</i>	<i>30%</i>	<i>32%</i>
<i>Rep PAT Margins (%)</i>	<i>31%</i>	<i>41%</i>	<i>36%</i>	<i>32%</i>	<i>26%</i>	<i>30%</i>	<i>32%</i>

Balance Sheet

(₹ mn)	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25E	FY 26E
Equity and Liabilities							
Equity Share Capital	3,062	2,931	2,931	2,931	2,931	2,931	2,931
Reserves & Surplus	273,669	295,910	177,252	223,278	253,628	327,856	412,563
Non-controlling interest	81	135	135	142	170	170	170
Total Networkth	276,811	298,976	180,317	226,351	256,729	330,957	415,664
Long term Borrowings	-	5,464	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-	-
Provisions	8,280	9,454	10,925	12,560	14,313	11,175	13,283
Other Non-Current liabilities	58	47	1,561	1,553	1,520	1,967	2,562
Total non-current liab and provs	8,338	14,965	12,486	14,113	15,833	13,142	15,846
Current Liabilities							
Short term Borrowings	5,656	14,480	17,925	4,160	33,565	18,455	8,345
Trade Payables	2,259	3,608	6,648	4,259	4,126	5,421	6,099
Provisions	2,228	986	151	1,239	2,553	1,574	2,050
Other financial liabilities	12,200	17,760	5,218	8,969	11,193	11,583	7,066
Other current liabilities	5,453	18,522	26,379	23,387	30,276	15,047	12,299
Total current liab and provs	27,795	55,357	56,321	42,014	81,713	52,081	35,860
Total Equity & Liabilities	312,944	369,298	249,123	282,477	354,275	396,180	467,369
Assets							
Gross block	42,283	44,800	43,137	38,758	38,758	78,697	102,494
Depreciation	9,744	11,661	12,891	14,945	13,979	22,822	28,698
Net block	32,539	33,139	30,246	23,813	24,779	55,875	73,795
Capital WIP	155,002	171,065	13,283	19,916	32,305	22,495	13,317
Total Fixed Assets	187,541	204,204	43,529	43,729	57,084	78,370	87,113
Investments	9,101	8,749	8,950	9,347	9,512	13,238	19,536
Loans	2,244	2,592	408	626	817	669	727
Intangible assets	5,782	6,639	6,346	8,163	8,603	12,592	16,399
Income tax assets	3,971	4,083	5,689	2,975	2,659	5,047	5,450
Other Non current Assets	35,100	37,029	27,019	59,565	62,450	49,643	51,958
Total Non-Current Assets	243,738	263,296	91,941	124,405	141,125	159,559	181,183
Current Assets							
Inventories	7,235	9,217	21,252	26,606	27,670	32,081	35,043
Trade Receivables	22,237	21,399	29,543	26,560	35,089	35,239	31,830
Cash & Bank Balances	24,375	58,618	79,775	70,978	123,637	138,602	189,720
Other financial assets	7,946	5,497	14,837	16,126	9,378	10,843	8,810
Other current assets	7,406	11,265	11,767	17,796	17,366	19,857	20,783
Total current Assets	69,200	105,996	157,174	158,066	213,140	236,621	286,186
Assets held for sale	7	6	8	7	10	-	-
Total Assets	312,944	369,298	249,123	282,477	354,275	396,180	467,369

Key Ratios

YE Mar	FY20	FY21	FY22	FY23	FY 24	FY 25E	FY 26E
<u>Per Share Data (₹)</u>							
Adj. EPS	11.9	21.4	32.2	19.1	19.0	25.3	28.9
CEPS	12.4	22.1	33.2	15.8	21.2	26.8	30.9
BVPS	90.4	102.0	61.5	77.2	87.6	112.9	141.8
<u>Growth Ratios (%)</u>							
Revenue	-3.7%	31.4%	68.9%	-32.0%	20.6%	14.5%	9.2%
EBITDA	-13.3%	46.4%	43.6%	-52.1%	20.5%	23.8%	15.6%
EBIT	-14.1%	50.0%	44.1%	-53.7%	21.4%	23.9%	14.5%
PAT	-21.4%	73.0%	50.2%	-40.6%	-0.7%	33.4%	14.1%
<u>Valuation Ratios (X)</u>							
PE	6.8	6.3	5.0	5.8	13.1	9.8	8.6
P/CEPS	6.4	6.1	4.9	7.0	11.8	9.3	8.1
P/BV	0.9	1.3	2.6	1.4	2.8	2.2	1.8
EV/Sales	1.9	2.3	1.6	1.5	3.0	2.5	2.1
EV/EBITDA	3.8	4.1	3.3	4.3	8.8	6.8	5.3
<u>Operating Ratios (Days)</u>							
Inventory days	22.3	21.6	29.5	54.2	47.3	47.3	47.3
Receivable Days	68.4	50.1	41.0	54.1	60.0	52.0	43.0
Payables day	7.0	8.5	9.2	8.7	7.1	8.0	9.0
Debt to Equity (x)	0.0	0.1	0.1	0.0	0.1	0.1	0.0
<u>Performance Ratios (%)</u>							
AROA (%)	11.2%	16.9%	37.9%	15.2%	16.5%	18.7%	18.1%
AROE (%)	12.7%	20.9%	52.3%	19.0%	22.8%	27.4%	27.6%
AROCE (%)	20.0%	27.3%	64.0%	23.8%	25.5%	28.4%	29.3%
Asset Turnover(x)	2.9	3.5	5.9	4.3	4.4	3.1	2.6
Inventory Turnover(x)	16.2	16.7	12.2	6.6	7.7	7.6	7.6

Cash Flow

(₹ mn)	FY 20	FY 21	FY22	FY23	FY 24	FY 25E	FY 26E
PBT	61,150	88,955	130,162	76,466	79,527	98,970	112,943
Adjustments	3,788	3,891	5,846	-1,251	-6,023	23,252	28,893
Operating CF before WC changes	64,938	92,846	136,008	75,216	73,504	122,222	141,836
Changes in working capital	-8,438	-9,029	-20,872	4,498	-23,074	-36,146	18,567
Tax paid	-22,796	-24,687	-43,506	-20,685	-18,110	-24,743	-28,236
Cash flow from operations (a)	21,270	72,656	69,429	18,376	73,948	95,151	109,387
Capital expenditure	-24,035	-16,221	-11,983	-12,472	-18,471	-31,096	-17,921
Other investing activities	20,907	-26,942	-20,156	14,495	-42,293	-16,181	-7,000
Cash flow from investing (b)	-3,128	-43,163	-32,139	2,023	-60,764	-47,277	-24,921
Free cash flow (a+b)	18,143	29,493	37,290	20,398	13,184	47,874	84,466
Dividends Paid	-19,525	-22,733	-43,195	-10,993	-25,209	-28,206	-32,189
Other financing activities	1,992	-3,180	2,527	-9,682	12,189	-5,796	-1,158
Cash flow from financing (c)	-17,533	-25,913	-40,669	-20,674	-13,020	-34,003	-33,347
Net chng in cash (a+b+c)	610	3,580	-3,379	-276	164	13,871	51,119
Cash & Cash equivalents at the beginning of the year	470	1,080	4,660	1,206	930	1,094	14,965
Closing cash & cash equivalents	1,080	4,660	1,281	930	1,094	14,965	66,084
Cash & Bank Balance	24,375	58,618	79,775	70,978	123,637	123,637	123,637
Closing Cash & Bank Balance	25,454	63,278	81,056	71,908	124,730	138,602	189,720

DISCLAIMERS AND DISCLOSURES

LKP Sec. Ltd. (CIN-L67120MH1994PLC080039, www.lkpsec.com) and its affiliates are a full-fledged, brokerage and financing group. LKP was established in 1992 and is one of India's leading brokerage and distribution house. LKP is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX). LKP along with its subsidiaries offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, insurance broking and services rendered in connection with distribution of primary market issues and financial products like mutual funds etc.

LKP hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on LKP for certain operational deviations in ordinary/routine course of business. LKP has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

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

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

Research Analyst or his/her relative's financial interest in the subject company. (NO)

LKP or its associates may have financial interest in the subject company.

LKP or its associates and Research Analyst or his/her relative's does not have any material conflict of interest in the subject company. The research Analyst or research entity (LKP) has not been engaged in market making activity for the subject company.

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

Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: (NO)

LKP or its associates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Subject Company may have been client of LKP or its associates during twelve months preceding the date of distribution of the research report and LKP may have co-managed public offering of securities for the subject company in the past twelve months.

Research Analyst has served as officer, director or employee of the subject company: (NO)

LKP and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject LKP or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person.

Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

All trademarks, service marks and logos used in this report are trademarks or registered trademarks of LKP or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

All material presented in this report, unless specifically indicated otherwise, is under copyright to LKP. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of LKP.