Azad Engineering Limited

BUY

Choice

Nov 12th , 2024

CMP (Rs)	1628
Target Price (Rs)	2120
Potential Upside (%)	30.2

*CMP as on 12th Nov 2024

Company Info

BB Code	AZAD IN EQUITY
ISIN	INE02IJ01035
Face Value (Rs.)	2.0
52 Week High (Rs.)	2080.0
52 Week Low (Rs.)	641.9
Mkt Cap (Rs bn.)	96.2
Mkt Cap ($ bn.)	1.14
Shares o/s (Mn.)	59.1
Adj. TTM EPS (Rs)	11.8
FY27E EPS (Rs)	38.6

Shareholding Pattern (%)

	Sep-24	Jun-24	Mar-24
Promoters	65.90	65.90	65.90
FII's	9.74	9.69	6.98
DII's	5.74	3.44	5.00
Public	18.61	20.98	22.13

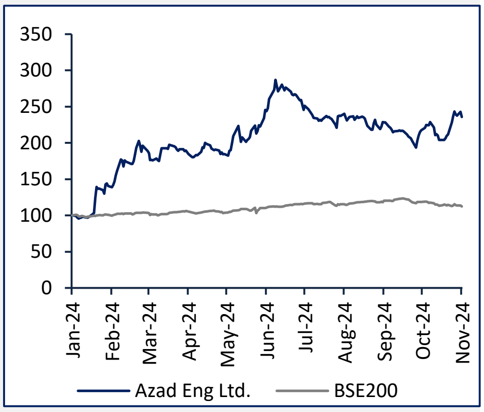
Relative Performance (%)

YTD	10M	6M	3M
BSE 200	12.2	8.2	-2.9
Azad Eng. Ltd	135.7	27.7	-1.9

Year end March (INR bn)

Particular	FY25E	FY26E	FY27E
Revenue	4.50	6.52	10.44
Gross Profit	3.91	5.67	9.13
EBITDA	1.44	2.15	3.65
EBITDA (%)	32.0	33.0	35.0
EPS (INR)	16.3	22.5	38.5

Rebased Price Performance



Putta Ravi Kumar, Analyst
Email: ravi.putta@choiceindia.com
Ph: +91 22 6707 9908

Q2FY25 Performance Update: Azad Engineering reported slightly below expectations numbers, Revenue for the quarter grew by 34.6% YoY to Rs. 1,115mn (vs est Rs 1,132mn) Vs last Rs 828mn in Q2FY24. Revenue for the quarter was grew significantly due to robust top-line execution. EBIDTA came at Rs 399mn (+52%/+21% YoY/QoQ) (vs est Rs 362mn), Margin came at 35.7% (+404bps YoY) (vs CEBPL est. of 32.0%), margins improved due to lower staff cost and cost control measures. PAT increased by (+7.5%/+22.0% YoY/QoQ) basis to Rs 209mn (vs our est. Rs 228mn) and PAT margins came +18.7% (-473bps/+132bps YoY/QoQ) vs our est. 20.1%.

- **Positioned for Growth with a Robust Order Book and High Barriers to Entry:** Azad Engineering is poised for significant growth, highlighted by its impressive order book of INR 4,500 crores, representing approx 13 times of FY24 revenue. This robust order book not only indicates strong future revenue potential but also reflects the company's solid market position and visibility into earnings. Operating within a high-entry-barrier segment, Azad offers a specialized product portfolio backed by top-tier engineering capabilities, creating a formidable competitive moat. The lengthy vendor qualification process spanning 30 to 48 months underscores the mission-critical nature of its products in highly regulated industries, where achieving certifications from OEMs is a notable accomplishment.
- **Precision Engineering for Critical Sectors in Energy, Aerospace, Oil & Gas:** AEL is a prominent manufacturer of high-performance, critical components for the energy, aerospace, and oil & gas industries. The company is known for its advanced turbine blades used in utility power generation, where precision and reliability are essential to avoid costly downtime and ensure the stability of power transmission grids. AEL's blades are crafted from high-grade metal alloys, designed to withstand extreme temperatures and pressures with tight tolerances of 4-5 microns. In the aerospace sector, AEL produces life-critical components, including air generation systems, auxiliary power units, and engine systems, supplied to major OEMs like Honeywell, GE Aviation, Rafael, and Hindustan Aeronautics Limited (HAL). AEL has long-term contracts with prominent OEMs in the energy, aerospace, and oil & gas sectors, including GE, Mitsubishi, Siemens, and Toshiba. Its export markets are diverse, covering the US, UK, Europe, Japan, and the Middle East. The global market for turbine blades is valued at multibillion, and AEL stands out as one of the few qualified domestic suppliers with over 1,400 product and 45+ process qualifications. This extensive certification and expertise give AEL a distinct competitive advantage in a highly capital- and time-intensive industry.
- **Increasing ~10x capabilities with margins improvement:** The company has increased its production capacity from ~20,000 Sq.mts manufacturing area to New Facility of 2,00,000 Sq.mts area in a phased manner to carter robust demand from near future. To equip this area the company is planning to invest ~Rs.300 crore Hi-Tech machines like: 5-Axis CNC milling, Ultra precision turning and grinding machines, Precision forgings with Shot peening using 7-axis Robotic machines, Special processes for metal joining, heat treatment and painting & coating. Also the company focusing on improvement of EBITDA margins ~28.7% in FY23 to 35.0% in FY27, through operational efficiency like: multiple machines allocated to same worker, who is now handling one machine at a time now.

View and Valuation: We remains positive on AEL led by 1) Capacity expansion is 10x of current level to carter future demand, 2) Focusing on margin improvement through acquiring Hi-Tech machinery & Operational efficiency, 3) Impressive clientele base like: General Electric, Honeywell International Inc, Mitsubishi Heavy Industries Ltd, Siemens Energy Global GmbH & Co.KG (energy), MAN Energy Solutions SE (energy), Eaton Aerospace, Rolls Royce, Hindustan Aeronautics Ltd, Godrej Aerospace. and 4) Upcoming robust opportunity in Civilian & Defence aircraft . We expect Azad Engineering to registered a healthy revenue/EBIDTA/PAT growth of 45/46/57% CAGR over FY24-27E. We ascribe a multiple of **55x** on **FY27E EPS** to arrive at a **TP of Rs.2,120** with a rating of "**BUY**".

Quarterly performance

Particulars (in mn)	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)
Net Sales (incl OOI)	**1,115**	**828**	***34.6***	**984**	***13.3***
Material Exp	158	121	*30.8*	153	*3.4*
Gross Profit	**957**	**707**	***35.3***	**831**	***15.2***
Employee Exp	222	183	*21.5*	204	*8.7*
Other Exp	336	262	*28.4*	296	*13.5*
EBITDA	**399**	**263**	***51.8***	**330**	***20.6***
Depreciation	68	51	*33.4*	60	*12.5*
EBIT	**331**	**212**	***56.2***	**270**	***22.5***
Other Income	15	106	*(85.6)*	6	*149.7*
Interest Cost	49	117	*(58.5)*	33	*48.4*
PBT	**298**	**201**	*48.1*	**244**	*22.2*
Tax	89	7	*1,239.7*	72	*22.6*
RPAT	**209**	**194**	*7.5*	**171**	*22.0*
APAT	**209**	**194**	***7.5***	**171**	***22.0***
Adj EPS (Rs)	**3.5**	**3.9**	***(10.1)***	**2.9**	***22.0***

Margin Analysis	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)
Gross Margin (%)	**85.8**	**85.4**	***42.1***	**84.4**	***136.2***
Employee Exp. % of Sales	19.9	22.1	*(215.3)*	20.8	*(84.3)*
Other Op. Exp % of Sales	30.1	31.6	*(146.7)*	30.1	*4.4*
EBITDA Margin (%)	**35.74**	**31.7**	***404.1***	**33.6**	***216.2***
Tax Rate (%)	29.8	3.3	*2,651.5*	29.7	*11.4*
APAT Margin (%)	18.7	23.5	*(473.0)*	17.4	*132.3*

Source: Company, CEBPL

Management Call - Highlights

- The new facility is being developed in phases, with the first unit (for GE steam power system) expected to be operational by Q1 FY26. Subsequent facilities will come online progressively, with each facility set up for specific customers.
- After the 1st phase facility is completed, focus will shift to the Sangaradi plant, which will also be developed phase-wise.
- Incremental sales from the new 10x capacity expansion will begin from FY26 onwards, with a significant impact on revenue growth in the medium term.
- An MOU has been signed with Baker Hughes to set up a facility in Saudi Arabia to manufacture precision components. This plant will cater specifically to the local Saudi market, with no impact on margin structure due to cost differences in manufacturing. but it is a large and significant project.
- Azad Engineering has secured a USD 40 million contract with Arabelle Solutions (France) for nuclear power components.
- Domestic opportunities, discussions are ongoing with BHEL (Bharat Heavy Electricals Ltd) for collaboration on parts currently imported by BHEL, with potential for further growth in this sector.
- The company is planning a 10x capacity expansion with an estimated CapEx for FY25 around INR 200 crores.
- The CapEx will be spread over several years, with investments being made in phases to support the growing demand from existing and new customers. Phase-wise investments are being made, with each customer requiring dedicated facilities. with investments in assembly, subassembly, and component manufacturing.
- Net Debt: INR 112 crores, expected to decrease as working capital requirements taper off.
- The company is focused on increasing its wallet share with existing customers, aiming to grow from 1% to 5% in key verticals (energy, aerospace, defense, and oil & gas sector etc).
- New acquisitions and strategic partnerships, such as Leo Prime and VPC Surface Technologies, are expected to contribute to growth.
- The company maintains a guideline of a net debt to EBITDA ratio of around 1.2 to 1.3.
- Orders from clients like Mitsubishi and Honeywell are expected to lead to incremental revenue growth as the company expands capacity. The contracts, such as the Mitsubishi INR 700 crore order over five years, will see a gradual increase in revenues, potentially reaching INR 150-170 crore per year by the third year of the contract.
- This incremental growth could result in faster-than-expected growth, exceeding the 25%-30% growth guidance, especially as new capacity comes on stream.
- The company's expansion could eventually grow to 10x the current capacity, and possibly even 12x to 15x, depending on customer demands.
- The company aims to increase its wallet share with each customer, targeting an incremental share of 1%-3% to 5%-10%. As new contracts ramp up, these incremental shares should be achieved with the capacity expansion.
- The company is targeting a TAM (Total Addressable Market) of USD 30 billion+ in the aerospace and defense sector. As they ramp up their operations and qualifications, they believe they are in a strong position to capitalize on this growing market, with the new capacity and customer relationships driving significant growth.
- Azad is working with GE Aviation and Safran. The company is preparing for more opportunities, including in high-growth areas like LEAP engines. While they aren't yet fully ramping up, discussions are ongoing to secure future contracts.
- Azad has secured contracts with Rolls Royce.The qualification process will be completed by calendar year 2025, and production ramp-up is expected in FY26.
- Incremental earnings from these contracts will start contributing in FY26.
- Azad is setting up a joint venture in Saudi Arabia in partnership with Baker Hughes. The Ministry of Energy and Saudi Aramco have approved Azad as a trusted supplier. Azad is in discussions about the JV structure, selecting equipment, and evaluating potential local partners. The facility in Saudi Arabia is expected to be a major growth opportunity in the coming years.

Changes in Estimates

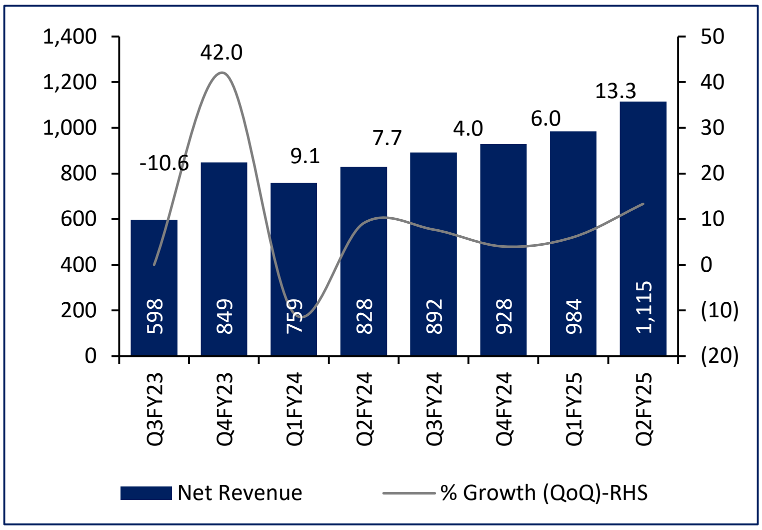
Particulars(Rs.Mn)	Actual	Choice Est.	Deviation(%)
Revenue	**1,115**	**1,132**	***(1.4)***
EBITDA	399	362	*10.1*
EBITDA Margins(%)	**36%**	**32%**	***373.7bps***
APAT	209	228	*(8.3)*

Source: Company, CEBPL

	FY25E			FY26E			FY27E		
(INR Bn.)	New	Old	Dev. (%)	New	Old	Dev. (%)	New	Old	Dev. (%)
Net sales	**4,498**	**4,430**	**1.5**	**6,522**	**6,424**	**1.5**	**10,436**	**10,278**	**1.5**
EBITDA	1,439	1,528	(5.8)	2,152	2,184	(1.4)	3,653	3,597	1.5
EBITDA margin(%)	**32.0**	**34.5**	**(250.0)bps**	**33.0**	**34.0**	**(100.0)bps**	**35.0**	**35.0**	**-**
APAT	962	1,080	(11.0)	1,329	1,383	(3.9)	2,279	2,289	(0.4)
EPS	***5.5***	***5.5***	**-**	***22.5***	***23.4***	***(3.9)***	***38.5***	***38.7***	***(0.4)***

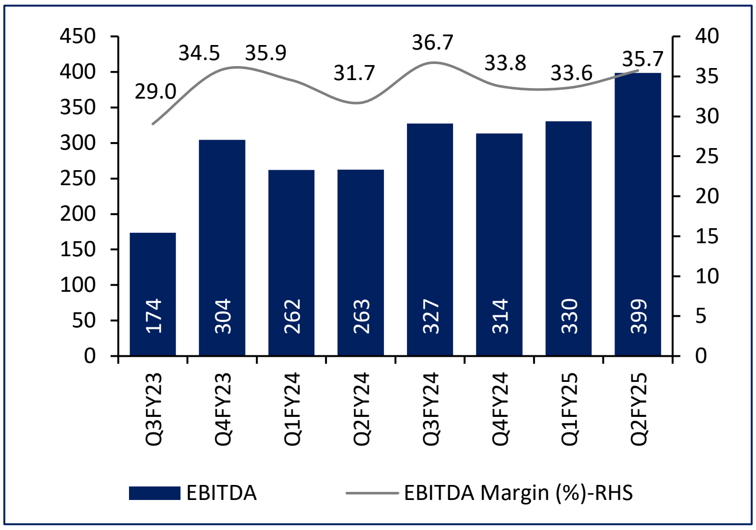
Source: Company, CEBPL

Revenue grew by 34.6% YoY



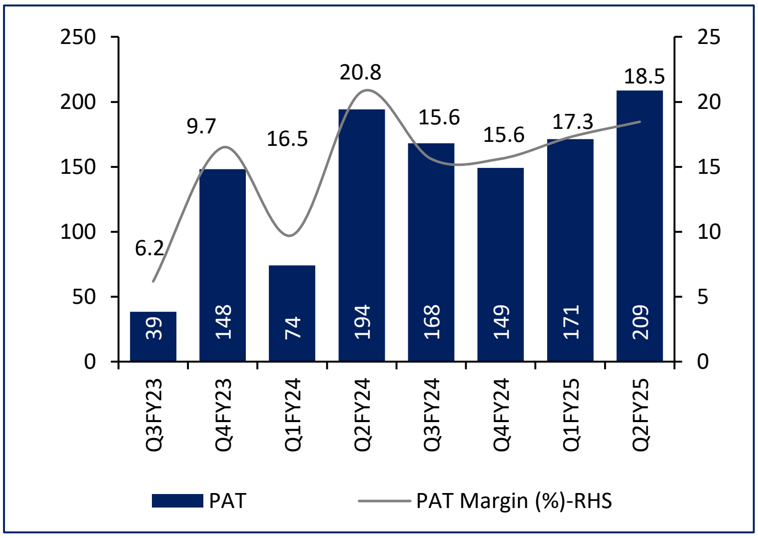
Source: Company, CEBPL

EBITDA Margin Trend.



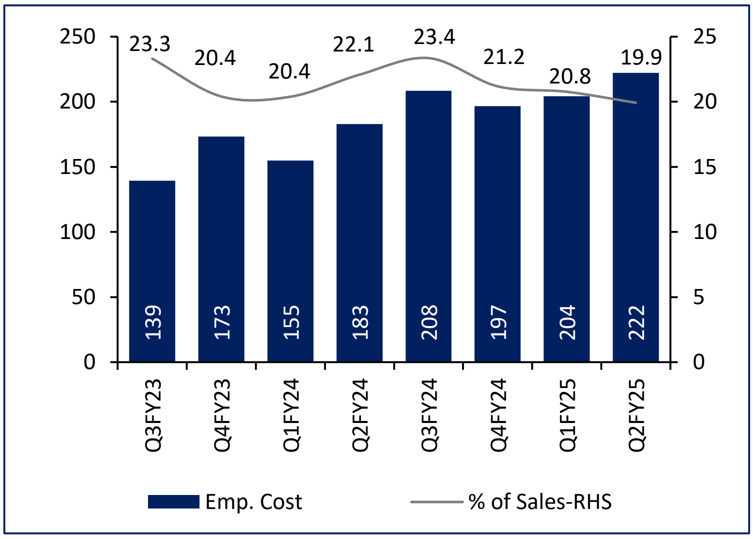
Source: Company, CEBPL

PAT growth Trend



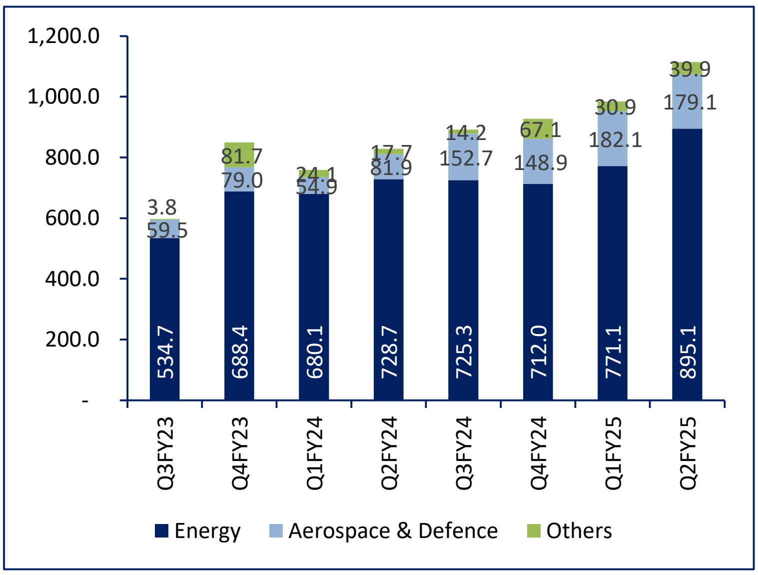
Source: Company, CEBPL

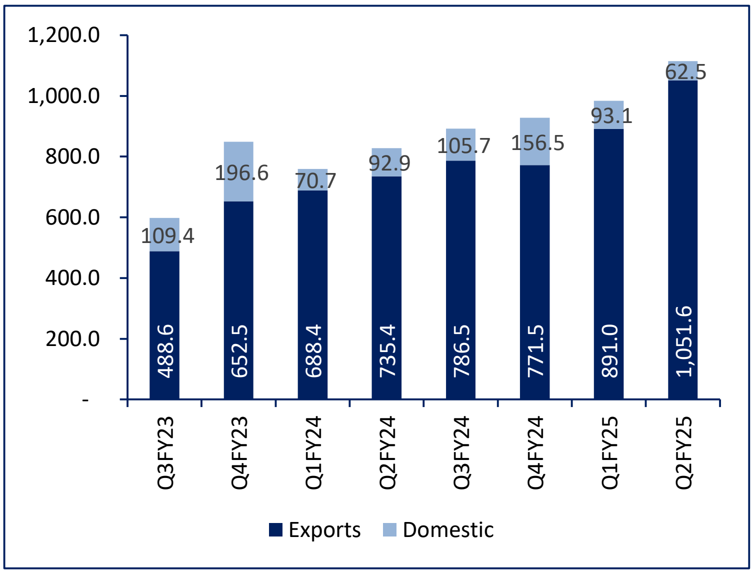
Reduction in Emp. Cost would support margins further



Source: Company, CEBPL

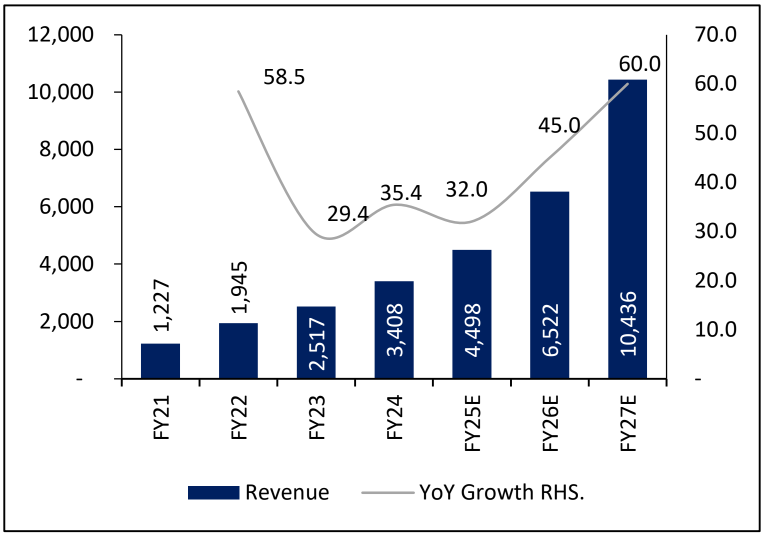
Revenue Mix (%)





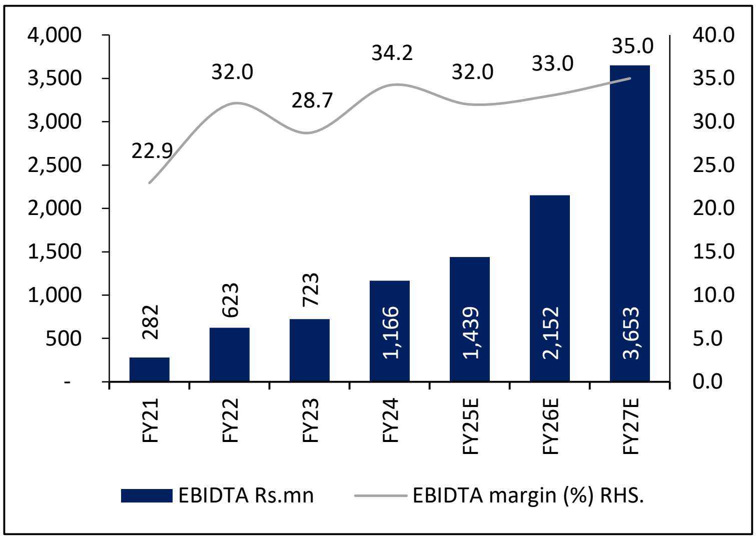
Source: Company, CEBPL

Significant Revenue growth trajectory over FY24-27E



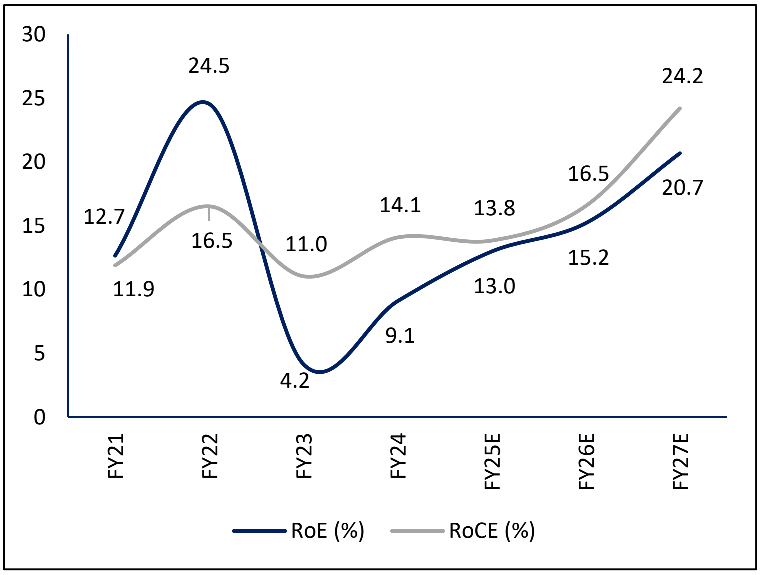
Source: Company, CEBPL

EBIDTA margin to improve led by better mix



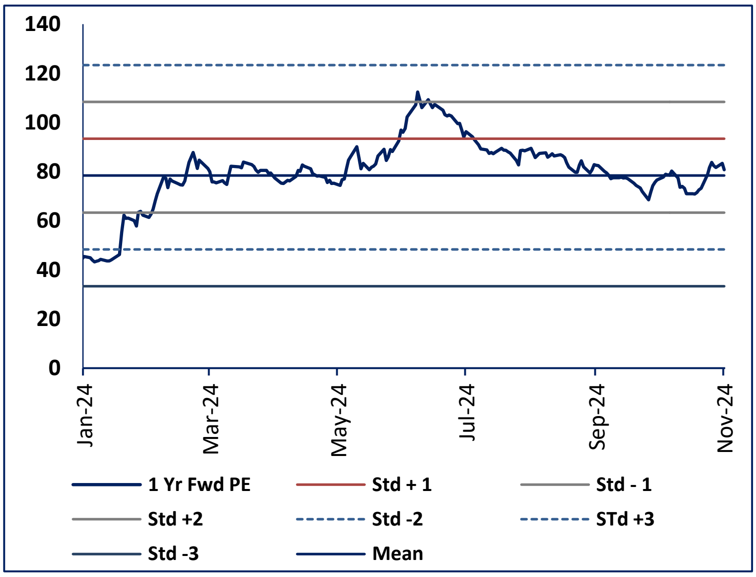
Source: Company, CEBPL

ROE & ROCE Trend



Source: Company, CEBPL

1 Year Forward PE Band



Source: Company, CEBPL

Income statement (Consolidated in INR Mn.)

Particular	FY23	FY24	FY25E	FY26E	FY27E
Revenue	**2,517**	**3,408**	**4,498**	**6,522**	**10,436**
Gross profit	2,215	2,947	3,913	5,674	9,131
EBITDA	**723**	**1,166**	**1,439**	**2,152**	**3,653**
Depreciation	166	205	331	491	611
EBIT	557	961	1,108	1,661	3,042
Interest expense	524	473	78	130	155
Other Income (Including EO Items)	98	320	384	422	465
Reported PAT	**85**	**586**	**962**	**1,329**	**2,279**
Minority Interest	0	0	0	0	0
Adjusted PAT	85	586	962	1,329	2,279
EPS (Rs)	**51.3**	**9.9**	**16.3**	**22.5**	**38.5**
NOPAT	359	697	754	1,130	2,068

Balance sheet (Consolidated in INR Mn.)

Particular	FY23	FY24	FY25E	FY26E	FY27E
Net worth	2,040	6,451	7,412	8,741	11,020
Deferred tax	-	-	-	-	-
Total debt	3,006	372	600	1,300	1,550
Other liabilities & provisions	162	267	290	315	343
Total Net Worth & liabilities	**5,207**	**7,089**	**8,303**	**10,356**	**12,913**
Net Fixed Assets	2,167	2,545	3,214	4,724	5,613
Capital Work in progress	380	454	800	800	800
Investments	-	-	-	-	-
Cash & bank balance	527	589	1,257	584	255
Loans & Advances & other assets	509	754	959	1,391	2,225
Net Current Assets	2,152	3,335	3,329	3,442	4,275
Total Assets	**5,207**	**7,089**	**8,303**	**10,356**	**12,913**
Capital Employed	5,a046	6,822	8,013	10,041	12,570
Invested Capital	4,519	6,233	6,755	9,457	12,314
Net Debt	2,479	(218)	(657)	716	1,295
FCFF	(940)	(728)	339	(1,233)	(54)

Source: Company, CEBPL

Cash Flows (INR Mn.)	FY23	FY24	FY25E	FY26E	FY27E
CFO	(102)	(69)	1,684	767	1,446
Capex	(837)	(659)	(1,346)	(2,000)	(1,500)
FCF	(940)	(728)	339	(1,233)	(54)
CFI	(1,012)	(567)	(1,167)	(2,009)	(1,870)
CFF	1,263	710	151	570	95

Ratio Analysis	FY23	FY24	FY25E	FY26E	FY27E
Growth Ratios (%)					
Revenue	29.4	35.4	32.0	45.0	60.0
EBITDA	16.1	61.3	23.5	49.5	69.7
PAT	(71.2)	591.4	64.2	38.1	71.5
Margin ratios (%)					
EBITDA	28.7	34.2	32.0	33.0	35.0
PAT	3.4	17.2	21.4	20.4	21.8
Performance Ratios (%)					
OCF/EBITDA (X)	(0.1)	(0.1)	1.2	0.4	0.4
OCF/IC	(2.3)	(1.1)	24.9	8.1	11.7
RoE	4.2	9.1	13.0	15.2	20.7
ROCE	11.0	14.1	13.8	16.5	24.2
Turnover Ratios (Days)					
Inventory	125	142	140	145	145
Debtor	172	182	155	150	145
Other Current Assets (days)	38	64	69	64	50
Payables (days)	72	54	75	75	75
Other Current Liab & Provns (days)	28	41	121	124	124
Cash Conversion Cycle	236	294	168	160	141
Financial Stability ratios (x)					
Net debt to Equity	1.2	(0.0)	(0.1)	0.1	0.1
Net debt to EBITDA	3.4	(0.2)	(0.5)	0.3	0.4
Interest Cover	1.1	2.0	14.2	12.8	19.6
Valuation metrics					
Fully diluted shares (mn)	2	59	59	59	59
Price (Rs)	1,627.9	1,627.9	1,627.9	1,627.9	1,627.9
Market Cap(Rs. Mn)	2,689	96,227	96,227	96,227	96,227
PE(x)	32	164.3	100.1	72.4	42.2
EV (Rs.mn)	5,168	96,009	95,570	96,943	97,522
EV/EBITDA (x)	7	82	66	45	27
Book value (Rs/share)	1,235	109	125	148	186
Price to BV (x)	1.3	14.9	13.0	11.0	8.7
EV/OCF (x)	-51	-1,382	57	126	67

Source: Company, CEBPL

Historical recommendations and target price: Azad Engineering Limited

Azad Engineering Limited

1. 26-06-2024	BUY,	Target Price Rs 2,129
2. 12-11-2024	BUY,	Target Price Rs 2,120

Institutional Research Team			
Jathin kaithavalappil	AVP – Automobile /Real Estate	jathin.jayan@choiceindia,coM	+91 22 6707 9994
Deepika Murarka	Analyst - Pharmaceuticals / Healthcare	deepika.murarka@choiceindia.com	+91 22 6707 9513
Ashutosh Murarka	Analyst – Cement / Building Material	ashutosh.murarka@choiceindia.com	+91 22 6707 9442
Putta Ravi Kumar	Analyst – Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Aayush saboo	Associate – Real Estate	aayush.saboo@choiceindia.com	+91 22 6707 9811
Maitri Sheth	Analyst – Pharmaceuticals / Healthcare	maitri.sheth@choiceindia.com	+91 22 6707 9811
Bharat Kumar Kudikyala	Associate – Cement / Building Material	bharat.kudikyala@choiceindia.com	+91 22 6707 9798
Arshay Agarwal	Associate – BFSI	arshay.agarwal@choiceindia.com	+91 22 6707 9811
Heet Chheda	Associate – Automobile	heet.chheda@choiceindia.com	+91 22 6707 9422
Rushil Katiyar	Associate - Information Technology	Rushil.katiyar@choiceindia.com	+91 22 6707 9811
CA Sheetal Murarka	Vice President - Institutional Sales	sheetal.murarka@choiceindia.com	+91 22 6707 9857
Nitesh Jalan	AVP – Institutional Sales	nitesh.jalan@choiceindia.com	+91 22 6707 9877 /878 /879

CHOICE RATING DISTRIBUTION & METHODOLOGY

BUY	The security is expected to generate greater than or = 15% over the next 24 months
HOLD	The security expected to show upside or downside returns by 14% to -5% overhead 24 months
SELL	The security expected to show Below -5% next 24 months

Disclaimer

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Choice Equity Broking Private Limited-Research Analyst - INH000000222. (CIN. NO.: U65999MH2010PTC198714). Reg. Add.: Sunil Patodia Tower, J B Nagar, Andheri(East), Mumbai 400099. Tel. No. 022-6707 9999

Compliance Officer--Prashant Salian, Email Id – Prashant.salain@choiceindia.com Contact no. 022- 67079999- Ext-2310

Grievance officer-Deepika Singhvi Tel.022-67079999- Ext-834. Email- ig@choiceindia.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

This Research Report (hereinafter referred as "Report") has been prepared by Choice Equity Broking Private Limited as a Research Entity (hereinafter referred as "CEBPL RE" Limited. The Research Analysts, strategists are principally responsible for the preparation of "CEBPL RE" research. The research analysts have received compensation based upon various factors, which may include quality of research, investor client feedback, stock picking, competitive factors and firm revenues etc.

Whilst CEBPL has taken all reasonable steps to ensure that this information is correct, CEBPL does not offer any warranty as to the accuracy or completeness of such information. Any person

placing reliance on the report to undertake trading does so entirely at his or her own risk and CEBPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication of future performance.

General Disclaimer: This 'Report' is strictly meant for use by the recipient and is not for circulation. This Report does not take into account particular investment objectives, financial situations or specific needs of individual clients nor does it constitute a personal recommendation. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through CEBPL nor any solicitation or offering of any investment

/trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide

for the readers. No action is solicited based upon the information provided herein. Recipients of this "Report" should rely on information/data arising out of their own Study/investigations. It is advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This 'Report' has been prepared on the basis of publicly available information, internally developed data and other sources believed by CEBPL to be reliable. CEBPL or its directors, employees, affiliates or representatives shall not be responsible for, or warrant for the accuracy, completeness, adequacy and reliability of such information / opinions / views. Though due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of CEBPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report.

The price and value of the investments referred to in this Report and the income from them may tend to go down as well as up, and investors may incur losses on any investments. Yester performance shall not be a guide for future performance. CEBPL does not provide tax advice to its clients, and all investors are strongly advised to take advice of their tax advisers regarding

taxation aspects of any potential investment. Opinions are based on the current scenario as of the date appearing on this 'Report' only. CEBPL does not undertake to advise you as to any change of our views expressed in this "Report" may differ on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold CEBPL, its employees and associates responsible for any losses, damages of any type whatsoever.

Disclaimers in respect of jurisdiction: 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 "CEBPL RE" to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by "CEBPL RE" in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this 'Report' shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. "CEBPL" requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to "CEBPL". Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in Mumbai (India).
Statements on ownership and material conflicts of interest, compensation - CEBPL and Associates reciprocates to the best of the knowledge and belief of CEBPL/ its Associates/ research Analyst who is preparing this report.

Disclosures of Interest (Additional):

1. "CEBPL", its research Analyst(s), or its associates or relatives of the Research Analyst does not have any financial interest in the company(ies) covered in this report.
2. "CEBPL" its research Analyst, or its associates or relatives of the research analyst
3. affiliates collectively do not hold more than 1 of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
4. "CEBPL", its research analyst, his/her associate, his/her relative, do not have any other material conflict of interest at the time of publication of this research report.
5. "CEBPL", its research analyst, and its associates have not received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in this report, in the past twelve months.
6. "CEBPL", its research analyst, or its associates have not managed or co-managed in the previous twelve months, a private or public offering of securities for the company (ies) covered in
this report.
7. "CEBPL, or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party, in connection with the research report.
8. CEBPL research analyst has not served as an Officer, Director, or employee of the company (ies) covered in the Research report.
9. "CEBPL", its research analyst has not been engaged in market making activity for the company(ies) covered in the Research report.

Details of Associates of CEBPL and Brief History of Disciplinary action by regulatory authorities are available on our website i.e. www. https://choiceindia.com/research-listing

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given below

Sr. No.	Particulars	Yes / No
1.	Whether compensation has been received from the company(ies) covered in the Research report in the past 12 months for investment banking transaction by CEBPL	No
2	Whether Research Analyst, CEBPL or its associates or relatives of the Research Analyst affiliates collectively hold more than 1 of the company(ies) covered in the Research report	No
3.	Whether compensation has been received by CEBPL or its associates from the company(ies) covered in the Research report	No
4.	CEBPL or its affiliates have managed or co-managed in the previous twelve months a private or public offering of securities for the company(ies) covered in the Research report	No
5.	CEBPL, its research analyst, his associate, or its associates have received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in the Research report, in the last twelve months	No

This "Report" is for distribution only under such circumstances as may be permitted by applicable law. This "Report" has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This "Report" is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither CEBPL nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this "report" or lack of care in this report's preparation or publication, or any losses or damages which may arise from the use of this research report.

Information barriers may be relied upon by CEBPL, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of CEBPL.

Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by CEBPL with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior written consent of CEBPL and CEBPL accepts no liability whatsoever for the actions of third parties in this respect.

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given below

PUTTA RAVI KUMAR

Digitally signed by PUTTA RAVI KUMAR
Date: 2024.11.12 23:15:14 +05'30'