

May 30, 2024

RESULT REPORT Q4 FY24 | Sector: Metals and Mining

Tata Steel Ltd

Europe to progress well; Indian operations to remain steady...

Result Synopsis

Tata Steel's Q4FY24 performance was beat on EBITDA owing to strong Indian business performance clubbed with reduction in losses in the company's European business. The Indian operations saw falling net sales realizations per tonne and saw coking coal impact to be minimal owing to a better blend. The standalone operations remained strong with EBITDA/t hovering over the long term Rs 15,000/t range guided by management earlier. The European operations finally saw losses negate substantially on account of receiving carbon credits in the UK as well as the Netherlands blast furnace was up and running after the completion of its relining which had been delayed by a quarter. March 2024 also saw the company announcing the shutting down of its coke ovens due to operational reasons. The company also announced plans on shutting down the heavy end assets completely in UK by the end of this financial year with the blast furnaces to not be operational post September 2024.

On the results front, the company performed well beating margin estimates despite the overhang of the European operations. The company reported an EBITDA margin of 11.5% (vs 11.7% in Q3FY24 and 11.7% in Q4FY23). The margins dropped due to falling realizations for both the Indian and Netherlands operations.

In terms of the operational performance, the consolidated production stood at 7.92 mt, rising 4.5% on a QoQ basis and 1.5% on a YoY basis. The deliveries for the quarter came in at 7.98 mt, a 11.6% rise sequentially and up 2.6% on a YoY basis.

Valuation & View

We see Tata Steel Ltd to be rightly positioned in the Indian steel space, growing strongly with upcoming capacities coupled with the expected relief on the European front. The company has been using leaner blends of coking coal thereby safeguarding themselves from the price volatility in coking coal over the recent months. We expect this trend to continue and be a good positive for the company on sustaining their margins going forward. We value the company on a SOTP basis to arrive at our target price of Rs 169/sh.

Exhibit 1: Actual vs estimates

Rs mn	Actual	Estimate		% Variation		Remarks
		YES Sec	Consensus	YES Sec	Consensus	
Revenue	586,873	578,059	583,751	2%	1%	
EBITDA	67,765	50,674	60,404	34%	12%	
EBITDA Margin (%)	11.5%	8.8%	10.3%	32%	12%	Europe losses come down; Indian margins take a hit.
PAT	5,546	4,577	8,032	21%	-31%	

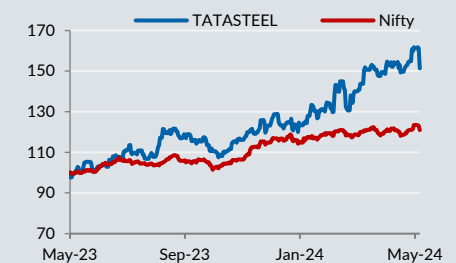
Source: Company, YES Sec

Reco	: NEUTRAL
CMP	: Rs 165
Target Price	: Rs 169
Potential Upside	: +2.5%

Stock data (as on May 30, 2024)

Nifty	22,489
52 Week h/l (Rs)	178 / 106
Market cap (Rs/USD mn)	2175255 / 26123
Outstanding Shares (mn)	12,485
6m Avg t/o (Rs mn):	6,065
Div yield (%):	2.0
Bloomberg code:	TATA IN
NSE code:	TATASTEEL

Stock performance



	1M	3M	1Y
Absolute return	-0.5%	16.5%	53.3%

Shareholding pattern (As of Mar'24 end)

Promoter	33.2%
FII+DII	44.0%
Others	22.9%

Δ in estimates

FY26E	New	Old
EBITDA (mn)	405,775	398,431

Δ in stance

(1-Yr)	New	Old
Rating	NEUTRAL	ADD
Target Price	169	153

Financial Summary

(Rs bn)	FY24	FY25E	FY26E
Revenue	2,292	2,422	2,582
YoY Growth	(5.8%)	5.7%	6.6%
EBIDTA	241	342	406
EBITDA (%)	10.5%	14.1%	15.7%
PAT	(49)	74	117
EPS	(4)	6.5	10.0
ROE	(5.3%)	7.5%	10.7%
ROCE	(2.8%)	4.1%	6.1%

MANAV GOGIA

Research Analyst

manav.gogia@ysil.in



Result Highlights

- Consolidated revenue from operations for the quarter stood at Rs 586,873 mn (vs our estimate of Rs 578,059 mn), growing 6% QoQ and reporting a fall of 7% YoY.
- EBITDA margins stood at 11.5%. The absolute EBITDA stood at Rs 67,765 mn (vs our estimate of Rs 50,674 mn), reporting a growth of 4.4% QoQ and fell 8.3% on a YoY basis.
- Consolidated PAT stood at Rs 5,546 mn (vs our estimate of Rs 4,577 mn), registering a 6% growth on a QoQ basis and a 65% fall YoY.
- Tata Steel also recommends a final dividend of Rs 3.60 per equity share of Re 1.
- Consolidated EBITDA/t stood at Rs 8,735/t vs Rs 8,035/t in the previous quarter.
- The board approved issue of additional debt securities, in one or more tranches, up to Rs 3,000 crs in the form of NCDs on private placement basis.

Production Highlights

- Consolidated production for the quarter stood at 7.92 mn tonnes.
- Consolidated sales for the quarter stood at 7.98 mn tonnes.
- Standalone EBITDA/t stood at Rs 15,210/t vs Rs 16,994/t in the previous quarter.
- EBITDA losses at Europe improved from Rs (28,710) crs in Q3FY24 to Rs (6,840) crs in the current quarter.

Exhibit 2: Consolidated Operational Performance

Rs mn	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	% qoq	% yoy
Consolidated										
Production (mt)	7.74	7.56	7.56	7.80	7.13	7.31	7.58	7.92	4.5%	1.5%
Deliveries (mt)	6.62	7.23	7.15	7.78	7.20	7.07	7.15	7.98	11.6%	2.6%
Total Revenue	634,301	598,775	570,836	629,615	594,897	556,819	553,119	586,873	6.1%	-6.8%
Realization/t	95,816	82,818	79,837	80,927	82,625	78,758	77,359	73,543	-4.9%	-9.1%
EBITDA/t	21,661	8,045	3,812	9,288	8,503	5,869	8,035	8,735	8.7%	-6.0%

Source: Company, YES Sec

Exhibit 3: Consolidated Quarterly Snapshot

Rs mn	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	% qoq	% yoy
Revenue	634,301	598,775	570,836	629,615	594,897	556,819	553,119	586,873	6.1%	-6.8%
COGS	232,206	313,390	300,226	286,561	274,752	259,031	224,465	260,909	16.2%	-9.0%
Gross Profit	402,095	285,385	270,610	343,055	320,145	297,788	328,654	325,964	-0.8%	-5.0%
GPM %	63.4%	47.7%	47.4%	54.5%	53.8%	53.5%	59.4%	55.5%	-6.5%	1.9%
Employee Costs	59,634	53,183	53,424	57,953	59,254	59,165	65,271	61,406	-5.9%	6.0%
Other Expenses	192,733	171,599	176,707	212,910	209,152	195,945	200,747	198,552	-1.1%	-6.7%
EBITDA	152,409	63,896	43,184	73,887	63,507	44,961	64,915	67,765	4.4%	-8.3%
EBITDA %	24.0%	10.7%	7.6%	11.7%	10.7%	8.1%	11.7%	11.5%	-1.6%	-1.6%
Other Income	2,681	3,293	2,706	1,695	11,768	2,282	2,279	1,759	-22.8%	3.8%
Depreciation	22,368	23,478	23,684	23,822	24,123	24,799	24,220	25,680	6.0%	7.8%
Finance Costs	12,181	15,191	17,679	17,936	18,252	19,594	18,808	18,423	-2.0%	2.7%
Share of P/L	1,595	1,019	605	963	-2,713	1,029	734	370	-49.6%	-61.6%
PBT	119,063	26,051	4,030	33,208	18,554	-67,392	19,279	18,089	-6.2%	-45.5%
Tax	41,923	13,081	29,049	17,545	13,305	-2,280	14,058	12,543	-10.8%	-28.5%
PAT	77,140	12,971	-25,020	15,662	5,249	-65,112	5,221	5,546	6.2%	-64.6%

Source: Company, YES Sec

Exhibit 4: Tata Steel Europe

Rs mn	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	% qoq	% yoy
Tata Steel Europe										
Revenue	259,610	215,590	207,450	220,360	213,350	202,490	192,170	207,080	7.8%	-6.0%
COGS	85,990	96,900	114,800	112,800	110,570	111,400	99,600	106,860	7.3%	-5.3%
EBITDA	60,370	17,880	(15,510)	(16,410)	(15,690)	(25,110)	(28,710)	(6,840)	-76.2%	-58.3%
Steel Production (mt)	2.44	2.40	2.24	2.27	1.79	1.95	1.91	2.14	12.0%	-5.7%
Deliveries (mt)	2.14	1.87	1.99	2.24	1.99	1.96	1.94	2.12	9.3%	-5.4%
EBITDA/t	28,220	9,540	(7,810)	(7,610)	(7,890)	(12,811)	(14,799)	(3,226)	-78.2%	-57.6%

Source: Company, YES Sec

Exhibit 5: Tata Steel Standalone

Rs mn	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	% qoq	% yoy
Tata Steel Standalone										
Revenue	320,210	322,450	339,294	342,753	323,416	341,852	346,819	366,348	5.6%	6.9%
COGS	127,740	178,350	167,952	146,797	141,903	150,275	125,298	152,000	21.3%	3.5%
EBITDA	83,040	58,170	27,270	83,180	74,030	69,170	82,920	82,460	-0.6%	-0.9%
Production (mt)	4.73	4.64	4.77	4.82	4.65	4.91	5.13	5.40	5.3%	12.0%
Deliveries (mt)	3.89	4.76	4.59	4.98	4.62	4.82	4.88	5.42	11.1%	8.8%
EBITDA/t	21,326	8,045	3,812	16,719	16,014	13,401	16,994	15,210	-10.5%	-9.0%

Source: Company, YES Sec

KEY CON-CALL HIGHLIGHTS

Industry Scenario and General Company Updates

- Chinese domestic demand remains weak has led to prices being under pressure in Asia. The Indian prices remained strong on the back of strong domestic demand. The production in China remains strong, thereby leading to elevated exports from the country.
- Blended cost of debt for India is at 8.5% and at a consolidated level it would be around 7%.
- Current market share in the auto industry in India stands at ~50%. Overall, the domestic market share is ~20%. Steel consumption demand is expected to grow by 8-10% on an annual basis.
- The growth from 21 mtpa to 40 mtpa in Indian capacities will see Kalinganagar moving from 3 mtpa to 8 mtpa in the current phase.
 - The capacity can then be expanded to 13 mtpa. The company has enough land to expand capacities to 16 mtpa at the Kalinganagar facilities. The second point of focus will be NINL expansion which would see the capacities ramping up to 5 mtpa and can be expanded to 10 mtpa beyond that.
 - A new EAF plant of 2 mtpa will also be coming up in Chandigarh. Meramandalli to see the capacities expand to 7 mtpa from the current 5 mtpa.
 - Land acquisitions have already done for 40 mtpa capacity.

Tata Steel Europe

- One BF will be closed in June 2024. The second BF will be closed by September 2024. Tata Steel UK will continue to operate the hot strip mill during the transition period. TSUK will become EBITDA positive from Q3FY25 onwards.
- Q4FY24 performance was strong for the UK business. The major reasoning behind this was a carbon credit of ~GBP 51.0 mn leading to less losses on its operations and cost savings from shutting down the coke oven earlier than expected.
- Tata Steel Indian business infused GBP 2.1bn of equity in the UK business. The proposed fund infusion will be used by TSHP to repay the existing external debt at offshore entities and to support the restructuring costs at Tata Steel UK Limited.
- FY26 is where the European business will be EBITDA positive.
- In Netherlands, production was lower in FY24 due to relining of the BF thereby impacting the cost profile. The BF started back in February and is fully ramped up now. The company is under discussions with the government for its steel plants in Netherlands.
- The Netherlands government have given the approval for a transition. TSN will be EBITDA positive from Q1FY25 onwards. Netherlands FCF were negative due to losses at the EBITDA level and capex undertaken for the relining of the BF-6.
- Corus acquisition debt has come down to \$400mn from \$1.9bn at the start.
- Overseas debt breakdown –
 - Foreign currency bonds – Rs 16,000 – 16,500 crs
 - Long term and working capital debt – ~Rs 14,000 crs

Pricing Information

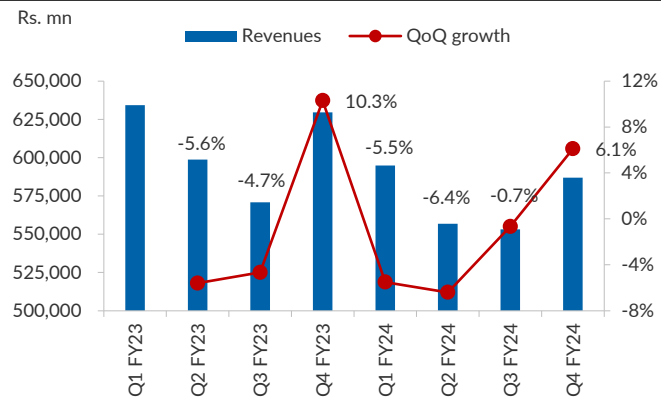
- Coke rate declined by 3% YoY at Indian operations. The 6 mtpa pellet plant has started playing its role in bringing costs of steel production down. On a per-tonne basis material cost improved by ~Rs 6,000/t on the back of coking coal costs and pellet purchases.
- **For Indian operations:** Q1FY25 has seen a price rise of Rs 300 – 350/t. Coking coal will be \$10/t lower on a blended basis.
- **For TSN:** For Q4FY24, NSR/t declined by GBP 158/t, conversion costs increased by GBP 21/t. Going into Q1FY25, TSN operations to see a GBP 90/t improvement in NSR. Coking coal will be \$20/t lower.
- **For TSUK:** For TSUK, the NSR/t was down by GBP 143/t. Material costs improved by GBP 50/t and conversion costs improved by GBP 6/t. Lower coking coal and iron ore costs came into effect for TSUK.

Guidance and Capital Expenditures

- KP-II phase volume guidance for FY25 would be 1.7 mn tonnes more. NINL will see 200 kt of additional volume for the year.
- Consolidated volumes guidance: 1.4 mn tonnes more than FY24.
- UK production volume to be lower than last year since the BF will shut down by Q2FY25. UK to procure around 1.7mn tonnes of slabs for its downstream operations. 0.6 mn tonnes to flow in from the Netherlands operations and 1.1 mn from the Indian operations.
- Netherlands' production to be higher than last year since the plant will be running at peak utilization on the capacity.
- Capex guidance for FY25: Rs 16,000 crores. 75% of this amount would be utilized for the Indian capex.

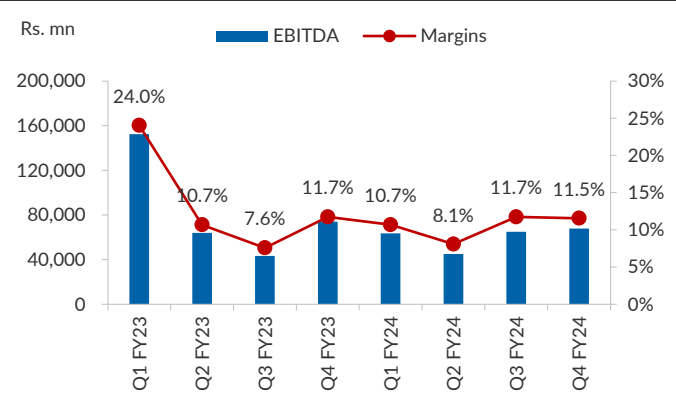
QUARTERLY TRENDS

Exhibit 6: Revenues grew 6% QoQ...



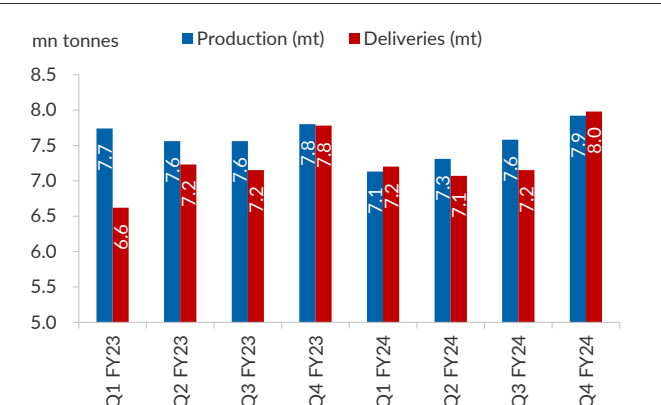
Source: Company, YES Sec

Exhibit 7: EBITDA margins fall by 200bps QoQ...



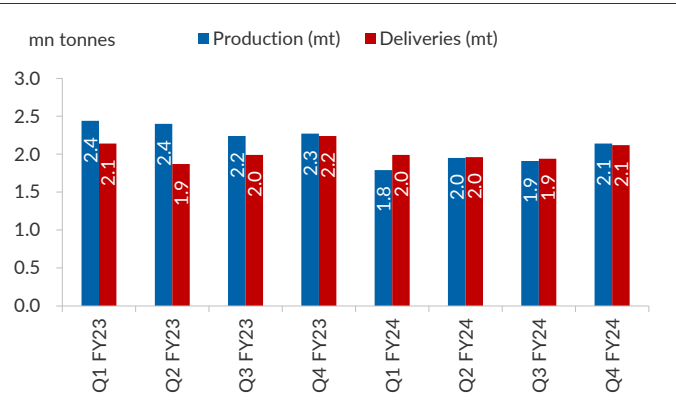
Source: Company, YES Sec

Exhibit 8: Consolidated Operational Highlights



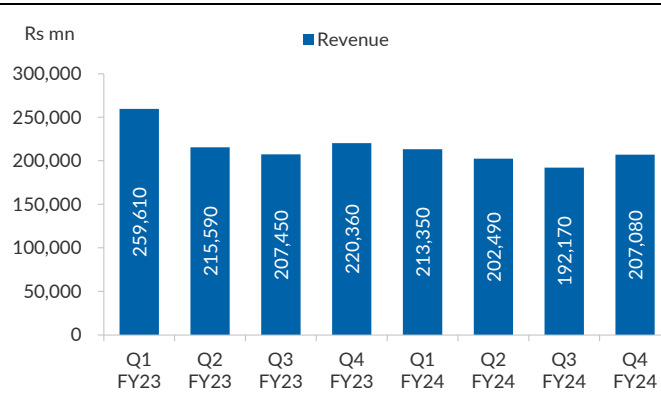
Source: Company, YES Sec

Exhibit 9: Tata Steel Europe Operational Highlights



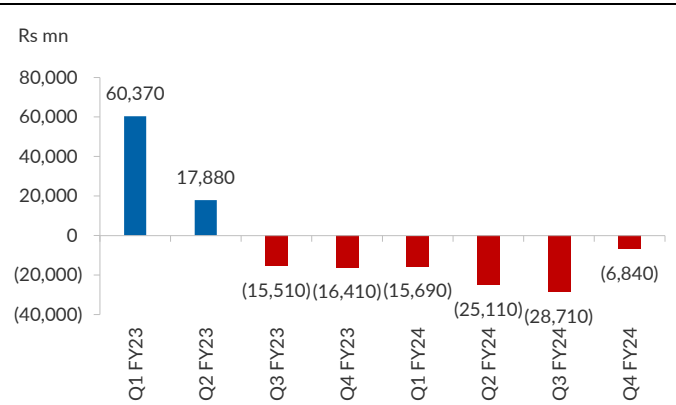
Source: Company, YES Sec

Exhibit 10: TSE revenues pick up post plant ramping up



Source: Company, YES Sec

Exhibit 11: TSE EBITDA shows signs of turnaround



Source: Company, YES Sec

FINANCIALS

Exhibit 12: Income Statement

Y/e 31 Mar (Rs bn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Revenue	1,330	1,577	1,398	1,565	2,440	2,434	2,292	2,422	2,582
COGS	522	608	575	566	835	1,132	1,019	1,153	1,245
Employee Cost	176	188	185	199	233	224	245	219	219
Other Expenses	424	504	487	512	766	754	804	724	729
Other Income	9	14	18	9	8	10	18	18	18
EBITDA	228	308	193	314	643	333	241	342	406
EBITDA (%)	17%	20%	14%	20%	26%	14%	11%	14%	16%
Depreciation	60	73	84	92	91	93	99	104	111
EBIT	168	235	109	222	552	240	142	238	295
EBIT (%)	13%	15%	8%	14%	23%	10%	6%	10%	11%
Interest	55	77	75	76	55	63	75	60	60
PBT	211	159	-2	138	502	182	-11	99	156
Tax	34	67	-26	57	85	102	38	25	39
PAT	178	91	12	82	417	81	-49	74	117
EPS	12.98	8.89	1.36	6.54	33.21	7.25	-3.67	6.52	10.04

Exhibit 13: Balance Sheet

Y/e 31 Mar (Rs bn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Gross Block	1,364	1,690	1,783	1,925	1,909	2,021	2,169	2,334	2,494
Accumulated Dep	461	506	588	735	748	834	933	1,037	1,148
Net Block	903	1,185	1,195	1,190	1,162	1,187	1,235	1,296	1,345
CWIP	162	180	189	181	212	303	334	350	368
Other Non-current Assets	354	382	533	481	555	524	460	481	496
Inventory	283	317	311	333	488	544	492	474	512
Receivables	124	118	79	95	122	83	63	100	106
Cash & Bank	79	33	81	58	159	134	87	60	92
Other Current Assets	192	122	117	116	156	106	64	82	86
Total Assets	2,098	2,336	2,504	2,455	2,854	2,880	2,734	2,843	3,004
Share Capital	11	11	11	12	12	12	12	12	12
Reserves	575	655	702	723	1,132	1,019	908	970	1,074
Non-current Liabilities	923	1,013	1,126	971	778	856	826	818	833
Current Liabilities	557	610	617	709	906	973	984	1,038	1,081
Total Equity & Liabilities	2,098	2,336	2,504	2,455	2,854	2,880	2,734	2,843	3,004

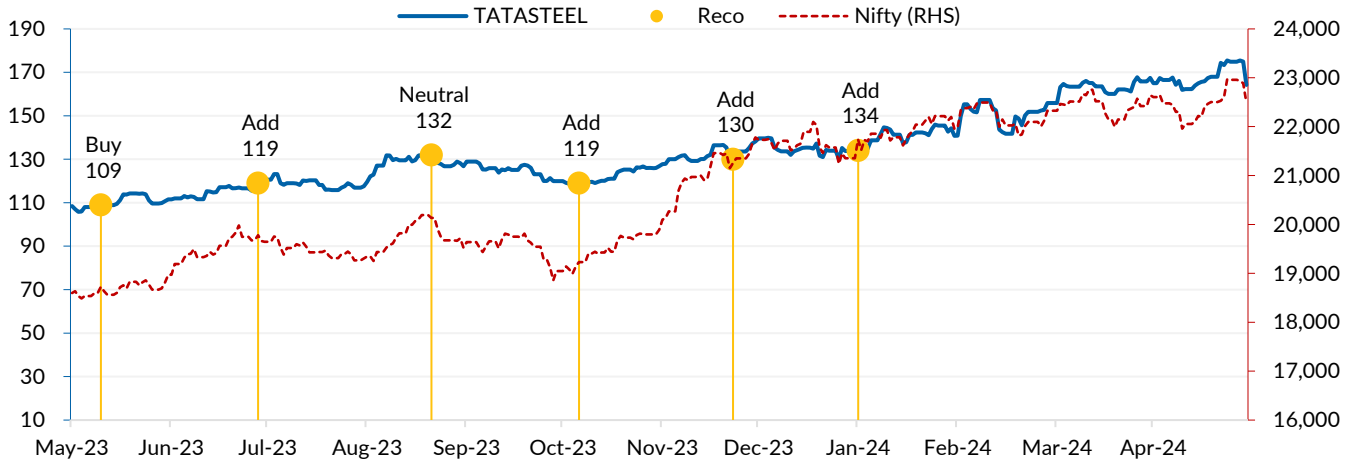
Exhibit 14: Cash Flow Statement

Y/e 31 Mar (Rs bn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Profit before Tax	212	158	(14)	138	502	182	(11)	82	139
Add: Non-cash charges	(221)	120	195	147	157	127	234	165	171
Profit before Working Capital changes	(10)	278	181	285	659	309	222	247	311
Working capital changes	119	26	42	165	(96)	(37)	34	(1)	(6)
Cash flow from Operations	109	304	223	450	563	272	256	246	305
Taxes Paid	(29)	(51)	(21)	(7)	(119)	(55)	(53)	(21)	(35)
Net Cash flow from Operating Activities	80	253	202	443	444	217	203	225	270
Capex	(75)	(91)	(104)	(70)	(105)	(141)	(182)	(165)	(160)
Other Investments	(45)	(201)	(41)	(23)	(4)	(45)	40	(17)	(18)
Net Cash flow from Investing Activities	(120)	(292)	(145)	(93)	(109)	(187)	(143)	(182)	(178)
Proceeds/(Repayment) from borrowings	44	83	86	(294)	(139)	65	23	(10)	0
Other financial activities	22	(89)	(103)	(77)	(95)	(135)	(134)	(60)	(60)
Net Cash flow from Financing Activities	66	(7)	(17)	(371)	(234)	(70)	(111)	(70)	(60)
Opening Cash Balance	48	78	30	75	55	156	121	71	44
Net Change in Cash	26	(45)	39	(21)	101	(40)	(50)	(27)	32
FX and Translation effects	3	(3)	6	1	(0)	5	(0)	0	0
Ending Cash Balance	78	30	75	55	156	121	71	44	76

Exhibit 15: Key Ratios

Y/e 31 Mar	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Growth (%)									
Total Sales	13%	19%	-11%	12%	56%	0%	-6%	6%	7%
EBITDA	30%	35%	-37%	63%	105%	-48%	-28%	42%	19%
EBIT	42%	39%	-54%	104%	149%	-56%	-41%	67%	24%
PAT	-526%	-49%	-87%	599%	410%	-81%	-161%	-251%	57%
Profitability (%)									
GP Margins	61%	61%	59%	64%	66%	53%	56%	53%	52%
EBIDTA Margins	17%	20%	14%	20%	26%	14%	11%	14%	16%
EBIT Margins	13%	15%	8%	14%	23%	10%	6%	10%	11%
PAT Margins	13%	6%	1%	5%	17%	3%	-2%	3%	5%
ROCE	12%	5%	1%	5%	21%	4%	-3%	4%	6%
ROE	29%	13%	2%	11%	36%	8%	-5%	8%	11%
Per Share Data (Rs)									
EPS	13.0	8.9	1.4	6.5	33.2	7.2	(3.7)	6.5	10.0
BVPS	59.7	62.1	66.5	67.6	96.8	87.0	76.4	81.6	90.2
Valuations (x)									
P/E	4.4	5.9	19.8	12.4	3.9	15.2	(72.2)	40.6	26.4
P/BV	1.0	0.8	0.4	1.2	1.3	1.3	3.5	3.2	2.9

Recommendation Tracker



DISCLAIMER

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

The information and opinions in this report have been prepared by YSL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that each security's price or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Technical Analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. This report is not directed 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, regulation or which would subject YSL and associates to any registration or licensing requirement within such jurisdiction. The

securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through SEC 15a-6 rules and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This Research Report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s) who has prepared the research report. YES Securities (India) Limited is the employer of the YES Securities (India) Limited Representative who is responsible for the report, are responsible for the content of the YES Securities (India) Limited Research Report; any material conflicts of interest of YES Securities (India) Limited in relation to the issuer(s) or securities discussed in the YES Securities (India) Limited Research Report. This YES Securities (India) Limited Research Report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ 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 YES Securities (India) Limited 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 or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

YES Securities (India) Limited

Registered Address: 2nd Floor, North Side, YES BANK House,
Off Western Express Highway, Santacruz East,
Mumbai - 400 055, Maharashtra, India.

Correspondence Address: 7th Floor, Urmi Estate Tower A, Ganpatrao
Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West),
Mumbai - 400 013, Maharashtra, India.

✉ research@ysil.in | Website: www.yesinvest.in

Registration Nos.: CIN: U74992MH2013PLC240971 | SEBI Single
Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member
Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL &
NSDL: IN-DP-653-2021 | MERCHANT BANKER: INM000012227 |
RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER:
INA000007331 | Sponsor and Investment Manager to YSL Alternates
Alpha Plus Fund (CAT III AIF) SEBI Registration No.: IN/AIF3/20-21/0818 |
AMFI ARN Code - 94338.

Details of Compliance Officer: Name: Aditya Goenka,
Email id: compliance@ysil.in, **Contact No:** 022- 65078127 (Extn: 718127)

Grievances Redressal Cell: customer.service@ysil.in/igc@ysil.in

DISCLOSURE OF INTEREST

Name of the Research Analyst : Manav Gogia

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSL's financial interest in the subject company(ies)	Yes
2	Research Analyst or his/her relative or YSL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report	No
3	Research Analyst or his/her relative or YSL has any other material conflict of interest at the time of publication of the Research Report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSL has received any compensation from the subject company in the past twelve months	No
6	YSL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8	YSL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSL has been engaged in market making activity for the subject company(ies)	No

Since YSL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

BUY: Upside greater than 20% over 12 months

ADD: Upside between 10% to 20% over 12 months

NEUTRAL: Upside between 0% to 10% over 12 months

REDUCE: Downside between 0% to -10% over 12 months

SELL: Downside greater than -10% over 12 months

NOT RATED / UNDER REVIEW

ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ("YSL") is a wholly owned subsidiary of YES BANK LIMITED. YSL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSL is also a SEBI-registered Category I Merchant Banker, Investment Adviser and Research Analyst. YSL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL. YSL offers, inter alia, trading/investment in equity and other financial products along with various value added services. We hereby declare that there are no disciplinary actions taken against YSL by SEBI/Stock Exchanges.