

## NMDC

02 April 2024

## COMPANY UPDATE

Sector: Metals	Rating: HOLD
CMP: Rs 212	Target Price: Rs 209

## Stock Info

Sensex/Nifty	74,014/ 22,462
Bloomberg	NMDC IN
Equity shares (mn)	2,931
52-wk High/Low	Rs 253/104
Face value	Rs 1
M-Cap	Rs 621bn/USD 7.5bn

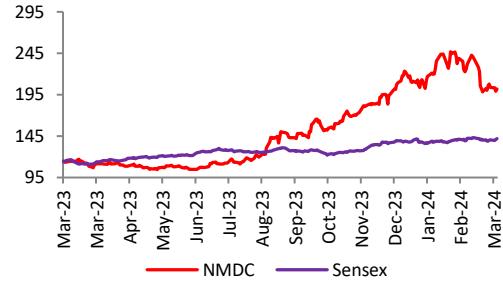
## Financial Snapshot (Rs bn)

Y/E Mar	FY24E	FY25E	FY26E
Sales	216.7	231.8	256.8
EBITDA	73.1	77.6	86.5
PAT	57.1	62.6	64.6
EPS (Rs)	19.5	21.3	22.0
PE (x)	10.9	9.9	9.6
EV/EBITDA (x)	6.3	5.9	5.3
RoE (%)	24%	23%	21%
RoCE (%)	27%	26%	22%
Dividend yield (%)	3.7%	4.0%	4.2%

## Shareholding Pattern (%)

	Dec'23	Sep'23	Jun'23
Promoter	60.8	60.8	60.8
-Pledged			
FII	9.9	8.3	7.0
DII	17.3	17.7	18.0
Others	12.0	13.2	14.2

## Stock Performance (1-year)



## Shweta Dikshit

shwetadikshit@systematixgroup.in  
+91 22 6704 8042

## Hinal Kothari

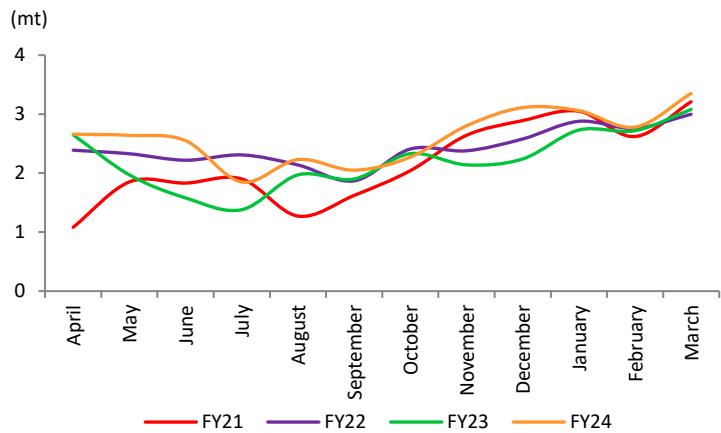
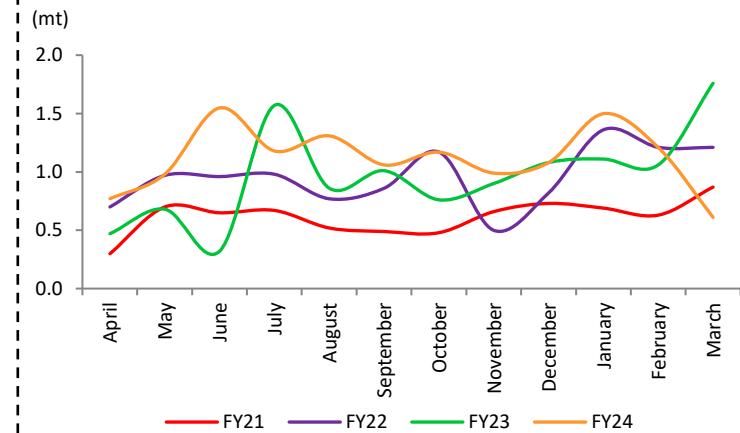
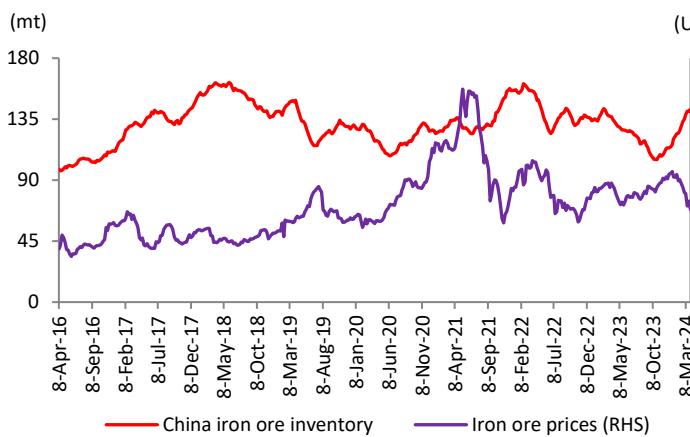
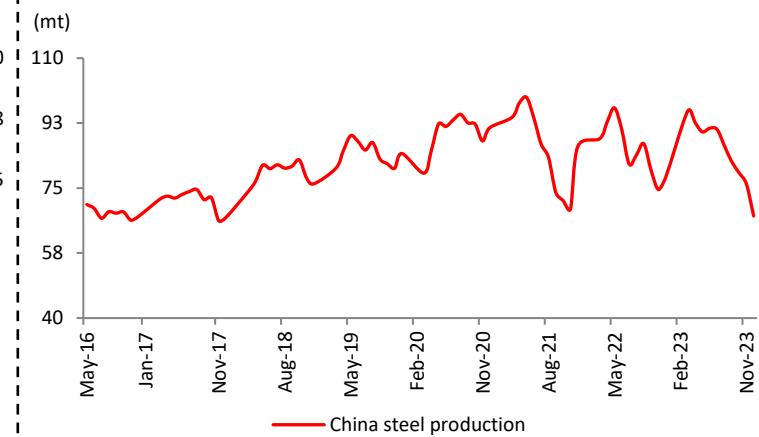
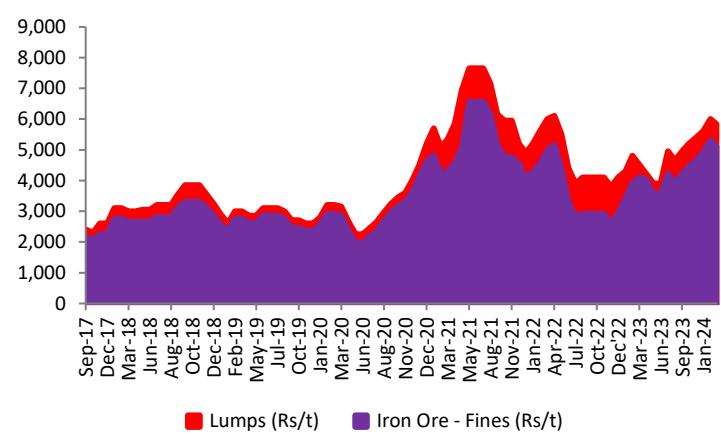
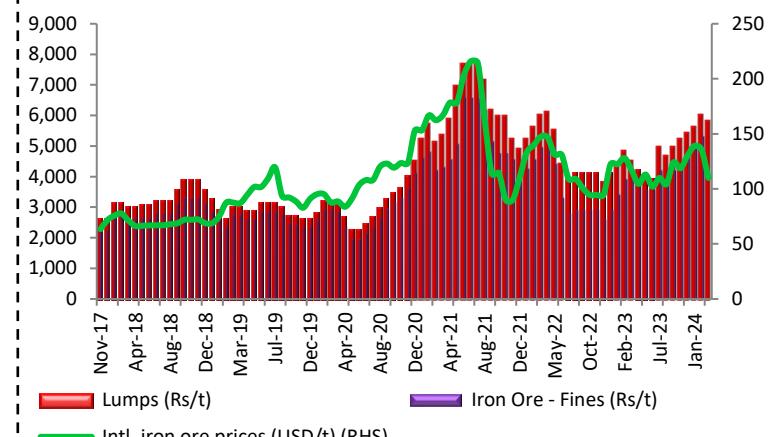
hinalkothari@systematixgroup.in  
+91 22 6704 8076

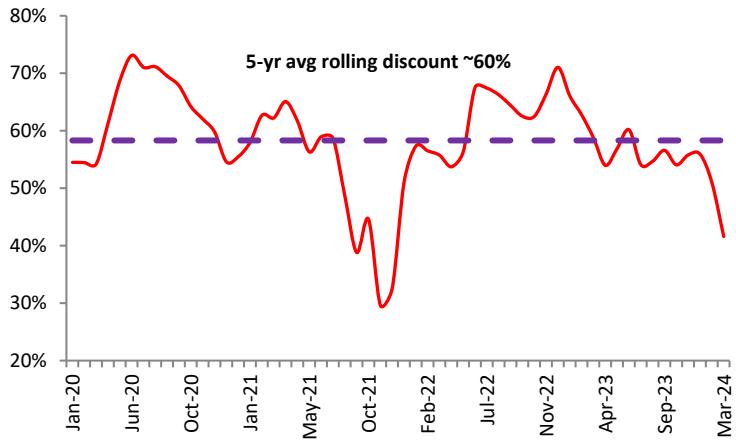
## Falls short on annual volume guidance

NMDC reported provisional volume numbers for March with production and sales of 4.9mt (-13% YoY/+24% MoM) and 4mt (-18% YoY/-1% MoM), respectively. Production for the quarter comes to 13.3mt (-6%/+9% YoY/QoQ). Iron ore (IO) sales volumes for the quarter came in at 12.5 mt (+0.8% YoY, -9.8% QoQ). Operational performance was impacted by lower production and offtake at its mines in Karnataka. Full-year production and dispatch of 45.1mt and 44.8mt, respectively, fell short of the guided range of 47-49mt. International IO prices have fallen by over 25% since the beginning of the year due to the pile-up of iron ore inventories at ports in China. NMDC, which had consistently increased prices since September 2023, took a ~Rs 200/t price cut during March'2024. We expect further price cuts in the short term to reflect the movement in international prices before seeing price recovery as Chinese port inventories de-stock.

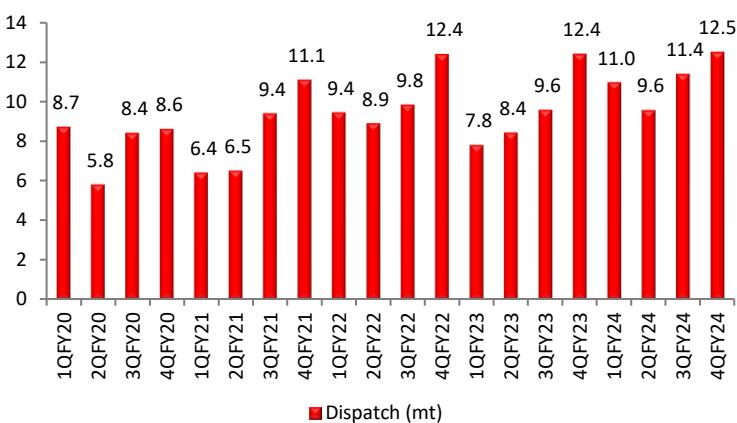
**Prices and macro factors:** International iron ore prices have fallen to their 52-week low of ~USD 95/t currently, below the USD 98/t level breached in May 2023. Recent price correction comes as a result of a supply glut caused by better-than-expected shipments of the key steelmaking raw material into China coupled with a lower-than-expected demand recovery. The prices have tumbled by over 25% since the beginning of the year as China's real estate and manufacturing activity remained under pressure. Slower pick-up in pig iron ore output at steel mills and ample in-plant stocks have led to higher iron ore port inventories. As of 29<sup>th</sup> March, iron ore inventory across ports in China totaled 142mt, up by 1.6mt WoW and 5.2mt YoY. Daily shipment from the ports was 2.8mt, a decline of 40kt/268kt WoW/YoY. Pig iron ore output in the country has fallen by nearly 7% this year. This also comes at a time when iron ore exports from Australia have begun to surge as a batch of mine maintenance programs concluded. These factors taken together explain China's port inventories breaching record levels.

**Maintain HOLD:** NMDC reduced the prices of iron ore lumps and fines by Rs 200 and Rs 250 per ton, respectively, in March. The price reduction comes after a series of price increases taken since September 2023 and reflects the movement in international prices. Discount to international prices has narrowed to ~45% currently and we expect further price cuts in the short term to maintain the historical average of 60%. NMDC is currently focusing on a) increasing evacuation capacity through the doubling of the KK line and a 15mt slurry pipeline, b) adding a 2mt pellet capacity at Nagarnar, Chhattisgarh, and c) screening plant at Kirandul, a 2mt ore processing plant and additional screening line at Bacheli. These debottlenecking projects will contribute to volume growth in smaller quantities for the company over FY25-FY26. Volumes could thereafter see stagnation till FY28 before bigger capacity expansion projects come on stream. Delays in securing mining limit enhancement can keep dispatch volumes lower than expected. We have revised our FY25/FY26 EBITDA estimate lower by 8% each to reflect lower sales volume. We value NMDC at 5.2x FY26E EV/EBITDA to arrive at a revised target price of Rs 209/share (Rs 222/share earlier). Maintain HOLD.

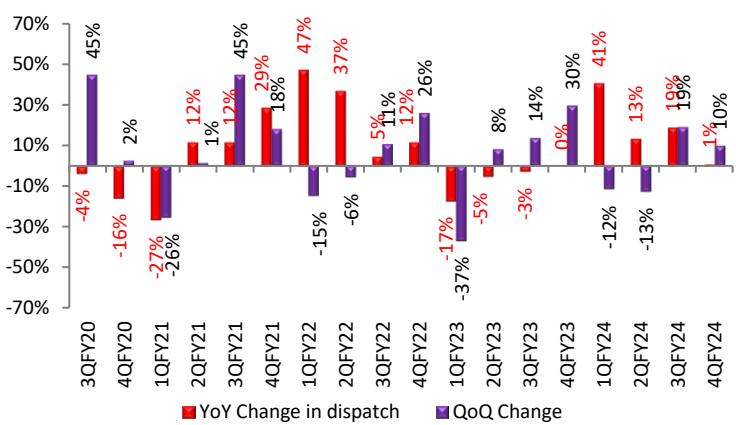
**Exhibit 1: Dispatch volumes trend - Chattisgarh****Exhibit 2: Dispatch volumes trend - Karnataka****Exhibit 3: Supply glut caused by iron ore stock pile up at ports in China****Exhibit 4: Monthly steel production in China on a downward trend****Exhibit 5: NMDC's realisation trended higher in 3QFY24****Exhibit 6: Comparison with benchmark iron ore prices**

**Exhibit 7: Discount to international prices narrows to ~45%**

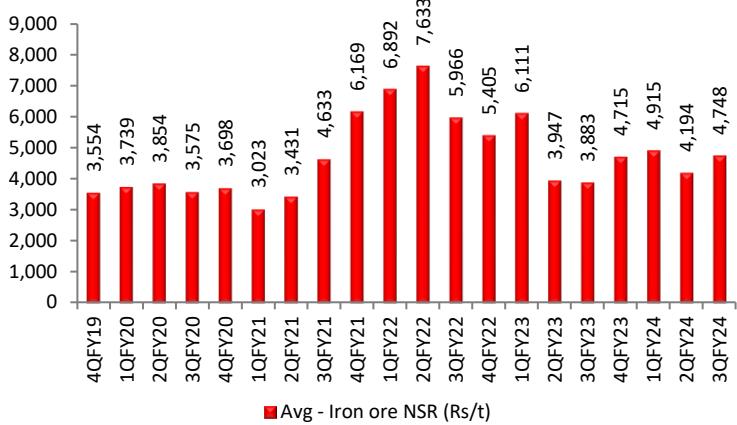
Source: Company, Bloomberg, Systematix Institutional Research

**Exhibit 8: Dispatch volumes have increased sequentially, flat YoY**

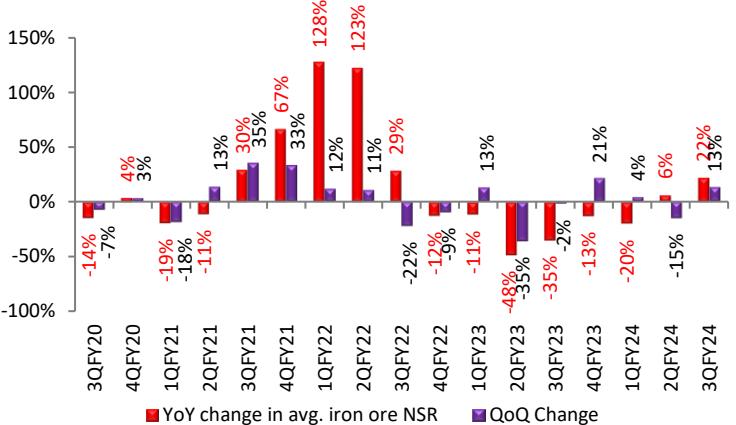
Source: Company, Systematix Institutional Research

**Exhibit 9: YoY/QoQ change in quarterly dispatch volumes**

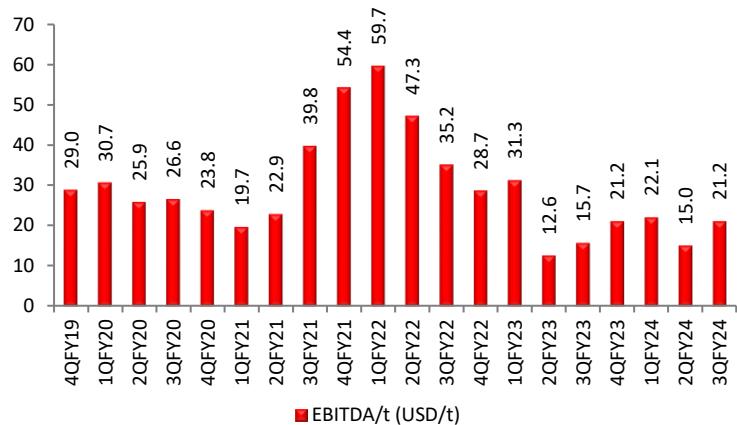
Source: Company, Systematix Institutional Research

**Exhibit 10: Average NSR moves in line with international prices**

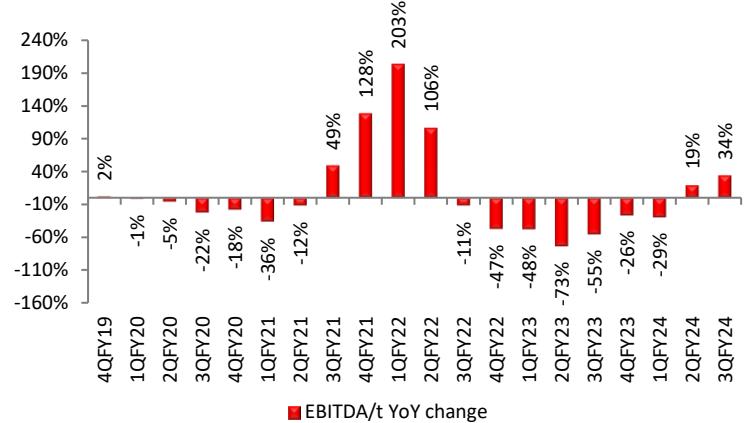
Source: Company, Systematix Institutional Research

**Exhibit 11: Change in quarterly average NSR**

Source: Company, Systematix Institutional Research

**Exhibit 12: Quarterly EBITDA/t**

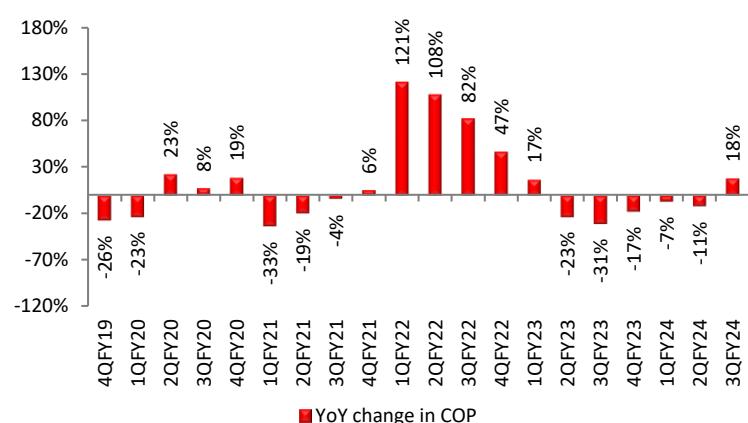
Source: Company, Systematix Institutional Research

**Exhibit 13: YoY change in quarterly EBITDA/t**

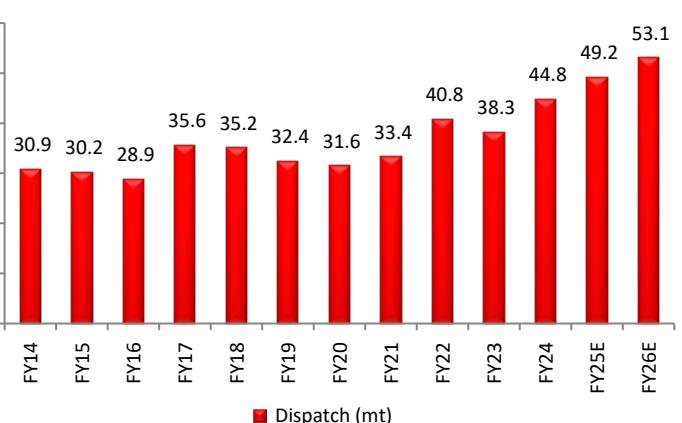
Source: Company, Systematix Institutional Research

**Exhibit 14: Cost of production (CoP)**

Source: Company, Systematix Institutional Research

**Exhibit 15: YoY change in CoP**

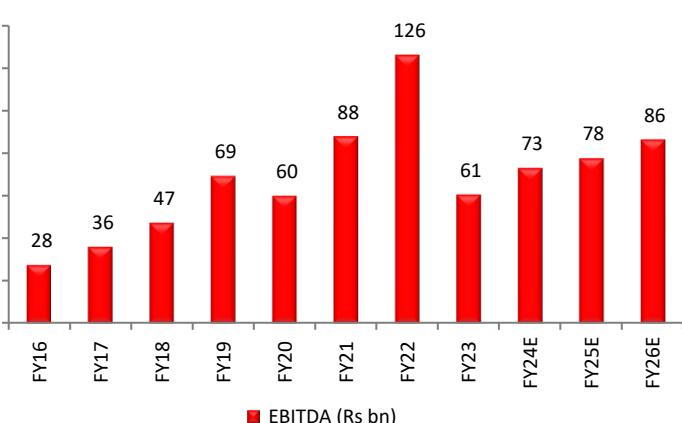
Source: Company, Systematix Institutional Research

**Exhibit 16: 44.8mt dispatch volume in FY24, up 17% YoY**

Source: Company, Systematix Institutional Research

**Exhibit 17: Revenue to grow in line with volumes**

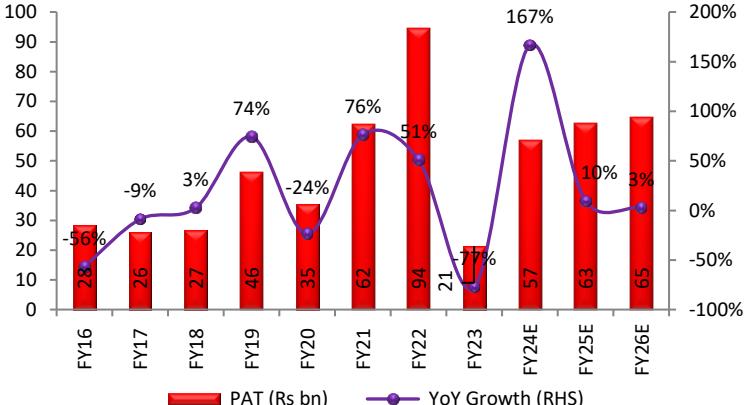
Source: Company, Systematix Institutional Research

**Exhibit 18: EBITDA trend**

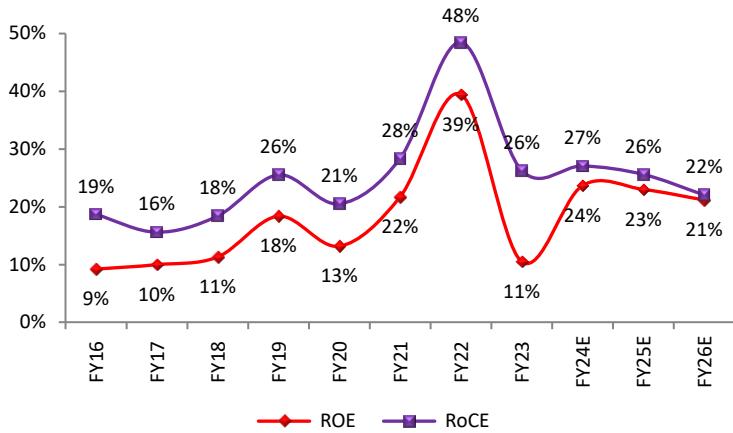
Source: Company, Systematix Institutional Research

**Exhibit 19: EBITDA/t to stabilise in coming years**

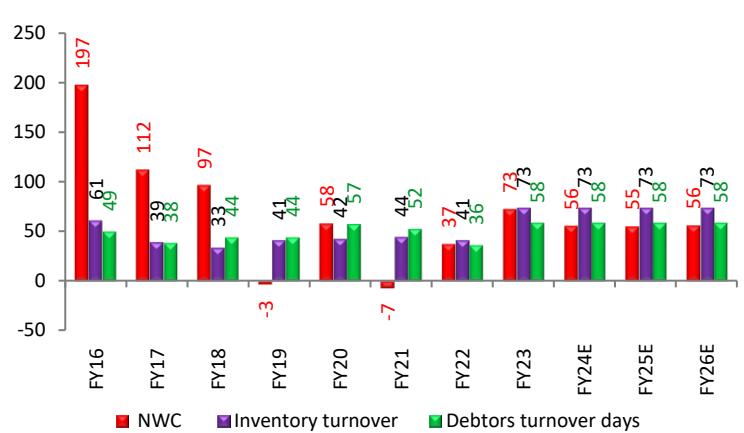
Source: Company, Systematix Institutional Research

**Exhibit 20: Profit after tax**

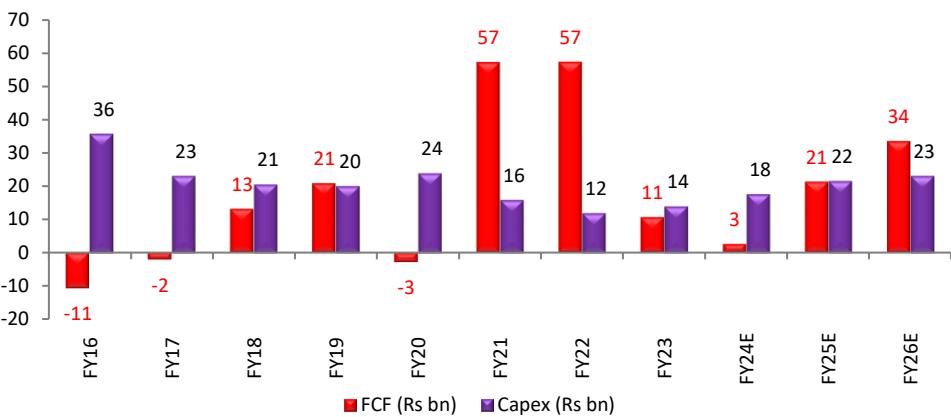
Source: Company, Systematix Institutional Research

**Exhibit 21: RoE and RoCE trend**

Source: Company, Systematix Institutional Research

**Exhibit 22: Healthy working capital management**

Source: Company, Systematix Institutional Research

**Exhibit 23: Cash generation to surge, as the capex cycle at the steel plant ends**

Source: Company, Systematix Institutional Research

**Exhibit 24: Key assumptions**

	FY22	FY23	FY24E	FY25E	FY26E
Iron ore production volume (mt)	41	38	45	49	53
Iron ore sales volume (mt)	41	38	45	49	53
<b>Avg. iron ore realization (USD/t)</b>	<b>79</b>	<b>56</b>	<b>58</b>	<b>56</b>	<b>57</b>
Avg. iron ore realization (Rs/t) (Incl. Royalty)	5,875	4,392	4,840	4,713	4,834
EBITDA/tonne (Rs/t)	3,096	1,582	1,634	1,578	1,628
<b>EBITDA/tonne (USD/t)</b>	<b>41.6</b>	<b>20.3</b>	<b>19.6</b>	<b>18.8</b>	<b>19.3</b>
<b>Cost/tonne(USD/t)</b>	<b>37</b>	<b>36</b>	<b>38</b>	<b>37</b>	<b>38</b>
USD/INR	74	78	83	84	84

Source: Systematix Institutional Research

**Exhibit 25: NMDC Valuation: EV/EBITDA method (FY26E)**

	Discount	EBITDA	Multiple	Ent. Value	Per Share
	(%)	(Rs bn)	(x)	(Rs bn)	(Rs)
EBITDA		86.5	5.2	450	153
Net cash				115	39
Add: CWIP				49	17
<b>Target price per share</b>				<b>209</b>	

Source: Systematix Institutional Research

**Exhibit 26: Revised estimates**

(Rs bn)	Previous			Revised			% Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	233	248	274	217	232	257	-7%	-6%	-6%
EBITDA	82	84	94	73	78	86	-10%	-8%	-8%
PAT	63	67	70	57	63	65	-10%	-7%	-8%
Avg. iron ore realization (USD/t)	58	56	57	58	56	57	0%	0%	1%
Iron ore sales volume (mt)	48	53	57	45	49	53	-7%	-7%	-7%

Source: Systematix Institutional Research

# FINANCIALS (CONSOLIDATED)

## Profit & Loss Statement

YE: Mar (Rs bn)	FY22	FY23	FY24E	FY25E	FY26E
Net Sales	260	177	217	232	257
Expenditure	133	116	144	154	170
<b>EBITDA</b>	<b>126</b>	<b>61</b>	<b>73</b>	<b>78</b>	<b>86</b>
Depreciation	3	3	3	3	13
<b>EBIT</b>	<b>123</b>	<b>57</b>	<b>70</b>	<b>74</b>	<b>73</b>
Interest and other income	7	7	10	13	13
Exceptionals	-	12	-	-	-
<b>PBT</b>	<b>130</b>	<b>52</b>	<b>79</b>	<b>87</b>	<b>86</b>
Taxes	36	21	22	24	22
Adj. PAT	94	21	57	63	65
No of shares	2,931	2,931	2,931	2,931	2,931
Adj. EPS	32.2	7.3	19.5	21.3	22.0

Source: Company, Systematix Institutional Research

## Balance Sheet

YE: Mar (Rs bn)	FY22	FY23	FY24E	FY25E	FY26E
Equity capital	3	3	3	3	3
Reserves and surplus	177	223	258	295	334
Net worth	180	226	261	298	337
Debt	18	4	-	-	50
Other liabilities	56	42	32	33	41
<b>Total liabilities and equity</b>	<b>249</b>	<b>282</b>	<b>303</b>	<b>338</b>	<b>395</b>
Inventories	21	27	32	35	40
Debtors	30	27	45	51	49
Cash and bank	80	71	58	45	53
Loans and advances	6	5	6	7	8
<b>Total current assets</b>	<b>157</b>	<b>158</b>	<b>165</b>	<b>163</b>	<b>178</b>
Net block	24	30	48	70	89
CWIP	13	20	10	14	23
Investments	9	9	9	9	16
Current liabilities	56	41	30	32	40
Provisions	0	1	2	1	1
Net deferred tax	4	6	3	3	4
Other assets	37	21	33	43	58
<b>Total assets</b>	<b>249</b>	<b>282</b>	<b>303</b>	<b>338</b>	<b>395</b>

Source: Company, Systematix Institutional Research

## Cash Flow

YE: Mar (Rs bn)	FY22	FY23	FY24E	FY25E	FY26E
PBT	130	76	79	87	86
Add: Depreciation	3	3	3	3	13
Add: Interest	(4)	(5)	(10)	(13)	(13)
Less: taxes paid	(44)	(21)	(22)	(24)	(22)
Add: Other adjustments	7	2	(0)	(0)	(3)
Less: WC changes	(23)	(31)	(30)	(10)	(5)
<b>Total OCF</b>	<b>69</b>	<b>25</b>	<b>20</b>	<b>43</b>	<b>57</b>
OCF w/o WC changes	92	56	51	53	61
Capital expenditure	(12)	(14)	(18)	(22)	(23)
Change in investments	(0)	0	-	-	-
Interest/Dividend Recd	4	6	10	13	13
<b>Total ICF</b>	<b>(32)</b>	<b>0</b>	<b>(7)</b>	<b>(27)</b>	<b>(39)</b>
<b>Free Cash Flows</b>	<b>57</b>	<b>11</b>	<b>3</b>	<b>21</b>	<b>34</b>
Dividend payment	(43)	(11)	(28)	(30)	(31)
Change in borrowings	(1)	(1)	1	2	16
Buyback	-	-	-	-	-
<b>Total Financing CF</b>	<b>(41)</b>	<b>(25)</b>	<b>(26)</b>	<b>(28)</b>	<b>(11)</b>
Net change in cash	(3)	(0)	(13)	(12)	7
Opening cash & CE	57	54	54	41	28
Closing cash & CE	54	54	41	28	36

Source: Company, Systematix Institutional Research

## Ratios

YE: Mar	FY22	FY23	FY24E	FY25E	FY26E
YoY growth in Revenue	69%	-32%	23%	7%	11%
YoY growth in EBITDA	44%	-52%	21%	6%	11%
YoY growth in Net income	51%	-77%	167%	10%	3%
EBITDA margin	49%	34%	34%	33%	34%
PAT margin	36%	12%	26%	27%	25%
ROE	39%	11%	24%	23%	21%
ROCE	48%	26%	27%	26%	22%
Net debt to equity (x)	0.34	0.30	0.21	0.14	0.13
<b>Per share numbers (Rs)</b>					
Reported earnings	32.2	7.3	19.5	21.3	22.0
Dividend	14.7	6.6	7.8	8.5	8.8
Free cash	19.6	3.6	0.9	7.3	11.4
Book value	61	77	87	98	110
<b>Valuations (x)</b>					
P/E	6.6	29.1	10.9	9.9	9.6
EV/EBITDA	3.6	7.6	6.3	5.9	5.3
EV to sales	1.8	2.6	2.1	2.0	1.8
P/B	3.4	2.7	2.4	2.2	1.9

Source: Company, Systematix Institutional Research

## Institutional Equities Team

<b>Nikhil Khandelwal</b>	<b>Managing Director</b>	<b>+91-22-6704 8001</b>	<b>nikhil@systematixgroup.in</b>
<b>Equity Research</b>			
<b>Analysts</b>	<b>Industry Sectors</b>	<b>Desk-Phone</b>	<b>E-mail</b>
Dhananjay Sinha	Co Head of Equities & Head of Research - Strategy & Economics	+91-22-6704 8095	dhananjaysinha@systematixgroup.in
Abhishek Mathur	FMCG	+91-22-6704 8059	abhishekmathur@systematixgroup.in
Ashish Poddar	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8039	ashishpoddar@systematixgroup.in
Himanshu Nayyar	Consumer Staples & Discretionary	+91-22-6704 8079	himanshunayyar@systematixgroup.in
Manjith Nair	Banking, Insurance	+91-22-6704 8065	manjithnair@systematixgroup.in
Pradeep Agrawal	NBFCs & Diversified Financials	+91-22-6704 8024	pradeepagrawal@systematixgroup.in
Pratik Tholiya	Specialty & Agro Chem, Fertilisers, Sugar, Textiles and Select Midcaps	+91-22-6704 8028	pratiktholiya@systematixgroup.in
Sameer Pardikar	IT & ITES	+91-22-6704 8041	sameerpardikar@systematixgroup.in
Sudeep Anand	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8085	sudeepanand@systematixgroup.in
Vishal Manchanda	Pharmaceuticals and Healthcare	+91-22-6704 8064	vishalmanchanda@systematixgroup.in
Chetan Mahadik	Consumer Staples & Discretionary	+91-22-6704 8091	chetanmahadik@systematixgroup.in
Deeksha Bhardwaj	Strategy & Economics	+91-22-6704 8017	deekshabhardwaj@systematixgroup.in
Devanshi Kamdar	IT & ITES	+91-22-6704 8098	devanshikamdar@systematixgroup.in
Hinal Kothari	Metals & Mining	+91-22-6704 8076	hinalkothari@systematixgroup.in
Jennisa Popat	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8066	jennisapopat@systematixgroup.in
Kalash Jain	Midcaps	+91-22-6704 8038	kalashjain@systematixgroup.in
Krishna Zaveri	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8023	krishazaveri@systematixgroup.in
Mahek Shah	Consumer Durables, EMS, Building Materials, Small-Mid Caps	+91-22-6704 8040	mahekshah@systematixgroup.in
Nirali Chheda	Banking, Insurance	+91-22-6704 8019	niralichheda@systematixgroup.in
Pashmi Chheda	Banking, Insurance	+91-22-6704 8063	pashmichheda@systematixgroup.in
Pratik Oza	Midcaps	+91-22-6704 8036	pratikoza@systematixgroup.in
Pravin Mule	NBFCs & Diversified Financials	+91-22-6704 8034	pravinmule@systematixgroup.in
Prathmesh Kamath	Oil & Gas, Logistics, Cement, Wagons	+91-22-6704 8022	prathmeshkamath@systematixgroup.in
Purvi Mundhra	Macro-Strategy	+91-22-6704 8078	purvimumdhra@systematixgroup.in
Rajesh Mudaliar	Consumer Staples & Discretionary	+91-22-6704 8084	rajeshmudaliar@systematixgroup.in
Ronak Dhruv	NBFCs & Diversified Financials	+91-22-6704 8045	ronakdhruv@systematixgroup.in
Shweta Dikshit	Metals & Mining	+91-22-6704 8042	shwetadikshit@systematixgroup.in
Swati Saboo	Midcaps	+91-22-6704 8043	swatisaboo@systematixgroup.in
Vivek Mane	Pharmaceuticals and Healthcare	+91-22-6704 8046	vivekmane@systematixgroup.in
Yogeeta Rathod	Midcaps	+91-22-6704 8081	yogeetarathod@systematixgroup.in
<b>Equity Sales &amp; Trading</b>			
<b>Name</b>		<b>Desk-Phone</b>	<b>E-mail</b>
Vipul Sanghvi	Co Head of Equities & Head of Sales	+91-22-6704 8062	vipulsanghvi@systematixgroup.in
Jignesh Desai	Sales	+91-22-6704 8068	jigneshdesai@systematixgroup.in
Sidharth Agrawal	Sales	+91-22-6704 8090	sidharthagrawal@systematixgroup.in
Shreya Chaudhary	Sales	+91-22-6704 8033	shreyachaudhary@systematixgroup.in
Rahul Khandelwal	Sales	+91-22-6704 8003	rahul@systematixgroup.in
Chintan Shah	Sales	+91-22-6704 8061	chintanshah@systematixgroup.in
Pawan Sharma	Director and Head - Sales Trading	+91-22-6704 8067	pawansharma@systematixgroup.in
Mukesh Chaturvedi	Vice President and Co Head - Sales Trading	+91-22-6704 8074	mukeshchaturvedi@systematixgroup.in
Vinod Bhuwad	Sales Trading	+91-22-6704 8051	vinodbhuwad@systematixgroup.in
Rashmi Solanki	Sales Trading	+91-22-6704 8097	rashmisolanki@systematixgroup.in
Karan Damani	Sales Trading	+91-22-6704 8053	karandamani@systematixgroup.in
Vipul Chheda	Dealer	+91-22-6704 8087	vipulchheda@systematixgroup.in
Paras Shah	Dealer	+91-22-6704 8047	parasshah@systematixgroup.in
Rahul Singh	Dealer	+91-22-6704 8054	rahulsingh@systematixgroup.in
<b>Corporate Access</b>			
Mrunal Pawar	Vice President & Head Corporate Access	+91-22-6704 8088	mrunalpawar@systematixgroup.in
Darsha Hiwrale	Associate Corporate Access	+91-22-6704 8083	darshahiwrale@systematixgroup.in
<b>Production</b>			
Madhu Narayanan	Editor	+91-22-6704 8071	madhunarayanan@systematixgroup.in
Mrunali Pagdhare	Production	+91-22-6704 8057	mrunalip@systematixgroup.in
Vijayendra Achrekar	Production	+91-22-6704 8089	vijayendraachrekar@systematixgroup.in
<b>Operations</b>			
Sachin Malusare	Vice President	+91-22-6704 8055	sachinmalusare@systematixgroup.in
Jignesh Mistry	Manager	+91-22-6704 8049	jigneshmistry@systematixgroup.in

## DISCLOSURES/APPENDIX

## I. ANALYST CERTIFICATION

I, **Shweta Dikshit, Hinal Kothari**, hereby certify that (1) views expressed in this research report accurately reflect my/our personal views about any or all of the subject securities or issuers referred to in this research report, (2) no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report by **Systematix Shares and Stocks (India) Limited (SSSIL)** or its group/associate companies, (3) reasonable care is taken to achieve and maintain independence and objectivity in making any recommendations.

Disclosure of Interest Statement	Update
Analyst holding in the stock	No
Served as an officer, director or employee	No

## II. ISSUER SPECIFIC REGULATORY DISCLOSURES, unless specifically mentioned in point no. 9 below:

1. The research analyst(s), SSSIL, associates or relatives do not have any financial interest in the company(ies) covered in this report.
2. The research analyst(s), SSSIL, associates or relatives 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.
3. The research analyst(s), SSSIL, associates or relatives did not have any other material conflict of interest at the time of publication of this research report.
4. The research analyst, SSSIL and its associates have not received compensation for investment banking or merchant banking or brokerage services or any other products or services from the company(ies) covered in this report in the past twelve months.
5. The research analyst, SSSIL or its associates have not managed or co-managed a private or public offering of securities for the company(ies) covered in this report in the previous twelve months.
6. SSSIL 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 this research report.
7. The research analyst has not served as an officer, director or employee of the company(ies) covered in this research report.
8. The research analyst and SSSIL have not been engaged in market making activity for the company(ies) covered in this research report.
9. Details of SSSIL, research analyst and its associates pertaining to the companies covered in this research report:

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

10. There is no material disciplinary action taken by any regulatory authority that impacts the equity research analysis activities.

## STOCK RATINGS

**BUY (B):** The stock's total return is expected to exceed 15% over the next 12 months.

**HOLD (H):** The stock's total return is expected to be within -15% to +15% over the next 12 months.

**SELL (S):** The stock's total return is expected to give negative returns of more than 15% over the next 12 months.

**NOT RATED (NR):** The analyst has no recommendation on the stock under review.

## INDUSTRY VIEWS

**ATTRACTIVE (AT):** Fundamentals/valuations of the sector are expected to be attractive over the next 12-18 months.

**NEUTRAL (NL):** Fundamentals/valuations of the sector are expected to neither improve nor deteriorate over the next 12-18 months.

**CAUTIOUS (CS):** Fundamentals/valuations of the sector are expected to deteriorate over the next 12-18 months.

## III. DISCLAIMER

The information and opinions contained herein have been compiled or arrived at based on the information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy completeness or correctness.

This document is for information purposes only. This report is based on information that we consider reliable; we do not represent that it is accurate or complete and one should exercise due caution while acting on it. Description of any company(ies) or its/their securities mentioned herein are not complete and this document is not and should not be construed as an offer or solicitation of an offer to buy or sell any securities or other financial instruments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. All opinions, projections and estimates constitute the judgment of the author as on the date of the report and these, plus any other information contained in the report, are subject to change without notice. Prices and availability of financial instruments are also subject to change without notice. This report is intended for distribution to institutional investors.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject to SSSIL or its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently sent or has reached any individual in such country, especially USA, the same may be ignored and brought to the attention of the sender. Neither this document nor any copy of it may be taken or transmitted into the United States (to U.S. persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. Any unauthorized use, duplication,

redistribution or disclosure of this report including, but not limited to, redistribution by electronic mail, posting of the report on a website or page, and/or providing to a third party a link, is prohibited by law and will result in prosecution. The information contained in the report is intended solely for the recipient and may not be further distributed by the recipient to any third party.

SSSIL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, SSSIL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that they cover. Our salespeople, 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. Our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The views expressed in this research report reflect the personal views of the analyst(s) about the subject securities or issues and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The compensation of the analyst who prepared this document is determined exclusively by SSSIL; however, compensation may relate to the revenues of the Systematix Group as a whole, of which investment banking, sales and trading are a part. Research analysts and sales persons of SSSIL may provide important inputs to its affiliated company(ies).

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations which could have an adverse effect on their value or price or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies, effectively assume currency risk. SSSIL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on the basis of this report including but not restricted to fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SSSIL and its affiliates, officers, directors, and employees subject to the information given in the disclosures may: (a) from time to time, have long or short positions in, and buy or sell, the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation (financial interest) or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential material conflict of interest with respect to any recommendation and related information and opinions. The views expressed are those of the analyst and the company may or may not subscribe to the views expressed therein.

SSSIL, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall SSSIL, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind. The company accepts no liability whatsoever for the actions of third parties. The report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of the company, the company has not reviewed the linked site. Accessing such website or following such link through the report or the website of the company shall be at your own risk and the company shall have no liability arising out of, or in connection with, any such referenced website.

SSSIL will not be liable for any delay or any other interruption which may occur in presenting the data due to any technical glitch to present the data. In no event shall SSSIL be liable for any damages, including without limitation, direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by SSSIL through this presentation.

**SSSIL or any of its other group companies or associates will not be responsible for any decisions taken on the basis of this report. Investors are advised to consult their investment and tax consultants before taking any investment decisions based on this report.**

Registration granted by SEBI to SSSIL and certification from NISM to the analyst in no way guarantee performance of SSSIL or to provide any assurance of returns to investors.



#### Systematix Shares and Stocks (India) Limited:

Registered and Corporate address: The Capital, A-wing, No. 603 – 606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051  
Tel no. 022-66198000/40358000 Fax no. 022-66198029/40358029 Email id contactus@systematixgroup.in. Visit us at: [www.systematixgroup.in](http://www.systematixgroup.in)

Details of Compliance officer: Ms Nipa Savla, Compliance officer Tel no. 022-66198092/4035808092 Email id compliance@systematixgroup.in

Details of Email id grievance redressal cell : grievance@systematixgroup.in

Details of Registration : CIN - U65993MH1995PLC268414 | BSE SEBI Reg. No.: INZ000171134 (Member Code: 182) | NSE SEBI Reg. No.: INZ000171134 (Member Code: 11327) | MCX SEBI Reg. No.: INZ000171134 (Member Code: 56625) | NCDEX SEBI Reg. No.: INZ000171134 (Member Code: 1281) | Depository Participant SEBI Reg. No.: IN-DP-480-2020 (DP Id: 12034600) | PMS SEBI Reg. No.: INP000002692 | Research Analyst SEBI Reg. No.: INH200000840 | AMFI : ARN - 64917