

May 16, 2024

RESULT REPORT 4QFY24 | Sector: Automobile

Mahindra & Mahindra Ltd

Reinforcing ICE focus along with niche in BEVs

Valuation and View – New launches to continue drive market share

M&M (MM) 4QFY24 operating performance was better as revenue/EBITDA came in 5%/12% to ours and 4.5%/8% to street. This was led by better than expected ASP supported by price hikes and favorable mix. EBITDA grew 15.8% YoY (flat QoQ) despite muted volume growth of ~3% YoY/ -8.4% QoQ. This led to EBITDA margins at 12.9% (+50bp YoY/ +10bp QoQ, est 12%). The key highlights of the quarter was farm segment margins which expanded ~30bp at 15.8% (despite ~29.5% QoQ decline in volumes), led by price hikes, benign RM and favorable mix. We believe, new launches on ICE and BEVs, should support volumes and industry outperformance for FY25/26E, at least. With ramp-up in supplies, order book for existing models at ~171k (vs ~226k as of 1st Feb'24, ~286k as of Nov'23) plus ~50k for XUV 3XO. The management indicated healthy demand for premium products continues to prevail. However, we see favorable product mix impact moderating as key risk to margins.

We raise FY25/26 EPS by 7-8% each to factor in for better ASPs and tractor outlook. While we expect auto business to lead the growth over FES, deterioration in the mix would restrict Revenue/EBITDA/PAT CAGR to ~11.7%/16.5%/11% over FY24-26E. Implied core P/E for MM stands at 20.4x/19.1x FY25/FY26E EPS is still attractive. Hence, we maintain ADD rating on the stock with revised SoTP based TP at Rs2,735 (v/s Rs2,036 earlier) on Mar'26 EPS as we raise core multiple to 21x (vs 19x earlier).

Result Highlights – Operating performance healthy

- Revenues grew 11.2% YoY (-0.7% QoQ) at Rs251.1b (est ~Rs239.6) as volumes grew 2.9% YoY/-8.4% QoQ to 286.9k units while ASP grew 8.2% YoY (+8.4% QoQ) at Rs875k/unit (est ~Rs828k/unit). Auto ASP grew 5.5% YoY (+5.3% QoQ) at Rs924.8k/unit while Farm ASP grew 8.9% YoY (+10.1% QoQ) at Rs729.6k/unit.
- Gross margins expanded 150bp YoY (+200bp QoQ) at 26.5% (est 25%). This led EBITDA at Rs32.4b (+15.8% YoY/flat QoQ, est Rs28.9b, cons Rs30b) with margins at 12.9% (+50bp YoY/ +10bp QoQ, est 12%, cons 12.5%).
- Segmental EBIT - Auto +170bp YoY (+50bp QoQ) at 8.8%, FES at -60bp YoY (+30bp QoQ) at 15.8%.
- Healthy operating performance partially offset by lower other income at Rs4.3b (including investment income from subs). Adj.PAT came in lower at Rs20.4b (-1.1% YoY, -16.9% QoQ, est Rs21.4b).
- FY24 dividend at Rs21.1/share (v/s Rs16.25/share in FY23).
- FY24 performance** – Revenue/EBITDA/Adj.PAT grew 16.2%/23.7%/35.3%.

Exhibit 1: Actual vs estimates

Rs mn	Actual	Estimate		% variation		Remarks
		YES Sec	Consensus	YES Sec	Consensus	
Sales	251,090	239,584	240,184	4.8	4.5	Healthy operating performance was driven by ASPs and higher gross margins.
EBITDA	32,401	28,857	30,025	12.3	7.9	
EBITDA margins %	12.9	12.0	12.5	90bp	40bp	
Adjusted PAT	20,382	21,433	18,751	-4.9	8.7	

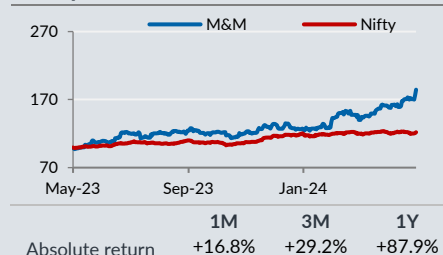
Source: Company, YES Sec

Reco	: ADD
CMP	: Rs 2,373
Target Price	: Rs 2,735
Potential Return	: +15.3%

Stock data (as on May 16, 2024)

Nifty	22,404
52 Week h/l (Rs)	2,394 / 1,237
Market cap (Rs/USD mn)	27,58,083 / 33,037
Outstanding Shares (mn)	1,198
6m Avg t/o (Rs mn):	4,809
Div yield (%):	0.7
Bloomberg code:	MM IN
NSE code:	M&M

Stock performance



Shareholding pattern (As of March'24)

Promoter	18.1%
FII+DII	66.3%
Others	9.5%

Δ in stance

(1-Yr)	New	Old
Rating	ADD	ADD
Target Price	2,735	2,036

Δ in earnings estimates

	FY25E	FY26E
EPS (New)	102.8	109.7
EPS (Old)	95.8	101.2
% change	+7.3%	+8.4%

Financial Summary

INR bn	FY24	FY25E	FY26E
Sales	987.6	1,134.0	1,231.2
EBITDA	129.2	156.3	175.4
Adj. Profit	107.2	123.3	131.6
EPS (INR)	89.4	102.8	109.7
EPS Gr. (%)	39.1	15.0	6.7
BV/Sh. (INR)	436	515	598
RoE (%)	22.4	21.6	19.7
RoCE (%)	20.5	20.5	18.9
P/E (x)	26.6	23.1	21.6
P/BV (x)	5.4	4.6	4.0
EV/EBITDA (x)	21.1	17.4	15.3
Div. Yield (%)	0.9	1.0	1.1

DEEP SHAH

Lead Analyst

deep.shah@ysil.in



Exhibit 2: Quarterly snapshot

Y/E Mar (Rs mn)	Q4FY24	Q4FY23	YoY chg	Q3FY24	FY24	FY23	YoY chg
Net Revenues	251,090	225,714	11.2	252,885	987,634	849,603	16.2
Raw Materials	184,462	169,219	9.0	190,660	740,064	645,582	14.6
% of Net Sales	73.5%	75.0%		75.4%	74.9%	76.0%	
Personnel	11,112	9,490	17.1	11,343	44,164	36,499	21.0
% of Net Sales	4.4%	4.2%		4.5%	4.5%	4.3%	
Manufacturing & Other Exp	23,114	19,031	21.5	18,518	75,630	63,684	18.8
% of Net Sales	9.2%	8.4%		7.3%	7.7%	7.5%	
Total Expenditure	218,689	197,740	10.6	220,521	859,858	745,765	15.3
EBITDA	32,401	27,974	15.8	32,364	127,776	103,838	23.1
EBITDA Margin (%)	12.9%	12.4%	0.5	12.8%	12.9%	12.2%	
Depreciation	9,770	8,385	16.5	8,179	34,389	31,545	9.0
EBIT	22,631	19,589	15.5	24,186	93,388	72,293	29.2
Interest Expenses	387	698	(44.6)	348	1,388	2,723	(49.0)
Non-operating income	4,261	3,339	27.6	7,370	42,830	25,452	68.3
Extraordinary Income	0	(5,118)		0	0	(14,295)	NA
PBT	26,505	17,111	54.9	31,207	134,830	80,727	67.0
Tax-Total	6,123	1,621	277.7	6,668	27,652	15,821	74.8
Tax Rate (%) - Total	23.1%	9.5%		21.4%	20.5%	19.6%	
Reported PAT	20,382	15,490	31.6	24,540	107,178	64,905	65.1
Adj. PAT	20,382	20,608	(1.1)	24,540	107,178	79,201	35.3
PAT Margin	8.1%	9.1%		9.7%	10.9%	9.3%	
Key Operating Metrics							
Sales Volume (nos)	286,924	278,958	2.9	313,115	1,203,325	1,106,001	8.8
Net Realisation/Vehicle	875,109	809,131	8.2	807,643	820,754	768,175	6.8
Material cost / vehicle	642,896	606,612	6.0	608,913	615,016	583,709	5.4
Gross Profit / vehicle	232,212	202,520	14.7	198,730	205,739	184,467	11.5
Employee cost /vehicle	38,727	34,020	13.8	36,225	36,702	33,001	11.2
Other expenses / vehicle	80,559	68,221	18.1	59,142	62,851	57,580	9.2
EBITDA/vehicle	112,926	100,279	12.6	103,362	106,186	93,886	13.1
Net Profit/vehicle	71,037	73,875	(3.8)	78,373	89,068	71,610	24.4

Source- Company, YES Sec

Exhibit 3: SOTP valuation

Particulars	FY25E	FY26E
Core EPS (excl. subsidiary dividend)	100.9	107.8
PE attributable (x)	21	21
Value of core business	2,119	2,263
Valuation of ePV business (@ 50% holdco)	163	163
Value of subsidiaries @ Hold Co discount	30	30
1. Tech Mahindra	231	231
2. M&M Financial Services	34	34
3. Mahindra Lifespaces	4	4
4. Mahindra Holidays	24	24
5. Mahindra Logistics	17	17
Target price	2,591	2,735

Source- Company, YES Sec

KEY CON-CALL HIGHLIGHTS

Auto

- **Outlook** – Looking at mid to high teen growth for the SUV portfolio in FY25E.
- **Open bookings** as of 1st May 2024 at ~220k (vs ~226k units on 1st Feb, 2024, ~286 units on 1st Nov'23, 281k units on 1st Aug, 292k units in May'23, 266k units in Feb'23 and Nov'22 at 260k+) –
 - XUV3XO at 50k, XUV700 – 16k (vs 35k in Feb'24, 70k in Nov'22), Thar 59k (vs 71k in Feb'24, 76k in Nov'22), Bolero (including NEO) – 10k (vs flat in Feb'24, 11k in Nov'22), Scorpio N (including classic) at 86k (vs 101k in May'24 and ~119k in Nov'22).
 - **XUV3XO customer profile from the existing bookings** - 25% first time buyers, ~15% from M&M and ~25% upgrades. Petrol is 65-70% and balance is diesel (expect tier 2/3 cities customer will stay with diesel). Automatic is ~20%.
 - **XUV700** – creating more accessible price points.
 - Cancellation remains at ~10% (vs flat in 3QFY24 and <8% in 2QFY24, average of monthly cancellations).
 - Avg. monthly bookings continue to be in the range of ~48-50k units.
- **Auto exports** - Scorpio-N ~6.2% market share in South Africa and XUV700 at 5.0% MS in Australia.
- **New launch plan by FY30 reinforcing ICE focus** – 9 ICE SUVs (6 new SUV and 3 mid-cycle upgrade), 7 BEVs and 7 LCVs. New launch would also include existing model shifting to new model.
- **Capacity ramp-up** – had FY24 exit capacity at 49k and expect the same to be 64k in FY25 (include increase in SUV capacity for THAR 5D, XUV3XO/400 of 5k and BEV by ~10k) and 72k FY26 (another 8k of BEV).
 - Some of the capacities are fungible between ICE and EV.
 - Will look for cell localization but only with inorganic/tie-up route.
 - XUV3XO current capacity is ~9k and with short lead time can scale it up to ~10.5k.
- **BEV positioning** – standout design, high on tech and fun to drive. Today EV offerings are functional and not wow products. New launch will be high on tech and unseen on higher priced products.
- LCV <3.5t market share at 49% in FY24 (vs 49.6% in 3QFY24 and 45.5% in FY23).
- **Last mile mobility business** –
 - EV 3W volumes remained at an elevated level at 66k in FY24 (vs ~43.6k in FY23 and ~16.9k in FY22) with e3Wmarket share at 58.7% in FY24 (vs 59.6% in 9MFY24 and ~63% in 1HFY24).
 - M&M L5 volumes accounted for 65-70% of the 3W volumes.
 - Working on new gen platform for EV 3W. Zaheerabad plant will largely be EV 3W plant.
 - EV penetration in L5 category is ~11.3% in FY24 (vs ~11.6% in 9MFY24 and ~10.5% in 2QF24 and ~7.2% 2QFY23). Expect the same to increase to 40-45%.
 - Have launched Treo metal body which have been received well.
 - Have added 44 LMM exclusive outlets in 4Q (vs 65 LMM exclusive outlets in 3Q).

- **Emissions roadmap** –
 - FY24 have met the targets of CAFÉ 2 norms with XUV400 and others.
 - Would comply with CAFÉ 3 as well. Overall perspective is to have more EV. At 15-25% EV proportion of the portfolio would make it comply.
- **Hybrids** – no GST reduction taken on board for hybrids as clarified by the government recently. Believe, hybrids are more an optionality to ICE likewise petrol to diesel. Will look at hybrids for some segments if needed and if customer wants it (even hybrids will be closer to EVs).
- **Truck and Bus** – manufacturing for defense armored vehicles. Believe, the business can grow and on strong path for recovery. Focused on 40-50 towns (out of this 40 dealers, ~10 dealers are >10% market share in markets that they operate).
- **Classic legends** – expect to launch new products over few months.
- Accelo and Last mile mobility (LMM) business would likely go for an IPO as part of value unlocking options.
- **VW agreement** is to secure components of MEB platforms (and not the platform) such as cells, motors and others (excluding power electronics). Cell to module and module to pack localization will be done in-house by M&M.

Farm segment

- **Outlook** – Expect industry growth of ~5% for FY25E. TREM 5 implementation unlikely to be implemented in FY26.
- **FES market share at 41.6% (vs 41.8% in 3QFY24 and 41.2% in FY23). MS at ~46% in Apr'24.**
 - 20-30 HP Market Share - gain of 12.8% MS on account of OJA & Target.
- **Farm machinery revenues grew 32% YoY at Rs8.66b in FY24 (vs Rs6.54b in FY23).**
 - 4QFY24 revenues grew 44% YoY at Rs2.25b (vs Rs2.21b in 3Q, Rs2.23b in 2Q, Rs1.97b in 1Q and Rs1.65b in 2QFY23). Rice transplanters volume grew by 62% YoY.
 - Indicated no 2 position in Rotavators with estimated market share of 20.3% in FY24 (vs 21.9% in 3Q, 21.5% in 1HFY24, 23.5% in 1QFY24, 16.5% in FY23 and 17.9% in 1HFY23).
 - Targeting Harvesters as next growth target.
- **Core tractor EBIT margins at 17.7% vs 16.9%/17.5%/18.6%/17.9%/16.9% in 3QFY24/2QFY24/ 1QFY24/4QFY23/1QFY23 and FY19 margins of 19.8%.**
 - Benign RM helped margins despite low volumes. NR inflation expected to have some impact on margins in 1QFY25. Had one-time impact of 0.2% (vs 0.7% in 3QFY24) due to world cup sponsorship.
 - 4QFY24 ASP increase was led by favorable mix and price hikes.
- **Farm exports** –
 - Successful launch of OJA, Target & Naya Swaraj have led to ~3.4% MS gain in last 3 years.

Financials

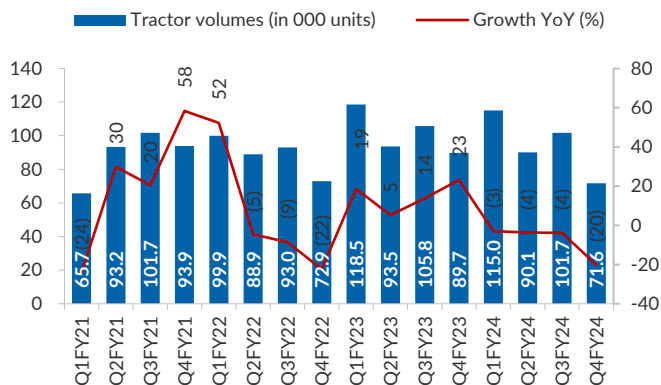
- **FY24 capex** – Auto at Rs39b, FES at Rs10.3b with overall capex at Rs49.3b.
 - **Capex over FY25-27** - Auto ICE at Rs140b, Farm at Rs50b, EV at Rs120b and investments at Rs60b and investments of Rs10b (excluding for cell localization).
 - **Sub-segmental capex split** – 1) Auto Rs140b of which ICE SUV at Rs85b (80% of which should be for product), CV (incl EV and MTBD) at Rs40b and sustenance at

Rs15b. 2) Farm at Rs50b of which new product development at Rs28b, capacity at Rs7b and regulatory related including TREM 5 at ~Rs15b.

- **PAT for Auto at Rs47b in FY24 (vs Rs19.1b in FY23), FES at Rs35.8b in FY24 (v/s Rs34.9b in FY23).**
- **Have achieved EP100 in 2024 (energy productivity) vs target of 2030.** This is meaningful as co would now require half the energy use vs earlier.

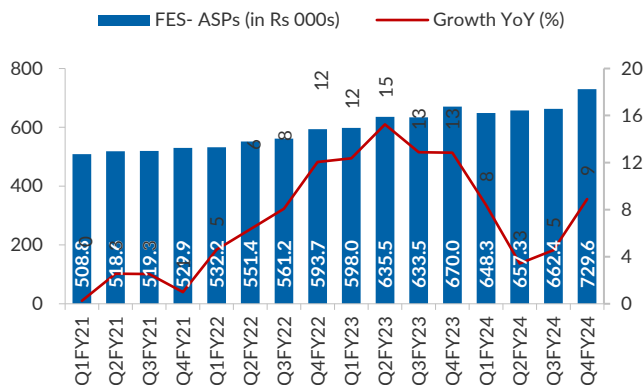
CHARTS

Exhibit 1: FES volumes fell ~20% YoY in 4QFY24



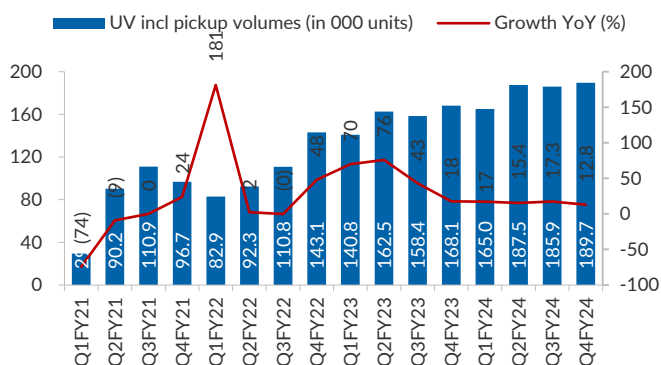
Source: Company, YES Sec

Exhibit 2: ...while FES ASP grew ~9% YoY at Rs729.6k



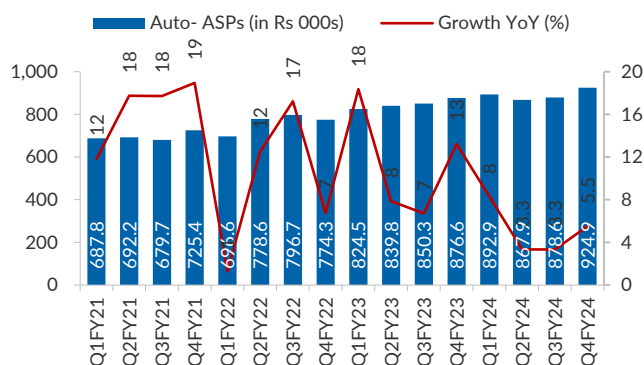
Source: Company, YES Sec

Exhibit 3: Auto vols grew 12.8% YoY...



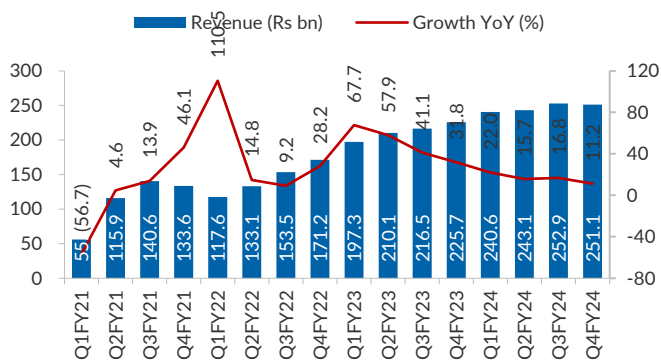
Source: Company, YES Sec

Exhibit 4: ... while ASP grew 5.5% YoY at Rs924.9k/unit



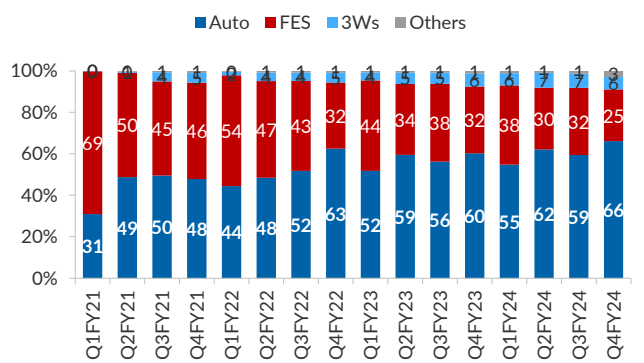
Source: Company, YES Sec

Exhibit 5: S/A revenue grew 11.2% YoY at Rs251.1b



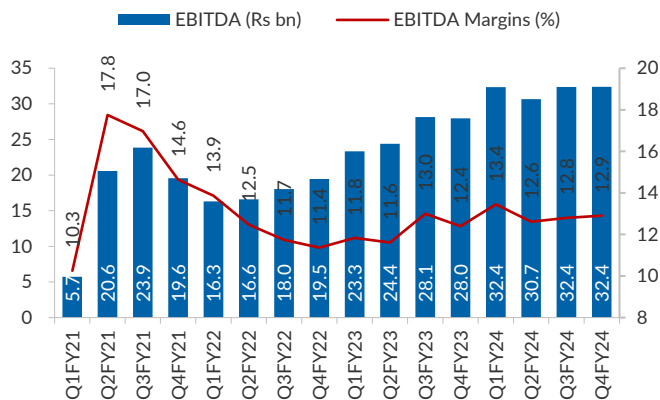
Source: Company, YES Sec

Exhibit 6: Tractor volume mix declined YoY in 4QFY24



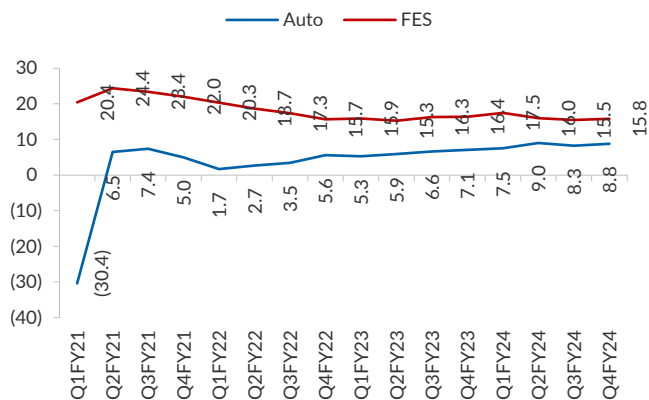
Source: Company, YES Sec

Exhibit 7: Margins expanded ~10bp QoQ at 12.9%



Source: Company, YES Sec

Exhibit 8: Segmental EBIT margin trend of Auto/FES



Source: Company, YES Sec

FINANCIALS

Exhibit 9: Balance Sheet

Y/E March	2021	2022	2023	2024	2025E	2026E
Share Capital	5,974	5,983	5,991	5,996	5,996	5,996
Reserves	343,536	383,627	427,577	516,770	611,166	711,419
Net Worth	349,510	389,610	433,568	522,766	617,163	717,415
Deferred tax	14,497	17,008	14,703	15,551	15,706	15,863
Loans	77,863	67,336	50,255	20,365	18,565	16,765
Capital Employed	441,870	473,953	498,526	558,681	651,433	750,043
Application of Funds						
Gross Fixed Assets	273,119	308,460	362,150	402,057	459,615	569,615
Less: Depreciation	153,006	162,974	192,388	226,777	265,552	311,867
Net Fixed Assets	120,113	145,487	169,762	175,280	194,063	257,748
Capital WIP	61,255	50,182	27,846	37,558	90,000	90,000
Investments	217,826	251,098	270,871	299,954	320,267	365,047
Curr.Assets, L & Adv.	216,451	224,537	289,319	325,322	356,116	365,664
Inventory	47,830	58,829	88,814	95,048	108,741	118,063
Sundry Debtors	22,028	30,351	40,417	45,495	52,237	56,716
Cash & Bank Bal.	63,952	36,505	44,818	55,259	61,329	53,621
Loans & Advances	19,324	28,057	23,544	24,720	27,962	30,359
Others	63,317	70,795	91,727	104,799	105,847	106,906
Current Liab. & Prov.	173,775	197,350	259,273	279,433	309,014	328,416
Sundry Creditors	106,427	128,935	171,456	185,920	213,474	231,776
Other Liabilities	52,271	54,752	69,677	74,800	74,052	73,311
Provisions	15,077	13,663	18,139	18,714	21,488	23,330
Net Current Assets	42,676	27,187	30,047	45,888	47,103	37,248
Application of Funds	441,870	473,953	498,525	558,681	651,433	750,043

Source: Company, YES Sec

Exhibit 10: Income statement

Y/E March	2021	2022	2023	2024	2025E	2026E
Net Op. Income	446,299	577,869	849,603	987,634	1,134,010	1,231,229
Change (%)	(1.9)	29.5	47.0	16.2	14.8	8.6
Total Expenditure	376,724	507,595	745,179	858,440	977,678	1,055,826
% of sales	84.4	87.8	87.7	86.9	86.2	85.8
EBITDA	69,575	70,275	104,424	129,194	156,332	175,403
Margins (%)	15.6	12.2	12.3	13.1	13.8	14.2
Depreciation	23,699	24,984	31,545	34,389	38,775	46,315
EBIT	45,876	45,291	72,879	94,806	117,557	129,087
Int. & Finance Charges	3,963	2,262	2,728	1,388	779	707
Other Income	11,995	20,538	25,452	41,412	39,296	38,142
Non-recurring Income	(30,873)	(2,087)	(14,295)	-	0	0
Profit before Tax	23,035	61,480	81,308	134,830	156,074	166,523
Tax	13,193	12,781	15,821	27,652	32,776	34,970
Eff. Tax Rate (%)	57.3	20.8	19.5	20.5	21.0	21.0
Profit after Tax	9,842	48,699	65,486	107,178	123,299	131,553
Adj. Profit after Tax	34,296	50,352	77,000	107,178	123,299	131,553
Change (%)	56.6	46.8	52.9	39.2	15.0	6.7
Adj. PAT	40,974	48,418	77,523	104,894	121,006	129,232

Source: Company, YES Sec

Exhibit 11: Cash Flow Statement

Y/E March	2021	2022	2023	2024	2025E	2026E
OP/(Loss) before Tax	53,907	64,441	95,603	134,830	117,557	129,087
Int./Dividends Received	(9,458)	(17,438)	(19,881)	(25,125)	39,296	38,142
Depreciation & Amort.	23,699	24,511	31,545	34,389	38,775	46,315
Direct Taxes Paid	(11,381)	(5,981)	(19,380)	(28,509)	(32,620)	(34,813)
(Inc)/Dec in Wkg. Capital	35,866	4,967	3,871	8,681	4,855	2,146
Other Items	4,928	3,220	(466)	(11,474)	-	-
CF from Oper. Activity	97,563	73,720	91,293	112,792	167,863	180,878
Extra-ordinary Items	(1,626)	(2,783)	-	-	-	-
CF after EO Items	95,936	70,937	91,293	112,792	167,863	180,878
(Inc)/Dec in FA+CWIP	(33,113)	(31,859)	(34,313)	(48,328)	(110,000)	(110,000)
Free Cash Flow	64,450	41,861	56,980	64,464	57,863	70,878
(Pur)/Sale of Invest.	(112,247)	(11,730)	(13,222)	(3,497)	(20,313)	(44,780)
CF from Inv. Activity	(145,359)	(43,589)	(47,535)	(51,825)	(130,313)	(154,780)
Change in Net Worth	-	-	83	-	(0)	0
Inc/(Dec) in Debt	42,115	(13,168)	(19,752)	(32,148)	(1,800)	(1,800)
Interest Paid	(4,038)	(4,793)	(3,810)	(3,016)	(2,712)	(2,640)
Dividends Paid	(2,936)	(10,891)	(14,359)	(20,211)	(28,902)	(31,300)
CF from Fin. Activity	35,142	(28,852)	(37,838)	(55,375)	(33,413)	(35,740)
Inc/(Dec) in Cash	(14,282)	(1,504)	5,921	5,591	4,137	(9,641)
Add: Beginning Balance	22,957	8,676	7,180	13,102	55,259	61,329
Closing Balance	8,675	7,172	13,101	18,694	59,396	51,688

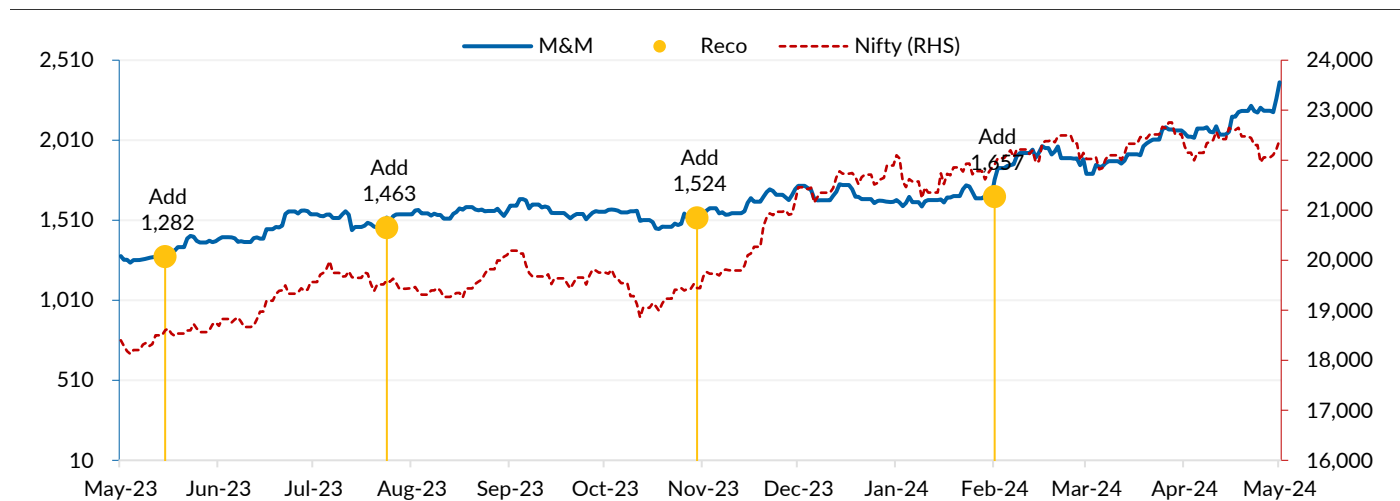
Source- Company, YES Sec

Exhibit 12: Growth and Ratio matrix

Y/E March	2021	2022	2023	2024	2025E	2026E
Basic (INR)						
Fully diluted EPS	28.7	42.1	64.3	89.4	102.8	109.7
FD EPS (incl MVML)	34.3	40.5	64.7	87.5	100.9	107.8
Cash EPS	48.5	63.0	90.6	118.0	135.1	148.3
Book Value per Share	292.5	325.6	361.9	435.9	514.6	598.2
DPS	8.8	11.6	16.3	21.1	24.1	26.1
Payout (Incl. Div. Tax) %	106.2	28.4	29.7	23.6	23.4	23.8
Valuation (x)						
P/E	69.2	58.6	36.7	27.1	23.5	22.0
Cash P/E	48.9	37.7	26.2	20.1	17.6	16.0
EV/EBITDA	40.3	39.7	26.4	21.1	17.4	15.3
EV/Sales	6.3	4.8	3.2	2.8	2.4	2.2
Price to Book Value	8.1	7.3	6.6	5.4	4.6	4.0
Dividend Yield (%)	0.4	0.5	0.7	0.9	1.0	1.1
Profitability Ratios (%)						
RoE	9.9	13.6	18.7	22.4	21.6	19.7
RoCE	6.0	11.4	16.3	20.5	20.5	18.9
ROIC	19.1	30.5	40.3	47.0	53.7	48.4
Turnover Ratios						
Debtors (Days)	18.0	19.2	17.4	16.8	16.8	16.8
Inventory (Days)	39.1	37.2	38.2	35.1	35.0	35.0
Creditors (Days)	87.0	81.4	73.7	68.7	68.7	68.7
Working Capital (Days)	34.9	17.2	12.9	17.0	15.2	11.0
Asset Turnover (x)	1.0	1.2	1.7	1.8	1.7	1.6
Growth (%)						
Sales	(1.9)	29.5	47.0	16.2	14.8	8.6
Operating Profit	15.6	12.2	12.3	13.1	13.8	14.2
Net Profit	56.6	46.8	52.9	39.2	15.0	6.7
EPS	56.3	46.6	52.7	39.1	15.0	6.7
Leverage Ratio						
Debt/Equity (x)	0.2	0.2	0.1	0.0	0.0	0.0

Source- Company, YES Sec

Recommendation Tracker



Source – YES Sec

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 : Deep Shah

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)	No
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.