

GFL conducted an analyst meet, which was represented by Chairman Vivek Jain, Executive Director Devansh Jain, and Dy MD and CEO Dr Bir Kapoor. GFL highlighted its growth plans at the group level under InoxGFL group which include the chemicals and wind energy businesses. Management expects the group's EBITDA to quadruple over coming 3 years led by ramp up in both, battery chemicals and renewable energy businesses. GFL's fluoropolymers business is currently subdued due to macro challenges, with the mgmt working toward developing and establishing higher grades. In the battery chemicals vertical, GFL targets offering a broader portfolio of salts, additives, electrolytes, and binders. We await further updates on funding rounds in the GFCL EV entity. We keep our estimates unchanged, and maintain SELL with TP of Rs3,800.

Gujarat Fluorochemicals: Financial Snapshot (Standalone)

Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	56,220	40,222	48,131	55,502	60,863
EBITDA	19,708	8,322	11,461	13,406	14,964
Adj. PAT	13,556	4,187	6,133	7,362	8,500
Adj. EPS (Rs)	123.4	38.1	55.8	67.0	77.3
EBITDA margin (%)	35.1	20.7	23.8	24.2	24.6
EBITDA growth (%)	69.5	(57.8)	37.7	17.0	11.6
Adj. EPS growth (%)	75.2	(69.1)	46.4	20.0	15.4
RoE (%)	27.8	7.3	9.9	10.7	11.1
RoIC (%)	24.2	7.2	9.4	9.8	10.4
P/E (x)	32.8	106.0	72.4	60.3	52.3
EV/EBITDA (x)	23.2	55.5	40.0	34.1	30.2
P/B (x)	8.0	7.5	6.8	6.1	5.5
FCFF yield (%)	(0.3)	(0.7)	0.8	0.5	1.0

Source: Company, Emkay Research

Battery Chemicals – Valuation already in the price

Battery Chemicals vertical is likely to overtake Fluoropolymers in terms of revenue share, over the next few years (~55% by FY30E). The company focuses on being a partner with battery manufacturers outside the Chinese supply chain and to gain an early mover advantage for receiving long-term qualification for its products. GFL's EV business is bifurcated into 3 verticals, viz electrolytes (salts LiPF₆, NaPF₆; formulations, additives), binders (PVDF, PTFE), and cathode active material (LFP). This set of products shall cater to ~50% of the LFP cell cost. Except for CAM, all products are agnostic to LFP and NMC batteries. LFP batteries are relatively lower in cost vs NMC batteries. LFP remains the preferred choice in the energy storage segment. GFL's LFP plant would be commissioned by the end of Dec-24 and be ready for commercial production by Mar-25. The company plans adding 30KT of salt capacity and 200KT of LFP capacity by FY30 which is largely factored into the 2x asset turn, on capex guidance of Rs60bn by the company. We build in Rs180bn of valuation, adjusting for the 96% stake and 25% holdco discount.

Fluoropolymers – GFL focusing on value-added grades

GFL re-affirmed its stance on significant the growth potential in Fluoropolymers, led by EVs, semi-conductor application, solar panel, hydrogen fuels, etc and by its focus on value-added grades where China neglects US/EU customers due to limited volume. GFL stressed on the FKM demand increasing, led by ethanol blending needs of 20% from CY25 onward, as NBR is unlikely to be able to meet related requirements. The management is confident of utilizing existing/debottlenecked capacities and garnering ~20% share of 3M's revenue (on its closure in CY25). Mgmt stated 3M's customers have built 3-4 months of inventory, with market share gains to start by FY26.

Capex funding to be a mix of equity and internal accruals

Mgmt guided to Rs60bn FY24-26 capex. GFL has sufficient land at Jolva, Gujarat; has purchased new land in Dahej-C; plans overseas manufacture of LFP, as it has FTA with USA. It is looking at next fundraise round, with investment from PE and sovereign funds.

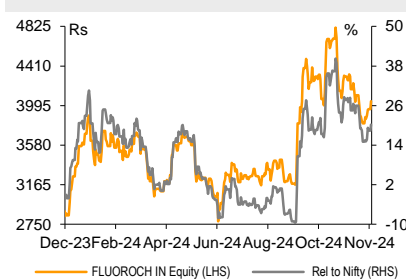
Target Price – 12M	Sep-25
Change in TP (%)	-
Current Reco.	SELL
Previous Reco.	SELL
Upside/(Downside) (%)	(6.0)
CMP (02-Dec-24) (Rs)	4,042.0

Stock Data	Ticker
52-week High (Rs)	4,881
52-week Low (Rs)	2,476
Shares outstanding (mn)	109.9
Market-cap (Rs bn)	444
Market-cap (USD mn)	5,242
Net-debt, FY25E (Rs mn)	14,599
ADTV-3M (mn shares)	-
ADTV-3M (Rs mn)	1,339.4
ADTV-3M (USD mn)	15.8
Free float (%)	-
Nifty-50	24,276
INR/USD	84.7
Shareholding, Sep-24	
Promoters (%)	62.6
FPIs/MFs (%)	4.9/9.6

Price Performance

(%)	1M	3M	12M
Absolute	(6.0)	27.2	41.8
Rel. to Nifty	(5.9)	32.4	18.4

1-Year share price trend (Rs)



Meet Vora

meet.vora@emkayglobal.com
+91 22 6624 2474

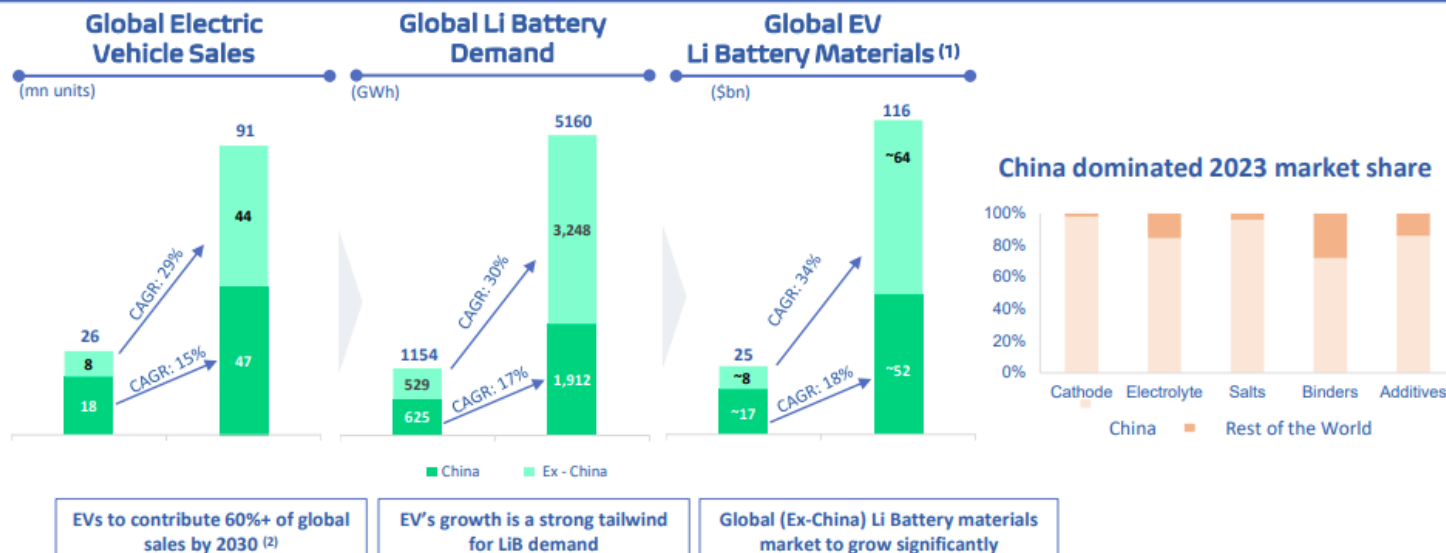
Meet Gada

meet.gada@emkayglobal.com
+91 22 6612 1235

Exhibit 1: Battery chemicals application – Market size

GFL – EV/ESS BATTERY MATERIALS VERTICAL

Market share of ex-China players to increase significantly over the next few years with regulations and China+1 strategy across the globe



Strong double digit CAGR growth in battery materials demand buoyed by EV sales growth over the next decade

Source: Secondary research, KPMG analysis. Note: 1. The global EV battery materials market includes the following products – LFP CAM, LMPF CAM, LiPF₆, LiFSI, Binders, VC, FEC & HPMSM. 2. For US, Europe and China.

12

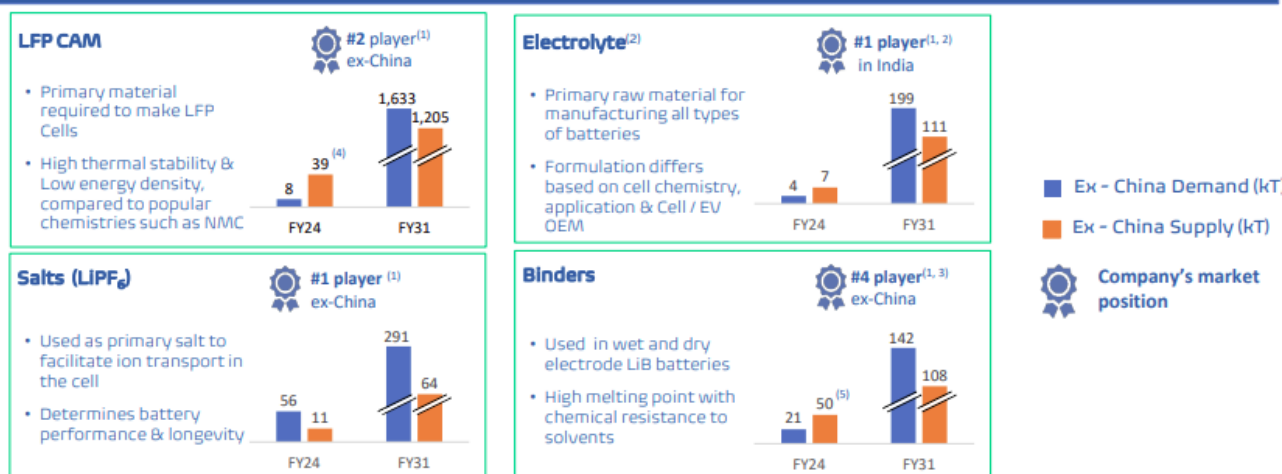


Source: Company Presentation, Emkay Research

Exhibit 2: Battery chemicals, ex-China demand-supply

GFL – EV/ESS BATTERY MATERIALS VERTICAL

POTENTIAL TO BE A LEADER AROSS SEGMENTS



Barriers to Entry

- ✓ Extended development lead times & customer qualification & testing periods
- ✓ Significant upfront Capex as OEMs only qualify samples from commercial plants
- ✓ Backward integration is essential to avoid dependence on Chinese supply chain
- ✓ Long lead time to obtain regulatory approvals to manufacture AHF (A key raw material)

Source: KPMG analysis. Note: 1. For FY26E. 2. India is the serviceable market for electrolytes due to limited shelf life. 3. For PVDF, the demand and capacity include non-battery grade PVDF. 4. Includes 30kT of Chinese player's (Lopal) capacity in Indonesia. Excluding Lopal, demand and supply will be similar. 5. Include Non Battery Grade supply

13



Source: Company Presentation, Emkay Research

This report is intended for gaurav.parkar@emkayglobal.com use and downloaded at 12/03/2024 01:54 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

Valuation Methodology

We have changed our valuation method, from relative valuation to sum-of-the-parts method, as we now have visibility on the valuation of the GFCL EV business entity. GFL raised Rs10bn at a market valuation of Rs250bn (4% dilution). We value the core business (standalone) at 30x Sep-26E, and the GFCL EV business entity at 96% after providing 25% holding company discount. We believe that the core business is overvalued at 35x Sep-26E EPS owing to reduced growth visibility after FY26E, sub-par RoCEs (12-14%), and shift in focus to EV business.

Exhibit 3: Gujarat Fluorochemicals – Sum-of-the-parts valuation

(Rs mn)	FY26E	FY27E
Standalone Business PAT	7,362	8,500
Target PER (x)	30	30
Market Value Capitalization	220,874	254,988
Attributable Market Value (A)		237,931
GFCL EV business enterprise value		250,000
Less: Holding Company Discount		25%
Stake of holding company		96%
Attributable Market Value (B)		180,000
Total Market Capitalization (A) + (B)		417,931
No of shares outstanding (mn)		109.9
Target Price for Sep-25E (Rs)		3,800

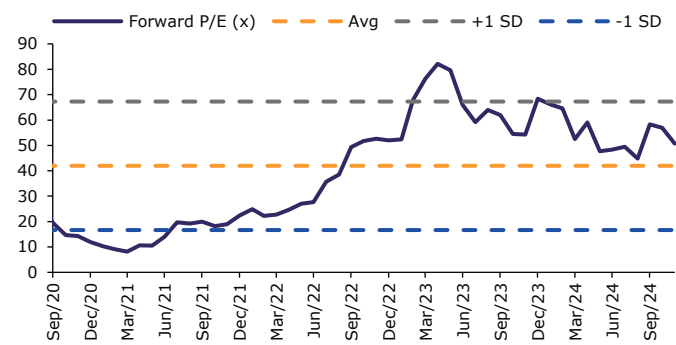
Source: Emkay Research

Exhibit 4: Specialty Chemicals companies – A comparison of peer valuations

Peers (Domestic)	Ratings	P/E (x)			EV/E (x)			RoE (%)		
		FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
SRF	ADD	51	33	26	26	20	16	11	15	17
PI Industries	REDUCE	34	33	30	24	22	20	19	17	16
Deepak Nitrite	REDUCE	72	60	52	41	35	31	10	11	11
Gujarat Fluorochemicals*	SELL	47	36	33	32	32	25	16	18	17
Aarti Industries	BUY	45	32	21	19	15	11	7	9	12
Navin Fluorine International	REDUCE	56	40	34	36	26	22	13	16	16
Clean Science & Technology	BUY	71	40	24	29	20	14	4	7	11
Anupam Rasayan India*	ADD	28	22	17	14	12	9	23	23	24
Epigral	BUY	9	9	8	6	6	7	19	17	16
GHCL	NR	38	26	23	15	12	11	3	5	6
Tata Chemicals	NR	42	32	27	22	18	16	10	11	13
Atul	NR	49	38	33	33	26	22	16	18	18
Vinati Organics	NR	48	37	28	33	26	20	21	24	25
Fine Organic Industries	NR	35	33	29	26	24	21	21	20	19
Aether Industries	NR	N/A	54	34	45	32	21	7	10	13
Jubilant Ingrevia	NR	49	36	29	24	19	16	9	11	13
Archean Chemical Industries	NR	29	19	13	18	12	9	16	21	23
Deepak Fertilisers & Petrochem	NR	19	17	13	10	9	8	15	15	17
Laxmi Organic Industries	NR	48	37	27	23	18	14	9	10	12
Sudarshan Chemical Industries	NR	39	29	21	19	14	12	15	20	21
Neogen Chemicals	NR	97	61	38	41	27	16	7	11	15

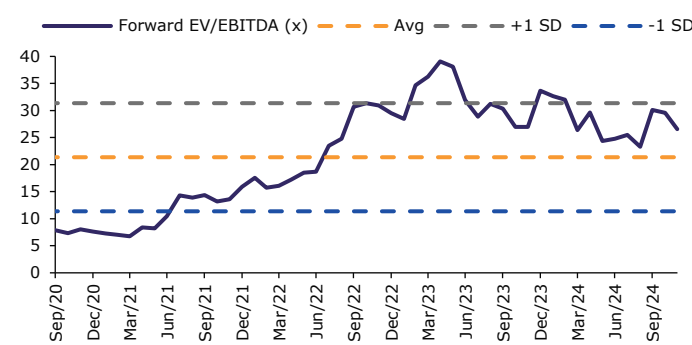
Source: Bloomberg, Emkay Research; Note: *Standalone

Exhibit 5: One-year forward P/E



Source: Bloomberg, Emkay Research

Exhibit 6: One-year forward EV/EBITDA



Source: Bloomberg, Emkay Research

Gujarat Fluorochemicals: Standalone Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	56,220	40,222	48,131	55,502	60,863
Revenue growth (%)	47.4	(28.5)	19.7	15.3	9.7
EBITDA	19,708	8,322	11,461	13,406	14,964
EBITDA growth (%)	69.5	(57.8)	37.7	17.0	11.6
Depreciation & Amortization	2,181	2,592	3,174	3,686	3,992
EBIT	17,527	5,730	8,287	9,720	10,972
EBIT growth (%)	79.9	(67.3)	44.6	17.3	12.9
Other operating income	0	0	0	0	0
Other income	1,811	1,139	1,253	1,253	1,253
Financial expense	1,150	1,284	1,361	1,154	889
PBT	18,188	5,585	8,179	9,819	11,336
Extraordinary items	0	0	0	0	0
Taxes	4,632	1,397	2,046	2,457	2,836
Minority interest	0	0	0	0	0
Income from JV/Associates	0	0	0	0	0
Reported PAT	13,556	4,187	6,133	7,362	8,500
PAT growth (%)	75.1	(69.1)	46.5	20.0	15.4
Adjusted PAT	13,556	4,187	6,133	7,362	8,500
Diluted EPS (Rs)	123.4	38.1	55.8	67.0	77.3
Diluted EPS growth (%)	75.2	(69.1)	46.4	20.0	15.4
DPS (Rs)	4.0	2.0	2.0	2.0	2.0
Dividend payout (%)	3.2	5.2	3.6	3.0	2.6
EBITDA margin (%)	35.1	20.7	23.8	24.2	24.6
EBIT margin (%)	31.2	14.2	17.2	17.5	18.0
Effective tax rate (%)	25.5	25.0	25.0	25.0	25.0
NOPLAT (pre-IndAS)	13,064	4,296	6,214	7,288	8,227
Shares outstanding (mn)	109.9	109.9	109.9	109.9	109.9

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
PBT	18,188	5,585	8,179	9,819	11,336
Others (non-cash items)	0	0	0	0	0
Taxes paid	(4,462)	(1,786)	(2,046)	(2,457)	(2,836)
Change in NWC	(719)	1,974	(592)	(3,707)	(2,696)
Operating cash flow	7,865	6,579	8,822	7,243	9,432
Capital expenditure	(9,331)	(9,870)	(5,000)	(5,000)	(5,000)
Acquisition of business	(4,105)	(3,932)	0	0	0
Interest & dividend income	1,811	1,139	1,253	1,253	1,253
Investing cash flow	(5,335)	(10,287)	(3,747)	(3,747)	(3,747)
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(832)	5,328	(3,262)	(2,279)	(4,808)
Payment of lease liabilities	0	0	0	0	0
Interest paid	(1,150)	(1,284)	(1,361)	(1,154)	(889)
Dividend paid (incl tax)	(439)	(220)	(220)	(220)	(220)
Others	(176)	(106)	0	0	0
Financing cash flow	(2,597)	3,718	(4,843)	(3,653)	(5,917)
Net chg in Cash	(67)	10	232	(157)	(232)
OCF	7,865	6,579	8,822	7,243	9,432
Adj. OCF (w/o NWC chg.)	7,146	8,552	8,230	3,536	6,736
FCFF	(1,466)	(3,292)	3,822	2,243	4,432
FCFE	(806)	(3,437)	3,714	2,341	4,795
OCF/EBITDA (%)	39.9	79.1	77.0	54.0	63.0
FCFE/PAT (%)	(5.9)	(82.1)	60.6	31.8	56.4
FCFF/NOPLAT (%)	(11.2)	(76.6)	61.5	30.8	53.9

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Share capital	110	110	110	110	110
Reserves & Surplus	55,167	59,117	65,030	72,173	80,453
Net worth	55,276	59,227	65,140	72,283	80,563
Minority interests	0	0	0	0	0
Deferred tax liability (net)	2,763	2,952	2,952	2,952	2,952
Total debt	14,525	19,854	16,592	14,313	9,505
Total liabilities & equity	72,565	82,033	84,684	89,548	93,020
Net tangible fixed assets	29,097	35,026	44,245	46,559	47,567
Net intangible assets	0	0	0	0	0
Net ROU assets	971	999	999	999	999
Capital WIP	8,071	9,393	2,000	1,000	1,000
Goodwill	0	0	0	0	0
Investments [JV/Associates]	5,572	9,503	9,503	9,503	9,503
Cash & equivalents	1,450	1,760	1,993	1,836	1,603
Current assets (ex-cash)	37,328	34,683	36,897	42,193	46,044
Current Liab. & Prov.	10,191	9,331	10,952	12,541	13,697
NWC (ex-cash)	27,136	25,352	25,945	29,651	32,347
Total assets	72,298	82,033	84,684	89,548	93,020
Net debt	13,075	18,093	14,599	12,477	7,902
Capital employed	72,565	82,033	84,684	89,548	93,020
Invested capital	57,205	61,377	71,188	77,209	80,914
BVPS (Rs)	503.2	539.2	592.7	657.7	733.1
Net Debt/Equity (x)	0.2	0.3	0.2	0.2	0.1
Net Debt/EBITDA (x)	0.7	2.2	1.3	0.9	0.5
Interest coverage (x)	0.1	0.2	0.1	0.1	0.1
RoCE (%)	29.1	8.9	11.4	12.6	13.4

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY23	FY24	FY25E	FY26E	FY27E
P/E (x)	32.8	106.0	72.4	60.3	52.3
P/CE(x)	28.9	67.2	49.0	41.2	36.5
P/B (x)	8.0	7.5	6.8	6.1	5.5
EV/Sales (x)	8.1	11.5	9.5	8.2	7.4
EV/EBITDA (x)	23.2	55.5	40.0	34.1	30.2
EV/EBIT(x)	26.7	82.6	56.7	48.2	42.2
EV/IC (x)	8.2	7.7	6.6	6.1	5.7
FCFF yield (%)	(0.3)	(0.7)	0.8	0.5	1.0
FCFE yield (%)	(0.2)	(0.8)	0.8	0.5	1.1
Dividend yield (%)	0.1	0.0	0.0	0.0	0.0
DuPont-RoE split					
Net profit margin (%)	24.1	10.4	12.7	13.3	14.0
Total asset turnover (x)	0.8	0.5	0.6	0.6	0.7
Assets/Equity (x)	1.4	1.4	1.3	1.3	1.2
RoE (%)	27.8	7.3	9.9	10.7	11.1
DuPont-RoIC					
NOPLAT margin (%)	23.2	10.7	12.9	13.1	13.5
IC turnover (x)	1.0	0.7	0.7	0.7	0.8
RoIC (%)	24.2	7.2	9.4	9.8	10.4
Operating metrics					
Core NWC days	176.2	230.1	196.8	195.0	194.0
Total NWC days	176.2	230.1	196.8	195.0	194.0
Fixed asset turnover	1.4	0.8	0.8	0.8	0.8
Opex-to-revenue (%)	36.6	44.3	42.2	42.2	42.6

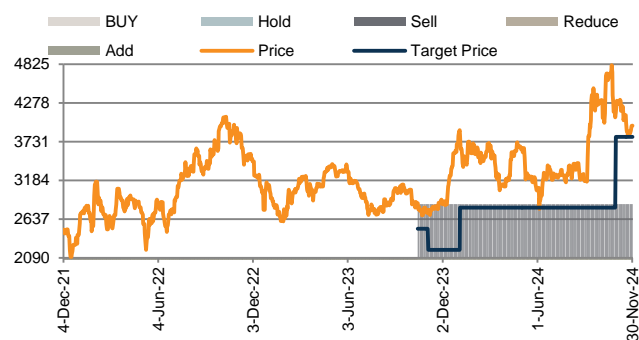
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
29-Oct-24	4,145	3,800	Sell	Meet Vora
27-Aug-24	3,270	2,800	Sell	Meet Vora
13-Aug-24	3,330	2,800	Sell	Meet Vora
14-Jul-24	3,255	2,800	Sell	Meet Vora
07-Jun-24	2,973	2,800	Sell	Meet Vora
07-May-24	3,509	2,800	Sell	Meet Vora
07-Apr-24	3,186	2,800	Sell	Meet Vora
26-Feb-24	3,698	2,800	Sell	Meet Vora
08-Feb-24	3,508	2,800	Sell	Meet Vora
04-Jan-24	3,825	2,800	Sell	Meet Vora
30-Nov-23	2,851	2,200	Sell	Meet Vora
22-Nov-23	2,785	2,200	Sell	Meet Vora
04-Nov-23	2,765	2,200	Sell	Meet Vora
15-Oct-23	2,861	2,500	Sell	Meet Vora

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

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

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and 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 Financial Institutions Regulatory Authority (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 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, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of December 2, 2024
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of December 2, 2024
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the December 2, 2024
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

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

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

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

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

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.