

All Round Beat Led by Good Cost Control; Outlook Neutral
Est. Vs. Actual for Q1FY26: Revenue – **MISS**; Adj EBITDA – **BEAT**; Adj PAT – **BEAT**
Change in Estimates post Q1FY26:
FY26E/FY27E: Revenue -2%/-1%; EBITDA: 0%/0%, PAT: 0%/1%

Recommendation Rationale

- **Indian operations:** Adj. EBITDA/t in India stood at Rs 15,240/t (up 12%/20% YoY/QoQ), a strong beat vs. our estimate, led by better cost control and lower other expenses. Higher steel price realisations (up by Rs 2,600/t QoQ) partially offset the impact of lower volumes (4.75 MT down 4%/15% YoY/QoQ due to BF-G relining), while cost take-out from the cost transformation program aided margins. Conversion cost declined by Rs 700/t, despite low operating leverage.
- **Europe EBITDA/t turns positive:** EBITDA/t at Europe turned positive after 10 consecutive quarters at \$8/t from a loss of \$36/t in Q4FY25. **UK** EBITDA/t losses narrowed by £58/t to a loss of £67/t, led by fixed cost take-outs (focus on optimising substrate sourcing), despite lower sales volumes amidst weak demand. Demand outlook is weak in the UK, and EBITDA/t breakeven is pushed forward towards Q4FY26 from Q2FY26 earlier. **Netherlands** EBITDA/t improved to €42/t, up €35/t QoQ, driven by cost savings. TSN had registered \$14 Mn impact from tariffs on its shipments to the US.
- **Cost and efficiency program showing traction:** Out of the cost reduction target of Rs 11,500 Cr for FY26, the company achieved 98% compliance with its Q1FY26 plan. It achieved Rs 2,900 Cr of cost efficiencies in Q1FY26 with the split across geographies as: Rs 1,100 Cr in India; Rs 1,400 Cr in the Netherlands, and Rs 400 Cr in the UK.

Sector Outlook: Cautious

Company Outlook & Guidance: Superior cost control amidst adverse macro led to an all-round beat in Q1FY26. Sustenance in future quarters will be a key monitorable. KPO-II ramp up to rated capacity expected by the end of FY26. NINL is at an advanced stage of engineering completion, a public hearing has been and EC is awaited over the next two months. Capex will be announced in H2FY26 post board approval, and it will have a 3-3.5 years execution time period. Volume guidance for FY26 is 1.5 MT higher YoY. FY27 volumes will have full KPO II contribution along with 0.75 MTPA of EAF at Ludhiana and 0.5 MT from the combi mill at Jamshedpur, partly offset by expected volume loss from BF-H at Jamshedpur, relining expected in FY27. FY26 Capex guidance is Rs 15,000 Cr, ~75% of which will be for Indian operations, mainly towards the last portions of KPO-II and EAF plant in Ludhiana.

Current Valuation: SoTP using 1Y Fwd EV/EBITDA for India, Europe and Others at 7.0x, 4.0x, 5.0x on Mar'27 EBITDA. (unchanged)

Current TP: Rs 170/share (Unchanged)

Recommendation: We downgrade to a **HOLD** from a BUY rating.

Financial Performance: Tata Steel reported a strong set of numbers with EBITDA across geographies, beating ours and consensus estimates. India EBITDA/t stood at Rs 15,240/t a growth of 12%/20% YoY/QoQ, 17% ahead of our estimate. EBITDA/t in Europe turned positive after 10 quarters at \$8/t from a loss of \$36/t in Q4FY25. Higher steel price realisation and low coking coal consumption cost supported the margins, aided by the cost transformation program. Underlying PAT stood at Rs 2,210 Cr, up 68%/31% YoY/QoQ.

Key Financials (Consolidated)

(Rs Cr)	Q1FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	53,178	-5%	-3%	54,740	-3%
Adj EBITDA	7,456	15%	7%	6,924	8%
Adj EBITDA/t	10,470	34%	11%	8,597	22%
Underlying Net Profit	2,210	31%	68%	1,757	26%
Underlying EPS (Rs)	1.8	31%	68%	1.41	26%

Source: Company, Axis Securities.

(CMP as of 31st July, 2025)

CMP (Rs)	157
Upside /Downside (%)	8%
High/Low (Rs)	170/123
Market cap (Cr)	1,96,988
Avg. daily vol. (6m) Shrs.	34,476,367
No. of shares (Cr)	1,248

Shareholding (%)

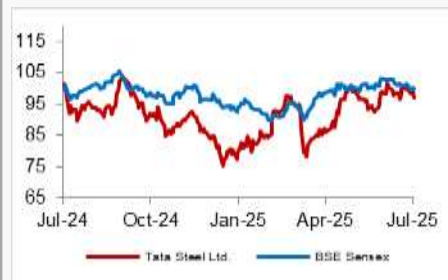
	Dec-24	Mar-25	Jun-25
Promoter	33.19	33.19	33.19
FII	18.53	18.29	17.22
Mutual Funds / UTI	11.69	12.04	13.25
Financial Institutions	0.14	0.11	0.07
Others	36.45	36.37	36.27

Financial & Valuations

Y/E Mar (Rs Cr)	FY25A	FY26E	FY27E
Net Sales	2,18,543	2,27,809	2,44,752
EBITDA	25,298	36,975	38,660
Net Profit	3,421	13,061	13,866
EPS (Rs.)	2.7	10.5	11.1
PER (x)	57.4x	15.0x	14.2x
P/BV (x)	2.2x	2.0x	1.8x
EV/EBITDA (x)	10.9x	7.3x	6.9x
ROE (%)	5%	14%	13%

Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	-2%	-1%
EBITDA	0%	0%
PAT (Attrib)	0%	1%

Relative Performance


Source: Ace Equity, Axis Securities

Aditya Welekar

Sr. Research Analyst
Email: aditya.welekar@axissecurities.in

Darsh Solanki

Research Associate
Email: darsh.solanki@axissecurities.in

Outlook

Our EBITDA changes are not material post Q1FY26 results. Cost take-outs in the UK leading to positive EBITDA/t will be a key monitorable. Gradual progress on EAF completion in the UK and green steel transition in the Netherlands are the key challenges, while Indian expansion projects (KPO-II) ramp-up will be growth drivers. Uptick in steel prices will pose upside to our TP and rating. Valuations are rich at 7.5x 12MF EV/EBITDA (vs 6.5x LT average).

Valuation & Recommendation

We use SoTP and ascribe a 1-year Fwd EV/EBITDA multiple of 7.0x, 4.0x, and 5.0x to India standalone, Europe and other operations, respectively, on Mar'27 EBITDA to arrive at our Mar'26 forward TP of Rs 170/share (unchanged). **The TP implies an 8% upside from the CMP. Hence, we downgrade to a HOLD from a BUY rating on the stock**

Key Concall Highlights

- **The cost transformation program is gaining momentum across all geographies:** The cost takeout program (FY25: Rs 6,600 Cr), targeting Rs 11,500 Cr in FY26 by focusing on controllable costs across geographies, is taking shape with 98% compliance with the Q1FY26 plan. Cost take-out targets are of Rs 4,000/3,000/4,500 Cr at India, UK and Netherlands, respectively. Its focus is to improve the operational KPIs, leading to cost reduction along with product mix optimisation (downstream capex) to improve its EBITDA/t across cycles.
- **Spreads in Q2FY26 QoQ:** In India, NSR could be ~Rs 2,000/t lower QoQ in Q2FY26, and in Europe it will be flat or slightly higher QoQ. Coking coal consumption cost will be lower by \$10/t QoQ in Q2FY26, both in Europe and India. Iron ore consumption cost in the Netherlands will be \$7-8/t lower QoQ.
- **Status of capacity expansion projects:** The 5 mtpa BF at Kalinganagar - Ramp up to rated capacity will be by the end of FY26. 0.75 mtpa EAF at Ludhiana - Civil and structural work is in progress and scheduled for completion in FY27. Work on engineering on the next phase of expansion at NINL is at an advanced stage, a public hearing is held, and EC is expected in two months. Once EC is achieved, the company will get the FID (final investment decision) and will go to the board by Oct-Nov'25. NINL capex announcement is expected post board approval, with a completion timeline of 3-3.5 years post that. The EAF project in the UK is progressing as per plan, with the award of key OEM contracts, receipt of planning permissions, and construction already started from 14th July 2025.
- **Future Capacity expansion projects:** In terms of capacity addition sequence, after the Kalinganagar 5 mtpa Phase-II expansion, the next project in line will be the 0.75 mtpa Ludhiana EAF plant, followed by the Neelachal (NINL) expansion from 1.1 to 5 mtpa, followed by Kalinganagar from 8 to 13 mtpa, and then the Meramandali Bhushan steel plant from 5 to 6.5 mtpa. It will be in that order.
- **Guidance: Volume guidance:** In FY26, 1.5 Mn tonnes additional deliveries mainly from India - In India, ~2 MT higher from KPO-II (KPO-II to ramp up to rated capacity by the end of FY26), offset by BF-H relining in Jamshedpur (almost complete in Q1FY26, operations to resume in the next few days). The UK will be flat, and TSN will be slightly higher. In FY27, the complete impact of volumes from KPO-II (5 mtpa) and Ludhiana EAF ~0.8 MT will be witnessed, along with 0.5 MT from the combi mill in Jamshedpur; this will be offset by volume loss expected from the upcoming relining of Blast Furnace-H during FY27. **Capex guidance** for FY26 is Rs 15,000 Cr, of which ~75% will be spent on projects in India, including the last part of the KPO-II, the EAF project in Ludhiana and other downstream projects.
- **Domestic Steel price outlook:** In the last few weeks, Chinese domestic HRC prices have gone up by \$35-40/t; however, it's not reflected in domestic HRC prices yet. Steel mills volumes are back post maintenance in Q1FY26, which, along with the early monsoon, led to this weakness. Also export market is weak (exports run rate down from earlier 7-10 Mt per annum), leading to higher domestic sales, which is putting pressure on domestic steel prices. However, management said they see prices ticking up in India in the upcoming quarter, as festive demand and construction activity pick up post monsoon.
- **Other highlights: Q1FY26 capex** stood at Rs 3,829 Cr majority in India. Working capital built up in Q1FY26, mainly due to replenishment of stocks in India and the Netherlands after a strong fourth quarter. As the production improves in India, WC is expected to normalise in the next quarter. **Net debt** was at about Rs 84,835 Cr with group liquidity strong at about Rs 43,578 Cr, which includes about Rs 14,118 Cr of cash and cash equivalents. Tata Steel's board agreed to double the capacities for the tinplate business as well as undertake expansions on the coking coal mining front.

Key Risks to Our Estimates and TP

- An increase/decrease in HRC prices in China.
- Higher/lower coking coal costs than our assumptions.

Change in Estimates

	New			Old			% Change		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Sales	2,18,543	2,27,809	2,44,752	2,18,543	2,32,245	2,48,394	0%	-2%	-1%
EBITDA	25,298	36,975	38,660	25,298	36,939	38,492	0%	0%	0%
PAT reported (Attrib)	3,421	13,061	13,866	3,421	13,038	13,757	0%	0%	1%

Source: Company, Axis Securities

Q1FY26 Results Review

Consolidated		Q1FY25	Q4FY25	Q1FY26	Q1FY26	Q1FY26	YoY(%)	QoQ(%)	vs Axis Est	vs Consensus
		Actual	Actual	Axis Est	Consensus	Actual	%	%	%	%
Total Revenue from Operations	Rs Cr	54,771	56,218	54,740	51,392	53,178	-3%	-5%	-3%	3%
EBITDA	Rs Cr	6,694	6,559	6,924	6,862	7,428	11%	13%	7%	8%
Adj EBITDA	Rs Cr	6,950	6,503	6,924	6,862	7,456	7%	15%	8%	9%
Adj EBITDA per tonne	Rs/tonne	9,407	7,810	8,597		10,470	11%	34%	22%	NA
EBITDA margin (%)	%	12.2%	11.7%	12.6%	13.4%	14.0%				
Underlying Attrib PAT	Rs Cr	1,318	1,689	1,757		2,210	68%	31%	26%	NA
Reported PAT (Attrib)	Rs Cr	960	1,301	2,703	1,751	2,078	117%	60%	-23%	19%
Underlying Diluted EPS (Rs)	Rs/sh	1.06	1.35	1.41		1.77	68%	31%	26%	NA
Reported Diluted EPS (Rs)	Rs/sh	0.77	1.04	2.17		1.67	117%	60%	-23%	NA
Net Debt	Rs Cr	82,162	82,579			84,835	3%	3%	NA	NA

Source: Company, Axis Securities

Q1FY26 Results Review

		Q1FY25	Q4FY25	Q1FY26	YoY(%)
Segmental EBITDA		Actual	Actual	Actual	%
Tata Steel India	Rs Cr	6,750	7,105	7,263	8%
NINL	Rs Cr	279	313	224	-20%
Other Indian operations	Rs Cr	104	185	79	-25%
Tata Steel Europe	Rs Cr	(499)	(748)	144	NA
Other trade-related operations	Rs Cr	(33)	340	71	NA
SE Asian operations	Rs Cr	43	79	156	265%
Rest of the world	Rs Cr	(94)	(395)	(287)	NA
Total	Rs Cr	6,550	6,879	7,649	17%
Less: intersegment eliminations	Rs Cr	(272)	118	169	NA
Total segment EBITDA	Rs Cr	6,822	6,762	7,480	10%
Adjustment	Rs Cr	(128)	(203)	(24)	NA
Total calculated EBITDA	Rs Cr	6,694	6,559	7,456	11%

Source: Company, Axis Securities

Q1FY26 Results Review

		Q1FY25	Q4FY25	Q1FY26	Q1FY26	YoY(%)	QoQ(%)	vs Axis Est
		Actual	Actual	Axis Est	Actual	%	%	%
Consolidated Production	Mnt	7.27	7.39		7.29	0%	-1%	
Consolidated Delivery Volumes	Mnt	7.40	8.31		7.19	-3%	-13%	
Adj EBITDA per tonne Europe	Rs/t	-2,321	-3,143	-805	686	-130%	-122%	-185%
Adj EBITDA per tonne Europe	\$/t	-28	-36	-9	8	-129%	-122%	-185%
Adj EBITDA per tonne India	Rs/t	13,667	12,705	13,023	15,290	12%	20%	17%
Adj EBITDA per tonne Consolidated	Rs/t	9,407	7,810	8,597	10,470	11%	34%	22%

Source: Company, Axis Securities.

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY24A	FY25A	FY26E	FY27E
Total Operating Income	2,29,171	2,18,543	2,27,809	2,44,752
Total Expenditure	2,06,865	1,93,244	1,90,834	2,06,092
EBITDA	22,306	25,298	36,975	38,660
Depreciation and Amortisation	9,882	10,421	11,000	11,615
EBIT	12,424	14,877	25,974	27,046
Other Income	1,809	1,541	1,571	1,728
Share Of P/L Of Associates (Net of Tax)	(58)	191	200	210
Less: Interest & Fin Chg.	7,508	7,341	7,652	7,652
Less: Exceptional Items	7,814	855	-	-
Profit before tax	(1,147)	8,413	20,094	21,332
Provision for Tax	3,763	5,239	7,033	7,466
Reported PAT	(4,910)	3,174	13,061	13,866
Minority Interest	(472)	(247)	-	-
Attributable PAT	(4,437)	3,421	13,061	13,866
EPS (Rs/sh) Basic	(3.6)	2.7	10.5	11.1
DPS (Rs/sh)	3.6	3.6	3.6	3.6

Source: Company, Axis Securities

Balance Sheet

(Rs Cr)

Y/E March	FY24A	FY25A	FY26E	FY27E
Net Block	1,23,538	1,25,215	1,26,965	1,28,950
Other Tangible assets	7,586	8,088	8,088	8,088
CWIP + ITUD + Other Intangible Assets	46,301	53,275	55,525	57,925
Goodwill	5,745	5,959	5,959	5,959
Investments	6,258	6,194	6,355	6,524
Inventories	49,158	44,590	46,481	49,938
Trade Receivables	6,264	5,260	5,483	5,891
Cash / Bank balance	7,081	9,605	14,001	18,145
Retirement Benefit Assets	23	15	15	16
Misc. Assets	21,471	21,194	22,025	22,897
Total assets	2,73,424	2,79,395	2,90,897	3,04,332
Equity capital	1,247	1,247	1,247	1,247
Hybrid Perpetual Securities/ Share warrants	-	-	-	-
Reserves	90,788	89,922	98,492	1,07,867
Minority Interests	397	183	183	183
Total Borrowings	81,574	88,964	88,964	88,964
Def tax Liabilities	12,992	14,430	14,430	14,430
Retirement Benefit Obligations	3,366	3,427	3,598	3,778
Provisions	9,203	9,695	10,180	10,689
Trade Payables	35,435	29,314	30,557	32,830
Other Liabilities and Provision	38,421	42,212	43,245	44,344
Capital employed	2,73,424	2,79,395	2,90,897	3,04,332

Source: Company, Axis Securities

Cash Flow

(Rs Cr)

Y/E March	FY24A	FY25A	FY26E	FY27E
Profit before tax	(1,147)	8,413	20,094	21,332
Depreciation	9,882	10,421	11,000	11,615
Interest Expenses	7,508	7,341	7,652	7,652
Non-operating / EO item	5,994	(2,246)	(195)	(205)
Change in W/C	3,384	2,207	11	(651)
Income Tax	(5,320)	(2,624)	(7,033)	(7,466)
Operating Cash Flow	20,301	23,512	31,529	32,277
Capital Expenditure	(18,207)	(15,671)	(15,000)	(16,000)
Free cash Flow	2,094	7,841	16,529	16,277
Other Investments	3,955	1,498	(161)	(169)
Investing Cash Flow	(14,251)	(14,173)	(15,161)	(16,169)
Proceeds from issue of Equity shares	-	-	-	-
Proceeds / (Repayment) of Borrowings	1,230	5,325	-	-
Finance cost paid	(8,145)	(8,119)	(7,652)	(7,652)
Dividend paid	(4,429)	(4,490)	(4,491)	(4,491)
Other Financing activities	247	282	171	180
Financing Cash Flow	(11,097)	(7,002)	(11,972)	(11,963)
Change in Cash	(5,048)	2,337	4,396	4,144
Opening Cash	12,130	7,081	9,605	14,001
Closing Cash	7,081	9,605	14,001	18,145

Source: Company, Axis Securities

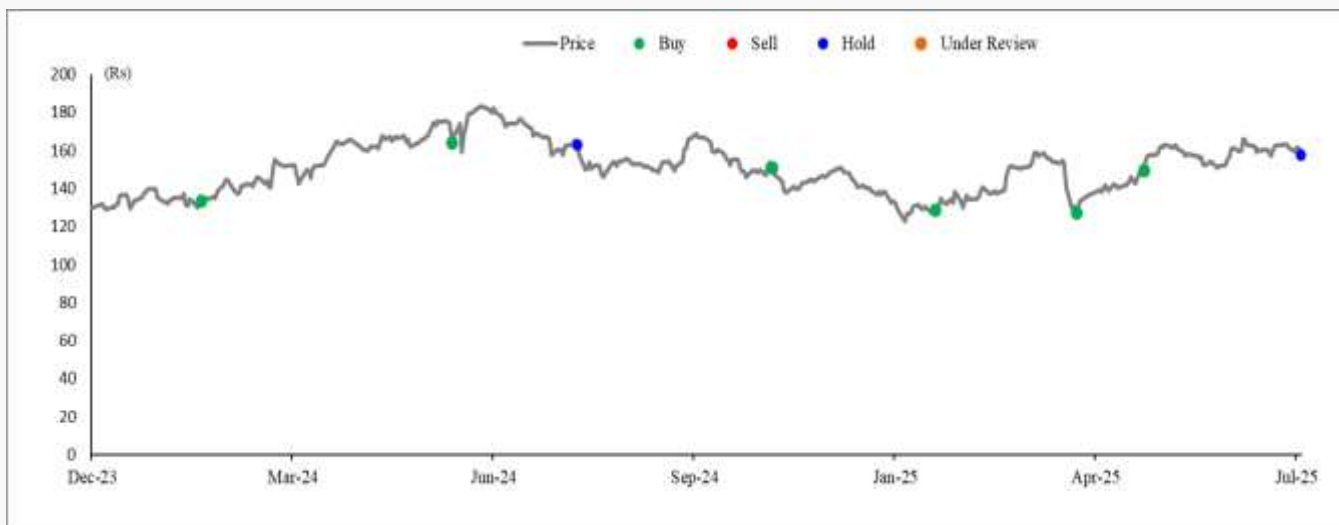
Ratio Analysis

(%)

Y/E March	FY24A	FY25A	FY26E	FY27E
Operational Ratios				
Sales growth (% YoY)	-6%	-5%	4%	7%
EBITDA growth (% YoY)	-31%	13%	46%	5%
Op. profit growth (% YoY)	-46%	20%	75%	4%
Net Profit growth (% YoY)	-151%	-177%	282%	6%
EBITDA Margin %	10%	12%	16%	16%
Net profit Margin %	-2%	2%	6%	6%
EBITDA/t (Rs/tonne)	0%	0%	0%	0%
Tax Rate %	-328%	62%	35%	35%
Efficiency Ratios				
Total Asset turnover (x)	0.82	0.79	0.80	0.82
Sales/Gross block (x)	1.09	0.98	0.97	0.98
Sales/Net block(x)	1.89	1.76	1.81	1.91
Working capital/Sales (x)	0.09	0.09	0.09	0.09
Valuation Ratios				
PER (x)	-43.8x	57.4x	15.0x	14.2x
P/BV (x)	2.1x	2.2x	2.0x	1.8x
EV/Ebitda (x)	12.0x	10.9x	7.3x	6.9x
EV/Sales (x)	1.2x	1.3x	1.2x	1.1x
Dividend Yield (%)	2.4%	2.3%	2.3%	2.3%
Return Ratios				
ROE	0.03	0.05	0.14	0.13
ROCE	0.07	0.08	0.13	0.13
ROIC	0.31	0.03	0.09	0.10
Leverage Ratios				
Debt / equity (x)	0.95	1.04	0.95	0.87
Net debt/ Equity (x)	0.79	0.90	0.82	0.71
Net debt/Ebitda (x)	3.32	3.21	2.12	1.92
Interest Coverage ratio (x)	2.97	3.45	4.83	5.05

Source: Company, Axis Securities

Tata Steel Price Chart and Recommendation History



Date	Reco	TP	Research
29-Jan-24	BUY	150	Result Update
31-May-24	BUY	187	Result Update
02-Aug-24	HOLD	175	Result Update
08-Nov-24	BUY	175	Result Update
29-Jan-25	BUY	155	Result Update
11-Apr-25	BUY	150	Result Update
14-May-25	BUY	170	Result Update
01-Aug-25	HOLD	170	Result Update

Source: Axis Securities Research

DISCLAIMER

Axis Securities Limited is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited, is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr. Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parç, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances please call us at 022-40508080 or write to us helpdesk@axisdirect.in.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories etc. have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in normal course of business, as a Stock Broker / Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and / or USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been client during twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Axis Securities. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith 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 customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. 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. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Axis Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of publication of this report. Please

note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of subject company(ies). Axis Securities or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centres on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide 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 or act as a market maker in the financial instruments of the subject company/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 at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short position in the above mentioned scrip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward looking estimates for the stock, but we refrain from assigning valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events
NO STANCE	We do not have any forward-looking estimates, valuation or recommendation for the stock

Note: Returns stated in the rating scale are our internal benchmark