

25 October 2024

India | Equity Research | Q2FY25 results review

**ACC**

Cement

**Between a rock and a hard place**

The ripple effect of sectoral headwinds (soft cement demand and weak prices) was most pronounced for ACC with its Q2FY25 EBITDA nosediving 22% YoY/37% QoQ (matching our estimate). The 15% YoY volume surge is optical, riding on the coattails of the Master Supply Agreement (MSA) with parent Ambuja Cement (ACEM). Calibrating for H1FY25's performance (EBITDA down 16% YoY) and competitive intensity likely sustaining, we chop our FY25E/FY26E EBITDA by 17%/10%. We also prune our valuation multiple to 11x FY26E EV/EBITDA (13x earlier) drawing from the facts that: 1) all recent acquisitions made by promoter, Adani Cement, are housed under ACEM; and b) ACC is not pursuing any clinker-backed expansion – thus clouding core volume growth visibility. We downgrade ACC to **HOLD** (from Add); TP revised to INR 2,235 (INR 2,933 earlier).

**Sector pangs mar Q2FY25 performance**

ACC reported a robust 15% volume surge (7% ahead of expectation) in Q2FY25 owing to the benefits of increased volume-swaps under MSA. But the gains were offset by high variable cost/t (up 0.5% QoQ; being 1.5% ahead of estimate) and the 12% QoQ rise in staff cost (vs. our expectation of it being flat). In the weak pricing environment (realisation down 1.8% QoQ), ACC continued to hold a tight leash on 'Other Expenses', keeping them flat QoQ (down 5% YoY). Overall, EBITDA, at INR 4.3bn, stood broadly in line while EBITDA/t, at INR 462 (down 32% YoY/30% QoQ), was 8% below expectation.

**Limited visibility on core volume growth**

Calibrating for H1FY25's performance and our view of cement price volatility persisting, we revise down our FY25E/FY26E EBITDA by 17%/10%. Despite the earnings cut, the stock trades at an attractive valuation of ~11x FY26E EV/EBITDA. Yet, we downgrade it to a **HOLD** rating (from Add) given the limited visibility on core volume growth (excluding MSA), tracking the fact that – all recent acquisitions by promoter, Adani Cement (like Sanghi Ind, Penna Cement, and its more recent stake purchase in Orient Cement), are housed under parent ACEM. Further, ACC is also not pursuing any clinker-backed expansions. Thus, we now value ACC at 11x FY26E EV/EBITDA (13x earlier). Any major project announcement under ACC, or an acquisition to utilise cash of INR 29bn (as of Q2FY25), could be an upside risk to our recommendation.

**Financial Summary**

Y/E March (INR mn)	FY23A	FY24A	FY25E	FY26E
Net Revenue	2,22,100	1,99,522	2,03,265	2,23,559
EBITDA	19,190	30,576	24,416	35,369
EBITDA (%)	8.6	15.3	12.0	15.8
Net Profit	9,890	21,242	12,971	20,605
EPS (INR)	52.6	113.0	69.0	109.6
EPS % Chg YoY	-	-	(38.9)	58.8
P/E (x)	43.1	20.1	32.9	20.7
EV/EBITDA (x)	22.1	12.4	16.2	10.9
RoCE (%) (post-tax)	5.9	12.2	6.8	10.6
RoE (%)	7.0	14.1	7.8	11.4

\* FY23 consisted 15 months for ACC

**Navin Sahadeo**

navin.sahadeo@icicisecurities.com

+91 22 6807 7622

**Harsh Mittal**

harsh.mittal@icicisecurities.com

**Market Data**

Market Cap (INR)	426bn
Market Cap (USD)	5,071mn
Bloomberg Code	ACC IN
Reuters Code	ACC.BO
52-week Range (INR)	2,844 /1,803
Free Float (%)	36.0
ADTV-3M (mn) (USD)	11.5

Price Performance (%)	3m	6m	12m
Absolute	(13.3)	(11.2)	19.7
Relative to Sensex	(13.2)	(19.6)	(4.3)

ESG Score	2023	2024	Change
ESG score	63.5	66.6	3.1
Environment	51.7	50.8	(0.9)
Social	59.7	65.0	5.3
Governance	73.9	82.1	8.2

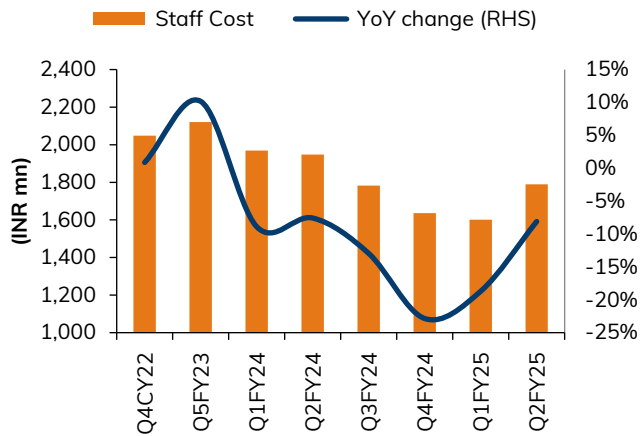
Note - Score ranges from 0 - 100 with a higher number indicating a higher ESG score.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY25E	FY26E
Revenue	(0.1)	0.2
EBITDA	(16.6)	(9.8)
EPS	(22.7)	(15.4)

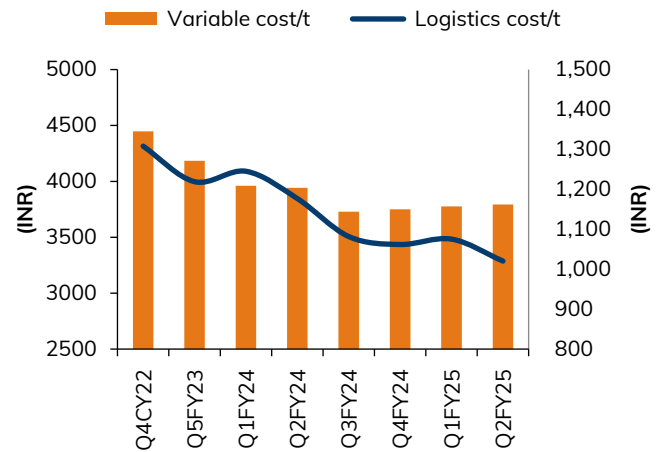
**Previous Reports**01-08-2024: [Q1FY25 results review](#)18-05-2024: [Company Update](#)

**Exhibit 1: Quarterly staff cost trend**



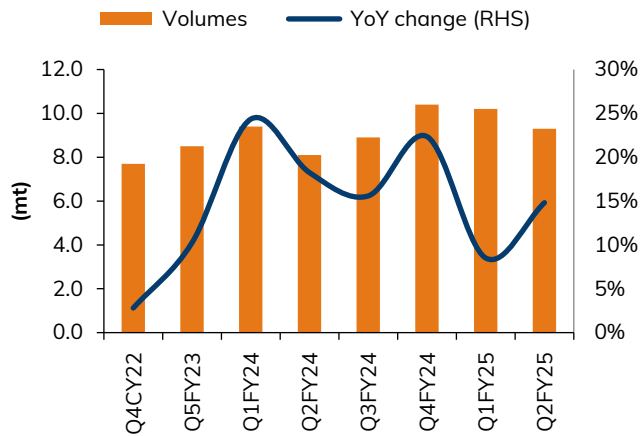
Source: I-Sec research, Company data

**Exhibit 2: Quarterly variable and logistics cost/t trend**



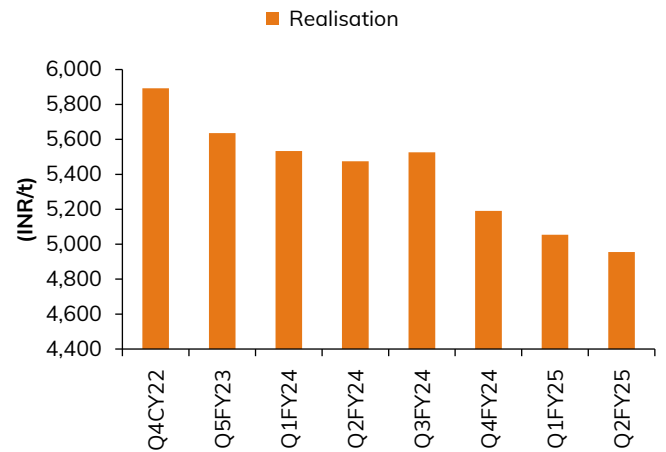
Source: I-Sec research, Company data

**Exhibit 3: Quarterly volumes trend**



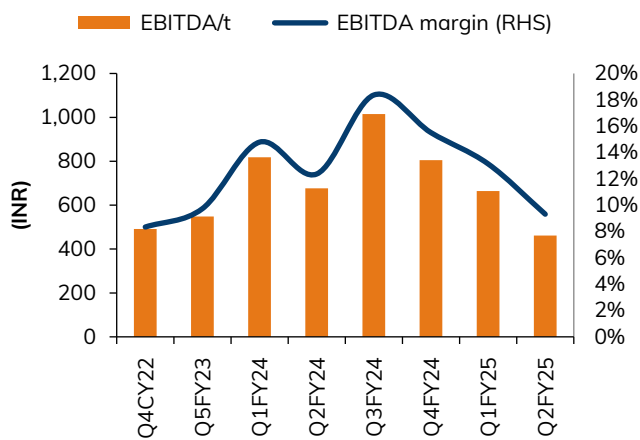
Source: I-Sec research, Company data

**Exhibit 4: Quarterly realisation trend**



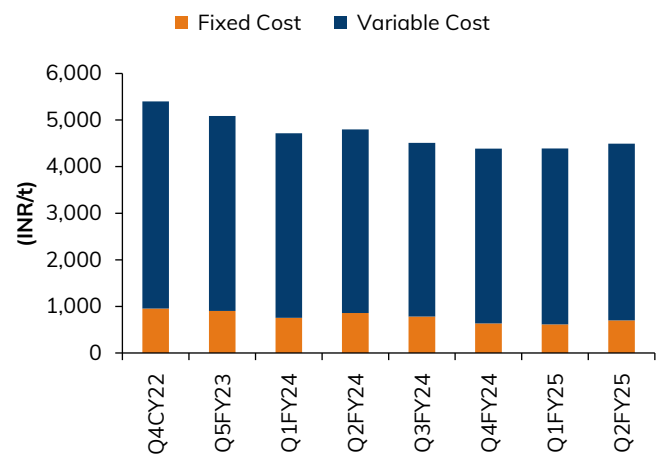
Source: I-Sec research, Company data

**Exhibit 5: Quarterly margin trend**



Source: I-Sec research, Company data

**Exhibit 6: Break-up of total cost**



Source: I-Sec research, Company data

### Exhibit 7: Q2FY25 result review

(INR mn)	Q2FY25	Q2FY24	YoY (%)	Q1FY25	QoQ (%)	Q2FY25E	Variance
Volume Sales (mt)	9.30	8.10	14.8	10.20	(8.8)	8.72	6.7
Blended realisation (INR/t)	4,955	5,475	(9.5)	5,054	(2.0)	4,986	(0.6)
<b>Net Sales</b>	<b>46,080</b>	<b>44,347</b>	<b>3.9</b>	<b>51,556</b>	<b>(10.6)</b>	<b>43,470</b>	<b>6.0</b>
Raw Materials	18,063	13,535	33.5	17,651	2.3	14,156	27.6
Personnel Cost	1,790	1,948	(8.1)	1,601	11.8	1,601	11.8
Power fuel costs	7,721	8,857	(12.8)	9,890	(21.9)	9,155	(15.7)
Outward freight	9,490	9,533	(0.5)	10,969	(13.5)	9,259	2.5
Other Expenses	4,725	4,990	(5.3)	4,673	1.1	4,944	(4.4)
<b>Total Expenses</b>	<b>41,788</b>	<b>38,863</b>	<b>7.5</b>	<b>44,784</b>	<b>(6.7)</b>	<b>39,115</b>	<b>6.8</b>
<b>EBITDA</b>	<b>4,292</b>	<b>5,484</b>	<b>(21.7)</b>	<b>6,772</b>	<b>(36.6)</b>	<b>4,354</b>	<b>(1.4)</b>
<b>EBITDA / t (INR)</b>	<b>462</b>	<b>677</b>	<b>(31.8)</b>	<b>664</b>	<b>(30.5)</b>	<b>499</b>	<b>(7.6)</b>
<b>Cost/t</b>	<b>4,493</b>	<b>4,798</b>	<b>(6.3)</b>	<b>4,391</b>	<b>2.3</b>	<b>4,486</b>	<b>0.2</b>
Interest	333	288	15.5	331	0.5	294	13.2
Depreciation	2,317	2,118	9.4	2,214	4.6	2,224	4.2
Other Income	1,540	2,079	(25.9)	699	120.4	724	112.8
<b>Recurring pre-tax income</b>	<b>3,182</b>	<b>5,156</b>	<b>(38.3)</b>	<b>4,925</b>	<b>(35.4)</b>	<b>2,559</b>	<b>24.3</b>
Extraordinary inc/(exp)	-	-	NA	-	NA	-	NA
Taxation	843	1,313	(35.8)	1,263	(33.2)	653	29.2
<b>Reported Net Income</b>	<b>2,339</b>	<b>3,843</b>	<b>(39.1)</b>	<b>3,662</b>	<b>(36.1)</b>	<b>1,907</b>	<b>22.7</b>
<b>Recurring Net Income</b>	<b>2,339</b>	<b>3,843</b>	<b>(39.1)</b>	<b>3,662</b>	<b>(36.1)</b>	<b>1,907</b>	<b>22.7</b>
<b>Ratios (%)</b>			<b>bps</b>		<b>bps</b>		<b>bps</b>
EBITDA margins	9.3	12.4	(305)	13.1	(382)	10.0	(70)
Net profit margins	5.1	8.7	(359)	7.1	(203)	4.4	69

Source: I-Sec research, Company data

### Exhibit 8: Historical quarterly per-tonne analysis

(INR/t)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25
<b>Blended realisation</b>	<b>5,475</b>	<b>5,526</b>	<b>5,190</b>	<b>5,054</b>	<b>4,955</b>
Growth % (YoY)	(5.9)	(6.2)	(7.9)	(8.7)	(9.5)
Raw material with stock adjustment	1,598	1,508	1,689	1,730	1,942
Staff costs	240	200	157	157	192
Power & fuel costs	1,093	1,139	935	970	830
Outward freight	1,177	1,082	1,062	1,075	1,020
Other expenditure	689	582	543	458	508
<b>Total expenses</b>	<b>4,798</b>	<b>4,511</b>	<b>4,386</b>	<b>4,391</b>	<b>4,493</b>
Other operating income	-	-	-	-	-
<b>EBITDA</b>	<b>677</b>	<b>1,015</b>	<b>805</b>	<b>664</b>	<b>462</b>

Source: I-Sec research, Company data

### Exhibit 9: Performance trend and assumptions

	CY19	CY20	CY21	FY23*	FY24	FY25E	FY26E
Capacity ('000te)	33,400	33,400	34,800	36,400	38,900	40,500	42,900
Capacity utilisation (%)	87	77	83	105	95	99	99
Sales ('000te)	28,900	25,560	28,870	38,320	36,800	40,225	42,639
Growth (%)	2	(12)	13	NA	NA	9	6
Realisation (INR/t) – blended	5,418	5,393	5,595	5,796	5,422	5,053	5,243
Growth (%)	4	(0)	4	NA	NA	(7)	4

Source: I-Sec research, Company data, \* FY23 consisted 15 months for ACC

### Exhibit 10: Per-tonne estimate analysis

(INR/t)	CY19	CY20	CY21	FY23*	FY24	FY25E	FY26E
<b>Net realisation including RMC</b>	5,418	5,393	5,595	5,796	5,422	5,053	5,243
Raw materials consumed	941	983	993	1,424	1,600	1,765	1,702
Power & fuel costs	1,084	1,006	1,164	1,497	1,086	974	1,003
Freight costs	1,401	1,343	1,332	1,349	1,139	1,056	1,062
Other expenses	859	813	786	755	567	478	469
<b>Total operating expenses</b>	<b>4,584</b>	<b>4,473</b>	<b>4,564</b>	<b>5,295</b>	<b>4,591</b>	<b>4,446</b>	<b>4,414</b>
Other operating income	433	482	471	235	-	-	-
<b>Blended EBITDA</b>	<b>834</b>	<b>920</b>	<b>1,031</b>	<b>501</b>	<b>831</b>	<b>607</b>	<b>830</b>

Source: I-Sec research, Company data, \* FY23 consisted 15 months for ACC

### Exhibit 11: Valuations based on 11x Mar'26E EV/E

Particulars	Mar'26
Assumed EV/EBITDA multiple (x)	11.0
EBITDA (INR mn)	35,369
EV (INR mn)	3,89,058
Less: Net debt (INR mn)	-30,990
M-cap (INR mn)	4,20,048
Shares o/s (mn)	188
<b>Value per share (INR)</b>	<b>2,235</b>

Source: I-Sec research, Company data

### Key risks

- Sharp further uptick in cement prices and/or a major decline in fuel cost are key upside earnings risks.
- Sharp fall/reversal of recent hikes in cement prices and/or major surge in fuel prices are key downside risks.

### Exhibit 12: Earnings revision

INR mn	FY25E			FY26E		
	Revised	Earlier	% chg	Revised	Earlier	% chg
Revenue	2,03,265	2,03,486	(0.1)	2,23,559	2,23,032	0.2
EBITDA	24,416	29,266	(16.6)	35,369	39,222	(9.8)
Recurring PAT	12,971	16,782	(22.7)	20,605	24,346	(15.4)

Source: I-Sec research

### Exhibit 13: Shareholding pattern

%	Mar'24	Jun'24	Sep'24
Promoters	56.7	56.7	56.7
Institutional investors	30.8	30.5	30.0
MFs and others	14.5	15.7	15.4
FIs/Banks	0.0	0.0	0.1
Insurance	9.1	9.1	9.0
FIIIs	7.2	5.7	5.5
Others	12.5	12.8	13.3

Source: Bloomberg

### Exhibit 14: Price chart



Source: Bloomberg

## Financial Summary

### Exhibit 15: Profit & Loss

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Net Sales	2,22,100	1,99,522	2,03,265	2,23,559
<b>Operating Expenses</b>	<b>2,02,910</b>	<b>1,68,946</b>	<b>1,78,849</b>	<b>1,88,190</b>
EBITDA	19,190	30,576	24,416	35,369
<b>EBITDA Margin (%)</b>	<b>8.6</b>	<b>15.3</b>	<b>12.0</b>	<b>15.8</b>
Depreciation & Amortization	8,351	8,763	9,205	9,663
EBIT	10,839	21,814	15,211	25,706
Interest expenditure	772	1,538	1,683	1,716
Other Non-operating Income	3,372	4,915	3,883	3,668
Recurring PBT	13,439	25,191	17,411	27,657
<b>Profit / (Loss) from Associates</b>	-	-	-	-
<b>Less: Taxes</b>	<b>3,122</b>	<b>3,948</b>	<b>4,440</b>	<b>7,053</b>
PAT	10,317	21,242	12,971	20,605
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	1,190	-	-	-
Net Income (Reported)	8,699	21,242	12,971	20,605
<b>Net Income (Adjusted)</b>	<b>9,890</b>	<b>21,242</b>	<b>12,971</b>	<b>20,605</b>

Source Company data, I-Sec research, \* FY23 consisted 15 months for ACC

### Exhibit 16: Balance sheet

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Total Current Assets	81,315	95,139	1,01,182	1,14,364
of which cash & cash eqv.	2,868	46,670	30,990	42,698
Total Current Liabilities & Provisions	56,304	60,505	60,449	60,855
<b>Net Current Assets</b>	<b>25,011</b>	<b>34,634</b>	<b>40,732</b>	<b>53,509</b>
Investments	1,927	6,154	6,154	6,154
Net Fixed Assets	70,806	86,091	92,554	99,251
ROU Assets	-	-	-	-
Capital Work-in-Progress	20,623	13,049	12,049	10,549
Total Intangible Assets	4,057	6,182	6,182	6,182
Other assets	25,357	22,382	22,382	22,382
Deferred Tax assets	-	-	-	-
<b>Total Assets</b>	<b>1,47,781</b>	<b>1,68,492</b>	<b>1,80,053</b>	<b>1,98,027</b>
<b>Liabilities</b>				
<b>Borrowings</b>	-	-	-	-
<b>Deferred Tax Liability</b>	<b>4,331</b>	<b>4,543</b>	<b>4,543</b>	<b>4,543</b>
provisions	1,763	1,492	1,492	1,492
other Liabilities	1,257	2,238	2,238	2,238
Equity Share Capital	1,880	1,880	1,880	1,880
Reserves & Surplus	1,38,550	1,58,340	1,69,901	1,87,875
<b>Total Net Worth</b>	<b>1,40,430</b>	<b>1,60,220</b>	<b>1,71,781</b>	<b>1,89,754</b>
Minority Interest	-	-	-	-
<b>Total Liabilities</b>	<b>1,47,781</b>	<b>1,68,492</b>	<b>1,80,053</b>	<b>1,98,027</b>

Source Company data, I-Sec research, \* FY23 consisted 15 months for ACC

### Exhibit 17: Quarterly trend

(INR mn, year ending March)

	Dec-23	Mar-24	Jun-24	Sep-24
Net Sales	49,183	53,981	51,556	46,080
% growth (YoY)	8.4	12.7	-0.9	3.9
EBITDA	9,032	8,371	6,772	4,292
Margin %	18.4	15.5	13.1	9.3
Other Income	839	1,215	699	1,540
Extraordinaries	0	0	0	0
Adjusted Net Profit	5,275	7,485	3,662	2,339

Source Company data, I-Sec research

### Exhibit 18: Cashflow statement

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
<b>Operating Cashflow</b>	<b>14,309</b>	<b>28,651</b>	<b>22,176</b>	<b>30,268</b>
Working Capital Changes	(26,697)	1,153	(21,778)	(1,068)
Capital Commitments	(19,788)	(17,787)	(14,668)	(14,860)
<b>Free Cashflow</b>	<b>(32,175)</b>	<b>12,017</b>	<b>(14,270)</b>	<b>14,339</b>
<b>Other investing cashflow</b>	<b>(26,632)</b>	<b>36,047</b>	-	-
Cashflow from Investing Activities	(46,419)	18,260	(14,668)	(14,860)
Issue of Share Capital	-	-	-	-
Interest Cost	-	-	-	-
Inc (Dec) in Borrowings	-	-	-	-
Dividend paid	(10,892)	(1,753)	(1,410)	(2,631)
Others	(1,485)	(2,670)	-	-
Cash flow from Financing Activities	(12,377)	(4,423)	(1,410)	(2,631)
<b>Chg. in Cash &amp; Bank balance</b>	<b>(71,184)</b>	<b>43,641</b>	<b>(15,679)</b>	<b>11,708</b>
Closing cash & balance	2,858	46,509	30,990	42,698

Source Company data, I-Sec research, \* FY23 consisted 15 months for ACC

### Exhibit 19: Key ratios

(Year ending March)

	FY23A	FY24A	FY25E	FY26E
<b>Per Share Data (INR)</b>				
Reported EPS	52.6	113.0	69.0	109.6
Adjusted EPS (Diluted)	52.6	113.0	69.0	109.6
Cash EPS	97.0	159.6	118.0	161.0
Dividend per share (DPS)	9.3	7.5	14.0	14.0
Book Value per share (BV)	747.2	852.5	914.0	1,009.6
Dividend Payout (%)	17.6	6.6	20.3	12.8
<b>Growth (%)</b>				
Net Sales	-	-	1.9	10.0
EBITDA	-	-	(20.1)	44.9
EPS (INR)	-	-	(38.9)	58.8
<b>Valuation Ratios (x)</b>				
P/E	43.1	20.1	32.9	20.7
P/CEPS	23.4	14.2	19.2	14.1
P/BV	3.0	2.7	2.5	2.2
EV / EBITDA	22.1	12.4	16.2	10.9
EV / t (USD)	143.7	116.3	117.0	107.2
Dividend Yield (%)	0.4	0.3	0.6	0.6
<b>Operating Ratios</b>				
Gross Profit Margins (%)	75.4	70.8	65.1	67.5
EBITDA Margins (%)	8.6	15.3	12.0	15.8
Effective Tax Rate (%)	23.2	15.7	25.5	25.5
Net Profit Margins (%)	4.5	10.6	6.4	9.2
NWC / Total Assets (%)	16.9	20.6	22.6	27.0
Net Debt / Equity (x)	0.0	(0.3)	(0.2)	(0.2)
Net Debt / EBITDA (x)	(0.1)	(1.5)	(1.3)	(1.2)
<b>Profitability Ratios</b>				
RoCE (%) (Post Tax)	5.9	12.2	6.8	10.6
RoE (%)	7.0	14.1	7.8	11.4
RoIC (%)	10.6	18.0	11.2	15.2
Fixed Asset Turnover (x)	3.3	2.5	2.3	1.0
Inventory Turnover Days	50	63	61	29
Receivables Days	11	16	16	16
Payables Days	58	62	61	28

Source Company data, I-Sec research, \* FY23 consisted 15 months for ACC

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet\_babbar@icicisecuritiesinc.com, Rishi\_agrawal@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)  
**BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return**

#### ANALYST CERTIFICATION

I/We, Navin Sahadeo, MBA; Harsh Mittal, MBA, CFA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

#### Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. 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 Retail Research.

The information and opinions in this report have been prepared by ICICI 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 ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI 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 ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

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 customers simultaneously, not all customers may receive this report at the same time. ICICI 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. ICICI 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.

ICICI 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.

ICICI 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.

ICICI 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.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI 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 ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

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

ICICI Securities or its subsidiaries collectively 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 ICICI Securities and ICICI Securities as a 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.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

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 ICICI Securities and affiliates 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.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

---

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

Registration granted by SEBI 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.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, E-mail Address : [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: [Mr. Bhavesh Soni](mailto:Mr. Bhavesh Soni) Email address: [headservicequality@icicidirect.com](mailto:headservicequality@icicidirect.com) Contact Number: 18601231122

---