



Better Operating Performance Delivered; Retain BUY.

Est. Vs. Actual for Q4FY24: Revenue – **BEAT**; EBITDA Margin – **BEAT**; PAT – **BEAT**

Change in Estimates post Q4FY24 (Abs.)

FY25E/FY26E: Revenue: -5%/-3%; EBITDA: -4%/-2%; PAT: -8%/-3%

Recommendation Rationale

- **Healthy volume growth momentum:** The company reported volume growth of 9% in Q4FY24, driven by better demand from infrastructure and commercial segments and the ramp-up of the Mukutban plant. As a result of scaling up, production costs have reduced significantly. The company aims to sell 2.7 mtpa of cement from the Mukutban unit in FY25 (Capacity 3.9 mtpa and it is expected to drive incremental volume growth for the company. We expect the company to grow volumes at 10% CAGR over FY24-26E.
- **Improvement in EBITDA/tonne:** To mitigate cost pressures, the company has optimized its fuel consumption mix. In addition, the decline in fuel prices, increasing contribution from WHRS and AFRs, higher sales of blended and premium products from the Mukutban unit, and other cost savings from internal efficiencies are expected to drive the company's EBITDA/tonne. We estimate the company's EBITDA/tonne to grow at a CAGR of 8% over FY24-FY26E to Rs 960/tonne.
- **Robust cement demand in the country:** Cement demand in the country is expected to remain robust on the back of higher capital spending by the central government on roads, railways and housing, as well as robust real estate demand. Increasing investment to develop the infrastructure of the country will act as a catalyst for higher cement demand in the country. The industry is expected to grow at a CAGR of 8-9% during FY23-FY26E.

Sector Outlook: Positive

Company Outlook & Guidance: The company has guided for 8-10% growth both in volume and EBITDA/tonne over FY24. Cement demand in the first quarter of FY24-25 is likely to be impacted due to the general elections and extreme summer conditions across the country. The company will continue to further ramp up Mukutban operations with a special focus on the Maharashtra market to avail tax incentives. Pricing is expected to remain under pressure.

Current Valuation: 8x FY26E EV/EBITDA (Earlier Valuation: 8.5x FY26E EV/EBITDA)

Current TP: Rs 1,800/share (Earlier TP: Rs 1,835/share)

Recommendation: We maintain our **BUY** recommendation on the stock.

Alternative BUY Ideas from our Sector Coverage

ACC (TP – 2,900/share), UltraTech Cement Ltd (TP-11,000/share), Dalmia Bharat (TP-2050/share).

Outlook: The ramping up of the greenfield unit in Mukutban, Maharashtra, is poised to significantly bolster the company's revenue and volume growth in the future. Additionally, the implementation of various cost optimization initiatives, improvements in capacity utilization, and realization through a balanced brand portfolio—placing equal emphasis on premium and value segments, geo-mix, and go-to-market supply chain optimization—are expected to positively impact the overall performance of the company moving forward. We expect the company to grow Sales/EBITDA/APAT at a CAGR of 9%/18%/41% during FY24-FY26E. Cement pricing remains key monitorable.

Valuation & Recommendation

The stock is currently trading at 8x and 7x FY25E/FY26E EV/EBITDA and EV/tonne of \$88 and \$80, which we believe to be attractive. We maintain our **BUY** rating on the stock with a TP of Rs 1,800/share, implying an upside potential of 17% from the CMP.

Key Financials (Consolidated)

(Rs Cr)	Q4FY24	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	2,656	15	8	2,649	1%
EBITDA	472	25	72	430	10%
EBITDA Margin	17.8%	140bps	670bps	14.2%	160bps
Net Profit	193	77	128	167	15%
EPS (Rs)	25	77	128	22	15%

Source: Company, Axis Research

(CMP as of 6th May, 2024)

CMP (Rs)	1545
Upside /Downside (%)	17
High/Low (Rs)	1802/970
Market cap (Cr)	11,896
Avg. daily vol. (6m)Shrs.	1,48,900
No. of shares (Cr)	7.7

Shareholding (%)

	Sep-23	Dec-23	Mar-24
Promoter	62.9	62.9	62.9
FIIs	6.6	6.5	6.8
MFs / UTI	13.5	13.9	13.2
Banks / FIIs	0.0	0.0	0.0
Others	17.0	16.7	17.1

Financial & Valuations

Y/E Mar (Rs Cr)	FY24	FY25E	FY26E
Net Sales	9,663	10,385	11,464
EBITDA	1,438	1,765	1,997
Net Profit	421	681	832
EPS (Rs)	54.6	88.4	108.1
PER (x)	31	19	16
P/BV (x)	1.8	1.6	1.5
EV/EBITDA (x)	10	8	7
ROE (%)	6%	9%	10%

Change in Estimates (%)

Y/E Mar	FY25E	FY26E
Sales	-5%	-3%
EBITDA	-4%	-2%
PAT	-8%	-3%

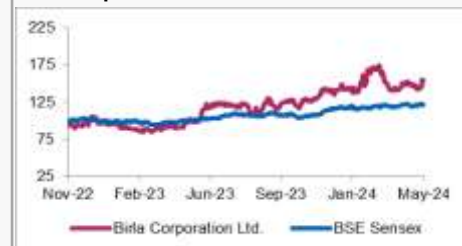
ESG disclosure Score**

Environmental Disclosure	20
Social Disclosure Score	15
Governance Disclosure Score	78
Total ESG Disclosure Score	38
Sector Average	49

Source: Bloomberg, Scale: 0.1-100

**Note: This score measures the amount of ESG data a company reports publicly and does not measure the company's performance on any data point. All scores are based on 2022 disclosures

Relative performance



Source: Ace Equity, Axis Securities

Uttam K Srimal

Research Analyst
 email: Uttamkumar.srimal@axissecurities.in

ShikhaDoshi

Research Analyst
 email: shikha.doshi@axissecurities.in

Financial Performance

- BCL reported a stellar set of numbers with Volume/Revenue/EBITDA/APAT growth of 9%/8%/72%/128% YoY (above expectations), driven by better demand and lower operating costs. Blended EBITDA increased 72% YoY to Rs 472 Cr (above expectations) and the company reported an APAT of Rs 193 Cr against Rs 85 Cr in the last year. It is noteworthy that the company's cost/tonne declined by 9%/2% YoY/QoQ to Rs 4,503/tonne. BCL's EBITDA/tonne was Rs 974, up 58%/8% YoY/QoQ.
- The company reported an EBITDA margin of 17.8% (vs. our estimates of 16.2%) vs. 11.1% YoY. Sales volumes for the quarter increased by 9% YoY to 4.85 million tonnes per annum (mtpa). It reported blended realization/tonne of Rs 5,218, down 2%/1% YoY / QoQ. It is encouraging to note that the company reduced its long-term borrowing by 21% to Rs 3,185 Cr during the year.

Key Concall Highlights

- **Healthy Volume Growth:** During the quarter, the company experienced a notable 9% YoY growth in volume. It achieved an impressive 97% capacity utilization for the quarter, a notable increase from the 89% recorded in the previous year. Throughout the full year, the company maintained a strong capacity utilization rate of 89%, compared to 81% in the preceding year, with steady utilization at the Mukutban unit contributing significantly to this achievement. The Mukutban unit continued its scaling-up journey as planned and achieved positive EBITDA in the second half of FY24, thereby substantially enhancing the company's profitability. Looking ahead, the company aims to achieve sales of 2.7 million metric tons per annum (mtpa) from the Mukutban Unit in FY25. Notably, during the year, the company sold 65% of its production from the Mukutban unit in Maharashtra.
- **Capacity Expansion:** The company has ambitious plans to boost its production capacity to 30 mtpa by the year 2030. Initially, it intends to add 5 mtpa capacity to reach this milestone, with further details expected to be unveiled during FY25. Currently, the company's production capacity stands at 20 mtpa, with an additional 1.4 mtpa being constructed for a new Grinding Unit in Prayagraj. Additionally, the company has approved an investment of Rs 425 Cr to enhance the capacity of its Kundanganj unit by 1.4 Mn tons within a two-year timeframe. This expansion will be funded through a mix of debt and equity, with a ratio of 25% debt to 75% equity. By FY26-27, the company aims to achieve a total capacity of 25 mtpa, further solidifying its position in the market.
- **Project Shikhar & Unnati:** In the March quarter of the previous fiscal year, Birla Corporation initiated Project Shikhar, a comprehensive initiative aimed at enhancing operating efficiency and streamlining costs. This initiative involved various operational adjustments and meticulous fine-tuning, which yielded significant results. Notably, it contributed to cost savings amounting to Rs 66 Cr and Rs 100 Cr in cement production expenses for the quarter. Both Project Shikhar and Project Unnati are ongoing endeavours, expected to drive further enhancements in efficiency and generate additional savings as they progress.
- **Trade-Non-trade mix:** During the quarter, the percentage of cement mix sold was 84%, last year it was 89%, and the rest was OPC. The mix of trade and non-trade was 72%/28% during the quarter compared to 77%/23% YoY. The company has been following a balanced portfolio strategy with equal thrust on the premium and value segments. The share of premium brands now stands at 55%, with almost equal volume of both value and premium brands, and increased 3% YoY. For the full year, the share of premium products stood at 54% of trade sales.
- **Cement realization lower YoY:** Cement prices experienced continued weakness over the last two quarters, influenced by various factors and disruptions such as Assembly elections in significant regions. Contrary to patterns observed in previous years, demand exhibited notable weakness in the March quarter, prompting major players to retract prices. Consequently, Cement Realization per ton during the quarter stood at Rs 5,178, marking a decrease of 1.6% and remaining relatively flat QoQ/ YoY. Blended realization per tonne for the quarter was recorded at Rs 5,477, compared to Rs 5,546 from the previous year.
- **Revenue enhancement initiatives:** Anticipating a flat pricing scenario, the company had undertaken several initiatives for revenue enhancement and cost optimization, resulting in significant achievements in the following areas: premiumisation, geo-mix optimisation, logistics, power and fuel costs.
- **Power/Fuel:** Power and fuel costs per ton of production declined 27%/24% QoQ/YoY in the Mar'24 quarter. To enhance the benefits of benign fuel costs, the Company tweaked its fuel mix. Renewables accounted for 25% of the power consumed by Birla Corporation in the March quarter against 20% last year. For the full year, renewables accounted for 24.15% of power consumed versus 21.7% in the previous year WHRS capacity stands at 43MW. On a Kcal basis, cost stood at Rs 1.56 against 1.68 Q3FY24 and it is expected to be on a similar line moving ahead.
- **Freight:** Through the implementation of the Integrated Logistics Management System and geo-mix optimization strategies, Birla Corporation effectively managed its freight and forwarding costs per ton for the March quarter, containing them at Rs 1,284. This represented a decrease of 4% YoY and 3% QoQ. Additionally, during the quarter, the lead distance was reported at 350 km.

- **Incentives:** The entire project cost of Rs 2,300 Cr for the Mukutban plant is refundable through incentives over the next 20 years. These incentives are anticipated to begin in FY25 once the company's registration is finalized. The incentives from the Mukutban plant are expected to significantly contribute to the overall EBITDA for the company. In FY25, the company forecasts incentives of Rs 110 Cr, inclusive of incentives from Mukutban.
- **Capex:** During 12MFY24 the company incurred Rs 530 Cr on Capex and expected to incur Rs 800 Cr in FY25 towards growth and maintenance capex.
- **Debt:** As of 31st Mar'23 the total gross debt of the company stood at Rs 3,770 Cr and net debt at Rs 3,025 Cr lower by 18% YoY. The company is constantly working towards reducing its borrowing cost which stood at 7.98% during the quarter. The current year's maturity is Rs 525 Cr.
- **OCF/FCF:** During the year, the company generated OCF of Rs 1,619 Cr and FCF of Rs 1,090 Cr and OCF/EBITDA conversion stood at 113% against 104% last year.
- **Dividend:** The company board has recommended a dividend of Rs 10/share (FV Rs 10/share) for FY24.

Key Risks to our Estimates and TP

- Higher competitive intensity may lower realization and demand in its key market.
- Higher input costs may impact margins.

Change in Estimates

	New		Old		% Change	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Sales	10,385	11,464	10921	11784	-5%	-3%
EBITDA	1,765	1,997	1836	2038	-4%	-2%
PAT	681	832	744	861	-8%	-3%

Source: company, Axis Securities

Result Review Q4FY24

(Rs Cr)	Quarterly Performance				
	Q4FY24	Q3FY24	Q3FY23	% Chg QoQ	% Chg YoY
Net sales	2656	2312	2,463	15%	7.9%
Expenditure	2184	1934	2,188	13%	0%
EBITDA	472	379	274	25%	72%
Other income	26	16	49	58%	-48%
Interest	82	97	89	-15%	-7%
Depreciation	150	145	140	3%	7%
PBT	266	153	113	73%	136%
Tax	80	44	28	80%	185%
APAT	193	109	85	77%	128%
EBITDA margin (%)	17.8%	16.4%	11.1%	140bps	670bps
EPS (Rs)	25.1	14.2	11.0	77%	128%

Source: company, Axis Securities

Volume/ Realization / Cost Analyses

(Rs Cr)	Quarterly Performance				
	Q4FY24	Q3FY24	Q3FY23	% Chg QoQ	% Chg YoY
Volume/mnt	4.85	4.20	4.44	15%	9%
Realisation/tonne (Rs)	5218	5315	5279	-2%	-1%
Cost/tonne (Rs)	4503	4604	4928	-2%	-9%
Raw material/tonne (Rs)	921	782	982	18%	-6%
Staff Cost/tonne (Rs)	274	336	293	-18%	-6%
Power & Fuel/tonne (Rs)	1000	1094	1291	-9%	-23%
Freight/tonne (Rs)	1284	1325	1340	-3%	-4%
Other Expenses /tonne (Rs)	1024	1066	1023	-4%	0%
EBITDA/tonne (Rs)	974	901	618	8%	58%

Source: company, Axis Securities

Financials (consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY23	FY24	FY25E	FY26E
Net sales	8682	9663	10385	11464
Other operating income	0	0	0	0
Total income	8682	9663	10385	11464
Raw Material	1094	1581	1701	1880
Power & Fuel	2373	1947	1893	2082
Freight & Forwarding	2107	2280	2435	2679
Employee benefit expenses	521	556	584	619
Other Expenses	1816	1860	2007	2207
EBITDA	772	1438	1765	1997
Other income	113	86	100	115
PBIDT	885	1523	1865	2112
Depreciation	510	578	617	659
Interest & Fin Chg.	339	372	328	328
E/o income / (Expense)	-7	-7	0	0
Pre-tax profit	43	580	920	1125
Tax provision	3	159	239	292
(-) Minority Interests	0	0	0	0
Associates	0	0	0	0
Profit after Tax	41	421	681	832
Other Comprehensive Income	0	0	0	0
PAT after Comprehensive Income	41	421	681	832

Source: company, Axis Securities

Balance Sheet

(Rs Cr)

Y/E March	FY23	FY24	FY25E	FY26E
Total assets	14072	14436	15073	15920
Net Block	9133	9228	9390	9648
CWIP	357	480	480	480
Investments	457	585	935	1335
Wkg. cap. (excl cash)	-949	-1139	-1104	-1048
Cash / Bank balance	207	157	214	255
Misc. Assets	4868	5125	5158	5250
Capital employed	14072	14436	15073	15920
Equity capital	77.01	77.01	77.01	77.01
Reserves	5981	6674	7278	8033
Minority Interests	0	0	0	0
Borrowings	4460	3827	3827	3827
Def Tax Liabilities	971	1104	1104	1104
Other Liabilities and Provisions	2583	2754	2787	2878

Source: company, Axis Securities

Cash Flow

(Rs Cr)

Y/E March	FY23	FY24	FY25E	FY26E
Profit before tax	43	580	920	1125
Depreciation	510	580	617	659
Interest Expenses	339	372	328	328
Non-operating/ EO item	0	0	-100	-115
Change in W/C	-3	119	-35	-56
Income Tax	-51	-75	-239	-292
Operating Cash Flow	837	1576	1491	1648
Capital Expenditure	-631	-529	-779	-917
Investments	0	0	0	0
Others	5	0	100	115
Investing Cash Flow	-620	-318	-1029	-1202
Borrowings	116	-581	0	0
Interest Expenses	-339	-350	-328	-328
Dividend paid	-77	-19	-77	-77
Others	0	0	0	0
Financing Cash Flow	-301	-950	-405	-405
Change in cash	-301	-950	-405	-405
Opening Cash	84	206	157	214
Closing Cash	206	157	214	255

Source: company, Axis Securities

Ratio Analysis

(%)

Y/E March	FY23	FY24	FY25E	FY26E
Sales growth	16%	11%	7%	10%
OPM	8.9%	14.9%	17.0%	17.4%
Op. profit growth	-31%	86%	23%	13%
COGS / Net sales	64%	60%	58%	58%
Overheads/Net sales	27%	25%	25%	25%
Depreciation / G. block	4%	5%	5%	5%
Effective interest rate (%)	8%	10%	9%	9%
Efficiency Ratios				
Total Asset Turnover (x)	0.62	0.67	0.69	0.72
Sales/Gross block (x)	0.76	0.80	0.81	0.84
Sales/Net block(x)	0.95	1.05	1.11	1.19
Working capital/Sales (x)	0.06	0.03	0.07	0.10
Valuation Ratios				
P/E (x)	202.2	27.8	17.5	14.3
P/BV (x)	2.00	1.78	1.63	1.48
EV/Ebitda (x)	20	10	8	7
EV/Sales (x)	1.80	1.54	1.40	1.23
EV/Tonne \$ (x)	95	90	87	90
Return Ratios				
ROE (%)	1%	6%	9%	10%
ROCE (%)	3	8	10	11
ROIC (%)	2	7	9	11
Leverage Ratios				
Debt / equity (x)	0.73	0.56	0.52	0.47
Debt / equity (x)	0.61	0.45	0.36	0.27
Net debt/ Equity (x)	4.76	2.10	1.48	1.09
Net debt/EBITDA (X)	1.1	2.5	3.8	4.4
Interest Coverage ratio (x)	1.1	2.5	3.8	4.4
Cash Flow Ratios				
OCF/Sales	9%	17%	14%	14%
OCF/Ebitda	104%	113%	84%	83%
OCF/Capital Employed	7%	14%	12%	13%
FCF/Sales	2.0%	11.3%	6.9%	6.4%
Payout ratio (Div/NP)				
AEPS (Rs.)	5	55	88	108
AEPS Growth	-88	806	59	22
CEPS (Rs.)	71	130	169	194
DPS (Rs.)	8	10	10	10

Source: company, Axis Securities

Birla Crop Price Chart and Recommendation History



Date	Reco	TP	Research
07-Feb-22	BUY	1,500	Result Update
12-May-22	BUY	1,300	Result Update
08-Aug-22	BUY	1,250	Result Update
13-Sep-22	BUY	1,305	AAA
09-Nov-22	BUY	1,110	Result Update
06-Feb-23	BUY	1,025	Result Update
11-May-23	BUY	1,305	Result Update
10-Aug-23	BUY	1,400	Result Update
07-Sep-23	BUY	1,400	AAA
10-Nov-23	BUY	1,440	Result Update
08-Feb-24	BUY	1,835	Result Update
07-May-24	BUY	1,800	Result Update

Source: Axis Securities

About the analyst

Analyst: Uttam Kumar Simal

Email: uttamkumar.simal@axissecurities.in

Sector: Cement/Infra

Analyst Bio: Uttam K Simal is PGDBF from NMIMS with 23 years of experience in Equity Market/Research

About the analyst

Analyst: Shikha Doshi

Email: shikha.doshi@axissecurities.in

Sector: Cement/Infra

Analyst Bio: Shikha Doshi is Master of Science in Finance from Illinois Institute of Technology, Chicago, currently handling Cement/infra sector.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Axis Securities Ltd. (ASL) is a SEBI Registered Research Analyst having registration no. INH000000297. ASL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. ASL is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector bank 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.

ASL is registered with the Securities & Exchange Board of India (SEBI) for its stock broking & Depository participant business activities and with the Association of Mutual Funds of India (AMFI) for distribution of financial products and also registered with IRDA as a corporate agent for insurance business activity.

ASL has no material adverse disciplinary history as on the date of publication of this report.

I/We, Uttam Simal, PGDBF & Shikha Doshi, MBA Finance, author/s and the name/s subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my/our views about the subject issuer(s) or securities. I/We (Research Analyst) also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. I/we or my/our relative or ASL does not have any financial interest in the subject company. Also I/we or my/our relative or ASL or its Associates may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Since associates of ASL are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report. I/we or my/our relative or ASL or its associate does not have any material conflict of interest. I/we have not served as director / officer, etc. in the subject company in the last 12-month period. Any holding in stock – No

5. ASL has not received any compensation from the subject company in the past twelve months. ASL has not been engaged in market making activity for the subject company.

In the last 12-month period ending on the last day of the month immediately preceding the date of publication of this research report, ASL or any of its associates may have:

Received compensation for investment banking, merchant banking or stock broking services or for any other services from the subject company of this research report and / or; Managed or co-managed public offering of the securities from the subject company of this research report and / or; Received compensation for products or services other than investment banking, merchant banking or stock broking services from the subject company of this research report; ASL or any of its associates have not received compensation or other benefits from the subject company of this research report or any other third-party in connection with this report.

Term & Conditions:

This report has been prepared by ASL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 ASL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ASL will not treat recipients as customers by virtue of their receiving this report.

DEFINITION 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

Disclaimer:

Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to the recipient's specific circumstances. The securities and strategies discussed and opinions expressed, if any, 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 report may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this report should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this report (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. 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. ASL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc. 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.

ASL and its affiliated companies, their directors and employees may; (a) from time to time, have long or short position(s) in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities or earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or investment banker, lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting this document.

ASL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that ASL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. ASL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. The Research reports are also available & published on AxisDirect website.

Neither this report nor any copy of it may be taken or transmitted into the United State (to U.S. Persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. If this report is inadvertently sent or has reached any individual in such country, especially, USA, the same may be ignored and brought to the attention of the sender. 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 ASL 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.

The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The company reserves the right to make modifications and alternations to this document as may be required from time to time without any prior notice. The views expressed are those of the analyst(s) and the company may or may not subscribe to all the views expressed therein.

Copyright in this document vests with Axis Securities Limited.

Axis Securities Limited, SEBI Single Reg. No.- NSE, BSE & MSEI – INZ000161633, ARN No. 64610, CDSL-IN-DP-CDSL-693-2013, SEBI-Research Analyst Reg. No. INH 000000297, SEBI Portfolio Manager Reg. No.- INP000000654, Main/Dealing off.- Axis Securities Ltd, Unit No.1001, 10th Floor, Level-6, Q2 Building, Aurum, Q Parc, Plot No. 4/1, TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai. – 400 710., Regd. off.- Axis House,8th Floor, Wadia International Centre, PandurangBudhkar Marg, Worli, Mumbai – 400 025. Compliance Officer: Jatin Sanghani, Email: compliance.officer@axisdirect.in, Tel No: 022-49212706