

UltraTech Cement | BUY

Onwards and upwards; targeting 200MT capacity by 2030

UltraTech's (UTCEM) 1QFY23 results were a tad higher than on our above consensus estimates. Net sales were grew 28.2% YoY, driven by robust 17% increase in volumes 24.1MT, while realisations grew by 9.2% to INR6,106/t (3% above JMFe). EBITDA was down 8% YoY to INR29.2bn, in line with JMFe, but 8% above consensus, as EBITDA margins contracted by 773bps YoY to 19.9%. Thus, EBITDA/ton declined by 21% YoY to INR1,216, as power and fuel costs continue to inch up. The quarter witnessed continued momentum in demand even after 4QFY22. Management highlighted that pressure on margins will continue for 1-2 quarters as fuel cost is likely to stay elevated as company is currently holding inventory of 50+ days, while seasonally subdued may limit price hikes. Ultratech is expected to continue to outgrow industry as it completes its Phase-1 of expansion in FY23 and has set path to further add 22.6MT capacity by FY25. In addition, its initiatives to increase the share of green power to 34% (20% currently) by FY24 and focus on margin accretive/asset light/value added business segments will be key drivers of improvement in its return ratio profile. We continue to maintain BUY with TP of INR 7,800, 15x FY24 EBITDA.

- Growth trajectory in volumes continued:** UltraTech reported revenue of INR 147.1bn in 1QFY23, +28% YoY, however declined -3% QoQ. Growth in volumes was led by uptick in North and Central regions. Volumes reported a growth of 17.4% YoY to 24.1mnT (-9% QoQ). Blended realisations were up by 9% YoY (+7% QoQ; 3% vs. JMFe). Grey cement realisation at INR 5,624/t witnessed an uptick of 7% YoY (+6% QoQ). White cement and putty segment reported a growth of 32% YoY to 0.37mnT (-7.5% QoQ). Share of premium product increased to 17.4% (+3.2% YoY).
- Higher power and fuel cost impact margins:** Total direct costs witnessed a rise of 63% YoY, as the consumption price of fuel further increased in 1Q. However, company witnessed some savings in employee expenses (+INR 18/t benefit). EBITDA and EBITDA/t reported a decline of 8% and 21%YoY respectively. Management expects this pressure to continue for at least one to two quarters, given higher cost inventory procured earlier, coupled with softening in demand due to monsoon.
- Capacity expansion to meet increasing demand:** Management highlighted that company intends to reach total capacity of 200mnT by 2030 given healthy demand on both private as well public space. This would be carried out in 3 phases where company intend to reach total capacity of 131.25mnT by end of FY23 and further add capacity in Phase II to reach total capacity of 153.85mnT, followed by further 47MTA capacity addition in Ph-III.
- Maintain BUY with TP of INR7,800:** We have marginally cut our EBITDA estimates by 3% for FY23 and 2% for FY24 factoring in the near term impact of elevated fuel costs. Although we remain positive on sectors ability to pass on the cost increases, we remain cognizant of increased competitive intensity in Indian cement sector, which may limit price hikes in certain markets. We continue to value UTCEM at 15x EVE to arrive at a revised target price of INR 7,800.



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	7,800
Upside/(Downside)	20.8%
Previous Price Target	8,000
Change	-2.5%

Key Data – UTCEM IN

Current Market Price	INR6,459
Market cap (bn)	INR1,864.4/US\$23.3
Free Float	37%
Shares in issue (mn)	288.6
Diluted share (mn)	288.6
3-mon avg daily val (mn)	INR2,669.4/US\$33.4
52-week range	8,269/5,157
Sensex/Nifty	56,072/16,719
INR/US\$	79.9

Price Performance

%	1M	6M	12M
Absolute	19.4	-12.2	-13.4
Relative*	12.3	-9.4	-18.2

* To the BSE Sensex

Financial Summary

Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E
Net Sales	4,00,333	4,24,233	4,98,985	5,62,806	6,45,515
Sales Growth (%)	2.0	6.0	17.6	12.8	14.7
EBITDA	86,523	1,09,648	1,09,364	1,26,143	1,48,728
EBITDA Margin (%)	21.3	25.4	21.6	22.1	22.8
Adjusted Net Profit	54,555	55,061	70,665	73,936	90,182
Diluted EPS (INR)	189.0	190.8	244.9	256.2	312.5
Diluted EPS Growth (%)	105.5	0.9	28.3	4.6	22.0
ROIC (%)	14.0	13.3	16.3	15.6	19.3
ROE (%)	15.2	13.5	15.3	14.0	14.9
P/E (x)	34.2	33.9	26.4	25.2	20.7
P/B (x)	4.9	4.3	3.8	3.3	2.9
EV/EBITDA (x)	23.2	17.4	17.5	14.7	11.7
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2

Source: Company data, JM Financial. Note: Valuations as of 22/Jul/2022

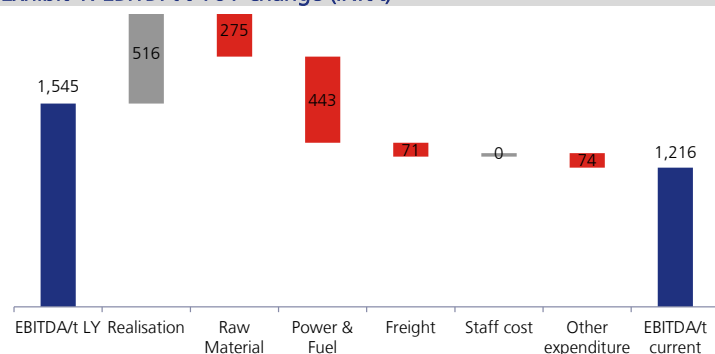
JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
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Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Conference call highlights

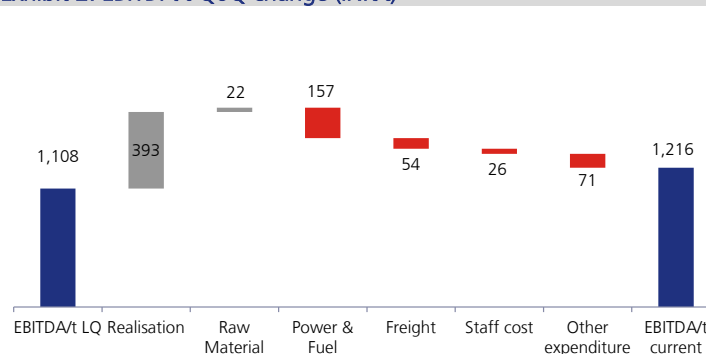
- **Robust outlook:** Management highlighted that outlook for the sector continues to remain robust given strong demand from across end user segments – Infra (airports, roads), Housing (urban – low inventory, rural – normal monsoons and low cost housing – govt target of 8mn houses) and commercial segments. The company foresees huge tailwinds in demand prior to Union elections in 2024.
- **Cost will continue to impact for 1-2 quarters:** Management highlighted that there would be lesser comfort on cost front for next 1-2 quarters as company is currently holding inventory of 50+ days. Petcoke/Imported coal/domestic coal was used in the ratio of 52%/37%/11%. The company highlighted that their focus would be to streamline cost structure because price hikes generally come with a lag. The energy cost for the quarter was INR2.2/Kcal which could increase to INR3/Kcal in coming quarters.
- **Future energy requirement:** The company would require 13-15 mnt of fuel in FY24, in order to meet its production targets. It has planned fuel procurement through a mix of **a)** green power (1Q23: 18.9%, up 1% YoY) i.e installing solar plants **b)** alternative fuel (1Q23:5.5%, 2.4% YoY), **c)** long term import contracts for coal.
- **Capacity utilisation:** The capacity utilisation was strongest in North and Central regions, followed by West and East. It was nearly flat in South.
- **Update on Phase I of expansion:** The capacity expansion was announced in Dec'20 with plan of total capacity expansion 19.9mt (revised from 19.5mt) per annum. Cement capacity of 3.2mt commissioned in FY22 and remaining capacity expansion is on track and likely to be commissioned by Mar'23 of which 1.3 mt will come up in 2Q, followed by 9.6/5.8mt in 3Q/4Q taking total capacity to 131.25 mt. Capex guidance of phase 1 at INR65bn remain intact, could see minor increment of INR0.8-1bn.
- **Update on Phase II expansion:** The Company intends to further add 22.6mnt of capacity till Mar'25 which would take total capacity to 153.85mnt. Total cost of the capex would be around INR129bn (USD76/t). With targeted IRR/ROCE of 15%, the company estimates EBITDA/ton of INR1,500 from FY26. The capacity will be backed by full clinker capacity of nearly 15mnt. Further, company intends to take capacity to 200mnt by 2030 given 8% growth in demand going forward.
- **Other key points:** **a)** net debt position was INR5.6bn (cons), India (INR4.7bn), **b)** export to Sri Lanka hampered due to on-going crisis, company was only able to sell 0.1mn bags in 1QFY23, **c)** company booked expenses of INR380mn in the quarter related to currency depreciation which led to negative EBITDA in overseas business (Sri Lanka), **d)** in new expansion plans waste recovery would be to the extent of 50-60MW, **e)** difference in trade and non-trade prices was only INR15-20/bag during the quarter, **f)** UBS outlet reached 3,000+ (+18% YoY) and the company intends to increase it further as current revenue contribution stands at 15%, **g)** capacity utilisation stood at 83%(+11% YoY) during 1Q23 and **h)** lead distance was 430km during 1QFY23.

Exhibit 1. EBITDA/t YoY change (INR/t)



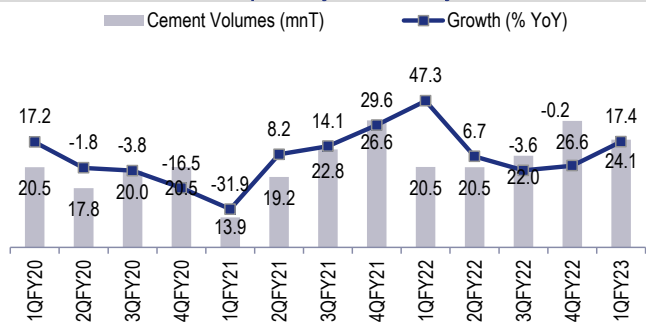
Source: Company, JM Financial

Exhibit 2. EBITDA/t QoQ change (INR/t)



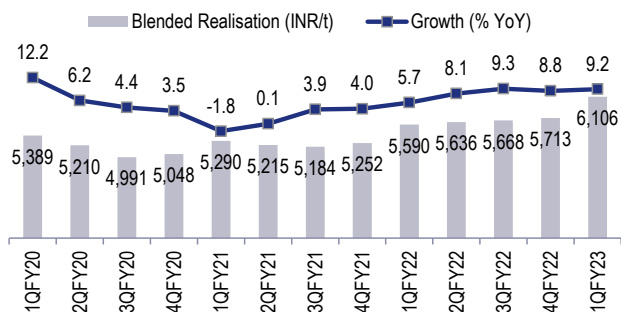
Source: Company, JM Financial

Exhibit 3. Cement volume quarterly trend (Grey and White cement)



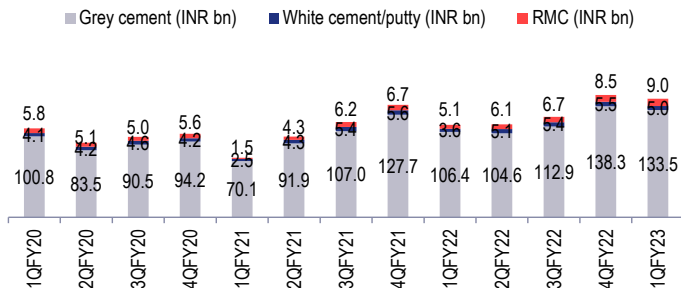
Source: Company, JM Financial

Exhibit 4. Blended realisation quarterly trend



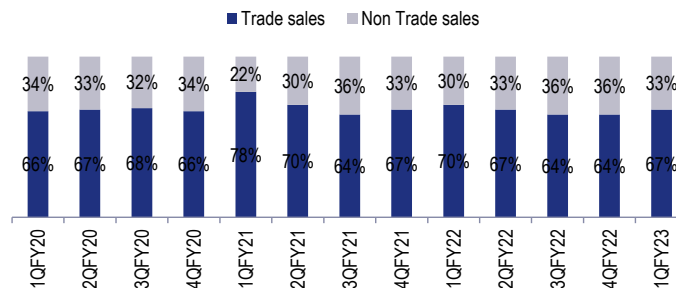
Source: Company, JM Financial

Exhibit 5. Sales breakdown (Grey, White/putty and RMC segment)



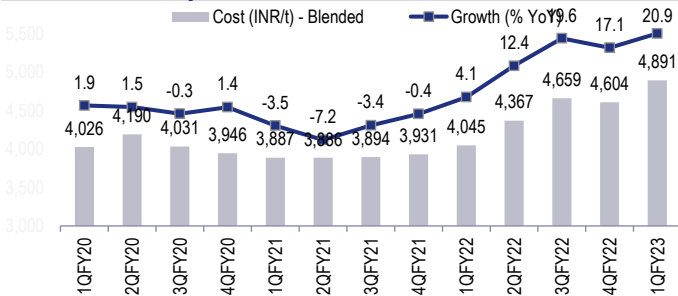
Source: Company, JM Financial

Exhibit 6. Volume breakdown (Trade and Non Trade)



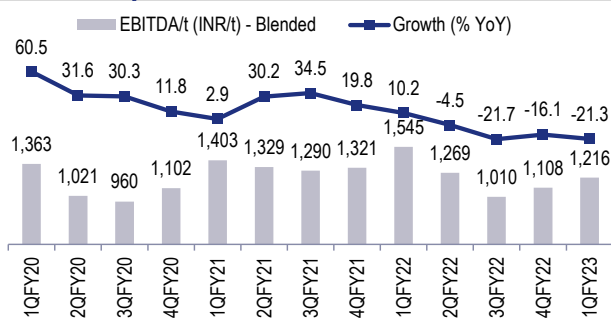
Source: Company, JM Financial

Exhibit 7. Quarterly blended cost trend



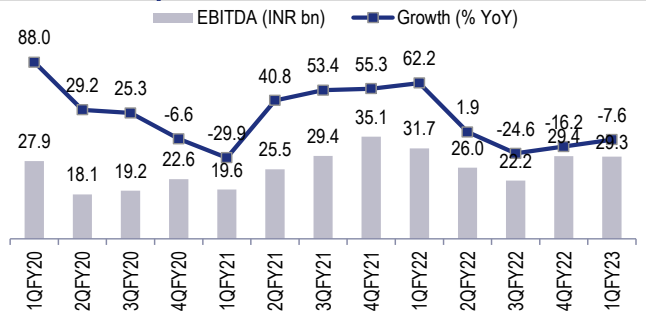
Source: JM Financial, Company

Exhibit 8. Quarterly EBITDA/t trend



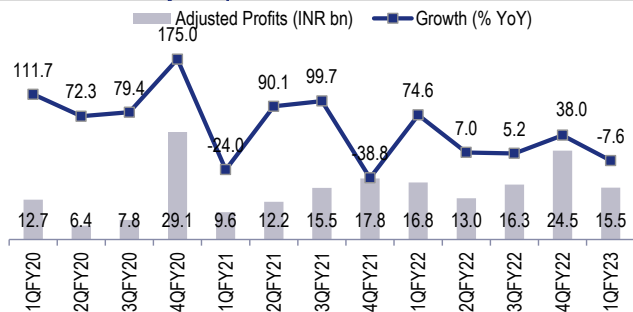
Source: JM Financial, Company

Exhibit 9. Quarterly EBITDA trend



Source: Company, JM Financial

Exhibit 10. Quarterly net profit trend



Source: Company, JM Financial

Exhibit 11. Quarterly performance

	1Q FY23	1Q FY22	%YoY	4Q FY22	% QoQ	1Q FY23E	%Diff	FY22	FY21	%YoY
Total Revenues	1,47,155	1,14,770	28.2	1,51,675	-3.0	1,43,423	2.6	5,06,635	4,31,883	17.3
Expenditure	1,17,861	83,049	41.9	1,22,246	-3.6	1,14,763	2.7	3,97,271	3,22,235	23.3
EBITDA	29,294	31,720	-7.6	29,429	-0.5	28,661	2.2	1,09,364	1,09,648	-0.3
EBITDA margin (%)	19.9	27.6	-773 bps	19.4	50 bps	20.0	-8 bps	21.6	25.4	-380 bps
Interest	1,997	2,759	-27.6	1,747	14.3	1,500	33.1	7,984	12,591	-36.6
Depreciation	6,282	5,977	5.1	6,374	-1.4	6,400	-1.9	24,568	24,344	0.9
Other Income	1,661	2,164	-23.2	1,448	14.7	1,500	10.8	6,118	7,887	-22.4
PBT	22,677	25,148	-9.8	22,756	-0.4	22,261	1.9	82,931	80,601	2.9
Tax	7,136	8,337	-14.4	-1,783	-500.3	7,400	-3.6	12,266	25,540	-52.0
% tax rate	31.5	33.2	-168 bps	(7.8)	3930 bps	33.2		14.8	31.7	
PAT (Adjusted)	15,540	16,811	-7.6	24,539	-36.7	14,861	4.6	70,665	55,061	28.3
Extraordinary Inc/Exp	0	0		0		0		0	-1,640	
Total Comprehensive Income(Reported)	15,540	16,811	-7.6	24,539	-36.7	14,861	4.6	70,665	53,421	32.3
EPS (INR)	53.8	58.2	-7.6	85.0	-36.7	51.5	4.6	244.2	187.3	30.4
Total cement volumes (mn tonnes)	24.10	20.53	17.4	26.55	-9.2	24.15	-0.2	89.5	82.6	8.4
Realisation* (INR/tonne)	6,106	5,590	9.2	5,713	6.9	5,939	2.8	5,662	5,231	8.2
EBITDA* (INR/tonne)	1,216	1,545	-21.3	1,108	9.7	1,187	2.4	1,222	1,328	-8.0

Source: Company, JM Financial

Exhibit 12. Expenses breakdown

	1Q FY23	1Q FY22	%YoY	4Q FY22	% QoQ	1Q FY23E	%Diff	FY22	FY21	%YoY
Raw material	19,453	13,821	40.7	19,891	-2.2	16,258	19.7	64,598	51,749	24.8
Rs/tonne	807	673	19.9	749	7.7	673	19.9	722	627	15.2
Purchase of Fin.Goods	7,030	5,226	34.5	7,363	-4.5	6,148	14.4	24,582	19,367	26.9
Power/fuel cost	36,411	21,932	66.0	35,948	1.3	34,312	6.1	1,09,520	75,520	45.0
Rs/tonne	1,511	1,068	41.4	1,354	11.6	1,421	6.3	1,224	915	33.8
Change in stock	-896	-2,900		1,519		2,500		-3,584	4,264	-184.0
Total direct costs	61,999	38,079	62.8	64,721	-4.2	59,219	4.7	1,95,115	1,50,901	29.3
Rs/tonne	2,573	1,855	38.7	2,293	12.2	2,452	4.9	2,181	1,828	19.3
Staff cost	5,954	5,439	9.5	5,864	1.5	6,078	-2.0	23,591	21,820	8.1
Rs/tonne	247	265	-6.7	221	11.8	252	-1.8	264	264	-0.2
Freight	32,502	26,230	23.9	34,361	-5.4	31,472	3.3	1,15,676	99,396	16.4
Rs/tonne	1,349	1,278	5.6	1,294	4.2	1,303	3.5	1,293	1,204	7.4
Other expenditure	17,407	13,302	30.9	17,299	0.6	17,994	-3.3	62,888	50,119	25.5
Rs/tonne	722	648	11.5	652	10.8	745	-3.1	703	607	15.8
Total expenditure	1,17,861	83,049	41.9	1,22,246	-3.6	1,14,763	2.7	3,97,271	3,22,235	23.3
Cost per tonne (Rs)	4,891	4,045	20.9	4,604	6.2	4,752	2.9	4,440	3,903	13.8

Source: Company, JM Financial

Company background

- UltraTech Cement (UTCEM) is part of Aditya Birla Group. UTCEM and its subsidiaries have an annual capacity of 114MT, going upto c.130MTPA by FY23 making it among the top-10 producers of cement globally. It is also the largest manufacturer of white cement in India. It has 18 integrated plants, 25 grinding units, six bulk terminals and more than 151 RMC plants, spanning India, the UAE, Bahrain, Bangladesh and Sri Lanka. UTCEM is India's largest exporter of cement clinker reaching out to countries around the Indian Ocean, Africa, Europe and the Middle East.

Investment rationale

- **Successful expansion through organic/inorganic route:** Ultratech has successfully integrated all the acquired plants from Jai Prakash achieving the cash breakeven within 4 quarters post acquisition. Further, the company successfully acquired, integrated and ramped up Binani's assets (currently operating at 60% utilisation and generating INR 1,500/t of EBITDA). Additionally, the company is in the process of integrating Century's cement assets has been completed. This gives us the confidence on the execution capability of the company.
- **Balance Sheet remains well capitalised:** Management is targeting to be a net cash positive company. The company has progressively reduced the debt through improved cash conversion and squeeze in working capital requirement. Net debt as on Mar'22 stands at INR 37.5bn for consolidated operations (net debt to EBITDA at 0.5x).
- **Asset light/value added segment to drive return ratio profile:** Going forward, the company is expected to invest in the new avenues of growth – UBS and construction chemicals business. In addition to being growth drivers, management expects the segments to be return ratio accretive.

Key risks

- i) Any action against cement pricing could have a material impact on the company's profitability; ii) Any further increase in raw material costs would impact profitability.

Valuation

- We value Ultratech's existing assets at 15x EVE. TP of INR 7,800. We maintain a BUY rating on the stock.

Exhibit 13. Volume, realisation and cost outlook

	FY20	FY21	FY22	FY23E	FY24E
Cement Sales (mn tonnes)*	78.9	82.6	89.5	98.4	108.4
YoY Growth (%)	-4.4	4.7	8.4	9.9	10.2
Utilisation (%)	71.1	73.1	77.0	74.0	81.5
Cement Realisations (Rs/tonne)	5,153	5,231	5,662	5,799	6,025
YoY Growth (%)	6.3	1.5	8.2	2.4	3.9
Power & Fuel (Rs/tonne)	976	915	1,224	1,274	1,311
Freight (Rs/tonne)	1,221	1,204	1,293	1,335	1,379
Raw Material (Rs/tonne)	870	913	957	985	1,016
Blended EBITDA (Rs/tonne)	1,097	1,328	1,222	1,282	1,372

Source: Company, JM Financial

Financial Tables (Standalone)

Income Statement		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Net Sales	4,00,333	4,24,233	4,98,985	5,62,806	6,45,515	
Sales Growth	2.0%	6.0%	17.6%	12.8%	14.7%	
Other Operating Income	6,159	7,650	7,650	7,650	7,650	
Total Revenue	4,06,492	4,31,883	5,06,635	5,70,456	6,53,165	
Cost of Goods Sold/Op. Exp	45,981	56,014	61,014	69,295	78,933	
Personnel Cost	23,362	21,820	23,591	26,012	29,630	
Other Expenses	2,50,626	2,44,402	3,12,666	3,49,006	3,95,873	
EBITDA	86,523	1,09,648	1,09,364	1,26,143	1,48,728	
EBITDA Margin	21.3%	25.4%	21.6%	22.1%	22.8%	
EBITDA Growth	22.2%	26.7%	-0.3%	15.3%	17.9%	
Depn. & Amort.	24,549	24,344	24,568	26,522	27,647	
EBIT	61,974	85,305	84,797	99,621	1,21,081	
Other Income	7,266	7,887	6,118	6,319	6,619	
Finance Cost	17,042	12,591	7,984	7,358	7,458	
PBT before Excep. & Forex	52,198	80,601	82,931	98,582	1,20,243	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	52,198	80,601	82,931	98,582	1,20,243	
Taxes	-2,358	25,540	12,266	24,645	30,061	
Extraordinary Inc./Loss(-)	0	-1,640	0	0	0	
Assoc. Profit/Min. Int.(-)	0	0	0	0	0	
Reported Net Profit	54,555	53,421	70,665	73,936	90,182	
Adjusted Net Profit	54,555	55,061	70,665	73,936	90,182	
Net Margin	13.4%	12.7%	13.9%	13.0%	13.8%	
Diluted Share Cap. (mn)	288.6	288.6	288.6	288.6	288.6	
Diluted EPS (INR)	189.0	190.8	244.9	256.2	312.5	
Diluted EPS Growth	105.5%	0.9%	28.3%	4.6%	22.0%	
Total Dividend + Tax	3,806	3,608	4,694	5,042	5,390	
Dividend Per Share (INR)	10.5	12.5	13.5	14.5	15.5	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Profit before Tax	52,198	78,961	82,931	98,582	1,20,243	
Depn. & Amort.	24,549	24,344	24,568	26,522	27,647	
Net Interest Exp. / Inc. (-)	17,042	12,591	7,984	7,358	7,458	
Inc (-) / Dec in WCap.	4,326	19,818	-5,670	-9,529	9,744	
Others	-6,480	-7,303	-7,576	-6,319	-6,619	
Taxes Paid	-8,876	-12,901	-15,540	-24,645	-30,061	
Operating Cash Flow	82,759	1,15,510	86,697	91,969	1,28,411	
Capex	-15,946	-17,262	-54,216	-30,000	-10,000	
Free Cash Flow	66,814	98,248	32,481	61,969	1,18,411	
Inc (-) / Dec in Investments	0	0	0	0	0	
Others	-24,360	-56,729	46,362	6,319	6,619	
Investing Cash Flow	-40,305	-73,990	-7,854	-23,681	-3,381	
Inc / Dec (-) in Capital	27	70	-868	0	0	
Dividend + Tax thereon	-3,800	-3,748	-10,650	-5,042	-5,390	
Inc / Dec (-) in Loans	-25,428	-9,745	-74,652	0	0	
Others	-16,713	-12,437	-8,839	-7,358	-7,458	
Financing Cash Flow	-45,914	-25,860	-95,009	-12,400	-12,847	
Inc / Dec (-) in Cash	-3,459	15,660	-16,167	55,888	1,12,183	
Opening Cash Balance	6,565	3,105	18,766	2,599	58,487	
Closing Cash Balance	3,105	18,766	2,599	58,487	1,70,670	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Shareholders' Fund	3,82,963	4,33,526	4,92,706	5,61,601	6,46,393	
Share Capital	2,886	2,887	2,887	2,887	2,887	
Reserves & Surplus	3,80,077	4,30,640	4,89,820	5,58,714	6,43,507	
Preference Share Capital	0	0	0	0	0	
Minority Interest	0	0	0	0	0	
Total Loans	1,82,815	1,73,186	98,911	98,911	98,911	
Def. Tax Liab. / Assets (-)	40,769	52,191	52,299	52,299	52,299	
Total - Equity & Liab.	6,06,547	6,58,904	6,43,917	7,12,811	7,97,604	
Net Fixed Assets	4,76,454	4,69,939	5,02,034	5,05,512	4,87,865	
Gross Fixed Assets	5,31,991	5,43,243	5,69,385	6,09,385	6,19,385	
Intangible Assets	22,088	22,088	22,088	22,088	22,088	
Less: Depn. & Amort.	86,327	1,10,670	1,35,704	1,62,226	1,89,874	
Capital WIP	8,701	15,278	46,265	36,265	36,265	
Investments	1,00,826	1,75,697	1,17,245	1,17,245	1,17,245	
Current Assets	1,40,889	1,58,525	1,87,338	2,40,087	3,63,374	
Inventories	38,339	37,221	51,625	46,258	53,056	
Sundry Debtors	18,483	22,860	27,068	29,297	33,602	
Cash & Bank Balances	3,105	18,766	2,599	58,487	1,70,670	
Loans & Advances	20,455	10,415	25,829	25,829	25,829	
Other Current Assets	60,508	69,264	80,216	80,216	80,216	
Current Liab. & Prov.	1,11,622	1,45,258	1,62,701	1,50,033	1,70,880	
Current Liabilities	0	0	0	0	0	
Provisions & Others	1,11,622	1,45,258	1,62,701	1,50,033	1,70,880	
Net Current Assets	29,268	13,268	24,637	90,054	1,92,494	
Total - Assets	6,06,547	6,58,904	6,43,917	7,12,811	7,97,604	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Net Margin	13.4%	12.7%	13.9%	13.0%	13.8%	
Asset Turnover (x)	0.7	0.7	0.8	0.8	0.9	
Leverage Factor (x)	1.7	1.5	1.4	1.3	1.3	
RoE	15.2%	13.5%	15.3%	14.0%	14.9%	

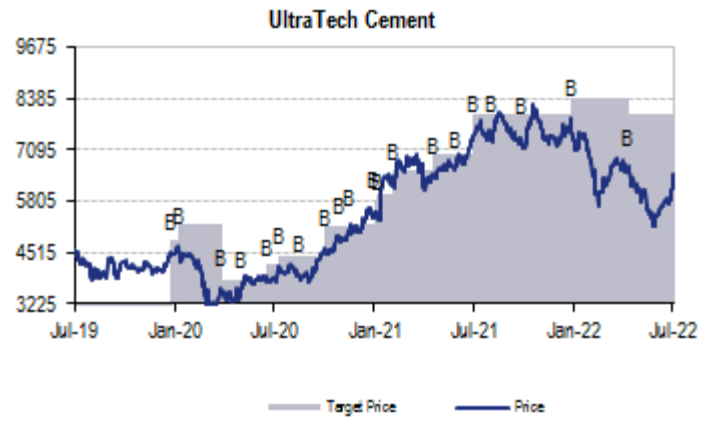
Key Ratios						
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
BV/Share (INR)	1,326.6	1,501.8	1,706.8	1,945.4	2,239.2	
ROIC	14.0%	13.3%	16.3%	15.6%	19.3%	
ROE	15.2%	13.5%	15.3%	14.0%	14.9%	
Net Debt/Equity (x)	0.4	0.1	0.1	0.0	-0.2	
P/E (x)	34.2	33.9	26.4	25.2	20.7	
P/B (x)	4.9	4.3	3.8	3.3	2.9	
EV/EBITDA (x)	23.2	17.4	17.5	14.7	11.7	
EV/Sales (x)	4.9	4.4	3.8	3.3	2.7	
Debtor days	17	19	20	19	19	
Inventory days	34	31	37	30	30	
Creditor days	0	0	0	0	0	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
15-Jan-20	Buy	4,800	
27-Jan-20	Buy	5,250	9.4
15-Apr-20	Buy	3,800	-27.6
21-May-20	Buy	3,800	0.0
7-Jul-20	Buy	4,200	10.5
28-Jul-20	Buy	4,400	4.8
3-Sep-20	Buy	4,400	0.0
21-Oct-20	Buy	5,200	18.2
18-Nov-20	Buy	5,200	0.0
4-Dec-20	Buy	5,250	1.0
20-Jan-21	Buy	5,800	10.5
24-Jan-21	Buy	6,000	3.4
23-Feb-21	Buy	6,600	10.0
10-May-21	Buy	7,000	6.1
16-Jun-21	Buy	7,000	0.0
22-Jul-21	Buy	8,000	14.3
22-Aug-21	Buy	8,000	0.0
18-Oct-21	Buy	8,000	0.0
17-Jan-22	Buy	8,400	5.0
29-Apr-22	Buy	8,000	-4.8

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd., National Stock Exchange of India Ltd. and Metropolitan Stock Exchange of India Ltd.

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Rating	Meaning
Buy	Total expected returns of more than 10% for large-cap stocks* and REITs and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for large-cap* stocks and REITs and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* Large-cap stocks refer to securities with market capitalisation in excess of INR200bn. REIT refers to Real Estate Investment Trusts.

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