

Cost headwinds impact margin outlook

JK Cement 1QFY23 results came in line with our estimates. Net sales came in at INR21.2bn; +33% YoY, in line with JMFe, as growth was led by 18% increase in volumes to 3.56MT (in line with JMFe), while blended realisation grew by 13%YoY to INR6,084/t (flat vs JMFe). EBITDA remained flat YoY at INR4bn, and came in line with JMFe, as EBITDA margins contracted by 600bps YoY to 18.5%. Total operating costs increased by INR876/ton, but were compensated by an increase in realisations (increase of INR677/ton to INR6,084/t), resulting in blended EBITDA of INR1,124/t, down 15% YoY. Going forward, management expects continued cost pressures over the next quarter, but indicated that it would peak out. Fuel mix is around 50% pet coke, while balance is imported coal and alternate fuel. JK Cement's next leg of expansion at Panna (4MTPA across MP and UP with 2.6MTPA clinker) will drive the growth for the company in medium term. The company has conveyed annual capex plan for INR17bn of which INR11.5bn would be for Panna, and INR1.5bn for the paint business and INR3bn for sustenance capex and balance expenditure for future plan (two split grinding units). We continue to maintain BUY on the stock valuing it at 12x EBITDA to arrive at TP of INR 2,800 (Mar'23).

- Healthy volumes and realisation drive growth:** Net sales were up 33% YoY to INR21.2bn, where revenue from grey cement increased by 28% YoY to INR16.5bn supported by volume growth of 15% YoY to 3.17mT and realisation growth of 11% YoY to INR5,191/t. Revenue growth in white cement was 53% YoY to INR4.8bn supported by volume increase of 48% to 0.39MT and realisation increase of 4% YoY to INR12,230/t. Overall costs reported a rise of INR 876/t YoY. The rise in costs was led by direct costs, which grew by INR 657/t, owing to higher fuel prices. Direct costs were partially offset by increase in realisations (increase of INR677/ton to INR6,084/t) and operating leverage benefits realised during the quarter. EBITDA came in at INR4bn, flat YoY) while margins came in at 18.5% (-600bps YoY; JMFe: 18.6%). Blended EBITDA/ton declined by 15% YoY to INR1,124/t.
- Cost headwinds to impact margin outlook:** Overall, costs have continued their unabated rise in 1QFY23 and 2QFY23. Management estimates an impact of INR 200/t in 2Q, owing to high cost inventory procured earlier. Further, inability of the sector to pass on the cost increase has impacted the margin outlook for the sector.
- Foray in paints a necessity for survival of white cement business:** JK Cement has announced its foray into the paints business. The company will invest INR 6bn on the business over 5 years, split into two parts – INR 3bn on capacity building (60,000 kl/annum) and INR 3bn on branding, working capital and accumulated losses for initial years.
- Maintain BUY with a TP of INR 2,800:** We have largely maintained our estimates for JK Cement owing primarily to their exposure to North (relatively well place to pass on cost increases). We maintain BUY valuing the stock at 12x FY24 EBITDA to arrive at a TP of INR 2,800.

Financial Summary					(INR mn)
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E
Net Sales	53,971	62,334	75,291	85,300	1,04,461
Sales Growth (%)	9.7	15.5	20.8	13.3	22.5
EBITDA	11,815	15,139	14,821	16,296	20,125
EBITDA Margin (%)	21.6	23.9	19.3	18.7	18.9
Adjusted Net Profit	5,785	7,697	7,607	8,532	11,057
Diluted EPS (INR)	74.9	99.6	98.4	110.4	143.1
Diluted EPS Growth (%)	78.1	33.0	-1.2	12.2	29.6
ROIC (%)	16.6	19.3	17.0	16.5	18.7
ROE (%)	19.2	22.4	19.1	18.6	20.6
P/E (x)	35.4	26.6	26.9	24.0	18.5
P/B (x)	6.6	5.5	4.8	4.2	3.5
EV/EBITDA (x)	18.8	14.4	15.7	14.1	11.4
Dividend Yield (%)	0.7	0.6	0.6	0.8	1.1

Source: Company data, JM Financial. Note: Valuations as of 16/Aug/2022

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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	2,800
Upside/(Downside)	5.5%
Previous Price Target	2,700
Change	3.7%

Key Data – JKCE IN

Current Market Price	INR2,653
Market cap (bn)	INR204.9/US\$2.6
Free Float	54%
Shares in issue (mn)	77.3
Diluted share (mn)	77.3
3-mon avg daily val (mn)	INR347.3/US\$4.4
52-week range	3,863/2,004
Sensex/Nifty	59,842/17,825
INR/US\$	79.4

Price Performance

%	1M	6M	12M
Absolute	21.8	-13.9	-14.9
Relative*	9.4	-16.7	-20.6

* To the BSE Sensex

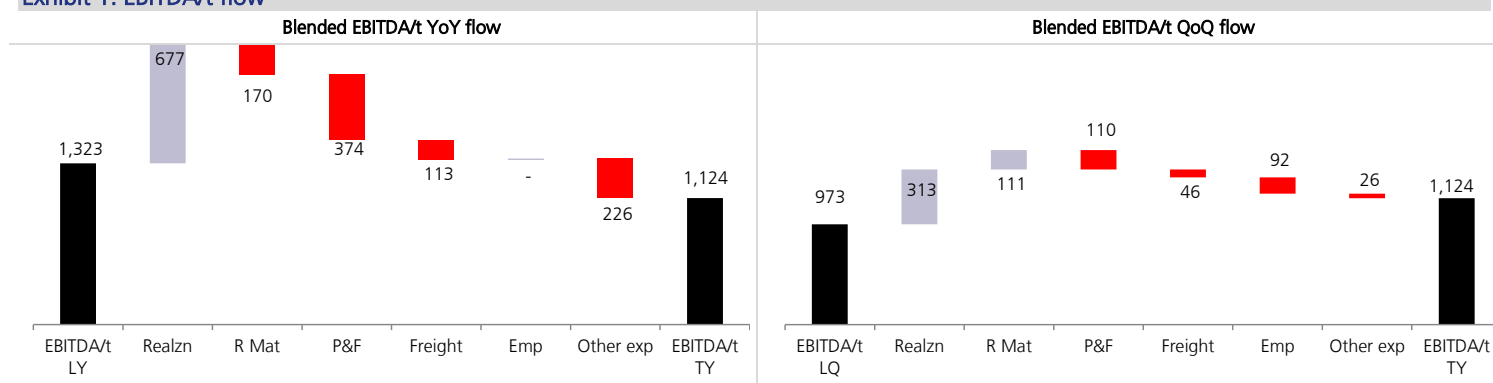
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Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Key conference call highlights

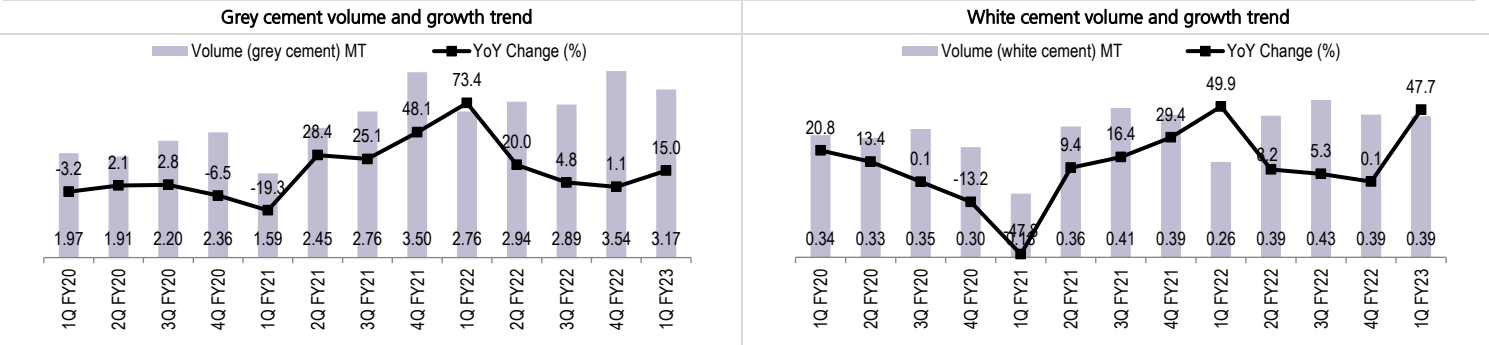
- Costs have been rising continuously. Management estimates a further increase of INR 200/t in power fuel costs in 2Q, owing to high cost inventory.
- Management highlighted that they intend to achieve 70% as trade volumes. For Panna company is setting the markets and expect majority volumes from trade volume.
- Management highlighted that in North there is a drop of about INR10- INR12/ bag. Central India is not the main market for the company. In South, there is not much change and fall is of INR5-6/bag.
- Management expects 10% to 12% spike in power fuel cost on QoQ basis, due to high cost inventory procured earlier. On a per tonne basis, it could be higher about INR200.
- The company conveyed the annual plan for INR17bn for capex of which around INR11.5bn would be for Panna, and INR1.5bn for the new paint business. Further, INR3bn would be for the sustenance capex.
- UAE subsidiary write off has been largely owing to the cost escalations. Company had invested INR9.7bn in Fujairah, of which INR4.5bn has been impaired already. UAE volume in the quarter was 1,25,000 tonnes.
- Fuel mix 50% pet coke and rest is imported and alternatives
- For incremental capacity expansion, the lands at MP and UP have been finalized. In the next phase of expansion, company could look at Eastern region.
- On the paints business, management highlighted that the location of the plants have been finalized and will be commissioned by FY24 end

Exhibit 1. EBITDA/t flow



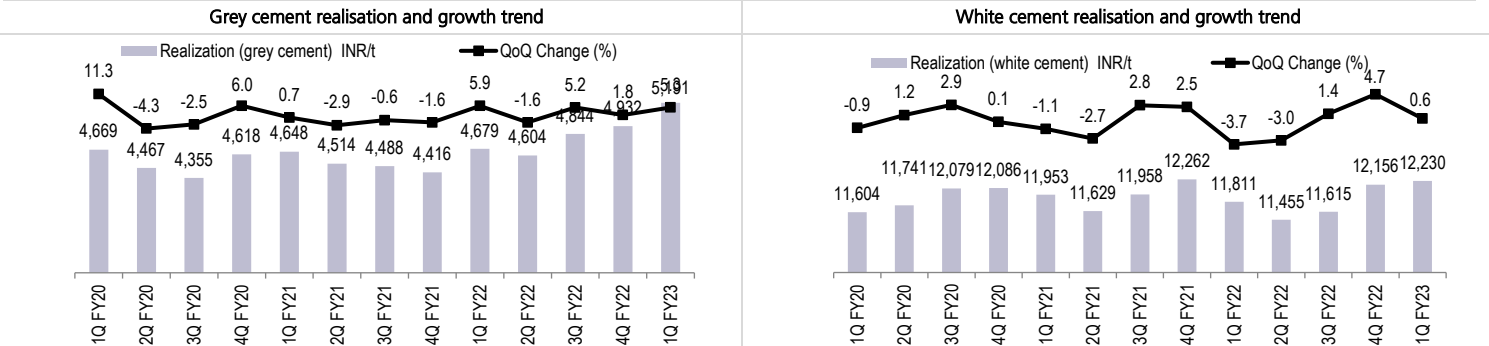
Source: Company, JM Financial

Exhibit 2. Cement volume trends



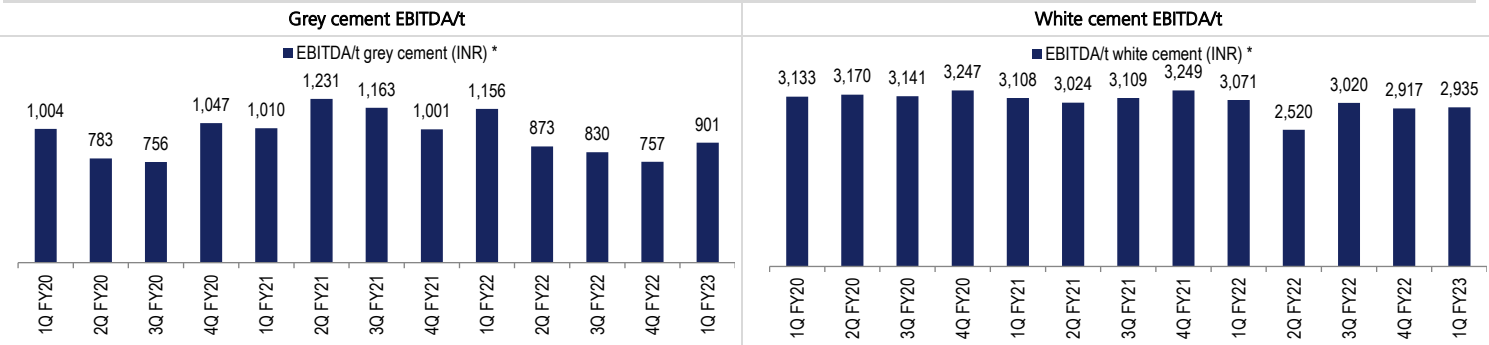
Source: Company, JM Financial

Exhibit 3. Cement realisation trends



Source: Company, JM Financial

Exhibit 4. Cement EBITDA/t trends



Source: Company, JM Financial | Assuming EBITDA margins of 20-22% for white cement segment

Exhibit 5. Results in brief

Y/E March (INR mn)	(INR mn)									
	1Q FY23	1Q FY22	%YoY	4Q FY22	%QoQ	1Q FY23E	% Diff	FY22	FY21	%YoY
Net Sales(excluding excise)	21,224	16,015	32.5	22,236	-4.6	20,915	1.5	75,291	62,334	20.8
Other Operating Income	441	322		453		450		1,495	949	
Total Revenues	21,664	16,337	32.6	22,690	-4.5	21,365	1.4	76,786	63,283	21.3
Expenditure	17,663	12,341	43.1	18,863	-6.4	17,400	1.5	61,965	48,144	28.7
EBITDA	4,001	3,996	0.1	3,827	4.6	3,965	0.9	14,821	15,139	-2.1
% margin	18.5	24.5	-599 bps	16.9	160 bps	18.6	-9 bps	19.3	23.9	-462 bps
Other income	222	273	-18.5	412	-46.0	400	-44.4	1,428	1,134	26.0
Interest	617	560	10.2	689	-10.4	670	-7.9	2,493	2,232	11.7
Depreciation	899	657	36.9	757	18.8	750	19.9	2,820	2,447	15.3
PBT	2,707	3,052	-11.3	2,792	-3.1	2,945	-8.1	10,935	11,594	-5.7
Tax	896	969		630	42.2	700	27.9	3,329	3,897	-14.6
% tax rate	33.1	31.8		22.6		23.8		30.4	33.6	
PAT (Adjusted)	1,811	2,083	-13.0	2,163	-16.2	2,245	-19.3	7,607	7,697	-1.2
Extraordinary items	-	-		-1,300		0		-1,300	-1,669	
PAT (Reported)	1,811	2,083	-13.0	863	110.0	2,245	-19.3	6,307	6,028	4.6
EPS (INR)	23.4	27.0	-13.0	28.0	-16.2	29.1	-19.3	81.6	78.0	4.6

Source: Company, JM Financial

Exhibit 6. Segmental operating metrics

	1Q FY23	1Q FY22	%YoY	4Q FY22	%QoQ	1Q FY23E	% Diff	FY22	FY21	%YoY
Blended										
Total Volumes	3.56	3.02	17.9	3.93	-9.4	3.55	0.3	13.61	11.64	16.9
Blended avg. realisation (INR/t)	6,084	5,407	12.5	5,770	5.4	6,018	1.1	5,641	5,436	3.8
Blended EBITDA (INR/t)	1,124	1,323	-15.0	973	15.5	1,117	0.6	1,089	1,301	-16.3
Grey Cement										
Volumes (MT)	3.17	2.76	15.0	3.54	-10.4	3.17	0.1	12.13	10.30	17.7
Realisation (INR/t)	5,191	4,679	10.9	4,932	5.3	5,146	0.9	4,774	4,495	6.2
EBITDA (INR/t)	901	1,156	-22.0	757	19.1	873	3.2	835	1,063	-21.5
White Cement+Wall Putty										
Cement sales (MT)	0.39	0.26	47.7	0.39	-1.2	0.38	2.4	1.49	1.34	10.7
Realisation (INR/t)	12,230	11,811	3.6	12,156	0.6	12,106	1.0	11,715	11,958	-2.0
EBITDA (INR/t)	2,935	3,071	-4.4	2,917	0.6	3,148	-6.7	3,164	3,164	0.0

Source: Company, JM Financial | * Assuming EBITDA margins of 20-22% for white cement segment

Exhibit 7. Expenses breakdown

Y/E March	(INR mn)									
	1Q FY23	1Q FY22	%YoY	4Q FY22	%QoQ	1Q FY23E	% Diff	FY22	FY21	%YoY
Raw material	3,521	2,653	32.7	3,794	-7.2	3,200	10.0	12,900	10,316	25.1
Rs/tonne	891	878	1.5	787	13.3	732	21.7	948	886	7.0
Power and fuel	4,856	2,989	62.4	4,929	-1.5	4,700	3.3	15,719	11,036	42.4
Rs/tonne	1,364	989	37.8	1,254	8.8	1,324	3.0	1,155	948	21.8
Freight	4,345	3,346	29.9	4,619	-5.9	4,300	1.0	15,620	12,398	26.0
Rs/tonne	1,220	1,107	10.2	1,175	3.9	1,211	0.7	1,148	1,065	7.7
(Inc)/dec in stock	-83	-249	-66.9	439	-118.8	400	-120.7	-190	195	-197.8
Rs/tonne	-26	42	-162.4	112	-123.4	126	-120.6	-14	17	-183.6
Total Variable cost	12,640	8,738	44.6	13,781	-8.3	12,600	0.3	44,049	33,945	29.8
Rs/tonne	3,549	2,892	22.7	3,505	1.3	3,549	0.0	3,236	2,916	11.0
Staff cost	1,430	1,238	15.5	1,216	17.6	1,200	19.2	5,042	4,121	22.3
Rs/tonne	402	410	-2.0	309	29.9	338	18.8	370	354	4.6
Other expenditure	3,594	2,365	52.0	3,866	-7.1	3,600	-0.2	12,875	10,078	27.8
Rs/tonne	1,009	783	28.9	983	2.6	1,014	-0.5	946	866	9.3
Total fixed cost	5,024	3,603	39.4	5,082	-1.1	4,800	4.7	17,916	14,199	26.2
Rs/tonne	1,411	1,192	18.3	1,292	9.2	1,352	4.3	1,316	1,220	7.9
Tot expenditure excluding excise	17,663	12,341	43.1	18,863	-6.4	17,400	1.5	61,965	48,144	28.7
Cost INR/tonne	4,960	4,085	21.4	4,797	3.4	4,901	1.2	4,553	4,136	10.1

Source: Company, JM Financial

Company background

- Established since 1975, JK Cements is a leading cement player of north India with an annual turnover of INR 49 bn (FY19). It has a grey cement capacity of 14.7MTPA currently and captive power capacity 125.7MW (includes 23.2MW of WHR). The company has the second largest white cement capacity of 1.5MTPA in India (white cement capacity of 0.6MTPA and wall putty capacity of 0.9MTPA); Ultratech and Travancore cement are the other major players. It is also the 3rd largest producer of white cement in the world with 0.6 MT capacity in Fujairah, UAE (cumulative white cement capacity of 1.9MT). It sells grey cement under the brand JK Cement & JK Super Cement.

Key investment arguments

- Back-ended capacity addition to drive volume uptick only by FY24:** JK Cement's 4MTPA capacity expansion is slated to be commissioned only by FY23 end. We expect the volume uptick on account of the expansion to be visible only by Mid-FY24. The volume growth in the near term will be capped owing to already high capacity utilisations (FY23E utilisations assumed at 92%). Further, expansion is being done at USD 100/t is higher than current cost of expansion, which may lead to dilution in the return ratio profile of the company (EBITDA/t IN Grey cement segment is below industry average).
- EBITDA growth to taper in the near-medium term:** JK Cement's EBITDA grew by 25% CAGR over FY16-21 driven by both rise in EBITDA/t (INR 663/t in FY16 to INR 1,350 in FY21) and volume uptick (8% CAGR over FY16-21). However, we believe, margins will witness dilution in the near term owing to i) the rising costs; ii) change in the mix in favour of grey cement and; iii) increased overheads on higher A&P and employee expenses (entering new markets). As a result, incremental growth in EBITDA will be driven by volumes in the near-medium term (EBITDA CAGR of 13% over FY21-24E).
- White cement segment facing severe competition:** JK Cement's white cement segment has provided stability to earnings and revenue growth. Going forward, management expects the segment to grow at 10% CAGR. However, owing to intense competition from the paint companies and rise in commodity costs, the margins in the segment have eroded from 26-28% in FY20 to 20% in 2QFY22. The EBITDA margins are expected to settle at 22-25% as the company prioritise market share to profitability.
- Leverage to rise in the interim:** The company is expected to spend INR 30bn on the expansion at Panna over FY22-24E. The net debt is expected to rise in the near term, to peak at INR 21bn in FY23 (from c.INR 16bn currently) with net debt to EBITDA at 1.1x. Further, it has to burden the debt repayment of INR 3.8bn in its Fujairah subsidiary.

Valuation and View

- We maintain BUY with a TP of INR 2,800 (Mar'23).

Exhibit 8. Volumes realisation and cost outlook

	FY20A	FY21A	FY22A	FY23E	FY24E
Grey Cement Sales (mn t)	8.4	10.3	12.1	13.1	15.5
YoY Growth (%)	-1.5	21.9	17.7	8.2	18.5
White Cement Sales (mn t)	1.3	1.3	1.5	1.7	1.8
YoY Growth (%)	4.3	1.1	10.7	11.5	11.5
Grey Cement Net Realisations (INR/t)	4,527	4,550	4,773	4,963	5,212
YoY Growth (%)	13.1	0.5	4.9	4.0	5.0
White Cement Net Realisations (INR/t)	11,852	11,958	11,715	12,197	12,700
YoY Growth (%)	1.4	0.9	-2.0	4.1	4.1
Power & Fuel (INR/t)	1,032	948	1,155	1,166	1,178
Freight (INR/t)	1,056	1,065	1,148	1,171	1,182
Raw Material (INR/t)	888	829	849	840	840
Grey Cement EBITDA/t (INR/t)	902	1,063	835	843	919
YoY Growth (%)	89.8	17.9	-21.5	1.0	9.0
White Cement EBITDA/t (INR/t)	3,164	3,164	3,164	3,164	3,164
YoY Growth (%)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Financial Tables (Standalone)

Income Statement		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Net Sales	53,971	62,334	75,291	85,300	1,04,461	
Sales Growth	9.7%	15.5%	20.8%	13.3%	22.5%	
Other Operating Income	666	949	1,495	1,694	2,075	
Total Revenue	54,638	63,283	76,786	86,994	1,06,536	
Cost of Goods Sold/Op. Exp	8,012	9,846	11,363	12,204	14,365	
Personnel Cost	3,909	4,121	5,042	5,471	6,441	
Other Expenses	30,902	34,176	45,560	53,022	65,604	
EBITDA	11,815	15,139	14,821	16,296	20,125	
EBITDA Margin	21.6%	23.9%	19.3%	18.7%	18.9%	
EBITDA Growth	45.8%	28.1%	-2.1%	10.0%	23.5%	
Depn. & Amort.	2,144	2,447	2,820	2,727	2,983	
EBIT	9,671	12,692	12,001	13,569	17,143	
Other Income	859	1,134	1,428	1,509	1,646	
Finance Cost	2,229	2,232	2,493	2,813	2,893	
PBT before Excep. & Forex	8,302	11,594	10,935	12,265	15,895	
Excep. & Forex Inc./Loss(-)	0	0	0	0	0	
PBT	8,302	11,594	10,935	12,265	15,895	
Taxes	2,516	3,897	3,329	3,733	4,838	
Extraordinary Inc./Loss(-)	0	0	0	0	0	
Assoc. Profit/Min. Int.(-)	0	0	0	0	0	
Reported Net Profit	5,785	7,697	7,607	8,532	11,057	
Adjusted Net Profit	5,785	7,697	7,607	8,532	11,057	
Net Margin	10.6%	12.2%	9.9%	9.8%	10.4%	
Diluted Share Cap. (mn)	77.3	77.3	77.3	77.3	77.3	
Diluted EPS (INR)	74.9	99.6	98.4	110.4	143.1	
Diluted EPS Growth	78.1%	33.0%	-1.2%	12.2%	29.6%	
Total Dividend + Tax	1,630	1,159	1,159	1,706	2,211	
Dividend Per Share (INR)	17.5	15.0	15.0	22.1	28.6	

Source: Company, JM Financial

Cash Flow Statement		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Profit before Tax	6,520	9,925	9,635	12,265	15,895	
Depn. & Amort.	2,144	2,447	2,820	2,727	2,983	
Net Interest Exp. / Inc. (-)	1,566	2,207	2,493	2,813	2,893	
Inc (-) / Dec in WCap.	271	1,709	-3,019	2,777	196	
Others	1,953	1,331	294	-1,509	-1,646	
Taxes Paid	-1,529	-1,959	-2,131	-3,733	-4,838	
Operating Cash Flow	10,925	15,660	10,092	15,340	15,484	
Capex	-9,814	-6,149	-4,477	-10,000	-12,000	
Free Cash Flow	1,111	9,511	5,616	5,340	3,484	
Inc (-) / Dec in Investments	-3,742	-9,712	-5,501	0	0	
Others	443	741	922	1,509	1,646	
Investing Cash Flow	-13,113	-15,120	-9,056	-8,491	-10,354	
Inc / Dec (-) in Capital	0	0	0	0	0	
Dividend + Tax thereon	-1,627	-3	-1,156	-1,706	-2,211	
Inc / Dec (-) in Loans	3,993	2,151	2,390	5,000	-3,000	
Others	4,582	3,372	-15,120	-2,813	-2,893	
Financing Cash Flow	6,948	5,520	-13,886	480	-8,105	
Inc / Dec (-) in Cash	4,759	6,060	-12,850	7,330	-2,975	
Opening Cash Balance	4,857	9,616	15,676	2,826	10,156	
Closing Cash Balance	9,616	15,676	2,826	10,156	7,180	

Source: Company, JM Financial

Balance Sheet		(INR mn)				
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Shareholders' Fund	31,289	37,331	42,517	49,342	58,187	
Share Capital	773	773	773	773	773	
Reserves & Surplus	30,516	36,558	41,744	48,569	57,415	
Preference Share Capital	0	0	0	0	0	
Minority Interest	0	0	0	0	0	
Total Loans	27,762	29,991	32,667	37,667	34,667	
Def. Tax Liab. / Assets (-)	4,181	5,939	7,385	7,385	7,385	
Total - Equity & Liab.	63,232	73,261	82,569	94,394	1,00,240	
Net Fixed Assets	49,773	52,974	54,387	61,660	70,677	
Gross Fixed Assets	61,319	66,619	75,027	80,818	89,618	
Intangible Assets	0	0	0	0	0	
Less: Depn. & Amort.	16,638	18,530	21,350	24,077	27,060	
Capital WIP	5,092	4,885	710	4,920	8,120	
Investments	5,662	8,070	17,448	17,448	17,448	
Current Assets	23,115	30,552	31,588	37,825	39,431	
Inventories	6,272	6,867	11,136	9,582	12,879	
Sundry Debtors	2,234	3,161	3,978	4,440	5,724	
Cash & Bank Balances	9,616	15,676	2,826	10,156	7,180	
Loans & Advances	714	888	888	888	888	
Other Current Assets	4,279	3,961	12,760	12,760	12,760	
Current Liab. & Prov.	15,318	18,336	20,853	22,538	27,316	
Current Liabilities	4,526	5,500	6,691	8,377	13,154	
Provisions & Others	10,792	12,836	14,162	14,162	14,162	
Net Current Assets	7,797	12,216	10,734	15,287	12,115	
Total - Assets	63,232	73,261	82,569	94,395	1,00,240	

Source: Company, JM Financial

Dupont Analysis						
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
Net Margin	10.6%	12.2%	9.9%	9.8%	10.4%	
Asset Turnover (x)	0.9	0.9	1.0	1.0	1.1	
Leverage Factor (x)	2.0	2.0	2.0	1.9	1.8	
RoE	19.2%	22.4%	19.1%	18.6%	20.6%	

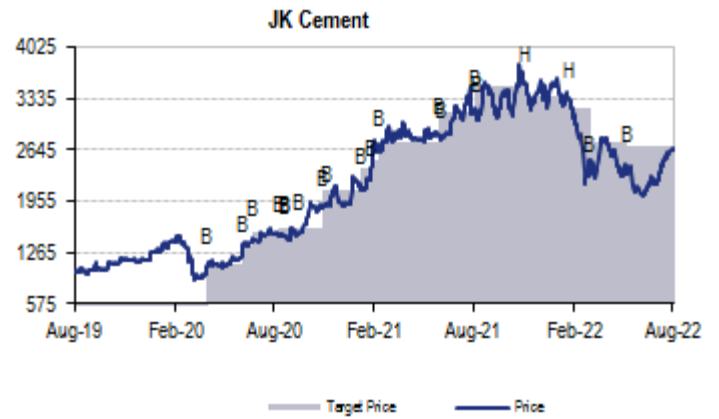
Key Ratios						
Y/E March	FY20A	FY21A	FY22A	FY23E	FY24E	
BV/Share (INR)	404.9	483.1	550.2	638.6	753.1	
ROIC	16.6%	19.3%	17.0%	16.5%	18.7%	
ROE	19.2%	22.4%	19.1%	18.6%	20.6%	
Net Debt/Equity (x)	0.6	0.4	0.7	0.5	0.4	
P/E (x)	35.4	26.6	26.9	24.0	18.5	
P/B (x)	6.6	5.5	4.8	4.2	3.5	
EV/EBITDA (x)	18.8	14.4	15.7	14.1	11.4	
EV/Sales (x)	4.1	3.4	3.0	2.6	2.2	
Debtor days	15	18	19	19	20	
Inventory days	42	40	53	40	44	
Creditor days	39	42	39	43	56	

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
15-Apr-20	Buy	1,100	
18-Jun-20	Buy	1,350	22.7
7-Jul-20	Buy	1,550	14.8
24-Aug-20	Buy	1,600	3.2
2-Sep-20	Buy	1,600	0.0
3-Sep-20	Buy	1,600	0.0
28-Sep-20	Buy	1,600	0.0
11-Nov-20	Buy	2,100	31.3
18-Nov-20	Buy	2,100	0.0
20-Jan-21	Buy	2,400	14.3
9-Feb-21	Buy	2,500	4.2
23-Feb-21	Buy	2,750	10.0
14-Jun-21	Buy	3,150	14.5
16-Jun-21	Buy	3,150	0.0
17-Aug-21	Buy	3,500	11.1
22-Aug-21	Buy	3,500	0.0
18-Nov-21	Hold	3,350	-4.3
8-Feb-22	Hold	3,200	-4.5
15-Mar-22	Buy	2,750	-14.1
23-May-22	Buy	2,700	-1.8

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081
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Definition of ratings	
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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