

Margin improvement visible...

About the stock: Grindwell Norton (GNL) is the market leader in the India abrasive market with ~26% market share. The segments include abrasives (contributing ~57%), ceramics & plastics (33%) and IT services & others (10%).

- GNL has witnessed strong and positive free cash flows consistently over more than a decade irrespective of the macro environment
- It has consistently operated with high (>16%) margins and return ratios

Q3FY23 Results: GNL reported a decent set of Q3FY23 numbers.

- Revenues came in at ₹ 603.9 crore, up 20.3% YoY, primarily aided by a strong performance in the ceramics & plastic segment
- EBITDA came in at ₹ 119 crore, up 32.6% YoY with margins at 19.7% while gross margins marginally expanded by 20 bps to 54.9% YoY
- Consequently, PAT grew 15% YoY to ₹ 80 crore

What should investors do? Going forward, accelerated growth in performance plastics & ceramics and exports is expected to drive long term incremental growth.

- We remain long term positive and maintain our **BUY** rating on the stock

Target Price and Valuation: We value GNL at ₹ 2340 i.e. 50x P/E on FY25E EPS.

Key triggers for future price performance:

- Ambition to maintain market share in abrasives and increase market share in ceramic & plastics with gradual penetration of new value added products
- High margin value added products and solutions oriented approach to drive margin expansion (from ~16.7% in FY20 to 21.8% in FY25E)
- We expect revenue, EBITDA to grow at a CAGR of 15.9%, 19.3%, respectively, over FY22-25E
- Net debt free b/s, double-digit return ratios and strong cash generation

Alternate Stock Idea: Apart from GNL, we also like AIA Engineering.

- New mining customer acquisition is expected to pick up allowing AIA to gain incremental volume growth in coming years
- BUY with a target price of ₹ 3135



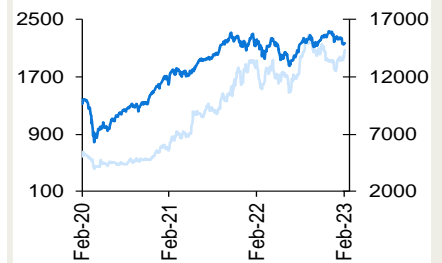
Particulars

Particular	Amount
Market Capitalization	₹21679 Crore
Total Debt (FY22)	₹2 Crore
Cash and Inv (FY22)	₹355 Crore
EV (FY22)	₹21326 Crore
52 week H/L (₹)	2328 / 1451
Equity capital (FY22)	₹55.4 Crore
Face value (₹)	5.0

Shareholding pattern

(in %)	Mar-22	Jun-22	Sep-22	Dec-22
Promoti	58.1	58.1	58.1	58.0
FII	7.1	7.4	7.5	8.4
DII	15.7	15.5	15.6	14.9
Others	19.2	19.0	18.8	18.7

Price Performance



Recent event & Key risks

- **Key Risk:** (i) Muted demand (ii) Adverse impact on export market

Research Analyst

Chirag Shah
shah.chirag@icicisecurities.com

Ameya Mahurkar
ameya.mahurkar@icicisecurities.com

Key Financial Summary

(₹Crore)	FY20	FY21	FY22	5 Year CAGR (FY18-22)	FY23E	FY24E	FY25E	3 Year CAGR (FY22-FY25E)
Revenue (₹crore)	1,579.6	1,637.9	2,012.8	7.1%	2,360.8	2,723.6	3,131.4	15.9%
EBITDA (₹crore)	264.5	324.1	401.4	10.2%	483.2	570.8	681.3	19.3%
EBITDA margin (%)	16.7	19.8	19.9		20.5	21.0	21.8	
Net Profit (₹crore)	182.5	239.3	296.6	14.7%	360.1	429.6	517.8	20.4%
EPS (₹)	16.5	21.6	26.8		32.5	38.8	46.8	
P/E (x)	118.8	90.6	73.1		60.2	50.5	41.9	
Price / Book (x)	18.3	15.9	13.9		12.1	10.4	8.8	
EV/EBITDA (x)	80.3	64.9	53.1		43.6	36.6	30.1	
RoCE (%)	20.3	23.1	25.4		26.4	27.1	27.6	
RoE (%)	15.4	17.5	19.1		20.1	20.5	20.9	

Key takeaways of recent quarter....

Q3FY23 Results: Ceramics & plastic segment shine again!

- Revenue came in at ₹ 603.9 crore, growing 20.3% YoY and declining 4.8% QoQ, primarily aided by the strong performance in the ceramics & plastic, IT and abrasives. Revenue contribution from abrasives, ceramics, IT services & others was at ~51.2%, ~40.7%, ~6.8% & ~2.2%, respectively
- Abrasive segment revenue increased 9% YoY to ₹ 308.9 crore. Ceramics and plastic segment showed strong growth and grew 39.2% YoY to ₹ 245.6 crore while IT services segment grew 25.6% YoY to ₹ 40.9 crore and others segment de-grew 10.9% YoY to ₹ 13.4 crore
- Abrasive segment registered EBIT margin of 14.9% (vs. 12.3% in Q3FY22 and 12.8% in Q2FY23). While EBIT margins for ceramics and plastic segment was reported at 20.5% (vs. 22.1% in Q3FY22, 21.7% in Q2FY23) and for IT services segment EBIT margin was at 15% (vs. 29.2% in Q3FY22 and 17.6% in Q2FY23)
- Overall, EBITDA margins came in at 19.7% (vs. 17.9% in Q3FY22 and expanded by 40 bps on a QoQ basis). Gross margins expanded 20 bps to 54.9% YoY and expanded 150 bps QoQ
- PAT grew 15% YoY to ₹ 80 crore and declined 11% QoQ

Exhibit 1: Variance analysis

Income from Operation	603.9	501.9	20.3	634.7	(4.8)	Aided by ~39.2% growth in Ceramics & Plastics (~40.7% of Revenue)
Other Income	9.1	17.2	(47.4)	15.0	(39.6)	
Cost of materials consumed	296.8	237.5	25.0	310.19	(4.3)	
Changes in inventories of finished goods & WIP	(24.7)	(10.0)	147.2	(14.8)	67.4	
Employee cost	71.6	62.7	14.2	72.1	(0.6)	
Other expenses	141.2	122.0	15.8	144.7	(2.4)	
EBITDA	119.0	89.7	32.6	122.5	(2.8)	
EBITDA Margin (%)	19.7	17.9	182 bps	19.3	41 bps	Good improvement in margins
Depreciation	15.6	13.0	19.8	15.6	0.0	
Interest	4.0	0.8	373.8	1.5	172.6	
PBT	108.5	93.1	16.5	120.4	(9.9)	
Taxes	28.1	23.1	21.3	29.5	(4.9)	
PAT	80.0	69.6	15.0	90.1	(11.1)	
Segment Revenue	Q3FY23	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	
Abrasives	308.9	283.4	9.0	319.0	(3.2)	
% Contribution	51.2	56.5		50.3		
Ceramics & Plastics	245.6	176.5	39.2	272.6	(9.9)	
% Contribution	40.7	35.2		42.9		
IT Services	40.9	32.6	25.6	36.5	12.2	
% Contribution	6.8	6.5		5.7		
Others	13.4	15.1	(10.9)	16.5	(18.7)	
% Contribution	2.2	3.0		2.6		
Net Sales	603.9	501.9		634.7		

Source: Company, ICICI Direct Research

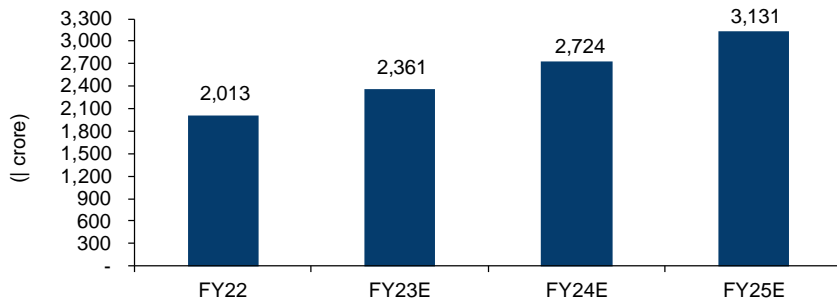
Exhibit 2: Change in estimates

	FY22		FY23E		FY24E			FY25E			
(₹C rore)	Actual	New	Old	New	% Change	Old	New	Change	Old	New	Change
Revenue	2,013	2,361	2,866	2724	(5.0)	-	3131	-	-	-	-
EBITDA	401	483	602	571	(5.2)	-	681	-	-	-	-
EBITDA Margin (%)	19.9	20.5	21.0	21.0	-4 bps	-	21.8	-	-	-	-
PAT	297	360	453	430	(5.2)	-	518	-	-	-	-
EPS (₹)	26.8	32.5	41.0	38.8	(5.4)	-	46.8	-	-	-	-

Source: Company, ICICI Direct Research

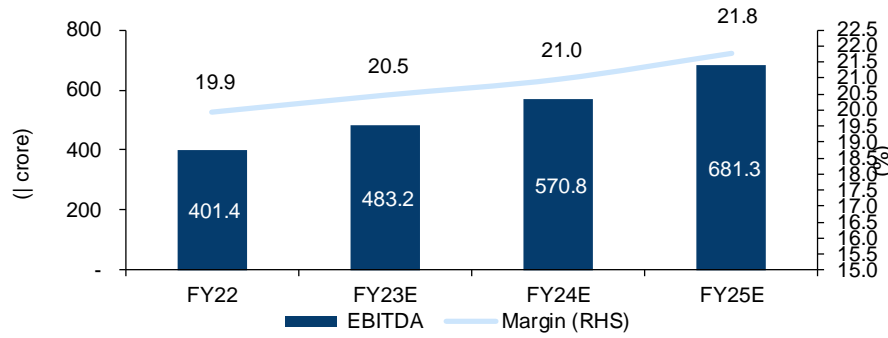
Financial story in charts

Exhibit 3: Revenue trend (consolidated)



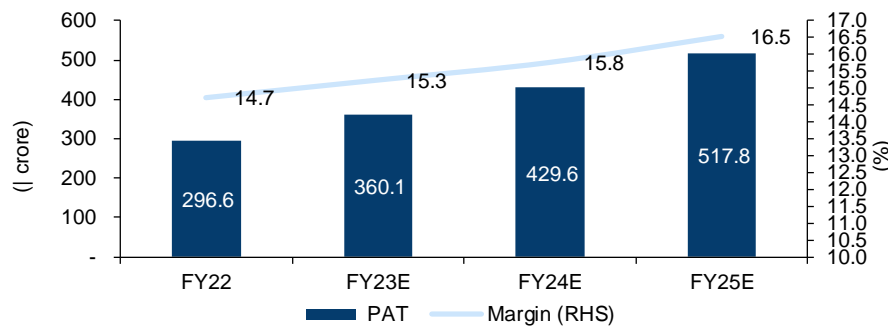
Source: Company, ICICI Direct Research

Exhibit 4: EBITDA and EBITDA margin trend



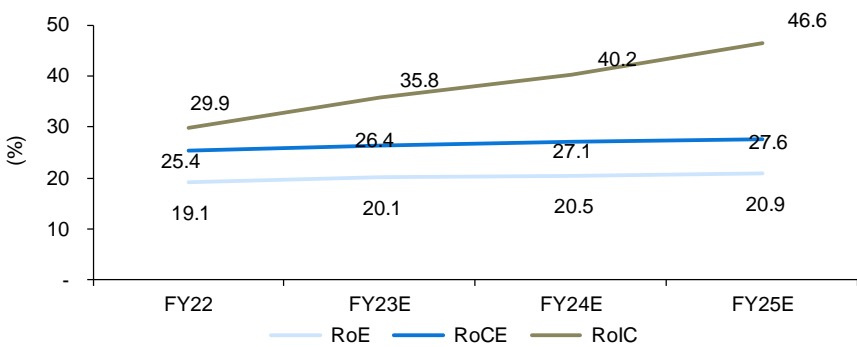
Source: Company, ICICI Direct Research

Exhibit 5: PAT and margins trend



Source: Company, ICICI Direct Research

Exhibit 6: RoE and RoCE trend



Source: Company, ICICI Direct Research

Financial summary

Exhibit 7: Profit and loss statement		₹ crore			
(₹C crore)	FY22	FY23E	FY24E	FY25E	
Net Sales	2,012.8	2,344.2	2,704.6	3,109.5	
Other Operating Income	-	16.5	19.1	21.9	
Total Operating Income	2,012.8	2,360.8	2,723.6	3,131.4	
% Growth	27.4	17.3	15.4	15.0	
Other Income	53.1	62.1	73.3	86.5	
Total Revenue	2,065.9	2,422.9	2,796.9	3,217.9	
Cost of materials consumed	702.8	890.8	987.2	1,138.1	
Purchase of stock-in-trade	258.6	247.9	280.5	322.5	
Other Expenses	470.8	533.5	599.2	667.0	
Total expenditure	1,611.4	1,877.6	2,152.9	2,450.1	
EBITDA	401.4	483.2	570.8	681.3	
% Growth	51.7	20.4	18.1	19.4	
Interest	4.1	2.0	2.0	2.0	
Depreciation	53.5	63.8	69.9	76.1	
PBT	396.9	479.5	572.1	689.7	
Tax	100.8	119.9	143.0	172.4	
PAT	296.6	360.1	429.6	517.8	
% Growth	62.5	21.4	19.3	20.5	
EPS	26.8	32.5	38.8	46.8	

Source: Company, ICICI Direct Research

Exhibit 8: Cash flow statement		₹ crore			
(₹C crore)	FY22	FY23E	FY24E	FY25E	
Profit after Tax	296.6	360.1	429.6	517.8	
Depreciation	53.5	63.8	69.9	76.1	
Interest	4.1	2.0	2.0	2.0	
Other income	(53.1)	(62.1)	(73.3)	(86.5)	
Prov for Taxation	100.8	119.9	143.0	172.4	
Cash Flow before WC changes	401.9	483.7	571.3	681.8	
Change in Working Capital	(129.7)	0.1	(67.7)	(54.6)	
Taxes Paid	(103.0)	(119.9)	(143.0)	(172.4)	
Cashflow from Operating Activities	169.2	363.8	360.6	454.8	
(Purchase)/Sale of Fixed Assets	(113.2)	(63.8)	(75.0)	(75.0)	
(Purchase)/Sale of Investments	(296.6)	-	-	-	
Other Income	53.1	62.1	73.3	86.5	
Cashflow from Investing Activities	(356.6)	(1.6)	(1.7)	11.5	
Issue/(Repayment of Debt)	2.2	-	-	-	
Changes in Minority Interest	(0.6)	0.5	0.5	0.5	
Changes in Networth	(106.6)	(120.0)	(133.3)	(133.3)	
Interest	(4.1)	(2.0)	(2.0)	(2.0)	
Others	-	-	-	-	
Cashflow from Financing Activities	(109.2)	(121.5)	(134.8)	(134.8)	
Changes in Cash	(296.7)	240.7	224.1	331.4	
Opening Cash/Cash Equivalent	651.4	354.7	595.4	819.5	
Closing Cash/Cash Equivalent	354.7	595.4	819.5	1,150.9	

*calculated, Source: Company, ICICI Direct Research

Exhibit 9: Balance sheet		₹ crore			
(₹C crore)	FY22	FY23E	FY24E	FY25E	
Share Capital	55.4	55.4	55.4	55.4	
Reserves & Surplus	1,499.5	1,739.7	2,036.0	2,420.4	
Networth	1,554.9	1,795.0	2,091.3	2,475.8	
Total Debt	2.2	2.2	2.2	2.2	
Deferred tax liability (net)	24.1	24.1	24.1	24.1	
Total Liabilities	1,593	1,833	2,130	2,515	
Gross Block	702.5	777.5	852.5	927.5	
Acc: Depreciation	325.0	388.8	458.7	534.7	
Net Block	377.5	388.8	393.8	392.8	
Capital WIP	66.2	55.0	55.0	55.0	
Investments	520.3	520.3	520.3	520.3	
Inventory	447.6	481.7	555.7	638.9	
Sundry debtors	236.9	276.6	319.1	366.9	
Cash and bank balances	354.7	595.4	819.5	1,150.9	
Loans and advances	0.7	0.7	0.8	1.0	
Other Current Assets	86.0	96.1	110.9	127.5	
Total current Assets	1,125.8	1,450.6	1,806.1	2,285.2	
CL & Prov.	507.3	591.4	655.2	748.3	
Net Current Assets	618.6	859.2	1,150.9	1,536.9	
Total Assets	1,593	1,833	2,130	2,515	

Source: Company, ICICI Direct Research

Exhibit 10: Key ratios		₹			
(Year-end March)	FY22	FY23E	FY24E	FY25E	
EPS	26.8	32.5	38.8	46.8	
Cash EPS	31.6	38.3	45.1	53.6	
BV	140.4	162.1	188.9	223.6	
DPS	8.0	9.0	10.0	10.0	
Cash Per Share	29.4	35.1	41.4	48.3	
EBITDA Margin	19.9	20.5	21.0	21.8	
PBT / Net Sales	17.3	17.8	18.4	19.3	
PAT Margin	14.7	15.3	15.8	16.5	
Inventory days	81.2	74.5	74.5	74.5	
Debtor days	43.0	42.8	42.8	42.8	
Creditor days	82.2	82.4	79.4	79.4	
RoE	19.1	20.1	20.5	20.9	
RoCE	25.4	26.4	27.1	27.6	
RoIC	29.9	35.8	40.2	46.6	
P/E	73.1	60.2	50.5	41.9	
EV / EBITDA	53.1	43.6	36.6	30.1	
EV / Net Sales	10.6	8.9	7.7	6.6	
Market Cap / Sales	10.8	9.2	8.0	6.9	
Price to Book Value	13.9	12.1	10.4	8.8	
Debt/EBITDA	0.0	0.0	0.0	0.0	
Net Debt / Equity	0.0	0.0	0.0	0.0	
Current Ratio	1.5	1.4	1.5	1.5	
Quick Ratio	0.6	0.6	0.7	0.7	

Source: Company, ICICI Direct Research

Exhibit 11: ICICI Direct coverage universe (Capital Goods)

Company	CMP			M Cap (₹Cr)	EPS (₹)			P/E (x)			RoCE (%)			RoE (%)		
	(₹)	TP (₹)	Rating		FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
L&T (LARTOU)	2,169	2,795	Buy	304284	59.8	74.5	90.1	36.3	29.1	24.1	8.7	10.7	12.1	11.8	13.4	14.6
Siemens Ltd	3,242	3,630	Buy	115452	35.4	46.4	53.8	91.5	69.9	60.3	15.6	18.2	19.1	11.3	13.4	14.0
AIA Engineering (AIAENG)	2,794	3,230	Buy	26348	107.3	97.9	107.0	26.0	28.5	26.1	23.5	18.6	18.2	18.5	14.9	14.3
Thermax (THERMA)	2,110	2,372	Hold	25143	37.0	50.8	59.3	57.0	41.5	35.6	14.7	18.0	18.3	11.5	14.1	14.1
KEC International (KECIN)	475	545	Buy	12202	6.6	24.4	36.3	71.8	19.5	13.1	9.6	18.4	21.8	4.9	15.6	19.4
Greaves Cotton (GREAVE)	134	194	Buy	3098	4.8	4.7	5.5	28.1	28.3	24.2	12.9	13.4	14.0	9.4	9.7	10.2
Elgi Equipment (ELGEQU)	438	500	Buy	13895	7.5	10.2	11.9	58.8	42.8	36.9	21.2	25.9	24.8	20.4	22.6	21.3
Bharat Electronics (BHAELE)	94	135	Buy	68675	3.2	3.8	4.5	29.4	24.7	20.9	26.1	28.4	30.0	19.5	21.2	22.4
Cochin Shipyard (COCSHI)	489	745	Buy	6435	42.9	38.6	42.8	11.4	12.7	11.4	10.9	10.5	10.6	12.7	11.0	11.3
SKF (SKFIND)	4,307	5,215	Buy	21293	77.0	108.7	130.3	55.9	39.6	33.1	26.0	30.7	31.3	20.6	23.3	23.4
Timken India (TIMIND)	2,975	3,560	Buy	22378	43.5	61.3	71.2	68.4	48.5	41.8	25.3	36.2	42.0	19.7	27.9	32.2
NRB Bearing (NRBBEA)	145	220	Buy	1410	7.8	9.2	12.1	18.6	15.8	12.0	15.0	15.3	19.2	12.6	12.6	14.8
Action Construction (ACTCON)	376	385	Buy	4475	8.8	15.1	19.2	42.7	24.9	19.6	23.0	25.6	26.7	13.9	18.3	18.9
Data Patterns (DATPAT)	1410	1,555	Buy	7313	18.1	22.0	30.4	77.8	64.1	46.4	23.8	24.9	28.4	16.4	18.2	21.0
HAL (HINAER)	2,472	3,300	Buy	82656	151.9	132.7	145.0	16.3	18.6	17.0	27.4	30.5	30.1	26.3	23.1	22.8
ABB (ABB)	3,175	3,275	Buy	67270	25.5	40.5	37.2	124.6	78.4	85.3	45.0	49.2	57.3	11.2	12.9	15.1
Ador Welding (ADOWEL)	831	1,054	Buy	1130	33.2	34.2	49.3	25.0	24.3	16.9	19.9	21.6	26.7	13.6	15.8	19.6
Bharat Dynamics (BHADYN)	792	1,200	Buy	14507	27.3	33.0	42.7	29.0	24.0	18.6	24.6	24.7	27.9	17.3	17.7	20.0
Mazagon Dock (MAZDOC)	716	1,025	Hold	14439	30.3	39.8	46.6	23.6	18.0	15.4	20.0	22.9	23.5	16.1	18.2	18.5
Solar Industries India (SOLIN)	3,677	4,700	Buy	33275	48.8	76.6	99.7	75.4	48.0	36.9	22.5	32.5	34.6	23.9	29.0	28.8
Anup Engineering (THEANU)	1,142	1,080	Buy	1131	62.7	49.5	72.3	18.2	23.1	15.8	15.3	16.6	19.4	12.2	12.5	14.5
Control Prints (CONTROLPR)	463	555	Buy	757	24.7	28.7	34.6	18.7	16.1	13.4	17.9	21.4	23.4	13.8	15.4	16.3
KSB Ltd. (KSBPUM)	1,849	2,180	Buy	6436	43.7	50.0	62.2	42.3	37.0	29.7	15.7	16.0	18.3	14.7	14.9	15.9

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: > 15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: < -15%



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

**ICICI Direct Research Desk,
ICICI Securities Limited,
1st Floor, Akruti Trade Centre,
Road No 7, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com**

ANALYST CERTIFICATION

I/We, Chirag Shah, PGDBM and Ameya Mahurkar, MFM (Masters in Financial Management), Research Analysts, 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. 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 broking and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. 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 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.

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 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 Retail 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 Institutional 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 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 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.