

## Lower LNG prices improve QoQ utilisation...

**About the stock:** Petronet LNG, a JV between leading PSU oil companies, is involved in LNG import and regasification.

- The company operates two LNG terminals at Dahej and Kochi
- Total nameplate capacity of the company is 22.5 MMTPA

**Q4FY23 Results:** Petronet LNG reported a weak set of numbers.

- Revenue increased 24% YoY to ₹ 13874 crore below I-direct estimate of ₹ 13556 crore
- Total volume was at 185 tbtu, down ~3% YoY below I-direct estimate of 200.2 tbtu
- Blended margin came in at ₹ 66.9/mmbtu, down 8% YoY. EBITDA for the quarter was ₹ 943.1 crore, down 19% YoY
- PAT at ₹ 614.3 crore, was down 18% YoY below I-direct estimate of ₹ 766 crore

**What should investors do?** In Q1FY24E-TD, average spot LNG prices have further softened to ~US\$12/mmbtu from ~US\$17/mmbtu seen in Q4FY23. There has been a rise in service cargoes since April and utilisation level at Dahej has also improved to 97% (vs. 77% in Q4). Global LNG prices and subsequent impact on volume demand will be the key monitorable, going ahead.

- We retain our **HOLD** rating on the stock

**Target Price and Valuation:** We value Petronet at ₹ 240 i.e. 10.5x P/E on FY25E EPS.

**Key triggers for future price performance:**

- The company expects to receive some of the ₹ 416 crore receivables, booked in FY22 under the use or pay contract, in the near term
- The 17.5 mmtpa Dahej terminal has been booked for 15.75 mmtpa under long term, thus providing visibility to long term volumes. Increase in Kochi terminal utilisation can support a volume pick-up
- LNG price trend to be key monitorable for offtake

**Alternate Stock Idea:** Besides Petronet, in our oil & gas coverage we also like Indraprastha Gas (IGL).

- IGL is one of India's leading CGD companies, which primarily operates in NCT of Delhi and will benefit from stricter environmental regulations in Delhi
- BUY with a target price of ₹ 550



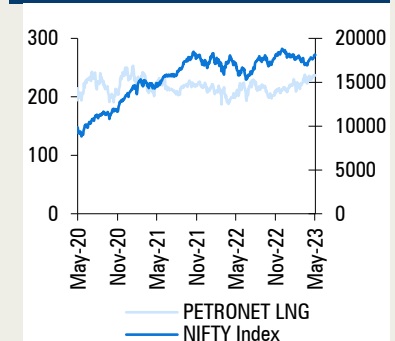
### Particulars

Particular	Amount
Market Capitalization (₹ Crore)	34,050.0
Total Debt (FY22) (₹ Crore)	3,156.2
Cash and Investments (FY22)	4,329.6
EV (₹ Crore)	32,876.6
52 week H/L	243 /196
Equity capital (₹ Crore)	1,500.0
Face value (₹)	10.0

### Shareholding pattern

(in %)	Jun-22	Sep-22	Dec-22	Mar-23
Promoter	50.0	50.0	50.0	50.0
FII	34.8	34.8	34.9	34.8
DII	2.9	4.1	4.1	4.5
Others	12.2	11.1	11.0	10.7

### Price Chart



### Recent event & key risks

- **Key Risk:** (i) Faster than expected pick-up in demand, (ii) Increase in LNG prices in H2FY24 with pickup in demand from China

### Research Analyst

Harshal Mehta  
harshal.mehta@icicisecurities.com

Payal Shah  
shah.payal@icicisecurities.com

### Key Financial Summary

	(FY17-22)	Y23E	FY24E	FY25E	3 year CAGR (FY22E-25E)			
Revenues (₹ crore)	35,452.0	26,022.9	43,168.6	11.9	59,899.4	49,818.8	47,680.8	3.4
EBITDA (₹ crore)	3,989.5	4,699.5	5,252.3	15.2	4,855.8	5,164.6	5,239.3	(0.1)
Net Profit (₹ crore)	2,697.6	2,949.4	3,352.4	14.5	3,239.9	3,328.0	3,383.8	0.3
EPS (₹)	18.0	19.7	22.3	21.6	22.2	22.6		
P/E (x)	12.6	11.5	10.2	10.5	10.2	10.1		
Price / Book (x)	3.1	2.9	2.5	2.3	2.1	2.0		
EV/EBITDA (x)	8.3	7.0	6.3	6.5	5.8	5.6		
RoCE (%)	22.3	26.0	27.0	22.7	22.6	21.7		
RoE (%)	24.6	25.3	25.0	21.7	20.6	19.4		

## Key takeaways of recent quarter & conference call highlights

### Q4FY23 Results: Normalisation of regas services cause blended margins to decline QoQ

- Total volume was at 185 tbtu, up 11% QoQ but lower than I-direct estimate of 200 tbtu. Regas volume was 61 tbtu against I-direct estimate of 70 tbtu while sales volume was 124 tbtu against expectation of 130 tbtu
- The blended margin declined by ₹ 48.1/mmbtu QoQ to ₹ 66.9/mmbtu but was below I-direct estimate of ₹ 72/mmbtu. The decline QoQ was on account of normalisation of regasification services

### Q4FY23 Earnings Conference Call highlights

- Capex plans of the company are as follows- 1) Two tanks at a cost of ₹ 1246 crore (capex of ₹ 744 crore has already been incurred) and one jetty at the cost of ₹ 1650 crore at Dahej, 2) Extension of Dahej terminal capacity from 17.5 mmtpa to 22.5 mmtpa, at a capex of ₹ 570 crore 3) The petrochemical plant in Dahej will require a capex of ₹ 14000 crore, which will happen in a staggered manner over four years. However, prior to this, licensor selection and Board approval is still pending, 4) East Coast FSRU terminal at a capex of ₹ 2306 crore, 5) One more tank at Kochi at a capex of ₹ 600 crore
- Total capex plan for FY24 is ₹ 1700 crore
- There was an inventory gain of ₹ 22 crore and trading gain of ₹ 73 crore during the quarter. The company also witnessed forex gain of ₹ 23 crore
- Dahej utilisation level is currently at 97% (vs. 77% in Q4FY23). The company has been seeing demand from industrial customers, refineries and petchem
- Kochi terminal's utilisation is likely to improve to 35-40% when Gail's Kochi-Bangalore pipeline gets commissioned in November 2024
- The company has entered into an additional contract with Exxon Mobil wherein it will receive 0.6 MMTPA LNG from 2026 and from 2028 onwards receive 1.2 MMTPA. This will increase the Gorgon volume at Kochi from current 1.425 MMTPA to 2.625 MMTPA after 2028, taking its utilisation to 50%

### Petronet LNG- ESG Disclosure Score

Score	FY20	FY21	FY22
Environmental	3.3	3.3	3.3
Social	18.7	21.4	21.4
Governance	78.6	78.6	83.6
<b>Overall ESG Score</b>	<b>33.6</b>	<b>34.5</b>	<b>36.2</b>

Source: Bloomberg, ICICI Direct Research

## Peer comparison

### Exhibit 1: Peer Comparison

Sector / Company	CMP (₹)	TP (₹)	Rating	M Cap (₹ Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
					FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
GAIL (India) (GAIL)	96	115	Buy	63,121	11.0	23.3	9.4	8.7	4.1	10.2	7.3	3.4	8.4	8.7	18.8	9.0	10.5	18.6	20.5
Gujarat Gas (GUJGA)	465	550	Buy	32,011	18.5	18.9	20.3	25.1	24.6	22.9	15.7	15.7	14.4	31.9	27.3	23.2	28.7	23.3	20.8
Indraprastha Gas (INDGAS)	463	550	Buy	32,410	14.4	18.8	20.4	32.2	24.6	22.7	21.1	16.5	15.3	20.0	22.3	23.5	17.1	19.0	20.0
Mahanagar Gas (MAHGAS)	960	1,180	Buy	9,483	62.7	60.4	70.7	15.3	15.9	13.6	9.7	9.8	8.7	23.1	19.8	20.6	19.2	16.6	17.5
Petronet LNG (PETLNG)	227	230	Hold	34,050	19.7	22.3	21.6	11.5	10.2	10.5	7.0	6.3	6.5	26.0	27.0	22.7	25.3	25.0	21.7

Source: Company, ICICI Direct Research

**Exhibit 2: Variance Analysis**

	Q4FY23	Q4FY23E	Q4FY22	YoY (%)	Q3FY23	QoQ (%)	Comments
Total Revenues	13,873.9	13,555.8	11,160.4	24.3	15,775.9	-12.1	In line with estimates
Raw materials costs	12,637.1	12,116.0	9,782.8	29.2	13,856.7	-8.8	
Employees Cost	34.1	46.7	42.8	-20.3	44.7	-23.7	
Other Expenses	259.7	189.8	165.7	56.7	199.1	30.4	Higher-than-expected on account of provision for an arbitration matter
Total Expenditure	12,930.9	12,352.5	9,991.3	29.4	14,100.5	-8.3	
EBITDA	943.1	1,203.4	1,169.1	-19.3	1,675.4	-43.7	QoQ decline due to normalisation in regas services
EBITDA margins (%)	6.8	8.9	10.5	-368 bps	10.6	-382 bps	
Depreciation	188.6	202.8	189.6	-0.6	192.3	-1.9	
EBIT	754.5	1,000.6	979.4	-23.0	1,483.0	-49.1	
Interest	90.2	77.0	80.3	12.4	81.4	10.9	
Other Income	153.8	102.8	85.2	80.4	183.9	-16.4	Higher than expected
Extra Ordinary Item	0.0	0.0	0.0	NA	0.0	NA	
PBT	818.0	1,026.3	984.4	-16.9	1,585.6	-48.4	
Total Tax	203.8	260.7	234.2	-13.0	405.0	-49.7	
PAT	614.3	765.6	750.1	-18.1	1,180.5	-48.0	

**Key Metrics**

Sales volume (tbtu)	124.0	130.2	112.0	10.7	120.0	3.3	
Regasification vol (tbtu)	61.0	70.0	78.0	-21.8	47.0	29.8	
Total Volumes (tbtu)	185.0	200.2	190.0	-2.6	167.0	10.8	Below estimates
Blended margin ₹/mmbtu	66.9	71.9	72.5	-7.8	114.9	-41.8	Lower than expected

Source: Company, ICICI Direct Research

**Exhibit 3: Change in estimates**

(₹ Crore)	FY23E			FY24E			FY25E			
	Old	New	Change	Old	New	Change	Old	New	Change	
Revenue	59581.3	59899.4	0.5	49197.6	49,818.8	1.3	47542.3	47,680.8	0.3	Revise volume estimates taking into account current LNG trend
EBITDA	5,116.1	4,855.8	-5.1	5190.2	5,164.6	-0.5	5227.3	5,239.3	0.2	
EBITDA Margin (%)	8.6	8.1	-48 bps	10.5	10.4	-18 bps	11.0	11.0	-1 bps	
PAT	3,391.3	3,239.9	-4.5	3351.9	3,328.0	-0.7	3379.6	3,383.8	0.1	
EPS (₹)	22.6	21.6	-4.5	22.3	22.2	-0.7	22.5	22.6	0.1	

Source: ICICI Direct Research

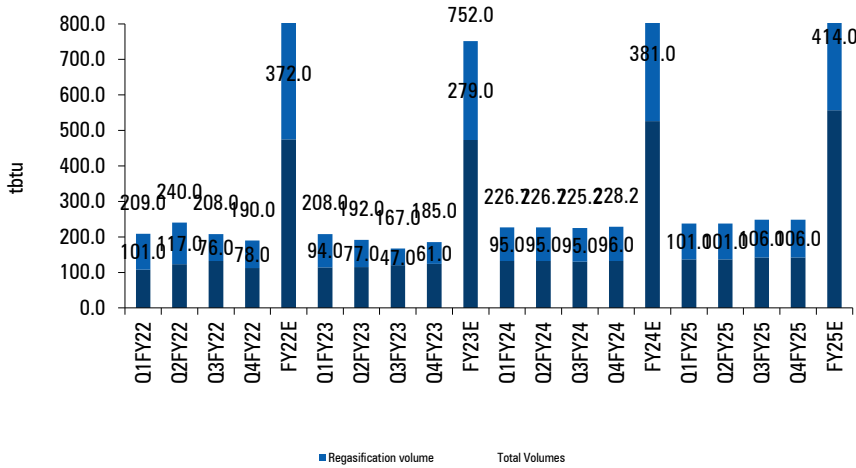
**Exhibit 4: Assumptions**

	Current					Earlier			
	FY21	FY22E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	
Sales volume (tbtu)	457.0	475.0	473.0	525.8	556.8	479.2	519.8	556.8	
Regasification vol (tbtu)	440.0	372.0	279.0	381.0	414.0	288.0	391.0	414.0	Revise estimates taking into account spot LNG price trend
Total Volumes (tbtu)	897.0	847.0	752.0	906.8	970.8	767.2	910.8	970.8	
Blended Margin ₹/mmbtu	59.5	71.9	79.1	67.5	63.7	80.2	67.5	63.7	

Source: ICICI Direct Research

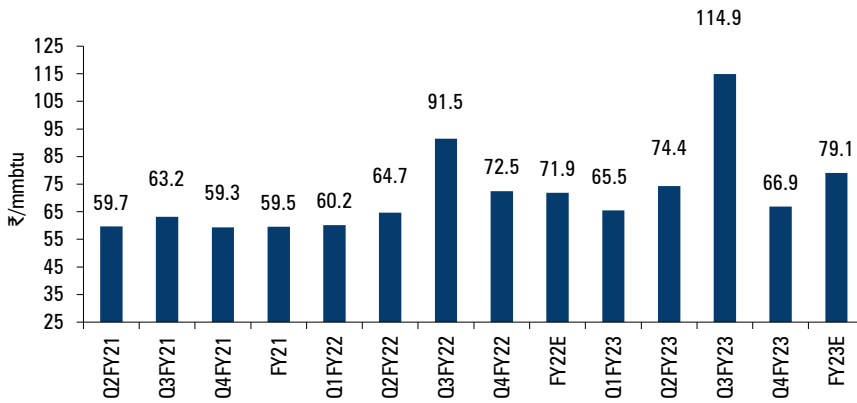
Story in charts

Exhibit 5: Volume trajectory



Source: Company, ICICI Direct Research

Exhibit 6: Margin trend



Source: Company, ICICI Direct Research

Exhibit 7: Booked capacity

Booked capacity (mmtpa)	
GAIL	7.00
IOCL	3.75
BPCL	1.75
GSPC	2.25
Torrent Power	1.00
<b>Total</b>	<b>15.75</b>

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 8: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Revenue</b>	<b>43168.6</b>	<b>59899.4</b>	<b>49818.8</b>	<b>47680.8</b>
Growth (%)	65.9	38.8	-16.8	-4.3
(Inc.) / Dec stock in trade	0.0	0.0	0.0	0.0
Raw material Costs	37077.5	53952.4	43699.0	41501.0
Purchase of trading goods	0.0	0.0	0.0	0.0
Employee Costs	177.1	167.5	183.1	201.4
Other Expenditure	661.7	923.7	772.2	739.1
Op. expenditure	37916.2	55043.6	44654.3	42441.5
<b>EBITDA</b>	<b>5252.3</b>	<b>4855.8</b>	<b>5164.6</b>	<b>5239.3</b>
Growth (%)	11.8	-7.6	6.4	1.4
Depreciation	768.5	764.3	847.0	847.0
EBIT	4483.9	4091.4	4317.6	4392.4
Interest	317.3	330.5	299.5	299.5
Other Income	307.3	573.6	443.0	443.0
PBT	4473.8	4334.5	4461.1	4535.9
Growth (%)	12.8	-3.1	2.9	1.7
Tax	1121.5	1094.6	1133.1	1152.1
<b>Reported PAT</b>	<b>3352.4</b>	<b>3239.9</b>	<b>3328.0</b>	<b>3383.8</b>
Growth (%)	13.7	-3.4	2.7	1.7
<b>EPS</b>	<b>22.3</b>	<b>21.6</b>	<b>22.2</b>	<b>22.6</b>

Source: Company, ICICI Direct Research

Exhibit 9: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Profit after Tax	3,352.4	3,239.9	3,328.0	3,383.8
Add: Depreciation	768.5	764.3	847.0	847.0
Add: Others	-48.2	-1,717.3	-1,991.6	-1,991.6
Cash Profit	4,072.6	2,287.0	2,183.4	2,239.1
Increase/(Decrease) in CL	688.6	9.2	735.8	-180.3
(Increase)/Decrease in CA	-2,788.0	223.8	1,082.8	178.2
<b>CF from Operating Activi</b>	<b>1973.1</b>	<b>2520.0</b>	<b>4001.9</b>	<b>2237.0</b>
Purchase of Fixed Assets	179.7	-1,057.7	1,775.2	1,455.7
(Inc)/Dec in Investments	-10.0	-0.4	-499.6	-500.0
Others	0.0	1,129.0	0.0	0.0
<b>CF from Investing Activi</b>	<b>-189.7</b>	<b>2,186.3</b>	<b>-2,274.8</b>	<b>-1,955.7</b>
Inc/(Dec) in Loan Funds	-229.9	-85.7	-150.0	-150.0
Inc/(Dec) in Sh. Cap. & Res.	428.1	12.3	-12.3	0.0
Others	0.0	-3,272.0	0.0	0.0
<b>CF from financing activi</b>	<b>198.2</b>	<b>-3,345.4</b>	<b>-162.3</b>	<b>-150.0</b>
Change in cash Eq.	-22.8	1,360.8	1,564.8	131.3
Op. Cash and cash Eq.	4,342.3	4,319.6	5,680.0	7,244.8
<b>Cl. Cash and cash Eq.</b>	<b>4,319.6</b>	<b>5,680.4</b>	<b>7,244.8</b>	<b>7,376.2</b>

Source: Company, ICICI Direct Research

Exhibit 10: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Source of Funds</b>				
Equity Capital	1,500.0	1,500.0	1,500.0	1,500.0
Preference capital	0.0	0.0	0.0	0.0
Reserves & Surplus	11,925.5	13,434.7	14,658.8	15,951.0
Shareholder's Fund	13,425.5	14,934.7	16,158.8	17,451.0
Loan Funds	3,156.2	3,070.5	2,920.5	2,770.5
Deferred Tax Liability	832.4	703.1	803.1	903.1
Minority Interest	0.0	0.0	0.0	0.0
<b>Source of Funds</b>	<b>17414.1</b>	<b>18708.3</b>	<b>19882.4</b>	<b>21124.6</b>
<b>Application of Funds</b>				
Gross Block	13,338.2	13,335.7	15,335.7	16,935.7
Less: Acc. Depreciation	3,781.0	4,545.3	5,504.5	6,394.4
Net Block	9,557.2	8,790.3	9,831.2	10,541.2
Capital WIP	192.6	1,125.9	1,013.3	912.0
Total Fixed Assets	9,749.8	9,916.2	10,844.4	11,453.2
Investments	174.4	174.8	674.4	1,174.4
Inventories	576.7	1,153.1	959.0	917.8
Debtor	2,684.4	3,839.7	3,193.5	3,056.5
Cash	4,319.6	5,680.0	7,244.8	7,376.2
Loan & Advance, Other CA	3614.2	1658.8	1416.3	1416.3
Total Current assets	11194.9	12331.6	12813.6	12766.8
Current Liabilities	3584.7	3521.7	4231.2	4049.6
Provisions	120.3	192.6	218.9	220.2
Total CL and Provisions	3705.0	3714.3	4450.1	4269.8
Net Working Capital	7489.9	8617.3	8363.6	8497.0
Miscellaneous expense	0.0	0.0	0.0	0.0
<b>Application of Funds</b>	<b>17414.1</b>	<b>18708.3</b>	<b>19882.4</b>	<b>21124.6</b>

Source: Company, ICICI Direct Research

Exhibit 11: Key ratios				
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>				
Book Value	89.5	99.6	107.7	116.3
Cash per share	28.8	37.9	48.3	49.2
EPS	22.3	21.6	22.2	22.6
Cash EPS	27.5	26.7	27.8	28.2
DPS	11.5	10.0	12.0	12.0
<b>Profitability &amp; Operating Ratios</b>				
EBITDA Margin (%)	12.2	8.1	10.4	11.0
PAT Margin (%)	7.8	5.4	6.7	7.1
Fixed Asset Turnover (x)	4.4	6.0	4.6	4.2
Inventory Turnover (Days)	4.9	7.0	7.0	7.0
Debtor (Days)	22.7	23.4	23.4	23.4
Current Liabilities (Days)	30.0	31.0	31.0	31.0
<b>Return Ratios (%)</b>				
RoE	25.0	21.7	20.6	19.4
RoCE	27.0	22.7	22.6	21.7
RoIC	36.6	33.2	36.5	34.2
<b>Valuation Ratios (x)</b>				
PE	10.2	10.5	10.2	10.1
Price to Book Value	2.5	2.3	2.1	2.0
EV/EBITDA	6.3	6.5	5.8	5.6
EV/Sales	0.8	0.5	0.6	0.6
<b>Leverage &amp; Solvency Ratios</b>				
Debt to equity (x)	0.2	0.2	0.2	0.2
Interest Coverage (x)	14.1	12.4	14.4	14.7
Debt to EBITDA (x)	0.6	0.6	0.6	0.5
Current Ratio	3.0	3.3	2.9	3.0
Quick ratio	2.9	3.0	2.7	2.8

Source: Company, ICICI Direct Research

Exhibit 12: ICICI Direct coverage universe (Oil & Gas)

Sector / Company	CMP (₹)	TP (₹)	Rating	M Cap (₹ Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
					FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
BPCL (BHAPET)	343	380	Hold	73,040	91.0	43.7	5.2	3.8	7.9	65.8	5.8	6.3	13.0	14.8	13.9	2.7	34.9	18.5	2.2
GAIL (India) (GAIL)	96	115	Buy	63,121	11.0	23.3	9.4	8.7	4.1	10.2	7.3	3.4	8.4	8.7	18.8	9.0	10.5	18.6	10.5
Gujarat Gas (GUJGA)	465	550	Buy	32,011	18.5	18.9	20.3	25.1	24.6	22.9	15.7	15.7	14.4	31.9	27.3	23.2	28.7	23.3	20.8
HPCL (HINPET)	232	275	Buy	32,919	70.6	44.9	-66.7	3.3	5.2	-3.5	4.8	7.8	-12.8	15.6	7.3	-12.9	29.5	16.5	-32.4
Indian Oil Corp (INDOIL)	81	90	Hold	1,14,382	15.5	17.1	5.2	5.2	4.7	15.5	3.0	2.6	5.0	13.3	12.9	4.0	19.8	18.4	5.8
Indraprastha Gas (INDGAS)	463	550	Buy	32,410	14.4	18.8	20.4	32.2	24.6	22.7	21.1	16.5	15.3	20.0	22.3	23.5	17.1	19.0	20.0
Mahanagar Gas (MAHGAS)	960	1,180	Buy	9,483	62.7	60.4	70.7	15.3	15.9	13.6	9.7	9.8	8.7	23.1	19.8	20.6	19.2	16.6	17.5
ONGC (ONGC)	152	180	Buy	1,95,067	10.4	8.9	32.0	14.6	17.0	4.7	4.2	6.5	3.4	10.2	4.5	14.8	6.7	5.5	17.0
Petronet LNG (PETLNG)	227	230	Hold	34,050	19.7	22.3	21.6	11.5	10.2	10.5	7.0	6.3	6.5	26.0	27.0	22.7	25.3	25.0	21.7
Reliance Industries (RELIND)	2,349	2,850	Buy	15,89,099	89.7	89.7	98.6	30.8	26.2	23.8	22.2	17.0	12.8	5.5	7.3	9.0	7.0	7.8	8.1

Source: Bloomberg, 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](mailto:pankaj.pandey@icicisecurities.com)**

**ICICI Direct Research Desk,  
ICICI Securities Limited,  
Third Floor, Brillanto House,  
Road No 13, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)**

## ANALYST CERTIFICATION

I/We, Harshal Mehta, MTech (Biotech), Payal Shah, MMS, 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 brokering 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. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

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

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

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

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

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

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

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

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the 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 would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

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

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest 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.