

Retail Equity Research (South India Focus)

Page Industries Ltd

Textiles

BSE CODE : 532827 NSE CODE: PAGEIND
BLOOMBERG CODE: PAG:IND SENSEX : 38,435

BUY

12M Investment Period Rating as per Mid Cap

CMP Rs20,305 TARGET Rs24,605 RETURN 21% 

(Closing: 21-08-20)

Strong growth potential, await shift in sentiments...

Page Industries Ltd. is engaged in the manufacturing, distribution and marketing of Innerwear, Athleisure, Sleepwear and Swimwear for men, women and kids.

- Robust revenue growth momentum with 17% CAGR in top-line for the last 5 years.
- Innerwear market in India expected to grow at 12% CAGR in the next decade to Rs743bn from Rs290bn at present. While Page's increasing penetration will provide strong potential to grow.
- Innerwear is evolving from being functional to a segment with a fashion quotient, also shifting from price sensitive category to a brand sensitive one.
- Strong margin, debt free status and doubling of capacity by 2025 will help to tap vigorous opportunity in the sector.
- Higher asset turnover ratio, healthy dividend payout and better working capital management led to consistent improvement in ROE/ROCE.
- We expect most of the negatives owing to pandemic are factored in, while discretionary spending is expected to pick-up from H2FY21. We initiate coverage on PAGEIND with Buy rating and value at P/E of 60x on FY22E with a target price of Rs24,605.

Strong potential for growth...

Jockey is the fast growing middle and premium segment innerwear of the men's and women's category with a market share of 8% to 9% in the highly unorganised market. In the last five years Page registered 17% revenue CAGR due to brand consciousness and quality of product which led to better volume and realisation growth. Jockey currently holds 19-20% market share in men's premium innerwear, 5%-6% in women's and 6%-8% in premium Athleisure. We expect the demand for premium innerwear to grow further due to a change in preference to branded product and quality. Jockey's given strong brand recall, product innovation and customer loyalty will help the company to mitigate rising competition.

Doubling of capacity to tap premium market segment...

Page has a capacity to produce 26cr pieces a year with a capacity utilization of about 60% -70%. The total installed capacity is spread over 2.4mn sq ft in 14 locations in Karnataka and one in Tamil Nadu. To meet the growing market demand and to tap the premium market potential the company is looking to double its current capacity in the next five years. Currently, the company is setting up a manufacturing facility of 0.6 mn sq ft in Anantapur (AP) to meet the growing demand of Men's business. The plant's operation is expected to commence from Q4FY21. It also has a new plant in Mysore with 0.2mn sq ft, for manufacturing & raw material warehousing has started operation during FY20.

Significant expansion in stores

The Company has significantly expanded its presence in the Indian market, by opening many Exclusive Brand Outlets (EBO's) and through expansion in Multi Brand Outlets (MBO's) making the brands available to consumers across the entire length and breadth of the country. The brand Jockey is available in over 66,000+ outlets spread across India. In the last two years, company opened 300+ EBO's, taking the total number of EBO's to 756, contributing 16%-17% to topline. The company targets to increase EBO's to 1,000 by FY21, which will further enhance the revenue mix from EBO's.

Valuation & Outlook...

Rising urbanization and increasing preference for branded product, the innerwear segment is likely to grow at a faster pace. Higher asset turnover ratio, higher dividend pay-out and better working capital management led to consistent improvement in ROE/ROCE. The premium valuation to sustain due to healthy financial ratios and debt free status. We initiate coverage on Page Industries with Buy rating with a target price of Rs24,605, based on a P/E of 60x FY22 EPS.

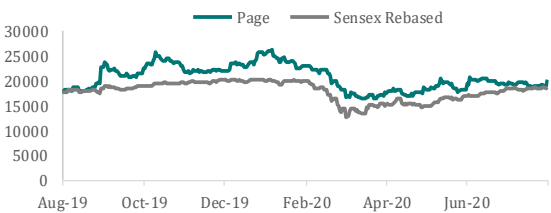
Company Data

Market Cap (cr)	₹ 22,648
Enterprise Value (cr)	₹ 22,558
Outstanding Shares (cr)	1.1
Free Float	51.68%
Dividend Yield	1.50%
52 week high	₹ 26,891
52 week low	₹ 16,187
6m average volume (cr)	0.2
Beta	0.9
Face value	₹ 10

Shareholding (%)	Q3FY20	Q4FY20	Q1FY21
Promoters	48.32	48.32	48.32
FII's	31.46	29.18	25.53
MFs/Insti	8.25	10.03	13.35
Public/Others	11.97	12.47	12.8
Total	100.0	100.0	100.0
Pledge%	Nil	Nil	Nil

Price Performance	3 month	6 Month	1 Year
Absolute Return	10.2%	10.2%	10.2%
Absolute Sensex	10.2%	10.2%	10.2%
Relative Return	-11.5%	-11.5%	-11.5%

*Over or under performance to benchmark index



Y.E Mar (cr)	FY20A	FY21E	FY22E
Sales	2,945	2,872	3,231
Growth (%)	3.3	-2.5	12.5
EBITDA	533	551	653
EBITDA Margins%	18.1	19.2	20.2
PAT Adj.	343	385	457
Growth (%)	-12.2	12.1	18.9
Adj.EPS	308	345	410
Growth (%)	-12.2	12.1	18.9
P/E	66.0	58.9	49.5
P/B	27.7	23.4	20.5
EV/EBITDA	42.4	40.5	34.1
ROE (%)	43.0	42.9	44.0
D/E	0.0	0.0	0.0

Antu Eapen Thomas
Research Analyst

Subdued consumer demand may impact near term volume growth, while stability in realization will support margins.

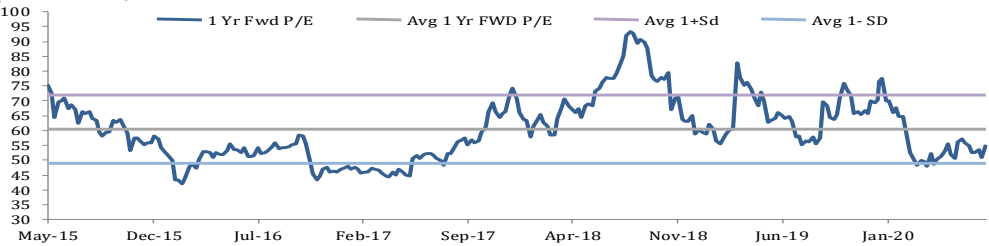
We factor 5% CAGR of revenue growth over FY20-FY22E in expectation of gradual improvement in consumer sentiment.

Page has been maintaining a stable margin of average 20% for the last five years.

Valuations

Page currently trades at a P/E of 55x, which is at a discount of 27% to avg. 3yr fwd P/E. During the last 2 years, valuation has witnessed a downfall due to fall in volume growth on account of rising competition and slowdown in the industry. Revenue growth was at 17% CAGR over FY15-FY19. But subdued consumer demand may impact near term volume growth, while stability in realization will support margins. Given steadiness in earnings, healthy balance sheet and debt free status are supporting the premium valuation. The current valuation is not very expensive compared to company's last five year average 1 year forward valuation which lies at 73x. Therefore, we value PAGE at 60x on FY22E EPS and recommend Buy rating.

1 Yr Fwd P/E

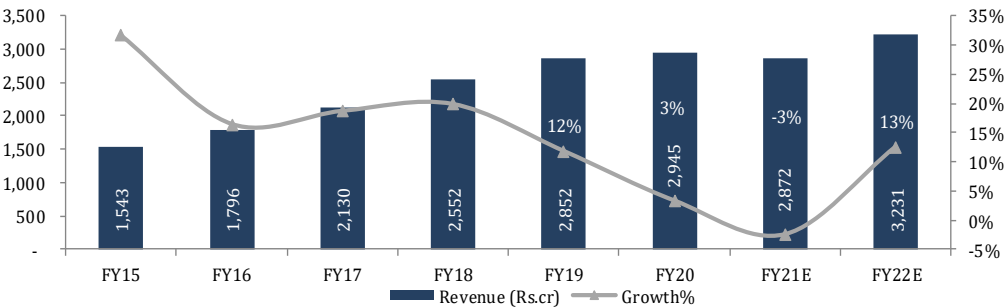


Source: Company, Geojit Research.

Strong potential to grow, await revamp in consumer sentiment

Poor consumption demand, slowdown in the industry and rising competition have impacted Page's revenue growth in FY19 (~12% YoY). We expect this trend to continue in the near term as FY20 revenue growth has shown only 3% YoY growth amid stable realization. The impact of COVID-19 created hindrance on discretionary spending. Companies plan for network expansion, brand and product extensions will increase footfalls and open a space for growth. We factored 5% CAGR of revenue growth over FY20-FY22E in expectation of gradual improvement in consumer sentiments. While optimism on policy measures and improving growth outlook will provide a favourable impact on industry. Further, Pages continuing penetration in the premium segment will provide much room for growth.

Any green shoots in economy to aid top-line growth...

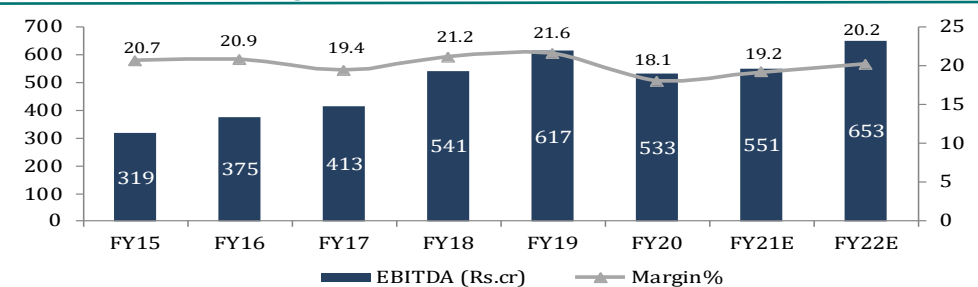


Source: Company, OECD, Geojit Research.

Expect moderate improvement in margins

We expect EBITDA margin will see only a moderate improvement for the coming years, due to rising selling & distribution expenses and higher margins to channel partners to maintain shelf space in MBOs (Multi Brand Outlets). Page has been maintaining a stable margin on an average of 20% for the last five years led by premium product launch, same store sales growth, improvement in capacity utilization and digital initiatives. The EBITDA margin declined by 355bps YoY in FY20 to 18.1% on account of new recruitment for sales & distribution, higher incentives and Covid led disruptions. Management expect EBITDA margins to be in the range of 19% to 20% in FY21E & FY22E due to pickup in volumes and lower material costs.

EBITDA and EBITDA Margin trend



Source: Company, Geojit Research.

In last few years the organized innerwear segment has shown promising growth in both men's and women's categories.

The innerwear category, estimated to be worth Rs27,931cr, accounts for 10 percent of the total apparel market.

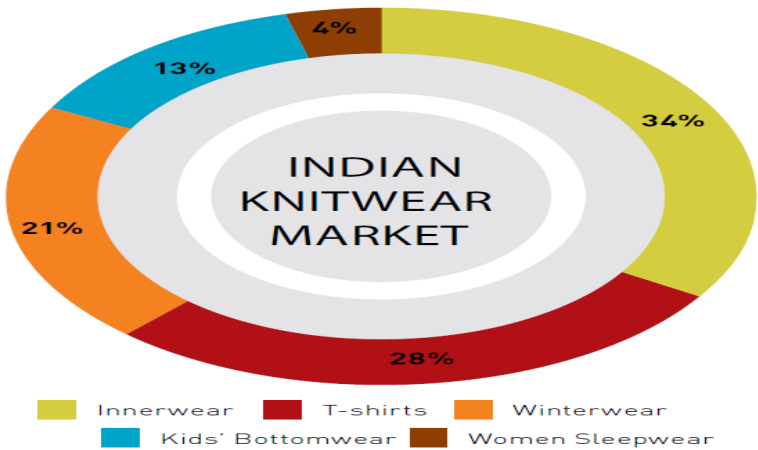
The dominance of women's innerwear market share to increase further to 76% due to shift from price sensitive to fit and comfort.

Investment Rationale

Good prospects for growth in innerwear segments...

Innerwear has emerged as one of the fastest growing categories in last few decades. A commodity which was earlier depicted as a day-to-day essential has transformed itself into fashion wear with more emphasis on styling and comfort. Traditionally, the innerwear market was largely fragmented and unorganized. But, in last few years the organized innerwear segment has shown promising growth in both men's and women's categories. The knitwear market is expected to grow at a promising rate of 9 percent over the next decade to reach Rs1,61,700cr from the current market size of Rs68,932cr.

Innerwear market size and growth



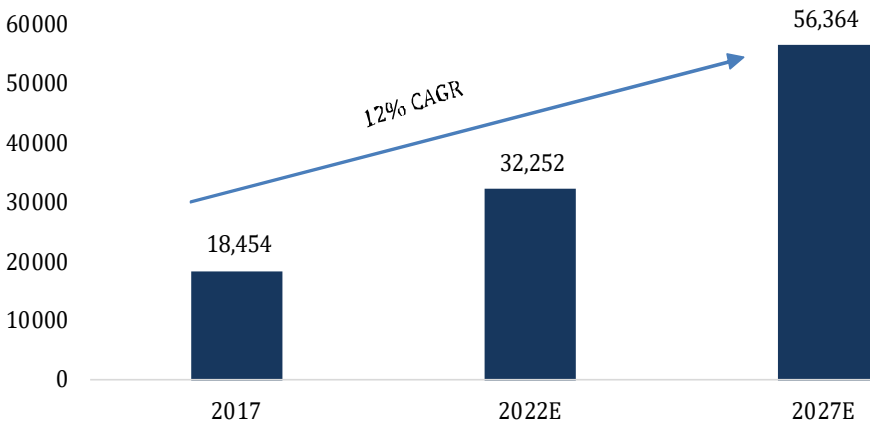
Source: Company, Geojit Research.

India's innerwear market is expected to grow at 10% CAGR over FY2017-2027

The innerwear category, estimated to be worth Rs27,931cr, accounts for 10 percent of the total apparel market. It is expected to grow at an impressive CAGR of 10% over the next decade to reach Rs74,258cr. In recent years, the women's innerwear segment has grown consistently and was estimated to be worth Rs18,454cr. It is expected to grow at an impressive CAGR of 12% over the next decade to reach Rs56,364cr by 2027. The men's innerwear market, which is estimated to be worth Rs9,477cr in the year 2017, is estimated to grow at a CAGR of 6% to reach Rs17,894cr by 2027.

Women's innerwear constitute a major chunk in the pie of about 66% while Men's and Kids innerwear together contribute 34%. It is expected that the dominance of women's innerwear market share to increase further to 76% due to shift from price sensitive to fit and comfort.

India Innerwear market (Rs.cr)



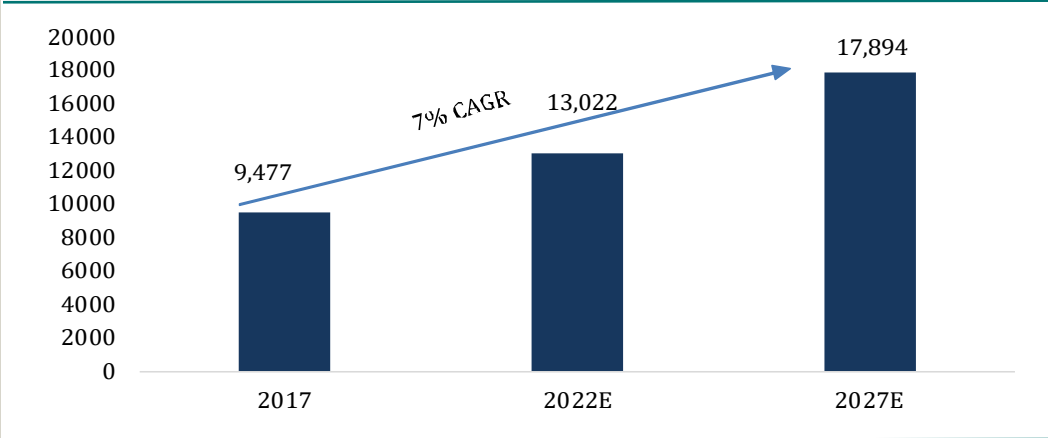
Source: Company, Geojit Research.

Women’s innerwear segment will continue to gain dominance in the innerwear market with 76% market share by 2027 as compared to 66% in 2017.

Jockey is currently having 19-20% market in men’s innerwear market. Due to its growing demand company is setting up a manufacturing plant at Anantapur, operation will commence from Q4FY21.

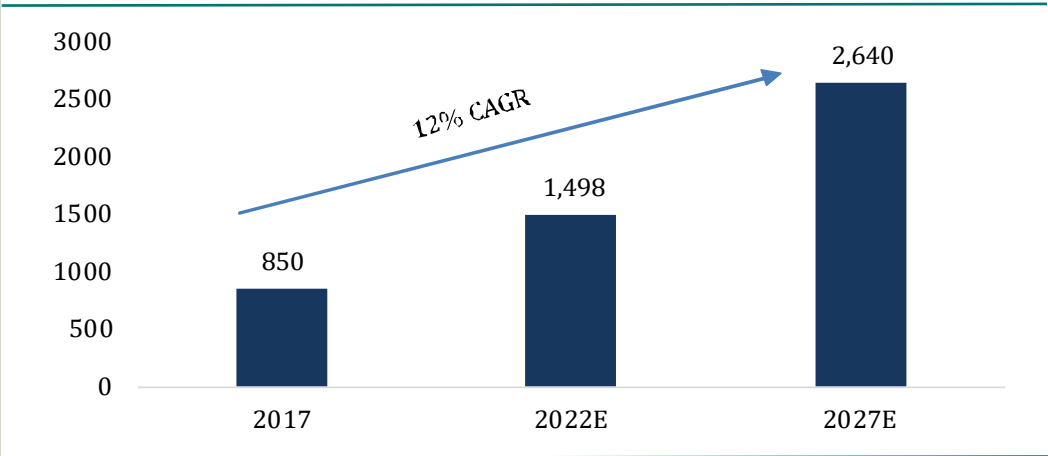
Page introduces a new business vertical for Jockey Junior (Kids) with a range of products. Currently Page has 2% penetration in Kids business, Company expects, increasing brand consciousness and spending on kids will help to gain an exponential growth in this verticals.

Women’s innerwear expected to grew 12% CAGR over 2017-2027 (Rs.cr)



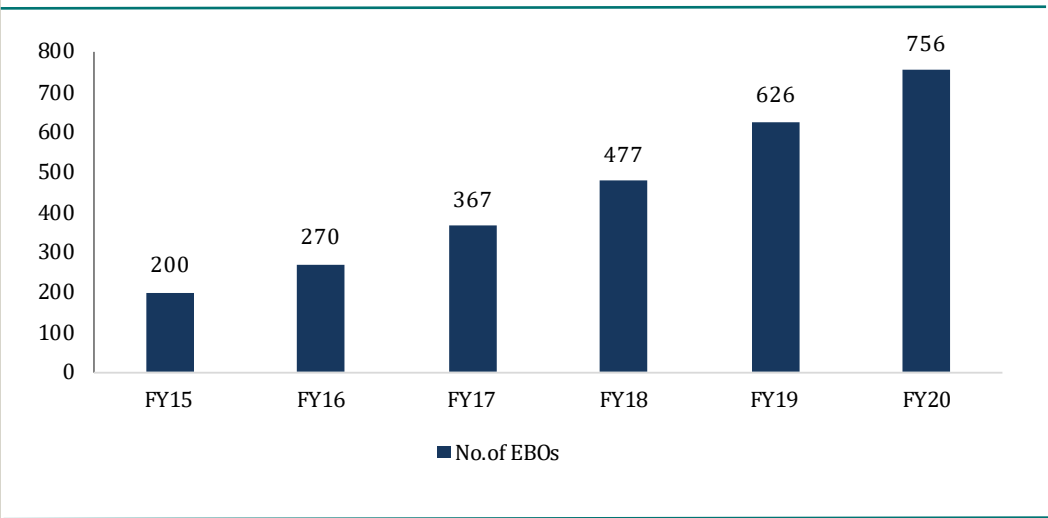
Source: Company, Geojit research

Men’s innerwear expected to grew 7% CAGR over 2017-2027 (Rs.cr)



Source: Company, Geojit research

Kid’s innerwear expected to grew 12% CAGR over 2017-2027 (Rs.cr)



Source: Company, Geojit Research.

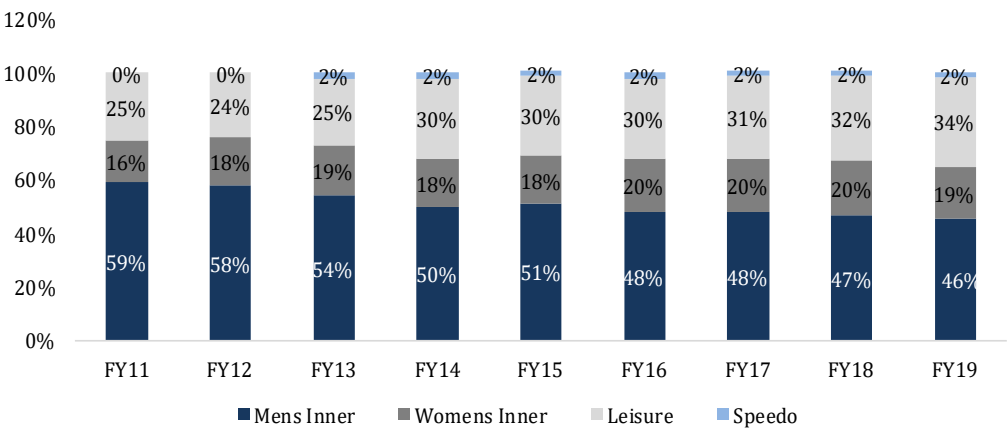
We expect growth in the innerwear market to be driven by women's segment in the next decade.

Management is confident that the Speedo business would experience healthy growth in the years to come.

Women's & Leisure wear segment gaining traction

During the last three years, the contribution from men's segment has been gradually decreasing, from 51% in FY15 to 46% FY19. While the women's & leisure wear segment contribution is picking up from 18%/30% in FY15 to 19.4%/34% in FY19. In FY19, company launched 9 'Jockey Woman' EBOs catering exclusively to women customers. It also launched new athleisure product range and enhanced socks manufacturing facility. We expect growth in the innerwear market to be driven by women's segment in the next decade, as branded players focus on capturing market share from the unorganized players. In the men's segment, volume would grow in the mid to high single digits, due to a comparatively high market penetration than the other segments.

Women's & Leisure wear mix to improve...



Source: Company, Geojit Research.

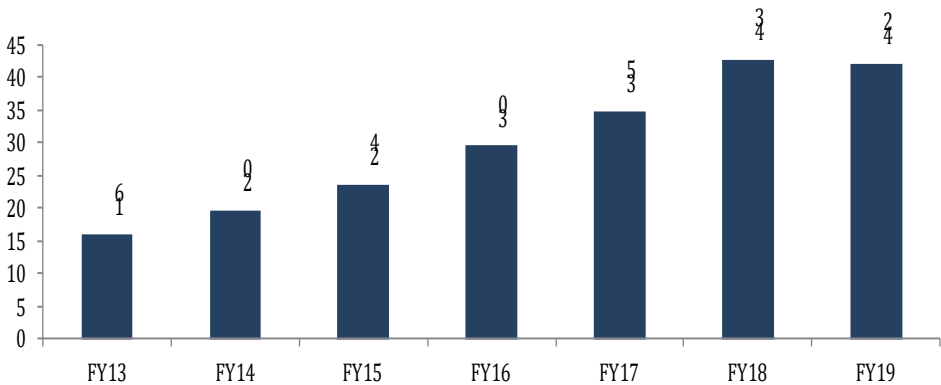
New launches

A new MOVE range for Men and Women was launched by Jockey to strengthen the Active Outerwear category. The MOVE range includes products like tank tops, t-shirts, jackets, shorts and track pants for men. For women, it has introduced sports bras, t-shirts, jackets leggings and yoga pants. In addition, Miss Jockey Collection, an innerwear brand, was launched for teenagers during the year.

Opportunity seen in Speedo swimwear

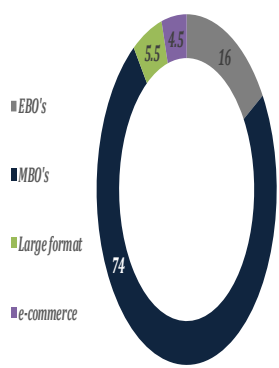
The Speedo brand has achieved a turnover of Rs42cr in FY19. Speedo brand is available in 1,299 stores including 42 EBO's and 46 Large Format Stores, spread across 155 cities. Company says that studies by AC Nielsen, show a promising and fast evolving market for both swimwear and swim equipment. Management is confident that the Speedo business would experience healthy growth in the years to come as Speedo becomes a dominant brand in the premium swimwear market.

Speedo's strong performance to continue (Rs cr)



Source: Company, Geojit Research.

Channel wise revenue contribution. (FY19)

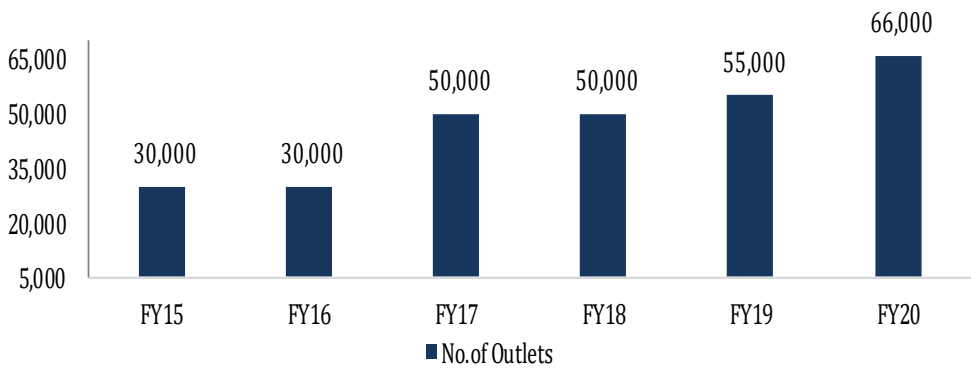


Extensive distribution network...

Jockey brand is distributed in 2,850+ cities and towns. The products are sold through Exclusive Brand Outlets (EBO), Large Format Stores (LFS), Multi Brand Outlets (MBO), Traditional hosiery stores and Multi-purpose stores. The Jockey brand is available in over 66,000+ outlets spread across India. During the year 2019-2020, the Company through its authorised franchisees opened 150 EBOs including 37 'Jockey Woman' EBOs catering exclusively to women customers, taking the total number of EBOs to 756. These outlets are spread throughout India covering even Tier II and Tier III cities. This is an indicator of the growth potential of the Jockey brand in such cities.

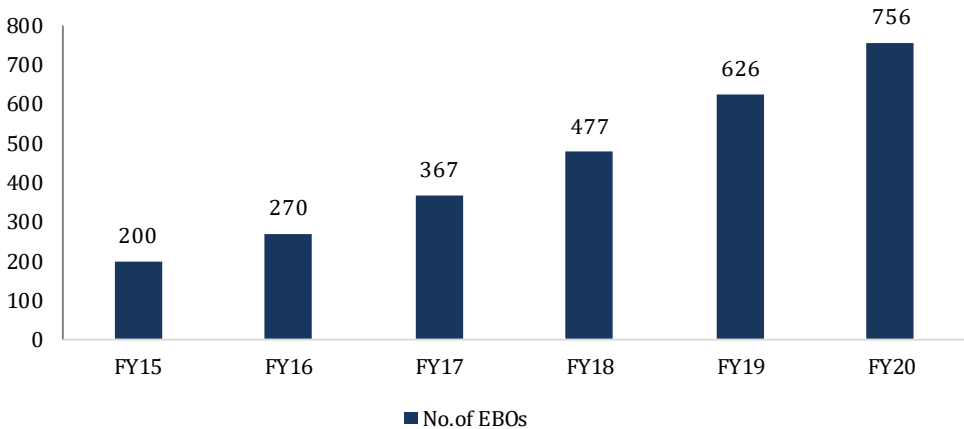
The online retail business has also showed significant growth through www.jockeyindia.com as well as with key e-commerce partners and marketplace, crossing the milestone of Rs100cr revenue from this channel.

Over 66,000 + outlets...



Source: Company, Geojit Research.

Aggressive on store expansion...



Source: Company, Geojit Research.

Automatic Replenishment System (ARS) for better SKU

The Auto Replenishment System (ARS) is being implemented across distributor's in-order to ensure efficient level of stocks to be kept in each store. The process will lead to a reduction in the inventory days and get good control over Stock Keeping Unit (SKU) for each store to avoid any loss of sales due to non-availability of goods.

Page is focusing on widening its distribution network in anticipation of growing demand and targeted to open 1000 EBO's in next two to three years. Management is very aggressive on opening number of stores to reach maximum more footfalls.

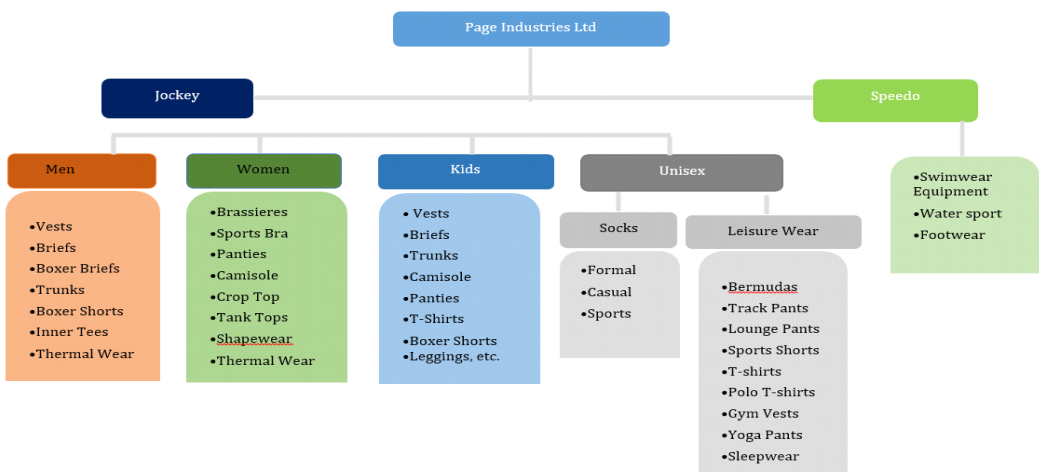
The Jockey brand is available in over 66,000+ outlets spread across India.

About the company

Page Industries Ltd. is engaged in the manufacturing, distribution and marketing of Innerwear, Athleisure, Sleepwear and Swimwear for men, women and kids. The company is the exclusive licensee of Jockey International Inc. (USA) in India, Sri Lanka, Bangladesh, Nepal, UAE, Oman and Qatar, and for Speedo International Limited (UK) in India and Sri Lanka.

Jockey brand is distributed in 2,850+ cities and towns. The products are sold through Exclusive Brand Outlets (EBO), Large Format Stores (LFS), Multi Brand Outlets (MBO), Traditional hosiery stores and Multi-purpose stores. The Jockey brand is available in over 66,000+ outlets spread across India. Besides it operates 6 EBOs outside India (4 in UAE and 2 in Sri Lanka).

Page’s brands & products



Source: Company, Geojit Research.

Key management personnel

Name	Designation	Qualification	Experience
Sunder Genomal	Promoter & MD	M.Tech (Industrial Engineering)	Three decades of experience in various facets of the Textile Industry
Nari Genomal	Promoter & non ED	M.Com (Philippines)	Four decades of experience in various facets of the Textile Industry
Ramesh Genomal	Promoter & non ED	MBA (New York)	Three decades of experience in Textile & garment industry
Vedji Ticku	CEO & ED	B.E. (Mech)	Three decades of experience in Sales, Marketing, Operations and Corporate Affairs
Shamir Genomal	Deputy	BBA	Decade+ years' experience in various facets of Textile Industry.
Chandrasekar K	CFO	CA & CWA	Three decades years of experience in Finance, Taxation and strategic Business Planning

Source: Company, Geojit Research.

Risks & concerns...

- Any further delay in economic revival could impact consumer’s discretionary spending, which lead to sluggish demand for innerwear.
- Higher competition both from foreign and regional players may impact company’s performance.
- Adverse raw-material price movement would pose a short term margin threat to the company.

We expect turnaround in H2FY21 due to improvement in economy and gradual change in sales mix in-favour of high priced leisure wear, swimwear and women's innerwear.

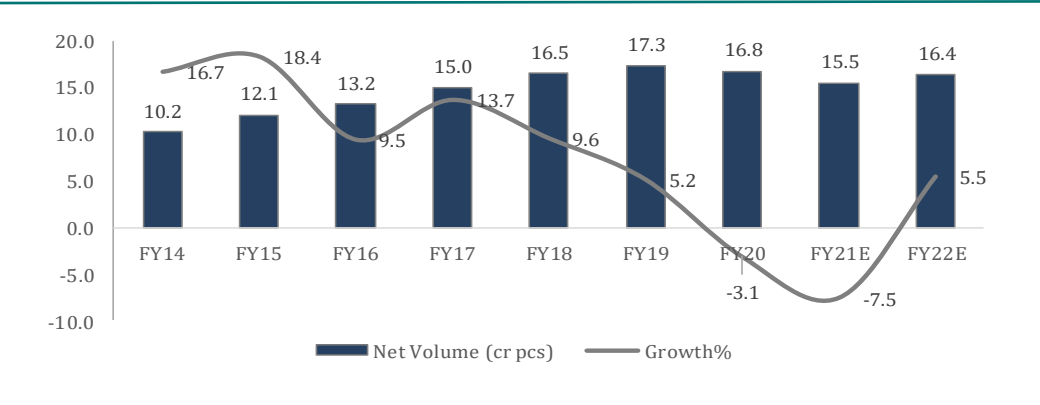
Page's average EBITDA margin for last five years stood at 20.8%, which is superior to industry's average margin of ~13%-15%.

Financials...

Revenue to grow at 5% CAGR over FY20-FY22E...

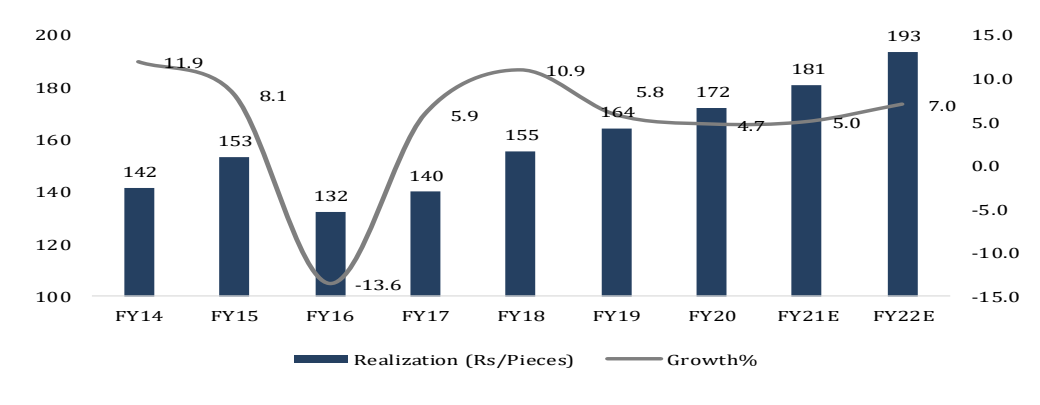
In FY19, revenue growth witnessed a contraction of 11.8% to Rs 2,852cr as compared to 19.8% YoY growth shown in FY18. Weak consumption demand and poor footfalls due to slowdown in economy impacted the top-line. This is attributed to 5.2% YoY volume growth (17.3 cr pieces) and 5.8% YoY blended realization growth (Rs164/ piece). Product-wise, Men's, Women's, Leisure & Speedo accounted for 45.5%, 19.4%, 33.6% & 1.5% respectively. Page's FY20 revenue growth remain subdued at 3.3% YoY to Rs 2,945cr due to Covid led disruptions in Q4FY20. The realization improved 4.7% YoY (Rs.172/piece) while volume declined by -3.1% due to fall in retail footfalls. The trend is likely to continue in the near term due to impact of COVID-19 on demand and reduction in discretionary spending. We expect turnaround in H2FY21 due to improvement in economy and gradual change in sales mix in-favour of high priced leisure wear, swimwear and women's innerwear. We factor 5% revenue CAGR over FY20-FY22E with average realization of 5% to 7% respectively.

Trend in volume growth



Source: Company, Geojit Research.

Trend in realization



Source: Company, Geojit research

Superior margin profile among peers...

Owing to operating efficiency & better distribution management, PAGE has one of the highest operating margins among the comparable peers. Its average EBITDA margin for last five years stood at 20.8%, which is superior to industry's average margin of ~13%-15%. Going forward, we expect only a moderate improvement in margins despite higher gross margins due to higher mix of inferior products and higher incentives to mitigate competition, spending on advertisement and promotional activity and general slowdown in the economy. We factor EBITDA margin to be in the range of 19% to 21% over FY21E-FY22E.

We expect the premium valuation to sustain due to pick up in earnings growth helped by lower tax rate & better margins and expected revival in economy.

Better among peers...

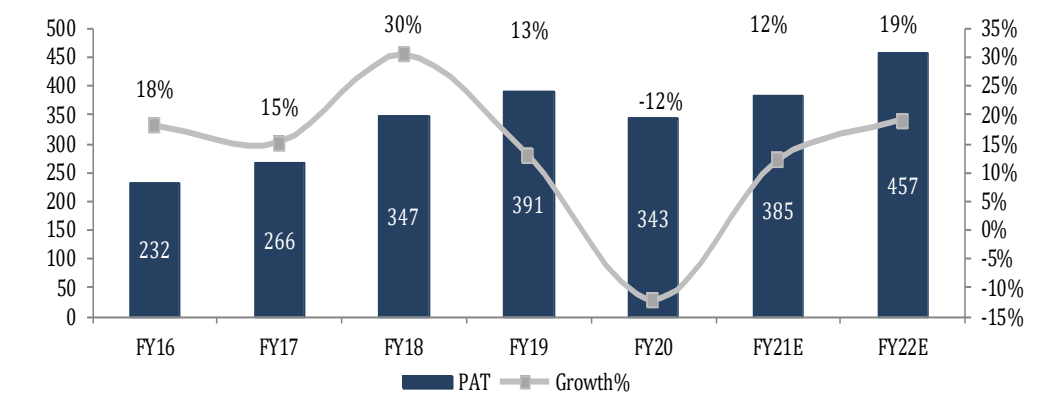
M-cap		Revenue			EBITDA Margin%		ROE %		1yr Fwd P/E
Company		FY19	FY20	Growth %	FY19	FY20	FY19	FY20	
Page Industries	29,324	2,852	2,945	3%	21.6	18.1	46	48	67
LUX Industries	3,717	1,216	1,210	-1%	15.4	15.7	24	25	19
Rupa	1,799	1,108	941	-15%	15.7	14.0	16	16	8
Dollar Industries	890	1,031	974	-6%	13.4	11.2	19	18	11

Source: Bloomberg, Geojit Research.

Better margins & lower tax lead to profitability...

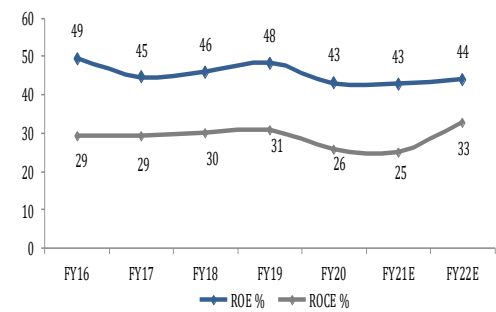
Over the last five years, PAT grew at a CAGR of 18% while net margin improved by 101bps to 13.7% over the same period. Higher realization and improvement in volume growth was partially offset by higher tax rate of 35% (183bps increase during the last five years). On the other hand, higher asset turnover ratio, higher dividend payout and better working capital management led to consistent improvement in ROE/ROCE. The net profit margin has improved from 12.7% in FY15 to 13.7% in FY19. The company has consistent record in delivering value creation for shareholders. The company would endeavor to maintain a dividend pay-out of ~50% of PAT, during FY19 dividend pay-out ratio improved to 98% compared to 42% in FY18. Management feels that the Company is going to continue the similar pay-outs around 50% without hampering growth prospects. The company was able to maintain its debt free statue consistently. We expect that the premium valuation to sustain due to pick up in earnings growth helped by lower tax rate & better margins and expected revival in economy. We expect PAT to grow at a CAGR of 15% over FY20-FY22E while net profit margin to improve by 251bps to 14.2% over the same period.

PAT CAGR of 15% over FY20-FY22E...

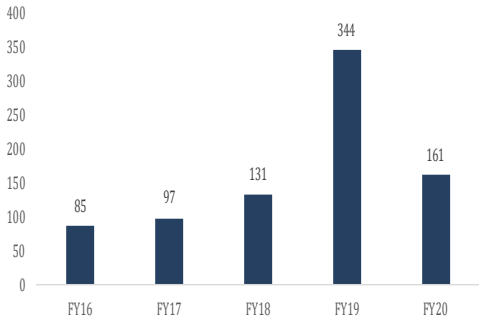


Source: Company, Geojit Research.

Healthy return ratios...



Dividend per share



Source: Company, Geojit Research.

Consolidated Financials

PROFIT & LOSS

Y.E March (Rs Cr)	FY18A	FY19A	FY20A	FY21E	FY22E
Sales	2,552	2,852	2,945	2,872	3,231
% change	20	12	3	-3	13
EBITDA	541	617	533	551	653
% change	31	14	-14	4	18
Depreciation	28	31	61	65	69
EBIT	513	586	471	486	584
Interest	17	16	34	5	5
Other Income	22	36	25	35	35
PBT	518	606	462	516	614
% change	31	17	-24	12	19
Tax	171	212	119	132	157
Tax Rate (%)	33	35	26	26	26
Reported PAT	347	394	343	385	457
Adj.*	0	-3	0	0	0
Adj. PAT	347	391	343	385	457
% change	30.3	12.7	-12.2	12.1	18.9
No. of shares (cr)	1.1	1.1	1.1	1.1	1.1
Adj EPS (Rs)	311.1	350.6	307.7	344.9	410.1
% change	30.3	13	-12	12	19
DPS (Rs)	131.0	344.0	161.0	180.0	250.0

BALANCE SHEET

Y.E March (Rs Cr)	FY18A	FY19A	FY20A	FY21E	FY22E
Cash	67	44	117	325	419
Accounts Receivable	148	124	74	94	106
Inventories	568	750	719	802	888
Other Cur. Assets	318	116	169	197	221
Investments	0	0	0	0	0
Gross Fixed Assets	292	385	435	485	505
Net Fixed Assets	230	295	402	273	224
CWIP	59	7	29	5	5
Intangible Assets	8	6	3	3	2
Def. Tax (Net)	-11	-13	0	2	5
Other Assets	15	9	0	0	0
Total Assets	1,401	1,338	1,513	1,701	1,871
Current Liabilities	468	465	629	680	721
Provisions	23	16	27	28	27
Debt Funds	50	73	27	22	17
Minority Interest	13	9	9	0	0
Equity Capital	11	11	11	11	11
Reserves & Surplus	836	764	809	961	1,096
Shareholder's Fund	847	775	820	972	1,108
Total Liabilities	1,401	1,338	1,513	1,701	1,871
BVPS	760	695	735	872	993

CASH FLOW

Y.E March (Rs Cr)	FY18A	FY19A	FY20A	FY21E	FY22E
Net inc. + Depn.	545	637	523	582	683
Non-cash adj.	-148	-189	-97	-129	-155
Changes in W.C	70	-166	204	-81	-83
C.F.O	453	230	654	407	480
Capital exp.	-57	-38	-27	-72	-18
Change in inv.	-307	-485	0	0	0
Other invest.CF	0	0	9	0	0
C.F - investing	-238	192	-43	-107	-53
Issue of equity	0	0	0	0	0
Issue/repay debt	-21	28	-46	-5	-5
Dividends paid	-162	-454	-272	-232	-322
Other finance.CF	0	0	0	-9	0
C.F - Financing	-188	-443	-566	-65	-332
Chg. in cash	27	-22	45	234	95
Closing cash	67	44	90	325	419

RATIOS

Y.E March	FY18A	FY19A	FY20A	FY21E	FY22E
Profitab. & Return					
EBITDAmargin (%)	21.2	21.6	18.1	19.2	20.2
EBIT margin (%)	20.1	20.5	16.0	16.9	18.1
Net profit mgn.(%)	13.6	13.7	11.7	13.4	14.2
ROE (%)	45.9	48.2	43.0	42.9	44.0
ROCE (%)	30.0	30.7	25.6	24.9	32.7
W.C & Liquidity					
Receivables (days)	18.6	17.4	12.2	10.7	11.3
Inventory (days)	200.0	201.0	204.5	218.1	216.9
Payables (days)	48.2	44.2	19.5	30.1	53.9
Current ratio (x)	2.2	2.1	1.6	2.0	2.2
Quick ratio (x)	0.5	0.4	0.3	0.1	0.1
Turnover &Levg.					
Gross asset T.O (x)	9.1	8.4	7.2	6.2	6.5
Total asset T.O (x)	2.0	2.1	2.1	1.8	1.8
Int. covge. ratio (x)	30.8	36.0	13.9	99.9	125.7
Adj. debt/equity (x)	0.06	0.09	0.0	0.0	0.0
Valuation ratios					
EV/Sales (x)	8.9	8.0	7.7	7.8	6.9
EV/EBITDA (x)	41.9	36.8	42.4	40.5	34.1
P/E (x)	65.3	57.9	66.0	58.9	49.5
P/BV (x)	27.0	29.4	27.7	23.4	20.5

PRICE HISTORY



Source: Bloomberg, Geojit Research.

Dates	Rating	Target
24 -Aug- 2020	Buy	24,605

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%
Not rated			

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note.

Accumulate: Partial buying or to accumulate as CMP dips in the future.

Hold: Hold the stock with the expected target mentioned in the note.

Reduce: Reduce your exposure to the stock due to limited upside.

Sell: Exit from the stock.

Not rated: The analyst has no investment opinion on the stock.

To satisfy regulatory requirements, we attribute ‘Accumulate’ as Buy and ‘Reduce’ as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

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