

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR2,058      TP: INR2,485 (+21%)      Buy**

### Cost pressures hurt; increasing focus on green energy

#### RMC segment reports an improved performance

- ACC's 1QCY22 result was weak as anticipated as energy costs continue to remain at elevated levels. Variable cost/t rose 29% YoY, but fell 2.6% QoQ. Higher cost led to a 26% YoY decline in EBITDA and a 5.7pp YoY drop in OPM. Profit fell 30% YoY.
- The better performance of the RMC segment (EBIT margin of 7% v/s 4.6% in 4QCY21), along with higher other operating income, helped ACC to marginally beat our EBITDA estimate by 3%. Profit at INR3.9b was 8% above our estimate.
- We have left unchanged our CY22E/CY23E earnings estimates. Despite near-term challenges due to higher coal/petcoke prices, we maintain our positive stance on the sector given the robust demand outlook. ACC's capex plans are progressing as per schedule. We maintain our Buy rating on attractive valuations (CY23E EV/EBITDA of 9.1x and EV/t of USD112).

#### Volume (-3% YoY) and realization (+5%) each 1% below our estimate

- Revenue/EBITDA/adjusted PAT stood at INR44.3b/INR6.3b/INR3.9b (+3%/-26%/-30% YoY and +1%/+3%/+8% v/s our estimate). Cement sales volumes fell 3% YoY (up 3% QoQ) to 7.71mt (est. 7.79mt). RMC sales volumes were up 5% YoY to 0.87cubic meters (8% above our estimate).
- Grey Cement realization improved by 5% YoY (but was flat QoQ, 1% below our estimate). Blended realization rose 7% YoY and 2% QoQ on higher RMC revenue (up 10% YoY and 19% QoQ).
- Blended cost/t grew 14% YoY (flat QoQ), led by higher variable costs (higher coal/petcoke prices). Other expenditure/t rose 7% YoY due to an increase in packaging costs, while employee cost/t fell 3% YoY.
- Impacted by higher costs, blended EBITDA/t stood at INR822 v/s INR1,078/INR741 in 1QCY21/4QCY21 (est. INR746/t).

#### Highlights from the management commentary

- Cement demand should improve, led by: 1) affordable housing under the PMAY scheme (Urban and Rural) and a likely pick-up in Real Estate, 2) government's Infrastructure projects, and 3) likely pick-up in industrial/commercial demand, led by implementation of production-linked schemes, increase in Warehousing space due to the e-commerce boom, and improvement in the industry-capex cycle.
- Grinding capacity of 1.6mtpa in Tikaria, Uttar Pradesh (UP) was commissioned in Feb'22. The integrated plant with a clinker/grinding capacity of 2.7mtpa/1mtpa in Ametha (Madhya Pradesh), along with 16.3MW of WHRS (Waste Heat Recovery System), is expected to be commissioned by 4QCY22. A grinding unit of 2.2mtpa in Sonbhadra, UP is expected to get commissioned by 1HCY23.

Bloomberg	ACC IN
Equity Shares (m)	188
M.Cap.(INRb)/(USDb)	386.4 / 5.1
52-Week Range (INR)	2588 / 1784
1, 6, 12 Rel. Per (%)	-1/0/-8
12M Avg Val (INR M)	1229

#### Financials & Valuations (INR b)

Y/E Dec	2021	2022E	2023E
Sales	161.5	169.8	177.0
EBITDA	30.0	24.9	33.6
Adj. PAT	18.9	14.8	20.8
EBITDA Margin (%)	18.6	14.7	19.0
Adj. EPS (INR)	100.5	78.7	110.8
EPS Gr. (%)	28.2	(21.7)	40.7
BV/Sh. (INR)	756.9	777.6	866.4

#### Ratios

Net D:E	-0.5	-0.4	-0.5
RoE (%)	14.1	10.3	13.5
RoCE (%)	14.0	10.3	13.4
Payout (%)	59.9	27.9	22.6

#### Valuations

P/E (x)	20.5	26.1	18.6
P/BV (x)	2.7	2.6	2.4
EV/EBITDA(x)	10.0	12.2	9.1
EV/ton (USD)	121.6	118.1	112.0
Div. Yield (%)	2.8	1.1	1.2
FCF Yield (%)	4.3	0.0	5.2

#### Shareholding pattern (%)

As On	Mar-22	Dec-21	Mar-21
Promoter	54.5	54.5	54.5
DII	20.1	19.4	20.3
FII	12.8	13.8	12.7
Others	12.6	12.3	12.4

FII Includes depository receipts

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- WHRS of 24MW (10MW in Jamul, Chhattisgarh and 14MW in Kymore, Madhya Pradesh) is on track and is expected to get commissioned in 2QCY22. New WHRS projects (~29MW) at Chanda (Maharashtra) and Wadi (Karnataka) have been finalized. ACC's total WHRS capacity will increase to 75MW from the current 7.5MW.

#### Capacity expansion and cost improvement measures should help; Buy

- We expect ACC to benefit from its capacity expansion plans in Central India. Benefits from cost-saving strategies (Project Parvat and MSA with ACEM) are expected to continue going forward. The management had earlier expected further cost savings of INR100-150/t from these initiatives.
- The company is well-placed to pursue growth opportunities as it will have a net cash of INR79b in CY23E v/s INR74.4b in CY21, despite a growth capex of INR30b over CY22-23E. The management said it will increase capacity to 45-50mtpa over the next two-to-three years.
- ACC trades at 12.2x/9.1x CY22E/CY23E EV/EBITDA and USD118/USD112 CY22E/CY23E EV/t. We value ACC at 11.5x CY23E EV/EBITDA (v/s its 10-year average EV/EBITDA of 12x) to arrive at our TP of INR2,485. We maintain our **Buy** rating on the stock. In the near-term, news flows regarding Holcim's possible exit from India will keep the stock in focus.

#### Standalone quarterly performance

Y/E December	(INR m)											
	CY21				CY22E				CY21	CY22E	CY22E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	(%)	
Cement Sales (mt)	7.97	6.84	6.57	7.49	7.71	7.32	6.89	7.55	28.89	29.47	7.79	(1)
YoY Change (%)	21.5	43.7	1.2	(2.9)	(3.3)	7.1	4.8	0.8	13.2	2.0	(2.3)	
<b>Net Sales</b>	<b>42,919</b>	<b>38,848</b>	<b>37,489</b>	<b>42,258</b>	<b>44,265</b>	<b>42,584</b>	<b>39,432</b>	<b>43,552</b>	<b>1,61,514</b>	<b>1,69,832</b>	<b>43,916</b>	1
YoY Change (%)	22.6	49.4	6.0	2.0	3.1	9.6	5.2	3.1	17.2	5.2	2.3	
Total Expenditure	34,325	30,101	30,376	36,707	37,928	37,870	33,917	35,221	1,31,510	1,44,936	38,065	
<b>EBITDA</b>	<b>8,594</b>	<b>8,747</b>	<b>7,113</b>	<b>5,551</b>	<b>6,337</b>	<b>4,714</b>	<b>5,515</b>	<b>8,331</b>	<b>30,004</b>	<b>24,897</b>	<b>6,123</b>	3
Margin (%)	20.0	22.5	19.0	13.1	14.3	11.1	14.0	19.1	18.6	14.7	13.9	37
Depreciation	1,424	1,456	1,497	1,596	1,531	1,531	1,538	1,907	5,973	6,507	1,604	
Interest	112	134	171	129	106	106	106	208	546	525	130	
Other Income	432	447	640	529	576	547	601	306	2,048	2,030	475	
<b>PBT before EO Item</b>	<b>7,489</b>	<b>7,604</b>	<b>6,085</b>	<b>4,355</b>	<b>5,276</b>	<b>3,625</b>	<b>4,472</b>	<b>6,522</b>	<b>25,533</b>	<b>19,895</b>	<b>4,864</b>	8
EO Income/(Expense)	-	(381)	-	(548)	-	-	-	-	(929)	-	-	
<b>PBT after EO Item</b>	<b>7,489</b>	<b>7,223</b>	<b>6,085</b>	<b>3,807</b>	<b>5,276</b>	<b>3,625</b>	<b>4,472</b>	<b>6,522</b>	<b>24,604</b>	<b>19,895</b>	<b>4,864</b>	8
Tax	1,915	1,885	1,594	1,007	1,358	933	1,151	1,651	6,401	5,093	1,245	
Rate (%)	25.6	26.1	26.2	26.5	25.7	25.7	25.7	25.3	26.0	25.6	25.6	
<b>Reported PAT</b>	<b>5,574</b>	<b>5,338</b>	<b>4,490</b>	<b>2,800</b>	<b>3,918</b>	<b>2,692</b>	<b>3,321</b>	<b>4,871</b>	<b>18,203</b>	<b>14,802</b>	<b>3,619</b>	8
<b>Adjusted PAT</b>	<b>5,574</b>	<b>5,597</b>	<b>4,490</b>	<b>3,172</b>	<b>3,918</b>	<b>2,692</b>	<b>3,321</b>	<b>4,871</b>	<b>18,834</b>	<b>14,802</b>	<b>3,619</b>	8
Margin (%)	13.0	14.4	12.0	7.5	8.9	6.3	8.4	11.2	11.7	8.7	8.2	
YoY Change (%)	59.3	89.2	12.4	(26.1)	(29.7)	(51.9)	(26.0)	53.5	27.7	(21.4)	(35.1)	

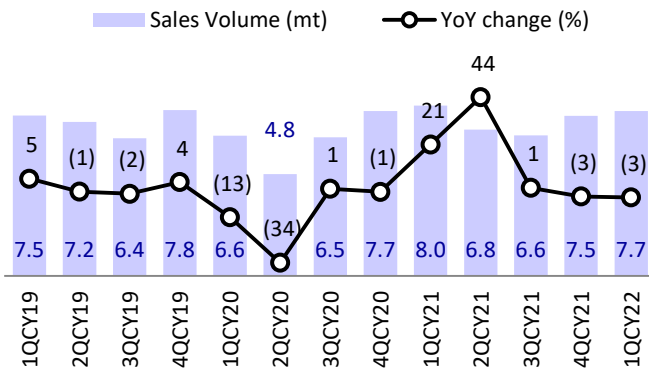
#### Per tonne analysis (including RMC)

	CY21				CY22E				CY21	CY22E	CY22E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	(%)	
<b>Blended Realization</b>	<b>5,385</b>	<b>5,680</b>	<b>5,706</b>	<b>5,642</b>	<b>5,741</b>	<b>5,814</b>	<b>5,727</b>	<b>5,770</b>	<b>5,591</b>	<b>5,763</b>	<b>5,638</b>	2
YoY Change (%)	0.9	3.9	4.7	5.0	6.6	2.4	0.4	2.3	3.5	3.1	4.7	
Increase/Decrease in stock	(78)	(310)	(181)	293	(74)	-	-	-	(60)	(3)	-	
Raw Material	1,014	1,045	1,131	1,035	1,243	1,110	1,110	1,192	1,053	1,145	1,160	7
Staff Cost	258	305	330	271	250	263	280	384	289	294	272	(8)
Power and fuel	1,009	1,212	1,198	1,255	1,348	1,598	1,348	1,025	1,163	1,320	1,390	(3)
Freight	1,366	1,352	1,317	1,289	1,367	1,430	1,370	1,325	1,331	1,371	1,310	4
Other expenditure	737	797	828	758	786	790	870	739	777	776	760	3
<b>Total Expenditure</b>	<b>4,307</b>	<b>4,401</b>	<b>4,623</b>	<b>4,901</b>	<b>4,919</b>	<b>5,191</b>	<b>4,978</b>	<b>4,666</b>	<b>4,552</b>	<b>4,918</b>	<b>4,892</b>	1
<b>EBITDA</b>	<b>1,078</b>	<b>1,279</b>	<b>1,083</b>	<b>741</b>	<b>822</b>	<b>623</b>	<b>749</b>	<b>1,104</b>	<b>1,039</b>	<b>845</b>	<b>746</b>	10

Source: Company, MOFSL Estimates

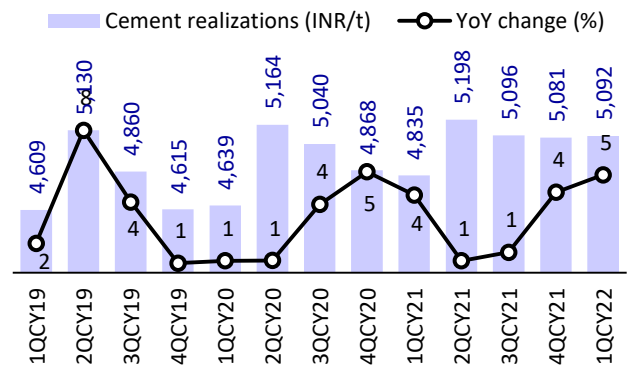
Story in charts

Exhibit 1: Sales volumes fell 3% YoY, but rose 3% QoQ



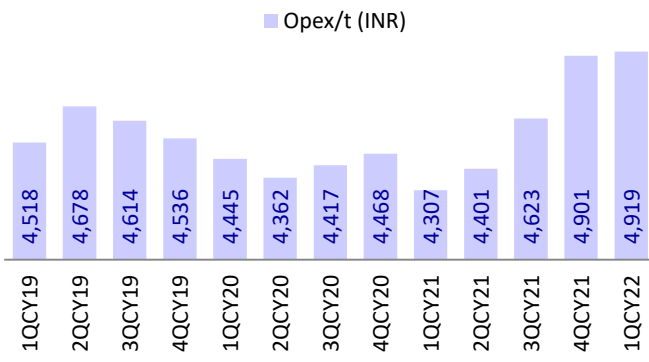
Source: Company, MOFSL

Exhibit 2: Cement realization up 5% YoY, but flat QoQ



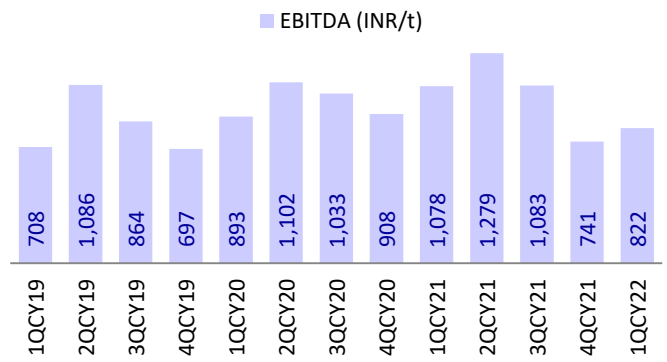
Source: Company, MOFSL

Exhibit 3: Opex/t up 14% YoY on higher variable costs



Source: Company, MOFSL

Exhibit 4: EBITDA/t fell 24% YoY on higher opex



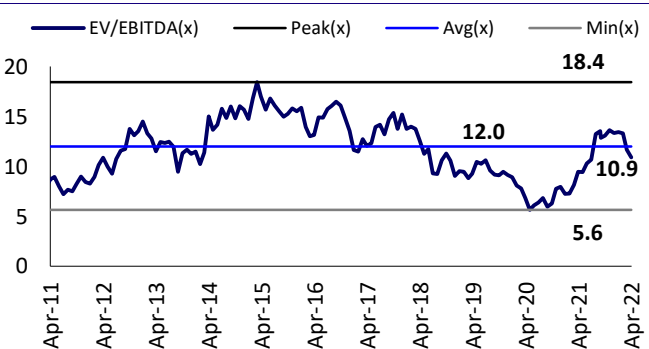
Source: Company, MOFSL

Exhibit 5: Key performance indicators (including the RMC business)

INR/t	1QCY22	1QCY21	YoY (%)	4QCY21	QoQ (%)
<b>Blended realization</b>	<b>5,741</b>	<b>5,385</b>	<b>7</b>	<b>5,642</b>	<b>2</b>
Cement realization	5,092	4,835	5	5,081	0
Raw materials	1,169	936	25	1,328	(12)
Staff cost	250	258	(3)	271	(8)
Power	1,348	1,009	34	1,255	7
Freight	1,367	1,366	0	1,289	6
Other expenditure	786	737	7	758	4
<b>Total cost</b>	<b>4,919</b>	<b>4,307</b>	<b>14</b>	<b>4,901</b>	<b>0</b>
<b>EBITDA</b>	<b>822</b>	<b>1,078</b>	<b>(24)</b>	<b>741</b>	<b>11</b>

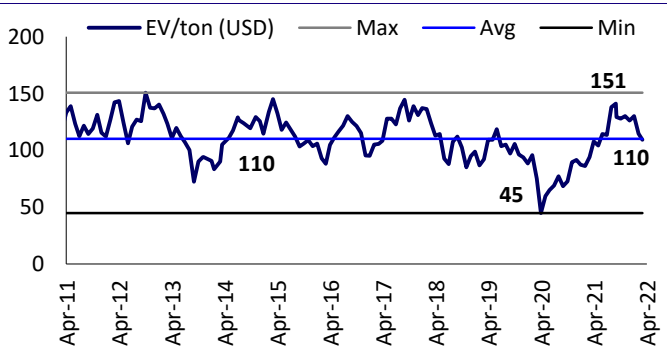
Source: Company, MOFSL

Exhibit 6: One-year forward EV/EBITDA trend



Source: Company, MOFSL

Exhibit 7: One-year forward EV/t trend



Source: Company, MOFSL

## Standalone financials and valuations

Income Statement							(INR m)	
Y/E December	CY16	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E
<b>Net Sales</b>	<b>1,09,897</b>	<b>1,32,846</b>	<b>1,48,014</b>	<b>1,56,567</b>	<b>1,37,845</b>	<b>1,61,514</b>	<b>1,69,832</b>	<b>1,77,013</b>
Change (%)	(6.8)	20.9	11.4	5.8	(12.0)	17.2	5.2	4.2
<b>EBITDA</b>	<b>14,737</b>	<b>19,091</b>	<b>20,446</b>	<b>24,095</b>	<b>24,811</b>	<b>30,004</b>	<b>24,897</b>	<b>33,613</b>
Change (%)	(4.1)	29.5	7.1	17.8	3.0	20.9	(17.0)	35.0
Margin (%)	13.4	14.4	13.8	15.4	18.0	18.6	14.7	19.0
Depreciation	6,052	6,401	5,996	6,030	6,353	5,973	6,507	7,068
Int. and Fin. Charges	826	1,023	892	862	570	546	525	547
Other Income - Rec.	1,283	1,317	1,385	3,112	2,040	2,048	2,030	2,000
<b>PBT Before EO Item</b>	<b>9,143</b>	<b>12,984</b>	<b>14,943</b>	<b>20,315</b>	<b>19,927</b>	<b>25,533</b>	<b>19,895</b>	<b>27,998</b>
EO Income/(Expense)	(428)	-	5,006	-	(3,049)	(929)	-	-
<b>PBT After EO Item</b>	<b>8,715</b>	<b>12,984</b>	<b>19,949</b>	<b>20,315</b>	<b>16,878</b>	<b>24,604</b>	<b>19,895</b>	<b>27,998</b>
Tax	2,244	3,829	4,883	6,726	2,728	6,401	5,093	7,167
Tax Rate (%)	25.8	29.5	24.5	33.1	16.2	26.0	25.6	25.6
<b>Reported PAT</b>	<b>6,471</b>	<b>9,154</b>	<b>15,066</b>	<b>13,589</b>	<b>14,149</b>	<b>18,203</b>	<b>14,802</b>	<b>20,830</b>
<b>Adjusted PAT</b>	<b>6,899</b>	<b>9,154</b>	<b>10,060</b>	<b>13,589</b>	<b>14,746</b>	<b>18,899</b>	<b>14,802</b>	<b>20,830</b>
Change (%)	(7.4)	32.7	9.9	35.1	8.5	28.2	(21.7)	40.7
Margin (%)	6.3	6.9	6.8	8.7	10.7	11.7	8.7	11.8

Balance Sheet							(INR m)	
Y/E December	CY16	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E
Share Capital	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880
Fully Diluted Capital	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880
Reserves	86,439	91,775	1,03,397	1,13,333	1,24,735	1,40,404	1,44,303	1,60,997
<b>Net Worth</b>	<b>88,319</b>	<b>93,655</b>	<b>1,05,277</b>	<b>1,15,213</b>	<b>1,26,614</b>	<b>1,42,284</b>	<b>1,46,183</b>	<b>1,62,877</b>
Loans	500	592	0	0	0	0	0	0
Deferred Tax Liability	4,474	5,414	6,631	6,422	3,762	3,827	3,827	3,827
<b>Capital Employed</b>	<b>93,293</b>	<b>99,660</b>	<b>1,11,908</b>	<b>1,21,635</b>	<b>1,30,376</b>	<b>1,46,112</b>	<b>1,50,010</b>	<b>1,66,705</b>
Gross Block	81,295	84,799	88,774	93,972	98,093	1,04,481	1,16,081	1,45,681
Less: Accum. Depn.	6,045	12,389	18,280	24,059	31,507	37,253	43,759	50,827
<b>Net Fixed Assets</b>	<b>75,250</b>	<b>72,410</b>	<b>70,494</b>	<b>69,914</b>	<b>66,586</b>	<b>67,228</b>	<b>72,321</b>	<b>94,854</b>
Capital WIP	2,608	2,617	3,922	4,353	5,453	12,408	20,808	1,208
Investments – Trade	18,098	25,304	28,405	43,869	57,431	72,656	61,656	77,000
Investments in subsidiaries	2,265	2,265	2,265	2,265	2,124	1,743	1,743	1,743
<b>Curr. Assets, Loans, and Adv.</b>	<b>36,175</b>	<b>46,292</b>	<b>55,165</b>	<b>50,421</b>	<b>49,665</b>	<b>55,155</b>	<b>57,944</b>	<b>60,896</b>
Inventory	12,238	14,040	16,786	11,410	9,005	12,733	13,385	13,953
Account Receivables	5,361	6,682	8,683	6,284	4,515	4,892	5,142	5,360
Cash and Bank Balance	1,674	1,687	1,635	1,549	1,562	1,569	1,719	2,370
Others	16,903	23,884	28,062	31,178	34,583	35,961	37,698	39,212
<b>Curr. Liab. and Prov.</b>	<b>41,103</b>	<b>49,229</b>	<b>48,343</b>	<b>49,186</b>	<b>50,883</b>	<b>63,078</b>	<b>64,463</b>	<b>68,996</b>
Account Payables	12,569	18,105	19,227	14,710	14,163	18,992	21,699	24,057
Other Liabilities	22,415	24,515	25,627	28,478	30,189	33,868	33,868	33,868
Provisions	6,119	6,609	3,489	5,998	6,531	10,219	8,896	11,071
<b>Net Current Assets</b>	<b>(4,928)</b>	<b>(2,936)</b>	<b>6,822</b>	<b>1,235</b>	<b>(1,218)</b>	<b>(7,923)</b>	<b>(6,519)</b>	<b>(8,100)</b>
<b>Application of Funds</b>	<b>93,293</b>	<b>99,660</b>	<b>1,11,908</b>	<b>1,21,635</b>	<b>1,30,376</b>	<b>1,46,112</b>	<b>1,50,010</b>	<b>1,66,705</b>

Source: Company, MOFSL

## Standalone financials and valuations

### Ratios

Y/E December	CY16	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>36.7</b>	<b>48.7</b>	<b>53.5</b>	<b>72.3</b>	<b>78.4</b>	<b>100.5</b>	<b>78.7</b>	<b>110.8</b>
Cash EPS	68.9	82.7	85.4	104.4	112.2	132.3	113.3	148.4
BV/Share	469.8	498.2	560.0	612.9	673.5	756.9	777.6	866.4
DPS	17.0	26.0	14.0	14.0	14.0	58.0	22.0	25.0
Payout (%)	49.3	53.3	17.4	19.3	18.6	59.9	27.9	22.6
<b>Valuation (x)</b>								
P/E			38.5	28.5	26.2	20.5	26.1	18.6
Cash P/E			24.1	19.7	18.3	15.6	18.2	13.9
EV/Sales			2.4	2.2	2.3	1.9	1.8	1.7
EV/EBITDA			17.3	14.0	13.0	10.0	12.2	9.1
P/BV			3.7	3.4	3.1	2.7	2.6	2.4
Dividend Yield			0.7	0.7	0.7	2.8	1.1	1.2
EV/t (USD-Cap)			147	142	136	122	118	112
<b>Return Ratios (%)</b>								
RoE	8.0	10.1	10.1	12.3	12.2	14.1	10.3	13.5
RoCE	8.1	10.2	11.3	12.1	13.6	14.0	10.3	13.4
RoIC	10.4	12.7	14.7	16.1	22.5	28.4	21.8	26.0
<b>Working Capital Ratios</b>								
Debtor (Days)	18	18	21	15	12	11	11	11
Asset Turnover (x)	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9
<b>Leverage Ratio</b>								
Debt/Equity ratio (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

### Cash Flow Statement

Y/E December	CY16	CY17	CY18	CY19	CY20	CY21	CY22E	CY23E
<b>(INR m)</b>								
<b>OP/(Loss) before Tax</b>	<b>8,715</b>	<b>12,984</b>	<b>14,943</b>	<b>20,315</b>	<b>16,878</b>	<b>24,604</b>	<b>19,895</b>	<b>27,998</b>
Depreciation	6,052	6,401	5,996	6,030	6,353	5,973	6,507	7,068
Interest and Finance Charges	171	104	-129	0	570	0	0	0
Direct Taxes Paid	(2,717)	(2,177)	(5,265)	(4,462)	(7,064)	(2,849)	(5,093)	(7,167)
(Inc.)/Dec. in WC	1,752	(1,660)	(4,493)	601	5,419	588	(1,256)	2,233
<b>CF from Operations</b>	<b>13,971.6</b>	<b>15,651.4</b>	<b>11,052</b>	<b>22,484</b>	<b>22,156</b>	<b>28,316</b>	<b>20,053</b>	<b>30,131</b>
Others	(171)	(104)	129	-	-	-	-	-
<b>CF from Operations incl. EO</b>	<b>13,801</b>	<b>15,548</b>	<b>11,181</b>	<b>22,484</b>	<b>22,156</b>	<b>28,316</b>	<b>20,053</b>	<b>30,131</b>
(Inc.)/Dec. in FA	(4,976)	(5,194)	(4,951)	(4,935)	(7,252)	(11,509)	(20,000)	(10,000)
<b>Free Cash Flow</b>	<b>8,826</b>	<b>10,354</b>	<b>6,230</b>	<b>17,549</b>	<b>14,904</b>	<b>16,808</b>	<b>53</b>	<b>20,131</b>
(Pur.)/Sale of Investments	(416)	1,348	1,273	1,651	1,886	1,619	11,000	(15,344)
Others	2,576	(262)	(42)	(42)				
<b>CF from Investments</b>	<b>(2,815)</b>	<b>(4,108)</b>	<b>(3,720)</b>	<b>(3,325)</b>	<b>(5,366)</b>	<b>(9,890)</b>	<b>(9,000)</b>	<b>(25,344)</b>
Issue of Shares	2	0	0	0	0	0	0	0
Inc./Dec. in Debt	117	42	-606	0	0	0	0	0
Interest Paid	(478)	(420)	(409)	(572)	(399)	(316)	-	-
Dividend Paid	(3,192)	(3,192)	(2,817)	(2,629)	(2,629)	(2,629)	(10,903)	(4,136)
Others	(650)	(650)	(579)	(540)	(246)	(360)	-	-
<b>CF from Fin. Activity</b>	<b>(4,201)</b>	<b>(4,221)</b>	<b>(4,411)</b>	<b>(3,742)</b>	<b>(3,274)</b>	<b>(3,305)</b>	<b>(10,903)</b>	<b>(4,136)</b>
<b>Inc./Dec. in Cash</b>	<b>6,785</b>	<b>7,219</b>	<b>3,050</b>	<b>15,417</b>	<b>13,516</b>	<b>15,121</b>	<b>149</b>	<b>652</b>
Opening Balance	12,949	19,735	26,954	30,003	45,420	58,936	74,057	74,206
<b>Closing Balance</b>	<b>19,735</b>	<b>26,954</b>	<b>30,003</b>	<b>45,420</b>	<b>58,936</b>	<b>74,057</b>	<b>74,206</b>	<b>74,858</b>

Source: Company, MOFSL

NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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