

Blockbuster performance!

About the stock: Inox Leisure is the second largest player in terms of multiplex screen count in India. Currently, the company operates 692 screens in 163 cinemas in 73 cities in India with an aggregate seating capacity of ~1.55 lakhs seats.

- It is the only national multiplex which enjoys a net debt free balance sheet

Q1FY23 Results: Robust performance was led by strong box office recovery.

- Reported revenue was at ₹ 582.3 crore, (up 83.3% QoQ) and ~18% higher than pre-Covid levels in Q1FY20. The reported box office revenue was at ₹ 353 crore (up 75% QoQ) and ad revenues of ₹ 30 crore (at 64% of pre Covid level). The company reported ₹ 164 crore of F&B revenues, up 89% QoQ, with SPH at ₹ 96 was up 11.6% QoQ. The footfalls were up ~67% QoQ at 18.4 million and ATP at ₹ 229 was up ~5% QoQ owing to slate mix
- EBITDA (ex- Ind AS116) was at ₹ 123 crore with margins of 21.3% (better than pre Covid levels of 20%) given the strong box office performance. On reported basis, EBITDA was at ₹ 210.5 crore (margin of 36.1%)
- The reported PAT was at ₹ 57.1 led by strong operating performance. The company reported PAT (ex- Ind AS116) at ₹ 74.4 crore

What should investors do? Inox' share price has grown at 19% CAGR over the past five years (from ~₹ 249 in August, 2017 to ~₹ 603 levels in August, 2022).

- We maintain **BUY** rating on the company

Target Price and Valuation: We value Inox at ₹ 720 i.e. 15x FY24E EV/EBITDA.

Key triggers for future price performance:

- Strong content slate line up to drive recovery in footfalls/revenues
- Benefits of permanent saving in costs (ex-rental) by 8-10%, given the rationalisation measures
- Merged entity (PVR Inox) will benefit from scale of expansion, faster growth trajectory and other revenues/cost synergy

Alternate Stock Idea: Apart from Inox Leisure, we like PVR in the multiplex space.

- A play on recovery of earnings of multiplexes
- BUY with target price of ₹ 2300

Key Financial Summary

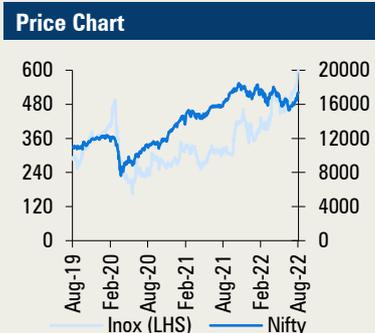
(Year-end March)	FY19	FY20	FY21	FY22E	5 yr CAGR (FY17-22)	FY23E	FY24E	4 yr CAGR (FY20-24E)
Total Operating Income (₹ crore)	1,692.2	1,897.4	105.9	683.9	(10.9)	2,295.9	2,684.5	9.1
EBITDA (₹ crore)	308.3	596.8	(172.3)	71.7	(13.1)	828.6	1,019.9	14.3
Net Profit (₹ crore)	133.5	15.0	(337.7)	(239.4)	PL	200.8	303.9	112.2
EPS (₹)	13.0	1.5	(30.0)	(19.6)		16.4	24.9	
P/E (x)	46.3	413.0	(20.1)	(30.8)		36.7	24.2	
Price / Book (x)	6.4	9.9	10.7	10.6		8.5	6.5	
EV/EBITDA (x)	24.2	17.0	(58.8)	140.8		12.0	9.7	
RoCE (%)	19.6	9.9	(11.7)	(5.4)		14.2	16.9	
RoE (%)	14.2	2.4	(62.5)	(50.6)		23.2	26.7	

Source: Company, ICICI Direct Research



Particulars	Amount
Market Capitalization (₹ Crore)	7,369
Total Debt (FY21) (₹ Crore)	86
Cash (FY22) (₹ Crore)	297
EV (₹ Crore)	7,465
52 week H/L (₹)	608/ 299
Equity Capital (₹ crore)	122.2
Face value (₹)	10.0

Shareholding pattern	Sep-21	Dec-21	Mar-22	Jun-22
Promoters	43.6	43.6	44.0	44.0
DII	22.2	23.4	24.2	25.2
FII	16.5	16.9	15.3	16.6
Other	17.7	16.1	16.5	14.2



Key risks

Key Risk: (i) Any further pandemic wave (ii) Any hindrance to merger consummation

Research Analyst

Bhupendra Tiwary, CFA
bhupendra.tiwary@icicisecurities.com

Key performance highlight and outlook

Strong quarter; strong line-up ahead...

Notably, Q1 revenues were 18% higher than pre-Covid levels in Q1FY20. The **company has witnessed a strong Q1, led by superlative performances by *KGF 2, Bhool Bhulaiyaa 2, RRR (residual collection), Doctor Strange, Vikram (Tamil)* etc.** Consequently, the footfalls were up ~67% QoQ at 18.4 million (6% above pre Covid levels) and ATP at ₹ 229 was up ~5% QoQ owing to slate mix. We highlight that content pipeline is very strong and there is high probability of strong collections in the coming quarters too. **We bake in 77, 80 screens addition in FY23E, FY24E, respectively. Consequently, we build in footfall growth of 5% CAGR in FY20-24E to 80 million coupled with 4.5% CAGR in ATP to lead to ~10% FY20-24E CAGR in net box office revenues to ₹ 1602 crore. F&B revenue CAGR is estimated at 11.5% over FY20-24E leading to a total of ₹ 768 crore. Ad revenue is expected to take longer to recover. We expect ad revenue of ₹ 200 crore in FY24E (~12% higher than FY20). We expect strong recovery in FY23 with all variables (except advertisement back to pre-Covid levels for the full year.**

Liquidity strong; merger timeline on track...

As on date, the company has close to ₹ 375 crore of gross liquidity, including undrawn limit of ₹ 125 crore. Gross debt is ₹ 81 crore. It also indicated that for the merger, they have filed for approval with NCLT and are now awaiting approvals (likely to take five to seven months). It also indicated that merger is on track to be completed in stipulated timelines.

Other highlights

- **Guidance:** The company guided for **77 screens opening FY23, all funded through internal accruals.** In Q1, 17 screen have been added and 60 screens are under fit outs. It **indicated that ATP hike will be in line with inflations trends, while spends per head (SPH) will likely see growth of ~8-10%.** It also guided that ad revenues would be back to pre-Covid run rate in H2FY23 given the strong content pipeline ahead and festive season
- **Others:**
 - The company added that SPH growth is driven by a) stronger push, b) more menus to offer and c) higher point of sales via app, LED kiosk and delivery partners.
 - Furthermore, the company expects employee cost to inch up as it has ramped up hiring of operations associates. However, on per screen basis, it will be 7-8% lower than pre-Covid levels eventually

We believe that that with strong content pipeline, the recovery trend will continue ahead. Inox with strong balance sheet is poised to grow at superior rate. We maintain **BUY** and assign FY24E EV/EBITDA multiple of 15x, with a target price of ₹ 720/share.

Exhibit 1: Variance Analysis

	Q1FY23	Q1FY23E	Q1FY22	Q4FY22	YoY (%)	QoQ (%)	Comments
Revenue	582.3	542.3	22.3	317.7	2,509.9	83.3	
Other Income	7.2	8.0	3.2	7.7	124.5	-7.0	
Employee Expenses	27.1	27.0	24.6	22.6	9.9	19.6	
Exhibition Cost	159.3	156.4	5.8	92.1	NA	72.9	
Cost of F&B	36.4	34.4	1.4	19.6	2,500.7	85.7	
Rent	0.0	32.2	0.0	0.0	NA	NA	
Other Expenses	149.0	110.0	42.1	105.4	253.9	41.4	
EBITDA	210.5	182.3	-51.6	78.0	-507.7	169.8	
EBITDA Margin (%)	36.1	33.6	-231.4	24.6	NM	NM	
Depreciation	75.4	79.8	72.9	73.5	3.4	2.5	
Interest	65.8	67.2	64.5	64.3	2.1	2.3	
Exceptional Items	0.0	0.0	-22.6	-20.3	NA	NA	
Total Tax	19.3	11.0	-40.9	-3.7	-147.3	-627.9	
PAT	57.1	32.4	-122.3	-28.2	-146.7	-302.7	

Key Metrics

Footfalls	18.4	18.0	0.8	11.0	2,130.3	67.3
Occupancy	29	28	1	24	2,023.1	20.5
SPH	96	94	78.0	86.0	23.1	11.6
ATP	229	225	173	218	32.4	5.0

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

(₹ Crore)	FY23E			FY24E			
	Old	New	% Change	Old	New	% Change	
Revenue	2,062.4	2,295.9	11.3	2,492.9	2,684.5	7.7	Realign estimates
EBITDA	675.3	828.6	22.7	863.4	1,019.9	18.1	
EBITDA Margin (%)	32.7	36.1	335 bps	34.6	38.0	336 bps	
PAT	87.2	200.8	130.3	188.9	303.9	60.9	
EPS (₹)	7.1	16.4		15.5	24.9		

Source: Company, ICICI Direct Research

Exhibit 3: Change in estimates (ex- IND AS 116)

(₹ Crore)	FY23E			FY24E			
	Old	New	% Change	Old	New	% Change	
Revenue	2,062.4	2,295.9	11.3	2,492.9	2,684.5	7.7	Realign estimates
EBITDA	373.2	442.0	18.4	522.7	563.5	7.8	
EBITDA Margin (%)	18.1	19.3	115 bps	21.0	21.0	3 bps	
PAT	195.5	246.1	25.9	298.7	327.5	9.7	
EPS (₹)	16.0	20.1		24.4	26.8		

Source: Company, ICICI Direct Research

Exhibit 4: Q2 Content pipeline



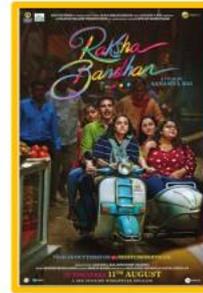
Bullet Train
 Cast: Brad Pitt, Joey King
 Director: David Leitch
 Release date: 4th Aug'22



DC League Of Super Pets
 Cast: Dwayne Johnson, Kevin Hart
 Director: Jared Stern
 Release Date: 5th Aug'22



Laal Singh Chaddha
 Cast: Aamir Khan, Kareena Kapoor
 Director: Advait Chandan
 Release Date: 11th Aug'22



Raksha Bandhan
 Cast: Akshay Kumar, Bhumi Pednekar
 Director: Aanand L. Rai
 Release date: 11th Aug'22



Macherla Niyokavargam
 Cast: Nithiin, Krithi Shetty
 Director: S R Shekhar
 Release date: 12th Aug'22



Thiruchitra MBA [Tamil]
 Cast: Dhanush, Rasshi Khanna
 Director: Mithran Jawahar
 Release date: 18th Aug'22



NOPE
 Cast: Daniel Kaluuya, Keke Palmer
 Director: Jordan Peele
 Release date: 19th Aug'22



LIGER [Telugu]
 Cast: Vijay Deverakonda, Ananya Pandey
 Director: Puri Jagannadh
 Release date: 25th Aug'22

17



Yaar Mera Titliyaan Warga [Punjabi]
 Cast: Gippy Grewal, Tanu Grewal
 Director: Vikas Vashisht
 Release Date: 2nd Sep'22



Brahmastra Part One : Shiva
 Cast: Ranbir Kapoor, Alia Bhat
 Director: Ayan Mukherji
 Release Date: 9th Sep'22



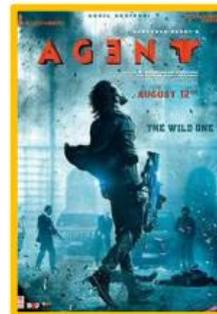
Vendhu Thanindhathu Kaadu
 Cast: Silambarasan T. R., Siddhi Idnani
 Director: U R Jameel
 Release date: 15th Sep'22



Vikram Vedha
 Cast: Hrithik Roshan, Saif Ali Khan
 Director: Gayatri Pushkar
 Release date: 30th Sep'22



Ponniyin Selvan [Tamil]
 Cast: Karthi, Vikram, Aishwarya Rai Bachchan
 Director: Mani Rathnam
 Release date: 30th Sep'22

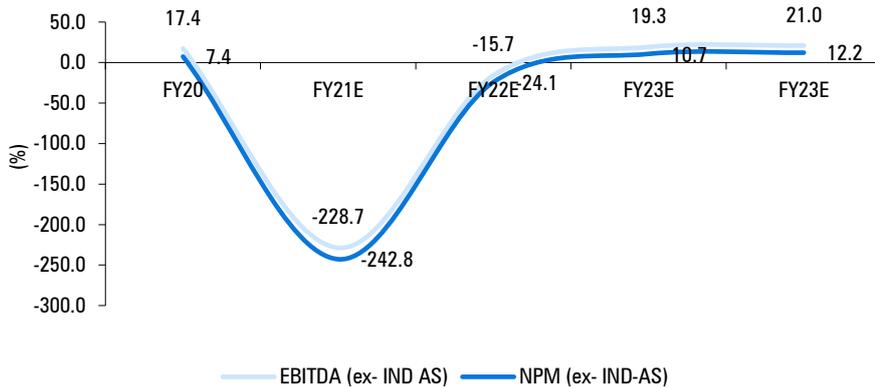


Agent [Telugu]
 Cast: Akhil Akkineni, Sakshi Vaidya
 Director: Surender Reddy
 Release date: 30th Sep'22

Source: Company, ICICI Direct Research

Financial story in charts

Exhibit 5: EBITDA and PAT margin trend



Source: Company, ICICI Direct Research

Exhibit 6: P&L (excl. Ind-AS 116)

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Total operating Income	1,897.4	105.9	683.9	2,295.9	2,684.5
Growth (%)	12.1	-94.4	545.7	235.7	16.9
Employee Expenses	142.1	86.7	94.9	116.0	130.7
Exhibition Cost	496.5	26.4	196.4	621.0	720.8
Cost of F&B	126.2	7.9	42.7	156.4	188.1
Rent	368.0	70.0	179.4	386.6	456.4
Other Expenses	434.2	157.2	278.3	574.0	625.0
Total Operating Expenditure	1,567.0	348.2	791.7	1,853.9	2,121.0
EBITDA	330.5	-242.3	-107.7	442.0	563.5
Margin (%)	17.4	-228.7	-15.7	19.3	21.0
Depreciation	108.1	113.0	116.0	133.2	147.6
Interest	11.7	17.0	11.0	8.0	8.0
Other Income	17.1	42.3	21.8	28.2	30.0
Exceptional Items	0.0	4.0	0.0	0.0	0.0
PBT	227.7	-339.0	-212.9	329.0	437.9
Total Tax	86.7	-81.8	-48.4	82.9	110.3
PAT	141.0	-257.2	-164.5	246.1	327.5
Adjusted PAT	141.0	-257.2	-164.5	246.1	327.5
Growth (%)	3.0	-282.4	-36.0	-249.6	33.1
Adj EPS (₹)	13.7	-22.9	-13.5	20.1	26.8

Source: Company, ICICI Direct Research

Exhibit 7: KPI

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Box office Revenues	1,104	55	418	1,379	1,602
YoY	13%	-95%	661%	230%	16%
F&B	497	27	192	644	768
YoY	14%	-95%	604%	235%	19%
Ad	179	3	34	158	200
YoY	1%	-99%	1181%	370%	27%
ATP	200	170	217	229	238
YoY	#DIV/0!	-15%	28%	6%	4%
Footfalls (mn)	66	4	23	72	80
	5%	-94%	490%	212%	12%
Screens	626	643	673	752	832
Net Debt	78	(11)	(119)	(198)	(359)
RoCE (post tax)	19.4	(19.0)	(12.4)	28.2	26.2
RoE	12.8	(30.3)	(24.1)	26.5	26.1

Source: Company, ICICI Direct Research

Financial summary

Exhibit 8: Profit and loss statement				
	₹ crore			
(Year-end March)	FY21	FY22E	FY23E	FY24E
Total operating Income	105.9	683.9	2,295.9	2,684.5
Growth (%)	-94.4	545.7	235.7	16.9
Employee Expenses	86.7	94.9	116.0	130.7
Exhibition Cost	26.4	196.4	621.0	720.8
Cost of F&B	7.9	42.7	156.4	188.1
Rent	0.0	0.0	0.0	0.0
Other Expenses	157.2	278.3	574.0	625.0
Total Operating Expenditure	278.2	612.2	1,467.3	1,664.6
EBITDA	-172.3	71.7	828.6	1,019.9
Growth (%)	NM	NM	LP	23.1
Depreciation	283.2	293.8	319.1	350.1
Interest	251.1	258.0	268.6	292.4
Other Income	42.3	21.8	28.2	30.0
Exceptional Items	-217.9	-145.0	0.0	0.0
PBT	-446.4	-313.3	269.0	407.4
Total Tax	-108.7	-73.9	68.2	103.5
PAT	-337.7	-239.4	200.8	303.9
Adjusted PAT	-395.4	-350.2	200.8	303.9
Growth (%)	NM	NM	NM	51.4
EPS (₹)	-30.0	-19.6	16.4	24.9

Source: Company, ICICI Direct Research

Exhibit 9: Cash flow statement				
	₹ crore			
(Year-end March)	FY21	FY22E	FY23E	FY24E
PAT	-337.7	-239.4	200.8	303.9
Add: Depreciation	283.2	293.8	319.1	350.1
Add: Interest Paid	251.1	258.0	268.6	292.4
(Inc)/dec in Current Assets	61.2	-100.1	24.5	-41.4
Inc/(dec) in CL and Provisions	-54.4	44.3	59.6	38.0
CF from operating activities	203.5	256.6	872.5	943.0
(Inc)/dec in Investments	0.6	-148.9	0.0	0.0
(Inc)/dec in Fixed Assets	-50.6	-72.3	-300.0	-300.0
Others	-164.4	-80.5	-195.2	-159.9
CF from investing activities	(214.4)	(301.7)	(495.2)	(459.9)
Issue/(Buy back) of Equity	9.8	9.7	0.0	0.0
Inc/(dec) in loan funds	-54.0	-17.5	0.0	0.0
Less: Interest Paid	251.1	258.0	268.6	292.4
Others	-163.3	-226.6	-566.5	-614.1
CF from financing activities	43.6	23.5	(297.9)	(321.7)
Net Cash flow	32.7	-21.5	79.4	161.4
Opening Cash	44.7	77.4	55.8	135.2
Closing Cash	77.4	55.8	135.2	296.6

Source: Company, ICICI Direct Research

Exhibit 10: Balance sheet				
	₹ crore			
(Year-end March)	FY21	FY22E	FY23E	FY24E
Liabilities				
Equity Capital	112.5	122.2	122.2	122.2
Reserve and Surplus	520.5	570.4	741.8	1,016.4
Interest in benefit trust	-	-	-	-
Total Shareholders funds	632.9	692.6	864.0	1,138.6
Total Debt	104.0	86.5	86.5	86.5
Others	2,804.7	2,913.9	2,843.5	2,923.5
Total Liabilities	3,541.6	3,693.0	3,794.0	4,148.6
Assets				
Total Fixed Assets	1,021.5	975.5	1,142.4	1,294.7
Investments	0.5	151.5	151.5	151.5
Rights of Use Assets	2,116.4	2,134.8	2,073.6	2,111.1
Debtors	4.3	29.0	62.9	73.5
Inventory	10.3	14.3	14.4	16.9
Loans and Advances	105.1	185.7	133.7	156.3
Other Current Assets	49.3	40.0	33.6	39.2
Cash	77.4	55.8	135.2	296.6
Total Current Assets	246.3	324.9	379.8	582.6
Total Current Liabilities	242.6	286.9	346.4	384.4
Net Current Assets	3.7	38.0	33.3	198.1
Other Non Current Assets	399.5	393.1	393.1	393.1
Application of Funds	3,541.6	3,693.0	3,794.0	4,148.6

Source: Company, ICICI Direct Research

Exhibit 11: Key ratios				
	₹ crore			
(Year-end March)	FY21	FY22E	FY23E	FY24E
Per share data (₹)				
EPS	-30.0	-19.6	16.4	24.9
Adj EPS	-35.2	-28.7	16.4	24.9
BV	56.3	56.7	70.7	93.2
DPS	0.0	0.0	2.4	2.4
Cash Per Share	6.9	4.6	11.1	24.3
Operating Ratios (%)				
EBITDA Margin	-162.6	10.5	36.1	38.0
PBT / Net Sales	-430.0	-32.5	22.2	24.9
PAT Margin	-373.3	-51.2	8.7	11.3
Inventory days	35.6	7.6	2.3	2.3
Debtor days	14.8	15.5	10.0	10.0
Creditor days	363.1	72.5	25.0	25.0
Return Ratios (%)				
RoE	-62.5	-50.6	23.2	26.7
RoCE	-11.7	-5.4	14.2	16.9
RoIC	-47.0	-21.6	45.4	52.3
Valuation Ratios (x)				
P/E	-20.1	-30.8	36.7	24.2
EV / EBITDA	-58.8	140.8	12.0	9.7
EV / Net Sales	95.6	14.8	4.3	3.7
Market Cap / Sales	69.6	10.8	3.2	2.7
Price to Book Value	10.7	10.6	8.5	6.5
Solvency Ratios				
Debt/EBITDA	-0.6	1.2	0.1	0.1
Net Debt / Equity	0.2	0.1	0.1	0.1
Current Ratio	1.2	1.6	1.1	1.1
Quick Ratio	1.1	1.5	1.0	1.1

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavors 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, Akruiti Trade Centre,
Road No 7, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com**

ANALYST CERTIFICATION

I/We, Bhupendra Tiwary, CFA, MBA, 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. 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 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.