



3R MATRIX

	+	=	-
Right Sector (RS)	✓	✗	✗
Right Quality (RQ)	✓	✗	✓
Right Valuation (RV)	✓	✓	✗
+ Positive	= Neutral	- Negative	

What has changed in 3R MATRIX

	Old		New
RS	✓	↔	✓
RQ	✗	↔	✗
RV	✗	↔	✗

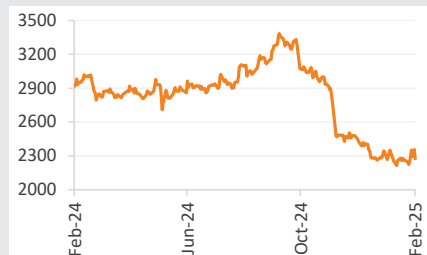
Company details

Market cap:	Rs. 2,18,280 cr
52-week high/low:	Rs. 3,394/2,209
NSE volume: (No of shares)	12.8 lakh
BSE code:	500820
NSE code:	ASIANPAINT
Free float: (No of shares)	45.4 cr

Shareholding (%)

Promoters	52.6
FII	14.8
DII	14.1
Others	18.5

Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	0.4	-21.2	-26.4	-22.0
Relative to Sensex	0.0	-19.7	-25.8	-31.1

Source: Mirae Asset Sharekhan Research, Bloomberg

Asian Paints Ltd

Muted urban/festive demand hit Q3; cautious near-term outlook

Consumer Goods	Sharekhan code: ASIANPAINT		
Reco/View: Hold	↔	CMP: Rs. 2,276	Price Target: Rs. 2,475
↑ Upgrade	↔ Maintain	↓ Downgrade	

Summary

- Asian Paints Limited's (APL's) Q3FY25 numbers were weak with a 6.1% y-o-y decline in consolidated revenue, 344 bps y-o-y decline in OPM and a 23.5% y-o-y decline in PAT. Volume growth at 1.6% and OPM at 19.1% beat expectations.
- Management is optimistic on rural demand, while urban demand is likely to stay stressed for next few quarters. It eyes low single-digit volume growth in the near term.
- OPM guidance is maintained at 18-20%. With an increase in the sales & distribution costs due to high competitive intensity, APL is focusing on cost efficiencies to support margins.
- Stock trades at 51x/46x/41x its FY25E/FY26E/FY27E EPS, respectively. In view of the near-term weakness, we maintain a Hold with a revised PT of Rs. 2,475.

APL's Q3FY25 revenue growth was hit by multiple headwinds, while OPM came better than expectation. Consolidated revenues fell by 6.1% y-o-y to Rs. 8,549 crore owing to muted demand conditions, downtrading by consumers and a weak festive season. Domestic decorative paints business registered 1.6% y-o-y volume growth. Kitchen and bath businesses posted marginal y-o-y improvement in revenue, while White Teak & Weatherseal were impacted by weak consumption in urban markets. The industrial business delivered 3.8% y-o-y revenue growth, supported by growth in the general industrial and refinish segments. International business grew by 5% y-o-y. Gross margin fell by 116 bps y-o-y (improved by 167 bps q-o-q aided by raw material price deflation and sourcing & formulation efficiencies) to 42.2%, while OPM fell by 344 bps y-o-y (rose by 370 bps q-o-q) to 19.1% due to adverse mix and higher sales and distribution expenses. Operating profit fell by 20.4% y-o-y to Rs. 1,637 crore and PAT fell by 23.5% y-o-y to Rs. 1,128 crore. In 9MFY25, revenue declined by 4.5% y-o-y to Rs. 25,547 crore, OPM fell by 413 bps y-o-y to 17.9% and adjusted PAT decreased by 26.2% y-o-y to Rs. 3,142 crore.

Key positives

- The domestic decorative paints business posted 1.6% y-o-y volume growth; beating estimates of -1 to 1% volume growth.
- OPM at 19.1%, came in better than expectation of 18.4%.
- Middle East reported a 20% y-o-y revenue growth led by UAE.

Key Negatives

- White Teak and Weatherseal posted revenue decline of 22.8% and 14.1% y-o-y, respectively.
- Africa reported 28% y-o-y revenue decline hit by currency devaluation in Egypt & Ethiopia.

Management Commentary

- The management guided that revenue growth will continue to be under pressure for at least two more quarters. APL is looking to achieve single-digit volume growth in the near term.
- Adequate monsoons and expected boost in government spending would continue to support rural demand, while urban demand remains pressured and APL expects this to sustain.
- The management indicated that raw material prices are correcting but depreciating rupee is the concern. APL took price hike of ~0.4% in Q3, though material deflation stood at ~2.1%. It has maintained OPM guidance at 18-20%.
- Amid a slowdown in the decorative business, management is focusing on scaling the industrial business. APL is expecting good growth from B2B and Industrial segments led by higher government spending on infrastructure, opening of new factories and expected better growth in the automobile segment.
- APL has not seen much competition impact in H1FY25. Management indicated that it is too early to comment on the impact of competition as the industry size is huge.

Revision in earnings estimates - We have reduced our earnings estimates for FY25, FY26 and FY27 to factor in sustained weakness in demand, with a recovery expected to be gradual and increased competitive intensity. We will keenly monitor the performance in the coming quarters.

Our Call

View - Maintain Hold with a revised PT of Rs. 2,475: APL registered a weak performance in Q3FY25 impacted by muted demand conditions, downtrading by consumers and a weak festive season. The company has given a cautious outlook in the near term in view of weak consumer demand especially in the urban market. The home decor business is also not performing in line with expectations and might need a change in strategy. Overall, we believe it will take some time for the decorative paints business to get back into the double-digit volume growth trajectory, considering the competitive pressures. This will also put stress on the profitability in the near term. The stock trades at 51x/46x/41x its FY25E/FY26E/FY27E EPS, respectively. Owing to the near-term weakness, we maintain a Hold rating on the stock with a revised PT of Rs. 2,475 (rolling over to FY27 EPS).

Key Risks

A significant moderation in sales volume due to sustained slowdown in the rural market or impact of heightened competition or a substantial increase in raw-material prices impacting the profitability would act as a key risk to our earnings estimates.

Valuation (Consolidated)

	Rs cr				
Particulars	FY23	FY24	FY25E	FY26E	FY27E
Revenue	34,489	35,495	34,299	36,671	40,523
OPM (%)	18.2	21.4	18.1	18.6	18.9
Adjusted PAT	4,231	5,558	4,291	4,740	5,395
% YoY growth	33.5	31.3	-22.8	10.5	13.8
Adjusted EPS (Rs.)	44.1	57.9	44.7	49.4	56.2
P/E (x)	51.6	39.3	50.9	46.1	40.5
P/B (x)	13.7	11.7	11.2	10.4	9.5
EV/EBIDTA (x)	32.6	26.2	31.5	28.4	25.1
RoNW (%)	28.4	32.0	22.4	23.4	24.6
RoCE (%)	22.5	24.4	18.0	19.0	20.1

Source: Company; Mirae Asset Sharekhan estimates

Multiple headwinds hit revenue growth; margins beat expectations

APL's consolidated revenues fell by 6.1% y-o-y to Rs. 8,549 crore, lower than our and the average street's expectation of Rs. 8,879 crore and Rs. 8,863 crore, respectively. Muted demand conditions coupled with downtrading, and a weak festive season hit revenue. Domestic decorative paints business registered 1.6% y-o-y volume growth, which is higher than our and street expectation of -1 to 1% volume growth, while revenues were down by 7.8% y-o-y due to downtrading to low price products. Bath fitting and kitchen business registered y-o-y revenue growth of 2.6% and 2.7%, respectively. White Teak and Weatherseal reported y-o-y revenue decline of 22.8% and 14.1%, respectively. Industrial businesses - PPG-AP reported revenue growth of 5.9% y-o-y, while revenue of AP-PPG stood flat y-o-y. International business grew by 5% y-o-y led by growth in the Middle East and recovering macro-economic conditions in key Asian markets. Gross margin fell by 116 bps y-o-y (improved by 167 bps q-o-q aided by raw material price deflation and sourcing & formulation efficiencies) to 42.2%, while OPM fell by 344 bps y-o-y (rose by 370 bps q-o-q) to 19.1% due to adverse mix and increased sales and distribution expenses. OPM came in higher than our and average street expectation of 18.4%. Operating profit fell by 20.4% y-o-y to Rs. 1,637 crore. In line with decline in operating profit, PAT declined by 23.5% y-o-y to Rs. 1,128 crore, in line with our and average street expectation of Rs. 1,142 crore and Rs. 1,121 crore, respectively. In 9MFY25, revenue declined by 4.5% y-o-y to Rs. 25,547 crore, OPM fell by 413 bps y-o-y to 17.9% and adjusted PAT decreased by 26.2% y-o-y to Rs. 3,142 crore.

Key business highlights

- ♦ **Bath Fittings and Kitchen:** Bath fitting segment reported revenue growth of 2.6% y-o-y to Rs. 87.6 crore, PBDIT loss widened to Rs. 6.3 crore against loss of Rs. 5.5 crore in Q3FY24. In 9MFY25, revenue increased by 5.1% y-o-y to Rs. 264.2 crores, PBDIT loss widened to Rs. 13.4 crore as against loss of Rs. 8.4 crore in 9MFY24. The kitchen segment registered revenue growth of 2.7% y-o-y to Rs. 102.7 crore, PBDIT loss came in at Rs. 2.1 crore as against profit of Rs. 4.2 crore in Q3FY24. In 9MFY25, revenue grew by 5.3% y-o-y to Rs. 308.5 crore, PBDIT stood at Rs. 1.4 crore as against profit of Rs. 5.7 crore in 9MFY24.
- ♦ **White Teak (Decorative and Designer Lights) and Weatherseal (uPVC Windows and Doors):** Weak consumption in urban markets hit both businesses in Q3. White Teak's revenue decreased by 22.8% y-o-y to Rs. 26 crore, while sales at Weatherseal decreased by 14.1% y-o-y to Rs. 11.8 crore. In 9MFY25, White Teak and Weatherseal reported a revenue growth of 1.2% and 1.1% y-o-y to Rs. 86.8 crore and Rs. 36.5 crore, respectively.
- ♦ **International business:** Revenue grew by 5.0% y-o-y (CC growth at 17.1%) to Rs. 818 crore led by improved macro-economic conditions in Sri Lanka, Bangladesh and Nepal offset by currency devaluation in Ethiopia and Egypt. PBT slightly increased to Rs. 60.8 crore as against Rs. 58.3 crore in Q3FY24. Africa was impacted by currency devaluation in Egypt and Ethiopia, while Middle East delivered strong double-digit growth, especially in UAE. APL witnessed improved revenue growth in Asia driven by continued recovery in Sri Lanka and macro-economic conditions stabilizing in Bangladesh. In 9MFY25, revenue grew by 0.8% y-o-y to Rs. 2,266.6 crore, while PBT declined to Rs. 45.8 crore from Rs. 125.2 crore in 9MFY24.
- ♦ **Industrial businesses:** PPG-AP reported 5.9% y-o-y revenue growth to Rs. 610.1 crore led by good performance by general industrial and refinish, with PBT improving to Rs. 134.8 crore as against Rs. 128 crore in Q3FY24. In 9MFY25, revenue increased by 7.0% to Rs. 1,651.6 crore and PBT rose to Rs. 316.6 crore versus Rs. 287.2 crore in 9MFY24. AP-PPG's revenue stood flat y-o-y at Rs. 287.3 crore due to lower maintenance spends and investments, with PBT declining to Rs. 24.1 crore as against Rs. 33.2 crore in Q3FY24. In 9MFY25, revenue grew by 1.6% y-o-y to Rs. 846 crore, while PBT decreased to Rs. 72.4 crore from Rs. 100.7 crore in 9MFY24.
- ♦ **Other key highlights**
 - o APL added 2,000 retail touchpoints in Q3, taking the total to 1.69 lakh touch points at Q3-end.
 - o New products contributed to over 12% of overall revenues in Q3.
 - o Backward integration projects (VAM-VAE & White Cement) are progressing on track.
 - o Beautiful Homes signature store launched in Mumbai, spread across 14k sq. ft. and Beautiful Homes Studio launched in Surat, spread across 13k sq. ft.
 - o Apex Ultima Air-o-Clean was launched in the exterior category, which uses advanced technology that neutralises known pollutants. It is available in 200+ shades.
 - o APL also launched new innovative regional-focused packs which are interactive with QR codes.

Results (Consolidated)

Particulars	Q3FY25	Q3FY24	y-o-y (%)	Q2FY25	Rs cr q-o-q (%)
Total Revenue	8,549.4	9,103.1	-6.1	8,027.5	6.5
Raw Material Cost	4,920.4	5,133.6	-4.2	4,754.3	3.5
Employee Cost	615.1	570.2	7.9	676.5	-9.1
Other Expenses	1,377.3	1,343.2	2.5	1,357.2	1.5
Total Operating Cost	6,912.7	7,047.0	-1.9	6,788.0	1.8
Operating Profit	1,636.7	2,056.1	-20.4	1,239.5	32.0
Other Income	143.0	138.6	3.2	173.6	-17.6
Interest & Other Financial Cost	55.8	54.4	2.6	63.0	-11.4
Depreciation	255.6	220.4	16.0	242.0	5.6
Profit Before Tax	1,468.3	1,919.9	-23.5	1,108.1	32.5
Tax Expense	389.7	492.6	-20.9	312.2	24.8
Adjusted PAT	1,078.6	1,427.3	-24.4	795.8	35.5
Share of profit from associates	49.8	47.9	4.1	31.1	60.1
Adjusted PAT after MI	1,128.4	1,475.2	-23.5	827.0	36.5
Exceptional Items	0.0	0.0	-	133.3	-
Reported PAT	1,128.4	1,475.2	-23.5	693.7	62.7
Adj. EPS (Rs)	11.8	15.4	-23.5	8.6	36.5
			bps		bps
GPM (%)	42.4	43.6	-116	40.8	167
OPM (%)	19.1	22.6	-344	15.4	370
NPM (%)	13.2	16.2	-301	8.6	456
Tax rate (%)	26.5	25.7	88	28.2	-163

Source: Company; Mirae Asset Sharekhan Research

Business-wise performance

Particulars	Q3FY25	Q3FY24	y-o-y (%)	Q2FY25	Rs cr q-o-q (%)
Standalone decorative paints	7,092.4	7,680.1	-7.7	6,635.7	6.9
Kitchen business	102.7	100.1	2.6	105.3	-2.5
Bath business	87.6	85.4	2.6	83.1	5.4
White Teak	26.0	33.7	-22.8	31.1	-16.4
Weatherseal	11.8	13.7	-13.9	13.2	-10.6
Domestic standalone business	7,320.5	7,913.0	-7.5	6,868.4	6.6
International business	818.0	779.1	5.0	769.5	6.3
PPG-AP	610.1	576.2	5.9	524.4	16.3
AP-PPG	287.3	288.0	-0.2	265.5	8.2
Consolidated sales	8,549.4	9,103.1	-6.1	8,027.5	6.5

Source: Company; Mirae Asset Sharekhan Research

Result Snapshot (standalone)

Particulars	Q3FY25	Q3FY24	y-o-y (%)	Q2FY25	Rs cr q-o-q (%)
Total Revenue	7,320.5	7,913.0	-7.5	6,868.4	6.6
Operating Profit	1,508.4	1,897.1	-20.5	1,122.2	34.4
Adjusted PAT before MI	1,108.6	1,443.5	-23.2	762.2	45.5
Exceptional Items	0.0	0.0	-	159.9	-
Reported PAT	1,108.6	1,443.5	-23.2	602.3	84.1
Adj. EPS (Rs)	11.6	15.0	-23.2	7.9	45.5
			bps		bps
GPM (%)	43.4	44.4	-98	41.4	205
OPM (%)	20.6	24.0	-337	16.3	427

Source: Company; Mirae Asset Sharekhan Research

Outlook and Valuation

■ Sector Outlook – Structural growth of the paints industry is intact

The paints industry is expected to grow at a steady rate with strong demand in the luxury segment, while we expect a recovery in the demand in tier-3 and tier-4 towns. Entry of large players in the decorative paints industry might put stress on the market share of smaller players in the near term. In the medium to long term, the decorative paints industry is expected to register a 12% CAGR over FY23-FY27 to Rs. 1,00,000 crore, led by a reduction in the re-painting cycle to 4-5 years (from 8-10 years earlier), increased construction activities of new real estate projects, acceptance of better paint products in smaller towns, and upgradation of premium brands in cities and large towns. A better product mix and efficiencies would help paint companies post higher margins in the long run.

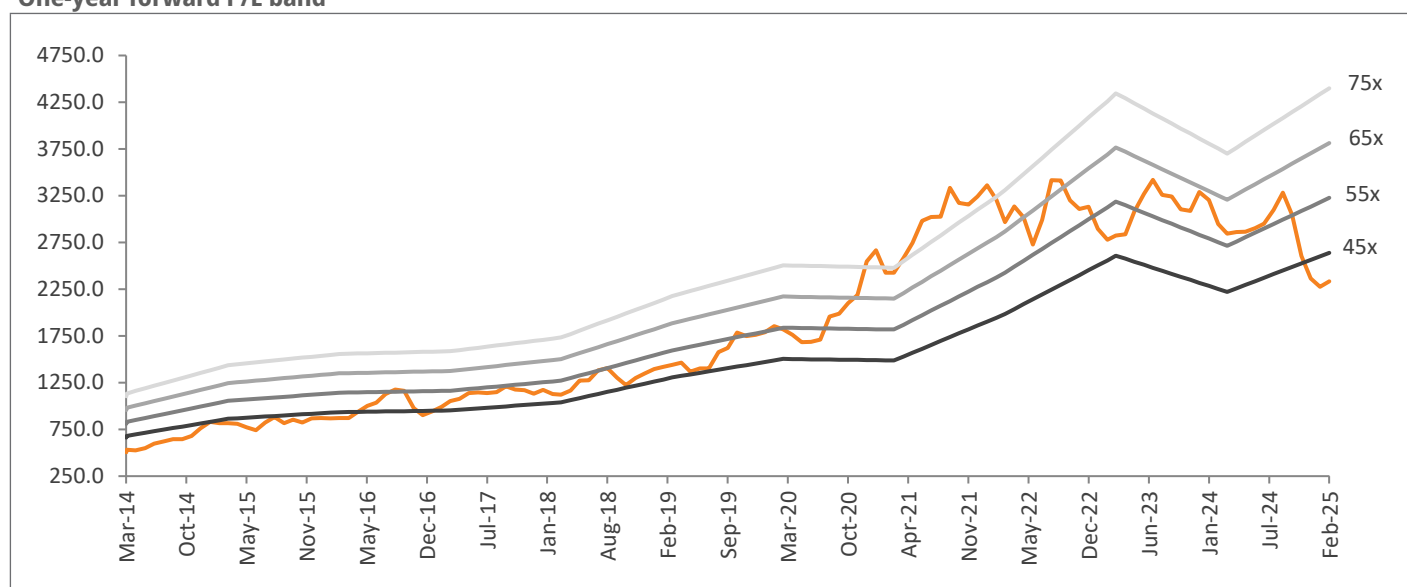
■ Company Outlook – FY25 to be muted; expect recovery in the medium term

APL clocked weak numbers for 9MFY25 with ~5% y-o-y revenue decline and margins remaining under pressure. Management guided that revenue growth will stay under pressure for at least two more quarters. APL is looking to achieve single-digit volume growth in the near term. OPM is also expected to be at the lower end of its expected trajectory of 18-20%. In the medium term, waterproofing products, construction chemicals, and projects business will continue to see strong traction from the real estate sector, government projects, and housing society projects. APL is banking on planned initiatives (of differentiated formulations and cost efficiencies) along with a better mix to achieve improved margins. However, higher ad spends will keep margins under check at 18-20%..

■ Valuation – Maintain Hold with a revised PT of Rs. 2,475

APL registered a weak performance in Q3FY25 impacted by muted demand conditions, downtrading by consumers and a weak festive season. The company has given a cautious outlook in the near term in view of weak consumer demand especially in the urban market. The home decor business is also not performing in line with expectations and might need a change in strategy. Overall, we believe it will take some time for the decorative paints business to get back into the double-digit volume growth trajectory, considering the competitive pressures. This will also put stress on the profitability in the near term. The stock trades at 51x/46x/41x its FY25E/FY26E/FY27E EPS, respectively. Owing to the near-term weakness, we maintain a Hold rating on the stock with a revised PT of Rs. 2,475 (rolling over to FY27 EPS).

One-year forward P/E band



Source: Company; Mirae Asset Sharekhan Research

Peer Comparison

Companies	P/E (x)			EV/EBIDTA (x)			RoCE (%)		
	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
Indigo Paints	40.5	39.3	31.1	24.6	22.2	17.9	22.6	21.2	24.8
Asian Paints	39.3	50.9	46.1	26.2	31.5	28.4	24.4	18.0	19.0

Source: Company; Mirae Asset Sharekhan Research

About the company

APL is the largest paints company in India with market leadership of over 50 years and stands among the top 10 paints companies in the world. The company has 27 paint manufacturing plants and operates in 15 countries, serving customers in over 60 countries globally. Deco India, including decorative paints, waterproofing, wall coverings, and adhesives, constitutes ~88% of the company's total revenue, whereas the industrial coatings space, including automotive and non-automotive, constitutes ~3%, through two 50:50 JVs with PPG Industries Inc., USA (AP-PPG). The international business contributes ~9% to the total revenue mainly dominated by Nepal, Sri Lanka, and Bahrain. A small portion is contributed by kitchen and bath fittings through its subsidiary, Sleek International Pvt. Ltd. (Sleek Kitchens) and Ess Ess Bath Fittings. The company has forayed into the home decor space as it transitions its outlook from 'share of surface' to 'share of space'.

Investment theme

The rising middle-income group, fast urbanisation, shift from the unorganised to organised space, and improving penetration in rural markets are some of the key revenue drivers for paint companies in the near to medium term. APL, with a leadership position in the decorative paints business and a strong brand portfolio will continue to maintain its leadership position in the near term. APL is expected to benefit from its recent capacity expansion, vast distribution network, product innovation, and growth in its premium products. However, the expected built-in competition from new large players in the domestic paints industry would act as a risk to profitability in the near term.

Key Risks

- Any significant increase in crude prices and other input costs will affect the company's profitability.
- Any slowdown in economic growth will affect repainting demand, which constitutes almost 70% of the total paint demand.
- Any significant competition from large players entering the market would act as a key risk to the pricing power and profitability of the company.

Additional Data

Key management personnel

R. Seshasayee	Chairman
Amit Syngle	Chief Executive Officer and Managing Director
R. J. Jeyamurugan	Chief Financial Officer, Company Secretary and Compliance Officer

Source: BSE; Company

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Life Insurance Corp of India	7.01
2	Siddhant Commercials Pvt. Ltd.	4.90
3	Blackrock Inc.	2.07
4	Vanguard Group Inc.	2.00
5	SBI Funds Management Ltd.	1.56
6	ICICI Prudential Asset Management Co. Ltd.	1.14
7	UTI Asset Management Co. Ltd	0.77
8	Nippon Life India Asset Management Ltd.	0.64
9	Vakil Arun	0.56
10	Norges Bank	0.52

Source: Bloomberg

Mirae Asset Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

Understanding the Mirae Asset Sharekhan 3R Matrix

Right Sector	
Positive	Strong industry fundamentals (favorable demand-supply scenario, consistent industry growth), increasing investments, higher entry barrier, and favorable government policies
Neutral	Stagnancy in the industry growth due to macro factors and lower incremental investments by Government/private companies
Negative	Unable to recover from low in the stable economic environment, adverse government policies affecting the business fundamentals and global challenges (currency headwinds and unfavorable policies implemented by global industrial institutions) and any significant increase in commodity prices affecting profitability.
Right Quality	
Positive	Sector leader, Strong management bandwidth, Strong financial track-record, Healthy Balance sheet/cash flows, differentiated product/service portfolio and Good corporate governance.
Neutral	Macro slowdown affecting near term growth profile, Untoward events such as natural calamities resulting in near term uncertainty, Company specific events such as factory shutdown, lack of positive triggers/events in near term, raw material price movement turning unfavourable
Negative	Weakening growth trend led by led by external/internal factors, reshuffling of key management personal, questionable corporate governance, high commodity prices/ weak realisation environment resulting in margin pressure and deteriorating balance sheet
Right Valuation	
Positive	Strong earnings growth expectation and improving return ratios but valuations are trading at discount to industry leaders/historical average multiples, Expansion in valuation multiple due to expected outperformance amongst its peers and Industry up-cycle with conducive business environment.
Neutral	Trading at par to historical valuations and having limited scope of expansion in valuation multiples.
Negative	Trading at premium valuations but earnings outlook are weak; Emergence of roadblocks such as corporate governance issue, adverse government policies and bleak global macro environment etc warranting for lower than historical valuation multiple.

Source: Mirae Asset Sharekhan Research

DISCLAIMER

This information/document has been prepared by Sharekhan Ltd. (SHAREKHAN) and is intended for use only by the person or entity to which it is addressed to. This Document may contain confidential and/or privileged material and is not for any type of circulation and any review, retransmission, or any other use is strictly prohibited. This information/ document is subject to changes without prior notice.

Recommendation in reports based on technical and derivatives analysis is based on studying charts of a stock's price movement, trading volume, outstanding positions, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. However, this would only apply for information/document focused on technical and derivatives research and shall not apply to reports/documents/information focused on fundamental research.

This information/document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same, not all customers may receive this report at the same time. SHAREKHAN will not treat recipients as customers by virtue of their receiving this information/report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable and SHAREKHAN has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavour to update the information herein on reasonable basis, SHAREKHAN, its subsidiaries and associated companies, their directors and employees ("SHAREKHAN and affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent SHAREKHAN and affiliates from doing so. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this report should also be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of Sharekhan may have issued other recommendations/ reports that are inconsistent with and reach different conclusions from the information presented in this recommendations/report.

This information/recommendation/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 SHAREKHAN 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.

The analyst certifies that the analyst might have dealt or traded directly or indirectly in securities of the company and that all the views expressed in this document accurately reflect his or her personal views about the subject company or companies and its or their securities and do not necessarily reflect those of SHAREKHAN. The analyst and SHAREKHAN further certifies that either he or his relatives or Sharekhan associates might have direct or indirect financial interest or might have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the research report. The analyst and SHAREKHAN encourages independence in research report/ material preparation and strives to minimize conflict in preparation of research report. The analyst and SHAREKHAN does not have any material conflict of interest or has not served as officer, director or employee or engaged in market making activity of the company. The analyst and SHAREKHAN has not been a part of the team which has managed or co-managed the public offerings of the company, and no part of the analyst's compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this document. Sharekhan Ltd or its associates or analysts have not received any compensation for investment banking, merchant banking, brokerage services or any compensation or other benefits from the subject company or from third party in the past twelve months in connection with the research report.

Either SHAREKHAN or its affiliates or its directors or employees / representatives / clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities or related securities referred to in this report and they may have used the information set forth herein before publication. SHAREKHAN may from time to time solicit from, or perform investment banking, or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall SHAREKHAN, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Forward-looking statements (if any) are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not a guarantee of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. Sharekhan/its affiliates undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader/investors are cautioned not to place undue reliance on forward-looking statements and use their independent judgement before taking any investment decision.

Investment in securities market are subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendatory. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited, Research Analyst Regn No.: INH000006183. CIN: - U99999MH1995PLC087498.

Registered Office: The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA. Tel: 022-6115000.

Correspondence/Administrative Office Address - Gigaplex IT Park, Unit No 1001, 10th Floor, Building No.9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400708. Tel: 022 61169000 / 61150000, Fax No. 61169699.

Other registrations of Sharekhan Ltd.: SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD) / MCX - Commodity: INZ000171337; BSE – 748, NSE – 10733, MCX – 56125, DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669 (date of initial registration: 03/07/2004, and valid till 02/07/2026); IRDAI Registered Corporate Agent (Composite) License No. CA0950, valid till June 13, 2027.

Compliance Officer: Ms. Binkle R. Oza; Tel: 022-62263303; email id: complianceofficer@sharekhan.com

For any complaints/grievance, email us at igc@sharekhan.com or you may even call Customer Service desk on - 022- 41523200/022-69920600.