

# Gillette India (GILL)

FMCG | 3QFY24 Result Update

**BUY**

**CMP: Rs6,207 | Target Price (TP): Rs7,730 | Upside: 25%**

**April 29, 2024**

## In line operating performance, top-line momentum back to double digits

### Key Points

- After a disappointing low single digit top-line growth in 2QFY24, Gillette's 3QFY24 reported sales momentum back in double digits with the grooming segment growing at 13.5% YoY (with market share gain as indicated in the press release). 5 year CAGR top-line growth was healthy at ~8%.
- With 10% YoY top-line growth, 20% YoY EBITDA growth and 16% YoY PBT growth, operating performance was largely in line. Low tax rate for base quarter (16.4%) and unusually high tax rates in 3QFY24, led to a miss on PAT, but these were on account of one offs.
- As highlighted in our detailed notes last year, where we examined [key changes driving better topline growth](#), we showed [how these changes flow from the parent's successful strategy in the global grooming business](#), in the [note after their first ever analyst meet](#), and [subsequent annual report analysis note](#) we came to believe that GILL offers a healthy investment opportunity based on significant turnaround in sales momentum and inexpensive valuations.

**3QFY24 performance update:** GILL's revenue grew by 10% YoY to Rs6.8bn. Double digit sales growth was supported by superior innovations across the portfolio and strong brand fundamentals. EBITDA increased ~20%YoY at Rs1.6bn. However, APAT was down by 3.5% YoY to Rs991mn (vs est. of Rs1.1bn) due to one-time impact of additional tax liability amounting to Rs65mn and interest of Rs13.9mn; adjusting for this, operational profit growth was at 20% YoY. Gross margin at 53.4% expanded ~40bps YoY, but contracted significantly by 460bps QoQ (vs est. 57%). Higher savings in employee cost (down ~190bps YoY) and advertising cost (down ~240bps YoY) partially offset by higher other expenses (up 280bps YoY) meant that overall EBITDA margin was up 200bps YoY to 23.6% (vs est. 24.8%). Absolute A&P spends decreased by 11% YoY.

**3QFY24 Segmental performance:** Grooming business revenue (~81.9% mix in 3QFY24 vs ~80% in 3QFY23) grew by 13.5% YoY to Rs5.6bn (vs est. Rs5.4bn). The grooming segment's EBIT margin expanded by ~280bps YoY to 21.4% (down 370bps QoQ). The performance of the Oral Care business was below our expectation, with revenues declining by 3.7% YoY at Rs1.2bn (vs est. Rs1.3bn). The Oral Care segment's EBIT margin came in at 17.4%, up 220bps YoY.

**9MFY24 performance update:** Revenue was up by 7%. EBTDA & APAT increased by 14.5% & 14.4% respectively. Gross margin expanded by 220bps YoY to 55.3% and EBITDA margin increased by 150bps YoY to 22.8%.

Est Change	No change
TP Change	Downward
Rating Change	Maintain

### Company Data and Valuation Summary

Reuters:	GILE.BO
Bloomberg:	GILL IN Equity
Mkt Cap (Rsbn/US\$bn):	202.3 / 2.4
52 Wk H / L (Rs):	7,336 / 4,223
ADTV-3M (mn) (Rs/US\$):	104.4 / 1.3
Stock performance (%) 1M/6M/1yr:	(4.8) / (0.5) / 40.7
Nifty 50 performance (%) 1M/6M/1yr:	2.9 / 4.2 / 25.2

Shareholding	2QFY24	3QFY24	4QFY24
Promoters	75.0	75.0	75.0
DII's	11.1	11.2	12.8
FII's	0.6	0.6	0.7
Others	13.3	13.1	11.5
Pro pledge	0.0	0.0	0.0

### Financial and Valuation Summary

Particulars (Rsmn)	FY23	FY24E	FY25E	FY26E
Revenue	24,771	26,670	29,861	33,003
<b>% Growth</b>	<b>9.8%</b>	<b>7.7%</b>	<b>12.0%</b>	<b>10.5%</b>
Gross margin (%)	52.0	55.1	56.0	56.0
EBITDA	5,392	5,806	7,047	7,987
<b>EBITDA margin (%)</b>	<b>21.8%</b>	<b>21.8%</b>	<b>23.6%</b>	<b>24.2%</b>
% growth	11.8%	7.7%	21.4%	13.3%
Adjusted PAT	3,557	3,779	4,749	5,414
<b>APAT margin (%)</b>	<b>14.4%</b>	<b>14.2%</b>	<b>15.9%</b>	<b>16.4%</b>
% growth	22.9%	6.2%	25.7%	14.0%
EPS	109.1	115.9	145.7	166.1
% growth	22.9%	6.2%	25.7%	14.0%
RoE (%)	38.5	40.3	51.0	50.4
RoCE (%)	39.1	41.0	51.5	50.9
P/E (x)	56.9	53.5	42.6	37.4
EV/EBITDA (x)	37.2	34.6	28.5	25.1

Source: Bloomberg, Company, Nirmal Bang Institutional Equities Research

**Key Links - [3QFY24 Result](#)**

**[3QFY24 Press Release](#)**

Please refer to the disclaimer towards the end of the document

**Press release highlights:** GILL continues to deliver strong top-line and share growth driven by excellent execution of integrated growth strategy by the team. The company remains committed to a focused product portfolio of daily use categories, where performance drives brand choice, superiority — across product performance, packaging, brand communication, retail execution and consumer and customer value — productivity, constructive disruption, and an agile and accountable organization. GILL is confident that these strategies will continue to aid in delivering balanced growth and value creation.

**View and valuation:** There is no material change in our forecasts for FY25E and FY26E. While return ratios were always healthy for GILL and dividend pay-out has also been increasing in recent years, the growth in top-line as well as earnings, which was lacking, also seems to have revived over the past few years. Valuation is inexpensive at ~43x FY25E EPS and ~37x FY26E EPS (despite over 35% run-up in the stock since our [detailed report in June 2023](#)), especially if double-digit earnings growth can sustain. Maintain BUY with a TP of Rs7,730 (Rs7,915 earlier) valuing the company at 48x Mar'25E EPS compared to 50x Dec'25E EPS earlier.

**Exhibit 1: 3QFY24 performance**

Particulars (Rsmn)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E	FY23	FY24E	3Q24E	Var
<b>Net Sales</b>	<b>6,199</b>	<b>6,186</b>	<b>6,191</b>	<b>6,194</b>	<b>6,676</b>	<b>6,395</b>	<b>6,807</b>	<b>6,793</b>	<b>24,771</b>	<b>26,670</b>	<b>6,684</b>	<b>1.8</b>
YoY Change (%)	8.1%	9.8%	9.3%	12.0%	7.7%	3.4%	10.0%	9.7%	9.8%	7.7%	8.0%	-
<b>Gross profit</b>	<b>3,363</b>	<b>3,224</b>	<b>3,282</b>	<b>3,020</b>	<b>3,642</b>	<b>3,713</b>	<b>3,636</b>	<b>3,702</b>	<b>12,889</b>	<b>14,693</b>	<b>3,810</b>	<b>-4.6</b>
Margin (%)	54.3%	52.1%	53.0%	48.8%	54.6%	58.1%	53.4%	54.5%	52.0%	55.1%	57.0%	-
Total Expenditure	4,842	4,926	4,854	4,758	5,308	4,837	5,204	5,516	19,379	20,864	5,026	-
<b>EBITDA</b>	<b>1,358</b>	<b>1,260</b>	<b>1,337</b>	<b>1,437</b>	<b>1,367</b>	<b>1,558</b>	<b>1,603</b>	<b>1,277</b>	<b>5,392</b>	<b>5,806</b>	<b>1,658</b>	<b>-3.3</b>
Growth	8.6%	10.4%	1.6%	28.6%	0.7%	23.6%	19.9%	-11.1%	11.8%	7.7%	24.0%	-
Margins (%)	21.9%	20.4%	21.6%	23.2%	20.5%	24.4%	23.6%	18.8%	21.8%	21.8%	24.8%	-
Depreciation	180	192	218	216	201	207	206	209	807	824	215	-
Interest	5	34	8	32	1	33	26	26	78	85	20	-
Other Income	27	29	118	48	86	72	57	60	222	248	60	-
<b>PBT after EO expense</b>	<b>1,200</b>	<b>1,064</b>	<b>1,229</b>	<b>1,236</b>	<b>1,314</b>	<b>1,390</b>	<b>1,428</b>	<b>1,102</b>	<b>4,729</b>	<b>5,235</b>	<b>1,483</b>	<b>-3.7</b>
Tax	332	320	202	319	325	351	437	278	1,172	1,391	374	-
Rate (%)	27.7	30.0	16.4	25.8	24.7	25.2	30.6	25.2	24.8	26.6	25.2	-
<b>Adj PAT</b>	<b>868</b>	<b>745</b>	<b>1,027</b>	<b>917</b>	<b>989</b>	<b>1,040</b>	<b>991</b>	<b>825</b>	<b>3,557</b>	<b>3,844</b>	<b>1,109</b>	<b>-10.6</b>
YoY Change (%)	5.9%	5.6%	48.2%	35.7%	14.0%	39.6%	-3.5%	-10.1%	22.9%	8.1%	8.0%	-
Adj . EPS	26.6	22.8	31.5	28.2	30.4	31.9	30.4	25.3	109.1	118.0	34.0	-

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 2: Quarterly segmental performance**

Description	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
<b>Net Sales (Rsmn)</b>	<b>5,665</b>	<b>5,529</b>	<b>6,199</b>	<b>6,186</b>	<b>6,191</b>	<b>6,194</b>	<b>6,676</b>	<b>6,395</b>	<b>6,807</b>
Grooming	4,467	4,263	4,894	4,945	4,914	4,854	5,275	5,142	5,577
Oral Care	1,199	1,266	1,305	1,241	1,277	1,341	1,401	1,253	1,230
<b>Sales proportion (%)</b>									
Grooming	78.8	77.1	78.9	79.9	79.4	78.4	79.0	80.4	81.9
Oral Care	21.2	22.9	21.1	20.1	20.6	21.6	21.0	19.6	18.1
<b>YoY Growth (%)</b>									
Grooming	8.9	27.9	15.8	15.6	10.0	13.9	7.8	4.0	13.5
Oral Care	-5.1	23.2	-13.5	-8.6	6.5	5.9	7.3	0.9	-3.7
<b>EBIT (Rsmn)</b>	<b>1,147</b>	<b>927</b>	<b>1,189</b>	<b>1,058</b>	<b>1,109</b>	<b>1,215</b>	<b>1,189</b>	<b>1,355</b>	<b>1,408</b>
Grooming	935	709	997	967	915	899	933	1,290	1,193
Oral Care	212	218	193	91	195	316	256	65	215
<b>EBIT margin (%)</b>									
Grooming	20.9	16.6	20.4	19.6	18.6	18.5	17.7	25.1	21.4
Oral Care	17.7	17.2	14.7	7.3	15.3	23.6	18.3	5.2	17.4
<b>EBIT margin change YoY (%)</b>									
Grooming	-9.4	5.9	-0.9	-0.1	-2.3	1.9	-2.7	5.5	2.8
Oral Care	1.6	15.8	0.5	-2.3	-2.4	6.4	3.5	-2.1	2.2

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 3: Common-size P&L over the quarters**

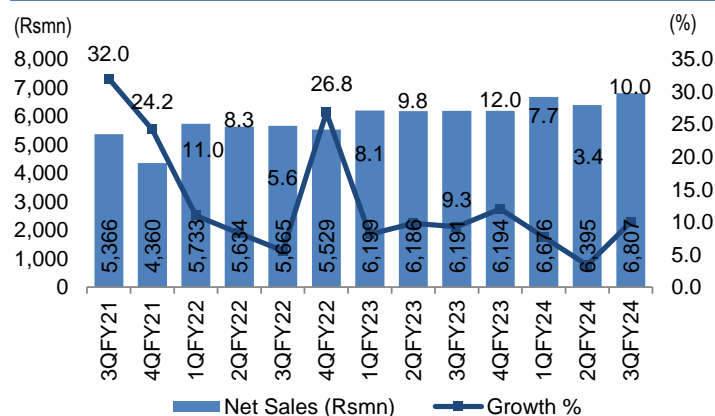
Particulars (%)	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24
Gross margin	53.1%	58.9%	54.3%	52.1%	53.0%	48.8%	54.6%	58.1%	53.4%
Staff Cost	7.1%	6.1%	6.7%	6.1%	8.6%	6.0%	8.0%	7.6%	6.7%
Advertisement expenses	11.5%	15.7%	14.7%	12.8%	12.5%	7.1%	15.4%	11.8%	10.1%
Other expenses	11.3%	16.9%	11.0%	12.8%	10.3%	12.4%	10.7%	14.2%	13.1%
EBITDA	23.2%	20.2%	21.9%	20.4%	21.6%	23.2%	20.5%	24.4%	23.6%
EBIT	20.1%	16.8%	19.0%	17.3%	18.1%	19.7%	17.5%	21.1%	20.5%
PBT	19.4%	16.7%	19.4%	17.2%	19.8%	20.0%	18.7%	21.7%	21.0%
Adjusted PAT	12.2%	12.2%	14.0%	12.0%	16.6%	14.8%	14.8%	16.3%	14.6%

Source: Company, Nirmal Bang Institutional Equities Research;

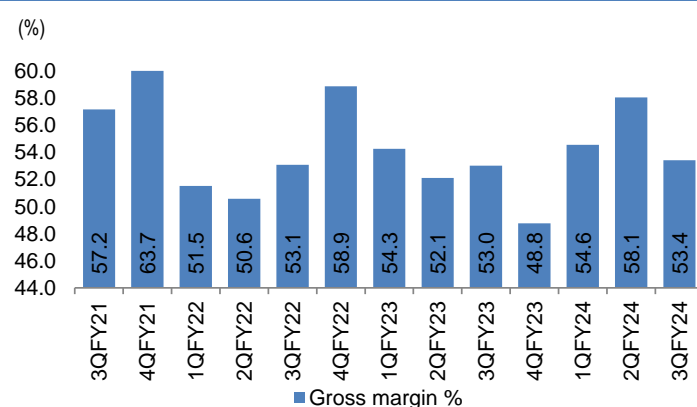
**Exhibit 4: Change in our estimates**

Y/E June	Earlier Estimates			New Estimates			Change (%)		
(Rsmn)	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net Sales	26,474	29,630	32,735	26,670	29,861	33,003	0.7	0.8	0.8
EBITDA	5,947	7,141	8,118	5,806	7,047	7,987	-2.4	-1.3	-1.6
EBITDA margin (%)	22.5	24.1	24.8	21.8	23.6	24.2	-0.7	-0.5	-0.6
Adj.PAT	3,960	4,822	5,495	3,779	4,749	5,414	-4.6	-1.5	-1.5

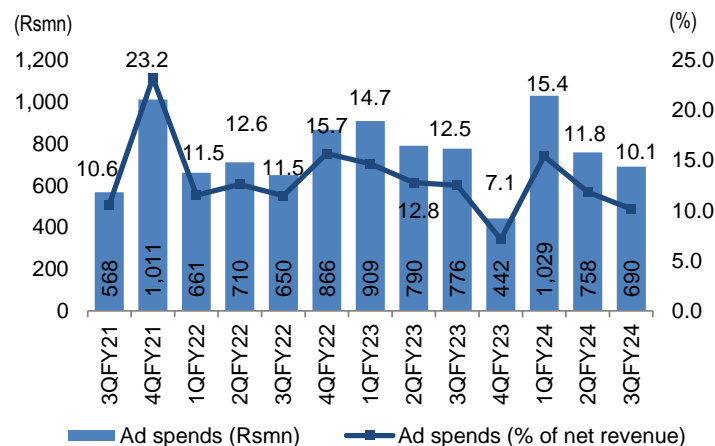
Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 5: Net sales grew by 10% YoY to Rs6.8bn**


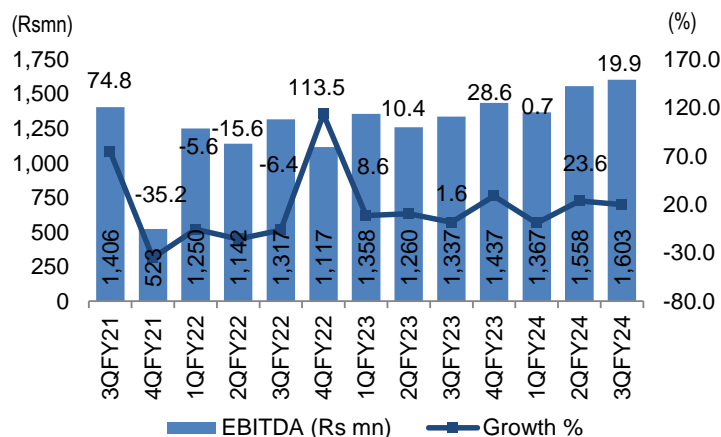
Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 6: Gross margin came in at 53.4% (up 40bps YoY)**


Source: Company, Nirmal Bang Institutional Equities Research

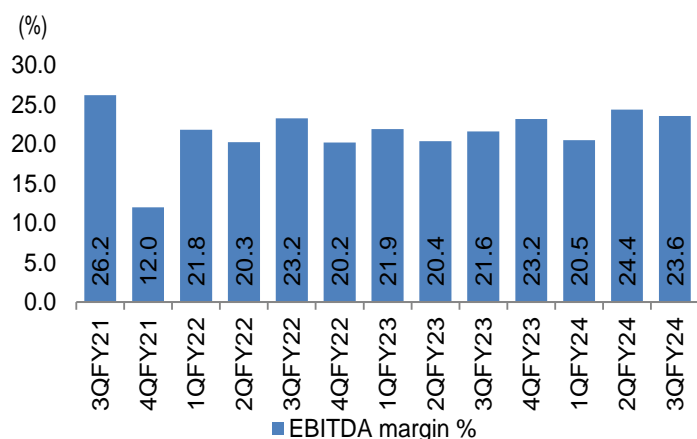
**Exhibit 7: Absolute ad spend was at Rs690mn; as a % of net revenue, ad spend was down ~240bps YoY**


Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 8: EBITDA was up 19.9%YoY to Rs1.6bn**


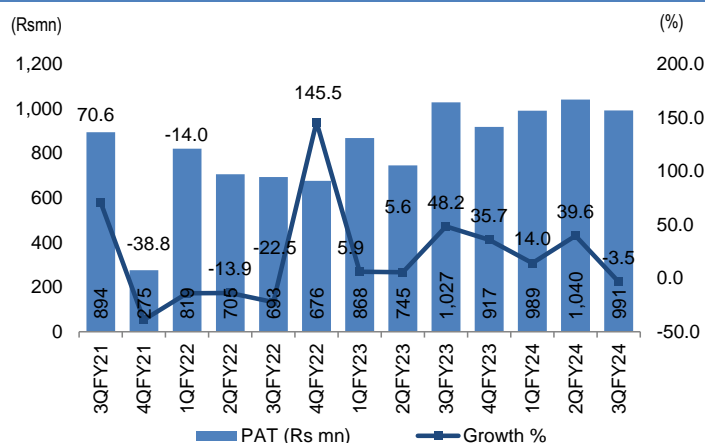
Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 9: EBITDA margin was up ~200bps YoY at 23.6%**



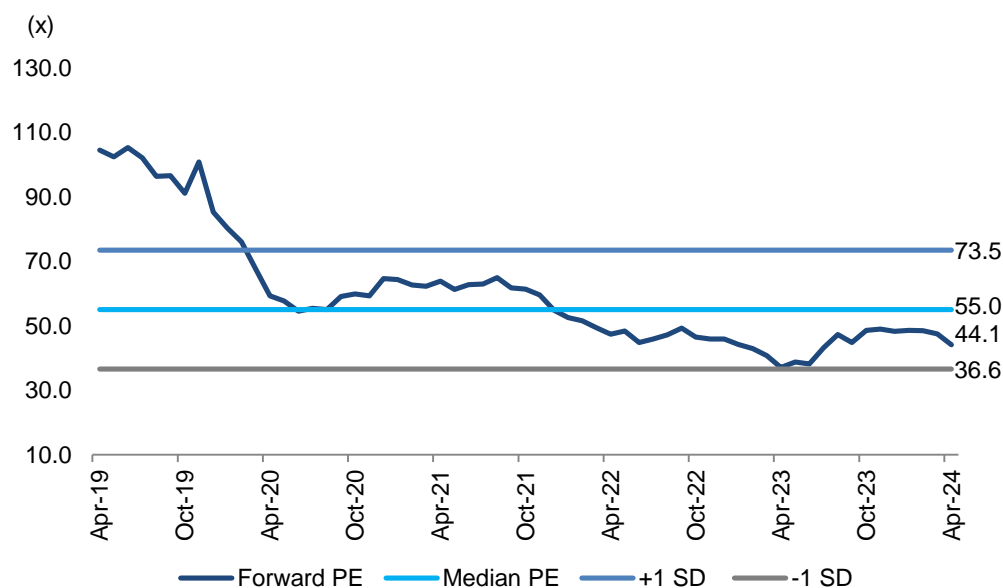
Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 10: APAT was down 3.5% YoY at Rs991mn**



Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 11: One-year forward P/E**



Source: Company, Nirmal Bang Institutional Equities Research

## Financials

**Exhibit 12: Income statement**

Y/E June (Rsmn)	FY22	FY23	FY24E	FY25E	FY26E
Net Sales	22,562	24,771	26,670	29,861	33,003
<b>% Growth</b>	<b>12.3%</b>	<b>9.8%</b>	<b>7.7%</b>	<b>12.0%</b>	<b>10.5%</b>
COGS	10,495	11,881	11,977	13,139	14,521
Staff costs	1,501	1,698	2,033	2,299	2,376
Advertising costs	2,887	2,916	3,292	3,882	4,290
Other expenses	2,854	2,884	3,563	3,494	3,828
Total expenses	17,737	19,379	20,864	22,814	25,016
<b>EBITDA</b>	<b>4,825</b>	<b>5,392</b>	<b>5,806</b>	<b>7,047</b>	<b>7,987</b>
<b>% growth</b>	<b>4.8%</b>	<b>11.8%</b>	<b>7.7%</b>	<b>21.4%</b>	<b>13.3%</b>
<b>EBITDA margin (%)</b>	<b>21.4%</b>	<b>21.8%</b>	<b>21.8%</b>	<b>23.6%</b>	<b>24.2%</b>
Other income	77	222	248	298	320
Interest costs	105	78	85	70	70
Depreciation	684	807	824	904	973
Profit before tax (before exceptional items)	4,113	4,729	5,145	6,371	7,264
Exceptional items	0	0	0	0	0
Tax	1,220	1,172	1,367	1,622	1,850
PAT (before exceptional items)	2,893	3,557	3,779	4,749	5,414
<b>PAT</b>	<b>2,893</b>	<b>3,557</b>	<b>3,779</b>	<b>4,749</b>	<b>5,414</b>
<b>PAT margin (%)</b>	<b>12.8%</b>	<b>14.4%</b>	<b>14.2%</b>	<b>15.9%</b>	<b>16.4%</b>
<b>% growth</b>	<b>-1.6%</b>	<b>22.9%</b>	<b>6.2%</b>	<b>25.7%</b>	<b>14.0%</b>

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 13: Balance sheet**

Y/E June (Rsmn)	FY22	FY23	FY24E	FY25E	FY26E
Share capital	326	326	326	326	326
Reserves	8,286	9,563	8,516	9,466	11,361
Net worth	8,612	9,889	8,842	9,792	11,687
Total debt	0	0	0	0	0
Deferred tax liability and others	503	657	657	657	657
<b>Total liabilities</b>	<b>9,115</b>	<b>10,545</b>	<b>9,499</b>	<b>10,448</b>	<b>12,343</b>
Gross block	6,958	8,029	8,779	9,679	10,179
Depreciation	3,327	4,134	4,958	5,862	6,835
Net block	3,630	3,895	3,821	3,817	3,344
Capital work-in-progress	650	324	750	900	500
Investments	0	0	0	0	0
Other LTA	1,950	1,986	4,139	769	4656
Inventories	3,734	4,124	3,621	4,659	4,492
Debtors	2,670	3,202	2,936	3,772	3,642
Cash	2,911	4,556	468	5,629	3,812
Other current assets	314	618	618	618	618
Total current assets	9,629	12,499	7,643	14,678	12,564
Creditors	5,553	6,801	5,340	7,979	6,741
Other current liabilities & provisions	1,191	1,357	1,514	1,737	1,978
Total current liabilities	6,744	8,158	6,854	9,716	8,720
Net current assets	2,885	4,341	788	4,962	3,844
<b>Total assets</b>	<b>9,115</b>	<b>10,545</b>	<b>9,499</b>	<b>10,448</b>	<b>12,343</b>

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 14: Cash flow**

Y/E June (Rsmn)	FY22	FY23	FY24E	FY25E	FY26E
PAT	2,893	3,557	3,779	4,749	5,414
Depreciation	684	807	824	904	973
Net other income	-77	-222	-248	-298	-320
(Inc.)/dec. in working capital	784	190	-536	987	-699
<b>Cash flow from operations</b>	<b>4,389</b>	<b>4,409</b>	<b>3,903</b>	<b>6,412</b>	<b>5,438</b>
Capital expenditure (-)	-1145	-746	-1176	-1050	-100
<b>Net cash after capex</b>	<b>3,243</b>	<b>3,663</b>	<b>2,728</b>	<b>5,362</b>	<b>5,338</b>
Inc./(dec.) in investments	368	219	-2,483	3,754	-3,560
<b>Cash from investing activities</b>	<b>-777</b>	<b>-527</b>	<b>-3,659</b>	<b>2,704</b>	<b>-3,660</b>
Dividends paid (-)	-2,248	-2,314	-4,345	-3,799	-3,519
Inc./(dec.) in total borrowings	-116	76	-85	-70	-3,519
<b>Cash from financial activities</b>	<b>-2,364</b>	<b>-2,238</b>	<b>-4,430</b>	<b>-3,869</b>	<b>-3,589</b>
Opening cash balance	1,663	2,911	4,556	468	5,629
Closing cash balance	2,911	4,556	468	5,629	3,812
Change in cash balance	1,248	1,645	-4,088	5,161	-1,817

Source: Company, Nirmal Bang Institutional Equities Research

**Exhibit 15: Key ratios**

Y/E June	FY22	FY23	FY24E	FY25E	FY26E
<b>Per share (Rs)</b>					
EPS	88.8	109.1	115.9	145.7	166.1
Book value	264.3	303.4	271.3	300.5	358.6
DPS	69.0	85.0	133.3	116.6	108.0
<b>Valuation (x)</b>					
P/Sales	9.0	8.2	7.6	6.8	6.1
EV/sales	8.9	8.1	7.5	6.7	6.1
EV/EBITDA	41.6	37.2	34.6	28.5	25.1
P/E	69.9	56.9	53.5	42.6	37.4
P/BV	23.5	20.5	22.9	20.7	17.3
<b>Return ratios (%)</b>					
RoCE	36.0	39.1	41.0	51.5	50.9
RoE	35.1	38.5	40.3	51.0	50.4
RoIC (pre-tax)	71.6	81.7	71.4	100.7	117.4
<b>Profitability ratios (%)</b>					
Gross margin	53.5	52.0	55.1	56.0	56.0
EBITDA margin	21.4	21.8	21.8	23.6	24.2
EBIT margin	3.0	3.3	3.1	3.0	2.9
PAT margin	12.8	14.4	14.2	15.9	16.4
<b>Liquidity ratios (x)</b>					
Current ratio	1.4	1.5	1.1	1.5	1.4
Quick ratio	0.9	1.0	0.6	1.0	0.9
<b>Solvency ratio (x)</b>					
Debt to Equity ratio	0.0	0.0	0.0	0.0	0.0
Net Debt to Equity ratio	-0.3	-0.5	-0.1	-0.6	-0.3
<b>Turnover ratios</b>					
Total asset turnover ratio (x)	1.4	1.3	1.6	1.5	1.6
Fixed asset turnover ratio (x)	6.2	6.4	7.0	7.8	9.9
Debtor days	38	43	42	41	41
Inventory days	60	58	53	51	51
Creditor days	78	91	83	81	81

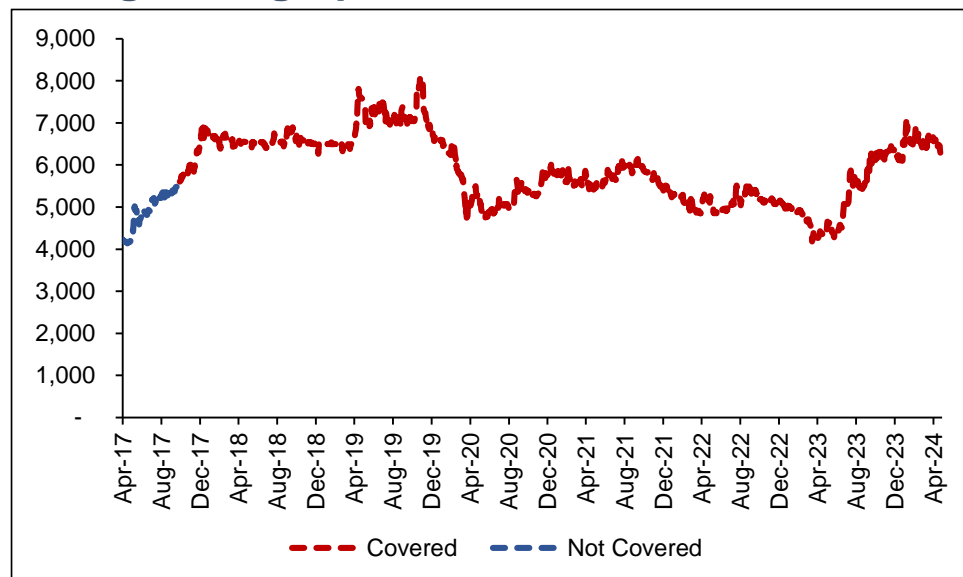
Source: Company, Nirmal Bang Institutional Equities Research

## Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
29 September 2017	Buy	5,640	7,000
14 November 2017	Buy	5,861	7,000
12 February 2018	Buy	6,546	8,000
14 May 2018	Buy	6,532	7,600
29 August 2018	Buy	6,542	7,600
5 November 2018	Buy	6,539	7,500
13 February 2019	Buy	6,489	7,500
9 April 2019	Buy	6,800	7,900
9 May 2019	Accumulate	7,297	7,700
23 Aug 2019	Accumulate	7,124	7,700
23 September 2019	Accumulate	7,148	7,930
6 November 2019	Accumulate	7,900	7,800
14 February 2020	Accumulate	6,356	6,677
30 March 2020	Accumulate	5,220	5,550
8 May 2020	Accumulate	4,991	4,870
27 August 2020	Accumulate	5,550	5,770
23 September 2020	Accumulate	5,378	5,770
10 November 2020	Accumulate	5,487	5,895
8 January 2021	Accumulate	5,899	6,165
4 February 2021	Accumulate	5,786	6,115
9 April 2021	Accumulate	5,587	6,100
6 May 2021	Accumulate	5,450	6,020
25 August 2021	Accumulate	5,929	6,000
23 September 2021	Accumulate	5,927	6,230
3 November 2021	Accumulate	5,800	6,325
3 February 2022	Accumulate	5,295	5,900
21 February 2022	Buy	5,110	5,945
30 April 2022	Accumulate	5,265	5,880
22 August 2022	Accumulate	5,525	5,800
14 September 2022	Accumulate	5,405	6,020
05 November 2022	Accumulate	5,135	5,815
2 February 2023	Accumulate	4,878	5,550
22 March 2023	Buy	4,304	5,845
12 May 2023	Buy	4,640	5,380
23 June 2023	Buy	4,586	5,550
29 August 2023	Buy	5,523	6,455
8 September 2023	Buy	5,885	6,775
23 September 2023	Buy	5,996	6,880
31 October 2023	Buy	6,124	7,125
10 November 2023	Buy	6,372	7,395
30 January 2024	Buy	6,714	7,915
29 April 2024	Buy	6,207	7,730



## Rating track graph





## DISCLOSURES

This Report is published by Nirmal Bang Equities Private Limited (hereinafter referred to as “NBEPL”) for private circulation. NBEPL is a registered Research Analyst under SEBI (Research Analyst) Regulations, 2014 having Registration no. INH000001436. NBEPL is also a registered Stock Broker with National Stock Exchange of India Limited and BSE Limited in cash and derivatives segments.

NBEPL has other business divisions with independent research teams separated by Chinese walls, and therefore may, at times, have different or contrary views on stocks and markets.

NBEPL or its associates have not been debarred / suspended by SEBI or any other regulatory authority for accessing / dealing in securities Market. NBEPL, its associates or analyst or his relatives do not hold any financial interest in the subject company. NBEPL or its associates or Analyst do not have any conflict or material conflict of interest at the time of publication of the research report with the subject company. NBEPL or its associates or Analyst or his relatives do not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

NBEPL or its associates / analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. NBEPL or its associates have not received any compensation or other benefits from the company covered by Analyst or third party in connection with the research report. Analyst has not served as an officer, director or employee of Subject Company and NBEPL / analyst has not been engaged in market making activity of the subject company.

**Analyst Certification:** I, Krishnan Sambamoorthy, research analyst and Sunny Bhadra, research associate, the author(s) of this report, hereby certify that the views expressed in this research report accurately reflects my/our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst is principally responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

## Disclaimer

### Stock Ratings Absolute Returns

BUY > 15%

ACCUMULATE -5% to 15%

SELL < -5%

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. NBEPL is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. In preparing this research, we did not take into account the investment objectives, financial situation and particular needs of the reader.

This research has been prepared for the general use of the clients of NBEPL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NBEPL will not treat recipients as customers by virtue of their receiving this report. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NBEPL & its group companies to registration or licensing requirements within such jurisdictions.

The report is based on the information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. We accept no obligation to correct or update the information or opinions in it. NBEPL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NBEPL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This information is subject to change without any prior notice. NBEPL reserves its absolute discretion and right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, NBEPL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Before making an investment decision on the basis of this research, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Opinions expressed are subject to change without any notice. Neither the company nor the director or the employees of NBEPL accept any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Here it may be noted that neither NBEPL, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profit that may arise from or in connection with the use of the information contained in this report.

Copyright of this document vests exclusively with NBEPL.

\*"Registration granted by SEBI and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors."

Our reports are also available on our website [www.nirmalbang.com](http://www.nirmalbang.com)

Access all our reports on Bloomberg, Thomson Reuters and Factset.

Team Details:			
Name		Email Id	Direct Line
Rahul Arora	CEO	rahul.arora@nirmalbang.com	-
Krishnan Sambamoorthy	Head of Research	krishnan.s@nirmalbang.com	+91 22 6273 8210
Dealing			
Ravi Jagtiani	Dealing Desk	ravi.jagtiani@nirmalbang.com	+91 22 6273 8230, +91 22 6636 8833
Michael Pillai	Dealing Desk	michael.pillai@nirmalbang.com	+91 22 6273 8102/8103, +91 22 6636 8830

## Nirmal Bang Equities Pvt. Ltd.

### Correspondence Address

B-2, 301/302, Marathon Innova,  
Nr. Peninsula Corporate Park,  
Lower Parel (W), Mumbai-400013.

Board No. : 91 22 6273 8000/1; Fax. : 022 6273 8010