

11 May 2024

India | Equity Research | Q4FY24 results review

Kalyan Jewellers India

Consumer Staples & Discretionary

Consistently delivering outperformance

Kalyan, in a stock exchange release today ([link](#)), announced that it has achieved double-digit SSSG in QTD 1QFY25. In 4QFY24, it continued to deliver revenue and SSSG outperformance (38% and 17% YoY), driven by new customer recruitment, increasing avg. ticket size and franchisee-driven retail expansion (39% YoY). Underlying (PBT) margin continues to improve (+10bps YoY); importantly store-level gross margins have been stable, indicating no material change in price competition. Store expansion guidance remains same at 130 stores (80 Kalyan and 50 Candere) in India. Further, FCF generation (led by FOCO model) is driving improvement in return ratios with a reduction in debt. It further guides for debt reduction of INR 3.5-4bn and INR 4-5bn by FY25 and FY26, respectively. **ADD.**

SSSG and retail expansion led revenue outperformance

Kalyan reported revenue of INR 45.4bn, up 34% YoY. India revenue growth came in at 38% YoY, driven by acceleration in store expansion (+39% YoY) in non-south markets (~49% contribution) and SSSG of 17% YoY (18% SSSG in South India, 16% in non-south). Management highlighted that it has not seen any material increase in promotion-led intensity over last 4-5 quarters. Revenue from Middle East business grew 14% YoY. Early double-digit SSSG in first 40 days of Q1FY25 is very encouraging despite volatile gold prices and general elections.

It highlighted that (1) new consumer recruits continued to be healthy (share of new customers at ~38%) and (2) south business contribution declined to 51% to overall sales from 56% (YoY). Studded share improved to ~29% (vs 28% in Q4FY23). (3) Average ticket size grew by ~85k to ~100k in FY24.

Underlying margin expansion led by FOCO model

As expected, India gross and EBITDA margins were down ~130bps and ~100bps YoY, respectively, due to accelerated store expansion through franchisees (~20% of revenues) which comes at lower margins vs COCO stores. Store-level gross margin remains largely stable over last 18 months, as per management. Consequently, (consol.) EBITDA margin was also down ~80bps YoY to 6.8%. PBT margin of India business improved by ~10bps to 4.5% led by margin-accretive FOCO model. Recurring PAT grew by 33% YoY to INR 1.4bn.

Financial Summary

Y/E March (INR mn)	FY23A	FY24A	FY25E	FY26E
Net Revenue	1,40,714	1,85,483	2,38,536	3,00,592
EBITDA	11,140	13,127	16,100	19,459
EBITDA Margin (%)	7.9	7.1	6.7	6.5
Net Profit	4,664	5,973	8,510	11,479
EPS (INR)	4.5	5.8	8.3	11.1
EPS % Chg YoY	107.6	28.2	42.5	34.9
P/E (x)	90.9	70.9	49.8	36.9
EV/EBITDA (x)	38.6	32.3	25.7	20.0
RoCE (%)	13.0	14.9	18.2	20.6
RoE (%)	13.8	15.3	18.4	20.5

Manoj Menon

manoj.menon@icicisecurities.com
+91 22 6807 7209

Varun Singh

varun.singh@icicisecurities.com

Karan Bhuvania

karan.bhuvania@icicisecurities.com

Akshay Krishnan

akshay.krishnan@icicisecurities.com

Market Data

Market Cap (INR)	423bn
Market Cap (USD)	5,063mn
Bloomberg Code	KALYANKJ IN
Reuters Code	KALN BO
52-week Range (INR)	450 / 104
Free Float (%)	22.0
ADTV-3M (mn) (USD)	11.3

Price Performance (%)	3m	6m	12m
Absolute	14.7	21.3	291.4
Relative to Sensex	13.1	9.4	274.2

Earnings Revisions (%)	FY25E	FY26E
Revenue	0.3	0.5
EBITDA	0.4	1.1
EPS	0.4	0.1

Previous Reports

01-02-2024: [Q3FY24 results review](#)

09-01-2024: [Company Update](#)

Focus on capital-light retail expansion

Kalyan added 10 stores and 58 stores in Q4FY24 and FY24 (all non-south and FOCO model) in India. It further converted one more (total two stores) owned showroom in South India to FOCO model and expects more such (FOCO led) roll-outs in South going forward. In FY25, it expects to add 130 stores in India (80 Kalyan Jewellers and 50 Candere showrooms), and 6 Kalyan showroom in Middle East.

Improvement in return ratios with clear strategy to improve it further

RoCE and RoE improved to 19.7% and 15.2%, respectively in FY24 led by 1) expansion through capital-light FOCO model, and 2) repayment of borrowing (excluding GML) by ~INR 4bn (overall working capital loans reduced by INR 2.6bn. It further negotiated increase in GML limit by INR 1.7bn. It plans to further reduce non-GML borrowing by INR 3.5-4bn and INR 4-5bn led by FCF generation in FY25 and FY26, respectively. Sale of non-core asset (aircraft) was also completed in April'24. It has also initiated discussion for release of non-core assets (given as collateral) which can further reduce non-core assets and improve return ratios. Capex is also expected to reduce to INR 2.5bn in FY25 (INR ~1bn in capex of ~30 stores in old FOCO model and INR ~1-1.5bn maintenance capex) and INR ~1-1.5bn in FY26.

Valuation and risks

We broadly maintain our estimates for FY25E and FY26E, modelling revenue / EBITDA / PAT CAGRs of 27% / 22% / 38% over FY24-FY26E. We maintain ADD with a DCF-based unchanged target price of INR 460. At our TP the stock will trade at a multiple of 42x FY26E EPS. Key risks: delay in showroom expansion and potentially higher competitive intensity in core south India markets.

Exhibit 1: Q4FY24 results review (Consolidated - Reported)

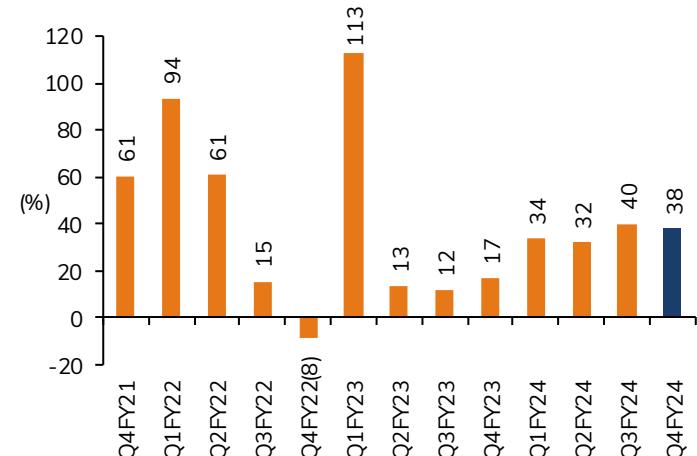
INR mn	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)	FY24	FY23	YoY (%)
Net Revenues	45,349	33,818	34	52,231	(13)	1,85,483	1,40,714	32
COGS	(38,737)	(28,488)	36	(44,616)	(13)	(1,58,346)	(1,18,722)	33
Gross profit	6,612	5,330	24	7,615	(13)	27,137	21,992	23
Staff cost	(1,598)	(1,198)	33	(1,561)	2	(6,064)	(4,406)	38
Other opex	(1,952)	(1,565)	25	(2,355)	(17)	(7,947)	(6,446)	23
Total opex	(3,550)	(2,763)	28	(3,916)	(9)	(14,010)	(10,852)	29
EBITDA	3,062	2,567	19	3,698	(17)	13,127	11,140	18
Other income	288	146	97	201	43	737	379	95
Finance cost	(778)	(802)	(3)	(817)	(5)	(3,232)	(3,026)	7
D&A	(736)	(632)	16	(697)	5	(2,743)	(2,446)	12
PBT	1,837	1,280	44	2,386	(23)	7,888	6,048	30
Tax	(462)	(249)	85	(582)	(21)	(1,925)	(1,396)	38
PAT	1,375	1,031	33	1,804	(24)	5,963	4,652	28
Minority Interest	1	3		2		11	12	
PAT after MI	1,376	1,033	33	1,806	(24)	5,973	4,664	28
Extraordinary items	-	(333)		-		-	(333)	
Net profit (reported)	1,376	701	96	1,806	(24)	5,973	4,331	38
EPS	1.3	1.0	33	1.8	(24)	5.8	4.5	28
Costs as a % of sales								
COGS	85.4	84.2	118 bps	85.4	-1 bps	85.4	84.4	99 bps
Gross margin (%)	14.6	15.8	-119 bps	14.6	0 bps	14.6	15.6	-100 bps
Staff cost	3.5	3.5	-2 bps	3.0	53 bps	3.3	3.1	13 bps
Other opex	4.3	4.6	-33 bps	4.5	-21 bps	4.3	4.6	-30 bps
EBITDA margin (%)	6.8	7.6	-84 bps	7.1	-33 bps	7.1	7.9	-84 bps
Income tax rate (%)	25.1	19.5	567 bps	24.4	75 bps	24.4	23.1	132 bps

Source: Company data, I-Sec research

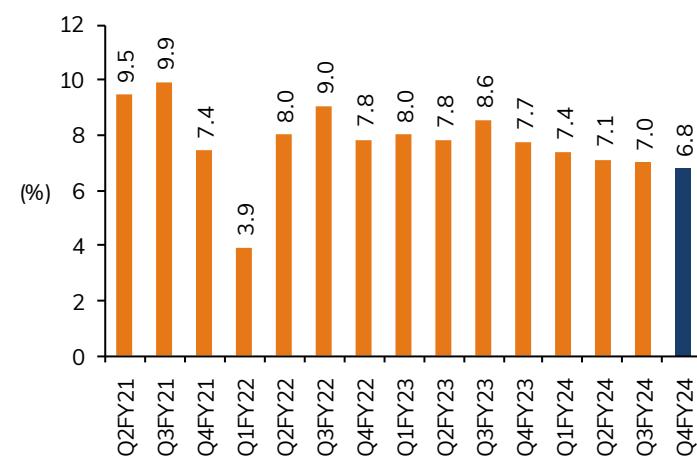
Exhibit 2: Q4FY24 results review (Standalone - Reported)

INR mn	Q4FY24	Q4FY23	YoY (%)	Q3FY24	QoQ (%)	FY24	FY23	YoY (%)
Net Revenues	38,756	28,054	38	45,117	(14)	1,57,826	1,15,840	36
COGS	(33,179)	(23,651)	40	(38,595)	(14)	(1,34,915)	(97,740)	38
Gross profit	5,578	4,402	27	6,522	(14)	22,911	18,100	27
Staff cost	(1,340)	(1,005)	33	(1,350)	(1)	(5,183)	(3,712)	40
Other opex	(1,606)	(1,224)	31	(2,009)	(20)	(6,571)	(5,058)	30
Total opex	(2,946)	(2,229)	32	(3,360)	(12)	(11,754)	(8,769)	34
EBITDA	2,631	2,173	21	3,163	(17)	11,157	9,331	20
Other income	258	133	94	226	14	765	426	79
Finance cost	(579)	(616)	(6)	(599)	(3)	(2,417)	(2,343)	3
D&A	(547)	(470)	16	(530)	3	(2,064)	(1,831)	13
PBT	1,763	1,221	44	2,259	(22)	7,441	5,583	33
Tax	(450)	(227)	98	(576)	(22)	(1,901)	(1,353)	41
Recurring PAT	1,313	994	32	1,683	(22)	5,541	4,231	31
EPS	1.3	1.0	32	1.6	(22)	5.4	4.1	31
Costs as a % of sales								
COGS	85.6	84.3	130 bps	85.5	6 bps	85.5	84.4	110 bps
Gross margin (%)	14.4	15.7	-131 bps	14.5	-7 bps	14.5	15.6	-111 bps
Staff cost	3.5	3.6	-13 bps	3.0	46 bps	3.3	3.2	8 bps
Other opex	4.1	4.4	-22 bps	4.5	-31 bps	4.2	4.4	-21 bps
EBITDA margin (%)	6.8	7.7	-96 bps	7.0	-23 bps	7.1	8.1	-99 bps
Income tax rate (%)	25.5	18.6	688 bps	25.5	-1 bps	25.5	24.2	131 bps

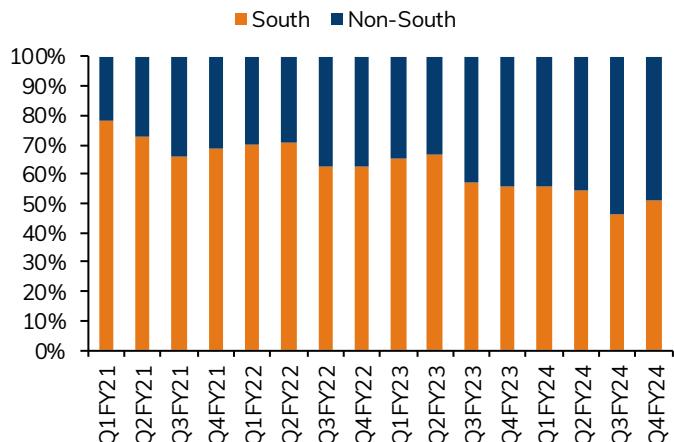
Source: Company data, I-Sec research

Exhibit 3: Revenue growth (%) - Standalone


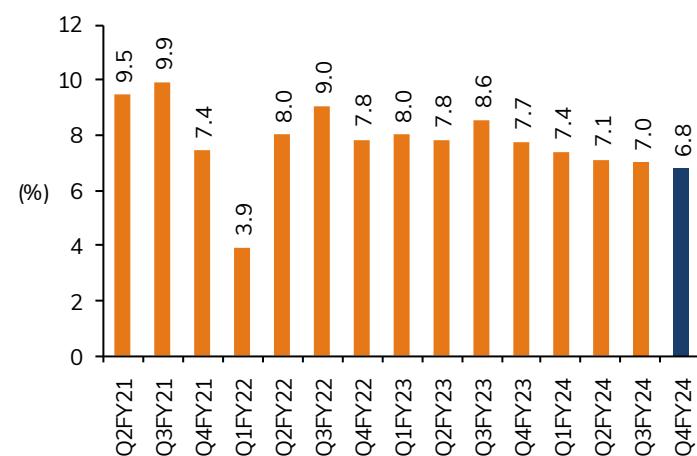
Source: Company data, I-Sec research

Exhibit 5: EBITDA margin (%) - Standalone


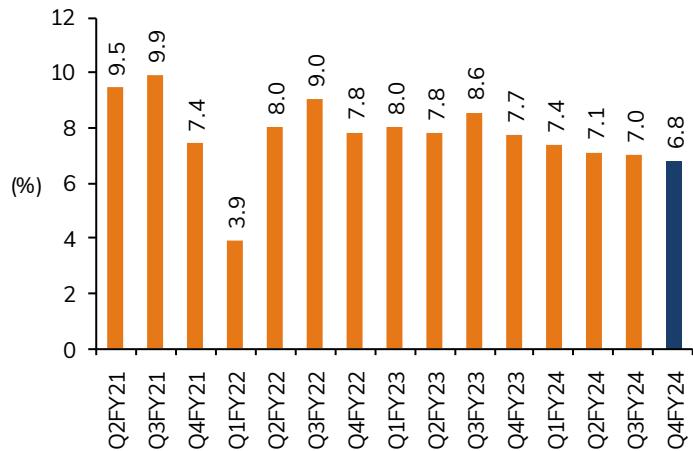
Source: Company data, I-Sec research

Exhibit 4: Revenue contribution


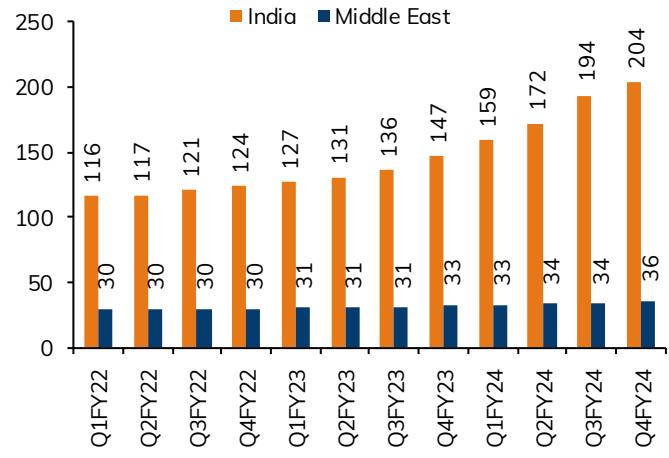
Source: Company data, I-Sec research

Exhibit 6: Gross margin (%) - Standalone


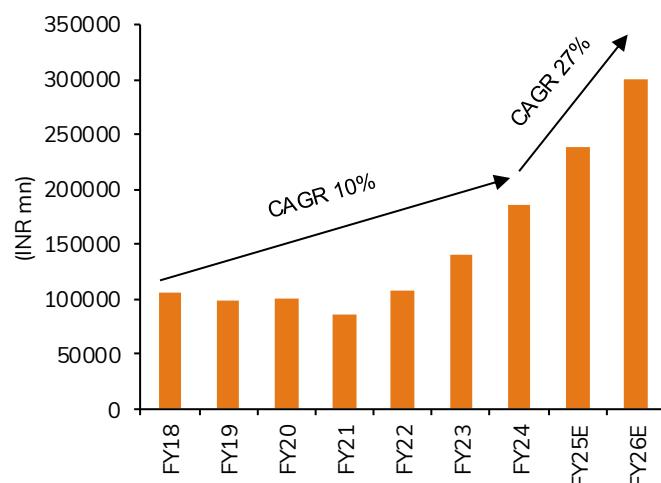
Source: Company data, I-Sec research

Exhibit 7: Studded share


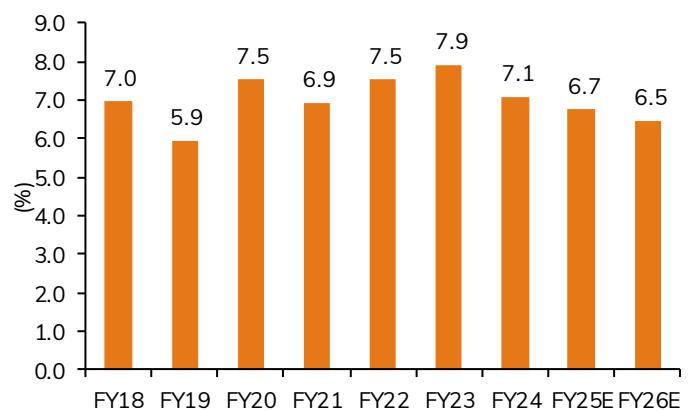
Source: Company data, I-Sec research

Exhibit 8: Store count (Kalyan Jewellers)


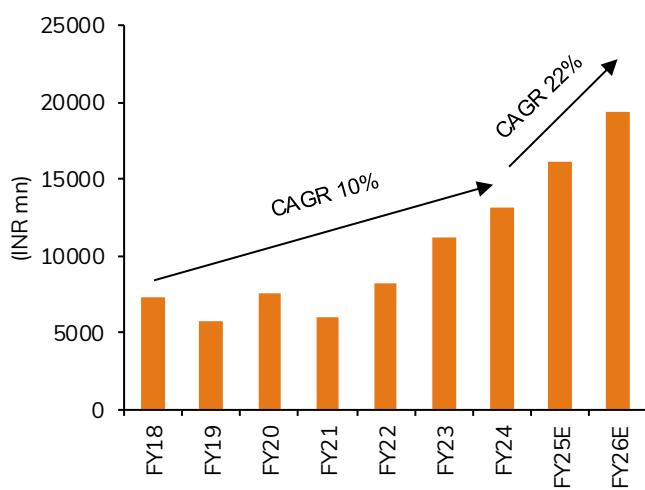
Source: Company data, I-Sec research

Exhibit 9: Revenue and growth rates


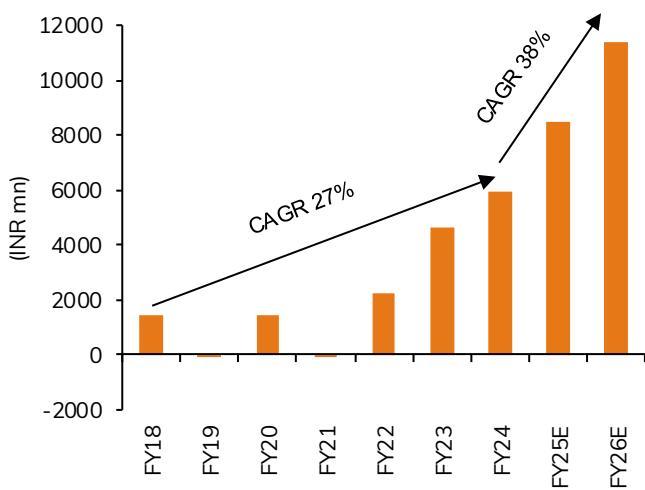
Source: Company data, I-Sec research

Exhibit 10: EBITDA margin


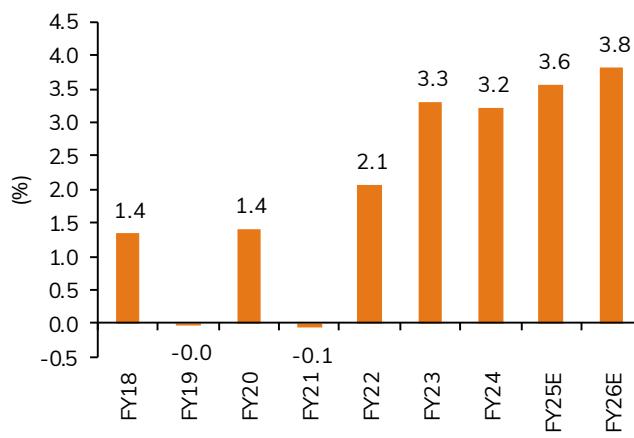
Source: Company data, I-Sec research

Exhibit 11: EBITDA and growth rates


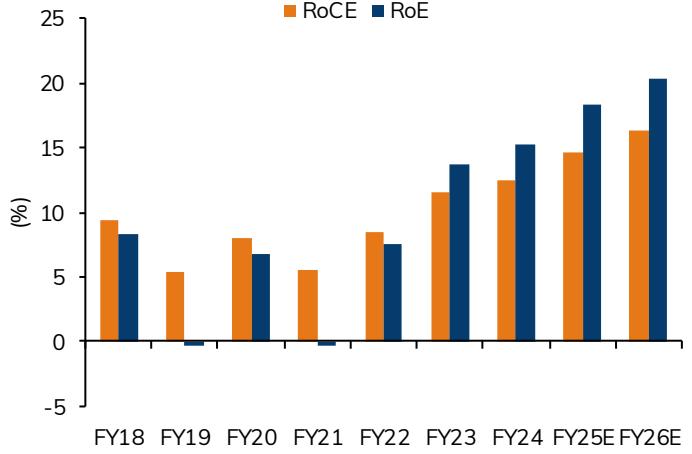
Source: Company data, I-Sec research

Exhibit 12: PAT and growth rates


Source: Company data, I-Sec research

Exhibit 13: PAT margin


Source: Company data, I-Sec research

Exhibit 14: Return ratios


Source: Company data, I-Sec research

Exhibit 15: Shareholding pattern

%	Sep'23	Dec'23	Mar'24
Promoters	60.6	60.6	60.6
Institutional investors	31.4	31.7	32.1
MFs and others	3.9	4.5	9.6
Fls/Banks	0.0	0.0	0.2
FII	27.5	27.2	22.3
Others	8.0	7.7	7.3

Source: Bloomberg

Exhibit 16: Price chart


Source: Bloomberg

Financial Summary

Exhibit 17: Profit & Loss

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Net Sales	1,40,714	1,85,483	2,38,536	3,00,592
Operating Expenses	1,29,574	1,72,356	2,22,436	2,81,133
EBITDA	11,140	13,127	16,100	19,459
EBITDA Margin (%)	7.9	7.1	6.7	6.5
Depreciation & Amortization	2,446	2,743	3,092	3,260
EBIT	8,694	10,384	13,009	16,199
Interest expenditure	3,026	3,232	3,166	3,077
Other Non-operating Income	-	-	-	-
Recurring PBT	6,048	7,888	11,143	15,022
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	1,396	1,925	2,644	3,554
PAT	4,652	5,963	8,499	11,467
Less: Minority Interest	(12)	(11)	(11)	(12)
Extraordinaries (Net)	(333)	-	-	-
Net Income (Reported)	4,319	5,963	8,499	11,467
Net Income (Adjusted)	4,664	5,973	8,510	11,479

Source Company data, I-Sec research

Exhibit 18: Balance sheet

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Total Current Assets	83,819	98,151	1,15,379	1,40,822
of which cash & cash eqv.	9,819	9,751	14,910	34,901
Total Current Liabilities & Provisions	27,453	40,980	53,029	67,229
Net Current Assets	56,366	57,171	62,350	73,593
Investments	611	611	611	611
Net Fixed Assets	8,738	10,904	10,365	8,637
ROU Assets	9,580	11,390	12,129	12,867
Capital Work-in-Progress	200	485	485	485
Total Intangible Assets	104	89	38	38
Long Term Loans & Advances	1,592	3,812	5,235	6,878
Deferred Tax assets	-	-	-	-
Total Assets	79,114	86,535	92,164	1,04,311
Liabilities				
Borrowings	16,550	10,643	6,393	1,393
Deferred Tax Liability	(562)	(662)	(662)	(662)
Provisions	377	456	577	719
Other Liabilities	18,536	22,530	23,789	29,327
Equity Share Capital	10,301	10,301	10,301	10,301
Reserves & Surplus	26,047	31,590	40,089	51,556
Total Net Worth	36,347	41,891	50,389	61,856
Minority Interest	(2)	(13)	(13)	(13)
Total Liabilities	79,114	86,535	92,164	1,04,311

Source Company data, I-Sec research

Exhibit 19: Quarterly trend

(INR mn, year ending March)

	Jun 22	Sep 23	Dec 23	Mar 24
Net Sales	43,757	44,145	52,231	45,349
% growth (YoY)	31.3	27.1	34.5	34.1
EBITDA	3,229	3,137	3,698	3,062
Margin %	7.4	7.1	7.1	6.8
Other Income	116	131	201	288
Extraordinaries	0	0	0	-
Adjusted Net Profit	1,439	1,352	1,806	1,376

Source Company data, I-Sec research

Exhibit 20: Cashflow statement

(INR mn, year ending March)

	FY23A	FY24A	FY25E	FY26E
Operating Cashflow	10,134	13,228	12,569	22,162
Working Capital Changes	424	2,040	(199)	6,996
Capital Commitments	(3,970)	(2,182)	(1,253)	368
Free Cashflow	6,163	11,045	11,316	22,530
Other investing cashflow	131	803	-	-
Cashflow from Investing Activities	(3,839)	(1,379)	(1,253)	368
Issue of Share Capital	-	-	-	-
Interest Cost	(2,291)	(2,389)	(3,166)	(3,077)
Inc (Dec) in Borrowings	-	-	-	-
Dividend paid	-	(515)	-	-
Others	(2,146)	(5,909)	(2,990)	538
Cash flow from Financing Activities	(6,376)	(11,480)	(6,156)	(2,540)
Chg. in Cash & Bank balance	(81)	368	5,159	19,991
Closing cash & balance	9,738	10,119	20,070	54,892

Source Company data, I-Sec research

Exhibit 21: Key ratios

(Year ending March)

	FY23A	FY24A	FY25E	FY26E
Per Share Data (INR)				
Reported EPS	4.5	5.8	8.3	11.1
Adjusted EPS (Diluted)	4.5	5.8	8.3	11.1
Cash EPS	6.9	8.5	11.3	14.3
Dividend per share (DPS)	0.5	1.2	1.8	2.5
Book Value per share (BV)	35.3	40.7	48.9	60.1
Dividend Payout (%)	9.0	4.8	4.6	4.5
Growth (%)				
Net Sales	30.1	31.8	28.6	26.0
EBITDA	36.8	17.8	22.7	20.9
EPS (INR)	107.6	28.2	42.5	34.9
Valuation Ratios (x)				
P/E	90.9	70.9	49.8	36.9
P/CEPS	59.5	48.5	36.5	28.7
P/BV	11.6	10.1	8.4	6.8
EV / EBITDA	38.6	32.3	25.7	20.0
P / Sales	3.0	2.3	1.8	1.4
Dividend Yield (%)	0.1	0.3	0.4	0.6
Operating Ratios				
Gross Profit Margins (%)	15.6	14.6	13.5	12.6
EBITDA Margins (%)	7.9	7.1	6.7	6.5
Effective Tax Rate (%)	23.1	24.4	23.7	23.7
Net Profit Margins (%)	3.3	3.2	3.6	3.8
Net Debt / Equity (x)	3.2	4.9	8.9	45.4
Net Debt / EBITDA (x)	21.6	19.1	18.4	19.4
Fixed Asset Turnover (x)	8.7	10.4	11.1	12.7
Working Capital Days	203	183	159	129
Inventory Turnover Days	206	186	161	132
Receivables Days	7	7	7	7
Payables Days	35	44	43	43
Profitability Ratios				
RoCE (%)	13.0	14.9	18.2	20.6
RoE (%)	13.8	15.3	18.4	20.5
RoIC (%)	13.0	14.9	18.2	20.6

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION

I/We, Manoj Menon, MBA, CMA; Varun Singh, MBA; Karan Bhuwania, MBA; Akshay Krishnan, MBA; 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. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. 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. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. 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 AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 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 Institutional 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 Retail 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 services 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 in 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.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, **E-mail Address** : complianceofficer@icicisecurities.com

For any queries or grievances: [Mr. Prabodh Avadhoot](mailto:Mr.Prabodh.Avadhoot) Email address: headservicequality@icicidirect.com Contact Number: 18601231122
