

04 May 2024

India | Equity Research | Q4FY24 results review

Tatva Chintan Pharma Chem

Speciality Chemicals

FY25 guidance: 30-40% volume growth; revenue may rise 25% with expansion in margin

Tatva Chintan Pharma Chem (TATVA) reported mixed Q4FY24 print as volume rose, but lower prices dragged revenue. Gross profit margin improvement failed to compensate the dip in profitability. TATVA has guided to grow volume by 35-40%, revenue by ~25% with EBITDA margin of 22-24% in FY25, which indicates recovery may be gradual. Despite unimpressive print, commentary on products development, customer qualifications and enhancing sustainability chemistry capabilities remains encouraging, highlighting the strong uptick in normalisation. It has been expanding new products in battery chemicals as well. We cut our FY25E / FY26E EPS by 34% / 7%, and trim our target price to INR 1,850 (earlier INR 1,975), valuing the stock at an unchanged PE multiple of 28x. Maintain **BUY**.

Update on new products and customers

- SDA:** TATVA has received all formal approvals by customers for the products under validation with existing and new customers. It has also started commercial supplies to new customers (except for one). The company has captive production of key starting raw material for SDA which was the key reason for large customer to start procurement from TATVA. However, the margin benefit of backward integration is limited. One customer is yet to start purchase due to pending REACH registration, which will be done in FY25 according to the company.
- Electrolyte salt:** An existing customer is upgrading plant from manual production to automated which will likely increase its capacity. The company expects sales volume uptick to start for this customer from Aug'24. The qualification with customer in Europe is progressing well, with application in hybrid car batteries. TATVA has also successfully developed formulation for zinc batteries, and started sending samples to potential customers.
- PASC:** Agro-chemical intermediate - two products have been approved by customer, and TATVA is waiting for third product approval (delayed due to Red Sea issue). Agro-chemical intermediate production for two products has begun as it needs to start supplying from H2FY25. Three pharmaceutical intermediate products' have been approved with supplies. Monoglyme had safety hiccups that may be resolved with new equipment design. The company has successfully completed agrochemical intermediate using photo-chlorination route, and two using catalyst route.

Sanjesh Jain

sanjesh.jain@icicisecurities.com
+91 22 6807 7153

Ashvik Jain

ashvik.jain@icicisecurities.com

Market Data

Market Cap (INR)	29bn
Market Cap (USD)	349mn
Bloomberg Code	TATVA IN
Reuters Code	TATV BO
52-week Range (INR)	1,888 / 1,061
Free Float (%)	28.0
ADTV-3M (mn) (USD)	0.5

Price Performance (%)

	3m	6m	12m
Absolute	(6.6)	(12.6)	(26.1)
Relative to Sensex	(9.0)	(27.4)	(46.8)

Earnings Revisions (%)	FY25E	FY26E
Revenue	(28.7)	(13.6)
EBITDA	(33.3)	(10.3)
EPS	(33.6)	(6.5)

Previous Reports

21-01-2024: [Q3FY24 results review](#)

03-11-2023: [Q2FY24 results review](#)

- **Flame retardant & polymer intermediate:** TATVA has successfully developed intermediate for polymer. It has used electrodialysis, and has eliminated the risk of managing hazardous hydrogenation process on high temperature. This also solves another problem for customer as conventional process generated by-product while electrodialysis has 100% conversion into final product. The company believes the process is yet to be notified for patent, and innovation / engineering capabilities are driving strong process. Flame retardant market remains challenging; however, the company has developed third product from its R&D.

Update on guidance

- TATVA is anticipating volume to grow 35-40% in FY25; however, revenue to grow ~25% as price erosion impact will be accounted for full year. Price erosion was not fully factored in SDA segment during FY24 as prices had fallen sharply in Q4FY24, and its full impact will reflect in Q2FY25. Price erosion in PTC was fully accounted in Q4FY25. EBITDA margin is likely to be in the range of 22-24% in FY25. Margins have been impacted due to lower absorption of fixed costs, and lower pricing for its products.
- Segment wise revenue growth assumption: PTC revenue to grow at 8-10%; SDA 15-20%, PASC 80-90% and electronic chemicals by 150-160%. SDA volume will be strong due to new customer addition, and new products supply.
- Company's reactor capacity utilisation stood at 68%; however, excluding solvent recovery, capacity utilisation was only 53%. Assembly (used for electrodialysis) capacity utilisation was only 30%.
- Company has announced capacity addition of 150KL from INR 700mn capex announced in Q3FY24. It was planning for large seven storey building; however, soil test has been unfavourable. It is now testing soil in alternate location within Dahej plant. If it fails to qualify for large building, it has to settle for four storey building with reactor capacity of 70-80KL.

Other highlights

- **PTC:** Company has recently added new business in PTC which should help offset weakness in agro-chemicals business. The key raw material (tributyl Amine) price has dropped from USD 4.2/kg to USD 1.6/kg.
- **SDA:** Company anticipates strong volume growth in FY25 from new products supply; FY26 should benefit from ramp up by new customers, and Euro-7. The company remains confident of volume growth in SDA for next couple of years. Prices have been weak in Mar'24, but have stabilised from Apr'24. Blended realisation of SDA for TATVA is USD 8.5-9/kg.
- **PASC:** TATVA was working on three products each in agrochemical and pharmaceuticals. Of which five products are qualified with positive feedback. One product in agrochemical is under-qualification which got delayed due to the Red Sea issue, and now validation is likely by Sep'24. All three products should start seeing commercial supply starting Sep'24 to early CY25. Total revenue potential from these three agrochemical products is INR 2bn of which product pending approval is large with revenue contribution of INR 1bn. Agro-intermediate using photo-chlorination has been successfully developed after overcoming multiple challenges.
- Company has started the production of two agrochemical products as it believes it will face capacity constraints in plant in H2FY25. Early production and inventory will help in meeting demand for customer.
- Company is positioning itself as green and sustainable manufacturer, thereby, helping buyers reduce the environmental cost. It is coming up with cleaner

manufacturing process which will make production greener by producing less waste. It is unwilling to compete on pricing, but waste reduction, and innovative process will reduce the cost for buyer as well.

- Monoglyme had safety issues that have been resolved by the company by making modifications in equipment design. It expects to start pilot production soon, and the catalyst has been running successfully. It has developed two more products using catalyst process which have been successful in pilot trial, but these products will be re-tested on the newly-designed equipment.
- Electronic chemicals: Company had poor off-take from China. It is eyeing new opportunity in supplies to battery for hybrid car where it is successfully qualified for the product. Zinc battery is the latest addition to the portfolio that finds application in energy storage system.
- TATVA is commissioning a dedicated solvent recovery plant, and a bromine recovery plant by Aug-Sep'24. This will free-up main plant reactor capacity by 15%.

Q4FY24 result highlights

Revenue declined 21.1% YoY / up 16.7% QoQ

TATVA's Q4FY24 revenue dipped 21.1% YoY/ up 16.7% QoQ to INR 983mn. Revenue was impacted by sharp price drop. The price drop was triggered by lower input cost. PTC revenue was down 29.6% YoY / +9.7% QoQ to INR 272mn with drop largely being from lower realisation while volume was stable. SDA was down 24.8% YoY / up 26.3% QoQ to INR 408mn and was impacted by sharp fall in prices in Mar'24. PASC's revenue was down 12.4% YoY / up 10.2% QoQ to INR 280mn, and was hurt by demand weakness in specialty chemicals.

Company has started seeing early signs of demand recovery across chemical segments except agrochemical, and prices had stabilised in Apr'24 at lower levels. TATVA anticipates to grow volume by 35-40% in FY25.

Gross profit margin up 215bps QoQ to 57.8%

Gross profit margin was higher due to lower realisation for products while gross profit/kg was not proportionate. Further, SDA contribution was up to 41.5% in Q4FY24 vs 38.4% in Q3FY24, which has higher margin. Gross profit was up 21.2% YoY/ 14.7% QoQ to INR 568mn. EBITDA declined 4.1% YoY (up 42% QoQ) to INR 156mn due to unabsorbed cost of the new commissioned facility. Net profit drop was sharp 53.2% YoY to INR 96mn.

Risks

- 1) Slower-than-expected revenue recovery; and 2) continued pressure on margins.

Exhibit 1: Tatva Chintan Pharma Chem result review (consolidated)

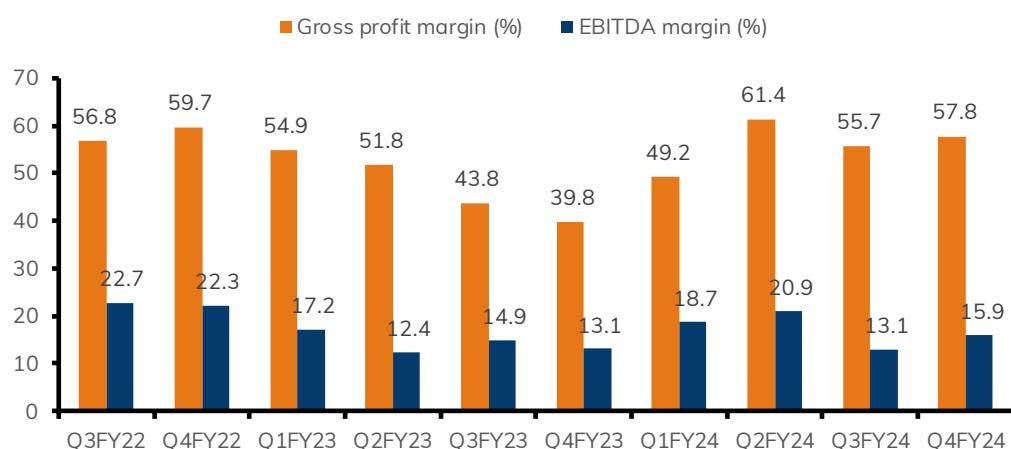
INR mn	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	QoQ (%)	YoY (%)
Revenue	1,245	1,144	967	842	983	16.7	(21.1)
COGS	750	580	373	373	415	11.1	(44.7)
Gross profit	495	563	594	469	568	21.2	14.7
GPM (%)	39.8	49.2	61.4	55.7	57.8		
Employee cost	103	116	141	148	144	(2.7)	39.1
% of revenue	8.3	10.1	14.6	17.5	14.6		
Other expenses	229	234	250	211	268	27.1	17.1
% of revenue	18.4	20.5	25.9	25.1	27.3		
Total expenses	332	350	391	359	412	14.8	23.9
EBITDA	163	213	202	110	156	42.0	(4.1)
EBITDA (%)	13.1	18.7	20.9	13.1	15.9		
Depreciation	25	60	68	66	62	(5.3)	146.3
EBIT	137	153	135	44	94	112.6	(31.8)
Other income	8	10	8	12	45	274.2	435.9
Finance cost	32	29	30	4	2		
PBT	114	134	112	52	137	161.1	20.2
Tax	(92)	39	34	18	41	127.8	(144.5)
ETR (%)	(80.4)	29.2	30.6	34.1	29.8		
Exceptional item							
Net profit	205	95	78	35	96	178.3	(53.2)
Net profit (%)	16.5	8.3	8.0	4.1	9.8		
EPS (INR)	7.6	4.3	3.5	1.6	4.3	178.3	(43.3)

Source: I-Sec research, Company data

Exhibit 2: Tatva Chintan segmental revenue breakup

INR mn	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	QoQ (%)	YoY (%)
Segment revenue							
PTC	386	316	231	248	272	9.7	(29.6)
SDA	543	496	428	323	408	26.3	(24.8)
Electronic Chemical	13	13	12	12	13	8.3	(3.3)
PASC	320	310	288	254	280	10.2	(12.4)
Total	1,245	1,144	967	842	983	16.7	(21.1)
Mix (%)							
PTC	31.0	27.6	23.9	29.5	27.7		
SDA	43.6	43.4	44.3	38.4	41.5		
Electronic Chemical	1.1	1.1	1.2	1.4	1.3		
PASC	25.7	27.1	29.8	30.2	28.5		

Source: I-Sec research, Company data

Exhibit 3: Gross profit and EBITDA margin trends


Source: I-Sec research, Company data

Exhibit 4: Earnings revision

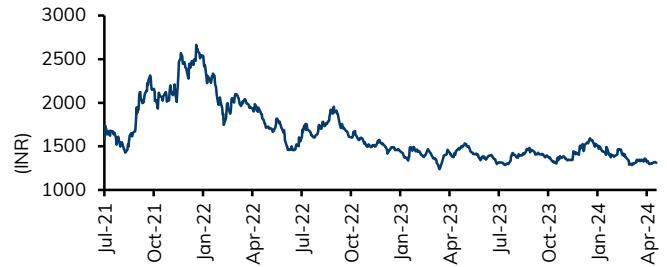
INR mn	Revised		Earlier		Change (%)	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Revenue	5,256	8,123	7,374	9,405	(28.7)	(13.6)
Gross profit	3,069	4,459	3,920	4,989	(21.7)	(10.6)
GPM (%)	58.4	54.9	53.2	53.0		
EBITDA	1,262	2,200	1,892	2,454	(33.3)	(10.3)
EBITDA (%)	24.0	27.1	25.7	26.1		
PAT	873	1,543	1,314	1,650	(33.6)	(6.5)
EPS (INR)	37.3	66.0	56.2	70.5	(33.6)	(6.5)

Source: I-Sec research, Company data

Exhibit 5: Shareholding pattern

%	Sep'23	Dec'23	Mar'24
Promoters	72.0	72.0	72.0
Institutional investors	18.2	17.3	16.5
MFs and others	13.5	13.1	12.8
FIs/Banks	0.0	0.0	0.0
Insurance	0.1	0.0	0.0
FII	4.6	4.2	3.7
Others	9.8	10.7	11.5

Source: Bloomberg

Exhibit 6: Price chart


Source: Bloomberg

Financial Summary

Exhibit 7: Profit & Loss

(INR mn, year ending March)

	FY23A	FY24P	FY25E	FY26E
Net Sales	4,236	3,935	5,256	8,123
Operating Expenses	3,630	3,253	3,995	5,923
EBITDA	606	682	1,262	2,200
EBITDA Margin (%)	14.3	17.3	24.0	27.1
Depreciation & Amortization	96	256	281	378
EBIT	510	426	981	1,823
Interest expenditure	84	65	10	35
Other Non-operating Income	57	75	94	117
Recurring PBT	484	436	1,065	1,905
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	(7)	132	192	362
PAT	455	304	873	1,543
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	455	304	873	1,543
Net Income (Adjusted)	491	304	873	1,543

Source Company data, I-Sec research

Exhibit 8: Balance sheet

(INR mn, year ending March)

	FY23A	FY24P	FY25E	FY26E
Total Current Assets	3,136	2,979	3,172	4,382
of which cash & cash eqv.	448	383	538	258
Total Current Liabilities & Provisions	701	660	885	1,374
Net Current Assets	2,434	2,319	2,287	3,008
Investments	-	101	-	-
Net Fixed Assets	4,270	4,998	5,717	6,840
ROU Assets	309	729	729	729
Capital Work-in-Progress	2,307	300	300	300
Total Intangible Assets	-	-	-	-
Other assets	34	87	96	105
Deferred Tax Assets	124	123	123	123
Total Assets	7,563	8,187	9,108	11,450
Liabilities				
Borrowings	1,703	143	143	843
Deferred Tax Liability	-	-	-	-
Provisions	11	13	15	16
Other Liabilities	-	-	-	-
Equity Share Capital	222	234	234	234
Reserves & Surplus	4,926	7,137	7,832	8,983
Total Net Worth	5,148	7,371	8,066	9,217
Minority Interest	-	-	-	-
Total Liabilities	7,563	8,187	9,108	11,450

Source Company data, I-Sec research

Exhibit 9: Quarterly trend

(INR mn, year ending March)

	Jun-23	Sep-23	Dec-23	Mar-24
Net Sales	1,144	967	842	983
% growth (YOY)	29.4	7.3	(30.2)	(21.1)
EBITDA	213	202	110	156
Margin %	18.7	20.9	13.1	15.9
Other Income	10	8	12	45
Extraordinaries	-	-	-	-
Adjusted Net Profit	95	78	35	96

Source Company data, I-Sec research

Exhibit 10: Cashflow statement

(INR mn, year ending March)

	FY23A	FY24P	FY25E	FY26E
Operating Cashflow	562	623	1,070	1,838
Working Capital Changes	(284)	357	79	(1,009)
Capital Commitments	(2,031)	(1,285)	(1,000)	(1,500)
Free Cashflow	(1,753)	(303)	149	(671)
Other investing cashflow	1,019	78	194	117
Cashflow from Investing Activities	1,019	78	194	117
Issue of Share Capital	-	1,965	-	-
Interest Cost	(84)	(65)	(10)	(35)
Inc (Dec) in Borrowings	506	(1,548)	-	700
Dividend paid	(44)	(47)	(178)	(392)
Others	0	-	-	-
Cash flow from Financing Activities	378	305	(188)	273
Chg. in Cash & Bank balance	(356)	80	155	(281)
Closing cash & balance	273	353	538	258

Source Company data, I-Sec research

Exhibit 11: Key ratios

(Year ending March)

	FY23A	FY24P	FY25E	FY26E
Per Share Data (INR)				
Reported EPS	20.5	13.0	37.3	66.0
Adjusted EPS (Diluted)	22.1	13.0	37.3	66.0
Cash EPS	24.8	23.9	49.3	82.1
Dividend per share (DPS)	2.0	2.0	7.6	16.8
Book Value per share (BV)	232.3	315.1	344.8	394.0
Dividend Payout (%)	9.7	15.4	20.4	25.4
Growth (%)				
Net Sales	(2.3)	(7.1)	33.6	54.5
EBITDA	(44.0)	12.6	85.0	74.4
EPS (INR)	(52.6)	(36.8)	187.6	76.7
Valuation Ratios (x)				
P/E	60.6	95.8	33.3	18.9
P/CEPS	50.1	52.0	25.2	15.1
P/BV	5.4	3.9	3.6	3.2
EV / EBITDA	47.6	42.3	22.7	13.5
EV/SALES	6.8	7.3	5.5	3.7
Dividend Yield (%)	0.2	0.2	0.6	1.3
Operating Ratios				
Gross Profit Margins (%)	46.6	55.7	58.4	54.9
EBITDA Margins (%)	14.3	17.3	24.0	27.1
Effective Tax Rate (%)	(1.6)	30.3	18.0	19.0
Net Profit Margins (%)	11.6	7.7	16.6	19.0
NWC / Total Assets (%)	26.3	22.4	19.2	24.0
Net Debt / Equity (x)	0.2	0.0	0.0	0.1
Net Debt / EBITDA (x)	2.1	(0.4)	(0.3)	0.3
Profitability Ratios				
RoCE (%)	8.1	4.1	10.2	16.2
RoE (%)	9.2	4.8	11.3	17.9
RoIC (%)	9.8	4.4	10.9	16.9
Fixed Asset Turnover (x)	(13.4)	0.9	1.0	1.2
Inventory Turnover Days	140.0	141.7	91.7	92.2
Receivables Days	72.7	64.8	64.8	64.8
Payables Days	27.7	41.8	41.8	41.8

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, Sanjesh Jain, PGDM; Ashvik Jain, 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 icidirect.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
