

RETAIL EQUITY RESEARCH

Prince Pipes and Fittings Ltd.

Plastic Products

Sensex: 41,352

Nifty: 12,165

SUBSCRIBE

Price Range Rs. 177 - Rs. 178

An established brand among the leading players

Prince Pipes and Fittings Ltd, is a leading manufacturer of polymer pipes and fittings in India, offering products for varied applications in plumbing, irrigation, and soil, waste and rain water ("SWR") management. The company markets its products under two brand names: Prince Piping Systems; and Trubore. They have more than 30 years' experience in the polymer pipes segment. With six strategically located manufacturing plants, the company has strong presence in North, West and South India.

- Amongst the top six organised players with ~5% market share.
- The company has 1408 distributors across India, the highest among peers.
- Revenue grew by 16% CAGR over FY16-19 while PAT grew 40.6% CAGR in FY16-19.
- EBITDA margin was 11.8% while net profit margin was 5.3% in FY19.
- The company acquired Trubore brand in 2012 to increase its presence in South India and is expected to become a pan India brand in the next 4 years.
- Plan to set up a new manufacturing plant in Sangareddy (Telangana) to cater to South India markets effectively.
- Total installed capacity of the six existing plants is 241,211 tonnes per annum with a capacity utilization of 69.58% as on October 31, 2019.
- At the upper price band of Rs178, the company is available at P/E of 23.5x on FY19 which is 22% discount to its peers and we have a 'SUBSCRIBE' rating with short to medium term perspective.

Purpose of IPO

The Offer consists of the Fresh Issue and the Offer for Sale. The proceeds of the OFS to release pledged shares. The company intends to utilize the net proceeds from fresh issue for the repayment or prepayment of certain outstanding loans, financing the project cost towards establishment of a new manufacturing facility, upgradation of equipment at the manufacturing facilities and general corporate purposes.

Key Risks

- Slowdown in construction activity.
- Promoters has pledged shares.
- High working capital requirements.
- Polymer prices are highly susceptible to volatility in crude prices.
- Technical collaboration with a reputed international player for almost the last five years, expires on January 1, 2020.

Peer Valuation

Company	MCap (Rs cr)	Revenue (Rs cr)	EBITDA margin (%)	EPS	RoE (%)	P/E	EV/EBITDA
Prince Pipe & Fittings	1,958	1,572	11.8	7.6	23.0	23.5	12.5
Finolex Industries	6,912	3,091	19.5	28.0	13.2	19.6	10.0
Supreme Industries	14,239	5,612	14.0	30.0	18.8	37.7	19.2

Source: Geojit Research, Bloomberg; Valuations of Prince Pipe & Fittings are based on upper end of the price band, Financials as per FY19

Issue Details				
Date of Opening		18 th December, 2019		
Date of Closing		20 th December, 2019		
Total no. of Shares offered(cr)		2.80		
Post Issue No. of shares (cr)		11		
Price Band		Rs. 177- 178		
Face Value		Rs. 10		
Bid Lot		84 shares		
Minimum application for retail (upper price band for 1 lot)		Rs. 14,952		
Maximum application for retail (upper price band for 13 lot)		Rs. 1,94,376		
Listing		BSE & NSE		
Lead Manager		JM Financial, Edelweiss Financial services.		
Registrars		Link Intime India Pvt Ltd.		
Issue size (upper price)			Rs. Cr	
Fresh Issue			250	
OFS			250	
Total Issue			500	
Shareholding (%)		Pre Issue	Post Issue	
Promoters		90	66	
Others		10	34	
Total		100	100	
Issue structure		Allocation %	Size Rs.cr	
Retail		35	175	
Non -Institutional		15	75	
QIB		50	250	
Total		100	750	
Y.E March (Rs cr)		FY17	FY18	FY19
Sales		1,246	1,315	1,572
Growth (%)		23.7	5.5	19.5
EBITDA		163	163	186
Margin%		13.0	12.4	11.8
PAT Adj		74	73	83.4
Growth (%)		151	-1.9	14.5
EPS		7	7	7.6
P/E (x)		26.4	26.9	23.5
EV/EBITDA		14.3	14.5	12.5
RoE (%)		34.8	26	23

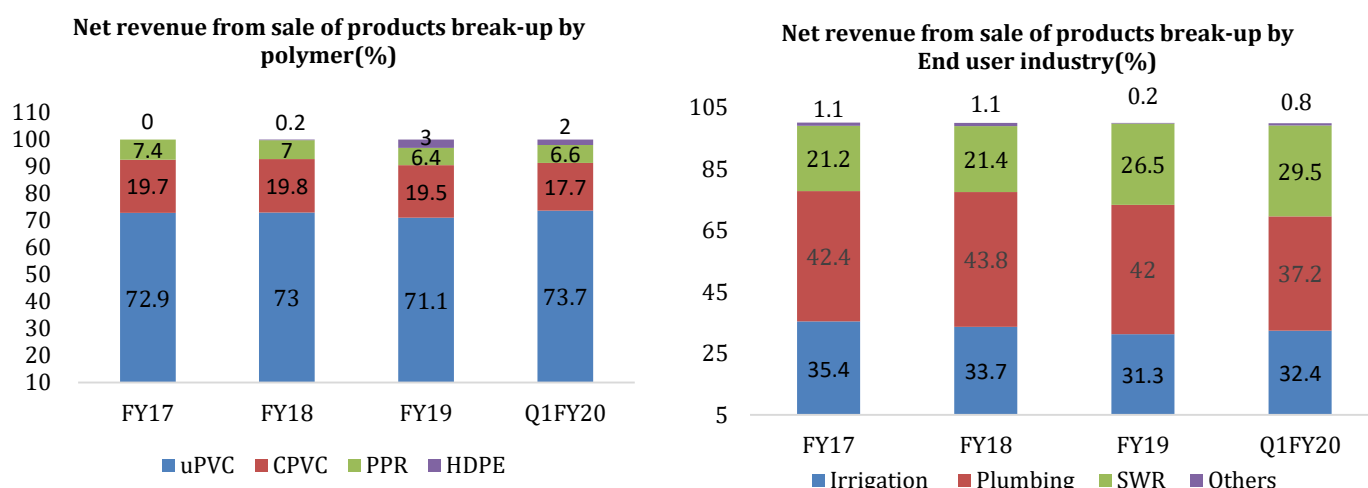
*Annualized

Company Description

Prince Pipes and Fittings Ltd, is one of the leading polymer pipes and fittings manufacturers in India in terms of number of distributors. The company markets its products under two brand names: Prince Piping Systems and Trubore. Due to the comprehensive product range, the company is positioned as an end-to-end polymer piping systems solution provider. They have more than 30 years' experience in the polymer pipes segment. The company manufactures polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. Their products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("SWR") management. The product range meets the requirements of both the rural and urban markets. They have six strategically located manufacturing plants, which has enabled them to develop a strong presence in North, West and South India. The total installed capacity of the five existing plants is 241,211 tonnes per annum as on October 31, 2019. They distribute their products from the six plants and 11 warehouses. The warehouses are managed by clearing and forwarding agents. The company sells Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As on October 31, 2019, the company sold Prince Piping Systems products to 1151 distributors in India. They sell Trubore products directly to wholesalers and retailers. As at October 31, 2019, they sold Trubore products to 257 wholesalers and retailers.

Product Portfolio

The company sells products under two brand names: Prince Piping Systems; and Trubore. Due to the comprehensive product range, they are positioned as an end-to-end polymer piping systems solution provider. They currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As on October 31, 2019, they had a product range of 7,167 SKUs. Their products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("SWR") management. The product range meets the requirements of both the rural and urban markets. Set forth below are charts showing the percentage of Net Revenue from Sale of Products by type of polymer and by end-use for each of Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019.



Source: RHP

Strategically located manufacturing facilities

The company has established six manufacturing facilities, which are in: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). They use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar). Their multi-location facilities have assisted in market penetration and developing a strong presence in North, West and South India. For Fiscal 2019, the sales in North, South, West and East India represented 38.57%, 26.93%, 23.54% and 10.96% of the revenue from operations, respectively. For the three-month period ended June 30, 2019, the sales in North, South, West and East India represented 34.84%, 26.71%, 22.80% and 15.65% of the revenue from operations, respectively.

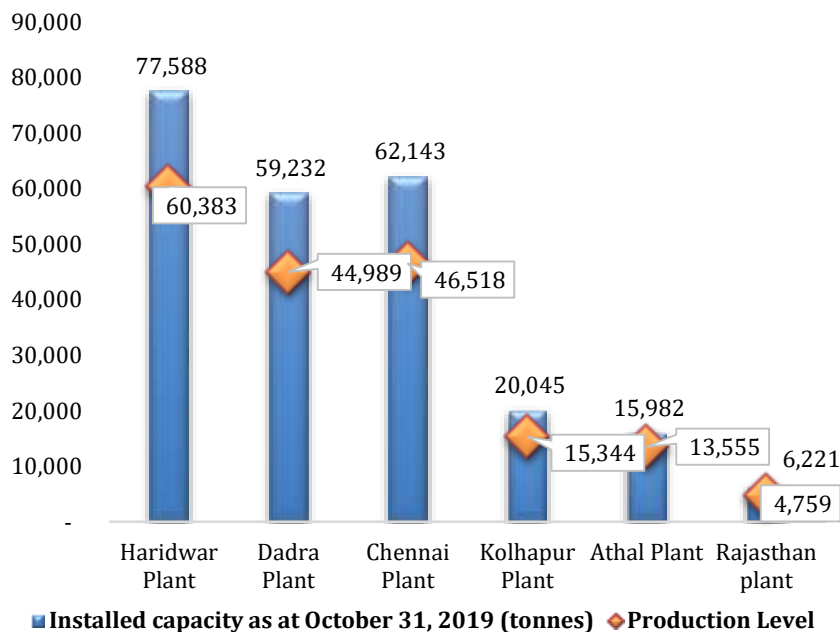
The company plans to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. The company plans to commence production at the Telangana plant in FY21. Currently, the markets in South India are catered to by the plants in Athal and Haridwar. The company recently set up a new manufacturing plant in Jobner (Rajasthan), from which sales to third parties began in September 2019. The plant's installed capacity was 6,221 tonnes per annum as at October 31, 2019. The plant has been constructed so that the installed capacity can be increased to up to 40,621 tonnes per annum based on machines currently available in the market. The company plans to increase the plant's installed capacity to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020.

The UPVC pipes are also manufactured by two contract manufacturers, namely: Shree Chintamani Multilayer in Aurangabad (Maharashtra) and Shree Tel-Fab Industries Pvt Ltd in Hajipur, Vaishali District (Bihar); Shree Chintamani Multilayer has been manufacturing the UPVC pipes since July 2014 and Shree Tel-Fab Industries Pvt Ltd has been manufacturing the UPVC pipes since September 2014. Shree Prabhu

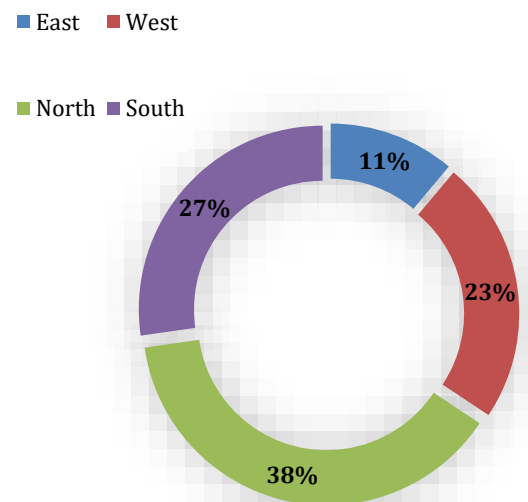
Petrochemical's Pvt Ltd in Aurangabad (Maharashtra) began manufacturing DWC pipes for the company in June 2018 using a machine for manufacturing DWC pipes that the company purchased and installed in its facility. They have entered into one-year agreements with each of Shree Chintamani Multilayer, Shree Tel-Fab Industries Pvt Ltd and Shree Prabhu Petrochemical's Pvt Ltd, which are renewable for further periods of one year on the mutual consent of the parties. The company supply all three contract manufacturers with the raw materials and they charge an agreed amount per kilo to manufacture the pipes. For Fiscal 2018 and the three months ended June 30, 2018, contract manufacturers produced pipes for the company that represented 3.62% and 3.66% of the total revenue from operations, respectively.

Sales and marketing

The company sells Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As on October 31, 2019, the company sold Prince Piping Systems products to 1151 distributors in India. The company sells Trubore products directly to wholesalers and retailers, thereby eliminating third party distributors from the distribution chain. As on October 31, 2019, they sold Trubore products to 257 wholesalers and retailers.



Region-wise Revenue from operations FY19



Source: RHP

The company's products can be ordered using in-house developed online portal, 'IMON'. Using IMON, the customers can order, track orders, see their account details and reports, process sale returns, and file complaints. The process of order delivery commences with an order from the customer being fed through IMON. The order is routed to the head office where a credit check on the customer is performed. Upon approval, the order is sent to the warehouse, where the stock is checked against the order. If the stock is available, they plan for dispatch from such stock, material transfer planning is done, including determining truck availability, the material is loaded and then dispatched. However, if adequate stock for the order is not available, a plan of replenishment of stock is sent from the warehouse to the manufacturing plant, and the manufactured goods are transferred from the manufacturing plant to the warehouse. The company introduced IMON in Fiscal May 2016. IMON has reduced the turnaround time for processing orders as orders are now entered directly into the system, whereas previously the sales force had to manually take orders and then have their order inputted into the system. The company regularly hold meetings with distributors, wholesalers, retailers and plumbers to educate them about the new products. They also participate in various events and exhibitions to promote the products. As part of the sales promotional activities, customers earn points based on their order values and can redeem these points in IMON-FoC sales, wherein customers can order a PPR welding kit based on the points earned.

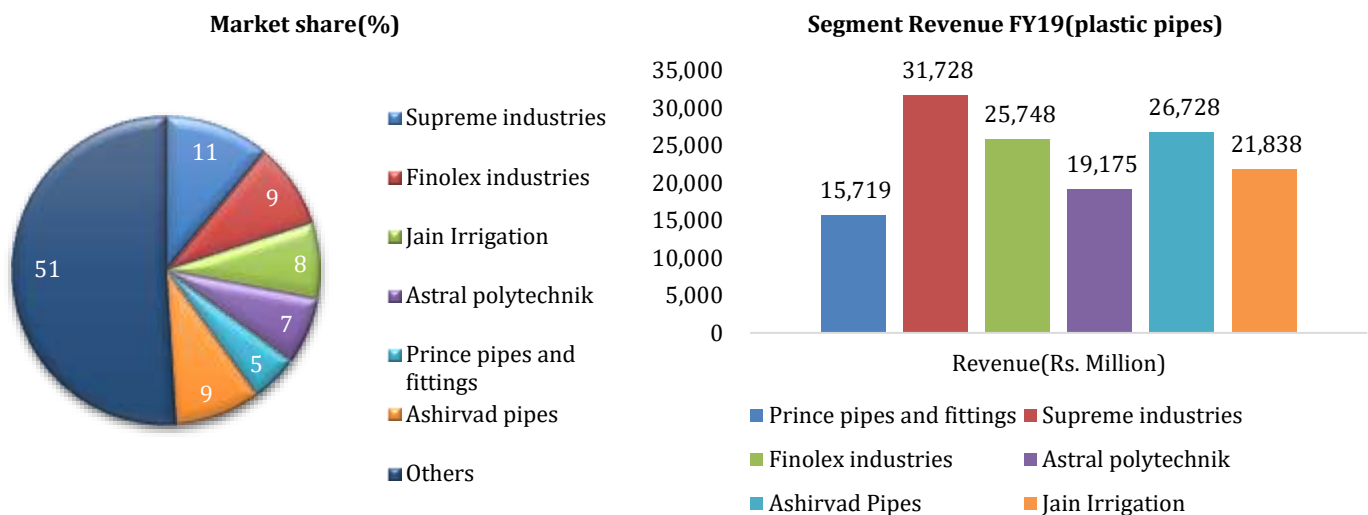
In November 2016, in an endeavor to differentiate the Prince Piping Systems brand from other brands, they launched a loyalty program called 'Prince Udaan' to connect with and reward the distributors, wholesalers, retailers, and plumbers. Buyers of Prince Piping Systems brand products who are enrolled in the scheme receive reward points on every purchase. The reward points can be redeemed for various things such as personal care items, hotel stays, travel, gift vouchers and charitable donations. The company have designed a new digitized model to track channel partners buying behaviour trends. This entire activity is managed on a technology platform by Loyalty Program Partners. Prince Udaan is currently operational in North India South India, Bihar and Jharkhand. They are in the process of rolling it out to other areas across India.

Large and growing distribution network

The company sells Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. The company sells Trubore products directly to wholesalers and retailers. They have a pan-India network of distributors for the Prince Piping Systems products and a network of wholesalers and retailers for the Trubore brand products in South India. The total distributors, wholesalers and retailers, buying directly from the company, as on March 31, 2017, 2018 and 2019 and October 31, 2019 were 766, 955, 1,253 and 1,408 respectively. It represented an 83.81% increase from March 31, 2017 to October 31, 2019.

Competition

The company faces competition from other players in the plastic pipes and fittings segment as well as from manufacturers of alternative products to plastic pipes and fittings.



Source: RHP

The organised segment accounts for a 60-65% share of India's plastic piping industry. However, depending on the plastic piping category, the share of organised players fluctuates accordingly. The unorganised segment caters mainly to segments that have low quality requirements, such as irrigation and plumbing. The unorganised segment largely competes on prices rather than on quality. Prices of products manufactured by the unorganised segment are lower as tax compliance by these players is lower unlike the organized players. However, after GST implementation, it is expected that greater tax compliance by unorganised players will result in reduced price differential between organised and unorganised players. In addition, due to smooth inter-state goods movement, organised players will now be able to cater to the regions that were earlier serviced by only local small, unorganised players. Consequently, organised players are expected to greatly benefit from GST by increasing their market share. The company's primary competitors in the organised segment and their share of the pipes and fittings market in India for Fiscal 2018 are as follows: Supreme Industries (10%); Finolex Industries (9%); Ashirvad Pipes (8%); Jain Irrigation (7%); and Astral Polytechnik (6%). The company's share of this market was 5% for Fiscal 2018.

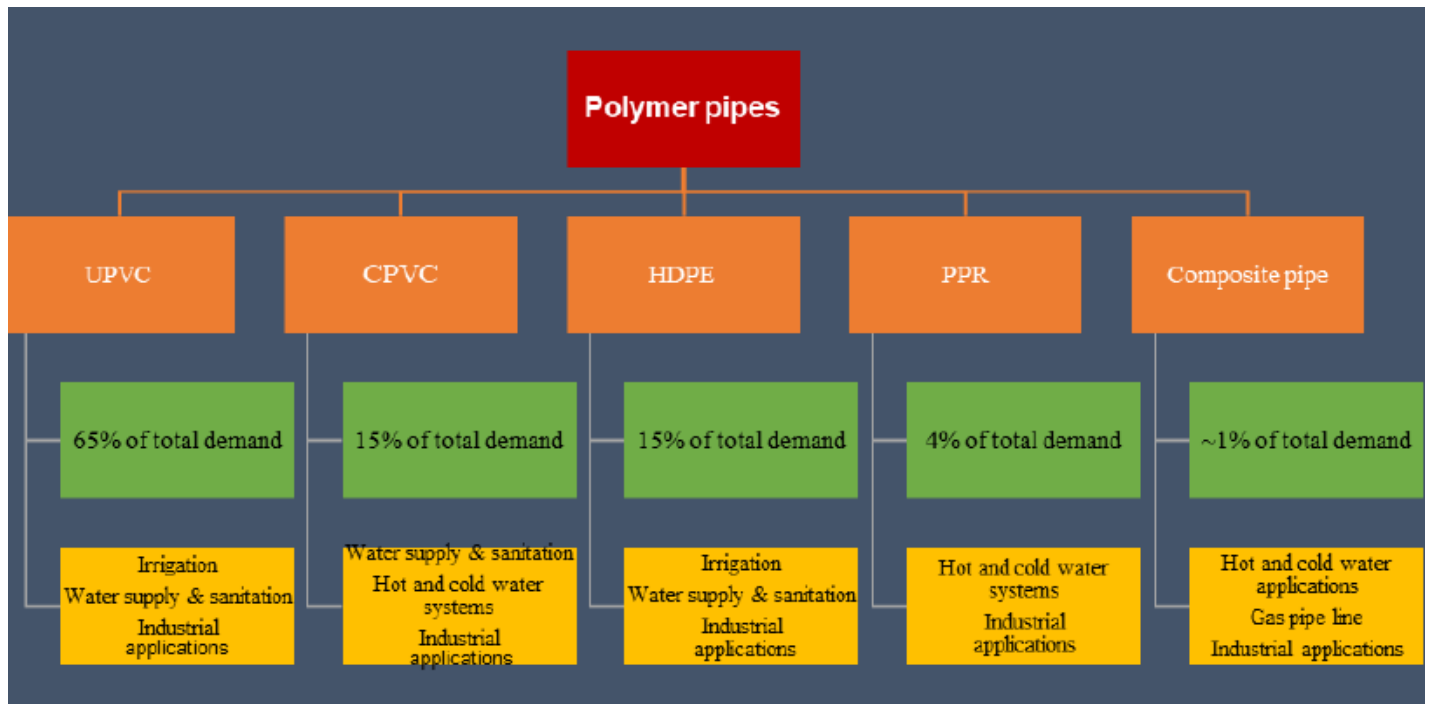
In the past decade, one of the most important changes in the piping industry was the large-scale shift from metal- to polymer-based pipes in most applications. This was especially true in case of plumbing and piping applications in the construction industry.

Industry Outlook

Overview of the Indian plastic pipes industry

As the plastic pipes industry in India is driven by investments in the agriculture and construction space, namely irrigation, water supply and sanitation (WSS) and housing, the industry will mirror economic growth. However, in four of the past seven Fiscal years (from April 1, 2012 to March 31, 2019), the plastic pipes industry has grown at a higher pace than GDP growth owing to high growth in end-use-sector investments such as irrigation and WSS. Increased awareness, adoption and substitution of metal pipes by plastic pipes have also led to higher growth. Organised players, especially, grew at a much higher pace compared with the pipes industry's average growth owing to an increase in the quality consciousness of consumers, emerging premium products in real estate, fittings segment, and chlorinated polyvinyl chloride (CPVC) niche applications, among others.

Plastic pipes are made of different types of polymers. The four key types are unplasticised polyvinyl chloride (UPVC), which represents 65% of industry demand, chlorinated polyvinyl chloride (CPVC) – 15%, HDPE – 15% and polypropylene (PPR) – 4%. Composite pipes, which have a mix of metal and plastic layers, are also used for similar applications.



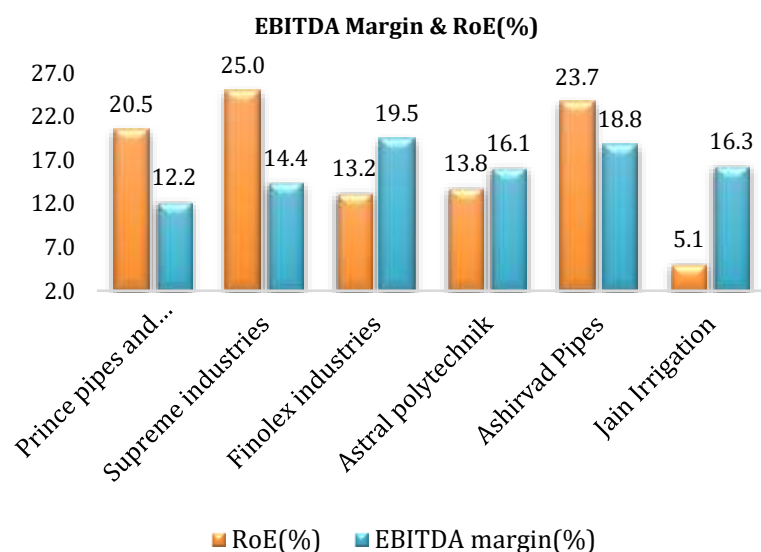
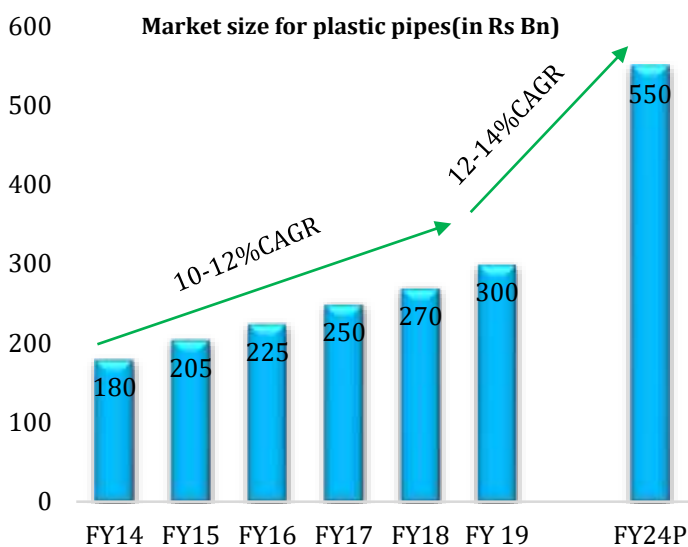
Source: RHP

Organised players increased focus on the fittings segment in the past decade

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater to the high demand in this segment.

Domestic demand – Review and outlook

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between fiscals 2013 and 2018 to about ` 270 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. The sub-segments propelling offtake in the construction space were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, and replacement demand. Initiatives such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Accelerated Irrigation Benefits Programme (AIBP), and Command Area Development and Water Management Programme supported the irrigation sector's growth. Additionally, the industry received a boost from the government's Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme, which is aimed at providing basic services, such as WSS, and ensuring that every household has access to a tap with assured water supply and a sewerage connection. As a result, demand for soil, waste and rain, and drainage pipes was robust.



Source: RHP

Plastic pipes – Shift in demand segmentation, by type

UPVC pipes: These pipes find application in agriculture and plumbing for portable water supply and sewerage. Continuous replacement of galvanised iron pipes with these pipes has supported healthy demand growth in the past. Features such as affordability and longer life compared with metal pipes have aided this segment. Government initiatives, such as AIBP, also provide growth potential. The presence of various brands and established players has ensured steady growth of this segment. Over the next five Fiscal years (i.e., April 1, 2019, to March 31, 2024), CRISIL Research expects growth from this segment to be healthy at 11-12% CAGR.

CPVC pipes: These pipes are primarily used in plumbing applications, as well as hot and cold, potable water distribution systems. Demand growth for this segment over the past five Fiscal years (i.e., April 1, 2014, to March 31, 2019) has been the highest among pipes, as CPVC pipes in India are still at a nascent stage and have huge potential due to factors such as longevity, corrosion free, fire resistant, being lead-free, and the ability to withstand high temperatures. By Fiscal 2024, CRISIL Research expects the share of CPVC pipes in the overall plastic pipes industry to increase and go above 20%, registering the highest growth of 20-21%.

HDPE pipes: These pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for ~15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

PPR pipes: These pipes account for a mere 5% of the total plastic pipes demand. These pipes, which are used for various industrial purposes, are relatively costly compared with other plastic pipes, which restricts their usage. CRISIL Research expects demand from this segment to grow at 6-7% CAGR from April 1, 2019 to March 31, 2024.

Substitution and replacement demand

Plastic pipes have several advantages over metal pipes. For instance, the raw materials used in manufacturing plastic pipes are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The fall in crude oil prices between fiscals 2014 and 2017 has comparatively lowered raw material prices and, thus, plastic-pipe prices during the period. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. The increase in the availability of raw materials (PVC, PE and PPR), following the commissioning of new petrochemical facilities in India will further support the plastic-pipes industry. Another factor driving long-term demand is the replacement of older pipes with plastic pipes.

Within the plastic pipes industry, CRISIL Research expects demand to be driven by increasing application of HDPE and CPVC pipes.

Plastic pipes' demand to get a push by estimated 1.3 billion sq. ft. of housing supply in top 9 cities

The top nine cities in India – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, and Chandigarh – are expected to have an estimated 1.3 billion sq. ft. (super built-up area) of supply to come on stream between calendar year 2017 and 2019. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. These cities have an ongoing affordable housing supply of (planned and under construction) 203 million sq. ft. in terms of built-up area. Of this supply, and based on the project execution status and scheduled completions, CRISIL Research expects 133 million sq. ft. to be completed between calendar year 2017 and 2019, representing ~11% of the estimated supply.

Promoter and promoter group

The Promoter and the promoter group holds an aggregate of 86,442,816 Equity Shares, aggregating to 90.06% of the pre-Issue issued, subscribed and paid-up Equity Share capital of the company.

Brief Biographies of Directors

The board of directors of PPFL comprises of the following:

- **Jayant Shamji Chheda**, is the Chairman and Managing Director of the Company. He has been associated with the Company since incorporation as a Director. He has over three decades of experience in the plastic industry.
- **Parag Jayant Chheda**, is an Executive Director of the Company. He has been associated with the Company since April 27, 1996 as a Director.
- **Vipul Jayant Chheda**, is an Executive Director of the Company. He has been associated with the Company since March 11, 1997 as a Director.
- **Heena Parag Chheda**, is an Executive Director of the Company. She has been associated with Prince Marketing, a member of the Promoter Group, since 2004 and the Company as Vice President – Finance and Accounts since 2009. She has been the Director since October 1, 2016.
- **Ramesh Chandak**, is an Independent Director of the Company. He was appointed to the Board on September 16, 2017.
- **Mohinder Pal Bansal**, is an Independent Director of the Company. He was appointed to the Board on September 16, 2017.
- **Sundar Parthasarathy**, is an Independent Director of the Company. He was appointed to the Board on June 6, 2018.
- **Uma Mandavgane**, is an Independent Director of the Company. She was appointed to the Board on September 16, 2017.

Standalone Financials

Profit & Loss Account

Y.E March (Rscr)	FY17	FY18	FY19	Q1FY20
Sales	1,246	1,315	1,572	380
% change	23.7	5.5	19.5	-
EBITDA	163	163	186	53
% change	65.9	0.4	13.8	13*
Depreciation	32.8	38.1	45.2	11.8
EBIT	130	125	141	41
Interest	36.4	36	36.4	7.4
Other Income	2.5	6.0	7.1	0.4
Exceptional Items	-	-	-	-
PBT	96	95	111.5	34
% change	159	-1	17	-
Tax	22	22.4	28.1	7
Tax Rate (%)	22.7	23.5	25.2	21.2
Reported PAT	74	73	83.4	27
Adj	-	-	-	-
Adj PAT	74	73	83.4	27
% change	150	-1.9	14.5	-
No. of shares (cr)	11.0	11.0	11.0	11.0
Adj EPS (Rs)	7	7	7.6	2.4

Cash Flow

Y.E March (Rscr)	FY17	FY18	FY19	Q1FY20
PBT	95.9	95.2	111.5	33.9
Non-cash adj.	69.9	80	78	23
Changes in W.C	(69)	(12.6)	31	(27)
C.F.O	96.8	162.2	220.5	30.3
Capital exp.	(68.3)	(104)	(83)	(23)
Change in inv.	(0.16)	-	-	-
Sale of investment	1.5	-	-	-
Other invest.CF	(1)	(67)	(22)	(9)
C.F - investing	(67.9)	(170)	(105)	(31.9)
Issue of equity	-	-	-	-
Issue/repay debt	25.4	42.3	(69)	0.8
Dividends paid	-	-	-	-
Other finance.CF	(51.7)	(37)	(37.9)	(7.8)
C.F - Financing	(26.3)	5.5	(107)	(7)
Chg. in cash	2.6	(2.5)	8.7	(8.6)
Closing cash	2.7	0.23	8.9	0.25

Balance Sheet

Y.E March (Rscr)	FY17	FY18	FY19	Q1FY20
Cash	2.7	0.23	8.9	0.25
Accounts Receivable	236.7	239.4	250.4	190.5
Inventories	174	241.5	201.1	218.7
Other Cur. Assets	50	62.1	73.4	79.0
Investments	1	0.7	9.5	9.6
Net Fixed Assets	263.7	332.4	359.5	360.1
CWIP	18.03	14.6	61.5	76.6
Intangible Assets	4.8	12.3	10.1	9.6
Other Assets	6.6	76.6	65.6	70.2
Total Assets	761	980	1,040	1,014
Current Liabilities	114	203	232	179
Provisions	22	31	30	30
Debt Funds	370	414	365	364
Minority Interests	-	-	-	-
Def. Tax	12	15	14	14
Equity Capital	45	90	90	90
Reserves & Surplus	198	227	311	338
Shareholder's Fund	243	317	401	428
Total Liabilities	761	980	1,040	1,014
BVPS (Rs)	22	28.8	36.4	38.9

Ratios

Y.E March	FY17	FY18	FY19	Q1FY20
Profitab. & Return				
EBITDA margin (%)	13.0	12.4	11.8	13.9
EBIT margin (%)	10.4	9.5	9.0	10.8
Net profit mgn.(%)	6.0	5.5	5.3	7.0
ROE (%)	34.8	26.0	23	6.4
ROCE (%)	18.1	14.9	15	4.2
W.C & Liquidity				
Receivables (days)	70	66	57	212
Inventory (days)	56	82	72	285
Payables (days)	45	63	70	278
Current ratio (x)	3.5	2.4	2.1	2.5
Quick ratio (x)	2.1	1.2	1.1	1.1
Turnover & Levq.				
Net asset T.O (x)	5.0	4.4	4.5	1.1
Total asset T.O (x)	1.8	1.5	1.6	0.4
Int. covge. ratio (x)	3.6	3.5	3.9	5.5
Adj. debt/equity (x)	1.5	1.3	0.9	0.9
Valuation ratios				
EV/Sales (x)	1.9	1.8	1.5	6.1
EV/EBITDA (x)	14.3	14.5	12.5	44.1
P/E (x)	26.4	26.9	23.5	18.4*
P/BV (x)	8.1	6.2	4.9	4.6

*Annualised

Investment Rating Criteria

Large Cap Stocks;			Mid Cap and Small Cap;		
Buy	-	Upside is above 10%.	Buy	-	Upside is above 15%
Hold	-	Upside is between 0% - 10%.	Accumulate	-	Upside is between 10% - 15%.
Reduce	-	Downside is more than 0%.	Hold	-	Upside is between 0% - 10%.
Neutral	-	Not Applicable	Reduce/Sell	-	Downside is more than 0%.
			Neutral	-	Not Applicable

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell. The recommendations are based on 12 - month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating.

For reasons of valuations/return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Neutral- The analyst has no investment opinion on the stock under review.

General Disclosures and Disclaimers

CERTIFICATION

We, Mithun T Joseph and Rajeev T author(s) of this Report, hereby certify that all the views expressed in this research report reflect my personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Financial Services Limited, hereinafter referred to as Geojit.

COMPANY OVERVIEW

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