

Miss on All Fronts; Higher Cost Impacts Margins

Est. Vs. Actual for Q2FY27: Revenue – **MISS**; EBITDA Margin – **MISS**; PAT – **MISS**

Change in Estimates post Q2FY27 (Abs.)

FY27E/FY28E: Revenue: -3%/-2%; EBITDA: -14%/-9%; PAT: -29%/-13%

Recommendation Rationale

- **Strong Capacity-led Growth:** With capacity expected to increase from 109 mtpa to 119 mtpa by FY27-end and further organic expansion planned thereafter, Ambuja is well positioned to capture India's long-term cement demand growth while benefiting from operating leverage and higher asset utilisation. This enhanced capacity base is expected to underpin sustained growth momentum, with volumes and revenue projected to post a 9% and 11% CAGR over FY25–FY28E.
- **Focus on Value Creation:** The company's strategy of increasing trade sales, expanding premium cement penetration, and maintaining disciplined capital allocation is driving superior profitability rather than volume-led growth. Combined with a debt-free balance sheet and robust cash generation, this positions Ambuja to deliver sustainable earnings growth and stronger shareholder returns over the medium term.
- **Corporate Simplification & One Cement Platform:** The impending consolidation of ACC and Orient Cement into Ambuja Cements simplifies corporate structure, unlocks operational synergies across supply chains, and delivers earnings-per-share accretion.

Sector Outlook: Positive

Company Outlook & Guidance: Management reiterated that consolidated volume growth in H2FY27 will exceed the industry rate, guided by higher single-digit to low double-digit expansion. Capacity is targeted to reach 119 MTPA in FY27, 149 MTPA by FY29, and 155 MTPA by FY30. Furthermore, the proposed merger of ACC and Orient Cement into Ambuja Cements under the "One Cement Platform" has secured shareholder approval and is awaiting final NCLT sanction, with completion expected within FY27 to unlock structural tax, logistics, and operational synergies.

Current Valuation: 16x FY28E EV/EBITDA (Earlier Valuation: 17x FY28E EV/EBITDA).

Current TP: Rs 425/share (Earlier TP: Rs 500/share).

Recommendation: We maintain our **BUY** rating on the stock.

Alternative BUY Ideas from our Sector Coverage: UltraTech Cement Ltd (TP: Rs 13,250/share), Dalmia Bharat (TP: Rs 2,045/share), JK Cements (TP: Rs 5,500/share), Shree Cement (TP: Rs 26,500/share)

Financial Performance

ACL reported weak performance, which was below expectations, primarily due to elevated cost pressures and lower volume growth on a YoY basis. EBITDA margin declined to 13.8% compared with 19.2% in the corresponding period last year and was below our estimate of 15%. Revenue remained flattish YoY, impacted by a decline in volumes. PAT stood at Rs 193 Cr, lower by 89% YoY and below our expectation of 572 Cr. Blended EBITDA per tonne stood at Rs 761, a decline of 27% YoY but higher by 18% QoQ. Blended realisation per tonne came in at Rs 5,507, up 1% YoY and down 1% on a QoQ basis. Cost/tonne rose 8% YoY to Rs 5507, mainly due to higher fuel and other expenses.

Key Financials (Consolidated)

(Rs Cr)	Q2FY27	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	9,197	-3%	0%	10,039	(8.4)
EBITDA	1,271	-20%	-28%	1,505	(15.6)
EBITDA Margin	13.8%	(330bps)	(230bps)	15.0%	(120bps)
Net Profit	193	-67%	-89%	572	(66.2)
EPS (Rs)	0.7	-67%	-90%	2.1	(66.2)

Source: Company, Axis Securities Research

(CMP as of 29th October, 2026)

CMP (Rs)	355
Upside /Downside (%)	20
High/Low (Rs)	589/341
Market cap (Cr)	88,237
Avg. daily vol. (6M) Shares	13,50,000
No. of shares (Cr)	277.9

Shareholding (%)

	Mar-26	June-26	Sep-26
Promoter	67.7	67.3	67.3
FII	5.9	5.6	5.7
MFs / UTI	8.9	9.1	8.9
Banks / FI	0.0	0.0	0.0
Others	17.5	17.9	18.1

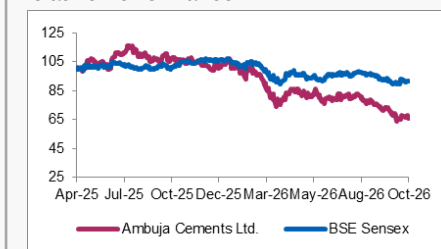
Financial & Valuations

Y/E Mar (Rs Cr)	FY26	FY27E	FY28E
Net Sales	40,656	42,934	48,107
EBITDA	6,539	6,080	7,216
Net Profit	5,022	2,039	2,762
EPS (Rs)	10.4	27.2	20.1
PER (x)	18	48	36
P/BV (x)	1.2	1.3	1.3
EV/EBITDA (x)	13	16	13
ROE (%)	9	3	4

Change in Estimates (%)

Y/E Mar	FY27E	FY28E
Sales	-3%	-2%
EBITDA	-14%	-9%
PAT	-29%	-13%

Relative Performance



Source: Ace Equity,

Results Gallery

[Q1FY27](#)

[Q4FY26](#)

[Q3FY26](#)

[Q2FY26](#)

Uttam Kumar Simal

Deputy Head- Fundamental Research
 uttamkumar.simal@axissecurities.in

Outlook

- The company expects consolidated volume growth to outpace the industry in H2 FY27, targeting higher single-digit to low double-digit expansion supported by accelerating trade volumes and calibrated, value-accretive institutional sales
- Installed cement capacity is expected to increase from 109 mtpa to 119 mtpa by FY27-end, driven by the commissioning of multiple expansion projects across key regions.
- The company maintained its target of reducing operating cost to around ₹4,250/tonne by FY27-end through structural cost optimisation initiatives.
- Management expects to generate an additional ₹250/tonne of savings through renewable energy, logistics optimisation, lower clinker factor, manufacturing efficiencies and fixed-cost optimisation.
- The company will continue to focus on premiumisation, increasing the share of trade sales, disciplined capital allocation and operational excellence to enhance profitability and strengthen competitive positioning.
- Management remains confident that its integrated growth strategy, structural cost leadership and disciplined execution will enable Ambuja Cements to deliver industry-leading profitability and sustainable long-term shareholder returns.

Valuation & Recommendation

- The stock is currently trading at 15.5/13x FY27E/FY28E EV/EBITDA. We maintain our BUY rating on the stock, with a target price of Rs 425/share, implying an upside of 20% from the CMP.

Key Concall Highlights

- **Cement Demand:** Cement demand across India remained soft and subdued through Q2 FY27 due to an extended monsoon, regional rainfall deficits across key markets such as Maharashtra, Karnataka, Andhra Pradesh, and Rajasthan, and macroeconomic headwinds. Despite this near-term moderation, structural demand fundamentals remain intact across the housing, commercial, and infrastructure verticals. Management reiterated that consolidated volume growth in H2 FY27 will exceed the industry rate, guided by higher single-digit to low double-digit expansion. Pan-India cement demand is projected to grow at 6% to 7% for the full year FY27, moderating from approximately 8% in H1 FY27 due to erratic monsoon conditions and geopolitical challenges
- **Capacity Expansion:** Ambuja's Operational cement capacity reached 113.5 MTPA across 24 integrated units and 24 grinding units. In Q2 FY27, 4.6 MTPA of cement capacity was commissioned across Dahej (1.2 MTPA), Salai Banwa (2.4 MTPA), and Kalamboli (1.0 MTPA). In H2 FY27, 3.2 MTPA is stabilizing and ramping up across Bathinda (1.2 MTPA) and Jodhpur Penna (2.0 MTPA), while the Warisaliganj grinding unit (2.4 MTPA) is scheduled for commissioning, expanding near-term capacity to 119 MTPA. In addition, the board approved 14 expansion projects to add 29.7 MTPA of cement capacity and 10.3 MTPA of clinker capacity, spanning the West (15.2 MTPA), East (11.6 MTPA), and North (2.9 MTPA), which will elevate total capacity to 149 MTPA by FY29.
- **Volume Performance:** Ambuja Cements delivered a consolidated cement sales volume of 16.5 MnT in Q2 FY27, reflecting a minor decline of 1% YoY and 3% QoQ, while total clinker and cement sales volume stood at 16.7 MnT. In line with the company's strategic priority of value over volume, trade volumes grew by 8.6% YoY, pushing the trade share up by 600 bps YoY to 74%. Institutional non-trade volumes were intentionally rationalized and curtailed in unprofitable segments where realization margins were negative. Regionally, trade volumes grew 13% YoY in the North, 9% in the Central cluster, and 14% in the West. Management anticipates consolidated volume growth to outpace the industry in H2 FY27, shifting into higher single-digit to double-digit expansion as trade momentum continues and institutional business rebounds profitably.
- **Pricing Trends:** Net sales realization (NSP) proved resilient during the seasonally lean second quarter at ₹255 per bag, compared to ₹258 per bag in Q2 FY26 and ₹257 per bag in Q1 FY27. Price discipline improved sequentially into Q3 FY27, with the company realizing a price increase of ₹10 per bag in October 2026, alongside expectations for progressive industry-wide price hikes to absorb elevated operating expenses. The company's strategic shift toward trade sales is yielding an incremental realization benefit of approximately ₹40 per tonne each quarter, with management guiding to an accumulated benefit of ₹150

per tonne by the end of the fiscal year.

- **Power & Fuel Efficiency:** Consolidated power and fuel expenses increased 13% YoY to ₹1,463 per tonne in Q2 FY27, compared to ₹1,299 per tonne in Q2 FY26. Kiln fuel cost rose to ₹1.87 per 1,000 kcal (vs ₹1.60 in Q2 FY26 and ₹1.66 in Q1 FY27), driven by geopolitical disruptions in the Middle East that pushed imported petcoke prices to \$170–\$188/t CFR and South African coal to \$113–\$121/t FOB. The company mitigated cost pressures by increasing reliance on domestic coal (more than 50% domestic, under 40% imported, with petcoke limited to 10–12%)
- **Freight Management:** Freight and forwarding expenses increased 5% YoY to ₹1,290 per tonne in Q2 FY27, primarily reflecting a 25% to 30% increase in commercial diesel prices over the prior six months. This inflation was partially cushioned by supply-chain optimization, which reduced primary lead distance from 265 km in Q2 FY26 to 254 km in Q2 FY27, alongside a 57% direct dispatch rate. Logistics efficiency initiatives include rationalizing secondary lead distance from 38 km to 30 km, expanding bulk fly-ash transit
- **R/ Material & Other Operating Costs:** Raw material cost declined 28% YoY to ₹573 per tonne in Q2 FY27, down from ₹797 per tonne in Q2 FY26, driven by input optimization and group synergies securing 20 MTPA of fly ash from captive thermal power plants moved via BCFC infrastructure and wagon tipplers. In contrast, other expenses increased 18% YoY to ₹944 per tonne (vs ₹799/t in Q2 FY26), primarily due to higher packaging bag prices impacted by crude markets and maintenance expenditures associated with planned kiln shutdowns. Management expects other expenses to moderate over the coming quarters via digital automation, supplier service-level agreements (SLAs), and operational integrations under the One Cement Platform
- **Capex:** Total capital expenditure for the newly approved 14-project expansion program (+29.7 MTPA cement, +10.3 MTPA clinker) is budgeted at ₹13,500 crore to ₹14,500 crore, translating to an annual outlay of approximately ₹7,000 crore to ₹7,500 crore over the next two financial years. For FY27, total capex is guided between ₹6,500 crore and ₹7,000 crore, of which ₹2,963 crore was deployed in H1 FY27, leaving the balance for H2 FY27 execution across units such as Warisaliganj and Amravati. Management emphasized that the entire capex program remains self-sustainable and fully funded through internal cash flows without requiring structural debt.
- **Gross and Net Debt:** Ambuja Cements maintains a debt-free balance sheet with nominal consolidated gross borrowings of ₹55 crore as of September 30, 2026, compared to ₹53 crore as of March 31, 2026. Consolidated cash and cash equivalents stood at ₹1,070 crore, keeping the business in a net cash position. The company is supported by a consolidated net worth of ₹72,238 crore

➤ Key Risks to Our Estimates and TP

- Lower realisation and demand in its key market and a delay in capacity expansion.
- Higher input costs may impact margins.

Change in Estimates

	New		Old		% Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	42934	48107	44123	48960	-3%	-2%
EBITDA	6080	7216	7043	7969	-14%	-9%
PAT	2040	2762	2865	3186	-29%	-13%

Source: Company, Axis Securities Research

Result Review Q2FY27

(Rs Cr)	Quarterly Performance				
	Q2FY27	Q1FY27	Q2FY26	% Chg QoQ	% Chg YoY
Net sales	9197	9500	9174	-3%	0%
Expenditure	7926	7911	7414	0%	7%
EBITDA	1,271	1,589	1,761	-20%	-28%
Other income	58	169	257	-66%	-77%
Interest	74	57	77	30%	-4%
Depreciation	877	834	885	5%	-1%
PBT	298	848	838	-65%	-64%
Tax	62	188	-1465	NA	NA
Adjusted PAT	193	577	1,766	-67%	-89%
EBITDA margin (%)	13.8%	16.7%	19.2%	(290bps)	(540bps)
EPS (Rs)	0.69	2.08	7.17	-67%	-90%

Source: Company, Axis Securities Research

Volume/Realisation / Cost Analyses

(Rs Cr)	Quarterly Performance				
	Q2FY27	Q1FY27	Q2FY26	% Chg QoQ	% Chg YoY
Volume/mt	16.70	17.10	16.90	-2%	-1%
Réalisation/tonne (Rs)	5507	5556	5429	-1%	1%
Cost/tonne (Rs)	4746	4626	4387	3%	8%
Raw material/tonne (Rs)	735	812	774	-9%	-5%
Staff Cost/tonne (Rs)	223	226	240	-1%	-7%
Power & Fuel/tonne (Rs)	1528	1397	1349	9%	13%
Freight/tonne (Rs)	1305	1320	1221	-1%	7%
Other Expenses /tonne (Rs)	954	870	803	10%	19%
EBITDA/tonne (Rs)	761	929	1042	-18%	-27%

Source: Company, Axis Securities Research

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY26	FY27E	FY28E
Net sales	40656	42934	48107
Other operating income	0	0	0
Total income	40656	42934	48107
Raw Material	6743	6959	7794
Power & Fuel	10024	11460	12606
Freight & Forwarding	9497	10052	10956
Employee benefit expenses	1603	1515	1636
Other Expenses	6251	6869	7900
EBITDA	6539	6080	7216
Other income	834	548	818
PBIDT	7373	6628	8033
Depreciation	3570	3465	3725
Interest & Fin Chg.	224	267	265
E/o income / (Expense)	0	0	0
Pre-tax profit	3579	2897	4044
Tax provision	-2338	666	1092
RPAT	5918	2231	2952
Minority Interests	909	212	212
Associates	13.22	20.05	21.5
APAT after EO item	5022	2039	2762

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

Y/E March	FY26	FY27E	FY28E
Total assets	89607	91582	94438
Net Block	42886	45518	48528
CWIP	9085	9085	9085
Investments	0	0	0
Wkg. cap. (excl. cash)	2236	2371	2649
Cash / Bank balance	959	406	329
Misc. Assets	34442	34203	33847
Capital employed	89607	91582	94438
Equity capital	493	494	556
Reserves	52951	58853	60338
Minority Interests	0	0	0
Borrowings	14	45	45
DefTax Liabilities	2408	3466	3466
Other Liabilities and Provisions	33741	28723	30033

Source: Company, Axis Securities

Cash Flow
(Rs Cr)

Y/E March	FY26	FY27E	FY28E
Profit before tax	3299	2897	4044
Depreciation	3570	3465	3725
Interest Expenses	224	267	265
Non-operating/ EO item	594	-548	-818
Change in W/C	394	318	538
Income Tax	282	666	1092
Operating Cash Flow	7799	5732	6661
Capital Expenditure	-6344	-6011	-6735
Investments	1825	0	0
Others	3205	548	818
Investing Cash Flow	-1314	-5463	-5917
Borrowings	0	0	0
Interest Expenses	-152	-267	-265
Dividend paid	-492	-556	-556
Others	-912	0	0
Financing Cash Flow	-1556	-822	-820
Change in Cash	-4203	-553	-76
Opening Cash	5043	892	339
Closing Cash	892	339	262

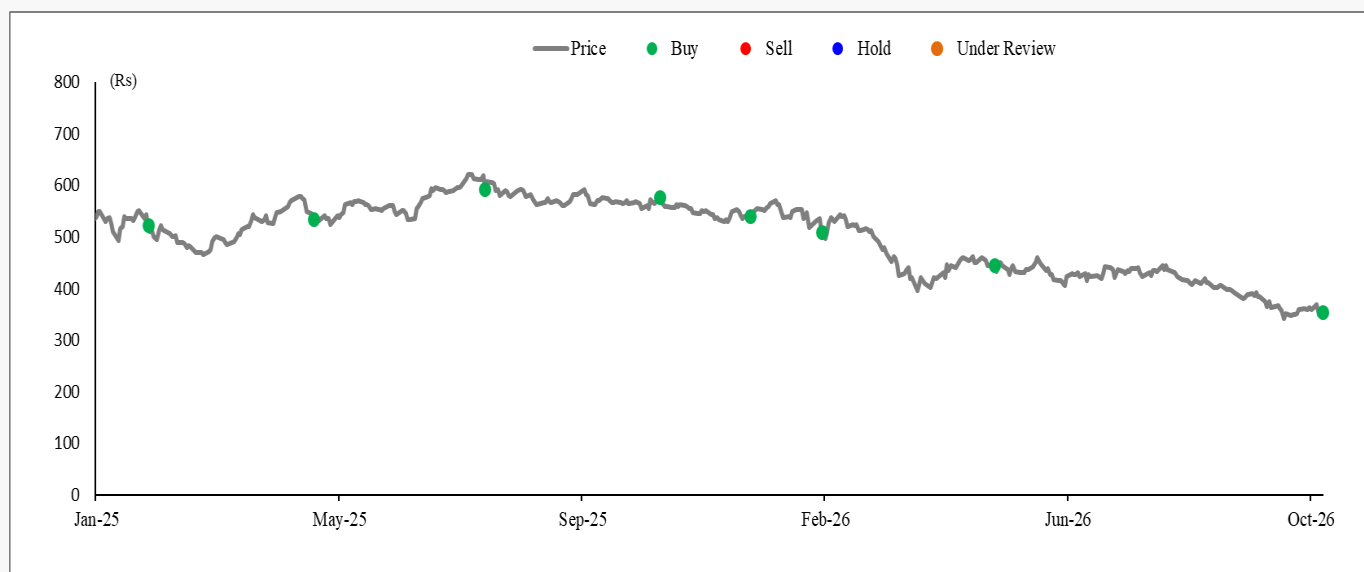
Source: Company, Axis Securities Research

Ratio Analysis
(%)

Y/E March	FY26	FY27E	FY28E
Operational Ratios			
Sales growth	16%	6%	12%
OPM	16.1%	14.2%	15.0%
Op. profit growth	10%	-7%	19%
COGS / Net sales	65%	66%	65%
Overheads/Net sales	19%	20%	20%
Depreciation / G. block	6.1%	5.3%	5.2%
Efficiency Ratios			
Total Asset Turnover (x)	0.82	0.78	0.77
Sales/Gross block (x)	0.69	0.66	0.67
Sales/Net block(x)	0.78	0.78	0.83
Working capital/Sales (x)	-0.01	-0.01	-0.02
Valuation Ratios			
PER	18	48	36
P/BV (x)	1.22	1.34	1.30
EV/EBITDA (x)	12.6	15.5	13.1
EV/Sales (x)	2.03	2.20	1.96
EV/Tonne \$ (x)	82	86	82
Return Ratios			
ROE	9.2	3.4	4.3
ROCE	5.3	4.1	5.4
ROIC	5.7	4.4	5.8
Leverage Ratios			
Debt/equity (x)	0.00	0.00	0.00
Net debt/ Equity (x)	-0.07	-0.06	-0.05
Net debt/EBITDA	-0.73	-0.70	-0.58
Interest Coverage ratio (x)	17.01	11.87	16.28
Cash Flow Ratios			
OCF/Sales	0.12	0.15	0.16
OCF/EBITDA	0.78	1.05	1.07
OCF/Capital Employed	0.07	0.08	0.10
FCF/Sales	-0.16	-0.01	0.00
Payout ratio (Div/NP)	10.4	27.2	20.1
AEPS (Rs)	19.2	7.3	9.9
AEPS Growth	13.3	-56.8	35.3
CEPS (Rs)	34	20	23
DPS (Rs)	2	2	2

Source: Company, Axis Securities Research

Ambuja Cement Price Chart and Recommendation History



Date	Reco	TP	Research
30-Jan-25	BUY	655	Result Update
30-Apr-25	BUY	655	Result Update
01-Aug-25	BUY	660	Result Update
04-Nov-25	BUY	705	Result Update
24-Dec-25	BUY	630	Company Update
02-Feb-26	BUY	590	Result Update
05-May-26	BUY	510	Result Update
29-Jul-26	BUY	500	Result Update
30-Oct-26	BUY	425	Result Update

Source: Axis Securities Research

Disclaimer.

Axis Direct is the brand under Axis Securities Limited, which is a 100% subsidiary of Axis Bank Limited. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks, and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with the Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Ltd., Unit 002(A), Amiti Building, Piramal Corporate Park, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parc, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances, please call us at 022-40508080 or write to us at helpdesk@axisdirect.in.

We hereby declare that our activities have neither been suspended nor have we defaulted with any stock exchange authority with whom we are registered in the last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories, etc. have conducted the routine inspection and based on their observations have issued advice/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in the normal course of business, as a Stock Broker/Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange/SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point in time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of a favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of BASL (in case of IAs) 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 promises or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and/or the USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been clients during the twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without notice. The report and information contained herein are 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 Axis Securities. The report must not be used as a singular basis for any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors, including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that the rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith 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 are solely for informational purposes 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. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and/or 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 the needs of the 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. Axis 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 the 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. Axis Securities or its associates might have managed or co-managed a 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. Axis 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. Axis 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. Axis Securities encourages independence in research report preparation and strives to minimise conflict in the preparation of research reports. Axis Securities or its associates, or its analysts, did not receive any compensation or other benefits from the companies mentioned in the report or a third party in connection with the preparation of the research report. Accordingly, neither Axis Securities nor Research Analysts and/or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance from the Research team, and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of the subject company(ies). Axis Securities 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 Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one per cent or more or other material conflicts of interest in various companies, including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report. Certain transactions-including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centre on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed herein or act as advisor or lender/borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short positions in the above-mentioned scrip(s) and therefore may be considered as interested. This should not be construed as an invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independently of the PCG research, and accordingly, PMS may have positions contrary to the PCG research recommendation.

This research report is issued in India by Axis Securities Limited in accordance with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014. It is intended solely for persons residing in India. The report is not directed at or intended for distribution to, or use by, any person or entity resident in the United States of America, Canada, or in any jurisdiction where such distribution, publication, availability, or use would be contrary to applicable securities laws, including the U.S. Securities Exchange Act of 1934, regulations of the U.S. Securities and Exchange Commission (SEC), and regulations of the Canadian Securities Administrators (CSA).

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward-looking estimates for the stock, but we refrain from assigning a valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events.
NO STANCE	We do not have any forward-looking estimates, valuations or recommendations for the stock.

Note: Returns stated in the rating scale are our internal benchmark.