AXIS SECURITIES

Result Update
25th July, 2025

APL Apollo Tubes Ltd
Building Materials

BUY
Target Price
1,950

Sluggish Q1; Growth to Pick Up in H2

Est. Vs. Actual for Q1FY26: Revenue – MISS; EBITDA/t – BEAT; PAT – BEAT

Change in Estimates post Q1FY26:

FY26E/FY27E: Revenue:-4%/-5%; EBITDA: -5%/-3%; PAT: -7%/-4%.

Recommendation Rationale

- **Sluggish Q1FY26:** Q1 performance was impacted by a weak macro backdrop as volumes stood below expectations at 794 kt, down 7% QoQ, but up 10% YoY. Softer volume growth was on account of i) volumes lost for 1 week in North India and the last 20 days of July in the Middle East (Dubai) due to geopolitical tensions, ii) early onset of monsoon, and iii) softer money supply at channel partners.
- **EBITDA/t missed consensus by 6%** and stood at Rs 4,683/t, down 4% QoQ, but up 12% YoY, as the lower sales volume led to negative operating leverage and one-time notional expense of Rs 100/t related to ESOPs, which increased the employee costs in the quarter.
- **Growth likely to pick up in H2FY26:** Management foresees growth to pick up from H2FY26 as government projects will pick up post monsoon, leading to the buying power of channel partners (dealers). Exports to Dubai started recovering in Jul'25, and are likely to pick up in H2FY26. Rate cuts could also lead to higher retail demand (independent housing). The company's strategy is to focus on EBITDA/t rather than pushing volumes in the market.

Sector Outlook: Cautiously Positive

Company Outlook & Guidance: FY26 sales volume growth guidance is revised down to 10-15% YoY from earlier 15-20% YoY due to a softer start to FY26. EBITDA/t guidance for FY26 is now in the range of Rs 4,600-5,000/t from earlier guidance of Rs 5,000/t. FY27 volume could grow by 15-20% YoY, led by product development efforts and focus on exports. The current capacity is 4.3MT, which will increase to 6.8MT by FY28. The total capex for this expansion is expected to be Rs 15 Bn and will be incurred equally over the next 3 years. The ultimate goal is to achieve 70% VAP share and EBITDA/t of Rs 5,500-6,000/t.

Current Valuation: 35x P/E Mar'27 EPS (Unchanged)

Current TP: Rs 1,950/share (Earlier TP: Rs 2,035 published in our July'25 top pick)

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

Financial Performance: Numbers stood below expectations amidst a tough macro environment in Q1FY26. Revenue grew by 4% YoY, but down 6% QoQ over a strong base of Q4FY25, missing consensus by ~6%. EBITDA stood at Rs 372 Cr, up 23% YoY, but down 10% QoQ, ~6% miss against consensus. EBITDA/t stood at Rs 4,683/t, up 12% YoY, but down 4% QoQ and 6% below consensus, led by negative operating leverage on account of lower sales volumes and one-time impact of ESOPs in employee costs. VAP share slightly improved at 61% vs. 60% in Q1FY25 (58% in Q4FY25), and EBITDA/t across categories grew YoY. PAT stood at Rs 237 Cr, which grew by 23% YoY, but down 19% QoQ.

Key Financials (Consolidated)

(Rs Cr)	Q1FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	5,003	-6%	5%	5,290	-5%
EBITDA	372	-10%	23%	360	3%
EBITDA/t (Rs/t)	4,683	-4%	12%	4,536	3%
Net Profit	237	-19%	23%	229	4%
EPS (Rs)	8.55	-19%	23%	8.23	4%

Source: Company, Axis Securities

(CMP as of 24th July, 2025)

CMP (Rs)	1,692
Upside /Downside (%)	15%
High/Low (Rs)	1,935/1,253
Market cap (Cr)	46,856
Avg. daily vol. (6m) Shrs.	6,56,621
No. of shares (Cr)	27.7

Shareholding (%)

	Dec-24	Mar-25	Jun-25
Promoter	28.31	28.31	28.31
FII	31.70	31.76	33.03
Mutual Funds / UTI	11.39	11.65	11.65
Financial Institutions	0.00	0.00	0.00
Others	28.60	28.28	27.01

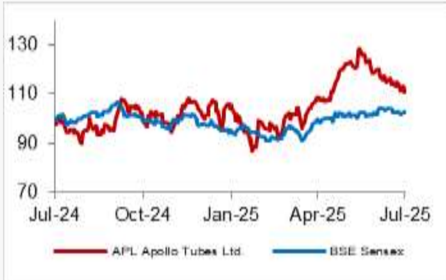
Financial & Valuations

(Rs. Cr)	FY25A	FY26E	FY27E
Net Sales	20,690	24,285	29,493
EBITDA	1,199	1,769	2,299
Net Profit	757	1,153	1,547
EPS (Rs)	27.3	41.6	55.7
PER (x)	56.1	40.7	30.4
EV/EBITDA (x)	35.9	26.8	20.6
P/BV (x)	10.1	8.8	6.9
ROE (%)	19.4	24.2	25.6

Change in Estimates (%)

Y/E Mar	FY26E	FY27E
Sales	-4%	-5%
EBITDA	-5%	-3%
PAT	-7%	-4%

Relative Performance



Source: ACE Equity, Axis Securities

Aditya Welekar
Sr. Research Analyst
Email: aditya.welekar@axissecurities.in

Darsh Solanki
Research Associate
Email: darsh.solanki@axissecurities.in

Outlook

The company's vision is to expand its capacity to 10 MTPA by FY30, providing a growth tailwind in the longer term. We decrease our FY26/27E EBITDA as we factor in lower sales volume. We decrease our TP to Rs 1,950/share from Rs 2,035/share earlier, led by lower EBITDA estimates.

Valuation & Recommendation

We continue to value the company on Mar'27 EPS using a 1-year forward P/E target of 35x (unchanged) to arrive at our Mar'26 TP of Rs 1,950/share (from Rs 2,035/share). Our TP implies an upside of 15% from the CMP. **We maintain our BUY rating on the stock.**

Key Concall Highlights

- **Volumes to pick up in H2FY26:** Volume pick up will be led by i) exports to the Middle East, which were impacted in Q1FY26. Recovery is being witnessed in Jul'25. ii) Two new product lines got started, which will contribute in the next 7-8 months: a) is a 1000x1000 heavy structural tube with a capacity of 100 kt, and b) rust-proof tubes of 300 kt capacity have come up. These will give incremental volumes, and iii) H2 of the fiscal year is usually stronger for the construction sector. Retail demand from independent homes is likely to pick up as interest rates come down. Furthermore, dealers are sitting light on inventory, which will drive volume growth.
- **Strategy to penetrate new markets – capacity expansion:** The company targets to expand its current capacity from 4.5 MTPA to 6.8 MTPA by FY28. The expansion will help it cater to the virgin East Indian market and high-margin international markets. The expansion would include a brownfield expansion of 2 Lc Ton in Dubai, 5 Lc Ton roofing sheets and 1 Lc Ton Heavy structure in Raipur. Greenfield expansion would include 2 Lc Ton in Gorakhpur, 3 Lc Ton in Kolkata, 3 Lc Ton in Bhuj (for focusing on exports from India) and 3.6 Lc Ton in New Malur (including 1.6 Lc Ton shifting of existing lines). Furthermore, the company is also expanding into speciality tubes with a 0.5 MTPA expansion. The total capex outlay is expected to be Rs 15 Bn over the next 3 years.
- **The Raipur plant** is currently operating at ~60% utilisation on a blended basis. **The Dubai plant** contributed 6% of overall volumes. Demand has recovered post-impacted Q1FY26 due to geopolitical tensions in the Middle East. Utilisation rates are going up, and it is currently operating at a 60% utilisation level.
- **Increase in employee cost:** In Q1FY26, the company's employee cost was Rs 1,170/t at Rs 93 Cr. The higher employee cost is due to the notional ESOP cost of Rs 6 Cr in the quarter. Going forward, sustainable quarterly employee cost will be in the range of Rs 87-88 Cr, which will be at Rs 600-700/t.
- **Capital allocation strategy:** Free Cash will be distributed equally between i) tax, ii) capex, iii) dividends/buybacks and iv) reduction of other liabilities (trade payables and other current liabilities). Net cash as of Q1FY26 stood at Rs 2.1 Bn (vs. Rs 3.1 Bn in FY25), and WC days remain in the single digit. By the end of FY26, the target is to achieve a much larger cash surplus.
- **General category EBITDA/t spreads improved** by ~ Rs 1,000/t, since the last 2 quarters company has been selling the general products at Rs 2,800/t (from <Rs 2,000/t earlier). The market has absorbed the price hike in general products, cementing APL Apollos' brand positioning.
- **HRC vs. Patra spread:** APL's Strategy is not to produce from Patra. When the spread between patra and HRC price is lower, HRC-led structural steel tubes gain market share from patra. When the spread is higher, it will focus on its own HRC-led structural products market with higher EBITDA/t.
- **Other highlights:** Plants achieved 72% of power consumption based on RE power, and the company's target is to take it to 80-85% over the next 2-3 years. This will reduce overall power cost.

Key Risks to Our Estimates and TP

- Failure to ramp up the expansion projects as guided by the company.
- Steep fall in regional HRC prices leading to traders destocking.
- Macroeconomic risk impacting the demand for structural steel.

Change in Estimates

	Revised			Old			% Change		
Rs. Cr	FY25A	FY26E	FY27E	FY25A	FY26E	FY27E	FY25A	FY26E	FY27E
Net Sales	20,690	24,285	29,493	20,690	25,214	31,077	0%	-4%	-5%
EBITDA	1,199	1,769	2,299	1,199	1,871	2,363	0%	-5%	-3%
EBITDA/t	3,797	4,853	5,225	3,797	4,859	5,137	0%	0%	2%
PAT	757	1,153	1,547	757	1,242	1,614	0%	-7%	-4%
EPS (Rs.)	27	42	56	27	45	58	0%	-8%	-4%
Sales Volume (kt)	3,158	3,644	4,400	3,158	3,850	4,600	0%	-5%	-4%

Source: Company, Axis Securities

Results Review

Consolidated (Rs Cr)	Q1FY25 Actual	Q4FY25 Actual	Q1FY26 Axis Sec Est	Q1FY26 Consensus	Q1FY26 Actual	% Change (YoY)	% Change (QoQ)	Variance (%)	Vs Cons (%)
Sales Volumes (tonnes)	7,21,064	8,50,447	7,94,350	7,94,350	7,94,350	10%	-7%	0%	0%
Sale of products	**4,777**	**5,324**	**5,290**	**5,403**	**5,003**	**5%**	**-6%**	**-5%**	**-7%**
Other operating income	197	184	212		167	-15%	-9%	-21%	NA
Total Revenue from Operations	**4,974**	**5,509**	**5,502**		**5,170**	**4%**	**-6%**	**-6%**	**NA**
ASP (Rs/t)	66,251	62,606	66,594	68,022	62,980	-5%	1%	-5%	-7%
Expenditure									
Net Raw Material	4,270	4,696	4,726		4,380	3%	-7%	-7%	NA
Employee Expenses	80	75	80		93	16%	23%	17%	NA
Other Exp	323	323	336		324	0%	0%	-3%	NA
EBITDA	**302**	**414**	**360**	**394**	**372**	**23%**	**-10%**	**3%**	**-6%**
EBITDA Margin (%)	6.1%	7.5%	6.6%		7.2%				
EBITDA per tonne (Rs/tonne)	**4,183**	**4,864**	**4,536**	**4,961**	**4,683**	**12%**	**-4%**	**3%**	**-6%**
Depreciation	47	58	56		54	17%	-6%	-3%	NA
Interest	28	32	18		33	19%	3%	85%	NA
Other Income	25	35	22		26	3%	-27%	16%	NA
PBT	**252**	**359**	**309**		**310**	**23%**	**-14%**	**0%**	**NA**
Tax	59	66	80		73	24%	11%	-9%	NA
Tax Rate (%)	23.4%	18.3%	25.9%		23.5%				
PAT	**193**	**293**	**229**		**237**	**23%**	**-19%**	**4%**	**NA**
MI	-	-	-		-	NA	NA	NA	NA
Attrib PAT	**193**	**293**	**229**	**247**	**237**	**23%**	**-19%**	**4%**	**-4%**
EPS (Rs.)	6.96	10.56	8.23	8.83	8.55	23%	-19%	4%	-3%

Source: Company, Axis Securities, Bloomberg Consensus

Financials (Consolidated)

Profit & Loss

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Total Sales	**18,119**	**20,690**	**24,285**	**29,493**
Total Raw Materials	15,617	17,870	20,686	25,095
COGS	16,669	19,158	22,168	26,820
EBITDA	**1,192**	**1,199**	**1,769**	**2,299**
EBITDA per tonne	**4,553**	**3,797**	**4,853**	**5,225**
Depreciation	176	201	223	246
Interest & Finance charges	113	133	103	83
Other Income	75	96	102	118
EBT (as reported)	**978**	**960**	**1,545**	**2,088**
Tax	245	203	391	541
RPAT	**732**	**757**	**1,153**	**1,547**

Source: Company, Axis Securities

Balance Sheet

(Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
Equity Share Capital	56	56	56	56
Reserves	3,549	4,153	5,251	6,742
Net worth	3,605	4,209	5,306	6,798
Total loans	1,125	615	515	415
Deferred tax liability (Net)	126	153	153	153
Capital Employed	**5,029**	**5,172**	**6,200**	**7,639**
Net block	3,031	3,370	3,647	3,901
Investments	103	126	194	236
Inventories	1,638	1,623	1,930	2,343
Sundry debtors	139	267	266	323
Cash and cash equivalents	345	369	345	1,264
Total Current Assets	3,341	3,183	3,638	5,214
Total Current Liabilities	2,157	2,424	2,353	2,855
Net Current Assets	1,184	759	1,285	2,359
Capital Deployed	**5,029**	**5,172**	**6,200**	**7,639**

Source: Company, Axis Securities

Cash Flow (Rs Cr)

Y/E March	FY24	FY25	FY26E	FY27E
PBT	978	960	1,545	2,088
Depriciation & Amortization	176	201	223	246
Incr/(Decr) in Deferred Tax Liability	-	-	-	-
(Incr)/Decr in Working Capital	124	167	(551)	(154)
Net Cash Flow from Operating	**1,112**	**1,213**	**827**	**1,603**
(Incr)/ Decr in Gross PP&E incl Capital Advances	(695)	(723)	(500)	(500)
(Incr)/Decr In Work in Progress	-	-	-	-
(Incr)/Decr In Investments	(5)	-	(68)	(42)
(Incr)/Decr in Other Non-Current Assets	-	-	(157)	(70)
Cash Flow from Investing	**(916)**	**(375)**	**(592)**	**(446)**
(Decr)/Incr in Borrowings	259	(514)	(100)	(100)
Dividend	(139)	(153)	(56)	(56)
Cash Flow from Financing	**27**	**(815)**	**(258)**	**(238)**
Cash at the Start of the Year	123	345	369	345
Cash at the End of the Year	**345**	**369**	**345**	**1,264**

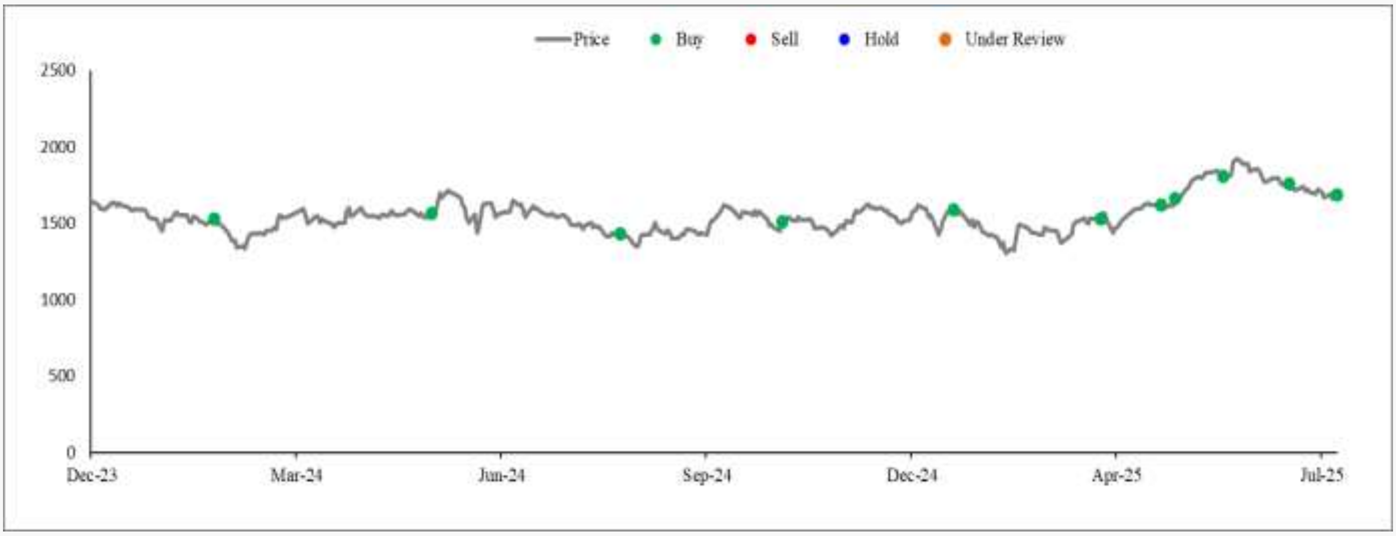
Source: Company, Axis Securities

Ratio Analysis (%)

Ratios	FY24	FY25	FY26E	FY27E
Growth (%)				
Sales	12.1	14.2	17.4	21.4
EBITDA	16.7	0.6	47.5	30.0
APAT	14.1	3.4	52.3	34.1
Profitability (%)				
EBITDA Margin	6.6	5.8	7.3	7.8
Adj. Net Profit Margin	4.0	3.7	4.7	5.2
ROCE	22.8	20.1	27.9	30.3
ROE	22.2	19.4	24.2	25.6
Per Share Data (Rs.)				
AEPS	26.4	27.3	41.6	55.7
Reported CEPS	32.9	35.6	49.7	65.1
BVPS	129.9	151.6	191.2	244.9
Valuations (x)				
PER (x)	56.7	56.1	40.7	30.4
PEG (x)	4.0	16.7	0.8	0.9
P/BV (x)	11.5	10.1	8.8	6.9
EV/EBITDA (x)	35.8	35.9	26.8	20.6
Dividend Yield (%)	0.37%	0.38%	0.12%	0.12%
Turnover days				
Inventory Days	34.1	31.1	29.2	29.1
Debtor Days	2.9	3.7	4.2	3.8
Payable Days	42.4	43.6	39.3	35.4
Gearing Ratio				
D/E	0.3	0.1	0.1	0.1

Source: Company, Axis Securities

APL Apollo tubes Price Chart and Recommendation History



Date	Reco	TP	Research
30-Jan-24	BUY	1,900	Result Update
14-May-24	BUY	1,790	Result Update
13-Aug-24	BUY	1,790	Result Update
30-Oct-24	BUY	1,680	Result Update
21-Jan-25	BUY	1,750	Result Update
01-Apr-25	BUY	1,750	Top Picks
02-May-25	BUY	1,800	Top Picks
08-May-25	BUY	1,920	Result Update
01-Jun-25	BUY	2,035	Top Picks
01-Jul-25	BUY	2,035	Top Picks
25-Jul-25	BUY	1,950	Result Update

Source: Axis Securities

DISCLAIMER

Axis Securities Limited is a subsidiary company of Axis Bank Ltd. 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 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 Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aurum Q Parć, 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 helpdesk@axisdirect.in.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories etc. have conducted the routine inspection and based on their observations have issued advise/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in 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 of time.

Investments in 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 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 promise 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 USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been client during 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 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 Axis Securities. The report must not be used as a singular basis of 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 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 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. Axis 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. 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 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 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 service 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 minimize conflict in preparation of research report. Axis 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 Axis Securities nor Research Analysts and / or their relatives have any material conflict of interest at the time of

NEERAJ CHADAWAR Digitally signed by NEERAJ CHADAWAR Date: 2025.07.25 08:30:29 +05'30'

publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance with 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 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 percent or more or other material conflict 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 conclusion 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 centres on studying charts of a stock'sprice 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 position in the above mentioned scrip(s) and therefore may be considered as interested. This should not be construed as invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation.

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 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, valuation or recommendation for the stock

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