

# The Ramco Cement

BSE SENSEX	S&P CNX
39,110	11,738
Bloomberg	TRCL IN
Equity Shares (m)	236
M.Cap.(INRb)/(USD\$)	180.2 / 2.6
52-Week Range (INR)	828 / 546
1, 6, 12 Rel. Per (%)	-1/11/-16
12M Avg Val (INR M)	241
Free float (%)	57.3

**CMP: INR765**
**TP: INR880 (+15%)**
**Buy**
**Robust traction in volumes; expansion plans bode well for the same**

- Healthy volumes/realizations:** Volumes increased 20% YoY to 3.29mt in 4QFY19, driven by strong growth in the eastern region. Moreover, cement realizations increased 1.5% YoY to INR4,640/ton due to higher prices in south. Consequently, revenue grew 22% YoY to INR15.29b (our estimate: INR13.8b) in the quarter.
- Profitability restricted by higher cost:** Blended EBITDA/t was down 1% YoY to INR979, with cost/t increasing 2% YoY to INR3,670. However, EBITDA grew 20% YoY to INR3.2b (in-line) due to volume gains. Margin contracted 0.5pp YoY to 21.1%. Adj. PAT was up 22.5% YoY to INR1.68b (in-line).
- FY19 performance:** Volumes grew ~19%, sales increased 17% to INR51.2b, while EBITDA/PAT was down 5%/9% YoY to INR10b/INR5.1b.
- Key highlights from management interaction:** (1) Average diesel prices increased 17% YoY in FY19, leading to higher logistics cost. (2) Petcoke prices were ~USD102-106/t during the first half of the year, but softened thereafter. (3) TRCL expects commissioning of the 3mt grinding capacities by FY20 and of the 1.5mt clinker at Jayantipuram by July'20.
- Valuation view:** TRCL's capacity expansion plans are likely to help it deliver higher-than-industry volume growth. With debt levels likely to increase in the near future, the company will be able to generate healthy operating cash flows post FY21. We estimate a CAGR of 25% in EBITDA and PAT over FY19-21. We increase our valuation multiple from 12x to 13x Jun'21E EV EBITDA to account for the capacity addition which will happen in FY21. Our target price stands at INR880. Maintain **Buy**.

**Financials & Valuations (INR b)**

Y/E Mar	2019	2020E	2021E
Net Sales	51.2	58.8	68.2
EBITDA	10.1	12.6	15.7
PAT	5.2	6.7	8.4
EPS (INR)	21.9	28.4	35.8
Gr. (%)	-8.7	29.7	26.2
BV/Sh (INR)	189.3	214.2	246.5
RoE (%)	12.1	14.1	15.5
RoCE (%)	10.0	11.5	12.7
P/E (x)	35.0	27.0	21.4
P/BV (x)	4.0	3.6	3.1
EV/EBITDA (x)	18.3	14.7	12.4
EV/Ton (USD)	156	132	133

Estimate change



TP change



Rating change


**Quarterly Performance**

Y/E March	FY18				FY19				(INR Million)			Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY18	FY19	FY19 4QE	
Sales Dispatches (m ton)	2.15	2.15	2.27	2.74	2.61	2.47	2.75	3.29	9.31	11.12	3.02	9
YoY Change (%)	4.1	6.3	14.7	20.2	21.6	14.7	20.8	20.2	11.5	19.4	10.2	
Realization (INR/ton)	4,607	4,783	4,606	4,571	4,537	4,622	4,392	4,640	4,638	4,551	4,603	1
YoY Change (%)	1.0	-0.1	-1.9	2.7	-1.5	-3.4	-4.7	1.5	0.4	-1.9	0.7	
QoQ Change (%)	3.5	3.8	-3.7	-0.8	-0.8	1.9	-5.0	5.6			4.8	
<b>Net Sales</b>	<b>10,165</b>	<b>10,633</b>	<b>10,534</b>	<b>12,519</b>	<b>12,046</b>	<b>11,806</b>	<b>12,074</b>	<b>15,293</b>	<b>43,851</b>	<b>51,220</b>	<b>13,898</b>	10
YoY Change (%)	5.1	5.0	12.4	23.1	18.5	11.0	14.6	22.2	11.6	16.8	11.0	
<b>EBITDA</b>	<b>2,781</b>	<b>2,908</b>	<b>2,276</b>	<b>2,694</b>	<b>2,350</b>	<b>2,442</b>	<b>2,110</b>	<b>3,220</b>	<b>10,658</b>	<b>10,123</b>	<b>3,098</b>	4
Margins (%)	27.4	27.3	21.6	21.5	19.5	20.7	17.5	21.1	24.3	19.8	22.3	
Depreciation	720	718	730	754	735	728	756	767	2,922	2,985	776	
Interest	155	173	160	105	114	131	135	128	592	509	141	
Other Income	176	103	82	218	202	88	96	142	579	527	134	
<b>PBT before EO expense</b>	<b>2,082</b>	<b>2,120</b>	<b>1,467</b>	<b>2,053</b>	<b>1,703</b>	<b>1,671</b>	<b>1,315</b>	<b>2,467</b>	<b>7,723</b>	<b>7,156</b>	<b>2,315</b>	7
Extra-Ord expense	0	-77	-124	288	0	63	0	30	87	93	0	
<b>PBT</b>	<b>2,082</b>	<b>2,197</b>	<b>1,592</b>	<b>1,765</b>	<b>1,703</b>	<b>1,608</b>	<b>1,315</b>	<b>2,437</b>	<b>7,636</b>	<b>7,063</b>	<b>2,315</b>	5
Tax	524	511	364	679	453	464	304	783	2,079	2,004	677	
Rate (%)	25.2	23.3	22.9	38.5	26.6	28.8	23.1	32.1	27.2	28.4	29.3	
<b>Reported PAT</b>	<b>1,558</b>	<b>1,685</b>	<b>1,227</b>	<b>1,086</b>	<b>1,250</b>	<b>1,145</b>	<b>1,011</b>	<b>1,654</b>	<b>5,557</b>	<b>5,059</b>	<b>1,638</b>	1
<b>Adj PAT</b>	<b>1,558</b>	<b>1,609</b>	<b>1,103</b>	<b>1,374</b>	<b>1,250</b>	<b>1,208</b>	<b>1,011</b>	<b>1,684</b>	<b>5,644</b>	<b>5,152</b>	<b>1,638</b>	3
YoY Change (%)	-0.1	-22.3	-26.4	2.2	-19.8	-24.9	-8.4	22.5	-12.8	-8.7	19.2	
Margins (%)	15.3	15.1	10.5	11.0	10.4	10.2	8.4	11.0	12.9	10.1	11.8	

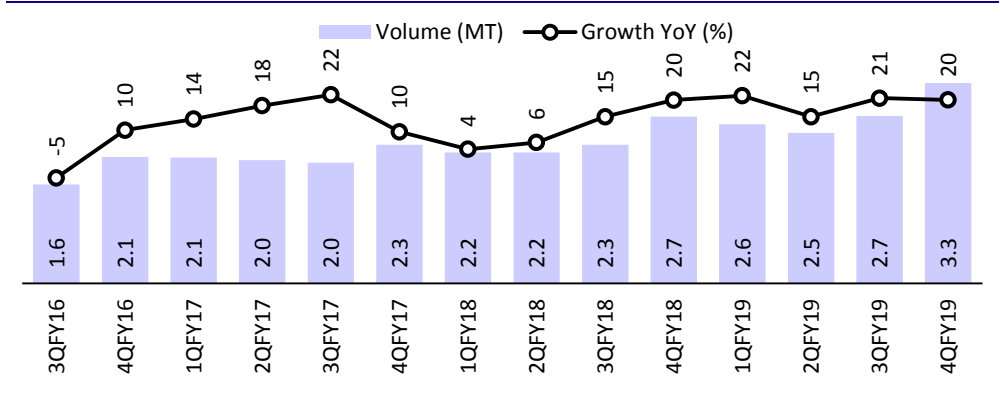
E: MOFSL Estimates

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

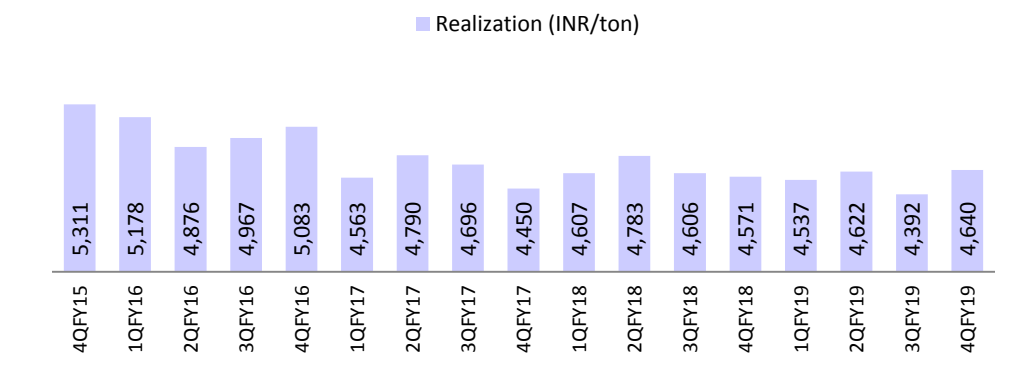
Motilal Oswal research is available on www.motilalosal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&amp;P Capital.

**Exhibit 1: Volumes increased by 20% YoY in 4QFY19**



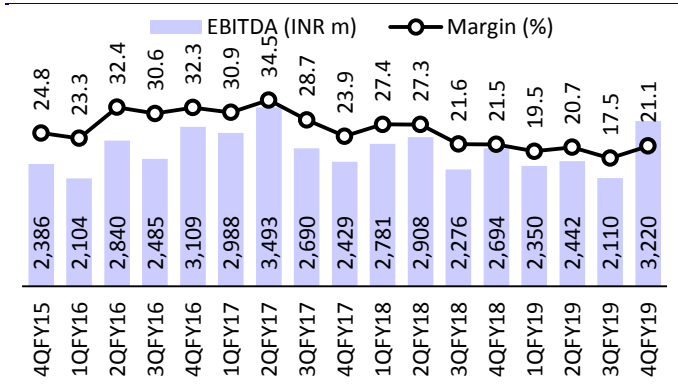
Source: MOFSL, Company

**Exhibit 2: Realization increase 1.5%YoY**



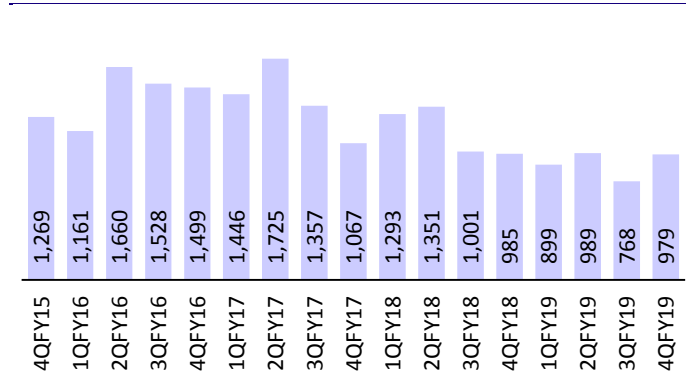
Source: MOFSL, Company

**Exhibit 3: Margins contract 0.5pp YoY**



Source: MOFSL, Company

**Exhibit 4: Blended EBITDA/t declined 1%YoY**



Source: MOFSL, Company

**Exhibit 5: Key performance indicators - Per ton analysis (incl Windmills)**

INR/Ton	4QFY19	4QFY18	YoY (%)	3QFY19	QoQ (%)
<b>Net realization</b>	<b>4,648</b>	<b>4,576</b>	<b>2</b>	<b>4,395</b>	<b>6</b>
RM Cost	853	845	1	729	17
Employee Expenses	250	270	-7	296	-15
Power, Oil & Fuel	893	795	12	987	-10
Freight and Handling Outward	1,050	1,064	-1	1,015	3
Other Expenses	624	617	1	600	4
<b>Total Expenses</b>	<b>3,670</b>	<b>3,591</b>	<b>2</b>	<b>3,627</b>	<b>1</b>
<b>EBITDA</b>	<b>979</b>	<b>985</b>	<b>-1</b>	<b>768</b>	<b>27</b>

Source: MOFSL, Company

### Management commentary

- Sales grew 19% to 11.12mt in FY19, driven by growth in south and east regions.
- Demand was driven by retail, infrastructure and affordable housing.
- Average diesel prices increased 17% YoY, which led to an increase in logistics cost.
- Petcoke price was ~ USD102-106/t during the first half of the year and softened during the second half of the year.
- The wind power capacity stands at 126MW and the division generated 242.6m units during the year (262.4m units: PY). Revenue from wind division stood at INR617.5m in FY19 v/s INR669.6m in FY18.
- The company incurred CSR expense and other contribution amounting to INR421m (FY18: INR109.3m) in FY19. The amount for 4QFY19 was INR286.4m (INR67.5m in 4QFY18).

### Expansion

- The company's expansion plans are going as per schedule.

#### Exhibit 6: Capacity expansion details

Location	Capacity (mt)	Type of unit	Expected date of commissioning
Kolaghat, West Bengal	1	Grinding unit	May'19
Haridaspur, Odisha	0.9	Grinding unit	Oct'19
Vizag, AP	1.05	Grinding unit	Dec'19
Jyantipuram, AP	1.5	Clinker unit	July'20
Kurnool,AP	2.25	Clinker unit	Mar-21
Kurnool,AP	1	Grinding unit	Mar-21

Source: MOFSL, Company

- The company plans to meet capex through internal accruals and borrowing if need be.
- Capex for FY19 was INR12b.
- The company's borrowings as on 31st Mar'19 stood at INR16.2b, of which INR20.4b were current maturities.
- Borrowings include soft/interest free loans amounting to INR39.5b, of which INR10b are current maturities.
- Average cost of interest bearing loans is at 8.04%.

### Valuation and view

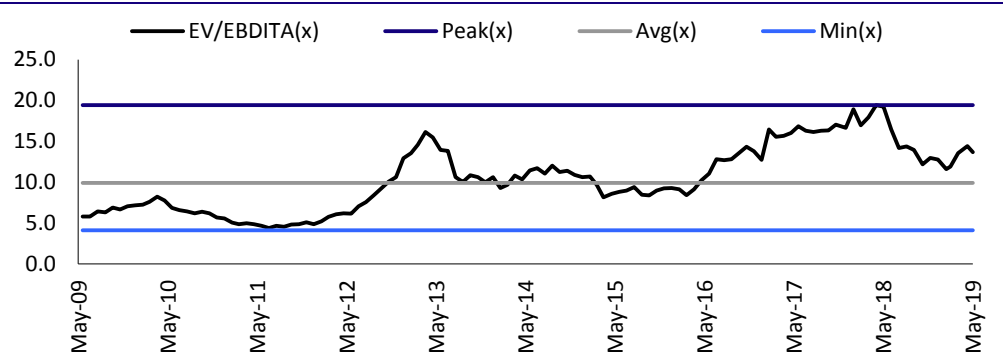
TRCL's capacity expansion plans are likely to help it deliver higher-than-industry volume growth. With debt levels likely to increase in the near future, the company will be able to generate healthy operating cash flows only post FY21. We estimate a CAGR of 25% in EBITDA and PAT over FY19-21. We increase our valuation multiple from 12x to 13x Jun'21E EV EBITDA to account for the capacity addition which will happen in FY21. Our target price stands at INR880. Maintain **Buy**.

**Exhibit 7: Revision in estimates**

(INR M)	FY20E			FY21E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	58,762	57,399	2.4	68,225	66,519	2.6
EBITDA	12,606	12,860	-2.0	15,748	16,062	-2.0
Net Profit	6,683	6,711	-0.4	8,432	8,660	-2.6
EPS (INR)	28.4	28.5	-0.4	35.8	36.8	-2.6

Source: MOFSL, Company

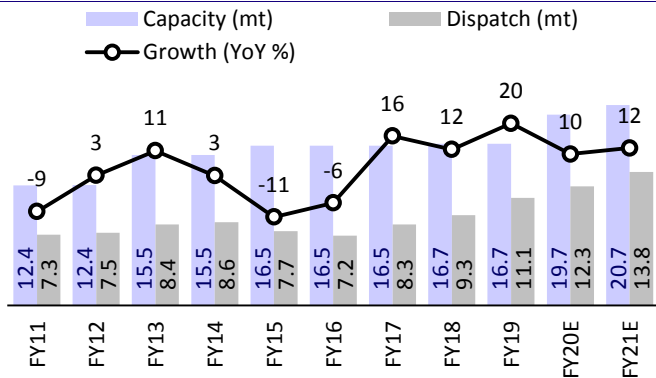
**Exhibit 8: EV/EBITDA chart**



Source: MOFSL, Company

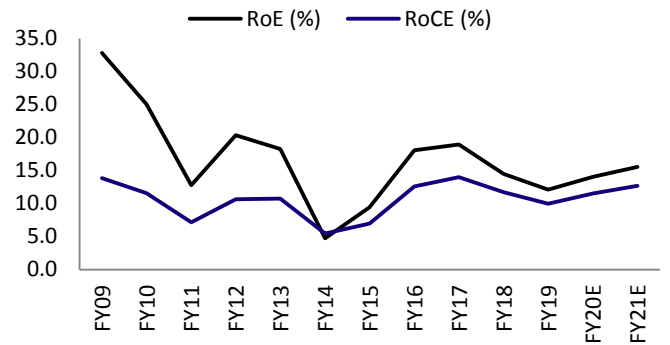
## Story in charts

**Exhibit 9: Expect volumes CAGR of 11% over FY19-21**



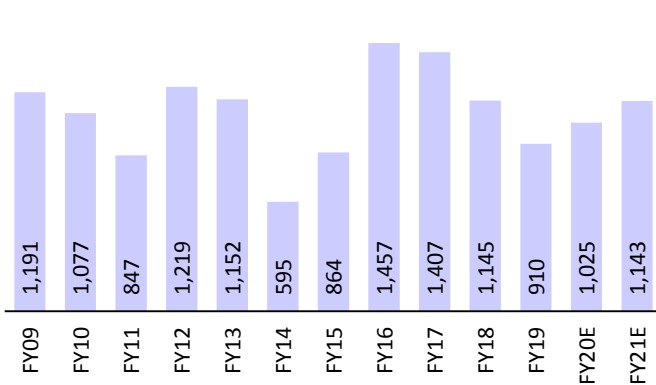
Source: MOFSL, Company

**Exhibit 10: Trend in ROE and ROCE**



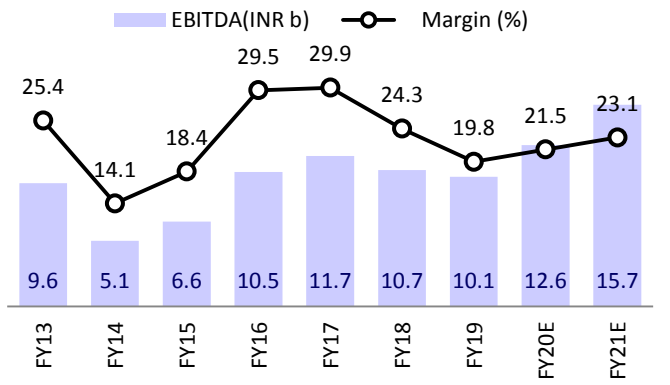
Source: MOFSL, Company

**Exhibit 11: Cement EBITDA/ton trend (INR)**



Source: MOFSL, Company

**Exhibit 12: Margins set to improve**



Source: MOFSL, Company

## Financials and Valuations

Income Statement							(INR Million)	
Y/E March	2014	2015	2016	2017	2018	2019	2020E	2021E
<b>Net Sales</b>	<b>36,321</b>	<b>35,939</b>	<b>35,507</b>	<b>39,292</b>	<b>43,851</b>	<b>51,220</b>	<b>58,762</b>	<b>68,225</b>
Change (%)	-4.1	-1.1	-1.2	10.7	11.6	16.8	14.7	16.1
<b>EBITDA</b>	<b>5,117</b>	<b>6,622</b>	<b>10,490</b>	<b>11,743</b>	<b>10,658</b>	<b>10,123</b>	<b>12,606</b>	<b>15,748</b>
Margin (%)	14.1	18.4	29.5	29.9	24.3	19.8	21.5	23.1
Depreciation	3,063	2,499	3,048	2,845	2,922	2,985	3,310	3,849
<b>EBIT</b>	<b>2,054</b>	<b>4,123</b>	<b>7,442</b>	<b>8,898</b>	<b>7,736</b>	<b>7,138</b>	<b>9,296</b>	<b>11,899</b>
Int. and Finance Charges	1,881	1,938	1,819	1,035	592	509	601	738
Other Income - Rec.	1,141	1,379	1,110	639	579	527	588	550
<b>PBT bef. EO Exp.</b>	<b>1,314</b>	<b>3,564</b>	<b>6,734</b>	<b>8,502</b>	<b>7,723</b>	<b>7,156</b>	<b>9,283</b>	<b>11,711</b>
EO Expense/(Income)	-230	0	-238	-20	87	93	0	0
<b>PBT after EO Exp.</b>	<b>1,543</b>	<b>3,564</b>	<b>6,972</b>	<b>8,522</b>	<b>7,636</b>	<b>7,063</b>	<b>9,283</b>	<b>11,711</b>
Current Tax	-44	88	1,498	1,870	1,859	1,894	2,599	3,279
Deferred Tax	210	1,053	53	159	220	110	0	0
Tax Rate (%)	10.8	32.0	22.2	23.8	27.2	28.4	28.0	28.0
<b>Reported PAT</b>	<b>1,377</b>	<b>2,424</b>	<b>5,422</b>	<b>6,493</b>	<b>5,557</b>	<b>5,059</b>	<b>6,683</b>	<b>8,432</b>
<b>PAT Adj for EO items</b>	<b>1,147</b>	<b>2,424</b>	<b>5,184</b>	<b>6,473</b>	<b>5,644</b>	<b>5,152</b>	<b>6,683</b>	<b>8,432</b>
Change (%)	-71.6	111.3	113.9	24.9	-12.8	-8.7	29.7	26.2
Margin (%)	3.2	6.7	14.6	16.5	12.9	10.1	11.4	12.4

Balance Sheet							(INR Million)	
Y/E March	2014	2015	2016	2017	2018	2019	2020E	2021E
Equity Share Capital	238	238	238	238	236	236	236	236
Total Reserves	24,583	26,214	30,697	37,177	40,186	44,366	50,228	57,839
<b>Net Worth</b>	<b>24,821</b>	<b>26,452</b>	<b>30,935</b>	<b>37,415</b>	<b>40,422</b>	<b>44,601</b>	<b>50,463</b>	<b>58,074</b>
Deferred Liabilities	7,374	8,271	7,155	7,281	7,597	8,704	8,704	8,704
Total Loans	29,000	27,119	21,230	14,248	11,132	14,148	14,148	18,648
<b>Capital Employed</b>	<b>61,195</b>	<b>61,841</b>	<b>59,320</b>	<b>58,945</b>	<b>59,150</b>	<b>67,453</b>	<b>73,315</b>	<b>85,426</b>
Gross Block	67,880	72,350	75,444	78,345	81,976	85,537	98,345	1,20,045
Less: Accum. Deprn.	21,422	23,920	26,348	28,693	31,121	34,107	37,416	41,265
<b>Net Fixed Assets</b>	<b>46,458</b>	<b>48,429</b>	<b>49,097</b>	<b>49,652</b>	<b>50,854</b>	<b>51,431</b>	<b>60,928</b>	<b>78,779</b>
Capital WIP	3,495	2,575	1,383	974	1,500	8,308	7,500	2,500
<b>Total Investments</b>	<b>2,834</b>	<b>3,558</b>	<b>3,716</b>	<b>3,890</b>	<b>3,968</b>	<b>4,294</b>	<b>1,294</b>	<b>267</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>15,899</b>	<b>15,763</b>	<b>14,746</b>	<b>15,573</b>	<b>14,581</b>	<b>17,049</b>	<b>19,556</b>	<b>22,494</b>
Inventory	6,855	5,206	5,490	5,754	5,599	5,597	6,421	7,455
Account Receivables	3,040	3,802	4,721	5,549	4,423	4,900	5,621	6,526
Cash and Bank Balance	447	618	908	1,181	1,194	928	1,061	1,020
Loans and Advances	5,557	6,136	3,627	3,089	3,365	5,625	6,454	7,493
<b>Curr. Liability &amp; Prov.</b>	<b>7,492</b>	<b>8,861</b>	<b>9,622</b>	<b>11,144</b>	<b>11,754</b>	<b>13,629</b>	<b>15,964</b>	<b>18,615</b>
Account Payables	6,443	7,238	9,238	10,643	11,183	13,219	15,166	17,608
Provisions	1,049	1,623	384	501	571	410	798	1,007
<b>Net Current Assets</b>	<b>8,407</b>	<b>6,901</b>	<b>5,124</b>	<b>4,429</b>	<b>2,827</b>	<b>3,420</b>	<b>3,593</b>	<b>3,879</b>
<b>Appl. of Funds</b>	<b>61,195</b>	<b>61,841</b>	<b>59,320</b>	<b>58,945</b>	<b>59,150</b>	<b>67,452</b>	<b>73,315</b>	<b>85,425</b>

## Financials and Valuations

### Ratios

Y/E March	2014	2015	2016	2017	2018	2019	2020E	2021E
<b>Basic (INR)</b>								
<b>Consol EPS</b>	<b>4.8</b>	<b>10.2</b>	<b>21.8</b>	<b>27.2</b>	<b>24.0</b>	<b>21.9</b>	<b>28.4</b>	<b>35.8</b>
Cash EPS	17.7	20.7	34.6	39.1	36.4	34.5	42.4	52.1
BV/Share	104.3	111.1	129.9	157.1	171.6	189.3	214.2	246.5
DPS	1.0	1.5	3.0	3.0	3.0	3.0	3.0	3.0
Payout (%)	20.2	17.1	15.3	12.7	12.7	16.2	12.3	9.7
<b>Valuation (x)</b>								
P/E						35.0	27.0	21.4
Cash P/E						22.2	18.0	14.7
P/BV						4.0	3.6	3.1
EV/Sales						3.6	3.2	2.9
EV/EBITDA						18.3	14.7	12.4
EV/Ton (US\$)						156	132	133
Dividend Yield (%)						0.4	0.4	0.4
<b>Return Ratios (%)</b>								
RoIC	3.4	5.1	10.7	12.8	10.7	9.6	11.4	11.8
RoE	4.7	9.5	18.1	18.9	14.5	12.1	14.1	15.5
RoCE	5.5	7.0	12.6	14.0	11.7	10.0	11.5	12.7
<b>Working Capital Ratios</b>								
Asset Turnover (x)	0.6	0.6	0.6	0.7	0.7	0.8	0.8	0.8
Inventory (Days)	68.9	52.9	56.4	53.5	46.6	39.9	39.9	39.9
Debtor (Days)	26	34	42	45	36	35	35	35
Creditor (Days)	65	74	95	99	93	94	94	94
<b>Leverage Ratio (x)</b>								
Current Ratio	2.1	1.8	1.5	1.4	1.2	1.3	1.2	1.2
Debt/Equity	1.2	1.0	0.7	0.4	0.3	0.3	0.3	0.3

### Cash Flow Statement

(INR Million)

Y/E March	2014	2015	2016	2017	2018	2019	2020E	2021E
OP/(Loss) before Tax	1,543	3,564	6,734	8,502	7,847	7,063	9,283	11,711
Depreciation	3,159	2,723	3,248	2,845	2,922	2,985	3,310	3,849
Interest & Finance Charges	1,781	1,847	1,705	774	436	509	601	738
Direct Taxes Paid	-398	-687	-1,483	-1,894	-1,713	-2,004	-2,599	-3,279
(Inc)/Dec in WC	-1,064	2,126	930	848	1,564	-860	-39	-327
<b>CF from Operations</b>	<b>5,021</b>	<b>9,573</b>	<b>11,134</b>	<b>11,073</b>	<b>11,055</b>	<b>7,693</b>	<b>10,556</b>	<b>12,692</b>
Others	-233	-13	-283	-19	74	0	0	0
<b>CF from Operating incl EO</b>	<b>4,788</b>	<b>9,561</b>	<b>10,851</b>	<b>11,054</b>	<b>11,129</b>	<b>7,693</b>	<b>10,556</b>	<b>12,692</b>
(Inc)/Dec in FA	-5,553	-4,386	-2,771	-3,043	-4,942	-10,369	-12,000	-16,700
<b>Free Cash Flow</b>	<b>-765</b>	<b>5,175</b>	<b>8,080</b>	<b>8,011</b>	<b>6,187</b>	<b>-2,676</b>	<b>-1,444</b>	<b>-4,008</b>
(Pur)/Sale of Investments	5	7	0	0	0	-325	3,000	1,027
Others	142	-438	1,637	-1,151	1,698	1,049	0	0
<b>CF from Investments</b>	<b>-5,406</b>	<b>-4,817</b>	<b>-1,134</b>	<b>-4,194</b>	<b>-3,244</b>	<b>-9,645</b>	<b>-9,000</b>	<b>-15,673</b>
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	2,588	-1,984	-6,517	-5,496	-4,682	3,016	0	4,500
Interest Paid	-1,781	-2,310	-1,621	-1,090	-658	-509	-601	-738
Dividend Paid	-279	-279	-1,291	0	-852	-821	-821	-821
Others	0	0	0	0	-1,681	0	0	0
<b>CF from Fin. Activity</b>	<b>528</b>	<b>-4,573</b>	<b>-9,428</b>	<b>-6,586</b>	<b>-7,872</b>	<b>1,686</b>	<b>-1,423</b>	<b>2,941</b>
<b>Inc/Dec of Cash</b>	<b>-90</b>	<b>171</b>	<b>289</b>	<b>274</b>	<b>13</b>	<b>-266</b>	<b>133</b>	<b>-41</b>
Opening Balance	537	447	618	907	1,181	1,194	928	1,061
<b>Closing Balance</b>	<b>447</b>	<b>618</b>	<b>907</b>	<b>1181</b>	<b>1194</b>	<b>928</b>	<b>1061</b>	<b>1,020</b>

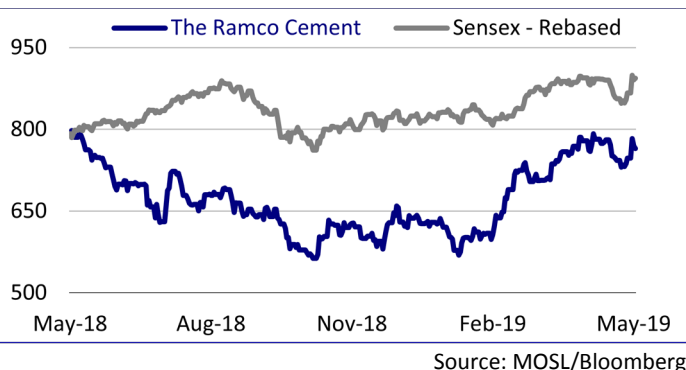
E: MOFSL Estimates

## Corporate profile

### Company description

The Ramco Cements Limited is the flagship company of the Ramco Group headquartered at Chennai. The main product of the company is Portland cement, manufactured in eight state-of-the-art production facilities that includes Integrated Cement plants and Grinding units with a current total production capacity of 17 MTPA. The company also produces Ready Mix Concrete and Dry Mortar products, and operates one of the largest wind farms in the country.

### Exhibit 1: Sensex rebased



### Exhibit 2: Shareholding pattern (%)

	Mar-19	Dec-18	Mar-18
Promoter	42.8	42.8	42.8
DII	26.4	27.0	23.7
FII	11.5	11.4	13.1
Others	19.3	18.9	20.4

Note: FII Includes depository receipts

Source: Capitaline

### Exhibit 3: Top holders

Holder Name	% Holding
L AND T MUTUAL FUND TRUSTEE LIMITED - L AND T CONSERVATIVE HYBRID FUND(THROUGH VARIOUS SUB-ACCOUNTS)	5.4
KOTAK EQUITY HYBRID(THROUGH VARIOUS SUB-ACCOUNTS)	4.4
GOVERNOR, GOVERNMENT OF TAMIL NADU	3.4
SUNDARAM MUTUAL FUND A/C SUNDARAM MID CAP FUND(THROUGH VARIOUS SUB-ACCOUNTS)	2.6
HDFC LIFE INSURANCE COMPANY LIMITED & HDFC LIFE INSURANCE COMPANY LIMITED - SHAREHOLDERS SOLVENCY MARG	2.1

Source: Capitaline

### Exhibit 4: Top management

Name	Designation
P R Venketrama Raja	Chairman & Managing Director
K Selvanayagam	Company Secretary

Source: Capitaline

### Exhibit 5: Directors

Name	Name
Chitra Venkatraman*	M M Venkatachalam*
M B N Rao*	R S Agarwal*
M F Farooqui*	

\*Independent

### Exhibit 6: Auditors

Name	Type
Geeyes & Co	Cost Auditor
Ramakrishana Raja & Co	Statutory
S Krishnamoorthy & Co	Secretarial Audit
SRSV & Associates	Statutory

Source: Capitaline

### Exhibit 7: MOSL forecast v/s consensus

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY20	28.4	27.9	1.7
FY21	35.8	33.7	6.3

Source: Bloomberg



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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